CITY OF DOVER

Fiscal Year 2008-2009
Budget Presentation

May 14, 2008

EXHIBIT #1
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Fiscal 2008-2009 Budget Presentation will include:

- Budget Cycle
- Family of Funds
- Budget Accomplishments
- General Fund
- Water/Wastewater Fund
- Electric Fund

Fiscal 2008-2009 Budget

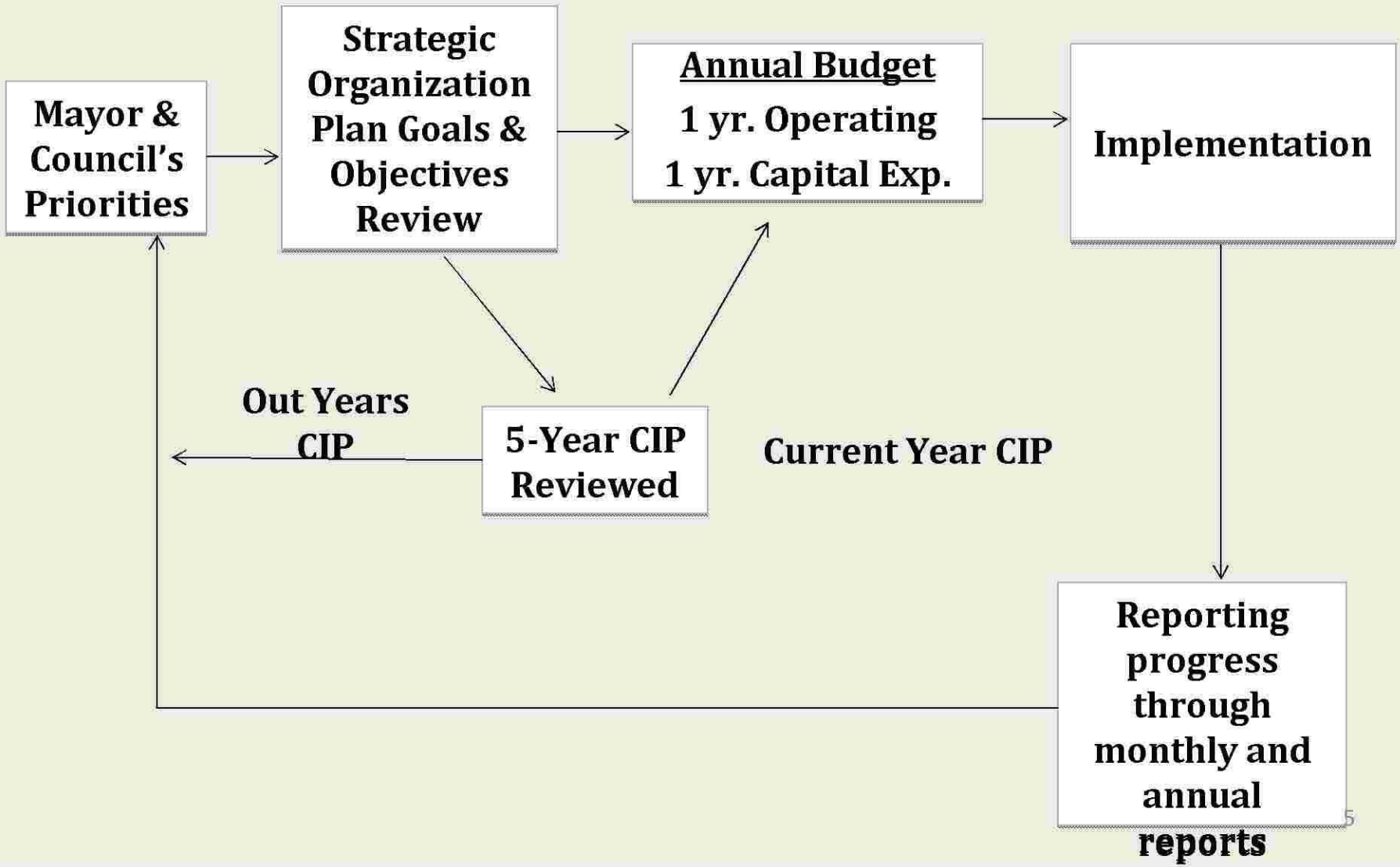
The budget reflects our firm commitment to efficiently deliver basic municipal services and to maintain and enhance the quality of life of our customers while sustaining the long-term fiscal health of the City.

Fiscal 2008-2009 Budget

- Estimates total operating expenditures of $158 million (excludes intrafund transfers & current year balances).

- An increase of 3% over last year's budget.

The Budget Cycle



Dover Family of Funds

ELECTRIC FUNDS	GENERAL FUNDS	WATER/WASTEWATER FUNDS
OPERATING FUND	OPERATING FUND	OPERATING FUND
Contingency For a "rainy day" emergency	**Contingency** For a "rainy day" emergency	**Contingency** For a "rainy day" emergency
Electric Capital Projects Fund Financing of system expansion and improvement	**Governmental Capital Projects Fund** Replacement and expansion (i.e., infrastructure, buildings, etc.)	**Water/Wastewater Capital Projects Fund** Financing of system expansion and improvement
Depreciation Reserve Replenishment of assets		**Capital Assets Reserve** Replacement and expansion (i.e., infrastructure, buildings, etc.)
Future Capacity Financing for system capacity expansion		
Insurance Stabilization Funding of the insurance deductibles		
Rate Stabilization Funding to offset cost of power cost adjustment		

This Budget Accomplishes...

- Sufficient revenues to pay for expenses.
- Adequate fund balances.
- Maintenance and improvements to our infrastructure.
- Core customer services to citizens.

Fiscal 2008-2009 Budget

The budget also reflects Council's strategic priority of customer satisfaction.

- Library project begins.
- Water Quality Improvements.
- Economic Development Division established.
- Inflow/Infiltration Abatement.
- Electric Infrastructure Improvements.

How Do We Accomplish This?

- Reduced departmental expense requests by over $2 million.
- Removed credit card payments of $214,000, by moving to a 3rd party vendor.
- Removed all computer purchases –moved from 4 year to 5 year schedule.
- Maintain tax rate at $.33 on assessed values.
- No water/wastewater rate increases, this year.
- 7% electric rate increase.
- Revenue projections close to those presented to Council in March 2008.
- Deferred 6 positions.
- Reduced and deferred several CIP Projects.

Why move to a Credit Card Processor?

- Eliminates $214,000 in costs to the City for a service only used by 10% of customers.
- Processor will charge a convenience fee to customers.
- Eliminates time and effort associated with processing, allows more time for other 90% of customers.



* It costs the City in April $19,695 to process 2,560 credit card payments or $7.69 per payment.

General Fund

Fiscal Year 2008-2009

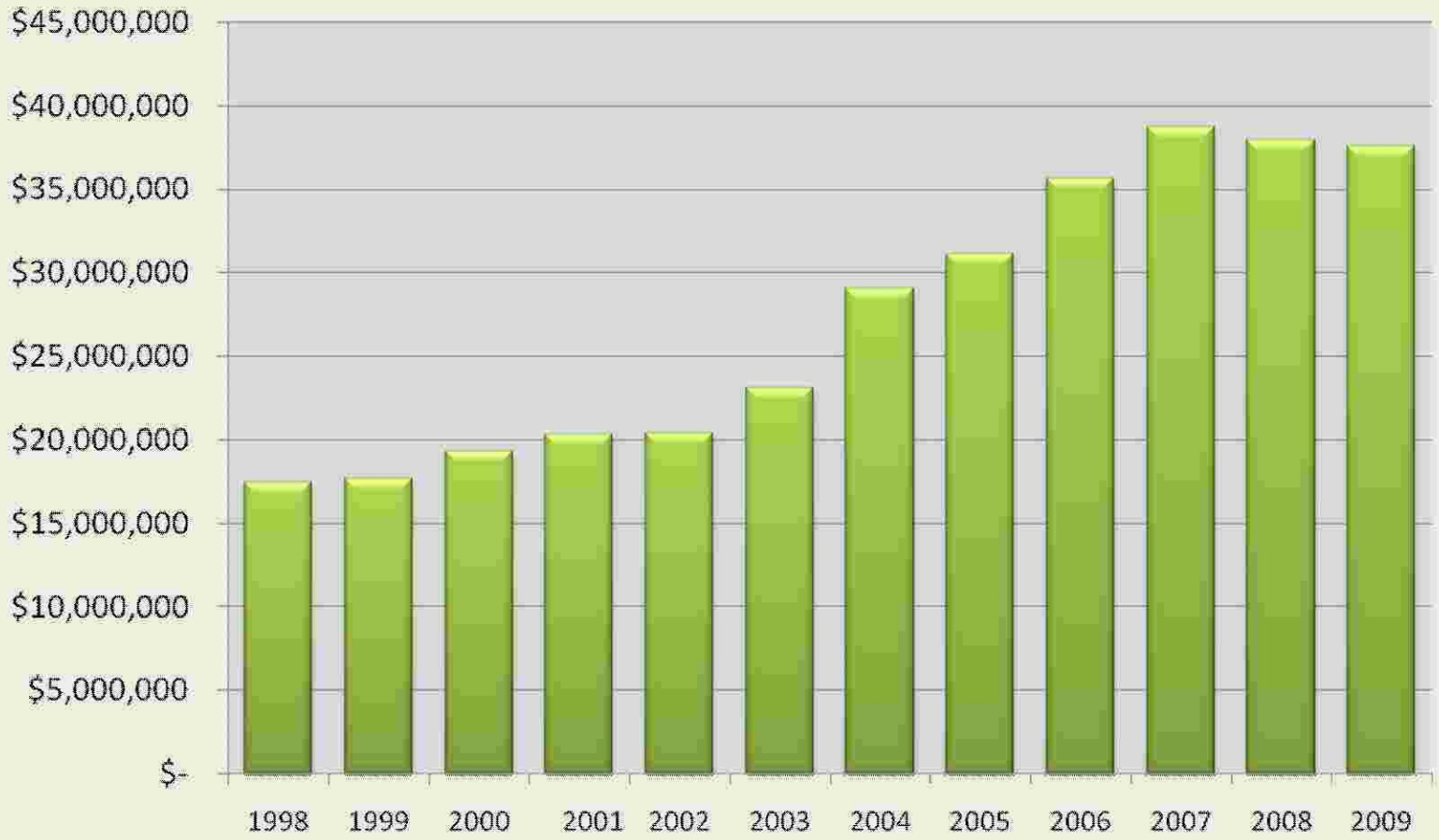
GENERAL FUND

Revenue	$37,571,797
Expense	34,847,439
Balance Carry Forward:	$ 2,724,358 – 8%

REVENUE INCLUDES:

Prior Year Balance	$3,910,144
Property Tax	10,042,473
Business Licenses	1,450,000
Permits & Other Licenses	1,120,000
Trash Fees	1,246,411
Court of Chancery Fees	815,860
Appropriation –Water/Wastewater Fund	564,810
Appropriation-Electric Fund	6,758,100
Water Intrafund Service Fees	1,063,098
Electric Intrafund Service Fees	3,724,582

Total General Fund Revenues



General Fund Expenses

Fiscal Year 2008-2009

- Regional Library - $1.2 million for FY09
- 3 new full-time positions:
  - Economic Development Staff: Main Street Manager, Marketing Professional & an Administrative Assistant
- 4.0% increase for FOP bargaining unit
- 3.5% increase for IUE bargaining unit
- Variable increase for non-bargaining employees depends on performance & market.
- Health care increase of 8.0%
- OPEB - 2.5% of salary budgets - $500,000
- Tax Re-assessment begins - $400,000
- First full year of operations at the John W. Pitts Recreation Center - $280,000

General Fund

Where does the money go?

- 68% of the General Fund budget is for personnel services
- 5% of the budget is spent on Capital projects.
- The remaining 27% is spent for materials, supplies, administrative and other items.

General Fund

Top Revenue Streams

Property Tax	$10,042,473
Electric Enterprise Fund Transfer	6,758,100
Intrafund Service Receipts Electric	3,724,582
Transfer Tax	2,650,222
Business Licenses and Permits	2,570,000
Trash Fees	1,246,411
Intrafund Service Receipts Water/Wastewater	1,063,098

General Fund

Top Expense Department	
Police	$ 12,949,092
Sanitation	2,201,258
Facilities Management	1,135,869
Grounds	1,132,242
Library	1,180,307
Customer Services	1,002,367
Recreation	937,716
Information Technology	892,841
Streets	846,690
Finance	793,705

General Fund

Top Five CIP Projects

Name	Amount	Fund
Library	$1,200,000	Library Reserve
Street & Alley Program	$900,000	General Fund/Community Transportation Fund
Mirror Lake Dredging	$400,000	State Grant
Annual Contributions to Robbins Hose	$288,210	General Fund
Space Needs Study	$115,000	General Fund

Water/Wastewater Fund

Fiscal Year 2008-2009

Revenue	$13,480,500
Expense	12,039,068

Water Carry Forward:	$600,066 - 12.2% (8% - Goal)
Wastewater Carry Forward:	$ 543,545 - 16.3% (8% - Goal)
KCSA Carry Forward	297,821 - 6.9% (8% - Goal)

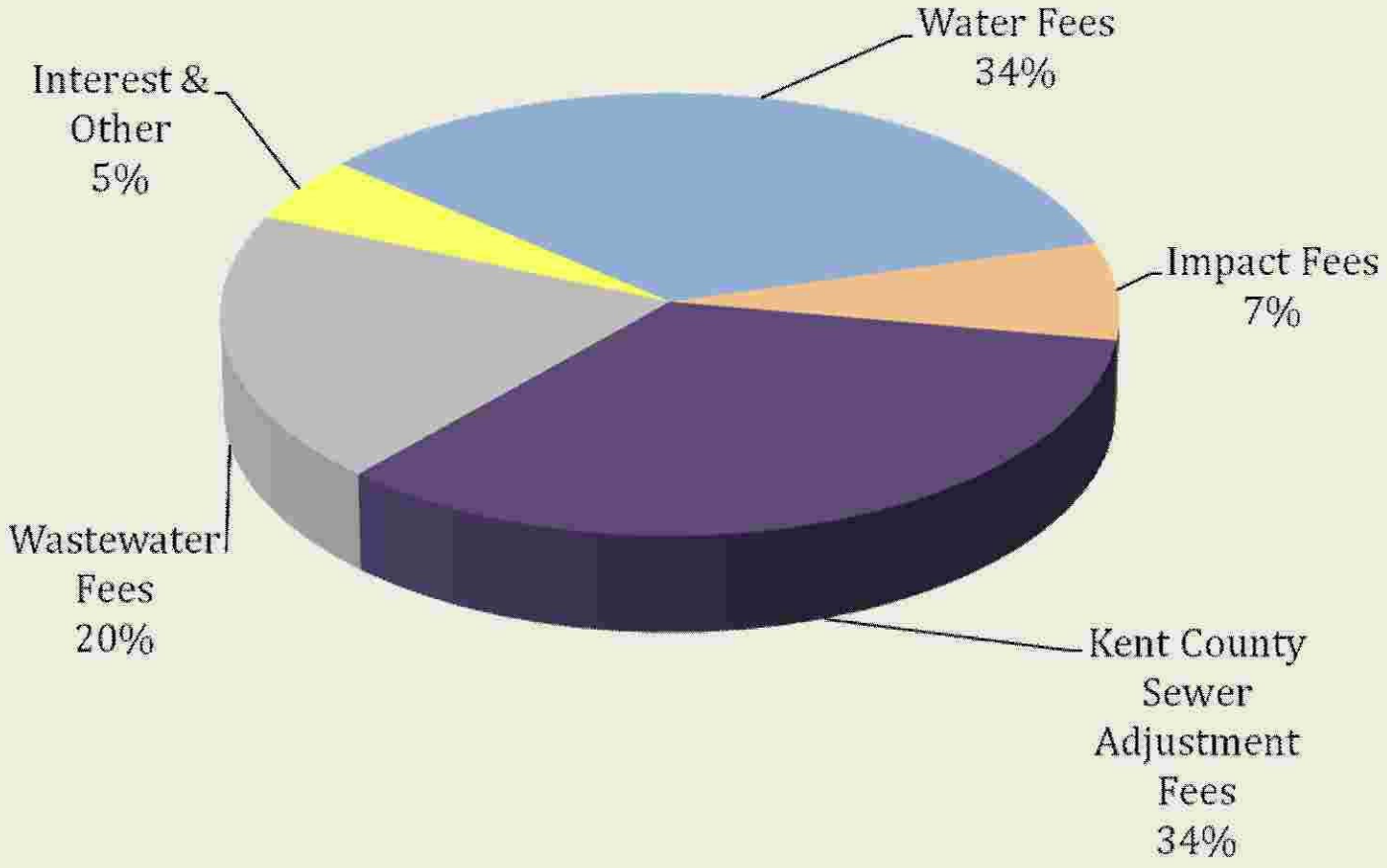
** Fund balance requirement met in aggregate. Efforts are being made to bring KCSA into compliance.*

Revenue Includes

- No changes in rates
- Revenue estimates based on 1% growth

Water/Wastewater Fund Revenue

Fiscal Year 2008-2009



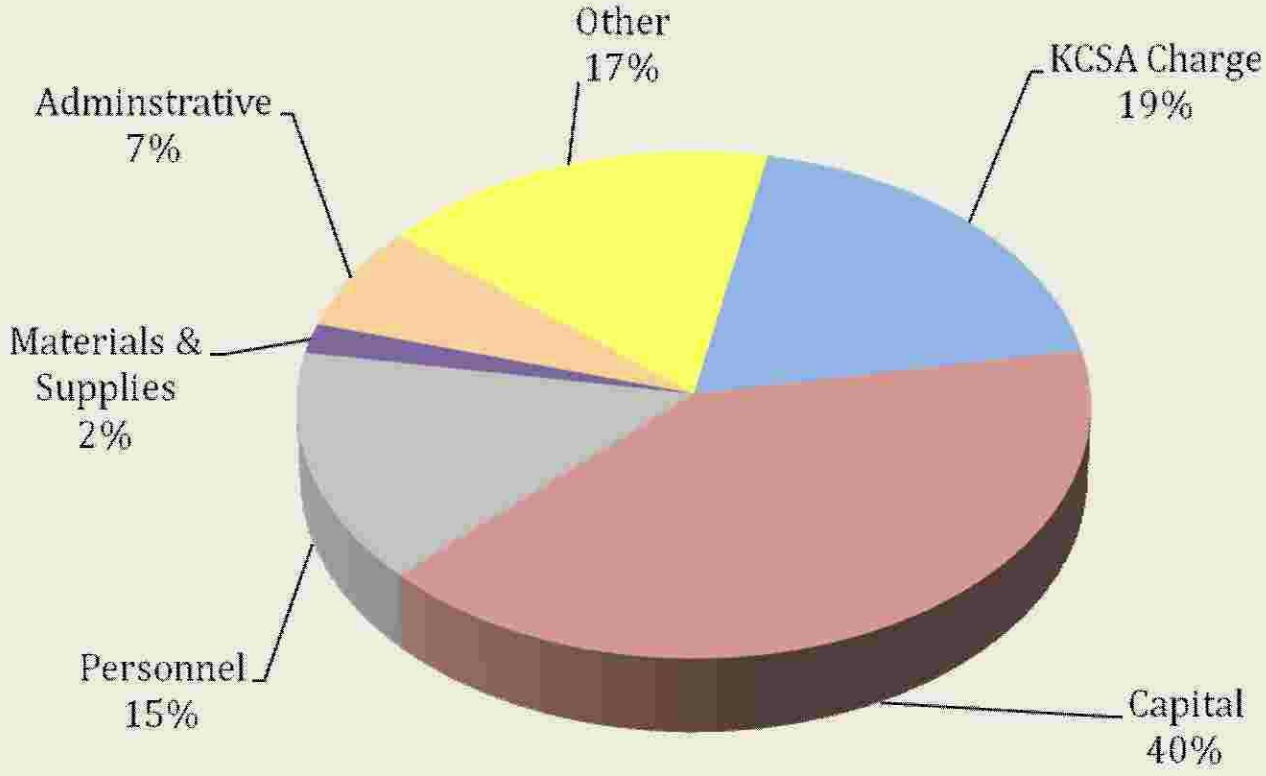
Water/Wastewater Fund Revenue

Where does the money go?

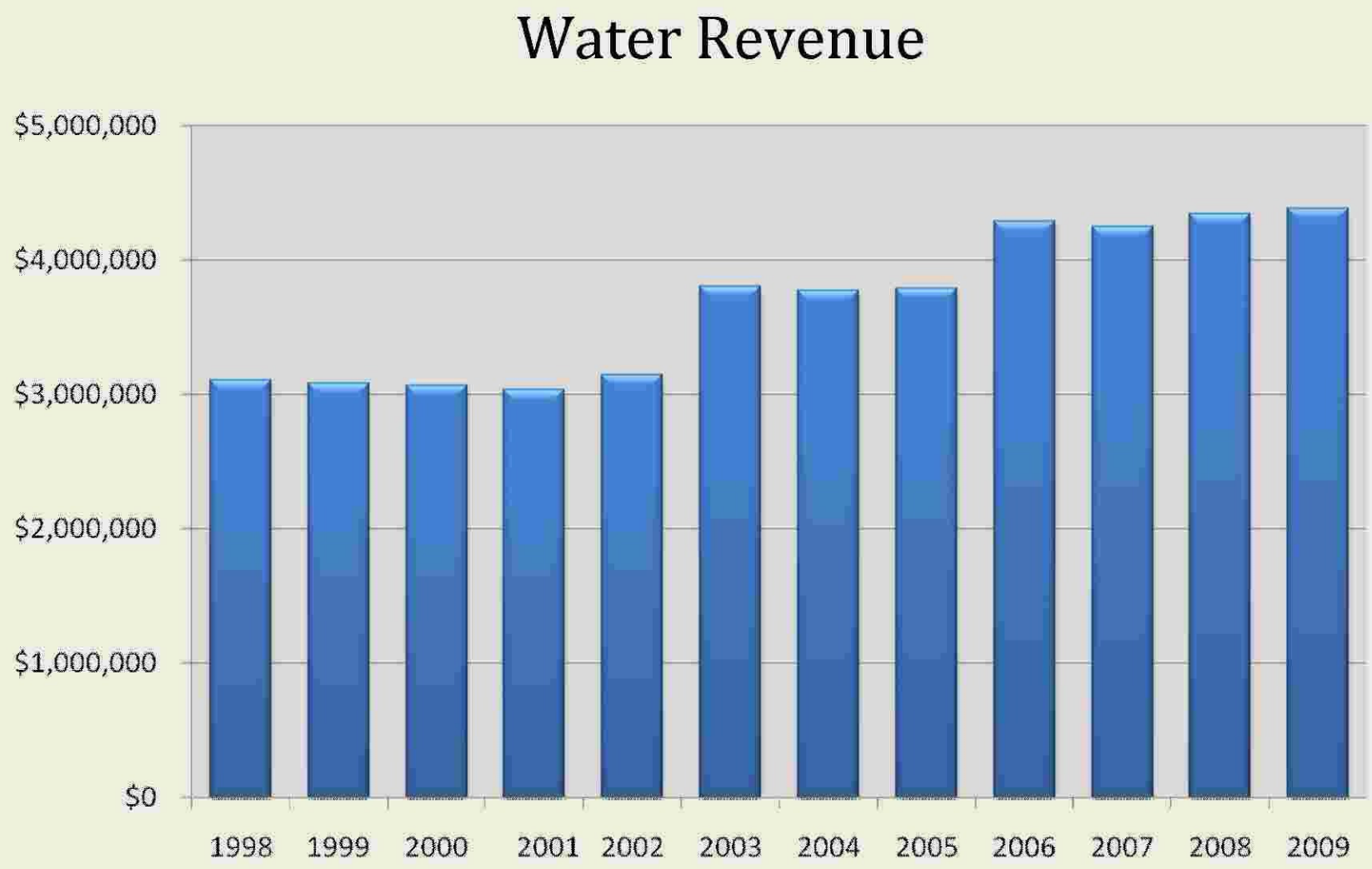
- 17 % for personnel services.
- 33% for capital projects.
- Remaining 50% for materials/supplies/administrative and other expenses.
  - Biggest single expense - Kent County treatment charge.

Water/Wastewater Fund Expenditures

Fiscal Year 2008-2009



Water/Wastewater Fund Expenditures



Water/Wastewater Fund

Top Revenue Sources

Water Fees	$4,386,862
Wastewater Adjustment Fees	4,307,001
Wastewater Fees	2,533,686
Sewer Impact Fees	712,500
Water Tank Space Leasing	250,275

Top Expenses

Kent County Treatment Charge	$3,644,430
Water Treatment Plant	1,379,878
Intrafund Service Fees	1,327,496
Wastewater Department	1,250,484
Engineering & Inspections	715,412
Water Department	524,512

Water/Wastewater Fund

Top CIP Projects

Name	Amount	Fund
US Rt. 13 Sanitary Sewer	$3.1 million	Bond
Water Quality Improvements	$1.6 million	Water Wastewater Fund/Bond
1.0 MG Elevated Storage Tank	$695,000	Water Wastewater Fund/Bond
Weaver Street Pump Station Replacement	$400,900	Bond
Inflow/Infiltration	$275,000	Water Wastewater Fund

Water/Wastewater Fund

Future Projected Rate Increase

- In order to fund capital projects, a $12 million bond issue is necessary in FY 2009.
- This will result in the following proposed rate increases:

	Water	Wastewater
Fiscal Year 2010	7 %	3%
Fiscal Year 2011	4%	6%

Water/Wastewater Fund

Impact of Proposed Rate Increase on Typical Water/Sewer Bill (7,000 gallons per month)

Year	Water $	Sewer $	Monthly $	Annual $
2009 -2010	+1.20	+0.44	+1.64	+19.68
2010 -2011	+0.73	+0.90	+.163	+19.56
2-Year Increase	+1.93	+1.24	+3.27	+39.24

Notes:
This assumes no change in the Kent County Sewer Adj. Charge.

This assumes no change to our rate structure.

A rate and cost of service study is planned for Water and Sewer in FY 2009.

Water/Wastewater Fund

Comparisons

	Water Rates		Sewer Rates	
	Customer/Initial Charge (month)	Rate per 1000 gallons (In City)	Customer/Initial Charge (month)	Rate per 1000 gallons (In City)
City of Dover	$1.25	$2.45	$1.25	$2.10
City of Milford	$3.25	$3.25	$8.50	$2.34
City of New Castle	$7.50	$4.20	-	-
Town of Middletown	$8.50	$2.55	$8.50	$2.55
Town of Smyrna	$10.00 ‡	$2.75	$18.94 ‡	$6.00
Tidewater Utilities	$14.76	$5.65	n/a	n/a
Artesian Water	$1.00	$5.12	n/a	$75.00 Flat Rate
Proposed 2010	$1.25	$2.62	$1.25	$2.16
Proposed 2011	$1.25	$2.72	$1.25	$2.29

Electric Fund

Fiscal Year 2008-2009

Revenue	$110,787,023
Expense	102,331,547
Balance Carry Forward:	$ 8,455,476 – 8.0% (Goal - 8%)

Revenue Includes

- Revenues are projected to cover the costs of power supply.
- The total overall rate increase is 7%.
  - Overall customers rates will increase by 7%.
  - Each individual rate class may experience different percentage increases depending on results of the cost study.

Fiscal Year 2008-2009

Electric Fund

Expenses

- Power supply costs projected to increase 5.8%.

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	2007-08 REVISED	2008-09 BUDGET	%CHANGE 2008-09
POWER SUPPLY	$ 57,431,472	$ 63,410,077	10.4%
POWER SUPPLY MANAGEMENT	3,009,240	2,788,808	-7.3%
PJM CHARGES - LOAD	3,383,494	3,510,195	3.7%
CAPACITY CHARGES	12,163,918	10,692,738	-12.1%
SUB-TOTAL POWER SUPPLY	**75,988,124**	**80,401,818**	5.8%

- Power plant costs expected to increase 7%.
- Transfer $1.85 million to the Electric Capital Projects Fund.

To Offset Energy Cost Increases . . .

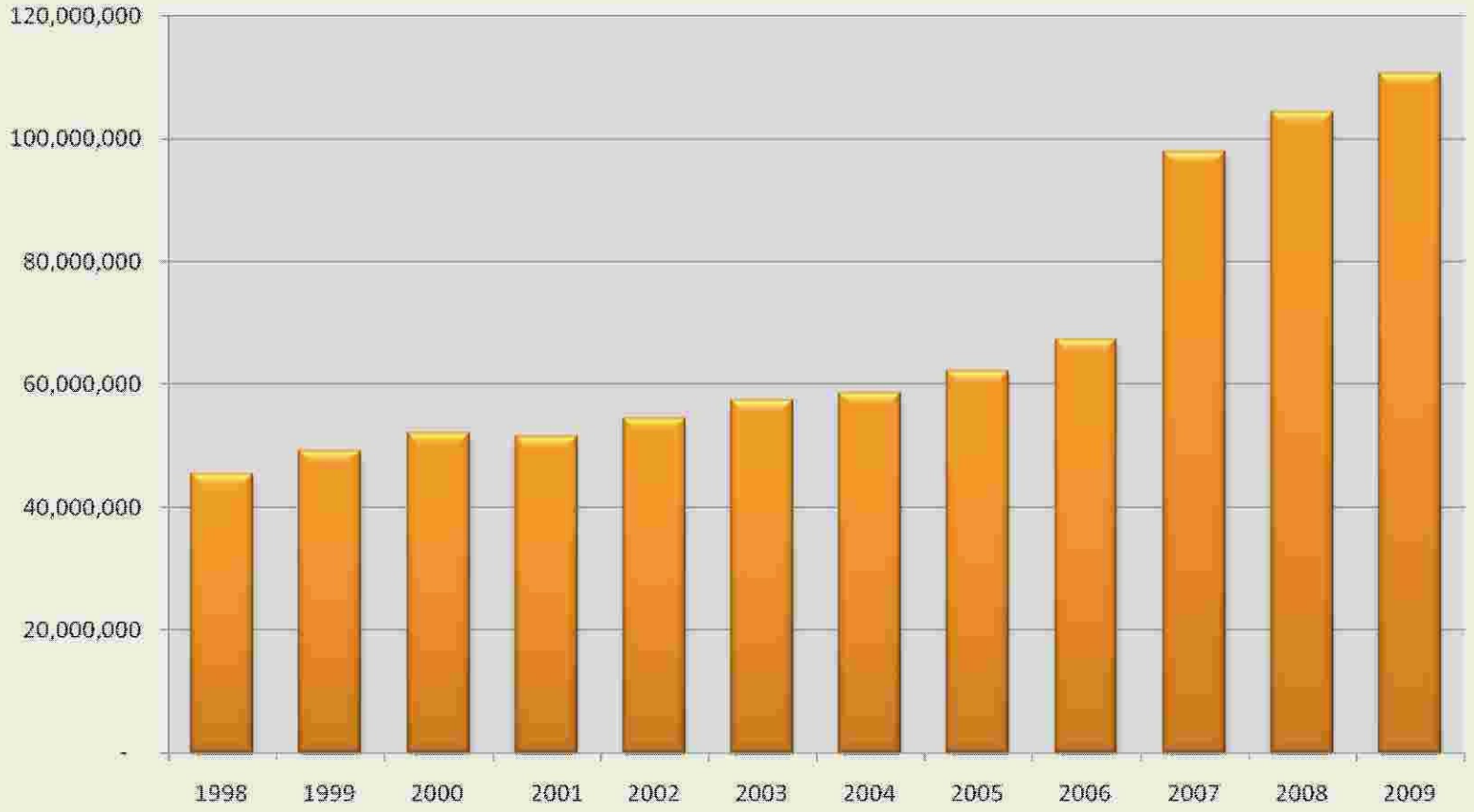
- The amount needed to cover the costs of power and operating expenses equals $6,445,700.
- Customer rates will be increased to recover this cost which equals 7% system wide.
- Of the 7% . . .
  - The increased cost of power equals 5.4%
  - The increased cost of capital (debt) and operating costs equal 1.6%

Electric Fund

Where does the money go?

- 63% for power supply related expenses.
- 16% for capital projects.
- Remaining 22% for personnel services, material and supplies, and other administrative expenses.

Electric Fund Revenue



Electric Fund

Top Revenue Sources

Direct Sales to Customers	$98,527,100
Emission Sales Credits	1,632,000
Miscellaneous Revenue	1,041,000

Top Expenses

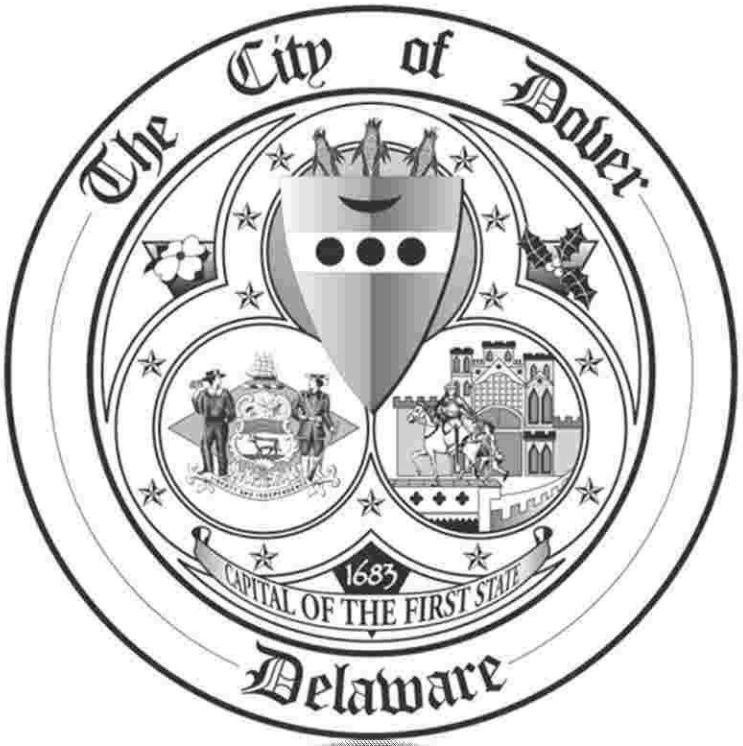
Purchase Power	$80,401,818
Transfer to General Fund	6,758,100
Powerplant	5,921,646
Intrafund Service Fees	3,724,582
Transmission & Distribution Fees	3,681,080
Debt Service	3,431,323

Electric Fund

Top CIP Projects

Name	Amount	Fund
St. Jones Substation	$4,028,122	Electric Bond/Operating Fund
69 KV Feeders 3 & 4	$3,956,820	Electric Bond
McKee Run Unit 3 Selective Non- Catalytic Reduction	$2,600,000	Improvement and Extension Fund/Electric Fund
New Development Upgrades	$865,000	Improvement and Extension Fund
Horsepond Transformer	$695,000	Electric Depreciation Reserve Fund

Questions?



