LEGISLATIVE, FINANCE AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on January 11, 2010, at 5:30 p.m. with Chairman McGlumphy presiding. Members present were Mr. Salters (arrived at 5:34 p.m.), Mr. Leary, Mr. Shevock, and Dr. Jones. Members of Council present were Mr. Hogan, Mr. McGiffin, Mr. Ruane, Mrs. Russell (arrived at 6:35 p.m.) and Council President Williams (arrived at 6:00 p.m.). Mayor Carey was also present.

AGENDA ADDITIONS/DELETIONS

Mr. Leary requested the deletion of Item #2 - MAG Overview of Recommendations, to allow time for members to be provided the summaries of the meetings with employees.

Mr. Leary moved for approval of the agenda, as amended, seconded by Mr. Shevock and unanimously carried.

Review and Analysis

Vacant Positions Report

Mr. Anthony DePrima, City Manager, advised members that the vacant positions report is one (1) of three (3) similar reports that he monitors each month. He explained that these reports were created to measure the pulse in this difficult economic time and the report will change as positions are filled.

Responding to Mr. McGlumphy, Mr. DePrima stated that the City is in the second year of a hiring freeze and, as with last year, there will be some positions that will be eliminated from the budget permanently.

Overtime Report

Mr. DePrima advised members this report is used to monitor overtime usage by department. He noted that the report was created to insure that employees are not making up lost income from furloughs with overtime and, to date, any overtime has been justified.

In response to Mr. Ruane, Mr. DePrima stated that the increase in overtime in the Transmission and Distribution section of the Electric Department is from evening and weekend preparation for the Governor=s Avenue Project.

Responding to Mr. McGlumphy, Mr. DePrima stated that the reports are compiled by department, not by person, and that the next report will include totals.

Furlough Report

Mr. DePrima advised members that employees are abiding by the furlough, which was adopted by City Council.

Responding to Mr. McGlumphy, the purpose of this report is to make sure that employees are taking their furloughs.

In response to Mr. McGlumphy, Mrs. Theresa Tieman, Senior City Administrator, explained that

there are no monies saved, as there were no monies budgeted, for furloughs. She noted that there was a "cost avoidance".

Review and Recommendation - Filling of Critical Positions

During their meeting of February 23, 2009, members recommended approval of the Hiring Freeze for Fiscal Year 2008-2009, but to allow the hiring of critical positions through the review and approval of the Legislative, Finance, and Administration Committee and City Council. It was suggested that there be a "standing" agenda item to consider the filling of critical positions and, if there are no positions to consider, the item could be removed.

Police Officer

Police Chief Jeffrey Horvath explained that, with the recent retirement of Captain Ray Sammons, a new vacancy was created. He reminded members that the Police Department=s authorized strength is currently 91 officers and that the vacant position would need to be filled in order for the City of Dover to remain compliant with the staffing provisions of the Community Oriented Policing Services (COPS) grant that was approved by Council on September 14, 2009. Filling this position would allow the Police Department to maintain 91 officers on duty and Chief Horvath explained its necessity in order for the City to continue to provide security and safety for the citizens of Dover. He mentioned that there will be a small savings, as the person he would like to hire is not a certified police officer and will have to go through the Policy Academy in March or June.

Mr. Leary moved to recommend that staff be granted permission to recruit for the position of Police Officer, as requested by staff. The motion was seconded by Dr. Jones and unanimously carried.

Proposed Ordinances

Ordinance #2010-01 - Chapter 102 – Taxation, Article I - In General, Section 102-1 - Annual Valuation and Assessment

Ms. Cheryl Russell, City Assessor, advised members that Ordinance #2010-01 is being brought back to revert the ordinance to its original intent and to strike out the amendments made by Mayor Carey, and approved by City Council, on December 14, 2009. The purpose of the amendment is to follow the recommendations resulting from a June 2008 audit performed by Mr. Frederick Chmura and Mr. William Ford of the International Association of Assessing Officers (IAAO).

Ms. Russell explained that the recommendation was to prorate the values of properties as of the annual assessment date of January 1.

Mr. Salters advised members that he does not believe it is fair to tax incomplete properties that are not making a profit due to the current economic conditions.

Responding to Dr. Jones, Ms. Russell explained that there are two (2) properties that would be subject to taxation based on the percentage complete after 90 days without construction under the proposed ordinance changes.

Mr. Anthony DePrima, City Manager, advised members that in order for Ms. Russell to enforce the 90-day window, she would have to visit properties every day to witness that no construction is taking place.

Mr. Philip McGinnis, McGinnis Commercial Real Estate Company, advised members that he is an appraiser and has been involved in property tax assessment appeals with the City of Dover for a number of years. Mr. McGinnis stated that while a building is under construction it generates no income; therefore, there is no value from an income standpoint, yet the land is still rightfully taxed.
He felt that this ordinance would place a burden on the developer with an unfinished building and would be unfair to any taxpayer. He further noted that if a building is vacant for a period of time, the City Planning Department enforces the vacant building ordinance.

Mr. Ruane stated that when a property is under construction it must be insured, so to indicate that a property under construction has no value is disingenuous. He further explained that although the City uses three approaches to assess properties (sales, cost, and market) it does not use any single one, and, although allowed, the approaches are not necessarily applied. He further indicated that to be fair and equitable, all properties should be assessed equally and justly, stating that waiting until the building is complete is not normal, accepted practice in the industry.

In response to Council President Williams, Mr. McGinnis stated that the bank requires insurance during the construction phase in case there is a hazard, so that some repayment of the debt can take place. Mrs. Williams advised members that the function of the insurance is to protect the capital investment, which has nothing to do with the value of the property once the certificate of occupancy has been issued, and that these two issues are separate and should not be compared.

