

CITY OF WILMINGTON DELAWARE

John Carney
Mayor

ANNUAL BUDGET

Fiscal Year
2027

Approved by City Council • May 21, 2026



City of Wilmington Delaware



Approved Budget Fiscal Year 2027

**John Carney
Mayor**

Prepared by the
Office of Management and Budget

Approved by City Council on May 21, 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. Morill

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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.

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Chief of Police
Director of Human Resources
Director of Land Use and Planning
Chief of Fire
Director of Information Technologies
Acting Director of Finance
Commissioner of Licenses & Inspections
Director of Economic Development
Director of Emergency Management
Director of Parks and Recreation
Acting City Solicitor
Director of Real Estate and Housing
Commissioner of Public Works
City Auditor

OFFICE OF MANAGEMENT & BUDGET

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Budget Director

Assistant Budget Director
Fiscal & Operations Analyst
Fiscal & Operations Analyst
Fiscal & Operations Analyst

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FISCAL YEAR 2027 BUDGET MESSAGE

KEEPING FAITH WITH WILMINGTON'S PROMISE

To my fellow Wilmington residents, members of City Council, City leaders, and members of the business and non-profit sectors, thank you for your partnership and for your constant collaboration over the past year. I would also like to thank my wife, Tracey, for her support and partnership over the years. I know it's difficult to be the spouse of an elected official and you have done it well. It is a special privilege for me to lead a city where we have lived and raised our two boys, and one that we care so much about. Thank you, Tracey, for your support and for your patience.

As Wilmington and the nation celebrate the 250th Anniversary of America's founding, I am reminded of the powerful civic responsibility we share, that the work of city government is connected to the bold experiment established by our founders. As mayor, I believe we have an obligation, with the resources entrusted to us, to help make good on those promises.

The Fiscal Year 2027 Budget is grounded in the values of our country's founding. It attempts to move us closer to a city where everyone has access to freedom and opportunity and a clear path to the pursuit of happiness. That begins with an unwavering focus on our shared priorities.

BUDGET REALITIES AND RESPONSIBLE RELIEF

As always, budget realities challenge us to be both principled and clear-sighted. Wilmington is moving in the right direction: crime is down, investment is up, neighborhoods are stabilizing, and we are seeing real momentum in our economy and housing market. At the same time, our fiscal reality is tight. Revenues are not keeping pace with the full scope of needs and expectations placed on city government, and residents are still feeling the strain of reassessment, skyrocketing electric bills, and broader economic pressures.

This budget aims to strike a balance. It limits ongoing budget growth, avoids adding new structural costs we cannot sustain, and responsibly uses reserves for critical one-time needs and priorities. Where we do spend, we prioritize investments that produce lasting returns for the city and its residents. With those realities in mind, this budget includes no increase in property taxes and limits increases in water, sewer, and stormwater rates to the level needed to support essential services and infrastructure.

Those decisions reflect the priorities I've heard over the past year in conversations with residents, through communication with Council, and while knocking on more than 11,000 doors during the election. Across every

category, our question has been the same: does this investment produce real, measurable value for the people of Wilmington, and can we sustain it? If the answer to either question was no, it did not make it into this budget.

SAFE NEIGHBORHOODS AND A WHOLE-CITY APPROACH

Here in Wilmington, we can help deliver on our founders' promise of life and liberty by making sure our neighborhoods are safe. And we are moving in the right direction. Data from last year shows that we achieved significant, sustained reductions in crime, including the lowest number of shootings in over two decades.

That progress is a tribute to the leadership of Police Chief Campos and his team. It is a tribute to a department that has worked for many years to advance a holistic, community-based approach to policing, and to the community leaders who have helped build that partnership. It is also a tribute to a strategy grounded in intelligence and data, a strategy that recognizes effective policing requires building trust with the people you serve. Today, our officers attend civic association meetings, host resource fairs, partner with local organizations, and work directly with residents to address safety concerns. The numbers show that this approach is working.

I thank Police Chief Campos, his command staff, and his officers for their continued commitment to our safety. Despite this progress, we all agree there's more work to do – one lost life is one too many. We will not let up. We will do what it takes to stop the violence. That's why earlier this year, with the support of Council, I signed an Executive Order officially establishing an Office of Community Safety. This will give us one central office responsible for coordinating safety initiatives and for driving progress on this challenge. The approved budget funds a director for this office.

This approach, sometimes referred to as a “whole city” approach to safe neighborhoods, has been championed in much larger cities across the country. The Office of Community Safety will work with police, fire, and other partners to coordinate our efforts. We will now have a full-time staffer laser-focused on making neighborhoods safer across the entire city.

We've already put this approach into action with the creation of a citywide ambulance service operated by the Fire Department. Since we took over this service in June 2025, our medics have responded to over 14,000 emergency calls for service. Our units are the busiest system in the whole state. And yet, their average response time is just over 5 minutes – well within the national benchmark.

Faster response times save lives and make Wilmington a safer place for all of us. I thank Fire Chief Looney and his team for their management of this critically important service. Our firefighters are often the first ones on the scene with people experiencing mental health and drug-related episodes. I saw this firsthand on a ride-along I did with an ambulance crew one afternoon. In a very short time, the crew responded to several of these types of calls. And to better meet this expanded mission, the budget adds 12 new Firefighter/EMT positions, building on the success we have already seen on our streets.

Our public safety personnel are especially focused on “hot spots” – areas where those addicted to drugs and alcohol gather to engage in other illegal and nuisance activity. They are predominantly concentrated in specific areas that members of Council have brought to our attention. Many of these people clearly need our help, but so do the residents who live on blocks where prostitution, panhandling, and drug use exist. Our Police Department cannot expect to solve these problems by arrests alone.

Addressing these hot spots will be done in partnership with our new Office of Community Safety. The job of maintaining public safety is made easier when we have strong and vibrant communities. But we should be

clear-eyed about this: if we want safer neighborhoods, we also have to invest in the physical and economic conditions that make those neighborhoods stable in the first place. Strong, effective policing is essential, but it is complemented by prevention, stabilization, and the work of fixing conditions that allow disorder to take root. This starts with making sure every citizen has a clean, safe place to live.

HOUSING STABILITY AND STRONGER COMMUNITIES

I will not mince words: addressing the needs of our unhoused population is a serious challenge, and one facing cities across the country. While the City is not structured or funded to provide social services, Wilmington has stepped forward because compassion demanded action and because the scale and urgency of this issue require every level of government to work together with greater coordination and shared responsibility.

We have worked hard to find compassionate, practical solutions that acknowledge difficult realities. By partnering with community organizations, marshalling the social service resources of the State, and seeking input from residents, we are doing our best to meet the needs of those experiencing homelessness and connect people with housing opportunities, emergency shelter, and other essential services.

This administration's position is clear: our focus is not merely on responding to encampments or relocating individuals, but on achieving meaningful outcomes through housing placements, shelter access, and support services. We know that addressing mental health and substance use challenges must be part of the solution, and that lasting progress requires continued collaboration among the City, the State, service providers, and the community. While no single step will solve every problem, this administration remains committed to helping people move from crisis toward stability and independence.

We also know one important part of the long-term plan is making sure affordable housing stock is available in the city. It's also an important part of neighborhood stabilization. Housing affordability cuts across every district, every neighborhood, and every conversation we have with residents. We do not have the luxury of pursuing strategies that feel good in the short term but fail to solve the core problem. The core issue is not simply that the rent is too high. That is a symptom of a deeper challenge: we do not have enough housing supply to meet demand.

Until we address supply in a meaningful way, prices will remain high. Rental assistance has a role, particularly for our most vulnerable residents, but as a primary strategy for affordability it falls short. It does not create a single new unit of housing, and rental assistance is already administered at the state level through existing programs. Asking city taxpayers to fund a parallel system is not a sustainable path forward, and it is not a comprehensive affordability agenda.

Over the past year, L&I Commissioner Gabe Pabon has been leading the charge to aggressively identify vacant properties. He is making sure these properties are monitored so they do not become a nuisance to the neighborhoods. We know that a vacant house on any block can undermine the whole block and ultimately the whole neighborhood.

Working with the Wilmington Neighborhood Conservancy Land Bank, and with local contractors and non-profits, we have rehabilitated close to 300 vacant properties and sold or rented them at affordable prices to eligible moderate-income residents. The approved budget allocates \$500,000 to the Land Bank to continue this work. This is a major part of our citywide housing policy.

Since 2016, thanks to the influx of state and federal dollars, the city has added 4,000 total units. At least 20% of those units were affordable. That means 800 more low-income families now have a stable place to live. To build on that progress, the budget includes a \$13.1 million investment in neighborhood stabilization and affordable housing, funded by a one-time infusion from the Tax Stabilization Reserve. By directly addressing

the cost of building affordable housing and strengthening blocks, this budget focuses on the root cause of the problem. Our plan allocates targeted resources that can unlock private development, bring projects off the sidelines, and create new units that are locked in at affordable rates for years to come.

Of the \$13.1 million, \$8.4 million will be allocated for the Affordable Housing Subsidy Program, \$2.0 million for the Vacant Lots Site Readiness Program, \$1.5 million for the Housing Support Block Grant, \$500,000 for the Home Repair Program, \$500,000 for the Wilmington Neighborhood Conservancy Land Bank, and \$200,000 for architectural and engineering support services.

Housing policy and public safety are not separate conversations in Wilmington. Too many vacant properties and underutilized lots sit in the very areas we are also trying to stabilize from a public safety standpoint. They can become magnets for illegal dumping, spaces where nuisance activity takes hold, and in some cases provide cover for more serious criminal behavior. Left unaddressed, a single vacant property can destabilize an entire block.

So, when we talk about investing in housing, we are talking about reclaiming those spaces, eliminating the conditions that allow disorder to take root, and restoring stability block by block and neighborhood by neighborhood. Taking a vacant property and turning it into a home, or taking an empty lot and turning it into something productive, is housing policy. It is also public safety policy.

We know that homeownership and stable housing can lift up families, make neighborhoods safer, and strengthen the city as a whole. The investment included in this budget will be driven and managed by our Department of Real Estate and Housing. It will increase the supply of housing, create construction jobs and economic activity in the near term, turn vacant and underutilized properties into productive, tax-generating assets, stabilize neighborhoods block by block, and over time grow the city's tax base through property taxes, wage taxes, and the broader economic activity that comes with new residents and investment. This is more than a housing plan – it is a major investment in strong and safe neighborhoods across our city.

PARKS, EDUCATION, AND FAMILY OPPORTUNITIES

My family and I have experienced what a full and beautiful life this city can offer its residents. This year will be a year filled with all kinds of opportunities for family fun as part of our celebration of America's 250th Anniversary. We are intent on telling the full story of our nation's history, from 1776 to the present, through new programs and reimagining annual traditions. The celebration of our 250-year history will also be a great opportunity to enjoy outdoor spaces where residents and visitors connect.

Over the past year, we cut ribbons on multiple park projects, many that have been in the works for several years. The new Stapler Park playground is better than ever – just ask the enthusiastic children who joined us at the ribbon cutting. The new Rodney Reservoir Park has been transformed into a community space for gathering and gardening. We are underway with renovations at Barbara Hicks Park in Southbridge. It will soon be reimagined. And Eastlake Park, with the support of the 76ers, will be completed this summer. We are breaking ground on extensive improvements to Canby Park later this month. And the master plan for Brown Burton Winchester and Speakman Park is well underway.

We have beautiful parks all over the city and they make our neighborhoods special. A big thank-you to our Parks and Recreation team for their hard work and dedication. With their support, we are also strengthening the city's role in supporting our children's education – a priority that has always been important to me and one that I worked hard to advance as your Governor.

We formed the Wilmington Learning Collaborative to focus on the needs of our city children and to give city parents and residents a stronger voice in their schools. Our efforts led to the building of Maurice Pritchett

Academy, a new school on the East Side, and the renovation of the Bayard School on the Westside.

But there is still a lot of work to do. First and foremost is the removal of the Christina School District from the city. The Redding Consortium has a recommendation. It is just taking much too long to get it done. Meanwhile our children suffer.

While work continues on the school redistricting issue, we will do our part by focusing on after school and summer programming. In last summer's pilot program, we tutored over 100 children in partnership with Reading Assist, William Hicks Anderson Community Center, and the Wilmington PAL. More than 80% of the children showed measured growth in their reading. And this summer we intend to do even more working with the community centers to expand participation. We want to make sure all our children can read proficiently by third grade. That's our top priority. Because it's clear to me that our success as a city and as a state depends on our success in educating our children.

ECONOMIC GROWTH AND COMMERCIAL CORRIDORS

We cannot be a strong and vibrant city without a strong and growing economy. This means a thriving business district downtown and busy commercial corridors throughout the city. To be successful, we have to be strategic.

I will sign an Executive Order establishing an Economic Development Roundtable. This group will work with small businesses and major corporations – reaffirming our position as Delaware's business hub. This collaboration will help drive the next generation of projects in our city.

Already, we are seeing real investment taking shape in Wilmington's downtown. Incyte, through its new agreement with BPG, has committed to moving at least 200 employees into the old Bank of America building on Rodney Square. Thanks to the support of Council, the State of Delaware, and the Longwood Foundation, we are also transforming multiple Bracebridge buildings into a new higher-education complex. Soon, Widener University's Delaware Law School, the University of Delaware Associate Degree program, and Delaware State University's nursing program will all be right here in Wilmington.

This downtown momentum is bolstered by Corteva, which has recently relocated its offices to the city, bringing with them over 200 high-paying jobs. WSFS Bank has recommitted to its beautiful building across from the Wilmington YMCA. And JPMorgan Chase is investing \$400 million in their buildings near the Amtrak Train Station.

At the same time, we have grown and diversified the number of small businesses on Market Street. This is all good for Wilmington's downtown – and for our tax base, which supports all city residents. The budget adds \$4.0 million to the Economic Strategic Fund to continue attracting jobs and private investment downtown and in other areas of the city. Guided by the same fiscal discipline that runs throughout this budget, our economic development plan will leverage targeted investments to grow small businesses, strengthen commercial corridors, and support results that can increase future revenues.

We are investing \$1.0 million in the Small Business Development Program, the largest infusion of funding since its inception. We will also pursue legislative changes to strengthen the program by focusing on confirmed disparities, updating our Contract Review Board, and updating our procurement thresholds. With the help of Council, we are moving forward on the issues that matter.

BUDGET HIGHLIGHTS

General Fund

- The FY 2027 General Fund operating budget expenditures total **\$213,532,018** – up \$11,744,715 or 5.8% 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 21.00 full-time equivalents (FTEs). Thirty-seven personnel actions occurred across nearly every department, adding over \$2.3 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 21.00 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.
- Public Works has budgeted over \$1.0 million to contract with Asset Management Alliance to provide property management and repair services, 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.

- In the newly created Office of Community Safety in the Mayor's Office, \$450,000 was added to Grants to Agencies to support the Community Public Safety Initiative (CPSI), which helps local organizations carry out violence-prevention efforts. This funding is intended to support CPSI during the second half of FY 2027, while the first half of the fiscal year will be covered by existing ARPA funds.
- 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.
- Electricity costs jumped by \$343,200, or 24.6%, with the largest increases in Public Works, Parks & Recreation, Fire, and Police. The budget reflects the double-digit rate hikes implemented by Delmarva Power this fiscal year and an anticipated additional 9.0% rate adjustment in FY 2027.
- 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.
- 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, for a savings of \$412,000. In addition, \$150,000 previously budgeted for Telestaff scheduling software was removed as these 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 \$2.6 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.
- To support a one-time \$1,000 payment to all current pensioners in City-sponsored plans who retired on or before December 31, 2019, a transfer of \$969,000 from the Tax Stabilization Reserve was made to the City Pension Trust Funds to be allocated as follows: \$75,000 to Pension Plan I, \$125,000 to Pension Plan II, \$227,000 to Pension Plan III, \$343,000 to the Police Pension Plan, and \$199,000 to the Fire Pension Plan.
- A transfer of \$13.1 million from the Tax Stabilization Reserve was made to the Neighborhood Stabilization Fund. Of this amount, \$8.4 million will be allocated for the Affordable Housing Subsidy, \$2.0 million for the Vacant Lots Site Readiness Program, \$1.5 million for the Housing Support Block Grant, \$500,000 for the Home Repair Program, \$500,000 for the Wilmington Neighborhood Conservancy Land Bank, and \$200,000 for architectural and engineering support services.

Water/Sewer Fund

- The FY 2027 Water/Sewer Fund operating budget expenditures total **\$98,987,989** – up \$3,797,540 or 4.0% 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.
- 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.
- Electricity rose a total of \$227,531 or 23.3%, with almost all the increase in the Water System Division of Public Works. The budget incorporates the double-digit rate hikes implemented by Delmarva Power this fiscal year and an anticipated additional 9.0% rate adjustment in FY 2027.
- 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.
- 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.
- 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.
- Miscellaneous Charges - N.O.C. increased by \$101,500. 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. In Finance, there was a \$40,000 increase in the Central Cashier Division to better align the 311 Call Center costs between the General Fund and the Water/Sewer Fund.

- Total Debt Service decreased \$300,175. While the Bond - Interest Payments account increased \$72,594, the Interest - Amortization Refunding Gain account dropped \$372,769. These figures include the effect of the new bond issuance that occurred in December 2025.
- There is an across the board 7.00% 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 \$4.9 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 \$5.70 to their monthly bill.

WORKING TOGETHER FOR WILMINGTON

I want to acknowledge our city employees who went above and beyond in helping our city deal with the record-breaking cold, snow, and ice we experienced this winter. Police and Fire were out on the roads responding to rescue calls, in treacherous conditions, and helping with traffic control as the plows were hard at work. Our 311 call takers helped track calls and direct snow removal efforts. Our Public Works team put in long shifts salting and plowing ice-covered streets. They worked in the freezing cold to get our residents out of their houses and back to work, our children back to school, and our businesses up and running again. I thank all our city employees for the work they do every day, and especially for their extraordinary efforts responding to this past winter's punishing weather.

My wife, Tracey, and I have lived in Wilmington for nearly 40 years, and I have worked in public service for most of that time. I have learned that you make progress when you work together. I know that members of City Council care as deeply as I do about our city. We share high expectations for each of these neighborhoods. Together, we serve the same people, and we can make a real difference for each of them in their pursuit of happiness promised by the aspirations of 1776.

There has never been a better time to recommit to these principles. The choices in front of us are real, and in some cases difficult, but so is the opportunity. We have momentum as a city, a clear understanding of our challenges, and a strategy grounded in practicality and long-term impact. This budget does not attempt to do everything, but it does the things that matter most in a way that is honest about our constraints and serious about results. That should inspire all of us to do better this year.

It's an honor to serve as your mayor, and I look forward to doing this work together.



John Carney
Mayor
City of Wilmington

Wilmington Facts and Figures

City of Wilmington and the Surrounding Region



Wilmington Facts and Figures

The City of Wilmington is located on the western bank of the Delaware River in the northeast corner of the State of Delaware, almost at the mid-point between New York City and Washington, D.C. The City is the largest municipality in the State and on the Delmarva Peninsula and is the regional center of banking, commerce, industry, and the performing arts. The City has excellent access to the various transportation networks of the eastern seaboard. Interstate Highways 95, 295, and 495, as well as Routes 13, 40, 41, and 202, conveniently link the immediate areas with the entire region. Amtrak provides full passenger service, while railroads offer comprehensive freight connections available to all major points. The Wilmington Airport, located four miles from the central business district, offers domestic flights through Avelo Airlines, as well as general aviation access and charter services. Philadelphia International Airport lies thirty minutes north by car. The Port of Wilmington is a full-service port handling cargo for many regional, national, and international firms.

The Greater Wilmington Area includes portions of two states: New Castle County (Delaware) and Cecil County (Maryland). The data below provides a comparative look at the populations, land area, and the density of the Wilmington region.

Population Trends

Population Trends	1980 Population	1990 Population	2000 Population	2010 Population	2020 Population	% Change
City of Wilmington	70,195	71,529	72,664	70,851	70,898	0.1%
# of Dwelling Units	30,506	31,244	32,138	32,820	34,065	3.8%
New Castle County	398,115	441,946	500,265	538,479	570,719	6.0%
Greater Wilmington Area	458,545	513,587	586,216	639,587	674,444	5.4%
State of Delaware	594,338	666,168	783,600	897,934	989,948	10.2%

The 2020 US Census indicates that the City's population grew only slightly between 2010 and 2020, a reversal of the decline seen in the 2010 Census. New Castle County, the Greater Wilmington Area, and the State have recorded increases in population since 2010, with the State growing by over 10%.

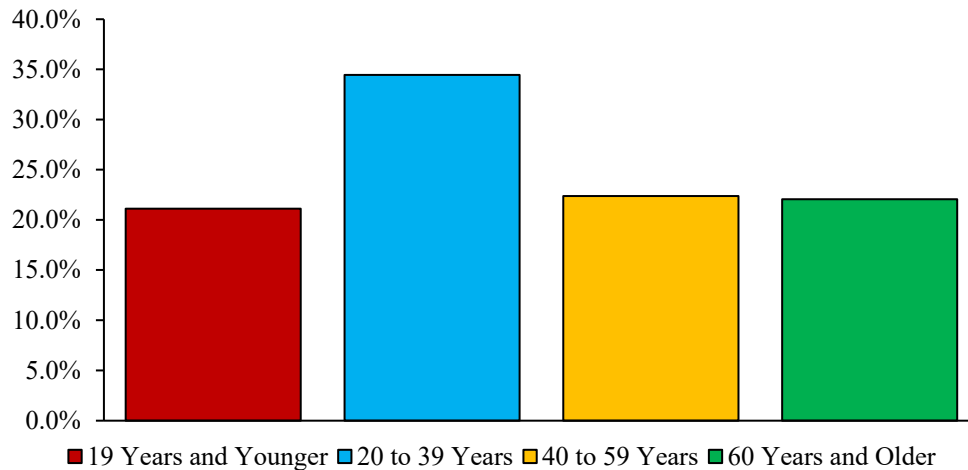
Population Density

Population Density	2020 Population	Land Area (Sq. Miles)	Population Per Sq. Mile
City of Wilmington	70,898	10.9	6,504.4
New Castle County	570,719	426.3	1,338.8
Greater Wilmington Area	674,444	774.3	871.0
State of Delaware	989,948	1,955.0	506.4

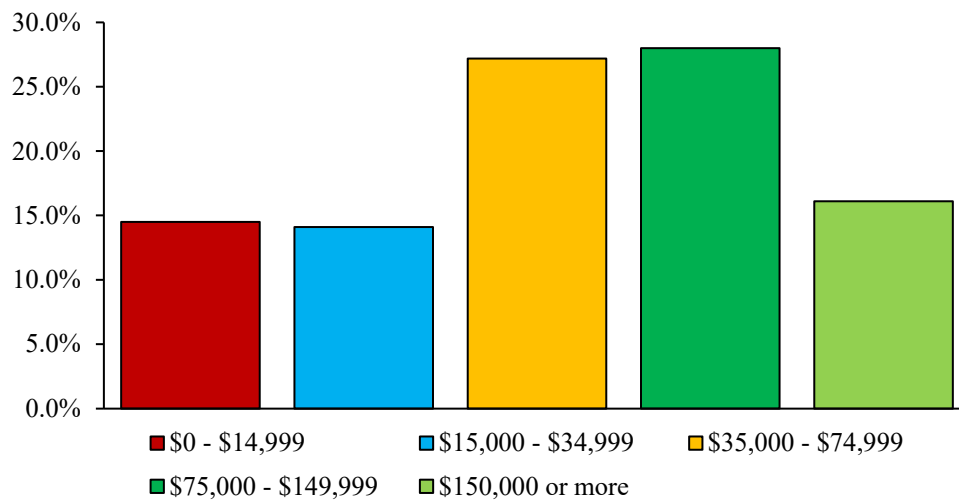
City of Wilmington Demographic Statistics

Understanding the City's demographics is important in order to understand the City's fiscal policies and budgetary priorities. Wilmington's combination of a large youth population and a higher percentage of incomes under \$35,000 creates a greater need for City Parks & Recreation and Public Safety services.

Percentage of Population by Age Group



Percentage of Households by Annual Income (2024 inflation adjusted dollars)



Median Household Income (2024 inflation adjusted dollars)

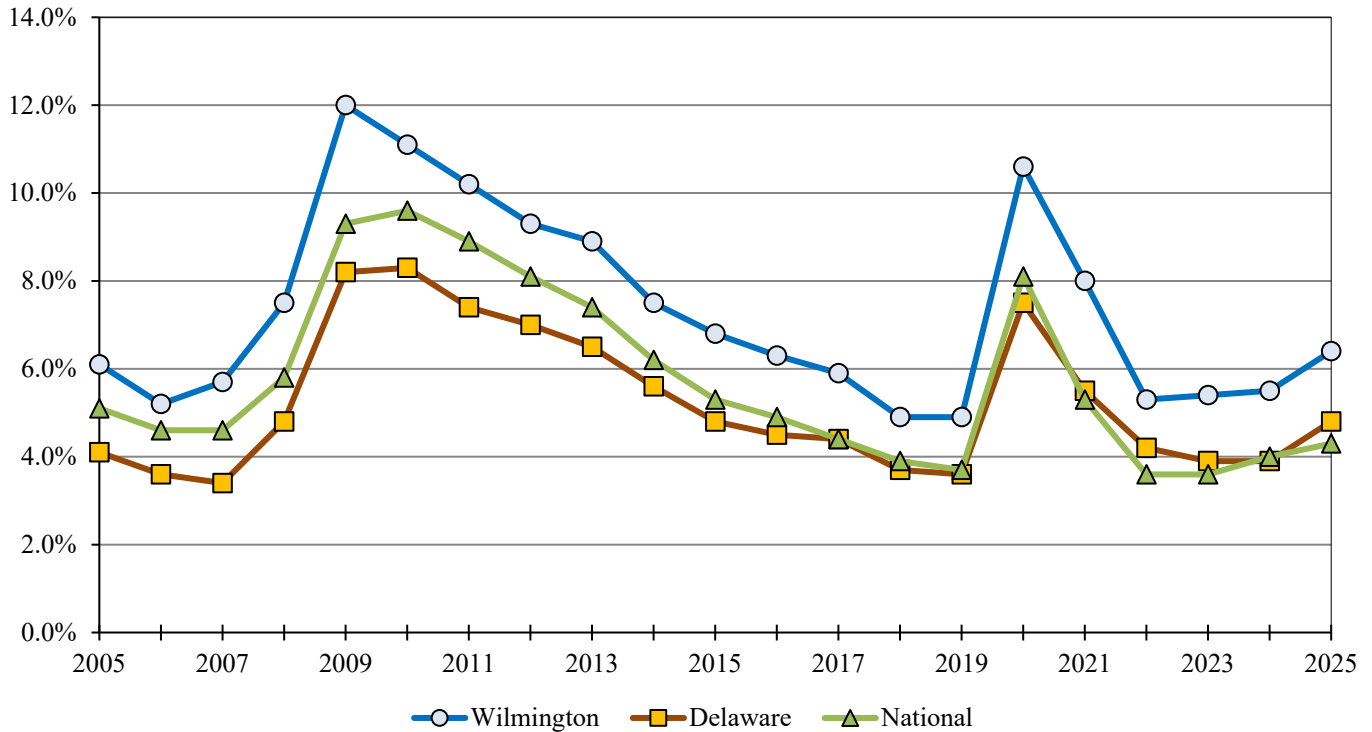
Median Income	2020	2021	2022	2023	2024	% Change
City of Wilmington	54,823	57,180	58,663	56,893	58,671	3.1%
New Castle County	91,425	90,864	91,438	92,542	91,166	-1.5%
State of Delaware	83,937	84,256	85,024	85,289	84,954	-0.4%

Source: U.S. Census Bureau, 2024 American Community Survey, 1-Year Estimates

Wilmington Employment Trends

Employment is a strong indicator of the City of Wilmington's overall health. Historically, City unemployment has broadly tracked state and national averages, at approximately 1.6 percentage points above the national trend, and 2.1 percentage points above the Delaware trend. Higher unemployment leads to an increase in demand for City services and resources, such as the Summer Youth employment program and policing.

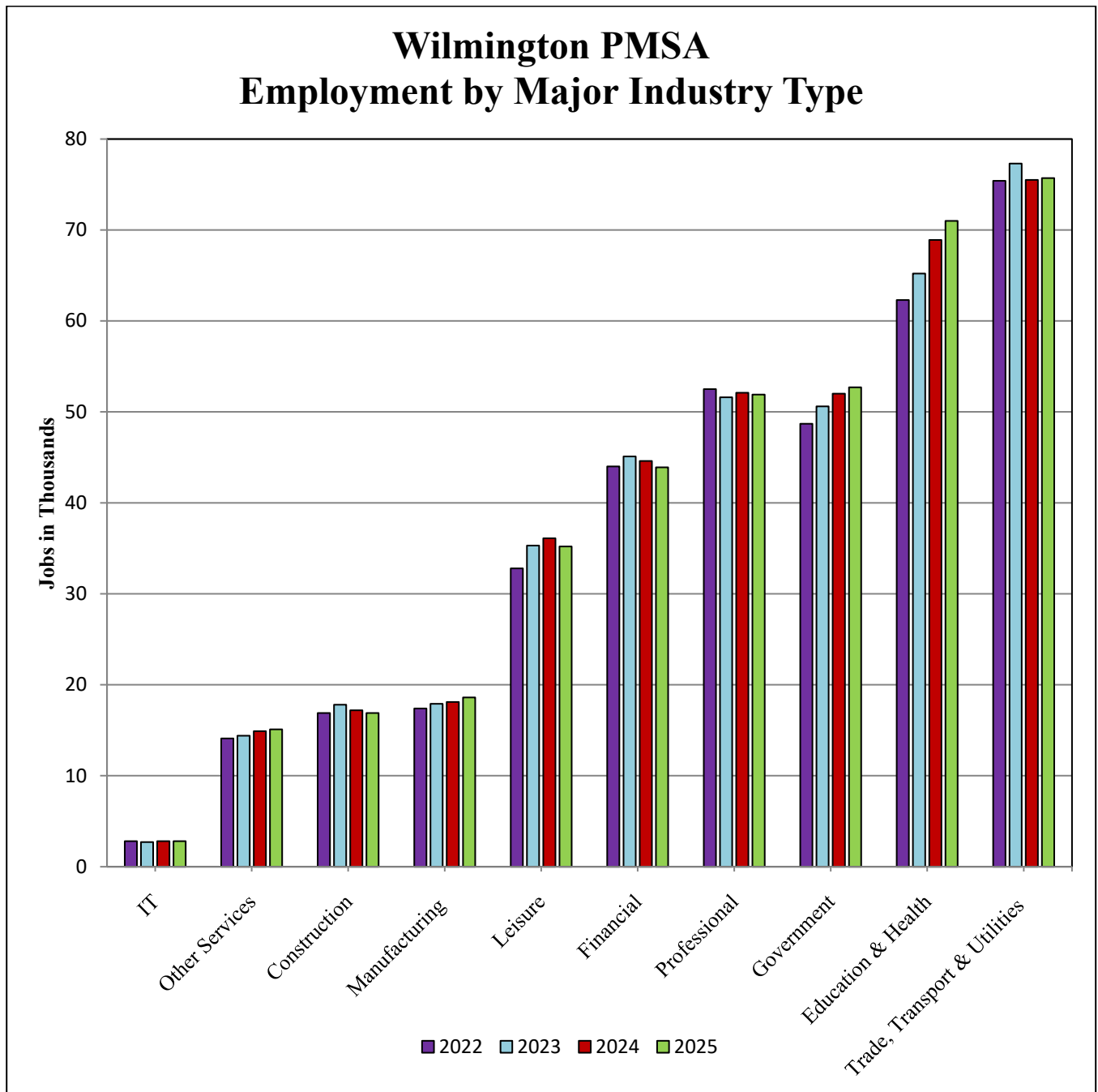
City of Wilmington's Unemployment Rate (%)



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics & Annual Average Unemployment Rate, June 2026.

Wilmington PMSA Employment by Industry

Industries located in and around the City of Wilmington promote economic development and job creation, as well as form the basis of the City's largest revenue source, Wage & Net Profits taxes. As such, the fiscal health of the City is closely connected to the health and stability of its employment base. Total employment has increased 4.6% over the last four years, driven by increases in Education and Health (up 14.0%), Government (up 8.2%) and Leisure (up 7.3%).



Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, June 2026.

Wage Tax, Net Profits Tax, and Head Tax Revenue

Maintaining the diversity of the City's revenue sources is an important component in assuring stable income. Both wage and net profits tax saw consolidation in CY 2025, with revenue from the top ten tax payers representing a larger share of the total. Head tax remained relatively unchanged.

Top Ten Taxpayers

Wage Tax

Calendar Year	Withholdings by Top Ten Taxpayers	Total Withholdings	Top Ten Withholdings As % of Total
2025	\$29,678,678	\$68,736,636	43.2%
2024	\$25,408,311	\$70,361,855	36.1%
2023	\$23,344,289	\$68,578,325	35.5%
2022	\$21,784,355	\$64,914,974	33.6%
2021	\$22,166,270	\$61,217,529	36.2%

Net Profits Tax

Calendar Year	Withholdings by Top Ten Taxpayers	Total Withholdings	Top Ten Withholdings As % of Total
2025	\$5,750,289	\$8,127,036	70.8%
2024	\$4,647,074	\$7,504,250	61.9%
2023	\$5,411,820	\$9,032,400	59.9%
2022	\$4,941,509	\$8,316,196	59.4%
2021	\$4,255,027	\$6,859,395	62.0%

Head Tax

Calendar Year	Payments by Top Ten Taxpayers	Total Payments	Top Ten Payments As % of Total
2025	\$1,421,640	\$3,020,858	47.1%
2024	\$1,458,067	\$3,077,587	47.4%
2023	\$1,314,465	\$2,833,455	46.4%
2022	\$1,498,620	\$3,101,700	48.3%
2021	\$1,662,295	\$3,193,345	52.1%

Source: City of Wilmington Department of Finance, June 2026.

Wage Tax, Net Profits Tax, and Head Tax Revenue

Tax Remits Grouped by Size **Calendar Year 2025**

Wage Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	10	\$29,678,678	43.2%
Between \$100,000 and \$1 million	71	\$18,059,959	26.3%
Between \$10,000 and \$100,000	561	\$14,918,636	21.7%
Less than \$10,000	5,768	\$6,079,363	8.8%
Total	6,410	\$68,736,636	100.0%

Net Profits Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	2	\$2,766,379	34.0%
Between \$100,000 and \$1 million	9	\$2,734,067	33.6%
Between \$10,000 and \$100,000	44	\$1,603,487	19.7%
Less than \$10,000	1,648	\$1,023,104	12.6%
Total	1,703	\$8,127,036	100.0%

Head Tax

Remit Range	Total Employers	Total Remits	Percent of Total Remits
Greater than \$1 million	0	\$0	0.0%
Between \$100,000 and \$1 million	4	\$1,061,250	35.1%
Between \$10,000 and \$100,000	46	\$1,319,916	43.7%
Less than \$10,000	416	\$639,692	21.2%
Total	466	\$3,020,858	100.0%

Source: City of Wilmington Department of Finance, June 2026.

Largest Real Estate Taxpayers in the City of Wilmington

Property Tax is the City's second-largest revenue source. Below are the ten largest real estate owners, per the CY 2026 assessments.

Name	Property Type	Taxable Assessment	Percent of Total Assessment
Buccini Pollin Group	Office & Residential	\$449,064,955	4.6%
Delmarva Power & Light Co.	Electric & Gas	\$107,825,600	1.1%
M&T Bank	Office Building	\$101,885,400	1.0%
1201 North Market St., LLC	Office Building	\$98,395,900	1.0%
JP Morgan Chase	Office Building	\$84,303,800	0.9%
Oak Street	Office Building	\$76,371,200	0.8%
1313 Owner LLC	Office Building	\$65,431,700	0.7%
First State Generation LLC	Electric & Gas	\$50,781,900	0.5%
Incyte Corporation	Office Building	\$46,182,200	0.5%
Verizon Delaware, LLC	Utility	\$42,532,900	0.4%
Total		\$1,122,775,555	11.5%

Source: City of Wilmington Department of Finance, June 2026.

Wilmington Construction and Renovation Activity

Changes in the housing, construction, and building industries directly affect City revenue through the issuance of permits and the levying of increased property taxes, and serve as an indicator of the overall health of the City's residential and commercial sectors. The number of new construction permits and the associated value of new construction activity was above historical averages in FY 2025, driven by both construction of multifamily apartments as well as significant investment in affordable housing. FY 2026 YTD (Year to Date) is May 31, 2026.

New Construction Permits Issued

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 (YTD)
Single-Family	20	6	56	63	20
Multi-Family	6	5	4	4	2
Non-Residential	9	5	4	6	7
Total	35	16	64	73	29

Total Value of New Construction Activity

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 (YTD)
Residential	\$74,139,348	\$16,344,584	\$62,367,249	\$161,606,831	\$30,800,378
Non-Residential	\$27,350,352	\$25,483,979	\$31,182,540	\$40,525,130	\$17,986,724
Total	\$101,489,700	\$41,828,563	\$93,549,789	\$202,131,961	\$48,787,102

Renovation Construction Permits Issued

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 (YTD)
Residential	2,843	2,555	2,481	1,619	1,393
Non-Residential	1,739	709	420	1,412	1,086
Total	4,582	3,264	2,901	3,031	2,479

Total Value of Renovation Construction Activity

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 (YTD)
Residential	\$46,172,072	\$55,036,914	\$67,145,213	\$23,674,654	\$29,238,040
Non-Residential	\$129,271,867	\$98,909,478	\$193,151,033	\$243,947,425	\$180,164,851
Total	\$175,443,939	\$153,946,392	\$260,296,246	\$267,622,079	\$209,402,891

Source: City of Wilmington, Department of Land Use and Planning, June 2026.

Economic Development Activity

Employment

Employment prospects in Wilmington slowed this past fiscal year, resulting in a slight annual increase in joblessness. According to the Delaware Department of Labor, the city's average unemployment rate for FY 2026 rose to 6.6%, up from the FY 2025 average of 5.6%. The city experienced a distinct winter spike, peaking at 7.5% in January 2026 before entering a steady multi-month decline down to 5.6% by May. Despite that positive downward trend, Wilmington's unemployment rate continues to outpace the statewide average, which consistently hovered between 5.1% and 5.4% throughout FY 2026.

According to data from the U.S. Bureau of Labor Statistics, the total number of nonfarm jobs in the greater Wilmington metropolitan area remained relatively flat over the past year, hovering at approximately 387,100 positions, a marginal 0.2% annual contraction across the broader regional market. While total employment held steady, performance across individual industries diverged sharply. The professional and business services sector emerged as the region's strongest growth engine with a 2.9% annual expansion, reaching 53,900 jobs, while education and health services anchored the workforce as the largest single employment pillar at 72,200 jobs. Conversely, contractions in other key sectors offset these gains: manufacturing dropped 4.7%, leisure and hospitality shrank 4.0% to 35,700 jobs, and the city's defining financial activities sector dipped 0.9% to 43,500 jobs.

Incentive Programs

Through the Strategic Fund Incentive Program, the Office of Economic Development tracks employment data across more than 80 companies of varying sizes and types. The wage taxes collected over the last year from this “index” of companies remained steady at around \$10 million. This reliable trend of annual wage taxes generated from the Program is a key indicator of its efficacy. As incentive contracts expire, participating businesses continue to generate wage tax revenue as they grow. Since the initial creation of the Strategic Fund in 2002, the Program has provided approximately \$19 million in incentive payments to businesses, yielding approximately \$169 million in Wage Taxes to the City's General Fund. As a result of the Program's continued success, a \$4,000,000 infusion to the Economic Strategic Fund was approved in the FY 2027 budget, with \$1,000,000 of that being designated specifically for the small business development program.

Business Development

Wilmington boasts a deep pool of fintech talent both locally and within the greater Delaware Valley region. Nearly 25% of all jobs in the city are concentrated in financial and technology services, with robust specializations in consumer lending, banking operations, digital banking and user experience design, risk management, and predictive analytics. Wilmington's corporate banking ecosystem remains a primary economic anchor, with national brands like JPMorgan Chase, Barclays, Citi, Goldman Sachs, Ally Financial, Navient, and TD Bank maintaining a significant operational footprint. Furthermore, the city is supported by a powerful talent pipeline, with over 75,000 annual college graduates emerging from top-tier institutions within a 30-mile radius, including the University of Pennsylvania, Drexel University, Temple University, the University of Delaware, and Wilmington University.

Small businesses in Wilmington continue to thrive, driven by a growing residential base that is fueling demand for expanded retail, entertainment, and hospitality options. This past year was marked by significant momentum in the culinary scene, spearheaded by the Bardea Restaurant Group's continued expansion. Notable downtown additions include local favorite Angelo's Cheesesteaks and Angelo's Pizza at the DE.CO food hall, alongside Ezme, a new Mediterranean destination on Market Street. The downtown dining footprint also expanded with the openings of Urban Fork Restaurant and Bar, Midnight Flavor, and Chiles Loco, while Trolley Square welcomed SKRATCH Bar and Kitchen, a spiritual successor to the neighborhood's old Scratch Magoo's.

Additional business development highlights that have occurred within the last year include:

- Following a \$3 million renovation, Corteva Agriscience signed a 10-year lease for 45,000 square feet across two floors at 1000 N. West St. in downtown Wilmington. The relocation brought more than 200 employees from the company's Chestnut Run Plaza campus into the city core, including 11 members of its executive leadership team.
- Widener University's Delaware Law School announced it is officially relocating its entire campus to downtown Wilmington's "Bridge Project" complex. The move will inject over 2,000 students, faculty, and staff directly into the downtown core, dramatically accelerating foot traffic in the area that will directly benefit local businesses.
- In March 2026, Incyte announced the sale of the former Bank of America buildings, known as Bracebridge I and III, to the Buccini/Pollin Group (BPG). While this scales back its originally anticipated presence, Incyte has committed to a 10-year lease for 80,000 square feet of space across two floors in Bracebridge I, which will still bring more than 200 jobs downtown. Following the acquisition, BPG announced plans for a dynamic mixed-use development concept for the remainder of the Bracebridge complex.
- The Buccini/Pollin Group opened Pretty Eddie's, a high-quality neighborhood market and grocery option serving Downtown Wilmington. Located at 730 N. Market Street, the store reactivates a prominent vacant space formerly occupied by the Ninth Street Book Shop.
- The Delaware Black Chamber of Commerce cut the ribbon on its newly optimized 12,000 square foot headquarters and business incubator located in the former Elwyn building at 321 East 11th St. Backed by Western Governors University, the facility acts as a free launchpad to support early-stage urban entrepreneurs.
- Both Constitution Yards Beer Garden and Iron Hill Brewery, two prominent Riverfront destinations that closed over the past year, have since reopened. Under new ownership, Iron Hill revived its former location on Justison Street, while Constitution Yards successfully relocated across Justison Street, debuting an expanded footprint with enhanced outdoor amenities.

Residential

The continued demand for multi-family housing in Wilmington has driven significant investment in new developments and conversion projects. Expanding residential and mixed-use options has increased foot traffic, supported local businesses, and strengthened the city's workforce, all key factors influencing business relocation decisions. Shifts in office demand have led to investments in existing buildings to create amenity-rich environments that appeal to a hybrid workforce. Despite ongoing capital improvements to existing inventory and a steady rise in office-to-residential conversions, Wilmington's office vacancy rate has remained at approximately 20% over the past year.

Additional residential development highlights include:

- In September 2025, the Buccini/Pollin Group opened The Press, a \$90 million, 14-story residential development at 801 North Orange Street. The project introduces 243 luxury apartments to Downtown Wilmington, further accelerating the city core's residential density.
- Construction is actively wrapping up on Buccini/Pollin Group's new 164-unit, \$56.5 million, apartment complex at 308 Justison St. along the Riverfront. The building will occupy the former site of the

Constitution Yards Beer Garden and will feature high-class amenities alongside studio, one-bedroom, and two-bedroom units ranging from 600 to 1,100 square feet.

- Westrum Development Co. commenced construction on a new luxury apartment community at 400 South Market Street. Serving as a companion phase directly adjacent to the existing LUXOR Lifestyle Apartments, this \$30 million project will add 125 premium units to the residential complex.
- In October 2025, Berger Communities broke ground on a \$40 million luxury apartment development at 1201 Gilpin Avenue, marking the residential property management group's first ground-up build in Delaware. The 130-unit complex will feature high-end one- and two-bedroom floor plans ranging from 750 to 1,150 square feet.
- 9SDC is advancing its revitalization efforts along the 9th Street Commercial Corridor with an \$11 million expansion across four buildings at 9th and Tatnall Streets. The mixed-use development will feature 31 residential units, including 7 designated as affordable housing, and 5 ground-floor storefronts totaling 11,713 square feet of retail space.
- Tsionas Management announced plans to build a 193-unit apartment building along the eastern corner of North Bancroft Parkway and West 11th Street next to 2000 Pennsylvania Avenue. The proposed split-height, 315,000 square foot building would represent a \$100 million investment and include one- and two-bedroom units, an underground parking garage with 352 spaces, a rooftop deck with a pool and a ground-floor coffee shop.

Conclusion

Wilmington remains a key component of the \$557 billion Philadelphia-Wilmington-Camden metropolitan economy, enjoying all the economic advantages of a region of more than 6.2 million people, but with a lower comparable cost-of-living, shorter commutes, and a centralized location that allows easy access to all the major mid-Atlantic metro areas. These fundamental strengths will remain, despite the continued economic challenges. Ongoing investment in, and transformation of, the City's Downtown, Riverfront, and residential neighborhoods will help Wilmington remain regionally and nationally competitive.

CITIZEN'S GUIDE TO THE BUDGET PROCESS

The Budget Process

For a one-page summary of the budget process please see the Budget Process Calendar on page 27.

Step one of the Budget is actually a year-round process in which input provided by the public and elected officials is used to help determine the appropriate level of services and to prioritize any initiatives. Community meetings, surveys, and presentations are used to gather information.

The first internal process related to the Budget runs from September through about mid-October. Using First Quarter revenue and expenditure results, along with preliminary year-end data from the prior Fiscal Year, the Office of Management and Budget (OMB) and the Finance Department evaluate the City's financial position and prepare forecasts for the next Fiscal Year. At this same time, the Mayor and department heads are developing the strategic plan goals, objectives, and performance measures on which spending decisions and staffing level requests will be based.

During the months of October and November, OMB develops a baseline budget known as the Level I (one) Budget. The Level I Budget is built on a modified zero-based budget process. A zero-based budget process is one in which every single dollar of every single line item must be fully justified and documented. Until that is done, the line item remains zeroed out.

For the City, all discretionary personnel budget line items, such as overtime and temporary salaries are zero-based, as line items such as travel, registrations, consultants, and office equipment. However, with line items such as Social Security, healthcare benefit costs, pensions, and debt service, in which OMB makes the calculation of cost, no documentation is required by the department and the amounts deemed appropriate by OMB are built into the Level I Budget. Any request by a department above the Level I amount is considered Level II and must be fully justified and documented.

All materials and instructions necessary for Department Heads to craft their budget requests are given to them during the Budget Kick-off meeting, which is held the first week in December. Part of the material they receive includes the Level I Budget developed by OMB. It should be noted that requests for staffing increases or position upgrades go through an additional extended review process that includes the Human Resources Department and Mayor's Office. The deadline for budget submissions by Departments is the second week in January.

From the third week of January through the first two weeks of March, there are two formal rounds of departmental budget meetings. The first round is with OMB and the second round is with the Mayor's Chief of Staff. As necessary, there are often one or more ad hoc follow-up meetings after the formal hearings have occurred. During this process, OMB and the Mayor's Office review and evaluate requests and make final recommendations as to funding. At the same time, the Capital Budget and Program is reviewed, and funding changes are recommended by the Planning Commission. The Planning Commission is a board composed of appointed citizens and City Officials.

After the Proposed Budget has been finalized, the Mayor submits the Budget, revenue projections and tax and fee rates to City Council in the form of the Budget Address and ordinances, usually on the third Thursday in March. At this time a Proposed Budget Book produced by OMB is made available to the public.

The Finance Committee of City Council then holds a series of public hearings with each Department in which funding levels are scrutinized and in-depth question-and-answer sessions are held. The time frame for these hearings is usually the first week of April through the second week of May. The public is invited and encouraged to attend the City Council Finance Committee Budget Hearings that take place during the weeks

following the Mayor's Budget Address. Copies of the Proposed Budget Book are made available to the public at all of the budget hearings.

It is also during the time of the hearings that the Wilmington Economic and Financial Advisory Council (WEFAC) meets to certify the City's revenue projections underlying the Budget. WEFAC was created in 1994 and is composed of ten members appointed by the Mayor. Its membership consists of business, academic, and financial leaders with multifaceted expertise and experience. WEFAC's primary functions are to advise the Mayor on revenue projections and trends, and to provide a sounding board on issues of urban economics. It is important to note that, by law, City Council cannot alter the Mayor's revenue budget projections. WEFAC projections and reports can be found at <https://bit.ly/WEFAC>.

After the Finance Committee has completed its hearings, meetings are held in which City Council and the Administration leadership finalize agreement on the Budget. By the third Thursday in May, City Council votes on the Budget. By law, City Council must approve a balanced Budget by June 1st. For the Budget to be legally balanced, revenues plus an amount of existing prior years' surpluses, if any, must equal operating expenditures plus any existing deficits. Once completed, the Approved Budget Book is accessible through the City's website at <https://bit.ly/WDEBudget>. OMB also provides free hard copies of the Approved Budget Book upon request.

Amending the Budget

After the start of the fiscal year, OMB has the authority to transfer budget allocations between accounts that are within the same Fund, Department, and Account Group. Account Groups are Personal Services; Materials, Supplies & Equipment; Debt Service, etc. Any other type of transfer, such as between Funds, Departments or different Account Groups, requires City Council approval by passage (through a simple majority vote) of an amending budget ordinance. The same holds true for any addition or deletion to the budget.

According to City Charter (Sec. 2-301. Other Appropriations) "*The Council may not make any operating appropriations in addition to those included in the annual operating budget ordinance except:*

- a. To meet emergencies which could not be anticipated when the operating budget ordinance was passed;*
- b. To pay the expenses of holding special elections and elections on proposals to amend this Charter;*
- c. To pay the cost of councilmanic investigations and inquiries and the compensation of attorneys retained by the Council as authorized by this Charter."*

City Council must determine and approve the revenues by which an addition to the budget will be funded.

Capital Program and Capital Budget

Prior to the passage of the annual operating budget ordinance, Council must adopt a capital program and a capital budget. The Capital Program is a six-year plan listing projects for the purchase of property, equipment and public improvements that are of a permanent nature. The Capital Budget enacts spending authority for the first year of projects listed in the six-year Capital Program. Generally, a capital project is fixed in nature, has a relatively long life expectancy, and requires a substantial financial investment. Capital projects traditionally take the form of large-scale physical developments, such as buildings, streets and water mains. However, a wide range of other projects qualify for capital funding consideration, including firefighting apparatus, street lighting, and computer software. **Please see the Capital Program section on page 235 for more details.**

The Capital Program is presented by the Mayor with the recommendation of the Planning Commission to City Council for approval. Council may delete projects from the program but may not otherwise amend the Capital Program unless requested through the Mayor and Planning Commission. The majority of the Capital Budget is funded using bond proceeds. Bonds enable the costs of projects with long-term benefits to be spread over many fiscal years. Bonds are usually issued for twenty years and are structured to match the usefulness of projects financed and the fiscal policy of the City.

Due to the planning required and in order to reduce the costs of bond issuance, the City has adopted a procedure of issuing bonds on a biennial basis. Therefore, capital projects are budgeted in only even numbered fiscal years, and ordinances regarding the Capital Program and Budget in odd numbered years are normally insignificant and represent more of a formality than a substantive process.

The Capital Improvement Program (CIP) is designed to coordinate the biennial capital budgeting process with the operating budget process. The process includes: a) the establishment of a twelve-month capital project spending review; b) an inventory and needs assessment of existing capital facilities; c) the publication of a procedures manual; d) the creation of workshops to facilitate participation; and e) a combined review period for the CIP and the operating budget.

Public comment on the Capital Program and Budget is obtained during operating budget hearings and meetings of the Planning Commission.

Accounting and Budgeting Basis

The City's budget is prepared using the same basis of accounting methods and procedures utilized to prepare the Annual Financial Report (Annual Report), which can be found at <https://bit.ly/WDeAFR>. The City's financial statements and budget are prepared to conform to the standards of financial reporting set forth by the Governmental Accounting Standards Board (GASB) in its various Statements and Interpretations. As such, Funds are utilized to segregate the specific purposes and operations of the various activities of the City.

For both budgeting and accounting purposes, the City utilizes four major funds: the General, Special, Water/Sewer, and Internal Service funds (**please see Description of Appropriated Funds on page 35**). Funds can be thought of as being like the subsidiaries of a major conglomerate corporation. Each subsidiary is responsible for its own operational results and strategy yet is still part of the larger conglomerate corporation when it comes to overall management and financial results.

The basis of budgeting for each City fund matches the basis of accounting (the underlying fiscal principles used in the development of the financial statements and for recording financial activity) for that fund. The General and Special funds are budgeted and operate under a **modified accrual basis** in which revenues are

recognized when they become measurable and available as net current assets, and all expenses, except those related to fixed asset acquisition, are recorded when incurred (not when cash is paid out).

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers General Fund revenues to be available if they are collected within 60 days after the end of the fiscal year.

The Water/Sewer and Internal Service funds are budgeted and operate under the **accrual method** (used by most businesses) in which all revenues and expenses are recorded when recognized (i.e. when earned for revenues and when incurred for expenses), rather than when cash is collected or paid out.

The major differences between the Modified Accrual Basis and Accrual Basis for both budgeting and accounting in the City's major funds are:

- Depreciation of fixed assets is budgeted and expensed in the Water/Sewer and Internal Service funds. In the General Fund, however, no depreciation is budgeted or expensed, rather the *total cost* of fixed asset acquisitions are budgeted and then expensed when purchased.
- The total cost of fixed asset acquisitions in the Water/Sewer and Internal Service Funds are also budgeted, but only to establish an appropriation line item for spending authority. The fixed asset budgeted amounts and actual purchase amounts are reversed through the use of an equal but negative capitalization account. The fixed asset purchases are then expensed over their useful life through the depreciation account.
- Only interest payments are budgeted and expensed for debt service in the Water/Sewer and Internal Service funds; however, both principal and interest payments are budgeted and expensed in the General Fund.

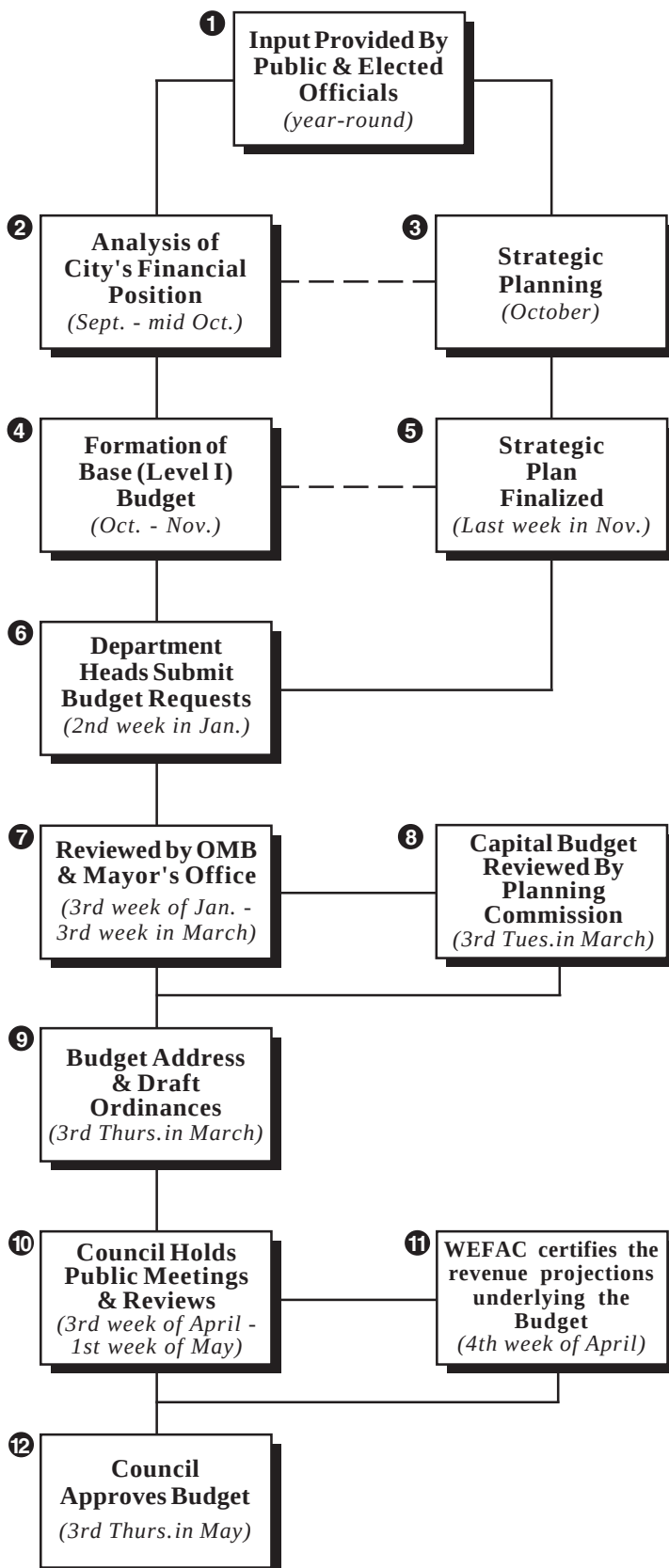
Questions and Feedback About the Budget

The public is welcome and encouraged to provide feedback and ask questions about the annual budget by contacting us via the City's 311 customer service portal at <https://www.wilmingtonde.gov/residents/311>.

Citizens can also contact their elected officials via the following links:

- Office of the Mayor: <https://www.wilmingtonde.gov/government/mayor>
- Wilmington City Council: <https://www.wilmingtoncitycouncil.com/>
- Office of the Treasurer: <https://www.wilmingtonde.gov/government/city-treasurer-s-office>

BUDGET PROCESS CALENDAR



- ① Community meetings, surveys, and presentations are used to gather information regarding services and issues.
- ② The Office of Management and Budget (OMB) evaluates the City's financial position and prepares preliminary forecasts for next fiscal year.
- ③ The Mayor and Dept Heads develop strategic plan goals and objectives.
- ④ OMB develops a baseline or Level I budget from historical data, trends, local economy and strategic plan.
- ⑤ Strategic Plan is finalized.
- ⑥ Based on Strategic Plan results and Level I amounts, departments submit budget requests to OMB.
- ⑦ During departmental meetings, OMB and the Mayor's Office review and evaluate requests, making recommendations as to funding.
- ⑧ The Planning Commission, a board of appointed citizens (5) and City officials (2), reviews and recommends a Capital Budget and Program to City Council.
- ⑨ The Mayor submits budget (operating and capital), revenue projections and tax rates for next fiscal year to City Council.
- ⑩ The Finance Committee of City Council holds public meetings on Mayor's proposed budget for each City Dept.
- ⑪ The Wilmington Economic and Financial Advisory Council (WEFAC) reviews, analyzes and certifies the revenue projections underlying the Budget. WEFAC consists of regional business, financial, and academic leaders appointed by the Mayor.
- ⑫ The City Council must approve a balanced budget by June 1 or 30 days prior to start of fiscal year.

WILMINGTON STRATEGIC PLAN

Vision Statement

To Be a Thriving City, Where Communities Are Safe,
Businesses Are Eager to Invest, and People Prefer to Live.

Focus Area: Effective City Government

To Meet Citizens' Service Needs in a Professional, Caring, and Efficient Manner

- | | |
|--------------------|-------------------------------|
| City-wide goal #1: | Embrace a Culture of Service. |
| City-wide goal #2: | Increase Accountability. |
| City-wide goal #3: | Enhance Fiscal Prudence. |
| City-wide goal #4: | Ensure Transparency. |

Focus Area: Public Safety

To Decrease Crime and Improve Residents' and Visitors' Sense of Security

- | | |
|--------------------|--|
| City-wide goal #5: | Prevent and Deter Violent Crime. |
| City-wide goal #6: | Cultivate Positive Community Relationships. |
| City-wide goal #7: | Promote Professionalism. |
| City-wide goal #8: | Reintegrate Formerly Incarcerated Individuals. |

Focus Area: Economic Vitality

To Increase Opportunities for Citizens and Businesses to Achieve Economic Success

- | | |
|---------------------|---------------------------------------|
| City-wide goal #9: | Streamline Permitting Process. |
| City-wide goal #10: | Build a Skilled Workforce. |
| City-wide goal #11: | Cultivate Entrepreneurship. |
| City-wide goal #12: | Attract, Retain, and Expand Business. |

Focus Area: Quality of Life

To Enhance the City's Position as a Desirable Place to Live, Work, and Play

- | | |
|---------------------|--|
| City-wide goal #13: | Offer Enhanced Recreational Opportunities. |
| City-wide goal #14: | Support Enriching Cultural Experiences. |
| City-wide goal #15: | Enhance City Services. |
| City-wide goal #16: | Inspire Young People to Achieve Success. |
| City-wide goal #17: | Improve Housing Quality. |
| City-wide goal #18: | Enhance Environmental Sustainability. |

Introduction to Wilmington's Strategic Plan and Performance Measures

In 2015, the City of Wilmington released a comprehensive revision to its Strategic Plan. This resulted from a multi-year review of the City's administrative and service-related activities, with the goal of improving the delivery of services, better addressing fiduciary responsibilities, and impacting quality-of-life issues for Wilmingtonians. The Strategic Plan serves as a framework for the City's activities at all levels: the City's Vision Statement is shared by all departments, and departments have Mission Statements, Priorities, and Performance Measures that reflect the goals of the Vision and the Focus Areas.

While the high-level elements of the Strategic Plan, such as the Vision and Focus Areas, will remain relatively stable year-over-year (as they represent the core values and aspirations of the City), departmental Performance Measures are expected to change as the City pivots its efforts to meet citizens' most pressing needs. In order to ensure that the Strategic Plan objectives will be accurate, relevant, and meaningful to both City decision makers and constituents, the City's departmental Measures are expected to meet the following criteria:

1. Can the objective be easily and consistently measured over time?
2. Does the objective measure the department's success in serving the public?
3. Does the objective measure the department's success in improving the quality of life of City residents?

As part of the budget process, the Mayor and department heads review the departmental Performance Measures, revising them to reflect the Administration's goals for the upcoming Fiscal Year. The Administration then monitors how departments meet these measures via CitiStat, a data-driven management program (modelled on the highly successful program pioneered by Baltimore, Maryland) whereby departments collect quantitative data on operations and hold regular meetings with the Administration and OMB. CitiStat requires departments to be accountable for objectively measurable goals, which are tied to the Performance Measures included in the Strategic Plan. This allows for continuous review of the Measures, leading to revisions and improvements, as well as serving as a basis for budgetary decisions in subsequent years.

The approved budget book includes Strategic Plan measurements for many, though not all, departments. When phasing in the Strategic Plan at the departmental level, the City has chosen to focus on those departments with the broadest public impact, with the expectation that Performance Measures for other departments (particularly those with largely internal functions) will be phased in over time. Because of this (and because the City continues to revise and expand its existing Performance Measures), some of the Measures are new, and data for prior years is not always available.

OpenGov Performance Measures

As the City of Wilmington is committed to providing the public with detailed information about its finances and operations, it has partnered with OpenGov to develop an interactive platform that provides easy access to a wide variety of data about the City of Wilmington. Users will find information about how the City spends its money on operations and how it allocates funds for infrastructure and other capital projects. In addition, OpenGov will display dynamic performance data pulled from the City's Strategic Plan.

Included with each departmental Strategic Plan in the budget book is a link to the department's OpenGov page. This page includes dynamic data for each measurement, while also providing up-to-date information about the department's budget and expenditures. A compilation of these pages may be found here: <http://bit.ly/WDeDSOG>.

STATEMENT OF FINANCIAL POLICIES

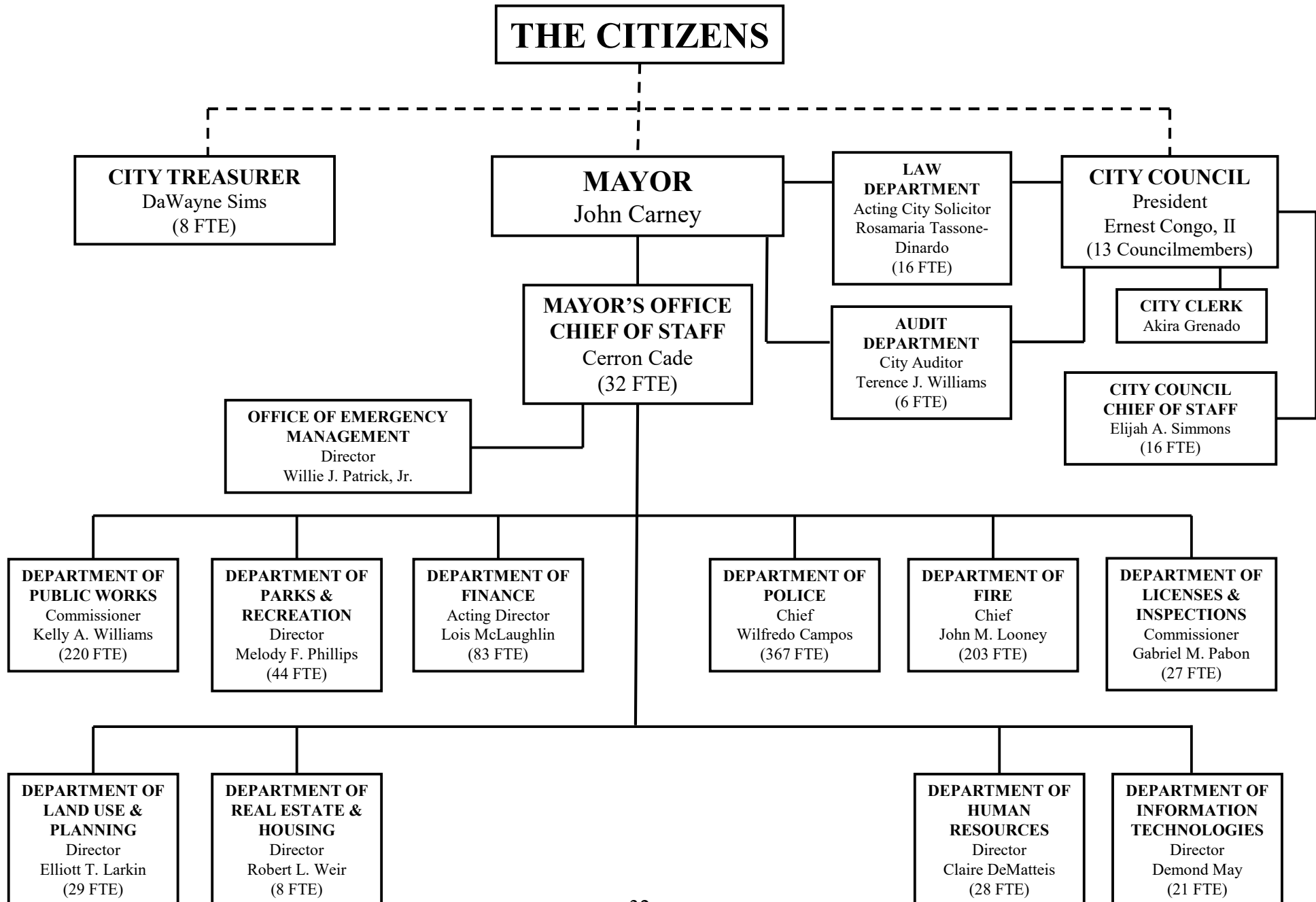
1. The City Code requires that the operating budget be balanced. Operating expenditures cannot exceed the total sum of projected revenues plus use of prior years' accumulated surplus (as approved by Council). Our financial policy extends the Code to include the following:
 - Enterprise Funds shall be self-sufficient and budgeted with a surplus or break-even operations. Water and Sewer user fees shall be adjusted to provide adequate cash flow to sustain water and sewer operations and the necessary infrastructure.
 - Internal Service Funds shall be budgeted at break-even with internal charges equal to expenditures. The Risk Management Fund shall be an exception in that this fund should, if possible, produce a positive fund balance. The building of a positive fund balance is important in risk management because a catastrophic fund balance reserve must be established. When the catastrophic reserve is established at an actuarially determined level, a balanced budget should be maintained.
 - Prior years' accumulated surpluses can be included in projected revenues with the exception of those funds designated for debt service, encumbrances or the Budget Reserve Account (see Policy #2 below). This policy limits tax increases because prior years' surplus are used prior to revenue enhancements.
2. Wilmington's financial position shall be managed conservatively. The following strategies shall be deployed:
 - The City shall maintain a Budget Reserve Account or "Rainy Day Account" equal to 10% of the General Fund Operating Budget. The Budget Reserve is to be used only in emergencies as declared by the Mayor and approved by a two-thirds majority vote of City Council.
 - One-time, temporary, or highly volatile sources of funding shall not be used to incur long-term or permanent increases in expenditures.
 - Operating contingencies shall be budgeted annually for general miscellaneous contingencies, snow removal, and contingencies due to new or increased business activity.
 - Appropriations for pensions and retiree healthcare costs shall include amounts for current expenses, along with amounts amortizing prior unfunded liabilities, as actuarially determined and approved by the City Treasurer and the independent Board of Pension and Retirement.
 - The Risk Management Fund or Self-Insurance Fund shall maintain a fund balance reserve for catastrophic losses, in addition to the actuarially-calculated liability.
3. A target of 80% or more of the General Fund or operating budget should represent direct essential services deemed as priorities by the citizens, such as Police, Fire, Public Works, Parks & Recreation, and Licenses & Inspections.

4. Cost containment shall be achieved by limiting growth of controllable expenses to no more than the increase in related cost indices such as the Consumer Price Index (CPI) or Producer Price Index (PPI). Cost containment should be achieved without elimination of services or programs. New programs should be implemented only through cost savings from existing programs. Innovation and new technology must be utilized to achieve the most cost-effective service delivery.
5. Revenue generation will be derived from various sources with the primary focus on economic development activities. The broadening of the tax base, rather than increases to tax rates, is the objective; however, real estate tax rates and various user charges should be periodically adjusted to account for inflation. Collection and enforcement are vital components to our revenue generation program. All taxes, fees, and user charges should have a collection rate of 98% or greater.
6. All components of Wilmington's infrastructure, including roads, water/wastewater transmission lines, water and sewer treatment plants, traffic signals, parks, public property, bridges, street lighting, reservoirs, and other capital assets shall be reviewed quarterly, and planned maintenance or replacement shall be approved by the Planning Commission and included in the City's Capital Budget and Program. Unexpended funds from previous Capital Budgets shall be reviewed quarterly to determine whether a former project has been temporarily delayed, altered, or is no longer feasible. Based on this analysis, funds might then be transferred to current fiscal year projects in order to reduce the amount of new borrowing and subsequent interest charges.
7. Debt shall never be incurred to finance operating activities, except in the special case, as approved by City Council, where the issuance of tax anticipation notes are to be used to bridge timing gaps in cash flow from tax revenue sources. Capital borrowing shall be structured to create level debt service over the life of the bonds and be opportunistic in regard to market conditions and special issues. The City will take an aggressive position regarding special issues in order to generate interest savings, fee income, or economic development incentives. Although total annual General Fund debt service cost as a percentage of the annual operating budget shall not exceed 17.5%, as mandated by Delaware State law, the City shall strive to keep that percentage to below 11%.
8. The City shall make maximum use of private resources. This includes the leveraging of non-public resources through public/private partnerships, as well as the privatization of services when those services can be provided more effectively, and at a reduced cost through the private sector.

Policies are reviewed annually for relevance and are the guidelines used during the strategic planning and budgeting processes. Adherence to the policies is checked on a monthly, quarterly, and annual basis through a number of vehicles, such as the Expenditure Review Board, the Capital Review Committee, the Administrative Board, and the Wilmington Economic and Financial Advisory Council (WEFAC). This multifaceted process of review and analysis reveals no deviations from the policies have occurred over the last fiscal review period.

CITY OF WILMINGTON ORGANIZATION CHART

WITH DEPARTMENT STAFFING SHOWN IN FULL TIME EQUIVALENT (FTE) POSITIONS



DESCRIPTION OF APPROPRIATED FUNDS

The General Fund encompasses basic municipal operations and services, such as police and fire protection, residential trash collection, general governmental operations, etc. Revenues are derived from taxes, fees, fines, and interest on investments. The General Fund is designated as a governmental fund.

Special Funds contain specialized activities/services that are funded from specific sources including other governmental units, endowments, trusts, and agencies. Special Funds are designated as governmental funds.

State Aid to Local Law Enforcement (SALLE) Funds are State of Delaware grants to be used for specific policing programs.

Parks Trust Fund reflects contributions to the City from trusts to be used in the maintenance and improvement of specific City-owned parks. Only the contribution from the trusts to the City are appropriated and shown in the budget.

Municipal Street Aid Fund reflects the fiscal activities regarding a special State of Delaware appropriation for street maintenance and lighting.

Parks Assistance Fund represents City activities in summer youth programs, senior programs, and other recreational and meal programs funded through federal and state grants.

HUD Section 8 Funds are used exclusively for rental subsidies for aged and economically disadvantaged persons. Funding is obtained from the U.S. Department of Housing and Urban Development (HUD).

Community Development Block Grant (CDBG) Funds are federally-funded activities administered by City staff and subrecipients for urban renewal and development.

Home Partnership Funds are federal funds that address a variety of housing assistance programs to benefit low-to-moderate income City residents.

Pension Administration Funds shown in the budget reflect the costs related to the administration of the City's five employee pension plans. The pension fiduciary trust funds themselves (including pension payroll and investment income) are not appropriated by City Council, but are controlled by an independent Board of Pensions.

Emergency Shelter Grant is designed to improve the quality of emergency shelters for the homeless. Funding for this program is awarded through HUD.

Local Law Enforcement Block Grant (LLEBG) is awarded by the United States Department of Justice to be used by local Police jurisdictions to enhance crime prevention and deployment.

New Castle County (NCC) Police Grant; NCC Fire Grant are grants provided by New Castle County for supporting City policing operations, new Fire apparatus, and ambulance subsidy payments.

Delaware State Fire Grant is provided by the State of Delaware to all fire departments throughout the State to assist them in purchasing specialized gear and equipment and to provide funding for specific safety training programs.

Byrne Grant is a federal award to support interdisciplinary activities to prevent and control crime.

DESCRIPTION OF APPROPRIATED FUNDS

Special Funds (continued)

Workforce Investment Board (WIB) is a U.S. Department of Labor program that provides funding for community occupational training and employment service opportunities.

Housing Opportunities for Persons with AIDS (HOPWA) Program is a federal grant providing housing assistance and supportive services for low-income people with HIV/AIDS and related diseases and their families.

Local Emergency Planning Committees (LEPC) funding is provided by the U.S. Environmental Protection Agency to help communities work to understand chemical hazards, develop emergency plans in case of an accidental release, and look for ways to prevent chemical accidents.

Emergency Management Performance Grant (EMPG) provides state, local, tribal, and territorial emergency management agencies with the resources required for implementation of the National Preparedness System and works toward the National Preparedness Goal of a secure and resilient nation.

CATV funding is provided by the annual fee paid by Comcast for its cable franchise in the City of Wilmington. City Council created the CATV fund to support the activities of the City's Cable channel 22 WITN station which is managed by City Council.

Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding resulted from federal legislation to provide, among other things, economic stimulus payments to individuals, small business, and state and local governments in response to the negative effects of the COVID-19 pandemic.

American Rescue Plan Act (ARPA) federal grant funding was provided to state and local governments as part of a spending package approved by Congress to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic. ARPA builds upon many of the measures contained in the CARES Act.

The Water/Sewer Fund summarizes the City's water production and distribution, sewage treatment and disposal activities, along with stormwater control. Expenditures regarding these activities are funded by water, sewer, and stormwater service charges.

The Commerce Fund (defunct) had reflected the revenues and expenditures of the Port of Wilmington, as well as the administration of the economic development arm of the City. Revenues were primarily derived from Port of Wilmington service charges. The Port of Wilmington was sold to the State of Delaware in Fiscal Year 1996. Revenues received from the State were the sale proceeds (as a mortgage amortized over 30 years) and reimbursement of the previously existing Commerce Fund debt service which remained on the City's books.

