

**City of Delaware City  
Delaware  
January 24, 2019**

**TO:** Mayor and City Council

**VIA:** Chief David L. Baylor, Acting City Manager *DLB*

**FROM:** Ross T. McGinn, Finance Manager *RM*

**SUBJECT:** Financial Report as of December 31, 2018

Below please find the internal (unaudited) income and expense statement and check register for the six months ended December 31, 2018.

<b>General Fund Revenues</b>			
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>%</b>
Non-Departmental	1,272,350.00	1,153,335.08	90.65%
General Administration	266,725.00	136,559.09	51.20%
Code Enforcement	45,000.00	7,300.00	16.22%
Public Safety	12,000.00	27,771.27	231.43%
Community Center	7,825.00	37,249.51	476.03%
Sanitation	6,200.00	3,414.60	55.07%
Streets	339,268.00	288,908.87	85.16%
Drainage	1,334,277.00	45,918.76	3.44%
<b>Total General Fund Revenues</b>	<b>3,283,645.00</b>	<b>1,700,457.18</b>	<b>51.79%</b>
<b>General Fund Expenditures</b>			
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>%</b>
General Administration	709,394.00	353,470.72	49.83%
Code Enforcement	57,573.00	13,872.08	24.09%
Public Safety	392,147.00	234,991.94	59.92%
Community Center	20,500.00	37,249.51	181.70%
Public Works	43,852.00	23,219.78	52.95%
Sanitation	150,620.00	79,487.25	52.77%
Yard Waste	17,000.00	16,184.00	95.20%
Stormwater	49,000.00	2,490.00	5.08%
Streets	392,472.00	363,607.34	92.65%
Drainage	1,334,277.00	643,807.25	48.25%
Parks	38,000.00	31,608.96	83.18%
Tree Management	22,000.00	3,350.00	15.23%
Recycling Collections	19,000.00	9,960.75	52.43%
Debt Service	37,810.00	24,002.10	63.48%
<b>Total General Fund Expenditures</b>	<b>3,283,645.00</b>	<b>1,837,301.68</b>	<b>55.95%</b>
<b>General Fund Operating Surplus (Deficit)</b>	<b>-</b>	<b>(136,844.50)</b>	<b>-</b>

**General Fund:**

At the halfway point of FY 2019, the General Fund is currently showing a deficit of (\$136,844.50). This represents a marked change from the last month's finance report, primarily due to the timing that revenues have been recorded related to the Washington Street Flood Mitigation project. Significant revenues from the Federal Emergency Management Agency (FEMA), the Department of Natural Resources and Environmental Control (DNREC), and loan proceeds from the Clean Water State Revolving Loan fund. Of these revenues, approximately \$258,000 from FEMA, approximately \$131,000 from DNREC, and approximately \$538,000 from the Clean Water State Revolving Loan fund will be reflected in January's report.

In an effort to provide a more comprehensive report to Council, staff has prepared a best estimate of the activity expected over the remaining six months in this fiscal year to forecast the performance of the General Fund during FY 2019. It is important to note that the budgeted amounts shown throughout this report are a combination of the Approved FY 2019 Operating Budget, the remaining \$1,334,227 budget for the Washington Street Flood Mitigation project, and the \$339,268 budget for the FY 2019 Road Maintenance Program. Both the Washington Street Flood Mitigation project and the FY 2019 Road Maintenance Program were budgeted to not impact the FY 2019 Operating Budget and are not funded by real estate taxes.

DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
GENERAL FUND REVENUES	3,283,645.00	1,700,457.18	1,021,232.36	375,799.67	24,167.48	25,142.76	27,906.76	23,977.48	3,198,683.69	(84,961.31)
GENERAL FUND EXPENDITURES	3,283,645.00	1,837,301.68	517,293.24	385,938.34	148,391.19	113,395.79	113,167.79	107,670.66	3,223,158.69	60,486.31
<b>CHANGE IN FUND BALANCE</b>	-	<b>(136,844.50)</b>	<b>503,939.12</b>	<b>(10,138.67)</b>	<b>(124,223.71)</b>	<b>(88,253.03)</b>	<b>(85,261.03)</b>	<b>(83,693.18)</b>	<b>(24,475.01)</b>	<b>(24,475.01)</b>

As the chart above indicates, while expenditures are forecasted to have a positive variance of \$60,486.31 compared to budget, revenues are forecasted to fall short of expectations by (\$84,961.31). This would result in a negative change to fund balance for FY 2019 of (\$24,475.01).

The primary driver of the (\$84,961.31) in revenue forecasted is a reduction in transfers in from the Water Fund of (\$78,877.16).

**Non-Departmental Revenues:**

Non-Departmental revenues are not attributable to the actions of one department's activities. The accounts that would fall under this classification are below:

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-000-4000	REAL ESTATE TAXES	760,000.00	788,828.23	-	-	-	-	-	-	788,828.23	28,828.23
01-000-4002	REAL ESTATE PENALTIES	-	3,650.08	578.81	500.00	500.00	500.00	500.00	500.00	6,728.89	6,728.89
01-000-4060	CABLE FRANCHISE FEE	20,000.00	8,148.20	-	4,000.00	-	-	4,000.00	-	16,148.20	(3,851.80)
01-000-4065	PILOT	200,000.00	200,000.00	-	-	-	-	-	-	200,000.00	-
01-000-4810	TRANSFER IN - WATER FUND	222,350.00	111,174.98	18,529.17	13,768.69	-	-	-	-	143,472.84	(78,877.16)
01-000-4811	TRANSFER IN - REAL ESTATE TRANSFER TAX	70,000.00	41,533.59	7,779.86	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	64,313.45	(5,686.55)
<b>NONDEPARTMENTAL REVENUES</b>		<b>1,272,350.00</b>	<b>1,153,335.08</b>	<b>26,887.84</b>	<b>21,268.69</b>	<b>3,500.00</b>	<b>3,500.00</b>	<b>7,500.00</b>	<b>3,500.00</b>	<b>1,219,491.61</b>	<b>(52,858.39)</b>

As the table indicates, Non-Departmental revenues are forecasted to fall short of expectations by (\$52,858.39). As touched upon in the previous section, this is the result of a reduction in the amount that will be actually transferred from the Water Fund to the General Fund during FY 2019. The original budget indicated that \$222,350 would be transferred from the Water Fund to the General Fund while balancing the budget for both funds. The amount collected for water charges for performance so far this fiscal year has not met expectations with the Approved FY 2019 Operating Budget, and has necessitated a reduction in the amount transferred to the General Fund in order to keep the Water Fund operating with a balanced budget.

