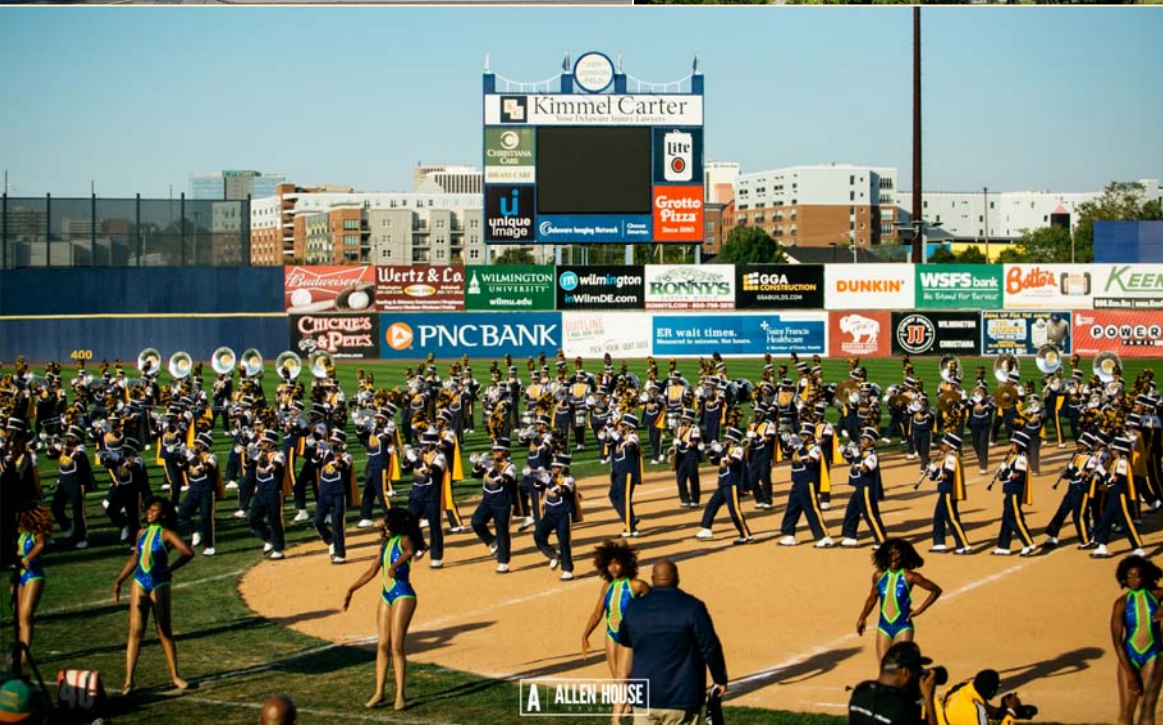


# City of Wilmington

## Annual Budget Fiscal Year 2021



**Michael S. Purzycki, Mayor**



# City of Wilmington Delaware



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## Approved Budget FY 2021

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**Michael S. Purzycki**  
Mayor

Prepared by the  
Office of Management and Budget

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**Fiscal Year 2021 • Approved by City Council • May 28, 2020**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Wilmington  
Delaware**

For the Fiscal Year Beginning

**July 1, 2019**

*Christopher P. Morrill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Wilmington, Delaware for its annual budget for the fiscal year beginning July 1, 2019.

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.

# CITY ADMINISTRATION

**Mayor - Michael S. Purzycki**

**Treasurer - Velda Jones-Potter**

## THE COUNCIL

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

**1st District** ..... Linda Gray

**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** ..... Christofer Johnson

**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

Marchelle Basnight, City Council Chief of Staff

## CITY OFFICIALS

### **Tanya Washington**

Charlotte B. Barnes

Michael Donohue

Jeffrey C. Flynn

Robert M. Goff

Herb M. Inden

Kevin F. Kelley

Demond May

Willie J. Patrick, Jr.

Jeffrey J. Starkey

J. Brett Taylor

Robert J. Tracy

Robert L. Weir

Kelly A. Williams

Terence J. Williams

### **Chief of Staff**

Director of Human Resources

Chief of Fire

Director of Economic Development Office

City Solicitor

Director of Planning

Director of Parks and Recreation

Director of Information Technologies

Director of Emergency Management Office

Commissioner of Licenses & Inspections

Director of Finance

Chief of Police

Director of Real Estate and Housing

Commissioner of Public Works

City Auditor

## OFFICE OF MANAGEMENT & BUDGET

### **Robert S. Greco**

Robert G. Winkeler

George G. Hayford

Stephanie L. Mergler

Daniel P. Owens

### **Budget Director**

Assistant Budget Director

Fiscal & Operations Analyst

Fiscal & Operations Analyst

Fiscal & Operations Analyst



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# City of Wilmington



MICHAEL S. PURZYCKI  
Mayor

## FISCAL YEAR 2021 BUDGET MESSAGE

### **THE COVID-19 CRISIS**

Just a few months ago, I could never have imagined preparing a budget under the circumstances in which we find ourselves now. The unprecedented COVID-19 crisis has shaken the foundation upon which we built our modern society and its economy. Every norm has been questioned. We have been reminded of our many vulnerabilities: our health, the value of our savings, the security of our jobs, and the certainty of our children's education.

While many of us have been through difficult times before, this time feels different, causing us to change the way we act, think, and plan. We are meeting many of the initial challenges brought on by this virus, but we have many more to go. It is a new era which will require enhanced leadership and mutual respect and trust to pull through this together.

There are a lot of people hurting right now and that means our government must stay strong and efficient to provide quality city services for residents and businesses. We will do everything possible to ensure that the detrimental effects of the COVID-19 crisis are not long-lasting for us as residents or for our City as a whole.

When it is safe to do so, we will restart our economy and get people back to work and our children back into a classroom. Our goals also include making sure our business community has an opportunity to thrive again and that our restaurants and arts and entertainment venues reopen as strongly as possible and provide us needed relief from the social isolation of which we are so unaccustomed to.

### **PROGRESS TO BUILD ON**

We can be thankful that over the past few years we have laid a strong foundation to help us weather the worsening financial storm. Our total General Fund balance has increased in the last two fiscal years from \$33.9 million to \$46.6 million, a healthy 28% of our annual General Fund revenue. And we have a budget reserve account of over \$16 million and other unassigned cash of over \$5 million.

Our capital project programming restored the William Hicks Anderson Community Center, Rodney Square, Eden Park, and many of our neighborhood parks. We funded a complete overhaul of one of our firehouses and have made long overdue lobby improvements to the Louis L. Redding City/County Building. Our agreement with Salesianum School has resulted in a \$24 million rebuilding of the old Baynard Stadium,



allowing more public access to the stadium than ever before. Working with DelDOT, our transportation infrastructure is being improved, and the new Transit Center across from the Biden Amtrak train station is now open. Finally, the \$20 million Southbridge wetlands park is well under construction.

The private sector has made enormous investments in the City in recent years totaling hundreds of millions of dollars. The Downtown is unrecognizable from what it once was. There are over 1,000 apartments completed, planned, or under construction. The seven-mile Markell trail was completed from the Riverfront to historic Old New Castle. The \$50 million bridge and road project built across the Christina River will lead directly into the new 76ers Fieldhouse. And construction continues on the Pine Box, a 150,000 square foot sound stage being built on the 7th Street Peninsula.

In the northeast, Reach Riverside and the Housing Authority are together moving ahead on 600 residential units in the Riverside Community. The Warehouse, a teen center built to nurture our young people, has been opened. The Flats continues its ambitious and transformative residential construction project on the City's west side.

Before the pandemic, the Riverfront was thriving, as were the City's three new hotels and the many new restaurants that opened in recent years across the City. While the COVID-19 crisis is bringing devastating financial consequences, we believe the Riverfront and these new businesses are strongly positioned to thrive once again when the crisis has lessened.

Crime has been reduced under the leadership of Police Chief Robert Tracy. Total Part I crime has continued to fall year-over-year since 2017, with homicides in 2019 down 34% from 2017. Our police department is functioning at a very high level in every way, including having the highest levels of community engagement and the best clearance rates in a decade. To help strengthen the positive bond between the people and their police department, we are partnering with the State of Delaware on Group Violence Intervention to give former offenders unprecedented healthy life choices.

Thanks to our clean teams, typically comprising members of the community being served, the streets and our neighborhoods are cleaner than at any time in recent memory. We are hopeful that we can continue to expand this most important service. We have an agreement with Delmarva Power to install LED smart lighting throughout the entire City over this next year, as we did earlier this year in West Center City, making all of our neighborhoods brighter and safer. We are also performing rental inspections on a regular basis for the first time in a decade - 1,700 this past year, thanks to our outstanding Licenses and Inspections personnel.

We have improved the inner workings of the City by installing accountability measures in nearly every department through the use of City Stat, a management tool that employs bi-monthly performance assessments. We are getting ready to launch a paperless digital permitting system that will provide for a far more efficient and user-friendly experience for developers and builders. Through our renewed commitment to being more customer friendly, the average time to pick up our customer service lines has been dramatically reduced from over six minutes to the current 21 seconds.

A 311 Information Call Center and constituent service request tracking system is being beta tested and should be fully operational by September, 2020. The new system will produce a single process within City

government to track constituent questions and service requests to ensure that timely and comprehensive responses are provided to residents and businesses. In addition, the City's website now employs a public information platform called Open Gov where virtually all City financial and capital project data is available in real time to all of our citizens and other interested parties.

We have not done everything perfectly, and we still have a long way to make our government everything it can be, but we can be proud of the progress we have made.

### **BUDGET DISCUSSION**

The COVID-19 pandemic is causing deep stresses in budget forecasts, requiring difficult decisions. Our City depends on a 1.5% wage and net profits tax to fund almost 42% of our operating budget. Because of COVID-19, we foresee a wage and net profits tax revenue loss of about \$6.6 million in FY 2021. And when you add in revenue losses from reduced parking violations, traffic fines, state revenue-sharing, and hotel tax, the total revenue loss for FY 2021 could exceed \$13.5 million. To put that in perspective, this amount is equal to about a 33% increase in property taxes. And that is on top of the projected \$9.0 million revenue loss the City is dealing with in the current fiscal year (FY 2020) which ends June 30, 2020.

The final approved FY 2021 General Fund budget of \$163.5 million is over \$5.6 million smaller than the budget that was first proposed to City Council in March before the COVID-19 crisis had deepened. Working with Council, proposed spending in every department was reduced. The reductions made to the proposed budget included \$2.1 million in health care cost savings and a total of \$3.5 million in cuts from a myriad of other departmental accounts.

Given the magnitude of the revenue losses, even these reductions were not sufficient to balance the budget. Not wanting to further burden our citizens and businesses with tax and fee increases when they could least afford them, we decided it was best to use \$5.4 million from the Tax Stabilization Reserve to close the remaining budget gap.

I think it is likely that the budget will have to be revised again in a few months after the next quarterly revenue totals are tallied. It is becoming clear that unless the federal government assists cities like Wilmington in overcoming revenue shortfalls related to the COVID-19 pandemic (rather than limiting help to supporting just the additional expenses), we will almost certainly be forced to make ever more painful choices about city staffing and services.

Below are the highlights of the FY 2021 General Fund Budget followed by those of the Water/Sewer Fund.

### **General Fund Highlights**

- The FY 2021 operating budget expenditures total **\$163,501,049** – down \$3,886,690 or 2.3% from FY 2020. Even with millions of dollars in cost reductions, because of the projected loss of almost \$13.6 million in revenue due to the COVID-19 pandemic, the budget had to be balanced with the use of \$5.4 million from the Tax Stabilization Reserve. There are no tax or fee increases.
- The budget contains a \$1.8 million allowance for up to a 2.0% cost-of-living-adjustment (COLA) salary increase for eligible employees. In addition, mandatory anniversary salary step increases for certain employees added almost \$610,000 to the budget.

- Staffing decreased by a net total of 0.68 full-time equivalents (FTE). The change in FTE, along with other personnel actions, including changes in grades and salary adjustments, resulted in a total net decrease of just over \$34,000.
- Support for the Wilmington Neighborhood Conservancy Land Bank in the form of a \$1 million grant was added to the budget of the Department of Real Estate & Housing. The Land Bank was established to acquire, manage, and maintain vacant, abandoned, and foreclosed properties to restore and re-purpose them into productive use. To successfully accomplish its mission, the Land Bank requires periodic infusions of cash from the City as outlined in a memorandum of understanding.
- Funding of \$617,300 (\$417,300 in the General Fund - \$200,000 in the Water/Sewer Fund) was added to the budget to complete the implementation of the City's comprehensive 311 Information Call Center and constituent service request tracking system. The completed system will enable citizens to call one number (311) for all non-emergency requests for service and information about city services and programs. The new 311 system will also produce a single process within city government to track constituent questions and service requests to ensure that timely and comprehensive responses are provided to residents and businesses. Lastly, the new system will result in enhanced data collection, allowing managers to better evaluate and improve customer service delivery and the quality of programs.
- To continue Wilmington's Beautiful City Initiative, \$400,000 was allocated to Real Estate & Housing to support the day-employment clean-up program for a third year. This program hires local residents to clean streets and neighborhoods, giving them an opportunity to earn money throughout the summer while providing an important benefit for the entire City.
- The Finance Department entered into a new contract with Conduent to handle all collection activities for parking citations. As a result, the parking citations commission account increased by \$132,500. The Department also renewed its red-light camera citations contract with Conduent, which includes a one-time increase to the flat-rate commission fee charged per red-light camera and the added cost of the 17 new cameras presently in the process of being installed. This resulted in a nearly \$254,800 increase to the red-light commissions account.
- In the Police Department, \$312,000 was added to expand and enhance the neighborhood camera watch program. Ten additional cameras are being purchased at a cost of \$250,000, and will be placed in neighborhoods of the City currently not included in the program. To monitor the ten new cameras and to enable expanded watch hours for existing cameras, \$62,000 for additional third-party personnel was added to the Real-Time Crime Center budget.
- The Motor Vehicle Costs account increased by over \$312,000, driven largely by the expansion of the fleet in the Police, Parks & Recreation, and L&I departments.
- Police Uniforms and Related Equipment increased \$126,000 to allow for the purchase of new Taser equipment and accessories for the upcoming academy class.
- Contracted Maintenance Services in the Police Real-Time Crime Center increased by \$124,700, mostly due to the nearly \$90,000 increase needed to expand *ShotSpotter* into additional areas of the City. *ShotSpotter* is a system that notifies officers of gunshot crimes in progress, with real-time data delivered to dispatch centers, patrol cars, and smart phones.
- Reductions to the Wearing Apparel & Safety Supplies and Accessories & Parts For Equipment accounts totaled to just over \$261,000, with most of the decrease occurring in the Fire Department.

Because of the availability of grants, almost \$106,100 in costs associated mainly with the outfitting of a new fire recruit class was eliminated from the Wearing Apparel & Safety Supplies account. The Accessories & Parts for Equipment account was reduced by \$137,000, as various one-time purchases related to outfitting fire apparatus were completed in FY 2020.

- Temporary Agencies decreased by a net total of \$199,500, and resulted almost entirely from reductions made by the three departments that utilize staffing from temp agencies the most: Finance (\$113,000), Parks & Recreation (\$50,000), and Public Works (\$40,000).
- Temporary Salaries declined by almost \$314,000, attributable almost entirely to reductions in Parks & Recreation (almost \$211,000) and City Council (just over \$93,000). In Parks & Recreation, the Family Matters Coordinator, Summer Camp Director, and Recreation Specialist were eliminated from the William Hicks Anderson Community Center. There was also a major reduction in the work hours and number of temporary staff in the Recreation and Youth & Families Divisions. In City Council, funding for the Strategy & Policy Analyst and the temp front desk receptionist was reduced 80% and 50%, respectively.
- Funding for Consultants was reduced a total of over \$524,000, with cuts occurring in almost every department. The largest reductions came from The Department of Information Technologies (\$179,000), Planning (\$100,000) and Human Resources (\$100,000).
- To meet the requirements of GASB pronouncement #24 (regarding on-behalf payments), annual funding received from the State of Delaware supporting the City's Police and Fire pension trust funds is booked as a pass-through in the General Fund. This means that the State funding is shown as a General Fund revenue source offset by an equal amount budgeted in the State Pension Contribution expenditure accounts in the Police and Fire departments. For FY 2021, the State grant was reduced by almost \$991,000, which in turn reduced the State Pension Contribution account by the same amount.
- Total Debt Service decreased by almost \$2.0 million. The refinancing of two older higher-interest-rate bond issues is projected to save \$3.8 million in FY 2021. That savings more than offset the \$1.7 million increase in new debt service that will result from the anticipated November 2020 bond issuance that will fund the FY 2018 Capital Budget and pay off outstanding bond anticipation notes (BANs).
- Hospitalization (employee healthcare costs) decreased \$2.3 million. This savings was almost evenly split between medical claims (and related costs) and prescription drugs. An analysis by USI, the City's healthcare consultant, projected fewer and less costly medical claims and lower stop-loss insurance costs. Their analysis also indicated that the City could realize up to 30% in prescription savings from rebates and manufacturer discounts.

## Water/Sewer Highlights

- The FY 2021 operating budget expenditures total **\$77,807,833** – down \$117,807, or 0.2% from FY 2020. The FY 2021 Budget continues to support the high-priority initiatives essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware's water supply, especially in times of drought.



- The budget contains a \$276,000 allowance for up to a 2.0% cost-of-living-adjustment (COLA) salary increase for eligible employees. In addition, mandatory anniversary salary step increases for certain employees added almost \$83,400 to the budget.
- Although there was no net change to the FTE count in the Water/Sewer Fund, there were a number of departmental deletions, additions, and upgrades that netted to an overall savings of nearly \$12,000.
- A total of \$970,500 was added to the Repairs to Equipment account in the Water System Division. The largest portion of the increase (\$600,000) is for the replacement of the solar invertors at the Porter Filter Plant and the Turner Building. The remaining increase in funding will support a more aggressive electrical and mechanical preventative maintenance program for pumps and valves at filter plants and pumping stations.
- The Legal account in Public Works was increased \$125,000 to handle the next phase in a lawsuit against the Army Corps of Engineers for unpaid stormwater fees and to cover legal fees associated with the continuing mediation with New Castle County over their unpaid sewage treatment fees.
- Existing debt service decreased by a net \$476,000. In addition, the refinancing of two older higher-interest-rate bond issues is projected to save another \$904,000 in interest costs. These two decreases largely offset the \$1.67 million increase in new debt service as a result of the anticipated November 2020 bond issuance that will fund the FY 2018 Capital Budget and pay off outstanding bond anticipation notes (BANs). Taken together, the above factors net to a modest total increase to Debt Service of just over \$292,500.
- Funding of \$617,300 (\$200,000 in the Water/Sewer Fund - \$417,300 in the General Fund) was added to the budget to complete the implementation of the City's comprehensive 311 Information Call Center and constituent service request tracking system. The completed system will enable citizens to call one number (311) for all non-emergency requests for service and information about city services and programs. The new 311 system will also produce a single process within city government to track constituent questions and service requests to ensure that timely and comprehensive responses are provided to residents and businesses. Lastly, the new system will result in enhanced data collection, allowing managers to better evaluate and improve customer service delivery and the quality of programs.
- Hospitalization (employee healthcare costs) decreased almost \$334,000. This savings was almost evenly split between medical claims (and related costs) and prescription drugs. An analysis by USI, the City's healthcare consultant, projected fewer and less costly medical claims and lower stop-loss insurance costs. Their analysis also indicated that the City could realize up to 30% in prescription savings from rebates and manufacturer discounts
- The City has contracted with a new firm, Jacobs, to operate and maintain the City's sewage treatment plant as well as manage the City's renewable energy bio-solids facility (REBF). These functions, which were previously handled by three separate vendors, will now be administered through a single contract with Jacobs. As a result, Public Works realized a budget savings of over \$1.7 million in Contracted Maintenance Services.
- There are no increases to water, sewer, and stormwater rates.

## WILMINGTON AS A JUST CITY

Every successful city has an aspirational self-image. What is ours? If we aspire to a brand, it is no longer to be the chemical, incorporation, or credit card capital, but to be what Harvard professor Toni Griffin calls a "just" city - one that is prosperous but fair to all of its residents. A city where doors to prosperity are open to all. One where the city is physically designed to create access, not isolation. One where funding for schools is adequate to teach children who come to school carrying every imaginable burden. One where our poorest neighborhoods are as well maintained as our most prosperous neighborhoods, and where our parks and facilities are the very best, not only for those with means and money, but also for our poorest children.

A just city is where our housing stock is maintained and no child grows up living in squalor, where the streets are clean, where the streetlights shine brightly at night, and where there is optimism and hope during the day. This is what a just city looks like to me.

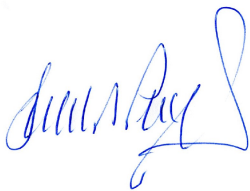
I believe it is why Stephen A. Smith came back to Wilmington this year to broadcast his ESPN show, First Take. When he last came to Wilmington as a guest speaker, he saw a city that cares for the kids who have historically been relegated to the margins. He saw 3,500 of our students at the 76ers fieldhouse applying to Historically Black Colleges and Universities (HBCU), being granted admissions and scholarships that same day, placing our City in the vanguard of cities which support our young leaders of tomorrow. As a result, maybe he felt that Wilmington was indeed striving to be a just city.

## CONCLUSION

The budget presents a baseline of our priorities, planned expenditures, and projected revenues given what we know and what we could foresee at this moment in time. Things are changing at light speed. We have to expect that the budget will need to be revised (perhaps a number of times) as we work with Council to meet the challenges that lie ahead.

Our challenges are real. So real, that I expect long-lasting and profound changes in our society from COVID-19. But I also truly believe that there are too many good things about our City for us to be pessimistic about Wilmington's future. It takes a belief in one another and a commitment to continue working together to remain as aspirational as we can while dealing with our economic and social realities as we find them. I am honored to be your Mayor and look forward to continuing to lead our great City.

Respectfully,



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.*

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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.

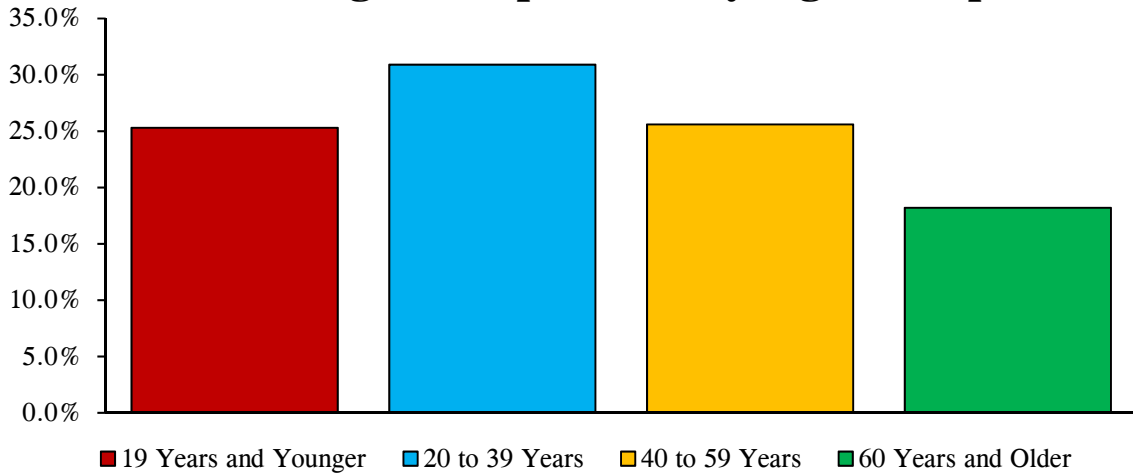
## POPULATION TRENDS

	<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 2018 inflation adjusted dollars)</b>	
\$0 to \$9,999	13.5%
\$10,000 to \$14,999	7.1%
\$15,000 to \$24,999	11.7%
\$25,000 to \$34,999	11.3%
\$35,000 to \$49,999	12.0%
\$50,000 to \$74,999	16.3%
\$75,000 to \$99,999	8.7%
\$100,000 to \$149,999	10.3%
\$150,000 to \$199,999	4.2%
\$200,000 or more	4.9%
<b>MEDIAN HOUSEHOLD INCOME</b>	<b>\$42,854</b>

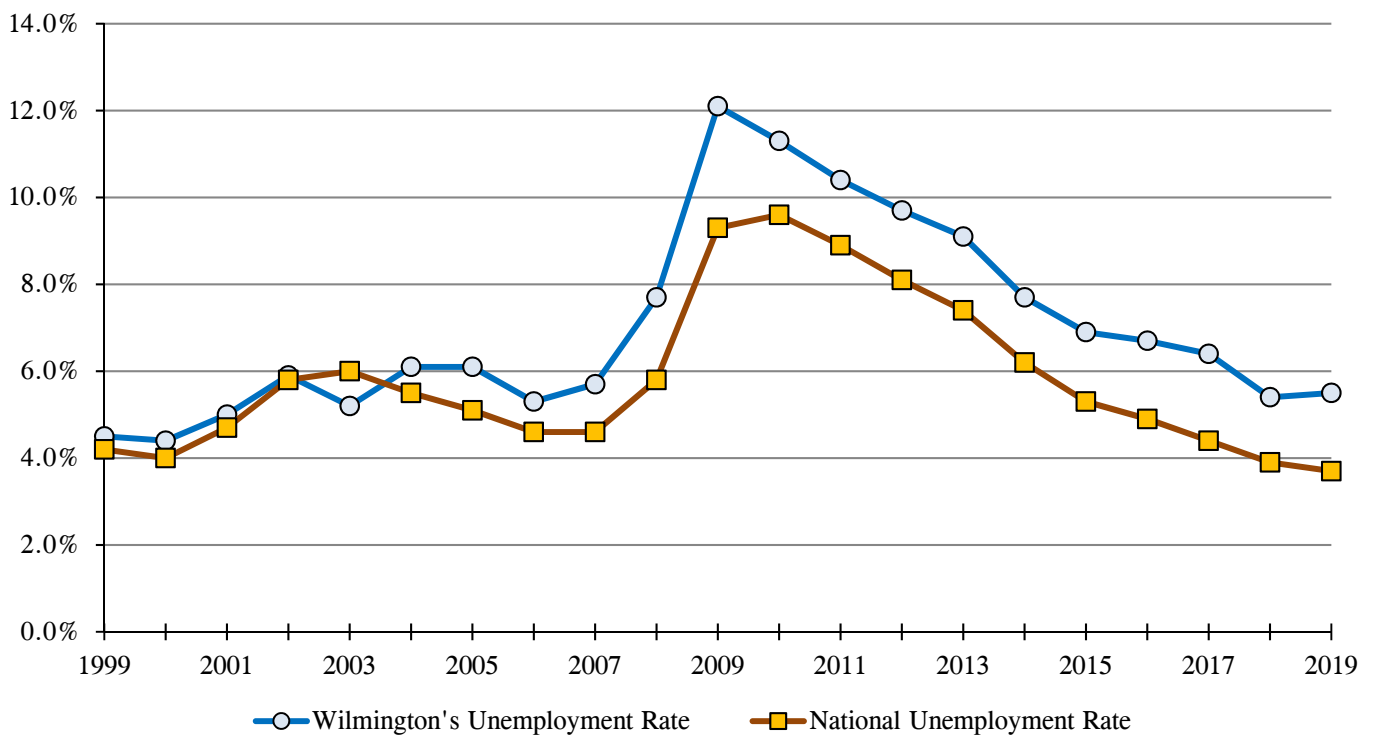
Source: U.S. Census Bureau, 2018 American Community Survey, 5-Year Estimates

## WILMINGTON EMPLOYMENT TRENDS

Employment is a strong indicator of the City of Wilmington's overall health. While the City's unemployment rate has continued to improve, it has remained above the national trend, reflecting the disproportionate impact of today's economy on Wilmington's predominantly youthful population. Higher unemployment leads to an increase in demand for City Services and resources, such as Summer Youth Employment and Policing.

Note that the table below does not include the impact of COVID-19, as annual unemployment data is not yet available for 2020.

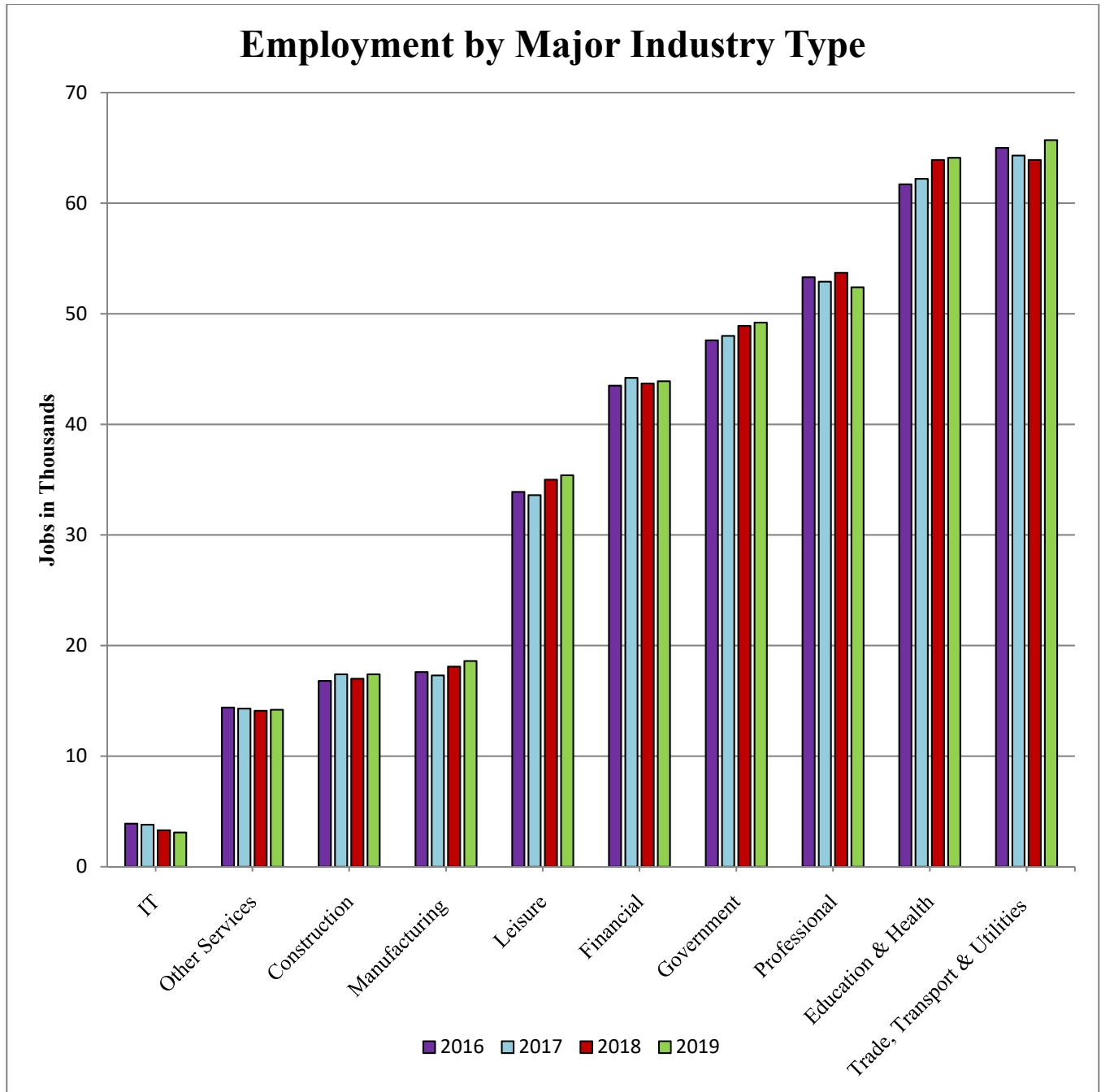
### City of Wilmington's Unemployment Rate (%)



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics & Annual Average Unemployment Rate, 2019.

## 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, 2019.



## WAGE TAX, NET PROFITS TAX, AND HEAD TAX REVENUE

Maintaining the diversity of the City’s revenue sources is an important component in assuring stable income during an economic downturn. While net profits and head tax revenues have varied during the period detailed below, the diversity of the City’s wage tax base has increased or remained stable.

### TOP TEN TAXPAYERS

#### Wage Tax

Calendar Year	Wage Tax Withholdings by Top Ten Taxpayers	Total Wage Tax Withholdings	Top Ten Wage Tax Withholdings as a % of Total
2019	\$21,900,201	\$61,319,939	35.8%
2018	\$21,288,362	\$60,642,799	35.1%
2017	\$22,315,103	\$60,334,780	37.0%
2016	\$21,043,574	\$57,554,177	36.6%
2015	\$25,643,559	\$57,891,999	44.3%

#### Net Profits Tax

Calendar Year	Net Profits Tax Payments by Top Ten Taxpayers	Total Net Profits Tax Payments	Top Ten Net Profits Tax Payments as a % of Total
2019	\$3,111,535	\$4,817,259	64.6%
2018	\$3,541,854	\$6,780,410	52.2%
2017	\$2,969,314	\$6,577,048	45.1%
2016	\$2,910,639	\$5,545,183	52.5%
2015	\$2,556,049	\$5,746,392	44.5%

#### Head Tax

Calendar Year	Head Tax Payments by Top Ten Taxpayers	Total Head Tax Payments	Top Ten Head Tax Payments as a % of Total
2019	\$1,410,165	\$3,507,529	40.2%
2018	\$1,496,160	\$3,758,161	39.8%
2017	\$1,544,280	\$3,853,010	40.1%
2016	\$1,672,275	\$3,926,973	42.6%
2015	\$2,047,830	\$4,260,172	48.1%

Note: CY 2019 Net Profits data is incomplete, as the payment deadline has been extended due to COVID.

Source: City of Wilmington Department of Finance, July 2020.

# WAGE TAX, NET PROFITS TAX, AND HEAD TAX REVENUE

## TAX REMITS GROUPED BY SIZE

Calendar Year 2019

### Wage Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	9	\$20,989,838	34.2%
Between \$100,000 and \$1 million	71	\$18,119,756	29.6%
Between \$10,000 and \$100,000	536	\$14,326,686	23.4%
Less than \$10,000	5,411	\$7,883,659	12.9%
<b>Total</b>	<b>6,027</b>	<b>\$61,319,939</b>	<b>100.0%</b>

### Net Profits Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	-	-	0.0%
Between \$100,000 and \$1 million	7	\$2,839,087	58.9%
Between \$10,000 and \$100,000	34	\$1,151,912	23.9%
Less than \$10,000	1,343	\$826,261	17.2%
<b>Total</b>	<b>1,384</b>	<b>\$4,817,259</b>	<b>100.0%</b>

### Head Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	0	0	0
Between \$100,000 and \$1 million	4	\$979,305	27.9%
Between \$10,000 and \$100,000	61	\$1,640,955	46.8%
Less than \$10,000	529	\$887,269	25.3%
<b>Total</b>	<b>594</b>	<b>\$3,507,529</b>	<b>100.0%</b>

Note: CY 2019 Net Profits data is incomplete, as the payment deadline has been extended due to COVID.

Source: City of Wilmington Department of Finance, July 2020.

## 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 (as of the CY 2019 billings) that, combined, represent almost a sixth of the total taxable assessment value in the City.

Name	Property Type	Taxable Assessment	Percent of Total Taxable Assessment
Buccini Pollin Group	Office & Residential	\$160,519,700	4.49%
JP Morgan Chase	Office Building	56,616,300	1.58%
M&T Bank	Office Building	52,722,360	1.48%
Delmarva Power & Light Co.	Electric & Gas Utility	47,671,700	1.33%
1313 Owner, LLC	Office Building	41,000,000	1.15%
CCI-Bracebridge	Office Building	37,002,700	1.04%
1201 N Market Street, LLC	Office Building	35,000,000	0.98%
Calpine Mid-Atlantic	Electric Generation	32,703,400	0.92%
TRC 300 Delaware, LLC	Office Building	28,548,300	0.80%
VERIZON Delaware, LLC	Utility	23,725,600	0.66%
Variable Annuity Life Inc	Office Building	22,000,000	0.62%
CODE001, LLC	Office Building	20,319,900	0.57%
Bank of America	Office Building	15,674,900	0.44%
<b>Total</b>		<b>\$573,504,860</b>	<b>16.05%</b>

Source: City of Wilmington Department of Finance, July 2020.

## New Construction Permits Issued

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Single-Family</b>	29	47	21	20	18
<b>Multi-Family</b>	6	3	2	1	19
<b>Non-Residential</b>	14	5	4	7	4
<b>Total</b>	<b>49</b>	<b>55</b>	<b>27</b>	<b>28</b>	<b>41</b>

## Total Value of New Construction Activity

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Residential</b>	\$20,039,224	\$51,556,503	\$16,059,413	\$19,440,646	\$74,528,916
<b>Non-Residential</b>	\$67,428,205	\$877,789	\$50,501,425	\$27,175,173	\$21,009,503
<b>Total</b>	<b>\$87,467,429</b>	<b>\$52,434,292</b>	<b>\$66,560,838</b>	<b>\$46,615,819</b>	<b>\$95,538,419</b>

## Renovation Construction Permits Issued

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Residential</b>	2,520	1,492	1,564	1,720	2,551
<b>Non-Residential</b>	413	169	680	465	493
<b>Total</b>	<b>2,933</b>	<b>1,661</b>	<b>2,244</b>	<b>2,691</b>	<b>3,044</b>

## Total Value of Renovation Construction Activity

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Residential</b>	\$53,225,787	\$30,537,265	\$50,501,425	\$55,706,339	\$74,528,916
<b>Non-Residential</b>	\$229,096,394	\$84,915,796	\$163,145,846	\$129,610,607	\$215,101,160
<b>Total</b>	<b>\$282,322,181</b>	<b>\$115,453,061</b>	<b>\$213,647,271</b>	<b>\$142,335,744</b>	<b>\$289,630,076</b>

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

# **ECONOMIC DEVELOPMENT ACTIVITY**

## **Employment**

The unprecedented COVID-19 crisis has plunged the economic outlook of the City into uncertainty, threatening the financial stability of Wilmington residents and businesses. Although it is too soon to predict the full effect that COVID-19 will have on the City's economy, Wilmington is fortunate to begin on a strong foundation.

Prior to the coronavirus outbreak in Delaware, employment was steady. As reported by the Delaware Department of Labor, the total number of jobs in calendar year 2019 within City limits remained level at approximately 50,000. This figure represents the total number of jobs located within the City, regardless of residency. The number of jobs within City limits has averaged close to 50,000 since 2008.

Additionally, in calendar year 2019, the number of employed Wilmington residents was 32,560 (out of a population of about 70,000), its highest point since the mid-2000's. The unemployment rate for City residents at the end of 2019 was 5.1%, trending down from a rolling average of 5.3% in 2018 and 6.4% and 6.7% in 2017 and 2016, respectively. This paralleled the national trend and was consistent with the historical gap of about 2.5 percentage points greater than the State of Delaware unemployment rate of approximately 3.3%.

Unfortunately, unemployment numbers for the first half of calendar year 2020 show the significant impact from COVID-19 on employment in Wilmington. The unemployment rate for City residents increased from 5.9% in January 2020 to 19.9% in May 2020.

To help mitigate the effects of the economic downturn, the Office of Economic Development has been working to assist small businesses with Economic Injury Disaster Loans (EIDL), Paycheck Protection Program (PPP) loans, and the State of Delaware's "HELP Program" for the hospitality sector. The City's nascent restaurant and entertainment districts in the Downtown and Riverfront neighborhoods are ready to reopen as of June 2020. None of the new restaurants opened in 2019 and 2020 have announced closure, yet, as a result of COVID-19.

The resilience of small businesses in the hotel, restaurant, entertainment, and personal services sectors is impressive and inspiring. While the long-term impacts of COVID on the City's Financial Services, Legal, and Government sectors are currently unknown, no major layoffs have been announced as of June 2020. Barclay's Bank's decision to "onshore" 300 customer service jobs to the City that had been previously scheduled for a foreign location is perhaps a sign of future opportunity for a post-COVID Wilmington.

## **Incentive Program**

Through the Strategic Fund Incentive Program, the Office of Economic Development tracks employment figures across 43 companies of varying sizes and types. The wage taxes collected from this "index" of 43 companies has remained steady at \$11 million since 2017. This reliable trend of annual wage taxes generated from the Program is a key indicator of its efficacy. As incentive contracts expire, participating businesses continue to generate wage tax revenue as they grow. Since the initial creation of the Strategic Fund in 2002, the Program has provided nearly \$15 million in incentive payments to businesses, yielding approximately \$102.5 million in Wage Taxes to the City's General Fund.

A \$1.25 million transfer to the Economic Strategic Fund from the Tax Stabilization Reserve portion of the General Fund Balance was approved as part of the FY 2021 Annual Operating Budget Ordinance. Of that amount, \$250,000 is set aside for Small & Minority Business Development.

Land Acquisition and Infrastructure capital projects will receive an infusion of \$3 million in FY 2021 from an anticipated bond issuance. These funds can be utilized to incentivize investments in land and infrastructure projects within the City of Wilmington.

### **Businesses Development**

Delaware is home to a talented financial services and technology workforce, which has its roots in the 1981 State of Delaware Financial Center Development Act and the expansion of the consumer finance and credit card industries that followed. In 2019, Delaware has remained steady with nearly 48,000 jobs in the broad financial activities sector, with about 37,000 jobs in core financial services industries. Accordingly, Wilmington has a deep pool of existing financial services and technology talent.

Nearly one-fourth of the almost 50,000 total jobs located in Wilmington are related to financial and technology services, with sub-type specialization in Consumer Lending, Bank Operations, Digital Banking and User Experience, Risk Management, and Predictive Analytics. This concentration of financial services and technology jobs in the City of Wilmington is represented by a Location Quotient of 5.5, which means that the concentration of financial services and technology jobs in Wilmington is 5.5 times the national average. Wilmington also has a strong pipeline of new financial services and technology talent coming from local colleges and universities, as the roughly 6,000 related degrees awarded in 2018 within a 45-minute drive of Wilmington remained steady in 2019.

The Wilmington corporate banking community remains strong in Wilmington, with national brands like Bank of America, Capital One, JP Morgan Chase, Citi, Navient, and TD Bank having a strong presence in the City. Growth in the sector also includes local corporations such Fairsquare, College Ave, Acorn, Epic Research, Compass Red Analytics, Bounteous, and Carvertise.

Additional business development highlights include:

- Barclays announced in June 2020 the addition of 300 call center jobs along with 23 managerial positions.
- Amtrak purchased the eight-story Renaissance Centre in May 2020 with plans to hire 200 employees.
- Farmers of Salem, a 169-year-old New Jersey insurance company, is moving to Wilmington in 2021 and bringing 52 jobs to the City.
- Corporation Service Co. purchased the five-story PA Railroad office building in January 2020 with multi-million-dollar renovations scheduled to be completed in Fall 2020.
- Carvertise, an innovative advertising company headquartered in Wilmington, announced in December 2019 plans to hire 50 people in Delaware.
- Light Action Productions plans to develop a \$30 million-dollar company headquarters in Wilmington with the intention of hiring 60 workers.
- Challenge Program expanded operations within the Christina Marina resulting in an additional 20 jobs.

### **Housing Development**

The City was fortunate that construction services were considered “essential” by the State of Delaware, which allowed for approximately \$400 million dollars of private development activity to continue in the

Spring and Summer of FY 2020, despite a statewide shutdown due to COVID-19. Investment in the multi-family housing market remains an area of focus for the City. The expansion in this market allows for new residents to relocate to Wilmington, contributing to wage tax growth and expanding the City's professional workforce – a key consideration of business relocation. In total, there are 16 housing projects in development, accounting for 1477 new units in the Downtown, Riverfront, and West Side areas. Multi-family development highlights include:

- Reybold Venture Group plans to develop 240 market-rate apartment units over two phases on a site located at 700 Maryland Ave.
- Solomon's Court received funding from JPMorgan Chase's Partnerships for Raising Opportunity in Neighborhoods, which will result in six housing units and 600 square feet of commercial space during Phase I and 14 housing units and additional commercial space in Phase II.
- The Cooper Building, a four-story, 92-unit building at 2<sup>nd</sup> and Market Streets, has broken ground and is scheduled to start construction in Fall 2020.
- A new seven-story, 208-unit building at 5<sup>th</sup> and Shipley streets is scheduled to start construction in Fall 2020.
- Conversion of the 901 Market Street office building into 60 new market-rate units will start in Fall 2020.
- The Nemours Building Residential Extension, which converted office space at 10<sup>th</sup> and Orange Street into 160 new units, begins leasing in Summer 2020.
- Bancroft Mills, a \$70 million residential development on the south bank of the Brandywine River near Rockford Park, is scheduled to be completed in Summer 2020.
- Development of the Reach Riverside development, Wilmington's first purpose-built community, providing a mix of commercial, retail and residential assets in the Riverside community has entered Phase I of its development plan.
- The \$40 million Galleria at 2000 Pennsylvania Avenue, a mixed-use retail/residential development under construction by the Tsionas Development Corporation near the intersection of Union Street and Pennsylvania Avenue, is scheduled for delivery in Summer 2020.

### **Riverfront Development**

New construction and investment continued on the west side of the Riverfront with the expansion of the Madison and Justison Streets road grid and the creation of a new three-acre development parcel approved for four-story mixed-use development. The new \$50 million bridge connecting the east and west riverfront areas opened in June 2020, which will advance the South Wilmington Master Plan. The State of Delaware has authorized \$60 million dollars of transportation funding for the creation of a new road grid and eight new city blocks on the east side of the Riverfront. Development highlights on the Riverfront include:

- The Southeast Wilmington Wetlands Park is set to open in the Fall of 2020, providing much needed stormwater and environmental protections to the community of Southbridge. The park will also allow for the expansion of the Southeast Wilmington Riverfront.
- Hyatt Place Wilmington officially opened in Fall 2019 with 114 guestrooms, 5,200 square feet of meeting space, and over 6,000 square feet of patio space on the Riverfront.
- Homewood Suites by Hilton opened in Fall 2019 with 120 guestrooms, 475-square-foot meeting rooms, and fully equipped kitchens and dining areas within each suite.
- The River House, a new 145-unit apartment project, is under construction for delivery in late 2022.



## **Conclusion**

Wilmington remains a key component of the \$400 billion Philadelphia-Wilmington-Camden metropolitan economy, enjoying all of the metro-wide area's economic advantages, but with a lower comparable cost-of-living, shorter commutes, and a centralized location that allows easy access to all the major mid-Atlantic metro areas. These fundamental strengths will remain, despite COVID-19. Continued investment in, and transformation of, the City's Downtown, Riverfront, and residential neighborhoods will help Wilmington remain regionally and nationally competitive as the economy reopens.

# **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, the Mayor and department heads are developing the strategic plan goals, objectives, and performance measures on which spending decisions and staffing level requests will be based.

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

For the City, all discretionary personnel budget line items, such as overtime and temporary salaries are zero-based, as 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 the 80% given to 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 composed of ten members appointed by the Mayor. Its membership consists of business, academic, and financial leaders with multifaceted expertise and experience. WEFAC's primary functions are to advise the Mayor on revenue projections and trends, and to provide a sounding board on issues of urban economics. It is important to note that, by law, City Council cannot alter the Mayor's revenue budget projections.

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. Other Appropriations) "*The Council may not make any operating appropriations in addition to those included in the annual operating budget ordinance except:*

- a. *To meet emergencies which could not be anticipated when the operating budget ordinance was passed;*
- b. *To pay the expenses of holding special elections and elections on proposals to amend this Charter;*
- c. *To pay the cost of councilmanic investigations and inquiries and the compensation of attorneys retained by the Council as authorized by this Charter."*

City Council must determine and approve the revenues by which an addition to the budget will be funded.

## **Capital Program and Capital Budget**

Prior to the passage of the annual operating budget ordinance, Council must adopt a capital program and a capital budget. The Capital Program is a six-year plan listing projects for the purchase of property, equipment and public improvements that are of a permanent nature. The Capital Budget enacts spending authority for the first year of projects listed in the six-year Capital Program. Generally, a capital project is fixed in nature, has a relatively long life expectancy, and requires a substantial financial investment. Capital projects traditionally take the form of large-scale physical developments, such as buildings, streets and water mains. However, a wide range of other projects qualify for capital funding consideration, including fire fighting apparatus, street lighting, and computer software. **Please see the [Capital Program](#) section of this document for more details.**

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

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

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

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

## **Accounting and Budgeting Basis**

The City's budget is prepared using the same basis of accounting methods and procedures utilized to prepare the Comprehensive Annual Financial Report (CAFR). The City's CAFR for FY 2019 was awarded the Certificate of Achievement in financial reporting by the Government Financial Officers Association (GFOA).

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.

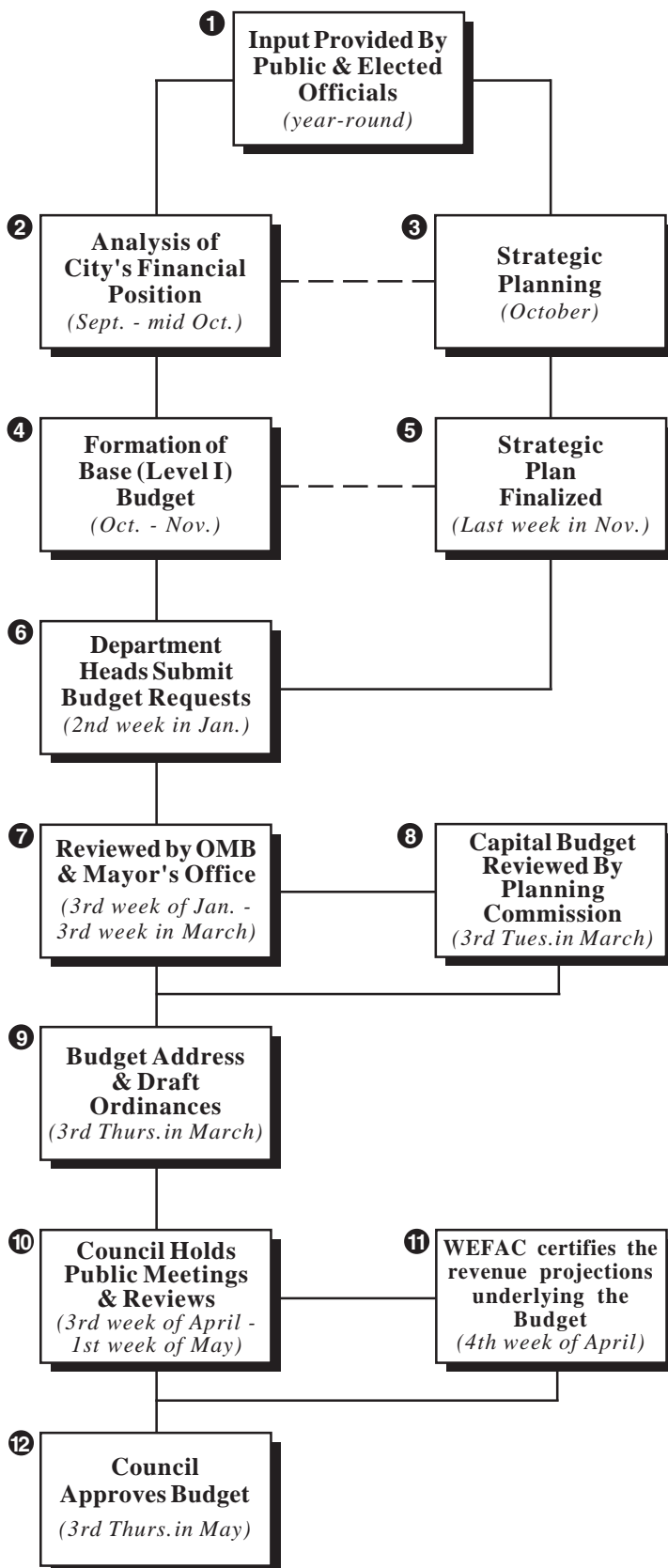
The basis of budgeting for each City fund matches the basis of accounting (the underlying fiscal principles used in the development of the financial statements and for recording financial activity) for that fund. The General, and Special funds are budgeted and operate under a **modified accrual basis** 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 The Mayor and Dept Heads develop strategic plan goals and objectives.
- ④ OMB develops a baseline or Level I budget from historical data, trends, local economy and strategic plan.
- ⑤ Strategic Plan is finalized.
- ⑥ Based on Strategic Plan results and Level I amounts, departments submit budget requests to OMB.
- ⑦ During departmental meetings, OMB and the Mayor's Office review and evaluate requests, making recommendations as to funding.
- ⑧ The Planning Commission, a board of appointed citizens (5) and City officials (2), reviews and recommends a Capital Budget and Program to City Council.
- ⑨ The Mayor submits budget (operating and capital), revenue projections and tax rates for next fiscal year to City Council.
- ⑩ The Finance Committee of City Council holds public meetings on Mayor's proposed budget for each City Dept.
- ⑪ The Wilmington Economic and Financial Advisory Council (WEFAC) reviews, analyzes and certifies the revenue projections underlying the Budget. WEFAC consists of regional business, financial, and academic leaders appointed by the Mayor.
- ⑫ The City Council must approve a balanced budget by June 1 or 30 days prior to start of fiscal year.

# WILMINGTON STRATEGIC PLAN

## **VISION STATEMENT**

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

## **FOCUS AREA**

### **EFFECTIVE CITY GOVERNMENT**

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

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

## **FOCUS AREA**

### **PUBLIC SAFETY**

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

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



**FOCUS AREA**

**ECONOMIC VITALITY**

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

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

**FOCUS AREA**

**QUALITY OF LIFE**

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

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

**MESSAGE ABOUT THE NEW STRATEGIC PLAN PERFORMANCE MEASURES**

Because the City of Wilmington is committed to providing the public with detailed information about its finances and operations, it has partnered with OpenGov to develop an interactive platform that provides easy access to a wide variety of data about the City of Wilmington. Users will find information about how the City spends its money on operations and how it allocates funds for infrastructure and other capital projects. In addition, OpenGov will display dynamic performance data pulled from the City's Strategic Plan.

In order to ensure that the Strategic Plan will be accurate, relevant, and meaningful to constituents and other OpenGov users, the City decided to reevaluate the departmental objectives related to the Strategic Plan in order to meet the following criteria:

1. Can the objective be easily and consistently measured over time?
2. Does the objective measure the department's success in serving the public?
3. Does the objective measure the department's success in improving the quality of life of City residents?

The FY 2021 budget document includes annualized Strategic Plan measurements for each participating department. Because many of the departmental objectives are new, data for prior years is not always available. Included with each departmental Strategic Plan is a link to the department's OpenGov page. This page includes dynamic data for each measurement, while also providing up-to-date information about the department's budget and expenditures. A compilation of these pages may be found here: <http://bit.ly/WDeDSOG>.

## **STATEMENT OF FINANCIAL POLICIES**

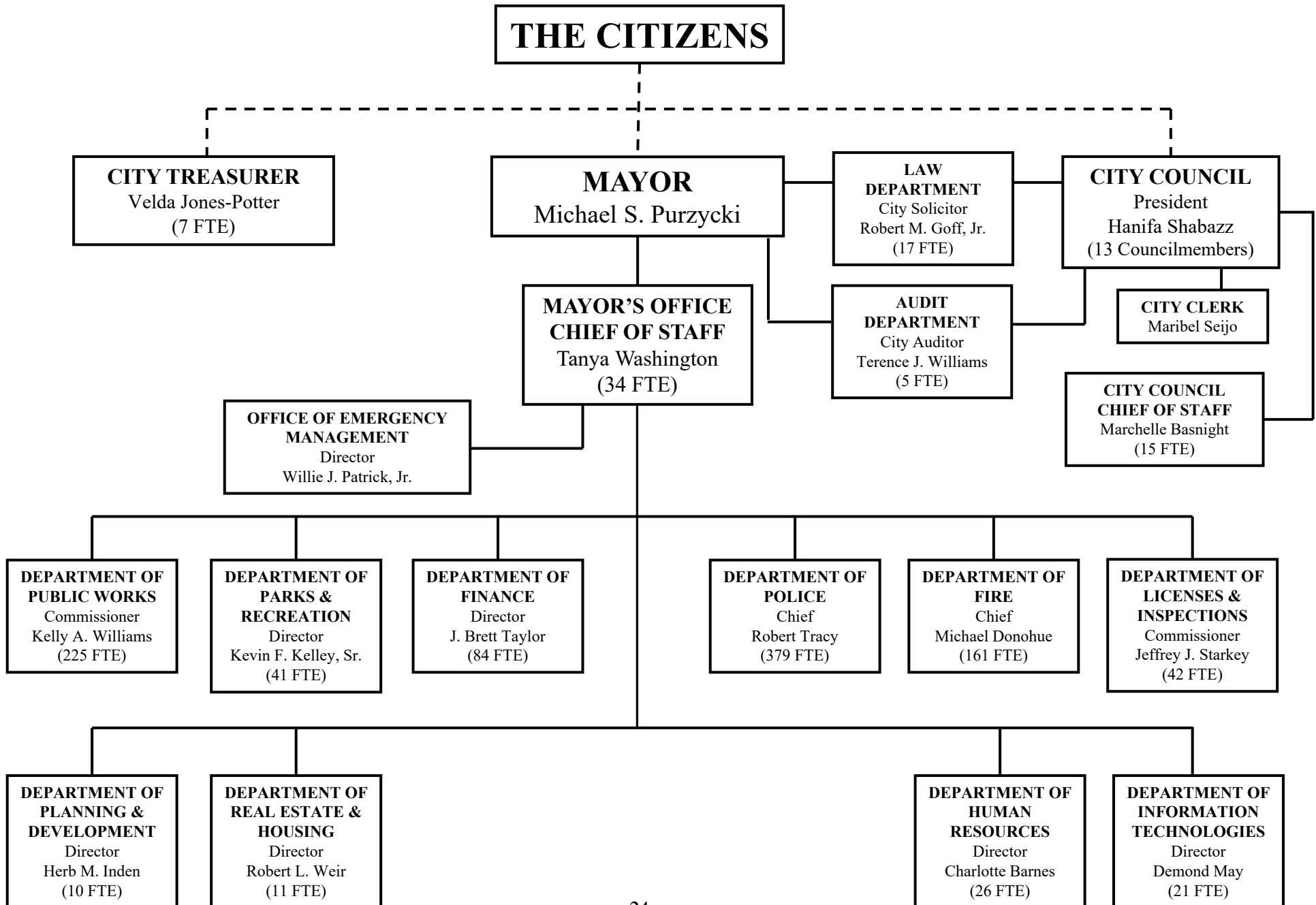
1. The City Code requires that the operating budget be balanced. Operating expenditures cannot exceed the total sum of projected revenues plus use of prior years' accumulated surplus (as approved by Council). Our financial policy extends the Code to include the following:
  - Enterprise Funds shall be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

4. Cost containment shall be achieved by limiting growth of controllable expenses to no more than the increase in related cost indices such as 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 in 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.

Policies are reviewed annually for relevance and are the guidelines used during the strategic planning and budgeting processes. Adherence to the policies is checked on a monthly, quarterly, and annual basis through a number of vehicles, such as the Expenditure Review Board, the Capital Review Committee, the Administrative Board, and the Wilmington Economic and Financial Advisory Council (WEFAC).

# CITY OF WILMINGTON ORGANIZATION CHART

WITH DEPARTMENT STAFFING SHOWN IN FULL TIME EQUIVALENT (FTE) POSITIONS



## DESCRIPTION OF APPROPRIATED FUNDS

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

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

- **State Aid to Local Law Enforcement (SALLE) Funds** are State of Delaware grants to be used for specific policing programs.
- **Parks Trust Fund** reflects contributions to the City from trusts to be used in the maintenance and improvement of specific City-owned parks. Only the contribution from the trusts to the City are appropriated and shown in the budget.
- **Municipal Street Aid Fund** reflects the fiscal activities regarding a special State of Delaware appropriation for Street maintenance.
- **Parks Assistance Fund** represents City activities in summer youth programs, senior programs, and other recreational and meal programs funded through federal and state grants.
- **HUD Section 8 Funds** are used exclusively for rental subsidies for aged and economically disadvantaged persons. Funding is obtained from the U.S. Department of Housing and Urban Development (HUD).
- **Community Development Block Grant (CDBG) Funds** are federally-funded activities administered by City staff and subrecipients for urban renewal and development.
- **Home Partnership Funds** are federal funds that address a variety of housing assistance programs to benefit low-to-moderate income City residents.
- **Pension Administration Funds** shown in the budget reflect the costs related to the administration of the City's five employee pension plans. The pension fiduciary trust funds themselves (including pension payroll and investment income) are not appropriated by City Council, but are controlled by an independent Board of Pensions.
- **Emergency Shelter Grant** is designed to improve the quality of emergency shelters for the homeless. Funding for this program is awarded through HUD.
- **Local Law Enforcement Block Grant (LLEBG)** is awarded by the United States Department of Justice to be used by local Police jurisdictions to enhance crime prevention and deployment.
- **New Castle County (NCC) Police Grant; NCC Fire Grant** are grants provided by New Castle County for supporting City policing operations, new Fire apparatus, and ambulance subsidy payments.
- **Delaware State Fire Grant** is provided by the State of Delaware to all fire departments throughout the State to assist them in purchasing specialized gear and equipment and to provide funding for specific safety training programs.

## **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.

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

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

Then in February of 2002, the Port and City entered into an agreement whereby the State would pay the City a lump sum of \$8 million to pay off the remaining mortgage payments owed to the City by the Port. The debt service reimbursement portion of the previous agreement was unaffected by this lump sum prepayment. State law dictated, however, that the remaining fund balance of the Commerce Fund had to be used by the City exclusively for economic development activities.

## **DESCRIPTION OF APPROPRIATED FUNDS**

(continued)

Thus, it was the mandated policy that the fund balance of the Commerce fund continue to be drawn down for economic development activities until the fund balance was depleted. Once the fund balance was spent down, as planned, those economic development activities and costs would be merged into the General Fund.

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

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

- **Administrative Services:** Communications; Data Processing; Duplication and Reproduction; Mail Services; Mapping and Graphics; Motor Vehicle; Word Processing. In FY 2020, all Administrative Services Funds, except for the Motor Vehicle Fund, were eliminated and their activities transferred into the General Fund as part of the new Department of Information Technologies.
- **Self-Insurance:** Risk Management; Workers' Compensation; Health and Welfare (Employee Healthcare)

### **Funding Appropriation**

The City's Non-Special Funds are appropriated through the Budget Process and approved by City Council through City Ordinance.

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

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





# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2021**

#### **The General Fund**

- The FY 2021 operating budget expenditures total **\$163,501,049** – down \$3,886,690 or 2.3% from FY 2020. Even with millions of dollars in cost reductions, because of the projected loss of almost \$13.6 million in revenue due to the COVID-19 pandemic, the budget had to be balanced with the use of \$5.4 million from the Tax Stabilization Reserve.
- The budget contains a \$1.8 million allowance for up to a 2.0% cost-of-living-adjustment (COLA) salary increase for eligible employees. In addition, mandatory anniversary salary step increases for certain employees added almost \$610,000 to the budget.
- Staffing decreased by a net total of 0.68 full-time equivalents (FTE). The change in FTE, along with other personnel actions, including changes in grades and salary adjustments, resulted in a total net decrease of about \$34,000.
  - City Council increased by 0.05 FTE. The split-funded (95% General Fund - 5% CATV Fund) CFO & Policy Advisor position was deleted and replaced with the position of Strategy & Policy Director (funded 100% in the General Fund). The result is a small net increase of just under \$2,900.
  - The Human Resources Department deleted the position of Employee Engagement Administrator that was added mid-year FY 2019, but never filled. A new position of HRIS Coordinator was created to supplement the payroll processing function because of the delay in the transfer of that function to a third-party vendor. The net effect is a savings of just over \$4,300.
  - Five split-funded (General Fund - Federal HUD Funds) positions in Real Estate & Housing had their funding reallocated, with the result being a 1.27 FTE increase to the General Fund and a commensurate FTE decrease to the HUD funds. Per federal regulations, no more than 20% of HUD-related funding may be used to pay for administrative costs. The funding reallocations were done to properly comply with that limit and resulted in almost \$117,700 of costs being transferred into the General Fund.
  - Two split-funded (50% General Fund - 50% Water/Sewer Fund) General Laborer II positions were added in Public Works for a net General Fund FTE increase of 1.00. These positions will be assigned to the Street Maintenance and Sewer Maintenance divisions. The cost to the General Fund is just over \$65,600.
  - In the Parks & Recreation Department, a vacant Labor Foreman I position in Union Local 320 (blue-collar workers) was deleted and replaced with a Labor Foreman II position that will be in Union Local 1102 (white-collar workers). The net cost is just under \$11,300.
  - A Plans Examiner position was deleted in the Department of Licenses & Inspections, reducing staffing by 1.00 FTE and saving just over \$95,500.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2021**

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

- The Police Department decreased a net 1.00 FTE, saving almost \$63,800. To better respond to changing demands in the Communications Division, a Teleserve Operator position was deleted and replaced with an additional Emergency Call Operator, resulting in a net increase of just over \$4,000. This small increase was more than offset by almost \$67,800 in savings resulting from the deletion of a Communications & Data Specialist position.
- In the Department of Integrated Technologies, a Document Management Technician was eliminated, saving almost \$67,800 and reducing staffing by 1.00 FTE.
- Support for the Wilmington Neighborhood Conservancy Land Bank in the form of a \$1 million grant was added to the budget of the Department of Real Estate & Housing. The Land Bank was established to acquire, manage, and maintain vacant, abandoned, and foreclosed properties to restore and re-purpose them into productive use. To successfully accomplish its mission, the Land Bank requires periodic infusions of cash from the City as outlined in a memorandum of understanding.
- Funding of \$617,300 (\$417,300 in the General Fund - \$200,000 in the Water/Sewer Fund) was added to the budget to complete the implementation of the City's comprehensive 311 Information Call Center and constituent service request tracking system. The completed system will enable citizens to call one number (311) for all non-emergency requests for service and information about city services and programs. The new 311 system will also produce a single process within city government to track constituent questions and service requests to ensure that timely and comprehensive responses are provided to residents and businesses. Lastly, the new system will result in enhanced data collection, allowing managers to better evaluate and improve customer service delivery and the quality of programs.
- To continue Wilmington's Beautiful City Initiative, \$400,000 was allocated to Real Estate & Housing to support the day-employment clean-up program for a third year. This program hires local residents to clean streets and neighborhoods, giving them an opportunity to earn money throughout the summer while providing an important benefit for the entire City.
- The Finance Department entered into a new contract with Conduent to handle all collection activities for parking citations. As a result, the parking citations commission account increased by \$132,500. The Department also renewed its red-light camera citations contract with Conduent, which includes a one-time increase to the flat-rate commission fee charged per red-light camera and the added cost of the 17 new cameras presently in the process of being installed. This resulted in a nearly \$254,800 increase to the red-light commissions account.
- In the Police Department, \$312,000 was added to expand and enhance the neighborhood camera watch program. Ten additional cameras are being purchased at a cost of \$250,000, and will be placed in neighborhoods of the City currently not included in the program. To monitor the ten new cameras and to enable expanded watch hours for existing cameras, \$62,000 for additional third-party personnel was added to the Real-Time Crime Center budget.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2021**

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

- The Motor Vehicle Costs account increased by over \$312,000, driven largely by the expansion of the fleet in the Police, Parks & Recreation, and L&I departments.
- Police Uniforms and Related Equipment increased \$126,000 to allow for the purchase of new Taser equipment and accessories for the upcoming academy class.
- Contracted Maintenance Services in the Police Real-Time Crime Center increased by \$124,700, mostly due to the nearly \$90,000 increase needed to expand *ShotSpotter* into additional areas of the City. *ShotSpotter* is a system that notifies officers of gunshot crimes in progress, with real-time data delivered to dispatch centers, patrol cars, and smart phones.
- Reductions to the Wearing Apparel & Safety Supplies and Accessories & Parts For Equipment accounts totaled to just over \$261,000, with most of the decrease occurring in the Fire Department. Because of the availability of grants, almost \$106,100 in costs associated mainly with the outfitting of a new fire recruit class was eliminated from the Wearing Apparel & Safety Supplies account. The Accessories & Parts for Equipment account was reduced by \$137,000, as various one-time purchases related to outfitting fire apparatus were completed in FY 2020.
- Temporary Agencies decreased by a net total of \$199,500, and resulted almost entirely from reductions made by the three departments that utilize staffing from temp agencies the most: Finance (\$113,000), Parks & Recreation (\$50,000), and Public Works (\$40,000).
- Temporary Salaries declined by almost \$314,000, attributable almost entirely to reductions in Parks & Recreation (almost \$211,000) and City Council (just over \$93,000). In Parks & Recreation, the Family Matters Coordinator, Summer Camp Director, and Recreation Specialist were eliminated from the William Hicks Anderson Community Center. There was also a major reduction in the work hours and number of temporary staff in the Recreation and Youth & Families Divisions. In City Council, funding for the Strategy & Policy Analyst and the receptionist at the front desk was reduced 80% and 50%, respectively.
- Funding for Consultants was reduced a total of over \$524,000, with cuts occurring in almost every department. The largest reductions came from The Department of Information Technologies (\$179,000), Planning (\$100,000) and Human Resources (\$100,000).
- To meet the requirements of GASB pronouncement #24 (regarding on-behalf payments), annual funding received from the State of Delaware supporting the City's Police and Fire pension trust funds is booked as a pass-through in the General Fund. This means that the State funding is shown as a General Fund revenue source offset by an equal amount budgeted in the State Pension Contribution expenditure accounts in the Police and Fire departments. For FY 2021, the State grant was reduced by almost \$991,000, which in turn reduced the State Pension Contribution account by the same amount.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2021**

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

- Total Debt Service decreased by almost \$2.0 million. The refinancing of two older higher-interest-rate bond issues is projected to save \$3.8 million in FY 2021. That savings more than offset the \$1.7 million increase in new debt service that will result from the anticipated November 2020 bond issuance that will fund the FY 2018 Capital Budget and pay off outstanding bond anticipation notes (BANs).
- Hospitalization (employee healthcare costs) decreased \$2.3 million. This savings was almost evenly split between medical claims (and related costs) and prescription drugs. An analysis by USI, the City's healthcare consultant, projected fewer and less costly medical claims and lower stop-loss insurance costs. Their analysis also indicated that the City could realize up to 30% in prescription savings from rebates and manufacturer discounts.

# **BUDGET HIGHLIGHTS**

## **CITY OF WILMINGTON**

### **FISCAL YEAR 2021**

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

- The FY 2021 operating budget expenditures total **\$77,807,833** – down \$117,807, or 0.2% from FY 2020. The FY 2021 Budget continues to support the high-priority initiatives essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware’s water supply, especially in times of drought.
- The budget contains a \$276,000 allowance for up to a 2.0% cost-of-living-adjustment (COLA) salary increase for eligible employees. In addition, mandatory anniversary salary step increases for certain employees added almost \$83,400 to the budget.
- Although there was no net change to the FTE count in the Water/Sewer Fund, there were a number of departmental deletions, additions, and upgrades that netted to an overall savings of almost \$12,000.
  - The Finance Department decreased by 1.00 FTE with the deletion of a Meter Reader position, saving just over \$76,500.
  - In the Public Works Department, there was a net increase of 1.00 FTE. Two split-funded (50% General Fund - 50% Water/Sewer Fund) General Laborer II positions were added for a net FTE increase of 1.00 at a cost of just over \$65,600. These positions will be assigned to the Street Maintenance and Sewer Maintenance divisions. In the Water System Division, the following changes took place: A Maintenance Mechanic III position was added at a cost of almost \$69,000, but that cost was more than offset by the deletion of a Plant Mechanic position for a savings of just under \$74,600. A Labor Foreman II position was upgraded to a Water System Valve Technician (Grade H to Grade J) for an increase of \$790. The vacant Water Production Supervisor position was upgraded (Grade O to Grade Q) at a cost of \$430. Finally, the Assistant Water Production Supervisor position was upgraded (Grade N to Grade P), for an increase of about \$3,400. The effect of all the changes in the Department was a net increase of just over \$64,600.
- A total of \$970,500 was added to the Repairs to Equipment account in the Water System Division. The largest portion of the increase (\$600,000) is for the replacement of the solar invertors at the Porter Filter Plant and the Turner Building. The remaining increase in funding will support a more aggressive electrical and mechanical preventative maintenance program for pumps and valves at filter plants and pumping stations.
- The Legal account in Public Works was increased \$125,000 to handle the next phase in a lawsuit against the Army Corps of Engineers for unpaid stormwater fees and to cover legal fees associated with the continuing mediation with New Castle County over their unpaid sewage treatment fees.