Responding to Mrs. Williams, Mr. McGinnis stated that he knows of no other municipality or assessing group that taxes properties during construction.

Mr. Tom Burns, Burns and Ellis REALTORS®, 490 N. DuPont Highway, stated that he is not familiar with the legislation passed by the State of Kansas, which was mentioned in the letter from Mr. Fred Chmura; however, he felt that the proposed ordinance was a disguised tax increase. He stated that the City had not presented a reason why additional funds were needed. He advised that he believes this ordinance will deter developers from building in the City of Dover and that the City should be more user-friendly to developers. He further noted that insurance on vacant buildings is nominal and that the bulk of insurance is for liability.

Mr. Ruane stated that although insurance premiums may be low, if the building caught on fire the policy holder would expect enough funds to be able to rebuild the building to its level of completion before it burned. He further explained that the intent of the amendment is not to raise taxes but to conform with national standards. Currently, property under construction in the

City of Dover cannot be taxed until the Certificate of Occupancy is issued. He stated that the common practice in other states is to assess as of the status on the assessment date. He read into record a recommendation from the IAAO which states *"Valuation of Property as of the Assessment Date: Clarify that all property is valued as of its ownership and current market value as of the January 1st assessment date. Currently property under construction cannot be placed on the tax rolls until a Certificate of Occupancy is issued. This is not common practice in the assessment profession in other states. The general practice is that all property is assessed as of its status on the assessment date. For example, if a building is under construction as of January 1st and is 50% complete on that date, then the assessor values the property as its 50% complete status and places this partial value on the annual assessment roll. Then the Certificate of Occupancy is issued, the assessor then reassesses the building and adds the additional increased assessment as a supplemental assessment on the next quarterly supplemental assessment date. Property receiving a change in zoning or specific use would also be adjusted based upon the assessment date".*

Mr. Scott Kidner, lobbyist for the Delaware Association of REALTORS®, expressed concern that there will be legal issues, as the owner of the property might not agree with the percentage of completion valued by the Assessor=s Office. He further requested that the real estate community be given notice when issues of importance such as this come before the Committee.

Responding to Mr. McGlumphy, Mr. Kidner stated that if the City decides to approve this amendment, he would recommend that the City of Dover and the regulating community get together to address issues that may arise from this matter.

Mr. Hogan stated that, as the policy is currently written, it is almost impossible for the Assessor=s Office to enforce.

Dr. Jones stated that the City of Dover should encourage development and operate in a manner of goodwill. She felt that the Assessor=s Office and concerned others should work together to develop a workable plan.

Ms. Jennifer Casey, Executive Vice President for the Homebuilders Association of Delaware and resident of the City of Dover, stated that this amendment will increase the cost of residential construction and will impact affordable housing. She further noted that the Economic Development Office brainstorms on how to bring businesses in and this ordinance amendment is unfair to long-term residents of this city when they are investing their money during difficult economic times. Ms. Casey stated that if the City of Dover is the only place in Delaware with this ordinance, investors and homebuyers will not come, which she felt would negate the small increase in the budget.

Mr. Mike Harrington, Harrington ERA Realty, Inc., stated that everyone has worked very hard to promote the City of Dover. He believes that the City of Dover is sending a negative message to the community, which will single the city out. He expressed confidence that City Council will make the right decision.

Mr. Salters moved that the City Assessor=s Office, the City Manager=s Office and the Real Estate Community meet to attain a workable solution within 90 days. The motion was seconded by Mr. Leary.

Dr. Jones stated that she would like to see research conducted so that factual information can be provided to the Committee.

Mr. McGlumphy stated that he would like to see what is done in the State of Delaware, not other states, as the recommendations stated. He suggested a middle ground can be found during discussion.

The motion that the City Assessor=s Office, the City Manager=s Office and the Real Estate Community meet to attain a workable solution within 90 days was unanimously carried.

Ordinance #2010-02 - Adoption of 2009 ICC Codes (*Building Codes*)

Dr. Jones moved to table Ordinance #2010-02 - Adoption of 2009 ICC Codes (Building Codes) to allow the development community time to review, seconded by Mr. Leary and unanimously carried.

Health Benefits Committee

Mr. Anthony DePrima, City Manager, advised members that in order to manage the OPEB liability and annual cost of health benefits, the City Administration is recommending the formation of a Health Benefits Committee, as appointed by City Council. He further advised that the Committee membership would consist of the following positions and that meetings would take place during normal City business hours:

Council Members - two (2) appointed by City Council
City Manager (Ex Officio)
Human Resources Director
Controller/Treasurer
FOP – one (1) representative as appointed by the Union
IBEW – one (1) representative as appointed by the Union
IUE/CWA – one (1) representative as appointed by the Union
Non-Bargaining – one (1) volunteer

Mr. DePrima advised members that the goal of the Health Benefits Committee would be to research alternative health care plans, alternative vendors, health savings accounts, policy/procedure changes, or any other options to assist the City in reducing its health care liability and annual cost. In doing so, the Committee shall maintain quality health insurance that is affordable for the City employees, customers, and taxpayers. The Committee shall provide their recommendations to City Council by January 31, 2011.

Mr. DePrima stated that the Committee would not discuss Medicare Part B, as Council will have made a ruling on this matter and it will be respected.

Mr. DePrima indicated that the Health Benefits Committee may, at times, need to hire consultants to explain or cost out various options and, in this event, the Committee will be responsible for developing RFP=s, selecting vendors, and submitting to Council the approval of recommended vendors, as promulgated by the Purchasing Policy. He further explained that all costs will be paid from the OPEB Trust Fund.

