

Sussex County's Fiscal Year 2014 Budget



Todd F. Lawson
County Administrator



Susan M. Webb
Finance Director



Kathy L. Roth
Budget & Cost Manager

Gina A. Jennings
Finance Director Appointee

Council Presentation

May 21, 2013

2014 Budget Highlights

- No change in County property tax rate
 - Average County tax for single-family home - \$107.74 or \$0.30 per day
 - Average County tax for a manufactured home - \$40.66 or \$0.11 per day
- Reduced staffing levels – 5.5 less positions
- General Fund is up \$3.7 million
 - \$1.8 million from FY2013's anticipated surplus
 - One-time budget item for employee comp/holiday payout
- Decrease in sewer assessment charges due to bond refinancing and debt payoffs
- Continue to fund critical public safety grants
 - Fire and Ambulance services – \$3.3 million
 - Local Law Enforcement - \$575,000
 - State Police – \$1.9 million for 44 additional State Troopers
- Total library funding – \$4.5 million
- Aggressive governmental capital plan without general fund debt - \$9.9 million
 - 55% for airport projects
 - 23% for library projects

Total Budget

Expenditures	Fiscal 2013	Fiscal 2014	Percentage Change
General Fund	\$46,392,059	\$50,136,848	8.1%
Capital Projects Governmental Fund	13,247,485	9,873,020	(25.5%)
Enterprise Funds	34,957,776	33,616,598	(3.8%)
Capital Projects Enterprise Fund	21,219,521	17,911,000	(15.6%)
Fiduciary Funds	5,330,720	6,182,744	16.0%
Total	\$121,147,561	\$117,720,210	(2.8%)

Personnel Highlights

- No COLA
- 2 percent one-time bonus
- Merit increases
- Pension contribution - \$5 million
- No change in health insurance contributions and coverage
- Continue health insurance opt-out incentives
- Begin dental and vision insurance early 2014
- Continue tuition reimbursements
- 11 paid holidays with 2 floating holidays
- Pension plan changes for new hires – 3 percent contribution
- No more comp time accrual. OT will be paid and not banked
- Comp time/Holiday bank payout
- Spousal Coordination and Birthday Rule

Health Insurance

- Affordable Care Act is estimated to cost the County \$323,000 in the future
- Options to offset costs:
 1. Raise County taxes 2.7 percent;
 2. Increase employee contributions by \$646 annually;
 3. Decrease benefits; or
 4. Introduce Spousal Coordination & Birthday Rule
- We recommend:
 - Spousal Coordination of Benefits - Employee's spouse must take other coverage if it is available
 - Can stay on the County's, but the County is secondary
 - Hardship exemption
 - Birthday Rule
 - Dependents must have primary coverage under the parent's insurance whose birthday comes first in the calendar year

NUMBER OF FULL-TIME EMPLOYEES

Department	Change from 2009 to 2014	Change from 2013 to 2014
Assessment	(9.0)	1.0
Building Inspections	(3.0)	1.0
Constitutional Offices	(5.0)	(3.0)
Communications	(1.0)	-
Community Develop.	(1.0)	-
Constable	(1.0)	-
County Council	(1.0)	-
Data Processing	(2.0)	(.5)
Dog Control	1.0	-
Economic Develop.	(.5)	-
Emergency Prepared.	1.0	1.0
Facilities Management	(9.5)	-

Department	Change from 2009 to 2014	Change from 2013 to 2014
Finance	(7.0)	(3.0)
Industrial Airpark	(2.0)	-
Information Technology	1.0	(2.0)
Libraries	(5.0)	-
Mapping & Addressing	(3.0)	(1.0)
Planning & Zoning	(3.0)	-
Public Works	(2.0)	1.0
Security	2.0	-
Engineering/Water & Sewer	(5.0)	-

FY 14 Change in Number of FTEs- (5.5)

5-Year Change in Number of FTEs- (55)

