

City of Wilmington Delaware



Approved Budget Summary FY 2020

Michael S. Purzycki
Mayor

Prepared by the
Office of Management and Budget

Fiscal Year 2020 • Approved by City Council • May 21, 2019

City of Wilmington
FY 2020 Approved Budget
Projected Revenues & Expenditures

	FY 2020 General Fund	FY 2020 Water/Sewer Fund	FY 2020 Total
Revenues	\$169,672,653	\$83,663,000	\$253,335,653
Expenditures	167,387,739	77,925,640	245,313,379
Surplus/(Deficit)	\$2,284,914	\$5,737,360	\$8,022,274
WPA Transfer In	275,000	0	275,000
Net Surplus/(Deficit)	\$2,559,914	\$5,737,360	\$8,297,274

BUDGET HIGHLIGHTS

CITY OF WILMINGTON

FISCAL YEAR 2020

The General Fund

- The FY 2020 operating budget expenditures total **\$167,387,739** – up \$5,088,738 or 3.1% from FY 2019. The budget was balanced without a Property Tax increase or use of the Tax Stabilization Reserve.
- The Mayor’s Office Internal Services Funds were consolidated into the new Department of Information Technologies in the General Fund. The new Department has an FY 2020 budget of just under \$8.6 million. However, the costs of the services of data processing, document management, mail, duplication & printing, mapping & graphics, and communications will no longer be prorated back to users. This allowed the elimination of the departmental internal service chargeback accounts across all City funds and departments, saving the General Fund \$6.5 million and largely offsetting the cost of the new department. The remaining \$2.1 million net cost increase to the General Fund (\$8.6 million minus \$6.5 million) was covered by a corresponding equal increase in Indirect Costs revenue. Thus, the net effect of the new department on the bottom line of the General Fund was zero.
- The budget contains a \$1.5 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 \$381,000 to the budget.
- Staffing increased by a net total of 30.42 full-time equivalents (FTE), which includes changes made in the mid-FY 2019 budget amendment, along with the results of the latest biennial employee appeals process. The change in FTE, along with other personnel actions, including changes in grades and salary adjustments, resulted in a total net increase of \$2.91 million. The total cost of the appeals process in the General Fund was \$120,031. The appeals are not included in the departmental staffing discussion below.
 - Staffing for the newly created Department of Information Technologies was transferred in from the now defunct Mayor’s Office Internal Services Funds. The cost of the 21.00 FTE transferred in was \$2.14 million. The addition of an Information Help Desk Engineer (1.00 FTE) and an upgrade (an Information Help Desk Engineer became a Senior Information Desktop Engineer) added \$94,356 and \$5,563 in costs, respectively.
 - The position of Chief Strategist & Deputy Chief of Staff in City Council was changed to the position of Legislative & Community Director with a reduction in salary of \$24,000. The total savings, including benefits, is \$27,655. In addition, the position of Legislative & Policy Analyst was eliminated for a savings of \$91,802.
 - As part of a succession plan for the assumption of duties now performed by the Zoning Manager, a new position of Zoning Enforcement Officer (1.00 FTE) was created in Licenses & Inspections at cost of \$85,319. In addition, the Zoning Manager was upgraded from Grade Q to Grade T at cost of \$6,875.

BUDGET HIGHLIGHTS

CITY OF WILMINGTON

FISCAL YEAR 2020

The General Fund (continued)

- Public Works added a General Labor II position (1.00 FTE), citing the increased workload in the Property Maintenance Division caused by the aging buildings of the Municipal Complex. The Department also obtained upgrades for the CADD/GIS Engineering Coordinator and Assistant Building Services Manager in the mid-FY 2019 budget amendment. The total cost of the new position and upgrades is \$68,795.
- The Finance Department increased by a net 0.20 FTE. A new split-funded (50% General Fund and 50% Water/Sewer Fund) Senior Accountant position added 0.50 FTE at a cost of \$51,810. The funding for the Revenue Manager position, previously split-funded 65% General Fund and 35% Water/Sewer Fund, was reversed to 35% General Fund and 65% Water/Sewer Fund, resulting in a 0.30 FTE decrease and a savings of \$34,424. Finally, \$2,676 was added to cover the upgrade of a Purchasing Agent II (Grade P) to a Senior Procurement Specialist (Grade Q).
- The Human Resources (HR) Department is undergoing a multi-phased comprehensive reorganization that started with the mid-FY 2019 budget amendment. The budget amendment resulted in 4.00 FTE deletions, 4.05 FTE additions (involving two positions split-funded with the Self-Insurance Internal Services Funds), a downgrade, and an upgrade. The net cost of the amendment changes was \$28,145. In FY 2020, two new positions were added: a Director of Classification & Compensation (1.00 FTE) at a cost of \$123,493, and a Labor Relations Specialist (1.00 FTE) at a cost of \$100,214. In addition, the HR Compensation & Research Technician (Grade O) was upgraded to a Compensation Specialist (Grade Q) for a cost of \$1,015. The total cost of all the above changes in HR is \$252,867 and a net 2.05 increase in FTE.
- The Parks & Recreation Department increased a net 1.60 FTE. In the Youth & Families Division, a new split-funded (60% General Fund and 40% federal grant) Nutrition Program Coordinator position (0.60 FTE) was added at a cost of \$52,720. Also in the Youth & Families Division, the Accounts & Program Support Coordinator was upgraded to a Programs & Grants Coordinator at a cost of \$15,551. In the William “Hicks” Anderson Community Center (WHACC) Division, an Activities Coordinator position (1.00 FTE) was added at a cost of \$82,016, but this was more than offset by the \$92,900 in savings that resulted from the deletion of the Executive Director of WHACC position (-1.00 FTE). In the Recreation Division, a second Recreation Program Coordinator position (1.00 FTE) was added at a cost of \$82,016. Finally, in the Maintenance Division, the Technical Landscape Foreman was downgraded to a Labor Foreman II, saving \$10,616. The net cost of all the above changes in Parks & Recreation is \$128,787.
- The exempt position of Debt Manager/Systems Coordinator in the Treasurer’s Office was given a raise of \$8,100, costing \$9,506 including benefits. Because the position is split funded (50% General Fund and 50% Pensions Funds), the cost to the General Fund was \$4,753.

BUDGET HIGHLIGHTS
CITY OF WILMINGTON
FISCAL YEAR 2020

The General Fund (continued)

- The Police Department increased a net 3.57 FTE at a total cost of \$128,931. The mid-FY 2019 budget amendment deleted an Administrative Assistant (-1.00 FTE) for a savings of \$89,696, helping offset the \$121,844 cost of the new position of Police Policy & Communications Director (1.00 FTE). In FY 2020, a civilian Cold Case Investigator position (1.00 FTE) was created at a cost of \$96,783. Partially offsetting the cost of that new position was the \$35,549 in savings realized from the downgrade and reclassification of the Property Technician from Non-union Grade M to Union Local 1102 Grade G. Finally, because the funding provided by certain schools for five of the Department's School Resource Officers (SROs) does not cover 100% of the salary and benefits costs of the actual officers assigned to the schools, the dollar amount of the shortfall was (and is again this year) budgeted in the General Fund. However, in previous years, the FTE count for the SROs was not altered to reflect the shortfall. That was rectified this year, resulting in a shift of 2.57 FTE into the General Fund.
- Exclusive of the new Department of Information Technologies, the budget for Consultants rose \$675,000, with major increases in Planning (up \$225,000), Police (up \$165,400), Public Works (up \$105,000), HR (a new \$100,000 request), and Fire (up \$67,200). In Planning, the increase will fund a consultant to complete the next phase of the City's ADA compliance self-evaluation and transition plan. Police and Fire have biennial job employee promotion processes administered by specialized consultants. Because FY 2020 will be an active year, the increases in Police and Fire are to cover the fees of those consultants. In Public Works, almost the entire increase will be used to pay for consultants to assist with 5G and small cell wireless infrastructure deployment in the City. Finally, in HR the new \$100,000 request will fund two separate items. One is a study regarding the implementation of a new classification and compensation system for \$50,000. The remaining \$50,000 is for what is being called *City University*, a varied series of employee training and development opportunities provided by consultants.
- As part of Wilmington's Beautiful City Initiative, \$400,000 was allocated to Real Estate & Housing to support the day-employment clean-up program for a second 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.
- Enhancing services in the Public Works and Parks & Recreation Departments was the driving force behind the \$223,000 increase in Temporary Agencies (excluding the new Department of Information Technologies). In the Parks Maintenance Division, \$93,000 was added to increase the number of workers and expand coverage into the winter months. To keep up with the increase in street maintenance work, pothole repairs, and sidewalk installations, \$70,000 was added in the Public Works Street Maintenance Division for additional labor. In the Street Cleaning Division of Public Works, the \$50,000 increase is designated to provide workers for urban forestry and corridor cleanup throughout the City.