Then in February of 2002, the Port and City entered into an agreement whereby the State would pay the City a lump sum of \$8 million to pay off the remaining mortgage payments owed to the City by the Port. The debt service reimbursement portion of the previous agreement was unaffected by this lump sum prepayment. State law dictated, however, that the remaining fund balance of the Commerce Fund had to be used by the City exclusively for economic development activities.

DESCRIPTION OF APPROPRIATED FUNDS

The Commerce Fund (continued)

Thus, it was the mandated policy that the fund balance of the Commerce fund continue to be drawn down for economic development activities until the fund balance was depleted. Once the fund balance was spent down, as planned, those economic development activities and costs would be merged into the General Fund. In FY 2009 the Commerce fund balance was depleted, and as a result, in FY 2010 all economic development activities and costs, along with the Port debt reimbursement revenue from the State, were moved and budgeted in the General Fund.

Internal Services Funds are used to summarize City-wide common expenditures in one area, then to allocate such expenditures to the various departments in the General and Water/Sewer Funds. The funds have been segregated into these categories.

Administrative Services: Communications; Data Processing; Duplication and Reproduction; Mail Services; Mapping and Graphics; Motor Vehicle; Word Processing. In FY 2020, all Administrative Services Funds, except for the Motor Vehicle Fund, were eliminated and their activities transferred into the General Fund as part of the new Department of Information Technologies.

Self-Insurance: Risk Management; Workers' Compensation; Health and Welfare (Employee Healthcare).

Funding Appropriation

The City's Non-Special Funds are appropriated through the Budget Process and approved by City Council through City Ordinance.

Most of the City's Special Funds are also appropriated through the budget process, but there are notable exceptions, such as the Pension and Parks Trust funds. While a small portion of administrative costs related to these two funds is appropriated and shown in the budget, the large majority of activities, revenues, and costs of these funds is controlled by legally independent boards and trusts, and are not appropriated through the budget process.

Only those Funds (or portions of those Funds) in which the City Council can appropriate expenditures are included in the budget document.

FUND / DEPARTMENT RELATIONSHIP MATRIX

FY 2027 APPROPRIATED FUNDS

		Departments																	
		Mayor's Office	Council	Treasurer	Land Use and Planning	Audit	Law	Finance	Human Resources	Licenses & Inspections	Parks & Recreation	Fire	Police	Public Works	Real Estate & Housing	Commerce (Port Debt)	Information Technologies	State Pension Contribution	Contingent Reserves
Appropriated Funds	General Fund	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
	Water / Sewer Fund				x		x						x						
	Internal Services																		
	Health and Welfare							x											
	Motor Vehicle Fund												x						
	Risk Management							x											
	Workers' Compensation							x											
	Special Funds																		
	CATV		x																
	Community Development Block Grant (CDBG)													x					
	Emergency Shelter Grant (ESG)													x					
	EMPG Grant	x																	
	Home Investment Partnerships Program													x					
	Housing Opportunities for Persons With AIDS (HOPWA)													x					
	Municipal Street Aid												x						
	Parks Assistance								x										
	Parks Trust								x										
	Pension Administration		x																
	SALLE Grant											x							
	State Fire Grant										x								
	Workforce Investment Board (WIB)									x									

BUDGET HIGHLIGHTS

City of Wilmington

Fiscal Year 2027

The General Fund

- The FY 2027 General Fund operating budget expenditures total **\$213,532,018**— up \$11,744,715 or 5.8% 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 21.00 full-time equivalents (FTEs). Thirty-seven personnel actions occurred across nearly every department, adding over \$2.3 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 21.00 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.

BUDGET HIGHLIGHTS

City of Wilmington

Fiscal Year 2027

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, 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.
- In the newly created Office of Community Safety in the Mayor's Office, \$450,000 was added to Grants to Agencies to support the Community Public Safety Initiative (CPSI), which helps local organizations carry out violence-prevention efforts. This funding is intended to support CPSI during the second half of FY 2027, while the first half of the fiscal year will be covered by existing ARPA funds.
- 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.
- Electricity costs jumped by \$343,200, or 24.6%, with the largest increases in Public Works, Parks & Recreation, Fire, and Police. The budget reflects the double-digit rate hikes implemented by Delmarva Power this fiscal year and an anticipated additional 9.0% rate adjustment in FY 2027.
- 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.

BUDGET HIGHLIGHTS

City of Wilmington

Fiscal Year 2027

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, for a savings of \$412,000. In addition, \$150,000 previously budgeted for Telestaff scheduling software was removed as these 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 \$2.6 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.
- To support a one-time \$1,000 payment to all current pensioners in City-sponsored plans who retired on or before December 31, 2019, a transfer of \$969,000 from the Tax Stabilization Reserve was made to the City Pension Trust Funds to be allocated as follows: \$75,000 to Pension Plan I, \$125,000 to Pension Plan II, \$227,000 to Pension Plan III, \$343,000 to the Police Pension Plan, and \$199,000 to the Fire Pension Plan.
- A transfer of \$13,100,000 from the Tax Stabilization Reserve was made to the Neighborhood Stabilization Fund. Of this amount, \$8,400,000 will be allocated for the Affordable Housing Subsidy, \$2,000,000 for the Vacant Lots Site Readiness Program, \$1,500,000 for the Housing Support Block Grant, \$500,000 for the Home Repair Program, \$500,000 for the Wilmington Neighborhood Conservancy Land Bank, and \$200,000 for architectural and engineering support services.

BUDGET HIGHLIGHTS

City of Wilmington

Fiscal Year 2027

The Water/Sewer Fund

- The FY 2027 Water/Sewer Fund operating budget expenditures total **\$98,987,989** – up \$3,797,540 or 4.0% 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.
- 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.

BUDGET HIGHLIGHTS

City of Wilmington

Fiscal Year 2027

The Water/Sewer Fund (continued)

- Electricity rose a total of \$227,531 or 23.3%, with almost all the increase in the Water System Division of Public Works. The budget incorporates the double-digit rate hikes implemented by Delmarva Power this fiscal year and an anticipated additional 9.0% rate adjustment in FY 2027.
- 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.
- 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.
- 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.
- Miscellaneous Charges - N.O.C. increased by \$101,500. 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. In Finance, there was a \$40,000 increase in the Central Cashier Division to better align the 311 Call Center costs between the General Fund and the Water/Sewer Fund.
- Total Debt Service decreased \$300,175. While the Bond - Interest Payments account increased \$72,594, the Interest - Amortization Refunding Gain account dropped \$372,769. These figures include the effect of the new bond issuance that occurred in December 2025.
- There is an across the board 7.00% 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 \$4.9 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 \$5.70 to their monthly bill.

Summary of Combined Statement of Revenues Fiscal Year 2027

Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	2,843,047	2,568,047	933.8%
General Fund Total	\$203,993,911	\$203,427,012	\$204,487,376	\$213,532,018	\$9,044,642	4.4%
Water/Sewer Fund						
Water/Sewer Fees	\$69,970,795	\$79,393,000	\$76,662,153	\$80,138,230	\$3,476,077	4.5%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Other	464,635	385,482	453,000	467,000	14,000	3.1%
Water/Sewer Fund Total	\$89,276,488	\$103,424,325	\$100,026,153	\$103,668,230	\$3,642,077	3.6%
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	8,174,444	460,063	6.0%
Special Funds Total	\$16,885,650	\$16,742,240	\$15,963,067	\$17,274,395	\$1,311,328	8.2%
Total Revenues						
All Funds Total	\$310,156,049	\$323,593,577	\$320,476,596	\$334,474,643	\$13,998,047	4.4%

Summary of Combined Statement of Expenditures Fiscal Year 2027

Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
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General Fund						
Personal Services	\$116,662,885	\$126,568,793	\$130,935,064	\$139,601,332	\$8,666,268	6.6%
Materials, Supplies, & Equip.	52,951,926	54,948,950	55,916,914	58,751,681	2,834,767	5.1%
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	\$213,532,018	\$11,744,715	5.8%

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	68,089,269	2,556,817	3.9%
Debt Service	5,437,407	4,496,959	4,108,318	3,808,143	(300,175)	-7.3%
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	\$98,987,989	\$3,797,540	4.0%

Special Funds						
Personal Services	\$4,028,532	\$4,775,262	\$4,339,612	\$5,411,418	\$1,071,806	24.7%
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	\$17,531,266	\$1,310,652	8.1%

Total Expenditures						
All Funds Total	\$288,973,517	\$303,712,703	\$313,198,366	\$330,051,273	\$16,852,907	5.4%

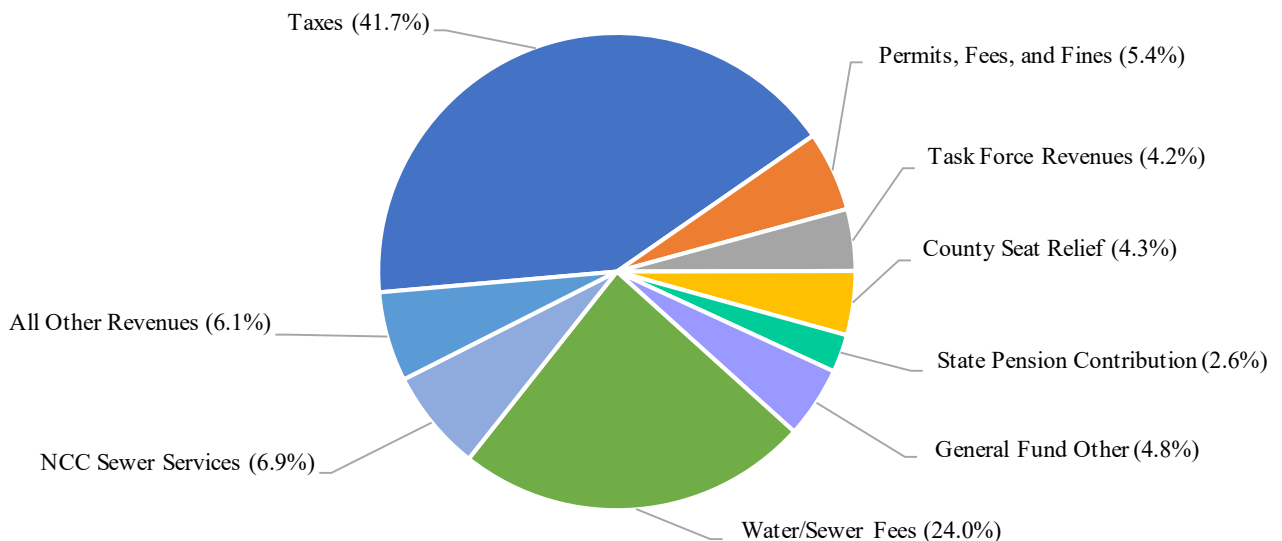
Income / (Loss)	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
General Fund	\$20,292,332	\$7,823,690	\$2,700,073	\$0	(\$2,700,073)	-100.0%
Water/Sewer Fund	926,949	12,110,544	4,835,704	4,680,241	(155,463)	-3.2%
Special Funds	(36,749)	(53,360)	(257,547)	(256,871)	676	N/A
Total Income / (Loss)	\$21,182,532	\$19,880,874	\$7,278,230	\$4,423,370	(\$2,854,860)	-39.2%

Summary of All Funds Combined Fiscal Year 2027

All Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	80,138,230	3,476,077	4.5%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Water/Sewer Other	464,635	385,482	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	8,174,444	460,063	6.0%
Total Revenues	\$310,156,049	\$323,593,577	\$320,476,596	\$334,474,643	\$13,998,047	4.4%

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.

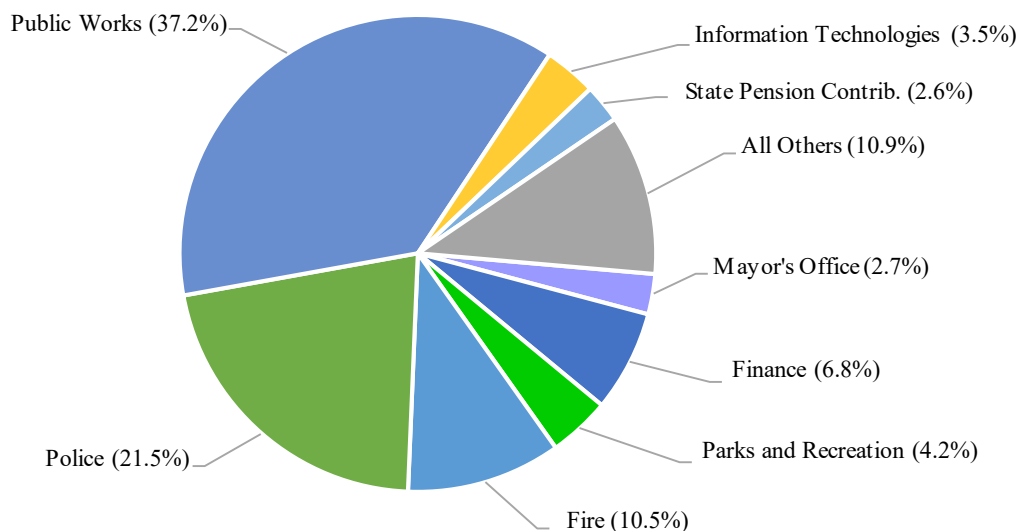
All Funds Revenues Fiscal Year 2027



Summary of All Funds Combined Fiscal Year 2027

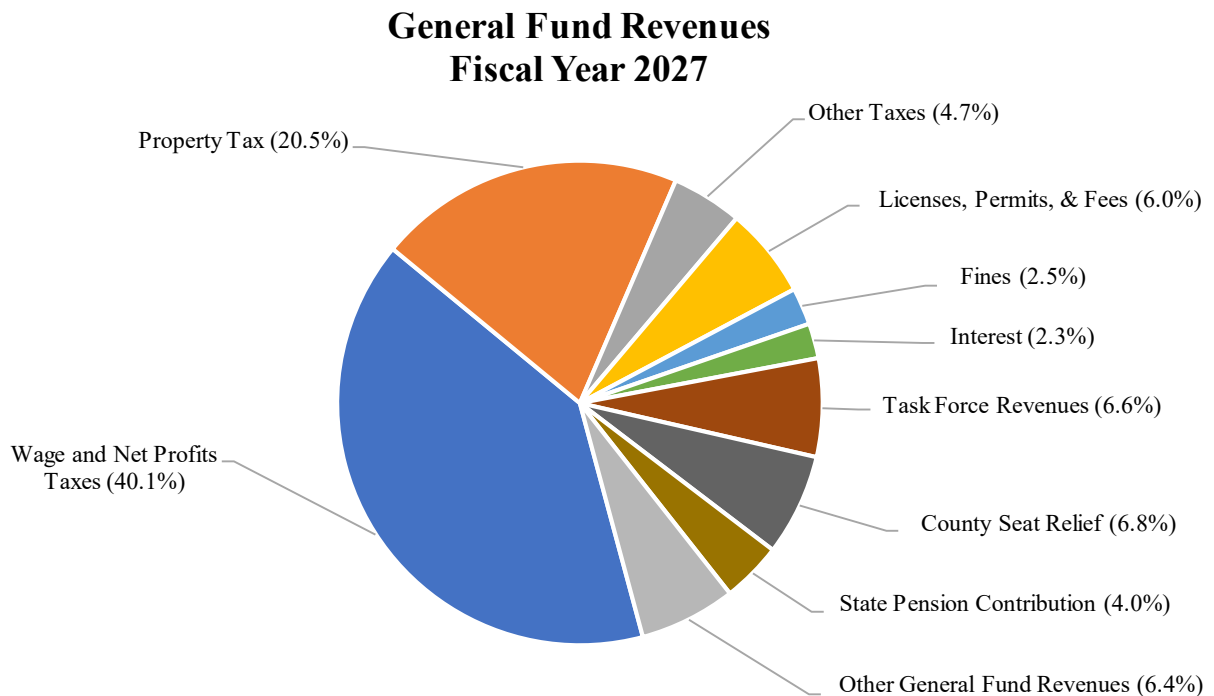
All Funds Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Mayor's Office	\$7,828,798	\$8,367,522	\$7,881,774	\$9,026,151	\$1,144,377	14.5%
City Council	3,318,664	3,821,111	4,296,961	4,357,469	60,508	1.4%
Treasurer	6,298,489	6,792,984	7,340,264	8,086,311	746,047	10.2%
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	22,606,291	1,945,161	9.4%
Human Resources	2,416,393	2,290,021	2,721,423	2,834,138	112,715	4.1%
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	13,908,273	(38,697)	-0.3%
Fire	27,627,006	28,381,639	31,313,189	34,545,808	3,232,619	10.3%
Police	65,016,258	71,512,622	67,892,851	71,015,623	3,122,772	4.6%
Public Works	112,782,210	114,664,296	117,944,459	122,659,966	4,715,507	4.0%
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	\$330,051,273	\$16,852,907	5.4%

All Funds Expenditures Fiscal Year 2027



Summary of General Fund Fiscal Year 2027

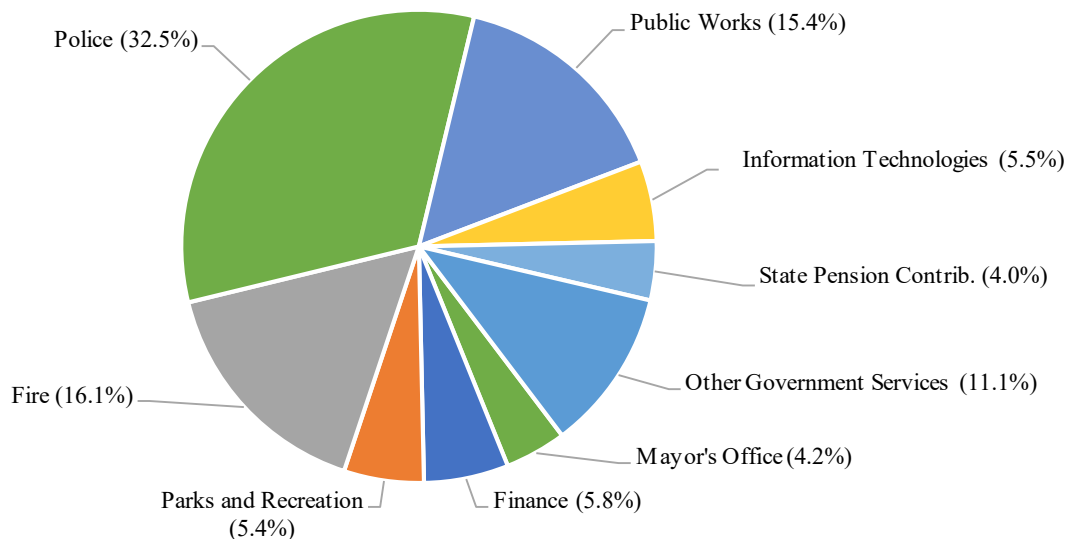
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Wage and Net Profits Taxes	\$81,030,509	\$77,568,519	\$84,000,012	\$85,700,278	\$1,700,266	2.0%
Property Tax	45,653,504	45,521,404	45,373,913	43,788,030	(1,585,883)	-3.5%
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	2,568,047	2,568,047	N/A
Total Revenues	\$203,993,911	\$203,427,012	\$204,487,376	\$213,532,018	\$9,044,642	4.4%



Summary of General Fund Fiscal Year 2027

General Fund Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Mayor's Office	\$7,634,001	\$8,154,036	\$7,732,475	\$8,937,826	\$1,205,351	15.6%
City Council	2,454,529	2,881,956	3,259,901	3,279,618	19,717	0.6%
Treasurer	435,036	508,267	523,688	851,139	327,451	62.5%
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	2,834,138	112,715	4.1%
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	11,631,920	(38,697)	-0.3%
Fire	27,188,758	28,381,639	31,115,189	34,347,808	3,232,619	10.4%
Police	62,538,977	68,588,512	67,240,945	69,453,876	2,212,931	3.3%
Public Works	29,925,681	29,842,841	31,118,364	32,974,302	1,855,938	6.0%
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	\$213,532,018	\$11,744,715	5.8%

General Fund Expenditures Fiscal Year 2027

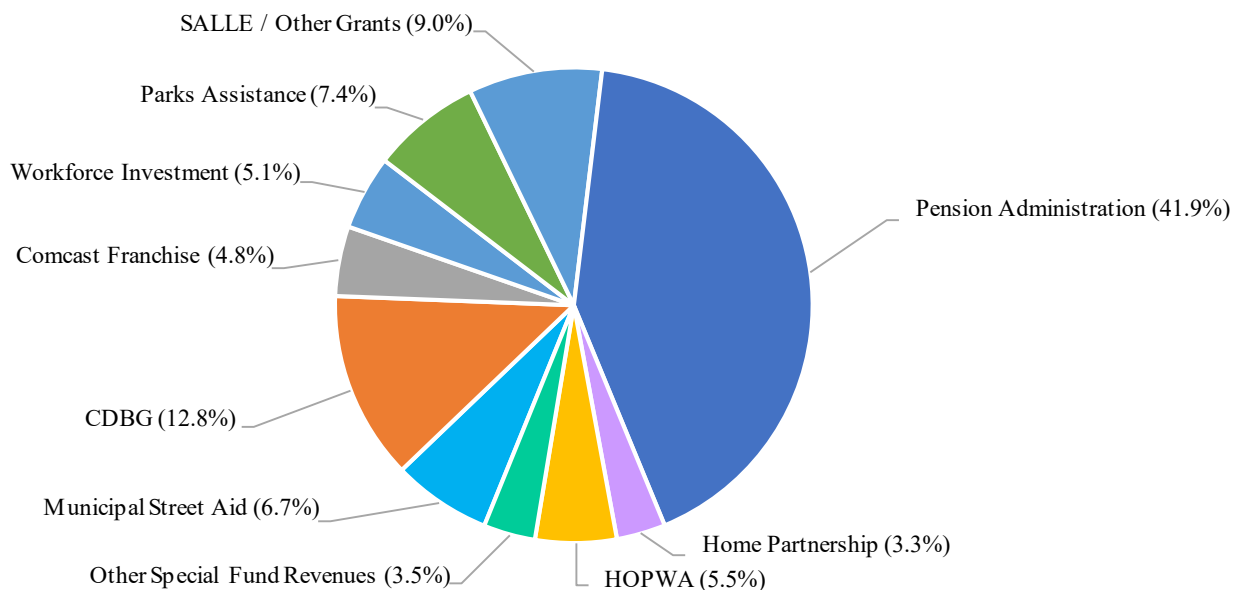


Summary of Special Funds Fiscal Year 2027

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	7,235,172	418,596	6.1%
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	\$17,274,395	\$1,311,328	8.2%

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.

Special Funds Revenues Fiscal Year 2027

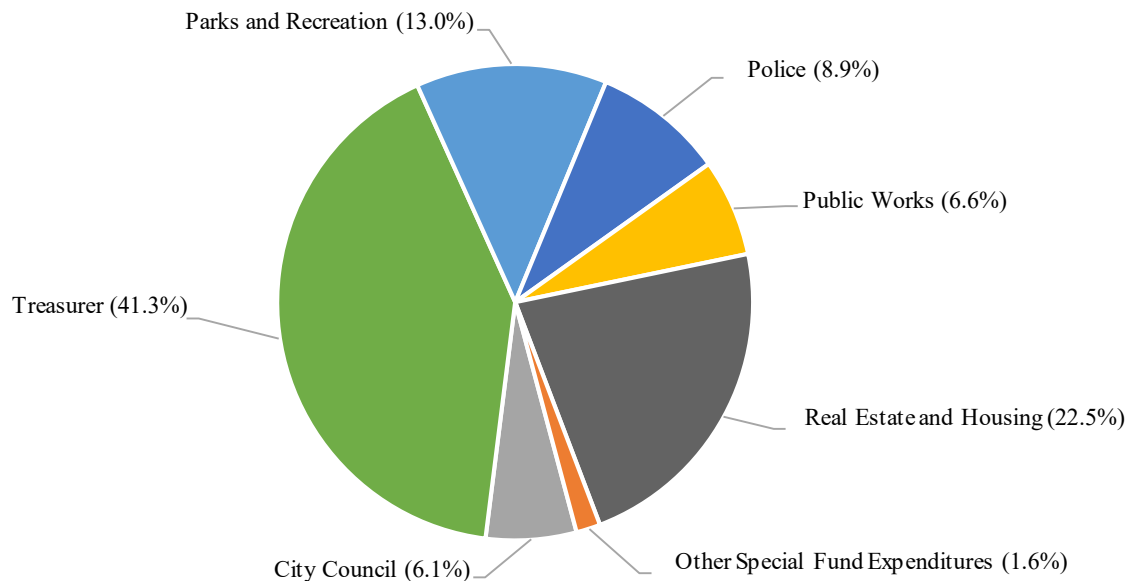


Summary of Special Funds Fiscal Year 2027

Special Funds Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	7,235,172	418,596	6.1%
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	\$17,531,266	\$1,310,652	8.1%

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.

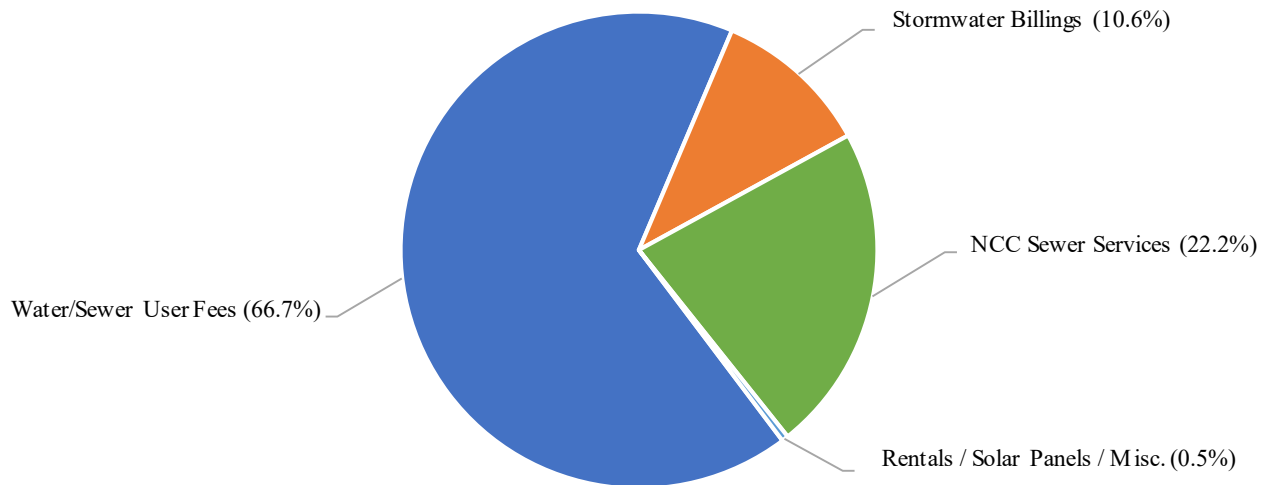
Special Funds Expenditures Fiscal Year 2027



Summary of Water / Sewer Fund Fiscal Year 2027

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	\$69,110,479	\$3,211,511	4.9%
Stormwater Billings	3,035,387	9,553,996	10,763,185	11,027,751	264,566	2.5%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Rentals/Miscellaneous	464,635	385,482	453,000	467,000	14,000	3.1%
Solar Panel Revenues	0	0	0	0	0	0.0%
Total Revenues	\$89,276,488	\$103,424,325	\$100,026,153	\$103,668,230	\$3,642,077	3.6%

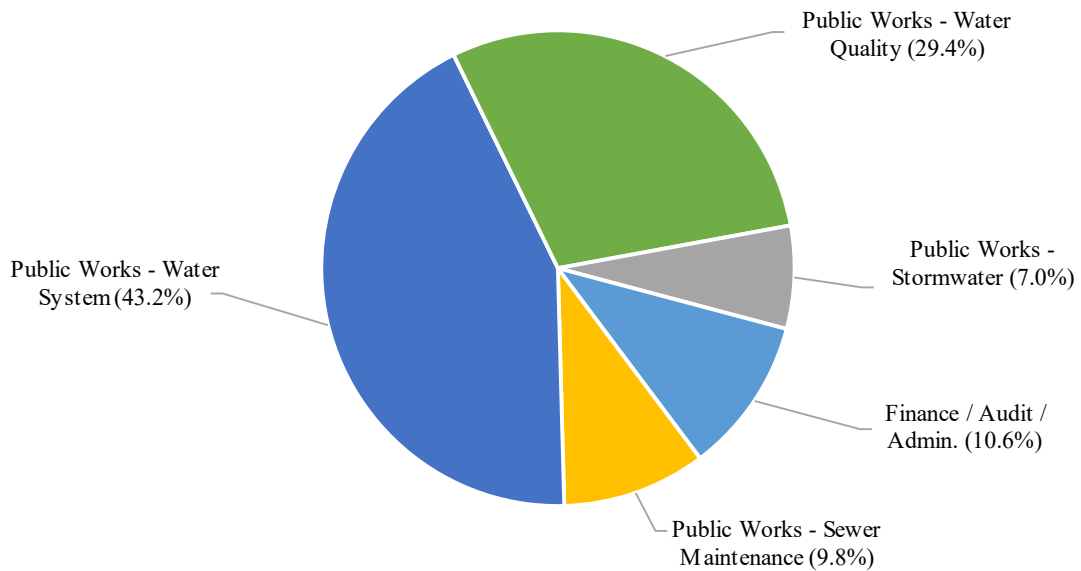
Water/Sewer Fund Revenues Fiscal Year 2027



Summary of Water / Sewer Fund Fiscal Year 2027

Water/Sewer Fund Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	10,320,685	925,407	9.8%
Public Works	81,115,845	83,669,378	85,655,941	88,527,862	2,871,921	3.4%
Total Expenditures	\$88,349,539	\$91,313,781	\$95,190,449	\$98,987,989	\$3,797,540	4.0%

Water/Sewer Fund Expenditures Fiscal Year 2027

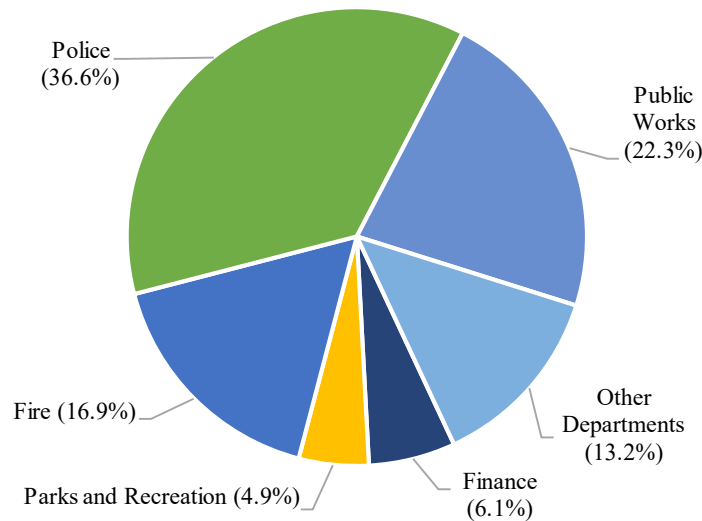


Summary of Internal Service Funds Fiscal Year 2027

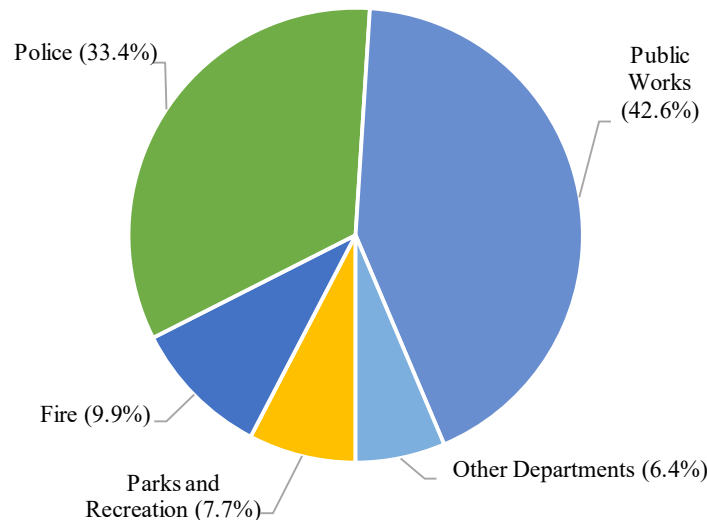
Internal Services Expenditures	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Human Resources	\$33,502,207	\$38,617,930	\$36,118,429	\$39,341,175	\$3,222,746	8.9%
Public Works	8,924,368	10,095,593	9,507,349	10,321,584	814,235	8.6%
Total Expenditures	\$42,426,575	\$48,713,523	\$45,625,778	\$49,662,759	\$4,036,981	8.8%

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



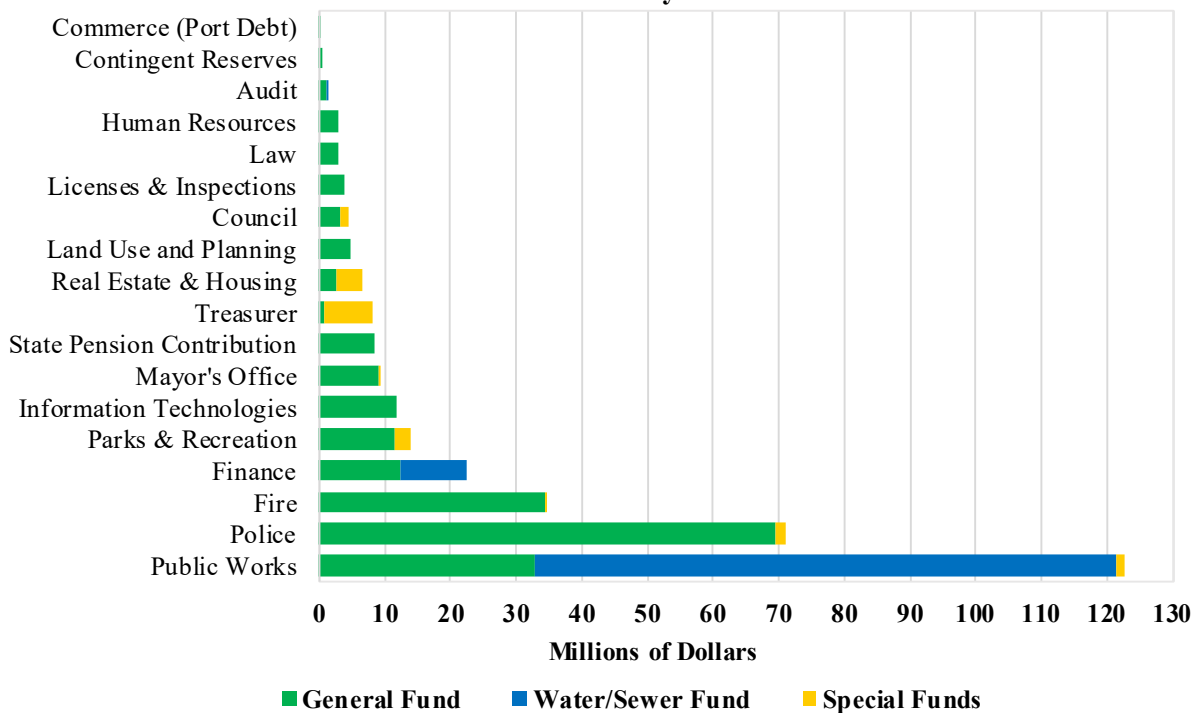
Public Works Motor Vehicle Costs FY 2027 Internal Service Charge Allocations



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	\$8,937,826	\$0	\$88,325	\$9,026,151
Council	3,279,618	0	1,077,851	4,357,469
Treasurer	851,139	0	7,235,172	8,086,311
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	10,320,685	0	22,606,291
Human Resources	2,834,138	0	0	2,834,138
Licenses & Inspections	4,026,774	0	0	4,026,774
Parks & Recreation	11,631,920	0	2,276,353	13,908,273
Fire	34,347,808	0	198,000	34,545,808
Police	69,453,876	0	1,561,747	71,015,623
Public Works	32,974,302	88,527,862	1,157,802	122,659,966
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	\$213,532,018	\$98,987,989	\$17,531,266	\$330,051,273

FY 2027 Total Departmental Budgets Breakout by Fund



**Capital Improvements Program
Fiscal Years 2026 - 2031**

Summary: Total Funds Recommended by Fiscal Year and Department

Department	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Finance	G	2,011,563	0	5,467,613	0	429,063	0	7,908,239	7,908,239
	W	3,230,437	0	6,374,487	0	1,450,000	0	11,054,924	11,054,924
Fire	G	3,500,000	0	12,500,000	0	3,500,000	0	19,500,000	19,500,000
Mayor's Office	G	1,400,000	0	2,950,000	0	2,825,000	0	7,175,000	7,175,000
Parks	G	4,000,000	0	5,500,000	0	5,500,000	0	15,000,000	15,000,000
Police	G	590,000	0	0	0	0	0	590,000	590,000
Public Works	G	11,500,000	0	16,000,000	0	16,000,000	0	43,500,000	43,500,000
	O	30,500,000	0	30,500,000	0	30,500,000	0	0	91,500,000
	W	126,000,000	0	118,000,000	0	116,000,000	0	360,000,000	360,000,000
Real Estate and Housing	G	2,000,000	0	2,000,000	0	0	0	4,000,000	4,000,000
	O	500,000	0	500,000	0	0	0	0	1,000,000
Transportation Division (Public Works)	G	5,500,000	0	6,500,000	0	6,500,000	0	18,500,000	18,500,000
	O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
Total by Fund	G	30,501,563	0	50,917,613	0	34,754,063	0	116,173,239	116,173,239
	O	39,000,000	0	39,000,000	0	38,500,000	0	0	116,500,000
	W	129,230,437	0	124,374,487	0	117,450,000	0	371,054,924	371,054,924
Grand Total		198,732,000	0	214,292,100	0	190,704,063	0	487,228,163	603,728,163

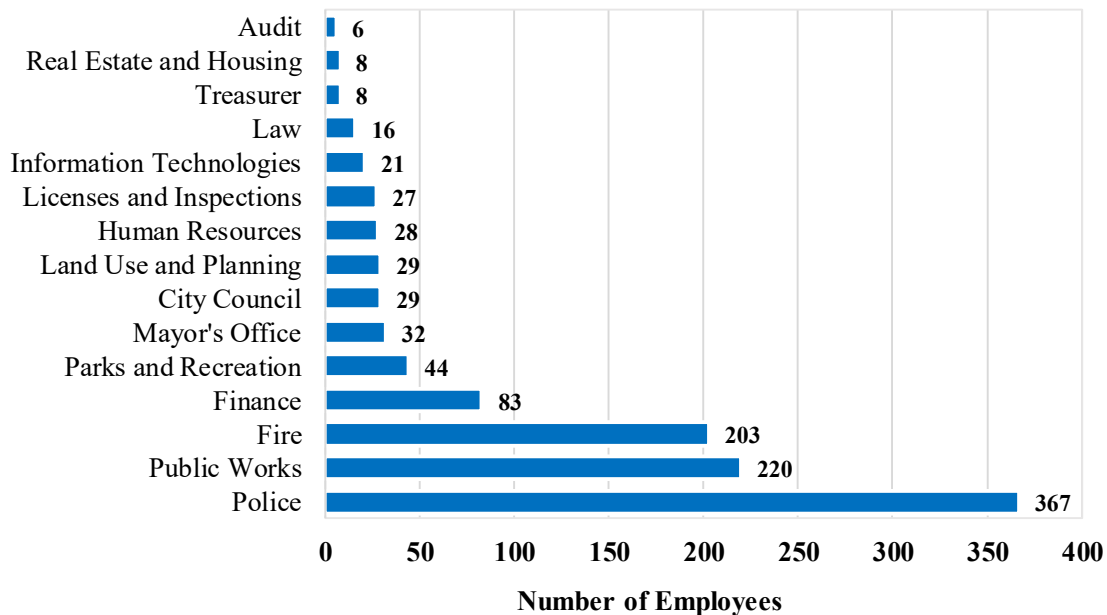
Type of Funding: G - General; W - Water/Sewer; O - Other Governmental

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	29.00	0.00
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	1,121.00	20.00
Total Employees per 1,000 City Residents	15.14	15.22	15.06	15.38	15.32	

Total Number of Employees by Department FY 2027 (All Funds)



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	22.90	1.00
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	952.30	21.00

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

Summary of Changes from Proposed to Approved Budget Fiscal Year 2027

	Proposed FY 2027	Approved FY 2027	Dollar Change	Percent Change
General Fund				
Total Revenues	\$212,616,177	\$213,532,018	\$915,841	0.4%
Total Expenditures	212,616,177	213,532,018	915,841	0.4%
Income/(Loss)	\$0	\$0	\$0	0.0%
Staffing Level (FTE)	951.30	952.30	1.00	0.1%
Water/Sewer Fund				
Total Revenues	\$105,729,230	\$103,668,230	(\$2,061,000)	-1.9%
Total Expenditures	100,294,669	98,987,989	(1,306,680)	-1.3%
Income/(Loss)	\$5,434,561	\$4,680,241	(\$754,320)	-13.9%
Staffing Level (FTE)	132.80	132.80	0.00	0.0%
Special Funds				
Total Revenues	\$17,224,790	\$17,274,395	\$49,605	0.3%
Total Expenditures	17,481,661	17,531,266	49,605	0.3%
Income/(Loss)	(\$256,871)	(\$256,871)	\$0	0.0%
Staffing Level (FTE)	25.00	25.00	0.00	0.0%
Internal Services				
Total Expenditures	\$49,612,692	\$49,662,759	\$50,067	0.1%
Staffing Level (FTE)	10.90	10.90	0.00	0.0%
All Funds				
Total Revenues	\$335,570,197	\$334,474,643	(\$1,095,554)	-0.3%
Total Expenditures	330,392,507	330,051,273	(341,234)	-0.1%
Income/(Loss)	\$5,177,690	\$4,423,370	(\$754,320)	-14.6%
Staffing Level (FTE)	1,120.00	1,121.00	1.00	0.1%

Note: 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 income or loss may result.

Detail of Changes from Proposed to Approved Budget Fiscal Year 2027

General Fund

- **Expenditures**

- Mayor's Office: \$450,000 increase: Add grants funding for Community Public Safety Initiative.
- City Council: \$83,921 increase: Add Legislative Research Aide position.
- City Council: \$40,145 decrease: Reduce salary and benefits for Director of Educational Advocacy.
- City Council: \$35,000 decrease: Reduce Temporary Salaries in Office of Educational Advocacy.
- City Council: \$25,000 decrease: Eliminate Consultants funding for lobbyist.
- City Council: \$10,000 increase: Additional Consultants funding for Project Manager.
- City Council: \$10,000 decrease: Reduce Thanksgiving Turkey Drive funding.
- Human Resource: \$4,844 increase (net): Departmental reorganization and staff upgrades.
- Treasurer: \$38,221 increase: Salary and benefit increases reflecting mid-year FY 2026 adjustments.
- Public Works: \$142,000 increase: Delmarva Power electricity rate increase.
- Parks: \$146,000 increase: Delmarva Power electricity rate increase.
- Parks: \$100,000 increase: Community Center initiative for literacy programming.
- Fire: \$22,000 increase: Delmarva Power electricity rate increase.
- Police: \$29,000 increase: Delmarva Power electricity rate increase

- **Revenues**

- \$915,841 increase: Additional use of Tax Stabilization Reserve to balance budget.

- **Transfers**

- Eliminate original \$20.0 million Tax Stabilization Reserve transfer to Neighborhood Stabilization fund.
- Transfer \$8.4 million from Tax Stabilization Reserve to Affordable Housing Subsidy program.
- Transfer \$2.0 million from Tax Stabilization Reserve to Vacant Lot Site Readiness program.
- Transfer \$1.5 million from Tax Stabilization Reserve to Housing Support Block Grant program.
- Transfer \$500,000 from Tax Stabilization Reserve to Wilmington Neighborhood Conservancy Land Bank.
- Transfer \$500,000 from Tax Stabilization Reserve to Home Repair Program.
- Transfer \$200,000 from Tax Stabilization Reserve for architectural and engineering support.
- Transfer \$969,000 from Tax Stabilization Reserve for one-time \$1,000 payment to current pensioners in City-sponsored plans who retired on or before Dec. 31, 2019.

**Detail of Changes from Proposed to Approved Budget
Fiscal Year 2027
(Continued)**

Water/Sewer Fund

- **Expenditures**

- Finance: \$250,000 decrease: Eliminate funding for data warehouse.
- Finance: \$11,079 decrease: Interest amortization per updated amortization schedule.
- Public Works: \$214,000 increase: Delmarva Power electricity rate increase.
- Public Works: \$1,259,601 decrease: Interest amortization per updated amortization schedule.

- **Revenues**

- \$2,061,000 decrease: Reduce water, sewer, and stormwater rate increases from 9.95% to 7.0%.

Special Funds

- **Expenditures**

- Treasurer: \$49,605 increase: Salary and benefit increases reflecting mid-year FY 2026 adjustments.

- **Revenues**

- \$49,605 increase: Revenue offset for Treasurer expenditure increase.

Fund Balance General Fund Fiscal Year 2027

Fund Balance Activity	Actual FY 2025	Projected FY 2026	Projected FY 2027
Fund Balance as of July 1	\$110,250,989	\$97,820,503	\$94,273,996
Excess of Revenues Over/(Under) Expenditures	7,548,690	(971,507)	(2,843,047)
Other Financing Sources/(Uses):			
Transfer From/(To) Wilmington Parking Authority	275,000	275,000	275,000
Net Adjustments and Transfers In/(Out) ¹	(20,254,176)	(2,850,000)	(18,069,000)
Total Other Financing Sources/(Uses)	(19,979,176)	(2,575,000)	(17,794,000)
Prior Period Adjustments	0	0	0
Net Change in Fund Balance	(\$12,430,486)	(\$3,546,507)	(\$20,637,047)
Total Fund Balance as of June 30	\$97,820,503	\$94,273,996	\$73,636,949

Summary of Fund Balance	Actual FY 2025	Projected FY 2026	Projected FY 2027
Nonspendable	\$3,917,724	\$3,839,370	\$3,762,583
Restricted	0	0	0
Committed - Budget Reserve ²	20,178,730	21,353,202	21,835,375
Committed - Tax Stabilization Reserve ³	73,724,049	69,081,424	48,038,991
Total Fund Balance as of June 30	\$97,820,503	\$94,273,996	\$73,636,949

FUND BALANCE

For the General Fund (and other governmental funds), the difference between fund assets and liabilities is labeled as “**Fund Balance**” on the financial statement. Fund Balance is further defined by the following subcategories:

- **Nonspendable** – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
 - **Restricted** – Amounts that can be spent only for specific purposes because of the City Charter, City Code, State or Federal laws, or externally imposed conditions by grantors or creditors.
 - **Committed** – Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the Budget Reserve Account and Tax Stabilization Reserve.
 - **Assigned** – Amounts that are allocated for a future use by the Mayor but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.
 - **Unassigned** – All amounts not included in other spendable classifications.
1. FY 2025 included three transfers from the Tax Stabilization Reserve (TSR): \$2.5 million to the Neighborhood Stabilization Fund (NSF), \$350,000 to the Economic Strategic Fund (ESF), and \$10.0 million to the Bracebridge project. FY 2026 included two transfers from the TSR: \$2.5 million to the NSF and \$350,000 to the ESF. FY 2027 includes three transfers from the TSR: \$13.1 million to the NSF, \$4.0 million to the ESF, and \$969,000 for a one-time payment to certain pensioners in City-sponsored plans.
 2. The Budget Reserve is set at the end of each fiscal year to be 10% of the next year’s General Fund operating budget.
 3. Tax Stabilization Reserve is equal to the net unrestricted General Fund balance.

**Fund Net Position
Water/Sewer Fund
Fiscal Year 2027**

Fund Net Assets Activity	Actual FY 2025	Projected FY 2026	Projected FY 2027
Net Assets as of July 1	\$211,799,386	\$235,764,750	\$238,945,620
Excess of Revenues Over/(Under) Expenditures	28,076,841	6,853,260	8,021,384
Non-Operating Revenues/(Expenses)			
Interest Expense	(4,496,959)	(4,108,318)	(3,808,143)
Other	385,482	435,928	467,000
Total Non-Operating Revenues/(Expenses)	(4,111,477)	(3,672,390)	(3,341,143)
Income/(Loss) Before Transfers	23,965,364	3,180,870	4,680,241
Prior Period Adjustment	0	0	0
Change in Net Assets	\$23,965,364	\$3,180,870	\$4,680,241
Total Net Assets as of June 30	\$235,764,750	\$238,945,620	\$243,625,861

Summary of Fund Net Assets	Actual FY 2025	Projected FY 2026	Projected FY 2027
Invested in Capital Assets, Net of Related Debt	\$209,158,123	\$211,158,123	\$213,158,123
Restricted - Operation and Maintenance Reserve ¹	16,182,376	16,827,958	17,499,295
Restricted - Rate Stabilization Reserve ²	9,758,412	10,959,539	12,968,443
Restricted - Other	665,839	0	0
Total Fund Net Assets as of June 30	\$235,764,750	\$238,945,620	\$243,625,861

NET POSITION

For the Water/Sewer Fund (and other proprietary and fiduciary funds), the difference between fund assets and liabilities is labeled as “**Net Position**” on the financial statement. Net Position is classified as “**Invested in Capital Assets, Net of Related Debt**,” legally “**Restricted**” for a specific purpose or “**Unrestricted**” and available for appropriation for the general purposes of the fund.

1. Operation and Maintenance Reserve is equal to 17% of the following fiscal year’s Water/Sewer Fund operating budget.
2. Rate Stabilization Reserve is equal to the net unrestricted Water/Sewer Fund balance.

Total Fund Balance and Net Position (Memorandum Only)
General and Water/Sewer Funds
Fiscal Year 2027

Fund Balance & Net Position Activity	Actual FY 2025	Projected FY 2026	Projected FY 2027
Fund Balance & Net Position as of July 1	\$322,050,375	\$333,585,253	\$333,219,616
Excess of Revenues Over/(Under) Expenditures	35,625,531	5,881,753	5,178,337
Total Other Financing Sources/(Uses)	(19,979,176)	(2,575,000)	(17,794,000)
Total Non-Operating Revenues/(Expenses)			
Water/Sewer Fund	(4,111,477)	(3,672,390)	(3,341,143)
Prior Period Adjustments	0	0	0
Change in Fund Balance & Net Position	\$11,534,878	(\$365,637)	(\$15,956,806)
Total Fund Balance & Net Position as of June 30	\$333,585,253	\$333,219,616	\$317,262,810

Summary of Fund Balance & Net Position	Actual FY 2025	Projected FY 2026	Projected FY 2027
Nonspendable	\$3,917,724	\$3,839,370	\$3,762,583
Restricted	665,839	0	0
Committed - Budget Reserve	20,178,730	21,353,202	21,835,375
Committed - Tax Stabilization Reserve	73,724,049	69,081,424	48,038,991
Invested in Capital Assets, Net of Related Debt	209,158,123	211,158,123	213,158,123
Restricted - Operation and Maintenance Reserve	16,182,376	16,827,958	17,499,295
Restricted - Rate Stabilization Reserve	9,758,412	10,959,539	12,968,443
Total Fund Balance & Net Position as of June 30	\$333,585,253	\$333,219,616	\$317,262,810

City of Wilmington General Fund
ACTUAL, BUDGETED & PROJECTED REVENUES AND EXPENDITURES
(Preliminary)

Revenue Type	Actual FY 2024	Actual FY 2025	Projected FY 2026	Approved FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
Wage and Net Profits Taxes	\$81,030,509	\$77,568,519	\$82,744,722	\$85,700,278	\$88,695,275	\$92,207,590	\$95,374,734	\$98,489,839
Property Tax	45,653,504	45,521,404	42,532,679	43,788,030	43,704,115	43,704,363	43,519,483	43,332,177
Other Taxes	9,229,970	10,920,948	8,830,829	10,048,115	9,988,048	10,143,775	10,304,071	10,469,072
Licenses, Permits, & Fees	7,692,115	9,514,627	12,570,386	12,875,635	12,779,693	12,779,693	12,779,693	12,779,693
Fines	7,939,595	4,587,134	5,494,980	5,140,670	6,977,204	6,848,797	6,888,085	6,911,332
Interest	9,918,184	7,801,443	6,209,040	4,976,736	5,429,721	5,297,727	4,728,988	4,654,058
Other Revenues	10,054,096	11,705,021	10,525,486	11,058,622	11,726,440	12,190,352	12,437,555	12,918,751
Task Force Revenues	11,929,072	13,368,838	13,829,524	14,012,079	14,160,441	14,190,989	14,222,330	14,254,486
County Seat Relief	12,662,664	13,558,855	14,205,934	14,483,583	14,371,755	14,371,755	14,371,755	14,371,755
State Pension & Fire Contribution	7,609,202	8,605,223	8,605,223	8,605,223	8,562,302	8,562,302	8,562,302	8,562,302
Total Revenues	\$203,718,911	\$203,152,012	\$205,548,803	\$210,688,971	\$216,394,993	\$220,297,342	\$223,188,996	\$226,743,463
Annual Percentage Change	2.3%	-0.3%	1.2%	2.5%	2.7%	1.8%	1.3%	1.6%

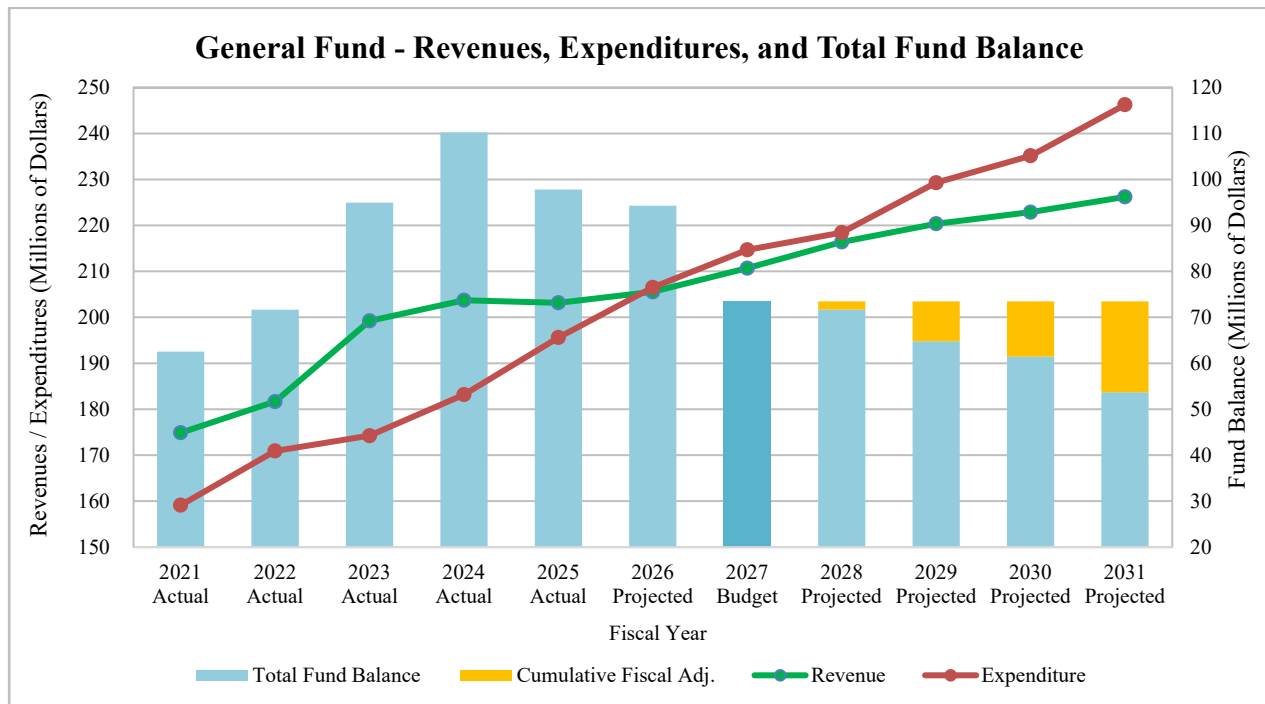
Expenditure Type	Actual FY 2024	Actual FY 2025	Projected FY 2026	Approved FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031
Salaries and Wages	\$74,173,168	\$79,084,219	\$82,776,653	\$89,000,061	\$94,633,174	\$99,313,102	\$103,052,821	\$108,153,714
Health Benefits	15,296,192	17,722,694	18,262,340	19,572,891	21,409,201	23,416,236	25,611,829	28,015,104
Pension and Retirement	16,273,135	17,986,378	18,826,160	19,101,005	18,625,359	19,128,956	18,718,481	19,232,932
Other Employee Benefits	3,056,858	3,170,279	3,318,299	3,322,152	3,491,419	3,668,432	3,853,376	4,046,327
Equipment & Services	34,847,001	34,534,944	44,518,750	42,746,748	43,935,224	45,020,075	46,078,746	47,311,685
General Liability	6,439,233	6,270,432	1,672,623	1,714,390	1,757,250	1,801,181	1,846,211	1,892,366
Workers' Compensation	3,788,676	5,532,018	4,042,470	4,318,698	4,538,740	4,768,852	5,009,274	5,260,104
Internal Services	7,588,342	8,611,556	10,234,467	10,643,845	10,980,433	11,327,666	11,685,878	12,055,418
Debt Service	13,808,049	13,804,066	13,945,524	14,176,164	14,192,878	15,846,834	14,586,689	15,602,741
Special Purpose	278,719	281,513	317,801	330,841	340,684	350,821	361,259	372,008
State Pension Contribution	7,609,202	8,605,223	8,605,223	8,605,223	4,449,383	4,449,383	4,008,775	4,008,775
Total Expenditures	\$183,158,575	\$195,603,322	\$206,520,310	\$213,532,018	\$218,353,747	\$229,091,536	\$234,813,339	\$245,951,174
Annual Percentage Change	5.1%	6.8%	5.6%	3.4%	2.3%	4.9%	2.5%	4.7%

Annual Fiscal Adjustments	N/A	N/A	N/A	N/A	\$1,683,753	\$6,835,441	\$2,830,149	\$7,583,367
Cumulative Fiscal Adjustments	N/A	N/A	N/A	N/A	\$1,683,753	\$8,519,194	\$11,349,343	\$18,932,710

Operating Surplus/(Deficit)	\$20,560,336	\$7,548,690	(\$971,507)	(\$2,843,047)	(\$275,000)	(\$275,000)	(\$275,000)	(\$275,000)
Net Adj. & Transfers In/(Out)	(5,267,991)	(19,979,176)	(2,575,000)	(17,794,000)	275,000	275,000	275,000	275,000
Surplus/(Deficit)	\$15,292,345	(\$12,430,486)	(\$3,546,507)	(\$20,637,047)	\$0	\$0	\$0	\$0

Total Fund Balance	\$110,250,989	\$97,820,503	\$94,273,996	\$73,636,949	\$73,636,949	\$73,636,949	\$73,636,949	\$73,636,949
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Assumptions Used in Outyear Revenue and Expenditure Projections



Outyear Projection Assumptions – Overview

Each year the Office of Management and Budget develops a five-year General Fund revenue and expenditure projection covering the budget year (in this case, FY 2027), as well as the next four outyears (FY 2028 through 2031). For FY 2027, the approved budget is shown, and unless stated otherwise is the base year upon which the FY 2028 through 2031 projections are built. In general, we have sought to use prudent, conservative assumptions when developing these projections. Of course, with every budget line item some risks are present. In areas of known risk, we have sought to identify these concerns in the details that follow. FY 2026 embodies projected year-end revenues and expenditures that have been reviewed by the Wilmington Economic & Financial Advisory Council, as well as expenditure estimates presented to the City's Expenditure Review Board.

The projections included below are for the City's **General Fund**. The City's other major funds – Special Funds, Internal Service Funds, and the Water / Sewer funds – are projected separately, as appropriate:

Special Funds, which consolidates numerous smaller funds, mainly consists of funding from various external sources such as State and Federal grants. In general, the level of Special Fund revenue is not directly controlled by the City. Excluding the special case of the Cable Television Fund (CATV) in City Council, expenditures for these funds match revenues received, resulting in no fund balance at year end. Given this, Special Fund Revenues are projected for the budgeted fiscal year only (which is detailed in the Summary of Special Funds and Special Funds Revenues sections of the FY 2027 Approved Budget Book).

Internal Service Funds allocate common expenditures such as motor vehicle and self-insurance costs to other funds. Chargebacks for these costs, which in total equal the expenses in the Internal Service funds, are included as part of the General Fund and Water / Sewer fund projections.

Water / Sewer Fund projections are prepared by an outside consulting firm on behalf of the Wilmington Utilities Citizens Advisory Board (UCAB), an independent body which reviews water / sewer operations and provides recommendations on water and sewer rates. The Administration and Council consider these projections when determining water and sewer rates for the approved budget; a six-year Water / Sewer financial plan based on the approved rates can be found at <https://bit.ly/27WaterSewer>. This projection is on a cashflow basis (as the primary purpose of the plan is to assist in setting rates) while the approved budget is on an accrual basis, matching the Annual Report.

In total, the FY 2028 through FY 2031 General Fund projection shows year-over-year revenue and expenditure growth. However, the projected rate of expenditure growth outstrips the projected rate of revenue growth by an annual average of 1.7 percentage points; put another way, for every dollar in expenditure growth, revenues only grow by 52 cents. To avoid deficits, the City will need to implement some combination of *permanent* revenue increases or expenditure decreases, shown in the projection as Annual Fiscal Adjustments. These adjustments are assumed to carry through to each subsequent fiscal year (i.e., the projected \$1.7 million in Annual Fiscal Adjustments included in FY 2028 will recur in each subsequent year, with an additional \$6.8 million, \$2.8 million, and \$7.6 million in permanent increases needed in FY 2029, FY 2030, and FY 2031, respectively).

Because budget authority rests with the Mayor and City Council, the outyear projection does not attempt to draw definitive conclusions as to which specific actions, policies, staffing levels, and spending/revenue levels are most appropriate to address these outyear issues. By design, this projection is intended to be a neutral guide as to what will occur if the fiscal course of the City remains unchanged and is intended to highlight the need for the Mayor and City Council to take appropriate action. Very broadly, we can conclude that some mix of operational changes, revenue increases, or spending cuts will be necessary to eliminate the deficits in the outyears, but it is the duty of the Mayor and City Council to debate on and approve the best course of action.

General Inflation Assumptions

The Office of Management and Budget relies on the Survey of Professional Forecasters for its general inflation projections. Conducted by the Federal Reserve Bank of Philadelphia, this survey is the oldest quarterly survey of macroeconomic forecasts in the United States. The latest survey (May 15, 2026) projects headline Consumer Price Index (CPI) growth of 3.50% in calendar year (CY) 2026, 2.50% in CY 2027, followed by annual decreases of 10 basis points in CY 2028 and CY 2029.

Calendar Year	Survey of Professional Forecasters Projected Annual Headline CPI Increase
2026	3.50%
2027	2.50%
2028	2.40%
2029	2.30%
2030	2.30%

Federal Reserve Bank of Philadelphia, Survey of Professional Forecasters, May 15, 2026

For the outyear projections we conservatively assume overall inflationary pressures of 2.60% per year. It should be noted that this is only the default assumption; most cost categories have a variety of calculations and overriding assumptions included.

Outyear Projection Assumptions – General Fund Revenues

Wage and Net Profits Taxes (FY 2027 Base Year: \$85,700,278 - 40.7% of total revenues)

For FY 2027, Wage Tax is budgeted at \$76.8 million 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 increase is largely the result of a projected 4.0% increase in taxable wages; 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%. Adding to this, known employment growth in the City is expected to result in approximately \$438,000 in Wage Tax revenue, though this is partially offset by a \$173,000 reduction in collections, better reflecting actual collection efforts.

Going forward, DEFAC projects Delaware salary and wage growth of 4.9%, 5.4%, 4.8%, and 4.6% in FY 2028, FY 2029, FY 2030, and FY 2031, respectively. Historically, the City has experienced wage tax growth approximately 1.1 percentage points lower than DEFAC state estimates. As such, outyear City wage tax growth is projected to match Delaware salary and wage growth, minus this 1.1 percentage point deflator, for 3.8% growth in FY 2028, 4.3% in FY 2029, 3.7% in FY 2030, and 3.5% in FY 2031. No additional job growth is assumed in the outyears.

Net Profits revenues for FY 2027 are budgeted to be \$8.9 million, matching the adjusted FY 2025 actuals of \$8.9 million and consistent with the FY 2024 actuals of \$8.7 million. Going forward, we assume Net Profits will grow to \$9.0 million in FY 2028 (matching historical averages), then remain flat after that.

Property Tax (FY 2027 Base Year: \$43,788,030 - 20.8% of total revenues)

Total Property Tax revenues, which includes real estate taxes, along with associated penalty and interest, are budgeted to total \$43.8 million in FY 2027, a decrease of nearly \$1.6 million relative to the FY 2026 budget. This is inclusive of the ongoing impacts of the recent countywide property reassessment, which was initially implemented as part of the FY 2026 budget. 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. These appeals have reduced the base 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, most of these outstanding appeals are expected to be approved. Assuming the outstanding properties receive percentage reductions similar to those properties that have been approved, additional revenue losses are expected to be 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.

Going forward, the projection assumes that appeals activity will level off in the outyears, with annual net assessment reductions of \$225,000 per year for new projected appeals. In addition, the cumulative amount added in FY 2028 through FY 2031 from expiring incentives totals nearly \$336,000. The 2% allowance for uncollectable accounts (approximately \$858,000 annually) is expected to remain level for the projection period. Lastly, one-time revenue from Penalty and Interest is expected to be nearly \$1.4 million annually, which is consistent with historical trends.

Note that the projection does not include any additional rate increases to restore property tax billings to their pre-general reassessment level, effects from subsequent reassessments, or any significant changes to the

property tax assessment base. We do assume some mix of expenditure cuts or revenue enhancements will be implemented as necessary to balance the budget (see the discussion of Annual Fiscal Adjustments in the *Overview* section above), and while this may include Property Tax rate increases, no specific rate increase plan has been proposed by the Administration or Council.

Other Taxes (FY 2027 Base Year: \$10,048,115 - 4.8% of total revenues)

The category of Other Taxes collectively totals \$10.0 million, up nearly \$610,000 from the prior year budget. It 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 the FY 2026 budget and consistent with the FY 2025 actual. This is projected to grow to \$983,000 in FY 2028 (based on FY 2026 actuals), followed by 3.4% annual increases in the outyears (reflecting historically average growth).

Head Tax revenues are derived from a tax paid by businesses based on the number of individuals they employ. For FY 2026, revenues are budgeted to increase by nearly \$192,000, to a new total of \$3.2 million. No growth is projected for FY 2028 and beyond.

Real Estate Transfer Tax, which includes both Residential and Commercial Transfer Taxes, is budgeted to grow by \$413,000 in FY 2027, to a new total of nearly \$6.0 million. For FY 2028 and beyond, we project conservative 3.0% annual growth for residential transfer revenues, consistent with long-term historical trends. Commercial transfer revenues are projected to remain flat.

Licenses, Permits, & Fees (FY 2027 Base Year: \$12,875,635 - 6.1% of total revenues)

Collectively, Licenses, Permits, and Fees revenues are budgeted to be 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. These revenues are expected to slightly decline in FY 2028, to a new total of \$3.4 million, then remain flat after that. Permit revenues are projected to be down \$136,000 relative to the FY 2026 budget, reflecting a return to historically average levels. No growth is expected in the outyears. 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 are also expected to remain flat during the outyears.

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 Specin, 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 Trinity 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, Specin projects that EMS revenues will grow to nearly \$5.3 million in FY 2027, a \$2.8 million increase from the FY 2026 budget. No additional growth is expected in the outyears.

Fines (FY 2027 Base Year: \$5,140,670 - 2.4% of total revenues)

Fines are projected to total \$5.3 million, which is \$2.0 million down from the FY 2026 budget. This consists of the following:

Criminal / Instant Ticket revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program. Collectively, these are budgeted to increase to a total of \$627,000, up a net

\$195,000 (mainly due to an additional \$180,000 in L&I civil penalties revenues, which are budgeted as part of Instant Tickets). No additional growth is expected in the outyears.

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 budgeted to be \$2.0 million, which is down \$2.2 million from the FY 2025 budget. 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. While efforts to resolve these issues are ongoing, red light ticket issuance is not expected to return to normal levels until FY 2028. However, as roughly half of tickets are paid a year or more after being issued, revenue losses from tickets not being issued will continue in the outyears, for expected average annual losses of \$905,000 per year for the remainder of the projection period. Aside from these losses, there is no projected change in base red-light revenues.

Parking revenues are derived from fines from parking violations and booting fees, and are projected to be nearly \$2.7 million, down slightly from the FY 2026 budget. This is expected to grow to \$2.8 million in FY 2028 (matching Q3 WEFAC projections), with no additional growth in FY 2029 and beyond.

Interest Income (FY 2027 Base Year: \$4,976,736 - 2.4% of total revenues)

By investing in CDs and interest-bearing checking accounts, the City earns interest on its cash balances. The FY 2027 budget of nearly \$5.0 million is based on a projected average interest rate of nearly 3.16%. Based on Federal Reserve interest rate estimates, the outyear projection assumes an interest rate of 2.99% in FY 2028, 2.78% in FY 2029, and 2.65% for the remainder of the projection. These rate reductions result in interest revenue falling by 7.8% over the outyear period, to a projected total of nearly \$4.7 million in FY 2031.

The projection also includes interest earnings on the unspent portion of assumed capital borrowings of \$59.6 million in December 2025, followed by \$26.0 million in both January 2028 and January 2030. It is assumed that these borrowings will be 50% spent after one year, and fully spent after two years.

Other Revenues (FY 2027 Base Year: \$11,058,622 - 5.2% of total revenues)

Other Revenues is comprised of Indirect Costs, General Government Charges, Rentals, and other miscellaneous revenues. In total, this category is projected to be up a net of \$495,000 from the FY 2026 budget.

Indirect Costs (which are charges to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of water, sewer, and stormwater utilities) are budgeted to increase by \$549,000, based on the Black & Veatch indirect costs model. In the outyears, Indirect Costs are projected to grow by an annual average increase of 4.02%. General Government Charges are expected to increase by \$456,000 in FY 2028 (driven by stronger-than-expected Vacant Property Registrations), then remain flat after that. No outyear increases are expected in the other categories.

Task Force Revenues (FY 2027 Base Year: \$14,012,079 - 6.7% of total revenues)

Task Force Revenues are the revenue sources that were created because of the 2003 Governor's Task Force. As a result, each county seat in the State (including Wilmington, the county seat of New Castle County) receives revenue derived from the following:

Corporate Filing Tax, projected to be nearly \$3.5 million in the FY 2027 budget, up \$516,000 relative to the FY 2026 budget. This is expected to grow to \$3.8 million in FY 2028 (based on unaudited year-end FY 2026 actuals, net of a 3.0% reduction per DEFAC projections). No growth is expected in the outyears.

Limited Liability Corporation (LLC) Filing Tax, projected to be nearly \$8.8 million in FY 2027, up \$804,000 relative to the FY 2026 budget. This is expected to grow to \$8.9 million in FY 2028 (based on unaudited year-end FY 2026 actuals, net of a 3.0% reduction per DEFAC projections). No growth is expected in the outyears.

A 2% **Lodging Tax** on hotels in the City, budgeted at \$1.1 million in FY 2027; outyear revenues are expected to grow by 2.6% per year.

A **Natural Gas Franchise Fee**, budgeted at \$599,000 in FY 2027. This is projected to increase to \$640,000 in FY 2027 (based on historical averages), then remain level for the rest of the projection period.

County Seat Relief Package (FY 2027 Base Year: \$14,483,583 - 6.9% of total revenues)

The County Seat Relief Package is a bundle of revenue enhancements built upon the Governor's Task Force and intended to provide further diversification to support the three county seats in the State of Delaware. In FY 2027, the combined budget totals nearly \$14.5 million and consists of the following four components:

A **Payment in Lieu of Taxes (PILOT)** on State-owned properties in the City that would otherwise be tax-exempt. This is budgeted at nearly \$3.6 million in FY 2027 (matching the FY 2026 actual) and is expected to remain level for the remainder of the projection period.

Statutory Trust Filing Fees of \$1.0 million, which is the capped amount. This is expected to remain flat during the projection period.

New Castle County Corporate Filing Fees, projected to be nearly \$2.0 million in FY 2027, up \$310,000 relative to the FY 2026 budget. This is expected to decrease to slightly under \$2.0 million in FY 2028 (based on unaudited year-end FY 2026 actuals, net of a 3.0% reduction per DEFAC projections). No growth is expected in the outyears.

Uniform Commercial Code (UCC), projected to be \$7.9 million in the FY 2027 budget, up nearly \$976,000 relative to the FY 2026 budget. This is expected to decline to \$7.8 million in FY 2028 (based on unaudited year-end FY 2026 actuals, net of a 5.7% reduction per DEFAC projections). No growth is expected in the outyears.

State Pension Contribution (FY 2027 Base Year: \$8,605,223 - 4.1% of total revenues)

The State Pension & Fire Contribution (previously titled "State Pension Contribution") is a State pass-through grant for Police and Fire expenditures. This is budgeted at \$8.6 million in FY 2027, up \$1.4 million from the FY 2026 budget. Going forward, Pension Contribution revenues are expected to decline slightly in FY 2028, to nearly \$8.6 million, matching the FY 2026 actual. Revenues are projected to remain level in FY 2029 and beyond. (Note that the recent change by the State Legislature, which allowed Fire Contribution funds to be used for both pension costs and general Fire operating costs, has no impacts on the projected revenue. Expected impacts of this change are detailed in the Expenditure section below, under **State Pension Contribution**.)

Net Adjustments and Transfers (FY 2027 Base Year: \$17,794,000)

This category includes transfers between the General Fund and other funds, as well as a variety of year-end adjustments included in the Annual Financial Report. FY 2027 includes three one-time transfers from the Tax Stabilization Reserve: \$13.1 million for the Neighborhood Stabilization Fund (NSF), and \$4.0 million for the Economic Strategic Fund (ESF), and \$969,000 for a one-time \$1,000 payment to certain retirees in City-sponsored pension plans. FY 2027 also includes the usual \$275,000 transfer from the Wilmington Parking Authority (WPA), which is expected to continue into each of the outyears. No additional transfers from the Tax Stabilization Reserve are expected beyond this.

Outyear Projection Assumptions – General Fund Expenditures

Salaries and Wages (FY 2027 Base Year: \$89,000,061 - 41.7% of total expenditures)

Estimates on the cost of labor agreements with the City's five bargaining units, as well as estimates of non-union employee expenses and assumptions on City-wide staffing levels, form the basis of the Salary and Wage projection. The FY 2027 budget serves as the base year for estimating future costs, and all numbers are reported net of projected attrition.

The two Police unions (Rank & File and Captains & Majors) are currently engaged in collective bargaining negotiations, with their existing contracts expiring at the beginning of FY2027. For projection purposes, the FY 2028 through FY 2031 projections assume a 2.5% annual COLA. Local 1590 (Firefighters) is currently under contract through FY 2027. Accordingly, the FY 2028 through FY 2031 projections also assume a 2.5% annual COLA. The projections do not reflect the potential fiscal impacts of future negotiated agreements.

New collective bargaining agreements for Locals 320 (Laborers) and 1102 (Clerical) have been ratified through FY 2029. The FY 2028 through FY 2031 projections reflect the negotiated wage adjustments, including a 5.0% COLA in FY 2027 (included in the FY 2028 base), 3.0% COLAs in FY 2028 and FY2029, annual \$3,000 one-time payments for eligible employees through FY 2029, and a 2.5% annual COLA assumption for FY 2029 and FY 2031. Non-union employees are not subject to collective bargaining. For non-union classified employees, a 2.5% annual COLA is assumed for the outyears, while non-union executive and managerial employees are projected to receive a 3.5% annual COLA over the same period.

Over the four-year projection period, the cumulative cost resulting from the changes in salaries and wages outlined above is \$29.4 million. This excludes an additional \$2.7 million for the associated employee benefits.

Health Benefits, Active Employees (FY 2027 Base Year: \$19,572,891 - 9.2% of total expenditures)

In the Health and Welfare Fund, the Self-Insurance Cost account group includes the cost centers for employee medical claims, prescriptions usage, and dental claims. The Human Resources Department and USI (the City's insurance broker and consultant) project that on an annual average basis during the period of FY 2028 to FY 2031, medical stop-loss insurance will increase 27.4%; medical costs will increase 8.3%; prescription costs will increase 11.3%; and dental costs will increase 4.0%. Along with other administrative costs, in total there is an overall weighted-average increase in healthcare costs of 9.5% annually throughout the projection period. In addition, the projection assumes a weighted-average employee contribution rate of 11.0%, which partially offsets the City's healthcare costs.