Revenue Presentation

Fiscal Year 2008-2009

EXHIBIT #2
Special Council Meeting - 2008 Budget Hearings
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General Fund

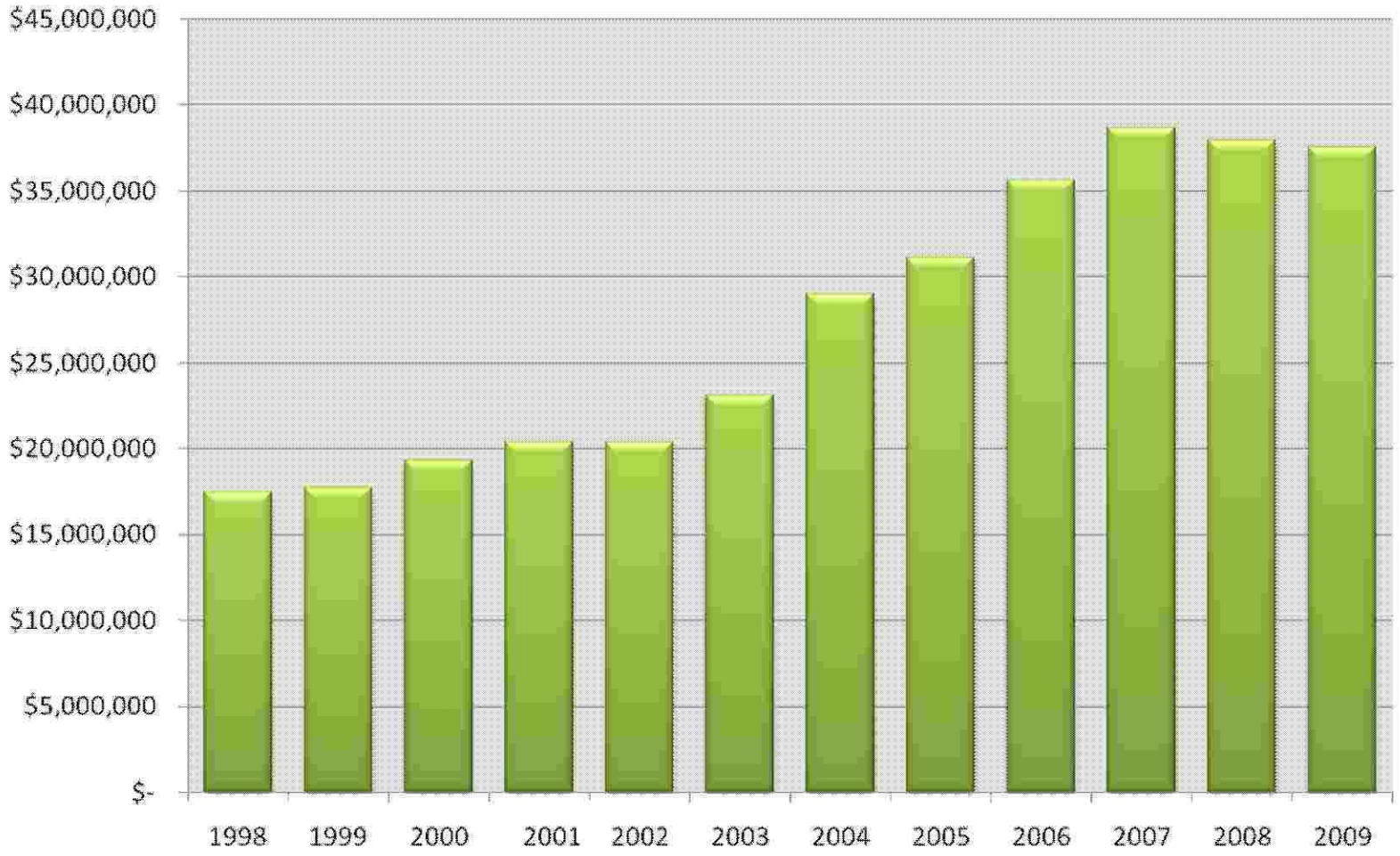
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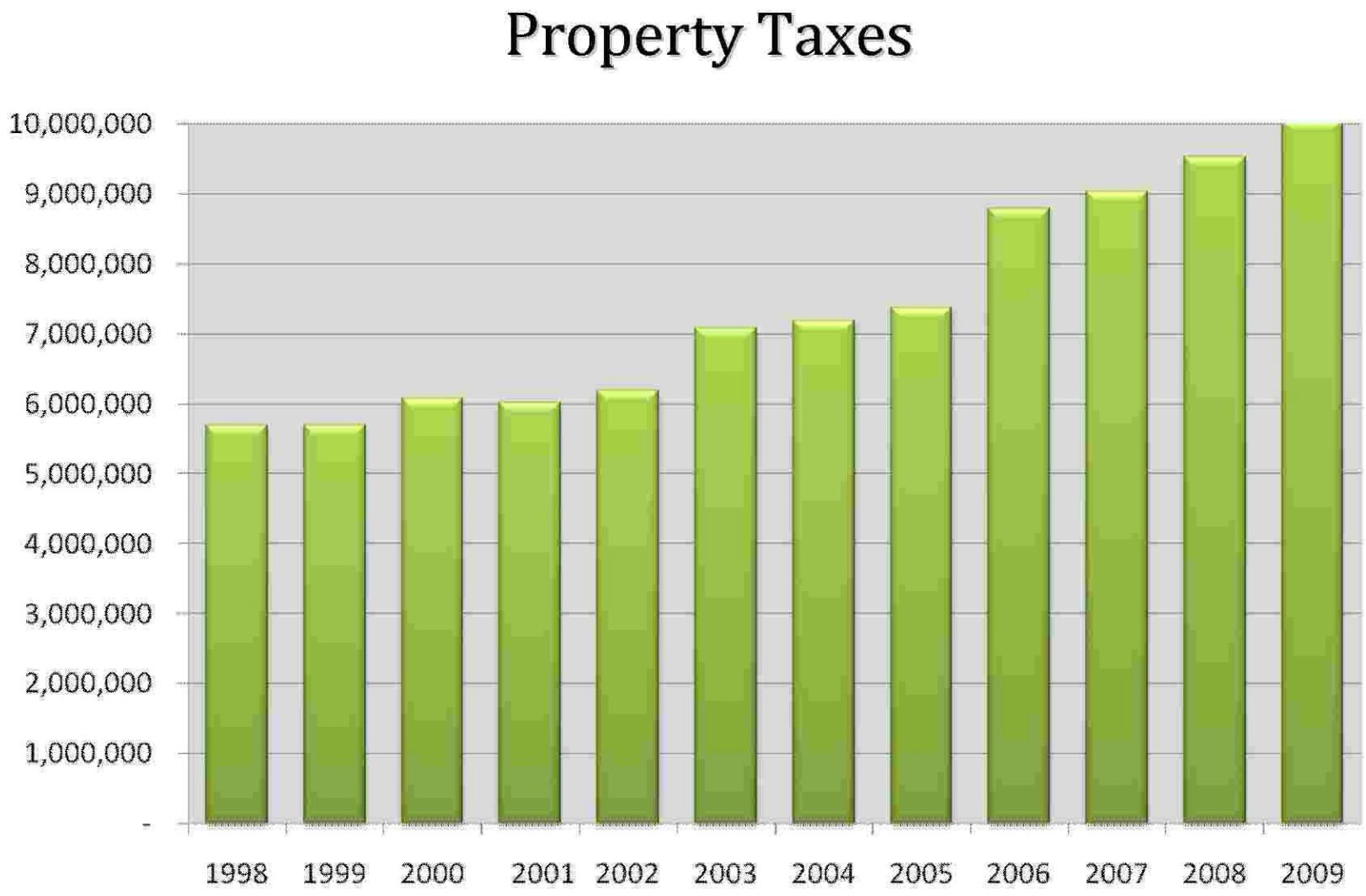
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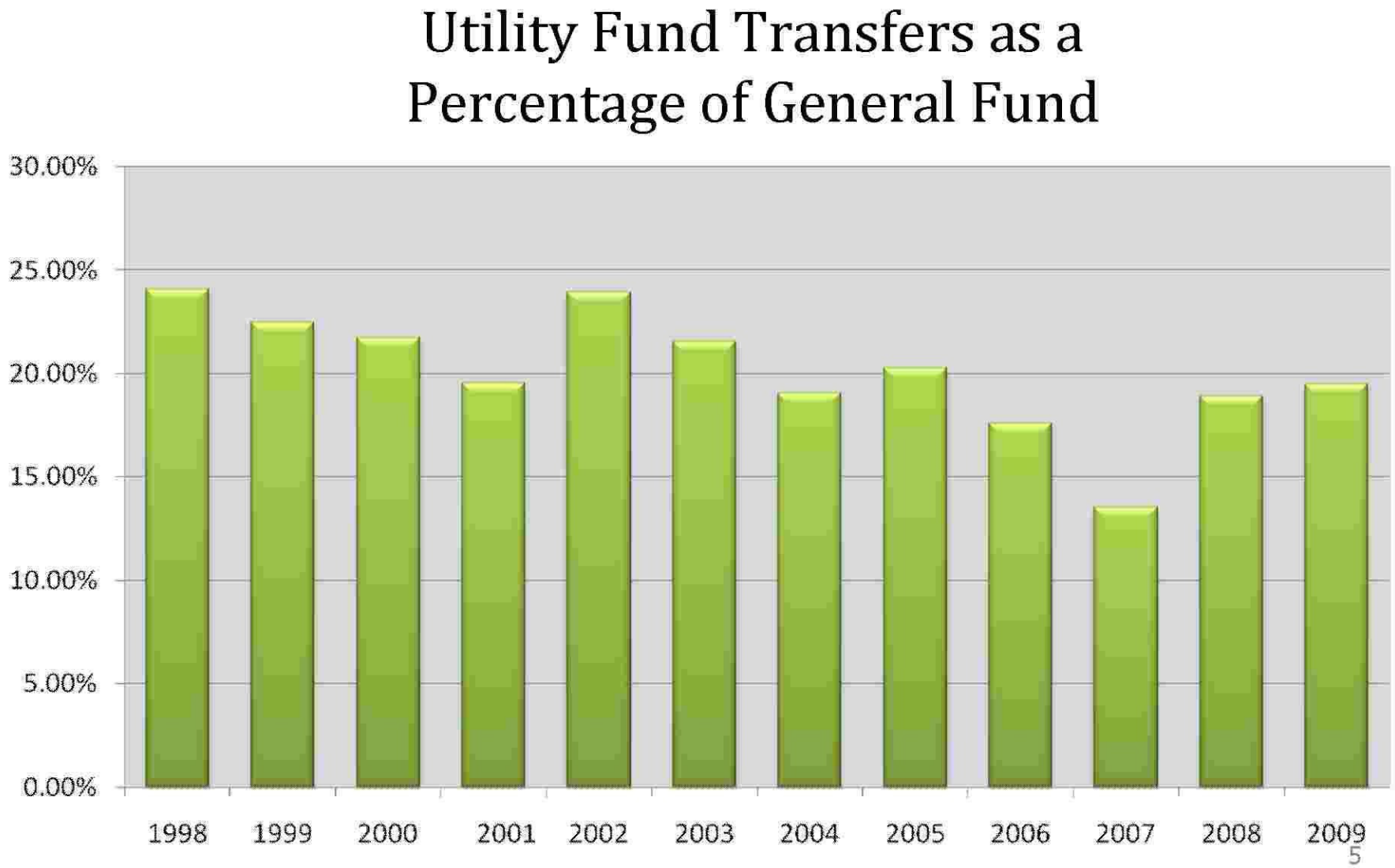
Total General Fund Revenues



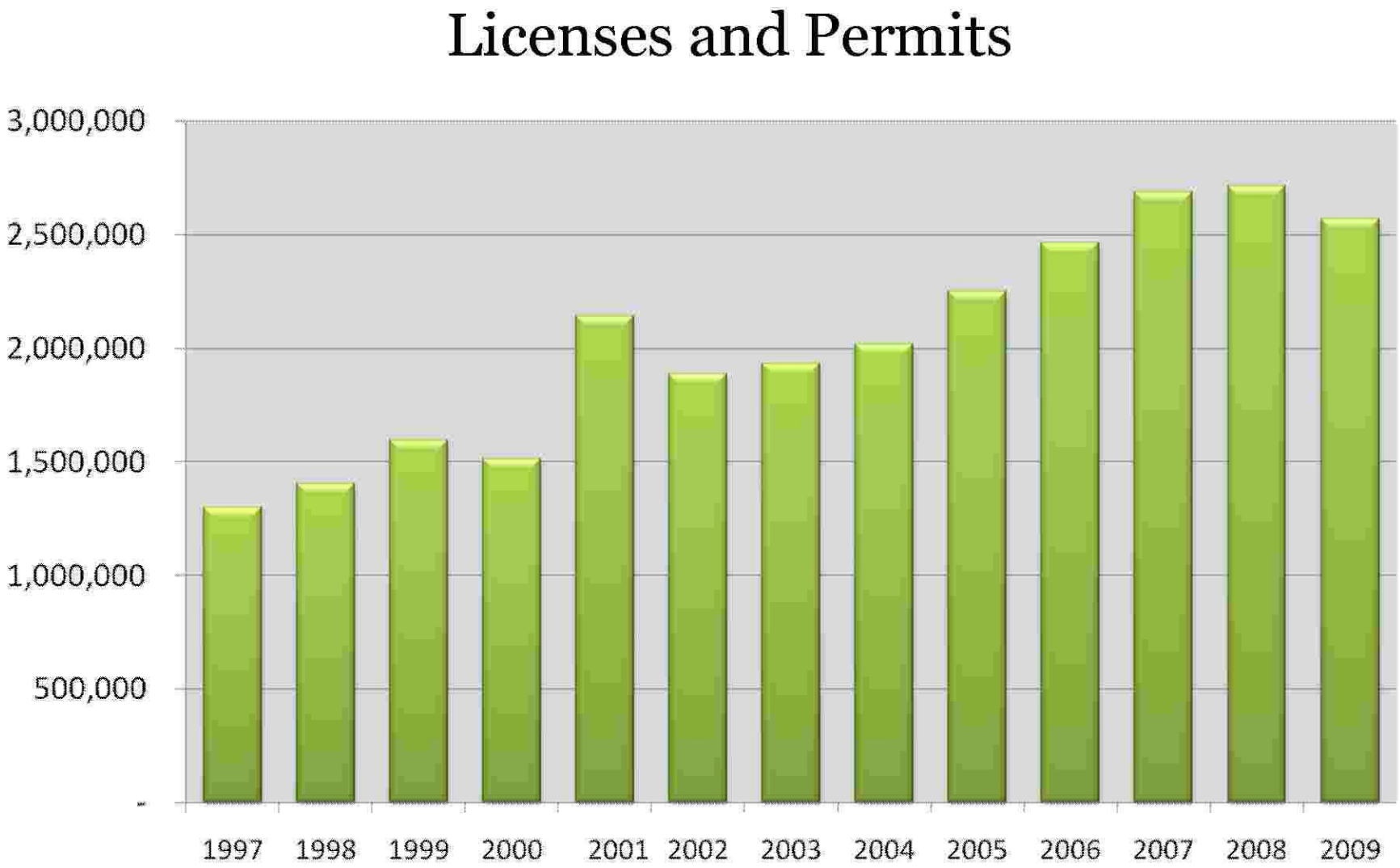
General Fund Trend Data



General Fund Trend Data



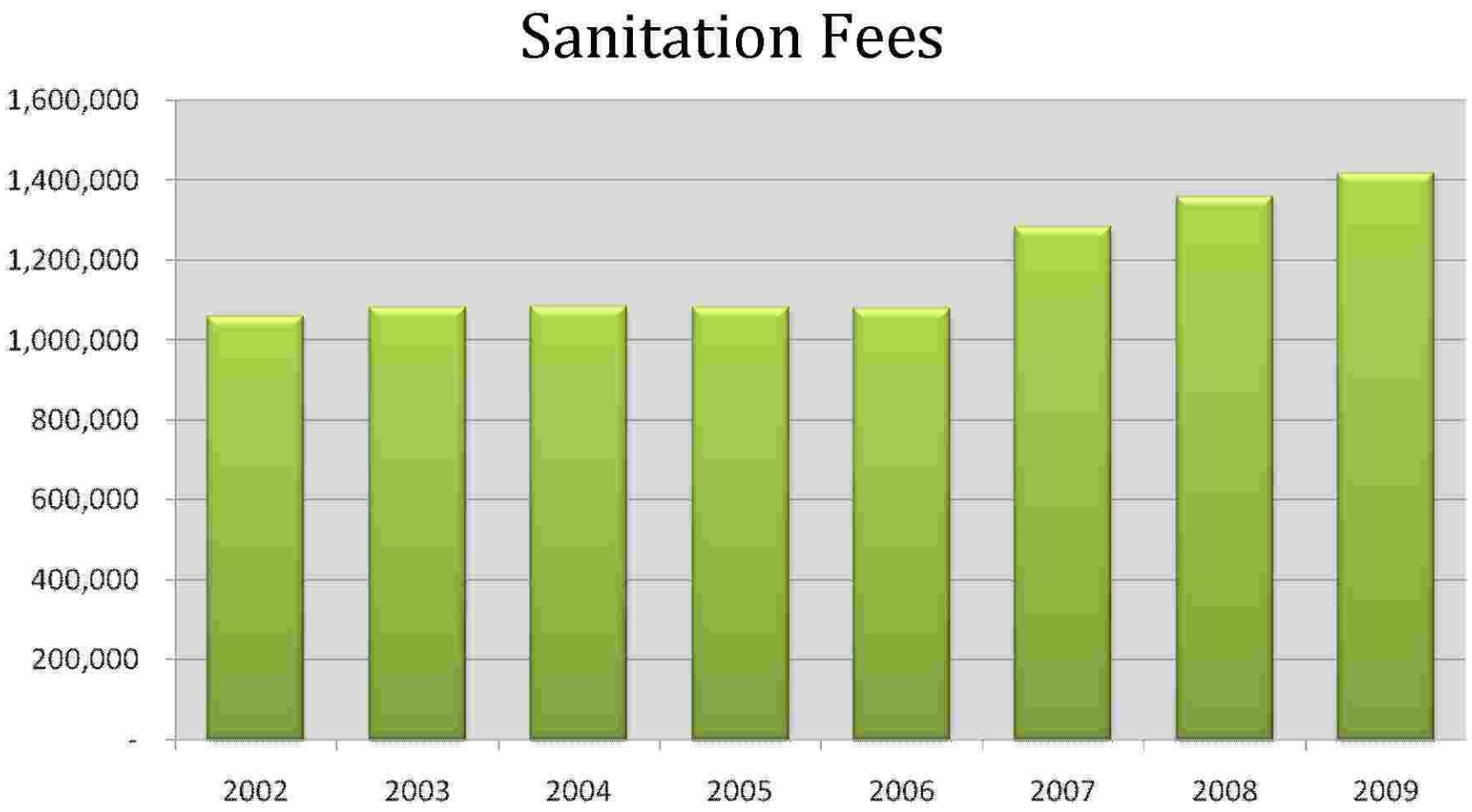
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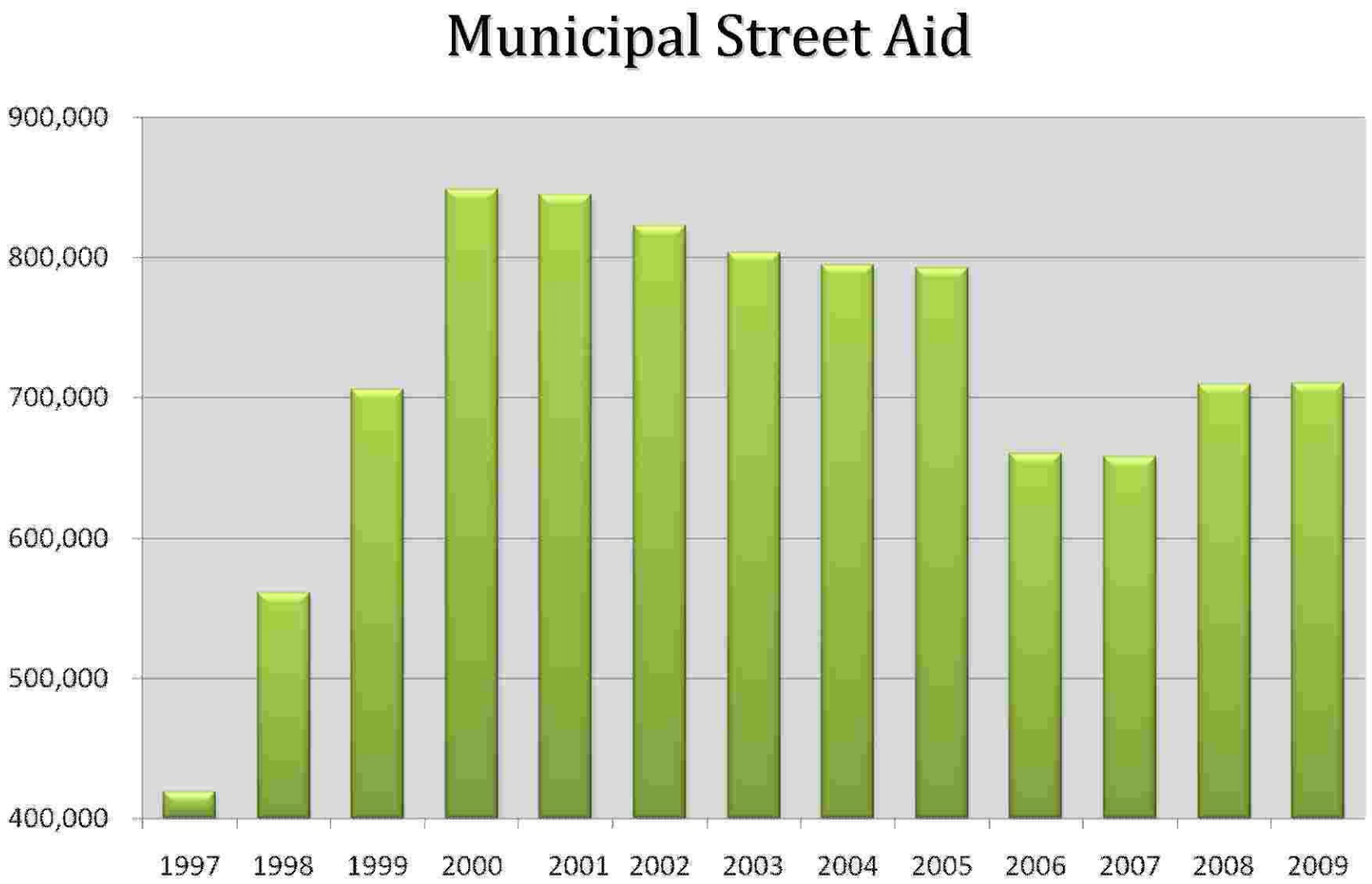
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General Fund Trend Data



General Fund Revenues

It is time to examine fee increases and taxes to create sustaining revenues.

Is the Revenue needed now?

- FY 2009 permit revenue covers only 60% (lowest in 5 years) of Planning & Inspections costs.
- Tax revenue up $500,000 plus, cost of Police salaries up $800,000 alone.
- Tax re-assessment begins - $400,000.
- Possible decrease in State Revenue.
- Cuts made to several capital projects – can not sustain.
- Cuts also made to e-government projects.
- New computers have been cut from the budget – can sustain.

Is the Revenue needed now?

- OPEB begins this year - 2.5% of salaries
- Full year of operations at the Pitts Center.
- Full year of Sex Offender Officers.
- Full year of Emergency Planning position.
- Full year of expanded Ambulance coverage.
- Health Insurance costs increased 8% city-wide.
- 4% increase for FOP bargaining unit.
- 3.5% increase for IUE bargaining unit.

Total FY09 Costs for Positions Added in FY08

1 Inspector	65,036
2 Police Officers	138,868
1 Emergency Preparedness Coordinator	82,238
Pitts Center Staff (1 full-time, 4 part-time)	161,359
TOTAL	$447,501

Business Licenses

- Overall Increase 10%
- Revenue Generated- $145,000
- Last Increased in 2004

Permits and Other Licenses

- Revenue Generated = $219,720
- Last Increased ranges from 1993 -2004
- Revenues cover only 60% of Planning & Inspections – lowest level ever

Tax Revenue per 1¢

- One cent on the tax rate = $286,569
- Two cents on the tax rate = $573,138
- Three cents on the tax rate = $859,707



Total Revenue Increases

Tax Revenue - 3 cents	859,707
Business Licenses	145,000
Permits	219,720
Total	**$ 1,224,427**

How would revenue be used . .

Arts Council	3,805
African American Festival	7,500
Fire safety equipment	9,500
2.7% PFP Below Market Advancement	12,500
Economic Development (CDEDC)	16,000
GPS System	33,750
Concrete Program Increase	50,000
Librarian I	50,095
Police Vehicles Increase	80,000
Non-Bargaining Contingency	90,000
Reduction in State Funds Contingency	121,277
Capital Asset Reserve	300,000
Streets Program Increase	450,000
TOTAL	**$ 1,224,427**

Water/Wastewater Fund

Fiscal 2008-2009

Revenue	$13,480,500
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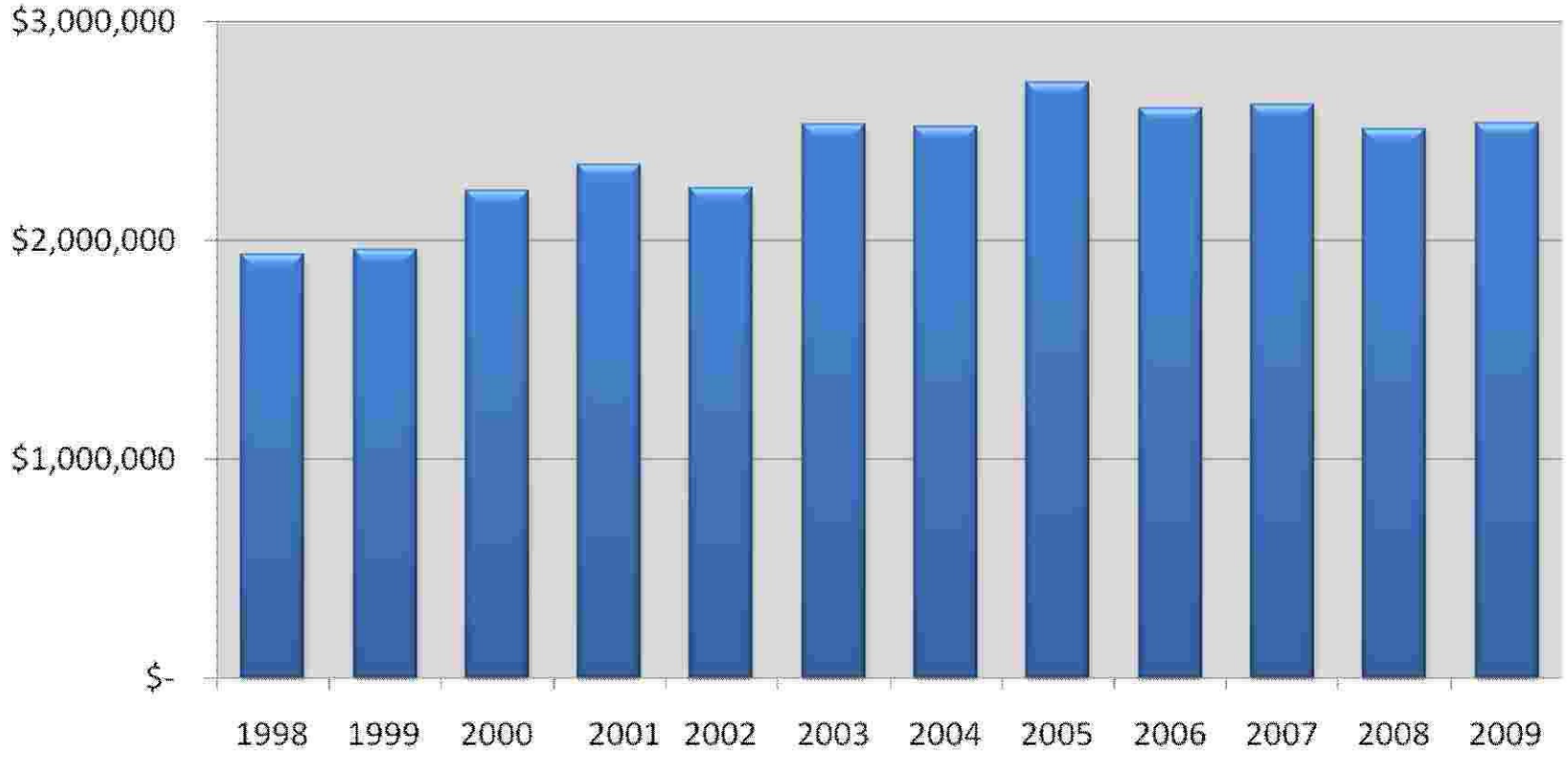
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Revenue Includes

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- Revenue estimates based on 1% growth

Water/Wastewater Fund

Wastewater Revenue



Water/Wastewater Revenues

- Revenues continue to be flat for FY09.
- Industrial base continues to erode.
- Residential growth 1%.

Water/Wastewater

- Major capital projects will require debt issuance
  - Water Quality Assurance
  - Inflow Infiltration
  - Water Tower
  - US Rte 13 Sanitary Sewer Interceptor
- Rate study planned for FY2009.
- It is projected that rate increases will be necessary beginning in FY2010.

New Plan Review Fee Proposed

- Revenue from proposed fee - $95,100
- Engineering estimates for costs of plan review
  - FY 2007 - $105,215
  - FY 2008 – $119,250
- Additional revenues will be used to offset the costs of the capital projects.

