



# FY 2026 Proposed Budget

May 7, 2025

Antonina Tantillo, MPA  
City Administrator  
City of New Castle

# Timeline of the FY 2026 Budget Season

**April  
29<sup>th</sup>,  
2025**

**Preliminary  
Assessment  
Discussion &  
Potential Revenue  
Study**

**May  
7<sup>th</sup>,  
2025**

**FY 2026 Budget  
Presentation**

**May  
15<sup>th</sup>,  
2025**

**Council  
Feedback of  
Budget &  
Resolution to  
adopt Rollback  
Tax Rate**

**June  
11<sup>th</sup>,  
2025**

**FY 2026 Budget  
Finalization**

**June  
18<sup>th</sup>, 25<sup>th</sup>,  
26<sup>th</sup> &  
30<sup>th</sup>,  
2025**

**Budget  
Finalization &  
New Tax Rate  
Conversations**

# Fiscal Year 2026 Proposed Budget

## Revenue

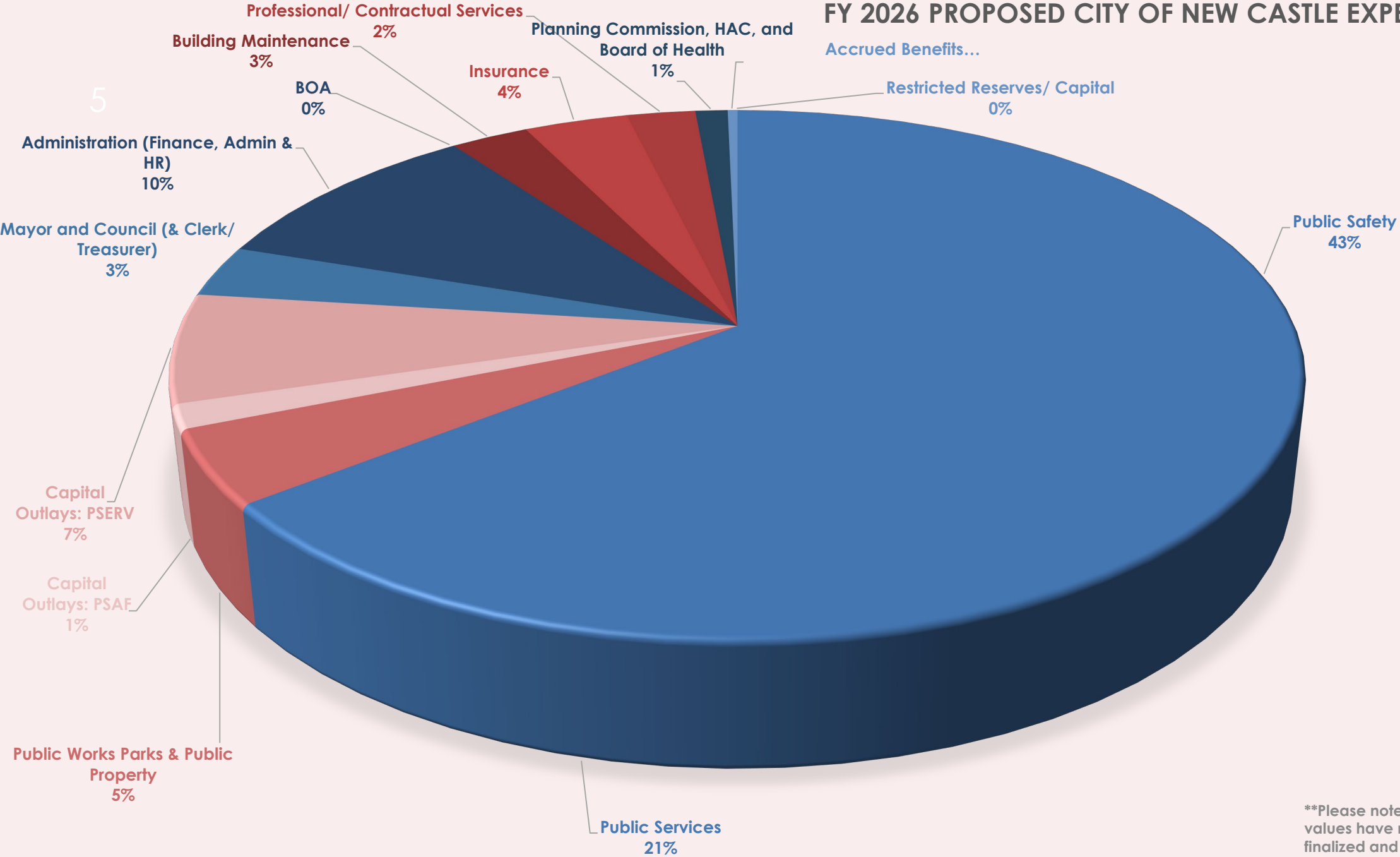
<b>Property Tax Revenue</b>	<b>Proposed Tax Rate: .3678158</b>	<b>\$4,750,350</b>
<b>All Other Revenue</b>		<b>\$2,733,248</b>
	<b>Total Proposed Budget Revenues</b>	<b>\$7,438,598</b>

