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To: Mayor and City Council  
Cc: Mark Whitfield, City Manager; Finance Department  
From: Louis C. Vitola, Finance Director  
Date: September 26, 2022  
Re: Financial Reporting Package – August 2022

The Financial Reporting Package for the FYTD period ended August 31, 2022 is enclosed. The executive summary below highlights this month’s notable developments. The “Quick Reference” section of this memo recaps key financial highlights and changes made in FY23 to help shorten the executive summaries. So far, the only change made in FY23 is this month’s addition of a second appendix to report the progress on the new Police Facility Construction Project in terms of the final budget versus actual spending. In this month’s report, the appendix is found on page 7, following the existing appendix (ARPA).

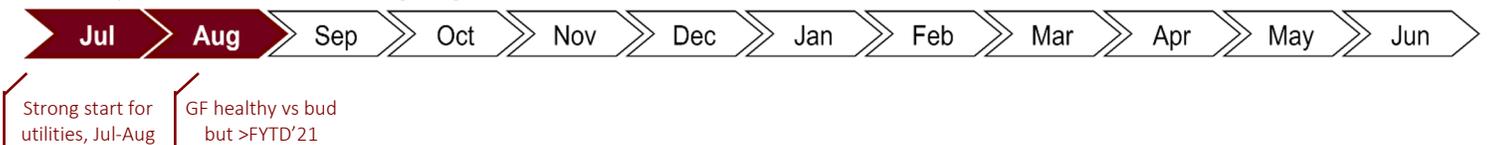
The strong start in the utility funds continues through the second month of FY23. Gross margin across all utilities was slightly lower compared to the same period last year, but operating margin and net surplus exceeded the YTD seasonalized budget and the performance for the same two periods last year in total and individually for each of the four major utilities. Electric consumption was strong for the second month in a row, which is typical of the summer months, while water and by extension, sewer results were boosted at least in part by lower rainfall this August compared to last August (by about 25%).

The results in the general fund are mixed; YTD August results exceed the seasonalized FYTD budget in total, but Administration results individually lag the budget and the same period last year. Though Parks & Rec, Planning, Finance and IT are ahead of FYTD August 2021, the Admin results combine with Public Safety’s variance to push the total general fund variance about \$90k below the same period last year, which is attributable primarily to personnel costs.

Cash was stable in total from July to August, although general fund operating cash was down more than \$200,000, which is typical for the twelfth month following the annual tax levy. Through September 23, 2022, seven full days ahead of the tax due date, operating cash receipts outpaced withdrawals by \$1 million, signaling the stronger balance will return in the coming months, as usual. ARPA activity was light in August, while police facility expenditures are being met primarily with the Bond Anticipation Note (BAN), as summarized in the new Appendix on page 7 tracking project expenditures versus budget.

## Quick Reference for FY23 Financial Developments and Report Upgrades

### Recap FY23 Financial Highlights



### Summary of FY23 Modifications

- New Appendix added (see page 7) to recap expenditures on new Police Facility Construction vs budget



Financial Reporting Package  
As of and For the Period Ended August 31, 2022

Net Cash and Funding Availability Summary (*in thousands*)

Cash & Investment Balance Rollforward

Restricted Cash Reserves Report

Enterprise Funds YTD Revenue & Expenditure Report

General Fund YTD Revenue & Expenditure Report

Appendix: ARPA Funding Plan vs Actual Expenses

Appendix: Milford Police Facility Project Spending vs Budget

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*Legacy* Revenue Report with MTD & YTD vs Annual Budget

*Legacy* Expenditure Report with MTD & YTD vs Annual Budget

*Legacy* Interservice Department Cost Allocation

City of Milford, Delaware  
 Net Cash and Funding Availability Summary (in thousands)<sup>1</sup>  
 For the Period Ended August 31, 2022

Operating Cash Balances

▼ Marks Ref Closing Bal<sup>4</sup>

Description	Opening Balance (Jul 31, 2022)	Closing Balance (Aug 31, 2022)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Fund	\$ 2,280 →	\$ 2,058	\$ -	\$ (500)	\$ (1,491)	\$ 67
Electric Fund	3,291 →	3,250	-	(23)	(1,652)	1,576
Water Fund	1,978 →	2,046	-	(739)	(294)	1,014
Sewer Fund	1,124 ↑	1,276	-	(644)	(205)	428
Solid Waste Fund	558 →	585	-	(314)	(190)	81
<b>Operating Cash Totals<sup>4</sup></b>	<b>\$ 9,231</b>	<b>\$ 9,216</b>	<b>\$ -</b>	<b>\$ (2,220)</b>	<b>\$ (3,831)</b>	<b>\$ 3,165</b>

Federal, State and Other Special Purpose Cash Balances

Description	Opening Balance (Jul 31, 2022)	Closing Balance (Aug 31, 2022)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Improvement	\$ 553 ↑	\$ 609	\$ -	\$ (500)	\$ -	\$ 109
Municipal Street Aid (MSA)	371 →	370	269	(639)	-	-
Realty Transfer Tax (RTT)	4,570 →	4,718	591	(3,259)	(1,203)	847
Economic Development	682 →	682	224	(906)	-	-
Lodging Tax Fund <sup>3</sup>	447 →	478	132	(610)	-	-
ARPA Grant Fund	2,413 →	2,406	-	(2,406)	-	-
<b>Special Purpose Cash Totals<sup>2,4</sup></b>	<b>\$ 9,035</b>	<b>\$ 9,264</b>	<b>\$ 1,216</b>	<b>\$ (8,320)</b>	<b>\$ (1,203)</b>	<b>\$ 957</b>

