



FY2022 Budget Overview

August 16, 2021

TIMELINE

Date	Title	Notes
Monday, August 16, 2021	Budget Overview	Council Direction given for: Overview
Monday, August 30, 2021	Department Budget Hearing #1	Council Direction given for: Planning, Parks and Recreation, Administration
Monday, September 13, 2021	Department Budget Hearing #2	Council Direction given for: Legislative, Alderman Court, PWWR
Monday, September 20, 2021	Department Budget Hearing #3	Council Direction given for: Finance, Police, Electric
Monday, October 4, 2021	Financial Workshop	
Tuesday, October 19, 2021	Planning Commission Review of CIP	Meeting to receive Planning Commission feedback
Monday, November 1, 2021	Budget Hearing #1	
Monday, November 15, 2021	Budget Hearing #2 (if needed)	

- This table represents the current Council schedule for the 2022 budget process
- The financial information to be presented over the next month are included in this budget overview
- Final budget draft will be provided at the Financial Workshop on October 4th

2020 BUDGETARY IMPACT – COVID

REVENUE

- \$97 million budget in 2020, \$9 million gross loss, or -9%
 - All sources of revenue were negatively impacted in 2020
 - Most impacted (annual loss/%):
 - Utilities: (-\$5 million/-7%)
 - Tax Revenue: property taxes, transfer tax, lodging, franchise fees (-\$700,000/-7%)
 - Park & Recreation Fees: (-\$426,000/-50%)
 - Alderman Court: (-\$1 million/-51%)
 - Parking (-\$1.4 million/-64%)
 - Revenue loss offset by:
 - \$2.3 million CARES Act grant from New Castle County
 - \$2.5 million RSA adjustment in Electric fund

2020 BUDGETARY IMPACT – COVID

▪ EXPENSES

- \$97 million budget in 2020, \$7.5 gross savings, or 8%
 - Largest expenditure factors:
 - Deferred capital spending: \$656,000
 - Lower utility sales resulted in less of a need to purchase electric and sewer
 - Savings in electric purchases from DEMEC: \$4.4 million
 - Savings in sewer purchases from New Castle County: \$900,000
 - Project delays resulted in debt service savings of \$159,000
 - Operating budget savings from hiring freeze, cuts and budgetary deferrals totaled \$1.3 million
- 2020 ended with a positive budget variance of \$700,000 due to spending reductions and a \$2.3 million CARES Act grant from New Castle County

2021 BUDGET - REVENUE

- **REVENUE BUDGET OF \$94.6 MILLION**

- \$2.4 million less than the 2020 Approved Operating Budget (\$97 million)
- May YTD activity compared to the 2021 Approved Operating Budget. Key indicators:
 - Utilities: (underperforming by \$285,000/-0.4%)
 - Tax Revenue: property taxes, transfer tax, lodging, franchise fees (overperforming by \$304,000/2.9%)
 - Park & Recreation Fees: (underperforming by \$181,000/-38%)
 - Alderman Court: (overperforming by \$73,000/5.4%)
 - Parking (underperforming by \$568,000/-22%)
 - Project Reimbursements: +\$700,000
 - Permits: +\$100,000
- Through May 2021, overall revenue expectations are \$169,000 above the Approved Operating Budget

2021 BUDGET - EXPENSES

- **EXPENSE BUDGET OF \$94.6 MILLION**
 - \$2.4 million less than the 2020 Approved Operating Budget (\$97 million)
 - May YTD activity compared to the 2021 Approved Operating Budget are \$1.2 million below expectations:
 - Utilities:
 - Electric purchases under budget by \$586,000
 - Sewer purchases under budget by \$126,000
 - Personnel Services are \$301,000 under budget
 - Materials/Supplies, Contractual Services, Other are \$183,000 under budget
- **Factoring in both revenue and expenditure performance through May, the City is a collective \$1.4 million ahead of budgetary expectations (subject to change as the year progresses)**

