



City Of New Castle



Municipal Services Commission



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**SEEDS OF GREATNESS
BIBLE CHURCH**

“Imagine More!” is the project name that the Seeds of Greatness Church Bible Church (SOGBC) used for their new building at 828 Frenchtown Road. This 53,000 square foot building will have a 1,400 seat Sanctuary, an 8,700 square foot Youth Center/Gym, a bookstore, over 750 parking spots and much “More”. Reverend Jerome L. Lewis, his wife Lisa (pictured on the cover and below) and their Board of Directors established the ministry in March of 2000. The Vision of the Church leaders is to serve the people and this new location will give them the opportunity to expand their service to the community. The site was annexed into the City of New Castle before construction and became part of the Municipal Services Commission (MSC) electric and water service territory. The extension of electric and water service was completed by the lineman and water operators of the MSC. The Church is a wonderful addition to the City of New Castle and the MSC welcomes them and looks forward to their opening!



Calendar Of

Events

November 28th,
Thanksgiving Day

MSC Closed

November 29th,
Day after

MSC Closed

December 24th,
Christmas Eve

MSC Closed

December 25th,
Christmas Day

MSC Closed

January 1st,
New Years Day

MSC Closed

New Castle Cares Fund

Over \$3,600 was given to City of New Castle residents to help pay their electric bill in the past 12 months. Please consider giving to this fund at the Salvation Army to help your neighbor in need. See a Municipal Services Commission customer service representative for details.

Secretary's Report

The Municipal Services Commission (MSC) exists to serve the citizens of New Castle with reliable electric and water service at one of the lowest rates in Delaware. The fact that our reliability statistics are so positive and that our current residential rates are the lowest of all the Municipalities in Delaware shows that we are working hard to accomplish this mission.

In this edition of our Newsletter we will be providing our 2013 Financial Report where we report even more positive figures. The healthy financial status of the MSC in addition to our active business office is reflected in the Treasurer & Customer Service Report. We also introduce one of our newest customers the Seeds of Greatness Bible Church. We are pleased to see the progress they have made at their facility on Frenchtown Road and wish them great success. In addition, we are proud to acknowledge ten years of service from our Assistant Water Supervisor; Ryan Jaeger whom is featured in the Meet Our Employee section.

At the MSC, we understand our mission and will continue to strive to serve the citizens of New Castle with reliable service at a reasonable cost. Feel free to stop by and speak to us if you have any questions or concerns, we enjoy hearing from you.

Pamela A. Patone
Secretary

Meet Our Employees



In this newsletter we would like to introduce Ryan Jaeger. Ryan has been the MSC's Assistant Water Supervisor for ten (10) years. Ryan is an excellent fit for the Water Department because he holds a Bachelor of Science degree in Environmental Health with a minor in Biology. In addition he has construction experience and was an electrical apprentice for years with the family business. Since Ryan is certified in numerous functions he can be found ensuring water quality at the treatment facility, working alongside the water operators replacing a fire hydrant and designing the GIS mapping system in the office all in a day's work.

At home in Pennsville, NJ, Ryan enjoys time with his wife Christine and their two children Justin (12) and Kaylin (8). A typical weekend for the Jaeger family may consist of wrestling, soccer or some other type of outdoor activity. Ryan is an avid hiker throughout the United States and Canada where he has seen beautiful sites and met a few bear along the way.

The MSC is fortunate to have such an educated and versatile employee on staff. We are happy to "Congratulate Ryan on his 10 Year Anniversary" and wish him another 10 or more.

Treasurer and Customer Service Report

An unqualified opinion was issued on the Municipal Services Commission (MSC) financial reports for the year ending March 31, 2013, from the auditing firm of Horty & Horty, PA. This means that the reports are presented fairly, in all material respects in accordance with accounting principles generally accepted in the United States of America. In addition, we are proud to report a Change in Net Position of \$296,804, which has been reinvested into the water and electric infrastructure to ensure the reliable service you depend upon. The business office continues to provide accurate and timely financial reporting year after year.