BUDGET HIGHLIGHTS
CITY OF WILMINGTON
FISCAL YEAR 2020

The General Fund (continued)

- There was a \$212,000 rise in the Collection Expense - Parking Citation Commissions account. The contract with Conduent, the City's provider of parking citation processing and collections, increased \$162,000. The contract stipulates an annual fee increase of 2.5%. In addition, \$50,000 was included for a separate comprehensive accounts receivable review and expanded collection effort.
- As part of the HR Department's reorganization, the payroll function was outsourced to Automatic Data Processing, Inc (ADP) at a cost of \$93,115. This was one of the two major items that contributed to the citywide \$159,300 increase (excluding the new Department of Information Technologies) in the Miscellaneous Services - N.O.C. account. The other major contributor to the increase in the account was also in the HR Department, where \$50,000 was added for the cost of external investigations.
- In the Fire Department, \$141,000 was added to the Accessories & Parts For Equipment account for Knox Box replacement, Cradlepoint connectivity for fire trucks, and the necessary outfitting of three pieces of firefighting apparatus.
- A delay in the full implementation of the proposed city-wide municipal solid waste container and recycling program allowed a \$268,000 reduction in the Recycle Bank Program account in Public Works.
- Exclusive of the new Department of Information Technologies, Debt Service decreased by a net \$891,000. The majority of the projected additional debt service budgeted last fiscal year for the bond financing of the FY 2016-2017 Capital Budget was not realized because an interest-only Bond Anticipation Note (BAN) was utilized to finance the Capital Budget instead.

BUDGET HIGHLIGHTS

CITY OF WILMINGTON

FISCAL YEAR 2020

The Water/Sewer Fund

- The FY 2020 operating budget expenditures total **\$77,925,640** – up \$2,476,020, or 3.2% from FY 2019. The FY 2020 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 \$161,100 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 \$75,650 to the budget.
- Staffing increased by a net total of 1.80 full-time equivalents (FTE) and includes changes made in the mid-FY 2019 budget amendment, along with the results of the latest biennial employee appeals process. The change in FTE, along with other personnel actions, including changes in grades and salary adjustments, resulted in a total net increase of \$177,804. The total cost of the appeals process in the Water/Sewer Fund was \$45,271. Appeals are not included in the departmental staffing discussion below.
 - The Finance Department increased by 0.80 FTE. A new split-funded (50% General Fund and 50% Water/Sewer Fund) Senior Accountant position added 0.50 FTE at a cost of \$51,810. The funding for the Revenue Manager position, previously split-funded 65% General Fund and 35% Water/Sewer Fund was reversed to 35% General Fund and 65% Water/Sewer Fund, resulting in a 0.30 FTE increase and a cost of \$34,424.
 - In the Public Works Department, there was a net increase of 1.00 FTE. In the Water System Division the following changes took place: A Maintenance Mechanic I position (1.00 FTE) was added at a cost of \$66,974, but was more than offset by the elimination of the SCADA Technician position (-1.00 FTE) for a savings of \$92,546. The Water System Supervisor was upgraded from a Grade O to a Grade R for an increase of \$1,551, while the Water Production Supervisor was downgraded to an Assistant Water Production Supervisor (Grade O to Grade N) for a savings of \$6,667. Finally, a Maintenance Mechanic I was upgraded to a Maintenance Mechanic II (Grade E to Grade F) at a cost of \$1,743. In the Wastewater Treatment Division, a new position of Tree Climber II/Tree Crew Foreman (1.00 FTE) was created at a cost of \$75,245. The net effect of all the changes in the Department was a net increase of \$46,300.
- The Indirect Cost expense to the Water/Sewer Fund rose by nearly \$2.3 million, reflecting the effect of the new Department of Information Technologies created in the General Fund. However, that increase is almost completely offset by the approximately \$2.2 million in savings resulting from the elimination of the Internal Services Funds departmental chargeback accounts.

BUDGET HIGHLIGHTS
CITY OF WILMINGTON
FISCAL YEAR 2020

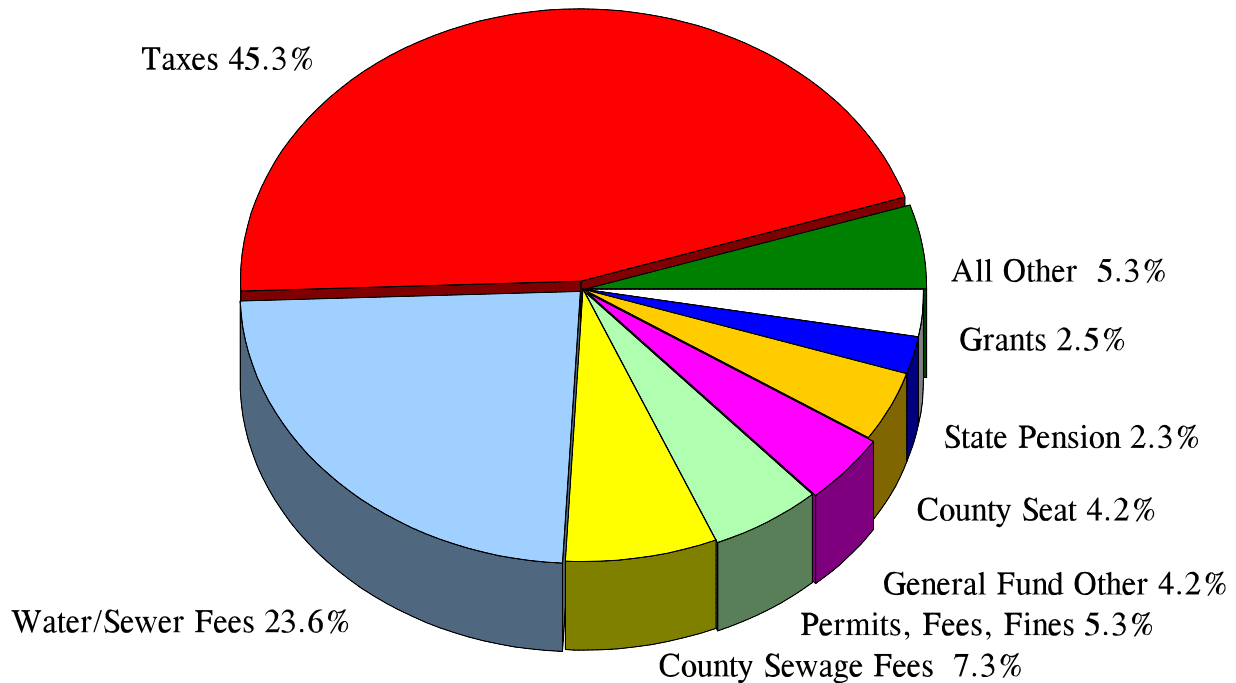
The Water/Sewer Fund (continued)

- Depreciation increased \$1.35 million, reflecting the aggressive infrastructure replacement program adopted by the Public Works Department that increased both the number and value of the City's water, sewer, and stormwater infrastructure fixed assets.
- There is a \$1 million increase in the Contracted Maintenance Services account. The vast majority of the rise is attributable to the \$935,000 increase in the cost of the contract with Veolia to operate and maintain the City's sewage treatment plant. The fee paid to Veolia is adjusted each year using mutually agreed upon cost indices.
- In the Finance Department, the Miscellaneous Services account group rose by over \$553,000. The Department is implementing a Water Utility Call Center to be hosted by a third-party entity at a cost of \$400,000. 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. The change to monthly billing has also increased the payments flowing through the Department's lockbox service, necessitating an increase of \$140,000 in the Lockbox Charges account.
- The \$259,000 increase in the Postage-Direct Charge account reflects the cost for the monthly processing and mailing of water/sewer bills that had previously been paid through the now-eliminated Postage internal service chargeback account. The Postage chargeback account was budgeted at \$190,000 last fiscal year. Thus, the net cost of mailing water/sewer bills has increased \$69,000 or 36%.
- The Repairs to Equipment account in the Water System Division was reduced by \$836,000, reflecting the better alignment of projected spending with electrical and mechanical preventative maintenance and testing program schedules.
- Total Debt Service decreased by just over \$981,400. The City continues to benefit from participation in the State's low-cost revolving loan fund, low bond interest rates, and the use of cash-on-hand for smaller water and sewer infrastructure projects.
- Although there are no increases in stormwater rates, there are proposed revisions to some water and sewer customer classes and rates that will result in a weighted-average increase of 3.82% in the water/sewer bills of City residential customers. The typical City residential customer using 4,000 gallons per month will see their bill increase by \$2.21.

