

BUDGET PRESENTATION FISCAL 2010



May 19, 2009

Presented By:

David B. Baker
County Administrator

Susan M. Webb
Finance Director

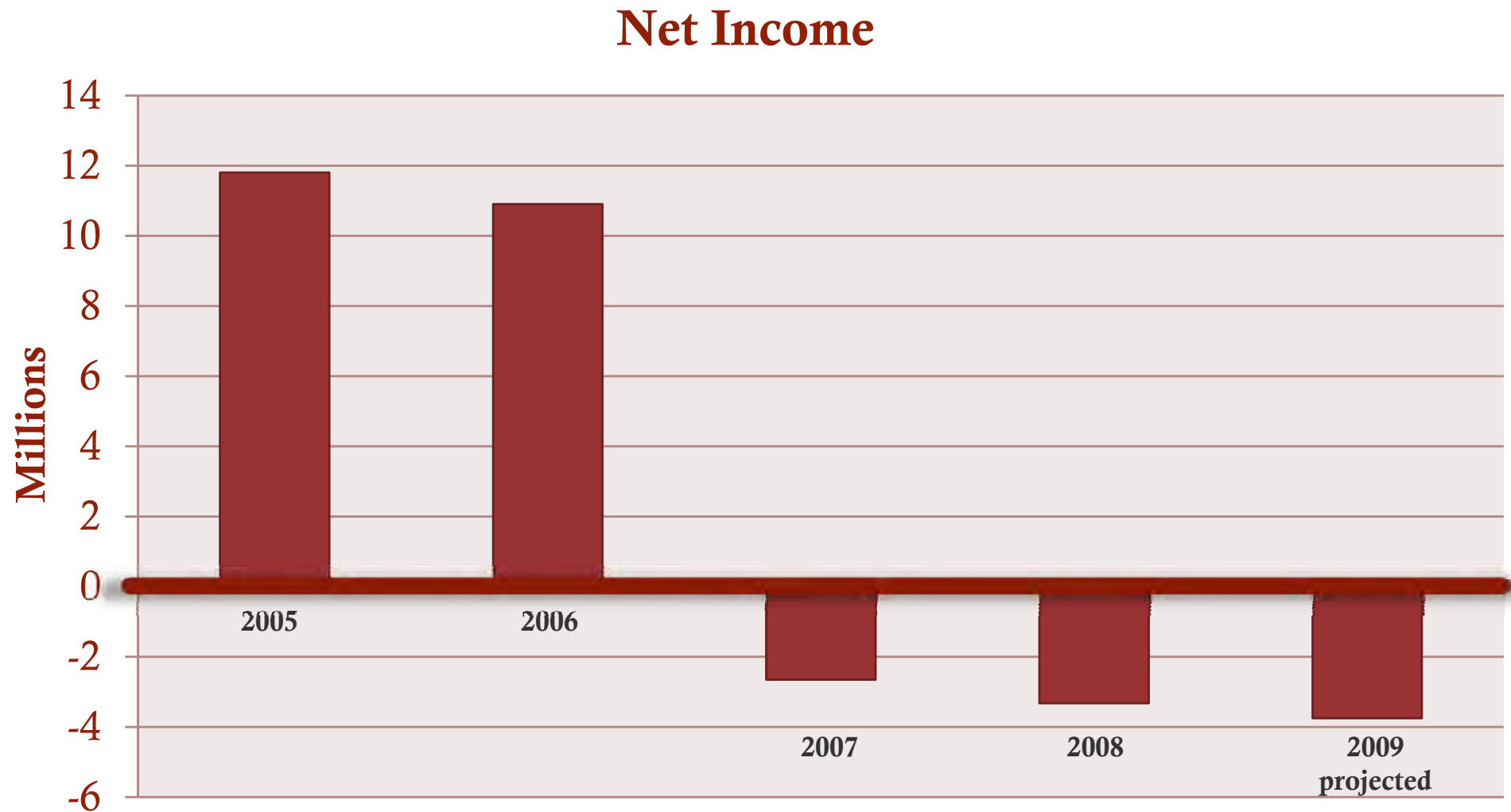
Kathy L. Roth
Budget & Cost Manager

Gina A. Jennings
Director of Accounting

TOTAL BUDGET

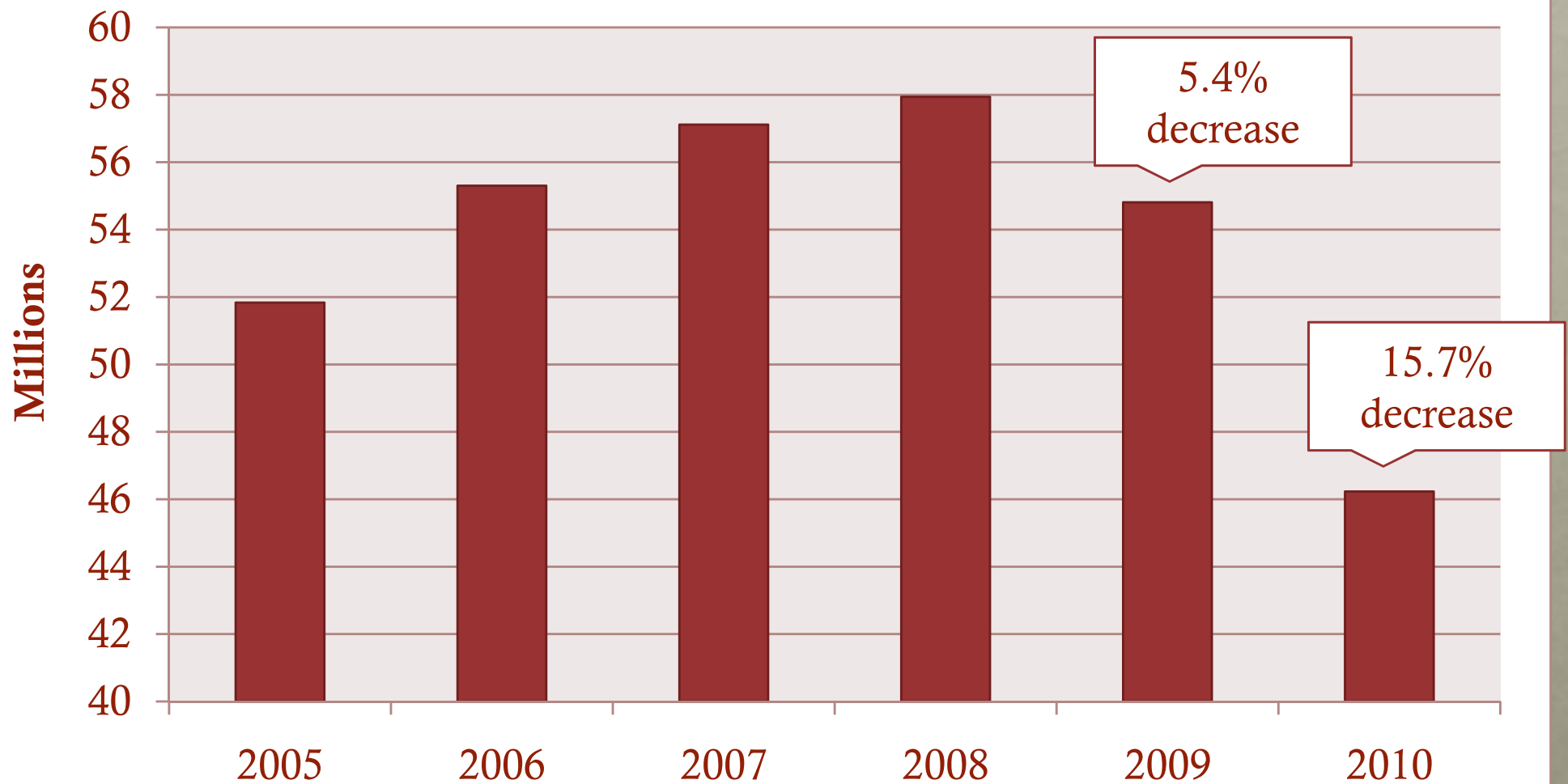
Expenditures	Fiscal 2009	Fiscal 2010	Percentage Change
General Fund	\$54,811,895	\$46,228,856	(15.7%)
Capital Improvement Fund	16,419,000	7,829,000	(52.3%)
Community Development Fund	1,348,000	3,390,000	151.5%
Water and Sewer Districts	30,719,357	29,891,922	(2.7%)
Water and Sewer Capital Projects	38,725,000	40,704,541	5.1%
Total	\$142,023,252	\$128,044,319	(9.8%)

