City of Wilmington
Delaware

Proposed Budget
Fiscal Year 2027

John Carney
Mayor

Prepared by the
Office of Management and Budget

Proposed to City Council on March 19, 2026

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

The City of Wilmington, Delaware

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Wilmington, Delaware for its annual budget for the fiscal year beginning July 1, 2025.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

CITY ADMINISTRATION

Mayor – John Carney
Treasurer - DaWayne Sims

THE COUNCIL

President - Ernest Congo, II

1st District . . . . . Coby J. Owens
2nd District . . . . . Shané N. Darby
3rd District . . . . . Zanthia Oliver
4th District . . . . . Michelle Harlee

5th District . . . . . Christian Willauer
6th District . . . . . Yolanda M. McCoy
7th District . . . . . Christofer Johnson
8th District . . . . . Nathan Field

At Large . . . . . Maria D. Cabrera
At Large . . . . . Alexander D. Hackett

At Large . . . . . James Spadola
At Large . . . . . Latisha Bracy

Akira Grenado, City Clerk
Elijah A. Simmons, City Council Chief of Staff

CITY OFFICIALS

Cerron Cade	**Chief of Staff**
Wilfredo Campos	Chief of Police
Elliott T. Larkin	Director of Land Use and Planning
John M. Looney	Chief of Fire
Stephanie Mergler	Acting Director of Human Resources
Gabriel M. Pabon	Commissioner of Licenses & Inspections
Sean J. Park	Director of Economic Development
Willie J. Patrick, Jr.	Director of Emergency Management
Melody F. Phillips	Director of Parks and Recreation
Rosamaria Tassone-Dinardo	Acting City Solicitor
J. Brett Taylor	Director of Finance
Robert L. Weir	Director of Real Estate and Housing
Kelly A. Williams	Commissioner of Public Works
Terence J. Williams	City Auditor

OFFICE OF MANAGEMENT & BUDGET

Robert S. Greco	**Budget Director**
Robert G. Winkeler	Assistant Budget Director
George G. Hayford	Fiscal & Operations Analyst
Nahid Hossain	Fiscal & Operations Analyst
William C. Jones, II	Fiscal & Operations Analyst

TABLE OF CONTENTS

Page Number

OVERVIEW

Combined Budgeted Income Statement 1
Budget Highlights 2
Summary of Combined Statement of Revenues and Expenditures 7
Summary of All Funds Combined 9
Summary of General Fund 11
Summary of Special Funds 13
Summary of Water/Sewer Fund 15
Summary of Internal Service Funds 17
Summary of Departmental Budgets by Fund 18
Summary of Capital Budget & Program 19
Summary of Staffing Levels 20

REVENUE

General Fund Revenues 23
Special Fund Revenues 41
Water/Sewer Fund Revenues 45
Tax Rates 52

DEPARTMENT BUDGETS

Mayor's Office 54
City Council 66
City Treasurer 78
Department of Land Use and Planning 89
Audit Department 97
Law Department 102
Department of Finance 106
Department of Human Resources 126
Department of Licenses and Inspections 142
Department of Parks and Recreation 147
Department of Fire 159
Department of Police 167
Department of Public Works 181
Department of Real Estate and Housing 208
Department of Commerce 220
Department of Information Technologies 223

CAPITAL

Capital Budget & Program 233

City of Wilmington
FY 2027 Proposed Budget
Revenues and Expenditures

	FY 2027 General Fund	FY 2027 Water/Sewer Fund	FY 2027 Total
Revenues	$210,688,971	$105,729,230	$316,418,201
Expenditures	212,616,177	100,294,669	312,910,846
Surplus/(Deficit)	**($1,927,206)**	**$5,434,561**	**$3,507,355**
Transfer in from WPA	275,000	0	275,000
Use of Fund Balance	1,652,206	0	1,652,206
Net Surplus/(Deficit)	**$0**	**$5,434,561**	**$5,434,561**

No increase to residential property tax rate
No increase to non-residential property tax rate
Water, sewer, and, stormwater rates increased 9.95%
Inside City sewer charge ratio increased from 73.15% to 74.00%

BUDGET HIGHLIGHTS

City of Wilmington
Fiscal Year 2027

The General Fund

- The FY 2027 General Fund operating budget expenditures total **$212,616,177** – up $10,828,874 or 5.4% from FY 2026.

- The budget includes approximately $2.1 million to cover cost-of-living adjustment (COLA) salary increases, along with the corresponding increase in benefits costs. In addition, mandatory anniversary step increases and the associated benefits costs added $2.0 million to the budget. More than half of the combined increase for COLAs and step increases is attributable to the Police and Fire Departments.

- Staffing increased by a net total of 20.00 full-time equivalents (FTEs). Thirty-six personnel actions occurred across nearly every department, adding over $2.2 million to the budget. This total includes the net $428,600 added through the FY 2026 Budget Amendment #2. The most significant staffing change in FY 2027 occurred in the Fire Department, where 12 Firefighter/EMT positions were added at a cost of approximately $1.2 million. As the City gained experience operating the new EMS service, it became clear that service demand could not be met through existing staffing levels or by relying solely on additional overtime. It should be noted that adding the 12 Firefighter/EMT positions will allow the Fire Department to avoid nearly $1.1 million in overtime spending.

- Employee healthcare costs (hospitalization) increased by 12.1%, or nearly $2.2 million, which includes approximately $560,000 associated with the 20.00 net full-time equivalent (FTE) positions added to the budget. The budget estimate is based on cost projections prepared by USI Insurance Services, the City's healthcare insurance consultant, and reflects recent significant increases in prescription drug costs and stop-loss insurance expenses.

- The State Board of Pension Trustees and Office of Pensions has approved new employer pension contribution rates for FY 2027. The County/Municipal Police/Fire contribution rate for police and fire sworn personnel has increased from 15.20% to 17.26%, an increase in cost to the City of 13.6% or about $986,000. The County/Municipal General contribution rate for civilian employees has increased from 5.48% to 6.03%, an increase in cost to the City of 10.0% or about $120,200.

- The Fire Department assumed responsibility for EMS and ambulance transport within the City last July. At the same time, the City entered into a new contract with the firefighters' union that changed the work schedule for firefighter/EMTs from *24 hours on/48 hours off* to *24 hours on/72 hours off*. The combined impact of these changes created staffing shortages that significantly increased overtime spending, which is trending $1.3 million over budget in FY 2026. Even with the addition of 12 new Firefighter/EMT positions, it was still necessary to increase the Overtime budget by $568,400, to a new total of $2.1 million, to meet minimum manning requirements.

- In the Police Department, the cost of the Axon body camera and taser contract rose to $1.6 million in FY 2027, an increase of nearly $1.1 million (86.1%) compared to FY 2026. This reflects a $1.3 million increase in Contracted Maintenance Services, where the combined body camera and taser contract is budgeted in FY 2027, partially offset by a $220,000 decrease in Uniforms and Related Equipment, where taser costs had been budgeted in the past.

The General Fund (continued)

- Public Works has requested over $1.0 million to contract with Asset Management Alliance to provide property management and repair services, recommended capital improvements, and conduct preventative maintenance for the Turner complex of buildings and facilities. This represents an increase of $452,000 (78.6%) from the previous contract. The expanded contract will address aging infrastructure needs, and adds new provisions for security services and air intake unit repairs.

- The Motor Vehicle Costs account rose by almost $409,400, driven by large price hikes in the cost of new cars, especially police vehicles. Also, fleet maintenance costs are up as the cost of parts and labor has risen dramatically over the last four years.

- Workers' Compensation increased $276,200 or 6.8% and includes the higher liability exposure associated with the 12 new Firefighter/EMT positions.

- Workshops/Seminars–Training nearly doubled, increasing from $264,400 to $515,900. The largest increase is $160,000 in new funding for a Treasurer's Office initiative supporting empowerment and wellness programming, including Treasury Talks and Wealth-Building Bootcamps for City employees, retirees, and residents. Finance added $56,000 for management training related to the new ERP system, along with staff training such as MUNIS instruction, customer service training, and other professional development. Human Resources (HR) added $30,000 for state-mandated and leadership training for executive and middle management. It should be noted that HR reduced its Advertising budget by $33,150 to more than offset the increase for training.

- Total Debt Service increased by a net $230,640. While bond interest payments increased by $1,117,800, this was partially offset by $887,160 in principal payment savings. As part of the December 2025 bond issuance to fund capital projects, the 2015 bond issuance, which carried a higher interest rate, was refinanced. Most of the savings from the restructuring will be realized in FY 2027.

- Information Technologies added $150,000 to Computer Software Licenses to expand the capabilities of the existing Salesforce software used by L&I ($50,000) and to provide funding for the Salesforce software development project in Land Use & Planning ($100,000). The software development project will activate production-ready Salesforce modules for Building Inspectors and Business and Zoning Compliance Officers. It will also establish secure integration with MUNIS for billing, payments, and record synchronization. In addition, the project will add inspection-related functionality, including management of sub-addresses for multi-unit properties, while reducing manual data entry, improving data accuracy and strengthening the interoperability and communication between the Departments of Land Use & Planning and L&I.

The General Fund (continued)

- Temporary Agencies decreased by a net $178,500. Because the Finance Department has shifted more collection activities to internal staff, it was able to reduce $130,000 for outside assistance. As part of its strategic reorganization to improve services, Parks & Recreation increased the number of full-time staff, allowing it to reduce its Temporary Agencies budget by $68,500. In the Mayor's Office, $20,500 was added to this account last fiscal year to fund a Spanish-speaking representative in Constituent Services. For FY 2027, the full amount is being transferred to the Temporary Salaries account to allow for the direct hiring of a limited-service employee. Elsewhere, minor adjustments in Human Resources and Licenses & Inspections resulted in an additional $4,000 reduction in this account. These reductions were partially offset by the addition of $44,500 in Information Technologies to fund an on-site mapping and graphics professional dedicated to providing expedited service to City Council ($40,000) and an increase in the contract with Diamond Technologies to provide IT Helpdesk support ($4,400).

- Consultants decreased by a net of nearly $1.1 million, with major reductions in Land Use & Planning, Information Technologies, Fire, and Police. In Police and Fire, FY 2027 is an off year for the biennial promotional process, allowing for the removal of $440,000 in consultant funding used for promotional testing. In Police, the Real-Time Crime Center camera operations will be brought in-house, generating savings of $412,000. In addition, $150,000 previously budgeted for Telestaff scheduling software was removed because scheduling functions will be handled through the City's existing UKG system. Information Technologies reduced its Consultants budget by $142,000 due largely to the elimination of funding for an outside project manager. Finally, there was a net decrease of $116,500 in Land Use & Planning. While funding was added for the ICC Code Review Update ($150,000), the Wilmington 2038 Comprehensive Development Plan Update ($137,500), and other minor miscellaneous items, these increases were more than offset by $410,000 in savings from the completion of the ADA Self-Assessment and Zoning Code Reform projects.

- Property tax rates will not increase. The $1.65 million budget deficit will be covered using the Tax Stabilization Reserve.

- A transfer of $4.0 million was made from the Tax Stabilization Reserve to the Economic Strategic Fund, with $1.0 million allocated for the Small Business Development Program.

- A transfer of $20.0 million from the Tax Stabilization Reserve was made to the Neighborhood Stabilization Fund. Of this amount, $16.8 million will be allocated to incentivize private investment in affordable housing projects across the city (Affordable Housing Fund), $2.0 million will be allocated to transform vacant lots into accessory dwelling units or other productive uses by providing grants for water and sewer connections (Vacant Lots Program), $500,000 will be allocated to continue the highly successful Home Repair Lottery, $500,000 will be allocated for the Wilmington Neighborhood Conservancy Land Bank, and $200,000 will be allocated for architectural and engineering services for predevelopment work and planning.

BUDGET HIGHLIGHTS
City of Wilmington
Fiscal Year 2027

The Water/Sewer Fund

- The FY 2027 Water/Sewer Fund operating budget expenditures total **$100,294,669** – up $5,104,220 or 5.4% from FY 2026. The FY 2027 Budget continues to support the high-priority initiatives essential to achieving financially self-sustaining and environmentally-sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort, finished water filtration and supply improvements that exceed EPA standards, enhanced lead service line identification and removal, strengthened cross-connection and backflow prevention protections, and continued investment in drinking water and wastewater treatment infrastructure. Together, these initiatives support regulatory compliance, protect public health, and contribute to the long-term stability of northern Delaware's water supply, especially during periods of drought.

- The budget includes approximately $245,100 to cover cost-of-living adjustment (COLA) salary increases, along with the corresponding increase in benefits costs. In addition, mandatory anniversary step increases and the associated benefits costs added $266,300 to the budget.

- Staffing decreased by a net total of 0.50 FTE, saving $39,000. The $104,300 in net savings from the Finance Department staffing reorganization (down 1.00 FTE) was offset by the $65,300 increase in the Public Works Department (up 0.50 FTE) resulting from its reorganization.

- Employee healthcare costs (Hospitalization) increased by 7.4% or almost $177,500. The budget estimate is based on cost projections prepared by USI Insurance Services, the City's healthcare insurance consultant, and reflects recent significant increases in prescription drug costs and stop-loss insurance expenses.

- The Contracted Maintenance Services account rose by almost $1.1 million. Most of the increase is in the contract fee to Jacobs (up $862,400) to operate and maintain the City's sewage treatment plant and help manage the renewable energy bio-solids facility. A significant portion of the remaining increase reflects an additional $149,200 added by the Finance Department for the Utility Billing Customer Information System and related software annual maintenance costs.

- Total Debt Service increased $970,500, of which $ 647,561 is attributable to the new bond issuance that occurred in December 2025.

- Depreciation increased by $908,200, reflecting the aggressive infrastructure replacement program adopted by the Public Works Department that increased both the number and value of the City's water, sewer, and stormwater infrastructure fixed assets.

- Indirect Costs increased by nearly $549,000 to just over $9.0 million in FY 2027. The Indirect Costs charge reflects the cost of essential support services provided to the Water/Sewer Fund utilities by the General Fund, including Accounting, Payroll, and IT. This increase reflects the implementation of the new indirect cost allocation model developed by Black & Veatch last fiscal year.

The Water/Sewer Fund (continued)

- Miscellaneous Charges-N.O.C. increased by $351,500. In Finance, $290,000 was added to support the design and development of a data warehouse that will store, manage, and analyze large volumes of historical water utility and customer data from multiple sources. In Public Works there was a net increase of $61,500 primarily due to a rise in the HydroCorp Backflow Solutions maintenance agreement to support expanded backflow prevention services. Smaller increases in Miss Utility fees and DNREC boiler inspection costs were partially offset by lower water lead filter costs.

- Bulk Chemicals increased by $180,000 to address drinking water taste and odor concerns. The increase will support additional activated carbon usage and other treatment chemicals at the Porter and Brandywine Filter Plants, including specialty chemicals required for membrane cleaning at the Brandywine Plant.

- In Public Works, Consultants increased by a combined $102,600 across the Department's four Water/Sewer Fund divisions. The increase primarily reflects contractual rate adjustments under existing professional services agreements, expanded regulatory and financial compliance support, and new studies related to water, sewer, and stormwater rate structures and fees.

- The Other Fees account group rose by a total of $107,000 in Public Works due to the elimination of State funding from DNREC for stream gauge monitoring and higher contract costs for meter reading and billing, as well as quality assurance, quality control, and management oversight services.

- There is an across the board 9.95% increase to water, sewer, and stormwater rates. In addition, there will be a 1.16% increase in the sewer factor for Inside City customers, which determines the calculation of sewer charges as a ratio of water charges. The projected fiscal impact of the rate changes is an increase (net of bad debt) of approximately $7.0 million in revenue to the Water/Sewer Fund in FY 2027. The typical residential customer in the city using 4,000 gallons of water per month will see an increase of $7.95 to their monthly bill.

Summary of Combined Statement of Revenues
Fiscal Year 2027

Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
General Fund						
Taxes	$135,913,983	$134,010,871	$138,816,475	$139,540,423	$723,948	0.5%
Permits, Fees, and Fines	15,631,710	14,101,761	17,237,441	18,196,270	958,829	5.6%
Task Force Revenues	11,929,072	13,368,838	12,408,649	14,012,079	1,603,430	12.9%
County Seat Relief	12,662,664	13,558,855	12,943,173	14,483,583	1,540,410	11.9%
State Pension Contribution	7,609,202	8,605,223	7,220,492	8,605,223	1,384,731	19.2%
Other	19,972,280	19,506,464	15,586,146	15,851,393	265,247	1.7%
Transfers / Use of Fund Balance	275,000	275,000	275,000	1,927,206	1,652,206	600.8%
General Fund Total	**$203,993,911**	**$203,427,012**	**$204,487,376**	**$212,616,177**	**$8,128,801**	**4.0%**
Water/Sewer Fund						
Water/Sewer Fees	$69,970,795	$79,393,000	$76,662,153	$82,199,230	$5,537,077	7.2%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Other	464,635	469,852	453,000	467,000	14,000	3.1%
Water/Sewer Fund Total	**$89,276,488**	**$103,508,695**	**$100,026,153**	**$105,729,230**	**$5,703,077**	**5.7%**
Special Funds						
Grants	$10,078,335	$9,455,252	$8,248,686	$9,099,951	$851,265	10.3%
Other	6,807,315	7,286,988	7,714,381	8,124,839	410,458	5.3%
Special Funds Total	**$16,885,650**	**$16,742,240**	**$15,963,067**	**$17,224,790**	**$1,261,723**	**7.9%**
Total Revenues						
All Funds Total	**$310,156,049**	**$323,677,947**	**$320,476,596**	**$335,570,197**	**$15,093,601**	**4.7%**

