AD HOC FINANCIAL AND OPERATIONAL ADVISORY COMMITTEE

The Financial and Operational Advisory Committee organizational meeting was held on December 12, 2013 at 4:01 p.m. with Councilman Hutchison presiding. Members present were Mr. Holden, Mr. Larson, Dr. Newton, and Mr. Smith.

AGENDA ADDITIONS/DELETIONS

Mr. Holden moved for approval of the agenda as presented, seconded by Dr. Newton and unanimously carried.

Self Introduction of Members

Mr. Christopher Smith stated that he is currently employed by Edward Jones as a financial advisor and runs the investments office in Dover. He attended Hampton University and earned an MBA in business administration with a concentration in finance and a bachelor's degree in business administration with a concentration in accounting. Prior to graduate school, he stated that he worked for PricewaterhouseCoopers, LLP and performed audits for MBNA and Chase in Delaware. After obtaining his MBA, Mr. Smith worked briefly at the Edward Jones corporate office and relocated to Dover two and one-half years ago.

Dr. Cynthia Newton advised members that she has worked as an Associate Professor of Political Science at Wesley College for approximately three (3) years and also serves as the advisor for the student government and oversees their budgetary processes. Dr. Newton holds a Ph.D. in Public and International Affairs from Northeastern University as well as an MPA in Nonprofit Management from Clark University. Her focus is in public policy, American institutions, and governance. She has previously owned and operated several businesses, including non-profits.

Mr. Russell Larson stated that he formerly served as the Controller General for the State of Delaware for 16 years and as Deputy Controller for 11 years prior. He also has prior experience working in the General Assembly in Richmond, VA. He informed members that he earned an MPA from Pennsylvania State University.

Mr. Wayne Holden advised members that he was born in Dover and that his family founded and owns Holden Dodge. He stated that he served in the United States Army for four (4) years prior to working as a financial consultant for Dean Witter Reynolds. He also worked as a financial consultant for Merrill Lynch for 28 years and served as the Resident Manager of the Dover Merrill Lynch office for 14 years. He informed members that has experience with the non-profit sector including work with Bayhealth (Kent General Hospital), the Schwartz Center for the Arts, the Dover Art League, the Delaware Community Foundation (serving as Chair), the Nature Conservancy Delaware Chapter Board (serving as Chair), and the Delaware Symphony. He explained that he has experience with troubled balance sheets and operating expenses and enjoys helping to stabilize non-profit organizations experiencing financial difficulties.

Welcome by Councilman Hutchison and Explanation of the Committee's Purpose

On behalf of members of City Council, James L. Hutchison, First District Council representative, thanked each member for their willingness to work with the City in this endeavor. He expressed pride in the work of Mrs. Donna Mitchell, Controller/Treasurer and Mr. Scott Koenig, City Manager.

He explained that the City of Dover was experiencing a time of change, including internal changes within the management team, as well as a projected financial deficit of $7M in the next five (5) years, which may change based on market conditions during the next five (5) years.

Mr. Hutchison stated that Council would like to hear members' thoughts and ideas as the Committee examines the budget, hears presentations from the City Manager and Controller/Treasurer, and gathers facts and figures as the City begins to prepare for the FY 2015 budget and years beyond. He reminded members that the City is very restricted in regard to revenue sources and new income (property taxes, fines and fees, and utility rates). He stated that he was very proud that, over the years, Council had been very careful in regard to tax increases, noting that the City had not increased taxes since Fiscal Year 2011 when a rollback was implemented.

Organizational Overview by City Manager, Scott Koenig

Mr. Scott Koenig, City Manager, informed members that he had been the City Manager for a little over two (2) years but had been employed with the City of Dover for more than 23 years, previously working in the Public Works Division, with a background in public works operations and engineering.

Members were provided a variety of documents excerpted from the FY 2014 Annual Operating Budget, including an FY 2014 Organization Chart, Personnel Table, Personnel Budget, Personnel Changes, and Overtime Comparison Fiscal Year 2011 Through 2014 ***(Attachment #1)***. Mr. Koenig provided an overview of the organizational structure of the City, explaining that Dover is a full-service city and a $130M corporation. He informed members that the City of Dover operates under a modified council-city manager form of government, whereby the Mayor and members of Council are policy makers and Council appoints the City Manager. The City Manager serves as the chief administrative officer and oversees the Library, Public Works, Customer Services, Human Resources, Information Technology, and Electric Departments. Other department heads, including the Tax Assessor, City Clerk/Assistant Treasurer, Controller/Treasurer, Fire Marshal, Building Inspector, and City Planner, are appointed by and report to Council. The City Solicitor is also a Council appointee. The Mayor appoints the Chief of Police.

Responding to Mr. Holden, Mr. Koenig confirmed that it is typical in a municipality for the City Clerk's Office to be an independent office that primarily supports City Council.

Mr. Koenig explained the Controller/Treasurer oversees the Finance Department. As the City has experienced financial difficulties and several departmental directors have retired over the last few years, some functions previously performed solely under the City Manager had been reassigned, including administrative support for budget preparation and oversight of the procurement and warehousing inventory areas. Mr. Koenig noted that any differences of opinion that occur between the Controller/Treasurer and City Manager would be resolved by City Council.

Mr. Koenig explained that the Dover Fire Department is a volunteer fire organization that provides service beyond the City limits. The City of Dover provides approximately $1M per year in administrative support to the Fire Department through employment of the dispatchers and Fire Chief's Assistant. The elected, volunteer Fire Chief supervises the City of Dover employees and

reports directly to Council. The City Manager performs an annual inspection of the Fire Department but does not supervise the employees or volunteer members. The City covers the capital costs to purchase fire trucks and related equipment, maintain fire apparatus, and pay bills related to the fire houses, the personnel costs for the dispatchers and Fire Chief's Assistant, and other costs associated with the administration of the Fire Department.

Mr. Koenig explained that the Parks and Recreation Department was currently reporting to the Planning Director because the former director retired and this position was transferred to the Planning Office in an effort to save funds. He noted that the Tax Assessor is appointed by Council and that some outside assistance is used for commercial evaluations.

Mr. Koenig advised members that the Mayor's position is full time and the Mayor and City Manager share the services of an administrative assistant. The Economic Development Office was transferred to the Mayor's Office and the Police Department is also accountable to the Mayor's Office. The civilian employees in the Police Department are unionized and union contracts are negotiated through the City Manager's Office, but these employees report to the Police Chief on a daily basis.

Mr. Koenig explained that the City has a "hybrid" form of government. The City Manager administers the budget and the needs of all departments are incorporated into this budget, which is presented to Council. In the budget process, Council appointees can "go around" the City Manager in regard to budget requests, resulting in challenges in obtaining a final balanced budget.

Responding to Mr. Smith regarding compensation for members of committees, commissions, and boards, such as the Historic District Commission, Mrs. Mitchell explained that members of some of these entities, such as the Planning Commission, Board of Adjustment, and civilian members of standing Council committees receive compensation. Members of other committees serve on a volunteer basis.

Referring to the Fiscal Year 2014 Proposed Budget - Personnel Table, Mr. Koenig advised members that it is the employees who work for the City that make the City run. He noted the annual personnel obligation was approximately $30M. He indicated that staff had been trying to do more with fewer people over the last few years and the number of full-time employees had been decreased from 362 to 347, and part-time personnel had also been adjusted. Where appropriate, some operations, such as some custodial and grass mowing services, had been privatized and staff was hoping to obtain feedback on additional ideas for privatization. He noted that this was not a simple matter because multiple functions may be performed by employees, such as employees who perform grass cutting in the growing season but also put up Christmas lights, shovel snow, and do odd jobs throughout the City during the rest of the year. Mr. Koenig stated that there was pressure to add positions in the next budget year, including a position to assist in attaining federal compliance in the City's stormwater utility. Some administrative areas had been cut back and feedback had been received that the City was not providing the level of service that some expect; therefore, adding some positions back was being considered. Mr. Koenig felt that a staff of 347 would be adequate if "the right people were in the right positions" and indicated that achieving this circumstance was a challenge.

Referring to the Personnel Budget for Fiscal Year 2014 - Total City by Fund, Mr. Koenig advised members that the base wage expense was approximately $19M which was increased to approximately $20.9M when on-call, overtime, and part-time wages were added. When benefits were considered, the total expense was approximately $30M. At the Council and administrative levels, discussions had been held to determine when it is more beneficial to add employees versus paying overtime costs. Staff was trying to address the budget by managing the number of personnel and overtime costs while maintaining the service levels that residents have become accustomed to.

Mr. Koenig advised members that the population of the City is approximately 37,000. Over the last five (5) years, additional land area had been annexed into the City. He emphasized that much of the City's budget is tied to growth and construction in the community due to revenue from building permits, impact fees, and transfer taxes. He advised members of the importance of growth to the financial health of the City because growth of utilities, housing stock, commercial building stock, and jobs helps to keep up with escalating costs, such as personnel, gasoline, equipment.

Mr. Koenig stated that staff was looking for ideas from the Committee for things that could be done to change the operation of the City and modernize it. He noted some improvements in the budget process and hoped that, when preparing the budget for FY 15, that staff would be developing a budget in which the revenues would equal the expenses. Mr. Koenig stated that previously efforts were made to save money in the current fiscal year and carry these funds forward to help balance the next fiscal year.

Financial Overview by Controller/Treasurer, Donna Mitchell

Mrs. Donna Mitchell, Controller Treasurer, reviewed a number of documents related to the City of Dover budget and finances which were provided to members ***(Attachment #2)***. Referring to the City of Dover Fund Listing - December 12, 2013, Mrs. Mitchell explained that the City had established 30 funds, each managed as a separate "business," and the City functions as a parent company. Some are pass-through funds, for example, the 210, 212, and 214 accounts, which are related to State programs and, by law, are not co-mingled with City funds. She noted that in governmental accounting the General Fund consists of current assets and current liabilities. Long-term assets and liabilities are accounted for separately in the 901 and 902 funds.

She indicated that the Finance, and Procurement and Inventory Departments October - 2013 Monthly Budget Report was a sample of the reports sent to Council each month. At the bottom of each budget, if a fund has a reserve, a Contingency Reserve Balance is listed.

Mrs. Mitchell reviewed charts regarding the market value and unfunded liability of the Other Post-Employment Benefit (OPEB), General Pension, and Police Pension funds as of July 1, 2012. She advised members that the OPEB fund relates to health care benefits promised to employees in retirement. The City's assets do not currently equate to the actuarial determined liabilities for these funds and the unfunded liability reflects the amount not funded. She noted that separate trust funds had been set up to manage these investments and advised members that the General Pension and Police Pension are closed plans. New employees are enrolled in a 401(a) plan.

In response to Dr. Newton regarding the timing of institution of the 401(a) plan, Mrs. Mitchell stated her recollection that the City's 401(a) plan was initiated in 1994 as an optional plan and the General Pension Plan had been closed since 2009. The Police Pension Plan had been closed since the 1980s since police officers belong to the State Police Pension Plan.

Mr. Holden inquired if there were any plans, with the exception of current unfunded liabilities, that were incurring a shortfall annually in terms of contributions versus what is required. Mrs. Mitchell stated that, for the most part, the City had been meeting the Annual Required Contribution (ARC) for pension; however, the Governmental Accounting Standards Board (GASB) required implementation of a new OPEB standard in 2009. Previously, municipalities did not have to recognize these expenses. While there is still no requirement to fund these obligations, they must be recognized by showing the liability in the municipality's reports. If they are not funded, deficit fund balances will result. When the GASB standards were drafted in 2004-2005, Council was informed that this change would be occurring and in 2006, when the City was doing better financially, excess funds were put aside in reserve. When the City implemented the change in 2009, $6M had been set aside to put in the OPEB trust. At the same time, because it was known that budget issues would prevent the City from fully funding the ARC for OPEB, a ten-year phase-in plan was developed for the ARC and the City is currently in the fifth year of that plan.

Mr. Holden felt that this liability was the "Achilles heel" that affected jurisdictions such as Detroit and Jefferson County, putting the County in bankruptcy, and felt that the City needed to "attack" and find out where in its operating expenses the City could outsource or eliminate 10-20% of staff.

Mrs. Mitchell informed members that the City had previously been paying 100% of individual health care coverage for all employees. If an employee had family or spouse and child coverage, the City paid 75% and the employee paid 25% of the additional fee for this coverage. The City is attempting to implement a 15% contribution from all employees for health care coverage, and this has been accepted by two (2) of the City's unions and is under negotiation with the remaining two (2) unions. The City also provides Medicare Part B reimbursement to those on Medicare, a provision that affects the liability and was discontinued for new hires as of 2009. Mrs. Mitchell noted that 65% of the OPEB liability is due to retirees and that no plans had been made as of this date to change the benefits of retired employees. Staff was attempting to implement these types of changes for new hires only, with the exception of health care cost sharing. The City also discontinued the Medicare Part B benefit during the last union negotiations for all employees other than non-bargaining employees. *(City Clerk's Office Note: Subsequent to Council's action to discontinue the Medicare Part B benefit, an additional labor union, the American Federation of State, County, and Municipal Employees (AFSCME) was organized in the City of Dover. AFSCME members also receive the Medicare Part B Benefit.)* Employees who were grandfathered in will still receive this benefit, but no new hires will receive it.

Mr. Larson expressed his opinion that the City was doing much better than the State in terms of health care liabilities and much worse on the pension side, and Mrs. Mitchell concurred. She stated that the City's phase-in plan was developed to fully fund the ARC over ten years and the rest of the OPEB liability would be amortized over 30 years.

Mr. Larson indicated that he would recommend focusing on the pension benefit rather than the health benefit in terms of funding the liability. Responding, Mrs. Mitchell stated that she had recommended to Council that excess carry-forward balances be applied toward the pension obligation first to resolve this issue and subsequently to address OPEB, and the City had adopted this approach.

Mr. Holden questioned if Council realized that the "red ink" related to deferred pension contributions every year would increase the liability. He stated that the City was not required by law to put this money in, but was required to do so by employees through contracts. He indicated that the longer that the City waits to address this issue, the more catastrophic it can be. Responding, Mrs. Mitchell stated her belief that this was understood by Council. She stated that changes in accounting standards were also increasing the liability, for example a new GASB standard dictates that the actuarial assumed rate can be assumed for ten years; however, if the amortization is 25 years, the municipal discount rate must be used for the remaining 15 years. She indicated that this change must be implemented in 2014 and 2015 and will again increase the liability and that fully funding these benefits up to the ARC would require a tax increase or a government shut-down. She noted that there must be a balance on how to address these issues. Because the pension plans are closed, their amortization life is reduced each year. The Police Pension Plan was decreased to a 15-year amortization and, therefore, is not being refinanced every year.

Referring to the General Fund Expenditures By Major Function, Mr. Holden questioned what portion of Police and Fire Expenditures was attributed to police services versus fire services. In response, Mrs. Mitchell stated that the Fire Department budget was approximately $1M and the Police Department budget approximately $13.5M, noting that property tax revenue is approximately $11.1M.

In regard to the 2013-2014 Capital Improvement Program, Mr. Koenig informed members that during prior year budget discussions, several members of Council expressed frustration that the City had not been spending enough on infrastructure. Some members wanted to increase the amount being spent annually on roads. During the last couple of years, approximately $300,000 in City funds were allocated for this and projected needs were as much as $1M. In recent years, the City had invested heavily in water pipe replacement and addressing inflow/infiltration in the sewer system, dedicating approximately $1M of revenue each year to these two (2) functions, and there were additional projects that would require increased funding to be addressed. Mr. Koenig noted that increases in rates would be needed to sustain the Capital Plan. In regard to the electric system, the City had been successful over the last couple of years in bringing rates down due to the City's ability to purchase power at reduced cost through the hedge programs. Staff believed that the electric rate was reasonably stable, although there were currently some factors putting pressure on that rate. Mr. Koenig stated that there were large concerns going forward regarding the tax, water, and sewer rates and these would be discussed as financial projections are examined.

Mrs. Mitchell explained that the electric fund budget is approximately $90M and at one time this budget was $120M. Because power supply costs have decreased, the overall City budget has been reduced over the last couple of years. For clarification, Mr. Koenig noted that the City's budget consists of approximately $30M for the General Fund, $15M for the Water/Wastewater Fund, and the remaining portion is the Electric Fund.

Responding to Mr. Larson, Mrs. Mitchell explained that the Capital and Operating funds are two (2) separate funds; however, monies from the operating fund are used to fund the capital fund, in addition to grants or debt service. Three (3) or four (4) state revolving fund loans have been implemented for Water/Wastewater, for a portion of the Library construction. The City's last Street Program was not funded out of the General Fund at all, it was financed through a loan with PNC Bank.

Mr. Koenig stated that the Capital and Operating Funds are accounted for separately; however, there is one (1) budget document that is presented which includes both funds.

Mrs. Mitchell reviewed a presentation entitled, "City of Dover General Fund - Financial Projections - 2014-2018." She explained that the City partnered with Municast, who provided a licensed financial model. This model allows staff to enter every dollar amount in the General Ledger for the past ten years and future budgets for five (5) years. It then provides financial projections for the next five (5) years. She noted that Page 3, Revenues, Expenditures & Fund Balance, reflected a surplus deficit for each year and a cumulative amount (additional funds needed to meet budget requirements) of $7.6M in the fifth year. This was based on assumptions that were done at the time and some of those assumptions were included on Page 2.

She noted that Page 7, Revenue Trends, reflected that the largest amount of transfer taxes, $3.5M, was received in 2008. In 2010, this amount was decreased to $867,795 and was approximately $1M in 2013. During the last two (2) years, revenues received were less than budgeted amounts. Responding to Mr. Smith, Mrs. Mitchell stated that this decrease was affected by a decline in property values.

Mr. Koenig stated that the Transfer in-ERLSP (212) line on Page 7 referred to revenues received from red light camera funds and that, as drivers have become more aware of and obedient to the signals, revenues had decreased. Mrs. Mitchell noted that some of these cameras had also been out of service.

Mr. Smith noted that the City of Dover assesses properties at 100% of the property value and that this was last done in 2010. He noted that this would be done again in four (4) to five (5) years and this could result in a negative effect on the budget.

Mrs. Mitchell advised members that the tax rate was previously 60% of value and it was changed to 100%, but the tax rate was rolled back at that time.

Mr. Koenig stated that a revaluation is scheduled for 2015 and that this is a revenue neutral exercise in that if values go up, the tax rate will be rolled back. If the values go down across the City, the City would have to increase the rate to recover the same amount of tax at the end of the revaluation.

Mrs. Mitchell noted that if property values increase and the rate is not rolled back, this would be considered a tax increase and must be authorized by Council resolution. Concurring, Mr. Koenig stated that this would have to be advertised and Council would have to vote to increase the tax.

Mrs. Mitchell advised members that the Water and Wastewater Fund Financial Projects and Electric Fund Financial Projects were not part of the Municast model; however, the rate consultant who helps develop rates by class and customer for electricity uses this forecast model when developing the cost of service rates.

Mrs. Mitchell reviewed a presentation entitled, "City of Dover Budget Meeting - June 5, 2013 - General Fund Budget & Forecast, Water/Wastewater Fund Budget & Forecast," noting that this report incorporated financial information related to the Calpine project which was not available for inclusion in the original forecast. She informed members that the Municast model also provides the ability to enter information to test various scenarios, such as what type of tax increase would be needed to obtain a positive budget balance, and she wanted members to be aware of how the model works and what can be done with it.

She noted that the City's financial policies require the City to maintain an 8% - 12% budget balance, which is one (1) month of expenses, for cash flow purposes and the City typically budgets 8%. She noted that Policy Compliance - Sensitivity Analysis on Page 4 of the presentation reflected whether this was achieved.

Responding to Mr. Hutchison, Mrs. Mitchell confirmed that the budget process for FY14/15 had begun.

Mr. Hutchison stated that the charge to the Committee was to review the financial information; income; expenses; current and future revenues; and cost drivers including payroll, benefits, capital projects, and debt service, and tie this into the organization of the City. He explained that the ad hoc Committee would make a recommendation to the Legislative, Finance, and Administration Committee and that Committee's findings would ultimately be reviewed by Council. He expressed his excitement regarding obtaining the thoughts and ideas of members as they work with the City Manager and Controller/Treasurer moving forward.

Mrs. Mitchell stated that a major part of the difficulty the City has results from the need to recognize unfunded liabilities and the ARC each year, at the same time revenues are decreasing, which she stated is a "double-edged sword."

In response to Mr. Smith, Mr. Koenig noted that Council had been reluctant to propose increasing revenues.

Mr. Hutchison stated that, as a Council representative, he was unwilling to raise revenues until a hard look had been taken to ensure that "the house was in order."

Mr. Koenig noted that a sanitation fee increase was implemented in the FY 13 budget from $11.70 to $17.00 per month for residential trash collection in lieu of a tax increase. During discussions last year regarding tax increases, Council expressed a desire to make sure that the City had addressed internal issues as much as possible before going to the taxpayers. He also cautioned members that the City now has four (4) unions and slightly more than 90% of the workforce is unionized; therefore, changing the long-term trajectories for OPEB would not be an overnight process.

Mrs. Mitchell noted that, unlike the State, benefits for City employees are part of union negotiations, as are medical benefits.

Mr. Koenig stated that, in the past two (2) years, there had been discussions on certain revenues, including a brief discussion on a hotel tax, which would have pros and cons. He felt that this was a recognized tax in other locations and the City was an anomaly among municipalities in not having such a tax; however, the hotel associations and the Central Delaware Chamber of Commerce felt this was a very sensitive issue. A tax rate of $0.01 would raise approximately $316,000, which he felt was a substantial amount of money, but he noted that the City's shortfall was projected to be in the millions of dollars. He indicated that the Electric Fund transfers a flat $8M to the General Fund, which helps to offset the cost of police and general government services.

Responding to Mr. Smith, Mr. Koenig confirmed that on a normal day the City of Dover purchases electricity from external sources because it is cheaper than producing it and receives capacity payments and standby payments in some cases for having the power plant available. He noted that the City was constantly considering contingency planning in case this arrangement were to change. Discussion was going on at the Utility Committee and staff levels regarding two (2) vintage power production units from the 1960s and consideration was being given as to whether to take them out of service, perform maintenance on them, or replace them with a purchase power agreement.

One (1) of Mr. Koenig's hopes was that discussions could be held regarding revenue development and questioned if members had ideas for "making the pitch" to Council and the public as to where revenue could be raised, whether through the tax base, fees, or some combination of those things. From a staff standpoint, in many areas the City had reached bottom. For example, it had been necessary to downsize the Customer Service division and staff in this area was stretched to the maximum. There had been difficulty maintaining an acceptable service level and staff was trying to implement electronic billing and payment over the internet to be more progressive, as private sector businesses are. However, these changes take time and there are associated "growing pains."

Responding to Mr. Holden regarding his previous description of the City as a "hybrid" government, Mr. Koenig explained that in a traditional city manager form of government, all departments report to the city manager, versus having some functions managed by council appointees or other elected officials. In a city manager form of government, council chooses the city manager, who is charged with selecting department heads. In some "strong mayor" cities, there is an elected mayor who chooses all the department heads.

Mr. Holden expressed interest in hearing from Mr. Koenig on how this structure could be made more efficient by changing some of these dynamics. He was unsure if this was within the Committee's charge but felt that if organization could be improved, structural changes should be put on the table as well.

Mr. Hutchison felt that this was within the charge of this group because organization and finances are interrelated.

Discussion of Meeting Dates and Times

Mr. Hutchison requested Mr. Holden to serve as Chair of the Committee. He stated that the next meeting would be held at the call of the Chair and requested that Mr. Holden call the City Clerk's Office and inform them of when this meeting could be held.

He stated he was impressed with the questions that were asked during the meeting and expressed appreciation for the group for assisting the City.

Mr. Larson moved for adjournment, seconded by Mr. Hutchison and unanimously carried.

Meeting adjourned at 5:21 p.m.

James L. Hutchison
Councilman, First District

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Attachments

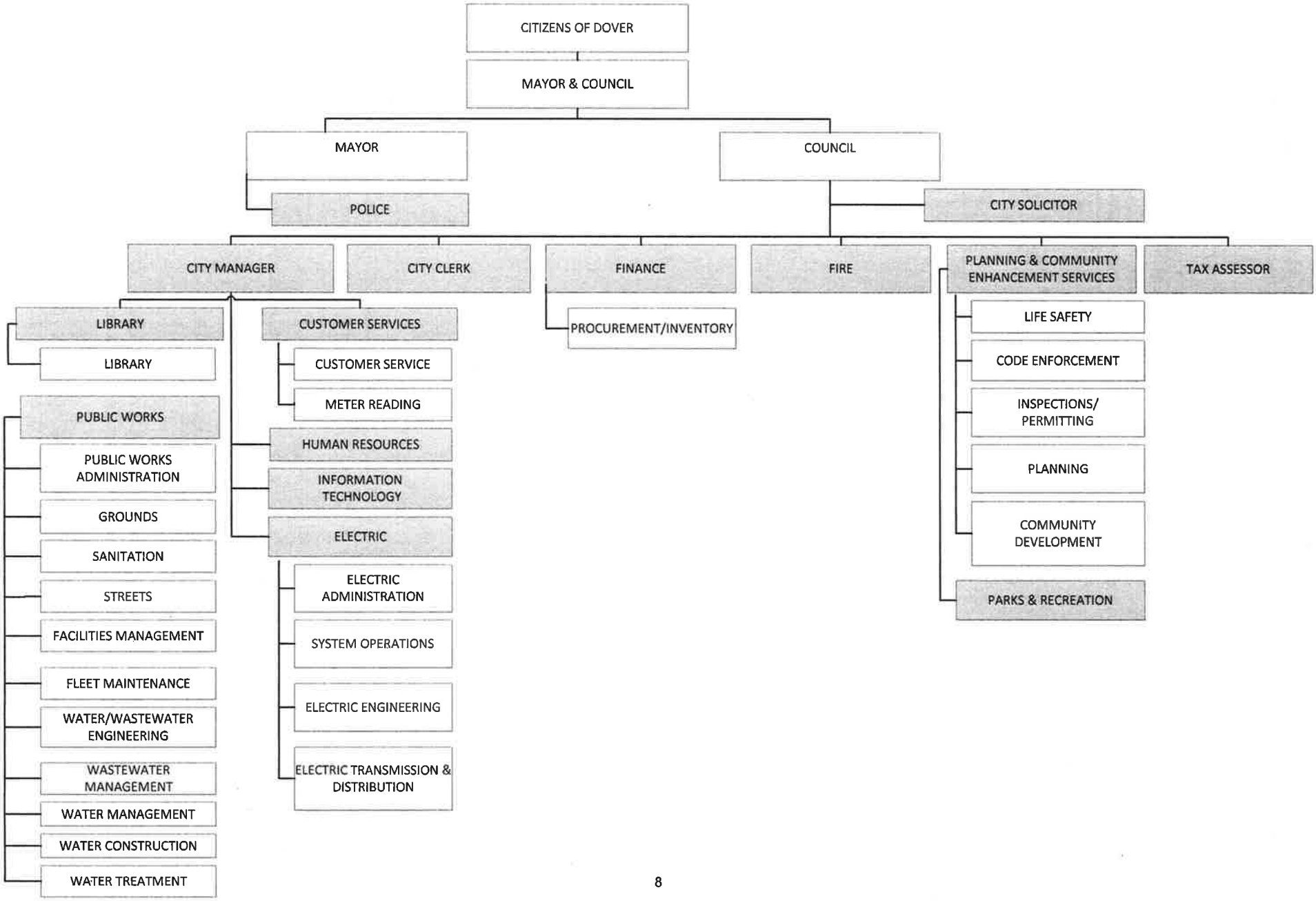
Attachment #1 - Documents Excerpted from the FY 2014 Annual Operating Budget and Provided by Mr. Scott Koenig, City Manager

Attachment #2 - Documents Related to the City of Dover Budget and Finances Provided by Mrs. Donna Mitchell, Controller/Treasurer

FY 2014 ANNUAL OPERATING BUDGET – DOVER, DELAWARE

CITY OF DOVER

FISCAL YEAR 2014 ORGANIZATION CHART



City of Dover
Fiscal Year 2014 Proposed Budget
Personnel Table

DEPT/DIVISION	2011-2012 BUDGET	2012-2013 BUDGET	2013-2014 PROPOSED
CITY CLERK	4.0	4.0	4.0
CITY MANAGER	5.0	3.0	3.0
CODE ENFORCEMENT	4.0	4.0	5.0
COMMUNITY DEVELOPMENT (GRANT FUND)	1.0	0.5	0.0
CUSTOMER SERVICES	14.0	14.0	14.0
ECONOMIC DEVELOPMENT	3.0	3.0	3.0
FACILITIES MANAGEMENT	12.0	9.0	7.0
FINANCE	8.0	8.0	8.0
FIRE	6.0	6.0	6.0
FLEET MAINTENANCE	6.0	6.0	6.0
GROUNDS	14.0	14.0	13.0
HUMAN RESOURCES	3.0	3.0	3.0
INFORMATION TECHNOLOGY	5.0	5.0	5.0
INSPECTIONS	7.0	7.0	6.0
LIBRARY	12.0	13.0	13.0
LIFE SAFETY	3.0	3.0	3.0
MAYOR	1.0	1.0	1.0
PARKS AND RECREATION	6.0	5.0	5.0
PLANNING	5.0	4.5	5.0
POLICE – TOTAL*	122.0	122.0	124.0
PROCUREMENT AND INVENTORY	6.0	4.0	4.0
PUBLIC WORKS ADMINISTRATION	5.0	6.0	5.0
SANITATION	13.0	11.0	11.0
STREETS	11.0	10.0	8.0
TAX ASSESSOR	3.0	3.0	3.0
GENERAL FUND & CDBG TOTAL	**279.0**	**269.0**	**265.0**
ELETRIC ADMINISTRATION	4.0	3.0	3.0
ELECTRIC SYSTEM OPERATIONS	5.0	5.0	5.0
ELECTRIC ENGINEERING	10.0	10.0	10.0
ELECTRIC T & D	25.0	24.0	24.0
METER READING - CUSTOMER SERVICE	3.0	3.0	3.0
ELECTRIC FUND TOTAL	**47.0**	**45.0**	**45.0**
WATER/WASTEWATER ENGINEERING	6.0	6.0	7.0
WATER CONSTRUCTION	6.0	5.0	5.0
WATER MANAGEMENT	4.0	5.0	4.0
WASTEWATER MANAGEMENT	10.0	10.0	11.0
WATER TREATMENT PLANT	10.0	10.0	10.0
WATER/WASTEWATER FUND TOTAL	**36.0**	**36.0**	**37.0**
TOTAL FULL-TIME PERSONNEL	**362.0**	**350.0**	**347.0**

** 93 Officers; 31 Civilians = 124 Total Employees*

DEPT/DIVISION	2011-2012 BUDGET	2012-2013 BUDGET	2013-2014 BUDGET
PART-TIME PERSONNEL			
CITY COUNCIL COMMITTEES	17.0	17.0	17.0
PLANNING COMMISSION	14.0	14.0	14.0
FIRE	1.0	1.0	1.0
PARKS AND RECREATION	10.0	10.0	10.0
LIBRARY	10.0	13.0	14.0
CUSTOMER SERVICES	0.0	0.0	1.0
FINANCE	1.0	0.0	0.0
FACILITIES MANAGEMENT	1.0	0.0	0.0
SUBSTANCE ABUSE GRANT	12.0	12.0	12.0
TOTAL PART-TIME PERSONNEL	**66.0**	**67.0**	**69.0**
TOTAL PERSONNEL	**428.0**	**417.0**	**416.0**

City of Dover
Personnel Budget
Fiscal Year 2014
Total City by Fund

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
1100-511	4	City Clerk	$214,200	$0	$0	$0	$214,200	$92,400	$306,600
1200-512	17	City Council	$0	$0	$0	$84,300	$84,300	$6,600	$90,900
1300-513	3	Assessor	$124,700	$0	$0	$0	$124,700	$48,300	$173,000
1400-514	7	Fire	$230,200	$10,400	$48,800	$12,800	$302,200	$106,000	$408,200
1500-522	13	Grounds	$504,700	$11,300	$14,900	$0	$530,900	$251,800	$782,700
1500-523	27	Library	$577,900	$14,400	$ 3,700	$199,300	$795,300	$297,200	$1,092,500
1500-525	15	Recreation	$210,400	$1,200	$0	$116,300	$327,900	$113,200	$441,100
1600-531	3	Life Safety	$132,000	$9,700	$7,000	$0	$148,700	$57,900	$206,600
1600-532	5	Code Enforcement	$233,100	$4,800	$2,000	$0	$239,900	$105,100	$345,000
1600-533	19	Planning	$313,100	($43,500)	$0	$17,100	$286,700	$120,100	$406,800
1600-534	6	Building Inspections	$252,700	$3,600	$1,000	$0	$257,300	$112,200	$369,500
1600-535	3	Economic Development	$136,800	$0	$0	$0	$136,800	$54,900	$191,700
1700-542	31	Civilian Police	$1,266,700	$44,200	$66,200	$0	$1,377,100	$574,700	$1,951,800
1700-543	93	Law Enforcement	$6,439,200	$192,000	$500,000	$0	$7,131,200	$3,480,800	$10,612,000
1700-544	0	Police Extra Duty	$675,400	$0	$0	$0	$675,400	$84,600	$760,000
1800-554	8	Streets	$285,300	$7,200	$8,800	$0	$301,300	$154,600	$455,900
1800-555	11	Sanitation	$386,000	$12,000	$13,200	$0	$411,200	$208,600	$619,800
2100-515	3	City Manager	$207,000	$0	$1,500	$0	$208,500	$83,200	$291,700
2200-516	5	Information Technology	$277,400	$0	$0	$0	$277,400	$106,500	$383,900
2300-517	8	Finance	$493,700	$1,200	$0	$0	$494,900	$218,900	$713,800
2400-551	5	Public Works Admin	$277,700	$15,100	$0	$0	$292,800	$112,800	$405,600
2500-552	7	Facilities	$294,400	$15,700	$7,600	$0	$317,700	$146,700	$464,400
2700-571	4	Procurement & Inventory	$178,700	$3,600	$0	$0	$182,300	$66,500	$248,800
2800-572	6	Fleet Maintenance	$266,200	$8,500	$2,400	$0	$277,100	$143,600	$420,700
2900-529	15	Customer Service	$563,400	$10,800	$0	$0	$574,200	$266,500	$840,700
3100-518	3	Human Resources	$174,700	$0	$0	$0	$174,700	$86,600	$261,300
3200-519	1	Mayor	$45,000	$0	$0	$0	$45,000	$10,600	$55,600
		Total General Fund	**$14,760,600**	**$322,200**	**$677,100**	**$429,800**	**$16,189,700**	**$7,110,900**	**$23,300,600**
Count	322	Divisions = 26; Library 13 part-time/temp; Recreation 10 part-time/temp; Fire 1 part-time/temp							

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
2600-553	7	Engineering	$412,700	$2,400	$3,300	$0	$418,400	$171,200	$589,600
5600-556	5	Construction	$184,900	$11,300	$15,000	$0	$211,200	$99,000	$310,200
6800-568	4	Water	$184,200	$6,700	$11,200	$0	$202,100	$102,200	$304,300
6900-569	11	Wastewater	$361,300	$20,800	$27,100	$0	$409,200	$188,700	$597,900
7600-576	10	Water Treatment	$429,300	$12,500	$19,700	$0	$461,500	$237,900	$699,400
		Total Water/Wastewater Fund	**$1,572,400**	**$53,700**	**$76,300**	**$0**	**$1,702,400**	**$799,000**	**$2,501,400**
Count	37	Divisions = 5							

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
8200-562	24	T & D	$1,440,500	$57,500	$127,800	$0	$1,625,800	$626,900	$2,252,700
8300-563	10	Engineering	$592,000	$40,600	$15,000	$0	$647,600	$254,000	$901,600
8400-564	3	Administration	$195,500	$1,200	$0	$0	$196,700	$65,000	$261,700
8500-565	3	Meter Reading	$121,000	$8,700	$8,800	$0	$138,500	$57,200	$195,700
8600-526	5	System Operators	$323,200	$15,900	$50,300	$0	$389,400	$154,200	$543,600
		Total Electric Fund	**$2,672,200**	**$123,900**	**$201,900**	**$0**	**$2,998,000**	**$1,157,300**	**$4,155,300**
Count	45	Divisions = 5							

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
9900-596	0	CDBG	$0	$44,700	$0	$0	$44,700	$0	$44,700
9900-581	12	Substance Abuse Grant	$0	$0	$0	$30,500	$30,500	$2,500	$33,000
		Total Grant Funds	**$0**	**$44,700**	**$0**	**$30,500**	**$75,200**	**$2,500**	**$77,700**
Count	**416**	**GRAND TOTAL**	**$19,005,200**	**$544,500**	**$955,300**	**$460,300**	**$20,965,300**	**$9,069,700**	**$30,035,000**
Full-Time	**347**	Divisions = 37 w/o CDBG							
PP/TEMP	**69**	Includes: 17 Council/Committee, 1 Customer Service, 1 Fire, 14 Library, 10 Recreation, 12 Subs Abuse, 14 Planning							

City of Dover
Fiscal Year 2014 Proposed Budget

The proposed budget reflects the following personnel changes:

DEPT/DIVISION	POSITION	CHANGE	COMMENTS	# Positions
Publc Works				
Administration	Public Works Inspector	Transfer To	Water/Wastewater Engineering	(1.0)
Facilities	Custodians	Removed	Contracting out	(2.0)
Grounds	Motor Equipment Operator	Removed		(1.0)
Streets	Motor Equipment Operators	Removed		(2.0)
				(6.0)
Police				
Civilian	Lan Tech	Addition	Shared resource with I/T	1.0
Civilian	Communications Operator	Addition	Assist with increase in calls and reduce overtime	1.0
				2.0
Customer Service	Part-time Customer Service Clerk	Addition	Focus on collections	1.0
Library	Part-time Library Assistant	Addition		1.0
GENERAL FUND & CDBG				**(2.0)**
Engineering	Public Works Inspector	Transfer From	Public Works Administration	1.0
WATER/WASTEWATER FUND				**1.0**

CITY OF DOVER
OVERTIME COMPARISON
FISCAL YEAR 2011 THROUGH 2014

	2011				2012				2013 THROUGH APRIL (83.0%)				2014
DEPARTMENT	Orig. Budget	Actual	Variance	% To Date	Orig. Budget	Actual	Variance	% To Date	Orig. Budget	Actual	Variance	% To Date	Proposed
CITY CLERK	-	-	-	---		73	(73)	---	-	-	-	---	-
FIRE	38,365	42,260	(3,895)	110.2%	39,148	55,292	(16,144)	141.2%	44,900	52,830	(7,930)	117.7%	48,800
GROUNDS	17,000	21,565	(4,565)	126.9%	15,300	15,021	279	98.2%	15,000	8,636	6,364	57.6%	14,900
PARKS & RECREATION	-	-	-		-	-	-			327	(327)	---	-
LIBRARY	3,500	3,766	(266)	107.6%	3,600	2,983	617	82.8%	3,500	4,868	(1,368)	139.1%	3,700
LIFE SAFETY	10,000	6,859	3,141	68.6%	6,900	7,512	(612)	108.9%	7,000	4,950	2,050	70.7%	7,000
CODE ENFORCEMENT	3,000	2,370	630	79.0%	2,670	2,608	62	97.7%	3,000	2,514	486	83.8%	2,000
PLANNING	3,606	3,946	(340)	---			-	---	1,800	600	1,200	33.3%	-
PUBLIC INSPECTIONS	1,500	-	1,500	---			-	---		610	(610)	---	1,000
POLICE CIVILIAN	50,000	53,246	(3,246)	106.5%	45,000	54,576	(9,576)	121.3%	55,000	62,500	(7,500)	113.6%	66,200
POLICE LAW ENFORCEMENT	450,000	482,449	(32,449)	107.2%	450,000	496,413	(46,413)	110.3%	500,000	396,495	103,505	79.3%	500,000
STREET	13,200	6,187	7,013	46.9%	11,880	5,026	6,854	42.3%	9,000	4,444	4,556	49.4%	8,800
SANITATION	18,000	20,411	(2,411)	113.4%	16,200	13,843	2,357	85.5%	15,000	9,944	5,056	66.3%	13,200
CITY MANAGER	-	-	-	---			-	---		1,737	(1,737)	---	1,500
FINANCE	3,000	3,179	(179)	---		188	(188)	---	1,800	-	1,800	0.0%	-
PW ADMINISTRATION	500	-	500	---		1,043	(1,043)	---	600	541	59	90.1%	-
FACILITIES MANAGEMENT	300	314	(14)	104.5%	450	1,058	(608)	235.1%	800	6,601	(5,801)	825.1%	7,600
PROCUREMENT & INVENTORY	350	322	28	91.9%	700	788	(88)	112.6%	400	1,714	(1,314)	428.4%	-
FLEET MAINTENANCE	5,976	5,985	(9)	100.2%	1,350	305	1,045	22.6%	3,500	773	2,727	22.1%	2,400
HUMAN RESOURCES	1,000	-	1,000	---			-	---			-	---	-
WATER ENGINEERING	3,120	460	2,660	14.7%	900	966	(66)	107.3%	600	949	(349)	158.2%	3,300
CONSTRUCTION & MAINT	5,000	10,462	(5,462)	209.2%	4,500	8,561	(4,061)	190.2%	12,500	11,665	835	93.3%	15,000
METERING/WATER	-	-	-	---			-	---			-	---	-
WATER	3,500	10,682	(7,182)	305.2%	9,900	8,160	1,740	82.4%	11,650	13,099	(1,449)	112.4%	11,200
WASTE-WATER	57,500	24,882	32,618	43.3%	24,300	23,300	1,000	95.9%	27,050	14,202	12,848	52.5%	27,100
WATER TREATMENT PLANT	25,880	18,291	7,589	70.7%	23,300	21,038	2,262	90.3%	18,500	25,976	(7,476)	140.4%	19,700
TRANSMISSION/DISTRIBUTION	110,074	121,397	(11,323)	110.3%	99,074	126,886	(27,812)	128.1%	127,800	140,882	(13,082)	110.2%	127,800
ELECTRIC ENGINEERING	47,320	6,234	41,086	13.2%	20,250	7,998	12,252	39.5%	7,800	17,120	(9,320)	219.5%	15,000
ELECTRIC ADMINISTRATION	-	-	-	---		237	(237)	---		2,021	(2,021)	---	-
ELECTRIC METERING	6,352	5,694	658	89.6%	12,250	9,129	3,121	74.5%	6,000	8,349	(2,349)	139.2%	8,800
ELECTRIC SYSTEMS OPERATIONS	61,350	52,681	8,669	85.9%	18,000	43,311	(25,311)	240.6%	43,900	49,031	(5,131)	111.7%	50,300
TOTAL	**939,393**	**903,642**	**35,751**	**96.2%**	**805,672**	**906,315**	**(100,643)**	**112.5%**	**917,100**	**843,376**	**73,724**	**92.0%**	**955,300**
ELECTRIC PLANT OPERATIONS	179,816	209,636	(29,820)	116.6%	172,800	169,456	3,344	98.1%	180,900	163,076	17,824	90.1%	195,700
POLICE EXTRA DUTY	400,000	495,757	(95,757)	123.9%	400,000	636,631	(236,631)	159.2%	514,900	529,303	(14,403)	102.8%	675,400

CITY OF DOVER
FINANCIAL POLICIES

06/25/12

CITY OF DOVER, DELAWARE
FINANCIAL POLICIES

The purpose of these policies is to present a standardized set of principles that the City follows in managing its financial and budgetary affairs. These are general statements of policies, which represent long-standing principles, traditions, and practices that will be used to guide the City in maintaining financial stability. It will be the responsibility of the Finance Department to ensure the financial objectives of these policies are maintained.