GENERAL FUND NET INCOME



GENERAL FUND BUDGET

Budget



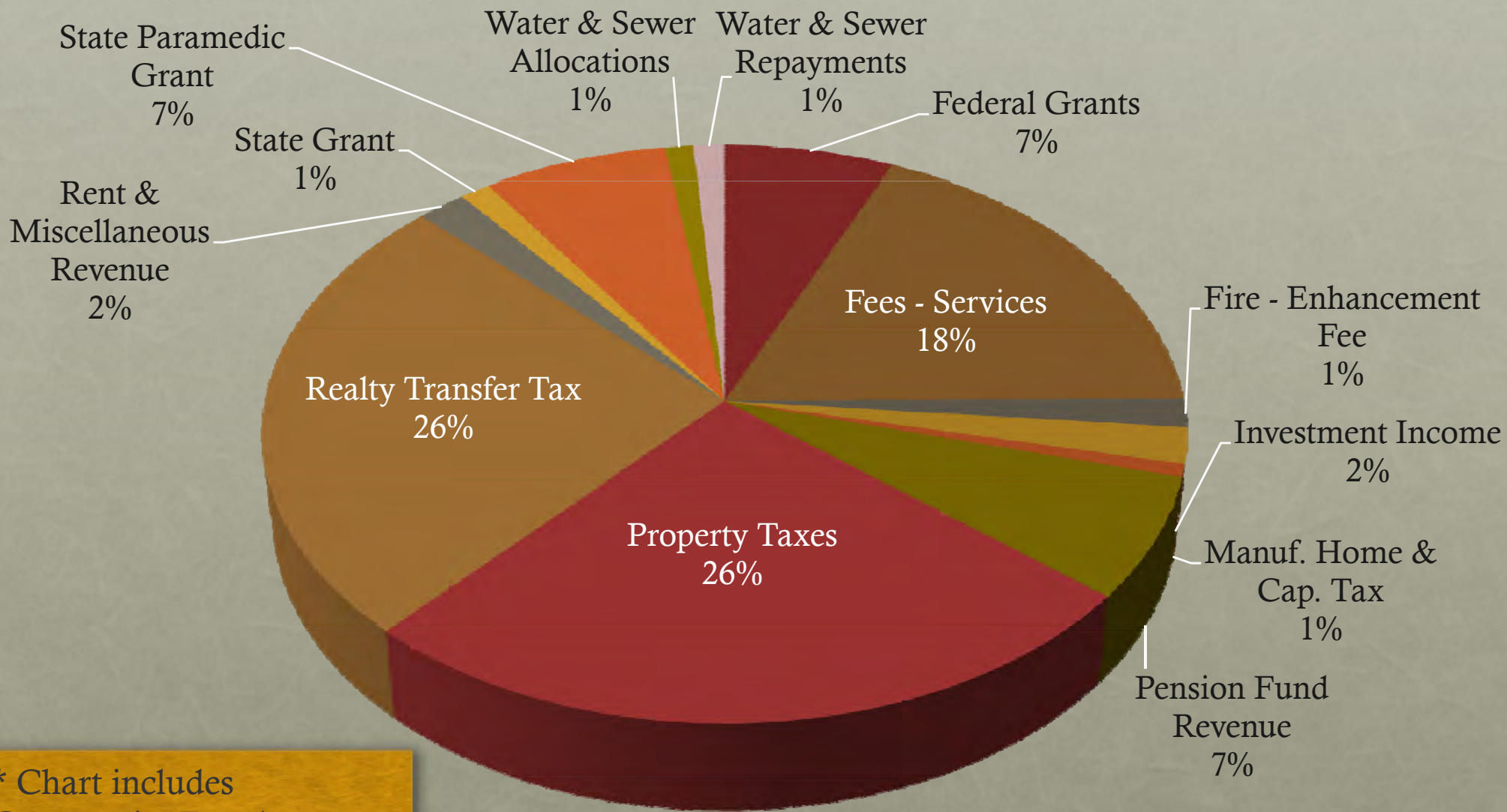
GENERAL FUND

MAJOR BUDGET CHANGES

FISCAL 2010

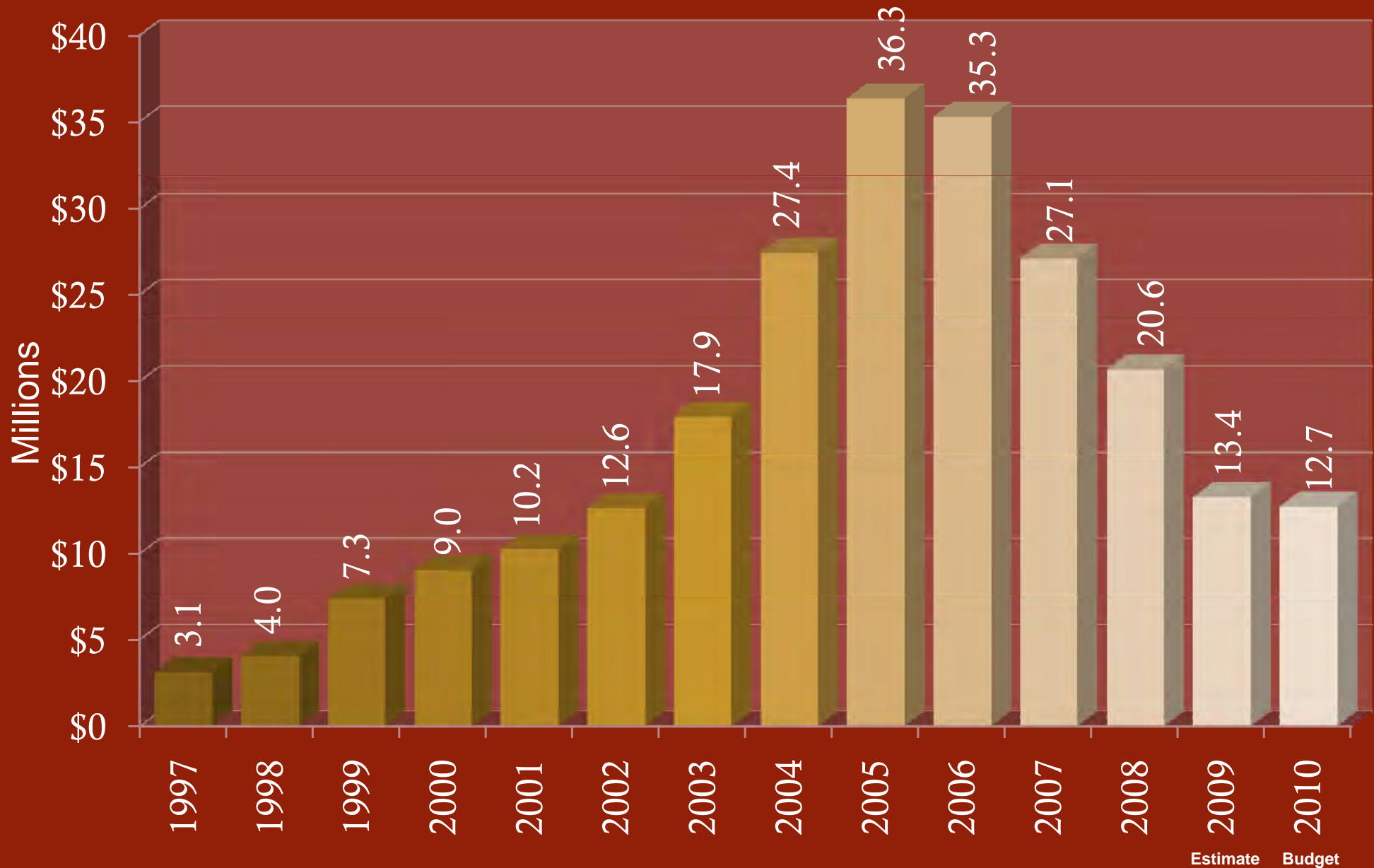
Grants In Aid Reduced	\$2,463,000
Reduction in Staff by 26 Full Time Employees due to Attrition and more Efficient Use of Staff	1,700,000
Pensioner Benefit Trust Fund Reimburses for Pensioner Benefits	1,363,571
Group Hospital Plan Changes	1,154,000
General Fund Engineering Employees Transferred to Sewer & Water Districts	661,000
Sewer District Repayments – Construction Grants not needed	600,000
Machinery & Equipment – Payable from Capital Improvement Fund	657,000
Water & Sewer Districts Reimburse General Fund for Administrative Costs	550,000
Interest on Loans – Sewer Projects	300,000
Early Retirement Option	200,000
Bookmobile - Reduced Service Level	94,000
Clerk of Peace Fee Increase	76,700
State Paramedic Grant Share Reduced from 40% to 30%	(1,227,505)
Total	\$8,591,766