Reserve Fund Cash Balances<sup>1</sup>

Description	Opening Balance (Jul 31, 2022)	Closing Balance (Aug 31, 2022)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Fund Capital Reserves	\$ 1,961 →	\$ 1,796	\$ 2,500	\$ (3,332)	\$ (356)	\$ 609
Water Fund Capital Reserves	2,779 →	2,710	739	(1,124)	(2,245)	80
Sewer Fund Capital Reserves	3,901 →	3,899	644	(1,091)	(3,437)	14
Solid Waste Fund Capital Reserves	275 →	271	386	(656)	-	1
Electric Fund Capital Reserves	15,113 →	15,118	23	(6,785)	(4,753)	3,603
<b>Operating Cash Totals<sup>4</sup></b>	<b>\$ 24,028</b>	<b>\$ 23,795</b>	<b>\$ 4,292</b>	<b>\$ (12,987)</b>	<b>\$ (10,792)</b>	<b>\$ 4,307</b>

Impact Fees and Police/General Facilities Cash Balances

Description	Opening Balance (Jul 31, 2022)	Closing Balance (Aug 31, 2022)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
Police & General Gov't Facilities	\$ 11 ↑	\$ 15	\$ 36	\$ (51)	\$ -	\$ -
Carlisle Fire Co Permit Fund	551 →	552	12	(564)	-	-
Parks & Recreation Facilities <sup>3</sup>	145 →	145	4	(149)	-	-
Water Impact Fee Reserves	4,782 →	4,801	186	(4,987)	-	-
Sewer Impact Fee Reserves	2,738 →	2,748	98	(2,846)	-	-
Electric Impact Fee Reserves	1,102 →	1,103	6	(1,109)	-	-
<b>Impact Fees &amp; Police/GF Totals<sup>4</sup></b>	<b>\$ 9,330</b>	<b>\$ 9,364</b>	<b>\$ 342</b>	<b>\$ (9,706)</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Grand Totals<sup>4</sup></b>	<b>\$ 51,624</b>	<b>\$ 51,639</b>	<b>\$ 5,850</b>	<b>\$ (33,233)</b>	<b>\$ (15,826)</b>	<b>\$ 8,429</b>
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<sup>1</sup>New report merges Cash Roll (p.2) and Restricted Reserves (p.3) into one single reference for net funds available after commitments & restrictions.

<sup>2</sup>The decrease in Special Purpose Cash Balances was driven by the application of ARPA funding to capital projects. Please see Appendix for ARPA Spend (line 16) vs Plan Detail.

<sup>3</sup>The Parks & Recreation Facilities and Lodging Tax Fund have historically not been represented on the monthly finance reports but were added in February 2022 and will be included going forward for comprehensiveness and transparency.

<sup>4</sup>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<sup>1</sup> Rollforward  
For the Period Ended August 31, 2022

1 **Operating Cash Balances**

▼ Marks Ref Closing Bal<sup>4</sup>

Description	Opening Balance (Jul 31, 2022)	Receipts	Interest Earned	Disbursements <sup>2</sup>	Closing Balance (Aug 31, 2022)
General Fund	\$ 2,279,702	\$ 1,588,098	\$ 21	\$ (1,809,425) →	\$ 2,058,395
Electric Fund	3,291,257	2,610,588	64	(2,651,684) →	3,250,225
Water Fund	1,977,875	293,442	49	(225,478) →	2,045,888
Sewer Fund	1,123,804	433,901	23	(281,683) ↑	1,276,045
Solid Waste Fund	558,391	133,849	3	(107,123) →	585,120
<b>Operating Cash Totals<sup>4</sup></b>	<b>\$ 9,231,029</b>	<b>\$ 5,059,878</b>	<b>\$ 160</b>	<b>\$ (5,075,394) ●</b>	<b>\$ 9,215,673</b>

9 **Federal, State and Other Special Purpose Cash Balances**

Description	Opening Balance (Jul 31, 2022)	Receipts	Interest Earned	Disbursements	Closing Balance (Aug 31, 2022)
General Improvement	\$ 552,915	\$ 56,567	\$ 4	\$ - ↑	\$ 609,486
Municipal Street Aid (MSA)	370,782	-	4	(378) →	370,408
Realty Transfer Tax (RTT)	4,569,527	148,859	31	- →	4,718,418
Economic Development	681,714	-	-	- →	681,714
Lodging Tax Fund	446,799	31,420	-	- →	478,219
ARPA Grant Fund <sup>3</sup>	2,413,324	-	-	(7,226) →	2,406,098
<b>Special Purpose Cash Totals<sup>4</sup></b>	<b>\$ 9,035,060</b>	<b>\$ 236,846</b>	<b>\$ 39</b>	<b>\$ (7,604) ●</b>	<b>\$ 9,264,341</b>

18 **Reserve Fund Cash Balances**

Description	Opening Balance (Jul 31, 2022)	Receipts	Interest Earned	Disbursements <sup>3</sup>	Closing Balance (Aug 31, 2022)
General Fund Capital Reserves	\$ 1,960,834	\$ 38,277	\$ 2,719	\$ (205,360) →	\$ 1,796,469
Water Fund Capital Reserves	2,778,842	-	3,853	(72,541) →	2,710,154
Sewer Fund Capital Reserves	3,900,968	-	5,409	(7,844) →	3,898,533
Solid Waste Fund Capital Reserves	274,525	-	381	(4,025) →	270,881
Electric Fund Capital Reserves	15,112,695	-	20,955	(15,177) →	15,118,473
<b>Reserve Fund Cash Totals<sup>4</sup></b>	<b>\$ 24,027,864</b>	<b>\$ 38,277</b>	<b>\$ 33,317</b>	<b>\$ (304,947) ●</b>	<b>\$ 23,794,510</b>

