



Presented by:

David B. Baker
County
Administrator

Susan M. Webb
Finance
Director

Kathy L. Roth
Budget & Cost
Manager

Gina A. Jennings
Director of
Accounting

FISCAL 2011 BUDGET



BUDGET PRESENTATION

May 18, 2010

TOTAL BUDGET

Expenditures	Fiscal 2010	Fiscal 2011	Percentage Change
General Fund	\$46,228,856	\$46,842,647	1.3%
Capital Improvement Fund	7,829,000	8,060,000	3.0%
Community Development Fund	3,390,000	3,464,024	2.2%
Water and Sewer Districts	29,891,922	31,283,297	4.7%
Water and Sewer Capital Projects	40,704,541	50,195,889	23.3%
Total	\$128,044,319	\$139,845,857	9.2%

ECONOMIC DEVELOPMENT EFFORTS

- American Recovery Zone & Industrial Revenue Bonds
 - Tax exempt financing to encourage business expansion with lower interest costs
- Stimulus Funding – Construction Jobs
 - Wastewater Projects Under Construction
 - Inland Bays Treatment Facility
 - Johnson’s Corner Sewer
 - Angola Sewer District
 - Oak Orchard Sewer Expansion
 - Apply for Stimulus Funding for Additional Projects
 - Emergency Operations Center Solar Panels
 - Community Development
 - Additional Federal Funds for Housing Rehabilitation

ECONOMIC DEVELOPMENT EFFORTS

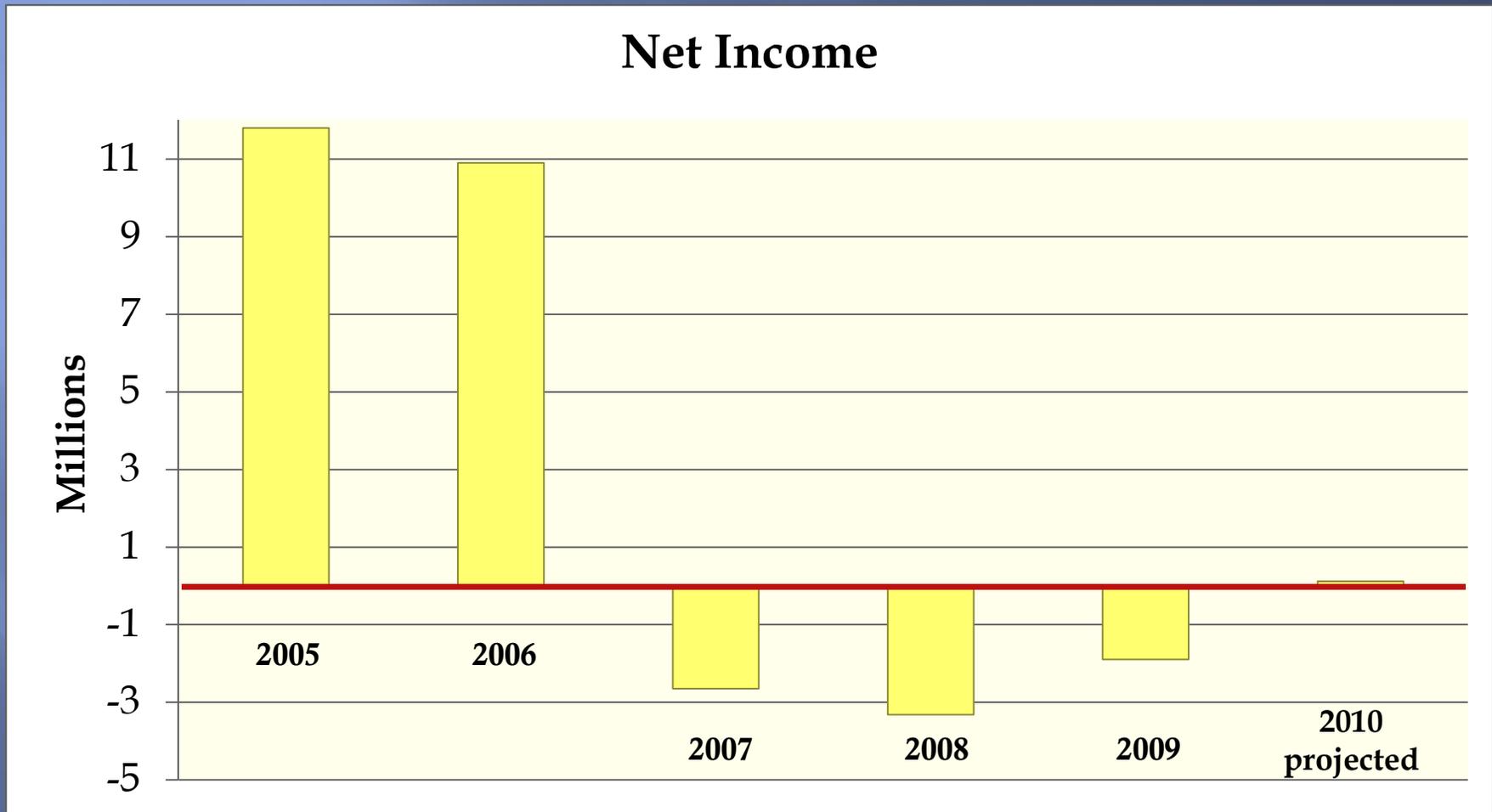
- Industrial Park Capital Projects – Construction Jobs
 - Storm Water Management
 - Lighting and Pavement Improvements
 - Runway Expansion
- State Mortgage Funds
 - Information Sessions to Publicize Low Interest Mortgages
- Hazard Mitigation Grants – Local Jobs
 - Administer Program to Improve Flood Damaged Properties
- Economic Development Office
 - Proactively Work to Obtain New Businesses and Expand Existing Businesses
 - Continue to Seek New Business Opportunities to Provide Gainful Employment to Sussex County Residents