**General Administration:**

General Administration revenues are those revenues directly attributable to those activities performed by the General Administration department. These include business and contractor's licenses, building permits, and property and lease rental agreements.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-000-4010	FINES/ADMINISTRATIVE FEES - GA	9,000.00	750.00	-	-	-	-	-	-	750.00	(8,250.00)
01-000-4020	LICENSES AND PERMITS	98,675.00	41,397.55	842.00	1,000.00	6,900.00	6,900.00	6,900.00	6,900.00	70,839.55	(27,835.45)
01-000-4025	MISCELLANEOUS REVENUE	50.00	5,500.40	-	-	-	-	-	-	5,500.40	5,450.40
01-000-4035	SALES - GA	-	218.62	-	-	-	-	-	-	218.62	218.62
01-000-4045	RENTAL PROPERTY	18,000.00	9,485.00	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00	1,350.00	17,585.00	(415.00)
01-000-4050	CELL TOWER LEASE / BALLFIELD	82,000.00	35,061.72	5,695.51	5,695.51	5,695.51	5,695.51	5,695.51	5,695.51	69,234.78	(12,765.22)
01-000-4055	AAT (CNS) LEASES	54,000.00	43,345.80	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	54,595.80	595.80
01-000-4070	SURPLUS EQUIPMENT SALES	5,000.00	800.00	-	-	-	-	-	-	800.00	(4,200.00)
	<b>GENERAL ADMINISTRATION REVENUES</b>	<b>266,725.00</b>	<b>136,559.09</b>	<b>9,762.51</b>	<b>9,920.51</b>	<b>15,820.51</b>	<b>15,820.51</b>	<b>15,820.51</b>	<b>15,820.51</b>	<b>219,524.15</b>	<b>(47,200.85)</b>

So far this year, General Administration revenues do not appear to be following those assumptions made in the Approved FY 2019 Operating Budget. Rental property and lease revenues are fairly static and can be forecasted with confidence through the end of the year. Licenses and permits however, are driven by activity in the local economy and harder to anticipate. Based on the performance seen thus far, lower activity is forecasted through the winter months with it picking back up through spring.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-000-5000	SALARIES - GENERAL ADMINISTRATION	252,462.00	107,130.82	11,006.42	11,258.33	15,008.33	17,633.33	17,633.33	17,633.33	197,303.90	55,158.10
01-000-5005	SALARIES - MAYOR & COUNCIL	20,950.00	435.00	-	-	-	375.00	-	-	810.00	20,140.00
01-000-5006	SALARIES - CITY SECRETARY	-	7,721.50	1,122.50	1,300.00	1,300.00	1,300.00	1,300.00	1,300.00	15,344.00	(15,344.00)
01-000-5010	PAYROLL TAXES - GA	22,000.00	9,555.62	1,071.31	960.25	1,258.13	1,556.00	1,556.00	1,556.00	17,513.30	4,486.70
01-000-5020	RETIREMENT PLAN - GA	3,000.00	2,522.62	186.25	265.00	377.50	490.00	490.00	490.00	4,821.37	(1,821.37)
01-000-5035	ADVERTISING - GA	3,000.00	1,355.72	-	-	-	-	-	-	1,355.72	1,644.28
01-000-5040	ASSESSOR - GA	3,000.00	2,500.00	-	-	-	-	-	-	2,500.00	500.00
01-000-5050	AUDIT - GA	13,000.00	17,541.68	-	8,000.00	-	-	-	-	25,541.68	(12,541.68)
01-000-5055	PAYROLL PROCESSING FEES - GA	1,532.00	698.15	130.00	130.00	130.00	130.00	130.00	130.00	1,478.15	53.85
01-000-5065	CELL PHONES - GA	600.00	220.06	40.01	40.01	40.01	40.01	40.01	40.01	460.12	139.88
01-000-5070	CONTRACTUAL/PROFESSIONAL SERVICES - GA	72,300.00	37,976.81	435.51	154.95	34,390.85	154.95	154.95	154.95	73,422.97	(1,122.97)
01-000-5090	DONATIONS - GA	300.00	-	-	-	-	-	-	-	-	300.00
01-000-5095	GIFTS AND AWARDS	140.00	89.90	49.95	-	-	-	-	-	139.85	0.15

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-000-5100	DUES/SUBSCRIPTIONS/MEETINGS - GA	1,500.00	1,434.94	16.99	16.99	16.99	16.99	16.99	16.99	1,536.88	(36.88)
01-000-5110	ELECTION EXPENSE - GA	600.00	-	-	-	-	600.00	-	-	600.00	-
01-000-5120	ELECTRICITY - GA	55,000.00	35,823.59	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	71,823.59	(16,823.59)
01-000-5130	ENTERTAINMENT/ACTIVITIES - GA	250.00	448.97	-	-	-	-	-	-	448.97	(198.97)
01-000-5135	FEES/INTEREST/PENALTIES - GA	1,300.00	760.07	180.00	180.00	180.00	180.00	180.00	180.00	1,840.07	(540.07)
01-000-5150	HEATING FUEL - GA	3,000.00	728.52	500.00	500.00	500.00	60.00	60.00	60.00	2,408.52	591.48
01-000-5160	INSURANCE / GENERAL - GA	45,000.00	29,612.25	3,652.90	3,652.90	3,652.90	3,652.90	3,652.90	3,652.90	51,529.65	(6,529.65)
01-000-5170	INSURANCE / HEALTH - GA	49,160.00	20,722.34	2,158.34	2,158.34	3,649.16	3,649.16	3,649.16	3,649.16	39,635.66	9,524.34
01-000-5190	INSURANCE / PUB. OFF. LIAB. - GA	4,700.00	-	-	-	-	4,700.00	-	-	4,700.00	-
01-000-5250	LEASE - PURCHASE/EQUIPMENT - GA	5,200.00	4,816.77	397.93	397.93	397.93	397.93	397.93	397.93	7,204.35	(2,004.35)
01-000-5270	LEGAL - GA	70,000.00	25,285.85	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	43,285.85	26,714.15
01-000-5280	MAILINGS / POSTAGE - GA	2,000.00	1,415.36	153.00	200.00	-	153.00	200.00	-	2,121.36	(121.36)
01-000-5290	MAINTENANCE / BUILDING - GA	8,000.00	10,693.00	3,380.00	525.00	1,865.00	1,865.00	1,865.00	1,865.00	22,058.00	(14,058.00)
01-000-5300	MAINTENANCE / EQUIPMENT - GA	300.00	106.25	-	-	-	-	-	-	106.25	193.75
01-000-5310	MAINTENANCE / SYSTEM - GA	3,000.00	-	-	-	-	-	-	-	-	3,000.00
01-000-5330	MATERIALS & SUPPLIES - GA	400.00	344.31	9.74	6.75	6.75	6.75	6.75	6.75	387.80	12.20
01-000-5340	MISCELLANEOUS EXPENDITURES - GA	-	79.43	-	-	-	-	-	-	79.43	(79.43)
01-000-5350	OFFICE SUPPLIES - GA	12,000.00	4,971.77	170.00	250.00	250.00	250.00	250.00	250.00	6,391.77	5,608.23
01-000-5355	PLANNING & INSPECTIONS - GA	45,000.00	22,658.00	421.00	500.00	3,450.00	3,450.00	3,450.00	3,450.00	37,379.00	7,621.00
01-000-5365	SEWER CHARGES NEW CASTLE COUNTY - GA	400.00	64.30	-	-	32.15	-	-	32.15	128.60	271.40
01-000-5370	TELEPHONE - GA	6,000.00	3,984.45	700.00	700.00	700.00	700.00	700.00	700.00	8,184.45	(2,184.45)
01-000-5390	TRAINING, TRAVEL, FOOD - GA	4,000.00	1,772.67	-	-	-	-	-	-	1,772.67	2,227.33
01-000-5400	UNIFORM & PERSONAL EQUIPMENT - GA	300.00	-	-	-	-	-	-	-	-	300.00
<b>GENERAL ADMINISTRATION EXPENDITURES</b>		<b>709,394.00</b>	<b>353,470.72</b>	<b>34,781.84</b>	<b>40,196.45</b>	<b>76,205.70</b>	<b>50,361.02</b>	<b>44,733.02</b>	<b>44,565.17</b>	<b>644,313.93</b>	<b>65,080.07</b>

General Administration expenditures are trending favorably through to the end of the year. A significant reason behind this is the savings experienced from the vacant City Manager position, visible in the Salaries, Payroll Taxes, and Insurance/Health line items. This forecast does anticipate the filling of the City Manager position beginning in March 2019.

