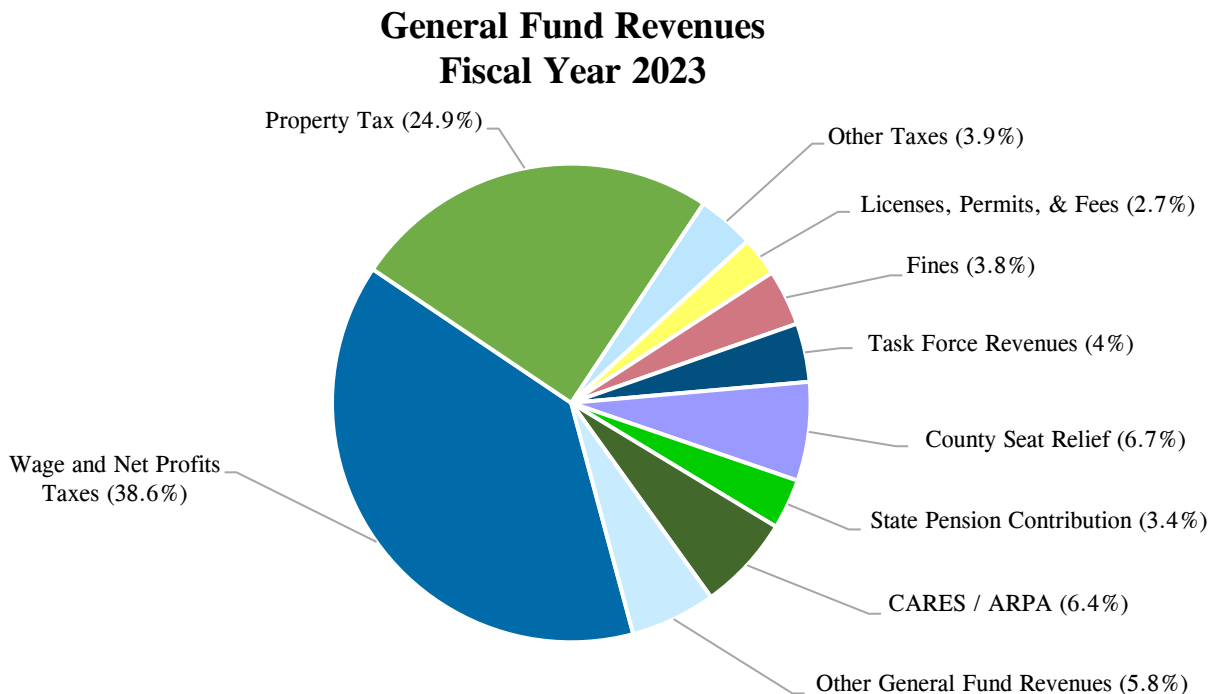


General Fund Revenues Fiscal Year 2023

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Wage and Net Profits Taxes	\$65,637,184	\$65,444,237	\$70,079,093	\$72,204,780	\$2,125,687	3.0%
Property Tax	43,698,151	44,728,292	43,256,728	46,561,800	3,305,072	7.6%
Other Taxes	10,215,568	8,945,849	7,109,957	7,211,047	101,090	1.4%
Licenses, Permits, & Fees	5,746,733	4,602,110	4,403,653	4,963,677	560,024	12.7%
Fines	5,380,604	5,810,318	8,495,153	7,086,050	(1,409,103)	-16.6%
Interest	1,301,142	256,040	336,000	413,000	77,000	22.9%
Other Revenues	9,451,581	10,168,835	8,725,523	9,530,613	805,090	9.2%
Task Force Revenues	5,624,656	6,622,225	5,990,845	7,423,147	1,432,302	23.9%
County Seat Relief	11,640,434	12,441,554	11,520,686	12,470,162	949,476	8.2%
State Pension Contribution	5,785,466	6,352,065	5,785,466	6,352,065	566,599	9.8%
Port Debt Reimbursement	569,356	870,857	554,204	553,829	(375)	-0.1%
CARES / ARPA	1,872,869	8,653,900	0	12,000,000	12,000,000	N/A
Transfers In/(Out)	275,000	275,000	275,000	275,000	0	0.0%
Use of Fund Balance	0	0	6,170,093	0	(6,170,093)	-100.0%
Total Revenues	\$167,198,744	\$175,171,282	\$172,702,401	\$187,045,170	\$14,342,769	8.3%

Total General Fund revenue before transfers is budgeted to be **\$186,770,170**, a net increase of \$20.5 million, or 12.3%, above the FY 2022 budget. This includes one-time American Rescue Plan (ARPA) revenues of \$12.0 million; exclusive of this, total revenue would be up \$8.5 million or 5.1%. No use of the Tax Stabilization Reserve is budgeted for FY 2023.

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



**General Fund Revenues
Fiscal Year 2023**

WAGE AND NET PROFITS TAXES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Wage and Net Profits Taxes	\$65,637,184	\$65,444,237	\$70,079,093	\$72,204,780	\$2,125,687	3.0%

* Relative to FY 2022 budget.

Basis: Projected growth of local economy / wage inflation / corporate bonus compensation / refund losses
Critical Assumptions: Wage and Net Profits Taxes are expected to increase by \$2.1 million to a new total of nearly \$72.2 million.

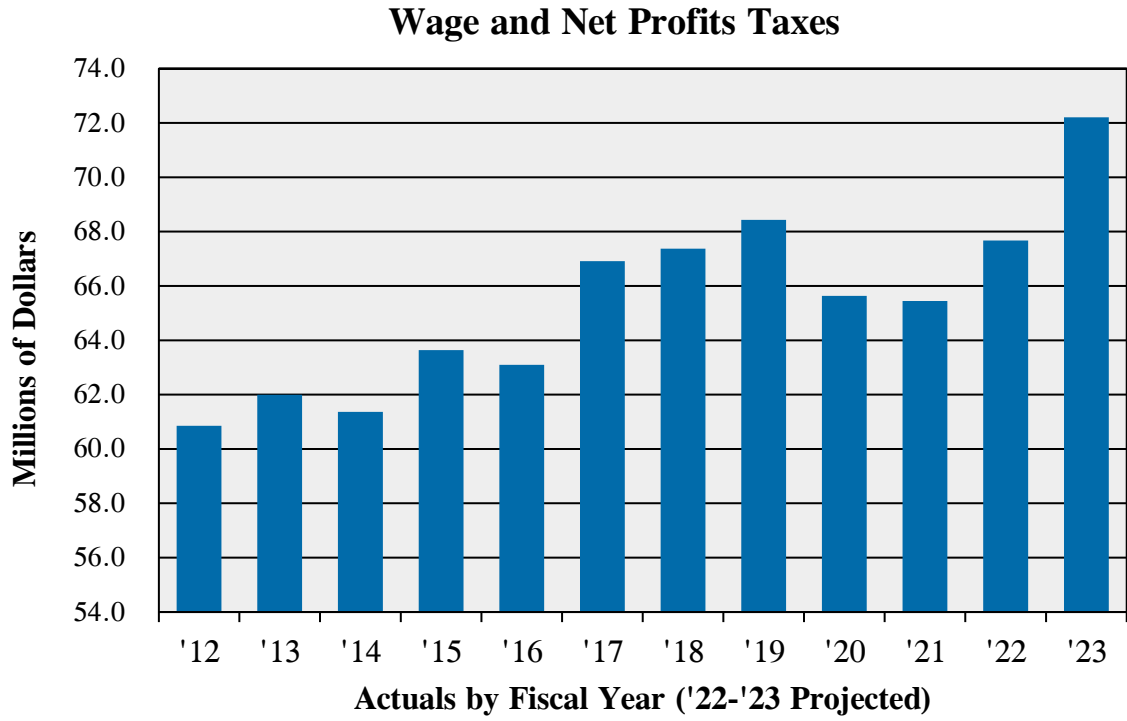
Wage Taxes make up \$64.7 million of this total category and are expected to grow by \$610,000 budget-to-budget in FY 2023. Using the projected FY 2022 Q2 WEFAC projection as the basis for the FY 2023 budget results in an adjusted base of nearly \$60.0 million. This includes additional losses for wage tax refunds of \$3.6 million, which is \$2.4 million beyond the normal pre-COVID amount of \$1.2 million. While work-from-home (WFH) levels have likely declined relative to the beginning of the COVID pandemic, continued WFH, along with the broader transition to hybrid work models, is expected to result in some degree of ongoing refund losses. Larger-than-normal refund requests have continued into FY 2022 and are expected to continue into FY 2023 as well.

