

## General Fund Cash Flow Scenario

May FY 2010

Projections based on 2011 Budget

| General Fund (in millions)                                | Projections   |              |              |              |               |              |              |               |               |               |               | Comments                       |
|---|---------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|--------------------------------|
|   | 2005          | 2006         | 2007         | 2008         | 2009          | 2010         | 2011         | 2012          | 2013          | 2014          | 2015          |                                |
| <b>Available Financial Reserves, beginning of period*</b> | 112.4         | 86.8         | 85.0         | 76.1         | 73.5          | 48.4         | 47.8         | 40.8          | 24.9          | 5.6           | (14.5)        |                                |
| <i>Revenues</i>   |               |              |              |              |               |              |              |               |               |               |               |                                |
| Total Property Tax Revenue                                | 67.0          | 68.3         | 70.0         | 83.4         | 84.4          | 106.1        | 107.0        | 108.1         | 109.2         | 110.2         | 111.3         | <b>1.0% Annual Growth</b>      |
| Total Other Taxes   | 2.9           | 3.2          | 3.7          | 3.9          | 4.1           | 4.0          | 3.7          | 3.8           | 3.9           | 3.9           | 4.0           | <b>1.0% Annual Growth</b>      |
| Total Transfer Tax Revenue                                | 35.3          | 40.5         | 35.5         | 32.0         | 16.9          | 16.4         | 15.2         | 14.3          | 15.0          | 16.6          | 18.2          | <b>90% RTT Cap</b>             |
| Total Other Revenues                                      | 37.5          | 43.1         | 44.6         | 44.7         | 38.7          | 34.7         | 34.9         | 35.9          | 37.0          | 38.1          | 39.3          | <b>Growth in 2011/2012</b>     |
| <b>Total Revenue</b>                                      | <b>142.7</b>  | <b>155.1</b> | <b>153.8</b> | <b>164.0</b> | <b>144.1</b>  | <b>161.2</b> | <b>160.8</b> | <b>162.1</b>  | <b>165.1</b>  | <b>168.9</b>  | <b>172.8</b>  |                                |
| <i>Expenditures</i>                                       |               |              |              |              |               |              |              |               |               |               |               |                                |
| Personnel Costs (A)                                       | 110.0         | 114.9        | 122.2        | 122.8        | 123.0         | 117.6        | 121.3        | 129.9         | 135.1         | 140.5         | 146.1         | <b>4.0% Annual Growth</b>      |
| Non-Personnel Costs                                       | 26.2          | 25.2         | 21.3         | 23.0         | 21.7          | 19.5         | 20.8         | 21.6          | 22.5          | 23.4          | 24.3          | <b>4.0% Annual Growth</b>      |
| <i>Debt Service</i>                                       | 11.4          | 12.4         | 13.5         | 16.8         | 20.6          | 21.0         | 22.7         | 23.3          | 23.4          | 21.4          | 21.6          | <b>2012 Bond Issue</b>         |
| Transfers Out   | 20.7          | 4.4          | 5.7          | 4.0          | 3.9           | 3.7          | 3.0          | 3.2           | 3.4           | 3.6           | 3.8           |                                |
| <b>Total Expenditures</b>                                 | <b>168.3</b>  | <b>156.9</b> | <b>162.7</b> | <b>166.6</b> | <b>169.2</b>  | <b>161.8</b> | <b>167.8</b> | <b>178.0</b>  | <b>184.4</b>  | <b>188.9</b>  | <b>195.9</b>  |                                |
| <b>Revenue over Exp./Transfers</b>                        | <b>(25.6)</b> | <b>(1.8)</b> | <b>(8.9)</b> | <b>(2.6)</b> | <b>(25.1)</b> | <b>(0.6)</b> | <b>(7.0)</b> | <b>(15.9)</b> | <b>(19.3)</b> | <b>(20.0)</b> | <b>(23.0)</b> | <b>\$85.2million shortfall</b> |
| <b>% of Budget Shortfall</b>                              |               |              |              |              | <b>14.8%</b>  | <b>0.4%</b>  | <b>4.2%</b>  | <b>8.9%</b>   | <b>10.5%</b>  | <b>10.6%</b>  | <b>11.8%</b>  | <b>from 2011 through 2015</b>  |
| <b>Available Financial Reserves,</b>                      | <b>86.8</b>   | <b>85.0</b>  | <b>76.1</b>  | <b>73.5</b>  | <b>48.4</b>   | <b>47.8</b>  | <b>40.8</b>  | <b>24.9</b>   | <b>5.6</b>    | <b>-14.5</b>  | <b>-37.5</b>  |                                |

(A) FY 2012-FY 2015 assumes return of rollbacks.