In response to Mr. Salters, Mr. DePrima stated that the January 31, 2011, date was given to allow considerable research to take place. He further advised that the meetings would take place once or twice a month and would be scheduled during normal business hours to eliminate the need for overtime.

Mr. Ruane stated that he believes excluding any health benefit from discussion is a mistake.

Mr. Salters moved to recommend approval of the formation of a Health Benefits Committee and appointment of two (2) Council members to serve on the Committee, with the understanding that meetings will be conducted during City business hours. The motion was seconded by Mr. Shevock**.**
Mr. McGlumphy advised members that he believes that sometimes decisions are made that are not beneficial in the long-run but can be corrected when revisited.

The motion to recommend approval of the formation of a Health Benefits Committee and appointment of two council members to serve on the Committee, with the understanding that meetings will be conducted during City business hours, was unanimously carried.

Proposed Ordinance #2010-03 - FY 2009 Budget Balances and Projected Carry Forward Balances
Mrs. Donna Mitchell, Controller/Treasurer, advised members that the draft budget ordinance Amendment #1 is to incorporate into the FY10 budget the final budget balances and project budget balances carried forward from FY09.

Mrs. Mitchell stated that the General Fund changes incorporate the loss of $775,200 in Municipal Street Aid funds, which was offset by the adjustment to the beginning budget balance of $812,127. The Municipal Street Aid Fund has been adjusted, as well, for the $775,200. FY09 encumbrances have been included for the Police Department and Human Resources Department.

Mrs. Mitchell noted that the Water and Wastewater Fund had a negative beginning budget balance adjustment in aggregate, which was all attributed to Kent County sewer treatment fees exceeding the City=s revenues for treatment fees ($497,667).

Mrs. Mitchell advised members that the Electric Revenue Fund had a positive beginning budget balance adjustment of $3.1 million and that she and the City Manager will discuss the possibility of eliminating the budgeted $3 million transfer-in from the Rate Stabilization Reserve in the

mid-year review in order to maintain the current reserve balance to address any needs in the FY11 Budget. She stated that the balance as of June 30, 2009 is $4.7 million. Mrs. Mitchell further explained that the policy minimum is 3% of budgeted purchased power cost and the maximum is 10% ($2.5 million to $8.3 million).

Mrs. Mitchell stated that, for the first time in several years, the Worker-s Compensation Fund had a negative adjustment to the beginning budget balance of $126,345 since expenses exceeded contributions in FY09. However, she indicated that the fund still remains in a good financial position with a budget balance of $1.4 million.
Mrs. Mitchell advised that other changes are the elimination of the budget for the Other Post Employment Benefits Fund as this is now a trust, as adopted by Council in May 2009, and no longer a governmental fund. In addition, she stated that a $50,000 adjustment was made to the Community Transportation Fund for the transfer-in as a correction to the budget, and the CDBG Fund budget was added.

Responding to Mr. Ruane, Mrs. Mitchell confirmed that the revenue projections to keep the budget balanced have not changed in any significant manner. She further advised that the City Manager would bring forward any necessary budget adjustments at the mid-year review.

In response to Mr. McGlumphy, Mrs. Mitchell explained that the carry forward balance is $812,127, and the $775,220 is the loss of the Municipal Street Aid, with the net amount of $36,927 going toward the ending budget balance.

Responding to Mr. Ruane, Mrs. Mitchell confirmed that the $775,220 will be used to fund the Municipal Street Aid Program and that any other adjustments would be made during the mid-year review during the first meeting in March.

Mr. Leary moved to recommend adoption of Proposed Ordinance #2010-03, FY 2009 Budget Balances and Projected Carry Forward Balances (*Attachment #1),* seconded by Mr. Salters and unanimously carried.

Mr. Leary moved for adjournment, seconded by Mr. Shevock and unanimously carried.

Meeting Adjourned at 6:50 P.M.

Respectfully submitted,

William P. McGlumphy
Chairman

WPM/rr/tm
magB40B.wpd

Attachments
Attachment #1 - Proposed Ordinance #2010-03 - FY 2009 Budget Balances and Projected Carry Forward Balances

CITY OF DOVER PROPOSED ORDINANCE #2010-03

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amounts hereinafter named in various City funds are changed from the currently approved revenues/receipts and appropriations to the revised revenues/receipts and revised appropriations for use by the various departments of the Municipal Government for:

	2009 - 2010 BUDGET ORDINANCES		
	GENERAL FUND		
	CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010		
		Info Only	***Revised***
		2009/10	**2009/10**
	CASH RECEIPTS ESTIMATES	**BUDGET**	**BUDGET**
	PRIOR YEAR BALANCE	2,816,763	3,628,890
	FINES AND POLICE REVENUE	620,000	620,000
	911 FEE	45,000	45,000
	INVESTMENT INCOME	253,000	253,000
	LIBRARY REVENUES	66,508	66,508
	KENT COUNTY BOOK REIMBURSEMENT	460,000	460,000
	BUSINESS LICENSES	1,430,000	1,430,000
	PERMITS AND OTHER LICENSES	904,000	904,000
	MISCELLANEOUS CHARGES	54,250	54,250
	POLICE EXTRA DUTY	300,000	300,000
	PROPERTY TAXES	10,185,246	10,185,246
	BID REVENUE	52,692	52,692
	RECREATION REVENUE	141,500	141,500
	FRANCHISE FEE	486,000	486,000
	TRASH FEES	1,260,000	1,260,000
	DSWA TRASH FEE REBATE	160,000	160,000
	RENT REVENUE - GARRISON FARM	41,535	41,535
	COURT OF CHANCERY FEES	745,000	745,000
	INTRAFUND SERVICE RECEIPTS W/WW	991,830	991,830
	INTRAFUND SERVICE RECEIPTS ELECTRIC	3,483,884	3,483,884
	GRANTS:		
	POLICE RELATED	40,000	40,000
	POLICE PENSION GRANTS	620,000	620,000
	CAPITAL SCHOOL DISTRICT REVENUE	74,000	74,000
	TRANSFERS FROM:		
	TRANSFER TAX	1,400,000	1,400,000
	MUNICIPAL STREET AID	775,200	-
	CIVIL TRAFFIC PENALTIES	700,000	700,000
	WATER/WASTEWATER	548,020	548,020
	ELECTRIC	6,758,100	6,758,100
	TOTALS	**35,412,528**	**35,449,455**