## **BUDGET HIGHLIGHTS**

### **CITY OF WILMINGTON**

### **FISCAL YEAR 2021**

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

- Existing debt service decreased by a net \$476,000. In addition, the refinancing of two older higher-interest-rate bond issues is projected to save another \$904,000 in interest costs. These two decreases largely offset the \$1.67 million increase in new debt service as a result of the anticipated November 2020 bond issuance that will fund the FY 2018 Capital Budget and pay off outstanding bond anticipation notes (BANs). Taken together, the above factors net to a modest total increase to Debt Service of just over \$292,500.
- Funding of \$617,300 (\$200,000 in the Water/Sewer Fund - \$417,300 in the General Fund) was added to the budget to complete the implementation of the City's comprehensive 311 Information Call Center and constituent service request tracking system. The completed system will enable citizens to call one number (311) for all non-emergency requests for service and information about city services and programs. The new 311 system will also produce a single process within city government to track constituent questions and service requests to ensure that timely and comprehensive responses are provided to residents and businesses. Lastly, the new system will result in enhanced data collection, allowing managers to better evaluate and improve customer service delivery and the quality of programs.
- Hospitalization (employee healthcare costs) decreased almost \$334,000. This savings was almost evenly split between medical claims (and related costs) and prescription drugs. An analysis by USI, the City's healthcare consultant, projected fewer and less costly medical claims and lower stop-loss insurance costs. Their analysis also indicated that the City could realize up to 30% in prescription savings from rebates and manufacturer discounts.
- The City has contracted with a new firm, Jacobs, to operate and maintain the City's sewage treatment plant as well as manage the City's renewable energy bio-solids facility (REBF). These functions, which were previously handled by three separate vendors, will now be administered through a single contract with Jacobs. As a result, Public Works realized a budget savings of over \$1.7 million in Contracted Maintenance Services.
- There are no increases to water, sewer, and stormwater rates.





## SUMMARY OF COMBINED STATEMENT OF REVENUES

REVENUES	ACTUAL FY 2017	ACTUAL FY 2018	ACTUAL FY 2019	BUDGET FY 2020	APPROVED FY 2021
<b>General Fund</b>					
Taxes	\$116,742,811	\$118,405,079	\$119,352,688	\$120,900,615	\$113,960,832
Permits, Fees & Fines	10,682,706	11,472,285	11,727,418	14,207,290	12,037,613
Other	8,475,993	8,533,040	10,895,178	11,402,383	10,722,103
Task Force Revenues	5,113,278	5,497,897	5,775,578	5,883,626	5,063,006
County Seat Relief	10,216,881	10,390,282	11,547,947	11,088,839	10,876,287
State Pension Contributions	5,349,684	6,189,899	5,199,177	6,189,900	5,199,177
Transfers In	275,000	275,000	275,000	275,000	275,000
<b>Subtotal</b>	<b>156,856,353</b>	<b>160,763,482</b>	<b>164,772,986</b>	<b>169,947,653</b>	<b>158,134,018</b>
<b>Water/Sewer Fund</b>					
Direct User Charges	57,802,560	60,804,179	61,890,104	62,970,000	56,239,541
New Castle County Charges	22,543,855	21,522,899	21,599,273	19,578,000	21,882,000
Other	3,244,470	1,002,879	1,253,701	1,115,000	1,095,000
<b>Subtotal</b>	<b>83,590,885</b>	<b>83,329,957</b>	<b>84,743,078</b>	<b>83,663,000</b>	<b>79,216,541</b>
<b>Special Funds</b>					
Fed./State/County Grants	8,207,324	8,175,095	8,264,215	6,669,223	7,986,292
Other	5,888,799	5,834,526	6,031,621	6,431,743	6,726,138
<b>Subtotal</b>	<b>14,096,123</b>	<b>14,009,621</b>	<b>14,295,836</b>	<b>13,100,966</b>	<b>14,712,430</b>
<b>Total Revenues</b>	<b>\$254,543,361</b>	<b>\$258,103,060</b>	<b>\$263,811,900</b>	<b>\$266,711,619</b>	<b>\$252,062,989</b>

## SUMMARY OF COMBINED STATEMENT OF EXPENDITURES

EXPENDITURES	ACTUAL FY 2017	ACTUAL FY 2018	ACTUAL FY 2019	BUDGET FY 2020	APPROVED FY 2021
<b>General Fund</b>					
Personal Services	\$108,889,512	\$104,554,957	\$102,807,955	\$112,291,780	\$110,038,457
M. S. & E.	40,648,141	37,735,560	40,758,627	40,011,459	40,401,952
Debt Service	13,567,340	12,220,563	12,915,483	14,086,000	12,124,255
Other	636,864	291,027	270,305	998,500	936,385
<b>Subtotal</b>	<b>163,741,857</b>	<b>154,802,107</b>	<b>156,752,370</b>	<b>167,387,739</b>	<b>163,501,049</b>
<b>Water/Sewer Fund</b>					
Personal Services	10,385,770	10,611,500	11,088,101	11,910,509	11,754,652
M. S. & E.	44,582,110	47,904,692	49,110,955	50,716,508	50,296,647
Debt Service	6,505,585	5,579,777	5,028,632	6,309,048	6,601,551
Other	8,624,864	8,989,575	9,154,983	8,989,575	9,154,983
<b>Subtotal</b>	<b>70,098,329</b>	<b>73,085,544</b>	<b>74,382,671</b>	<b>77,925,640</b>	<b>77,807,833</b>
<b>Special Funds</b>					
Personal Services	4,007,099	4,271,479	4,110,861	3,696,847	4,220,294
M. S. & E.	4,245,414	4,303,954	4,198,679	3,764,887	3,681,588
Debt Service	27,761	51,209	101,630	35,534	35,831
Other	5,544,831	5,110,234	5,928,525	5,616,297	6,761,746
<b>Subtotal</b>	<b>13,825,105</b>	<b>13,736,876</b>	<b>14,339,695</b>	<b>13,113,565</b>	<b>14,699,459</b>
<b>Total Expenditures</b>	<b>\$247,665,291</b>	<b>\$241,624,527</b>	<b>\$245,474,736</b>	<b>\$258,426,944</b>	<b>\$256,008,341</b>
<b>INCOME/(LOSS)<sup>1</sup></b>					
General Fund <sup>2</sup>	(6,885,504)	5,961,375	8,020,616	2,559,914	(5,367,031)
Water/Sewer Fund	13,492,556	10,244,413	10,360,407	5,737,360	1,408,708
Special Funds	271,018	272,745	(43,859)	(12,599)	12,971
<b>Total Income/(Loss)</b>	<b>\$6,878,070</b>	<b>\$16,478,533</b>	<b>\$18,337,164</b>	<b>\$8,284,675</b>	<b>(\$3,945,352)</b>

1. Before use of reserves or prior year surpluses.

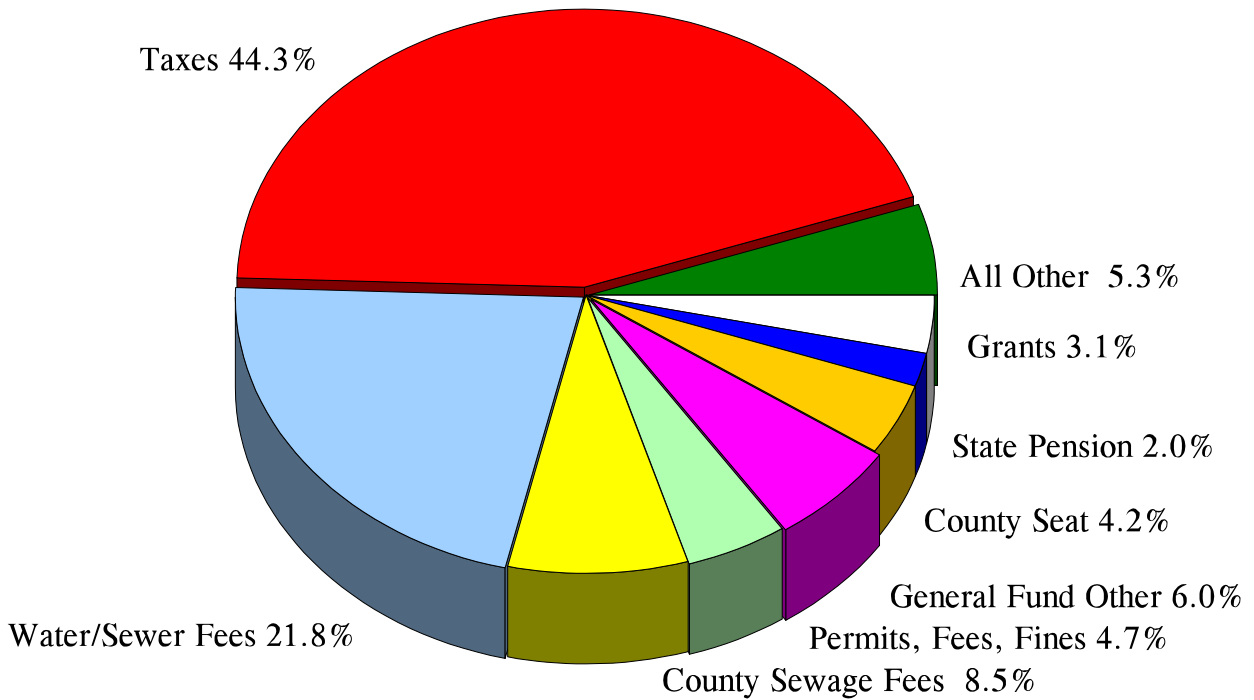
2. General Fund FY 2021 budget was balanced with the use of \$5,367,031 from the Tax Stabilization Reserve.

**SUMMARY ALL FUNDS COMBINED  
FISCAL YEAR 2021**

<b>Revenues</b>	<b>Actual FY 2018</b>	<b>Actual FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Percent Change FY'21-'20</b>	<b>Page Reference*</b>
Taxes	\$118,405,079	\$119,352,688	\$120,900,615	\$113,960,832	-5.7%	40
Permits, Fees, Fines	11,472,285	11,727,418	14,207,290	12,037,613	-15.3%	40
Task Force Revenues	5,497,897	5,775,578	5,883,626	5,063,006	-13.9%	40
County Seat Relief	10,390,282	11,547,947	11,088,839	10,876,287	-1.9%	40
State Pension Contr.	6,189,899	5,199,177	6,189,900	5,199,177	-16.0%	40
General Fund Other	8,418,806	10,773,604	11,081,027	15,493,277	39.8%	40
Water/Sewer Fees	60,804,179	61,890,104	62,970,000	56,239,541	-10.7%	44
County Sewage Fees	21,522,899	21,599,273	19,578,000	21,882,000	11.8%	44
Water/Sewer Other	1,002,879	1,253,701	1,115,000	1,095,000	-1.8%	44
Port Debt Reimburse.	389,234	396,574	596,356	870,857	46.0%	40
Special Funds Grants	8,175,095	8,264,215	6,669,223	7,986,292	19.7%	42
Special Funds Other	5,834,526	6,031,621	6,431,743	6,726,138	4.6%	42
<b>Total Revenues</b>	<b><u>\$258,103,060</u></b>	<b><u>\$263,811,900</u></b>	<b><u>\$266,711,619</u></b>	<b><u>\$257,430,020</u></b>	<b><u>-3.5%</u></b>	

\* See page listed for further information and details.

**Revenues All Funds  
Fiscal Year 2021**

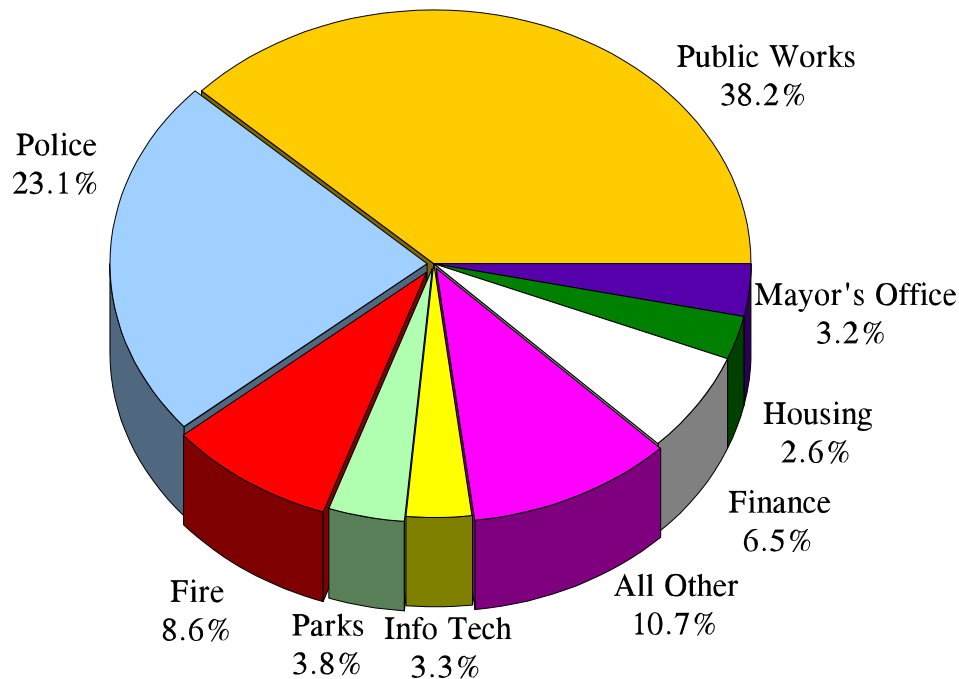


## SUMMARY OF ALL FUNDS COMBINED FISCAL YEAR 2021

<u>Expenditures</u>	<u>Actual FY 2018</u>	<u>Actual FY 2019</u>	<u>Budget FY 2020</u>	<u>Budget FY 2021</u>	<u>Percent Change FY'21-'20</u>	<u>Page Reference*</u>
Mayor's Office	\$9,821,825	\$9,960,007	\$9,312,852	\$8,309,243	-10.8%	95
Council	2,994,242	3,214,036	3,210,721	2,737,212	-14.7%	105
Treasurer	5,155,582	5,425,879	5,660,444	6,079,689	7.4%	111
Planning	1,547,023	1,895,497	1,626,651	1,483,501	-8.8%	119
Audit	801,028	933,300	900,219	956,341	6.2%	128
Law	2,881,761	2,828,029	2,649,858	2,543,255	-4.0%	131
Finance	13,994,305	15,246,790	16,442,794	16,550,683	0.7%	137
Human Resources	1,991,580	2,137,850	2,354,983	2,174,869	-7.6%	149
Licenses & Inspections	4,689,782	5,398,788	5,560,768	5,469,246	-1.6%	161
Parks & Recreation	10,320,964	10,292,395	10,522,274	9,684,619	-8.0%	171
Fire	23,436,377	22,556,894	21,701,448	22,039,549	1.6%	185
Police	60,030,743	60,163,058	59,012,703	59,033,541	0.0%	199
Public Works	92,965,729	94,496,129	98,451,007	97,818,981	-0.6%	210
Real Estate & Housing	4,299,213	5,225,246	4,860,442	6,681,523	37.5%	230
Commerce (Port Debt)	504,473	501,661	720,226	73,269	-89.8%	245
Information Tech.	0	0	8,577,654	8,501,643	-0.9%	247
State Pension Contr.	6,189,900	5,199,177	6,189,900	5,199,177	-16.0%	186 & 200
Contingent Reserves	0	0	672,000	672,000	0.0%	95
<b>Total Expenditures</b>	<b><u>\$241,624,527</u></b>	<b><u>\$245,474,736</u></b>	<b><u>\$258,426,944</u></b>	<b><u>\$256,008,341</u></b>	<b><u>-0.9%</u></b>	

\* See page listed for further information and details.

## Expenditures All Funds Fiscal Year 2021



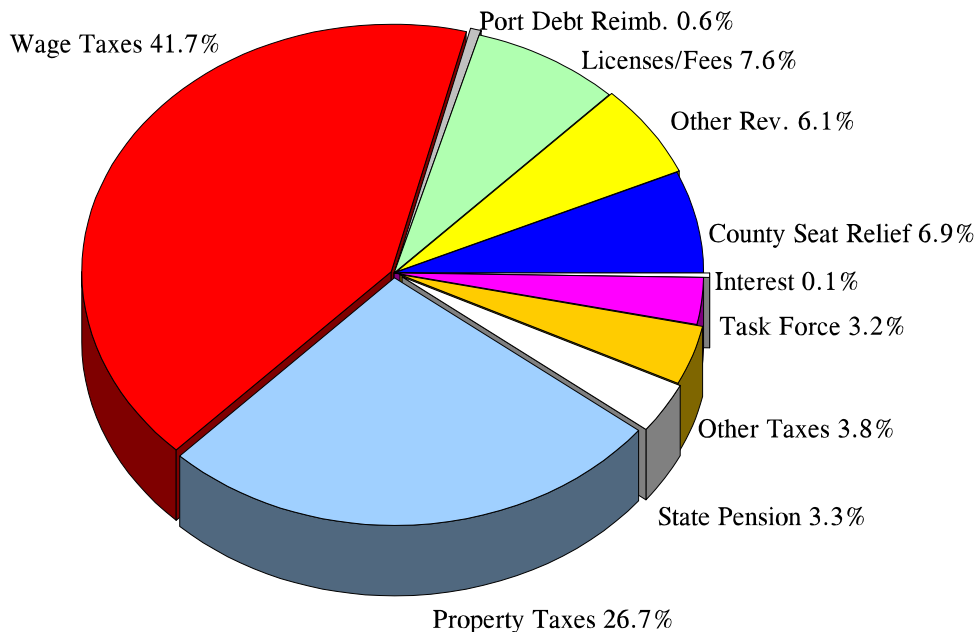
## SUMMARY OF GENERAL FUND FISCAL YEAR 2021

<u>Revenues</u>	<u>Actual FY 2018</u>	<u>Actual FY 2019</u>	<u>Budget FY 2020</u>	<u>Budget FY 2021</u>	<u>Percent Change FY'21-'20</u>	<u>Page Reference*</u>
Wage Tax	\$67,374,157	\$68,433,280	\$70,461,600	\$65,840,370	-6.6%	71
Property Tax	43,266,138	42,747,586	42,915,724	42,142,742	-1.8%	70
Other Taxes	7,764,784	8,171,822	7,523,291	5,977,720	-20.5%	72
Licenses, Permits, Fees & Fines	11,472,285	11,727,418	14,207,290	12,037,613	-15.3%	73 & 74
Interest	989,567	1,947,184	1,031,000	184,500	-82.1%	76
Other Revenues	7,154,239	8,551,420	9,775,027	9,666,746	-1.1%	77
Task Force Revenues	5,497,897	5,775,578	5,883,626	5,063,006	-13.9%	79
County Seat Relief	10,390,282	11,547,947	11,088,839	10,876,287	-1.9%	80
State Pension Contr.	6,189,899	5,199,177	6,189,900	5,199,177	-16.0%	78
Port Debt Reimburse.	389,234	396,574	596,356	870,857	46.0%	78
Transfers In/(Out)	275,000	275,000	275,000	275,000	0.0%	81
Use of Fund Balance	0	0	0	5,367,031	N/A	81
<b>Total Revenues</b>	<b><u>\$160,763,482</u></b>	<b><u>\$164,772,986</u></b>	<b><u>\$169,947,653</u></b>	<b><u>\$163,501,049</u></b>	<b><u>-3.8%</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, and rental fees. 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 2021



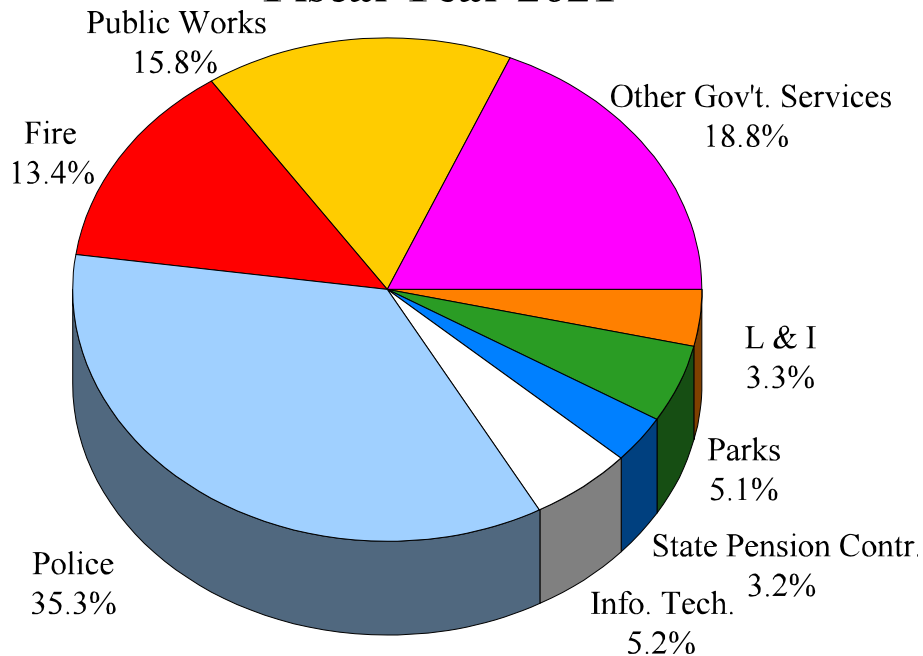
**SUMMARY OF GENERAL FUND  
FISCAL YEAR 2021**

<b>Expenditures</b>	<b>Actual FY 2018</b>	<b>Actual FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Percent Change FY'21-'20</b>	<b>Page Reference*</b>
Mayor's Office	\$9,621,253	\$9,867,248	\$9,240,085	\$8,232,211	-10.9%	95
Council	2,133,087	2,093,767	2,098,122	1,750,183	-16.6%	105
Treasurer	556,821	572,683	463,226	460,457	-0.6%	111
Planning	1,496,304	1,865,071	1,590,614	1,444,853	-9.2%	119
Audit	728,431	860,877	815,235	859,261	5.4%	128
Law	2,881,761	2,828,029	2,649,858	2,543,255	-4.0%	131
Finance	9,082,346	9,544,211	9,583,774	9,635,303	0.5%	137
Human Resources	1,991,580	2,137,850	2,354,983	2,174,869	-7.6%	150
Licenses & Inspections	4,689,782	5,398,788	5,560,768	5,469,246	-1.6%	162
Parks & Recreation	8,868,946	8,999,086	9,029,613	8,260,687	-8.5%	171
Fire	23,391,253	22,351,362	21,500,079	21,838,180	1.6%	185
Police	57,331,318	57,867,770	58,293,804	57,647,747	-1.1%	199
Public Works	23,808,871	24,627,852	26,208,763	25,789,755	-1.6%	210
Real Estate & Housing	1,525,981	2,036,938	1,839,035	2,948,953	60.4%	230
Commerce (Port Debt)	504,473	501,661	720,226	73,269	-89.8%	245
Information Tech.	0	0	8,577,654	8,501,643	-0.9%	248
State Pension Contr.	6,189,900	5,199,177	6,189,900	5,199,177	-16.0%	186 & 200
Contingent Reserves**	<u>0</u>	<u>0</u>	<u>672,000</u>	<u>672,000</u>	<u>0.0%</u>	95
<b>Total Expenditures</b>	<b><u>\$154,802,107</u></b>	<b><u>\$156,752,370</u></b>	<b><u>\$167,387,739</u></b>	<b><u>\$163,501,049</u></b>	<b><u>-2.3%</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 2021**



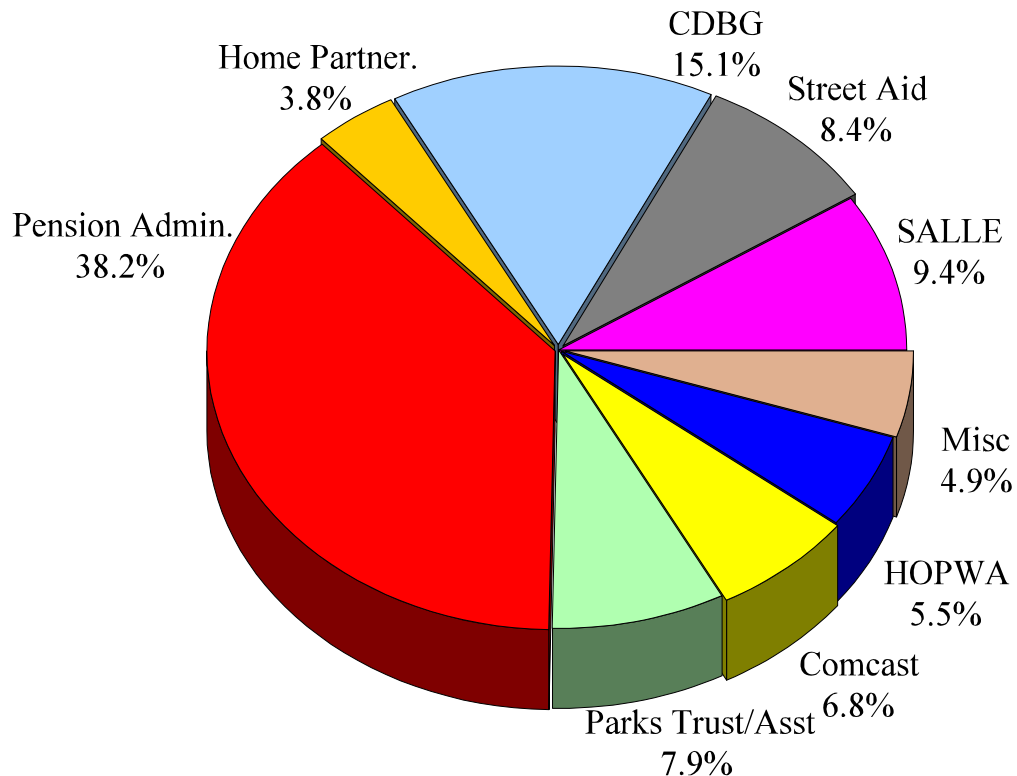
## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2021

<u>Revenues</u>	<u>Actual FY 2018</u>	<u>Actual FY 2019</u>	<u>Budget FY 2020</u>	<u>Budget FY 2021</u>	<u>Percent Change FY'21-'20</u>	<u>Page Reference*</u>
Municipal Street Aid	\$1,055,870	\$1,260,608	\$1,260,608	\$1,233,853	-2.1%	82
CDBG	1,551,181	1,779,279	1,738,806	2,216,928	27.5%	82
Comcast Franchise	1,133,900	1,076,410	1,100,000	1,000,000	-9.1%	82
Emergency Shelter	181,101	183,844	184,465	187,831	1.8%	83
Workforce Investment	269,624	255,578	253,589	258,660	2.0%	85
Parks Assistance	1,080,529	935,716	1,104,547	1,058,366	-4.2%	83
Parks Trust Fund	101,865	102,015	134,525	106,906	-20.5%	84
SALLE/LLEBG	2,699,425	2,295,288	718,899	1,385,794	92.8%	84
Pension Admin.	4,598,761	4,853,196	5,197,218	5,619,232	8.1%	84
Home Partnership	406,581	626,205	411,009	564,024	37.2%	85
HOPWA	685,088	629,406	723,164	802,435	11.0%	83
Miscellaneous Grants	<u>245,696</u>	<u>298,291</u>	<u>274,136</u>	<u>278,401</u>	<u>1.6%</u>	<u>85</u>
<b>Total Revenues</b>	<b><u>\$14,009,621</u></b>	<b><u>\$14,295,836</u></b>	<b><u>\$13,100,966</u></b>	<b><u>\$14,712,430</u></b>	<b><u>12.3%</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 2021





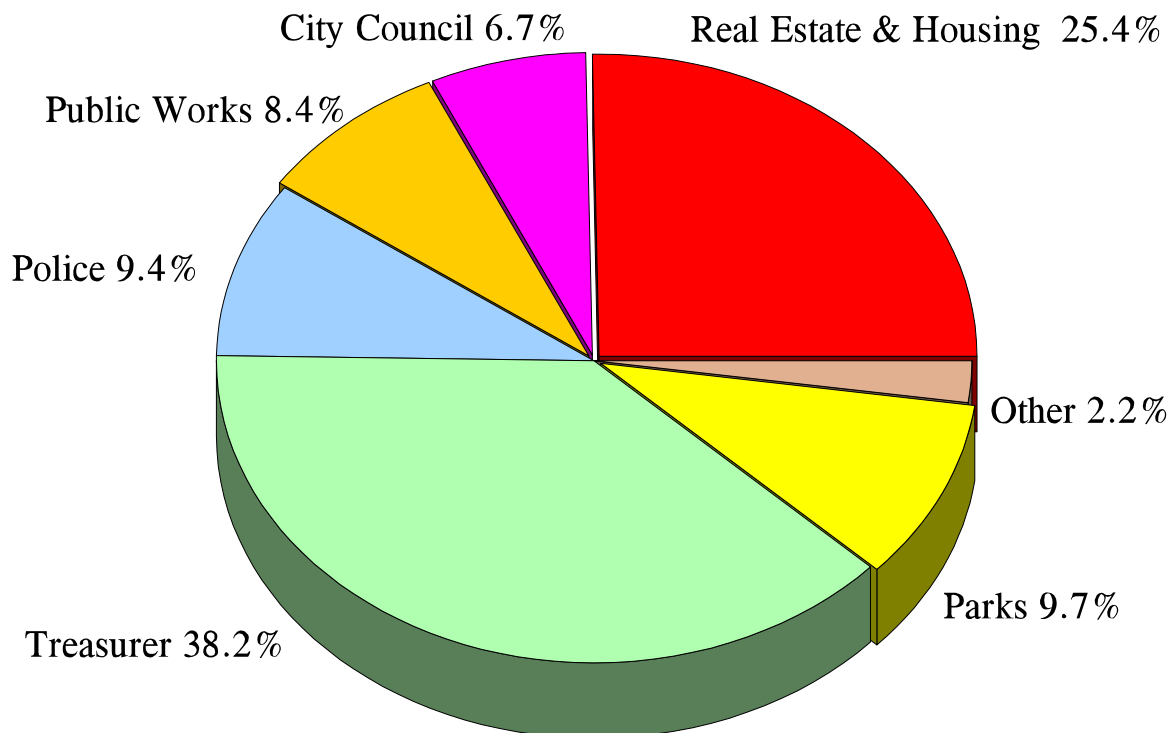
## SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2021

<u>Expenditures</u>	<u>Actual FY 2018</u>	<u>Actual FY 2019</u>	<u>Budget FY 2020</u>	<u>Budget FY 2021</u>	<u>Percent Change FY'21-'20</u>	<u>Page Reference*</u>
Mayor's Office	\$200,572	\$92,759	\$72,767	\$77,032	5.9%	<a href="#">96</a>
City Council	861,155	1,120,269	1,112,599	987,029	-11.3%	<a href="#">105</a>
Treasurer	4,598,761	4,853,196	5,197,218	5,619,232	8.1%	<a href="#">112</a>
Planning	50,719	30,426	36,037	38,648	7.2%	<a href="#">119</a>
Licenses & Inspections	0	0	0	0	0.0%	N/A
Parks & Recreation	1,452,018	1,293,309	1,492,661	1,423,932	-4.6%	<a href="#">172</a>
Fire	45,124	205,532	201,369	201,369	0.0%	<a href="#">186</a>
Police	2,699,425	2,295,288	718,899	1,385,794	92.8%	<a href="#">200</a>
Public Works	1,055,870	1,260,608	1,260,608	1,233,853	-2.1%	<a href="#">211</a>
Real Estate & Housing	<u>2,773,232</u>	<u>3,188,308</u>	<u>3,021,407</u>	<u>3,732,570</u>	<u>23.5%</u>	<a href="#">230</a>
<b>Total Expenditures</b>	<b><u>\$13,736,876</u></b>	<b><u>\$14,339,695</u></b>	<b><u>\$13,113,565</u></b>	<b><u>\$14,699,459</u></b>	<b><u>12.1%</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 2021

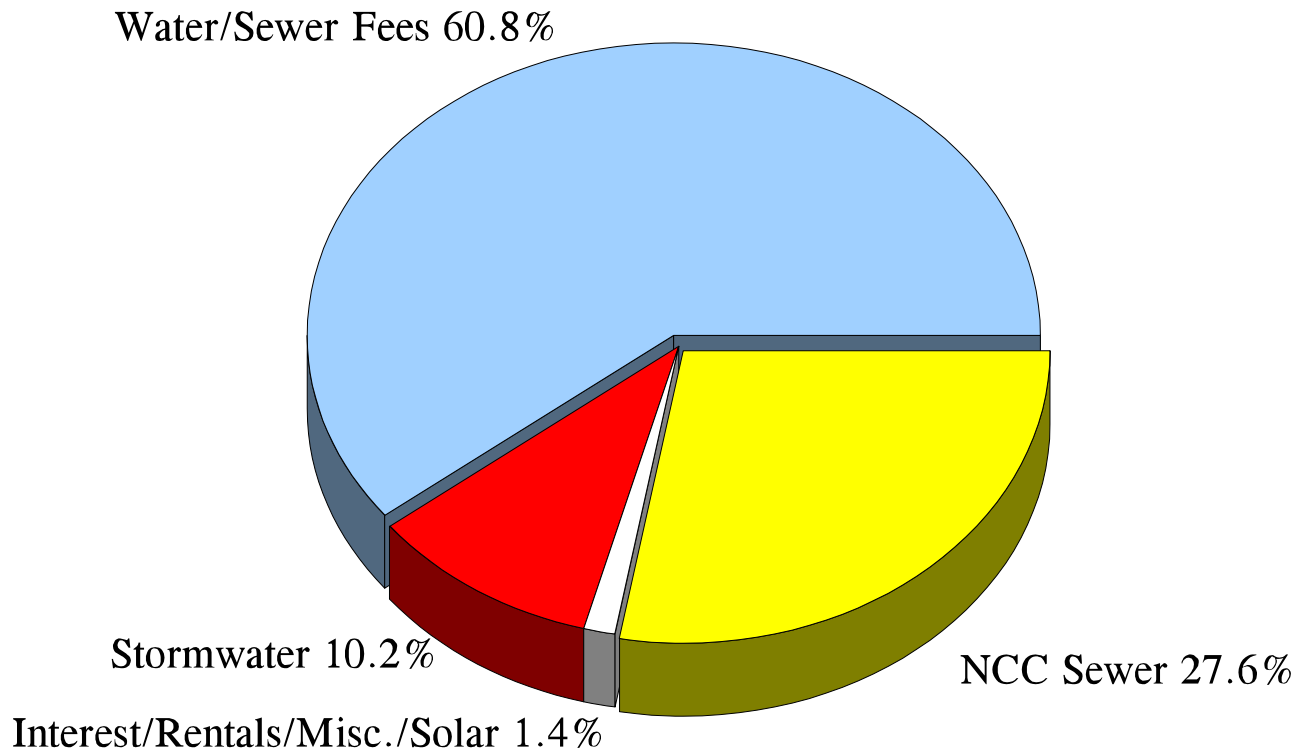


**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2021**

<b>Revenues</b>	<b>Actual FY 2018</b>	<b>Actual FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Percent Change FY'21-'20</b>	<b>Page Reference*</b>
Water/Sewer						
User Fees	\$52,047,403	\$53,337,686	\$54,940,000	\$48,165,541	-12.3%	87
Stormwater Billings	8,756,776	8,552,418	8,030,000	8,074,000	0.5%	88
New Castle County						
Sewer Services	21,522,899	21,599,273	19,578,000	21,882,000	11.8%	89
Interest	0	0	0	0	0.0%	N/A
Rentals/Misc.	981,737	1,218,514	1,085,000	1,065,000	-1.8%	90
Solar Panels	21,142	35,187	30,000	30,000	0.0%	91
<b>Total Revenues</b>	<b><u>\$83,329,957</u></b>	<b><u>\$84,743,078</u></b>	<b><u>\$83,663,000</u></b>	<b><u>\$79,216,541</u></b>	<b><u>-5.3%</u></b>	

\* See page listed for further information and details.

## Water/Sewer Fund Revenues Fiscal Year 2021

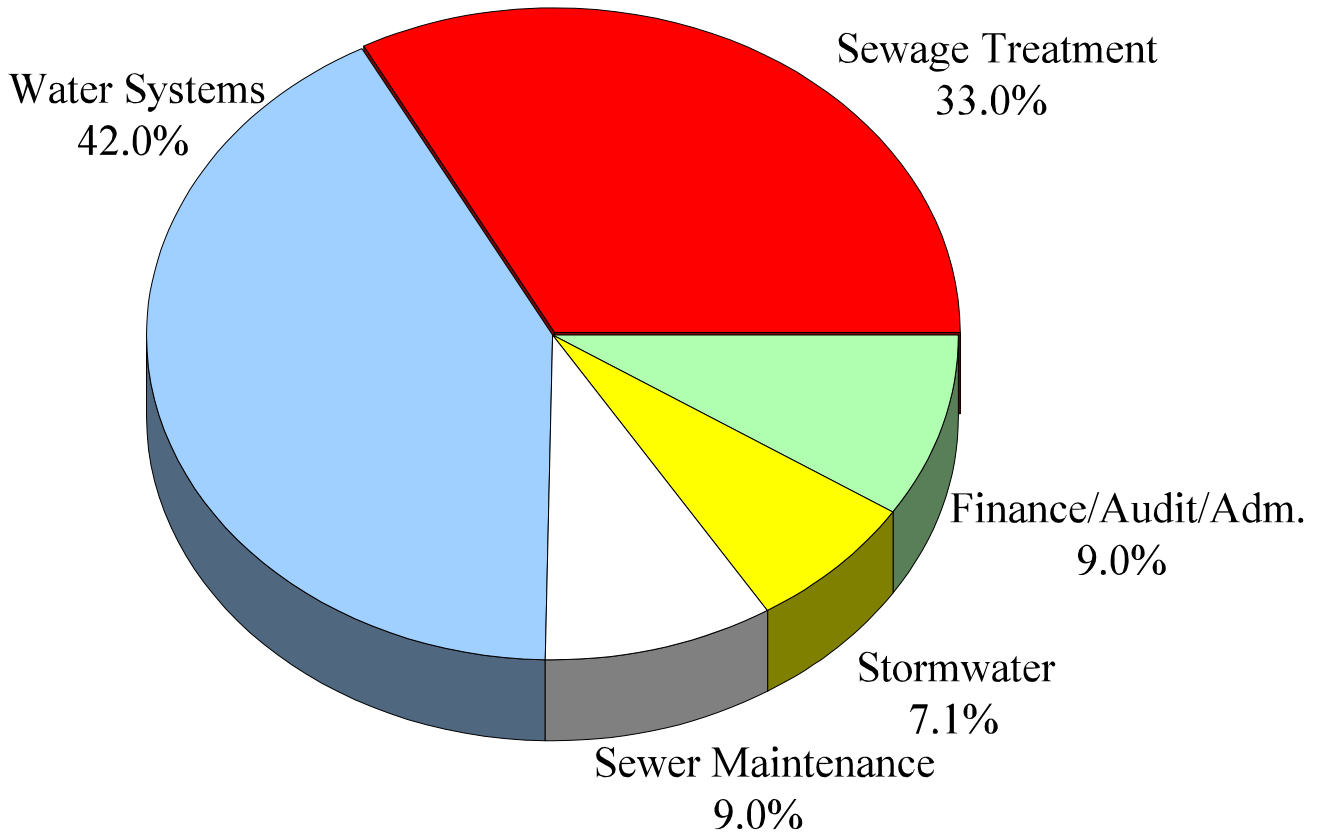


**SUMMARY OF WATER/SEWER FUND  
FISCAL YEAR 2021**

<u>Expenditures</u>	<u>Actual FY 2018</u>	<u>Actual FY 2019</u>	<u>Budget FY 2020</u>	<u>Budget FY 2021</u>	<u>Percent Change FY'21-'20</u>	<u>Page Reference*</u>
Audit	\$72,597	\$72,423	\$84,984	\$97,080	14.2%	<a href="#">128</a>
Finance	4,911,959	5,702,579	6,859,020	6,915,380	0.8%	<a href="#">138</a>
Public Works	<u>68,100,988</u>	<u>68,607,669</u>	<u>70,981,636</u>	<u>70,795,373</u>	<u>-0.3%</u>	<a href="#">210</a>
<b>Total Expenditures</b>	<b><u>\$73,085,544</u></b>	<b><u>\$74,382,671</u></b>	<b><u>\$77,925,640</u></b>	<b><u>\$77,807,833</u></b>	<b><u>-0.2%</u></b>	

\* See page listed for further information and details.

## Water/Sewer Fund Expenditures Fiscal Year 2021



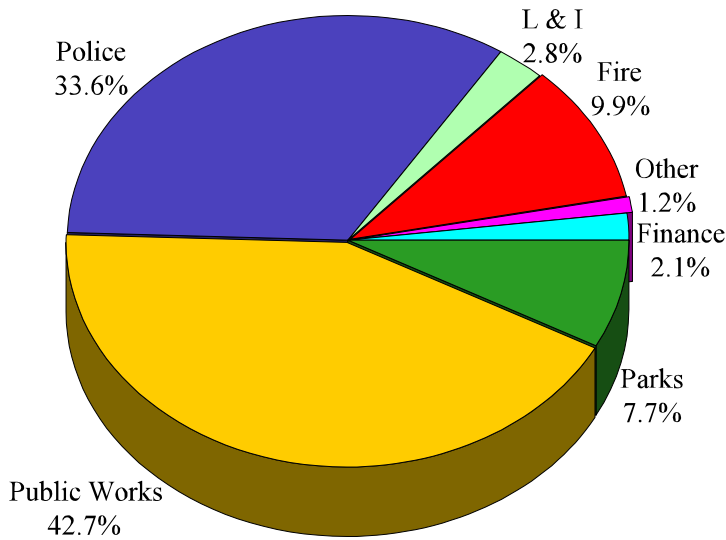
## SUMMARY OF INTERNAL SERVICE FUNDS FISCAL YEAR 2021

<b>Expenditures**</b>	<b>Actual FY 2018</b>	<b>Actual FY 2019</b>	<b>Budget FY 2020</b>	<b>Budget FY 2021</b>	<b>Percent Change FY'21-'20</b>	<b>Page Reference*</b>
Mayor's Office	\$8,422,542	\$9,366,561	\$0	\$0	0.0%	96
Human Resources (HR)	30,034,283	30,995,321	31,832,659	30,071,373	-5.5%	150
Public Works	8,095,868	7,810,336	7,714,386	8,019,586	4.0%	211
<b>Total Expenditures</b>	<b><u>\$46,552,693</u></b>	<b><u>\$48,172,218</u></b>	<b><u>\$39,547,045</u></b>	<b><u>\$38,090,959</u></b>	<b><u>2.5%</u></b>	

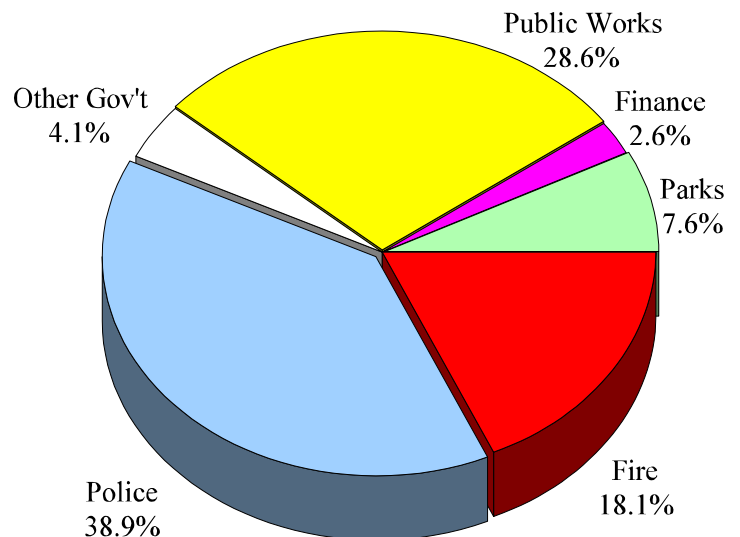
\* See page listed for further information and details.

\*\* 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.

### Public Works Motor Vehicle Costs FY '21 Internal Service Charge Allocations



### HR Self-Insurance Program FY '21 Internal Service Charge Allocations

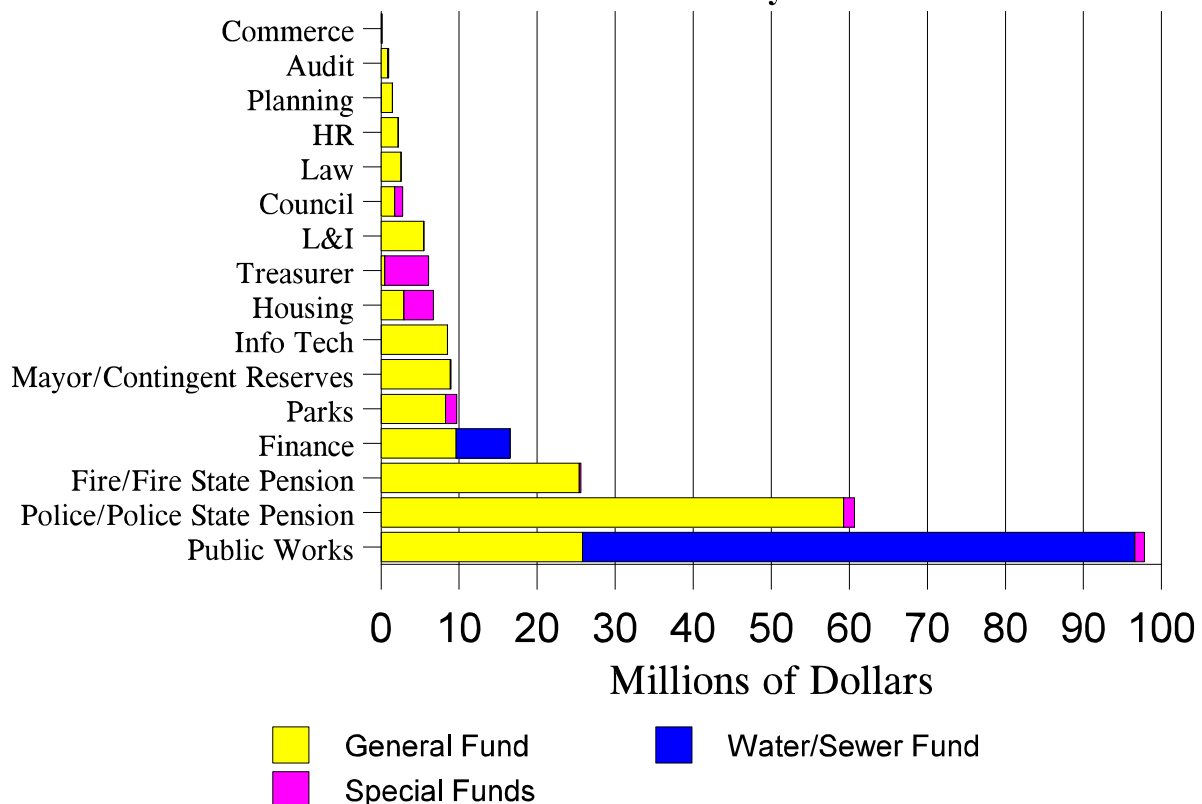


## DEPARTMENTAL BUDGETS BY FUND FISCAL YEAR 2021

<u>Expenditure</u>	<u>FY 2021 Budget General Fund</u>	<u>FY 2021 Budget Water/Sewer Fund</u>	<u>FY 2021 Budget Special Funds</u>	<u>FY 2021 Budget Total All Funds</u>
Mayor's Office	\$8,232,211	\$0	\$77,032	\$8,309,243
Council	1,750,183	0	987,029	2,737,212
Treasurer	460,457	0	5,619,232	6,079,689
Planning	1,444,853	0	38,648	1,483,501
Audit	859,261	97,080	0	956,341
Law	2,543,255	0	0	2,543,255
Finance	9,635,303	6,915,380	0	16,550,683
Human Resources	2,174,869	0	0	2,174,869
Licenses & Inspections	5,469,246	0	0	5,469,246
Parks & Recreation	8,260,687	0	1,423,932	9,684,619
Fire	21,838,180	0	201,369	22,039,549
Police	57,647,747	0	1,385,794	59,033,541
Public Works	25,789,755	70,795,373	1,233,853	97,818,981
Real Estate & Housing	2,948,953	0	3,732,570	6,681,523
Commerce (Port Debt)	73,269	0	0	73,269
Info. Technologies	8,501,643	0	0	8,501,643
State Pension Contr.	5,199,177	0	0	5,199,177
Contingent Reserves	672,000	0	0	672,000
<b>Total Expenditures</b>	<b><u>\$163,501,049</u></b>	<b><u>\$77,807,833</u></b>	<b><u>\$14,699,459</u></b>	<b><u>\$256,008,341</u></b>

### FY 2021 Total Departmental Budgets

#### Breakout by Fund



**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Summary: Total Funds Recommended by Fiscal Year and Department**

Department	Type of Funding	Fiscal Year						Total City Funds	Total City / Matching Funds
		2020	2021	2022	2023	2024	2025		
Finance	G	318,410	0	505,790	0	429,530	0	1,253,730	1,253,730
	W	642,500	0	722,500	0	572,500	0	1,937,500	1,937,500
Fire	G	3,000,000	0	10,500,000	0	5,000,000	0	18,500,000	18,500,000
Mayor's Office	G	1,363,000	0	2,601,000	0	2,603,000	0	6,567,000	6,567,000
Parks	G	2,000,000	0	4,362,500	0	4,759,375	0	11,121,875	11,121,875
Police	G	1,210,000	0	0	0	0	0	1,210,000	1,210,000
Public Works	G	9,000,000	0	10,500,000	0	10,500,000	0	30,000,000	30,000,000
	W	51,400,000	0	57,800,000	0	45,800,000	0	155,000,000	155,000,000
Real Estate and Housing	G	4,400,000	0	6,000,000	0	6,000,000	0	16,400,000	16,400,000
Transportation	G	4,500,000	0	6,500,000	0	5,500,000	0	16,500,000	16,500,000
	O	2,000,000	0	8,000,000	0	8,000,000	0	0	18,000,000
Total by Fund	G	25,791,410	0	40,969,290	0	34,791,905	0	101,552,605	101,552,605
	O	2,000,000	0	8,000,000	0	8,000,000	0	0	18,000,000
	W	52,042,500	0	58,522,500	0	46,372,500	0	156,937,500	156,937,500
Grand Total		79,833,910	0	107,491,790	0	89,164,405	0	258,490,105	276,490,105

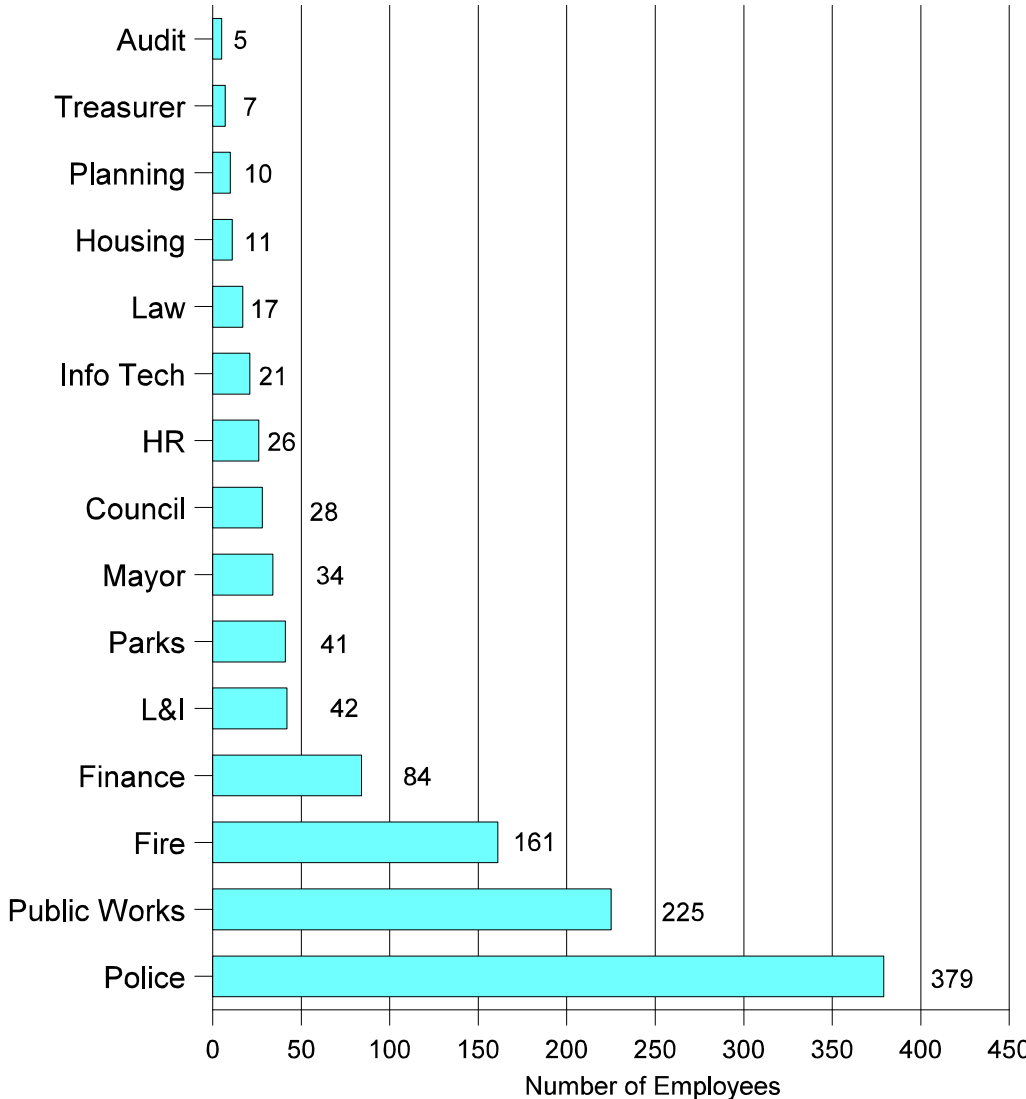
Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service

## SUMMARY OF STAFFING LEVELS FISCAL YEAR 2021

### TOTAL NUMBER OF EMPLOYEES ALL FUNDS COMBINED

<u>Department</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Budget FY2021</u>	<u>Net Change FY'21-'20</u>
Mayor's Office	59.00	57.00	55.00	34.00	34.00	0.00
Council	29.00	29.00	29.00	28.00	28.00	0.00
Treasurer	6.00	7.00	7.00	7.00	7.00	0.00
Planning	10.00	10.00	10.00	10.00	10.00	0.00
Audit	4.00	4.00	5.00	5.00	5.00	0.00
Law	20.00	18.00	17.00	17.00	17.00	0.00
Finance	86.00	85.00	84.00	85.00	84.00	(1.00)
Human Resources	24.00	23.00	24.00	26.00	26.00	0.00
Licenses & Inspections	38.00	38.00	42.00	43.00	42.00	(1.00)
Parks & Recreation	41.00	40.00	39.00	41.00	41.00	0.00
Fire	177.00	161.00	161.00	161.00	161.00	0.00
Police	381.00	376.00	378.00	380.00	379.00	(1.00)
Public Works	221.00	219.00	221.00	223.00	225.00	2.00
Real Estate & Housing	11.00	11.00	11.00	11.00	11.00	0.00
Information Technologies	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>22.00</u>	<u>21.00</u>	<u>(1.00)</u>
<b>TOTAL</b>	<b><u>1,107</u></b>	<b><u>1,078</u></b>	<b><u>1,083</u></b>	<b><u>1,093</u></b>	<b><u>1,091</u></b>	<b><u>(2.00)</u></b>
<b>Total Employees per every 1,000 Persons in City Population</b>	<b><u>15.62</u></b>	<b><u>15.22</u></b>	<b><u>15.29</u></b>	<b><u>15.43</u></b>	<b><u>15.40</u></b>	

**TOTAL NUMBER OF CITY EMPLOYEES BY DEPT.  
FISCAL YEAR 2021  
(ALL FUNDS)**



Almost 74% (or 807) of the City’s employees work to provide Public Safety (Police, Fire, L&I) and Public Works services.



**STAFFING LEVELS BY FUND  
FISCAL YEAR 2021**

**GENERAL FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Budget FY2021</u>	<u>Net Change FY'21-'20</u>
Mayor's Office	36.50	34.50	33.50	33.50	33.50	0.00
Council	19.55	20.35	20.20	19.20	19.25	0.05
Treasurer	2.92	3.00	3.00	3.00	3.00	0.00
Planning	9.53	9.55	9.55	9.55	9.55	0.00
Audit	4.00	4.00	5.00	5.00	5.00	0.00
Law	20.00	18.00	17.00	17.00	17.00	0.00
Finance	61.45	60.45	58.65	58.85	58.85	0.00
Human Resources	13.55	13.55	14.55	16.60	16.60	0.00
Licenses & Inspections	38.00	38.00	42.00	43.00	42.00	(1.00)
Parks & Recreation	41.00	40.00	39.00	40.60	40.60	0.00
Fire	177.00	161.00	161.00	161.00	161.00	0.00
Police	374.00	369.00	371.00	374.57	373.57	(1.00)
Public Works	120.15	118.15	118.05	119.05	120.05	1.00
Real Estate & Housing	1.48	1.48	1.48	1.48	2.75	1.27
Information Technologies	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>22.00</u>	<u>21.00</u>	<u>(1.00)</u>
<b>TOTAL</b>	<b><u>919.13</u></b>	<b><u>891.03</u></b>	<b><u>893.98</u></b>	<b><u>924.40</u></b>	<b><u>923.72</u></b>	<b><u>(0.68)</u></b>

**SPECIAL FUNDS  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Budget FY2021</u>	<u>Net Change FY'21-'20</u>
Mayor's Office	0.50	0.50	0.50	0.50	0.50	0.00
Treasurer	3.08	4.00	4.00	4.00	4.00	0.00
Planning	0.47	0.45	0.45	0.45	0.45	0.00
City Council	9.45	8.65	8.80	8.80	8.75	(0.05)
Parks & Recreation	0.00	0.00	0.00	0.40	0.40	0.00
Real Estate and Housing	9.52	9.52	9.52	9.52	8.25	(1.27)
Fire	0.00	0.00	0.00	0.00	0.00	0.00
Police	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>5.43</u>	<u>5.43</u>	<u>0.00</u>
<b>TOTAL</b>	<b><u>30.02</u></b>	<b><u>30.12</u></b>	<b><u>30.27</u></b>	<b><u>29.10</u></b>	<b><u>27.78</u></b>	<b><u>(1.32)</u></b>

**STAFFING LEVELS BY FUND  
FISCAL YEAR 2021**

**WATER/SEWER FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Budget FY2021</u>	<u>Net Change FY'21-'20</u>
Finance	24.55	24.55	25.35	26.15	25.15	(1.00)
Public Works	<u>100.85</u>	<u>100.85</u>	<u>102.95</u>	<u>103.95</u>	<u>104.95</u>	<u>1.00</u>
<b>TOTAL</b>	<b><u>125.40</u></b>	<b><u>125.40</u></b>	<b><u>128.30</u></b>	<b><u>130.10</u></b>	<b><u>130.10</u></b>	<b><u>0.00</u></b>

**COMMERCE FUND  
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Budget FY2021</u>	<u>Net Change FY'21-'20</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 FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Budget FY2021</u>	<u>Net Change FY'21-'20</u>
Mayor's Office	22.00	22.00	21.00	0.00	0.00	0.00
Human Resources	10.45	9.45	9.45	9.40	9.40	0.00
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>32.45</u></b>	<b><u>31.45</u></b>	<b><u>30.45</u></b>	<b><u>9.40</u></b>	<b><u>9.40</u></b>	<b><u>0.00</u></b>
<b>TOTAL ALL FUNDS</b>	<b><u>1,107</u></b>	<b><u>1,078</u></b>	<b><u>1,083</u></b>	<b><u>1,093</u></b>	<b><u>1,091</u></b>	<b><u>(2.00)</u></b>

**FUND BALANCE  
GENERAL FUND  
FISCAL YEAR 2021**

<b>Fund Balance Activity</b>	<b>Actual FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>
Fund Balance as of July 1	\$40,074,179	\$46,596,816	\$44,643,855
Excess of Revenues Over/(Under) Expenditures	7,745,616	(2,227,961)	(5,642,031)
Other Financing Sources/(Uses):			
Transfer from/(to) Wilmington Parking Authority	275,000	275,000	275,000
Transfer from/(to) Special/Other Funds	(1,497,979)	0	0
Total Other Financing Sources/(Uses)	(1,222,979)	275,000	275,000
Prior Period Adjustments	0	0	0
<b>Net Change in Fund Balance</b>	<b>6,522,637</b>	<b>(1,952,961)</b>	<b>(5,367,031)</b>
<b>Total Fund Balance as of June 30</b>	<b>\$46,596,816</b>	<b>\$44,643,855</b>	<b>\$39,276,824</b>

**Summary of Fund Balance**

Non-spendable	\$2,932,453	\$2,873,804	\$2,816,328
Committed - Budget Reserve <sup>1</sup>	16,229,900	16,350,105	17,202,721
Committed - Tax Stabilization Reserve <sup>2</sup>	27,434,463	25,419,946	19,257,775
<b>Total Fund Balance as of June 30</b>	<b>\$46,596,816</b>	<b>\$44,643,855</b>	<b>\$39,276,824</b>

**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 and Tax Stabilization Reserve.
- **Assigned** – Amounts that are allocated for a future use by the Mayor but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.
- **Unassigned** – All amounts not included in other spendable classifications.

1. The Budget Reserve is set at the end of each fiscal year to be 10% of the next year’s General Fund Budget.
2. Beginning in FY 2018, the City created a Tax Stabilization Reserve, equal to the net unrestricted General Fund balance. This replaces the Unassigned Fund balance.

**FUND NET POSITION  
WATER/SEWER FUND  
FISCAL YEAR 2021**

<b>Fund Net Assets Activity</b>	<b>Actual FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>
Net Assets as of July 1	\$159,162,460	\$170,477,098	\$174,833,083
Excess of Revenues Over/(Under) Expenditures	15,089,569	9,550,033	6,915,259
Non-Operating Revenues/(Expenses)			
Interest Expense	(5,028,632)	(6,309,048)	(6,601,551)
Other	1,253,701	1,115,000	1,095,000
Total Non-Operating Revenues/(Expenses)	(3,774,931)	(5,194,048)	(5,506,551)
Income/(Loss) Before Transfers	11,314,638	4,355,985	1,408,708
Prior Period Adjustment	0	0	0
<b>Change in Net Assets</b>	<b>11,314,638</b>	<b>4,355,985</b>	<b>1,408,708</b>
<b>Total Net Assets as of June 30</b>	<b>\$170,477,098</b>	<b>\$174,833,083</b>	<b>\$176,241,791</b>

**Summary of Fund Net Assets**

Invested in Capital Assets, Net of Related Debt	\$131,329,111	\$133,329,111	\$135,329,111
Restricted - Operation and Maintenance Reserve <sup>1</sup>	13,247,359	13,227,332	13,558,015
Restricted - Rate Stabilization Reserve <sup>2</sup>	25,900,628	28,276,640	27,354,665
<b>Total Fund Net Assets as of June 30</b>	<b>\$170,477,098</b>	<b>\$174,833,083</b>	<b>\$176,241,791</b>

**NET POSITION**

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

1. Beginning in FY 2018, the City created an Operation and Maintenance Reserve, equal to 17% of the following fiscal year’s Water/Sewer Fund operating budget.
2. Beginning in FY 2018, the City created a Rate Stabilization Reserve, equal to the net unrestricted Water/Sewer Fund balance. This replaces the Unrestricted balance.

**TOTAL FUND BALANCE & NET POSITION (MEMORANDUM ONLY)**  
**GENERAL & WATER/SEWER FUNDS**  
**FISCAL YEAR 2021**

<b>Fund Balance &amp; Net Position Activity</b>	<b>Actual FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>
Fund Balance & Net Position as of July 1	\$199,236,639	\$217,073,914	\$219,476,938
Excess of Revenues Over/(Under) Expenditures	22,835,185	7,322,072	1,273,228
Total Other Financing Sources/(Uses)	(1,222,979)	275,000	275,000
Total Non-Operating Revenues/(Expenses)			
Water/Sewer Fund	(3,774,931)	(5,194,048)	(5,506,551)
Prior Period Adjustments	0	0	0
<b>Change in Fund Balance &amp; Net Position</b>	<b>17,837,275</b>	<b>2,403,024</b>	<b>(3,958,323)</b>
<b>Total Fund Balance &amp; Net Position as of June 30</b>	<b>\$217,073,914</b>	<b>\$219,476,938</b>	<b>\$215,518,615</b>

**Summary of Fund Balance & Net Position**

Non-spendable	\$2,932,453	\$2,873,804	\$2,816,328
Committed - Budget Reserve	16,229,900	16,350,105	17,202,721
Committed - Tax Stabilization Reserve	27,434,463	25,419,946	19,257,775
Invested in Capital Assets, Net of Related Debt	131,329,111	133,329,111	135,329,111
Restricted - Operation and Maintenance Reserve	13,247,359	13,227,332	13,558,015
Restricted - Rate Stabilization Reserve	25,900,628	28,276,640	27,354,665
<b>Total Fund Balance &amp; Net Position as of June 30</b>	<b>\$217,073,914</b>	<b>\$219,476,938</b>	<b>\$215,518,615</b>

## City of Wilmington General Fund

### ACTUAL, BUDGETED & PROJECTED REVENUES AND EXPENDITURES

(Preliminary)

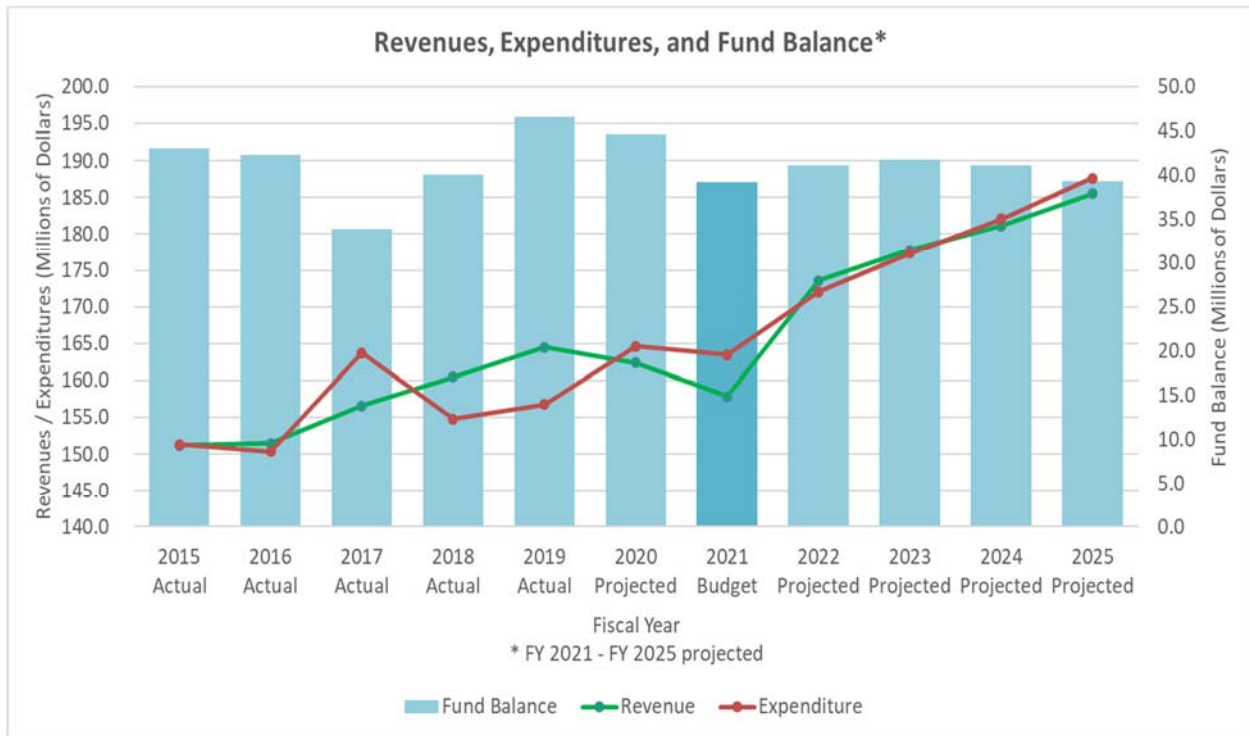
<b>Revenue Type</b>	<b>Actual FY 2018</b>	<b>Actual FY 2019</b>	<b>Projected FY 2020</b>	<b>Budget FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>
Wage & Net Profits Tax	\$67,374,157	\$68,433,281	\$67,372,684	\$65,840,370	\$69,276,460	\$70,973,997	\$72,713,971	\$74,497,446
Property Tax	43,266,138	42,747,587	43,336,575	42,142,742	48,995,975	50,487,234	51,736,351	53,305,958
Real Estate Transfer Tax	3,182,700	3,508,035	4,738,265	2,006,535	3,080,000	3,172,400	3,267,572	3,365,599
Head Tax	3,693,366	3,764,224	3,377,206	3,207,062	3,714,239	3,714,239	3,714,239	3,714,239
Franchise Fees	888,718	899,562	764,123	764,123	758,774	753,463	748,188	742,951
Licenses, Permits, Fees	5,510,432	4,782,091	5,091,305	3,883,472	4,400,000	4,573,796	4,758,891	4,956,075
Fines	5,961,853	6,945,327	5,425,068	8,154,141	9,261,149	9,216,923	9,174,092	9,232,690
Interest Income	989,567	1,947,184	1,128,053	184,500	508,505	824,173	1,003,610	1,215,342
Indirect Costs	5,476,638	5,732,305	8,012,027	8,012,027	7,277,436	7,459,372	7,645,856	7,837,003
Other Miscellaneous Revenues	1,677,601	2,819,115	1,367,636	1,654,719	1,511,598	1,516,197	1,516,197	1,516,197
Task Force Revenues	5,497,897	5,775,578	4,580,494	5,063,006	6,185,567	6,284,737	6,385,735	6,488,597
County Seat Relief Package	10,390,282	11,547,946	11,428,210	10,876,287	12,291,660	12,487,633	12,688,456	12,894,251
State Port Debt Reimbursement	389,234	396,574	596,356	870,857	554,204	553,829	0	0
State Pension Contribution	6,189,899	5,199,177	5,199,177	5,199,177	5,785,466	5,785,466	5,785,466	5,785,466
<b>Total Revenues</b>	<b>\$160,488,482</b>	<b>\$164,497,986</b>	<b>\$162,417,179</b>	<b>\$157,859,018</b>	<b>\$173,601,033</b>	<b>\$177,803,458</b>	<b>\$181,138,625</b>	<b>\$185,551,812</b>

<b>Expenditure Type</b>	<b>Actual FY 2018</b>	<b>Actual FY 2019</b>	<b>Projected FY 2020</b>	<b>Budget FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>
Salaries and Wages	\$61,483,224	\$60,929,094	\$64,228,725	\$67,055,123	\$69,860,007	\$71,805,970	\$73,808,502	\$75,873,302
Health Benefits	15,982,978	15,291,131	17,414,605	\$15,426,377	\$16,232,374	\$17,390,534	\$18,631,653	\$19,961,682
Pension and Retirement	18,393,896	18,885,551	19,911,783	\$19,635,920	\$20,373,529	\$21,004,586	\$21,532,752	\$22,189,929
Other Employee Benefits	2,504,960	2,503,002	2,639,014	\$2,721,859	\$2,814,228	\$2,893,152	\$2,974,107	\$3,057,143
Equipment & Services	18,570,900	19,344,662	28,267,740	\$28,992,706	\$29,865,338	\$30,587,084	\$31,255,145	\$31,954,949
General Liability	1,524,467	2,618,505	1,417,664	\$1,462,622	\$1,499,188	\$1,536,667	\$1,575,084	\$1,614,461
Workers' Compensation	5,835,171	5,323,372	3,089,945	\$3,182,004	\$3,271,445	\$3,363,192	\$3,457,299	\$3,553,826
Internal Services	11,805,022	13,472,088	7,124,379	\$7,436,620	\$7,659,719	\$7,889,510	\$8,126,195	\$8,369,981
Debt Service	12,220,563	12,915,483	14,086,000	\$12,124,255	\$14,394,918	\$14,826,208	\$14,652,172	\$14,968,589
Special Purpose	291,027	270,305	275,385	\$264,385	\$270,995	\$277,769	\$284,714	\$291,832
State Pension Contribution	6,189,899	5,199,177	6,189,900	\$5,199,177	\$5,785,466	\$5,785,466	\$5,785,466	\$5,785,466
<b>Total Expenditures</b>	<b>\$154,802,107</b>	<b>\$156,752,370</b>	<b>\$164,645,140</b>	<b>\$163,501,049</b>	<b>\$172,027,206</b>	<b>\$177,360,140</b>	<b>\$182,083,089</b>	<b>\$187,621,159</b>

<b>Operating Surplus/(Deficit)</b>	<b>\$5,686,375</b>	<b>\$7,745,616</b>	<b>(\$2,227,961)</b>	<b>(\$5,642,031)</b>	<b>\$1,573,827</b>	<b>\$443,318</b>	<b>(\$944,464)</b>	<b>(\$2,069,347)</b>
<b>Net Adj. &amp; Transfers In/(Out)</b>	<b>459,030</b>	<b>(1,222,979)</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>	<b>275,000</b>
<b>Surplus/(Deficit)</b>	<b>\$6,145,405</b>	<b>\$6,522,637</b>	<b>(\$1,952,961)</b>	<b>(\$5,367,031)</b>	<b>\$1,848,827</b>	<b>\$718,318</b>	<b>(\$669,464)</b>	<b>(\$1,794,347)</b>

<b>Total Fund Balance</b>	<b>\$40,074,179</b>	<b>\$46,596,816</b>	<b>\$44,643,855</b>	<b>\$39,276,824</b>	<b>\$41,125,651</b>	<b>\$41,843,969</b>	<b>\$41,174,505</b>	<b>\$39,380,158</b>
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## ASSUMPTIONS USED IN OUTYEAR REVENUE AND EXPENDITURE PROJECTIONS



### OVERVIEW

Each year the Office of Management and Budget develops a five-year revenue and expenditure projection covering the budget year (FY 2021), as well as the next four outyears (FY 2022 through 2025). For FY 2021, the approved budget is shown and is the base year upon which the FY 2022 through 2025 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 2020 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.

