

City of Dover
Financial Policy Review
Fiscal Year 2021

Policy Description	Purpose	FY 2021 Policy Target	FY 2021 Results	Comments	Trending (1)
GENERAL FUND:					
A. Unassigned General Fund Balance	Maintain Adequate fund reserves	15.00%	17.67%	Policy Objective is to annually maintain 15% level	Down
B. Pre-fund OPEB Liability	Maintain sufficient annual contribution	30% of ARC	30% of ARC	Policy Objective is to increase % annually to achieve 30%	No Change
C. General Fund Capital Reserve	Maintain annual contribution for 10 year goal	\$750,000	\$900,000	FY2021 contribution meets policy and CIP requirements	Down
D. City Outstanding Debt Obligation	Debt Level and Capacity management	65% of State Limit	46.0% of State Limit	Tolend Landfill Debt is excluded per policy	Down
E. School Outstanding Debt Obligation	Debt Level and Capacity management	28% of State Limit	29.5% of State Limit	Above Policy Level - High School Debt Obligation	Down
F. General Fund Debt Service	Debt Level and Capacity management	10% of Appropriations	10.4% of Appropriations	Above Policy Level - Tolend Landfill Debt excluded	Up
G. General Fund Capital Outlay	Maintain Annual Capital Outlay funding	7.5% of Appropriations	7.23% of Appropriations	Policy Objective is to increase % annually to achieve 7.5%	Down
H. Pay Down of Net Debt	Debt Level and Capacity management	75% Retired in 10 Years	52.4% Retired in 10 Years	Below Policy Level - High School Debt Repayment	Up
WATER FUND:					
A. Unrestricted Water Fund Net Assets	Maintain adequate operating reserves	15%	22.20%	% of FY2022 Adopted Water Fund Budget - Complies with Policy Level	Down
B. Water Fund Capital Reserve	Maintain annual contribution for 10 year goal	\$500,000	\$500,000	Meets Policy Level	No Change
C. Water Fund Outstanding Debt	Debt Level and Capacity management	5% of State Limit	10.6% of State Limit	5.5% Above Policy Limit - Water Facilities System Improvements	Up
D. Water Fund Debt Service	Debt Level and Capacity management	40% of Appropriations	31.2% of Appropriations	Complies with Policy Level	Down
E. Water Fund Capital Outlay	Maintain Annual Capital Outlay funding	13% of Appropriations	11.9% of Appropriations	Policy Objective is to increase % to achieve 13%	Down
F. Water Fund Pay Down of Net Debt	Debt Level and Capacity management	75% Retired in 10 Years	71.3% Retired in 10 Years	Below Policy Level - Water Phase I System Improvements	Up
SEWER FUND:					
A. Unrestricted Sewer Fund Net Assets	Maintain adequate operating reserves	15%	31.20%	% of FY2022 Adopted Sewer Fund Budget - Complies with Policy Level	Up
B. Sewer Fund Capital Reserve	Maintain annual contribution for 10 year goal	\$500,000	\$500,000	Meets Policy Level	No Change
C. Sewer Fund Outstanding Debt	Debt Level and Capacity management	1.5% of Equalized Value	0.35% of Equalized Value	Complies with Policy Level	Down
D. Sewer Fund Debt Service	Debt Level and Capacity management	40% of Appropriations	26.1% of Appropriations	Complies with Policy Level	Down
E. Sewer Fund Capital Outlay	Maintain Annual Capital Outlay funding	11% of Appropriations	7.4% of Appropriations	Policy Objective is to increase % annually to achieve 11%	Down
F. Sewer Fund Pay Down of Net Debt	Debt Level and Capacity management	75% Retired in 10 Years	71.7% Retired in 10 Years	Below Policy Level - WWTP Upgrade and MLE Conversion	Up
Financial Policy Objective Achieved					
Policy Objective on Target to be Achieved					
Financial Policy Objective Not Achieved					
(1) Trending is comparison of FY2021 Results to FY2020 Results					