Milford City Hall   Council Chambers   201 South Walnut Street   Milford DE 19963

CITY COUNCIL AGENDA
September 25, 2023

This meeting is also available for viewing by the public by accessing the following link:
https://zoom.us/j/94513235909
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Members of the public may also dial in by phone using the following number:
Call 301 715 8592   Webinar ID: 945 1323 5909

5:00 P.M.

15-Minute Public Comment Period*

Virtual attendees must register prior to start time of meeting by calling 302-422-1111 Extension 1300 or 1303, or by sending an email to cityclerk@milford-de.gov and providing your name, address, phone number, and item name and/or description you wish to comment on. Persons in attendance wishing to speak must sign up prior to the start of the Council Meeting.

FINANCE & AUDIT COMMITEE

Call to Order – Chair Jason James Sr.

- Audit Update
- Internal Control Discussion
- Monthly Financial Reporting
- Investment Management Update

Adjournment

All items on the Meeting Agenda are subject to a potential vote.

SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC FORMAT NO LATER THAN ONE WEEK PRIOR TO MEETING; NO PAPER DOCUMENTS WILL BE ACCEPTED OR DISTRIBUTED AFTER PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE.

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Finance Committee Meeting

September 25, 2023

THE CITY of Milford DELAWARE

Agenda

- Audit Update
- Internal Control Discussion
- Monthly Financial Reporting
- Investment Management Update

Audit Update

- Onboarding New Accountant
- New GASB Pronouncements
- Finalizing Schedules
- Financial Statement Production
- Schedule Audit Activities with ZA

Internal Control Discussion

- Background and Definitions
- Control Areas
- Examples
- Cybersecurity and Fraud Controls

Monthly Financial Reporting

- Challenges with Software Conversion
- FY24 Improvement Plans
    - Incorporate one-page balance sheet
    - Shift ARPA reporting to quarterly
- Long-Term Vision for Report

Investment Update

- $30 million baseline
- $4.06 million structured investment matching 2016 G/O maturities
  - Gross & NPV avoided debt service exceed initial redemption plan
- $25.9 million invested from 270 days to 5 years based on reserve policies
  - $10.4mm up to 1.5 years
  - $ 5.4mm up to 2 years
  - $ 7.6mm up to 3 years
  - $ 2.5mm up to 5 years
  - All maturities are yielding at least 5%

Alternative	Timing	Gross D/S Avoided	Gross Savings	NPV Savings	Avg Treasury Curve
Bond Redemption	Early 2022	4,846,920	786,920	52,131	1.46%
Investment/Defeasance	Late 2022	5,690,818	1,630,818	162,956	4.08%
Investment/Defeasance	Mid 2023	6,248,720	2,188,720	351,362	5.08%

Financial Reporting Package

As of and For the Period Ended August 31, 2023

[COUNCIL MEMO]

[BALANCE SHEET]

City of Milford, Delaware

Net Cash and Funding Availability Summary *(in thousands)* [1]

For the Period Ended August 31, 2023

Operating Cash Balances

▼Marks Ref Closing Bal [3]

Description	Opening Balance (Jul 31, 2023)	Closing Balance (Aug 31, 2023)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Fund	$ 1,990	$ 2,252	$ 72	$ (487)	$ (1,509)	$ 329
Electric Fund	3,992	3,853	140	(1,328)	(1,652)	1,012
Water Fund	3,448	3,620	100	(2,211)	(294)	1,215
Sewer Fund	2,088	2,264	60	(1,645)	(205)	474
Solid Waste Fund	373	407	10	(132)	(190)	95
Operating Cash Totals[3]	**$ 11,892**	**$ 12,396**	**$ 382**	**$ (5,803)**	**$ (3,849)**	**$ 3,126**

Federal, State and Other Special Purpose Cash Balances

Description	Opening Balance (Jul 31, 2023)	Closing Balance (Aug 31, 2023)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Improvement	$ 1,502	$ 1,398	$ -	$ (1,398)	$ -	$ -
Municipal Street Aid (MSA)	656	656	-	(656)	-	-
Realty Transfer Tax (RTT)	659	704	5,690	(4,205)	(1,280)	910
Economic Development	515	515	89	(419)	-	185
Lodging Tax Fund	633	639	99	(738)	-	-
ARPA Grant Fund	453	443	-	(443)	-	-
Special Purpose Cash Totals[3]	**$ 4,418**	**$ 4,356**	**$ 5,878**	**$ (7,859)**	**$ (1,280)**	**$ 1,095**

Reserve Fund Cash Balances[1]

Description	Opening Balance (Jul 31, 2023)	Closing Balance (Aug 31, 2023)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Fund Capital Reserves	$ 2,026	$ 2,016	$ 2,947	$ (4,686)	$ (249)	$ 28
Water Fund Capital Reserves	2,073	2,058	2,211	(1,423)	(2,758)	88
Sewer Fund Capital Reserves	4,519	4,504	1,645	(1,866)	(3,887)	396
Solid Waste Fund Capital Reserves	133	126	142	(227)	(40)	2
Electric Fund Capital Reserves[2]	12,307	12,280	3,828	(7,704)	(7,018)	1,386
Operating Cash Totals[3]	**$ 21,058**	**$ 20,985**	**$ 10,773**	**$ (15,905)**	**$ (13,952)**	**$ 1,900**