Electric Fund

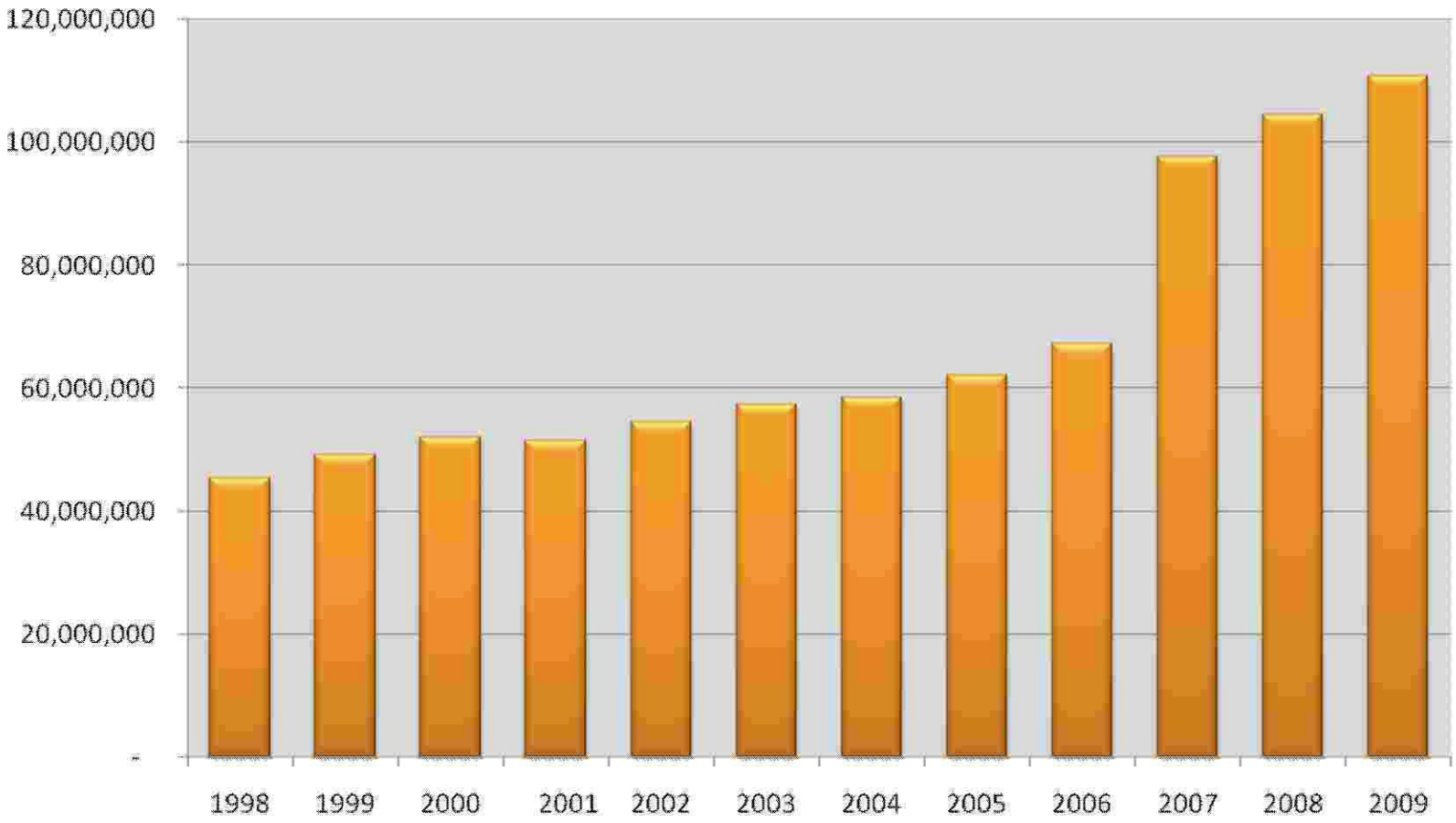
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Electric Fund Revenue

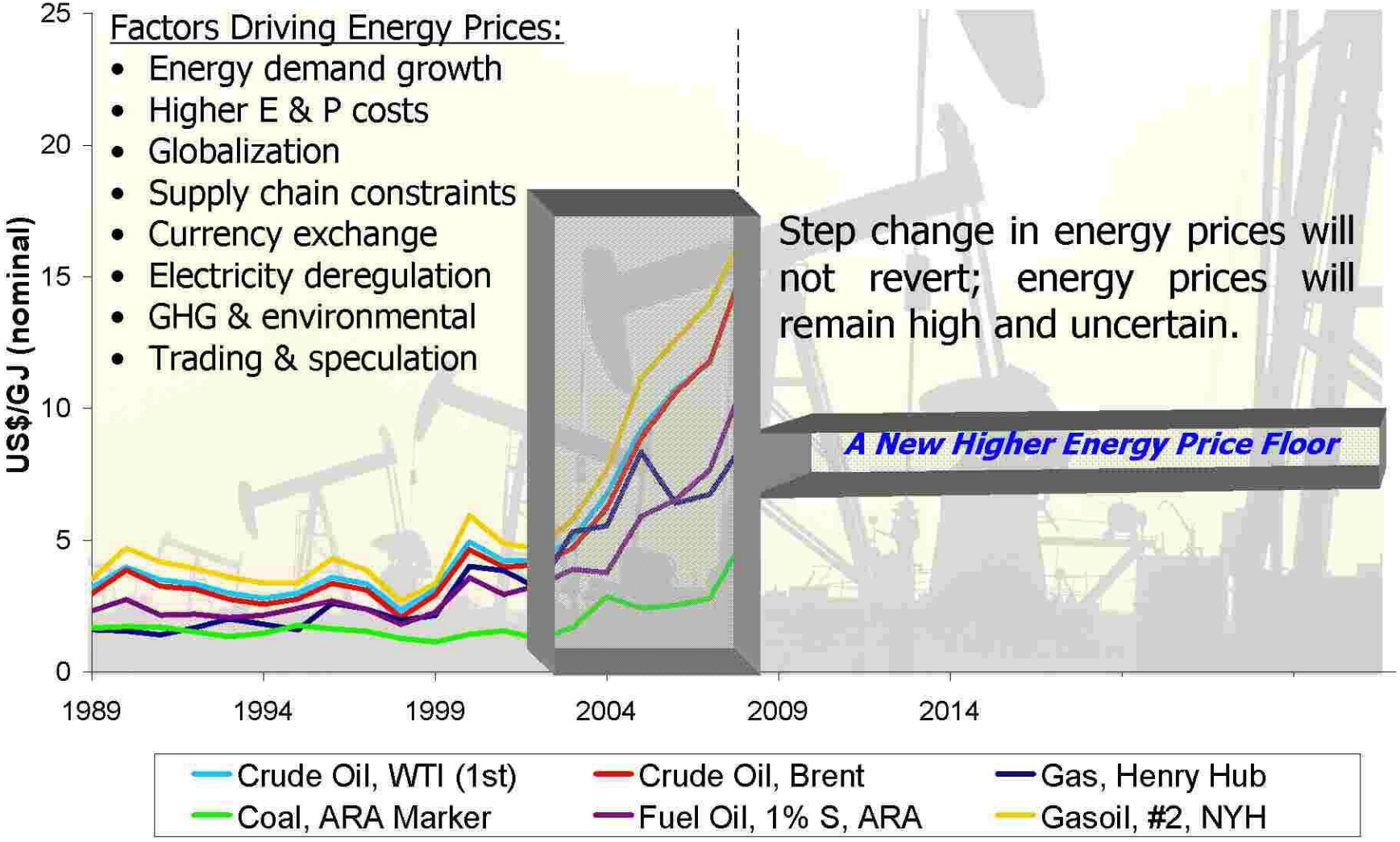


Electric Rate Increase

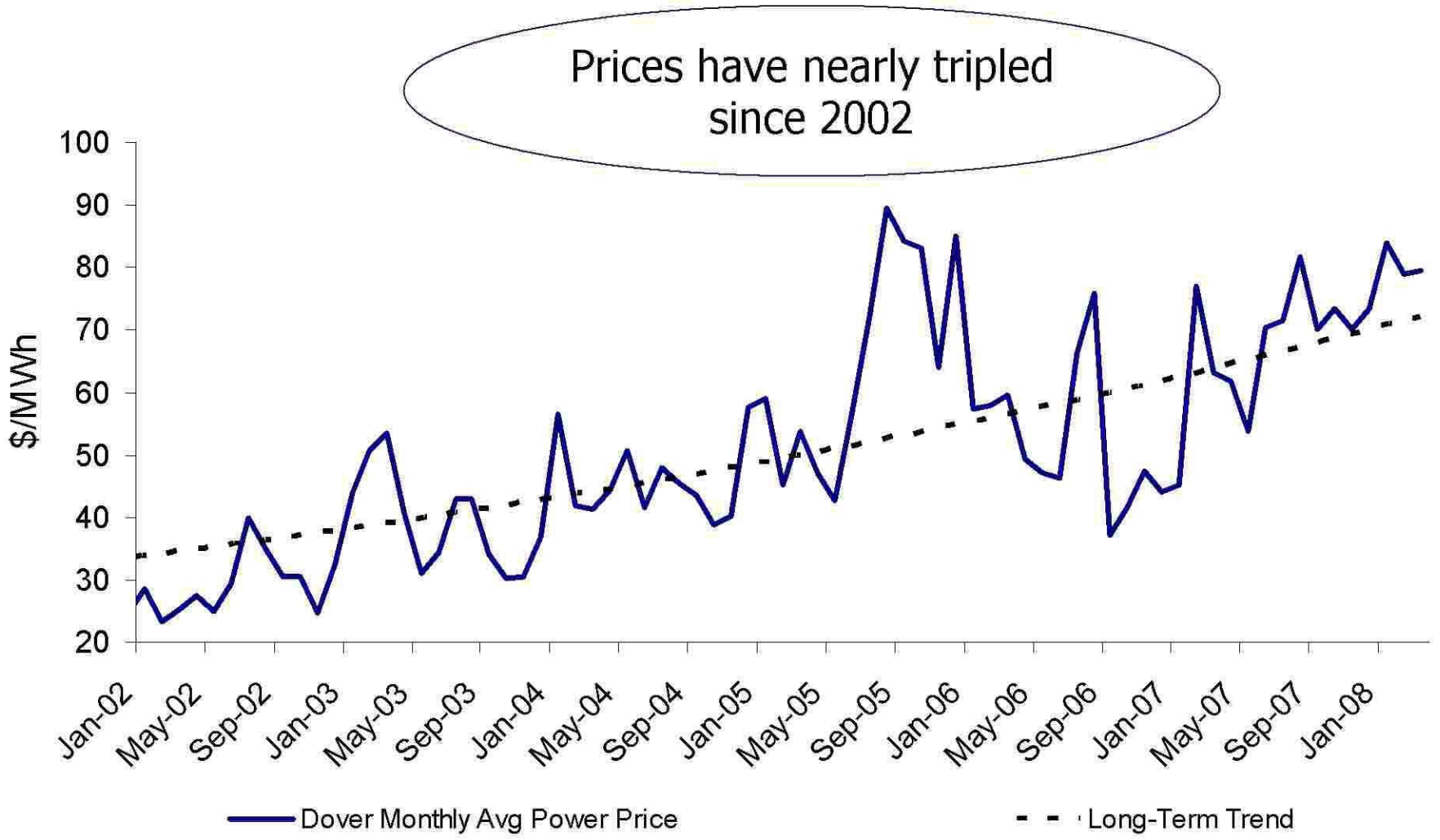
Proposed July 1, 2008

	Revenue Requirement $	Generated by Existing Rates $	Dollar Difference $	Rate Increase Required
Total System	98,529,079	92,081,400	6,447,679	7.0%

A New, Higher Price Floor for Energy



Wholesale Power Market Prices for Dover



Ratepayers facing steep increases across US & Region

State,
Constellation reach truce

[BG&E] 1.1 million residential customers, … will pay 85 percent more for electricity than in 2005

Baltimore Sun, March 30, 2008

Power co-op
raises rates

Delaware Electric Coop has raised electric rates by 8.86 percent

Delaware Online, March 30, 2008

Dominion
Pursues 18 Percent … Hike

…largest one-time rate increase … since the 1970s … necessary to offset … fuel [purchases]

Washington Post, May 7, 2008

Con Ed
Seeks to Increase … Up to 17%

…by 17 percent for … residential … and by 10.7 percent for … business

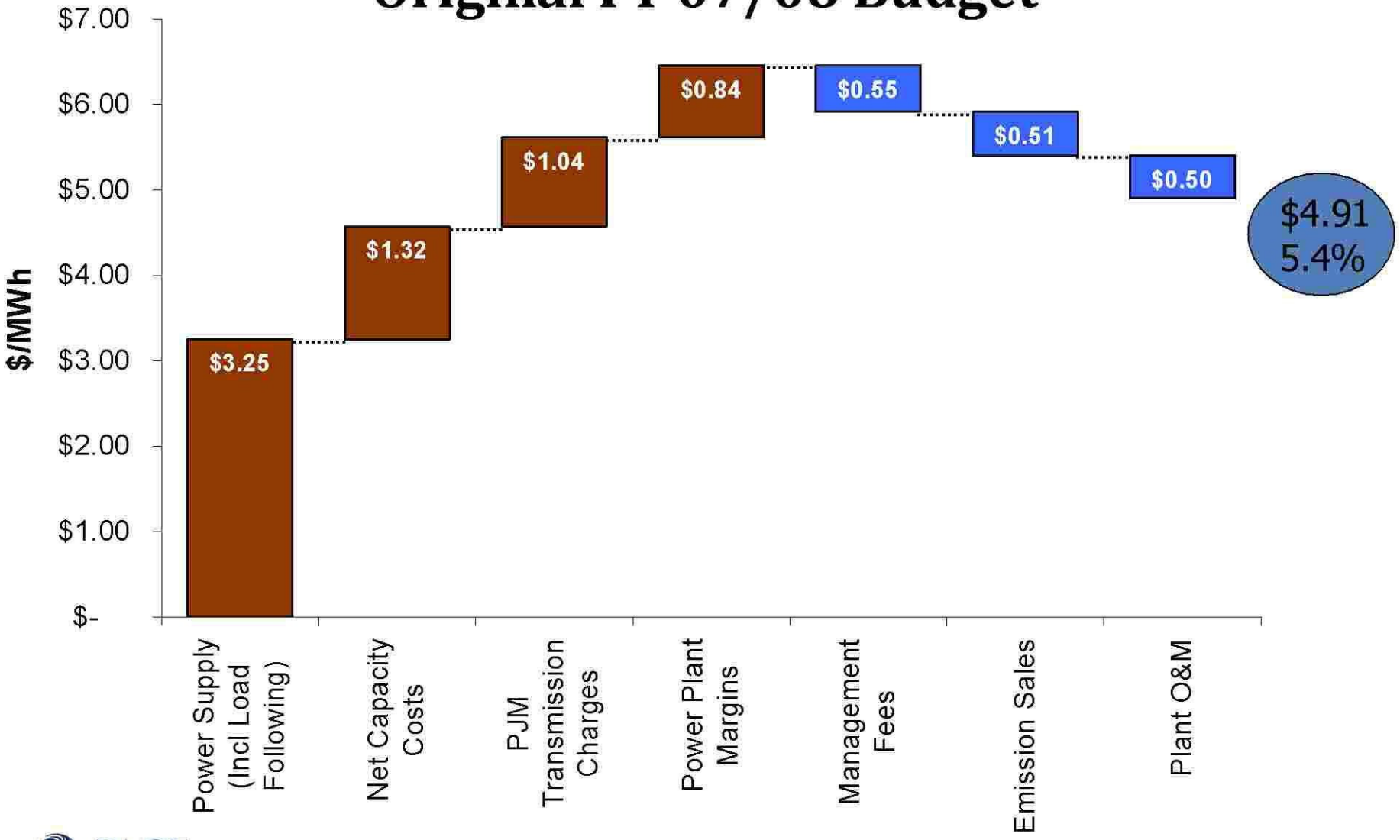
The New York Times, May 5, 2007

Ameren
requests 12.1% … rate increase

Ameren Corp., will file … for a 12.1 percent … rate increase

St. Louis Business Journal, April 4, 2008

Budget Variances: FY 08/09 Budget Versus Original FY 07/08 Budget



Effect of Dover's Proactive Management on FY08/09 Rates

- Without risk management, customers would be experiencing a 13% increase in power supply costs (budgeted market prices) however, …
- … risk management contained cost increase to 5.4%.
- In aggregate, the hedge positions have saved the rate payers $5.2 million on a year over budget year basis.
- In addition, if generation assets were retired the rate payers would bear an additional $5 million cost and rates would have increased 20% on a year over budget year basis.
- In summary, Dover has been able to manage through extraordinary energy price increases through proactive management of risk, and the optimization of the plant values.

Electric Rate Increase Summary by Rate Class

Scheduled to be presented
on May 27.

Rate Impact Samples by Class

Scheduled to be presented
on May 27.

Sample Customer Billing

Scheduled to be presented
on May 27.

PAY-FOR-PERFORMANCE & STAFFING CHANGES

Fiscal Year 2008-2009

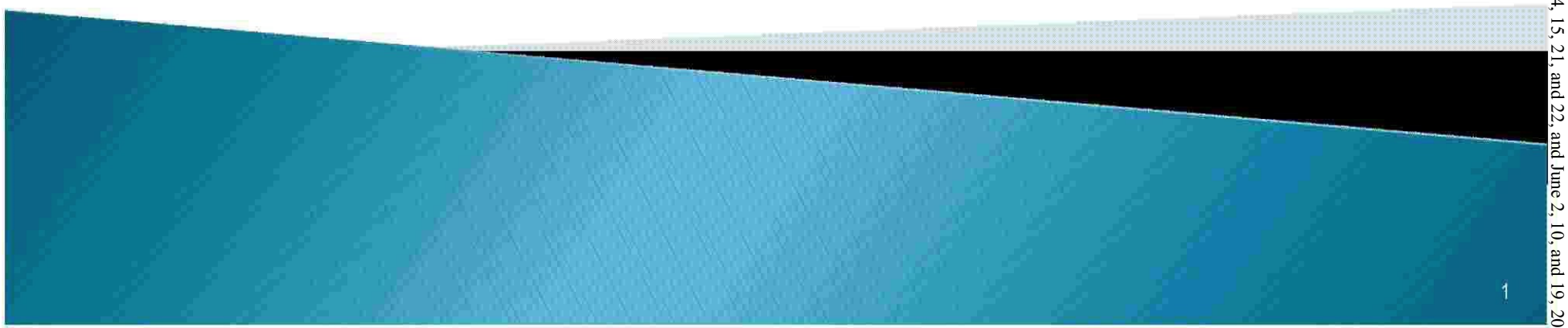


EXHIBIT #3
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

What is Pay-For-Performance (PFP)?

Pay-For-Performance is a system for awarding pay increases to non-bargaining employees based on the following:

- Employee performance in reaching goals and objectives and their performance in Core Competencies
- Employee's position in the Pay Plan (Example: below market, at market, above market)
- Salary increases based on market studies

Pay-For-Performance

City Manager's Recommendation

Analysis of the Market Survey recommends 3.25% average market increase for Fiscal Year 2009.

Here's why...

Pay-For-Performance

Market Increase Recommendations

- BLS — 3.5% nationally
- ICMA Survey & Ann. Report — 1.77% for majority of ranges
- BNA Labor Report — 3.3% – average wage increase – 2006
- FOP Bargaining Unit — 4% – for Fiscal Year 2009
- IUE/CWA Bargaining Unit — 3.5% for Fiscal Year 2009
- IBEW Bargaining Unit — 3.5% for Fiscal Year 2009

Pay-For-Performance

Performance Scores

The Pay-For-Performance policy uses a 0-50 weighted scoring system.

- This year's performance spread uses a 0.75% pay increase differential between performance grades except for employees who are paid above the maximum of their grade and employees paid above market.

Pay-For-Performance

- Last year Council did not adopt the 2.7% additional increase for below market employees to bring them into market range in 7 years. A 1% increase was used.
- The same schedule is used this year. However, it is recommended that the 2.7% increase be considered.
- Continued use of 1% will cause a trend to below market salary.
- The estimated cost of a 2.7% increase will be $12,500.

Pay-For-Performance

Market Analysis for Projected Increases

PFP SCORE		ADJUSTMENT			
From	To	Employee Above Maximum	Employee Above Market	Employee At Market	Employee Below Market
0	19	0	0	0	0
20	29	0	2.00%	2.50%	3.00%
30	35	2.00%	2.50%	3.25%	4.25%
36	41	2.75%	3.25%	4.00%	6.00%
42	50	3.50%	4.00%	4.75%	6.50%

Currently there are 26 non-bargaining employees below market, 40 at market, and 17 in above market. Only one non-bargaining employees is above maximum.

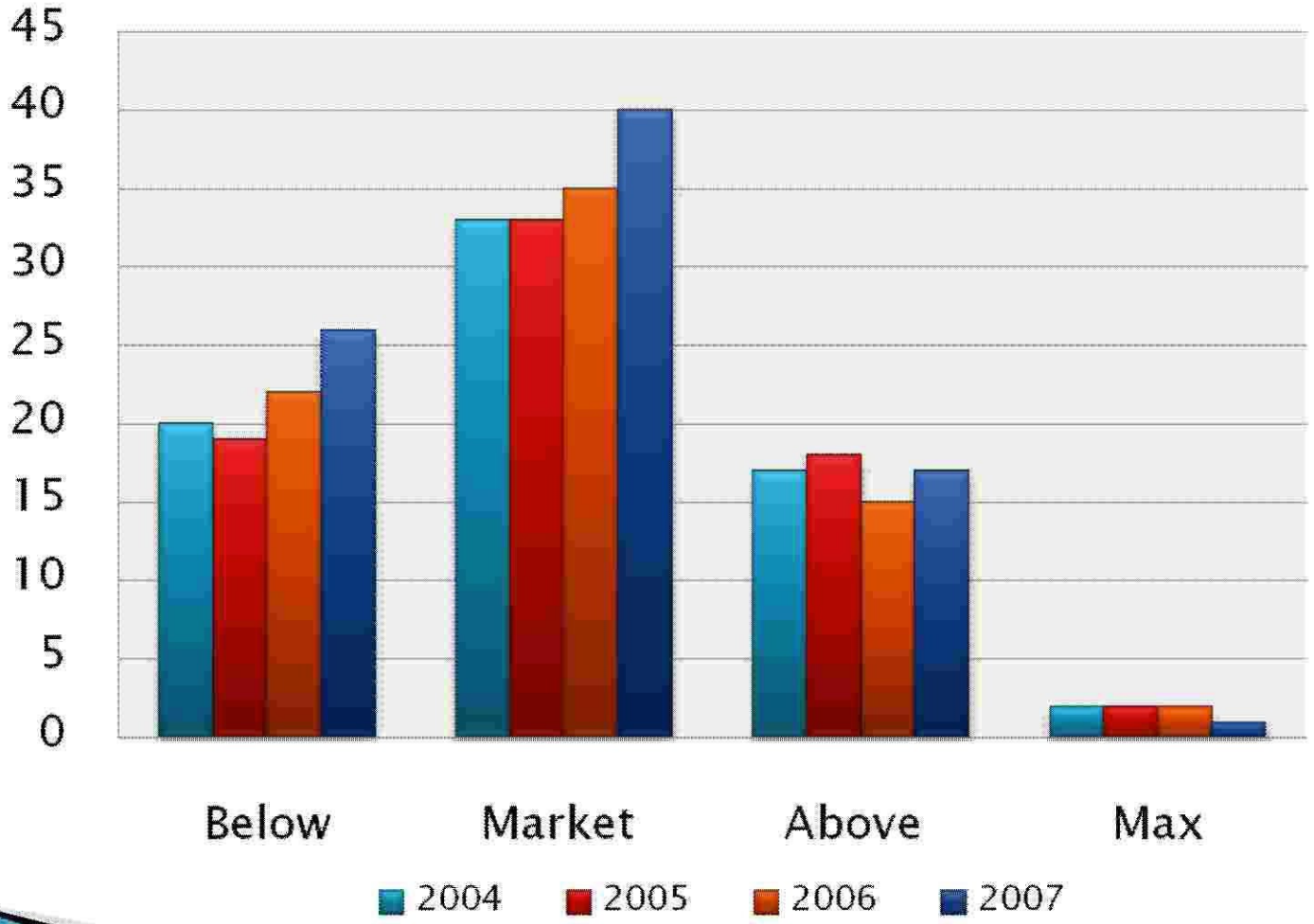
Pay-For-Performance

Market analysis also proposes an increase in labor grade ranges by 3.25%

- This is **not** added on top of the PFP increase.
- It establishes the job ranges for new employment.
- It determines whether current employees are ranked below market, at market, or above market.

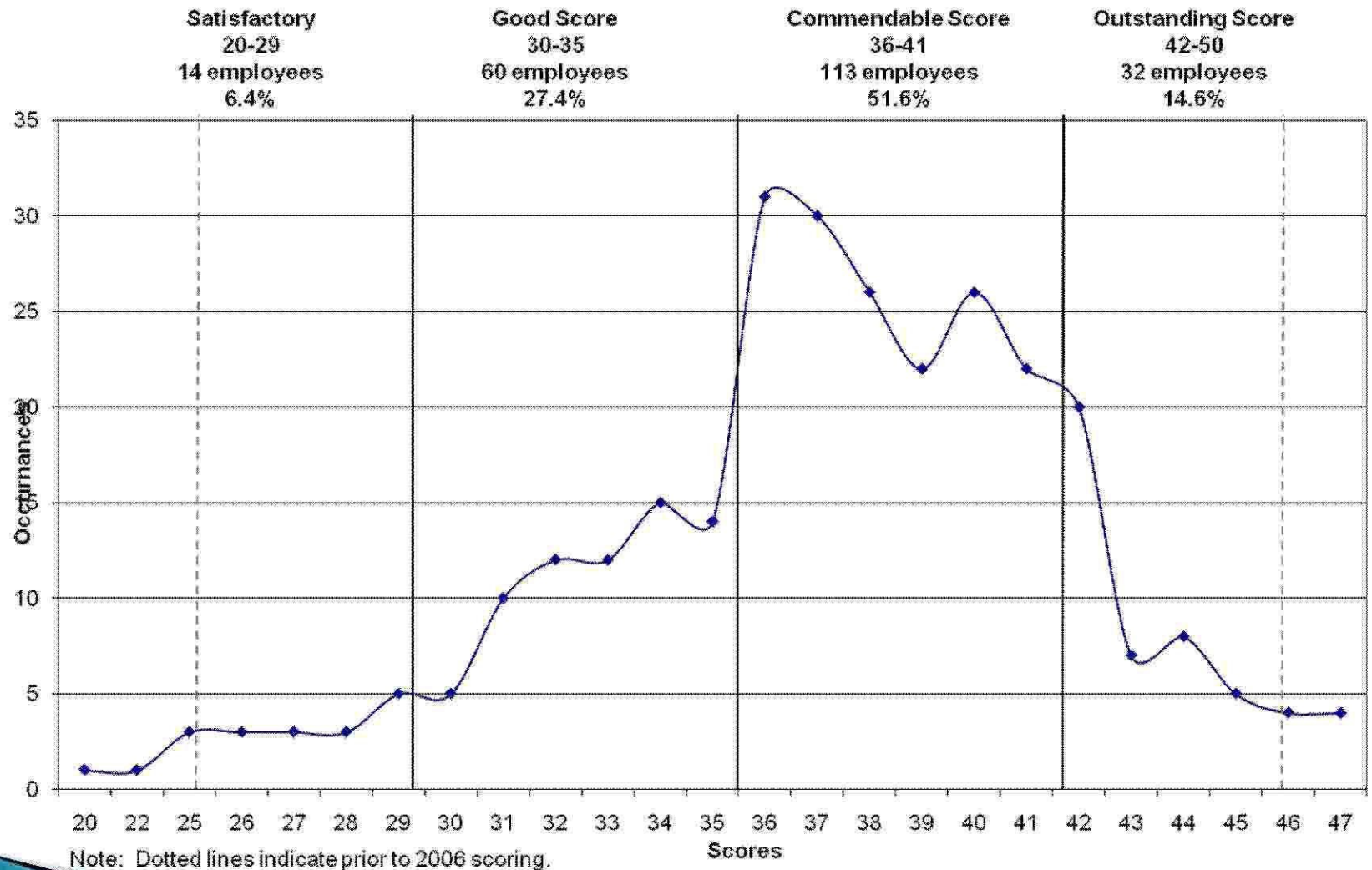
PFP by Market Status

FY 2004 – 2007



PFP Scores Distribution

FY 2004 – 2007



Note: Dotted lines indicate prior to 2006 scoring.

Staffing Changes

Reclassification/Upgrades Proposed for Non-Bargaining Employees.

- Eight requests for reclassifications/re-gradings and promotions of non-bargaining positions were reviewed. Seven were included in the budget.

Department	Position	Justification	Amount Budgeted
Library	Secretary II to Administrative Assistant	Performing Administrative Assistant duties	$2,605
Public Services Admin	GIS Coordinator to GIS Manager	Additional responsibilities as the function expands and grows	$3,068
Public Services Planning	Weed & Seed Coordinator to Community Prevention Manager	Reclassified to fit actual duties being performed.	$744
Public Services Planning	Planner I	Creates a progressive career path for Planners	N/A
Public Services Planning	Senior Planner	Creates a progressive career path for Planners	N/A
Public Services Planning	Planner to Planner II	Creates a progressive career path for Planners	$2,303
Public Utilities Water Treatment	Water Production Supervisor Re-grading	Reclassified to fit actual duties being performed	$3,338

Staffing Changes

New Position Recommendations

Department	Position	Justification	Amount Budgeted
Economic Development	Main Street Manager	Coordination of City's economic development efforts. Existing position from existing Main Street budget.	$71,642
Economic Development	Marketing Professional	Coordination of City's economic development efforts	$83,853
Economic Development	Administrative Assistant	Coordination of City's economic development efforts	$61,853

Staffing Changes

IUE/CWA Bargaining Unit

Department	Position	Justification	Amount Budgeted
Police	Communications Operators	Re-grading 11 from a grade 17 to 18	$30,261
Police	Animal Control Officer	Re-grade one from a grade 11 to 12	$1,909
Central Services	Mechanic I to Supervisor	Re-grade one from grade 15 to 19	$10,468
Central Services	Courier to Central Mailroom Clerk	Re-grade one from grade 12 to 13	$1,747
Central Services	Storekeeper I	Re-grade two from grade 12 to 13	$3,454
Central Services	Storekeeper II	Re-grade one from grade 14 to 15	$2,198

Non-Bargaining Market Analysis

- It is recommended that we contract, in this fiscal year (FY08), to re-evaluate all non-bargaining positions to determine if job titles, market range positions, and salaries are correct.
- Can be completed by the end of June.
- $90,000 in contingency funds for possible corrections should be budgeted in the general fund.

Division Budget Review

2008-2009 Draft Budget

Water Operations page 221

Personnel Costs	$ 323,959
Materials & Supplies	72,742
Administrative Expenses	127,811
Capital Outlay	3,058,450
Total Budget	$3,582,962

This department's budget is 19.8% greater than last year's budget because:

- Capital projects have increased $1 million

  - Water Quality Improvement - $1.6 million

  - Elevated Water Storage Tank - $695,000

- All costs of positions are split with Wastewater. This correctly reflects the work they perform.

Wastewater page 219

Personnel Costs	$ 661,657
Materials & Supplies	92,606
Administrative Expenses	496,221
Capital Outlay	4,632,150
Total Budget	$5,882,634

This department's budget is 207.3% greater than last year's budget because:

- Wastewater Master Plan - $200,000

- Capital Projects increased by $3.6 million

- US Rte. 13 East Sanitary Sewer Interceptor - $3.1 million

- All costs of positions are split with Wastewater. This correctly reflects the work they perform.

Water/Wastewater Engineering & Inspections

page 218

Personnel Costs	$669,926
Materials & Supplies	22,601
Administrative Expenses	22,885
Capital Outlay	15,445
Total Budget	$730,857

This department's budget is 10% greater than last year's budget because:

- Salary budget increased, full year of salaries in 2009 for new positions in 2008.

Construction page 222

Personnel Costs	$456,905
Materials & Supplies	19,190
Administrative Expenses	39,999
Capital Outlay	29,000
Total Budget	$545,094

This department's budget is the same as last year's budget because:

-Salary budgets reflect replacement of Construction Manager with lower grade Project Supervisor.

- Capital Expenditures reduced from FY08.

Water Treatment & Production page 223

Personnel Costs	$ 651,660
Materials & Supplies	149,019
Administrative Expenses	579,199
Capital Outlay	-
Total Budget	$1,379,878

This department's budget is 40.5% greater than last year's budget because:

- Re-budgeting expenses $402,320 from other divisions (Water) to Water Treatment where they are more appropriately expensed.

- Electricity for deep wells –$304,770

- Contractual Services - $86,700

Second Meeting
Budget Review

General Fund Divisions

2008-2009 Draft Budget

Mayor page 166

Personnel Costs	$45,124
Materials & Supplies	586
Administrative Expenses	41,929
Capital Outlay	-
Total Budget	$98,437

This department's budget is 23.5% % less than last year's budget because:

- - Computer purchase in FY08
- - Economic Development monies removed from budget due to constraints.
- - Pilot monies removed due to formation of Economic Development division.

City Council page 168

Personnel Costs	$100,384
Materials & Supplies	1,320
Administrative Expenses	35,486
Capital Outlay	-
Total Budget	$137,190

This department's budget is 9.4% greater than last year's budget because:

- More meeting reimbursement budgeted due to increased meetings.

- Increases in training/conference and subscriptions & dues.

City Manager page 170

Personnel Costs	$453,976
Materials & Supplies	27,637
Administrative Expenses	106,730
Capital Outlay	-
Total Budget	$588,343

This department's budget is 3% less than last year's budget because:

-Employee retirement pay budgeted last year.

- Computer purchases deferred.

- Deleting the Citizen Survey for FY09.

- Legal expenses reduced.

Central Services page 172

Personnel Costs	$432,821
Materials & Supplies	18,798
Administrative Expenses	318,862
Capital Outlay	9,996
Total Budget	$780,477

This department's budget is 5.5% greater than last year's budget because:

- Salary and benefit increases and employee upgrades.

- Postage costs.

Other things to know

- Warehouse shingles replacement $9,996 re-budgeted from FY08.

Facilities Management page 173

Personnel Costs	$939,805
Materials & Supplies	33,152
Administrative Expenses	162,912
Capital Outlay	140,000
Total Budget	$1,275,869

This department's budget is 17.18% greater than last year's budget because:

- Salary and benefit increases
- Space needs study implementation- $140,000

Fleet Maintenance page 173

Personnel Costs	$382,264
Materials & Supplies	315,476
Administrative Expenses	5,635
Capital Outlay	-
Total Budget	$703,375

This department's budget is 5 % greater than last year's budget because:

- Salary and benefit increases.

- Program expenses – vehicle repairs were lowered in FY08 and increased to reflect FY07 actual expense for FY09.

City Clerk page 176

Personnel Costs	$277,590
Materials & Supplies	6,470
Administrative Expenses	31,661
Capital Outlay	-
Total Budget	$315,721

This department's budget is 25% greater than last year's budget because:

- Full staffing levels budgeted. FY08 reflects the actual partial staffing levels.

- All other categories of expenditures are down.

Customer Services page 178

Personnel Costs	$ 906,011
Materials & Supplies	46,720
Administrative Expenses	49,636
Capital Outlay	-
Total Budget	$1,002,367

This department's budget is 15% less than last year's budget because:

- Credit card processing fees are removed from the budget due to proposed third party processing.

- Salary and benefits are increasing 2.66%.

Water Meter Reading page 179

Personnel Costs	$66,175
Materials & Supplies	3,192
Administrative Expenses	4,210
Capital Outlay	-
Total Budget	$73,577

This department's budget is 4.35% greater than last year's budget because:

- Salary expenses & benefits are increased 10.8% for increased on-call.

- Materials and supplies are increased due to small tool expenses and flame retardant uniforms.

- Administrative expenses are increased for gasoline, vehicle repairs and maintenance.

Electric Meter Reading page 180

Personnel Costs	$261,716
Materials & Supplies	14,054
Administrative Expenses	19,886
Capital Outlay	-
Total Budget	$295,656

This department's budget is 11% less than last year's budget because:

- Salary expenses are less – reduced staffing of one meter reader.

- Capital purchase made in FY08 and not in FY09.

Finance page 182

Personnel Costs	$672,180
Materials & Supplies	9,000
Administrative Expenses	112,250
Capital Outlay	275
Total Budget	$793,705

This department's budget is 2% less than last year's budget because:

- Material & supplies are down due to deferment of computers.

- Administrative expenses are down due to decreases in training, consulting, and legal expenses.