In general, the projection shows year-over-year revenue and expenditure growth, coupled with significant fund balances. The major exception is FY 2021, which includes a deficit of \$5.4 million due to the negative impact of the COVID-19 pandemic on the City's major revenue sources. This is expected to begin to reverse in FY 2022 as the economy recovers, with the City projecting a surplus of a bit more than \$1.8 million. However, as projected expenditure growth begins to outstrip revenue growth, surpluses decline in subsequent years, turning to deficits by FY 2024. By the end of the projection period, this results in a projected deficit of nearly \$1.8 million, or approximately 1% of projected expenditures. Consequently, fund balance remains relatively stable across the outyears FY 2022 through FY 2024, averaging \$41.4 million. Only in the final year, FY 2025, does the fund balance see a noticeable decline, to \$39.4 million.

Because budget authority rests with the Mayor and City Council, the outyear projection does not attempt to draw definitive conclusions as to which specific actions, policies, staffing levels, and spending/revenues levels are most appropriate to address these outyear issues. By design, this projection is intended to be a

neutral guide as to what will occur if the fiscal course of the City remains unchanged, and not mask the need for the Mayor and City Council to take appropriate action. Very broadly, we can conclude that some mix of operational changes, revenue increases, and spending cuts will be necessary to eliminate the deficits in the outyears, but it is the duty of the Mayor and City Council to debate on and approve the best course of action.

**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 15, 2020 release projects headline Consumer Price Index (CPI) growth of 0.5% in calendar year 2020, followed by a return to historically normal inflation in FY 2021 as the economy recovers (see table below).

<b>Calendar Year</b>	<b>Survey of Professional Forecasters Projected Annual Headline CPI Increase</b>
2020	0.50%
2021	1.90%
2022	2.20%
2023	2.71%
2024	2.71%

Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 15, 2020

While local factors may vary, the regional CPI for the Philadelphia-Wilmington-Atlantic City Consolidated Metropolitan Statistical Area has trended close to the national cost-of-living growth in recent years. However, as the Implicit Price Deflator for State & Local Government Purchases (S&L IPD) generally exceeds both the national and regional CPI, we have taken a conservative approach and assumed overall City inflationary pressures of 2.5% per year.

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**

The following section details the assumptions used in creating the FY 2022 through FY 2025 outyear revenue projections. In many cases these assumptions rely on the budgeted revenue for FY 2021 as a starting base; further details on how the FY 2021 revenues were derived can be found in the [Revenues](#) section above. In addition, unless noted the projection assumes that the major economic impacts of the COVID crisis have largely diminished by the beginning of FY 2022, with the economy recovering to pre-COVID levels.

### **Wage & Net Profit Taxes (FY 2021 Base Year: \$65,840,370 – 41.7% of total revenues)**

Wage and Net Profits Tax revenues for FY 2021 are projected to total a bit more than \$65.8 million. The majority of this is derived from Wage Taxes, at just over \$60.0 million, or \$3.9 million less than FY 2020. While this reduction is mainly driven by reduced earnings due to COVID, it also includes a \$441,000 reduction for the loss of approximately 500 Barclays jobs.

In their June 2020 report, the Delaware Economic and Financial Advisory Council (DEFAC) predicts that Delaware wages and salaries will grow by 7.7% in FY 2022 as economic activity returns. Given that the City has historically lagged somewhat behind broader state growth during economic recoveries, FY 2022 projected Wage Tax growth is roughly one percentage point lower, for a post-COVID base level of \$64.0 million in FY 2022. For FY 2023 and beyond, Wage Taxes are expected to grow by 2.5% annually, matching expected normal wage inflation. This assumes no job growth beyond a return to the pre-COVID employment levels, as well as annual audit and collection revenue remaining level at \$1.25 million throughout the projection period.

Similarly, Net Profits revenues are projected to decline \$677,000 in FY 2021 due to COVID impacts, then recover to the historical baseline of \$6.5 million in FY 2022. No additional outyear growth is expected.

### **Property Tax (FY 2021 Base Year: \$42,142,742 – 26.7% of total revenues)**

Property Taxes are budgeted to total \$42.1 million in FY 2021, a decrease of nearly \$773,000 compared to the FY 2020 budget. Projected base billings for FY 2021 are \$43.0 million, which is inclusive of various post-billing adjustments from FY 2020. This base is reduced by \$250,000 in projected reassessment appeals, though this is partially offset by a combined \$109,000 in additional revenue due to expiring tax incentives and projected property improvements. Due to COVID-19, the uncollectable rate has been doubled 4%, which further reduces revenue by \$1.7 million. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.0 million, down \$200,000 due to revisions to the code regarding the payment of delinquent accounts.

Because the City relies upon New Castle County for its property tax assessments, and no systematic reassessment has been performed since 1983, Property Tax revenue will remain effectively flat unless the City increases the property tax rate. As such, periodic rate increases have been necessary to keep pace with inflation. For the outyear projection, we have assumed a 9.5% rate increase in FY 2023, followed by 3% increases in FY 2023 through FY 2025 (consistent with the long-term average increase in property values). Based on the combined outyear revenue and expenditure projection presented here, this increase is sufficient to keep total fund balance at or above the FY 2017 yearend level of \$33.9 million through the end of FY 2025. The FY 2017 level was chosen as a baseline because it represents the City's financial position when the current Administration took office. It should be noted that specific property tax rate increases have not been proposed by either the Administration or Council, and that alternative revenue enhancements (and spending cuts) could be used to maintain the targeted level of fund balance. The rate increases included in the model are used as proxies under the presumption that corrective action will be taken.

Other outyear projection assumptions include assessment appeals remaining level, at \$250,000 per year. In addition, the cumulative amount added from expiring incentives totals \$559,460 over the period of FY 2022 through FY 2025, with the bulk of the expirations split between FY 2023 and FY 2025. Lastly, the allowance for uncollectables (expected to return to 2.0% of gross billings in FY 2022, for approximately \$940,000 annually) and one-time penalty and interest collections (\$1.2 million annually) are expected to remain level for the projection period.

**Real Estate Transfer Tax (FY 2021 Base Year: \$2,006,535 – 1.3% of total revenues)**

Due to COVID, Real Estate Transfer Tax revenues are budgeted to decline significantly in FY 2021, to a new total of \$2.0 million. Beyond this, the projection assumes that FY 2022 will return to a pre-COVID average (net of one standard deviation, to account for the significant historical variability in annual commercial transfer tax revenues). For outyears FY 2023 through FY 2025 the City uses a 3.0% annual increase consistent with 30-year average annual growth of property prices in Wilmington.

**Head Tax (FY 2021 Base Year: \$3,207,062 - 2.0% of total revenues)**

Head Tax revenue is budgeted to decrease to \$3.21 million for FY 2021, due to job losses related to COVID. FY 2022 is expected to return to pre-COVID levels, with no net job growth or reduction assumed for the remainder of the projection period.

**Franchise Fees (FY 2021 Base Year: \$764,123 - 0.5% of total revenues)**

Franchise Fees consists of 2% of the gross revenues from electricity sales in the City and is budgeted to be \$764,123 in FY 2021. This is a \$136,000 decrease relative to the FY 2020 budget, due to revisions in the Delmarva Power franchise agreement. Based on the continued trend of reduced electricity use, the outyear projection includes slight average decreases of 0.7% annually for FY 2022 through FY 2025.

**Licenses, Permits, Fees (FY 2021 Base Year: \$3,883,472 – 2.5% of total revenues)**

Collectively, Licenses, Permits, and Fees revenue is budgeted to be down nearly \$1.2 million in FY 2021 relative to the FY 2020 budget, due to the combined effects of COVID and the removal of the proposed Rental License Fee, which was never enacted. Total revenues are projected to return to pre-COVID average levels in FY 2022, driven largely by the recovery of permitting activity. In subsequent years, both Business License and Permits are expected to grow consistent with prior-year actual trends, with annual growth rates of 1% and just over 7%, respectively. No growth in Fees revenues is expected for the remainder of the projection period.

**Fines (FY 2021 Base Year: \$8,154,141 - 5.2% of total revenues)**

The Fines category consists of redlight camera fines, other miscellaneous traffic and criminal fines, and the L&I Instant Ticketing Program. Revenue is projected to total nearly \$8.2 million in FY 2021, down almost \$988,000 thousand from the FY 2020 budget. The largest portion of Fines is derived from redlight camera citations at \$4.8 million for FY 2021, down \$665,000 relative to FY 2020. For FY 2022, redlight revenues are projected to recover to their pre-COVID levels as traffic returns to the City. No growth is expected in subsequent years.

Parking Tickets and Booting fees are budgeted to total slightly more than \$2.9 million in FY 2021, which is a \$524,000 decrease from the FY 2020 budget. Base parking citations are projected to return to pre-COVID

levels in FY 2022 and continue to grow at 2.5% per year due to the implementation of new parking kiosks and improved ticketing equipment. Additional efforts focused on improved collections of new and existing tickets are expected to continue, though write-downs of older uncollectable tickets are expected to result in collections revenues declining by \$100,000 a year in both FY 2024 and FY 2023, then holding at a base of \$200,000 for the remainder of the projection period.

Criminal Fines and L&I Instant Ticketing are both expected to return to pre-COVID levels in FY 2022 and continue at that level for the remainder of the projection period.

**Interest Income (FY 2021 Base Year: \$184,500 - 0.1% of total revenues)**

Due to COVID, the City expects a significant drop-off in interest earnings in FY 2021, down \$847,000 relative to the FY 2020 budget. Interest rates are projected to begin recovering in the outyears, with the projection assuming an interest rate of 0.4% in FY 2022, followed an increase of 25 basis points each year beyond that. This also includes the following additions to the investment base:

1. FY 2022: a weighted average of \$4.5 million from the unspent portion of the September 2020 capital borrowing, plus \$1.8 million in fund surplus;
2. FY 2023: a weighted average of \$10.6 million from the unspent portion of the September 2022 capital borrowing, plus \$718,000 in fund surplus;
3. FY 2024: a weighted average of \$7.4 million from the unspent portion of the September 2022 capital borrowing, net of the FY 2024 deficit;
4. FY 2025: a weighted average of \$8.3 million from the unspent portion of the September 2024 capital borrowing, net of the FY 2025 deficit.

**Indirect Costs (FY 2021 Base Year: \$8,012,027 - 5.1% of total revenues)**

Indirect Costs reflects the revenue provided to the General Fund to cover the costs of supporting services provided to the Water/Sewer Fund's utility functions. In FY 2021 Indirect Costs are budgeted to remain flat relative to the FY 2020 budget. This is followed by a drop of almost \$735,000 in FY 2021 as per the newest indirect cost model developed by Black and Veatch, the City's water utilities management consultant. For FY 2023 and subsequent years, this category is estimated to increase by 2.5% per year.

**Other Miscellaneous Revenues (FY 2021 Base Year: \$1,654,719 - 1.0% of total revenues)**

Other Miscellaneous Revenues is composed of general government charges, rentals, and other revenues. Collectively, these are expected to return to pre-COVID levels beginning in FY 2022. No outyear growth is forecasted beyond this.

**Task Force Revenues (FY 2021 Base Year: \$5,063,006 - 3.2% 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 in the State (including Wilmington, the county seat of New Castle County) receives the revenue derived from the following:

1. A State corporate filing tax, budgeted at slightly over \$1.0 million in FY 2021. This is expected to return to the pre-COVID level of \$1.2 million in FY 2022, then grow at 2.1% annually from FY 2023 through FY 2025 (as per DEFAC projections).
2. A State Limited Liability Corporation (LLC) filing tax, budgeted at nearly \$3.0 million for FY 2021. This is also expected to return to the pre-COVID level of \$3.5 million in FY 2022, then grow at 1.45% annually from FY 2023 through FY 2025 (as per DEFAC projections).
3. A 2% lodging tax on hotels in the City, budgeted at nearly \$638,000 in FY 2021. This is projected to return to the pre-COVID level of \$881,000 in FY 2022, then grow at 2.5% per year, matching normal inflation.
4. A natural gas franchise fee, budgeted at \$423,800 in FY 2021. This is projected to increase to slightly over \$514,000 in FY 2022 as natural gas prices recover, then remain level for the rest of the projection period.

**County Seat Relief Package (FY 2021 Base Year: \$10,876,287 – 6.9% of total revenues)**

The County Seat Relief Package is a bundle of escalating revenue enhancements that built on the work of the Governor’s Task Force (see the Task Force Revenues section above) and was intended to provide further diversified revenue support to the three county seats in the State of Delaware. In FY 2021, this totals almost \$10.9 million and consists of the following four components:

1. A payment in lieu of taxes (PILOT) on what would otherwise be tax-exempt properties in the City. This is budgeted at \$2.5 million in FY 2021, based on the expectation that State revenue sharing would be reduced. However, after the passage of the FY 2021 budget the City received a larger-than-expected FY 2020 PILOT of over \$3.3 million, with a similar amount later included in the State’s FY 2021 budget. Consequently, the outyear PILOT has been set to \$3.3 million for the FY 2023 through FY 2025 projection period.
2. \$1.0 million in Statutory Trust filing fees in FY 2021, which is the capped amount. This is expected to remain flat during the projection period.
3. \$6.2 million in State Uniform Commercial Code (UCC) filing fees in FY 2021. Based on DEFAC projections, this is expected to grow 5.2% in FY 2022 as the economy recovers, and 2.6% annually during the remainder of the projection period.
4. \$1.1 million in New Castle County Corporate Filing Fees in FY 2021. Based on DEFAC projections, this is expected to grow 4.5% in FY 2022 as the economy recovers, and 2.1% annually during the remainder of the projection period.

**State Port Debt Reimbursement (FY 2021 Base Year: \$870,857 - 0.6% of total revenues)**

The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. Per the sale agreement, the outstanding Port debt remains as a liability on the City’s books. Following their long-term lease of the Port, the State provided the City with full payment for the outstanding debt. The City has amortized these funds and will continue to budget debt reimbursement payments for the remaining life of the associated bonds. The outyear projection is based on the existing port debt service schedule, with the final payment concluding in FY 2023.

**State Pension Contribution (FY 2021 Base Year: \$5,199,177 - 3.3% of total revenues)**

The State Pension Contribution is a pass-through grant that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. For FY 2021 this is budgeted at nearly \$5.2 million, consistent with the amount received in FY 2019. However, after the passage of the FY 2021 budget the State provided the City with an additional \$586,000 in funding. Consequently, the outyear State pension contribution has been projected to increase to almost \$5.8 million in FY 2022 and is expected to remain at that level for the remainder of the projection period.

**Net Adjustments & Transfers (FY 2021 Base Year: \$275,000)**

There are no prior year designations in FY 2021. Only the usual transfer from the Wilmington Parking Authority (WPA) in the amount of \$275,000 is budgeted, with no change anticipated for the outyears.

## **OUTYEAR PROJECTION ASSUMPTIONS - EXPENDITURES**

### **Salaries and Wages (FY 2021 Base Year: \$67,055,123 - 41.0% 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 2021 budget serves as the base year for estimating future costs, and all numbers are reported net of projected attrition.

Subsequent to the budget, the Police Rank and File (FOPR) settled a new one-year contract with a \$500 base salary increase in addition to a 2% COLA. For the outyears (FY 2022- 2025), the FOPR are projected to receive an annual 2% COLA. Similarly, the outyears for Local 1590 (Firefighters) contract includes compensation increases as a result of arbitration in addition to a 2% annual COLA. Finally, Local AFSCME 1102 (white collar employees) settled a new contract that runs through FY 2022 that provides a \$500 base salary increase in addition to an annual 2% Cost of Living Adjustment (COLA).

For all other remaining City employees and bargaining units, an annual COLA is assumed for FY 2022 - FY 2025. Because of fiscal constraints, it is assumed these COLAs will not exceed 2.0% per year. Furthermore, automatic 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 2021 Base Year: \$15,426,377 - 9.4% 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. Prior to 2017 the City had been experiencing healthcare cost increases and employee plan utilization that were 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 continues to work with the labor unions to fully implement the report's recommendations, especially regarding higher employee healthcare contributions.

The Human Resources Department and USI (the City's insurance broker and consultant) project that on an annual basis during the period of FY 2022 to FY 2025, medical stop-loss insurance will increase 20.0%; medical costs will increase 6.6%; prescription costs will increase by 8.1%; and dental costs will increase by 5.25%. Taken in total, this equates to an overall weighted-average increase in base Healthcare costs of 7.18% 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 a weighted-average employee contribution rate of 11.0% beginning in FY 2021.

### **Pension and Retirement Healthcare (FY 2021 Base Year: \$19,635,920 - 12.0% 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 2021, this is 16.59% for police officers and firefighters, and 7.06% for civilian participants. Because the State funding percentages are estimated to increase annually by only 15 basis points for civilians and 25 basis points for police and firefighters, 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 34 civilians, 12 police officers, and 6 firefighters will be hired and added to the State-sponsored pension plans each year. As a result, the \$6.2 million General Fund total cost of the State-sponsored pension plans in FY 2021 is projected to grow to \$7.9 million by FY 2025.

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 (ARC) for each of the City's closed plans is calculated to cover ongoing costs, plus provide a contribution to eliminate any unfunded liability within the next 10 years. The Pension Coordinator, working with the City's Actuary, projects a 3.6% increase in the ARC for FY 2022; no change in FY 2023; a 1.1% decrease in FY 2024; and no change in FY 2025. This works out to be a weighted-average funding target increase of 0.6% annually for the projection period. However, due to the projected increase in the offsetting State Pension Contribution amount received by the City from the State, the total cash outlay for City-sponsored pensions is expected to decline, from \$10.3 million in FY 2021 to \$9.97 million by the end of the projection period (see *State Pension Contribution* below for further details).

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 5 years. These increases have been incorporated into the outyears of the projection. The General Fund retiree healthcare budget cost for FY 2021 is \$3.37 million and will grow to over \$4.2 million by FY 2025.

**Other Employee Benefits (FY 2021 Base Year: \$2,721,859 - 1.7% of total expenditures)**

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

**Equipment and Services (FY 2021 Base Year: \$28,992,706 - 17.7% 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 amid 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, collection commissions on parking and traffic violations, and community activities.

In FY 2016, the City began a four-year phase-in to appropriately charge itself for water, sewer, and stormwater services used by departments in the General Fund. The fee was fully implemented in FY 2019. Starting with a base fee of \$1.02 million in FY 2021, the most recent water/sewer utility study projects required rate increases in the outyears that will raise the base fee to roughly \$1.09 million by FY 2025.

The City uses an energy procurement consulting firm specializing in designing and maintaining large-scale energy portfolios and the City's energy contract purchases. According to the consultant, electricity costs for the City will fall 1.2% in FY 2022, rise 1.1% in FY 2023, increase 2.7% in FY 2024, and then jump almost 4.1% in FY 2025. This equates to an average annual growth rate of just under 2.0% over the projection period. Given the above, the FY 2021 base cost for electricity of \$1.08 million rises to \$1.15 million by FY 2025, an increase of \$70,000 over the projection period. In addition, the City receives an annual Municipal Street Aid grant from the State that is used to offset the electricity costs of street lighting that would otherwise be a cost to the General Fund. Based on the State funding formula, the assumption is made that the Municipal Street Aid grant funding of \$1.23 million in FY 2021 will remain constant throughout the entire projection period.

The City has contracts with Conduent Transportation to help in the collection of parking and redlight camera violations, as well as to administer certain parts of the respective citation programs. The Finance Department recently entered into a new contract with Conduent to handle all collection activities for parking citations and redlight camera violations. This will result in an increase of 2.0% in the projected parking citations contract costs from FY 2022 through FY 2025. Additionally, the redlight camera contract is expected to remain flat through the same period. The total combined cost for the parking and redlight camera contracts is expected to increase from \$3.0 million in FY 2021 to just over \$3.12 million by FY 2025.

The Mayor's Office and City Council each have a budget account group known as Community Activities, which includes expenditures such as grants to non-profit agencies and a scholarship tuition assistance program. For FY 2021, the total budgeted for Community Activities is \$630,000 (\$472,000 in the Mayor's Office and \$158,000 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 2021. 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 2021 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 2021 Base Year: \$1,462,622 - 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 2021 budget of \$1.46 million. This figure is projected to increase by 2.5% annually.

**Workers' Compensation (FY 2021 Base Year: \$3,182,004 - 1.9% of total expenditures)**

Workers' Compensation expenditures in FY 2017 spiked because of 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 out-of-state workers' comp medical bills incurred as a result of the event. To ensure that the City was no longer unprepared for this type of rare event, funding for stop-loss insurance coverage and to help build a reserve in the Workers' Compensation Fund was added in FY 2018. The FY 2021 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 2021 Base Year: \$7,436,620 - 4.5% of total expenditures)**

This category used to encompass various expenditures incurred by operating departments but budgeted centrally. Prior to FY 2020, this included charges for motor vehicles, telephone and radio usage, postage, data processing, document management, and mapping and graphics. Beginning in FY 2020, only motor vehicle charges remain in the category. In the Budget Book summaries, Internal Services also includes General Liability and Workers' Compensation; however, for this projection they are analyzed separately.

In recent years, total Motor Vehicle fund costs have shown greater consistency due to better managing the size of the fleet. Total motor vehicle costs, including fuel costs, are projected to increase 3.0% annually in the outyears. The total Motor Vehicle costs are expected to increase from \$7.4 million in FY 2021 to \$8.4 million in FY 2025.

**Debt Service (FY 2021 Base Year: \$12,124,255 - 7.4% of total expenditures)**

Debt Service is based on the existing debt schedules as provided by the Treasurer's Office, with estimates added for any expected new borrowing or refinancing. To fund the City's FY 2018 capital budget and to repay outstanding Bond Anticipation Notes (BANs), a \$44.1 million bond issuance will take place in September of 2020 (FY 2021). To fund future capital budgets, a \$25.4 million bond issuance is assumed in September of 2022 (FY 2023) and a \$20.0 million bond issuance is assumed in September of 2024 (FY 2025).

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 2021 issuance is assumed to be 2.25%, resulting in \$2.75 million in annualized debt service cost. The FY 2023 issuance has an assumed interest rate of 3.50%, resulting in just under \$1.78 million in annualized debt service costs. The FY 2025 issuance has an assumed interest rate of 3.75%, resulting in \$715,000 in debt service costs in FY 2025. Because debt service is paid on a semi-annual basis, special consideration is given for the timing of the bond issuances. As such, the second of the semi-annual debt service payment on each of the new bond issuances does not occur until the succeeding fiscal year.

**Special Purpose (FY 2021 Base Year: \$264,385 - 0.2% of total expenditures)**

This expenditure category funds animal control and also includes a total of \$8,000 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 2022. The City started utilizing the recently established State Office of Animal Welfare for animal control services in FY 2018. The base fee to the State Office of Animal Welfare for FY 2021 is \$256,385 and is projected to grow by 2.5% per year through FY 2025.

**State Pension Contribution (FY 2021 Base Year: \$5,199,177 - 3.2% 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 \$5,199,177 for FY 2021. As such, an equal and offsetting amount is included as General Fund revenue. This expenditure is split between the Police and Fire Departments, with \$3,567,418 budgeted in Fire and \$1,631,759 budgeted in Police. It should be noted that after the passage of the FY 2021 budget, the State provided the City with an additional \$586,000 in funding. Consequently, the outyear State pension contribution has been projected to increase to almost \$5.8 million in FY 2022 and is expected to remain at that level for the remainder of the projection period.

## General Fund Revenues Fiscal Year 2021

### GENERAL FUND OVERVIEW

Inclusive of the effects of COVID-19, total General Fund revenue before transfers is budgeted to be **\$157,859,018**, a net decrease of \$11.8 million, or 7.0%, below the FY 2020 budget. This is a \$13.6 million reduction from the pre-COVID proposed revenue estimate. The net change by revenue category is shown below:

	Pre-COVID		Post-COVID		
	A	B	C	C - A	C - B
Revenue	FY 2020 Budget	FY 2021 Proposed	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
Property Taxes	\$42,915,724	\$43,199,742	\$42,142,742	(\$772,982)	(\$1,057,000)
Wage Taxes	70,461,600	72,433,705	\$65,840,370	(\$4,621,230)	(\$6,593,335)
Other Taxes	7,523,291	7,694,239	\$5,977,720	(\$1,545,571)	(\$1,716,519)
Licenses/Permits/Fees	5,065,290	4,457,000	\$3,883,472	(\$1,181,818)	(\$573,528)
Fines	9,142,000	9,373,000	\$8,154,141	(\$987,859)	(\$1,218,859)
Investments	1,031,000	369,000	\$184,500	(\$846,500)	(\$184,500)
Other Revenues	9,775,027	9,780,027	\$9,666,746	(\$108,281)	(\$113,281)
Other Governments	6,786,256	6,070,034	\$6,070,034	(\$716,222)	\$0
Task Force Revenues	5,883,626	6,026,744	\$5,063,006	(\$820,620)	(\$963,738)
County Seat Relief Package	11,088,839	12,037,252	\$10,876,287	(\$212,552)	(\$1,160,965)
<b>Total</b>	<b>\$169,672,653</b>	<b>\$171,440,743</b>	<b>\$157,859,018</b>	<b>(\$11,813,635)</b>	<b>(\$13,581,725)</b>

As the operating budget must be balanced per the City charter, FY 2021 also includes a one-time use of nearly \$5.4 million from the General Fund's Tax Stabilization Reserve. This is sufficient to cover the projected revenue shortfall, based on projected revenues net of the approved General Fund expenditure budget of \$163.5 million.

## General Fund Revenues Fiscal Year 2021

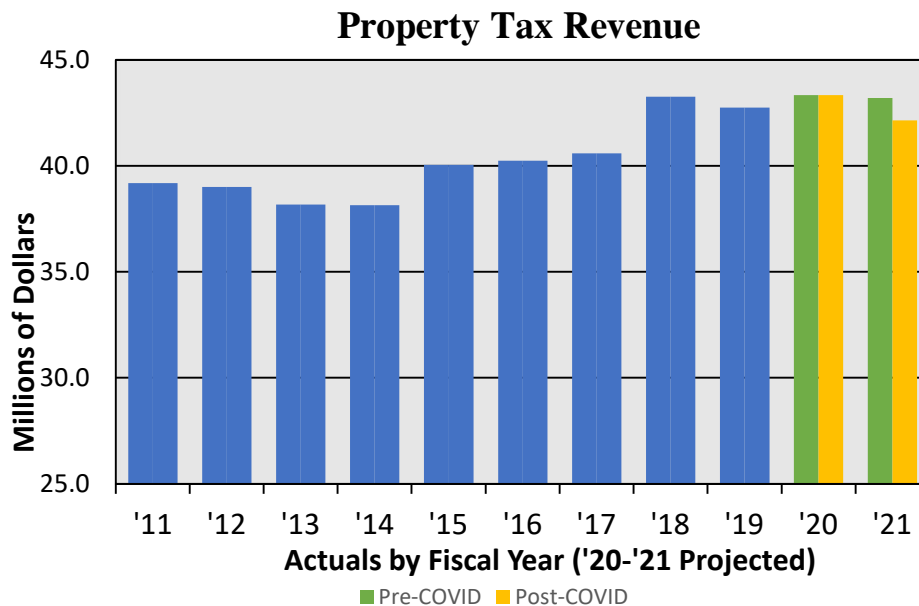
### PROPERTY TAX

**Basis:** Assessment rolls

**Critical Assumptions:** Inclusive of COVID changes, Property Tax revenues are projected to total \$42.1 million, a decrease of \$773,000 from the FY 2020 budget. This is down more than \$1 million from the pre-COVID projection. Projected base billings for FY 2021 are \$43.0 million, which is inclusive of various post-billing adjustments from FY 2020. This base is reduced by \$250,000 in projected reassessment appeals, though this is partially offset by a combined \$109,000 in additional revenue due to expiring tax incentives and projected property improvements. We have doubled the allowance for doubtful accounts to 4%, which further reduces revenue by \$1.7 million. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.0 million, down \$200,000 due to revisions to the code regarding the payment of delinquent accounts.

There is no Property Tax rate increase included in the FY 2021 budget.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$42,915,724	\$43,336,575	\$43,199,742	\$43,336,575	\$42,142,742	(\$772,982)	(\$1,057,000)



## General Fund Revenues Fiscal Year 2021

### WAGE & NET PROFITS TAXES

**Basis:** Projected growth of local economy / wage inflation / corporate bonus compensation

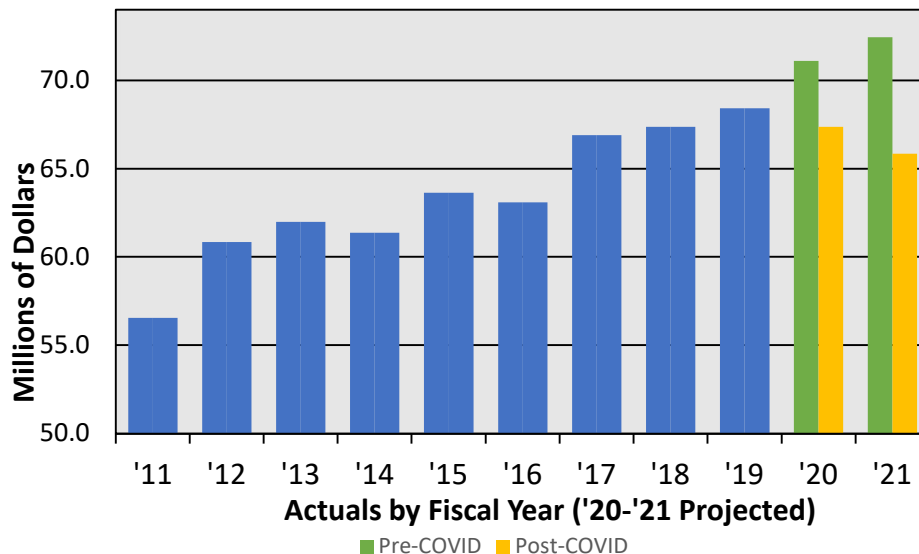
**Critical Assumptions:** Pre-COVID Wage Tax is built on an adjusted starting base of \$63.1 million, which includes a \$441,000 reduction due to the loss of approximately 500 Barclays jobs (expected to be finalized in FY 2020), as well as a \$65,000 increase due to FY 2020 audit collections made part of the base. In the absence of COVID, job growth was projected to be flat for FY 2021, and higher employee compensation was projected to increase taxable wages by 2.5%. Finally, audit and collection efforts in FY 2021 were expected to yield \$1.25 million in one-time revenue, the same as the FY 2020 budget.

Going forward, we expect that the layoffs, furloughs, and reduced earnings resulting from the COVID social distancing and business closures will result in a blended loss rate of 22.4% in Q1. This loss rate declines though the year as economic activity returns, ending at 1.5% down during Q4. This is effectively a 9.0% total reduction from the pre-COVID estimate, equal to a loss of \$5.9 million.

Net Profits revenue, which is remitted by business partnerships, professional associations, and limited liability corporations, was previously expected to remain stable in FY 2021; however, we now project a year-end total reduction of \$677,000, or a bit over 10%. As Net Profits is paid on a calendar year basis, revenues received during FY 2021 straddle two fiscal years. Due to this, the most heavily impacted periods (Q4 FY 2020 and Q1 FY 2021) fall into FY 2021. We have reduced these quarters by a weighted average of 17% (based on the mix of Net Profits payers, assuming the low-paying businesses are impacted most).

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$70,461,600	\$71,103,157	\$72,433,705	\$67,372,684	\$65,840,370	(\$4,621,230)	(\$6,593,335)

### Wage & Net Profits Tax Revenue



## General Fund Revenues Fiscal Year 2021

### OTHER TAXES

**Basis:** Trend analysis / growth of local economy

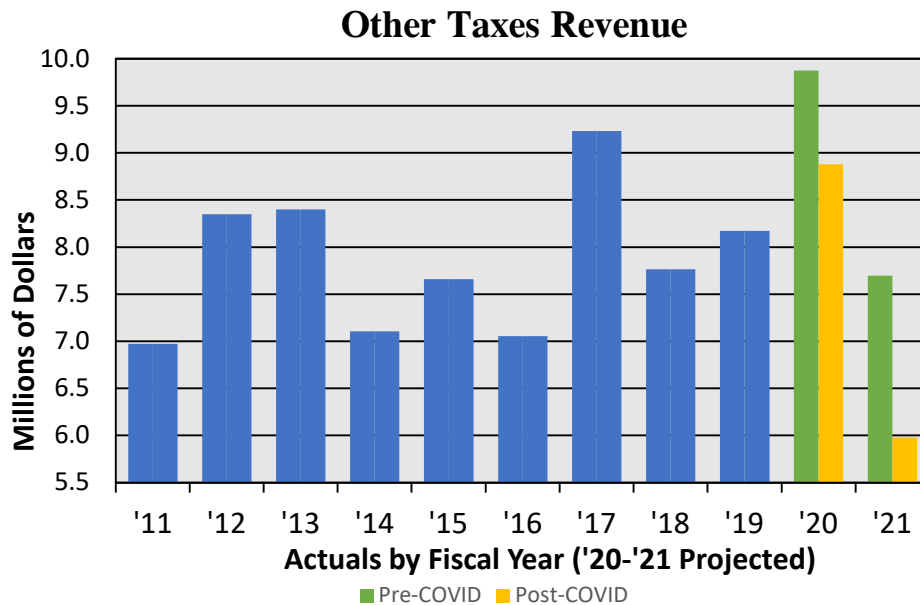
**Critical Assumptions:** Other Taxes are projected to decrease by \$1.6 million relative to FY 2020 budget. This includes the following:

**Franchise Fees** consists of 2% of the gross revenues from Delmarva Power electricity sales in the City (as Delmarva is the sole electricity distributor). While no COVID-specific changes are expected, we have adjusted this down by \$136,000 to better reflect recent revisions to the Delmarva Power franchise agreement.

**Real Estate Transfer Tax** revenues are projected to show significant declines in the first half of FY 2021, with both Residential and Commercial recovering later in the fiscal year. Combined, this results in a loss of \$1.1 million compared to the pre-COVID proposed budget.

**Head Tax** revenues are projected to decline by \$667,000 relative to the FY 2020 budget. Roughly half this reduction is due to the effects of the relocation of 500 Barclays jobs to New Jersey and an approximately 600-job exemption for Chemours, along with adjustments to better reflect prior-year actuals. Post-COVID, we have projected that the bulk of layoffs will impact low-wage workers, similar to Wage Tax. Given the relative mix of jobs in the City, this results in a blended loss rate of 20.1% in Q1, with the rate of losses declining to 4.0% by year end.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$7,523,291	\$9,872,621	\$7,694,239	\$8,879,594	\$5,977,720	(\$1,545,571)	(\$1,716,519)



## General Fund Revenues Fiscal Year 2021

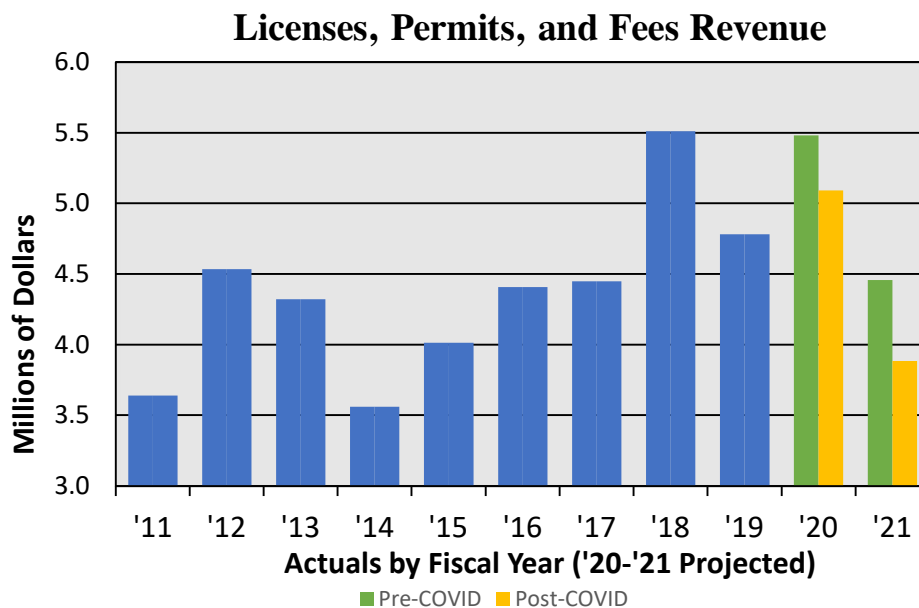
### LICENSES, PERMITS, AND FEES

**Basis:** Trend analysis

**Critical Assumptions:** Licenses/Permits/Fees revenues are down by \$1.2 million in total compared to FY 2020.

Business License revenues are projected to be down by a \$857,000 from FY 2020 mainly because of the removal of a previously proposed change to the Rental License Fee, which was included in the FY 2020 budget but not subsequently passed into law. Consequently, the \$815,000 in revenue expected from the Fee change has not been included in the FY 2021 budget. We project only minor changes due to COVID, as most businesses are expected to remain as active business entities, even if economic activity is reduced. For Permits, we project that new construction activity will fall off significantly during Q1, and recover by year-end, resulting in a \$308,000 reduction relative to FY 2020. Finally, Fees, which mainly consists of parking meter revenues, are projected to be 50% lower in Q1, then subsequently return to roughly normal as the City discontinues free metered parking; due to growth in the Fee base, this only results in a net reduction of \$17,000.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$5,065,290	\$5,480,957	\$4,457,000	\$5,091,305	\$3,883,472	(\$1,181,818)	(\$573,528)



## General Fund Revenues Fiscal Year 2021

### FINES

**Basis:** Trend analysis

**Critical Assumptions:** Taking into account COVID, Fines are projected to be down by \$988,000, to a new total of \$8.2 million. This consists of the following:

**Criminal / Instant Ticket** revenues are composed of Criminal Fines remitted by the State and the L&I Instant Ticketing Program. Criminal Fines are projected to decrease by \$30,000, based on historical trends; there is no expected impact from COVID. Instant Ticket revenues are projected to decrease by \$160,000; \$120,000 of this decrease is due to L&I reprioritizing their efforts to focus on rental inspections and housing code enforcement rather than instant ticketing. The remainder of the reduction is due to COVID, as Instant Tickets are expected to be 50% below normal in Q1, with issuance slowed considerably as L&I focuses on imminent threats to the health and safety of residents.

**Redlight** revenues, in total, are projected to decline by \$665,000 relative to FY 2020. In the absence of COVID, revenues were projected to remain effectively flat. However, due to ongoing reductions in vehicle traffic as fewer employees commute into the City, we assume a 30% loss for Q1, followed by a recovery over the next two quarters. This equates to a 12% change from the pre-COVID proposed budget, or a \$656,000 reduction.

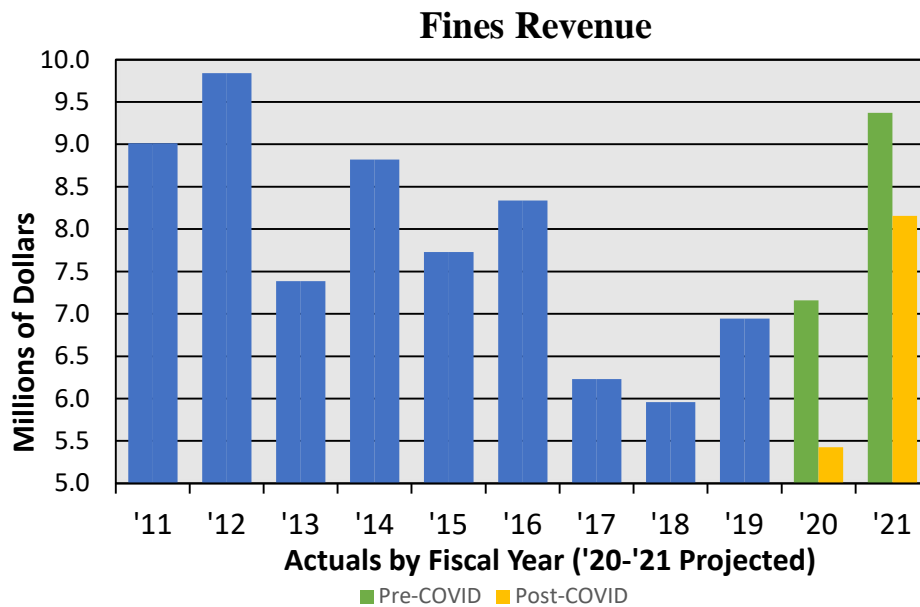
**Parking** revenues were previously projected to increase by \$390,000, due mainly to a \$350,000 increase for improved collections of new and existing tickets. In addition, we had projected a \$65,000 increase to citations and a \$25,000 decrease for booting fines, both based on historical trends. However, the City has temporarily suspended ticketing, booting, and parking enforcement for metered parking and time-limited neighborhood parking. We assume this suspension ends midway through Q1, for a quarterly reduction of 50%. Parking revenues are expected to remain below normal through Q3 and recover in Q4. In total, this results in a loss of \$524,000 from the pre-COVID proposed budget, for a net reduction of \$134,000 relative to FY 2020.



## General Fund Revenues Fiscal Year 2021

### FINES (Continued)

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$9,142,000	\$7,159,760	\$9,373,000	\$5,425,068	\$8,154,141	(\$987,859)	(\$1,218,859)



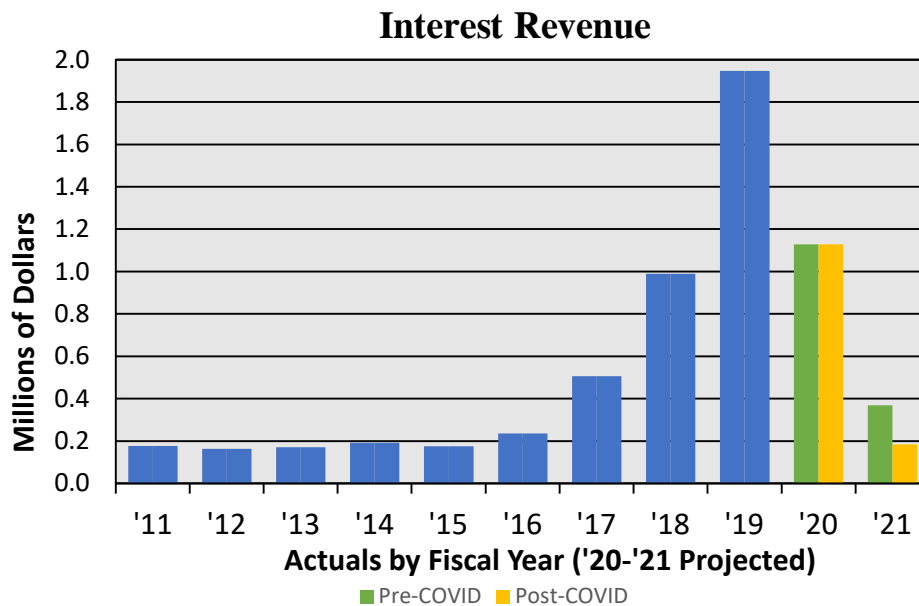
## General Fund Revenues Fiscal Year 2021

### INTEREST

**Basis:** Trend analysis / interest rate projections / bond issuance

**Critical Assumptions:** Interest earnings on the City’s cash balances are projected to decrease \$847,000 relative to the FY 2020 budget. Given the recent precipitous decline in interest rates, the projection for FY 2021 is based on an average annual interest rate of 0.4%, approximately 150 basis points lower than the rates experienced by the City so far in FY 2020. This decline is further exacerbated by reductions in the City’s available cash, as overall revenue losses cause the City to tap into fund balance. This reduction is slightly offset by bond issuance expected to occur in November 2020 (which is assumed to be only partially spent in FY 2021).

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$1,031,000	\$1,128,053	\$369,000	\$1,128,053	\$184,500	(\$846,500)	(\$184,500)



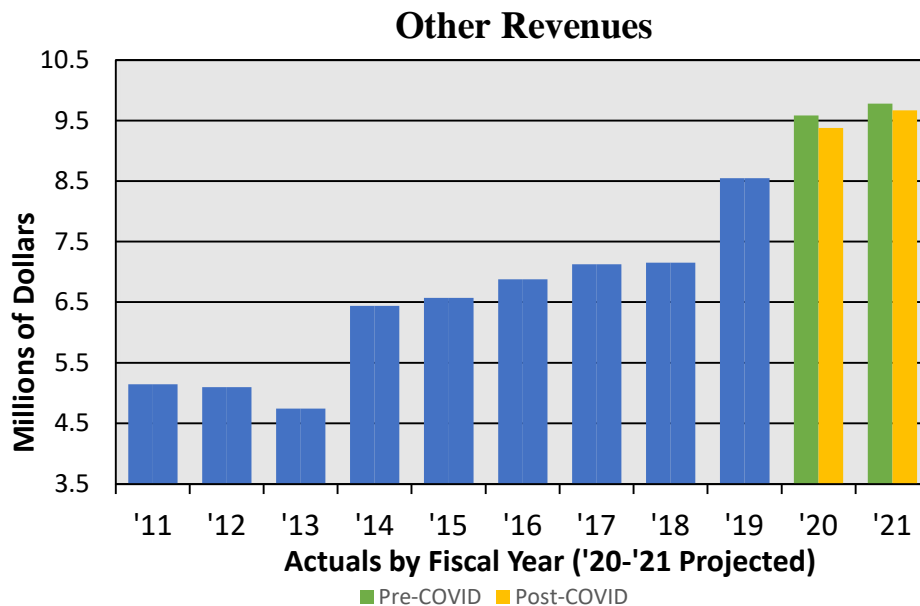
## General Fund Revenues Fiscal Year 2021

### OTHER REVENUES

**Basis:** Trend analysis / contracts

**Critical Assumptions:** Other Revenues is comprised of Indirect Costs, General Government Charges, Rentals, and other miscellaneous revenues. Indirect Costs are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of water, sewer, and stormwater utilities. In FY 2020, this was adjusted upwards by \$2.3 million to reflect the Water/Sewer Fund’s usage of various internal services which were transferred to the General Fund. There is no change to Indirect Costs for FY 2021. Rentals and Concessions revenues are projected to be 50% less than normal during Q1, as various events are cancelled. When combined with smaller reductions to General Government Charges, total Other Revenues are down \$108,000 from the FY 2020 budget.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$9,775,027	\$9,583,924	\$9,780,027	\$9,379,663	\$9,666,746	(\$108,281)	(\$113,281)



## General Fund Revenues Fiscal Year 2021

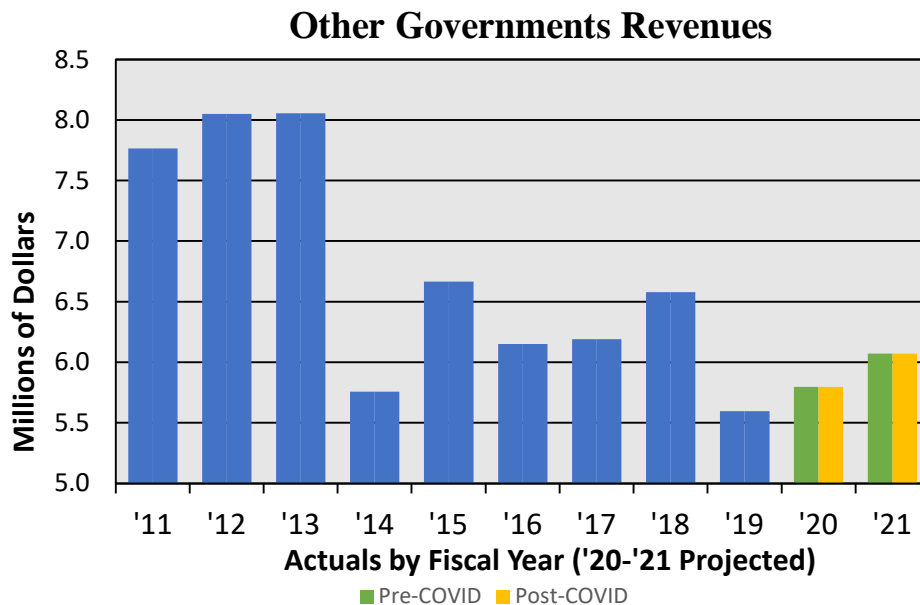
### OTHER GOVERNMENTS

**Basis:** Estimates from State of Delaware / current debt schedules

**Critical Assumptions:** Other Governments consists of the State Pension Contribution and the State Port Debt Reimbursement. The State Pension Contribution is a pass-through grant that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. At the end of FY 2019, the City learned from the State Insurance Commissioner’s Office (which determines the contribution amount) that the contribution had been previously miscalculated and had not only been reduced for FY 2019 but would be lower going forward. Consequently, the FY 2021 contribution has been reduced by \$991,000 to a new total of \$5.2 million. This is consistent with the amount received in FY 2019 and the revised amount projected for FY 2020.

The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. Per the sale agreement, the outstanding Port debt remains as a liability on the City’s books. In 2018, the State entered into a long-term lease of the Port, and subsequently provided the City with full payment for the outstanding debt. The City has amortized these funds and will continue to budget debt payments for the remaining life of the associated bonds. For FY 2021, the reimbursement is \$871,000, up \$275,000 from FY 2020.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$6,786,256	\$5,795,533	\$6,070,034	\$5,795,533	\$6,070,034	(\$716,222)	\$0



## General Fund Revenues Fiscal Year 2021

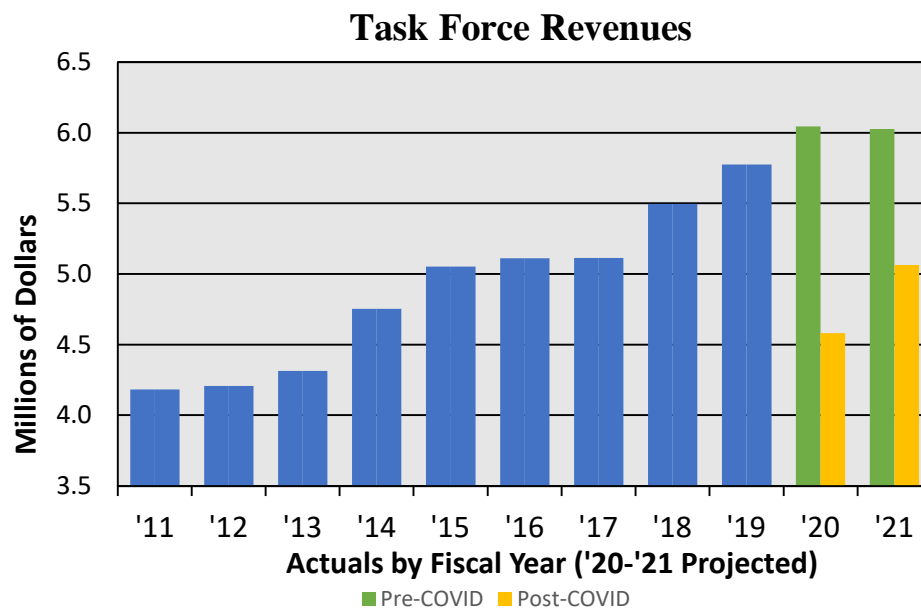
### TASK FORCE REVENUES

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

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

Taking into account the effects of COVID, Task Force Revenues are projected to be down a total of \$821,000 from the FY 2020 budget. Given the expected slowdown in corporate activity, we have reduced both Corporate Filing Tax and LLC Filing Tax by 75% in Q1, with both returning to normal by Q3. Net of base growth, this results in budget-to-budget projected reductions of \$180,000 and \$402,000, respectively. Similarly, we expect Lodging Tax to be hit extremely hard by travel and social distancing restrictions. We have projected an 85% reduction in Q1, followed by a recovery by Q3, for a year-end reduction of \$134,000. Finally, Natural Gas Tax has been reduced by 20%, based on the reductions in the price of natural gas.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$5,883,626	\$6,045,099	\$6,026,744	\$4,580,494	\$5,063,006	(\$820,620)	(\$963,738)



## General Fund Revenues Fiscal Year 2021

### COUNTY SEAT RELIEF PACKAGE

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

**Critical Assumptions:** The County Seat Relief Package is a bundle of escalating revenue enhancements built upon the Governor’s Task Force and intended to provide further diversification to support the three county seats in the State of Delaware. The FY 2021 projection totals a combined \$10.9 million, down \$213,000 from FY 2020. This is composed of the following:

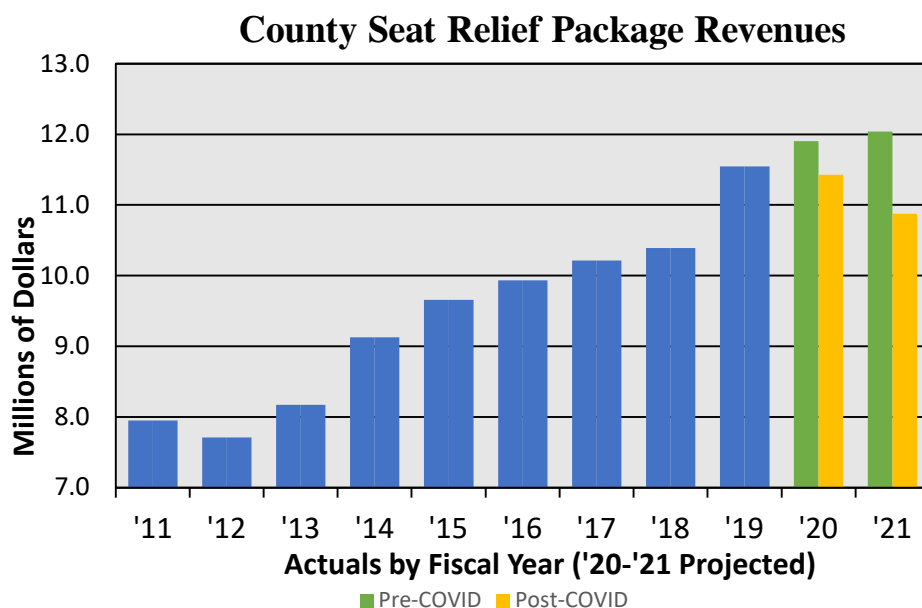
Statutory Trust Filing Fees are capped at \$1.0 million, unchanged from the FY 2020 budget.

New Castle County Corporate Filing Fees are projected to decrease 75% in Q1 then recover by Q3, for a reduction of \$148,000 relative to the FY 2020 budget.

Uniform Commercial Code (UCC) Filing Fees are projected to decline only slightly from the FY 2020 budget, for a loss of \$65,000 (or 1% annualized), as UCC Filings are heavily driven by corporate bankruptcies and historically have remained relatively level during previous downturns.

The Payment in Lieu of Taxes (PILOT) on what would usually be tax-exempt properties in the City is effectively unchanged for FY 2021. Note that this is an \$833,000 decrease from the proposed pre-COVID budget, as we project that the PILOT will be reduced to its FY 2017 value, given that the State will face fiscal pressure to return the PILOT to its historical amount.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$11,088,839	\$11,904,134	\$12,037,252	\$11,428,210	\$10,876,287	(\$212,552)	(\$1,160,965)



## General Fund Revenues Fiscal Year 2021

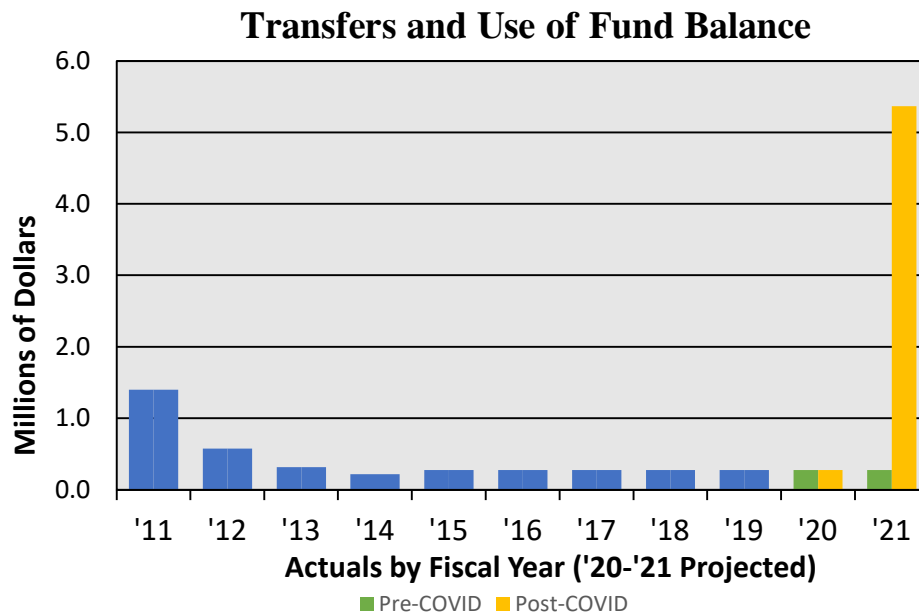
### TRANSFERS AND USE OF FUND BALANCE

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

**Critical Assumptions:** As the operating budget must be balanced per the City charter, FY 2021 includes a one-time use of nearly \$5.4 million from the General Fund’s Tax Stabilization Reserve. This is sufficient to cover the projected revenue shortfall, based on projected revenues net of the General Fund expenditure budget of \$163.5 million.

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

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$275,000	\$275,000	\$275,000	\$275,000	\$5,642,031	\$5,367,031	\$5,367,031



## Special Fund Revenues Fiscal Year 2021

Special Funds Revenues consist of supplemental revenues derived from non-taxation sources such as Federal and State grants and endowments, as well as the City’s Comcast franchise fee. For FY 2021, total Special Funds revenue is budgeted to be **\$14,712,430**, a net increase of \$1.6 million, or 12.3%, above the FY 2020 budget.

Due to the nature of Special Funds, there is no projected COVID-19 impact.

### 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 decrease about \$27,000 compared to the FY 2020 level.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$1,055,870	\$1,260,608	\$1,260,608	\$1,260,608	\$1,233,853	(\$26,755)

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

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

**Critical Assumption:** Funding is expected to increase by over \$478,000 compared to the FY 2020 award.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$1,551,181	\$1,779,279	\$1,738,806	\$1,738,806	\$2,216,928	\$478,122

### 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 2021, this revenue source is expected to decrease by \$100,000 relative to the FY 2020 budgeted level.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$1,133,900	\$1,076,410	\$1,100,000	\$1,100,000	\$1,000,000	(\$100,000)

\* Relative to FY 2020 budget.



## Special Fund Revenues Fiscal Year 2021

### HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANT (HOPWA)

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

**Critical Assumption:** The Housing Opportunities for Persons With AIDS is a Federal program dedicated to the housing needs of people living with HIV/AIDS and their families. The budget is expected to decrease by \$79,000 for FY 2021.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$685,088	\$629,406	\$723,164	\$723,164	\$802,435	\$79,271

### EMERGENCY SHELTER GRANTS (ESG)

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

**Critical Assumption:** This ESG program is intended to assist in the operation and rehabilitation of emergency and transitional shelters. It is expected to increase slightly in FY 2021.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$181,101	\$183,844	\$184,465	\$184,465	\$187,831	\$3,366

### PARKS ASSISTANCE

**Basis:** Estimate from Federal Government

**Critical Assumption:** These funds are used for the Summer and Evening Food Programs. Funding is currently projected to decrease by \$46,000 compared to the FY 2020 budget.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$1,080,529	\$935,716	\$1,104,547	\$1,104,547	\$1,058,366	(\$46,181)

\* Relative to FY 2020 budget.

## Special Fund Revenues Fiscal Year 2021

### 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 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$101,865	\$102,015	\$134,525	\$134,525	\$106,906	(\$27,619)

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

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

**Critical Assumption:** These grants are anticipated to increase by \$667,000 from FY 2020.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$2,699,425	\$2,295,288	\$718,899	\$718,899	\$1,385,794	\$666,895

### 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 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$4,598,761	\$4,853,196	\$5,197,218	\$5,197,218	\$5,619,232	\$422,014

\* Relative to FY 2020 budget.

## Special Fund Revenues Fiscal Year 2021

### HOME PARTNERSHIP FUND

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

**Critical Assumption:** The Home Partnership Program is awarded through HUD and is expected to increase by \$153,000 in FY 2021.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$406,581	\$626,205	\$411,009	\$411,009	\$564,024	\$153,015

### WORKFORCE INVESTMENT BOARD GRANT

**Basis:** Estimate from State of Delaware

**Critical Assumption:** The Workforce Investment Board Grant provides funding for the City's Youth Career Development Program. Revenues are expected to increase slightly in FY 2021.

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$269,624	\$255,578	\$253,589	\$253,589	\$258,660	\$5,071

### MISCELLANEOUS GRANTS

**Basis:** State of Delaware award letters

**Critical Assumption:** For FY 2021, Miscellaneous Grants consists of the combined total of two State grants: the Local Emergency Planning Committee Grant (\$77,031 in FY 2021) and the State Fire Grant (\$201,369 in FY 2021).

FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2020 Projected	FY 2021 Budget	Increase / (Decrease)*
\$245,696	\$298,291	\$274,136	\$274,136	\$278,401	\$4,265

\* Relative to FY 2020 budget.

**Water/Sewer Fund Revenues  
Fiscal Year 2021**

**WATER/SEWER FUND OVERVIEW**

Inclusive of the effects of COVID, total Water / Sewer Fund revenue is projected to be **\$79,216,541**, a net decrease of \$4.4 million, or 5.3%, below the FY 2020 budget. This is an \$5.2 million reduction from the pre-COVID proposed revenue estimate. The net change by revenue category is shown below:

	Pre-COVID		Post-COVID		
	A	B	C	C - A	C - B
Revenue	FY 2020 Budget	FY 2021 Proposed	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
Direct User Fees	\$54,940,000	\$53,353,000	\$48,165,541	(\$6,774,459)	(\$5,187,459)
Stormwater Billings	\$8,030,000	\$8,074,000	\$8,074,000	\$44,000	\$0
New Castle County Sewer	\$19,578,000	\$21,882,000	\$21,882,000	\$2,304,000	\$0
Rentals	\$1,085,000	\$1,065,000	\$1,065,000	(\$20,000)	\$0
Solar Panel Revenue	\$30,000	\$30,000	\$30,000	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$83,663,000</b>	<b>\$84,404,000</b>	<b>\$79,216,541</b>	<b>(\$4,446,459)</b>	<b>(\$5,187,459)</b>

## Water/Sewer Fund Revenues Fiscal Year 2021

### DIRECT USER FEES

**Basis:** Trend analysis / management initiatives

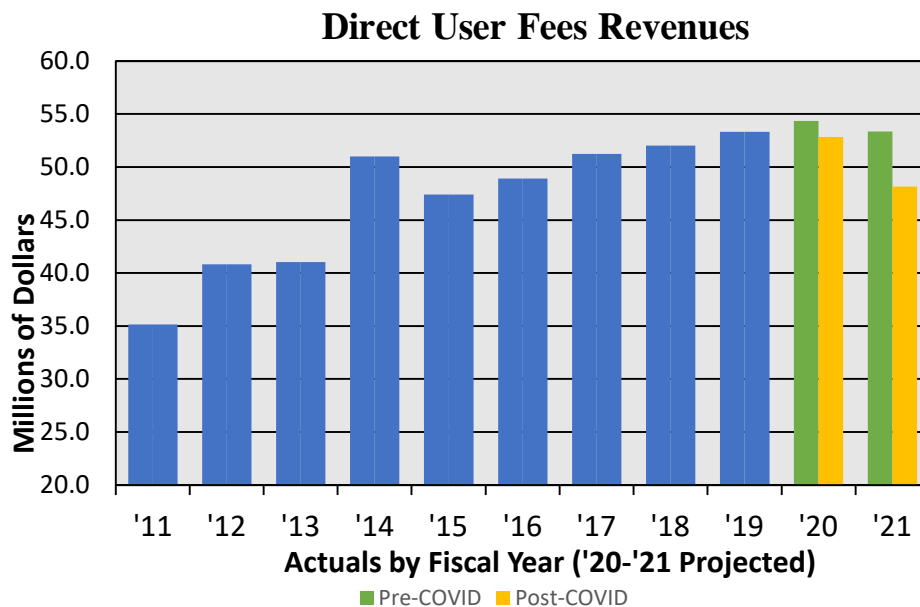
**Critical Assumptions:** In total, Direct User Fees are projected to be almost \$48.2 million, a decrease of \$6.8 million from FY 2020, or 12.3%. Given FY 2019 actual consumption, in the absence of COVID base FY 2021 billings are expected to be \$50.2 million, down from the \$51.0 million that had been projected in FY 2020. Post-COVID, this is reduced by an additional \$2.2 million. Based on data provided by Black & Veatch, commercial customers are expected to use 33% less water during Q1 while other users are expected to remain relatively flat, for an overall weighted annualized revenue decrease of 4.3%.

This is further reduced by a nearly \$2.6 million loss (relative to the FY 2020 budget) for changes in the bad debt adjustment factor. Pre-COVID, we projected a \$486,000 reduction in order to be more consistent with the collection rate currently experienced by the Finance Department. Post-COVID, we expect the bad debt rate to more than double (to annualized rate of 7.5%) for an additional loss of \$2.1 million.

Finally, total penalty and interest has been reduced by almost \$1.2 million compared to FY 2020. \$269,000 of this change is the result of May 2019 revisions to the City code regarding the payment of delinquent accounts. These code changes, which were not reflected in the FY 2020 budget, are intended to enable delinquent customers to satisfy their obligations to the City in a timelier manner. On top of this, Post-COVID penalty and interest waivers are expected to result in an additional \$926,000 reduction.

There are no increases to Water or Sewer rates for FY 2021.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$54,940,000	\$54,361,539	\$53,353,000	\$52,829,158	\$48,165,541	(\$6,774,459)	(\$5,187,459)



## Water/Sewer Fund Revenues Fiscal Year 2021

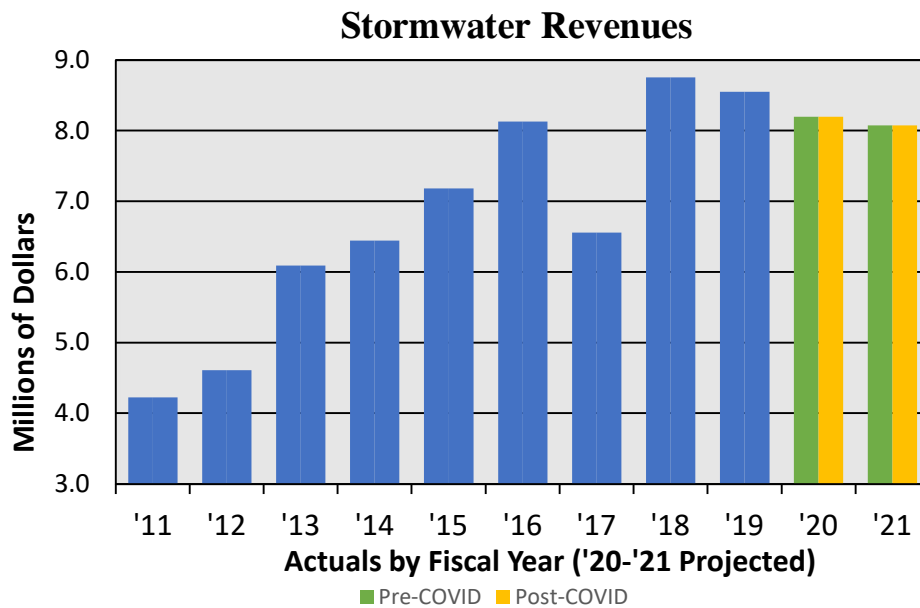
### STORMWATER BILLINGS

**Basis:** Trend analysis / management initiatives

**Critical Assumptions:** Stormwater Billings are the revenues derived from the Stormwater Property Fee, which is charged to all property owners in the City. The fee is not based on a consumption factor, but rather on the size of property and the characteristics of associated land and buildings as they relate to the generation of stormwater runoff. The Stormwater Billings base for FY 2021 is nearly \$8.5 million. After allowing for a total of \$425,000 in uncollectable accounts, a total of \$8.1 million is projected for FY 2021, an increase of \$44,000 over FY 2020. We currently estimate no impact due to COVID.

Note that there are no increases to Stormwater rates for FY 2021.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$8,030,000	\$8,195,177	\$8,074,000	\$8,195,177	\$8,074,000	\$44,000	\$0



## Water/Sewer Fund Revenues Fiscal Year 2021

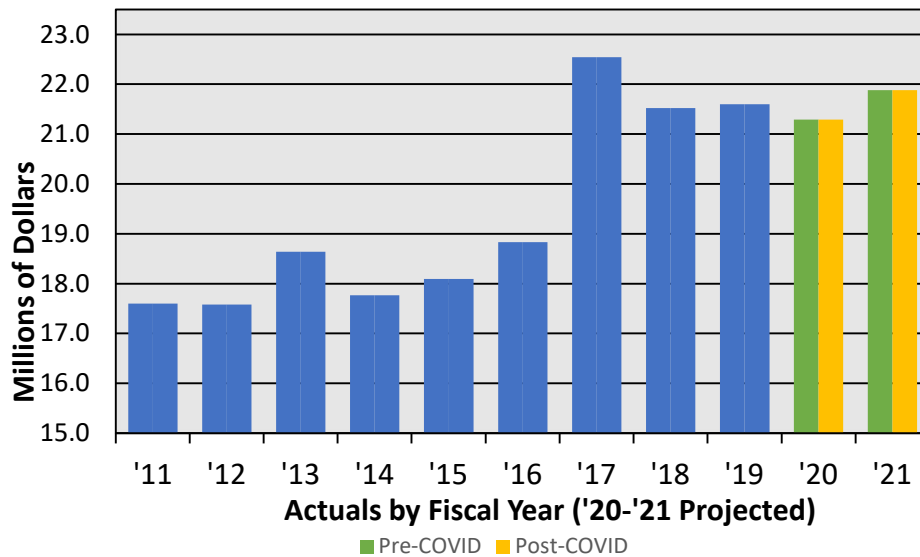
### NEW CASTLE COUNTY SEWER SERVICES

**Basis:** Contract with New Castle County

**Critical Assumptions:** New Castle County Sewer is the revenue associated with the City’s treatment of sewage from New Castle County. The City and County are currently in the process of finalizing a new sewer contract, and the County has begun providing an increased monthly payment. Based on this, NCC Sewer revenues are projected to increase by \$2.3 million in FY 2021, to a new total of nearly \$21.9 million.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$19,578,000	\$21,289,737	\$21,882,000	\$21,289,737	\$21,882,000	\$2,304,000	\$0

### New Castle County Sewer Revenues



## Water/Sewer Fund Revenues Fiscal Year 2021

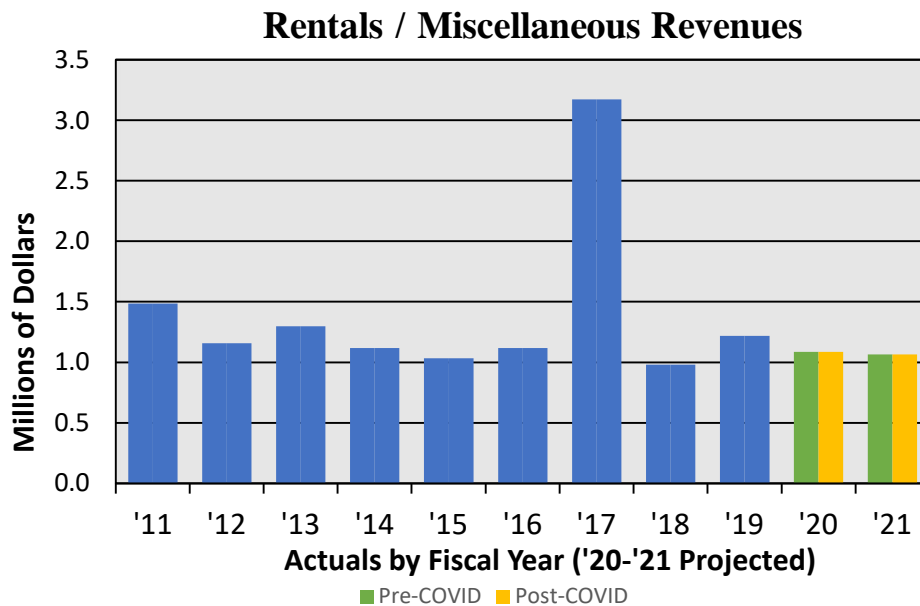
### RENTALS / MISCELLANEOUS

**Basis:** Leases / contracts

**Critical Assumptions:** Pre-COVID: Rentals revenues are the fees charged to telecommunication companies that rent space on the City’s water tanks for antennae and transmitters. This category is expected to decrease by \$20,000, to a new total of almost \$1.1 million. There are no changes due to COVID, as these revenues are contractual.