Revenue Policy

1. The City will strive to maintain a broad and diversified revenue base that will equitably distribute the burden of supporting City services and will protect the City from short-term fluctuations in any one revenue source.

2. The City will actively support economic and industrial development recruitment and retention efforts to provide for a solid revenue base.

3. The City will maintain timely collection systems and implement necessary enforcement strategies to collect revenues from available sources.

4. The City will establish user fees and charges for services, when feasible, at levels related to the cost of providing the services. The City will review the fees and charges every three to five years to determine modifications needed to keep pace with the cost of providing the services. Property Tax Rates are set annually

5. The City will review its incentive programs every three years and provide City Council with the amount of foregone revenues and any recommended changes.

6. The City will establish, when feasible, self-supporting enterprise funds and intergovernmental service funds in which a relationship between revenues and expenditures clearly exists.

7. The City will project current revenues on a conservative basis so the actual revenues will consistently meet or exceed budgeted revenues. Revenues greater or less than the original budget will flow through to the audited Ending Budget Balance.

8. The City will maintain a budgetary control system and will prepare reports, which compare actual revenues to budgeted amounts.

9. The City will limit the designation of General Fund revenues for specified purposes to maximize flexibility in budgeting and revenue utilization.

10. The City will review annually and revise, where necessary, its cost allocation formulas, i.e. internal service departments.

11. Upon satisfying all rate covenants the City will provide operating transfers to the General Fund. From the Water/Wastewater Utility no greater than $500,000 and from the Electric Utility no greater than $8,000,000. The Utility transfers will not exceed 25% of the General Fund Revenues.

Expenditure Policy

1. Basic and essential services provided by the City will receive first priority for funding, i.e. Public Safety & Health, Utilities, Streets, & Sanitation. The City will establish performance measurements for all program areas, when feasible. These measures will reflect the demand, workload capability, and projected outcomes for the program to accomplish its objectives.

2. The City will adopt a balanced budget, by fund, for all funds maintained by the City, in which total anticipated revenues must equal or exceed the budgeted expenditures for each fund. The Beginning Budget Balance will not be considered a revenue source.

3. The City will maintain a budgetary control system to ensure adherence to the original adopted budget and will prepare reports, which compare actual expenditures to budgeted amounts. Expenditures greater or less than the original adopted budget will flow through the audited Ending Budget Balance.

4. The City will refrain from budgeting revenues derived from infrequent and unanticipated transactions for ongoing expenses. These revenues will be set aside for asset replacement or as otherwise directed by Mayor and Council.

5. The City will provide access to medical, dental, vision, life, AD & D, and short-term disability insurance for its employees. The cost for these benefits will be a shared responsibility between the City and its employees as outlined in the City Personnel Handbook or collective bargaining agreements

6. The City will provide access to medical and dental insurance for its retirees and their families. The cost for these benefits will be a shared responsibility between the City and its retirees as outlined in the City Personnel Handbook or collective bargaining agreements.

7. The City will provide access to appropriate retirement plans for its employees. The City will make contributions for eligible employees at the actuarial determined percentage defined for each of the respective retirement plans.

8. The City will establish an Other Post-Employment Benefit Fund (OPEB) and provide available funding for early implementation of a new accounting standard promulgated by the Government Accounting Standards Board. The City will make contributions for eligible employees and retirees at the actuarial determined rates or percentages to fund future retiree medical benefits.

Debt Policy

1. The City will maintain a debt management policy and full disclosure on financial reports.

2. The City will maintain communications with bond rating agencies and continue to strive for improvements in the City's bond rating.

3. The City will adhere to its debt covenants.

4. The City will review its debt capacity every three years.

5. The City will pay for all capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term debt or use of reserves will be recommended.

6. The City will refrain from issuing long-term debt for a period in excess of the expected useful life of the capital project.

7. The City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds, when practical.

8. The City will seek refinancing of outstanding debt if it is determined that the City will benefit by reduced interest expense over the remaining life of the bonds.

Budget Balance/Reserve Policy – General Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 8% and no greater than 12% of the current year operating revenues for the General Fund, excluding the carry forward balance. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget ordinance, such funds shall be used to provide for unfunded retirement liabilities or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the taxpayers, the budget balance may, with the Mayor's and City Council's approval, be restored to the specified percentage within one year, but in any case, no longer than three years.

3. The City will maintain a minimum reserve, in a contingency account, of at least 2% of the current year operating revenues for the General Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

4. The total of the General Fund budget and contingency balances shall not exceed 17% (~ 2 months) of Budgeted Operating Revenues.

5. The City will create a Capital Asset Replacement account for Governmental Fund asset procurements. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. The City will appropriate excess (amounts greater than budgeted) revenues to fund this account, or if the balance is less than the $500,000 minimum, $200,000 per annum until such time the minimum balance is replenished.

6. The City will create a General Capital Project Fund to account for all General Government asset procurements and projects. The City will provide operating fund transfers and/or debt proceeds for each fiscal year's Capital Investment Plan. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis.

Budget Balance/Reserve Policy – Water/Wastewater Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 8% and no greater than 17% (two months) of the current year operating revenues for each of the Water & Wastewater Utility Funds, excluding the carry forward balance. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget ordinance, such funds shall be used to provide for unfunded retirement liabilities or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the ratepayers, the budget balance may, with the Mayor's and City Council's approval, be restored to the specified percentage within one year, but in any case, no longer than three years.

3. The City will maintain a minimum reserve, in a contingency account, of at least 2% of the current year operating revenues for each the Water & Wastewater Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

4. The total of the combined Water & Wastewater Fund budget and contingency balances shall not exceed 25% (3 months) of Budgeted Operating Revenues.

5. The City will maintain a Capital Asset Replacement account to cover replacement or procurement of assets of the utility. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. The City will maintain a minimum balance of $500,000 for each utility for Capital Asset Replacements. The City will appropriate excess revenues to fund this account, or if the balance is less than the minimum $100,000 per annum for each utility until such time the minimum balance is achieved.

6. The City established by ordinance on December 17, 1996 the Wastewater Impact Fee Reserve to provide for future expansion of the City's wastewater system due to increased demand. The ordinance further provides for debt service payments attributed to wastewater expansion projects to be funded by the current year's collection of Impact Fees and the remainder to be deposited into the reserve account. The City shall maintain a minimum of 20% of wastewater revenues in the Impact Fee Reserve account. Amounts used to finance projects shall be replenished by the operating revenues of the Wastewater Fund over the succeeding seven years of any project completion.

7. The City established by ordinance on February 1, 2008 the Water Impact Fee Reserve to provide for future expansion of the City's water system due to increased demand. The ordinance further provides for debt service payments attributed to water expansion projects to be funded by the current year's collection of Impact Fees and the remainder to be deposited into the reserve account. The City shall maintain a minimum of 20% of water revenues in the Impact Fee Reserve account. Amounts used to finance projects shall be replenished by the operating revenues of the Water Fund over the succeeding seven years of any project completion.

8. The Water & Wastewater Improvement & Extension Fund budget balance shall be no less than $200,000 of the current fiscal year's appropriation for water and wastewater projects to allow for project variances and change orders; a 10% contingency shall be included in project budgets greater than $250,000 if the Department Head determines it to be appropriate. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis. The City Manager shall make the necessary budget amendments in accordance with the City of Dover Purchasing & Budget Amendment Policies.

Budget Balance/Reserve Policy – Electric Revenue Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 8% and no greater than 12% (45 days) of the current year operating revenues for the Electric Revenue Fund, excluding the carry forward balance and power cost adjustments. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget ordinance, such funds shall be used to provide for unfunded retirement liabilities or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the taxpayers, the budget balance may, with the Mayor's and City Council's approval, be restored to the specified percentage within one year, but in any case, no longer than three years.

3. The City will maintain a minimum reserve, in a contingency account, of at least 1% of the current year operating revenues for the Electric Revenue Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and

above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

4. The total of the combined Electric Revenue Fund budget and contingency balances shall not exceed 25% (3 months) of Budgeted Operating Revenues.

5. The City has established by bond covenant an account to cover insurance deductibles on the electric transmission and distribution system or the generating plants. The City shall maintain a minimum balance of $350,000 to cover various deductibles.

6. Recognizing price fluctuations in the wholesale power markets the City has established a rate stabilization reserve. The purpose of using such a reserve is to level off the fluctuations in the wholesale power supply market and in turn provide stable rates to our customers. In those instances where the actual cost of power supply and generation are less/more than the budgeted cost of power supply and generation, the City will transfer the difference to/from the Rate Stabilization Reserve. The balance shall be maintained at a minimum of 3% not to exceed 10% of the purchase power cost in any given year. If the reserve balance exceeds the 10% maximum, a credit will be applied to the power cost adjustment.

7. The Electric Improvement & Extension Fund budget balance shall be no less than $200,000 of the current fiscal year's appropriation for electric system projects to allow for project variances and change orders; a 10% contingency shall be included in project budgets greater than $250,000 if the Department Head determines it to be appropriate. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis. The City Manager shall make the necessary budget amendments in accordance with the City of Dover Purchasing & Budget Amendment Policies.

8. The City has established an account to provide for capital financing of Future Capacity or system expansion. The City shall maintain a balance equivalent to the value of 10% growth in capacity at any given time, or no less than $10,000,000. Amounts used to finance projects shall be replenished by the operating revenues of the Electric Revenue Fund over the succeeding seven years of any project completion.

9. The City has established an account to provide for replacement or procurement of utility system assets, otherwise known as Depreciation Reserve. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. The City will maintain a minimum balance of $10,000,000. The primary purpose of this account is to provide partial or all financing of major capital projects and minimize debt service payments. The account is also intended to cover unforeseen capital replacements due to equipment breakdowns, storms or hurricane damages. Amounts used to finance projects shall be replenished by the operating revenues of the Electric Revenue Fund over the succeeding seven years of any project completion

10. The total of the combined Electric Revenue and Electric Improvement & Extension Fund budget and reserve balances shall be benchmarked at 50% Budgeted Operating Revenues. Operating Fund Budget Balance and Reserves shall be adjusted to appropriate levels through adjustments

in the operating budget. Improvement & Extension Fund Budget Balance and Reserves shall be adjusted in accordance with the Capital Improvement Plan.

Investment and Cash Management Policy

1. The City will deposit all receipts on a timely basis in interest bearing accounts.

2. The City will strive to maximize the return on its investment portfolio without jeopardizing principal amounts.

3. The City will limit its investments to the types of securities provided for by Delaware statutes.

4. The City will diversify its investments by maturity date to protect against market fluctuations.

5. The City will purchase securities from qualified institutions based on competitive bids in an effort to obtain the highest available rates.

6. The City will maintain an Investment Policy based on prudent investment practices and will monitor all investment managers' compliance with policy objectives.

Capital Improvement Policy

1. The City will prepare and update, as needed a five-year Capital Improvements Program (CIP) which will provide for the orderly maintenance, replacement, and expansion of capital assets.

2. The CIP will identify long-range capital projects and capital improvements of all types, which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.

3. When preparing the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five-year period. These projects and improvements will be prioritized by year and by funding source.

4. Every attempt will be made to match projects and improvements with available funding sources. Future operating costs and savings associated with a project or an improvement will also be given consideration in the establishment of priorities.

5. The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.

6. The City will incorporate the reasonable findings and recommendations of other cities' Boards, Commissions, Committees, and Citizen Task Forces, as they relate to capital projects and improvements.

7. The City will seek input from the public by holding public hearings in relation to the establishment of projects and project priorities.

Financial Reporting Policy

1. The City's accounting system will maintain records in accordance with accounting standards and principles outlined by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the State of Delaware.

2. The City will employ an independent accounting firm to perform an annual audit of the City's finances and make the annual audit available to all required and interested parties.

3. The City will produce monthly and quarterly financial statements reporting the current periods' activity for all funds maintained by the City.

4. The City will prepare an annual budget document that provides a basic understanding of the City's planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for citizen input prior to final decisions on the budget.

5. The City will place continued emphasis on review and maintenance of an accounting system which provides strong internal budgetary and accounting controls designed to provide reasonable assurance, but not absolute, assurance regarding:

   (a) the safeguarding of assets against loss from unauthorized use or disposition and,
   (b) the reliability of financial records for preparing financial statements and reports, and the maintaining accountability for assets.

6. The City will seek annual renewal of the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

Adoption:

1. Approval by City Council: January 28, 2002
2. Amended by City Council: November 25, 2002
3. Amended by City Council: May 10, 2004
4. Amended by City Council: February 26, 2007
5. Amended by City Council: July 28, 2008
6. Amended by City Council: February 14, 2011
7. Amended by City Council: June 27, 2011
8. Amended by City Council: September 26, 2011
9. Amended by City Council: June 25, 2012

City of Dover
Fund Listing
December 12, 2013

Fund #	Title	Fund Type
110	General Fund	Governmental
147	Governmental Capital Project Fund	Governmental
210	Municipal Street Aid Fund	Governmental
212	Electronic Red Light Safety Program Fund	Governmental
214	Property Transfer Tax Fund	Governmental
318	Community Transportation Grant Fund (Capital)	Governmental
412	Water/Wastewater Operating Fund	Proprietary
417	Water/Wastewater Improvement & Extension Fund	Proprietary
480	Electric Operating Fund	Proprietary
487	Electric Improvement & Extension Fund	Proprietary
601	Disbursements Fund - Payables	Governmental
603	Cash Concentration Fund - Cash Receipts	Governmental
634	Downtown Dover Partnership Fund	Agency
637	4th of July Committee Fund	Agency
645	Pooled Investments	N/A
652	Civilian Pension Trust	Fiduciary
653	Deferred Compensation Plans (401a & 457)	Fiduciary
654	OPEB Trust	Fiduciary
657	Police Pension Trust - City Plan	Fiduciary
662	Worker's Compensation Fund - Self insured	Internal Service
701	Substance Abuse Grant Fund	Governmental
710	Police Grant Fund - State Grants	Governmental
711	Library Grants	Governmental
712	Police Grant Fund - Federal Grants (DOJ & Burn)	Governmental
713	Criminal Justice Council - Aid in Dover Grants	Governmental
714	Police - Federal Forfeiture Funds	Governmental
715	Community Development Block Grant (CDBG/NSP)	Governmental
717	Community Development Block Grant - State	Governmental
901	Governmental Fixed Assets	Governmental
902	Governmental Long-Term Liabilities	Governmental
30	Count	

CITY OF DOVER
FINANCE AND PROCUREMENT & INVENTORY DEPARTMENTS
OCTOBER 2013 - MONTHLY BUDGET REPORTS















LEASE NOTE – THIS REPORT PROVIDES TOP LINE INFORMATION ON THE OPERATING FUNDS. IF YOU WOULD LIKE ADDITIONAL INFORMATION, PLEASE FEEL FREE TO CONTACT THE FINANCE DEPARTMENT.

CITY OF DOVER
ACTIVITY REPORTS
October 2013

FINANCE DEPARTMENT ACTIVITY LEVELS

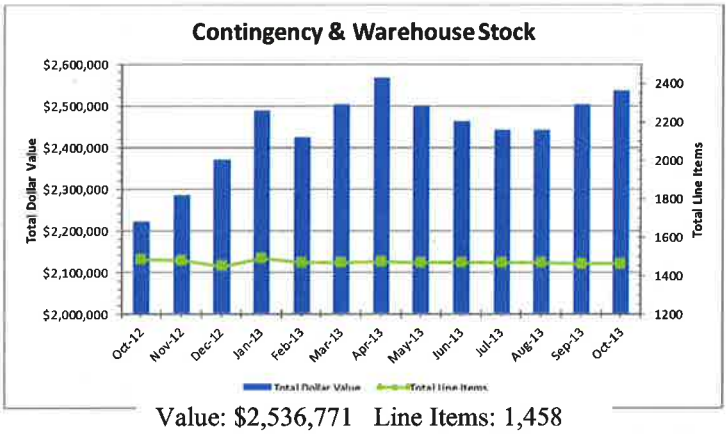
	FY13 YTD			FY14 YTD		
BANK TRENDS						
Number of Deposits Made (Hand, ACH & Wire, Lockbox)	1,947			2,107		
Total Amount of All Deposits	$ 58,140,374			$ 48,115,598		
PAYROLL						
	Hours	%	Amount	Hours	%	Amount
Gross wages per registers	263,671	100.0%	$ 6,256,759	257,584	100.0%	$ 6,033,040
Wages and Hours Worked						
Regular	218,318	82.8%	$ 4,827,264	216,584	84.1%	$ 4,690,982
All over time	13,932	5.3%	$ 633,265	12,176	4.7%	$ 521,969
Other Paid or Unpaid Wages and Hours						
Vacation	16,538	6.3%	$ 430,094	16,889	6.6%	$ 447,935
Sick	6,668	2.5%	$ 167,221	5,087	2.0%	$ 129,639
Terminal Leave - Retiree Vacation/Sick Payout	2,266	0.9%	$ 51,480	797	0.3%	$ 21,341
Comp Time	2,949	1.1%	$ 82,602	2,593	1.0%	$ 72,756
Personal	298	0.1%	$ 7,802	353	0.1%	$ 9,343
Leave Without Pay	2,073	0.8%	$ -	1,626	0.6%	$ -
Other (description below)	631	0.2%	$ 57,031	1,481	0.6%	$ 139,073

Other includes: pay adjustments, military differential pay, committee meetings, worker compensation tracking/adjustments, etc.

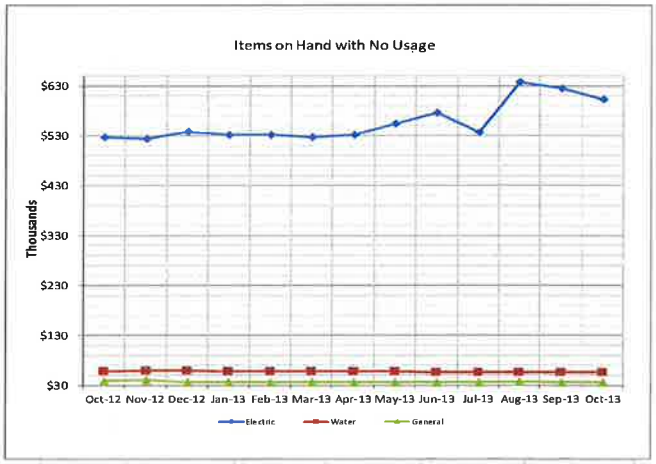
Other Activity		
Number of Pay Periods	8	8
Number of Payroll Checks & Direct Deposits Issued	2,933	2,856
Number of Pension Checks Issued	982	1,035
Total Pension Benefits Paid - Defined Benefit Plan	$ 4,063,547	$ 4,308,838

ACCOUNTS PAYABLE		
Number of Check Vouchers	2,052	1,944
Number of EFT Vouchers	695	674
Vouchers Dollar Amount Disbursed	$ 28,267,814	$ 24,719,690

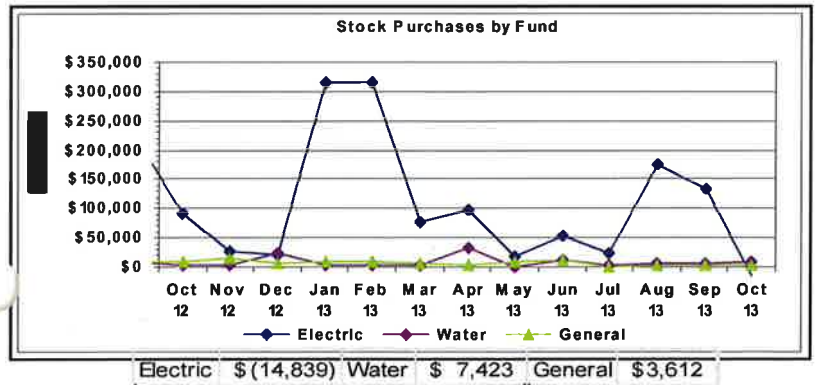
PROCUREMENT & INVENTORY ACTIVITY LEVELS



Value: $2,536,771 Line Items: 1,458



Electric: $602,410 Water: $56,799 General: $35,478



Electric $ (14,839) Water $ 7,423 General $3,612

Fuel Use

Unleaded:	10,903.9	gallons
Diesel:	6,993.5	gallons
Total Cost:	$ 51,421	

City of Dover
Finance Department
Monthly Report – October 2013
General Fund Summary

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ 3,455,200	$ -	$ 3,455,200	0.0%
Revenues				
Court of Chancery Fees	863,200	237,100	626,100	27.5%
Fines & Police Revenues	1,316,000	404,716	911,284	30.8%
Franchise Fees	606,200	84,100	522,100	13.9%
Grants	623,500	71,000	552,500	11.4%
Intrafund Services	4,454,300	1,301,610	3,152,690	29.2%
Library & Recreation Revenues	599,600	296,295	303,305	49.4%
Licenses & Permits	2,627,500	1,859,476	768,024	70.8%
Property Taxes (Includes BID Revenue) (1)	11,169,500	11,042,322	127,178	98.9%
Miscellaneous Revenues	138,300	33,894	104,406	24.5%
Sanitation Revenues	2,676,500	868,571	1,807,929	32.5%
Garrison Farm Rent Revenue	118,500	28,892	89,608	24.4%
Transfers-In from Special Funds & Utilities				
Municipal Street Aid Fund	527,400	-	527,400	0.0%
Civil Traffic Penalties	600,000	-	600,000	0.0%
Transfer Taxes	1,315,500	385,756	929,744	29.3%
Verizon, Contingency and CI Reserves	32,000	-	32,000	0.0%
Police Grants	110,000	16,373	93,627	14.9%
Water/Wastewater Fund	500,000	250,000	250,000	50.0%
Electric Fund	8,000,000	4,000,000	4,000,000	50.0%
Total Revenues	36,278,000	20,880,105	15,397,895	57.6%
Total Beginning Balance & Revenues	**$ 39,733,200**	**$ 20,880,105**	**$ 18,853,095**	52.6%
Expenditures				
City Clerk & Council	$ 442,200	$ 132,329	$ 309,871	29.9%
Mayor, City Manager & Human Resources	874,900	297,663	577,237	34.0%
Police & Police Extra Duty	14,331,800	4,130,727	10,201,073	28.8%
Public Services	4,131,800	1,052,882	3,078,918	25.5%
Procurement & Inventory, Facilities Mgmt., Vehicle Maint.	1,870,900	497,313	1,373,587	26.6%
Planning & Inspections	2,045,600	628,631	1,416,969	30.7%
Finance, Info Tech & Customer Services	2,676,400	866,999	1,809,401	32.4%
Library & Recreation	2,038,600	615,945	1,422,655	30.2%
Fire Department	692,100	233,426	458,674	33.7%
Assessor	198,300	63,218	135,082	31.9%
Contribution to DDP	162,400	81,200	81,200	50.0%
Miscellaneous Grant Expense	25,000	-	25,000	0.0%
Other Employment Expenses	400,000	-	400,000	0.0%
Insurance	658,900	151,959	506,941	23.1%
OPEB - Retiree's Health Care Contribution	1,636,500	409,125	1,227,375	25.0%
Police Pension Trust Contribution - State Grant	500,000	70,000	430,000	14.0%
Appropriation to Employee Pension Fund - Unfunded Liability	1,466,500	886,950	579,550	60.5%
Street Lights	836,000	260,709	575,291	31.2%
Debt Service	557,300	538,486	18,814	96.6%
Provision for Uncollectible	10,000	10,000	-	100.0%
Transfers Out				
Capital Projects Fund	1,278,300	639,150	639,150	50.0%
Total Expenditures	36,833,500	11,566,712	25,266,788	31.4%
Budget Balance - Working Capital	2,899,700	-	2,899,700	0.0%
Total Budget Balance & Expenditures	**$ 39,733,200**	**$ 11,566,712**	**$ 28,166,488**	29.1%
Reserve Balances				
Contingency	$ 723,600	$ 735,599		

(1) Property Taxes are the taxes billed and not cash received. The outstanding receivable balance as of 10/31/13 is $591,84.55 as compared to $780,693.58 in October 2012.

City of Dover
Finance Department
Monthly Report – October 2013
Water/Wastewater Fund Summary

	Budget	YTD	Balance	33% of Budget
Beginning Balance - Water (unaudited)	$ 770,800	$ -	$ 770,800	0.0%
Beginning Balance - Wastewater (unaudited)	$ 412,600	$ -	$ 412,600	0.0%
Beginning Balance - Kent County Treatment (unaudited)	$ 141,600	$ -	$ 141,600	0.0%
	1,325,000	-	1,325,000	0.0%
Revenues				
Water Fees	4,730,700	1,640,288	3,090,412	34.7%
Wastewater Fees	3,642,700	1,269,860	2,372,840	34.9%
Kent County Treatment Fees	2,980,300	1,048,261	1,932,039	35.2%
Ground Water Inflow Adjustment	1,324,600	470,482	854,118	35.5%
Water Tank Leases	333,800	64,493	269,307	19.3%
Miscellaneous Service Fee	105,100	25,656	79,444	24.4%
Impact Fees - Water	357,000	52,714	304,286	14.8%
Impact Fees - Wastewater	323,000	47,661	275,339	14.8%
Total Revenues	13,797,200	4,619,415	9,177,785	33.5%
Total Beginning Balance & Revenues	**$ 15,122,200**	**$ 4,619,415**	**$ 10,502,785**	30.5%
Expenses				
Water/Wastewater Operating Divisions				
Engineering & Inspection	$ 664,400	$ 108,091	$ 556,309	16.3%
Water	433,900	134,713	299,187	31.0%
Water Treatment Plant	1,501,800	412,323	1,089,477	27.5%
Wastewater	945,100	250,419	694,681	26.5%
Construction	351,400	73,554	277,846	20.9%
Kent County Treatment	3,524,800	990,865	2,533,935	28.1%
)trafund Service Fees	1,233,400	367,530	865,870	29.8%
Pension Unfunded Liability	339,400	169,700	169,700	50.0%
OPEB - Retiree's Health Care Contributions	200,000	100,000	100,000	50.0%
Debt Service	1,019,500	187,220	832,280	18.4%
Other Employment Expenses	25,000	-	25,000	0.0%
Transfers Out				
General Fund	500,000	250,000	250,000	50.0%
Water I & E Fund	1,200,000	600,000	600,000	50.0%
Wastewater I & E Fund	1,330,000	665,000	665,000	50.0%
Total Expenses	13,268,700	4,309,415	8,959,285	32.5%
Budget Balances				
Budget Balance - Working Capital - Water	1,056,400	-	1,056,400	0.0%
Budget Balance - Working Capital - WW	797,100	-	797,100	0.0%
Total Budget Balances	1,853,500	-	1,853,500	0.0%
Total Budget Balances & Expenses	**$ 15,122,200**	**$ 4,309,415**	**$ 10,812,785**	28.5%
Reserve Balances				
Contingency-Water	$ 105,600	$ 104,338		
Contingency-Wastewater	$ 191,500	$ 188,671		
Impact Fee Reserve - Sewer	NO BUDGET	$ 3,764,350		
Impact Fee Reserve - Water	NO BUDGET	$ 197,514		
Bond Coverage Ratio (Covenant 1.20)	3.96	6.91		

City of Dover
Finance Department
Monthly Report – October 2013
Electric Revenue Fund Summary

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ 7,152,400	$ -	$ 7,152,400	0.0%
Revenues				
Sales to Customers	76,286,700	28,365,468	47,921,232	37.2%
Utility Tax	1,492,200	465,745	1,026,455	31.2%
Weyandt Hall Rents	251,000	44,899	206,101	17.9%
Miscellaneous Revenues	737,800	234,600	503,200	31.8%
Interest Earned	119,400	554	118,846	0.5%
Transfer from Rate Stabilization	4,000,000	2,000,000	2,000,000	50.0%
Intrafund Service Receipts Water/Wastewater	98,500	30,107	68,393	30.6%
Total Revenues	82,985,600	31,141,373	51,844,227	37.5%
Total Beginning Balance & Revenues	**$ 90,138,000**	**$ 31,141,373**	**$ 58,996,627**	34.5%
Expenses				
Power Supply & Generation				
Hedged Energy	$ 23,832,000	$ 11,768,406	$ 12,063,594	49.4%
Power Supply Management	996,000	332,000	664,000	33.3%
Capacity Charges	15,787,200	5,409,985	10,377,215	34.3%
Dover Sun Park Energy	1,565,800	689,487	876,313	44.0%
Solar Renewal Energy Credits	300,000	124,415	175,585	41.5%
PJM Charges - Energy	12,812,900	3,163,727	9,649,173	24.7%
PJM Charges - Transmission & Fees	4,740,000	2,443,782	2,296,218	51.6%
Total Power Supply	60,033,900	23,931,802	36,102,098	39.9%
Plant Operations	6,015,800	1,852,210	4,163,590	30.8%
Generation Fuels	-	919,951	(919,951)	0.0%
Capacity Credits	(15,079,800)	(5,273,625)	(9,806,175)	35.0%
PJM Spot Market Energy	(230,500)	(43,541)	(186,959)	18.9%
PJM Credits	(397,000)	(1,916,940)	1,519,940	482.9%
Total Generation	(9,691,500)	(4,461,945)	(5,229,555)	46.0%
Total Power Supply & Plant	50,342,400	19,469,857	30,872,543	38.7%
Electric Operating Divisions:				
Transmission/Distribution	3,302,500	918,107	2,384,393	27.8%
Electrical Engineering	1,192,200	305,820	886,380	25.7%
Administration	597,000	91,695	505,305	15.4%
Meter Reading	220,300	71,189	149,111	32.3%
Systems Operations	543,600	160,520	383,080	29.5%
Intrafund Services	3,319,400	964,187	2,355,213	29.0%
Utility Tax	1,492,200	465,745	1,026,455	31.2%
OPEB - Retirees Health Care Contribution	513,300	256,650	256,650	50.0%
Pension Trust Contribution - Unfunded liability	1,314,200	657,100	657,100	50.0%
Interest on Deposits	27,000	8,215	18,785	30.4%
Green Energy Payment to DEMEC	135,800	34,856	100,944	25.7%
Accounts Receivable Write-Offs	200,000	200,000	-	100.0%
Other Employee Expenses	150,000	-	150,000	0.0%
Contractual Services RFP's	100,000	-	100,000	0.0%
Debt Service	3,301,900	1,136,870	2,165,030	34.4%
Transfers Out:				
General Fund	8,000,000	4,000,000	4,000,000	50.0%
Electric Improvement & Extension Fund	5,448,600	2,724,300	2,724,300	50.0%
Total Expenses	81,176,100	31,952,961	49,223,139	39.4%
Budget Balance - Working Capital	8,961,900	-	8,961,900	0.0%
Total Budget Balance & Expenses	**$ 90,138,000**	**$ 31,952,961**	**$ 58,185,039**	35.4%
Reserve Balances				
Contingency Reserve	$ 826,500	$ 816,027		
Insurance Reserve	$ 739,000	$ 734,655		
Rate Stabilization Reserve	$ 13,644,000	$ 15,417,629		
Bond Coverage Ratio (Covenant 1.25)	1.97	1.28		
Megawatt Hours Sold & Purchased				
Sales to Customers MWh (excluding Street Light MWh)	712,675	265,066		37.2%
Sales per MWh	$ 107.04	$ 107.01		100.0%
Purchased/Generated MWh	725,818	267,847		36.9%
All In MWh Supply & Generation	$ 69.36	$ 72.69		104.8%

City of Dover
Finance Department
Monthly Report – October 2013
General Capital Project Fund Summary

	Budget	YTD	Balance	33% of Budget
Beginning Balance - Projects (unaudited)	$ 241,200	$ -	$ 241,200	0.0%
Beginning Balance - Library (unaudited)	$ (74,700)	$ -	$ (74,700)	0.0%
Revenues				
State Grant - Other	15,000	-	15,000	0.0%
Interest Earnings	-	6,049	(6,049)	0.0%
Transfer from General Fund for Projects	1,278,300	639,150	639,150	50.0%
Transfer from Parkland Reserve	95,000	-	95,000	0.0%
Subtotal Revenues	1,388,300	645,167	743,133	
State Grant - Library	-	107,674	(107,674)	0.0%
Library Construction Donations	-	5,150	(5,150)	0.0%
Subtotal Library Project Receipts	-	112,824	(112,824)	0.0%
Total Revenues	1,388,300	757,991	630,309	54.6%
Total Beginning Balance & Revenue	**$ 1,554,800**	**$ 757,991**	**$ 796,809**	48.8%
Expenditures				
Fire	$ 238,500	$ 238,515	$ (15)	100.0%
Grounds Maintenance	50,100	-	50,100	0.0%
Library	-	6,512	(6,512)	0.0%
Recreation	95,000	-	95,000	0.0%
Code Enforcement	30,000	-	30,000	0.0%
Police	257,300	32,668	224,632	12.7%
Streets	251,500	143,684	107,816	57.1%
Sanitation	402,100	-	402,100	0.0%
Information Technology	7,000	-	7,000	0.0%
Facilities Management	17,800	-	17,800	0.0%
Procurement & Inventory	55,000	-	55,000	0.0%
Total Expenditures	1,404,300	421,379	982,921	30.0%
Budget Balance - Projects	150,500	-	150,500	0.0%
Total Budget Balance & Expenditures	**$ 1,554,800**	**$ 421,379**	**$ 1,133,421**	27.1%
Reserve Balances				
Capital Asset Replacement Reserve	$ 512,000	$ 508,424		
Parkland/Recreation	$ 110,000	$ 203,361		

City of Dover
Finance Department
Monthly Report – October 2013
Water/Wastewater Improvement & Extension Fund Summary

	Budget	YTD	Balance	33% of Budget
Beginning Balance - Water (unaudited)	$ 1,620,000	$ -	$ 1,620,000	0.0%
Beginning Balance - Wastewater (unaudited)	$ 660,900	$ -	$ 660,900	0.0%
Revenues				
State Loan-Wastewater 2010	-	62,000	(62,000)	0.0%
Interest Earned	25,000	8,596	16,404	34.4%
Transfer from Operating Fund for Water	1,200,000	600,000	600,000	50.0%
Transfer from Operating Fund for Wastewater	1,330,000	665,000	665,000	50.0%
Transfer from Impact Fee Reserve - Water	390,000	-	390,000	0.0%
Total Revenues	2,945,000	5,341,556	(2,396,556)	181.4%
Total Beginning Balance & Revenues	**$ 5,225,900**	**$ 5,341,556**	**$ (115,656)**	102.2%
Expenses				
Water	$ 1,476,800	$ 421,039	$ 1,055,761	28.5%
Wastewater	1,251,000	194,812	1,056,188	15.6%
Water Construction	90,000	-	90,000	0.0%
Total Expenses	2,817,800	615,851	2,201,949	21.9%
Budget Balance - Working Capital - Water	1,655,700	-	1,655,700	0.0%
Budget Balance - Working Capital - Wastewater	752,400	-	752,400	0.0%
Total Budget Balances	2,408,100	-	2,408,100	0.0%
Total Budget Balances & Expenses	**$ 5,225,900**	**$ 615,851**	**$ 4,610,049**	11.8%
Reserve Balances				
Capital Asset Replacement - Water	$ 513,000	$ 506,553		
Capital Asset Replacement - Wastewater	$ 512,300	$ 505,394		

City of Dover
Finance Department
Monthly Report – October 2013
Electric Improvement & Extension Fund Summary

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ 3,091,000	$ -	$ 3,091,000	0.0%
Revenues				
Interest Earnings	25,200	4,363	20,837	17.3%
Transfer from Electric Revenue Fund	5,448,600	2,724,300	2,724,300	50.0%
General Service Billing	440,000	101,153	338,847	23.0%
Total Revenues	5,913,800	2,829,816	3,083,984	47.9%
Total Beginning Balance & Revenues	**$ 9,004,800**	**$ 2,829,816**	**$ 6,174,984**	31.4%
Expenses				
Electric Generation	$ 2,117,800	$ 92,922	$ 2,024,878	4.4%
Transmission/Distribution	1,100,000	70,535	1,029,465	6.4%
Electrical Engineering	2,405,800	412,250	1,993,550	17.1%
Total Expenses	5,623,600	575,707	5,047,893	10.2%
Budget Balance - Working Capital	3,381,200	-	3,381,200	0.0%
Total Budget Balance & Expenses	**$ 9,004,800**	**$ 575,707**	**$ 8,429,093**	6.4%
Reserve Balances				
Depreciation Reserve	$ 9,977,100	$ 9,877,384		
Future Capacity Reserve	$ 10,131,400	$ 10,026,197		

City of Dover
Finance Department
Monthly Report – October 2013
Community Transportation Improvement Fund

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ -	$ -	$ -	0.0%
Revenues				
Grants Revenue	500,000	(2)	500,002	0.0%
Interest Earned	500	158	342	31.6%
Total Revenues	500,500	156	500,344	0.0%
Total Beginning Balance & Revenues	**$ 500,500**	**$ 156**	**$ 500,344**	0.0%
Expenses				
Program Expenses	$ 500,000	$ 228,427	$ 271,573	45.7%
Budget Balance - Working Capital	500	-	500	0.0%
Total Budget Balances & Expenses	**$ 500,500**	**$ 228,427**	**$ 272,073**	45.6%

City of Dover
Finance Department
Monthly Report – October 2013
Police Grant Funds

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ 100	$ -	$ 100	0.0%
Revenues				
Grants Received	413,000	81,620	331,380	19.8%
Interest Earned	-	182	(182)	0.0%
Total Revenues	413,000	81,802	331,198	19.8%
Total Beginning Balance & Revenues	**$ 413,100**	**$ 81,802**	**$ 331,298**	19.8%
Expenses				
Program Expenses/Supplies	$ 191,000	$ 3,700	$ 187,300	1.9%
Computer Hardware	60,000	-	60,000	0.0%
Telephone/Fax	15,000	3,647	11,353	24.3%
Training/Conference/Food/Travel	36,000	-	36,000	0.0%
Consulting/Audit Fees	1,000	-	1,000	0.0%
Contractual services	-	2,075	(2,075)	0.0%
Operating Transfers - Out	110,000	6,442	103,558	5.9%
Total Expenses	413,000	15,864	397,136	3.8%
Budget Balance - Working Capital	100	-	100	0.0%
Total Budget Balances & Expenses	**$ 413,100**	**$ 15,864**	**$ 397,236**	3.8%

City of Dover
Finance Department
Monthly Report – October 2013
Library Grant Fund

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ -	$ -	$ -	0.0%
Revenues				
Grants Received	270,100	2,130	267,970	0.8%
Total Revenues	270,100	2,130	267,970	0.8%
Total Beginning Balance & Revenues	**$ 270,100**	**$ 2,130**	**$ 267,970**	0.8%
Expenses				
Program Expenses/Supplies-State Grants	$ 28,000	$ 1,507	$ 26,493	5.4%
Program Expenses/Supplies-Federal Grants	-	989	(989)	0.0%
Office Supplies	24,000	3,089	20,911	12.9%
Printing/Duplicating	8,900	879	8,021	9.9%
Postage	100	-	100	0.0%
Books	124,900	-	124,900	0.0%
Furniture	2,000	-	2,000	0.0%
Audio Visual Supplies	74,000	4,701	69,299	6.4%
Training/Conference/Food/Travel	3,500	210	3,290	6.0%
Office Equipment/Repairs & Maintenance	2,000	1,811	189	90.6%
Computer Hardware	2,700	-	2,700	0.0%
Total Expenses	270,100	13,186	256,914	4.9%
Budget Balance - Working Capital	-	-	-	0.0%
Total Budget Balances & Expenses	**$ 270,100**	**$ 13,186**	**$ 256,914**	4.9%

City of Dover
Finance Department
Monthly Report – October 2013
Girls Circle of Dover/Aid

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ -	$ -	$ -	0.0%
Revenues				
Grants Received	31,800	-	31,800	0.0%
Interest Earnings	-	-	-	0.0%
Total Revenues	31,800	-	31,800	0.0%
Total Beginning Balance & Revenues	**$ 31,800**	**$ -**	**$ 31,800**	0.0%
Expenses				
Contractual Services	$ 31,800	$ 5,287	$ 26,513	16.6%
Budget Balance - Working Capital	-	-	-	0.0%
Total Budget Balances & Expenses	**$ 31,800**	**$ 5,287**	**$ 26,513**	16.6%

City of Dover
Finance Department
Monthly Report – October 2013
CDBG Fund

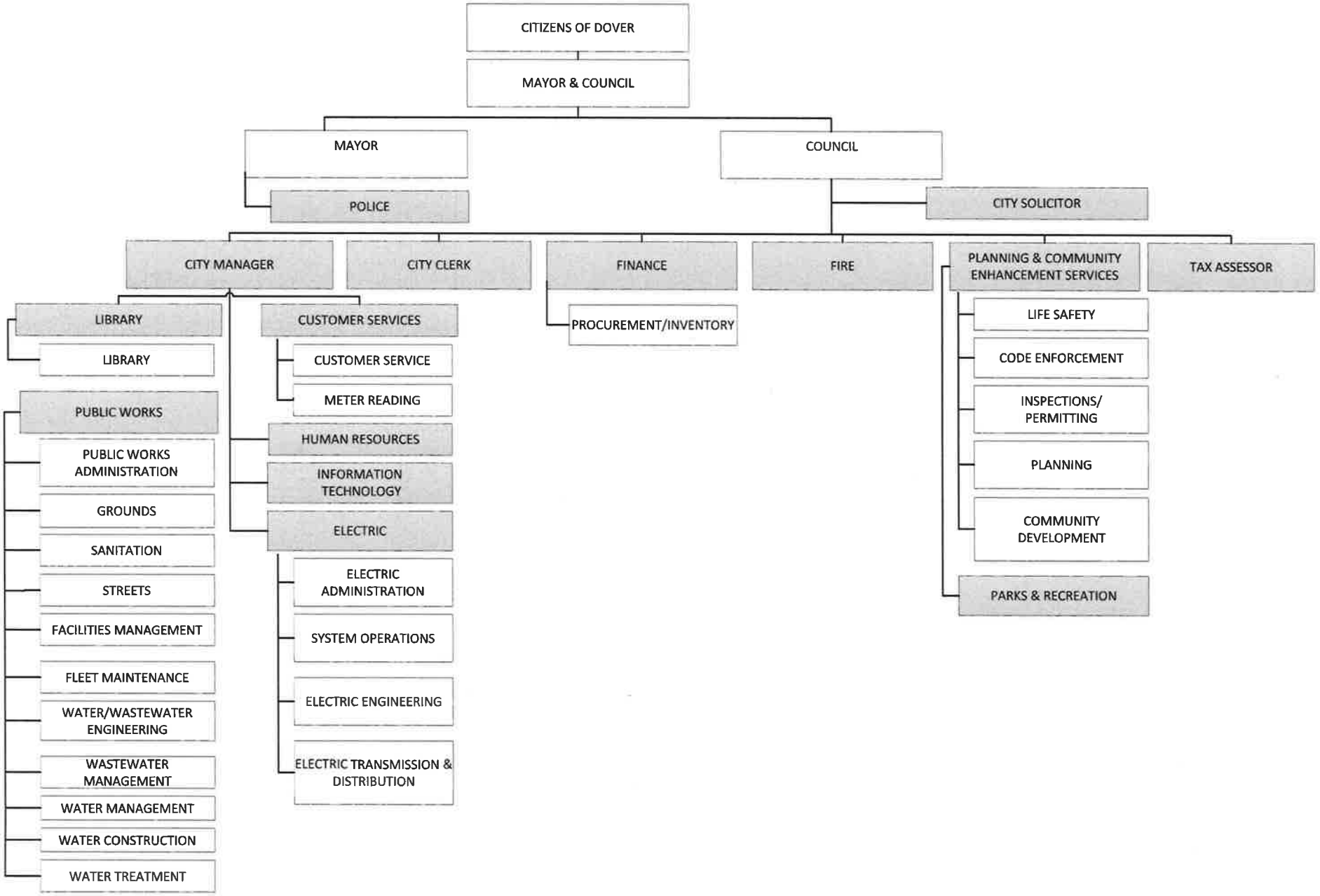
	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ -	$ -	$ -	0.0%
Revenues				
Grants Received	223,600	2,639	220,961	1.2%
Interest Earnings	-	15	(15)	0.0%
Total Revenues	223,600	2,654	220,946	1.2%
Total Beginning Balance & Revenues	**$ 223,600**	**$ 2,654**	**$ 220,946**	1.2%
Expenses				
Current Year Closing Cost/Down Payment Program	$ 40,000	$ -	$ 40,000	0.0%
Current year Dover Interfaith Ministry	27,500	5,275	22,225	19.2%
Current Year MHDC Emergency Home Repair	40,000	-	40,000	0.0%
Current Year Elizabeth W Murphy School	32,700	-	32,700	0.0%
Current Year NCALL Research Inc.	6,000	-	6,000	0.0%
Current Year Milford Housing H/O Rehabilitation	32,700	-	32,700	0.0%
Current Year Salaries	44,700	-	44,700	0.0%
NSP Expense	-	486	(486)	0.0%
Total Expenses	223,600	5,761	217,839	2.6%
Budget Balance - Working Capital	-	-	-	0.0%
Total Budget Balances & Expenses	**$ 223,600**	**$ 5,761**	**$ 217,839**	2.6%