42	**2009 - 2010 BUDGET ORDINANCES**		
43	**GENERAL FUND - CONTINUED**		
44		**Info Only**	***Revised***
45	**EXPENDITURE SUMMARY**	**2009/10**	**2009/10**
46		**BUDGET**	**BUDGET**
47	**DEPARTMENT EXPENSES:**		
48	CITY CLERK	290,580	290,580
49	COUNCIL	112,684	112,684
50	TAX ASSESSOR	572,526	572,526
51	FIRE	750,445	750,445
52	GROUNDS MAINTENANCE	1,119,611	1,119,611
53	LIBRARY	1,148,716	1,148,716
54	RECREATION	757,467	757,467
55	LIFE SAFETY	422,029	422,029
56	CODE INFORCEMENT	378,092	378,092
57	PLANNING	409,335	409,335
58	INSPECTIONS	517,316	517,316
59	ECONOMIC DEVELOPMENT	243,854	243,854
60	POLICE	11,739,470	11,769,685
61	POLICE EXTRA DUTY	449,516	449,516
62	STREETS	857,422	857,422
63	SANITATION	2,200,285	2,200,285
64	CITY MANAGER	553,130	553,130
65	INFORMATION TECHNOLOGY	883,075	883,075
66	FINANCE	781,791	781,791
67	PUBLIC SERVICES - ADMINISTRATION	355,159	355,159
68	FACILITIES MANAGEMENT	1,042,498	1,042,498
69	CENTRAL SERVICES	778,095	778,095
70	FLEET MAINTENANCE	699,676	699,676
71	CUSTOMER SERVICES	893,054	893,054
72	HUMAN RESOURCES	451,960	455,960
73	MAYOR	69,899	69,899
74	**OTHER EXPENDITURES:**		
75	DEBT SERVICE	328,410	328,410
76	INSURANCE	600,000	600,000
77	RETIREES HEALTH CARE	1,014,820	1,014,820
78	UNCOLLECTIBLES - TRASH AND OTHER	10,000	10,000
79	STREET LIGHTS	985,000	985,000
80	TRANSFER TO CAPITAL PROJECT FUND	344,802	344,802
81	TRANSFER TO PENSION TRUST	620,000	620,000
82	TRANSFER TO CDBG FUND	11,000	11,000
83	CURRENT YEAR BALANCE	3,020,811	3,023,523
84	**TOTALS**	**35,412,528**	**35,449,455**

85	**2009 - 2010 BUDGET ORDINANCES**		
86	**GENERAL CONTINGENCY FUND**		
87	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
88		**Info Only**	***Revised***
89		**2009/10**	**2009/10**
90	**CASH RECEIPTS ESTIMATES**	**BUDGET**	**BUDGET**
91	BEGINNING BALANCE	645,254	744,871
92	**TOTALS**	**645,254**	**744,871**
93	**EXPENDITURE ESTIMATES**		
94	CARRY FORWARD TO NEXT YEAR	645,254	744,871
95	**TOTALS**	**645,254**	**744,871**

96	**2009 - 2010 BUDGET ORDINANCES**		
97	**GOVERNMENTAL CAPITAL PROJECTS FUND**		
98	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
99		**Info Only**	***Revised***
100		**2009/10**	**2009/10**
101	**CASH RECEIPTS ESTIMATES**	**BUDGET**	**BUDGET**
102	BEGINNING BALANCE	375,408	462,693
103	STATE GRANTS	4,000,000	4,180,234
104	INTEREST EARNINGS	2,700	2,700
105	BOND PROCEEDS	1,912,433	1,912,433
106	TRANSFER FROM GENERAL FUND	344,802	344,802
107	TRANSFER FROM LIBRARY RESERVE	3,000,000	3,180,235
108	**TOTALS**	**9,635,343**	**10,083,097**
109	**EXPENDITURE SUMMARY**		
110	FIRE	292,210	292,210
111	LIBRARY	8,912,433	9,272,902
112	RECREATION	-	70,000
113	POLICE	73,700	94,706
114	STREETS	350,000	350,000
115	INFORMATION TECHNOLOGY	7,000	7,000
116	CURRENT YEAR BALANCE	-	(3,721)
117	**TOTALS**	**9,635,343**	**10,083,097**

118	**2009 - 2010 BUDGET ORDINANCES**		
119	**GENERAL CAPITAL ASSET REPLACEMENT RESERVE**		
120	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
121		**Info Only**	***Revised***
122		**2009/10**	**2009/10**
123	**CASH RECEIPTS ESTIMATES**	**BUDGET**	**BUDGET**
124	BEGINNING BALANCE	235,074	327,369
125	INTEREST EARNINGS	7,000	7,000
126	**TOTALS**	**242,074**	**334,369**
127	**EXPENDITURE ESTIMATES**		
128	CARRY FORWARD TO NEXT YEAR	242,074	334,369
129	**TOTALS**	**242,074**	**334,369**