2022 BUDGETARY IMPACTS

- Covid-19/Delta Variant
- Projected Property tax growth: 0.50% in 2022 (average annual growth)
- CPI - June 2021 CPI (annualized) was 4.9% - highest increase since September 2008
- Utility stagnation (Electric, Water, Sewer) – recovering volumetric sales
- Personnel costs (Payroll, retirement plans, OPEB, healthcare) – 40.4% of budget
- Utility expenses (Electric – DEMEC/Sewer – New Castle County) – 40.3% of budget
- Parking activity – beginning to recover to pre-pandemic level
- Construction Projects
 - University of Delaware
 - Drake Hall Addition
 - McKinley Lab Replacement – 2022
 - STAR Campus
 - Fin-Tech – 2022

2021/2022 BUDGETARY IMPACTS

- Other Construction Projects
 - Fulton Bank – Construction underway, CO's by end of 2021
 - The Grove (College Square) – Construction underway, targeting spring of 2022 for CO's for the apartments.
 - The Railyard (Dickinson Dorm project) – Temporary CO's by end of August 2021
 - Newark Senior Living – Under construction, CO in November 2021
 - Green Mansion Hotel and apartments – Re-start construction summer 2021
 - Newark Charter Junior High – CO's in time for Fall 2022 school year
 - Martin Honda on Ogletown/Marrows Road – Under construction, CO in November 2021
 - 62 North Chapel – Begin construction by end of 2021
 - 141 East Main Street – Begin construction in early/mid 2022
 - 1501 Casho Mill Road – Begin construction in early/mid 2022
 - Several projects in Subdivision Plan process (Mill at White Clay, 1105 Elkton Road, 25 N Chapel, etc.)

REVENUE OVERVIEW

REVENUE	* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
	Utility Sales	\$ 72,774,508	\$ 72,056,529	\$ 72,654,129	0.8%
Property and Realty Taxes	10,329,000	10,305,000	10,635,000	3.2%	330,000
Fees for Service	10,436,850	9,341,310	9,657,736	3.4%	316,426
Intergovernmental Revenue	1,592,287	1,836,027	1,950,985	6.3%	114,958
Other Revenue	1,175,200	1,094,350	1,002,600	-8.4%	(91,750)
Appropriation of Prior year Reserves	708,752	-	-	0.0%	-
Total Operating Revenue	\$ 97,016,597	\$ 94,633,216	\$ 95,900,450	1.3%	\$ 1,267,234

**Total Operating revenue is estimated to be \$1.3 million more than the 2021 Budget,
and \$1.1 million less than the 2020 Budget
(detail contained on following slides)**

REVENUE OVERVIEW – CONT'D

- Utility Sales (+\$597,600)

- Electric: \$54.1M (0% change)
 - Flat growth as the City continues to come out of the state of emergency impact
- Water: \$8.8M (+\$112K, +1.3%)
- Sewer: \$7.1M (+\$250K, +3.6%)
- Stormwater: \$2.6M (+\$227K, +9.6%) increase required to cover Rodney Stormwater Project State Revolving Loan (SRL)
- City closed some of the gap by adjusting water and sewer customer charges in 2021, provides revenue stability
 - Shift to customer charges for water and sewer, offset by reducing consumption rates results in reliable cash flow to fund City infrastructure
 - Continue to adjust customer charges to account for new debt service

* as amended	* as amended	** as proposed		
2020	2021	2022	% FROM	\$ FROM
* BUDGET	* BUDGET	** BUDGET	2021 BUDGET	2021 BUDGET
\$ 72,774,508	\$ 72,056,529	\$ 72,654,129	0.8%	\$ 597,600

REVENUE OVERVIEW – CONT'D

* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
\$ 10,329,000	\$ 10,305,000	\$ 10,635,000	3.2%	\$ 330,000