**Code Enforcement:**

Code Enforcement activities are related to violations of the City's ordinances and act as an effort to promote upkeep of properties located in the City's jurisdiction.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-050-4010	FINES/FEES/PENALTIES - CE	45,000.00	7,300.00	-	-	-	-	-	-	7,300.00	(37,700.00)
	<b>CODE ENFORCEMENT REVENUES</b>	<b>45,000.00</b>	<b>7,300.00</b>							<b>7,300.00</b>	<b>(37,700.00)</b>
01-050-5000	SALARIES - CE	41,200.00	9,004.51	-	-	-	-	-	-	9,004.51	32,195.49
01-050-5010	PAYROLL TAXES - CE	3,500.00	680.30	-	-	-	-	-	-	680.30	2,819.70
01-050-5020	RETIREMENT PLAN - CE	1,236.00	-	-	-	-	-	-	-	-	1,236.00
01-050-5065	CELL PHONES - CE	664.00	335.88	56.03	56.03	56.03	56.03	56.03	56.03	672.06	(8.06)
01-050-5070	CONTRACTUAL/PROFESSIONAL SERVICES - CE	1,500.00	125.58	3,960.00	1,320.00	1,320.00	1,320.00	1,320.00	1,320.00	10,685.58	(9,185.58)
01-050-5140	GAS & OIL / VEHICLE - CE	-	309.93	-	-	-	-	-	-	309.93	(309.93)
01-050-5170	INSURANCE / HEALTH - CE	8,773.00	1,540.88	-	-	-	-	-	-	1,540.88	7,232.12
01-050-5340	MISCELLANEOUS EXPENDITURES	-	1,875.00	-	-	-	-	-	-	1,875.00	(1,875.00)
01-050-5390	TRAINING, TRAVEL & DEVELOPMENT - CE	500.00	-	-	-	-	-	-	-	-	500.00
01-050-5400	UNIFORM & PERSONAL EQUIPMENT - CE	200.00	-	-	-	-	-	-	-	-	200.00
	<b>CODE ENFORCEMENT EXPENDITURES</b>	<b>57,573.00</b>	<b>13,872.08</b>	<b>4,016.03</b>	<b>1,376.03</b>	<b>1,376.03</b>	<b>1,376.03</b>	<b>1,376.03</b>	<b>1,376.03</b>	<b>24,768.26</b>	<b>32,804.74</b>

As of December 31, 2018, Code Enforcement revenues have remained static at \$7,300. This is a direct result of the removal of the full-time Code Enforcement Officer position that was included in the original budget for FY 2019. Budgeted revenues will need to be lowered as code enforcement activities have been outsourced to Building Inspection Underwriters and it was necessary to limit the hours to align with the budget limits for this position. There is the potential for improvement with code enforcement revenues as the outsourced code enforcement officer begins to issue violations.

**Public Safety:**

Public Safety revenues are those revenues generated by the activities of the Delaware City Police Department. These include judgements rendered by courts, towing fees, extra duty requests, and grant revenues provided by State law enforcement programs.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-100-4010	FINES - PS	12,000.00	5,412.79	900.00	900.00	900.00	900.00	900.00	900.00	10,812.79	(1,187.21)
01-100-4020	CHARGE SERVICES - EXTRA DUTY PS	-	9,277.50	-	-	-	-	-	-	9,277.50	9,277.50
01-101-4900	COMBAT VIOLENT CRIME	-	11,850.98	-	-	-	-	-	-	11,850.98	11,850.98
01-103-4900	OFFICE OF HIGHWAY SAFETY	-	1,230.00	-	-	-	-	-	-	1,230.00	1,230.00
	<b>PUBLIC SAFETY REVENUES</b>	<b>12,000.00</b>	<b>27,771.27</b>	<b>900.00</b>	<b>900.00</b>	<b>900.00</b>	<b>900.00</b>	<b>900.00</b>	<b>900.00</b>	<b>33,171.27</b>	<b>21,171.27</b>

Revenues received from the Combat Violent Crime grant and various grants from the Office of Highway Safety are intended to completely cover those expenditures related to those grants. Periodically, I would recommend adopting budget amendments to cover the additional revenues and expenditures incurred from these grant activities to capture this activity in the budget.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-100-5000	SALARIES - FULL-TIME DUTY	280,000.00	101,190.32	19,373.96	19,345.25	19,345.25	19,345.25	19,345.25	19,345.25	217,290.53	62,709.48
01-100-5001	SALARIES - PART-TIME DUTY	-	11,926.55	2,635.92	3,845.83	3,845.83	3,845.83	3,845.83	3,845.83	33,791.63	(33,791.63)
01-100-5002	SALARIES - EXTRA DUTY	-	4,596.00	-	-	-	-	-	-	4,596.00	(4,596.00)
01-100-5003	SALARIES - OVERTIME	-	6,583.65	2,033.17	1,230.97	1,230.97	1,230.97	1,230.97	1,230.97	14,771.69	(14,771.69)
01-100-5010	PAYROLL TAXES - PS	25,000.00	10,708.35	2,116.67	1,928.12	1,928.12	1,928.12	1,928.12	1,928.12	22,465.61	2,534.39
01-100-5020	RETIREMENT PLANS - PS	4,500.00	845.72	137.49	174.98	174.98	174.98	174.98	174.98	1,858.13	2,641.87
01-100-5065	CELL PHONES / MDT AIR-CARD SERVICE - PS	1,500.00	1,009.15	200.00	200.00	200.00	200.00	200.00	200.00	2,209.15	(709.15)
01-100-5070	CONTRACTUAL/PROFESSIONAL SERVICE - PS	800.00	4,628.24	100.00	100.00	100.00	100.00	100.00	100.00	5,228.24	(4,428.24)
01-100-5100	DUES/SUBSCRIPTIONS - PS	350.00	485.00	-	-	-	-	-	-	485.00	(135.00)
01-100-5120	ELECTRICITY - PS	700.00	-	-	-	-	-	-	-	-	700.00
01-100-5140	GAS & OIL / VEHICLE - PS	12,000.00	7,067.53	1,100.00	1,100.00	1,200.00	1,200.00	1,200.00	1,200.00	14,067.53	(2,067.53)
01-100-5150	HEATING FUEL - PS	1,000.00	-	-	-	-	-	-	-	-	1,000.00
01-100-5160	INSURANCE / GENERAL - PUBLIC SAFETY	-	12,211.00	-	-	-	-	-	-	12,211.00	(12,211.00)
01-100-5170	INSURANCE / HEALTH - PS	25,838.00	19,467.27	2,950.98	2,950.98	2,950.98	2,950.98	2,950.98	2,950.98	37,173.15	(11,335.15)
01-100-5190	INSURANCE / POLICE LIABILITY - PS	5,400.00	-	-	-	-	-	5,400.00	-	5,400.00	-