Actuals in FY 2017 reflect the one-time \$2.2 million EPA fine of the International Petroleum Corporation for Clean Water Act violations.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$1,085,000	\$1,085,000	\$1,065,000	\$1,085,000	\$1,065,000	(\$20,000)	\$0





## Water/Sewer Fund Revenues Fiscal Year 2021

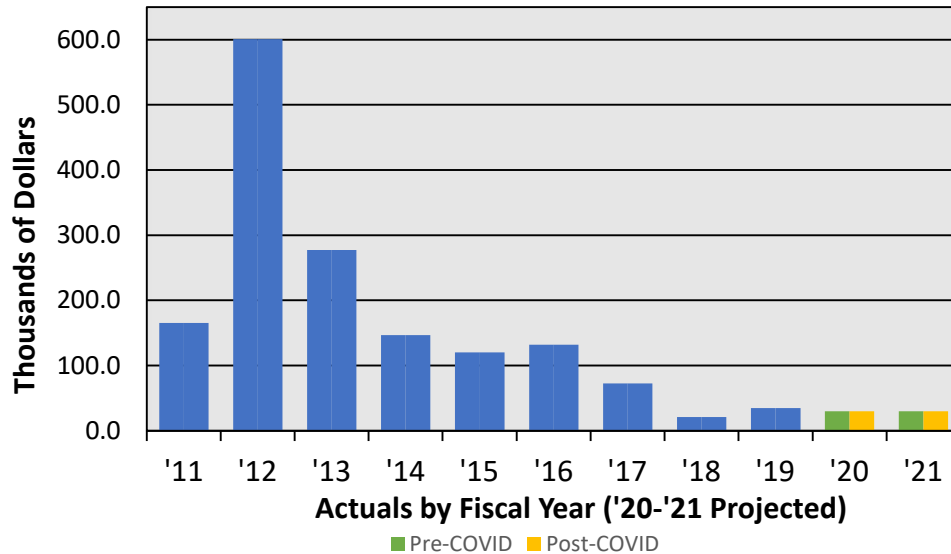
### SOLAR PANEL REVENUE

**Basis:** Leases / contracts

**Critical Assumptions:** Solar Panel Revenue is derived from the sale of Solar Renewable Energy Credits (SRECs) earned by the solar arrays located at various municipal sites (most notably the Porter Filter Plant). The projected revenue for FY 2021 is unchanged from FY 2020, at \$30,000. No changes are expected due to COVID.

Pre-COVID			Post-COVID			
A	B	C	D	E	E - A	E - C
FY 2020 Budget	FY 2020 Projected	FY 2021 Proposed	FY 2020 Projected	FY 2021 Budget	Year / Year Budget Δ	Post-COVID FY 2021 Δ
\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$0	\$0

### Solar Panel Revenues



# City of Wilmington Tax Rates for Fiscal Year 2021

## 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%.

## FRANCHISE TAX

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

**Rate:** 2.0% on electrical service.  
5.0% on cable television service.

**City of Wilmington**  
**Tax Rates for Fiscal Year 2021**

**NATURAL GAS TAX**

**Base:** Gross receipts from sales of natural gas within the City.

**Rate:** 2.0% on natural gas.

**LODGING TAX**

**Base:** Rent collected for any room or rooms in a hotel, motel, or tourist home (as defined by Title 30 of the Delaware Code) that are within the City limits.

**Rate:** 2.0% of rent.



# MAYOR'S OFFICE

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

## SUMMARY OF FUNDING FOR THE MAYOR'S OFFICE

<b>TOTAL ALL FUNDS MAYOR'S OFFICE*</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	5,457,111	5,495,144	3,797,058	3,761,178
Materials, Supplies & Equipment	7,216,106	7,453,104	1,669,295	1,448,377
Internal Services	1,124,569	1,262,796	102,355	105,348
Debt Service	3,729,236	3,806,940	3,744,144	2,994,340
Special Purpose	0	0	0	0
Contingent Reserves	0	0	672,000	672,000
Depreciation	717,345	1,308,584	0	0
<b>TOTAL</b>	<b>18,244,367</b>	<b>19,326,568</b>	<b>9,984,852</b>	<b>8,981,243</b>
<b>STAFFING LEVELS</b>	<b>57.00</b>	<b>55.00</b>	<b>34.00</b>	<b>34.00</b>

<b>GENERAL FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	3,475,400	3,532,327	3,724,291	3,684,146
Materials, Supplies & Equipment	1,691,806	1,646,257	1,669,295	1,448,377
Internal Services	761,451	922,988	102,355	105,348
Debt Service	3,692,596	3,765,676	3,744,144	2,994,340
Special Purpose	0	0	0	0
<b>TOTAL</b>	<b>9,621,253</b>	<b>9,867,248</b>	<b>9,240,085</b>	<b>8,232,211</b>
<b>STAFFING LEVELS</b>	<b>34.50</b>	<b>33.50</b>	<b>33.50</b>	<b>33.50</b>

<b>GENERAL FUND CONTINGENT RESERVES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Contingency	0	0	500,000	500,000
Snow & Weather Emergencies	0	0	172,000	172,000
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>672,000</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 39](#) due to Internal Service Funds and Contingent Reserve expenses being listed separately.

<b>EMPG GRANT FUND MAYOR'S OFFICE</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	132,873	56,629	72,767	77,032
Materials, Supplies & Equipment	67,699	36,130	0	0
<b>TOTAL</b>	<b>200,572</b>	<b>92,759</b>	<b>72,767</b>	<b>77,032</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 FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	1,848,838	1,906,188	0	0
Materials, Supplies & Equipment	5,456,601	5,770,717	0	0
Internal Services	363,118	339,808	0	0
Debt Service	36,640	41,264	0	0
Depreciation	717,345	1,308,584	0	0
<b>TOTAL</b>	<b>8,422,542</b>	<b>9,366,561</b>	<b>0</b>	<b>0</b>
<b>STAFFING LEVELS</b>	<b>22.00</b>	<b>21.00</b>	<b>0.00</b>	<b>0.00</b>

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

- Personal Services decreased by a net \$40,145 because of the following changes:
  - Regular Salaries increased by \$120,034, largely because of a citywide 2% cost of living adjustment for eligible employees and mandatory annual reviews for executive and managerial employees.
  - Hospitalization decreased by \$64,739 due a citywide reduction in medical and prescription costs.
  - Attrition increased by a net \$125,956, largely due to the addition of \$124,863 to offset funds budgeted for a vacant Deputy Director of Economic Development position, which will not be filled in FY 2021 as part of the City's fiscal response to the COVID-19 pandemic.
- MS&E decreased by a net \$220,918. This reflects several reductions made in response to the COVID-19 pandemic, including a \$78,250 reduction to Grants to Agencies, a \$30,000 reduction to Scholarships, and a \$65,900 reduction to Consultants.
- Debt Service decreased by a net \$749,804 due to savings associated with a projected debt refinancing.
- A \$1.25 million transfer from the Tax Stabilization Reserve portion of the General Fund Balance to the Economic Development Strategic Fund was approved as part of the FY 2021 Annual Operating Budget Ordinance. Of that amount, \$250,000 is set aside for Small & Minority Business Development.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: MAYOR'S OFFICE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	2,253,324	2,399,907	2,554,994	2,675,028
Temporary Salaries	71,624	15,867	0	0
Acting Out of Class	0	1,432	0	0
Sick Leave Bonus	1,800	1,100	0	0
Overtime/Special Events	0	0	0	0
Meal Allowance	0	0	0	0
Health Cash Back	3,600	4,800	4,800	4,800
Pension Contribution	237,348	200,346	221,278	235,400
Social Security	141,860	144,746	154,115	161,747
Medicare Tax	33,177	33,852	35,813	37,879
Hospitalization	526,165	493,819	538,854	474,115
Life Insurance	7,584	8,228	8,032	8,037
Pension Healthcare	102,739	108,687	115,843	122,476
State Pension Plan - Civilian	96,179	119,543	129,646	129,694
Personal Services Adjustment	0	0	0	0
Attrition	0	0	(39,084)	(165,030)
<b>TOTAL PERSONAL SERVICES</b>	<b>3,475,400</b>	<b>3,532,327</b>	<b>3,724,291</b>	<b>3,684,146</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	71,844	180,267	97,431	143,148
Communications & Utilities	33,911	2,326	35,885	18,802
Transportation	7,422	19,884	27,300	19,875
Rentals	26,359	62,573	42,525	46,480
Contracted Maintenance Repairs	2,721	722	4,132	2,150
Professional Fees	364,990	441,270	402,000	333,600
Memberships & Registrations	38,160	41,599	57,900	54,350
Miscellaneous Services	217,295	109,277	291,200	276,200
Office & General Supplies	9,166	17,601	10,672	10,272
Miscellaneous Parts	45,772	35,491	65,500	70,000
Construction and Repairs	0	0	1,000	1,000
Equipment	88,487	2,148	10,000	0
Fixed Assets	0	0	4,000	500
Miscellaneous Projects	364,004	372,046	206,500	167,000
Community Activities	421,675	361,053	413,250	305,000
MSE-Budget Control Account	0	0	0	
<b>TOTAL M., S. &amp; E.</b>	<b>1,691,806</b>	<b>1,646,257</b>	<b>1,669,295</b>	<b>1,448,377</b>

## DEPARTMENT: MAYOR'S OFFICE

## FUND: GENERAL

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	681,422	797,842	33,603	34,836
Self-Insurance	80,029	125,146	68,752	70,512
<b>TOTAL INTERNAL SERVICES</b>	<b>761,451</b>	<b>922,988</b>	<b>102,355</b>	<b>105,348</b>
<b>DEBT SERVICE</b>				
Principal Payments	2,966,713	3,183,097	3,242,681	2,657,534
Interest Payments	725,883	582,579	501,463	336,806
<b>TOTAL DEBT SERVICE</b>	<b>3,692,596</b>	<b>3,765,676</b>	<b>3,744,144</b>	<b>2,994,340</b>
<b>SPECIAL PURPOSE</b>				
Other Special Purpose	0	0	0	0
<b>TOTAL SPECIAL PURPOSE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## DEPARTMENT: CONTINGENT RESERVES

## FUND: GENERAL

<b>CONTINGENT RESERVES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Contingency	0	0	500,000	500,000
Snow & Weather Emergencies	0	0	172,000	172,000
<b>TOTAL CONTINGENT RESERVES</b>	<b>0</b>	<b>0</b>	<b>672,000</b>	<b>672,000</b>
<b>GENERAL FUND TOTAL</b>	<b>9,621,253</b>	<b>9,867,248</b>	<b>9,912,085</b>	<b>8,904,211</b>



## DEPARTMENT: MAYOR'S OFFICE

FUND: EMPG

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	92,461	41,945	53,550	56,763
Pension Contribution	11,978	2,877	3,898	4,007
Social Security	5,614	2,492	3,182	3,433
Medicare Tax	1,313	583	744	803
Hospitalization	19,887	7,501	9,544	10,078
Life Insurance	120	43	120	120
Pension Healthcare	1,500	1,188	1,729	1,828
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>132,873</b>	<b>56,629</b>	<b>72,767</b>	<b>77,032</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	633	1,359	0	0
Transportation	0	1,574	0	0
Contracted Maintenance	0	0	0	0
Professional Fees	285	0	0	0
Memberships & Registrations	190	350	0	0
Miscellaneous Services	45,366	32,307	0	0
Office & General Supplies	993	540	0	0
Wearing Apparel and Safety	0	0	0	0
Miscellaneous Parts	6,986	0	0	0
Equipment	230	0	0	0
Fixed Assets	13,016	0	0	0
Community Activities	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>67,699</b>	<b>36,130</b>	<b>0</b>	<b>0</b>
<b>EMPG FUND TOTAL</b>	<b>200,572</b>	<b>92,759</b>	<b>72,767</b>	<b>77,032</b>

## DEPARTMENT: MAYOR'S OFFICE

## FUND: INTERNAL SERVICES

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	1,134,154	1,149,310	0	0
Temporary Salaries	0	0	0	0
Acting Out of Class	0	0	0	0
Sick Leave Bonus	900	900	0	0
Overtime	4,551	1,062	0	0
Meal Allowance	0	0	0	0
Health Cash Back	2,960	2,160	0	0
Pension Contribution	272,004	273,687	0	0
Social Security	68,691	68,346	0	0
Medicare Tax	16,065	15,984	0	0
Hospitalization	298,322	298,543	0	0
Life Insurance	4,510	4,534	0	0
Pension Healthcare	66,000	68,250	0	0
State Pension Plan - Civilian	12,149	13,307	0	0
Accrued Sick/Vacation	(31,468)	10,105	0	0
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>1,848,838</b>	<b>1,906,188</b>	<b>0</b>	<b>0</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	65,667	67,962	0	0
Communications & Utilities	1,195,925	1,469,184	0	0
Transportation	6,912	4,090	0	0
Rentals of Office Equipment	109,475	103,707	0	0
Contracted Maintenance Repairs	389,534	440,691	0	0
Professional Fees	1,391,344	1,572,688	0	0
Memberships & Registrations	8,911	24,918	0	0
Miscellaneous Services	35,858	37,013	0	0
Office & General Supplies	128,558	162,517	0	0
Uniforms & Related Equipment	10,521	1,947	0	0
Miscellaneous Parts	65,259	68,896	0	0
Equipment	1,368,691	1,847,467	0	0
Fixed Assets	679,946	205,196	0	0
Capitalized Exps - Op.	0	(235,559)	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>5,456,601</b>	<b>5,770,717</b>	<b>0</b>	<b>0</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	347,833	325,215	0	0
Self-Insurance	15,285	14,593	0	0
<b>TOTAL INTERNAL SERVICES</b>	<b>363,118</b>	<b>339,808</b>	<b>0</b>	<b>0</b>

**DEPARTMENT: MAYOR'S OFFICE**

**FUND: INTERNAL SERVICES**

	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
<b>DEBT SERVICE</b>				
Amortization	0	3,434	0	0
Interest Payment	36,640	37,830	0	0
<b>TOTAL DEBT SERVICE</b>	<b>36,640</b>	<b>41,264</b>	<b>0</b>	<b>0</b>
<b>DEPRECIATION</b>				
Depreciation	717,345	1,308,584	0	0
<b>TOTAL DEPRECIATION</b>	<b>717,345</b>	<b>1,308,584</b>	<b>0</b>	<b>0</b>
<b>INTERNAL SERVICES FUND TOTAL</b>	<b>8,422,542</b>	<b>9,366,561</b>	<b>0</b>	<b>0</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 2021

- Carry out the mission of City Council:
  - Provide visionary leadership in policymaking on quality of life matters.
  - Develop well-researched legislation that will enable Wilmington government to provide its residents, visitors, and businesses with the highest quality of public services in a fiscally responsible manner through cooperative decision-making, strong ethical leadership, open communications, and transparency with its public.
  - Fulfill the critical responsibility of providing a check on the executive branch of City government both through individual City Council Committees and legislative measures to enhance transparency, accountability, and adherence to stated and collectively agreed upon goals for City operations.
  - Connect with constituents to identify needs in the community and to devise strategies to address those needs, both through legislation and through collaboration with the executive branch of City government.
- Review the City's Operating, Water/Sewer, and Capital Budgets as proposed annually by the Executive Branch of City government and justify the appropriation of funds to support the annual operations of the City's departments, offices, boards, and commissions.
- Work to help mitigate the cost and size of City government, alleviating the need – to the greatest extent practicable – for additional taxes and fees, and through periodic reviews of departmental operations, structures, expenditures, and priorities.
- Further develop and promote the City's government television station, WITN-22, as a platform for the dissemination of news and information of importance and interest to residents, with the provision of more original programming and the integration of social media platforms to help leverage the station's capacity to connect Wilmingtonians.
- Provide oversight regarding the Public and Educational television channels in Wilmington, and coordinate the process for establishing new agreements with a Third-Party Operator and Educational Access Channel Manager at the conclusion of the current contracts.

## PRIORITIES FOR FISCAL YEAR 2021 (Continued)

- Give a voice to the City and its residents regarding the education of its children and help create an education system whereby children are taught in a properly-funded environment that accounts for the unique needs of children raised in an urban setting.
- Advocate, when appropriate, for a resolution of issues or concerns that arise between members of the public and their government.
- Advocate for issues and values that are important to City Council and its constituents, such as safe and vibrant neighborhoods, increased housing opportunities, an effective education system, and economic lifelines to help lift citizens out of poverty.
- Work towards addressing the priorities identified through City Council's Strategic Planning Process, adopted by Resolution 17-089, with efforts towards ensuring a:
  - Safe and Secure Wilmington
  - Growing Wilmington
  - Stabilized Wilmington
  - Resident and Visitor Friendly Wilmington
  - Business Friendly Wilmington
  - Prosperous and Sustainable Wilmington
  - Wilmington for All Ages
  - Healthy Wilmington
  - Transparent and Well-Represented Wilmington
  - Connected, Informed and Engaged Wilmington

**SUMMARY OF FUNDING FOR CITY COUNCIL**

<b>TOTAL ALL FUNDS CITY COUNCIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	2,125,150	2,020,891	2,344,844	2,135,033
Materials, Supplies & Equipment	582,774	804,759	792,979	539,348
Internal Services	218,375	267,089	17,330	17,780
Debt Service	51,916	102,350	36,568	37,051
Special Purpose	16,027	18,947	19,000	8,000
<b>TOTAL</b>	<b>2,994,242</b>	<b>3,214,036</b>	<b>3,210,721</b>	<b>2,737,212</b>
<b>STAFFING LEVELS</b>	<b>29.00</b>	<b>29.00</b>	<b>28.00</b>	<b>28.00</b>

<b>GENERAL FUND CITY COUNCIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	1,422,103	1,323,931	1,541,166	1,361,187
Materials, Supplies & Equipment	495,799	495,442	519,592	361,996
Internal Services	198,451	254,727	17,330	17,780
Debt Service	707	720	1,034	1,220
Special Purpose	16,027	18,947	19,000	8,000
<b>TOTAL</b>	<b>2,133,087</b>	<b>2,093,767</b>	<b>2,098,122</b>	<b>1,750,183</b>
<b>STAFFING LEVELS</b>	<b>20.35</b>	<b>20.20</b>	<b>19.20</b>	<b>19.25</b>

<b>CATV FUND CITY COUNCIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	703,047	696,960	803,678	773,846
Materials, Supplies & Equipment	86,975	309,317	273,387	177,352
Internal Services	19,924	12,362	0	0
Debt Service	51,209	101,630	35,534	35,831
<b>TOTAL</b>	<b>861,155</b>	<b>1,120,269</b>	<b>1,112,599</b>	<b>987,029</b>
<b>STAFFING LEVELS</b>	<b>8.65</b>	<b>8.80</b>	<b>8.80</b>	<b>8.75</b>

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

- Personal Services decreased by \$179,979, or 11.7%, largely due to the following changes:
  - The split-funded (95% General Fund - 5% CATV Fund) CFO & Policy Advisor position was deleted and replaced with the position of Strategy & Policy Director (100% General Fund). This slight increase in allocation to the General Fund is almost fully offset by a decrease of \$4,215 to the position's budgeted salary, resulting in a net increase of \$2,851.
  - Temporary Salaries decreased by a total of \$93,000, which reflects a \$78,660 reduction in funding for a temporary Strategy & Policy Analyst position. In addition, as part of City Council's fiscal response to the COVID-19 pandemic, front desk receptionist coverage was reduced from 40 hours a week to 20 hours, resulting in a further decrease of \$17,530.
  - Hospitalization decreased by \$84,128.
- MS&E decreased by a net \$157,596, or 30.3%, which includes the following reductions made in response to the COVID-19 pandemic:
  - Community Services decreased by \$108,000, reflecting the removal of Councilmember discretionary funds.
  - Grants to Agencies and Scholarships decreased by \$13,000 and \$26,000 respectively.

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

- Personal Services decreased by \$29,832, or 3.7%, largely due to decreases in Hospitalization. In addition, the CFO & Policy Advisor position (95% General Fund - 5% CATV Fund) was deleted, resulting in a total savings of about \$7,000.
- MS&E decreased by a net \$96,035, or 35.1%. This is largely due to a \$99,000 reduction to Consultants, of which \$59,000 is due to a decrease in the cost of public relations services from FY 2020 and the removal of funding for services no longer needed in FY 2021. The public relations contract was then further reduced by \$40,000 in response to the COVID-19 pandemic.



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: CITY COUNCIL**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	856,721	773,478	829,213	832,959
Temporary Salaries	12,828	51,909	130,660	37,530
Sick Leave Bonus	1,659	300	1,600	900
Overtime	0	9	0	0
Health Cash Back	7,120	5,840	6,480	6,480
Pension Contribution	99,165	65,988	70,109	65,351
Social Security	52,970	48,957	56,926	53,514
Medicare Tax	12,388	11,450	13,311	12,516
Hospitalization	275,351	262,936	312,115	227,987
Life Insurance	3,862	3,588	3,691	3,703
Pension Healthcare	61,050	65,649	66,394	70,378
State Pension Plan - Civilian	38,989	33,827	35,167	34,369
Personal Services Adjustment	0	0	15,500	15,500
<b>TOTAL PERSONAL SERVICES</b>	<b>1,422,103</b>	<b>1,323,931</b>	<b>1,541,166</b>	<b>1,361,187</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	24,721	21,147	16,500	16,500
Transportation	19,112	14,405	20,000	10,000
Rentals	900	0	1,000	1,000
Contracted Maintenance Repairs	0	186	1,500	1,500
Professional Fees	82,234	77,723	115,000	141,000
Memberships & Registrations	15,549	18,222	23,700	12,750
Miscellaneous Services	1,714	2,045	3,000	3,000
Office & General Supplies	7,697	6,588	6,600	6,600
Miscellaneous Parts	9,934	18,071	18,292	10,646
Equipment	871	0	1,000	1,000
Community Activities	333,067	337,055	313,000	158,000
<b>TOTAL M., S. &amp; E.</b>	<b>495,799</b>	<b>495,442</b>	<b>519,592</b>	<b>361,996</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	177,047	221,506	0	0
Self-Insurance	21,404	33,221	17,330	17,780
<b>TOTAL INTERNAL SERVICES</b>	<b>198,451</b>	<b>254,727</b>	<b>17,330</b>	<b>17,780</b>

**DEPARTMENT: CITY COUNCIL****FUND: GENERAL**

<b>DEBT SERVICE</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Principal Payments	460	497	845	1,118
Interest Payments	247	223	189	102
<b>TOTAL DEBT SERVICE</b>	<b>707</b>	<b>720</b>	<b>1,034</b>	<b>1,220</b>
<b>SPECIAL PURPOSE</b>				
Wilmington Institute Free Library	0	0	0	0
Other	16,027	18,947	19,000	8,000
<b>TOTAL SPECIAL PURPOSE</b>	<b>16,027</b>	<b>18,947</b>	<b>19,000</b>	<b>8,000</b>
<b>GENERAL FUND TOTAL</b>	<b>2,133,087</b>	<b>2,093,767</b>	<b>2,098,122</b>	<b>1,750,183</b>

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	414,593	429,432	494,591	489,628
Temporary Salaries	20,896	19,013	15,000	15,000
Sick Leave Bonus	400	0	200	400
Overtime	0	999	0	0
Pension Contribution	38,607	43,526	24,777	27,675
Social Security	26,224	26,720	29,999	30,327
Medicare Tax	6,133	6,249	7,017	7,091
Hospitalization	145,017	118,317	160,266	126,646
Life Insurance	1,469	1,976	2,112	2,100
Pension Healthcare	30,660	28,601	30,430	31,990
State Pension Plan - Civilian	19,048	22,127	23,786	27,489
Personal Services Adjustment	0	0	15,500	15,500
<b>TOTAL PERSONAL SERVICES</b>	<b>703,047</b>	<b>696,960</b>	<b>803,678</b>	<b>773,846</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Transportation	4,255	6,851	5,000	3,000
Rentals	1,350	13,561	13,400	15,720
Contracted Maintenance Repairs	13,721	3,961	20,000	20,000
Professional Fees	6,585	128,970	159,000	60,000
Memberships & Registrations	18,627	24,490	24,987	27,632
Miscellaneous Services	18,000	18,000	18,000	18,000
Office & General Supplies	1,484	4,042	4,500	4,500
Wearing Apparel & Safety	1,441	3,106	3,500	3,500
Miscellaneous Parts	16,097	4,361	19,500	19,500
Equipment	5,415	15,121	5,500	5,500
Fixed Assets	0	0	0	0
Projects	0	86,854	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>86,975</b>	<b>309,317</b>	<b>273,387</b>	<b>177,352</b>

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	17,098	12,362	0	0
Self-Insurance	2,826	0	0	0
<b>TOTAL INTERNAL SERVICES</b>	<b>19,924</b>	<b>12,362</b>	<b>0</b>	<b>0</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	36,925	19,087	23,443	25,759
Interest Payments	14,284	12,443	12,091	10,072
TPO Lease Payments	0	70,100	0	0
<b>TOTAL DEBT SERVICE</b>	<b>51,209</b>	<b>101,630</b>	<b>35,534</b>	<b>35,831</b>
 <b>CATV FUND TOTAL</b>	 <b>861,155</b>	 <b>1,120,269</b>	 <b>1,112,599</b>	 <b>987,029</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 2021</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>• Improve public access to information on capital funding for projects and facilities.</li> <li>• Improve retirees’ experience in the pension application process by providing more streamlined procedures and better access to information, including direct online tools.</li> <li>• Implement Community Engagement Initiatives that increase awareness of this office’s services, strengthen financial knowledge, and provide consumer finance protection assistance for residents.</li> </ul>

## SUMMARY OF FUNDING FOR CITY TREASURER

<b>TOTAL ALL FUNDS CITY TREASURER</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	797,114	840,197	854,327	863,091
Materials, Supplies & Equipment	931,783	889,406	1,038,404	1,198,302
Internal Services	176,685	196,276	17,713	18,296
Other	3,250,000	3,500,000	3,750,000	4,000,000
<b>TOTAL</b>	<b>5,155,582</b>	<b>5,425,879</b>	<b>5,660,444</b>	<b>6,079,689</b>
<b>STAFFING LEVELS</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>

<b>GENERAL FUND CITY TREASURER</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	342,935	349,313	358,130	354,811
Materials, Supplies & Equipment	65,717	60,385	88,600	88,600
Internal Services	148,169	162,985	16,496	17,046
<b>TOTAL</b>	<b>556,821</b>	<b>572,683</b>	<b>463,226</b>	<b>460,457</b>
<b>STAFFING LEVELS</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>

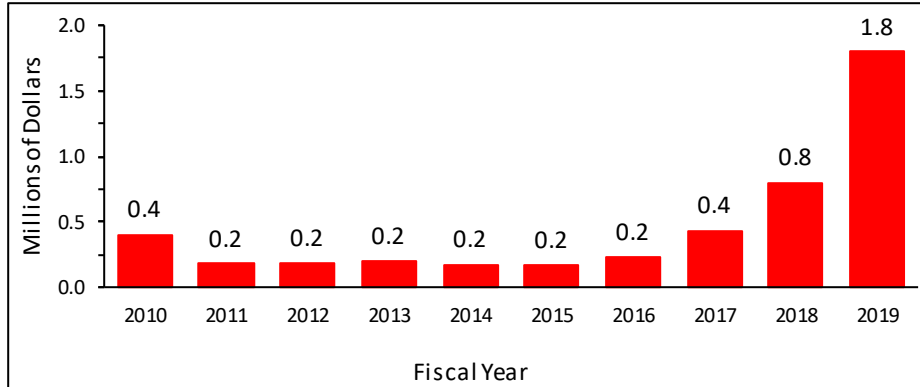
<b>PENSION ADMIN. FUNDS CITY TREASURER</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	454,179	490,884	496,197	508,280
Materials, Supplies & Equipment	866,066	829,021	949,804	1,109,702
Internal Services	28,516	33,291	1,217	1,250
Other	3,250,000	3,500,000	3,750,000	4,000,000
<b>TOTAL</b>	<b>4,598,761</b>	<b>4,853,196</b>	<b>5,197,218</b>	<b>5,619,232</b>
<b>STAFFING LEVELS</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

### MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services across all funds increased in total by \$8,764.
- Regular Salaries across all funds rose by \$5,129 due to employee anniversary step increases and a proposed 2% COLA for non-appointed positions.
- Temporary salaries increased by \$5,000 in the Pension Funds to assist in departmental duties such as records management, reconciliations, and cashflow analysis and projections.
- Printing and Advertising in the General Fund increased by \$5,000 to assist in public communications.
- Total Professional Fees across all funds increased by \$154,900, or 16.1%. Consultant costs for the biennial pension healthcare valuation grew by \$55,000, while Trustee Fees (based on the value of all pension funds managed) increased \$99,900.
- The annual self-insurance funding target for retiree Medical Costs in the Pension-Healthcare Fund was increased by \$250,000, bringing the total funding for the program to \$4 million for FY 2021.

# CITY TREASURER PERFORMANCE TRENDS

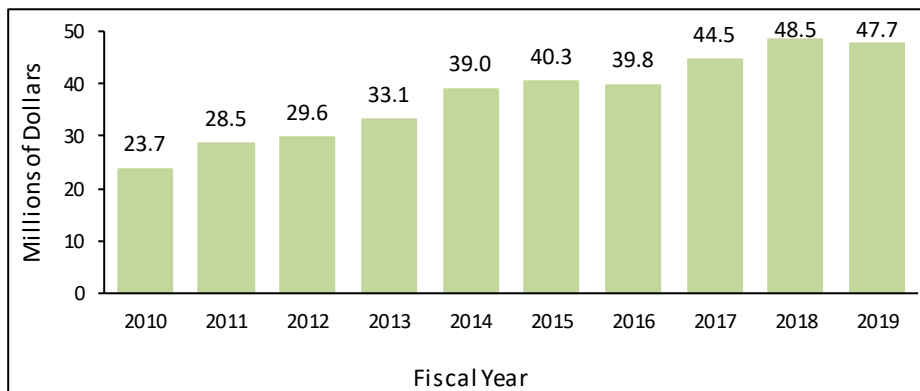
## General Fund Investment Income



**\$1.8 Million**  
as of May 31, 2019

Prudent cash management and investment polices dictate the investment vehicles permitted to change daily cash balances. Interest rates have been slowly increasing over the past two years, as reflected in the investment revenue realized.

## Deferred Compensation Fund

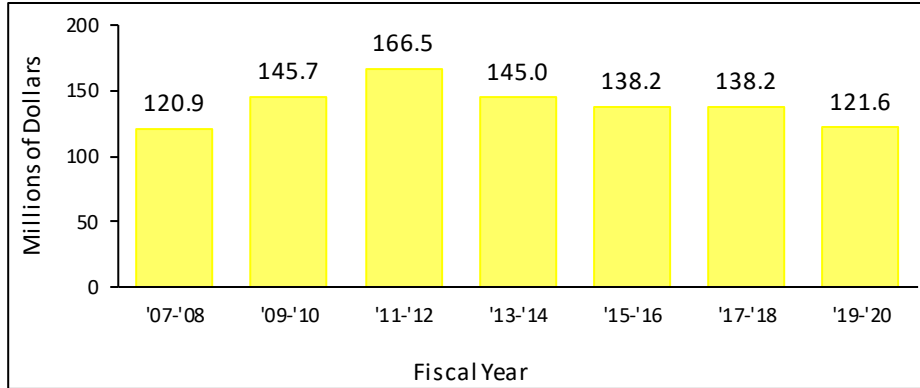


**\$47.7 Million**  
as of May 31, 2019

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

# CITY TREASURER PERFORMANCE TRENDS

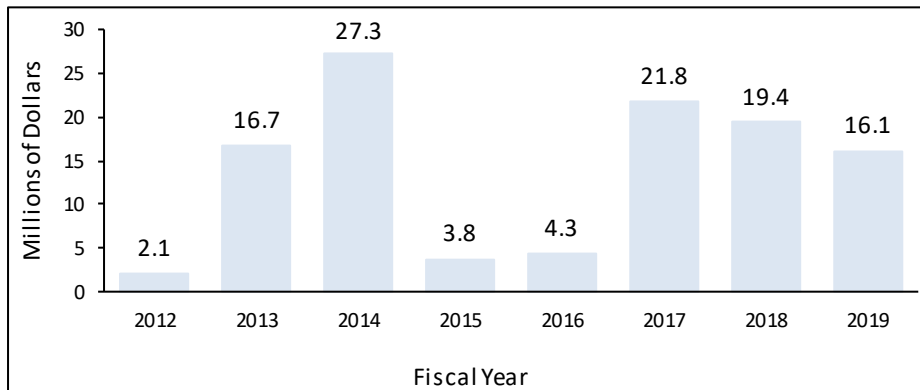
## Unfunded Pension Liability - Calculated Biennially



**\$121.63 Million**  
as of May 31, 2019

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

## Net Pension Fund Income / Loss



**\$16.1 Million**  
as of June 30, 2019

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>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	220,660	231,505	237,675	240,238
Temporary Salaries	532	0	6,000	6,000
Sick Leave Bonus	1,000	600	0	0
Pension Contribution	46,603	48,537	51,231	49,415
Social Security	13,353	13,854	14,192	14,939
Medicare Tax	3,129	3,239	3,316	3,490
Hospitalization	47,879	41,109	43,353	38,018
Life Insurance	779	723	720	720
Pension Healthcare	9,000	9,746	10,374	10,964
Personal Services Adjustment	0	0	(8,731)	(8,973)
<b>TOTAL PERSONAL SERVICES</b>	<b>342,935</b>	<b>349,313</b>	<b>358,130</b>	<b>354,811</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	160	318	350	5,350
Transportation	5,404	5,011	10,000	8,000
Rentals	300	300	300	1,050
Professional Fees	26,269	19,376	35,000	33,000
Other Fees	198	809	4,000	4,000
Memberships & Registrations	5,470	4,899	8,750	7,000
Miscellaneous Services	45	0	500	500
Office & General Supplies	1,387	2,341	1,500	1,500
Misc. Mat. Supp., & Parts	673	387	700	700
Equipment	998	299	1,500	1,500
Fixed Assets	2,000	460	0	0
Community Activities	22,813	26,185	26,000	26,000
<b>TOTAL M., S. &amp; E.</b>	<b>65,717</b>	<b>60,385</b>	<b>88,600</b>	<b>88,600</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	139,317	152,593	10,542	10,929
Self-Insurance	8,852	10,392	5,954	6,117
<b>TOTAL INTERNAL SERVICES</b>	<b>148,169</b>	<b>162,985</b>	<b>16,496</b>	<b>17,046</b>
 <b>GENERAL FUND TOTAL</b>	 <b>556,821</b>	 <b>572,683</b>	 <b>463,226</b>	 <b>460,457</b>

**DEPARTMENT: CITY TREASURER**

**FUND: PENSION ADMIN.**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	295,691	303,357	314,672	317,238
Temporary Salaries	532	10,598	28,000	33,000
Acting Out Of Classification	406	271	0	0
Accrued Vacation Pay	(559)	(196)	0	0
Pension Contribution	63,479	77,069	52,213	52,545
Social Security	18,080	18,772	18,768	21,191
Medicare Tax	4,232	4,391	4,391	4,960
Hospitalization	59,317	62,639	65,677	66,138
Life Insurance	1,001	979	960	960
Pension Healthcare	12,000	13,004	13,832	14,628
Personal Services Adjustment	0	0	(2,316)	(2,380)
<b>TOTAL PERSONAL SERVICES</b>	<b>454,179</b>	<b>490,884</b>	<b>496,197</b>	<b>508,280</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	246	0	252	251
Transportation	2,734	6,699	10,000	10,000
Rentals	300	35	300	1,800
Contracted Maintenance	0	0	0	0
Professional Fees	856,241	811,704	926,900	1,083,800
Other Fees	0	2,432	2,500	3,000
Memberships & Registrations	3,915	5,355	6,252	6,751
Office & General Supplies	588	887	1,500	1,500
Miscellaneous Parts	230	577	600	600
Equipment	1,812	1,332	1,500	2,000
<b>TOTAL M., S. &amp; E.</b>	<b>866,066</b>	<b>829,021</b>	<b>949,804</b>	<b>1,109,702</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	27,294	32,107	0	0
Self-Insurance	1,222	1,184	1,217	1,250
<b>TOTAL INTERNAL SERVICES</b>	<b>28,516</b>	<b>33,291</b>	<b>1,217</b>	<b>1,250</b>
 <b><u>OTHER</u></b>				
Self Insurance Costs	3,250,000	3,500,000	3,750,000	4,000,000
<b>TOTAL OTHER</b>	<b>3,250,000</b>	<b>3,500,000</b>	<b>3,750,000</b>	<b>4,000,000</b>
 <b>PENSION ADMIN. FUNDS TOTAL</b>	 <b>4,598,761</b>	 <b>4,853,196</b>	 <b>5,197,218</b>	 <b>5,619,232</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 items like the City’s comprehensive development plan, the Bicycle Plan, land use regulations, economic development strategies, and demographic data 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 to address those needs.

<b>PRIORITIES FOR FISCAL YEAR 2021</b>
<ul style="list-style-type: none"><li>• 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); and staff support to City Planning Commission and the Design Review and Preservation Commission.</li><li>• Implement recommended improvements from both the recently certified Wilmington 2028 Comprehensive Plan and the recently updated City of Wilmington Bike Plan.</li><li>• 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 and to promote the City’s interest for obtaining DelDOT project funding.</li><li>• Promote a well-balanced multi-modal transportation system by planning and implementing city-wide transportation improvements through the efforts of the Wilmington Initiatives Partnership (City, Delaware Department of Transportation, Delaware Transit Corporation, and WILMAPCO).</li><li>• Continue to support the Neighborhood Planning Council (NPC) Leadership Committee and coordinate the NPC Capital Grant application process.</li><li>• Process HUD Part 58 Environmental Reviews and 106 Historic Reviews.</li><li>• Work with OMB to prepare the annual Capital Budget, Capital Improvement Program, and any necessary amendments.</li></ul>

**PRIORITIES FOR FISCAL YEAR 2021 (Continued)**

- Represent the City on various boards and commissions, including the Wilmington Neighborhood Conservancy Land Bank, the Wilmington UDAG Corporation, Access Wilmington, and the Rodney Square Conservancy.
- Work with Licenses & Inspections, Real Estate & Housing, and other Departments on the Mayor's Neighborhood Stabilization Initiative.
- Undertake 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 FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	1,067,686	1,049,888	1,132,863	1,144,695
Materials, Supplies & Equipment	14,711	189,195	267,270	165,477
Internal Services	336,555	440,508	50,961	52,247
Debt Service	128,071	215,906	175,557	121,082
<b>TOTAL</b>	<b>1,547,023</b>	<b>1,895,497</b>	<b>1,626,651</b>	<b>1,483,501</b>
<b>STAFFING LEVELS</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

<b>GENERAL FUND PLANNING DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	1,016,967	1,019,462	1,096,826	1,106,047
Materials, Supplies & Equipment	14,711	189,195	267,270	165,477
Internal Services	336,555	440,508	50,961	52,247
Debt Service	128,071	215,906	175,557	121,082
<b>TOTAL</b>	<b>1,496,304</b>	<b>1,865,071</b>	<b>1,590,614</b>	<b>1,444,853</b>
<b>STAFFING LEVELS</b>	<b>9.55</b>	<b>9.55</b>	<b>9.55</b>	<b>9.55</b>

<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG) PLANNING DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	50,719	30,426	36,037	38,648
<b>TOTAL</b>	<b>50,719</b>	<b>30,426</b>	<b>36,037</b>	<b>38,648</b>
<b>STAFFING LEVELS</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>

<b>MAJOR FUNDING CHANGES FROM PRIOR YEAR</b>
<ul style="list-style-type: none"> <li>Personal Services increased by a net \$9,221, or 0.8%, in the General Fund. Though Regular Salaries increased by \$14,077 due to a citywide 2% cost of living adjustment (COLA), this increase was offset by decreases to Pension Contribution and Hospitalization.</li> <li>Materials, Supplies, and Equipment decreased by a net \$101,793, or 38.1%, primarily because of a \$100,000 decrease to Consultants, which reflects the removal of funding for two one-time projects that were budgeted and completed in FY 2020. In addition, as part of the City’s fiscal response to the COVID-19 pandemic, Travel &amp; Subsistence and Registrations were reduced by a total of \$1,893, reflecting the low likelihood of travel to conferences and other professional development opportunities in FY 2021.</li> <li>Debt Service decreased by \$54,475, largely due to savings associated with a projected debt refinancing.</li> </ul>

# DEPARTMENT OF PLANNING AND DEVELOPMENT

## STRATEGIC PLAN

Current data for the goals and objectives listed below may be found on the Planning & Development OpenGov story page at <http://bit.ly/WDe18OG>.

All Planning & Development goals and objectives will help support the implementation of the adopted [2028 Comprehensive Plan](#). This plan, which was certified by the Governor in December of 2019, will help guide the Department of Planning & Development, as well as other City departments, in creating a City responsive to all resident and business needs. The corresponding Comprehensive Plan Goal for each Objective is listed and linked below.

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### Focus Area: Effective City Government

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

[Goal 1.5: Support Neighborhood Character, Cohesion, and Pride](#)

[Goal 5.1: Provide High Quality City Services, Facilities, and Infrastructure for Existing and Future Residents and Businesses](#)

**Objective 1:** Make efficiency modifications to several Planning Department permitting processes.

The Planning Department will focus on the following areas in the coming fiscal year:

- Subdivision regulations
- The Landscape review processes
- Historic district modifications to the Eastside district
- Update the zoning code/map as required by state code with a focus on the following items:
  - The M-1 area off Maryland Avenue (known as the NVF property) needs to reflect a zone that will allow mixed use development that the current M-1 zone does not. In FY 2020, the City Planning Commission approved a rezoning of this area to C-2, which permits mixed-use development. In FY 2021, the Department will seek approval of the C-2 zoning by City Council.
  - The parcels of land in the western portion of the waterfront area east of the railroad line are zoned as W-2. The Department will pursue a rezoning to W-4 in order to permit mixed-use development as recommended in the Comprehensive Plan.

# DEPARTMENT OF PLANNING AND DEVELOPMENT

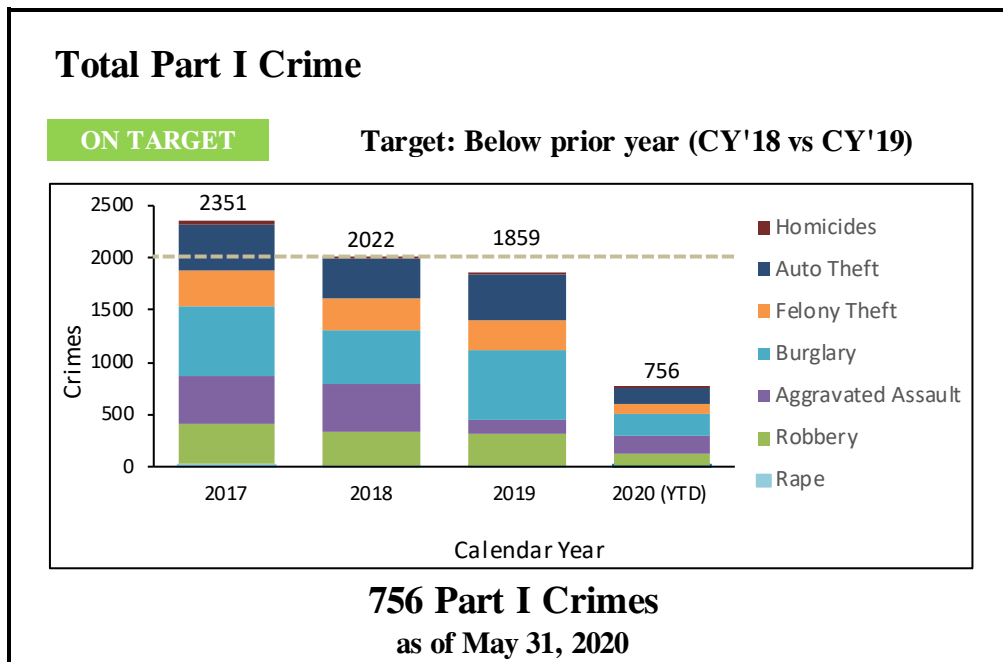
## STRATEGIC PLAN

### Focus Area: Quality of Life

**CITY-WIDE GOAL #18: Enhance City Services.**

[Goal 1.3: Reduce Neighborhood Blight and Crime](#)

**Objective 1:** Improve neighborhood quality of life through the Neighborhood Stabilization Program (NSP) by coordinating efforts by the Departments of Licenses & Inspections, Real Estate & Housing, Public Works, and Police. The NSP, piloted in the West Center City neighborhood, targets crime and blight reduction in “tipping point areas” by focusing the City’s resources to preserve and stabilize neighborhoods at risk of deterioration and rehabilitate areas with high levels of vacancy and crime. Success will be determined by reductions in crime and code violations.



Note: Part I Crime data is derived from the Police Department’s weekly CompStat reports.

# DEPARTMENT OF PLANNING AND DEVELOPMENT

## STRATEGIC PLAN

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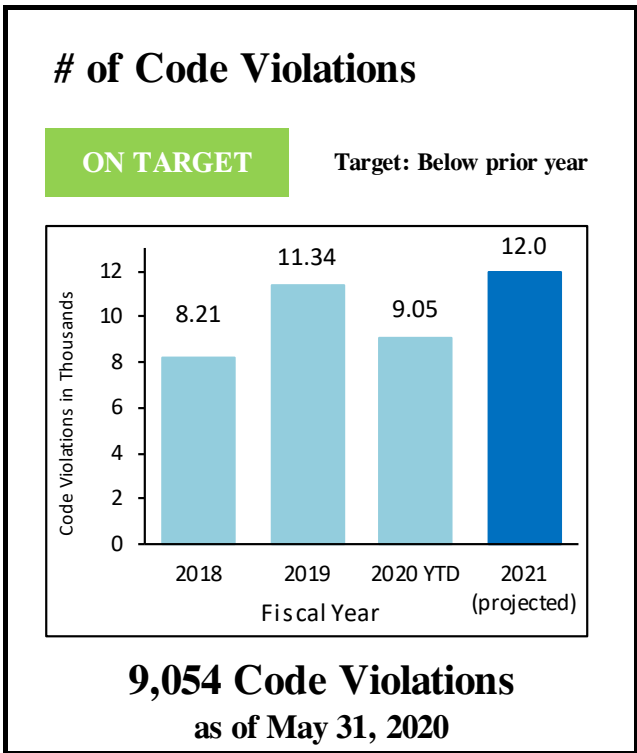
### Focus Area: Quality of Life

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#### CITY-WIDE GOAL #18: Enhance City Services. (Cont'd)

#### Goal 1.3: Reduce Neighborhood Blight and Crime

**Objective 1 (Cont'd):** Improve neighborhood quality of life through the Neighborhood Stabilization Program (NSP) by coordinating efforts by the Departments of Licenses & Inspections, Real Estate & Housing, Public Works, and Police. The NSP, piloted in the West Center City neighborhood, targets crime and blight reduction in “tipping point areas” by focusing the City’s resources to preserve and stabilize neighborhoods at risk of deterioration and rehabilitate areas with high levels of vacancy and crime. Success will be determined by reductions in crime and code violations.

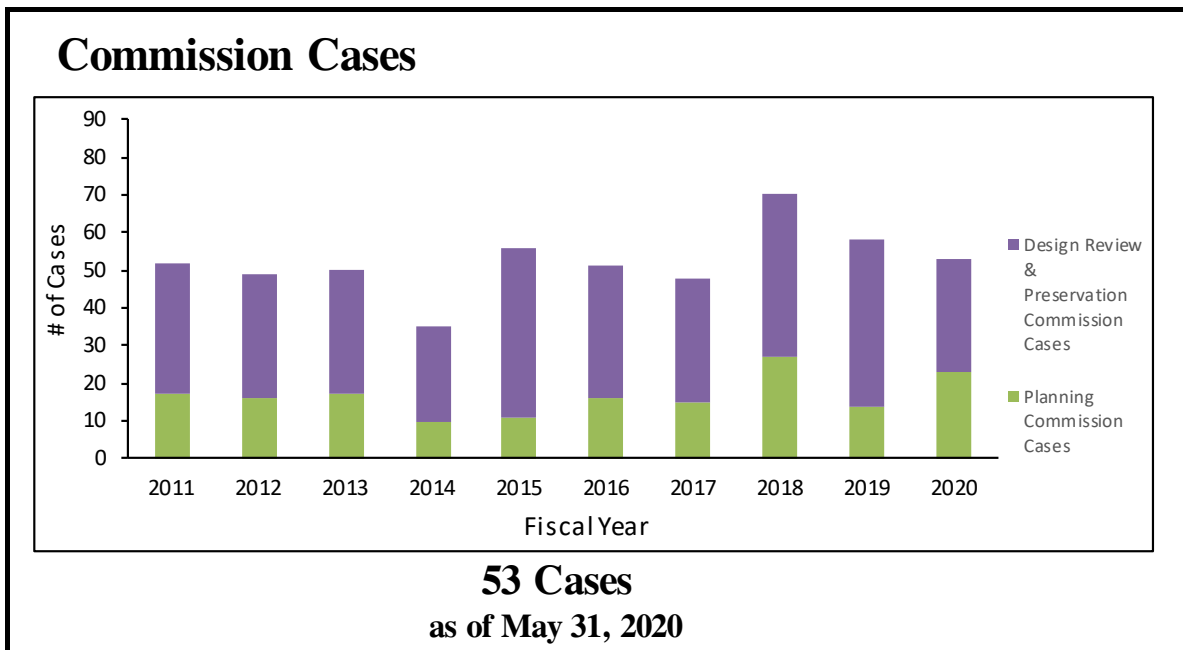


Note: This code violation data is provided by the Department of Licenses & Inspections (L&I). To help reduce blight and better enforce the housing code, L&I is actively working to increase the number of code violations issued in the City. The above number is therefore expected to increase in the next year but eventually decrease as neighborhoods improve.

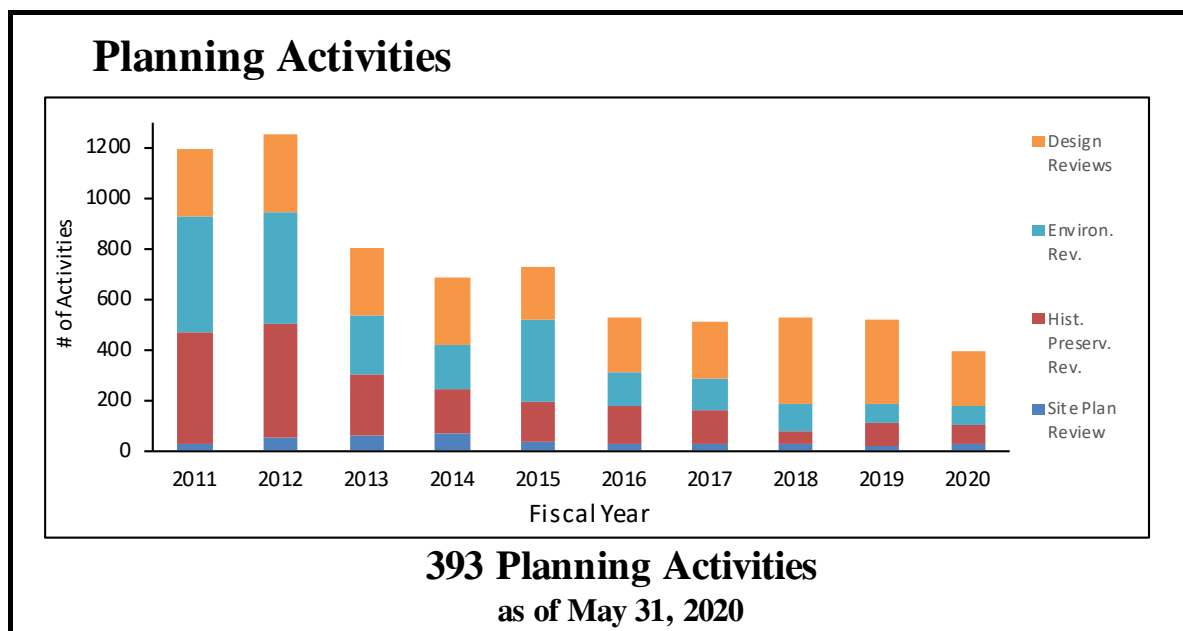


# DEPARTMENT OF PLANNING AND DEVELOPMENT

## PERFORMANCE TRENDS



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



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

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: PLANNING AND DEVELOPMENT**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	640,572	643,592	692,537	706,614
Temporary Salaries	40,118	40,627	45,909	46,574
Health Cash Back	2,400	2,400	2,400	2,400
Pension Contribution	126,278	115,911	132,805	125,072
Social Security	41,805	41,635	44,545	45,811
Medicare Tax	9,777	9,723	10,417	10,712
Hospitalization	109,668	114,813	124,419	123,630
Life Insurance	2,276	2,221	2,292	2,292
Pension Healthcare	28,934	31,195	33,024	34,915
State Pension Plan - Civilian	15,139	17,345	19,489	19,343
Personal Services Adjustment	0	0	0	0
Attrition	0	0	(11,011)	(11,316)
<b>TOTAL PERSONAL SERVICES</b>	<b>1,016,967</b>	<b>1,019,462</b>	<b>1,096,826</b>	<b>1,106,047</b>
<b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	1,026	1,068	1,200	1,200
Communications & Utilities	0	0	0	0
Transportation	398	1,802	1,700	700
Rentals	0	0	0	0
Professional Fees	2,164	167,635	250,000	150,000
Memberships & Registrations	1,213	2,425	3,574	2,681
Miscellaneous Services	0	0	0	0
Office & General Supplies	530	1,006	1,000	2,000
Miscellaneous Parts	2,584	1,122	1,000	1,600
Equipment	0	2,341	2,000	500
Community Activities	6,796	11,796	6,796	6,796
<b>TOTAL M., S. &amp; E.</b>	<b>14,711</b>	<b>189,195</b>	<b>267,270</b>	<b>165,477</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	281,400	346,903	0	0
Self-Insurance	55,155	93,605	50,961	52,247
<b>TOTAL INTERNAL SERVICES</b>	<b>336,555</b>	<b>440,508</b>	<b>50,961</b>	<b>52,247</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	44,880	124,977	88,437	56,250
Interest Payments	83,191	90,929	87,120	64,832
<b>TOTAL DEBT SERVICE</b>	<b>128,071</b>	<b>215,906</b>	<b>175,557</b>	<b>121,082</b>
<b>GENERAL FUND TOTAL</b>	<b>1,496,304</b>	<b>1,865,071</b>	<b>1,590,614</b>	<b>1,444,853</b>

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

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	28,200	22,615	26,886	28,800
Pension Contribution	7,025	1,603	1,957	2,032
Social Security	1,697	1,382	1,644	1,760
Medicare Tax	397	323	385	412
Hospitalization	12,099	3,132	3,501	3,891
Life Insurance	115	99	108	108
Pension Healthcare	1,186	1,272	1,556	1,645
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>50,719</b>	<b>30,426</b>	<b>36,037</b>	<b>38,648</b>
<b>CDBG FUND TOTAL</b>	<b>50,719</b>	<b>30,426</b>	<b>36,037</b>	<b>38,648</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 2021</b>
<ul style="list-style-type: none"><li>• Conduct scheduled audits using sound methods, professionalism, integrity, objectivity and confidentiality.</li><li>• Evaluate controls, note commendable practices, and recommend feasible process improvements.</li><li>• Assist the external auditors with the annual audits of the CAFR and Federal Funds.</li><li>• Continue to aid in the development of a strong internal control environment within the City of Wilmington.</li><li>• Conduct quarterly follow-ups to ensure 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 develop the knowledge, skills, and effectiveness of departmental staff.</li></ul>

**SUMMARY OF FUNDING FOR THE AUDIT DEPARTMENT**

<b>TOTAL ALL FUNDS AUDIT DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	395,899	550,435	601,266	628,718
Materials, Supplies & Equipment	298,788	240,307	295,566	324,146
Internal Services	106,341	142,558	3,387	3,477
<b>TOTAL</b>	<b>801,028</b>	<b>933,300</b>	<b>900,219</b>	<b>956,341</b>
<b>STAFFING LEVELS</b>	<b>4.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

<b>GENERAL FUND AUDIT DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	395,899	550,435	601,266	628,718
Materials, Supplies & Equipment	226,191	167,884	210,582	227,066
Internal Services	106,341	142,558	3,387	3,477
<b>TOTAL</b>	<b>728,431</b>	<b>860,877</b>	<b>815,235</b>	<b>859,261</b>
<b>STAFFING LEVELS</b>	<b>4.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

<b>WATER/SEWER FUND AUDIT DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Materials, Supplies & Equipment	72,597	72,423	84,984	97,080
<b>TOTAL</b>	<b>72,597</b>	<b>72,423</b>	<b>84,984</b>	<b>97,080</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 \$27,452. In addition to a citywide 2% cost of living adjustment (COLA), which caused Regular Salaries to increase by \$5,900, Pension Contribution also increased by \$19,079.
- To further assist the City Finance Department with the Comprehensive Annual Financial Report (CAFR), \$35,000 was added to accounting costs (\$23,800 in the General Fund and \$11,200 in the Water / Sewer Fund).

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: AUDIT DEPARTMENT**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	252,663	366,986	402,338	408,200
Acting Out Of Classification	3,596		0	0
Temporary Salaries	0	0	0	0
Sick Leave Bonus	0	0	0	0
Overtime	0	0	0	0
Pension Contribution	21,930	22,473	23,586	42,665
Social Security	14,994	21,456	23,660	24,365
Medicare Tax	3,507	5,018	5,534	5,698
Hospitalization	74,311	96,537	104,589	110,405
Life Insurance	918	1,166	1,200	1,200
Pension Healthcare	12,000	16,250	17,290	18,280
State Pension Plan - Civilian	11,980	20,549	23,069	17,905
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>395,899</b>	<b>550,435</b>	<b>601,266</b>	<b>628,718</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	433	481	512	512
Transportation	5,389	3,955	10,000	0
Professional Fees	202,549	126,960	172,320	200,024
Memberships & Registrations	15,906	20,658	24,800	24,880
Office & General Supplies	1,037	5,317	500	700
Misc. Mat. Supp. & Parts	113	226	450	950
Equipment	764	10,287	2,000	0
<b>TOTAL M., S. &amp; E.</b>	<b>226,191</b>	<b>167,884</b>	<b>210,582</b>	<b>227,066</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	101,640	136,570	0	0
Self-Insurance	4,701	5,988	3,387	3,477
<b>TOTAL INTERNAL SERVICES</b>	<b>106,341</b>	<b>142,558</b>	<b>3,387</b>	<b>3,477</b>
 <b>GENERAL FUND TOTAL</b>	 <b>728,431</b>	 <b>860,877</b>	 <b>815,235</b>	 <b>859,261</b>

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

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Professional Fees	60,000	59,000	71,680	83,776
Supporting Services	12,597	13,423	13,304	13,304
<b>TOTAL M., S. &amp; E.</b>	<b>72,597</b>	<b>72,423</b>	<b>84,984</b>	<b>97,080</b>
<b>WATER SEWER FUND TOTAL</b>	<b>72,597</b>	<b>72,423</b>	<b>84,984</b>	<b>97,080</b>



# LAW DEPARTMENT

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

<b>PRIORITIES FOR FISCAL YEAR 2021</b>
<ul style="list-style-type: none"> <li>• Continue to provide effective and efficient legal advice to the City, generally, as appropriate.</li> <li>• Aggressively defend and prosecute litigation.</li> <li>• Assist in and prosecute code enforcement and collection actions.</li> <li>• Provide actionable legal advice on various employment matters.</li> <li>• Provide strategic and legal support in the negotiations of collective bargaining agreements.</li> <li>• Deliver necessary and appropriate legal support to City Council.</li> <li>• Meet budget targets.</li> </ul>

## SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

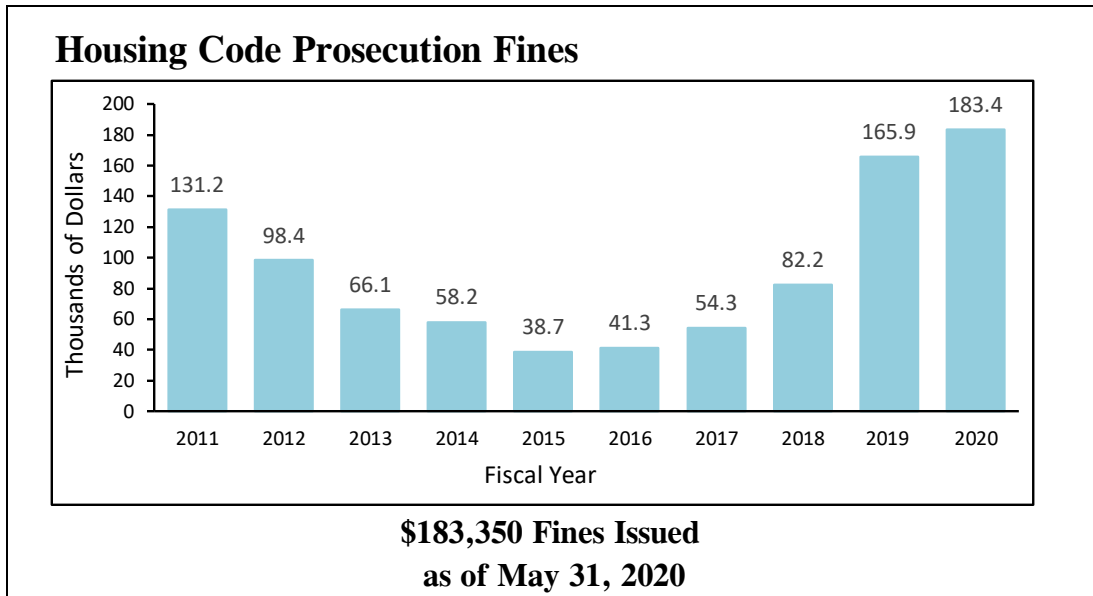
<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LAW DEPARTMENT</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	2,079,732	1,869,794	2,066,068	2,085,756
Materials, Supplies & Equipment	575,123	678,314	560,123	433,195
Internal Services	226,906	279,921	23,667	24,304
<b>TOTAL</b>	<b>2,881,761</b>	<b>2,828,029</b>	<b>2,649,858</b>	<b>2,543,255</b>
<b>STAFFING LEVELS</b>	<b>18.00</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LAW DEPARTMENT</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	2,079,732	1,869,794	2,066,068	2,085,756
Materials, Supplies & Equipment	575,123	678,314	560,123	433,195
Internal Services	226,906	279,921	23,667	24,304
<b>TOTAL</b>	<b>2,881,761</b>	<b>2,828,029</b>	<b>2,649,858</b>	<b>2,543,255</b>
<b>STAFFING LEVELS</b>	<b>18.00</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>

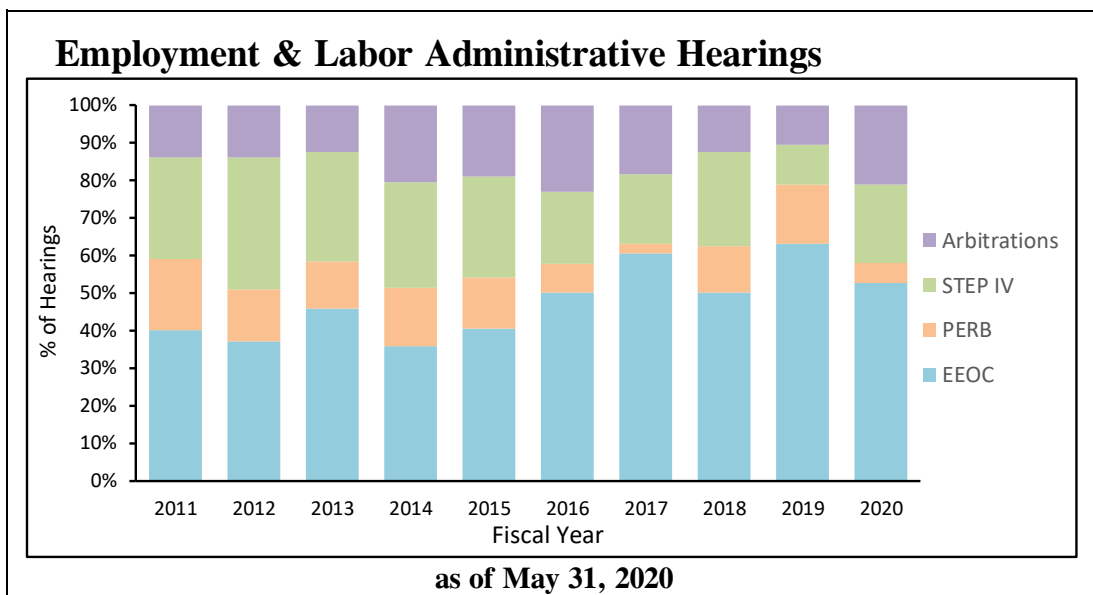
## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased almost \$20,000, or 1.0%. Largely driven by an allowance for a 2% cost of living adjustment (COLA) and mandatory review for executive and managerial employees, Regular Salaries increased nearly \$38,000, or 2.7%. This increase was somewhat offset by a decrease in Hospitalization, down \$22,000, or 7.1%
- As part of the City's fiscal response to the COVID-19 pandemic, MS&E decreased \$127,000 or 22.7%. Due to a pause in sheriff sales, Court Cost & Notary Fees are down \$65,000. Additionally, the City will not fund the Operation Heat program in FY 2021, saving \$83,000.

# LAW DEPARTMENT PERFORMANCE TRENDS

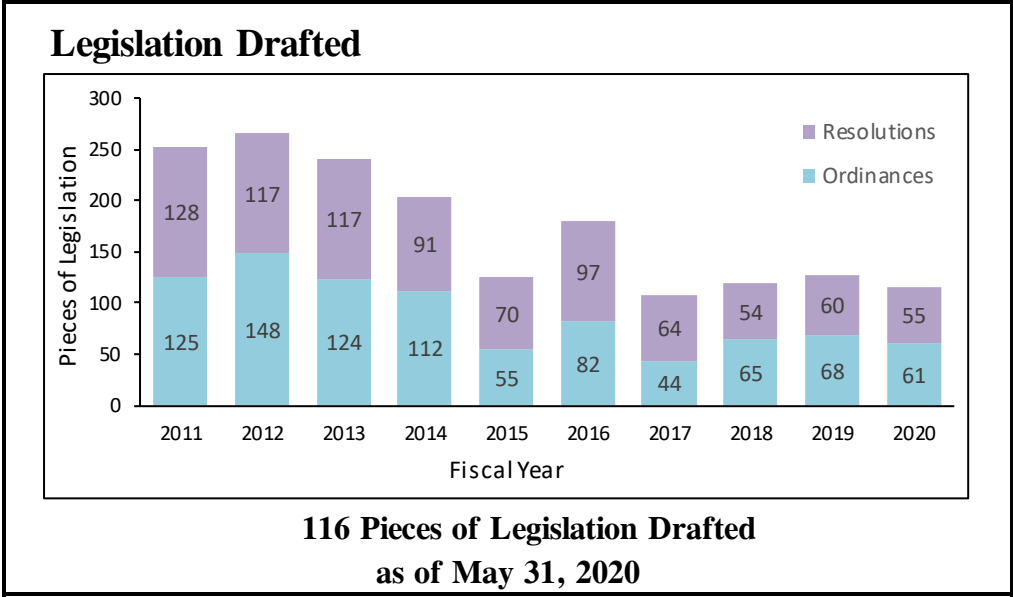


Several changes have resulted in higher fines imposed for housing code violations. First, there has been a slight increase in cases per calendar resulting in higher fines. Additionally, an increase in high-profile cases, which involve properties with a substantial number of violations, has led to an increase in fines since FY 2018.



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

# LAW DEPARTMENT PERFORMANCE TRENDS



The demand for legislative drafting services is reflected above. Although the demand for these services increased in FY 2016, demand since then has remained relatively stable.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: LAW**

**FUND: GENERAL**

	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>PERSONAL SERVICES</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Regular Salaries	1,335,288	1,239,679	1,379,608	1,417,483
Temporary Salaries	33,580	2,180	6,000	0
Acting Out Of Classification	0	536	0	0
Sick Leave Bonus	300	0	0	300
Health Cash Back	0	3,400	4,800	2,400
Pension Contribution	174,788	151,255	159,049	166,755
Social Security	82,973	74,662	83,364	85,654
Medicare Tax	19,405	17,461	19,499	20,034
Hospitalization	328,284	272,138	313,506	291,172
Life Insurance	4,202	4,390	4,080	4,080
Pension Healthcare	54,000	55,250	58,786	62,152
State Pension Plan - Civilian	46,912	48,843	58,483	57,418
Personal Services Adjustment	0	0	(21,107)	(21,692)
<b>TOTAL PERSONAL SERVICES</b>	<b>2,079,732</b>	<b>1,869,794</b>	<b>2,066,068</b>	<b>2,085,756</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	250	183	102	150
Communications & Utilities	83	47	105	105
Transportation	372	442	5,000	2,500
Contracted Maintenance Repairs	0	397	262	262
Professional Fees	385,472	566,880	358,033	295,000
Other Fees	125,417	48,970	125,000	60,000
Memberships & Registrations	23,232	19,811	29,715	29,638
Miscellaneous Services	34,739	33,425	34,906	38,540
Office & General Supplies	4,661	5,072	5,000	5,000
Equipment	897	3,087	2,000	2,000
Projects	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>575,123</b>	<b>678,314</b>	<b>560,123</b>	<b>433,195</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	193,783	238,137	0	0
Self-Insurance	33,123	41,784	23,667	24,304
<b>TOTAL INTERNAL SERVICES</b>	<b>226,906</b>	<b>279,921</b>	<b>23,667</b>	<b>24,304</b>
 <b>GENERAL FUND TOTAL</b>	 <b>2,881,761</b>	 <b>2,828,029</b>	 <b>2,649,858</b>	 <b>2,543,255</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 2021</b>
<ul style="list-style-type: none"> <li>• Provide a positive customer experience for constituents who do business with the City of Wilmington.</li> <li>• Ensure highly reliable accounting practices and quality control/quality assurance.</li> <li>• Optimize internal collection processes and improve revenue.</li> <li>• Cultivate best practices through improved business processes, enhanced data management and relevant technology.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF FINANCE

<b>TOTAL ALL FUNDS FINANCE DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	7,339,489	7,360,271	8,038,244	7,833,675
Materials, Supplies & Equipment	5,092,157	5,918,523	7,987,782	8,250,480
Internal Services	1,527,240	1,889,057	312,407	322,280
Debt Service	35,419	78,939	104,361	144,248
<b>TOTAL</b>	<b>13,994,305</b>	<b>15,246,790</b>	<b>16,442,794</b>	<b>16,550,683</b>
<b>STAFFING LEVELS</b>	<b>85.00</b>	<b>84.00</b>	<b>85.00</b>	<b>84.00</b>

<b>GENERAL FUND FINANCE DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	4,959,801	4,951,713	5,415,701	5,337,111
Materials, Supplies & Equipment	3,227,163	3,443,954	3,938,550	4,051,930
Internal Services	864,962	1,099,918	176,433	181,843
Debt Service	30,420	48,626	53,090	64,419
<b>TOTAL</b>	<b>9,082,346</b>	<b>9,544,211</b>	<b>9,583,774</b>	<b>9,635,303</b>
<b>STAFFING LEVELS</b>	<b>60.45</b>	<b>58.65</b>	<b>58.85</b>	<b>58.85</b>

<b>WATER/SEWER FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>FINANCE DEPARTMENT</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	2,379,688	2,408,558	2,622,543	2,496,564
Materials, Supplies & Equipment	1,864,994	2,474,569	4,049,232	4,198,550
Internal Services	662,278	789,139	135,974	140,437
Debt Service	4,999	30,313	51,271	79,829
<b>TOTAL</b>	<b>4,911,959</b>	<b>5,702,579</b>	<b>6,859,020</b>	<b>6,915,380</b>
<b>STAFFING LEVELS</b>	<b>24.55</b>	<b>25.35</b>	<b>26.15</b>	<b>25.15</b>

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

- Regular salaries rose by \$77,389 or 2.4%, due to a citywide 2% COLA, mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees.
- State Pension Plan increased \$7,651, whereas Pension Contribution fell significantly, decreasing \$44,029. The decrease reflected the percentage change in the contribution rate.
- Overtime decreased by \$13,000 due to lesser need for staffing during the Wage Tax filing season.
- Professional Fees decreased by \$98,000, 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, Collection Expense–Legal and Sheriff Sale decreased by \$50,000.
- Collection Expense–Parking Citation Commissions rose by \$132,500. This will help cover increasing costs associated with the Padlock digital parking permit service application, the validation and enforcement system based on license plate scanning, and an increase in the parking citations contract.
- Collection Expense–Red Light Commissions increased by \$254,780 to cover the cost of installing digital red-light cameras at 17 additional intersections in the City. Also included in the contract agreement was a video enforcement program and a camera replacement initiative.
- Collection Expense–Wage & Head Audit decreased by \$170,000 due to the City’s fiscal response to the COVID-19 pandemic.
- Due to an increased number of customers using a credit card for payments, Collection Expense–Credit Cards Fees increased by \$20,000.
- Lockbox Charges rose by \$55,000 to cover an increase in the number of transactions processed.