## Expenses

Public Safety	\$3,235,812
Public Services	\$1,579,466
Public Works Parks & Public Property	\$337,700
Capital Outlays: PSAF	\$109,678
Capital Outlays: PSERV	\$500,684
Mayor and Council (& Clerk/ Treasurer)	\$237,304
Administration (Finance, Admin & HR)	\$730,664
BOA	\$7,000
Building Maintenance	\$198,500
Insurance	\$264,500
Professional/ Contractual Services	\$175,000
Planning Commission, HAC, and Board of Health	\$82,290
Accrued Benefits	\$25,000
Restricted Reserves/ Capital	\$0
<b>Total Proposed Budget Expenses</b>	<b>\$7,483,598</b>

EXPENSES

FY 2026 PROPOSED CITY OF NEW CASTLE EXPENSES



\*\*Please note that these values have not yet been finalized and they are subject to change.

# Public Safety – Expenses -44%

\$3,235,812

- Increase of \$382,748
  - Salary
  - Health insurance increase- approximately 4%
  - 5 new vehicle leases

# Public Services & Public Works Parks & Properties- Expenses- 26%

## Public Services – 21%

**\$1,579,466**

- \$157,794 increase in this section
  - Salaries
  - Health insurance increase- approximately 4%

## Public Works Parks & Properties- 5%

**\$337,700**

- \$116,052 decrease in this section due to not budgeting for additional equipment
- Rollover of funds for game tables and benches
- \$28,000 for the Tree Committee and \$2,000 for City Beautification

# Capital Outlays- Public Safety & Public Service

## Public Safety- Capital Outlays- 1%

\$109,678

- \$9,302 decrease

## Public Service Capital Outlays- 7%

\$500,684

- \$7,312 decrease
  - Ending of 2 vehicles leases- either a purchase of the vehicles or 2 new leases
  - The Sweeper Loan will end mid-year



# Mayor and Council & Clerk and Treasurer – 3% Combined

## Mayor & Council

**\$136,384**

- **\$37,325 increase**

- Flood Resiliency Committee Expenses increased to allow for the Engineer to participate in their meetings and for related projects.

## Contributions

**\$98,500**

	Request
Arasapha	\$ 2,500.00
Good Will	\$ 50,000.00
Library	\$ 10,000.00
NCCP	\$ 2,500.00
Historal Society	\$ 20,000.00
Senior Center	\$ 5,000.00
ONCOR	\$ 5,000.00
Community Collaboration of Delaware	\$ 3,500.00

## Clerk & Treasurer

**\$2,420**

# Administration (Finance, Administration & HR – Expenses- 10% combined

## Finance

\$45,000

Annual Financial Audit

## Administration

\$673,864

- Salaries
- Health insurance increase- approximately 4%

## HR

\$11,800

\$42,939 increase overall

## Board of Adjustment- Expenses- .5%

\$7,000

- \$4,000 decrease

# Building Maintenance- Expenses – 3%

\$198,500 Total

- \$50,000 increase
- Regular Building Maintenance
- Carryover plus additional funds for Capital Reserves for repairs needed

# Insurance- Expenses- 4%

\$264,500

- \$62,500 decrease
- Budgeted at a 10% increase from actual expenses
- Last year, budgeted higher than needed due to salary increases and the unknown impact on insurance, we can reduce that amount for now