Conversely, increased employee compensation is expected to result in 5.4% growth in taxable wages, expanding Wage Tax revenues by nearly \$3.2 million. In their December 17, 2021 report, the Delaware Economic and Financial Advisory Council (DEFAC) projects Delaware salaries and wages growth will be 6.4% in FY 2022; however, we have chosen to use a more conservative growth rate, as Wilmington has historically lagged behind state salary and wage growth. Finally, collection efforts are expected to yield \$1.5 million in audit collections; this is down nearly \$1.5 million relative to the FY 2022 budget, as new collections efforts by outside agencies are now expected to provide lower revenues than previously budgeted.

Net Profits revenue, which is remitted by business partnerships, professional associations, and limited liability corporations, is projected to be \$7.5 million in FY 2023, up \$1.5 million from the FY 2022 budget. Strong revenues in FY 2021 suggest that COVID has had minimal impact on Net Profits, with the potential for similarly strong revenues in FY 2022 and beyond.

General Fund Revenues
Fiscal Year 2023

WAGE AND NET PROFITS TAXES (Continued)



General Fund Revenues Fiscal Year 2023

PROPERTY TAX

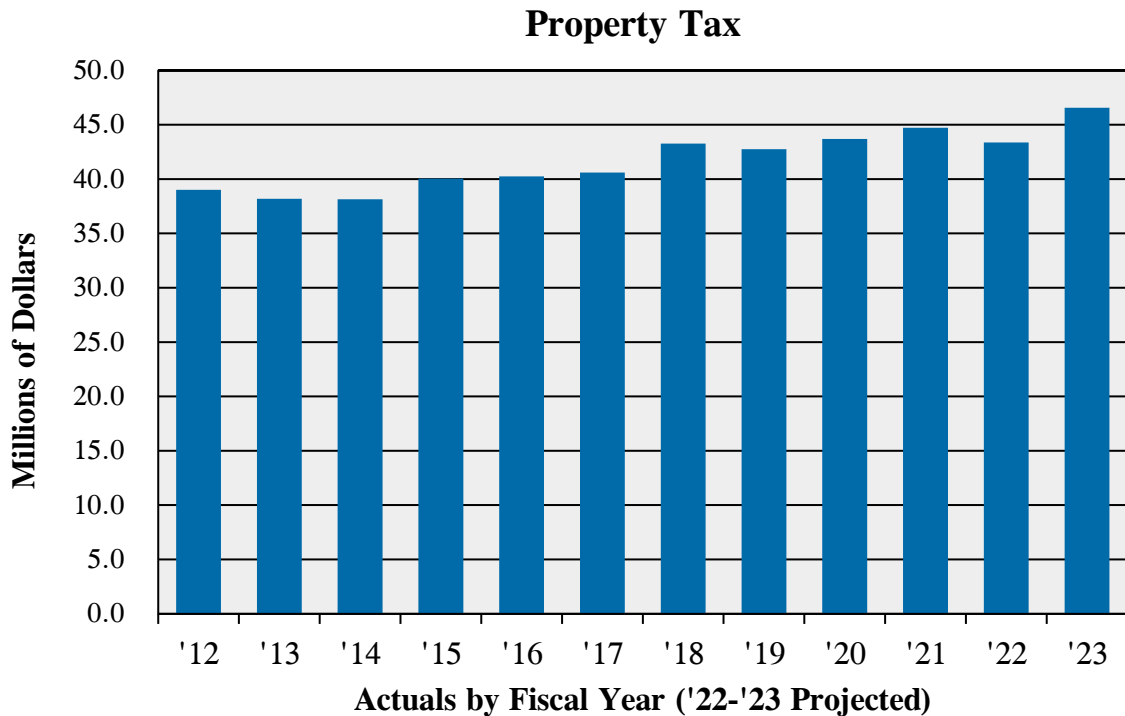
General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Property Tax	\$43,698,151	\$44,728,292	\$43,256,728	\$46,561,800	\$3,305,072	7.6%

* Relative to FY 2022 budget.

Basis: Assessment rolls

Critical Assumptions: Property Tax revenues are projected to total nearly \$46.6 million, an increase of \$3.3 million, or 7.6%, relative to the FY 2022 budget. Projected base billings for FY 2023 are \$42.8 million per New Castle County assessments. This is \$280,000 lower than FY 2022, and nearly \$500,000 lower than FY 2021, driven mainly by several large commercial properties receiving downward reassessments from the County. Beyond this, the budget assumes an additional reduction of \$250,000 in projected reassessment appeals. However, this is offset by a combined \$263,000 in additional revenue due to expiring tax incentives and projected property improvements. The usual 2.0% allowance for doubtful accounts (similar to pre-COVID estimates) further reduces revenue by \$920,000. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.5 million, which is up \$205,000 over the FY 2022 budget and is consistent with historical trends.

In order to stabilize the City's finances and avoid budget deficits in subsequent years, FY 2023 includes as proposed 7.5% Property Tax rate increase, which is equal to \$3.1 million net of bad debt. For the median homeowner, this is equivalent to a monthly increase of \$4.35.



**General Fund Revenues
Fiscal Year 2023**

OTHER TAXES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Other Taxes	\$10,215,568	\$8,945,849	\$7,109,957	\$7,211,047	\$101,090	1.4%

* Relative to FY 2022 budget.

Basis: Trend analysis / growth of local economy

Critical Assumptions: Other Taxes are projected to increase by \$101,000 in FY 2023 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 nearly \$860,000 in FY 2023, up \$95,000 from the prior year.

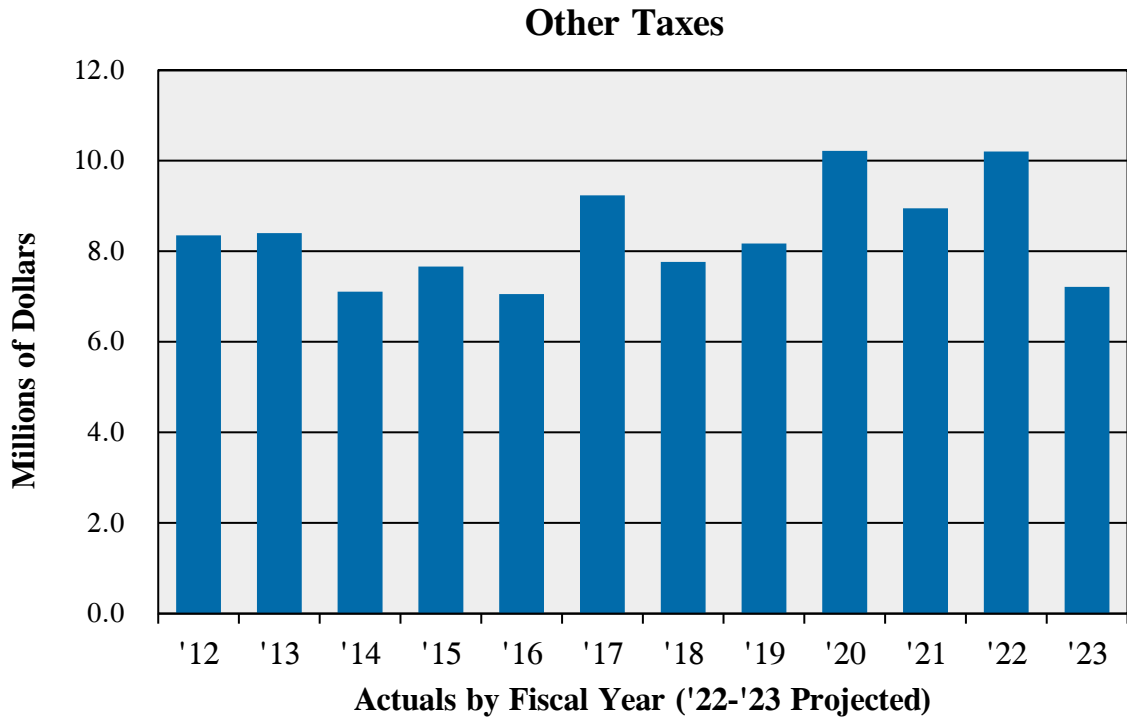
Head Tax revenues are projected to decrease by nearly \$86,000, to a new total of \$3.2 million. This is based on the Q2 FY 2022 WEFAC year-end projection, which assumes continued WFH losses and greater unemployment than pre-COVID levels. In addition, based on the long-term trend, we assume that Head Tax will continue to decline by 2.6% annually.