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

- A Meter Reader position funded 100% by the Water/Sewer Fund was eliminated, saving \$76,528. Regular salaries rose by a net \$11,656 or 0.7% due to a citywide 2% COLA, mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees.
- Pension Contribution decreased \$39,424, reflected the percentage change in the contribution rate.
- Hospitalization decreased by almost \$105,000 due a city-wide reduction in medical and prescription costs.
- The Department is implementing a Water Utility Call Center to be hosted by a third-party entity, resulting in an increase of \$220,000 to Miscellaneous Charges. Since the transition from quarterly to monthly water/sewer billing, the Department has seen a sizeable increase in customer calls and inquires that at times has overwhelmed the existing City customer service employees.
- Collection Expense Legal and Sheriff Sale decreased by \$200,000 due to the City's fiscal response to the COVID-19 pandemic.
- The change to monthly billing has also increased the payments flowing through the Department's lockbox service, necessitating an increase of \$90,000 in the Lockbox Charges account.
- Due to an increased number of customers using a credit card for payments, Collection Expense-Credit Cards Fees increased by \$20,000.
- Computer Software Licenses increased by \$40,000 to provide support and maintenance for a comprehensive debt management software program.
- Debt Service increased by \$28,558 per the existing debt service schedule.

# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

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

Current data for the goals and objectives listed below can be found on the Finance OpenGov story page at <http://bit.ly/WDe150G>.

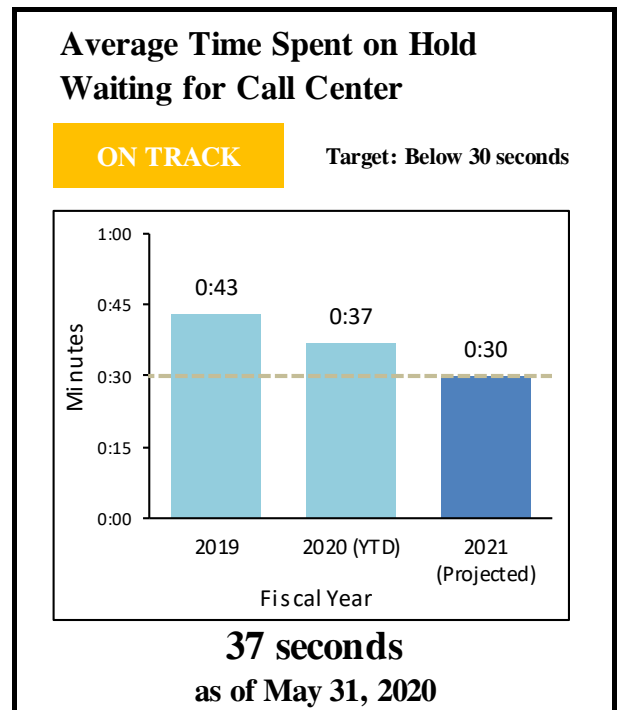
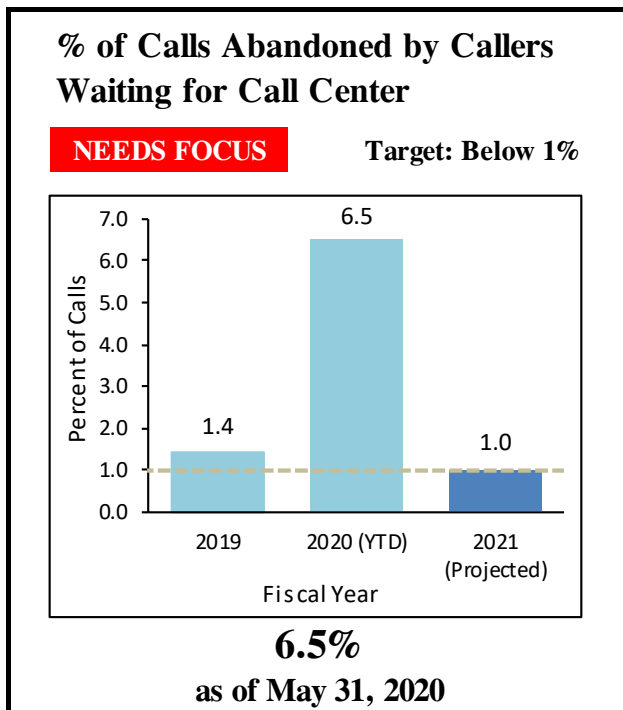
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### Focus Area: Effective City Government

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

**Objective 1:** Improve Customer Service Provided by the Finance Department.



# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

### Focus Area: Effective City Government

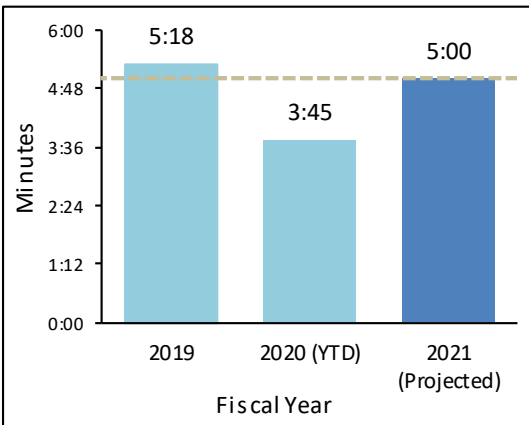
**CITY-WIDE GOAL #1:** Embrace a Culture of Service. (Cont'd)

**Objective 1 (Cont'd):** Improve Customer Service Provided by the Finance Department.

#### Average Time Spent on Phone with Call Center

**ON TARGET**

Target: Below 5 minutes

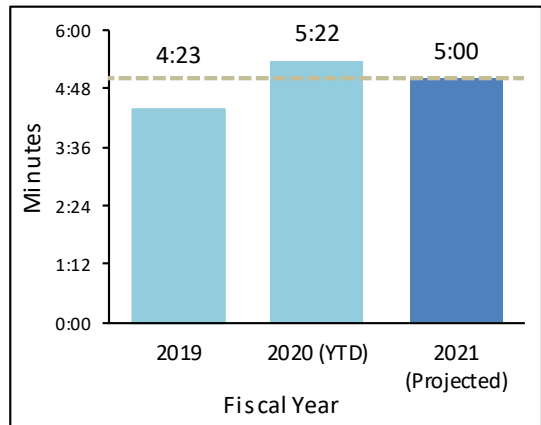


**3:45 minutes**  
as of May 31, 2020

#### Average Time Spent on Phone with City Staff

**ON TRACK**

Target: Below 5 minutes



**5:22 minutes**  
as of May 31, 2020

# DEPARTMENT OF FINANCE

## STRATEGIC PLAN

### Focus Area: Effective City Government

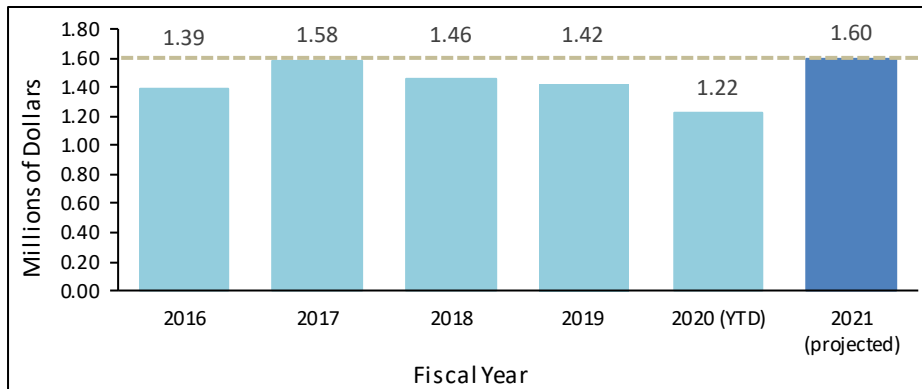
#### CITY-WIDE GOAL #3: Enhance Fiscal Prudence

**Objective 1:** Improve Delinquent Account Collections in the Following Categories: Water/Sewer User Fees, Property Taxes, and Fees.

#### Average Monthly Amount Collected on Select Delinquent Accounts

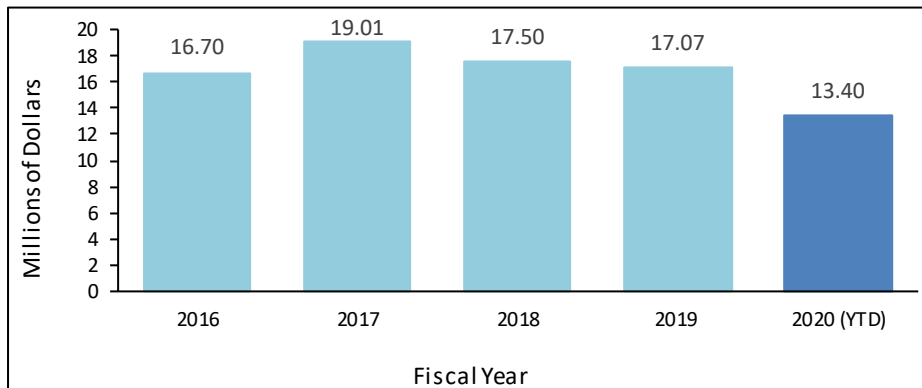
**NEEDS FOCUS**

**Target: Above \$1.6 M**



**\$1.22 Million**  
as of May 31, 2020

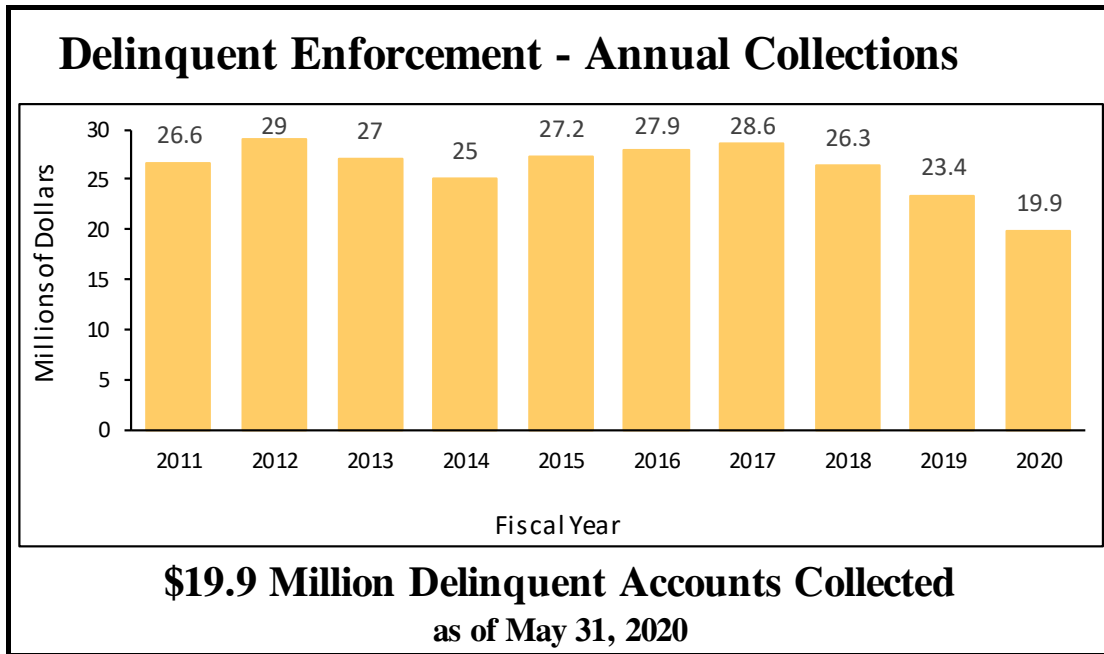
#### Total Yearly Collections on Select Delinquent Accounts



**\$13.4 Million**  
as of May 31, 2020

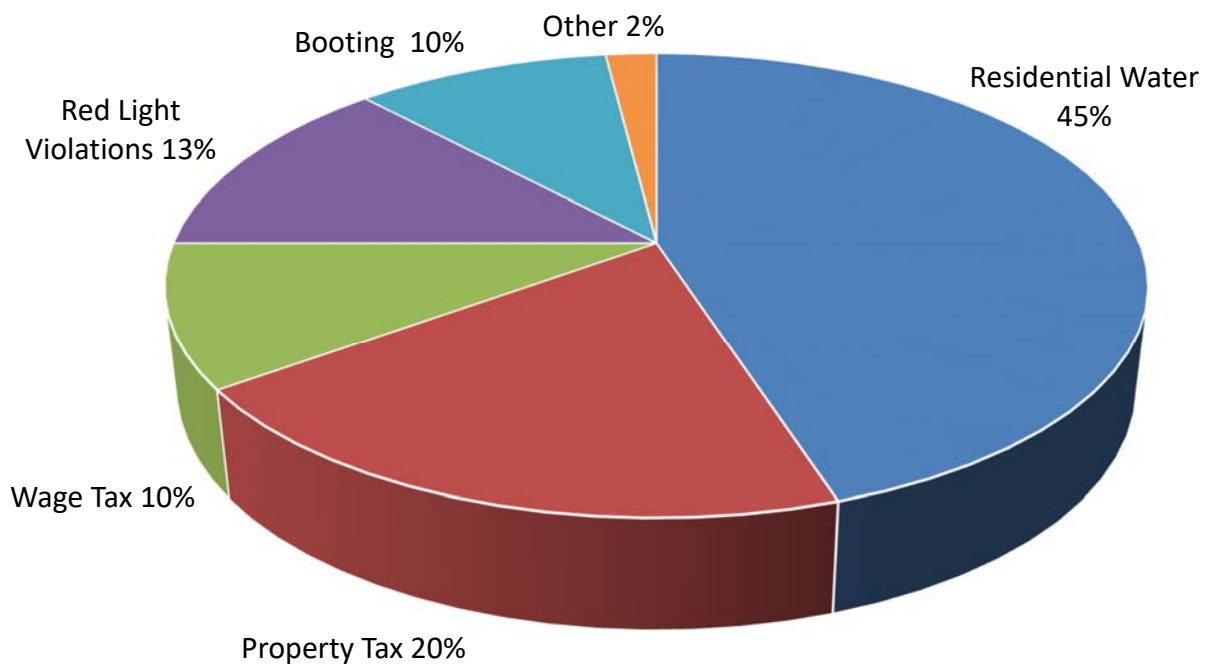
# DEPARTMENT OF FINANCE

## PERFORMANCE TRENDS



The Finance Department is responsible for collecting delinquent net profit, property and wage taxes, business licenses, fees and water bills. In FY 2020, \$19.9 million in delinquent accounts was collected.

### Delinquent Collections by Revenue Type FY 2020



**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FINANCE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	2,867,805	2,854,386	3,190,215	3,267,604
Temporary Salaries	31,066	0	10,000	8,000
Acting Out of Class	2,968	3,048	0	0
Sick Leave Bonus	2,300	1,300	7,600	7,000
Overtime	54,553	92,849	84,000	71,000
Meal Allowance	2,182	4,366	8,100	7,100
Clothing Allowance	3,760	3,771	4,000	4,000
Health Cash Back	400	2,400	2,400	1,296
Pension Contribution	554,706	578,970	558,463	514,434
Social Security	177,453	175,244	195,741	200,633
Medicare Tax	41,500	41,039	45,783	46,922
Hospitalization	964,227	912,073	1,095,804	980,352
Life Insurance	12,328	12,562	13,816	13,959
Pension Healthcare	181,350	190,610	203,505	213,631
State Pension Plan - Civilian	63,203	79,095	95,349	103,000
Personal Services Adjustment	0	0	(99,075)	(101,820)
PS-Budget Control Account	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>4,959,801</b>	<b>4,951,713</b>	<b>5,415,701</b>	<b>5,337,111</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	47,505	60,335	68,320	66,050
Communications & Utilities	13,815	15,162	15,880	15,400
Transportation	8,946	10,979	22,550	22,550
Rentals	0	0	0	0
Contracted Maintenance Repairs	228	0	400	400
Professional Fees	316,626	419,624	367,000	269,000
Memberships & Registrations	9,439	36,938	60,050	45,050
Miscellaneous Services	2,791,473	2,856,189	3,365,000	3,607,280
Office & General supplies	13,910	12,965	16,250	15,600
Wearing Apparel and Safety	8,877	9,190	10,500	8,000
Miscellaneous Parts	263	637	600	600
Equipment	16,081	21,935	12,000	2,000
Miscellaneous Projects	0	0	0	0
MSE-Budget Control Account	0	0	0	0
<b>TOTAL M. S. &amp; E.</b>	<b>3,227,163</b>	<b>3,443,954</b>	<b>3,938,550</b>	<b>4,051,930</b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	744,321	923,505	77,768	80,622
Self-Insurance	120,641	176,413	98,665	101,221
<b>TOTAL INTERNAL SERVICES</b>	<b>864,962</b>	<b>1,099,918</b>	<b>176,433</b>	<b>181,843</b>
<b>DEBT SERVICE</b>				
Principal Payments	1,360	19,702	25,011	27,823
Interest Payments	29,060	28,924	28,079	36,596
<b>TOTAL DEBT SERVICE</b>	<b>30,420</b>	<b>48,626</b>	<b>53,090</b>	<b>64,419</b>
<b>GENERAL FUND TOTAL</b>	<b>9,082,346</b>	<b>9,544,211</b>	<b>9,583,774</b>	<b>9,635,303</b>

## DEPARTMENT: FINANCE

## FUND: WATER/SEWER

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	1,336,860	1,362,942	1,560,489	1,572,145
Temporary Salaries	18,296	0	0	0
Acting Out of Class	0	0	0	0
Sick Leave Bonus	300	400	2,500	2,500
Overtime	23,430	41,594	40,000	35,500
Meal Allowance	578	642	4,000	3,550
Clothing Allowance	750	750	750	750
Health Cash Back	0	0	0	864
Accrued Sick/Vacation	(4,227)	(11,911)	0	0
Pension Contribution	361,005	357,801	250,306	210,882
Social Security	81,855	82,576	94,604	96,787
Medicare Tax	19,144	19,363	22,126	22,636
Hospitalization	429,207	425,100	498,249	393,391
Life Insurance	5,628	5,828	6,248	6,025
Pension Healthcare	73,650	82,390	90,425	91,950
State Pension Plan - Civilian	33,212	41,083	52,846	59,584
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>2,379,688</b>	<b>2,408,558</b>	<b>2,622,543</b>	<b>2,496,564</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	40,826	81,404	96,420	96,200
Communications & Utilities	124	0	265,000	265,000
Transportation	6,936	6,714	18,000	17,000
Contracted Maintenance Repairs	1,219	230	1,512	1,500
Professional Fees	102,433	265,230	165,000	165,000
Memberships & Registrations	7,466	15,407	53,750	43,800
Miscellaneous Services	425,782	782,161	1,346,000	1,481,000
Office & General supplies	7,085	7,146	12,700	12,700
Wearing Apparel and Safety	1,756	821	2,950	2,950
Miscellaneous Parts	2,112	3,606	4,000	3,000
Supporting Services	1,258,919	1,303,825	2,055,400	2,055,400
Equipment	10,336	8,025	28,500	55,000
<b>TOTAL M. S. &amp; E.</b>	<b>1,864,994</b>	<b>2,474,569</b>	<b>4,049,232</b>	<b>4,198,550</b>



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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	597,865	699,063	85,730	88,876
Self-Insurance	64,413	90,076	50,244	51,561
<b>TOTAL INTERNAL SERVICES</b>	<b>662,278</b>	<b>789,139</b>	<b>135,974</b>	<b>140,437</b>
<b>DEBT SERVICE</b>				
Interest Payments	4,999	30,313	51,271	79,829
<b>TOTAL OTHER</b>	<b>4,999</b>	<b>30,313</b>	<b>51,271</b>	<b>79,829</b>
<b>WATER/SEWER FUND TOTAL</b>	<b>4,911,959</b>	<b>5,702,579</b>	<b>6,859,020</b>	<b>6,915,380</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 2021</b>
<ul style="list-style-type: none"> <li>• Ensure prompt and thorough investigation of workplace complaints.</li> <li>• Continue developing strategic processes to promote compliance with ADA, FMLA and City Code §40-54.</li> <li>• Expand the portfolio of population health programs for employees and retirees while delivering exemplary customer service.</li> <li>• Manage risk by implementing more effective claims management practice and programs.</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	2,337,036	2,204,890	2,970,151	2,956,444
Materials, Supplies & Equipment	3,601,834	4,938,113	5,831,062	5,656,728
Internal Services	584,116	754,409	21,072	21,739
Debt Service	20,193	28,551	40,281	25,791
Depreciation	391	327,869	0	0
Special Purpose	25,482,295	24,879,339	25,325,076	23,585,540
<b>TOTAL</b>	<b>32,025,865</b>	<b>33,133,171</b>	<b>34,187,642</b>	<b>32,246,242</b>
<b>STAFFING LEVELS</b>	<b>23.00</b>	<b>24.00</b>	<b>26.00</b>	<b>26.00</b>

\* Differs from Summary of All Funds Combined – Expenditures table on [page 39](#) 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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	1,308,118	1,155,154	1,838,207	1,816,275
Materials, Supplies & Equipment	126,413	243,156	465,460	321,429
Internal Services	536,856	710,989	11,035	11,374
Debt Service	20,193	28,551	40,281	25,791
<b>TOTAL</b>	<b>1,991,580</b>	<b>2,137,850</b>	<b>2,354,983</b>	<b>2,174,869</b>
<b>STAFFING LEVELS</b>	<b>13.55</b>	<b>14.55</b>	<b>16.60</b>	<b>16.60</b>

<b>RISK MANAGEMENT FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	176,511	207,001	190,617	192,478
Materials, Supplies & Equipment	2,544,420	3,664,632	3,904,149	4,033,987
Internal Services	32,181	27,682	7,081	7,329
Depreciation	0	327,282	0	0
Special Purpose	53,549	0	12,554	12,554
<b>TOTAL</b>	<b>2,806,661</b>	<b>4,226,597</b>	<b>4,114,401</b>	<b>4,246,348</b>
<b>STAFFING LEVELS</b>	<b>1.75</b>	<b>1.75</b>	<b>1.30</b>	<b>1.30</b>

<b>WORKERS' COMPENSATION FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>HUMAN RESOURCES</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	594,904	495,800	511,863	541,099
Materials, Supplies & Equipment	767,300	771,497	1,156,875	976,845
Internal Services	12,783	12,903	2,213	2,273
Depreciation	391	587	0	0
Special Purpose	5,365,974	5,064,286	3,072,878	3,461,998
<b>TOTAL</b>	<b>6,741,352</b>	<b>6,345,073</b>	<b>4,743,829</b>	<b>4,982,215</b>
<b>STAFFING LEVELS</b>	<b>4.65</b>	<b>4.65</b>	<b>4.30</b>	<b>4.30</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	257,503	346,935	429,464	406,592
Materials, Supplies & Equipment	163,701	258,828	304,578	324,467
Internal Services	2,296	2,835	743	763
Special Purpose	20,062,772	19,815,053	22,239,644	20,110,988
<b>TOTAL</b>	<b>20,486,272</b>	<b>20,423,651</b>	<b>22,974,429</b>	<b>20,842,810</b>
<b>STAFFING LEVELS</b>	<b>3.05</b>	<b>3.05</b>	<b>3.80</b>	<b>3.80</b>

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

- Personal Services decreased almost \$22,000, or 1.2%. An allowance for a 2% COLA was budgeted for all employees, causing Regular Salaries to increase by over \$29,000. However, this was largely offset by decreases in Temporary Salaries and Hospitalization, which are down \$2,500 and \$57,000, respectively.
- To assist with payroll, an HRIS Coordinator position was added at a total cost of \$87,437. Offsetting this increase is the deletion of the Employee Engagement Administrator position. These actions result in a net savings of \$4,300, all in the General Fund.
- As part of the City's fiscal response to the COVID-19 pandemic, MS&E decreased \$144,000, or 30.9%. Consultant costs were eliminated, saving \$100,000. Of that amount, \$50,000 resulted from the elimination of the City University program, while the other \$50,000 resulted from eliminating the study to implement a new classification and compensation system. Miscellaneous Charges-N.O.C. also decreased significantly, down \$38,600, or 21.9%.

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

- Personal Services in the Risk Management Fund remained relatively flat, increasing by roughly \$1,900, or 1.0%.
- MS&E in the Risk Management Fund increased nearly \$130,000, or 3.3%. Consultants increased by \$48,500 due to an increase in the cost of the third-party administrator that processes claims. Also, total Insurance Costs in the Risk Management Fund increased nearly \$83,000, or 2.2%. The increase was largely driven by Liability, up \$56,000 from FY 2020 to help increase the cyber policy coverage from \$1 million to \$5 million. Additionally, Insurance Claims for the Motor Vehicle Fund also increased, up \$40,000 from FY 2020. Property and flood insurances also increased, causing a net increase in the Fire expense line of \$29,000. These increases were somewhat offset by an \$85,000 decrease in Insurance Claims-Legal Defense.
- Personal Services in the Workers' Compensation Fund increased over \$29,000, or 5.7%. This is largely due to increases in Regular Salaries (\$14,000) and Temporary Salaries (\$4,500).
- MS&E in the Workers' Compensation Fund decreased \$180,000, or 15.6%. This is primarily due to the elimination of Insurance Claims-Legal Defense, which was budgeted at \$165,000 in FY 2020. These expenses, however, were moved to the Workers' Compensation- Other Costs line, which falls Self-Insurance costs. The net effect of transferring these costs from MS&E to Self-Insurance is zero.
- The Workers' Compensation Fund's Self-Insurance costs increased \$389,000, or 12.7%. In addition to Insurance Claims- Legal Defense being moved into the Workers' Compensation- Other Costs line, Medical Costs increased \$100,000 due to the actuarial study.
- Personal Services in the Health & Welfare fund decreased nearly \$23,000, or 5.3%. This was largely due to decreases in Temporary Salaries and Pension Contribution, which are down \$10,000 and \$22,000, respectively.
- MS&E in the Health & Welfare Fund increased \$20,000 or 6.5%, solely due to an increase in Consultants. These additional funds will be used for the implementation and licensing of Winston Software, an application to be used for benefits administration and management.
- Self-Insurance costs in the Health & Welfare Fund decreased roughly \$2.1 million, or 9.6%, to an FY 2021 total of \$20.1 million. Among the main contributors to this decrease was Medical Costs, which decreased \$1.1 million to \$13.4 million, Prescription Costs, which decreased \$1.1 million to \$2.9 million, and Medical Stop Loss, down \$256,000 to \$1.3 million. The City is moving to a fully-insured Dental Plan, causing Dental Costs to decrease nearly \$74,000. However, moving to the fully-insured plan requires a Dental Administrative Fee, which will cost \$66,000. Additionally, the City recently added a Vision Benefit, which will cost \$112,500 in FY 2021. Furthermore, the Health & Welfare Fund is now budgeting \$150,000 for a Health Reimbursement Arrangement (HRA).

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: HUMAN RESOURCES**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	743,353	611,556	1,126,278	1,141,821
Temporary Salaries	28,553	53,680	23,970	21,450
Acting Out of Classification	5,571	5,958	1,500	1,500
Sick Leave Bonus	0	0	600	600
Overtime	1,827	1,158	1,000	1,000
Meal Allowance	196	187	102	102
Pension Contribution	212,617	217,476	170,404	173,244
Social Security	52,971	44,975	68,267	70,921
Medicare Tax	11,732	9,960	15,964	16,588
Hospitalization	203,738	156,336	336,357	293,121
Life Insurance	2,988	2,207	3,976	3,981
Pension Healthcare	40,650	47,286	57,401	60,692
State Pension Plan - Civilian	3,922	4,375	39,372	38,432
Personal Services Adjustment	0	0	(6,984)	(7,177)
<b>TOTAL PERSONAL SERVICES</b>	<b>1,308,118</b>	<b>1,155,154</b>	<b>1,838,207</b>	<b>1,816,275</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing and Advertising	11,435	3,772	10,175	10,175
Communications & Utilities	89	0	200	200
Transportation	5,740	6,596	14,364	10,259
Contracted Maintenance	685	458	650	650
Professional Fees	43,203	108,348	120,075	20,075
Other Fees	0	3,989	4,589	4,589
Memberships & Registrations	38,002	18,130	81,717	89,366
Miscellaneous Services	3,688	66,775	176,115	137,515
Office & General Supplies	6,771	6,173	8,375	8,500
Wearing Apparel & Safety Supplies	492	279	500	1,100
Miscellaneous Parts	16,308	27,817	40,700	33,500
Equipment	0	819	8,000	5,500
<b>TOTAL M., S. &amp; E.</b>	<b>126,413</b>	<b>243,156</b>	<b>465,460</b>	<b>321,429</b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	527,289	698,925	4,203	4,357
Self-Insurance	9,567	12,064	6,832	7,017
<b>TOTAL INTERNAL SERVICES</b>	<b>536,856</b>	<b>710,989</b>	<b>11,035</b>	<b>11,374</b>
<b>DEBT SERVICE</b>				
Principal Payments	4,730	13,030	25,658	15,238
Interest Payments	15,463	15,521	14,623	10,553
<b>TOTAL DEBT SERVICE</b>	<b>20,193</b>	<b>28,551</b>	<b>40,281</b>	<b>25,791</b>
<b>GENERAL FUND TOTAL</b>	<b>1,991,580</b>	<b>2,137,849</b>	<b>2,354,983</b>	<b>2,174,869</b>



## DEPARTMENT: HUMAN RESOURCES

## FUND: RISK MANAGEMENT

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	94,118	97,875	96,437	99,835
Temporary Salaries	19,556	41,364	34,500	34,500
Overtime	475	27	0	0
Meal Allowance	153	43	0	0
Compensated Absences	(2,181)	4,214	0	0
Pension Contribution	26,359	26,334	28,049	26,052
Social Security	6,841	8,426	7,952	8,208
Medicare Tax	1,600	1,971	1,860	1,919
Hospitalization	22,920	19,614	16,982	16,939
Life Insurance	354	307	312	312
Pension Healthcare	5,250	5,932	4,496	4,752
State Pension Plan - Civilian	1,066	894	1,170	1,134
Personal Services Adjustment	0	0	(1,141)	(1,173)
<b>TOTAL PERSONAL SERVICES</b>	<b>176,511</b>	<b>207,001</b>	<b>190,617</b>	<b>192,478</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing	0	0	132	70
Transportation	1,649	3,645	4,250	2,150
Insurance	2,414,542	3,493,602	3,722,852	3,805,627
Professional Fees	124,298	162,958	172,100	220,650
Memberships & Registrations	1,465	1,980	2,315	2,490
Office & General Supplies	2,466	2,447	2,500	3,000
Equipment	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>2,544,420</b>	<b>3,664,632</b>	<b>3,904,149</b>	<b>4,033,987</b>

**DEPARTMENT: HUMAN RESOURCES****FUND: RISK MANAGEMENT**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	31,036	26,583	5,953	6,171
Self-Insurance	1,145	1,099	1,128	1,158
<b>TOTAL INTERNAL SERVICES</b>	<b>32,181</b>	<b>27,682</b>	<b>7,081</b>	<b>7,329</b>
<b>OTHER</b>				
Depreciation	0	327,282	0	0
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>327,282</b>	<b>0</b>	<b>0</b>
<b>SPECIAL PURPOSE</b>				
Claims Expense	53,549	0	12,554	12,554
<b>TOTAL SPECIAL PURPOSE</b>	<b>53,549</b>	<b>0</b>	<b>12,554</b>	<b>12,554</b>
<b>RISK MANAGEMENT FUND TOTAL</b>	<b>2,806,661</b>	<b>4,226,597</b>	<b>4,114,401</b>	<b>4,246,348</b>

## DEPARTMENT: HUMAN RESOURCES

## FUND: WORKERS' COMPENSATION

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	247,075	264,518	277,586	291,578
Temporary Salaries	39,698	35,918	40,840	45,390
Overtime	506	592	2,520	4,840
Meal Allowance	111	170	200	200
Compensated Absences	137	6,742	0	0
Pension Contribution	55,092	57,522	61,284	63,712
Social Security	17,304	17,886	19,123	20,569
Medicare Tax	4,047	4,183	4,473	4,810
Hospitalization	213,271	88,411	85,564	88,789
Life Insurance	975	1,014	1,032	1,032
Pension Healthcare	13,950	15,357	14,870	15,720
State Pension Plan - Civilian	2,738	3,487	4,371	4,459
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>594,904</b>	<b>495,800</b>	<b>511,863</b>	<b>541,099</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	0	692	660	660
Transportation	6,150	1,447	8,000	4,200
Insurance	422,951	419,278	700,000	515,000
Rentals	5	34	240	200
Contracted Maintenance	711	1,723	900	1,400
Professional Fees	309,229	327,263	401,100	404,400
Memberships & Registrations	6,689	5,751	11,075	12,485
Office & General Supplies	1,745	1,722	2,300	2,300
Wearing Apparel & Safety	1,968	2,085	2,100	2,100
Miscellaneous Parts	16,202	11,502	30,500	32,500
Equipment	1,650	0	0	1,600
<b>TOTAL M., S. &amp; E.</b>	<b>767,300</b>	<b>771,497</b>	<b>1,156,875</b>	<b>976,845</b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	10,600	10,750	0	0
Self-Insurance	2,183	2,153	2,213	2,273
<b>TOTAL INTERNAL SERVICES</b>	<b>12,783</b>	<b>12,903</b>	<b>2,213</b>	<b>2,273</b>
<b>SPECIAL PURPOSE</b>				
Workers' Compensation	5,365,974	5,064,286	3,072,878	3,461,998
<b>TOTAL SPECIAL PURPOSE</b>	<b>5,365,974</b>	<b>5,064,286</b>	<b>3,072,878</b>	<b>3,461,998</b>
<b>OTHER</b>				
Depreciation	391	587	0	0
<b>TOTAL DEBT SERVICE</b>	<b>391</b>	<b>587</b>	<b>0</b>	<b>0</b>
<b>WORKERS' COMPENSATION FUND TOTAL</b>	<b>6,741,351</b>	<b>6,345,073</b>	<b>4,743,829</b>	<b>4,982,215</b>

**DEPARTMENT: HUMAN RESOURCES**

**FUND: HEALTH AND WELFARE**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	158,331	223,370	273,233	279,447
Temporary Salaries	19,067	14,886	20,000	10,000
Health Cash Back	0	0	4,500	2,000
Overtime	459	41	1,000	1,000
Compensated Absences	(139)	4,164	0	0
Pension Contribution	25,407	25,855	28,144	5,947
Social Security	10,613	13,868	17,469	17,761
Medicare Tax	2,482	3,244	4,086	4,154
Hospitalization	25,571	39,227	52,958	53,100
Life Insurance	707	740	912	912
Pension Healthcare	9,150	10,970	13,141	13,892
State Pension Plan - Civilian	5,855	10,570	14,021	18,379
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>257,503</b>	<b>346,935</b>	<b>429,464</b>	<b>406,592</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	500	500
Communications & Utilities	64	0	500	500
Transportation	1,645	5,010	8,750	4,500
Professional Fees	156,581	200,806	245,603	269,242
Memberships & Registrations	4,142	49,368	42,725	42,725
Office & General Supplies	1,269	2,559	3,500	4,000
Wearing Apparel and Safety	0	0	600	600
Miscellaneous Parts	0	0	1,150	1,150
Equipment	0	1,085	1,250	1,250
<b>TOTAL M., S. &amp; E.</b>	<b>163,701</b>	<b>258,828</b>	<b>304,578</b>	<b>324,467</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	1,558	2,112	0	0
Self-Insurance	738	723	743	763
<b>TOTAL INTERNAL SERVICES</b>	<b>2,296</b>	<b>2,835</b>	<b>743</b>	<b>763</b>
 <b><u>SPECIAL PURPOSE</u></b>				
Self-Insurance Costs	20,062,772	19,815,053	22,239,644	20,110,988
<b>TOTAL SPECIAL PURPOSE</b>	<b>20,062,772</b>	<b>19,815,053</b>	<b>22,239,644</b>	<b>20,110,988</b>
 <b>HEALTH &amp; WELFARE FUND TOTAL</b>	 <b>20,486,271</b>	 <b>20,423,651</b>	 <b>22,974,429</b>	 <b>20,842,810</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 2021</b>
<ul style="list-style-type: none"> <li>• Proactive code enforcement to achieve compliance for the quality-of-life violations.</li> <li>• Enforcement of blighted properties.</li> <li>• Schedule and complete 2,500 rental inspections.</li> <li>• Explore converting housing violations from criminal to civil penalties.</li> <li>• Implement Phase II of On-Base permitting software for electronic plan submission.</li> <li>• Identify non-licensed rental property owners</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	3,375,388	3,822,446	4,222,783	4,206,365
Materials, Supplies & Equipment	498,376	587,553	773,560	732,210
Internal Services	536,058	732,378	249,670	265,728
Debt Service	4,960	5,053	7,255	8,558
Special Purpose	275,000	251,358	307,500	256,385
<b>TOTAL</b>	<b>4,689,782</b>	<b>5,398,788</b>	<b>5,560,768</b>	<b>5,469,246</b>
<b>STAFFING LEVELS</b>	<b>38.00</b>	<b>42.00</b>	<b>43.00</b>	<b>42.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>LICENSES &amp; INSPECTIONS</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	3,375,388	3,822,446	4,222,783	4,206,365
Materials, Supplies & Equipment	498,376	587,553	773,560	732,210
Internal Services	536,058	732,378	249,670	265,728
Debt Service	4,960	5,053	7,255	8,558
Special Purpose	275,000	251,358	307,500	256,385
<b>TOTAL</b>	<b>4,689,782</b>	<b>5,398,788</b>	<b>5,560,768</b>	<b>5,469,246</b>
<b>STAFFING LEVELS</b>	<b>38.00</b>	<b>42.00</b>	<b>43.00</b>	<b>42.00</b>

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

- Personal Services decreased \$16,000, or 0.4%. As part of the City’s fiscal response to the COVID-19 pandemic, a vacant Plans Examiner position was deleted, saving \$95,500. Additionally, Hospitalization decreased \$87,000, or 11.4%. These decreases were somewhat offset by an increase in Regular Salaries, which, due to to a budgeted 2% COLA and mandatory step increases for non-union classified positions, increased \$66,000, or 2.7%.
- MS&E decreased \$41,350, or 5.3%. In order to better match historical actuals, Demolition was decreased to a new budgeted total of \$350,000, a reduction of \$50,000. Additionally, Hazardous Cleanup was decreased to a new budgeted total of \$15,000, a reduction of \$15,000.
- L&I’s Internal Service chargebacks increased a total of \$16,000. In addition to a nearly \$1,000 increase in self-insurance costs, \$15,000 was added to Motor Vehicle Costs. Almost half of this increase (\$7,200) is due to an addition of one vehicle to L&I’s current fleet.
- The contractual amount the City pays to the Delaware Office of Animal Welfare for Animal Control Services is budgeted in the L&I Department. For FY 2021, the budget is set to the actual contractual amount of \$256,385, which is a \$51,000, or 16.6% decrease from FY 2020.



# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

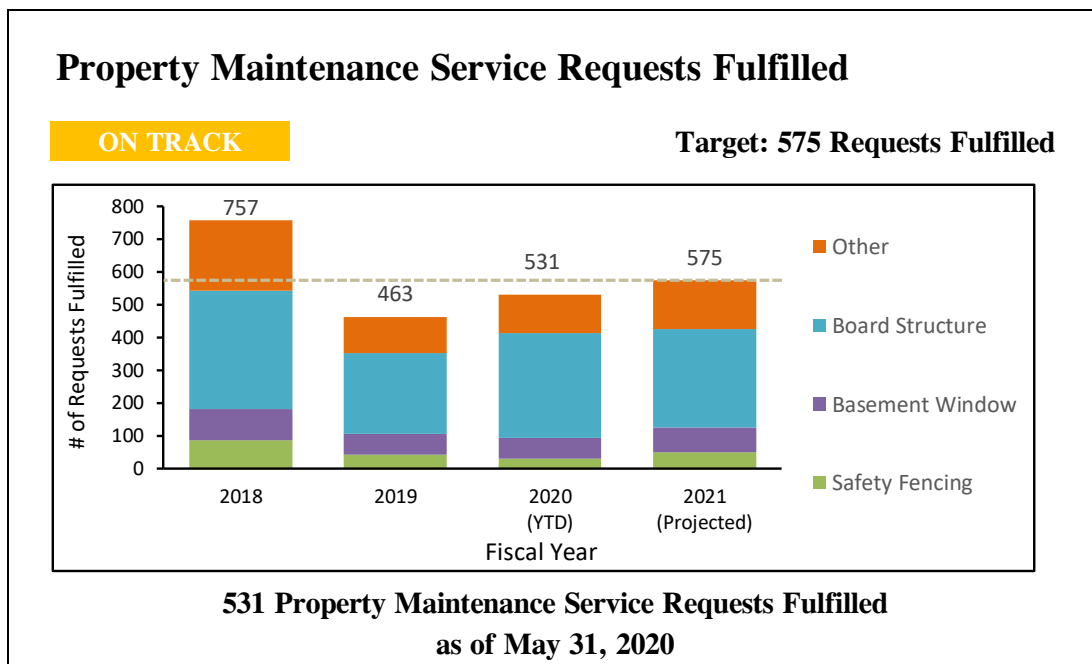
The Department of Licenses and Inspections (L&I) strives to promote and protect a safe living and working environment for all citizens of the City of Wilmington. This is achieved by enforcing and implementing the Wilmington City Code in a fair and unbiased manner. Our goal is to facilitate voluntary compliance by working in partnership with our constituents.

Current data for the goals and objectives listed below can be found on the Licenses & Inspections OpevGov story page at <http://bit.ly/WDe21OG>.

### Focus Area: Quality of Life

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

**Objective 1:** Effectively and Efficiently Address Structurally Deficient Properties through Property Maintenance.



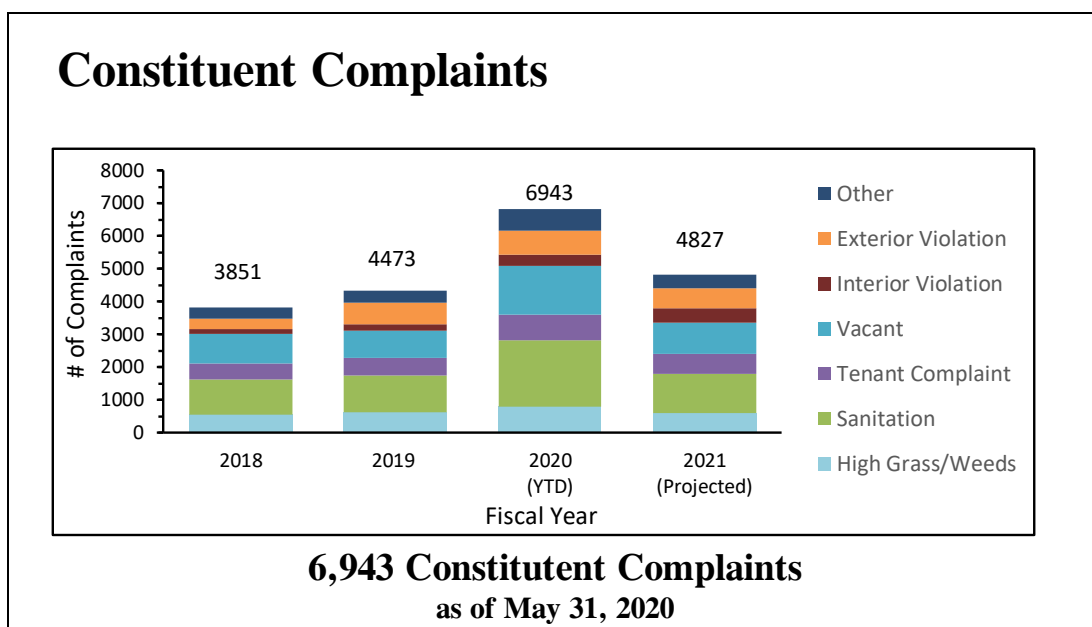
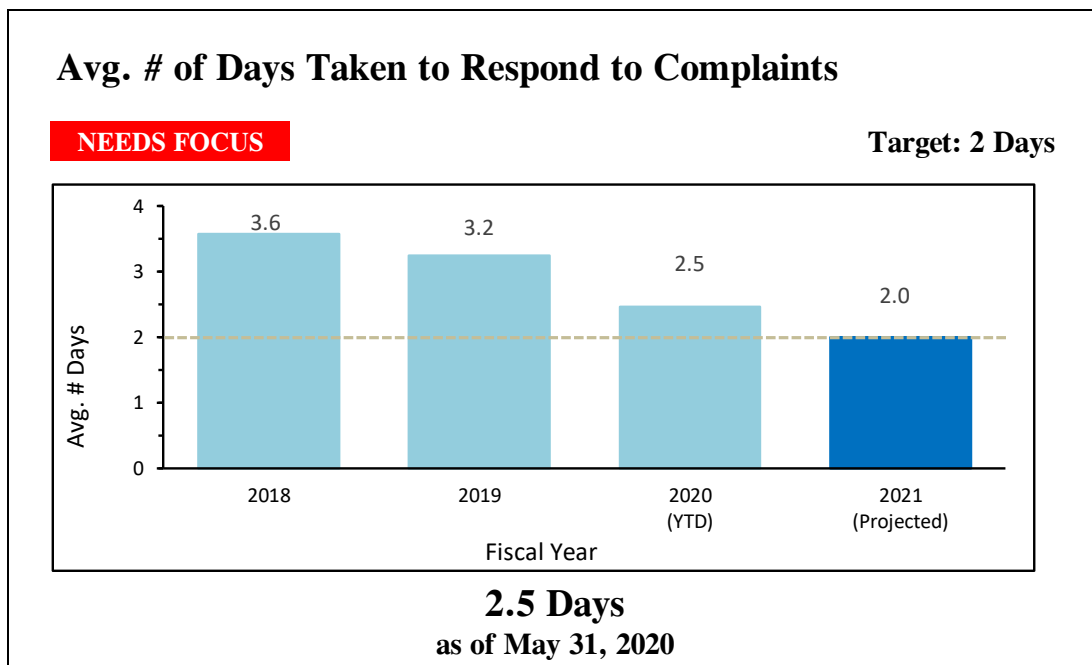
# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

### Focus Area: Quality of Life

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

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



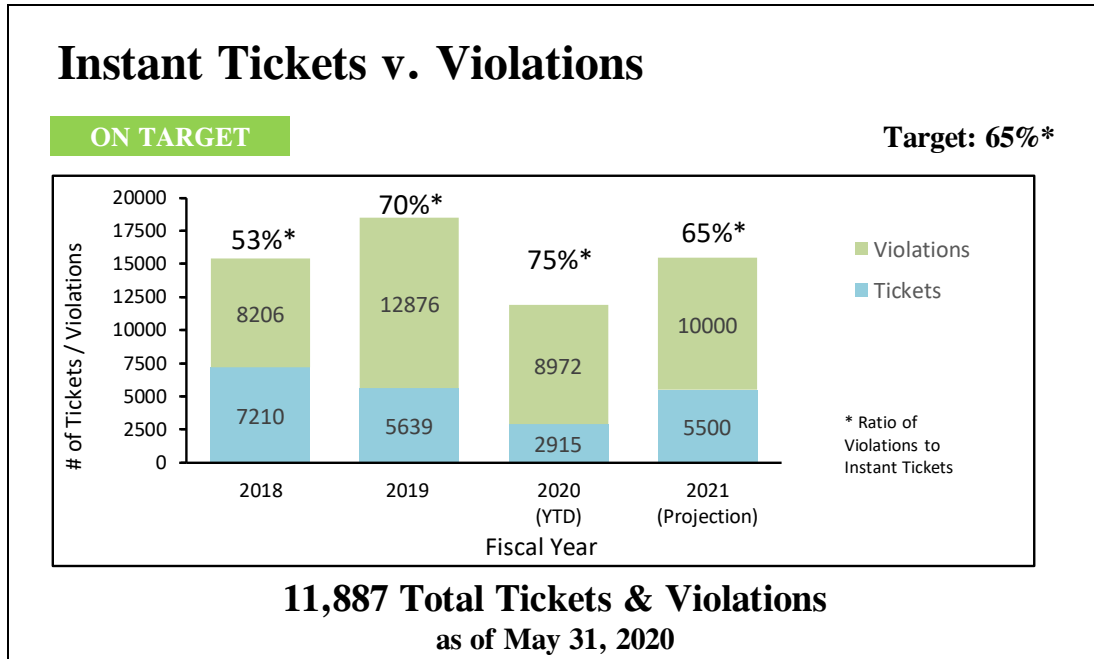
# DEPARTMENT OF LICENSES & INSPECTIONS

## STRATEGIC PLAN

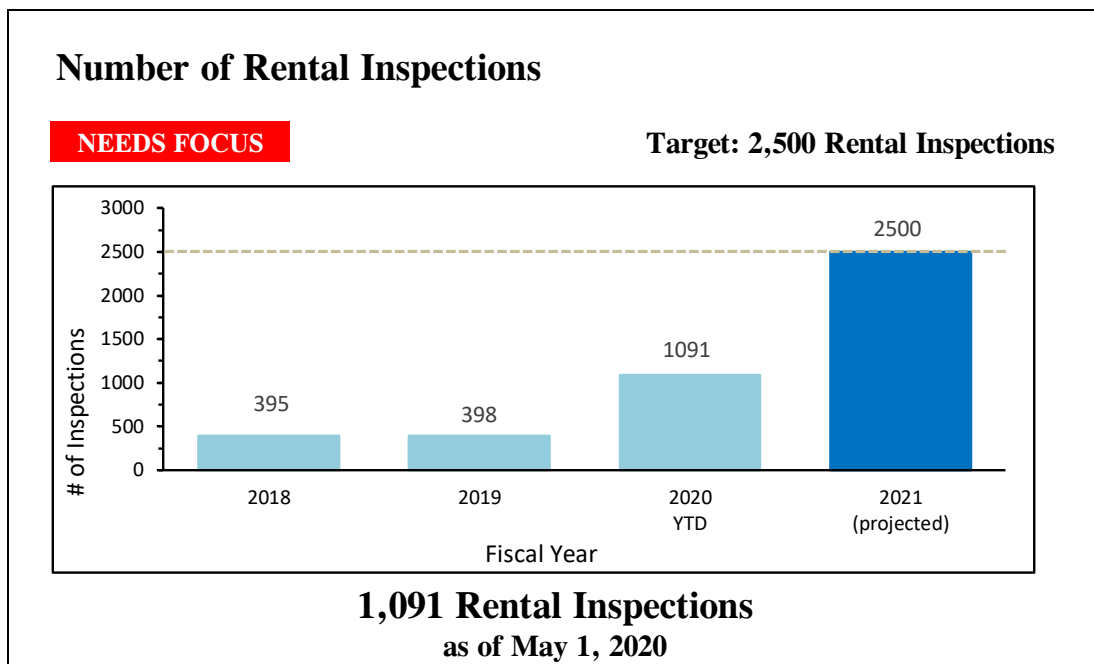
### Focus Area: Quality of Life

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

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



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

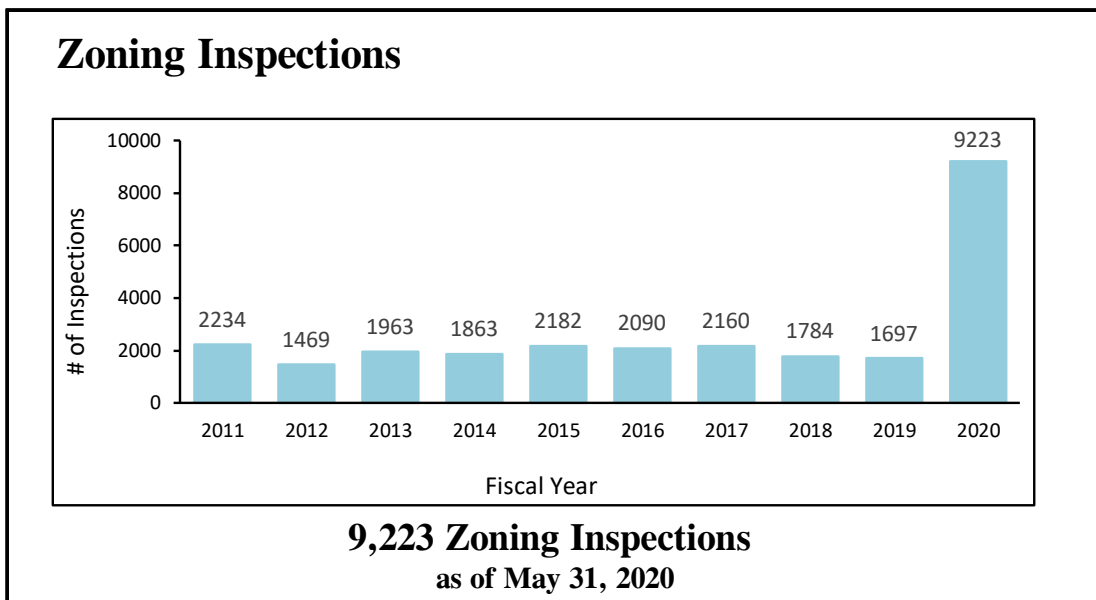


# DEPARTMENT OF LICENSES AND INSPECTIONS

## PERFORMANCE TRENDS



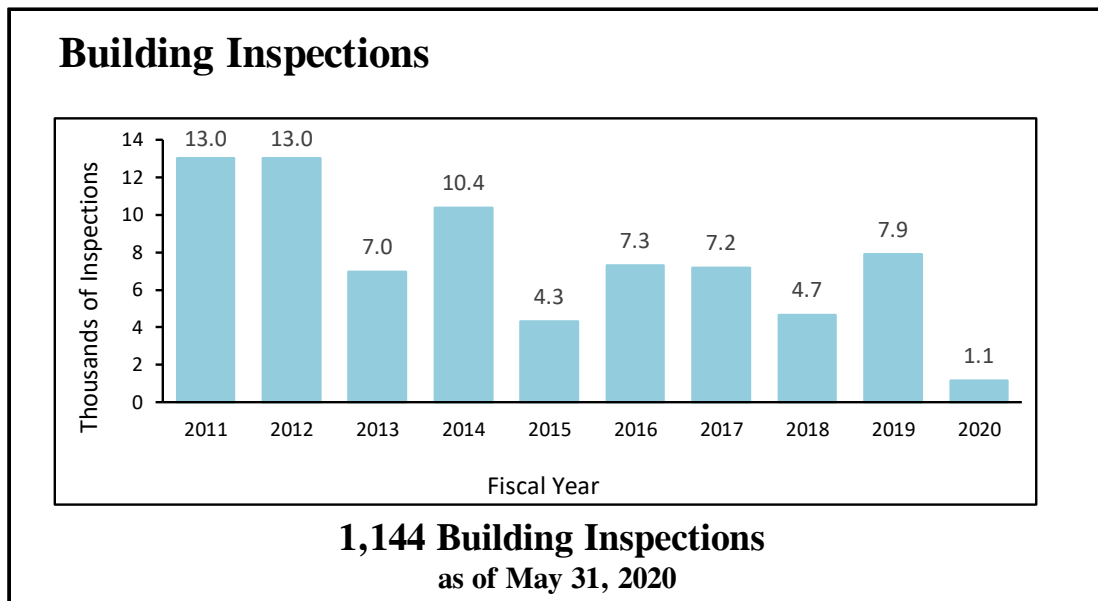
Housing inspections performed include rentals, tenant complaints, sanitation, graffiti, and neighborhood stabilization inspections. In FY 2020, the Administration and Department’s main focus was to redirect resources to conducting rental inspections. Rental inspections require more man-hours to complete.



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. In FY 2020, a dedicated Zoning Enforcement Officer position was created, allowing the Department to perform more zoning inspections.

# DEPARTMENT OF LICENSES AND INSPECTIONS

## PERFORMANCE TRENDS



The number of comprehensive building inspections is largely based on market demand. Due to the COVID-19 pandemic, building inspections were down in FY 2020.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: LICENSES AND INSPECTIONS**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	1,949,256	2,224,485	2,479,587	2,545,656
Temporary Salaries	0	0	0	0
Acting Out of Classification	0	552	1,200	1,000
Sick Leave Bonus	1,500	2,700	4,200	4,200
Overtime	33,218	47,620	50,000	50,000
Meal Allowance	209	359	1,500	300
Clothing Allowance	7,000	8,281	8,500	8,750
Standby Pay	21,583	23,202	25,000	27,840
Health Cash Back	5,160	11,160	9,360	9,360
Pension Contribution	462,913	499,496	510,945	512,711
Social Security	122,734	140,428	155,448	158,647
Medicare Tax	28,704	32,842	36,357	37,104
Hospitalization	592,400	632,930	763,514	676,341
Life Insurance	8,199	9,602	10,242	10,019
Pension Healthcare	114,000	136,500	148,694	153,552
State Pension Plan - Civilian	19,812	41,639	53,914	51,481
Personal Services Adjustment	8,700	10,650	(35,678)	(40,596)
<b>TOTAL PERSONAL SERVICES</b>	<b>3,375,388</b>	<b>3,822,446</b>	<b>4,222,783</b>	<b>4,206,365</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing and Advertising	16,863	9,378	16,000	16,000
Transportation	56	16	2,500	2,500
Rentals	0	31,200	34,560	35,760
Contracted Maintenance	138,600	122,970	150,000	150,000
Professional Fees	54,833	86,311	47,000	50,000
Other Fees	3,781	5,661	10,000	10,000
Memberships & Registrations	25,269	13,827	25,500	27,500
Miscellaneous Services	0	1,539	3,000	3,200
Office & General Supplies	5,306	5,548	5,000	6,000
Wearing Apparel & Safety Supplies	13,834	20,396	36,500	40,750
Miscellaneous Parts	1,643	1,879	3,500	3,500
Construction & Repairs	228,635	278,788	430,000	365,000
Equipment	9,556	10,040	10,000	22,000
<b>TOTAL M., S. &amp; E.</b>	<b>498,376</b>	<b>587,553</b>	<b>773,560</b>	<b>732,210</b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	485,486	57,856	216,377	231,518
Self-Insurance	50,572	674,522	33,293	34,210
<b>TOTAL INTERNAL SERVICES</b>	<b>536,058</b>	<b>732,378</b>	<b>249,670</b>	<b>265,728</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	3,228	3,489	5,926	7,844
Interest Payments	1,732	1,564	1,329	714
<b>TOTAL DEBT SERVICE</b>	<b>4,960</b>	<b>5,053</b>	<b>7,255</b>	<b>8,558</b>
<b><u>SPECIAL PURPOSE</u></b>				
Animal Control	275,000	251,358	307,500	256,385
<b>TOTAL SPECIAL PURPOSE</b>	<b>275,000</b>	<b>251,358</b>	<b>307,500</b>	<b>256,385</b>
<b>GENERAL FUND TOTAL</b>	<b>4,689,782</b>	<b>5,398,788</b>	<b>5,560,768</b>	<b>5,469,246</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 2021</b>
<ul style="list-style-type: none"> <li>• Implement a year-round youth career development program.</li> <li>• Create standards of care for the Park Maintenance Division.</li> <li>• Increase and improve collaborative partnerships with parents, government agencies, and community groups.</li> <li>• Seek grant opportunities to conduct program initiatives not supported by the General Fund.</li> <li>• Promote healthy lifestyles by continuing to offer recreation programs, information sessions, evening feeding, and summer food programs.</li> <li>• Expand tutoring programs to assist students in achieving academic success.</li> </ul>

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

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	5,095,364	4,698,461	5,328,181	5,046,245
Materials, Supplies & Equipment	2,164,129	2,140,731	2,400,781	2,032,658
Internal Services	1,607,299	1,781,705	1,019,829	1,075,179
Debt Service	1,454,172	1,671,498	1,773,483	1,530,537
<b>TOTAL</b>	<b>10,320,964</b>	<b>10,292,395</b>	<b>10,522,274</b>	<b>9,684,619</b>
<b>STAFFING LEVELS</b>	<b>40.00</b>	<b>39.00</b>	<b>41.00</b>	<b>41.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	4,474,797	4,186,953	4,730,122	4,436,877
Materials, Supplies & Equipment	1,336,111	1,362,363	1,509,612	1,221,527
Internal Services	1,603,866	1,778,272	1,016,396	1,071,746
Debt Service	1,454,172	1,671,498	1,773,483	1,530,537
<b>TOTAL</b>	<b>8,868,946</b>	<b>8,999,086</b>	<b>9,029,613</b>	<b>8,260,687</b>
<b>STAFFING LEVELS</b>	<b>40.00</b>	<b>39.00</b>	<b>40.60</b>	<b>40.60</b>

<b>PARKS ASSISTANCE FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	252,511	157,764	244,443	248,985
Materials, Supplies & Equipment	828,018	777,952	860,104	809,381
<b>TOTAL</b>	<b>1,080,529</b>	<b>935,716</b>	<b>1,104,547</b>	<b>1,058,366</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.40</b>	<b>0.40</b>

<b>PARKS TRUST FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	98,432	98,166	100,027	101,723
Materials, Supplies & Equipment	0	416	31,065	1,750
Internal Services	3,433	3,433	3,433	3,433
<b>TOTAL</b>	<b>101,865</b>	<b>102,015</b>	<b>134,525</b>	<b>106,906</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>APPROVED</b>
<b>DEPT. OF PARKS &amp; RECREATION</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	269,624	255,578	253,589	258,660
<b>TOTAL</b>	<b>269,624</b>	<b>255,578</b>	<b>253,589</b>	<b>258,660</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

- Relative to FY 2020, there is no overall increase to General Fund full-time equivalents (FTEs). This is net of one deletion and one addition, at a total cost of \$11,270:
  - In the Maintenance division, a vacant Labor Foreman I position has been deleted, for a savings of \$68,602;
  - Also in the Maintenance division, a new Labor Foreman II position was added at a cost of \$76,300.
- In net, Temporary Salaries have been reduced by \$210,861. The largest changes include: a \$51,091 reduction for the elimination of a Family Matters Coordinator, Summer Camp Director, and Recreation Specialist from the William Hicks Anderson Community Center (WHACC) division; a \$97,500 reduction in Summer Youth worker and Wilmington Youth Leadership Corps Program Director hours in the Youth and Families division; and a \$61,840 reduction in the Recreation division for scorekeepers and seasonal programs.
- Hospitalization costs declined by \$113,280, due a City-wide reduction in medical and prescription costs.
- Combined Professional Fees costs have been reduced by \$96,000, which is split between a \$46,000 reduction for Consultants and a \$50,000 reduction for Temporary Agencies.
- Given the HVAC efficiency improvements made at the WHACC, along with the historical trend of decreasing overall electricity usage, the Electricity line in the WHACC division has been reduced by \$35,000, to a new total of \$200,000.
- The category of Miscellaneous Services has collectively been reduced by a net \$41,519, due mainly to a cut in Contracted Maintenance in the Maintenance division (a savings of \$20,902) and a reduction to Camp Barnes from four sessions to two (a savings of \$12,800 in Miscellaneous Charges-N.O.C.).
- In order to more properly account for departmental expenses, the \$35,000 for the portable toilet contract has been transferred from Rentals N.O.C. in the Recreation division to the Equipment Rental line in the Maintenance division, for a net change of \$0.
- Funding for Arts in the Park and the Delaware Nature Society has been removed, for a savings of \$30,000 in Miscellaneous Projects.
- Overall Debt Service is budgeted to decrease by \$242,946 due to the projected savings from refinancing existing debt.

# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

Wilmington’s parks serve as a positive gathering place for residents and visitors to explore and enjoy the outdoors, build stronger communities, and to promote healthy living.

It is the mission of the Department of Parks and Recreation to provide comprehensive and quality programming that supports the holistic wellness of city residents, maintain the park lands and related facilities, and also provide recreational, social, cultural, employment and educational opportunities for all.

Current data for the goals and objectives listed below can be found on the Parks and Recreation OpenGov story page at <http://bit.ly/WDe29OG>.

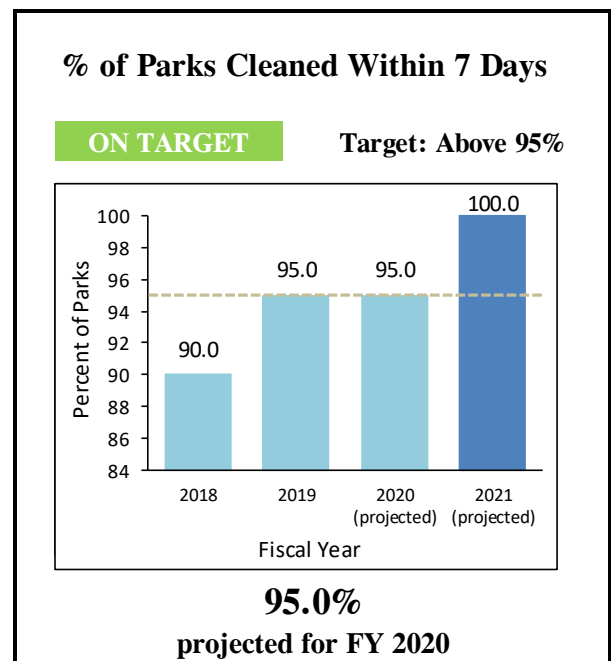
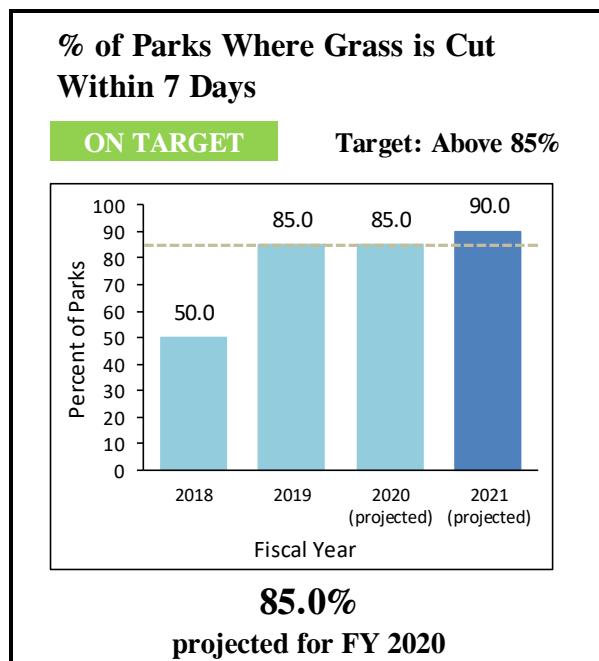
### Focus Area: Quality of Life

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

**Objective 1:** Ensure all City Parks are properly maintained by mowing grass and cleaning on a weekly basis.

Safe, clean, and inviting parks are an important part of a thriving city. In order to provide a system of well-maintained parks for all constituents and visitors, the Department of Parks and Recreation strives to ensure all City parks are cleaned and mowed at least once weekly.

Cleaning efforts involve removing any debris and trash and surveying the park for any potential issues that may need to be addressed. This might include reporting graffiti to Constituent Services for removal or identifying equipment that might need repairs. Once parks are clean and free of debris, grass is cut to ensure that open green space may be used for recreation and leisure.



# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

### Focus Area: Quality of Life

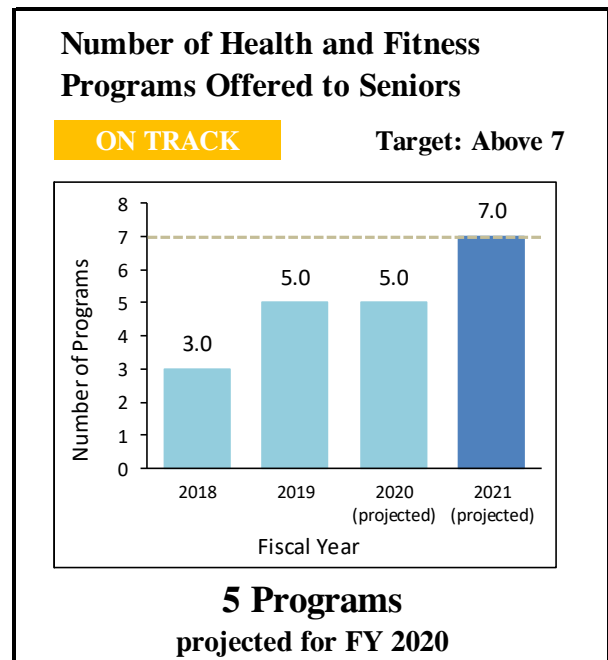
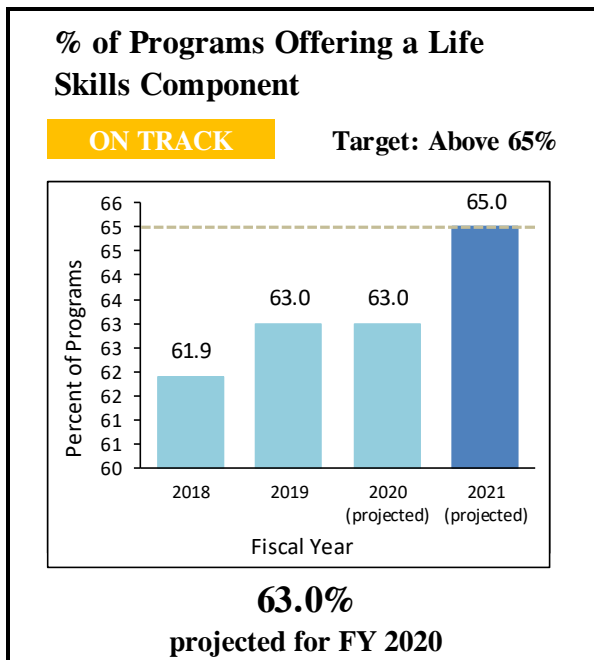
#### CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.

**Objective 2:** Provide desirable and enriching opportunities for residents of all ages.

Quality recreational programs are a key component of healthy communities. Not only do they offer residents opportunities to engage in physical activity – which has been shown to positively affect physical, mental and emotional health – but they also offer residents the chance to build and strengthen relationships with fellow community members and develop important life skills at all ages.

After evaluating its slate of recreational programs offered to City residents, the Department of Parks and Recreation determined that two areas need further focus:

1. The importance of incorporating a life skills component into programming offered to City youth in order to help prepare young people for future educational and career opportunities.
2. The number of physical fitness programs offered to senior citizens, a population that could benefit greatly from structured physical activity and social interaction but has historically been under-served.



# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

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### Focus Area: Quality of Life

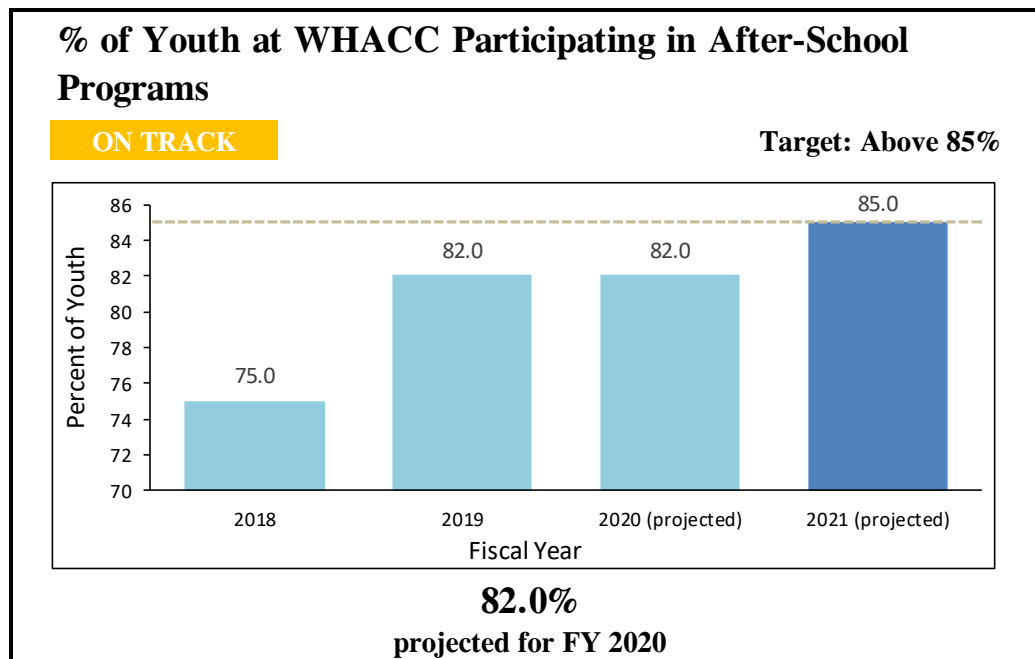
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#### CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.