26 **Impact Fees and Police/General Facilities Cash Balances**

Description	Opening Balance (Jul 31, 2022)	Receipts	Interest Earned	Disbursements <sup>2</sup>	Closing Balance (Aug 31, 2022)
Police & General Gov't Facilities	\$ 11,312	\$ 3,589	\$ -	- ↑	\$ 14,900
Carlisle Fire Co Permit Fund	551,114	1,196	-	- →	552,311
Parks & Recreation Facilities	144,900	400	-	- →	145,300
Water Impact Fee Reserves	4,782,183	18,609	-	- →	4,800,791
Sewer Impact Fee Reserves	2,738,119	9,834	-	- →	2,747,953
Electric Impact Fee Reserves	1,102,140	600	-	- →	1,102,740
<b>Impact Fees &amp; Police/GF Totals<sup>4</sup></b>	<b>\$ 9,329,768</b>	<b>\$ 34,227</b>	<b>\$ -</b>	<b>\$ - ●</b>	<b>\$ 9,363,996</b>

<b>Grand Totals<sup>4</sup></b>	<b>\$ 51,623,721</b>	<b>\$ 5,369,228</b>	<b>\$ 33,516</b>	<b>\$ (5,387,944) ▲</b>	<b>\$ 51,638,520</b>
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<sup>1</sup>Balances are not indicative of funding availability; see enclosed Restricted Cash Reserves and Net Cash & Funding Availability Reports for detail.

<sup>2</sup>August is typically the month the City reaches its annual low point in cash, in the 12th month following the prior year tax levy. In September, through 9/23/22, the General Fund's cash receipts exceeded disbursements by \$1.0 million.

<sup>3</sup>\$0.2 million disbursed from General Fund reserves (line 20) reflects \$78k on police vehicles, \$20k on IT initiatives, and, together with \$40k on the ERP implementation plus \$60k across all utility reserves (lines 21-24) reflects ongoing progress on capital projects.

<sup>4</sup>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  
Restricted Cash Reserves Report  
As of August 31, 2022

General Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/22)	\$	1,796,469
Expected Contributions & Interest		500,257
Restricted Funds:		
Vehicle & Equipment Replacement		(199,695)
Street Repair		(688,000)
Parking Enhancements		(320,000)
Parkland, Trails & Recreation		(816,443)
Other Proj		(500,700)
OpEx Support (Tax R/A & PD R/M)		(807,000)
Support Policy with RTT <sup>1</sup>		2,000,000
Draft Reserve (MCR) Policy <sup>2</sup>		-
Equipment Replacement Reserve <sup>2</sup>		(355,800)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>609,088</b>

Electric Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/22)	\$	15,118,473
Expected Contributions & Interest		22,571
Restricted Funds:		
Electric Vehicles & Equipment		(186,026)
Lighting & System Improvements		(593,628)
Traffic Signal Upgrades		(350,000)
Citywide Projects		(1,595,331)
Redeem / Defeasement Bond <sup>7</sup>		(4,060,000)
Draft Reserve (MCR) Policy <sup>3,6</sup>		(4,693,372)
Equipment Replacement Reserve <sup>3</sup>		(60,000)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>3,602,687</b>

Water Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/22)	\$	2,710,154
Expected Contributions & Interest		738,583
Restricted Funds:		
Vehicle & Equipment Replacement		(145,164)
Streets 2020 Utility Engineering		(201,000)
		-
Milford Business Campus		(92,385)
Sum of FY23 Projects		(685,013)
Draft Reserve (MCR) Policy <sup>3,6</sup>		(2,099,788)
Equipment Replacement Reserve <sup>3</sup>		(145,164)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>80,223</b>

Solid Waste Reserves		Amount
Cash/Investment Balance (8/31/22)	\$	270,881
Expected Contributions & Interest		386,290
Restricted Funds:		
Solid Waste Vehicles & Equipment <sup>4</sup>		(549,500)
Solid Waste Alloc of PW Projects		(106,250)
Draft Reserve (MCR) Policy <sup>4,6</sup>		-
Equipment Replacement Reserve <sup>4</sup>		-
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>1,421</b>

Sewer Fund Capital Reserves		Amount
Cash/Investment Balance (8/31/22)	\$	3,898,533
Expected Contributions & Interest		643,916
Restricted Funds:		
Sewer Vehicles & Equipment		(167,500)
Citywide Projects & Engineering		(22,869)
Utility Engineering		-
Sum of FY23 Projects		(900,902)
Draft Reserve (MCR) Policy <sup>3,6</sup>		(3,327,474)
Equipment Replacement Reserve <sup>3</sup>		(110,000)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>13,704</b>

MSA & RTT Reserves		Amount
RTT Balance (8/31/22)		4,718,418
MSA Balance (8/31/22)		370,408
MSA & RTT Est Receipts thru FY22:		860,062
MSA: Street & Bridge Improvements		(1,190,958)
RTT: Transfer to Police Dept		(250,000)
RTT: Sidewalk Project Funding		(426,170)
MSA & RTT: 2020 Combined St-Util		(31,000)
		-
RTT: Support GF Policies <sup>1</sup>		(2,000,000)
RTT: Draft Reserve Policy <sup>5</sup>		(1,203,346)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>847,413</b>

<sup>1</sup>Approved GF Reserve Policies permit support from an eligible funding source; portion of RTT balance pledged to support GF Reserves for foreseeable future

<sup>2</sup>Approved GF Reserve Policies recommend MCR of 45 days OpEx & Equip Repl Res minimum of 110% of upcoming CIP budget

<sup>3</sup>Approved Reserve Policies split Minimum Cash Req'd from COS study into new MCR & Equip Repl Reserve (20% of CIP)

<sup>4</sup>Solid Waste Reserves initiated in FY22 with seed funding from interfund loan forgiveness. Through at least FY23, 100% reserved for purchase of new vehicle per FY23-27 CIP; moved from MCR to Restricted