130	**2009 - 2010 BUDGET ORDINANCES**		
131	**WATER/WASTEWATER FUND**		
132	**REVENUES AND EXPENSES FOR 2009 - 2010**		
133		**Info Only**	***Revised***
134		**2009/10**	**2009/10**
135	**REVENUE ESTIMATES**	**BUDGET**	**BUDGET**
136	PRIOR YEAR BALANCE - WATER	662,079	659,584
137	PRIOR YEAR BALANCE - WASTEWATER	307,112	327,614
138	PRIOR YEAR BALANCE - KCSA	100,194	(397,473)
139	WATER FEES	4,499,000	4,499,000
140	WASTEWATER FEES	3,045,560	3,045,560
141	WASTEWATER ADJUSTMENT FEES	3,435,390	3,435,390
142	WATER TANK SPACE LEASING	293,669	293,669
143	SEWER IMPACT FEES	475,000	475,000
144	WATER IMPACT FEES	280,000	280,000
145	INTEREST EARNINGS - WATER	35,370	35,370
146	INTEREST EARNINGS - WASTEWATER	43,230	43,230
147	MISCELLANEOUS SERVICE FEE	71,000	71,000
148	**TOTALS**	**13,247,604**	**12,767,944**

149	**2009 - 2010 BUDGET ORDINANCES**		
150	**WATER/WASTEWATER FUND - CONTINUED**		
151		**Info Only**	***Revised***
152	**EXPENSE SUMMARY**	**2009/10**	**2009/10**
153		**BUDGET**	**BUDGET**
154	**DIRECT EXPENSES:**		
155	ENGINEERING & INSPECTION	697,783	697,783
156	WATER CONSTRUCTION	410,338	410,338
157	WATER DEPARTMENT	458,333	458,333
158	WATER TREATMENT PLANT	1,517,663	1,517,663
159	WASTEWATER DEPARTMENT	988,455	988,455
160	METER READING	72,533	72,533
161	KENT COUNTY TREATMENT CHARGE	3,435,430	3,435,430
162	**DIRECT EXPENDITURE SUBTOTALS**	**7,580,535**	**7,580,535**
163	**OTHER EXPENSES:**		
164	DEBT SERVICE - WATER	468,013	468,013
165	DEBT SERVICE - WASTEWATER	364,938	364,938
166	RETIREES HEALTH CARE	134,680	134,680
167	INTRAFUND SERVICE FEES	1,262,456	1,262,456
168	TRANSFER TO:		
169	GENERAL FUND FROM WATER	231,459	231,459
170	GENERAL FUND FROM WASTEWATER	316,561	316,561
171	WATER IMP AND EXT	500,000	500,000
172	WASTEWATER IMP AND EXT	200,000	200,000
173	SEWER IMPACT FEE RESERVE	110,062	110,062
174	CURRENT YEAR BALANCE WATER	1,136,086	1,133,591
175	CURRENT YEAR BALANCE WASTEWATER	842,660	863,162
176	CURRENT YEAR BALANCE KCSA	100,154	(397,513)
177	**OTHER EXPENSES SUBTOTALS**	**3,588,169**	**3,588,169**
178	**TOTALS**	**13,247,604**	**12,767,944**

179	**2009 - 2010 BUDGET ORDINANCES**		
180	**WATER/WASTEWATER CONTINGENCY RESERVE**		
181	**SOURCES AND USES OF FUNDS 2009 - 2010**		
182		**Info Only**	**Revised**
183		**2009/10**	**2009/10**
184	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
185	PRIOR YEAR BALANCE - WATER	118,292	118,780
186	PRIOR YEAR BALANCE - WASTEWATER	132,279	132,821
187	INTEREST EARNINGS	8,770	8,770
188	**TOTALS**	**259,341**	**260,371**
189	**USE OF FUNDS**		
190	CURRENT YEAR BALANCE - WATER	122,431	122,919
191	CURRENT YEAR BALANCE - WASTEWATER	136,910	137,452
192	**TOTALS**	**259,341**	**260,371**

193	**2009 - 2010 BUDGET ORDINANCES**		
194	**WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND**		
195	**REVENUES AND EXPENSES FOR 2009 - 2010**		
196		**Info Only**	***Revised***
197		**2009/10**	**2009/10**
198	**REVENUE ESTIMATES**	**BUDGET**	**BUDGET**
199	PRIOR YEAR BALANCE - WATER	431,400	1,631,844
200	PRIOR YEAR BALANCE - WASTEWATER	219,375	625,152
201	TRANS FR WATER OPERATING FUND	500,000	500,000
202	TRANS FR WASTEWATER OPERATING FUND	200,000	200,000
203	TRANS FR WASTEWATER IMPACT FEE RESERVE	518,230	518,230
204	WATER - STATE REVOLVING LOAN PROCEEDS	2,404,017	2,404,017
205	WASTEWATER - STATE REVOLVING LOAN PROCEEDS	5,942,481	5,942,481
206	FEDERAL/STATE GRANTS	-	45,248
207	**TOTALS**	**10,215,503**	**11,866,972**
208	**EXPENSE SUMMARY**		
209	WATER	2,987,317	3,753,430
210	WASTEWATER	6,539,110	6,912,942
211	WATER CONSTRUCTION	39,000	39,000
212	CURRENT YEAR BALANCE - WATER	309,100	753,431
213	CURRENT YEAR BALANCE - WASTEWATER	340,976	408,169
214	**TOTALS**	**10,215,503**	**11,866,972**