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-100-5250	LEASE - PURCHASE/EQUIPMENT - PS	3,126.00	1,174.38	161.70	154.00	154.00	154.00	154.00	154.00	2,106.08	1,019.92
01-100-5260	LEASE - PURCHASE/VEHICLE - PS	20,333.00	20,418.01	-	-	-	-	-	-	20,418.01	(85.01)
01-100-5280	MAILINGS / POSTAGE - PS	-	7.41	-	-	-	-	-	-	7.41	(7.41)
01-100-5290	MAINTENANCE / BUILDING - PS	1,200.00	5,294.15	50.00	50.00	50.00	50.00	50.00	50.00	5,594.15	(4,394.15)
01-100-5300	MAINTENANCE / EQUIPMENT - PS	250.00	-	-	-	-	-	-	-	-	250.00
01-100-5320	MAINTENANCE / VEHICLE - PS	4,000.00	7,788.93	1,323.15	500.00	500.00	500.00	500.00	500.00	11,612.08	(7,612.08)
01-100-5330	MATERIALS & SUPPLIES - PS	1,000.00	1,026.65	-	-	-	-	-	-	1,026.65	(26.65)
01-100-5340	MISCELLANEOUS EXPENDITURES - PS	300.00	129.27	-	-	-	-	-	-	129.27	170.73
01-100-5350	OFFICE SUPPLIES - PS	1,000.00	431.33	-	-	-	-	-	-	431.33	568.67
01-100-5370	TELEPHONE - PS	850.00	-	-	-	-	-	-	-	-	850.00
01-100-5390	TRAINING, TRAVEL & FOOD - PS	300.00	50.00	-	-	-	-	-	-	50.00	250.00
01-100-5400	UNIFORM & PERSONAL EQUIPMENT - PS	2,700.00	4,872.05	530.00	30.00	30.00	30.00	30.00	30.00	5,552.05	(2,852.05)
01-101-5000	SALARIES - COMBAT VIOLENT CRIME	-	7,256.98	-	-	-	-	-	-	7,256.98	(7,256.98)
01-101-5070	CONTRACTUAL/PROFESSIONAL SERVICES	-	3,099.00	-	-	-	-	-	-	3,099.00	(3,099.00)
01-101-5250	MACHINERY AND EQUIPMENT	-	1,495.00	-	-	-	-	-	-	1,495.00	(1,495.00)
01-103-5000	SALARIES - OFFICE OF HIGHWAY SAFETY	-	1,230.00	-	-	-	-	-	-	1,230.00	(1,230.00)
<b>PUBLIC SAFETY EXPENDITURES</b>		<b>392,147.00</b>	<b>234,991.94</b>	<b>32,713.03</b>	<b>31,610.14</b>	<b>31,710.14</b>	<b>31,710.14</b>	<b>37,110.14</b>	<b>31,710.14</b>	<b>431,555.66</b>	<b>(39,408.66)</b>

Public Safety expenditures, while forecasting a negative variance through the end of FY 2019, are actually running just higher than expected. As a result of the additional grant expenditures \$13,081 of the negative variance can be considered offset by the additional grant revenues received. The negative variance attributable to Insurance / General – Public Safety was originally budgeted in General Administration expenditures prior to being reclassified to Public Safety expenditures.

**Community Center:**

Community Center revenues are those revenues that are received to support the operation and maintenance of the Community Center. Primarily, these are rental payments from Reedy Point Players, reimbursement of utility expenditures for the Delaware City Library, and Grant-In-Aid revenues received from the State.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-200-4015	DONATIONS - CC	2,000.00	500.00	-	-	-	-	-	-	500.00	(1,500.00)
01-200-4035	SALES - CC	325.00	-	-	-	-	-	-	-	-	(325.00)
01-200-4045	EVENT/ACTIVITY RENTAL REVENUE - CC	2,000.00	2,250.00	600.00	150.00	150.00	150.00	150.00	150.00	3,600.00	1,600.00
01-200-4046	RENTAL/MAINTENANCE SURCHARGE - CC	3,500.00	-	-	-	-	-	1,501.00	-	1,501.00	(1,999.00)
01-200-4100	DELAWARE CITY LIBRARY	-	6,816.31	2,225.08	2,220.00	1,560.00	1,110.00	1,110.00	1,110.00	16,151.39	16,151.39
01-200-4900	GRANT-IN-AID	-	27,683.20	2,099.64	2,546.25	2,236.97	2,426.25	925.25	2,496.97	40,414.53	40,414.53
<b>COMMUNITY CENTER REVENUES</b>		<b>7,825.00</b>	<b>37,249.51</b>	<b>4,924.72</b>	<b>4,916.25</b>	<b>3,946.97</b>	<b>3,686.25</b>	<b>3,686.25</b>	<b>3,756.97</b>	<b>62,166.92</b>	<b>54,341.92</b>

As of December 31, 2018, we have recognized \$37,249.51 in revenue. Of this amount, Grant-In-Aid represents \$27,683.20; more than half of the \$40,000 FY19 allocation of Grant-In-Aid revenue from the State. In past years, poor accounting practices have resulted in past allocations of Grant-In-Aid revenue received by the City to go unrecognized, creating a liability of "unearned revenue" on the balance sheet. Simply stated, these revenues were not being tracked properly. Moving forward, these revenues will be recognized until the remaining unearned revenue liability is removed. This does not represent additional funding available to the City as the funding has already been received. Budgeted amounts will need to be adjusted to account for differences discovered since adoption of the FY 2019 original budget. This is not unexpected as efforts to address our financial reporting were underway when the budget was being developed.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-200-5000	SALARIES - CC	-	2,916.67	500.00	500.00	500.00	500.00	500.00	500.00	5,916.67	(5,916.67)
01-200-5010	PAYROLL TAXES - CC	-	276.36	46.26	46.25	46.25	46.25	46.25	46.25	553.87	(553.87)
01-200-5070	CONTRACTUAL/PROFESSIONAL SERVICES - CC	2,000.00	178.50	-	-	-	-	-	-	178.50	1,821.50
01-200-5120	ELECTRICITY - CC	-	8,167.53	1,134.90	1,200.00	1,800.00	1,800.00	1,800.00	1,800.00	17,702.43	(17,702.43)
01-200-5150	HEATING FUEL - CC	-	2,953.00	2,573.56	2,500.00	800.00	50.00	50.00	50.00	8,976.56	(8,976.56)
01-200-5290	MAINTENANCE / BUILDING - CC	18,000.00	21,313.22	500.00	500.00	560.00	1,120.00	1,120.00	1,120.00	26,233.22	(8,233.22)
01-200-5330	MATERIALS & SUPPLIES - CC	500.00	299.42	-	-	-	-	-	-	299.42	200.58
01-200-5365	SEWER CHARGES - NEW CASTLE COUNTY	-	141.44	-	-	70.72	-	-	70.72	282.88	(282.88)
01-200-5370	TELEPHONE - CC	-	1,003.37	170.00	170.00	170.00	170.00	170.00	170.00	2,023.37	(2,023.37)
<b>COMMUNITY CENTER EXPENDITURES</b>		<b>20,500.00</b>	<b>37,249.51</b>	<b>4,924.72</b>	<b>4,916.25</b>	<b>3,946.97</b>	<b>3,686.25</b>	<b>3,686.25</b>	<b>3,756.97</b>	<b>62,166.92</b>	<b>(41,666.92)</b>