GENERAL FUND

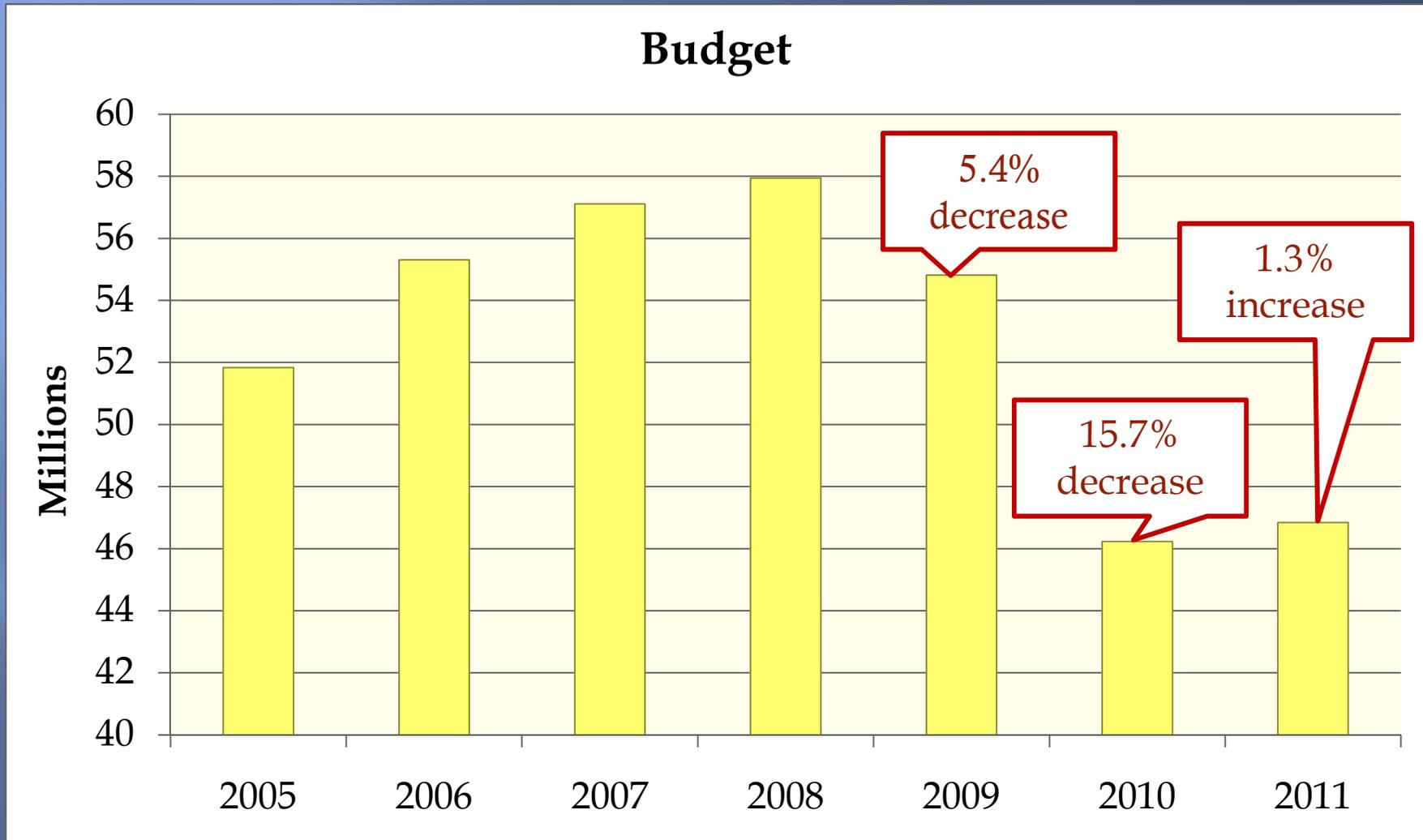
2011 BUDGET PRESENTATION



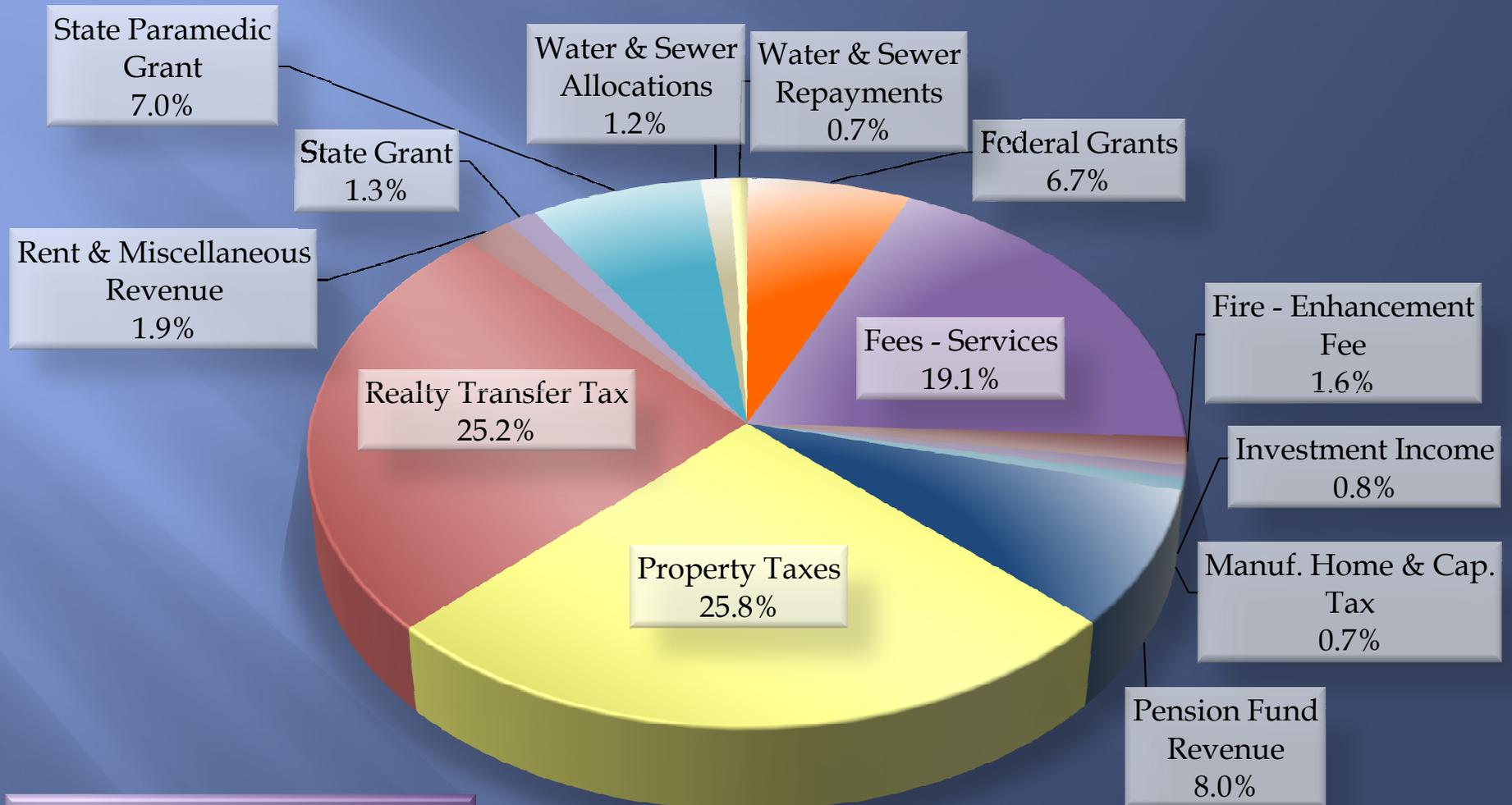
GENERAL FUND NET INCOME



GENERAL FUND BUDGET

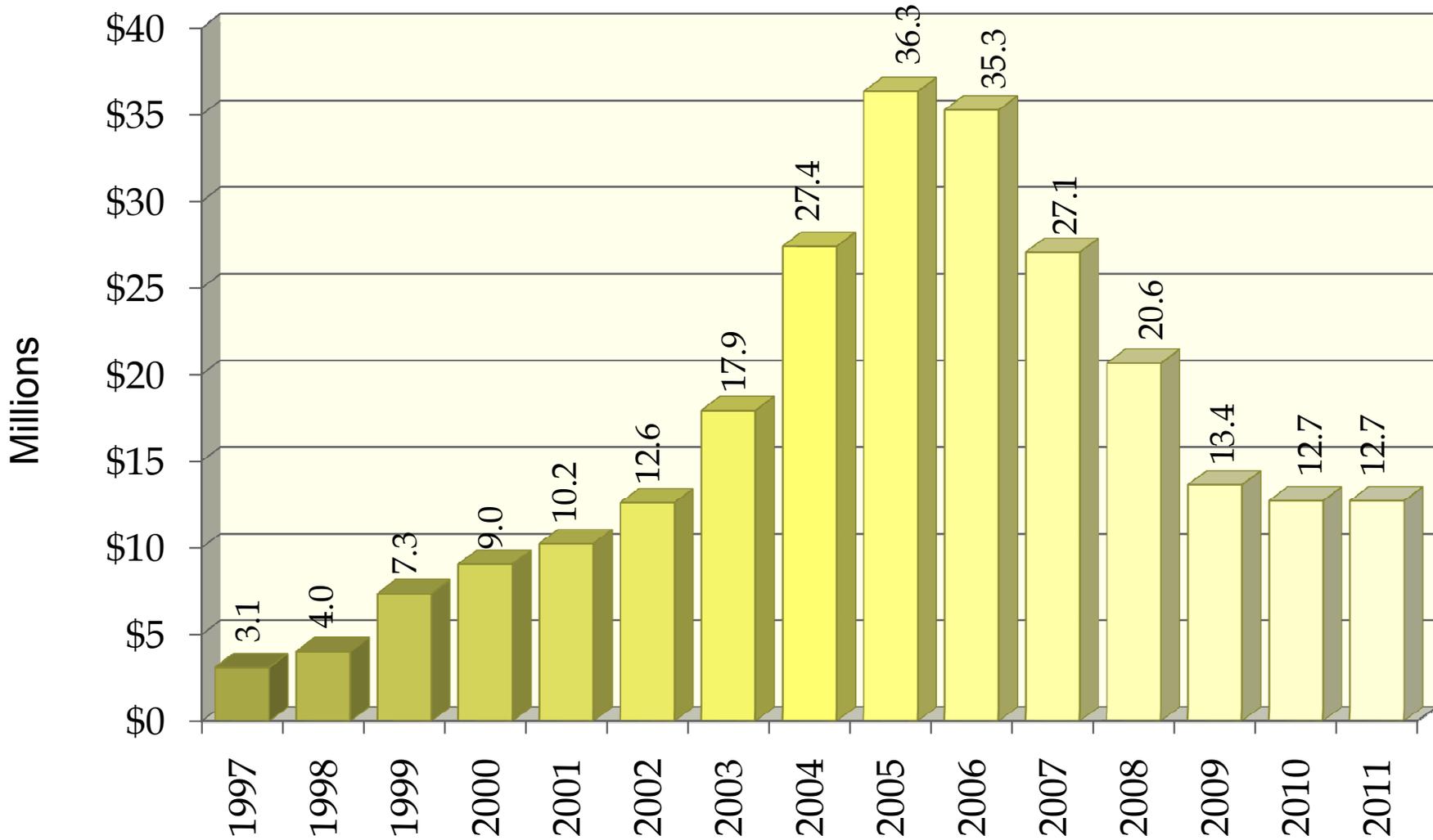


GENERAL FUND FUNDING SOURCES

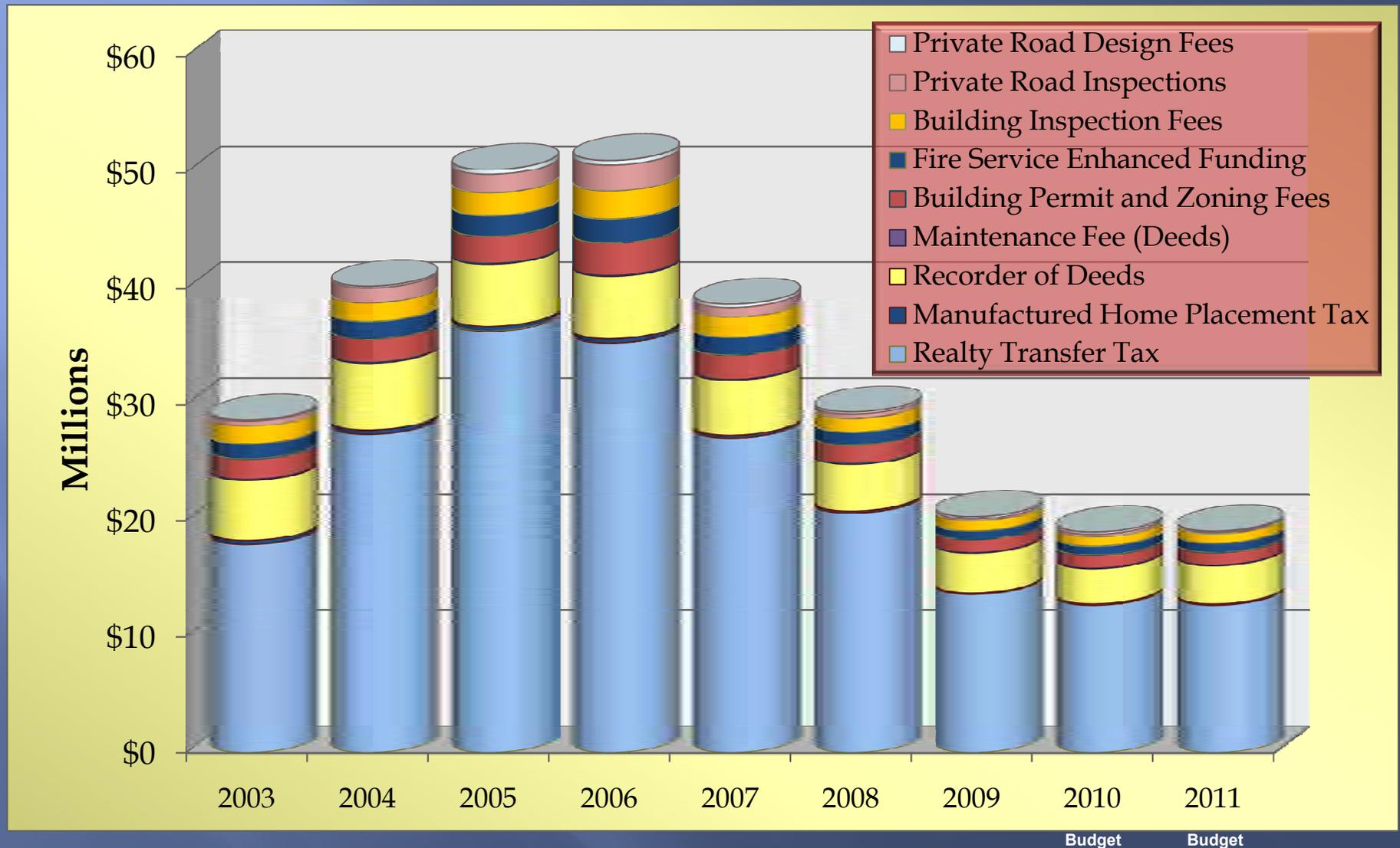


* Chart includes
Community Development
funding sources

REALTY TRANSFER TAX

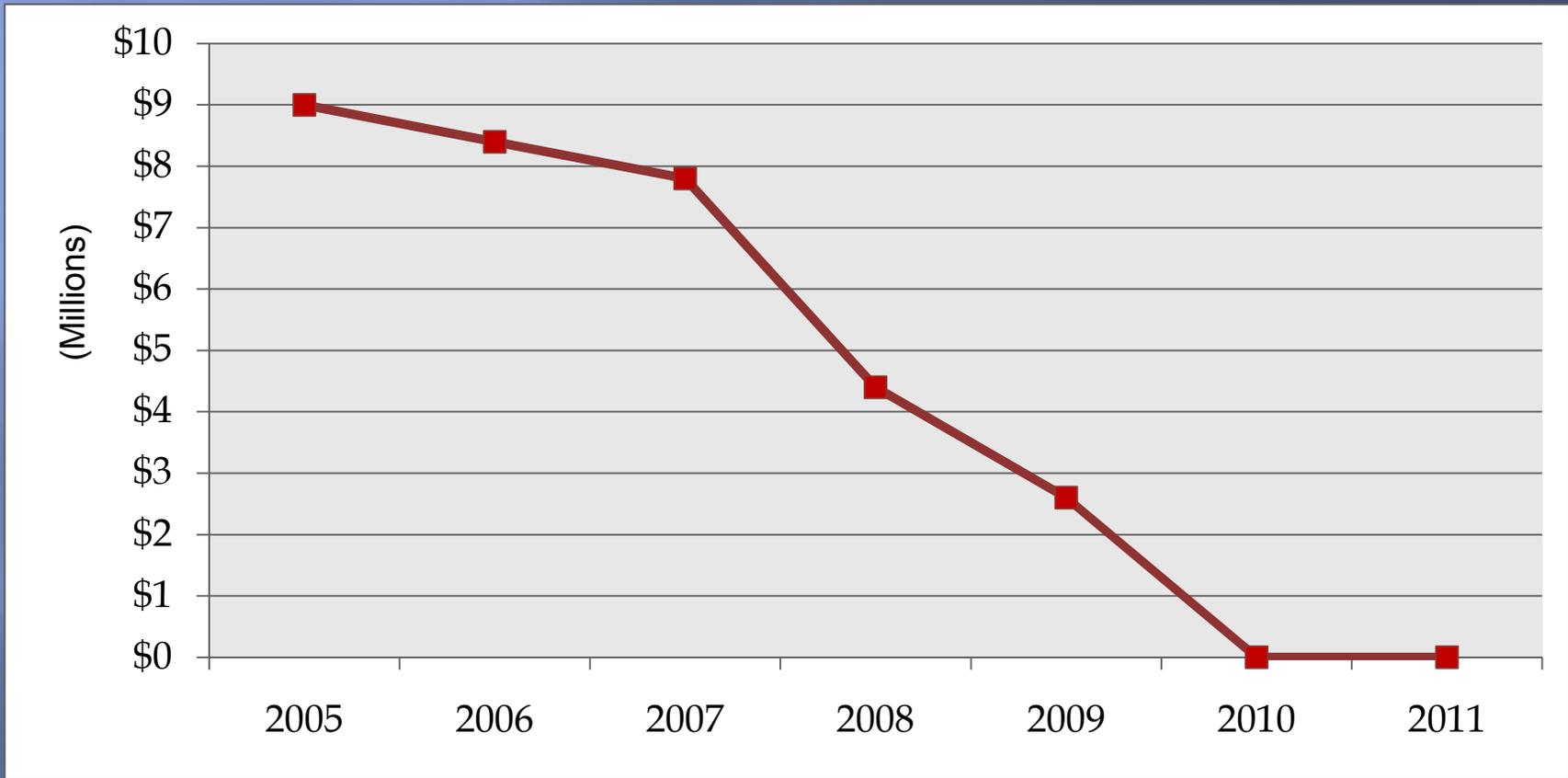


HOUSING INDUSTRY REVENUES



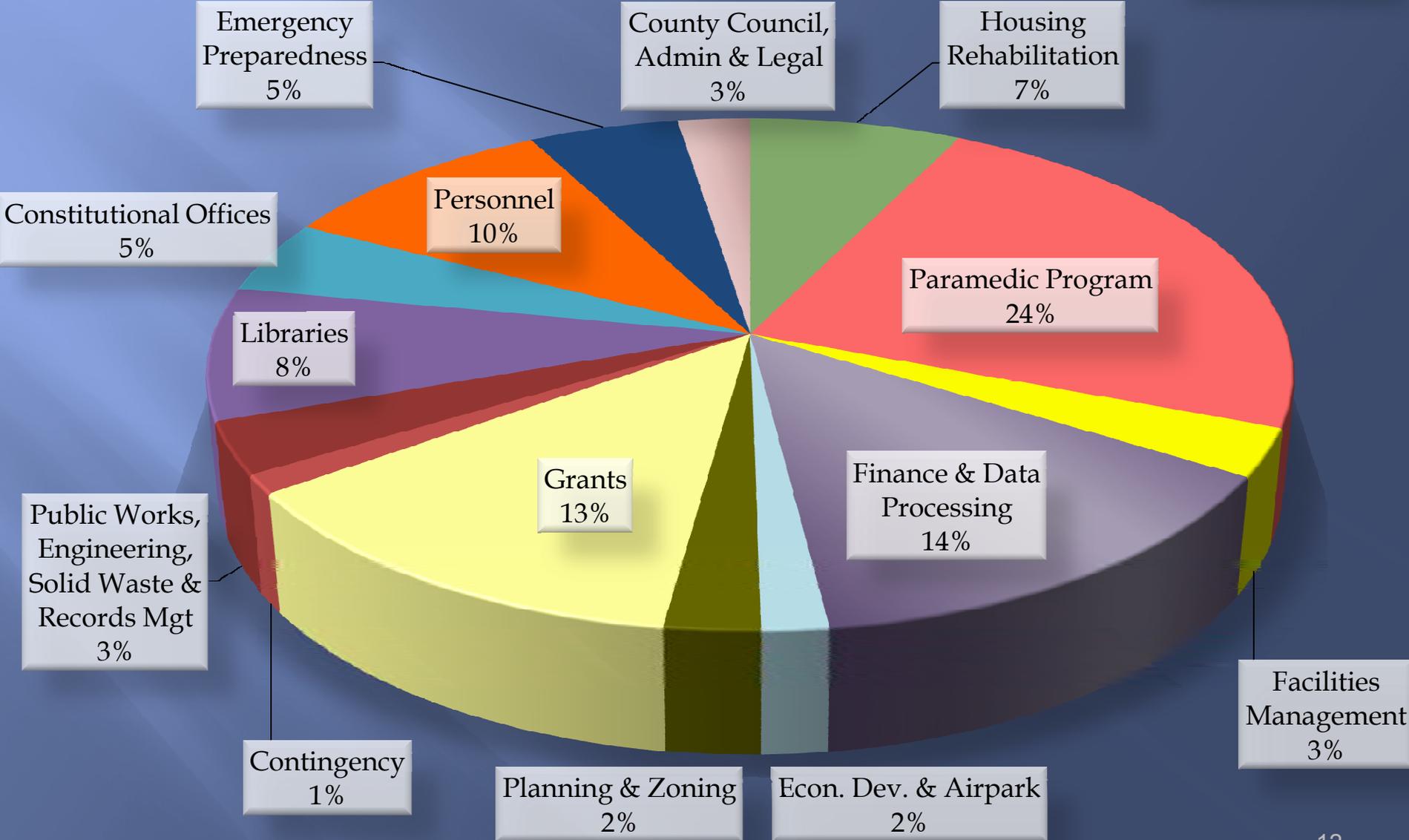
USE OF APPROPRIATED RESERVES

Decline in use for General Fund Operations



GENERAL FUND EXPENDITURES

* Chart includes
Community
Development
Fund



PERSONNEL HIGHLIGHTS

- No Salary Reductions
- No Reductions in Paid Working Hours
- Employee Pension Contributions Zero – no change
- Defined Pension Contribution (11.03%) – all County
