



Meet Our Customer



[Secretary's Report >](#)
[Resources and Calendar >](#)
[What are AMI / Smart Meters >](#)
[Meet Our Customer >](#)
[Electric Operations >](#)
[Water Operations >](#)
[2019-2020 Financial Report >](#)
[COVID - 19 Update >](#)
[Efficiency Smart >](#)



Secretary's Report

2020 came with a lot of challenges it also was an opportunity to work together with coworkers, community leaders and citizens to address the challenges.

The Municipal Services Commission (MSC) is *grateful* for the cooperation of their employees for taking preventive measures to stay healthy and continue providing safe and reliable electric / water service to the citizens of New Castle.

The MSC is *grateful* for the cooperation of the Mayor, City Council, City Administration and the Police and Fire of the City of New Castle who shared information and worked together to keep the citizens of New Castle safe.

Most importantly, the MSC is *grateful* for the cooperation of the citizens of New Castle. They were patient during the past year, while the office was closed to the public, projects were changed/delayed and communication was not as timely as we would like.

Thank you all for your continued support during these stressful and unusual times. We are making every effort to continue to serve you with positive and effective customer service!!!

This edition of the MSC newsletter provides the citizens of New Castle with the financial statements for the year ending March 31, 2020. You can find the complete report on the MSC website <https://newcastlemsc.delaware.gov/financial-statements/>. Please feel free to call to discuss any questions or concerns you may have regarding the financial health of the MSC.

In addition to the financial statements, please note the Meet our Customer section featuring Burris Logistics in Centerpoint Business Park. Get updated on recent electric and water department projects, learn what you need to know about advanced meters and how you can help your neighbor with their electric/water bill.

Everyone has been affected by the health concerns in 2020, let's try to continue to stay positive and *Have a Happy and Safe Holiday Season!!*

Pamela A. Patone

Resources

At Your Fingertips

City Administration Office	322-9801
Mayor's Office	322-9802
Public Works Department	322-9813
MSC Main Office	323-2330
MSC Utility Building	323-2333
Pamela A. Patone Secretary / General Manager	221-4513
Mary Jane Stubbs Business Manager / Treasurer	323-2332
Tara French Accounting & Customer Service Manager	221-4517
Scott Blomquist Electric Utility Manager	221-4514
Jay Guyer Water Utility Manager	221-4515

**Planning a project at home which
involves digging on your property?
Call MISS UTILITY
1-800-282-8555**

Calendar Of Events

December 24th - Christmas Eve - MSC Closed

December 25th - Christmas Day - MSC Closed

January 1st - New Years Day - MSC Closed



Dr. Roy J. Sippel
President

Appointed by The Mayor
Term: April 1, 2019 to March 31, 2022



Daniel F. Knox
Commissioner

Appointed by City Council
Term: April 1, 2020 to March 31, 2023



Dr. Allen R. Hansen
Commissioner

Appointed by the Trustees
Term: April 1, 2018 to March 31, 2021



WHAT YOU NEED TO KNOW ABOUT **ADVANCED METERS**

The MSC of the City of New Castle anticipates upgrading the current meter reading system with an Advanced Meter Infrastructure (AMI) which will provide a host of services to MSC customers. Advanced Meters also help the MSC improve the way business is done, making the delivery system smarter and timely. Most importantly, these meters provide customers near real-time information on usage data to help take control over their energy use and help manage their energy bills — at no additional cost.



GREATER CONVENIENCE

Because Advanced Meters use a wireless network to transmit usage information, meter readers no longer need to drive by a customer's property to read a meter.



IMPROVED POWER QUALITY AND RELIABILITY

Advanced Meters are capable of communicating data that notifies us when an outage or water leak has occurred and where the problem may be located. This improves our response time and how long a customer is without service.