<sup>5</sup>Approved Reserve Policies recommend dynamic MCR based on average of trailing-three-year RTT receipts; FY23 increase related to strong FY22 vs FY19, which fell out of T3 Avg

<sup>6</sup>The Days Operating Expenditures (Days OpEx) piece of MCRs reclassified from Reserve balances here to Operating Cash; the Total MCR has not changed, except Solid Waste (\$170k added to MCR for OpEx)

<sup>7</sup>The interest rate environment was changing as we entered December 2021, which coincided with \$7 million property investment cash outflows, prompting a review of the value of the redemption. Redemption in Jan '23 will be evaluated with FY23 electric rate study and investment management program. At a minimum, a review of the longest-dated maturities across electric and sewer must be reviewed

City of Milford, Delaware  
Enterprise Funds: Statement of Revenues & Expenditures  
For the YTD Period Ended August 31, 2022 vs Prior FYTD & Current Budget (in thousands)

	205	202	203	204				
Enterprise Funds Profit & Loss (P&L) Statement	Electric	Water	Sewer	Solid Waste	Total	FY23 Total (as % of Rev)	FY22 Total (as % of Rev)	
1 Operating Revenue	\$ 4,814	\$ 601	\$ 906	\$ 257	\$ 6,578	100.0%	100.0%	
2 Cost of Revenue <sup>1</sup>	(3,782)	(52)	(432)	(53)	(4,318)	-65.6%	-65.0%	
3 <b>Gross Margin</b>	<b>1,032</b>	<b>549</b>	<b>474</b>	<b>204</b>	<b>2,260</b>	<b>34.4%</b>	<b>35.0%</b>	
4 Operating Expenses								
5 Operations & Maintenance	(127)	(50)	(14)	(78)	(269)	-4.1%	-13.0%	
6 Personnel	(207)	(42)	(40)	(30)	(319)	-4.8%	-4.0%	
7 <b>Total Operating Expenses</b>	<b>(334)</b>	<b>(92)</b>	<b>(54)</b>	<b>(108)</b>	<b>(588)</b>	<b>-8.9%</b>	<b>-17.0%</b>	
8 <b>Operating Income</b>	<b>\$ 699</b>	<b>\$ 457</b>	<b>\$ 420</b>	<b>\$ 96</b>	<b>\$ 1,672</b>	<b>25.4%</b>	<b>18.0%</b>	
9 Non-Operating Revenue (Expense)	8	-	-	-	8	0.1%	0.1%	
10 <b>Surplus (Deficit) for debt service &amp; capital</b>	<b>707</b>	<b>457</b>	<b>420</b>	<b>96</b>	<b>1,680</b>	<b>25.5%</b>	<b>18.1%</b>	
11 Debt Service - Principal & Interest	-	(90)	(18)	-	(108)	-1.6%	-2.0%	
12 Capital Spending / Contributions from (to) Reserves	-	-	-	-	-	0.0%	-1.0%	
13 <b>Surplus (deficit) available for transfers</b>	<b>707</b>	<b>367</b>	<b>402</b>	<b>96</b>	<b>1,572</b>	<b>23.9%</b>	<b>15.1%</b>	
14 Transfers Out	(417)	(50)	-	-	(467)	-7.1%	-7.6%	
15 <b>Net Surplus (Deficit) - FYTD through Aug 2022</b>	<b>\$ 290</b>	<b>\$ 317</b>	<b>\$ 402</b>	<b>\$ 96</b>	<b>\$ 1,106</b>	<b>16.8%</b>	<b>7.6%</b>	
16 <b>Net Surplus (Deficit) - FYTD through Aug 2021</b>	<b>\$ 180</b>	<b>\$ 124</b>	<b>\$ 104</b>	<b>\$ 60</b>	<b>\$ 468</b>	<b>7.6%</b>		
17 <b>Current vs Prior - Favorable (Unfavorable)<sup>2</sup></b>	<b>↑ \$ 110</b>	<b>↑ \$ 193</b>	<b>↑ \$ 298</b>	<b>↑ \$ 36</b>	<b>↑ \$ 638</b>	<b>↑ 9.2%</b>		
18 <b>Net Surplus (Deficit) - Current FYTD Budget</b>	<b>\$ 16</b>	<b>\$ 90</b>	<b>\$ 71</b>	<b>\$ 1</b>	<b>\$ 177</b>	<b>2.6%</b>		
19 <b>Current vs Budget - Favorable (Unfavorable)<sup>2</sup></b>	<b>↑ \$ 274</b>	<b>↑ \$ 227</b>	<b>↑ \$ 332</b>	<b>↑ \$ 95</b>	<b>↑ \$ 929</b>	<b>↑ 14.2%</b>		

<sup>1</sup>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.

<sup>2</sup>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<sup>1</sup>

For the YTD Period Ended August 31, 2022 vs Prior FYTD & Current Budget (in thousands)