Pension and Retirement Healthcare (FY 2027 Base Year: \$19,101,005 - 8.9% of total expenditures)

In FY 2012, the City closed the last of its pension plans to new employees. All employees hired since that time participate in a State-sponsored pension program in which the City pays the State of Delaware a set percentage of an employee's salary. For FY 2027, this is 17.26% for police officers and firefighters and 6.03% for civilian participants. The total General Fund cost of the State-sponsored pension plans is \$9.4 million in FY 2027 which is projected to grow to \$10.7 million by FY 2031. Because the State funding percentages are estimated to increase annually by only 25 basis points for police and firefighters and 15 basis points for civilians, much of the cost growth is due to the number of new employees hired each year that fill vacancies left by former employees that were in one of the older City-sponsored pension plans. It is assumed that an average of 26 civilian employees will retire each fiscal year and that there will still be active civilian employees in the old City plans beyond the projection period. Conversely, it is assumed that by FY 2028 for police officers, all current active employees in the City pension plans will have retired.

In contrast, the cost of the now-closed City-sponsored pension plans is based on the actuarially determined contribution (ARC) derived each year by the City's Actuary. The ARC for each of the City's closed plans is calculated to cover ongoing costs, plus provide a contribution to eliminate any unfunded liability within the

next 10 years. The Actuary's most recent interim report indicates a decrease of 19.6% in the ARC for FY 2028; no change in FY 2029; a decrease of 23.1% for FY 2030; and no change again for FY 2031. Accordingly, the projection assumes a weighted-average annual funding target decrease of 11.32% annually for the projection period. These reductions are primarily driven by strong investment returns, which lowered the projected unfunded actuarial liability and future employer contribution requirements.

In order to meet actuarially required funding target for the City's retiree healthcare program, the Treasurer's Office foresees necessary annual increases of about \$213,400 (the General Fund's prorated contribution) for at least the next five years. These increases have been incorporated into the outyears of the projection. The General Fund retiree healthcare budget cost for FY 2027 is \$4.8 million and will grow to over \$5.7 million by FY 2031.

Other Employee Benefits (FY 2027 Base Year: \$3,322,152 - 1.6% of total expenditures)

This category consists primarily of payroll taxes, as well as other costs, such as life insurance. These costs, in the aggregate, are projected to generally follow salary growth.

Equipment and Services (FY 2027 Base Year: \$42,746,748 - 20.0% of total expenditures)

This is a relatively broad grouping of expenditures that includes costs such as professional services contracts, landfill fees and utilities, as well as basic materials, supplies, and equipment. To more accurately estimate future costs, account groups within this category were analyzed separately, such as water utilities, electricity, collection commissions on parking and traffic violations, and community activities.

- The City is currently in the second year of a five-year contract with Axon for Police body cameras and tasers, which is budgeted at \$1.5 million in FY 2027. Per the contract, costs are expected to remain level through FY 2030. FY 2031 assumes a 10.8% increase, to a new total of \$1.8 million, based on a five-year catch-up following projected annual inflation of 2.6%.
- The City charges itself for water, sewer, and stormwater services used by departments in the General Fund. Starting with a base fee of over \$1.5 million in FY 2027, the most recent water/sewer utility study projects required rate increases in the outyears that will raise the base fee to \$1.9 million by FY 2031.
- The City uses an energy procurement consulting firm (which specializes in designing and maintaining large-scale energy portfolios) to manage the City's energy contract purchases. In accordance with the City's current contracts with electricity providers, electricity costs are expected to increase 8.4% in 2028, increase 2.4% in 2029, increase 1.1% in 2030, and decrease 0.2% in 2031.
- The City has contracts to help with the collection of parking and redlight camera violations, as well as to administer certain parts of the respective citation programs. Per the Acting Finance Director, outyear contract costs for Parking are expected to increase 2.5% annually, and similar costs for Red Light cameras are expected to increase 2.5% annually. The combined cost for the parking and redlight camera contracts is expected to increase from about \$3.1 million in FY 2027 to \$3.4 million by FY 2031.
- The Mayor's Office and City Council each have a budget account group known as Community Activities, which includes expenditures such as grants to non-profit agencies and a scholarship tuition assistance program. For FY 2027, the total budget for Community Activities is approximately \$2.1 million (\$1,474,000 in the Mayor's Office and \$611,985 in City Council). It is assumed that this funding will remain constant throughout the projection period.

- For this projection, the Contingency Fund and the Snow & Weather Emergencies Fund are included in the Equipment and Services category (although they are budgeted separately in the budget book summaries). The Contingency Fund was budgeted at \$500,000 for FY 2027. It is assumed it will remain at \$500,000 in the outyears of the projection. The Snow and Weather Emergencies Fund was budgeted at \$172,000 in FY 2027 and is projected to remain at that level through the projection period.

Excluding commissions, the Contingency and Weather Emergencies Funds, community activities, electricity, and the water/sewer utilities, the remaining base of the Equipment and Services category is expected to respond to overall inflationary pressures of 2.6% annually.

General Liability (FY 2027 Base Year: \$1,714,390 - 0.8% of total expenditures)

Being self-insured, the City relies heavily on an actuary to annually review claims experience and rate potential liability. Once an accrued liability figure is determined, it is compared to that of the previous fiscal year. Changes in the liability figure on the balance sheet result in changes to the expenses booked under General Liability in the income statement. As a result, this cost category can experience extreme volatility in the short-term. The long-term running average of actual experience was used to derive the FY 2027 budget of \$1.7 million. This figure is projected to increase by 2.5% annually.

Workers' Compensation (FY 2027 Base Year: \$4,318,698 - 2.0% of total expenditures)

The FY 2027 budget, which was actuarially derived, is used as the base for forecasting purposes. Annual growth is matched to that of the Salaries and Wages category, which includes the effect of the recently completed City-wide compensation study.

Internal Services (FY 2027 Base Year: \$10,643,845 - 5.0% of total expenditures)

This category encompasses various expenditures incurred by operating departments but budgeted centrally. Prior to FY 2020, this included charges for motor vehicles, telephone and radio usage, postage, data processing, document management, and mapping and graphics. Beginning in FY 2020, only motor vehicle charges remain in the category. In the Budget Book summaries, Internal Services also includes General Liability and Workers' Compensation; however, for this projection they are analyzed separately.

According to J.P. Morgan's Global Research and J.D. Power, new motor vehicle prices are expected to increase at moderate pace due to tariffs, higher manufacturing costs, and additional vehicle technology. While manufacturers have increased incentives to help offset affordability concerns, a long-term planning assumption of 3.0% annual price growth is considered reasonable for budget purposes. Based on historical trends and projected wholesale gasoline prices published by the U.S. Energy Information Administration (EIA), fuel costs are assumed to increase by 4.0% annually throughout the projection period. While fuel prices are inherently volatile and may fluctuate significantly from year to year, the 4.0% annual escalation provides a reasonable assumption for budgeting purposes. In total the Internal Services category is projected to rise to over \$12.0 million by FY 2031.

Debt Service (FY 2027 Base Year: \$14,176,164 - 6.6% of total expenditures)

Debt Service is based on the existing debt schedules as provided by the Finance Department, with estimates added for any expected new borrowing or refinancing. To fund future capital budgets a \$26.0 million bond issuance is assumed to occur in January of 2028 (FY 2028) at an interest rate of 4.0% and a \$26.0 million bond issuance is assumed to occur in January of 2030 (FY 2030) at an interest rate of 4.0%. It is assumed that the debt service for all bond issuances will be structured as level, semi-annual payments over a term of 20 years, with no capitalization of interest.

Because debt service is paid on a semi-annual basis, the timing of planned bond issuances affects the recognition of debt service costs. Accordingly, the projected FY 2028 capital bond issuance results in

approximately \$1.9 million in annual debt service beginning in FY 2029 and continuing for the 20-year term. Debt Service is projected to decrease in FY 2030 as existing capital lease obligations are retired. However, the projected FY 2030 capital bond issuance adds approximately \$1.9 million in annual debt service beginning in FY 2031 and continuing over the life of the bonds.

Special Purpose (FY 2027 Base Year: \$330,841 - 0.2% of total expenditures)

This expenditure category largely funds animal control. The City utilizes the State Office of Animal Welfare for animal control services, with a base FY 2027 fee of approximately \$310,300, which is projected to grow by 3.0% per year through FY 2031.

This category also includes a total of \$20,500 in FY 2027 for some smaller specialty items in City Council. The City Council funding is projected to grow annually by 2.6% per year starting in FY 2027.

State Pension Contribution (FY 2027 Base Year: \$8,605,223 - 4.0% of total expenditures)

The State Pension Contribution is the pension portion of a grant from the State of Delaware intended to support both Police and Fire costs. Per the requirements of GASB pronouncement #24, offsets to pension costs are booked as pass-through expenditures in the General Fund. For FY 2027, this was budgeted at \$8.6 million, matching the FY 2025 actual. No change is expected in the level of State funding going forward.

Subsequent to the City approving the FY 2027 budget, the Delaware State Legislature revised how the City could use these passthrough funds. While Police contribution funds (approximately \$2.3 million in FY 2027) must still be used as an offset to City Police pensions, Fire funds (approximately \$6.3 million in FY 2027) may now be used for any Fire Department operating costs, rather than only being used to cover pension costs. (This is similar to the passthrough spending flexibility already granted to other Fire departments throughout Delaware.)

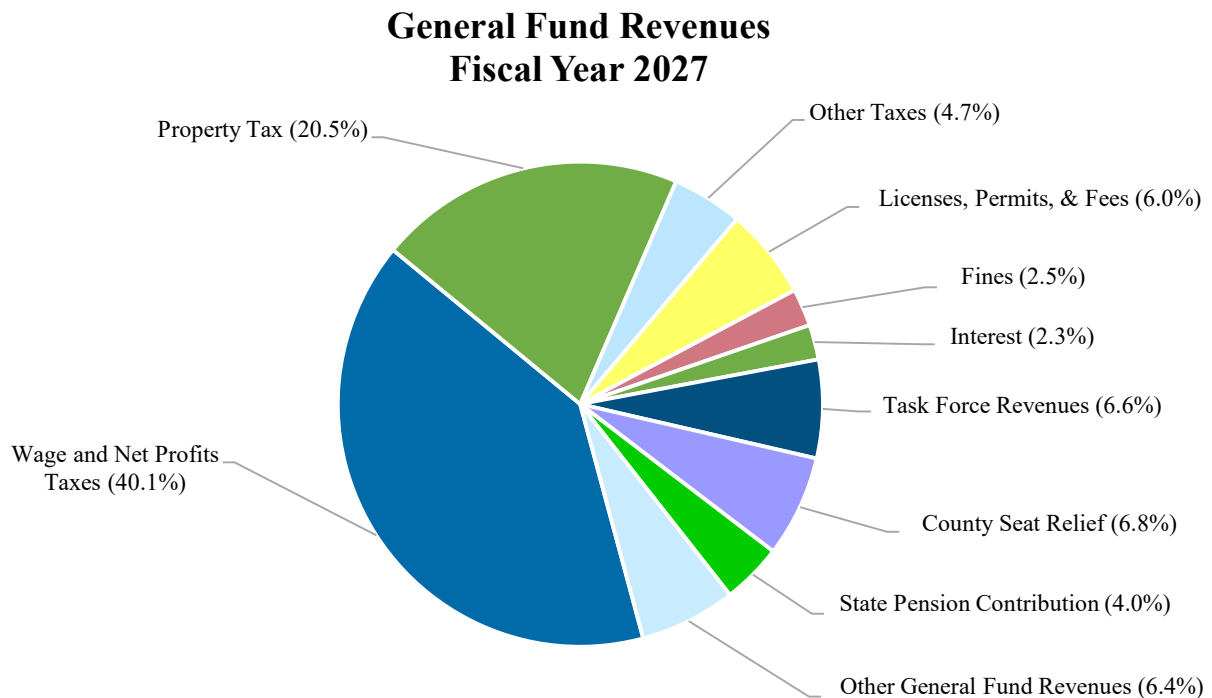
Per estimates from the City's actuary, the actuarially required pension contribution for Fire is expected to be approximately \$2.2 million in FY 2028 and FY 2029, followed by a reduction to \$1.7 million in FY 2030 and FY 2031. The City plans to fully cover these costs using State Pension Contribution Fire funds, with the remainder being used for other Fire operating costs. Consequently, the expenditure in the State Pension Contribution line – which only accounts for pension costs – is expected to fall to \$4.4 million in FY 2028 and FY 2029, and \$4.0 million in FY 2030 and FY 2031, which is inclusive of the actuarially required pension contribution for both Fire and Police. (There are no changes to how Police funds will be handled.)

General Fund Revenues Fiscal Year 2027

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	2,568,047	2,568,047	N/A
Total Revenues	\$203,993,911	\$203,427,012	\$204,487,376	\$213,532,018	\$9,044,642	4.4%

Total General Fund revenue (including transfers) is budgeted at **\$213,532,018**, a net increase of \$9.0 million, or 4.4%, 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 \$2.6 million from the General Fund's Tax Stabilization Reserve. This is sufficient to cover the projected revenue shortfall, based on projected revenues net of budgeted General Fund expenditures of \$213.5 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	Budget 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.

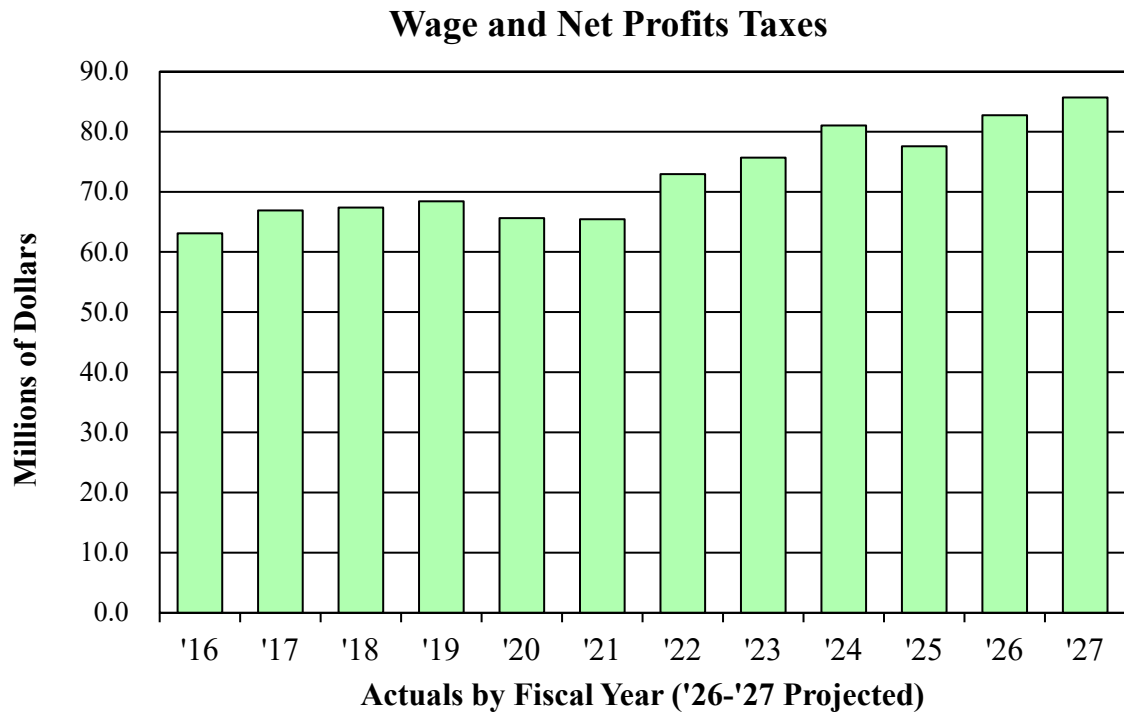
Wage Tax makes up \$76.8 million of this category and is projected to grow by almost \$1.6 million (or 2.1%) compared to the FY 2026 budget, and by nearly \$2.8 million (or 3.8%) relative to the FY 2026 Q2 WEFAC projection. This revenue is derived from a 1.25% tax on the gross earned income of city residents, 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.

**General Fund Revenues
Fiscal Year 2027**

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	Budget 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

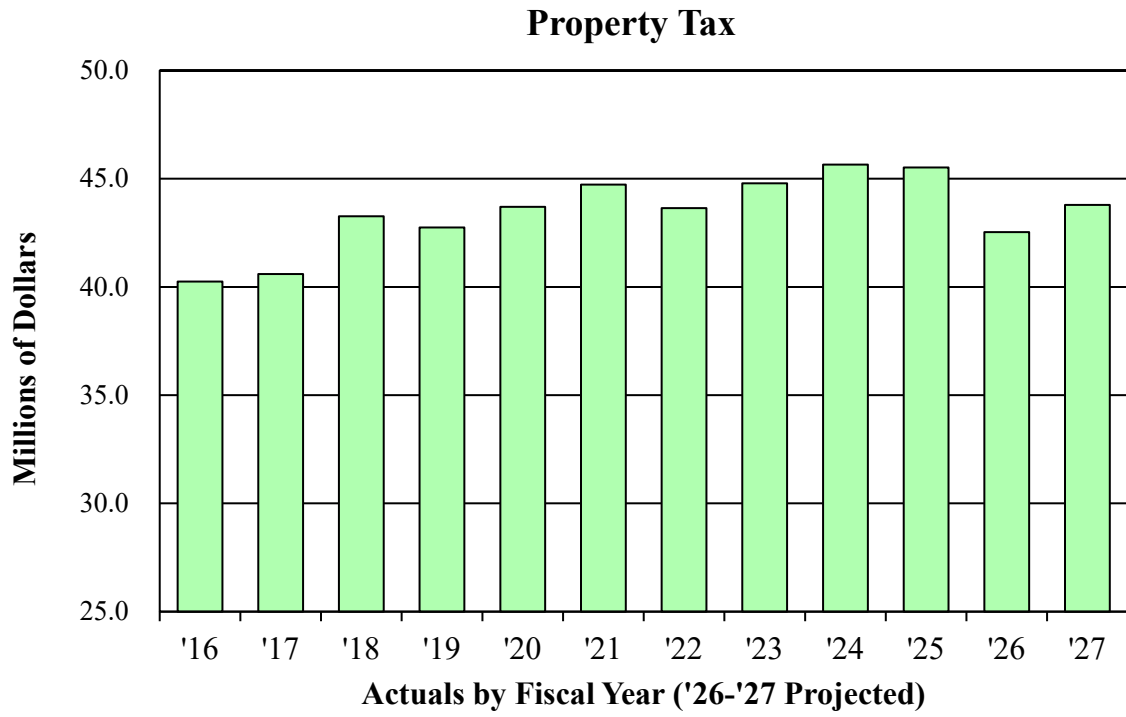
Critical Assumptions: The Property Tax is the City of Wilmington’s second-largest revenue source, and the single largest revenue source with a tax rate directly controlled by the Mayor and City Council. FY 2027 Property Tax revenues are projected to total \$43.8 million, a decrease of nearly \$1.6 million (or 3.5%) from the FY 2026 budget. There is no change to 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	Budget 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.

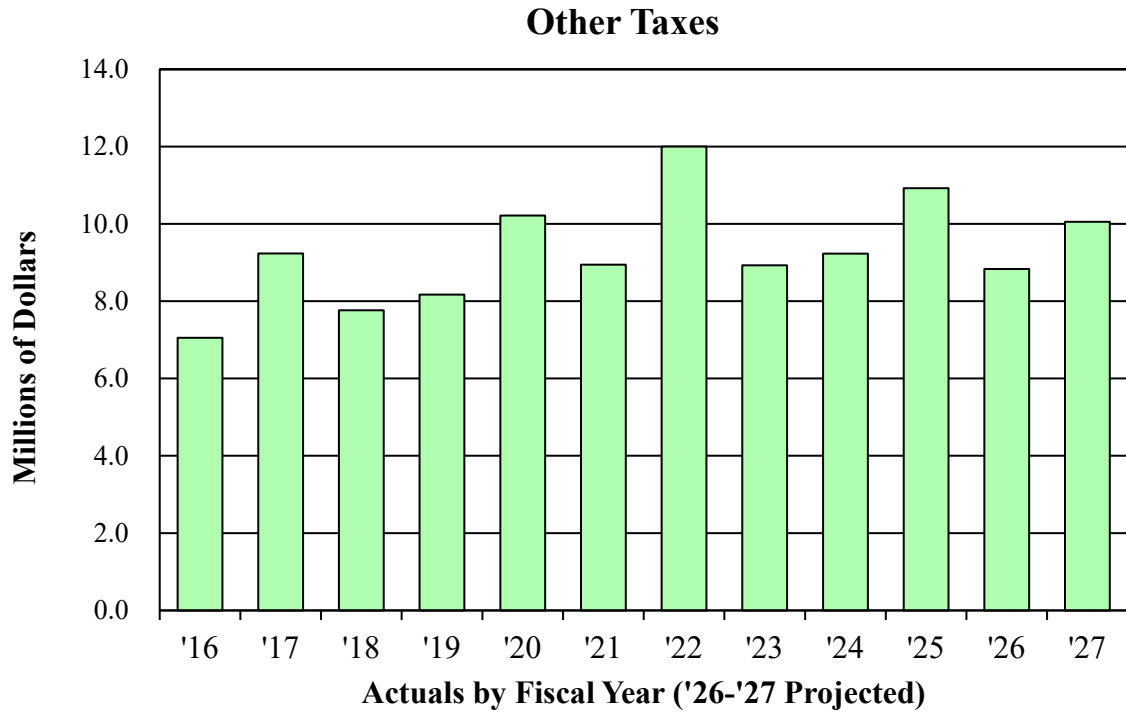
Head Tax revenues are derived from a tax paid by businesses based on the number of individuals they employ, with businesses paying \$15.00 per month for each employee above an exempted base of five. For FY 2027, revenues are projected to increase by nearly \$192,000, to a new total of \$3.2 million. 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.

**General Fund Revenues
Fiscal Year 2027**

OTHER TAXES (Continued)



General Fund Revenues Fiscal Year 2027

LICENSES, PERMITS, AND FEES

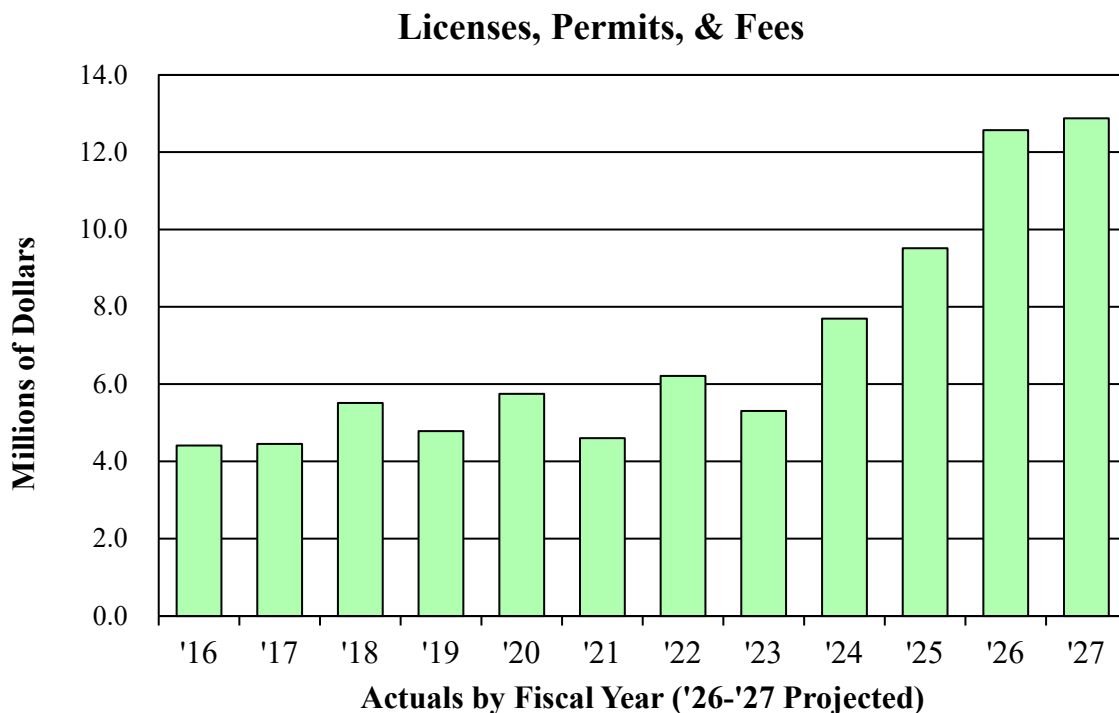
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Licenses, Permits, & Fees	\$7,692,115	\$9,514,627	\$9,891,119	\$12,875,635	\$2,984,516	30.2%

* 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 Trinity 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	Budget 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:

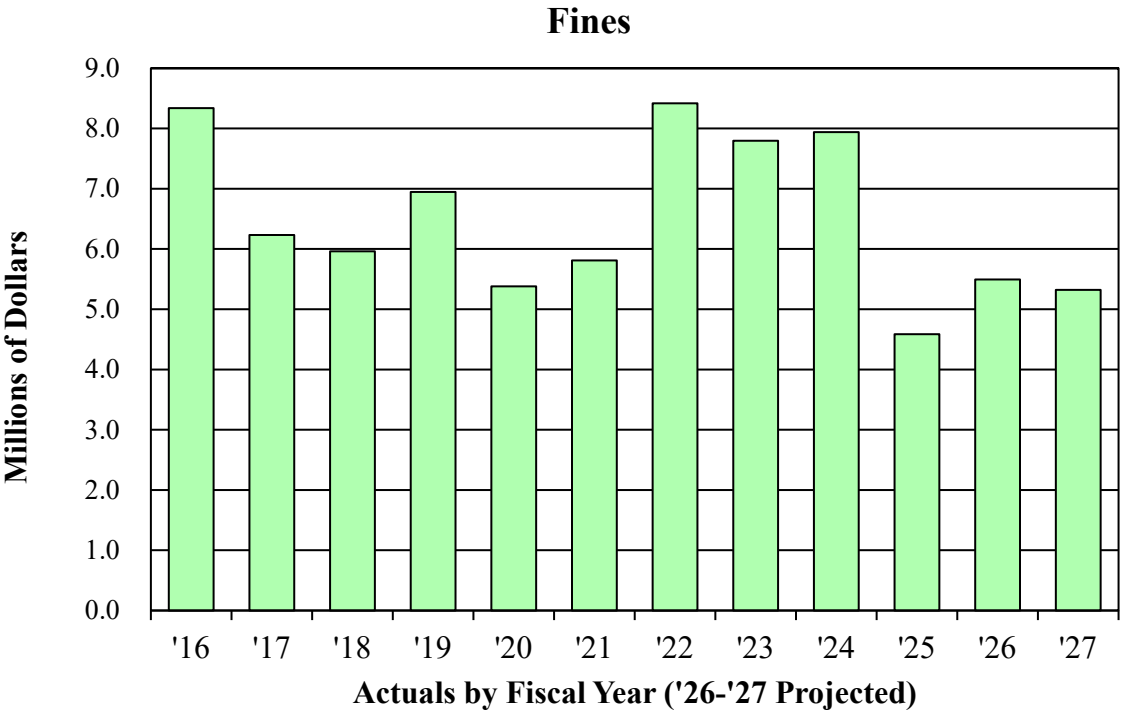
Criminal / Instant Ticket revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program (which involves L&I inspectors issuing tickets for violations of the City’s sanitation codes). Criminal Fines are budgeted to decrease by \$18,000, based on Q2 FY 2026 WEFAC projections. 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).

**General Fund Revenues
Fiscal Year 2027**

FINES (Continued)



General Fund Revenues Fiscal Year 2027

INTEREST

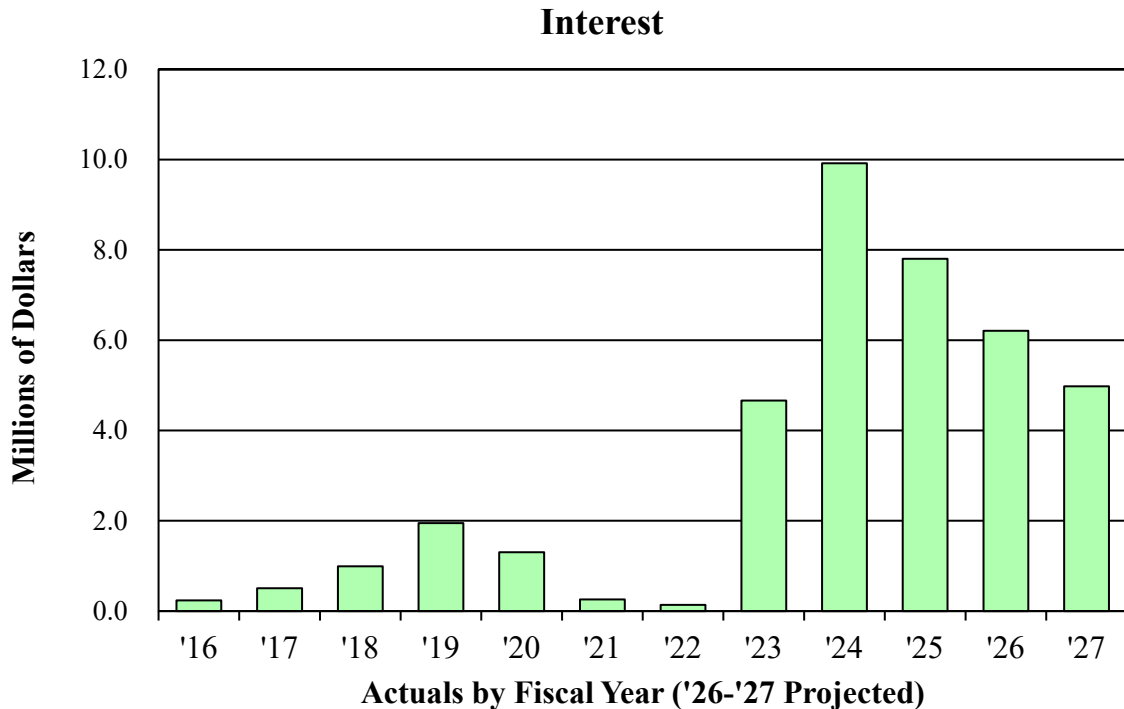
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Interest	\$9,918,184	\$7,801,443	\$5,206,000	\$4,976,736	(\$229,264)	-4.4%

* 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

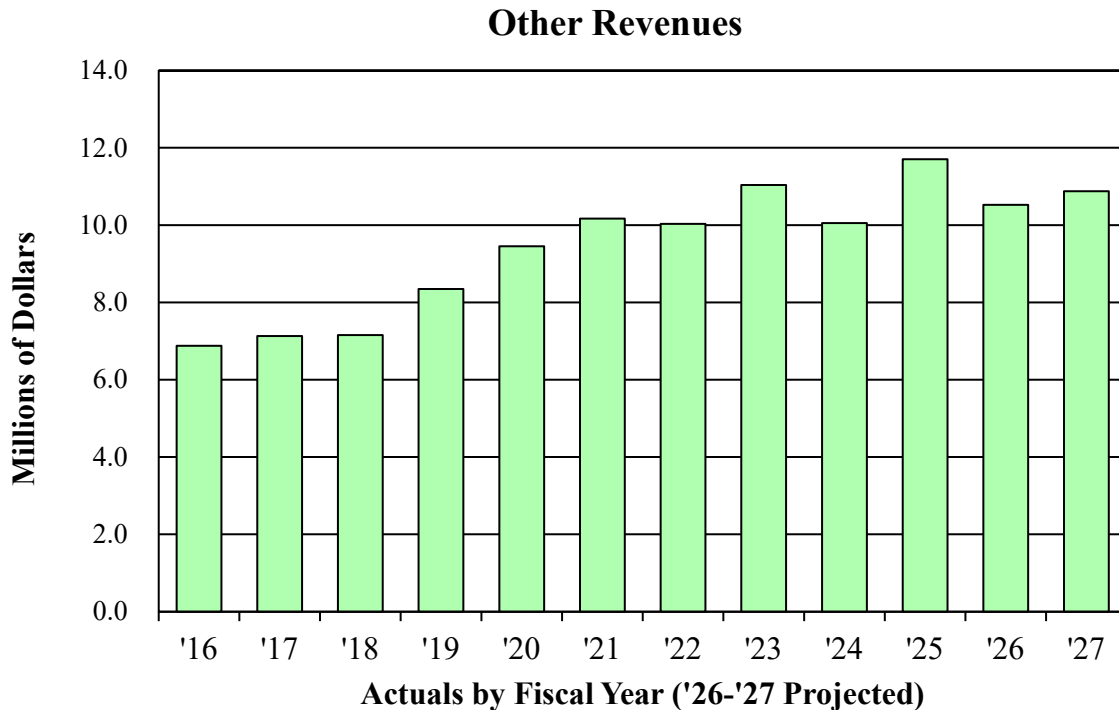
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Other Revenues	\$10,054,096	\$11,705,021	\$10,380,146	\$10,874,657	\$494,511	4.8%

* 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	Budget 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%

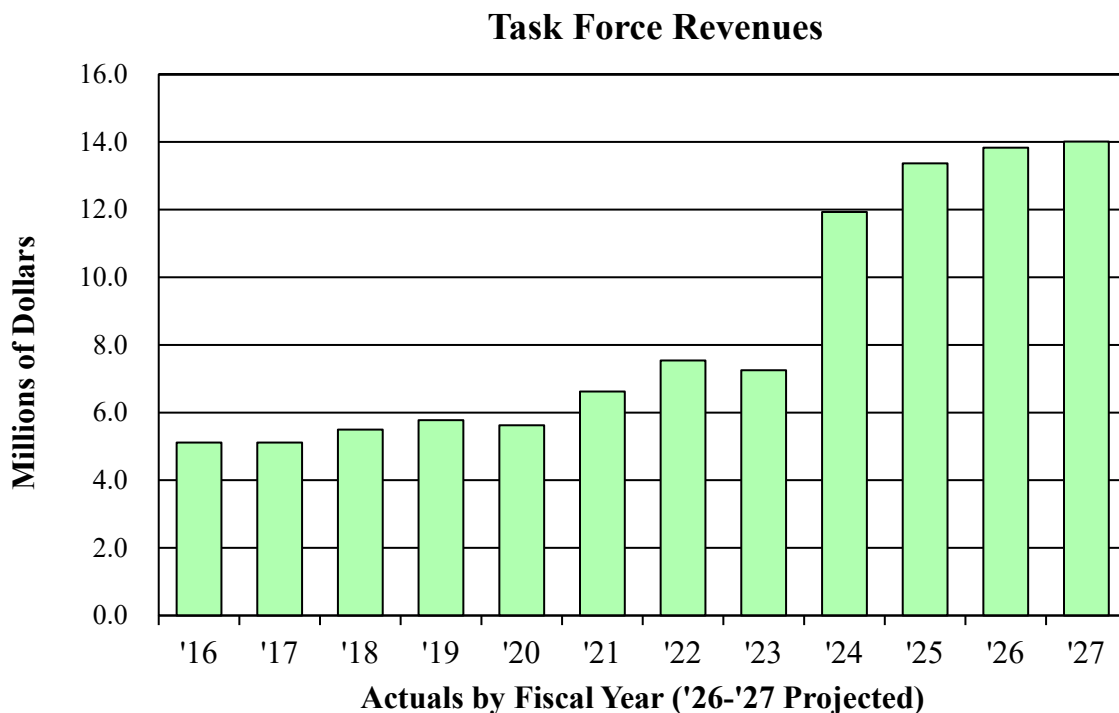
* Relative to FY 2026 budget.

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 Filing 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	Budget 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.

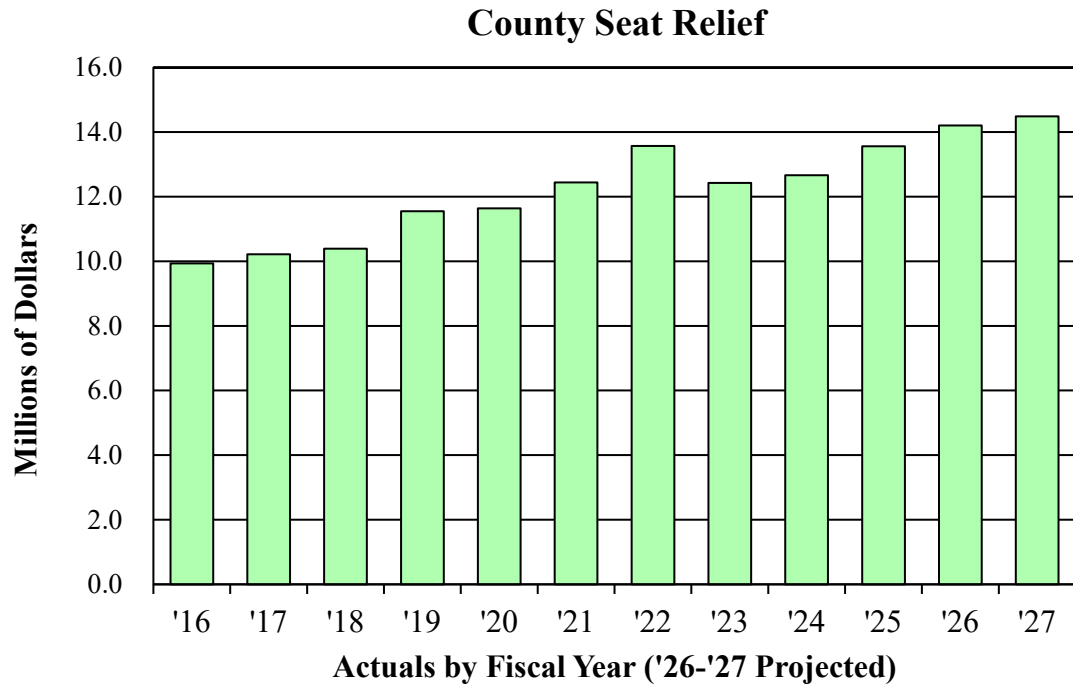
New Castle County Corporate Filing Fees are projected to be up \$310,000 relative to the FY 2026 budget and \$82,000 relative to the Q2 FY 2026 WEFAC projection, reflecting the stronger-than-expected revenues seen during FY 2026. This level of revenue is budgeted to continue into FY 2027, though no additional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

**General Fund Revenues
Fiscal Year 2027**

COUNTY SEAT RELIEF PACKAGE (Continued)



General Fund Revenues Fiscal Year 2027

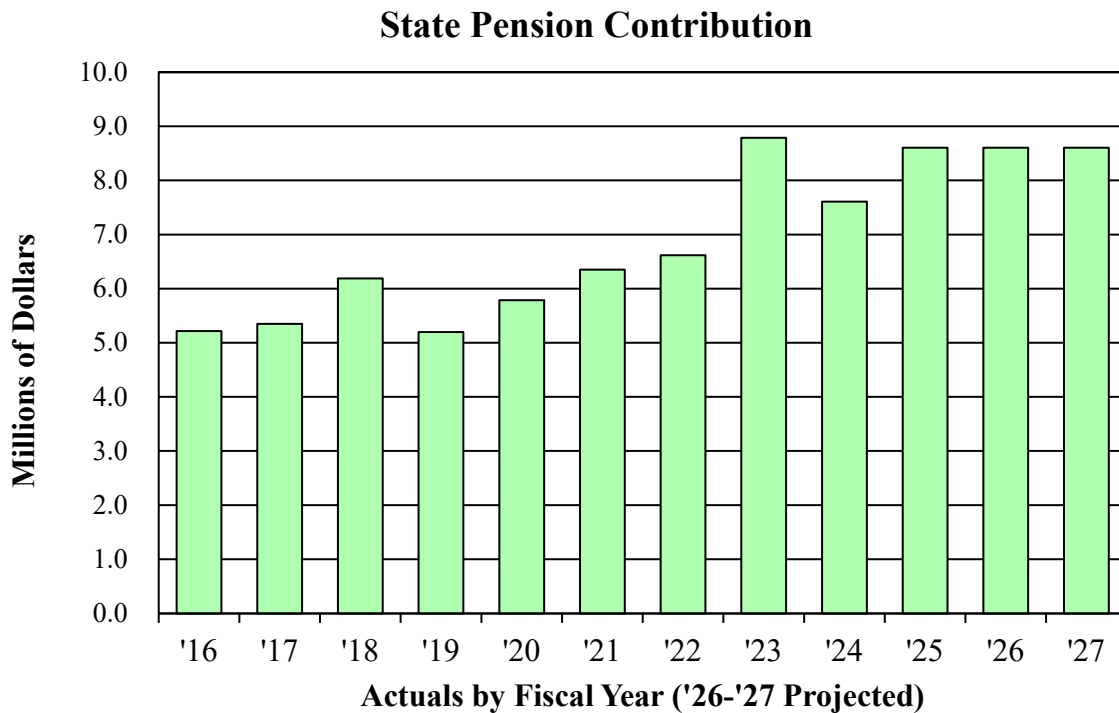
STATE PENSION CONTRIBUTION

General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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 \$8.6 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

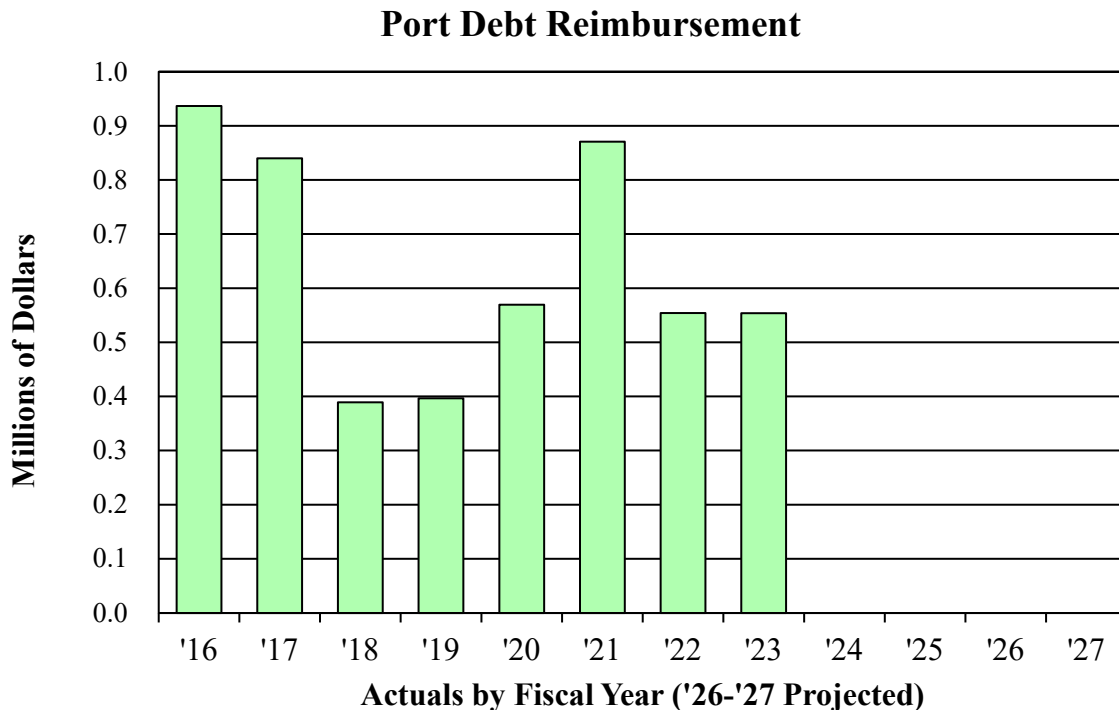
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Port Debt Reimbursement	\$0	\$0	\$0	\$0	\$0	0.0%

* 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

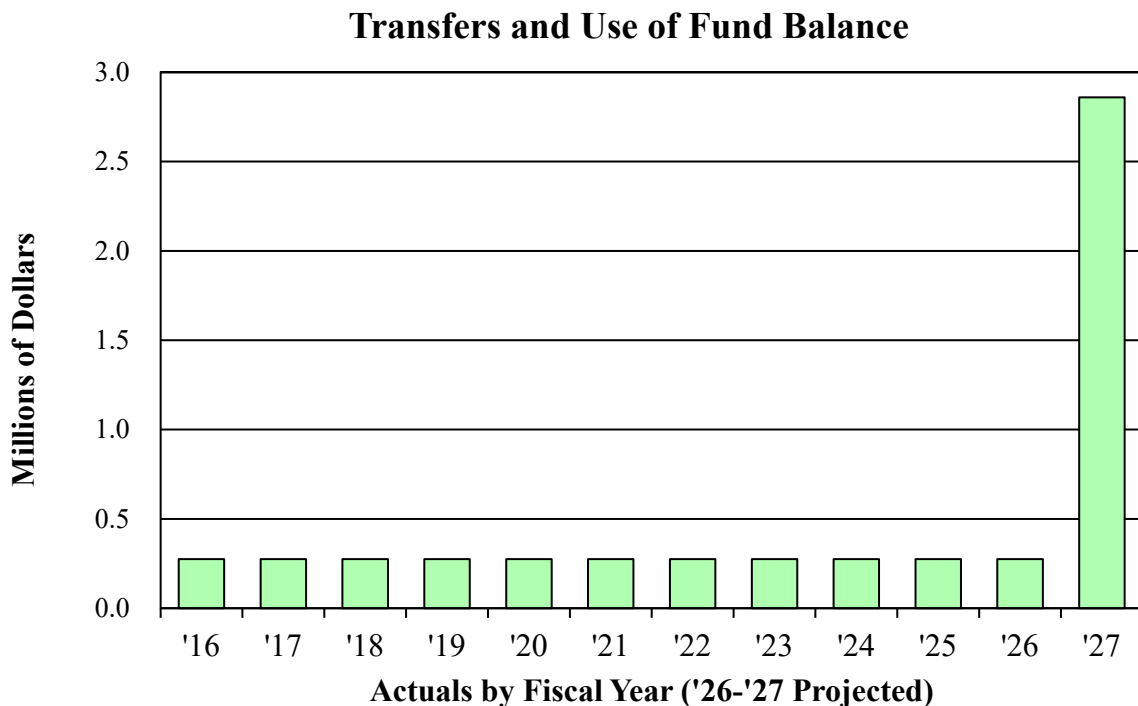
General Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Transfers and Use of Fund Balance	\$275,000	\$275,000	\$275,000	\$2,843,047	\$2,568,047	933.8%

* 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 \$2.6 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 budgeted General Fund expenditures of \$213.5 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 \$2.6 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	Budget 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	7,235,172	418,596	6.1%
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	\$17,274,395	\$1,311,328	8.2%

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 **\$17,274,395**, a net increase of slightly more than \$1.3 million, or 8.2%, above the FY 2026 budget.

MUNICIPAL STREET AID

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	Budget 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	Budget 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	Budget 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	Budget 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	Budget 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	Budget 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	Budget 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	Budget FY 2027	Dollar Change*	Percent Change*
Pension Administration	\$5,863,453	\$6,284,717	\$6,816,576	\$7,235,172	\$418,596	6.1%

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	Budget 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	Budget 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 in FY 2027.

MISCELLANEOUS GRANTS

Special Funds Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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.

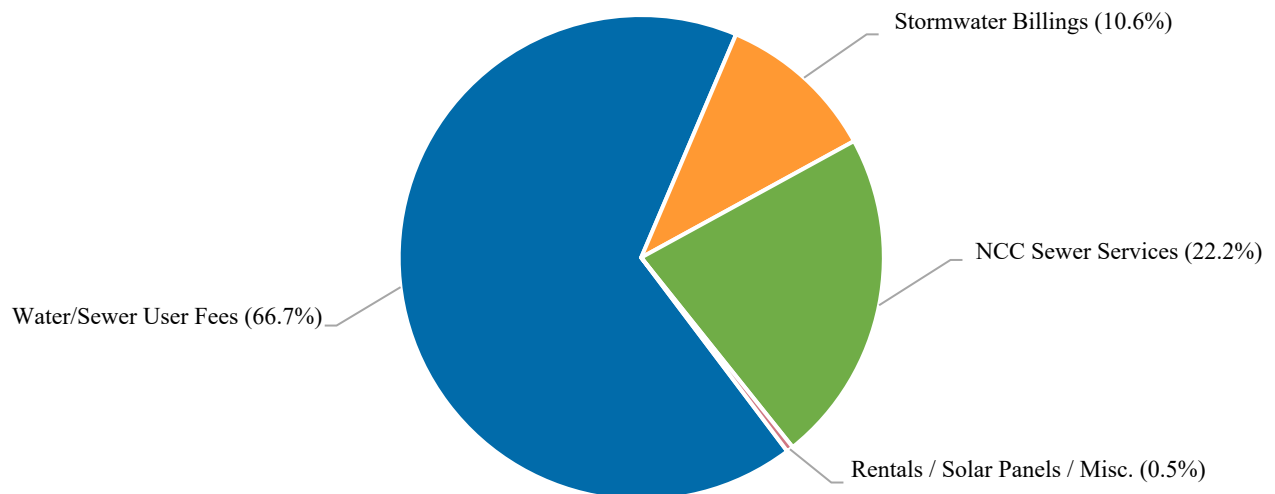
Water / Sewer Fund Revenues Fiscal Year 2027

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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	\$69,110,479	\$3,211,511	4.9%
Stormwater Billings	3,035,387	9,553,996	10,763,185	11,027,751	264,566	2.5%
NCC Sewer Services	18,841,058	23,645,843	22,911,000	23,063,000	152,000	0.7%
Rentals/Miscellaneous	464,635	385,482	453,000	467,000	14,000	3.1%
Solar Panel Revenues	0	0	0	0	0	0.0%
Total Revenues	\$89,276,488	\$103,424,325	\$100,026,153	\$103,668,230	\$3,642,077	3.6%

Total Water / Sewer Fund revenue is budgeted to be **\$103,668,230**, an increase of \$3.6 million, or 3.6%, 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 Fund Revenues Fiscal Year 2027

WATER/SEWER USER FEES

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Water/Sewer User Fees	\$66,935,408	\$69,839,004	\$65,898,968	\$69,110,479	\$3,211,511	4.9%

* Relative to FY 2026 budget.

Basis: Trend analysis / management initiatives

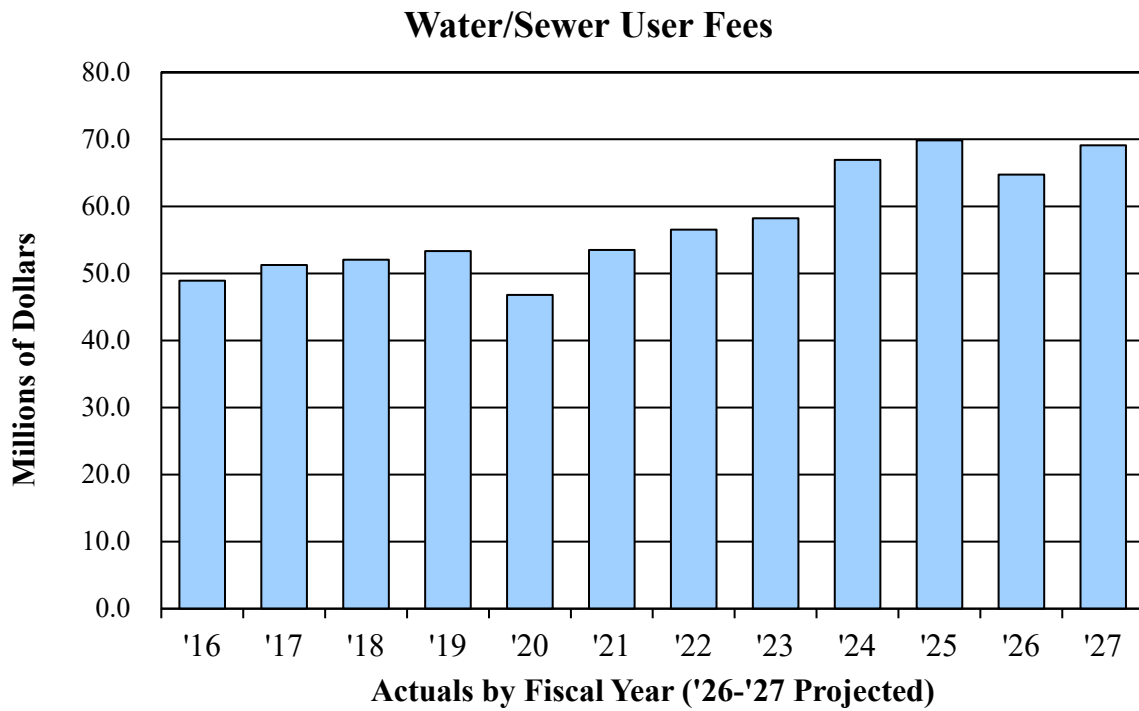
Critical Assumptions: Water/Sewer User Fees are the direct charges to customers for Inside-City water and sewer services, as well as Outside-City water services. For FY 2027, Water/Sewer Fees are projected to total \$69.1 million, an increase of \$3.2 million from the FY 2026 budget. Per Black & Veatch 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 7.0% FY 2027 rate increase on Inside City water, Inside City sewer, and Outside City Water charges. Combined, these rate increases yield \$4.2 million in additional revenue, net of bad debt. For the typical Inside City residential customer, this is an increase of \$5.29 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 nearly \$3.4 million offset for bad debt, up \$1.5 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 Fund Revenues Fiscal Year 2027

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

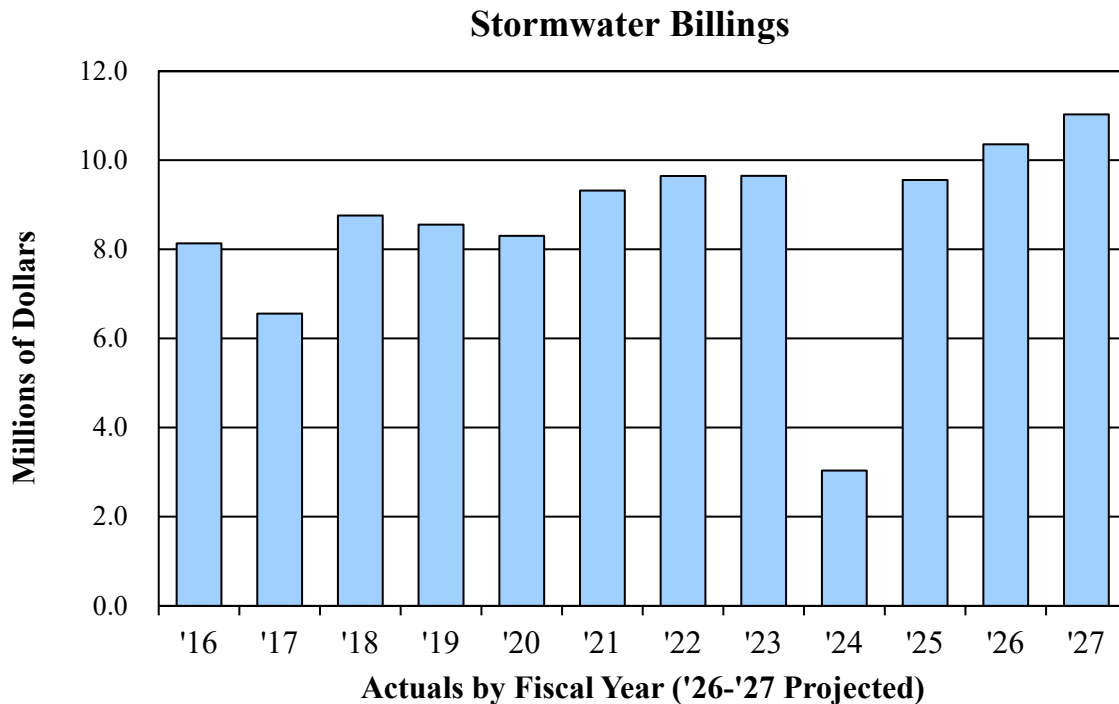
STORMWATER BILLINGS

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Stormwater Billings	\$3,035,387	\$9,553,996	\$10,763,185	\$11,027,751	\$264,566	2.5%

* 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 7.0% rate increase, which is projected to yield nearly \$673,000 in additional revenue, net of bad debt. For the typical City residential customer this is an increase of \$0.41 per month. Finally, the base reduction for bad debt is expected to increase by \$13,000, to a new total of \$580,000, 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

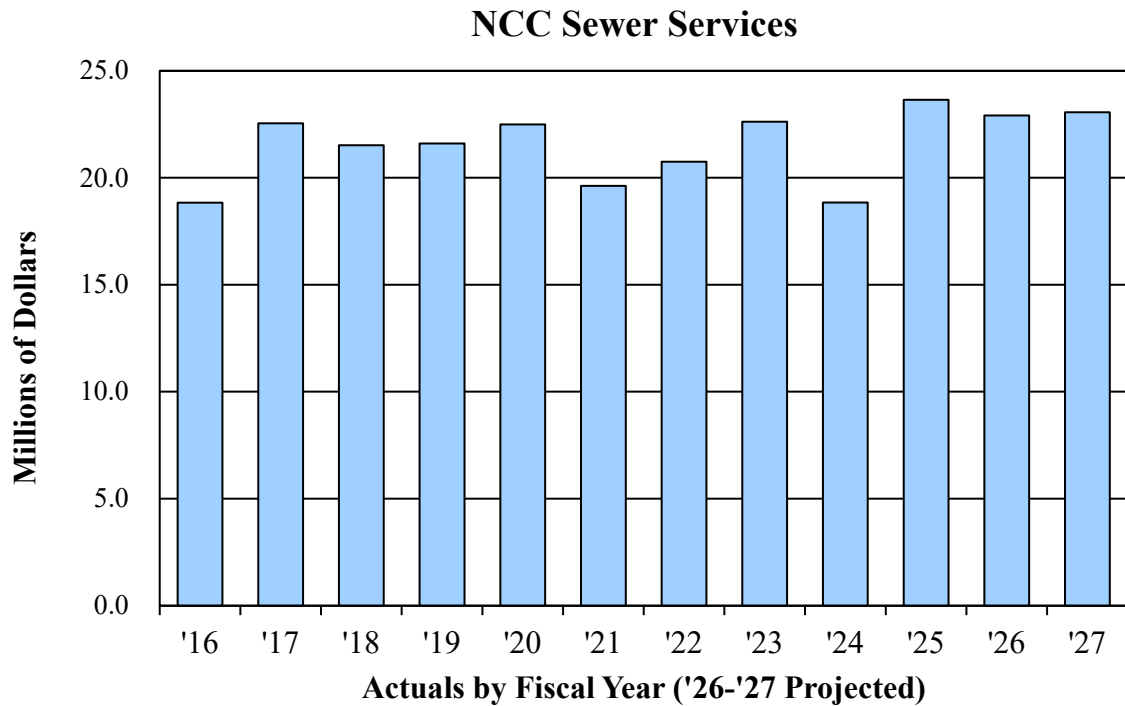
NEW CASTLE COUNTY SEWER SERVICES

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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

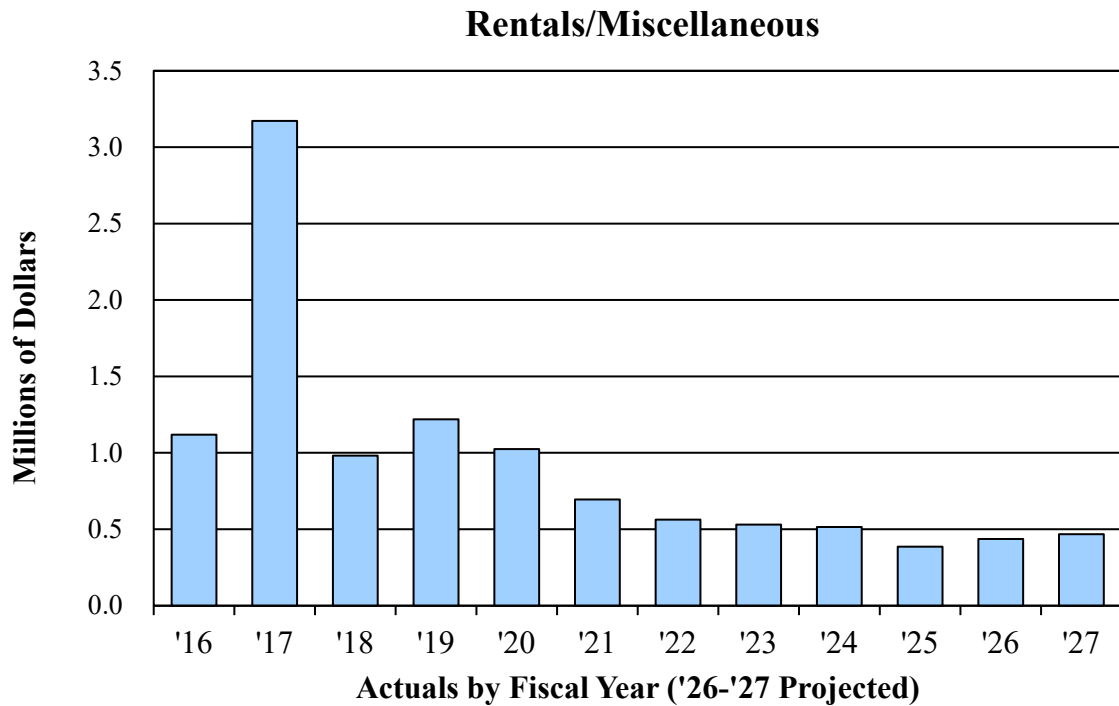
RENTALS / MISCELLANEOUS

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change*	Percent Change*
Rentals/Miscellaneous	\$464,635	\$385,482	\$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

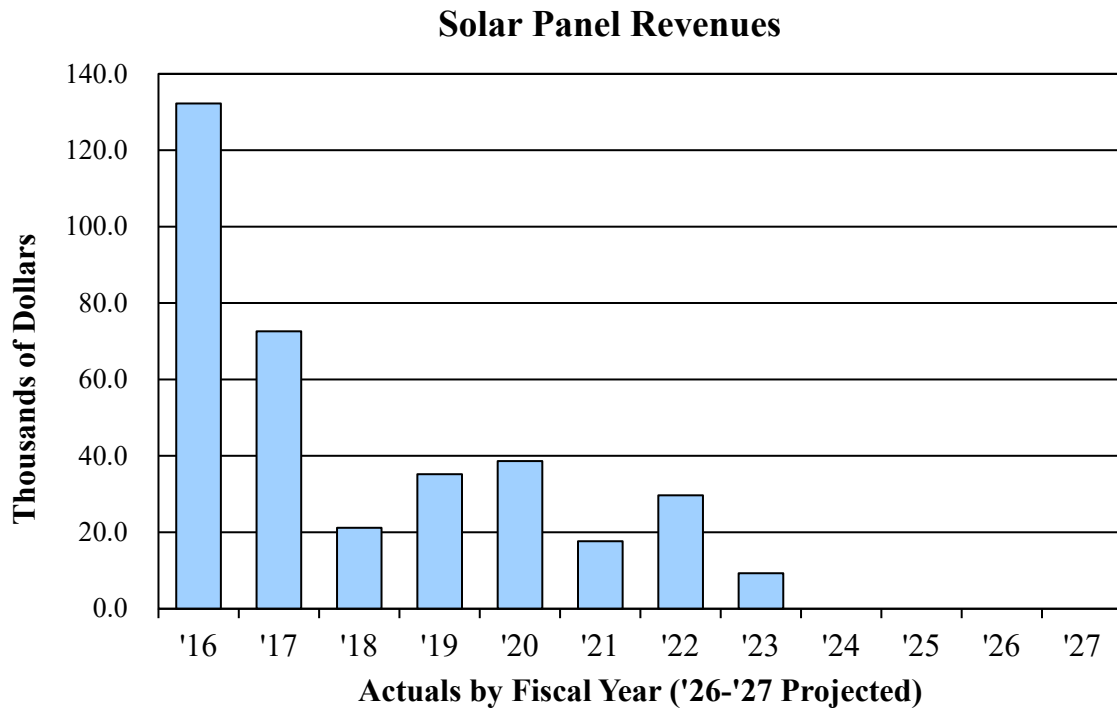
SOLAR PANEL REVENUE

Water / Sewer Fund Revenues	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget 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.

MAYOR'S OFFICE

The mission of the Mayor's Office is to provide the executive and administrative management necessary for the coordination and direction of overall City activities and policies. In addition to the executive function, the Mayor's Office houses the Offices of Emergency Management, Community Engagement and Constituent Services, Cultural Affairs, Management and Budget, Economic Development, and Community Safety.

SUMMARY OF FUNDING FOR THE MAYOR'S OFFICE

Total All Funds* Mayor's Office	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	3,961,788	4,445,190	4,402,762	4,612,210	209,448	4.8%
Materials, Supplies, and Equipment	2,377,971	2,388,756	2,154,500	2,628,690	474,190	22.0%
Internal Services	281,646	339,448	156,162	161,568	5,406	3.5%
Debt Service	1,207,393	1,194,128	1,168,350	1,623,683	455,333	39.0%
Contingent Reserves	0	0	672,000	672,000	0	0.0%
Total	7,828,798	8,367,522	8,553,774	9,698,151	1,144,377	13.4%
Staffing Levels	30.00	30.00	31.00	32.00	1.00	3.2%

General Fund Mayor's Office	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	3,877,893	4,353,872	4,253,463	4,523,885	270,422	6.4%
Materials, Supplies, and Equipment	2,271,735	2,271,698	2,154,500	2,628,690	474,190	22.0%
Internal Services	276,980	334,338	156,162	161,568	5,406	3.5%
Debt Service	1,207,393	1,194,128	1,168,350	1,623,683	455,333	39.0%
Total	7,634,001	8,154,036	7,732,475	8,937,826	1,205,351	15.6%
Staffing Levels	29.50	29.50	30.00	31.00	1.00	3.3%

General Fund Contingent Reserves	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Contingency	0	0	500,000	500,000	0	0.0%
Snow and Weather Emergencies	0	0	172,000	172,000	0	0.0%
Total	0	0	672,000	672,000	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

EMPG Grant Fund Mayor's Office	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	83,895	91,318	149,299	88,325	(60,974)	-40.8%
Materials, Supplies, and Equipment	106,236	117,058	0	0	0	0.0%
Internal Services	4,666	5,110	0	0	0	0.0%
Total	194,797	213,486	149,299	88,325	(60,974)	-40.8%
Staffing Levels	0.50	0.50	1.00	1.00	0.00	0.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 45 due to Internal Service Funds being listed separately.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
ALL FUNDS**

- Relative to the FY 2026 budget, total Mayor's Office Personal Services costs increased by \$270,422. Net FTE positions increased by one, to a new total of 32. Major changes include:
 - The Director of Community Safety position was created as part of the mid-year FY 2026 budget amendment. For FY 2027, the combined salaries and benefits cost of this position is \$141,186.
 - Temporary Salaries increased by a net \$31,000, to a new total of \$180,000. First, \$20,000 was added in the Office of Emergency Management, to provide coverage for the vacant Emergency Management Planner. Second, \$35,000 was added in Community Engagement and Constituent Services to provide a for a Spanish-speaking temporary employee; previously, \$25,000 had been budgeted for this in MS&E, under Temporary Agencies. Finally, these increases were partially offset by a \$24,000 decrease in Administration Division temporary staffing.
 - Due to the uncertainty in federal grant funding availability, the Office of Emergency Management does not expect to fill the Emergency Management Planner position in FY 2027. To account for the associated savings, the budget includes a \$66,012 offset in Personal Services Adjustments in both the General and Special Funds (as the position is split funded 50% / 50% between these funds).
- In the newly created Office of Community Safety, \$450,000 was added to Grants to Agencies to support the Community Public Safety Initiative (CPSI), which assists local organizations in performing violence-prevention work. This funding is intended to cover the CPSI during the latter half of FY 2027, as the first half of the year will be covered using existing ARPA funds. In addition, \$60,000 was added to for consultants, along with \$3,000 in stationery and supplies costs.
- Net Advertising costs increased by \$11,060, or nearly 10.0%. This includes an additional \$10,000 in Cultural Affairs for City-oriented advertising and promotional content online and in local and regional publications, along with an additional \$10,000 for expanded advertising in the Office of Economic Development. These increases were partially offset by a net \$8,940 decrease in the Administration Division.
- Other notable MS&E decreases include: a \$10,000 reduction to Grants to Agencies in Economic Development, as the City will no longer provide a grant to True Access Capital; a \$10,000 reduction to Contracted Maintenance Services for graffiti removal, better reflecting historical usage; and a \$10,000 reduction to electricity costs in Emergency Management, as these costs are expected to be covered using grant funds.
- Total Debt Service increased by \$455,333, or 39.0%. \$184,818 of this increase is associated with the capital borrowing that occurred in FY 2026, with the remainder due to changes in the existing debt service schedule.

Department: Mayor's Office

Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	2,767,570	3,017,550	3,046,317	3,249,882	203,565	6.7%
Temporary Salaries	2,415	71,206	149,000	180,000	31,000	20.8%
Sick Leave Bonus	1,000	500	0	0	0	0.0%
Health Cash Back	3,346	2,440	2,400	0	(2,400)	-100.0%
Pension Contribution	191,338	214,222	83,061	90,946	7,885	9.5%
Social Security	166,218	185,770	192,018	205,927	13,909	7.2%
Medicare Tax	39,029	43,134	45,302	48,662	3,360	7.4%
Hospitalization	447,527	526,677	477,105	523,716	46,611	9.8%
Life Insurance	7,016	8,598	7,200	7,440	240	3.3%
Pension Healthcare	132,767	145,551	148,980	156,890	7,910	5.3%
State Pension Plan - Civilian	119,667	138,224	150,520	177,189	26,669	17.7%
Personal Services Adjustment	0	0	0	(66,012)	(66,012)	0.0%
Attrition	0	0	(48,440)	(50,755)	(2,315)	4.8%
Total Personal Services	3,877,893	4,353,872	4,253,463	4,523,885	270,422	6.4%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	294,598	356,558	133,500	144,560	11,060	8.3%
Communications and Utilities	19,259	27,568	25,760	15,480	(10,280)	-39.9%
Transportation	21,169	19,381	45,740	42,625	(3,115)	-6.8%
Rentals	81,366	100,294	119,150	122,150	3,000	2.5%
Contracted Maintenance	0	0	1,400	1,000	(400)	-28.6%
Professional Fees	534,131	593,749	454,000	497,000	43,000	9.5%
Memberships and Registrations	65,763	44,076	67,025	62,850	(4,175)	-6.2%
Miscellaneous Services	149,304	119,951	165,575	161,575	(4,000)	-2.4%
Office and General Supplies	13,864	14,526	12,550	15,950	3,400	27.1%
Misc. Mat., Supp., and Parts	76,298	52,765	92,600	89,000	(3,600)	-3.9%
Construction and Repairs	0	0	1,000	1,000	0	0.0%
Equipment	32,924	72,815	700	0	(700)	-100.0%
Fixed Assets	40	707	1,500	1,500	0	0.0%
Community Activities	983,019	869,308	1,034,000	1,474,000	440,000	42.6%
Total M.S.&E.	2,271,735	2,271,698	2,154,500	2,628,690	474,190	22.0%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	70,303	71,429	75,095	78,099	3,004	4.0%
Self-Insurance	206,677	262,909	81,067	83,469	2,402	3.0%
Total Internal Services	276,980	334,338	156,162	161,568	5,406	3.5%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	861,492	898,260	916,619	1,293,358	376,739	41.1%
Interest Payments	345,901	295,868	251,731	330,325	78,594	31.2%
Total Debt Service	1,207,393	1,194,128	1,168,350	1,623,683	455,333	39.0%

Department: Contingent Reserves**Fund: General**

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Contingency	0	0	500,000	500,000	0	0.0%
Snow and Weather Emergencies	0	0	172,000	172,000	0	0.0%
Total Other / Special Purpose	0	0	672,000	672,000	0	0.0%

Department: Mayor's Office**Fund: General**

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	7,634,001	8,154,036	8,404,475	9,609,826	1,205,351	14.3%

Department: Mayor's Office**Fund: EMPG Grant Fund**

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	63,441	65,469	109,990	111,378	1,388	1.3%
Temporary Salaries	0	7,916	0	0	0	0.0%
Social Security	3,835	3,986	6,635	6,719	84	1.3%
Medicare Tax	897	932	1,552	1,571	19	1.2%
Hospitalization	9,980	7,078	19,889	22,652	2,763	13.9%
Life Insurance	120	119	240	240	0	0.0%
Pension Healthcare	2,074	2,089	4,966	5,062	96	1.9%
State Pension Plan - Civilian	3,548	3,729	6,027	6,716	689	11.4%
Personal Services Adjustment	0	0	0	(66,013)	(66,013)	0.0%
Total Personal Services	83,895	91,318	149,299	88,325	(60,974)	-40.8%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	250	0	0	0	0	0.0%
Professional Fees	14,300	7,000	0	0	0	0.0%
Memberships and Registrations	0	129	0	0	0	0.0%
Miscellaneous Services	89,578	98,839	0	0	0	0.0%
Office and General Supplies	1,681	664	0	0	0	0.0%
Misc. Mat., Supp., and Parts	387	7,516	0	0	0	0.0%
Fixed Assets	40	2,910	0	0	0	0.0%
Total M.S.&E.	106,236	117,058	0	0	0	0.0%

EMPG Grant Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	194,797	213,486	149,299	88,325	(60,974)	-40.8%

CITY COUNCIL

City Council is the legislative branch of the City of Wilmington's government. Council's responsibilities include enacting ordinances, rules, and regulations that are necessary for the execution of the expressed and implied powers of local self-government granted to the City by the State General Assembly pursuant to the Constitution of the State of Delaware. By function, Council is also responsible to the citizens of Wilmington whom it represents.

Operating under the auspices of City Council are WITN Channel 22, the City Clerk Division, the Communications Division, and the Office of Educational Advocacy. The City Clerk is the official keeper of the City's legislative records and is responsible for the receipt and transmission of all official communications of Council, maintaining precise records of all laws passed by Council, and archiving the City's official legislative records. The staff in the City Clerk Division provides legislative and administrative support to Council, drafts legislation, develops policy, conducts research, processes college scholarship and grant funding requests, creates legislative strategy, and provides oversight of the legislative budget process. The Communications Division provides public relations, social media, and communications services for 13 elected officials. The Office of Educational Advocacy was established by City Council to provide advocacy support for the educational needs and rights of the City's youth, including, but not limited to, connecting youth to educational resources and community engagement.

WITN (Wilmington Information Television Network) is the City's governmental television channel and is under the purview of the CVT Commission. Per City Code, the Station Manager oversees the Public, Educational, and Government (PEG) channels as defined within the City's franchise agreement. EDTV (Red Clay Consolidated School District) serves as the Educational Channel Provider, and the City's Third-Party Operator (TPO) provides designated services under the franchise framework.

PRIORITIES FOR FISCAL YEAR 2027

- Carry out the mission of City Council:
 - Provide visionary leadership in policymaking on quality-of-life matters.
 - Develop well-researched legislation that will enable Wilmington government to provide its residents, visitors, and businesses with the highest quality of public services in a fiscally responsible manner through cooperative decision-making, strong ethical leadership, open communications, and transparency with the public.
 - Fulfill the critical responsibility of providing a check on the executive branch of City government, both through individual City Council Committees and legislative measures, to enhance transparency, accountability, and adherence to stated and collectively agreed upon goals for City operations.
 - Connect with constituents to identify community needs and devise strategies to address those needs through legislation and collaboration with the executive branch.
- Review the City's Operating, Water/Sewer, and Capital Budgets as proposed annually by the Executive Branch and justify the appropriation of funds to support the annual operations of the City's departments, offices, boards, and commissions.
- Work to help mitigate the cost and size of City government, alleviating the need – to the greatest extent practicable – for additional taxes and fees, and through periodic reviews of departmental operations, structures, expenditures, and priorities.
- Provide oversight for the Public, Educational, and Government (PEG) television channels in Wilmington.
- Review the Government channel expenditures to have cost in alignment with Comcast revenues and review the feasibility for the low number of Comcast cable subscribers to ascertain the willingness for Comcast to consider other revenue options to the city other than being limited to solely revenue for cable services.
- Consider other cable franchise providers to the City such as Verizon to provide diversification.
- Provide on-going support for celebration of Black Restaurants, while retaining and attracting new customers.
- Review impact for any unanticipated changes to Federal Funding to have a budgeted contingency plan if necessary.