- Defined Pension Benefits Contribution (6.5%) – all County
- Accrued Sick & Vacation Payout – no change
- Liberal Sick & Vacation Pay – no change
- Life Insurance – no change
- No change in health insurance employee contributions
- Health Insurance Opt-Out Incentives - \$75 per month or 5 vacation days
- 15 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

Department	% Change from 2010 to 2011	% Change from 2009 to 2010
County Council	(0.7%)	(14.7%)
County Administration	(0.4%)	(18.7%)
Grant-in-Aid	3.8%	(24.8%)
Finance Administration	7.7%	(2.5%)
Assessment	(20.7%)	(10.5%)
Mapping & Addressing	(15.6%)	(12.1%)
Constable	(24.0%)	25.4%
Dog Control	26.0%	3.2%
Accounting	(9.2%)	(14.2%)
Treasury	(6.6%)	(7.3%)
Building Inspection	(10.8%)	(28.8%)
Personnel	3.4%	(8.0%)
Facilities Management	3.2%	(25.9%)
Data Processing	(15.0%)	(13.1%)
Information Technology	30.7%	(19.4%)

Department	% Change from 2010 to 2011	% Change from 2009 to 2010
Planning & Zoning	(12.1%)	(7.9%)
Emergency Prepard.	10.2%	(5.8%)
Paramedics	(0.8%)	(9.8%)
Economic Development	(3.1%)	(44.4%)
Industrial Airpark	9.6%	(1.1%)
Engineering Admin	(10.2%)	(42.6%)
Public Works	(7.2%)	(23.7%)
Solid Waste	19.3%	8.2%
Libraries	(3.2%)	(10.7%)
Clerk of Peace	7.6%	(28.9%)
Recorder of Deeds	(4.8%)	(18.2%)
Register of Wills	5.2%	(8.5%)
Sheriff	3.2%	(11.0%)
Community Develop.	10.6%	(28.7%)

NUMBER OF FULL-TIME EMPLOYEES

Department	Change from 2010 to 2011	Change from 2009 to 2010
Accounting	(2.00)	(1.00)
Administration	-	(1.00)
Assessment	(6.20)	(3.30)
Building Inspections	-	(3.00)
Constitutional Offices	(.80)	(3.70)
Communications	-	(1.00)