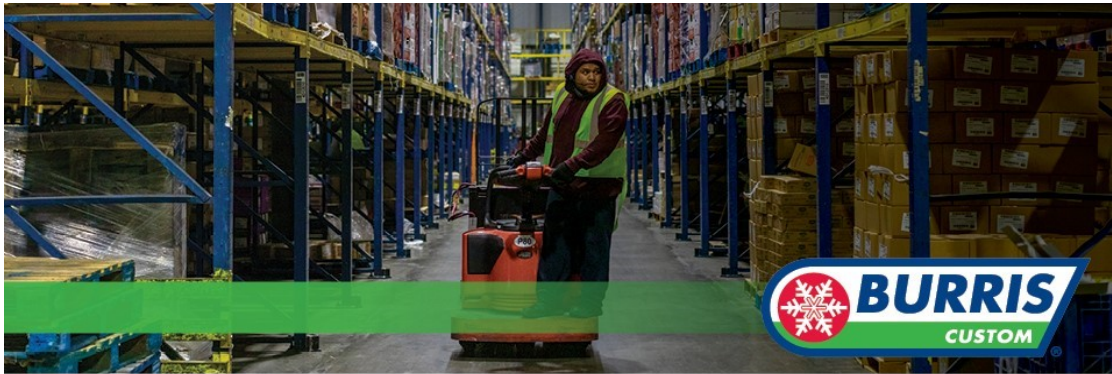
ENHANCED CUSTOMER SERVICE

Advanced Meters provide online access to near real-time usage data to help manage costs. Plus, our crews can respond faster to either starting or stopping service.

LOOK FOR MORE INFORMATION OVER THE COMING MONTHS REGARDING

THE MSC AND THE PROPOSED AMI PROJECT





Meet Our Customer

**ONE PARTNER.
MANY SOLUTIONS.**

Burris Logistics is a complete, end-to-end supply chain solutions partner comprised of four connected brands. Through customized distribution, warehousing, redistribution, and freight brokerage, we adapt to your complex needs and overcome logistical challenges.

Our New Castle PRW Plus Distribution Center has been a proud partner with the New Castle community since 1991. We have grown to be a national player servicing well-known partners in the refrigerated and frozen food industry. In the past several years, our reach has grown offering fulfillment for popular E-commerce brands. As always, our growth has come from the dedication of the team members hired from and around New Castle, DE. We are proud to continue to be a part this community.



BURRISLOGISTICS.COM

Electric - Delaware Street Undergrounding

The Delaware Street aerial to underground project is reaching completion. With the utility poles being removed that had large cobra head street lights there was a need to install more colonial style street lights. We have heard both positive and negative comments from the community regarding these street lights. The MSC has been committed to LED street lights due to energy conservation initiatives. Some citizens are concerned regarding the difference in the color of the lighting, preferring the HPS style light instead of the perceived brighter light of LED lights. The LED lights are designed to give roughly the same lumen output as the existing lights. HPS lights degrade very quickly compared to an LED light. If the two fixtures were installed at the same time the HPS would be roughly 20% dimmer in one year with the LED reaching the same 20% at about seven years. The LED is also designed to be a more natural light versus the yellow or orange light we associate with the HPS fixture. This helps with identifying colors properly at night. The LED lights being installed use about 50% of the energy the HPS lights use. We appreciate the community's patience and understanding during this time of change. We believe the result of this project is a more reliable and aesthetically pleasing utility system.



Water - Treatment Facility Clear Well Maintenance



A clear well is an enclosed concrete tank that is associated with a treatment plant. Clear wells are used to store filtered water of sufficient capacity and provide chlorine contact time for disinfection.

MSC has a 32,000 gallon concrete clear well. Before leaving the treatment facility, chlorinated water passes into the clear well. This reservoir allows time for the chlorine disinfection process and for pH adjustment before the water is pumped into our distribution system. Chlorine disinfects the water at the treatment plant. pH adjustment is used to make the water less corrosive to building plumbing, especially lead and copper plumbing. This is called corrosion control. To achieve this, lime addition raises the pH at the MSC Treatment Facility to a target of about 7.5. Fluoride is also added to the MSC water supply, as required by the State Office of Drinking Water, for dental health.

Annually, the MSC Water Department drains and cleans the clear well removing any excess lime that has accumulated on the clear well floor. Also the concrete structure and pumps are inspected.





MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
STATEMENTS OF NET POSITION
MARCH 31, 2020 AND 2019



	<u>2020</u>	<u>2019</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,420,596	\$ 2,516,620
Investments	1,176,475	1,126,520
Accounts receivable, net	679,148	585,806
Grants Receivable	33,586	-
Dividends receivable	168	221
Other receivables	23,754	17,348
Inventory	707,160	673,226
Prepaid expenses	116,958	134,782
Total Current Assets	<u>5,157,845</u>	<u>5,054,523</u>
Restricted Assets:		
Cash and cash equivalents - restricted	<u>748,777</u>	<u>733,128</u>
Noncurrent Assets:		
Land	45,386	45,386
Construction-in-progress	381,566	181,523
Property, plant and equipment	24,786,808	23,820,549
Less: Accumulated depreciation	<u>(13,625,106)</u>	<u>(12,942,444)</u>
Total Noncurrent Assets	<u>11,588,654</u>	<u>11,105,014</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pension	536,237	200,878
Deferred outflows - DEMEC	<u>2,818,853</u>	<u>2,520,035</u>
Total Deferred Outflows	<u>3,355,090</u>	<u>2,720,913</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 20,850,366	\$ 19,613,578



MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
STATEMENTS OF NET POSITION
MARCH 31, 2020 AND 2019



	<u>2020</u>	<u>2019</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 583,495	\$ 561,995
Accrued expenses	-	-
Payroll withholdings payable	32,307	13,574
Accrued wages	51,535	20,640
Developer deposits	12,426	9,504
Other liabilities	858	1,066
Total Current Liabilities	<u>680,621</u>	<u>606,779</u>
Noncurrent Liabilities:		
Escrow deposits	4,492	4,449
Customer deposits	744,285	728,679
Accrued compensated absences	396,693	367,477
Net pension liability	1,498,337	981,281
Total Noncurrent Liabilities	<u>2,643,807</u>	<u>2,081,886</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension	<u>128,335</u>	<u>136,917</u>
NET POSITION		
Net investment in capital assets	11,588,654	11,105,014
Unrestricted	5,808,949	5,682,982
TOTAL NET POSITION	<u>17,397,603</u>	<u>16,787,996</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 20,850,366</u>	<u>\$ 19,613,578</u>



MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED MARCH 31, 2020 AND 2019



	2020	2019
OPERATING REVENUES:		
User charges	\$ 11,028,105	\$ 11,222,544
City service charges	65,368	68,351
Free service	53,327	53,218
Miscellaneous	68,730	82,548
TOTAL OPERATING REVENUES	11,215,530	11,426,661
LESS: Free service	(8,777)	(7,204)
NET OPERATING REVENUES	11,206,753	11,419,457
 PURCHASE OF POWER AND WATER	 6,040,183	 6,343,729
 OPERATING EXPENSES	 2,742,491	 2,606,198
 GENERAL AND ADMINISTRATIVE EXPENSES	 1,154,814	 990,241
 OPERATING INCOME	 1,260,265	 1,479,289
 NONOPERATING REVENUES (EXPENSES):		
Investment income	55,118	37,985
Gain (loss) on sale of assets	(6,294)	-
Grant income	33,586	-
Grant expense	(34,201)	-
Other expense	(5,252)	-
Appropriations to the Mayor and Council of New Castle:		
Ordinary	(673,353)	(657,634)
City services	(25,917)	(22,951)
Special	(6,002)	(7,612)
Realized loss on investments	(15,178)	(97)
Unrealized gain (loss)	26,835	(5,665)
TOTAL NONOPERATING EXPENSES	(650,658)	(655,974)
 CAPITAL CONTRIBUTIONS		
Private developer contributions	-	98,027
 CHANGE IN NET POSITION	 609,607	 921,342
 NET POSITION, BEGINNING OF YEAR	 16,787,996	 15,866,654
 NET POSITION, END OF YEAR	 \$ 17,397,603	 \$ 16,787,996



MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF REVENUES AND EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED MARCH 31, 2020 AND 2019



	Water Department		Electric Department		Total	
	2020	2019	2020	2019	2020	2019
OPERATING REVENUES:						
User charges	\$ 1,966,425	\$ 1,747,640	\$ 9,061,680	\$ 9,474,904	\$ 11,028,105	\$ 11,222,544
City service charges	19,141	19,141	46,227	49,210	65,368	68,351
Free service	6,983	4,134	46,344	49,084	53,327	53,218
Miscellaneous	15,139	33,511	53,591	49,037	68,730	82,548
TOTAL OPERATING REVENUES	2,007,688	1,804,426	9,207,842	9,622,235	11,215,530	11,426,661
LESS: Free service	(3,457)	(1,376)	(5,320)	(5,828)	(8,777)	(7,204)
NET OPERATING REVENUES	2,004,231	1,803,050	9,202,522	9,616,407	11,206,753	11,419,457
 PURCHASE OF POWER AND WATER	 22,632	 25,770	 6,026,551	 6,317,959	 6,049,183	 6,343,729
 OPERATING EXPENSES	 1,448,541	 1,324,182	 1,293,950	 1,282,016	 2,742,491	 2,606,198
 GENERAL AND ADMINISTRATIVE EXPENSES	 433,484	 376,436	 721,330	 613,805	 1,154,814	 990,241
 OPERATING INCOME	 99,574	 76,662	 1,160,691	 1,402,627	 1,260,265	 1,479,289
 NONOPERATING REVENUES (EXPENSES):						
Investment income	8,034	6,192	47,084	31,793	55,118	37,985
Gain/(Loss) on sale of assets	(7,944)	-	1,650	-	(6,294)	-
Grant income	33,586	-	-	-	33,586	-
Grant expense	(33,863)	-	(338)	-	(34,201)	-
Other Income	(4,329)	-	(923)	-	(5,252)	-
Private developer contributions	-	16,060	-	81,967	-	98,027
Appropriations to the Mayor and Council of New Castle:						
Ordinary	(104,859)	(95,647)	(568,494)	(561,987)	(673,353)	(657,634)
City services	(25,917)	(22,951)	-	-	(25,917)	(22,951)
Special	(560)	(4,412)	(5,442)	(3,200)	(6,002)	(7,612)
Realized losses on investments	(2,277)	(15)	(12,901)	(82)	(15,178)	(97)
Unrealized Gains/(Losses)	4,025	(850)	22,810	(4,815)	26,835	(5,665)
 TOTAL NONOPERATING REVENUES (EXPENSES)	 (134,104)	 (101,623)	 (516,554)	 (456,324)	 (650,658)	 (557,947)
 CHANGE IN NET POSITION	 \$ (34,530)	 \$ (24,961)	 \$ 644,137	 \$ 946,303	 609,607	 921,342



