

City Of New Castle



Municipal Services Commission

# Delaware Greenways

- [Meet Our Customers>](#)
- [Calendar Of Events>](#)
- [Meet Our Employee>](#)
- [Message From Our Comptroller>](#)
- [2010/2011 Financial Reports>](#)



Mark Chura



Our cover this quarter features Mark Chura, Executive Director of Delaware Greenways and a new resident of New Castle. Mark's organization is responsible for the exciting activities that are happening on the Penn Farm. Delaware Greenways promotes a healthy life style encouraging us to eat right and exercise and the Penn Farm will help promote these two activities.

If you haven't been to the Farm Stand on Frenchtown Road opposite the entrance to Centerpoint Business Park you should check it out. This is just the beginning of what is hoped to be a community partnership with plans to utilize the Penn Farm for a variety of activities. You need to bookmark [www.delawaregreenways.org](http://www.delawaregreenways.org) and their calendar of events to stay abreast of what is planned.

Mark says Delaware Greenways got a late start leasing the farm but with his enthusiasm we expect great programs and events which will involve the community. Our hats go off to the Trustees for their imaginative thinking in finding a great tenant and use for the farm. Its people like Mark Chura that make New Castle a better place to live.

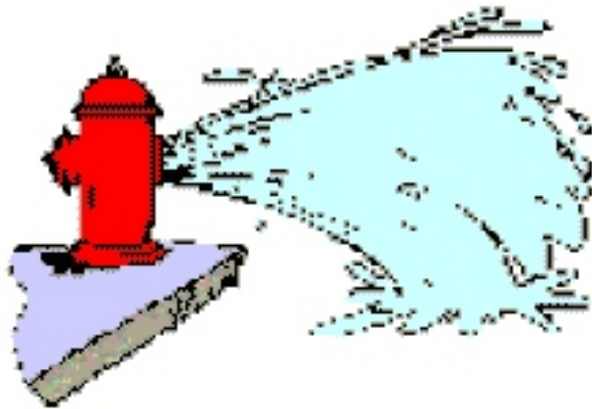
# Delaware Greenways

## What are those Remainder Charges on my bill?

The summer months are peak months for electric and water consumption (highest usage months). The State and MSC promote conservation of electric and water during these months. The State mandates conservation in water and the MSC encourages it in electric. The way the conservation is promoted is through a tiered rate structure. For **ELECTRIC** the tiered rate structure is reflected in your electric bill by charging .1367 cents for the first 750 kWh and .1667 for anything above 750 kWh or the Remainder. For **WATER** the tiered rate structure is reflected in your water bill by charging .0049 cents for the first 4,000 gallons and .0054 for anything above 4,000 gallons or the Remainder.

## Having trouble remembering to pay your utility bill?

The MSC has an automatic withdrawal option. Just complete a form in the office and then your utility bill will be automatically withdrawn from your account on the 15<sup>th</sup> of every month. You will not have to remember to write the check, go to the post office or drop it off at our office; it is all taken care of for you. The service is FREE and easy; please consider stopping by and completing a form. Remember to bring your banking information with you. Hope to see you soon.



# FALL HYDRANT FLUSHING

## Monday, October 10th

## Calendar Of Events

*October 8th,  
New Castle Kitchen &  
Garden Tour*

*October 10th,  
Columbus Day  
MSC Office Closed*

*October 28th,  
Halloween Party  
6:30 pm*

*October 31st,  
Halloween*

*November 6th,  
Day Light Savings  
Time Ends*

*November 11,  
Veterans Day*

*November 24th,  
Thanksgiving  
MSC Closed*

*November 25th,  
MSC Closed*

# Meet Our Employees

## Ryan Auger



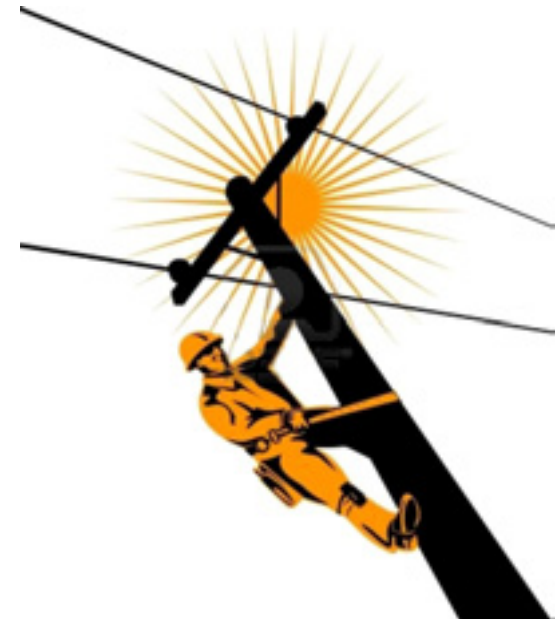
We would like to introduce Ryan Auger who is the latest addition to the MSC's electric crew. Ryan studied to be an electrician at Hodgson Vocational Technical High School. After graduating he began his apprenticeship with the International Brotherhood of Electrical Workers (IBEW) Local 313. He is now making the transition from an electrician to a lineman. This will require an additional 4 years of training until he earns his Journeyman Lineman designation.

Ryan is married to the former Melissa McCafferty a teacher at Pleasantville Elementary School in the Colonial School District. Their family at this time includes their dog Riley. Ryan enjoys surf fishing at Cape Henlopen and in the winter skiing but he credits his wife for getting him out to support community activities.

We think Ryan represents the future for the MSC and we hope he finds his work stimulating, diverse and rewarding. I know we depend upon him to carry on a tradition of reliability in keeping New Castle's electric system up and running.