PRIORITIES FOR FISCAL YEAR 2027 (CONTINUED)

- Provide a voice to the City and its residents regarding the education of its children and help create an education system whereby children are taught in a properly-funded, inclusive environment that accounts for the unique and individualized needs of children raised in an urban setting and work in conjunction with the Wilmington Learning Collaborative (WLC) and the Redding Consortium, with the newly established Office of Educational Advocacy.
- Adopt measures to encourage long-term homeownership, prevent displacement of existing homeowners, and bolster intergenerational wealth.
- Advocate for issues and values that are important to City Council and its constituents for neighborhood stabilization, such as safe and vibrant neighborhoods, affordable housing, adequate legal protections for tenants, an effective education system, a results-oriented gun violence prevention program, and economic lifelines to help lift residents out of poverty.
- Facilitate the recovery of Wilmington's small and minority businesses from the economic and other impacts of the COVID-19 pandemic, such as funding set aside for small minority businesses.
- Review the findings, suggestions, and recommendations for possible implementation of the Reparations Taskforce Report adopted by Res.# 24-025.
- Create a new strategic plan for the 109th Session of Council to serve as a roadmap for determining City Council's legislative agenda based on the priorities of each standing committee.
- Work with Council's lobbyist to strategize and communicate with the City's local delegation on new or updated state policies, procedures, and laws that impact the City of Wilmington (for example, expanded local control and Council's ability to caucus).
- Review the findings, suggestions, and recommendations outlined in the Disparity Report dated February 6, 2023, to support adherence and compliance in implementation.
- Continue working with the Administration on new revenue enhancement measures.
- Collaborate with the Administration and New Castle County regarding property reassessments.
- Encourage eligible homeowners who have their property tax obligation increased by 50% or more following a property assessment to apply for a partial abatement of their tax obligation.
- Make sure adequate funds are budgeted citywide to support neighborhood stabilization, including home repairs, community beautification, and minority business programs.
- Draft a request for proposal or contract agreement for an annual or multi-year agreement for a third-party operator to provide PALA (Public Access Leased Access) services to the local community at no cost to the City, funded through revenues derived from the TPO to cover all costs.
- Continue to support public dialogue and expand communications across social media platforms to build community awareness of Council's legislative agenda and other pertinent City business.
- Develop policies to address the unhoused and homelessness in the City of Wilmington.
- Continue to be a voice for the community on constituent matters impacting residents and the business community.
- Foster and develop City Council's Youth Advisory Council and establishing a citywide Youth Master Plan.
- Collaborate with the Administration to expand CPSI (Community Public Safety Initiative) to other areas of the city in conjunction with the newly created Office of Community Safety.
- Develop any necessary zoning, funding, and policy parameters regarding smoke shop regulations.

SUMMARY OF FUNDING FOR CITY COUNCIL

Total All Funds City Council	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,337,401	2,758,967	2,988,985	3,138,084	149,099	5.0%
Materials, Supplies, and Equipment	894,389	959,964	1,248,203	1,130,889	(117,314)	-9.4%
Internal Services	50,934	66,010	20,642	21,091	449	2.2%
Debt Service	22,771	22,805	22,631	46,905	24,274	107.3%
Other / Special Purpose	13,169	13,365	16,500	20,500	4,000	24.2%
Total	3,318,664	3,821,111	4,296,961	4,357,469	60,508	1.4%
Staffing Levels	27.00	27.00	29.00	29.00	0.00	0.0%

General Fund City Council	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	1,624,602	1,935,572	2,142,075	2,238,292	96,217	4.5%
Materials, Supplies, and Equipment	765,824	867,009	1,080,684	999,735	(80,949)	-7.5%
Internal Services	50,934	66,010	20,642	21,091	449	2.2%
Other / Special Purpose	13,169	13,365	16,500	20,500	4,000	24.2%
Total	2,454,529	2,881,956	3,259,901	3,279,618	19,717	0.6%
Staffing Levels	19.65	19.65	21.90	22.90	1.00	4.6%

CATV Fund City Council	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	712,799	823,395	846,910	899,792	52,882	6.2%
Materials, Supplies, and Equipment	128,565	92,955	167,519	131,154	(36,365)	-21.7%
Debt Service	22,771	22,805	22,631	46,905	24,274	107.3%
Total	864,135	939,155	1,037,060	1,077,851	40,791	3.9%
Staffing Levels	7.35	7.35	7.10	6.10	(1.00)	-14.1%

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND**

- Personal Services increased by a net \$96,217, primarily due to the creation of a Legislative Research Aide position, which added \$83,921 in salary and benefits. Partially offsetting this increase is a \$40,145 reduction in salary and benefits associated with the Educational Advocacy Director position, along with a net \$20,000 reduction in Temporary Salaries due mainly to the elimination of Youth Council funding. Finally, the budget includes a 2.5% cost-of-living adjustment (COLA), as well as a \$56,663 increase to healthcare costs (which is inclusive of the position changes listed above, and based on projections from USI, the City's healthcare consultant).
- Parking Fees decreased by \$16,200, to align with the actual costs incurred to date.
- Consultants decreased by \$62,500, mainly due to the elimination of \$50,000 in consultants funding in the Office of Educational Advocacy. Other changes include a \$25,000 reduction in lobbying services for state and federal legislative matters, partially offset by a \$10,000 increase in the Project Manager contract (from \$20,000 to \$30,000).
- Miscellaneous Projects decreased by \$87,500, primarily due to the elimination of the centralized Beautification Fund. This decrease is partially offset by additional funding for Donations – Community Services, including \$5,769 for each Council Member to support city beautification initiatives, and a revision to the Thanksgiving Turkey Drive allocation, which decreased by \$10,000 (from \$25,000 to \$15,000).
- Grants to Agencies decreased by \$13,000 due to a reduction in grants funding allocated to the thirteen Council Members, decreasing from \$29,076 to \$28,076 per member. This decrease was fully offset by a \$13,000 increase to the Grants–Scholarship Program, which increased from \$4,000 to \$5,000 per member.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
CATV FUND**

- Personal Services increased by a net \$63,749. The elimination of the Producer position generated total savings of \$78,581 in salary and benefits; however, these savings were partially offset by cost increases associated with a 2.5% cost-of-living adjustment (COLA), mandatory step increases, and hospitalization expenses.
- Legal fees increased by \$10,000 due to higher costs for outside legal counsel related to the Verizon Franchise Agreement.
- Additions and Improvements to Buildings decreased by \$42,000 as the Third-Party Operator (TPO) was not funded.

Department: City Council

Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	976,142	1,205,118	1,369,388	1,398,811	29,423	2.1%
Temporary Salaries	80,104	66,888	70,000	50,000	(20,000)	-28.6%
Sick Leave Bonus	1,200	800	1,200	1,200	0	0.0%
Overtime	655	300	0	0	0	0.0%
Health Cash Back	4,800	3,686	2,400	2,400	0	0.0%
Pension Contribution	75,563	84,352	52,403	57,621	5,218	10.0%
Social Security	62,564	75,842	87,271	89,716	2,445	2.8%
Medicare Tax	14,631	17,738	20,410	20,981	571	2.8%
Hospitalization	276,227	325,788	312,590	369,253	56,663	18.1%
Life Insurance	3,492	4,345	4,932	5,172	240	4.9%
Pension Healthcare	88,668	97,251	108,754	115,898	7,144	6.6%
State Pension Plan - Civilian	40,556	53,464	64,727	72,595	7,868	12.2%
Personal Services Adjustment	0	0	48,000	54,645	6,645	13.8%
Total Personal Services	1,624,602	1,935,572	2,142,075	2,238,292	96,217	4.5%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	15,286	10,491	22,000	27,500	5,500	25.0%
Transportation	19,476	20,383	31,000	31,000	0	0.0%
Rentals	0	1,069	20,300	4,100	(16,200)	-79.8%
Contracted Maintenance	0	220	500	500	0	0.0%
Professional Fees	183,050	256,767	311,500	249,000	(62,500)	-20.1%
Memberships and Registrations	27,356	31,273	42,950	33,700	(9,250)	-21.5%
Miscellaneous Services	2,815	1,508	2,000	17,000	15,000	750.0%
Office and General Supplies	4,437	6,093	6,500	6,500	0	0.0%
Wearing Apparel and Safety	0	0	2,300	2,300	0	0.0%
Misc. Mat., Supp., and Parts	8,216	10,223	11,146	14,150	3,004	27.0%
Equipment	0	4,480	6,000	2,000	(4,000)	-66.7%
Community Activities	505,188	524,502	624,488	611,985	(12,503)	-2.0%
Total M.S.&E.	765,824	867,009	1,080,684	999,735	(80,949)	-7.5%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	4,057	5,782	0	0	0	0.0%
Self-Insurance	46,877	60,228	20,642	21,091	449	2.2%
Total Internal Services	50,934	66,010	20,642	21,091	449	2.2%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Special Purpose	13,169	13,365	16,500	20,500	4,000	24.2%
Total Other / Special Purpose	13,169	13,365	16,500	20,500	4,000	24.2%

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	2,454,529	2,881,956	3,259,901	3,279,618	19,717	0.6%

Department: City Council

Fund: CATV

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	468,489	567,544	555,238	576,215	20,977	3.8%
Temporary Salaries	32,648	14,560	40,000	40,000	0	0.0%
Sick Leave Bonus	700	1,600	900	900	0	0.0%
Overtime	538	327	0	0	0	0.0%
Pension Contribution	8,918	10,939	9,745	10,762	1,017	10.4%
Social Security	30,053	34,647	35,849	37,082	1,233	3.4%
Medicare Tax	7,029	8,127	8,384	8,664	280	3.3%
Hospitalization	105,726	123,117	111,552	141,313	29,761	26.7%
Life Insurance	1,477	1,523	1,464	1,464	0	0.0%
Pension Healthcare	32,674	30,801	30,294	30,871	577	1.9%
State Pension Contribution	24,547	30,210	28,484	32,521	4,037	14.2%
Personal Services Adjustment	0	0	25,000	20,000	(5,000)	-20.0%
Total Personal Services	712,799	823,395	846,910	899,792	52,882	6.2%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Transportation	0	2,342	8,000	5,000	(3,000)	-37.5%
Rentals	7,975	8,700	10,500	10,800	300	2.9%
Contracted Maintenance	11,977	7,143	15,000	15,000	0	0.0%
Professional Fees	45,711	5,646	15,000	25,000	10,000	66.7%
Memberships and Registrations	29,376	38,187	33,519	41,354	7,835	23.4%
Miscellaneous Services	18,000	13,650	10,000	5,000	(5,000)	-50.0%
Office and General Supplies	1,534	1,437	5,000	5,000	0	0.0%
Wearing Apparel and Safety	1,633	0	3,500	3,500	0	0.0%
Misc. Mat., Supp., and Parts	12,359	11,813	19,500	15,000	(4,500)	-23.1%
Equipment	0	4,037	5,500	5,500	0	0.0%
Fixed Assets	0	0	42,000	0	(42,000)	-100.0%
Total M.S.&E.	128,565	92,955	167,519	131,154	(36,365)	-21.7%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	16,084	16,832	17,452	43,354	25,902	148.4%
Interest Payments	6,687	5,973	5,179	3,551	(1,628)	-31.4%
Total Debt Service	22,771	22,805	22,631	46,905	24,274	107.3%

CATV Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	864,135	939,155	1,037,060	1,077,851	40,791	3.9%

CITY TREASURER

The City Treasurer has been entrusted to serve as the custodian of all City funds on deposit in various operating accounts. To meet these custodial duties the Treasurer must actively and effectively manage the funds in a prudent manner. This involves the management of the City's cash, debt, and the administration of the City's pension program. Related duties include check issuance, account reconciliation, wage attachments, and control over the Deferred Compensation Program and other employee payroll deductions.

PRIORITIES FOR FISCAL YEAR 2027

- **Governance:** Cultivating and reinforcing a culture of good governance, strong compliance, and sound stewardship by leveraging relationships with internal and external auditors, as well as trusted advisors, to ensure 100% compliance with all statutes and regulations guiding Office operations.
- **Modernization:** Creating a 21st-century operation equipped to respond to the challenges and opportunities of today's financial, political, and regulatory environment through facility improvements, updating internal policies and controls, and maintaining a conservative and low-risk approach while positioning the Office to benefit from fiscal opportunities both in the near and long term.
- **Efficiency:** Improving the efficacy and productivity of the Office by evaluating internal operations, procedures, and processes, and making enhancements to drive results. Ensuring the proper alignment of resources and staffing with core functions of the office.
- **Outreach:** Engaging in strategic partnerships to promote enhanced financial literacy and education for city employees and the greater Wilmington community.

SUMMARY OF FUNDING FOR CITY TREASURER

Total All Funds Treasurer	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	733,743	1,038,578	970,359	1,243,743	273,384	28.2%
Materials, Supplies, and Equipment	794,812	730,888	1,096,921	1,318,650	221,729	20.2%
Internal Services	19,934	23,518	22,984	23,918	934	4.1%
Other / Special Purpose	4,750,000	5,000,000	5,250,000	5,500,000	250,000	4.8%
Total	6,298,489	6,792,984	7,340,264	8,086,311	746,047	10.2%
Staffing Levels	7.00	7.00	7.00	8.00	1.00	14.3%

General Fund Treasurer	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	366,396	418,073	406,496	544,573	138,077	34.0%
Materials, Supplies, and Equipment	50,072	68,115	95,700	284,200	188,500	197.0%
Internal Services	18,568	22,079	21,492	22,366	874	4.1%
Total	435,036	508,267	523,688	851,139	327,451	62.5%
Staffing Levels	3.00	3.00	3.00	3.50	0.50	16.7%

Pension Admin. Funds Treasurer	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	367,347	620,505	563,863	699,170	135,307	24.0%
Materials, Supplies, and Equipment	744,740	662,773	1,001,221	1,034,450	33,229	3.3%
Internal Services	1,366	1,439	1,492	1,552	60	4.0%
Other / Special Purpose	4,750,000	5,000,000	5,250,000	5,500,000	250,000	4.8%
Total	5,863,453	6,284,717	6,816,576	7,235,172	418,596	6.1%
Staffing Levels	4.00	4.00	4.00	4.50	0.50	12.5%

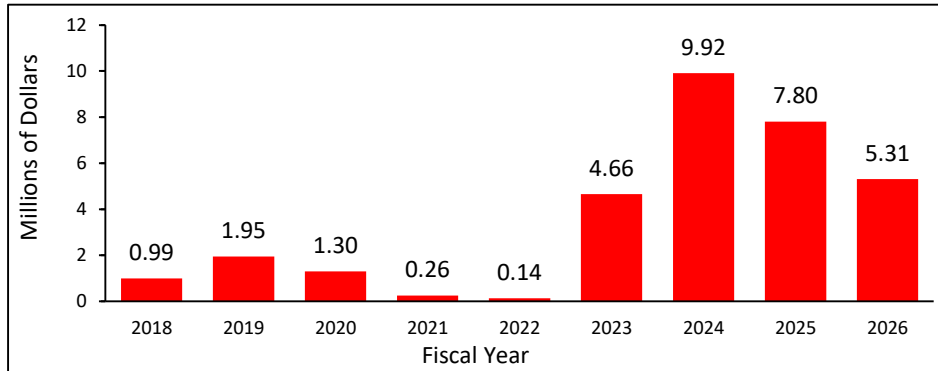
MAJOR FUNDING CHANGES FROM PRIOR YEAR

- In Personal Services, there was a mid-year addition of the Manager of Communications, Programs, and Strategic Partnerships, a position split-funded 50% between the General Fund and the Pension Fund. This position increased Personal Services by \$87,660 in both funds (\$175,338 total, including salary and benefits) and will lead the Treasurer's Office communications, financial empowerment initiatives, and strategic partnerships supporting employees, retirees, and residents. In addition, the FY 2027 budget includes salary adjustments the City Treasurer, Cash & Investment Portfolio Manager, Deputy City Treasurer, Administrative Assistant to the City Treasurer, and Retirement Benefits & Pension Manager, increasing Personal Services by \$43,295 in the General Fund and \$35,552 in the Pension Fund, including salary and benefits.
- \$160,000 was added to Workshops/Seminars – Training to support empowerment and wellness programming, including Treasury Talks, and Wealth-Building Bootcamps for City employees, retirees, and residents.
- To support expanded outreach, sponsorships, and community partnerships aligned with the Office's strategic priorities and programming, the Community Services account increased by \$15,000.
- Travel and Subsistence increased by \$10,000 for continued professional development of General Fund staff through attendance at professional conferences and seminars.
- In the Pension Funds, Consultants increased by approximately \$32,900 due to advisory and actuarial service fees associated with the Outsourced Chief Investment Officer (OCIO) agreement.
- The annual self-insurance funding target for retiree Medical Costs in the Pension – Healthcare Fund was increased by \$250,000, bringing the total funding for the program to \$5.5 million for FY 2027.

CITY TREASURER

Performance Trends

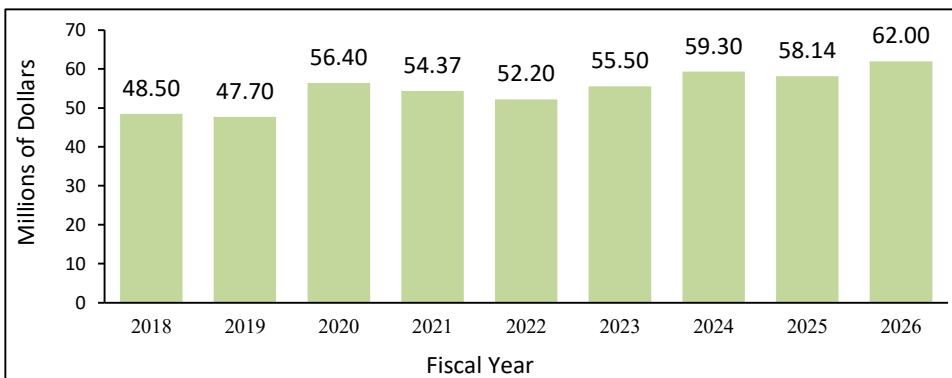
General Fund Investment Income



\$5.31 Million
as of June 30, 2026

During the COVID-19 outbreak, interest rates on investments fell to as low as 0.08%. However, due to multiple rate increases undertaken by the Federal Reserve, average interest rates on investments grew to approximately 2.5% in FY 2023, and more than 5.0% in FY 2024, resulting in a dramatic increase in revenue.

Deferred Compensation Fund

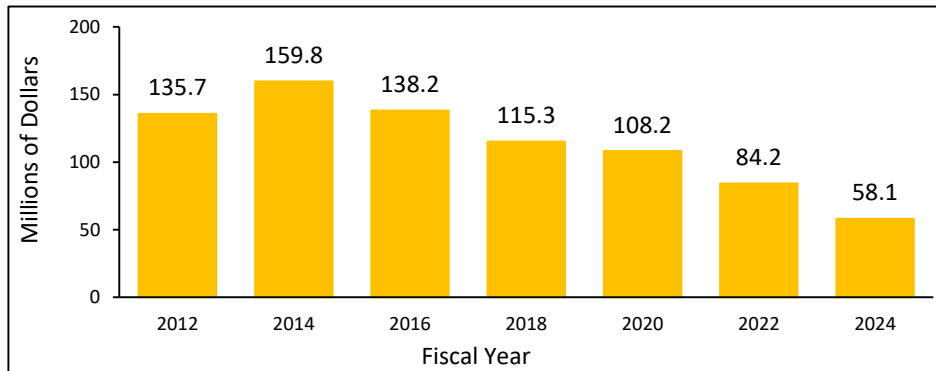


\$62.00 Million
as of June 30, 2026

The City's Deferred Compensation plan is available on a voluntary basis to employees who wish to supplement their retirement income by investing a portion of their current earnings on a tax-deferred basis.

CITY TREASURER Performance Trends

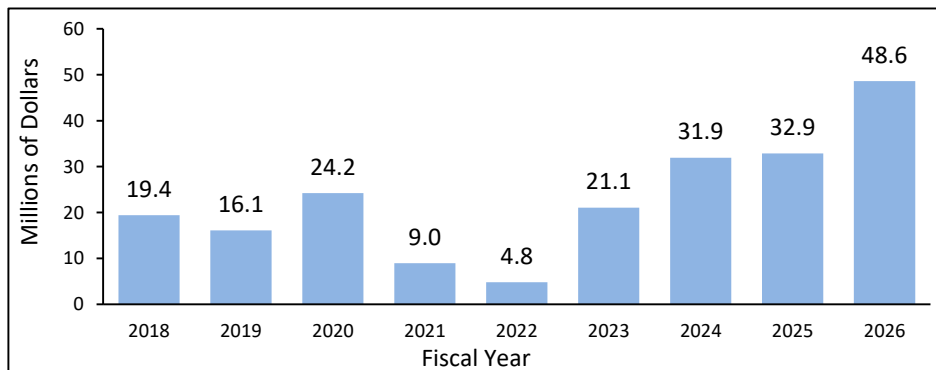
Unfunded Pension Liability - Calculated Biennially



\$58.1 Million
as of most recent report

The level of Unfunded Pension Liability and the City's record of paying the actuarially determined Annual Required Contribution (ARC) are two measures of the relative strength or weakness of a particular pension fund. The Unfunded Pension Liability declined in the most recent valuation, reflecting strong stock market returns. In addition, the City has a policy to fund 100% of the ARC.

Net Pension Fund Investment Income / Loss



\$48.6 Million
as of June 30, 2026

Strict adherence to prudent investment guidelines enables the City's pension fund to earn high income levels when the stock market is performing well and minimize losses when the market is performing poorly.

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	245,829	283,995	291,983	388,010	96,027	32.9%
Sick Leave Bonus	400	500	0	0	0	0.0%
Pension Contribution	33,876	34,414	31,516	37,233	5,717	18.1%
Social Security	14,569	16,934	17,643	23,483	5,840	33.1%
Medicare Tax	3,407	3,960	4,126	5,495	1,369	33.2%
Hospitalization	46,046	53,079	46,714	67,430	20,716	44.3%
Life Insurance	722	718	720	840	120	16.7%
Pension Healthcare	13,535	14,314	14,894	17,711	2,817	18.9%
State Pension Plan - Civilian	8,012	10,159	9,719	15,707	5,988	61.6%
Attrition	0	0	(10,819)	(11,336)	(517)	4.8%
Total Personal Services	366,396	418,073	406,496	544,573	138,077	34.0%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	322	0	1,200	1,200	0	0.0%
Transportation	6,261	12,867	10,000	20,000	10,000	100.0%
Professional Fees	13,500	24,300	45,000	45,000	0	0.0%
Other Fees	1,769	484	500	500	0	0.0%
Memberships and Registrations	1,469	2,696	8,500	172,000	163,500	1923.5%
Miscellaneous Services	90	274	500	500	0	0.0%
Office and General Supplies	1,624	1,436	2,500	2,500	0	0.0%
Misc. Mat., Supp., and Parts	869	528	1,500	1,500	0	0.0%
Equipment	0	0	1,000	1,000	0	0.0%
Community Activities	24,168	25,530	25,000	40,000	15,000	60.0%
Total M.S.&E.	50,072	68,115	95,700	284,200	188,500	197.0%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	8,803	8,723	14,143	14,709	566	4.0%
Self-Insurance	9,765	13,356	7,349	7,657	308	4.2%
Total Internal Services	18,568	22,079	21,492	22,366	874	4.1%

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	435,036	508,267	523,688	851,139	327,451	62.5%

Department: City Treasurer
Fund: Pension Administration

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	244,204	306,041	398,567	503,010	104,443	26.2%
Temporary Salaries	0	23,261	0	0	0	0.0%
Accrued Sick/Vacation	4,865	156,283	0	0	0	0.0%
Pension Contribution	30,263	32,992	30,578	37,231	6,653	21.8%
Social Security	14,594	19,798	24,039	30,519	6,480	27.0%
Medicare Tax	3,413	4,630	5,621	7,138	1,517	27.0%
Hospitalization	43,298	46,257	71,351	77,778	6,427	9.0%
Life Insurance	721	740	960	1,080	120	12.5%
Pension Healthcare	18,052	19,092	19,868	22,777	2,909	14.6%
State Pension Plan - Civilian	7,937	11,411	15,749	22,644	6,895	43.8%
Attrition	0	0	(2,870)	(3,007)	(137)	4.8%
Total Personal Services	367,347	620,505	563,863	699,170	135,307	24.0%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	0	0	251	252	1	0.4%
Transportation	0	0	2,000	4,000	2,000	100.0%
Rentals	91	181	299	999	700	234.1%
Professional Fees	742,149	659,847	983,914	1,021,600	37,686	3.8%
Other Fees	2,165	419	3,120	0	(3,120)	-100.0%
Memberships and Registrations	300	2,286	7,817	4,499	(3,318)	-42.4%
Office and General Supplies	35	0	1,500	1,501	1	0.1%
Misc. Mat., Supp., and Parts	0	40	600	600	0	0.0%
Equipment	0	0	1,720	999	(721)	-41.9%
Total M.S.&E.	744,740	662,773	1,001,221	1,034,450	33,229	3.3%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Self-Insurance	1,366	1,439	1,492	1,552	60	4.0%
Total Internal Services	1,366	1,439	1,492	1,552	60	4.0%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Self-Insurance Costs	4,750,000	5,000,000	5,250,000	5,500,000	250,000	4.8%
Total Other / Special Purpose	4,750,000	5,000,000	5,250,000	5,500,000	250,000	4.8%

Pension Admin. Funds	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	5,863,453	6,284,717	6,816,576	7,235,172	418,596	6.1%

DEPARTMENT OF LAND USE AND PLANNING

The mission of the Department of Land Use & Planning is to prompt and support the responsible and intelligent growth of communities throughout the city. The Division of Land Use ensures that all development processes are properly integrated to allow the efficient review and response to all appropriate requests to develop land in Wilmington, which includes reviewing plans and specifications for renovations and new construction. The Division of Planning provides and promotes creative and thoughtful prospective direction on how broader urban planning issues and priorities can be identified, researched, and implemented.

PRIORITIES FOR FISCAL YEAR 2027

- Establishing a business- and community-friendly organization that supports the responsible growth and development of Wilmington.
- Coordinating the City's timely and comprehensive handling and review of all land use and development projects/permits.
- Timely follow-up inspections of all permits issued to ensure compliance.
- Ensuring prompt and professional communication between the City and members of the public on all land use review processes.
- Undertaking and leading various citywide prospective and innovation planning efforts to provide City officials with potential reforms to City codes and policies.
- Working to support and update the City's 2028 Comprehensive Plan to improve the quality of life of residents.
- Supporting citywide initiatives to ensure the modernization and improvement of the City's transportation systems.
- Ensuring timely operations by staffing the activities of various commissions, such as the City Planning Commission, Neighborhood Planning Councils, and the Wilmington Design Review and Preservation Commission.
- Review the city's established historic districts and make recommendations on improvements.

SUMMARY OF FUNDING FOR DEPARTMENT OF LAND USE AND PLANNING

Total All Funds Land Use and Planning	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,930,958	3,029,844	3,314,633	3,584,761	270,128	8.1%
Materials, Supplies, and Equipment	782,673	1,004,371	1,119,200	1,042,200	(77,000)	-6.9%
Internal Services	132,709	184,314	128,642	133,476	4,834	3.8%
Debt Service	307,755	291,159	278,365	27,707	(250,658)	-90.0%
Total	4,154,095	4,509,688	4,840,840	4,788,144	(52,696)	-1.1%
Staffing Levels	26.00	26.00	28.00	29.00	1.00	3.6%

General Fund Land Use and Planning	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,832,866	2,931,752	3,314,633	3,584,761	270,128	8.1%
Materials, Supplies, and Equipment	782,673	1,004,371	1,119,200	1,042,200	(77,000)	-6.9%
Internal Services	132,709	184,314	128,642	133,476	4,834	3.8%
Debt Service	307,755	291,159	278,365	27,707	(250,658)	-90.0%
Total	4,056,003	4,411,596	4,840,840	4,788,144	(52,696)	-1.1%
Staffing Levels	26.00	26.00	28.00	29.00	1.00	3.6%

Community Development Block Grant (CDBG) Land Use and Planning	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	54,787	54,787	0	0	0	0.0%
Total	54,787	54,787	0	0	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

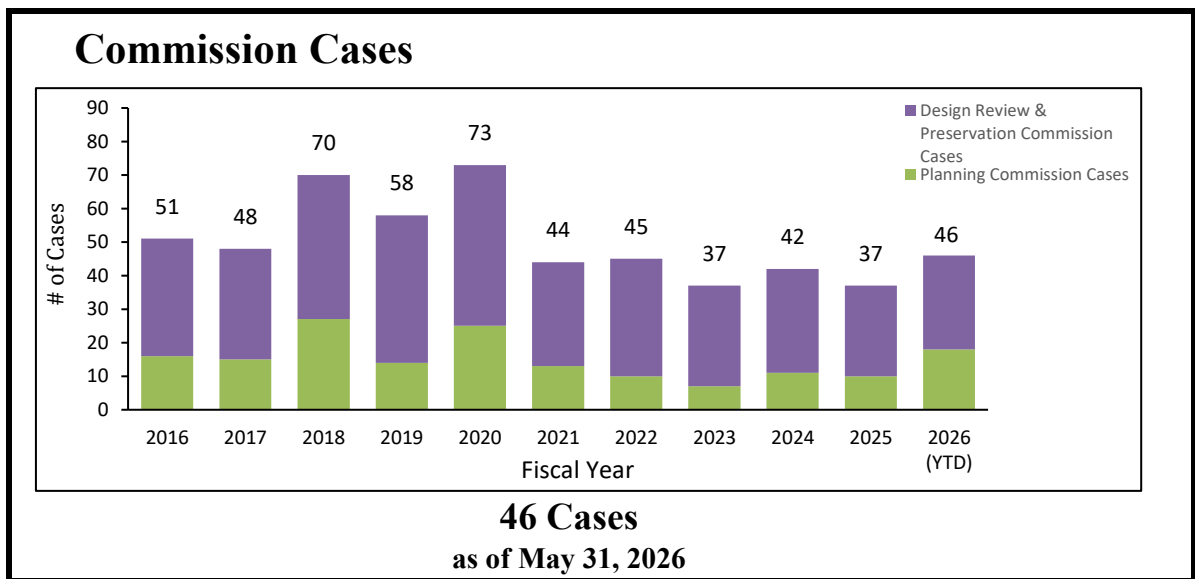
American Rescue Plan (ARPA) Land Use and Planning	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	43,305	43,305	0	0	0	0.0%
Total	43,305	43,305	0	0	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

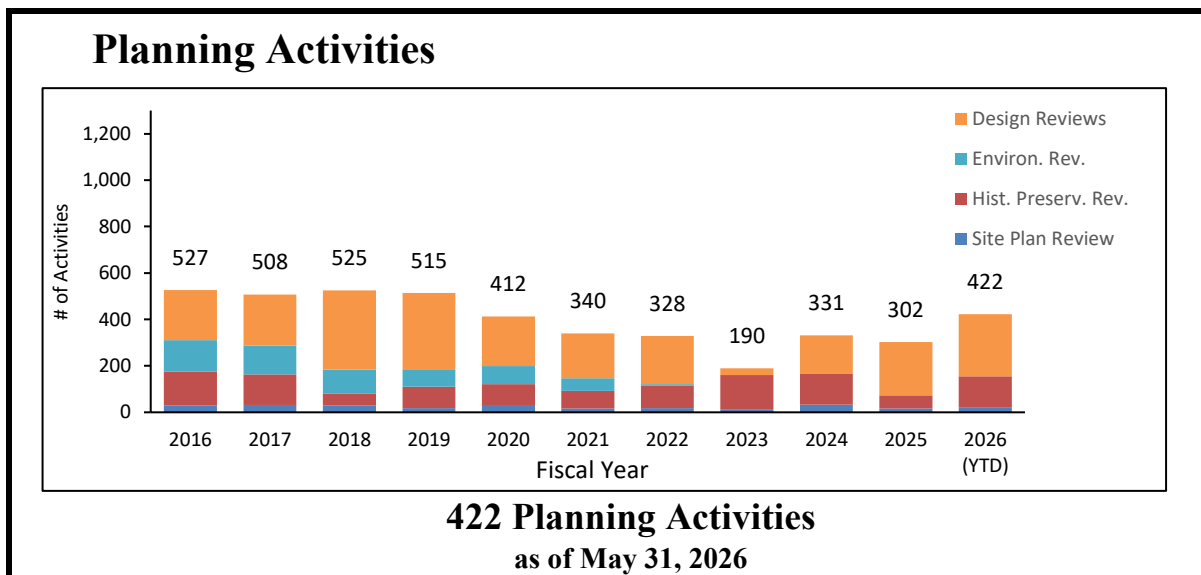
- Total Personal Services increased by \$270,128 (8.1%). Salaries and Wages rose by \$126,529 (5.7%), primarily due to salary and step increases. Employee Benefits increased by \$145,337 (13.0%), driven by rising healthcare costs as projected by the City's insurance consultant, USI.
- Total FTEs increased by one due to the addition of a Historic Preservation Planner, with a combined salary and benefits cost of \$106,318. This increase is associated with a \$62,923 reduction in Temporary Salaries.
- Consultants decreased by a net of \$116,500 (21%). This is primarily due to the scheduled completion of two major initiatives in FY 2026: the ADA Self-Assessment and the Zoning Code Reform projects, resulting in \$410,000 in savings. These savings were partially offset by the addition of two new projects: the ICC Code Review Update (\$150,000) and the Wilmington 2038 Comprehensive Development Plan Update (\$137,500).
- Combined, Travel and Subsistence and Memberships and Registrations increased by \$38,000 primarily due to the increased number of employees attending conferences and training.

DEPARTMENT OF LAND USE AND PLANNING

Performance Trends



The Department provides staff support, analyses, and project monitoring for the City's Design Review & Preservation Commission and the Planning Commission.

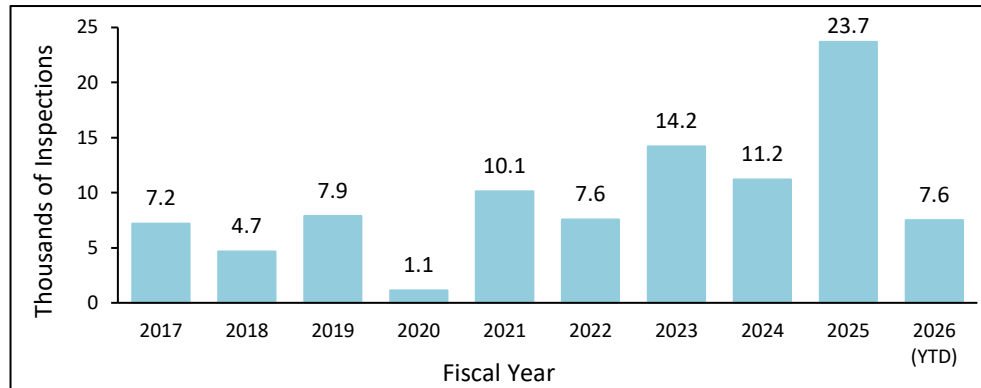


The Department ensures that land use and planning policies address the social, cultural, and economic needs of City residents by conducting design reviews, environmental reviews, historical preservation reviews, and site plan reviews.

DEPARTMENT OF LAND USE AND PLANNING

Performance Trends

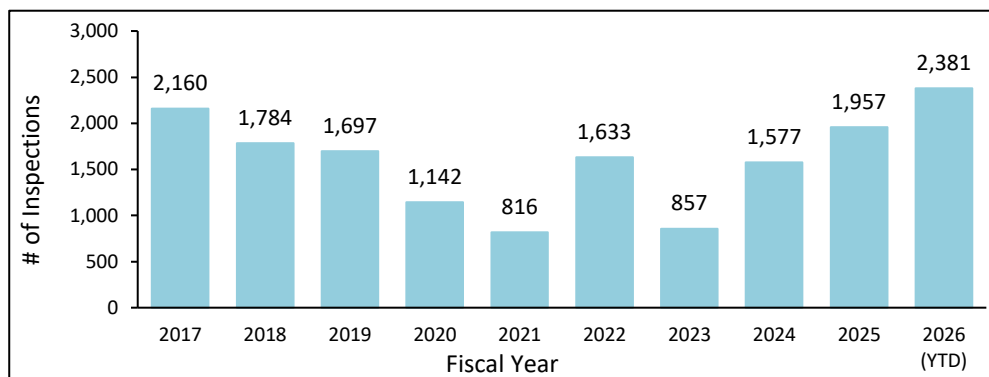
Building Inspections



7,587 Building Inspections
as of May 31, 2026

The number of comprehensive building inspections is largely based on market demand.

Zoning Inspections

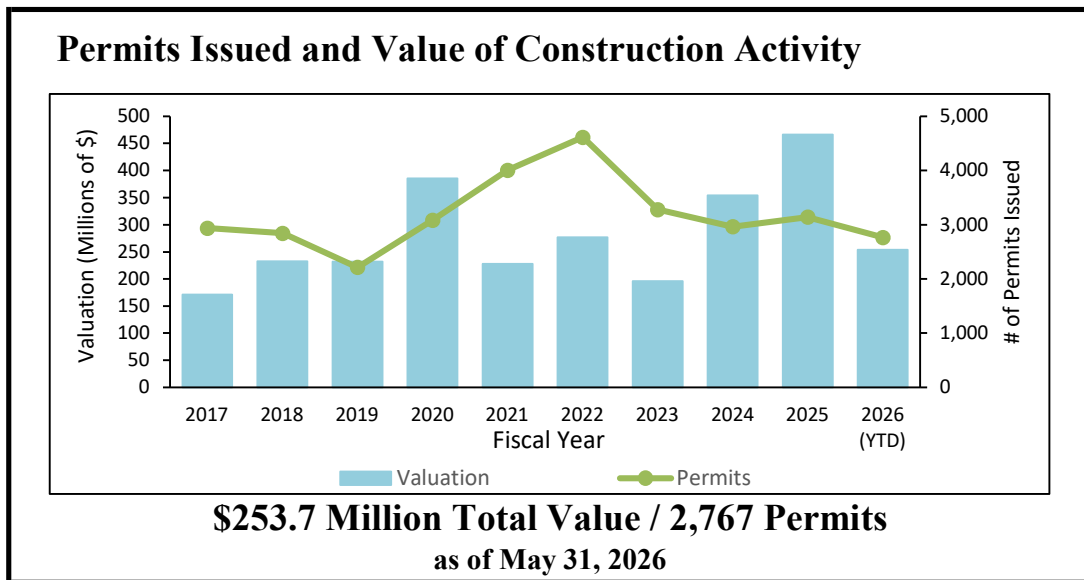


2,381 Zoning Inspections
as of May 31, 2026

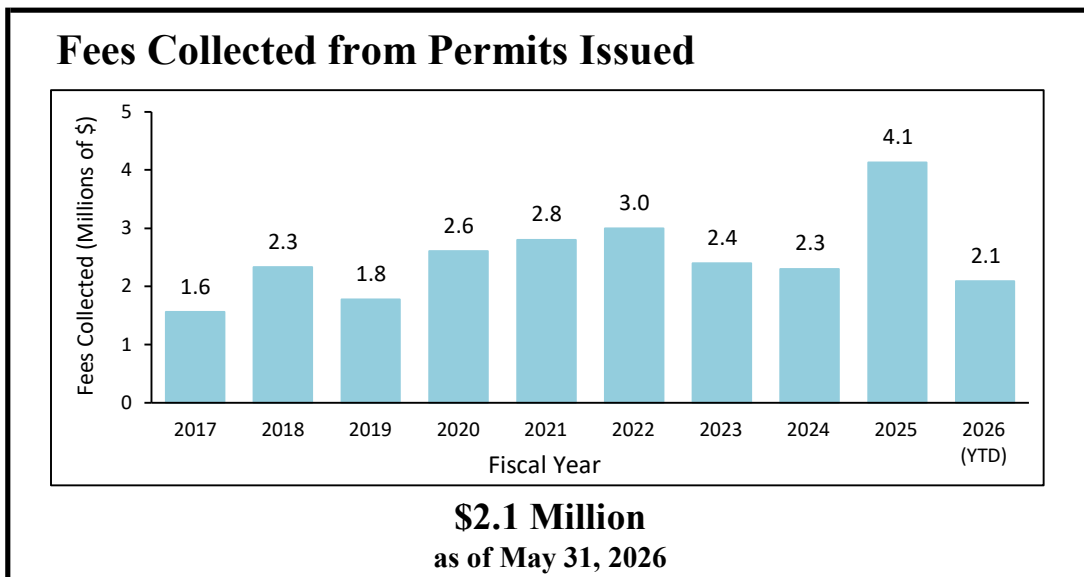
This reflects Land Use efforts to enforce zoning codes and regulations. A license must be obtained to operate a business, and all businesses must be properly zoned to obtain a license.

DEPARTMENT OF LAND USE AND PLANNING

Performance Trends



The above chart shows total number of permits issued versus the values of new construction and property renovations within the city over the past ten years.



The above shows total amount of fees collected from permits issued for the past ten years.

Department: Land Use and Planning

Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	1,742,036	1,788,071	2,147,824	2,325,818	177,994	8.3%
Temporary Salaries	70,296	83,567	76,465	20,000	(56,465)	-73.8%
Acting Out Of Classification	0	0	0	1,000	1,000	0.0%
Sick Leave Bonus	0	0	0	500	500	0.0%
Overtime	349	1,163	0	3,000	3,000	0.0%
Meal Allowance	0	0	100	100	0	0.0%
Clothing Allowance	2,838	2,875	3,500	4,000	500	14.3%
Health Cash Back	0	0	2,160	2,160	0	0.0%
Pension Contribution	347,767	346,591	285,283	317,018	31,735	11.1%
Social Security	107,657	108,388	133,455	141,830	8,375	6.3%
Medicare Tax	25,177	25,463	31,208	33,169	1,961	6.3%
Hospitalization	379,506	400,060	464,257	545,617	81,360	17.5%
Life Insurance	5,595	6,117	6,720	6,960	240	3.6%
Pension Healthcare	117,322	124,076	139,048	146,769	7,721	5.6%
State Pension Plan - Civilian	34,323	45,381	60,962	74,907	13,945	22.9%
Attrition	0	0	(36,349)	(38,087)	(1,738)	4.8%
Total Personal Services	2,832,866	2,931,752	3,314,633	3,584,761	270,128	8.1%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	3,461	5,288	8,400	9,000	600	7.1%
Transportation	6,733	3,329	11,500	25,000	13,500	117.4%
Rentals	11,049	10,443	12,000	10,800	(1,200)	-10.0%
Contracted Maintenance	6,568	7,056	10,000	8,000	(2,000)	-20.0%
Professional Fees	307,519	482,284	575,000	458,500	(116,500)	-20.3%
Other Fees	0	0	1,000	0	(1,000)	-100.0%
Memberships and Registrations	16,220	17,694	30,500	55,000	24,500	80.3%
Miscellaneous Services	1,618	1,881	2,000	3,600	1,600	80.0%
Office and General Supplies	3,983	2,299	2,500	3,600	1,100	44.0%
Wearing Apparel and Safety	20,744	28,153	31,800	33,400	1,600	5.0%
Misc. Mat., Supp., and Parts	2,361	2,680	4,500	5,500	1,000	22.2%
Construction and Repairs	390,585	417,950	408,000	408,000	0	0.0%
Equipment	5,036	7,009	15,200	15,000	(200)	-1.3%
Fixed Assets	0	11,509	0	0	0	0.0%
Community Activities	6,796	6,796	6,800	6,800	0	0.0%
Total M.S.&E.	782,673	1,004,371	1,119,200	1,042,200	(77,000)	-6.9%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	28,601	49,981	80,663	83,890	3,227	4.0%
Self-Insurance	104,108	134,333	47,979	49,586	1,607	3.3%
Total Internal Services	132,709	184,314	128,642	133,476	4,834	3.8%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	227,062	220,853	219,024	10,545	(208,479)	-95.2%
Interest Payments	80,693	70,306	59,341	17,162	(42,179)	-71.1%
Total Debt Service	307,755	291,159	278,365	27,707	(250,658)	-90.0%

Department: Land Use and Planning**Fund: General**

	Actual	Actual	Budget	Budget	\$ Change	% Change
General Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	4,056,003	4,411,596	4,840,840	4,788,144	(52,696)	-1.1%

Department: Land Use and Planning**Fund: CDBG**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	37,948	37,948	0	0	0	0.0%
Pension Contribution	2,776	2,776	0	0	0	0.0%
Social Security	2,295	2,295	0	0	0	0.0%
Medicare Tax	537	537	0	0	0	0.0%
Hospitalization	6,774	6,774	0	0	0	0.0%
Life Insurance	178	178	0	0	0	0.0%
Pension Healthcare	2,311	2,311	0	0	0	0.0%
State Pension Contribution	1,968	1,968	0	0	0	0.0%
Total Personal Services	54,787	54,787	0	0	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Community Development Block Grant (CDBG)	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	54,787	54,787	0	0	0	0.0%

Department: Land Use and Planning**Fund: ARPA**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	30,534	30,534	0	0	0	0.0%
Social Security	1,837	1,837	0	0	0	0.0%
Medicare Tax	430	430	0	0	0	0.0%
Hospitalization	6,540	6,540	0	0	0	0.0%
Life Insurance	107	107	0	0	0	0.0%
Pension Healthcare	1,805	1,805	0	0	0	0.0%
State Pension Contribution	2,052	2,052	0	0	0	0.0%
Total Personal Services	43,305	43,305	0	0	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
American Rescue Plan (ARPA)	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	43,305	43,305	0	0	0	0.0%

AUDIT DEPARTMENT

The mission of the Audit Department is to promote honest, effective, and fully accountable City government. The primary objective of the Audit Department is to assist the Mayor, members of the City Council, and City management in the effective discharge of their responsibilities by furnishing them with analysis, appraisals, recommendations, counsel, and information concerning the activities reviewed. The Audit Department helps to improve City government performance and accountability by:

- Assessing the reliability of financial and operating information
- Evaluating the efficiency and effectiveness of departments
- Testing the adequacy of controls for preventing waste and safeguarding assets
- Verifying compliance with policies, procedures, and regulations
- Providing City employees with ways to increase internal control knowledge and awareness and improve assessment capabilities

The Audit Department is committed to providing independent and objective assurance and management advisory services in accordance with Generally Accepted Government Auditing Standards. It seeks to proactively identify risks, evaluate controls, and make recommendations that will strengthen City operations.

PRIORITIES FOR FISCAL YEAR 2027

- Conduct scheduled audits using sound methods, professionalism, integrity, objectivity, and confidentiality.
- Evaluate controls, note commendable practices, and recommend feasible process improvements.
- Assist the external auditors with the annual audits of the Annual Report and Federal Funds.
- Continue to aid in the development of a strong internal control environment within the City of Wilmington.
- Conduct quarterly follow-ups to ensure effective implementation of agreed-upon recommendations.
- Advise and consult with City management regarding improvements in operating efficiencies, effectiveness, and results.
- Continue to develop the knowledge, skills, and effectiveness of departmental staff.

SUMMARY OF FUNDING FOR THE AUDIT DEPARTMENT

Total All Funds Audit Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	744,756	778,482	932,387	982,583	50,196	5.4%
Materials, Supplies, and Equipment	295,255	272,125	409,299	408,182	(1,117)	-0.3%
Internal Services	6,967	9,233	4,123	4,281	158	3.8%
Total	1,046,978	1,059,840	1,345,809	1,395,046	49,237	3.7%
Staffing Levels	5.00	5.00	6.00	6.00	0.00	0.0%

General Fund Audit Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	744,756	778,482	932,387	982,583	50,196	5.4%
Materials, Supplies, and Equipment	210,947	187,076	270,069	268,740	(1,329)	-0.5%
Internal Services	6,967	9,233	4,123	4,281	158	3.8%
Total	962,670	974,791	1,206,579	1,255,604	49,025	4.1%
Staffing Levels	5.00	5.00	6.00	6.00	0.00	0.0%

Water/Sewer Fund Audit Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Materials, Supplies, and Equipment	84,308	85,049	139,230	139,442	212	0.2%
Total	84,308	85,049	139,230	139,442	212	0.2%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services (all General Fund) increased by \$50,196, or 5.4%, from the FY 2026 budget, due mainly step increases and COLAs, along with previously vacant positions being filled at higher-than-budgeted salaries in FY 2026. Total FTEs remain unchanged, at six.
- Total General Fund MS&E costs decreased a net \$1,329, or 0.5%, due mainly to three changes: a \$6,000 decrease in external audit assistance costs in the Accounting line, a \$6,259 increase to Subscriptions/Books for audit research and guidance services from Gartner, and a \$1,500 reduction in Furniture, Fixtures, and Office Equipment.

Department: Audit Department

Fund: General

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Personal Services						
Regular Salaries	465,213	488,991	614,145	664,349	50,204	8.2%
Temporary Salaries	21,980	23,687	23,000	24,000	1,000	4.3%
Pension Contribution	60,785	48,145	35,608	39,322	3,714	10.4%
Social Security	28,831	30,300	38,070	41,519	3,449	9.1%
Medicare Tax	6,743	7,086	8,904	9,709	805	9.0%
Hospitalization	123,114	135,918	154,864	139,940	(14,924)	-9.6%
Life Insurance	1,092	1,253	1,440	1,440	0	0.0%
Pension Healthcare	22,562	23,861	29,796	30,366	570	1.9%
State Pension Plan - Civilian	14,436	19,241	26,560	31,938	5,378	20.2%
Total Personal Services	744,756	778,482	932,387	982,583	50,196	5.4%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Materials, Supplies, and Equipment						
Printing and Advertising	234	1,467	1,000	1,000	0	0.0%
Transportation	7,492	969	12,000	12,000	0	0.0%
Professional Fees	174,629	153,820	173,440	167,440	(6,000)	-3.5%
Memberships and Registrations	26,228	27,562	78,441	85,100	6,659	8.5%
Office and General Supplies	1,658	2,429	1,250	1,000	(250)	-20.0%
Misc. Mat., Supp., and Parts	706	426	1,438	1,200	(238)	-16.6%
Equipment	0	403	2,500	1,000	(1,500)	-60.0%
Total M.S.&E.	210,947	187,076	270,069	268,740	(1,329)	-0.5%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Internal Services						
Self-Insurance	6,967	9,233	4,123	4,281	158	3.8%
Total Internal Services	6,967	9,233	4,123	4,281	158	3.8%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
General Fund						
Total	962,670	974,791	1,206,579	1,255,604	49,025	4.1%

Department: Audit Department

Fund: Water/Sewer

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Materials, Supplies, and Equipment						
Professional Fees	71,680	71,680	74,560	74,560	0	0.0%
Supporting Services	12,628	13,369	64,670	64,882	212	0.3%
Total M.S.&E.	84,308	85,049	139,230	139,442	212	0.2%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Water/Sewer Fund						
Total	84,308	85,049	139,230	139,442	212	0.2%

LAW DEPARTMENT

The Law Department provides counsel and representation to the Mayor, City Council, all City departments, as well as certain boards and commissions.

PRIORITIES FOR FISCAL YEAR 2027

- Continue to provide effective and efficient legal advice to the City, generally, as appropriate.
- Aggressively defend and prosecute litigation.
- Assist in and prosecute code enforcement and collection actions.
- Provide actionable legal advice on various employment matters.
- Provide strategic and legal support in the negotiations of collective bargaining agreements.
- Deliver necessary and appropriate legal support to City Council.
- Meet budget targets.

SUMMARY OF FUNDING FOR THE LAW DEPARTMENT

Total All Funds Law Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,273,930	2,396,696	2,432,267	2,607,549	175,282	7.2%
Materials, Supplies, and Equipment	514,695	240,711	455,075	432,960	(22,115)	-4.9%
Internal Services	47,542	63,188	28,857	29,976	1,119	3.9%
Total	2,836,167	2,700,595	2,916,199	3,070,485	154,286	5.3%
Staffing Levels	17.00	17.00	16.00	16.00	0.00	0.0%

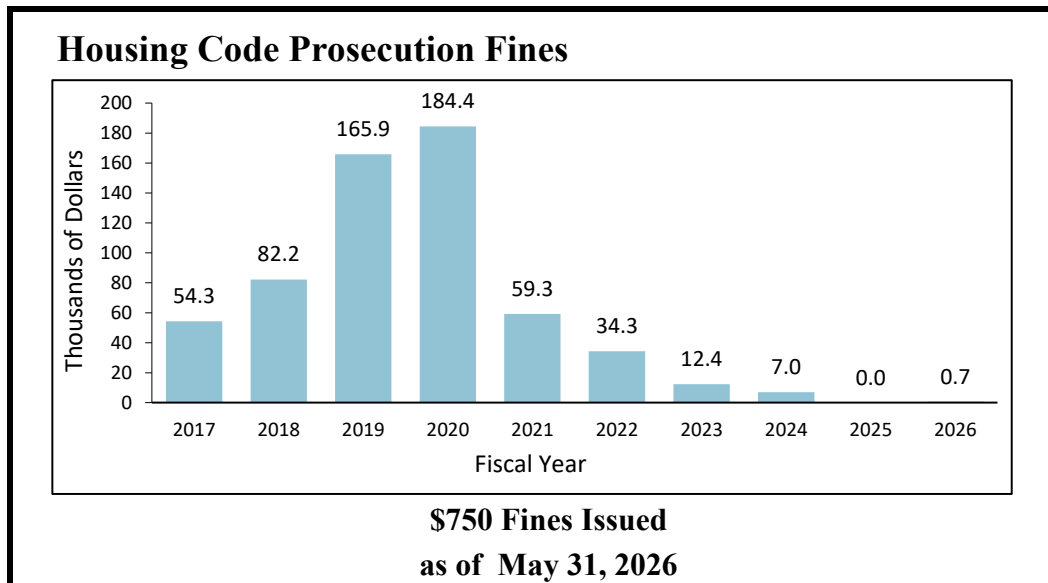
General Fund Law Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,273,930	2,396,696	2,432,267	2,607,549	175,282	7.2%
Materials, Supplies, and Equipment	514,695	240,711	455,075	432,960	(22,115)	-4.9%
Internal Services	47,542	63,188	28,857	29,976	1,119	3.9%
Total	2,836,167	2,700,595	2,916,199	3,070,485	154,286	5.3%
Staffing Levels	17.00	17.00	16.00	16.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

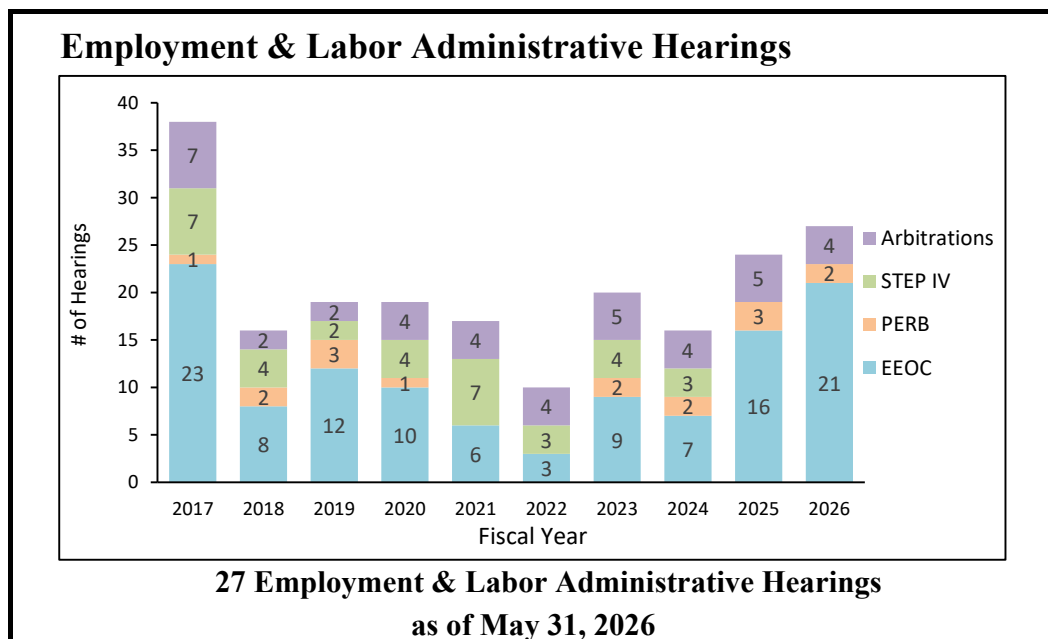
- Personal Services increased by \$175,282 (7.2%), including approximately \$77,000 in Regular Salary increases related to employee anniversary step increases, a city-wide 2.5% COLA, mandatory step increases for non-union classified employees, and executive and managerial annual reviews. Hospitalization costs also increased by \$67,123 based on projections from USI, the City's healthcare insurance consultant, along with increases due to the City's standard budgeting practice of assuming premium coverage for vacant positions (compared to the prior incumbents who had lower or no coverage).
- Total MS&E costs decreased by a net \$22,115 (4.9%), driven primarily by lower Court Costs and Notary Fees resulting from reduced litigation and notary activity.

LAW DEPARTMENT

Performance Trends



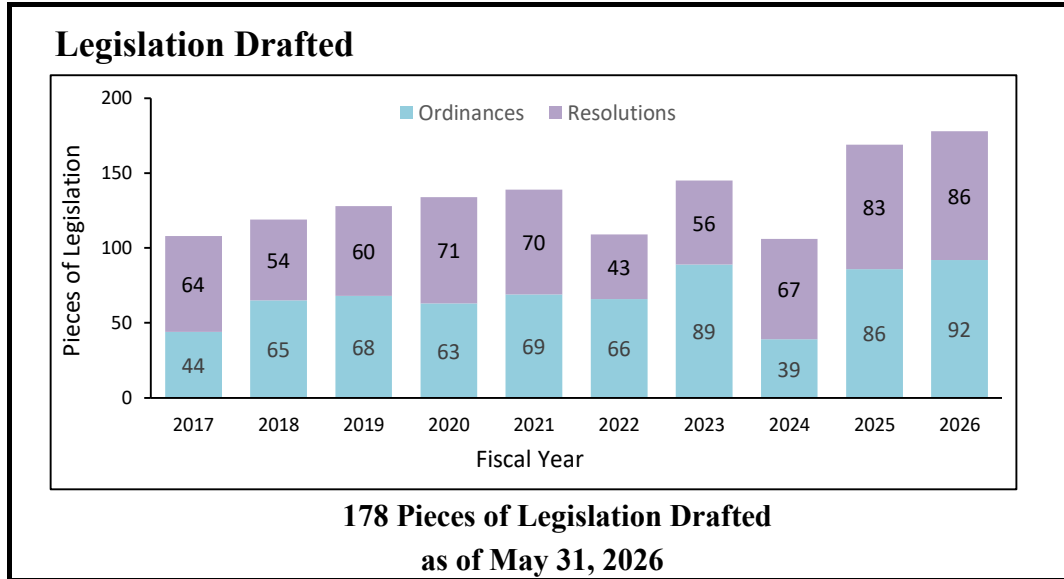
The increase in fines during FY 2019 and FY 2020 was driven by a rise in high-profile cases involving properties with numerous violations. The decrease in Housing Code Prosecution Fines in FY 2025 and FY 2026 reflects a shift in how these cases are handled – transitioning from criminal to civil proceedings.



The area of employment and labor law continues to place great demand upon Department resources. The City is represented by Department staff attorneys at the majority of administrative hearings, including arbitrations, City disciplinary (STEP IV) hearings, Delaware Public Employment Relations Board (PERB) hearings, and Equal Employment Opportunity Commission (EEOC) hearings.

LAW DEPARTMENT

Performance Trends



The demand for legislative drafting services is reflected above. The volume of legislation drafted has generally trended upward over the past decade, with normal year-to-year fluctuations. As of May 31, 2026, the City Solicitor's Office has drafted 178 pieces of legislation.

Department: Law
Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	1,552,517	1,637,174	1,743,877	1,821,085	77,208	4.4%
Temporary Salaries	19,256	928	0	0	0	0.0%
Health Cash Back	2,400	2,300	2,400	0	(2,400)	-100.0%
Pension Contribution	168,565	184,253	170,340	189,056	18,716	11.0%
Social Security	94,407	100,321	105,541	109,872	4,331	4.1%
Medicare Tax	22,079	23,462	24,759	25,774	1,015	4.1%
Hospitalization	279,047	301,951	266,461	333,584	67,123	25.2%
Life Insurance	4,089	3,819	3,840	3,840	0	0.0%
Pension Healthcare	76,710	81,126	79,456	80,976	1,520	1.9%
State Pension Plan - Civilian	54,860	61,362	61,752	70,771	9,019	14.6%
Attrition	0	0	(26,159)	(27,409)	(1,250)	4.8%
Total Personal Services	2,273,930	2,396,696	2,432,267	2,607,549	175,282	7.2%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	45	0	700	700	0	0.0%
Communications and Utilities	0	33	105	105	0	0.0%
Transportation	953	2,444	5,000	5,000	0	0.0%
Contracted Maintenance	0	0	250	250	0	0.0%
Professional Fees	419,791	143,834	295,000	295,000	0	0.0%
Other Fees	27,975	18,262	75,000	50,000	(25,000)	-33.3%
Memberships and Registrations	25,171	32,495	34,011	35,165	1,154	3.4%
Miscellaneous Services	37,414	39,257	41,009	42,740	1,731	4.2%
Office and General Supplies	3,346	3,896	4,000	4,000	0	0.0%
Equipment	0	490	0	0	0	0.0%
Total M.S.&E.	514,695	240,711	455,075	432,960	(22,115)	-4.9%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Self-Insurance	47,542	63,188	28,857	29,976	1,119	3.9%
Total Internal Services	47,542	63,188	28,857	29,976	1,119	3.9%

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	2,836,167	2,700,595	2,916,199	3,070,485	154,286	5.3%

DEPARTMENT OF FINANCE

The mission of the Department of Finance is to manage the fiscal activities of the City, maintaining and improving the City's financial position. The Department completes its mission by billing and collecting revenues, providing water meter-reading service, maintaining the City's accounting system, preparing the annual financial statements, coordinating City procurement and purchasing, and providing excellent customer service.

PRIORITIES FOR FISCAL YEAR 2027

- Transform community engagement and customer service to empower residents in accessing City of Wilmington resources.
- Ensure robust accounting practices with strong quality control for financial integrity.
- Direct collection processes to maximize revenue generation.
- Implement best practices to revolutionize business processes and enhance data management with technology.

SUMMARY OF FUNDING FOR DEPARTMENT OF FINANCE

Total All Funds Finance Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	7,994,938	8,416,492	9,044,308	9,482,411	438,103	4.8%
Materials, Supplies, and Equipment	8,549,204	8,683,919	11,022,832	11,964,846	942,014	8.5%
Internal Services	514,055	622,012	396,830	411,391	14,561	3.7%
Debt Service	79,053	153,490	197,160	747,643	550,483	279.2%
Total	17,137,250	17,875,913	20,661,130	22,606,291	1,945,161	9.4%
Staffing Levels	84.00	83.00	84.00	83.00	(1.00)	-1.2%

General Fund Finance Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	5,361,817	5,588,779	5,784,322	6,146,282	361,960	6.3%
Materials, Supplies, and Equipment	4,239,049	4,189,788	5,095,302	5,528,994	433,692	8.5%
Internal Services	342,868	418,069	221,565	229,460	7,895	3.6%
Debt Service	44,130	119,923	164,663	380,870	216,207	131.3%
Total	9,987,864	10,316,559	11,265,852	12,285,606	1,019,754	9.1%
Staffing Levels	56.60	54.80	55.15	55.15	0.00	0.0%

Water/Sewer Fund Finance Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,633,121	2,827,713	3,259,986	3,336,129	76,143	2.3%
Materials, Supplies, and Equipment	4,310,155	4,494,131	5,927,530	6,435,852	508,322	8.6%
Internal Services	171,187	203,943	175,265	181,931	6,666	3.8%
Debt Service	34,923	33,567	32,497	366,773	334,276	1028.6%
Total	7,149,386	7,559,354	9,395,278	10,320,685	925,407	9.8%
Staffing Levels	27.40	28.20	28.85	27.85	(1.00)	-3.5%

MAJOR FUNDING CHANGES FROM PRIOR YEAR GENERAL FUND

- Regular Salaries increased by a net \$174,892, mainly due to cost-of-living adjustments (COLA) and mandatory step increases. This change also includes position upgrades for the Billing Clerk and Billing Manager and salary adjustments for the Deputy Director and Senior Financial Officer, contributing an additional \$5,226.
- As the department continued to rely on its internal resources for collections Temporary Agencies decreased by \$130,000.
- Workshop/Seminars - Training increased by \$56,000, largely due to the addition of management training to support the transition to the new ERP system, along with department-wide training initiatives including MUNIS instruction, customer service training, and other job-related professional development activities.
- Collection Expense - Sheriff Sales & Other increased by \$60,000 to reflect rising costs associated with Sheriff Sales, particularly the need to secure effective legal representation to support collection efforts.
- Collection Expense - Parking Citation Commissions increased by a net \$114,750 due to higher annual contract fees associated with the vendor agreement, including a camera system upgrade.
- Collection Expense - Red Light Commissions increased by \$142,042 to cover expenses related to the traffic management and monitoring system, as well as costs associated with the DMV red light registration program.
- Other Noncapitalized Equipment increased by \$150,000 due to the implementation of the new License Plate Recognition program.
- Debt Service increased by \$216,207, primarily reflecting principal and interest payments associated with the new bond issuance.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
WATER/SEWER FUND**

- Personal Services decreased by a net 1.00 FTE, generating \$116,195 in savings. The reduction reflects the elimination of a Billing Analyst position, which was previously funded 100% by the Water Sewer Fund.
- The use of the Enquesta UBCIS (Utility Billing Information System) to complete tasks resulted in a \$30,000 reduction in printing costs.
- Workshop/Seminars - Training increased by \$51,000 primarily due to expanded management training to support the transition to the new ERP system, as well as department-wide training initiatives including MUNIS, customer service, and other job-related professional development activities.
- Miscellaneous Charges - N.O.C. increased by \$40,000 to more accurately allocate 311 Call Center costs between the General Fund and the Water/Sewer Fund, ensuring costs are distributed based on actual service usage.
- Contracted Maintenance Services increased by \$149,192 primarily due to annual maintenance costs associated with UBCIS and related support software.
- Indirect Cost increased by \$265,838 based on the new indirect cost model developed by Black and Veatch.
- Debt Service increased by \$334,276, primarily reflecting interest payments associated with the new bond issuance for UBCIS.

DEPARTMENT OF FINANCE

Strategic Plan

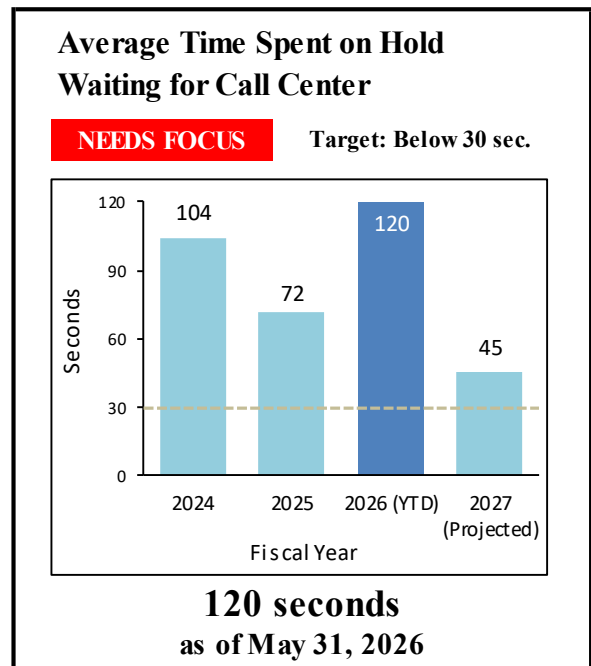
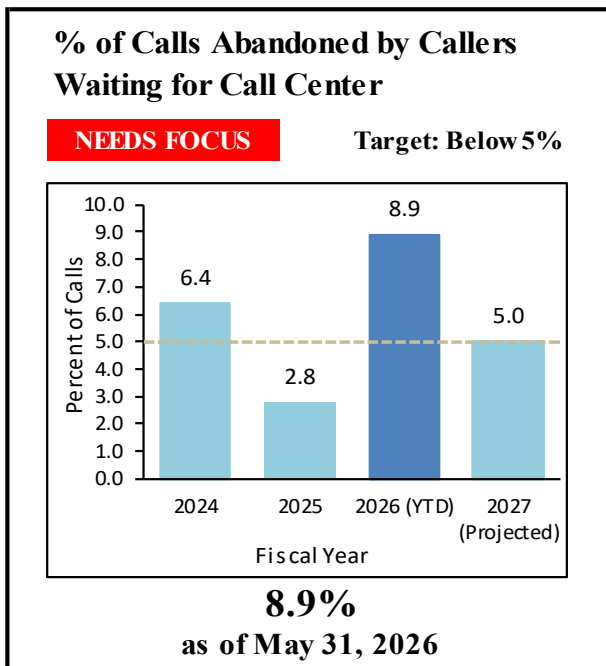
The mission of the Department of Finance is to manage the fiscal activities of the City to maintain and improve the City's financial position. The Department completes its mission by billing and collecting revenues, providing water meter-reading service, maintaining the City's accounting system, preparing the annual financial statements, coordinating City procurement and purchasing, and providing excellent customer service.

Current data for the goals and objectives listed below can be found on the Finance OpenGov story page at <http://bit.ly/WDe15OG>.

Focus Area: Effective City Government

CITY-WIDE GOAL #1: Embrace a Culture of Service.

Objective 1: Improve Customer Service Provided by the Finance Department.



All calls to the Finance Department are initially routed through a customer service call center. Call center staff are trained to assist with routine inquiries and common customer concerns. More complex issues that cannot be resolved by the call center are routed to Finance Department staff for further assistance. The increase in call abandonment rates and longer hold times during FY 2026 was primarily attributable to staffing shortages at the call center.

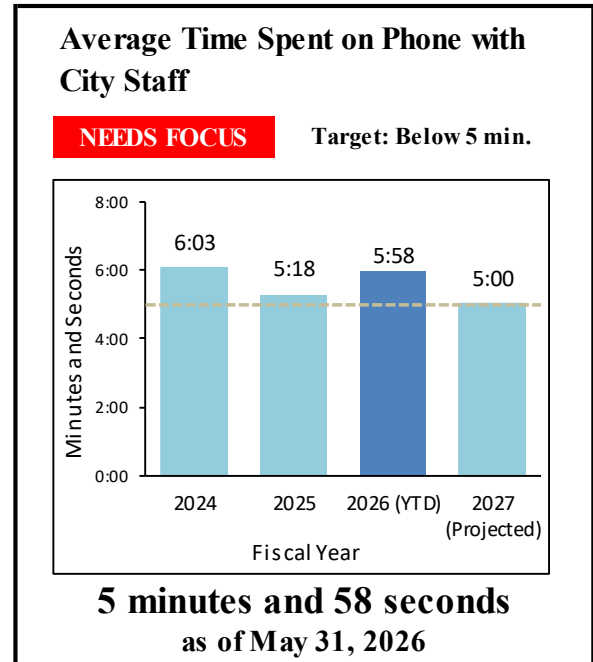
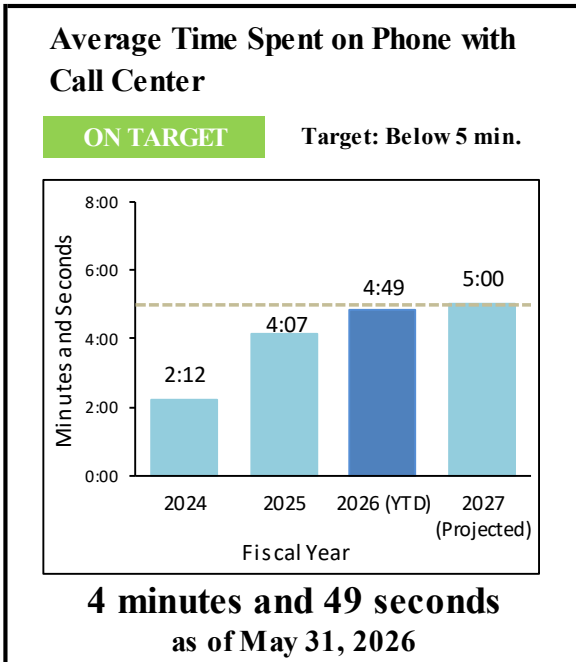
DEPARTMENT OF FINANCE

Strategic Plan

Focus Area: Effective City Government

CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

Objective 1 (Cont'd): Improve Customer Service Provided by the Finance Department.



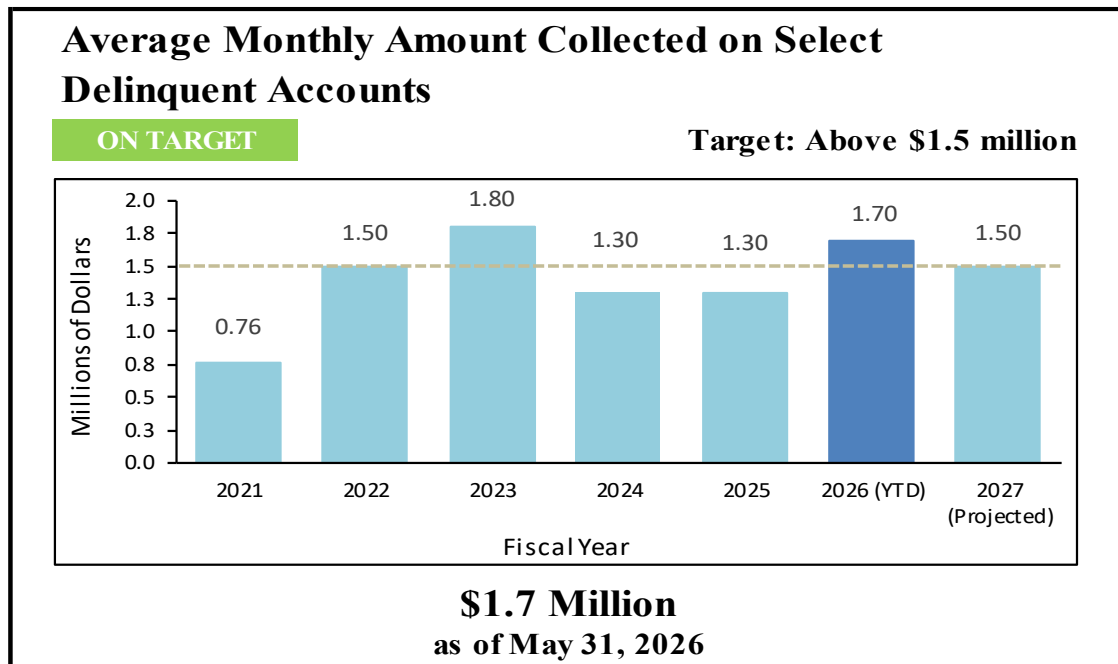
DEPARTMENT OF FINANCE

Strategic Plan

Focus Area: Effective City Government

CITY-WIDE GOAL #3: Enhance Fiscal Prudence

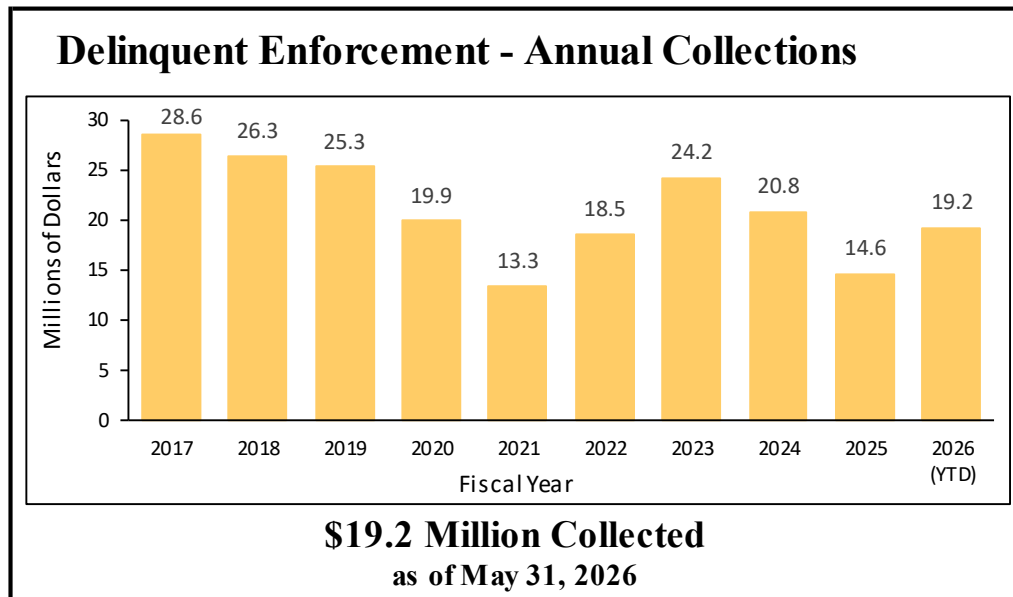
Objective 1: Improve Delinquent Account Collections.



Select Delinquent Accounts represent collections on delinquent Property Taxes and Water/Sewer utility bills only. Other collections, such as wage and net profit taxes, business licenses, parking citations, L&I Fees, and court costs are not included, but are a part of the total delinquent dollars collected.