Real Estate Transfer Tax (Residential) revenues are projected to increase by \$62,000 relative to the FY 2022 budget; however, relative to the Q2 FY 2022 WEFAC year-end projection, this is down \$809,000. Contrary to the projections in the FY 2022 budget, residential transfers did not return to pre-COVID levels but were instead boosted by historically low interest rates. As we do not expect this level of residential activity to continue permanently, our FY 2023 projection is based on the historical average of residential transfer revenue minus one standard deviation, plus 3% growth (matching historical trends).

Real Estate Transfer (Commercial) revenues are projected to increase by \$30,000 relative to the FY 2022 budget; relative to the Q2 FY 2022 WEFAC year-end projection, this is down nearly \$2.1 million. Commercial transfers have shown unexpected strength during FY 2022, with Q2 FY 2022 revenues nearly four times the entirety of FY 2021, and more than double the FY 2022 budget. However, commercial transfer activity tends to be unpredictable even in normal economic environments, is not expected to continue at this level into subsequent years. For FY 2023, we have assumed a return to historically average commercial transfer revenue minus one standard deviation, plus 3% growth (matching historical trends).

**General Fund Revenues
Fiscal Year 2023**

OTHER TAXES (Continued)



General Fund Revenues Fiscal Year 2023

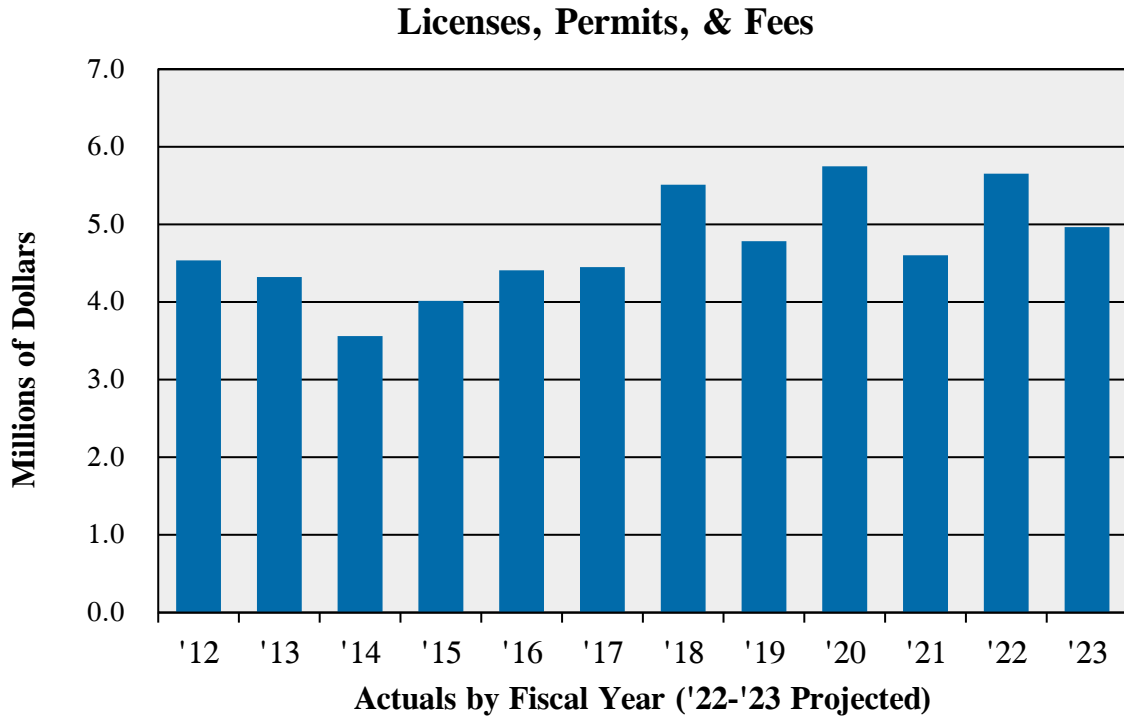
LICENSES, PERMITS, AND FEES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Licenses, Permits, & Fees	\$5,746,733	\$4,602,110	\$4,403,653	\$4,963,677	\$560,024	12.7%

* Relative to FY 2022 budget.

Basis: Trend analysis / growth of local economy

Critical Assumptions: Licenses, Permits, & Fees revenues are up \$560,000 compared to the FY 2022 budget. Business License revenues are budgeted to be up nearly \$46,000, which is consistent with historical trends and a return to pre-COVID levels. Permits, which were less impacted by COVID than originally budgeted, are projected to be up by \$514,000 as they return to historically average levels. This is \$764,000 down from the Q2 FY 2022 WEFAC projection, as FY 2022 includes several large one-time construction projects. Finally, Fees are expected to remain flat, again consistent with historical actuals.



General Fund Revenues Fiscal Year 2023

FINES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023	Dollar Change*	Percent Change*
Fines	\$5,380,604	\$5,810,318	\$8,495,153	\$7,086,050	(\$1,409,103)	-16.6%

* Relative to FY 2022 budget.

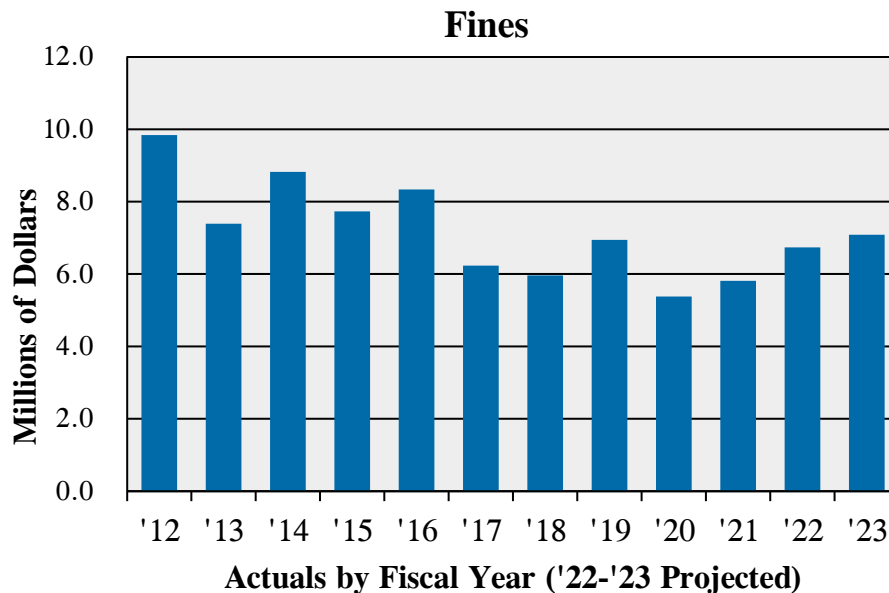
Basis: Trend analysis

Critical Assumptions: Fines are projected to total nearly \$7.1 million, which is \$1.4 million down from the FY 2022 budget, though \$350,000 up from the Q2 FY 2022 WEFAC year-end projection. This consists of the following:

Criminal / Instant Ticket revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program. After several years of declines, Criminal Fines are projected to slightly increase, consistent with revenues seen in FY 2022. Similarly, Instant Ticket revenues are projected to increase by \$25,000, with Instant Ticketing activity returning to historically average levels as Licenses and Inspections resumes normal activities.

Red Light revenues, in total, are projected to be \$3.8 million, a decrease of nearly \$1.6 million relative to the FY 2022 budget. In general, ticket issuances have not slowed from last fiscal year (when a net ten new Red Light cameras were introduced), and issuances appear to have been largely unimpacted by COVID. However, large increases in year-end adjustments during Q4 FY 2021 resulted in lower-than-expected total revenues from the new cameras; similar year-end adjustments are expected to occur again in subsequent years. These losses are somewhat offset by growth to the Red Light base, with total revenues up \$177,000 relative to the Q2 FY 2022 WEFAC projection.

Parking revenues are projected to be \$2.8 million, up \$147,000 from the FY 2022 budget. With parking enforcement fully restored in August 2021, the FY 2023 projection represents a return to near-normal parking revenues, though still somewhat diminished from the historical, pre-COVID levels.