General Fund Sources and Uses of Funding	Admin & Council	Public Safety	Parks & Rec	Planning & All Other	Total	FY23 Total <i>(as % of Rev)</i>	FY22 Total <sup>3</sup> <i>(as % of Rev)</i>
<b>Sources of Funding:</b>							
Real Estate (Property) Taxes	\$ 4,879	\$ -	\$ -	\$ -	\$ 4,879	87.7%	87.4%
Permits, Licensing & Franchise Fees	32	-	-	56	88	1.6%	0.8%
Fines, Fees & Misc Revenue	7	26	-	-	33	0.6%	0.4%
<b>General Revenue Subtotal</b>	<b>4,917</b>	<b>26</b>	<b>0</b>	<b>56</b>	<b>4,999</b>	<b>89.8%</b>	<b>88.6%</b>
Utility Transfers & Cost Allocation	517	-	-	-	517	9.3%	11.4%
Grant Revenue	-	-	-	-	-	0.0%	0.0%
Application of Reserve Balances	-	50	-	-	50	0.9%	0.0%
<b>General Fund Operating Support</b>	<b>517</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>567</b>	<b>10.2%</b>	<b>11.4%</b>
<b>Total Sources of Funding</b>	<b>\$ 5,434</b>	<b>\$ 76</b>	<b>\$ -</b>	<b>\$ 56</b>	<b>\$ 5,566</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Uses of Funding:</b>							
Operations & Maintenance	204	181	90	96	570	10.2%	14.6%
Personnel	94	644	73	222	1,034	18.6%	2.9%
<b>Total Operating Expenses<sup>2</sup></b>	<b>298</b>	<b>824</b>	<b>163</b>	<b>318</b>	<b>1,604</b>	<b>28.8%</b>	<b>17.6%</b>
<b>Surplus (Deficit) for Debt Svc &amp; Capital</b>	<b>\$ 5,136</b>	<b>\$ (748)</b>	<b>\$ (163)</b>	<b>\$ (262)</b>	<b>\$ 3,962</b>	<b>71.2%</b>	<b>82.4%</b>
Debt Service - Principal & Interest	-	-	-	-	-	0.0%	0.0%
Capital Spending / Transfers from (to) Reserves	19	78	1	-	99	1.8%	8.2%
<b>Net Surplus (Deficit) - FYTD through Aug 2022</b>	<b>\$ 5,117</b>	<b>\$ (826)</b>	<b>\$ (164)</b>	<b>\$ (262)</b>	<b>\$ 3,864</b>	<b>69.4%</b>	<b>74.2%</b>
<b>Net Surplus (Deficit) - FYTD through Aug 2021<sup>3</sup></b>	<b>\$ 5,166</b>	<b>\$ (750)</b>	<b>\$ (168)</b>	<b>\$ (295)</b>	<b>\$ 3,954</b>	<b>74.2%</b>	
<b>Current vs Prior - Favorable (Unfavorable)<sup>4</sup></b>	<b>➔ \$ (50)</b>	<b>➔ \$ (76)</b>	<b>➔ \$ 3</b>	<b>⬆️ \$ 33</b>	<b>➔ \$ (90)</b>	<b>⬇️ -4.8%</b>	
<b>Net Surplus (Deficit) - Current FYTD Budget</b>	<b>\$ 5,194</b>	<b>\$ (981)</b>	<b>\$ (374)</b>	<b>\$ (374)</b>	<b>\$ 3,465</b>	<b>62.6%</b>	
<b>Current vs Budget - Favorable (Unfavorable)<sup>4</sup></b>	<b>➔ \$ (77)</b>	<b>⬆️ \$ 154</b>	<b>⬆️ \$ 210</b>	<b>⬆️ \$ 112</b>	<b>⬆️ \$ 399</b>	<b>⬆️ 6.9%</b>	

<sup>1</sup>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.

<sup>2</sup>The General Fund Operating Expenses totaling \$0.5mm reported in row 14 ties to the legacy expenditure report in row 58 totaling \$0.6mm, less \$0.1mm in Capital.

<sup>3</sup>This format presents expenditures in the context of funding sources while comparing subtotals (rightmost column) and the net surplus (deficit) to the prior YTD period (rows 19 & 20)

<sup>4</sup>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*

ARPA Eligibility Categories	Plan (1/31/22)	Plan (5/31/22)	Actual (8/31/22)	Remaining	Notes
<b>COVID-19 Health Impact</b>	<b>\$ 1,033,514</b>	<b>\$ 1,073,014</b>	<b>\$ 321,815</b>	<b>\$ 751,199</b>	
Operational Facilities	491,776	516,776	74,674	442,102	Revised Plan Reflects Take-Home Vehicle Cost @ 50%
Administering COVID-19 Response	213,690	228,379	24,000	204,379	Pro Rata portion of DE Treasury ARPA Attorney
Behavioral Health Care	180,000	180,000	157,732	22,268	Primarily Personnel Costs
Air Quality & Ventilation	147,450	147,262	64,812	82,450	HVAC Replacement Project in Finance Building
COVID-19 Mitigation	598	598	598	-	Vaccination Incentive; COVID test kits
<b>COVID-19 Economic Impact</b>	<b>\$ 861,157</b>	<b>\$ 861,157</b>	<b>\$ 831,144</b>	<b>\$ 30,013</b>	
Assistance to Community (Annual)	324,460	324,460	324,460	-	DMI, Armory, Museum, CFC
Assistance to Community & Households	256,929	256,929	256,929	-	MHDC, CFC, Food Bank, Library
Critical Ops Staffing / Retention	236,476	236,476	236,476	-	December 2021 Initiative
Aid Tourism Recovery	25,483	25,483	7,858	17,625	Signage / Banner Upgrade
Operational Facilities	15,184	15,184	2,796	12,388	
Parks & Rec Programming	2,625	2,625	2,625	-	Signage cost share with DMI
<b>Infrastructure</b>	<b>\$ 4,334,460</b>	<b>\$ 4,329,460</b>	<b>\$ 2,749,573</b>	<b>\$ 1,579,887</b>	
Water Quality	2,902,074	2,877,074	2,076,712	800,363	Misphillion St Project; NE Front St Water Line Replacement
Flood/Pollution Control	724,600	724,600	197,702	526,898	4th St Drainage & Misphillion St Project
Improve Resilience to Disasters	435,000	435,000	242,729	192,271	Pump Station Upgrades, Spare Pumps & IT Initiatives
Improve Wastewater Treatment	272,785	292,785	232,430	60,355	Sewer component of Misphillion St Project
<b>Revenue Recovery</b>	<b>\$ 104,762</b>	<b>\$ 70,262</b>	<b>\$ -</b>	<b>\$ 70,262</b>	
Parks & Rec Programming	97,000	62,500	-	62,500	
Economic Development	7,762	7,762	-	7,762	
Public Safety Operations	-	-	-	-	
<b>Grand Total</b>	<b>\$ 6,333,893</b>	<b>\$ 6,333,893</b>	<b>\$ 3,902,533</b>	<b>\$ 2,431,360</b>	