GENERAL FUND FUNDING SOURCES

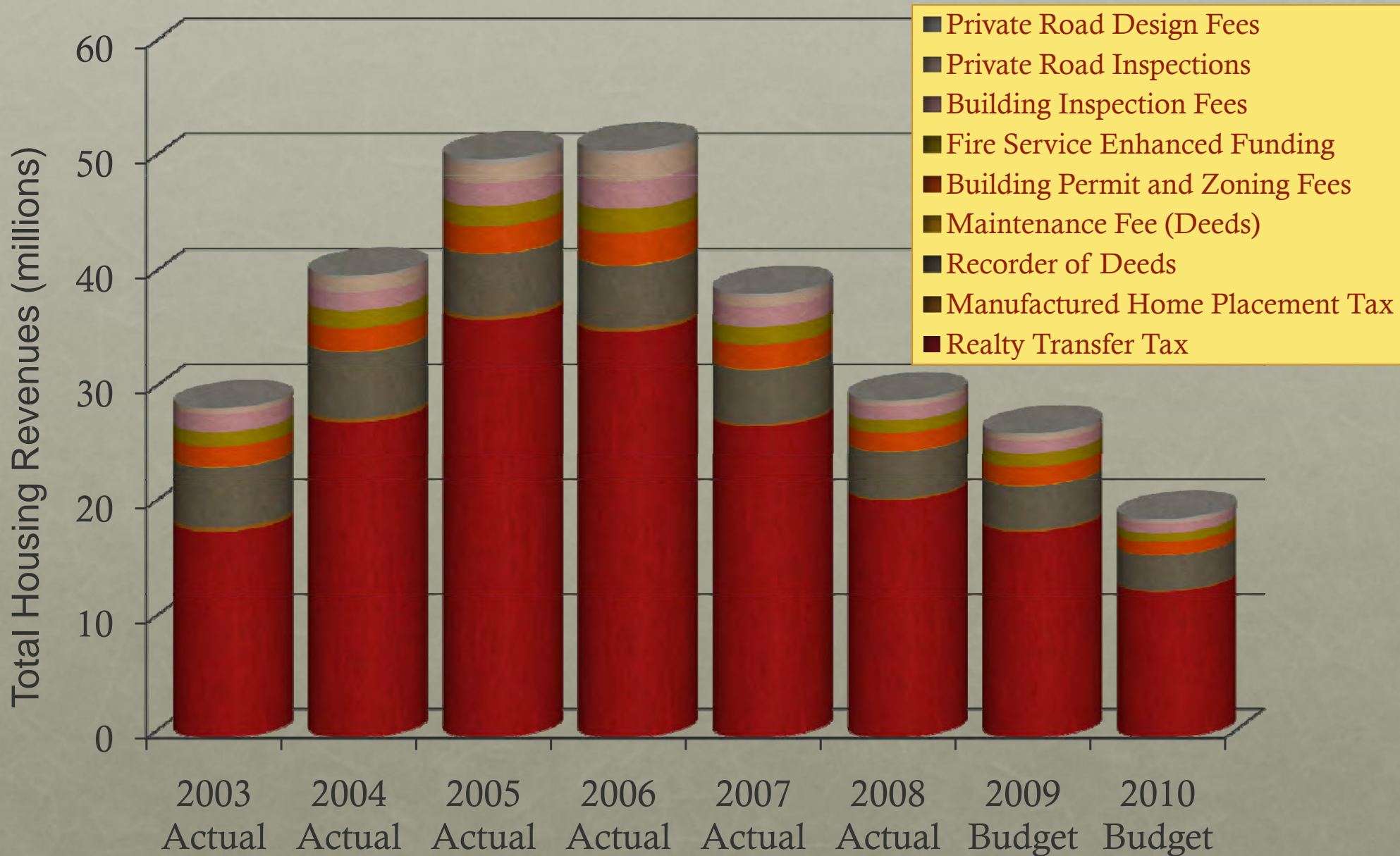


* Chart includes
Community Development
funding sources

REALTY TRANSFER TAX DECLINE



HOUSING INDUSTRY REVENUES



USE OF APPROPRIATED RESERVES

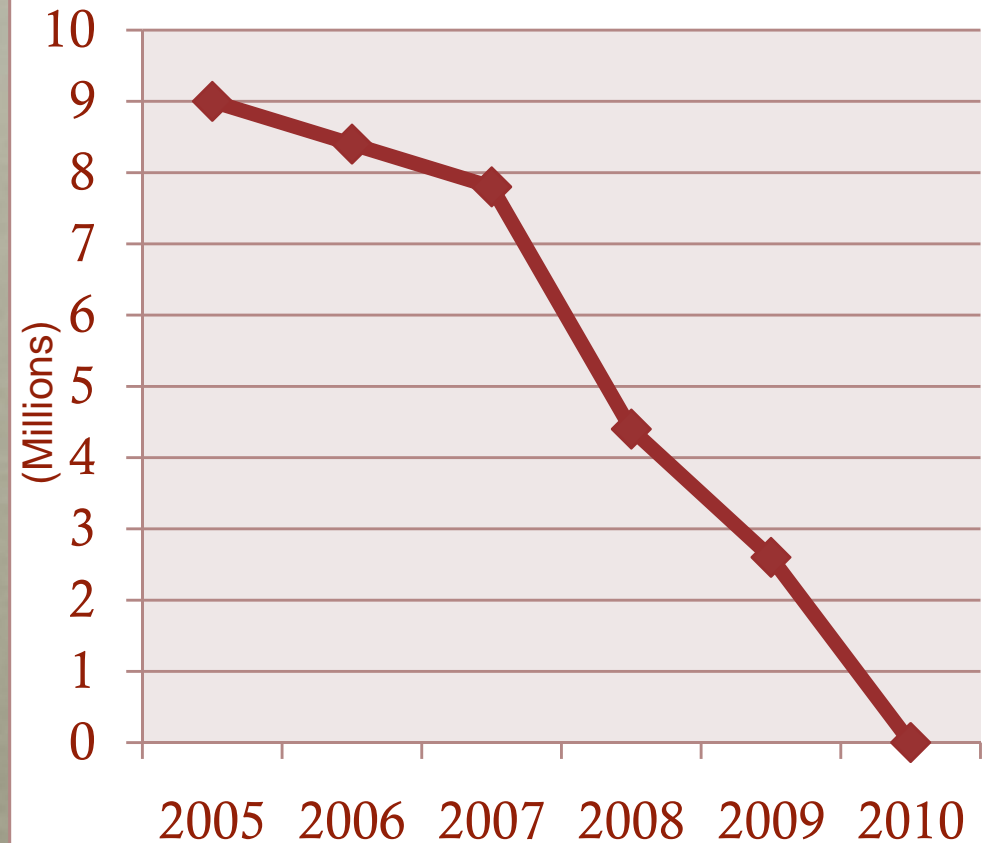
General Fund

Appropriated Reserves Reduced to
\$0 from \$2,550,515

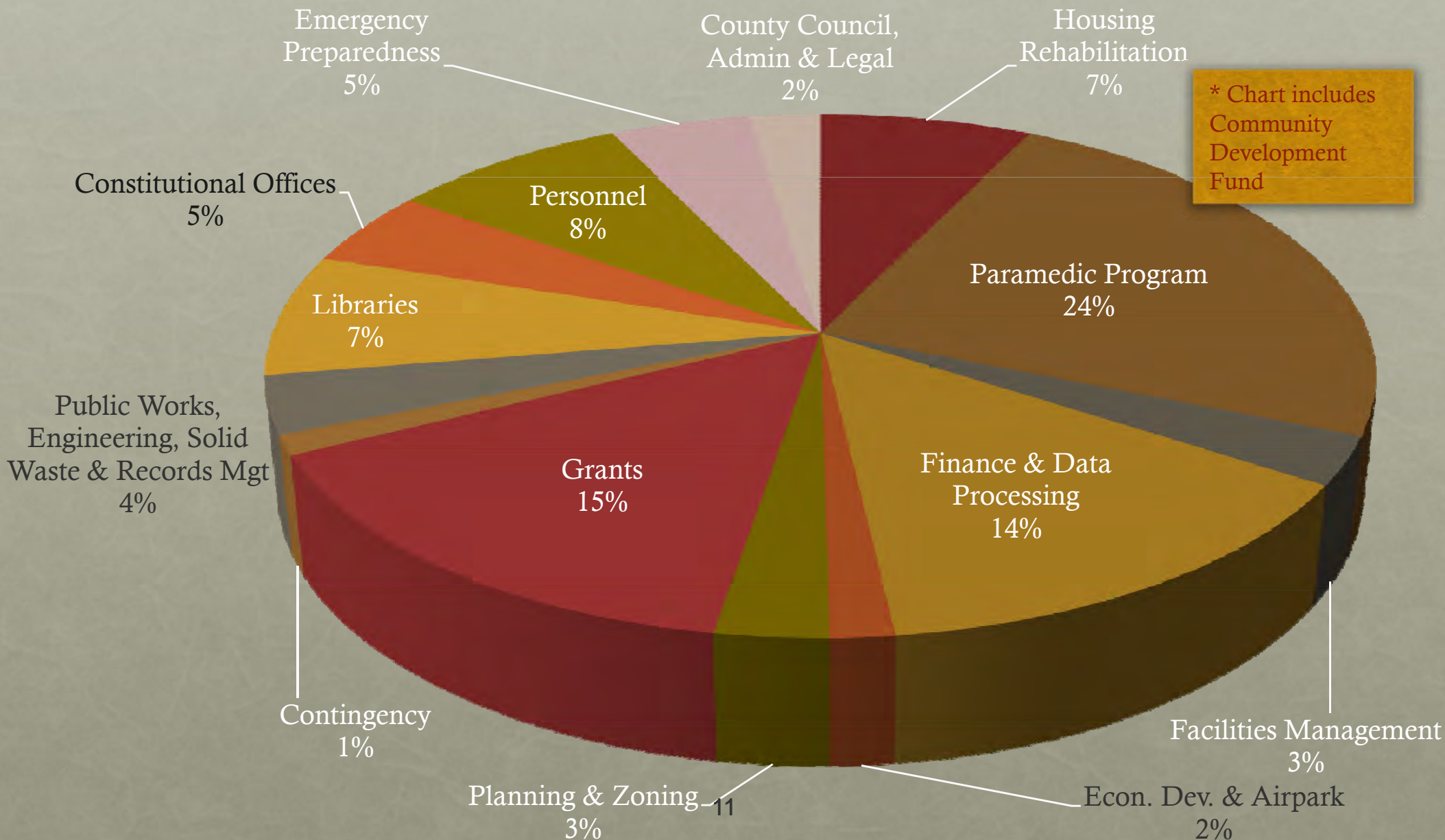
Capital Improvement Fund

Appropriated Reserves Reduced to
\$6,142,300 from \$16,015,000

Decline in use for General Fund Operations



GENERAL FUND EXPENDITURES



PERSONNEL BENEFITS

- No Salary Reductions
- No Reductions in Paid Working Hours for Salaried Employees
- Employee Pension Contributions Zero – no change
- Defined Pension Contribution (10.5%) – all County
- Defined Pension Benefits Contribution (12.5%) – all County
- Pay cycle to change to biweekly beginning October
- Accrued Sick & Vacation Payout – no change
- Liberal Sick & Vacation Pay – no change
- Life Insurance – no change
- Two-tier plan for health insurance with one basic option still free for the individual
- Health Insurance Opt-Out Incentives - \$75 per month or 5 vacation days
- 13 Paid Holidays – no change
- COLA – 0%
- Long-Term Disability Insurance – no change
- Dental and Visions Program Continued
- Accrued Medical Health Leave Bank
- Section 457 Pension Supplement Program
- Employee Assistance Program