General Fund Revenues Fiscal Year 2023

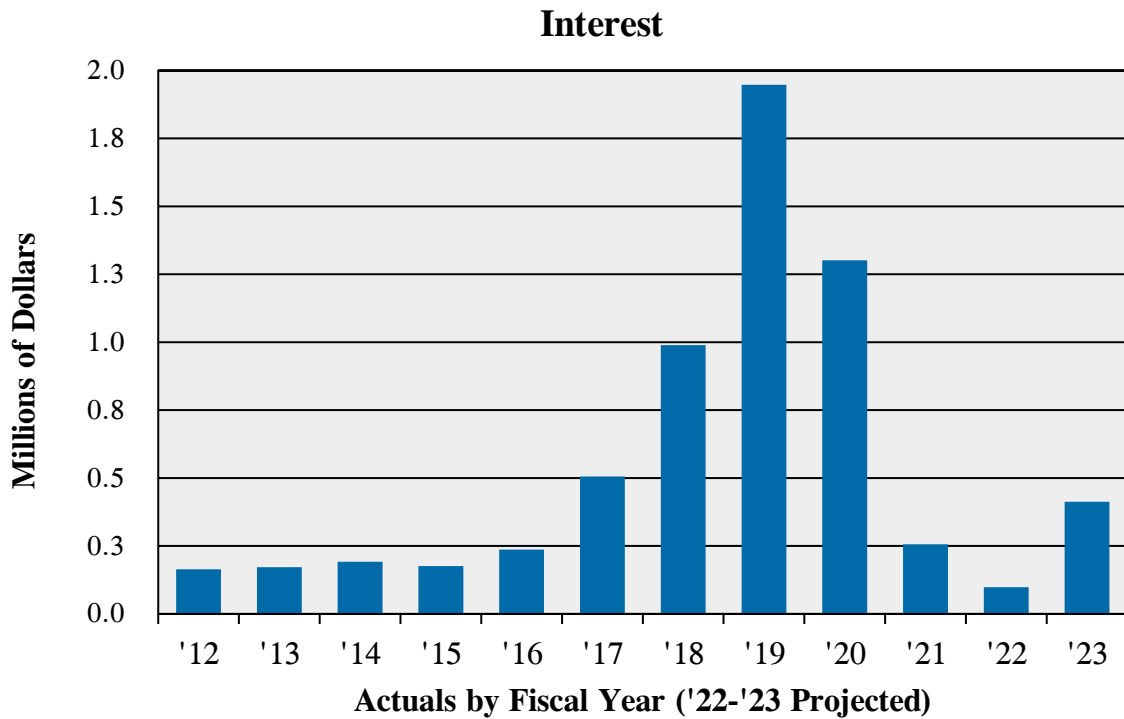
INTEREST

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Interest	\$1,301,142	\$256,040	\$336,000	\$413,000	\$77,000	22.9%

* Relative to FY 2022 budget.

Basis: Trend analysis / interest rate projections / bond issuance

Critical Assumptions: Rates have continued to decline since the beginning the COVID pandemic, with the City earning approximately 0.08% on its investments in FY 2022. For FY 2023, we have assumed a 25 basis point increase in rates, for an additional \$77,000 in projected interest earnings relative to the prior year budget.



General Fund Revenues Fiscal Year 2023

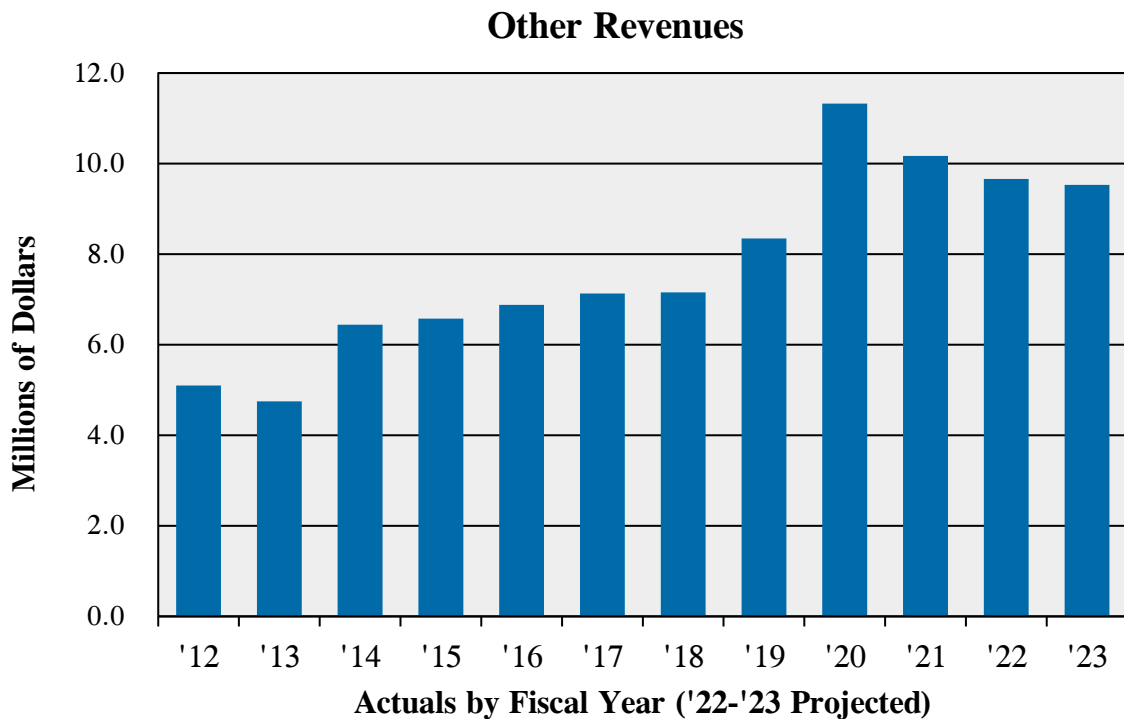
OTHER REVENUES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Other Revenues	\$9,451,581	\$10,168,835	\$8,725,523	\$9,530,613	\$805,090	9.2%

* Relative to FY 2022 budget.

Basis: Trend analysis / contracts

Critical Assumptions: Other Revenues is comprised of Indirect Costs, General Government Charges, Rentals, and other miscellaneous revenues. In total, this category is projected to be up \$805,000 from the FY 2022 budget (though down \$131,000 from Q2 FY 2022 WEFAC). Rentals and Concessions are projected to be up \$178,000, as the City-owned Christina Landing Parking Garage (previously scheduled to be sold July 2021) is now no longer expected to be sold. Similarly, General Government Charges are projected to increase \$439,000 relative to the FY 2022 budget, following the strong recovery seen in FY 2022 and the end of FY 2021. Finally, 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 \$251,000, reflecting revisions to the cost allocation model based on new usage surveys.



General Fund Revenues Fiscal Year 2023

TASK FORCE REVENUES

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Task Force Revenues	\$5,624,656	\$6,622,225	\$5,990,845	\$7,423,147	\$1,432,302	23.9%

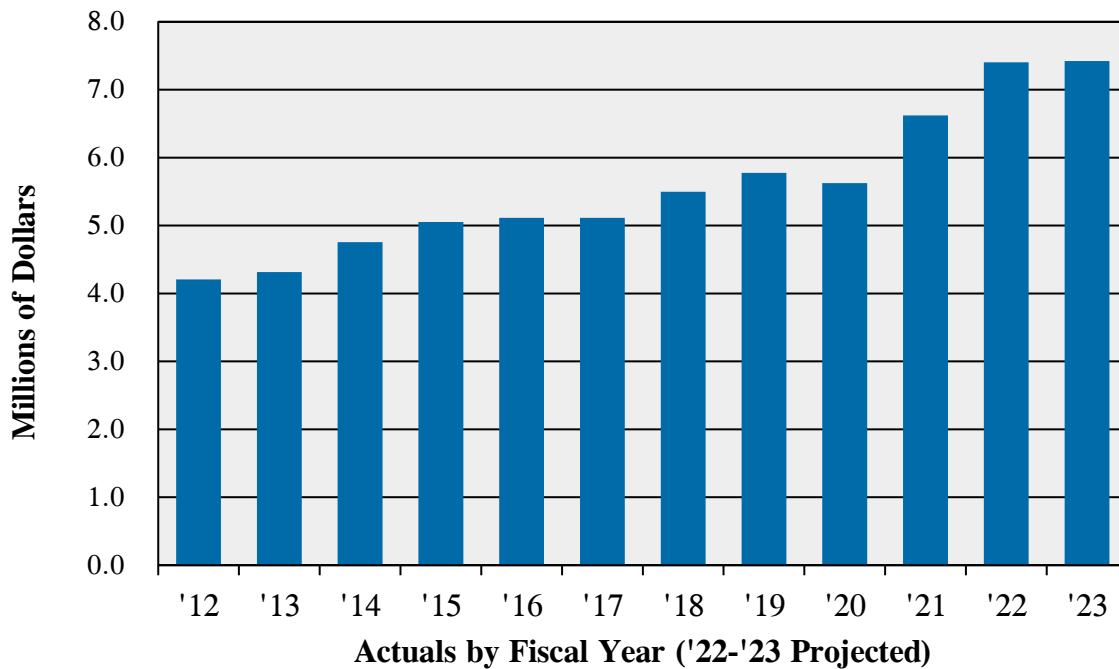
* Relative to FY 2022 budget.