215	**2009 - 2010 BUDGET ORDINANCES**		
216	**WATER/WASTEWATER CAPITAL ASSET RESERVE ACCOUNT**		
217	**SOURCES AND USES OF FUNDS FOR 2009 - 2010**		
218		**Info Only**	***Revised***
219		**2009/10**	**2009/10**
220	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
221	BEGINNING BALANCE WATER	178,452	205,611
222	BEGINNING BALANCE WASTEWATER	84,403	64,560
223	INTEREST EARNINGS - WATER	6,246	6,246
224	INTEREST EARNINGS - WASTEWATER	2,954	2,954
225	**TOTALS**	**272,055**	**279,371**
226	**USE OF FUNDS**		
227	CARRY FORWARD TO NEXT YEAR WATER	184,698	211,857
228	CARRY FORWARD TO NEXT YEAR WASTEWATER	87,357	67,514
229	**TOTALS**	**272,055**	**279,371**

230	**2009 - 2010 BUDGET ORDINANCES**		
231	**ELECTRIC REVENUE FUND**		
232	**REVENUES AND EXPENSES FOR 2009 - 2010**		
233		**Info Only**	***Revised***
234		**2009/10**	**2009/10**
235	**REVENUE ESTIMATES**	**BUDGET**	**BUDGET**
236	PRIOR YEAR BALANCE	8,219,350	11,415,737
237	DIRECT SALES TO CUSTOMER	99,533,042	99,533,042
238	UTILITY TAX	1,781,500	1,781,500
239	GREEN ENERGY	137,600	137,600
240	MISCELLANEOUS REVENUE	1,051,184	1,051,184
241	RENT REVENUE	186,816	186,816
242	EMISSION CREDIT SALES	274,000	274,000
243	INTRAFUND SERVICE RECEIPTS W/WW FUND	270,626	270,626
244	INTEREST EARNINGS	158,500	158,500
245	**TOTALS**	**111,612,618**	**114,809,005**

246	**2009-2010 BUDGET ORDINANCES**		
247	**ELECTRIC REVENUE FUND - CONTINUED**		
248		**Info Only**	***Revised***
249	**EXPENSE SUMMARY**	**2009/10**	**2009/10**
250		**BUDGET**	**BUDGET**
251	**DIRECT EXPENSES:**		
252	POWER SUPPLY	55,619,481	55,619,481
253	POWER SUPPLY MANAGEMENT	3,000,000	3,000,000
254	PJM CHARGES - LOAD	13,943,413	13,943,413
255	CAPACITY CHARGES	13,469,528	13,469,528
256	RATE STABILIZATION CREDIT	(3,000,000)	(3,000,000)
257	**SUBTOTAL POWER SUPPLY**	**83,032,422**	**83,032,422**
258	PLANT OPERATIONS	5,798,710	5,848,710
259	GENERATIONS FUELS	1,275,251	1,275,251
260	PJM CREDITS	(1,701,066)	(1,701,066)
261	CAPACITY CREDITS	(12,133,285)	(12,133,285)
262	**GENERATION SUBTOTAL**	**(6,760,390)**	**(6,710,390)**
263	**POWER SUPPLY & GENERATION SUBTOTAL**	**76,272,032**	**76,322,032**
264	TRANSITION COSTS		
265	TRANSMISSION/DISTRIBUTION	3,318,622	3,318,622
266	ELECTRICAL ENGINEERING	1,500,012	1,500,012
267	ADMINISTRATION	640,535	640,535
268	METER READING	289,103	289,103
269	SYSTEMS OPERATIONS	624,520	624,520
270	UTILITY TAX	1,781,500	1,781,500
271	**DIRECT EXPENSE SUBTOTALS**	**84,426,324**	**84,476,324**
272	**OTHER EXPENSES:**		
273	ALLOW FOR UNCOLLECTIBLES	135,000	135,000
274	RETIREES HEALTH CARE	567,430	567,430
275	GREEN ENERGY PAYMENT TO DEMEC	137,600	137,600
276	INTRAFUND SERVICE FEES	3,483,884	3,483,884
277	INTEREST ON DEPOSITS	54,500	54,500
278	INVENTORY WRITE OFFS	175,000	175,000
279	POWER SUPPLY STUDY	497,250	497,250
280	DEBT SERVICE	3,956,600	3,956,600
281	TRANSFER TO:		
282	IMPROVEMENT & EXTENSION	2,500,000	2,500,000
283	GENERAL FUND	6,758,100	6,758,100
284	CONTINGENCY RESERVE	83,500	83,500
285	CURRENT YEAR BALANCE	8,837,430	11,983,817
286	**TOTALS**	**111,612,618**	**114,809,005**

287	**2009 - 2010 BUDGET ORDINANCES**		
288	**ELECTRIC UTILITY IMPROVEMENT AND EXTENSION FUND**		
289	**REVENUES AND EXPENSES FOR 2009 - 2010**		
290		**Info Only**	***Revised***
291		**2009/10**	**2009/10**
292	**REVENUE ESTIMATES**	**BUDGET**	**BUDGET**
293	PRIOR YEAR BALANCE	1,461,547	2,625,760
294	PRIOR YEAR BALANCE BOND PROCEEDS	1,378,257	4,240,034
295	INTEREST EARNINGS	33,700	33,700
296	STATE REIMBURSEMENT FOR GOVS AVE	-	710,318
297	STATE GRANTS	-	105,723
298	FEDERAL GRANTS	-	135,152
299	BOND ISSUE 2008	1,958,107	-
300	TRANSFER FROM ELECTRIC	2,500,000	2,500,000
301	**TOTALS**	**7,331,611**	**10,350,687**
302	**EXPENSE SUMMARY**		
303	ELECTRIC GENERATION	1,254,000	1,875,290
304	TRANSMISSION AND DISTRIBUTION	1,127,147	1,127,147
305	ELECTRICAL ENGINEERING	3,525,536	5,642,167
306	ELECTRICAL ADMINISTRATION	-	105,723
307	CURRENT YEAR BALANCE	1,424,928	1,600,360
308	CURRENT YEAR BALANCE -BOND	-	-
309	**TOTALS**	**7,331,611**	**10,350,687**