Appendix: Milford Police Facility Project Spending vs Budget  
Project Inception through August 31, 2022

Actual Spending by Category & Subcategory vs Budget									
Bid Category	Awarded Contracts / Budget	Project Activity	Less: Retainage	Total Payments	PNC BAN Payments	Facility Fund Payments	General Fund Payments	Notes	
<b>Pre-Construction</b>	\$ 835,265	\$ 762,717	\$ -	\$ 762,717	\$ -	\$ (733,046)	\$ (29,671)		
Design / Architecture	805,594	733,046	-	733,046	-	(733,046)	-	FY19-FY22	
Referendum / Administrative	29,671	29,671	-	29,671	-	-	(29,671)	FY19-FY22	
<b>Construction Management</b>	\$ 649,392	\$ 32,969	\$ -	\$ 32,969	\$ (32,969)	\$ -	\$ -		
Fixed/On-Stie Construction Mgmt: RYJ	266,260	9,024	-	9,024	(9,024)	-	-	FY23	
Variable Const Mgmt Fees: RYJ	383,132	23,945	-	23,945	(23,945)	-	-	FY23	
<b>Construction: 16 Core Bids</b>	\$ 13,001,562	\$ 992,600	\$ 49,630	\$ 942,970	\$ (942,970)	\$ -	\$ -		
Sitework: Zack Excavating	1,939,124	480,800	24,040	456,760	(456,760)	-	-	FY23 / Current	
Concrete: Gullwing	293,000	-	-	-	-	-	-		
Masonry: L. Wilson	790,000	-	-	-	-	-	-		
Steel Work: R.C. Fabricators	868,000	372,000	18,600	353,400	(353,400)	-	-	June (FY22) - Current	
Carpentry & Gen: Conventional	1,076,360	-	-	-	-	-	-		
Roofing: Quality Exteriors	933,252	11,720	586	11,134	(11,134)	-	-	June (FY22) - Current	
Hardware: Precision	232,231	-	-	-	-	-	-		
Glasswork: Walker & LaBarge	183,600	-	-	-	-	-	-		
Drywall/Stud: Peninsula	1,317,000	58,740	2,937	55,803	(55,803)	-	-	FY23 / Current	
Acoustical: Master Interiors	259,080	10,000	500	9,500	(9,500)	-	-	June (FY22) - Current	
Floor Covering: Tri-State	479,440	4,408	220	4,188	(4,188)	-	-	June (FY22) - Current	
Caulk & Paint: M&S Painting	66,570	-	-	-	-	-	-		
Casework: Modular Concepts	108,125	-	-	-	-	-	-		
Mechanical: J.F Sobieski	2,085,000	54,932	2,747	52,185	(52,185)	-	-	June (FY22) - Current	
Fire Sprinkler: Bear Industries	98,780	-	-	-	-	-	-		
Electrical: Filec Services	2,272,000	-	-	-	-	-	-		
<b>Construction: Other Activity</b>	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
City Portion - Technology	150,000	-	-	-	-	-	-		
City Portion - Furniture, Fixtures & Equip	350,000	-	-	-	-	-	-		
<b>Post-Construction / Contingencies</b>	\$ 1,185,697	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Builder's Contingency	520,062	-	-	-	-	-	-		
Owner's Contingency	665,635	-	-	-	-	-	-		
<b>Grand Total</b>	\$ 16,171,916	\$ 1,788,286	\$ 49,630	\$ 1,738,656	\$ (975,939)	\$ (733,046)	\$ (29,671)		

City of Milford, Delaware  
 Legacy Revenue Report: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended August 31, 2022

*16.7% of Year Elapsed*

Account / Function	FY23 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget
<b>General Fund:</b>				
Economic Development Fund	\$ 105,860	\$ -	\$ -	0.0%
General Fund Reserves	837,986	-	-	0.0%
ARPA Funding - Operating Support	270,411	-	-	0.0%
Realty Transfer Tax - Police	300,000	25,000	50,000	16.7%
Real Estate Tax	4,941,100	4,856,176	4,878,768	98.7%
Business License	67,000	1,220	2,480	3.7%
Rental License	110,000	3,750	6,950	6.3%
Building Permits	215,000	16,463	20,675	9.6%
Planning & Zoning	85,100	15,732	23,302	27.4%
Leases and Franchise Fees <sup>1</sup>	428,351	12,453	31,626	7.4%
Grasscutting Revenue	16,000	1,333	2,667	16.7%
Police Revenues	491,250	15,104	25,988	5.3%
Misc. Revenues <sup>1</sup>	19,500	0	5,504	28.2%
Transfers In	4,046,909	258,333	516,667	12.8%
<b>Total General Fund Revenue</b>	<b>\$ 11,934,467</b>	<b>\$ 5,205,565</b>	<b>\$ 5,564,626</b>	<b>46.6%</b>
<b>Enterprise Funds:</b>				
Water Fund Revenues	\$ 3,138,348	\$ 311,758	\$ 600,768	19.1%
Sewer Fund Revenues	3,117,701	278,803	538,982	17.3%
Kent County Sewer	2,036,770	198,639	375,264	18.4%
Solid Waste Fund Revenues	1,609,208	129,605	257,050	16.0%
Electric Fund Revenues	27,538,891	2,602,074	4,818,728	17.5%
<b>Total Enterprise Fund Revenue</b>	<b>\$ 37,440,918</b>	<b>\$ 3,520,878</b>	<b>\$ 6,590,792</b>	<b>17.6%</b>
Other Enterprise Revenue	\$ -	\$ 2,236	\$ 8,117	
Other Enterprise Expense	-	(15,683)	(25,285)	
<b>Total General &amp; Enterprise Fund Revenue</b>	<b>\$ 49,375,385</b>	<b>\$ 8,712,996</b>	<b>\$ 12,138,250</b>	<b>24.6%</b>