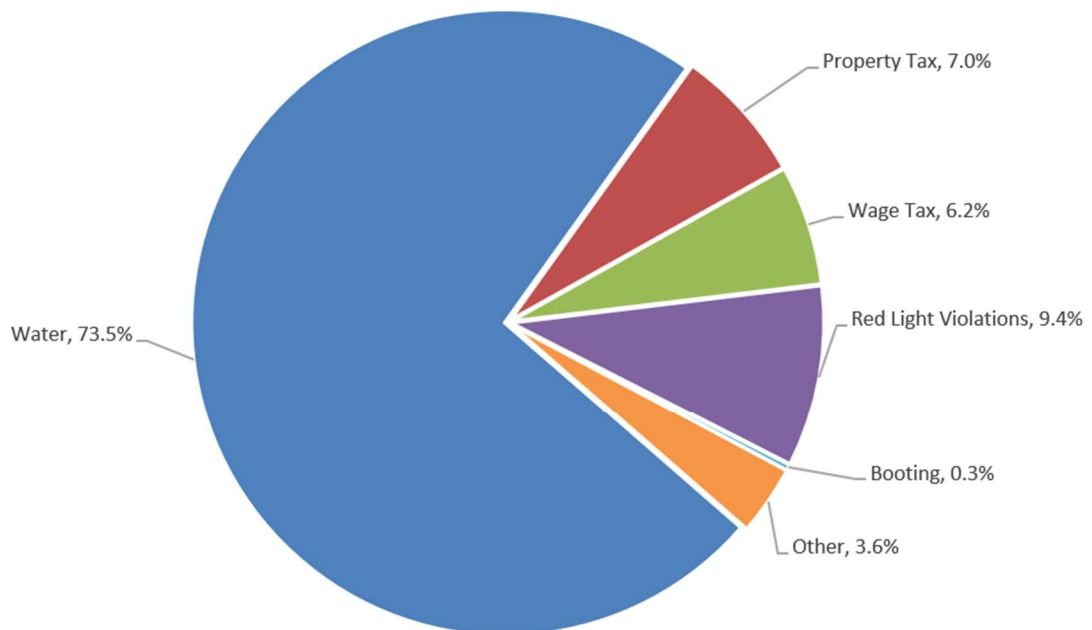
DEPARTMENT OF FINANCE

Performance Trends



The Finance Department is responsible for collecting all payment delinquencies, including net profit, property and wage taxes, business licenses, fees, and water bills.

Delinquent Collections by Revenue Type FY 2026



Department: Finance
Fund: General

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	3,295,736	3,410,819	3,721,802	3,896,694	174,892	4.7%
Temporary Salaries	14,608	0	0	0	0	0.0%
Sick Leave Bonus	2,200	2,250	4,050	4,150	100	2.5%
Overtime	23,951	24,487	43,000	53,500	10,500	24.4%
Meal Allowance	2,407	2,320	4,300	5,450	1,150	26.7%
Clothing Allowance	2,900	2,625	3,500	3,500	0	0.0%
Health Cash Back	2,200	86	1,440	0	(1,440)	-100.0%
Pension Contribution	544,077	541,438	484,427	534,679	50,252	10.4%
Social Security	196,986	201,914	224,851	235,878	11,027	4.9%
Medicare Tax	46,023	47,221	52,596	55,227	2,631	5.0%
Hospitalization	877,867	984,805	972,544	1,068,968	96,424	9.9%
Life Insurance	12,256	12,726	13,224	13,236	12	0.1%
Pension Healthcare	255,388	261,497	273,873	279,101	5,228	1.9%
State Pension Plan - Civilian	85,218	96,591	107,501	124,556	17,055	15.9%
Attrition	0	0	(122,786)	(128,657)	(5,871)	4.8%
Total Personal Services	5,361,817	5,588,779	5,784,322	6,146,282	361,960	6.3%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Materials, Supplies, and Equipment	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Printing and Advertising	64,217	59,249	78,600	86,400	7,800	9.9%
Communications and Utilities	23,275	26,898	30,600	45,600	15,000	49.0%
Transportation	20,104	11,344	29,000	29,500	500	1.7%
Professional Fees	584,093	440,180	745,000	615,000	(130,000)	-17.4%
Memberships and Registrations	24,682	22,114	55,300	113,300	58,000	104.9%
Miscellaneous Services	3,480,840	3,549,016	4,123,702	4,454,094	330,392	8.0%
Office and General Supplies	14,412	18,602	16,500	17,500	1,000	6.1%
Wearing Apparel and Safety	6,870	6,142	7,000	7,000	0	0.0%
Misc. Mat., Supp., and Parts	416	75	600	600	0	0.0%
Equipment	20,140	17,168	9,000	160,000	151,000	1677.8%
Fixed Assets	0	39,000	0	0	0	0.0%
Total M.S.&E.	4,239,049	4,189,788	5,095,302	5,528,994	433,692	8.5%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Internal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Administrative Services	68,533	66,545	104,334	108,507	4,173	4.0%
Self-Insurance	274,335	351,524	117,231	120,953	3,722	3.2%
Total Internal Services	342,868	418,069	221,565	229,460	7,895	3.6%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Debt Service	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Principal Payments	30,542	23,125	75,544	121,073	45,529	60.3%
Interest Payments	13,588	96,798	89,119	259,797	170,678	191.5%
Total Debt Service	44,130	119,923	164,663	380,870	216,207	131.3%

	Actual	Actual	Budget	Budget	\$ Change	% Change
General Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	9,987,864	10,316,559	11,265,852	12,285,606	1,019,754	9.1%

Department: Finance**Fund: Water/Sewer**

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	1,663,342	1,728,236	2,115,284	2,146,396	31,112	1.5%
Sick Leave Bonus	850	1,000	1,700	1,600	(100)	-5.9%
Overtime	8,355	6,606	28,500	25,100	(3,400)	-11.9%
Meal Allowance	690	257	2,850	2,500	(350)	-12.3%
Clothing Allowance	500	415	500	500	0	0.0%
Health Cash Back	0	0	960	0	(960)	-100.0%
Accrued Sick/Vacation	10,862	63,558	0	0	0	0.0%
Pension Contribution	211,241	221,457	205,274	246,138	40,864	19.9%
Social Security	97,952	101,592	128,237	129,772	1,535	1.2%
Medicare Tax	22,908	23,761	29,998	30,409	411	1.4%
Hospitalization	390,790	438,948	521,432	527,469	6,037	1.2%
Life Insurance	5,924	5,965	6,919	6,684	(235)	-3.4%
Pension Healthcare	123,651	134,589	143,271	140,962	(2,309)	-1.6%
State Pension Plan - Civilian	54,929	58,641	75,061	78,599	3,538	4.7%
Pension Healthcare - Implicit	41,127	42,688	0	0	0	0.0%
Total Personal Services	2,633,121	2,827,713	3,259,986	3,336,129	76,143	2.3%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	45,266	40,881	115,013	119,614	4,601	4.0%
Self-Insurance	125,921	163,062	60,252	62,317	2,065	3.4%
Total Internal Services	171,187	203,943	175,265	181,931	6,666	3.8%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Interest Payments	34,923	33,567	32,497	366,773	334,276	1028.6%
Total Debt Service	34,923	33,567	32,497	366,773	334,276	1028.6%

Water/Sewer Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	7,149,386	7,559,354	9,395,278	10,320,685	925,407	9.8%

DEPARTMENT OF HUMAN RESOURCES

The mission of the Department of Human Resources (HR) is to provide the necessary human resources to City Departments to promote the highest quality workforce and a productive work environment and maintain the City's operational and fiscal stability through the utilization of effective risk management techniques.

The Department provides a complete spectrum of human resources programs and personnel administrative services, administers the City's Risk Management and Employee Benefits Programs, and serves as the focal point for interaction with the City's collective bargaining units.

PRIORITIES FOR FISCAL YEAR 2027

- Implement, educate, and train the workforce on new processes for learning and development, as well as performance management.
- Provide awareness and ensure compliance with the Healthy Delaware Families Act.
- Implement an applicant tracking system to streamline the hiring process, enhance operational efficiency, and facilitate data-driven hiring decisions.
- Recommend and implement a new process to review and classify positions, replacing the biennial appeals process.
- Enhance employee and retiree well-being and improve health outcomes by increasing awareness of benefit offerings, expanding population health programs, and enhancing engagement through exemplary customer service.
- Provide training on the new timekeeping system to all departmental payroll liaisons.
- Manage risk by evaluating the claims history of departments and assisting with remedial and preventive measures.

SUMMARY OF FUNDING FOR DEPARTMENT OF HUMAN RESOURCES

Total All Funds* Human Resources	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	3,054,993	3,127,341	3,680,761	3,853,654	172,893	4.7%
Materials, Supplies, and Equipment	7,981,973	5,785,399	6,972,823	7,914,774	941,951	13.5%
Internal Services	29,095	38,032	26,808	27,871	1,063	4.0%
Debt Service	35,091	35,145	34,895	74,032	39,137	112.2%
Other / Special Purpose	24,817,448	31,922,034	28,124,565	30,304,982	2,180,417	7.8%
Total	35,918,600	40,907,951	38,839,852	42,175,313	3,335,461	8.6%
Staffing Levels	26.00	27.00	28.00	28.00	0.00	0.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 45 due to Internal Service Funds being listed separately.

General Fund Human Resources	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	1,901,058	1,847,570	2,120,305	2,177,908	57,603	2.7%
Materials, Supplies, and Equipment	463,869	386,277	552,398	567,828	15,430	2.8%
Internal Services	16,375	21,029	13,825	14,370	545	3.9%
Debt Service	35,091	35,145	34,895	74,032	39,137	112.2%
Total	2,416,393	2,290,021	2,721,423	2,834,138	112,715	4.1%
Staffing Levels	16.60	17.10	17.10	17.10	0.00	0.0%

Risk Management Human Resources	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	217,075	234,560	402,797	423,700	20,903	5.2%
Materials, Supplies, and Equipment	6,681,932	4,607,710	5,275,873	6,202,489	926,616	17.6%
Internal Services	9,852	13,849	9,340	9,706	366	3.9%
Other / Special Purpose	1,738,443	4,020,332	12,554	12,554	0	0.0%
Total	8,647,302	8,876,451	5,700,564	6,648,449	947,885	16.6%
Staffing Levels	1.30	1.30	2.30	2.30	0.00	0.0%

Workers' Compensation Human Resources	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	571,615	586,902	617,552	649,016	31,464	5.1%
Materials, Supplies, and Equipment	629,832	594,352	894,272	885,127	(9,145)	-1.0%
Internal Services	2,033	2,275	2,731	2,846	115	4.2%
Other / Special Purpose	3,205,737	5,189,628	4,366,112	4,795,065	428,953	9.8%
Total	4,409,217	6,373,157	5,880,667	6,332,054	451,387	7.7%
Staffing Levels	4.30	4.30	4.30	4.30	0.00	0.0%

Health and Welfare Human Resources	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	365,245	458,309	540,107	603,030	62,923	11.7%
Materials, Supplies, and Equipment	206,340	197,060	250,280	259,330	9,050	3.6%
Internal Services	835	879	912	949	37	4.1%
Other / Special Purpose	19,873,268	22,712,074	23,745,899	25,497,363	1,751,464	7.4%
Total	20,445,688	23,368,322	24,537,198	26,360,672	1,823,474	7.4%
Staffing Levels	3.80	4.30	4.30	4.30	0.00	0.0%

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND**

- In Personal Services, Regular Salaries increased by \$79,284 driven mainly by employee anniversary step increases, a city-wide 2.5% cost-of-living adjustment (COLA), mandatory step increases for non-union classified employees, and mandatory annual reviews for executive and managerial employees. During the FY 2026 mid-year departmental realignment, several organizational changes were implemented, including position upgrades, title changes, employee reallocations, and a net-zero FTE adjustment, resulting in a General Fund cost increase of \$32,895:
 - The Compliance Division was eliminated, reducing the number of General Fund divisions from four to three. Employment Services was renamed Employee Services, and Classifications & Compensation was renamed Human Resources Operations & Strategy. The Administration Division retained its existing title.
 - Reallocating the Leave of Absence Program Manager position from the General Fund to the Internal Services funds, while adding a Human Resources Generalist position to the General Fund, resulted in a net \$6,744 decrease to the General Fund with no net change in FTEs.
 - The Director of Employee Services (formerly Director of Employment Services) was upgraded from M-07 to M-08 on the Executive & Managerial (E&M) pay scale, for a total General Fund cost increase of \$19,273.
 - The Director of Classification & Compensations was reclassified to the Director of Human Resources Operations & Strategy and upgraded from M-08 to M-09 on the E&M pay scale, for a total General Fund cost increase of \$20,366.
 - The Employee Benefits Analyst position was retitled Benefits Operations Administrator and reclassified from pay grade 10-6 to 10-4, resulting in a salary decrease of \$4,229.
 - The Deputy Director of HR was reassigned to the Administration Division from the former Compliance Division.
 - The HR Information Systems Administrator position was reassigned from the Administration Division to the HR Operations & Strategy Division.
 - The Learning & Development Manager and the Human Resource Specialist positions were reallocated from Employee Services to the HR Operations & Strategy Division.
 - The Labor & Employee Relations Specialist was reallocated from the Compliance Division to the Employee Services Division.
- Temporary Salaries funding was eliminated, resulting in \$30,000 in Personal Services savings as staffing levels approach full capacity.
- Miscellaneous Charges – N.O.C. increased by \$29,500 for workplace investigations being outsourced to outside counsel due to the nature of allegations or conflicts of interest.
- The Memberships and Registration account group increased by approximately \$39,900, including \$9,000 for Registration Fees supporting professional development and \$30,000 allocated to Workshops/Seminars–Training for state-mandated and leadership training for executive and middle management. (These increases were funded, in part, by reallocating \$33,150 from the Advertising line.)

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
RISK MANAGEMENT FUND**

- As a part of the FY 2026 mid-year realignment the Director of Employee Benefits was upgraded from M-07 to M-08 on the Executive & Managerial (E&M) pay scale, for a total salaries and benefits cost increase of \$35,345.
- Insurance Claims increased by approximately \$668,940, according to the latest actuary report, reflecting higher costs for General Liability, Auto, and Property Coverage.
- Insurance Claims – Legal Defense increased by \$125,000 based on recommendation from the City’s Law Department, which suggested estimates for the use of outside counsel based on current cases.
- The Liability account line increased by nearly \$99,386 (6.9%), due to higher premiums for General Liability Excess and Cyber Insurance.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
WORKERS’ COMPENSATION FUND**

- Overall, MS&E remained relatively flat in the FY 2027 budget, decreasing by 1% or \$9,145 relative to FY 2026 budget.
- Self-Insurance Costs increased by \$428,953, based on the actuarial study by USI, which reviews medical expense, indemnity payment, rehabilitation cost, and other workers’ compensation expenses.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
HEALTH & WELFARE FUND**

- As part of the FY 2026 mid-year departmental realignment there was a net zero FTE change which was a result of the reallocation of Leave of Absence Program Manager to the Health & Welfare Fund from the General Fund with the deletion of the Human Resources Specialist position, for a net increase of \$30,050 in salaries and benefits.
- Self-Insurance Costs increased by \$1,751,464 following the latest review of claims expenses. Medical, Dental, Prescription, and Medical Stop Loss accounts for approximately \$1,720,000 of the increases as utilization has returned to expected trends, based on projection from USI, the City’s healthcare insurance consultant.

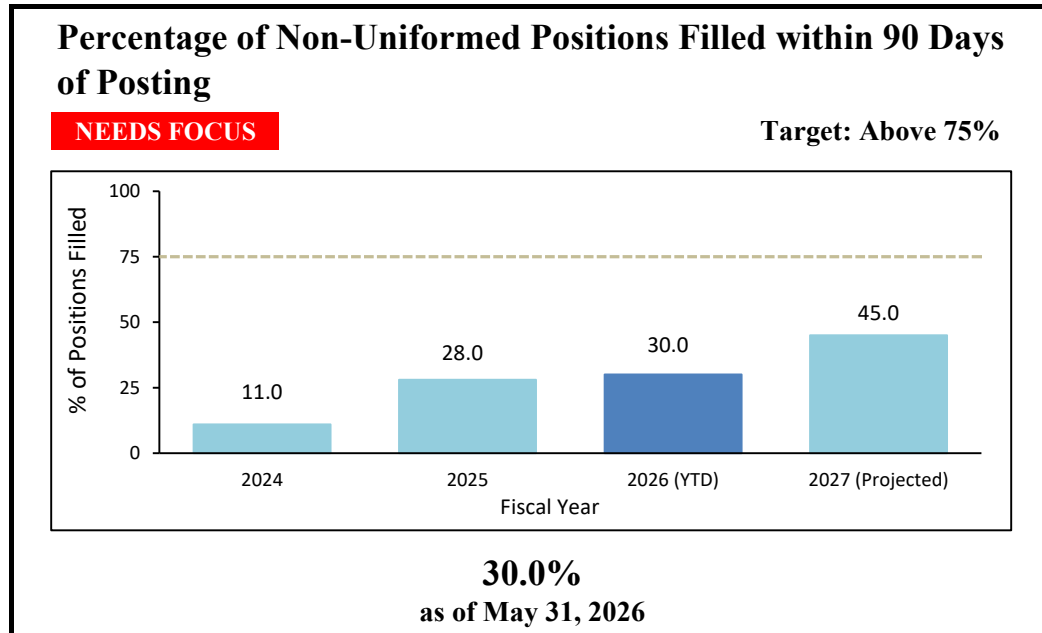
HUMAN RESOURCES

Strategic Plan

Focus Area: Effective City Government

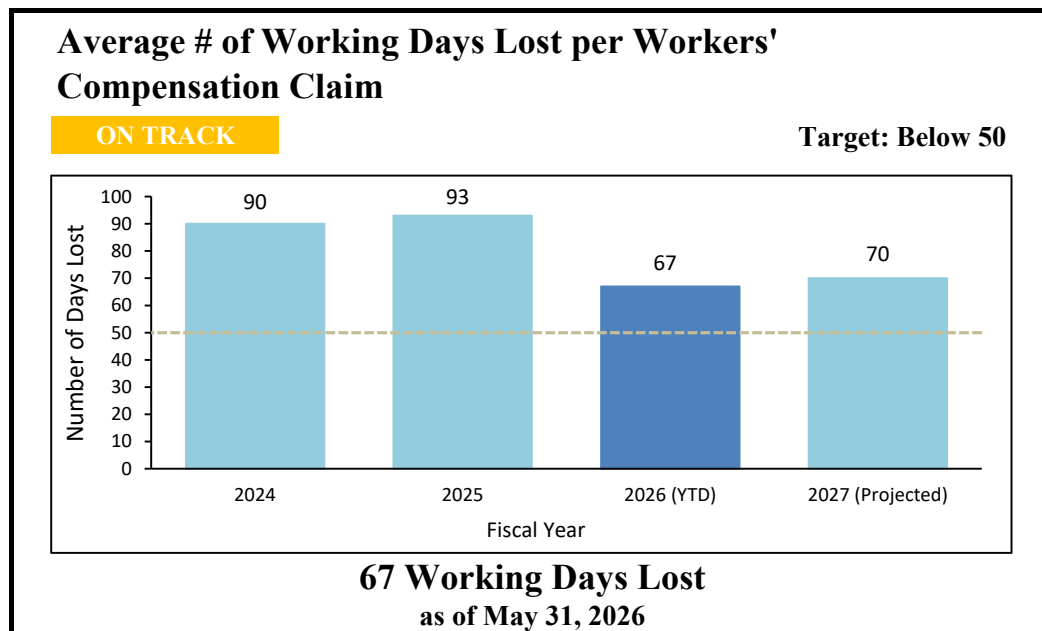
CITY-WIDE GOAL #1: Embrace a Culture of Service

Objective: Fill vacancies of non-uniformed positions within 90 days of posting.



CITY-WIDE GOAL #2: Enhance Fiscal Prudence

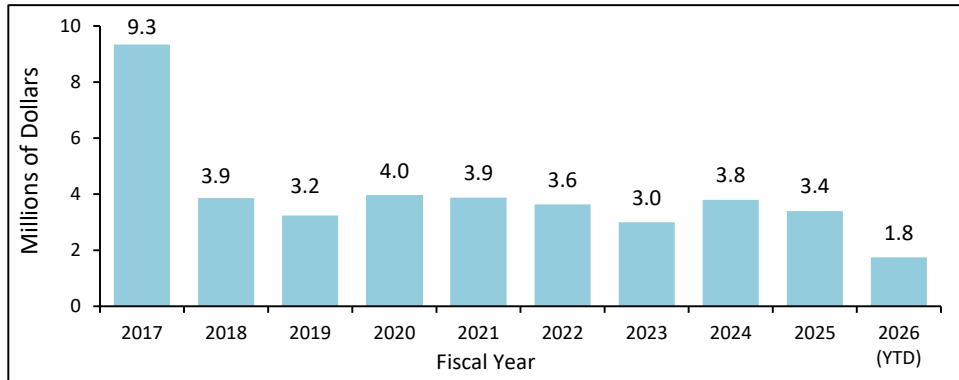
Objective: Minimize Workers' Compensation costs by limiting the average number of working days lost per claim to less than 50.



HUMAN RESOURCES

Performance Trends

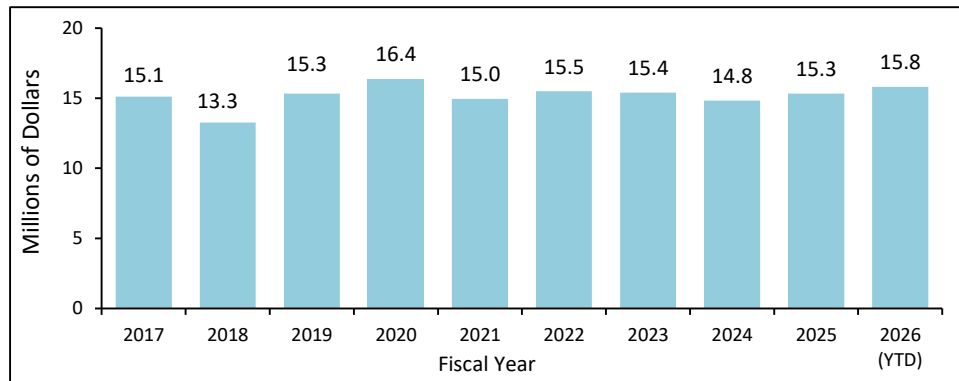
Total Cost of Workers' Compensation Claims



\$1.8 Million
as of May 31, 2026

The above chart shows the annual total cost of workers' compensation claims from FY 2017 to FY 2026. The goal is to minimize these costs. The spike in FY 2017 was due to the extraordinary and tragic loss of three firefighters who sustained injuries while fighting a home arson fire.

Total Cost of Medical Care (Excluding Prescriptions)

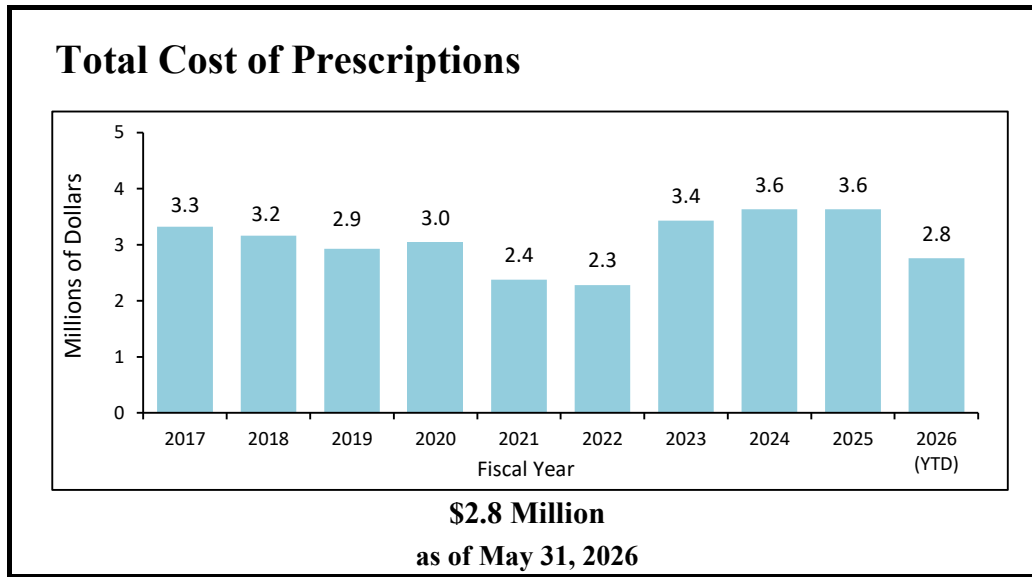


\$15.8 Million
as of May 31, 2026

The above chart shows the annual total costs of medical care (excluding prescriptions) for City employees from FY 2017 to FY 2026. The goal is to minimize these costs while still providing high-quality medical care.

HUMAN RESOURCES

Performance Trends



The chart above shows the annual total cost of prescriptions for City employees from FY 2017 to FY 2026. The goal is to minimize these costs while still providing high-quality prescription services.

Department: Human Resources
Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	1,276,493	1,299,472	1,515,107	1,594,391	79,284	5.2%
Temporary Salaries	31,488	3,125	30,000	0	(30,000)	-100.0%
Acting Out Of Classification	0	3,323	0	0	0	0.0%
Sick Leave Bonus	600	0	0	0	0	0.0%
Overtime	7,519	0	0	5,000	5,000	0.0%
Meal Allowance	130	60	0	50	50	0.0%
Health Cash Back	0	486	0	2,400	2,400	0.0%
Pension Contribution	123,854	82,598	63,944	25,398	(38,546)	-60.3%
Social Security	79,026	77,978	93,423	97,145	3,722	4.0%
Medicare Tax	18,501	18,238	21,867	22,722	855	3.9%
Hospitalization	234,978	218,367	245,071	258,179	13,108	5.3%
Life Insurance	4,013	3,862	4,344	4,104	(240)	-5.5%
Pension Healthcare	74,922	81,602	84,918	86,544	1,626	1.9%
State Pension Plan - Civilian	49,534	58,459	70,286	91,044	20,758	29.5%
Attrition	0	0	(8,655)	(9,069)	(414)	4.8%
Total Personal Services	1,901,058	1,847,570	2,120,305	2,177,908	57,603	2.7%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	16,284	519	127,360	94,210	(33,150)	-26.0%
Communications and Utilities	0	0	200	200	0	0.0%
Transportation	11,194	15,706	26,800	23,000	(3,800)	-14.2%
Contracted Maintenance	0	0	650	0	(650)	-100.0%
Professional Fees	48,227	99,231	89,875	81,375	(8,500)	-9.5%
Other Fees	1,019	1,282	5,589	5,589	0	0.0%
Memberships and Registrations	121,615	178,465	212,124	248,254	36,130	17.0%
Miscellaneous Services	199,673	41,454	32,000	58,000	26,000	81.3%
Office and General Supplies	6,983	7,275	9,000	11,000	2,000	22.2%
Wearing Apparel and Safety	874	2,423	2,400	3,800	1,400	58.3%
Misc. Mat., Supp., and Parts	22,198	38,923	45,400	41,400	(4,000)	-8.8%
Equipment	35,802	999	1,000	1,000	0	0.0%
Total M.S.&E.	463,869	386,277	552,398	567,828	15,430	2.8%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	2,655	2,795	5,639	5,865	226	4.0%
Self-Insurance	13,720	18,234	8,186	8,505	319	3.9%
Total Internal Services	16,375	21,029	13,825	14,370	545	3.9%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	24,807	25,965	26,937	68,617	41,680	154.7%
Interest Payments	10,284	9,180	7,958	5,415	(2,543)	-32.0%
Total Debt Service	35,091	35,145	34,895	74,032	39,137	112.2%

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	2,416,393	2,290,021	2,721,423	2,834,138	112,715	4.1%

Department: Human Resources
Fund: Risk Management

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	116,427	123,153	247,148	257,862	10,714	4.3%
Temporary Salaries	24,292	27,799	45,115	48,000	2,885	6.4%
Overtime	0	429	0	0	0	0.0%
Accrued Sick/Vacation	(2,880)	17,389	0	0	0	0.0%
Pension Contribution	30,660	32,601	29,485	25,381	(4,104)	-13.9%
Social Security	12,920	9,170	17,720	18,562	842	4.8%
Medicare Tax	9,281	2,145	4,150	4,342	192	4.6%
Hospitalization	14,484	14,774	40,952	48,536	7,584	18.5%
Life Insurance	317	312	552	552	0	0.0%
Pension Healthcare	5,395	5,500	11,422	11,640	218	1.9%
State Pension Plan - Civilian	6,179	1,288	7,668	10,308	2,640	34.4%
Attrition	0	0	(1,415)	(1,483)	(68)	4.8%
Total Personal Services	217,075	234,560	402,797	423,700	20,903	5.2%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Transportation	1,852	3,106	4,540	6,000	1,460	32.2%
Insurance	6,453,672	4,381,393	4,995,043	5,900,979	905,936	18.1%
Professional Fees	223,780	219,001	270,060	288,880	18,820	7.0%
Memberships and Registrations	160	1,715	3,730	4,130	400	10.7%
Office and General Supplies	2,468	2,495	2,500	2,500	0	0.0%
Total M.S.&E.	6,681,932	4,607,710	5,275,873	6,202,489	926,616	17.6%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	8,593	12,537	7,985	8,304	319	4.0%
Self-Insurance	1,259	1,312	1,355	1,402	47	3.5%
Total Internal Services	9,852	13,849	9,340	9,706	366	3.9%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Self-Insurance Costs	1,738,443	4,020,332	0	0	0	0.0%
Depreciation	0	0	12,554	12,554	0	0.0%
Total Other / Special Purpose	1,738,443	4,020,332	12,554	12,554	0	0.0%

Risk Management	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	8,647,302	8,876,451	5,700,564	6,648,449	947,885	16.6%

Department: Human Resources
Fund: Workers' Compensation

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	351,704	356,906	386,999	396,318	9,319	2.4%
Temporary Salaries	35,773	30,085	38,560	40,800	2,240	5.8%
Acting Out Of Classification	0	0	1,000	1,000	0	0.0%
Overtime	1,960	2,872	5,445	6,000	555	10.2%
Meal Allowance	0	0	200	200	0	0.0%
Health Cash Back	997	2,858	2,160	0	(2,160)	-100.0%
Accrued Sick/Vacation	4,762	12,859	0	0	0	0.0%
Pension Contribution	53,929	60,525	58,268	55,848	(2,420)	-4.2%
Social Security	23,392	23,339	26,338	26,860	522	2.0%
Medicare Tax	5,471	5,458	6,166	6,284	118	1.9%
Hospitalization	65,593	63,364	60,315	80,548	20,233	33.5%
Life Insurance	1,036	1,152	1,032	1,032	0	0.0%
Pension Healthcare	18,159	18,354	21,354	21,762	408	1.9%
State Pension Plan - Civilian	8,839	9,130	9,715	12,364	2,649	27.3%
Total Personal Services	571,615	586,902	617,552	649,016	31,464	5.1%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	54	0	600	600	0	0.0%
Transportation	4,823	4,485	10,400	10,000	(400)	-3.8%
Insurance	278,183	218,005	368,250	335,000	(33,250)	-9.0%
Rentals	15	0	100	150	50	50.0%
Contracted Maintenance	1,085	320	2,500	2,700	200	8.0%
Professional Fees	321,509	347,991	456,412	480,077	23,665	5.2%
Memberships and Registrations	4,343	3,052	13,260	16,600	3,340	25.2%
Office and General Supplies	497	890	2,250	2,200	(50)	-2.2%
Wearing Apparel and Safety	1,059	1,688	1,900	1,700	(200)	-10.5%
Misc. Mat., Supp., and Parts	16,710	15,941	35,600	33,600	(2,000)	-5.6%
Equipment	1,554	1,980	3,000	2,500	(500)	-16.7%
Total M.S.&E.	629,832	594,352	894,272	885,127	(9,145)	-1.0%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	(457)	(356)	0	0	0	0.0%
Self-Insurance	2,490	2,631	2,731	2,846	115	4.2%
Total Internal Services	2,033	2,275	2,731	2,846	115	4.2%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Workers' Compensation	52,106	50,357	100,000	100,000	0	0.0%
Self-Insurance Costs	3,153,240	5,138,880	4,266,112	4,695,065	428,953	10.1%
Depreciation	391	391	0	0	0	0.0%
Total Other / Special Purpose	3,205,737	5,189,628	4,366,112	4,795,065	428,953	9.8%

Workers' Compensation	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	4,409,217	6,373,157	5,880,667	6,332,054	451,387	7.7%

Department: Human Resources
Fund: Health and Welfare

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	266,366	333,186	390,080	430,683	40,603	10.4%
Temporary Salaries	10,850	0	18,000	12,000	(6,000)	-33.3%
Acting Out Of Classification	1,240	429	2,500	0	(2,500)	-100.0%
Meal Allowance	0	17	0	0	0	0.0%
Health Cash Back	0	0	2,400	0	(2,400)	-100.0%
Accrued Sick/Vacation	(9,709)	8,819	0	0	0	0.0%
Pension Contribution	7,884	16,119	7,104	0	(7,104)	-100.0%
Social Security	19,114	20,594	25,113	26,721	1,608	6.4%
Medicare Tax	4,596	4,816	5,879	6,252	373	6.3%
Hospitalization	37,848	40,015	46,553	78,609	32,056	68.9%
Life Insurance	854	1,186	1,032	1,032	0	0.0%
Pension Healthcare	12,641	17,297	21,354	21,762	408	1.9%
State Pension Plan - Civilian	13,561	15,831	20,092	25,971	5,879	29.3%
Total Personal Services	365,245	458,309	540,107	603,030	62,923	11.7%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Materials, Supplies, and Equipment	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Printing and Advertising	0	0	500	500	0	0.0%
Communications and Utilities	0	0	500	500	0	0.0%
Transportation	1,409	2,484	10,000	12,500	2,500	25.0%
Professional Fees	168,922	177,815	194,155	194,155	0	0.0%
Memberships and Registrations	34,360	14,520	42,000	44,750	2,750	6.5%
Office and General Supplies	1,086	540	500	500	0	0.0%
Wearing Apparel and Safety	0	0	575	875	300	52.2%
Misc. Mat., Supp., and Parts	318	998	1,050	1,050	0	0.0%
Equipment	245	703	1,000	4,500	3,500	350.0%
Total M.S.&E.	206,340	197,060	250,280	259,330	9,050	3.6%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Internal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Self-Insurance	835	879	912	949	37	4.1%
Total Internal Services	835	879	912	949	37	4.1%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Other / Special Purpose	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Self-Insurance Costs	19,873,268	22,712,074	23,745,899	25,497,363	1,751,464	7.4%
Total Other / Special Purpose	19,873,268	22,712,074	23,745,899	25,497,363	1,751,464	7.4%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Health and Welfare	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	20,445,688	23,368,322	24,537,198	26,360,672	1,823,474	7.4%

DEPARTMENT OF LICENSES & INSPECTIONS

The Department of Licenses and Inspections (L&I) is responsible for promoting the general welfare and protecting the life, health, and safety of all citizens of Wilmington by monitoring the City's building and housing stock through code enforcement and abatement of code violations. This is achieved by the implementation of fair and unbiased application of the Wilmington City Codes. Our goal is to facilitate voluntary compliance by working in partnership with our constituents.

The Department performs mandated activities by codes, conducts inspections on rental properties, registration of vacant properties, enforcement of the codes and ordinances for all properties.

PRIORITIES FOR FISCAL YEAR 2027

- Strengthen Code Enforcement & Compliance by:
 - Continuing the transition from a reactive to a proactive enforcement model to ensure consistent citywide coverage and follow-up on violations.
 - Expanding enforcement efforts on vacant and blighted properties through our dedicated inspection teams, citywide sweeps, and standardized inspection protocols.
 - Continue to identify unlicensed and unregistered rental properties through proactive investigations and interdepartmental collaboration, ensuring full compliance with licensing and registration requirements.
 - Strengthening enforcement of civil penalties and escalating non-compliant cases, including referrals for delinquent accounts and Sheriff Sale when necessary.
- Enhance the Department's Operational Efficiency by:
 - Continuing the implementation, utilization, and optimization of the Salesforce tracking system to improve data accuracy, case tracking, and overall departmental performance.
 - Formalizing and implementing comprehensive policies, procedures, and standard operating guidelines to ensure consistency and accountability across all departmental processes to include inspection and enforcement activities.
 - Continue to improve processes for our specialized teams, including Rental and Vacant Property units, to improve efficiency, accountability, and targeted enforcement outcomes.
- Increase Community Engagement & Public Awareness by:
 - Expanding proactive community outreach efforts through public meetings, educational materials, and collaboration with neighborhood groups to promote awareness of code requirements and compliance responsibilities.
 - Increasing accessibility to department leadership to strengthen relationships with residents, civic associations, and elected officials in addressing neighborhood concerns.
 - Improving communication strategies by modernizing notification processes in accordance with City Code requirements and providing clearer guidance to property owners on compliance expectations.
 - Promoting transparency by sharing inspection processes, compliance standards, and enforcement initiatives with stakeholders and the public.
 - Encouraging voluntary compliance by working collaboratively with property owners to establish realistic compliance plans and timelines.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF LICENSES & INSPECTIONS

Total All Funds Licenses & Inspections	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,682,478	2,806,454	2,899,777	3,144,954	245,177	8.5%
Materials, Supplies, and Equipment	212,050	244,027	309,500	288,700	(20,800)	-6.7%
Internal Services	248,957	283,323	271,708	282,233	10,525	3.9%
Debt Service	2,243	2,245	2,187	546	(1,641)	-75.0%
Other / Special Purpose	265,550	268,148	301,301	310,341	9,040	3.0%
Total	3,411,278	3,604,197	3,784,473	4,026,774	242,301	6.4%
Staffing Levels	26.00	26.00	26.00	27.00	1.00	3.8%

General Fund Licenses & Inspections	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,682,478	2,806,454	2,899,777	3,144,954	245,177	8.5%
Materials, Supplies, and Equipment	212,050	244,027	309,500	288,700	(20,800)	-6.7%
Internal Services	248,957	283,323	271,708	282,233	10,525	3.9%
Debt Service	2,243	2,245	2,187	546	(1,641)	-75.0%
Other / Special Purpose	265,550	268,148	301,301	310,341	9,040	3.0%
Total	3,411,278	3,604,197	3,784,473	4,026,774	242,301	6.4%
Staffing Levels	26.00	26.00	26.00	27.00	1.00	3.8%

MAJOR FUNDING CHANGES FROM PRIOR YEAR GENERAL FUND

- Personal Services increased by \$245,177 (8.5%). Salaries and Wages rose by \$147,900 (7.7%), primarily due to mandatory salary increases, anniversary step increases, and strategic reorganization. This reorganization resulted in a net increase of one FTE. In addition, several FY 2026 mid-year amendment position changes occurred in March 2026. The total cost (including benefits) for each position is detailed below:
 - Added: Deputy Commissioner of L&I (\$187,393)
 - Added: Property Compliance Officer (\$106,318)
 - Eliminated: Code Enforcement Supervisor (\$172,176)
 - FY 2026 Mid-Year - Upgrade: Code Enforcement Administrator (Grade 6 to 8) (\$10,360)
 - FY 2026 Mid-Year - Added: Administrative Clerk II (\$85,135)
 - FY 2026 Mid-Year - Eliminated: Administrative Supervisor (\$117,854)
- Employee Benefits increased by \$99,188 (9.82%), driven by rising healthcare costs as projected by the City's insurance consultant, USI.
- Materials, Supplies, and Equipment (MS&E) decreased by \$20,800 (6.7%), primarily due to aligning the budget with prior years' actuals. Notable decreases include Temporary Agencies (\$5,000), Consultants (\$4,000), Registration Fees (\$3,500), and Furniture, Fixtures, and Office Equipment (\$3,500).

DEPARTMENT OF LICENSES & INSPECTIONS

Strategic Plan

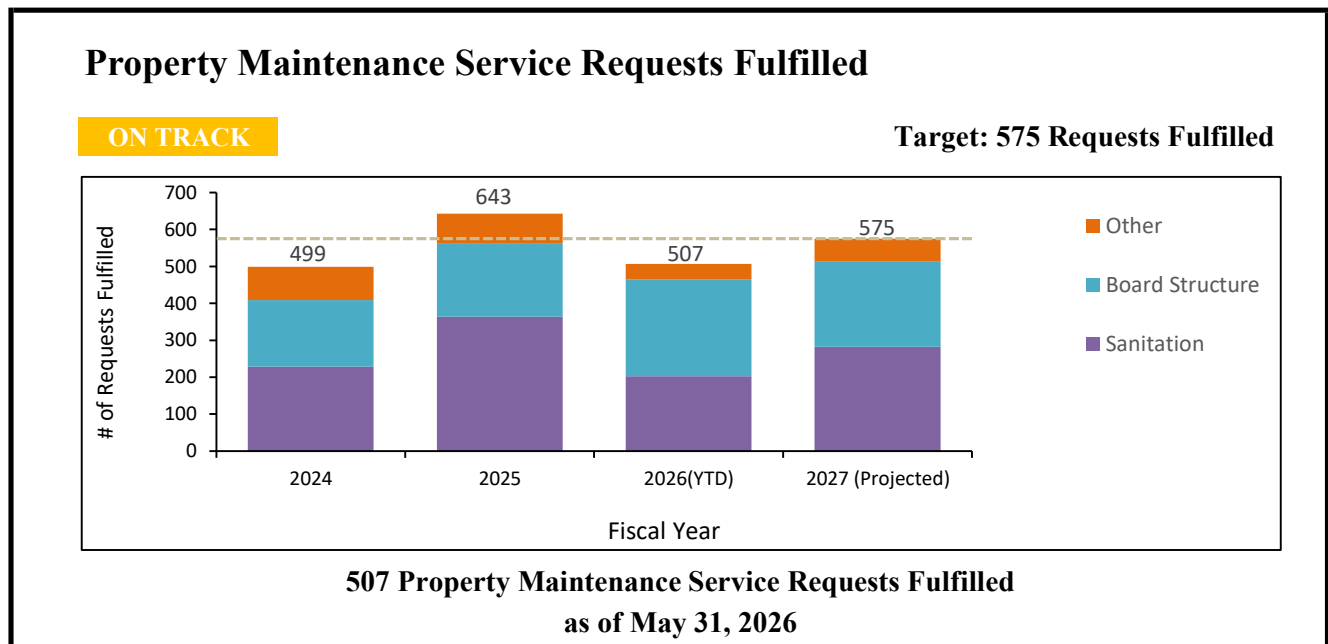
The Department of Licenses and Inspections (L&I) strives to promote and protect a safe living and working environment for all citizens of the City of Wilmington. This is achieved by enforcing and implementing the Wilmington City Code in a fair and unbiased manner. Our goal is to facilitate voluntary compliance by working in partnership with our constituents.

Current data for the goals and objectives listed below can be found on the Licenses & Inspections OpenGov story page at <http://bit.ly/WDe21OG>.

Focus Area: Quality of Life

CITY-WIDE GOAL #17: Improve Housing Quality

Objective 1: Effectively and Efficiently Address Structurally Deficient and Blighted Conditions of Vacant Properties through Property Maintenance. The “Other” category includes requests to remove trash, debris, high grass, and weeds.



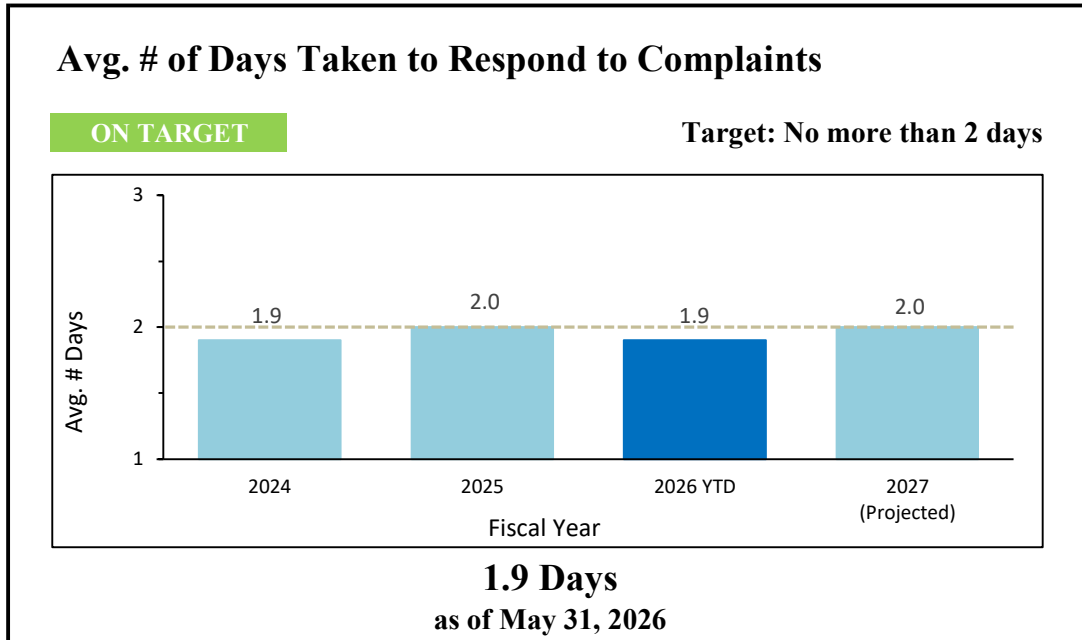
DEPARTMENT OF LICENSES & INSPECTIONS

Strategic Plan

Focus Area: Quality of Life

CITY-WIDE GOAL #17: Improve Housing Quality

Objective 2: Respond to All Constituent Complaints within Two Business Days.



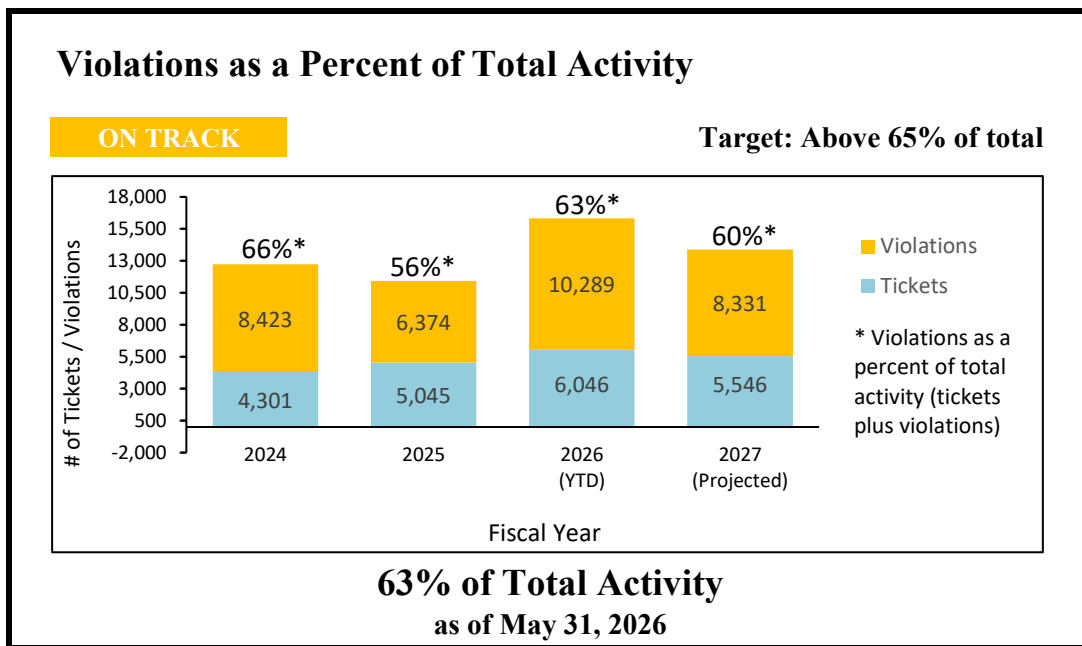
DEPARTMENT OF LICENSES & INSPECTIONS

Strategic Plan

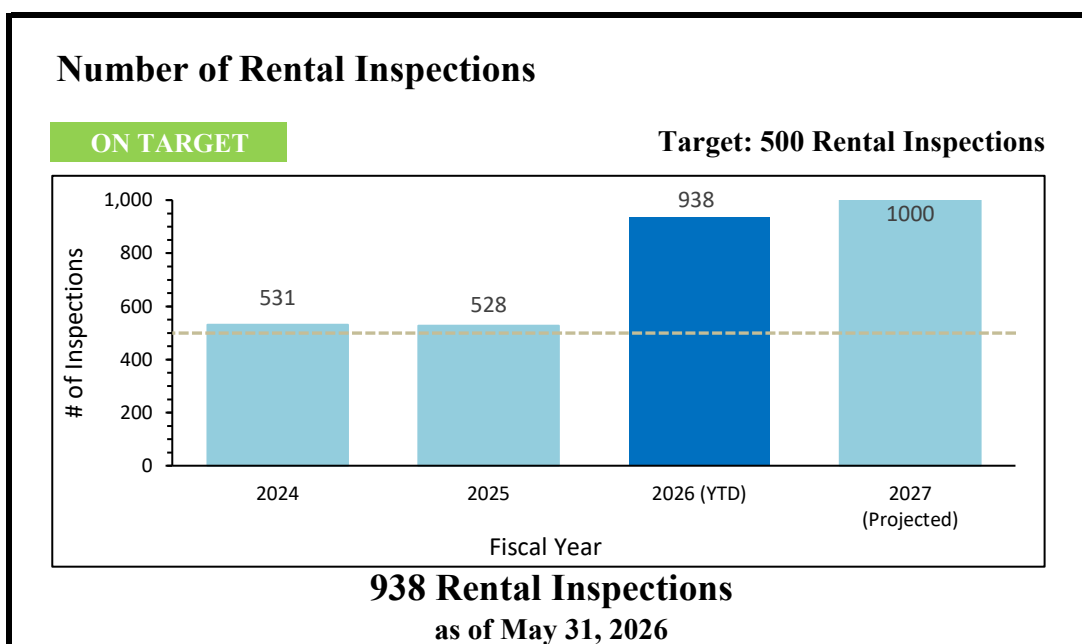
Focus Area: Quality of Life

CITY-WIDE GOAL #17: Improve Housing Quality

Objective 3: Better Utilize Limited Resources by Focusing on Code Violations Rather than Instant Tickets

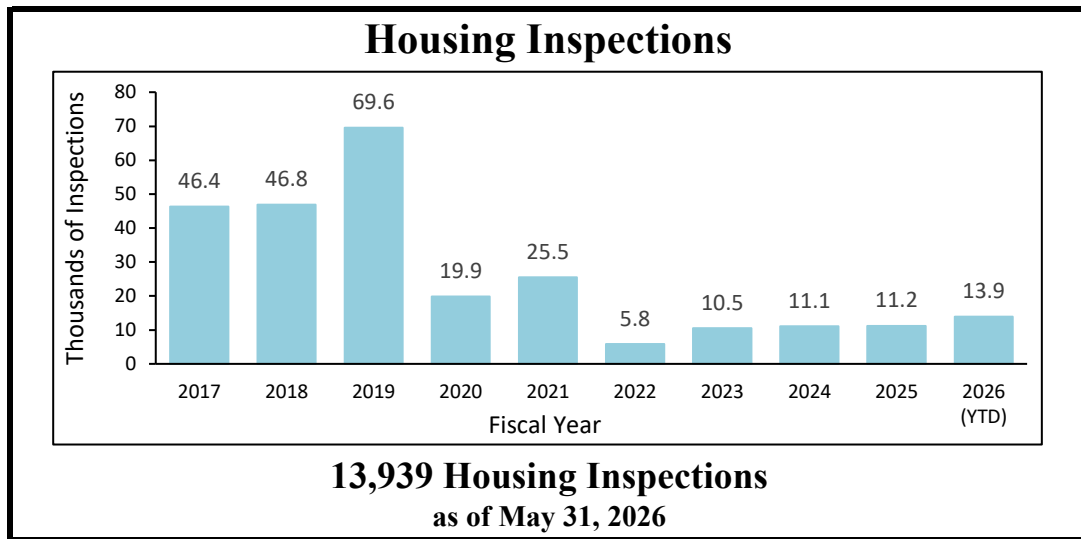


Objective 4: Increase the Number of Rental Inspections to Improve the Quality of Rental Housing

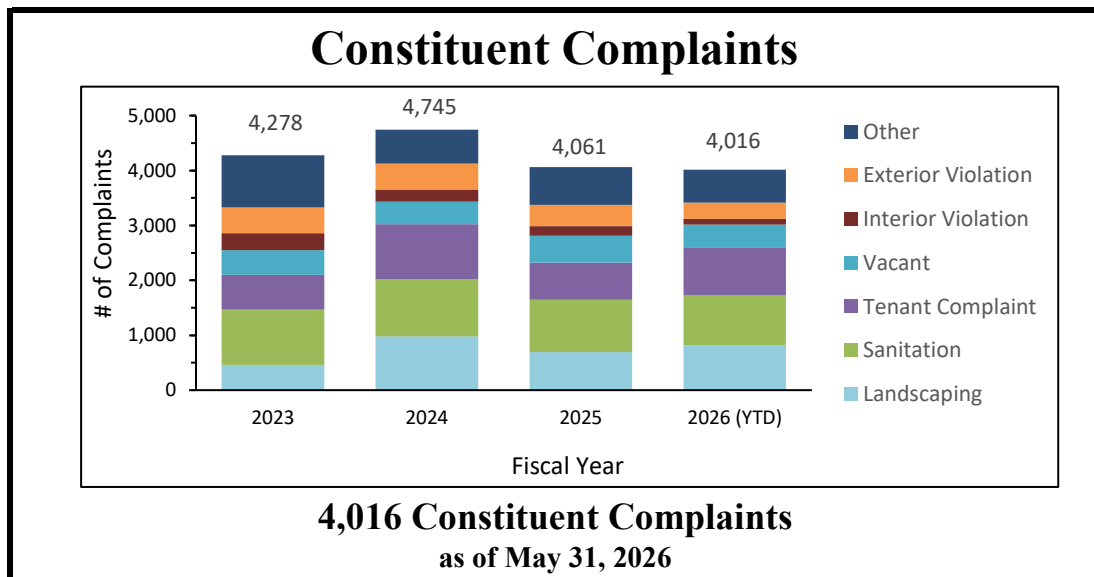


DEPARTMENT OF LICENSES AND INSPECTIONS

Performance Trends



Housing inspections performed include rentals, tenant complaints, sanitation, graffiti, and neighborhood stabilization inspections.



Department: Licenses and Inspections

Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	1,610,272	1,671,330	1,836,717	1,984,417	147,700	8.0%
Temporary Salaries	25,196	12,045	30,000	30,000	0	0.0%
Acting Out Of Classification	6,434	111	2,000	2,000	0	0.0%
Sick Leave Bonus	1,100	900	1,500	1,500	0	0.0%
Overtime	33,907	26,247	30,000	30,000	0	0.0%
Meal Allowance	460	484	300	500	200	66.7%
Clothing Allowance	4,909	5,451	7,200	7,200	0	0.0%
Standby Pay	18,137	19,643	20,000	20,000	0	0.0%
Health Cash Back	2,600	2,386	2,400	2,400	0	0.0%
Pension Contribution	229,049	251,556	203,670	187,782	(15,888)	-7.8%
Social Security	101,996	103,854	115,074	124,096	9,022	7.8%
Medicare Tax	23,854	24,288	26,912	29,021	2,109	7.8%
Hospitalization	441,206	489,506	468,446	544,175	75,729	16.2%
Life Insurance	5,661	6,068	6,231	6,480	249	4.0%
Pension Healthcare	117,321	124,076	129,116	136,258	7,142	5.5%
State Pension Plan - Civilian	48,705	56,748	60,187	81,012	20,825	34.6%
Personal Services Adjustment	11,671	11,761	0	0	0	0.0%
Attrition	0	0	(39,976)	(41,887)	(1,911)	4.8%
Total Personal Services	2,682,478	2,806,454	2,899,777	3,144,954	245,177	8.5%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	10,466	13,521	16,000	16,000	0	0.0%
Transportation	1,996	1,412	2,500	2,500	0	0.0%
Rentals	29,400	23,402	27,000	27,000	0	0.0%
Contracted Maintenance	82,609	119,665	130,000	130,000	0	0.0%
Professional Fees	27,270	31,204	44,000	35,000	(9,000)	-20.5%
Other Fees	0	0	1,500	0	(1,500)	-100.0%
Memberships and Registrations	17,226	7,041	19,800	15,000	(4,800)	-24.2%
Office and General Supplies	4,429	5,093	4,200	4,200	0	0.0%
Wearing Apparel and Safety	33,429	34,972	41,000	41,000	0	0.0%
Misc. Mat., Supp., and Parts	1,855	2,617	2,500	2,500	0	0.0%
Construction and Repairs	311	3,757	14,000	14,000	0	0.0%
Equipment	3,059	1,343	7,000	1,500	(5,500)	-78.6%
Total M.S.&E.	212,050	244,027	309,500	288,700	(20,800)	-6.7%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	131,820	131,988	218,943	227,701	8,758	4.0%
Self-Insurance	117,137	151,335	52,765	54,532	1,767	3.3%
Total Internal Services	248,957	283,323	271,708	282,233	10,525	3.9%

Department: Licenses and Inspections

Fund: General

	Actual	Actual	Budget	Budget	\$ Change	% Change
Debt Service	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Principal Payments	1,537	1,600	1,622	62	(1,560)	-96.2%
Interest Payments	706	645	565	484	(81)	-14.3%
Total Debt Service	2,243	2,245	2,187	546	(1,641)	-75.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Other / Special Purpose	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Special Purpose	265,550	268,148	301,301	310,341	9,040	3.0%
Total Other / Special Purpose	265,550	268,148	301,301	310,341	9,040	3.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
General Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	3,411,278	3,604,197	3,784,473	4,026,774	242,301	6.4%

DEPARTMENT OF PARKS & RECREATION

The mission of the Department of Parks & Recreation is to provide comprehensive and quality programming that supports the holistic wellness of City residents by offering recreational, social, cultural, employment, and educational opportunities for all City residents regardless of age or physical barriers.

PRIORITIES FOR FISCAL YEAR 2027

- Establish an Emergency Operations Plan for William Hicks Anderson Community Center (WHACC).
- Increase visibility of WHACC afterschool program activities.
- Increase Literacy & Tutoring Services.
- Increase internship opportunities for youth ages 17-24.
- Increase Park community cleanups with partner organizations.
- Increase public information about Parks Capital Projects.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PARKS & RECREATION

Total All Funds Parks and Recreation	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	4,977,721	5,709,199	7,032,649	7,413,916	381,267	5.4%
Materials, Supplies, and Equipment	2,733,419	2,745,669	2,635,645	2,743,371	107,726	4.1%
Internal Services	1,524,727	1,818,486	1,341,467	1,394,040	52,573	3.9%
Debt Service	2,969,211	2,875,996	2,937,209	2,356,946	(580,263)	-19.8%
Total	12,205,078	13,149,350	13,946,970	13,908,273	(38,697)	-0.3%
Staffing Levels	41.00	41.00	40.00	44.00	4.00	10.0%

General Fund Parks and Recreation	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	4,150,171	4,881,649	5,654,184	6,035,451	381,267	6.7%
Materials, Supplies, and Equipment	1,545,152	1,557,402	1,740,273	1,847,999	107,726	6.2%
Internal Services	1,522,272	1,816,031	1,338,951	1,391,524	52,573	3.9%
Debt Service	2,969,211	2,875,996	2,937,209	2,356,946	(580,263)	-19.8%
Total	10,186,806	11,131,078	11,670,617	11,631,920	(38,697)	-0.3%
Staffing Levels	40.60	39.60	38.60	42.60	4.00	10.4%

Parks Assistance Fund Parks and Recreation	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	144,577	144,577	389,856	389,856	0	0.0%
Materials, Supplies, and Equipment	1,186,517	1,186,517	893,622	893,622	0	0.0%
Total	1,331,094	1,331,094	1,283,478	1,283,478	0	0.0%
Staffing Levels	0.40	1.40	1.40	1.40	0.00	0.0%

Parks Trust Fund Parks and Recreation	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	112,271	112,271	114,026	114,026	0	0.0%
Materials, Supplies, and Equipment	1,750	1,750	1,750	1,750	0	0.0%
Internal Services	2,455	2,455	2,516	2,516	0	0.0%
Total	116,476	116,476	118,292	118,292	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Workforce Investment Board (WIB) Parks and Recreation	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	570,702	570,702	874,583	874,583	0	0.0%
Total	570,702	570,702	874,583	874,583	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR GENERAL FUND

- Personal Services increased by a net of \$381,267 (6.7%). Salaries and Wages rose by \$121,570 (2.9%), primarily due to mandatory salary increases, anniversary step increases, and strategic reorganization. This reorganization resulted in a net increase of four FTE, with the total cost (including benefits) for each position detailed below:
 - Added: (2) General Laborer I (\$147,476 total)
 - Added: Small Engine Mechanic (\$97,707)
 - Added: Pool & Maintenance Mechanic (\$92,907)
 - Added: Equipment Operator (\$88,467)
 - Added: General Laborer III (\$80,562)
 - Eliminated: (2) Labor Foreman I (\$153,099 total)
- The cost of this reorganization was largely offset by a \$164,863 (9.8%) reduction in Temporary Salaries, as nutrition program costs are now transitioned to grant funding.
- Employee Benefits increased by \$265,483 (16.8%), driven by rising healthcare costs as projected by the City's insurance consultant, USI.
- Temporary Agencies decreased by \$68,500, primarily due to departmental reorganization, reducing the need for external staffing.
- Consultants increased by \$23,000, primarily to support the new Entrepreneurship Program and higher costs associated with Aquatics professional training certifications.
- Combined, Rentals N.O.C. and Equipment Rental decreased by net of \$14,000. This includes a decrease of \$5,000 for the Portable Toilet contract (Previously budgeted in Equipment Rental and now budgeted in Rentals N.O.C.) and a \$4,000 decrease for bus rentals (previously budgeted in Rentals N.O.C. and now budgeted in Equipment Rental).
- Miscellaneous Charges – N.O.C. increased by a net \$113,300 primarily due to the addition of \$100,000 to support small grants for community centers hosting City literacy programs.
- Combined, Repairs - Miscellaneous, Contracted Maintenance Services, and Recreational Equipment decreased by \$71,993, primarily due to aligning the budget with prior years' actuals.
- Electricity increased by \$146,000, primarily due to historical spending trends and ongoing annual rate increases from Delmarva Power.

DEPARTMENT OF PARKS & RECREATION

Strategic Plan

Wilmington's parks are a positive gathering place for residents and visitors to explore and enjoy the outdoors, build stronger communities, and promote healthy living.

Current financial and capital project data can be found on the Parks and Recreation OpenGov story page at <http://bit.ly/WDe29OG>.

Focus Area: Quality of Life

CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.

Objective 1: Ensure all City Parks are adequately maintained by mowing grass and cleaning every week.

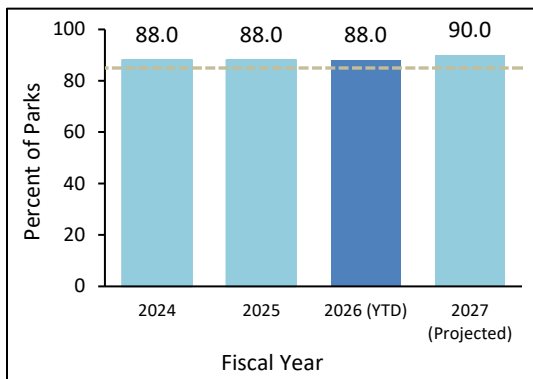
Safe, clean, and inviting parks are essential to a thriving city. To provide a system of well-maintained parks for all constituents and visitors, the Department of Parks and Recreation strives to ensure that all City parks are cleaned and mowed at least once weekly.

Cleaning involves removing debris and trash and surveying the park for potential issues that may need addressing. This might include reporting graffiti to Constituent Services for removal or identifying equipment needing repairs. Once parks are clean and debris-free, grass is cut to ensure that open green space may be used for recreation and leisure.

% of Parks Where Grass is Cut Within 7 Days

ON TARGET

Target: Above 85%



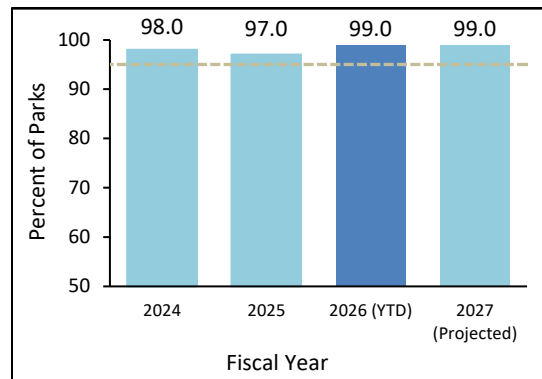
88.0%

as of May 31, 2026

% of Parks Cleaned Within 7 Days

ON TARGET

Target: Above 95%



99.0%

as of May 31, 2026

DEPARTMENT OF PARKS & RECREATION

Strategic Plan

Focus Area: Quality of Life

CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.

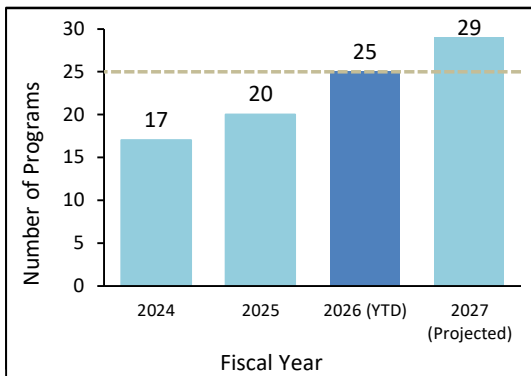
Objective 2: Provide desirable and enriching opportunities for residents of all ages.

Quality recreational programs are a vital component of healthy communities. Not only do they offer residents opportunities to engage in physical activity—which has been shown to affect physical, mental, and emotional health positively—but they also offer residents the chance to build and strengthen relationships with fellow community members and develop essential life skills at all ages.

Number of Recreational Programs Offered to Youth (18 & Under)

ON TARGET

Target: 25 Programs

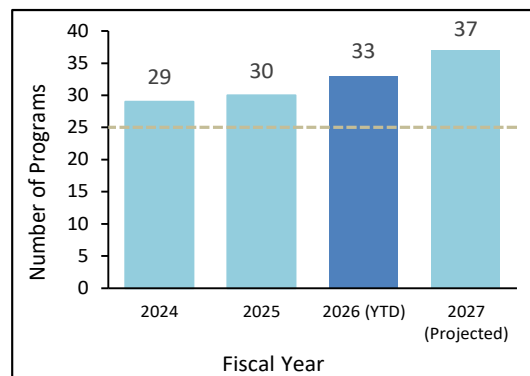


25 Programs
as of May 31, 2026

Number of Recreational Programs Offered to Adults/Seniors

ON TARGET

Target: 25 Programs



33 Programs
as of May 31, 2026

DEPARTMENT OF PARKS & RECREATION

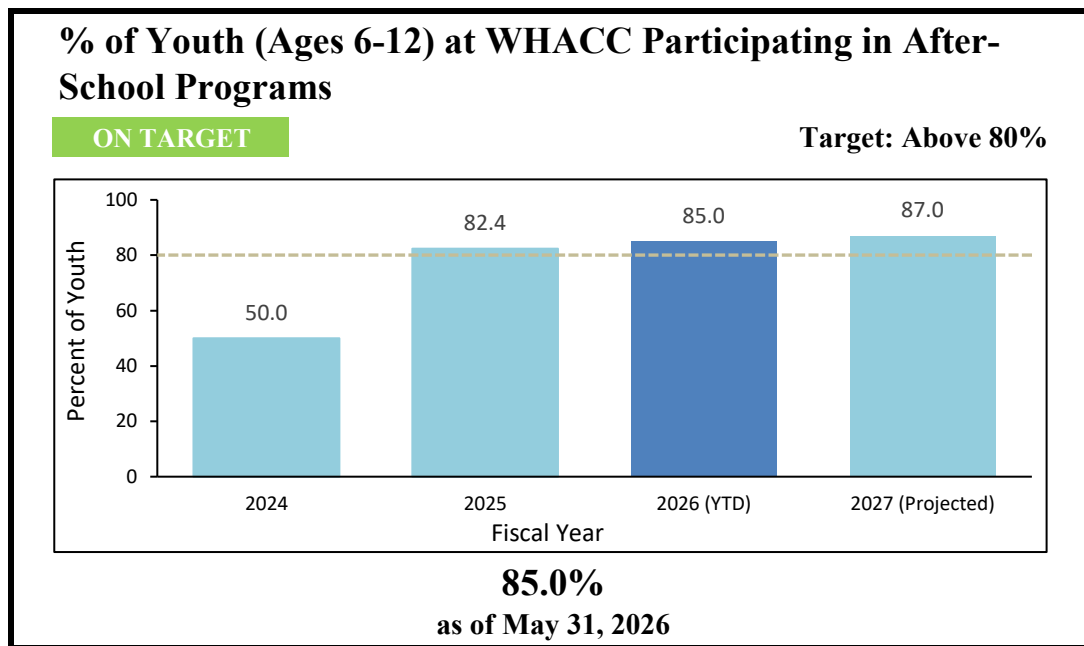
Strategic Plan

Focus Area: Quality of Life

CITY-WIDE GOAL #13: Offer Enhanced Recreational Opportunities.

Objective 3: Fulfill the mission of William “Hicks” Anderson Community Center (WHACC) by increasing participation in high-quality enrichment programming offered in the West Center City community.

The mission of the William “Hicks” Anderson Community Center is to build and strengthen neighborhoods and people by bringing together residents of West Center City through meaningful community building and high-quality enrichment programming for all ages and backgrounds. WHACC is currently focusing on increasing the percentage of youth aged 6 to 12 participating in after-school enrichment programs.



DEPARTMENT OF PARKS & RECREATION

Strategic Plan

Focus Area: Quality of Life

CITY-WIDE GOAL #16: Inspire Young People to Achieve Success.

Objective 1: Provide city youth opportunities to develop and enhance their career pathways by gaining workplace experience and building life skills via the Youth Career Development Program.

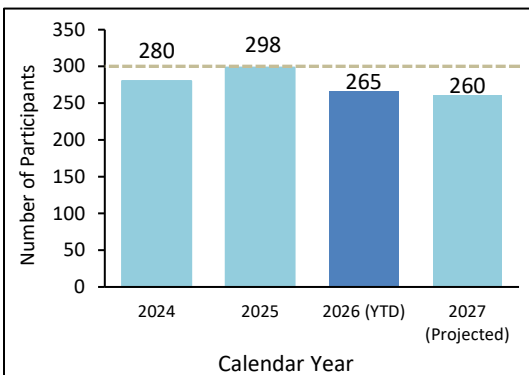
The Youth Career Development (YCD) Program is designed to provide youth with meaningful employment opportunities by placing them in paid summer internships at various job sites throughout the City. Youth can shadow professionals in areas of particular interest while gaining insight into future career opportunities and developing essential life skills. To participate, youth must apply to the Department of Parks and Recreation, be between the ages of 14 and 20, and meet certain income, residency, and job-eligibility requirements.

The YCD Program consists of three-track programs to offer a positive employment experience to our youth entering the workforce for the first time while providing training for life-skill development. The Career Pathway Track places participants in jobs related to a youth's career pathway and is offered during the academic year. During the summer, the Workforce and Internship Tracks are offered. The Workforce Track places participants into entry-level jobs across many industries, including childcare, law offices, not-for-profit and for-profit businesses in their community, and many more. The Internship Track places participants in organizations that provide tasks, day-to-day direction, and a letter of recommendation from their employer upon program completion.

Number of YCD Workforce and Internship Track Participants

ON TRACK

Target: 300 Participants

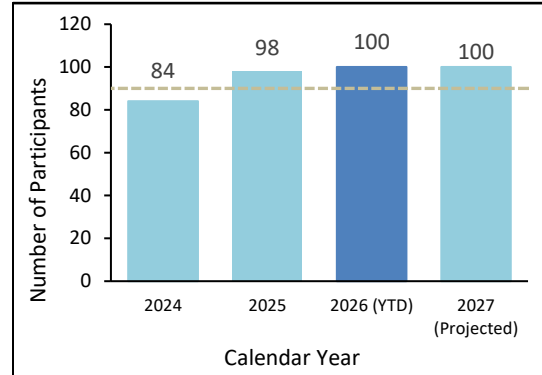


265 Participants
as of May 31, 2026

Number of YCD Career Pathway Track Participants

ON TARGET

Target: 90 Participants

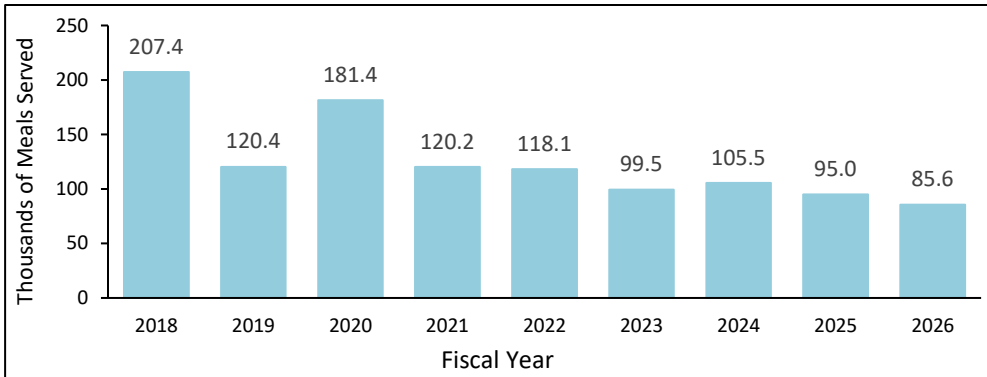


100 Participants
as of May 31, 2026

DEPARTMENT OF PARKS & RECREATION

Performance Trends

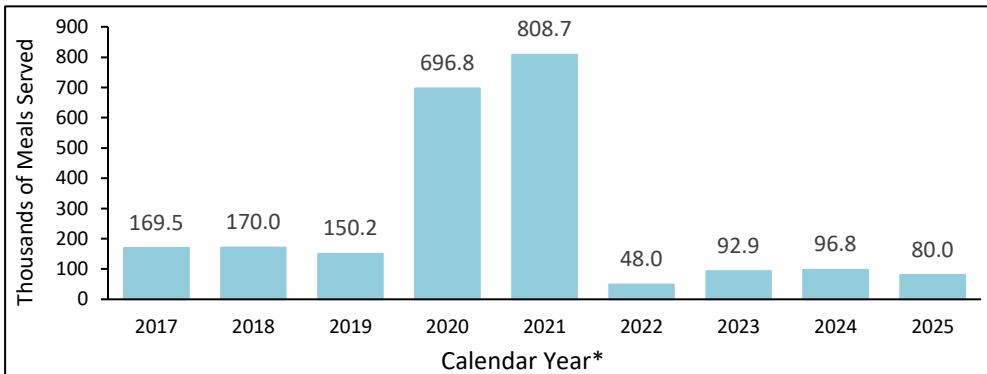
Evening Food Program



85,583 Meals Served
in FY 2026

The Child and Adult Care Food Program provides meals to childcare centers, adult daycare centers, and daycare homes from September through May.

Summer Food Service Program



79,980 Meals Served
in CY 2025

The Summer Food Program provides free meals for all children 18 years old and under during the summer months of June through August when school is not in session. The increase in CY 2020 and 2021 is due to increased “grab and go” meal distribution sites providing students with breakfast, lunch, or dinner during COVID-19.

* Note: Due to the timing of the Summer Food Program data is presented on a calendar year basis.