Summary of Combined Statement of Expenditures
Fiscal Year 2027

Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
General Fund						
Personal Services	$116,662,885	$126,568,793	$130,935,064	$139,539,441	$8,604,377	6.6%
Materials, Supplies, & Equip.	52,951,926	54,948,950	55,916,914	57,897,731	1,980,817	3.5%
Debt Service	13,808,049	13,804,066	13,945,524	14,176,164	230,640	1.7%
Other	278,719	281,513	989,801	1,002,841	13,040	1.3%
General Fund Total	**$183,701,579**	**$195,603,322**	**$201,787,303**	**$212,616,177**	**$10,828,874**	**5.4%**
Water/Sewer Fund						
Personal Services	$12,254,510	$12,803,210	$14,345,106	$14,977,776	$632,670	4.4%
Materials, Supplies, & Equip.	59,453,049	61,900,811	65,532,452	68,125,269	2,592,817	4.0%
Debt Service	5,437,407	4,496,959	4,108,318	5,078,823	970,505	23.6%
Other	11,204,573	12,112,801	11,204,573	12,112,801	908,228	8.1%
Water/Sewer Fund Total	**$88,349,539**	**$91,313,781**	**$95,190,449**	**$100,294,669**	**$5,104,220**	**5.4%**
Special Funds						
Personal Services	$4,028,532	$4,775,262	$4,339,612	$5,361,813	$1,022,201	23.6%
Materials, Supplies, & Equip.	5,391,609	4,268,046	3,581,774	3,546,346	(35,428)	-1.0%
Debt Service	22,771	22,805	22,631	46,905	24,274	107.3%
Other	7,479,487	7,729,487	8,276,597	8,526,597	250,000	3.0%
Special Funds Total	**$16,922,399**	**$16,795,600**	**$16,220,614**	**$17,481,661**	**$1,261,047**	**7.8%**
Total Expenditures						
All Funds Total	**$288,973,517**	**$303,712,703**	**$313,198,366**	**$330,392,507**	**$17,194,141**	**5.5%**

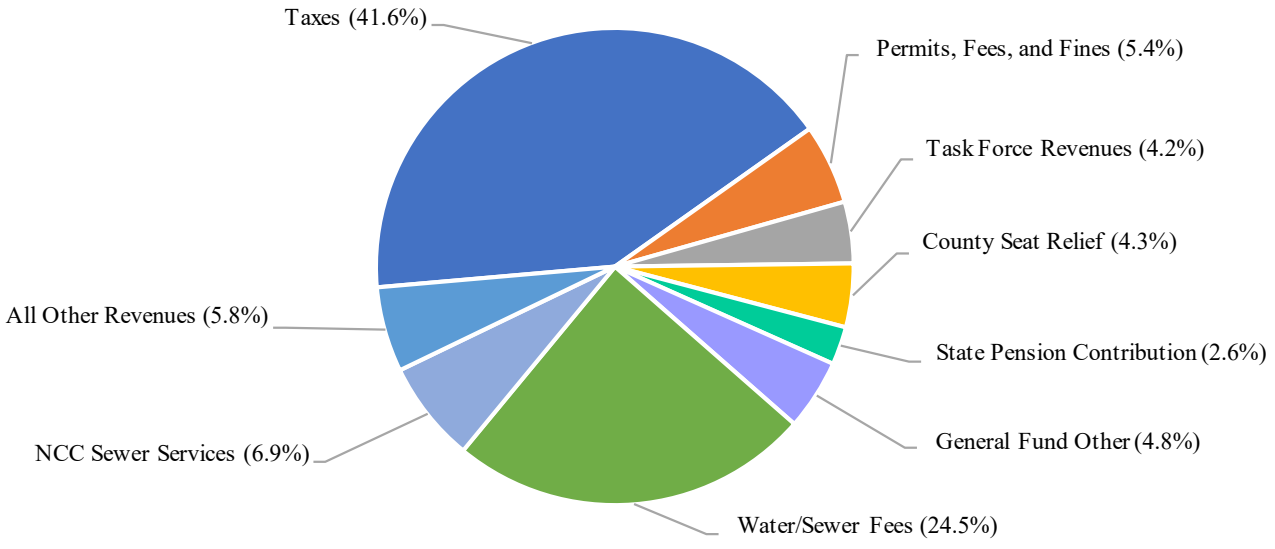
Income / (Loss)	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
General Fund	$20,292,332	$7,823,690	$2,700,073	$0	($2,700,073)	-100.0%
Water/Sewer Fund	926,949	12,194,914	4,835,704	5,434,561	598,857	12.4%
Special Funds	(36,749)	(53,360)	(257,547)	(256,871)	676	N/A
Total Income / (Loss)	**$21,182,532**	**$19,965,244**	**$7,278,230**	**$5,177,690**	**($2,100,540)**	**-28.9%**

Summary of All Funds Combined
Fiscal Year 2027

All Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Taxes	$135,913,983	$134,010,871	$138,816,475	$139,540,423	$723,948	0.5%
Permits, Fees, and Fines	15,631,710	14,101,761	17,237,441	18,196,270	958,829	5.6%
Task Force Revenues	11,929,072	13,368,838	12,408,649	14,012,079	1,603,430	12.9%
County Seat Relief	12,662,664	13,558,855	12,943,173	14,483,583	1,540,410	11.9%
State Pension Contribution	7,609,202	8,605,223	7,220,492	8,605,223	1,384,731	19.2%
General Fund Other	20,247,280	19,781,464	15,861,146	16,126,393	265,247	1.7%
Water/Sewer Fees	69,970,795	79,393,000	76,662,153	82,199,230	5,537,077	7.2%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Water/Sewer Other	464,635	469,852	453,000	467,000	14,000	3.1%
CARES / ARPA	0	0	0	0	0	0.0%
Special Funds Grants	10,078,335	9,455,252	8,248,686	9,099,951	851,265	10.3%
Special Funds Other	6,807,315	7,286,988	7,714,381	8,124,839	410,458	5.3%
Total Revenues	**$310,156,049**	**$323,677,947**	**$320,476,596**	**$335,570,197**	**$15,093,601**	**4.7%**

Taxes includes Wage Tax, Property Tax, and Other Taxes. General Fund Other includes Interest, Other Revenues, Port Debt Reimbursement, Transfer In/Out, and Use of Fund Balance. Water/Sewer Fees includes Water/Sewer User Fees and Stormwater Billings. Water/Sewer Other includes Rentals/Misc. and Solar Panels.

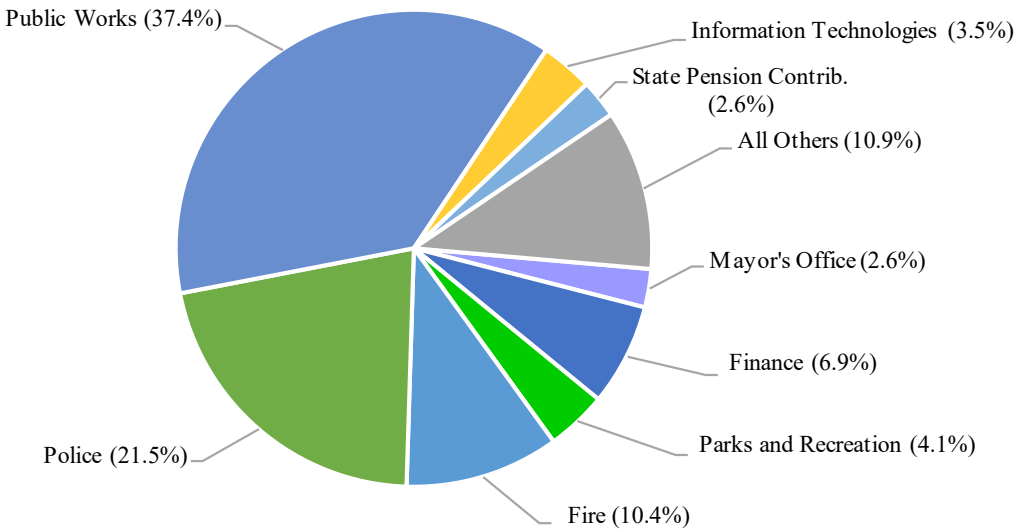
All Funds Revenues
Fiscal Year 2027



Summary of All Funds Combined
Fiscal Year 2027

All Funds Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Mayor's Office	$7,828,798	$8,367,522	$7,881,774	$8,576,151	$694,377	8.8%
City Council	3,318,664	3,821,111	4,296,961	4,373,693	76,732	1.8%
Treasurer	6,298,489	6,792,984	7,340,264	7,998,485	658,221	9.0%
Land Use and Planning	4,154,095	4,509,688	4,840,840	4,788,144	(52,696)	-1.1%
Audit	1,046,978	1,059,840	1,345,809	1,395,046	49,237	3.7%
Law	2,836,167	2,700,595	2,916,199	3,070,485	154,286	5.3%
Finance	17,137,250	17,875,913	20,661,130	22,867,370	2,206,240	10.7%
Human Resources	2,416,393	2,290,021	2,721,423	2,829,294	107,871	4.0%
Licenses and Inspections	3,411,278	3,604,197	3,784,473	4,026,774	242,301	6.4%
Parks and Recreation	12,205,078	13,149,350	13,946,970	13,662,273	(284,697)	-2.0%
Fire	27,627,006	28,381,639	31,313,189	34,523,808	3,210,619	10.3%
Police	65,016,258	71,512,622	67,892,851	70,986,623	3,093,772	4.6%
Public Works	112,782,210	114,664,296	117,944,459	123,563,567	5,619,108	4.8%
Real Estate and Housing	5,612,953	5,726,887	6,599,577	6,728,121	128,544	1.9%
Commerce (Port Debt)	222,717	222,776	217,056	54,167	(162,889)	-75.0%
Information Technologies	9,449,981	10,428,039	11,602,899	11,671,283	68,384	0.6%
State Pension Contrib.	7,609,202	8,605,223	7,220,492	8,605,223	1,384,731	19.2%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
Total Expenditures	**$288,973,517**	**$303,712,703**	**$313,198,366**	**$330,392,507**	**$17,194,141**	**5.5%**

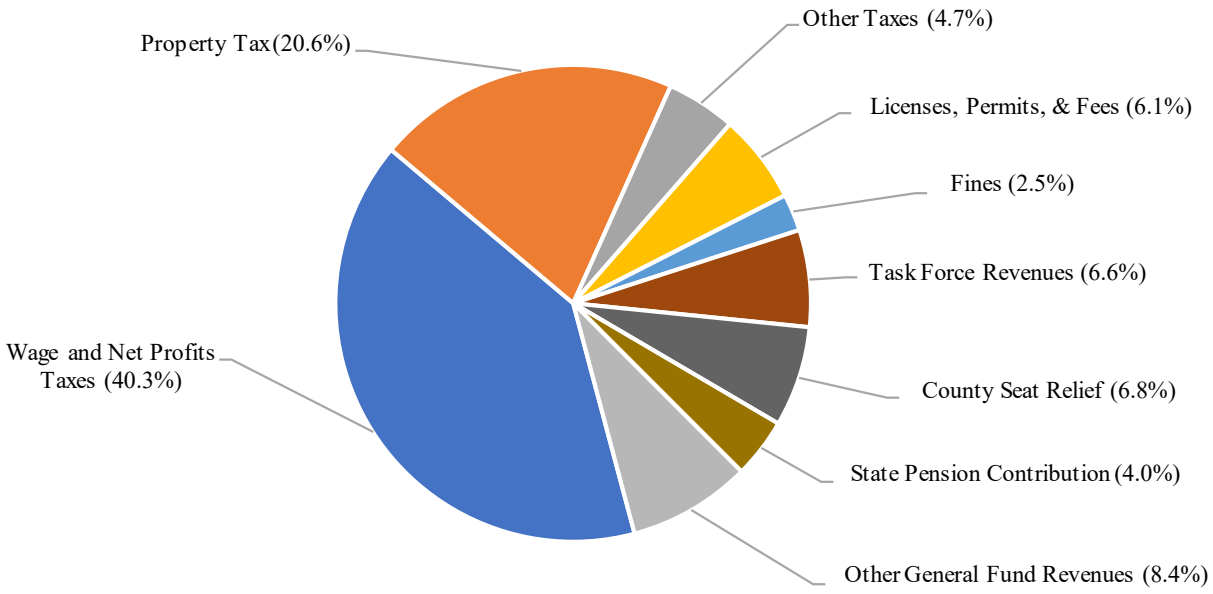
All Funds Expenditures
Fiscal Year 2027



Summary of General Fund
Fiscal Year 2027

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Wage and Net Profits Taxes	$81,030,509	$77,568,519	$84,000,012	$85,700,278	$1,700,266	2.0%
Property Tax	45,653,504	45,521,404	45,373,913	43,788,030	(1,585,883)	-3.5%
Other Taxes	9,229,970	10,920,948	9,442,550	10,052,115	609,565	6.5%
Licenses, Permits, & Fees	7,692,115	9,514,627	9,891,119	12,875,635	2,984,516	30.2%
Fines	7,939,595	4,587,134	7,346,322	5,320,635	(2,025,687)	-27.6%
Interest	9,918,184	7,801,443	5,206,000	4,976,736	(229,264)	-4.4%
Other Revenues	10,054,096	11,705,021	10,380,146	10,874,657	494,511	4.8%
Task Force Revenues	11,929,072	13,368,838	12,408,649	14,012,079	1,603,430	12.9%
County Seat Relief	12,662,664	13,558,855	12,943,173	14,483,583	1,540,410	11.9%
State Pension Contribution	7,609,202	8,605,223	7,220,492	8,605,223	1,384,731	19.2%
Port Debt Reimbursement	0	0	0	0	0	0.0%
CARES / ARPA	0	0	0	0	0	0.0%
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Use of Fund Balance	0	0	0	1,652,206	1,652,206	N/A
Total Revenues	**$203,993,911**	**$203,427,012**	**$204,487,376**	**$212,616,177**	**$8,128,801**	**4.0%**

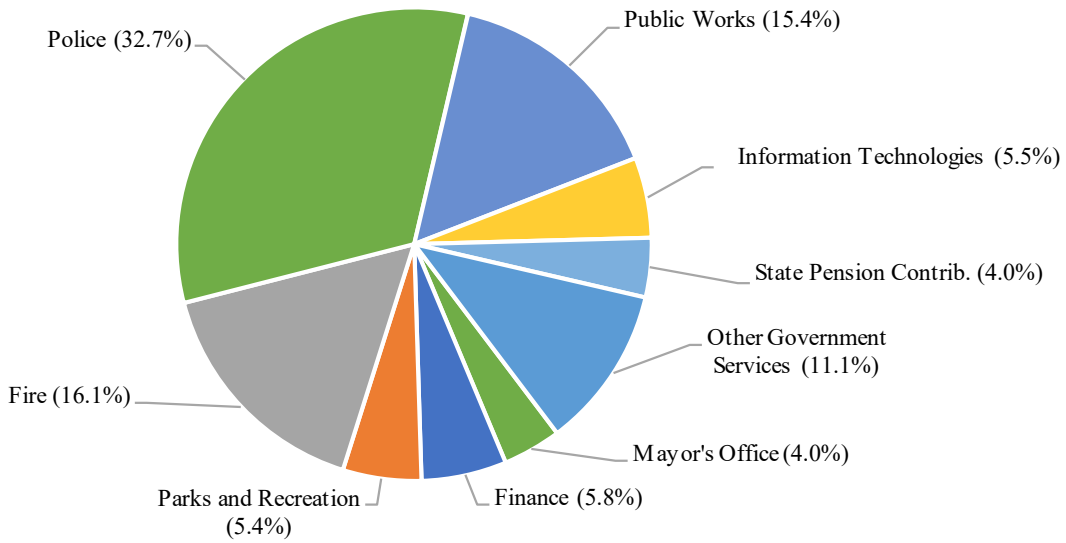
General Fund Revenues
Fiscal Year 2027



Summary of General Fund
Fiscal Year 2027

General Fund Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Mayor's Office	$7,634,001	$8,154,036	$7,732,475	$8,487,826	$755,351	9.8%
City Council	2,454,529	2,881,956	3,259,901	3,295,842	35,941	1.1%
Treasurer	435,036	508,267	523,688	812,918	289,230	55.2%
Land Use and Planning	4,056,003	4,411,596	4,840,840	4,788,144	(52,696)	-1.1%
Audit	962,670	974,791	1,206,579	1,255,604	49,025	4.1%
Law	2,836,167	2,700,595	2,916,199	3,070,485	154,286	5.3%
Finance	9,987,864	10,316,559	11,265,852	12,285,606	1,019,754	9.1%
Human Resources	2,416,393	2,290,021	2,721,423	2,829,294	107,871	4.0%
Licenses and Inspections	3,411,278	3,604,197	3,784,473	4,026,774	242,301	6.4%
Parks and Recreation	10,186,806	11,131,078	11,670,617	11,385,920	(284,697)	-2.4%
Fire	27,188,758	28,381,639	31,115,189	34,325,808	3,210,619	10.3%
Police	62,538,977	68,588,512	67,240,945	69,424,876	2,183,931	3.2%
Public Works	29,925,681	29,842,841	31,118,364	32,832,302	1,713,938	5.5%
Real Estate and Housing	2,385,516	2,561,196	2,678,311	2,792,105	113,794	4.2%
Commerce (Port Debt)	222,717	222,776	217,056	54,167	(162,889)	-75.0%
Information Technologies	9,449,981	10,428,039	11,602,899	11,671,283	68,384	0.6%
State Pension Contrib.	7,609,202	8,605,223	7,220,492	8,605,223	1,384,731	19.2%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
Total Expenditures	**$183,701,579**	**$195,603,322**	**$201,787,303**	**$212,616,177**	**$10,828,874**	**5.4%**

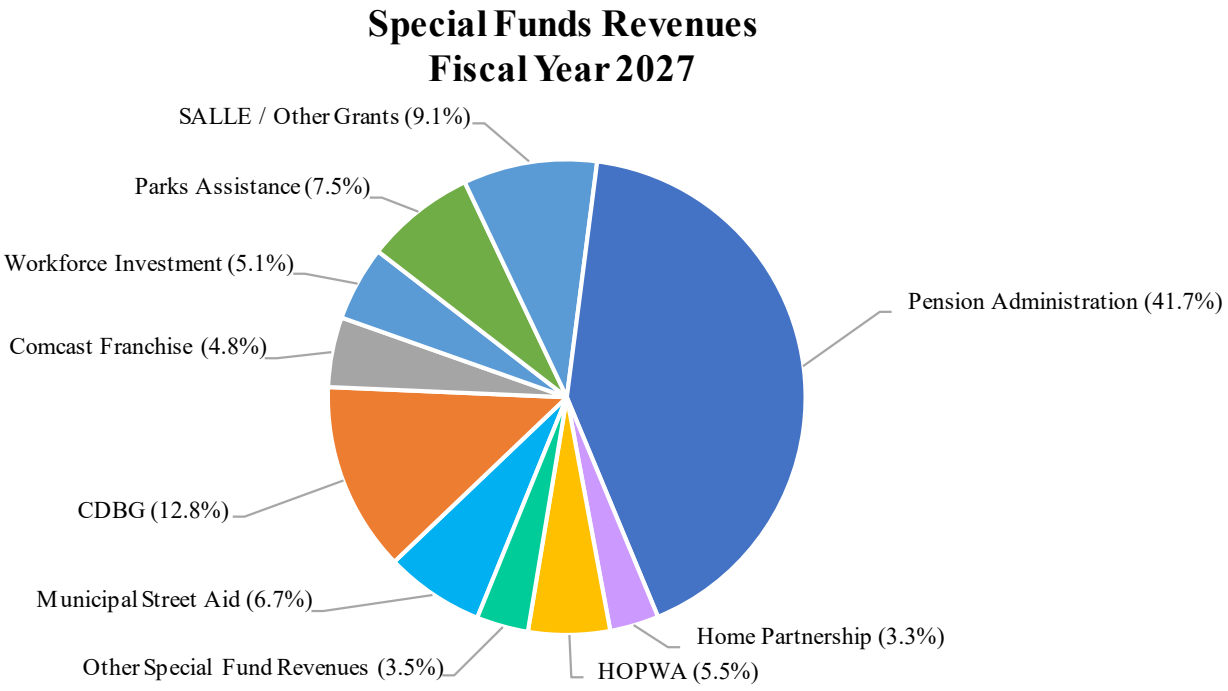
General Fund Expenditures
Fiscal Year 2027



Summary of Special Funds
Fiscal Year 2027

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Municipal Street Aid	$1,740,684	$1,152,077	$1,170,154	$1,157,802	($12,352)	-1.1%
CDBG	1,888,414	1,827,766	2,200,282	2,211,927	11,645	0.5%
Comcast Franchise	827,386	885,795	779,513	820,980	41,467	5.3%
Emergency Shelter	63,286	60,733	197,226	198,976	1,750	0.9%
Workforce Investment	570,702	570,702	874,583	874,583	0	0.0%
Parks Assistance	1,331,094	1,331,094	1,283,478	1,283,478	0	0.0%
Parks Trust Fund	116,476	116,476	118,292	118,292	0	0.0%
SALLE / Other Grants	2,477,281	2,924,110	651,906	1,561,747	909,841	139.6%
Pension Administration	5,863,453	6,284,717	6,816,576	7,185,567	368,991	5.4%
Home Partnership	587,402	607,821	572,519	573,029	510	0.1%
HOPWA	743,122	724,158	951,239	952,084	845	0.1%
Miscellaneous Grants	676,350	256,791	347,299	286,325	(60,974)	-17.6%
Total Revenues	**$16,885,650**	**$16,742,240**	**$15,963,067**	**$17,224,790**	**$1,261,723**	**7.9%**

Special Funds Revenues consist of supplemental revenues derived from non-taxation sources such as Federal and State grants and endowments. The Comcast Franchise fee is a special exemption related to City Council's CATV Fund.