- **Taxes (+\$330,000):**

- Lodging tax: \$550K (+\$100,000, +22.2%)
- Real Estate Transfer Tax: \$1.6M (+\$150,000, +10.3%)
 - Small number of large property transactions over \$1 million is assumed
 - Increased value of properties due to supply and demand
- Property Tax: \$8M (+\$40,000, +0.5%)
 - Increase is based solely on assessment growth, not a tax increase
- Franchise Tax: \$425K (no change from 2021)
 - Fees received from Comcast and Verizon directly linked to sales activity

REVENUE OVERVIEW – CONT'D

* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
\$ 10,436,850	\$ 9,341,310	\$ 9,657,736	3.4%	\$ 316,426

- **Fees for Service (+\$316,426):**

- Alderman Court: \$1.7M (+\$364,000, +27%)
- Parks and Recreation: \$659K (+\$176,000, +36%)
- Parking: \$2.1M (-\$498,000, -39%)
- Permits and Licenses: \$2.4M (no change from 2021)
- Internal Services: \$2.7M (+\$326,000, +13.4%)
- Estimates are conservatively projected for 2022, based on current trends

REVENUE OVERVIEW – CONT'D

REVENUE	* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
	Intergovernmental Revenue	\$ 1,592,287	\$ 1,836,027	\$ 1,950,985	6.3%
Other Revenue	1,175,200	1,094,350	1,002,600	-8.4%	(91,750)
Appropriation of Prior year Reserves	708,752	-	-	0.0%	-

- **Intergovernmental Revenue (+\$114,958):**
 - Estimated UD Subvention: \$570,000 (+4%, offset by decrease to electric customer charge per ESA terms)
 - UniCity Bus: \$143,000 (Flat)
 - Includes \$400,000 in PILOT funds from the State (Funded by State for three consecutive years)
 - School Resource Officer: \$197,620
- **Other Revenue (-\$91,750):**
 - Includes Interest Income, Miscellaneous Revenue and Reimbursable Overtime

OPERATING EXPENDITURE OVERVIEW

	* as amended 2020	* as amended 2021	** as proposed 2022	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
OPERATING EXPENSES	* BUDGET	* BUDGET	** BUDGET		
Personnel Services	\$ 35,225,799	\$ 35,712,839	\$ 37,440,905	4.8%	\$ 1,728,066
Utility Purchases	39,274,933	36,804,486	37,322,531	1.4%	518,045
Materials and Supplies	2,498,376	2,416,595	2,480,390	2.6%	63,795
Contractual Services	10,893,058	10,633,413	12,063,018	13.4%	1,429,605
Equipment Depreciation	1,524,265	1,443,987	1,808,826	25.3%	364,839
Debt Service	3,000,282	3,552,568	4,413,647	24.2%	861,079
Other Expenses	1,217,192	1,101,872	1,236,755	12.2%	134,883
TOTAL OPERATING EXPENDITURES	\$ 93,633,905	\$ 91,665,760	\$ 96,766,072	5.6%	\$ 5,100,312

**Total Operating expenses are estimated to be \$5.1M over the 2021 Budget, and \$3.1M over the 2020 Budget
(detail contained on following slides)**

OPERATING EXPENDITURE OVERVIEW - PERSONNEL SERVICES

Personnel Services – Increase of \$1.7M or 4.8% due to:

- \$500,000: Estimated health insurance premium increase (10%)
- \$496,000: Requested additional positions from 2021:
 - \$30,000: Alderman Court - Addition of third bailiff (part-time)
 - \$100,000: Electric - Addition of Distribution Engineer (full-time)
 - \$145,000: Planning - Addition of Deputy Planning Director (full-time)
 - \$178,000: Planning - Addition of two temporary Planner I's (full-time)
 - \$43,000: Restores Interns in PWWR & Planning
- \$97,000: Increase in Overtime/Holiday Pay (\$1.4M) - \$70K Police, \$22K – PWWR
- \$118,535: Increase to annual pension contribution (\$4.2M) and 401(a) Plan (\$445K). Pension is funded at 78.4%
- \$516,000: Cost of contractually obligated COLAs and Merit steps for CWA and AFSCME. Assumes COLA adjustment for Management (requires Council approval) and FOP staff (FOP contract expires 12/31/2021)
- No change to annual OPEB contribution (\$1M). OPEB is funded at 70.5%

* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
\$ 35,225,799	\$ 35,712,839	\$ 37,440,905	4.8%	\$ 1,728,066

OPERATING EXPENDITURE OVERVIEW - UTILITY PURCHASES

- **Utility Purchases increase of \$518K due to:**

- Electric: \$32,122,531 (\$318,045)
 - Assumes small increase to electric consumption in 2022
 - STAR Campus growth has helped offset other electric losses
 - Flat cost of wholesale power pricing in 2021 (DEMEC rate not available until December)
 - Generation cost of energy has been declining over the years (49% of wholesale rates), offset by higher capacity/transmission costs
 - Revenue Stabilization Adjustment (RSA) process each March has provided a bill credit to account for cost reductions.
- Sewer: \$5,200,000 (\$200,000 increase from 2021)
 - Purchases from New Castle County assume no rate change on July 1, 2022
 - City can automatically adjust sewer rate when County adjusts the City rate
 - Increase in sewer activity from STAR and from the return of students to campus

* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
\$ 39,274,933	\$ 36,804,486	\$ 37,322,531	1.4%	\$ 518,045

OPERATING EXPENDITURE OVERVIEW - OTHER

- **Materials/Supplies (\$63,795)**

- \$20K increase for firearm supplies (Police)
- \$17K AED replacement (Police)
- \$14K: Variable message board (Police)
- \$13K: Tools/equipment (Police)

- **Equipment Depreciation (\$364,839):**

- Funds the City’s equipment replacement program

- **Other Expenses (\$134,883):**

- Reflects no changes to the City’s subventions
- \$75K for The Newark Partnership
- \$17K for Council conferences/training

	* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
OTHER OPERATING EXPENSES					
Materials and Supplies	\$ 2,498,376	\$ 2,416,595	\$ 2,480,390	2.6%	\$ 63,795
Contractual Services	10,893,058	10,633,413	12,063,018	13.4%	1,429,605
Equipment Depreciation	1,524,265	1,443,987	1,808,826	25.3%	364,839
Debt Service	3,000,282	3,552,568	4,413,647	24.2%	861,079
Other Expenses	1,217,192	1,101,872	1,236,755	12.2%	134,883

- **Contractual Services (\$1,429,605)**

- \$427K: CDBG Program (CARES funds/Housing programs)
- \$227K: IT Contractual Services (offsetting revenue)
- \$312K: Fleet Services (offsetting revenue)
- \$145K: Insurance Premiums
- \$62K: Merchant Fees (\$1,057,000)
- \$60K: Third party printing of utility bills (NEW)
- \$53K: Legislation Increase

OPERATING EXPENDITURE OVERVIEW - DEBT SERVICE

- 2022 Debt Service increases \$836K when compared to 2021.

- Increase is due primarily to Referendum-approved projects (\$540K) and ESCO Project (\$317K).

- Office Equipment was included in departmental budgets in prior years (\$50K). New GASB requirement.