- Salary and benefit increases 5%.

Human Resources page 186

Personnel Costs	$320,704
Materials & Supplies	77,665
Administrative Expenses	47,750
Capital Outlay	-
Total Budget	$446,119

This department's budget is 7% greater than last year's budget because:

- Salary and benefit increases are 15.41% due to changes in employee benefits – health, pension and OPEB.

- Personnel Related Supplies.

- Unemployment Expense – Rev. FY08 lowered – FY09 returned to regular budget levels.

Information Technology page 188

Personnel Costs	$ 645,528
Materials & Supplies	88,313
Administrative Expenses	159,000
Capital Outlay	110,915
Total Budget	$1,003,756

This department's budget is 3% less than last year's budget because:

- Capital Projects are deferred in FY09.

- Expand Document Imaging - $112,580.

- GPS Implementation - $33,750.

- Salary & benefits are increased due to full year of 1/2 year position in FY08.

- Computer Software is increased to support an enterprise agreement for GIS software which results is savings in other departments.

Parks and Recreation page 190

Personnel Costs	$ 563,752
Materials & Supplies	93,854
Administrative Expenses	280,110
Capital Outlay	530,000
Total Budget	$1,467,716

This department's budget is 28% greater than last year's budget after normalizing for the Pitts Center construction in FY08:

- Full year of operation for Pitts Center equals $280,000.

This includes:

- Full year of one full-time/4 part-time positions - $161,359
- Materials & Supplies - $35,994
- Administrative Expenses - $82,355

Library page 191

Personnel Costs	$ 977,847
Materials & Supplies	90,291
Administrative Expenses	112,169
Capital Outlay	1,200,000
Total Budget	$2,380,307

This department's budget is 2% greater than last year's budget after normalizing for the regional library and because:

- Salary & benefit increases.

- Electricity increase.

- Full year of contractual services for Security.

Other Notes

- Regional Library project begins - $1.2 million.

Police pages 193 -194

Personnel Costs	$11,795,471
Materials & Supplies	315,781
Administrative Expenses	837,840
Capital Outlay	266,126
Total Budget	$13,215,218

This department's budget is 9.8% greater than last year's budget because:

- Salary and benefits are increased.

- A full year budgeted for two full-time officers budgeted in FY08 for a quarter of a year.

Other things to know

- Materials & Supplies costs increased for uniforms and computer software.

- Administrative costs have risen for contractual services.

- There is no increase in staffing levels.

Tax Assessor page 196

Personnel Costs	$264,848
Materials & Supplies	13,298
Administrative Expenses	411,579
Capital Outlay	-
Total Budget	$689,725

This department's budget is 12% less than last year's budget after normalizing for the re-evaluation and because:

- Positions were not filled to perform re-evaluation.
- Re-evaluation will be performed contractually.

Public Services Admin page 198

Personnel Costs	$ 336,458
Materials & Supplies	9,975
Administrative Expenses	13,658
Capital Outlay	38,380
Total Budget	$398,471

This department's budget is 7% less than last year's budget because:

- Staffing changes due to reorganization: the Emergency Preparedness Coordinator is transferred to the newly formed Life Safety Division.

Other things to know

- Capital Funds are budget for GIS infrastructure and mobile solutions - $38,380.

- Includes Public Works Inspector.

Planning & Inspections Summary

Planning	$ 613,265
Life Safety	325,511
Code Enforcement	383,218
Inspections	552,442
Total Budget	$1,874,436

Last year these four divisions were two divisions – Planning and Inspections. They were separated into four divisions for better accountability and to organize the group along functional lines.

- The Life Safety group consists of the Emergency Planning Coordinator (formerly budgeted in PS Administration) and the Fire Marshall staff (formerly budgeted in Inspections).

- The Code Enforcement (formerly budgeted in Inspections) division will include all inspectors performing property maintenance versus building inspection. The Inspections division will continue to function as building inspections.

Planning page 203

Personnel Costs	$ 579,895
Materials & Supplies	7,630
Administrative Expenses	25,740
Capital Outlay	-
Total Budget	$613,265

This department's budget is 14% greater than last year's budget because:

- Staffing changes due to reorganization: Director moved from Inspections to Planning.

- Salary and benefit increases.

- Comprehensive Plan Review costs totaling $22,178.

Inspections page 206

Personnel Costs	$ 471,702
Materials & Supplies	11,124
Administrative Expenses	69,616
Capital Outlay	-
Total Budget	$552,442

This department's budget less than last year's budget because:

- Staffing changes due to reorganization: Code enforcement Inspectors and Fire Marshals have been transferred out of this division & into Code Enforcement and Life Safety Divisions. Director was moved to Planning division. This is a reduction of 9 employees.

- This division includes Building Inspections and Permitting & Licensing staff of 7 employees.

- This division reports to the Public Services Manager.

Code Enforcement page 204

Personnel Costs	$ 354,048
Materials & Supplies	17,025
Administrative Expenses	12,145
Capital Outlay	-
Total Budget	$383,218

This is a newly created division:

- Code enforcement inspectors have been transferred out of the Inspections division into Code Enforcement.

- The staffing level is 5.

- This division reports to the Planning Director.

Life Safety page 202

Personnel Costs	$ 299,309
Materials & Supplies	14,740
Administrative Expenses	11,462
Capital Outlay	4,200
Total Budget	$329,711

This is a newly created division:

- The Fire Marshal staff has been transferred out of the Inspections division into the Life Safety division. The Emergency Preparedness Coordinator position has been transferred from Public Services Administration to this division.

- This division includes Building Inspections and Permitting & Licensing staff of 4.

- This division reports to the Public Services Manager.

Grounds page 199

Personnel Costs	$ 965,468
Materials & Supplies	69,662
Administrative Expenses	97,112
Capital Outlay	109,500
Total Budget	$1,241,742

This department's budget is 3.6% greater than last year's budget because:

- Salary and benefit increases of 7.14% – salary, health, pension, and OPEB.

- Capital spending is reduced by $20,413.

Sanitation page 200

Personnel Costs	$ 758,400
Materials & Supplies	43,976
Administrative Expenses	1,398,882
Capital Outlay	315,000
Total Budget	$2,516,258

This department's budget is 7% less than last year's budget because:

- Capital spending is less in FY09 than in FY08 – only one trash truck and one bulk truck are being purchased in FY09.

Other things to know

-Salary and benefit increases of 3.46%.

- Administrative expense increases for contractual services (landfill fees), temporary help, and gasoline.

Streets page 201

Personnel Costs	$ 657,372
Materials & Supplies	94,768
Administrative Expenses	94,550
Capital Outlay	727,470
Total Budget	$1,574,160

This department's budget is 5% greater than last year's budget because:

- Salary and benefit increases of 5.8%.

- Administrative expenses increased due to aggressive equipment repair program.

- Capital spending is greater in FY09 than in FY08 – Streets and Alley Program increased, equipment replacement greater – street sweeper, leaf vacuum, one ton roller.

Economic Development page 205

Personnel Costs	$ 217,506
Materials & Supplies	45,025
Administrative Expenses	52,800
Capital Outlay	-
Total Budget	$315,331

This is a newly created division:

- This division will support the increased emphasis on economic development for Dover and the Downtown Dover Partnership

- There are three positions for this division. These positions include a marketing professional, Main Street Manager, and an administrative assistant. The Main Street Manager is currently occupied and the City will assume responsibility for it.

Community Development page 207

Personnel Costs	$199,649
Materials & Supplies	242,370
Administrative Expenses	5,349
Program Expenses 70 Series	-
Total Budget	$447,368

This department's budget is 2.8% greater than last year's budget because:

- Capital spending for CDBG is greater in FY09 than in FY08.

Third Meeting
Division Budget Review

Electric Fund

2008-2009 Draft Budget

Public Utilities Admin page 210

Personnel Costs	$ 348,063
Materials & Supplies	105,832
Administrative Expenses	212,850
Capital Outlay	-
Total Budget	$666,745

This department's budget is 18% less than last year's budget because:

- Legal expenses, consulting fees, and subscriptions and dues have been reduced.
- Capital spending is less in FY09 than in FY08.

Public Utilities System Operations

Page 211

Personnel Costs	$ 553,954
Materials & Supplies	-
Administrative Expenses	-
Capital Outlay	-
Total Budget	$553,954

This division contains only the salary and benefits of the system operators:

- This allows for allocation of the service between Water/Wastewater and Electric

- Salary and benefits rose 1.5 %.

- This reflects the contractual and benefit increases.

- FY08 contained retirement pay that is not in FY09 making the percentage change appear lower.

Public Utilities Electric T&D

page 214

Personnel Costs	$ 2,552,521
Materials & Supplies	450,527
Administrative Expenses	678,032
Capital Outlay	933,500
Total Budget	$4,614,580

This department's budget is 8 less than last year's budget because:

- Capital spending is decreased from FY08.

- Materials and supplies and Administrative Expenses are also decreased from FY08.

- Salary and benefit increases are 9.3%.

Public Utilities Electric Engineering

pages 212 - 213

Personnel Costs	$ 1,150,906
Materials & Supplies	88,059
Administrative Expenses	433,422
Capital Outlay	9,556,887
Total Budget	$11,229,274

This department's budget is 37.5 % less than last year's budget because:

- Capital projects are $6.8 million less than in FY 2008

- Other things to know:
  - Salary and benefit increases are 7.5%
  - Contractual services are increasing due to a project to convert a previouslast year's used type of GIS system to the current City standard

Public Utilities Power Plant

pages 215 -216

Personnel Costs	$ 3,398,082
65 Series	1,027,964
75 Series	42,000
85 Series	526,200
95 Series	927,400
Capital Outlay	2,690,000
Total Budget	$8,611,646

This department's budget is 29.38% greater than last year's budget because:

- Capital spending is increased from FY 08 by $1.9 million

- Salary and benefit increases are 3.9%

Public Utilities Power Supply

page 217

65 Series Supply Mgmt and Incentive Fees	3,088,808
95 Series Purchases, capacity, and PJM Charges	65,794,260
98 Fuel	2,382,179
Total Budget	$71,265,247

This department's budget is 10.05 % greater than last year's budget because:

- Increased charges for purchase of power

Fire page 184

Personnel Costs	$ 452,490
Materials & Supplies	66,850
Administrative Expenses	196,660
Capital Outlay	296,210
Total Budget	$1,012,210

This department's budget is 5.5% greater than last year's budget because:

- Salary and benefit increases of 12% due to a correction in the way salary budgets are calculated.

- Materials and Supplies and Admin expenses are less in 2009.

Other things to know

- Capital Projects

- Annual Contribution - $288,210

- Radio Purchase- $8,000

GENERAL FUND
CASH RECEIPT SUMMARY

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 BUDGET	2008-09 BASE	2008-09 STRATEGIC	%CHANGE 2008-09
RECEIPTS							
PRIOR YEAR BALANCE	$ 5,437,696	$ 3,542,086	$ 4,051,979	$ 3,910,144	$ -	$ -	-3.5%
FINES AND POLICE REVENUE	717,310	725,000	671,000	671,000	-	-	0.0%
911 FEE	56,370	64,000	64,000	64,000	-	-	0.0%
INVESTMENT INCOME	307,698	300,000	355,850	234,000	-	-	-34.2%
LIBRARY REVENUES	56,430	61,697	58,699	59,873	-	-	2.0%
KENT COUNTY BOOK REIMBURSEMENT	932,575	329,600	450,000	459,000	-	-	2.0%
BUSINESS LICENSES	1,343,531	1,320,000	1,410,000	1,450,000	-	-	2.8%
PERMITS AND OTHER LICENSES	1,345,817	1,227,343	1,306,000	1,120,000	-	-	-14.2%
DEMOLITION REVENUE	-	-	23,166	-	-	-	-100.0%
MISCELLANEOUS CHARGES	236,646	38,750	45,750	54,250	-	-	18.6%
POLICE EXTRA DUTY	358,756	300,000	393,169	393,169	-	-	0.0%
PROPERTY TAXES	9,032,995	9,453,511	9,523,080	10,042,473	-	-	5.5%
BID REVENUE	-	-	-	53,264	-	-	0.0%
RECREATION REVENUE	98,613	140,000	115,000	187,000	-	-	62.6%
FRANCHISE FEE	440,745	422,000	422,000	426,220	-	-	1.0%
TRASH FEES	1,113,318	1,191,411	1,191,411	1,246,411	-	-	4.6%
DSWA TRASH FEE REBATE	170,040	170,000	167,559	170,000	-	-	1.5%
RENT REVENUE - GARRISON FARM	35,533	28,213	35,533	41,535	-	-	16.9%
COURT OF CHANCERY FEES	929,120	761,000	815,860	815,860	-	-	0.0%
INTERNET REVENUE	7,483	5,400	1,894	-	-	-	-100.0%
CURBSIDE RECYCLING	10,041	-	-	-	-	-	0.0%
RECEIPTS SUBTOTAL	**22,630,717**	**20,080,011**	**21,101,950**	**21,398,199**	**-**	**-**	**1.4%**
INTERFUND SERVICE RECEIPTS							
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	1,092,328	1,095,941	1,025,557	1,063,478	-	-	3.7%
INTRAFUND SERVICE RECEIPTS ELECTRIC	3,679,042	3,803,581	3,590,913	3,725,512	-	-	3.7%
INTERFUND SERVICE RECEIPTS SUBTOTAL	**4,771,370**	**4,899,522**	**4,616,470**	**4,788,990**	**-**	**-**	**3.7%**
GRANTS:							
POLICE RELATED	140,833	40,000	40,000	40,000	-	-	0.0%
STATE GRANT - TRAIL MAINTENANCE	1,100	-	-	-	-	-	0.0%
CAPITAL SCHOOL DISTRICT REVENUE	-	130,609	37,440	37,440	-	-	0.0%
RECREATION GRANTS	332,607	20,000	20,000	25,000	-	-	25.0%
INSURANCE AGENCY FIRE SAFETY GRANT	-	-	-	-	-	-	0.0%
MISC GRANT REVENUE	18,000	-	-	-	-	-	0.0%
HOMELAND SECURITY GRANT	87,351	-	-	-	-	-	0.0%
SALE OF ASSETS	169,900	-	500	-	-	-	-100.0%
GRANTS SUBTOTAL	**749,791**	**190,609**	**97,940**	**102,440**	**-**	**-**	**4.6%**
TRANSFERS FROM:							
TRANSFER TAX	3,009,539	2,650,222	3,690,000	2,650,222	-	-	-28.2%
MUNICIPAL STREET AID	657,474	660,000	709,694	710,346	-	-	0.1%
CIVIL TRAFFIC PENALTIES	540,566	500,000	500,000	500,000	-	-	0.0%
WATER/WASTEWATER	535,000	565,000	565,000	564,810	-	-	0.0%
ELECTRIC	4,700,000	6,601,269	6,601,269	6,758,100	-	-	2.4%
PARKLAND RESERVE	781,538	1,987,200	-	-	-	-	0.0%
LIBRARY RESERVE	-	-	41,780	-	-	-	-100.0%
CAPITAL ASSET RESERVE	324,824	-	-	-	-	-	0.0%
WORKER'S COMP FUND	-	-	-	100,000	-	-	0.0%
DELAWARE PREVENTION NETWORK	3,000	-	-	-	-	-	0.0%
TRANSFERS FROM SUBTOTAL	**10,551,941**	**12,963,691**	**12,107,743**	**11,283,478**	**-**	**-**	**-6.8%**
TOTALS	**$ 38,703,819**	**$ 38,133,833**	**$ 37,924,103**	**$ 37,573,107**	**$ -**	**$ -**	**-0.9%**

EXHIBIT #4-B
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

GENERAL FUND
EXPENSE SUMMARY

	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 BUDGET	2008-09 BASE	2008-09 STRATEGIC	%CHANGE 2008-09
DEPARTMENT EXPENSES:							
CITY CLERK	236,271	290,879	252,508	315,721	308,221	7,500	25.0%
COUNCIL	110,404	132,014	125,399	137,190	137,190	-	9.4%
TAX ASSESSOR	224,895	332,606	270,503	689,725	289,725	400,000	155.0%
FIRE	1,188,173	644,773	676,760	716,000	716,000	-	5.8%
GROUNDS MAINTENANCE	1,105,432	1,151,527	1,068,416	1,148,999	1,148,999		7.5%
LIBRARY	1,005,737	1,132,283	1,145,983	1,180,307	1,180,307	-	3.0%
RECREATION	1,452,987	717,058	636,609	937,716	862,716	75,000	47.3%
LIFE SAFETY	-	-	-	325,511	325,511	-	0.0%
CODE INFORCEMENT	-	-	-	383,218	383,218	-	0.0%
PLANNING	295,426	416,090	426,227	486,786	472,286	14,500	14.2%
INSPECTIONS	1,167,072	1,113,413	1,099,178	552,442	552,442	-	-49.7%
ECONOMIC DEVELOPMENT	-	-	-	315,331	315,331	-	0.0%
POLICE	11,328,345	11,460,515	11,353,550	12,496,812	12,496,812	-	10.1%
POLICE EXTRA DUTY	367,446	335,190	335,190	452,280	452,280	-	34.9%
STREETS	868,910	846,290	795,075	861,436	861,436	-	8.3%
SANITATION	2,163,486	2,233,490	2,061,082	2,225,611	2,225,611	-	8.0%
CITY MANAGER	629,503	711,036	606,578	588,343	588,343	-	-3.0%
INFORMATION TECHNOLOGY	892,449	779,732	779,754	892,841	892,841	-	14.5%
FINANCE	654,883	780,540	779,507	793,705	793,705	-	1.8%
PUBLIC SERVICES - ADMINISTRATION	235,183	432,176	386,877	360,091	360,091	-	-6.9%
FACILITIES MANAGEMENT	1,330,499	1,071,055	1,029,017	1,134,369	1,134,369	-	10.2%
PUBLIC WORKS - ENGINEERING	314,729	-	-	-	-	-	0.0%
CENTRAL SERVICES	733,291	705,203	719,062	769,481	769,481	-	7.0%
FLEET MAINTENANCE	649,012	690,862	634,648	702,775	702,775	-	10.7%
CUSTOMER SERVICES	1,048,692	1,212,370	1,178,747	1,002,367	1,002,367	-	-15.0%
HUMAN RESOURCES	349,509	421,407	417,220	446,119	446,119	-	6.9%
MAYOR	106,908	139,055	128,697	98,437	98,437	-	-23.5%
DEPARTMENT SUBTOTALS	**28,459,242**	**27,749,564**	**26,906,587**	**30,013,613**	**29,516,613**	**497,000**	**11.5%**
OTHER EXPENSES:							
DEBT SERVICE	441,232	437,468	437,468	442,319	-	-	1.1%
TRANSFER TO CONTINGENCY	-	34,500	34,500	-	-	-	-100.0%
DSWA RECYCLING PROGRAM	9,622	-	-	-	-	-	0.0%
INSURANCE	452,414	546,857	472,000	500,000	-	-	5.9%
RETIREES HEALTH CARE	736,286	683,321	755,741	853,987	-	-	13.0%
RETIREES PAYMENTS	-	-	-	100,000	-	-	0.0%
UNCOLLECTIBLES - TRASH AND OTHER	10,000	10,000	10,000	10,000	-	-	0.0%
STREET LIGHTS	624,242	575,000	920,000	985,000	-	-	7.1%
OTHER EXPENSE SUBTOTAL	**2,273,796**	**2,287,146**	**2,629,709**	**2,891,306**	**-**	**-**	**9.9%**
GRANTS							
IT EMERGENCY PREPAREDNESS PLAN	87,351	-	-	-	-	-	0.0%
GRANTS SUBTOTAL	**87,351**	**-**	**-**	**-**	**-**	**-**	0.0%
TRANSFERS							
TRANSFER TO OPEB	250,000	-	-	-	-	-	0.0%
TRANSFER TO PENSION UNFUNDED LIABILITY	262,455	89,850	89,850	-	-	-	-100.0%
TRANSFER TO PENSION COLA	139,749	44,925	44,925	-	-	-	-100.0%
TRANSFER TO CAPITAL ASSET RESERVE	159,810	-	-	-	-	-	0.0%
TRANSFER TO CAPITAL FUND - PROJECTS	-	4,680,362	2,683,062	1,857,797	-	-	-30.8%
TRANSFER TO CAPITAL FUND - RESERVE	-	-	-	-	-	-	0.0%
TRANSFER TO STREET PROGRAM	418,120	-	-	-	-	-	0.0%
TRANSFER TO PARKLAND/RECREATION RESERVE	361,375	-	-	-	-	-	0.0%
TRANSFER TO LIBRARY RESERVE	2,226,932	399,350	1,649,109	-	-	-	-100.0%
TRANSFER TO CDBG FUND	-	-	10,717	11,000	-	-	2.6%
INVENTORY WRITE OFFS	13,010	-	-	-	-	-	0.0%
TRANSFERS SUBTOTAL	**3,831,451**	**5,214,487**	**4,477,663**	**1,868,797**	**-**	**-**	**-58.3%**
CURRENT YEAR BALANCE	**4,051,979**	**2,882,636**	**3,910,144**	**2,799,391**	**-**	**-**	**-28.4%**
TOTALS	**$ 38,703,819**	**$ 38,133,833**	**$ 37,924,103**	**$ 37,573,107**	**$ -**	**$ -**	**-0.9%**

** Please see detail explanations of expenditures in each department for further information.*

CENTRAL SERVICES
110-2700-571

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	289,273	272,062	264,356	286,810	286,810	-
10 - 12	OVERTIME	669	-	750	1,000	1,000	-
10 - 13	TEMPORARY HELP	-	-	2,631	-	-	
10 - 14	FICA TAXES	21,961	20,685	20,435	21,976	21,976	-
10 - 15	HEALTH INSURANCE	54,528	48,201	49,029	52,931	52,931	-
10 - 16	L I D INSURANCE	1,737	1,478	1,695	1,760	1,760	-
10 - 17	WORKERS COMPENSATION	5,257	3,460	4,860	4,438	4,438	-
10 - 19	PENSION	57,082	53,893	51,894	55,390	55,390	
10 - 20	OPEB	-	-	-	7,516	7,516	-
	PERSONNEL COSTS	**430,507**	**399,779**	**395,650**	**431,821**	**431,821**	-
20 - 21	FURNITURE/FIXTURES	937	-	-	850	850	-
20 - 22	OFFICE SUPPLIES	2,362	2,121	2,163	2,128	2,128	-
20 - 23	PRINTING AND DUPLICATING	-	200	204	5,100	5,100	-
20 - 25	CUSTODIAL	1,779	1,763	1,798	1,833	1,833	-
20 - 29	UNIFORMS/UNIFORM ALLOW	1,410	1,735	1,350	1,271	1,271	-
20 - 31	BOOKS	-	200	204	200	200	-
20 - 32	SECURITY/SAFETY MATERIALS	927	976	996	1,050	1,050	-
20 - 37	COMPUTER SOFTWARE	52	65	66	70	70	-
20 - 38	COMPUTER HARDWARE	2,423	8,425	8,594	-	-	-
20 - 46	CITY BLDG MAINT SUPPLIES	5,850	15,334	3,504	6,296	6,296	-
20 - 58	WATER/SEWER	2,765	3,300	3,366	-	-	-
	MATERIALS & SUPPLIES	**18,505**	**34,119**	**22,245**	**18,798**	**18,798**	-
30 - 21	TELEPHONE/FAX	2,601	2,800	2,500	2,900	2,900	-
30 - 22	POSTAGE	165,944	168,578	192,000	200,493	200,493	
30 - 23	ELECTRICITY	79,882	75,000	85,600	88,500	88,500	-
30 - 24	HEATING OIL/GAS	196	260	200	200	200	-
30 - 25	ADVERTISEMENT	3,740	5,000	4,200	4,300	4,300	-
30 - 27	SUBSCRIPTIONS AND DUES	716	1,030	1,030	1,051	1,051	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	1,401	5,100	3,000	5,000	5,000	-
30 - 31	CONTRACTUAL SERVICES	1,991	2,000	2,100	2,150	2,150	-
30 - 43	ENVIRONMENTAL EXPENSES	-	75	75	77	77	-
30 - 61	OFF EQUIP/REPAIRS & MAINT	5,189	5,359	5,359	5,466	5,466	-
30 - 62	GASOLINE	3,689	4,300	3,300	4,386	4,386	-
30 - 66	OTHER EQUIP REPAIRS/MAINT	1,861	1,335	1,335	3,862	3,862	-
30 - 67	RADIO REPAIRS/MAINTENANCE	468	468	468	477	477	-
	ADMINISTRATIVE EXPENDITURES	**267,678**	**271,305**	**301,167**	**318,862**	**318,862**	-
40 - 25	OTHER EQUIP - PURCHASE	15,656	16,000	16,000	-	-	
40 - 31	CONSTRUCTION - PURCHASE	947	5,000	5,000	9,996	9,996	-
	CAPITAL OUTLAY	**16,603**	**21,000**	**21,000**	**9,996**	**9,996**	-
	TOTAL EXPENDITURES	**733,293**	**726,203**	**740,062**	**779,477**	**779,477**	-
	REVENUES:						
	GENERAL FUND	733,293	705,203	719,062	769,481	769,481	-
	GOVERNMENTAL CAPITAL PROJECTS FUND		21,000	21,000	9,996	9,996	
	PERSONNEL:						
	FULL-TIME EQUIVALENT	8.0	8.0	8.0	8.0	8.0	-

FACILITIES MANAGEMENT
110-2500-552

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	480,824	539,686	539,686	577,229	577,229	-
10 - 12	OVERTIME	-	-	125	500	500	-
10 - 14	FICA TAXES	36,293	41,476	40,647	44,259	44,259	-
10 - 15	HEALTH INSURANCE	89,482	102,267	96,681	126,542	126,542	-
10 - 16	L I D INSURANCE	2,783	3,093	3,036	3,301	3,301	-
10 - 17	WORKERS COMPENSATION	17,030	16,391	16,391	20,806	20,806	-
10 - 19	PENSION	118,274	166,066	143,201	151,091	151,091	-
10 - 20	OPEB	-	-	-	14,577	14,577	-
	PERSONNEL COSTS	**744,686**	**868,979**	**839,767**	**938,305**	**938,305**	-
20 - 22	OFFICE SUPPLIES	110	100	100	102	102	-
20 - 25	CUSTODIAL	6,636	10,000	10,000	10,200	10,200	-
20 - 29	UNIFORMS/UNIFORM ALLOW	2,470	3,135	3,000	3,700	3,700	-
20 - 32	SECURITY/SAFETY MATERIALS	1,155	1,570	1,570	2,026	2,026	-
20 - 33	SMALL TOOLS	234	1,000	1,000	1,000	1,000	-
20 - 46	CITY BLDG MAINT SUPPLIES	17,463	13,900	13,900	12,222	12,222	-
20 - 58	WATER/SEWER	1,246	1,250	1,250	1,275	1,275	-
20 - 61	ELEC MATERIALS/SUPPLIES	2,414	2,575	2,000	2,627	2,627	
	MATERIALS & SUPPLIES	**31,728**	**33,530**	**32,820**	**33,152**	**33,152**	-
30 - 21	TELEPHONE/FAX	1,958	2,000	2,000	2,040	2,040	-
30 - 23	ELECTRICITY	67,492	79,000	75,000	80,356	80,356	-
30 - 24	HEATING OIL/GAS	673	1,030	1,030	1,051	1,051	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	-	-	-	200	200	-
30 - 31	CONTRACTUAL SERVICES	4,179	79,416	70,000	70,715	70,715	-
30 - 62	GASOLINE	5,929	5,500	6,800	6,950	6,950	-
30 - 64	TRUCK REPAIRS/MAINTENANCE	-	500	500	500	500	-
30 - 65	MAINT EQUIP REPAIRS/MAINT	-	300	300	300	300	-
30 - 67	RADIO REPAIRS/MAINTENANCE	531	800	800	800	800	-
	ADMINISTRATIVE EXPENDITURES	**80,762**	**168,546**	**156,430**	**162,912**	**162,912**	-
40 - 25	OTHER EQUIP - PURCHASE	441,924	-	-	-	-	
40 - 31	CONSTRUCTION - PURCHASE	31,399	59,800	59,800	140,000	140,000	
	CAPITAL OUTLAY	**473,323**	**59,800**	**59,800**	140,000	**140,000**	
					-		
	TOTAL EXPENDITURES	**1,330,499**	**1,130,855**	**1,088,817**	**1,274,369**	**1,274,369**	-
	REVENUES:						
	GENERAL FUND	857,176	1,071,055	1,029,017	1,134,369	1,134,369	
	GOVERNMENTAL CAPITAL PROJECTS FUND	473,323	59,800	59,800	140,000	140,000	
	PERSONNEL:						
	FULL-TIME EQUIVALENT	12.0	13.0	13.0	13.0	13.0	-

FLEET MAINTENANCE
110-2800-572

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	223,563	232,222	232,280	247,704	247,704	-
10 - 12	OVERTIME	316	-	422	1,900	1,900	-
10 - 14	FICA TAXES	16,664	17,516	17,512	18,912	18,912	-
10 - 15	HEALTH INSURANCE	41,141	41,154	49,356	53,290	53,290	-
10 - 16	L I D INSURANCE	1,259	1,266	944	1,322	1,322	-
10 - 17	WORKERS COMPENSATION	9,073	7,895	7,911	10,158	10,158	-
10 - 19	PENSION	36,128	39,668	39,652	42,185	42,185	-
10 - 20	OPEB	-	-	-	6,193	6,193	-
	PERSONNEL COSTS	**328,144**	**339,721**	**348,077**	**381,664**	**381,664**	**-**
20 - 22	OFFICE SUPPLIES	167	200	200	204	204	-
20 - 23	PRINTING AND DUPLICATING	204	290	290	356	356	-
20 - 25	CUSTODIAL	65	100	100	102	102	-
20 - 26	PROGRAM EXPENSES	294,514	333,720	270,000	303,555	303,555	-
20 - 29	UNIFORMS/UNIFORM ALLOW	1,470	1,560	1,560	1,560	1,560	-
20 - 31	BOOKS	-	100	100	102	102	-
20 - 32	SECURITY/SAFETY MATERIALS	721	1,365	1,365	1,385	1,385	-
20 - 33	SMALL TOOLS	8,582	5,000	5,000	5,050	5,050	-
20 - 37	COMPUTER SOFTWARE	9,066	2,100	2,100	2,142	2,142	-
20 - 38	COMPUTER HARDWARE	1,212	-	-	-	-	-
20 - 46	CITY BLDG MAINT SUPPLIES	515	1,000	1,000	1,020	1,020	-
	MATERIALS & SUPPLIES	**316,516**	**345,435**	**281,715**	**315,476**	**315,476**	**-**
30 - 21	TELEPHONE/FAX	1,350	1,500	650	1,085	1,085	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	871	500	500	800	800	-
30 - 31	ENVIRONMENTAL EXPENSES	-	1,200	1,200	1,200	1,200	-
30 - 62	GASOLINE	1,829	2,200	2,200	2,244	2,244	-
30 - 67	RADIO REPAIRS/MAINTENANCE	300	306	306	306	306	-
	ADMINISTRATIVE EXPENDITURES	**4,350**	**5,706**	**4,856**	**5,635**	**5,635**	**-**
40 - 24	MAINT EQUIP - PURCHASE	-	-	-	-		
40 - 25	OTHER EQUIP - PURHASE	-	34,719	34,719	-		
	CAPITAL OUTLAY	**-**	**34,719**	**34,719**	**-**		
	TOTAL EXPENDITURES	**649,010**	**725,581**	**669,367**	**702,775**	**702,775**	**-**
	REVENUES:						
	GENERAL FUND	649,010	690,862	634,648	702,775	702,775	-
	GOVERNMENTAL CAPITAL PROJECTS FUND		34,719	34,719			
	PERSONNEL:						
	FULL-TIME EQUIVALENT	6.0	6.0	6.0	6.0	6.0	-