**Public Works:**

As of December 31, 2018, the Public Works department expenditures incurred by the City are trending slightly better than anticipated at this point of the year. In forecasting the future expenditures, the only constant is the contractual amount the City owes our Public Works contractor, The Cutting Edge, per month as stated in their contract. Any additional costs that may be recognized here are related to the additional effort required to prepare the City for large rain events and unable to be predicted with accuracy.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-300-5070	CONTRACTUAL/PROFESSIONAL SERVICES - PW	35,852.00	17,966.78	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	29,486.78	6,365.22
01-300-5300	MAINTENANCE / EQUIPMENT - PW	500.00	1,135.30	-	-	-	-	-	-	1,135.30	(635.30)
01-300-5353	OPERATIONS/EXPENDITURES - STORMS PW	7,500.00	4,117.70	-	-	-	-	-	-	4,117.70	3,382.30
	<b>PUBLIC WORKS EXPENDITURES</b>	<b>43,852.00</b>	<b>23,219.78</b>	<b>1,920.00</b>	<b>1,920.00</b>	<b>1,920.00</b>	<b>1,920.00</b>	<b>1,920.00</b>	<b>1,920.00</b>	<b>34,739.78</b>	<b>9,112.22</b>

**Sanitation:**

Current Sanitation revenues are those fees charged to property owners that are outside of the property limits, and extra cart fees for City residents.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-350-4000	SANITATION FEES	6,200.00	3,414.60	1,236.00	-	-	1,236.00	-	-	5,886.60	(313.40)
	<b>SANITATION REVENUES</b>	<b>6,200.00</b>	<b>3,414.60</b>	<b>1,236.00</b>	<b>-</b>	<b>-</b>	<b>1,236.00</b>	<b>-</b>	<b>-</b>	<b>5,886.60</b>	<b>(313.40)</b>
01-350-5070	CONTRACTUAL/PROFESSIONAL SERVICES - SN	150,000.00	79,487.25	13,340.58	13,500.00	13,500.00	13,500.00	13,500.00	13,500.00	160,327.83	(10,327.83)
01-350-5330	MATERIALS & SUPPLIES - SN	620.00	-	-	-	-	-	-	-	-	620.00
	<b>SANITATION EXPENDITURES</b>	<b>150,620.00</b>	<b>79,487.25</b>	<b>13,340.58</b>	<b>13,500.00</b>	<b>13,500.00</b>	<b>13,500.00</b>	<b>13,500.00</b>	<b>13,500.00</b>	<b>160,327.83</b>	<b>(9,707.83)</b>

Sanitation expenditures are currently trending slightly higher this year. In forecasting the remainder of FY 2019, expenditures will likely exceed budget by \$10,000. We are currently operating month to month with Waste Industries providing sanitation services to the City and will need to pursue a Request for Proposals from interested parties to secure a long-term contract.

**Yard Waste:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-360-5070	CONTRACTUAL/PROFESSIONAL SERVICES - YW	17,000.00	16,184.00	2,312.00	2,312.00	2,312.00	2,312.00	2,312.00	2,312.00	30,056.00	(13,056.00)
	<b>YARD WASTE EXPENDITURES</b>	<b>17,000.00</b>	<b>16,184.00</b>	<b>2,312.00</b>	<b>2,312.00</b>	<b>2,312.00</b>	<b>2,312.00</b>	<b>2,312.00</b>	<b>2,312.00</b>	<b>30,056.00</b>	<b>(13,056.00)</b>

Yard Waste expenditures are under contract with the Cutting Edge for \$2,312 per month. In the course of a full fiscal year, this equates to \$27,744. The budget will need to be corrected to account for this difference.

**Stormwater:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-380-5070	CONTRACTUAL/PROFESSIONAL SERVICES - SW	2,900.00	2,490.00	-	-	-	-	-	-	2,490.00	410.00
01-380-5310	MAINTENANCE / SYSTEMS - SW	45,300.00	-	-	-	-	-	-	-	-	45,300.00
01-380-5330	MATERIALS & SUPPLIES - SW	800.00	-	-	-	-	-	-	-	-	800.00
	<b>STORMWATER EXPENDITURES</b>	<b>49,000.00</b>	<b>2,490.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,490.00</b>	<b>46,510.00</b>

Stormwater expenditures are trending significantly lower than anticipated. This is largely due to the budgeting of payments on the Clean Water Revolving Loan related to the Washington Street Flood Mitigation project. Payments on this loan will not begin until the completion of the project and will be serviced through the newly created Debt Service department. The budget will need to be adjusted accordingly.

**Streets:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-400-4810	TRANSFER IN - MUNICIPAL STREET AID FUND	93,280.00	42,920.86	50,359.20	-	-	-	-	-	93,280.06	0.06
01-400-4900	COMMUNITY TRANSPORTATION FUND	245,988.00	245,988.01	-	-	-	-	-	-	245,988.01	0.01
	<b>STREETS REVENUES</b>	<b>339,268.00</b>	<b>288,908.87</b>	<b>50,359.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>339,268.07</b>	<b>0.07</b>
01-400-5070	CONTRACTUAL/PROFESSIONAL SERVICES - ST	30,000.00	5,345.50	6,380.50	5,000.00	2,500.00	-	-	-	19,226.00	10,774.00
01-400-5120	ELECTRICITY - ST	11,000.00	2,207.99	630.94	650.00	650.00	650.00	650.00	650.00	6,088.93	4,911.07
01-400-5310	MAINTENANCE / STREETS - ST	344,972.00	350,883.03	4,800.00	-	-	-	-	-	355,683.03	(10,711.03)
01-400-5330	MATERIALS & SUPPLIES - ST	6,500.00	5,170.82	2,500.00	2,500.00	-	-	-	-	10,170.82	(3,670.82)
	<b>STREETS EXPENDITURES</b>	<b>392,472.00</b>	<b>363,607.34</b>	<b>14,311.44</b>	<b>8,150.00</b>	<b>3,150.00</b>	<b>650.00</b>	<b>650.00</b>	<b>650.00</b>	<b>391,168.78</b>	<b>1,303.22</b>

Streets expenditures have trended in line with expectations. The primary driver of expenditures of this department are related to the electricity to power streetlights, repair and maintenance of City streets, and the preparation and snow removal related to winter storms. As the forecast above indicates, most financial activity in the Streets department has been complete as of December 31, 2018 with the completion of the FY 2019 Road Maintenance Program and any future expenditures will be the result of the weather.

**Drainage Expenditures:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-450-4900	DEPT OF NATURAL RESOURCES & ENVIRONMENT	260,703.00	45,918.76	131,479.78	100,520.22	-	-	-	-	277,918.76	17,215.76
01-450-4901	CLEAN WATER STATE REVOLVING LOAN FUND	790,000.00	-	537,926.00	238,274.00	-	-	-	-	776,200.00	(13,800.00)
01-450-4950	FEDERAL EMERGENCY MANAGEMENT AGENCY	283,574.00	-	257,756.31	-	-	-	-	-	257,756.31	(25,817.69)
	<b>DRAINAGE REVENUES</b>	<b>1,334,277.00</b>	<b>45,918.76</b>	<b>927,162.09</b>	<b>338,794.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,311,875.07</b>	<b>(22,401.93)</b>
01-450-5070	CONTRACTUAL/PROFESSIONAL SERVICES - DR	1,334,277.00	643,807.25	401,215.00	276,297.12	-	-	-	-	1,321,319.37	12,957.63
	<b>DRAINAGE EXPENDITURES</b>	<b>1,334,277.00</b>	<b>643,807.25</b>	<b>401,215.00</b>	<b>276,297.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,321,319.37</b>	<b>12,957.63</b>

Revenues received in the Drainage Department are a direct result of the Washington Street Flood Mitigation project. These revenues are grant revenues received from the State through the Department of Natural Resources and Environmental Control, grant revenues received from the Federal Emergency Management Agency, and loan proceeds from the Clean Water State Revolving Loan Fund.