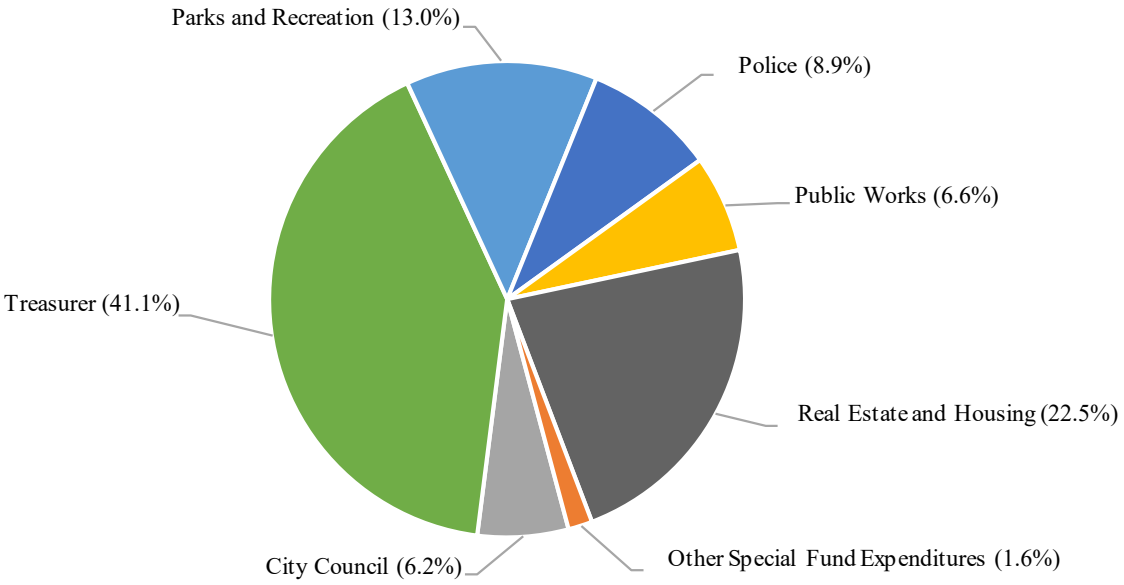


Summary of Special Funds
Fiscal Year 2027

Special Funds Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Mayor's Office	$194,797	$213,486	$149,299	$88,325	($60,974)	-40.8%
City Council	864,135	939,155	1,037,060	1,077,851	40,791	3.9%
Treasurer	5,863,453	6,284,717	6,816,576	7,185,567	368,991	5.4%
Land Use and Planning	98,092	98,092	0	0	0	0.0%
Parks and Recreation	2,018,272	2,018,272	2,276,353	2,276,353	0	0.0%
Fire	438,248	0	198,000	198,000	0	0.0%
Police	2,477,281	2,924,110	651,906	1,561,747	909,841	139.6%
Public Works	1,740,684	1,152,077	1,170,154	1,157,802	(12,352)	-1.1%
Real Estate and Housing	3,227,437	3,165,691	3,921,266	3,936,016	14,750	0.4%
Total Expenditures	**$16,922,399**	**$16,795,600**	**$16,220,614**	**$17,481,661**	**$1,261,047**	**7.8%**

Except in the special case of the CATV Fund in City Council, for these Special Funds total expenditures are equal to total revenues for purposes of appropriation. Therefore, there is no net income, fund balance, or change in fund balance.

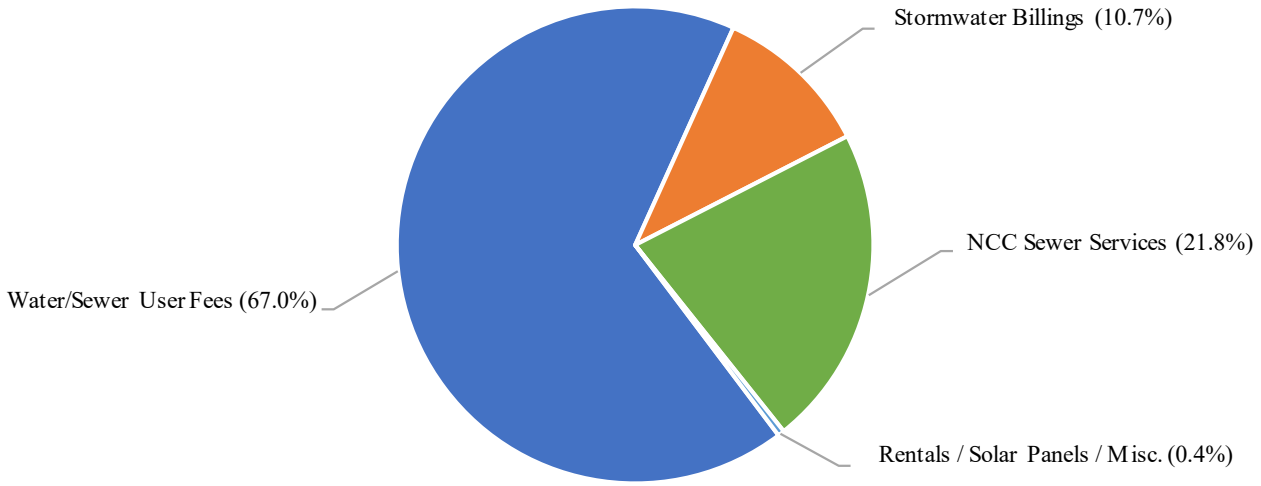
Special Funds Expenditures
Fiscal Year 2027



Summary of Water / Sewer Fund
Fiscal Year 2027

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Water/Sewer User Fees	$66,935,408	$69,839,004	$65,898,968	$70,888,479	$4,989,511	7.6%
Stormwater Billings	3,035,387	9,553,996	10,763,185	11,310,751	547,566	5.1%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Rentals/Miscellaneous	464,635	469,852	453,000	467,000	14,000	3.1%
Solar Panel Revenues	0	0	0	0	0	0.0%
Total Revenues	**$89,276,488**	**$103,508,695**	**$100,026,153**	**$105,729,230**	**$5,703,077**	**5.7%**

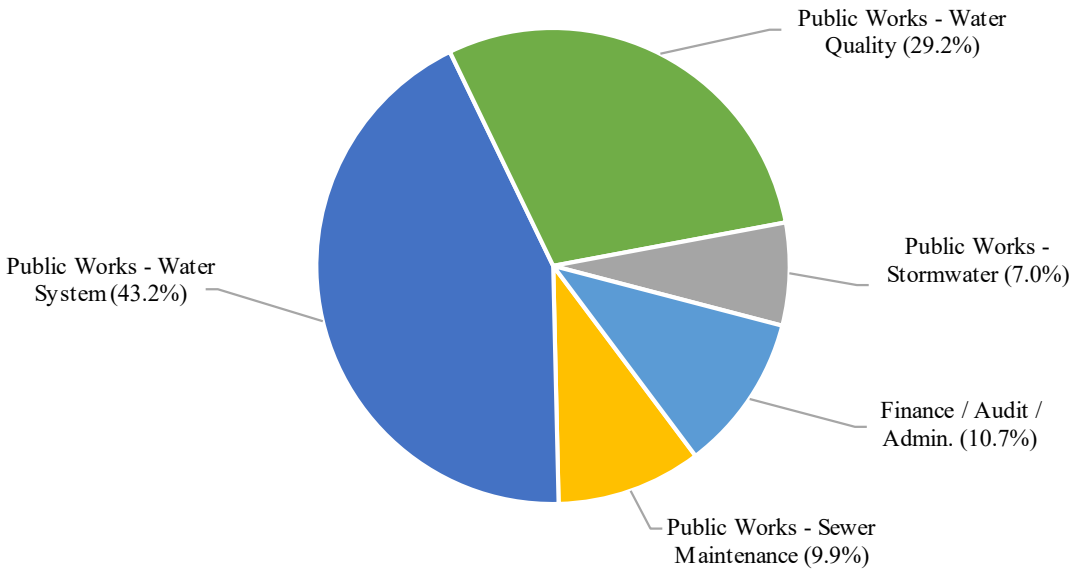
Water/Sewer Fund Revenues
Fiscal Year 2027



Summary of Water / Sewer Fund
Fiscal Year 2027

Water/Sewer Fund Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Audit	$84,308	$85,049	$139,230	$139,442	$212	0.2%
Finance	7,149,386	7,559,354	9,395,278	10,581,764	1,186,486	12.6%
Public Works	81,115,845	83,669,378	85,655,941	89,573,463	3,917,522	4.6%
Total Expenditures	**$88,349,539**	**$91,313,781**	**$95,190,449**	**$100,294,669**	**$5,104,220**	**5.4%**

Water/Sewer Fund Expenditures
Fiscal Year 2027

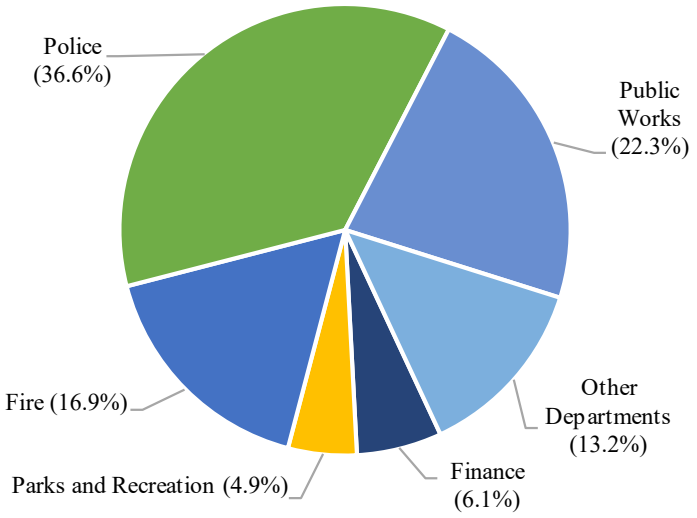


Summary of Internal Service Funds
Fiscal Year 2027

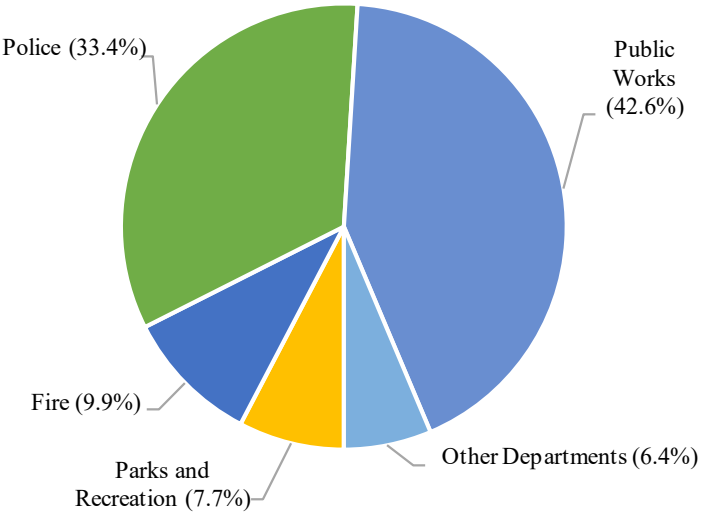
Internal Services Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Human Resources	$33,502,207	$38,617,930	$36,118,429	$39,283,005	$3,164,576	8.8%
Public Works	8,924,368	10,095,593	9,507,349	10,329,687	822,338	8.6%
Total Expenditures	**$42,426,575**	**$48,713,523**	**$45,625,778**	**$49,612,692**	**$3,986,914**	**8.7%**

Primary revenues for the Internal Service Funds are derived from charges to the operating budgets of the various departments. Revenues must meet expenditures at year-end, and therefore no surplus or deficit may result.

HR Self-Insurance Program
FY 2027 Internal Service Charge Allocations

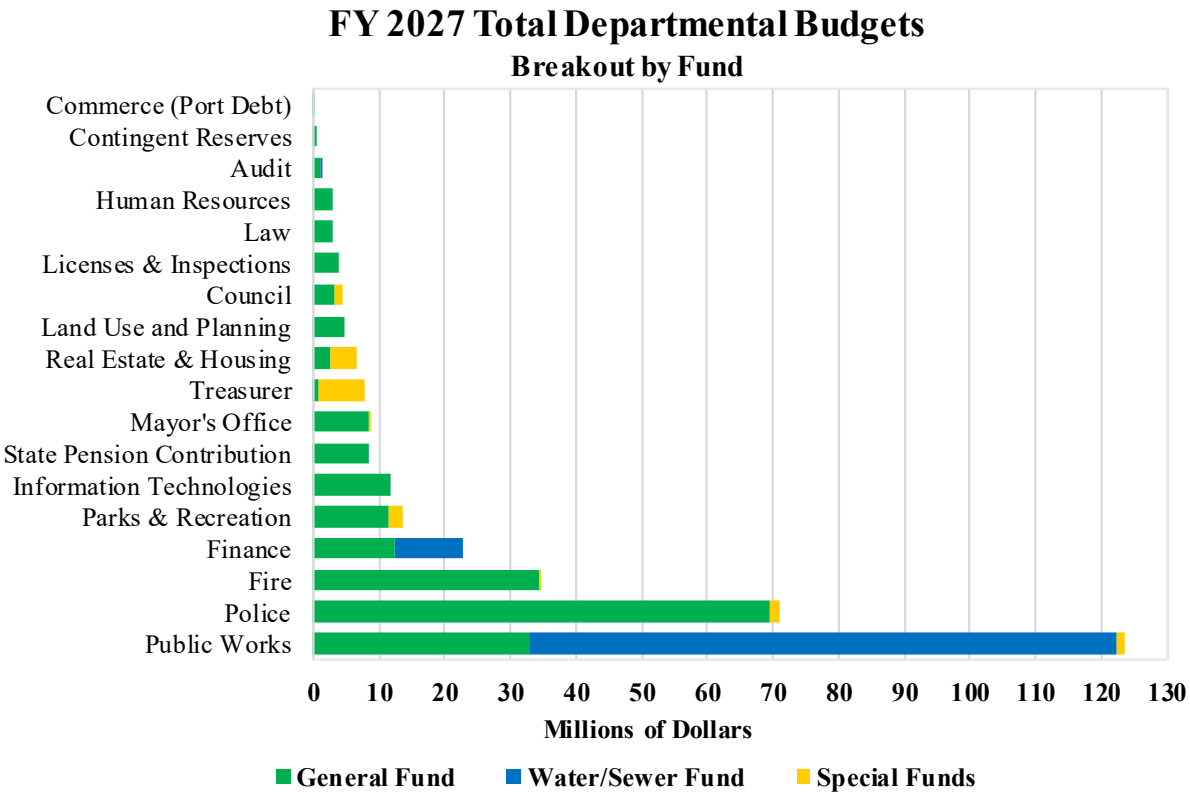


Public Works Motor Vehicle Costs
FY 2027 Internal Service Charge Allocations



Departmental Budgets by Fund
Fiscal Year 2027

Departmental Budgets	General Fund Budget FY 2027	Water/Sewer Fund Budget FY 2027	Special Funds Budget FY 2027	Total Budget All Funds FY 2027
Mayor's Office	$8,487,826	$0	$88,325	$8,576,151
Council	3,295,842	0	1,077,851	4,373,693
Treasurer	812,918	0	7,185,567	7,998,485
Land Use and Planning	4,788,144	0	0	4,788,144
Audit	1,255,604	139,442	0	1,395,046
Law	3,070,485	0	0	3,070,485
Finance	12,285,606	10,581,764	0	22,867,370
Human Resources	2,829,294	0	0	2,829,294
Licenses & Inspections	4,026,774	0	0	4,026,774
Parks & Recreation	11,385,920	0	2,276,353	13,662,273
Fire	34,325,808	0	198,000	34,523,808
Police	69,424,876	0	1,561,747	70,986,623
Public Works	32,832,302	89,573,463	1,157,802	123,563,567
Real Estate & Housing	2,792,105	0	3,936,016	6,728,121
Commerce (Port Debt)	54,167	0	0	54,167
Information Technologies	11,671,283	0	0	11,671,283
State Pension Contribution	8,605,223	0	0	8,605,223
Contingent Reserves	672,000	0	0	672,000
Total Budget	**$212,616,177**	**$100,294,669**	**$17,481,661**	**$330,392,507**