# Job Opportunity

**The MSC is looking for an experienced lineperson. The MSC owns and maintains a 12,000 volt distribution system. Please contact Chip Patterson at 323-2332 for an application.**



# Comptroller's Report

In the past six months, the City of New Castle's residential electric rates have ranked the **4<sup>th</sup> lowest rates** in the state. This is compared to nine other Delaware municipalities, the Delaware Co-op and Delmarva Power. Water rates are equally competitive with New Castle's rates being **20% lower** than Artesian's rates. We know that rates are important to our customers, which is why we make every effort to keep rates low while still providing quality service.

One of the ways that any organization will sustain quality service is by maintaining their infrastructure. On the Statement of Net Assets report in this Edition you will note the Property, Plant and Equipment section which has increased \$2.5 Million dollars compared to last year's report. This is a result of the Municipal Services Commission investing in Water System Improvements, including exterior painting of its water tanks, painting of the interior of the Million Gallon Water Tank, numerous safety and code upgrades to current code standards and a SCADA system which electronically monitors the system. Even though we had an increase in Net Assets in the amount of \$711,419 our Cash and Investments decreased \$1.3M in order to pay for the capital improvements during the year.

Another way that the Commission keeps costs low for their customers is by making sure that any costs for new developments or new service extensions not be borne by the current customer base. These costs are paid for by developers and once the new system is complete and meets the Commission's standards, the system is contributed to the Commission. The Commission takes ownership of the system and will maintain it into the future. You will note the Statement of Revenue, Expenses and Changes in Net Assets reflect \$95,079 in Private Developer Contributions in the fiscal year ending March 31, 2011.

Lastly, the Commission not only strives to provide quality water and electric service but also strives to operate a billing and administrative office that runs efficiently with the appropriate controls in place. We see the results of our efforts in our financial statement audit which received an unqualified opinion with no new managerial comments.

Low cost and high quality is what the Commission strives to accomplish year after year.

Sincerely,

*Pamela A. Patone*

Comptroller

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

STATEMENT OF NET ASSETS

MARCH 31, 2011

<u>Current Assets:</u>	
<b>Cash and Cash Equivalents</b>	\$ 2,085,568
Investments	508,904
Accounts Receivable (net of \$23,611 allowance)	999,534
Inventory	493,292
Dividend Receivable	984
Prepayments	32,879
Other Receivables	<u>113,315</u>
<u>Total Current Assets</u>	<u>4,234,476</u>
 <u>Property, Plant and Equipment:</u>	
Property, Plant and Equipment	16,312,517
Construction in Progress	1,430,557
<u>Less: Accumulated Depreciation</u>	<u>( 9,855,298)</u>
<u>Net Property, Plant and Equipment</u>	<u>7,887,776</u>
 <u>Total Assets</u>	 <u>\$ 12,122,252</u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Account Payable	\$ 683,311
Utility Taxes Payable	23,140
Payroll Withholdings Payable	11,368
Accrued Wages	44,613
Developer Deposit	34,604
Other Liabilities	8,027
Accrued Compensated Absences	<u>289,663</u>
<u>Total Current Liabilities:</u>	<u>1,094,726</u>

Long Term Liability:

Customer Deposit	<u>123,455</u>
<u>Total Liabilities</u>	<u>1,218,181</u>

Net Assets:

Capital Grants (less accum amort \$594,090)	348,910
Private Developer Contributions	1,342,456
Unrestricted Net Assets	<u>9,212,705</u>
<u>Total Net Assets</u>	<u>10,904,071</u>

Total Liabilities and Net Assets:     \$ 12,122,252

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 amount owed to vendors (accounts payable), to employees (accrued comp. abs.) and to customers (customer deposit). Net assets is the amount that remains after the liabilities are subtracted from assets.

MUNICIPAL SERVICES COMMISSION  
(A COMPONENT UNIT OF THE CITY OF NEW CASTLE, DELAWARE)  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
YEAR ENDED MARCH 31,2011

<u>Operating Revenue:</u>		<u>Operating Expenses</u>	
User Charges	\$ 12,079,317	Purchase of Power	
City Service Charges	92,309	Operating Expenses	
Miscellaneous	121,701	General & Administrative Expenses	
Total Operating Revenues	\$ 12,293,327	Total Operating Expenses	11,119,256
<u>Less: Free service</u>	( 26,742)	<u>Operating Income</u>	1,147,329
Net Operating Revenues	12,266,585		
<u>Purchase of Power and Water</u>	8,646,874		
<u>Operating Expenses</u>	1,575,461		
Salaries and Related Expenses	927,850	<u>Nonoperating Revenue (Expenses):</u>	
Repairs and Maintenance	48,137	Investment Income	30,402
Supplies and Training	22,526	<b>Private developer contributions</b>	<b>95,079</b>
Insurance	80,741	Net Unrealized Gain on Noncurrent Investments	4,125
Depreciation	429,509		
Plant & Equipment Expense	58,855		
Other	7,843	<u>Appropriations to the City of New Castle:</u>	
<u>General and Administrative Expense</u>	896,921	<b>Ordinary</b>	( 462,500)
Salaries and Related Expenses	577,929	<b>City service</b>	( 92,309)
Insurance	28,601	<b>Special</b>	( 10,707)
Professional Fees	70,600	<b>Total Appropriations to the City of New Castle</b>	<b>( 565,516)</b>
<b>NEW CASTLE CARES FUND</b>	<b>5,000</b>		
Administrative & Occupancy	182,018	<u>Total Nonoperating Revenue (Expenses)</u>	( 435,910)
Depreciation	32,773	<u>Change in Net Assets</u>	<b>711,419</b>

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

EXPENSE- This section shows the expense 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 linemen, 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).