**Objective 3:** Fulfill the mission of William “Hicks” Anderson Community Center (WHACC) by increasing participation in high-quality enrichment programming offered in the West Center City community.

The mission of the William “Hicks” Anderson Community Center is to build and strengthen neighborhoods and people by bringing together residents of West Center City through meaningful community building and high-quality enrichment programming for all ages and backgrounds. WHACC is currently focusing on increasing the percentage of youth aged 6 to 12 participating in after-school enrichment programs.

The Parks Department has also currently renovated WHACC and made improvements to facilities in order to meet programming and operational needs. For more information on the renovations, see here: <http://bit.ly/WHACC20>.



# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

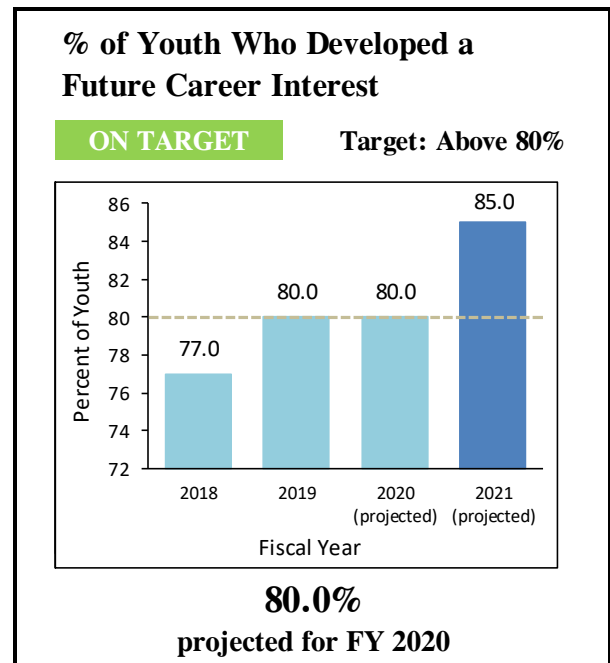
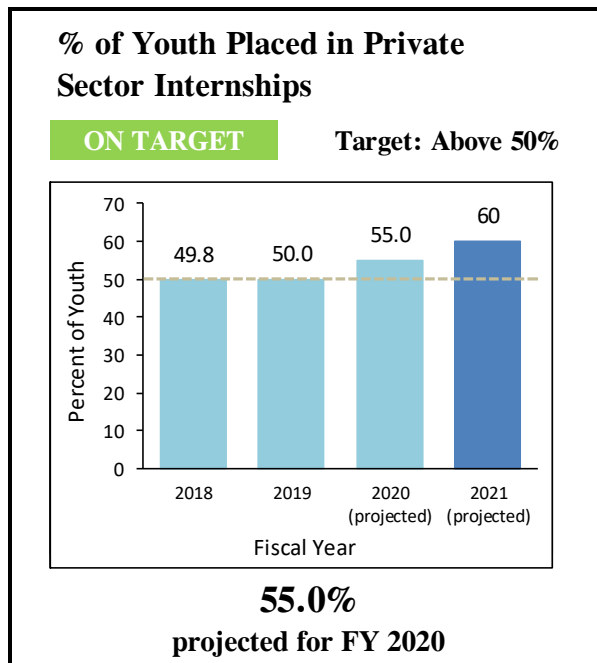
### Focus Area: Quality of Life

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

**Objective 1:** Provide city youth with opportunities to develop and enhance their career pathways by gaining experience in the workplace and through building life skills via the Youth Career Development Program.

The Youth Career Development Program is designed to provide youth with meaningful opportunities for employment by placing them at paid summer internships in various job sites throughout the City. Youth are given the chance to shadow professionals in areas of special interest while gaining insight into future career opportunities and developing important life skills. To participate, youth must submit an application to the Department of Parks and Recreation, be between the ages of 14 and 20, and meet certain income, residency, and job-eligibility requirements.

Success of the program is measured by administering a survey to participants at the end of their experience to determine whether the internship sparked an interest in future career opportunities while teaching valuable life skills. The City also measures the ratio of private to public sector placements. Because most youth are placed within governmental and nonprofit organizations, the City is striving to expand the range of options available to participants by placing at least 50% of youth in the private sector.



# DEPARTMENT OF PARKS & RECREATION

## STRATEGIC PLAN

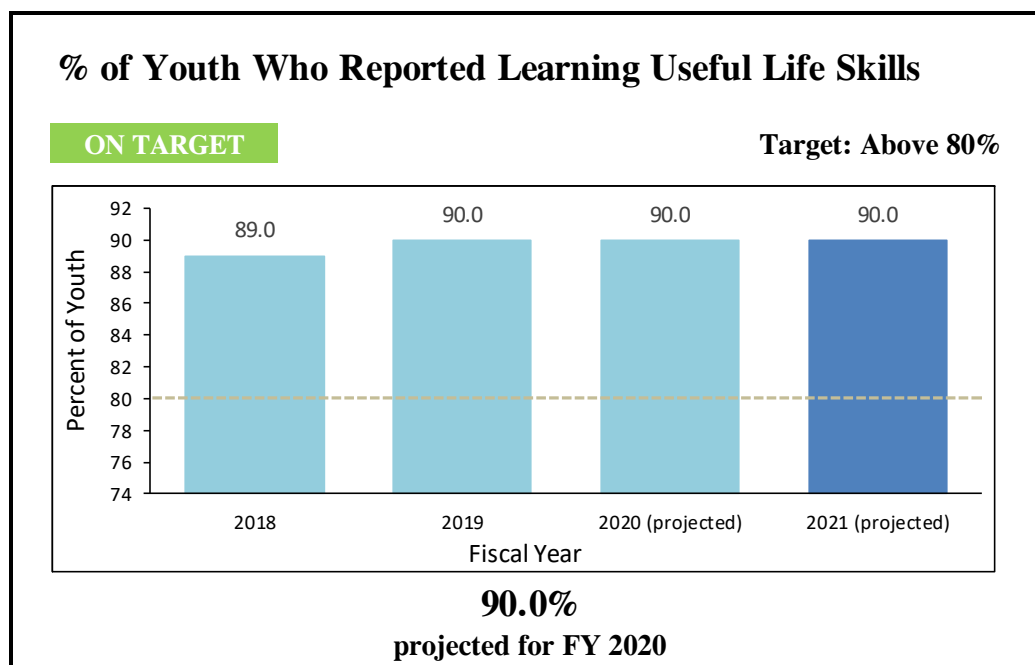
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### Focus Area: Quality of Life

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

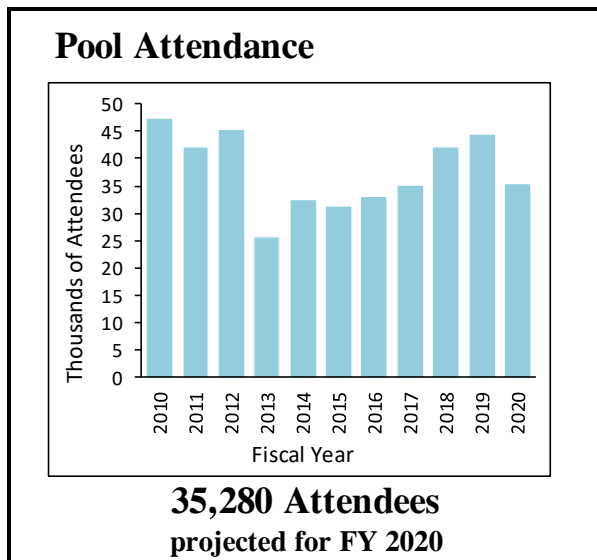
**Objective 1 (Cont.):** Provide city youth with opportunities to develop and enhance their career pathways by gaining experience in the workplace and through building life skills via the Youth Career Development Program.



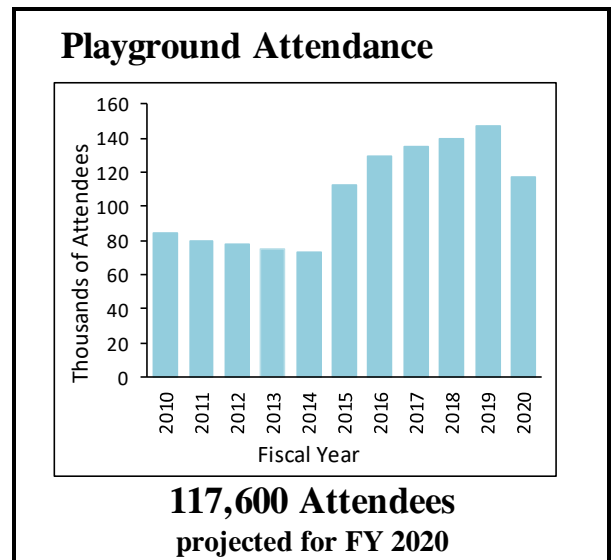


# DEPARTMENT OF PARKS & RECREATION

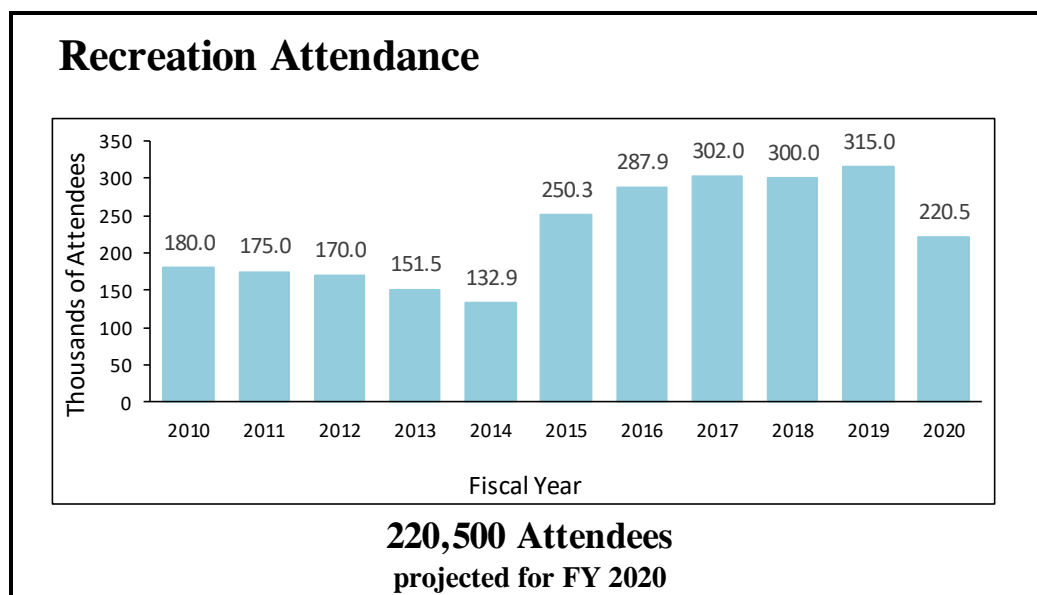
## PERFORMANCE TRENDS



The projected decline in FY 2020 pool attendance is due to COVID-19 related closures.



Figures include by City parks and the William “Hicks” Anderson Community Center. Projected FY 2020 declines are due to COVID-19.



A variety of programs are offered to provide all citizens with recreational opportunities, including sports leagues, fitness activities, movies in the park, youth summer camps, and others. Projected FY 2020 declines are due to COVID-19.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: PARKS & RECREATION**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	1,836,177	1,546,998	1,899,221	1,955,065
Temporary Salaries	1,126,345	1,183,785	1,247,341	1,036,480
Acting Out of Class	1,917	422	1,000	1,000
Sick Leave Bonus	2,600	1,700	1,500	1,800
Overtime	195,698	194,637	130,406	132,406
Meal Allowance	5,608	5,899	4,000	4,000
Clothing Allowance	2,375	2,125	0	2,000
Health Cash Back	2,760	2,160	2,160	2,160
Pension Contribution	289,637	286,032	274,804	268,376
Social Security	193,432	177,956	211,657	189,451
Medicare Tax	45,237	41,498	49,501	44,306
Hospitalization	592,987	559,320	788,321	675,041
Life Insurance	8,248	7,448	9,182	9,304
Pension Healthcare	120,000	126,750	140,395	145,387
State Pension Plan (Civilian)	51,776	50,223	68,310	70,483
Personal Services Adjustment	0	0	(97,676)	(100,382)
<b>TOTAL PERSONAL SERVICES</b>	<b>4,474,797</b>	<b>4,186,953</b>	<b>4,730,122</b>	<b>4,436,877</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	2,001	6,876	17,652	7,652
Communications & Utilities	210,724	186,724	235,026	200,000
Transportation	5,648	650	7,300	8,500
Rentals	75,909	69,064	65,651	65,651
Contracted Maintenance	49,687	45,640	68,543	53,476
Professional Fees	311,341	371,296	404,359	308,359
Other Fees	52,041	44,232	58,392	58,664
Memberships & Registrations	7,877	6,922	8,950	8,650
Miscellaneous Services	240,527	244,478	234,971	193,452
Office & General supplies	16,719	12,511	16,920	14,640
Wearing Apparel & Safety Supplies	63,603	74,877	56,417	48,427
Miscellaneous Parts	164,869	163,299	175,456	151,456
Petroleum & Chemicals	28,873	22,851	27,000	27,000
Construction & Repairs	16,527	14,021	23,500	15,000
Equipment	42,265	42,531	58,475	39,600
Community Activities	47,500	56,391	51,000	21,000
MSE-Budget Control Account	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>1,336,111</b>	<b>1,362,363</b>	<b>1,509,612</b>	<b>1,221,527</b>

**DEPARTMENT: PARKS & RECREATION****FUND: GENERAL**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	1,014,093	1,023,296	589,747	633,666
Self-Insurance	589,773	754,976	426,649	438,080
<b>TOTAL INTERNAL SERVICES</b>	<b>1,603,866</b>	<b>1,778,272</b>	<b>1,016,396</b>	<b>1,071,746</b>
<b>DEBT SERVICE</b>				
Principal Payments	651,238	914,515	981,389	914,212
Interest Payments	802,934	756,983	792,094	616,325
<b>TOTAL DEBT SERVICE</b>	<b>1,454,172</b>	<b>1,671,498</b>	<b>1,773,483</b>	<b>1,530,537</b>
<b>GENERAL FUND TOTAL</b>	<b>8,868,946</b>	<b>8,999,086</b>	<b>9,029,613</b>	<b>8,260,687</b>

**DEPARTMENT: PARKS & RECREATION****FUND: PARKS ASSISTANCE**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	0	39,389	0	0
Temporary Salaries	234,624	107,181	227,104	231,646
Social Security	14,496	9,072	14,052	14,052
Medicare Tax	3,391	2,122	3,287	3,287
<b>TOTAL PERSONAL SERVICES</b>	<b>252,511</b>	<b>157,764</b>	<b>244,443</b>	<b>248,985</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Transportation	1,190	12,041	0	12,527
Rentals	0	5,070	0	5,275
Miscellaneous Services	22,392	85,538	881	88,994
Wearing Apparel & Safety Supplies	4,852	1,666	1,848	1,733
Miscellaneous Parts	799,584	673,637	857,374	700,852
Community Activities	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>828,018</b>	<b>777,952</b>	<b>860,104</b>	<b>809,381</b>
 <b>PARKS ASSISTANCE FUND TOTAL</b>	 <b>1,080,529</b>	 <b>935,716</b>	 <b>1,104,547</b>	 <b>1,058,366</b>

## DEPARTMENT: PARKS &amp; RECREATION

## FUND: PARKS TRUST

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	50,811	50,301	51,307	52,333
Temporary Salaries	0	0	0	0
Pension Contributions	13,086	13,493	14,161	14,444
Social Security	3,025	2,869	2,959	2,994
Medicare Tax	707	671	685	700
Life Insurance	240	240	240	240
Hospitalization	27,563	27,342	27,426	27,356
Pension Healthcare	3,000	3,250	3,250	3,656
<b>TOTAL PERSONAL SERVICES</b>	<b>98,432</b>	<b>98,166</b>	<b>100,027</b>	<b>101,723</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	0	0	1,750	1,750
Transportation	0	0	700	0
Rentals	0	0	3,800	0
Contracted Maintenance Repairs	0	0	3,500	0
Temporary Agencies	0	416	0	0
Memberships & Registrations	0	0	3,150	0
Miscellaneous Services	0	0	13,250	0
Office & General supplies	0	0	50	0
Wearing Apparel & Safety Supplies	0	0	150	0
Miscellaneous Parts	0	0	4,315	0
Construction & Repairs	0	0	200	0
Equipment	0	0	200	0
<b>TOTAL M., S. &amp; E.</b>	<b>0</b>	<b>416</b>	<b>31,065</b>	<b>1,750</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>101,865</b>	 <b>102,015</b>	 <b>134,525</b>	 <b>106,906</b>

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

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Temporary Salaries	250,464	237,416	235,568	240,279
Social Security	15,530	14,721	14,605	14,897
Medicare Tax	3,630	3,441	3,416	3,484
<b>TOTAL PERSONAL SERVICES</b>	<b>269,624</b>	<b>255,578</b>	<b>253,589</b>	<b>258,660</b>
<b>WIB FUND TOTAL</b>	<b>269,624</b>	<b>255,578</b>	<b>253,589</b>	<b>258,660</b>

# DEPARTMENT OF FIRE

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

<b>PRIORITIES FOR FISCAL YEAR 2021</b>
<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 free smoke and carbon monoxide alarm programs for seniors and needy citizens.</li> <li>• Increase public education programs, targeting senior citizens and children.</li> <li>• Begin a recruit class any time uniformed staffing falls below 95% of authorized strength of 156 positions.</li> <li>• Continue the officer development program.</li> </ul>

## SUMMARY OF FUNDING FOR THE FIRE DEPARTMENT

<b>TOTAL ALL FUNDS FIRE DEPARTMENT*</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	22,838,972	21,257,007	21,974,633	21,567,709
Materials, Supplies & Equipment	790,648	954,024	1,112,330	761,230
Internal Services	3,657,946	2,915,223	1,809,425	1,866,350
Debt Service	797,478	998,058	1,453,727	1,411,678
<b>TOTAL</b>	<b>28,085,044</b>	<b>26,124,312</b>	<b>26,350,115</b>	<b>25,606,967</b>
<b>STAFFING LEVELS</b>	<b>161.00</b>	<b>161.00</b>	<b>161.00</b>	<b>161.00</b>

<b>GENERAL FUND FIRE DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	18,190,305	17,631,604	17,325,966	18,000,291
Materials, Supplies & Equipment	745,524	806,477	910,961	559,861
Internal Services	3,657,946	2,915,223	1,809,425	1,866,350
Debt Service	797,478	998,058	1,453,727	1,411,678
<b>TOTAL</b>	<b>23,391,253</b>	<b>22,351,362</b>	<b>21,500,079</b>	<b>21,838,180</b>
<b>STAFFING LEVELS</b>	<b>161.00</b>	<b>161.00</b>	<b>161.00</b>	<b>161.00</b>

\* Differs from Summary of All Funds Combined – Expenditures table on [page 39](#) due to the inclusion of State Pension Contributions.

<b>STATE PENSION CONTRIBUTIONS FIRE DEPARTMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	4,648,667	3,567,418	4,648,667	3,567,418
<b>TOTAL</b>	<b>4,648,667</b>	<b>3,567,418</b>	<b>4,648,667</b>	<b>3,567,418</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 FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	0	0	0	0
Materials, Supplies & Equipment	2,621	84,440	201,369	201,369
<b>TOTAL</b>	<b>2,621</b>	<b>84,440</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 FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	0	57,985	0	0
Materials, Supplies & Equipment	42,503	63,107	0	0
<b>TOTAL</b>	<b>42,503</b>	<b>121,092</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

- Salaries and Wages are budgeted to increase by \$339,369. This is inclusive of a 2.0% cost-of-living adjustment (COLA) allowance, plus step increases. There are no changes to the total number of Full Time Equivalents (FTEs).
- More than offsetting the Salaries and Wages increase is a net Employee Benefits reduction of \$743,067. The majority of this reduction is due to the State Pension Contribution passthrough, which will decrease by \$1,081,249 as the State has reduced its total contribution to the City (as well as realigned the relative portions given to Fire and Police). As the City must continue to meet the actuarially-determined contribution to the “old” Fire Pension plan, the Pension Contribution budget has been increased by \$680,380 (which is net of overall reductions in the actuarially-determined contribution).
- The Employee Benefits reduction also includes a \$442,252 decrease in Hospitalization due a citywide reduction in medical and prescription costs.
- A total of \$150,500 for recruit class costs (including training, uniforms, and protective equipment) has been cut from the Suppression division. For FY 2021, these costs will be covered by outside grant funds.
- Accessories and Parts for Equipment is budgeted to decrease by \$137,000, due to the completion of various one-time items in FY 2020 (including the of outfitting of fire engines and ladder trucks).
- Consultant costs are down a net \$55,000, which includes an additional \$15,000 for Target Solutions (to assist with training), as well as the elimination of \$70,000 associated with the biennial promotional process (which occurred in FY 2020).
- Funding for the Explorer Program has been temporarily removed, for a savings of \$30,000.
- Overall Debt Service is budgeted to decrease by \$42,049, mainly due to the projected savings from refinancing existing debt, net of \$81,262 in additional capital costs for various firefighting gear and specialty equipment.

# DEPARTMENT OF FIRE

## STRATEGIC PLAN

The Wilmington Fire Department is a career, professional fire department established in 1921. The department currently maintains six engine companies, two ladder companies, and a marine fire fighting force. The department is divided into two functional divisions, each under the command of a Deputy Chief: the Operations Division and the Administrative Division.

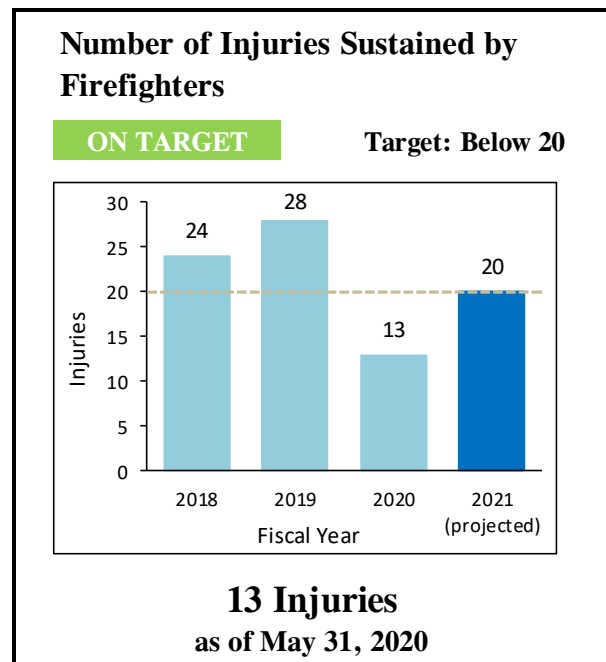
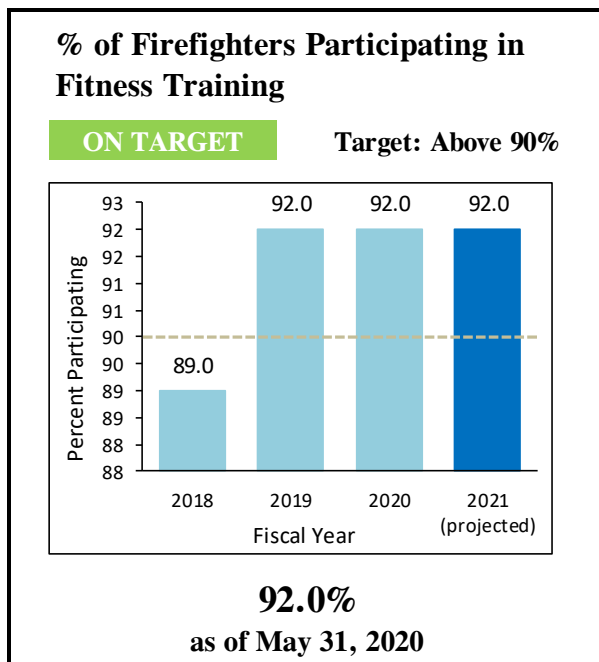
Department officials have shown their commitment to providing the best emergency services delivery through the promotion of implementation of National Fire Protection Agency standards, continuous training, active involvement with community associations, and implementation of a Customer Satisfaction Survey.

Current data for the goals and objectives listed below can be found on the Fire Department OpenGov story page at <http://bit.ly/WDe31OG>.

### Focus Area: Public Safety

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

**Objective 1:** Implement a physical fitness training program for firefighters and reduce firefighter injuries. The Department is striving to promote professionalism and enhance public safety by ensuring that all firefighters are well trained and in peak physical condition. The implementation of a physical fitness program and an injury reduction program will help promote a healthy, well-prepared workforce while also reducing time off for sickness and injury.



# DEPARTMENT OF FIRE

## STRATEGIC PLAN

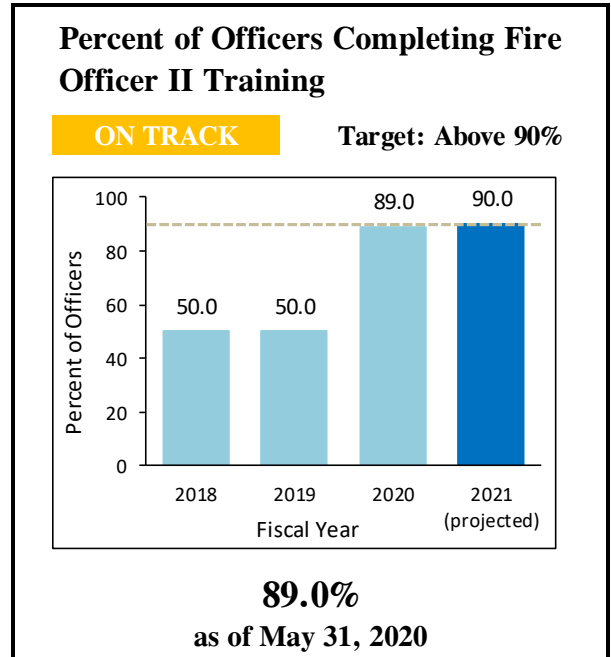
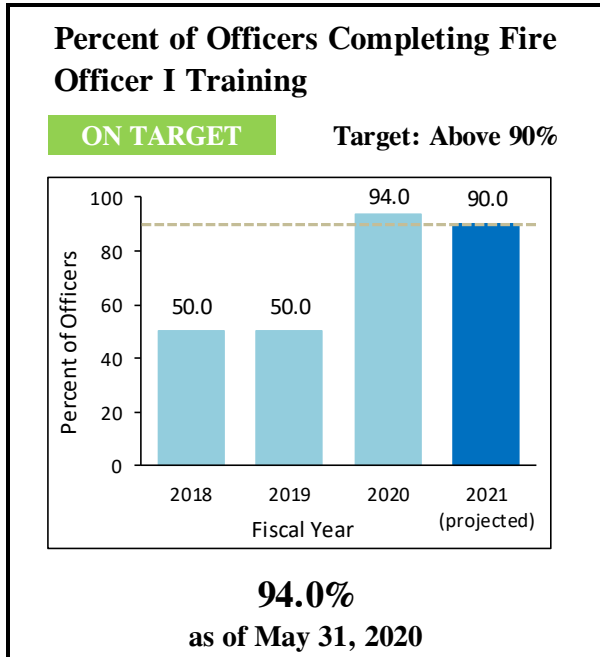
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### Focus Area: Public Safety

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

**Objective 2:** Ensure all Battalion Chiefs, Captains and Lieutenants complete National Fire Protection Association (NFPA) Fire Officer I and II designation.



# DEPARTMENT OF FIRE

## STRATEGIC PLAN

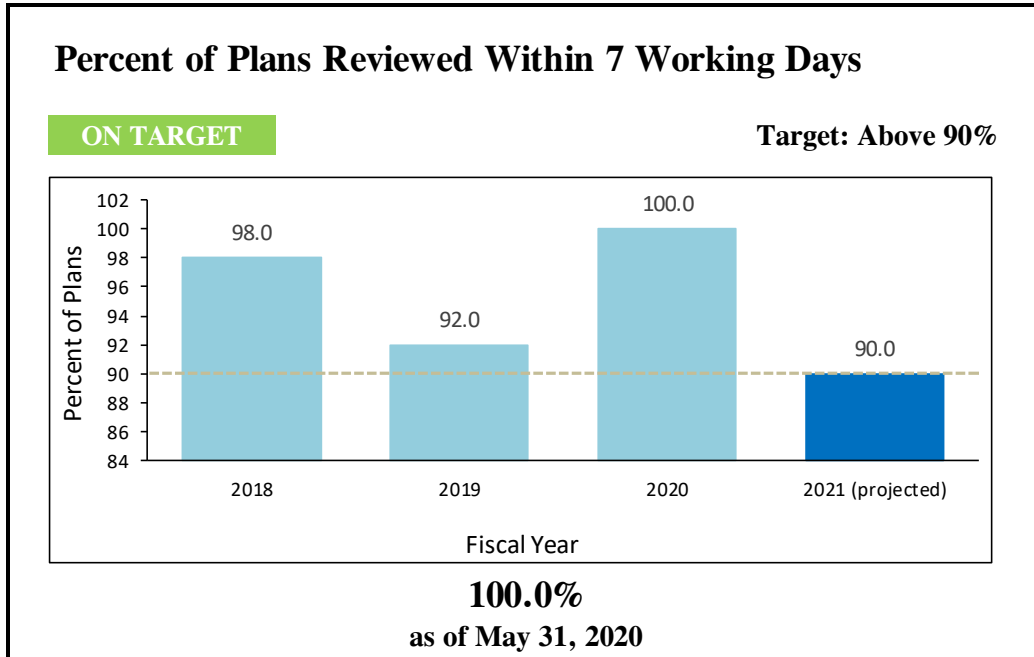
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### Focus Area: Economic Vitality

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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 permitting process.



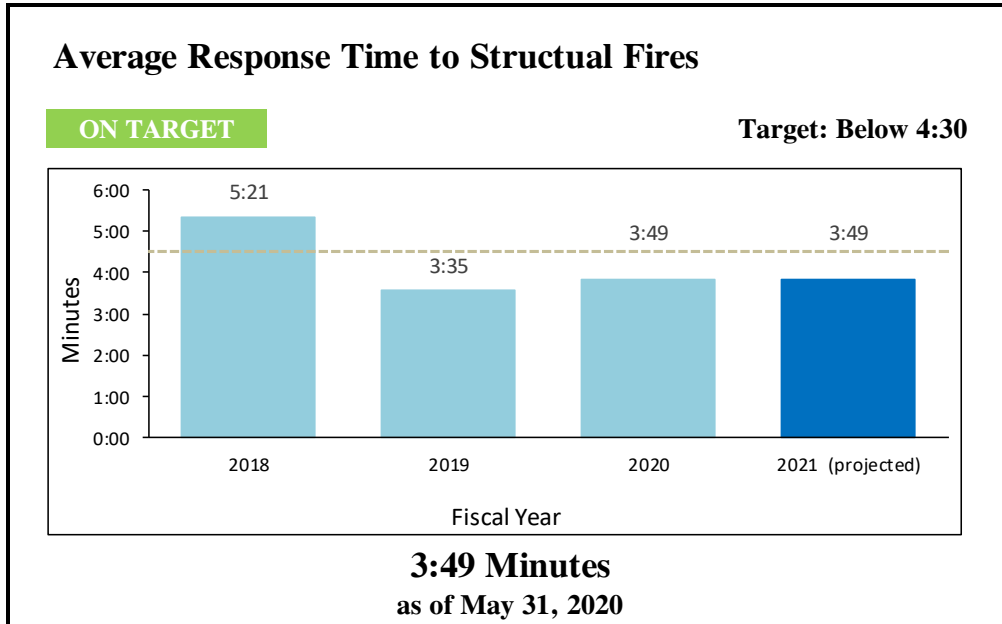
# DEPARTMENT OF FIRE

## STRATEGIC PLAN

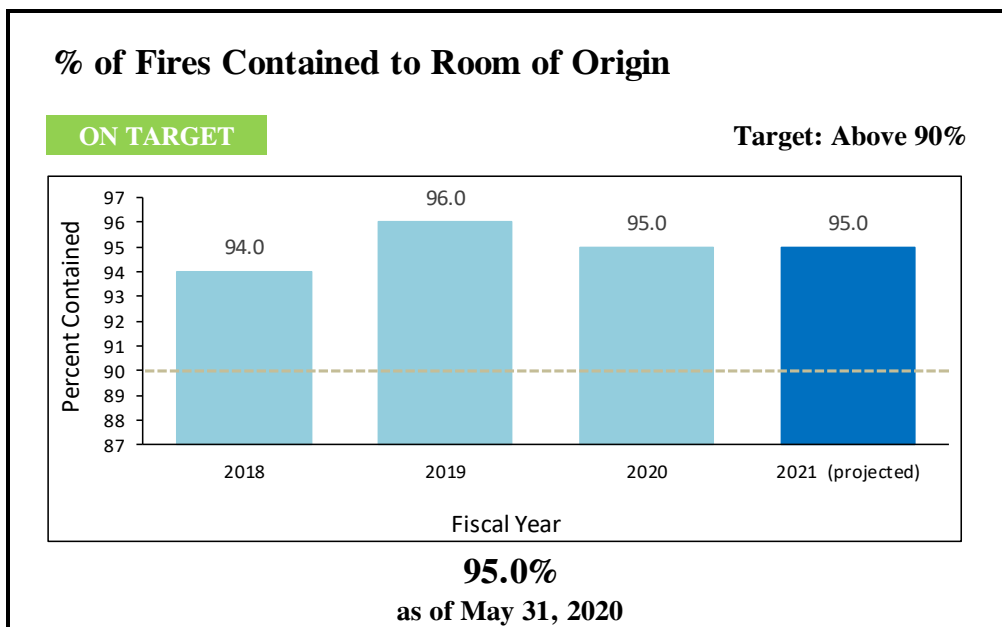
### Focus Area: Quality of Life

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

**Objective 1:** Achieve a response time from dispatch to arrival of four minutes for the first arriving unit per National Fire Protection Agency Standard 1710.



**Objective 2:** Keep at least 90% of structural fires to room of origin, which significantly reduces damage to the affected structure and adjoining properties.



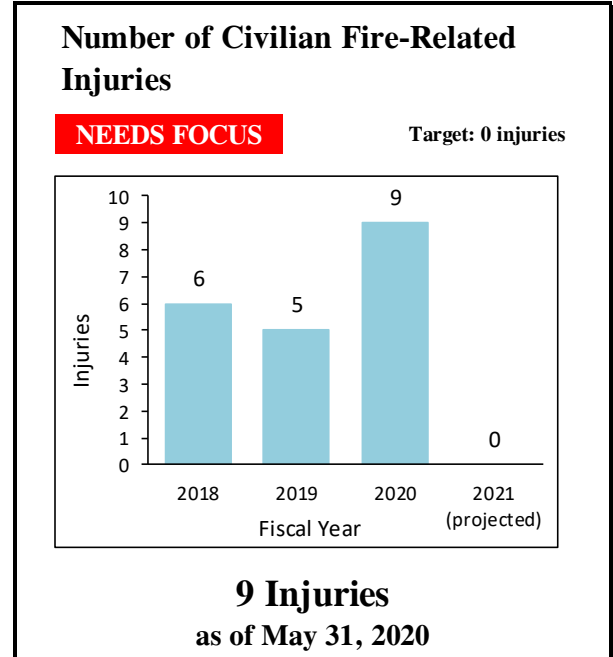
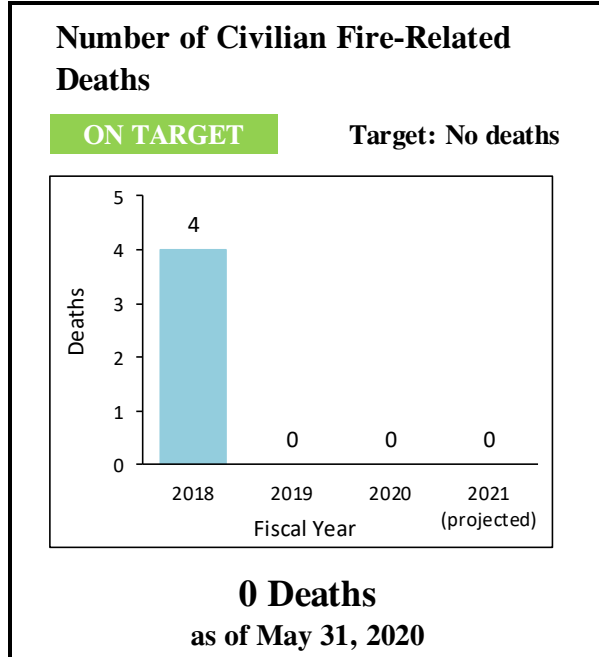
# DEPARTMENT OF FIRE

## STRATEGIC PLAN

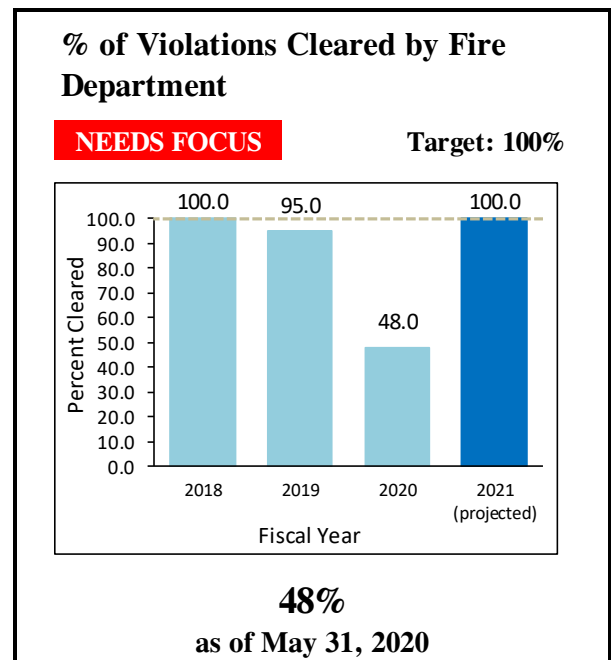
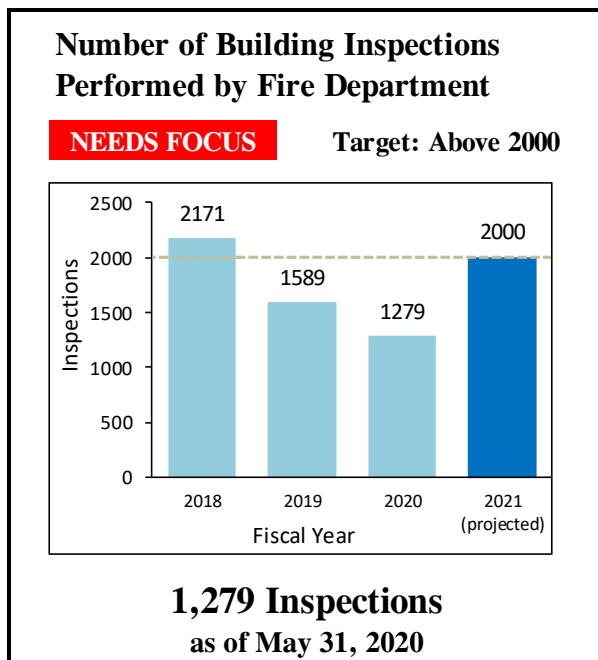
### Focus Area: Quality of Life

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

**Objective 3: Reduce civilian fire-related deaths and injuries to zero.**



**Objective 4: Increase building inspections and clear 100% of violations found during inspection.**



# DEPARTMENT OF FIRE

## STRATEGIC PLAN

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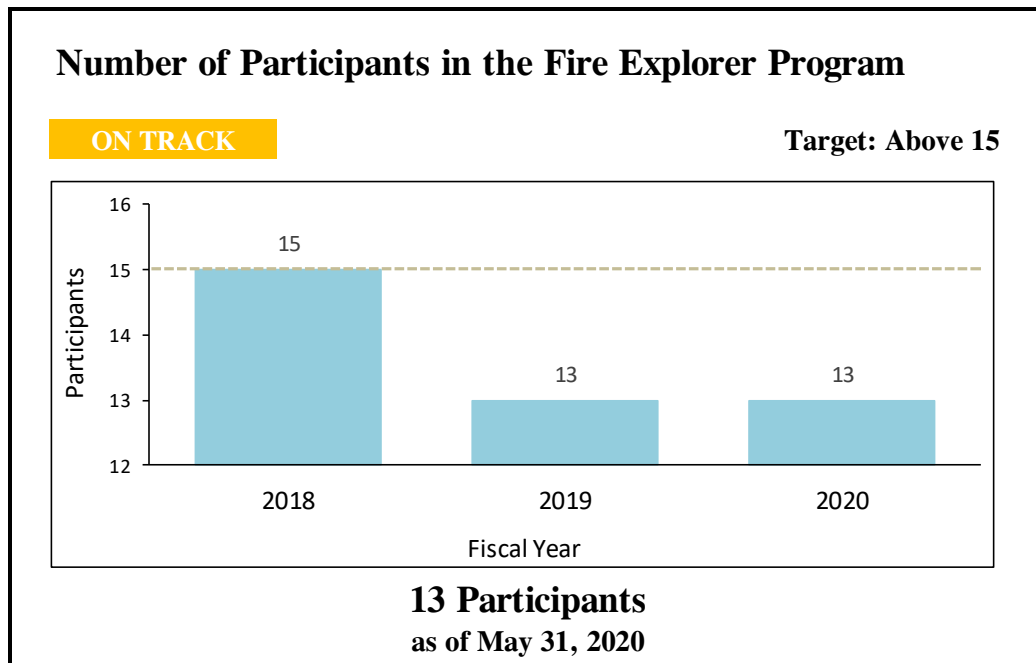
### Focus Area: Quality of Life

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

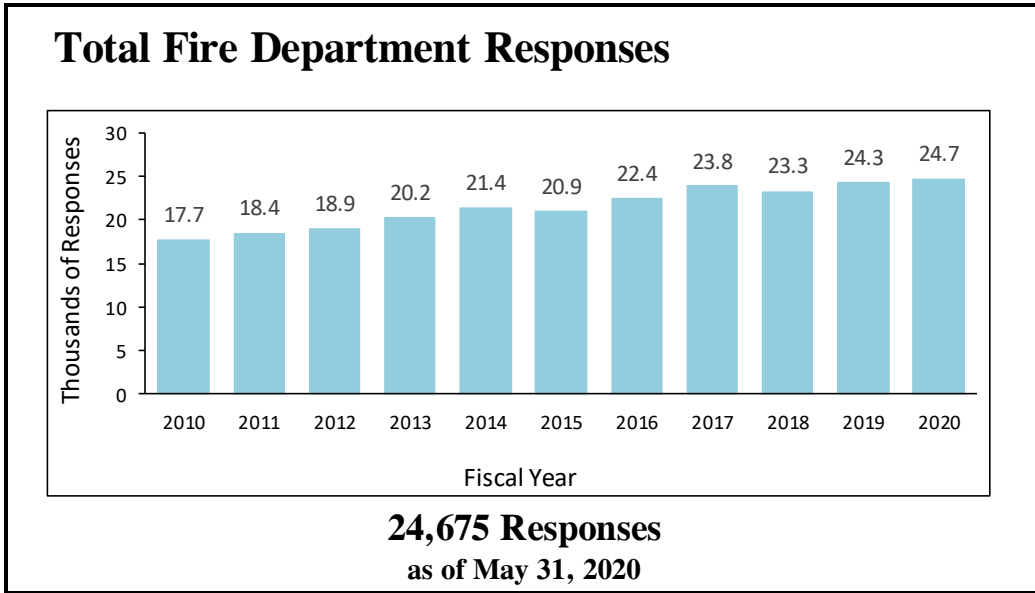
**Objective 1:** Increase involvement in the Fire Explorer program. Involving youth with the Explorer Program will assist young people ages 14-20 in choosing a career in the emergency services field. Six members of the Wilmington Fire Department Explorer Post 100 have been hired as Wilmington Firefighters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

Note that for FY 2021 the Fire Explorer program has been temporarily deferred due to COVID-19.

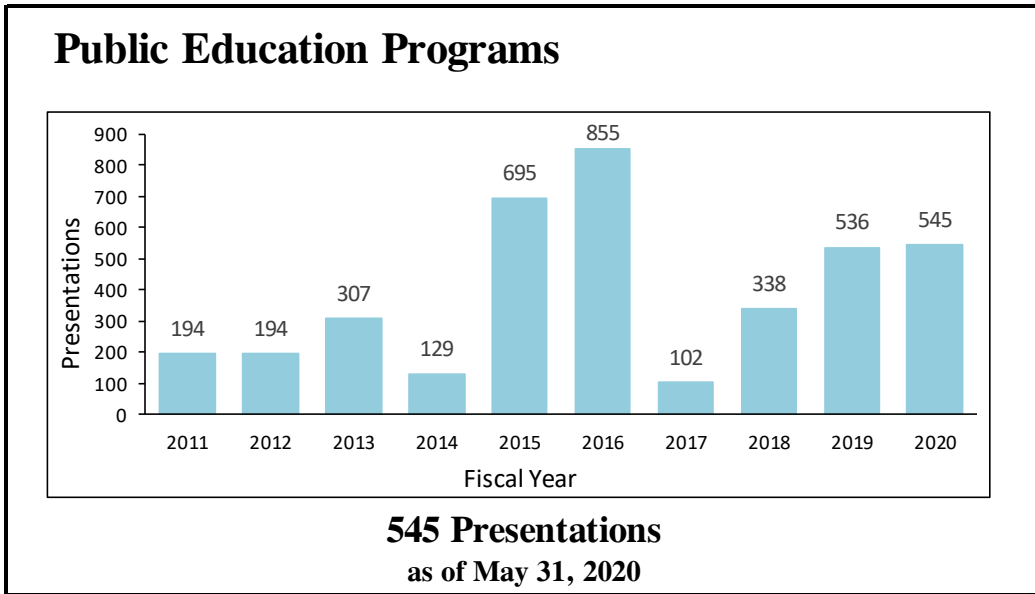


# DEPARTMENT OF FIRE

## PERFORMANCE TRENDS



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

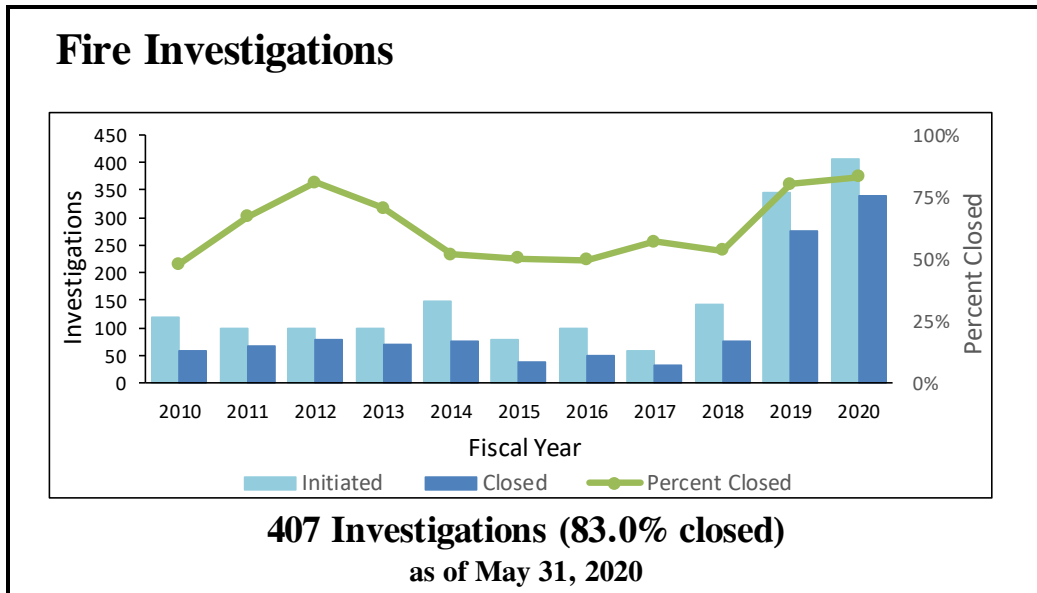


Public education through group prevention presentations is one of the Department’s goals and contributes to fire safety. In FY 2017, a change in administration contributed to fewer presentations.



# DEPARTMENT OF FIRE

## PERFORMANCE TRENDS



The Prevention Division is responsible for investigating fires to determine cause. The increases beginning in FY 2018 are due to additional training regarding when investigations should be initiated.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: FIRE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	10,201,859	9,842,237	10,194,956	10,546,725
Acting Out of Class	5,070	8,379	9,360	9,360
Shift Differential	1,041	0	0	0
Overtime	1,318,607	1,184,499	1,205,000	1,195,000
Holiday Pay	24,033	67,711	0	0
Special Events-Overtime	46,193	8,342	0	0
Health Cashback	18,200	15,400	14,400	12,000
Pension Contribution	1,664,340	1,251,950	290,296	970,676
Social Security	16,067	15,267	16,695	16,425
Medicare Tax	151,913	147,054	153,780	159,417
Hospitalization	3,293,993	3,178,774	3,523,654	3,081,402
Life Insurance	38,068	37,422	38,165	38,625
County/Municipal Pension Contribution	919,891	1,343,014	1,430,891	1,493,406
Pension Healthcare	483,000	523,250	556,738	588,616
State Pension Plan - Civilian	8,030	8,305	8,460	8,294
Personal Services Adjustment	0	0	(116,429)	(119,655)
<b>TOTAL PERSONAL SERVICES</b>	<b>18,190,305</b>	<b>17,631,604</b>	<b>17,325,966</b>	<b>18,000,291</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	0	375	1,299	15,756
Communications & Utilities	80,882	90,414	101,056	94,045
Transportation	4,944	15,500	20,000	0
Contracted Maintenance Repairs	129,278	97,627	105,000	120,000
Professional Fees	92,322	32,156	105,100	50,100
Memberships & Registrations	57,645	62,375	73,005	38,505
Miscellaneous services	75,742	95,174	82,550	91,540
Office & General Supplies	25,238	23,391	27,370	30,300
Wearing Apparel & Safety Supplies	123,752	222,399	188,761	76,915
Miscellaneous Parts	22,752	21,236	162,600	27,300
Construction & Repairs	0	1,024	820	2,000
Equipment	13,865	126,281	13,400	13,400
Fixed Assets	89,202	0	0	0
Community Activities	29,902	18,525	30,000	0
<b>TOTAL M., S. &amp; E.</b>	<b>745,524</b>	<b>806,477</b>	<b>910,961</b>	<b>559,861</b>

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

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	1,209,574	1,135,282	788,066	816,988
Self-Insurance	2,448,372	1,779,941	1,021,359	1,049,362
<b>TOTAL INTERNAL SERVICES</b>	<b>3,657,946</b>	<b>2,915,223</b>	<b>1,809,425</b>	<b>1,866,350</b>
<b>DEBT SERVICE</b>				
Principal Payments	303,660	504,806	887,089	915,363
Interest Payments	493,818	493,252	566,638	496,315
<b>TOTAL DEBT SERVICE</b>	<b>797,478</b>	<b>998,058</b>	<b>1,453,727</b>	<b>1,411,678</b>
<b>GENERAL FUND TOTAL</b>	<b>23,391,253</b>	<b>22,351,362</b>	<b>21,500,079</b>	<b>21,838,180</b>

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

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
State Pension Contributions	4,648,667	3,567,418	4,648,667	3,567,418
<b>TOTAL PERSONAL SERVICES</b>	<b>4,648,667</b>	<b>3,567,418</b>	<b>4,648,667</b>	<b>3,567,418</b>

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

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Overtime	0	0	0	0
Medicare Tax	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>				
Contracted Maintenance	2,621	11,626	8,568	8,568
Professional Fees	0	0	2,292	2,292
Memberships & Registrations	0	9,580	3,000	3,000
Wearing Apparel & Safety Supplies	0	2,735	87,509	87,509
Miscellaneous Parts	0	2,782	0	0
Fixed Assets	0	57,717	100,000	100,000
<b>TOTAL M., S. &amp; E.</b>	<b>2,621</b>	<b>84,440</b>	<b>201,369</b>	<b>201,369</b>
<b>STATE FIRE GRANT TOTAL</b>	<b>2,621</b>	<b>84,440</b>	<b>201,369</b>	<b>201,369</b>

**DEPARTMENT: FIRE****FUND: FEDERAL EMERGENCY MANAGEMENT  
& OTHER MISCELLANEOUS GRANTS**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Overtime	0	57,985	0	
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>57,985</b>	<b>0</b>	<b>0</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	0	0
Transportation	0	0	0	0
Contracted Maintenance	18,230	60,000	0	0
Memberships and Registration	0	3,107	0	0
Miscellaneous Parts	14,850	0	0	0
Fixed Assets	9,423	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>42,503</b>	<b>63,107</b>	<b>0</b>	<b>0</b>
 <b>FEDERAL EMERG. MGMT. &amp; OTHER MISC. GRANTS TOTAL</b>				
	<b>42,503</b>	<b>121,092</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.

PRIORITIES FOR FISCAL YEAR 2021
<ul style="list-style-type: none"> <li>• Reduce crime and shooting incidents.</li> <li>• Continue to enhance public trust through police legitimacy and procedural justice.</li> <li>• Improve performance through organizational discipline, accountability, communication, and personnel training and development.</li> <li>• Maintain a heightened state of awareness and preparedness while working with our State and Federal partners.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF POLICE

TOTAL ALL FUNDS DEPARTMENT OF POLICE*	ACTUAL FY 2018	ACTUAL FY 2019	BUDGET FY 2020	APPROVED FY 2021
Personal Services	51,573,167	51,360,982	53,125,930	52,568,678
Materials, Supplies & Equipment	3,267,029	2,609,733	2,323,757	2,809,773
Internal Services	6,352,545	7,549,567	4,857,152	5,035,780
Debt Service	379,235	274,534	247,097	251,069
<b>TOTAL</b>	<b>61,571,976</b>	<b>61,794,816</b>	<b>60,553,936</b>	<b>60,665,300</b>
<b>STAFFING LEVELS</b>	<b>376.00</b>	<b>378.00</b>	<b>380.00</b>	<b>379.00</b>

GENERAL FUND DEPARTMENT OF POLICE	ACTUAL FY 2018	ACTUAL FY 2019	BUDGET FY 2020	APPROVED FY 2021
Personal Services	48,480,946	48,091,667	50,865,798	49,551,125
Materials, Supplies & Equipment	2,118,592	1,952,002	2,323,757	2,809,773
Internal Services	6,352,545	7,549,567	4,857,152	5,035,780
Debt Service	379,235	274,534	247,097	251,069
<b>TOTAL</b>	<b>57,331,318</b>	<b>57,867,770</b>	<b>58,293,804</b>	<b>57,647,747</b>
<b>STAFFING LEVELS</b>	<b>369.00</b>	<b>371.00</b>	<b>374.57</b>	<b>373.57</b>

\* Differs from Summary of All Funds Combined – Expenditures table on [page 39](#) due to the inclusion of State Pension Contributions.

<b>STATE PENSION CONTRIBUTION DEPARTMENT OF POLICE</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	1,541,233	1,631,758	1,541,233	1,631,759
<b>TOTAL</b>	<b>1,541,233</b>	<b>1,631,758</b>	<b>1,541,233</b>	<b>1,631,759</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 DEPARTMENT OF POLICE</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	1,550,988	1,637,557	718,899	1,385,794
Materials, Supplies & Equipment	1,148,437	657,731	0	0
<b>TOTAL</b>	<b>2,699,425</b>	<b>2,295,288</b>	<b>718,899</b>	<b>1,385,794</b>
<b>STAFFING LEVELS</b>	<b>7.00</b>	<b>7.00</b>	<b>5.43</b>	<b>5.43</b>

## MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Relative to the FY 2020 budget, total uniformed and civilian Police Department staffing decreased by a net total of 1.00 FTE, for a savings of \$63,781 (entirely in the General Fund). Across all funds, uniformed staffing (authorized strength) remained flat, at 315 FTEs. Changes include:
  - Deletion of a vacant Communication & Data Specialist from the Support Services division, for a General Fund savings of \$67,795;
  - Deletion of a vacant Teleserve Operator from the Communications division, for a General Fund savings of \$69,060;
  - Addition of an Emergency Call Operator in the Communications division, at a General Fund cost of \$73,074;
- Regular Salaries are budgeted to increase by \$303,188. This is inclusive of an allowance for a 2.0% cost-of-living adjustment (COLA). However, due to a significant number of retirements, the average budgeted salary of a sworn officer (prior to addition of the COLA) is lower than in FY 2020. This results in a net increase to salaries of only 1.1%.
- Exclusive of the State Pension Contribution, Employee Benefits are budgeted to decrease by a net \$1,429,445. The bulk of this change is due to a \$1,126,491 decrease in Hospitalization; of this, roughly three-quarters is the result of a citywide reduction in medical and prescription costs, while the remainder is mostly due to new employees moving to the less expensive PPO2 plan. Additionally, the contribution to the “old” Police Pension plan has been reduced by \$652,670, as per actuarial requirements.
- While the citywide State Pension Contribution passthrough has decreased by \$990,723 relative to the FY 2020 budget, a reallocation of the portions given to Fire and Police has resulted in a projected increase of \$90,526 in the Police Department.
- \$312,000 has been added in the Real-Time Crime Center to implement and staff 10 additional neighborhood cameras, with the costs split between Machinery and Equipment (\$250,000) and Consultants (\$62,000).
- Contracted Maintenance Services in the Real-Time Crime Center increased by a net \$124,713, mainly due to an approximately \$89,900 increase to the ShotSpotter contract. This will provide for an expansion of ShotSpotter coverage to additional areas of the City.
- Uniforms and Related Equipment increased \$126,000 in the Administration division, to allow for the purchase of new Taser equipment and accessories for the upcoming academy class.
- The budget for Consultants in the Administration division has been reduced by \$159,437, due mainly to the elimination of costs associated with the biennial promotional process (which occurred in FY 2020).

# DEPARTMENT OF POLICE

## STRATEGIC PLAN

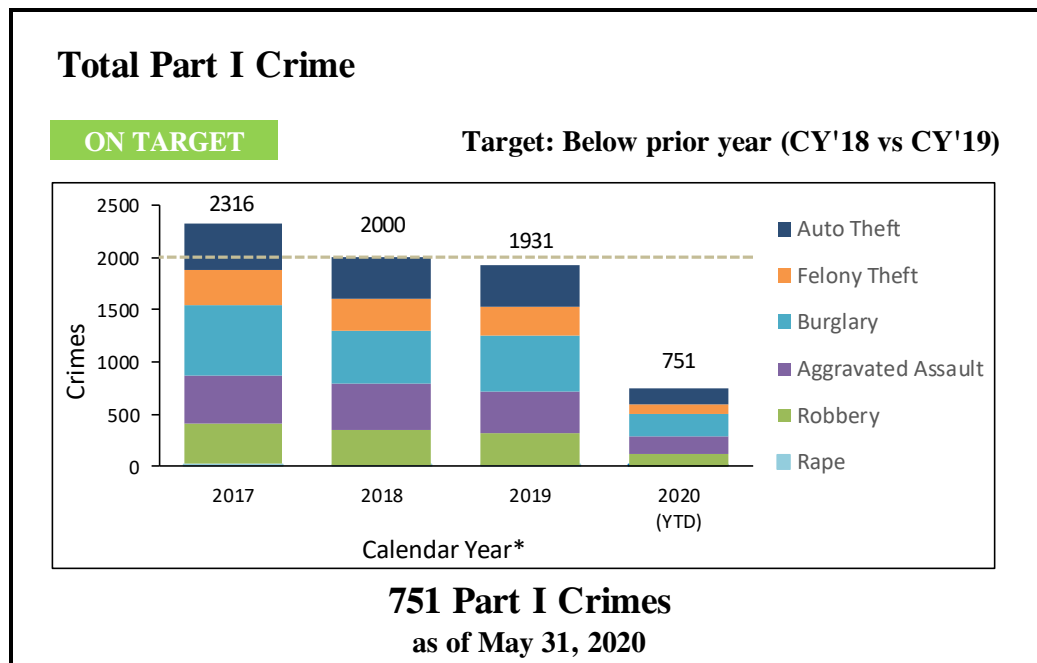
The Wilmington Police Department provides citizens with weekly data-driven performance measurements for the Wilmington Police Department via ComStat. This methodology, which has been used by the New York Police Department since 1994, allows the WPD to track data in near real-time, providing the department greater levels of accountability, focus, and follow-up. The data supports efficient, targeted policing across the city for all residents and visitors, is also used as a management tool for reducing crime, improving procedures and training, and providing transparency to the public and City government.

Current data for the goals and objectives listed below can be found on the Police Department OpenGov story page at <http://bit.ly/WDe32OG>, along with the CompStat page at <http://bit.ly/WPDCompStat>.

### Focus Area: Public Safety

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

**Objective 1:** Reduce the number of Part I crimes committed in the City. As defined by the Uniform Crime Reporting (UCR) program, these are the most serious crimes, and include criminal homicide, rape, robbery, aggravated assault, burglary, larceny (felony) theft, and motor vehicle theft. Homicide is tracked separately as part of Objective 2 (see below).



Note: CompStat tracks and reports on a calendar year, rather than a fiscal year, basis.



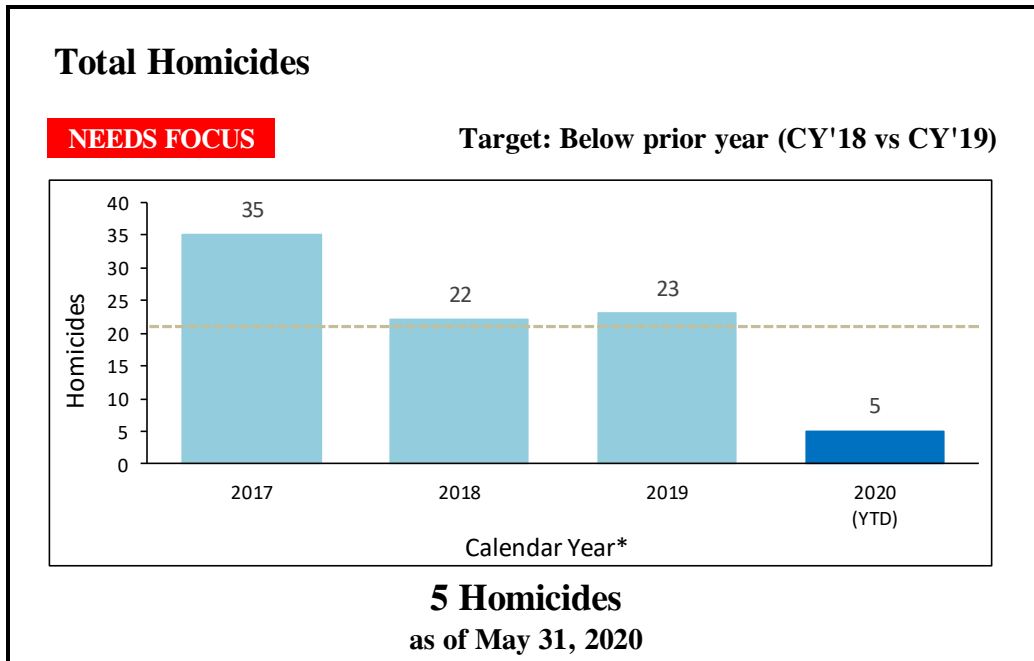
# DEPARTMENT OF POLICE

## STRATEGIC PLAN

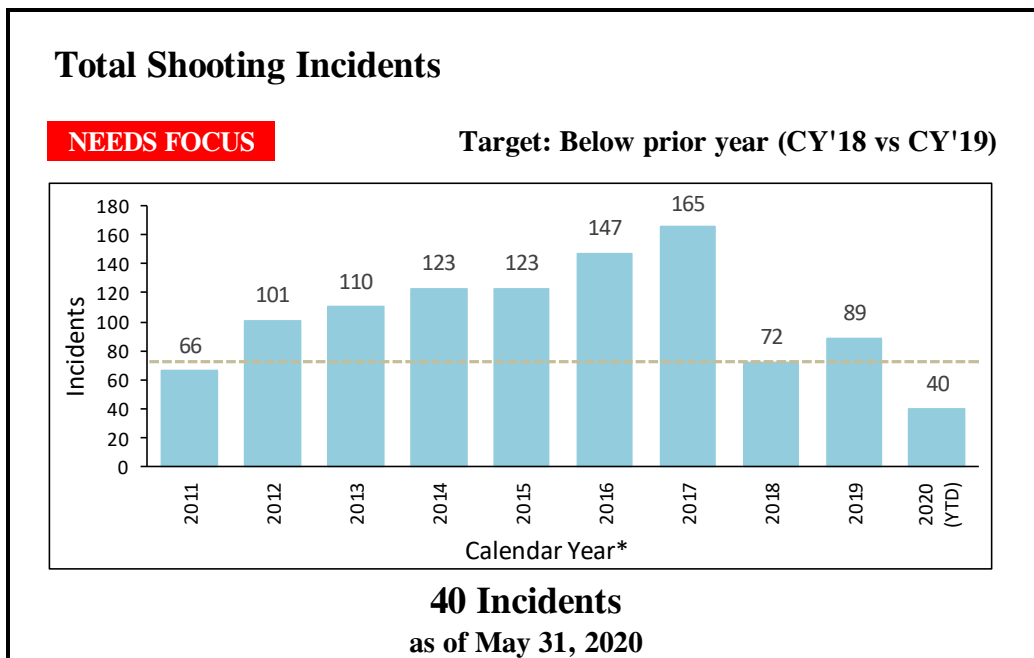
### Focus Area: Public Safety

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

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

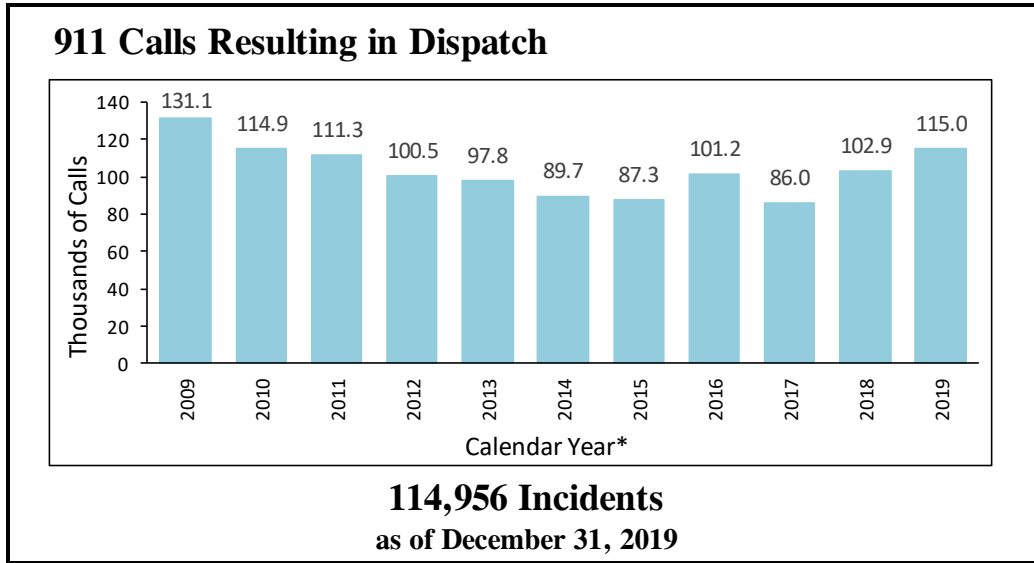


**Objective 3:** Reduce the number of shooting incidents committed in the City. CY 2020 data is as of May 31, 2020.

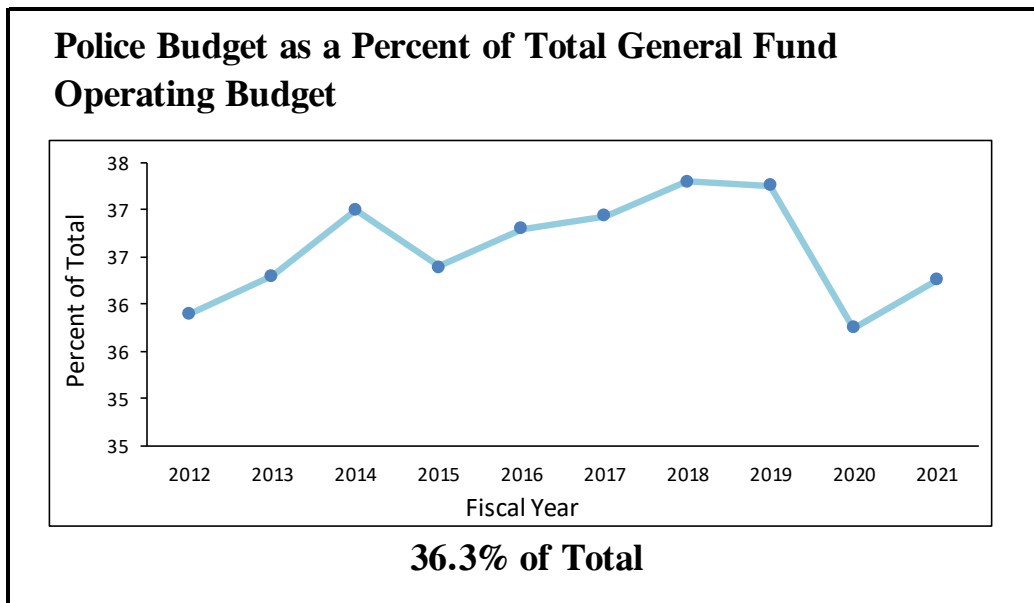


# DEPARTMENT OF POLICE

## PERFORMANCE TRENDS



The total number of calls for Police services has declined over the last decade, though the most recent five years have seen modest increases. With changes in policies and better screening techniques, the Department has reduced the number of calls for service resulting in dispatch, allowing for better use of available resources.