**SUMMARY ALL FUNDS COMBINED
FISCAL YEAR 2020**

Revenues	Actual FY 2017	Actual FY 2018	Budget FY 2019	Budget FY 2020	Percent Change FY'20-'19
Taxes	\$116,742,811	\$118,405,079	\$118,583,877	\$120,900,615	2.0%
Permits, Fees, Fines	10,682,706	11,472,285	12,880,000	14,207,290	10.3%
Task Force Revenues	5,113,278	5,497,897	5,484,226	5,883,626	7.3%
County Seat Relief	10,216,881	10,390,282	10,858,339	11,088,839	2.1%
State Pension Contr.	5,349,684	6,189,899	5,789,528	6,189,900	6.9%
General Fund Other	7,910,933	8,418,806	8,335,304	11,081,027	32.9%
Water/Sewer Fees	57,802,560	60,804,179	60,421,000	62,970,000	4.2%
County Sewage Fees	22,543,855	21,522,899	19,634,665	19,578,000	-0.3%
Water/Sewer Other	3,244,470	1,002,879	1,093,000	1,115,000	2.0%
Port Debt Reimburse.	840,060	389,234	396,574	596,356	50.4%
Special Funds Grants	8,207,327	8,175,095	7,168,202	6,669,223	-7.0%
Special Funds Other	5,888,796	5,834,526	6,422,686	6,431,743	0.1%
Total Revenues	<u>\$254,543,361</u>	<u>\$258,103,060</u>	<u>\$257,067,401</u>	<u>\$266,711,619</u>	<u>3.8%</u>

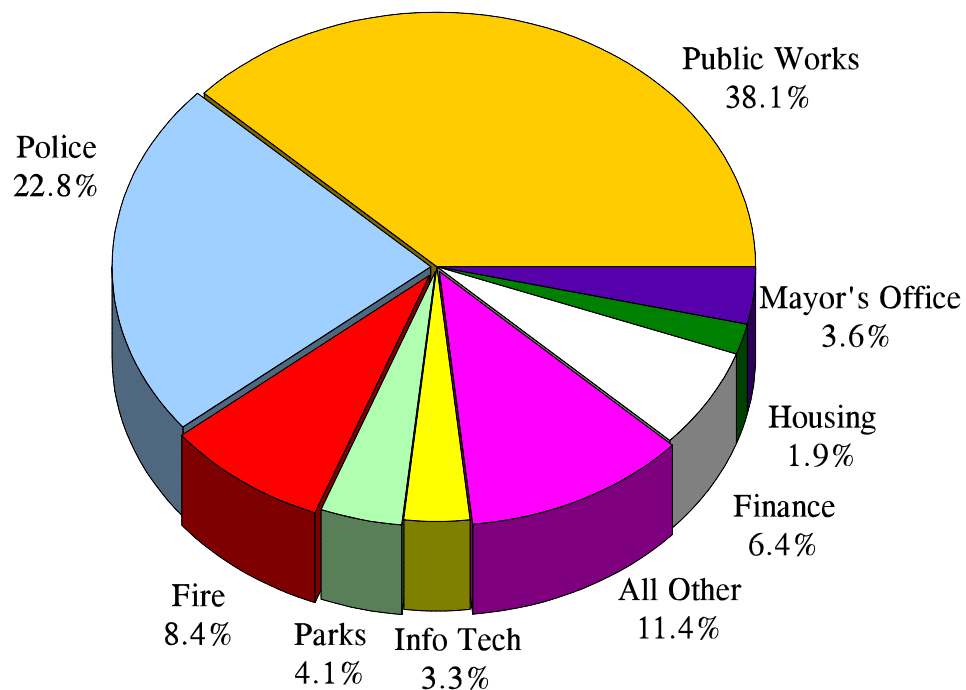
**Revenues All Funds
Fiscal Year 2020**



SUMMARY OF ALL FUNDS COMBINED FISCAL YEAR 2020

<u>Expenditures</u>	<u>Actual FY 2017</u>	<u>Actual FY 2018</u>	<u>Budget FY 2019</u>	<u>Budget FY 2020</u>	<u>Percent Change FY'20-'19</u>
Mayor's Office	\$10,582,523	\$9,821,825	\$10,213,860	\$9,312,852	-8.8%
Council	3,194,147	2,994,242	3,636,122	3,210,721	-11.7%
Treasurer	5,201,496	5,155,582	5,635,395	5,660,444	0.4%
Planning	1,807,940	1,547,023	1,757,417	1,626,651	-7.4%
Audit	758,543	801,028	1,020,279	900,219	-11.8%
Law	3,028,380	2,881,761	2,859,818	2,649,858	-7.3%
Finance	13,787,969	13,994,305	15,851,726	16,442,794	3.7%
Human Resources	2,052,493	1,991,580	2,357,538	2,354,983	-0.1%
Licenses & Inspections	5,008,392	4,689,782	5,923,818	5,560,768	-6.1%
Parks & Recreation	11,139,256	10,320,964	10,692,842	10,522,274	-1.6%
Fire	25,586,630	23,436,377	22,412,532	21,701,448	-3.2%
Police	64,726,634	60,030,743	59,275,551	59,012,703	-0.4%
Public Works	89,114,137	92,965,729	96,834,240	98,451,007	1.7%
Real Estate & Housing	5,036,521	4,299,213	5,676,348	4,860,442	-14.4%
Commerce (Port Debt)	1,290,546	504,473	910,954	720,226	-20.9%
Information Technologies	0	0	0	8,577,654	N/A
State Pension Contr.	5,349,684	6,189,900	5,789,528	6,189,900	6.9%
Contingent Reserves	<u>0</u>	<u>0</u>	<u>672,000</u>	<u>672,000</u>	<u>0.0%</u>
Total Expenditures	<u>\$247,665,291</u>	<u>\$241,624,527</u>	<u>\$251,519,968</u>	<u>\$258,426,944</u>	<u>2.7%</u>

Expenditures All Funds Fiscal Year 2020

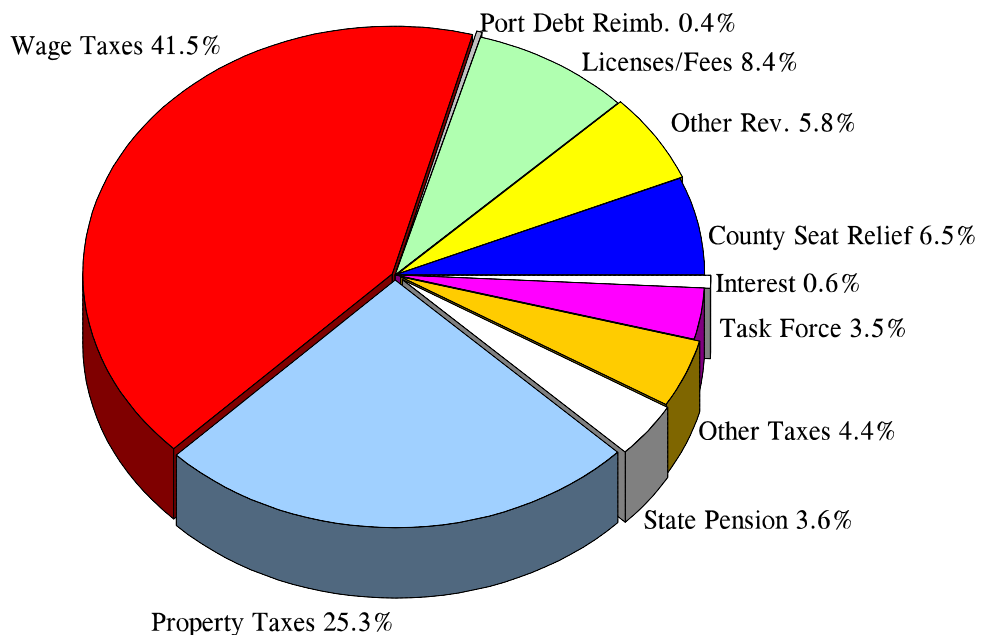


SUMMARY OF GENERAL FUND FISCAL YEAR 2020

<u>Revenues</u>	<u>Actual FY 2017</u>	<u>Actual FY 2018</u>	<u>Budget FY 2019</u>	<u>Budget FY 2020</u>	<u>Percent Change FY'20-'19</u>
Wage Tax	\$66,911,828	\$67,374,157	\$68,416,600	\$70,461,600	3.0%
Property Tax	40,596,911	43,266,138	42,567,487	42,915,724	0.8%
Other Taxes	9,234,072	7,764,784	7,599,790	7,523,291	-1.0%
Licenses, Permits, Fees & Fines	10,682,706	11,472,285	12,880,000	14,207,290	10.3%
Interest	506,098	989,567	550,000	1,031,000	87.5%
Other Revenues	7,129,835	7,154,239	7,510,304	9,775,027	30.2%
Task Force Revenues	5,113,278	5,497,897	5,484,226	5,883,626	7.3%
County Seat Relief	10,216,881	10,390,282	10,858,339	11,088,839	2.1%
State Pension Contr.	5,349,684	6,189,899	5,789,528	6,189,900	6.9%
Port Debt Reimburse.	840,060	389,234	396,574	596,356	50.4%
Transfers In/(Out)	275,000	275,000	275,000	275,000	0.0%
Use of Fund Balance	0	0	0	0	0.0%
Total Revenues	<u>\$156,856,353</u>	<u>\$160,763,482</u>	<u>\$162,327,848</u>	<u>\$169,947,653</u>	<u>4.7%</u>