Impact Fees and Police/General Facilities Cash Balances

Description	Opening Balance (Jul 31, 2023)	Closing Balance (Aug 31, 2023)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
Police & General Gov't Facilities	$ 475	$ 508	$ 336	$ (844)	$ -	$ -
Carlisle Fire Co Permit Fund	702	713	112	(825)	-	-
Parks & Recreation Facilities	151	151	4	(155)	-	-
Water Impact Fee Reserves	5,348	5,520	1,725	(7,245)	-	-
Sewer Impact Fee Reserves	3,038	3,129	911	(4,040)	-	-
Electric Impact Fee Reserves	1,231	1,233	18	(1,251)	-	-
Impact Fees & Police/GF Totals[3]	**$ 10,944**	**$ 11,255**	**$ 3,106**	**$ (14,361)**	**$ -**	**$ -**

	Opening Balance	Closing Balance	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
Grand Totals[3]	**$ 48,313**	**$ 48,992**	**$ 20,139**	**$ (43,928)**	**$ (19,081)**	**$ 6,122**

[1]New report merges Cash Roll (p.2) and Restricted Reserves (p.3) into one single reference for net funds available after commitments & restrictions.

[2]Realty Transfer Taxes (RTT) and Electric Fund Reserves totaling $7.5 million are being temporarily consumed to offset interest costs associated with the PD Facility construction. The recovery of the funds through project financing is reflected in the Projected Cashflows columns for RTT and Electric ($5 million and $2.5 million, respectively).

[3]Closing Balance Indicator sets ***Red,*** ***Yellow*** and ***Green*** signify month-to-month cash variance as follows:

-10% ≤ Variance ≤ 10%

-5% ≤ Variance ≤ 5%

-2.5% ≤ Variance ≤ 2.5%

City of Milford, Delaware

Cash and Investment Balance[1] Rollforward

For the Period Ended August 31, 2023

1 Operating Cash Balances

▼*Marks Ref Closing Bal*[4]

Row	Description	Opening Balance (Jul 31, 2023)	Receipts	Interest Earned	Disbursements	Closing Balance (Aug 31, 2023)
3	General Fund[2]	$ 1,990,346	$ 957,009	$ 7,292	$ (702,191)	$ 2,252,457
4	Electric Fund	3,992,096	2,756,414	14,043	(2,909,971)	3,852,582
5	Water Fund	3,447,821	291,112	11,479	(130,751)	3,619,661
6	Sewer Fund	2,088,017	469,514	7,413	(300,795)	2,264,149
7	Solid Waste Fund	373,355	137,833	1,200	(105,050)	407,338
8	**Operating Cash Totals[4]**	**$ 11,891,635**	**$ 4,611,883**	**$ 41,428**	**$ (4,148,758)**	**$ 12,396,187**

9 Federal, State and Other Special Purpose Cash Balances

Row	Description	Opening Balance (Jul 31, 2023)	Receipts	Interest Earned	Disbursements[3]	Closing Balance (Aug 31, 2023)
11	General Improvement	$ 1,502,470	$ -	$ -	$ (104,307)	$ 1,398,163
12	Municipal Street Aid (MSA)	656,012	-	-	-	656,012
13	Realty Transfer Tax (RTT)	658,838	62,083	-	(16,667)	704,254
14	Economic Development	515,247	-	-	-	515,247
15	Lodging Tax Fund	632,991	5,892	-	-	638,884
16	ARPA Grant Fund[3]	452,927	-	-	(9,628)	443,299
17	**Special Purpose Cash Totals[4]**	**$ 4,418,485**	**$ 67,976**	**$ -**	**$ (130,602)**	**$ 4,355,859**

18 Reserve Fund Cash Balances

Row	Description	Opening Balance (Jul 31, 2023)	Receipts	Interest Earned	Disbursements[3]	Closing Balance (Aug 31, 2023)
20	General Fund Capital Reserves	$ 2,025,934	$ -	$ -	$ (9,627)	$ 2,016,307
21	Water Fund Capital Reserves	2,072,615	-	-	(14,334)	2,058,281
22	Sewer Fund Capital Reserves	4,518,748	-	-	(14,334)	4,504,414
23	Solid Waste Fund Capital Reserves	133,485	-	-	(7,353)	126,132
24	Electric Fund Capital Reserves[2]	12,307,333	-	-	(27,737)	12,279,596
25	**Reserve Fund Cash Totals[4]**	**$ 21,058,116**	**$ -**	**$ -**	**$ (73,385)**	**$ 20,984,731**

26 Impact Fees and Police/General Facilities Cash Balances

Row	Description	Opening Balance (Jul 31, 2023)	Receipts	Interest Earned	Disbursements	Closing Balance (Aug 31, 2023)
28	Police & General Gov't Facilities[3]	$ 474,893	$ 33,605	$ -	$ (293)	$ 508,205
29	Carlisle Fire Co Permit Fund	701,935	11,202	-	-	713,137
30	Parks & Recreation Facilities	150,900	400	-	-	151,300
31	Water Impact Fee Reserves	5,347,762	172,454	-	-	5,520,216
32	Sewer Impact Fee Reserves	3,037,996	91,117	-	-	3,129,113
33	Electric Impact Fee Reserves	1,230,990	1,800	-	-	1,232,790
34	**Impact Fees & Police/GF Totals[4]**	**$ 10,944,476**	**$ 310,578**	**$ -**	**$ (293)**	**$ 11,254,762**
35	**Grand Totals[4]**	**$ 48,312,713**	**$ 4,990,437**	**$ 41,428**	**$ (4,353,037)**	**$ 48,991,539**

36 [1]Balances are not indicative of funding availability; see enclosed Restricted Cash Reserves and Net Cash & Funding Availability Reports for detail.