<sup>1</sup>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, 2022

*16.7% of Year Elapsed*

Fund / Account / Divisional Groupings	FY23 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>General Fund</b>					
<b>City Administration</b>					
Personnel	\$ 822,844	\$ 57,475	\$ 90,056	10.9%	\$ 732,788
Operation & Maintenance (O&M)	254,591	14,679	34,492	13.5%	220,099
Capital	226,250	-	-	0.0%	226,250
<b>Subtotal: City Administration</b>	<b>1,303,685</b>	<b>72,155</b>	<b>124,548</b>	<b>9.6%</b>	<b>1,179,137</b>
<b>Planning &amp; Zoning</b>					
Personnel	592,088	45,561	74,350	12.6%	517,738
O&M	136,943	19,215	29,883	21.8%	107,060
Capital	50,000	-	-	0.0%	50,000
<b>Subtotal: Planning &amp; Zoning</b>	<b>779,031</b>	<b>64,776</b>	<b>104,233</b>	<b>13.4%</b>	<b>674,798</b>
<b>Council</b>					
Personnel	36,688	1,873	4,231	11.5%	32,457
Legal	29,300	-	-	0.0%	29,300
City Hall Building Expense	35,810	-	-	0.0%	35,810
Insurance	14,200	5,763	6,253	44.0%	7,947
Christmas Decorations	5,000	-	-	0.0%	5,000
Council Expense	44,000	767	7,519	17.1%	36,481
Employee Recognition	28,000	1,461	3,461	12.4%	24,539
Codification	10,000	0	3,397	34.0%	6,603
Carlisle Fire Company	205,000	-	-	0.0%	205,000
Museum	35,500	35,500	35,500	100.0%	-
Downtown Milford, Inc.	47,500	-	-	0.0%	47,500
Milford Public Library	26,750	-	-	0.0%	26,750
Transcription Service	-	-	-	-	-
Armory Expenses	50,000	3,450	4,581	9.2%	45,419
Community Festivals	70,000	-	-	0.0%	70,000
Election - Wages	5,000	-	-	0.0%	5,000
Election - Supplies	2,800	-	-	0.0%	2,800
Other O&M	59,516	-	-	0.0%	59,516
Capital	75,000	-	-	0.0%	75,000
<b>Subtotal: Council</b>	<b>780,064</b>	<b>48,815</b>	<b>64,942</b>	<b>8.3%</b>	<b>715,122</b>

City of Milford, Delaware  
 Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended August 31, 2022

*16.7% of Year Elapsed*

Fund / Account / Divisional Groupings	FY23 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>Finance</b>					
Personnel	508,442	37,783	60,603	11.9%	447,839
O&M	54,413	3,334	8,567	15.7%	45,846
Capital	-	-	-		-
<b>Subtotal: Finance</b>	<b>562,855</b>	<b>41,118</b>	<b>69,170</b>	<b>12.3%</b>	<b>493,685</b>
<b>Information Technology</b>					
Personnel	447,230	26,877	42,955	9.6%	404,275
O&M <sup>1</sup>	254,156	91,014	100,218	39.4%	153,938
Capital	65,837	9,534	19,150	29.1%	46,687
<b>Subtotal: Information Technology</b>	<b>767,223</b>	<b>127,425</b>	<b>162,323</b>	<b>21.2%</b>	<b>604,900</b>
<b>Police Department</b>					
Personnel	5,226,663	407,733	643,784	12.3%	4,582,879
O&M	958,611	119,702	180,675	18.8%	777,936
Capital	-	-	77,926		(77,926)
<b>Subtotal: Police Department</b>	<b>6,185,274</b>	<b>527,436</b>	<b>902,385</b>	<b>14.6%</b>	<b>5,282,890</b>
<b>Streets &amp; Grounds Division</b>					
Personnel	376,673	27,224	44,496	11.8%	332,177
O&M	501,469	22,618	55,389	11.0%	446,080
Capital	720,000	-	-	0.0%	720,000
<b>Subtotal: Streets &amp; Grounds Division</b>	<b>1,598,142</b>	<b>49,842</b>	<b>99,885</b>	<b>6.3%</b>	<b>1,498,257</b>
<b>Parks &amp; Recreation</b>					
Personnel	688,620	47,087	73,156	10.6%	615,464
O&M	563,870	51,338	89,891	15.9%	473,979
Capital	1,085,443	-	1,450	0.1%	1,083,993
<b>Subtotal: Parks &amp; Recreation</b>	<b>2,337,933</b>	<b>98,425</b>	<b>164,497</b>	<b>7.0%</b>	<b>2,173,437</b>
<b>Total General Fund Expenditures</b>	<b>\$ 14,314,209</b>	<b>\$ 1,029,990</b>	<b>\$ 1,691,982</b>	<b>11.8%</b>	<b>\$ 12,622,227</b>

City of Milford, Delaware  
 Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended August 31, 2022

