

## Dover City Council Passes FY2021-2022 Budget

Dear City of Dover:

On Monday, June 28<sup>th</sup>, the Dover City Council voted to adopt the Fiscal Year 2021-2022 Annual Budget. The budget is a plan developed by staff and guided, modified and adopted by the elected officials who are directly responsible to the citizens of Dover. The budget reflects our continued commitment to providing effective, efficient, and excellent municipal services for our citizens, visitors and business community. The proposed budget shows an increase of five police officers since last year (actually hired in March with a budget amendment), adds one full time equivalent/employee (FTE) in building maintenance and maintains the level of resources for public works, inspections and code enforcement.

The total financial plan for FY-2022 is proposed to be \$160.5 million. This budget includes an operating budget of \$131,036,000 and a capital investments budget of \$29,486,700. This must seem like an enormous amount of money, but the majority of that is for our utilities that operate as enterprise funds – meaning they act something like independent businesses where all expenses are covered by revenues raised with fees for that utility. The Electric Utility alone accounts for \$102.5 million of those expenditures; and most of that for buying electricity from the market. The Wastewater Utility (Sanitary Sewer) is budgeted to spend \$9.5 million and the Water Utility is just under \$9 million. The General Fund is budgeted to spend \$49.8 million in operating and \$7.0 million in capital expenses. The General Fund includes police, finance and administration functions, parks, library, public works, inspections and the fire marshal's office, as well as contractual services of Robbins Hose Company/Dover Fire Department.

Among the projects funded in this budget are:

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|---|-------------|----------------------------------|
| • Decommissioning of the Mc Kee Power Plant | \$9,000,000 | Electric (Depreciation Reserves) |
| • Garrison Oak Bus. & Tech Park Substation  | \$7,000,000 | Electric (Revenue Bonds)         |
| • LED Streetlight Replacements              | \$1,200,000 | Electric (I&E Fund)              |
| • North State Street Water Line (Phase I)   | \$595,500   | Water (I&E Fund & Bond Bill)     |
| • Inflow & Infiltration Study               | \$419,000   | Wastewater (I&E Fund)            |
| • Persimmon Park Place Stormwater Project   | \$1,200,000 | *Public Works (St. Bond Bill)    |
| • Dover Park Building and Spray-pad         | \$690,000   | *Parks (State Funding)           |

*\* Projects in General Fund*

After the budget was adopted the City learned that we would be receiving additional funding from the State for stormwater, parks and water infrastructure needs. In addition, the City stands to receive some money from the Federal Government as part of the America Rescue Plan Act. These large one-time sources of state and federal funds have been targeted to identified needs and will extend city resources for the next two years. But the General Fund will need additional funds at some point in the near future to support expanded operations and needs. This year's budget saw a one-cent increase in the Property Rate to \$0.415/\$100 assessed value, plus increases in water, wastewater (sewer) and sanitation rates to cover costs.

We continue to look for ways to innovate and bring better services at as little cost as possible. In this budget we eliminate two existing positions (2.0 FTE) in Customer Service and are eliminating a position (1 FTE) in the City Assessor's office as we find new efficiencies with technology and good management.

The most important thing for the 370 (give or take) full-time and over 400 employees total for the City of Dover, we try and provide the citizens with excellent service every day. This year I am particularly proud of the way our staff handled working under three City Managers, during a global pandemic, and while that was going on got the City running in four days after a tornado ripped through town. Employees kept collecting trash, providing utilities, taking utility payments, inspecting buildings, completing the Comprehensive Plan, providing some park and library services and providing a safe city with police and fire service. I am so impressed by their effort and esprit de corps.

We do make mistakes, but I hope we learn each time and get better. My goal is to build better relationships inside and outside of the boundaries of City government to make Dover a great place to live and work! If you have questions or comments, please don't hesitate to contact me at [mharline@dover.de.us](mailto:mharline@dover.de.us).

Respectfully submitted,

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Interim City Manager