PUBLIC SERVICES
GROUNDS
110-1500-522

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	557,022	588,476	552,763	585,911	585,911	-
10 - 12	OVERTIME	15,697	19,500	19,500	15,000	15,000	-
10 - 13	TEMPORARY HELP	483	-	-	-	-	-
10 - 14	FICA TAXES	43,073	46,748	43,253	45,936	45,936	-
10 - 15	HEALTH INSURANCE	121,432	121,877	114,185	142,230	142,230	-
10 - 16	L I D INSURANCE	3,373	3,468	3,113	3,519	3,519	-
10 - 17	WORKERS COMPENSATION	23,093	21,000	19,271	24,636	24,636	-
10 - 18	EDUCATIONAL ASSISTANCE	-	7,696	7,696	-	-	-
10 - 19	PENSION	147,276	155,512	141,385	150,197	150,197	-
10 - 20	OPEB	-	-	-	14,796	14,796	-
	PERSONNEL COSTS	**911,449**	**964,277**	**901,166**	**982,225**	**982,225**	-
20 - 22	OFFICE SUPPLIES	108	150	150	150	150	-
20 - 25	CUSTODIAL	187	250	250	250	250	-
20 - 26	PROGRAM EXPENSES/SUPPLIES	46,747	54,501	54,501	51,875	51,875	-
20 - 29	UNIFORMS/UNIFORM ALLOW	5,635	4,045	4,045	3,526	3,526	-
20 - 31	BOOKS	89	90	90	100	100	-
20 - 32	SECURITY/SAFETY MATERIALS	4,022	4,000	4,000	4,400	4,400	-
20 - 33	SMALL TOOLS	5,450	3,107	3,107	4,411	4,411	-
20 - 44	SAND AND SALT	595	750	750	750	750	-
20 - 46	CITY BLDG MAINT SUPPLIES	2,569	2,455	2,455	400	400	-
20 - 58	WATER/SEWER	3,760	3,500	3,500	3,800	3,800	-
	MATERIALS & SUPPLIES	**69,162**	**72,848**	**72,848**	**69,662**	**69,662**	-
30 - 21	TELEPHONE/FAX	852	795	795	759	759	-
30 - 23	ELECTRICITY	3,453	3,900	3,900	3,900	3,900	-
30 - 24	HEATING OIL/GAS	7,668	8,000	6,500	8,400	8,400	-
30 - 27	SUBSCRIPTIONS AND DUES	365	365	365	385	385	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	2,767	2,762	2,762	2,900	2,900	-
30 - 31	CONTRACTUAL SERVICES	19	35	35	935	935	-
30 - 44	AGENCY BILLING-TEMP HELP	37,205	47,500	29,000	27,000	27,000	-
30 - 62	GASOLINE	29,926	31,000	31,000	32,500	32,500	-
30 - 64	TRUCK REPAIRS/MAINTENANCE	6,830	1,825	1,825	1,825	1,825	-
30 - 65	MAINT EQUIP REPAIRS/MAINT	14,551	16,500	16,500	16,800	16,800	-
30 - 67	RADIO REPAIRS/MAINTENANCE	1,687	1,720	1,720	1,708	1,708	-
	ADMINISTRATIVE EXPENDITURES	**105,323**	**114,402**	**94,402**	**97,112**	**97,112**	-
40 - 23	TRUCKS - PURCHASE	-	129,913	129,913	60,000	60,000	-
40 - 24	MAINT EQUIP - PURCHASE	18,856	-	-	49,500	49,500	-
40 - 26	RADIO - PURCHASE	640	-	-	-	-	-
40 - 31	CONSTRUCTION - PURCHASE	-	-	-	-	-	-
40 - 42	LEASED EQUIP & VEHICLES	-	-	-	-	-	-
	CAPITAL OUTLAY	**19,496**	**129,913**	**129,913**	**109,500**	**109,500**	-
	TOTAL EXPENDITURES	**1,105,430**	**1,281,440**	**1,198,329**	**1,258,499**	**1,258,499**	-
	REVENUES:						
	GENERAL FUND	1,105,430	1,151,527	1,068,416	1,148,999	1,148,999	-
	GOVERNMENTAL CAPITAL PROJECTS FUND	-	129,913	129,913	109,500	109,500	-
	PERSONNEL:						
	FULL-TIME EQUIVALENT	16.0	16.0	16.0	16.0	16.0	-

PUBLIC SERVICES
SANITATION
110-1800-555

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	418,743	446,538	444,214	465,467	465,467	-
10 - 12	OVERTIME	17,779	22,500	22,500	21,800	21,800	-
10 - 14	FICA TAXES	32,580	35,932	35,321	36,903	36,903	-
10 - 15	HEALTH INSURANCE	98,101	96,671	106,018	113,662	113,662	-
10 - 16	L I D INSURANCE	2,558	2,694	2,657	2,792	2,792	
10 - 17	WORKERS COMPENSATION	17,522	16,203	15,580	19,974	19,974	-
10 - 19	PENSION	96,083	116,687	106,748	110,401	110,401	-
10 - 20	OPEB	-	-	-	11,754	11,754	-
	PERSONNEL COSTS	**683,366**	**737,225**	**733,038**	**782,753**	**782,753**	**-**
20 - 21	FURNITURE/FIXTURES	112	-	-	249	249	-
20 - 22	OFFICE SUPPLIES	130	150	150	150	150	-
20 - 23	PRINTING AND DUPLICATING	173	1,000	200	1,000	1,000	-
20 - 26	PROGRAM EXPENSES/SUPPLIES	35,039	41,200	33,500	34,700	34,700	-
20 - 28	MEDICAL SUP & PHYSICALS	-	20	20	20	20	-
20 - 29	UNIFORMS/UNIFORM ALLOW	4,919	3,008	3,008	2,732	2,732	-
20 - 32	SECURITY/SAFETY MATERIALS	2,486	2,500	2,500	2,825	2,825	-
20 - 33	SMALL TOOLS	1,082	770	770	800	800	-
20 - 35	CHEMICALS & ADDITIVES	-	500	500	500	500	-
20 - 46	CITY BLDG MAINT SUPPLIES	647	721	721	1,000	1,000	-
	MATERIALS & SUPPLIES	**44,588**	**49,869**	**41,369**	**43,976**	**43,976**	**-**
30 - 21	TELEPHONE/FAX	260	512	450	460	460	-
30 - 25	ADVERTISEMENT	3,322	2,900	2,900	3,000	3,000	-
30 - 27	SUBSCRIPTIONS AND DUES	-	119	-	-	-	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	-	100	100	100	100	-
30 - 31	CONTRACTUAL SERVICES	1,140,597	1,254,540	1,100,000	1,200,000	1,200,000	-
30 - 43	ENVIRONMENTAL EXPENSES	5,122	5,000	5,000	5,000	5,000	-
30 - 44	AGENCY BILLING-TEMP HELP	38,293	41,000	41,000	45,000	45,000	-
30 - 62	GASOLINE	109,127	115,000	110,000	118,000	118,000	-
30 - 64	TRUCK REPAIRS/MAINTENANCE	14,371	26,000	26,000	26,000	26,000	-
30 - 65	MAINT EQUIP REPAIRS/MAINT	233	-	-	-	-	-
30 - 67	RADIO REPAIRS/MAINTENANCE	1,187	1,225	1,225	1,322	1,322	-
	ADMINISTRATIVE EXPENDITURES	**1,312,512**	**1,446,396**	**1,286,675**	**1,398,882**	**1,398,882**	**-**
40 - 23	TRUCKS - PURCHASE	109,579	502,800	638,315	315,000	315,000	-
40 - 25	OTHER EQUIP - PURCHASE	2,142	-	-	-	-	-
40 - 42	LEASED EQUIP & VEHICLES	11,298	-	-	-	-	-
	CAPITAL OUTLAY	**123,019**	**502,800**	**638,315**	**315,000**	**315,000**	**-**
	TOTAL EXPENDITURES	**2,163,485**	**2,736,290**	**2,699,397**	**2,540,611**	**2,540,611**	**-**
	REVENUES:						
	GENERAL FUND	2,163,485	2,233,490	2,061,082	2,225,611	2,225,611	-
	GOVERNMENTAL CAPITAL PROJECTS FUND	-	502,800	638,315	315,000	315,000	-
	PERSONNEL:						
	FULL-TIME EQUIVALENT	13.0	13.0	13.0	13.0	13.0	-

PUBLIC SERVICES
STREETS
110-1800-554

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	381,031	406,307	385,824	410,160	410,160	-
10 - 12	OVERTIME	10,195	15,000	15,000	13,200	13,200	-
10 - 14	FICA TAXES	29,441	32,303	30,380	32,530	32,530	-
10 - 15	HEALTH INSURANCE	77,081	86,149	76,759	84,943	84,943	-
10 - 16	L I D INSURANCE	2,386	2,461	2,387	2,522	2,522	-
10 - 17	WORKERS COMPENSATION	13,732	12,677	11,657	15,019	15,019	-
10 - 18	EDUCATIONAL ASSISTANCE	408	450	896	-	-	-
10 - 19	PENSION	93,145	107,868	98,276	103,386	103,386	-
10 - 20	OPEB	-	-	-	10,358	10,358	-
	PERSONNEL COSTS	**607,419**	**663,215**	**621,179**	**672,118**	**672,118**	**-**
20 - 21	FURNITURE/FIXTURES	127	-	-	198	198	-
20 - 22	OFFICE SUPPLIES	67	150	150	150	150	-
20 - 26	PROGRAM EXPENSES/SUPPLIES	22,384	30,000	21,000	28,600	28,600	-
20 - 29	UNIFORMS/UNIFORM ALLOW	3,517	2,084	2,084	2,076	2,076	-
20 - 32	SECURITY/SAFETY MATERIALS	2,533	2,500	2,500	4,376	4,376	-
20 - 33	SMALL TOOLS	4,822	2,923	2,923	2,893	2,893	-
20 - 35	CHEMICALS & ADDITIVES	69	100	100	100	100	-
20 - 38	COMPUTER HARDWARE	24	-	-	-	-	-
20 - 41	STREET REPAIRING MATERIAL	11,646	18,000	18,000	18,900	18,900	-
20 - 42	STREET CLEANING SUPPLIES	5,819	4,220	4,220	4,300	4,300	-
20 - 43	STREET SIGNS/MARKING	18,534	18,540	18,540	16,800	16,800	-
20 - 44	SAND AND SALT	5,476	8,000	11,869	-	-	-
20 - 46	CITY BLDG MAINT SUPPLIES	9,385	11,375	11,375	11,600	11,600	-
20 - 62	STORM SEWER SUPPLIES	3,198	6,000	2,000	4,000	4,000	-
20 - 64	DITCH MAINTENANCE	2,983	775	775	775	775	-
	MATERIALS & SUPPLIES	**90,584**	**104,667**	**95,536**	**94,768**	**94,768**	**-**
30 - 21	TELEPHONE/FAX	564	1,033	800	820	820	-
30 - 25	ADVERTISEMENT	2,748	1,850	1,850	1,900	1,900	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	-	310	310	400	400	-
30 - 31	CONTRACTUAL SERVICES	4,569	10,815	5,500	5,000	5,000	-
30 - 44	AGENCY BILLING-TEMP HELP	8,169	12,000	12,000	12,250	12,250	-
30 - 62	GASOLINE	37,112	40,000	45,500	47,780	47,780	-
30 - 64	TRUCK REPAIRS/MAINTENANCE	36	1,000	1,000	1,000	1,000	-
30 - 65	MAINT EQUIP REPAIRS/MAINT	3,920	10,000	10,000	24,000	24,000	-
30 - 67	RADIO REPAIRS/MAINTENANCE	1,299	1,400	1,400	1,400	1,400	-
	ADMINISTRATIVE EXPENDITURES	**58,417**	**78,408**	**78,360**	**94,550**	**94,550**	**-**
40 - 23	TRUCKS - PURCHASE	-	96,000	96,000	15,170	15,170	-
40 - 25	OTHER EQUIPMENT PURCHASE	48,259	-	-	197,300	197,300	-
40 - 26	RADIO - PURCHASE	640	-	-	-	-	-
40 - 31	CONSTRUCTION - PURCHASE	-	415,000	422,500	515,000	515,000	-
40 - 42	LEASED EQUIP & VEHICLES	-	-	-	-	-	-
	CAPITAL OUTLAY	**48,899**	**511,000**	**518,500**	**727,470**	**727,470**	**-**
	TOTAL EXPENDITURES	**805,319**	**1,357,290**	**1,313,575**	**1,588,906**	**1,588,906**	**-**
	REVENUES:						
	GENERAL FUND	805,319	846,290	795,075	861,436	861,436	-
	GOVERNMENTAL CAPITAL PROJECTS FUND	-	511,000	518,500	727,470	727,470	-
	PERSONNEL:						
	FULL-TIME EQUIVALENT	11.0	11.0	11.0	11.0	11.0	-

PUBLIC SERVICES
PLANNING
110-1600-533

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	203,834	255,614	255,614	315,924	315,924	-
10 - 12	OVERTIME	-	-	5,000	-	-	-
10 - 13	TEMPORARY HELP	-	14,188	20,000	27,900	27,900	-
10 - 14	FICA TAXES	15,515	20,970	20,970	26,500	26,500	-
10 - 15	HEALTH INSURANCE	29,160	38,751	38,751	42,313	42,313	-
10 - 16	L I D INSURANCE	1,199	1,559	1,559	2,021	2,021	-
10 - 17	WORKERS COMPENSATION	1,288	1,394	1,394	2,355	2,355	-
10 - 19	PENSION	24,679	45,754	45,754	28,505	28,505	-
10 - 20	OPEB	-	-	-	7,898	7,898	-
	PERSONNEL COSTS	**275,675**	**378,230**	**389,042**	**453,416**	**453,416**	-
20 - 21	FURNITURE/FIXTURES	197	300	300	1,100	100	1,000
20 - 22	OFFICE SUPPLIES	930	700	700	710	510	200
20 - 23	PRINTING AND DUPLICATING	2,858	3,000	1,500	5,050	3,050	2,000
20 - 24	PHOTOGRAPHIC	-	300	300	-	-	-
20 - 31	BOOKS	570	900	900	600	600	-
20 - 37	COMPUTER SOFTWARE	451	585	585	170	170	-
20 - 38	COMPUTER HARDWARE	4,394	-	-	-	-	-
	MATERIALS & SUPPLIES	**9,400**	**5,785**	**4,285**	**7,630**	**4,430**	**3,200**
30 - 21	TELEPHONE/FAX	-	-	-	960	960	-
30 - 25	ADVERTISEMENT	679	2,530	1,430	1,700	1,400	300
30 - 27	SUBSCRIPTIONS AND DUES	1,860	2,260	2,260	2,680	2,680	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	7,747	7,210	9,210	9,400	9,400	-
30 - 29	CONSULTING FEES	-	20,000	20,000	11,000	-	11,000
30 - 31	CONTRACTUAL SERVICES	65	75	-	-	-	-
30 - 61	OFF EQUIP/REPAIRS & MAINT		-	-	-	-	-
	ADMINISTRATIVE EXPENDITURES	**10,351**	**32,075**	**32,900**	**25,740**	**14,440**	**11,300**
	TOTAL EXPENDITURES	**295,426**	**416,090**	**426,227**	**486,786**	**472,286**	**14,500**
	REVENUES:						
	GENERAL FUND	295,426	416,090	426,227	486,786	472,286	14,500
	PERSONNEL:						
	FULL-TIME EQUIVALENT	5.0	5.0	5.0	6.0	6.0	-

PUBLIC SERVICES
COMMUNITY DEVELOPMENT
715-9900-596
(For Informational Purposes Only)

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
10 - 11	SALARIES	47,520	48,952	48,952	50,787	50,787	-
10 - 14	FICA TAXES	3,588	3,722	3,722	3,862	3,862	-
10 - 15	HEALTH INSURANCE	6,194	6,186	6,186	6,678	6,678	-
10 - 16	L I D INSURANCE	347	352	352	369	369	-
10 - 17	WORKERS COMPENSATION	252	215	215	269	269	-
10 - 19	PENSION	2,851	2,937	2,937	3,047	3,047	-
	PERSONNEL COSTS	**60,752**	**62,364**	**62,364**	**65,012**	**65,012**	**-**
20 - 22	OFFICE SUPPLIES	467	235	135	-	-	-
20 - 23	PRINTING AND DUPLICATING	576	347	572	300	300	-
20 - 26	PROGRAM EXPENSES/SUPPLIES	-	238,660	-	-	-	-
20 - 38	COMPUTER HARDWARE PURCHASE	-	3,000	3,000	-	-	-
	MATERIALS & SUPPLIES	**1,043**	**242,242**	**3,707**	**300**	**300**	**-**
30 - 21	TELEPHONE/FAX	521	735	735	735	735	-
30 - 25	ADVERTISEMENT	575	450	325	536	536	-
30 - 27	SUBSCRIPTIONS AND DUES	215	250	250	670	670	-
30 - 28	TRAINING/CONF/FOOD/TRAVEL	7,073	3,000	3,000	3,408	3,408	-
	ADMINISTRATIVE EXPENDITURES	**8,384**	**4,435**	**4,310**	**5,349**	**5,349**	**-**
70 - 33	ENHANCED CRIME PREV SERV	4,114	-	-	21,112	21,112	-
70 - 40	HOUSE OF PRIDE	-	-	33,050	-	-	-
70 - 42	CLOSING COST/DWNPYMNT PROG	86,291	-	46,912	45,112	45,112	-
70 - 43	CONNECTIONS COMM SUPPORT	-	-	11,698	15,112	15,112	-
70 - 45	COMMUNITY REHAB ASSISTANCE	90,421	-	50,000	91,000	91,000	-
70 - 46	301 W. LOOCKERMAN ST RENTAL	-	-	57,000	-	-	-
70 - 59	FIRST STATE RES CONSV&DEV	-	-	25,000	25,000	25,000	-
70 - 52	COMM REVITALIZATION INFAS	128,358	-	-	-	-	-
70 - 53	MICROENERPRISE ASSIST	9,916	-	-	-	-	-
70 - 56	CITY BLDG ACCESSBLITY IMP	3,178	-	-	-	-	-
70 - 58	DOVER COMM PARTNRSHP (DCP)	46,000	-	-	-	-	-
70 - 59	FIRST STATE RES CONSV&DEV	29,948	-	25,000	-	-	-
70 -	DOVER INTERFAITH MINISTRY TO THE HOMELESS		-	-	60,000	60,000	
	TOTAL	**398,226**	**-**	**248,660**	**257,336**	**257,336**	**-**
40 - 28	COMPUTER HARDWARE PURCH	-	-	-	-		
	TOTAL EXPENDITURES	**468,405**	**309,041**	**319,041**	**327,997**	**327,997**	**-**
	REVENUES:						
	GENERAL FUND	468,405	309,041	319,041	327,997	327,997	-
	PERSONNEL:						
	FULL-TIME EQUIVALENT	1.0	1.0	1.0	1.0	1.0	-

ELECTRIC REVENUE FUND

Expense Summary

	2006/07 ACTUAL	2007/08 BUDGET	2007/08 REVISED	2008/09 BUDGET	2008/09 BASE	2008/09 STRATEGIC	%CHANGE 2008/09
EXPENSES:							
POWER SUPPLY	$ 57,926,074	$ 60,764,531	$ 57,431,472	$ 63,410,077	$ -	$ -	10.4%
POWER SUPPLY MANAGEMENT	3,153,000	3,255,038	3,009,240	3,088,808	-	-	2.6%
PJM CHARGES - LOAD	5,054,477	2,684,707	3,383,494	3,510,195	-	-	3.7%
CAPACITY CHARGES		11,493,950	12,163,918	10,692,738	-	-	-12.1%
SUB-TOTAL POWER SUPPLY	**66,133,551**	**78,198,226**	**75,988,124**	**80,701,818**	-	-	6.2%
PLANT OPERATIONS	5,084,842	6,258,151	5,879,263	5,921,646	-	-	0.7%
GENERATIONS FUELS	3,879,167	2,858,979	2,374,594	2,382,179	-	-	0.3%
PJM CREDITS	(4,517,569)	(3,696,990)	(2,472,013)	(2,552,753)	-	-	3.3%
CAPACITY CREDITS		(11,933,536)	(11,417,244)	(9,265,997)	-	-	-18.8%
GENERATION SUBTOTAL	**4,446,440**	**(6,513,396)**	**(5,635,400)**	**(3,514,925)**	-	-	-37.6%
POWER SUPPLY & GENERATION SUBTOTAL	**70,579,991**	**71,684,830**	**70,352,724**	**77,186,893**	-	-	
TRANSITION COSTS	87,001	-	-	-	-	-	0.0%
TRANSMISSION/DISTRIBUTION	3,168,037	3,541,793	3,490,597	3,681,080	3,681,080	-	5.5%
ELECTRICAL ENGINEERING	1,826,367	1,806,923	1,574,607	1,672,387	1,553,387	119,000	6.2%
ADMINISTRATION	654,609	744,423	786,998	666,745	666,745	-	-15.3%
METER READING	281,728	318,995	311,493	295,656	295,656	-	-5.1%
SYSTEMS OPERATIONS	-	464,503	545,809	553,954	553,954	-	1.5%
UTILITY TAX	1,461,435	1,599,100	1,633,100	1,763,500	-	-	8.0%
DIRECT EXPENDITURE SUBTOTALS	**78,059,168**	**80,160,567**	**78,695,328**	**85,820,215**			**9.1%**
OTHER EXPENSES:							
ALLOW FOR UNCOLLECTIBLES	-	100,000	125,000	135,000	-	-	8.0%
RETIREES HEALTH CARE	498,269	464,620	497,895	557,727	-	-	12.0%
GREEN ENERGY PAYMENT TO DEMEC	133,852	134,350	134,350	137,600	-	-	2.4%
INTRAFUND SERVICE FEES	3,679,042	3,803,581	3,590,913	3,726,928	-	-	3.8%
INTEREST ON DEPOSITS	39,323	35,000	40,000	42,000	-	-	5.0%
INVENTORY WRITE OFFS		100,000	175,000	175,000	-	-	0.0%
DEBT SERVICE	2,149,044	3,379,104	2,804,104	3,431,323	-	-	22.4%
OTHER EXPENSES SUBTOTAL	**6,499,530**	**8,016,655**	**7,367,262**	**8,205,578**	-	-	**11.4%**
TRANSFER TO:							
IMPROVEMENT & EXTENSION	-	2,925,000	2,925,000	1,684,000	-	-	-42.4%
GENERAL FUND	4,700,000	6,601,269	6,601,269	6,758,100	-	-	2.4%
TRANSFER TO OPEB	100,000	-	-	-	-	-	0.0%
TRANSFER TO PENSION UNFUNDED LIABILITY	89,271	39,750	39,750	-	-	-	-100.0%
TRANSFER TO PENSION COLA	101,692	19,875	19,875	-	-	-	-100.0%
RATE STABILIZATION RESERVE		1,000,000	2,030,679	-	-	-	-100.0%
TRANSFER TO SUBTOTAL	**4,990,963**	**10,585,894**	**11,616,573**	**8,442,100**	-	-	**-27.3%**
CURRENT YEAR BALANCE	**8,281,653**	**7,908,700**	**6,816,609**	**8,319,130**	-	-	**22.0%**
TOTALS	**$97,831,314**	**$106,671,816**	**$104,495,772**	**$110,787,023**	$ -	$ -	**6.0%**

** Debt Service in FY 2006 and 2007 has been reduced in order to return our bond reserve balances to normal levels.*

ELECTRIC CAPITAL PROJECTS FUND

ORIGIN AND PURPOSE

This fund is required by the Electric Bond Covenants for the purpose of providing long-term financing of the expansion and improvement of the electric system.

SOURCE OF FUNDS

Appropriations for this fund are received from the Electric Revenue, Depreciation Reserve, Insurance Stabilization, Future Capacity Funds, and reimbursements from the State of Delaware.

COMMENTS

All projects in this fund are itemized in each fund budget.

Cash Receipts Summary

	2006/07 ACTUAL	2007/08 BUDGET	2007/08 REVISED	2008/09 BUDGET	%CHANGE 2008/09
PRIOR YEAR BALANCE	$2,709,730	$13,954	$1,366,983	$229,629	-83.2%
PRIOR YEAR BALANCE BOND			-	10,694,083	0.0%
INTEREST EARNINGS	165,459	160,000	160,000	113,037	-29.4%
INTEREST TRUSTEE	-	-	-	-	0.0%
ELECTRIC NEW SERVICE FEES	-	-	-	-	0.0%
RECEIPT FROM DEPRECIATION RESERVE	2,620,238	4,288,392	4,699,579	2,000,000	-57.4%
RECEIPT FROM FUTURE CAPACITY RESERVE	-	-	1,000,000	3,000,000	200.0%
TRANSPORTATION ENHANCEMENT GRANT	39,500	-	-	-	0.0%
STATE REIMBURSEMENT FOR PROJECTS	-	710,318	-	805,558	0.0%
GREEN ENERGY GRANT	-	-	-	50,000	0.0%
BOND ISSUE 2008	-	19,500,000	19,500,000	-	-100.0%
					0.0%
TRANSFER FROM ELECTRIC	-	2,925,000	2,925,000	1,684,000	-42.4%
TOTALS	**$5,534,927**	**$27,597,664**	**$29,651,562**	**$18,576,307**	**-37.4%**

Expense Summary

	2006/07 ACTUAL	2007/08 BUDGET	2007/08 REVISED	2008/09 BUDGET	%CHANGE 2008/09
ELECTRIC GENERATION	$ -	$ 377,000	$ 777,000	$ 2,690,000	246.2%
TRANSMISSION AND DISTRIBUTION	1,938,515	1,634,250	1,515,803	933,500	-38.4%
ELECTRICAL ENGINEERING	2,142,930	6,969,210	16,389,149	9,556,887	-41.7%
ADMINISTRATION	56,271	8,000	25,498	-	-100.0%
METER READING	30,228	28,241	20,400	-	-100.0%
SYSTEMS OPERATIONS	-	-	-	-	0.0%
CURRENT YEAR BALANCE	1,366,983	153,463	229,629	5,395,920	2249.8%
CURRENT YEAR BALANCE -BOND	-	9,350,000	10,694,083	-	-100.0%
TOTALS	**$ 5,534,927**	**$ 18,520,164**	**$ 29,651,562**	**$ 18,576,307**	**-37.4%**

POWER SUPPLY
480/487-8102-592

ACCT	TITLE	2006-07 ACTUAL	2007-08 BUDGET	2007-08 REVISED	2008-09 TOTAL	2008-09 BASE	2008-09 STRATEGIC
30 - 98	TRANSITION COSTS	87,001	-	-	-	-	-
	30 SERIES COSTS	**87,001**	-	-	-	-	-
65 - 24	OFFICE SUPPLIES	-	-	-	-	-	-
65 - 28	TRAINING/CONF/FOOD/TRAVEL	-	-	-	-	-	-
65 - 31	CONTRACTUAL SERVICES	-	-	-	300,000	300,000	-
65 - 44	OPERATOR/SUPPLY MGMT FEE	2,175,000	3,255,038	3,009,240	2,788,808	2,788,808	-
65 - 45	OPERATOR/SUPPLY INCENTIVE	978,000	-	-	-	-	-
	65 SERIES COSTS	**3,153,000**	**3,255,038**	**3,009,240**	**3,088,808**	**3,088,808**	-
95 - 48	3RD PARTY HEDGE PURCHASES	57,926,074	-	57,431,472	63,410,077	63,410,077	-
95 - 49	CAPACITY CHARGES	-	-	12,163,918	10,692,738	10,692,738	
95 - 50	CAPACITY CREDITS	-	-	(11,417,244)	(9,265,997)	(9,265,997)	
95 - 91	PJM CHARGES	5,054,476	74,943,188	3,383,494	3,510,195	3,510,195	-
95 - 92	PJM CREDITS	(4,517,659)	(15,630,526)	(2,472,013)	(2,552,753)	(2,552,753)	-
	95 SERIES COSTS	**58,462,891**	**59,312,662**	**59,089,627**	**65,794,260**	**65,794,260**	-
98 - 91	GAS FUEL	3,879,167	2,858,979	2,374,594	2,382,179	2,382,179	-
	98 SERIES COSTS	**3,879,167**	**2,858,979**	**2,374,594**	**2,382,179**	**2,382,179**	-
	TOTAL EXPENDITURES	**65,582,059**	**65,426,679**	**64,473,461**	**71,265,247**	**71,265,247**	-
	REVENUES:						
	ELECTRIC FUND	65,582,059	65,426,679	64,473,461	71,265,247	71,265,247	-

Total FY09 Costs for Positions Added in FY08

	FY08	FY09
1 Inspector	18,695	65,036
2 Police Officers	35,000	138,868
1 Emergency Preparedness Coordinator	15,149	82,238
Pitts Center Staff (1 full-time, 4 part-time)	71,763	161,359
TOTAL	$140,607	$447,501

Extra Budgeted in FY09 $306,894

EXHIBIT #5
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

City of Dover
Credit Card Transaction Fees
April 2008

	Number of Transactions	Total Fee	Cost per Transaction
Visa	1603	$ 4,752.86	$ 4.52
Visa P Card State	27	$ 9,255.03	$ 342.78
Visa P Card Other	6	$ 199.15	$ 33.19
MC	686	$ 2,045.93	$ 4.61
Discover	82	$ 12.30	$ 0.23
Average	2405	$ 16,266.20	$ 6.76
Choice Pay			$ 5.95

5/15/08 handout

City of Dover
Finance Department
PO Box 475
Dover DE 19903-0475
Phone: (302-736-7018
FAX: (302) 760-4930
E-Mail: dmitchell @dover.de.us

MEMORANDUM

To: City Council

From: Donna Mitchell, Controller/Treasurer

Copy: Mayor, City Manager, City Clerk, & Asst. Finance Director

Date: March 14, 2008

Subject: Credit Card Fees

The City of Dover accepts credit cards for payment of services and taxes. Credit Card companies charge the City processing fees which are in most cases a percentage of the purchase price. The increase in our electric rates has created an increase in these fees. The history is as follows:

FY05	$119,000
FY06	$111,000
FY07	$195,000
FY08	$144,000 thru January (Revised Budget $214,000)

Our Customer Service Supervisor has been researching third party providers that will accept credit cards on behalf of the City through internet, telephone, and kiosk. These providers charge a convenience fee which will cover the credit card fee as well as their cost of service. They also only allow a maximum charge (i.e. $500). If the maximum charge is less than the billed amount the customer would need to request additional transactions in increments of $500 until they reached their total bill. The net result is they would pay this fee for each transaction.

This will also affect the State of Delaware as approximately $135,000 (based on analysis done in FY07) of these fees is attributed to the State using a P-Card to pay all of their utility bills. P-Cards have a higher fee than a credit card as they provide rebates to the user.

I have asked the Customer Service Supervisor to see if we can't get this up and running for July 2008 in order to reduce budgeted expenses on the Electric Fund next year. In doing so we would notify all customers in advance that are frequent and major users of credit cards and offer them the ability to do bank drafting or an ACH transfer at no charge in lieu of using a credit card or P-Card.

If you have any questions or concerns regarding this matter, I would appreciate hearing from you as soon as possible. Thank you.

Economic Development Division

Budget Development for the New Division: How Did We Arrive at the Numbers?

EXHIBIT #8
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

The Positions

Position Title	Salary/Benefits	Position Function
Main Street Manager	$71,642	•Existing position transferring from Main Street Dover •Would function much in the manner as current position functions
Economic Development Manager	$83,853	•New position •50% Downtown/50% Citywide Economic Development •Executive Director of Downtown Dover Partnership
Administrative Assistant	$61,853	•New position •Provide staff support to Economic Development Division & Downtown Dover Partnership •Project management & Downtown marketing

What Would They Do?

- Economic Development Manager
  - Executive Director to Downtown Dover Partnership
  - Supervisor to Main Street Manager & Administrative/Marketing Assistant
  - Business Relations & Retention
  - Market Garrison Oak
  - Promote Dover as Location for Business Location
  - Liaison with DEDO & Other Regional Organizations
  - Grant-writing

What Would They Do?

- Main Street Manager
  - Case Manager for New/Potential Businesses Downtown
  - Review Loan Applications
  - Liaison between City/Partnership & Downtown Businesses
  - Staff to Downtown Dover Partnership and Partnership Committees
  - Liaison with State and National Main Street

What Would They Do?

- Administrative/Marketing Assistant
  - Staff Support to Economic Development Division & Downtown Dover Partnership
  - Plan and Coordinate Events
  - Produce Marketing Brochures/Materials

Budget Line Items

Line Item	Current Budgets	Proposed FY09 Budget	Justification
Furniture/Fixtures	N/A	$1,200	Furniture for two new positions
Office Supplies	MSD - $600	$1,000	Accounts for added staff
Printing & Duplicating	PA - $500 MSD - $600	$1,400	Much of the Parking Authority & DDDC Printing/Duplicating Costs are currently absorbed by other budgets
Photographic	MSD - $100	$200	Allows for purchase of digital camera
Computer Software	MSD - $250	$600	Uncertain of actual needs, but need to budget appropriately
Computer Hardware	N/A	$7,350	PCs for three positions Color laser printer

Budget Line Items

Line Item	Current Budgets	Proposed FY09 Budget	Justification
Telephone/Fax	MSD - $1,600	$2,450	Includes addition of PDA/cell phone for Economic Development Manager
Advertisement	MSD - $200	$500	Implementation of Downtown Dover Partnership
Training/Travel/ Food/Conf	MSD - $2,000 PA - $1,500	$4,400	Training and National Main Street Conference
Contractual	MSD - $5,000 PA - $14,800*	$45,000	•Retain current Main Street consultant •Parking lot rentals/lighting •Marketing plan (1 of 2 years)

*Parking lot rentals & lighting can be billed to the Partnership's Parking Reserve.

Budget Line Items

Line Item	Current Budgets	Proposed FY09 Budget	Justification
Program Expenses/Supplies	DDDC - $2,850	$3,000	
	MSD - $23,425	No Change	
	PA - $5,000*	No Change	Parking Lot Maintenance
	Façade Grant - $2,000	No Change	Grant funds, not City funds

*Parking lot maintenance can be billed to the Partnership's Parking Reserve.

Partnership Revenues

(Based on FY08)

- Operating Revenues
  - BID Tax $53,264
  - Billing to Parking Reserve Accounts $20,000
- Parking Reserve Account
  - Rent & Fees $83,500
  - Interest Income $8,000
- Development Project Reserve Account
  - Return of Principal $23,567
  - Loan Interest $8,188
  - Interest Income $12,000 ($8,000 DDDC/$4,000 MSD)
- Other Potential Project Sources
  - Corporate Sponsorships
  - Membership Drives
  - Grants

FY 2009 Draft Budget Changes to General Fund as of May 21, 2008

Fund	Page	Account Number	2009 Draft Budget	2009 Additions/ (Reductions)	2009 Proposed Revised Draft Budget
General					
Planning	203	110-1600-533-00-00	$ 180,879	$ (126,479)	$ 54,400
Grounds*	199	110-1500-522-00-00	68,815	16,757	85,572
Streets	201	110-1800-554-00-00	46,003	14,746	60,749
Sanitation	200	110-1800-555-00-00	54,324	24,353	78,677
Central Services*	172	110-2700-571-00-00	2,000	(1,000)	1,000
Facilities Management*	173	110-2500-552-00-00	2,000	(1,500)	500
Fleet Maintenance*	174	110-2800-572-00-00	2,500	(600)	1,900
		Total	**$ 356,521**	**$ (73,723)**	**$ 282,798**

Net Increase to Fund Balance	$ 75,033
Current Exess of Fund Balance	$ 106,354

* Please note that Grounds, Central Services, Facilities Management and Fleet Maintenance are allocated and only part of the savings/increases affect the General Fund.