City of Dover
Finance Department
Monthly Report – October 2013
After School Program/Substance Abuse Prevention Fund

	Budget	YTD	Balance	33% of Budget
Beginning Balance (unaudited)	$ -	$ -	$ -	0.0%
Revenues				
Grants Received	55,630	7,008	48,622	12.6%
Recreation Revenue	33,000	3,150	29,850	9.5%
Total Revenues	88,630	10,158	78,472	11.5%
Total Beginning Balance & Revenues	**$ 88,630**	**$ 10,158**	**$ 78,472**	11.5%
Expenses				
Temporary Help/Benefits	$ 33,000	$ 8,769	$ 24,231	26.6%
Program Expenses/Supplies	55,630	9,649	45,981	17.3%
Total Expenses	88,630	18,418	70,212	20.8%
Budget Balance - Working Capital	-	-	-	0.0%
Total Budget Balances & Expenses	**$ 88,630**	**$ 18,418**	**$ 70,212**	20.8%

CITY OF DOVER

FISCAL YEAR 2014 ORGANIZATION CHART



City of Dover
Fiscal Year 2014 Proposed Budget
Personnel Table

DEPT/DIVISION	2011-2012 BUDGET	2012-2013 BUDGET	2013-2014 PROPOSED
CITY CLERK	4.0	4.0	4.0
CITY MANAGER	5.0	3.0	3.0
CODE ENFORCEMENT	4.0	4.0	5.0
COMMUNITY DEVELOPMENT (GRANT FUND)	1.0	0.5	0.0
CUSTOMER SERVICES	14.0	14.0	14.0
ECONOMIC DEVELOPMENT	3.0	3.0	3.0
FACILITIES MANAGEMENT	12.0	9.0	7.0
FINANCE	8.0	8.0	8.0
FIRE	6.0	6.0	6.0
FLEET MAINTENANCE	6.0	6.0	6.0
GROUNDS	14.0	14.0	13.0
HUMAN RESOURCES	3.0	3.0	3.0
INFORMATION TECHNOLOGY	5.0	5.0	5.0
INSPECTIONS	7.0	7.0	6.0
LIBRARY	12.0	13.0	13.0
LIFE SAFETY	3.0	3.0	3.0
MAYOR	1.0	1.0	1.0
PARKS AND RECREATION	6.0	5.0	5.0
PLANNING	5.0	4.5	5.0
POLICE – TOTAL*	122.0	122.0	124.0
PROCUREMENT AND INVENTORY	6.0	4.0	4.0
PUBLIC WORKS ADMINISTRATION	5.0	6.0	5.0
SANITATION	13.0	11.0	11.0
STREETS	11.0	10.0	8.0
TAX ASSESSOR	3.0	3.0	3.0
GENERAL FUND & CDBG TOTAL	**279.0**	**269.0**	**265.0**
ELETRIC ADMINISTRATION	4.0	3.0	3.0
ELECTRIC SYSTEM OPERATIONS	5.0	5.0	5.0
ELECTRIC ENGINEERING	10.0	10.0	10.0
ELECTRIC T & D	25.0	24.0	24.0
METER READING - CUSTOMER SERVICE	3.0	3.0	3.0
ELECTRIC FUND TOTAL	**47.0**	**45.0**	**45.0**
WATER/WASTEWATER ENGINEERING	6.0	6.0	7.0
WATER CONSTRUCTION	6.0	5.0	5.0
WATER MANAGEMENT	4.0	5.0	4.0
WASTEWATER MANAGEMENT	10.0	10.0	11.0
WATER TREATMENT PLANT	10.0	10.0	10.0
WATER/WASTEWATER FUND TOTAL	**36.0**	**36.0**	**37.0**
TOTAL FULL-TIME PERSONNEL	**362.0**	**350.0**	**347.0**

** 93 Officers; 31 Civilians = 124 Total Employees*

DEPT/DIVISION	2011-2012 BUDGET	2012-2013 BUDGET	2013-2014 BUDGET
PART-TIME PERSONNEL			
CITY COUNCIL COMMITTEES	17.0	17.0	17.0
PLANNING COMMISSION	14.0	14.0	14.0
FIRE	1.0	1.0	1.0
PARKS AND RECREATION	10.0	10.0	10.0
LIBRARY	10.0	13.0	14.0
CUSTOMER SERVICES	0.0	0.0	1.0
FINANCE	1.0	0.0	0.0
FACILITIES MANAGEMENT	1.0	0.0	0.0
SUBSTANCE ABUSE GRANT	12.0	12.0	12.0
TOTAL PART-TIME PERSONNEL	**66.0**	**67.0**	**69.0**
TOTAL PERSONNEL	**428.0**	**417.0**	**416.0**

City of Dover
Personnel Budget
Fiscal Year 2014
Total City by Fund

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
1100-511	4	City Clerk	$214,200	$0	$0	$0	$214,200	$92,400	$306,600
1200-512	17	City Council	$0	$0	$0	$84,300	$84,300	$6,600	$90,900
1300-513	3	Assessor	$124,700	$0	$0	$0	$124,700	$48,300	$173,000
1400-514	7	Fire	$230,200	$10,400	$48,800	$12,800	$302,200	$106,000	$408,200
1500-522	13	Grounds	$504,700	$11,300	$14,900	$0	$530,900	$251,800	$782,700
1500-523	27	Library	$577,900	$14,400	$ 3,700	$199,300	$795,300	$297,200	$1,092,500
1500-525	15	Recreation	$210,400	$1,200	$0	$116,300	$327,900	$113,200	$441,100
1600-531	3	Life Safety	$132,000	$9,700	$7,000	$0	$148,700	$57,900	$206,600
1600-532	5	Code Enforcement	$233,100	$4,800	$2,000	$0	$239,900	$105,100	$345,000
1600-533	19	Planning	$313,100	($43,500)	$0	$17,100	$286,700	$120,100	$406,800
1600-534	6	Building Inspections	$252,700	$3,600	$1,000	$0	$257,300	$112,200	$369,500
1600-535	3	Economic Development	$136,800	$0	$0	$0	$136,800	$54,900	$191,700
1700-542	31	Civilian Police	$1,266,700	$44,200	$66,200	$0	$1,377,100	$574,700	$1,951,800
1700-543	93	Law Enforcement	$6,439,200	$192,000	$500,000	$0	$7,131,200	$3,480,800	$10,612,000
1700-544	0	Police Extra Duty	$675,400	$0	$0	$0	$675,400	$84,600	$760,000
1800-554	8	Streets	$285,300	$7,200	$8,800	$0	$301,300	$154,600	$455,900
1800-555	11	Sanitation	$386,000	$12,000	$13,200	$0	$411,200	$208,600	$619,800
2100-515	3	City Manager	$207,000	$0	$1,500	$0	$208,500	$83,200	$291,700
2200-516	5	Information Technology	$277,400	$0	$0	$0	$277,400	$106,500	$383,900
2300-517	8	Finance	$493,700	$1,200	$0	$0	$494,900	$218,900	$713,800
2400-551	5	Public Works Admin	$277,700	$15,100	$0	$0	$292,800	$112,800	$405,600
2500-552	7	Facilities	$294,400	$15,700	$7,600	$0	$317,700	$146,700	$464,400
2700-571	4	Procurement & Inventory	$178,700	$3,600	$0	$0	$182,300	$66,500	$248,800
2800-572	6	Fleet Maintenance	$266,200	$8,500	$2,400	$0	$277,100	$143,600	$420,700
2900-529	15	Customer Service	$563,400	$10,800	$0	$0	$574,200	$266,500	$840,700
3100-518	3	Human Resources	$174,700	$0	$0	$0	$174,700	$86,600	$261,300
3200-519	1	Mayor	$45,000	$0	$0	$0	$45,000	$10,600	$55,600
		Total General Fund	**$14,760,600**	**$322,200**	**$677,100**	**$429,800**	**$16,189,700**	**$7,110,900**	**$23,300,600**
Count	322	Divisions = 26; Library 13 part-time/temp; Recreation 10 part-time/temp; Fire 1 part-time/temp							

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
2600-553	7	Engineering	$412,700	$2,400	$3,300	$0	$418,400	$171,200	$589,600
5600-556	5	Construction	$184,900	$11,300	$15,000	$0	$211,200	$99,000	$310,200
6800-568	4	Water	$184,200	$6,700	$11,200	$0	$202,100	$102,200	$304,300
6900-569	11	Wastewater	$361,300	$20,800	$27,100	$0	$409,200	$188,700	$597,900
7600-576	10	Water Treatment	$429,300	$12,500	$19,700	$0	$461,500	$237,900	$699,400
		Total Water/Wastewater Fund	**$1,572,400**	**$53,700**	**$76,300**	**$0**	**$1,702,400**	**$799,000**	**$2,501,400**
Count	37	Divisions = 5							

Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
8200-562	24	T & D	$1,440,500	$57,500	$127,800	$0	$1,625,800	$626,900	$2,252,700
8300-563	10	Engineering	$592,000	$40,600	$15,000	$0	$647,600	$254,000	$901,600
8400-564	3	Administration	$195,500	$1,200	$0	$0	$196,700	$65,000	$261,700
8500-565	3	Meter Reading	$121,000	$8,700	$8,800	$0	$138,500	$57,200	$195,700
8600-526	5	System Operators	$323,200	$15,900	$50,300	$0	$389,400	$154,200	$543,600
		Total Electric Fund	**$2,672,200**	**$123,900**	**$201,900**	**$0**	**$2,998,000**	**$1,157,300**	**$4,155,300**
Count	45	Divisions = 5							

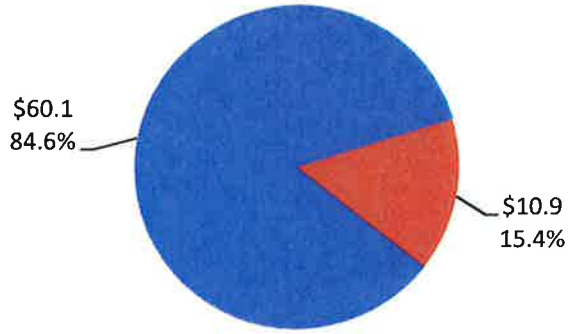
Dept/Div Number	# of Positions	Division Title	Base Pay 10-11	Bonus/Allow./SD On Call 10-11	Overtime 10-12	Part Time/ Temp 10-13	Total Wages	Total Benefits	Total Personnel
9900-596	0	CDBG	$0	$44,700	$0	$0	$44,700	$0	$44,700
9900-581	12	Substance Abuse Grant	$0	$0	$0	$30,500	$30,500	$2,500	$33,000
		Total Grant Funds	**$0**	**$44,700**	**$0**	**$30,500**	**$75,200**	**$2,500**	**$77,700**
Count	**416**	**GRAND TOTAL**	**$19,005,200**	**$544,500**	**$955,300**	**$460,300**	**$20,965,300**	**$9,069,700**	**$30,035,000**
Full-Time	**347**	Divisions = 37 w/o CDBG							
PP/TEMP	**69**	Includes: 17 Council/Committee, 1 Customer Service, 1 Fire, 14 Library, 10 Recreation, 12 Subs Abuse, 14 Planning							

FY 2014 ANNUAL OPERATING BUDGET - DOVER, DELAWARE

CITY OF DOVER
OVERTIME COMPARISON
FISCAL YEAR 2011 THROUGH 2014

	2011				2012				2013 THROUGH APRIL (83.0%)				2014
DEPARTMENT	Orig. Budget	Actual	Variance	% To Date	Orig. Budget	Actual	Variance	% To Date	Orig. Budget	Actual	Variance	% To Date	Proposed
CITY CLERK	-	-	-	---		73	(73)	---	-	-	-	---	-
FIRE	38,365	42,260	(3,895)	110.2%	39,148	55,292	(16,144)	141.2%	44,900	52,830	(7,930)	117.7%	48,800
GROUNDS	17,000	21,565	(4,565)	126.9%	15,300	15,021	279	98.2%	15,000	8,636	6,364	57.6%	14,900
PARKS & RECREATION	-	-	-		-	-	-			327	(327)	---	-
LIBRARY	3,500	3,766	(266)	107.6%	3,600	2,983	617	82.8%	3,500	4,868	(1,368)	139.1%	3,700
LIFE SAFETY	10,000	6,859	3,141	68.6%	6,900	7,512	(612)	108.9%	7,000	4,950	2,050	70.7%	7,000
CODE ENFORCEMENT	3,000	2,370	630	79.0%	2,670	2,608	62	97.7%	3,000	2,514	486	83.8%	2,000
PLANNING	3,606	3,946	(340)	---			-	---	1,800	600	1,200	33.3%	-
PUBLIC INSPECTIONS	1,500	-	1,500	---			-	---		610	(610)	---	1,000
POLICE CIVILIAN	50,000	53,246	(3,246)	106.5%	45,000	54,576	(9,576)	121.3%	55,000	62,500	(7,500)	113.6%	66,200
POLICE LAW ENFORCEMENT	450,000	482,449	(32,449)	107.2%	450,000	496,413	(46,413)	110.3%	500,000	396,495	103,505	79.3%	500,000
STREET	13,200	6,187	7,013	46.9%	11,880	5,026	6,854	42.3%	9,000	4,444	4,556	49.4%	8,800
SANITATION	18,000	20,411	(2,411)	113.4%	16,200	13,843	2,357	85.5%	15,000	9,944	5,056	66.3%	13,200
CITY MANAGER	-	-	-	---			-	---		1,737	(1,737)	---	1,500
FINANCE	3,000	3,179	(179)	---		188	(188)	---	1,800	-	1,800	0.0%	-
PW ADMINISTRATION	500	-	500	---		1,043	(1,043)	---	600	541	59	90.1%	-
FACILITIES MANAGEMENT	300	314	(14)	104.5%	450	1,058	(608)	235.1%	800	6,601	(5,801)	825.1%	7,600
PROCUREMENT & INVENTORY	350	322	28	91.9%	700	788	(88)	112.6%	400	1,714	(1,314)	428.4%	-
FLEET MAINTENANCE	5,976	5,985	(9)	100.2%	1,350	305	1,045	22.6%	3,500	773	2,727	22.1%	2,400
HUMAN RESOURCES	1,000	-	1,000	---			-	---			-	---	-
WATER ENGINEERING	3,120	460	2,660	14.7%	900	966	(66)	107.3%	600	949	(349)	158.2%	3,300
CONSTRUCTION & MAINT	5,000	10,462	(5,462)	209.2%	4,500	8,561	(4,061)	190.2%	12,500	11,665	835	93.3%	15,000
METERING/WATER	-	-	-	---			-	---			-	---	-
WATER	3,500	10,682	(7,182)	305.2%	9,900	8,160	1,740	82.4%	11,650	13,099	(1,449)	112.4%	11,200
WASTE-WATER	57,500	24,882	32,618	43.3%	24,300	23,300	1,000	95.9%	27,050	14,202	12,848	52.5%	27,100
WATER TREATMENT PLANT	25,880	18,291	7,589	70.7%	23,300	21,038	2,262	90.3%	18,500	25,976	(7,476)	140.4%	19,700
TRANSMISSION/DISTRIBUTION	110,074	121,397	(11,323)	110.3%	99,074	126,886	(27,812)	128.1%	127,800	140,882	(13,082)	110.2%	127,800
ELECTRIC ENGINEERING	47,320	6,234	41,086	13.2%	20,250	7,998	12,252	39.5%	7,800	17,120	(9,320)	219.5%	15,000
ELECTRIC ADMINISTRATION	-	-	-	---		237	(237)	---		2,021	(2,021)	---	-
ELECTRIC METERING	6,352	5,694	658	89.6%	12,250	9,129	3,121	74.5%	6,000	8,349	(2,349)	139.2%	8,800
ELECTRIC SYSTEMS OPERATIONS	61,350	52,681	8,669	85.9%	18,000	43,311	(25,311)	240.6%	43,900	49,031	(5,131)	111.7%	50,300
TOTAL	**939,393**	**903,642**	**35,751**	**96.2%**	**805,672**	**906,315**	**(100,643)**	**112.5%**	**917,100**	**843,376**	**73,724**	**92.0%**	**955,300**
ELECTRIC PLANT OPERATIONS	179,816	209,636	(29,820)	116.6%	172,800	169,456	3,344	98.1%	180,900	163,076	17,824	90.1%	195,700
POLICE EXTRA DUTY	400,000	495,757	(95,757)	123.9%	400,000	636,631	(236,631)	159.2%	514,900	529,303	(14,403)	102.8%	675,400

OPEB Liability
Full Funding Basis
As of July 1, 2012
(in Thousands)

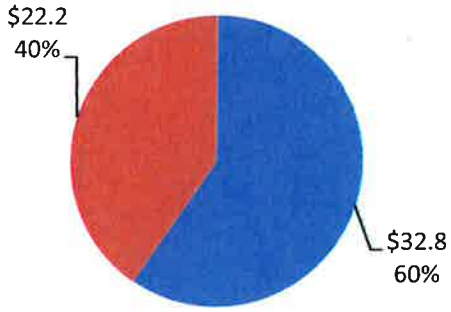


Unfunded Liability

Market Value of Assets

Annual Required Contribution $6.1 million; $2.0 million current retiree's;

General Pension Liability
July 1, 2012
(in Thousands)

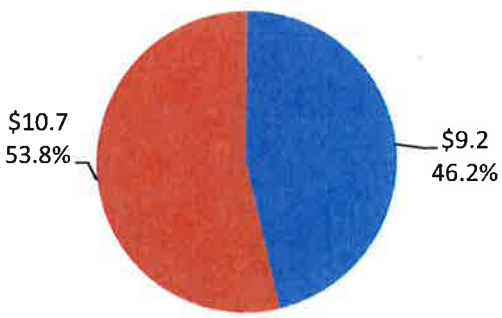


Unfunded Liability

Market Value of Assets

Annual Required Contribution $3.2 million

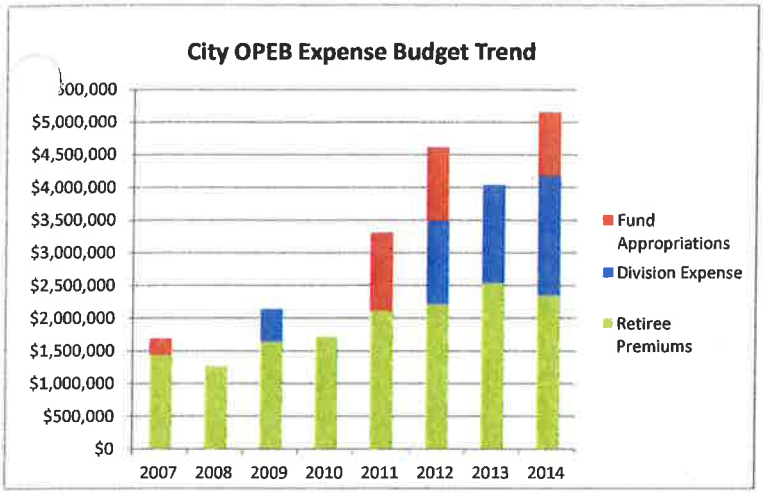
Police Pension Liability
July 1, 2012
(in Thousands)

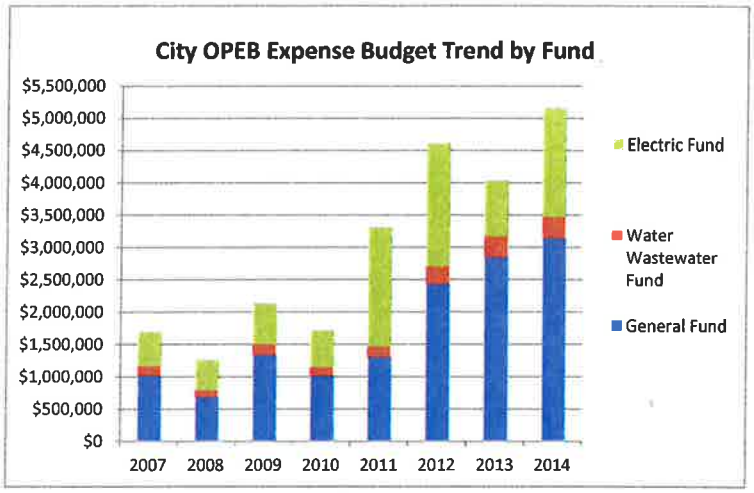


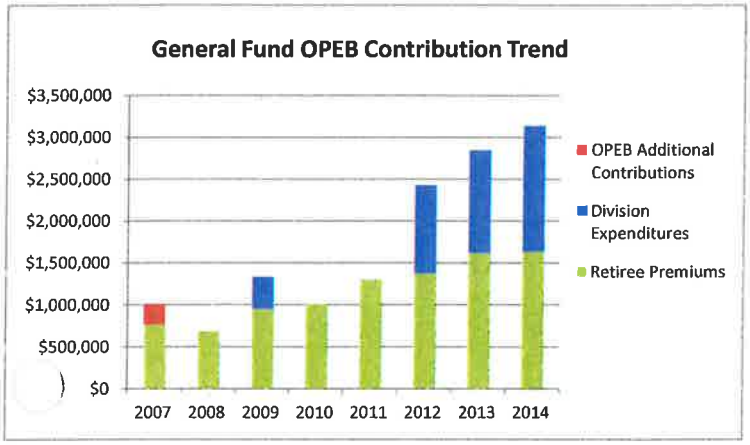
Unfunded Liability

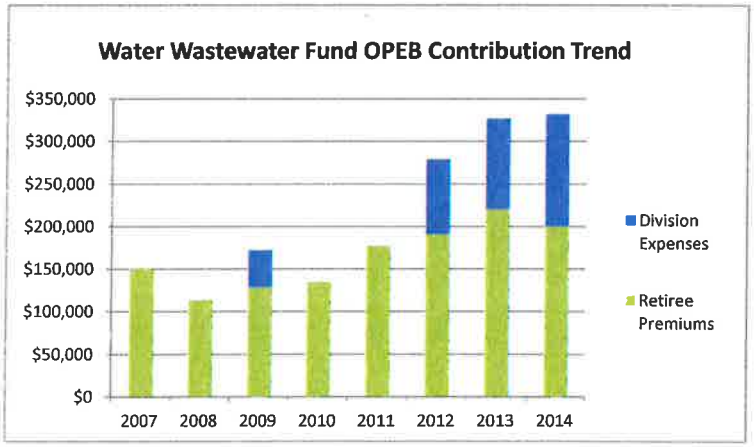
Market Value of Assets

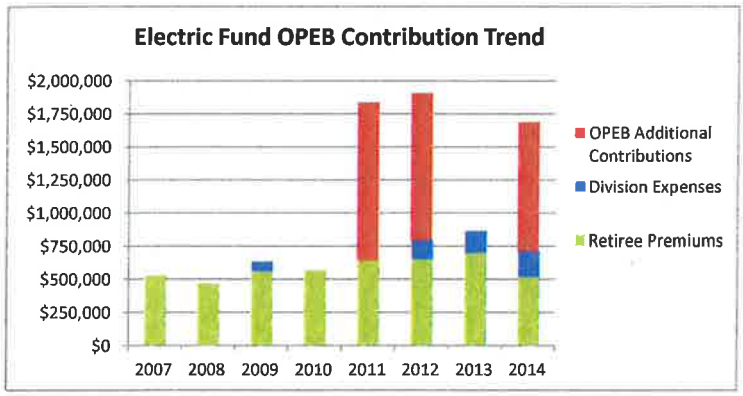
Annual Required Contribution $1.2 million

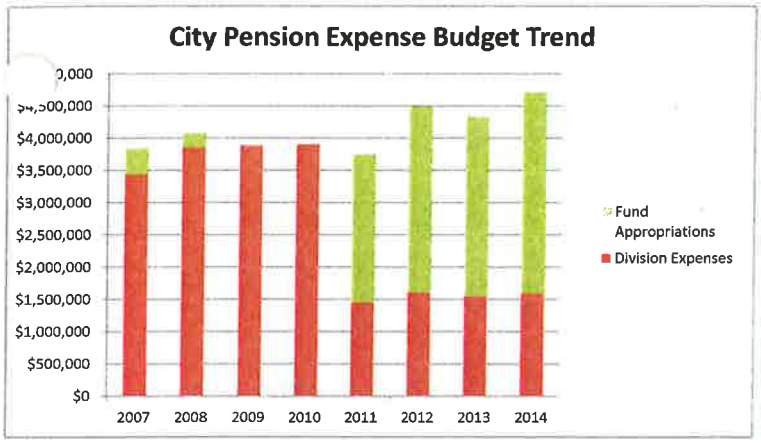

City OPEB Expense Budget Trend
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
2007 2008 2009 2010 2011 2012 2013 2014
Fund Appropriations
Division Expense
Retiree Premiums

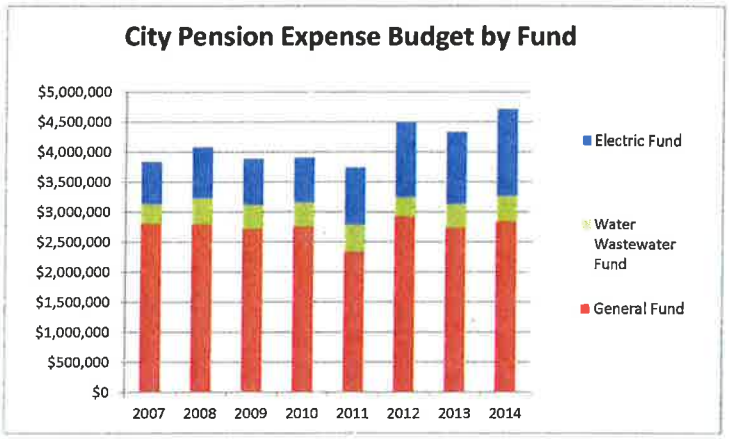

City OPEB Expense Budget Trend by Fund
$5,500,000
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
2007 2008 2009 2010 2011 2012 2013 2014
Electric Fund
Water Wastewater Fund
General Fund

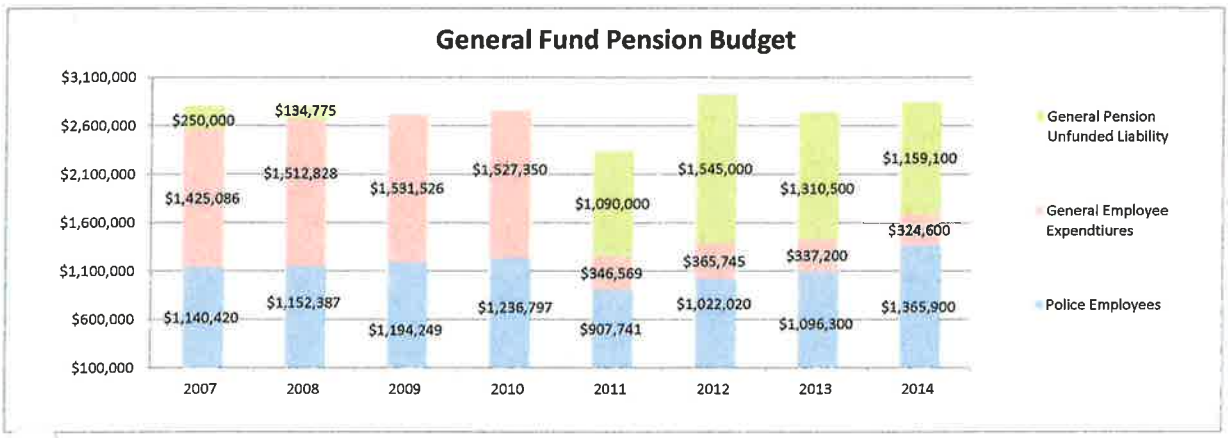

General Fund OPEB Contribution Trend
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
2007 2008 2009 2010 2011 2012 2013 2014
OPEB Additional Contributions
Division Expenditures
Retiree Premiums

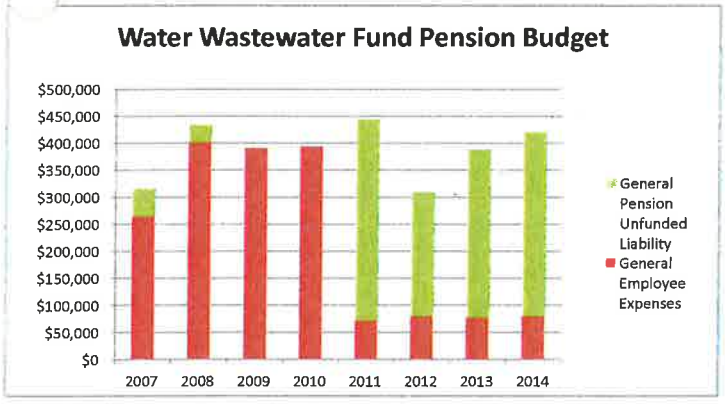

Water Wastewater Fund OPEB Contribution Trend
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
2007 2008 2009 2010 2011 2012 2013 2014
Division Expenses
Retiree Premiums

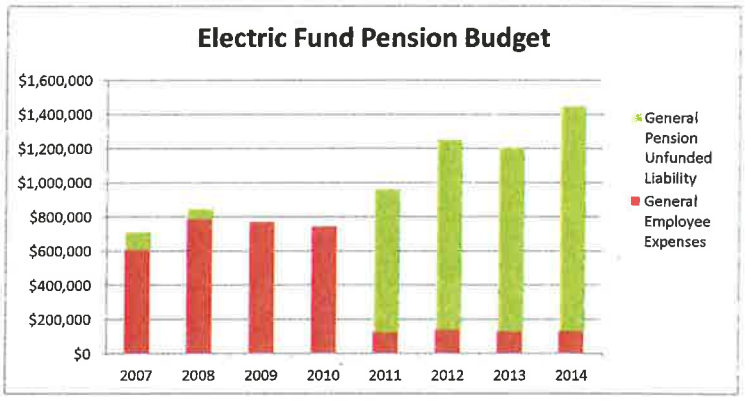

Electric Fund OPEB Contribution Trend
$2,000,000
$1,750,000
$1,500,000
$1,250,000
$1,000,000
$750,000
$500,000
$250,000
$0
2007 2008 2009 2010 2011 2012 2013 2014
OPEB Additional Contributions
Division Expenses
Retiree Premiums


City Pension Expense Budget Trend
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
2007
2008
2009
2010
2011
2012
2013
2014
Fund Appropriations
Division Expenses


City Pension Expense Budget by Fund
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
2007
2008
2009
2010
2011
2012
2013
2014
Electric Fund
Water Wastewater Fund
General Fund


General Fund Pension Budget
$3,100,000
$2,600,000
$2,100,000
$1,600,000
$1,100,000
$600,000
$100,000
$250,000
$1,425,086
$1,140,420
$134,775
$1,512,828
$1,152,387
$1,531,526
$1,194,249
$1,527,350
$1,236,797
$1,090,000
$346,569
$907,741
$1,545,000
$365,745
$1,022,020
$1,310,500
$337,200
$1,096,300
$1,159,100
$324,600
$1,365,900
2007
2008
2009
2010
2011
2012
2013
2014
General Pension Unfunded Liability
General Employee Expendtiures
Police Employees


Water Wastewater Fund Pension Budget
$500,000
$450,000
$400,000
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
2007
2008
2009
2010
2011
2012
2013
2014
General Pension Unfunded Liability
General Employee Expenses


Electric Fund Pension Budget
$1,600,000
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
2007
2008
2009
2010
2011
2012
2013
2014
General Pension Unfunded Liability
General Employee Expenses

Sec. 44. - Annual budget.

On or before the second Monday of May of each year, the city manager shall prepare and submit to the council, a budget, presenting a financial plan for conducting the affairs of the city for the ensuing fiscal year. The total of proposed expenditures shall not exceed the total of anticipated income.

The budget shall include the following information:

1. A detailed statement showing the expenses of conducting each department and office of the city for the current year and last preceding fiscal year.

2. A detailed estimate of the expenses of conducting each department and office of the city for the ensuing fiscal year with reasons for the increases and decreases recommended.

3. The amount of the debt of the city together with a schedule of maturities of bond issues.

4. A statement showing the amount required for interest on the city debt and for paying off any bonds maturing during the year and the amount required for the sinking fund.

5. An itemized statement of all anticipated income of the city with a comparative statement of the amounts received by the city from each of the same or similar sources for the last preceding and current fiscal years.

6. An estimate of the amount of money to be received from taxes.

7. Such other information as the city manager may think desirable or as may be required by the council.

The council shall on or before the second Monday in the month of June in each year adopt a budget for the succeeding fiscal year. The council shall, so far as possible, adhere to the budget so adopted in the making of appropriations.

(Amd. of 7-12-2005 (S.B. 126))

City of Dover
Fiscal Year 2014
Proposed Budget

Highlights of Overall Budget

May 2013

Revenue Changes

- General Fund
  - ✓ No proposed tax increase
  - ✓ No proposed business license increase
  - ✓ No proposed permit fee increase
  - ✓ No proposed sanitation fee increase
  - ✓ No proposed fine increase
  - ✓ Proposed change for Extra Duty fees and billing
- Water/Wastewater Fund
  - ✓ No proposed rate increase
  - ✓ No proposed impact fee increase
- Electric Fund
  - ✓ Proposed rate reduction – Overall 11%
  - ✓ Proposed change to fiber leasing for cost recovery

Financial Policies

- All budgets balanced with current revenues equal to or greater than the current expenses as per the policy, except the General Fund.
  - The FY13 General Fund Budget was reduced by $632,000 projected savings in Department & Fund expenses . This reduction helped to balance the FY14 General Fund Budget.
- The Electric Policy allows for use of the Rate Stabilization Reserve for power cost adjustments and we are following that process in the proposed budget.
- Some reserves are higher than the minimum balance requirement due to interest earnings, however not significantly.

Applicable to All Funds

- A 3% raise has been included for non-bargaining employees (excluding City Manager). All others remain the same except those who have contracts with progression steps or a bonus, approximately $70,000.
- Total Headcount – Reduced 3 FTE's and added 2 part-time positions
- Personnel Benefit Increases – Net increase $445,000
  - Health Care Premiums – The proposed budget continues with the change in the cost sharing allocation for health care premiums to 15%. The medical premiums were increased 6.4% resulting in a overall budget increase for medical benefits of $206,000.
  - Pension & OPEB cost are calculated using actuarial percentages resulting in an increase of $374,500.
  - Worker's Compensation cost decreased with lower rates resulting in an overall reduction of $135,500.
- Removes all vacation sell-back, retirement payouts, and education assistance from Department/Division budgets by transferring estimated cost to a fund expense.
  - Reduction – General Fund $110,000

General Fund

- Overall revenues increased 1.6% and expenditures increased 3.5%
- Continuation of low revenue growth
- Police Extra Duty Revenue increased to coincide with increase in Extra Duty expenses
- Personnel Changes – Less 4 full-time positions & plus 2 part-time positions
  - Grounds – less 1 position
  - Civilian Police – plus 2 positions; Communications Operator (starting 1/1/14) and LAN Tech (to be shared with Information Technology)
  - Streets – less 2 positions
  - Public Works Administration – transferred 1 position to Water/Wastewater Fund
  - Facilities – less 2 positions
  - Library – plus 1 part-time Library Assistant position
  - Customer Service – plus 1 part-time Customer Service Clerk (Collections)
- No discretionary increases in operating expenses
- Increased applicable budgets for credit card fees approximately $150,000
- General Pension Unfunded Liability reduced $328,500; Allocating cost of Internal Service Divisions to Water/Wastewater & Electric Funds
- Debt service decreased $66,900 due to reduction in debt issuance
- All Capital Improvement Projects were able to be financed with an operating transfer from the General Fund and use of Parkland Reserve funds. Total of $1.4 million.
- The dollar value of the reductions in the FY13 Budget, General Pension unfunded liability allocation change, and the debt service reduction totaled $1,027,400 which helped to balance the FY14 General Fund Budget.

Property Taxes

PROPERTY ASSESSMENT PROJECTION

TAXABLE ASSESSED VALUE AS OF DECEMBER 31, 2012 *	**$ 3,159,414,860**
Filed Tax Exemption Requests (scheduled for Annual Appeals)	(377,300)
Supplemental Billing Estimate (April)	2,500,000
Estimate of April Appeals	(5,000,000)
TOTAL ASSESSED VALUE	**$ 3,156,537,560**

*** Excludes Senior & Exempt Properties**

PROJECTED PROPERTY TAX RECEIPTS
ACCRUAL METHOD OF ACCOUNTING
7/01/13 - 6/30/14

Current Rate $0.3378 per $100 of assessment; Estimated 7/01/12 billing	$	10,662,800
Penalties - trending lower after enforcement actions		50,000
Estimated Quarterly Billing		20,000
PROJECTED PROPERTY TAX RECEIPT SUBTOTAL	**$**	**10,732,800**
Pay In Lieu of Taxes		
State of Delaware	$	297,000
Dover Housing Authority		58,200
Luther Towers		27,200
Delaware State Housing Authority		4,000
St. Andrews		800
Total Payment In Lieu of Taxes	$	387,200
Farmland Roll Back Taxes	$	-
PROJECTED PROPERTY TAX RECEIPTS FOR FY 2013	**$**	**11,120,000**
PROJECTED DOVER REALTY TRANSFER TAX RECEIPTS	$	1,315,500

$0.01 of tax rate equates to: $315,700

City of Dover, Delaware
Computation of Legal Debt Margin

(amounts expressed in thousands)

	2008	2009	2010	2011	2012	Projected 2013	Projected 2014
Debt Limit	$ 697,621	$ 144,965	$ 144,341	$ 155,838	$ 156,429	$ 157,267	$ 157,827
Net (Taxable) Assessed Value on Books	$ 2,790,485	$ 2,899,293	$ 2,886,826	$ 3,116,765	$ 3,128,586	$ 3,145,349	$ 3,156,538
Total Net Debt applicable to limit (See NOTE below)	2,445	2,080	1,820	1,550	2,127	4,490	4,195
Legal debt margin	$ 695,176	$ 142,885	$ 142,521	$ 154,288	$ 154,302	$ 152,777	$ 153,632
Total Net Debt applicable to limit as a percentage of debt limit	0.35%	1.46%	1.28%	1.00%	1.38%	2.94%	2.73%

Legal Debt Margin Calculation for Fiscal Year 2014

Net (Taxable) Assessed Value on Books	$ 3,116,765	$ 3,128,586	$ 3,145,349	$ 3,156,538
Debt Limit - 5 Percent of Total Assessed Value	$ 155,838	$ 156,429	$ 157,267	$ 157,827
DEBT (For which the City's full faith and credit has been pledged)				
Gross Bonded Debt	1,550	2,127	4,490	4,195
LEGAL DEBT MARGIN	$ 154,288	$ 154,302	$ 152,777	$ 153,632

IMPORTANT NOTE: The Total Net Debt applicable to limit includes the remaining Series 2003 Bonds and the 2012 PNC Loan;

Source: City of Dover Financial Reports, City of Dover Charter, Section 50(b), and Tax Assessor's Office
July 2009 the Charter was amended and the debt limit was reduced from 25% of the total assessed value to 5%.

Water/Wastewater Fund

- Overall revenues decreased 1.4% and expenses decreased 5.3%
- Revenues are projected lower by 1.5%
- Personnel Changes – Engineering Division 1 position increase for a transfer from the General Fund Public Works Administration Division
- No discretionary increases in operating budgets
- The change in the method of allocating the unfunded pension liability for the internal service divisions resulted in an increase of $111,700 for the Water/Wastewater Fund. There was a offsetting reduction since this account was over budgeted in FY13.
- Inventory write off and Bad Debt expenses ($5,000 each) were each reduced since reserve balances are adequate
- Kent County Treatment Fees are projected to decrease by 2.0%
- No transfers from or to reserves were necessary to balance the operating budget
- The Water Utility operating transfer to the Improvement & Extension Fund was reduced $500,000 ($1.7 million in FY13) in order to balance the Water Utility.
- The Improvement & Extension Fund Budget includes use of Impact Fees as partial financing on capital projects.