37 [2]General Fund Operating Cash (Row 3) reached its trailing 12-month low in August and has begun to reverse course. Sept-Oct will rebound with tax receipts.

38 [3]$10k in ARPA funding (Line 16) is related to FY23 security/data projects. $73k disbursed from reserves (lines 20-24) is attributable to the ERP project, while line 11 reflects ongoing parks & rec projects funded through a mix of state grant programs.

39 [4]Closing Balance Indicator sets ***Red***, ***Yellow*** and ***Green*** signify month-to-month cash variance as follows:

40

-10% ≤ Variance ≤ 10%

-5% ≤ Variance ≤ 5%

-2.5% ≤ Variance ≤ 2.5%

City of Milford, Delaware

Restricted Cash Reserves Report

As of August 31, 2023

General Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/23)	$	2,016,307
Expected Contributions & Interest		946,913
Restricted Funds:		
Vehicle & Equipment Replacement		(640,677)
Street Repair		(1,115,364)
Parking Enhancements		(320,000)
Parkland, Trails & Recreation		(943,612)
Other Proj, Incl MCC Design		(668,196)
OpEx Support (PD R/M)		(998,036)
Support Policy with RTT[1]		2,000,000
Reserve (MCR) Policy[6]		-
Equipment Replacement Reserve[2]		(248,870)
Uncommitted Reserve Balance	**$**	**28,465**

Water Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/23)	$	2,058,281
Expected Contributions & Interest		2,210,753
Restricted Funds:		
Vehicle & Equipment Replacement		(136,859)
Street-Utility Engineering/Infra		(606,000)
		-
Milford Business Campus		-
Reserve-Funded Projects		(679,846)
Reserve (MCR) Policy[3,6]		(2,607,752)
Equipment Replacement Reserve[3]		(150,545)
Uncommitted Reserve Balance	**$**	**88,032**

Sewer Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/23)	$	4,504,414
Expected Contributions & Interest		1,645,122
Restricted Funds:		
Sewer Vehicles & Equipment		(48,112)
Citywide Projects & Engineering		(2,869)
Utility Engineering		-
Reserve-Funded Projects		(1,815,290)
Reserve (MCR) Policy[3,6]		(3,834,077)
Equipment Replacement Reserve[3]		(52,923)
Uncommitted Reserve Balance	**$**	**396,265**

Electric Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/23)	$	12,279,596
Expected Contributions & Interest		3,828,489
Restricted Funds:		
Electric Vehicles & Equipment		(359,306)
Lighting & System Improvements		(584,637)
Traffic Signal Upgrades		(289,464)
Citywide Projects		(2,410,174)
Redeem / Defease Bond[7]		(4,060,000)
Reserve (MCR) Policy[3,6]		(6,623,223)
Equipment Replacement Reserve[3]		(395,237)
Uncommitted Reserve Balance	**$**	**1,386,045**

Solid Waste Reserves		Amount
Cash/Investment Balance (8/31/23)	$	126,132
Expected Contributions & Interest		141,924
Restricted Funds:		
Solid Waste Vehicles & Equipment[4]		(150,760)
Solid Waste Alloc of PW Projects		(76,063)
Reserve (MCR) Policy[4]		-
Equipment Replacement Reserve[4]		(39,582)
Uncommitted Reserve Balance	**$**	**1,651**

MSA & RTT Reserves		Amount
RTT Balance (8/31/23)		704,254
MSA Balance (8/31/23)		656,012
MSA & RTT Est Receipts thru FY24:		5,690,427
MSA: Street & Bridge Improvements		(1,190,958)
RTT: Transfer to Police Dept		(166,667)
RTT: Sidewalk Project Funding		(632,170)
MSA & RTT: 2020 Combined St-Util		(871,000)
		-
RTT: Support GF Policies[1]		(2,000,000)
RTT: Reserve Policy[5]		(1,280,031)
Uncommitted Reserve Balance	**$**	**909,868**

[1]Approved GF Reserve Policies permit support from an eligible funding source; portion of RTT balance pledged to support GF Reserves for forseeable future
[2]Approved GF Reserve Policies recommend MCR of 45 days OpEx & Equip Repl Res minimum of 110% of upcoming CIP budget
[3]Approved Reserve Policies split Minimum Cash Req'd from COS study into new MCR & Equip Repl Reserve (20% of CIP)
[4]Solid Waste Reserves initiated in FY22 with seed funding from interfund loan forgiveness. Funds accumulated through FY23 used for collection equipment; 100% being reserved in FY24+.
[5]Approved Reserve Policies recommend dynamic MCR based on average of trailing-three-year RTT receipts; FY24 increase related to strong FY23 vs FY20, which fell out of T3 Avg
[6]The Days Operating Expenditures (Days OpEx) piece of MCRs reclassified from Reserve balances here to Operating Cash; the Total MCR has not changed
[7]This funding has been deployed, but will remain in the City's cash balance through the life of the underlying bonds. Interest rate increases and land investments prompted a revised strategy to economically neutralized the debt without redeeming it. This resulted in greater value for both the electric and sewer funds.