Department: Parks and Recreation
Fund: General

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	1,863,105	1,893,350	2,297,204	2,563,477	266,273	11.6%
Temporary Salaries	766,912	1,228,121	1,685,306	1,520,443	(164,863)	-9.8%
Acting Out Of Classification	880	8,583	1,000	1,000	0	0.0%
Sick Leave Bonus	750	600	1,800	1,800	0	0.0%
Overtime	214,788	296,740	201,356	219,356	18,000	8.9%
Meal Allowance	6,034	9,331	10,000	10,000	0	0.0%
Clothing Allowance	2,000	2,000	2,000	2,000	0	0.0%
Health Cash Back	0	0	0	2,160	2,160	0.0%
Pension Contribution	218,808	220,377	206,323	230,352	24,029	11.6%
Social Security	190,012	214,417	252,663	259,306	6,643	2.6%
Medicare Tax	44,602	50,114	59,090	60,648	1,558	2.6%
Hospitalization	583,320	686,051	772,971	959,046	186,075	24.1%
Life Insurance	7,854	7,842	9,124	10,066	942	10.3%
Pension Healthcare	183,201	188,977	191,688	215,599	23,911	12.5%
State Pension Plan - Civilian	67,905	75,146	84,711	107,036	22,325	26.4%
Attrition	0	0	(121,052)	(126,838)	(5,786)	4.8%
Total Personal Services	4,150,171	4,881,649	5,654,184	6,035,451	381,267	6.7%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Materials, Supplies, and Equipment	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Printing and Advertising	1,658	1,991	6,192	7,942	1,750	28.3%
Communications and Utilities	260,242	229,053	230,508	376,508	146,000	63.3%
Transportation	24,294	40,005	40,000	44,000	4,000	10.0%
Rentals	46,900	56,936	99,800	85,800	(14,000)	-14.0%
Contracted Maintenance	47,084	67,877	104,416	62,423	(41,993)	-40.2%
Professional Fees	382,042	286,468	261,000	215,500	(45,500)	-17.4%
Other Fees	51,077	39,836	57,776	50,276	(7,500)	-13.0%
Memberships and Registrations	14,193	21,169	15,750	18,250	2,500	15.9%
Miscellaneous Services	317,458	410,469	445,218	538,518	93,300	21.0%
Office and General Supplies	15,389	16,122	18,524	16,543	(1,981)	-10.7%
Wearing Apparel and Safety	46,337	55,904	55,400	53,600	(1,800)	-3.2%
Misc. Mat., Supp., and Parts	172,287	163,894	198,420	189,870	(8,550)	-4.3%
Petroleum and Chemicals	67,816	55,658	63,000	60,000	(3,000)	-4.8%
Construction and Repairs	13,428	15,101	19,409	14,409	(5,000)	-25.8%
Equipment	58,029	26,006	48,600	32,600	(16,000)	-32.9%
Community Activities	26,918	70,913	76,260	81,760	5,500	7.2%
Total M.S.&E.	1,545,152	1,557,402	1,740,273	1,847,999	107,726	6.2%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Internal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Administrative Services	633,995	640,764	820,019	852,819	32,800	4.0%
Self-Insurance	888,277	1,175,267	518,932	538,705	19,773	3.8%
Total Internal Services	1,522,272	1,816,031	1,338,951	1,391,524	52,573	3.9%

Department: Parks and Recreation**Fund: General**

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Debt Service						
Principal Payments	1,925,039	1,918,211	1,954,534	1,375,446	(579,088)	-29.6%
Interest Payments	1,044,172	957,785	982,675	981,500	(1,175)	-0.1%
Total Debt Service	2,969,211	2,875,996	2,937,209	2,356,946	(580,263)	-19.8%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
General Fund						
Total	10,186,806	11,131,078	11,670,617	11,631,920	(38,697)	-0.3%

Department: Parks and Recreation**Fund: Parks Assistance**

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Personal Services						
Regular Salaries	16,442	16,442	66,080	66,080	0	0.0%
Temporary Salaries	110,209	110,209	255,757	255,757	0	0.0%
Social Security	7,789	7,789	19,662	19,662	0	0.0%
Medicare Tax	1,822	1,822	4,599	4,599	0	0.0%
Hospitalization	6,163	6,163	32,858	32,858	0	0.0%
Life Insurance	84	84	327	327	0	0.0%
Pension Healthcare	1,148	1,148	6,952	6,952	0	0.0%
State Pension Plan - Civilian	920	920	3,621	3,621	0	0.0%
Total Personal Services	144,577	144,577	389,856	389,856	0	0.0%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Materials, Supplies, and Equipment						
Transportation	14,847	14,847	13,832	13,832	0	0.0%
Rentals	7,089	7,089	5,825	5,825	0	0.0%
Professional Fees	162,390	162,390	0	0	0	0.0%
Miscellaneous Services	2,204	2,204	98,257	98,257	0	0.0%
Wearing Apparel and Safety	4,820	4,820	1,914	1,914	0	0.0%
Misc. Mat., Supp., and Parts	995,136	995,136	773,794	773,794	0	0.0%
Equipment	31	31	0	0	0	0.0%
Total M.S.&E.	1,186,517	1,186,517	893,622	893,622	0	0.0%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Parks Assistance Fund						
Total	1,331,094	1,331,094	1,283,478	1,283,478	0	0.0%

Department: Parks and Recreation**Fund: Parks Trust**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	59,942	59,942	60,406	60,406	0	0.0%
Pension Contribution	16,165	16,165	16,249	16,249	0	0.0%
Social Security	3,452	3,452	3,474	3,474	0	0.0%
Medicare Tax	807	807	812	812	0	0.0%
Hospitalization	27,609	27,609	28,352	28,352	0	0.0%
Life Insurance	234	234	240	240	0	0.0%
Pension Healthcare	4,062	4,062	4,493	4,493	0	0.0%
Total Personal Services	112,271	112,271	114,026	114,026	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Materials, Supplies, and Equipment	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Communications and Utilities	1,750	1,750	1,750	1,750	0	0.0%
Total M.S.&E.	1,750	1,750	1,750	1,750	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Internal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Self-Insurance	2,455	2,455	2,516	2,516	0	0.0%
Total Internal Services	2,455	2,455	2,516	2,516	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Parks Trust Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	116,476	116,476	118,292	118,292	0	0.0%

Department: Parks and Recreation**Fund: Workforce Investment Board (WIB)**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Temporary Salaries	553,192	553,192	814,589	814,589	0	0.0%
Social Security	14,716	14,716	53,440	53,440	0	0.0%
Medicare Tax	2,794	2,794	6,554	6,554	0	0.0%
Total Personal Services	570,702	570,702	874,583	874,583	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Workforce Investment Board (WIB)	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	570,702	570,702	874,583	874,583	0	0.0%

DEPARTMENT OF FIRE

The mission of the Fire Department is to create a safe environment and enhance quality of life by working in partnership with the citizens of Wilmington and by providing an effective and professional response to all man-made or natural hazards with well-trained emergency services personnel.

PRIORITIES FOR FISCAL YEAR 2027	
• Replace fire apparatus according to recommended replacement cycle. • Continue free smoke and carbon monoxide alarm programs for seniors and needy citizens. • Increase public education programs, targeting senior citizens and children. • Begin a recruit class any time uniformed staffing falls below 95% of authorized strength. • Continue the officer development program.	

SUMMARY OF FUNDING FOR THE DEPARTMENT OF FIRE

Total All Funds Fire Department*	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	25,801,543	28,114,452	29,353,649	34,052,523	4,698,874	16.0%
Materials, Supplies, and Equipment	2,994,314	1,984,825	2,424,830	2,291,870	(132,960)	-5.5%
Internal Services	2,621,049	3,355,000	3,050,115	3,267,489	217,374	7.1%
Debt Service	1,519,077	1,382,508	1,404,862	1,389,072	(15,790)	-1.1%
Total	32,935,983	34,836,785	36,233,456	41,000,954	4,767,498	13.2%
Staffing Levels	160.00	160.00	191.00	203.00	12.00	6.3%

General Fund Fire Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	20,492,566	21,659,306	24,433,382	27,597,377	3,163,995	12.9%
Materials, Supplies, and Equipment	2,556,066	1,984,825	2,226,830	2,093,870	(132,960)	-6.0%
Internal Services	2,621,049	3,355,000	3,050,115	3,267,489	217,374	7.1%
Debt Service	1,519,077	1,382,508	1,404,862	1,389,072	(15,790)	-1.1%
Total	27,188,758	28,381,639	31,115,189	34,347,808	3,232,619	10.4%
Staffing Levels	160.00	160.00	191.00	203.00	12.00	6.3%

* Differs from Summary of All Funds Combined – Expenditures table on page 45 due to the inclusion of State Pension Contributions.

State Pension Contribution Fire Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	5,308,977	6,455,146	4,920,267	6,455,146	1,534,879	31.2%
Total	5,308,977	6,455,146	4,920,267	6,455,146	1,534,879	31.2%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

State Fire Grant Fire Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Materials, Supplies, and Equipment	438,248	0	198,000	198,000	0	0.0%
Total	438,248	0	198,000	198,000	0	0.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND**

- Due to the combined effects of EMS services being brought in-house, along with the reduction in employee work hours due to the transition to a 24 hours on / 72 hours off schedule (as per the recently approved union contract), existing staffing has proved insufficient to maintain required minimum manning without reliance on overtime. This has placed significant burdens on existing employees, and resulted in overtime usage that is projected to be higher than budgeted (with overtime currently trending to approximately \$2.9 million in FY 2026, or \$1.3 million over budget). Consequently, for FY 2027 the Fire Department has requested an additional twelve Firefighter / EMT positions, increasing authorized strength to 198. Total net costs associated with this change are \$203,256, which includes:
 - Base salaries and benefits costs, net of attrition, of \$970,359;
 - Materials, supplies, and equipment (MS&E) costs of \$204,054, which includes \$137,340 for protective equipment (in Wearing Apparel and Safety Supplies), \$42,488 for hiring and training (in Registration Fees), and \$24,226 in station wear (in Uniforms and Related Equipment);
 - \$92,060 in increased Workers' Compensation costs;
 - The avoidance of \$1,063,217 in overtime spending, which was projected to have occurred had the additional twelve positions not been added.
- Exclusive of the twelve new Firefighter / EMTs, Regular Salaries are budgeted to increase by a net \$827,387, or 5.3%, based on estimated cost of living adjustments and mandatory step increases.
- Total Overtime is budgeted at nearly \$2.1 million, up \$568,397 (or 37.4%) relative to the FY 2026 budget, but down 24.9% from the FY 2026 Q2 Expenditure Review projection. This increase reflects the overtime utilization seen in FY 2026 adjusted for base salary increases (as per the union contract), net of expected savings due to the twelve new Firefighter / EMT positions.
- Exclusive of the additional twelve Firefighter / EMTs and the State Pension Contribution passthrough, Employee Benefits are up a net \$413,542, or 5.4%. This increase is driven mainly by a \$455,634 increase to the State Fire Pension, due to both a 13.6% increase in the pension rate, as well as an expanded salary base due to new hires and contractual salary increases. Partially offsetting this is a \$90,490 (or 2.2%) reduction in healthcare costs, reflecting lower-than-budgeted health insurance costs among recent new hires.
- The State Pension Contribution passthrough, which acts as an offset to City Pension contribution requirements, is budgeted to increase by \$1.5 million, consistent with FY 2025 actuals and expected FY 2027 revenues.
- Collection Expenses – EMS Fees are budgeted to be \$371,000, an increase of \$81,000, or 27.9%. (Related revenues are projected to grow, on a budget-to-budget basis, by \$2.8 million, or 109.9%.) Of this increase, \$53,000 is related to providing third-party assistance to the civilian EMS Manager in order to assure compliance with Medicare, Medicaid, and private insurance legal requirements; the remainder is due to increases in collection fees for Speclin, the City's EMS billing contractor.
- Medical Supplies (previously budgeted in Wearing Apparel and Safety Supplies) are budgeted at \$174,500, up \$50,000 from FY 2026. This increase includes an additional \$25,000 for EMS supplies, along with \$23,000 for Stryker stretcher and stairchair maintenance.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND (CONTINUED)**

- Electricity costs are up \$24,597, or 18.5%, reflecting higher Delmarva Power electricity rates.
- Registration Fees are down a net \$42,496, due to the elimination of one-time costs associated with initial EMS implementation which occurred in FY 2026.
- Consultants costs are down \$144,000, mainly due to a savings of \$164,750 as FY 2027 is an off-year for the biennial promotional process. This is partially offset by an increase of nearly \$20,000 to the annual firefighter health program.
- Excluding the costs associated with the twelve new Firefighter / EMTs, total Wearing Apparel and Safety Supplies costs are down a net \$391,029. This reduction is driven by the elimination of several one-time FY 2026 purchases, including \$342,000 for turnout gear and \$135,000 for personal protective equipment and EMS startup supplies (with \$125,000 of these costs moved to Medical Supplies, see above). These savings are partially offset by a nearly \$47,000 increase in protective equipment costs for recruits, along with a \$40,000 increase to purchase twenty replacement SCBA bottles.

DEPARTMENT OF FIRE

Strategic Plan

The Wilmington Fire Department is a career, professional fire department established in 1921. The department currently maintains six engine companies, two ladder companies, and a marine fire fighting force. The department is divided into two functional divisions, each under the command of a Deputy Chief: the Operations Division and the Administrative Division.

Department officials have shown their commitment to providing the best emergency services delivery through the promotion of implementation of National Fire Protection Agency standards, continuous training, active involvement with community associations, and implementation of a Customer Satisfaction Survey.

Current data for the goals and objectives listed below can be found on the Fire Department OpenGov story page at <http://bit.ly/WDe31OG>.

Focus Area: Public Safety

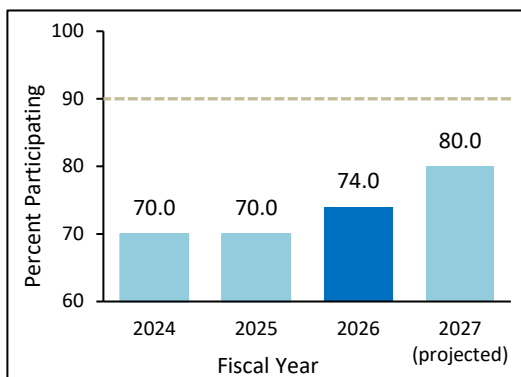
CITY-WIDE GOAL #7: Promote Professionalism.

Objective 1: Implement a physical fitness training program for firefighters and reduce firefighter injuries. The Department is striving to promote professionalism and enhance public safety by ensuring that all firefighters are well trained and in peak physical condition. The implementation of a physical fitness program and an injury reduction program will help promote a healthy, well-prepared workforce while also reducing time off for sickness and injury.

% of Firefighters Participating in Fitness Training

NEEDS FOCUS

Target: Above 90%

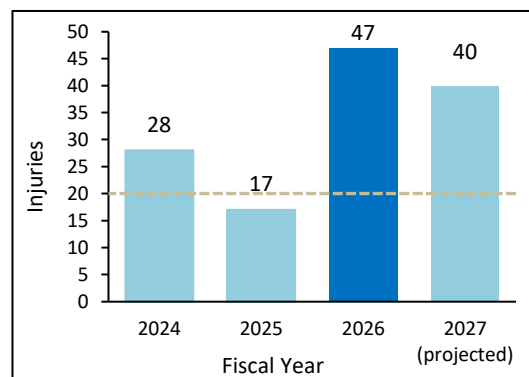


74.0%
as of May 31, 2026

Number of Injuries Sustained by Firefighters

NEEDS FOCUS

Target: Below 20



47 Injuries
as of May 31, 2026

DEPARTMENT OF FIRE

Strategic Plan

Focus Area: Public Safety

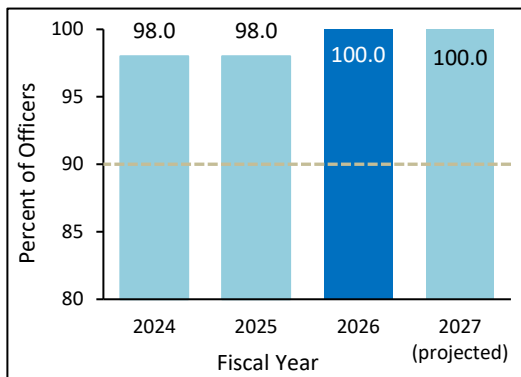
CITY-WIDE GOAL #7: Promote Professionalism.

Objective 2: Ensure all Battalion Chiefs, Captains and Lieutenants complete National Fire Protection Association (NFPA) Fire Officer I, II, and III designation.

Percent of Officers Completing Fire Officer I Training

ON TARGET

Target: Above 90%

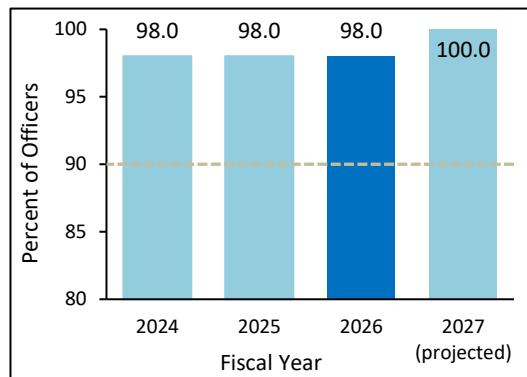


100.0%
as of May 31, 2026

Percent of Officers Completing Fire Officer II Training

ON TARGET

Target: Above 90%

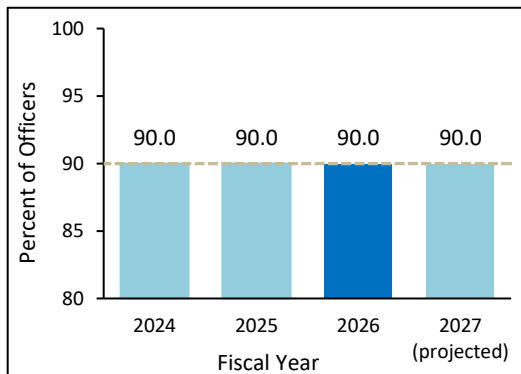


98.0%
as of May 31, 2026

Percent of Officers Completing Fire Officer III Training

ON TARGET

Target: Above 90%



90.0%
as of May 31, 2026

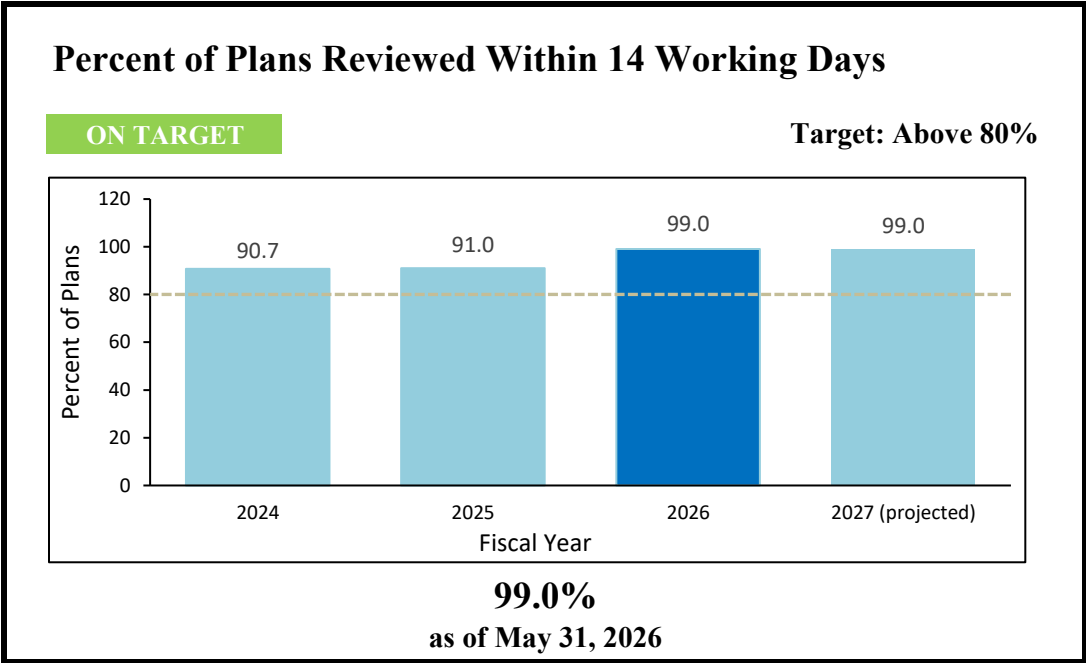
DEPARTMENT OF FIRE

Strategic Plan

Focus Area: Economic Vitality

CITY-WIDE GOAL #9: Streamline Permitting Process.

Objective 1: Achieve and maintain a fourteen-working-day turnaround for the plan review permitting process.



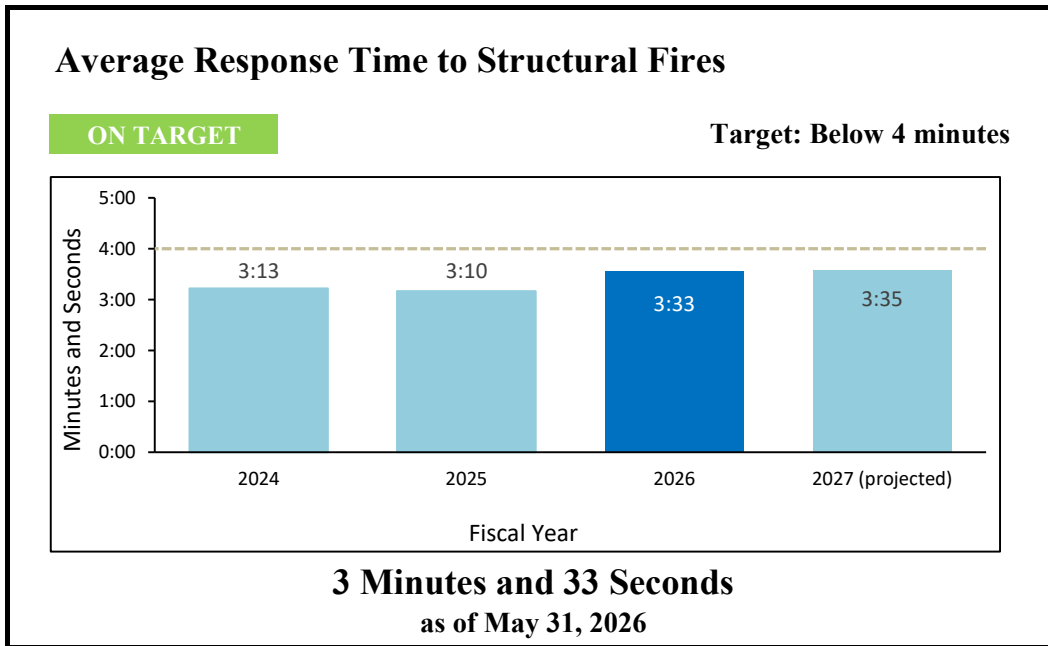
DEPARTMENT OF FIRE

Strategic Plan

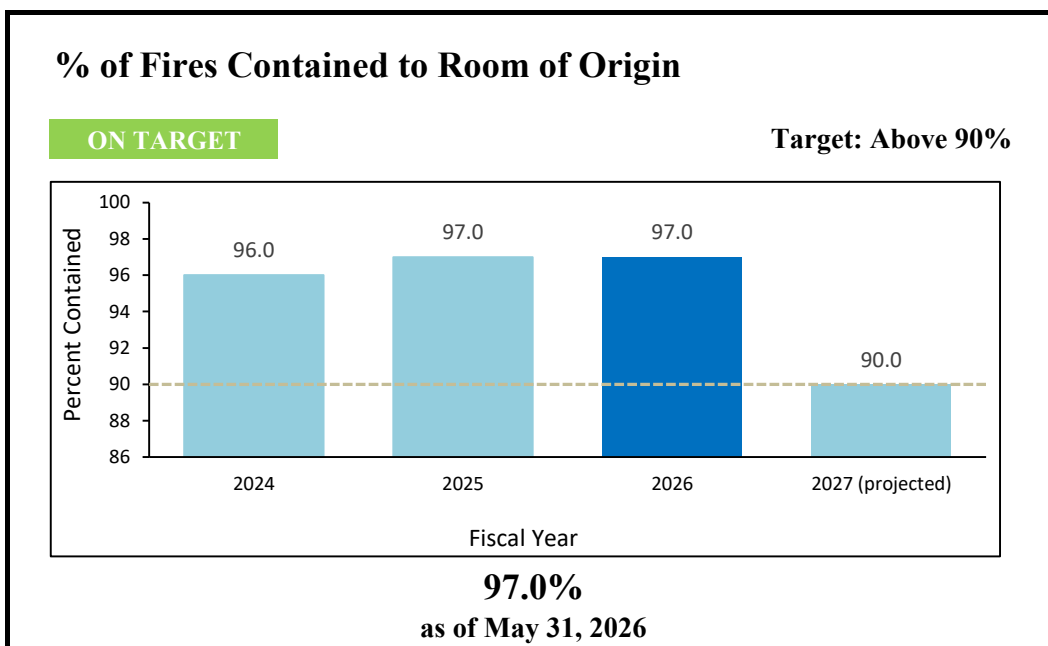
Focus Area: Quality of Life

CITY-WIDE GOAL #15: Enhance City Services.

Objective 1: Achieve a response time from dispatch to arrival of four minutes for the first arriving unit per National Fire Protection Agency Standard 1710.



Objective 2: Keep at least 90% of structural fires to room of origin, which significantly reduces damage to the affected structure and adjoining properties.



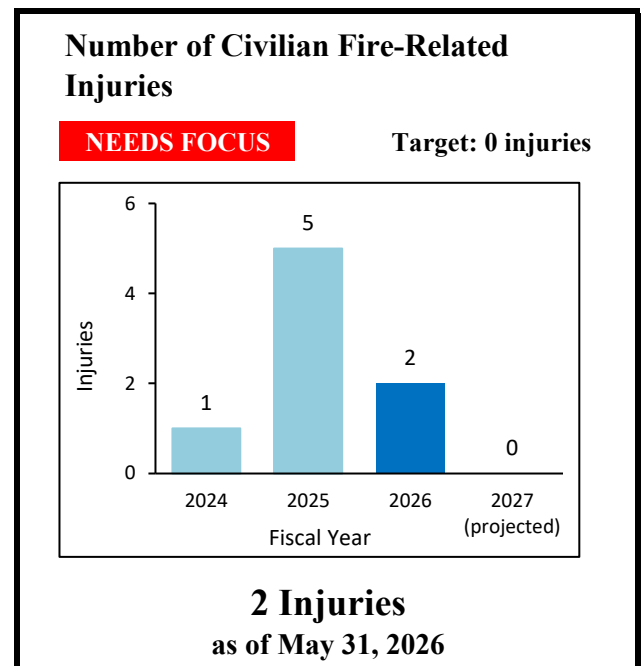
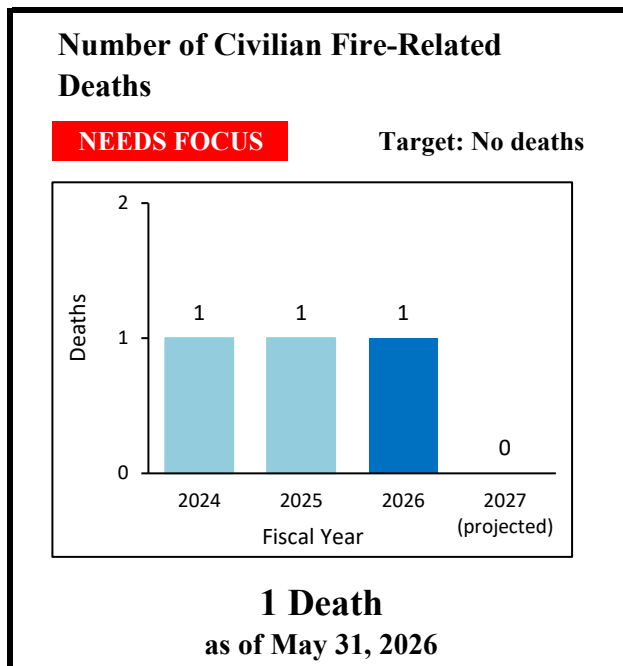
DEPARTMENT OF FIRE

Strategic Plan

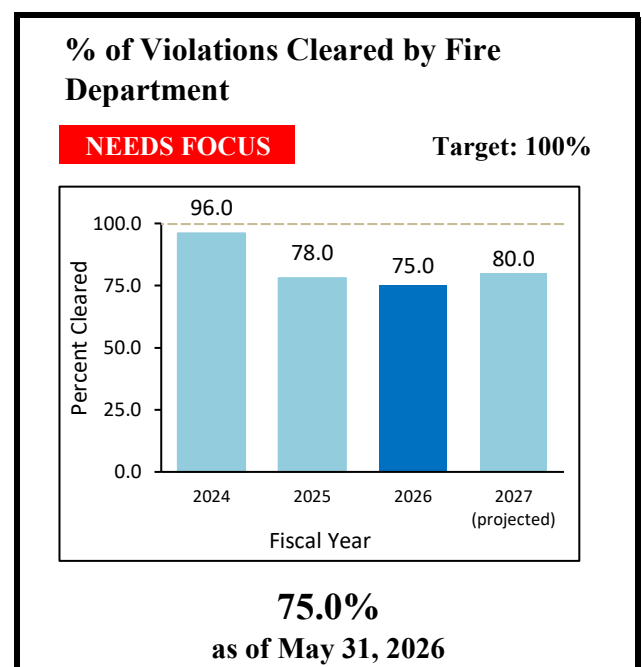
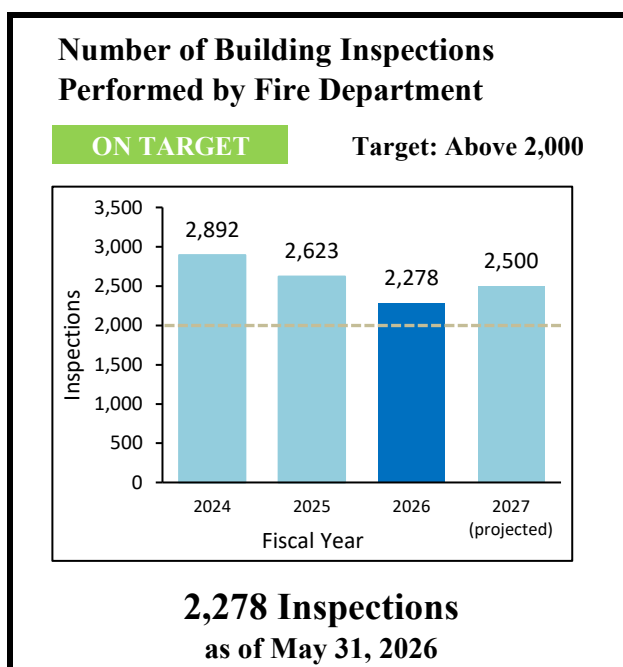
Focus Area: Quality of Life

CITY-WIDE GOAL #15: Enhance City Services.

Objective 3: Reduce civilian fire-related deaths and injuries to zero.



Objective 4: Increase building inspections and clear 100% of violations found during inspection.



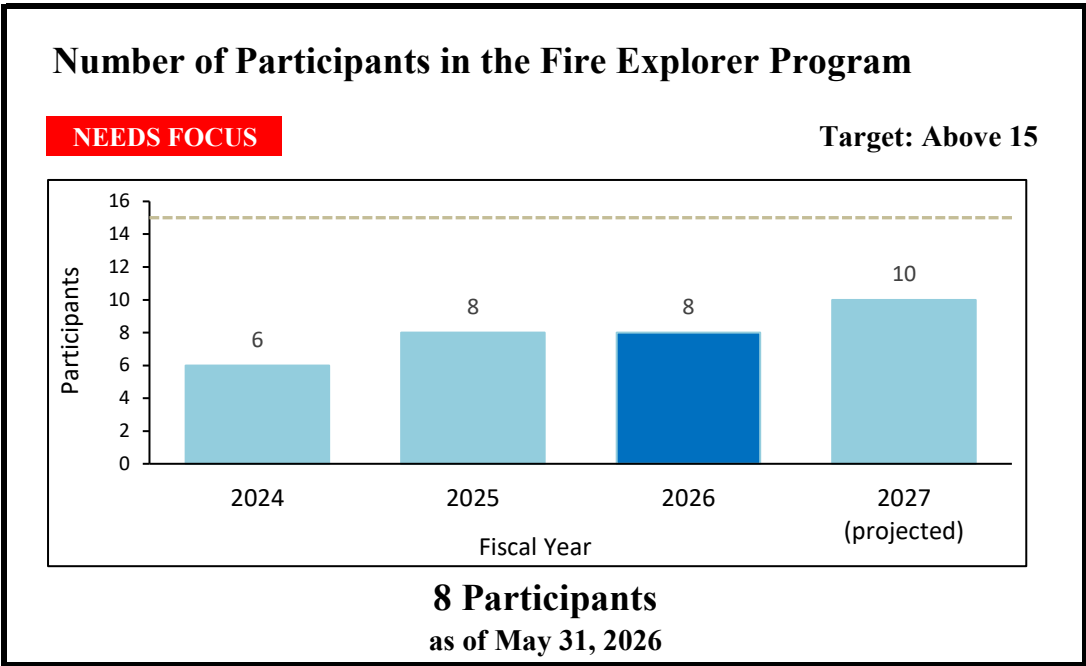
DEPARTMENT OF FIRE

Strategic Plan

Focus Area: Quality of Life

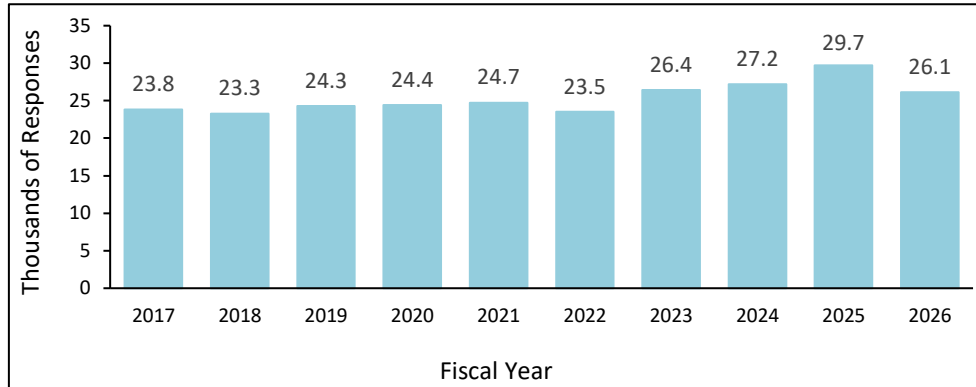
CITY-WIDE GOAL #16: Inspire Young People to Achieve Success.

Objective 1: Increase involvement in the Fire Explorer program. Involving youth with the Explorer Program will assist young people ages 14-20 in choosing a career in the emergency services field. Six members of the Wilmington Fire Department Explorer Post 100 have been hired as Wilmington Firefighters over the past several years.



DEPARTMENT OF FIRE Performance Trends

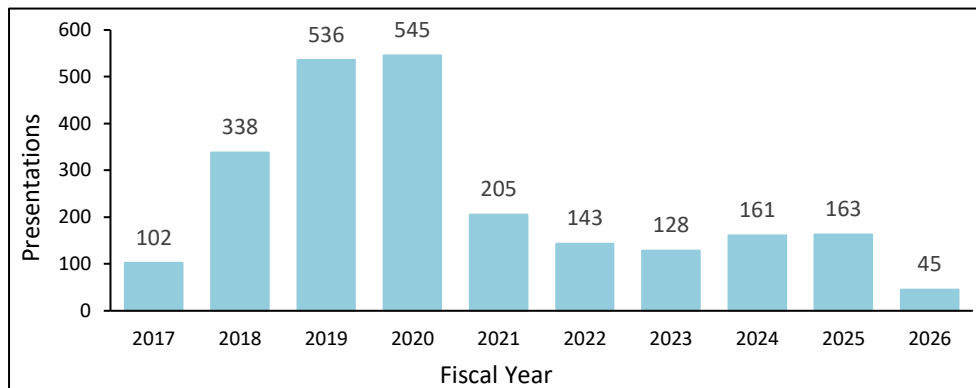
Total Fire Department Responses



26,053 Responses
as of May 31, 2026

Total responses includes those for engine and ladder companies, rescue and ambulance units, and marine fire units.

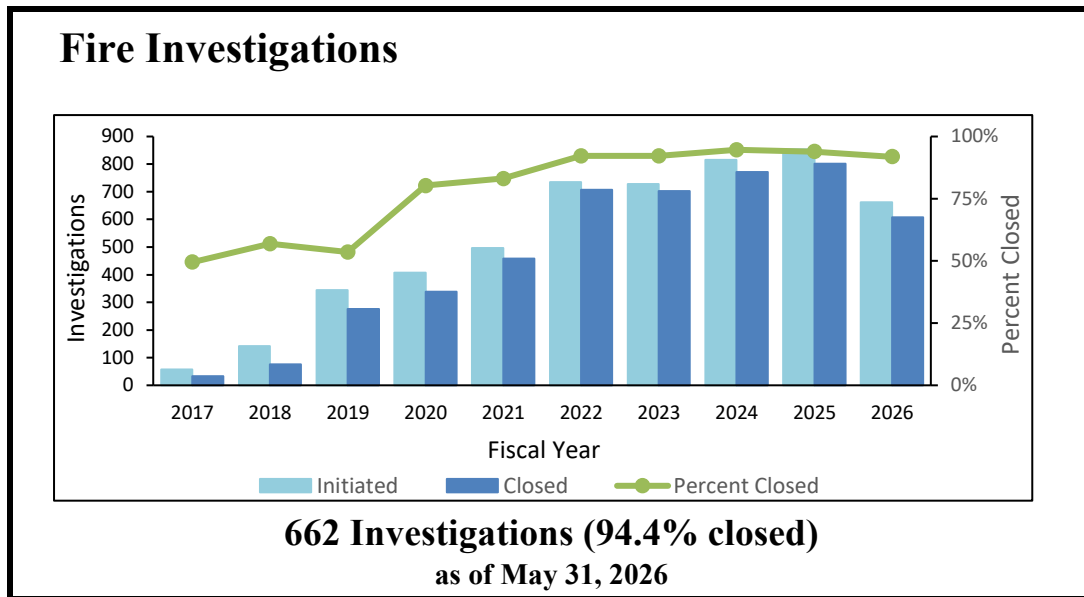
Public Education Programs



45 Presentations
as of May 31, 2026

Public education through group prevention presentations is one of the Department's goals and contributes to fire safety. An Administration change temporarily resulted in fewer presentations in FY 2017. Public education programs were reduced post- FY 2020 due to COVID.

DEPARTMENT OF FIRE Performance Trends



The Prevention Division is responsible for investigating fires to determine cause. The increases beginning in FY 2019 are due to additional training regarding when investigations should be initiated.

Department: Fire
Fund: General

Personal Services	Actual FY 2023	Actual FY 2024	Budget FY 2025	Budget FY 2026	\$ Change FY'26-'25	% Change FY'26-'25
Regular Salaries	12,132,101	12,990,539	13,815,206	15,652,741	1,837,535	13.3%
Acting Out Of Classification	33,032	23,198	36,000	41,800	5,800	16.1%
Overtime	1,346,180	1,489,279	1,334,000	1,520,000	186,000	13.9%
Holiday Pay	26,347	25,890	28,000	30,500	2,500	8.9%
Special Events Overtime	0	2,178	0	0	0	0.0%
Standby Pay	327	34,362	32,000	32,800	800	2.5%
Health Cash Back	9,500	7,934	7,200	9,600	2,400	33.3%
Pension Contribution	43,740	53,460	54,820	51,664	(3,156)	-5.8%
Social Security	13,035	14,903	14,628	19,871	5,243	35.8%
Medicare Tax	183,370	200,840	211,893	241,765	29,872	14.1%
Hospitalization	3,129,825	3,281,744	3,229,307	4,061,823	832,516	25.8%
Life Insurance	36,352	38,670	38,400	45,840	7,440	19.4%
State Pension Plan - Police/Fire	1,305,947	1,604,001	2,014,052	2,328,747	314,695	15.6%
Pension Healthcare	687,948	721,978	724,960	948,506	223,546	30.8%
State Pension Plan - Civilian	3,407	3,590	3,753	7,901	4,148	110.5%
Attrition	0	0	(197,872)	(560,176)	(362,304)	183.1%
Total Personal Services	18,951,111	20,492,566	21,346,347	24,433,382	3,087,035	14.5%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	7,766	6,717	8,643	8,595	(48)	-0.6%
Communications and Utilities	124,150	111,488	132,751	156,348	23,597	17.8%
Transportation	12,761	24,013	31,000	31,000	0	0.0%
Rentals	0	0	3,000	3,000	0	0.0%
Contracted Maintenance	97,077	184,823	158,000	179,000	21,000	13.3%
Professional Fees	230,855	120,642	332,750	188,750	(144,000)	-43.3%
Memberships and Registrations	97,895	46,781	184,496	142,000	(42,496)	-23.0%
Miscellaneous Services	250,510	267,484	510,553	573,553	63,000	12.3%
Office and General Supplies	33,498	32,615	45,800	220,300	174,500	381.0%
Wearing Apparel and Safety	171,974	621,923	749,537	521,024	(228,513)	-30.5%
Misc. Mat., Supp., and Parts	34,003	40,695	44,000	44,000	0	0.0%
Construction and Repairs	1,729	2,000	2,000	2,000	0	0.0%
Equipment	33,758	19,309	14,300	14,300	0	0.0%
Community Activities	1,460,090	506,335	10,000	10,000	0	0.0%
Total M.S.&E.	2,556,066	1,984,825	2,226,830	2,093,870	(132,960)	-6.0%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	994,207	1,119,644	1,668,064	1,734,786	66,722	4.0%
Self-Insurance	1,626,842	2,235,356	1,382,051	1,532,703	150,652	10.9%
Total Internal Services	2,621,049	3,355,000	3,050,115	3,267,489	217,374	7.1%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	1,067,231	969,901	983,560	901,536	(82,024)	-8.3%
Interest Payments	451,846	412,607	421,302	487,536	66,234	15.7%
Total Debt Service	1,519,077	1,382,508	1,404,862	1,389,072	(15,790)	-1.1%

Department: Fire**Fund: General**

	Actual	Actual	Budget	Budget	\$ Change	% Change
General Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	27,188,758	28,381,639	31,115,189	34,347,808	3,232,619	10.4%

Department: Fire**Fund: State Pension Contributions**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
State Pension Contribution	5,308,977	6,455,146	4,920,267	6,455,146	1,534,879	31.2%
Total Personal Services	5,308,977	6,455,146	4,920,267	6,455,146	1,534,879	31.2%

Department: Fire**Fund: State Fire Grant**

Materials, Supplies, and Equipment	Actual	Actual	Budget	Budget	\$ Change	% Change
	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Contracted Maintenance	375,018	0	75,000	75,000	0	0.0%
Memberships and Registrations	10,584	0	33,000	33,000	0	0.0%
Wearing Apparel and Safety	0	0	75,000	75,000	0	0.0%
Misc. Mat., Supp., and Parts	52,646	0	0	0	0	0.0%
Fixed Assets	0	0	15,000	15,000	0	0.0%
Total M.S.&E.	438,248	0	198,000	198,000	0	0.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
State Fire Grant	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	438,248	0	198,000	198,000	0	0.0%

DEPARTMENT OF POLICE

The mission of the Police Department is to work in partnership with our fellow citizens, raise the level of public safety through law enforcement, and thereby reduce the fear and instance of crime. To achieve this, the Department will promote trust between the people and those responsible for their public safety, recognizing and communicating that it is everybody's responsibility to protect and respect all individuals.

PRIORITIES FOR FISCAL YEAR 2027

- Continue to reduce crime and shooting incidents.
- Continue to enhance public trust through police legitimacy and procedural justice.
- Improve performance through organizational discipline, accountability, communication, and personnel training and development.
- Maintain a heightened state of awareness and preparedness while working with partner law enforcement agencies.
- Continue to build and strengthen relationships with the community we serve, while also leveraging partnerships with resource providers to help address unmet needs in our neighborhoods.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF POLICE

Total All Funds Police*	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	53,949,542	59,978,776	58,837,574	61,148,371	2,310,797	3.9%
Materials, Supplies, and Equipment	4,896,552	4,734,374	4,888,126	5,328,634	440,508	9.0%
Internal Services	8,178,444	8,803,678	6,330,861	6,585,793	254,932	4.0%
Debt Service	291,945	145,871	136,515	102,902	(33,613)	-24.6%
Total	67,316,483	73,662,699	70,193,076	73,165,700	2,972,624	4.2%
Staffing Levels	374.00	366.00	367.00	367.00	0.00	0.0%

General Fund Police	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	50,116,823	55,830,846	55,885,443	57,436,547	1,551,104	2.8%
Materials, Supplies, and Equipment	3,951,765	3,808,117	4,888,126	5,328,634	440,508	9.0%
Internal Services	8,178,444	8,803,678	6,330,861	6,585,793	254,932	4.0%
Debt Service	291,945	145,871	136,515	102,902	(33,613)	-24.6%
Total	62,538,977	68,588,512	67,240,945	69,453,876	2,212,931	3.3%
Staffing Levels	366.00	358.00	361.00	361.00	0.00	0.0%

* Differs from Summary of All Funds Combined – Expenditures table on page 45 due to the inclusion of State Pension Contributions.

State Pension Contribution Police	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,300,225	2,150,077	2,300,225	2,150,077	(150,148)	-6.5%
Total	2,300,225	2,150,077	2,300,225	2,150,077	(150,148)	-6.5%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

SALLE / Other Grants Police	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	1,532,494	1,997,853	651,906	1,561,747	909,841	139.6%
Materials, Supplies, and Equipment	944,787	926,257	0	0	0	0.0%
Total	2,477,281	2,924,110	651,906	1,561,747	909,841	139.6%
Staffing Levels	8.00	8.00	6.00	6.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR GENERAL FUND

- Relative to the FY 2026 budget (and excluding the State Pension Contribution passthrough), total General Fund Police Department Personal Services costs increased by a net \$1.6 million, or 2.8%. General Fund FTEs remained unchanged at 361, net of two additions and two deletions. Total General Fund sworn officers remained level, at 299 (with the all-funds total unchanged at 305). Major staffing changes (all of which were part of the mid-year FY 2026 budget amendment) include:
 - Two additions, a Victim Services Specialist (increase of \$112,179) and a Communications and Marketing Coordinator (increase of \$151,109);
 - Two deletions, a Criminal Records Coordinator (savings of \$87,866) and an Administrative Clerk II (savings of \$86,282);
 - The Police Policy and Communication Director was retitled to Police Department Chief Administrative Officer, with no grade or salary change.
- Regular Salaries are budgeted to increase by a net \$474,857, exclusive of the position changes listed above. This includes the effects of an estimated 2.5% cost-of-living adjustment (COLA) and mandatory step increases, net of savings due to vacancies and retirements of higher-paid senior officers.
- Total Overtime costs are budgeted to increase by \$45,000, reflecting recent overtime usage trends.
- Excluding the State Pension Contribution passthrough, total Employee Benefits are budgeted to increase by a net \$1.7 million, or 10.2%. The largest element of this change is a \$1.0 million increase to hospitalization (based on increased City-wide medical costs). In addition, State Pension costs are projected to increase \$721,276, reflecting both a 13.6% increase to the State Police Pension rate, as well as an expanded salary base due to new hires and contractual salary increases.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND (CONTINUED)**

- The State Pension Contribution passthrough, which acts as an offset to City Pension contribution requirements, is budgeted to decrease by \$150,148, consistent with FY 2025 actuals and expected FY 2027 revenues.
- Attrition, which acts as an offset to budgeted Personal Services to account for vacancies, is budgeted to increase by nearly \$799,000, to a new total of nearly \$1.8 million; this better reflects actual vacancy levels (both sworn and civilian) experienced by the Department.
- Costs associated with the Axon body camera and taser contract are budgeted to grow to \$1.6 million, an increase of nearly \$1.1 million, or 86.1%, relative to FY 2026. (This is net of a \$1.3 million increase in Contracted Maintenance Services, where the combined body camera and taser contract is budgeted in FY 2027, minus a \$220,000 decrease to Uniforms and Related Equipment, where tasers were budgeted in FY 2026.) FY 2027 is year two of a five-year contract with Axon, with expected costs of \$1.6 million annually going forward.
- Total net Consultants costs are down \$686,605, or 59.8%, compared to FY 2026, largely due to three changes. First, Real-Time Crime Center camera operations will be brought in-house and will no longer be performed by consultants, for a savings of \$412,000. Second, FY 2027 is an off-year for the biennial promotional process, for a savings of \$275,000. Finally, \$150,000 previously budgeted for the implementation of Telestaff scheduling software has been eliminated, with scheduling functions now handled by the City's existing UKG software. These decreases were partially offset by a \$150,000 increase to expand the Crisis Assistance Response and Engagement (CARE) unit which pairs officers with mental health professionals to respond to incidents involving individuals experiencing a behavioral health crisis.
- Building or Land Rental includes an additional \$155,000 to rent office and training space at 400 N. Walnut Street. Previously, \$204,000 for this had been budgeted in Other Noncapitalized Equipment, for a net savings of \$49,000 relative to the FY 2026 budget.
- Other smaller changes include a \$31,626 (or 15.1%) for Electricity, due to higher Delmarva Power electricity rates; a \$27,725 increase in Computer Software – Capital for street mapping software; a \$23,699 (or 6.5%) increase in the Asset Management contract to support the Public Safety Building; and a net \$33,613 decrease in Debt Service, based on decreases to the existing debt service schedule net of new debt associated with the FY 2026 borrowing.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
SPECIAL FUNDS**

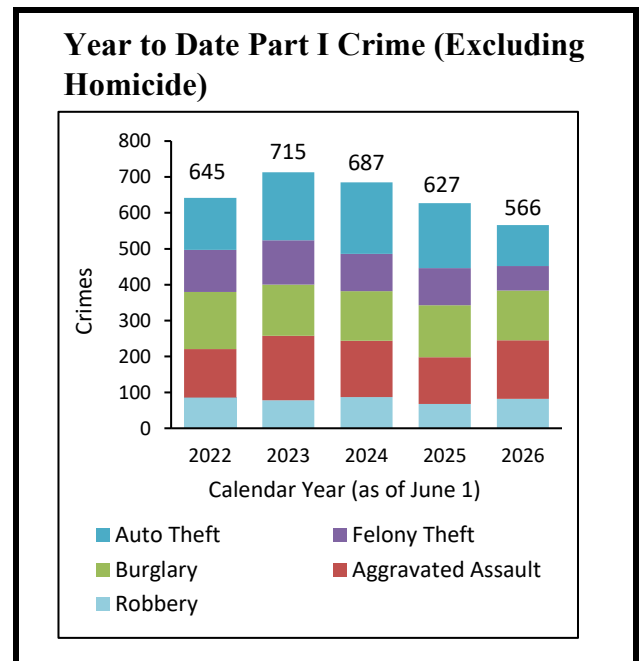
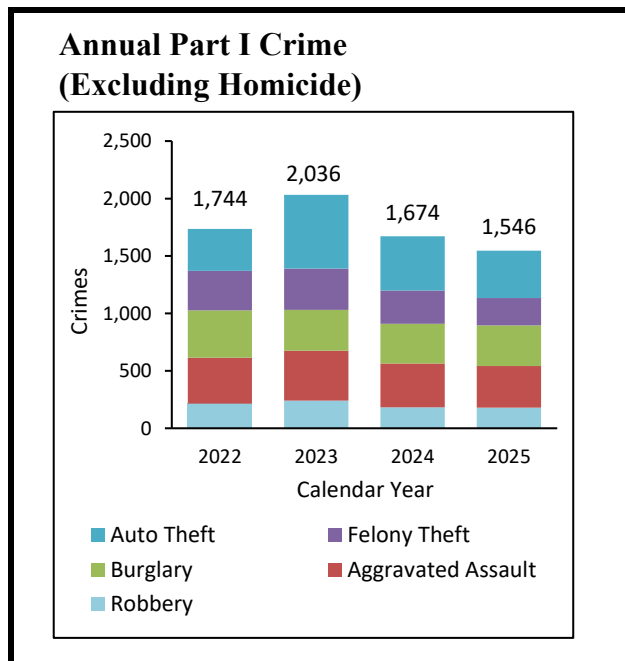
- Relative to the FY 2026 budget, total Special Fund Police Department Personal Services costs increased by \$909,841, reflecting steps, COLAs, and pension rate increases, along with a reallocation to better match historical actuals. Total Special Fund FTEs remained unchanged at six, all of which are sworn officers.

DEPARTMENT OF POLICE

Performance Trends

The Wilmington Police Department provides citizens with weekly data-driven performance measurements for the Wilmington Police Department via CompStat. This methodology, which has been used by the New York Police Department since 1994, allows the WPD to track data in near real-time, providing the department greater levels of accountability, focus, and follow-up. The data supports efficient, targeted policing across the city for all residents and visitors, is also used as a management tool for reducing crime, improving procedures and training, and providing greater transparency to the public and City officials.

Current data for the performance trends listed below can be found on the Police Department OpenGov story page at <http://bit.ly/WDe32OG>, along with the CompStat page at <http://bit.ly/WPDCompStat>.

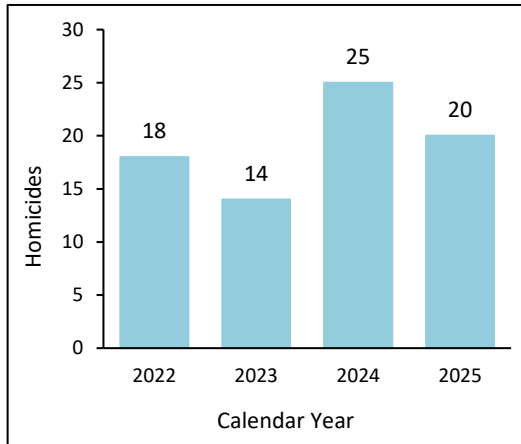


Note: CompStat tracks and reports on a calendar year, rather than a fiscal year, basis.

DEPARTMENT OF POLICE

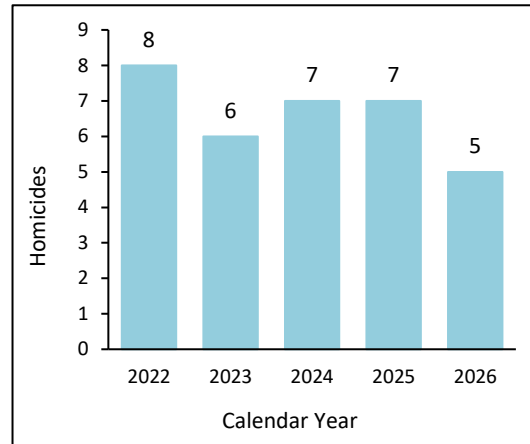
Performance Trends

Annual Homicides



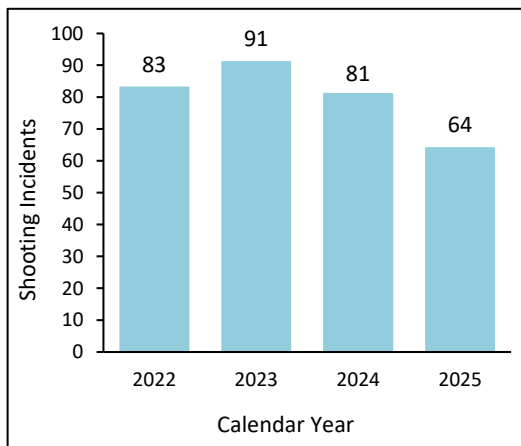
20 Homicides
as of December 31, 2025

Year to Date Homicides



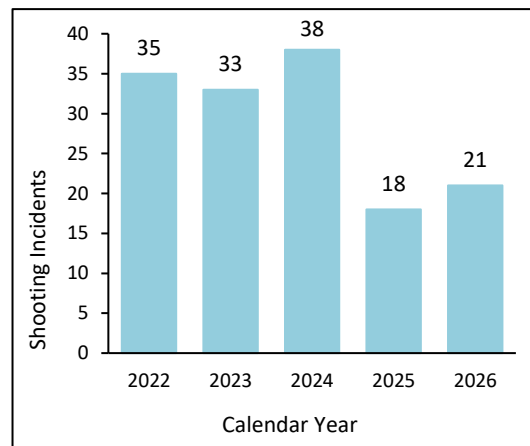
5 Homicides
as of June 1, 2026

Annual Shooting Incidents



64 Shooting Incidents
as of December 31, 2025

Year to Date Shooting Incidents

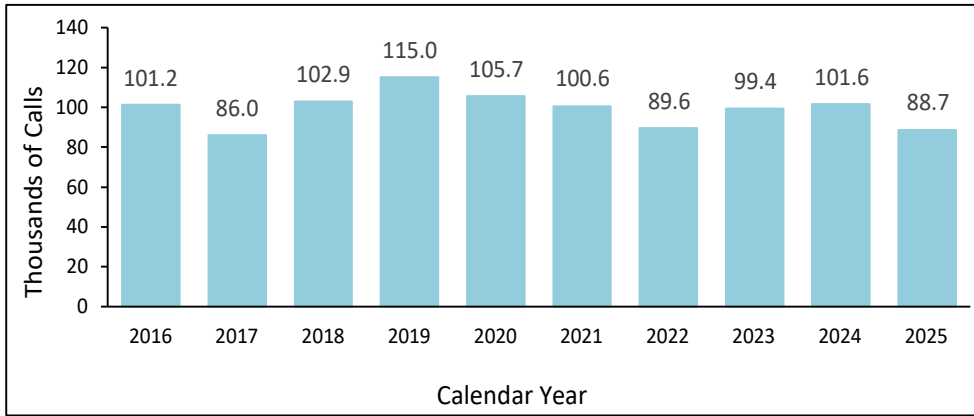


21 Shooting Incidents
as of June 1, 2026

Note: CompStat tracks and reports on a calendar year, rather than a fiscal year, basis.

DEPARTMENT OF POLICE Performance Trends

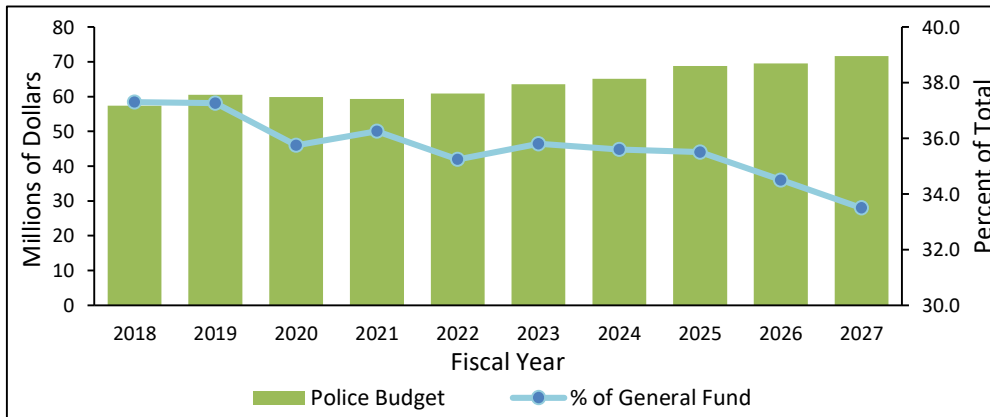
911 Calls for Service



88,663 Calls
as of December 31, 2025

The total number of calls for Police services has declined from its peak in CY 2019, consistent with broader crime trends.

Police General Fund Budget / Police Budget as Percent of Total General Fund Operating Budget



\$71.6 Million / 33.5% of Total

Police spending now accounts for a slightly smaller portion of General Fund spending, at 33.5% of the General Fund, down from 34.5% in FY 2026. In absolute terms, the Police Department budget is up nearly \$2.1 million (or 3.0%) in FY 2027, while non-Police General Fund spending is budgeted to increase by \$9.7 million (or 7.3%). Note that the FY 2020 decrease was mainly due to the transfer of the Internal Service funds to the General Fund; exclusive of this, the Police Department would have been down slightly relative to FY 2019.

Department: Police**Fund: General**

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	30,043,554	33,794,835	35,148,393	35,712,390	563,997	1.6%
Temporary Salaries	399,068	427,153	475,000	475,000	0	0.0%
Acting Out Of Classification	4,051	3,391	2,500	2,500	0	0.0%
Shift Differential	33,975	35,028	37,750	37,750	0	0.0%
Shooting Days	15,941	11,215	23,100	23,100	0	0.0%
Sick Leave Bonus	2,250	850	3,000	3,000	0	0.0%
Overtime	2,818,826	2,350,347	2,690,607	2,735,607	45,000	1.7%
Comp Time Payouts	716,373	769,488	750,000	750,000	0	0.0%
Civilian Holiday Overtime	131,673	156,282	135,000	135,000	0	0.0%
Court Overtime	23,861	18,223	23,700	23,700	0	0.0%
Special Events Overtime	443,181	521,555	494,300	494,300	0	0.0%
Meal Allowance	7,926	8,548	22,500	22,500	0	0.0%
Clothing Allowance	77,731	75,540	76,500	88,000	11,500	15.0%
Health Cash Back	19,279	11,936	11,520	9,360	(2,160)	-18.8%
Pension Contribution	3,362,683	3,463,597	2,430,846	2,340,018	(90,828)	-3.7%
Social Security	245,398	249,612	253,875	269,699	15,824	6.2%
Medicare Tax	557,048	574,139	560,143	568,776	8,633	1.5%
Hospitalization	6,077,562	7,315,013	7,077,870	8,094,362	1,016,492	14.4%
Life Insurance	84,170	82,911	86,631	86,640	9	0.0%
State Pension Plan - Police/Fire	3,296,724	4,135,182	4,642,457	5,363,733	721,276	15.5%
Pension Healthcare	1,651,524	1,709,054	1,792,726	1,827,021	34,295	1.9%
State Pension Plan - Civilian	103,575	116,947	117,227	142,788	25,561	21.8%
Personal Services Adjustment	450	0	0	0	0	0.0%
Attrition	0	0	(970,202)	(1,768,697)	(798,495)	82.3%
Total Personal Services	50,116,823	55,830,846	55,885,443	57,436,547	1,551,104	2.8%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	22,684	26,531	34,750	30,350	(4,400)	-12.7%
Communications and Utilities	248,492	171,561	217,940	249,566	31,626	14.5%
Transportation	23,154	16,015	17,600	17,600	0	0.0%
Rentals	51,173	72,654	72,416	226,793	154,377	213.2%
Contracted Maintenance	53,671	97,857	114,292	117,500	3,208	2.8%
Professional Fees	761,684	524,564	1,177,605	486,000	(691,605)	-58.7%
Other Fees	407,042	426,078	465,255	472,914	7,659	1.6%
Memberships and Registrations	81,453	113,786	113,448	123,982	10,534	9.3%
Miscellaneous Services	1,265,666	1,284,086	1,507,310	2,811,164	1,303,854	86.5%
Office and General Supplies	86,867	77,037	89,880	89,880	0	0.0%
Wearing Apparel and Safety	537,246	488,440	484,810	291,200	(193,610)	-39.9%
Misc. Mat., Supp., and Parts	203,365	266,248	312,380	302,700	(9,680)	-3.1%
Equipment	201,359	230,135	265,500	57,500	(208,000)	-78.3%
Fixed Assets	7,909	13,125	14,940	51,485	36,545	244.6%
Total M.S.&E.	3,951,765	3,808,117	4,888,126	5,328,634	440,508	9.0%

Department: Police**Fund: General**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Internal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Administrative Services	2,648,986	3,329,748	3,577,266	3,720,356	143,090	4.0%
Self-Insurance	5,529,458	5,473,930	2,753,595	2,865,437	111,842	4.1%
Total Internal Services	8,178,444	8,803,678	6,330,861	6,585,793	254,932	4.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Debt Service	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Principal Payments	231,567	92,660	87,757	40,642	(47,115)	-53.7%
Interest Payments	60,378	53,211	48,758	62,260	13,502	27.7%
Total Debt Service	291,945	145,871	136,515	102,902	(33,613)	-24.6%

	Actual	Actual	Budget	Budget	\$ Change	% Change
General Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	62,538,977	68,588,512	67,240,945	69,453,876	2,212,931	3.3%

Department: Police**Fund: State Pension Contributions**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
State Pension Contribution	2,300,225	2,150,077	2,300,225	2,150,077	(150,148)	-6.5%
Total Personal Services	2,300,225	2,150,077	2,300,225	2,150,077	(150,148)	-6.5%

Department: Police**Fund: SALLE and Other Grants**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	379,111	335,529	405,600	680,272	274,672	67.7%
Temporary Salaries	120,477	219,017	0	0	0	0.0%
Overtime	779,120	1,202,354	0	0	0	0.0%
Clothing Allowance	100	0	0	0	0	0.0%
Pension Contribution	650	2,669	0	599,648	599,648	0.0%
Social Security	5,575	10,822	0	0	0	0.0%
Medicare Tax	29,809	12,566	5,580	9,539	3,959	70.9%
Hospitalization	138,707	128,106	147,840	166,228	18,388	12.4%
Life Insurance	7,462	1,554	1,440	1,440	0	0.0%
State Pension Plan - Police/Fire	44,054	61,291	61,650	74,254	12,604	20.4%
Pension Healthcare	27,429	23,945	29,796	30,366	570	1.9%
Total Personal Services	1,532,494	1,997,853	651,906	1,561,747	909,841	139.6%

Department: Police**Fund: SALLE and Other Grants**

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	4,292	450	0	0	0	0.0%
Communications and Utilities	3,900	2,640	0	0	0	0.0%
Transportation	72,801	34,195	0	0	0	0.0%
Rentals	68,147	70,574	0	0	0	0.0%
Contracted Maintenance	3,446	1,164	0	0	0	0.0%
Professional Fees	77,629	313,906	0	0	0	0.0%
Other Fees	59,412	29,145	0	0	0	0.0%
Memberships and Registrations	51,178	35,193	0	0	0	0.0%
Miscellaneous Services	17,033	181,575	0	0	0	0.0%
Office and General Supplies	63,204	0	0	0	0	0.0%
Wearing Apparel and Safety	205,915	31,822	0	0	0	0.0%
Misc. Mat., Supp., and Parts	2,236	5,478	0	0	0	0.0%
Equipment	271,400	205,671	0	0	0	0.0%
Fixed Assets	16,546	14,526	0	0	0	0.0%
Community Activities	27,648	(82)	0	0	0	0.0%
Total M.S.&E.	944,787	926,257	0	0	0	0.0%

SALLE / Other Grants	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	2,477,281	2,924,110	651,906	1,561,747	909,841	139.6%

DEPARTMENT OF PUBLIC WORKS

The mission of the Department of Public Works is to operate and maintain infrastructure and facilities, provide superior services for our customers, and promote environmental sustainability.

The Department provides a wide array of services, including once-a-week recycling and once-a-week residential solid waste collection, treatment and distribution of high-quality drinking water, collection, and treatment of sewage, stormwater management, sweeping of all City streets, street paving and repairs, maintenance of traffic signs and signals, line striping, rodent control, snow removal, and maintenance of the City fleet and City properties.

PRIORITIES FOR FISCAL YEAR 2027

- **Public Health & Regulatory Compliance**
 - **Lead Safety & Mitigation:** Execute State Revolving Fund (SRF) main replacements with a primary focus on lead service line identification and removal and full compliance with Lead and Copper Rule sampling and filter distribution.
 - **Water Quality Protection:** Implement a comprehensive cross-connection and backflow prevention program to safeguard the potable water supply.
 - **Future Regulatory Readiness:** Plan for pending federal Environmental Protection Agency (EPA) regulations, including a year-long PFAs treatment pilot study and strategies for Delaware River nutrient compliance.
- **Critical Water & Wastewater Infrastructure**
 - **System Reliability:** Maintain a robust hydrant and valve rehabilitation program, including routine testing, painting, and elevated storage tank repairs.
 - **Drinking Water Treatment Plant Optimization:** Update water treatment plants through electrical upgrades, coagulation evaluation, pH adjustments, and advanced data collection.
 - **Wastewater Improvements:** Advance capital improvements at the wastewater treatment plant (WWTP), specifically targeting digester and electrical upgrades, and begin construction on the 11th Street dry weather sewage pumping station.
- **Transportation & Urban Vitality**
 - **Streetscape Improvement:** Continue citywide street paving, reconstruction, and the installation of ADA-compliant curb ramps.
 - **Lighting & Modernization:** Continue citywide transition to LED lighting and transition from single-space parking meters to multi-space kiosks.
 - **Roadway Management:** Enforce strict contractor compliance with the roadway cut management ordinance to preserve pavement integrity.
- **Environmental Sustainability & “Beautiful City” Initiatives**
 - **Green Infrastructure:** Expand the city’s green infrastructure programs, urban tree canopy, and greenway networks.
 - **Beautification:** Sustain the "Beautiful City Initiative" to enhance the aesthetic and environmental quality of Wilmington’s neighborhoods.

PRIORITIES FOR FISCAL YEAR 2027 (CONTINUED)

- **Modernization & Operational Efficiency**
 - **Smart Metering (AMI):** Launch the Advanced Metering Infrastructure (AMI) program, including endpoint installation and data analytics software for proactive billing resolution.
 - **Revenue Integrity:** Establish an in-house, AWWA-standard meter testing program to ensure billing accuracy and revenue protection. Evaluate and update service fees for services the water utility provides such as hydrant pressure testing, new service connections and plans review.
 - **Revise stormwater fee structure:** Determine feasibility of establishing stormwater fee based upon direct impervious surface calculation.
 - **Asset Management:** Continue developing comprehensive asset management programs to track and maintain city infrastructure efficiently.
 - **Secure Payment Processing:** Upgrade special pick-up payment workflows to ensure PCI-compliant transactions.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF PUBLIC WORKS

Total All Funds Public Works*	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	19,651,342	19,955,825	21,798,285	22,796,527	998,242	4.6%
Materials, Supplies, and Equipment	73,769,966	76,185,090	81,023,230	84,123,547	3,100,317	3.8%
Internal Services	7,860,120	9,142,813	6,494,432	6,743,329	248,897	3.8%
Debt Service	11,611,765	10,393,460	10,095,012	9,926,641	(168,371)	-1.7%
Other / Special Purpose	8,813,385	9,082,701	8,040,849	9,391,506	1,350,657	16.8%
Total	121,706,578	124,759,889	127,451,808	132,981,550	5,529,742	4.3%
Staffing Levels	225.00	222.00	219.00	220.00	1.00	0.5%

General Fund Public Works	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	10,029,953	9,980,328	10,713,165	11,154,880	441,715	4.1%
Materials, Supplies, and Equipment	9,359,754	8,996,659	10,117,947	10,887,699	769,752	7.6%
Internal Services	4,354,171	4,951,235	4,281,584	4,449,164	167,580	3.9%
Debt Service	6,181,803	5,914,619	6,005,668	6,482,559	476,891	7.9%
Total	29,925,681	29,842,841	31,118,364	32,974,302	1,855,938	6.0%
Staffing Levels	120.05	117.55	114.55	115.05	0.50	0.4%

* Differs from Summary of All Funds Combined – Expenditures table on page 45 due to Internal Service Funds being listed separately.

Water/Sewer Fund Public Works	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	9,621,389	9,975,497	11,085,120	11,641,647	556,527	5.0%
Materials, Supplies, and Equipment	52,024,942	53,706,182	57,365,604	59,334,638	1,969,034	3.4%
Internal Services	2,862,457	3,411,506	1,924,823	1,997,406	72,583	3.8%
Debt Service	5,402,484	4,463,392	4,075,821	3,441,370	(634,451)	-15.6%
Other / Special Purpose	11,204,573	12,112,801	11,204,573	12,112,801	908,228	8.1%
Total	81,115,845	83,669,378	85,655,941	88,527,862	2,871,921	3.4%
Staffing Levels	104.95	104.45	104.45	104.95	0.50	0.5%

Motor Vehicle Fund Public Works	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Materials, Supplies, and Equipment	10,644,586	12,330,172	12,369,525	12,743,408	373,883	3.0%
Internal Services	643,492	780,072	288,025	296,759	8,734	3.0%
Debt Service	27,478	15,449	13,523	2,712	(10,811)	-79.9%
Other / Special Purpose	(2,391,188)	(3,030,100)	(3,163,724)	(2,721,295)	442,429	-14.0%
Total	8,924,368	10,095,593	9,507,349	10,321,584	814,235	8.6%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Municipal Street Aid Public Works	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Materials, Supplies, and Equipment	1,740,684	1,152,077	1,170,154	1,157,802	(12,352)	-1.1%
Total	1,740,684	1,152,077	1,170,154	1,157,802	(12,352)	-1.1%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
GENERAL FUND**

- In Personal Services, the General Fund is up 0.50 FTE compared to FY 2026, with the addition of the Inventory Distribution Specialist to manage and track Public Works' equipment, parts, and tools centralized inventory warehouse. This split-funded position (50% General Fund / 50% Water/Sewer Fund) has a total General Fund cost of \$45,751, including salary and benefits.
- Personal Services increased by \$441,715 due to a \$160,855 rise in Salary and Wages driven by anniversary step increases for union and non-union employees and annual reviews for executive and managerial staff, as well as a \$310,028 increase in Employee Benefits (primarily due to rising healthcare costs, particularly hospitalization, based on projections from USI, the City's healthcare insurance consultant).
- Repairs to Buildings and Structures increased by \$547,000 due to the annual contract agreement with Asset Management. This increase covers property management, preventive maintenance, and capital improvements for the 19-year-old Municipal Services Building. The expanded budget specifically addresses aging infrastructure needs like conduit work and road replacement, while adding new contract provisions for security services and critical air intake unit repairs.
- The Communications and Utilities character level account group has increased by \$247,361, or 11.2%, based on electricity usage trends and rate increases from Delmarva Power, as well as higher Water/Sewer and Stormwater Utility costs reflecting Water/Sewer and Stormwater rate increases.
- Greenspace Maintenance increased by \$30,000 due to additional maintenance and landscaping of the Riverfront Development Corporation Gateway.
- The City/County Building utility and Asset Management costs rose by \$19,491 in Building Maintenance for the City's portion of costs to manage and maintain the City/County Building. The City and County split the costs for the building, 70% to the City and 30% to the County.
- Parking Fees decreased by 18.5%, or \$17,000, based on FY 2025 actuals, driven by cost-saving measures in fleet management, including revised eligibility for vehicle assignments, the reduction of parking garage access cards, and a decrease in the number of fleet vehicles parked at the City/County Building.
- Total Debt Service increased by \$476,891 based on the new debt service schedule which includes increases due to the recent December 2025 bond issuance.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
WATER/ SEWER FUND**

- In Personal Services, the Water/Sewer Fund is up a net 0.50 FTE compared to FY 2026, reflecting two additions and one deletion. The Utility Project Manager was eliminated and replaced with an Assistant Water Division Director (Distribution) to provide enhanced oversight of the aging distribution system and ongoing infrastructure upgrades to meet future demand. This position is fully funded by the Water/Sewer Fund. Additionally, an Inventory Distribution Specialist was added, split-funded 50% with the General Fund. These changes resulted in a net total increase of \$64,330.
- Personal Services increased by \$556,527 (5.0%) due to a \$264,923 rise in Salary and Wages driven by anniversary step increases for union and non-union employees and annual reviews for executive and managerial staff, as well as a \$291,729 increase in Employee Benefits (primarily due to rising healthcare costs, particularly hospitalization, based on projections from USI, the City's healthcare insurance consultant).
- Contracted Maintenance Services increased by \$918,356 primarily due to the Jacobs contract for operation and maintenance of the wastewater treatment plant and renewable energy biosolids facility. In addition, approximately \$56,000 was added for hydrant testing and maintenance, including repairs to seized and frozen valves.
- 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 \$282,933 relative to FY 2026, based on the Black & Veatch indirect costs model.
- Electricity costs increased by \$227,531, or 23.3%, based on electricity usage trends and rate increases from Delmarva Power.
- Bulk Chemicals increased by \$180,000 to address drinking water taste and odor concerns through additional carbon purchases and other treatment chemicals at the Porter and Brandywine Filter Plants, including chemicals required for membrane cleaning at the Brandywine Plant.
- Combined, Repairs to Water Lines and Sewer Lines increased by \$147,600 due to main breaks, valve replacement, aging infrastructure, and winter-related emergency repairs.
- The City/County Building utility costs and Asset Management contract rose by \$115,600 in the Building Maintenance account line for the City's portion of cost to manage and maintain the City/County Building. The City and County split the cost for the building, 70% to the City and 30% to the County. In addition, Repairs to Equipment decreased by \$258,000, which more than offsets the Building Maintenance increase.
- The Other Fees account group rose by a total of \$107,000 (21.4%) 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.
- Consultants increased by \$102,550, or approximately 5.0%, to support a Miscellaneous Fee Study under the Black & Veatch professional service agreement. The study will compare the City's utility fee schedule and structure with those of comparable municipalities and evaluate opportunities to align fees with the cost of providing services.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
WATER/SEWER FUND (CONTINUED)**

- Miscellaneous Charges – N.O.C. increased by \$61,500 (31.1%) largely to support the backflow solutions maintenance agreement with HydroCorp. A companion ordinance approved a \$150 fee for customers with backflow preventers to help recoup these costs.
- Total Debt Service decreased by \$634,451 based on the new debt service schedule, inclusive of the effects of the recent December 2025 bond issuance.