Electric Fund

- Overall revenues decreased 11.3% and expenses decreased by 10.8% to coincide with cost of service decreases
- Includes an overall 11% reduction in Electric rate revenue attributed to continuation of lower power supply cost.
  - The Rate Stabilization Reserve will continued to be reduced over the next 3 years to maintain positive cash. After 3 years another rate review may be necessary. In the meantime, the Reserve will appear as be over the minimum balance requirement in our financial policy.
- No changes in budgeted personnel
- No discretionary increases in operating budgets
- The change in the method of allocating the unfunded pension liability for the internal service divisions resulted in an increase of $216,800 for the Electric Fund. Lower utility tax receipts and expense attributed to rate reductions
- Fully funded OPEB liability rather than Phase-In Plan over 10 years
- Inventory write off expense ($175,000) was reduced since reserve balance is adequate
- Uncollectible expenses were increased $50,000 based on current experience

City of Dover
Rate & Fee Trends (Updated 5/21/13)

GENERAL FUND	Actual 2005/06	Actual 2006/07	Actual 2007/08	Actual 2008/09	Actual 2009/10	Actual 2010/11	Actual 2011/12	Actual 2012/13	Proposed 2013/14
Rolled Back Property Tax Rate @ 100% value	$0.3100					*$0.3108*			
Property Tax Rate Approved/Proposed	$0.3300	$0.3300	$0.3300	$0.3300	$0.3300	*$0.3378*	$0.3378	$0.3378	$0.3378
Property Tax Rate Increase (without 100% rollback)	$0.02					$0.0270			
Trash Fees (in City) - implemented FY2000	$5.85	$5.85	$5.85	$5.85	$5.85	$11.70	$11.70	$11.70	$11.70
Trash Fees (outside City)	$18.72	$18.72	$23.00	$29.00	$29.00	$29.00	$29.00	$29.00	$29.00
Transfer from Electric Utility	8.4%	5.1% *	7.2%	6.6%	6.5%	8.0%	8.0%	$8 million	$8 million
Transfer from Water/Wastewater Utility	4.4%	4.5%	4.6%	5.0%	4.5%	0.0%	4.5%	$500,000	$500,001
WATER/WASTEWATER FUND									
Water per 1,000 gal	$2.45	$2.45	$2.45	$2.45	$2.70	$3.00	$3.00	$3.00	$3.00
Water per 1,000 gal (Outside City)	$3.68	$3.68	$3.68	$3.68	$4.05	$4.50	$4.50	$4.50	$4.50
Water Flat Rate Charge (new source)	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25
Wastewater per 1,000 gal. Charge	$2.10	$2.10	$2.10	$2.10	$2.10	$2.65	$2.65	$2.65	$2.65
Wastewater per 1,000 gal (Outside City)	$3.15	$3.15	$3.15	$3.15	$3.15	$3.98	$3.98	$3.98	$3.98
Wastewater Flat Rate Charge (new source)	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25	$1.25
Kent County Sewer Treatment Fee - Rate set by County	$2.13	$2.13	$2.34	$2.34	$2.34	$2.34	$2.34	$2.34	$2.34
Kent County Sewer Adjustment (new source - City)						$1.05	$1.05	$1.05	$1.05
ELECTRIC FUND									
Residential Rate Changes (includes any PCA adj.)	$0.0976	$0.1218	$0.1343	$0.1450	$0.1450	$0.1407	$0.1364	$0.1316	$0.1204
Increase %	6.4%	28.9%	10.3%	8.0%	0.0%	-3.0%	-3.1%	-3.5%	-8.5%
Cumulative % Change		35.3%	45.6%	53.5%	53.5%	50.6%	47.5%	44.0%	35.5%
Electric Fund Customer Charge	$5.00	$5.00	$5.00	$5.00	$5.00	$5.00	$5.00	$5.00	$5.00
Reconnect Fees	$50 - $100	$50 - $100	$50 - $100	$50 - $100	$50 - $100	$50 - $100	$50 - $100	$50 - $100	$50 - $100
Return Check Fees	$25	$25	$25	$25	$25	$25	$25	$25	$25

FY 2014 ANNUAL OPERATING BUDGET - DOVER, DELAWARE

City of Dover
All Funds Summary
Fiscal 2014 Budget

Fund or Reserve Account	Beginning Balances	Revenues/ Transfers In	Expenses/ Transfers Out	Ending Balances
General Fund				
Operating Fund	$ 3,455,200	$ 36,278,000	$ (36,833,500)	$ 2,899,700
Contingency Account	732,100	12,500	(21,000)	723,600
Capital Project Fund	166,500	1,388,300	(1,404,300)	150,500
Capital Asset Reserve	504,000	8,000	-	512,000
Parkland Reserve	202,500	2,500	(95,000)	110,000
Total General Fund	5,060,300	37,689,300	(38,353,800)	4,395,800
Water/Wastewater Fund				
Operating Fund	1,325,000	13,797,200	(13,268,700)	1,853,500
Contingency Account	292,100	5,000	-	297,100
I & E Fund	2,280,900	2,945,000	(2,817,800)	2,408,100
Capital Asset Reserve	1,008,100	17,200	-	1,025,300
Impact Fee Reserve	3,734,400	63,500	(390,000)	3,407,900
Total Water Fund	8,640,500	16,827,900	(16,476,500)	8,991,900
Electric Fund				
Operating Fund	7,152,400	82,985,600	(81,176,100)	8,961,900
Contingency Account	814,300	12,200	-	826,500
Insurance Reserve	728,000	11,000	-	739,000
Rate Stabilization Reserve	17,383,600	260,400	(4,000,000)	13,644,000
I & E Fund	3,091,000	5,913,800	(5,623,600)	3,381,200
Depreciation Reserve	9,829,700	147,400	-	9,977,100
Future Capacity Reserve	9,989,800	141,600	-	10,131,400
Total Electric Fund	48,988,800	89,472,000	(90,799,700)	47,661,100
Less:				
Interfund Operating & CIP Transfers		(17,756,900)	17,756,900	
Interfund Allocations		4,552,800	(4,552,800)	
Reserve Operating & CIP Transfers		(4,517,000)	4,517,000	
Subtotal Major Operating Funds	62,689,600	126,268,100	(127,908,900)	61,048,800
Workers Compensation	1,200,600	501,300	(621,100)	1,080,800
Community Transportation Fund	-	500,500	(500,000)	500
Police Grants	100	413,000	(413,000)	100
Library Grants	-	270,100	(270,100)	-
CDBG	-	223,600	(223,600)	-
Total All Funds & Reserves	$ 63,890,300	$ 128,176,600	$ (129,936,700)	$ 62,130,200

Notes: Special Revenue Funds with receipts that pass over to the General Fund are not individually included.
These are Municipal Street Aid, Civil Traffic Penalties, and Transfer Taxes.
Interfund Transfers include transfers from Operating Revenues to the Capital Improvement Funds

GENERAL FUND
CASH RECEIPT SUMMARY

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 BUDGET	% CHG FY14 VS FY13
RECEIPTS							
BEGINNING BALANCE	**3,561,837**	**2,666,600**	**3,752,200**	**2,872,100**	**3,455,200**	**788,600**	**29.6%**
FINES AND POLICE REVENUE	681,952	668,000	668,000	666,000	666,000	(2,000)	-0.3%
INVESTMENT INCOME	53,175	75,000	75,000	75,000	75,000	-	0.0%
LIBRARY REVENUES	53,101	66,200	66,200	66,600	66,600	400	0.6%
KENT COUNTY BOOK REIMBURSEMENT	422,721	405,900	405,900	400,000	400,000	(5,900)	-1.5%
BUSINESS LICENSES	1,470,097	1,455,000	1,455,000	1,460,000	1,460,000	5,000	0.3%
PERMITS AND OTHER FEES	1,346,769	1,053,300	1,053,300	1,073,800	1,167,500	114,200	10.8%
MISCELLANEOUS CHARGES	103,027	55,500	70,900	61,500	63,300	7,800	14.1%
POLICE EXTRA DUTY	600,310	494,400	636,100	650,000	650,000	155,600	31.5%
PROPERTY TAXES	11,037,920	10,997,400	11,039,200	11,120,000	11,120,000	122,600	1.1%
BID REVENUE	51,509	51,600	51,600	51,500	49,500	(2,100)	-4.1%
RECREATION REVENUE	112,480	130,000	130,000	133,000	133,000	3,000	2.3%
FRANCHISE FEE	568,240	550,000	600,000	606,200	606,200	56,200	10.2%
SANITATION FEES	1,903,623	2,690,200	2,676,500	2,676,500	2,676,500	(13,700)	-0.5%
RENT REVENUE - GARRISON FARM	92,878	62,000	117,200	118,500	118,500	56,500	91.1%
COURT OF CHANCERY FEES	863,220	753,800	807,200	863,200	863,200	109,400	14.5%
RECEIPTS SUBTOTAL	**19,361,022**	**19,508,300**	**19,852,100**	**20,021,800**	**20,115,300**	**607,000**	**3.1%**
INTERFUND SERVICE RECEIPTS							
INTRAFUND SERVICE RECEIPTS W/WW	894,186	1,104,600	1,045,800	1,111,400	1,134,900	30,300	2.7%
INTRAFUND SERVICE RECEIPTS ELECTRIC	3,105,015	3,224,500	3,177,100	3,261,700	3,319,400	94,900	2.9%
INTERFUND SERVICE RECEIPTS SUBTOTAL	**3,999,201**	**4,329,100**	**4,222,900**	**4,373,100**	**4,454,300**	**125,200**	**2.9%**
GRANTS:							
POLICE RELATED/EXTRA DUTY	166,014	85,000	112,100	110,000	110,000	25,000	29.4%
POLICE PENSION GRANT	561,772	500,000	500,000	500,000	500,000	-	0.0%
GREEN ENERGY GRANT	-	98,500	98,500	98,500	98,500	-	0.0%
RECREATION GRANTS	43,740	-	-	-	-	-	0.0%
MISC GRANT REVENUE	72,835	25,000	25,000	25,000	25,000	-	0.0%
HOMELAND SECURITY GRANT	163,490	-	-	-	-	-	0.0%
GRANTS SUBTOTAL	**1,007,851**	**708,500**	**735,600**	**733,500**	**733,500**	**25,000**	**3.5%**
TRANSFERS FROM:							
TRANSFER TAX	1,373,208	1,370,000	1,370,000	1,315,500	1,315,500	(54,500)	-4.0%
MUNICIPAL STREET AID	527,042	527,400	527,400	527,400	527,400	-	0.0%
CIVIL TRAFFIC PENALTIES	518,638	750,000	350,000	600,000	600,000	(150,000)	-20.0%
WATER/WASTEWATER	424,508	500,000	500,000	500,000	500,000	-	0.0%
ELECTRIC	7,876,288	8,000,000	8,000,000	8,000,000	8,000,000	-	0.0%
OTHER RESERVES	-	11,000	11,000	11,000	32,000	21,000	190.9%
TRANSFERS FROM SUBTOTAL	**10,719,684**	**11,158,400**	**10,758,400**	**10,953,900**	**10,974,900**	**(183,500)**	**-1.6%**
TOTAL REVENUES	**35,087,758**	**35,704,300**	**35,569,000**	**36,082,300**	**36,278,000**	**573,700**	**1.6%**
TOTAL BEGINNING BALANCE & REVENUE	**38,649,595**	**38,370,900**	**39,321,200**	**38,954,400**	**39,733,200**	**1,362,300**	**3.6%**

GENERAL FUND
EXPENSE SUMMARY

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 BUDGET	% CHG FY14 VS FY13
DEPARTMENT EXPENSES:							
CITY CLERK	251,291	326,900	326,900	332,100	334,400	7,500	2.3%
COUNCIL	106,407	114,200	114,200	131,500	107,800	(6,400)	-5.6%
TAX ASSESSOR	185,959	187,500	187,500	196,300	198,300	10,800	5.8%
FIRE	660,923	688,300	645,200	692,200	692,100	3,800	0.6%
GROUNDS MAINTENANCE	964,964	993,300	980,400	978,200	948,500	(44,800)	-4.5%
LIBRARY	1,101,111	1,250,200	1,225,400	1,313,300	1,330,400	80,200	6.4%
RECREATION	827,230	713,400	674,900	715,500	708,200	(5,200)	-0.7%
LIFE SAFETY	499,389	469,900	451,800	469,000	468,200	(1,700)	-0.4%
CODE ENFORCEMENT	271,381	293,100	323,100	377,800	377,100	84,000	28.7%
PLANNING	378,319	410,300	416,100	425,800	444,800	34,500	8.4%
INSPECTIONS	550,099	592,200	577,100	540,300	540,300	(51,900)	-8.8%
ECONOMIC DEVELOPMENT	216,803	231,100	231,100	241,500	215,200	(15,900)	-6.9%
POLICE	12,926,630	13,195,200	13,431,900	13,594,000	13,571,800	376,600	2.9%
POLICE EXTRA DUTY	684,106	579,400	748,200	760,000	760,000	180,600	31.2%
STREETS	866,986	756,700	772,200	631,100	603,700	(153,000)	-20.2%
SANITATION	2,086,218	2,140,700	2,072,000	2,176,300	2,153,800	13,100	0.6%
CITY MANAGER	638,570	420,000	420,000	431,100	457,300	37,300	8.9%
INFORMATION TECHNOLOGY	717,142	642,700	633,300	720,100	660,500	17,800	2.8%
FINANCE	792,269	879,500	879,500	890,600	906,500	27,000	3.1%
PUBLIC WORKS - ADMINISTRATION	332,513	468,600	401,200	420,300	425,800	(42,800)	-9.1%
FACILITIES MANAGEMENT	842,424	678,800	660,600	642,400	632,600	(46,200)	-6.8%
PROCUREMENT & INVENTORY	612,473	576,900	578,700	527,400	517,600	(59,300)	-10.3%
FLEET MAINTENANCE	737,162	712,700	678,500	727,600	720,700	8,000	1.1%
CUSTOMER SERVICE	899,998	901,200	866,900	942,200	1,109,400	208,200	23.1%
HUMAN RESOURCES	264,148	319,700	310,800	333,000	334,300	14,600	4.6%
MAYOR	79,696	82,400	82,400	85,400	83,300	900	1.1%
DEPARTMENT SUBTOTALS	**28,494,211**	**28,624,900**	**28,689,900**	**29,295,000**	**29,302,600**	**677,700**	**2.4%**
OTHER EXPENDITURES:							
DEBT SERVICE	327,734	624,200	474,200	633,200	557,300	(66,900)	-10.7%
CONTRIBUTION TO DDP	-	180,000	180,000	51,500	162,400	(17,600)	-9.8%
MISCELLANEOUS GRANT RELATED EXP	-	25,000	25,000	25,000	25,000	-	0.0%
INSURANCE	516,254	600,000	600,000	658,900	658,900	58,900	9.8%
RETIREES HEALTH CARE	1,374,709	1,620,600	1,620,600	1,568,500	1,636,500	15,900	1.0%
OTHER EMPLOYMENT EXPENSES	-	463,400	94,700	350,000	400,000	(63,400)	-13.7%
GENERAL PENSION UNFUNDED LIABILITY	1,450,000	1,310,500	1,693,500	1,159,100	1,159,100	(151,400)	-11.6%
POLICE PENSION FUND - STATE GRANT	561,772	500,000	500,000	500,000	500,000	-	0.0%
POLICE PENSION UNFUNDED LIABILITY	95,000	95,000	495,000	307,400	307,400	212,400	223.6%
UNCOLLECTIBLES - TRASH AND OTHER	10,000	10,000	10,000	10,000	10,000	-	0.0%
OPEB UNFUNDED LIABILITY	239,532	-	-	-	-	-	0.0%
STREET LIGHTS	986,430	869,700	869,700	875,000	836,000	(33,700)	-3.9%
OTHER EXPENSE SUBTOTAL	**5,561,431**	**6,298,400**	**6,562,700**	**6,138,600**	**6,252,600**	**(45,800)**	**-0.7%**
TRANSFERS							
TRANSFER TO CAPITAL ASSET RESERVE	200,000	-	-	-	-	-	0.0%
TRANSFER TO CAPITAL FUND - PROJECTS	638,847	613,400	613,400	1,353,600	1,278,300	664,900	108.4%
TRANSFER TO CONTINGENCY	-	-	-		-	-	0.0%
TRANSFER TO CDBG FUND	2,907	-	-	-	-	-	0.0%
TRANSFER TO VERIZON RESERVE		-	-	-	-	-	0.0%
TRANSFER TO CRIMINAL INVESTIGATION RESERVE		-	-	-	-	-	0.0%
TRANSFER TO INVENTORY WRITE-OFFS	-	-	-	-	-	-	0.0%
TRANSFERS SUBTOTAL	**841,754**	**613,400**	**613,400**	**1,353,600**	**1,278,300**	**664,900**	**108.4%**
TOTAL EXPENDITURES	**34,897,396**	**35,536,700**	**35,866,000**	**36,787,200**	**36,833,500**	**1,296,800**	**3.6%**
BUDGET BALANCE	**3,752,199**	**2,834,200**	**3,455,200**	**2,167,200**	**2,899,700**	**65,500**	**2.3%**
TOTAL BUDGET BALANCE & EXPENDITURES	**38,649,595**	**38,370,900**	**39,321,200**	**38,954,400**	**39,733,200**	**1,362,300**	**3.6%**
EXCEEDS/(REMAINS)TO MEET REQUIREMENT	945,178	(22,144)	609,680	(719,400)	-	631,824	

RESERVE BALANCES	2011/12 ACTUAL	2012/13 APPROVED	2012/13 REVISED	2013/14 PRELIMINARY	2013/14 PROPOSED	FY 14 PP VS FY13 BUDGET	POLICY
CONTINGENCY	721,193	731,100	732,100	730,300	723,600	(8,500)	2% OF REV

GOVERNMENTAL CAPITAL PROJECTS FUND SUMMARY

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 BUDGET	% CHG FY14 VS FY13 REV
BEGINNING BALANCE - PROJECTS	**357,354**	**294,400**	**156,000**	**157,500**	**166,500**	**(127,900)**	**-43.4%**
REVENUES							
STATE GRANTS - Other	23,870	108,000	158,000	-	15,000	(93,000)	-86.1%
PROPOSED BOND/BANK PROCEEDS - Street	-	2,000,000	2,000,000	-	-	(2,000,000)	-100.0%
PROPOSED BOND/BANK PROCEEDS - Garrison	-	2,000,000	-	-	-	(2,000,000)	-100.0%
INCOME FROM SALE OF ASSETS	39,958	-	43,000	-	-	-	0.0%
POLICE GRANTS	-	33,800	33,800	-	-	(33,800)	-100.0%
INTEREST EARNINGS	10,560	-	-	-	-	-	0.0%
TRANSFER FROM GENERAL FUND	623,847	613,400	613,400	1,353,600	1,278,300	664,900	108.4%
TRANSFER FROM PARKLAND RESERVE	-	-	-	65,000	95,000	95,000	0.0%
TRANSFER FROM FUTURE CAPACITY RESERVE	-	-	2,000,000		-	-	0.0%
SUBTOTAL CAPITAL PROJECT FUNDING SOURCES	**698,235**	**4,755,200**	**4,848,200**	**1,418,600**	**1,388,300**	**(3,366,900)**	**-70.8%**
STATE GRANTS - Library	6,002,057	884,200	1,746,000	-	-	(884,200)	-100.0%
LIBRARY FOUNDATION	1,665,500	67,500	71,000	-	-	(67,500)	-100.0%
INCOME FROM SALE OF OLD LIBRARY	-	1,200,000	1,200,000	-	-	(1,200,000)	-100.0%
PROPOSED CONSTRUCTION LOAN - Library	851,500	-	648,500	-	-	-	0.0%
KENT COUNTY CONTRIBUTION	765,000	250,000	250,000	-	-	(250,000)	-100.0%
DEMEC GRANT	-	-	166,700	-	-	-	0.0%
FRIENDS OF THE LIBRARY DONATION	-	-	102,400	-	-	-	0.0%
TRANSFER FROM COMMUNITY TRANSPORTION	68,000						
TRANSFER FROM LIBRARY RESERVE	2,594,860	-	-	-	-	-	0.0%
SUBTOTAL LIBRARY PROJECT FUNDING SOURCES	**11,946,917**	**2,401,700**	**4,184,600**	**-**	**-**	**(2,401,700)**	**-100.0%**
TOTAL FUNDING SOURCES	**12,645,152**	**7,156,900**	**9,032,800**	**1,418,600**	**1,388,300**	**(5,768,600)**	**-80.6%**
TOTAL BEGINNING BALANCE & FUNDING SOURCES	**13,002,506**	**7,451,300**	**9,188,800**	**1,576,100**	**1,554,800**	**(5,896,500)**	**-79.1%**
EXPENDITURES							
FIRE	258,456	238,500	238,500	238,500	238,500	-	0.0%
GROUNDS MAINTENANCE	-	112,000	112,000	56,500	50,100	(61,900)	-55.3%
LIBRARY	12,118,028	2,535,000	4,089,100	-	-	(2,535,000)	-100.0%
RECREATION	-	30,000	30,000	95,000	95,000	65,000	216.7%
CODE ENFORCEMENT	-	-	-	30,000	30,000	30,000	0.0%
POLICE	62,338	197,000	217,000	257,200	257,300	60,300	30.6%
STREETS	206,338	1,974,000	3,558,700	275,100	251,500	(1,722,500)	-87.3%
SANITATION	120,624	150,000	150,000	383,300	402,100	252,100	168.1%
INFORMATION TECHNOLOGY	14,330	57,000	107,000	7,000	7,000	(50,000)	-87.7%
FACILITIES MANAGEMENT	-	381,000	395,000	21,000	17,800	(363,200)	-95.3%
PROCUREMENT & INVENTORY	-	-	-	55,000	55,000	55,000	0.0%
MAYOR	-	33,000	33,000	-	-	(33,000)	-100.0%
DEPARTMENT SUBTOTAL	**12,780,114**	**5,707,500**	**8,930,300**	**1,418,600**	**1,404,300**	**(4,303,200)**	**-75.4%**
TRANSFERS & MISCELLANEOUS EXPENSES							
BOND/LOAN ISSUANCE COST	27,254	56,000	32,000	-	-	(56,000)	-100.0%
TRANSFER TO CAPITAL ASSET RESERVE	39,100	-	-	-	-	-	0.0%
TRANSFER TO COMMUNITY TRANS FUND	-	1,606,700	60,000	-	-	(1,606,700)	-100.0%
TRANSFERS & MISCELLANEOUS SUBTOTAL	**66,354**	**1,662,700**	**92,000**	**-**	**-**	**(1,662,700)**	**-100.0%**
TOTAL EXPENDITURES	**12,846,468**	**7,370,200**	**9,022,300**	**1,418,600**	**1,404,300**	**(5,965,900)**	**-80.9%**
BUDGET BALANCE	156,038	81,100	166,500	157,500	150,500	69,400	85.6%
TOTAL BUDGET BALANCE & EXPENDITURES	**13,002,506**	**7,451,300**	**9,188,800**	**1,576,100**	**1,554,800**	**(5,896,500)**	**-79.1%**

RESERVE BALANCES	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	2013/14 PRELIMINARY	2013/14 PROPOSED	FY 14 PP VS FY13 BUDGET	POLICY
CAPITAL ASSET RESERVE	498,467	503,000	504,000	504,800	512,000	8,000	Min $500K
PARKLAND/RECREATION	199,282	202,600	202,500	201,800	110,000	(92,500)	N/A

WATER/WASTEWATER FUND SUMMARY

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 BUDGET	% CHG FY14 VS FY13
BEGINNING BALANCE - WATER	2,567,172	865,100	1,075,800	748,000	770,800	(94,300)	-10.9%
BEGINNING BALANCE - WASTEWATER	1,929,346	853,000	991,100	376,800	412,600	(440,400)	-51.6%
BEGINNING BALANCE - KCSA	(1,243,243)	(553,500)	(626,400)	141,600	141,600	695,100	-125.6%
TOTAL BEGINNING BALANCES	**3,253,275**	**1,164,600**	**1,440,500**	**1,266,400**	**1,325,000**	**160,400**	**13.8%**
BASE REVENUE:							
WATER SERVICES	4,707,918	4,730,700	4,730,700	4,730,700	4,730,700	-	0.0%
WASTEWATER SERVICES	3,722,985	3,834,600	3,642,700	3,642,700	3,642,700	(191,900)	-5.0%
WASTEWATER TREATMENT SERVICES	3,050,127	3,090,800	2,980,400	2,980,300	2,980,300	(110,500)	-3.6%
GROUNDWATER INFLOW ADJUSTMENT	1,290,968	1,257,600	1,324,600	1,324,600	1,324,600	67,000	5.3%
WATER TANK SPACE LEASING	313,101	313,500	313,500	333,800	333,800	20,300	6.5%
SEWER IMPACT FEES	277,400	317,000	380,000	323,000	323,000	6,000	1.9%
WATER IMPACT FEES	308,700	350,000	350,000	357,000	357,000	7,000	2.0%
INTEREST - WATER	15,945	8,700	7,400	9,100	9,100	400	4.6%
INTEREST - WASTEWATER	15,944	17,100	11,500	14,000	14,000	(3,100)	-18.1%
MISCELLANEOUS SERVICE FEE	104,634	77,000	81,400	82,000	82,000	5,000	6.5%
TOTAL REVENUES	**13,807,722**	**13,997,000**	**13,822,200**	**13,797,200**	**13,797,200**	**(199,800)**	**-1.4%**
TOTAL BEGINNING BALANCE & REVENUES	**17,060,997**	**15,161,600**	**15,262,700**	**15,063,600**	**15,122,200**	**(39,400)**	**-0.3%**
DIRECT EXPENSES:							
ENGINEERING & INSPECTION	507,921	597,900	601,900	688,600	664,400	66,500	10.4%
WATER CONSTRUCTION	347,698	345,700	353,200	351,400	351,400	5,700	-0.5%
WATER DEPARTMENT	395,587	408,200	415,000	424,200	433,900	25,700	4.6%
WATER TREATMENT PLANT	1,447,678	1,522,600	1,535,400	1,499,300	1,501,800	(20,800)	-2.2%
WASTEWATER DEPARTMENT	878,066	993,000	997,000	965,900	945,100	(47,900)	-5.2%
DIRECT EXPENDITURE SUBTOTAL	**3,576,950**	**3,867,400**	**3,902,500**	**3,929,400**	**3,896,600**	**29,200**	**0.8%**
OTHER EXPENSES:							
DEBT SERVICE - WATER	251,510	532,100	438,100	545,700	403,800	(128,300)	-7.8%
DEBT SERVICE - WASTEWATER	456,429	731,500	636,300	757,700	615,700	(115,800)	-3.2%
RETIREES HEALTH CARE	190,830	220,000	220,000	220,000	200,000	(20,000)	-9.1%
OTHER EMPLOYMENT EXPENSES	-	16,200	15,400	25,000	25,000	8,800	62.3%
OPEB UNFUNDED LIABILITY	372,417	-	-	-	-	-	0.0%
PENSION UNFUNDED LIABILITY	228,400	309,800	509,800	339,400	339,400	29,600	-33.4%
KENT COUNTY TREATMENT CHARGE	3,724,238	3,600,000	3,537,000	3,524,800	3,524,800	(75,200)	-0.3%
INTRAFUND SERVICE FEES	1,050,391	1,235,400	1,176,600	1,209,900	1,233,400	(2,000)	4.8%
UNCOLLECTIBLES	5,000	5,000	5,000	-	-	(5,000)	-100.0%
INVENTORY/FIXED ASSET WRITEOFFS	10,000	5,000	5,000	-	-	(5,000)	-100.0%
OTHER EXPENSES SUBTOTAL	**6,289,215**	**6,655,000**	**6,543,200**	**6,622,500**	**6,342,100**	**(312,900)**	**-4.7%**
TRANSFER TO:							
GENERAL FUND FROM WATER	238,842	250,000	250,000	250,000	250,000	-	0.0%
GENERAL FUND FROM WASTEWATER	185,666	250,000	250,000	250,000	250,000	-	0.0%
WATER IMP AND EXT	2,750,000	1,700,000	1,700,000	1,600,000	1,200,000	(500,000)	-29.4%
WASTEWATER IMP AND EXT	2,000,000	1,200,000	1,200,000	1,222,000	1,330,000	130,000	10.8%
WATER IMPACT FEE RESERVE	171,777	-	-	-	-	-	0.0%
TRF TO CONTINGENCY WASTEWATER	8,000	-	-	-	-	-	0.0%
CAPITAL ASSET RESERVE WATER	100,000	70,000	70,000	-	-	(70,000)	-100.0%
CAPITAL ASSET RESERVE WASTEWATER	300,000	22,000	22,000	-	-	(22,000)	-100.0%
TRANSFER TO SUBTOTAL	**5,754,285**	**3,492,000**	**3,492,000**	**3,322,000**	**3,030,000**	**(462,000)**	**-13.2%**
TOTAL EXPENSES	**15,620,450**	**14,014,400**	**13,937,700**	**13,873,900**	**13,268,700**	**(745,700)**	**-5.3%**
BUDGET BALANCES							
BUDGET BALANCE WATER	1,075,793	482,700	770,800	493,200	1,056,400	573,700	37.1%
BUDGET BALANCE WASTEWATER	991,140	664,500	412,600	696,500	797,100	132,600	93.2%
BUDGET BALANCE KCSA	(626,386)	-	141,600	-	-	-	-100.0%
BUDGET BALANCE SUBTOTALS	**1,440,547**	**1,147,200**	**1,325,000**	**1,189,700**	**1,853,500**	**706,300**	**61.6%**
TOTAL BUDGET BALANCES & EXPENSES	**17,060,997**	**15,161,600**	**15,262,700**	**15,063,600**	**15,122,200**	**(39,400)**	**-0.3%**
EXCEEDS/(REMAINS)TO MEET REQMNT	335,929	27,440	219,200	85,924	749,800		

RESERVE BALANCES	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	2013/14 PRELIMINARY	2013/14 BUDGET	FY 14 PP VS FY13 BUDGET	POLICY
CONTINGENCY - WATER	102,119	103,724	103,800	103,600	105,600	1,800	2% OF REV.
CONTINGENCY - WATER/WASTEWATER	185,153	189,176	188,300	187,300	191,500	3,200	2% OF REV.

FY 2014 DRAFT ANNUAL OPERATING BUDGET - DOVER, DELAWARE

WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND SUMMARY

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 BUDGET	% CHG FY14 VS FY13
BEGINNING BALANCE - WATER	1,537,773	3,071,800	3,811,200	1,947,300	1,620,000	(1,451,800)	-47.3%
BEGINNING BALANCE - WASTEWATER	339,673	1,013,600	2,641,000	246,400	660,900	(352,700)	-34.8%
TOTAL BEGINNING BALANCES	**1,877,446**	**4,085,400**	**6,452,200**	**2,193,700**	**2,280,900**	**(1,804,500)**	**-44.2%**
REVENUES							
BOND PROCEEDS - WATER	-	2,000,000	2,000,000	-	-	(2,000,000)	-100.0%
BOND PROCEEDS - WASTEWATER	-	2,000,000	2,000,000	-	-	(2,000,000)	-100.0%
STATE LOAN FUND - WATER	1,923,489	-	142,700	-	-	-	-100.0%
STATE LOAN FUND - WASTEWATER	1,325,671	-	494,500	-	-	-	-100.0%
TRANS FR OPERATING FUND - WATER	2,750,000	1,700,000	1,700,000	1,600,000	1,200,000	(100,000)	-29.4%
TRANS FR OPERATING FUND - WASTEWATER	2,000,000	1,200,000	1,200,000	1,222,000	1,330,000	22,000	10.8%
TRANSFER FR WATER IMPACT FEE	-	300,000	-	-	390,000	(300,000)	0.0%
TRANSFER FR WASTEWATER IMPACT FEE	760,270	250,000	250,000	-	-	(250,000)	-100.0%
PROCEEDS FROM SALE OF ASSETS	1,703		-	-	-	-	0.0%
INTEREST INCOME	28,308	25,000	25,000	25,000	25,000	-	0.0%
TOTAL REVENUES	**8,789,441**	**7,475,000**	**7,812,200**	**2,847,000**	**2,945,000**	**(4,530,000)**	**-60.6%**
TOTAL BEGINNING BALANCES & REVENUES	**10,666,887**	**11,560,400**	**14,264,400**	**5,040,700**	**5,225,900**	**(6,334,500)**	**-54.8%**
EXPENSES							
WATER	2,362,179	5,140,000	5,971,600	1,494,600	1,476,800	(3,663,200)	-75.3%
WASTEWATER	1,799,541	3,817,300	5,922,500	1,268,800	1,251,000	(2,566,300)	-78.9%
WATER TREATMENT PLANT	22,898	24,100	29,200	-	-	(24,100)	-100.0%
WATER CONSTRUCTION	29,985	31,000	31,000	83,800	90,000	59,000	190.3%
W/WW ENGINEERING	-	23,400	29,200	-	-	(23,400)	-100.0%
BOND ISSUANCE COST	-	344,000	-	-	-	(344,000)	0.0%
TOTAL EXPENSES	**4,214,603**	**9,379,800**	**11,983,500**	**2,847,200**	**2,817,800**	**(6,562,000)**	**-70.0%**
BUDGET BALANCE - WATER	3,811,206	1,675,500	1,620,000	1,981,400	1,655,700	(19,800)	2.2%
BUDGET BALANCE - WASTEWATER	2,641,079	505,100	660,900	212,100	752,400	247,300	13.8%
TOTAL ENDING BUDGET BALANCES	**6,452,285**	**2,180,600**	**2,280,900**	**2,193,500**	**2,408,100**	**227,500**	**10.4%**
TOTAL BUDGET BALANCES & EXPENSES	**10,666,888**	**11,560,400**	**14,264,400**	**5,040,700**	**5,225,900**	**(6,334,500)**	**-54.8%**

RESERVE BALANCES	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	2013/14 PRELIMINARY	2013/14 BUDGET	FY 14 PP VS FY13 BUDGET	POLICY
CAPITAL ASSET RESERVE-WATER	427,104	501,100	504,400	502,900	513,000	8,600	MIN $500K
CAPITAL ASSET RESERVE-WASTEWATER	473,645	501,100	503,700	501,800	512,300	8,600	MIN $500K
IMPACT FEE RESERVE - WATER	441,139	-	448,600	196,100	66,200	(382,400)	20% of Rev.
IMPACT FEE RESERVE - WASTEWATER	3,476,673	-	3,285,800	3,220,200	3,341,700	55,900	20% of Rev.

FY 2014 DRAFT ANNUAL OPERATING BUDGET - DOVER, DELAWARE

ELECTRIC REVENUE FUND SUMMARY

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 BUDGET	% CHG FY14 VS FY13
BEGINNING BALANCE	**12,292,573**	**7,184,000**	**14,567,100**	**19,505,000**	**7,152,400**	**(31,600)**	**-0.4%**
BASE REVENUE:							
DIRECT SALES TO CUSTOMER	96,483,053	85,071,400	87,519,500	85,926,600	76,286,700	(8,784,700)	-10.3%
PURCHASE POWER ADJUSTMENT	(6,083,282)	-	-	-	-	-	0.0%
UTILITY TAX	1,548,209	1,595,200	1,498,900	1,471,600	1,492,200	(103,000)	-6.5%
MISCELLANEOUS REVENUE	1,142,471	850,700	985,700	752,000	602,000	(248,700)	-29.2%
RENT REVENUE	193,065	225,000	200,000	251,000	251,000	26,000	11.6%
GREEN ENERGY	127,581	129,000	129,000	135,800	135,800	6,800	5.3%
INTEREST EARNINGS	95,708	107,800	107,800	119,400	119,400	11,600	10.8%
TRANSFER FROM RATE STABILIZATION	1,000,000	5,400,000	5,400,000	-	4,000,000	(1,400,000)	-25.9%
INTRAFUND SERVICE RECEIPTS W/WW	156,204	130,800	130,800	98,500	98,500	(32,300)	-24.7%
TOTAL REVENUES	**94,663,009**	**93,509,900**	**95,971,700**	**88,754,900**	**82,985,600**	**(10,524,300)**	**-11.3%**
TOTAL BEGINNING BALANCE & REVENUES	**106,955,582**	**100,693,900**	**110,538,800**	**108,259,900**	**90,138,000**	**(10,555,900)**	**-10.5%**
EXPENSES:							
POWER SUPPLY	43,265,652	39,468,900	37,701,000	20,339,100	23,832,000	(15,636,900)	-39.6%
SOLAR ENERGY	-	1,414,500	1,587,600	1,565,800	1,565,800	151,300	10.7%
SOLAR RENEWAL ENERGY CREDITS	-	-	351,600	300,000	300,000	300,000	0.0%
POWER SUPPLY MANAGEMENT	996,000	996,000	996,000	996,000	996,000	-	0.0%
PJM CHARGES - ENERGY	10,182,061	13,752,300	5,697,700	16,139,800	12,812,900	(939,400)	-6.8%
PJM CHARGES - TRANSMISSION & FEES	-	3,756,000	6,100,700	3,900,000	4,740,000	984,000	26.2%
CAPACITY CHARGES	8,685,938	12,564,800	11,817,200	16,651,800	15,787,200	3,222,400	25.6%
SUB-TOTAL POWER SUPPLY	**63,129,651**	**71,952,500**	**64,251,800**	**59,892,500**	**60,033,900**	**(11,918,600)**	**-16.6%**
PLANT OPERATIONS	5,500,857	5,914,900	5,914,900	6,015,800	6,015,800	100,900	1.7%
GENERATIONS FUELS	1,582,984	586,000	948,800	-	-	(586,000)	-100.0%
PJM SPOT MARKET ENERGY	-	(772,700)	(1,865,600)	(230,500)	(230,500)	542,200	-70.2%
PJM CREDITS	(4,081,759)	(427,000)	(488,400)	(427,000)	(397,000)	30,000	-7.0%
CAPACITY CREDITS	(7,373,701)	(14,318,600)	(14,318,600)	(15,079,800)	(15,079,800)	(761,200)	5.3%
GENERATION SUBTOTAL	**(4,371,619)**	**(9,017,400)**	**(9,808,900)**	**(9,721,500)**	**(9,691,500)**	**(674,100)**	**7.5%**
POWER SUPPLY & GENERATION SUBTOTAL	**58,758,032**	**62,935,100**	**54,442,900**	**50,171,000**	**50,342,400**	**(12,592,700)**	**-20.0%**
DIRECT EXPENDITURES							
TRANSMISSION/DISTRIBUTION	2,960,426	3,223,600	3,233,700	3,319,500	3,302,500	78,900	2.4%
ELECTRICAL ENGINEERING	986,042	1,163,900	1,171,300	1,203,500	1,192,200	28,300	2.4%
ADMINISTRATION	654,077	501,200	501,200	597,000	597,000	95,800	19.1%
METER READING	205,791	212,500	212,500	220,100	220,300	7,800	3.7%
SYSTEMS OPERATIONS	498,063	517,600	526,300	536,300	543,600	26,000	5.0%
DIRECT EXPENDITURE SUBTOTALS	**5,304,399**	**5,618,800**	**5,645,000**	**5,876,400**	**5,855,600**	**236,800**	**4.2%**
OTHER EXPENSES:							
UTILITY TAX	1,548,209	1,595,200	1,498,900	1,471,600	1,492,200	(103,000)	-6.5%
ALLOW FOR UNCOLLECTIBLES	150,000	150,000	150,000	200,000	200,000	50,000	33.3%
CONTRACTUAL SERVICES - RFP'S	5,207	190,000	190,000	-	100,000	(90,000)	-47.4%
RETIREES HEALTH CARE	646,510	696,500	696,500	513,300	513,300	(183,200)	-26.3%
OTHER EMPLOYMENT EXPENSES	-	157,900	149,200	150,000	150,000	(7,900)	-5.0%
TRANSFER TO PENSION UNFUNDED LIABILITY	1,110,500	1,074,200	7,274,200	1,314,200	1,314,200	240,000	22.3%
OPEB UNFUNDED LIABILITY	1,688,847	-	-	975,700	975,700	975,700	0.0%
GREEN ENERGY PAYMENT TO DEMEC	127,581	129,000	129,000	135,800	135,800	6,800	5.3%
INTRAFUND SERVICE FEES	3,105,015	3,224,500	3,177,100	3,261,700	3,319,400	94,900	2.9%
INTEREST ON DEPOSITS	21,297	35,000	35,000	27,000	27,000	(8,000)	-22.9%
INVENTORY WRITE OFFS	175,000	175,000	175,000	-	-	(175,000)	-100.0%
TRANSFER TO WORKER'S COMPENSATION	-	-	500,000	-	-	-	0.0%
DEBT SERVICE	3,371,609	3,323,600	3,323,600	3,301,900	3,301,900	(21,700)	-0.7%
OTHER EXPENSES SUBTOTAL	**11,949,775**	**10,750,900**	**17,298,500**	**11,351,200**	**11,529,500**	**778,600**	**7.2%**
TRANSFER TO:							
IMPROVEMENT & EXTENSION	3,500,000	3,500,000	3,500,000	5,298,600	5,448,600	1,948,600	55.7%
GENERAL FUND	7,876,288	8,000,000	8,000,000	8,000,000	8,000,000	-	0.0%
TRANSFER TO FUTURE CAPACITY RESERVE	-	-	2,100,000	-	-	-	0.0%
RATE STABILIZATION RESERVE	5,000,000	-	12,400,000	-	-	-	0.0%
TRANSFER TO SUBTOTAL	**16,376,288**	**11,500,000**	**26,000,000**	**13,298,600**	**13,448,600**	**1,948,600**	**16.9%**
TOTAL EXPENSES	**92,388,494**	**90,804,800**	**103,386,400**	**80,697,200**	**81,176,100**	**(9,628,700)**	**-10.6%**
BUDGET BALANCE - WORKING CAPITAL	**14,567,088**	**9,889,100**	**7,152,400**	**27,562,700**	**8,961,900**	**(927,200)**	**-9.4%**
TOTAL BUDGET BALANCE & EXPENSES	**106,955,582**	**100,693,900**	**110,538,800**	**108,259,900**	**90,138,000**	**(10,555,900)**	**-10.5%**
EXCEEDS/(REMAINS)TO MEET REQUIREMENT	6,723,688	2,535,900	26,600	20,587,900	2,442,400		

RESERVE BALANCES	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	2013/14 PRELIMINARY	2013/14 BUDGET	FY 14 PP VS FY13	POLICY
CONTINGENCY RESERVE	1,070,814	816,200	814,300	810,200	826,500	12,200	1% of Rev.
INSURANCE RESERVE	337,265	750,000	728,000	729,400	739,000	11,000	$350K Min.
RATE STABILIZATION RESERVE	10,230,133	4,947,600	17,383,600	7,646,900	13,644,000	(3,739,600)	3%-10%

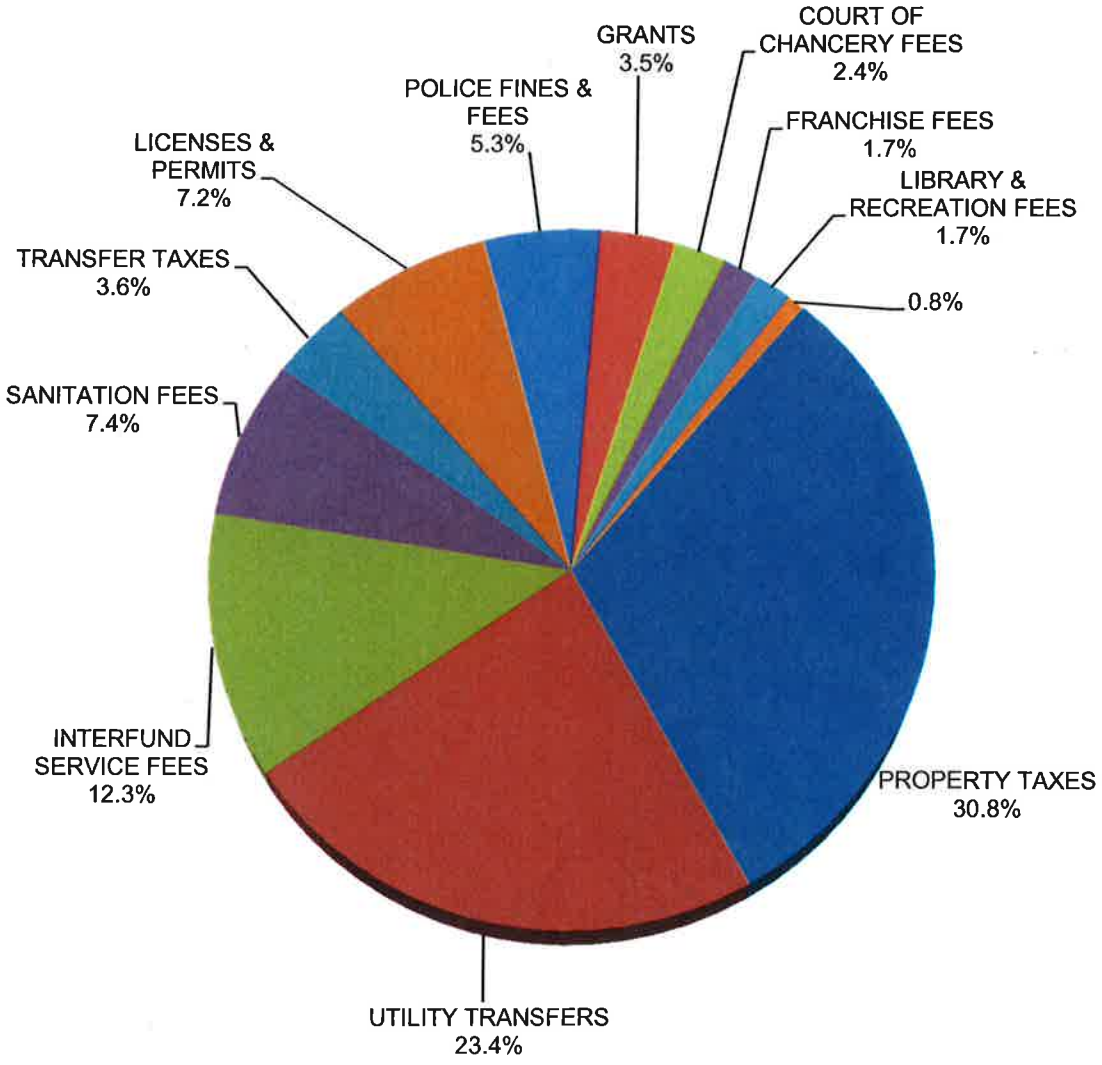
FY 2014 DRAFT ANNUAL OPERATING BUDGET - DOVER, DELAWARE

ELECTRIC IMPROVEMENT & EXTENSION FUND SUMMARY

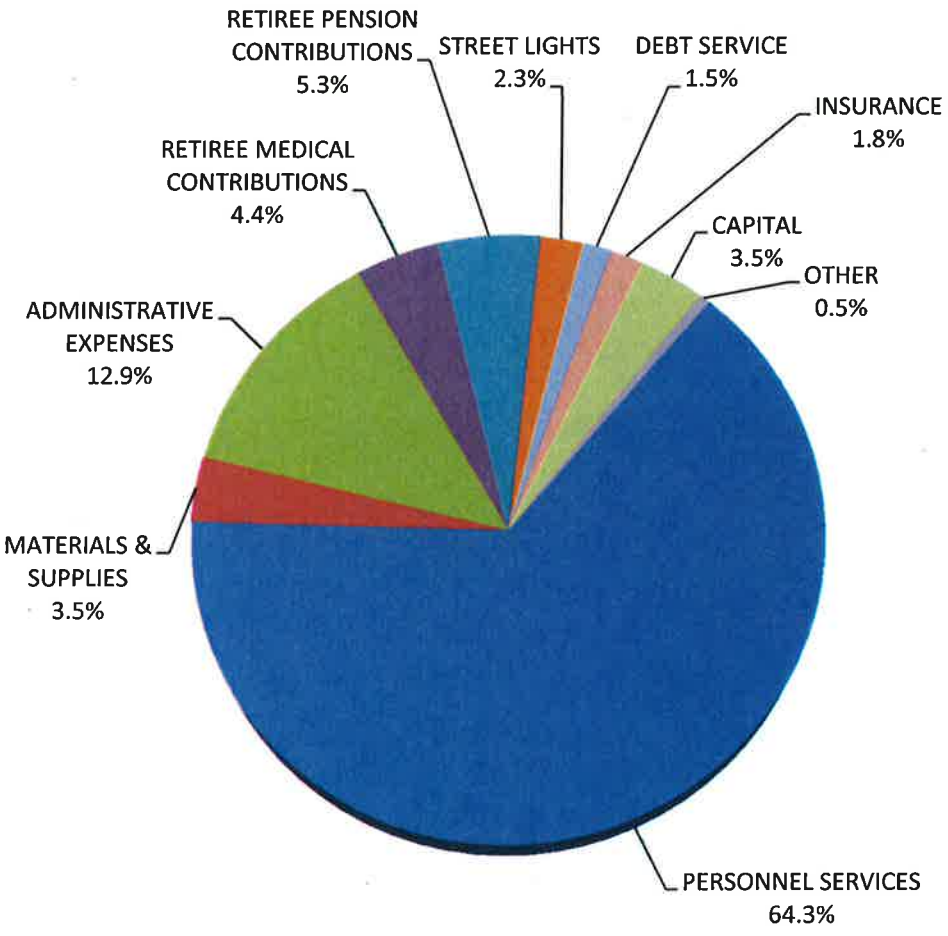
	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	3/22/2013 2013/14 PRELIMINARY	2013/14 PROPOSED	$ DIFFERENCE FY 14 PP VS FY13 REVISED	% CHG FY14 VS FY13 REV
BEGINNING BALANCE	**3,175,375**	**2,714,600**	**3,534,600**	**2,999,900**	**3,091,000**	**376,400**	**13.9%**
REVENUES							
TRANSFER FROM ELECTRIC	3,500,000	3,500,000	3,500,000	5,298,600	5,448,600	1,948,600	55.7%
TRANSFER FROM DEPRECIATION RESERVE	300,000	-	-	-	-	-	0.0%
TRANSFER FROM FUTURE CAPACITY RESERVE	-	550,000	-	-	-	(550,000)	-100.0%
TRANSFER FROM INSURANCE STABILIZATION	70,730	-	-	-	-	-	0.0%
GENERAL SERVICE BILLING	-	-	91,100	-	440,000	440,000	0.0%
INCOME FROM SALE OF ASSETS	10,066	-	-	-	-	-	0.0%
INTEREST EARNINGS	25,168	40,700	40,700	25,200	25,200	(15,500)	-38.1%
TOTAL REVENUES	**3,905,964**	**4,090,700**	**3,631,800**	**5,323,800**	**5,913,800**	**1,823,100**	**44.6%**
TOTALS	**7,081,339**	**6,805,300**	**7,166,400**	**8,323,700**	**9,004,800**	**2,199,500**	**32.3%**
EXPENSES							
ELECTRIC GENERATION	1,455,376	1,441,300	1,236,600	1,942,800	2,117,800	676,500	46.9%
TRANSMISSION AND DISTRIBUTION	461,464	596,000	1,232,000	950,000	1,100,000	504,000	84.6%
ELECTRICAL ENGINEERING	1,619,603	1,932,700	1,606,800	2,405,800	2,405,800	473,100	24.5%
METER READING	10,280	-	-	-	-	-	0.0%
TOTAL EXPENSES	**3,546,723**	**3,970,000**	**4,075,400**	**5,298,600**	**5,623,600**	**1,653,600**	**41.7%**
BUDGET BALANCE	**3,534,616**	**2,835,300**	**3,091,000**	**3,025,100**	**3,381,200**	**545,900**	**19.3%**
TOTAL BUDGET BALANCE & EXPENSES	**7,081,339**	**6,805,300**	**7,166,400**	**8,323,700**	**9,004,800**	**2,199,500**	**32.3%**

	2011/12 ACTUAL	2012/13 BUDGET	2012/13 REVISED	2013/14 PRELIMINARY	2013/14 BUDGET	FY 14 PP VS FY13	POLICY
RESERVE BALANCES							
DEPRECIATION RESERVE	9,742,058	9,864,800	9,829,700	9,806,400	9,977,100	147,400	Min.
FUTURE CAPACITY RESERVE	9,805,482	9,362,000	9,989,800	7,317,400	10,131,400	141,600	Min.