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 2020

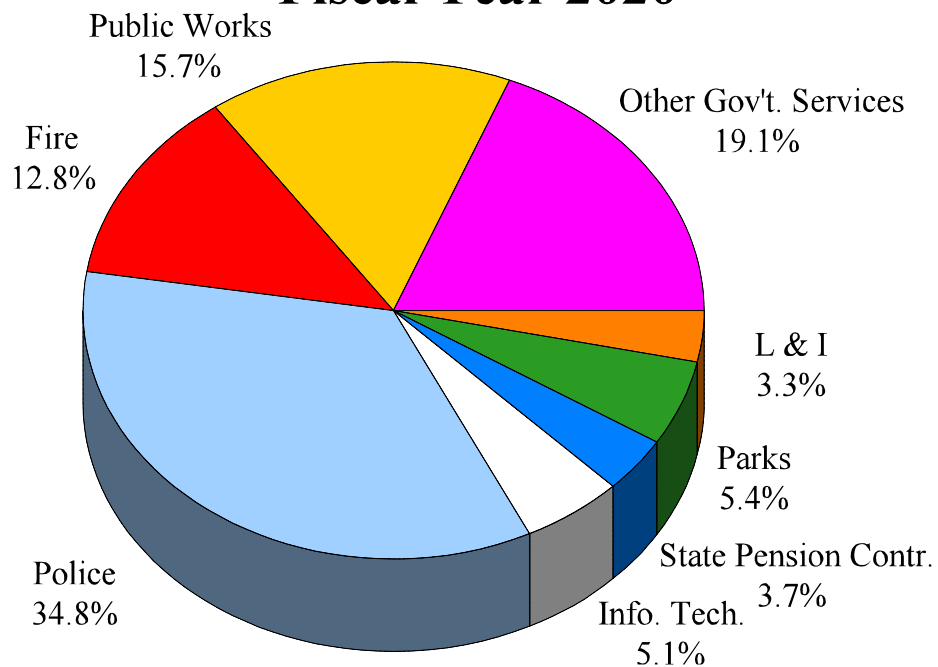


SUMMARY OF GENERAL FUND FISCAL YEAR 2020

<u>Expenditures</u>	<u>Actual FY 2017</u>	<u>Actual FY 2018</u>	<u>Budget FY 2019</u>	<u>Budget FY 2020</u>	<u>Percent Change FY'20-'19</u>
Mayor's Office	\$10,095,893	\$9,621,253	\$10,146,305	\$9,240,085	-8.9%
Council	2,242,104	2,133,087	2,255,663	2,098,122	-7.0%
Treasurer	589,777	556,821	547,974	463,226	-15.5%
Planning	1,757,221	1,496,304	1,705,462	1,590,614	-6.7%
Audit	686,275	728,431	946,856	815,235	-13.9%
Law	3,028,380	2,881,761	2,859,818	2,649,858	-7.3%
Finance	9,464,729	9,082,346	10,094,649	9,583,774	-5.1%
Human Resources	2,052,493	1,991,580	2,357,538	2,354,983	-0.1%
Licenses & Inspections	5,008,392	4,689,782	5,923,818	5,560,768	-6.1%
Parks & Recreation	9,639,608	8,868,946	9,226,071	9,029,613	-2.1%
Fire	25,319,682	23,391,253	22,211,163	21,500,079	-3.2%
Police	62,944,314	57,331,318	58,739,785	58,293,804	-0.8%
Public Works	22,340,103	23,808,871	26,144,955	26,208,763	0.2%
Real Estate & Housing	1,932,656	1,525,981	1,766,462	1,839,035	4.1%
Commerce (Port Debt)	1,290,546	504,473	910,954	720,226	-20.9%
Information Technologies	0	0	0	8,577,654	N/A
State Pension Contr.	5,349,684	6,189,900	5,789,528	6,189,900	6.9%
Contingent Reserves*	<u>0</u>	<u>0</u>	<u>672,000</u>	<u>672,000</u>	<u>0.0%</u>
Total Expenditures	<u>\$163,741,857</u>	<u>\$154,802,107</u>	<u>\$162,299,001</u>	<u>\$167,387,739</u>	<u>3.1%</u>

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

General Fund Expenditures Fiscal Year 2020

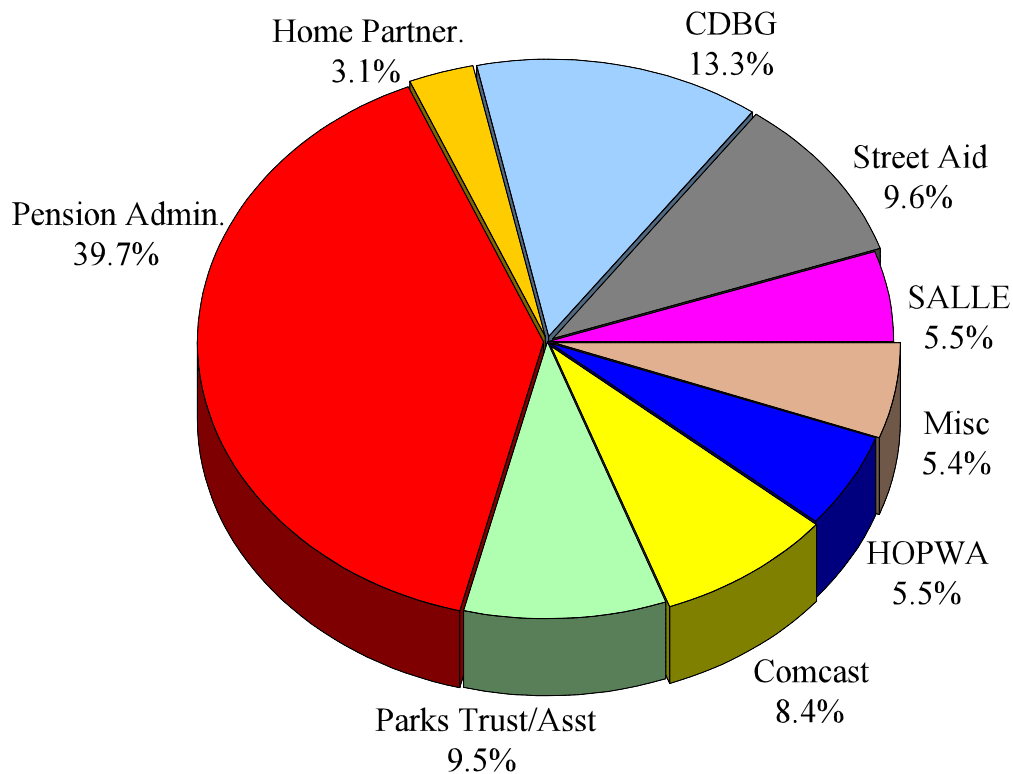


SUMMARY OF SPECIAL FUNDS FISCAL YEAR 2020

<u>Revenues</u>	<u>Actual FY 2017</u>	<u>Actual FY 2018</u>	<u>Budget FY 2019</u>	<u>Budget FY 2020</u>	<u>Percent Change FY'20-'19</u>
Municipal Street Aid	\$1,071,213	\$1,055,870	\$1,070,165	\$1,260,608	17.8%
CDBG	2,041,023	1,551,181	2,381,804	1,738,806	-27.0%
Comcast Franchise	1,223,061	1,133,900	1,200,000	1,100,000	-8.3%
Emergency Shelter Workforce	190,621	181,101	182,615	184,465	1.0%
Investment	369,687	269,624	248,617	253,589	2.0%
Parks Assistance	1,075,945	1,080,529	1,082,889	1,104,547	2.0%
Parks Trust Fund	54,016	101,865	135,265	134,525	-0.5%
SALLE/LLEBG	1,782,320	2,699,425	535,766	718,899	34.2%
Pension Admin.	4,611,719	4,598,761	5,087,421	5,197,218	2.2%
Home Partnership	200,275	406,581	671,808	411,009	-38.8%
HOPWA	698,977	685,088	725,614	723,164	-0.3%
Miscellaneous Grants	<u>777,266</u>	<u>245,696</u>	<u>268,924</u>	<u>274,136</u>	<u>1.9%</u>
Total Revenues	<u>\$14,096,123</u>	<u>\$14,009,621</u>	<u>\$13,590,888</u>	<u>\$13,100,966</u>	<u>-3.6%</u>