- Flexible Spending Plan – Dependent and Health Care Costs

GENERAL FUND EXPENDITURES

(PERCENTAGE CHANGE FROM FY 2009 BUDGET)

Department	Percentage Change
County Council	(14.7%)
County Administration	(18.7%)
Grant-in-Aid	(24.8%)
Finance Administration	(2.5%)
Assessment	(10.5%)
Mapping & Addressing	(12.1%)
Constable	25.4%
Accounting	(14.2%)
Treasury	(7.3%)
Building Inspection	(28.8%)
Personnel	(8.0%)
Building & Grounds	(25.9%)
Data Processing	(13.1%)
Information Systems	(19.4%)

Department	Percentage Change
Planning & Zoning	(7.9%)
Emergency Preparedness	(5.8%)
Paramedics	(9.8%)
Economic Development	(44.4%)
Industrial Airpark	(1.1%)
Engineering Admin	(42.6%)
Public Works	(23.7%)
Solid Waste	8.21%
Libraries	(12.6%)
Clerk of Peace	(28.9%)
Recorder of Deeds	(18.2%)
Register of Wills	(8.5%)
Sheriff	(11.0%)
Community Development	(28.7%)

NUMBER OF FULL-TIME EMPLOYEES (CHANGE FROM FY 2009 BUDGET)

Department	Change
Accounting	(1.00)
Administration	(1.00)
Assessment	(3.30)
Libraries	(1.00)
Building Inspections	(3.00)
Constitutional Offices	(3.70)
Communications System	(1.00)
Constable	2.00
Data Processing & IS	(1.00)

Department	Change
Economic Development	(0.50)
Facilities Management	(7.00)
Industrial Airpark	0.50
Paramedics	(1.92)
Planning & Zoning	(1.00)
Public Works	(1.00)
Records Management	1.00
Engineering Admin & Water & Sewer	(3.00)

Total Change in Number of Full-Time Employees – (25.92)