The financial reports presented in this newsletter reflect the financial activity of the MSC, in this year's Treasurer & Customer Service Report; we thought it would be important to reflect the amount of activity or transactions that take place in the business office also. The Customer Service and Accounting staff creates over 3,300 water and electric bills and 328 disconnect notices each month. They process over 280 applications per year for new service and prepare 269 service orders each month. An average of 60 visitors and at least 20 telephone calls are received per day. Inquiries relate to obtaining service, street light bulb replacement, wrapping of wires for house painting and questions on high consumption. Customers call to check on account balances and make payment arrangements. The Customer Service representatives

process approximately 1887 checks, 260 automatic withdrawals, and almost 400 electronic payments on-line each month. As you have read, the business office is very active, however, despite all these numbers we strive to make your interaction with the MSC a pleasant and personal experience. Our office combines financial reporting and customer service with a smile, please stop by and see us with any questions or concerns.

Sincerely,

Mary Jane Stubbs

Treasurer

Sincerely,

Sandy Scott

Customer Service Manager



MUNICIPAL SERVICES COMMISSION
(A COMPONENT UNIT OF THE CITY OF NEW CASTLE, DELAWARE)

STATEMENT OF NET ASSETS

MARCH 31, 2013

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<p><u>Current Assets:</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Cash and Cash Equivalents</td> <td style="text-align: right;">\$ 1,371,984</td> </tr> <tr> <td>Investments</td> <td style="text-align: right;">1,022,471</td> </tr> <tr> <td>Accounts Receivable (net of \$23,218 allowance)</td> <td style="text-align: right;">1,010,198</td> </tr> <tr> <td>Inventory</td> <td style="text-align: right;">611,303</td> </tr> <tr> <td>Dividend Receivable</td> <td style="text-align: right;">1,038</td> </tr> <tr> <td>Prepayments</td> <td style="text-align: right;">50,159</td> </tr> <tr> <td>Other Receivables</td> <td style="text-align: right;"><u>358,225</u></td> </tr> <tr> <td style="text-align: right;"><u>Total Current Assets</u></td> <td style="text-align: right;"><u>4,425,378</u></td> </tr> </table> <p><u>Property, Plant and Equipment</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Property, Plant and Equipment</td> <td style="text-align: right;">18,478,755</td> </tr> <tr> <td>Construction in Progress</td> <td style="text-align: right;">622,063</td> </tr> <tr> <td><u>Less: Accumulated Depreciation</u></td> <td style="text-align: right;"><u>(10,352,008)</u></td> </tr> <tr> <td style="text-align: right;"><u>Net Property and Equipment</u></td> <td style="text-align: right;"><u>8,748,810</u></td> </tr> </table> <p><u>Total Assets</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;"><u>\$ 13,174,188</u></td> </tr> </table>	Cash and Cash Equivalents	\$ 1,371,984	Investments	1,022,471	Accounts Receivable (net of \$23,218 allowance)	1,010,198	Inventory	611,303	Dividend Receivable	1,038	Prepayments	50,159	Other Receivables	<u>358,225</u>	<u>Total Current Assets</u>	<u>4,425,378</u>	Property, Plant and Equipment	18,478,755	Construction in Progress	622,063	<u>Less: Accumulated Depreciation</u>	<u>(10,352,008)</u>	<u>Net Property and Equipment</u>	<u>8,748,810</u>		<u>\$ 13,174,188</u>	<p><u>Current Liabilities:</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Accounts Payable</td> <td style="text-align: right;">\$ 838,298</td> </tr> <tr> <td>Utility Taxes Payable</td> <td style="text-align: right;">17,115</td> </tr> <tr> <td>Payroll Withholdings Payable</td> <td style="text-align: right;">4,584</td> </tr> <tr> <td>Accrued Wages</td> <td style="text-align: right;">26,230</td> </tr> <tr> <td>Developer Deposits</td> <td style="text-align: right;">5,175</td> </tr> <tr> <td>Other Liabilities</td> <td style="text-align: right;">30,934</td> </tr> <tr> <td>Accrued Compensated Absences</td> <td style="text-align: right;"><u>249,825</u></td> </tr> <tr> <td style="text-align: right;"><u>Total Current Liabilities:</u></td> <td style="text-align: right;"><u>1,172,161</u></td> </tr> </table> <p><u>Long-Term Liability:</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Customer Deposits</td> <td style="text-align: right;"><u>149,058</u></td> </tr> <tr> <td style="text-align: right;"><u>Total Liabilities</u></td> <td style="text-align: right;"><u>1,321,219</u></td> </tr> </table> <p><u>Net Assets:</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Capital Grants (less accum amort \$631,810)</td> <td style="text-align: right;">311,190</td> </tr> <tr> <td>Private Developer Contributions</td> <td style="text-align: right;">1,414,346</td> </tr> <tr> <td>Unrestricted Net Position</td> <td style="text-align: right;">10,127,433</td> </tr> <tr> <td style="text-align: right;"><u>Total Net Assets</u></td> <td style="text-align: right;"><u>11,852,969</u></td> </tr> </table> <p><u>Total Liabilities and Net Position</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right;"><u>\$ 13,174,188</u></td> </tr> </table>	Accounts Payable	\$ 838,298	Utility Taxes Payable	17,115	Payroll Withholdings Payable	4,584	Accrued Wages	26,230	Developer Deposits	5,175	Other Liabilities	30,934	Accrued Compensated Absences	<u>249,825</u>	<u>Total Current Liabilities:</u>	<u>1,172,161</u>	Customer Deposits	<u>149,058</u>	<u>Total Liabilities</u>	<u>1,321,219</u>	Capital Grants (less accum amort \$631,810)	311,190	Private Developer Contributions	1,414,346	Unrestricted Net Position	10,127,433	<u>Total Net Assets</u>	<u>11,852,969</u>		<u>\$ 13,174,188</u>
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ASSETS- This section shows the items that the MSC owns called Assets. These items are either in our possession such as trucks or are at a financial institution, like cash and investments or are payments that are owed to us such as accounts receivable.