Fiscal Year 2013/2014
General Fund Revenue

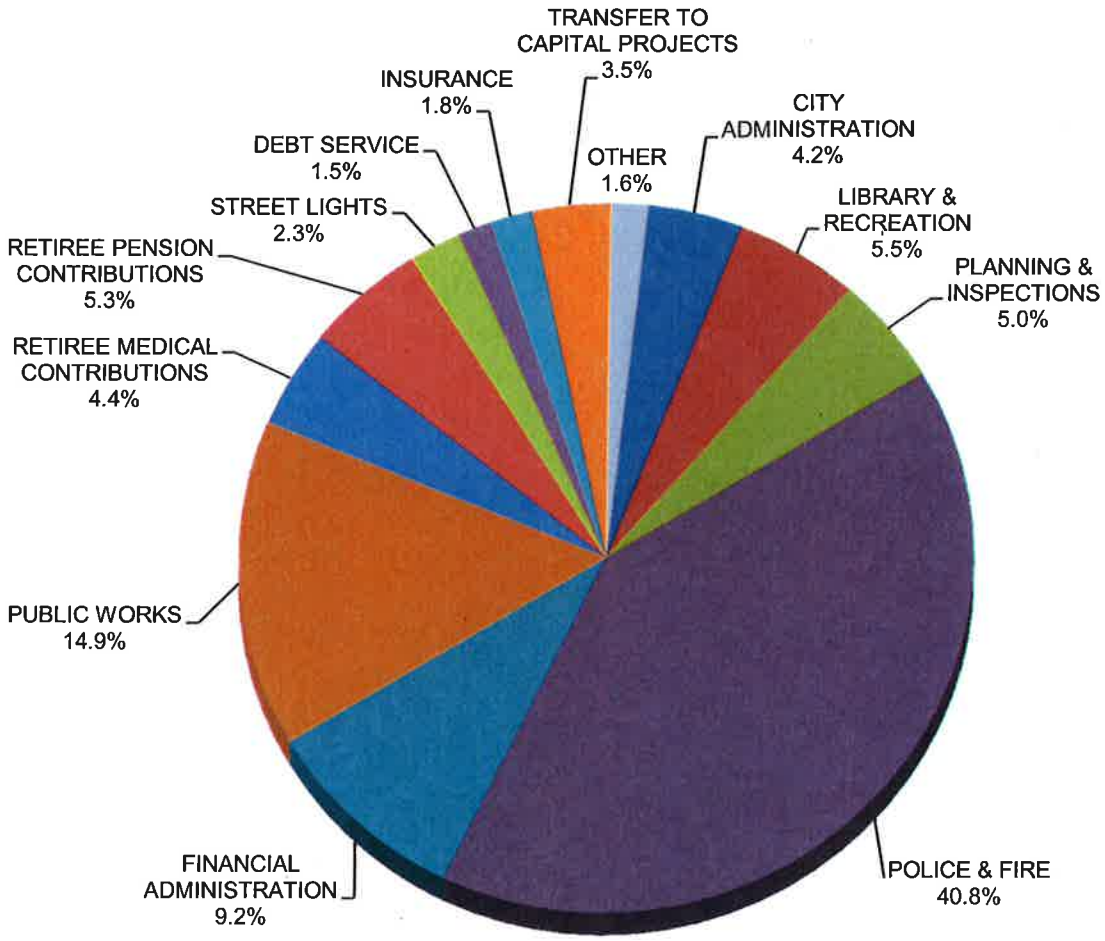


Fiscal Year 2013/2014
General Fund Expenditures
By Expenditure Category



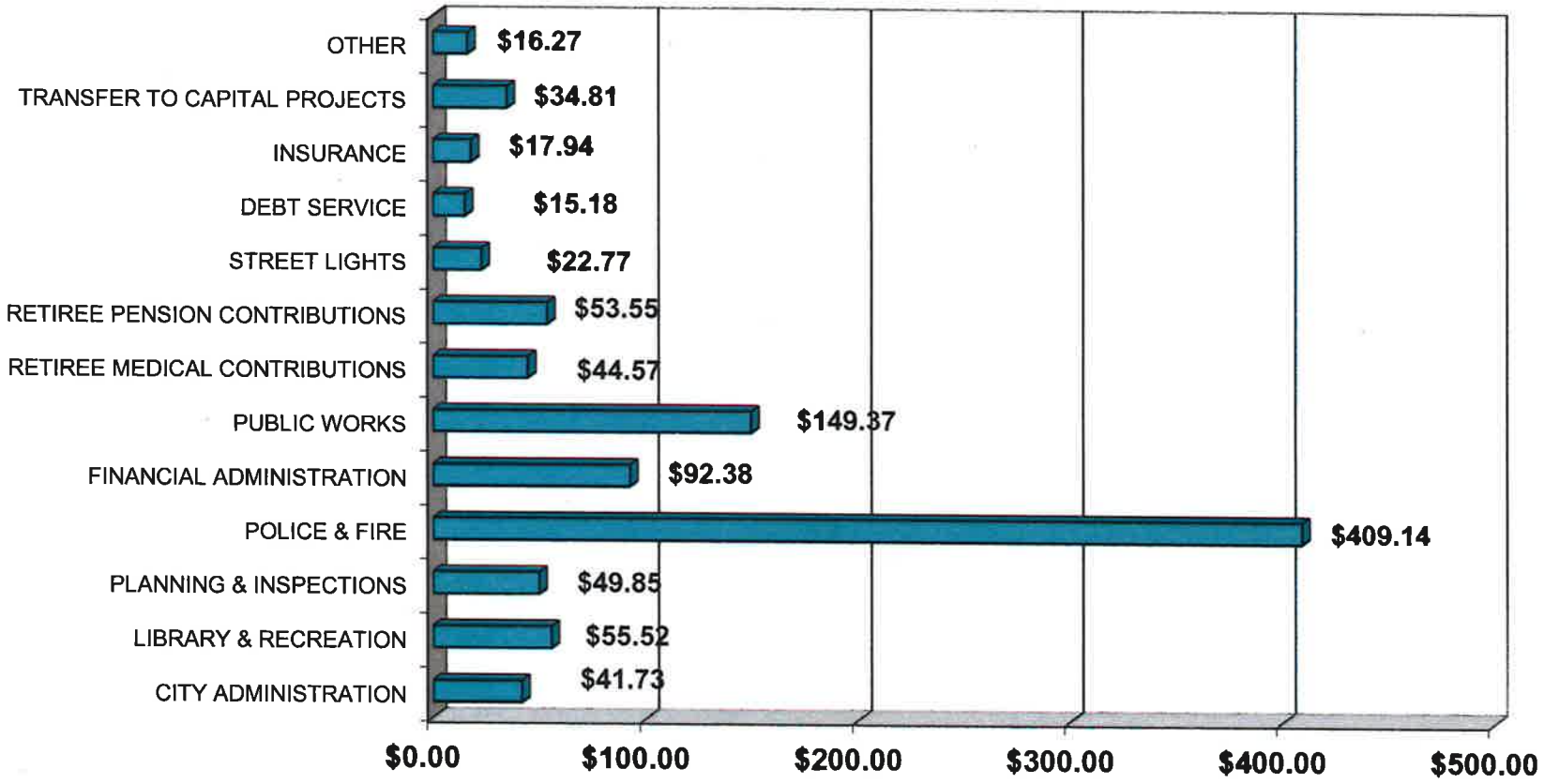
Fiscal Year 2013/2014
General Fund Expenditures

By Major Function



Several General Fund Departments service all City operations. The General Fund bills the utility funds services provided. The receipts are reported as revenue in the General Fund and not netted against the expenditures.

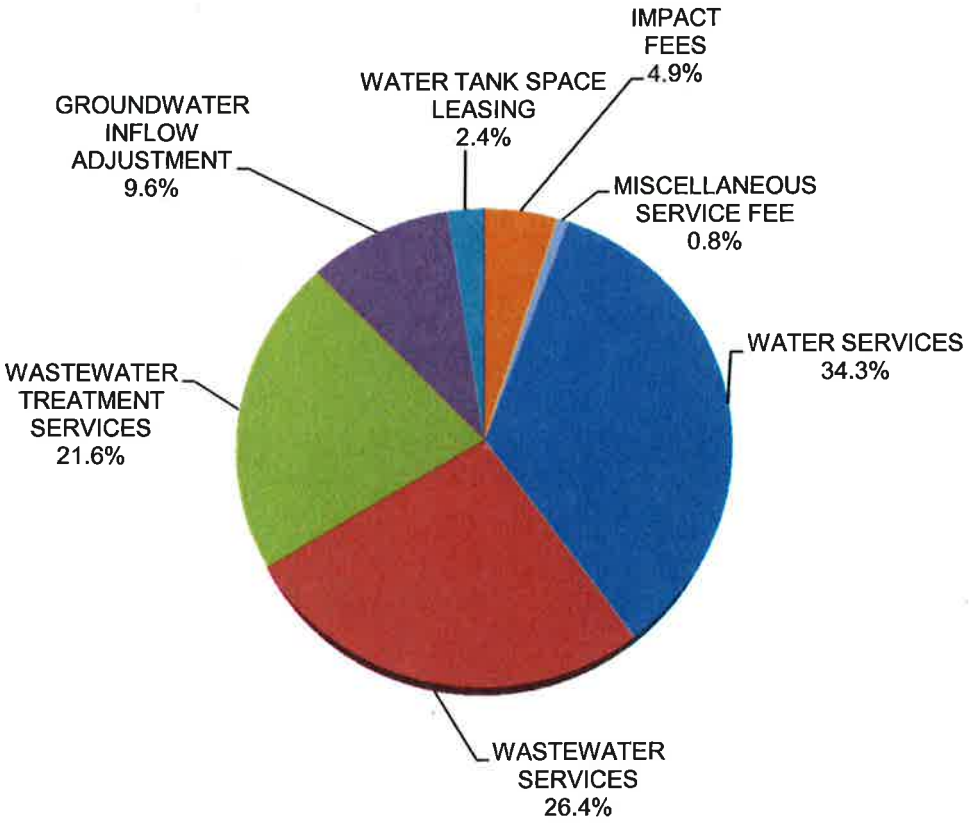
PROJECTED COST PER CAPITA BY FUNCTION
Fiscal Year 2013-2014



Total per capita based on population estimate of 36,721 = $1,003.06

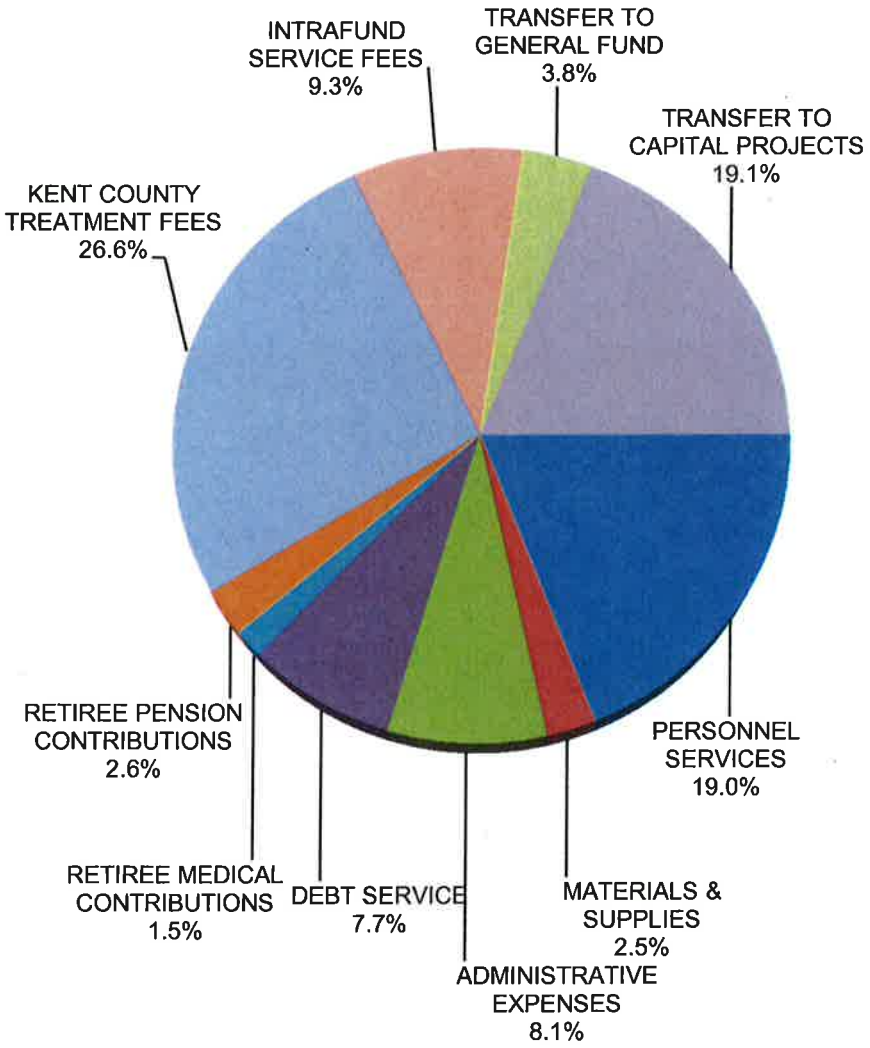
Fiscal Year 2013/2014
Water/Wastewater Fund

Revenue



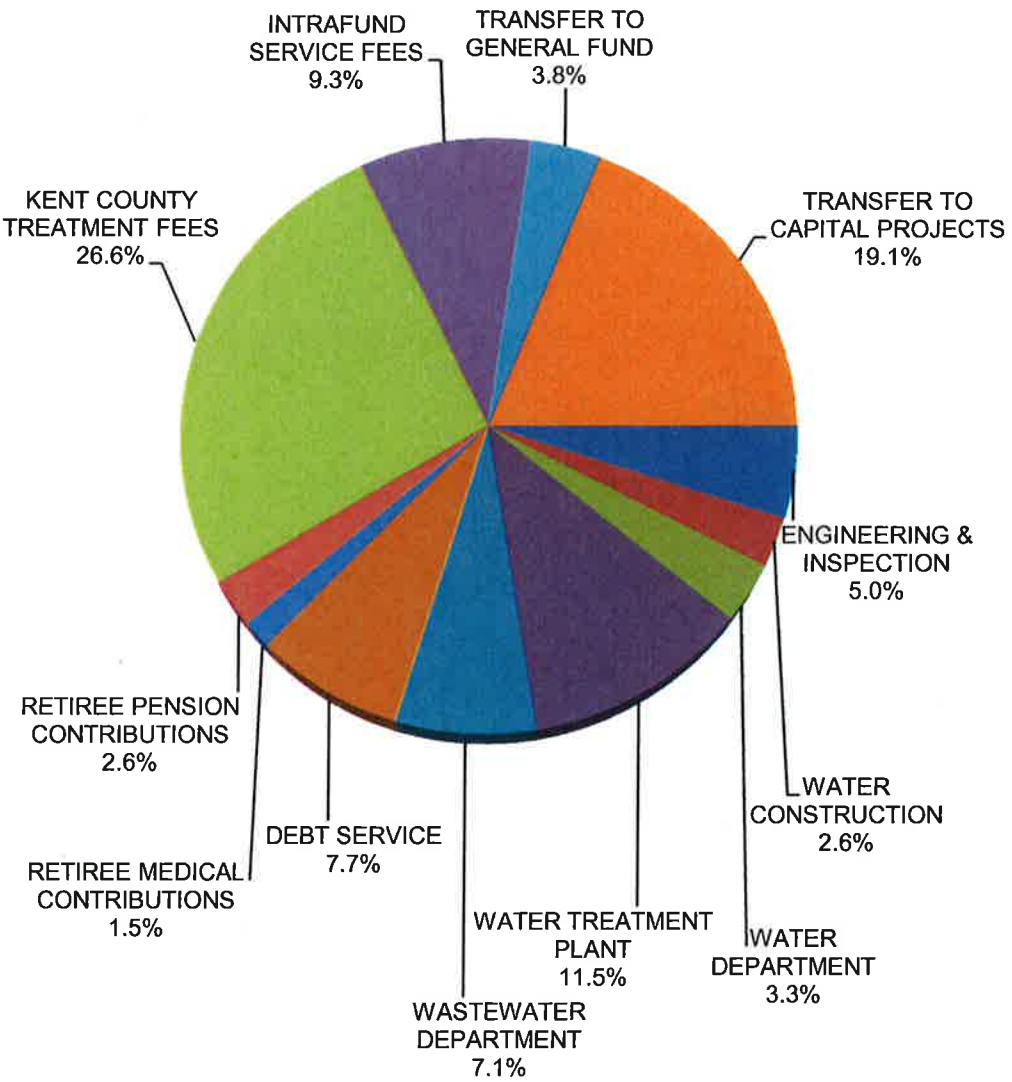
2013/1014 Budget
Water/Wastewater Fund Expenses

By Expense Category



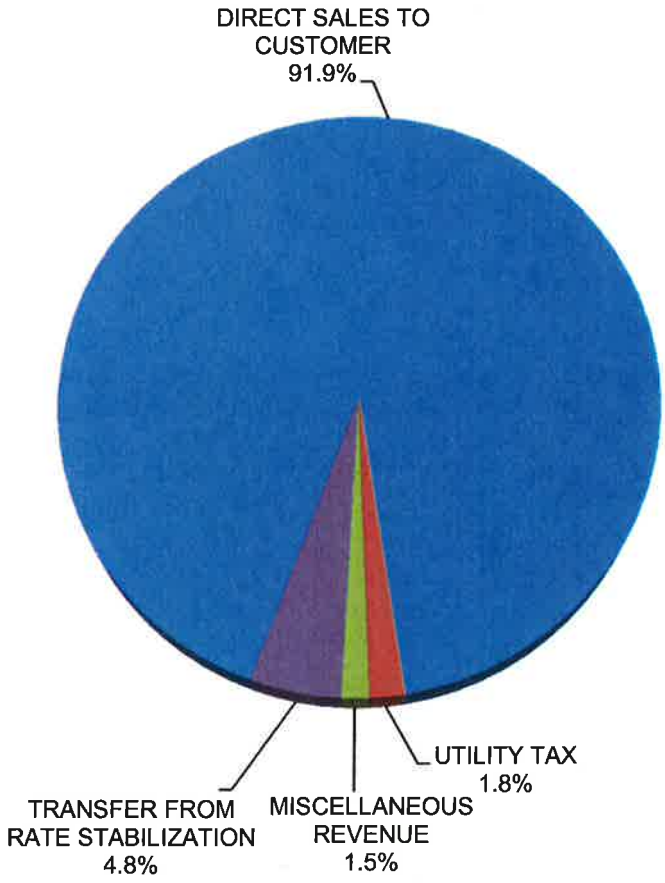
2013/1014 Budget
Water/Wastewater Fund Expenses

By Major Function



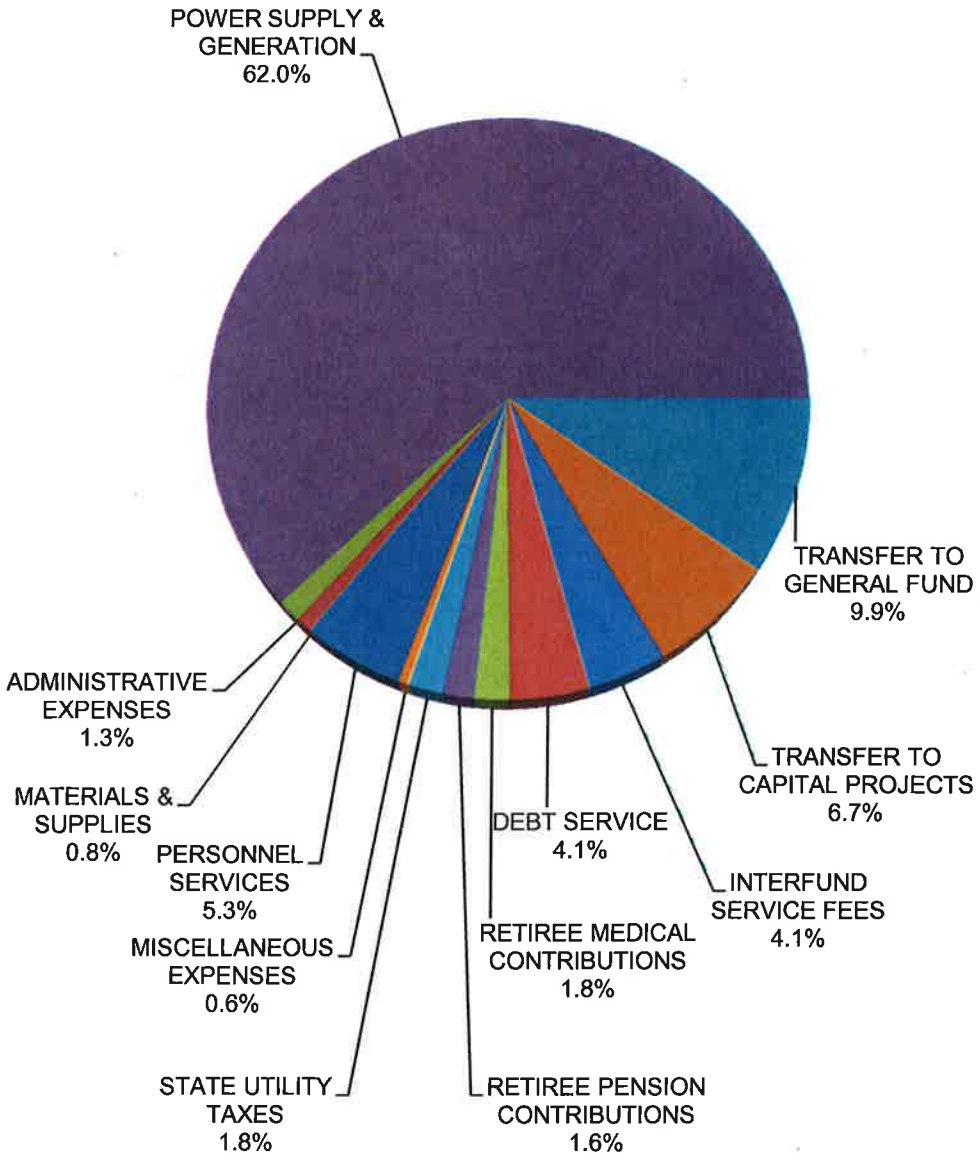
Electric Fund
Fiscal Year 2013/2014

Revenue



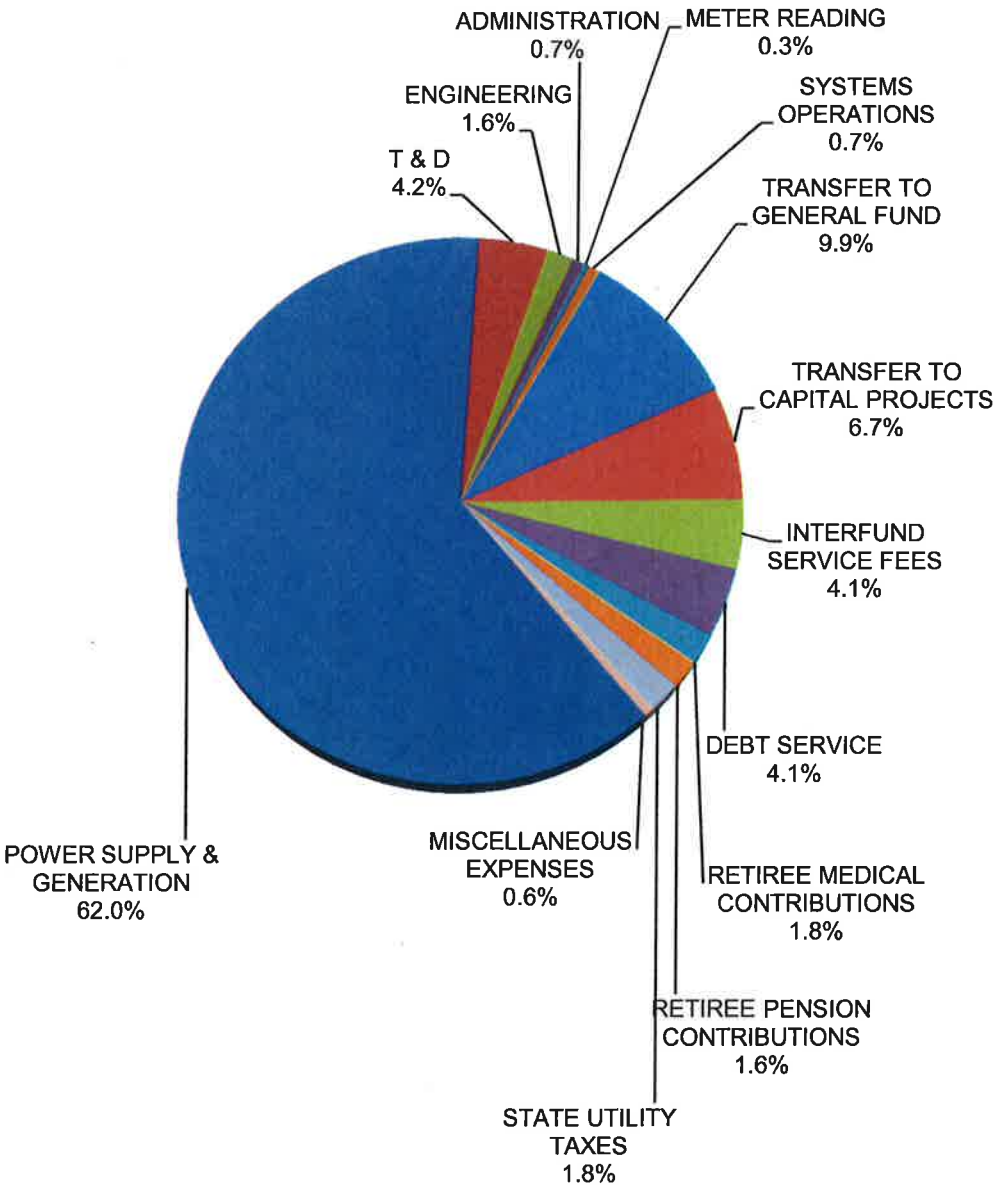
Electric Fund
Fiscal Year 2013/2014

Expense by Category



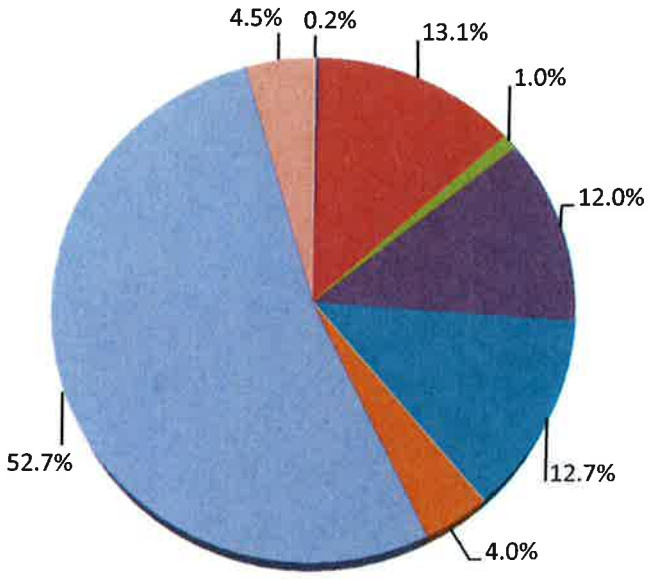
Electric Fund
Fiscal Year 2013/2014

Expense by Function



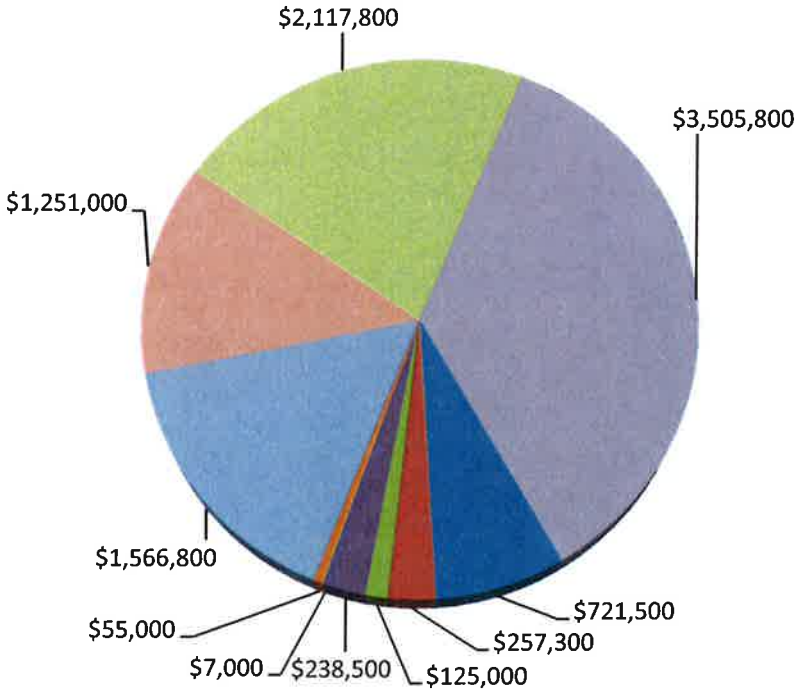
2013 - 2014 Capital Improvement Program

Financing Sources



Total Capital Plan $9,845.700

Use of Funds



General Fund

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

FUNDING SOURCE SUMMARY

Source	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Community Transportation Fund		30,000	250,000			*280,000*
General Fund	380,500	788,200	619,200	902,200	709,200	*3,399,300*
Parkland Reserve Fund	80,000	40,000	50,000			*170,000*
State Grant	15,000	113,000	240,000	183,000		*551,000*
GRAND TOTAL	475,500	971,200	1,159,200	1,085,200	709,200	*4,400,300*

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Central Services								
Security Cameras & Electronic Gate for City Yard	*CS1402*	1	55,000					*55,000*
Central Services Total			**55,000**					***55,000***
Fire/Robbins Hose								
Annual Contribution to Robbins Hose	*FR1400*	1	238,500	324,200	319,200	319,200	319,200	*1,520,300*
Fire/Robbins Hose Total			**238,500**	**324,200**	**319,200**	**319,200**	**319,200**	***1,520,300***
Information Technology								
Server and Backup Solution Replacement	*IT1400*	1	7,000	21,000				*28,000*
Information Technology Total			**7,000**	**21,000**				***28,000***
Parks and Recreation								
Air Conditioning System at JW Pitts Center	*PR1401*	1	65,000					*65,000*
chutte Park Land Improvements	*PR1402*	1	30,000	190,000				*220,000*
ark and Playground Improvement Program	*PR1501*	1		66,000		66,000		*132,000*
Splash Pad	*PR1503*	1		20,000	280,000			*300,000*
Silver Lake Revitalization Project	*PR1504*	3		50,000	250,000	100,000	100,000	*500,000*
Skate Parks	*PR1602*	1			10,000	300,000		*310,000*
Parks and Recreation Total			**95,000**	**326,000**	**540,000**	**466,000**	**100,000**	***1,527,000***
Police								
Copier Replacement	*PD1401*	1	10,000					*10,000*
Police Total			**10,000**					***10,000***
Public Works - Streets								
Concrete Construction and Replacement Program	*ST1402*	2	70,000	75,000	80,000	85,000	90,000	*400,000*
Street and Alley Program	*ST1502*	1	0	225,000	220,000	215,000	200,000	*860,000*
Public Works - Streets Total			**70,000**	**300,000**	**300,000**	**300,000**	**290,000**	***1,260,000***
GRAND TOTAL			**475,500**	**971,200**	**1,159,200**	**1,085,200**	**709,200**	***4,400,300***

WATER/WASTEWATER FUND

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

FUNDING SOURCE SUMMARY

Source	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Impact Fee Reserve	390,000	1,315,600	165,000	165,000	182,000	*2,217,600*
Water/Wastewater Fund	2,073,800	3,219,700	3,008,800	3,498,900	2,835,500	*14,636,700*
GRAND TOTAL	2,463,800	4,535,300	3,173,800	3,663,900	3,017,500	*16,854,300*

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Wastewater Management								
Inflow/Infiltraton Removal	*WW1401*	1	1,013,800	1,264,500	1,200,000	1,207,500	1,250,000	*5,935,800*
Westover Pump Station and Force Main Upgrade	*WW1502*	2		703,800				*703,800*
Hazlettville Road Interceptor	*WW1503*	3		740,000				*740,000*
Lakeview Drive Pump Station Replacement	*WW1504*	4		450,000				*450,000*
Retreat Pump Station Replacement	*WW1505*	5		52,000	360,500			*412,500*
Rolling Acres Pump Station Replacement	*WW1603*	3			52,000	360,500		*412,500*
Lepore Road Sanitary Sewer Upgrade	*WW1703*	3				50,000	275,000	*325,000*
Delaware Tech Pump Station Replacement	*WW1704*	4				52,000	403,000	*455,000*
Silver Lake Pump Station Replacement	*WW1804*	4					52,000	*52,000*
Wastewater Management Total			**1,013,800**	**3,210,300**	**1,612,500**	**1,670,000**	**1,980,000**	***9,486,600***
Water Management								
Wellhead Redevelopment Program	*WD1401*	1	75,000	80,000	82,500	85,000	87,500	*410,000*
Emergency Generators (Wells)	*WD1403*	3	80,000					*80,000*
1.0 MG Elevated Water Storage Tower	*WD1404*	4	390,000					*390,000*
Water Treatment Plant Process Improvemens	*WD1503*	3		150,000	350,000	550,000		*1,050,000*
SCADA Equipment Technology Upgrade	*WD1504*	4		80,000	80,000			*160,000*
Future Well Installation	*WD1505*	5		55,000	98,800	408,900		*562,700*
Water Quality Improvements	*WQ1401*	2	905,000	960,000	950,000	950,000	950,000	*4,715,000*
Water Management Total			**1,450,000**	**1,325,000**	**1,561,300**	**1,993,900**	**1,037,500**	***7,367,700***
GRAND TOTAL			**2,463,800**	**4,535,300**	**3,173,800**	**3,663,900**	**3,017,500**	***16,854,300***

Electric Fund

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Electric Engineering								
General Scott Switchgear	*EE1400*	n/a	800,000	300,000				*1,100,000*
Air Conditioner Replacement/Monitors	*EE1401*	n/a	12,000	12,000	12,000	12,000	12,000	*60,000*
Substation Battery Replacement	*EE1402*	n/a	24,500	24,500	24,500	24,500	24,500	*122,500*
Distribution Upgrades	*EE1403*	1	400,000	400,000	400,000	400,000	400,000	*2,000,000*
Lighting Project and Rehabilitation	*EE1404*	4	50,000	50,000	50,000	50,000	50,000	*250,000*
Distribution Feeder Replacement Program	*EE1405*	8	277,500	120,500	277,500	277,500	277,500	*1,230,500*
Distribution Capacitors and Controls	*EE1406*	10	60,000	50,000	50,000	50,000	50,000	*260,000*
Transmission Line Maintenance Program	*EE1407*	7	75,000	75,000	75,000	75,000	75,000	*375,000*
69 kV Substation Switch Replacement	*EE1408*	n/a	80,000					*80,000*
Horsepond Substation Reliability Upgrade	*EE1409*	n/a	591,800					*591,800*
Horsepond to Cartanza 69 kV Rebuild	*EE1500*	n/a		330,500				*330,500*
69 kV Cable Replacement North Street	*EE1502*	n/a		85,000	480,700			*565,700*
System Operations Monitoring	*EE1503*	n/a		30,000				*30,000*
College Road to McKee Substation Feeders	*EE1504*	n/a		307,000				*307,000*
McKee Run Yard Rebuild	*EE1600*	n/a			450,000	700,000		*1,150,000*
SCADA Master Hardware Replacement	*EE1700*	6				75,000		*75,000*
Dover Air Force Base Substation Rebuild	*EE1801*	n/a					150,000	*150,000*
System Automation	*EE1802*	n/a					150,000	*150,000*
Electric Engineering Total			**2,370,800**	**1,784,500**	**1,819,700**	**1,664,000**	**1,189,000**	***8,828,000***
Electric T & D								
New Developments	*EE1414*	1	600,000	450,000	450,000	450,000	450,000	*2,400,000*
Advanced Metering Infrastructure	*EE1415*	n/a	150,000					*150,000*
Electric T & D Total			**750,000**	**450,000**	**450,000**	**450,000**	**450,000**	***2,550,000***
Power Plant								
Unit 3 Cooling Tower Repairs	*EG1402*	1	42,000	571,000	52,000	138,000		*803,000*
McKee Run Unit 3 Auxillary System Components	*EG1404*	4	116,000	135,000	6,000	34,000	306,000	*597,000*
Van Sant Unit 11 Component Replacements	*EG1405*	4	32,000	75,000	178,000	58,000	150,000	*493,000*
McKee Run High Energy Piping Repairs	*EG1406*	1	80,000					*80,000*
Metering System Upgrades	*EG1407*	9	25,000	125,000				*150,000*
McKee Run & Vansant Safety & Compliance Improve.	*EG1408*	7	86,000	36,000	28,000	35,000		*185,000*
McKee Run Natural Gas System Block/Bleed Valves	*EG1409*	8	65,000					*65,000*
McKee Run & VanSant Mobile Crane Repair/Replace	*EG1410*	10	125,000					*125,000*
McKee Run & VanSant Preservation of Structures	*EG1413*	n/a	42,000	47,000	165,000	142,000	140,000	*536,000*
McKee Run Unit 3 Turbine Repairs	*EG1414*	1	1,149,800			10,000	426,000	*1,585,800*
McKee Run Units 1 & 2 Component Repairs	*EG1415*	4	105,000	52,000	246,000	234,000	2,450,500	*3,087,500*
Van Sant Capacity Increase	*EG1416*	n/a	250,000	750,000	500,000			*1,500,000*
McKee Run Unit 3 Boiler Systems	*EG1500*	2		185,000		319,000		*504,000*
McKee Run Unit 3 Stack Repairs	*EG1501*	9		325,000				*325,000*
McKee Run Building Equipment Replacement	*EG1601*	n/a			110,000	50,000	90,000	*250,000*
McKee Run Hydrogen Purity Analyzers-Units 1,2 & 3	*EG1602*	n/a			180,000			*180,000*
McKee Run Units 1 & 2 Stack Repairs	*EG1603*	10			285,000			*285,000*
Unit 3 Cooling Water Line Repairs	*EG1604*	n/a			250,000			*250,000*