# Professional/ Contractual Services- Expenses- 2%

\$175,000

- \$45,000 increase
- Includes Legal and Engineering Services

# Planning Commission, Historic Area Commission, and Board of Health- Expenses – 0.1%

Planning Commission

**\$44,500**

Historic Area  
Commission

**\$35,200**

Board of Health

**\$2,590**

- **\$24,650 Increase**
- **Increasing the Architect line.**

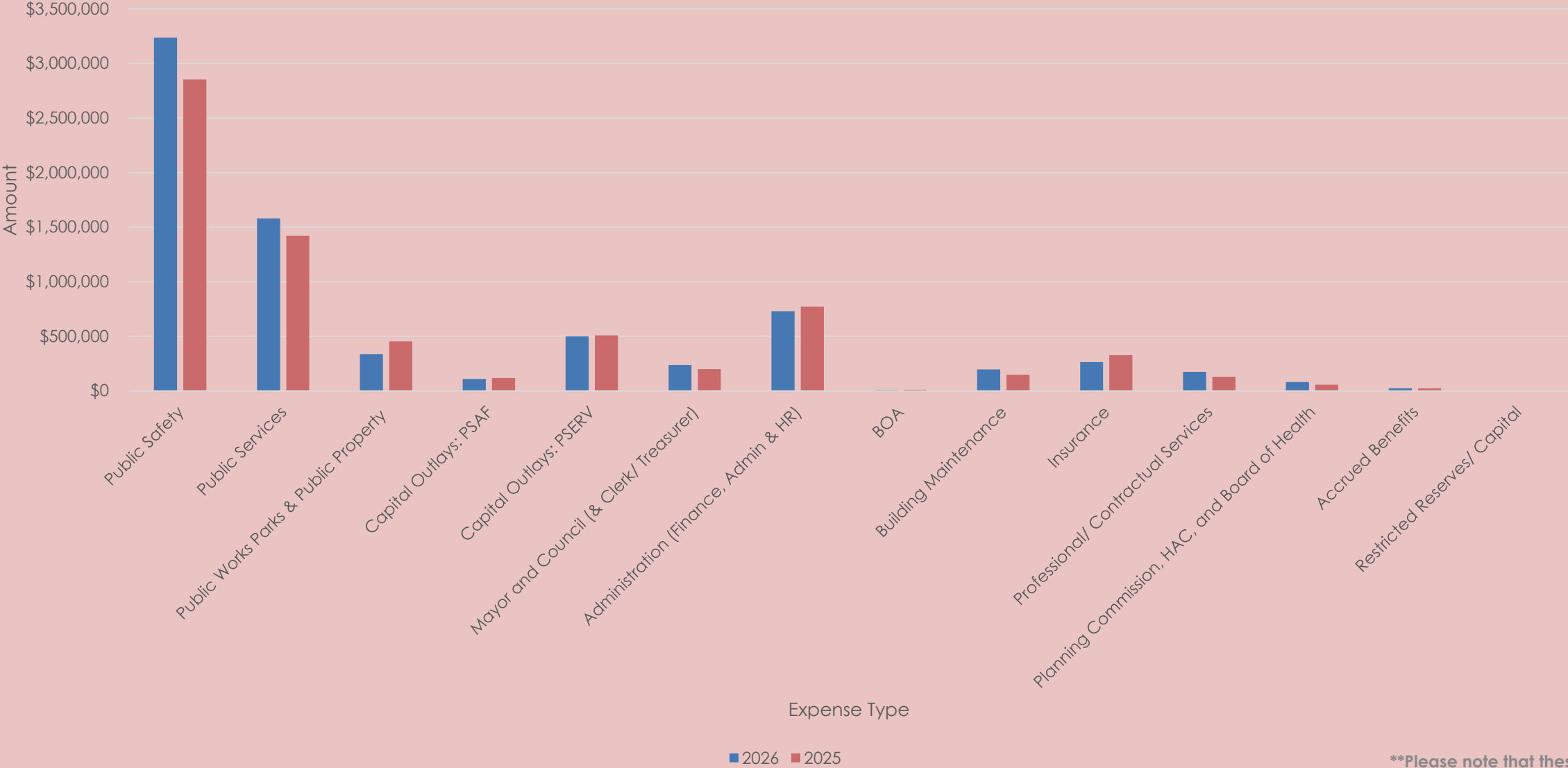
# Accrued Benefits- Expenses- .0030%

\$25,000

- \$0 change



City of New Castle Budget- Expense Comparison- Proposed FY 2025 vs. 2025 Budget



**\*\*Please note that these values have not yet been finalized and they are subject to change.**



REVENUES

# Existing Vs. New Tax Assessment

**Existing County Tax Assessment  
Value- 1983 Numbers:**

**\$260,648,423= Assessed Value**

**Possible 2024 County Tax Assessment  
Value:**

**\$1, 290, 661, 167= Assessed Value  
\*\***

**\*\*Please note that these values  
have not yet been finalized by the  
County and they are still working  