DEBT	ENDING DATE	2021 BUDGET AS AMENDED	2022 BUDGET	\$ FROM 2021 BUDGET	COMMENTS:
GOB Series 2011	9/14/2022	1,305,150	1,313,250	8,100	
Energy Conservation Loan	7/1/2022	68,438	51,329	(17,109)	Last year of Loan
Smart Meters	9/1/2022 1/1/2028	1,046,189	960,480	(85,709)	ARRA/DNREC (\$257,133) BOA (\$703,350)
Fiber Lease	8/5/2027	49,255	49,255	-	
Office Equipment			50,568	50,568	Canon Copier Leases (previously in departmental budgets)
ESCO	8/12/2040	190,671	508,195	317,524	2.345%, 20 year term, offset by other revenue, energy savings.
Unit 207 Lease (2021 International Dump Truck)	7/25/2026	31,534	31,506	(28)	2.65% rate for six years. Lease to own.
Unit 508 Lease (2021 Navistar)	8/5/2027	60,331	60,291	(40)	2.65% rate for six years. Lease to own.
Police Interceptor Lease (4)	TBD	24,674	47,748	23,074	2.65% rate for five years. Lease to own.
Total:		\$ 2,776,242	\$ 3,072,622	\$ 296,380	

REFERENDUM PROJECTS	TERM (YRS)	2021 BUDGET AS AMENDED	2022 BUDGET	\$ FROM 2021 BUDGET	COMMENTS:
Rodney Stormwater Park	20	\$200,000	\$470,000	\$270,000	Project completed 2021. 20 payment schedule
Sanitary Sewer Repairs	20	\$85,000	\$100,000	\$15,000	Phase 1 - \$1.3mm total will be completed in 2021. Contracts are underway or near award phase. Budget P&I on \$1.3mm for all of 2022. Phase 2 (\$2.6mm) assumes Interest only on \$600k for 2022.
Air Stripper Replacement - South Well Field	20	\$260,000	\$255,000	-\$5,000	\$4mm completed in 2021, project complete. P&I on all \$4mm for 2022.
Water Tank Maintenance	20	\$25,000	\$25,000	\$0	One tank complete at SWF as part of this project. Budget Interest on \$350,000 for 2022. No forgiveness until the entire project is completed.
Water SCADA System	10	\$63,000	\$63,000	\$0	Budget P&I for \$550,000 in 2022, project complete.
Water Main Replacement Program	20	\$56,000	\$88,025	\$32,025	Phase 1: \$1M completed in 2021. Work on Phase 2 will begin in late 2022.
General Fund Projects*	10	\$112,000	\$340,000	\$228,000	2018 Referendum General Fund Projects
Total:		\$801,000	\$1,341,025	\$540,025	

*Estimated. To be updated.

Budgeted Debt Service: \$3,577,242 \$4,413,647 \$836,405

OPERATING EXPENDITURE OVERVIEW - CAPITAL IMPROVEMENTS

	* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
Gross Capital Improvements	\$ 20,724,665	\$ 22,996,548	\$ 20,689,032	-10.0%	\$ (2,307,516)
Less: Use of Reserves	(654,726)	(1,450,168)	(1,603,654)	10.6%	(153,486)
Equipment Replacement	(730,778)	(614,497)	(979,457)	59.4%	(364,960)
Grants	(2,268,076)	(3,813,409)	(708,916)	-81.4%	3,104,493
Bond Issues	(767,947)	(646,888)	(450,178)	-30.4%	196,710
State Revolving Loans	(11,360,048)	(6,007,000)	(3,725,000)	-38.0%	2,282,000
American Rescue Plan Act	-	-	(6,909,490)	100.0%	(6,909,490)
Other Sources	(1,754,530)	(8,905,965)	(394,654)	-95.6%	8,511,311
Net Capital Improvements	\$ 3,188,560	\$ 1,558,621	\$ 5,917,683	279.7%	\$ 4,359,062

- The Gross CIP Budget decreased \$2.3 million to \$20.7 million.
- Net CIP Budget increased by \$5.9 million. This represents the portion of the capital budget that would need to be supported by current revenues (taxes, fees, etc.)
- Use of reserves (including equipment) increased by \$518K compared to 2021.