City of Milford, Delaware

Enterprise Funds: Statement of Revenues & Expenditures

For the YTD Period Ended August 31, 2023 vs Prior FYTD & Current Budget (in thousands)

	Enterprise Funds Profit & Loss (P&L) Statement	**Electric**	**Water**	**Sewer**	**Solid Waste**	**Total**	**FY24 Total** *(as % of Rev)*	**FY23 Total** *(as % of Rev)*
1	Operating Revenue	$ 5,278	$ 437	$ 632	$ 258	$ 6,606	100.0%	100.0%
2	Cost of Revenue[1]	(4,125)	(68)	(232)	(57)	(4,482)	-67.9%	-70.1%
3	Gross Margin	1,153	369	400	201	2,124	32.1%	29.9%
4	Operating Expenses							
5	Operations & Maintenance	(131)	(48)	(44)	(24)	(246)	-3.7%	-3.6%
6	Personnel	(238)	(56)	(55)	(58)	(406)	-6.2%	-4.0%
7	Total Operating Expenses	(369)	(104)	(98)	(81)	(653)	-9.9%	-7.6%
8	**Operating Income**	**$ 784**	**$ 265**	**$ 302**	**$ 120**	**$ 1,471**	**22.3%**	**22.3%**
9	Non-Operating Revenue (Expense)	1	-	45	-	46	0.7%	0.2%
10	Surplus (Deficit) for debt service & capital	785	265	347	120	1,517	23.0%	22.5%
11	Debt Service - Principal & Interest	-	-	(13)	-	(13)	-0.2%	-0.2%
12	Capital Spending / Contributions from (to) Reserves	-	-	(5)	-	(5)	-0.1%	0.0%
13	Surplus (deficit) available for transfers	785	265	329	120	1,499	22.7%	22.3%
14	Transfers Out	(542)	(50)	(25)	-	(617)	-9.3%	-7.6%
15	**Net Surplus (Deficit) - FYTD through Aug 2023**	**$ 243**	**$ 215**	**$ 304**	**$ 120**	**$ 883**	**13.4%**	**14.7%**
16	***Net Surplus (Deficit) - FYTD through Aug 2022***	*$ 290*	*$ 317*	*$ 402*	*$ 96*	*$ 1,106*	*14.7%*	
17	*Current vs Prior - Favorable (Unfavorable)[2]*	↓ *$ (47)*	↓ *$ (102)*	↓ *$ (98)*	↑ *$ 24*	↓ *$ (223)*	↓ *-1.3%*	
18	***Net Surplus (Deficit) - Current FYTD Budget***	*$ 159*	*$ 153*	*$ 128*	*$ 17*	*$ 457*	*6.8%*	
19	*Current vs Budget - Favorable (Unfavorable)[2]*	↑ *$ 85*	↑ *$ 63*	↑ *$ 176*	↑ *$ 103*	↑ *$ 426*	↑ *6.5%*	

20 [1]Cost of Revenue reported in the electric fund reflects wholesale cost of power and serves as an ideal revenue offset to arrive at gross margin. Cost of revenue in the water, sewer and solid waste funds are estimated based on a limited set of known, direct inputs to the cost of providing the utility services billed. Aside from Kent County sewer treatment charges, costs of revenue in the water, sewer and solid waste funds are likely understated.

21 [2]Comparative Indicators ***Green***, ***Yellow*** and ***Red*** signify favorable variance greater than 5%, marginal variance within ±5%, and unfavorable variance below -5%, respectively, for departmental comparisons. Total variance carries tighter bounds of >2.5%, ±2.5% and <2.5%, while the percentage variance uses >1.0%, ±1.0% and <1.0%, respectively.

City of Milford, Delaware

General Fund: Statement of Revenues & Expenditures[1]

For the YTD Period Ended August 31, 2023 vs Prior FYTD & Current Budget (in thousands)

#	General Fund Sources and Uses of Funding	Admin & Council	Public Safety	Parks & Rec	Planning & All Other	Total	FY24 Total (as % of Rev)	FY23 Total[2] (as % of Rev)
1	***Sources of Funding:***							
2	Real Estate (Property) Taxes	$ 5,673	$ -	$ -	$ -	$ 5,673	87.2%	87.7%
3	Permits, Licensing & Franchise Fees	50	-	-	51	101	1.5%	1.6%
4	Fines, Fees & Misc Revenue	0	52	-	-	52	0.8%	0.6%
5	General Revenue Subtotal	5,724	52	0	51	5,826	89.5%	89.8%
6	Utility Transfers & Cost Allocation	642	-	-	-	642	9.9%	9.3%
7	Grant Revenue	0	(311)	115	-	(196)	-3.0%	0.0%
8	Application of Reserve Balances	203	33	-	-	237	3.6%	0.9%
9	General Fund Operating Support	845	(2772) -36	115	0	683	10.5%	10.2%
10	**Total Sources of Funding**	**$ 6,569**	**$ (225)**	**$ 115**	**$ 51**	**$ 6,509**	**100.0%**	**100.0%**
11	***Uses of Funding:***							
12	Operations & Maintenance	34	162	77	89	362	5.6%	10.2%
13	Personnel	161	750	116	291	1,318	20.3%	18.6%
14	Total Operating Expenses	194	912	194	380	1,681	25.8%	28.8%
15	**Surplus (Deficit) for Debt Svc & Capital**	**$ 6,375**	**$ (1,138)**	**$ (79)**	**$ (329)**	**$ 4,829**	**74.2%**	**71.2%**
16	Debt Service - Principal & Interest	-	-	-	-	-	0.0%	0.0%
17	Capital Spending / Transfers from (to) Reserves	73	343	221	34	671	10.3%	1.8%
18	**Net Surplus (Deficit) - FYTD through Aug 2023**	**$ 6,302**	**$ (1,481)**	**$ (299)**	**$ (363)**	**$ 4,158**	**63.9%**	**69.4%**
19	***Net Surplus (Deficit) - FYTD through Aug 2022***	*$ 5,117*	*$ (826)*	*$ (164)*	*$ (262)*	*$ 3,864*	69.4%	
20	*Current vs Prior - Favorable (Unfavorable)*[2]	↑ *$ 1,185*	↓ *$ (655)*	↓ *$ (134)*	↓ *$ (101)*	↑ *$ 294*	↓ *-5.5%*	
21	***Net Surplus (Deficit) - Current FYTD Budget***	*$ 6,510*	*$ (857)*	*$ (197)*	*$ (381)*	*$ 5,075*	69.8%	
22	*Current vs Budget - Favorable (Unfavorable)*[3]	→ *$ (208)*	↓ *$ (624)*	↓ *$ (102)*	↑ *$ 18*	↓ *$ (917)*	↓ *-5.9%*	