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 2020

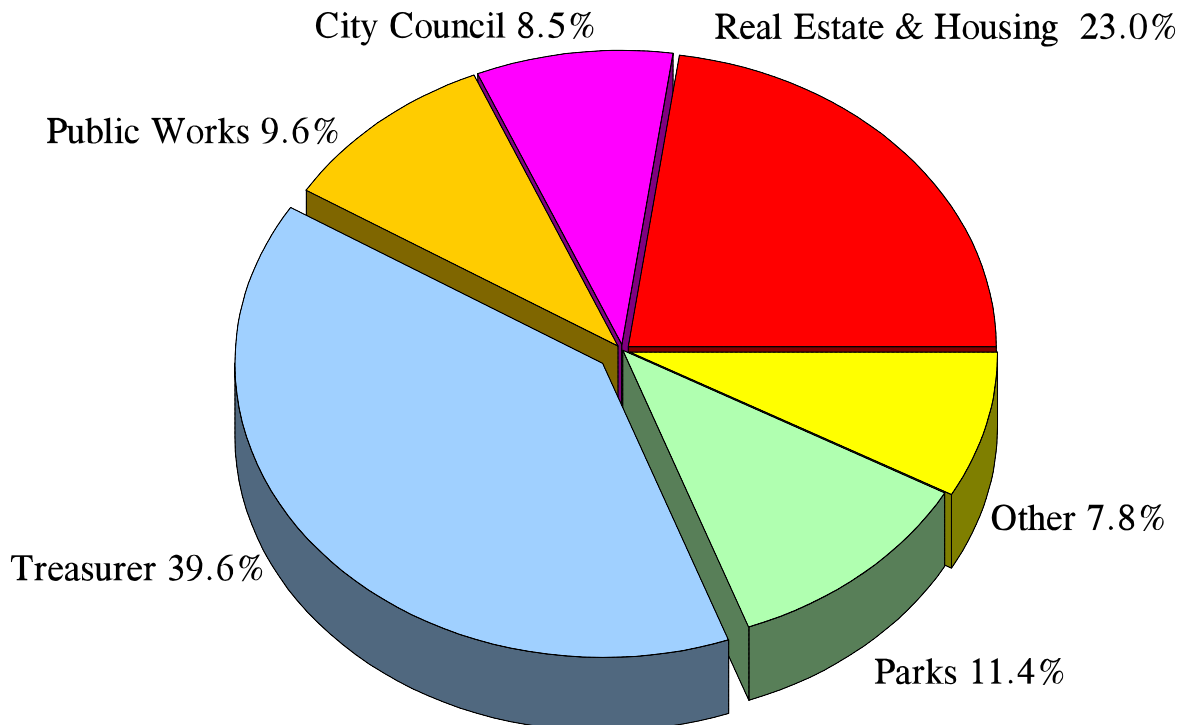


**SUMMARY OF SPECIAL FUNDS
FISCAL YEAR 2020**

<u>Expenditures</u>	<u>Actual FY 2017</u>	<u>Actual FY 2018</u>	<u>Budget FY 2019</u>	<u>Budget FY 2020</u>	<u>Percent Change FY'20-'19</u>
Mayor's Office	\$486,630	\$200,572	\$67,555	\$72,767	7.7%
City Council	952,043	861,155	1,380,459	1,112,599	-19.4%
Treasurer	4,611,719	4,598,761	5,087,421	5,197,218	2.2%
Planning	50,719	50,719	51,955	36,037	-30.6%
Licenses & Inspections	0	0	0	0	0.0%
Parks & Recreation	1,499,648	1,452,018	1,466,771	1,492,661	1.8%
Fire	266,948	45,124	201,369	201,369	0.0%
Police	1,782,320	2,699,425	535,766	718,899	34.2%
Public Works	1,071,213	1,055,870	1,070,165	1,260,608	17.8%
Real Estate & Housing	<u>3,103,865</u>	<u>2,773,232</u>	<u>3,909,886</u>	<u>3,021,407</u>	<u>-22.7%</u>
Total Expenditures	<u>\$13,825,105</u>	<u>\$13,736,876</u>	<u>\$13,771,347</u>	<u>\$13,113,565</u>	<u>-4.8%</u>

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 2020

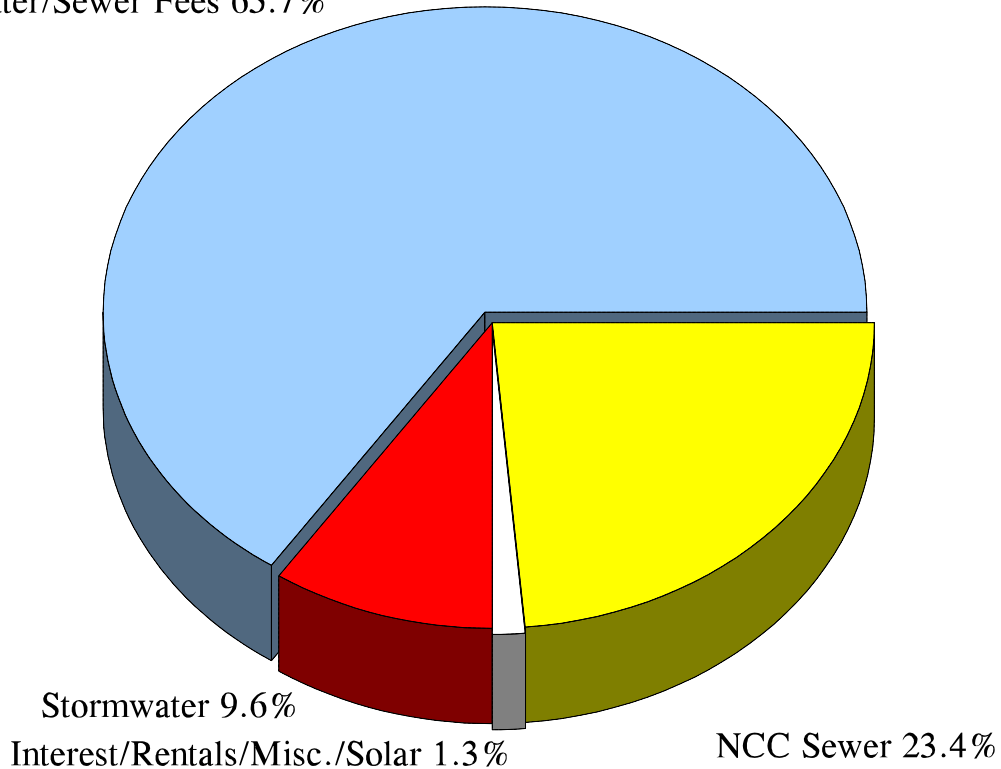


**SUMMARY OF WATER/SEWER FUND
FISCAL YEAR 2020**

Revenues	Actual FY 2017	Actual FY 2018	Budget FY 2019	Budget FY 2020	Percent Change FY'20-'19
Water/Sewer					
User Fees	\$51,245,529	\$52,047,403	\$52,375,000	\$54,940,000	4.9%
Stormwater Billings	6,557,031	8,756,776	8,046,000	8,030,000	-0.2%
New Castle County					
Sewer Services	22,543,855	21,522,899	19,634,665	19,578,000	-0.3%
Interest	0	0	0	0	0.0%
Rentals/Misc.	3,171,860	981,737	1,062,000	1,085,000	2.2%
Solar Panels	72,610	21,142	31,000	30,000	-3.2%
Total Revenues	<u>\$83,590,885</u>	<u>\$83,329,957</u>	<u>\$81,148,665</u>	<u>\$83,663,000</u>	<u>3.1%</u>

Water/Sewer Fund Revenues Fiscal Year 2020

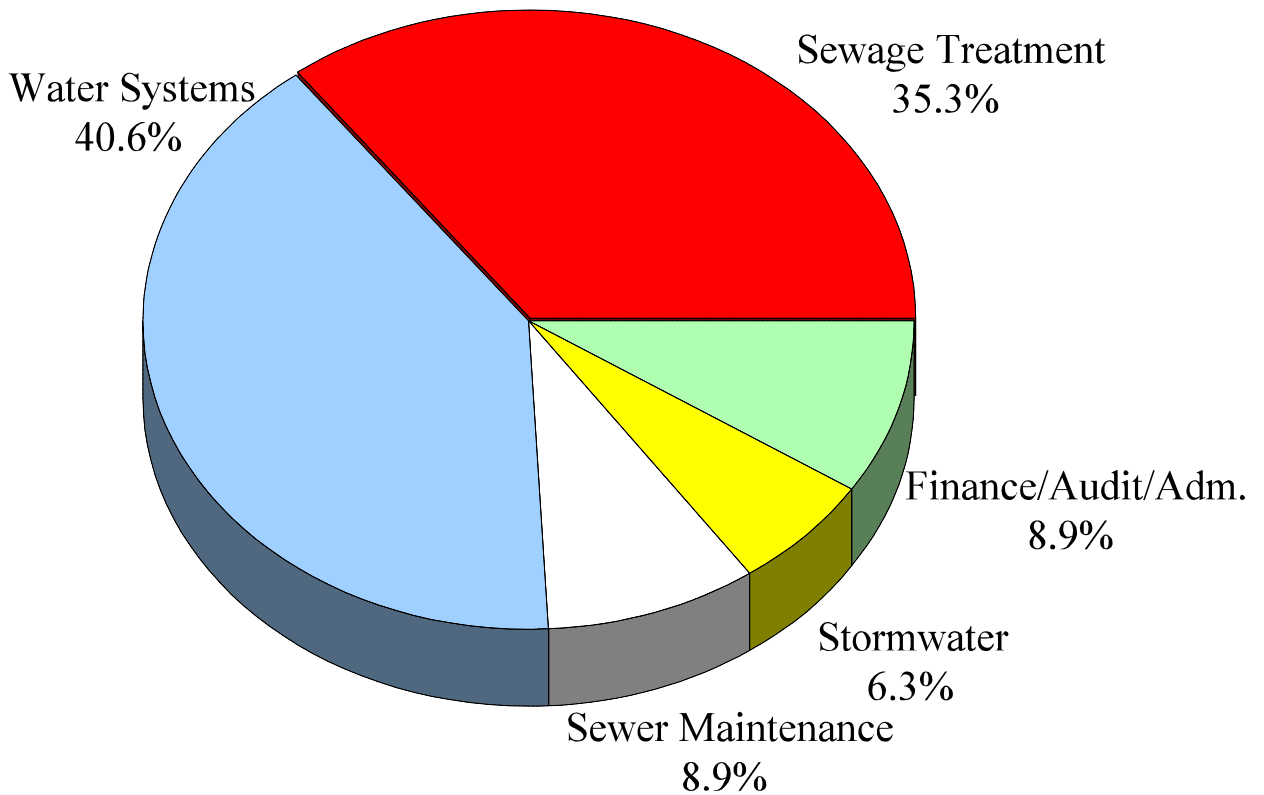
Water/Sewer Fees 65.7%



**SUMMARY OF WATER/SEWER FUND
FISCAL YEAR 2020**

<u>Expenditures</u>	<u>Actual FY 2017</u>	<u>Actual FY 2018</u>	<u>Budget FY 2019</u>	<u>Budget FY 2020</u>	<u>Percent Change FY'20-'19</u>
Audit	\$72,268	\$72,597	\$73,423	\$84,984	15.7%
Finance	4,323,240	4,911,959	5,757,077	6,859,020	19.1%
Public Works	<u>65,702,821</u>	<u>68,100,988</u>	<u>69,619,120</u>	<u>70,981,636</u>	<u>2.0%</u>
Total Expenditures	<u>\$70,098,329</u>	<u>\$73,085,544</u>	<u>\$75,449,620</u>	<u>\$77,925,640</u>	<u>3.3%</u>