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Van Sant Unit 11 Major Overhaul/Inspection	*EG1701*	3				900,000	1,048,000	*1,948,000*
McKee Run Hot Water Boilers	*EG1801*	n/a					80,000	*80,000*
cKee Run Fuel Oil System Reburbishment	*EG1802*	3					49,500	*49,500*
Units 1 and 2 Cooling Tower Repairs	*EG1803*	n/a					140,000	*140,000*
Units 1 & 2 Boiler Repairs	*EG1804*	2					342,000	*342,000*
Power Plant Total			**2,117,800**	**2,301,000**	**2,000,000**	**1,920,000**	**5,222,000**	***13,560,800***
GRAND TOTAL			**5,238,600**	**4,535,500**	**4,269,700**	**4,034,000**	**6,861,000**	***24,938,800***

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

FUNDING SOURCE SUMMARY

Source	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Electric Revenue	4,673,600	4,235,500	3,969,700	3,734,000	6,561,000	*23,173,800*
State Grant	440,000	300,000	300,000	300,000	300,000	*1,640,000*
GRAND TOTAL	5,113,600	4,535,500	4,269,700	4,034,000	6,861,000	*24,813,800*

VEHICLE & EQUIPMENT REPLACEMENT

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

FUNDING SOURCE SUMMARY

Source	FY 14	FY 15	FY 16	FY 17	FY 18	Total
General Fund	928,800	1,054,800	842,200	851,400	800,900	*4,478,100*
GRAND TOTAL	928,800	1,054,800	842,200	851,400	800,900	*4,478,100*

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Code Enforcement								
2001 Dodge Pick Up Truck	*14Veh# 20*	1	15,000					*15,000*
2003 Ford CVC	*14Veh# 25*	n/a	15,000					*15,000*
2007 Dodge Pick Up	*16Veh# 17*	n/a			17,000			*17,000*
1998 Ford Crown Victoria	*18Veh# 11*	n/a					23,800	*23,800*
Code Enforcement Total			**30,000**		**17,000**		**23,800**	***70,800***
Facilities Management								
1999 Dodge RMV Van (435)	*14Veh# 435*	n/a	17,800					*17,800*
2003 Dodge Van (438)	*16Veh# 438*	n/a			18,900			*18,900*
2004 Ford Van #439	*18Veh# 439*	3					20,100	*20,100*
Facilities Management Total			**17,800**		**18,900**		**20,100**	***56,800***
Life Safety (Fire Marshal)								
2003 Ford Expedition	*15Veh# 23*	n/a		27,500				*27,500*
2005 Ford Expedition	*16Veh# 28*	n/a			28,500			*28,500*
2008 Dodge Durango	*17Veh# 12*	n/a				29,500		*29,500*
1985 Chevy Van	*18Veh# 14*	n/a					17,500	*17,500*
Life Safety (Fire Marshal) Total				**27,500**	**28,500**	**29,500**	**17,500**	***103,000***
Permtting and Inspections								
2005 Ford F150	*15Veh# 13*	n/a		16,000				*16,000*
2001 Dodge Pick Up	*16Veh# 19*	n/a			17,000			*17,000*
2001 Dodge Pick Up	*16Veh# 22*	n/a			17,000			*17,000*
Permtting and Inspections Total				**16,000**	**34,000**			***50,000***
Planning								
2004 Ford Station Wagon	*17Veh# 3*	n/a				16,000		*16,000*
Planning Total						**16,000**		***16,000***
Police								
2007 Ford Crown Victoria (228)	*14Veh# 228*	n/a	23,500					*23,500*
2006 Ford Crown Victoria (232)	*14Veh# 232*	n/a	23,500					*23,500*
2008 Ford Crown Victoria (239)	*14Veh# 239*	n/a	23,500					*23,500*
2000 Ford Taurus (242)	*14Veh# 242*	n/a	24,000					*24,000*
2008 HD Motorcycle FHP (256)	*14Veh# 256*	n/a	19,400					*19,400*
2008 HD Motorcycle FHP (257)	*14Veh# 257*	n/a	19,400					*19,400*
2008 Ford Crown Victoria (258)	*14Veh# 258*	n/a	23,500					*23,500*
2007 Ford Crown Victoria (278)	*14Veh# 278*	n/a	23,500					*23,500*
2007 Ford Crown Victoria (290)	*14Veh# 290*	n/a	23,500					*23,500*
2008 Ford Crown Victoria (293)	*14Veh# 293*	n/a	23,500					*23,500*
2002 Ford Taurus (206)	*15Veh# 206*	n/a		18,900				*18,900*

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
2006 Ford Crown Victoria (217)	*15Veh# 217*	n/a		23,800				*23,800*
2007 Ford Crown Victoria (227)	*15Veh# 227*	n/a		23,800				*23,800*
2000 Ford Crown Victoria (234)	*15Veh# 234*	n/a		23,800				*23,800*
2007 Ford Crown Victoria (238)	*15Veh# 238*	n/a		23,800				*23,800*
2009 HD Motorcycle FHP (266)	*15Veh# 266*	n/a		18,800				*18,800*
2005 Ford Crown Victoria (277)	*15Veh# 277*	n/a		23,800				*23,800*
2005 Ford Crown Victoria (279)	*15Veh# 279*	n/a		23,800				*23,800*
2007 Ford Crown Victoria (280)	*15Veh# 280*	n/a		23,800				*23,800*
2005 Ford Crown Victoria (288)	*15Veh# 288*	n/a		23,800				*23,800*
2008 Ford Crown Victoria (291)	*15Veh# 291*	n/a		23,800				*23,800*
2007 Ford Crown Victoria (292)	*15Veh# 292*	n/a		23,800				*23,800*
2010 Ford Crown Victoria (202)	*16Veh# 202*	n/a			23,800			*23,800*
2010 Ford Crown Victoria (203)	*16Veh# 203*	n/a			23,800			*23,800*
1998 Ford E250 (207)	*16Veh# 207*	n/a			17,300			*17,300*
2000 Ford Taurus (210)	*16Veh# 210*	n/a			23,800			*23,800*
2005 Ford F150 Pick Up (245)	*16Veh# 245*	n/a			18,400			*18,400*
2008 Ford Crown Victoria (259)	*16Veh# 259*	n/a			23,800			*23,800*
2007 HD FHC Motorcycle (267)	*16Veh# 267*	n/a			18,800			*18,800*
2009 HD Motorcycle FHP (268)	*16Veh# 268*	n/a			18,800			*18,800*
1999 Ford Taurus (205)	*17Veh# 205*	n/a				20,200		*20,200*
2010 Dodge Charger (209)	*17Veh# 209*	n/a				18,900		*18,900*
2010 Ford Crown Victoria (243)	*17Veh# 243*	n/a				23,800		*23,800*
2011 Ford Crown Victoria (251)	*17Veh# 251*	n/a				23,800		*23,800*
2007 Ford Fusion (260)	*17Veh# 260*	n/a				18,900		*18,900*
2010 Ford Crown Victoria (271)	*17Veh# 271*	n/a				23,800		*23,800*
2010 Ford Crown Victoria (273)	*17Veh# 273*	n/a				23,800		*23,800*
2010 Ford Crown Victoria (275)	*17Veh# 275*	n/a				23,800		*23,800*
2002 Dodge Ram 1500 (296)	*17Veh# 296*	n/a				18,400		*18,400*
2001 Ford E350 SD (299)	*17Veh# 299*	n/a				46,600		*46,600*
2006 Ford Crown Victoria (218)	*18Veh# 218*	n/a					22,300	*22,300*
2005 Ford Crown Victoria (276)	*18Veh# 276*	n/a					22,300	*22,300*
2010 Ford Crown Victoria (285)	*18Veh# 285*	n/a					23,800	*23,800*
2010 Ford Crown Victoria (289)	*18Veh# 289*	n/a					23,800	*23,800*
2005 Ford E250 (295)	*18Veh# 295*	n/a					17,300	*17,300*
Totaled Vehicles	*PD1402*	n/a	20,000	20,000	20,000	20,000	20,000	*100,000*
Police Total			**247,300**	**295,700**	**188,500**	**262,000**	**129,500**	***1,123,000***
Public Works - Grounds								
1990 FMC 300 Gallon Sprayer (565)	*14Veh# 565*	5	18,600					*18,600*
1998 Vermeer Stump Grinder (566)	*14Veh# 566*	3	31,500					*31,500*
2001 Dodge Pickup with Dump Body #549	*15Veh# 549*	3		41,300				*41,300*
2002 Dodge Pick Up with Dump Body (550)	*15Veh# 550*	3		41,300				*41,300*
1998 Chevy Crew Cab Dump Truck (551)	*15Veh# 551*	4		44,700				*44,700*
2001 Dodge Pick Up with Dump Body (553)	*16Veh# 553*	2			42,600			*42,600*
1999 Chevy Chipper Box Dump Truck w/Lift Gate #554	*16Veh# 554*	3			59,500			*59,500*
2005 Kubota 72" Front Mount Mower #564	*17Veh# 564*	3				30,100		*30,100*
2001 Kubota 80" Utility Tractor (569)	*17Veh# 569*	3				38,700		*38,700*
1994 Vermeer Brush Chipper (588)	*17Veh# 588*	5				49,700		*49,700*
2004 New Holland Boom Axe Mower #560	*18Veh# 560*	3					75,000	*75,000*
2003 Ex-Mark 52" Zero Turn Mower (568)	*18Veh# 568*	3					14,500	*14,500*
2004 Kubota Tractor w/Front Loader/backhoe #572	*18Veh# 572*	3					44,800	*44,800*
Public Works - Grounds Total			**50,100**	**127,300**	**102,100**	**118,500**	**134,300**	***532,300***
Public Works - Sanitation								
2004 Peterbilt Automated Trash Truck (442)	*14Veh# 442*	2	252,100					*252,100*

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
2002 Int'l Rear Loader (449)	*14Veh# 449*	2	150,000					*150,000*
2004 Peterbilt Automated Trash Truck (443)	*15Veh# 443*	2		264,800				*264,800*
)08 International Bulk Trash Truck #448	*16Veh# 448*	3			130,600			*130,600*
2008 Peterbilt Side Loader (451)	*16Veh# 451*	4			278,100			*278,100*
2008 Peterbilt Automated Trash Truck (441)	*17Veh# 441*	3				292,100		*292,100*
2009 International Bulk Trash Truck #446	*17Veh# 446*	3				133,300		*133,300*
2008 Intn't Rear Loader (445)	*18Veh# 445*	4					168,900	*168,900*
2010 Peterbilt Automated Trash Truck #455	*18Veh# 455*	3					306,800	*306,800*
Public Works - Sanitation Total			**402,100**	**264,800**	**408,700**	**425,400**	**475,700**	***1,976,700***
Public Works - Streets								
1986 Case Backhoe (319)	*14Veh# 319*	2	39,800					*39,800*
1992 International Dump Truck (328)	*14Veh# 328*	1	121,700					*121,700*
2001 Dodge Pick Up Truck (331)	*14Veh# 331*	2	20,000					*20,000*
2001 Int'l Dump Truck (321)	*15Veh# 321*	3		125,400				*125,400*
2001 Dodge Utility Truck (345)	*15Veh# 345*	3		38,100				*38,100*
1992 Int'l Leaf Truck (366)	*15Veh# 366*	2		160,000				*160,000*
2006 Ford 1-Ton Dump Truck (325)	*16Veh# 325*	4			44,500			*44,500*
Public Works - Streets Total			**181,500**	**323,500**	**44,500**			***549,500***
GRAND TOTAL			**928,800**	**1,054,800**	**842,200**	**851,400**	**800,900**	***4,478,100***

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

FUNDING SOURCE SUMMARY

Source	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Water/Wastewater Fund	354,000	520,100	557,900	803,900	525,200	*2,761,100*
GRAND TOTAL	**354,000**	**520,100**	**557,900**	**803,900**	**525,200**	***2,761,100***

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
W/WW Engineering								
2008 Chevrolet Pickup (421)	*17Veh# 421-2*	n/a				17,100		*17,100*
2008 Ford F150 Pick-Up (420)	*18Veh# 420-2*	1					17,800	*17,800*
W/WW Engineering Total						**17,100**	**17,800**	***34,900***
Wastewater Management								
1997 New Holland 575E (674-2)	*14Veh 674-2*	n/a	26,800					*26,800*
2003 Sterling Truck Jet (691)	*14Veh# 691*	n/a	210,400					*210,400*
2002 Sterling L7500 Dump Truck (671-2)	*15Veh 671-2*	n/a		59,900				*59,900*
2002 Dodge Pick Up Truck (663-2)	*16Veh 663-2*	n/a			19,000			*19,000*
2000 Airman Air Compressor (683-2)	*16Veh 683-2*	n/a			9,700			*9,700*
2008 Ford Pickup (698-2)	*16Veh 698-2*	n/a			17,700			*17,700*
2008 Ford 1 Ton Utility w/ Crane (665)	*16Veh# 665*	n/a			44,700			*44,700*
2005 Case Backhoe (682-2)	*17Veh 682-2*	n/a				62,100		*62,100*
1987 Empire Generator (601)	*17Veh# 601*	n/a				30,600		*30,600*
1987 Empire Generator (602)	*17Veh# 602*	n/a				30,600		*30,600*
1987 Empire Generator (603)	*17Veh# 603*	n/a				30,600		*30,600*
2006 Sidekick Easement Machine (690)	*18Veh# 690*	n/a					36,800	*36,800*
Meter Replacement Program	*WW1600*	8			150,000	200,000	200,000	*550,000*
Wastewater Management Total			**237,200**	**59,900**	**241,100**	**353,900**	**236,800**	***1,128,900***
Water Construction								
1991 International 40S (422)	*14Veh#422*	n/a	90,000					*90,000*
1995 Caterpillar Loader	*15Veh#402*	n/a		182,300				*182,300*
2002 Caterpillar Backhoe	*15Veh#405*	n/a		135,600				*135,600*
1995 John Deere Broom Tractor	*15Veh#406*	n/a		44,300				*44,300*
1995 Caterpillar Excavator	*16Veh#400*	n/a			57,000			*57,000*
2004 Ford 1-Ton with Dump	*16Veh#417*	n/a			44,500			*44,500*
2002 Sterling STE	*17Veh#424*	n/a				129,500		*129,500*
2008 Ingersoll Air Compressor	*18Veh #407*	n/a					20,600	*20,600*
Water Construction Total			**90,000**	**362,200**	**101,500**	**129,500**	**20,600**	***703,800***
Water Management								
1997 New Holland (674-2)	*14Veh# 674-2*	n/a	26,800					*26,800*
2002 Sterling L7500 (671-2)	*15Veh# 671-2*	n/a		59,900				*59,900*
2002 Dodge Pick-Up (663-2)	*16Veh# 663-2*	n/a			19,000			*19,000*
2000 Airmen Air Compressor (683-2)	*16Veh# 683-2*	n/a			9,700			*9,700*
2008 Ford Pickup (698-2)	*16Veh# 698-2*	n/a			17,700			*17,700*
2005 Case Backhoe	*17Veh# 682-2*	n/a				62,100		*62,100*
Meter Replacement Project	*WD1600*	8			150,000	200,000	200,000	*550,000*
Water Management Total			**26,800**	**59,900**	**196,400**	**262,100**	**200,000**	***745,200***
Water Treatment Plant								

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
2007 Ford 1-Ton Utlity (622)	*15Veh# 622*	n/a		38,100				*38,100*
2008 GMC Cargo Van (662)	*16Veh# 662*	n/a			18,900			*18,900*
2010 Ford 1-Ton Utility Truck w/ Gage	*17Veh# 620*	n/a				41,300		*41,300*
2007 Kohler Generator Trailer Mounted (604)	*18Veh# 604*	n/a					50,000	*50,000*
Water Treatment Plant Total				**38,100**	**18,900**	**41,300**	**50,000**	***148,300***
GRAND TOTAL			**354,000**	**520,100**	**557,900**	**803,900**	**525,200**	***2,761,100***

FUNDING SOURCE SUMMARY

Source	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Electric Revenue	510,000	97,400	300,000	352,000		*1,259,400*
GRAND TOTAL	**510,000**	**97,400**	**300,000**	**352,000**		***1,259,400***

City of Dover, Delaware

FY 2014 Capital Investment Plan

FY 14 thru FY 18

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY 14	FY 15	FY 16	FY 17	FY 18	Total
Electric Engineering								
2008 Dodge Avenger (7)	*Veh# 007*	n/a			25,000			*25,000*
2005 Dodge Stratus (8)	*Veh# 008*	n/a				23,000		*23,000*
2007 Dodge Pickup (9)	*Veh# 009*	n/a			27,000			*27,000*
2006 Ford Van (749)	*Veh# 749*	n/a		25,000				*25,000*
2005 Ford Utility Truck (764)	*Veh# 764*	n/a	35,000					*35,000*
2005 Ford Pick Up (770)	*Veh# 770*	n/a				29,000		*29,000*
2006 Dodge Pickup (790)	*Veh# 790*	n/a		26,000				*26,000*
Electric Engineering Total			**35,000**	**51,000**	**52,000**	**52,000**		***190,000***
Electric T & D								
Trencher/Hoe (702)	*Veh# 702*	n/a			57,500			*57,500*
1989 Smith SM160 (716)	*Veh# 716*	n/a		15,400				*15,400*
2001 Freightliner (750)	*Veh# 750*	n/a				300,000		*300,000*
2002 Sherman & Reilly Wire Puller (758)	*Veh# 758*	n/a	125,000					*125,000*
2001 Freightliner (766)	*Veh# 766*	n/a	225,000					*225,000*
2003 Freightliner (779)	*Veh# 779*	n/a			190,500			*190,500*
2001 Dodge Ram 3500 (799)	*Veh# 799*	n/a		31,000				*31,000*
Electric T & D Total			**350,000**	**46,400**	**248,000**	**300,000**		***944,400***
GRAND TOTAL			**385,000**	**97,400**	**300,000**	**352,000**		***1,134,400***

City of Dover
General Fund
Financial Projections
2014 - 2018

Budget Meetings
May 2013

Key Assumptions

- The FY15 – FY18 Forecast continues to be short on revenues to cover projected expenses incorporating the growth assumptions as below.

- Projected Revenues - Growth assumptions
  - **Property taxes – 1.0%**
  - **Transfer taxes – 1.0%**
  - **Licenses & Permits – 1.0%**
  - **Sanitation revenues – 0.5%**
  - **Fines & Police Revenue – 1.0%**
  - **Library Revenue – 0.5%**
  - **Miscellaneous Revenue – 2.0% (includes Franchise fees, rental income, & recreation revenues)**
  - **Internal Service Fees – 2.0%**
- Projected Operating Expenses reported at same level as FY13 with the following exceptions:
  - **Pay increases included for non-bargaining employees, FOP progression, and DOE bonuses**
  - **Growth in Division expenses 2014 – 2108**
    - **Increased wages & benefits – 2.0%**
    - **General increases in materials and supplies – 1.0%**
    - **General increases in administrative expenses – 1.0%**
    - **Increased retiree health insurance premiums 5.7%**
    - **Increased OPEB normal cost with continuation of phase-in plan 2.0%**
    - **Pension contribution for unfunded liability as per previous actuary analysis**
- Maintains Water/Wastewater & Electric Fund Transfers throughout the forecast
- Fully funds Capital projects through operating transfers, grants and use of reserves

Revenues, Expenditures & Fund Balance

	2013P	2014F	2015F	2016F	2017F	2018F
FUND BALANCE-BEGINNING	**3,752,200**	**3,455,200**	**2,941,100**	**1,535,985**	**46,380**	**(2,408,817)**
REVENUES AND SOURCES						
01-PROPERTY TAXES	11,090,800	11,169,500	11,281,195	11,394,007	11,507,947	11,623,026
02-LICENSES AND PERMITS	2,508,300	2,627,500	2,653,775	2,680,313	2,707,116	2,734,187
03-GRANTS RECEIVED	1,263,000	1,260,900	1,260,900	1,260,900	1,260,900	1,260,900
04-COURT OF CHANCERY FEES	807,200	863,200	863,200	863,200	863,200	863,200
05-SANITATION FEES AND REBATES	2,676,500	2,676,500	2,689,883	2,703,332	2,716,849	2,730,433
06-LIBRARY REVENUE - GENERAL	472,100	466,600	468,933	471,278	473,634	476,002
07-FINES	1,304,100	1,316,000	1,329,160	1,342,452	1,355,876	1,369,435
08-INVESTMENT INCOME (LOSS)	75,000	75,000	76,125	77,267	78,426	78,426
09-MISCELLANEOUS SERVICES	918,100	921,000	939,420	958,208	977,373	996,920
10-INDIRECT SERVICES BILLING	4,222,900	4,459,900	4,549,098	4,640,080	4,732,882	4,827,539
11-TRANSFERS IN-ELECTRIC	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
12-TRANSFERS IN-WATER/WW	500,000	500,000	500,000	500,000	500,000	500,000
13-TRANSFERS IN-OTHER	1,731,000	1,926,500	1,928,655	1,941,942	1,955,361	1,968,915
TOTAL REVENUES AND SOURCES	**35,569,000**	**36,262,600**	**36,540,344**	**36,832,978**	**37,129,563**	**37,428,983**
EXPENDITURES AND USES						
01-SALARIES AND WAGES	16,071,300	16,189,700	16,513,494	16,843,764	17,180,639	17,524,252
02-FICA	1,177,800	1,188,600	1,212,372	1,236,619	1,261,352	1,286,579
03-HEALTH INSURANCE	2,399,600	2,600,700	2,748,940	2,905,629	3,071,250	3,246,312
04-OTHER-BENEFITS	570,700	436,300	440,663	445,070	449,520	454,016
05-RETIREE HEALTHCARE	1,620,600	1,636,500	1,729,781	1,828,378	1,932,596	2,042,753
06-LUMP SUM PENSION	1,693,500	1,159,100	1,182,282	1,205,928	1,230,046	1,254,647
07-PENSION	1,338,500	1,383,400	1,411,068	1,439,289	1,468,075	1,497,437
08-OPEB	1,225,900	1,501,900	1,531,938	1,562,577	1,593,828	1,625,705
09-MATERIALS & SUPPLIES	1,344,900	1,272,100	1,284,821	1,297,669	1,310,646	1,323,752
10-ADMIN EXPENDITURES	4,561,200	4,740,000	4,787,400	4,835,274	4,883,627	4,932,463
11-FUND EXPENSE	1,810,000	1,550,800	1,550,800	1,550,800	1,550,800	1,550,800
12-STREET LIGHT	869,700	836,000	836,000	836,000	836,000	836,000
13-OTHER-CHARGES	94,700	400,000	400,000	400,000	400,000	400,000
14-TRANSFER-TO-DEBT	474,200	557,300	472,900	474,200	479,800	229,900
15-TRANSFER-TO-CIP	613,400	1,324,300	1,843,000	1,461,400	1,936,600	1,510,100
16-CIP EXPENDITURES	-	-	-	-	-	-
TOTAL REVENUES AND SOURCES	**35,866,000**	**36,776,700**	**37,945,458**	**38,322,597**	**39,584,779**	**39,714,715**
SURPLUS/(DEFICIT)	**(297,000)**	**(514,100)**	**(1,405,115)**	**(1,489,620)**	**(2,455,217)**	**(2,285,732)**
% REVENUE	*-1%*	*-1%*	*-4%*	*-4%*	*-7%*	*-6%*
FUND BALANCE-ENDING	**3,455,200**	**2,941,100**	**1,535,985**	**46,380**	**(2,408,817)**	**(4,694,532)**
% OF REVENUES AND SOURCES	**9.7%**	**8.1%**	**4.2%**	**0.1%**	**-6.5%**	**-12.5%**
Additional Funds Needed		**(40,100)**	**1,387,200**	**2,900,300**	**5,379,200**	**7,688,900**

Capital Projects - Funding Sources

	2013P	2014F	2015F	2016F	2017F	2018F
BEGINNING BALANCE	**156,000**	**166,500**	**166,500**	**166,500**	**166,500**	**166,500**
APPROPRIATIONS & RECEIPTS						
APPROPRIATION FROM GENERAL FUND	613,400	1,324,300	1,843,000	1,461,400	1,936,600	1,510,100
TRANSFER FROM PARKLAND RESERVE	-	65,000	40,000	50,000	-	-
TRANSFER FROM FUTURE CAPACITY RESERVE	2,000,000	-	-	-	-	-
TRANSFER FROM COM TRANSP FUND	-		30,000	250,000	-	-
BOND PROCEEDS	2,000,000	-	-	-	-	-
PROPOSED CONSTRUCTION LOAN - LIBRARY	648,500	-	-	-	-	-
RECREATION GRANTS	-	15,000	113,000	240,000	-	-
LIBRARY GRANTS	1,746,000	-	-	-	-	-
DEMA & PUBLIC SAFETY GRANTS	191,800	-	-	-	-	-
DEMEC GRANT	166,700				-	-
SALE OF ASSETS & AUCTION RECEIPTS	1,243,000	-	-	-	-	-
CONTRIBUTIONS FROM OTHER AGENCIES	250,000	-	-	-	-	-
DONATIONS FOR SPECIFIC PROJECTS	173,400	-	-	-	-	-
TOTAL RECEIPTS	9,032,800	1,404,300	2,026,000	2,001,400	1,936,600	1,510,100
TOTAL BEGINNING BALANCE & REVENUES	**9,188,800**	**1,570,800**	**2,192,500**	**2,167,900**	**2,103,100**	**1,676,600**

Capital Projects – Use of Funds

CAPITAL IMPROVEMENTS PROGRAM - PROJE(	2013P	2014F	2015F	2016F	2017F	2018F
PROGRAM OPERATING EXPENDITURES						
541 POLICE ADMINISTRATION	217,000	257,300	295,700	188,500	262,000	129,500
PUBLIC SERVICES						
522 GROUNDS	112,000	50,100	127,300	102,100	118,500	134,300
531 LIFE SAFETY	-	-	27,500	28,500	29,500	17,500
534 PUBLIC INSPECTIONS	-	-	16,000	34,000	-	-
554 STREET	3,590,700	251,500	623,500	344,500	300,000	290,000
555 SANITATION	150,000	402,100	264,800	408,700	425,400	475,700
TOTAL PUBLIC SERVICES	3,852,700	703,700	1,059,100	917,800	873,400	917,500
PLANNING & CODE ENFORCEMENT						
533 PLANNING	-	-	-	-	16,000	-
532 CODE ENFORCEMENT	-	30,000	-	17,000	0	23,800
TOTAL PLANNING & CODE ENFORCEMENT	-	30,000	-	17,000	16,000	23,800
514 FIRE DEPARTMENT	238,500	238,500	324,200	319,200	319,200	319,200
523 LIBRARY	4,089,100	-	-	-	-	-
525 RECREATION	30,000	95,000	326,000	540,000	466,000	100,000
TOTAL PROGRAM EXPENDITURES	**8,427,300**	**1,324,500**	**2,005,000**	**1,982,500**	**1,936,600**	**1,490,000**
ADMINISTRATIVE & SUPPORT OPERATING EXPENDITURES						
516 INFORMATION TECHNOLOGY	107,000	7,000	21,000	-	-	-
519 MAYOR	33,000		-	-	-	-
552 FACILITIES MANAGEMENT	395,000	17,800	0	18,900	0	20,100
571 CENTRAL SERVICES	0	55,000	-	-	-	-
TOTAL ADMINISTRATIVE & SUPPORT EXPENDITURE	535,000	79,800	21,000	18,900	0	20,100
TOTAL CAPITAL INVESTMENT	**8,962,300**	**1,404,300**	**2,026,000**	**2,001,400**	**1,936,600**	**1,510,100**
COMMUNITY TRANSPORTATION FUND	60,000	-	-	-	-	-
BUDGET BALANCE - WORKING CAPITAL	166,500	166,500	166,500	166,500	166,500	166,500
TOTAL BUDGET BALANCE & EXPENDITURES	**9,188,800**	**1,570,800**	**2,192,500**	**2,167,900**	**2,103,100**	**1,676,600**

General Fund Projected Debt Service

Fiscal Year Ending	Series 2003 Bonds	2012 Tax- Exempt Loan *	Total Debt Service	Green Energy Debt Service Contribution	Net Debt Service
6/30/2014	$ 327,400	$ 229,900	$ 557,300	$ (98,500)	$ 458,800
6/30/2015	243,000	229,900	472,900	(98,500)	374,400
6/30/2016	244,300	229,900	474,200	(98,500)	375,700
6/30/2017	249,900	229,900	479,800	(98,500)	381,300
6/30/2018	-	229,900	229,900	(98,500)	131,400
6/30/2019	-	229,900	229,900	(98,500)	131,400
6/30/2020	-	229,900	229,900	(98,500)	131,400
6/30/2021	-	229,900	229,900	(98,500)	131,400
6/30/2022	-	229,900	229,900	(98,500)	131,400
6/30/2023	-	229,900	229,900	(98,500)	131,400
6/30/2024	-	229,900	229,900	(98,500)	131,400
6/30/2025	-	229,900	229,900	(98,500)	131,400
6/30/2026	-	229,900	229,900	(98,500)	131,400
6/30/2027	-	229,900	229,900	(98,500)	131,400
6/30/2028	-	229,900	229,900	(98,500)	131,400
6/30/2029	-	229,900	229,900	(98,500)	131,400
6/30/2030	-	229,900	229,900	(98,500)	131,400
6/30/2031	-	229,900	229,900	(98,500)	131,400
6/30/2032	-	229,900	229,900	(98,500)	131,400
6/30/2033	-	229,900	229,900	(98,500)	131,400
Totals	$ 1,064,600	$ 4,598,000	$ 5,662,600	$ (1,970,000)	$ 3,692,600
		Library & Streets		Library	

*** Annual Debt Service for the 2012 Loan does not reflect any reduction for the sale of the current Library**

Revenue Trends

REVENUES AND SOURCES

ACCTTYPE	2008A	2009A	2010A	2011A	2012A	2013P	2014F	2015F
01-PROPERTY TAXES	9,557,982	10,075,401	10,029,584	10,904,909	11,089,429	11,090,800	11,169,500	11,281,195
	5.8%	5.4%	-0.5%	8.7%	1.7%	0.0%	0.7%	1.0%
03-LICENSES AND PERMITS	2,936,151	2,639,329	2,464,941	2,553,339	2,839,660	2,508,300	2,627,500	2,653,775
	3.9%	-10.1%	-6.6%	3.6%	11.2%	-11.7%	4.8%	1.0%
04-GRANTS RECEIVED	1,576,636	1,997,479	1,145,699	3,526,699	7,560,820	3,367,500	1,275,900	1,275,900
	-16.3%	26.7%	-42.6%	207.8%	114.4%	-55.5%	-62.1%	0.0%
05-COURT OF CHANCERY FEES	883,880	738,240	675,390	766,340	863,220	807,200	863,200	863,200
	-4.9%	-16.5%	-8.5%	13.5%	12.6%	-6.5%	6.9%	0.0%
06-SANITATION FEES AND REBATES	1,333,436	1,396,801	1,340,729	2,173,433	1,903,623	2,676,500	2,676,500	2,689,883
	3.1%	4.8%	-4.0%	62.1%	-12.4%	40.6%	0.0%	0.5%
07-LIBRARY REVENUE - GENERAL	517,697	514,458	465,387	444,455	475,822	472,100	466,600	468,933
	-47.7%	-0.6%	-9.5%	-4.5%	7.1%	-0.8%	-1.2%	0.5%
08-FINES	1,117,837	1,015,698	1,045,312	1,032,545	1,282,262	1,304,100	1,316,000	1,329,160
	-1.3%	-9.1%	2.9%	-1.2%	24.2%	1.7%	0.9%	1.0%
09-INVESTMENT INCOME (LOSS)	451,568	284,863	140,392	52,023	63,735	75,000	75,000	76,125
	45.1%	-36.9%	-50.7%	-62.9%	22.5%	17.7%	0.0%	1.5%
11-INDIRECT SERVICES BILLING	4,456,843	4,383,599	4,059,364	4,043,299	3,999,201	4,222,900	4,459,900	4,549,098
	-6.6%	-1.6%	-7.4%	-0.4%	-1.1%	5.6%	5.6%	2.0%
12-TRANSFERS IN-CIP-GENL FUND	2,683,062	1,044,184	44,802	1,354,194	638,847	613,400	1,324,300	1,843,000
	70.2%	-61.1%	-95.7%	2922.6%	-52.8%	-4.0%	115.9%	39.2%
12-TRANSFERS IN-ELECTRIC FUND (480)	6,601,269	6,758,100	6,758,100	8,856,000	7,876,288	8,000,000	8,000,000	8,000,000
	40.5%	2.4%	0.0%	31.0%	-11.1%	1.6%	0.0%	0.0%
12-TRANSFERS IN-WATER/WW FUND (412)	565,000	564,810	548,020	-	424,508	500,000	500,000	500,000
	5.6%	0.0%	-3.0%	-100.0%	0.0%	17.8%	0.0%	0.0%
12-TRANSFERS IN-ERLSP (212)	516,654	694,220	791,583	967,020	518,638	350,000	600,000	600,000
	-4.4%	34.4%	14.0%	22.2%	-46.4%	-32.5%	71.4%	0.0%
12-TRANSFERS IN-REALTY TRANSFER TAX	3,526,187	1,198,064	867,795	1,462,154	1,373,208	1,370,000	1,315,500	1,328,655
	17.2%	-66.0%	-27.6%	68.5%	-6.1%	-0.2%	-4.0%	1.0%

Expenditure Trends

EXPENDITURES AND USES

ACCTTYPE	2008A	2009A	2010A	2011A	2012A	2013P	2014F	2015F
01-SALARIES AND WAGES	14,903,041	15,869,603	16,019,048	16,246,617	16,570,829	16,071,300	16,189,700	16,513,494
	4.5%	6.5%	0.9%	1.4%	2.0%	-3.0%	0.7%	2.0%
02-FICA	1,122,711	1,195,291	1,196,389	1,223,371	1,240,969	1,177,800	1,188,600	1,212,372
	4.4%	6.5%	0.1%	2.3%	1.4%	-5.1%	0.9%	2.0%
03-HEALTH INSURANCE	2,151,372	2,225,581	2,375,579	2,647,414	2,559,840	2,399,600	2,600,700	2,748,940
	1.1%	3.4%	6.7%	11.4%	-3.3%	-6.3%	8.4%	5.7%
04-OTHER-BENEFITS	278,752	536,260	598,967	599,278	94,237	570,700	436,300	440,663
	-49.4%	92.4%	11.7%	0.1%	-84.3%	505.6%	-23.6%	1.0%
05-RETIREE HEALTHCARE	758,185	920,713	1,006,397	1,297,509	1,374,709	1,620,600	1,636,500	1,729,781
	3.0%	21.4%	9.3%	28.9%	5.9%	17.9%	1.0%	5.7%
06-LUMP SUM PENSION	134,775	-	-	1,544,978	1,545,000	1,693,500	1,159,100	1,182,282
	-66.5%	-100.0%	0.0%	0.0%	0.0%	9.6%	-31.6%	2.0%
07-PENSION	2,651,524	2,595,629	2,428,437	1,237,889	1,292,265	1,338,500	1,383,400	1,411,068
	14.0%	-2.1%	-6.4%	-49.0%	4.4%	3.6%	3.4%	2.0%
08-OPEB	-	378,106	-	-	900,820	1,225,900	1,501,900	1,531,938
	0.0%	0.0%	-100.0%	0.0%	0.0%	36.1%	22.5%	2.0%
09-MATERIALS & SUPPLIES	1,429,661	1,350,815	1,372,027	1,357,987	1,399,271	1,344,900	1,272,100	1,284,821
	1.7%	-5.5%	1.6%	-1.0%	3.0%	-3.9%	-5.4%	1.0%
10-ADMIN EXPENDITURES	4,209,727	4,293,430	4,422,734	4,529,850	4,432,228	4,561,200	4,740,000	4,787,400
	4.4%	2.0%	3.0%	2.4%	-2.2%	2.9%	3.9%	1.0%
11-FUND EXPENSE	1,134,488	1,383,672	990,178	1,364,830	1,534,611	1,810,000	1,550,800	1,550,800
	-44.4%	22.0%	-28.4%	37.8%	12.4%	17.9%	-14.3%	0.0%
12-STREET LIGHT	917,439	937,013	956,860	968,562	986,430	869,700	836,000	836,000
	47.0%	2.1%	2.1%	1.2%	1.8%	-11.8%	-3.9%	0.0%
14-TRANSFER-TO-DEBT	437,468	442,319	328,410	335,225	327,734	474,200	557,300	472,900
	-0.9%	1.1%	-25.8%	2.1%	-2.2%	44.7%	17.5%	-15.1%
15-TRANSFER-TO-CIP	2,683,062	1,044,184	44,802	1,354,194	638,847	613,400	1,324,300	1,843,000
	0.0%	-61.1%	-95.7%	2922.6%	-52.8%	-4.0%	115.9%	39.2%

City of Dover
Water and Wastewater Fund
Financial Projections
2014 - 2018

Budget Meetings
May 2013

Key Assumptions

- The model has no estimated growth or revenues and expenses related to the Calpine project. We expect to have these numbers developed for the FY15 – FY19 Forecast. Preliminary indications are that we would see significant growth. In the following presentation it will be noted that starting in FY15 we are projected negative cash balances and yet no recommended rate increases. Once the Calpine numbers have been developed we will have a better idea of potential rate adjustments.
- T/Gallons Growth
  - Less than 1.0%
- Projected Operating Expenses reported at same level as FY13 with the following exceptions:
  - Pay increases included for non-bargaining employees and DOE bonuses
  - Growth in Division expenses 2014 – 2108
    - General increases in materials and supplies – 3.0%
    - Increased wages & benefits – 3.0%
    - Increased retiree health insurance premiums 6.0%
    - Increased OPEB normal cost with continuation of phase-in plan 1.6%
    - Pension contribution for unfunded liability as per previous actuary analysis
- County Treatment Fee Expenses projections kept level with previous year and forecasted growth
- Continues the groundwater inflow surcharge to cover cost of increases in treatment fees and ongoing capital projects to reduce the inflow/infiltration
- Maintains $500,000 General Fund Transfer throughout the forecast
- Maintains transfers to Capital Project Fund each year for water quality and inflow/infiltration projects
- Continues prior level of capital improvements to replace failing infrastructure
- County Treatment Fee Expenses projections kept level with previous year and forecasted growth
- Impact Fees are projected to be used to pay debt service and project financing

Net Margins – Combined Water & Wastewater

Net Margins - Combined Water & Wastewater	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018	Yr 1 - Yr 5 Total
Water Fees	$ 4,730,700	$ 4,730,700	$ 4,753,300	$ 4,776,100	$ 4,798,900	$ 4,798,900	$ 23,857,900
Wastewater Fees	3,642,700	3,642,700	3,659,600	3,676,900	3,694,700	3,712,200	18,386,100
Treatment Fees - Kent County	2,980,400	2,980,300	2,997,500	3,012,500	3,027,500	3,042,700	15,060,500
Groundwater Inflow Adjustment	1,324,600	1,324,600	1,331,200	1,337,900	1,344,600	1,351,300	6,689,600
Miscellaneous Income - Water	354,200	374,800	383,100	391,700	400,500	409,500	1,959,600
Miscellaneous Income - Wastewater	40,700	41,000	41,000	41,000	41,000	41,000	205,000
Impact Fees - Water	380,000	357,000	357,000	357,000	357,000	357,000	1,785,000
Impact Fees - Wastewater	350,000	323,000	323,000	323,000	323,000	323,000	1,615,000
Total Revenue	13,803,300	13,774,100	13,845,700	13,916,100	13,987,200	14,035,600	69,558,700
Treatment Fees - Kent County	(3,537,000)	(3,524,800)	(3,542,400)	(3,560,100)	(3,577,900)	(3,595,800)	(17,801,000)
Operating Expenses - Water	(3,628,500)	(3,581,800)	(3,696,600)	(3,807,300)	(3,925,400)	(4,039,000)	(19,050,100)
Operating Expenses - Wastewater	(2,322,000)	(2,239,800)	(2,314,300)	(2,383,400)	(2,458,900)	(2,528,600)	(11,925,000)
Operating Transfers - Out (4.5%) Water	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(1,250,000)
Operating Transfers - Out (4.5%) Wastewater	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(1,250,000)
Total Operating Expenses	(9,987,500)	(9,846,400)	(10,053,300)	(10,250,800)	(10,462,200)	(10,663,400)	(51,276,100)
Operating Margin	3,815,800	3,927,700	3,792,400	3,665,300	3,525,000	3,372,200	18,282,600
Non-Oper. Rev. - Interest on Operating	18,900	23,100	18,900	18,900	19,100	19,100	99,100
Non-Oper. Rev. - Interest on Reserves	86,800	85,700	80,400	59,400	57,700	55,900	339,100
Margins Available For Debt Service	3,921,500	4,036,500	3,891,700	3,743,600	3,601,800	3,447,200	18,720,800
Interest for Long-Term Debt	(293,500)	(287,000)	(424,400)	(402,700)	(380,100)	(356,600)	(1,850,800)
Cash From Operations	3,628,000	3,749,500	3,467,300	3,340,900	3,221,700	3,090,600	16,870,000
Non Cash Investment Income/(Loss)							
Depreciation Expense	(1,990,600)	(2,132,800)	(2,368,300)	(2,542,000)	(2,769,000)	(2,921,500)	(12,733,600)
Net Margins ($)	$ 1,637,400	$ 1,616,700	$ 1,099,000	$ 798,900	$ 452,700	$ 169,100	$ 4,136,400
Debt Service Coverage							
Margins Avail. for Debt Service	$ 3,921,500	$ 4,036,500	$ 3,891,700	$ 3,743,600	$ 3,601,800	$ 3,447,200	$ 18,720,800
Total Debt Service	$ 1,074,400	$ 1,019,500	$ 1,309,300	$ 1,128,300	$ 1,126,900	$ 1,125,100	$ 5,709,100
Debt Service Coverage Ratio	3.65	3.96	2.97	3.32	3.20	3.06	
Transfer to I & E Fund - Combined	$ 2,900,000	$ 2,530,000	$ 3,000,000	$ 3,000,000	$ 3,400,000	$ 3,300,000	$ 15,230,000
Transfer to Cap Asset & Cont. Reserve - Combined	$ 92,000	$ -	$ -	$ -	$ -	$ -	$ -
Reinvestment of Reserve Interest - Combined	$ 86,800	$ 85,700	$ 80,400	$ 59,400	$ 57,700	$ 55,900	$ 339,100
Debt Service Principal - Combined	$ 727,500	$ 732,500	$ 884,900	$ 725,600	$ 746,800	$ 768,500	$ 3,858,300
Total Cash Budget Requirements - Combined	$ 3,806,300	$ 3,348,200	$ 3,965,300	$ 3,785,000	$ 4,204,500	$ 4,124,400	$ 19,427,400
Net Positive/(Negative Cash)	$ (178,300)	$ 401,300	$ (498,000)	$ (444,100)	$ (982,800)	$ (1,033,800)	$ (2,557,400)