Constable	(2.00)	2.00
Data Processing & IT	1.75	(1.00)
Dog Control	1.00	-
Economic Development	-	(0.50)
Facilities Mgmt & Security	(2.00)	(7.00)

Department	Change from 2010 to 2011	Change from 2009 to 2010
Finance	1.00	-
Industrial Airpark	1.00	0.50
Libraries	(5.00)	(1.00)
Mapping & Addressing	(2.00)	-
Paramedics	(4.58)	(1.92)
Planning & Zoning	(1.00)	(1.00)
Public Works	(1.00)	(1.00)
Records Management	-	1.00
Treasury	(1.00)	-
Engineering Admin & Water & Sewer	1.00	(3.00)

FY 11 Change in Number of FTEs- (21.83)

FY 10 Change in Number of FTEs- (25.92)



PUBLIC SAFETY

\$20 million

43% of the General Fund Budget

Paramedics (\$11.8 million)

Fire Service (\$1.5 million)

Ambulance Service (\$1.4 million)

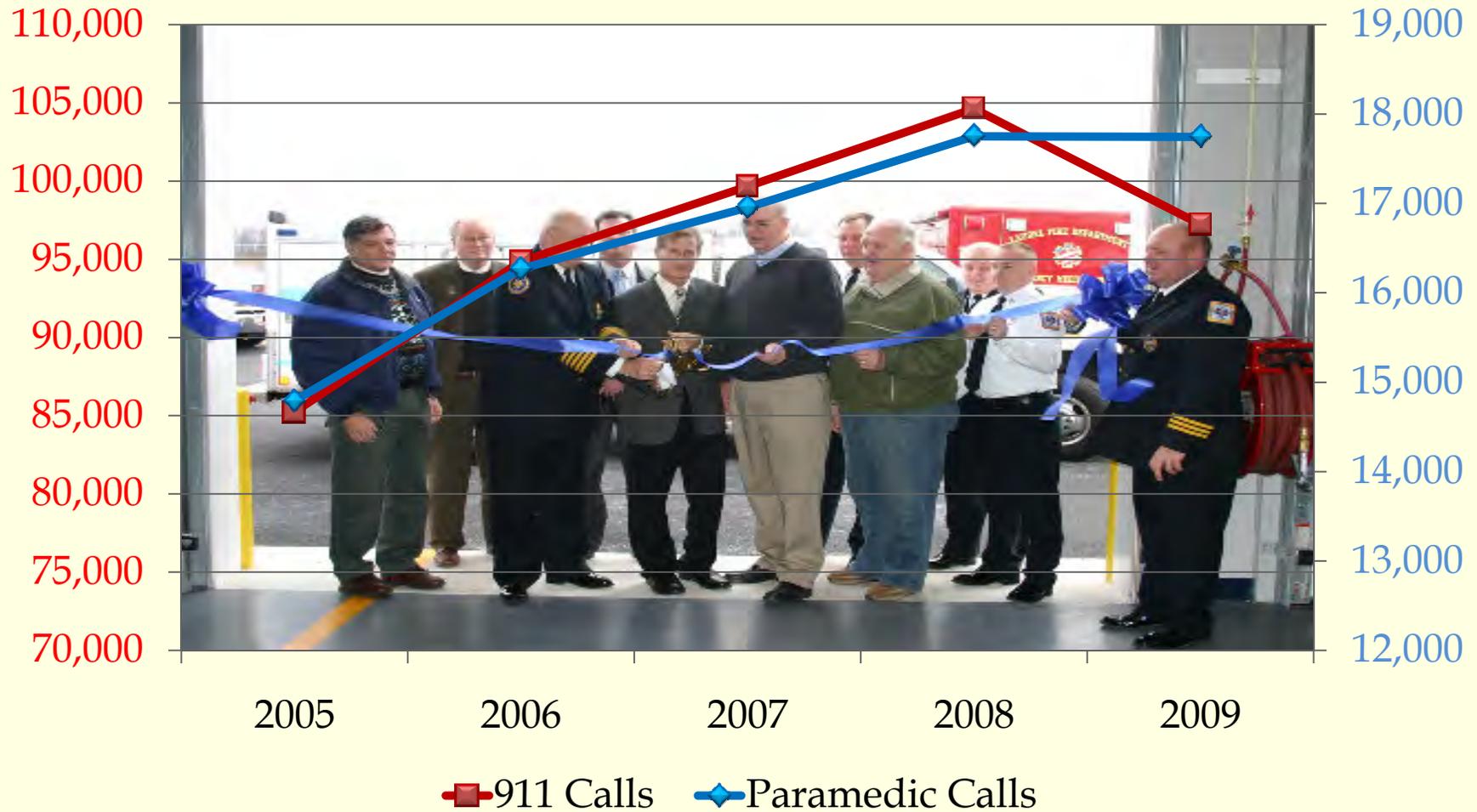
State Police Subsidy (\$1.5 million)