**Water/Sewer Fund Expenditures
Fiscal Year 2020**

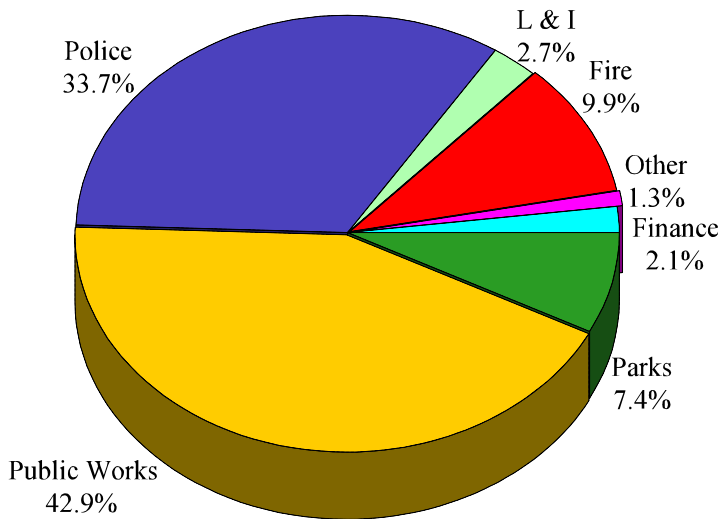


SUMMARY OF INTERNAL SERVICES FUNDS FISCAL YEAR 2020

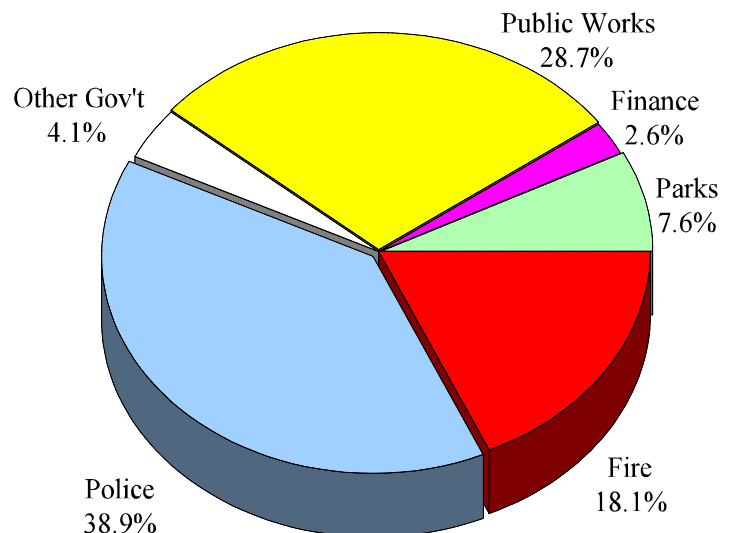
Expenditures*	Actual FY 2017	Actual FY 2018	Budget FY 2019	Budget FY 2020	Percent Change FY'20-'19
Mayor's Office	\$8,234,613	\$8,422,542	\$9,312,859	\$0	-100.0%
Human Resources (HR)	35,794,688	30,034,283	31,499,094	31,832,659	1.1%
Public Works	<u>7,363,820</u>	<u>8,095,868</u>	<u>7,617,144</u>	<u>7,714,386</u>	<u>1.3%</u>
Total Expenditures	<u>\$51,393,121</u>	<u>\$46,552,693</u>	<u>\$48,429,097</u>	<u>\$39,547,045</u>	<u>-18.3%</u>

* Primary revenues for the Internal Services 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 '20 Internal Service Charge Allocations



HR Self-Insurance Program FY '20 Internal Service Charge Allocations

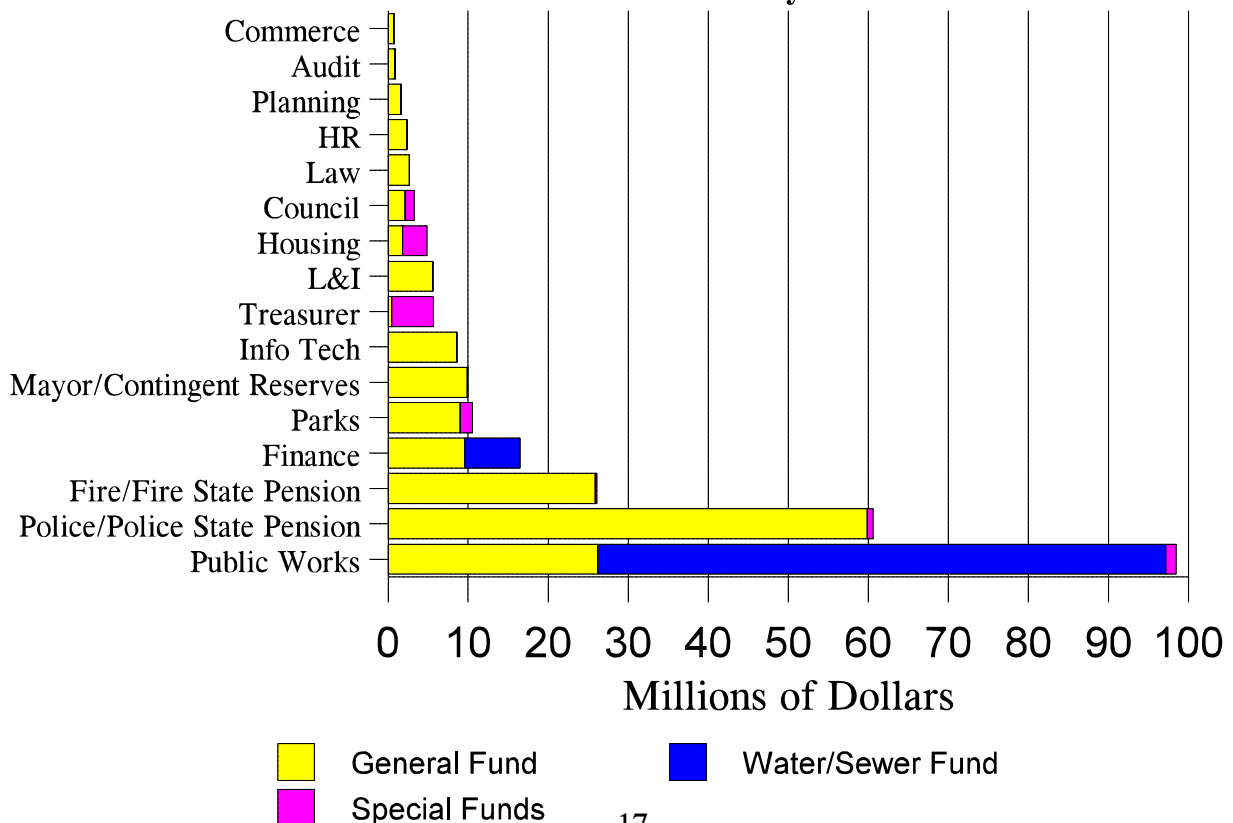


DEPARTMENTAL BUDGETS BY FUND FISCAL YEAR 2020

<u>Expenditure</u>	<u>FY 2020 Budget General Fund</u>	<u>FY 2020 Budget Water/Sewer Fund</u>	<u>FY 2020 Budget Special Funds</u>	<u>FY 2020 Budget Total All Funds</u>
Mayor's Office	\$9,240,085	\$0	\$72,767	\$9,312,852
Council	2,098,122	0	1,112,599	3,210,721
Treasurer	463,226	0	5,197,218	5,660,444
Planning	1,590,614	0	36,037	1,626,651
Audit	815,235	84,984	0	900,219
Law	2,649,858	0	0	2,649,858
Finance	9,583,774	6,859,020	0	16,442,794
Human Resources	2,354,983	0	0	2,354,983
Licenses & Inspections	5,560,768	0	0	5,560,768
Parks & Recreation	9,029,613	0	1,492,661	10,522,274
Fire	21,500,079	0	201,369	21,701,448
Police	58,293,804	0	718,899	59,012,703
Public Works	26,208,763	70,981,636	1,260,608	98,451,007
Real Estate & Housing	1,839,035	0	3,021,407	4,860,442
Commerce (Port Debt)	720,226	0	0	720,226
Info. Technologies	8,577,654	0	0	8,577,654
State Pension Contr.	6,189,900	0	0	6,189,900
Contingent Reserves	672,000	0	0	672,000
Total Expenditures	<u>\$167,387,739</u>	<u>\$77,925,640</u>	<u>\$13,113,565</u>	<u>\$258,426,944</u>