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 up \$1.4 million compared to the FY 2022 budget, or nearly \$20,000 more than the Q2 FY 2022 WEFAC projection. The largest components of this increase are the Corporate Filing Tax and the LLC Filing Tax, which (per DEFAC growth estimates) are projected to increase by \$348,000 and \$991,000, respectively. These increases are consistent with strong FY 2021 and FY 2022 revenues, as neither category appears to have been materially impacted by COVID. Lodging Tax is expected to see a smaller increase, at \$71,000 above the FY 2022 budget, but is still well below pre-COVID historical highs. Finally, Natural Gas Tax is projected to increase by nearly \$22,000, consistent with historical trends.

Task Force Revenues



**General Fund Revenues
Fiscal Year 2023**

COUNTY SEAT RELIEF PACKAGE

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
County Seat Relief	\$11,640,434	\$12,441,554	\$11,520,686	\$12,470,162	\$949,476	8.2%

* Relative to FY 2022 budget.

Basis: Estimates from State of Delaware / trend analysis

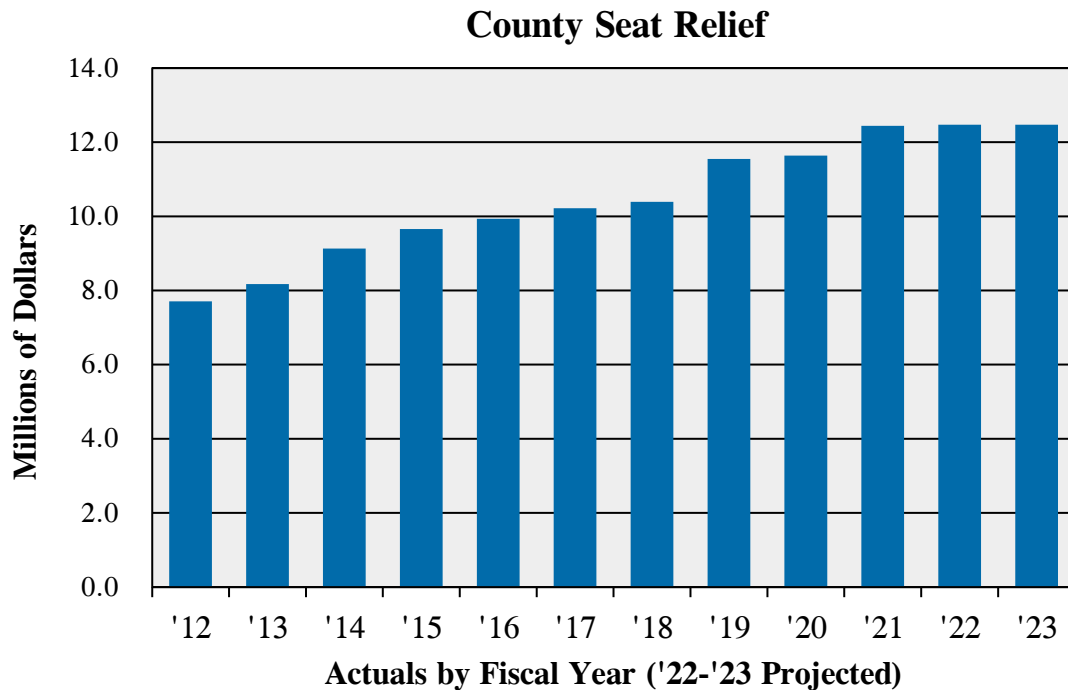
Critical Assumptions: The County Seat Relief Package is a bundle of escalating revenue enhancements built upon the Governor’s Task Force and intended to provide further diversification to support the three county seats in the State of Delaware. The FY 2023 projection totals a combined \$12.5 million, up a net \$950,000 from FY 2022. This is composed of the following:

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

New Castle County Corporate Filing Fees are projected to be up nearly \$179,000, based on DEFAC growth estimates. This is consistent with FY 2022 revenues, which did not appear to be impacted by COVID.

Uniform Commercial Code (UCC) Filing Fees are projected to be up \$741,000, also based on DEFAC estimates. This follows the strong recovery seen in the second half of FY 2021, which continued into FY 2022.

The **Payment in Lieu of Taxes (PILOT)** on what would usually be tax-exempt properties in the City is budgeted to increase by \$30,000, to a new total of nearly \$3.4 million. This is equal to the PILOT payment the City received in FY 2021.



General Fund Revenues Fiscal Year 2023

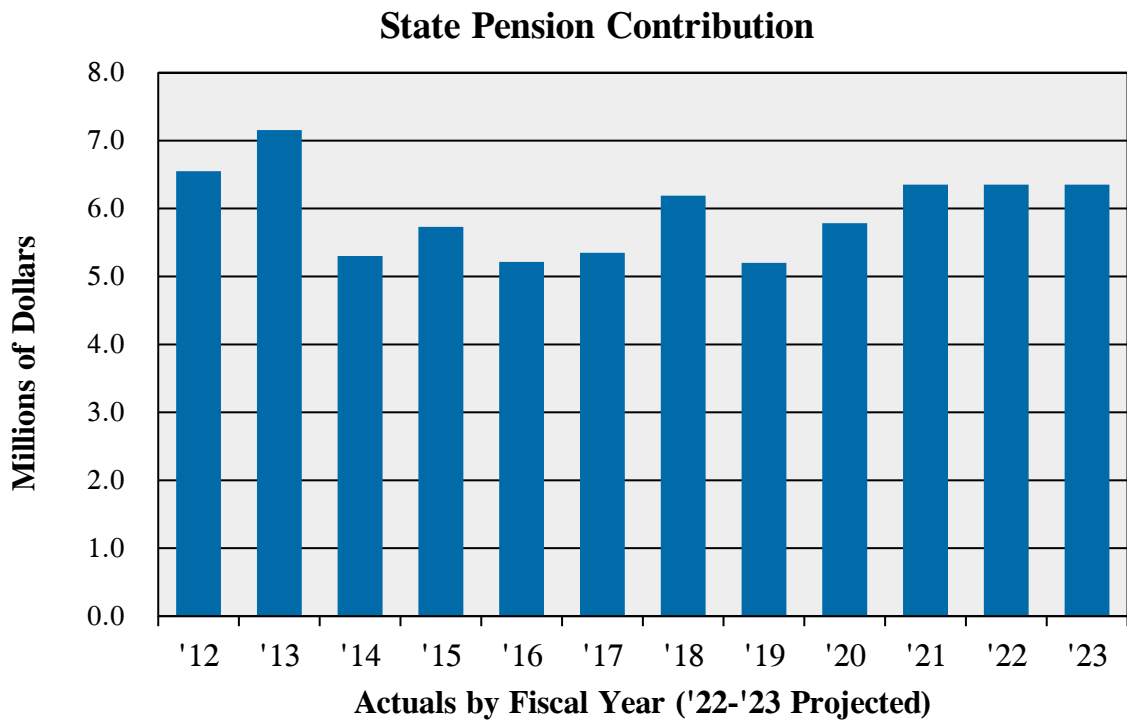
STATE PENSION CONTRIBUTION

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
State Pension Contribution	\$5,785,466	\$6,352,065	\$5,785,466	\$6,352,065	\$566,599	9.8%

* Relative to FY 2022 budget.

Basis: Estimates from State of Delaware

Critical Assumptions: The State Pension Contribution is a pass-through grant that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. This is projected to increase by almost \$567,000 in FY 2023, consistent with revenues received in FY 2021.