PUBLIC SAFETY

\$19.7 MILLION

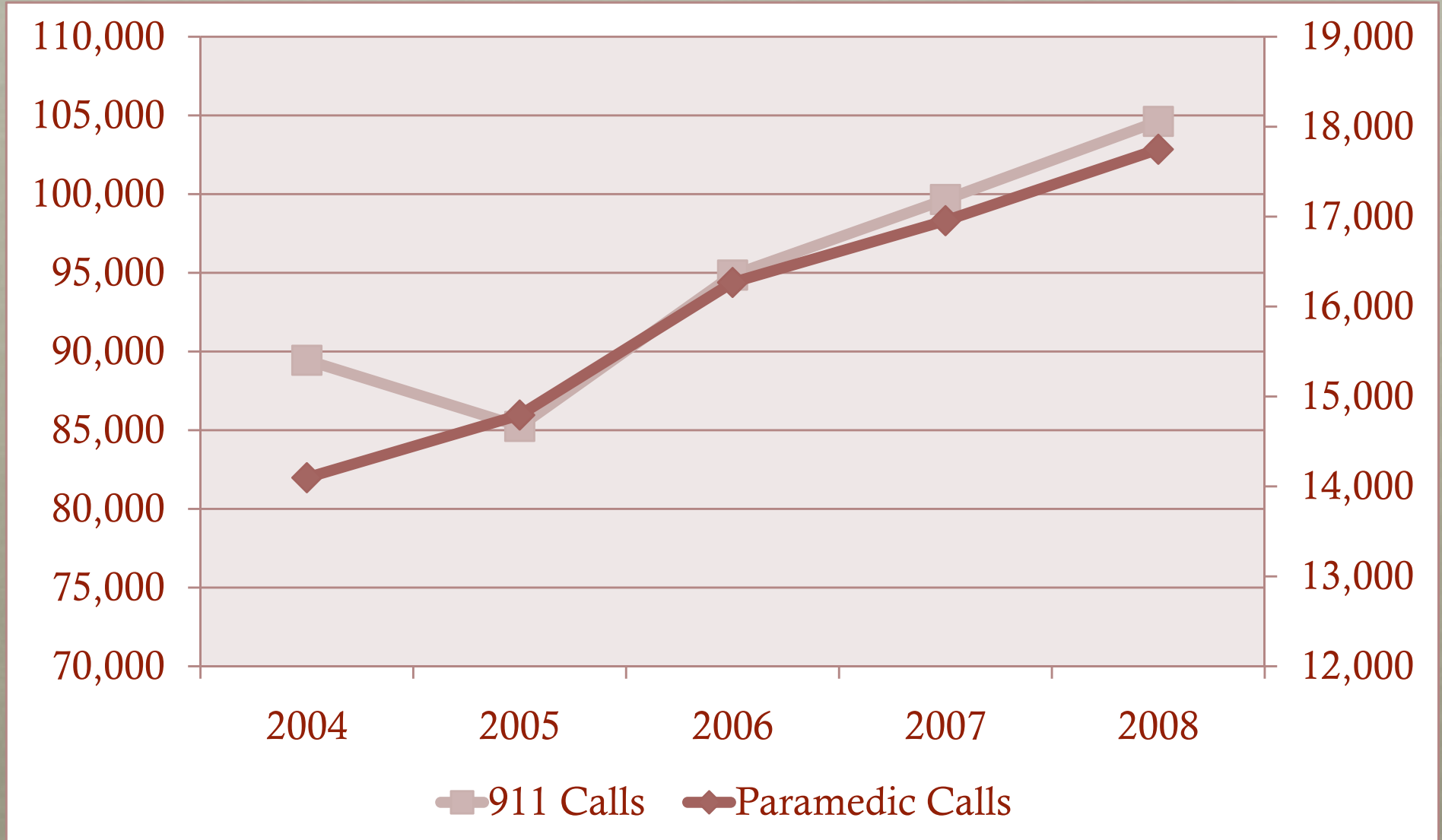
43% OF THE GENERAL FUND
BUDGET

- Paramedics (\$11.9 million)
- Fire Service (\$1.5 million)
- Ambulance Service (\$1.4 million)
- State Police Subsidy (\$1.6 million)
- Revenue Sharing for Local Law Enforcement (\$262,500)
- Emergency Preparedness – 911 (\$2.4 million)

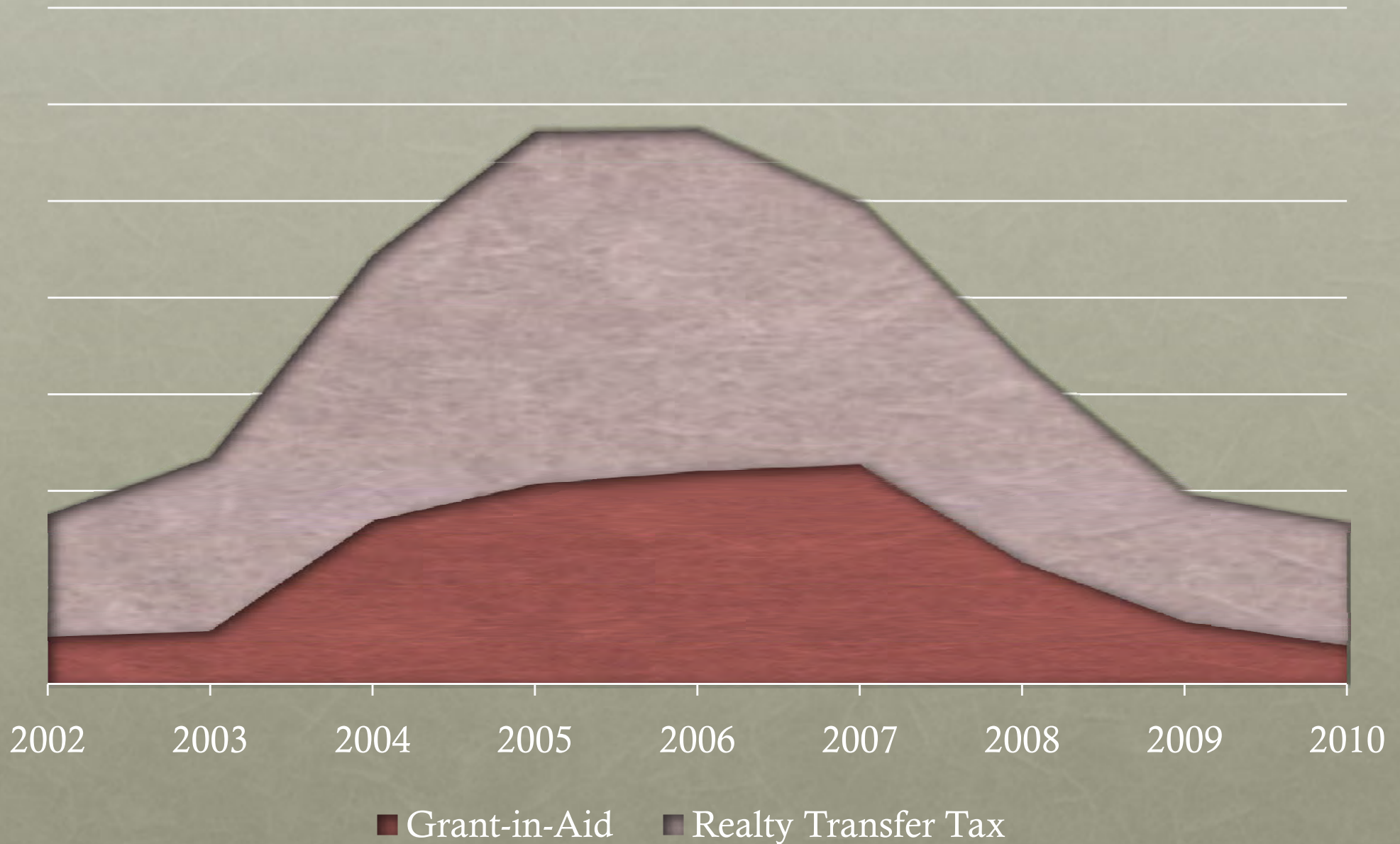


PUBLIC SAFETY

HISTORICAL GROWTH IN CALLS FOR SERVICE



GRANT-IN-AID PROGRAM



ASSISTANCE PROGRAMS

Water & Sewer District Relief Programs

- **County Sewer and Water Low-Income Assistance Program (Grant)**
- **State West Rehoboth Sewer Low-Income Assistance Program**
- **State Septic & Connection Fee Loan Program**
- **Federal Rural Development Hook-up Cost/Loan Grant Program**
- **Community Development Block Grant Assistance**
- **County Septic System & Connection Fee Grant Program**

For more information, contact the Utility Billing Division (302) 855-7871

Property Tax Assistance Programs

- **Exemption for Disabled**
- **Exemption for Residents 65 and Older**
- **State Senior Citizen School Property Tax Credit**
- **Sussex County Property Tax Subsidy**

For more information, contact the Treasury Division (302) 855-7760

LIBRARIES

\$4.4 MILLION TOTAL APPROPRIATION

Budget Reduced by 7.35%

- Reduced Bookmobile Service
- Defer Computer Replacements
- Partial Reduction in Books & Materials
- Local Libraries – 1.27% decrease