The Police Department budget increased in FY 2021, both in absolute dollars and as a percentage of the General Fund budget. This was largely driven by decreases in other departments due to the financial effects of the COVID crisis. Note that the FY 2020 decrease was mainly due to the transfer of the Internal Service funds to the General Fund; exclusive of this, the Police Department would have been down slightly relative to FY 2019.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: POLICE**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	25,301,114	26,009,751	27,401,766	27,704,954
Temporary Salaries	442,586	414,384	497,250	497,250
Acting Out of Class	2,325	1,197	2,500	2,500
Shift Differential	638,944	28,214	39,000	39,000
Shooting Days	21,744	11,757	30,000	30,000
Sick Leave Bonus	1,100	1,600	3,000	3,000
Overtime	1,910,225	1,540,566	2,112,000	2,112,000
Comp Time Payouts	743,308	911,909	750,000	750,000
Civilian Holiday-Overtime	129,162	134,155	135,000	135,000
Court Overtime	35,548	26,363	55,709	55,709
Special Events Overtime	597,862	527,528	465,000	465,000
Meal Allowance	11,843	8,218	12,900	12,900
Clothing Allowance	114,395	83,850	85,750	91,450
Health Cashback	25,800	23,600	24,000	31,920
Pension Contribution	7,191,248	6,109,801	6,661,751	6,009,081
Social Security	208,535	215,054	214,271	218,522
Medicare Tax	434,773	433,165	431,186	444,023
Hospitalization	7,131,233	6,688,828	7,435,148	6,308,657
Life Insurance	89,409	89,647	89,630	89,581
County/Municipal Pension Contribution	2,273,144	3,550,106	3,793,462	3,866,126
Pension Healthcare	1,118,580	1,208,737	1,295,277	1,365,771
State Pension Plan-Civilian	57,499	73,237	88,771	97,238
Personal Services Adjustment	569	0	(757,573)	(778,557)
<b>TOTAL PERSONAL SERVICES</b>	<b>48,480,946</b>	<b>48,091,667</b>	<b>50,865,798</b>	<b>49,551,125</b>

**DEPARTMENT: POLICE****FUND: GENERAL**

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Printing & Advertising	17,042	19,277	22,500	27,500
Communications & Utilities	134,296	171,588	167,440	184,940
Transportation	7,068	9,888	12,500	14,500
Rentals	40,699	45,479	59,622	60,222
Contracted Maintenance Repairs	27,857	29,278	48,502	63,602
Professional Fees	489,260	417,126	577,437	496,000
Other Fees	317,872	339,050	340,000	363,840
Memberships & Registrations	41,077	41,127	45,240	51,740
Miscellaneous Services	422,347	327,095	476,906	627,619
Office & General Supplies	89,176	96,374	95,200	98,200
Wearing Apparel & Safety Supplies	294,141	187,138	273,000	401,500
Miscellaneous Parts	145,869	206,484	187,660	164,360
Equipment	91,888	62,098	17,750	5,750
Fixed Assets	0	0	0	250,000
<b>TOTAL M., S. &amp; E.</b>	<b>2,118,592</b>	<b>1,952,002</b>	<b>2,323,757</b>	<b>2,809,773</b>
<b><u>INTERNAL SERVICES</u></b>				
Administrative Services	3,138,954	3,705,620	2,668,276	2,787,502
Self-Insurance	3,213,591	3,843,947	2,188,876	2,248,278
<b>TOTAL INTERNAL SERVICES</b>	<b>6,352,545</b>	<b>7,549,567</b>	<b>4,857,152</b>	<b>5,035,780</b>
<b><u>DEBT SERVICE</u></b>				
Principal Payments	265,456	175,831	149,750	182,883
Interest Payments	113,779	98,703	97,347	68,186
<b>TOTAL DEBT SERVICE</b>	<b>379,235</b>	<b>274,534</b>	<b>247,097</b>	<b>251,069</b>
<b>TOTAL GENERAL FUND</b>	<b>57,331,318</b>	<b>57,867,770</b>	<b>58,293,804</b>	<b>57,647,747</b>

**DEPARTMENT: POLICE**

**FUND: STATE PENSION CONTRIBUTIONS**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
State Pension Contributions	1,541,233	1,631,758	1,541,233	1,631,759
<b>TOTAL PERSONAL SERVICES</b>	<b>1,541,233</b>	<b>1,631,758</b>	<b>1,541,233</b>	<b>1,631,759</b>

**DEPARTMENT: POLICE**

**FUND: SALLE**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	218,883	226,147	393,857	571,838
Temporary Salaries	126,942	164,906	0	0
Shift Differential	1,333	0	0	0
Overtime	902,057	889,602	0	0
Pension Contributions	198,067	300,008	110,501	527,570
Social Security	6,068	4,860	0	0
Medicare Tax	9,577	7,095	5,409	7,924
Hospitalization	67,014	21,519	128,321	177,226
Life Insurance	1,100	477	1,302	1,650
County/Municipal Pension Contribution	12,108	19,893	60,746	74,467
Pension Healthcare	7,839	3,050	18,763	25,119
<b>TOTAL PERSONAL SERVICES</b>	<b>1,550,988</b>	<b>1,637,557</b>	<b>718,899</b>	<b>1,385,794</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Communications & Utilities	7,230	(3,630)	0	0
Transportation	68,983	70,626	0	0
Rentals	45,126	52,939	0	0
Professional Fees	41,966	3,203	0	0
Memberships & Registrations	82,090	43,086	0	0
Miscellaneous Services	69,939	24,169	0	0
Wearing Apparel & Safety Supplies	98,660	94,422	0	0
Miscellaneous Parts	37,095	9,027	0	0
Equipment	81,005	89,033	0	0
Fixed Assets	616,343	274,856	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>1,148,437</b>	<b>657,731</b>	<b>0</b>	<b>0</b>

<b>SALLE FUND TOTAL</b>	<b>2,699,425</b>	<b>2,295,288</b>	<b>718,899</b>	<b>1,385,794</b>
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# DEPARTMENT OF PUBLIC WORKS

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

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

## PRIORITIES FOR FISCAL YEAR 2021

- Continue implementation of Beautiful City Initiative.
- Complete Traffic signal Upgrades and interconnection with DeIDOT in preparation for I-95 viaduct reconstruction project.
- Comprehensive installation of LED street lightning throughout Wilmington.
- Increase contractor compliance with the Roadway Cut Management legislation.
- Continue Street Paving and Reconstruction and ADA Curb Ramp Installation. Begin reconstruction of non-compliant ADA sidewalks along Pennsylvania avenue
- Implement and utilize the On Base plans review system to result in an efficient, optimal system to process plans and approvals for new projects within the city.
- Optimize Co-Generation and Sludge Processing Facilities as part of the new OMI WWTP O&M contract.
- Construct the South Wilmington sewer separation project to divert stormwater flows to the SWWP.
- Continue implementation of GIS and Cityworks programs with focus on Computerized Maintenance Management.
- Continue hydrant testing and rehabilitation program and valve exercising and repair program.
- Continue SRF funded small main replacement projects throughout the water district.
- Continue SRF funded transmission main improvements throughout the water district.
- Complete parking meter technology upgrades in cooperation with Finance Department. Procure new multi-space parking meters for downtown and additional single space meters elsewhere.
- 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 add a sampling location on the CRFM.
- Continue program of testing and replacing small and large water meters.
- Implement suggestions to adjust special pickup/bulk pickup of MSW.
- Design and implement green infrastructure program on City owned properties.
- Expand city's urban tree canopy.

**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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	16,922,182	17,527,194	19,188,371	19,077,090
Materials, Supplies & Equipment	58,639,770	58,562,072	63,020,773	61,453,765
Internal Services	7,020,177	8,676,766	5,022,996	5,178,649
Debt Service	10,102,137	9,747,337	11,215,082	11,423,584
Capitalization	(3,704,207)	(4,560,685)	(4,500,000)	(3,723,000)
Depreciation	12,081,538	12,353,781	12,218,171	12,428,479
<b>TOTAL</b>	<b>101,061,597</b>	<b>102,306,465</b>	<b>106,165,393</b>	<b>105,838,567</b>
<b>STAFFING LEVELS</b>	<b>219.00</b>	<b>221.00</b>	<b>223.00</b>	<b>225.00</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	8,690,369	8,847,650	9,900,405	9,819,002
Materials, Supplies & Equipment	7,217,332	7,108,859	8,246,579	7,973,243
Internal Services	3,592,522	4,126,038	3,250,398	3,363,860
Debt Service	4,308,648	4,545,305	4,811,381	4,633,650
<b>TOTAL</b>	<b>23,808,871</b>	<b>24,627,852</b>	<b>26,208,763</b>	<b>25,789,755</b>
<b>STAFFING LEVELS</b>	<b>118.15</b>	<b>118.05</b>	<b>119.05</b>	<b>120.05</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	8,231,813	8,679,544	9,287,966	9,258,088
Materials, Supplies & Equipment	42,344,872	41,943,146	44,921,574	44,289,009
Internal Services	2,959,949	3,831,677	1,524,744	1,571,571
Debt Service	5,574,779	4,998,319	6,257,777	6,521,722
Depreciation	8,989,575	9,154,983	8,989,575	9,154,983
<b>TOTAL</b>	<b>68,100,988</b>	<b>68,607,669</b>	<b>70,981,636</b>	<b>70,795,373</b>
<b>STAFFING LEVELS</b>	<b>100.85</b>	<b>102.95</b>	<b>103.95</b>	<b>104.95</b>

\* Differs from Summary of All Funds Combined – Expenditures table on [page 39](#) due to inclusion of Internal Service 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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Materials, Supplies & Equipment	8,021,696	8,249,459	8,592,012	7,957,660
Internal Services	467,706	719,051	247,854	243,218
Debt Service	218,710	203,713	145,924	268,212
Capitalization	(3,704,207)	(4,560,685)	(4,500,000)	(3,723,000)
Depreciation	3,091,963	3,198,798	3,228,596	3,273,496
<b>TOTAL</b>	<b>8,095,868</b>	<b>7,810,336</b>	<b>7,714,386</b>	<b>8,019,586</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Materials, Supplies & Equipment	1,055,870	1,260,608	1,260,608	1,233,853
<b>TOTAL</b>	<b>1,055,870</b>	<b>1,260,608</b>	<b>1,260,608</b>	<b>1,233,853</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 split-funded General Laborer II positions (50% General Fund and 50% Water/Sewer Fund) were added to support the increased workload in the Street Maintenance Division caused by an increased number of pothole repairs, sidewalk installations and street maintenance. The total General Fund cost of the two new positions is \$65,628.
- Regular salaries rose by \$157,633 or 3.0%, due to a citywide 2% COLA, mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees.
- State Pension Plan increased \$17,846, whereas Pension Contribution fell significantly, decreasing \$90,369. The decrease reflected the percentage change in the contribution rate.
- Hospitalization costs decreased by \$176,492, due a city-wide reduction in medical and prescription costs.
- Electricity costs decreased by \$90,000, signaling savings from green initiatives implemented over the past several years, such as conversion to LED traffic lights.
- Contracted Maintenance increased almost \$47,000 due to the high cost of maintenance to aging existing structures.
- Temporary Agencies decreased by \$40,000 due to internal use of laborers to support the gateway cleanup initiative, street maintenance, pothole repairs, and sidewalk installation.
- Landfill Fees decreased by \$305,000 based on reduced tonnage trends.
- The Recycle Bank Program account increased by \$168,000 due to the implementation of the city-wide municipal solid waste container and recycling program.
- Debt Service decreased by a net \$177,731. While existing debt service increased \$891,068, this was more than offset by the projected savings from the refinancing of older debt of \$1,068,799.

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

- In Personal Services, two split-funded General Laborer II positions (50% Water/Sewer Fund and 50% General Fund) were added to support the increased workload in the Sewer Maintenance Division. A Plant Mechanic position was deleted, replaced by Maintenance Mechanic III position. In addition, three positions – Water Production Supervisor, Water Systems Valve Technician and Assistant Water Production Supervisor – were upgraded. The net effect of all the changes was an increase of \$64,607.
- Regular salaries rose by \$191,023 or 3.8%, due to a citywide 2% COLA, mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees.
- Hospitalization costs decreased by \$228,719, due a city-wide reduction in medical and prescription costs.
- Repairs to Equipment was increased by \$970,500, reflecting a more aggressive electrical and mechanical preventative maintenance for pumps and valves at filter plants and pumping stations. The increase also covers solar inverter installations at the Porter Filter Plant and Turner Building.
- Repairs to Building and Structures increased by \$69,850 due to higher costs of maintaining structures, parking lots, sidewalks, and driveways.
- Repairs to Sewer Lines rose by \$100,000, reflecting the expanded maintenance program.
- Consultant expenses decreased by \$68,550 due to the City’s fiscal response to the COVID-19 pandemic.
- The Legal account was increased \$125,000 to handle the next phase in a lawsuit against the Army Corps of Engineers for unpaid stormwater fees and to cover legal fees associated with the continuing mediation with New Castle County over their unpaid sewage treatment fees.
- Temporary Agencies increased \$50,000 for additional laborers to support the gateway cleanup initiative, street maintenance, pothole repairs, and sidewalk installation.
- Contracted Maintenance Services, which includes the contract with new vendor Jacobs to operate and maintain the City’s wastewater treatment plant, tank painting, and hydrant testing and maintenance decreased by \$1,724,684.
- Agricultural and Landscaping decreased by \$50,000 due to the City’s fiscal response to the COVID-19 pandemic.
- Chemicals needed for water treatment at Porter and Brandywine filter plants resulted in a \$50,000 increase to Bulk Chemicals.
- Depreciation has increased by \$165,408, reflecting the aggressive infrastructure replacement program adopted by the Department that has increased both the number and value of the City’s water, sewer, and stormwater infrastructure fixed assets.
- Debt Service increased by a net \$263,945. While existing debt service increased \$1,160,500, this was offset by the projected savings from the refinancing of older debt of \$896,555.

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

- Repairs to Equipment increased by \$85,000 due to the higher cost of repairs to fleet equipment caused by minor accidents, repairs to the Police and Fire rescue boats, and the maintenance of older vehicles.
- Miscellaneous Services increased by \$59,648 due to increases in motor vehicle fleet maintenance.
- Automotive Equipment decreased by a net \$777,000. The expansion of the fleet in the Police, L&I, and Parks & Recreation departments added \$223,000. However, the annual vehicle replacement program was reduced by \$1 million.

# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

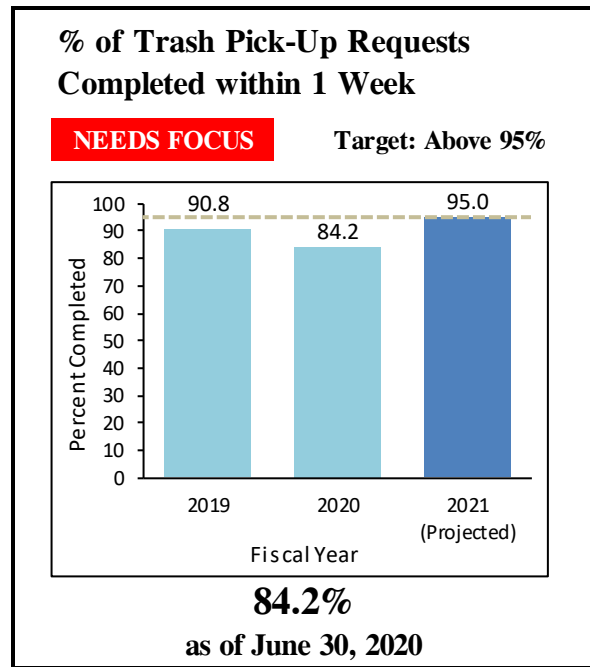
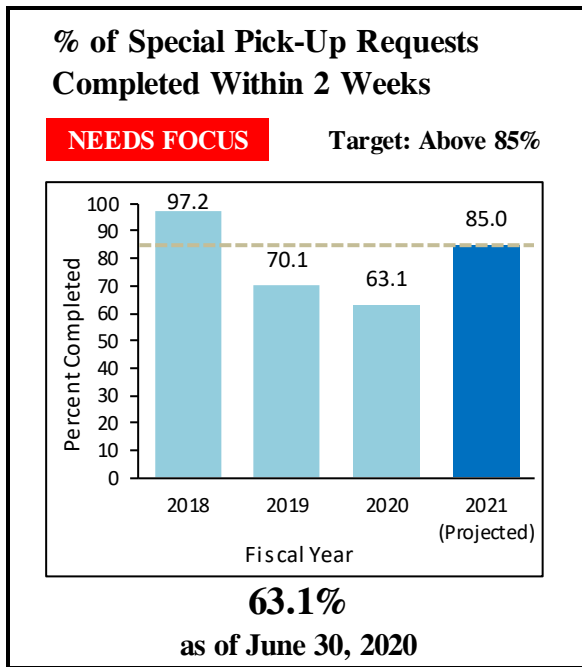
The Department of Public Works (DPW) provides a wide array of important City services, including recycling and solid waste collection; treatment and distribution of high-quality drinking water; collection and treatment of sewage; storm water management; sweeping of all City streets; street paving and repairs; maintenance of traffic signs and signals; snow removal; and maintenance of the City fleet and City properties.

Current data for the goals and objectives listed below can be found on the Public Works OpenGov story page at <http://bit.ly/WDe22OG>.

### Focus Area: Effective City Government

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

**Objective 1:** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



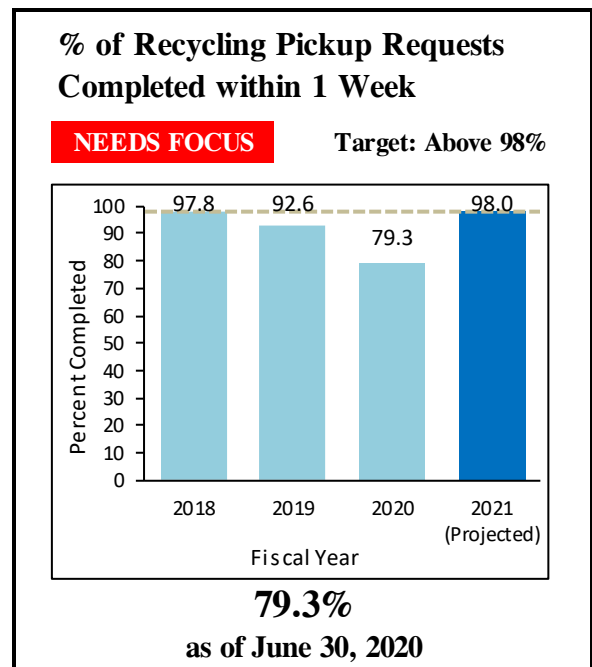
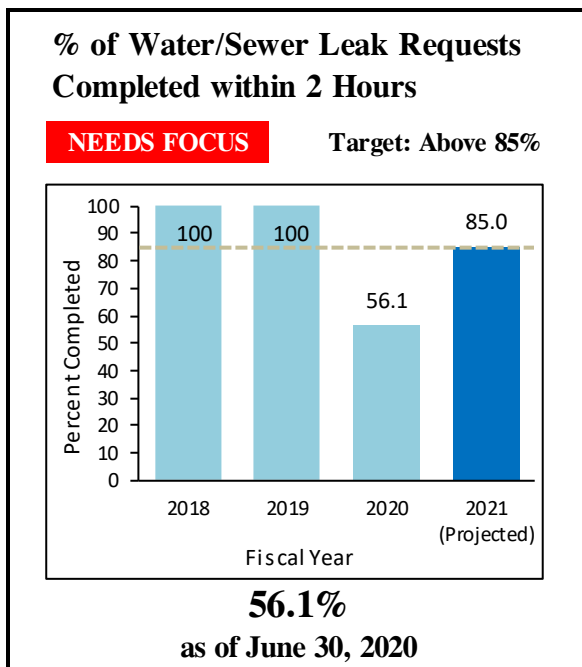
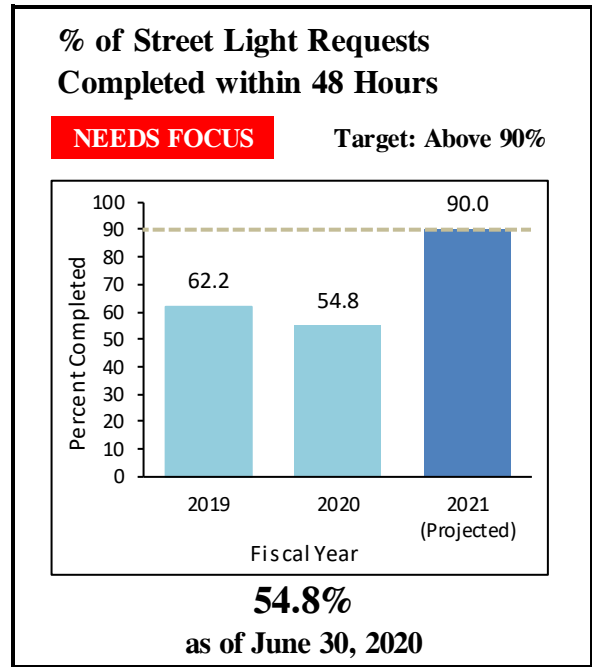
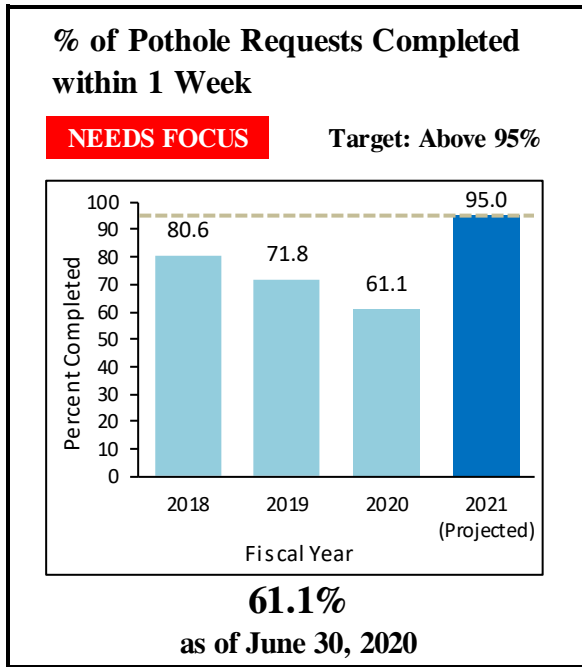
# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



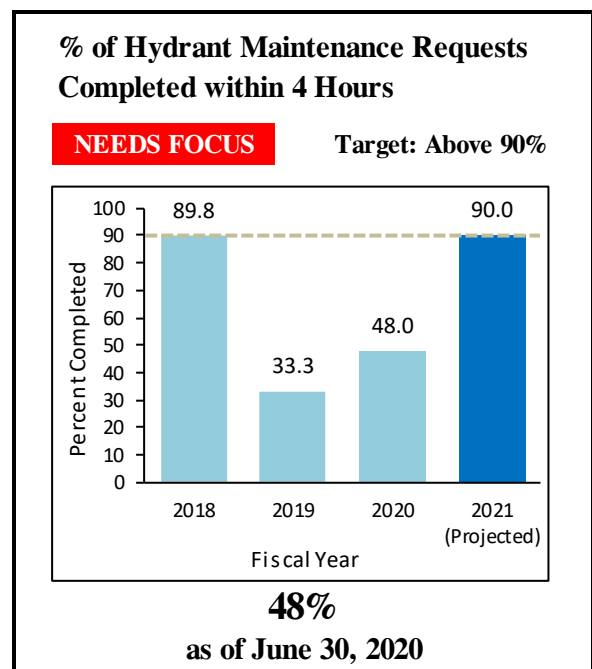
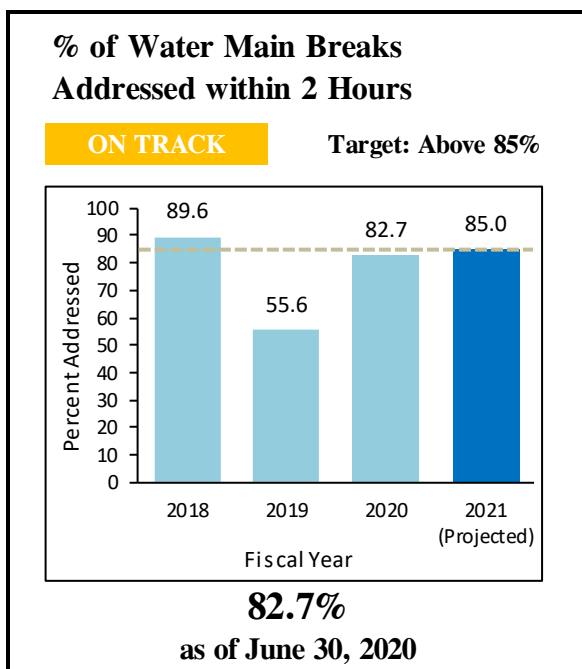
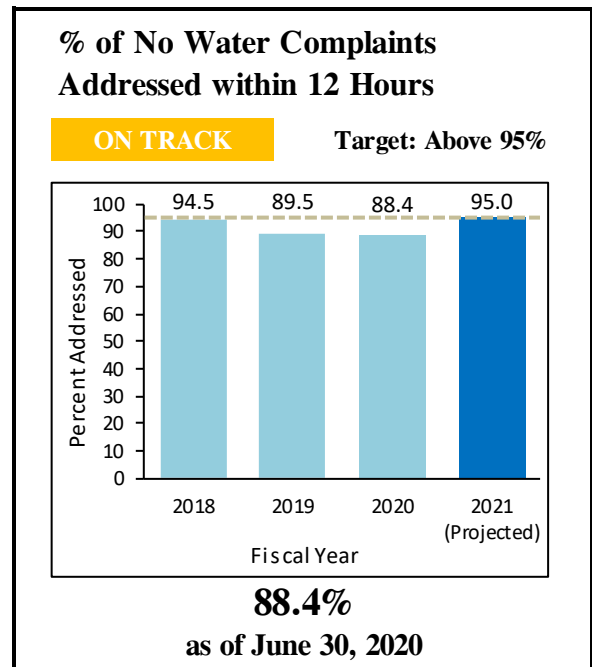
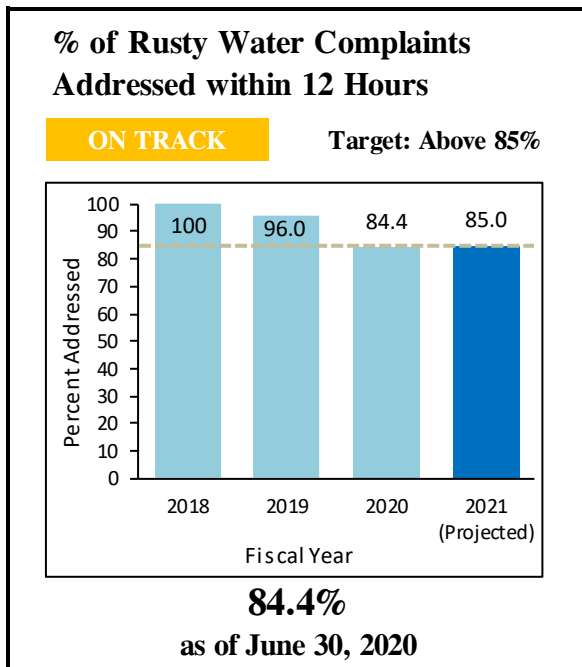
# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



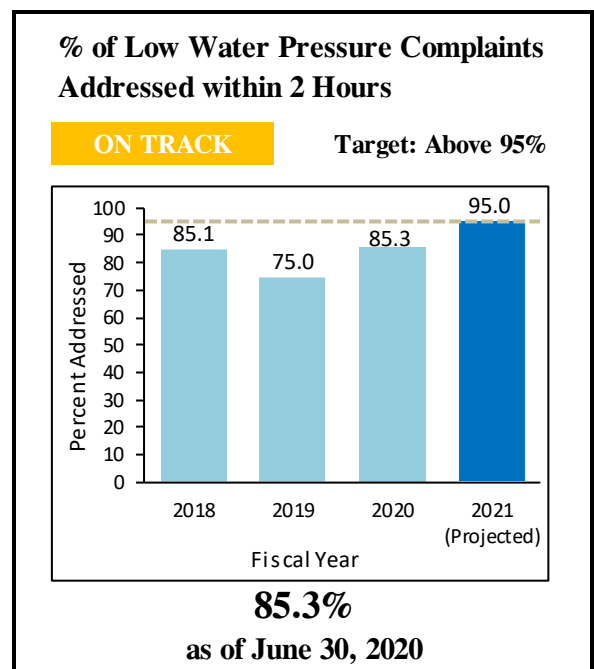
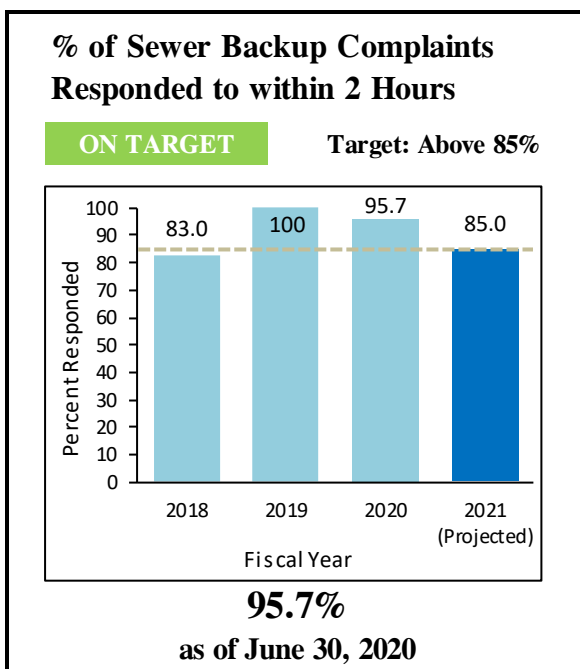
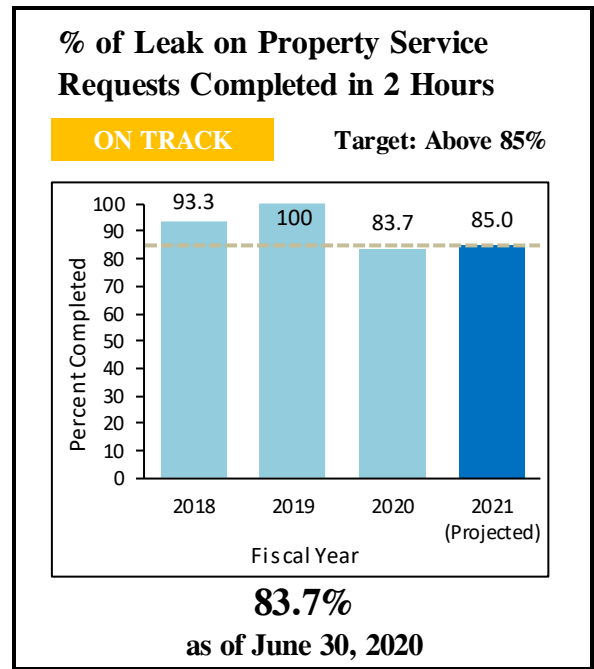
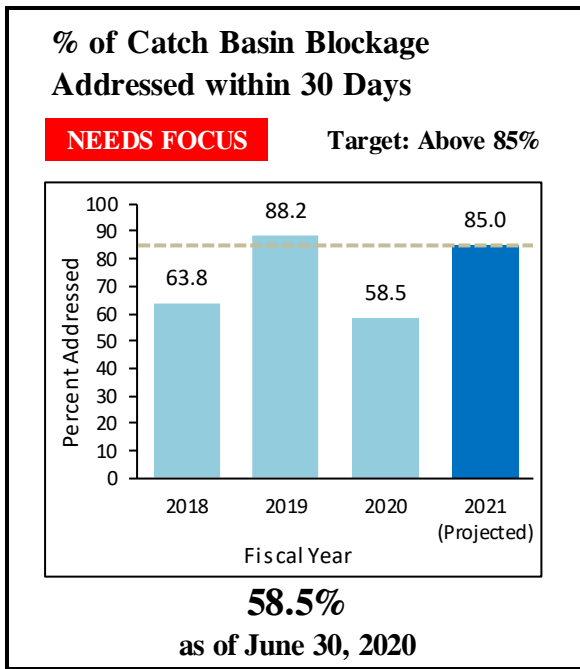
# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

### Focus Area: Effective City Government

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

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below





# DEPARTMENT OF PUBLIC WORKS

## STRATEGIC PLAN

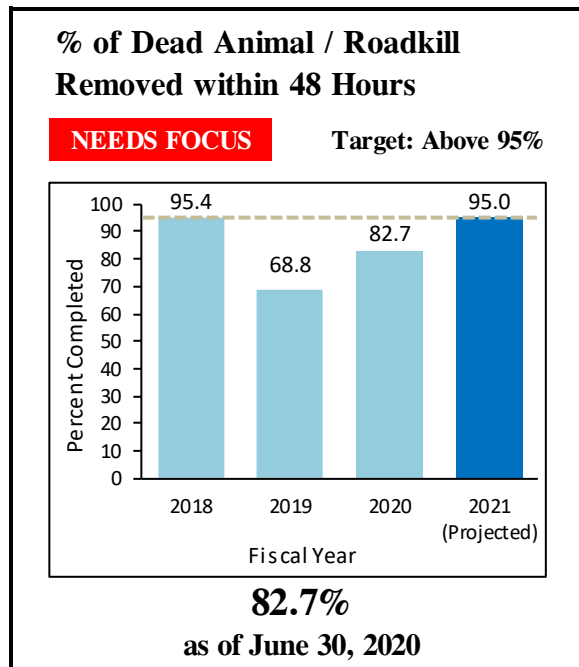
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### Focus Area: Effective City Government

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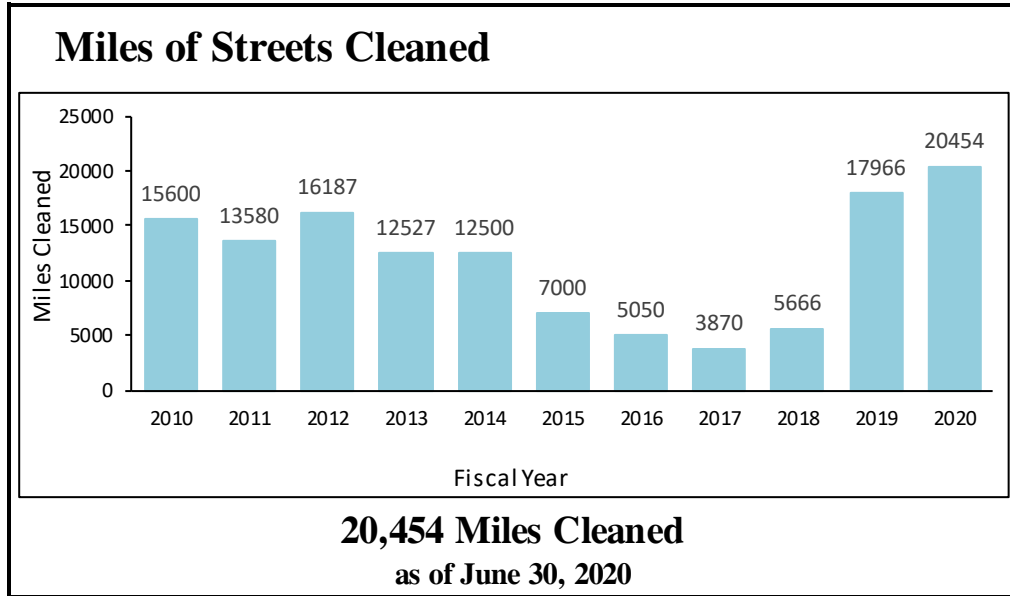
**CITY-WIDE GOAL #1:** Embrace a Culture of Service. (Cont'd)

**Objective 1 (Cont'd):** Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below

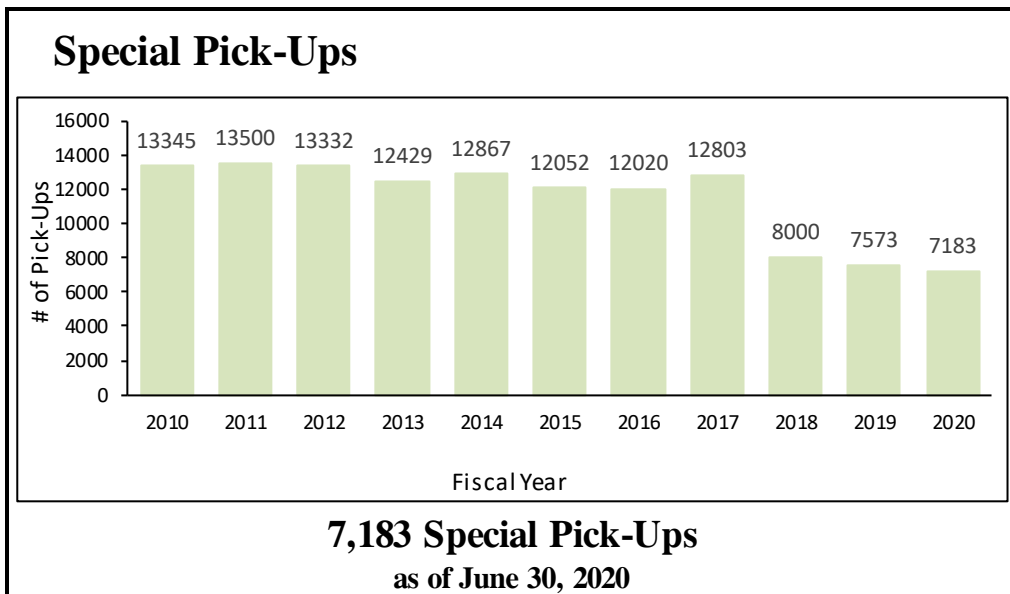


# DEPARTMENT OF PUBLIC WORKS

## PERFORMANCE TRENDS



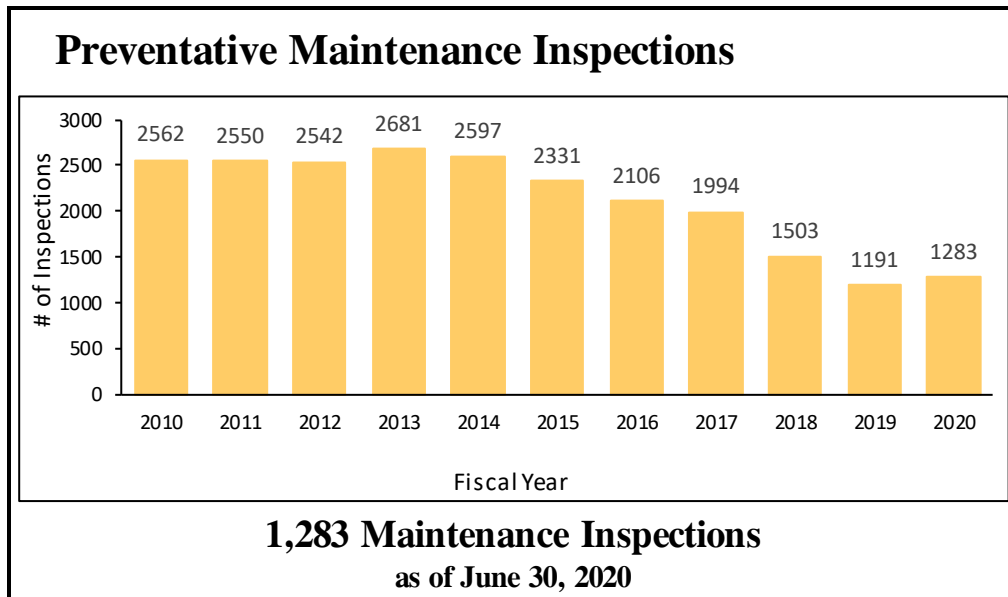
In FY 2019 and FY 2020, the number of miles cleaned increased due to an addition of updated equipment and full crew staffing.



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

# DEPARTMENT OF PUBLIC WORKS

## PERFORMANCE TRENDS



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

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: PUBLIC WORKS**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	4,523,446	4,592,776	5,202,674	5,360,307
Temporary Salaries	4,800	4,800	8,000	8,000
Acting Out of Class	16,530	4,490	15,250	10,000
Sick Leave Bonus	7,350	5,350	9,500	8,500
Overtime	383,549	378,707	458,800	445,800
Holiday Pay	100,286	91,991	110,000	100,800
Meal Allowance	6,281	5,409	9,100	9,100
Clothing Allowance	7,500	4,510	7,600	7,850
Standby Pay	68,985	74,128	72,600	76,075
Health Cash Back	0	0	0	1,200
Pension Contribution	916,771	983,420	1,015,431	930,509
Social Security	308,263	309,574	353,736	362,521
Medicare Tax	72,145	72,396	82,736	84,786
Hospitalization	1,825,843	1,826,985	2,220,391	2,043,899
Life Insurance	22,442	23,232	27,044	27,457
Pension Healthcare	354,450	383,377	411,680	434,023
State Pension Plan - Civilian	71,728	86,505	95,659	113,505
Personal Services Adjustment	0		(199,796)	(205,330)
<b>TOTAL PERSONAL SERVICES</b>	<b>8,690,369</b>	<b>8,847,650</b>	<b>9,900,405</b>	<b>9,819,002</b>

**MATERIALS, SUPPLIES & EQUIPMENT**

Printing & Advertising	3,100	3,256	9,200	14,700
Communications & Utilities	1,452,716	1,502,485	1,708,729	1,618,729
Transportation	4,029	1,149	3,500	2,000
Rentals	88,639	96,391	217,500	232,500
Contracted Maintenance Repairs	2,015,047	1,459,744	1,648,600	1,695,464
Professional Fees	780,453	1,109,856	987,300	919,800
Other Fees	2,000,686	2,091,340	2,587,000	2,450,000
Memberships & Registrations	10,276	17,470	28,900	18,400
Miscellaneous Services	249,850	262,795	381,600	353,600
Office & General Supplies	9,181	11,048	12,600	12,300
Wearing Apparel & Safety Supplies	72,551	86,849	91,650	91,750
Miscellaneous Parts	134,420	137,340	166,200	161,200
Construction & Repairs	383,712	315,893	374,500	374,500
Equipment	10,732	11,503	27,300	26,300
Fixed Assets	1,940	1,740	2,000	2,000
MSE - Budget Control Account	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>7,217,332</b>	<b>7,108,859</b>	<b>8,246,579</b>	<b>7,973,243</b>

**DEPARTMENT: PUBLIC WORKS****FUND: GENERAL**

<b>INTERNAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Administrative Services	2,871,434	3,123,285	2,690,636	2,789,384
Self-Insurance	721,088	1,002,753	559,762	574,476
<b>TOTAL INTERNAL SERVICES</b>	<b>3,592,522</b>	<b>4,126,038</b>	<b>3,250,398</b>	<b>3,363,860</b>
<b>DEBT SERVICE</b>				
Principal Payments	2,347,524	2,569,642	2,752,756	2,713,931
Interest Payments	1,961,124	1,975,663	2,058,625	1,919,719
<b>TOTAL DEBT SERVICE</b>	<b>4,308,648</b>	<b>4,545,305</b>	<b>4,811,381</b>	<b>4,633,650</b>
<b>GENERAL FUND TOTAL</b>	<b>23,808,871</b>	<b>24,627,852</b>	<b>26,208,763</b>	<b>25,789,755</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	4,157,000	4,603,180	4,977,215	5,168,238
Temporary Salaries	0	0	0	0
Acting Out of Class	6,205	4,478	7,000	7,200
Shift Differential	3,547	2,674	3,800	3,800
Sick Leave Bonus	4,850	3,300	7,000	7,000
Overtime	561,477	473,355	499,500	499,500
Holiday Pay	1,918	1,869	4,500	2,000
Meal Allowance	18,938	15,119	20,550	20,550
Clothing Allowance	12,281	7,400	12,950	13,200
Standby Pay	165,475	189,517	170,600	190,600
Health Cash Back	2,400	800	3,360	1,200
Accrued Vacation Pay	(15,693)	(39,929)	0	0
Pension Contribution	724,812	803,172	716,015	766,079
Social Security	298,779	312,475	342,929	356,213
Medicare Tax	69,875	74,692	80,199	83,303
Hospitalization	1,393,815	1,419,236	1,881,097	1,652,378
Life Insurance	18,750	19,856	24,018	24,345
Pension Healthcare	302,550	328,108	359,455	372,737
State Pension Plan - Civilian	66,723	77,722	179,888	91,913
Pension Healthcare - Implicit	438,111	382,520	0	0
Personal Services Adjustment	0	0	(2,110)	(2,168)
<b>TOTAL PERSONAL SERVICES</b>	<b>8,231,813</b>	<b>8,679,544</b>	<b>9,287,966</b>	<b>9,258,088</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: WATER/SEWER

<u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u>	<u>ACTUAL FY 2018</u>	<u>ACTUAL FY 2019</u>	<u>BUDGET FY 2020</u>	<u>APPROVED FY 2021</u>
Printing & Advertising	57,269	37,698	63,900	62,825
Communications & Utilities	856,402	965,488	1,039,036	1,038,036
Transportation	9,546	8,966	10,800	2,000
Rentals	700	289	760	760
Contracted Maintenance Repairs	9,433,289	7,742,557	7,649,250	8,759,600
Professional Fees	3,556,142	3,755,581	3,853,000	3,934,200
Other Fees	272,951	370,790	413,000	398,400
Memberships & Registrations	49,812	52,899	67,770	62,120
Miscellaneous Services	21,515,962	22,182,969	23,030,134	21,313,450
Office & General Supplies	10,431	7,354	12,600	15,860
Wearing Apparel & Safety Supplies	33,545	53,517	45,800	48,460
Miscellaneous Parts	839,471	827,589	824,500	787,250
Petroleum & Chemicals	719,857	647,072	786,000	835,500
Construction & Repairs	278,878	331,434	547,500	503,000
Supporting Services	4,205,122	4,415,056	5,943,324	5,943,323
Equipment	366,423	397,290	449,200	390,225
Testing and Inspection	7,500	7,500	8,000	4,000
Community Activities	131,572	139,097	177,000	190,000
<b>TOTAL M., S. &amp; E.</b>	<b>42,344,872</b>	<b>41,943,146</b>	<b>44,921,574</b>	<b>44,289,009</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	1,767,932	2,238,641	631,284	654,451
Self-Insurance	1,192,017	1,593,036	893,460	917,120
<b>TOTAL INTERNAL SERVICES</b>	<b>2,959,949</b>	<b>3,831,677</b>	<b>1,524,744</b>	<b>1,571,571</b>
 <b><u>DEBT SERVICE</u></b>				
Amortized Bond Issuance Costs	0	0	0	0
Interest Payments	5,574,779	4,998,319	6,257,777	6,521,722
<b>TOTAL DEBT SERVICE</b>	<b>5,574,779</b>	<b>4,998,319</b>	<b>6,257,777</b>	<b>6,521,722</b>
 <b><u>OTHER</u></b>				
Depreciation	8,989,575	9,154,983	8,989,575	9,154,983
<b>TOTAL OTHER</b>	<b>8,989,575</b>	<b>9,154,983</b>	<b>8,989,575</b>	<b>9,154,983</b>
 <b>WATER/SEWER FUND TOTAL</b>	 <b>68,100,988</b>	 <b>68,607,669</b>	 <b>70,981,636</b>	 <b>70,795,373</b>

## DEPARTMENT: PUBLIC WORKS

## FUND: MOTOR VEHICLE

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Communications & Utilities	17,956	30,162	35,000	35,000
Transportation	4,650	3,912	8,200	7,200
Rentals	55,100	6,000	55,100	55,100
Contracted Maintenance Repairs	651,887	788,518	856,000	941,000
Professional Fees	95,473	59,854	60,000	60,000
Memberships & Registrations	1,560	1,706	2,300	2,300
Miscellaneous Services	2,115,660	1,963,209	2,066,912	2,126,560
Miscellaneous Parts	4,401	3,923	8,500	7,500
Petroleum & Chemicals	885,744	869,899	1,000,000	1,000,000
Fixed Assets	4,189,265	4,522,276	4,500,000	3,723,000
<b>TOTAL M., S. &amp; E.</b>	<b>8,021,696</b>	<b>8,249,459</b>	<b>8,592,012</b>	<b>7,957,660</b>
<b>INTERNAL SERVICES</b>				
Administrative Services	159,887	227,539	87,608	78,966
Self-Insurance	307,819	491,512	160,246	164,252
<b>TOTAL INTERNAL SERVICES</b>	<b>467,706</b>	<b>719,051</b>	<b>247,854</b>	<b>243,218</b>
<b>DEBT SERVICE</b>				
Amortized Bond Issuance Costs	0	3,850	0	0
Interest Payments	218,710	199,863	145,924	268,212
<b>TOTAL DEBT SERVICE</b>	<b>218,710</b>	<b>203,713</b>	<b>145,924</b>	<b>268,212</b>
<b>OTHER</b>				
Capitalized Expenditures	(3,704,207)	(4,560,685)	(4,500,000)	(3,723,000)
Depreciation	3,091,963	3,198,798	3,228,596	3,273,496
<b>TOTAL OTHER</b>	<b>(612,244)</b>	<b>(1,361,887)</b>	<b>(1,271,404)</b>	<b>(449,504)</b>
<b>MOTOR VEHICLE FUND TOTAL</b>	<b>8,095,868</b>	<b>7,810,336</b>	<b>7,714,386</b>	<b>8,019,586</b>



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

<b>MATERIALS, SUPPLIES &amp; EQUIPMENT</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Communications & Utilities	1,055,870	1,260,608	1,260,608	1,233,853
Contracted Maintenance	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>1,055,870</b>	<b>1,260,608</b>	<b>1,260,608</b>	<b>1,233,853</b>
<b>MUNICIPAL STREET AID TOTAL</b>	<b>1,055,870</b>	<b>1,260,608</b>	<b>1,260,608</b>	<b>1,233,853</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 administers Federal, State, and local resources for the benefit of persons of low- and moderate-income and the neighborhoods, involving residents to the greatest extent feasible in decisions that affect their lives. In carrying out this mission, the Department partners with other City departments, government agencies, the private sector, and other organizations.

## PRIORITIES FOR FISCAL YEAR 2021

- Actively coordinate with the Wilmington Neighborhood Conservancy Land Bank (WNCLB), Wilmington Housing Authority (WHA), Community Development Corporations (CDCs), and other non-profit and for-profit developers to address neglected and vacant properties through acquisition, disposition, demolition and/or rehabilitation.
- Increase homeownership opportunities through City-sponsored initiatives and collaborative efforts with the WHA, WNCLB, CDCs, and other non-profit and for-profit developers.
- Work with governmental and private-sector employers located within the City proper to expand Live Near Your Work opportunities for both City and non-City employees.
- Direct the use of funds to assist homeowners with minor repairs and improvements as part of the City's neighborhood stabilization initiative.
- Work with State and local housing authorities to create development opportunities including Enterprise Zones, Purpose Built Communities, and re-purposing of brownfields, as part of the City's broader neighborhood stabilization initiative.
- Participate in a State-wide consortium to complete an assessment of policies to further fair housing in Wilmington and the surrounding region.
- Improve the City's neighborhood stabilization and revitalization efforts through the integration and analysis of Geographic Information System (GIS) data.
- Aggressively seek additional funding sources and collaborative partnerships to leverage Federal and local dollars.
- Fund programs and projects that provide needed public services to low- and moderate-income families and neighborhoods, such as community greening efforts, senior housing repair, housing counseling, homelessness prevention, youth programs, and programs that assist persons living with HIV/AIDS.
- Fulfill obligatory allocation, expenditure, monitoring, and reporting requirement for all Federal funding received.
- Conduct public facilities and infrastructure activities to support the development and rehabilitation of affordable housing.

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

<b>TOTAL ALL FUNDS</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	911,399	905,242	1,137,142	1,112,468
Materials, Supplies & Equipment	385,936	733,690	1,077,900	2,135,498
Internal Services	242,034	297,894	47,283	48,996
Debt Service	899,610	859,895	731,820	622,815
Special Purpose	1,860,234	2,428,525	1,866,297	2,761,746
<b>TOTAL</b>	<b>4,299,213</b>	<b>5,225,246</b>	<b>4,860,442</b>	<b>6,681,523</b>
<b>STAFFING LEVELS</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>

<b>GENERAL FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	152,293	276,330	165,932	285,142
Materials, Supplies & Equipment	232,044	602,819	894,000	1,992,000
Internal Services	242,034	297,894	47,283	48,996
Debt Service	899,610	859,895	731,820	622,815
<b>TOTAL</b>	<b>1,525,981</b>	<b>2,036,938</b>	<b>1,839,035</b>	<b>2,948,953</b>
<b>STAFFING LEVELS</b>	<b>1.48</b>	<b>1.48</b>	<b>1.48</b>	<b>2.75</b>

<b>COMMUNITY DEVELOPMENT</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>BLOCK GRANT FUND (CDBG)</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	659,868	547,222	896,135	754,495
Materials, Supplies & Equipment	153,892	130,871	183,900	143,498
Special Purpose	686,702	1,070,760	622,734	1,280,287
<b>TOTAL</b>	<b>1,500,462</b>	<b>1,748,853</b>	<b>1,702,769</b>	<b>2,178,280</b>
<b>STAFFING LEVELS</b>	<b>8.81</b>	<b>8.81</b>	<b>8.81</b>	<b>7.54</b>

<b>HOME INVESTMENT PARTNERSHIPS</b>				
<b>PROGRAM FUND</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	55,035	56,842	40,211	40,979
Special Purpose	351,546	569,363	370,798	523,045
<b>TOTAL</b>	<b>406,581</b>	<b>626,205</b>	<b>411,009</b>	<b>564,024</b>
<b>STAFFING LEVELS</b>	<b>0.41</b>	<b>0.41</b>	<b>0.41</b>	<b>0.41</b>

<b>HOUSING OPPORTUNITIES FOR</b>				
<b>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>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	31,892	11,173	19,318	18,049
Special Purpose	653,196	618,233	703,846	784,386
<b>TOTAL</b>	<b>685,088</b>	<b>629,406</b>	<b>723,164</b>	<b>802,435</b>
<b>STAFFING LEVELS</b>	<b>0.17</b>	<b>0.17</b>	<b>0.17</b>	<b>0.17</b>

<b>EMERGENCY SOLUTIONS GRANT</b>				
<b>(ESG)</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>APPROVED</b>
<b>DEPT OF REAL ESTATE &amp; HOUSING</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services	12,311	13,675	15,546	13,803
Special Purpose	168,790	170,169	168,919	174,028
<b>TOTAL</b>	<b>181,101</b>	<b>183,844</b>	<b>184,465</b>	<b>187,831</b>
<b>STAFFING LEVELS</b>	<b>0.13</b>	<b>0.13</b>	<b>0.13</b>	<b>0.13</b>

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

- Personal Services increased by \$119,210 or 71.8%. This increase largely reflects the transfer of 1.27 FTE's to the General Fund from the CDBG Fund. Per federal regulations, no more than 20% of CDBG-funded activities may be administrative in nature. Any amounts paid from the CDBG Fund that exceed this administrative cap must be charged back to the City's General Fund. From FY 2016 to FY 2019, an average of \$111,200 was charged back to the General Fund each year. In order to avoid this unbudgeted expense to the General Fund, address related prior-year audit findings, and properly comply with federal regulations, the Department of Real Estate and Housing is reallocating a portion of its FTE's to the General Fund.
- MS&E increased by \$1,098,000, largely due to the following changes:
  - Grants to Agencies increased by \$1,000,000 to fund a grant to the Wilmington Neighborhood Conservancy Land Bank, which was established to acquire, manage, and maintain vacant, abandoned, and foreclosed properties to restore and re-purpose them into productive use. To successfully accomplish its mission, the Land Bank requires periodic infusions of cash from the City as outlined in a memorandum of understanding.
  - Consultants increased by \$83,000 to fund a consultant to coordinate the Department's homeownership program while also serving as a liaison to the Land Bank. Funding for this consultant was previously housed by the CDBG Fund, but is being moved to the General Fund to comply with the 20% administrative cap.
- Debt Service decreased by \$109,005, largely due to a reduction in costs associated with debt refinancing.

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

- Personal Services decreased by \$141,640, or 15.8%, which partially reflects the transfer of 1.27 FTE's to the General Fund to comply with the 20% administrative cap. In addition, Temporary Salaries was reduced from \$40,000 to zero.
- Professional Fees decreased by a net \$48,000 or -33.1%. Consultants decreased by a total of \$105,000, largely because of the transfer of one consultant costing \$83,000 to the General Fund to comply with the CDBG administrative cap. Temporary Agencies increased by \$57,000 to fund a specialty position that will be responsible for performing HUD-mandated timekeeping reconciliations.

# DEPARTMENT OF REAL ESTATE & HOUSING

## STRATEGIC PLAN

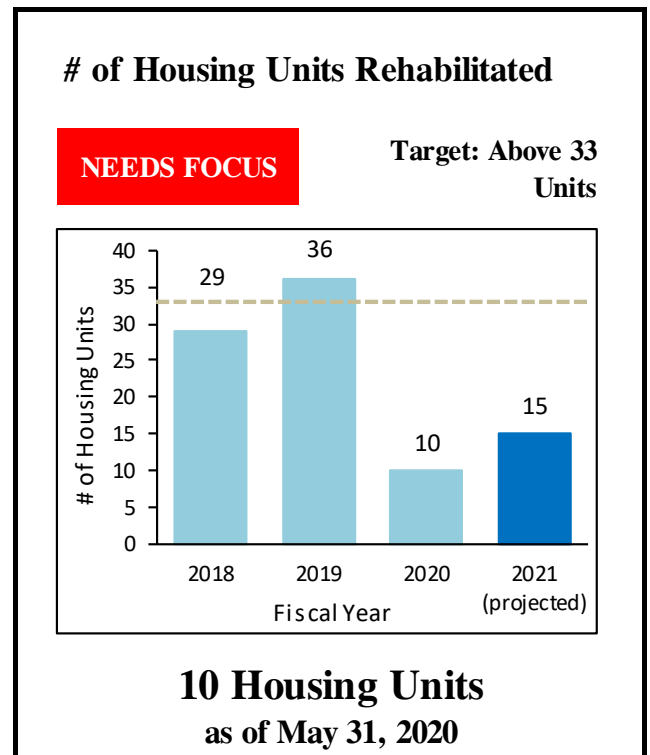
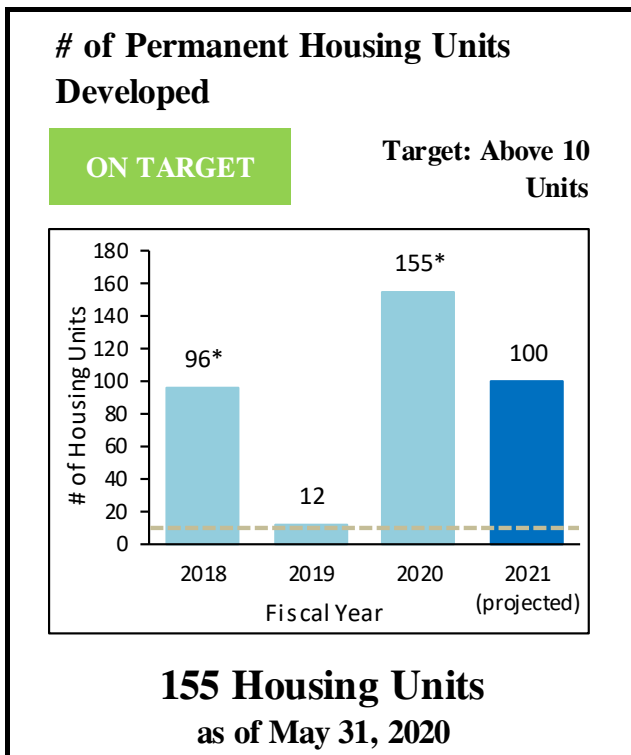
The Department is committed to developing inclusive programs that address the needs of the City’s residential neighborhoods, so that current and future residents receive decent, safe and affordable housing opportunities that are available to current and future residents.

Current data for the goals and objectives listed below may be found on the Real Estate & Housing OpenGov story page at <http://bit.ly/WDe19OG>.

### Focus Area: Quality of Life

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

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



\*FY 2018 reflects the completion of two Low Income Housing Tax Credit (LIHTC) projects containing a total of 88 housing units, while FY 2020 reflects the completion of 149 LIHTC units.

Note: Given the lead time necessary to move a new housing development project from conception to occupancy, success will be measured by the commitment of funds to a project.

# DEPARTMENT OF REAL ESTATE & HOUSING

## STRATEGIC PLAN

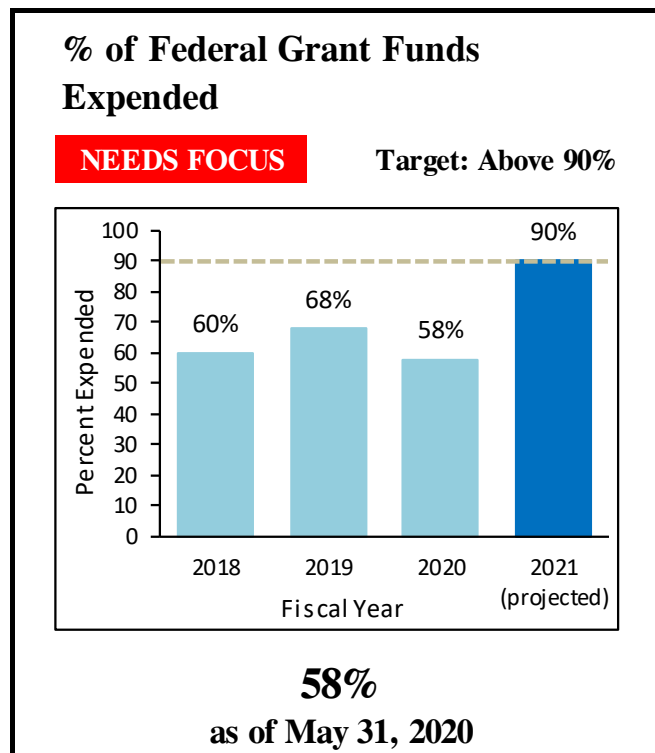
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### Focus Area: Quality of Life

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#### CITY-WIDE GOAL #17: Enhance City Services.

**Objective 1:** Expend at least 80% of federal grant funds awarded by the United States Department of Housing and Urban Development (HUD) within the fiscal year they were awarded.

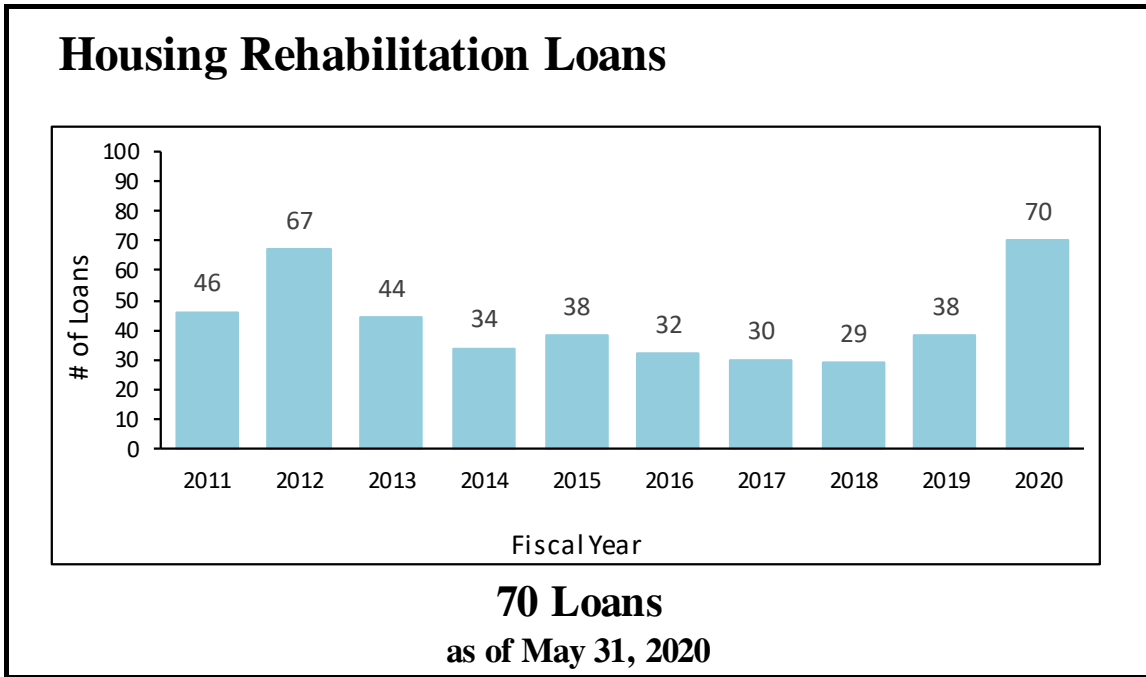


Note: Federal grants complement the development of housing by providing funding for services necessary for communities to thrive. The Department of Real Estate & Housing has chosen to measure the percentage of funds expended within the fiscal year they were awarded because numerous outside groups rely on the prompt receipt of this funding to address a multitude of needs in the City’s communities.

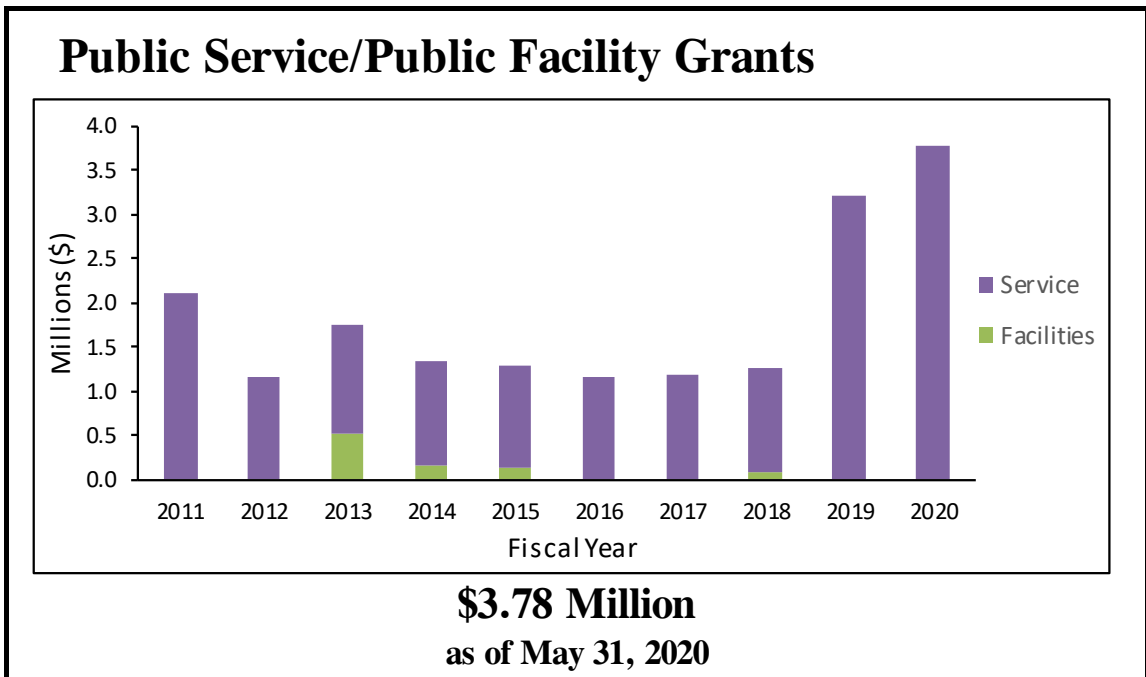


# DEPARTMENT OF REAL ESTATE AND HOUSING

## PERFORMANCE TRENDS



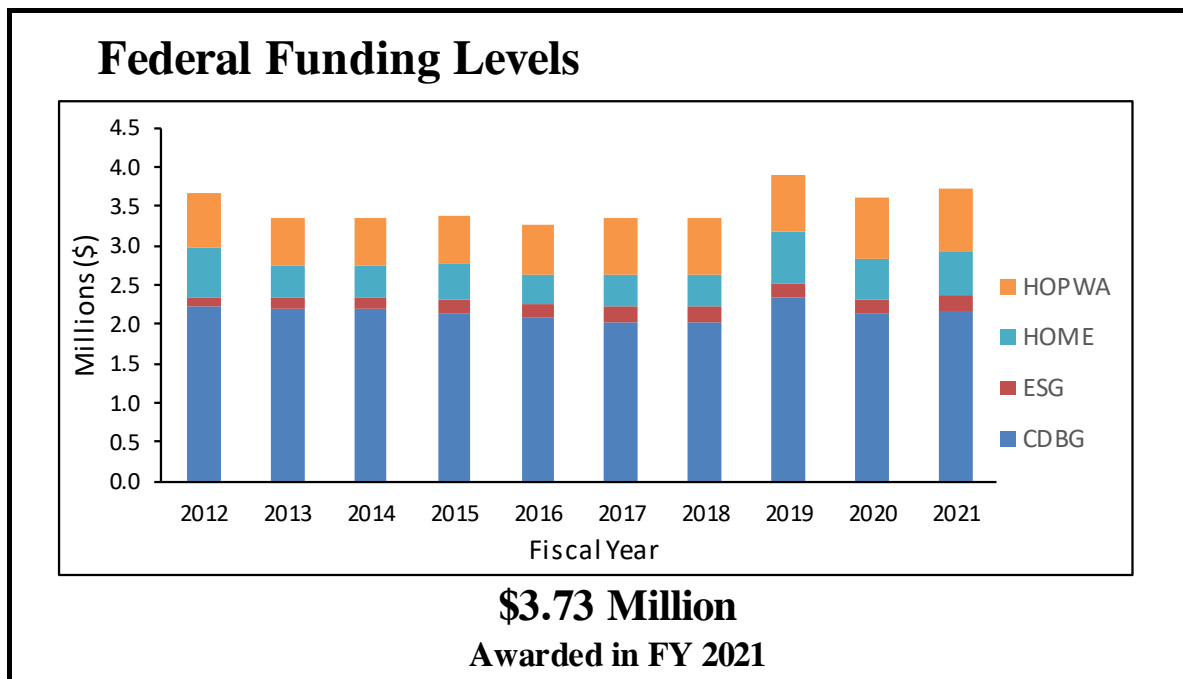
The above chart does not include new construction, homeownership, or rental housing loans and grants to developers.



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

# DEPARTMENT OF REAL ESTATE AND HOUSING

## PERFORMANCE TRENDS



Federal funding increased by \$110,074 from the previous year. The majority of this decrease is in the CDBG and HOME awards, which are \$40,629 and \$53,630 higher than FY 2020 respectively.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	88,937	216,543	118,171	208,463
Temporary Salaries	0	7,344	0	0
Acting Out of Classification	0	5,406	0	0
Sick Leave Bonus	0	400	0	0
Overtime	0	0	0	0
Clothing Allowance	0	43	0	0
Pension Contribution	15,697	(49,472)	18,299	23,528
Social Security	5,062	13,659	7,042	12,694
Medicare Tax	3,513	3,941	1,647	2,968
Hospitalization	16,899	54,532	20,716	27,524
Life Insurance	286	458	356	661
Pension Healthcare	19,064	16,918	5,118	10,052
State Pension Plan - Civilian	2,835	6,558	3,776	8,700
Personal Services Adjustment	0	0	0	0
Attrition	0	0	(9,193)	(9,448)
<b>TOTAL PERSONAL SERVICES</b>	<b>152,293</b>	<b>276,330</b>	<b>165,932</b>	<b>285,142</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Communications & Utilities	67	715	1,600	1,600
Printing & Advertising	218	528	1,600	1,600
Miscellaneous Services	5,232	4,775	6,000	6,000
Professional Fees	0	8,987	0	83,000
Community Activities	226,527	587,814	884,800	1,899,800
<b>TOTAL M., S. &amp; E</b>	<b>232,044</b>	<b>602,819</b>	<b>894,000</b>	<b>1,992,000</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	239,261	294,102	45,161	46,818
Self-Insurance	2,773	3,792	2,122	2,178
<b>TOTAL INTERNAL SERVICES</b>	<b>242,034</b>	<b>297,894</b>	<b>47,283</b>	<b>48,996</b>
 <b><u>DEBT SERVICE</u></b>				
Principal Payments	597,949	594,409	392,283	377,279
Interest Payments	301,661	265,486	339,537	245,536
<b>TOTAL DEBT SERVICE</b>	<b>899,610</b>	<b>859,895</b>	<b>731,820</b>	<b>622,815</b>
 <b>GENERAL FUND TOTAL</b>	 <b>1,525,981</b>	 <b>2,036,938</b>	 <b>1,839,035</b>	 <b>2,948,953</b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: CDBG**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	401,708	352,145	548,998	479,508
Temporary Salaries	0	24,962	40,000	0
Acting Out of Classification	0	3,020	0	0
Clothing Allowance	0	864	0	0
Health Cash Back	0	0	0	0
Pension Contribution	90,524	58,522	80,147	76,842
Social Security	23,591	24,348	35,338	28,873
Medicare Tax	7,929	4,696	8,266	6,752
Hospitalization	113,620	53,275	131,984	118,946
Life Insurance	1,144	454	2,110	1,809
Pension Healthcare	18,103	15,113	30,464	27,568
State Pension Plan - Civilian	3,249	9,822	18,828	14,197
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>659,868</b>	<b>547,222</b>	<b>896,135</b>	<b>754,495</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	1,214	759	3,700	5,944
Communications & Utilities	180	42	500	1,428
Transportation	1,568	729	8,500	8,233
Rentals	0	300	600	600
Professional Fees	129,944	115,029	145,000	97,000
Other Fees	0	0	0	0
Memberships & Registrations	2,150	1,542	5,600	12,143
Miscellaneous Services	5,528	2,460	5,500	5,650
Office & General Supplies	4,793	2,286	2,500	2,500
Wearing Apparel & Safety	5,290	5,281	6,000	6,000
Equipment	3,225	2,443	6,000	4,000
<b>TOTAL M., S. &amp; E.</b>	<b>153,892</b>	<b>130,871</b>	<b>183,900</b>	<b>143,498</b>
 <b><u>SPECIAL PURPOSE</u></b>				
Grants & Fixed Charges	686,702	1,070,760	622,734	1,280,287
<b>TOTAL SPECIAL PURPOSE</b>	<b>686,702</b>	<b>1,070,760</b>	<b>622,734</b>	<b>1,280,287</b>
 <b>CDBG FUND TOTAL</b>	 <b>1,500,462</b>	 <b>1,748,853</b>	 <b>1,702,769</b>	 <b>2,178,281</b>

## DEPARTMENT: REAL ESTATE &amp; HOUSING

FUND: CDBG

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Above Xpectations			2,938	3,000
Catholic Charities			19,584	10,000
Catholic Charities-Bayard House			14,688	20,000
Challenge Program			32,871	15,000
Christiana Cultural Arts Center Inc.			21,543	15,000
Correct a Code Violation Program			300,000	300,000
DE Center for Homeless Veterans, Inc.			9,792	0
DE Community Reinvestment Action Council			2,938	0
DE Ecumenical Council on Children and Families			2,448	0
DE Division of Social Services			9,792	0
Delaware Futures, Inc.			9,792	5,000
Delaware Center for Horticulture Street Trees			72,000	156,000
Disposition Program Delivery			82,632	82,632
Down Payment Assistance			0	100,000
Duffy's Hope			0	6,000
Habitat for Humanity NCC			0	10,000
HOND			4,896	5,000
Family Counseling of St. Paul			4,896	10,000
Fair Housing			10,000	10,000
Ingleside Housing Project			100,000	80,000
Interfaith Community Housing			0	7,500
LACC - Homeless Prevention			4,896	10,000
LACC - Evening Enrichment Program			4,896	2,500
Lutheran Community Services			0	0
Ministry of Caring - House of Joseph I			14,688	0
Miscellaneous Housing Projects			361,284	211,000
Neighborhood House, Inc.			10,000	17,500
Salvation Army			9,792	6,000
STEHM, Inc.			4,896	13,414
Sojourners Place			4,896	22,500
Tech Impact - IT Works Technology			9,792	9,000
Teen Warehouse			0	5,000
United Way - Stand by Me			0	5,000
Urban Bike Project			0	10,000
Urban Promise			0	10,000

Grants &amp; Fixed Charges detail continued on next page.