2009 – 547 employees
2014 – 492 employees

General Fund

Fiscal Year 2014 Budget

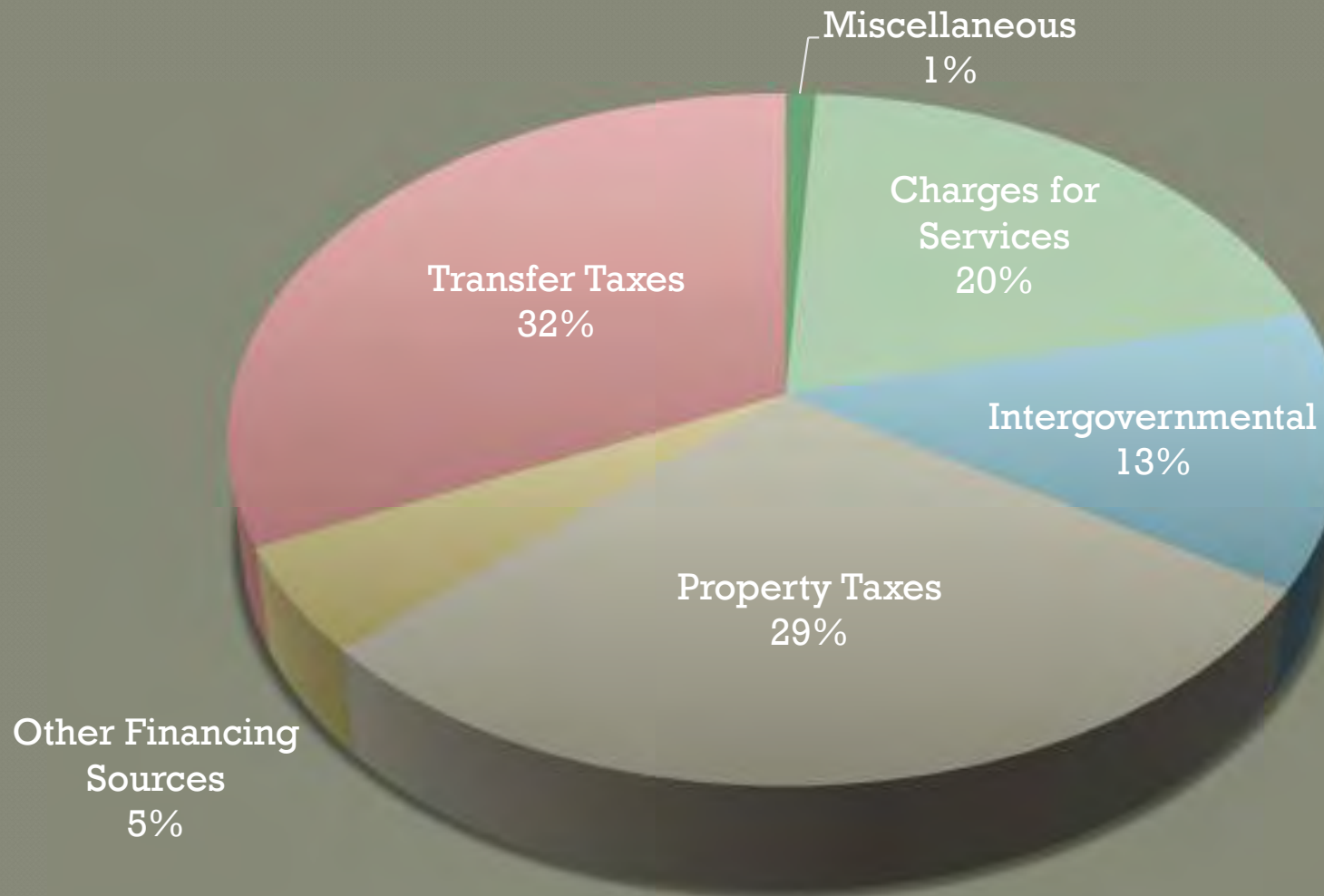


General Fund - Highlights

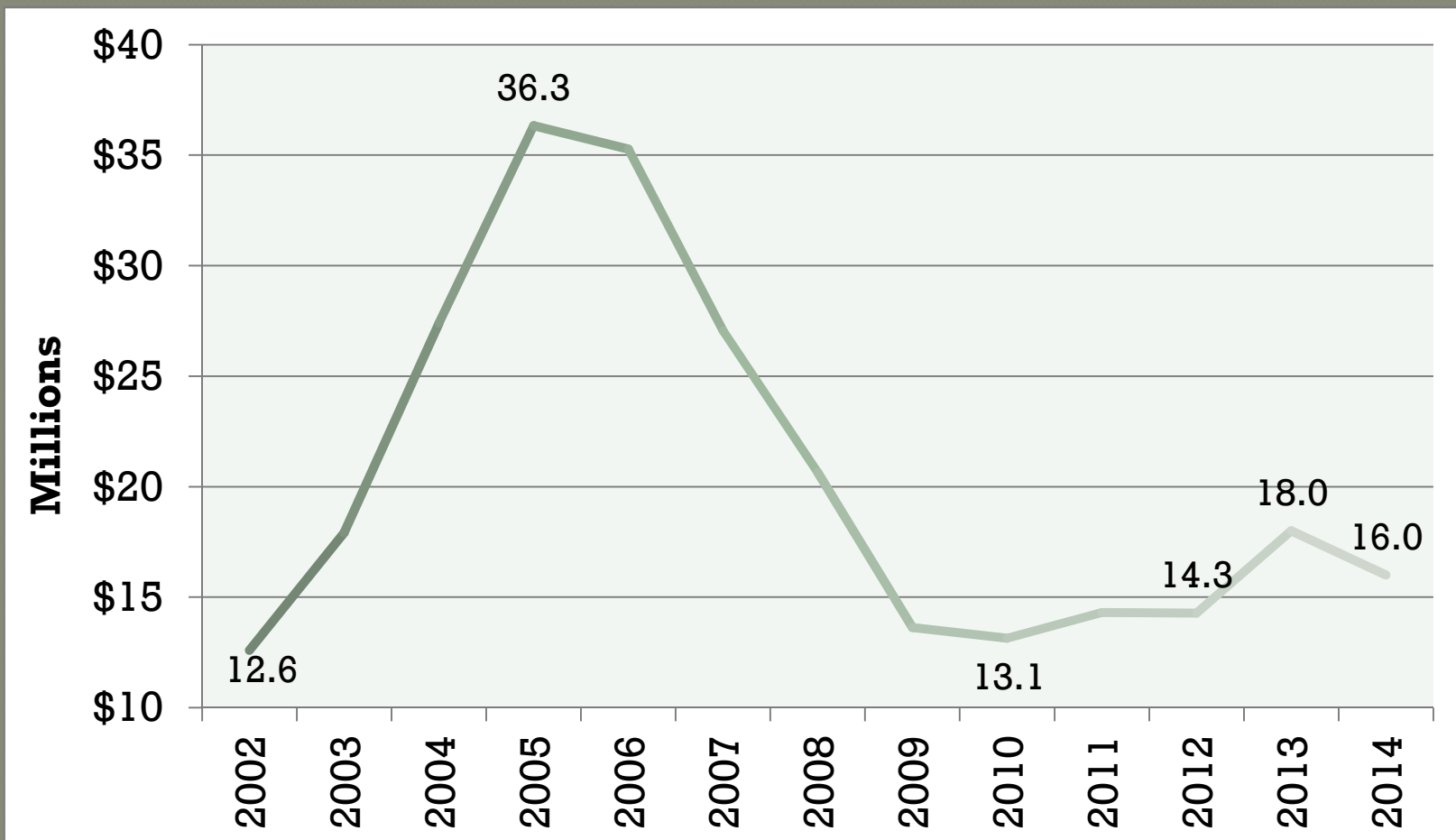
- Total operating budget increased 8.1% or \$3.7 million
- No fee or tax increases
- Taxable assessments increased 1.4%
- Intergovernmental grants increased 9.5%
- Overall revenues have increased 2.5%