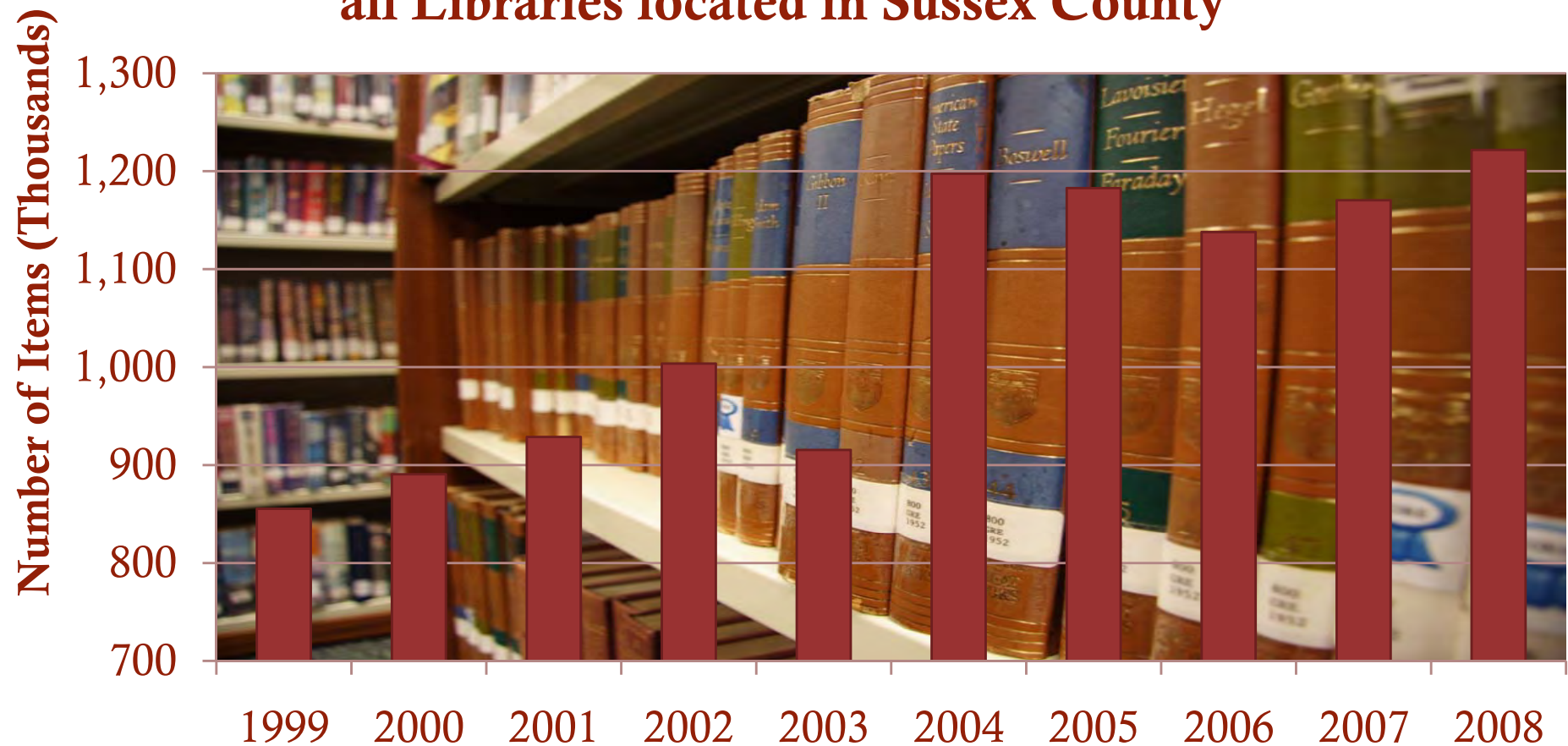
County Services provided to Local Libraries

- Auditing of Financial Expenditures
- Delivery of Materials
- Training & Education Assistance
- Coordination of Literacy Program
- Computer Technical Services

Locations	
Bookmobile*	Laurel
Greenwood*	Lewes
Milton*	Milford
South Coastal*	Millsboro
Bridgeville	Rehoboth
Delmar	Seaford
Frankford	Selbyville
Georgetown	* County owned libraries

LIBRARIES

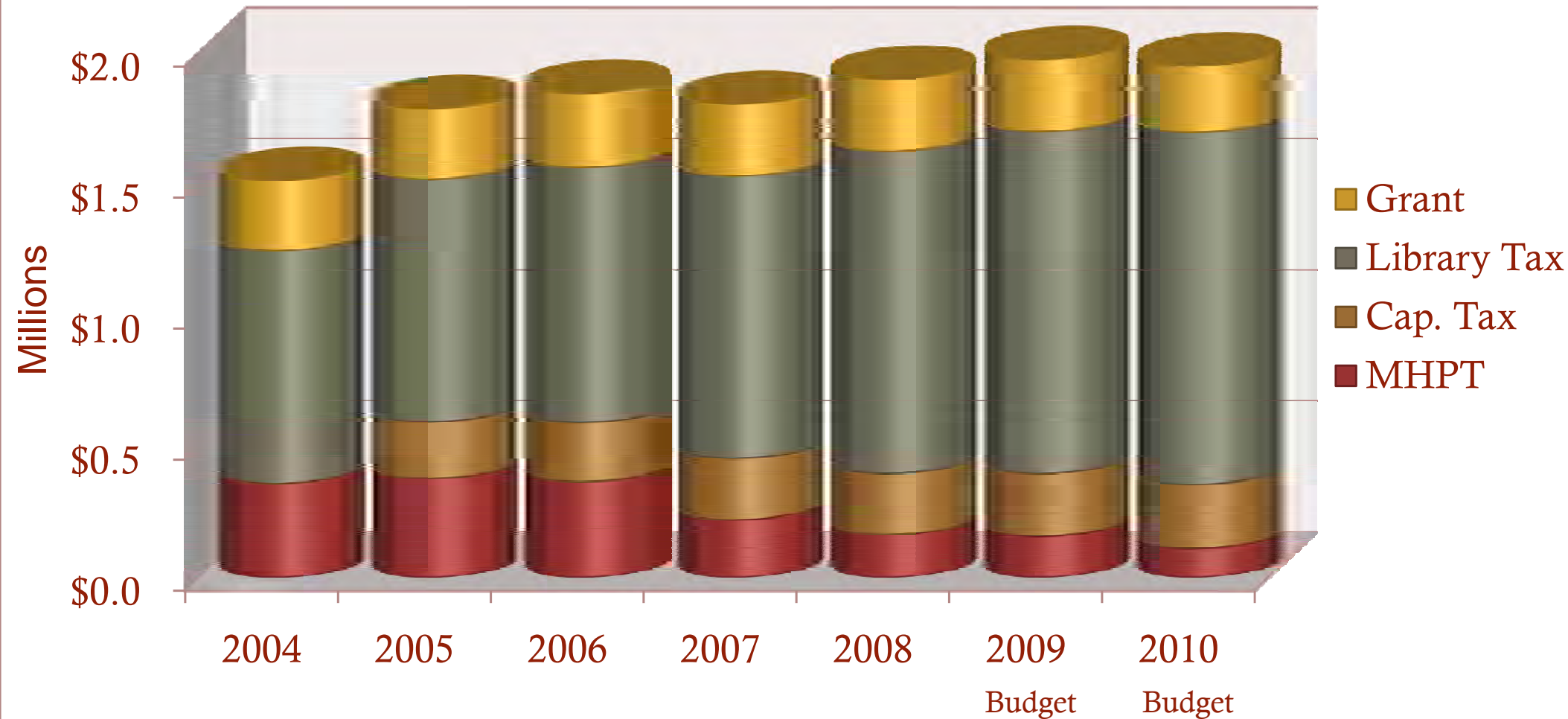
**Number of Items Circulated by
all Libraries located in Sussex County**