FY 2020 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

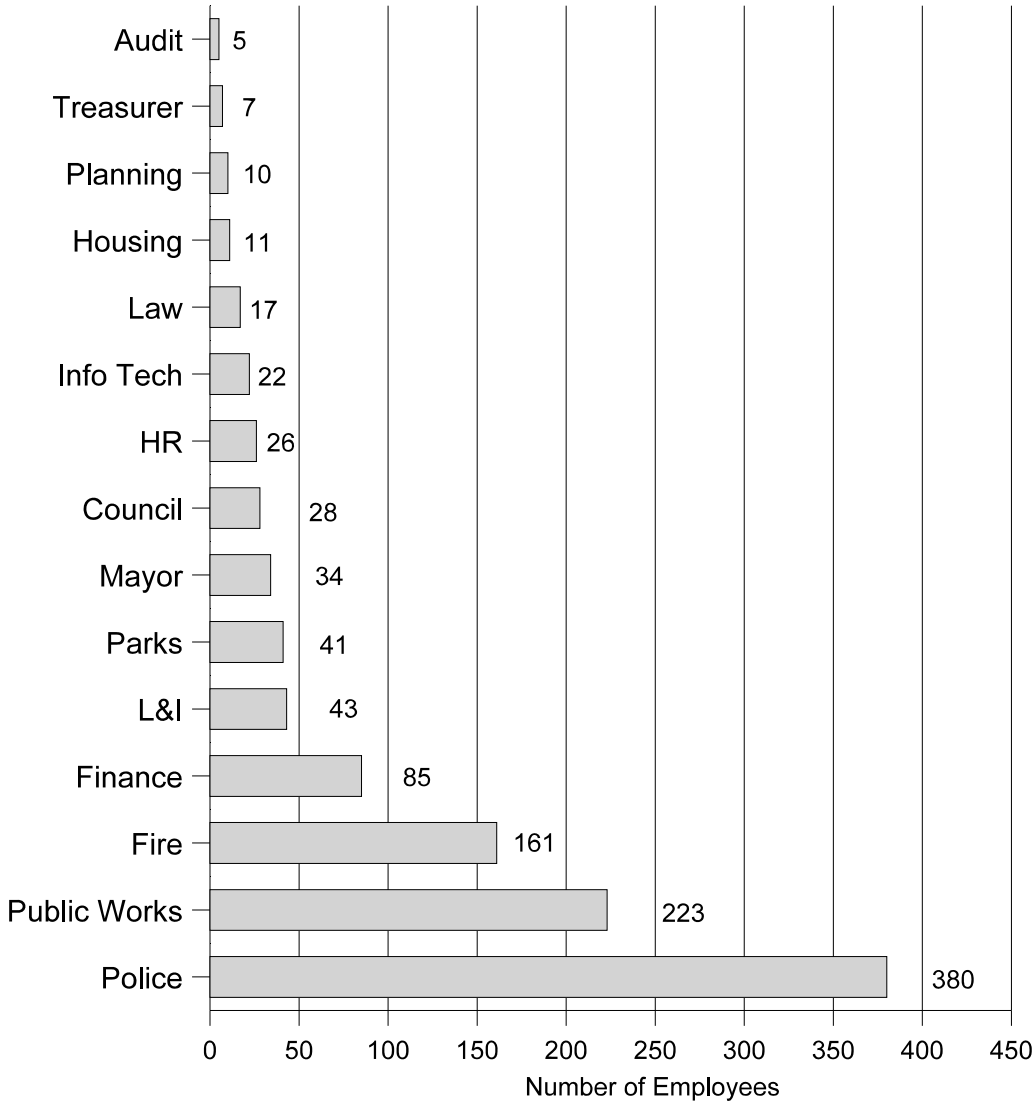
Type of Funding: G - General; W - Water/Sewer; O - Other Governmental; I - Internal Service

SUMMARY OF STAFFING LEVELS FISCAL YEAR 2020

TOTAL NUMBER OF EMPLOYEES ALL FUNDS COMBINED

Department	Budget FY2016	Budget FY2017	Budget FY2018	Budget FY2019	Budget FY2020	Net Change FY'20-'19
Mayor's Office	59.00	59.00	57.00	55.00	34.00	(21.00)
Council	29.00	29.00	29.00	29.00	28.00	(1.00)
Treasurer	6.00	6.00	7.00	7.00	7.00	0.00
Planning	11.00	10.00	10.00	10.00	10.00	0.00
Audit	4.00	4.00	4.00	5.00	5.00	0.00
Law	20.00	20.00	18.00	17.00	17.00	0.00
Finance	88.00	86.00	85.00	84.00	85.00	1.00
Human Resources	22.00	24.00	23.00	24.00	26.00	2.00
Licenses & Inspections	38.00	38.00	38.00	42.00	43.00	1.00
Parks & Recreation	41.00	41.00	40.00	39.00	41.00	2.00
Fire	177.00	177.00	161.00	161.00	161.00	0.00
Police	382.00	381.00	376.00	378.00	380.00	2.00
Public Works	223.00	221.00	219.00	221.00	223.00	2.00
Real Estate & Housing	12.00	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>0.00</u>	<u>22.00</u>	<u>22.00</u>
TOTAL	<u>1,112</u>	<u>1,107</u>	<u>1,078</u>	<u>1,083</u>	<u>1,093</u>	<u>10.00</u>
Total Employees per every 1,000 Persons in City Population	<u>15.69</u>	<u>15.62</u>	<u>15.22</u>	<u>15.29</u>	<u>15.44</u>	

**TOTAL NUMBER OF CITY EMPLOYEES BY DEPT.
FISCAL YEAR 2020
(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 2020**

**GENERAL FUND
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Net Change FY'20-'19</u>
Mayor's Office	37.50	36.50	34.50	33.50	33.50	0.00
Council	19.55	19.55	20.35	20.20	19.20	(1.00)
Treasurer	2.92	2.92	3.00	3.00	3.00	0.00
Planning	10.49	9.53	9.55	9.55	9.55	0.00
Audit	4.00	4.00	4.00	5.00	5.00	0.00
Law	20.00	20.00	18.00	17.00	17.00	0.00
Finance	61.85	61.45	60.45	58.65	58.85	0.20
Human Resources	13.55	13.55	13.55	14.55	16.60	2.05
Licenses & Inspections	38.00	38.00	38.00	42.00	43.00	1.00
Parks & Recreation	41.00	41.00	40.00	39.00	40.60	1.60
Fire	177.00	177.00	161.00	161.00	161.00	0.00
Police	374.00	374.00	369.00	371.00	374.57	3.57
Public Works	120.65	120.15	118.15	118.05	119.05	1.00
Real Estate & Housing	1.52	1.48	1.48	1.48	1.48	0.00
Information Technologies	0.00	0.00	0.00	0.00	22.00	22.00
TOTAL	<u>922.03</u>	<u>919.13</u>	<u>891.03</u>	<u>893.98</u>	<u>924.40</u>	<u>30.42</u>

**SPECIAL FUNDS
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Net Change FY'20-'19</u>
Mayor's Office	0.50	0.50	0.50	0.50	0.50	0.00
Treasurer	3.08	3.08	4.00	4.00	4.00	0.00
Planning	0.51	0.47	0.45	0.45	0.45	0.00
City Council	9.45	9.45	8.65	8.80	8.80	0.00
Parks & Recreation	0.00	0.00	0.00	0.00	0.40	0.40
Real Estate and Housing	10.48	9.52	9.52	9.52	9.52	0.00
Fire	0.00	0.00	0.00	0.00	0.00	0.00
Police	8.00	7.00	7.00	7.00	5.43	(1.57)
TOTAL	<u>32.02</u>	<u>30.02</u>	<u>30.12</u>	<u>30.27</u>	<u>29.10</u>	<u>(1.17)</u>

**STAFFING LEVELS BY FUND
FISCAL YEAR 2020**

**WATER/SEWER FUND
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Net Change FY'20-'19</u>
Finance	26.15	24.55	24.55	25.35	26.15	0.80
Public Works	<u>102.35</u>	<u>100.85</u>	<u>100.85</u>	<u>102.95</u>	<u>103.95</u>	<u>1.00</u>
TOTAL	<u>128.50</u>	<u>125.40</u>	<u>125.40</u>	<u>128.30</u>	<u>130.10</u>	<u>1.80</u>

**COMMERCE FUND
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Net Change FY'20-'19</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>
TOTAL	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

**INTERNAL SERVICE FUNDS
NUMBER OF EMPLOYEES**

<u>Department</u>	<u>Budget FY2016</u>	<u>Budget FY2017</u>	<u>Budget FY2018</u>	<u>Budget FY2019</u>	<u>Budget FY2020</u>	<u>Net Change FY'20-'19</u>
Mayor's Office	21.00	22.00	22.00	21.00	0.00	(21.00)
Human Resources	8.45	10.45	9.45	9.45	9.40	(0.05)
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>
TOTAL	<u>29.45</u>	<u>32.45</u>	<u>31.45</u>	<u>30.45</u>	<u>9.40</u>	<u>(21.05)</u>
TOTAL ALL FUNDS	<u>1,112</u>	<u>1,107</u>	<u>1,078</u>	<u>1,083</u>	<u>1,093</u>	<u>10.00</u>

FISCAL YEAR 2020 REVENUES

Overview

General Fund

Total revenue before transfers is projected to increase by a net \$7,619,805 or 4.7% above the FY 2019 budget, to a new total of **\$169,672,653**. The net change from budget to budget (FY 2020 vs. FY 2019) by revenue category is shown in the following table:

REVENUE	INCREASE/ (DECREASE)	TOTAL
Other Revenues	\$2,264,723	\$9,775,027
Wage & Net Profits Tax	\$2,045,000	\$70,461,600
Fines	\$1,062,000	\$9,142,000
Other Governments	\$600,154	\$6,786,256
Interest Earnings	\$481,000	\$1,031,000
Task Force Revenues	\$399,400	\$5,883,626
Property Taxes	\$348,237	\$42,915,724
Licenses, Permits & Fees	\$265,290	\$5,065,290
County Seat Relief Package	\$230,500	\$11,088,839
Other Taxes	(\$76,499)	\$7,523,291
TOTAL	\$7,619,805	\$169,672,653

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 the water, sewer, and stormwater utilities. Indirect Costs will rise by almost \$2.3 million, to a new total of \$8.0 million, reflecting the Water/Sewer Fund's reimbursement of various internal services charges transferred to the General Fund beginning in FY 2020. Other items in this category are budgeted as per historical trend, and are collectively expected to decrease by \$15,000.