BUDGET OVERVIEW

	* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
BUDGET OVERVIEW					
Total Operating Revenue	\$ 97,016,597	\$ 94,633,216	\$ 95,900,450	1.3%	\$ 1,267,234
Operating Expenses	93,633,905	91,665,760	96,766,072	5.6%	5,100,312
Capital Improvements*	3,188,560	1,558,621	5,917,683	279.7%	4,359,062
Total Expenditures	\$ 96,822,465	\$ 93,224,381	\$ 102,683,755	10.1%	\$ 9,459,374
Total Surplus/(Shortfall)	\$ 194,132	\$ 1,408,835	\$ (6,783,305)		



The 2022 Budget as of today (before making cuts or revenue enhancements) is \$6.7 million short of funding. Does not include use of ARPA funds beyond what will be presented in the forthcoming slides

- Total revenues are up 1.3%
- Total expenditures are up 5.6%
- Cash needed to fund capital projects are up 280%

Based on Departmental submissions:

- Total revenues are up 1.3%
- Total expenditures are up 5.6%
- 2022 Departmental requests are \$1.1M below the 2020 Approved Operating Budget

	* as amended 2020 * BUDGET	* as amended 2021 * BUDGET	** as proposed 2022 ** BUDGET	% FROM 2021 BUDGET	\$ FROM 2021 BUDGET
Revenue/Other Funding Sources					
Utility Sales	\$ 72,774,508	\$ 72,056,529	\$ 72,654,129	0.8%	\$ 597,600
Real Estate and Other Taxes	10,329,000	10,305,000	10,635,000	3.2%	330,000
Fees for Service	10,436,850	9,341,310	9,657,736	3.4%	316,426
Intergovernmental Revenue	1,592,287	1,836,027	1,950,985	6.3%	114,958
Other Revenue	1,175,200	1,094,350	1,002,600	-8.4%	(91,750)
Appropriation of Prior Year Reserves	708,752	-	-	0.0%	-
Total Operating Revenue	\$ 97,016,597	\$ 94,633,216	\$ 95,900,450	1.3%	\$ 1,267,234
Expenditures					
Personnel Services	\$ 35,225,799	\$ 35,712,839	\$ 37,440,905	4.8%	\$ 1,728,066
Utility Purchases (1)	39,274,933	36,804,486	37,322,531	1.4%	518,045
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Debt Service	3,000,282	3,552,568	4,413,647	24.2%	861,079
Other Expenses	1,217,192	1,101,872	1,236,755	12.2%	134,883
Total Operating Expenses	\$ 93,633,905	\$ 91,665,760	\$ 96,766,072	5.6%	\$ 5,100,312
Capital Improvements					
Gross Capital Improvements	\$ 20,724,665	\$ 22,996,548	\$ 20,689,032	-10.0%	\$ (2,307,516)
Less: Use of Reserves	(654,726)	(1,450,168)	(1,603,654)	10.6%	(153,486)
Equipment Replacement	(730,778)	(614,497)	(979,457)	59.4%	(364,960)
Grants	(2,268,076)	(3,813,409)	(708,916)	-81.4%	3,104,493
Bond Issues	(767,947)	(646,888)	(450,178)	-30.4%	196,710
State Revolving Loan	(11,360,048)	(6,007,000)	(3,725,000)	-38.0%	2,282,000
American Rescue Plan Act	-	-	(6,909,490)	100.0%	(6,909,490)
Other Sources	(1,754,530)	(8,905,965)	(394,654)	-95.6%	8,511,311
Net Capital Improvements	\$ 3,188,560	\$ 1,558,621	\$ 5,917,683	279.7%	\$ 4,359,062
Net Current Surplus/(Deficit)	\$ 194,132	\$ 1,408,835	\$ (6,783,305)	-581.5%	\$ (8,192,140)
TOTAL EXPENDITURES AND SURPLUS	\$ 97,016,597	\$ 94,633,216	\$ 95,900,450	1.3%	\$ 1,267,234

American Recovery Program Act (ARPA)