310	**2009 - 2010 BUDGET ORDINANCES**		
311	**ELECTRIC CONTINGENCY RESERVE ACCOUNT**		
312	**SOURCES AND USES OF FUNDS FOR 2009 - 2010**		
313		**Info Only**	***Revised***
314		**2009/10**	**2009/10**
315	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
316	BEGINNING BALANCE	927,869	928,654
317	INTEREST EARNINGS	27,700	27,700
318	TRANSFER FROM ELECTRIC REVENUE FUND	83,500	83,500
319	**TOTALS**	**1,039,069**	**1,039,854**
320	**USE OF FUNDS**		
321	CARRY FORWARD TO NEXT YEAR	1,039,069	1,039,854
322	**TOTALS**	**1,039,069**	**1,039,854**

323	**2009 - 2010 BUDGET ORDINANCES**		
324	**ELECTRIC DEPRECIATION RESERVE ACCOUNT**		
325	**SOURCES AND USES OF FUNDS FOR 2009 - 2010**		
326		**Info Only**	***Revised***
327		**2009/10**	**2009/10**
328	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
329	PRIOR YEAR BALANCE	7,701,763	7,789,990
330	INTEREST EARNINGS	290,000	290,000
331	**TOTALS**	**7,991,763**	**8,079,990**
332	**USE OF FUNDS**		
333	CURRENT YEAR BALANCE	7,991,763	8,079,990
334	**TOTALS**	**7,991,763**	**8,079,990**

335	**2009 - 2010 BUDGET ORDINANCES**		
336	**FUTURE CAPACITY RESERVE ACCOUNT**		
337	**SOURCES AND USES OF FUNDS FOR 2009 - 2010**		
338		**Info Only**	***Revised***
339		**2009/10**	**2009/10**
340	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
341	PRIOR YEAR BALANCE	8,640,651	8,763,863
342	INTEREST EARNINGS	260,000	260,000
343	**TOTALS**	**8,900,651**	**9,023,863**
344	**USE OF FUNDS**		
345	CURRENT YEAR BALANCE	8,900,651	9,023,863
346	**TOTALS**	**8,900,651**	**9,023,863**

347	**2009 - 2010 BUDGET ORDINANCES**		
348	**INSURANCE STABILIZATION RESERVE ACCOUNT**		
349	**SOURCES AND USES OF FUNDS FOR 2009 - 2010**		
350		**Info Only**	***Revised***
351		**2009/10**	**2009/10**
352	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
353	PRIOR YEAR BALANCE	383,502	385,103
354	INTEREST EARNINGS	11,500	11,500
355	**TOTALS**	**395,002**	**396,603**
356	**USE OF FUNDS**		
357	CURRENT YEAR BALANCE	395,002	396,603
358	**TOTALS**	**395,002**	**396,603**

359	**2009 - 2010 BUDGET ORDINANCES**		
360	**ELECTRIC RATE STABILIZATION RESERVE ACCOUNT**		
361	**SOURCES AND USES OF FUNDS FOR 2009 - 2010**		
362		**Info Only**	***Revised***
363		**2009/10**	**2009/10**
364	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
365	PRIOR YEAR BALANCE	4,642,013	4,652,527
366	INTEREST EARNINGS	76,600	76,600
367	**TOTALS**	**4,718,613**	**4,729,127**
368	**BUDGET SUMMARY**		
369	TRANSFER TO ELECTRIC FUND	3,000,000	3,000,000
370	CURRENT YEAR BALANCE	1,718,613	1,729,127
371	**TOTALS**	**4,718,613**	**4,729,127**

372	**2009 - 2010 BUDGET ORDINANCES**		
373	**MUNICIPAL STREET AID FUND**		
374	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
375		**Info Only**	***Revised***
376		**2009/10**	**2009/10**
377	**CASH RECEIPTS ESTIMATES**	**BUDGET**	**BUDGET**
378	BEGINNING BALANCE	107	428
379	STATE GRANT	775,000	-
380	INTEREST EARNED	200	-
381	**TOTALS**	**775,307**	**428**
382	**EXPENDITURE ESTIMATES**		
383	TRANSFER TO GENERAL FUND	775,200	-
384	CURRENT YEAR BALANCE	107	428
385	**TOTALS**	**775,307**	**428**

386	**2009 - 2010 BUDGET ORDINANCES**		
387	**WORKER'S COMPENSATION FUND**		
388	**REVENUES AND EXPENSES FOR 2009 - 2010**		
389		**Info Only**	***Revised***
390		**2009/10**	**2009/10**
391	**REVENUE ESTIMATES**	**BUDGET**	**BUDGET**
392	PRIOR YEAR BALANCE	1,404,956	1,278,611
393	INTEREST INCOME	46,300	46,300
394	PREMIUM FROM CITY	753,822	753,822
395	**TOTALS**	**2,205,078**	**2,078,733**
396	**EXPENSE ESTIMATES**		
397	PROGRAM EXPENSES - CLAIMS	450,000	450,000
398	INSURANCE	93,400	93,400
399	BANK FEES	1,300	1,300
400	STATE OF DEL - SELF INSURANCE TAX	50,000	50,000
401	CONTRACTUAL SERVICES	37,000	37,000
402	CURRENT YEAR BALANCE	1,573,378	1,447,033
403	**TOTALS**	**2,205,078**	**2,078,733**