**MAJOR FUNDING CHANGES FROM PRIOR YEAR
MOTOR VEHICLE FUND**

- The Motor Vehicle fleet management and maintenance contract with Transdev increased due to Consumer Price Index (CPI) adjustments, resulting in a \$198,887 increase in Contracted Maintenance Services.
- Automotive Equipment increased by \$104,866 due to increased vehicle costs as part of the Motor Vehicle fleet replacement. Parks and Recreation added one 15-passenger van to support the growing transportation needs of youth programming at William Hicks Anderson Community Center (WHACC) and across the Recreation Division citywide. Public Works increased their fleet with one heavy duty truck to the Forestry Division to meet increased operational demands. The Treasurer's Office added one SUV for the City Treasurer for commuting to professional meetings and events.
- Repairs to Equipment increased by \$54,550 due to non-target repairs to fleet equipment, higher parts costs, labor expense, and vendor services.

DEPARTMENT OF PUBLIC WORKS

Strategic Plan

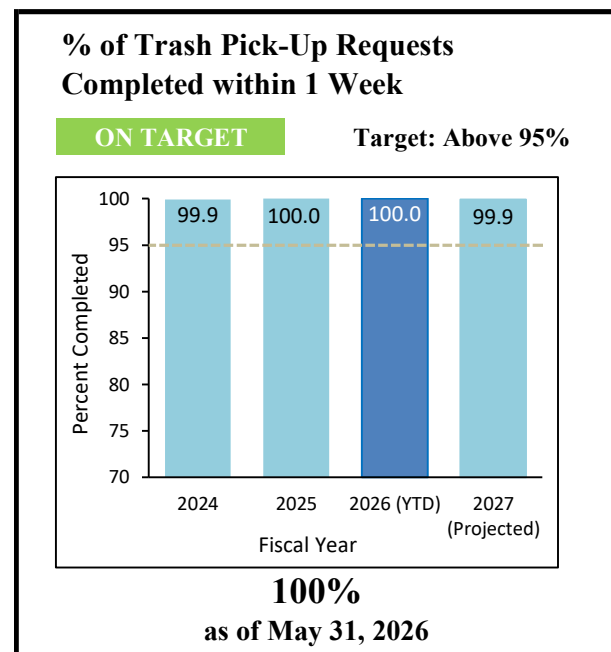
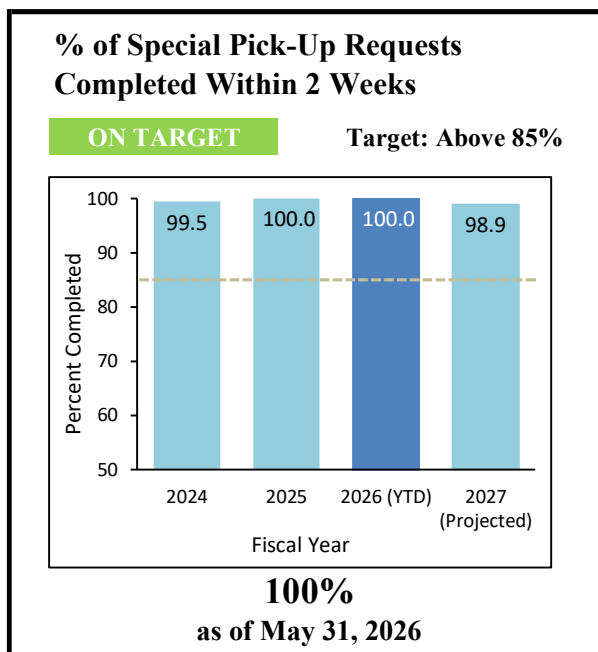
The Department of Public Works provides a wide array of essential City services, including recycling and solid waste collection; treatment and distribution of high-quality drinking water; collection and treatment of sewage; stormwater management; sweeping of all City streets; street paving and repairs; maintenance of traffic signs and signals; snow removal; and maintenance of the City fleet and City properties.

Current data for the goals and objectives listed below can be found on the Public Works OpenGov story page at <http://bit.ly/WDe22OG>.

Focus Area: Effective City Government

CITY-WIDE GOAL #1: Embrace a Culture of Service.

Objective 1: Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below



DEPARTMENT OF PUBLIC WORKS

Strategic Plan

Focus Area: Effective City Government

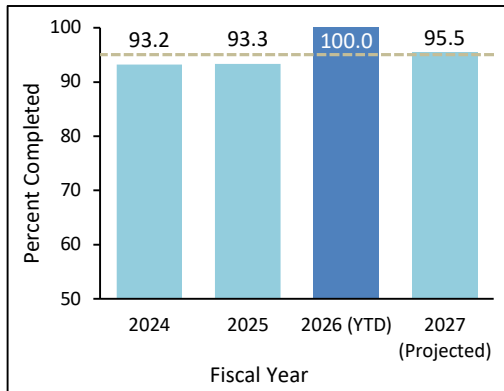
CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

Objective 1 (Cont'd): Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below

% of Pothole Requests Completed within 1 Week

ON TARGET

Target: Above 95%

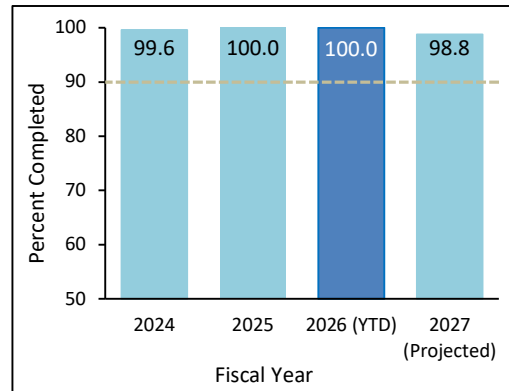


100%
as of May 31, 2026

% of Street Light Requests Completed within 48 Hours

ON TARGET

Target: Above 90%

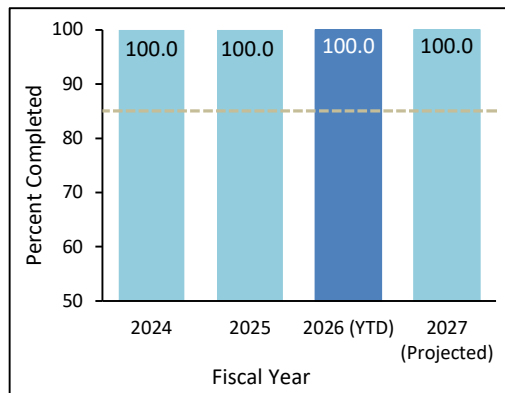


100%
as of May 31, 2026

% of Water/Sewer Leak Requests Completed within 2 Hours

ON TARGET

Target: Above 85%

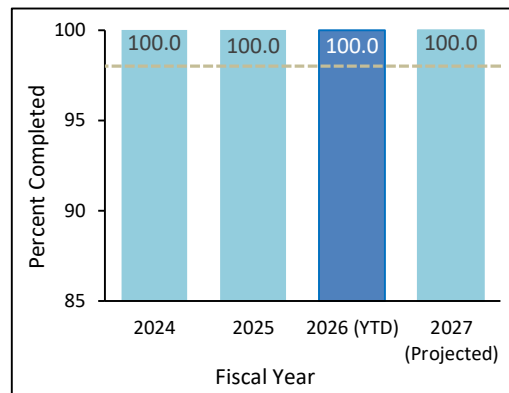


100.0%
as of May 31, 2026

% of Recycling Pickup Requests Completed within 1 Week

ON TARGET

Target: Above 98%



100%
as of May 31, 2026

DEPARTMENT OF PUBLIC WORKS

Strategic Plan

Focus Area: Effective City Government

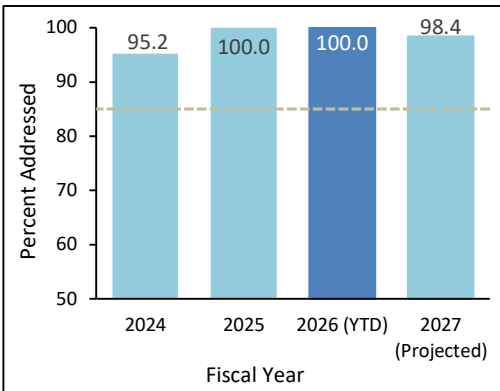
CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

Objective 1 (Cont'd): Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below

% of Rusty Water Complaints Addressed within 12 Hours

ON TARGET

Target: Above 85%

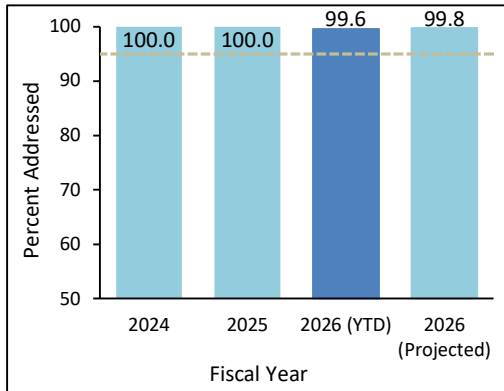


100%
as of May 31, 2026

% of No Water Complaints Addressed within 12 Hours

ON TARGET

Target: Above 95%

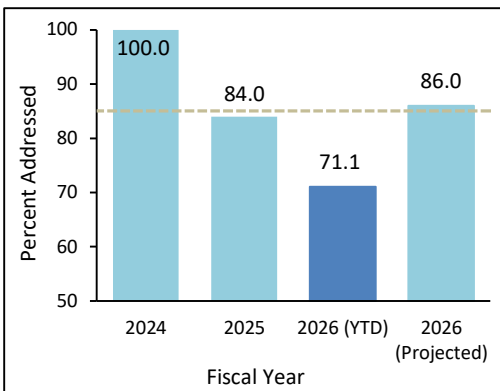


99.6%
as of May 31, 2026

% of Water Main Breaks Addressed within 2 Hours

NEEDS FOCUS

Target: Above 85%

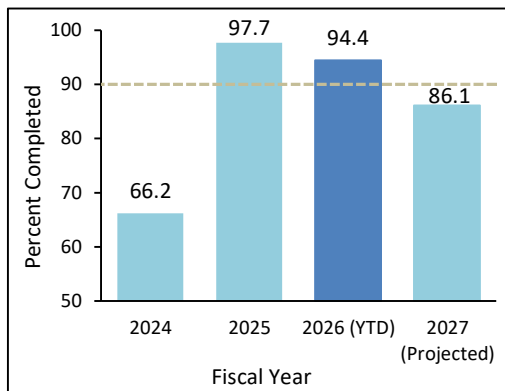


71.1%
as of May 31, 2026

% of Hydrant Maintenance Requests Completed within 4 Hours

ON TARGET

Target: Above 90%



94.4%
as of May 31, 2026

DEPARTMENT OF PUBLIC WORKS

Strategic Plan

Focus Area: Effective City Government

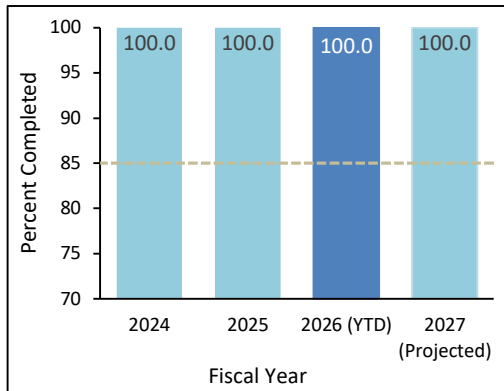
CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

Objective 1 (Cont'd): Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below

% of Leak on Property Service Requests Completed in 2 Hours

ON TARGET

Target: Above 85%

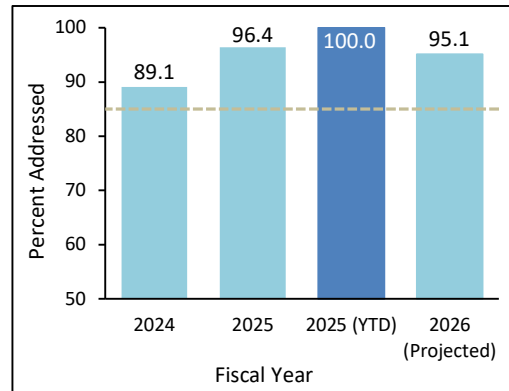


100%
as of May 31, 2026

% of Catch Basin Blockage Addressed within 30 Days

ON TARGET

Target: Above 85%

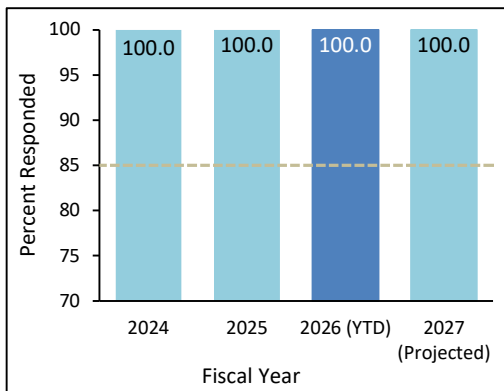


100%
as of May 31, 2026

% of Sewer Backup Complaints Responded to within 2 Hours

ON TARGET

Target: Above 85%

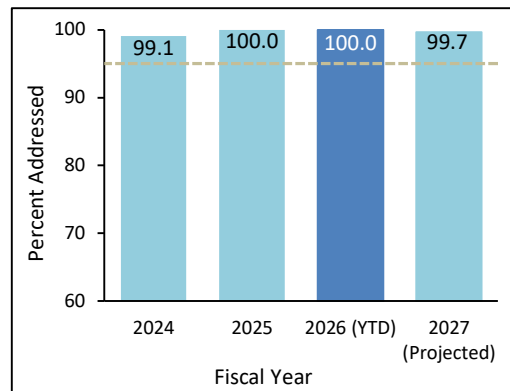


100%
as of May 31, 2026

% of Low Water Pressure Complaints Addressed within 2 Hours

ON TARGET

Target: Above 95%



100%
as of May 31, 2026

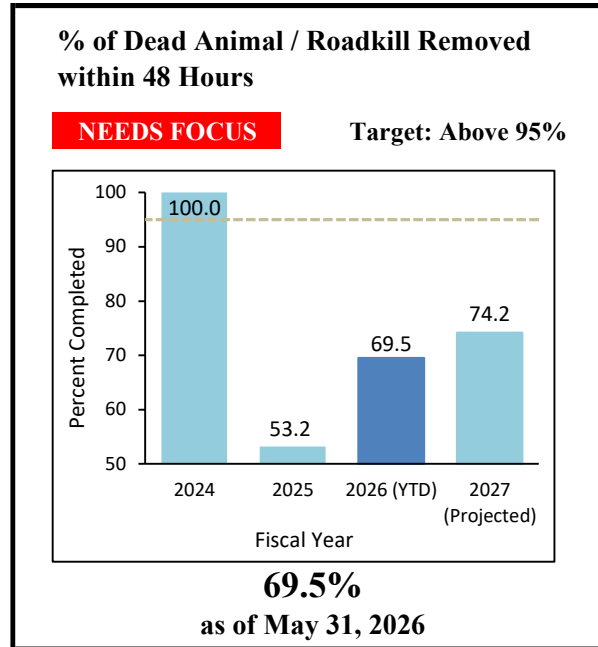
DEPARTMENT OF PUBLIC WORKS

Strategic Plan

Focus Area: Effective City Government

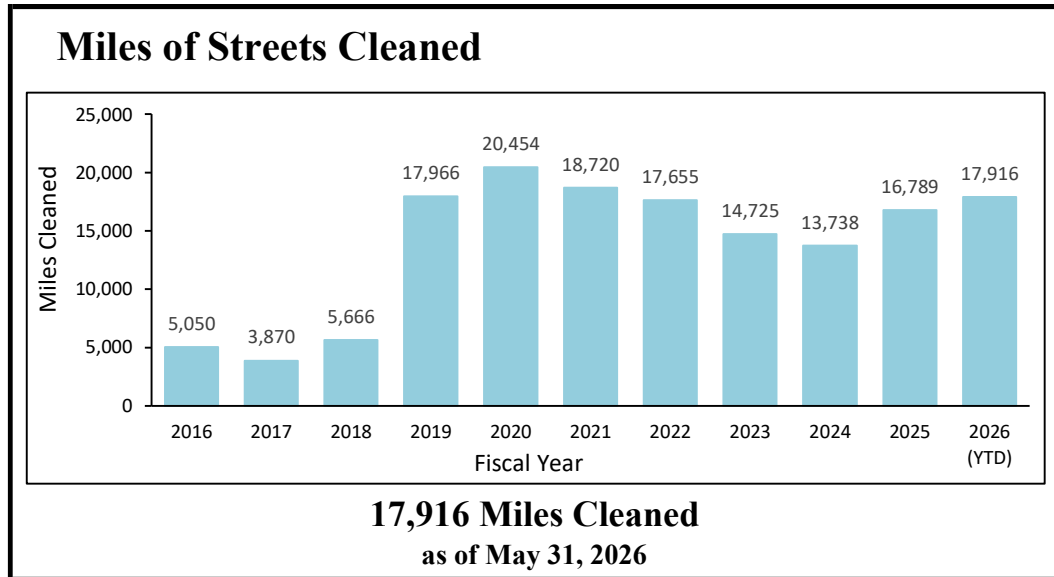
CITY-WIDE GOAL #1: Embrace a Culture of Service. (Cont'd)

Objective 1 (Cont'd): Respond to All Service Requests Received by Constituents within the Time Frame Specified for Each Category Listed Below

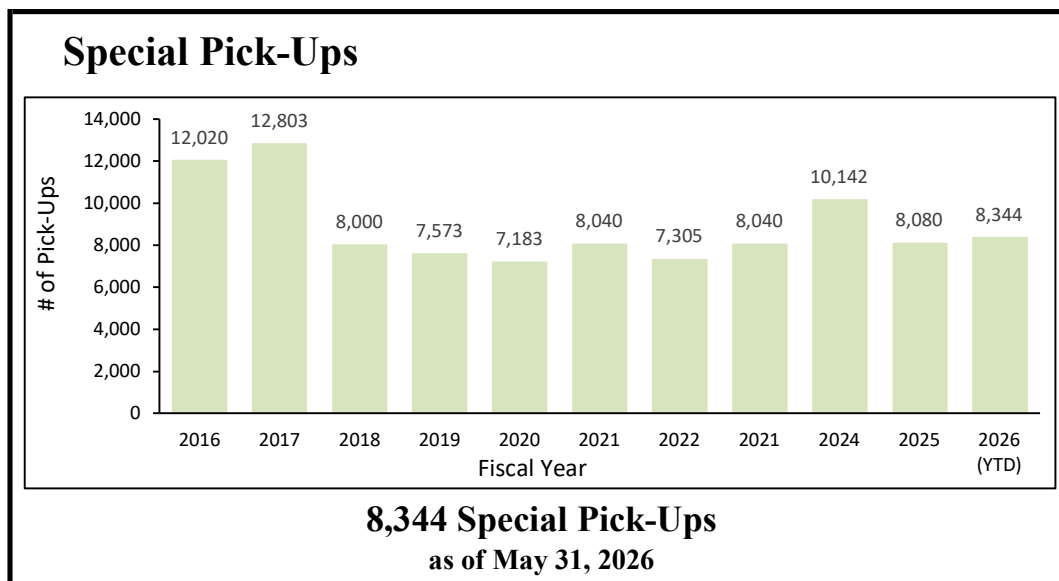


DEPARTMENT OF PUBLIC WORKS

Performance Trends



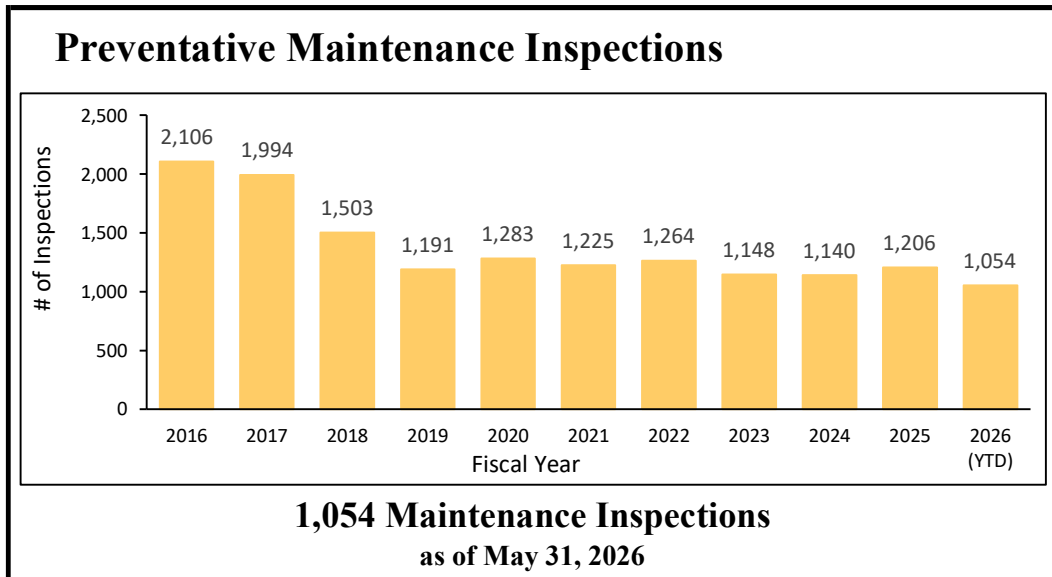
Proactive management remains essential to maintaining litter-free City streets. The decrease in miles cleaned during FY 2020 through FY 2024 was largely due to staffing shortages caused by the COVID-19 pandemic, including prolonged vacancies and delayed hiring following the retirement of several Equipment Operators.



Special pick-ups involve items other than regular household trash, such as refrigerators, tires, and furniture.

DEPARTMENT OF PUBLIC WORKS

Performance Trends



City vehicles are inspected regularly to reduce the number of breakdowns of vehicles and equipment.

Department: Public Works

Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	5,421,222	5,123,414	6,231,452	6,404,307	172,855	2.8%
Temporary Salaries	11,385	73,884	110,000	110,000	0	0.0%
Acting Out Of Classification	202	6,304	7,800	7,800	0	0.0%
Sick Leave Bonus	5,350	4,200	8,500	8,500	0	0.0%
Overtime	465,004	447,957	470,800	458,800	(12,000)	-2.5%
Holiday Pay	101,677	107,950	139,200	139,200	0	0.0%
Meal Allowance	4,623	3,192	10,700	10,700	0	0.0%
Clothing Allowance	4,379	4,125	6,700	6,700	0	0.0%
Standby Pay	104,151	87,988	100,100	100,100	0	0.0%
Pension Contribution	784,196	781,698	658,566	666,340	7,774	1.2%
Social Security	359,573	341,327	416,155	426,254	10,099	2.4%
Medicare Tax	84,093	80,208	97,331	99,719	2,388	2.5%
Hospitalization	1,938,405	2,153,379	2,259,851	2,497,744	237,893	10.5%
Life Insurance	24,413	23,374	27,441	27,550	109	0.4%
Pension Healthcare	541,713	560,958	568,844	582,276	13,432	2.4%
State Pension Plan - Civilian	179,567	180,370	209,919	248,252	38,333	18.3%
Attrition	0	0	(610,194)	(639,362)	(29,168)	4.8%
Total Personal Services	10,029,953	9,980,328	10,713,165	11,154,880	441,715	4.1%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	8,070	8,355	9,800	9,800	0	0.0%
Communications and Utilities	1,908,641	2,355,812	2,206,261	2,453,622	247,361	11.2%
Transportation	3,250	1,452	7,000	7,000	0	0.0%
Rentals	116,676	74,964	244,300	227,300	(17,000)	-7.0%
Contracted Maintenance	2,726,800	2,174,135	2,707,755	3,304,246	596,491	22.0%
Professional Fees	1,201,556	1,178,373	1,340,835	1,340,835	0	0.0%
Other Fees	2,222,160	2,075,293	2,215,000	2,215,000	0	0.0%
Memberships and Registrations	10,620	13,196	30,800	28,800	(2,000)	-6.5%
Miscellaneous Services	409,094	305,063	413,400	368,400	(45,000)	-10.9%
Office and General Supplies	17,510	19,352	19,900	17,900	(2,000)	-10.1%
Wearing Apparel and Safety	116,834	115,503	133,950	130,950	(3,000)	-2.2%
Misc. Mat., Supp., and Parts	237,105	203,941	240,446	238,346	(2,100)	-0.9%
Construction and Repairs	312,854	375,600	458,500	458,500	0	0.0%
Equipment	67,539	94,502	88,800	85,800	(3,000)	-3.4%
Fixed Assets	1,045	1,118	1,200	1,200	0	0.0%
Total M.S.&E.	9,359,754	8,996,659	10,117,947	10,887,699	769,752	7.6%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	2,965,855	3,151,357	3,609,713	3,754,101	144,388	4.0%
Self-Insurance	1,388,316	1,799,878	671,871	695,063	23,192	3.5%
Total Internal Services	4,354,171	4,951,235	4,281,584	4,449,164	167,580	3.9%

Department: Public Works**Fund: General**

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Debt Service						
Principal Payments	4,226,503	4,154,017	4,145,381	3,841,291	(304,090)	-7.3%
Interest Payments	1,955,300	1,760,602	1,860,287	2,641,268	780,981	42.0%
Total Debt Service	6,181,803	5,914,619	6,005,668	6,482,559	476,891	7.9%

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
General Fund						
Total	29,925,681	29,842,841	31,118,364	32,974,302	1,855,938	6.0%

Department: Public Works**Fund: Water / Sewer**

	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Personal Services						
Regular Salaries	5,394,807	5,267,792	6,353,689	6,618,612	264,923	4.2%
Temporary Salaries	186	0	0	0	0	0.0%
Acting Out Of Classification	700	5,352	7,200	7,200	0	0.0%
Shift Differential	4,051	3,820	4,100	4,100	0	0.0%
Sick Leave Bonus	2,200	4,500	7,000	7,000	0	0.0%
Overtime	521,763	619,963	526,500	526,500	0	0.0%
Holiday Pay	0	0	2,000	2,000	0	0.0%
Meal Allowance	13,992	15,377	19,550	19,550	0	0.0%
Clothing Allowance	6,558	6,125	13,650	13,650	0	0.0%
Standby Pay	268,908	277,414	293,600	293,600	0	0.0%
Accrued Sick/Vacation	35,758	208,821	0	0	0	0.0%
Pension Contribution	578,020	588,125	546,636	597,876	51,240	9.4%
Social Security	370,211	368,771	429,267	445,932	16,665	3.9%
Medicare Tax	86,582	86,246	100,416	104,365	3,949	3.9%
Hospitalization	1,470,064	1,629,368	1,886,581	2,058,034	171,453	9.1%
Life Insurance	21,131	20,005	24,960	25,104	144	0.6%
Pension Healthcare	473,568	498,458	518,710	531,144	12,434	2.4%
State Pension Plan - Civilian	215,376	217,262	235,888	271,732	35,844	15.2%
Pension Healthcare - Implicit	157,514	158,098	117,988	117,988	0	0.0%
Attrition	0	0	(2,615)	(2,740)	(125)	4.8%
Total Personal Services	9,621,389	9,975,497	11,085,120	11,641,647	556,527	5.0%

Department: Public Works
Fund: Water / Sewer

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	68,267	66,778	73,650	73,650	0	0.0%
Communications and Utilities	944,881	1,056,687	1,259,274	1,498,937	239,663	19.0%
Transportation	9,622	8,217	33,000	36,000	3,000	9.1%
Rentals	554	540	760	710	(50)	-6.6%
Contracted Maintenance	12,711,182	11,182,781	12,980,765	13,032,847	52,082	0.4%
Professional Fees	4,812,031	4,739,082	5,700,250	5,817,800	117,550	2.1%
Other Fees	272,610	391,804	500,000	607,000	107,000	21.4%
Memberships and Registrations	59,185	65,947	91,120	96,120	5,000	5.5%
Miscellaneous Services	23,342,740	24,995,277	26,055,594	27,035,450	979,856	3.8%
Office and General Supplies	11,882	14,798	17,600	20,100	2,500	14.2%
Wearing Apparel and Safety	58,435	73,230	92,400	92,400	0	0.0%
Misc. Mat., Supp., and Parts	928,868	1,173,059	1,466,900	1,500,900	34,000	2.3%
Petroleum and Chemicals	1,760,476	1,591,284	1,959,200	2,139,200	180,000	9.2%
Construction and Repairs	438,010	591,188	834,000	794,500	(39,500)	-4.7%
Supporting Services	6,011,767	6,962,522	5,488,591	5,771,524	282,933	5.2%
Equipment	424,689	592,943	584,500	589,500	5,000	0.9%
Construction and Deve-Cap	0	3,440	8,000	8,000	0	0.0%
Community Activities	169,743	196,605	220,000	220,000	0	0.0%
Total M.S.&E.	52,024,942	53,706,182	57,365,604	59,334,638	1,969,034	3.4%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	783,261	696,898	846,919	880,797	33,878	4.0%
Self-Insurance	2,079,196	2,714,608	1,077,904	1,116,609	38,705	3.6%
Total Internal Services	2,862,457	3,411,506	1,924,823	1,997,406	72,583	3.8%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Interest Payments	5,402,484	4,463,392	4,075,821	3,441,370	(634,451)	-15.6%
Total Debt Service	5,402,484	4,463,392	4,075,821	3,441,370	(634,451)	-15.6%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Depreciation	11,204,573	12,112,801	11,204,573	12,112,801	908,228	8.1%
Total Other / Special Purpose	11,204,573	12,112,801	11,204,573	12,112,801	908,228	8.1%

Department: Public Works

Fund: Motor Vehicle

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Communications and Utilities	14,289	19,184	46,364	46,944	580	1.3%
Transportation	5,460	3,500	7,500	7,500	0	0.0%
Rentals	55,100	55,100	55,100	55,100	0	0.0%
Contracted Maintenance	1,151,431	1,324,837	1,375,000	1,429,550	54,550	4.0%
Professional Fees	44,811	50,000	50,000	50,000	0	0.0%
Memberships and Registrations	2,136	2,268	3,500	3,500	0	0.0%
Miscellaneous Services	2,378,419	2,505,600	2,524,527	2,738,414	213,887	8.5%
Misc. Mat., Supp., and Parts	2,715	4,737	5,500	5,500	0	0.0%
Petroleum and Chemicals	1,298,802	1,115,653	1,675,000	1,675,000	0	0.0%
Equipment	711	0	2,000	2,000	0	0.0%
Fixed Assets	5,690,712	7,249,293	6,625,034	6,729,900	104,866	1.6%
Total M.S.&E.	10,644,586	12,330,172	12,369,525	12,743,408	373,883	3.0%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	137,923	299,956	102,189	106,277	4,088	4.0%
Self-Insurance	505,569	480,116	185,836	190,482	4,646	2.5%
Total Internal Services	643,492	780,072	288,025	296,759	8,734	3.0%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	0	0	0	610	610	0.0%
Interest Payments	27,478	15,449	13,523	2,102	(11,421)	-84.5%
Total Debt Service	27,478	15,449	13,523	2,712	(10,811)	-79.9%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Capitalization	(5,852,388)	(7,038,705)	(6,624,924)	(6,729,900)	(104,976)	1.6%
Depreciation	3,461,200	4,008,605	3,461,200	4,008,605	547,405	15.8%
Total Other / Special Purpose	(2,391,188)	(3,030,100)	(3,163,724)	(2,721,295)	442,429	-14.0%

Motor Vehicle Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	8,924,368	10,095,593	9,507,349	10,321,584	814,235	8.6%

Department: Public Works**Fund: Municipal Street Aid**

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Communications and Utilities	1,740,684	1,152,077	1,170,154	1,157,802	(12,352)	-1.1%
Total M.S.&E.	1,740,684	1,152,077	1,170,154	1,157,802	(12,352)	-1.1%

Municipal Street Aid	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	1,740,684	1,152,077	1,170,154	1,157,802	(12,352)	-1.1%

DEPARTMENT OF REAL ESTATE & HOUSING

Our mission at the Department of Real Estate and Housing is dedicated to enhancing the quality of life for City of Wilmington residents. We aim to achieve this by increasing the availability of affordable housing, enhancing housing markets, preserving occupied housing stock, fostering self-sufficiency, and actively participating in initiatives to stabilize and revitalize neighborhoods.

In the pursuit of our mission, we strategically plan, allocate, and administer resources from Federal, State, and local sources to benefit individuals with low- and moderate-income, as well as the neighborhoods they inhabit. We prioritize involving residents to the fullest extent possible in decisions that impact their lives. Collaboration is key, and we work closely with other City departments, government agencies, the private sector, and organizations that share our common goals.

PRIORITIES FOR FISCAL YEAR 2027

- Collaborate actively with the Wilmington Neighborhood Conservancy Land Bank (WNCLB), Wilmington Housing Authority (WHA), Community Development Corporations (CDCs), and other non-profit and for-profit developers to address neglected and vacant properties through acquisition, disposition, demolition and/or rehabilitation.
- Enhance homeownership opportunities through City-sponsored initiatives and collaborative efforts with WHA, WNCLB, CDCs, and other non-profit and for-profit developers.
- Continue the administration of a city-wide Down Payment and Settlement Assistance program in coordination with Housing Counselors, Lenders, and Realtors.
- Direct funds to assist homeowners with minor repairs and improvements as part of the City's neighborhood stabilization initiative.
- Collaborate with State and local housing authorities to create development opportunities, including Enterprise Zones, Purpose Built Communities, and the repurposing of brownfields, contributing to the broader neighborhood stabilization initiative.
- Engage in a State-wide consortium to conduct an assessment of policies aimed at advancing fair housing in Wilmington and the surrounding region.
- Support city-wide rehabilitation of vacant houses in coordination with the WNCLB.
- Vigorously seek additional funding sources and collaborative partnerships to leverage Federal and local dollars.
- Allocate funds for programs and projects that provide essential public services to low- and moderate-income families and neighborhoods. This includes community greening efforts, senior housing repair, housing counseling, homelessness prevention, youth programs, and initiatives assisting individuals living with HIV/AIDS.
- Fulfill obligatory allocation, expenditure, monitoring, and reporting requirements for all Federal funding received.
- Conduct public facilities and infrastructure activities to support the development and rehabilitation of affordable housing.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF REAL ESTATE & HOUSING

Total All Funds Real Estate and Housing	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	720,988	626,230	1,055,794	1,096,559	40,765	3.9%
Materials, Supplies, and Equipment	1,398,038	1,629,706	1,768,100	1,747,600	(20,500)	-1.2%
Internal Services	33,469	32,716	63,141	65,655	2,514	4.0%
Debt Service	730,971	708,748	685,945	791,710	105,765	15.4%
Other / Special Purpose	2,729,487	2,729,487	3,026,597	3,026,597	0	0.0%
Total	5,612,953	5,726,887	6,599,577	6,728,121	128,544	1.9%
Staffing Levels	10.00	10.00	8.00	8.00	0.00	0.0%

General Fund Real Estate and Housing	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	314,633	309,681	306,625	312,640	6,015	2.0%
Materials, Supplies, and Equipment	1,306,443	1,510,051	1,622,600	1,622,100	(500)	0.0%
Internal Services	33,469	32,716	63,141	65,655	2,514	4.0%
Debt Service	730,971	708,748	685,945	791,710	105,765	15.4%
Total	2,385,516	2,561,196	2,678,311	2,792,105	113,794	4.2%
Staffing Levels	2.15	2.20	2.00	2.00	0.00	0.0%

Community Development Block Grant (CDBG) Real Estate and Housing	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	340,089	241,942	556,763	583,408	26,645	4.8%
Materials, Supplies, and Equipment	82,088	119,587	135,500	120,500	(15,000)	-11.1%
Other / Special Purpose	1,411,450	1,411,450	1,508,019	1,508,019	0	0.0%
Total	1,833,627	1,772,979	2,200,282	2,211,927	11,645	0.5%
Staffing Levels	6.08	5.53	4.42	4.42	0.00	0.0%

Home Investment Partnerships Program Fund Real Estate and Housing	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	22,258	42,609	142,190	147,700	5,510	3.9%
Materials, Supplies, and Equipment	0	68	10,000	5,000	(5,000)	-50.0%
Other / Special Purpose	565,144	565,144	420,329	420,329	0	0.0%
Total	587,402	607,821	572,519	573,029	510	0.1%
Staffing Levels	1.43	1.53	1.12	1.12	0.00	0.0%

Emergency Shelter Grant (ESG) Real Estate and Housing	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	14,898	14,003	33,840	35,590	1,750	5.2%
Materials, Supplies, and Equipment	1,658	0	0	0	0	0.0%
Other / Special Purpose	46,730	46,730	163,386	163,386	0	0.0%
Total	63,286	60,733	197,226	198,976	1,750	0.9%
Staffing Levels	0.12	0.17	0.31	0.31	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR GENERAL FUND

- Regular Salaries increased by \$4,461 primarily due to cost-of-living adjustments (COLA) and mandatory step increases.
- Professional fees increased by \$5,000 to accommodate ongoing changes in federal reporting requirements and compliance obligations, with the increase fully offset by a corresponding decrease in Miscellaneous Charges - N.O.C.
- Debt Service increased by \$105,765, largely attributable to principal and interest obligations resulting from the recent bond issuance for Neighborhood Stabilization.

MAJOR FUNDING CHANGES FROM PRIOR YEAR FEDERAL HUD FUNDS

- Regular Salaries increased by \$30,893 primarily due to cost-of-living adjustments (COLA) and mandatory step increases.
- Federal funding is projected to be awarded to the City in the following amounts:
 - Community Development Block Grant (CDBG): \$2.2 million, up \$11,600 from FY 2026.
 - Home Partnerships (HOME): \$573,000, an increase of \$500 from FY 2026.
 - Housing Opportunity with AIDS (HOPWA): approximately \$952,100, an increase of \$850 from FY 2026.
 - Emergency Shelter Grant (ESG): approximately \$199,000, an increase of \$1,750 from FY 2026.

DEPARTMENT OF REAL ESTATE & HOUSING

Strategic Plan

The Department is committed to developing inclusive programs that address the needs of the City's residential neighborhoods, so that current and future residents receive decent, safe and affordable housing opportunities that are available to current and future residents.

Current data for the goals and objectives listed below may be found on the Real Estate & Housing OpenGov story page at <http://bit.ly/WDe19OG>.

Focus Area: Quality of Life

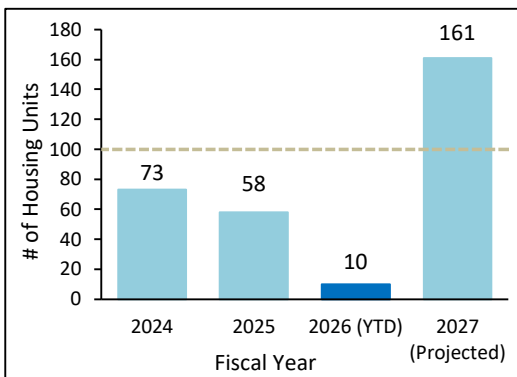
CITY-WIDE GOAL #17: Improve Housing Quality.

Objective 1: Increase the number of permanent housing units available for low/moderate income families/individuals through the development of new quality housing stock and the rehabilitation of existing units.

of Permanent Housing Units Developed

NEEDS FOCUS

Target: Above 100

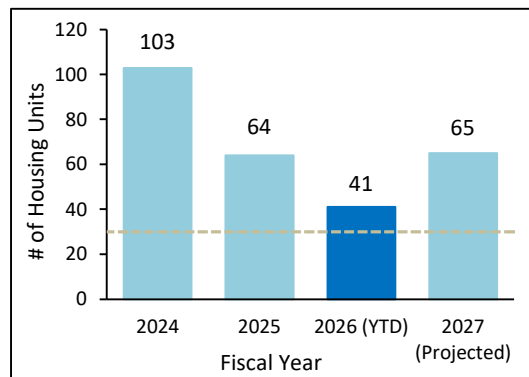


10 Housing Units
as of May 31, 2026

of Housing Units Rehabilitated

ON TARGET

Target: Above 30

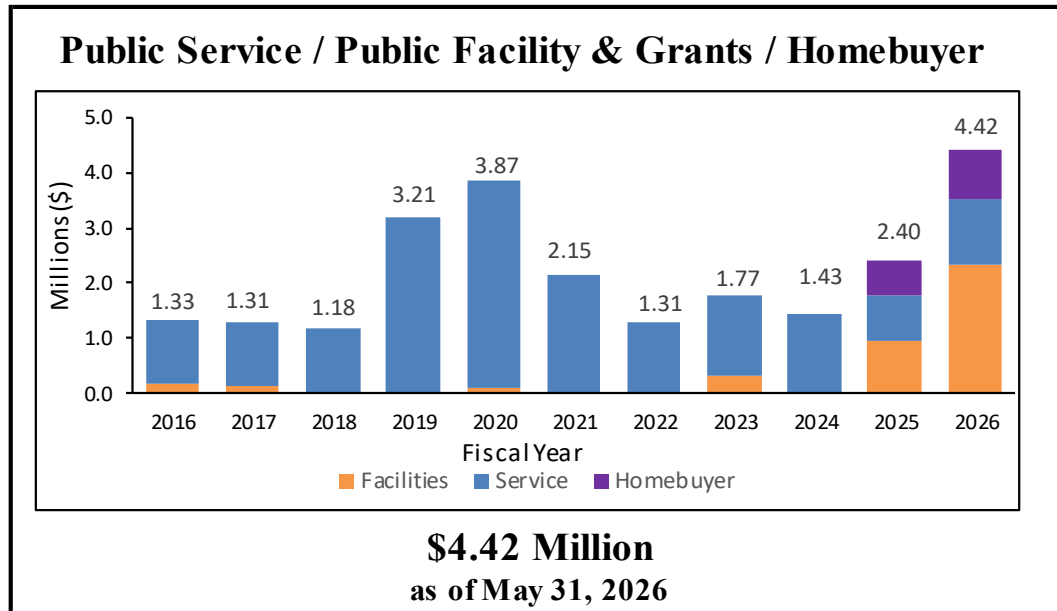


41 Housing Units
as of May 31, 2026

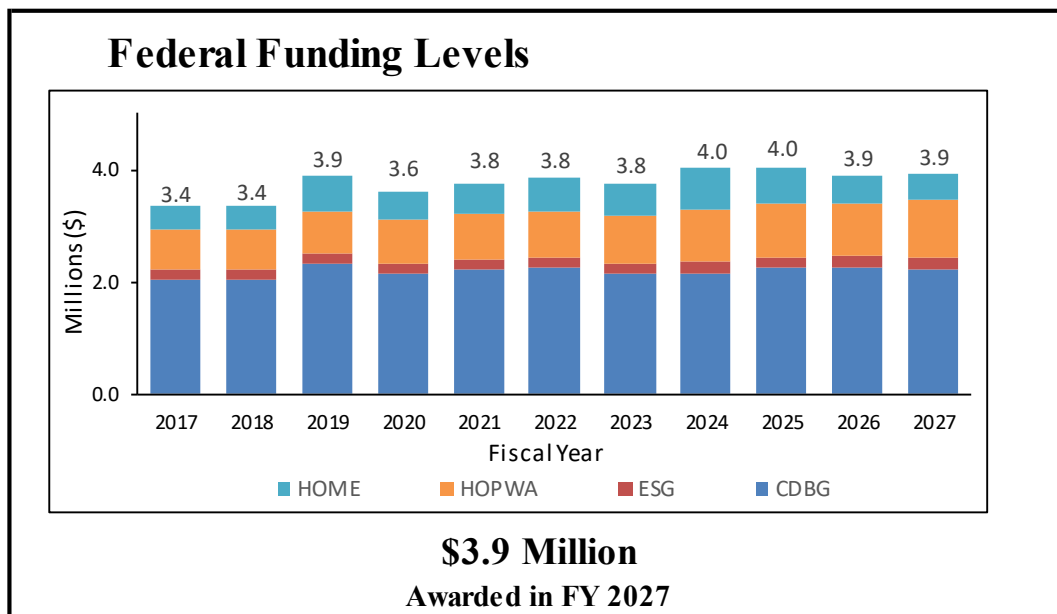
Note: Given the lead time necessary to move a new / rehabilitated housing development project from conception to occupancy, a project is included in the measures above once a firm commitment of funds has been made. The increase in housing units rehabilitated in FY 2024 represents the completion of a large multiyear project.

DEPARTMENT OF REAL ESTATE & HOUSING

Performance Trends



This chart represents federally funded public services, administrative grants, and the Homebuyer Program, which was added in FY 2025.



The above chart shows the amount of regular federal funding received by the Department of Real Estate & Housing since 2017. It does not include CARES Act funds related to the COVID-19 pandemic: \$2.2 million in Community Development Block Grant (CDBG) funding, \$1.1 million for Housing Opportunities for Persons With AIDS (HOPWA) funding, \$464,061 for Home Partnerships (HOME) funding and \$199,000 Emergency Shelter Grant (ESG) funding.

Department: Real Estate and Housing
Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	232,157	235,458	204,910	209,371	4,461	2.2%
Temporary Salaries	0	0	35,000	35,000	0	0.0%
Pension Contribution	22,515	18,658	17,885	19,397	1,512	8.5%
Social Security	15,210	11,506	14,660	14,959	299	2.0%
Medicare Tax	4,180	2,691	3,426	3,499	73	2.1%
Hospitalization	24,683	22,793	24,062	23,129	(933)	-3.9%
Life Insurance	373	508	482	482	0	0.0%
Pension Healthcare	9,704	10,496	9,928	10,123	195	2.0%
State Pension Plan - Civilian	5,811	7,571	7,666	8,619	953	12.4%
Attrition	0	0	(11,394)	(11,939)	(545)	4.8%
Total Personal Services	314,633	309,681	306,625	312,640	6,015	2.0%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	1,163	103	1,600	1,600	0	0.0%
Professional Fees	46,775	62,415	65,000	70,000	5,000	7.7%
Miscellaneous Services	(129)	0	5,000	0	(5,000)	-100.0%
Office and General Supplies	471	33	500	500	0	0.0%
Misc. Mat., Supp., and Parts	8	0	500	0	(500)	-100.0%
Community Activities	1,258,155	1,447,500	1,550,000	1,550,000	0	0.0%
Total M.S.&E.	1,306,443	1,510,051	1,622,600	1,622,100	(500)	0.0%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	31,016	29,689	60,588	63,012	2,424	4.0%
Self-Insurance	2,453	3,027	2,553	2,643	90	3.5%
Total Internal Services	33,469	32,716	63,141	65,655	2,514	4.0%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	531,356	533,870	537,251	578,881	41,630	7.7%
Interest Payments	199,615	174,878	148,694	212,829	64,135	43.1%
Total Debt Service	730,971	708,748	685,945	791,710	105,765	15.4%

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	2,385,516	2,561,196	2,678,311	2,792,105	113,794	4.2%

Department: Real Estate and Housing

Fund: CDBG

	Actual	Actual	Budget	Budget	\$ Change	% Change
Personal Services	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Regular Salaries	225,907	156,791	345,651	368,658	23,007	6.7%
Pension Contribution	30,786	33,121	59,824	66,416	6,592	11.0%
Social Security	13,466	9,229	20,562	22,109	1,547	7.5%
Medicare Tax	3,149	2,158	4,809	5,172	363	7.5%
Hospitalization	47,717	29,323	95,885	89,108	(6,777)	-7.1%
Life Insurance	705	404	1,060	1,060	0	0.0%
Pension Healthcare	11,574	8,148	21,951	22,369	418	1.9%
State Pension Plan - Civilian	6,785	2,768	7,021	8,516	1,495	21.3%
Total Personal Services	340,089	241,942	556,763	583,408	26,645	4.8%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Materials, Supplies, and Equipment	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Printing and Advertising	2,460	3,868	5,500	5,500	0	0.0%
Communications and Utilities	0	13	300	300	0	0.0%
Transportation	0	0	4,000	4,000	0	0.0%
Rentals	0	0	500	500	0	0.0%
Professional Fees	71,105	110,525	101,000	86,000	(15,000)	-14.9%
Memberships and Registrations	2,881	4,000	6,700	6,700	0	0.0%
Miscellaneous Services	5,000	720	6,000	6,000	0	0.0%
Office and General Supplies	289	375	2,500	2,500	0	0.0%
Wearing Apparel and Safety	353	0	5,000	5,000	0	0.0%
Equipment	0	86	4,000	4,000	0	0.0%
Total M.S.&E.	82,088	119,587	135,500	120,500	(15,000)	-11.1%

	Actual	Actual	Budget	Budget	\$ Change	% Change
Other / Special Purpose	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Grants and Fixed Charges	1,411,450	1,411,450	1,508,019	1,508,019	0	0.0%
Total Other / Special Purpose	1,411,450	1,411,450	1,508,019	1,508,019	0	0.0%

Department: Real Estate and Housing

Fund: CDBG

Grants and Fixed Charges Detail	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Catholic Charities			25,000	25,000	0	0.0%
Catholic Charities - Bayard			25,000	0	(25,000)	-100.0%
Christiana Cultural Arts Center			15,000	0	(15,000)	-100.0%
Delaware Center for Horticulture			15,000	85,000	70,000	466.7%
Fam. Promise NNCC - Homeless			0	20,000	20,000	0.0%
Fam. Promise NNCC - Transitional			20,000	20,000	0	0.0%
First Start Homeownership Prog.			56,374	0	(56,374)	-100.0%
Friendship House			0	32,439	32,439	0.0%
Home Repair Program Delivery			170,385	0	(170,385)	-100.0%
HOND			10,000	15,000	5,000	50.0%
Housing Alliance of DE			15,000	20,000	5,000	33.3%
Housing Rehabilitation			50,000	0	(50,000)	-100.0%
Ingleside Housing Project			110,000	110,000	0	0.0%
Interfaith Comm. Housing			0	125,000	125,000	0.0%
Interfaith Comm. Housing of DE			10,000	10,000	0	0.0%
JumpStart			500,000	0	(500,000)	-100.0%
JumpStart Delivery			60,962	0	(60,962)	-100.0%
LACC - Crisis Alleviation Prog.			10,000	10,000	0	0.0%
LACC - Lifelong Learning Edu.			15,000	15,000	0	0.0%
Lutheran Community Services			25,000	25,000	0	0.0%
Ministry of Caring			19,500	19,500	0	0.0%
NCC Lead Hazard Control Rehab			0	100,000	100,000	0.0%
Public Improvements			0	349,297	349,297	0.0%
Public Infra. - East Side			384,832	0	(384,832)	-100.0%
Public Infra. - East Side Delivery			33,948	0	(33,948)	-100.0%
Rehab Division MS&E			19,700	0	(19,700)	-100.0%
Salvation Army			10,000	15,000	5,000	50.0%
Sojourners Place			25,000	25,000	0	0.0%
STEHM, Inc.			10,000	10,000	0	0.0%
The Challenge Program			25,000	25,000	0	0.0%
WENH - Above Xpectations			10,000	10,000	0	0.0%
WENH - Life Lines			20,000	20,000	0	0.0%
Wilm. St. Tree & Greening Prog.			85,000	0	(85,000)	-100.0%
YMCA of Delaware			25,000	25,000	0	0.0%
YWCA - Bathroom Renovation			0	20,000	20,000	0.0%
YWCA - Home-Life Mgt. Shelter			0	15,000	15,000	0.0%
RE&H - CDBG Admin			0	303,083	303,083	0.0%
RE&H - ERRs & Sec. 106 Reviews			0	20,842	20,842	0.0%
RE&H - MS&E			0	105,933	105,933	0.0%
RE&H - CDBG Home Repair Prog.			0	300,000	300,000	0.0%
RE&H - Rehab MS&E			0	20,500	20,500	0.0%
RE&H - Rehab Consultant			0	55,000	55,000	0.0%
RE&H - Homebuyer Program			0	250,000	250,000	0.0%
Budget Control			(292,682)	(693,575)	(400,893)	137.0%
FY 2024 Expenditures	1,411,450					
FY 2025 Expenditures		1,411,450				
Total Grants and Fixed Charges	1,411,450	1,411,450	1,508,019	1,508,019	0	0.0%

Department: Real Estate and Housing**Fund: CDBG**

Community Development Block Grant (CDBG)	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	1,833,627	1,772,979	2,200,282	2,211,927	11,645	0.5%

Department: Real Estate and Housing

Fund: HOME

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	14,483	29,641	98,022	100,514	2,492	2.5%
Pension Contribution	4,256	5,396	16,363	17,695	1,332	8.1%
Social Security	930	1,810	5,970	6,126	156	2.6%
Medicare Tax	218	424	1,397	1,433	36	2.6%
Hospitalization	1,719	3,160	12,495	13,589	1,094	8.8%
Life Insurance	43	105	268	268	0	0.0%
Pension Healthcare	639	1,401	5,564	5,668	104	1.9%
State Pension Plan - Civilian	(30)	672	2,111	2,407	296	14.0%
Total Personal Services	22,258	42,609	142,190	147,700	5,510	3.9%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Transportation	0	68	0	0	0	0.0%
Professional Fees	0	0	10,000	5,000	(5,000)	-50.0%
Total M.S.&E.	0	68	10,000	5,000	(5,000)	-50.0%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Grants and Fixed Charges	565,144	565,144	420,329	420,329	0	0.0%
Total Other / Special Purpose	565,144	565,144	420,329	420,329	0	0.0%

Grants and Fixed Charges Detail	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
CHDO Minimum			0	69,692	69,692	0.0%
Ministry of Caring			0	136,729	136,729	0.0%
Penrose LLC			0	136,729	136,729	0.0%
RE&H - HOME Admin			0	46,460	46,460	0.0%
Riverside Development Phase V			272,977	0	(272,977)	-100.0%
Tatnall West Phase II			88,398	0	(88,398)	-100.0%
The Vista at St. Francis			151,815	0	(151,815)	-100.0%
RE&H - HOME Delivery Costs			0	75,000	75,000	0.0%
Budget Control			(92,861)	(44,281)	48,580	-52.3%
FY 2024 Expenditures	565,144					
FY 2025 Expenditures		565,144				
Total Grants and Fixed Charges	565,144	565,144	420,329	420,329	0	0.0%

Home Investment Partnerships Program Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	587,402	607,821	572,519	573,029	510	0.1%

Department: Real Estate and Housing

Fund: HOPWA

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	21,466	12,706	10,551	12,310	1,759	16.7%
Pension Contribution	1,840	1,674	0	0	0	0.0%
Social Security	1,311	771	622	741	119	19.1%
Medicare Tax	307	180	146	173	27	18.5%
Hospitalization	2,043	1,534	3,698	2,460	(1,238)	-33.5%
Life Insurance	72	53	36	36	0	0.0%
Pension Healthcare	1,253	667	745	759	14	1.9%
State Pension Plan - Civilian	818	410	578	742	164	28.4%
Total Personal Services	29,110	17,995	16,376	17,221	845	5.2%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Professional Fees	7,849	0	0	0	0	0.0%
Total M.S.&E.	7,849	0	0	0	0	0.0%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Grants and Fixed Charges	706,163	706,163	934,863	934,863	0	0.0%
Total Other / Special Purpose	706,163	706,163	934,863	934,863	0	0.0%

Grants and Fixed Charges Detail	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Cecil County Emerg. Housing			67,800	43,611	(24,189)	-35.7%
Delaware HIV Services, Inc.			749,148	887,049	137,901	18.4%
Ministry of Caring			105,754	71,362	(34,392)	-32.5%
Salem County NJ			0	20,000	20,000	0.0%
RE&H - HOPWA Admin			0	31,608	31,608	0.0%
Budget Control			12,161	(118,767)	(130,928)	-1076.6%
FY 2024 Expenditures	706,163					
FY 2025 Expenditures		706,163				
Total Grants and Fixed Charges	706,163	706,163	934,863	934,863	0	0.0%

Housing Opportunities for Persons With AIDS (HOPWA)	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	743,122	724,158	951,239	952,084	845	0.1%

Department: Real Estate and Housing

Fund: Emergency Shelter Grant

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	11,652	9,243	21,805	25,440	3,635	16.7%
Pension Contribution	538	1,778	0	0	0	0.0%
Social Security	718	555	1,286	1,532	246	19.1%
Medicare Tax	168	130	301	358	57	18.9%
Hospitalization	510	1,622	7,640	5,083	(2,557)	-33.5%
Life Insurance	57	33	74	74	0	0.0%
Pension Healthcare	715	449	1,539	1,569	30	1.9%
State Pension Plan - Civilian	540	193	1,195	1,534	339	28.4%
Total Personal Services	14,898	14,003	33,840	35,590	1,750	5.2%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Professional Fees	1,658	0	0	0	0	0.0%
Total M.S.&E.	1,658	0	0	0	0	0.0%

Other / Special Purpose	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Grants and Fixed Charges	46,730	46,730	163,386	163,386	0	0.0%
Total Other / Special Purpose	46,730	46,730	163,386	163,386	0	0.0%

Grants and Fixed Charges Detail	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Housing Alliance Delaware			10,185	20,000	9,815	96.4%
Ministry of Caring			40,000	50,000	10,000	25.0%
Salvation Army - Emerg. Shelter			25,000	15,000	(10,000)	-40.0%
WENH - Homeless Prevention			15,000	30,000	15,000	100.0%
WENH - Rapid Housing			33,250	0	(33,250)	-100.0%
YWCA DE - Rapid Re-Housing			59,000	46,345	(12,655)	-21.4%
YWCA DE - Shelter			0	22,500	22,500	0.0%
RE&H - ESG Admin			0	14,906	14,906	0.0%
Budget Control			(19,049)	(35,365)	(16,316)	85.7%
FY 2024 Expenditures	46,730					
FY 2025 Expenditures		46,730				
Total Grants and Fixed Charges	46,730	46,730	163,386	163,386	0	0.0%

DEPARTMENT OF COMMERCE

Prior to its restructuring in 1995, the Department of Commerce in the Commerce Fund was responsible for promoting and developing commerce and industry within the City of Wilmington. In addition, the Department managed and marketed the Port of Wilmington (the “Port”) as a self-sufficient business entity. Although the Port was profitable, the City could no longer afford the infrastructure improvements necessary to maintain its competitiveness and profitability. Consequently, the City successfully negotiated a sale of the Port to the State of Delaware, effective September 1, 1995. Although the City retained the debt of the Commerce Fund, the State agreed to reimburse the City for both principal and interest, along with a “mortgage” payment based on a 30-year amortization of the sale price.

In February of 2002, under a new agreement with the State, the City received a lump sum payment of \$8 million from the State Transportation Fund, which eliminated all future outstanding mortgage payments. As a result, all future annual amortized gain figures were recalculated and re-amortized from FY 2002 to FY 2005. The State’s reimbursement of the City’s debt was not affected by this new agreement.

In FY 2009, the remaining balance of the City’s Commerce Fund was depleted. As a result, beginning in FY 2010, all Port debt service and reimbursement revenue from the State were budgeted into the General Fund.

In 2018, the State entered into a long-term Port lease agreement with Gulfstream, and subsequently provided the City with full payment for the outstanding debt. The City amortized these funds and continued to pay debt service, with debt reimbursement payments acting as an offsetting revenue.

In FY 2020, the City refinanced the outstanding bonds, with the final bond payment occurring in FY 2032. However, the reimbursement amortization continued as originally scheduled, with the final reimbursement booked in FY 2023 (when the associated debt was originally expected to be fully repaid). As these payments are now complete, there was no budgeted revenue for FY 2024 and beyond.

For the FY 2027 budget, total debt service has decreased by nearly \$162,889 as per the existing debt service schedule.

SUMMARY OF FUNDING FOR THE DEPARTMENT OF COMMERCE

Total All Funds Commerce Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Debt Service	222,717	222,776	217,056	54,167	(162,889)	-75.0%
Total	222,717	222,776	217,056	54,167	(162,889)	-75.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

General Fund Commerce Department	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Debt Service	222,717	222,776	217,056	54,167	(162,889)	-75.0%
Total	222,717	222,776	217,056	54,167	(162,889)	-75.0%
Staffing Levels	0.00	0.00	0.00	0.00	0.00	0.0%

Department: Commerce**Fund: General**

	Actual	Actual	Budget	Budget	\$ Change	% Change
Debt Service	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Principal Payments	152,620	158,784	161,003	6,164	(154,839)	-96.2%
Interest Payments	70,097	63,992	56,053	48,003	(8,050)	-14.4%
Total Debt Service	222,717	222,776	217,056	54,167	(162,889)	-75.0%

	Actual	Actual	Budget	Budget	\$ Change	% Change
General Fund	FY 2024	FY 2025	FY 2026	FY 2027	FY'27-'26	FY'27-'26
Total	222,717	222,776	217,056	54,167	(162,889)	-75.0%

DEPARTMENT OF INFORMATION TECHNOLOGIES

The mission of the Department of Information Technologies (DoIT) is to enable technology to increase the effectiveness and efficiency of services for the employees and citizens of the City of Wilmington. The Department strives to provide a secure, efficient, and flexible environment that will enhance the productivity of the City's workforce.

DoIT consists of six divisions, including Data Processing, Document Management, Mail Service, Duplication & Printing, Mapping & Graphics, and Communications.

PRIORITIES FOR FISCAL YEAR 2027	
• Provide a Cyber resilient, flexible, and highly available computing environment for City employees. • Support the Mayor's Office by maintaining an accessible, interactive, and responsive E-Government platform for citizen engagement. • Employ innovative and cost-effective enterprise solutions while leveraging Cloud solutions strategically. • Create a culture of Cyber Awareness.	

SUMMARY OF FUNDING FOR THE DEPARTMENT OF INFORMATION TECHNOLOGIES

Total All Funds Information Technologies	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,283,741	2,244,510	2,436,048	2,508,427	72,379	3.0%
Materials, Supplies, and Equipment	6,827,315	7,218,818	8,239,150	8,252,399	13,249	0.2%
Internal Services	43,212	53,763	17,892	18,487	595	3.3%
Debt Service	295,713	910,948	909,809	891,970	(17,839)	-2.0%
Total	9,449,981	10,428,039	11,602,899	11,671,283	68,384	0.6%
Staffing Levels	21.00	21.00	21.00	21.00	0.00	0.0%

General Fund Information Technologies	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	Dollar Change FY'27-'26	Percent Change FY'27-'26
Personal Services	2,283,741	2,244,510	2,436,048	2,508,427	72,379	3.0%
Materials, Supplies, and Equipment	6,827,315	7,218,818	8,239,150	8,252,399	13,249	0.2%
Internal Services	43,212	53,763	17,892	18,487	595	3.3%
Debt Service	295,713	910,948	909,809	891,970	(17,839)	-2.0%
Total	9,449,981	10,428,039	11,602,899	11,671,283	68,384	0.6%
Staffing Levels	21.00	21.00	21.00	21.00	0.00	0.0%

MAJOR FUNDING CHANGES FROM PRIOR YEAR

- Personal Services increased by \$72,379 (3.0%). Salaries and Wages rose by \$42,813 (2.6%), primarily due to COLAs and anniversary step increases. Employee Benefits increased by \$29,566 (3.6%), driven by rising healthcare costs as projected by the City's insurance consultant, USI.
- A mid-year budget amendment in FY 2026 added an Operations Manager position (\$144,038) and eliminated the Mapping and Graphics Manager position (\$144,750), with both costs inclusive of benefits.
- Computer Software Licenses increased by \$185,300 (8.2%), primarily due to the development of a Salesforce application supporting Land Use and Planning and Licenses & Inspections (L&I).
- Repairs to Mechanical Office Equipment increased by \$73,500 (11.1%), primarily due to new IT equipment requests from the Police Department including the purchase of 20 Microsoft Surface Pro (\$30,000), 10 Epson Workforce ES-400 scanners (\$15,000), and 10 APC UPS battery backup units (\$9,000).
- Computer Software – Non-Capital increased by \$57,000 (13.8%), primarily due to Audit Management Software (\$38,000) and higher software licensing costs.
- Consultants decreased by a net of \$142,000 (6.6%), primarily due to a new contract with Diamond Technologies and the elimination of a Project Manager position.
- Temporary Agencies increased by \$44,500 (41.8%), primarily to fund an on-site mapping and graphics professional dedicated to providing expedited services to City Council.
- Other Non-Capitalized Equipment decreased by \$81,946 (23.5%), primarily due to the removal of several one-time IT requests included in FY 2026.
- Combined Mobile Airtime, Repairs to Equipment, and Contracted Maintenance Services decreased by a net \$126,000, due to the consolidation of VoIP services with a single vendor, IPC.

Department: Information Technologies
Fund: General

Personal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Regular Salaries	1,467,243	1,423,673	1,616,690	1,656,503	39,813	2.5%
Sick Leave Bonus	1,050	1,650	0	0	0	0.0%
Overtime	5,066	3,567	7,000	10,000	3,000	42.9%
Health Cash Back	90	0	0	0	0	0.0%
Pension Contribution	235,249	230,614	195,037	163,325	(31,712)	-16.3%
Social Security	87,468	84,822	97,328	99,985	2,657	2.7%
Medicare Tax	20,457	19,838	22,764	23,385	621	2.7%
Hospitalization	325,496	334,555	338,189	377,750	39,561	11.7%
Life Insurance	5,105	4,993	5,024	5,038	14	0.3%
Pension Healthcare	94,761	100,215	104,286	106,281	1,995	1.9%
State Pension Plan - Civilian	41,756	40,583	49,730	66,160	16,430	33.0%
Total Personal Services	2,283,741	2,244,510	2,436,048	2,508,427	72,379	3.0%

Materials, Supplies, and Equipment	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Printing and Advertising	56,053	57,131	72,500	72,500	0	0.0%
Communications and Utilities	1,317,857	1,039,074	1,396,990	1,358,805	(38,185)	-2.7%
Transportation	3,754	14,265	25,000	25,000	0	0.0%
Rentals	96,418	102,629	132,000	132,000	0	0.0%
Contracted Maintenance	712,277	767,595	718,100	743,600	25,500	3.6%
Professional Fees	1,991,351	2,086,642	2,298,500	2,201,000	(97,500)	-4.2%
Other Fees	0	318	0	0	0	0.0%
Memberships and Registrations	99,356	10,163	82,000	82,000	0	0.0%
Miscellaneous Services	79,326	72,737	91,120	46,200	(44,920)	-49.3%
Office and General Supplies	160,273	150,054	178,560	169,060	(9,500)	-5.3%
Wearing Apparel and Safety	998	965	1,000	6,000	5,000	500.0%
Misc. Mat., Supp., and Parts	52,692	156,471	217,700	230,200	12,500	5.7%
Equipment	2,256,960	2,754,294	3,025,680	3,186,034	160,354	5.3%
Fixed Assets	0	6,480	0	0	0	0.0%
Total M.S.&E.	6,827,315	7,218,818	8,239,150	8,252,399	13,249	0.2%

Internal Services	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Administrative Services	3,913	3,111	0	0	0	0.0%
Self-Insurance	39,299	50,652	17,892	18,487	595	3.3%
Total Internal Services	43,212	53,763	17,892	18,487	595	3.3%

Debt Service	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Principal Payments	247,167	749,571	781,022	797,546	16,524	2.1%
Interest Payments	48,546	161,377	128,787	94,424	(34,363)	-26.7%
Total Debt Service	295,713	910,948	909,809	891,970	(17,839)	-2.0%

General Fund	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027	\$ Change FY'27-'26	% Change FY'27-'26
Total	9,449,981	10,428,039	11,602,899	11,671,283	68,384	0.6%

THE CAPITAL IMPROVEMENTS PROGRAM

I. Introduction

The Capital Improvements Program is a six-year capital spending plan, adopted by City Council annually. The first year of the Capital Program is known as the Capital Budget. In alternating years, the Capital Budget includes two full fiscal years of funding due to the City's decision to bond biennially, instead of annually. This results in "off" years when the budget requests will be zero. The decision to bond biennially reduces the frequency of borrowing and lowers financing costs.

The Capital Improvements Program and Budget provide a schedule of expenditures to develop and improve the public facilities necessary to serve those who live and work in Wilmington. The projects reflect the physical development policies of the City, such as Comprehensive Development Plans, Urban Renewal Plans, etc. This document describes the development of a Capital Program; the statutory basis for the preparation of the Capital Program; and an explanation of the capital projects proposed for the FY 2026 - FY 2031 period.

II. A Guide to the Capital Improvements Program

A. Development of a Capital Program

The Wilmington Home Rule Charter describes the process for preparing and adopting the City's Capital Program. The process begins with the various City departments submitting requests for specific projects to the Office of Management and Budget and the Department of Land Use and Planning. Department heads discuss their project proposals with the Office of Management and Budget and the Department of Land Use and Planning, indicating their programming priorities. Three major considerations guide the review of these departmental requests:

1. Overall development objectives for Wilmington. This includes the feasibility, desirability, and need for specific projects.
2. The relationships among projects with respect to design, location, timing of construction and the nature of activities involved.
3. The City's fiscal policies and capabilities.

The City Planning Commission reviews the Capital Program for conformance to the Comprehensive Plan and other City policies, and makes recommendations to the Office of Management and Budget and the Department of Land Use and Planning. The Capital Program is then submitted to the Mayor for his review and transmittal, along with the Annual Operating Budget, to City Council for their approval.

B. Nature of a Capital Project

Generally, a capital project is fixed in nature, has a relatively long-life expectancy, and requires a substantial financial investment. Capital projects traditionally take the form of large-scale physical developments, such as buildings, streets, and water mains. However, a wide range of other projects qualify for capital funding consideration, including firefighting apparatus, street lighting, and computer software. A capital project must cost a minimum of \$5,000, and generally include one or more of the following characteristics:

1. Acquisition of real property, including the purchase of land and/or existing structures for a community facility or utility.
2. Major replacement facilities, such as roofs, heating, plumbing, and electrical systems.
3. Preliminary studies and surveys pursuant to acquisition, construction or rehabilitation of City-owned property.
4. Purchase of specialized equipment and furniture for public improvements when first erected or acquired.
5. Cash contributions when necessary to fulfill the City's obligation in federally-assisted programs of a capital nature.
6. Improvements to City-owned public utilities, such as sewers, water mains, fire hydrants, streets, and catch basins.
7. Vehicles (excluding special equipment not considered a part of the vehicle) exceeding \$25,000 in cost and having a life expectancy of more than ten years.

Percent Allocation to Art: Municipal construction contracts let by the city for the construction of, or remodeling of, public buildings or structures shall include a sum of money amounting to five percent of the estimated construction cost of the building or structure, for ornamentation. Ornamentation includes, but is not limited to, sculpture, monuments, bas-relief, mosaics, frescoes, stained glass, murals, fountains or other decoration, both exterior and interior, having a period of usefulness of at least five years. In the event the five percent sum is not used for the incorporation of ornamentation into the construction project, it shall be placed in the artwork reserve fund. An eligible construction contracts means a capital project greater than \$25,000 identified in the annual capital budget to construct or remodel any public building or structure including parks, or any portion thereof, within the city limits. This shall not include construction, repair or alteration of city streets or sidewalks.

C. The City's Financial Policy for the Capital Program

The following are the major elements that determine how much money the City can legally borrow and how it will pay for specific projects:

1. Fiscal Borrowing Limit

Legislation enacted by the Delaware General Assembly on July 7, 1971, amended the general obligation bond limit of the City of Wilmington to permit a debt service which does not exceed 17.5 percent of the annual operating budget. Because the bonds issued for the sewage treatment and water facilities are revenue supported, they are not subject to this limitation.

2. Self-Sustaining Projects

A clear distinction is made in the Capital Program between tax-supported and self-sustaining (revenue) projects. Self-sustaining projects are part of any operation which will generate sufficient revenues to cover its debt service (water and sewer service, for example). Although the debt service on these bonds is paid from the various operating revenues, the bonds are secured by the City's full taxing authority, and thus are a special form of general obligation bonds.

3. Bond Life

The City generally limits the term of its borrowing to 20 years for all tax-supported and revenue obligations. However, under special circumstances, 5- or 10-year bonds have been, and can be, issued.

D. Expenditure Analysis

Capital spending projects generally are within the following four categories:

1. New Service

Projects which provide a service not previously available. Examples include sewer lines; roads and water mains to areas not previously served; the acquisition and development of new parks; or the construction of a new facility for a new service.

2. New Replacing Existing

New projects which replace an existing facility providing a similar or identical service. Examples include the acquisition of new apparatus, or the replacement of aging sewer lines and water mains.

3. Upgrading Existing

Additions and modifications to existing facilities aimed at providing more and/or better service than is now provided. Examples include additions to buildings, increasing the capacity of existing water mains and development of park land already owned by the City.

4. Restoring Existing

Projects aimed at restoring an existing facility to its original capacity and/or quality of service. Examples include cleaning and relining of water mains, and minor capital improvements projects.

Significantly, only a small percentage of past capital expenditures have been for new service. This is very characteristic of an older, highly developed City in which most basic municipal services are already in place, and no new significant population growth is taking place.

Most projects fall within the category of upgrading existing facilities, reflecting a policy of extending and expanding their usefulness to the City's present stock of capital facilities. A policy of utilizing existing facilities with renovations and additions maximizes the efficiency of capital spending.

In the past, the replacement of capital facilities with new ones was prevalent. This approach is justifiable when facilities are too obsolete to permit economical rehabilitation or modification, when they have been utilized to the extent of their full useful life, or they are improperly located to meet the current needs. In general, replacements of this type offer increased capacity, modern features and up-to-date conveniences not found in the facilities they replace.

The restoration of existing facilities is generally undertaken when an existing facility has become so worn or deteriorated that major corrective action is needed to preserve its usefulness. While these expenditures do not result in the provision of a new or improved service, they are among the most cost-efficient capital expenditures since maximum use is made of existing facilities.

E. Method of Funding

1. City Obligations

The bulk of funding for the City's Capital Improvements Program has traditionally come through general obligation bonds issued by the City and repaid out of the appropriate department operating budget over a 20-year period. In general, investors loan the City funds based upon its "bond" or promise to repay them using all means possible.

2. Federal and State Funds

In the past, the Federal and State governments have provided substantial support for capital programs in the City. For example, federal grants have often composed a major portion of funding for sewer and water projects, with local capital funding being used to "match" the Federal portion. Federal and State funds have been requested to supplement this year's budget.

3. Unused Capital Funds

Unexpended funds from previous Capital Budgets are reviewed annually to determine whether a former project has been temporarily delayed, altered or is no longer feasible. Based on this analysis, funds might then be transferred to current fiscal year projects to reduce the amount being currently borrowed.

F. Capital Funding for FY 2026- FY 2031

The six-year Capital Budget and Capital Improvements Program totals \$603,728,163, with a FY 2026 Capital Budget in the amount of \$198,732,000 and the additional five-year program adding \$404,996,163. A breakdown of these costs and the project descriptions are provided in the following pages.

G. Impact of Capital Spending on the Operating Budget

Because many of the projects in the Capital Budget are funded through the issuance of General Obligation Bonds, the payment of debt service has the greatest overall effect on the Operating Budget. The annual debt service expense that would result from bonds issued to fund the Capital Budget would be \$7,399,232. It should be noted that only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Services Funds.

H. Active Capital Projects

Because of the complex nature of capital projects, the total budget request is rarely expended within the budget year. Per City Code, the City's Capital Review Committee meets quarterly to review the status of active multi-year projects. Information from these meetings is shared with the public on the City's OpenGov transparency website: <https://bit.ly/WDeCapital>.