**General Fund Revenues
Fiscal Year 2023**

STATE PORT DEBT REIMBURSEMENT

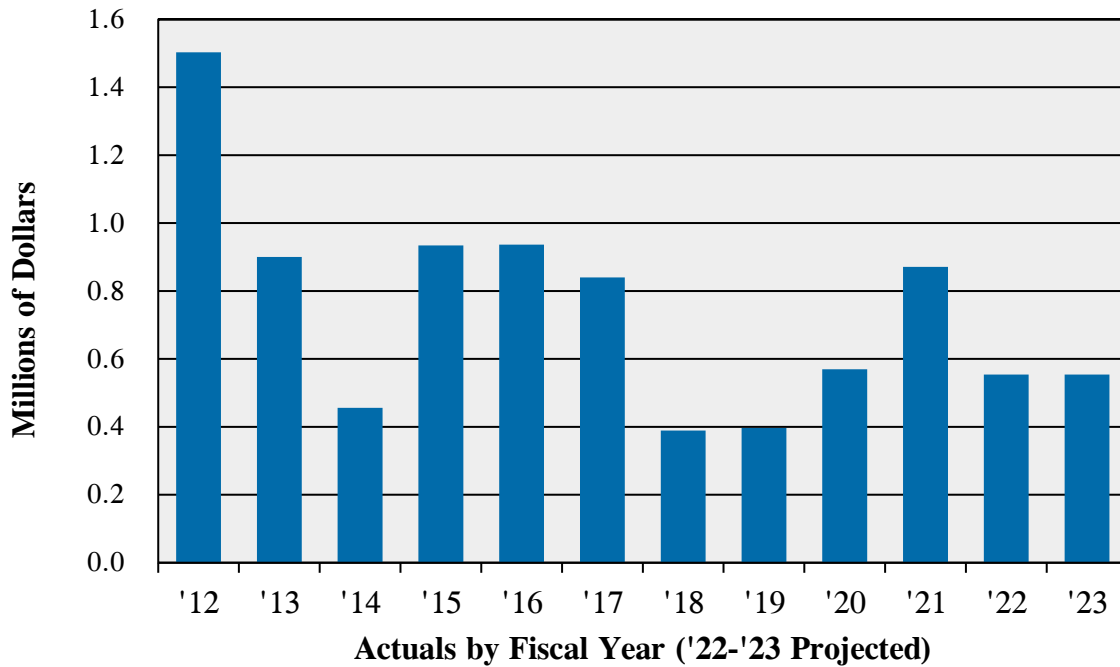
General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Port Debt Reimbursement	\$569,356	\$870,857	\$554,204	\$553,829	(\$375)	-0.1%

* Relative to FY 2022 budget.

Basis: Current 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 remains as a liability on the City’s books. In 2018, the State entered into a long-term lease of the Port, and subsequently provided the City with full payment for the outstanding debt. The City amortized these funds, which will be fully paid down in FY 2023. For FY 2023, the reimbursement is down slightly, as per the existing debt service schedule.

Port Debt Reimbursement



**General Fund Revenues
Fiscal Year 2023**

TRANSFERS AND USE OF FUND BALANCE

General Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Transfers and Use of Fund Balance	\$275,000	\$275,000	\$6,445,093	\$275,000	(\$6,170,093)	-95.7%

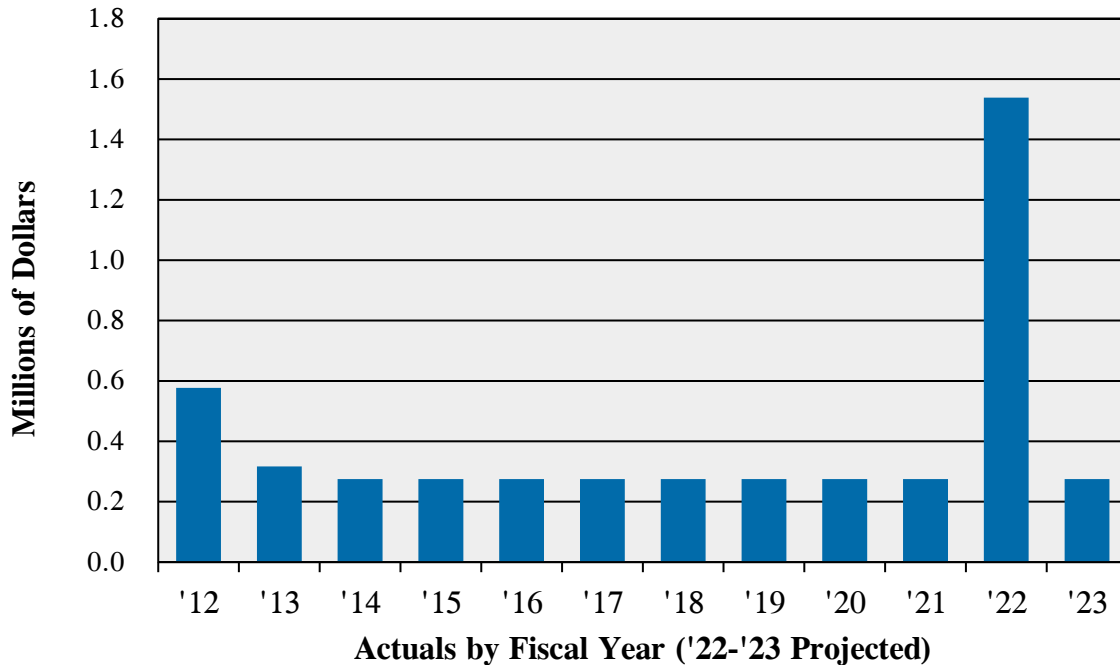
* Relative to FY 2022 budget.

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 2022 included a one-time use of nearly \$6.17 million from the General Fund’s Tax Stabilization Reserve. No use of Tax Stabilization Reserve is expected in FY 2023, as other revenues are sufficient to cover General Fund expenditures of \$176.9 million.

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

Transfers and Use of Fund Balance



While nearly \$6.2 million in Tax Stabilization Reserve was budgeted in FY 2022, only \$1.3 million is expected to be necessary based on Q2 FY 2022 WEFAC and Expenditure Review projections.

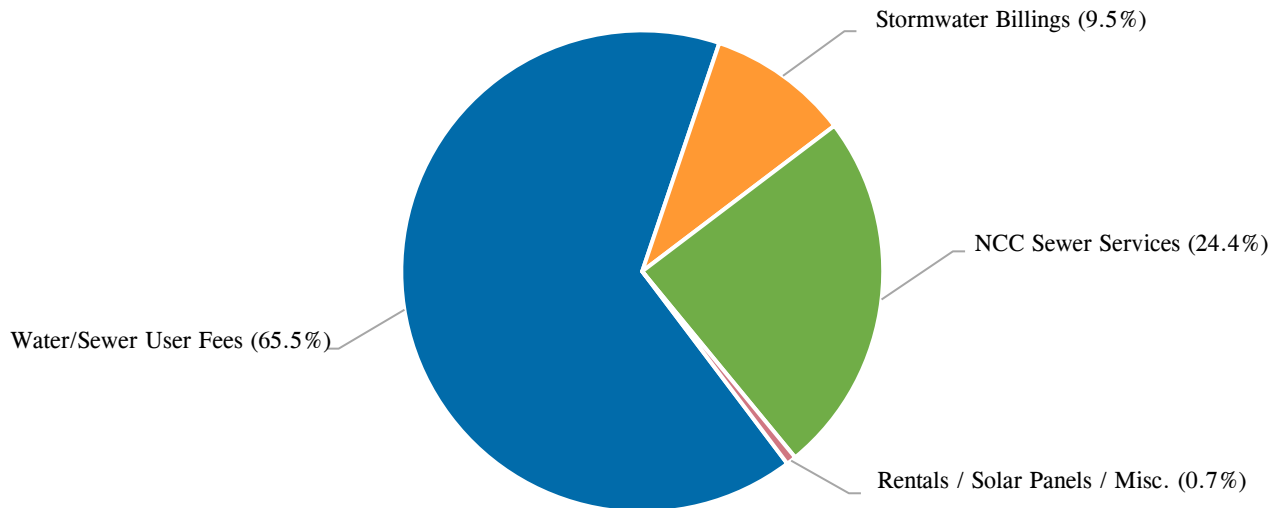
Water / Sewer Fund Revenues Fiscal Year 2023

WATER / SEWER FUND

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change FY'23-'22	Percent Change FY'23-'22
Water/Sewer User Fees	\$46,785,502	\$53,507,699	\$52,209,830	\$56,531,186	\$4,321,356	8.3%
Stormwater Billings	8,301,152	9,318,458	8,664,000	8,208,000	(456,000)	-5.3%
NCC Sewer Services	22,489,162	19,622,109	21,173,439	21,056,000	(117,439)	-0.6%
Rentals/Miscellaneous	1,024,460	694,080	1,050,000	535,000	(515,000)	-49.0%
Solar Panel Revenues	38,639	17,622	37,000	37,000	0	0.0%
CARES / ARPA	184,697	300,000	0	0	0	0.0%
Total Revenues	\$78,823,612	\$83,459,968	\$83,134,269	\$86,367,186	\$3,232,917	3.9%

Total Water / Sewer Fund revenue is budgeted to be **\$83,367,186**, a net increase of \$3.2 million, or 3.9%, above the FY 2022 budget. The net change by revenue category is discussed in detail below.