Revenue Sharing for Local Law Enforcement (\$420,000)

Emergency Preparedness - 911 (\$2.6 million)

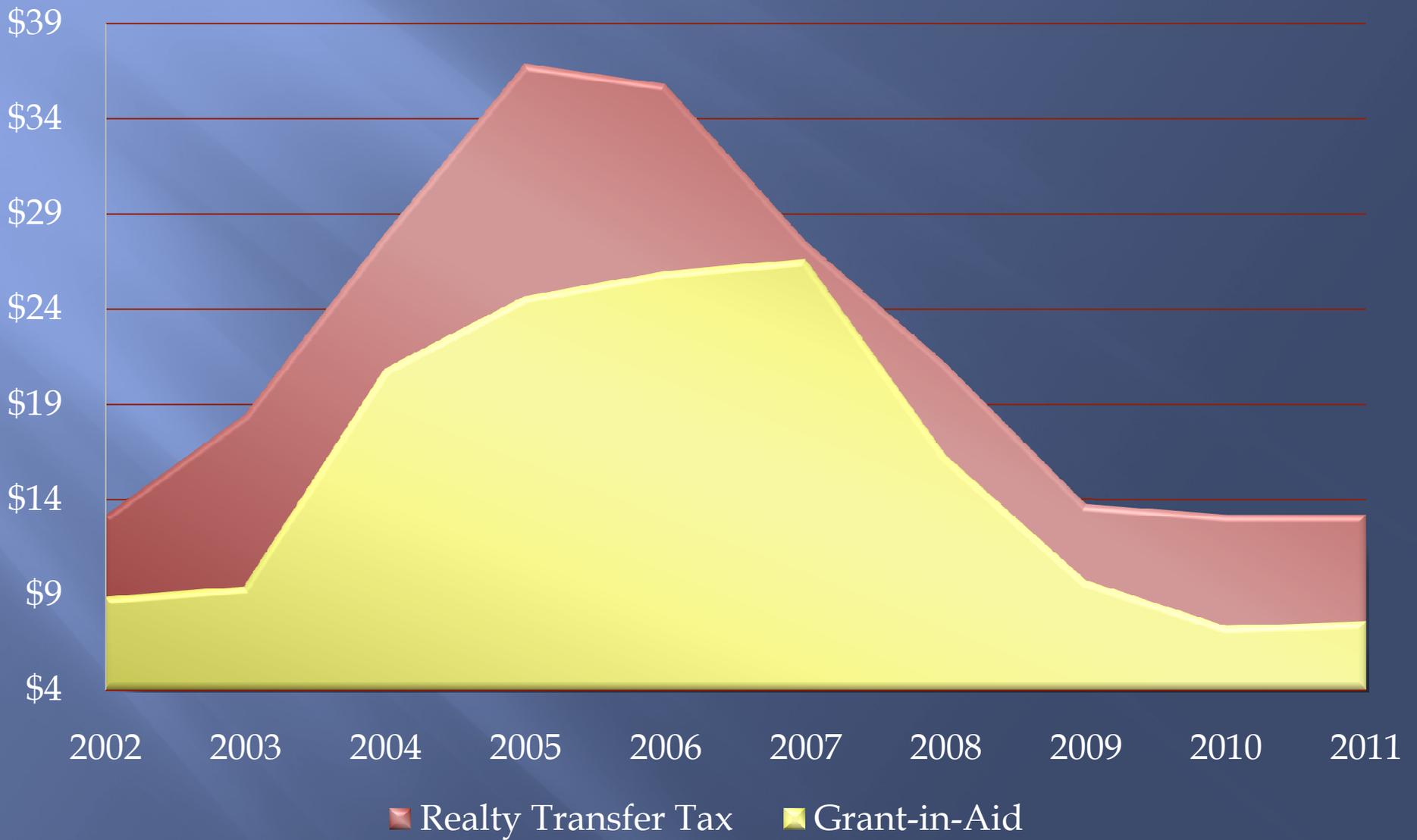
PUBLIC SAFETY

Historical Growth in Calls for Service



Picture: Ribbon cutting at Medic Station 102 – January 2010

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

\$4.8 M TOTAL APPROPRIATION

Operating Budget Decreased by 3.1%

- Continue same level of Bookmobile Service
- Computer Replacements funded 50% by State
- Local Libraries – 1.00% increase

County Services provided to Local Libraries

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

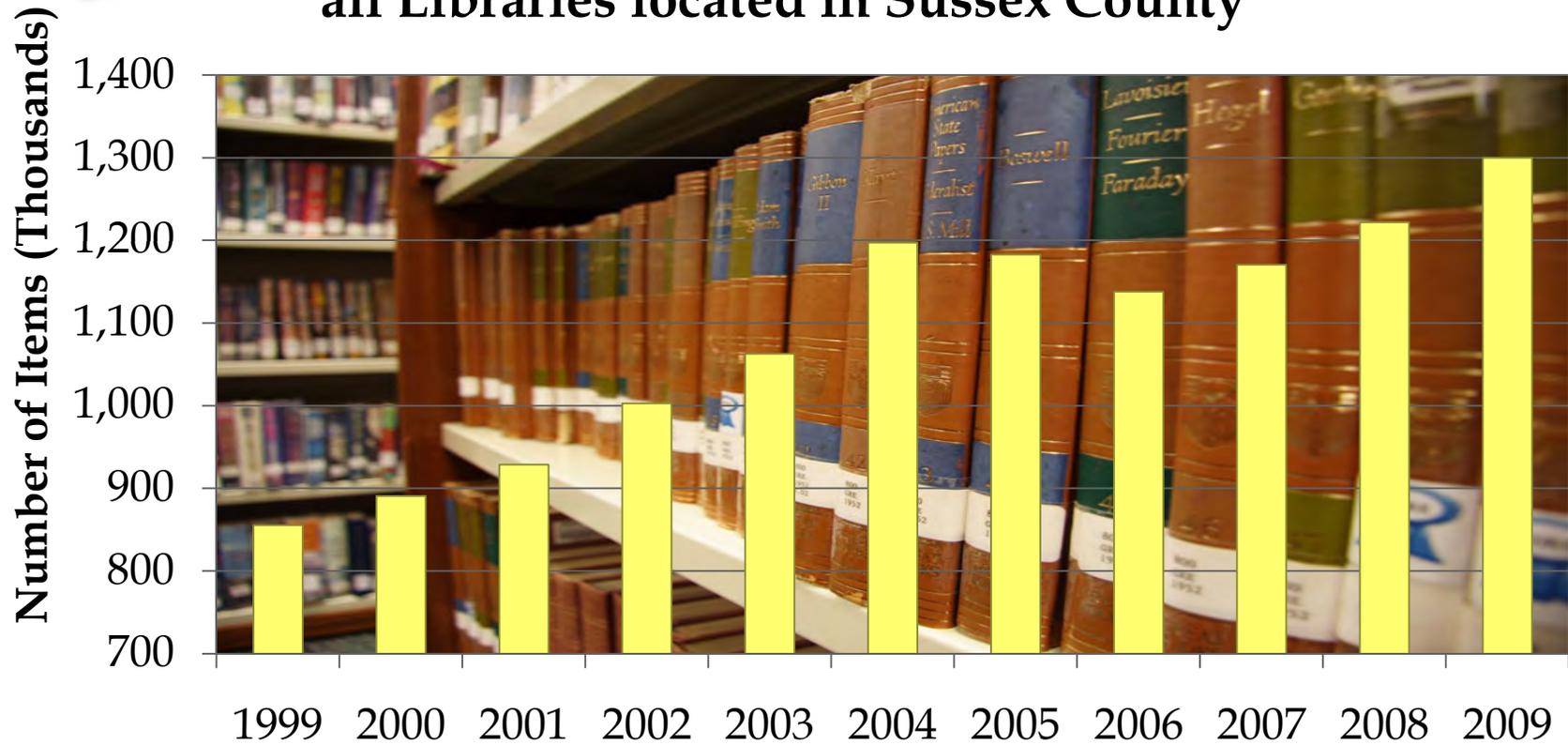
Locations	
Bookmobile*	Laurel
Greenwood*	Lewes
Milton*	Milford
South Coastal*	Millsboro
Bridgeville	Rehoboth
Delmar	Seaford
Frankford	Selbyville
Georgetown	* County owned libraries