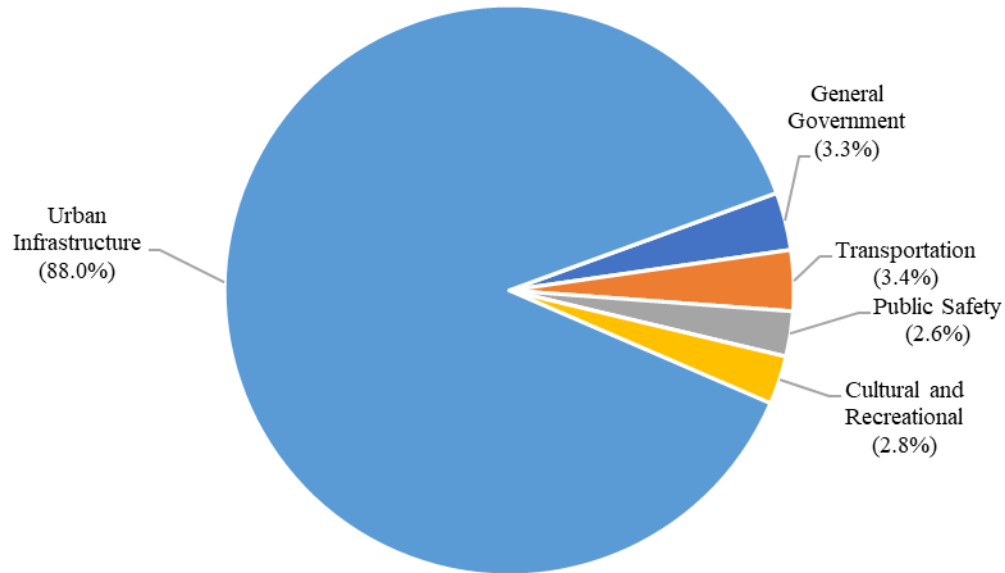
Estimated Annual Impact of Capital Budget Spending on the Operating Budget

Department	Fund	Debt Service*	Personal Services	M. S. & E.	Total
Finance	General	\$147,068	\$0	(8,175)	\$138,893
	Water/Sewer	129,217	0	(8,175)	121,042
Fire	General	255,890	0	(17,500)	238,390
Mayor's Office	General	102,356	0	0	102,356
Parks & Recreation	General	292,446	0	10,000	302,446
Police	General	43,136	0	(2,950)	40,186
Public Works	General	840,782	0	(57,500)	783,282
	Water/Sewer	5,040,000	0	(150,000)	4,890,000
Real Estate & Housing	General	146,223	0	0	146,223
Transportation Division (Public Works)	General	402,113	0	27,500	429,613
TOTAL		\$7,399,232	\$0	(\$206,800)	\$7,192,432

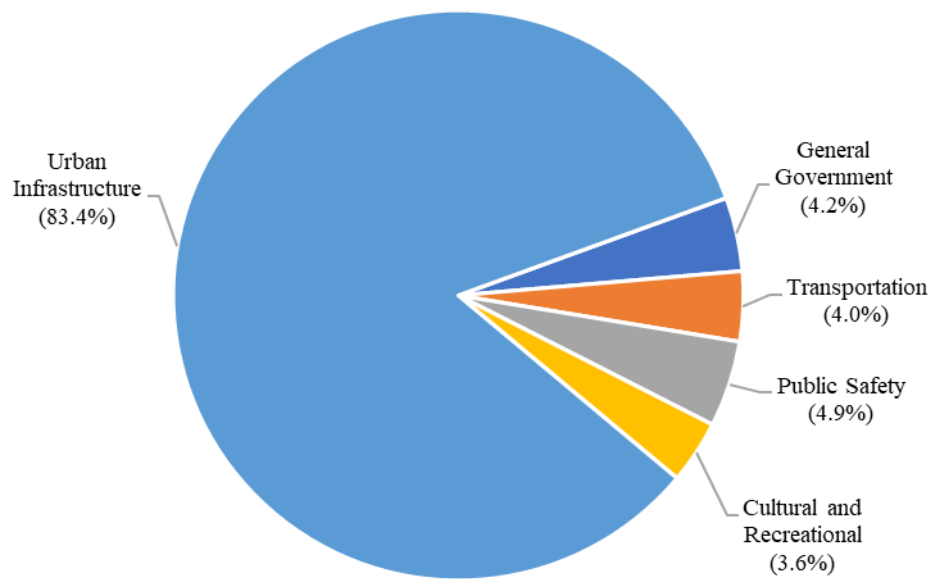
Fund	Debt Service*	Personal Services	M. S. & E.	Total
General	\$2,230,015	\$0	(\$48,625)	\$2,181,390
Water / Sewer	5,169,217	0	(158,175)	5,011,042
TOTAL	\$7,399,232	\$0	(\$206,800)	\$7,192,432

* Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund.

Capital Budget Allocations FY 2026



Capital Program Allocations FY 2026 - FY 2031



**Capital Improvements Program
Fiscal Years 2026 - 2031**

Summary: Total Funds Recommended by Fiscal Year and Department

Department	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Finance	G	2,011,563	0	5,467,613	0	429,063	0	7,908,239	7,908,239
	W	3,230,437	0	6,374,487	0	1,450,000	0	11,054,924	11,054,924
Fire	G	3,500,000	0	12,500,000	0	3,500,000	0	19,500,000	19,500,000
Mayor's Office	G	1,400,000	0	2,950,000	0	2,825,000	0	7,175,000	7,175,000
Parks	G	4,000,000	0	5,500,000	0	5,500,000	0	15,000,000	15,000,000
Police	G	590,000	0	0	0	0	0	590,000	590,000
Public Works	G	11,500,000	0	16,000,000	0	16,000,000	0	43,500,000	43,500,000
	O	30,500,000	0	30,500,000	0	30,500,000	0	0	91,500,000
	W	126,000,000	0	118,000,000	0	116,000,000	0	360,000,000	360,000,000
Real Estate and Housing	G	2,000,000	0	2,000,000	0	0	0	4,000,000	4,000,000
	O	500,000	0	500,000	0	0	0	0	1,000,000
Transportation Division (Public Works)	G	5,500,000	0	6,500,000	0	6,500,000	0	18,500,000	18,500,000
	O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
Total by Fund	G	30,501,563	0	50,917,613	0	34,754,063	0	116,173,239	116,173,239
	O	39,000,000	0	39,000,000	0	38,500,000	0	0	116,500,000
	W	129,230,437	0	124,374,487	0	117,450,000	0	371,054,924	371,054,924
Grand Total		198,732,000	0	214,292,100	0	190,704,063	0	487,228,163	603,728,163

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

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Summary: Total Funds Recommended by Expenditure Category

Department	Expend. Category	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Finance (Bond Issuance Costs)	NR	48,250	0	183,475	0	31,250	0	262,975	262,975
	RE	243,750	0	281,250	0	250,000	0	775,000	775,000
	UE	1,680,000	0	1,699,375	0	1,597,813	0	4,977,188	4,977,188
Finance (Projects)	NR	3,270,000	0	9,678,000	0	0	0	12,948,000	12,948,000
Fire	NR	0	0	5,000,000	0	2,500,000	0	7,500,000	7,500,000
	RE	3,500,000	0	3,500,000	0	1,000,000	0	8,000,000	8,000,000
	UE	0	0	4,000,000	0	0	0	4,000,000	4,000,000
Mayor's Office	UE	1,400,000	0	2,950,000	0	2,825,000	0	7,175,000	7,175,000
Parks	UE	4,000,000	0	5,500,000	0	5,500,000	0	15,000,000	15,000,000
Police	NR	590,000	0	0	0	0	0	590,000	590,000
Public Works	RE	16,000,000	0	19,000,000	0	19,000,000	0	54,000,000	54,000,000
	UE	152,000,000	0	145,500,000	0	143,500,000	0	349,500,000	441,000,000
Real Estate and Housing	UE	2,500,000	0	2,500,000	0	0	0	4,000,000	5,000,000
Transportation Division (Public Works)	UE	13,500,000	0	14,500,000	0	14,500,000	0	18,500,000	42,500,000
Total by Expenditure Category	NR	3,908,250	0	14,861,475	0	2,531,250	0	21,300,975	21,300,975
	RE	19,743,750	0	22,781,250	0	20,250,000	0	62,775,000	62,775,000
	UE	175,080,000	0	176,649,375	0	167,922,813	0	403,152,188	519,652,188
Grand Total		198,732,000	0	214,292,100	0	190,704,063	0	487,228,163	603,728,163

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Finance Department - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
New ERP System										
Strategic Assessment & Review	NR	G	1,485,000	0	4,839,000	0	0	0	6,324,000	6,324,000
	NR	W	1,485,000	0	4,839,000	0	0	0	6,324,000	6,324,000
Finance Department Renovations										
	NR	G	150,000	0	0	0	0	0	150,000	150,000
	NR	W	150,000	0	0	0	0	0	150,000	150,000
Cost of Bond Issue (General Fund)		G	376,563	0	628,613	0	429,063	0	1,434,239	1,434,239
Cost of Bond Issue (Water / Sewer Fund)		W	1,595,437	0	1,535,487	0	1,450,000	0	4,580,924	4,580,924
Total by Fund		G	2,011,563	0	5,467,613	0	429,063	0	7,908,239	7,908,239
		W	3,230,437	0	6,374,487	0	1,450,000	0	11,054,924	11,054,924
Total Finance Department Funds			5,242,000	0	11,842,100	0	1,879,063	0	18,963,163	18,963,163

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

Bond Issuance Costs projected to be 1.25%

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Fire Department - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Fire Engine Replacement	NR	G	0	0	2,500,000	0	2,500,000	0	5,000,000	5,000,000
Ladder Truck Replacement	NR	G	0	0	2,500,000	0	0	0	2,500,000	2,500,000
Fire Station Renovations	RE	G	3,500,000	0	3,500,000	0	1,000,000	0	8,000,000	8,000,000
Fire Boat Refurbishment / Replacement	UE	G	0	0	4,000,000	0	0	0	4,000,000	4,000,000
Total by Fund		G	3,500,000	0	12,500,000	0	3,500,000	0	19,500,000	19,500,000
Total Fire Funds			3,500,000	0	12,500,000	0	3,500,000	0	19,500,000	19,500,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Mayor's Office - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Five Percent for Art	UE	G	400,000	0	450,000	0	325,000	0	1,175,000	1,175,000
Infrastructure and Site Improvements Closing Fund	UE	G	500,000	0	1,500,000	0	1,500,000	0	3,500,000	3,500,000
Site Acquisition	UE	G	500,000	0	1,000,000	0	1,000,000	0	2,500,000	2,500,000
Total by Fund		G	1,400,000	0	2,950,000	0	2,825,000	0	7,175,000	7,175,000
Total Mayor's Office Funds			1,400,000	0	2,950,000	0	2,825,000	0	7,175,000	7,175,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Parks and Recreation - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Park Improvements	UE	G	3,000,000	0	5,000,000	0	5,000,000	0	13,000,000	13,000,000
WHACC Improvements	UE	G	1,000,000	0	500,000	0	500,000	0	2,000,000	2,000,000
Total by Fund			4,000,000	0	5,500,000	0	5,500,000	0	15,000,000	15,000,000
Total Parks and Recreation Funds			4,000,000	0	5,500,000	0	5,500,000	0	15,000,000	15,000,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Police Department - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Public Safety Building Elevators	NR	G	460,000	0	0	0	0	0	460,000	460,000
HVAC (911 Center)	NR	G	130,000	0	0	0	0	0	130,000	130,000
Total by Fund			590,000	0	0	0	0	0	590,000	590,000
Total Police Department Funds			590,000	0	0	0	0	0	590,000	590,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Public Works - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Street Paving and Reconstruction	RE	G	7,000,000	0	10,000,000	0	10,000,000	0	27,000,000	27,000,000
Emergency Sidewalk Repairs	UE	G	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Building Improvements	UE	G	1,500,000	0	2,000,000	0	2,000,000	0	5,500,000	5,500,000
Municipal Complex Improvements	UE	G	1,500,000	0	2,000,000	0	2,000,000	0	5,500,000	5,500,000
City / County Building Renovations	UE	G	500,000	0	1,000,000	0	1,000,000	0	2,500,000	2,500,000
11th Street Sewage Pumping Station Upgrade	UE	W	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
Annual Minor Sewer Improvements	RE	W	2,500,000	0	2,500,000	0	2,500,000	0	7,500,000	7,500,000
Major Sewer Improvements	RE	W	6,000,000	0	6,000,000	0	6,000,000	0	18,000,000	18,000,000
Annual Water Improvements	UE	W	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
	UE	O	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
Porter Filter Plant Improvements	UE	W	15,000,000	0	15,000,000	0	15,000,000	0	45,000,000	45,000,000
	UE	O	5,000,000	0	5,000,000	0	5,000,000	0	15,000,000	15,000,000
Emerging Contaminants	UE	W	40,000,000	0	40,000,000	0	40,000,000	0	120,000,000	120,000,000
	UE	O	10,000,000	0	10,000,000	0	10,000,000	0	30,000,000	30,000,000
Transmission Main Improvements	UE	W	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
	UE	O	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Pressure Zone Reliability Improvements	UE	W	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
	UE	O	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Brandywine Filter Plant Improvements	UE	W	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
	UE	O	1,000,000	0	1,000,000	0	1,000,000	0	3,000,000	3,000,000
Raw Water System Improvements	UE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
	UE	O	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Architectural Improvements	UE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Pumping Station Improvements	UE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Public Works - Program Recommendations by Fiscal Year (continued)

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Automated Metering Infrastructure (AMI)	UE	W	5,000,000	0	2,000,000	0	0	0	7,000,000	7,000,000
WWTP Infrastructure System Improvements	UE	W	25,000,000	0	20,000,000	0	20,000,000	0	65,000,000	65,000,000
Stormwater Drainage Management Program	UE	W	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Storm Water Mitigation (Green Infrastructure)	UE	W	1,500,000	0	1,500,000	0	1,500,000	0	4,500,000	4,500,000
Urban Forest Management Program	RE	W	500,000	0	500,000	0	500,000	0	1,500,000	1,500,000
Total by Fund		G	11,500,000	0	16,000,000	0	16,000,000	0	43,500,000	43,500,000
		O	30,500,000	0	30,500,000	0	30,500,000	0	91,500,000	91,500,000
		W	126,000,000	0	118,000,000	0	116,000,000	0	360,000,000	360,000,000
Total Public Works Funds			168,000,000	0	164,500,000	0	162,500,000	0	495,000,000	495,000,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Real Estate and Housing - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Neighborhood Stabilization	UE	G	2,000,000	0	2,000,000	0	0	0	4,000,000	4,000,000
	UE	O	500,000	0	500,000	0	0	0	0	1,000,000
Total by Fund		G	2,000,000	0	2,000,000	0	0	0	4,000,000	4,000,000
		O	500,000	0	500,000	0	0	0	0	1,000,000
Total Real Estate and Housing Funds			2,500,000	0	2,500,000	0	0	0	4,000,000	5,000,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Transportation Division (Public Works) - Program Recommendations by Fiscal Year

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total City / Matching Funds
Traffic System Infrastructure	UE	G	1,500,000	0	2,500,000	0	2,500,000	0	6,500,000	6,500,000
Wilmington Transportation Initiatives	UE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
	UE	O	8,000,000		8,000,000	0	8,000,000	0	0	24,000,000
ADA Curb Ramp and Sidewalk Compliance	UE	G	2,000,000	0	2,000,000	0	2,000,000	0	6,000,000	6,000,000
Total by Fund		G	5,500,000	0	6,500,000	0	6,500,000	0	18,500,000	18,500,000
		O	8,000,000	0	8,000,000	0	8,000,000	0	0	24,000,000
Total Transportation Division (Public Works) Funds			13,500,000	0	14,500,000	0	14,500,000	0	18,500,000	42,500,000

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

**Capital Improvements Program
Fiscal Years 2026 - 2031**

Mayor's Office - 5% for Art

Project	Expend. Category	Type of Funding	2026	2027	2028	2029	2030	2031	Total City Funds	Total Local / Matching Funds
Fire Station Renovations	RE	G	3,500,000	0	3,500,000	0	1,000,000	0	8,000,000	0
Building Improvements	UE	G	1,500,000	0	2,000,000	0	2,000,000	0	5,500,000	0
Municipal Complex Improvements	UE	G	1,500,000	0	2,000,000	0	2,000,000	0	5,500,000	0
City / County Bldg. Renovations	UE	G	500,000	0	1,000,000	0	1,000,000	0	2,500,000	0
WHACC Improvements	UE	G	1,000,000	0	500,000	0	500,000	0	2,000,000	0
Total by Fund		G	8,000,000	0	9,000,000	0	6,500,000	0	23,500,000	0
Total 5% For Art		G	400,000	0	450,000	0	325,000	0	1,175,000	0

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

Expenditure Category: NS - New Service; NR - New Replace Existing; UE - Upgrade Existing; RE - Restore Existing. See pages 237-238 for detailed descriptions of categories.

III. CAPITAL PROJECT DESCRIPTIONS - FISCAL YEARS 2026- 2031

A. DEPARTMENT OF FINANCE

Cost of Bond Issue: The figures provided in the budget and program summary sheets for the Cost of Bond Issue (General Fund) and the Cost of Bond Issue (Water/Sewer Fund) are not related to specific capital projects and as such are not identified in this chapter; rather, these figures represent the costs associated with fund borrowing (bond counsel and other related fees).

General Fund Projects

1. New ERP System - Strategic Assessment & Review

Budget Request: \$1,485,000.
Program Request: \$4,839,000.

Budget: Funds to update the ERP financial systems for the Human Resources, Financial and Procurement systems. Budget includes planning, design, and development of specifications.

Program: Ongoing Program.

<i>Annual Debt Service Impact</i>	<i>\$108,571</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$7,425)</i>

2. Finance Renovations

Budget Request: \$150,000.
Program Request: \$0.

Budget: Funds for renovations to 1st floor Accounting Services, Customer Service and Billing Divisions to improve service, productivity and employee safety. Also includes cubicles, lighting and HVAC improvements to the 6th floor Billing Division.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$10,967</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$750)</i>

Water/Sewer Fund Projects

3. New ERP System - Strategic Assessment & Review

Budget Request: \$1,485,000.

Program Request: \$4,839,000.

Budget: Funds to update the ERP financial systems for the Human Resources, Financial and Procurement systems. Budget includes planning, design, and development of specifications.

Program: Ongoing program.

Annual Debt Service Impact \$59,400

Annual Operational Impact Personal Services \$0

Annual Operational Impact M. S. & E. (\$7,425)

4. Finance Renovations

Budget Request: \$150,000.

Program Request: \$0.

Budget: Funds for renovations to 1st floor Accounting Services, Customer Service and Billing Divisions to improve service, productivity and employee safety. Also includes cubicles, lighting and HVAC improvements to the 6th floor Billing Division.

Program: None.

Annual Debt Service Impact \$6,000

Annual Operational Impact Personal Services \$0

Annual Operational Impact M. S. & E. (\$750)

B. FIRE DEPARTMENT

1. Fire Engine Replacement

Budget Request: \$0.
Program Request: \$5,000,000.

Budget: None.

Program: Funds for the replacement of existing fire engines every fifteen years in accordance with NFPA and State of Delaware standards.

Annual Debt Service Impact \$0
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

2. Ladder Truck Replacement

Budget Request: \$0.
Program Request: \$2,500,000.

Budget: None.

Program: Funds for the replacement of existing ladder trucks with fully equipped aerial trucks, every fifteen years in accordance with NFPA and State of Delaware standards.

Annual Debt Service Impact \$0
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

3. Fire Station Renovations and Repairs

Budget Request: \$3,500,000.
Program Request: \$4,500,000.

Budget: Funds for design and renovation work to the City's fire stations, including structural, mechanical, and cosmetic upgrades.

Program: Ongoing program.

Annual Debt Service Impact \$255,890
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. (\$17,500)

4. Fire Boat Refurbishment/Replacement

Budget Request: \$0
Program Request: \$4,000,000.

Budget: None.

Program: Funds for the refurbishment of the Fire Boat to include propulsion and engine replacement and electronic upgrades.

Annual Debt Service Impact \$0
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

C. OFFICE OF THE MAYOR

1. Five Percent for Art

Budget Request: \$400,000.
Program Request: \$775,000.

Budget: The Five Percent for Art program receives capital funding for the purpose of providing ornamentation, such as sculpture and artwork, on certain eligible capital projects involving public buildings or structures.

Program: Ongoing Program.

Annual Debt Service Impact \$0
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$0

2. **Infrastructure and Site Improvements Closing Fund**

Budget Request: \$500,000.
Program Request: \$3,000,000.

Budget: Funds for public infrastructure and site improvements to support economic development projects and other major investments that create employment opportunities and expand commercial and market rate residential development; and to leverage private redevelopment of underutilized and blighted areas. This includes land acquisition, construction of new roads and utilities, site preparation, and environmental remediation.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$0</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

3. **Site Acquisition**

Budget Request: \$500,000.
Program Request: \$2,000,000.

Budget: Funds for land acquisition which supports economic development projects, including public-private partnerships, with a focus on preventing the expansion of undesirable commercial uses in blighted areas, and supporting the development of light manufacturing/industrial business parks.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$0</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$0</i>

D. PARKS AND RECREATION

1. Park Improvements

Budget Request: \$3,000,000.
Program Request: \$10,000,000.

Budget: Funds for improvements for parks, playgrounds, athletic fields, plazas, triangles, squares, swimming pools, fountains and sculptures throughout the city, including fitness equipment, walkways, fencing, landscaping and related site amenities.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$219,334</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$15,000</i>

2. WHACC Improvements

Budget Request: \$1,000,000.
Program Request: \$1,000,000.

Budget: Funds for ongoing improvements to the William Hicks Anderson Community Center to meet programming and operational needs.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$73,111</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$5,000)</i>

E. POLICE

1. Public Safety Building Elevators

Budget Request: \$460,000.
Program Request: \$0.

Budget: Funds for the replacement of aging and obsolete elevators and equipment.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$33,631</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$2,300)</i>

2. HVAC (911 Center)

Budget Request: \$130,000.
Program Request: \$0.

Budget: Funds for the replacement of aging and obsolete HVAC equipment.

Program: None.

<i>Annual Debt Service Impact</i>	<i>\$9,504</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$650)</i>

F. PUBLIC WORKS

General Fund Projects

1. Street Paving and Reconstruction

Budget Request: \$7,000,000.
Program Request: \$20,000,000.

Budget: Funds for routine street paving and reconstruction of deteriorated roadways throughout the city based on condition and use, and to maintain street network infrastructure.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$511,780</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$35,000)</i>

2. Emergency Sidewalk Repairs

Budget Request: \$1,000,000.
Program Request: \$2,000,000.

Budget: Funds for emergency repairs to damaged sidewalks throughout the city.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$73,111</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$5,000)</i>

3. **Building Improvements**

Budget Request: \$1,500,000.
Program Request: \$4,000,000.

Budget: Funds for HVAC, electrical, security, and architectural improvements to the City/County Building and other municipal buildings.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$109,667</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$7,500)</i>

4. **Public Works Municipal Complex Improvements**

Budget Request: \$1,500,000.
Program Request: \$4,000,000.

Budget: Funds for HVAC, electrical, security, access control, and architectural improvements to the municipal complex buildings.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$109,667</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$7,500)</i>

5. **City / County Building Renovations**

Budget Request: \$500,000.
Program Request: \$2,000,000.

Budget: Funds to implement departmental requests for renovations to spaces within the City/County Building, including cameras, security locks, doors, carpet, paint, furniture, electrical, data, mechanical, construction, and fire protection.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$36,556</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$2,500)</i>

Water/Sewer Fund Projects

1. 11th Street Sewage Pumping Station Upgrade

Budget Request: \$10,000,000.
Program Request: \$20,000,000.

Budget: Funds for the rehabilitation and replacement of the aging sewage pumping station.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$400,00</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$50,000)</i>

2. Annual Minor Sewer Improvements

Budget Request: \$2,500,000.
Program Request: \$5,000,000.

Budget: Funds for the rehabilitation and replacement of small-diameter sewers and other projects citywide, as identified through closed-circuit TV (CCTV) inspection and modeling efforts.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$100,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$12,500)</i>

3. Major Sewer Improvements

Budget Request: \$6,000,000.
Program Request: \$12,000,000.

Budget: Funds for sewer reconstruction and rehabilitation of major brick sewers (24" and above) and interceptors throughout the city.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$240,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$30,000)</i>

4. Annual Water Improvements

Budget Request: \$10,000,000. (Other Funds: \$10,000,000.)
Program Request: \$20,000,000. (Other Funds: \$20,000,000.)

Budget: Funds for maintaining the citywide water distribution system to improve water quality, pressure, fire flows, and overall level of service.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$400,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$50,000)</i>

5. Porter Filter Plant Improvements

Budget Request: \$15,000,000. (Other Funds: \$5,000,000.)
Program Request: \$30,000,000. (Other Funds: \$10,000,000.)

Budget: Funds for upgrades to the electrical system and continued improvements to the Porter Reservoir and Clear Well to maintain operations.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$600,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$75,000)</i>

6. Emerging Contaminants

Budget Request: \$40,000,000. (Other Funds: \$10,000,000.)
Program Request: \$80,000,000. (Other Funds: \$20,000,000.)

Budget: Funds for installation of Granular Activated Carbon (GAC) Treatment Process for removal of PFAS and PFOA chemicals in accordance with new EPA regulations.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$1,600,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$200,000</i>

7. Transmission Main Improvements

Budget Request: \$2,000,000. (Other Funds: \$2,000,000.)
Program Request: \$4,000,000. (Other Funds: \$4,000,000.)

Budget: Funds for transmission capacity improvements throughout the water district, including the replacement of transmission mains.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$80,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$10,000</i>

8. Pressure Zone Reliability Improvements

Budget Request: \$1,000,000. (Other Funds: \$1,000,000.)
Program Request: \$2,000,000. (Other Funds: \$2,000,000.)

Budget: Funds for improvements to pressure zones, tanks, and mains and for strategic small main replacements to improve the reliability of service.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$40,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$5,000</i>

9. Brandywine Filter Plant Improvements

Budget Request: \$2,000,000. (Other Funds: \$1,000,000.)
Program Request: \$4,000,000. (Other Funds: \$2,000,000.)

Budget: Funds for structural, mechanical, and aesthetic upgrades to the Brandywine Filter Plant, including electrical, heating, and HVAC system improvements.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$80,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$10,000)</i>

10. Raw Water System Improvements

Budget Request: \$1,500,000. (Other Funds: \$1,500,000.)
Program Request: \$3,000,000. (Other Funds: \$3,000,000.)

Budget: Funds for the rehabilitation of the 42-inch raw water transmission main between the Brandywine Pumping Station and Porter Filter Plant, and other critical raw water infrastructure.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$60,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$7,500</i>

11. Architectural Improvements

Budget Request: \$1,500,000.
Program Request: \$3,000,000.

Budget: Funds for architectural repairs, restoration, and stabilization of buildings, roofs, and structural components throughout the water system.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$60,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$7,500</i>

12. Pumping Station Improvements

Budget Request: \$500,000.
Program Request: \$1,000,000.

Budget: Funds for upgrades to pumps and electrical components of various remote pumping stations.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$20,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$2,500)</i>

13. Automated Metering Infrastructure

Budget Request: \$5,000,000.
Program Request: \$2,000,000.

Budget: Funds for purchase and installation of 500-watt Encoder Receiver Transmitters on existing meters to upgrade to automatic water meter readings.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$200,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$25,000)</i>

14. WWTP Infrastructure System Improvements

Budget Request: \$25,000,000.
Program Request: \$40,000,000.

Budget: Funds for the rehabilitation and replacement of aged infrastructure at the Wastewater Treatment Plant (12th Street and Hay Road).

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$1,000,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$125,000)</i>

15. Stormwater Drainage Management Program

Budget Request: \$2,000,000.
Program Request: \$4,000,000.

Budget: Funds for tide gate evaluation and reconstruction, storm inlet reconstruction, and other drainage improvement projects citywide to mitigate local flooding and prevent tidal water inflows into the sewer system.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$80,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>(\$10,000)</i>

16. Stormwater Mitigation (Green Infrastructure)

Budget Request: \$1,500,000.
Program Request: \$3,000,000.

Budget: Funds for the expansion and implementation of green infrastructure projects to mitigate Combined Sewer Overflows (CSOs) through source control of storm water throughout the citywide collection system.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$60,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$7,500</i>

17. Urban Forest Management Program

Budget Request: \$500,000.
Program Request: \$1,000,000.

Budget: Funds for tree planting and stump removal to support mandates for green infrastructure and storm water control, and the 2-for-1 tree replacement.

Program: Ongoing program.

<i>Annual Debt Service Impact</i>	<i>\$20,000</i>
<i>Annual Operational Impact Personal Services</i>	<i>\$0</i>
<i>Annual Operational Impact M. S. & E.</i>	<i>\$2,500</i>

G. REAL ESTATE AND HOUSING

1. Neighborhood Stabilization

Budget Request: \$2,000,000. (Other Funds: \$500,000.)

Program Request: \$2,000,000. (Other Funds: \$500,000.)

Budget: Funds for the acquisition, rehabilitation and disposition of vacant properties within the Eastside, West Center City, Hilltop and the Northeast neighborhoods.

Program: Ongoing program.

Annual Debt Service Impact \$146,223

Annual Operational Impact Personal Services \$0

Annual Operational Impact M. S. & E. \$0

H. TRANSPORTATION

1. Traffic System Infrastructure

Budget Request: \$1,500,000.

Program Request: \$5,000,000.

Budget: Funds for programmed traffic infrastructure improvements including signals, smart parking meters, and decorative streetlights; and for implementing new smart signal and parking technologies to maintain the existing traffic control system.

Program: Ongoing program.

Annual Debt Service Impact \$109,6667

Annual Operational Impact Personal Services \$0

Annual Operational Impact M. S. & E. \$7,500

2. Wilmington Transportation Initiatives

Budget Request: \$2,000,000. (Other Funds: \$8,000,000.)
Program Request: \$4,000,000. (Other Funds: \$16,000,000.)

Budget: Local matching funds to leverage federal funding for transportation projects in coordination with DelDOT and WILMAPCO.

Program: Ongoing program.

Annual Debt Service Impact \$146,223
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$10,000

3. ADA Curb Ramp and Sidewalk Compliance

Budget Request: \$2,000,000.
Program Request: \$4,000,000.

Budget: Funds for the installation of ADA-compliant curb ramps and sidewalk repairs to facilitate compliance with Federal requirements.

Program: Ongoing program.

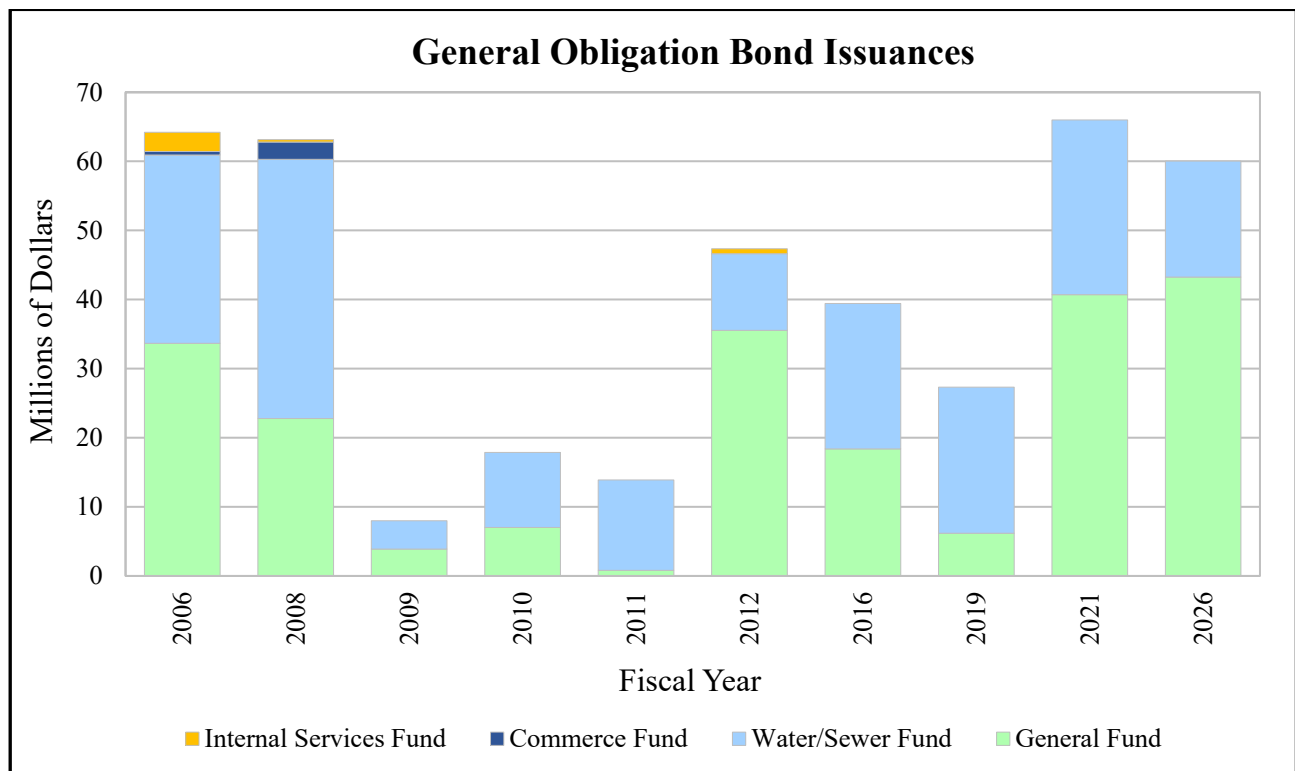
Annual Debt Service Impact \$146,223
Annual Operational Impact Personal Services \$0
Annual Operational Impact M. S. & E. \$10,000

CAPITAL BORROWING AND DEBT MANAGEMENT

Borrowing History

The graph below illustrates the City's actual bond market participation for the fiscal years beginning with FY 2006 and ending in FY 2026 (as FY 2026 was the last year in which bonds were issued for new projects). Amounts shown were borrowed for capital projects within the stated fiscal year. In some fiscal years, the City issued bonds to refinance past obligations at lower interest rates. Those refinancings are not included in the graph below. In other fiscal years, the City issued bonds for both refunding and new projects; only the new projects portion is shown in the graph below. There are also some fiscal years when the City did not issue any bonds.

The City's aggressive position in maintaining its infrastructure results in debt levels and debt servicing requirements slightly higher than peer groups. However, overall debt levels have declined in recent years, with the City refinancing existing debt (taking advantage of historically low rates), as well as delaying issuing Water/Sewer general obligation bonds by instead utilizing no-interest loans from Delaware's State Revolving Fund program. Consequently, debt service levels are well within the legal debt limit of 17.5% of operating costs as mandated by the State of Delaware. (This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.) For FY 2027, the General Fund budgeted debt service of \$14,176,164 is 6.6% of the total operating budget of \$213,532,018, well below the 17.5% legal debt limit of \$37,368,103.



CAPITAL BORROWING AND DEBT MANAGEMENT

(Continued)

Uses of Debt Obligations

The City of Wilmington issues debt in order to fund its biennial Capital Improvements Program. Specific initiatives have contributed to the fluctuations both in the aggregate debt and within specific funds. For instance, the borrowing during 2006 and 2008 reflected an accelerated infrastructure maintenance schedule that attempted to reverse previous years of funding neglect for streets, parks, water facilities, water mains, and sewer lines. This includes increases in the General and Water/Sewer Funds resulting from a variety of capital improvements, including Christina Landing development; construction of the new Municipal Complex, which serves both the Parks and Public Works departments; and ongoing repairs and upgrades to the City's water and sewer infrastructure, facilities, and reservoirs.

Because the City deferred issuing new debt for the majority of its capital improvements program during the Great Recession in fiscal years 2009, 2010, and 2011, new borrowing was significantly less than in prior years, but did include a small number of Water/Sewer projects, as well as portion of the Market Street redevelopment project. In FY 2012, an in-depth analysis of the City's most pressing capital needs resulted in a consolidated and more efficiently sized Capital Budget. The bond issuance to fund the FY 2012 Capital Budget took place in November 2012. Continuing to concentrate on high-priority infrastructure projects in parks, streets, and water/sewer mains, the City's three issuances in November 2015, November 2018, and October 2020 were used to fund the FY 2014, FY 2016, FY 2018, and parts of the FY 2020 Capital Budgets.

The City's most recent bond issuance, in December 2025, included portions of the FY 2020, FY 2022, FY 2024, and FY 2026 Capital Budgets. Similar to prior borrowings, much of the focus was on streets, parks, and water infrastructure, along with funding for fire station renovations, UBCIS (Utility Billing Customer Information System) implementation, and neighborhood stabilization initiatives.

Before its sale to the State of Delaware, the City recognized the importance of its port facilities (Commerce Fund) to Wilmington's economy and therefore made concerted efforts to expand and improve these facilities. In 1992, \$18.8 million was borrowed for warehousing improvements in order to maintain the Port's competitiveness. Realizing that the continued maintenance, upgrading and expansion of Port operations were beyond what it could provide, in 1996 the City sold the Port to the State of Delaware. (The debt service for the Port, however, remained on the City's books and was reimbursed by the State.) Additional Commerce Fund borrowing was used to support economic development activity. In 2009, all funds remaining from the sale of the Port were depleted. Consequently, subsequent economic development borrowing, as well as existing Port debt, has been included in the General Fund.

Debt Management Policies

The City takes a conservative approach to debt management. Debt shall never be incurred to finance operating activities, except in the special case, as approved by City Council, where the issuance of tax anticipation notes are to be used to bridge timing gaps in cash flow from tax revenue sources. Capital borrowing shall be structured to create level debt service over the life of the bonds and be opportunistic in regard to market conditions and special issues. The City will take an aggressive position regarding special issues in order to generate interest savings, fee income, or economic development incentives. Although total annual General Fund debt service cost as a percentage of the annual operating budget shall not exceed 17.5%, as mandated by Delaware State law, the City's policy goal is to keep that percentage below 11%. For FY 2027, the General Fund budgeted debt service is 6.6% of the total operating budget, well below both of these limits.

The City's debt management is executed by a team of financial specialists that includes the City Treasurer, Budget Director, and Finance Director, along with support from outside financial and legal specialists that form the City's Bond Council.

CAPITAL BORROWING AND DEBT MANAGEMENT

(Continued)

The bulk of the City's Capital Improvement Program has traditionally been funded through general obligation bonds issued by the City and repaid out of the appropriate departmental operating budgets over a 20-year period, although 5-year and 10-year bonds have been issued in special circumstances. Normally, general obligation bonds are issued for fixed-asset purchases, infrastructure maintenance, and capital improvement projects. The City also uses short-term obligations (e.g. bond anticipation notes, capital leases, etc.) to bridge the time gap between initiation of a project/purchase and the anticipated bond issuance, when the nature of a purchase precludes the issuance of long-term debt, or when it is fiscally responsible to do so.

Per City Code, long-term debt cannot be issued for operating expenses. With City Council approval, the City may in special cases issue short-term tax anticipation notes in order to bridge timing gaps in cash flow from tax revenue sources.

Prior to the issuance of any short- or long-term obligations, the City considers the effect of borrowing on its financial position, its ability to repay, and the legal debt limit imposed by the State of Delaware. As mandated, total General Fund debt service is limited to 17.5% of annual operating costs (equal to \$37,368,103 for FY 2027). This State limit applies only to General Fund debt, not debt found in the Water/Sewer, Commerce, or Internal Service Funds.

The City's current bond ratings are:

Moody's:	Aa2	"Issuers or issues demonstrate very strong creditworthiness relative to other domestic issuers and issuances."
Standard & Poor's:	AA+	"Very strong capacity to meet financial commitments."

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET**

The tables below depict past and future debt service payments broken out by principal and interest, total debt service, and debt service as a percentage of the annual budget. Fiscal years 2017 through 2025 figures are actual payments. Fiscal years 2026 and 2027 are budgeted figures, and FY 2028 and beyond are figures based on the current structure of debt outstanding with no calculation added for assumed new borrowing. The average effective interest rates (yields) on outstanding balances are 2.29% for the General Fund, 2.49% for the Water/Sewer Fund, and 1.26% for the Internal Service Funds. (As the Commerce Fund has been exhausted and all debt service transferred to the General Fund, there are no outstanding Commerce Fund balances.)

General Fund	Principal	Interest	Total Debt Service	% of Total Budget
FY 2017	\$8,626,345	\$4,940,995	\$13,567,340	8.3%
FY 2018	7,507,637	4,712,927	12,220,564	7.9%
FY 2019	8,450,389	4,465,092	12,915,481	8.3%
FY 2020	9,815,755	4,377,618	14,193,373	8.7%
FY 2021	7,039,024	3,404,830	10,443,854	6.6%
FY 2022	9,839,416	5,197,934	15,037,350	8.8%
FY 2023	10,000,173	4,651,631	14,651,804	8.4%
FY 2024	9,526,923	4,281,126	13,808,049	7.5%
FY 2025	9,746,817	4,057,249	13,804,066	7.1%
FY 2026	9,890,254	4,055,270	13,945,524	6.9%
FY 2027	9,035,161	5,141,003	14,176,164	6.6%
FY 2028	9,523,319	4,669,559	14,192,878	6.5%
FY 2029	9,627,801	4,318,134	13,945,935	6.2%
FY 2030	8,790,588	3,895,202	12,685,790	5.5%
FY 2031	8,292,983	3,507,960	11,800,943	5.0%
FY 2032	7,200,751	3,152,918	10,353,669	4.3%
FY 2033	5,268,725	2,842,251	8,110,976	3.3%
FY 2034	5,527,943	2,582,063	8,110,006	3.2%
FY 2035	5,797,766	2,308,982	8,106,748	3.1%
FY 2036	6,091,004	2,022,478	8,113,482	3.0%
FY 2037	4,287,886	1,721,372	6,009,258	2.2%
FY 2038	4,494,971	1,510,502	6,005,473	2.1%
FY 2039	4,283,886	1,289,337	5,573,223	1.9%
FY 2040	4,491,504	1,078,808	5,570,312	1.9%
FY 2041	4,717,512	857,970	5,575,482	1.8%
FY 2042	2,314,618	626,232	2,940,850	1.0%
FY 2043	2,376,813	512,584	2,889,397	0.9%
FY 2044	2,496,989	393,744	2,890,733	0.9%
FY 2045	2,623,842	268,892	2,892,734	0.9%
FY 2046	2,754,034	137,704	2,891,738	0.8%
FY 2047	0	0	0	0.0%
Total Future Debt Service	\$109,998,096	\$42,837,695	\$152,835,791	

Note: Total Future Debt Service includes all payments from FY 2027 to FY 2046, when all outstanding General Fund debt is paid down.

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**

Water/Sewer Fund	Principal	Interest	Total Debt Service	% of Total Budget
FY 2017	\$32,438,012	\$6,505,585	\$38,943,597	37.8%
FY 2018	9,661,774	5,579,777	15,241,551	18.4%
FY 2019	18,486,918	5,028,633	23,515,551	25.3%
FY 2020	13,786,000	5,748,799	19,534,799	21.0%
FY 2021	34,151,376	5,686,682	39,838,058	35.3%
FY 2022	15,153,657	6,437,099	21,590,756	22.6%
FY 2023	16,398,675	4,940,445	21,339,120	22.8%
FY 2024	17,543,413	5,437,407	22,980,820	21.7%
FY 2025	17,425,932	4,496,959	21,922,891	20.2%
FY 2026	16,589,087	4,108,318	20,697,405	18.5%
FY 2027	\$16,354,624	\$3,808,143	\$20,162,767	17.5%
FY 2028	15,959,499	4,519,047	20,478,546	17.3%
FY 2029	15,104,034	4,196,949	19,300,983	15.9%
FY 2030	14,477,136	3,584,176	18,061,312	14.5%
FY 2031	13,934,029	3,041,728	16,975,757	13.3%
FY 2032	11,204,086	2,652,661	13,856,747	10.6%
FY 2033	8,861,631	2,293,004	11,154,635	8.3%
FY 2034	8,867,749	2,109,757	10,977,506	8.0%
FY 2035	6,210,581	1,725,879	7,936,460	5.6%
FY 2036	6,460,617	1,477,106	7,937,723	5.5%
FY 2037	5,266,338	1,218,723	6,485,061	4.4%
FY 2038	5,296,954	1,006,390	6,303,344	4.2%
FY 2039	3,692,357	747,513	4,439,870	2.9%
FY 2040	3,467,069	645,338	4,112,407	2.6%
FY 2041	3,480,999	499,123	3,980,122	2.4%
FY 2042	1,747,352	348,533	2,095,885	1.3%
FY 2043	1,648,647	280,798	1,929,445	1.1%
FY 2044	1,717,826	212,285	1,930,111	1.1%
FY 2045	1,582,261	140,588	1,722,849	1.0%
FY 2046	1,442,281	71,813	1,514,094	0.8%
FY 2047	72,746	1,832	74,578	0.0%
FY 2048	36,919	369	37,288	0.0%
FY 2049	0	0	0	0.0%
Total Future Debt Service	\$146,885,735	\$34,581,755	\$181,467,490	

Note: Total Future Debt Service includes all payments from FY 2027 to FY 2048, when all outstanding Water/Sewer debt is paid down.

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**

Internal Service Funds	Principal	Interest	Total Debt Service	% of Total Budget
FY 2017	\$2,945,427	\$202,046	\$3,147,473	7.3%
FY 2018	3,369,672	218,710	3,588,382	9.5%
FY 2019	2,710,258	199,862	2,910,120	7.3%
FY 2020	1,708,351	131,009	1,839,360	4.6%
FY 2021	2,300,991	76,558	2,377,549	6.7%
FY 2022	549,052	118,258	667,310	1.8%
FY 2023	201,127	17,531	218,658	0.6%
FY 2024	223,324	27,478	250,802	0.6%
FY 2025	234,537	15,449	249,986	0.5%
FY 2026	245,948	13,523	259,471	0.6%
FY 2027	610	2,102	2,712	0.0%
FY 2028	2,758	10,174	12,932	0.0%
FY 2029	27,918	10,064	37,982	0.1%
FY 2030	31,847	8,948	40,795	0.1%
FY 2031	21,500	7,674	29,174	0.1%
FY 2032	170,344	6,814	177,158	0.3%
FY 2033	0	0	0	0.0%
Total Future Debt Service	\$254,977	\$45,776	\$300,753	

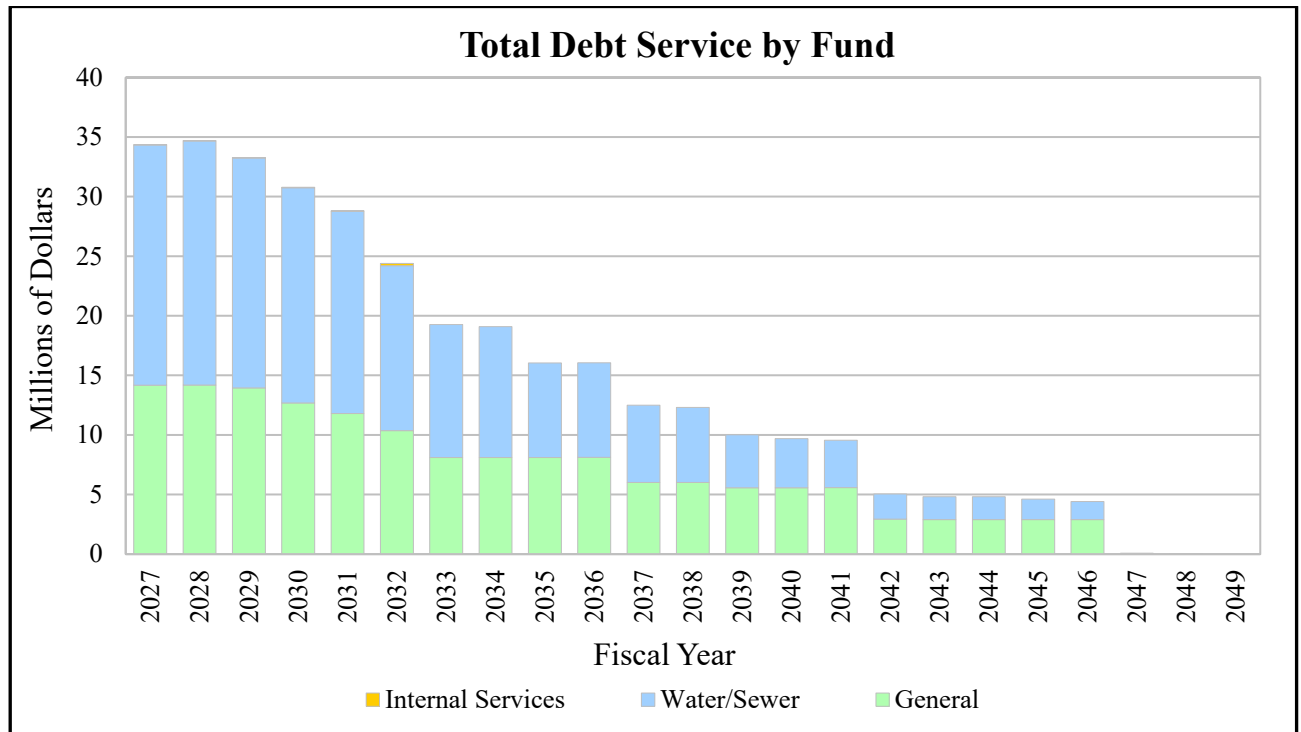
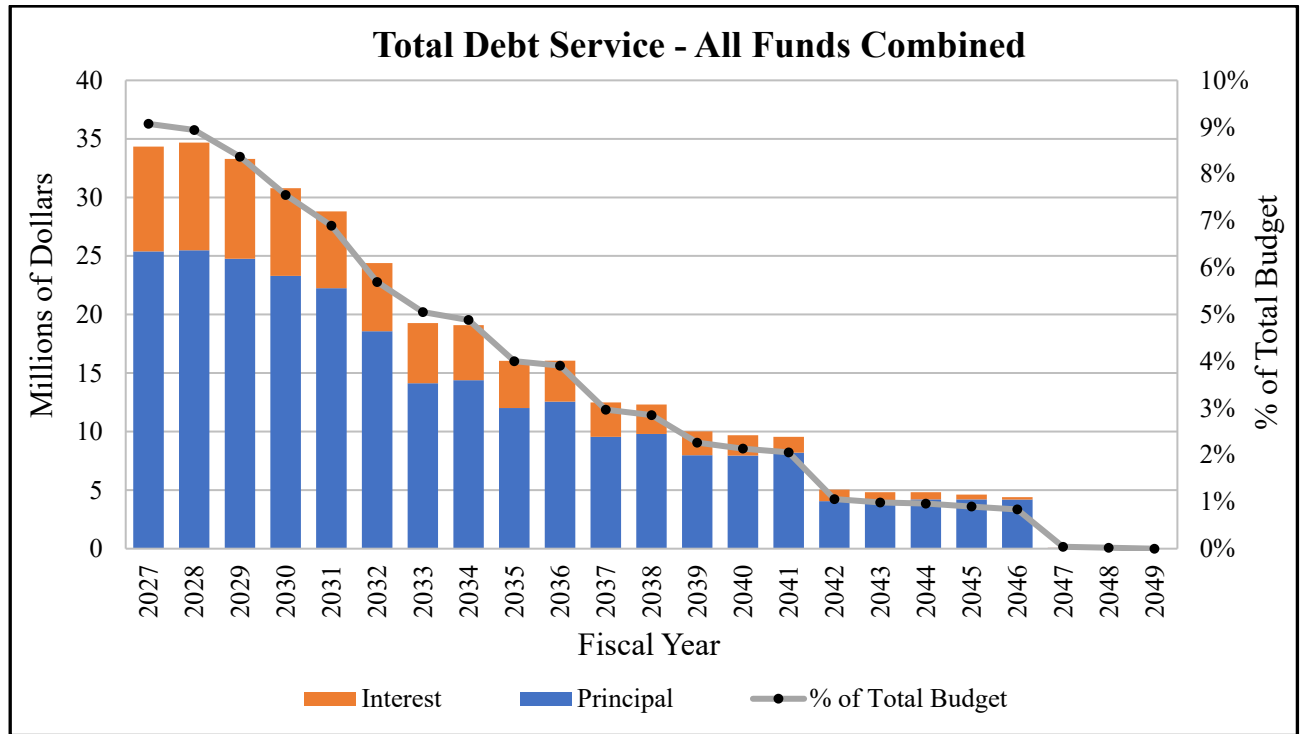
Note: Total Future Debt Service includes all payments from FY 2027 to FY 2032, when all outstanding Internal Service debt is paid down.

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**

Funds Combined	Principal	Interest	Total Debt Service	% of Total Budget
FY 2017	\$44,009,784	\$11,648,626	\$55,658,410	18.0%
FY 2018	20,539,083	10,511,414	31,050,497	11.3%
FY 2019	29,647,565	9,693,587	39,341,152	13.6%
FY 2020	25,310,106	10,257,426	35,567,532	12.0%
FY 2021	43,491,391	9,168,070	52,659,461	17.1%
FY 2022	25,542,125	11,753,291	37,295,416	12.3%
FY 2023	26,599,975	9,609,607	36,209,582	11.8%
FY 2024	27,293,660	9,746,011	37,039,671	11.2%
FY 2025	27,407,286	8,569,657	35,976,943	10.2%
FY 2026	26,725,289	8,177,111	34,902,400	9.7%
FY 2027	\$25,390,395	\$8,951,248	\$34,341,643	9.1%
FY 2028	25,485,576	9,198,780	34,684,356	8.9%
FY 2029	24,759,753	8,525,147	33,284,900	8.4%
FY 2030	23,299,571	7,488,326	30,787,897	7.6%
FY 2031	22,248,512	6,557,362	28,805,874	6.9%
FY 2032	18,575,181	5,812,393	24,387,574	5.7%
FY 2033	14,130,356	5,135,255	19,265,611	5.1%
FY 2034	14,395,692	4,691,820	19,087,512	4.9%
FY 2035	12,008,347	4,034,861	16,043,208	4.0%
FY 2036	12,551,621	3,499,584	16,051,205	3.9%
FY 2037	9,554,224	2,940,095	12,494,319	3.0%
FY 2038	9,791,925	2,516,892	12,308,817	2.9%
FY 2039	7,976,243	2,036,850	10,013,093	2.3%
FY 2040	7,958,573	1,724,146	9,682,719	2.1%
FY 2041	8,198,511	1,357,093	9,555,604	2.1%
FY 2042	4,061,970	974,765	5,036,735	1.1%
FY 2043	4,025,460	793,382	4,818,842	1.0%
FY 2044	4,214,815	606,029	4,820,844	1.0%
FY 2045	4,206,103	409,480	4,615,583	0.9%
FY 2046	4,196,315	209,517	4,405,832	0.8%
FY 2047	72,746	1,832	74,578	0.0%
FY 2048	36,919	369	37,288	0.0%
FY 2049	0	0	0	0.0%
Total Future Debt Service	\$257,138,808	\$77,465,226	\$334,604,034	

Note: Total Future Debt Service includes all payments from FY 2027 to FY 2048, when all outstanding debt is paid down.

**DEBT SERVICE SCHEDULES BY FUND
AND AS A PERCENTAGE OF TOTAL BUDGET
(Continued)**



**DEBT SERVICE EXPENSE BY DEPARTMENT IN DOLLARS
AND AS A PERCENTAGE OF TOTAL OPERATING COSTS**

General Fund

Department	Actual FY 2023	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027
Mayor's Office	\$1,230,036	\$1,207,393	\$1,194,128	\$1,168,350	\$1,623,683
% Departmental Expenses	18.2%	15.8%	14.6%	13.9%	16.9%
Land Use and Planning	262,313	307,755	291,159	278,365	27,707
% Departmental Expenses	7.7%	7.6%	6.6%	5.8%	0.6%
Finance	54,949	44,130	119,923	164,663	380,870
% Departmental Expenses	0.6%	0.4%	1.2%	1.5%	3.1%
Human Resources	38,544	35,091	35,145	34,895	74,032
% Departmental Expenses	1.8%	1.5%	1.5%	1.3%	2.6%
Licenses and Inspections	2,791	2,243	2,245	2,187	546
% Departmental Expenses	0.1%	0.1%	0.1%	0.1%	0.0%
Parks and Recreation	2,377,984	2,969,211	2,875,996	2,937,209	2,356,946
% Departmental Expenses	27.1%	30.8%	25.8%	25.2%	20.3%
Fire	1,436,054	1,519,077	1,382,508	1,404,862	1,389,072
% Departmental Expenses	4.8%	4.7%	4.0%	3.9%	3.4%
Police	290,472	291,945	145,871	136,515	102,902
% Departmental Expenses	0.5%	0.5%	0.2%	0.2%	0.1%
Public Works	6,273,219	6,181,803	5,914,619	6,005,668	6,482,559
% Departmental Expenses	22.9%	20.7%	19.8%	19.3%	19.7%
Real Estate and Housing	2,087,210	730,971	708,748	685,945	791,710
% Departmental Expenses	49.1%	30.6%	27.7%	25.6%	28.4%
Commerce	277,071	222,717	222,776	217,056	54,167
% Departmental Expenses	100.0%	100.0%	100.0%	100.0%	100.0%
Information Technologies	321,161	295,713	910,948	909,809	891,970
% Departmental Expenses	3.7%	3.1%	8.7%	7.8%	7.6%
Total Debt Service	\$14,651,804	\$13,808,049	\$13,804,066	\$13,945,524	\$14,176,164
% General Fund	8.4%	7.5%	7.1%	6.9%	6.6%
Legal Debt Service Limit (17.5%)	\$30,951,428	\$31,959,148	\$33,935,778	\$35,312,778	\$37,368,103

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

**DEBT SERVICE EXPENSE BY DEPARTMENT IN DOLLARS
AND AS A PERCENTAGE OF TOTAL OPERATING COSTS
(Continued)**

Water/Sewer Fund

Department	Actual FY 2023	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027
Finance	\$36,580	\$34,923	\$33,567	\$32,497	\$366,773
% Departmental Expenses	0.5%	0.5%	0.4%	0.3%	3.6%
Public Works	4,903,865	5,402,484	4,463,392	4,075,821	3,441,370
% Departmental Expenses	7.0%	6.7%	5.3%	4.8%	3.9%
Total Debt Service	\$4,940,445	\$5,437,407	\$4,496,959	\$4,108,318	\$3,808,143
% Water/Sewer Fund	5.7%	5.6%	4.5%	3.9%	3.5%

Internal Service (IS) Funds

Department	Actual FY 2023	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027
Public Works	\$17,531	\$27,478	\$15,449	\$13,523	\$2,712
% Departmental Expenses	0.2%	0.3%	0.2%	0.1%	0.0%
Total Debt Service	\$17,531	\$27,478	\$15,449	\$13,523	\$2,712
% Internal Service Funds	0.0%	0.1%	0.0%	0.0%	0.0%

All Funds Combined

All Departments	Actual FY 2023	Actual FY 2024	Actual FY 2025	Budget FY 2026	Budget FY 2027
Total Debt Service	\$19,609,780	\$19,272,934	\$18,316,474	\$18,067,365	\$17,987,019
% All Funds	6.6%	6.0%	5.3%	5.1%	4.8%

Note: Legal Debt Service limit of 17.5% exists only for the General Fund. Only the interest portion of debt service is booked (and budgeted) as an expense in the Water/Sewer Fund and Internal Service Funds.

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
FISCAL YEARS 2006-2026**

Fiscal Year-End	Taxable Assessed Value	Gross Bonded Debt	Gross Enterprise, IS, and State Funds Debt	Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
FY 2006	\$2,213,839,948	\$227,706,776	\$123,183,846	\$104,522,930	4.72%	\$1,439
FY 2007	2,300,886,160	286,659,775	178,667,598	107,992,177	4.69%	1,483
FY 2008	2,183,048,645	266,829,357	166,599,233	100,230,124	4.59%	1,376
FY 2009	2,176,247,400	274,287,535	163,713,284	110,574,250	5.08%	1,463
FY 2010	2,220,181,556	266,933,790	156,146,773	110,787,017	4.99%	1,466
FY 2011	2,239,927,925	252,641,967	151,894,478	100,747,489	4.50%	1,422
FY 2012	2,222,588,846	301,229,983	172,739,520	128,490,463	5.78%	1,814
FY 2013	2,181,176,410	290,699,645	166,125,509	124,574,136	5.71%	1,758
FY 2014	2,144,938,410	275,767,390	158,169,811	117,597,579	5.48%	1,660
FY 2015	2,148,473,062	258,631,665	148,914,439	109,717,226	5.11%	1,549
FY 2016	2,150,271,230	308,597,307	190,440,648	118,156,659	5.50%	1,668
FY 2017	2,174,853,025	286,628,777	177,913,124	108,715,653	5.00%	1,534
FY 2018	2,160,800,395	271,400,882	170,053,484	101,347,398	4.69%	1,430
FY 2019	2,165,200,587	318,236,352	219,127,386	99,108,966	4.58%	1,399
FY 2020	2,181,989,209	273,675,577	185,552,066	88,123,511	4.04%	1,243
FY 2021	2,157,242,626	306,370,247	192,988,059	113,382,188	5.26%	1,599
FY 2022	2,143,203,928	285,564,785	179,353,979	106,210,806	4.96%	1,498
FY 2023	2,166,015,619	274,818,664	178,143,352	96,675,312	4.46%	1,364
FY 2024	2,161,310,698	259,858,723	170,352,449	89,506,274	4.14%	1,262
FY 2025	9,919,320,100	225,340,339	145,149,541	80,190,798	0.81%	1,120
FY 2026	9,729,875,500	257,138,808	147,140,712	109,998,096	1.13%	1,551

Note: During midyear FY 2025, New Castle County performed the first total property reassessment in over forty years, resulting in a significantly larger taxable assessed value. Previously, all property values were adjusted back to their 1983 equivalents, which did not accurately reflect a property's current market value.

**TOTAL DEBT BALANCES BY YEAR
FISCAL YEARS 2027-2049**

First Day of Fiscal Year	General Fund Debt	Water/Sewer Fund Debt	Internal Service Funds Debt	Total Debt
FY 2027	\$109,998,096	\$146,885,735	\$254,977	\$257,138,808
FY 2028	100,962,935	130,531,111	254,367	231,748,413
FY 2029	91,439,616	114,571,612	251,609	206,262,837
FY 2030	81,811,815	99,467,578	223,691	181,503,084
FY 2031	73,021,227	84,990,442	191,844	158,203,513
FY 2032	64,728,244	71,056,413	170,344	135,955,001
FY 2033	57,527,493	59,852,327	0	117,379,820
FY 2034	52,258,768	50,990,696	0	103,249,464
FY 2035	46,730,825	42,122,947	0	88,853,772
FY 2036	40,933,059	35,912,366	0	76,845,425
FY 2037	34,842,055	29,451,749	0	64,293,804
FY 2038	30,554,169	24,185,411	0	54,739,580
FY 2039	26,059,198	18,888,457	0	44,947,655
FY 2040	21,775,312	15,196,100	0	36,971,412
FY 2041	17,283,808	11,729,031	0	29,012,839
FY 2042	12,566,296	8,248,032	0	20,814,328
FY 2043	10,251,678	6,500,680	0	16,752,358
FY 2044	7,874,865	4,852,033	0	12,726,898
FY 2045	5,377,876	3,134,207	0	8,512,083
FY 2046	2,754,034	1,551,946	0	4,305,980
FY 2047	0	109,665	0	109,665
FY 2048	0	36,919	0	36,919
FY 2049	0	0	0	0

DESCRIPTION OF TERMS USED IN THIS BOOK

Account: A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

Account Group: A group of similarly related expenditure accounts such as Personal Services, which includes salaries, overtime, pension, and hospitalization.

Accounts Payable: Amounts due to creditors arising out of the purchase of goods or services.

Accounts Receivable: Amounts due from debtors arising out of the extension of open account credit, usually in connection with the sale of goods or services to customers.

Accrual Basis: The basis of accounting under which revenues and expenses are recognized and recorded when they are earned or incurred, rather than when collected or paid.

Accrued Expense: An expense that has been incurred but has not been paid out.

Accrued Revenue: A revenue that has been earned but has not been collected.

Administrative Services: The combination of various services internally supplied to all departments and reimbursed on a per-usage basis. These activities used to include Word Processing, Data Processing, Mapping and Graphics, Mail and Copy Services, Telephone, Radio, and the Motor Vehicle Fleet. Starting in FY 2020, the Motor Vehicle Fleet become the sole administrative service left in the Internal Services account group.

Amortization: Amortization refers to the process of paying off and writing down the value of a loan (such as a bond issuance) through time. Amortization schedules are used to present a loan repayment timetable based on a specific payback period.

Annual Financial Report: A comprehensive document prepared annually at the end of each fiscal year by the Finance Department that provides detailed information regarding the financial position of the City.

Appropriation: An appropriation creates the legal authority to spend or otherwise commit a government's resources. Expenditure authority is created by City Council through the passage of an enacting budget ordinance.

ARPA (American Rescue Plan Act): Federal grant funding provided to state and local governments as part of a spending package approved by Congress to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic. ARPA built upon many of the measures contained in the previous CARES Act.

Assessed Valuation: A value that is established for real property for use as a basis for levying property tax. Property values in the City of Wilmington are assessed by the New Castle County Board of Assessment. The most recent county-wide reassessment was performed in 2025.

Audit: An official and comprehensive review of the way resources are utilized by the City. An audit entails testing the controls over the safekeeping of assets and providing an opinion as to the accuracy of the City's financial statements, while also making recommendations for improvement where necessary. The City's annual audit is conducted by an independent auditor.

Balanced Budget: For the City budget to be legally balanced, revenues plus an amount of existing prior years' surpluses, if any, must equal operating expenditures plus any existing deficits.

BAN (Bond Anticipation Note): A short-term (usually two years or less) interest-bearing note issued by a government to fund capital needs in anticipation of bonds to be issued at a later date. The note is retired from proceeds of the bond issue to which it is related.

Basis of Accounting: The underlying fiscal principles utilized in the development of the financial statements. The City uses the Accrual Basis and Modified Accrual Basis.

Basis of Budgeting: The underlying fiscal principles utilized in the development of the budget. The City matches its basis of budgeting to its basis of accounting.

Bond: A written promise to pay a specified sum of money, called the face value or principal amount, at specified dates, called the maturity dates, together with periodic interest at a specified rate. The City incurs bonded debt to pay for the costs of capital improvements, such as streets, buildings, and water mains.

Budget: Plan of financial operation, embodying an estimate of proposed expenditures for a given period and the proposed revenue estimates of financing them. Upon approval by Council, the budget ordinance is the legal basis for expenditures in the budget year.

Budget Ordinance: An ordinance by which the appropriations in the budget are given legal effect. It is the method by which the expenditures side of the budget is enacted into law by City Council.

Budget Reserve: The Budget Reserve Account or "Rainy Day Account" is a set-aside of funds equal to 10% of the General Fund Operating Budget. The Budget Reserve is to be used only in emergencies as declared by the Mayor and approved by a two-thirds majority vote of City Council. Also see **Fund Balance**.

CARES Act (Coronavirus Aid, Relief, and Economic Security Act): Federal legislation to provide, among other things, economic stimulus payments to individuals, small business, and state and local governments in response to the negative effects of the COVID-19 pandemic.

Capital Budget: A two-year appropriation of expenditures from the Capital Program, normally funded from bond proceeds and intragovernmental grants.

Capital Expenditures: Outlays for machinery, equipment, land, buildings, infrastructure and other fixed assets or permanent improvements that have a useful life of at least five years and a cost of at least \$5,000.

Capitalization: In the Water/Sewer and Internal Services Funds, fixed-asset acquisitions are budgeted; however, in accordance with the Governmental Accounting Standards Board, these amounts are subsequently reversed through the capitalization account and not included in totals. This is done because the purchase of fixed assets in Enterprise Funds is not considered an expense, but for appropriation purposes the purchase needs to be specified for City Council and the public.

Capital Program: A six-year plan for the purchase of property, equipment (fixed assets), and public improvements that are of a permanent nature.

Cash Basis: The basis of accounting in which revenues and expenses are recorded when cash is collected or paid out, not when earned or incurred.

CDBG (Community Development Block Grant): Grant from the United States Department of Housing and Urban Development (HUD). These monies are specifically designated to revitalize targeted underdeveloped areas of the City, remove artificial barriers and improve slum areas.

City Charter: The document issued by the State of Delaware, which defines the City's purpose and privileges, and outlines its principles, functions, and organization.

COLA (Cost of Living Adjustment): An across-the-board annual salary increase (usually a set percentage increase to base pay) awarded to employees to mitigate the effects of inflation.

Contingent Reserves: Funds set aside as a reserve for unplanned operating expenses and snow and weather emergencies.

CY: Abbreviation for "Calendar Year", which begins January 1 and ends December 31.

Debt Limit: A statutory limit on the amount of debt that an issuer may incur or have outstanding.

Debt Service: Principal and interest payments on borrowed funds.

Deficit: This occurs when total expenditures for an entity exceed total revenues.

Department: A major component of City Government with administrative and managerial responsibility for a function or group of related functions and operations. Examples include the Police Department and the Parks and Recreation Department.

Depreciation: The cost of a fixed asset expensed over its useful life.

DNREC (Department of Natural Resources and Environmental Control): A State of Delaware department charged with protecting public health and the environment; providing quality outdoor recreation; improving the quality of life; leading energy policy and climate preparedness; and educating the public on historic, cultural, and natural resource use, requirements, and issues.

Encumbrance: Any commitment of funds against an appropriation. It may be in the form of a purchase order or a contract. Encumbrance accounting is formally integrated into the accounting system for expenditure control purposes. Until such time as the goods or services are received, the commitment is referred to as an encumbrance. Encumbered balances at year-end, with the authority of the Finance Director, may be re-appropriated into the subsequent year.

Enterprise Fund: A fund established to account for operations financed and operated in a manner similar to private business enterprises. The City has two enterprise funds: the Water/Sewer Fund and the Internal Services Funds. See also **Proprietary Fund**.

Expenditure/Expense: A decrease in net financial resources, such as for the payment of goods received or services rendered.

Financial Statements: The medium used to communicate accounting information about an entity. The basic elements (building blocks) of financial statements are assets, liabilities, equity, revenues, expenses, gains, and losses.

Fiscal: Pertaining to the finances of an entity, such as the City.

Fiscal Year: The twelve-month period of time between July 1 and June 30 established as the operating and accounting time frame for City activities. The term fiscal year is often abbreviated as “FY”.

Fixed Asset: A tangible resource or thing with a relatively long life expectancy, requiring a substantial financial outlay and usually large scale in nature, such as buildings, streets, and water pipes.

Fund: An independent accounting unit in which assets, liabilities, and equity are segregated for specific purposes in accordance with Governmental Generally Accepted Accounting Principles (GAAP). The City utilizes four major funds: General, Water/Sewer, Special, and Internal Services.

Fund Balance: For the General Fund (and other governmental funds), the difference between fund assets and liabilities is labeled as “**Fund Balance**” on the financial statement. Fund balance is further defined by the following subcategories:

Non-spendable Fund Balance – Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of the City Charter, City Code, State or Federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance – Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This includes the Budget Reserve Account and the Tax Stabilization Reserve.

Assigned Fund Balance – Amounts that are allocated for a future use by the Mayor but are not spendable until a budget ordinance appropriating the amounts is passed by City Council.

Unassigned Fund Balance – All amounts not included in other spendable classifications.

FY: Abbreviation for “Fiscal Year”. For the City of Wilmington, the Fiscal Year begins on July 1 and ends on June 30.

GAAP (Generally Accepted Accounting Principles): Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

GASB (Governmental Accounting Standards Board): The regulatory body over governmental accounting principles and practices.

General Obligation Bonds: A bond that is secured by the full faith and credit of the City, with debt service from the bond being paid from City tax revenues. Such bonds are issued for the purpose of financing city capital improvement projects over a long period of time, usually 20 years.

Goal: A broad statement of intended accomplishments or a description of a general condition deemed desirable.

GFOA (Government Finance Officers Association): A professional association of state/provincial and local finance officers whose members are dedicated to the sound management of government financial resources and operations.

Grants and Fixed Charges: An activity with a limited time span and purpose, usually financed by Federal or State contributions, and sometimes involving payments to a third-party agency.

Governmental Fund: A fund generally used to account for tax-supported activities and services supported by intergovernmental revenues. Governmental funds of the City include the General Fund, Special Funds, and the Capital Projects Fund.

HOPWA (Housing Opportunities for Persons With AIDS): Grant received from the United States Department of Housing and Urban Development to address the housing concerns of this growing segment of the population.

Internal Services: A combination of various services internally supplied to all departments and reimbursed on a per usage basis. These activities include the **Administrative Services** (see above), along with the Self-Insurance services of Risk Management and Workers' Compensation.

Internal Service Chargebacks: The group of accounts that record the costs that are charged to user departments for goods and services provided by the Internal Services.

Indirect Costs: Reimbursement payments from Enterprise Funds to the General Fund for general administrative services that the General Fund has provided such as accounting, legal advice and payroll.

Infrastructure: Facilities on which the continuance and growth of a community depend, such as streets, water/sewer lines, etc.

Initiative: A new program implemented to achieve a specific goal or objective.

Interest: The expense charged for a loan, usually a percentage of the amount borrowed.

LIHWAP (Low-Income Household Water Assistance Program): A temporary federal emergency grant program created during the COVID-19 pandemic that helped low-income Wilmington families pay overdue water bills.

LLEBG (Local Law Enforcement Block Grant): Grant awarded by the United States Department of Justice to be used by local Police jurisdictions to enhance crime prevention and deployment.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

MS&E (Materials, Supplies and Equipment): The account group of expenses for goods and services needed to perform day-to-day operations such as equipment, contracted maintenance, repairs or consulting fees.

Mill Rate: The tax rate that is applied to the assessed value of a property. One mill equals \$1 in property tax levied on \$1,000 of **Assessed Valuation**.

Modified Accrual Basis: The basis in accounting in which revenues are recognized and recorded when they become measurable and available as net current assets, and all expenses, except those related to fixed asset acquisition, are recorded when incurred (not when cash is paid out). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers General Fund revenues to be available if they are collected within 60 days after the end of the fiscal year.

Net Position: For the Water/Sewer Fund (and other proprietary and fiduciary funds), the difference between fund assets and liabilities is labeled as *Net Position* on the financial statement. Net Position is classified as *Invested in Capital Assets*, *Net of Related Debt*, legally *Restricted* for a specific purpose or *Unrestricted*, and available for appropriation for the general purposes of the fund. The Operation and Maintenance Reserve and the Rate Stabilization Reserve are part of the restricted net position of the Water/Sewer Fund.

Objective: A specific, well-defined, and measurable condition that must be attained in order to accomplish a stated goal.

Operation and Maintenance Reserve: The Operation and Maintenance Reserve was created in FY 2018 for the purpose of providing funding in the event of adverse economic conditions or a public emergency that impacts the operations and maintenance of the Water/Sewer Fund utilities. The Reserve is determined at the end of each fiscal year and is set to be equal to 17% of the following fiscal year's Water/Sewer Fund operating budget. The Reserve can be accessed in order to pay water and sewer obligations if the Mayor certifies that adverse economic conditions or a public emergency has occurred that impacts the operations and maintenance of the Water/Sewer Fund such that immediate action is required. Also see **Net Position**.

Operating Budget: The current year estimated revenues and expenditures for the day-to-day operations of the City.

Operating Transfer: A legally authorized movement of cash or equity from one fund to another, usually between the Water/Sewer Fund and the General Fund.

Ordinance: A formal legislative enactment by City Council that has the full force and effect of law within the boundaries of the City.

Performance Measures: Statistical indicators of the relative success toward achieving an objective.

Personal Services: Includes salaries and all other human-resource-related allotments, such as overtime, medical insurance, social security, etc.

Principal: The face amount of a note or bond, which the issuer promises to pay.

Projections (Revenues/Expenditures): An estimate of revenues or expenditures based on trend analysis, the study of economic conditions, and patterns of spending and income generation.

Property Tax: A levy based on a set percentage of the assessed value of real estate. Property tax levied on a property is equal to the **Assessed Valuation** divided by 1000, times the **Mill Rate**, minus any exemptions.

Property Tax Base: The value of all taxable real property in the City, as certified by the New Castle County Board of Assessment. The tax base represents the net value after all abatements and exemptions.

Proprietary Fund: A fund that focuses on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. The City has two proprietary funds: the Water/Sewer Fund and the Internal Services Funds.

Rate Stabilization Reserve: The Rate Stabilization Reserve was created in FY 2018 with the purpose of providing future water and sewer rate stabilization for the Water/Sewer Fund. The Reserve is the net unrestricted Water/Sewer Fund balance as determined by the fiscal year-end Annual Financial Report. The Reserve can be accessed in order to pay City water/sewer obligations and to limit the need to increase rates when authorized by City Council by ordinance. Also see **Net Position**.

Revenue: Income received from sources such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, and interest.

Revenue Bonds: A bond that is repaid and secured by the expected revenues from the project being financed or the entity doing the borrowing, such as a water/sewer system, and not by taxes.

Risk Management: The process of identifying potential events and actions that may result in liability to the City and the actions taken to eliminate or minimize the impact of such a liability on City finances, property, services, operations, and employees.

SALLE (State Aid for Local Law Enforcement): These monies are State of Delaware grants used for specific local law-enforcement programs such as training, consulting, counseling, and drug enforcement equipment.

Self-Insurance: Funding set aside for the payment of liability claims against the City by a third party or to cover the cost of damage, destruction, injury, or death as a result of City operations or natural disasters.

Special Purpose: The same as **Grants and Fixed Charges** except the activity is usually not financed by State or Federal contributions and is requested by the City Administration or City Council.

Surplus: The amount by which total revenues exceed total expenditures.

Tax Stabilization Reserve: The Tax Stabilization Reserve was created in FY 2018 with the purpose of providing future tax stabilization for the General Fund. The Tax Stabilization Reserve is the net unrestricted General Fund balance as determined by the fiscal year-end Annual Financial Report. The Reserve can be accessed as may be necessary in order to pay City obligations and to limit the need to increase taxes when authorized by City Council by ordinance. Also see **Fund Balance**.

Unassigned Fund Balance: See **Fund Balance**.

User Fee: A charge for the provision of a service usually correlated to the level of usage, such as water/sewer fees.

WEFAC (Wilmington Economic and Financial Advisory Council): Advisory body created in 1994 which is composed of ten members appointed by the Mayor. Its membership consists of business, academic, and financial leaders with multifaceted expertise and experience. WEFAC's primary functions are to certify the City's revenue projections underlying the annual operating budget, advise the Mayor on revenue projections and trends, and provide a sounding board on issues of urban economics.

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