Capital Improvements Program
Fiscal Years 2027 - 2032

Summary: Total Funds Recommended by Fiscal Year and Department

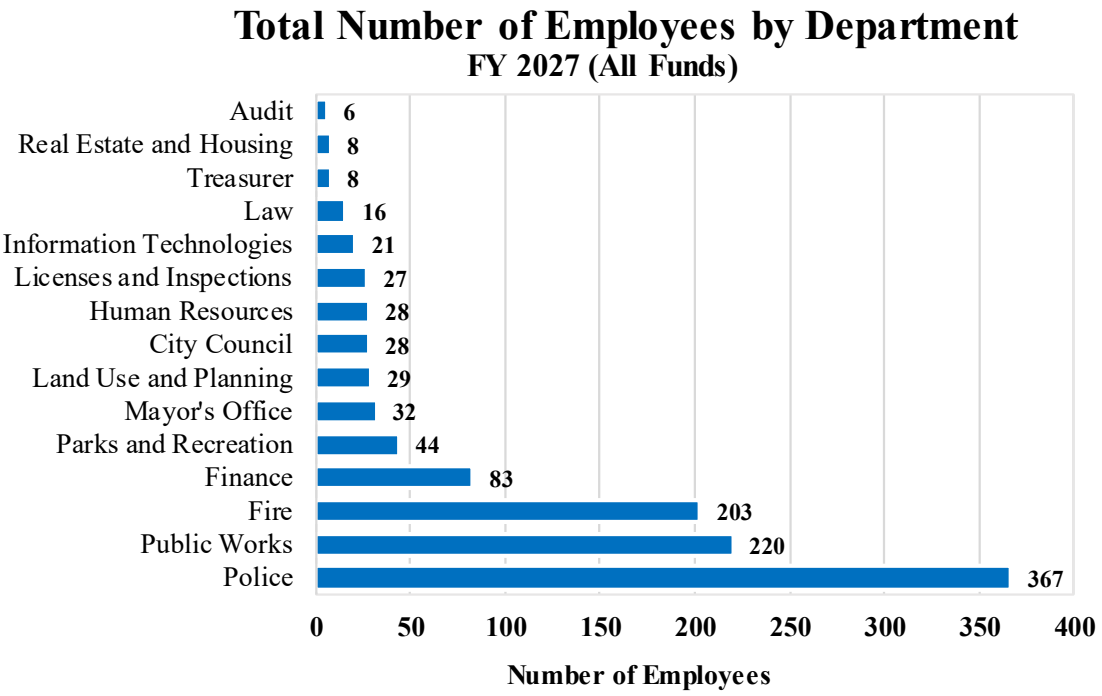
Department	Type of Funding	2027	2028	2029	2030	2031	2032	Total City Funds	Total City / Matching Funds
Finance	G	0	5,467,613	0	429,063	0	6,606,563	12,503,239	12,503,239
	W	0	6,374,487	0	1,450,000	0	7,587,500	15,411,987	15,411,987
Fire	G	0	12,500,000	0	3,500,000	0	5,000,000	21,000,000	21,000,000
Mayor's Office	G	0	2,950,000	0	2,825,000	0	3,025,000	8,800,000	8,800,000
Parks and Recreation	G	0	5,500,000	0	5,500,000	0	12,000,000	23,000,000	23,000,000
Public Works	G	0	16,000,000	0	16,000,000	0	16,000,000	48,000,000	48,000,000
	O	0	30,500,000	0	30,500,000	0	30,500,000	0	91,500,000
	W	0	118,000,000	0	116,000,000	0	121,000,000	355,000,000	355,000,000
Real Estate and Housing	G	0	2,000,000	0	0	0	0	2,000,000	2,000,000
	O	0	500,000	0	0	0	0	0	500,000
Transportation Division (Public Works)	G	0	6,500,000	0	6,500,000	0	6,500,000	19,500,000	19,500,000
	O	0	8,000,000	0	8,000,000	0	8,000,000	0	24,000,000
Total by Fund	**G**	**0**	**50,917,613**	**0**	**34,754,063**	**0**	**49,131,563**	**134,803,239**	**134,803,239**
	O	**0**	**39,000,000**	**0**	**38,500,000**	**0**	**38,500,000**	**0**	**116,000,000**
	W	**0**	**124,374,487**	**0**	**117,450,000**	**0**	**128,587,500**	**370,411,987**	**370,411,987**
Grand Total		**0**	**214,292,100**	**0**	**190,704,063**	**0**	**216,219,063**	**505,215,226**	**621,215,226**

Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

Summary of Staffing Levels
Fiscal Year 2027

Total Number of Employees – All Funds

Department	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Net Change FY'27-'26
Mayor's Office	30.00	30.00	30.00	31.00	32.00	1.00
City Council	27.00	27.00	27.00	29.00	28.00	(1.00)
Treasurer	7.00	7.00	7.00	7.00	8.00	1.00
Land Use and Planning	26.00	26.00	26.00	28.00	29.00	1.00
Audit	5.00	5.00	5.00	6.00	6.00	0.00
Law	17.00	17.00	17.00	16.00	16.00	0.00
Finance	81.00	84.00	83.00	84.00	83.00	(1.00)
Human Resources	26.00	26.00	27.00	28.00	28.00	0.00
Licenses and Inspections	26.00	26.00	26.00	26.00	27.00	1.00
Parks and Recreation	40.00	41.00	41.00	40.00	44.00	4.00
Fire	160.00	160.00	160.00	191.00	203.00	12.00
Police	373.00	374.00	366.00	367.00	367.00	0.00
Public Works	224.00	225.00	222.00	219.00	220.00	1.00
Real Estate and Housing	10.00	10.00	10.00	8.00	8.00	0.00
Information Technologies	21.00	21.00	21.00	21.00	21.00	0.00
Total	**1,073.00**	**1,079.00**	**1,068.00**	**1,101.00**	**1,120.00**	**19.00**
Total Employees per 1,000 City Residents	**15.14**	**15.22**	**15.06**	**15.38**	**15.31**	**(0.08)**



Nearly 73% (or 817) of the City's employees work to provide Public Safety (Police, Fire, L&I) and Public Works services.

Summary of Staffing Levels
Fiscal Year 2027

Total Number of Employees - General Fund

Department	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Net Change FY'27-'26
Mayor's Office	29.50	29.50	29.50	30.00	31.00	1.00
City Council	19.65	19.65	19.65	21.90	21.90	0.00
Treasurer	3.00	3.00	3.00	3.00	3.50	0.50
Land Use and Planning	25.55	26.00	26.00	28.00	29.00	1.00
Audit	5.00	5.00	5.00	6.00	6.00	0.00
Law	17.00	17.00	17.00	16.00	16.00	0.00
Finance	55.40	56.60	54.80	55.15	55.15	0.00
Human Resources	16.60	16.60	17.10	17.10	17.10	0.00
Licenses and Inspections	26.00	26.00	26.00	26.00	27.00	1.00
Parks and Recreation	39.60	40.60	39.60	38.60	42.60	4.00
Fire	160.00	160.00	160.00	191.00	203.00	12.00
Police	365.00	366.00	358.00	361.00	361.00	0.00
Public Works	120.05	120.05	117.55	114.55	115.05	0.50
Real Estate and Housing	2.38	2.15	2.20	2.00	2.00	0.00
Information Technologies	21.00	21.00	21.00	21.00	21.00	0.00
Total	**905.73**	**909.15**	**896.40**	**931.30**	**951.30**	**20.00**

Total Number of Employees – Water / Sewer Fund

Department	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Net Change FY'27-'26
Finance	25.60	27.40	28.20	28.85	27.85	(1.00)
Public Works	103.95	104.95	104.45	104.45	104.95	0.50
Total	**129.55**	**132.35**	**132.65**	**133.30**	**132.80**	**(0.50)**

Total Number of Employees – Special Funds

Department	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Net Change FY'27-'26
Mayor's Office	0.50	0.50	0.50	1.00	1.00	0.00
City Council	7.35	7.35	7.35	7.10	6.10	(1.00)
Treasurer	4.00	4.00	4.00	4.00	4.50	0.50
Land Use and Planning	0.45	0.00	0.00	0.00	0.00	0.00
Parks and Recreation	0.40	0.40	1.40	1.40	1.40	0.00
Police	8.00	8.00	8.00	6.00	6.00	0.00
Real Estate and Housing	7.62	7.85	7.80	6.00	6.00	0.00
Total	**28.32**	**28.10**	**29.05**	**25.50**	**25.00**	**(0.50)**

Summary of Staffing Levels
Fiscal Year 2027

Total Number of Employees – Internal Service Funds

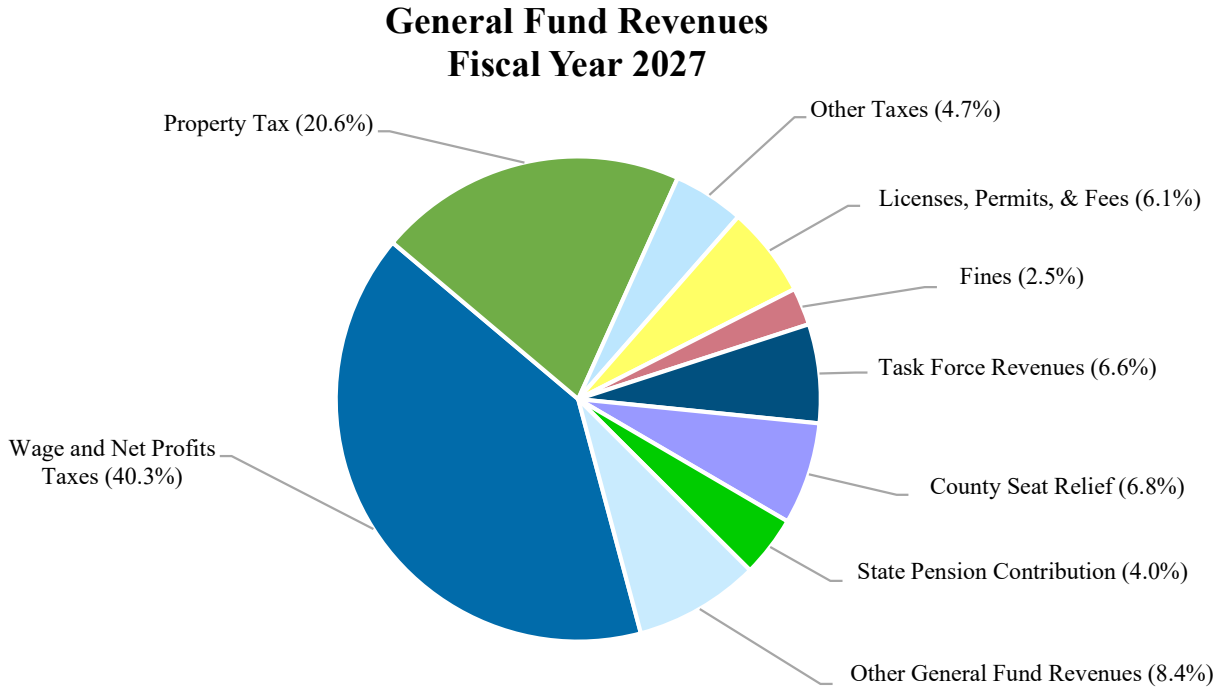
Department	Budget FY 2023	Budget FY 2024	Budget FY 2025	Budget FY 2026	Budget FY 2027	Net Change FY'27-'26
Human Resources	9.40	9.40	9.90	10.90	10.90	0.00
Total	**9.40**	**9.40**	**9.90**	**10.90**	**10.90**	**0.00**

General Fund Revenues
Fiscal Year 2027

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Wage and Net Profits Taxes	$81,030,509	$77,568,519	$84,000,012	$85,700,278	$1,700,266	2.0%
Property Tax	45,653,504	45,521,404	45,373,913	43,788,030	(1,585,883)	-3.5%
Other Taxes	9,229,970	10,920,948	9,442,550	10,052,115	609,565	6.5%
Licenses, Permits, & Fees	7,692,115	9,514,627	9,891,119	12,875,635	2,984,516	30.2%
Fines	7,939,595	4,587,134	7,346,322	5,320,635	(2,025,687)	-27.6%
Interest	9,918,184	7,801,443	5,206,000	4,976,736	(229,264)	-4.4%
Other Revenues	10,054,096	11,705,021	10,380,146	10,874,657	494,511	4.8%
Task Force Revenues	11,929,072	13,368,838	12,408,649	14,012,079	1,603,430	12.9%
County Seat Relief	12,662,664	13,558,855	12,943,173	14,483,583	1,540,410	11.9%
State Pension Contribution	7,609,202	8,605,223	7,220,492	8,605,223	1,384,731	19.2%
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Use of Fund Balance	0	0	0	1,652,206	1,652,206	N/A
Total Revenues	**$203,993,911**	**$203,427,012**	**$204,487,376**	**$212,616,177**	**$8,128,801**	**4.0%**

Total General Fund revenue (including transfers) is budgeted at **$212,616,177**, a net increase of $8.1 million, or 4.0%, above the FY 2026 budget. As the operating budget must be balanced per the City charter, FY 2027 includes a one-time use of nearly $1.7 million from the General Fund's Tax Stabilization Reserve. This is sufficient to cover the projected revenue shortfall, based on projected revenues net of the proposed General Fund expenditures of $212.6 million. Exclusive of this use of the Tax Stabilization Reserve, total General Fund revenues would be **$210,963,971**, a net increase of $6.5 million, or 3.2%, above the FY 2026 budget.

The net change by revenue category is discussed in detail below.



General Fund Revenues
Fiscal Year 2027

WAGE AND NET PROFITS TAXES

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Wage and Net Profits Taxes	$81,030,509	$77,568,519	$84,000,012	$85,700,278	$1,700,266	2.0%

* Relative to FY 2026 budget.

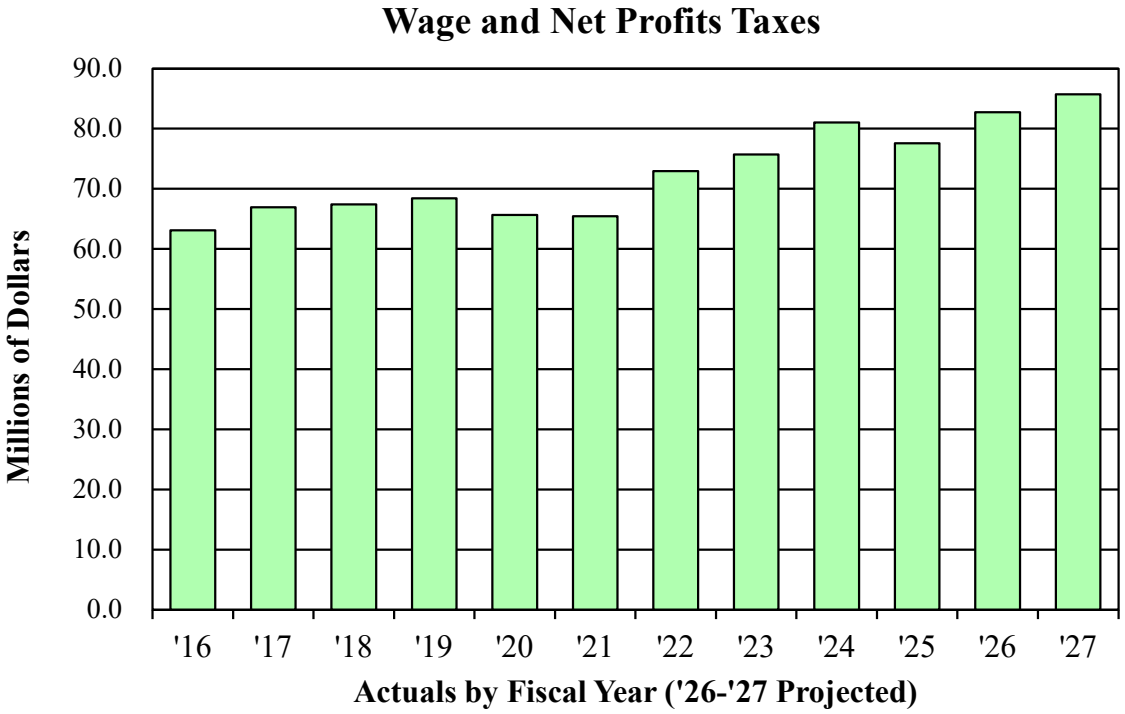
Basis: Projected growth of local economy / wage inflation / corporate bonus compensation / refund losses
Critical Assumptions: Relative to the FY 2026 budget, Wage and Net Profits Taxes are expected to increase by $1.7 million to a new total of $85.7 million.

Wage Tax makes up $76.8 million of this category and is projected to grow by almost $1.6 million (or 2.1%) compared to the FY 2026 budget, and by nearly $2.8 million (or 3.8%) relative to the FY 2026 Q2 WEFAC projection. This revenue is derived from a 1.25% tax on the gross earned income of city residents, as well as the gross earned income of non-residents working within city limits. The Wage Tax rate is controlled by the Delaware General Assembly, and cannot be adjusted by the City.

Increased employee compensation is projected to result in 4.0% growth in taxable wages, expanding Wage Tax revenues by $2.9 million. This is built on a FY 2026 base of just under $74.0 million (per the FY 2026 Q2 projected revenues), which is $1.4 million down from the FY 2026 budget. For comparison, the December 14, 2025, Delaware Economic and Financial Advisory Council (DEFAC) projection for FY 2027 Delaware salaries and wages growth is 5.0%; we have reduced this to reflect the lower growth rates historically experienced by the City. Adding to this, known employment growth in the City is expected to result in approximately $438,000 in Wage Tax revenue. Partially offsetting these increases is a $173,000 reduction in collections, better reflecting actual collection efforts.

Net Profits revenue is derived from a 1.25% tax on the net profits of business partnerships, professional associations, and limited liability corporations. Like the Wage Tax, this rate is set by the Delaware General Assembly and is not controlled by the City. As the majority of Net Profits revenues are not booked until Q3, the FY 2025 unaudited actuals (excluding a one-time $508,000 accounting adjustment) were used as the basis for the FY 2027 budget of $8.9 million.

WAGE AND NET PROFITS TAXES (Continued)



General Fund Revenues
Fiscal Year 2027

PROPERTY TAX

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Property Tax	$45,653,504	$45,521,404	$45,373,913	$43,788,030	($1,585,883)	-3.5%

* Relative to FY 2026 budget.