23 [1]This Statement presents the same general fund financial performance available in the legacy Revenue and Expenditure Reports in a one-page consolidated executive summary. The common size reporting (two rightmost columns) benefits readers in two ways; first, each line is scaled with total revenue to add context, and second, the common size format is comparable across fiscal years and budgets. This report should be considered a working draft that will be improved over time to improve its usefulness to readers.

24 [2]This format presents expeditures in the context of funding sources while comparing subtotals (rightmost column) and the net surplus (deficit) to the prior YTD period (rows 19 & 20)

25 [3]Comparative Indicators ***Green*** , ***Yellow*** and ***Red*** signify favorable variance greater than 5%, marginal variance within ±5%, and unfavorable variance below -5%, respectively, for departmental comparisons. Total variance carries tighter bounds of >2.5%, ±2.5% and <2.5%, while the percentage variance uses >1.0%, ±1.0% and <1.0%, respectively.

Appendix: Planned Use of Funding vs Spending by Category
American Rescue Plan Act of 2021 ("ARPA")

	Actual Spending by Category vs Plan, as Amended						
1	**ARPA Eligibility Categories**	**Plan (4/30/23)[1]**	**Actual (7/31/23)**	**Actual (8/31/23)**	**Jul 2023 Activity**	**Remaining**	**Notes**
2	**COVID-19 Health Impact**	**$ 1,133,568**	**$ 1,056,370**	**$ 1,056,370**	**$ -**	**$ 77,198**	
3	Operational Facilities	778,000	778,000	778,000	-	-	PD Vehicles, City Hall/IT Upgrades
4	Administering COVID-19 Response	29,258	24,510	24,510	-	4,748	Pro Rata portion of DE Treasury ARPA Attorney
5	Behavioral Health Care	180,000	180,000	180,000	-	-	Primarily Personnel Costs
6	Air Quality & Ventilation	145,712	73,262	73,262	-	72,450	HVAC Repair in Finc & P&R Offices; PW Areas Tentative
7	COVID-19 Mitigation	598	598	598	-	-	Vaccination Incentive; COVID test kits
8	**COVID-19 Economic Impact**	**$ 855,992**	**$ 855,992**	**$ 855,992**	**$ -**	**$ -**	
9	Assistance to Community (Annual)	322,114	322,114	322,114	-	-	DMI, Armory, Museum, CFC (Misp Art Lg R/C to Signage)
10	Assistance to Community & Households	255,394	255,394	255,394	-	-	MHDC, CFC, Food Bank, Library
11	Critical Ops Staffing / Retention	236,476	236,476	236,476	-	-	December 2021 Initiative
12	Aid Tourism Recovery	24,709	24,709	24,709	-	-	Signage / Banner Upgrade, Parks & Planning Revenue Recov
13	Operational Facilities	14,674	14,674	14,674	-	-	City Hall Access Panel Upgrades
14	Parks & Rec Programming	2,625	2,625	2,625	-	-	Signage cost share with DMI
15	**Infrastructure**	**$ 4,329,459**	**$ 3,697,979**	**$ 3,707,607**	**$ 9,628**	**$ 621,852**	
16	Water Quality	2,877,074	2,827,074	2,827,074	-	50,000	Misp St Proj; NE Front St Water Line Replacement; 2020 Combined Utilities / Streets Proj
17	Flood/Pollution Control	724,527	212,729	212,729	-	511,798	4th St Drainage & Mispillion St Project
18	Improve Resilience to Disasters	435,000	365,318	374,946	9,628	60,054	Pump Station Upgrades, Spare Pumps & IT Initiatives
19	Improve Wastewater Treatment	292,858	292,858	292,858	-	-	Sewer part of Mispillion St Proj; NW Front Sewer
20	**Revenue Recovery**	**$ 14,874**	$ 14,874	**$ 14,874**	**$ -**	**$ -**	
21	Parks & Rec Programming	7,112	7,112	7,112	-	-	
22	Economic Development	7,762	7,762	7,762	-	-	
23	Public Safety Operations	-	-	-	-	-	Public Safety Revenue Recovery reassigned to Vehicles
24	**Grand Total**	**$ 6,333,893**	**$ 5,625,214**	**$ 5,634,842**	**$ 9,628**	**$ 699,050**	

[1]Adjusted to reflect funding available through the CARES act, Sussex County RTT funds and Council approval of additional vehicle funding