LIBRARIES



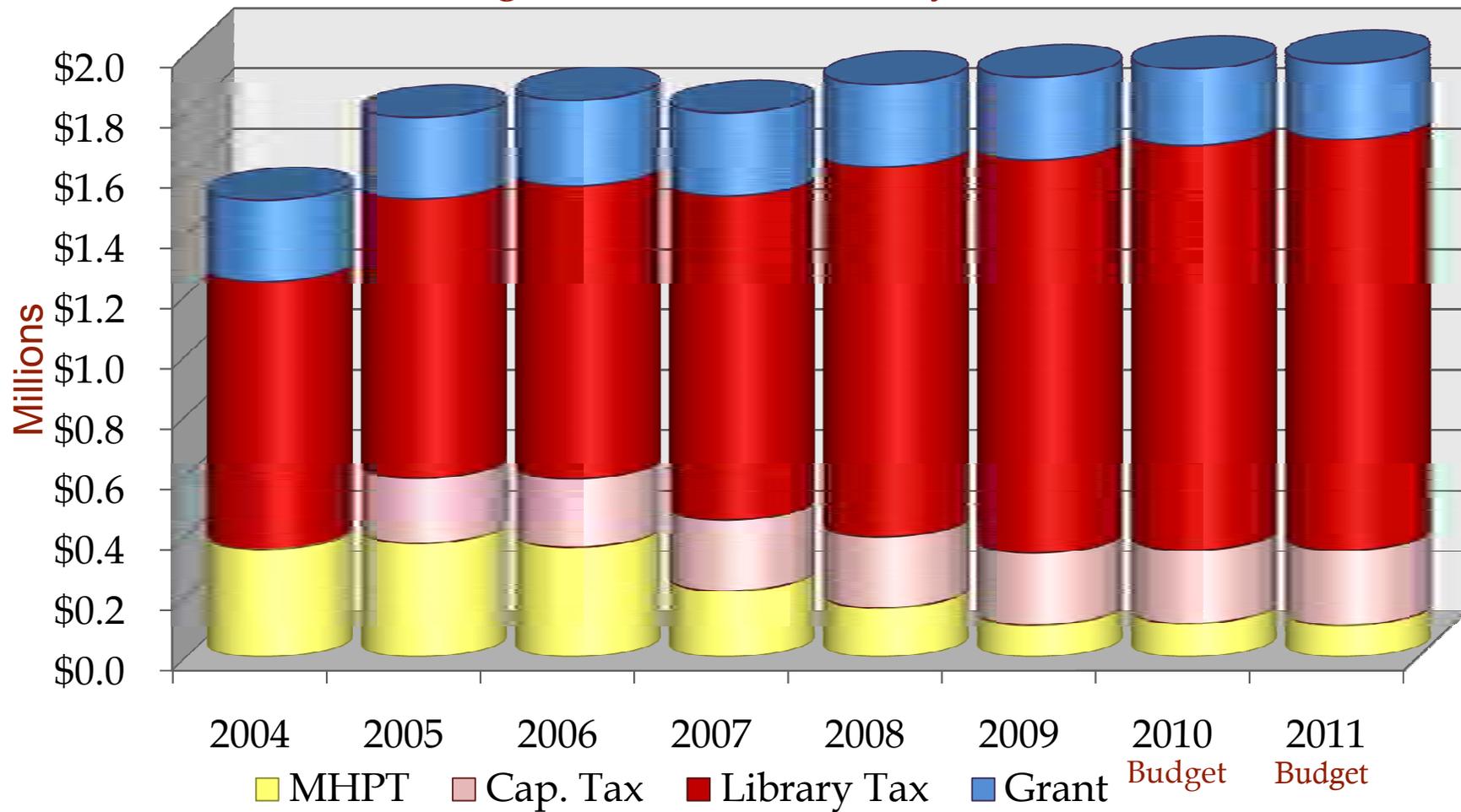
**Number of Items Circulated by
all Libraries located in Sussex County**



LOCAL LIBRARIES

\$1.97 million

Total Funding for Local Libraries by Revenue Source





COMMUNITY DEVELOPMENT

57 - Rehabilitations
30 - Sewer Hookups
4 - Demolitions

Rehab Locations

4 - Seaford
5 - Selbyville
20- Scattered
4 - Coverdale
4 - West Rehoboth
5 - Mount Joy
6 - Oak Orchard
5 - Laurel
4 - Greenwood

- CDBG – \$1,100,000
- HUD HOME Program – \$100,000
- Farmers Home Housing Preservation Grant – \$25,000
- Delaware State Housing Loan – \$200,000
- County Council Emergency Grant Assistance – \$30,000
- Neighborhood Stabilization Program - \$2,039,000



NON-WATER AND SEWER CAPITAL PROJECTS

Airport/Industrial Park	\$ 3,449,900
Property Acquisition	1,200,000
Emergency Communications Building	1,307,600
Building Improvements and Expansion	672,500
EOC Solar Panel Project	660,000
Generators	520,000
Finance System	250,000
Total	\$ 8,060,000