As of December 31, 2018, a better understanding of how revenue will be recognized has been achieved. While the project has progressed, City staff has worked diligently with each of our funding partners to correct inaccuracies in past reimbursements. As the chart above indicates, the Washington Street Flood Mitigation project should be substantially completed by February 2019.

**Parks Maintenance Expenditures:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-500-5310	MAINTENANCE / PARKS - PK	38,000.00	31,608.96	950.00	-	1,110.00	2,220.00	2,220.00	2,220.00	40,328.96	(2,328.96)
	<b>PARK MAINTENANCE EXPENDITURES</b>	<b>38,000.00</b>	<b>31,608.96</b>	<b>950.00</b>	<b>-</b>	<b>1,110.00</b>	<b>2,220.00</b>	<b>2,220.00</b>	<b>2,220.00</b>	<b>40,328.96</b>	<b>(2,328.96)</b>

The Parks Maintenance department's expenditures are trending slightly higher than anticipated thus far. This is a result of significant landscape clean up conducted early in the year, as well as repeated repair of sinkholes forming behind the sea wall at Battery Park. The budget will need to be adjusted accordingly.

**Tree Maintenance Expenditures:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-550-5310	MAINTENANCE / TREES - TR	22,000.00	3,350.00	1,150.00	-	-	-	-	-	4,500.00	17,500.00
	<b>TREE MAINTENANCE EXPENDITURES</b>	<b>22,000.00</b>	<b>3,350.00</b>	<b>1,150.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,500.00</b>	<b>17,500.00</b>

Tree Maintenance expenditures have so far been lower than anticipated. Maintenance of trees owned by the City so far this year has been driven by complaints of trees that pose a threat to person and property. Aside from known expenditures, predicting the cost moving forward is difficult, however there are no current plans to utilize this funding outside of addressing complaints.

**Recycling Collection Expenditures:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-560-5070	CONTRACTUAL/PROFESSIONAL SERVICES - RC	19,000.00	9,960.75	1,658.25	1,660.00	1,660.00	1,660.00	1,660.00	1,660.00	19,919.00	(919.00)
	<b>RECYCLING COLLECTION EXPENDITURES</b>	<b>19,000.00</b>	<b>9,960.75</b>	<b>1,658.25</b>	<b>1,660.00</b>	<b>1,660.00</b>	<b>1,660.00</b>	<b>1,660.00</b>	<b>1,660.00</b>	<b>19,919.00</b>	<b>(919.00)</b>

Recycling Collection expenditures are trending higher than the original budget anticipated. Waste Industries performs the recycling collection duties for the City at a rate of approximately \$1,660 per month. For a full fiscal year this equates to \$19,920. It is worth noting that we will be receiving a \$0.31 increase per household, per month, to provide this service in FY 2020 (approximately \$2,604 increase annually).

**Debt Service Expenditures:**

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
01-600-5900	DEBT SERVICE - WASHINGTON REVOLVING LOAN	-	-	-	-	7,500.00	-	-	-	7,500.00	(7,500.00)
01-600-5901	DEBT SERVICE - COMMUNITY CENTER ROOF	16,810.00	7,512.00	1,252.00	1,252.00	1,252.00	1,252.00	1,252.00	1,252.00	15,024.00	1,786.00
01-600-5902	DEBT SERVICE - STREET BOND WSFS REFI	21,000.00	16,490.10	2,748.35	2,748.35	2,748.35	2,748.35	2,748.35	2,748.35	32,980.20	(11,980.20)
	<b>DEBT SERVICE EXPENDITURES</b>	<b>37,810.00</b>	<b>24,002.10</b>	<b>4,000.35</b>	<b>4,000.35</b>	<b>11,500.35</b>	<b>4,000.35</b>	<b>4,000.35</b>	<b>4,000.35</b>	<b>55,504.20</b>	<b>(17,694.20)</b>

The newly created Debt Service department will segregate costs involved in servicing the City's outstanding debt. The original budget included the payment of interest only for the Street Bond. This will need to be corrected to include the principal payment on the loan in addition to creating a new budget for the debt service related to the payment on the Washington Street Flood Mitigation Project's Clean Water Revolving Loan.

**Water Fund:** The Water Fund as of December 31, 2018 has an operating deficit of (\$104,054.27). This is largely due to the nature of billing quarterly, as significant revenue increases occur only during the months of October, January, April, and July. While the billing due to occur in January will include the 15% rate increase on consumption, staff is forecasting that revenues may not meet the original budget's anticipated revenue. This may require adjustments to be made to maintain a balanced budget, which may have an impact on the transfer to the General Fund, requiring further budget adjustments to be made within the General Fund. Otherwise, Water Fund overall expenses are trending in line with budgeted amounts.

ACCOUNT	DESCRIPTION	BUDGET	ACTUAL	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	FY 2019	VARIANCE
02-000-4000	WATER UTILITY FEES	330,000.00	72,460.52	65,744.73	-	-	65,000.00	-	65,000.00	268,205.25	(61,794.75)
02-000-4020	OTHER WATER REVENUE	12,034.00	-	50.00	-	-	-	-	-	50.00	(11,984.00)
02-000-4040	REFINERY WATER UTILITY FEES	30,000.00	9,717.55	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,717.55	(11,282.45)
	<b>WATER FUND REVENUES</b>	<b>372,034.00</b>	<b>82,178.07</b>	<b>67,294.73</b>	<b>1,500.00</b>	<b>1,500.00</b>	<b>66,500.00</b>	<b>1,500.00</b>	<b>66,500.00</b>	<b>286,972.80</b>	<b>(85,061.20)</b>
02-000-5070	CONTRACTUAL/PROFESSIONAL SERVICES - WF	69,000.00	36,089.16	7,454.61	7,934.61	4,974.61	4,974.61	4,974.61	4,974.61	71,376.82	(2,376.82)
02-000-5100	DUES / MEETINGS - WF	524.00	442.00	-	-	-	-	-	-	442.00	82.00
02-000-5120	ELECTRICITY - WF	23,000.00	9,498.83	2,326.31	2,326.31	1,223.06	1,223.06	1,223.06	1,223.06	19,043.69	3,956.31
02-000-5135	FEES/INTEREST/PENALTIES - WF	110.00	-	-	-	-	-	-	-	-	110.00
02-000-5150	HEATING FUEL - WF	2,000.00	895.00	569.44	150.00	150.00	150.00	150.00	150.00	2,214.44	(214.44)
02-000-5270	LEGAL - WF	500.00	220.00	-	-	-	-	-	-	220.00	280.00
02-000-5280	MAILINGS / POSTAGE - WF	200.00	-	-	-	-	-	-	-	-	200.00
02-000-5290	MAINTENANCE / BUILDING - WF	2,700.00	498.90	-	-	45.00	90.00	90.00	90.00	813.90	1,886.10
02-000-5310	MAINTENANCE / SYSTEM - WF	7,000.00	3,431.04	-	-	-	-	-	-	3,431.04	3,568.96
02-000-5330	MATERIALS & SUPPLIES - WF	12,000.00	5,301.92	250.00	250.00	250.00	250.00	250.00	250.00	6,801.92	5,198.08
02-000-5340	MISCELLANEOUS EXPENSE - WF	450.00	-	-	-	-	-	-	-	-	450.00
02-000-5365	SEWER CHARGES NEW CASTLE COUNTY - WF	700.00	282.88	-	-	70.72	-	-	70.72	424.32	275.68
02-000-5370	TELEPHONE - WF	1,500.00	815.13	124.70	124.70	124.70	124.70	124.70	124.70	1,563.33	(63.33)
02-000-5380	TESTING - WF	500.00	-	400.00	-	-	-	-	-	400.00	100.00
02-000-5900	DEBT SERVICE - G/O WATER BOND	24,000.00	15,440.38	-	9,593.00	-	-	9,593.00	-	34,626.38	(10,626.38)
02-000-5940	DEBT SERVICE - WELL 5 FILTERS (SRF)	5,500.00	2,142.12	-	-	-	-	-	-	2,142.12	3,357.88
02-000-8000	TRANSFER OUT - GENERAL FUND	222,350.00	111,174.98	18,529.17	13,768.69	-	-	-	-	143,472.84	78,877.16
	<b>WATER FUND EXPENDITURES</b>	<b>372,034.00</b>	<b>186,232.34</b>	<b>29,654.23</b>	<b>34,147.31</b>	<b>6,838.09</b>	<b>6,812.37</b>	<b>16,405.37</b>	<b>6,883.09</b>	<b>286,972.80</b>	<b>85,061.20</b>
	<b>NET INCOME (DEFICIT)</b>	<b>-</b>	<b>(104,054.27)</b>	<b>37,640.50</b>	<b>(32,647.31)</b>	<b>(5,338.09)</b>	<b>59,687.63</b>	<b>(14,905.37)</b>	<b>59,616.91</b>	<b>-</b>	<b>-</b>