through appeals- numbers will be  
finalized by July**

# Existing Vs. New Tax Assessment- Revenue

**Existing County Tax Assessment Value- 1983 Numbers & Current Tax Rate of \$1.20:**

**\$260,648,423- Assessed Value**

**Current Tax Revenue: \$3,100,000 \***  
**Includes Exemptions**

**Possible 2024 County Tax Assessment Value & Roll Back Tax Rate of \$0.240187:**

**\$1, 290, 661, 167= Assessed Value \*\***

**Rollback Tax Revenue- \$3,100,000\* \***  
**Excludes Exemptions**

**\*\*Please note that these values have not yet been finalized by the County and they are still working through appeals- numbers will be finalized by July**

# Property Tax Current, Rollback and Proposed New Rate

FY25 Current Rate **1.20**  
Applied to 1983 Assessed  
Values

Tax Revenue = **\$3,100,000**

FY 2026 - Rollback Rate of  
**.2404551971**

Tax Revenue = **\$3,100,000**

FY 2026 - Proposed New Rate  
of: **.3678158**

Tax Revenue= **\$4,750,350**

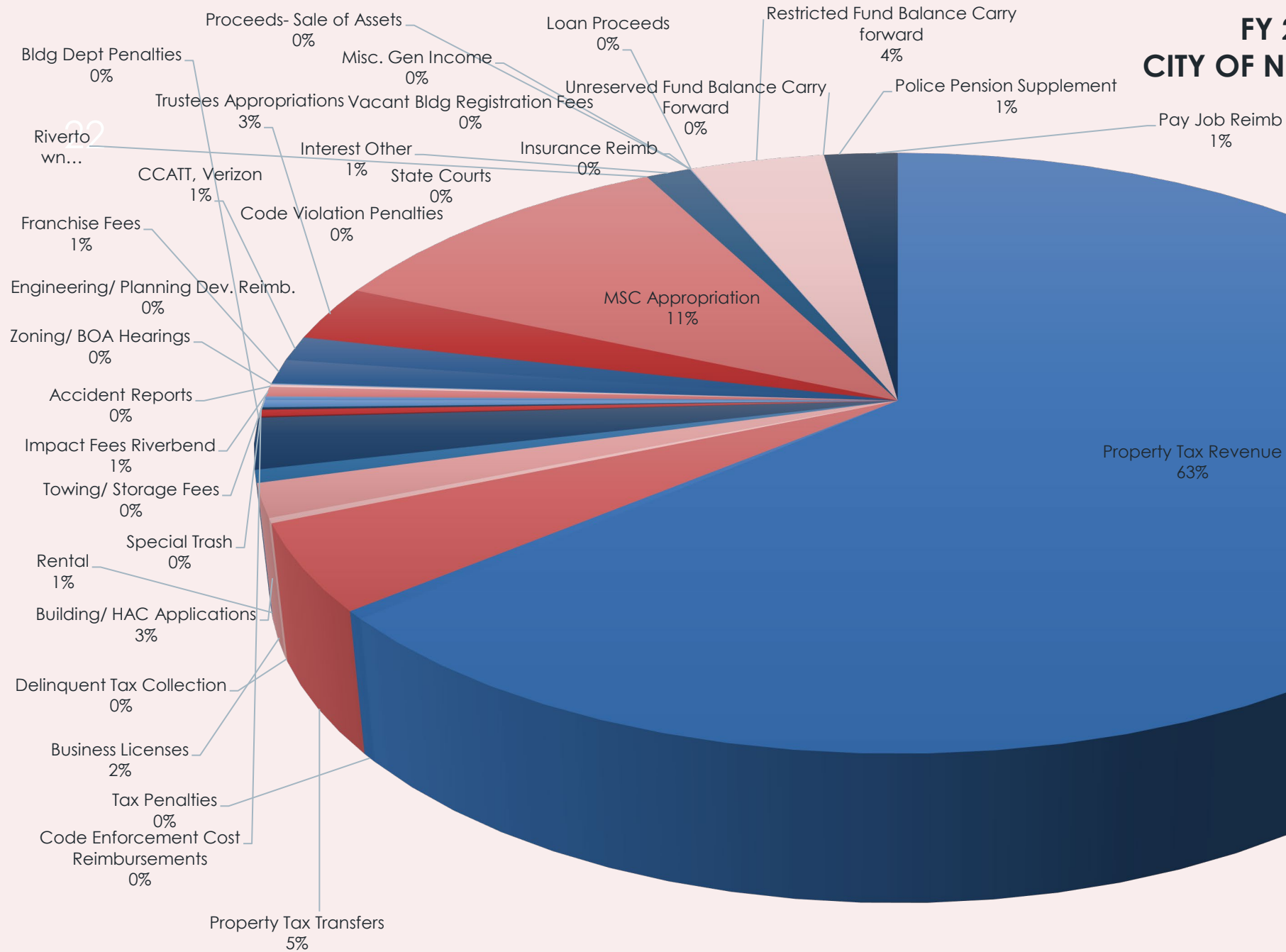
Break Even Amount!