Award: \$18.1 million

- Received in two tranches (50%/50%):
 - July 2021 (\$9,047,068.17)
 - July 2022 (\$9,047,068.17)

- Use of funding are restricted to specific programs
 - Support public health
 - Address negative economic impacts caused by the public health emergency
 - Replace lost revenue
 - Estimated recoverable 2020 loss is \$6.7 million (not all lost revenue qualifies)
 - Invest in water, sewer, stormwater and broadband infrastructure

- City has committed to The Gray Fox Initiative
 - Program managed by the State Auditor
 - Promotes transparency and accountability of ARPA spending
 - [Link: https://auditor.delaware.gov/project-gray-fox/](https://auditor.delaware.gov/project-gray-fox/)

#	PROJECT #	TITLE	ELIGIBILITY	2022	2023	2024	TOTAL
1	W1503	Academy Street Interconnection Pump Station	Infrastructure	\$ -	\$ -	\$ 300,000	\$ 300,000
2	W9308	Water Main Replacement Program	Infrastructure	2,000,000	2,000,000	2,000,000	6,000,000
3	Q2201	Outfall and City Owned SWM Facility Repair	Infrastructure	300,000	300,000	400,000	1,000,000
4	S0904	Sanitary Sewer Study and Repairs	Infrastructure	-	2,000,000	2,000,000	4,000,000
5	K2202	Dickey Park Improvements	Revenue Replacement	-	50,000	400,000	450,000
6	K2003	Handloff Park Trail	Revenue Replacement	-	200,000	-	200,000
7	K1301	Hard Surface Facilities Improvements	Revenue Replacement	65,000	-	-	65,000
8	K1203	Old Paper Mill Park Improvements	Revenue Replacement	1,500,000	-	-	1,500,000
9	B2201	EnerGov Civic Services Software	Revenue Replacement	644,335	-	-	644,335
10	I2201	Network Enhancement Project	Revenue Replacement	205,000	-	-	205,000
11	I2202	Remote Access System	Revenue Replacement	140,000	-	-	140,000
12	I2203	Virtual Environment Upgrade	Revenue Replacement	183,000	-	-	183,000
13	I2204	Data Protection	Revenue Replacement	175,000	100,000	-	275,000
14	I2205	Tropos Mesh Network Replacement	Revenue Replacement	1,300,000	-	-	1,300,000
15	I2206	Upgrade Server OS and Migrate Applications to New Server	Revenue Replacement	52,155	-	-	52,155
16	I2207	Virtualize MDM Server and Migrate Database from Oracle to Postgres	Revenue Replacement	50,000	-	-	50,000
17	N2201	City Hall Access Safety and Security Upgrades	Revenue Replacement	145,000	-	-	145,000
18	N2002	City Hall - Carpet and Lobby Floor Upgrades	Revenue Replacement	50,000	40,000	-	90,000
19	N1803	Exterior Paint and Powerwash	Revenue Replacement	100,000	-	-	100,000
				\$ 6,909,490	\$ 4,690,000	\$ 5,100,000	\$ 16,699,490

TENATIVELY FUNDED VIA ARPA

THINGS TO CONSIDER

- Items delayed in 2020 due to Covid:
 - Electric rate study
 - Development fees
 - Impact fees
- Potential Federal funding could provide additional financial support to the City
 - Infrastructure Investment and Jobs Act (if approved by Congress)
 - State sharing of their ARPA funds (if programs are approved by State)
 - One or both programs could support City initiatives such as:
 - Water and sewer infrastructure
 - Roads
 - Low-income weatherization programs
 - EV Infrastructure
 - Cybersecurity

SUMMARY

- Staff is still working towards solutions to bridge the projected revenue shortfall for 2022.
- Some revenue projections may change as we move closer to October.
- Recommendations will be presented to Council at the Financial Workshop on October 4th.
- During the departmental presentations there will be opportunities to ask more details about specific issues.