LOCAL LIBRARIES

\$1.95 MILLION

Total Funding for Local Libraries by Revenue Source



GENERAL FUND FIVE YEAR PROJECTION

FISCAL YEAR	2010	2011	2012	2013	2014
INCOME	\$46,228,856	\$45,124,148	\$44,498,850	\$44,436,841	\$45,674,278
EXPENSES	46,228,856	47,371,651	48,548,729	49,761,120	51,009,882
SURPLUS/(DEFICIT)	\$0	(\$2,247,503)	(\$4,049,879)	(\$5,324,279)	(\$5,335,605)

TOTAL FIVE YEAR PROJECTION – (\$16,957,266)

COMMUNITY DEVELOPMENT

- CDBG – \$1,140,000
- HUD HOME Program – \$100,000
- Farmers Home Housing Preservation Grant – \$50,000
- Delaware State Housing Loan – \$200,000
- County Council Emergency Grant Assistance – \$30,000
- Neighborhood Stabilization Program - \$1,900,000

66 - Rehabilitations
25 - Sewer Hookups
4 - Demolitions



CAPITAL PROJECTS

NON-WATER AND SEWER

Airport/Industrial Park	\$ 4,263,000
County Building Improvements	632,000
Solid Waste	33,000
Parking Lot Expansion	350,000
Technology Improvements and Upgrades	751,000
Property Acquisition	1,800,000
Total	\$ 7,829,000

WASTEWATER PROGRAM - \$29.9 MILLION

- Service Charges - \$8 per year increase, \$2 per quarter
 - Increase to offset costs previously paid by General Fund
- System Connection Charges – 5.0% increase for inflation
- Millville Sewer – Front Foot Assessment rate established
- Utility Billing – 8.9% decrease
- Capital Items – 38.8% decrease
- General Fund grants & loans -\$36.2 million since 1999
- 13,128 EDU's in 1988 compared to 61,310 EDU's in 2010
- 367% increase in 22 years
- More than 16% average annual growth
- 2.3% increase in EDU's from fiscal 2009

WASTEWATER PROGRAM

Capital Items

- Pump Rebuilds
- Replace Headworks Screens
- Replace Blowers and Mixers
- Upgrade to Irrigation System
- Utility Truck with 3200 lb. Hoist

Future Service Areas

- IBRWF Expansion*
- Oak Orchard Expansion*
- Johnson's Corner*
- Golf Village
- Angola*
- Millville – Northwest Expansion

* Federal Stimulus Funding

CAPITAL PROJECTS

MAJOR WATER & SEWER

Angola Sewer District	\$	14,000,000
Oak Orchard Expansion	\$	4,200,000
Dewey Water Utility Equipment	\$	25,000
Collection System Improvements	\$	45,350
Pumping Equipment	\$	553,972
Treatment & Disposal Equipment	\$	259,860
General Plant Capital	\$	139,301
Fenwick – Rt. 54 Transmission Upgrade	\$	2,388,541
Golf Village Sewer District	\$	300,000
IBRWF Expansion	\$	1,300,000
Johnson Corner Sewer District	\$	7,000,000
Miller Creek Extension	\$	1,500,000
Millville Sewer – Northwest Expansion	\$	2,860,000
SCRWF – Pump 30	\$	6,156,000
West Rehoboth Sewer Treatment Expansion	\$	1,000,000
Total	\$	41,728,024

5-YEAR CAPITAL IMPROVEMENTS

General Fund		Water & Sewer		Grants		Bonds		Other		Total	
2010	\$7,692,300	2010	\$7,635,483	2010	\$13,994,733	2010	\$19,334,508	2010	\$900,000	2010	\$49,557,024
2011	803,000	2011	9,600,000	2011	10,955,000	2011	33,024,000	2011	-	2011	54,382,000
2012	1,425,000	2012	-	2012	12,283,134	2012	21,041,866	2012	-	2012	34,750,000
2013	1,882,500	2013	-	2013	5,417,500	2013	2,600,000	2013	-	2013	9,900,000
2014	1,802,500	2014	-	2014	11,797,500	2014	4,600,000	2014	-	2014	18,200,000
Total	\$13,605,300	Total	\$17,235,483	Total	\$54,447,867	Total	\$80,600,374	Total	\$900,000	Total	\$166,789,024

Non-Water & Sewer Capital Projects	\$42,347,000
Water & Sewer Capital Projects	\$124,442,024
Total 5-Year Capital Improvements Funding	\$166,789,024

BUDGET HIGHLIGHTS

- No Property Tax Increase
 - Average County Tax for a Single-Family Home – \$104.04
 - Average County Tax for a Manufactured Home – \$39.65
- 28% Decrease in anticipated realty transfer tax and housing industry related revenues
- \$8 Water & Sewer Service Charge Increase
- Industrial Airpark Improvements– \$4.3 million
- 14% Decrease in Group Hospital Costs
- Funding for 40 Troopers above State Police Allocation
- Sussex County Vol. Firemen's Association – \$2.9 Million
 - Paid Ambulance Attendants Portion – \$1.4 Million
- Dog Control - \$600,000
- Five-year Capital Plan - \$166,789,024
- Fiscal 2010 – Capital Plan
 - County building improvements
 - Industrial Airpark improvements
 - Sewer Projects – Angola, Johnsons Corner, Oak Orchard Expansion
- 16% General Fund Budget Decrease or \$8.6 million
- No use of Appropriated Reserves in the General Fund Budget