Basis: Assessment rolls

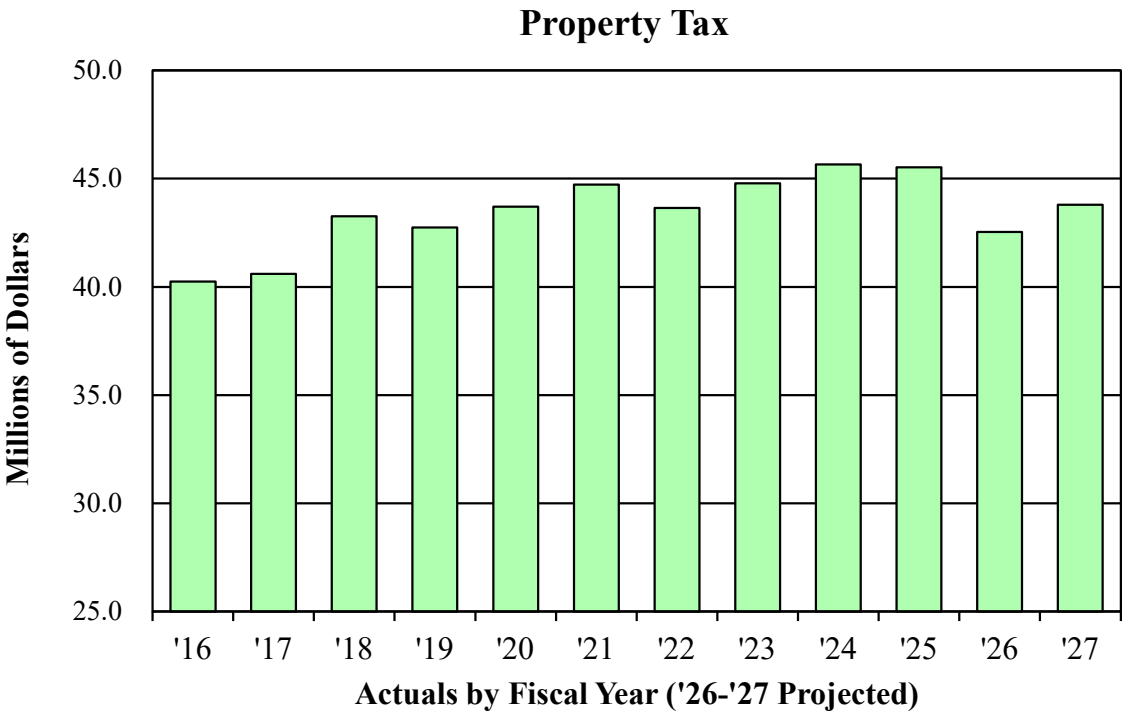
Critical Assumptions: The Property Tax is the City of Wilmington's second-largest revenue source, and the single largest revenue source with a tax rate directly controlled by the Mayor and City Council. FY 2027 Property Tax revenues are projected to total $43.8 million, a decrease of nearly $1.6 million (or 3.5%) from the FY 2026 budget. There is no proposed change to the either the residential rate of 3.7413 mills ($3.7413 per $1,000 of assessed value) or the non-residential rate of 5.8276 mills ($5.8276 per $1,000 of assessed value).

In FY 2025, New Castle County undertook a countywide property reassessment, the first total reassessment since 1983. (Previously, assessments on properties, including new properties, had been adjusted to, and reported in, 1983 dollars.) At the time of the approval of the FY 2026 budget, New Castle County provided assessed values of $13.3 billion, or $9.9 billion after exempt properties were excluded. Subsequent to this, property owners were given several months to appeal their assessments to New Castle County. As of February 2026, these appeals have reduced the total assessed value to $12.9 billion, or $9.6 billion after exempt properties are excluded; at the current property tax rates this is equivalent to a revenue loss of approximately $770,000 relative to the FY 2026 budget.

Beyond this, more than 900 additional properties currently have outstanding appeals filed with New Castle County. As the County has yet to stipulate revised assessments for nearly 80% of these properties, the exact revenue impact is unknown. However, given that the County has rejected very few appeal requests, we expect that most of these outstanding appeals will be approved. Assuming the outstanding properties receive percentage reductions similar to those properties that have been approved, we expect additional revenue losses of approximately $957,000. Combined with the known appeals described above, this results in net appeals losses of over $1.7 million; this is equivalent to a nearly 4.0% increase in both the residential and non-residential property tax rates.

The budget also includes a reduction of $257,000 for projected additional exemptions, partially offset by an additional $53,000 due to the expiration of existing tax incentives. The usual 2.0% allowance for bad debt further reduces revenue by $865,000. Lastly, one-time revenue from Penalty and Interest (which was waived in FY 2026) is expected to be $1.4 million, which is up $80,000 from the FY 2026 budget, and consistent with historical trends.

General Fund Revenues
Fiscal Year 2027



General Fund Revenues
Fiscal Year 2027

OTHER TAXES

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Other Taxes	$9,229,970	$10,920,948	$9,442,550	$10,052,115	$609,565	6.5%

* Relative to FY 2026 budget.

Basis: Trend analysis / growth of local economy
Critical Assumptions: Other Taxes are projected to increase by nearly $610,000 in FY 2027 relative to the prior-year budget. This includes the following:

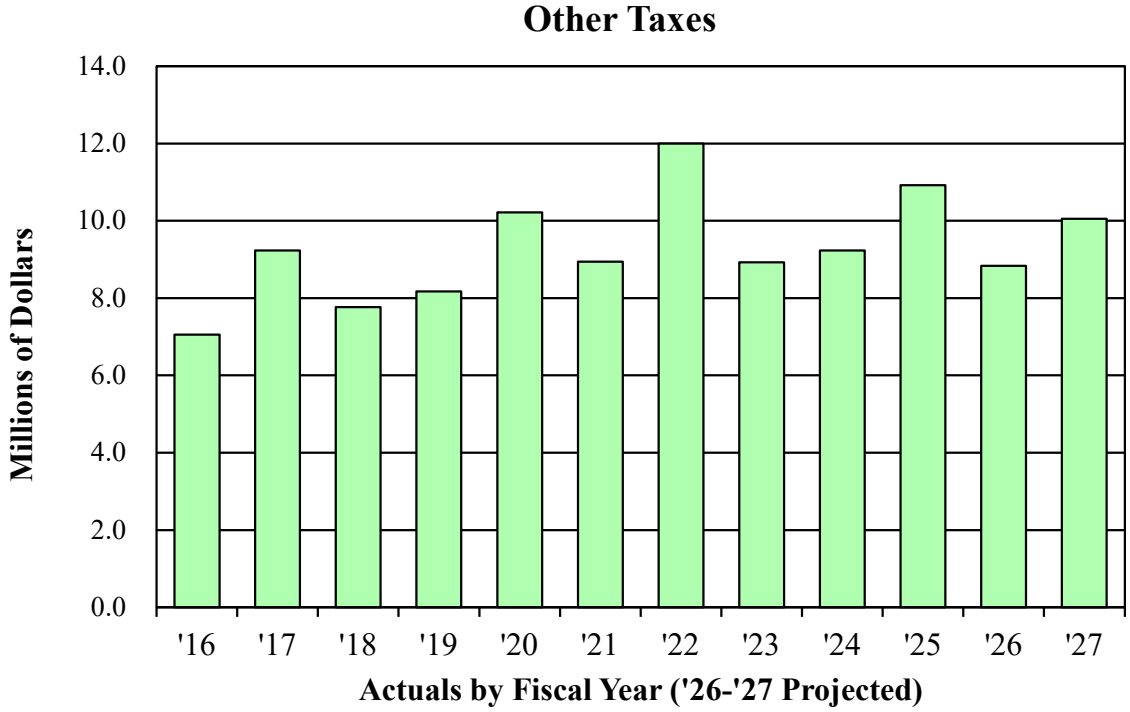
Franchise Fees consists of 2% of the gross revenues from Delmarva Power electricity sales in the City (as Delmarva is the sole electricity distributor). This is projected to be $905,000 in FY 2027, up slightly from FY 2026 and consistent with the FY 2025 actual.

Head Tax revenues are derived from a tax paid by businesses based on the number of individuals they employ, with businesses paying $15.00 per month for each employee above an exempted base of five. For FY 2027, revenues are projected to increase by nearly $192,000, to a new total of $3.2 million. This is equal to the FY 2026 Q2 WEFAC projection, reflecting the resumption of payments by a major employer after several years of nonpayment.

Real Estate Transfer (Residential) revenues are derived from a 1.5% tax on the selling price of residential real estate sales in the city. Even as residential transfer revenue has declined from its peak in FY 2022, it has remained larger than pre-COVID levels, with FY 2025 actuals of nearly $4.0 million, and FY 2026 trending to greater than $4.2 million. For FY 2027, revenues are projected to be $4.2 million, an increase of nearly $405,000 relative to the FY 2026 budget (and flat relative to the Q2 WEFAC projection). This is based on a residential real estate transfer regression model, which includes modest housing price growth and declines in mortgage rates, net of a one standard deviation reduction.

Real Estate Transfer (Commercial) revenues are derived from a 1.5% tax on the selling price of non-residential real estate sales in the city. Commercial transfers remained strong from FY 2023 through FY 2025, averaging over $1.7 million a year. Revenues have slowed significantly during the first half of FY 2026, though commercial transfers tend to be inconsistent throughout the year (and lower-than-average revenues in an individual quarter are not unexpected). Consequently, the FY 2027 budget of $1.7 million reflects a return to historically normal revenues.

OTHER TAXES (Continued)



General Fund Revenues
Fiscal Year 2027

LICENSES, PERMITS, AND FEES

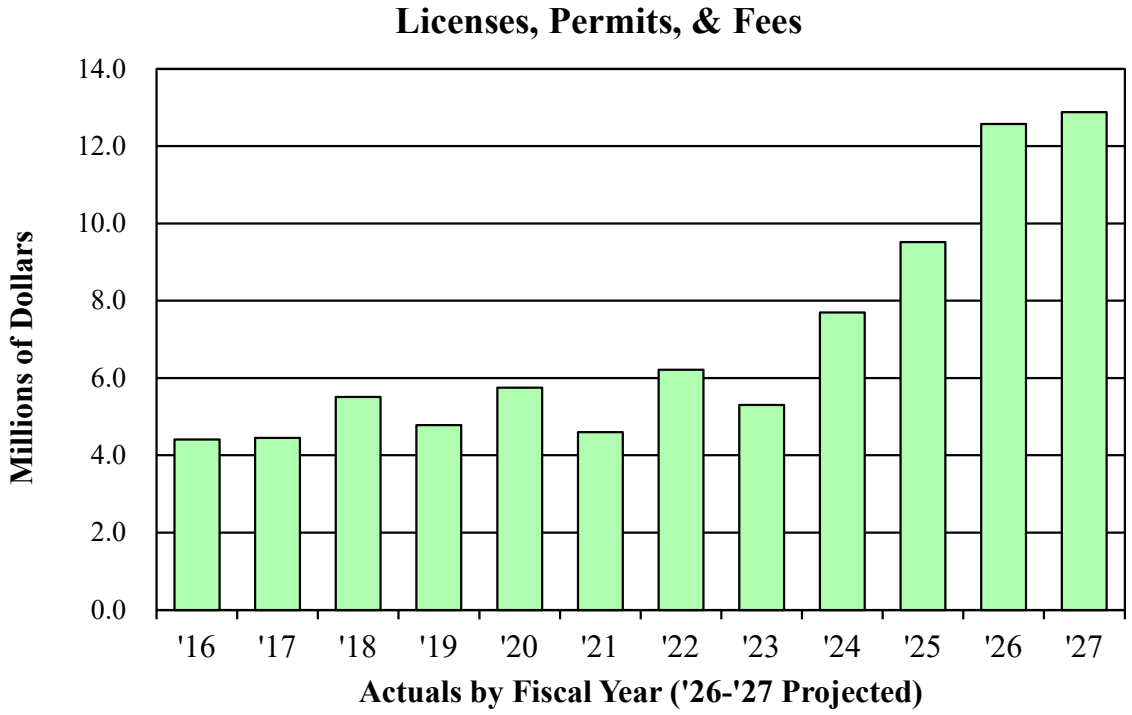
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Licenses, Permits, & Fees	$7,692,115	$9,514,627	$9,891,119	$12,875,635	$2,984,516	30.2%

* Relative to FY 2026 budget.

Basis: Trend analysis / growth of local economy

Critical Assumptions: In total, Licenses, Permits, & Fees revenues are up nearly $3.0 million compared to the FY 2026 budget. Business License revenues (derived from licenses obtained by businesses wishing to operate in the city) are projected to increase by $278,000, to a new total of nearly $3.5 million, driven in large part by improved Licenses and Inspections enforcement efforts. Conversely, Permit revenues are projected to be down $136,000 relative to last year's budget, reflecting a return to historically average levels. Fees revenues (sourced from a variety of charges, including parking meter fees and utility street cut fees) are projected to rise $82,000 relative to the FY 2026 budget, and $18,000 from the Q2 FY 2025 WEFAC year-end projection. This increase is mainly due to Parking Meter fees and Property Maintenance fees, which are trending slightly higher than budget.

Finally, with the Wilmington Fire Department taking EMS operations (previously provided by Trinity Health) in-house, the City has begun billing for EMS services. Based on data provided by Speclin, the City's EMS billing contractor, FY 2026 revenues are expected to reach nearly $4.8 million (or $2.3 million higher than the FY 2026 budget, which was conservatively based on revenue data from Trinty Health). Given that the City now has additional experience with EMS operations and billing, and is fully certified to bill Medicare, Medicaid, and commercial insurers, Speclin projects that EMS revenues will grow to nearly $5.3 million in FY 2027, a $2.8 million increase from the FY 2026 budget, and a $437,000 increase from the Q2 FY 2026 WEFAC projection.



General Fund Revenues
Fiscal Year 2027

FINES

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Fines	$7,939,595	$4,587,134	$7,346,322	$5,320,635	($2,025,687)	-27.6%

* Relative to FY 2026 budget.

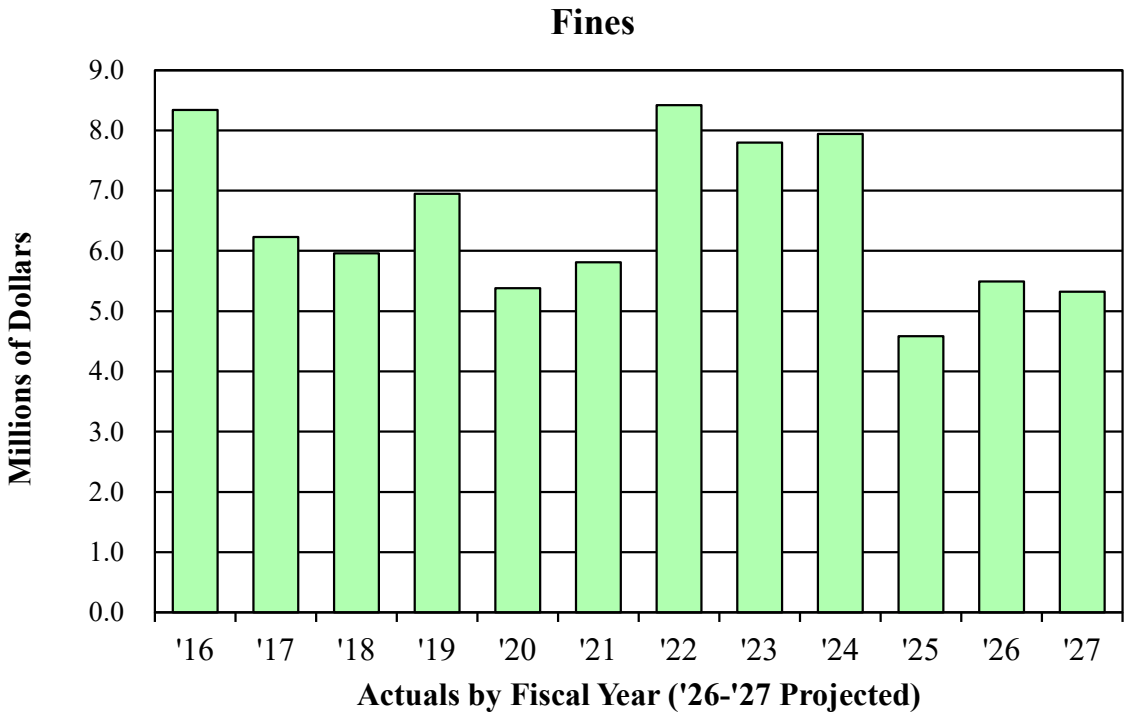
Basis: Trend analysis
Critical Assumptions: Fines are projected to total $5.3 million, which is $2.0 million down from the FY 2026 budget, and $174,000 down from the Q2 FY 2026 WEFAC projection. This consists of the following:

Criminal / Instant Ticket revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program (which involves L&I inspectors issuing tickets for violations of the City's sanitation codes). Criminal Fines are budgeted to decrease by $18,000, based on Q2 FY 2026 WEFAC projections. Conversely, Instant Ticket revenues are projected to increase by nearly $213,000. This is based on historically average instant ticket revenues plus approximately $180,000 in L&I civil penalties revenues (which were previously included in the category of "Miscellaneous Revenues" and were unbudgeted in FY 2026).

Red Light revenues are derived from the City's Red Light Camera Safety Program, which issues citations to drivers who fail to stop at red lights in the city. In total, revenues are projected to be $2.0 million, which is down $2.2 million from the FY 2025 budget and $313,000 from the Q2 FY 2026 WEFAC projection. This is 54% down from the pre- FY 2025 average of $4.4 million, and continues the lower-than-expected revenues seen in both FY 2025 and FY 2026. Finance believes these reduced revenues are the result of a larger-than-normal number of cameras being offline, and does not expect to see this issue resolved in FY 2027. Revenue losses from tickets not being issued in FY 2025 and FY 2026 will continue into the next several years, as roughly half of tickets are paid a year or more after being issued. For FY 2027, this is projected to result in an additional collections loss of $313,000 relative to FY 2026.

Parking revenues are derived from fines from parking violations and booting fees, and are projected to be nearly $2.7 million, down just slightly from the FY 2026 budget. This is equal to the Q2 FY 2026 WEFAC year-end projection, and roughly consistent with the FY 2025 actual (which would have been approximately $2.8 million exclusive of one-time adjustments to accounts receivable).