Difference from Rollback=  
.127360603

**Additional Tax Revenue=**  
**\$1,650,350**

\*\*Please note that these values have not yet been finalized by the County and they are still working through appeals- numbers will be finalized by July- All Numbers are Drafted Numbers and will be finalized at a later date. They are subject to change.

# FY 26 PROPOSED CITY OF NEW CASTLE REVENUE

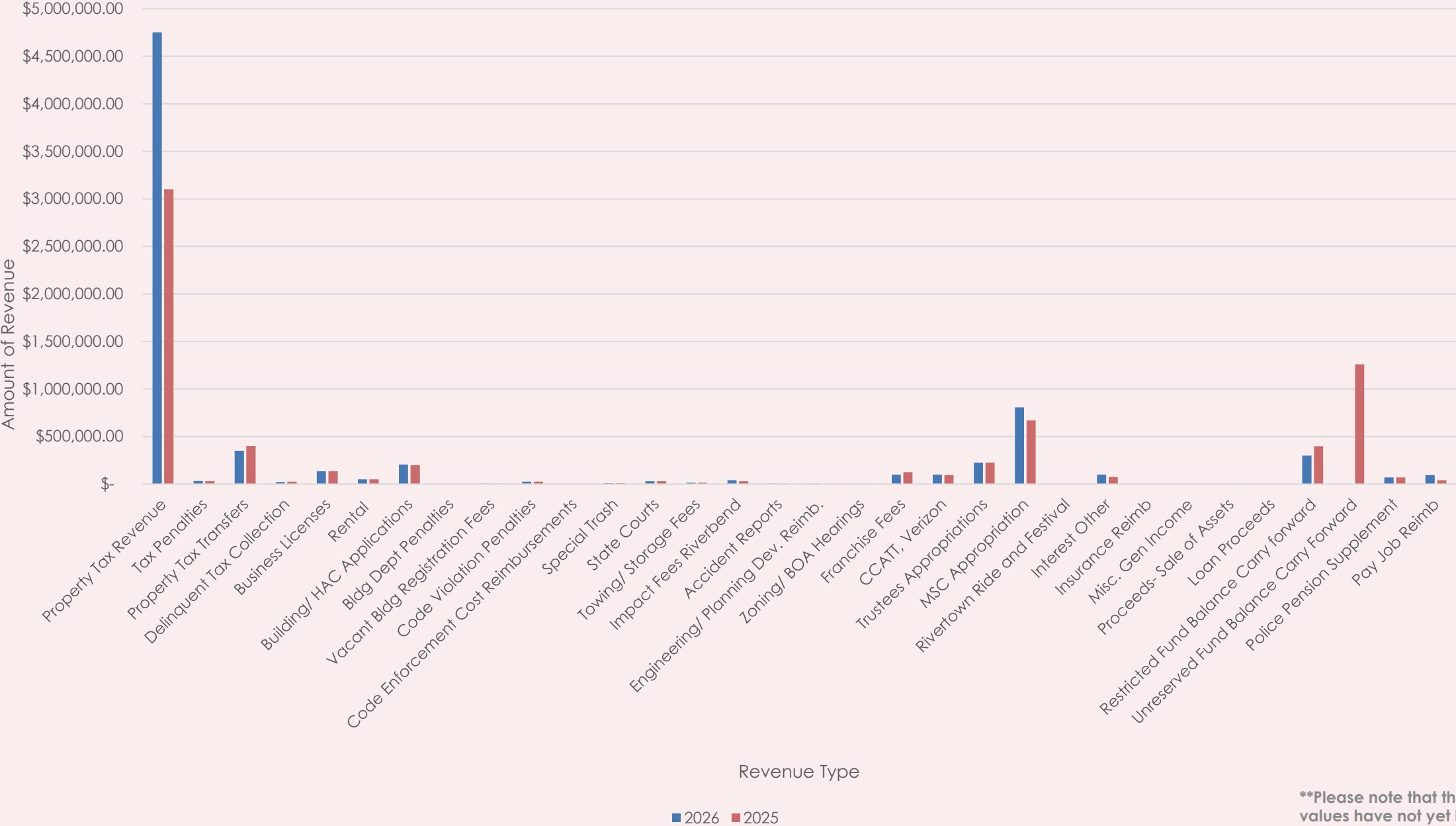


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# Proposed FY 2026 Revenues

Property Tax Revenue	\$ 4,750,350.00
Tax Penalties	\$ 32,000.00
Property Tax Transfers	\$ 350,000.00
Delinquent Tax Collection	\$ 20,000.00
Business Licenses	\$ 135,000.00
Rental	\$ 51,000.00
Building/ HAC Applications	\$ 205,000.00
Bldg Dept Penalties	\$ 1,000.00
Vacant Bldg Registration Fees	\$ 5,000.00
Code Violation Penalties	\$ 25,000.00
Code Enforcement Cost Reimbursements	\$ 2,000.00
Special Trash	\$ 9,000.00
State Courts	\$ 30,000.00
Towing/ Storage Fees	\$ 15,000.00
Impact Fees Riverbend	\$ 40,000.00
Accident Reports	\$ 5,000.00
Engineering/ Planning Dev. Reimb.	\$ 5,000.00
Zoning/ BOA Hearings	\$ 4,000.00
Franchise Fees	\$ 100,000.00
CCATT, Verizon	\$ 100,000.00
Trustees Appropriations	\$ 225,000.00
MSC Appropriation	\$ 808,218.00