WASTEWATER PROGRAM

2011 BUDGET PRESENTATION

WASTEWATER PROGRAM

\$31.3 Million

Service Charges – Working towards Uniform Accounting Funds & Rates

Assessment Rates remain at FY10 levels

Capital Items – 75% increase, \$764,719

System Connection Charges – 1.74% increase for inflation

General Fund grants & loans - \$37.7 million since 1999

13,128 EDU's in 1988 compared to 62,733 EDU's in 2011

378% increase in 23 years

More than 16% average annual growth

2.3% increase in EDU's from Fiscal 2010

WATER & SEWER CAPITAL REPAIR & REPLACEMENT BUDGET

- Pumping Equipment - \$853,000
 - Generator Replacements
 - Pump Station Rebuilds
 - Electrical Controls Rebuilt
 - Replace Electrical Cabinets
 - Rebuild Grinder Pumps
- Treatment & Disposal Equipment - \$362,240
 - Replace Headwork's Screen
 - Replace Sludge Lagoon Mixers
 - Irrigation Rig Equipment Replacement
 - Replace Variable Frequency Drives
- Other
 - Sewer Inspection Camera
 - Communication Link via Microwave
 - Fuel Tank Replacements
 - SCADA Equipment
 - Dump Truck

UNIFORM APPROACH TO SEWER

- **OBJECTIVE:**
 - To Consolidate Accounting Funds from 23 to 4
 - Sewer Operating Fund
 - Dewey Water Fund
 - West Rehoboth Sewer Fund
 - To Consolidate 23 Sewer Districts – Phase 1 – Rates

- **GOALS:**
 - Administrative Cost Savings
 - Accounting Uniformity among Districts
 - Service Charge Uniformity among Districts
 - Minimize Customer Impact
 - Phased-in Approach – 7 years – Revisit each Year Based on Budget
 - Establish a future RRR Fund – Replacement, Repair & Renewal

ADVANTAGES & DISADVANTAGES TO A UNIFORM FUND

Advantages

- Administrative/ Accounting Cost Savings
- Less Complex
- Equality and Standardization between Customers - Same Level of Service
- Standard Practice in Industry
- Economies of Scale - Budget
- Rate Stabilization
- Recommended and Endorsed by Consultant

Disadvantages

- Changes to Customer Service Charges may vary during the Uniform Rate Transition Period
- Some Users will see Small Rate Increases
- Approximately 40,000 Users will be Affected
- Operating Costs not Maintained by Smaller Districts

SERVICE CHARGES

District	Fiscal 2011	Fiscal 2010	Increase
Angola Sewer – Woods on Herring Creek	906.78	906.78	-
Bayview Estates Sewer	246.00	238.00	8.00
Bethany Sewer – Proper	246.00	238.00	8.00
Bethany Sewer – Cedar Neck	246.00	238.00	8.00
Bethany Sewer – North Bethany	246.00	238.00	8.00
Bethany Sewer – Millville	246.00	238.00	8.00
Bethany Sewer – Ocean View	246.00	238.00	8.00
Bethany Sewer – Ocean Way Estates	246.00	238.00	8.00
Bethany Sewer – Sussex Shores	246.00	238.00	8.00
Blades Sewer	281.82	281.82	-
Dagsboro/Frankford Sewer	260.48	260.48	-
Dagsboro/Frankford – Princes Georges	260.48	260.48	-
Dewey Sewer – Proper	298.14	298.14	-
Dewey Sewer – West Rehoboth	240.80	232.80	8.00

SERVICE CHARGES

District	Fiscal 2011	Fiscal 2010	Increase
Dewey Water	185.18	185.18	-
Ellendale Sewer	246.00	234.74	11.26
Ellendale Sewer - New Market	246.00	234.74	11.26
Fenwick Sewer	246.00	238.00	8.00
Henlopen Sewer	487.15	487.15	-
Holt's Landing Sewer	246.00	238.00	8.00
Holt's Landing - The Greens Sewer	246.00	238.00	8.00
Long Neck Sewer	203.94	188.94	15.00
Miller Creek Sewer	246.00	238.00	8.00
Oak Orchard Sewer	246.00	232.48	13.52
Sea Country Estates Sewer	246.00	238.00	8.00
South Bethany Sewer	246.00	238.00	8.00
South Ocean View Sewer	246.00	238.00	8.00

MAJOR WATER & SEWER CAPITAL PROJECTS

Angola Sewer District	\$	13,600,000
Oak Orchard Expansions	\$	7,650,000
IBRWF Expansion	\$	7,100,000
Johnson Corner Sewer District	\$	7,100,000
SCRWF - Pump 30 & Force Main	\$	6,250,000
Millville Sewer - Northwest Expansion	\$	3,200,000
Miller Creek Expansions	\$	2,679,984
Holt's Landing Expansion - Mallard Creek	\$	1,249,083
Magnolia Shores	\$	700,000
Dewey/Henlopen Treatment Contribution	\$	500,000
SCADA Communications Improvements	\$	166,822
Total	\$	50,195,889

5-YEAR CAPITAL PROJECTS

General Fund		Water & Sewer		Grants		Bonds		Other		Total	
2011	\$5,959,950	2011	\$7,855,024	2011	\$12,033,044	2011	\$32,996,073	2011	\$1,200,000	2011	\$60,044,091
2012	1,379,400	2012	310,000	2012	15,959,078	2012	29,749,922	2012	-	2012	47,398,400
2013	466,250	2013	4,275,000	2013	883,750	2013	18,274,000	2013	-	2013	23,899,000
2014	1,551,250	2014	8,775,000	2014	1,998,750	2014	29,059,000	2014	-	2014	41,384,000
2015	1,617,500	2015	10,175,000	2015	4,582,500	2015	26,079,850	2015	-	2015	42,454,850
Total	\$10,974,350	Total	\$31,390,024	Total	\$35,457,122	Total	\$136,158,845	Total	\$1,200,000	Total	\$215,180,341

Non-Water & Sewer Capital Projects	\$24,464,400
Water & Sewer Capital Projects	\$190,715,941
Total 5-Year Capital Improvements Funding	\$215,180,341

BUDGET HIGHLIGHTS

- No Property Tax Increase
 - Average County Tax for a Single-Family Home - \$104.84
 - Average County Tax for a Manufactured Home - \$39.84
- Reduced Staffing Levels
- Unified Sewer Accounting Fund
- Plan for a Uniform Sewer Service Charge
- Funding for 40 Troopers above State Police Allocation
- Sussex County Vol. Firemen's Association - \$3.0 Million
 - Paid Ambulance Attendants Portion - \$1.4 Million
- Dog Control - \$755,846
- 26% Decrease in Pension Costs
- 17% Increase in Health Insurance Costs
- Five-year Capital Plan - \$215,180,341
- Fiscal 2011 - Economic Development
 - Capital Plan
 - County Building Improvements
 - Industrial Airpark Improvements - \$3.5 Million
 - Sewer Projects - Angola, Johnsons Corner, Oak Orchard Expansion, Inland Bays Expansion
 - American Recovery Zone & Industrial Revenue Bonds
- 1.3% General Fund Budget Increase
- No use of Appropriated Reserves in the General Fund Budget



For more information about the Sussex County 2011 Budget, please visit:
[www.sussexcountyde.gov/e-service/downloads/index.cfm?resource=fiscal budget](http://www.sussexcountyde.gov/e-service/downloads/index.cfm?resource=fiscal%20budget)