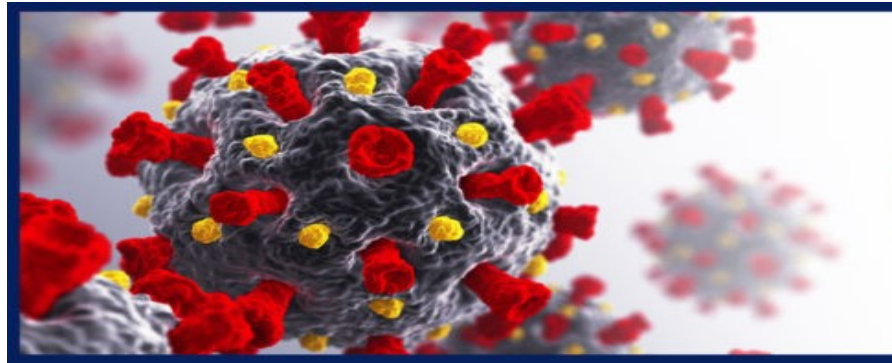
MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED MARCH 31, 2020 AND 2019

	Water Department		Electric Department		Total	
	2020	2019	2020	2019	2020	2019
OPERATING EXPENSES:						
Clothing allowance	\$ 4,555	\$ 3,910	\$ 8,441	\$ 7,579	\$ 12,996	\$ 11,489
Computer expense	12,786	11,557	11,380	13,188	24,166	24,745
Depreciation:						
Plant and equipment	397,960	365,681	203,178	192,114	601,138	557,795
Trucks and autos	23,158	16,268	74,442	63,792	97,600	80,060
Employee benefits	109,137	111,942	117,640	137,839	226,777	249,781
Engineering fees	-	-	-	-	-	-
Equipment rental	396	390	483	631	879	1,021
Insurance	43,498	58,079	37,978	46,837	81,476	104,916
Payroll taxes	40,519	36,541	42,136	43,244	82,655	79,785
Pension expense	144,864	89,204	151,147	87,615	296,011	176,819
Plant materials and supplies	3,691	3,257	6,282	3,966	9,973	7,223
Repairs and maintenance:						
Buildings and grounds	9,712	5,608	6,086	2,264	15,798	7,872
Hydrants, mains, and valves	15,539	20,303	-	-	15,539	20,303
Lines and poles	-	-	13,264	8,331	13,264	8,331
Meters and services	4,071	6,298	-	1,099	4,071	7,397
Pumping stations	26,031	30,161	-	-	26,031	30,161
Storm damage	-	-	199	-	199	-
Street lights	-	-	5,177	4,279	5,177	4,279
Substations	-	-	2,789	5,013	2,789	5,013
System maintenance	6,068	-	-	-	6,068	-
Salaries and wages	528,376	475,083	549,711	563,143	1,078,087	1,038,226
Safety expense	578	1,481	1,568	5,209	2,146	6,690
Sampling and testing	6,793	11,561	10,463	21,011	17,256	32,572
Security	-	-	1,715	288	1,715	288
Seminars/Training	2,270	9,241	3,818	9,546	6,088	18,787
Supplies	16,383	17,866	21,004	25,092	37,387	42,958
Truck expense	8,449	19,444	15,182	29,555	23,631	48,999
Utilities	29,027	30,307	9,867	10,381	38,894	40,688
Water treatment supplies	14,680	-	-	-	14,680	-
TOTAL OPERATING EXPENSES	\$ 1,448,541	\$ 1,324,182	\$ 1,293,950	\$ 1,282,016	\$ 2,742,491	\$ 2,606,198



MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES BY DEPARTMENT
FOR THE YEARS ENDED MARCH 31, 2020 AND 2019

	Water Department		Electric Department		Total	
	2020	2019	2020	2019	2020	2019
GENERAL AND ADMINISTRATIVE EXPENSES:						
Administrative	\$ 23,682	\$ 19,249	\$ 35,522	\$ 25,358	\$ 59,204	\$ 44,607
Bad debts	1,674	875	13,693	4,565	15,367	5,440
Computer Expense	20,654	16,960	25,243	20,729	45,897	37,689
Depreciation - furniture and fixtures	17,052	15,113	29,336	29,135	46,388	44,248
Dues and subscriptions	3,732	3,488	2,263	1,999	5,995	5,487
Employee benefits	36,544	30,360	54,694	51,134	91,238	81,494
Fees and permits	-	-	-	-	-	-
Insurance	15,014	14,428	16,662	16,081	31,676	30,509
Office salaries	199,889	173,850	344,477	306,379	544,366	480,229
Office supplies	20,725	15,666	30,184	22,216	50,909	37,882
Payroll taxes	15,248	13,761	26,275	24,140	41,523	37,901
Pension expense	39,304	24,340	93,575	52,115	132,879	76,455
Professional fees	19,183	21,909	24,003	27,679	43,186	49,588
Rent	-	-	-	-	-	-
Repairs and maintenance - equipment	6,771	5,796	8,276	7,085	15,047	12,881
Security system	2,144	2,147	2,620	2,624	4,764	4,771
Telephone	7,115	13,679	8,697	16,716	15,812	30,395
Training - administrative	3,420	3,352	4,180	4,061	7,600	7,413
Utilities and other expenses	1,333	1,463	1,630	1,789	2,963	3,252
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$ 433,484	\$ 376,436	\$ 721,330	\$ 613,805	\$ 1,154,814	\$ 990,241



COVID - 19

UPDATE

Due to continued COVID-19 precautions, the Municipal Services Commission (MSC) is limiting in person interactions with the administrative office. Customers are encouraged to pay on-line at www.newcastlemsc.delaware.gov or pay over the phone by calling 866-236-8299.

Customers may also set up automatic payment or mail their payment to 216 Chestnut St, New Castle, DE 19720. You may inquire regarding account balances and other related questions by reviewing your account online.

The MSC encourages all customers who are past due on their utility bill to contact the customer service department at 302-323-2330 to set up a payment plan between 7:30 am and 4:00 pm Monday through Friday.

In addition to a payment plan, customers may inquire with the Salvation Army New Castle Cares Fund, which provides assistance to MSC customers. The MSC makes a financial contribution to this fund each year and you can to.

HELP YOUR NEIGHBOR BY MAKING A TAX DEDUCTIBLE DONATION



Make your check payable to **New Castle Cares Fund** and mail to: The Salvation Army c/o New Castle Cares Fund, P.O. Box 308, Wilmington, DE 19899. Or drop your donation off at our office at 216 Chestnut Street and we will mail it for you.





*Did you know you are eligible for Efficiency Smart's services as a
Municipal Services Commission of the City of New Castle customer?*

Efficiency Smart is your one-stop resource to save energy and money in your home or business. They offer a wide variety of services designed to help you save, such as:

Online Home Energy Assessment:

A free online tool that evaluates your electric use based on your inputs and recommends energy efficiency improvements

Electric Bill Advice:

A free remote consultation to help you understand your electric use and learn how you can to decrease your electric bill

Local Retail Savings:

LEDs available for \$0.99 at the New Castle Visitor Center at the Arsenal, located at 30 Market St. in New Castle (Please contact the visitor center for hours of operation)

For more information about all available residential and business services, visit www.energysmart.org/new-castle-delaware or call 877-889-3777.



Holiday Safety Tips



Indoors or out, use only lights that have been tested for safety. The lights should have the Underwriters Laboratories (UL) label.

To hook up your outdoor lighting, use a three-prong grounded extension cord with the UL label.

Buy LED holiday lights. They are not only longer-lasting, but they don't get hot to the touch, so they're a lot safer.

When putting up lights and decorations, use a step stool or ladder to reach high places.



Municipal Services Commission
of the City of New Castle

216 Chestnut St.
New Castle, De 19720
302-323-2330

PRSRT
US POSTAGE PD
WILMINGTON, DE
PERMIT NO 578