*16.7% of Year Elapsed*

Fund / Account / Divisional Groupings	FY23 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>Enterprise Funds:</b>					
<b>Water Division</b>					
Personnel	\$ 371,466	\$ 25,273	\$ 41,920	11.3%	\$ 329,546
O&M	1,710,659	54,981	169,287	9.9%	1,541,372
Transfer to General Fund	300,000	25,000	50,000	16.7%	250,000
Capital	1,052,900	723	7,987	0.8%	1,044,913
Debt Service	365,274	89,637	89,637	24.5%	275,637
<b>Subtotal: Water Division</b>	<b>3,800,299</b>	<b>195,614</b>	<b>358,831</b>	<b>9.4%</b>	<b>3,441,468</b>
<b>Sewer Division</b>					
Personnel	360,693	24,702	40,062	11.1%	320,631
O&M <sup>1</sup>	1,858,390	77,281	137,808	7.4%	1,720,582
Capital	1,037,400	723	7,987	0.8%	1,029,413
Debt Service	412,478	12,735	17,961	4.4%	394,517
<b>Subtotal: Sewer Division (excl. Kent County)</b>	<b>3,668,961</b>	<b>115,441</b>	<b>203,818</b>	<b>5.6%</b>	<b>3,465,143</b>
Kent County Sewer	2,036,770	198,639	375,087	18.4%	1,661,683
<b>Subtotal: Sewer Division (Comprehensive)</b>	<b>5,705,731</b>	<b>314,080</b>	<b>578,905</b>	<b>10.1%</b>	<b>5,126,826</b>
<b>Solid Waste Division</b>					
Personnel	359,479	17,485	29,700	8.3%	329,779
O&M	1,181,700	59,293	162,831	13.8%	1,018,869
Capital	655,750	371	4,098	0.6%	651,652
<b>Subtotal: Solid Waste Division</b>	<b>2,196,929</b>	<b>77,149</b>	<b>196,629</b>	<b>9.0%</b>	<b>2,000,300</b>
<b>Subtotal: Water, Sewer &amp; Solid Waste</b>	<b>11,702,959</b>	<b>586,844</b>	<b>1,134,365</b>	<b>9.7%</b>	<b>10,568,594</b>
<b>Electric Division</b>					
Personnel	1,598,456	129,573	206,983	12.9%	1,391,473
O&M	2,983,845	89,421	290,771	9.7%	2,693,074
Transfer to General Fund	2,500,000	208,333	416,667	16.7%	2,083,333
Capital	953,300	1,399	15,454	1.6%	937,846
Debt Service	324,315	-	-	0.0%	324,315
<b>Subtotal: Electric Division (excl. Power)</b>	<b>8,359,916</b>	<b>428,726</b>	<b>929,874</b>	<b>11.1%</b>	<b>7,430,042</b>
Power Purchased	19,484,755	1,895,238	3,781,654	19.4%	15,703,101
<b>Subtotal: Electric Division (Comprehensive)</b>	<b>27,844,671</b>	<b>2,323,965</b>	<b>4,711,528</b>	<b>16.9%</b>	<b>23,133,143</b>
<b>Total Enterprise Fund Expenditures</b>	<b>\$ 39,547,629</b>	<b>\$ 2,910,808</b>	<b>\$ 5,845,893</b>	<b>14.8%</b>	<b>\$ 33,701,736</b>
<b>Grand Total Operating Budget</b>	<b>\$ 53,861,838</b>	<b>\$ 3,940,798</b>	<b>\$ 7,537,875</b>	<b>14.0%</b>	<b>\$ 46,323,964</b>

<sup>1</sup>Actual IT O&M expenditures are nearly 40% of the FY23 O&M budget because Microsoft O365 annual maintenance is due in August; the P&L style budget is seasonalized

City of Milford, Delaware  
 Legacy Interservice Department Expenditures: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended August 31, 2022

*16.7% of Year Elapsed*

Account / Divisional Groupings	FY23 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>Interservice Departments</b>					
<b>Garage</b>					
Personnel	\$ 134,110	\$ 7,492	\$ 12,264	9.1%	\$ 121,846
Operation & Maintenance (O&M)	128,475	3,662	10,835	8.4%	117,640
Capital	-	-	-		-
<b>Subtotal: Garage</b>	<b>262,585</b>	<b>11,154</b>	<b>23,099</b>	<b>8.8%</b>	<b>239,486</b>
<b>Public Works</b>					
Personnel	881,630	64,300	102,800	11.7%	778,830
O&M	237,282	19,253	35,987	15.2%	201,295
Capital	-	-	-		-
<b>Subtotal: Public Works</b>	<b>1,118,912</b>	<b>83,553</b>	<b>138,787</b>	<b>12.4%</b>	<b>980,125</b>
<b>Tech Services</b>					
Personnel	294,863	22,363	35,494	12.0%	259,369
O&M	461,599	26,463	51,665	11.2%	409,934
Capital	-	-	-		-
<b>Subtotal: Tech Services</b>	<b>756,462</b>	<b>48,826</b>	<b>87,159</b>	<b>11.5%</b>	<b>669,303</b>
<b>Billing &amp; Collections</b>					
Personnel	760,557	48,532	79,180	10.4%	681,377
O&M	360,235	17,244	37,417	10.4%	322,818
Capital	-	-	-		-
<b>Subtotal: Billing &amp; Collections</b>	<b>1,120,792</b>	<b>65,776</b>	<b>116,597</b>	<b>10.4%</b>	<b>1,004,195</b>
<b>City Hall Cost Allocation</b>					
O&M	84,875	7,111	12,951	15.3%	71,924
Capital	-	-	-		-
<b>Subtotal: City Hall Cost Allocation</b>	<b>84,875</b>	<b>7,111</b>	<b>12,951</b>	<b>15.3%</b>	<b>71,924</b>
<b>Interdepartmental Cost Allocation</b>	<b>\$ (3,343,626)</b>	<b>\$ (216,420)</b>	<b>\$ (378,593)</b>	<b>11.3%</b>	<b>\$ (2,965,033)</b>
<b>Net Interdepartmental Costs<sup>1</sup></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>

<sup>1</sup>All costs reported here are allocated to and entirely funded by the various departments that use the services provided internally by these shared departments.