Appendix: Milford Police Facility Project Spending vs Budget

Project Inception through August 31, 2023

Bid Category	Awarded Contracts / Budget	Project Activity	Less: Retainage	Total Payable	PNC BAN Payments	Facility Fund Payments	General Fund Payments	Notes
	Actual Spending by Category & Subcategory vs Budget							
Pre-Construction	**$ 835,265**	**$ 827,603**	**$ -**	**$ 827,603**	**$ -**	**$ (790,371)**	**$ (29,671)**	
Design / Architecture	805,594	797,932	-	797,932	-	(790,371)	-	FY19-FY23
Referendum / Administrative	29,671	29,671	-	29,671	-	-	(29,671)	FY19-FY22
Construction Management	**$ 649,392**	**$ 495,956**	**$ -**	**$ 495,956**	**$ (363,865)**	**$ -**	**$ -**	
Fixed/On-Stie Construction Mgmt: RYJ	266,260	287,349	-	287,349	(215,512)	-	-	FY23
Variable Const Mgmt Fees: RYJ	383,132	208,607	-	208,607	(148,353)	-	-	FY23
Construction: 16 Core Contracts	**$ 13,305,809**	**$ 10,913,190**	**$ 545,660**	**$ 10,367,530**	**$ (9,856,800)**	**$ -**	**$ -**	
Sitework: Zack Excavating	1,976,508	1,394,048	69,702	1,324,345	(1,235,119)	-	-	FY23 / Current
Concrete: Gullwing	293,000	293,000	14,650	278,350	(278,350)	-	-	FY23 / Current
Masonry: L. Wilson	790,000	788,500	39,425	749,075	(749,075)	-	-	FY23 / Current
Steel Work: R.C. Fabricators	868,000	856,082	42,804	813,278	(813,278)	-	-	June (FY22) - Current
Carpentry & Gen: Conventional	1,076,360	684,359	34,218	650,141	(566,583)	-	-	Sept (FY22) - Current
Roofing: Quality Exteriors	933,252	887,452	44,373	843,079	(843,079)	-	-	June (FY22) - Current
Hardware: Precision	232,231	132,582	6,629	125,953	(125,953)	-	-	Jan (FY23) - Current
Glasswork: Walker & LaBarge	183,600	172,500	8,625	163,875	(163,875)	-	-	Oct (FY22) - Current
Drywall/Stud: Peninsula	1,317,000	1,238,211	61,911	1,176,300	(1,176,300)	-	-	FY23 / Current
Acoustical: Master Interiors	259,080	235,522	11,776	223,746	(142,728)	-	-	June (FY22) - Current
Floor Covering: Tri-State	492,124	177,858	8,893	168,965	(168,965)	-	-	June (FY22) - Current
Caulk & Paint: M&S Painting	66,570	41,836	2,092	39,744	(39,744)	-	-	Feb (FY23) - Current
Casework: Modular Concepts	108,125	113,873	5,694	108,179	-	-	-	
Mechanical: J.F Sobieski	2,081,649	1,752,596	87,630	1,664,966	(1,664,966)	-	-	June (FY22) - Current
Fire Sprinkler: Bear Industries	98,780	88,780	4,439	84,341	(84,341)	-	-	FY23 / Current
Electrical: Filec Services	2,529,530	2,055,991	102,800	1,953,192	(1,804,443)	-	-	FY23 / Current
Construction: Other Activity	**$ 600,000**	**$ 93,837**	**$ -**	**$ 93,837**	**$ (23,837)**	**$ -**	**$ (23,837)**	
Technology	150,000	-	-	-	-	-	-	
Furniture, Fixtures & Equip	450,000	93,837	-	93,837	(23,837)	-	(23,837)	
Post-Construction / Contingencies	**$ 1,109,534**	**$ 847,017**	**$ 661,614**	**$ 185,403**	**$ (185,403)**	**$ -**	**$ -**	
Builder's Contingency[1]	520,062	331,629	331,629	-	-	-	-	Jan/Feb (FY23) - Current
Owner's Contingency[2]	589,472	515,388	329,985	185,403	(185,403)	-	-	FY22 - Current
Grand Total	**$ 16,500,000**	**$ 13,177,603**	**$ 1,207,274**	**$ 11,970,329**	**$ (10,429,905)**	**$ (790,371)**	**$ (53,508)**	

[1,2]Builder's and Owner's Contingency were established to account for anticipated but unknown project expenditures arising at the site as construction unfolded (Builder's) and a mix of known and unknown project expenditures related to project financing, permitting and administration. About $270k of Builder's Contingency arose from Jan-Feb 2023 and was presented to Council February 27, 2023.

[1]About $270k of Builder's Contingency was related to the facility's electric service emerging in Jan-Feb 2023 and was presented to Council February 27, 2023.

[2]$160k of Owner's Contingency consists primarily of interest on temporary financing and is paid monthly with loan proceeds, while about $330k is the estimated cost of the communications upgrade.