Water/Sewer Revenues Fiscal Year 2023



**Water / Sewer Fund Revenues
Fiscal Year 2023**

WATER/SEWER USER FEES

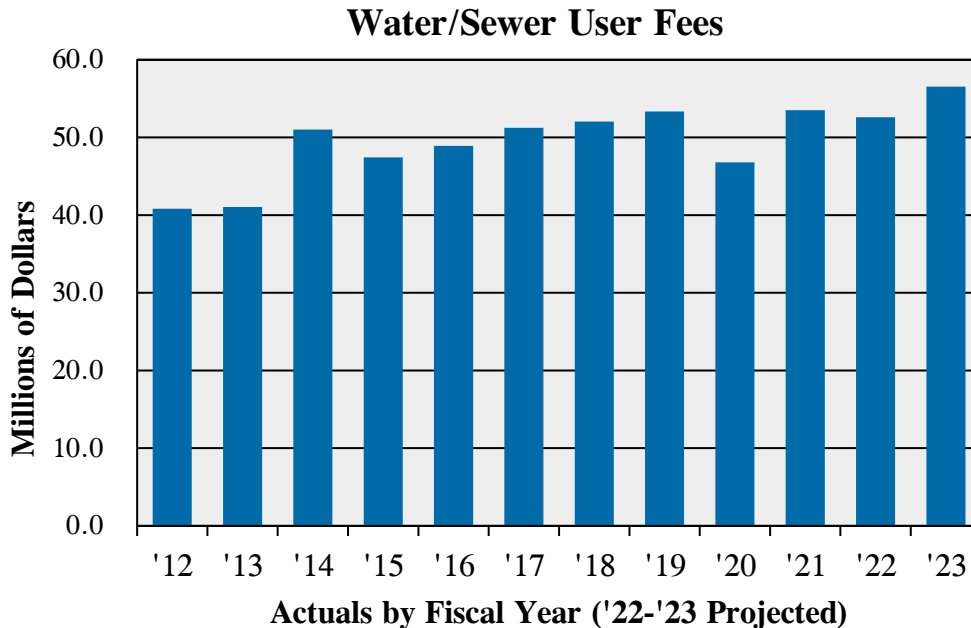
Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Water/Sewer User Fees	\$46,785,502	\$53,507,699	\$52,209,830	\$56,531,186	\$4,321,356	8.3%

* Relative to FY 2022 budget.

Basis: Trend analysis / management initiatives

Critical Assumptions: Water/Sewer Fees are projected to total \$56.5 million, an increase of \$4.3 million from the FY 2022 budget and \$3.9 million from the Q2 FY 2022 WEFAC projection. Excluding reductions for bad debt and year-end accruals (which can vary significantly from year to year) FY 2022 revenues appear to be consistent with prior years. We project that FY 2023 will be similar to this, with a starting base of \$52.5 million (up \$2.4 million from the FY 2022 budgeted base). Added to this is the projected impact of a 5.0% rate increase on Inside City water, Inside City sewer, and Outside City Water charges. Combined, these rate increases yield nearly \$2.5 million in additional revenue, net of bad debt. For the typical Inside City residential customer using 4,000 gallons per month, this is equivalent to \$2.82 per month.

In addition, special sewer fees are projected to provide nearly \$1.9 million (down by \$328,000 from FY 2022), and penalty and interest will provide nearly \$1.9 million (unchanged from FY 2022). Finally, the projection includes a nearly \$2.8 million offset for bad debt, up from \$1.9 million in the FY 2022 budget. This is due to a change in the bad debt rate from 3.0% to 5.0% (in order to better reflect historical actuals) net of moving \$432,000 in Stormwater bad debt out of Water/Sewer Fees and into the Stormwater category.



**Water / Sewer Fund Revenues
Fiscal Year 2023**

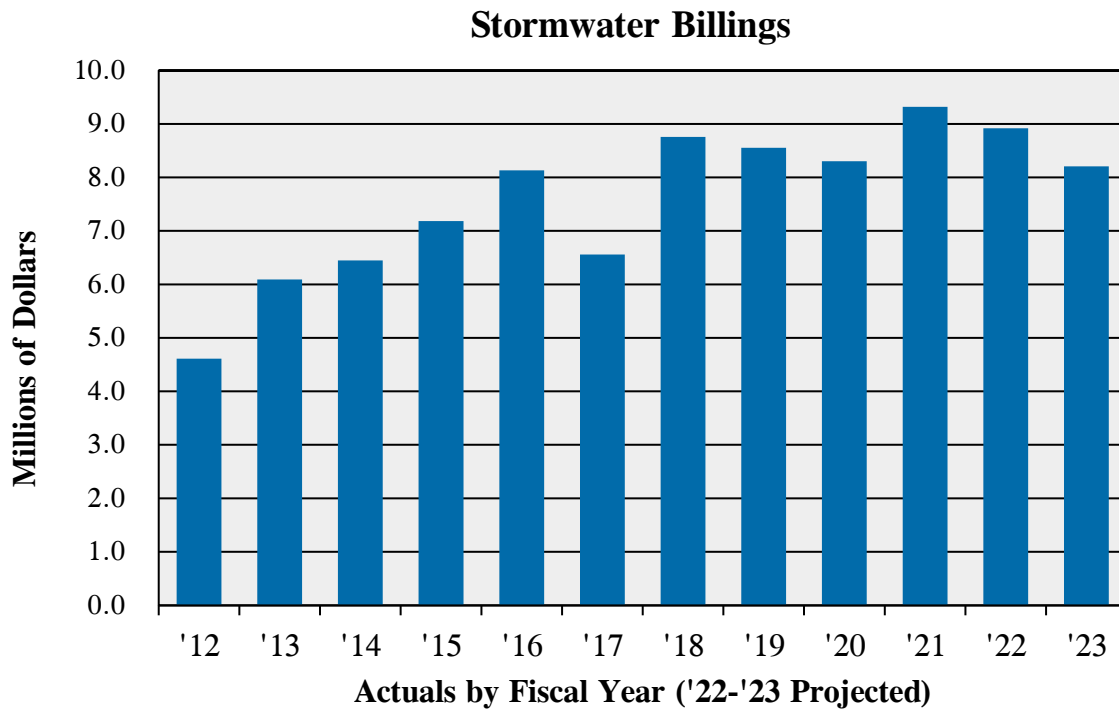
STORMWATER BILLINGS

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Stormwater Billings	\$8,301,152	\$9,318,458	\$8,664,000	\$8,208,000	(\$456,000)	-5.3%

* Relative to FY 2022 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 2023 are \$8.6 million. This is offset by a \$432,000 reduction for bad debt, which was previously booked in Water/Sewer User Fees but has been moved to Stormwater Billings beginning in FY 2023 (to allow for better tracking of actuals). There is no budgeted increase to the Stormwater rate.