FINES (Continued)



General Fund Revenues
Fiscal Year 2027

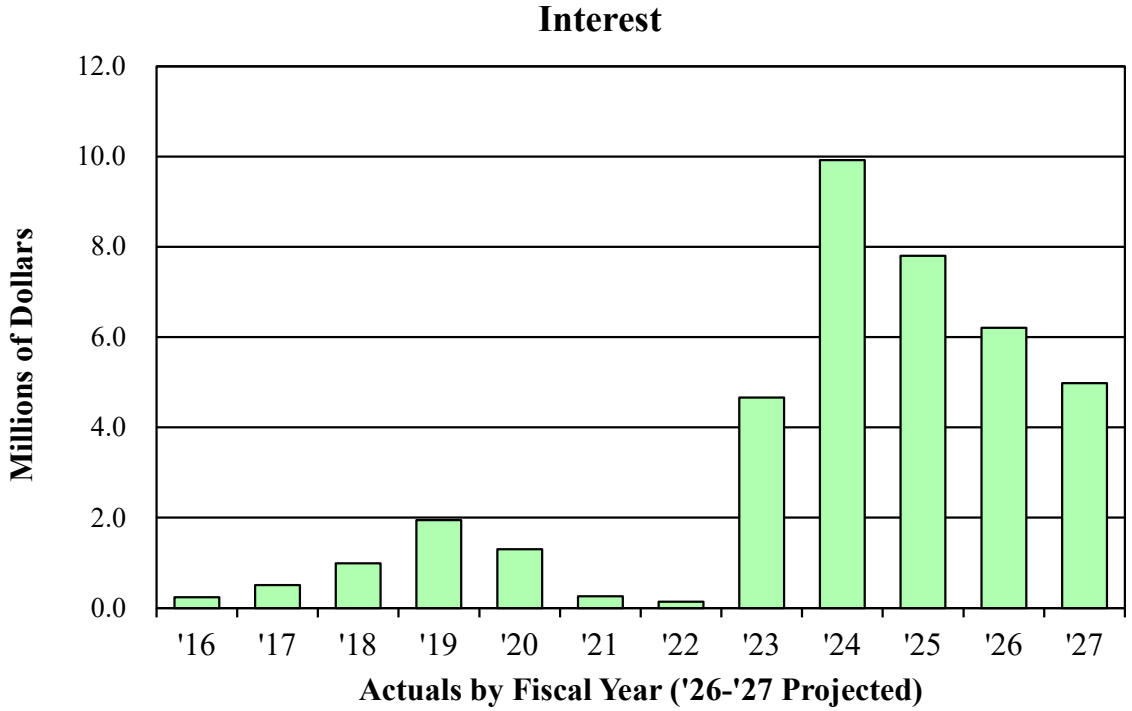
INTEREST

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Interest	$9,918,184	$7,801,443	$5,206,000	$4,976,736	($229,264)	-4.4%

* Relative to FY 2026 budget.

Basis: Trend analysis / interest rate projections / bond issuance
Critical Assumptions: By investing in CDs and interest-bearing checking accounts, the City earns interest on its cash balances. The FY 2026 budget of $5.2 million was based on an annualized earnings rate of approximately 3.3%, which assumed that the Federal Reserve would undertake several rate reductions during the course of the year. As of the end of Q2 FY 2026, the annualized average rate on investments is better than budgeted, at 3.8%, for a projected FY 2026 year end actual of $6.2 million.

Rates are expected to decline in FY 2027, resulting in an FY 2027 projected average rate of approximately 3.16%, based on interest estimates from the Federal Reserve. When combined with additional reductions to the City's fund balances as the City spends down the proceeds of the FY 2026 Q2 capital borrowing, FY 2027 interest earnings are projected to be slightly below $5.0 million. This is $229,000 down from the FY 2026 budget, and $1.2 million down from the Q2 FY 2026 WEFAC year-end projection.



General Fund Revenues
Fiscal Year 2027

OTHER REVENUES

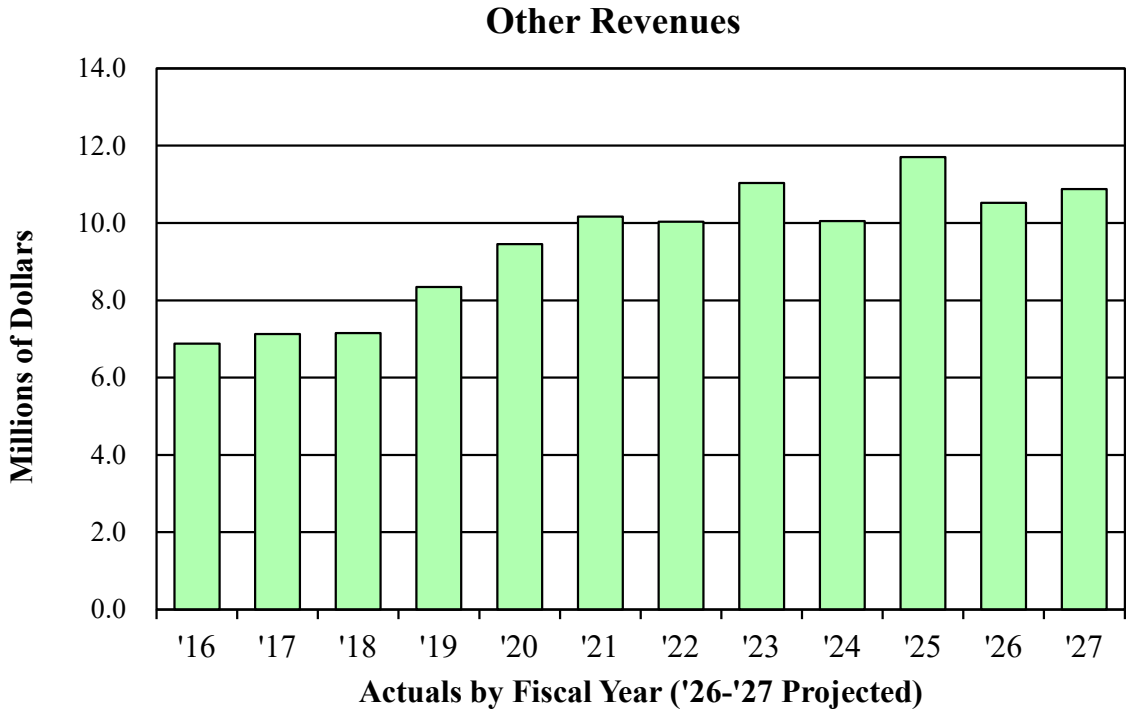
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Other Revenues	$10,054,096	$11,705,021	$10,380,146	$10,874,657	$494,511	4.8%

* Relative to FY 2026 budget.

Basis: Trend analysis / contracts

Critical Assumptions: Other Revenues is comprised of Rentals, General Government Charges, Indirect Costs, and other miscellaneous revenues. In total, this category is projected to be up a net $495,000 from the FY 2026 budget. Rentals and Concessions are projected to remain flat, while General Government Charges (which includes a variety of fees and charges, such as vacant property registrations) are projected to decrease by $54,000 relative to the FY 2026 budget, with this decrease spread across a number of smaller revenue lines, including false alarm reduction fees, sales of accident forms, and court costs.

Finally, Indirect Costs, which are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of the water, sewer, and stormwater utilities, are budgeted to increase by $549,000 relative to FY 2026, based on the Black & Veatch indirect costs model.



General Fund Revenues
Fiscal Year 2027

TASK FORCE REVENUES

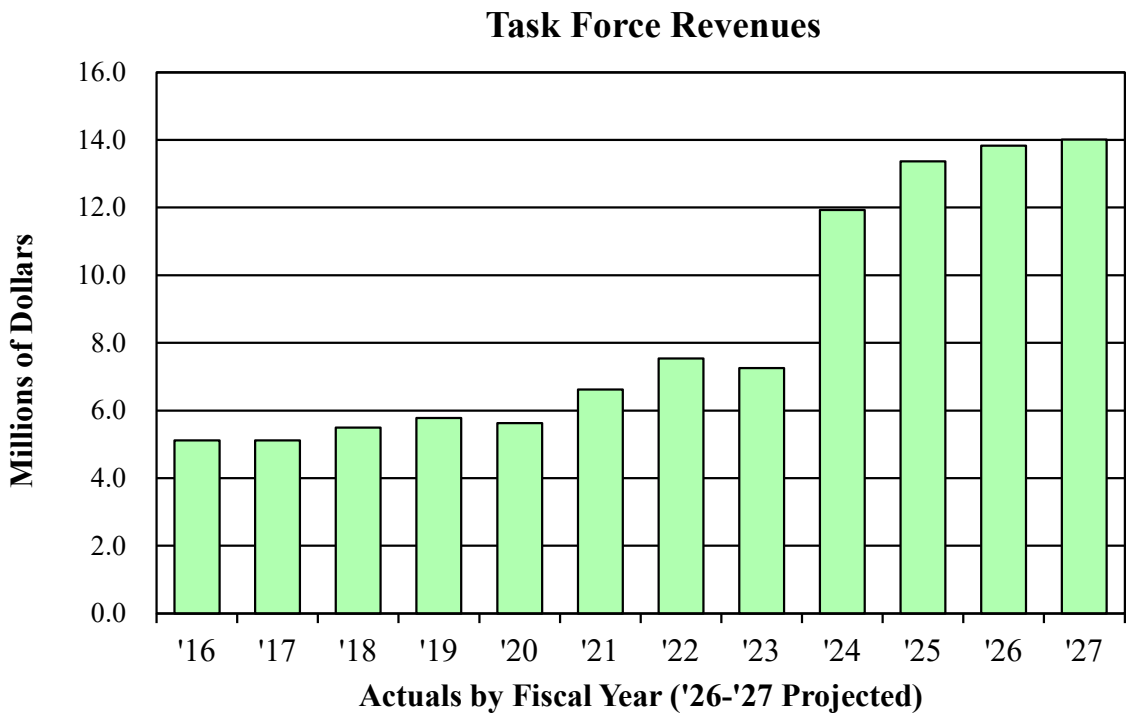
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Task Force Revenues	$11,929,072	$13,368,838	$12,408,649	$14,012,079	$1,603,430	12.9%

* Relative to FY 2026 budget.

Basis: Estimates from State of Delaware / trend analysis / State agreements
Critical Assumptions: Task Force Revenues are the revenue sources that were created as a result of the Governor's Task Force, which took effect in FY 2004. As a result, each county seat in the state (which includes Wilmington, as the county seat of New Castle County) receives the revenue derived from the State filing fee for corporations and limited liability companies (LLC). The State also passed enabling legislation that allowed the City to create a 2% Lodging Tax and a 2% Natural Gas Franchise Fee on gross sales of natural gas in the City. In total, Task Force Revenues are projected to be $14.0 million, which is up $1.6 million from the FY 2026 budget, and nearly $183,000 up from the Q2 FY 2026 WEFAC projection.

The largest Task Force revenues, Corporate Filling Tax and the LLC Filing Tax, are projected to see budget-to-budget increases of $516,000 and $804,000 respectively; this is up $89,000 and $136,000 from the Q2 FY 2025 WEFAC projection, reflecting the stronger-than-expected revenues seen both before, and after, the Q2 WEFAC meeting. This level of revenue is budgeted to continue into FY 2027, though no additional growth is expected, as DEFAC projects these revenues to be flat (or nearly flat) in FY 2027.

In addition, Lodging Tax is projected to increase by $207,000 relative to budget, based on historical trends; this is consistent with the FY 2024 and FY 2025 actuals, along with the Q2 FY 2026 WEFAC projection, all of which were greater than $1.0 million. Finally, Natural Gas Tax is projected to increase by $76,000 relative to the FY 2026 budget, based on historical averages.



General Fund Revenues
Fiscal Year 2027

COUNTY SEAT RELIEF PACKAGE

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
County Seat Relief	$12,662,664	$13,558,855	$12,943,173	$14,483,583	$1,540,410	11.9%

* Relative to FY 2026 budget.

Basis: Estimates from State of Delaware / trend analysis

Critical Assumptions: The County Seat Relief Package is a bundle of escalating revenue enhancements, first received by the City in FY 2007. These revenues built upon the Governor's Task Force and were intended to provide further diversification to support the three county seats in the State of Delaware. The FY 2027 projection totals a combined $14.5 million, up $1.5 million from the FY 2026 budget, and $278,000 from the Q2 FY 2026 WEFAC projection. Three of the component revenues are passthroughs of State and County corporate filing fees:

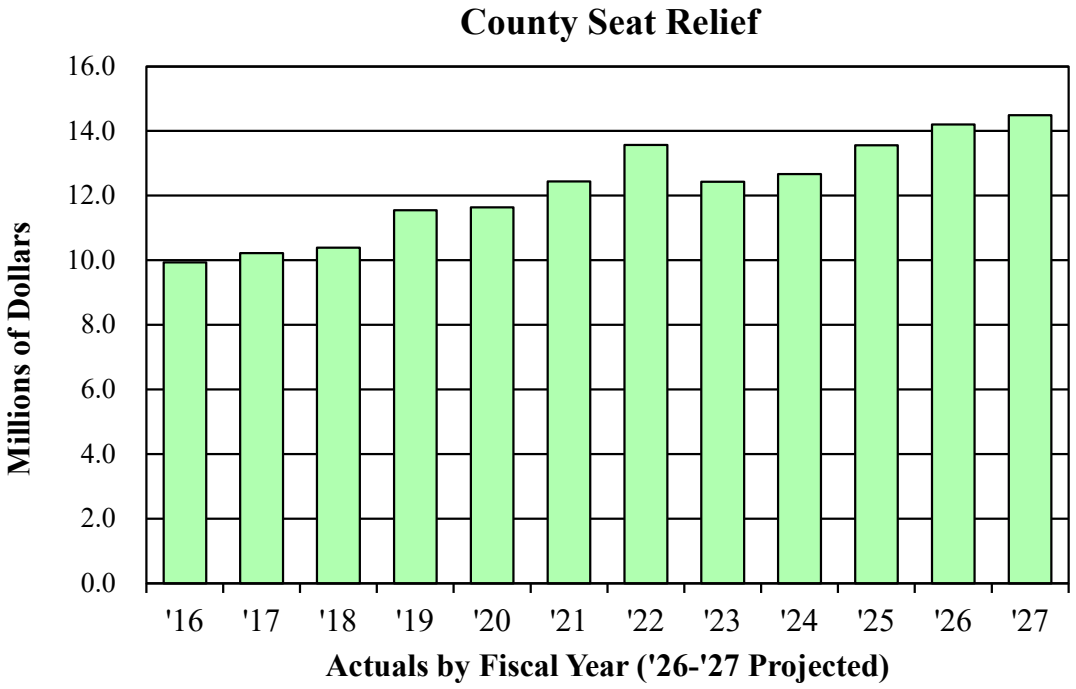
Statutory Trust Filing Fees, which are capped at $1.0 million, and unchanged from prior years.

New Castle County Corporate Filing Fees are projected to be up $310,000 relative to the FY 2026 budget and $82,000 relative to the Q2 FY 2026 WEFAC projection, reflecting the stronger-than-expected revenues seen during FY 2026. This level of revenue is budgeted to continue into FY 2027, though no additional growth is expected, as DEFAC projects these revenues to be flat in FY 2027.

Uniform Commercial Code (UCC) Filing Fees are projected to be up $976,000 relative to the FY 2026 budget and $196,000 relative to the Q2 FY 2026 WEFAC projection, reflecting the stronger-than-expected revenues seen during FY 2026. This level of revenue is budgeted to continue into FY 2027, though no additional growth is expected, as DEFAC projects these revenues to be flat in FY 2027.

The final component is a **Payment in Lieu of Taxes (PILOT)** on what would usually be tax-exempt, State-owned properties in the City. For FY 2027, the PILOT is budgeted to be nearly $3.6 million, which is equal to the PILOT payment the City received in FY 2026.

COUNTY SEAT RELIEF PACKAGE (Continued)



General Fund Revenues
Fiscal Year 2027

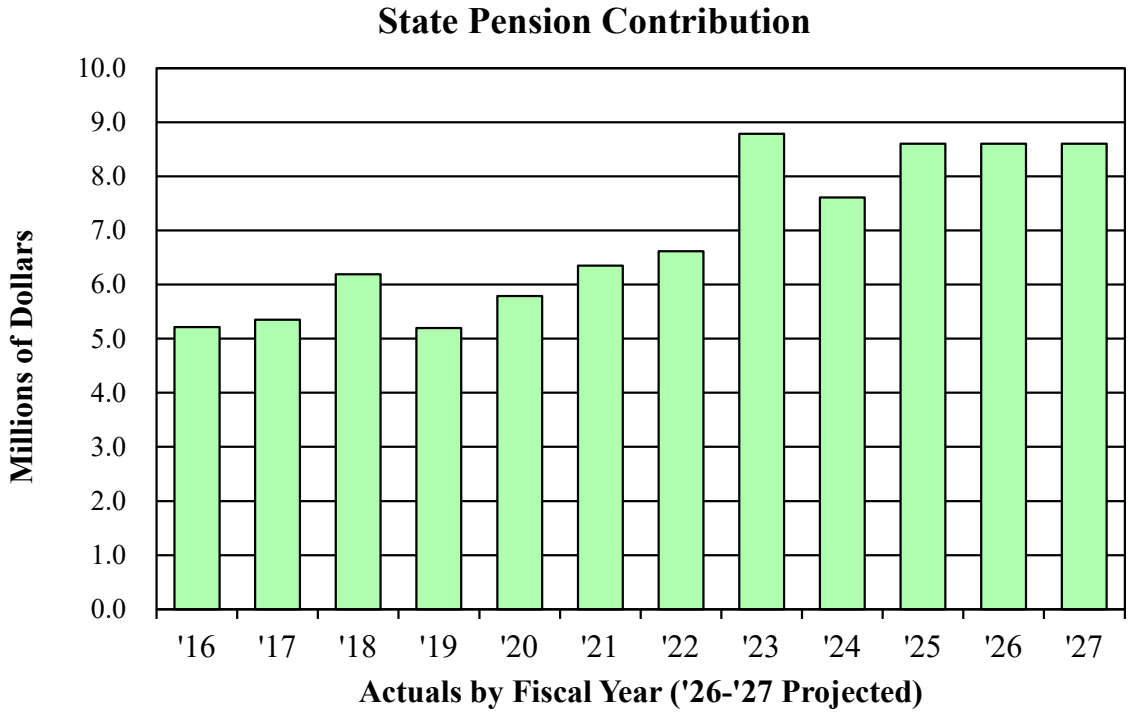
STATE PENSION CONTRIBUTION

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
State Pension Contribution	$7,609,202	$8,605,223	$7,220,492	$8,605,223	$1,384,731	19.2%

* Relative to FY 2026 budget.