City of Milford, Delaware

Legacy Revenue Report: MTD and YTD Actual vs Annual Budget

For the YTD Period Ended August 31, 2023

16.7% of Year Elapsed

	Account / Function	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget
1	**General Fund:**				
2	Economic Development Fund[1]	$ 105,860	$ 8,822	$ 17,643	16.7%
3	General Fund Reserves	1,114,525	92,877	185,754	16.7%
4	ARPA Funding - Operating Support	21,245	-	-	0.0%
5	Realty Transfer Tax - Police	200,000	16,667	33,333	16.7%
6	Real Estate Tax	5,732,358	5,671,906	5,673,301	99.0%
7	Business License	67,000	1,345	3,615	5.4%
8	Rental License	120,000	475	1,375	1.1%
9	Building Permits	250,000	80	35,655	14.3%
10	Planning & Zoning	65,000	740	7,644	11.8%
11	Leases and Franchise Fees[1]	430,069	24,659	49,821	11.6%
12	Grasscutting Revenue	20,000	1,333	2,667	13.3%
13	Police Revenues	523,680	22,121	51,912	9.9%
14	Misc. Revenues[1]	20,500	-	470	2.3%
15	Transfers In	5,221,976	320,833	641,667	12.3%
16	**Total General Fund Revenue**	**$ 13,892,213**	**$ 6,161,857**	**$ 6,704,857**	**48.3%**
17	**Enterprise Funds:**				
18	Water Fund Revenues	$ 3,601,227	$ 266,445	$ 587,240	16.3%
19	Sewer Fund Revenues	3,271,974	250,375	523,108	16.0%
20	Kent County Sewer	2,533,811	209,776	411,002	16.2%
21	Solid Waste Fund Revenues	1,710,494	140,105	280,337	16.4%
22	Electric Fund Revenues	28,893,293	2,650,857	5,279,623	18.3%
23	**Total Enterprise Fund Revenue**	**$ 40,010,799**	**$ 3,517,558**	**$ 7,081,311**	**17.7%**
24	Other Enterprise Revenue	$ -	$ 165	$ 1,005	
25	Other Enterprise Expense	-	10,787	20,356	
26	**Total General & Enterprise Fund Revenue**	**$ 53,903,012**	**$ 9,690,368**	**$ 13,807,529**	**25.6%**

[1] Recurring, budgeted revenue such as franchise fees, tower leases and pole attachment fees reclassified from miscellaneous revenues (line 14) to leases and franchise fees (line 11)

City of Milford, Delaware

Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget

For the YTD Period Ended August 31, 2023

16.7% of Year Elapsed

	Fund / Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
1	**General Fund**					
2	City Administration					
3	Personnel	$ 621,570	$ 57,691	$ 105,228	16.9%	$ 516,342
4	Operation & Maintenance (O&M)	137,511	5,502	10,470	7.6%	127,041
5	Capital	-	-	-		-
6	Subtotal: City Administration	759,081	63,193	115,698	15.2%	643,382
7	City Clerks					
8	Personnel	$ 337,869	$ 26,159	$ 52,199	15.4%	$ 285,670
9	Operation & Maintenance (O&M)	81,851	1,060	2,837	3.5%	79,014
10	Capital	-	-	-		-
11	Subtotal: City Clerks	419,720	27,219	55,036	13.1%	364,684
7	Planning & Zoning					
8	Personnel	$ 676,580	28,983	85,830	12.7%	590,750
9	O&M	154,432	16,171	16,810	10.9%	137,622
10	Capital	70,000	-	-	0.0%	70,000
11	Subtotal: Planning & Zoning	901,012	45,154	102,639	11.4%	798,373
12	Council					
13	Personnel	54,990	1,593	3,143	5.7%	51,847
14	Legal	30,150	2,513	5,025	16.7%	25,125
15	City Hall Building Expense	38,961	-	3,247	8.3%	35,714
16	Insurance	17,650	-	444	2.5%	17,206
17	Council Expense	40,000	300	1,588	4.0%	38,412
18	Codification	18,000	-	3,618	20.1%	14,382
19	Carlisle Fire Company	205,000	-	-	0.0%	205,000
20	Museum	40,000	-	-	0.0%	40,000
21	Downtown Milford, Inc.	50,000	-	-	0.0%	50,000
22	Milford Public Library	28,000	-	-	0.0%	28,000
23	Armory Expenses	25,000	-	1,154	4.6%	23,846
24	Community Festivals	70,000	-	-	0.0%	70,000
25	Election Expense	-	-	-		-
26	Other O&M	76,390	5,080	5,159	6.8%	71,231
27	Emergency Operations	50,000	-	-	0.0%	50,000
28	Subtotal: Council	744,141	9,485	23,378	3.1%	720,763

City of Milford, Delaware
Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget
For the YTD Period Ended August 31, 2023

16.7% of Year Elapsed

	Fund / Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
29	Finance					
30	Personnel	643,770	25,593	78,029	12.1%	565,741
31	O&M	35,080	3,728	8,506	24.2%	26,574
32	Capital	-	-	-		-
33	Subtotal: Finance	678,850	29,321	86,535	12.7%	592,315
34	Information Technology					
35	Personnel	482,545	27,259	65,475	13.6%	417,071
36	O&M	524,445	26,855	27,184	5.2%	497,261
37	Capital	973,743	72,957	72,957	7.5%	900,785
38	Subtotal: Information Technology	1,980,733	127,071	165,615	8.4%	1,815,117
39	Police Department					
40	Personnel	5,530,716	222,020	750,238	13.6%	4,780,478
41	O&M	1,388,456	91,328	141,249	10.2%	1,247,207
42	Capital	-	120,440	454,984		(454,984)
43	Subtotal: Police Department	6,919,172	433,788	1,346,470	19.5%	5,572,701
44	Streets & Grounds Division					
45	Personnel	425,400	27,539	61,835	14.5%	363,565
46	O&M	565,968	25,495	36,503	6.4%	529,465
47	Capital	182,330	33,669	33,669	18.5%	148,661
48	Subtotal: Streets & Grounds Division	1,173,699	86,702	132,008	11.2%	1,041,691
49	Parks & Recreation					
50	Personnel	790,970	32,982	116,341	14.7%	674,629
51	O&M	701,910	33,721	77,445	11.0%	624,465
52	Capital	1,034,676	105,185	220,646	21.3%	814,031
53	Subtotal: Parks & Recreation	2,527,556	171,888	414,431	16.4%	2,113,125
54	**Total General Fund Expenditures**	**$ 15,684,243**	**$ 966,602**	**$ 2,386,775**	**15.2%**	**$ 13,297,467**