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: CDBG**

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
WEDCO Loan Collections			3,000	0
West Side Grows Together			4,407	0
West End Neighborhood House			24,481	12,500
YMCA Teen and Male Residence			12,730	27,000
YWCA Delaware			34,158	20,625
Wilmington HOPE Commission			18,116	10,000
Wilmington Placemakers Inc.			7,344	0
Wilmington Senior Center			0	25,000
Budget Control			(607,452)	28,116
FY2018 Expenditures	686,702			
FY2019 Expenditures		1,070,760		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>686,702</b>	<b>1,070,760</b>	<b>622,734</b>	<b>1,280,287</b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: HOME PARTNERSHIP**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	35,387	34,802	25,985	26,504
Temporary Salaries	0	(11)	0	0
Clothing Allowance	0	49	0	0
Health Cash Back	0	0	0	0
Pension Contribution	8,836	9,780	7,172	7,315
Social Security	2,101	2,185	1,480	1,616
Medicare Tax	491	491	346	378
Hospitalization	6,450	7,486	3,712	3,569
Life Insurance	153	209	98	98
Pension Healthcare	1,617	1,851	1,418	1,499
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>55,035</b>	<b>56,842</b>	<b>40,211</b>	<b>40,979</b>

**SPECIAL PURPOSE**

Grants & Fixed Charges	351,546	569,363	370,798	523,045
<b>TOTAL SPECIAL PURPOSE</b>	<b>351,546</b>	<b>569,363</b>	<b>370,798</b>	<b>523,045</b>

<b>HOME PARTNERSHIP FUND TOTAL</b>	<b>406,581</b>	<b>626,205</b>	<b>411,009</b>	<b>564,024</b>
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**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: HOME PARTNERSHIP**

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
CHDO Set-aside			0	86,604
Compton Towne Apartments			150,000	150,000
Cornerstone West CDC			110,000	110,000
Penrose LLC			120,798	120,798
HOME Proposed Housing Projects			1,998	0
Todmorden Foundation - The Flats Phase IV			0	310,744
Be Ready CDC - Solomon's Court			0	100,000
Central Baptist CDC - CHDO Operating/Project			0	200,000
Interfaith Community Housing - NinthStreet Project			0	150,000
Cinnaire Solutions - 8th Street Stabilization			0	100,000
Pennrose LLC - Riverside Redevelopment Phase II			0	212,244
Habitat for Humanity - Eastside Neighborhood Revitalization			0	150,000
Our Youth, Inc.			0	200,000
Program Income			0	(1,367,345)
Budget Control			(11,998)	0
FY2017 Expenditures	351,546			
FY2018 Expenditures		569,363		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>351,546</b>	<b>569,363</b>	<b>370,798</b>	<b>523,045</b>

**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: HOPWA**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	19,361	10,606	13,872	13,872
Pension Contribution	4,682	(1,247)	0	0
Social Security	1,173	380	827	849
Medicare Tax	274	365	193	198
Hospitalization	5,529	(430)	3,797	1,488
Life Insurance	43	194	41	41
Pension Healthcare	830	578	588	622
State Pension Plan - Civilian	0	727	0	979
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>31,892</b>	<b>11,173</b>	<b>19,318</b>	<b>18,049</b>
<b>SPECIAL PURPOSE</b>				
Grants & Fixed Charges	653,196	618,233	703,846	784,386
<b>TOTAL SPECIAL PURPOSE</b>	<b>653,196</b>	<b>618,233</b>	<b>703,846</b>	<b>784,386</b>
<b>HOPWA FUND TOTAL</b>	<b>685,088</b>	<b>629,406</b>	<b>723,164</b>	<b>802,435</b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Catholic Charities			10,213	10,213
Cecil County Emergency Housing			36,768	36,768
Delaware HIV Services, Inc.			647,530	660,351
Ministry of Caring-House of Joseph II			71,030	71,030
Budget Control			(61,695)	6,024
FY2016 Expenditures	653,196			
FY2017 Expenditures		618,233		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>653,196</b>	<b>618,233</b>	<b>703,846</b>	<b>784,386</b>



**DEPARTMENT: REAL ESTATE & HOUSING**

**FUND: EMERGENCY SHELTER GRANT**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	6,979	10,807	10,608	10,608
Pension Contribution	1,737	(2)	772	0
Social Security	418	665	633	649
Medicare Tax	98	156	148	152
Hospitalization	2,767	670	2,904	1,139
Life Insurance	28	44	31	31
Pension Healthcare	284	534	450	475
State Pension Plan - Civilian	0	801	0	749
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>12,311</b>	<b>13,675</b>	<b>15,546</b>	<b>13,803</b>
<b>SPECIAL PURPOSE</b>				
Grants & Fixed Charges	168,790	170,169	168,919	174,028
<b>TOTAL SPECIAL PURPOSE</b>	<b>168,790</b>	<b>170,169</b>	<b>168,919</b>	<b>174,028</b>
<b>EMERGENCY SOLUTIONS GRANT</b>				
<b>FUND TOTAL</b>	<b>181,101</b>	<b>183,844</b>	<b>184,465</b>	<b>187,831</b>

<b>GRANTS &amp; FIXED CHARGES DETAIL</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Family Promise			17,212	19,616
Housing Alliance Delaware			37,217	37,217
Ministry of Caring			25,187	25,311
The Salvation Army			13,640	13,640
YWCA Delaware-Rapid Re-Housing			77,960	77,960
Budget Control			(2,297)	284
FY2017 Expenditures	168,790			
FY2018 Expenditures		170,169		
<b>TOTAL GRANTS &amp; FIXED CHARGES</b>	<b>168,790</b>	<b>170,169</b>	<b>168,919</b>	<b>174,028</b>



# DEPARTMENT OF COMMERCE

Prior to its restructuring in 1995, the Department of Commerce in the Commerce Fund was responsible for promoting and developing commerce and industry within the City of Wilmington. In addition, the Department managed and marketed the Port of Wilmington (the “Port”) as a self-sufficient business entity. Although the Port was profitable, the City could no longer afford the infrastructure improvements necessary to maintain its competitiveness and profitability. Consequently, the City successfully negotiated a sale of the Port to the State of Delaware, effective September 1, 1995. Although the City retained the debt of the Commerce Fund, the State agreed to reimburse the City for both principle and interest, along with a “mortgage” payment based on a 30-year amortization of the sale price.

In February of 2002, under a new agreement with the State, the City received a lump sum payment of \$8 million from the State Transportation Fund, which eliminated all future outstanding mortgage payments. As a result, all future annual amortized gain figures were recalculated and re-amortized from FY 2002 to FY 2005. The State’s reimbursement of the City’s debt was not affected by this new agreement.

In FY 2009, the remaining balance of the City’s Commerce Fund was depleted. As a result, beginning in FY 2010, all Port debt service and reimbursement revenue from the State were budgeted into the General Fund.

In 2018, the State entered into a long-term Port lease agreement with Gultainer, and subsequently provided the City with full payment for the outstanding debt. The City has amortized these funds and will continue to budget debt reimbursement payments for the remaining life of the associated bonds.

For the FY 2021 approved budget, total debt service has been reduced by nearly \$647,000 due to projected savings from refinancing the existing debt.

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF COMMERCE

TOTAL ALL FUNDS DEPARTMENT OF COMMERCE	ACTUAL FY 2018	ACTUAL FY 2019	BUDGET FY 2020	APPROVED FY 2021
Debt Service	504,473	501,661	720,226	73,269
<b>TOTAL</b>	<b>504,473</b>	<b>501,661</b>	<b>720,226</b>	<b>73,269</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

GENERAL FUND DEPARTMENT OF COMMERCE	ACTUAL FY 2018	ACTUAL FY 2019	BUDGET FY 2020	APPROVED FY 2021
Debt Service	504,473	501,661	720,226	73,269
<b>TOTAL</b>	<b>504,473</b>	<b>501,661</b>	<b>720,226</b>	<b>73,269</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 FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Principal Payments	320,439	346,395	588,328	67,153
Interest Payments	184,034	155,266	131,898	6,116
<b>TOTAL DEBT SERVICE</b>	<b>504,473</b>	<b>501,661</b>	<b>720,226</b>	<b>73,269</b>
<b>GENERAL FUND TOTAL</b>	<b>504,473</b>	<b>501,661</b>	<b>720,226</b>	<b>73,269</b>

# DEPARTMENT OF INFORMATION TECHNOLOGIES

The mission of the Department of Information Technologies (DoIT) is to enable technology to increase the effectiveness and efficiency of services for the employees and citizens of the City of Wilmington. The Department strives to provide a secure, efficient, and flexible environment that will enhance the productivity of the City's workforce.

DoIT consists of six divisions, including Data Processing, Document Management, Mail Service, Duplication & Printing, Mapping & Graphics, and Communications.

<b>PRIORITIES FOR FISCAL YEAR 2021</b>
<ul style="list-style-type: none"> <li>• Support the Mayor's Office by maintaining an accessible, interactive and responsive E-Government platform for citizen engagement.</li>   <li>• Provide a secure, reliable, and stable computing environment for City employees.</li>   <li>• Continue to employ cost-effective and innovative Enterprise solutions while leveraging Cloud technologies strategically.</li>   <li>• Invest in solutions to increase employee Cyber-Security awareness and computing skills to create a skilled workforce for the future.</li> </ul>

## SUMMARY OF FUNDING FOR THE DEPARTMENT OF INFORMATION TECHNOLOGIES

<b>TOTAL ALL FUNDS DEPARTMENT OF INFORMATION TECHNOLOGIES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	0	0	2,249,219	2,166,427
Materials, Supplies & Equipment	0	0	6,001,530	5,934,022
Internal Services	0	0	0	15,367
Debt Service	0	0	326,905	385,827
Special Purpose	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>8,577,654</b>	<b>8,501,643</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>22.00</b>	<b>21.00</b>

<b>GENERAL FUND</b>				
<b>DEPARTMENT OF INFORMATION TECHNOLOGIES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Personal Services	0	0	2,249,219	2,166,427
Materials, Supplies & Equipment	0	0	6,001,530	5,934,022
Internal Services	0	0	0	15,367
Debt Service	0	0	326,905	385,827
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>8,577,654</b>	<b>8,501,643</b>
<b>STAFFING LEVELS</b>	<b>0.00</b>	<b>0.00</b>	<b>22.00</b>	<b>21.00</b>

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

- Personal Services decreased by a net \$82,792, or 3.7%. This is largely due to the deletion of a vacant Document Management Technician position, which was removed as part of the City's fiscal response to the COVID-19 pandemic, saving \$67,796. In addition, Hospitalization decreased by \$37,115, largely due a citywide reduction in medical and prescription costs.
- MS&E decreased by a net \$67,508, or 1.1%, largely to the following changes:
  - Consultants increased by \$275,000 to complete implementation of the City's comprehensive 311 Information Call Center and constituent service request tracking system. The completed system will enable citizens to call one number (311) for all non-emergency requests for service and information about city services and programs. The new system will also produce a single process for tracking constituent questions and service requests to ensure that timely and comprehensive responses are provided to residents and businesses. Lastly, the new system will result in enhanced data collection, allowing managers to better evaluate and improve customer service delivery and the quality of programs.
  - The \$275,000 increase in Consultants is completely offset by the removal of \$127,000 for an Operations Manager consultant and \$190,000 for a records digitization project budgeted in FY 2020, leading to a net decrease of \$179,000.
  - Other Noncapitalized Equipment decreased by \$168,500, which reflects the removal of funds for a records digitization project and other items no longer needed in FY 2021.
  - Computer Software Licenses increased by \$182,813, which primarily reflects the addition of \$142,302 for 311 Call Center licenses.
- Debt Service increased by \$58,922 per the existing debt service schedule.

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: INFORMATION TECHNOLOGIES**

**FUND: GENERAL**

<b>PERSONAL SERVICES</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Regular Salaries	0	0	1,367,711	1,359,223
Temporary Salaries	0	0	0	0
Acting Out of Class	0	0	0	0
Sick Leave Bonus	0	0	0	0
Overtime	0	0	5,000	0
Meal Allowance	0	0	0	0
Health Cash Back	0	0	2,160	2,160
Pension Contribution	0	0	293,456	254,823
Social Security	0	0	81,490	81,455
Medicare Tax	0	0	19,059	19,050
Hospitalization	0	0	372,764	335,649
Life Insurance	0	0	5,249	5,019
Pension Healthcare	0	0	76,076	76,776
State Pension Plan - Civilian	0	0	26,254	32,272
Accrued Sick/Vacation	0	0	0	0
Personal Services Adjustment	0	0	0	0
<b>TOTAL PERSONAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>2,249,219</b>	<b>2,166,427</b>
 <b><u>MATERIALS, SUPPLIES &amp; EQUIPMENT</u></b>				
Printing & Advertising	0	0	73,300	73,300
Communications & Utilities	0	0	1,230,530	1,321,530
Transportation	0	0	8,500	6,500
Rentals of Office Equipment	0	0	120,621	124,000
Contracted Maintenance Repairs	0	0	848,699	868,199
Professional Fees	0	0	1,966,600	1,791,600
Memberships & Registrations	0	0	73,000	79,000
Miscellaneous Services	0	0	59,120	60,120
Office & General Supplies	0	0	149,060	150,060
Uniforms & Related Equipment	0	0	7,000	7,000
Miscellaneous Parts	0	0	77,000	70,300
Equipment	0	0	1,388,100	1,382,413
Fixed Assets	0	0	0	0
Capitalized Exps - Op.	0	0	0	0
<b>TOTAL M., S. &amp; E.</b>	<b>0</b>	<b>0</b>	<b>6,001,530</b>	<b>5,934,022</b>
 <b><u>INTERNAL SERVICES</u></b>				
Administrative Services	0	0	0	0
Self-Insurance	0	0	0	15,367
<b>TOTAL INTERNAL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,367</b>

**DEPARTMENTAL BUDGET DETAIL BY FUND**

**DEPARTMENT: INFORMATION TECHNOLOGIES**

**FUND: GENERAL**

<b>DEBT SERVICE</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>APPROVED FY 2021</b>
Amortization	0	0	296,863	360,222
Interest Payment	0	0	30,042	25,605
<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>326,905</b>	<b>385,827</b>
<b>GENERAL FUND TOTAL</b>	<b>0</b>	<b>0</b>	<b>8,577,654</b>	<b>8,501,643</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 2020 - FY 2025 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 2020 - FY 2025**

The six year Capital Budget and Capital Improvements Program, as presented in City Planning Commission Resolution 5-19, totals \$276,490,105, with a FY 2020 Capital Budget in the amount of \$79,833,910 and the additional five year program adding \$196,656,195. 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 \$4,139,035. 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.

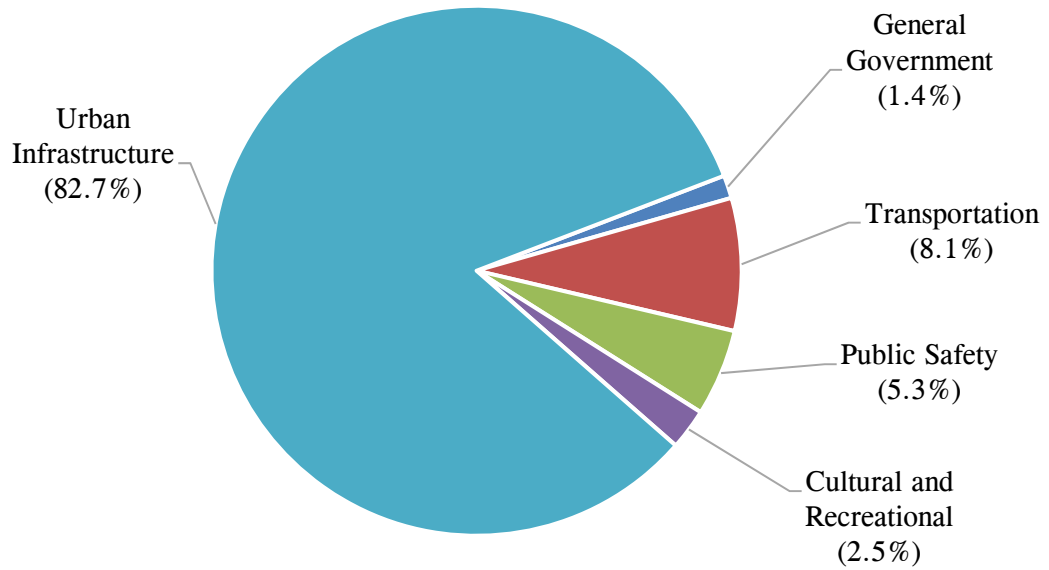
## Estimated Annual Impact of Capital Spending on the Operating Budget

Department	Fund	Debt Service*	Personal Services	M. S. & E.	Total
Finance	General	\$23,793	\$0	\$0	\$23,793
	Water/Sewer	27,306	0	0	27,306
Fire	General	224,171	0	(15,000)	209,171
Mayor's Office	General	101,848	0	0	101,848
Parks & Recreation	General	149,447	0	(2,000)	147,447
Police	General	90,416	0	0	90,416
Public Works	General	672,513	0	(37,500)	635,013
	Water/Sewer	2,184,500	0	(164,500)	2,020,000
Real Estate & Housing	General	328,784	0	0	328,784
Transportation	General	336,257	0	20,000	356,257
<b>TOTAL</b>		<b>\$4,139,035</b>	<b>\$0</b>	<b>(\$199,000)</b>	<b>\$3,940,035</b>

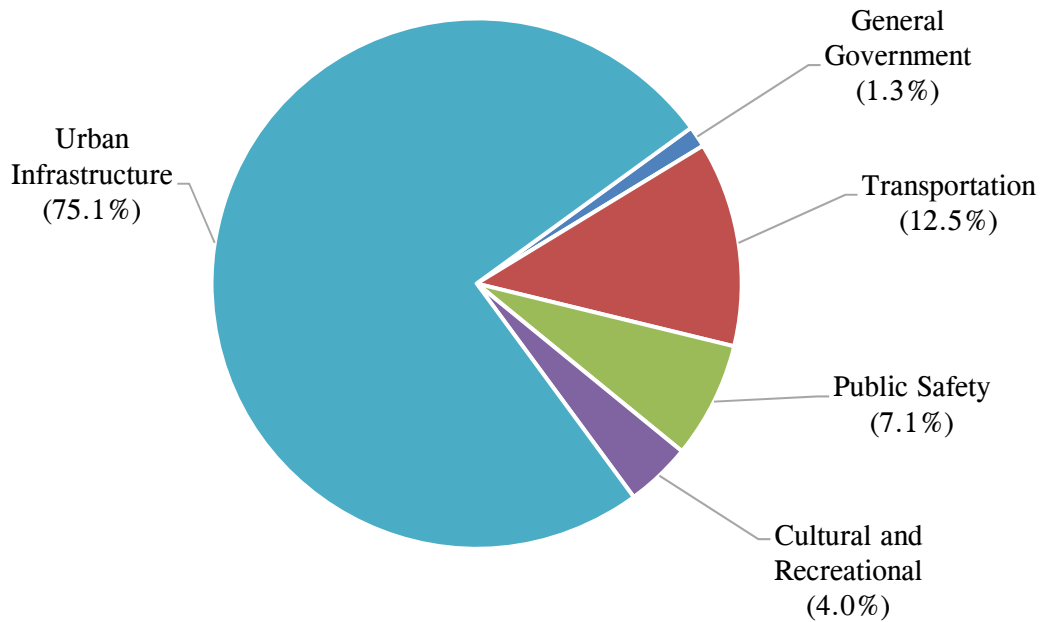
Fund	Debt Service*	Personal Services	M. S. & E.	Total
General	\$1,927,229	\$0	(\$34,500)	\$1,892,729
Water / Sewer	2,211,806	0	(164,500)	2,047,306
<b>TOTAL</b>	<b>\$4,139,035</b>	<b>\$0</b>	<b>(\$199,000)</b>	<b>\$3,940,035</b>

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

## Capital Program Allocations FY 2020



## Capital Program Allocations FY 2021 - FY 2025



**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Summary: Total Funds Recommended by Fiscal Year and Department**

Department	Type of Funding	Fiscal Year						Total City Funds	Total City / Matching Funds
		2020	2021	2022	2023	2024	2025		
Finance	G	318,410	0	505,790	0	429,530	0	1,253,730	1,253,730
	W	642,500	0	722,500	0	572,500	0	1,937,500	1,937,500
Fire	G	3,000,000	0	10,500,000	0	5,000,000	0	18,500,000	18,500,000
Mayor's Office	G	1,363,000	0	2,601,000	0	2,603,000	0	6,567,000	6,567,000
Parks	G	2,000,000	0	4,362,500	0	4,759,375	0	11,121,875	11,121,875
Police	G	1,210,000	0	0	0	0	0	1,210,000	1,210,000
Public Works	G	9,000,000	0	10,500,000	0	10,500,000	0	30,000,000	30,000,000
	W	51,400,000	0	57,800,000	0	45,800,000	0	155,000,000	155,000,000
Real Estate and Housing	G	4,400,000	0	6,000,000	0	6,000,000	0	16,400,000	16,400,000
Transportation	G	4,500,000	0	6,500,000	0	5,500,000	0	16,500,000	16,500,000
	O	2,000,000	0	8,000,000	0	8,000,000	0	0	18,000,000
Total by Fund	G	25,791,410	0	40,969,290	0	34,791,905	0	101,552,605	101,552,605
	O	2,000,000	0	8,000,000	0	8,000,000	0	0	18,000,000
	W	52,042,500	0	58,522,500	0	46,372,500	0	156,937,500	156,937,500
<b>Grand Total</b>		<b>79,833,910</b>	<b>0</b>	<b>107,491,790</b>	<b>0</b>	<b>89,164,405</b>	<b>0</b>	<b>258,490,105</b>	<b>276,490,105</b>

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



**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Summary: Total Funds Recommended by Expenditure Category**

Department	Expend. Category	Fiscal Year						Total City Funds	Total City / Matching Funds
		2020	2021	2022	2023	2024	2025		
Finance	NR	15,624	0	34,530	0	65,950	0	116,104	116,104
	RE	206,249	0	293,750	0	193,750	0	693,749	693,749
	UE	739,037	0	900,010	0	742,330	0	2,381,377	2,381,377
Fire	NR	1,000,000	0	2,500,000	0	5,000,000	0	8,500,000	8,500,000
	RE	2,000,000	0	8,000,000	0	0	0	10,000,000	10,000,000
Mayor's Office	UE	1,363,000	0	2,601,000	0	2,603,000	0	6,567,000	6,567,000
Parks	NR	100,000	0	262,500	0	275,625	0	638,125	638,125
	UE	1,900,000	0	4,100,000	0	4,483,750	0	10,483,750	10,483,750
Police	NR	150,000	0	0	0	0	0	150,000	150,000
	UE	1,060,000	0	0	0	0	0	1,060,000	1,060,000
Public Works	RE	14,500,000	0	15,500,000	0	15,500,000	0	45,500,000	45,500,000
	UE	45,900,000	0	52,800,000	0	40,800,000	0	139,500,000	139,500,000
Real Estate and Housing	UE	4,400,000	0	6,000,000	0	6,000,000	0	16,400,000	16,400,000
Transportation	UE	6,500,000	0	14,500,000	0	13,500,000	0	16,500,000	34,500,000
Total by Expenditure Category	NR	1,265,624	0	2,797,030	0	5,341,575	0	9,404,229	9,404,229
	RE	16,706,249	0	23,793,750	0	15,693,750	0	56,193,749	56,193,749
	UE	61,862,037	0	80,901,010	0	68,129,080	0	192,892,127	210,892,127
Grand Total		79,833,910	0	107,491,790	0	89,164,405	0	258,490,105	276,490,105

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Finance Department - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Cost of Bond Issue (General Fund)		G	318,410	0	505,790	0	429,530	0	1,253,730	1,253,730
Cost of Bond Issue (Water / Sewer Fund)		W	642,500	0	722,500	0	572,500	0	1,937,500	1,937,500
Total by Fund		G	318,410	0	505,790	0	429,530	0	1,253,730	1,253,730
		W	642,500	0	722,500	0	572,500	0	1,937,500	1,937,500
Total Finance Department Funds			960,910	0	1,228,290	0	1,002,030	0	3,191,230	3,191,230

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental  
Bond Issuance Costs projected to be 1.25%

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Fire Department - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Apparatus Replacement	NR	G	1,000,000	0	2,500,000	0	4,250,000	0	7,750,000	7,750,000
Fire Station Renovations	RE	G	2,000,000	0	8,000,000	0	0	0	10,000,000	10,000,000
Ambulance Replacement	NR	G	0	0	0	0	750,000	0	750,000	750,000
<b>Total by Fund</b>		<b>G</b>	<b>3,000,000</b>	<b>0</b>	<b>10,500,000</b>	<b>0</b>	<b>5,000,000</b>	<b>0</b>	<b>18,500,000</b>	<b>18,500,000</b>
<b>Total Fire Funds</b>			<b>3,000,000</b>	<b>0</b>	<b>10,500,000</b>	<b>0</b>	<b>5,000,000</b>	<b>0</b>	<b>18,500,000</b>	<b>18,500,000</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Mayor's Office - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Five Percent for Art	UE	G	113,000	0	101,000	0	103,000	0	317,000	317,000
Site Acquisition	UE	G	500,000	0	1,000,000	0	1,000,000	0	2,500,000	2,500,000
Infrastructure and Site Improvements Closing Fund	UE	G	750,000	0	1,500,000	0	1,500,000	0	3,750,000	3,750,000
<b>Total by Fund</b>		<b>G</b>	<b>1,363,000</b>	<b>0</b>	<b>2,601,000</b>	<b>0</b>	<b>2,603,000</b>	<b>0</b>	<b>6,567,000</b>	<b>6,567,000</b>
<b>Total Mayor's Office Funds</b>			<b>1,363,000</b>	<b>0</b>	<b>2,601,000</b>	<b>0</b>	<b>2,603,000</b>	<b>0</b>	<b>6,567,000</b>	<b>6,567,000</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Parks and Recreation - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Park Improvements	UE	G	1,500,000	0	3,025,000	0	3,327,500	0	7,852,500	7,852,500
WHACC Improvements	UE	G	200,000	0	525,000	0	551,250	0	1,276,250	1,276,250
Pool Improvements	UE	G	200,000	0	550,000	0	605,000	0	1,355,000	1,355,000
Plazas, Squares, and Triangles	NR	G	100,000	0	262,500	0	275,625	0	638,125	638,125
<b>Total by Fund</b>		<b>G</b>	<b>2,000,000</b>	<b>0</b>	<b>4,362,500</b>	<b>0</b>	<b>4,759,375</b>	<b>0</b>	<b>11,121,875</b>	<b>11,121,875</b>
<b>Total Parks and Recreation Funds</b>			<b>2,000,000</b>	<b>0</b>	<b>4,362,500</b>	<b>0</b>	<b>4,759,375</b>	<b>0</b>	<b>11,121,875</b>	<b>11,121,875</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Police Department - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Public Safety Building Improvements	UE	G	560,000	0	0	0	0	0	560,000	560,000
Locker Room Improvements and Upgrades	UE	G	500,000	0	0	0	0	0	500,000	500,000
Firearms Range Trailer / Office	NR	G	150,000	0	0	0	0	0	150,000	150,000
<b>Total by Fund</b>		<b>G</b>	<b>1,210,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,210,000</b>	<b>1,210,000</b>
<b>Total Police Department Funds</b>			<b>1,210,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,210,000</b>	<b>1,210,000</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Public Works - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Street Paving and Reconstruction	RE	G	7,000,000	0	8,000,000	0	8,000,000	0	23,000,000	23,000,000
Emergency Sidewalk Repairs	UE	G	500,000	0	1,000,000	0	1,000,000	0	2,500,000	2,500,000
Building Improvements	RE	G	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
11th Street Sewage Pumping Station Upgrade	UE	W	4,500,000	0	10,000,000	0	5,000,000	0	19,500,000	19,500,000
Annual Minor Sewer Improvements	RE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Major Sewer Improvements	RE	W	4,000,000	0	4,000,000	0	4,000,000	0	12,000,000	12,000,000
Annual Water Improvements	UE	W	7,500,000	0	7,500,000	0	7,500,000	0	22,500,000	22,500,000
Porter Filter Plant Improvements	UE	W	4,000,000	0	8,000,000	0	5,000,000	0	17,000,000	17,000,000
Hoopes Dam	UE	W	3,000,000	0	4,000,000	0	0	0	7,000,000	7,000,000
Transmission Main Improvements	UE	W	4,000,000	0	4,000,000	0	4,000,000	0	12,000,000	12,000,000
Pressure Zone Reliability Improvements	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Pumping Station Improvements	UE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
WWTP Electrical System Improvements	UE	W	6,300,000	0	0	0	0	0	6,300,000	6,300,000
WWTP Infrastructure Improvements	UE	W	8,800,000	0	14,000,000	0	14,000,000	0	36,800,000	36,800,000
South Wilmington Wetlands Park	UE	W	2,000,000	0	0	0	0	0	2,000,000	2,000,000
Sewer Separation Projects and Flow Monitoring	UE	W	1,000,000	0	0	0	0	0	1,000,000	1,000,000
Stormwater Drainage Management Program	UE	W	1,800,000	0	1,800,000	0	1,800,000	0	5,400,000	5,400,000
Storm Water Mitigation (Green Infrastructure)	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Urban Forest Management Program	RE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
<b>Total by Fund</b>		<b>G</b>	<b>9,000,000</b>	<b>0</b>	<b>10,500,000</b>	<b>0</b>	<b>10,500,000</b>	<b>0</b>	<b>30,000,000</b>	<b>30,000,000</b>
		<b>W</b>	<b>51,400,000</b>	<b>0</b>	<b>57,800,000</b>	<b>0</b>	<b>45,800,000</b>	<b>0</b>	<b>155,000,000</b>	<b>155,000,000</b>
<b>Total Public Works Funds</b>			<b>60,400,000</b>	<b>0</b>	<b>68,300,000</b>	<b>0</b>	<b>56,300,000</b>	<b>0</b>	<b>185,000,000</b>	<b>185,000,000</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Real Estate and Housing - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
Neighborhood Stabilization	UE	G	1,000,000	0	0	0	0	0	1,000,000	1,000,000
Housing Partnership Debt Assumption	UE	G	3,400,000	0	0	0	0	0	3,400,000	3,400,000
Acquisition, Rehabilitation, and Disposition	UE	G	0	0	6,000,000	0	6,000,000	0	12,000,000	12,000,000
<b>Total by Fund</b>		<b>G</b>	<b>4,400,000</b>	<b>0</b>	<b>6,000,000</b>	<b>0</b>	<b>6,000,000</b>	<b>0</b>	<b>16,400,000</b>	<b>16,400,000</b>
<b>Total Real Estate and Housing Funds</b>			<b>4,400,000</b>	<b>0</b>	<b>6,000,000</b>	<b>0</b>	<b>6,000,000</b>	<b>0</b>	<b>16,400,000</b>	<b>16,400,000</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.



**Capital Improvements Program  
Fiscal Years 2020 - 2025**

**Transportation Division - Program Recommendations by Fiscal Year**

Project	Expend. Category	Type of Funding	Fiscal Year					Total City Funds	Total City / Matching Funds	
			2020	2021	2022	2023	2024			2025
ADA Curb Ramp and Sidewalk Compliance	UE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Traffic System Infrastructure	UE	G	2,000,000	0	2,500,000	0	1,500,000	0	6,000,000	6,000,000
Wilmington Transportation Initiatives	UE	G	500,000	0	2,000,000	0	2,000,000	0	4,500,000	4,500,000
		O	2,000,000	0	8,000,000	0	8,000,000	0	0	18,000,000
Total by Fund		G	4,500,000	0	6,500,000	0	5,500,000	0	16,500,000	16,500,000
		O	2,000,000	0	8,000,000	0	8,000,000	0	0	18,000,000
<b>Total Transportation Division Funds</b>			<b>6,500,000</b>	<b>0</b>	<b>14,500,000</b>	<b>0</b>	<b>13,500,000</b>	<b>0</b>	<b>16,500,000</b>	<b>34,500,000</b>

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See [page 253](#) for detailed descriptions of categories.

### III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2020 - 2025

#### 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: \$1,000,000.  
Program Request: \$6,750,000.

Budget: Provides funds for the replacement of Engine Pumper #2.

Program: Ongoing replacement program for Engine Pumpers #3 and #6 (\$1,000,000 each); Engine Pumper Squad #4 (\$1,500,000); Ladder Truck #2 (\$1,750,000); and Ladder Truck #3 (\$1,500,000).

<i>Annual Debt Service Impact</i>	<i>\$74,724</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$5,000)</i>

##### 2. Fire Station Renovations

Budget Request: \$2,000,000.  
Program Request: \$8,000,000.

Budget: Provides funds for renovations to the City's fire stations, including structural, mechanical and cosmetic upgrades.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$149,447</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$10,000)</i>

**3. Rescue Ambulance Replacement**

Budget Request: \$0.  
Program Request: \$750,000.

Budget: None.

Program: Ongoing program for the replacement of Rescue Ambulances #2, #3 and #6 (\$250,000 each), 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: \$113,000.  
Program Request: \$204,000.

Budget: The Five Percent for Art program receives capital funding for the purpose of providing ornamentation, such as sculpture and artwork, on certain eligible capital projects involving public buildings or structures.

Program: Ongoing.

*Annual Debt Service Impact* \$8,444  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**2. Site Acquisition**

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

Budget: Provides funds for land acquisition in support of economic development projects, including public-private partnerships, with a focus on preventing the expansion of undesirable commercial uses in blighted areas, and supporting the development of light manufacturing/industrial business parks.

Program: Ongoing.

*Annual Debt Service Impact* \$37,362  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

**3. Infrastructure and Site Improvements Closing Fund**

Budget Request: \$750,000.

Program Request: \$3,000,000.

Budget: Provides funds for public infrastructure and site improvements to support economic development projects and other major investments that create employment opportunities and expand commercial and market rate residential development; and to leverage private redevelopment of underutilized and blighted areas. Includes land acquisition, construction of new roads and utilities, site preparation work and environmental remediation.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$56,043</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**D. PARKS AND RECREATION**

**1. Park Improvements**

Budget Request: \$1,500,000.

Program Request: \$6,352,500.

Budget: Provides funds for necessary improvements to playground and fitness equipment, athletic facilities, walkways, fencing, landscaping and related site amenities in the Parks system.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$112,086</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

**2. WHACC Improvements**

Budget Request: \$200,000.  
Program Request: \$1,076,250.

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$14,945</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$1,000)</i>

**3. Pool Improvements**

Budget Request: \$200,000.  
Program Request: \$1,155,000.

Budget: Provides funds for improvements to pools, pool houses, and related site amenities.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$14,945</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$1,000)</i>

**4. Plazas, Squares & Triangles**

Budget Request: \$100,000.  
Program Request: \$538,125.

Budget: Provides funds for improvements to citywide public plazas, squares, triangles and fountains.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$7,472</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>\$0</i>

## **E. POLICE DEPARTMENT**

### **1. Public Safety Building Improvements**

Budget Request: \$560,000.  
Program Request: \$0.

Budget: Provides funds for improvements to the public safety building, including parking lot repaving, installation of security bollards and building signage, and window replacement.

Program: None.

<i>Annual Debt Service Impact</i>	\$41,845
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### **2. Locker Room Improvements and Upgrades**

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

Budget: Provides funds for improvements to the existing locker rooms, showers and dressing areas, and the construction of a separate executive locker room.

Program: None.

<i>Annual Debt Service Impact</i>	\$37,362
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### **3. Firearms Range Trailer / Office**

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

Budget: Provides funds for the replacement of the aged and deteriorated firearms range trailer, which serves as a mobile office for Wilmington and New Castle County officers.

Program: None.

<i>Annual Debt Service Impact</i>	\$11,209
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

## F. PUBLIC WORKS

### General Fund Projects

#### 1. Street Paving and Reconstruction

Budget Request: \$7,000,000.  
Program Request: \$16,000,000.

Budget: Provides funds for routine street paving and reconstruction of deteriorated roadways throughout the city based on condition and use, in order to maintain roadway network infrastructure.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$523,066
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$35,000)

#### 2. Emergency Sidewalk Repairs

Budget Request: \$500,000.  
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.

<i>Annual Debt Service Impact</i>	\$37,362
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	(\$2,500)

#### 3. Building Improvements

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

Budget: Provides funds for necessary additions and renovations to the Louis L. Redding City/County Building and other municipal buildings.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$112,086
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

## Water/Sewer Fund Projects

### 1. 11<sup>th</sup> Street Sewage Pumping Station Upgrade

Budget Request: \$4,500,000.  
Program Request: \$15,000,000.

Budget: Provides funds for the rehabilitation and replacement of the aging sewage pumping station.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$191,250</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$22,500)</i>

### 2. Annual Minor Sewer Improvements

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

Budget: Provides funds for the rehabilitation of small diameter sewers and other projects citywide, as identified through closed circuit TV (CCTV) inspection and modeling efforts.

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$63,750</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$7,500)</i>

### 3. Major Sewer Improvements

Budget Request: \$4,000,000.  
Program Request: \$8,000,000.

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	<i>\$170,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. &amp; E.</i>	<i>(\$20,000)</i>



**4. Annual Water Improvements**

Budget Request: \$7,500,000.  
Program Request: \$15,000,000.

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

Program: Ongoing.

*Annual Debt Service Impact* \$318,750  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$37,500)

**5. Porter Filter Plant Improvements**

Budget Request: \$4,000,000.  
Program Request: \$13,000,000.

Budget: Provides funds for upgrading the clarifiers and electrical system, and making other improvements the Porter Reservoir and Clear Well to provide top quality, safe drinking water.

Program: Ongoing.

*Annual Debt Service Impact* \$170,000  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$20,000)

**6. Hoopes Dam**

Budget Request: \$3,000,000.  
Program Request: \$4,000,000.

Budget: Provides funds for improvements to Hoopes Dam to assure dam safety and function.

Program: Ongoing.

*Annual Debt Service Impact* \$127,500  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$15,000)

**7. Transmission Main Improvements**

Budget Request: \$4,000,000.  
Program Request: \$8,000,000.

Budget: Provides funds for transmission capacity improvements throughout the water district, including the installation of new transmission mains.

Program: Ongoing.

*Annual Debt Service Impact* \$170,000  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$20,000

**8. Pressure Zone Reliability Improvements**

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

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

Program: Ongoing.

*Annual Debt Service Impact* \$42,500  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$5,000

**9. Pumping Station Improvements**

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

Budget: Provides funds for upgrades to pumps and electrical components at various pumping stations, to maintain consistent level of water service.

Program: Ongoing.

*Annual Debt Service Impact* \$21,250  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$2,500)

**10. WWTP Electrical System Improvements**

Budget Request: \$6,300,000.  
Program Request: \$0.

Budget: Provides funds for the rehabilitation and replacement of aged infrastructure at the Waste Water Treatment Plant (12<sup>th</sup> Street and Hay Road) to improve the reliability of operations.

Program: None.

*Annual Debt Service Impact* \$267,750  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$31,500)

**11. WWTP Infrastructure System Improvements**

Budget Request: \$8,800,000.  
Program Request: \$28,000,000.

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

Program: Ongoing.

*Annual Debt Service Impact* \$374,000  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$44,000)

**12. South Wilmington Wetlands Park**

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

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: None.

*Annual Debt Service Impact* \$85,000  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$10,000)

**13. Sewer Separation Projects & Flow Monitoring**

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

Budget: Provides funds for the partial separation of combined sewers in the Interceptor B Basin at 15<sup>th</sup> and Walnut Streets to reduce overflow events.

Program: None.

*Annual Debt Service Impact* \$42,500  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$5,000

**14. 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.

*Annual Debt Service Impact* \$76,500  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$9,000)

**15. 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* \$42,500  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* (\$5,000)

**16. Urban Forest Management Program**

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

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

Program: Ongoing.

<i>Annual Debt Service Impact</i>	\$21,250
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**G. REAL ESTATE AND HOUSING**

**1. Neighborhood Stabilization**

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

Budget: Provides funds for the acquisition, rehabilitation, and disposition of abandoned and foreclosed properties in order to stabilize neighborhoods.

Program: None.

<i>Annual Debt Service Impact</i>	\$74,724
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

**2. Housing Partnership Debt Assumption**

Budget Request: \$3,400,000.  
Program Request: \$0.

Budget: Provides funds to satisfy outstanding debt incurred by the Wilmington Housing Partnership.

Program: None.

<i>Annual Debt Service Impact</i>	\$254,061
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0

### 3. Acquisition, Rehabilitation, and Disposition

Budget Request: \$0.  
Program Request: \$12,000,000.

Budget: None.

Program: Ongoing program to address the acquisition, demolition, rehabilitation and disposition of property for the creation of affordable housing opportunities.

*Annual Debt Service Impact* \$0  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$0

## H. TRANSPORTATION

### 1. ADA Curb Ramp and Sidewalk Compliance

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

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

Program: Ongoing.

*Annual Debt Service Impact* \$149,447  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$10,000

### 2. Traffic System Infrastructure

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

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

Program: Ongoing.

*Annual Debt Service Impact* \$149,447  
*Annual Operational Impact Personal Services* \$0  
*Annual Operational Impact M. S. & E.* \$10,000

**3. Wilmington Transportation Initiatives**

Budget Request: \$500,000. (Other Funds: \$2,000,000)  
Program Request: \$4,000,000. (Other Funds: \$16,000,000)

Budget: None.

Program: Provides local matching funds to leverage federal funding for transportation projects managed through the Wilmington Initiatives partnership (City, DelDOT, Wilmapco), including Transportation Improvements Program (TIP), Transportation Alternatives Program (TAP), and legislator-sponsored projects.

<i>Annual Debt Service Impact</i>	\$37,362
<i>Annual Operational Impact Personal Services</i>	\$0
<i>Annual Operational Impact M. S. &amp; E.</i>	\$0





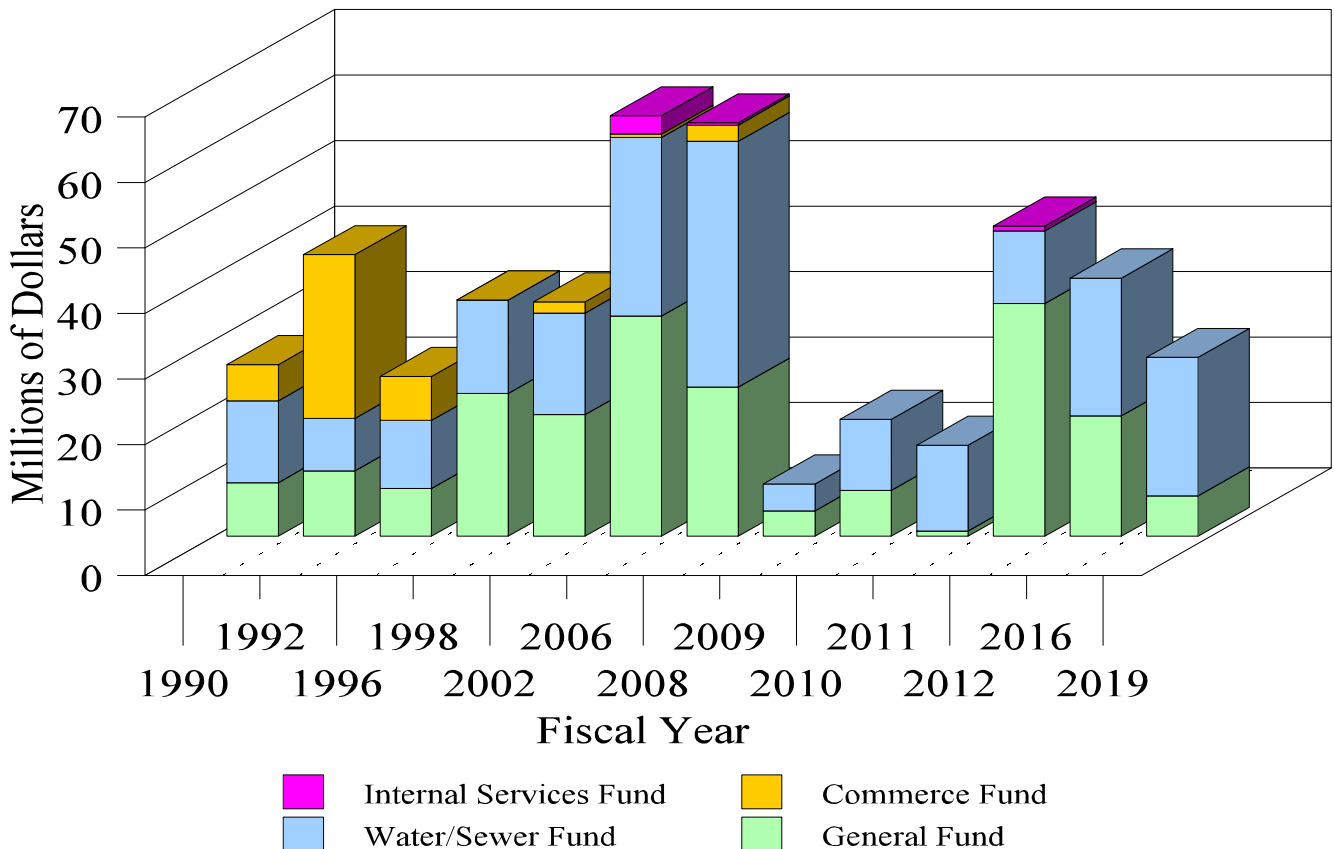
# CAPITAL BORROWING AND DEBT MANAGEMENT

## Borrowing History

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with 1990 and ending in 2019. Amounts shown were borrowed for capital projects within the stated fiscal year. In some fiscal years, the City issued bonds to refinance past obligations at lower interest rates. Those refinancings are not included in the graph below. In other fiscal years, the City issued bonds for both refunding and new projects; only the new projects portion is shown in the graph below. There are also some fiscal years when the City did not issue any bonds.

The City's aggressive position in maintaining its infrastructure results in debt levels and debt servicing requirements slightly higher than peer groups. Overall debt levels have risen due to the expanded servicing area of the Water/Sewer Fund, numerous capital improvements, and the past operations of the Port of Wilmington. However, debt service levels are well within the legal debt limit of 17.5% of operating costs as mandated by the State of Delaware. (This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.) With the Fiscal Year 2021 General Fund Operating Budget totaling \$163,501,049, the budgeted debt service of \$12,124,255 is well below the 17.5% legal debt limit of \$28,612,684.

## General Obligation Bond Issuances Fiscal Years 1990-2019



## **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 was in November 2018 and was used to fund the FY 2016 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's policy goal is to keep that percentage 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-year and 10-year bonds have been issued in special circumstances. Normally, general obligation bonds are issued for fixed-asset purchases, infrastructure maintenance, and capital improvement projects. The City also uses short-term obligations (e.g. bond anticipation notes, capital leases, etc.) to bridge the time gap between initiation of a project/purchase and the anticipated bond issuance, when the nature of a purchase precludes the issuance of long-term debt, or when it is fiscally responsible to do so.

Per City Code, long-term debt cannot be issued for operating expenses. With City Council approval, the City may in special cases issue short-term tax anticipation notes in order to bridge timing gaps in cash flow from tax revenue sources.

Prior to the issuance of any short- or long-term obligations, the City considers the effect of borrowing on its financial position, its ability to repay, and the legal debt limit imposed by the State of Delaware. As mandated, total General Fund debt service is limited to 17.5% of annual operating costs (equal to \$28,612,684 for FY 2021). 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 2019 figures are actual payments. Fiscal years 2020 and 2021 are budgeted figures, and FY 2021 and beyond are figures based on the current structure of debt outstanding with no calculation added for assumed new borrowing. The average effective interest rates (yields) on outstanding balances are 2.84% for the General Fund, 2.73% for the Water/Sewer Fund, and 2.76% 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>	8,626,347	4,940,993	13,567,340	9.0%
<b>FY 2018</b>	7,507,637	4,712,927	12,220,564	7.5%
<b>FY 2019</b>	8,450,389	4,465,093	12,915,482	9.0%
<b>FY 2020</b>	9,441,089	4,644,911	14,086,000	8.6%
<b>FY 2021</b>	8,296,850	3,827,405	12,124,255	7.2%
<b>FY 2022</b>	8,061,771	3,580,393	11,642,164	6.8%
<b>FY 2023</b>	7,946,134	3,239,330	11,185,464	6.4%
<b>FY 2024</b>	7,252,063	2,871,374	10,123,437	5.6%
<b>FY 2025</b>	7,201,226	2,523,444	9,724,670	5.3%
<b>FY 2026</b>	7,262,469	2,175,083	9,437,552	5.0%
<b>FY 2027</b>	6,511,705	1,831,008	8,342,713	4.3%
<b>FY 2028</b>	5,871,585	1,540,446	7,412,031	3.7%
<b>FY 2029</b>	6,514,721	1,252,455	7,767,176	3.8%
<b>FY 2030</b>	6,404,996	932,471	7,337,467	3.5%
<b>FY 2031</b>	3,797,795	691,997	4,489,792	2.1%
<b>FY 2032</b>	5,471,965	497,970	5,969,935	2.7%
<b>FY 2033</b>	1,558,571	345,636	1,904,207	0.8%
<b>FY 2034</b>	1,638,280	266,134	1,904,414	0.8%
<b>FY 2035</b>	1,719,200	182,589	1,901,789	0.8%
<b>FY 2036</b>	1,808,140	94,881	1,903,021	0.8%
<b>FY 2037</b>	394,064	40,302	434,366	0.2%
<b>FY 2038</b>	411,976	20,599	432,575	0.2%
<b>FY 2039</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$160,427,815</b>	<b>\$75,630,012</b>	<b>\$236,057,827</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	6,505,585	15,383,041	20.5%
<b>FY 2018</b>	7,398,682	5,579,777	12,978,459	18.2%
<b>FY 2019</b>	11,389,920	5,028,632	16,418,552	24.8%
<b>FY 2020</b>	13,869,992	6,309,048	20,179,040	25.9%
<b>FY 2021</b>	14,889,550	6,601,551	21,491,101	26.9%
<b>FY 2022</b>	14,877,439	5,878,976	20,756,415	25.4%
<b>FY 2023</b>	14,728,803	5,383,655	20,112,458	24.0%
<b>FY 2024</b>	15,721,217	4,829,363	20,550,580	23.9%
<b>FY 2025</b>	15,974,841	4,240,627	20,215,468	23.0%
<b>FY 2026</b>	15,473,247	3,658,735	19,131,982	21.2%
<b>FY 2027</b>	14,802,061	3,083,647	17,885,708	19.3%
<b>FY 2028</b>	14,084,005	2,568,134	16,652,139	17.6%
<b>FY 2029</b>	11,162,517	2,242,231	13,404,748	13.8%
<b>FY 2030</b>	10,537,781	1,743,048	12,280,829	12.3%
<b>FY 2031</b>	11,910,408	1,352,903	13,263,311	13.0%
<b>FY 2032</b>	7,963,852	1,004,072	8,967,924	8.6%
<b>FY 2033</b>	6,021,841	778,188	6,800,029	6.3%
<b>FY 2034</b>	5,947,019	687,630	6,634,649	6.0%
<b>FY 2035</b>	3,193,220	399,991	3,593,211	3.2%
<b>FY 2036</b>	3,346,352	251,128	3,597,480	3.1%
<b>FY 2037</b>	1,365,936	139,698	1,505,634	1.3%
<b>FY 2038</b>	1,428,024	71,401	1,499,425	1.3%
<b>FY 2039</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$268,762,715</b>	<b>\$101,288,527</b>	<b>\$370,051,242</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	202,046	722,071	5.8%
<b>FY 2018</b>	460,958	218,710	679,668	4.3%
<b>FY 2019</b>	396,422	203,712	600,134	2.8%
<b>FY 2020</b>	1,637,880	145,924	1,783,804	22.2%
<b>FY 2021</b>	530,370	268,212	798,582	9.7%
<b>FY 2022</b>	740,667	54,615	795,282	9.4%
<b>FY 2023</b>	195,863	38,157	234,020	2.7%
<b>FY 2024</b>	208,218	27,647	235,865	2.7%
<b>FY 2025</b>	218,821	16,971	235,792	2.6%
<b>FY 2026</b>	230,012	5,750	235,762	2.5%
<b>FY 2027</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$7,369,237</b>	<b>\$3,283,526</b>	<b>\$10,652,763</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>	12,697,262	11,921,286	24,618,548	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>	18,023,828	11,648,624	29,672,452	12.1%
<b>FY 2018</b>	15,367,277	10,511,414	25,878,691	10.5%
<b>FY 2019</b>	20,236,731	9,697,437	29,934,168	12.7%
<b>FY 2020</b>	24,948,961	11,099,883	36,048,844	14.2%
<b>FY 2021</b>	23,716,770	10,697,168	34,413,938	14.0%
<b>FY 2022</b>	23,679,876	9,513,984	33,193,860	12.9%
<b>FY 2023</b>	22,870,800	8,661,143	31,531,943	12.1%
<b>FY 2024</b>	23,181,498	7,728,385	30,909,883	11.5%
<b>FY 2025</b>	23,394,888	6,781,042	30,175,930	11.0%
<b>FY 2026</b>	22,965,729	5,839,568	28,805,297	10.3%
<b>FY 2027</b>	21,313,766	4,914,655	26,228,421	9.5%
<b>FY 2028</b>	19,955,591	4,108,581	24,064,172	8.5%
<b>FY 2029</b>	17,677,238	3,494,685	21,171,923	7.3%
<b>FY 2030</b>	16,942,777	2,675,519	19,618,296	6.7%
<b>FY 2031</b>	15,708,203	2,044,899	17,753,102	5.9%
<b>FY 2032</b>	13,435,817	1,502,042	14,937,859	4.9%
<b>FY 2033</b>	7,580,412	1,123,824	8,704,236	3.0%
<b>FY 2034</b>	7,585,299	953,764	8,539,063	2.8%
<b>FY 2035</b>	4,912,421	582,580	5,495,001	1.9%
<b>FY 2036</b>	5,154,491	346,010	5,500,501	1.9%
<b>FY 2037</b>	1,760,000	180,000	1,940,000	0.9%
<b>FY 2038</b>	1,840,000	92,000	1,932,000	0.9%
<b>FY 2039</b>	0	0	0	0.0%
<b>TOTAL</b>	<b>\$436,559,768</b>	<b>\$180,202,068</b>	<b>\$616,761,836</b>	

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

**GENERAL FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2017</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>BUDGET FY 2021</b>
<b>MAYOR'S OFFICE</b>	\$4,039,184	\$3,692,596	\$3,765,676	\$3,744,144	\$2,994,340
<b>% Departmental Expenses</b>	40.0%	38.4%	38.2%	37.8%	33.6%
<b>CITY COUNCIL</b>	683	707	720	1,034	1,220
<b>% Departmental Expenses</b>	0.0%	0.0%	0.0%	0.0%	0.1%
<b>PLANNING</b>	239,454	128,071	215,906	175,557	121,082
<b>% Departmental Expenses</b>	13.6%	8.6%	11.6%	11.0%	8.4%
<b>FINANCE</b>	37,027	30,420	48,625	53,090	64,419
<b>% Departmental Expenses</b>	0.4%	0.3%	0.5%	0.6%	0.7%
<b>HUMAN RESOURCES</b>	21,160	20,192	28,551	40,281	25,791
<b>% Departmental Expenses</b>	1.0%	1.0%	1.3%	1.7%	1.2%
<b>LICENSES &amp; INSPECTIONS</b>	4,791	4,960	5,053	7,255	8,558
<b>% Departmental Expenses</b>	0.1%	0.1%	0.1%	0.1%	0.2%
<b>PARKS &amp; RECREATION</b>	1,904,284	1,454,172	1,671,497	1,773,483	1,530,537
<b>% Departmental Expenses</b>	19.8%	16.4%	18.6%	19.6%	18.5%
<b>FIRE</b>	678,013	797,478	998,058	1,453,727	1,411,678
<b>% Departmental Expenses</b>	2.3%	2.8%	3.9%	5.6%	5.6%
<b>POLICE</b>	392,191	379,235	274,534	247,097	251,069
<b>% Departmental Expenses</b>	0.6%	0.6%	0.5%	0.4%	0.4%
<b>PUBLIC WORKS</b>	3,762,217	4,308,648	4,545,306	4,811,381	4,633,650
<b>% Departmental Expenses</b>	16.8%	18.1%	18.5%	18.4%	18.0%
<b>REAL ESTATE &amp; HOUSING</b>	1,197,790	899,609	859,895	731,820	622,815
<b>% Departmental Expenses</b>	62.0%	59.0%	42.2%	39.8%	21.1%
<b>COMMERCE DEPARTMENT</b>	1,290,546	504,473	501,661	720,226	661,631
<b>% Departmental Expenses</b>	100.0%	100.0%	100.0%	100.0%	100.0%
<b>INFORMATION TECH</b>	0	0	0	326,905	385,827
<b>% Departmental Expenses</b>	0.0%	0.0%	0.0%	3.8%	4.5%



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

**GENERAL FUND (CONTINUED)**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2017</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>BUDGET FY 2021</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$13,567,340</b>	<b>\$12,220,563</b>	<b>\$12,915,483</b>	<b>\$14,086,000</b>	<b>\$12,124,255</b>
<b>% General Fund</b>	<b>8.3%</b>	<b>7.9%</b>	<b>8.2%</b>	<b>8.4%</b>	<b>7.4%</b>
<b>LEGAL DEBT SERVICE LIMIT (17.5%)</b>	<b>\$28,654,718</b>	<b>\$27,090,369</b>	<b>\$27,426,940</b>	<b>\$29,292,854</b>	<b>\$28,612,684</b>

**WATER/SEWER FUND**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2017</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>BUDGET FY 2021</b>
<b>PUBLIC WORKS</b>	<b>\$6,495,711</b>	<b>\$5,574,779</b>	<b>\$4,998,319</b>	<b>\$6,257,777</b>	<b>\$6,521,722</b>
<b>% of Department Expenses</b>	<b>9.8%</b>	<b>8.2%</b>	<b>7.3%</b>	<b>8.8%</b>	<b>9.2%</b>
<b>FINANCE</b>	<b>\$9,875</b>	<b>\$4,999</b>	<b>\$30,313</b>	<b>\$51,271</b>	<b>\$79,829</b>
<b>% of Department Expenses</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.5%</b>	<b>0.7%</b>	<b>1.2%</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$6,505,586</b>	<b>\$5,579,778</b>	<b>\$5,028,632</b>	<b>\$6,309,048</b>	<b>\$6,601,551</b>
<b>% of Water/Sewer Fund</b>	<b>9.2%</b>	<b>7.6%</b>	<b>6.8%</b>	<b>8.1%</b>	<b>8.5%</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)**

**INTERNAL SERVICE (IS) FUNDS**

<b>DEPARTMENT</b>	<b>ACTUAL FY 2017</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>BUDGET FY 2021</b>
<b>MAYOR'S OFFICE</b>	\$112,038	\$36,639	\$3,689	\$0	\$0
<b>% of Department Expenses</b>	1.4%	0.5%	0.1%	0.0%	0.0%
<b>PUBLIC WORKS</b>	\$202,045	\$218,710	\$203,712	\$145,924	\$268,212
<b>% of Department Expenses</b>	2.7%	2.7%	2.6%	1.9%	3.3%
<b>TOTAL DEBT SERVICE</b>	<b>\$314,083</b>	<b>\$255,349</b>	<b>\$207,401</b>	<b>\$145,924</b>	<b>\$268,212</b>
<b>% of IS Fund</b>	<b>2.0%</b>	<b>1.6%</b>	<b>1.6%</b>	<b>1.9%</b>	<b>3.3%</b>

**ALL FUNDS**

<b>ALL DEPARTMENTS</b>	<b>ACTUAL FY 2017</b>	<b>ACTUAL FY 2018</b>	<b>ACTUAL FY 2019</b>	<b>BUDGET FY 2020</b>	<b>BUDGET FY 2021</b>
<b>TOTAL DEBT SERVICE</b>	<b>\$20,377,134</b>	<b>\$18,981,497</b>	<b>\$18,151,516</b>	<b>\$20,540,972</b>	<b>\$18,994,018</b>
<b>% of All Funds</b>	<b>8.1%</b>	<b>7.8%</b>	<b>7.4%</b>	<b>8.1%</b>	<b>7.6%</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.**

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE  
AND NET BONDED DEBT PER CAPITA  
FISCAL YEARS 1996-2020**

<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>
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
2018	2,160,800,395	271,400,882	170,053,484	101,347,398	4.69%	1,430
2019	2,165,200,587	318,236,352	219,127,386	99,108,966	4.58%	1,399
2020	2,181,989,209	273,675,577	185,552,066	88,123,511	4.04%	1,244

**TOTAL DEBT BALANCES BY YEAR  
FISCAL YEARS 2021-2039**

<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>
2021	88,123,511	183,428,114	2,123,952	273,675,577
2022	79,826,661	168,538,564	1,593,582	249,958,807
2023	71,764,891	153,661,125	852,914	226,278,930
2024	63,818,757	138,932,322	657,051	203,408,130
2025	56,566,693	123,211,106	448,833	180,226,632
2026	49,365,467	107,236,264	230,012	156,831,743
2027	42,102,998	91,763,017	0	133,866,015
2028	35,591,293	76,960,956	0	112,552,249
2029	29,719,708	62,876,951	0	92,596,659
2030	23,204,987	51,714,433	0	74,919,420
2031	16,799,991	41,176,652	0	57,976,643
2032	13,002,196	29,266,244	0	42,268,440
2033	7,530,231	21,302,392	0	28,832,623
2034	5,971,660	15,280,551	0	21,252,211
2035	4,333,380	9,333,532	0	13,666,912
2036	2,614,180	6,140,312	0	8,754,492
2037	806,040	2,793,960	0	3,600,000
2038	411,976	1,428,024	0	1,840,000
2039	0	0	0	0

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

**Account:** A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

**Account Group:** A group of similarly related expenditure accounts such as Personal Services, which includes salaries, overtime, pension, and hospitalization.

**Accounts Payable:** Amounts due to creditors arising out of the purchase of goods or services.

**Accounts Receivable:** Amounts due from debtors arising out of the extension of open account credit, usually in connection with the sale of goods or services to customers.

**Accrual Basis:** The basis of accounting under which revenues and expenses are recognized and recorded when they are earned or incurred, rather than when collected or paid.

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

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

**Administrative Services:** The combination of various services internally supplied to all departments and reimbursed on a per-usage basis. These activities used to include Word Processing, Data Processing, Mapping and Graphics, Mail and Copy Services, Telephone, Radio, and the Motor Vehicle Fleet. Starting in FY 2020, the Motor Vehicle Fleet become the sole administrative service left in the Internal Services account group.

**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 (usually two years or less) interest-bearing note issued by a government to fund capital needs in anticipation of bonds to be issued at a later date. The note is retired from proceeds of the bond issue to which it is related.

**Basis of Accounting:** The underlying fiscal principles utilized in the development of the financial statements. The City uses the Accrual Basis and Modified Accrual Basis.

**Basis of Budgeting:** The underlying fiscal principles utilized in the development of the budget. The City matches its basis of budgeting to its basis of accounting.

**Bond:** A written promise to pay a specified sum of money, called the face value or principal amount, at specified dates, called the maturity dates, together with periodic interest at a specified rate. The City incurs

bonded debt to pay for the costs of capital improvements, such as streets, buildings, and water mains.

**Budget:** Plan of financial operation, embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Upon approval by Council, the budget ordinance is the legal basis for expenditures in the budget year.

**Budget Ordinance:** An ordinance by which the appropriations in the budget are given legal effect. It is the method by which the expenditures side of the budget is enacted into law by City Council.

**Budget Reserve:** The Budget Reserve Account or "Rainy Day Account" is a set-aside of funds equal to 10% of the General Fund Operating Budget. The Budget Reserve is to be used only in emergencies as declared by the Mayor and approved by a two-thirds majority vote of City Council. Also see **Fund Balance**.

**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 two-year appropriation of expenditures from the Capital Program, normally funded from bond proceeds and intragovernmental grants.

**Capital Expenditures:** Outlays for machinery, equipment, land, buildings, infrastructure and other fixed assets or permanent improvements that have a useful life of at least five years and a cost of at least \$5,000.

**Capitalization:** In the Water/Sewer and Internal Services Funds, fixed-asset acquisitions are budgeted; however, in accordance with the Government Accounting Standards Board, these amounts are subsequently reversed through the capitalization account and not included in totals. This is done because the purchase of fixed assets in Enterprise Funds is not considered an expense, but for appropriation purposes the purchase needs to be specified for City Council and the public.

**Capital Program:** A six-year plan for the purchase of property, equipment (fixed assets), and public improvements that are of a permanent nature.

**Cash Basis:** The basis of accounting in which revenues and expenses are recorded when cash is collected or paid out, not when earned or incurred.

**CDBG:** The City's Community Development Block Grant from the United States Department of Housing and Urban Development (HUD). These monies are specifically designated to revitalize targeted underdeveloped areas of the City, remove artificial barriers and improve slum areas.

**City Charter:** The document issued by the State of Delaware, which defines the City's purpose and privileges, and outlines its principles, functions, and organization.

**Contingent Reserves:** Funds set aside as a reserve for unplanned operating expenses and snow and weather emergencies.

**Debt Limit:** A statutory limit on the amount of debt that an issuer may incur or have outstanding.

**Debt Service:** Principal and interest payments on borrowed funds.

**Deficit:** This occurs when total expenditures for an entity exceed total revenues.

**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.

**Encumbrance:** Any commitment of funds against an appropriation. It may be in the form of a purchase order or a contract. Encumbrance accounting is formally integrated into the accounting system for expenditure control purposes. Until such time as the goods or services are received, the commitment is referred to as an encumbrance. Encumbered balances at year-end, with the authority of the Finance Director, may be re-appropriated into the subsequent year.

**Expenditure/Expense:** A decrease in net financial resources, such as for the payment of goods received or services rendered.

**Financial Statements:** The medium used to communicate accounting information about an entity. The basic elements (building blocks) of financial statements are assets, liabilities, equity, revenues, expenses, gains, and losses.

**Fiscal:** Pertaining to the finances of an entity, such as the City.

**Fiscal Year:** The twelve month period of time between July 1 and June 30 established as the operating and accounting time frame for City activities. The term fiscal year is often abbreviated as “FY”.

**Fixed Asset:** A tangible resource or thing with a relatively long life expectancy, requiring a substantial financial outlay and usually large scale in nature, such as buildings, streets, and water pipes.

**Fund:** An independent accounting unit in which assets, liabilities, and equity are segregated for specific purposes in accordance to Governmental Generally Accepted Accounting Principals (GAAP). The City utilizes four major funds: General, Water/Sewer, Special, and Internal Services.

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

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

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

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

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

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

**FY:** Abbreviation for “Fiscal Year”.

**GAAP (Generally Accepted Accounting Principles):** Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Government Accounting Standards Board (GASB).

**GASB (Government Accounting Standards Board):** The regulatory body over governmental accounting principles and practices.

**General Obligation Bonds:** A bond that is secured by the full faith and credit of the City, with debt service from the bond being paid from City tax revenues. Such bonds are issued for the purpose of financing city capital improvement projects over a long period of time, usually 20 years.

**Goal:** A broad statement of intended accomplishments or a description of a general condition deemed desirable.

**GFOA (Government Finance Officers Association):** A professional association of state/provincial and local finance officers whose members are dedicated to the sound management of government financial resources and operations.

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

**HOPWA:** A grant entitled Housing Opportunities for Persons With AIDS received from the United States Department of Housing and Urban Development to address the housing concerns of this growing segment of the population.

**Internal Services:** A combination of various services internally supplied to all departments and reimbursed on a per usage basis. These activities include the **Administrative Services** (see above), along with the Self-Insurance services of Risk Management and Workers’ Compensation.

**Internal Service Chargebacks:** The group of accounts that record the costs that are charged to user departments for goods and services provided by the Internal Services.

**Indirect Costs:** Reimbursement payments from Enterprise Funds to the General Fund for general administrative services that the General Fund has provided such as accounting, legal advice and payroll.

**Infrastructure:** Facilities on which the continuance and growth of a community depend, such as streets, water/sewer lines, etc.

**Initiative:** A new program implemented to achieve a specific goal or objective.

**Interest:** The expense charged for a loan, usually a percentage of the amount borrowed.

**LLEBG: Local Law Enforcement Block Grant** awarded by the United States Department of Justice to be used by local Police jurisdictions to enhance crime prevention and deployment.

**Long Term Debt:** Debt with a maturity of more than one year after the date of issuance.



**Location Quotient:** A valuable way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique in comparison to the national.

**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 Position:** For the Water/Sewer Fund (and other proprietary and fiduciary funds), the difference between fund assets and liabilities is labeled as *Net Position* on the financial statement. Net Position is classified as *Invested in Capital Assets*, *Net of Related Debt*, legally *Restricted* for a specific purpose or *Unrestricted*, and available for appropriation for the general purposes of the fund. The Operation and Maintenance Reserve and the Rate Stabilization Reserve are part of the restricted net position of the Water/Sewer Fund.

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

**Operation and Maintenance Reserve:** The Operation and Maintenance Reserve was created in FY 2018 for the purpose of providing funding in the event of adverse economic conditions or a public emergency that impacts the operations and maintenance of the Water/Sewer Fund utilities. The Reserve is determined at the end of each fiscal year and is set to be equal to 17% of the following fiscal year's Water/Sewer Fund operating budget. The Reserve can be accessed in order to pay water and sewer obligations if the Mayor certifies that adverse economic conditions or a public emergency has occurred that impacts the operations and maintenance of the Water/Sewer Fund such that immediate action is required. Also see **Net Position**.

**Operating Budget:** The current year estimated revenues and expenditures for the day-to-day operations of the City.

**Operating Transfer:** A legally authorized movement of cash or equity from one fund to another, usually between the Water/Sewer Fund and the General Fund.

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

**Performance Measures:** Statistical indicators of the relative success toward achieving an objective.

**Personal Services:** Includes salaries and all other human-resource-related allotments, such as overtime, medical insurance, social security, etc.

**Principal:** The face amount of a note or bond, which the issuer promises to pay.

**Projections (Revenues/Expenditures):** An estimate of revenues or expenditures based on trend analysis, the study of economic conditions, and patterns of spending and income generation.

**Property Tax:** A levy based on a set percentage of the assessed value of real estate.

**Property Tax Base:** The value of all taxable real property in the City, as certified by the New Castle County Board of Assessment. The tax base represents the net value after all abatements and exemptions.

**Proprietary Funds:** Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. The City has two different types of proprietary funds: the Water/Sewer Fund and the Internal Services Funds.

**Rate Stabilization Reserve:** The Rate Stabilization Reserve was created in FY 2018 with the purpose of providing future water and sewer rate stabilization for the Water/Sewer Fund. The Reserve is the net unrestricted Water/Sewer Fund balance as determined by the fiscal year-end Comprehensive Annual Financial Report. The Reserve can be accessed in order to pay City water/sewer obligations and to limit the need to increase rates when authorized by City Council by ordinance. Also see **Net Position**.

**Revenue:** Income received from sources such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, and interest.

**Revenue Bonds:** A bond that is repaid and secured by the expected revenues from the project being financed or the entity doing the borrowing, such as a water/sewer system, and not by taxes.

**Risk Management:** The process of identifying potential events and actions that may result in liability to the City and the actions taken to eliminate or minimize the impact of such a liability on City finances, property, services, operations, and employees.

**SALLE:** State Aid for Local Law Enforcement. These monies are State of Delaware grants used for specific local law-enforcement programs such as training, consulting, counseling, and drug enforcement equipment.

**Self-Insurance:** Funding set aside for the payment of liability claims against the City by a third party or to cover the cost of damage, destruction, injury, or death as a result of City operations or natural disasters.

**Special Purpose:** The same as **Grants and Fixed Charges** except the activity is usually not financed by State or Federal contributions and is requested by the City Administration or City Council.

**Surplus:** The amount by which total revenues exceed total expenditures.

**Tax Stabilization Reserve:** The Tax Stabilization Reserve was created in FY 2018 with the purpose of providing future tax stabilization for the General Fund. The Tax Stabilization Reserve is the net unrestricted General Fund balance as determined by the fiscal year-end Comprehensive Annual Financial Report. The Reserve can be accessed as may be necessary in order to pay City obligations and to limit the need to increase taxes when authorized by City Council by ordinance. Also see **Fund Balance**.

**Unassigned Fund Balance:** See **Fund Balance**.

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