**Recap of Financial Report:** With the completion of the FY 2018 audit, a more thorough analysis of the City's financial situation can be provided. Prior to completion, the Finance Report has been limited to analyzing the performance of the Approved FY 2019 Operating Budget.

Of the information learned so far, early indications are showing that there is a structural deficiency in the City's finances that Council has taken the first steps into improving with the increases in the City's tax and water rates. A lack of operating reserve and plan to address the funding of the City's capital infrastructure exposes us to a higher risk of not being able to meet our citizenry's needs.

**Cash Balances:** Please find below the reconciled balances of our bank accounts, as of December 31, 2018 and compared to prior month balances\*, as well as a check register for the month of December 2018.

DESCRIPTION	11/30/2018	12/31/2018	DIFFERENCE
CASH - GENERAL FUND CHECKING	\$ 249,633.37	\$ 71,620.10	\$ (178,013.27)
CASH - VIOLENT CRIMES CHECKING ACCOUNT	23,963.97	6,909.29	(17,054.68)
CASH - GRANT IN AID CHECKING	54,400.00	54,400.00	-
CASH - MUNICIPAL STREET AID FUND	42,920.86	100.00	(42,820.86)
CASH - REVOLVING LOAN FACADE FUND	71,735.62	71,744.76	9.14
CASH - SALLE FUND	3,501.68	3,501.68	-
CASH - EIDE FUND	3,216.16	3,216.16	-
CASH - MAYOR'S BALL ACCOUNT	38,015.52	38,015.52	-
CASH - DELAWARE CITY DAY COMMITTEE	11,825.01	9,989.01	(1,836.00)
<b>TOTAL RECONCILED BALANCE</b>	<b>\$ 499,212.19</b>	<b>\$ 259,496.52</b>	<b>\$ (239,715.67)</b>

\*It is important to note that the balances in these accounts do not necessarily agree with the actual amount of the available funding for each activity. Past accounting practices did not reconcile these accounts with the corresponding fund on the general ledger.

As noted earlier in this month's Finance Report, the Washington Street Flood Mitigation project is nearing substantial completion, scheduled to be around February 2019. As a result, the payments to the contractor and the subsequent timing of reimbursements has created a short-term ebb in our cash accounts. Staff has worked diligently with our granting agencies to ensure that we will be reimbursed as soon as possible. We are expecting significant reimbursements in late January at the earliest.

DATE	CHECK	VENDOR	DESCRIPTION	AMOUNT
12/03/18	13020	BY THE BOOK SERVICES, INC.	FINAL INSTALLMENT-BOOKKEEPING	\$ 2,980.00
12/03/18	13021	THE CUTTING EDGE, INC.	HAUL EXCESS DIRT FROM DCMHP	1,675.00
12/03/18	13021	THE CUTTING EDGE, INC.	SNOW REMOVAL/ICE CONTROL 11/15	2,573.00
12/03/18	13021	THE CUTTING EDGE, INC.	MAINTENANCE/BRUSH REMOVAL DEC	4,232.00
12/03/18	13021	THE CUTTING EDGE, INC.	TREE REMOVAL CLINTON/WILLIAMS	800.00
12/03/18	13022	DE LAGE LANDEN FINANCIAL SERV	COPIER LEASE - POLICE	154.00
12/03/18	13023	DELMARVA POWER	5500 6398 055 - WASHINGTON ST	98.39
12/03/18	13024	DELMARVA POWER	5500 6398 873 - CLINTON ST	86.63
12/03/18	13025	DELMARVA POWER	5500 0544 167 - TOWN HALL	2,958.35
12/03/18	13026	DUFFIELD ASSOCIATES, INC.	WASH ST FLOOD MITIGATION	7,475.75
12/03/18	13027	G. FEDALE ROOFING AND SIDING	TOWN HALL CHIMNEY REPAIR	850.00
12/03/18	13028	CAROL HOUCK	MILEAGE REIMBURSEMENT AUG-NOV	388.70
12/03/18	13029	KASH SRINIVASAN GROUP, LLC	MANAGEMENT CONSULTING - RFP	2,640.00
12/03/18	13030	ONE CALL CONCEPTS, INC.	MAINTENANCE TICKETS - WATER	8.69
12/03/18	13031	REYNOLDS APPRAISAL COMPANY	SERVICES AS TOWN ASSESSOR	2,500.00
12/07/18	13032	ARBOR DAY FOUNDATION	ANNUAL MEMBERSHIP TREE CITY US	15.00
12/07/18	13033	AXON ENTERPRISE, INC	AXON CAMERAS AND MOUNTS	4,594.00
12/07/18	13034	BERRY REFRIGERATION	ADDED DUCT WORK - TOWN HALL	848.00
12/07/18	13035	CAPITOL CLEANERS & LAUNDERERS	DRY CLEANING NOVEMBER	26.33
12/07/18	13036	CRYSTAL SPRINGS	2 5.0 GALLON BOTTLES	14.98
12/07/18	13037	DIAMOND STATE TIRE, INC.	OIL CHANGE/TIRE ROTATION	1,534.00
12/07/18	13038	DIAMOND COMPUTER INC.	BACKUP SERVICE / EMAIL	154.95
12/07/18	13039	FUELMAN	FUEL PURCHASES NOVEMBER	1,105.95
12/07/18	13040	RED THE UNIFORM TAILOR	OFFICER HAT BADGE	34.50
12/07/18	13040	RED THE UNIFORM TAILOR	UNIFORM SHOULDER EMBLEMS	275.00
12/07/18	13041	RUSH UNIFORM INC.	BELTS/TIES FOR RECRUITS	118.65
12/07/18	13042	STATE OF DE - OMB FINANCIAL OP	JANUARY 2019 HEALTH INSURANCE	4,580.64
12/17/18	13043	2J BEST CAR WASH	NOVEMBER POLICE CAR WASHES	5.50
12/17/18	13044	ARTESIAN WATER COMPANY	DECEMBER 2018 ARTESIAN PMT	8,281.54
12/17/18	13045	BERRY REFRIGERATION	SET CONTROL SETTINGS FOR HEAT	580.00
12/17/18	13046	BETTS GARAGE & B&G GLASS INC.	TOWED PD CAR TO DIAMOND STATE	85.00
12/17/18	13047	BRITNEY LOVELAND	REIMBURSE BACKGROUND CHECK	52.00
12/17/18	13048	CERTIFIED SEAL CO.	STREET SWEEPING DEC 11/12	1,200.00
12/17/18	13049	COUNTY BUILDING SERVICES, INC.	JANITORIAL SERVICES NOV 18	525.00
12/17/18	13050	DE DEPT OF SAFETY/HOMELAND SEC	REFUND V-38-18 GRANT BALANCE	1,848.46
12/17/18	13051	DE LAGE LANDEN FINANCIAL SERV	COPIER LEASE - DEC 2018	357.73
12/17/18	13052	DELAWARE WOMEN LEADING GOVERN	05/23/18 MEETING DE WLG	15.00
12/17/18	13053	DELAWARE STATE POLICE	FINGERPRINTS - D. CINAGLIA	65.00
12/17/18	13054	DELMARVA POWER	5000 0009 774 - RT 9	91.69
12/17/18	13055	DELMARVA POWER	5500 8576 807 - 321 WASHINGTON	139.97
12/17/18	13056	DELMARVA POWER	5000 0009 758 CANAL/WILLIAMS	188.26
12/17/18	13057	DELMARVA POWER	5000 0009 725 - CLINTON ST	141.55
12/17/18	13058	DELMARVA POWER	5500 8576 260 - 3RD/CANAL ST	230.34
12/17/18	13059	DELMARVA POWER	5000 0009 717 - CLINTON ST	353.06
12/17/18	13060	DELMARVA POWER	5000 0009 386 - 407 CLINTON ST	1,170.25
12/17/18	13061	DELMARVA POWER	5000 0009 378 - 321 WASHINGTON	1,537.05
12/17/18	13062	DELMARVA POWER	5500 8577 268 - 5 WASHINGTON	2,959.18
12/17/18	13063	DELMARVA POWER	5000 1281 877 - COMM CENTER	2,826.93
12/17/18	13064	DELMARVA POWER	5500 8575 957 - 950 5TH ST	156.51