City of Milford, Delaware

Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget

For the YTD Period Ended August 31, 2023

	Fund / Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget (*16.7% of Year Elapsed*)	Unexpended Balance
55	**Enterprise Funds:**					
56	Water Division					
57	Personnel	$ 412,740	$ 25,865	$ 66,737	16.2%	$ 346,003
58	O&M	1,787,676	49,126	116,154	6.5%	1,671,523
59	Transfer to General Fund	300,000	25,000	50,000	16.7%	250,000
60	Capital	735,536	6,900	6,900	0.9%	728,636
61	Debt Service	365,275	-	-	0.0%	365,275
62	Subtotal: Water Division	3,601,227	106,891	239,791	6.7%	3,361,436
63	Sewer Division					
64	Personnel	$ 402,430	25,197	65,564	16.3%	336,866
65	O&M	1,928,765	86,208	148,007	7.7%	1,780,758
66	Transfer to General Fund	300,000	25,000	50,000	16.7%	250,000
67	Capital	231,927	5,298	5,298	2.3%	226,629
68	Debt Service	408,853	12,735	12,735	3.1%	396,117
69	Subtotal: Sewer Division (excl. Kent County)	3,271,974	154,439	281,604	8.6%	2,990,370
70	Kent County Sewer	2,533,811	210,510	411,784	16.3%	2,122,027
71	Subtotal: Sewer Division (Comprehensive)	5,805,785	364,949	693,388	11.9%	5,112,397
72	Solid Waste Division					
73	Personnel	403,570	34,202	69,453	17.2%	334,117
74	O&M	1,306,924	51,207	80,591	6.2%	1,226,333
75	Capital	-	-	-		-
76	Subtotal: Solid Waste Division	1,710,494	85,409	150,044	8.8%	1,560,450
77	Subtotal: Water, Sewer & Solid Waste	11,117,506	557,249	1,083,223	9.7%	10,034,283
78	Electric Division					
79	Personnel	$ 1,803,070	159,744	285,908	15.9%	1,517,162
80	O&M	3,018,229	66,760	130,846	4.3%	2,887,384
81	Transfer to General Fund	3,250,000	270,833	541,667	16.7%	2,708,333
82	Capital	993,014	-	-	0.0%	993,014
83	Debt Service	322,590	-	-	0.0%	322,590
84	Subtotal: Electric Division (excl. Power)	9,386,904	497,338	958,420	10.2%	8,428,483
85	Power Purchased	20,492,823	2,004,790	4,125,412	20.1%	16,367,411
86	Subtotal: Electric Division (Comprehensive)	29,879,727	2,502,128	5,083,832	17.0%	24,795,894
87	**Total Enterprise Fund Expenditures**	**$ 40,997,232**	**$ 3,059,377**	**$ 6,167,055**	**15.0%**	**$ 34,830,177**
88	**Grand Total Operating Budget**	**$ 56,681,475**	**$ 4,025,979**	**$ 8,553,831**	**15.1%**	**$ 48,127,644**

City of Milford, Delaware

Legacy Interservice Department Expenditures: MTD and YTD Actual vs Annual Budget

For the YTD Period Ended August 31, 2023

16.7% of Year Elapsed

Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
Interservice Departments					
Garage					
Personnel	$ 178,430	$ 19,523	$ 25,239	14.1%	$ 153,191
Operation & Maintenance (O&M)	134,410	1,751	14,211	10.6%	120,199
Capital	-	-	-		-
Subtotal: Garage	312,840	21,274	39,450	12.6%	273,390
Public Works					
Personnel	921,530	107,389	138,910	15.1%	782,620
O&M	265,540	16,074	34,922	13.2%	230,618
Capital	-	-	-		-
Subtotal: Public Works	1,187,070	123,463	173,832	14.6%	1,013,238
Tech Services					
Personnel	304,930	34,095	44,556	14.6%	260,375
O&M	509,816	33,624	36,453	7.2%	473,363
Capital	-	-	-		-
Subtotal: Tech Services	814,746	67,719	81,008	9.9%	733,738
Billing & Collections					
Personnel	800,480	82,780	106,643	13.3%	693,837
O&M	451,020	17,497	31,914	7.1%	419,107
Capital	-	-	-		-
Subtotal: Billing & Collections	1,251,500	100,277	138,557	11.1%	1,112,944
City Hall Cost Allocation					
O&M	83,600	3,237	12,105	14.5%	71,495
Capital	-	-	-		-
Subtotal: City Hall Cost Allocation	83,600	3,237	12,105	14.5%	71,495
Interdepartmental Cost Allocation	**$ (3,649,757)**	**$ (315,969)**	**$ (444,952)**	**12.2%**	**$ (3,204,804)**
Net Interdepartmental Costs[1]	**$ -**	**$ -**	**$ -**		**$ -**

[1] All costs reported here are allocated to and entirely funded by the various departments that use the services provided internally by these shared departments.

Financial Reporting Package

As of and For the Period Ended August 31, 2023

THE CITY of Milford DELAWARE