Net Margins - Water

Net Margins - Water	2013	2014	2015	2016	2017	2018	Total
Water Fees	$ 4,730,700	$ 4,730,700	$ 4,753,300	$ 4,776,100	$ 4,798,900	$ 4,798,900	$23,857,900
Miscellaneous Income - Water	354,200	374,800	383,100	391,700	400,500	409,500	1,959,600
Imapct Fees - Water	380,000	357,000	357,000	357,000	357,000	357,000	1,785,000
Total Revenue	5,464,900	5,462,500	5,493,400	5,524,800	5,556,400	5,565,400	27,602,500
Operating Expenses - Water	(3,628,500)	(3,581,800)	(3,696,600)	(3,807,300)	(3,925,400)	(4,039,000)	(19,050,100)
Operating Transfers - Out (4.5%) Water	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(1,250,000)
Total Operating Expenses	(3,878,500)	(3,831,800)	(3,946,600)	(4,057,300)	(4,175,400)	(4,289,000)	(20,300,100)
Operating Margin	1,586,400	1,630,700	1,546,800	1,467,500	1,381,000	1,276,400	7,302,400
Non-Oper. Rev. - Interest on Operating	7,400	9,100	7,500	7,500	7,600	7,600	39,300
Non-Oper. Rev. - Interest on Reserves	16,500	18,000	11,600	11,800	12,100	12,300	65,800
Margins Available For Debt Service	1,610,300	1,657,800	1,565,900	1,486,800	1,400,700	1,296,300	7,407,500
Interest for Long-Term Debt	(118,200)	(108,700)	(178,400)	(169,400)	(159,900)	(150,000)	(766,400)
Cash From Operations	1,492,100	1,549,100	1,387,500	1,317,400	1,240,800	1,146,300	6,641,100
Depreciation Expense	(976,900)	(1,042,300)	(1,172,700)	(1,251,400)	(1,357,500)	(1,403,500)	(6,227,400)
Net Margins ($)	$ 515,200	$ 506,800	$ 214,800	$ 66,000	$ (116,700)	$ (257,200)	$ 413,700
Debt Service Coverage							
Margins Avail. for Debt Service	$ 1,610,300	$ 1,657,800	$ 1,565,900	$ 1,486,800	$ 1,400,700	$ 1,296,300	$ 7,407,500
Total Debt Service	$ 438,100	$ 403,800	$ 548,400	$ 439,800	$ 439,000	$ 437,900	$ 2,268,900
Debt Service Coverage Ratio	3.68	4.11	2.86	3.38	3.19	2.96	
Transfer to I & E Fund - Water	$ 1,700,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,600,000	$ 1,200,000	$ 6,400,000
Transfer to Capital Asset & Contingency Reserves	$ 70,000	$ -	$ -	$ -	$ -	$ -	$ -
Reinvestment of Reserve Interest	$ 16,500	$ 18,000	$ 11,600	$ 11,800	$ 12,100	$ 12,300	$ 65,800
Debt Service Principal	$ 286,500	$ 295,100	$ 370,000	$ 270,400	$ 279,100	$ 287,900	$ 1,502,500
Total Cash Budget Requirements	$ 2,073,000	$ 1,513,100	$ 1,581,600	$ 1,482,200	$ 1,891,200	$ 1,500,200	$ 7,968,300
Net Positive/(Negative Cash)	$ (580,900)	$ 36,000	$ (194,100)	$ (164,800)	$ (650,400)	$ (353,900)	$ (1,327,200)

Net Margins - Wastewater

Net Margins - Wastewater	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018	Yr 1 - Yr 5 Total
Wastewater Fees	$ 3,642,700	$ 3,642,700	$ 3,659,600	$ 3,676,900	$ 3,694,700	$ 3,712,200	$ 18,386,100
Treatment Fees - Kent County	2,980,400	2,980,300	2,997,500	3,012,500	3,027,500	3,042,700	15,060,500
Groundwater Inflow Adjustment	1,324,600	1,324,600	1,331,200	1,337,900	1,344,600	1,351,300	6,689,600
Miscellaneous Income - Wastewater	40,700	41,000	41,000	41,000	41,000	41,000	205,000
Impact Fees - Wastewater	350,000	323,000	323,000	323,000	323,000	323,000	1,615,000
Total Revenue	8,338,400	8,311,600	8,352,300	8,391,300	8,430,800	8,470,200	41,956,200
Treatment Expense - Kent County	(3,537,000)	(3,524,800)	(3,542,400)	(3,560,100)	(3,577,900)	(3,595,800)	(17,801,000)
Operating Expenses - Wastewater	(2,322,000)	(2,239,800)	(2,314,300)	(2,383,400)	(2,458,900)	(2,528,600)	(11,925,000)
Operating Transfers - Out (4.5%) Wastewater	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(1,250,000)
Total Operating Expenses	(6,109,000)	(6,014,600)	(6,106,700)	(6,193,500)	(6,286,800)	(6,374,400)	(30,976,000)
Operating Margin	2,229,400	2,297,000	2,245,600	2,197,800	2,144,000	2,095,800	10,980,200
Non-Oper. Rev. - Interest on Operating	11,500	14,000	11,400	11,400	11,500	11,500	59,800
Non-Oper. Rev. - Interest on Reserves	70,300	67,700	68,800	47,600	45,600	43,600	273,300
Margins Available For Debt Service	2,311,200	2,378,700	2,325,800	2,256,800	2,201,100	2,150,900	11,313,300
Interest for Long-Term Debt	(175,300)	(178,300)	(246,000)	(233,300)	(220,200)	(206,600)	(1,084,400)
Cash From Operations	2,135,900	2,200,400	2,079,800	2,023,500	1,980,900	1,944,300	10,228,900
Depreciation Expense	(1,013,700)	(1,090,500)	(1,195,600)	(1,290,600)	(1,411,500)	(1,518,000)	(6,506,200)
Net Margins ($)	$ 1,122,200	$ 1,109,900	$ 884,200	$ 732,900	$ 569,400	$ 426,300	$ 3,722,700
Debt Service Coverage							
Margins Avail. for Debt Service	$ 2,311,200	$ 2,378,700	$ 2,325,800	$ 2,256,800	$ 2,201,100	$ 2,150,900	$ 11,313,300
Total Debt Service	$ 636,300	$ 615,700	$ 760,900	$ 688,500	$ 687,900	$ 687,200	$ 3,440,200
Debt Service Coverage Ratio	3.63	3.86	3.06	3.28	3.20	3.13	
Transfer to I & E Fund - Wastewater	$ 1,200,000	$ 1,330,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 2,100,000	$ 8,830,000
Transfer to Capital Asset & Contingency Reserves	$ 22,000	$ -	$ -	$ -	$ -	$ -	$ -
Reinvestment of Reserve Interest	$ 70,300	$ 67,700	$ 68,800	$ 47,600	$ 45,600	$ 43,600	$ 273,300
Debt Service Principal	$ 441,000	$ 437,400	$ 514,900	$ 455,200	$ 467,700	$ 480,600	$ 2,355,800
Total Cash Budget Requirements	$ 1,733,300	$ 1,835,100	$ 2,383,700	$ 2,302,800	$ 2,313,300	$ 2,624,200	$ 11,459,100
Net Positive/(Negative Cash)	$ 402,600	$ 365,300	$ (303,900)	$ (279,300)	$ (332,400)	$ (679,900)	$ (1,230,200)

Improvement & Extension Fund

	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018
Beginning Cash Balance						
Cash Balance as of July 1	$ 6,452,200	$1,643,700	$1,770,900	$1,056,100	$ 514,400	$ (363,400)
Sources of Cash						
Sale of Bonds	4,000,000	-	-	-	-	-
Cash from Operating Fund - Combined	2,900,000	2,530,000	3,000,000	3,000,000	3,400,000	3,300,000
Interest Income & Sale of Assets	25,000	25,000	25,000	25,000	25,000	25,000
Transfer from Reserves	250,000	390,000	1,315,600	165,000	165,000	182,000
Total Sources of Cash	7,175,000	2,945,000	4,340,600	3,190,000	3,590,000	3,507,000
Cash Requirements						
Plant Additions & Vehicles	11,983,500	2,817,800	5,055,400	3,581,700	4,250,700	3,324,900
Other Equipment	-	-	-	150,000	217,100	217,800
Total Cash Requirements	11,983,500	2,817,800	5,055,400	3,731,700	4,467,800	3,542,700
Ending Cash Balance						
Increase (Decrease) in Cash	$(4,808,500)	$ 127,200	$ (714,800)	$ (541,700)	$ (877,800)	$ (35,700)
Cash Balance as of June 30	$ 1,643,700	$1,770,900	$1,056,100	$ 514,400	$ (363,400)	$ (399,100)

Capital Improvement Plan

CAPITAL PROJECTS	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018	Yr 14 - Yr 18 Total
Meter Reading - Meters (Split W/WW 50%)	$ -	$ -	$ -	$ 150,000	$ 200,000	$ 200,000	$ 550,000
Vehicles & Equipment (Split W/WW 50%) Eng/Insp/Mtrng	29,200	-	-		17,100	17,800	34,900
							-
Water, Water Construction & Water Treatment							-
Vehicles & Equipment - Water	263,400	116,800	460,200	166,800	232,900	70,600	1,047,300
1.0 MG Elevated Storage Tank	2,166,000	390,000	-	-	-	-	390,000
Piney Point Well	505,600	-	-	-	-	-	-
Garrison Farm Improvements (Bond - net of issuance cost)	2,000,000	-	-	-	-	-	-
Columbia Well Installation	55,000	-	-	-	-	-	-
Projects with Locations to be Determined							
Future Well Installation	-	-	55,000	98,800	408,900	-	562,700
Emergency Generators	80,000	80,000	-	-	-	-	80,000
Wellhead Redevelopment	70,000	75,000	80,000	82,500	85,000	87,500	410,000
Water Quality Improvements	891,800	905,000	960,000	950,000	950,000	950,000	4,715,000
SCADA Upgrades	-	-	80,000	80,000	-	-	160,000
Treatment Plant Improvements	-	-	150,000	350,000	550,000	-	1,050,000
Total Water	**6,031,800**	**1,566,800**	**1,785,200**	**1,728,100**	**2,226,800**	**1,108,100**	**8,415,000**
Wastewater							
Vehicles & Equipment - Wastewater	265,100	237,200	59,900	241,100	353,900	236,800	1,128,900
Batray Pump Station Replacement	100,000	-	-	-	-		-
Tar Ditch Interceptor Upgrade (Impact Fees)	490,300	-	-	-	-	-	-
SCADA System Technology Upgrade	29,300	-	-	-	-	-	-
Fox Hall Pump Station Replacement DSRLF	144,800	-	-	-	-	-	-
Brandywine Pump Station Replacement	350,000	-	-	-	-	-	-
Garrison Farm Improvements (Bond - net of issuance cost)	2,000,000	-	-	-	-		-
Lepore Road Pump Station Replacement DSRLF	384,200	-	-	-	-	-	-
Rolling Acres Pump Station Replacement	-	-	-	52,000	360,500	-	412,500
Dover Brook Gardens Pump Station Upgrade	50,000	-	-	-	-	-	-
McKee Road Pump Station Communicator Replacement	45,000	-	-	-	-	-	-
DelTech Pump Station Replacement	-	-	-	-	52,000	403,000	455,000
Westover Pump Station & Force Main Upgrade - Impact Fees	65,000	-	703,800	-	-	-	703,800
Lakeview Drive Pump Station Replacement	52,000	-	450,000	-	-	-	450,000
Lepore Road Sanitary Sewer Main	-	-	-	-	50,000	275,000	325,000
Sliver Lake Pump Station Replacement	-	-	-	-	-	52,000	52,000
Hazlettville Road Interceptor - Impact Fees	30,000	-	740,000	-	-	-	740,000
Retreat Pump Station Replacement	-	-	52,000	360,500	-	-	412,500
Location/Pump Station to be Determined							
Inflow/Infiltration Removal/System Improvements	1,916,800	1,013,800	1,264,500	1,200,000	1,207,500	1,250,000	5,935,800
Misc. Sewer System Improvements	-	-	-	-	-	-	-
Total Wastewater	**5,922,500**	**1,251,000**	**3,270,200**	**1,853,600**	**2,023,900**	**2,216,800**	**10,615,500**
Total	$ 11,983,500	$2,817,800	$5,055,400	$3,731,700	$4,467,800	$ 3,542,700	$19,615,400

Water/Wastewater Fund Projected Debt Service

Fiscal Year Ending	Series 2003	Series 2000 Wastewater	Series 2009 Wastewater	Series 2010 Water	Series 2011 Wastewater	Series 2013 Water	Series 2013 Wastewater	Total Debt Service
6/30/2014	$ 404,100	$ 53,000	$ 347,100	$ 161,300	$ 54,000	$ -	$ -	$ 1,019,500
6/30/2015	401,500	53,000	347,100	161,300	54,000	146,200	146,200	1,309,300
6/30/2016	220,500	53,000	347,100	161,300	54,000	146,200	146,200	1,128,300
6/30/2017	219,100	53,000	347,100	161,300	54,000	146,200	146,200	1,126,900
6/30/2018	217,300	53,000	347,100	161,300	54,000	146,200	146,200	1,125,100
6/30/2019	219,900	53,000	347,100	161,300	54,000	146,200	146,200	1,127,700
6/30/2020	217,100	53,000	347,100	161,300	54,000	146,200	146,200	1,124,900
6/30/2021	218,800	-	347,100	161,300	54,000	146,200	146,200	1,073,600
6/30/2022	219,800	-	347,100	161,300	54,000	146,200	146,200	1,074,600
6/30/2023	220,100	-	347,100	161,300	54,000	146,200	146,200	1,074,900
6/30/2024	215,000	-	347,100	161,300	54,000	146,200	146,200	1,069,800
6/30/2025	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2026	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2027	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2028	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2029	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2030	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2031	-	-	347,100	161,300	54,000	146,200	146,200	854,800
6/30/2032	-	-	173,600	76,500	54,000	146,200	146,200	596,500
6/30/2033	-	-	-	-	54,000	146,200	146,200	346,400
6/30/2034	-	-	-	-	-	146,200	146,200	292,400
Total	$ 2,773,200	$ 371,000	$ 6,421,400	$ 2,979,900	$ 1,080,005	$ 2,924,000	$ 2,924,000	$ 19,473,500

Reserve Account Projections

	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018
Contingency Reserve Account - Water (2%)	**$109,300**	**$109,300**	**$109,900**	**$110,500**	**$111,100**	**$111,300**
Balance in Account on July 1	$102,100	$103,800	$105,600	$107,400	$109,200	$111,100
Receipts						
Interest Earned	1,700	1,800	1,800	1,800	1,900	1,900
Appropriations	-	-	-	-	-	-
Balance in Account on June 30	$103,800	$105,600	$107,400	$109,200	$111,100	$113,000
Contingency Reserve - Wastewater (2%)	**$166,800**	**$166,200**	**$167,000**	**$167,800**	**$168,600**	**$169,400**
Balance in Account on July 1	$185,200	$188,300	$191,500	$194,800	$198,100	$201,500
Receipts						
Interest Earned	3,100	3,200	3,300	3,300	3,400	3,400
Appropriations	-	-	-	-	-	-
Balance in Account on June 30	$188,300	$191,500	$194,800	$198,100	$201,500	$204,900
Impact Fee Reserve - Water (20% of Revenue)	**$946,140**	**$946,100**	**$950,700**	**$955,200**	**$959,800**	**$959,800**
Balance in Account on July 1	$441,100	$448,600	$66,200	$67,300	$68,400	$69,600
Receipts						
Interest Earned	7,500	7,600	1,100	1,100	1,200	1,200
Total Funds Available	$448,600	$456,200	$67,300	$68,400	$69,600	$70,800
Disbursements						
Transfer to Capital Improvements	-	390,000	-	-	-	-
Balance in Account on June 30	$448,600	$66,200	$67,300	$68,400	$69,600	$70,800
Impact Fee Reserve - Wastewater (20% of Rev)	**$728,540**	**$728,500**	**$731,900**	**$735,400**	**$738,900**	**$742,400**
Balance in Account on July 1	$3,476,700	$3,285,800	$3,341,700	$2,082,900	$1,953,300	$1,821,500
Receipts						
Interest Earned	59,100	55,900	56,800	35,400	33,200	31,000
Total Funds Available	$3,535,800	$3,341,700	$3,398,500	$2,118,300	$1,986,500	$1,852,500
Disbursements						
Transfer to Capital Improvements	250,000	-	1,315,600	165,000	165,000	182,000
Balance in Account on June 30	$3,285,800	$3,341,700	$2,082,900	$1,953,300	$1,821,500	$1,670,500
Capital Asset Reserve - Water (Min. $500K)						
Balance in Account on July 1	$427,100	$504,400	$513,000	$521,700	$530,600	$539,600
Receipts						
Interest Earned	7,300	8,600	8,700	8,900	9,000	9,200
Appropriations	70,000	-	-	-	-	-
Balance in Account on June 30	$504,400	$513,000	$521,700	$530,600	$539,600	$548,800
Capital Asset Resrv - Wastewater (Min $500K)						
Balance in Account on July 1	$473,600	$503,700	$512,300	$521,000	$529,900	$538,900
Receipts						
Interest Earned	8,100	8,600	8,700	8,900	9,000	9,200
Appropriations	22,000	-	-	-	-	-
Balance in Account on June 30	$503,700	$512,300	$521,000	$529,900	$538,900	$548,100
Total All Reserves at June 30	$5,034,600	$4,730,300	$3,495,100	$3,389,500	$3,282,200	$3,156,100

City of Dover
Electric Revenue Fund
Financial Projections
2014 - 2018

Budget Meetings
May 2013

Key Assumptions

- kWh demand for FY14 – FY18 less than 1.0% growth
- Interest rates 1.70%
- Maintains $8.0 million General Fund Transfer throughout the forecast
- Forecasted Operating Expenses reported at FY13 level with the following exceptions:
  - Currently no pay increases for 2014, except non-bargaining & progression steps
  - Growth in Division expenses 2014 – 2018
    - General increases in materials and supplies – 3.0%
    - Increased retiree health insurance premiums 6.0%
    - Fully funding OPEB liability
    - Pension contribution for unfunded liability as per previous actuary analysis
- No new debt issuance
- Compliant with debt covenants after adjusting for use of Rate Stabilization Reserve
- Increase annual appropriation to I & E Fund for CIP
- Use of developer contributions to partially fund CIP (previously in the operating fund)

Cost of Service Review - Update to FY13 Rates

- Recognizing the continued decrease in our power supply, staff requested Burns & McDonnell to update the rate model to revise FY13 rates as well as to incorporate the revised forecast.
- While the financial model includes a five year forecast the City staff requested the consultant to only provide rates adjustments through FY16 in correlation with the PJM market.
- Any further changes in power supply cost will be adjusted through the Power Cost Adjustment through FY16.
- A demonstration of the reason for having the rates revised two consecutive years is provided on the next page.

Power Supply Cost - FY12 & FY13

FY13 Approved Budget	Budget 2012	Budget 2013
Net Margins		
Revenue from Current Electric Rates	$95,674,800	$85,071,400
Revenue from Projected PPA	(6,011,300)	-
Adjusted Rate Revenue	$89,663,500	$85,071,400
Utility Tax	1,444,900	1,335,500
Miscellaneous Receipts	1,700,000	1,595,200
Total Operating Revenue	92,808,400	88,002,100
Power Supply & Generation	(64,722,917)	(62,935,100)
Operating Expenses	(15,231,039)	(13,546,100)
Operating Transfers - Out	(7,876,288)	(8,000,000)
Total Operating Expenses	(87,830,244)	(84,481,200)
Operating Margin	4,978,156	3,520,900
Non-Oper. Rev. - Interest on Operating	141,500	148,500
Non-Oper. Rev. - Interest on Reserves	408,300	466,000
Margins Available For Debt Service	5,527,956	4,135,400
Interest for Long-Term Debt	(1,260,100)	(1,213,600)
Cash From Operations	4,267,856	2,921,800
Non Cash Income/Loss & Reserve Transfers		
Transfer from Rate Stabilization Reserve	1,000,000	5,400,000
Gain (Loss) on Fixed Assets	-	-
Net Increase in fair value of investments	-	-
Debt Issue Cost Amort.- 2004 Bonds	(12,700)	(12,700)
Debt Issue Cost Amort.- 2008 Bonds	(8,900)	(8,900)
Depreciation Expense	(5,089,400)	(5,235,700)
Net Margins	$ 156,856	$ 3,064,500

FY13 Revised Budget	Actual 2012	Revised 2013
Net Margins		
Revenue from Current Electric Rates	$96,483,053	$87,519,500
Revenue from Projected PPA	(6,083,282)	-
Adjusted Rate Revenue	$90,399,771	$87,519,500
Utility Tax	1,548,208	1,498,900
Miscellaneous Receipts	1,581,421	1,445,500
Total Operating Revenue	93,529,400	90,463,900
Power Supply & Production	(58,758,032)	(54,442,900)
Operating Expenses	(12,848,988)	(20,277,800)
Operating Transfers - Out	(7,876,288)	(8,000,000)
Total Operating Expenses	(79,483,308)	(82,720,700)
Operating Margin	14,046,092	7,743,200
Non-Oper. Rev. - Interest on Operating	120,876	148,500
Non-Oper. Rev. - Interest on Reserves	348,642	459,600
Margins Available For Debt Service	14,515,610	8,351,300
Interest on Long-Term Debt	(1,261,597)	(1,213,600)
Cash From Operations	13,254,013	7,137,700
Non Cash Income/Loss & Reserve Transfers		
Transfer from Rate Stabilization Reserve	-	5,400,000
Gain (Loss) on Fixed Assets	47,966	-
Net Increase in fair value of investments	45,200	-
Debt Issue Cost Amort.- 2004 Bonds	(12,673)	-
Debt Issue Cost Amort.- 2008 Bonds	(8,906)	-
Depreciation Expense	(4,783,444)	(5,202,500)
Net Margins	$ 8,542,156	$ 7,335,200

Net Margins

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Yr 1 - Yr 5 Total
Net Margins							
Revenue from Current Electric Rates	$ 87,519,500	$ 85,715,360	$ 85,774,300	$ 85,900,600	$ 86,086,500	$ 86,331,700	$ 516,140,160
Proposed Electric Rate Revenue Adjustment	-	(9,428,700)	(9,435,200)	(9,449,100)	(9,469,500)	(9,496,500)	(56,775,500)
Utility Tax	1,498,900	1,492,200	1,493,200	1,495,400	1,498,600	1,502,900	8,985,200
Miscellaneous Receipts	1,445,500	1,087,300	1,387,200	1,387,200	1,397,000	1,408,000	8,085,700
Total Operating Revenue	90,463,900	78,866,160	79,219,500	79,334,100	79,512,600	79,746,100	476,435,560
Power Supply & Production	(54,442,900)	(50,342,400)	(47,743,100)	(46,713,200)	(47,869,800)	(48,791,500)	(290,454,600)
Operating Expenses	(20,277,800)	(14,745,200)	(15,192,500)	(15,577,500)	(15,979,100)	(16,394,800)	(94,708,600)
Operating Transfers - Out (General Fund)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(8,000,000)	(48,000,000)
Total Operating Expenses	(82,720,700)	(73,087,600)	(70,935,600)	(70,290,700)	(71,848,900)	(73,186,300)	(433,163,200)
Operating Margin	7,743,200	5,778,560	8,283,900	9,043,400	7,663,700	6,559,800	43,272,360
Non-Oper. Rev. - Interest on Operating	148,500	144,600	143,500	142,800	142,700	144,200	833,600
Non-Oper. Rev. - Interest on Reserves	459,600	572,500	600,400	585,200	578,000	553,900	3,393,600
Operating Transfers - In (General Fund)	-	-	-	-	-	-	-
Margins Available For Debt Service	8,351,300	6,495,660	9,027,800	9,771,400	8,384,400	7,257,900	47,499,560
Interest on Long-Term Debt	(1,213,600)	(1,131,900)	(1,037,000)	(918,700)	(884,000)	(847,500)	(4,502,900)
Cash From Operations	7,137,700	5,363,760	7,990,800	8,852,700	7,500,400	6,410,400	36,501,000
Non Cash Income/Loss & Reserve Transfers							
Transfer from Rate Stabilization Reserve	5,400,000	4,000,000	1,500,000	1,000,000	2,000,000	3,500,000	8,000,000
Depreciation Expense	(5,202,500)	(5,375,700)	(5,470,800)	(5,602,300)	(5,746,900)	(5,907,000)	(34,104,200)
Net Margins	$ 7,335,200	$ 3,988,060	$ 4,020,000	$ 4,250,400	$ 3,753,500	$ 4,003,400	$ 15,772,500

[1] The 2013 Cost of Service and Rate Design Study examines the period FY 2014 through FY 2018.

Projected Debt Service Coverage

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Debt Service Coverage						
Margins Avail. for Debt Service	$ 8,351,300	$ 6,495,660	$ 9,027,800	$ 9,771,400	$ 8,384,400	$ 7,257,900
Total Debt Service	$ 3,323,600	$ 3,301,900	$ 3,297,000	$ 3,283,700	$ 1,579,000	$ 1,577,500
Debt Service Coverage Ratio	2.51	1.97	2.74	2.98	5.31	4.60
Debt Service Coverage Requirement	1.25	1.25	1.25	1.25	1.25	1.25
Debt Service Coverage Requirement Status	*Met*	*Met*	*Met*	*Met*	*Met*	*Met*
Debt Service Safety Margin	5.52%	4.01%	7.17%	8.10%	8.48%	7.06%

Project Cash Flow Position

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Transfer to I & E Fund	$ 3,500,000	$ 5,298,600	$ 4,500,000	$ 4,500,000	$ 4,500,000	$ 3,500,000
Transfer to Reserves	14,500,000	-	-	-	-	-
Reinvestment of Reserve Interest	500,300	597,700	625,400	609,300	601,700	578,800
Debt Service Principal	2,110,000	2,170,000	2,260,000	2,365,000	695,000	730,000
Total Cash Budget Requirements	20,610,300	8,066,300	7,385,400	7,474,300	5,796,700	4,808,800
Net Positive/(Negative Cash)	$ (13,472,600)	$ (2,702,500)	$ 605,400	$ 1,378,400	$ 1,703,700	$ 1,601,600

Cost of Service Summary by Class

	Total System	Transmission	Small Commercial	Medium Commercial	Large Commercial	Primary	Residential	Lighting
Comparison of Revenues								
Net Base Rate Revenue Requirement	$ 76,286,700	$ 10,215,776	$ 2,559,207	$ 4,993,110	$ 17,346,803	$ 14,947,749	$ 24,931,543	$ 1,292,512
Revenue at Current Rates	85,715,360	11,673,000	2,972,300	5,795,400	19,982,700	16,711,600	27,128,100	1,452,260
(Over) Under Recovery	$ (9,428,660)	$ (1,457,224)	$ (413,093)	$ (802,290)	$ (2,635,897)	$ (1,763,851)	$ (2,196,557)	$ (159,748)
Cost of Service Revenue Adjustment	-11.00%	-12.48%	-13.90%	-13.84%	-13.19%	-10.55%	-8.10%	-11.00%
Comparison of Revenues (¢/kWh)								
Net Base Rate Revenue Requirement	10.60	8.28	10.86	11.31	10.60	9.28	12.65	19.34
Revenue at Current Rates	11.91	9.46	12.61	13.13	12.21	10.37	13.77	21.73
(Over) Under Recovery	(1.31)	(1.18)	(1.75)	(1.82)	(1.61)	(1.09)	(1.11)	(2.39)
Cost of Service Revenue Adjustment	-11.00%	-12.48%	-13.90%	-13.84%	-13.19%	-10.55%	-8.10%	-11.00%
Revenue Adjustment Summary								
Net Base Rate Revenue Requirement	$ 76,286,700	$ 10,215,776	$ 2,559,207	$ 4,993,110	$ 17,346,803	$ 14,947,749	$ 24,931,543	$ 1,292,512
Revenue at Current Rates	85,715,360	11,673,000	2,972,300	5,795,400	19,982,700	16,711,600	27,128,100	1,452,260
(Over) Under Recovery	$ (9,428,660)	$ (1,457,224)	$ (413,093)	$ (802,290)	$ (2,635,897)	$ (1,763,851)	$ (2,196,557)	$ (159,748)
Cost of Service Revenue Adjustment	-11.00%	-12.48%	-13.90%	-13.84%	-13.19%	-10.55%	-8.10%	-11.00%
Proposed Percentage Adjustment	-11.00%	-12.48%	-13.90%	-13.84%	-13.19%	-10.55%	-8.10%	-11.00%
Proposed Dollar Adjustment	$ (9,428,700)	$ (1,457,200)	$ (413,100)	$ (802,300)	$ (2,635,900)	$ (1,763,900)	$ (2,196,600)	$ (159,700)
Revenue After Adjustment	$ 76,286,660	$ 10,215,800	$ 2,559,200	$ 4,993,100	$ 17,346,800	$ 14,947,700	$ 24,931,500	$ 1,292,560

Proposed Customer Rates

		Customer Charge		Energy Charge		Demand Charge	
	Tariff	Current	Proposed	Current	Proposed	Current	Proposed
Customer Class		- $/Month -	- $/Month -	- $/kWh -	- $/kWh -	- $/kW-mo. -	- $/kW-mo. -
Transmission	T						
Dover Air Force Base		$ -	$ -	$ 0.07270	$ 0.06090	$ 10.50	$ 10.50
First State Power Mgmt. (NRG)		$ 3,680.00	$ 3,680.00	$ 0.07270	$ 0.06090	$ 10.50	$ 10.50
Kraft		$ -	$ -	$ 0.07270	$ 0.06090	$ 10.50	$ 10.50
White Oak Solar		$ -	$ -	$ 0.07270	$ 0.06090	$ 10.50	$ 10.50
Procter & Gamble		$ -	$ -	$ 0.07270	$ 0.06090	$ 10.50	$ 10.50
Small Commercial							
Small Commercial-1 Phase	C	$ 5.00	$ 5.00	$ 0.11760	$ 0.10010	$ -	$ -
Small Commercial-3 Phase	C-1	$ 15.00	$ 15.00	$ 0.11760	$ 0.10010	$ -	$ -
Medium Commercial							
Medium Commercial-1 Phase	C-2	$ 5.00	$ 5.00	$ 0.07580	$ 0.06470	$ 15.70	$ 13.95
Medium Commercial-3 Phase	C-3	$ 15.00	$ 15.00	$ 0.07580	$ 0.06470	$ 15.70	$ 13.95
Large Commercial	C-5	$ 15.00	$ 15.00	$ 0.07580	$ 0.06470	$ 15.70	$ 13.90
Primary	P	$ 10.00	$ 10.00	$ 0.07540	$ 0.06450	$ 11.25	$ 11.25
Residential	R	$ 5.00	$ 5.00	$ 0.13160	$ 0.12040	$ -	$ -

Rate Stabilization Reserve

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Rate Stabilization Account						
Balance in Account on July 1	$ 10,230,133	$ 17,383,633	$ 13,644,033	$ 12,375,933	$ 11,586,333	$ 9,783,333
Receipts						
Interest Earned	153,500	260,400	231,900	210,400	197,000	166,300
Appropriations	12,400,000	-	-	-	-	-
Total Funds Available	$ 22,783,633	$ 17,644,033	$ 13,875,933	$ 12,586,333	$ 11,783,333	$ 9,949,633
Disbursements						
Transfer to (from) Operations	5,400,000	4,000,000	1,500,000	1,000,000	2,000,000	3,500,000
Transfer to Reserves (from Reserves)	-	-	-	-	-	-
Balance in Account on June 30	$ 17,383,633	$ 13,644,033	$ 12,375,933	$ 11,586,333	$ 9,783,333	$ 6,449,633
Reserve Requirement - (< 10 % of Purchased Power)	35.82%	30.78%	29.79%	28.73%	23.69%	15.35%
Reserve Requirement Status	*Exceeds 10%*	*Exceeds 10%*	*Exceeds 10%*	*Exceeds 10%*	*Exceeds 10%*	*Exceeds 10%*

Projected Energy & Supply Requirements

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Energy Sales and Supply						
Sales (kWh)	726,066,236	712,851,831	713,350,700	714,420,600	715,992,400	718,068,600
Street Lighting Sales (kWh)	6,681,804	6,681,804	6,681,800	6,681,800	6,681,800	6,681,800
Total Energy Sales (kWh)	732,748,040	719,533,635	720,032,500	721,102,400	722,674,200	724,750,400
Sales Variation	2.20%	-1.80%	0.07%	0.15%	0.22%	0.29%
Line Losses and Unmetered Energy (kWh)	25,009,960	24,443,365	24,438,500	24,466,600	24,512,800	24,524,600
Total Requirement (kWh)	757,758,000	743,977,000	744,471,000	745,569,000	747,187,000	749,275,000
Purchased Power (kWh)	740,716,000	725,818,000	726,312,000	727,410,000	729,028,000	731,116,000
Purchased Power Variation	2.47%	-2.01%	0.07%	0.15%	0.22%	0.29%
Generation (kWh)	17,042,000	18,159,000	18,159,000	18,159,000	18,159,000	18,159,000
Generation Variation	11.05%	6.55%	0.00%	0.00%	0.00%	0.00%
Total Supply (kWh)	757,758,000	743,977,000	744,471,000	745,569,000	747,187,000	749,275,000
Sales	95.82%	95.82%	95.82%	95.82%	95.83%	95.84%
Street Lighting Sales	0.88%	0.90%	0.90%	0.90%	0.89%	0.89%
Line Losses and Unmetered Energy	3.30%	3.29%	3.28%	3.28%	3.28%	3.27%
Total Requirements	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Purchased Power	97.75%	97.56%	97.56%	97.56%	97.57%	97.58%
Generation	2.25%	2.44%	2.44%	2.44%	2.43%	2.42%
Total Supply	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Projected Purchased Power Expense (& History)

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Purchased Power [1]	- kWh -	- kWh -	- kWh -	- kWh -	- kWh -	- kWh -
Long Term Energy Supply	757,758,000	743,977,000	744,471,000	745,569,000	747,187,000	749,275,000
Annual Variation	2.65%	-1.82%	0.07%	0.15%	0.22%	0.28%
Total Energy Purchases	757,758,000	743,977,000	744,471,000	745,569,000	747,187,000	749,275,000
Purchased Power Expense						
Power Supply	$ 37,701,000	$ 23,832,000	$ 14,776,700	$ 8,637,300	$ -	$ -
Dover Sun Park - Energy	1,587,600	1,565,800	1,745,000	1,974,000	2,123,500	2,193,000
Dover Sun Park - Solar Recs	351,600	300,000	306,000	312,100	318,400	324,800
Power Supply Management	996,000	996,000	996,000	996,000	996,000	996,000
PJM Charges - Load	5,697,700	12,812,900	18,703,900	23,812,700	32,645,400	33,551,200
PJM Charges - Transmission & Fees	6,100,700	4,740,000	4,834,800	4,931,500	5,030,100	5,130,700
Capacity Charges	11,817,200	15,787,200	9,668,000	11,163,200	13,512,900	13,187,400
Generation Fuels	948,800	-	-	-	-	-
PJM Spot Market Energy	(1,865,600)	(230,500)	(235,100)	(239,800)	(244,600)	(249,500)
PJM Credits	(488,400)	(397,000)	(367,000)	(367,000)	(367,000)	(367,000)
Capacity Credits	(14,318,600)	(15,079,800)	(8,881,500)	(10,889,000)	(12,718,600)	(12,746,000)
Total Purchase Power Expense	$ 48,528,000	$ 44,326,600	$ 41,546,800	$ 40,331,000	$ 41,296,100	$ 42,020,600
Purchased Power Cost per MWh [2]	$ 64.04	$ 59.58	$ 55.81	$ 54.09	$ 55.27	$ 56.08

	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012
Purchased Power [1]							
Purchased Power Cost per MWh [2]	$ 54.12	$ 83.03	$ 81.77	$ 89.97	$ 88.93	$ 81.66	$ 72.15

Improvement & Extension Fund

	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Improvement & Extension (I&E) Fund						
Balance in Account on July 1	$ 3,534,600	$ 3,091,000	$ 3,381,200	$ 3,577,000	$ 3,837,700	$ 4,284,300
Receipts						
Interest Earned	40,700	25,200	28,700	30,400	32,600	36,400
State Reimbursements & Developer Contributions	91,100	440,000	300,000	300,000	300,000	300,000
Appropriations From Operations	3,500,000	5,298,600	4,500,000	4,500,000	4,500,000	3,500,000
Total Funds Available	$ 7,166,400	$ 8,854,800	$ 8,209,900	$ 8,407,400	$ 8,670,300	$ 8,120,700
Disbursements						
Capital Improvements	4,075,400	5,473,600	4,632,900	4,569,700	4,386,000	6,861,000
Balance in Account on June 30	$ 3,091,000	$ 3,381,200	$ 3,577,000	$ 3,837,700	$ 4,284,300	$ 1,259,700

Capital Investment Plan 2013 - 2017

CAPITAL PROJECTS	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Yr 1 - Yr 5 Total
Electric Engineering Projects							
Substation Battery Replacement	$ -	$ 24,500	$ 24,500	$ 24,500	$ 24,500	$ 24,500	$ 122,500
Distribution System Upgrades	557,000	400,000	400,000	400,000	400,000	400,000	2,000,000
Lighting Project and Rehabilitation	100,000	50,000	50,000	50,000	50,000	50,000	250,000
Horsepond Road Substation Reliability Upgrade	170,000	591,800	-	-	-	-	591,800
Substation Equipment & Fencing (Division St)	55,000	-	-	-	-	-	-
SCADA Master Hardware Replacement	-	-	-	-	75,000	-	75,000
McKee Run Yard Rebuild (Transmission?)	-	-	-	450,000	700,000	-	1,150,000
Transmission Line Maintenance Program	4,000	75,000	75,000	75,000	75,000	75,000	375,000
Distribution Feeder Replacement Program	64,000	277,500	120,500	277,500	277,500	277,500	1,230,500
McKee Run & State College Road Feeder replacements	-	-	307,000	-	-	-	307,000
Distribution Capacitors - Overhead	50,000	30,000	25,000	25,000	25,000	25,000	130,000
Distribution Capacitors - Underground	75,000	30,000	25,000	25,000	25,000	25,000	130,000
69kv Switch Replacement	70,000	80,000	-	-	-	-	80,000
System Operations Monitoring	-	-	30,000	-	-	-	30,000
Frazier Substation Reliability Upgrade	411,800	-	-	-	-	-	-
Horsepond SS to Cartanza 69kv Rebuild	-	-	330,500	-	-	-	330,500
69kv Substation Cable Replacement North Street	-	-	85,000	480,700	-	-	565,700
General Scott Switchgear	50,000	800,000	300,000	-	-	-	1,100,000
Dover Air Force Base Substation Rebuild	-	-	-	-	-	150,000	150,000
System Automation	-	-	-	-	-	150,000	150,000
Vehicles, Trucks, & Equipment	-	47,000	63,000	64,000	64,000	12,000	250,000
Subtotal Electric Engineering Division	$ 1,606,800	$ 2,405,800	$ 1,835,500	$ 1,871,700	$ 1,716,000	$ 1,189,000	$ 9,018,000
Electric Transmission & Distribution Projects							
New Developments - UG Transformers	$ 1,011,000	$ 600,000	$ 450,000	$ 450,000	$ 450,000	$ 450,000	$ 2,400,000
Single Phase Meters	75,000	-	-	-	-	-	-
Vehicles, Trucks, & Equipment	146,000	350,000	46,400	248,000	300,000	-	944,400
Subtotal Electric Transmission Division	$ 1,232,000	$ 950,000	$ 496,400	$ 698,000	$ 750,000	$ 450,000	$ 3,344,400

Capital Investment Plan 2013 - 2017 continued

CAPITAL PROJECTS	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Yr 1 - Yr 5 Total
Electric Generation Projects							
Industrial Wastewater Discharge System	$ 242,000.0	$ -	$ -	$ -	$ -	$ -	$ -
McKee Run Preservation of Structures	-	42,000	47,000	165,000	142,000	140,000	536,000
McKee Run Building Equipment Replacements	-	-	-	110,000	50,000	90,000	250,000
McKee Run Hot Water Boilers	-	-	-	-	-	80,000	80,000
McKee Run Turbine Level Window Modification	85,000	-	-	-	-	-	-
McKee Run High Energy Piping	-	80,000	-	-	-	-	80,000
McKee Run Natural Gas System Block/Bleed Valves	-	65,000	-	-	-	-	65,000
McKee Run Fuel Oil System Refurbishment	-	-	-	-	-	49,500	49,500
Unit 3 - Stack Repairs	27,000	-	325,000	-	-	-	325,000
Unit 3 Boiler Systems	167,300	-	185,000	-	319,000	-	504,000
Unit 3 Auxillary System Components	55,000	116,000	135,000	6,000	34,000	306,000	597,000
Unit 3 Turbine Outage - Inspections & Repairs	115,000	1,149,800	-	-	10,000	426,000	1,585,800
Unit 3 Cooling Water Line Replacement	-	-	-	250,000	-	-	250,000
Unit 3 Air Heater Expansion Joint	50,000	-	-	-	-	-	-
Unit 3 Cooling Tower Life Extension	-	42,000	571,000	52,000	138,000	-	803,000
Unit 3 Generator Repairs	236,000	-	-	-	-	-	-
Units 1 & 2 Cooling Tower Life Extension	37,300	-	-	-	-	140,000	140,000
Units 1 & 2 Stack Repairs	75,000	-	-	285,000	-		285,000
Units 1 & 2 Boiler Repairs	-	-	-	-	-	342,000	342,000
Units 1 & 2 Component Repairs	52,000	105,000	52,000	246,000	234,000	2,450,500	3,087,500
Unit 1 Gasket Leak Repair	95,000						-
Units 1, 2 & 3 Hydrogen Purity Analyzers	-	-	-	180,000			180,000
VanSant Capacity Increase	-	250,000	750,000	500,000			1,500,000
VanSant Major Overhaul & Inspection	-	-	-	-	900,000	1,048,000	1,948,000
VanSant component replacements	-	32,000	75,000	178,000	58,000	150,000	493,000
Metering System Upgrades	-	25,000	125,000	-	-	-	150,000
Safety & Compliance Improvements	-	86,000	36,000	28,000	35,000	-	185,000
Vehicles, Trucks & Equipment	-	125,000	-	-	-	-	125,000
Subtotal Electric Generation Division	$ 1,236,600	$ 2,117,800	$ 2,301,000	$ 2,000,000	$ 1,920,000	$ 5,222,000	$ 13,560,800
Total	$ 4,075,400	$ 5,473,600	$ 4,632,900	$ 4,569,700	$ 4,386,000	$ 6,861,000	$ 25,923,200