Basis: Estimates from State of Delaware

Critical Assumptions: The State Pension Contribution is a pass-through grant from the State of Delaware that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. For FY 2027, this is projected to be $9.0 million, or $1.4 million up from the FY 2026 budget, and equal to the FY 2025 actual.



General Fund Revenues
Fiscal Year 2027

STATE PORT DEBT REIMBURSEMENT

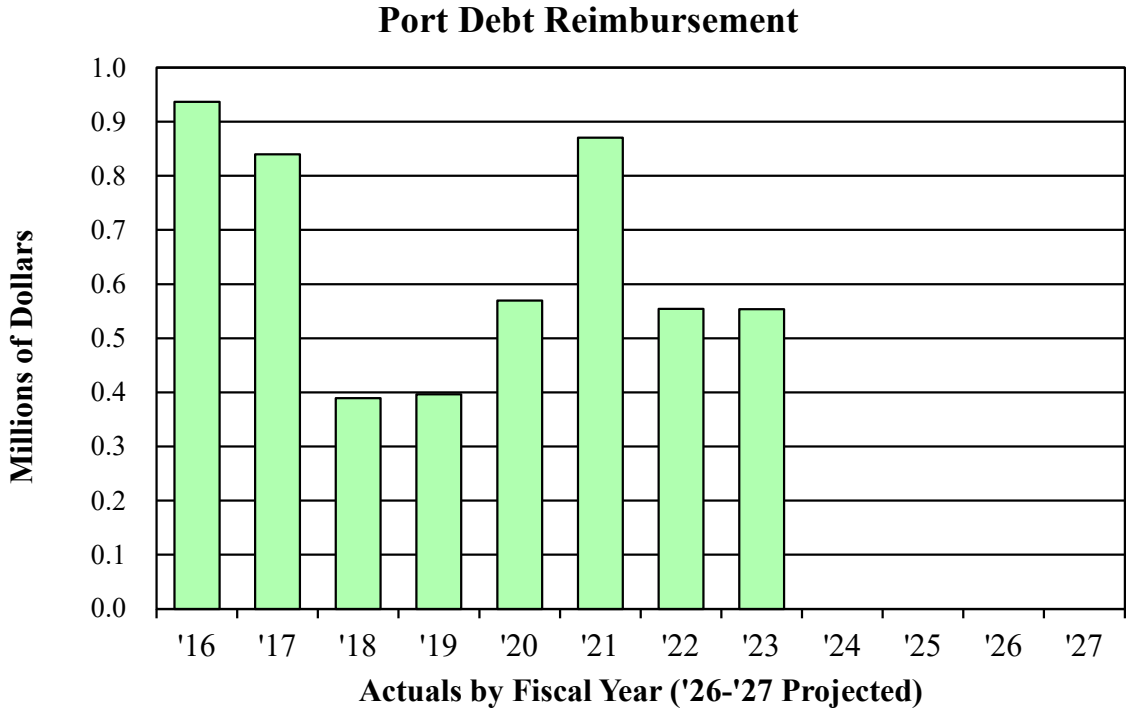
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Port Debt Reimbursement	$0	$0	$0	$0	$0	0.0%

* Relative to FY 2026 budget.

Basis: Debt schedules

Critical Assumptions: The State Port Debt Reimbursement is related to the 1996 sale of the Port from the City to the State. Per the sale agreement, the outstanding Port debt remained as a liability on the City's books. In 2018, the State entered into a long-term Port lease agreement with Gulftainer, and subsequently provided the City with full payment for the outstanding debt. The City amortized these funds, and continued to book offsetting Port Debt Reimbursement revenue.

In FY 2020, the City refinanced the outstanding bonds, which are scheduled to be paid down in FY 2032. However, the reimbursement continued as originally scheduled, with the final payment booked in FY 2023 (when the associated debt was originally expected to be fully repaid). As these payments are now complete, there is no budgeted revenue in FY 2027 or beyond.



General Fund Revenues
Fiscal Year 2027

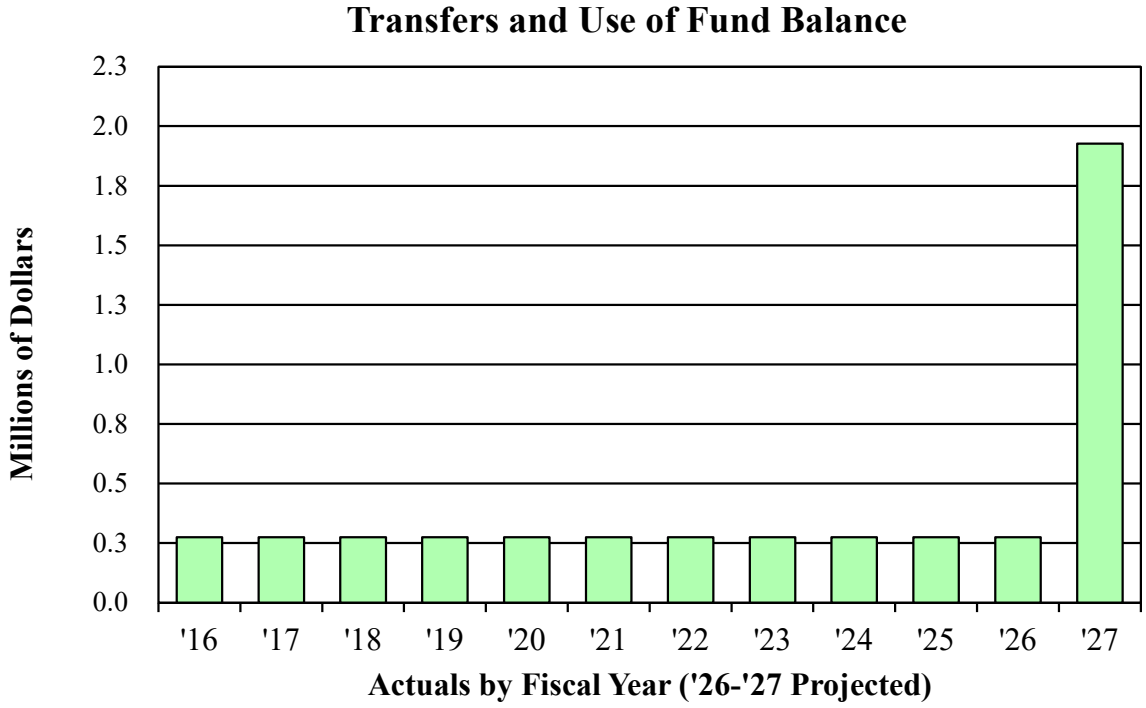
TRANSFERS AND USE OF FUND BALANCE

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Transfers and Use of Fund Balance	$275,000	$275,000	$275,000	$1,927,206	$1,652,206	600.8%

* Relative to FY 2026 budget.

Basis: Authorized transfers from other funds / budgeted expenditures minus projected revenues
Critical Assumptions: As the operating budget must be balanced per the City charter, FY 2027 includes a one-time use of nearly $1.7 million from the General Fund's Tax Stabilization Reserve. This is sufficient to cover the projected revenue shortfall based on projected revenues net of the proposed General Fund expenditures of $212.6 million.

The projection also includes the usual $275,000 transfer from the Wilmington Parking Authority (WPA).



Actuals in FY 2016 to FY 2026 include only the annual $275,000 transfer from the Wilmington Parking Authority. FY 2027 includes a one-time use of nearly $1.7 million from the General Fund's Tax Stabilization Reserve.

Special Funds Revenues
Fiscal Year 2027

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Municipal Street Aid	$1,740,684	$1,152,077	$1,170,154	$1,157,802	($12,352)	-1.1%
CDBG	1,888,414	1,827,766	2,200,282	2,211,927	11,645	0.5%
Comcast Franchise	827,386	885,795	779,513	820,980	41,467	5.3%
Emergency Shelter	63,286	60,733	197,226	198,976	1,750	0.9%
Workforce Investment	570,702	570,702	874,583	874,583	0	0.0%
Parks Assistance	1,331,094	1,331,094	1,283,478	1,283,478	0	0.0%
Parks Trust Fund	116,476	116,476	118,292	118,292	0	0.0%
SALLE / Other Grants	2,477,281	2,924,110	651,906	1,561,747	909,841	139.6%
Pension Administration	5,863,453	6,284,717	6,816,576	7,185,567	368,991	5.4%
Home Partnership	587,402	607,821	572,519	573,029	510	0.1%
HOPWA	743,122	724,158	951,239	952,084	845	0.1%
Miscellaneous Grants	676,350	256,791	347,299	286,325	(60,974)	-17.6%
Total Revenues	**$16,885,650**	**$16,742,240**	**$15,963,067**	**$17,224,790**	**$1,261,723**	**7.9%**

Special Funds Revenues consist of supplemental revenues derived from non-taxation sources such as Federal and State grants and endowments, as well as the City's Comcast franchise fee. For FY 2027, total Special Funds revenue is budgeted to be **$17,224,790**, a net increase of nearly $1.3 million, or 7.9%, above the FY 2026 budget.

MUNICIPAL STREET AID

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Municipal Street Aid	$1,740,684	$1,152,077	$1,170,154	$1,157,802	($12,352)	-1.1%

Basis: State of Delaware grant award letter
Critical Assumption: This grant is used to offset electricity costs for street lighting and is anticipated to decrease by $12,000 compared to the FY 2026 level.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
CDBG	$1,888,414	$1,827,766	$2,200,282	$2,211,927	$11,645	0.5%

Basis: Estimate from Federal Government (HUD)
Critical Assumption: The Federal Community Development Block Grant (CDBG) Program supports community development activities to build stronger and more resilient communities. Funding is budgeted to increase slightly compared to the FY 2026 award.

* Relative to FY 2026 budget.

Special Funds Revenues
Fiscal Year 2027

COMCAST FRANCHISE FEES

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Comcast Franchise	$827,386	$885,795	$779,513	$820,980	$41,467	5.3%

Basis: Trend analysis and growth of local economy
Critical Assumption: Comcast Franchise Fees revenue consists of 5.0% of gross revenues from cable television service sales in the City. In Wilmington, Comcast is currently the only provider of cable TV service. Beginning in FY 2014, Franchise Fees were budgeted as a special revenue fund, the result of City Council transferring the Comcast franchise revenue into the CATV Fund. For FY 2027, revenues are expected to be $41,000 larger than the FY 2026 budget, though down approximately $8,000 from the projected FY 2026 actual of $829,000. This reflects a slowing of the ongoing decline in cable subscribers, with annual declines of 1.0% expected going forward.

EMERGENCY SHELTER GRANTS (ESG)

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Emergency Shelter	$63,286	$60,733	$197,226	$198,976	$1,750	0.9%

Basis: Estimate from Federal Government (HUD)
Critical Assumption: This ESG program is intended to assist in the operation and rehabilitation of emergency and transitional shelters. It is expected to increase slightly in FY 2027.

WORKFORCE INVESTMENT BOARD GRANT

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Workforce Investment	$570,702	$570,702	$874,583	$874,583	$0	0.0%

Basis: Estimate from State of Delaware
Critical Assumption: The Workforce Investment Board Grant provides funding for the City's Youth Career Development Program. Revenues are expected to remain flat in FY 2027.

* Relative to FY 2026 budget.

Special Funds Revenues
Fiscal Year 2027

PARKS ASSISTANCE

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Parks Assistance	$1,331,094	$1,331,094	$1,283,478	$1,283,478	$0	0.0%

Basis: Estimate from Federal Government
Critical Assumption: These funds are used for the Summer and Evening Food Programs. Funding is currently projected to remain flat in the FY 2027 budget.

PARKS TRUST FUND

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Parks Trust Fund	$116,476	$116,476	$118,292	$118,292	$0	0.0%

Basis: Trust Administrator / trust guidelines
Critical Assumption: Revenues are derived from a private trust and are based on qualified parks expenditures.

STATE AID TO LOCAL LAW ENFORCEMENT (SALLE) / OTHER LAW ENFORCEMENT GRANTS

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
SALLE / Other Grants	$2,477,281	$2,924,110	$651,906	$1,561,747	$909,841	139.6%

Basis: State of Delaware and U.S. Department of Justice awards based on committee recommendations / contractual payments for School Resource Officers (SROs)
Critical Assumption: These grants are expected to increase by $910,000 relative to the FY 2026 budget due to salary and benefit cost increases.

PENSION ADMINISTRATION

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Pension Administration	$5,863,453	$6,284,717	$6,816,576	$7,185,567	$368,991	5.4%

Basis: Estimates from Pension Coordinator
Critical Assumption: Funding represents amounts equal to the expected administrative costs of the various pension plans of the City, along with the medical costs incurred for eligible retirees, and is derived from the income of the pooled pension assets.

* Relative to FY 2026 budget.

Special Funds Revenues
Fiscal Year 2027

HOME PARTNERSHIP FUND

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Home Partnership	$587,402	$607,821	$572,519	$573,029	$510	0.1%

Basis: Estimate from Federal Government (HUD)
Critical Assumption: The Home Partnership Program is awarded through HUD and is expected to increase slightly in FY 2027.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS GRANT (HOPWA)

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
HOPWA	$743,122	$724,158	$951,239	$952,084	$845	0.1%

Basis: Estimate from Federal Government (HUD)
Critical Assumption: The Housing Opportunities for Persons With AIDS is a Federal program dedicated to the housing needs of people living with HIV/AIDS and their families. The budget is expected to increase slightly FY 2027.

MISCELLANEOUS GRANTS

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Miscellaneous Grants	$676,350	$256,791	$347,299	$286,325	($60,974)	-17.6%

Basis: State of Delaware award letters
Critical Assumption: Miscellaneous Grants consists of the combined total of two grants: the Emergency Management Performance Grant ($88,325 in FY 2027, down $60,974 from FY 2026) and the State Fire Grant ($198,000 in FY 2027, unchanged). For FY 2024, this also included $43,305 in ARPA funding; however, no ARPA revenues are included in FY 2025 or beyond.

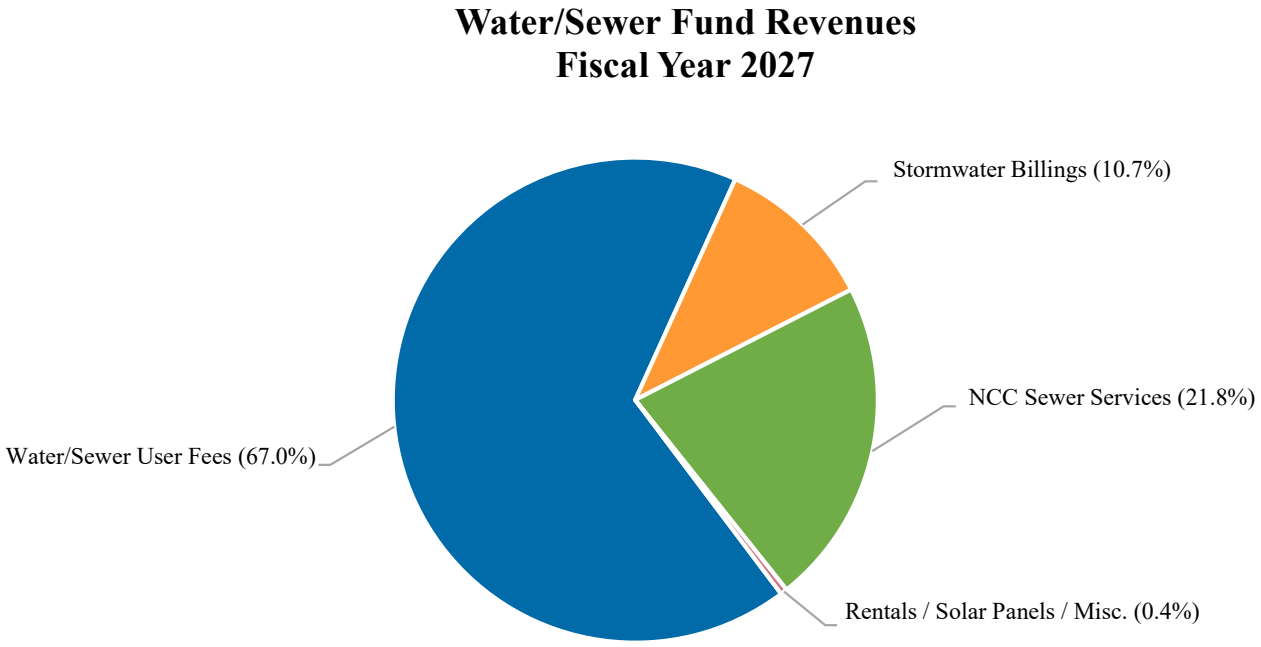
* Relative to FY 2026 budget.

Water / Sewer Fund Revenues
Fiscal Year 2027

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Water/Sewer User Fees	$66,935,408	$69,839,004	$65,898,968	$70,888,479	$4,989,511	7.6%
Stormwater Billings	3,035,387	9,553,996	10,763,185	11,310,751	547,566	5.1%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Rentals/Miscellaneous	464,635	469,852	453,000	467,000	14,000	3.1%
Solar Panel Revenues	0	0	0	0	0	0.0%
Total Revenues	**$89,276,488**	**$103,508,695**	**$100,026,153**	**$105,729,230**	**$5,703,077**	**5.7%**

Total Water / Sewer Fund revenue is budgeted to be **$105,729,230**, an increase of $5.7 million, or 5.7%, above the FY 2026 budget.

The net change by revenue category is discussed in detail below.



Water / Sewer Fund Revenues
Fiscal Year 2027

WATER/SEWER USER FEES

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Water/Sewer User Fees	$66,935,408	$69,839,004	$65,898,968	$70,888,479	$4,989,511	7.6%

* Relative to FY 2026 budget.