EXHIBIT #9
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Proposed Additional Revenue	Additional Revenue	Accumlative Revenue
Excess Fund Balance	$ 106,354	$ 106,354
Permits	$ 219,720	$ 326,074
1 cent on tax rate	$ 286,569	$ 612,643
1 cent on tax rate	$ 286,569	$ 899,212
Business Licences	$ 145,000	$ 1,044,212
1 cent on tax rate	$ 286,569	$ 1,330,781

How Revenue Would Be Used	Total Cost	Accumlative Cost	
Fire safety equipment	9,500	9,500	**Excess Balance**
2.7% PFP Below Market Advancement	12,500	22,000	
Non-Bargaining Contingency\Captial Asset	90,000	112,000	
Arts Council	3,805	115,805	**Permit Fee Increases**
Concrete Program Increase	25,000	140,805	
GPS System	33,750	174,555	
Street Program\State Funds Contingency	100,000	274,555	
Librarian I	50,095	324,650	
Streets Program Increase\State Funds Cont.	180,000	504,650	**One Cent Tax Increase**
African American Festival	7,500	512,150	
Economic Development CDEDC	16,000	528,150	
Police Vehicles Increase	80,000	608,150	
Streets Program Increase\State Funds Cont.	150,000	758,150	**One Cent Tax Increase**
Concrete Program Increase	30,000	788,150	
Capital Asset\State Fund Contingency	100,000	888,150	
State Funds Contingency\Capital Asset	155,000	1,043,150	**Business License Increase**
Streets Program Increase	190,000	1,233,150	**One Cent Tax Increase**
Capital Asset\State Fund Contingency	100,000	1,333,150	

Dover City Council

On September 26, 2006 I proposed a Radio Paging System used for Emergency situations and Civil Defense to the Safety Advisory & Transportation Committee. I have included a copy of the minutes of that meeting for your convenience. The system could be used to inform local businesses and Schools of important notices that would otherwise not be relayed by television, radio or telephone. Again this year, I submitted the information to be put in the budget and it was taken out.

I have reduced the number of units this time to help bring down the initial cost, to get the program started. Six units would cost Three Thousand Four Hundred Dollars ($3486.00) plus approximately one Hundred Dollars ($100.00) to install the hook up at the Dover Fire Station for alerting the units. These six units would be installed in City of Dover Buildings and any business could purchase them if they wanted one for their own business. Hopefully some grant money will come available and we could purchase some for the school district. This was in this years budget request and taken out.

Potential Users are Schools, Hospitals, Nursing Home Facilities, Kraft Foods, Proctor & Gamble, Playtex, Wal-Mart, Sam's Club, Hotels, Mall's and Supermarkets etc. These units can be purchase for $600.00 each.

Reasons of Need:

Immediate Notification for Chemical Leaks from Trains, Tank Trucks & Manufacturers, Tornado Warnings, Danger of smoke from large fires, armed subject in area of all potential users listed Above, Unknown Terrorist Activity. These are things that occur instantaneously without any warning.

Also, I had proposed in this year's budget to start installing surveillance cameras, one on loockerman and State Street, one on State and North Street at the Schwartz center and South Bradford Street on the Minor Street Alley. These are areas that we have had the most complaints from, so the first three should be installed in these locations. Eventually we can cover the Business District either by adding so many per year or if a grant should come available, adding more.

These Cameras would operate off our current fiber optic System, so there would not be any telephone line charges. The monitors would be at the police station and the purpose is to deter crime, be able to monitor the locations for illegal actions in the area and to solve crimes that have occurred.

This first phase is estimated to cost Sixty Three Thousand Dollars ($63,000.00).

I had planned on updating the Mayors car, because the Police Department was replacing their year 2000 Ford Taurus and it needs to get back on a regular rotation that will save the city money. It will have to wait due to the budget constraints.

I would appreciate your consideration on these items!

If you have any questions, please do not hesitate to call me anytime.

Carleton E. Carey, Sr.

SAFETY ADVISORY AND TRANSPORTATION COMMITTEE

The Safety Advisory and Transportation Committee Meeting was held on September 26, 2006, at 5:00 p.m. with Chairman Hogan presiding. Members present were Mr. Carey, Mr. McGiffin, Mr. Lakeman, and Mr. Link (departed at 6:00 p.m). Councilman Ruane was also present.

AGENDA ADDITIONS/DELETIONS

Mr. Carey moved for approval of the agenda, seconded by Mr. Link and unanimously carried.

Briefing on DelDOT Projects

Due to the absence of Mr. Gary Laing, no update was given. Mr. DePrima suggested that Ms. Juanita Wieczoreck of the Dover/Kent County MPO be requested to provide future updates.

MPO - Request for Legislative Support - State Health Insurance Program Participation

At the request of the Dover/Kent County Metropolitan Planning Organization (MPO) members considered support of a Bill that would allow the Delaware MPO employees to participate as paying members of the State health care program.

Mr. DePrima, City Manager and Chairman of the Dover/Kent County MPO, advised members that MPO's are required by federal law in various areas throughout the country and state to perform coordinated planning of state, county and local government in order to facilitate sensible transportation planning. Employees of such organizations are, for all intents and purposes, government employees. The passing of this bill will help the MPO reduce administrative costs so that their limited planning funds can be put to better use.

Staff recommended support of the proposed Bill allowing MPO employees to participate as paying members of the State health care program.

Mr. McGiffin moved to recommend endorsement of the draft Bill *(Attachment #1)* allowing Dover/ Kent County MPO employees to participate in the State health care program. The motion was seconded by Mr. Carey and carried with (4) four yes and one (1) abstention (Mr. Lakeman).

* **Radio Paging System**

During the Committee meeting of July 26, 2005, Mr. Carey advised members of a radio paging system used for emergency situations and civil defense. Mr. Carey noted that the radios could be used to provide immediate notification and that the receivers would be located in schools, nursing homes, and other public buildings. It was his feeling that the City would benefit from the use of such a system and noted that there are grant funds that could assist with the costs. Members were advised that the paging units cost approximately $600 each, which includes a four (4) year warranty.

In light of the recent chemical spill at the Reichhold plant in Cheswold, Mr. Carey requested the Committee reconsider the purchase of the radio paging system. The system could be used to inform local businesses and schools of important notices that would otherwise not be relayed by television or radio. Mr. Carey proposed that these systems be placed in City buildings as a test, at cost of approximately $5,400. He also proposed seeking federal funding or grants to cover any associated costs. Mr. Hogan noted that the City has not budgeted funds for this purpose this fiscal year.

Mr. Carey stated that the calls to initiate this system can originate from either Police, Fire or the Kent 911 Emergency Center. There are no "black out" areas and the system range covers the entire City of Dover.

Police Chief Horvath expressed his support for the radio paging system; however, he stated that he would prefer that the calls originate from the Fire Department or Electric Dispatch, since the Police dispatchers answer in excess of 500 calls per day. Chief Horvath stated that the use of the reverse 911 system during the chemical spill in Cheswold was considered a success and the Reverse 911 system currently on order for the Dover Police Department will work in a similar fashion in a smaller geographic area. A public report on the Reichhold chemical spill will be presented by the Delaware Emergency Management Agency (DEMA) on September 26, 2006 during a public meeting.

Mr. Ruane felt the exploration of a radio paging system was out of context until the final report from the Reichhold incident has been presented to Council. Mr. Hogan stated that he would request the City Manager to provide the committee with a formal report of the findings from the Reichhold incident.

Mr. McGiffin moved to recommend forwarding this project to the City Manager for review as a tool to use in the future for emergency preparedness. The motion was seconded by Mr. Link and unanimously carried.

Proposed Ordinance Amendments - Recommendations of Recreational Vehicle Subcommittee
In response to concerns about the parking of recreational vehicles, boats, and trailers in residential neighborhoods, during the meeting of April 25, 2006 a sub-committee was developed to make changes and recommendations to the current ordinance in order to make it clear, fair and enforceable. The sub-committee, representing interests on all sides of the issue, met four times and drafted an ordinance to meet this goal.

Mr. Hogan introduced members of the sub-committee and reviewed the proposed ordinance amendments. He stated that the proposed ordinance was a result of the hard work and compromise of all the sub-committee members.

Mr. Hogan informed members that the sub-committee could not reach a consensus on the subjects of grand fathering and waivers. Members also discussed personal water craft and their inclusion in the ordinance. Mrs. Townshend advised members that she would investigate the registering of personal water craft as a boat prior to adding it to the revised ordinance.

Mr. John Fabryka, 311 Bradley Road, requested that the committee consider adding a grand father clause to the current ordinance. Mr. Tony Hummel, 476 Fiddlers Green, applauded the sub-committee's efforts and offered to forward language regarding grand fathering to Mrs. Townshend. Mr. Hogan stated that several members of Council have indicated that they will be looking for a grand fathering clause to be added to the proposed ordinance. Staff has begun to consider and draft a clause that will be easy to enforce without causing additional work for staff. Sub-committee members addressed the committee regarding their feelings on grand fathering and expressed their

FREE EXPO ONLY REGISTRATION
Register by May 9, 2005 (page 31)

2 NEW CONFERENCE TRACKS:

Premises Security and **Public Education**

ENHANCED TRACK:

Building & Life Safety with **28 Sessions!**

FEATURED PRESENTATION:

NIST's Findings on the World Trade Center Fire and Collapse



by **Dr. William Grosshandler** and **Dr. Shyam Sunder**

(page 16)

NEW:

Hydrogen Safety Symposium

(page 22)

and

Tunnel Fixed Fire Suppression Systems Symposium

(page 23)

EARLY BIRD DISCOUNTS



NFPA World Safety

conference & exposition

2005

Mandalay Bay Resort & Convention Center

Las Vegas, Nevada

June 6–10, 2005

Pre-Conference Seminars: June 4-5

Exposition: June 6-8

Register Today at

www.nfpa.org/wsce

NFPA

Education Sessions

T31 11:30 am – 12:30 pm

The Value-Added Fire Department

TRACKS: BUSINESS MANAGEMENT, FIRE AND EMERGENCY RESPONSE

Michael Mingee, City of Port Townsend, Washington

The private sector adopted the concept of providing value added service over a decade ago. Chief Mingee will discuss the trend of fire suppression agencies providing value added service. He will offer examples of how to move a fire department beyond the traditional roles of fire suppression and rescue functions.

T32 11:30 am – 12:30 pm

Communication Tools Notifying the Public During Disasters, Natural and Man-Made

TRACKS: BUSINESS MANAGEMENT, DISASTER PREPAREDNESS/BUSINESS CONTINUITY

Jeff Suggs, City of LaPorte, Texas

The LaPorte, Texas, area is home to the Houston ship channel. It is the fourth largest port in the nation and has close to 200 chemical facilities. LaPorte uses a host of notification tools including its own EAS system, telephone call down system, warning/siren system, cable TV and radio station. This session will outline and explain the emergency notification systems in place within the city.

T33 11:30 am – 12:30 pm

Ambulance Safety in the Fire Service

TRACKS: FIRE AND EMERGENCY RESPONSE, RESEARCH

Steven Proudfoot, National Institute for Occupational Safety and Health

With medical aid calls outnumbering fire calls nearly eight to one, today's fire service plays an important role in providing emergency medical services and ambulance operations. This presentation will focus on the National Institute for Occupational Safety and Health's ambulance safety research, including restraint testing in full-scale ambulance crash tests.

SPONSORED BY THE FIRE SERVICE AND RESEARCH SECTIONS



T34 11:30 am – 12:30 pm

NFPA 72® Update

TRACK: CODES AND STANDARDS

Wayne Moore, Hughes Associates

The speaker will review proposed changes to NFPA 72. The presentation will provide a primer for the submission of comments for the 2006 edition of the *National Fire Alarm Code®*

SPONSORED BY THE BUILDING FIRE SAFETY SYSTEMS SECTION

T35 11:30 am – 12:30 pm

Hazard Index Testing of Small Glass Containers of Isopropyl Alcohol in Cardboard on Pallets

TRACK: RESEARCH

Martin Pabich, Underwriter's Laboratories

Should small glass containers of water miscible flammable liquid be treated as a class IV or group A plastic commodity according to NFPA 13, or as a flammable liquid according to NFPA 30? The Proctor & Gamble Co. answered that question through testing at Underwriter's Laboratories Inc. The session will focus on what was learned and how it is being applied at P&G properties.

SPONSORED BY THE INDUSTRIAL FIRE PROTECTION SECTION

T36 11:30 am – 12:30 pm

Eiffel Tower II – Performance-Based Structural Fire Safety

TRACK: BUILDING AND LIFE SAFETY

Edward Fixen, Schirmer Engineering Corp.

A performance-based analysis used to design the Eiffel Tower II at the Paris Casino and Resort will be presented. The session will highlight the fire protection engineering methods and the approval process.

SPONSORED BY THE RESEARCH SECTION

T37 11:30 am – 12:30 pm

Checking the Doors of Egress

TRACKS: CODES AND STANDARDS, PREMISES SECURITY

James Rue, Lock & Security

This session will cover the following topics on methods of checking doors in paths of egress: standardized testing of doors (especially in high-rises); developing a standard plan of checking door systems (door, frame, lock, hinges, closures); how to conduct a door system check; and a discussion of security vs. safety.

T38 11:30 am – 12:30 pm

Tenability Analyses for Three Atria Smoke Management Systems

TRACK: RESEARCH

Doug Evans, Clark County, Nevada, Building Department

This presentation will discuss the analyses used to demonstrate that three different facilities provide an environment reasonably safe from smoke. The different approaches used to analyze each of the three facilities will be discussed.

SPONSORED BY THE BUILDING FIRE SAFETY SYSTEMS AND RESEARCH SECTIONS

T39 11:30 am – 12:30 pm

Developing Fire Safety Education Programs for People with Disabilities

TRACK: PUBLIC EDUCATION

Michael Collins, California State Independent Living Council; Stacy Everson, Seeds Educational Services, Inc.; Linda Woodbury, City of San Diego

This session will describe the elements of developing an effective fire safety program for people who are blind or have low vision. This session will also include lessons learned in the development of a new fire safety program for adults with developmental disabilities.

SPONSORED BY THE EDUCATION SECTION AND CENTER FOR HIGH RISK OUTREACH

T40 11:30 am – 12:30 pm

Ultra-High-Speed Deluge System Technology (Significant Improvement in Response Time and Elimination of False Trips)

TRACK: RESEARCH

Virgil J. Carr, Jr., Tyndall Air Force Base Research Laboratory, Tyndall, FL; Robert Loyd, U.S. Army Field Support Command

This presentation examines the development of two cutting-edge ultra-high-speed deluge systems. The two systems reduce response time to approximately 10 and 3 ms respectively, which significantly lessens the possibility of injury in operations involving highly energetic pyrotechnic materials. In addition, because of the application of false alarm immune detectors, inadvertent discharges are virtually eliminated.

Location



Notification Levels

- Immediate
  - How fast do we need to notify?
  - How big is big…how bad is bad?
- Mass notification
  - Who needs to know?
  - Why?
- Follow-up
  - When and how do we return to "normal"

Immediate Notification Tools

- Warning sirens

Omni-Directional Sirens provide clear, uniform and powerful 360° warning instantaneously throughout their coverage area. Standard warning tones provided are designed to operate in the highly effective, low frequency range for the most efficient and powerful warning at distances from the system.



Notification Tools for Disaster

Jeff Suggs
Emergency Management Coordinator
City of La Porte Texas

Suggs@Laportetx.gov

281-471-3607 Office
281-639-9158 Cell

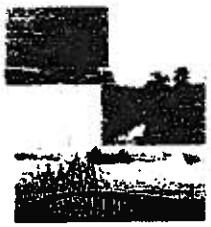
La Porte Bayshore Area

- Home to the Port of Houston
- Home to 45 Chemical and Manufacturing companies
- Home to the largest rail yard in Southeast Texas



La Porte's Geography

- Located on upper Galveston Bay
- Numerous Bayous and Tributaries
- 26' above sea level
- Home to 35,000 residents
- Home to State Critical Infrastructure



Whelen Siren Map



Immediate Notification Tools

- Paging System
  - Radio receivers are located in all school campuses, nursing homes and public buildings.



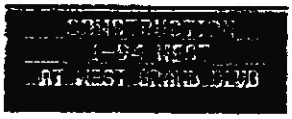
Immediate Notification Tools

- Warning Signs
  - These signs are activated with a radio signal, warning motorist that may not hear the sirens to tune their radio station to AM 830 and provide instructions on where for motorist.



Immediate Notification Tools

- Marquee Signs- provided by TXDOT



Immediate Notification Tools

- Level of Notifications
  - Outlook email system with preempted messages are ready to be sent by dispatchers.
  - Tier 1
    - Public Safety personnel
  - Tier 2
    - Public Safety and Executive Staff
  - Tier 3
    - All EOC staff and surrounding jurisdictions

Mass Communications

Phone Call down System

N.E.W.S – Neighborhood Early Warning System

Using 911 database and system to launch events that require the citizens to act.

Greater Harris County 9-1-1 Emergency Network

Mass Communications

- Phone System

  CAER- Community Awareness Emergency Response

Maintained by local industry for citizens to call and get the "scoop" on what is happening.



281-476-2237

Mass Communications

- Internet Override

"""THERE ARE NO EMERGENCIES AT THIS TIME"""

EMERGENCY INFORMATION

City of La Porte

"THIS IS AN EMERGENCIES NOTIFICATION"

THERE ARE NO EMERGENCIES AT THIS TIME

Mass Communications

Email System

M.A.N.S.- Media Alert Notification System

System can reach over 500 users with email and text messaging

mans.hcoem.org

Mass Communications

Cable Override

La Porte has its own cable franchise and has rights to "override" cable and place message on Television.

THIS IS AN EMERGENCY NOTIFICATION

- If you are hearing the city warning system at this time
- PLEASE DO NOT GO OUTSIDE
- Stay in your home and tune your radio to AM830, tune your TV to Channel 16 or any of the local channels: 13.11, 2 or you can go to www.ci.la-porte.tx.us and then go to Emergency Management for further information
- **STAND BY FOR FURTHER DETAILS**

Mass Communications

- AM 830

La Porte radio station that broadcasts weather until needed for an event

Information about who is to shelter, where to go, and when updates will given.



Mass Communications

- RIMS

Regional Information Management System

Follow-up Communications

- Radio Station
- Email
- Phone System

County School System

- Immediate notification
  - 800 MHz radio system
    - System can communicate to all 30 districts emergency information via radio at the same time
  - School based email system
    - Used for school closings, lock-downs, shelter information
  - NEWS phone system

Future Plans

- EMERGE
  - Program that joins all of these communication tools together. With the click of a button the dispatchers can activate as much as need or all tools in about 20 seconds
- ENOTIFY
  - Industries way of notify the City on an event

MAGNUM ELECTRONICS, INC
913 Horsepond Road
Dover, DE 19901
(302) 734-9250 Fax (302) 734-1056
Wilmington (302) 571-5919
www.magnumelectronics.com

MOTOROLA
Authorized Dealer

PROPOSAL

DATE	PROPOSAL #
3/5/2008	0000013774

BILL TO:
CITY OF DOVER PLANNING
PO BOX 475
DOVER, DE 19903

302-736-7091 Fax

SHIP TO:
CITY OF DOVER PLANNING
MAYOR CARLETON E. CAREY SR.
PO BOX 475
DOVER, DE 19903

302-736-7091 Fax

TERMS	SALES PERSON	DISPATCH
NET 10	0099	

QUAN	DESCRIPTION	PRICE EACH	AMOUNT
6.00	MINITOR V SINGLE CHANNEL STORED VOICE VHF PAGER WITH ONE YEAR WARRANTY ON PAGER AND ACCESSORIES.	431.00	2,586.00
	THE FOLLOWING OPTIONS ARE AVAILABLE TO BE ADDED PER PAGER		
6.00	4 YEAR EXTENDED WARRANTY ON PAGER ONLY	80.00	480.00
6.00	MIN V VHF CHARGER AMPLIFIER	70.00	420.00

SUBTOTAL	**$3,486.00**
TOTAL	**$3,486.00**

Visit our website at www.magnumelectronics.com
Prices quoted are valid for thirty (30) days from the date of this quote.

Accepted by: _____ Date: _____ P. O. # _____

Dover/Kent County Metropolitan Planning Organization
P.O. Box 383, Dover, Delaware 19903 (302) 760-2713 FAX: (302) 739-6340
http://www.doverkentmpo.org

January 24, 2008

RECEIVED
JAN 2 6 2008
Mayor/City Manager

Mr. Anthony J. DePrima, City Manager
City of Dover
POB 475
Dover, DE 19903-0475

Dear Mr. DePrima:

I am once again writing to you to request the City of Dover's financial assistance in the amount of $6,175.00 for the Dover/Kent County Metropolitan Planning Organization's annual Unified Planning Work Program (UPWP). This request is being submitted per the guidance given by the Dover/Kent County MPO Council in March 2006.

The funds requested would be used to provide supplemental insurance benefits (life, short-term and long-term disability, dental, accidental death and dismemberment) to MPO employees. The insurances were added to the MPO's employee benefits package to make the MPO more competitive in attracting and retaining quality employees. At the time the benefits were added, the MPO Council agreed that the City of Dover and Kent County should contribute cash to help cover the added costs. A Community Services Grant application has also been submitted to the Kent County Levy Court requesting $6,175.00. The Levy Court granted the MPO $1,000.00 to help with these costs during FY2008.

Thank you very much for your attention to this matter. Your financial assistance will help the Dover/Kent County MPO make more federal funds available to fund the planning activities for which they were intended. If you have any questions about the MPO or this request, please call me at 760-2711.

Sincerely,

Juanita S. Wieczoreck
Executive Director

JSW:crs

Non-Bargaining Employees - Below Market Increase (2.7%)

Recommended Matrix with 2.7% Below Market

PERFORMANCE SCORES					
PFP Score		**Adjustment**			
From	**To**	**Employee Above Maximum**	**Employee Above Market**	**Employee At Market**	**Employee Below Market**
0	19	-	-	-	-
20	29	-	1.75%	2.50%	5.20%
30	35	2.00%	2.50%	3.25%	5.95%
36	41	2.75%	3.25%	4.00%	6.70%
42	50	3.50%	4.00%	4.75%	7.45%

Currently Budgeted

PERFORMANCE SCORES					
PFP SCORE		**ADJUSTMENT**			
From	**To**	**Employee Above Maximum**	**Employee Above Market**	**Employee At Market**	**Employee Below Market**
0	19	-	-	-	-
20	29	-	1.75%	2.50%	3.00%
30	35	2.00%	2.50%	3.25%	4.25%
36	41	2.75%	3.25%	4.00%	6.00%
42	50	3.50%	4.00%	4.75%	6.50%

EXHIBIT #12-A
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Summary of Requested Accounts
as of May 22, 2008

Acct #	Description	Last Year Actual	YTD	Revised 08	Total 09
10-12	Overtime	$ 928,440	$ 869,851	$ 918,558	$ 941,120
30-27	Subscriptions and Dues	119,262	94,404	126,210	113,217
30-28	Training	161,316	150,107	187,772	211,201
30-29	Consulting	182,864	57,346	240,050	364,750
30-31	Contractual Services	2,525,671	2,191,430	2,914,142	3,424,842
30-32	Legal	158,116	70,100	206,700	80,600
30-35	Community Relations	27,240	18,956	29,500	32,685
	Total	**$ 4,102,909**	**$ 3,452,194**	**$ 4,622,932**	**$ 5,168,415**

EXHIBIT #12-B
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Summary of Requested Accounts
as of May 22, 2008

	Water	Electric	General	Totals
Contractual Services	$ 240,231	$ 829,923	$ 2,354,688	$ 3,424,842
Overtime	$ 38,321	$ 347,957	$ 554,842	$ 941,120
All Others	$ 319,605	$ 175,730	$ 307,118	$ 802,453
				$ 5,168,415

Municipal Tax Rates
FY2008

Municipality	Tax Rate FY 2008	Assess Ratio (%)	Base Year
*Camden	$0.70 per $100 of assessed value	60%	1987
*Harrington	$0.71 per $100 of assessed value	60%	1987
*Middletown	$0.30 per $100 of assessed value	100%	1983
Milford	$0.46 per $100 of assessed value	100%	2002
*Newark	$0.5614 per $100 of assessed value	100%	1983
Smyrna	$0.2625 per $100 of assessed value	100%	2006

*Municipalities use their County Assessments/Ratios/Base Year

EXHIBIT #12-C
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Non-Bargaining Contingency by Fund

	General	Water	Electric	Total
Contingency	$88,994	$9,577	$50,197	$148,769
Funding	Excess Fund Balance	Excess Fund Balance	Excess Fund Balance	

EXHIBIT #12-D
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

City of Dover
Summary of Requested Accounts
As of May 22, 2008

Acct #	Description	LY Actual	YTD	Rev 08	Total 09
10-12	Overtime	928,440	869,851	918,558	941,120
30-27	Subscritions and Dues	119,262	94,404	126,210	113,217
30-28	Training	161,316	150,107	187,772	211,201
30-29	Consuting	182,864	57,346	240,050	364,750
30-31	Contractual Services	2,525,671	2,191,430	2,914,142	3,424,842
30-32	Legal	158,116	70,100	206,700	80,600
30-35	Community Relations	27,240	18,956	29,500	32,685
	Total	4,102,909	3,452,194	4,622,932	5,168,415

	Water	Electric	General	Total
Contractual Services	240,231	829,923	2,354,688	3,424,842
Overtime	38,321	347,957	554,842	941,120
All Others	319,605	175,730	307,118	802,453
				5,168,415

EXHIBIT #12-E
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Fund	Dept	Act	Ele	Obj	Description		LY Actual	Orig Bud	Adj Bud	YTD	Rev 08	Prop 09	Strategic
110	1100	511	10	12	OVERTIME	City Clerk	299	-	-	-	-	-	-
110	1300	513	10	12	OVERTIME	Tax Assessor	9,742	-	-	-	-	-	-
110	1400	514	10	12	OVERTIME	Fire	-	-	-	137	-	-	-
110	1500	522	10	12	OVERTIME	Grounds	15,697	19,500	19,500	12,389	19,500	15,000	-
110	1500	523	10	12	OVERTIME	Library	2,964	4,500	2,700	1,780	2,700	4,774	-
110	1500	525	10	12	OVERTIME	Parks & Rec	-	-	-	-	-	-	-
110	1600	531	10	12	OVERTIME	Life Safety	-	-	-	-	-	16,500	-
110	1600	532	10	12	OVERTIME	Code Enforcement	-	-	-	-	-	-	-
110	1600	533	10	12	OVERTIME	Planning	-	-	5,000	4,146	5,000	-	-
110	1600	534	10	12	OVERTIME	Inspections	12,760	20,000	20,000	4,425	10,000	3,000	-
110	1600	535	10	12	OVERTIME	Economic Development	-	-	-	-	-	-	-
110	1700	542	10	12	OVERTIME	Police Civilian	39,680	50,000	50,000	39,069	50,000	50,000	-
110	1700	543	10	12	OVERTIME	Police Law Enforcement	419,132	350,000	350,000	420,107	350,000	426,168	-
110	1800	554	10	12	OVERTIME	Streets	10,195	15,000	15,000	4,845	15,000	13,200	-
110	1800	555	10	12	OVERTIME	Sanitation	17,779	22,500	22,500	12,317	22,500	21,800	-
110	2100	515	10	12	OVERTIME	City Manager	-	-	-	-	-	-	-
110	2200	516	10	12	OVERTIME	Information Technology	-	-	-	-	-	-	-
110	2300	517	10	12	OVERTIME	Finance	3,964	3,000	3,000	2,695	3,000	-	-
110	2400	551	10	12	OVERTIME	P.S. Admin	-	2,500	2,500	100	1,500	-	-
110	2500	552	10	12	OVERTIME	Facilities Management	-	-	-	125	125	500	-
110	2600	553	10	12	OVERTIME	P.W. Engineering	3,322	-	-	-	-	-	-
110	2700	571	10	12	OVERTIME	Central Services	669	-	-	401	750	1,000	-
110	2800	572	10	12	OVERTIME	Fleet Maintenance	316	-	-	473	422	1,900	-
110	2900	529	10	12	OVERTIME	Customer Services	-	1,000	1,000	-	1,000	-	-
110	3100	518	10	12	OVERTIME	Human Resources	369	-	335	597	-	1,000	-
110 Total							536,888	488,000	491,535	503,606	481,497	554,842	
412	2600	553	10	12	OVERTIME	PU Construction	-	16,230	13,020	1,585	13,020	-	-
412	5600	556	10	12	OVERTIME	PU Engineering	5,037	6,521	6,521	4,618	6,521	7,000	-
412	6600	566	10	12	OVERTIME	Water Meter Reading	2,765	3,500	3,500	2,672	3,500	2,021	-
412	6800	568	10	12	OVERTIME	Water	14,916	10,453	10,453	12,975	10,453	5,350	-
412	6900	569	10	12	OVERTIME	Wastewater	20,552	18,216	18,216	15,274	18,216	23,950	-
412	7600	576	10	12	OVERTIME	Water Treatment Plant	3,273	9,315	9,315	2,561	4,837	-	-
412 Total							46,543	64,235	61,025	39,685	56,547	38,321	
480	8110	591	10	12	OVERTIME	Power Plant	158,927	157,305	157,305	147,001	163,544	186,879	-
480	8200	562	10	12	OVERTIME	T&D	115,270	103,500	103,500	100,607	103,500	105,560	-
480	8300	563	10	12	OVERTIME	Engineering	64,386	46,572	46,572	25,849	46,572	15,500	-
480	8500	565	10	12	OVERTIME	Meter Reading	6,426	10,000	10,000	7,958	10,000	8,018	-
480	8600	526	10	12	OVERTIME	Systems Operations	-	19,150	19,150	45,145	56,898	32,000	-
480 Total							345,009	336,527	336,527	326,560	380,514	347,957	
Grand Total							928,440	888,762	889,087	869,851	918,558	941,120	

Fund	Dept	Act	Ele	Obj	Description		LY Actual	Orig Bud	Adj Bud	YTD	Rev 08	Prop 09	Strategic
110	1500	523	30	29	CONSULTING FEES	Library	-	-	-	-	-	-	-
110	1500	525	30	29	CONSULTING FEES	Parks & Rec	-	-	-	-	-	-	-
110	1600	531	30	29	CONSULTING FEES	Life Safety	-	-	-	-	-	-	-
110	1600	532	30	29	CONSULTING FEES	Code Enforcement	-	-	-	-	-	-	-
110	1600	533	30	29	CONSULTING FEES	Planning	-	20,000	20,000	7,238	20,000	-	11,000
110	1700	541	30	29	CONSULTING FEES	Police Admin	5,447	9,300	9,300	8,065	7,800	9,750	-
110	1800	554	30	29	CONSULTING FEES	Streets	-	-	-	-	-	-	-
110	2100	515	30	29	CONSULTING FEES	City Manager	-	-	-	-	-	-	-
110	2200	516	30	29	CONSULTING FEES	IT	27,562	-	-	-	-	-	-
110	2300	517	30	29	CONSULTING FEES	Finance	12,000	12,000	12,000	-	12,000	-	-
110	2600	553	30	29	CONSULTING FEES	PW Eng	1,755	-	-	-	-	-	-
110	3100	518	30	29	CONSULTING FEES	HR	-	4,500	4,500	-	36,500	2,000	-
412	2600	553	30	29	CONSULTING FEES	PS Engineering	-	-	-	-	-	-	-
412	6800	568	30	29	CONSULTING FEES	Water	2,138	-	-	-	-	45,000	-
412	6900	569	30	29	CONSULTING FEES	Wastewater	3,144	205,150	57,900	18,045	75,150	47,000	200,000
480	8200	562	30	29	CONSULTING FEES	T&D	-	-	-	-	-	-	-
480	8300	563	30	29	CONSULTING FEES	Engineering	-	-	-	-	-	-	-
480	8400	564	30	29	CONSULTING FEES	Admin	130,818	125,000	63,600	23,998	88,600	50,000	-
					Total		182,864	375,950	167,300	57,346	240,050	153,750	211,000

