



New Castle Crier

The official newsletter of New Castle City

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New Castle, Delaware

August 2011

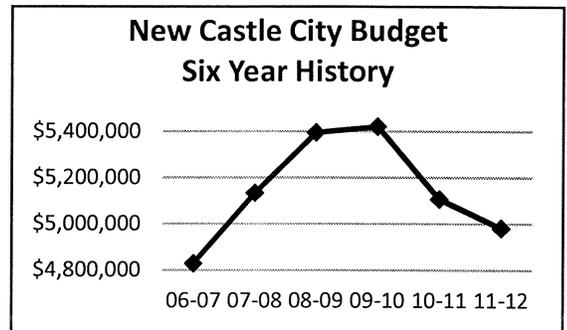
City Council adopts budget with no tax increase

On June 23, Council members approved a Resolution adopting a balanced Budget for the 2011-12 fiscal year, totaling \$4,981,559. The Resolution included no tax increase, with the rate remaining the same as the previous two budget years at \$1.20 per \$100 of assessed value.

The new, total City budget amount is noteworthy, dipping under \$5 million for the first time since adoption of the 2007-08 budget. The 2011-12 budget is a little more than \$125,000 less than the previous year's budget, a decrease of about 2.5%.

The most significant factor impacting the new budget is a sharp decline in revenues, which had also been a factor in the 2010-11 budget. The chief cause of lower revenues appears to be the continuing downturn of the economy, and factors related to that (i.e., the housing market, etc.).

Revenue line items which decreased included real property transfer taxes, delinquent tax collection, State court (fines forwarded from the State to the City), and fees taken in related to building permits, which saw the highest decrease with the City cutting this expected revenue in half, from \$150,000 to \$75,000.



The Resolution was the final action to put the budget in place, after Council members, the City Treasurer and staff members met many times over two months putting the budget together.

The City must complete its budget in this time frame in order for tax bills to be issued near the beginning of the fiscal year on July 1 (bills are normally mailed by mid-July). These budget workshops and special meetings are advertised and open to the public.

Requests for the new budget year are plugged in as the process

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AUGUST EVENTS

Lions Club Sponsors Free Wednesday Concerts, 6:45 p.m.

August 3:

The Serenaders - Walt Wagner

August 10: Chesapeake

Silver Coronet Brass Band

New Castle Merchants

Sponsor Art & Food Stroll

5 to 8 p.m., Aug. 6 & Sept. 3

Featuring discounts, demonstrations, raffles, live music and vocalists.

Visitor's Bureau Sponsors

New Castle Antiques Show

Sunday, August 28

Over 100 dealers in Battery

Park. Admission charged.

Call Dorcy Fontinel, 434-361-1770.

Recycle carts soon to be delivered

Delaware State law requires that the City deliver a recycle cart to each single-family home, no later than September 15. Even if your household has not ordered a cart, the City must provide one and collect recyclables in the cart if the household opts to use the cart for disposal of recyclable items and places the cart curbside for collection. Call 322-9813 for more information.

The next regular City Council meeting is 7 p.m., Tues., Aug. 9 at Town Hall

New Castle – The First Capital City!

The most picturesque and historic waterfront community on the East Coast!

State budget includes funding for City dike rehabilitation

The City of New Castle will benefit from the final version of the Bond Bill recently adopted by the State as part of the budget process. Included in the Bill is \$3 million for Dikes/Levee Repair and Prevention. The City requested State funding assistance, in the amount of \$1,730,000, to perform major maintenance and build-up of two of the City's four dikes: Broad Dike (\$920,000) and Gambacorta Dike (\$810,000). The Delaware Department of Natural Resources and Environmental Control (DNREC) also requested funding for repair of the Red Lion Dike (outside the City).

The City has been working on issues associated with the dikes for an extended period of time, with meetings of experts and stakeholders, including representatives from the Trustees of the New Castle Commons and the Municipal Services Commission. DNREC originally organized the "New Castle

Dike Management Advisory Committee" (search for this phrase online to access the Web site with added information) and continues to facilitate these meetings and provide invaluable expertise.

On May 3, the City Council unanimously approved a resolution asking for the State to assist with funding for major dike rehabilitation. That resolution was forwarded to the City's four elected representatives, Senators Connor and Henry and Representatives Mulrooney and Johnson, and also to members

of the Bond Bill Committee. Subsequent to the resolution being provided, City Council members lobbied on an individual basis for this funding to be provided and approved by the State. This request also gained the support of DNREC Secretary Collin O'Mara and ultimately Governor Jack Markell.

The City is grateful to all of the State representatives who provided support for this funding for the City to embark on these critical projects of rebuilding New Castle's dike system.

Code Enforcement Corner

To reach the Code Enforcement Officer, call 323-6081. Complaint forms are available at the City offices or on the City Web site at: www.NewCastleCity.org.

Common property issues:

- Standing dead trees;
- Unregistered/inoperable vehicle
- Indoor furniture belongs indoors

- Standing water breeds mosquitoes
- Lawn and shrub maintenance

Building Permits are required for all projects except painting and landscaping, as follows:

- Historic Area: any value project;
- All other areas: \$250 or more.

Each contractor needs a City Business License, issued by the Building Department at 900 Wilmington Road, 322-9813.

City adopts 2011/12 budget

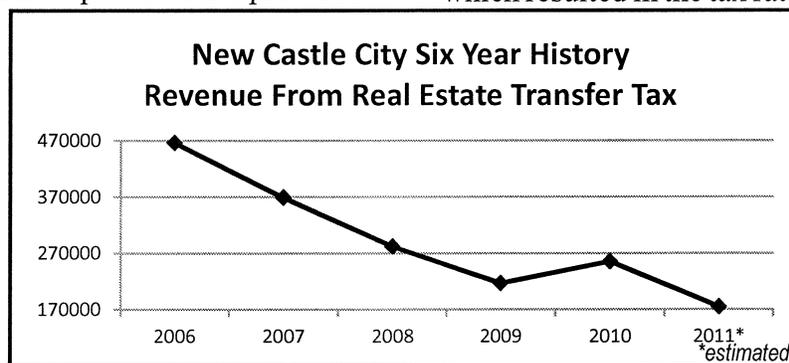
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progresses. Once the requests are in, the budget is reviewed by Council, who may make changes. Those changes are updated and new printouts are provided at subsequent meetings, reflecting current data.

The City faced many fiscal challenges with this budget. Just like other governments, businesses, families and individuals, the City is struggling financially with rising costs for everyday operating supplies, labor and benefits. These factors, compounded with a significant decline in many revenues, made the task of creating a sound City budget for the coming fiscal year a substantial challenge.

Wages and benefits for the City's labor force comprises the majority of expenses. This is true for most local governments, whose main purpose is to provide services to customers, who of course are mainly residents and taxpayers.

Another common factor among most local governments is that the main source of revenue is the local property tax. Of the \$4.98 million City budget, \$2.9 million is expected to be collected through City property taxes. That revenue line item remained the same, which resulted in the tax rate staying the same as well.



At the final budget meetings a number of items were proposed to be cut or reduced. Council members reached a consensus on most of the items, which resulted in an overall reduction in the initial budget request of close to \$200,000.

A number of special requests were received for funding from the City budget, from groups providing services to the City and its residents. Most of these requests were honored to some degree.

Anyone with comments or questions on any budget-related items should contact the City Administrator at 322-9812 or CathrynThomas@NewCastleCity.org.