Revenue	2013 Budget	2014 Budget	Percent Increase
Building Inspections	\$800,000	\$856,000	7.0%
Building Permit and Zoning Fees	\$1,200,000	\$1,315,000	9.6%
Private Road and Inspection Fees	\$180,000	\$250,000	38.9%
Recorder of Deeds	\$3,048,000	\$3,370,000	10.6%
Realty Transfer Tax	\$13,200,000	\$16,000,000	21.2%

General Fund Funding Sources

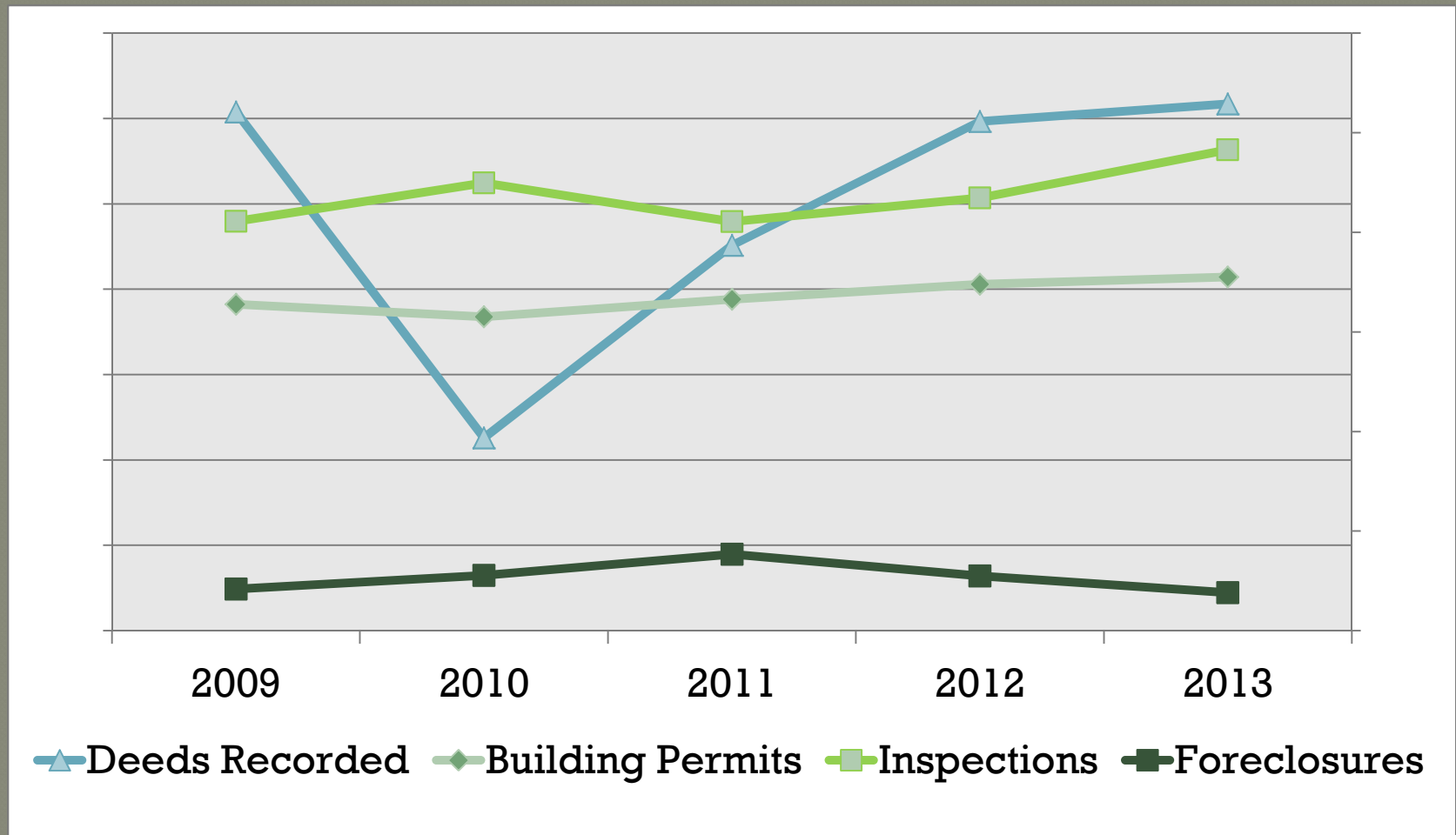


Realty Transfer Tax

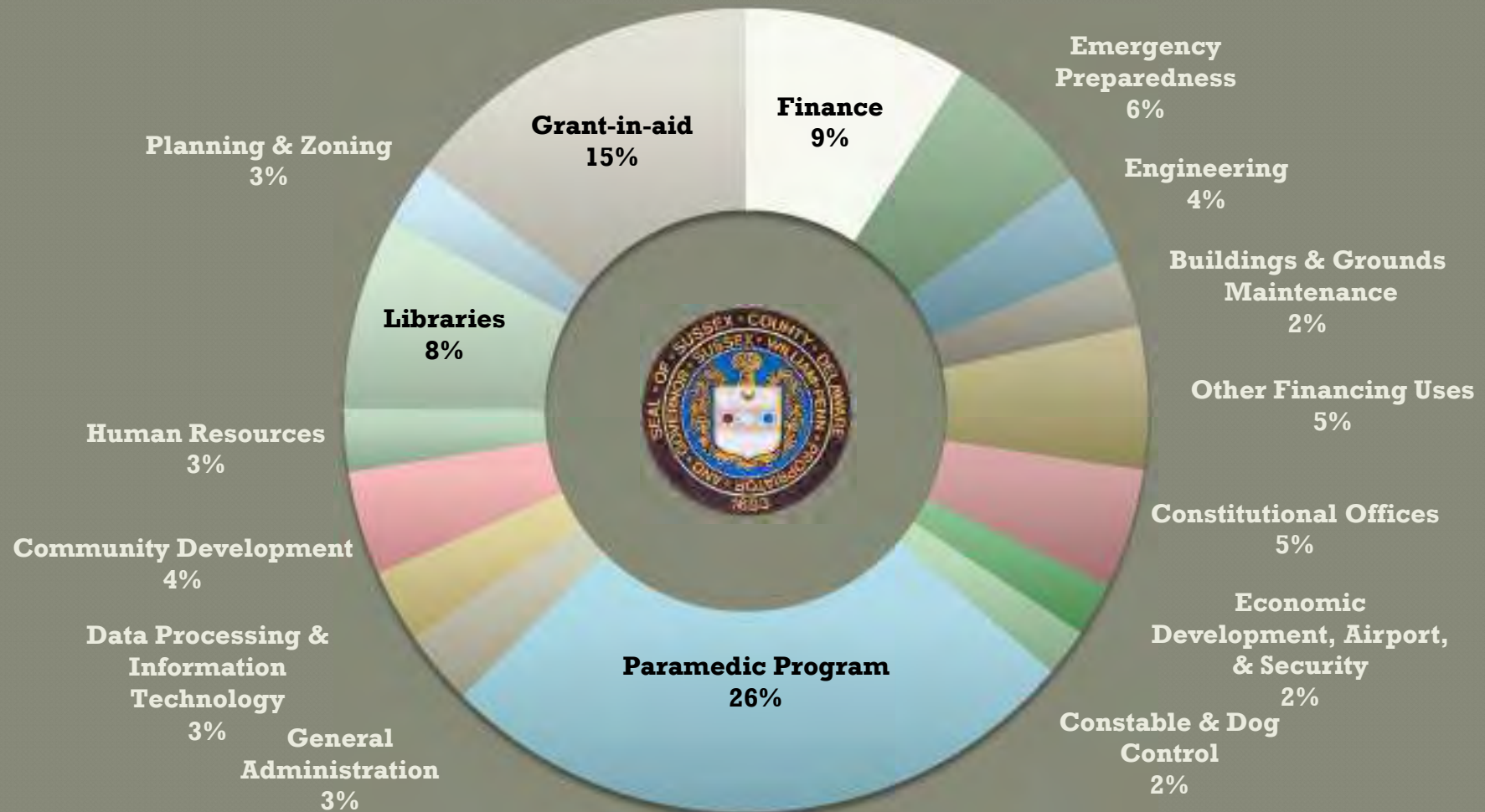


Projected Budget

Housing Related Statistics