30-28 Training

Fund	Dept	Act	Ele	Obj	Description		LY Actual	Orig Bud	Adj Bud	YTD	Rev 08	Prop 09	Strategic
110	1100	511	30	28	TRAINING/CONF/FOOD/TRAVEL	City Clerk	2,275	3,800	3,800	53	2,500	590	-
110	1200	512	30	28	TRAINING/CONF/FOOD/TRAVEL	Council	12,134	18,500	18,012	13,159	14,000	17,881	-
110	1300	513	30	28	TRAINING/CONF/FOOD/TRAVEL	Tax Assessor	12,866	5,500	6,800	6,378	6,800	5,600	-
110	1400	514	30	28	TRAINING/CONF/FOOD/TRAVEL	Fire	10,735	6,000	6,540	6,540	6,540	11,000	-
110	1500	522	30	28	TRAINING/CONF/FOOD/TRAVEL	Grounds	2,767	2,762	2,937	2,933	2,762	2,900	-
110	1500	523	30	28	TRAINING/CONF/FOOD/TRAVEL	Library	412	447	2,347	2,150	2,347	456	-
110	1500	525	30	28	TRAINING/CONF/FOOD/TRAVEL	Parks & Rec	2,159	2,207	2,207	1,663	2,207	2,651	-
110	1600	531	30	28	TRAINING/CONF/FOOD/TRAVEL	Life Safety	-	-	-	-	-	2,750	-
110	1600	532	30	28	TRAINING/CONF/FOOD/TRAVEL	Code Enforcement	-	-	-	-	-	5,000	-
110	1600	533	30	28	TRAINING/CONF/FOOD/TRAVEL	Planning	7,747	7,210	9,210	8,701	9,210	9,400	-
110	1600	534	30	28	TRAINING/CONF/FOOD/TRAVEL	Inspections	3,886	8,400	7,900	5,361	7,900	4,600	-
110	1600	535	30	28	TRAINING/CONF/FOOD/TRAVEL	Economic Development	-	-	-	-	-	4,400	-
110	1700	541	30	28	TRAINING/CONF/FOOD/TRAVEL	Police Admin	23,724	32,300	32,300	20,115	32,300	26,200	-
110	1800	554	30	28	TRAINING/CONF/FOOD/TRAVEL	Streets	-	310	310	-	310	400	-
110	1800	555	30	28	TRAINING/CONF/FOOD/TRAVEL	Sanitation	-	100	100	16	100	100	-
110	2100	515	30	28	TRAINING/CONF/FOOD/TRAVEL	City Manager	7,014	8,000	8,000	5,200	4,000	7,120	-
110	2200	516	30	28	TRAINING/CONF/FOOD/TRAVEL	IT	7,359	8,250	8,250	3,856	5,400	6,500	-
110	2300	517	30	28	TRAINING/CONF/FOOD/TRAVEL	Finance	3,218	7,500	6,300	6,517	8,500	5,000	-
110	2400	551	30	28	TRAINING/CONF/FOOD/TRAVEL	PS Admin	1,574	5,000	866	2,129	4,000	5,250	-
110	2500	552	30	28	TRAINING/CONF/FOOD/TRAVEL	Facilities Manangement	-	-	150	100	-	200	-
110	2600	553	30	28	TRAINING/CONF/FOOD/TRAVEL	PW Eng	1,485	-	-	-	-	-	-
110	2700	571	30	28	TRAINING/CONF/FOOD/TRAVEL	Central Services	1,401	5,100	5,100	2,202	3,000	5,000	-
110	2700	572	30	28	TRAINING/CONF/FOOD/TRAVEL	Central Services	-	-	-	-	-	-	-
110	2800	572	30	28	TRAINING/CONF/FOOD/TRAVEL	Fleet Maintenance	871	500	500	466	500	800	-
110	2900	529	30	28	TRAINING/CONF/FOOD/TRAVEL	Customer Services	44	3,500	3,500	395	-	3,500	-
110	3100	518	30	28	TRAINING/CONF/FOOD/TRAVEL	HR	19,206	23,700	23,700	3,255	6,000	6,120	-
110	3200	519	30	28	TRAINING/CONF/FOOD/TRAVEL	Mayor	2,606	2,700	8,623	4,642	4,521	4,000	-
412	2600	553	30	28	TRAINING/CONF/FOOD/TRAVEL	PU Eng	-	4,338	4,338	3,533	4,338	10,533	-
412	5600	556	30	28	TRAINING/CONF/FOOD/TRAVEL	Construction	90	100	100	-	-	100	-
412	6800	568	30	28	TRAINING/CONF/FOOD/TRAVEL	Water	1,089	1,950	1,950	1,942	1,950	1,500	-
412	6900	569	30	28	TRAINING/CONF/FOOD/TRAVEL	Wastewater	23	212	212	323	212	7,500	-
412	7600	576	30	28	TRAINING/CONF/FOOD/TRAVEL	Water Treatment	200	1,125	6,125	1,432	6,125	3,000	-
480	8200	562	30	28	TRAINING/CONF/FOOD/TRAVEL	T&D	9,502	24,250	24,250	24,276	24,250	22,550	-
480	8300	563	30	28	TRAINING/CONF/FOOD/TRAVEL	Engineering	8,832	20,500	20,500	18,488	20,500	16,600	-
480	8400	564	30	28	TRAINING/CONF/FOOD/TRAVEL	Admin	16,069	10,000	7,500	4,269	7,500	10,000	-
480	8500	565	30	28	TRAINING/CONF/FOOD/TRAVEL	Meter Reading	2,028	2,000	2,000	-	-	2,000	-
480	8600	526	30	28	TRAINING/CONF/FOOD/TRAVEL	Systems Operation	-	-	-	-	-	-	-
					Total		161,316	216,261	224,427	150,094	187,772	211,201	-

Fund	Dept	Act	Ele	Obj	Description		LY Actual	Orig Bud	Adj Bud	YTD	Rev 08	Prop 09	Strategic
110	1100	511	30	27	SUBSCRIPTIONS AND DUES	City Clerk	543	660	660	411	660	625	-
110	1200	512	30	27	SUBSCRIPTIONS AND DUES	Council	10,117	10,255	10,743	10,743	10,743	11,050	-
110	1300	513	30	27	SUBSCRIPTIONS AND DUES	Tax Assessor	2,387	2,700	2,700	1,491	2,000	2,040	-
110	1500	522	30	27	SUBSCRIPTIONS AND DUES	Grounds	365	365	365	385	365	385	-
110	1500	523	30	27	SUBSCRIPTIONS AND DUES	Library	13,769	14,182	14,182	14,182	14,135	14,544	-
110	1500	525	30	27	SUBSCRIPTIONS AND DUES	Parks & Rec	360	505	505	150	430	600	-
110	1600	531	30	27	SUBSCRIPTIONS AND DUES	Life Safety	-	-	-	-	-	380	-
110	1600	532	30	27	SUBSCRIPTIONS AND DUES	Code Enforcement	-	-	-	-	-	45	-
110	1600	533	30	27	SUBSCRIPTIONS AND DUES	Planning	1,860	2,260	2,260	2,357	2,260	2,680	-
110	1600	534	30	27	SUBSCRIPTIONS AND DUES	Inspections	423	550	550	496	550	200	-
110	1600	535	30	27	SUBSCRIPTIONS AND DUES	Economic Development	-	-	-	-	-	600	-
110	1700	541	30	27	SUBSCRIPTIONS AND DUES	Police - Admin	3,640	3,355	3,355	3,956	3,355	2,925	-
110	1800	554	30	27	SUBSCRIPTIONS AND DUES	Streets	-	-	-	-	-	-	-
110	1800	555	30	27	SUBSCRIPTIONS AND DUES	Sanitation	-	119	119	-	-	-	-
110	2100	515	30	27	SUBSCRIPTIONS AND DUES	City Manager	2,939	1,900	1,900	1,034	1,900	1,900	-
110	2200	516	30	27	SUBSCRIPTIONS AND DUES	Information Technologies	999	1,195	1,195	894	1,195	850	-
110	2300	517	30	27	SUBSCRIPTIONS AND DUES	Finance	1,111	1,600	1,600	1,606	1,600	1,720	-
110	2400	551	30	27	SUBSCRIPTIONS AND DUES	PS Admin	1,457	2,250	2,250	1,869	1,850	1,650	-
110	2600	553	30	27	SUBSCRIPTIONS AND DUES	PW Engineering	541	-	-	-	-	-	-
110	2700	571	30	27	SUBSCRIPTIONS AND DUES	Central Services	716	1,030	1,030	731	1,030	1,051	-
110	2700	572	30	27	SUBSCRIPTIONS AND DUES	Central Services	-	-	-	-	-	-	-
110	2900	529	30	27	SUBSCRIPTIONS AND DUES	Customer Service	-	-	-	-	-	-	-
110	3100	518	30	27	SUBSCRIPTIONS AND DUES	Human Resources	2,943	3,150	3,150	2,804	3,150	3,330	-
110	3200	519	30	27	SUBSCRIPTIONS AND DUES	Mayor	332	450	450	100	450	3,900	-
412	2600	553	30	27	SUBSCRIPTIONS AND DUES	PU Engineering	-	1,442	1,442	440	1,442	1,491	-
412	5600	556	30	27	SUBSCRIPTIONS AND DUES	Construction	107	110	110	110	110	110	-
412	6800	568	30	27	SUBSCRIPTIONS AND DUES	Water	2,184	2,148	2,148	2,080	2,148	2,505	-
412	6900	569	30	27	SUBSCRIPTIONS AND DUES	Wastewater	54	178	178	55	55	56	-
412	7600	576	30	27	SUBSCRIPTIONS AND DUES	Water Treatment	300	840	840	400	840	810	-
480	8200	562	30	27	SUBSCRIPTIONS AND DUES	T&D	-	-	-	-	-	-	-
480	8300	563	30	27	SUBSCRIPTIONS AND DUES	Engineering	777	1,218	1,218	1,040	1,218	1,255	-
480	8400	564	30	27	SUBSCRIPTIONS AND DUES	Admin	71,338	74,724	74,724	47,070	74,724	56,515	-
					Total		119,262	127,186	127,674	94,404	126,210	113,217	-

Fund	Dept	Act	Ele	Obj	Description		LY Actual	Orig Bud	Adj Bud	YTD	Rev 08	Prop 09	Strategic
110	2100	515	30	32	LEGAL EXPENSES	City Manager	153,927	165,000	148,387	56,100	100,200	80,600	-
110	2300	517	30	32	LEGAL EXPENSES	Finance	-	14,000	14,000	14,000	14,000	-	-
110	2900	529	30	32	LEGAL EXPENSES	Customer Services	4,189	5,000	5,000	-	2,500	-	-
412	6900	569	30	32	LEGAL EXPENSES	Wastewater	-	-	-	-	-	-	-
480	8400	564	30	32	LEGAL EXPENSES	Admin	-	-	90,000	-	90,000	-	-
					Total		158,116	184,000	257,387	70,100	206,700	80,600	-

City of Dover
Rate & Fee Increase Trends (Updated 5/22/08)

GENERAL FUND	Base Year 2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	Estimated 2007/08	Budgeted 2008/09	Total
Property Tax Rate with 60% value assessment	0.0685								
Property Tax Rate with 100% value assessement	0.331	0.411	0.411	0.411	0.431				
Property Tax Rate Changes (without 100% rollback)		$0.08			$0.02				$0.10
Trash Fees- Increase from $5.00 to $5.85 (in City)					$0.85				$0.85
Trash Fees- Increase (outside City)		$2.00			$2.72		$4.28	$6.00	$15.00
Kent County Book Reimbursement								$1.00	$1.00
FY09 Increases are Additive to Prior									
* Trash Fees					$ 171,486	$ 36,350	$ 78,093	$ 55,000	$ 340,929
* Business Licenses				$ 88,188	$ 75,294	$ 24,910	$ 66,469	$ 145,000	$ 399,861
* Permits and Other Licenses				$ 145,306	$ 139,460	$ 198,463	$ (39,817)	$ 219,720	$ 663,132
*Actual revenue increases in year of fee increases; not known how much is due to rate increase versus number of permits, licenses, and trash customers; Number of permits lower in FY08									
FY09 Revenue Estimates are additive to the prior revenues									
Court of Chancery Fees (new source)			$ 559,260	$ 710,380	$ 792,280	$ 929,120	$ 815,860	$ 815,860	$ 4,622,760
Red Light Safety Program (new source)				$ 258,837	$ 936,540	$ 540,566	$ 500,000	$ 500,000	$ 2,735,943
WATER/WASTEWATER FUND									
Water per 1,000 gal (FY03 - Omitted rate tier)		$0.44		$0.10	$0.10				$0.64
Water per 1,000 gal (Outside City)				$0.11	$0.15				$0.26
Water Flat Rate Charge					$1.25				$1.25
Wastewater per 1,000 gal. Charge		$0.24		$0.25	$0.20				$0.69
Wastewater Flat Rate Charge					$1.25				$1.25
Sewer Impact Fees Increase in charge per EDU	$100.00								$100.00
Water Impact Fees - new source								$710.00	$710.00
Kent County Sewer Adjustment- Pass Through (Rate set by County)	$0.17				$0.28				$0.45
ELECTRIC FUND									
Average Cost per kwh (Customer Sales/kwh sold)		$0.0756	$0.0771	$0.0822	$0.0866	$0.1132	$0.1236	$0.1323	
Overall Average Increase %			1.9%	6.7%	5.4%	30.7%	9.2%	7.0%	
Electric Fund Flat Rate Increase from $4.00 to $5.00					$1.00				$1.00

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9/29/2005

EXHIBIT #12-F
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

City of Dover

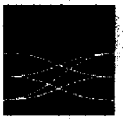
Projected Costs under GASB 45 for Accounting and Financial Reporting for Postemployment Benefits Other than Pensions

July 1, 2006

Retiree Medical Program With a July 1, 2006 Measurement Date

Wachovia Retirement Services
9020 Stony Point Parkway, Suite 200
Richmond, VA 23235
(804) 267-3100, Fax: (804) 330-1386

March 2007



WACHOVIA

5/22/08 Budget Hearing Handout

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I. Summary Overview

Wachovia Retirement Services is pleased to present this report to the City of Dover ("City") which provides an estimate of the liability and annual cost for the City's employees' postretirement medical plans. This report reflects our understanding of the Governmental Accounting Standards Board (GASB) Statement No. 45 for Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions.

We have relied on the plan provisions and retirement eligibility provided by the City. Also, we received active and inactive data from the City and have reviewed the data for reasonableness only. We have not performed a formal audit of the data used for this valuation.

Because we are providing an estimate at this time, we have presented the results of the annual required contribution under six different scenarios. We have prepared the calculation as of July 1, 2006 under three different discount rates, 4.0%, 5.0% and 6.0% and have shown the amortization of the initial unfunded actuarial liability over 30 years. These different scenarios show the sensitivity of the discount rates on the City's liabilities.

GASB 45 allows for one of several cost methods to be used in valuing the liabilities of the plan. However, for this estimate, we have used the Projected Unit Credit Actuarial Cost Method only to determine the liabilities. We have also changed the amortization method from level dollar to level percentage of payroll which reduces the amortization amount recognized in the Annual Required Contribution.

We are available to answer questions about this report or to provide additional information as needed.

Respectfully submitted,
Wachovia Retirement Services

Daniel L. Homan, EA, MAAA
Senior Consultant

Brian J. Fuller, ASA, MAAA
Senior Consultant

II. Projected Annual Required Contribution

Below is the estimated Annual Required Contribution (ARC) under three different scenarios for the implementation year of GASB 45.

		Scenario [1]	Scenario [2]	Scenario [3]
A.	**Scenario Options**			
1.	Discount Rate:	4.0%	5.0%	6.0%
2.	Amortization Period:	30 Years	30 Years	30 Years
3.	Assumed Payroll Growth	2.5%	2.5%	2.5%
B.	**Census counts**			
1.	Actives	352	352	352
2.	Retirees	179	179	179
3.	Surviving Spouses	19	19	19
4.	Total	550	550	550
C.	**Benefit Obligation at 7/1/2006**			
1.	Actives	$ 25,900,000	$ 20,511,000	$ 16,488,000
2.	Retirees	31,946,000	28,022,000	24,829,000
3.	Total: (1) + (2)	$ 57,846,000	$ 48,533,000	$ 41,317,000
D.	**Annual Required Contribution (ARC)**			
1.	Normal Cost			
(a)	Normal Cost at beginning of year	$ 1,962,000	$ 1,523,000	$ 1,202,000
(b)	Interest to the middle of the year	39,000	38,000	36,000
(c)	Total Normal Cost: (a) + (b)	$ 2,001,000	$ 1,561,000	$ 1,238,000
2.	Amortization Payment			
(a)	Actuarial Accrued Liability	$ 57,846,000	$ 48,533,000	$ 41,317,000
(b)	Plan Assets	3,140,513	3,140,513	3,140,513
(c)	Unfunded Actuarial Accrued Liability: (a) - (b)	$ 54,705,000	$ 45,392,000	$ 38,176,000
(d)	Amortization Factor (level percent of pay)	24.49	21.62	19.23
(e)	Amortization Payment: (c) / (d)	$ 2,233,000	$ 2,100,000	$ 1,986,000
(f)	Interest to the middle of the year	44,000	52,000	59,000
(g)	Total Amortization Payment: (e) + (f)	$ 2,277,000	$ 2,152,000	$ 2,045,000
3.	Annual Required Contribution: (1c) + (2g)	$ 4,278,000	$ 3,713,000	$ 3,283,000
4.	Annual Required Contribution per Active Employee	$ 12,200	$ 10,500	$ 9,300



III. Five-Year Projected Net OPEB Obligation

Below is the anticipated growth in the Net OPEB Obligation based on contributions to the medical and dental plans on a pay-as-you-go cost basis. The assumptions used for this projection are based on a discount rate of 4.0% and an initial amortization period of 30 years as a level percent of payroll. We have fresh started the amortization of the unfunded actuarial accrued liability each year for this projection and have projected the data into the future based on the current active population remaining constant. Also, the estimated contributions are based on projected medical premium payments made during the year for the retired employees by the County.

Projection of Net OPEB Obligation based on
Contributions Equal to Pay-As-You-Go Cost (current funding method, scenario 1)

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
Year	ARC	Interest on Net OPEB Obligation	ARC Adjustment	OPEB Cost [2] + [3] + [4]	Estimated Contributions	Change in Net OPEB Obligation [5] - [6]	Net OPEB Obligation
0	$4,278,000	$0	$0	$4,278,000	$1,365,000	$2,913,000	$2,913,000
1	4,477,000	117,000	(121,000)	4,473,000	1,526,000	2,947,000	5,860,000
2	4,679,000	234,000	(244,000)	4,669,000	1,685,000	2,984,000	8,844,000
3	4,887,000	354,000	(368,000)	4,873,000	1,857,000	3,016,000	11,860,000
4	5,099,000	474,000	(494,000)	5,079,000	2,012,000	3,067,000	14,927,000
5	5,318,000	597,000	(621,000)	5,294,000	2,165,000	3,129,000	18,056,000



IV. Participant Demographics

A. Distribution of Active Participants

Age as of 7/1/2006	Years of Service						Totals
	0-4	5-9	10-14	15-19	20-24	25+	
Under 25	10	0	0	0	0	0	10
25 - 29	24	10	0	0	0	0	34
30 - 34	24	10	6	0	0	0	41
35 - 39	15	17	12	10	1	0	55
40 - 44	8	8	15	27	9	1	68
45 - 49	7	11	11	21	8	10	68
50 - 54	3	9	9	13	4	3	41
55 - 59	2	7	6	7	1	1	24
60 - 64	3	1	0	3	1	1	9
65 +	1	1	0	0	0	0	2
Totals	97	75	59	81	24	16	352

B. Average Active Participant Statistics as of July 1, 2006

1. Attained age 42.4
2. Years of service 10.8

IV. Participant Demographics (cont.)

C. Distribution of Inactive Participants

Age	Retirees		Surviving Spouse With Coverage	Totals
	With Spouse Coverage	Without Spouse Coverage		
Under 50	3	13	1	17
50 to 54	4	28	0	32
55 to 59	8	26	1	35
60 to 64	4	21	1	26
65 to 69	3	14	5	22
70 to 74	2	20	3	25
75 to 79	7	17	3	27
80 to 84	3	4	2	8
Over 85	0	2	3	5
Totals	34	145	19	198

D. Average Retiree Participant Statistics as of July 1, 2006

1. Average age pre-65	55.7
2. Average age 65+	74.1

V. Actuarial Method and Assumptions

A. Actuarial Method

The valuation of the liabilities as of July 1, 2006 is based on a closed group. Current employees and retirees only are considered and no provision is made for future hires. For the five-year projection, we have assumed one new entrant will enter the plan for every active employee who either retires or terminates from the City. Therefore, the active population will remain at a constant level based on the July 1, 2006 count.

1. Calculation of Present Values – Using the actuarial assumptions, the number of retired participants is projected each year in the future. Costs are projected for each future year at each age using the trend and aging assumptions. The projected costs are multiplied by the expected number of retirees in each future year to produce expected benefits payments. These payments are then discounted using the discount rate to determine the present value of the projected liabilities.

2. Actuarial Cost Method – Retiree postemployment benefit expenses are determined under the Projected Unit Credit actuarial cost method. Under this method, benefits are projected for life and their present values are determined. The present values are divided into equal parts, which are earned over the period from date of hire to the full eligibility date.

B. Actuarial Assumptions

1. Trend rates for medical (including prescription drugs) and Medicare Reimbursement Benefits are as follows:

Plan Year	Medical	Medicare Reimbursement
2006	10.00%	7.00%
2007	9.00%	6.75%
2008	8.00%	6.50%
2009	7.00%	6.25%
2010	6.50%	6.00%
2011	6.00%	5.75%
2012	5.50%	5.50%
2013	5.00%	5.25%
2014+	5.00%	5.00%

2. Upon retirement from either the defined benefit or defined contribution retirement plan, eligible Retirees and their dependents may remain in the City's health plans. Under age 65, they are in the same plans as the active employees. At age 65, each plan has a companion Medicare supplement or carve-out option in which the retiree or spouse may enroll. Except for retirees covered by the IUE or IBEW Union agreements, retirees pay nothing towards their coverage and 25% of the blended rate towards their dependent coverage. The Union employees, upon retirement, have various contribution arrangements depending on their hire dates and when they retire. These arrangements are described in detail under Section VI, Plan Provisions. The 2006 monthly rates for health coverage are shown below:

Medical Plan and Tier	2006 Rate
Basic	
• Retiree Only	$462.39
• Retiree + Child(ren)	$696.10
• Retiree + Spouse	$946.42
• Retiree + Family	$1,182.29
First State	
• Retiree Only	$467.98
• Retiree + Child(ren)	$709.79
• Retiree + Spouse	$965.11
• Retiree + Family	$1,205.64
Comprehensive, PPO	
• Retiree Only	$513.42
• Retiree + Child(ren)	$782.33
• Retiree + Spouse	$1,054.49
• Retiree + Family	$1,317.47
• Special Medicfill	$358.65
Blue Care	
• Retiree Only	$478.56
• Retiree + Child(ren)	$724.39
• Retiree + Spouse	$996.50
• Retiree + Family	$1,243.02
• Carveout	$316.57
Coventry	
• Retiree Only	$484.13
• Retiree + Child(ren)	$735.35
• Retiree + Spouse	$995.36
• Retiree + Family	$1,240.46
• Medwrap	$346.18



3. At age 65, the City also reimburses retirees for their Medicare Part B premium. For 2006, this is $88.50 per month. The Centers for Medicare and Medicaid Services (CMS) has already announced the 2007 premium which will be $93.50 per month. This benefit applies to both union and non-union employees.

4. Medical claims by selected ages used for the valuation are as follows:

Age	Medical Annual Claims
50	$5,701
55	$6,450
60	$7,297
65	$4,254

5. We assumed 30% of retirees will elect coverage for their spouse at retirement.

6. The husband is assumed to be four years older than the wife.

7. Percentage of Retirees who elect coverage: We assumed 100% of employees would elect coverage at retirement.

8. Mortality Table: 1983 Group Annuity Mortality Table for males and females. Sample rates are shown below:

Attained Age	Male	Female
20	0.04%	0.02%
30	0.06%	0.03%
40	0.12%	0.07%
50	0.39%	0.16%
60	0.92%	0.42%
70	2.75%	1.24%
80	7.41%	4.29%

V. Actuarial Method and Assumptions (cont.)

9. Termination Table: Termination of employment based on gender, age and length of service. Sample rates are shown below:

Years of Service	Termination Rate
0	25%
1	25%
2	20%
3	13%
4	7%

Termination Rates after 5+ years of service

Attained Age	Termination Rate
20	6.64%
30	4.93%
40	4.04%
50	2.17%
60	1.56%

10. Disability Table: 1975 Social Security Disability Rates. Sample Rates are shown below.

Attained Age	Male	Female
20	0.15%	0.06%
30	0.19%	0.13%
40	0.37%	0.34%
50	0.89%	0.77%
60	2.51%	1.89%

11. Retirement Rates: Retirement rates are shown below.

Attained Age	Rate
50 - 54	10%
55	20%
56 – 59	10%
60 - 64	20%
65 – 69	80%
70	100%

VI. Plan Provisions

The City of Dover provides health insurance during retirement for retirees and their dependents including surviving spouses for their lifetime. Retirees and their dependents remain in the City's health insurance plans and may be covered by any one of five medical plans. Most of the active employees and retirees are in the Comprehensive (PPO) plan. At Medicare eligibility, the member is covered by a companion Medicare supplement or carveout plan. Also at Medicare eligibility, the City reimburses the retiree for his Medicare Part B premium. For 2006, this is $88.50 per month and will increase to $93.50 in 2007.

To be eligible for health benefits, the employee must retire under the provisions of the City of Dover defined benefit or defined contribution retirement plan. Any participant may retire early with a reduced pension benefit following the attainment of age 55 and completion of 10 years of service. A participant hired on or after May 1, 1994 may retire with an unreduced pension benefit following attainment of age 55 if their age plus service equal at least 80. A participant hired before May 1, 1994 may retire with an unreduced pension benefit on the earlier of (1) attaining age 50 with 20 years of service or (2) completing 25 years of service.

The various contribution arrangements are as follows:

Employees under the IUE Union agreement

Normal Retirement: The City will pay 100% of individual coverage and 75% for dependent coverage for any IUE member who retires under normal retirement regardless of hire date.

Early Retirement: The City will pay 100% for individual coverage for IUE members hired on or before 7/1/94 who retire with early retirement. In addition, the City will pay 75% for dependent coverage.

The City will not pay any portion of individual or dependent coverage for any IUE member hired after 7/1/94 who retires with early retirement.

Employees under the IBEW Union agreement

Normal Retirement: The City will pay 100% of individual coverage for any IBEW member who retires under normal retirement regardless of hire date.

For those IBEW members whose hire date is prior to July 1, 1986, the City will pay 75% for dependent coverage.

For those IBEW members whose hire date is on or after July 1, 1986, the City will not pay any portion of dependent coverage.

Early Retirement: The City will pay 100% of individual coverage for any IBEW member who retires with an unreduced pension regardless of hire date. For those IBEW members who retire with a reduced pension, the City will pay 0% toward the individual coverage.

Employees under the IBEW Union agreement (cont.)
Early Retirement (cont.)

For those IBEW members whose hire date is prior to July 1, 1986, the City will pay 75% for dependent coverage if they retire with an unreduced pension.

For those IBEW members whose hire date is on or after July 1, 1986, the City will not pay any portion of dependent coverage regardless if they retire with a reduced or unreduced pension.

FOP and Non-Bargaining Employees
If the employee is eligible to retire, then the City will pay 100% towards individual coverage and contribute 75% towards dependent coverage.

We note that all of the above contributions are percentages of the blended rates outlined in Section V, Actuarial Method and Assumptions.

When a retiree dies, his surviving dependents may continue coverage at their current contributions.

VII. Glossary

Actuarial Accrued Liability. That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of medical plan benefits which is not provided for by future Normal Costs.

Actuarial Cost Method. A procedure for determining the Actuarial Present Value of medical plan benefits and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a Normal Cost and Actuarial Accrued Liability.

Amortization Payment. That portion of the Annual Required Contribution that is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Actuarial Present Value. The value of a benefit or series of benefits payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions.

Annual Required Contribution of the Employer (ARC). The employer's periodic required contributions to a Defined Benefit OPEB Plan, calculated in accordance with parameters.

Defined Benefit OPEB Plan. An OPEB plan having terms that specify the amount of benefits to be provided at a future date or after a certain period of time. The amount of the benefit specified usually is a function of one or more factors such as years of service and compensation.

Healthcare Cost Trend Rate. The rate of change in per capita health claims cost over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments.

Normal Cost. That portion of the Actuarial Present Value of OPEB plan benefits that is allocated to a valuation year by the Actuarial Cost Method.

Other Postemployment Benefits (OPEB). Postemployment benefits other than pension benefits. Other postemployment benefits (OPEB) include Postemployment Healthcare Benefits, regardless of the type of plan that provides them, and all postemployment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

Postemployment Healthcare Benefits. Medical, dental, vision and other health-related benefits provided to terminated or retired employees and their dependents and beneficiaries.

Substantive Plan. The terms of the OPEB plan as understood by the employer and plan members.

Unfunded Actuarial Accrued Liability. The excess, if any, of the Actuarial Accrued Liability over the assets of the plan.

VIII. Appendix

Appendix **Page**

A. Summary of Liability and Expense – Medicare Reimbursement Only 16

B. Breakdown of Liability and Expense by Fund and Department 17



Appendix A

GASB Postretirement Benefits – Medicare Part B Premium Reimbursement Only
Summary of Liability and Expense at 7/1/2006

		[1]	[2]	[3]
A.	**Scenario Options**			
	1. Discount Rate:	4.0%	5.0%	6.0%
	2. Amortization Period:	30 Years	30 Years	30 Years
B.	**Census counts**			
	1. Actives	352	352	352
	2. Retirees	179	179	179
	3. Surviving Spouses	19	19	19
	4. Total	550	550	550
C.	**Benefit Obligation at 7/1/2006**			
	1. Actives	$4,455,965	$3,740,745	$3,181,210
	2. Retirees	3,866,876	3,301,891	2,849,903
	3. Total: (1) + (2)	$8,322,841	$7,042,636	$6,031,113
D.	**Annual Required Contribution (ARC)**			
	1. Normal Cost			
	(a) Normal Cost at beginning of year	$263,792	$197,013	$149,397
	(b) Interest to the middle of the year	5,000	5,000	4,000
	(c) Total Normal Cost: (a) + (b)	$268,792	$202,013	$153,397
	2. Amortization Payment			
	(a) Actuarial Accrued Liability	$8,322,841	$7,042,636	$6,031,113
	(b) Plan Assets	0	0	0
	(c) Unfunded Actuarial Accrued Liability: (a) - (b)	$8,323,000	$7,043,000	$6,031,000
	(d) Amortization Factor (level percent of pay)	24.49	21.62	19.23
	(e) Amortization Payment: (c) / (d)	$340,000	$326,000	$314,000
	(f) Interest to the middle of the year	7,000	8,000	9,000
	(g) Total Amortization Payment: (e) + (f)	$347,000	$334,000	$323,000
	3. Annual Required Contribution: (1c) + (2g)	$615,792	$536,013	$476,397
	4. Annual Required Contribution per Active Employee	$1,700	$1,500	$1,400



Appendix B

Summary of Liability and Expense at 7/1/2006 by Fund and Department

Fund	Department	Benefit Obligation at 7/1/2006 Discount Rate 4.0%	5.0%	6.0%	Normal Cost with Interest at 7/1/2006 Discount Rate 4.0%	5.0%	6.0%	Annual Required Contribution Discount Rate 4.0%	5.0%	6.0%
Actives										
110-General	1100-511	$ 147,000	$ 64,000	$ 48,000	$ 14,000	$ 10,000	$ 8,000	$ 20,000	$ 13,000	$ 11,000
	1300-513	64,000	112,000	87,000	9,000	7,000	6,000	12,000	12,000	11,000
	1400-514	314,000	44,000	32,000	27,000	21,000	16,000	40,000	23,000	18,000
	1500-522	1,020,000	248,000	198,000	89,000	71,000	58,000	131,000	83,000	69,000
	1500-523	1,128,000	820,000	669,000	80,000	63,000	50,000	127,000	102,000	86,000
	1500-525	426,000	903,000	734,000	42,000	33,000	27,000	60,000	76,000	66,000
	1600-533	166,000	347,000	286,000	15,000	11,000	8,000	22,000	27,000	23,000
	1600-534	502,000	129,000	101,000	74,000	59,000	47,000	95,000	65,000	52,000
	1700-542	1,515,000	393,000	313,000	144,000	112,000	88,000	207,000	131,000	105,000
	1700-543	6,191,000	1,185,000	941,000	519,000	387,000	294,000	776,000	442,000	344,000
	1800-554	721,000	4,694,000	3,612,000	54,000	43,000	35,000	84,000	265,000	228,000
	1800-555	683,000	585,000	482,000	60,000	48,000	39,000	88,000	76,000	65,000
	2100-515	574,000	543,000	438,000	47,000	37,000	30,000	71,000	63,000	53,000
	2200-516	613,000	458,000	370,000	57,000	45,000	36,000	83,000	67,000	56,000
	2300-517	521,000	478,000	378,000	62,000	50,000	41,000	84,000	73,000	61,000
	2400-551	269,000	433,000	365,000	17,000	14,000	11,000	28,000	35,000	31,000
	2500-552	1,135,000	219,000	182,000	58,000	48,000	40,000	105,000	58,000	50,000
	2600-553	201,000	943,000	793,000	19,000	15,000	12,000	27,000	60,000	54,000
	2700-571	666,000	168,000	142,000	53,000	43,000	36,000	81,000	51,000	44,000
	2800-572	218,000	545,000	452,000	22,000	18,000	14,000	31,000	44,000	38,000
	2900-529	1,315,000	173,000	140,000	92,000	73,000	60,000	147,000	81,000	67,000
	3100-518	250,000	1,067,000	878,000	25,000	20,000	16,000	35,000	71,000	63,000
	3200-519	20,000	192,000	151,000	9,000	7,000	5,000	10,000	16,000	13,000
	9900-596	30,000	394,000	318,000	10,000	8,000	6,000	11,000	27,000	23,000
	9900-598	86,000	23,000	18,000	8,000	6,000	4,000	12,000	7,000	5,000
Subtotal 110		$18,775,000	$15,160,000	$12,128,000	$1,606,000	$1,249,000	$ 987,000	$2,387,000	$1,968,000	$1,636,000