LIABILITIES AND NET ASSETS- This section shows the liabilities of the MSC, the amounts owed to vendors (accounts payable), to employees (accrued comp. abs.) and to customers (customer deposits). Net assets is the amount that remains after the liabilities are subtracted from the assets.

MUNICIPAL SERVICES COMMISSION
(A COMPONENT UNIT OF THE CITY OF NEW CASTLE, DELAWARE)

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

FISCAL YEAR ENDING MARCH 31, 2013

<u>Operating Revenue:</u>		<u>Total Expenses</u>	
User Charges	\$ 11,231,425	Purchase of Power	
City Service Charges	84,438	Operating Expenses	
Miscellaneous	<u>91,268</u>	General & Administrative Expenses	
Total Operating Revenue	\$ 11,407,131	Total Expenses	<u>10,524,661</u>
Less: Free service	(18,361)	<u>Operating Income</u>	864,109
Net Operating Revenues	11,388,770		
<u>Purchase of Power and Water</u>	7,667,749	<u>Nonoperating Revenue (Expenses):</u>	
<u>Operating Expenses</u>	1,808,442	Investment Income	20,776
Salaries and Related Expenses	941,272	Private developer contributions	15,279
Repairs and Maintenance	71,903	Net Unrealized (Loss) on Noncurrent Investm (5,722)
Supplies and Training	50,056	Gain on sale of equipment	7,700
Insurance	72,133	Appropriations to the City of New Castle:	
Depreciation	577,079	Ordinary	(500,000)
Plant & Equipment Expense	87,494	City service	(84,438)
Other	8,505	Special	(20,900)
<u>General and Administrative Expenses</u>	1,048,470	Total Appropriations to the City of New Castle: (605,338)
Salaries and Related Expenses	641,854	<u>Total Nonoperating Revenue (Expenses)</u> (567,305)
Insurance	23,532		
Professional Fees	77,417	<u>Change in Net Position</u>	296,804
NEW CASTLE CARES FUND	5,000		
Administrative & Occupancy	276,494		
Depreciation	24,173		

REVENUE- This section shows the revenue earned through the sale of electricity and water to our customers.

EXPENSES- This section shows the expenses of the MSC. Purchase of Power & Water is the cost we incur to buy power for our customers.

Operating Expenses are the direct costs to pay for lineman, water operators and to operate our facilities.

General and Administrative Expenses are the costs associated with Billing, meter reading, accounting and management functions.

NONOPERATING REVENUE AND EXPENSES- This section shows the income associated with investments and contributed capital.

APPROPRIATIONS TO THE CITY OF NEW CASTLE- This section shows the amount given in cash (ordinary), electric and water (city service) and the amounts given in labor or equipment usage (special) to the City of New Castle. All of these appropriations benefit our customers.

CHANGE IN NET ASSETS- This section shows the Change in Net Assets which is the Net Income (what remains after the expenses are subtracted from the revenue. We put this net income back into our systems by making capital improvements to our systems.

City Of New Castle



MUNICIPAL SERVICES COMMISSION

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