404	**2009 - 2010 BUDGET ORDINANCES**		
405	**OTHER POST EMPLOYMENT BENEFITS FUND *(Closed with annual audit)***		
406	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
407	*In May 2009 Council adopted a OPEB Trust - all assets were transferred to the Trust*		
408		**Info Only**	***Revised***
409		**2009/10**	**2009/10**
410	**CASH RECEIPTS ESTIMATES**	**BUDGET**	**BUDGET**
411	PRIOR YEAR BALANCE	4,752,552	-
412	INTEREST INCOME	135,000	-
413	**TOTALS**	**4,887,552**	**-**
414	**EXPENDITURE ESTIMATES**		
415	CURRENT YEAR BALANCE	4,887,552	-
416	**TOTALS**	**4,887,552**	**-**

417	**2009 - 2010 BUDGET ORDINANCES**		
418	**COMMUNITY TRANSPORTATION IMPROVEMENT FUND**		
419	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
420		**Info Only**	***Revised***
421		**2009/10**	**2009/10**
422	**CASH RECEIPTS ESTIMATES**	**BUDGET**	**BUDGET**
423	PRIOR YEAR BALANCE	108,812	270,803
424	GRANTS REVENUE - STATE LEGISLATORS	1,000,000	1,000,000
425	TRANSFER FROM GOVT CAP PROJECTS FUND	350,000	300,000
426	INTEREST INCOME	2,800	2,800
427	**TOTALS**	**1,461,612**	**1,573,603**
428	**EXPENDITURE ESTIMATES**		
429	PROGRAM EXPENSES	1,350,000	1,472,690
430	CURRENT YEAR BALANCE	111,612	100,913
431	**TOTALS**	**1,461,612**	**1,573,603**

432	**2009 - 2010 BUDGET ORDINANCES**		
433	**PARKLAND/RECREATION RESERVE ACCOUNT**		
434	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
435		**Info Only**	***Revised***
436		**2009/10**	**2009/10**
437	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
438	PRIOR YEAR BALANCE	192,735	218,245
439	**TOTALS**	**192,735**	**218,245**
440	**USES OF FUNDS**		
441	CURRENT YEAR BALANCE	192,735	218,245
442	**TOTALS**	**192,735**	**218,245**

443	**2009 - 2010 BUDGET ORDINANCES**		
444	**LIBRARY RESERVE ACCOUNT**		
445	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
446		**Info Only**	***Revised***
447		**2009/10**	**2009/10**
448	**SOURCE OF FUNDS**	**BUDGET**	**BUDGET**
449	PRIOR YEAR BALANCE	3,309,400	3,554,078
450	INTEREST INCOME	117,000	117,000
451	**TOTALS**	**3,426,400**	**3,671,078**
452	**USE OF FUNDS**		
453	TRANSFER TO CAPITAL PROJECT FUND	3,000,000	3,180,235
454	CURRENT YEAR BALANCE	426,400	490,843
455	**TOTALS**	**3,426,400**	**3,671,078**

456	**2009 - 2010 BUDGET ORDINANCES**		
457	**LIBRARY GRANTS**		
458	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
459		**Info Only**	***Revised***
460		**2009/10**	**2009/10**
461	**RECEIPT ESTIMATES**	**BUDGET**	**BUDGET**
462	PRIOR YEAR BALANCE	133	16,336
463	STATE GRANT	247,801	247,801
464	**TOTALS**	**247,934**	**264,137**
465	**EXPENDITURE ESTIMATES**		
466	**STATE GRANTS:**		
467	PROGRAM EXPENSES & SUPPLIES	41,935	41,935
468	BOOKS	107,216	107,216
469	AUDIO VISUAL SUPPLIES	55,000	55,000
470	TRAINING/CONF/FOOD/TRAVEL	5,000	5,000
471	CONTRACTUAL SERVICES	18,650	18,650
472	COMPUTUER HARDWARE	20,000	20,000
473	SUBTOTAL STATE GRANTS	247,801	247,801
474	**FEDERAL GRANTS:**		
475	CURRENT YEAR BALANCE	133	16,336
476	**TOTALS**	**247,934**	**264,137**

477	**2009 - 2010 BUDGET ORDINANCES**		
478	**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**		
479	**CASH RECEIPTS AND EXPENDITURES FOR 2009 - 2010**		
480		**Info Only**	***Revised***
481		**2009/10**	**2009/10**
482	**RECEIPT ESTIMATES**	**BUDGET**	**BUDGET**
483	PRIOR YEAR BALANCE	-	104,742
484	GENERAL FUND APPROPRIATION	11,000	11,000
485	FEDERAL GRANT	269,548	269,548
486	**TOTALS**	**280,548**	**385,290**
487	**EXPENDITURE SUMMARY**		
488	COMMUNITY DEVELOPMENT DIVISION	56,109	56,109
489	CLOSING COST/DOWN PAYMENT PROGRAM	30,000	37,157
490	DOVER INTERFAITH MINISTRY		60,000
491	COMMUNITY REHAB ASSISTANCE	60,000	97,535
492	FAIR HOUSING COUNSELING		50
493	FIRST STATE RESOURCE CONSERVATION	35,000	35,000
494	GEM PROPERTIES 217 - 219 W REED ST	6,956	6,956
495	MURPHY SCHOOL	50,483	50,483
496	DOWNTOWN DOVER PARTNERSHIP	42,000	42,000
	CURRENT YEAR BALANCE	-	-
497	**TOTALS**	**280,548**	**385,290**