General Fund Expenditures



County Tax \$ Breakdown



Code
Enforcement,
P&Z,
Permitting,
Addressing
9¢



Public Safety
55¢



Libraries
14¢



General
Government
10¢



Special
Services
8¢

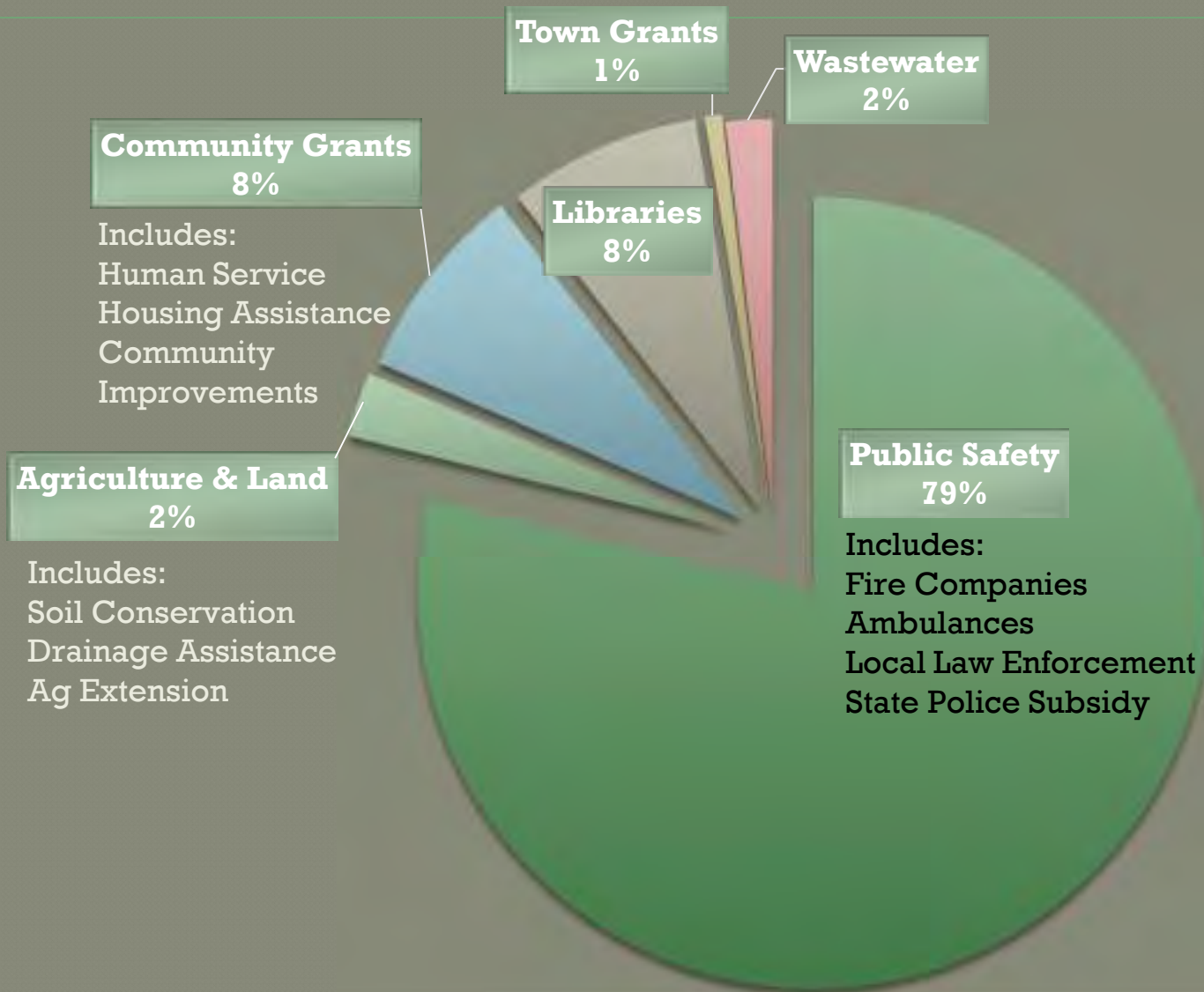


Housing
Rehabilitation
and
Community
Support
4¢

General Government includes: County Council, Administration, Legal, Finance, & Constitutional Offices

Special Services includes: Economic Development, Airport, Engineering Administration, & Public Works

Grants



Public Safety



Paramedics