FISCAL YEAR 2020 REVENUES

Overview

General Fund (continued)

Wage and Net Profits Tax revenues for FY 2020 are projected to total almost \$70.5 million, an increase of \$2.0 million from FY 2019. Wage Tax revenue is projected to be slightly less than \$64.0 million. This is built on an adjusted starting Wage Tax base of \$61.2 million, which includes \$65,000 expected to be added to the base by FY 2019 audit activities. While job growth is assumed to be flat for FY 2020, higher employee compensation is projected to increase taxable wages by 2.5%, further expanding the base revenue by \$1.5 million. (For comparison, DEFAC's 12/17/2018 report projects State wages and salaries growth to be 4.1% in FY 2020.) Finally, audit and collection efforts in FY 2020 are expected to yield \$1.25 million in one-time revenue, the same as the current fiscal year's budget.

Net Profits revenue, which is remitted by business partnerships, professional associations, and limited liability corporations, is expected to remain stable in FY 2020, for a total of \$6.5 million.

Fines are projected to increase by slightly more than \$1.0 million, to a total of \$9.1 million. The breakout is as follows:

Criminal/Traffic Fines revenue consists of red light camera fines, other miscellaneous traffic and criminal fines, and the L&I Instant Ticketing Program. Revenue is projected to total almost \$6.1 million in FY 2020, up \$1.0 million from the FY 2019 budget. The largest portion of Criminal/Traffic Fines is derived from red light camera citations, which is up by slightly more than \$1.0 million in FY 2020, for a new total of just under \$5.5 million. This includes \$3.0 million in additional revenue for the 17 new red light cameras that are anticipated to be in service by the beginning of FY 2020, minus \$500,000 due to the removal of seven existing cameras. Criminal Fines and L&I Instant Ticketing are expected to remain flat, at \$230,000 and \$400,000, respectively.

Parking Tickets/Booting Fines are projected to total slightly over \$3.0 million in FY 2020, which is a \$62,000 increase over FY 2019. This change is net of a \$238,000 decline in projected citations, offset by a \$300,000 increase due to improved collections of existing receivables.

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. The City's pension actuary has projected that the FY 2020 contributions will total nearly \$6.2 million, an increase of \$400,372 above the current fiscal year estimate.

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. For FY 2020, the Reimbursement is \$596,356, a \$199,782 increase from FY 2019.

FISCAL YEAR 2020 REVENUES

Overview

General Fund (continued)

Interest Earnings

As interest rates continue to increase, the interest earned by the City on cash balances is projected to grow significantly. Given existing fund balances, net of spend down of outstanding capital funds, interest revenue is expected to increase by \$481,000 in FY 2020, for a new total of \$1.0 million.

Task Force Revenues are the revenue sources that were created as a result of the 2003 Governor's Task Force, which took effect early in FY 2004. As a result, each county seat (Wilmington is the county seat of New Castle County) in the State receives the revenue derived from 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.

In total, Task Force Revenues are projected to be \$399,400 higher in FY 2020. The largest component of this increase is the LLC Filing Tax, which (per DEFAC growth projections) is projected to grow by \$385,600, to a new total of \$3.4 million. Lodging Tax and Corporate Filing Tax are projected to increase by \$2,400 and \$11,400, respectively, while Natural Gas Tax is expected to remain flat.

Property Taxes are projected to total slightly more than \$42.9 million, an increase of \$348,237. Projected base billings for FY 2020 are \$42.8 million, which is inclusive of \$371,000 in incentives expiring in FY 2019. This base is reduced by a projected \$250,000 resulting from reassessment appeals, though this is partially offset by a combined \$52,972 in additional revenue due to expiring tax incentives and projected property improvements. The usual 2.0% allowance for doubtful accounts further reduces revenue by \$851,000. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.2 million, up \$200,000 over FY 2019 due to improved collection efforts.

There is no Property Tax rate increase included in the FY 2020 budget.

Licenses, Permits and Fees revenue is projected to be up by a net \$265,290 in FY 2020. Business License revenue is expected to be up by \$863,290 to a new total of just under \$2.5 million. This is inclusive of the effect of the proposed increase in the Rental Business License fee, which is projected to result in an additional \$815,290 in FY 2020. However, the increase in Licenses revenue is largely offset by a projected reduction in the revenue from Permits, which is down \$600,000 relative to FY 2019, to a new total of \$2.1 million. The inflating effect of several large one-time construction projects in FY 2019 was removed for FY 2020, returning Permits revenue back to more historic levels. Finally, Fees are expected to remain nearly flat at \$500,000.

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. The FY 2020 projections total \$11.1 million, which is a \$230,500 increase from the FY 2019 budget. The breakout is as follows:

- \$2.5 million for a payment in lieu of taxes (PILOT) by the State on what would usually be tax-exempt properties in the City (no change from the FY 2019 budget).

FISCAL YEAR 2020 REVENUES

Overview

General Fund (continued)

- \$6.3 million as part of the State's Uniform Commercial Code (UCC) filing fees (up \$230,500 from the FY 2019 budget, based on the December 2018 DEFAC projection).
- \$1.0 million (the capped amount) in Statutory Trust Filing Fees (no change from the FY 2019 budget).
- \$1.3 million in New Castle County Corporate Filing Fees (no change from the FY 2019 budget).

Other Taxes are projected to decrease by \$76,499 in FY 2020. The breakout is as follows:

Franchise Fees revenue previously consisted of 2% of gross revenues from electricity sales in the City and 5% of gross revenues from cable television service sales in the City. In Wilmington, Delmarva Power is the sole distributor of electricity and Comcast is currently the only provider of cable TV service. However, in FY 2014, City Council transferred the Comcast franchise revenue into the special CATV Fund. The annual Delmarva Power payment remains the sole source of revenue in this category. It is projected to be \$919,113 in FY 2020, which is down slightly from FY 2019 and consistent with historical trends.

Real Estate Transfer Tax revenues are projected to decline by \$74,472 to a new total of \$2.7 million. The projection is conservatively based on the historical average of transfer activity, minus one standard deviation off the mean.

Head Tax revenue is projected to remain at \$3.87 million for FY 2020, as the projection assumes flat job growth.

FISCAL YEAR 2020 REVENUES

Overview

Water/Sewer Fund

Total Water/Sewer Fund revenues are projected to increase by \$2.5 million, to a new total of almost \$83.7 million in FY 2020. Water/Sewer revenues are a combination of Water/Sewer User Fees, Stormwater Billings, and New Castle County (NCC) Sewer, along with the smaller revenue categories of Interest, Rentals, and Solar Panel Revenue.

Water/Sewer User Fees

The base amount of Water/Sewer User Fees had been growing in recent years as a result of rate increases to stabilize the Fund. For FY 2020, base billings, forecasted through financial modeling using current consumption data, are projected to be \$49.8 million. Proposed revisions to some customer classes and rates are projected to yield an additional \$1.2 million in revenue, equivalent to a weighted average increase of 2.7%. Revenue from special sewer fees and other miscellaneous sources will contribute \$4.9 million, up \$666,000 from FY 2019. Finally, subtracting the allowance for doubtful accounts (\$1.02 million) results in a net total User Fees projection of \$54.9 million, an increase of \$2.57 million from the FY 2019 budget.

For the average City residential customer, this increase (combined with unchanged stormwater rates, see below) results in a total bill increase of 3.82%, or \$2.21 per month. There is no increase for County water customers.

Stormwater Billings

The Stormwater Property Fee is charged to all property owners in the City. The fee is not based on a consumption factor, but rather on the size of a property and the characteristics of that parcel's land and buildings as they relate to the generation of stormwater runoff. The Stormwater Billings base for FY 2020 is \$8.45 million. After allowing a total of \$423,000 for uncollectible accounts, \$8.03 million in revenue is projected for FY 2020, a net decrease of \$16,000 relative to the FY 2019 budget. There is no increase to stormwater rates for FY 2020.

New Castle County Sewer

Revenues associated with the City's treatment of New Castle County sewage total \$19.6 million in FY 2020, down \$56,665 from the FY 2019 budget. This decrease is inclusive of an offsetting contingency to account for potential arbitration between the City and the County, as the County has been acting out of contract since 2015.

Rentals

Rental income, which is derived by charging fees to telecommunications companies that rent space on the City's water tanks for antennae and transmitters, is projected to increase by \$23,000 to a total of \$1.09 million in FY 2020.

Solar Panel Revenue

As a result of the installation of solar panel arrays at various municipal sites (most notably the Porter Filter Plant), the City earns, and subsequently sells, Solar Renewable Energy Credits (SRECs). For FY 2020, \$30,000 in revenue is expected, down by \$1,000.