Rivertown Ride and Festival	\$ -
Interest Other	\$ 100,000.00
Insurance Reimb	\$ -
Misc. Gen Income	\$ 2,000.00
Proceeds- Sale of Assets	\$ 1,500.00
Loan Proceeds	\$ -
Restricted Fund Balance Carry forward	\$ 299,030.00
Unreserved Fund Balance Carry Forward	\$ -
Police Pension Supplement	\$ 70,000.00
Pay Job Reimb	\$ 93,500.00
<b>Total Proposed Budget Revenues</b>	<b>\$ 7,483,598.00</b>

City of New Castle Budget- Revenue Comparison Proposed 2026 vs. 2025 Budget



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# Sample Tax Bills

## Lowest Bill

Old Assessed: 100  
Old Bill: \$1.20

New Assessed: 100  
New Potential Bill: \$0.37

## Average

Old Assessed: 44,400  
Old Bill: \$532.80

New Assessed: 481,700  
New Potential Bill: \$1,771.77

## Highest Bill

Old Assessed: 9,286,200  
Old Bill: \$111,434.40

New Assessed: 39,201,100  
New Potential Bill: \$144,187.84

# Caveats to the Tax Rate Recommendation & Overall Budget:

\*\*\*Subject to Change\*\*\*

## Overall Budget Changes

- Council Requests next week
- Financial changes

## Charter Changes

- Sent to the State last month and to be added to the House and Senate Committee's Soon

## Legislative Changes

- Council Ordinances or Resolutions

Thank you!