Electric Fund Projected Debt Service

Fiscal Year Ending	2008 Series	2010 Series	Total Debt Service
6/30/2014	$ 1,395,000	$ 1,906,900	$ 3,301,900
6/30/2015	1,392,500	1,904,500	3,297,000
6/30/2016	1,393,700	1,890,000	3,283,700
6/30/2017	1,579,000	-	1,579,000
6/30/2018	1,577,500	-	1,577,500
6/30/2019	1,580,700	-	1,580,700
6/30/2020	1,581,700	-	1,581,700
6/30/2021	1,586,000	-	1,586,000
6/30/2022	1,587,500	-	1,587,500
6/30/2023	1,590,900	-	1,590,900
6/30/2024	1,592,300	-	1,592,300
6/30/2025	1,591,600	-	1,591,600
6/30/2026	1,592,300	-	1,592,300
6/30/2027	1,595,500	-	1,595,500
6/30/2028	1,591,800	-	1,591,800
6/30/2029	1,585,300	-	1,585,300
6/30/2030	1,580,800	-	1,580,800
6/30/2031	1,578,000	-	1,578,000
6/30/2032	1,572,000	-	1,572,000
6/30/2033	1,562,800	-	1,562,800
6/30/2034	1,555,000	-	1,555,000
Total	$ 32,661,900	$ 5,701,400	$ 38,363,300

Reserve Accounts

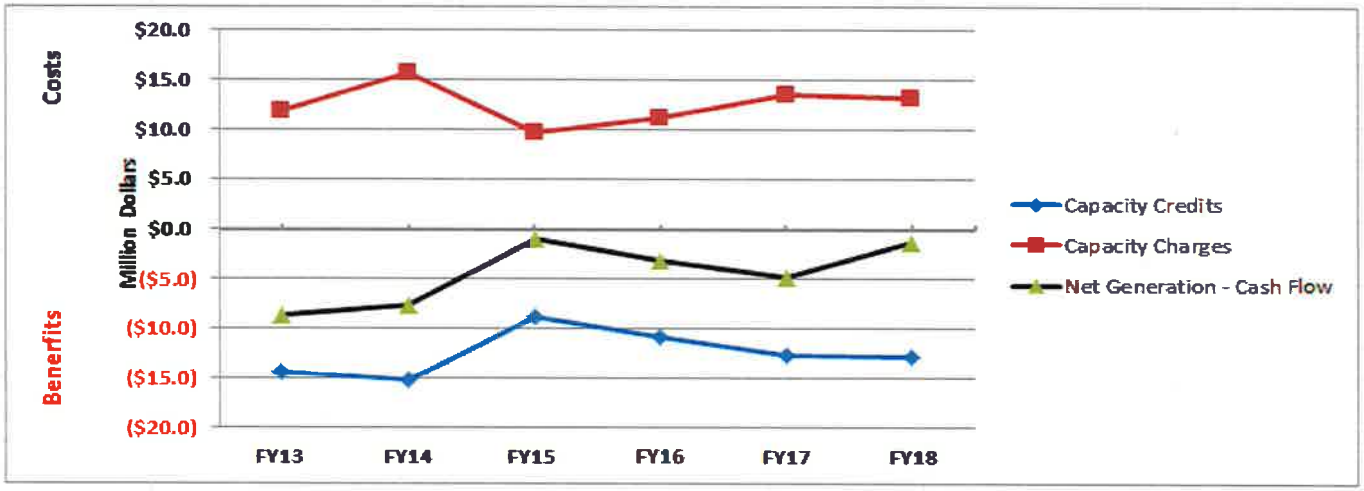
	Revised 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018
Depreciation Reserve Account (Policy $10 mil)						
Balance in Account on July 1	$ 9,742,058	$ 9,829,658	$ 9,977,058	$ 10,146,658	$ 10,319,158	$ 10,494,558
Receipts						
Interest Earned	146,100	147,400	169,600	172,500	175,400	178,400
Appropriations	-	-	-	-	-	-
Total Funds Available	$ 9,888,158	$ 9,977,058	$ 10,146,658	$ 10,319,158	$ 10,494,558	$ 10,672,958
Disbursements						
Transfer to Capital Improvements (CIP)	-	-	-	-	-	-
Transfer to Reserves (from Reserves)	58,500	-	-	-	-	-
Balance in Account on June 30	$ 9,829,658	$ 9,977,058	$ 10,146,658	$ 10,319,158	$ 10,494,558	$ 10,672,958
Future Capacity Account (Policy $10 mil)						
Balance in Account on July 1	$ 9,805,482	$ 9,989,782	$ 10,131,382	$ 10,303,582	$ 10,478,782	$ 10,656,882
Receipts						
Interest Earned	138,800	141,600	172,200	175,200	178,100	181,200
Appropriations	2,100,000	-	-	-	-	-
Total Funds Available	$ 12,044,282	$ 10,131,382	$ 10,303,582	$ 10,478,782	$ 10,656,882	$ 10,838,082
Disbursements						
Transfer to General Fund	2,000,000	-	-	-	-	-
Transfer to Reserves (from Reserves)	54,500	-	-	-	-	-
Balance in Account on June 30	$ 9,989,782	$ 10,131,382	$ 10,303,582	$ 10,478,782	$ 10,656,882	$ 10,838,082
Insurance Stabilization Account (Policy min $750K)						
Balance in Account on July 1	$ 337,265	$ 727,965	$ 738,865	$ 751,465	$ 764,265	$ 777,265
Receipts						
Interest Earned	5,100	10,900	12,600	12,800	13,000	13,200
Appropriations	-	-	-	-	-	-
Total Funds Available	$ 342,365	$ 738,865	$ 751,465	$ 764,265	$ 777,265	$ 790,465
Disbursements						
Transfer to Reserves (from Reserves)	(385,600)	-	-	-	-	-
Balance in Account on June 30	$ 727,965	$ 738,865	$ 751,465	$ 764,265	$ 777,265	$ 790,465
Contingency Reserve Account						
Balance in Account on July 1	$ 1,070,814	$ 814,314	$ 826,514	$ 840,614	$ 854,914	$ 869,414
Receipts						
Interest Earned	16,100	12,200	14,100	14,300	14,500	14,800
Appropriations	-	-	-	-	-	-
Total Funds Available	$ 1,086,914	$ 826,514	$ 840,614	$ 854,914	$ 869,414	$ 884,214
Disbursements						
Transfer to Operations	-	-	-	-	-	-
Transfer to Reserves (from Reserves)	272,600	-	-	-	-	-
Balance in Account on June 30	$ 814,314	$ 826,514	$ 840,614	$ 854,914	$ 869,414	$ 884,214
Reserve Requirement - (Min. 1% of Total Revenue)	*904,639*	*788,662*	*792,195*	*793,341*	*795,126*	*797,461*
Reserve Requirement Status	*Less Than 1%*	*OK*	*OK*	*OK*	*OK*	*OK*

Net Generation Forecast

	FY13 Budget	FY13 Revised	FY14 Proposed	FY15 Forecast	FY16 Forecast	FY17 Forecast	FY18 Forecast	FY14 thru FY18
Plant Operations	$ 5,914,900	$ 5,914,900	$ 6,015,800	$ 6,196,300	$ 6,382,200	$ 6,573,700	$ 6,770,900	$ 31,938,900
Capacity Credits	(14,318,600)	(14,318,600)	(15,079,800)	(8,881,500)	(10,889,000)	(12,718,600)	(12,746,000)	(60,314,900)
PJM Spot Market Energy (Net of Fuel)	(186,700)	(916,800)	(230,500)	(235,100)	(239,800)	(244,600)	(249,500)	(1,199,500)
PJM Credits	(427,000)	(488,400)	(397,000)	(367,000)	(367,000)	(367,000)	(367,000)	(1,865,000)
Net Generation - Operations	(9,017,400)	(9,808,900)	(9,691,500)	(3,287,300)	(5,113,600)	(6,756,500)	(6,591,600)	(31,440,500)
Capital Cost	1,441,300	1,236,600	2,117,800	2,301,000	2,000,000	1,920,000	5,222,000	13,560,800
Net Generation - Cash Flow	$ (7,576,100)	$ (8,572,300)	$ (7,573,700)	$ (986,300)	$ (3,113,600)	$ (4,836,500)	$ (1,369,600)	$ (17,879,700)

The City receives PJM capacity credits for our generating plant capacity. This revenue off-sets PJM's capacity charges which are required to serve approximately 180 MWH of our load plus reserves. If we did not have the ability to generate, we would loose the capacity credit but still have to pay the capacity charges PJM for our load requirements.

Capacity Charges	$ 12,564,800	$ 11,817,200	$ 15,787,200	$ 9,668,000	$ 11,163,200	$ 13,512,900	$ 13,187,400	$ 63,318,700



City of Dover

Budget Meeting

June 5, 2013

General Fund Budget & Forecast

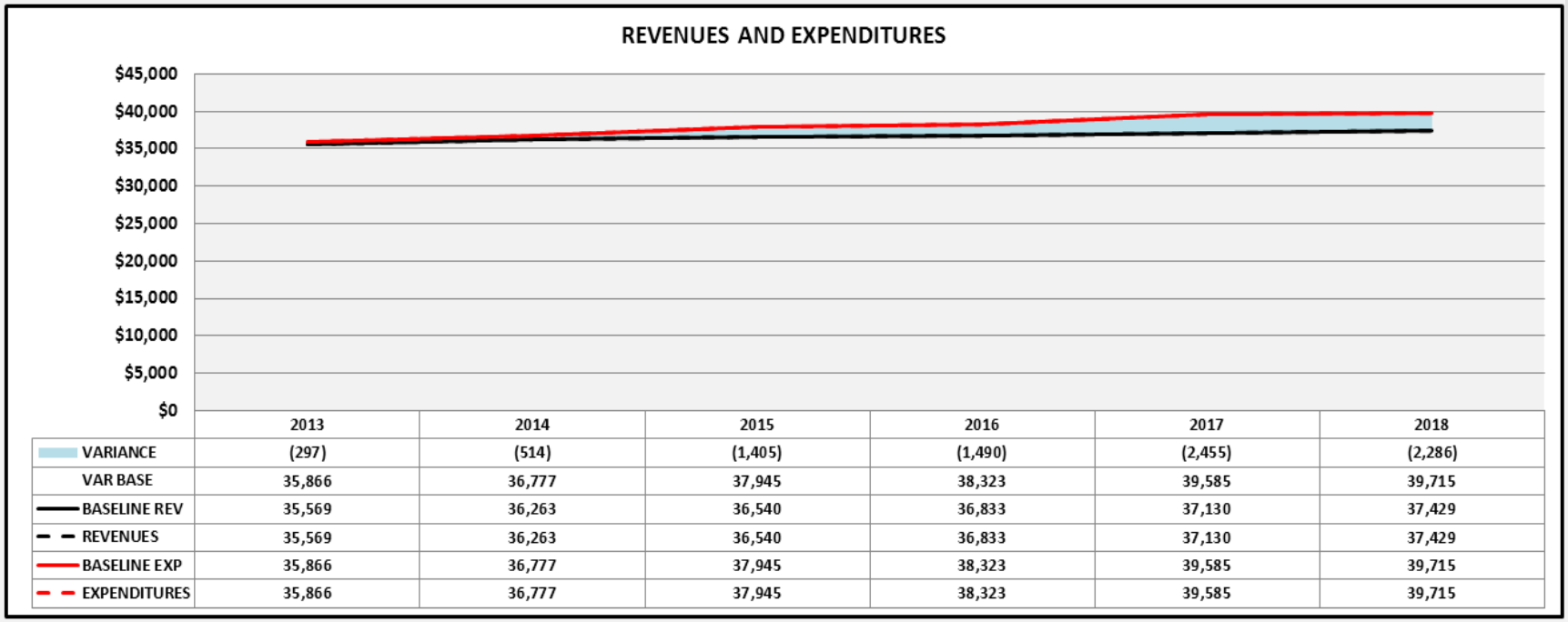
Water/Wastewater Fund Budget & Forecast

General Fund

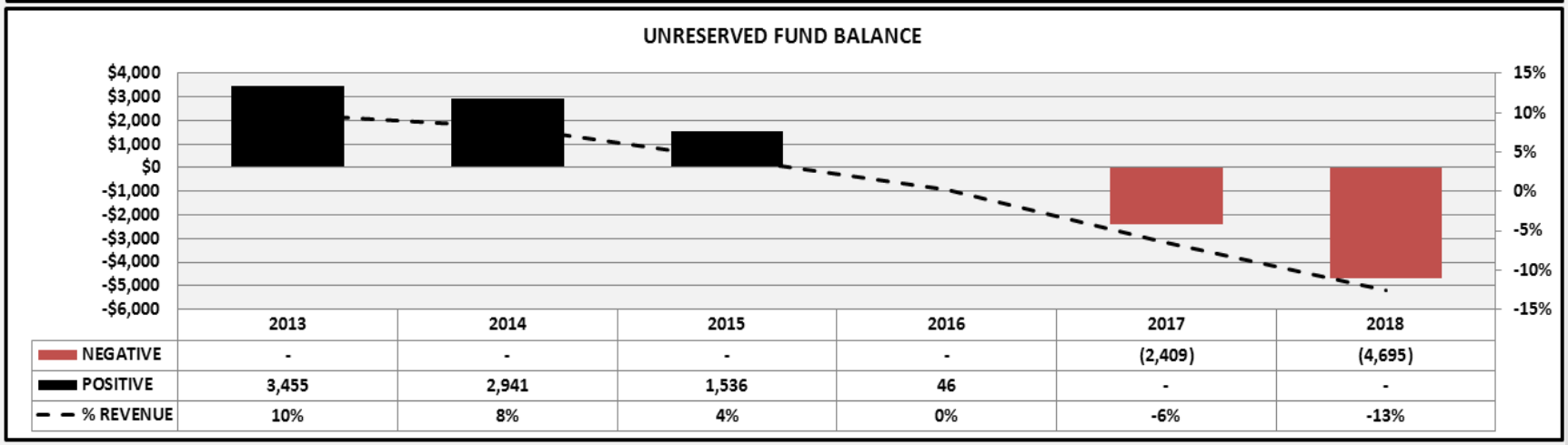
General Fund – As presented May 29, 2013

	2013P	2014F	2015F	2016F	2017F	2018F
FUND BALANCE-BEGINNING	**3,752,200**	**3,455,200**	**2,941,100**	**1,535,985**	**46,380**	**(2,408,817)**
REVENUES AND SOURCES						
01-PROPERTY TAXES	11,090,800	11,169,500	11,281,195	11,394,007	11,507,947	11,623,026
02-LICENSES AND PERMITS	2,508,300	2,627,500	2,653,775	2,680,313	2,707,116	2,734,187
03-GRANTS RECEIVED	1,263,000	1,260,900	1,260,900	1,260,900	1,260,900	1,260,900
04-COURT OF CHANCERY FEES	807,200	863,200	863,200	863,200	863,200	863,200
05-SANITATION FEES AND REBATES	2,676,500	2,676,500	2,689,883	2,703,332	2,716,849	2,730,433
06-LIBRARY REVENUE - GENERAL	472,100	466,600	468,933	471,278	473,634	476,002
07-FINES	1,304,100	1,316,000	1,329,160	1,342,452	1,355,876	1,369,435
08-INVESTMENT INCOME (LOSS)	75,000	75,000	76,125	77,267	78,426	78,426
09-MISCELLANEOUS SERVICES	918,100	921,000	939,420	958,208	977,373	996,920
10-INDIRECT SERVICES BILLING	4,222,900	4,459,900	4,549,098	4,640,080	4,732,882	4,827,539
11-TRANSFERS IN-ELECTRIC	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
12-TRANSFERS IN-WATER/WW	500,000	500,000	500,000	500,000	500,000	500,000
13-TRANSFERS IN-OTHER	1,731,000	1,926,500	1,928,655	1,941,942	1,955,361	1,968,915
TOTAL REVENUES AND SOURCES	**35,569,000**	**36,262,600**	**36,540,344**	**36,832,978**	**37,129,563**	**37,428,983**
EXPENDITURES AND USES						
01-SALARIES AND WAGES	16,071,300	16,189,700	16,513,494	16,843,764	17,180,639	17,524,252
02-FICA	1,177,800	1,188,600	1,212,372	1,236,619	1,261,352	1,286,579
03-HEALTH INSURANCE	2,399,600	2,600,700	2,748,940	2,905,629	3,071,250	3,246,312
04-OTHER-BENEFITS	570,700	436,300	440,663	445,070	449,520	454,016
05-RETIREE HEALTHCARE	1,620,600	1,636,500	1,729,781	1,828,378	1,932,596	2,042,753
06-LUMP SUM PENSION	1,693,500	1,159,100	1,182,282	1,205,928	1,230,046	1,254,647
07-PENSION	1,338,500	1,383,400	1,411,068	1,439,289	1,468,075	1,497,437
08-OPEB	1,225,900	1,501,900	1,531,938	1,562,577	1,593,828	1,625,705
09-MATERIALS & SUPPLIES	1,344,900	1,272,100	1,284,821	1,297,669	1,310,646	1,323,752
10-ADMIN EXPENDITURES	4,561,200	4,740,000	4,787,400	4,835,274	4,883,627	4,932,463
11-FUND EXPENSE	1,810,000	1,550,800	1,550,800	1,550,800	1,550,800	1,550,800
12-STREET LIGHT	869,700	836,000	836,000	836,000	836,000	836,000
13-OTHER-CHARGES	94,700	400,000	400,000	400,000	400,000	400,000
14-TRANSFER-TO-DEBT	474,200	557,300	472,900	474,200	479,800	229,900
15-TRANSFER-TO-CIP	613,400	1,324,300	1,843,000	1,461,400	1,936,600	1,510,100
16-CIP EXPENDITURES	-	-	-	-	-	-
TOTAL REVENUES AND SOURCES	**35,866,000**	**36,776,700**	**37,945,458**	**38,322,597**	**39,584,779**	**39,714,715**
SURPLUS/(DEFICIT)	**(297,000)**	**(514,100)**	**(1,405,115)**	**(1,489,620)**	**(2,455,217)**	**(2,285,732)**
% REVENUE	*-1%*	*-1%*	*-4%*	*-4%*	*-7%*	*-6%*
FUND BALANCE-ENDING	**3,455,200**	**2,941,100**	**1,535,985**	**46,380**	**(2,408,817)**	**(4,694,532)**
% OF REVENUES AND SOURCES	**9.7%**	**8.1%**	**4.2%**	**0.1%**	**-6.5%**	**-12.5%**
Additional Funds Needed		**(40,100)**	**1,387,200**	**2,900,300**	**5,379,200**	**7,688,900**

Policy Compliance – Sensitivity Analysis



	2013	2014	2015	2016	2017	2018
VARIANCE	(297)	(514)	(1,405)	(1,490)	(2,455)	(2,286)
VAR BASE	35,866	36,777	37,945	38,323	39,585	39,715
BASELINE REV	35,569	36,263	36,540	36,833	37,130	37,429
REVENUES	35,569	36,263	36,540	36,833	37,130	37,429
BASELINE EXP	35,866	36,777	37,945	38,323	39,585	39,715
EXPENDITURES	35,866	36,777	37,945	38,323	39,585	39,715



	2013	2014	2015	2016	2017	2018
NEGATIVE	-	-	-	-	(2,409)	(4,695)
POSITIVE	3,455	2,941	1,536	46	-	-
% REVENUE	10%	8%	4%	0%	-6%	-13%

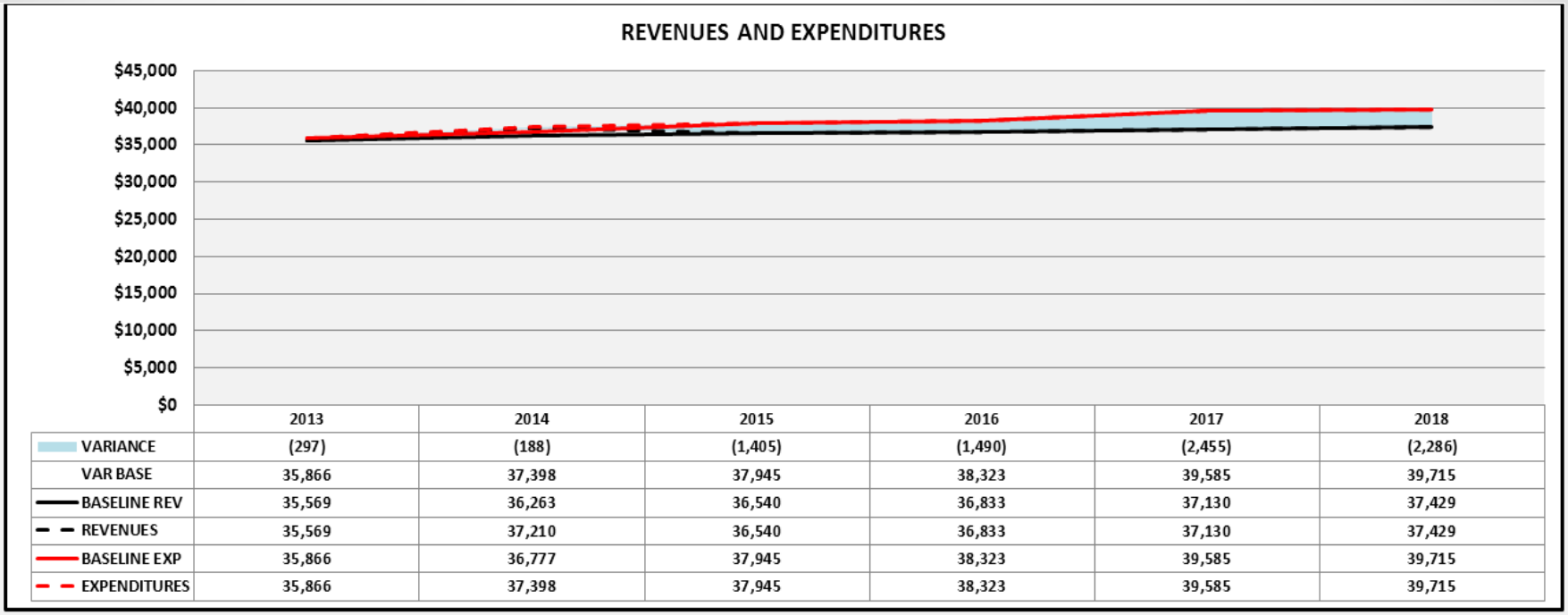
Scenario Options – Five Year Horizon – FY14 thru FY18

SCENARIO CATEGORIES		2014	2015	2016	2017	2018
> ENTER CATEGORY NAME >	CATEGORY 1					
SELECT OPTION ↓	BACK TO TOP					
SOURCES:	A. OPTION	-	-	-	-	-
☐ USES:	Property Reassessement - Fees	-	100,000	-	-	-
SOURCES:	B. OPTION	-	-	-	-	-
☐ USES:	Contribution to DDP	162,400	-	-	-	-
SOURCES:	C. OPTION	-	-	-	-	-
☐ USES:	Street Program - Transfer to CIP	-	700,000	700,000	700,000	700,000
SOURCES:	D. OPTION	-	25,000	70,000	70,000	70,000
☐ USES:	Calpine Property Taxes estimated	-	-	-	-	-
SOURCES:	E. OPTION	-	-	-	-	-
☐ USES:	Reduce C/F Balance for FY13 Savings	621,000	-	-	-	-
SOURCES:	F. OPTION	-	-	250,000	250,000	250,000
☐ USES:	Increase Water Fund Transfer	-	-	-	-	-
SOURCES:	G. OPTION	947,100	-	-	-	-
☐ USES:	Tax Increase @ $.03 - FY14	-	-	-	-	-
SOURCES:	H. OPTION	-	947,100	947,100	947,100	947,100
☐ USES:	Tax Increase @ $.03 - FY14 (continuance)	-	-	-	-	-
SOURCES:	I. OPTION	-	947,100	947,100	947,100	947,100
☐ USES:	Tax Increase @ $.03		-	-	-	-
SOURCES:	J. OPTION	-	-	-	947,100	947,100
☐ USES:	Tax Increase @ $.03					
TOTAL SOURCES:		-	-	-	-	-
TOTAL USES:		-	-	-	-	-

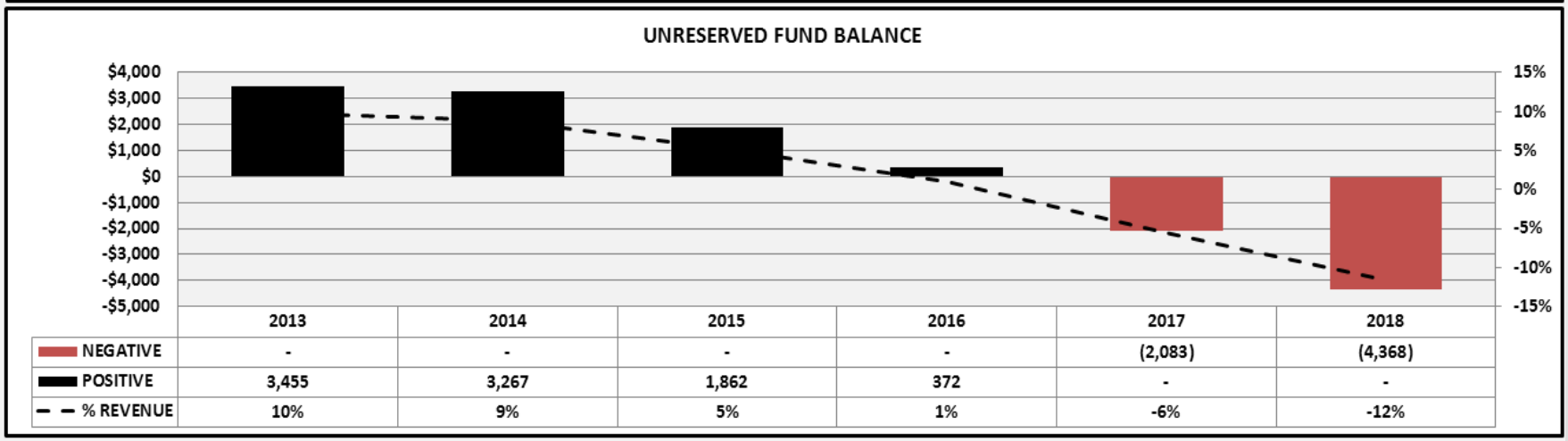
Scenario 1 – FY14 Only

SCENARIO CATEGORIES			2014	2015	2016	2017	2018
> *ENTER CATEGORY NAME* >		CATEGORY 1					
SELECT OPTION ↓		BACK TO TOP					
☐	SOURCES:	A. OPTION	-	-	-	-	-
	USES:	Property Reassessement - Fees	-	100,000	-	-	-
☑	SOURCES:	B. OPTION	-	-	-	-	-
	USES:	Contribution to DDP	162,400	-	-	-	-
☐	SOURCES:	C. OPTION	-	-	-	-	-
	USES:	Street Program - Transfer to CIP	-	700,000	700,000	700,000	700,000
☐	SOURCES:	D. OPTION	-	25,000	70,000	70,000	70,000
	USES:	Calpine Property Taxes estimated	-	-	-	-	-
☑	SOURCES:	E. OPTION	-	-	-	-	-
	USES:	Reduce C/F Balance for FY13 Savings	621,000	-	-	-	-
☐	SOURCES:	F. OPTION	-	-	250,000	250,000	250,000
	USES:	Increase Water Fund Transfer	-	-	-	-	-
☑	SOURCES:	G. OPTION	947,100	-	-	-	-
	USES:	Tax Increase @ $.03 - FY14	-	-	-	-	-
☐	SOURCES:	H. OPTION	-	947,100	947,100	947,100	947,100
	USES:	Tax Increase @ $.03 - FY14 (continuance)	-	-	-	-	-
☐	SOURCES:	I. OPTION	-	947,100	947,100	947,100	947,100
	USES:	Tax Increase @ $.03		-	-	-	-
☐	SOURCES:	J. OPTION	-	-	-	947,100	947,100
	USES:	Tax Increase @ $.03					
	TOTAL SOURCES:		947,100	-	-	-	-
	TOTAL USES:		621,000	-	-	-	-

Policy Compliance – Scenario 1 – FY14 Only



	2013	2014	2015	2016	2017	2018
VARIANCE	(297)	(188)	(1,405)	(1,490)	(2,455)	(2,286)
VAR BASE	35,866	37,398	37,945	38,323	39,585	39,715
BASELINE REV	35,569	36,263	36,540	36,833	37,130	37,429
REVENUES	35,569	37,210	36,540	36,833	37,130	37,429
BASELINE EXP	35,866	36,777	37,945	38,323	39,585	39,715
EXPENDITURES	35,866	37,398	37,945	38,323	39,585	39,715

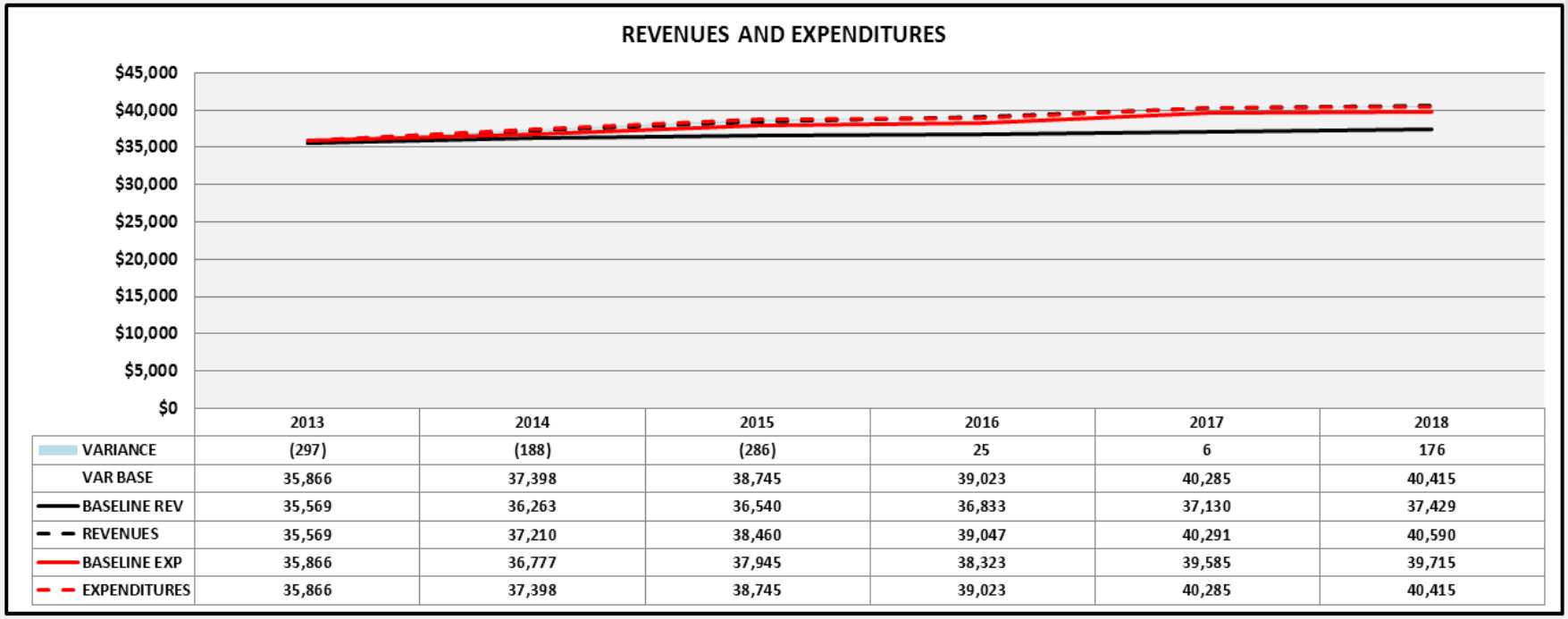


	2013	2014	2015	2016	2017	2018
NEGATIVE	-	-	-	-	(2,083)	(4,368)
POSITIVE	3,455	3,267	1,862	372	-	-
% REVENUE	10%	9%	5%	1%	-6%	-12%

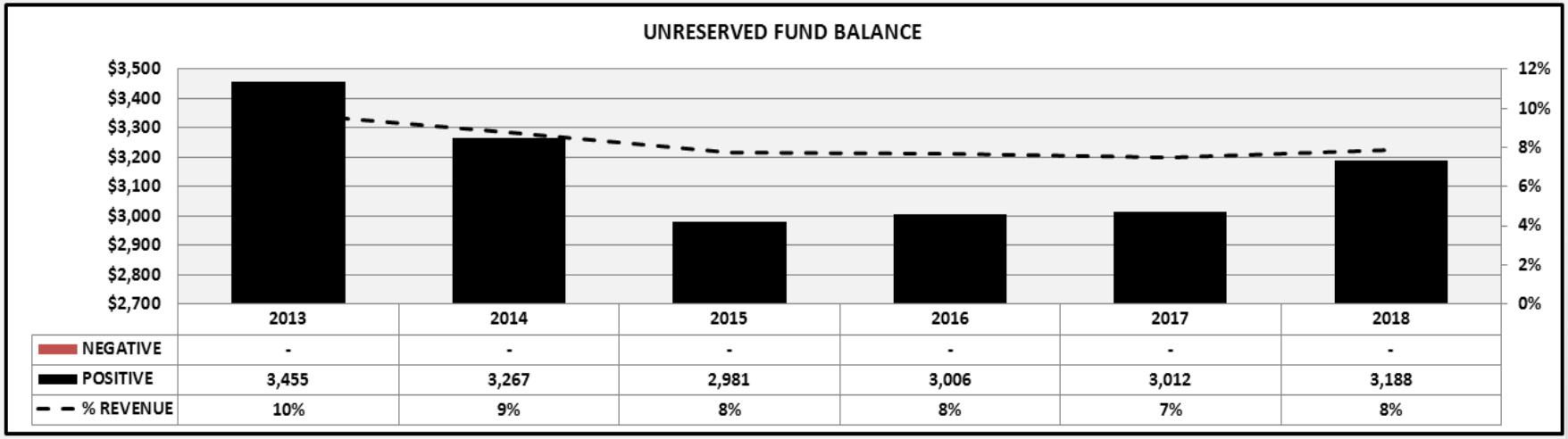
Scenario 2 – Five Year Horizon – FY14 thru FY18

SCENARIO CATEGORIES			2014	2015	2016	2017	2018
> ENTER CATEGORY NAME >		CATEGORY 1					
SELECT OPTION ↓		BACK TO TOP					
☑	SOURCES:	A. OPTION	-	-	-	-	-
	USES:	Property Reassessement - Fees	-	100,000	-	-	-
☑	SOURCES:	B. OPTION	-	-	-	-	-
	USES:	Contribution to DDP	162,400	-	-	-	-
☑	SOURCES:	C. OPTION	-	-	-	-	-
	USES:	Street Program - Transfer to CIP	-	700,000	700,000	700,000	700,000
☑	SOURCES:	D. OPTION	-	25,000	70,000	70,000	70,000
	USES:	Calpine Property Taxes estimated	-	-	-	-	-
☑	SOURCES:	E. OPTION	-	-	-	-	-
	USES:	Reduce C/F Balance for FY13 Savings	621,000	-	-	-	-
☑	SOURCES:	F. OPTION	-	-	250,000	250,000	250,000
	USES:	Increase Water Fund Transfer	-	-	-	-	-
☑	SOURCES:	G. OPTION	947,100	-	-	-	-
	USES:	Tax Increase @ $.03 - FY14	-	-	-	-	-
☑	SOURCES:	H. OPTION	-	947,100	947,100	947,100	947,100
	USES:	Tax Increase @ $.03 - FY14 (continuance)	-	-	-	-	-
☑	SOURCES:	I. OPTION	-	947,100	947,100	947,100	947,100
	USES:	Tax Increase @ $.03		-	-	-	-
☑	SOURCES:	J. OPTION	-	-	-	947,100	947,100
	USES:	Tax Increase @ $.03					
	TOTAL SOURCES:		947,100	1,919,200	2,214,200	3,161,300	3,161,300
	TOTAL USES:		621,000	800,000	700,000	700,000	700,000

Policy Compliance – Five Year Horizon – FY14 thru FY18



	2013	2014	2015	2016	2017	2018
VARIANCE	(297)	(188)	(286)	25	6	176
VAR BASE	35,866	37,398	38,745	39,023	40,285	40,415
BASELINE REV	35,569	36,263	36,540	36,833	37,130	37,429
REVENUES	35,569	37,210	38,460	39,047	40,291	40,590
BASELINE EXP	35,866	36,777	37,945	38,323	39,585	39,715
EXPENDITURES	35,866	37,398	38,745	39,023	40,285	40,415



	2013	2014	2015	2016	2017	2018
NEGATIVE	-	-	-	-	-	-
POSITIVE	3,455	3,267	2,981	3,006	3,012	3,188
% REVENUE	10%	9%	8%	8%	7%	8%

Water/Wastewater Fund

Water with Calpine (Revenue only)

Net Margins - Water	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018
Water Fees	$ 4,730,700	$ 4,730,700	$ 4,753,300	$ 6,376,100	$ 6,398,900	$ 6,421,900
Miscellaneous Income - Water	354,200	374,800	383,100	391,700	400,500	409,500
Imapct Fees - Water	380,000	357,000	567,000	357,000	357,000	357,000
Total Revenue	5,464,900	5,462,500	5,703,400	7,124,800	7,156,400	7,188,400
Operating Expenses - Water	(3,628,500)	(3,581,800)	(3,696,600)	(3,807,300)	(3,925,400)	(4,039,000)
Operating Transfers - Out (4.5%) Water	(250,000)	(250,000)	(250,000)	(500,000)	(500,000)	(500,000)
Total Operating Expenses	(3,878,500)	(3,831,800)	(3,946,600)	(4,307,300)	(4,425,400)	(4,539,000)
Operating Margin	1,586,400	1,630,700	1,756,800	2,817,500	2,731,000	2,649,400
Non-Oper. Rev. - Interest on Operating	7,400	9,100	7,800	9,700	9,700	9,800
Non-Oper. Rev. - Interest on Reserves	16,500	18,000	11,600	12,200	12,400	12,600
Margins Available For Debt Service	1,610,300	1,657,800	1,776,200	2,839,400	2,753,100	2,671,800
Interest for Long-Term Debt	(118,200)	(108,700)	(178,400)	(169,400)	(159,900)	(150,000)
Cash From Operations	1,492,100	1,549,100	1,597,800	2,670,000	2,593,200	2,521,800
Depreciation Expense	(976,900)	(1,042,300)	(1,172,700)	(1,251,400)	(1,357,500)	(1,403,500)
Net Margins ($)	$ 515,200	$ 506,800	$ 425,100	$ 1,418,600	$ 1,235,700	$ 1,118,300
Debt Service Coverage						
Margins Avail. for Debt Service	$ 1,610,300	$ 1,657,800	$ 1,776,200	$ 2,839,400	$ 2,753,100	$ 2,671,800
Total Debt Service	$ 438,100	$ 403,800	$ 548,400	$ 439,800	$ 439,000	$ 437,900
Debt Service Coverage Ratio	3.68	4.11	3.24	6.46	6.27	6.10
Transfer to I & E Fund - Water	$ 1,700,000	$ 1,200,000	$ 1,200,000	$ 1,700,000	$ 1,700,000	$ 1,700,000
Transfer to Impact Fee Reserve - Water	$ -	$ -	$ 18,600	$ -	$ -	$ -
Transfer to Capital Asset & Contingency Reserves	$ 70,000	$ -	$ -	$ -	$ -	$ -
Reinvestment of Reserve Interest	$ 16,500	$ 18,000	$ 11,600	$ 12,200	$ 12,400	$ 12,600
Debt Service Principal	$ 286,500	$ 295,100	$ 370,000	$ 270,400	$ 279,100	$ 287,900
Total Cash Budget Requirements	$ 2,073,000	$ 1,513,100	$ 1,600,200	$ 1,982,600	$ 1,991,500	$ 2,000,500
Net Positive/(Negative Cash)	$ (580,900)	$ 36,000	$ (2,400)	$ 687,400	$ 601,700	$ 521,300

Wastewater with Calpine (Revenue only)

				8.0%		
	Revised 2013	Projection 2014	Projection 2015	Projection 2016	Projection 2017	Projection 2018
Net Margins - Wastewater						
Wastewater Fees	$ 3,642,700	$ 3,642,700	$ 3,659,600	$ 4,214,000	$ 4,233,200	$ 4,252,100
Treatment Fees - Kent County	2,980,400	2,980,300	2,997,500	3,012,500	3,027,500	3,042,700
Groundwater Inflow Adjustment	1,324,600	1,324,600	1,331,200	1,337,900	1,344,600	1,351,300
Miscellaneous Income - Wastewater	40,700	41,000	41,000	41,000	41,000	41,000
Impact Fees - Wastewater	350,000	323,000	513,000	323,000	323,000	323,000
Total Revenue	8,338,400	8,311,600	8,542,300	8,928,400	8,969,300	9,010,100
Treatment Expense - Kent County	(3,537,000)	(3,524,800)	(3,542,400)	(3,560,100)	(3,577,900)	(3,595,800)
Operating Expenses - Wastewater	(2,322,000)	(2,239,800)	(2,314,300)	(2,383,400)	(2,458,900)	(2,528,600)
Operating Transfers - Out (4.5%) Wastewater	(250,000)	(250,000)	(250,000)	(500,000)	(500,000)	(500,000)
Total Operating Expenses	(6,109,000)	(6,014,600)	(6,106,700)	(6,443,500)	(6,536,800)	(6,624,400)
Operating Margin	2,229,400	2,297,000	2,435,600	2,484,900	2,432,500	2,385,700
Non-Oper. Rev. - Interest on Operating	11,500	14,000	11,600	12,100	12,200	12,300
Non-Oper. Rev. - Interest on Reserves	70,300	67,700	68,800	47,600	45,600	43,600
Margins Available For Debt Service	2,311,200	2,378,700	2,516,000	2,544,600	2,490,300	2,441,600
Interest for Long-Term Debt	(175,300)	(178,300)	(246,000)	(233,300)	(220,200)	(206,600)
Cash From Operations	2,135,900	2,200,400	2,270,000	2,311,300	2,270,100	2,235,000
Depreciation Expense	(1,013,700)	(1,090,500)	(1,195,600)	(1,290,600)	(1,411,500)	(1,518,000)
Net Margins ($)	$ 1,122,200	$ 1,109,900	$ 1,074,400	$ 1,020,700	$ 858,600	$ 717,000
Debt Service Coverage						
Margins Avail. for Debt Service	$ 2,311,200	$ 2,378,700	$ 2,516,000	$ 2,544,600	$ 2,490,300	$ 2,441,600
Total Debt Service	$ 636,300	$ 615,700	$ 760,900	$ 688,500	$ 687,900	$ 687,200
Debt Service Coverage Ratio	3.63	3.86	3.31	3.70	3.62	3.55
Transfer to I & E Fund - Wastewater	$ 1,200,000	$ 1,330,000	$ 1,800,000	$ 1,800,000	$ 1,800,000	$ 2,100,000
Transfer to Capital Asset & Contingency Reserves	$ 22,000	$ -	$ -	$ -	$ -	$ -
Reinvestment of Reserve Interest	$ 70,300	$ 67,700	$ 68,800	$ 47,600	$ 45,600	$ 43,600
Debt Service Principal	$ 441,000	$ 437,400	$ 514,900	$ 455,200	$ 467,700	$ 480,600
Total Cash Budget Requirements	$ 1,733,300	$ 1,835,100	$ 2,383,700	$ 2,302,800	$ 2,313,300	$ 2,624,200
Net Positive/(Negative Cash)	$ 402,600	$ 365,300	$ (113,700)	$ 8,500	$ (43,200)	$ (389,200)

FY16 Forecast - Wastewater Rate Change

- In City
  - From $2.65 to $2.86 or $.21 (5,000 gal customer = $1.05)
- Out of City
  - From $3.98 to $4.30 or $.32 (5,000 gal customer = $1.60)

Electric Fund

Electric Capital Investment Plan

- Meter Replacements with smart meters $150,000
- Increases the transfers to the Improvement & Extension Fund
- All adjustments will be included in the budget ordinance