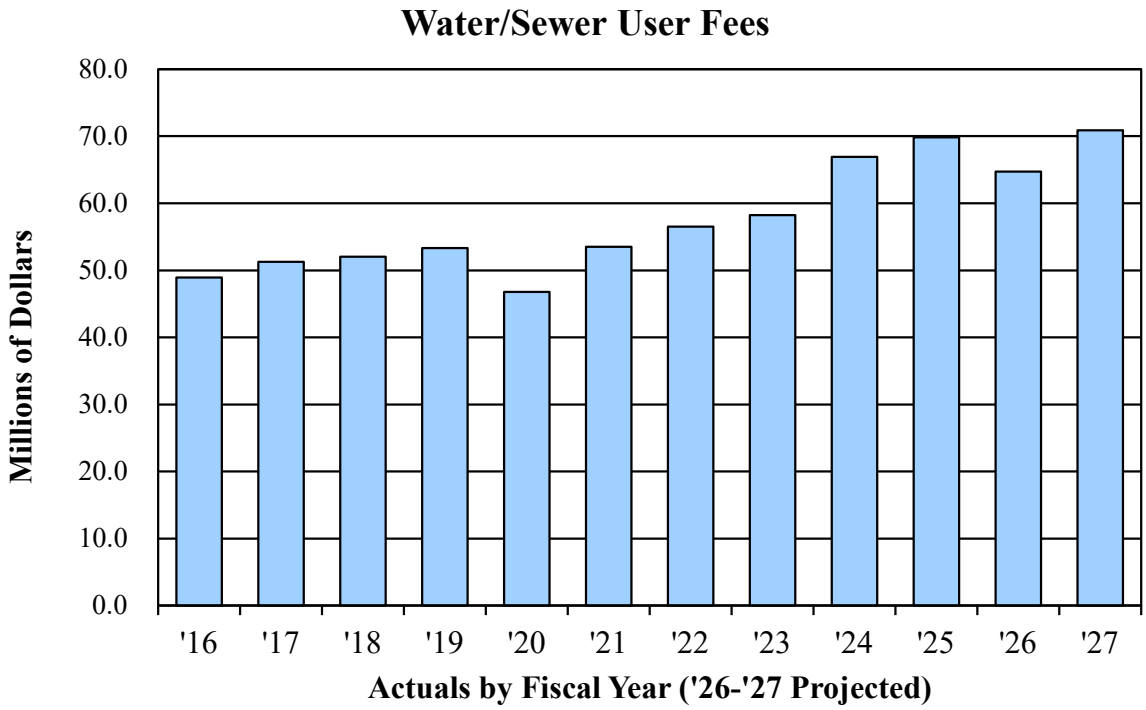
Basis: Trend analysis / management initiatives

Critical Assumptions: Water/Sewer User Fees are the direct charges to customers for Inside-City water and sewer services, as well as Outside-City water services. For FY 2027, Water/Sewer Fees are projected to total nearly $70.9 million, an increase of nearly $5.0 million from the FY 2026 budget. Per Black & Veatch estimates, FY 2027 base revenues will be $63.3 million, up $270,000 from the FY 2026 budgeted base, which is inclusive of the effects of a 5.5% rate increase included in FY 2026 and various accrual adjustments. Added to this base is a change to the sewer factor, which determines the ratio of sewer charges relative to water charges for Inside City customers. For FY 2027, this factor is being changed from 73.15% to 74.0%; net of bad debt, this is projected to increase revenue by $160,184. For the typical Inside City residential customer using 4,000 gallons per month, this sewer factor adjustment is equivalent to an increase of $0.35 per month.

The budget also includes the impact of a 9.95% FY 2027 rate increase on Inside City water, Inside City sewer, and Outside City Water charges. Combined, these rate increases yield $6.0 million in additional revenue, net of bad debt. For the typical Inside City residential customer, this is an increase of $7.36 per month, inclusive of the increase for the sewer factor adjustment.

In addition, special sewer fees are projected to provide $2.2 million (down $59,000 from FY 2026), and penalty and interest will provide nearly $1.9 million (unchanged from the FY 2026 budget, but up $491,000 relative to the Q2 FY 2026 WEFAC projection, as penalty and interest was waived for part of FY 2026). Finally, the projection includes a $3.5 million offset for bad debt, up $1.6 million from the FY 2026 budget, which is largely the result of increasing the bad debt rate from 3.0% to 5.0%, consistent with historical actuals.

WATER/SEWER USER FEES (Continued)



Actuals in FY 2024 reflect a one-time accounting adjustment for uncollectable Army Corps of Engineers stormwater billings; this nets against reductions in the Stormwater Billings group. Actuals in FY 2025 include a one-time $5.3 million PFAS settlement with 3M.

Water / Sewer Fund Revenues
Fiscal Year 2027

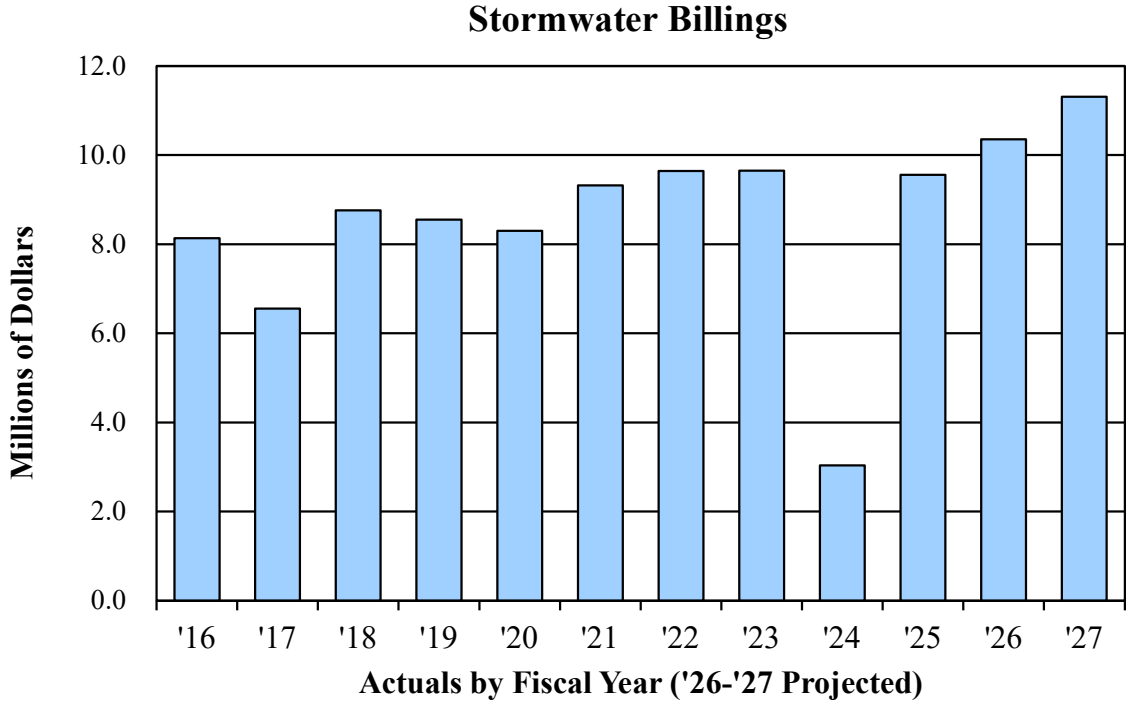
STORMWATER BILLINGS

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Stormwater Billings	$3,035,387	$9,553,996	$10,763,185	$11,310,751	$547,566	5.1%

* Relative to FY 2026 budget.

Basis: Trend analysis / management initiatives

Critical Assumptions: Stormwater Billings are the revenues derived from the Stormwater Property Fee, which is charged to all property owners in the City. The fee is not based on a consumption factor, but rather on the size of the property and the characteristics of associated land and buildings as they relate to the generation of stormwater runoff. Base Stormwater Billings for FY 2027 are nearly $10.9 million and are $142,000 up from the FY 2026 budget base revenues. Added to this base revenue is the impact of a 9.95% rate increase, which is projected to yield nearly $956,000 in additional revenue, net of bad debt. For the typical City residential customer this is an increase of $0.59 per month. Finally, the base reduction for bad debt is expected to increase by $28,000, to a new total of $595,000, based on a bad debt rate 5% (which is unchanged from FY 2026).



Actuals in FY 2024 reflect a one-time accounting adjustment for uncollectable Army Corps of Engineers billings; this nets against increases in the Direct User Fees group.

Water / Sewer Fund Revenues
Fiscal Year 2027

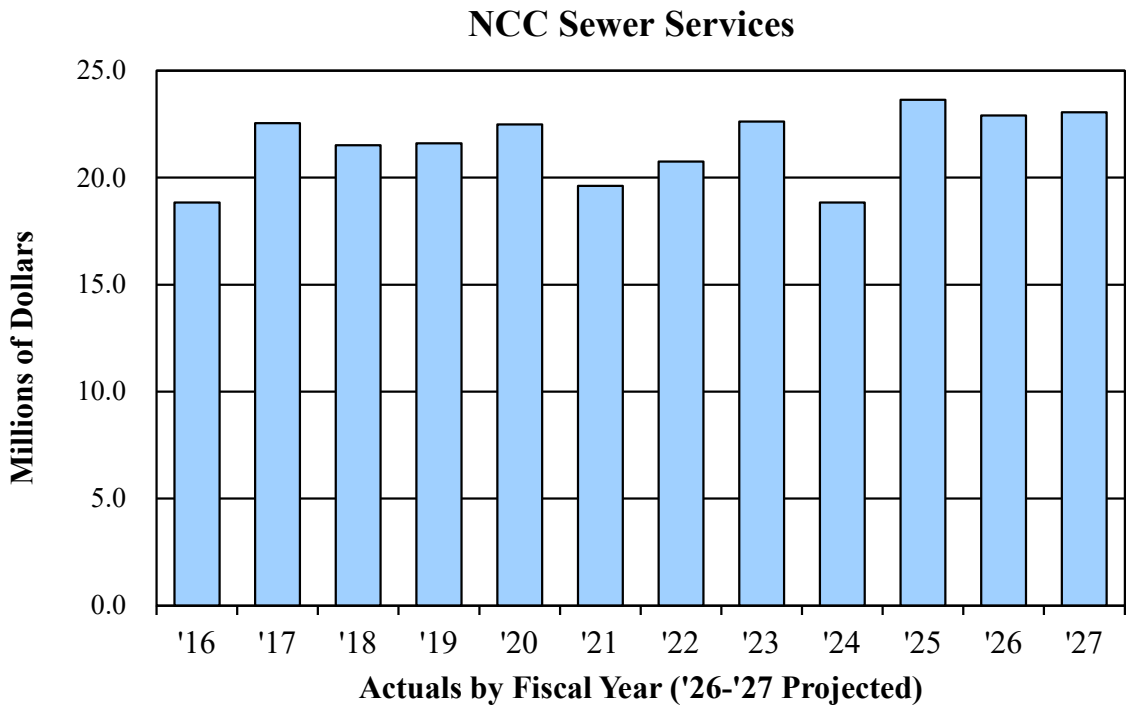
NEW CASTLE COUNTY SEWER SERVICES

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
NCC Sewer Services	$18,841,058	$23,645,843	$22,911,000	$23,063,000	$152,000	0.7%

* Relative to FY 2026 budget.

Basis: Contract with New Castle County

Critical Assumptions: New Castle County Sewer is the revenue associated with the City's treatment of sewage from New Castle County. Based on Black & Veatch's analysis of the contract between the City and County, FY 2027 revenues are expected to be $23.1 million, up $152,000 from the FY 2026 budget.



Water / Sewer Fund Revenues
Fiscal Year 2027

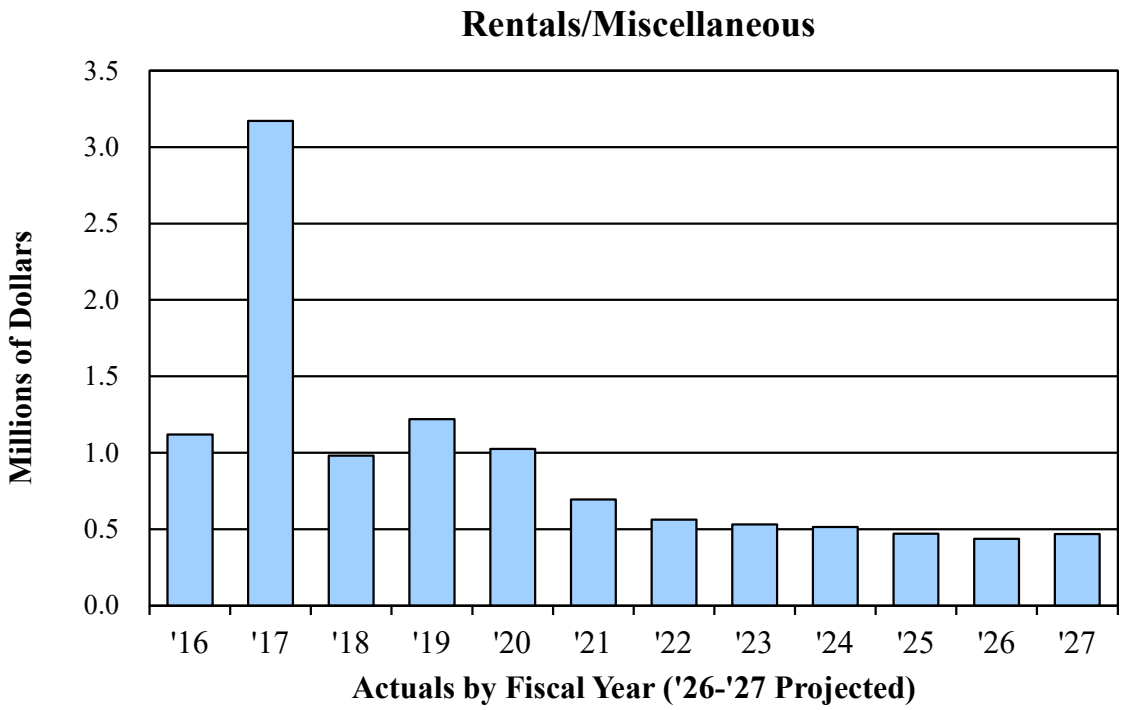
RENTALS / MISCELLANEOUS

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Rentals/Miscellaneous	$464,635	$469,852	$453,000	$467,000	$14,000	3.1%

* Relative to FY 2026 budget.

Basis: Leases / contracts

Critical Assumptions: Rentals / Miscellaneous revenues are the fees charged to telecommunication companies that rent space on the City's water tanks for antennae and transmitters. FY 2027 is budgeted to be up $14,000 from the FY 2026 budget.



Actuals in FY 2017 reflect the one-time $2.2 million EPA fine of the International Petroleum Corporation for Clean Water Act violations.

Water / Sewer Fund Revenues
Fiscal Year 2027

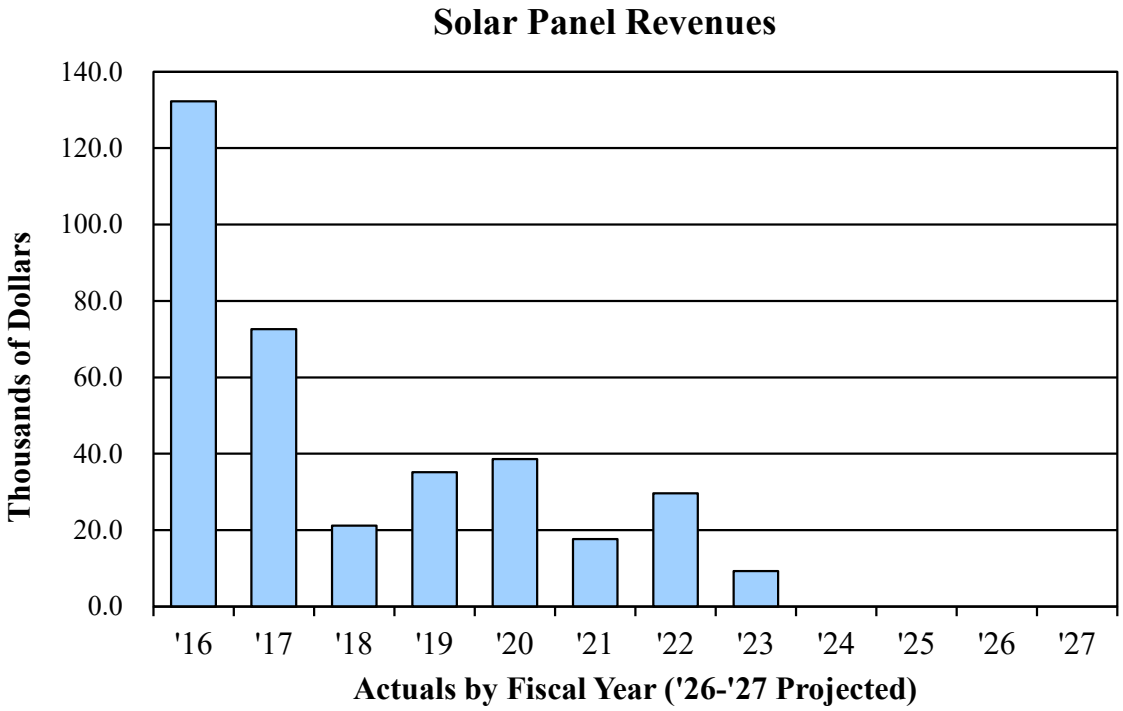
SOLAR PANEL REVENUE

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Proposed FY 2027	Dollar Change*	Percent Change*
Solar Panel Revenues	$0	$0	$0	$0	$0	0.0%

* Relative to FY 2026 budget.

Basis: Leases / contracts

Critical Assumptions: Solar Panel Revenue is derived from the sale of Solar Renewable Energy Credits (SRECs) earned by the solar arrays located at various municipal sites, most notably the Porter Filter Plant. Revenues for FY 2027 are projected to be zero, as the City no longer receives income from this source.



City of Wilmington Tax Rates
Fiscal Year 2027

WAGE TAX

Base: Individual gross earned income of City residents.
Individual gross earned income of non-City residents working within the City limits.

Rate: 1.25% (as set by Delaware General Assembly).

NET PROFIT TAX

Base: Net profit of sole proprietors and partnerships within the City limits.

Rate: 1.25% (as set by Delaware General Assembly).

PROPERTY TAX

Base: 100% of the assessed value of land and buildings within City limits, net of exemptions. Assessed property values are provided by New Castle County. The most recent reassessment was performed in FY 2025 and took effect in FY 2026.

Rate: Residential: 3.7413 mills ($3.7413 per $1,000 of assessed value).
Non-residential: 5.8276 mills ($5.8276 per $1,000 of assessed value).

HEAD TAX

Base: Number of employees per month for businesses with 6 or more employees.

Rate: $15.00 per employee per month on the total number of employees minus 5 (e.g., business with 20 employees is assessed on 15 employees).

REAL ESTATE TRANSFER TAX

Base: Selling price of Real Estate assessed at time of settlement.

Rate: 1.50%.

FRANCHISE TAX

Base: Gross receipts from sales of electricity and cable television service within the City.

Rate: 2.0% on electrical service.
5.0% on cable television service.

City of Wilmington Tax Rates
Fiscal Year 2027

NATURAL GAS TAX

Base: Gross receipts from sales of natural gas within the City.

Rate: 2.0% on natural gas.

LODGING TAX

Base: Rent collected for any room or rooms in a hotel, motel, or tourist home (as defined by Title 30 of the Delaware Code) that are within the City limits.

Rate: 2.0% of rent.