\* FY 2011 subject to 90% RTT Cap of \$15.2 million

**Sewer Fund Cash Flow Projections**  
**May FY 2010**  
**Projections based on 2011 Budget**

|   | Projections   |               |             |             |              |              |             |              |              |               |               |                                       |
|---|---------------|---------------|-------------|-------------|--------------|--------------|-------------|--------------|--------------|---------------|---------------|---------------------------------------|
| Sewer Fund (in millions)                                  | 2005          | 2006          | 2007        | 2008        | 2009         | 2010         | 2011        | 2012         | 2013         | 2014          | 2015          | Comments                              |
| <b>Available Financial Reserves, beginning of period*</b> | 81.4          | 70.2          | 5.7         | 13.2        | 14.6         | 11.5         | 9.9         | 9.9          | 4.2          | (3.0)         | (10.9)        |                                       |
| <i>Revenues</i>   |               |               |             |             |              |              |             |              |              |               |               |                                       |
| Current Sewer Charges Collection                          | 36.8          | 51.9          | 53.0        | 51.2        | 49.7         | 52.7         | 56.1        | 56.7         | 57.2         | 57.8          | 58.4          | 1.0% annual growth 12-15              |
| Other   | 9.1           | 6.0           | 11.7        | 9.7         | 8.7          | 9.6          | 9.6         | 9.7          | 9.8          | 9.9           | 10.0          | 1.0% annual growth 12-15              |
| <b>Total Revenue</b>                                      | <b>45.9</b>   | <b>57.9</b>   | <b>64.7</b> | <b>60.9</b> | <b>58.4</b>  | <b>62.3</b>  | <b>65.7</b> | <b>66.4</b>  | <b>67.0</b>  | <b>67.7</b>   | <b>68.4</b>   |                                       |
| <i>Expenditures</i>                                       |               |               |             |             |              |              |             |              |              |               |               |                                       |
| Total Personnel Costs(A)                                  | 14.7          | 15.3          | 15.8        | 17.3        | 16.3         | 15.7         | 16.9        | 18.2         | 18.9         | 19.7          | 20.5          | 4% annual growth                      |
| Total Non-Personnel Costs (B).                            | 33.8          | 33.2          | 33.7        | 34.6        | 35.4         | 37.1         | 36.0        | 37.4         | 38.9         | 40.5          | 42.1          | 4% annual growth                      |
| Debt Service  | 6.6           | 7.4           | 7.7         | 7.6         | 9.8          | 11.1         | 12.8        | 16.4         | 16.4         | 15.4          | 15.4          | 2012 Bond Issue                       |
| <i>Transfers Out</i>                                      | 2.0           | 66.5          | 0.0         | 0.0         | 0.0          | 0.0          | 0.0         | 0.0          | 0.0          | 0.0           | 0.0           |                                       |
| <b>Total Expenditures</b>                                 | <b>57.1</b>   | <b>122.4</b>  | <b>57.2</b> | <b>59.5</b> | <b>61.5</b>  | <b>63.9</b>  | <b>65.7</b> | <b>72.0</b>  | <b>74.3</b>  | <b>75.6</b>   | <b>78.0</b>   |                                       |
| <b>Revenue over Expenditures</b>                          | <b>(11.2)</b> | <b>(64.5)</b> | <b>7.5</b>  | <b>1.4</b>  | <b>(3.1)</b> | <b>(1.6)</b> | <b>-</b>    | <b>(5.7)</b> | <b>(7.2)</b> | <b>(7.9)</b>  | <b>(9.6)</b>  | <b>\$30.4 million shortfall 11-15</b> |
| <b>% of Budget Shortfall</b>                              |               |               |             |             | <b>5.0%</b>  | <b>2.5%</b>  | <b>0.0%</b> | <b>7.9%</b>  | <b>9.8%</b>  | <b>10.4%</b>  | <b>12.3%</b>  |                                       |
| <b>Available Financial Reserves</b>                       | <b>70.2</b>   | <b>5.7</b>    | <b>13.2</b> | <b>14.6</b> | <b>11.5</b>  | <b>9.9</b>   | <b>9.9</b>  | <b>4.2</b>   | <b>(3.0)</b> | <b>(10.9)</b> | <b>(20.5)</b> |                                       |

(A) FY 2012-FY 2015 assumes return of rollbacks.

(B) Assumes retroactive payment(\$ 2.0 estimated for 08,09,10) to City of Wilmington FY 2010