		Benefit Obligation at 7/1/2006			Normal Cost with Interest at 7/1/2006			Annual Required Contribution		
		Discount Rate			Discount Rate			Discount Rate		
		4.0%	5.0%	6.0%	4.0%	5.0%	6.0%	4.0%	5.0%	6.0%
Fund	**Department**									
412	5600-556	671,000	16,000	12,000	49,000	40,000	33,000	77,000	41,000	34,000
Water/Wastewater	6600-566	97,000	541,000	442,000	5,000	4,000	3,000	9,000	30,000	27,000
	6800-568	566,000	72,000	55,000	43,000	34,000	28,000	67,000	37,000	31,000
	6900-569	376,000	455,000	370,000	37,000	31,000	25,000	53,000	53,000	45,000
	7600-576	377,000	303,000	248,000	39,000	30,000	24,000	55,000	44,000	37,000
Subtotal 412		$ 2,087,000	$1,387,000	$1,127,000	$173,000	$139,000	$113,000	$261,000	$205,000	$174,000
480-Electric	8200-562	2,242,000	303,000	248,000	109,000	83,000	65,000	202,000	97,000	78,000
	8300-563	2,165,000	1,790,000	1,449,000	72,000	58,000	47,000	162,000	143,000	125,000
	8400-564	137,000	1,770,000	1,460,000	8,000	6,000	5,000	14,000	90,000	83,000
	8500-565	494,000	101,000	76,000	33,000	26,000	21,000	54,000	31,000	25,000
Subtotal 480		$5,038,000	$3,964,000	$3,233,000	$222,000	$173,000	$138,000	$432,000	$361,000	$311,000
Total Actives		$25,900,000	$20,511,000	$16,488,000	$2,001,000	$1,561,000	$1,238,000	$3,081,000	$2,536,000	$2,121,000
Retirees										
110-General		20,283,000	17,756,000	15,707,000	0	0	0	713,000	692,000	674,000
412-Water/Wastewater		1,901,000	1,689,000	1,514,000	0	0	0	79,000	80,000	81,000
480-Electric		9,762,000	8,577,000	7,608,000	0	0	0	406,000	407,000	407,000
Total Retirees		$31,946,000	$28,022,000	$24,829,000	0	0	0	$1,198,000	$1,179,000	$1,162,000
Total		$57,846,000	$48,533,000	$41,317,000	$2,001,000	$1,561,000	$1,238,000	$4,278,000	$3,713,000	$3,283,000

Proposed Pay Grade Positions and Changes

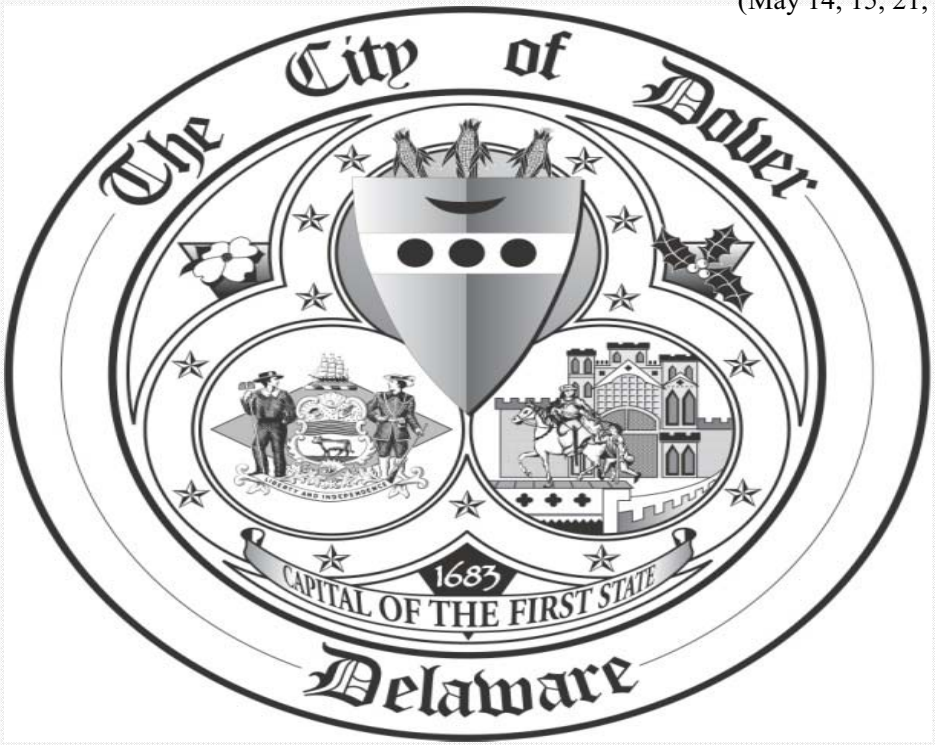
Position	A 7/1/03	B 7/1/07	C Proposed Percentage Increase	D (BxC) Proposed 7/1/07	E (D-A) Difference	F Proposed Increases	G (D+F) Total Salary Ranges	H (G-A) Total Difference
Central Services Director	$68,134	$86,103	10%	$94,713	$26,713	$5,635 - $6,156	$100,348 - $100,869	$32,214 - $32,435
Human Resources Director	$59,340	$73,861	10%	$81,247	$21,907	$4,834 - $5,281	$86,081 - $86,528	$26,741 - $27,188
Information Technology Director	$75,430	$88,666	5%	$93,099	$17,669	$3,025 - $4,422	$96,124 - $97,521	$20,694 - $22,091
Parks & Recreation Director	$60,749	$72,938	5%	$76,578	$15,829	$2,488 - $3,637	$79,066 - $80,215	$18,317 - $19,466
Library Director	$52,213	$63,000	15%	$72,450	$20,237	-	-	-
*Planning/ Inspection Director	$73,000	$82,371	10%	$90,608	$17,608	$2,944 - $4,303	$93,552 - $94,911	$20,552 - $21,911
City Manager	$89,307	$112,948	10%	$124,242	$34,935	$4,037 - $5,901	$128,279 - $130,143	$38,972 - $40,836
Senior City Administrator	$73,652	$86,809	25%	$108,511	$34,859	$3,526 - $5,154	$112,037 - $113,665	$38,385 - $40,013
*Customer Service Manager	$49,900	$56,703	5%	$59,538	$9,638	$1,934 - $2,828	$61,472 - $62,366	$11,572 - $12,466
Police Resource Manager	$49,262	$62,451	-	-	-	-	-	-
*Public Services Manager	$81,090	$100,635	10%	$110,635	$29,545	$3,595 - $5,255	$114,230 - $115,890	$33,140 - $34,800

EXHIBIT #13
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Position	A 7/1/03	B 7/1/07	C Proposed Percentage Increase	D (BxC) Proposed 7/1/07	E (D-A) Difference	F Proposed Increases	G (D+F) Total Salary Ranges	H (G-A) Total Difference
Public Works Operations Manager	$49,979	$61,675	5%	-	-	-	-	-
*Public Utilities Manager	$100,000	$104,000	10%	$114,400	$14,400	$3,718 - $5,434	$118,118 - $119,834	$18,118 - $19,834
*Water/Wastewater Manager	$44,281	$79,356	10%	$87,291	$43,010	$2,836 - $4,146	$90,127 - $91,437	$45,846 - $47,156
Engineering Services and System Operations Supervisor	$53,672	$72,143	10%	$79,357	$25,685	$1,983 - $3,174	$81,340 - $82, 531	$27,668 - $28,859
Line Crew Superintendent	$66,794	$76,829	10%	$84,511	$17,717	$2,112 - $3,380	$86,623 - $87,891	$19,829 - $21,097
City Assessor	$54,999	$59,657	5%	$62,639	$7,640	-	-	-
*City Clerk	$43,402	$59,692	5%	$62,676	$19,274	$2,036 - $2,977	$64,712 - $65,653	$21,310 - $22,251
Chief Building Inspector	$46,000	$52,651	30%	$68,446	$22,446	-	-	-
*Librarian II	$43,810	$46,438	5%	$48,759	$4,949	-	-	-

** Salary as of 07/01/2006 equaled $73,000*
** Two (2) Promotions*
** Promotion and Reorganization*
** 2007 Salary equaled $100,000*
** Two (2) Promotions and a Position Upgrade*
** Promotion from Assistant City Clerk*
** Filled Vacancy FY07*

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Revenue Presentation

Fiscal Year 2008-2009

June 10, 2008

EXHIBIT #14
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

General Fund Revenues

It is time to examine fee increases and taxes to create sustaining revenues.

Is the Revenue needed now?

- FY 2009 permit revenue covers only 60% (lowest in 5 years) of Planning & Inspections costs.
- Tax revenue up $500,000 plus, cost of Police salaries up $800,000 alone.
- Tax re-assessment begins - $400,000.
- Possible decrease in State Revenue.
- Cuts made to several capital projects – can not sustain.
- Cuts also made to e-government projects.
- New computers have been cut from the budget – can sustain.

Is the Revenue needed now?

- OPEB begins this year - 2.5% of salaries
- Full year of operations at the Pitts Center.
- Full year of Sex Offender Officers.
- Full year of Emergency Planning position.
- Full year of expanded Ambulance coverage.
- Health Insurance costs increased 8% city-wide.
- 4% increase for FOP bargaining unit.
- 3.5% increase for IUE bargaining unit.

Total FY09 Costs for Positions Added in FY08

1 Inspector	65,036
2 Police Officers	138,868
1 Emergency Preparedness Coordinator	82,238
Pitts Center Staff (1 full-time, 4 part-time)	161,359
TOTAL	$447,501

Business Licenses

- Overall Increase 10%
- Revenue Generated- $145,000
- Last Increased in 2004

Permits and Other Licenses

- Revenue Generated = $219,720
- Last Increased ranges from 1993 -2004
- Revenues cover only 60% of Planning & Inspections – lowest level ever

Tax Revenue per 1¢

- One cent on the tax rate = $286,569
- Two cents on the tax rate = $573,138
- Three cents on the tax rate = $859,707



Total Revenue Increases

Tax Revenue - 3 cents	859,707
Business Licenses	145,000
Permits	219,720
Total	**$ 1,224,427**

How Revenue Would Be Used	Total Cost	Accumlative Cost	
Fire safety equipment	9,500	9,500	Excess Balance
2.7% PFP Below Market Advancement	12,500	22,000	
Non-Bargaining Contingency\Captial Asset	90,000	112,000	
Arts Council	3,805	115,805	Permit Fee Increases
Concrete Program Increase	25,000	140,805	
GPS System	33,750	174,555	
Capital Asset Reserve\State Funds Contingency	100,000	274,555	
Librarian I	50,095	324,650	
Capital Asset Reserve\State Funds Cont.	100,000	424,650	One Cent Tax Increase
Streets Program	80,000	504,650	
African American Festival	7,500	512,150	
Economic Development CDEDC	16,000	528,150	
Police Vehicles Increase	80,000	608,150	
Streets Program Increase\State Funds Cont.	150,000	758,150	One Cent Tax Increase
Concrete Program Increase	30,000	788,150	
Capital Asset\State Fund Contingency	100,000	888,150	
State Funds Contingency\Capital Asset	155,000	1,043,150	Business License Increase
Streets Program Increase	190,000	1,233,150	One Cent Tax Increase
Capital Asset\State Fund Contingency	100,000	1,333,150	

Water/Wastewater Revenues

- Revenues continue to be flat for FY09.
- Industrial base continues to erode.
- Residential growth 1%.

Water/Wastewater

- Major capital projects will require debt issuance
  - Water Quality Assurance
  - Inflow Infiltration
  - Water Tower
  - US Rte 13 Sanitary Sewer Interceptor
- Rate study planned for FY2009.
- It is projected that rate increases will be necessary beginning in FY2010.

New Plan Review Fee Proposed

Water/Wastewater

- Revenue from proposed fee - $95,100
- Engineering estimates for costs of plan review
  - FY 2007 - $105,215
  - FY 2008 – $119,250
- Additional revenues will be used to offset the costs of the capital projects.

PAY-FOR-PERFORMANCE & STAFFING CHANGES

Fiscal Year 2008-2009

EXHIBIT #15
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

June 10, 2008

What is Pay-For-Performance (PFP)?

Pay-For-Performance is a system for awarding pay increases to non-bargaining employees based on the following:

- Employee performance in reaching goals and objectives and their performance in Core Competencies
- Employee's position in the Pay Plan (Example: below market, at market, above market)
- Salary increases based on market studies

Pay-For-Performance

City Manager's Recommendation

Analysis of the Market Survey recommends 3.25% average market increase for Fiscal Year 2009.

Here's why...

Pay-For-Performance

Market Increase Recommendations

- BLS — 3.5% nationally
- ICMA Survey & Ann. Report — 1.77% for majority of ranges
- BNA Labor Report — 3.3% – average wage increase – 2006
- FOP Bargaining Unit — 4% – for Fiscal Year 2009
- IUE/CWA Bargaining Unit — 3.5% for Fiscal Year 2009
- IBEW Bargaining Unit — 3.5% for Fiscal Year 2009

Pay-For-Performance

- Last year Council did not adopt the 2.7% additional increase for below market employees to bring them into market range in 7 years. A 1% increase was used.
- The same schedule is used this year. However, it is recommended that the 2.7% increase be considered.
- Continued use of 1% will cause a trend to below market salary.
- The estimated cost of a 2.7% increase will be $12,500.

Pay-For-Performance

Market Analysis for Projected Increases

as of June 10, 2008



Currently there are 26 non-bargaining employees below market, 40 at market, and 17 in above market. Only one non-bargaining employees is above maximum.

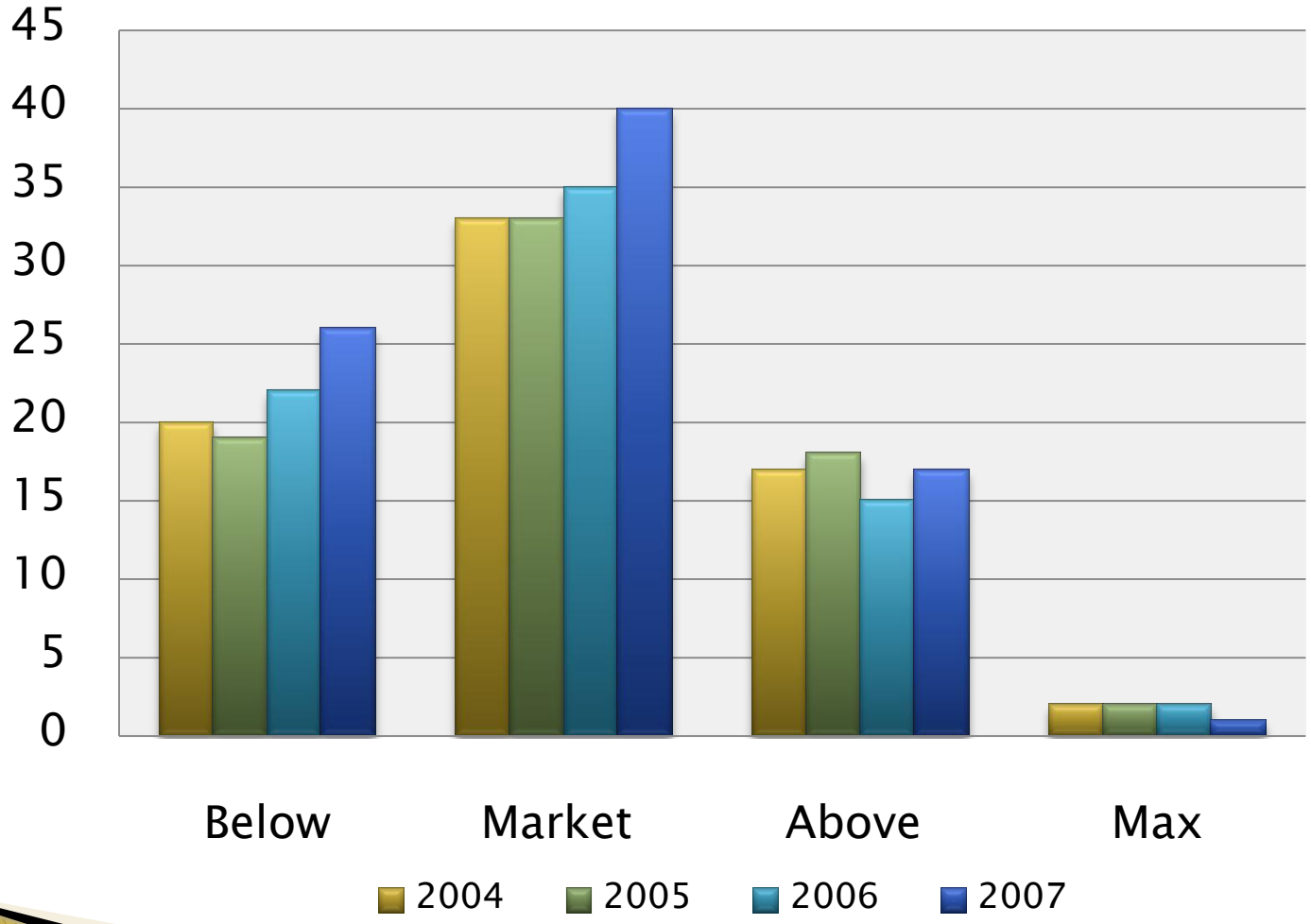
Pay-For-Performance

Market analysis also proposes an increase in labor grade ranges by 3.25%

- This is **not** added on top of the PFP increase.
- It establishes the job ranges for new employment.
- It determines whether current employees are ranked below market, at market, or above market.

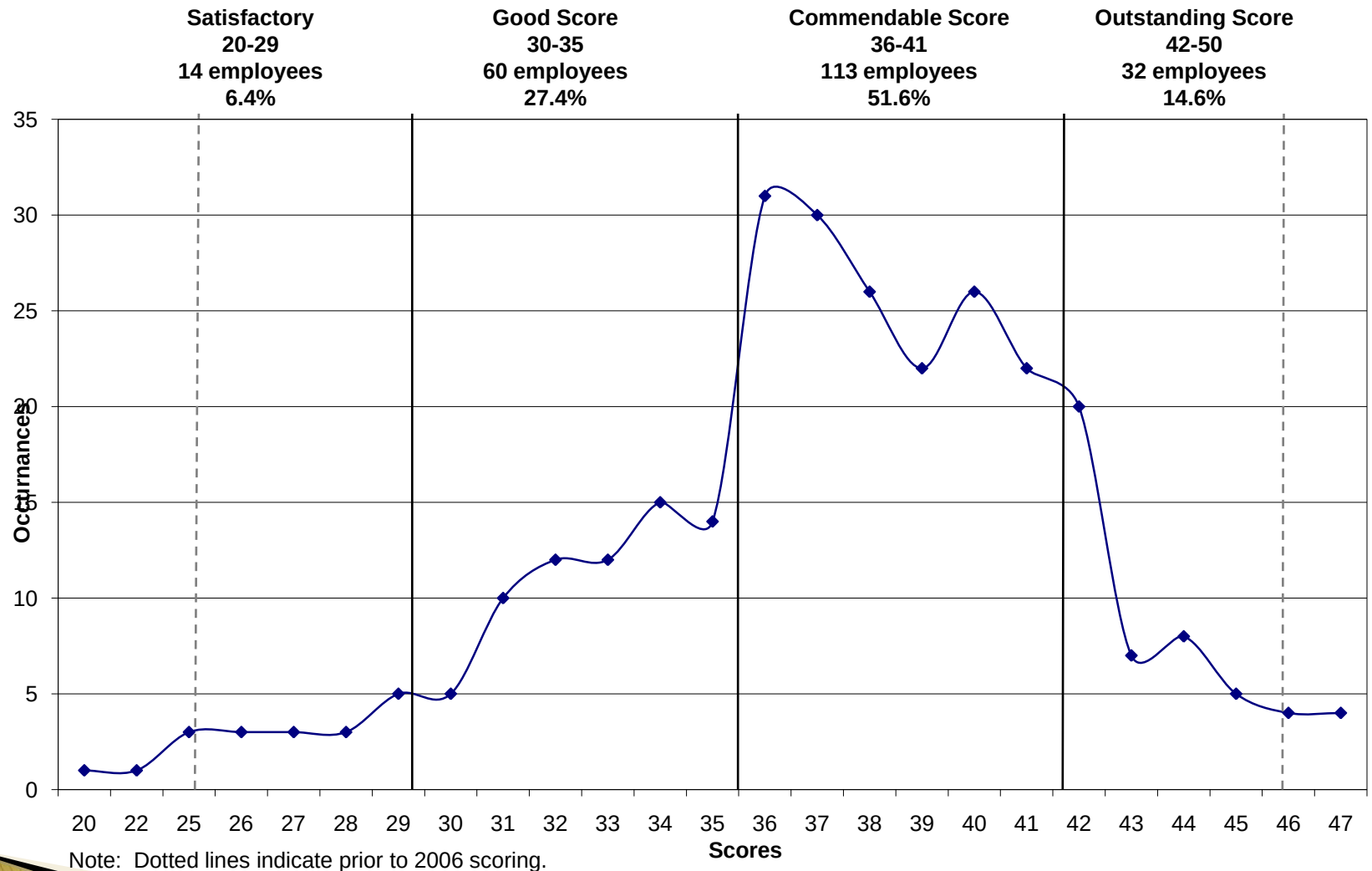
PFP by Market Status

FY 2004 – 2007



PFP Scores Distribution

FY 2004 – 2007



Note: Dotted lines indicate prior to 2006 scoring.

Staffing Changes

Reclassification/Upgrades Proposed for Non-Bargaining Employees.

• Eight requests for reclassifications/re-gradings and promotions of non-bargaining positions were reviewed. Seven were included in the budget.

Department	Position	Justification	Amount Budgeted
Library	Secretary II to Administrative Assistant	Performing Administrative Assistant duties	$2,605
Public Services Admin	GIS Coordinator to GIS Manager	Additional responsibilities as the function expands and grows	$3,068
Public Services Planning	Weed & Seed Coordinator to Community Prevention Manager	Reclassified to fit actual duties being performed.	$744
Public Services Planning	Planner I	Creates a progressive career path for Planners	N/A
Public Services Planning	Senior Planner	Creates a progressive career path for Planners	N/A
Public Services Planning	Planner to Planner II	Creates a progressive career path for Planners	$2,303
Public Utilities Water Treatment	Water Production Supervisor Re-grading	Reclassified to fit actual duties being performed	$3,338

Staffing Changes

New Position Recommendations

Department	Position	Justification	Amount Budgeted
Economic Development	Main Street Manager	Coordination of City's economic development efforts. Existing position from existing Main Street budget.	$71,642
Economic Development	Marketing Professional	Coordination of City's economic development efforts	$83,853
Economic Development	Administrative Assistant	Coordination of City's economic development efforts	$61,853

Staffing Changes

IUE/CWA Bargaining Unit

Department	Position	Justification	Amount Budgeted
Police	Communications Operators	Re-grading 11 from a grade 17 to 18	$30,261
Police	Animal Control Officer	Re-grade one from a grade 11 to 12	$1,909
Central Services	Mechanic I to Supervisor	Re-grade one from grade 15 to 19	$10,468
Central Services	Courier to Central Mailroom Clerk	Re-grade one from grade 12 to 13	$1,747
Central Services	Storekeeper I	Re-grade two from grade 12 to 13	$3,454
Central Services	Storekeeper II	Re-grade one from grade 14 to 15	$2,198

Non-Bargaining Market Analysis

- It is recommended that we contract, in this fiscal year (FY08), to re-evaluate all non-bargaining positions to determine if job titles, market range positions, and salaries are correct.
- Can be completed by the end of June.
- $90,000 in contingency funds for possible corrections should be budgeted in the general fund.

Council Actions on 2009 Draft Budget as of June 19, 2009

Council Actions on FY 2009 Draft Budget	General	Water/ Wastewater	Electric
Water/Wastewater Cost of Service Study from $80,000 to $25,000		(55,000)	
Transfer $200,000 to Capital Asset Reserve	200,000		
Add $16,000 for Economic Development	16,000		
Voted across the board increases vs PFP	(42,509)	(13,233)	(17,937)
Net Change	**173,491**	**(68,233)**	**(17,937)**

Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)
EXHIBIT #16

Budget Team Suggested Reductions to Offset Council Actions

Suggested Reductions	General	Water/ Wastewater	Electric
Remove Silver Lake Management Project	(50,000)		
Remove Schutte Park Master Plan	(25,000)		
Defer One-ton Street Roller	(23,300)		
Defer Playground Improvement Program	(30,000)		
Reduce 20 & 30 Series by 1%	(49,275)	(2,160)	(7,915)
Total	**(177,575)**	**(2,160)**	**(7,915)**
Net Reduction	**(4,084)**	**(70,393)**	**(25,852)**

Actions Approved by Council with No Impact on the FY 2009 Budget as of June 19, 2008

Maintain Current Pay Grades	-
Approved use of 3rd Party Credit Card Processor	(214,000)
Approved 17 Bargaining Position Upgrades	50,747
Approved stipend for retirees	100,000
Corrected the CDBG budget to reflect actual grant and salary	(119,371)
Voted not to approve additional 2.7% increase for below market employees	(12,700)

Corrections Made by Staff as of June 19, 2008

Corrected Planning Commission Salaries	(126,479)
Added Overtime to Grounds	16,757
Added Overtime to Streets	14,746
Added Overtime to Sanitation	24,353
Decreased Overtime in Central Services	(1,000)
Decreased Overtime in Facillities Manangement	(1,500)
Decreased Overtime in Fleet Maintenance	(600)
Added 2030 Feasibility Study to Electric	300,000
Reduced transfer to Electric I &E	(300,000)

Open Items
as of June 19, 2008

- Non-bargaining Upgrades
- Pay-for-Performance
- Mr. McGlumphy's List from June 10, 2008
- Water/Wastewater Plan Review Fees

How Revenue Would Be Used	Total Cost	Accumulative Cost	Method of Payment
Capital Asset Reserve	200,000	**$200,000**	
Streets Program Increase/Contingency Funds	150,000		
Streets Program Increase	**190,000**		**Excess Balance**
Streets Program	**80,000**	**$270,000**	**Excess Balance**
Concrete Program Increase	**25,000**		**Excess Balance**
Concrete Program Increase	**30,000**		**Excess Balance**
Capital Asset/State Fund Contingency	**100,000**	**$55,000**	
Capital Asset/State Fund Contingency	100,000		
State Fund Contingency/Captital Asset	155,000	**$255,000**	
Fire Safety Equipment	**9,500**		**Excess Balance**
Arts Council	**3,805**		**Excess Balance**
GPS System	**33,750**		**Excess Balance**
Librarian I	**50,095**		**Excess Balance**
African American Festival	**7,500**		**Excess Balance**
Economic Development	**16,000**	**$120,650**	**Excess Balance**
Police Vehicle	**80,000**	**$80,000**	**Excess Balance**
Total		**$525,650**	

EXHIBIT #17
Special Council Meeting - 2008 Budget Hearings
(May 14, 15, 21, and 22, and June 2, 10, and 19, 2008)

Where It Comes From	Amount	What It Buys	Amount
Reduction in Salary Scale	50,000	Streets Program Increase	190,000
Silver Lake Management Project	50,000	Streets Program	80,000
Schutte Park Master Plan	25,000	Concrete Program Increase	25,000
Reduction in Street Program	51,000	Concrete Program Increase	30,000
One Ton Steam Roller/Leaf Vacuum	23,300	Fire Safety Equipment	9,500
Playground Equipment	30,000	Arts Council	3,805
Reduction in 20-30 Series By 1%	49,275	GPS System	33,750
Correction in Planning Commission Salaries	126,479	Librarian I	50,095
Decrease in Central Services Budget	1,000	African American Festival	7,500
Decrease in Facilities Management Budget	1,500	Economic Development	16,000
Decrease in Fleet Maintenance Budget	600	Police Vehicle	80,000
Reduction in additional 2.7% increase for Below Market Employees	12,700		
Reduction in Water/Waste Water Cost of Service Study	55,000		
General Fund Salary Reduction Savings	42,509		
Water/Waste Water Salary Reduction Savings	13,233		
Electric Fund Salary Reduction Savings	17,937		
Total	**549,533**		**525,650**

Salary Increases Over Time and Budged Through FY'09

Position	Pay Grade	Proposed Pay Grade	FY'04 Salary	FY'05	FY'06	FY'07	FY'08	Current Salary	Increase Passed	Budgeted Upgrade
City Manager	137	139	89,307	4.75	7.00	6.45	6.00	112,948	3.66*	10%
Senior City Administrator	130	135	73,652	4.50	3.50	4.78	4.00	86,809	3.66%	25%
Public Utilities Manager	134	TBR						104,000	3.66%	10%
Central Services Director	132	134	68,134	4.98	7.00	6.22	5.91	86,103	3.66%	10%
HR Director	130	132	59,340	5.00	9.14	7.20	6.50	73,861	42.94**	0%
Public Services Manager	134	TBR	81,090	4.75	4.00	5.58	7.9**	100,635	3.66%	10%
City Clerk	123	124	43,404	4.50	3.50	16.17	9.46**	59,693	3.66%	5%
City Planner/Inspections	131	133	73,000				12.8**	82,371	3.66%	10%
City Assessor	123	124	54,999					59,657	3.50%	0%
Finance Dir/Controller	131	137	86,314	4.50	4.25	3.75	23.04**	95,118	2.50%	0%

*** City Manager also receives car/gas/food allowance**

**** Job Change Promotion**

Memorandum

Office of the City Manager
P.O. Box 475
Dover, DE 19903
Phone: (302) 736-7005
FAX: (302) 736-7002
E-mail: tdeprima@dover.de.us

To: Mayor and Council

From: Anthony J. DePrima, AICP
City Manager

Date: June 16, 2008

Subject: Reconsideration of Non-bargaining Salary Increases

As you all know, I will not be able to attend the June 19 budget meeting. I am respectfully requesting that City Council consider an alternative to Councilman Slavin's motion to approve across the board increases for non-bargaining employees. I appreciate Councilman Slavin's effort to initiate movement on this issue, in a way that was fair to all employees. I completely understand his intent; however, I believe it causes some serious, unintended consequences.

We have estimated the cost of the motion based on our interpretation (see attachment) to be $155,023. I am proposing a traditional Pay for Performance Schedule that is estimated to have approximately the same cost - $156,447. This is $72,560 less than projected in the original budget.

The problem with the "across the board" motion is as follows:

1. Many of our employees have worked very hard to achieve their goals and perform their jobs well. Some have not. The approved motion gives both groups raises regardless of effort. This disappoints our best performers, and rewards our worst. Our employees started the year believing that evaluations count; let's end it that way.

2. While the motions intent was to bring uniformity, it has had the unintended effect of dividing the non-bargain employees. Some will receive a 3.66% increase, while others will receive 3.50%, and in several cases this will occur within the same department. For example, the Sanitation Supervisor, who supervises 13 IUE employees, will receive 3.50 %. His supervisor, the Public Works Operations Manager, who supervises 3 non-bargaining supervisors, will receive 3.66%. I think this is divisive.

3. I have attached a copy of the motion and our interpretation of that motion. As you will see, we have made some interpretations that can be understood differently by others. Some of these interpretations may have to be brought back to Council for further instruction. This can get complicated, and leaves the matter open.

4. We believe it was Councilman Slavin's intent for the Police Chief and Police Major to receive a 4.00% increase, but a literal interpretation of the motion yields a different result. Since they both supervise non-bargaining employees, Police management is represented by the FOP, and the department is comprised of both FOP and IUE employees, their increase would be 3.66%. I think this leaves this matter open as well.

The following PFP schedule yields approximately the same budget cost as the motion made by Councilman Slavin. The average increase is 3.31%

PFP Score		Adjustment			
From	**To**	**Employee Above Maximum**	**Employee Above Market**	**Employee At Market**	**Employee Below Market**
0	19	0%	0%	0%	0%
20	29	0%	0%	0%	1.00%
30	35	2.50%	3.00%	3.50%	3.75%
36	41	2.75%	3.25%	3.75%	4.00%
42	50	3.00%	3.50%	4.00%	4.25%

The advantages of utilizing this schedule:

1. The schedule rewards our best performers, and sends a clear message to those who are not performing.
2. The schedule unifies all employees under one system that employees are accustomed to.
3. There are no interpretation issues to resolve.
4. This gives an additional 0.25% increase to employees at entry level. This meets the adopted policy.

I feel that it is my responsibility to inform City Council when I believe they are going down the wrong path, even when it makes us all uncomfortable. Now is that time. Again I want to thank Councilman Slavin for his efforts to move this matter along.

Attachment

ADJ/hf

Mr. Slavin's June 10 Motion for Non-Bargaining Pay Increases:

Mr. Slavin amended the motion to say that non-bargaining employees would get a raise commensurate with whatever the bargaining unit is getting in the unit they supervise.

Anyone who is not in a bargaining unit would get the average of what the bargaining units are getting.

Interpretations of above motion:

1. **How are we to interpret "the average of what the bargaining units are getting" as stated in the second paragraph?**

   We are interpreting this to mean an average of the three bargaining units – 4% FOP, 3.5%, IUE-CWA and 3.5% IBEW. This averaged together equals 3.66%.

   Others have interpreted this differently. Some believe the average to be 3.75% - an average of 4% FOP and 3.5% IUE-CWA and IBEW.

2. **How do we treat non-supervising, non-bargaining employees such as, Administrative Assistants, Records Clerk, confidential positions in Finance, IT positions such as LAN Analysts, and Planners?**

   A literal reading of the above motion does not clearly answer this question. We believe that Mr. Slavin's intent was to apply the second paragraph. These people should get the average of what bargaining units are getting – 3.66%.

3. **How do we treat Supervisors in a department with no bargaining unit employees? Examples of these supervisors would be, City Clerk's Office, IT, Finance, HR, City Manager's Office.**

   This is covered under the second paragraph and therefore these employees get the 3.66%

4. **How do we treat a Supervisor who supervisors bargaining unit employees? Examples would be the Streets Department, Field Supervisor (supervises IUE), Line Superintendent (IBEW), Police 911 Supervisor (IUE).**

   We interpret this under the first paragraph which means they would get 3.5%.

5. **How do we treat the Police Chief and the Major?**

   We believe Councilman Slavin's intent was that they would get a 4% increase like the FOP. This was used in the analysis. However, the Major supervises both FOP bargaining and IUE non bargaining supervisors so the 3.66% applies or maybe 3.75% because they only supervise two of the three bargaining units. The Chief supervises non-bargaining supervisors, so the 3.66% applies. This leaves this open to interpretation.

6. **How do we treat a Supervisor who supervises non-bargaining employees and those employees who supervise bargaining employees in one unit? Examples of this would be the Public Services Manager who supervises only non-bargaining employees (Public Works Operations Manager, Chief Building Inspector, Fire Marshall). These employees supervise bargaining employees.**

   We are unsure how to interpret this and seek your clarification on this issue. For the purpose of the attached analysis we used 3.66%