**Water / Sewer Fund Revenues
Fiscal Year 2023**

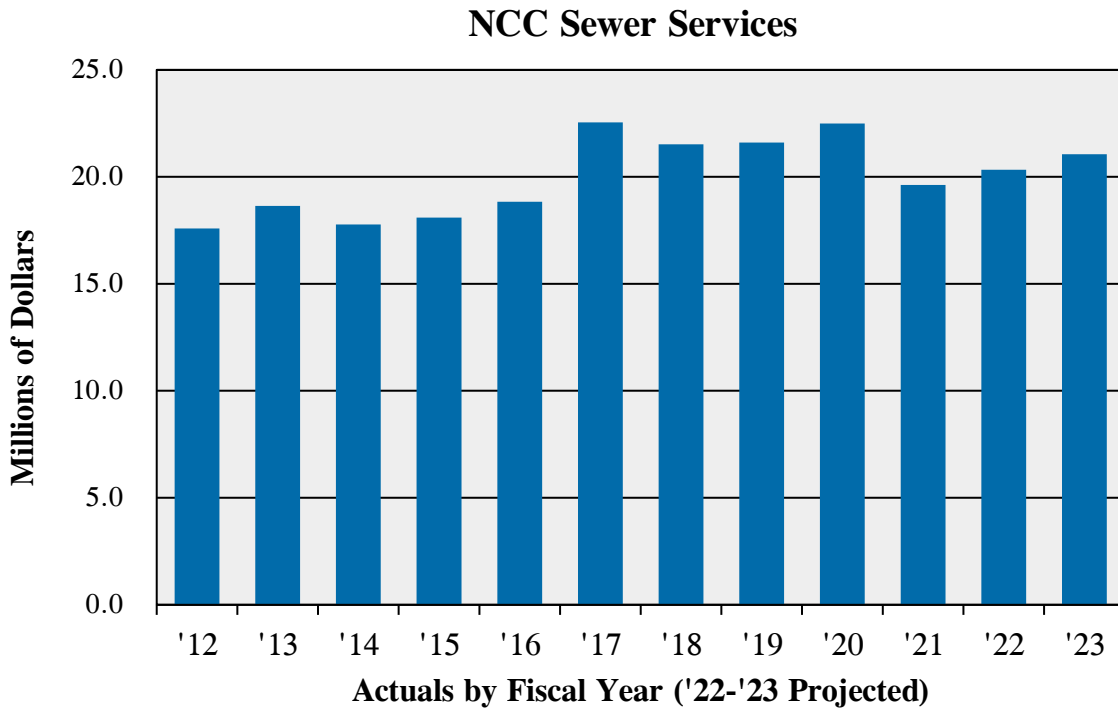
NEW CASTLE COUNTY SEWER SERVICES

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
NCC Sewer Services	\$22,489,162	\$19,622,109	\$21,173,439	\$21,056,000	(\$117,439)	-0.6%

* Relative to FY 2022 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. Efforts to resolve the dispute between the City and County and finalize a new sewer contract are expected to continue into FY 2023. Based on a review of the current contract proposal by the City’s outside engineers and legal counsel, total revenues are expected to decrease by \$117,000 in FY 2023, for a new total of \$21.1 million.



**Water / Sewer Fund Revenues
Fiscal Year 2023**

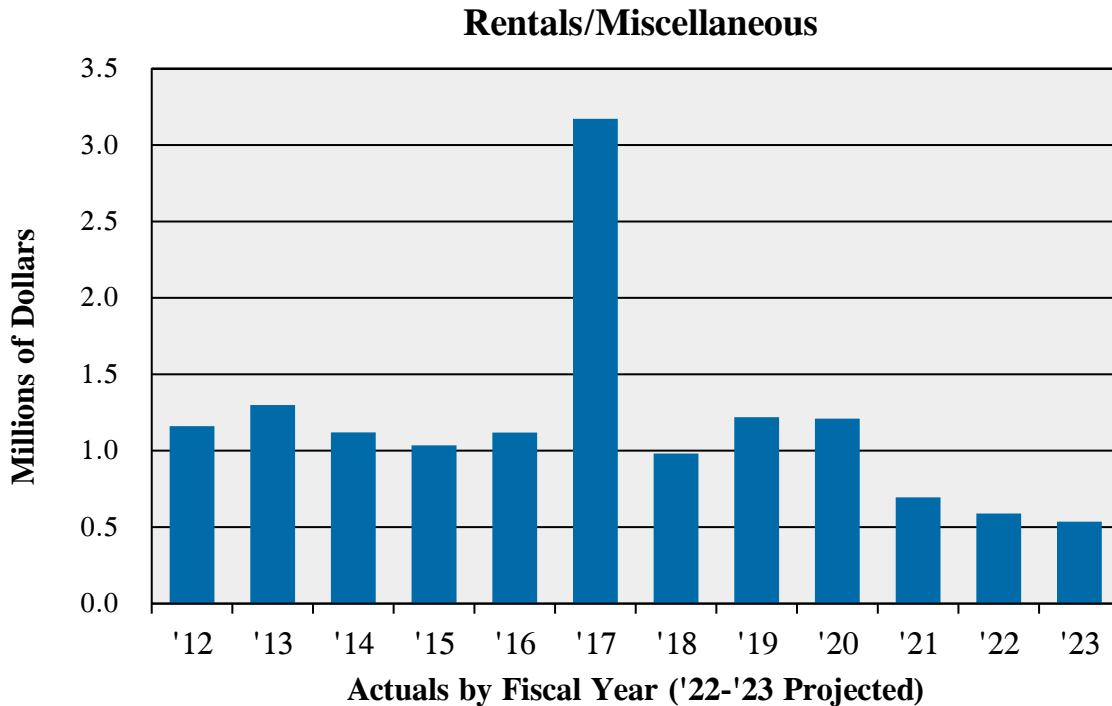
RENTALS / MISCELLANEOUS

Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Rentals/Miscellaneous	\$1,024,460	\$694,080	\$1,050,000	\$535,000	(\$515,000)	-49.0%

* Relative to FY 2022 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. Previously this category included the \$462,000 Veolia rental fee; however, as the contract for operating the City’s wastewater treatment plant has transitioned from Veolia to Jacobs Engineering Group, this fee is no longer included in FY 2023. Net of smaller reductions to tank space rental fees, total Rentals / Miscellaneous are expected to decrease by \$515,000, to a new total of \$535,000.



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 2023**

SOLAR PANEL REVENUE

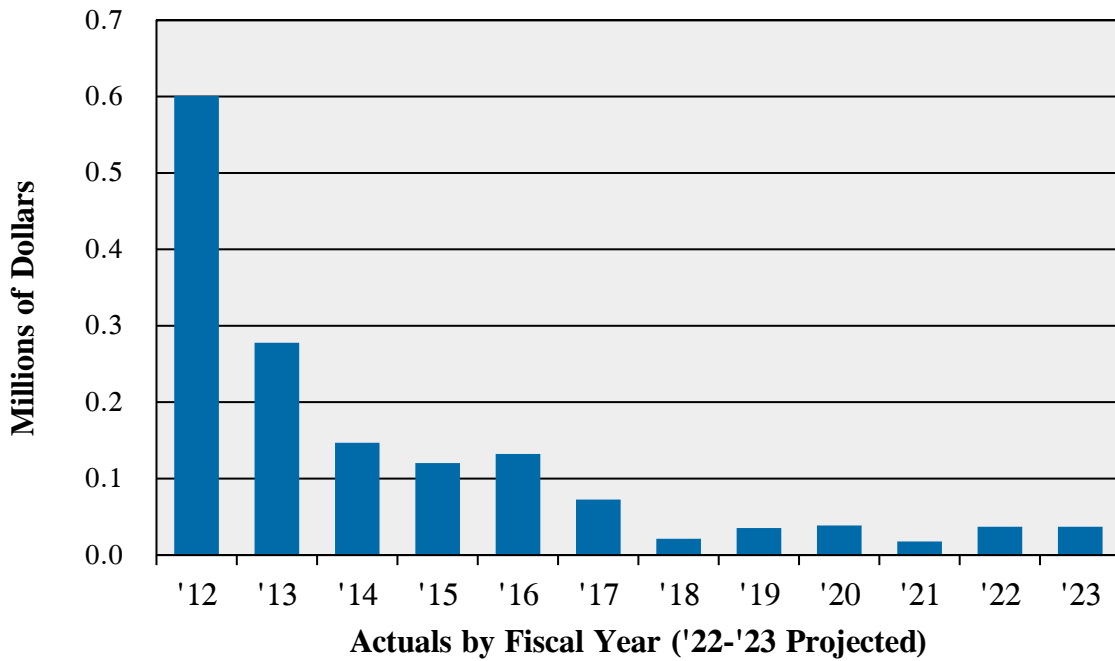
Water / Sewer Fund Revenues	Actual FY 2020	Actual FY 2021	Budget FY 2022	Proposed FY 2023	Dollar Change*	Percent Change*
Solar Panel Revenues	\$38,639	\$17,622	\$37,000	\$37,000	\$0	0.0%

* Relative to FY 2022 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. Projected revenues for FY 2023 are unchanged from the prior year.

Solar Panel Revenues



**City of Wilmington Tax Rates
Fiscal Year 2023**

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%.

NET PROFIT TAX

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

Rate: 1.25%.

PROPERTY TAX

Base: 100% of the assessed value of land and buildings within City limits. Because the last systematic County-wide reassessment was done based on 1983 market value dollars, all present-day assessments are calculated and reported using 1983 dollar values.

Rate: \$2.145 per one-hundred dollars 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 2023**

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.