DATE	CHECK	VENDOR	DESCRIPTION	AMOUNT
12/17/18	13065	DIAMOND COMPUTER INC.	CREATE EMAIL/USER FOR BRITNEY	150.00
12/17/18	13066	DUFFIELD ASSOCIATES, INC.	WASHINGTON ST PAVEMENT REVIEW	2,772.50
12/17/18	13067	FORD MOTOR CREDIT COMPANY LLC	2017 FORD INTERCEPTOR LEASE	10,826.78
12/17/18	13068	JERRY'S PAVING INC.	WASHINGTON/CLINTON PAVING	338,594.78
12/17/18	13068	JERRY'S PAVING INC.	HARBOR ST - ADD'L PAVING	5,848.25
12/17/18	13069	KUHN CONSTRUCTION COMPANY	PHASE 1 18003-2	41,526.40
12/17/18	13070	LAWMEN SUPPLY CO. OF NEW JERSE	TRAINING PISTOLS	88.00
12/17/18	13071	MORTON SALT, INC.	BULK ROAD SALT	2,581.67
12/17/18	13072	MYEYEDR. OPTOMETRY OF DE, PA	EYE EXAMS FOR PD RECRUITS	222.50
12/17/18	13073	R & R RADAR, INC.	ANTENNA CABLE - RADAR	186.95
12/17/18	13074	UNION PRESS PRINTING	500 NO PARKING SIGNS	355.00
12/17/18	13075	VERIZON WIRELESS	AIR CARD DATA USAGE	296.27
12/17/18	13076	VERIZON	152-016-685-0001-78 TOWN HALL	801.10
12/17/18	13077	VERIZON	152-119-184-0001-76 COMM CNTR	169.19
12/17/18	13078	VERIZON	450-378-063-0001-73 - WF	57.35
12/17/18	13079	VERIZON	450-378-229-0001-41 - WF	57.35
12/17/18	13080	WASTE INDUSTRIES	SANITATION/RECYCLING DEC 2018	14,956.05
12/28/18	13081	DE LEAGUE OF LOCAL GOVERNMENTS	LEAGUE OF LOCAL GOV'T MEETING	30.00
12/28/18	13082	BUILDING INSPECTION	NOVEMBER PERMIT COSTS	756.00
12/28/18	13082	BUILDING INSPECTION	OCTOBER PERMIT COSTS	4,570.00
12/28/18	13083	CANON FINANCIAL SERVCIES, INC.	1ST FLR COPIER 001-754925-539	397.93
12/28/18	13084	CONNOLLY GALLAGHER, LLP	GENERAL REPRESENTATION - NOV	3,230.92
12/28/18	13085	COUNTY BUILDING SERVICES, INC.	COMM CENTER MISC. MAINTENANCE	650.00
12/28/18	13086	THE CUTTING EDGE, INC.	INSTALL LIGHTS/DECORATIONS	2,150.00
12/28/18	13086	THE CUTTING EDGE, INC.	BRUSH REMOVAL/MAINTENANCE JAN	4,232.00
12/28/18	13086	THE CUTTING EDGE, INC.	REPAIR PAVERS AT SEAWALL	1,160.00
12/28/18	13086	THE CUTTING EDGE, INC.	LEAF REMOVAL BATTERY PARK	2,080.00
12/28/18	13086	THE CUTTING EDGE, INC.	LEAF REMOVAL COMM CENTER	1,470.00
12/28/18	13086	THE CUTTING EDGE, INC.	LEAF REMOVAL AT 7TH ST PARK	960.00
12/28/18	13087	DEARBORN NATIONAL	DISABILITY/LIFE INSURANCE	901.07
12/28/18	13088	DELAWARE EMPLOYMENT TRNG FUND	EMPLOYMENT TRAINING FUND TAX	63.90
12/28/18	13089	DELTA DENTAL OF DELAWARE, INC.	DENTAL INSURANCE - JANUARY	337.96
12/28/18	13090	DIAMOND STATE TIRE, INC.	WATER PUMP FOR SILVER CHARGER	1,447.50
12/28/18	13091	DIAMOND COMPUTER INC.	ADJUST CAROL'S EMAIL FOR DAVE	50.00
12/28/18	13091	DIAMOND COMPUTER INC.	CITY MANAGER TRANSITION	75.00
12/28/18	13092	DUFFIELD ASSOCIATES, INC.	WASHINGTON ST FLOOD MITIGATION	7,632.85
12/28/18	13093	FORAKER OIL, INC.	204.1 GALLONS OF FUEL	569.44
12/28/18	13094	LAWMEN SUPPLY CO. OF NEW JERSE	BULLET PROOF VEST - T. GAUL	922.00
12/28/18	13095	NATIONWIDE	GENERAL INSURANCE POLICY	3,652.90
12/28/18	13096	GS DIRECT, LLC (AU1)	NOVEMBER 2018 ENERGY COSTS	1,842.23
12/28/18	13097	OCCUPATIONAL HEALTH SERVICES O	DRUG SCREENING	366.00
				<b>\$ 524,570.37</b>