Incidents dispatched has increased 37% in the last 10 years

2012 Actual	2013 Budget	2014 Budget
\$12,073,309	\$12,400,000	\$13,100,000



Emergency Operations

911 calls have increased 18% in the last 10 years

2012 Actual	2013 Budget	2014 Budget
\$2,703,131	\$2,800,000	\$3,000,000



Public Safety Grants

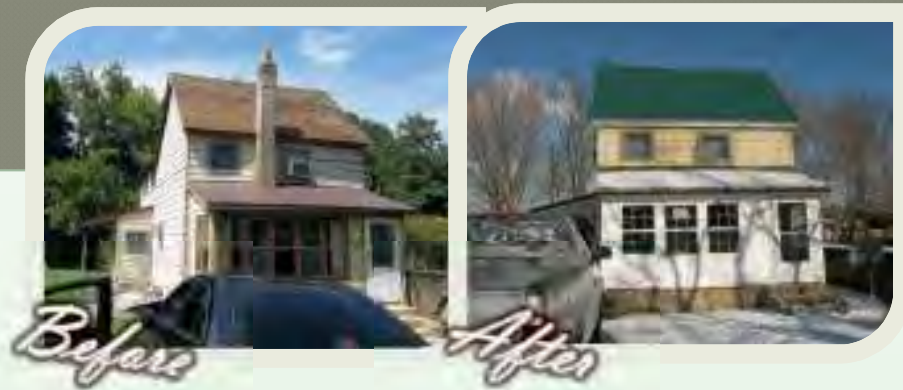
Grants are made to the Fire and Ambulance Service, Local Law Enforcement, and State Police

2012 Actual	2013 Budget	2014 Budget
\$5,200,000	\$5,500,000	\$5,800,000

Community Development

FUNDING

- CDBG – \$1,052,000
- Neighborhood Stabilization Program - \$357,500
- HUD HOME Program – \$300,000
- Delaware State Housing Loan – \$121,800
- County Council Emergency Grant Assistance – \$100,000
- Housing Preservation Grant - \$25,000



Serve approximately 130-150 Sussex County Households

- All assisted households - income below 80% of AMI
- Half of the assisted homes - income below 50% of AMI

Governmental Capital Projects



Airpark

- Runway 4-22 Extension
- Stormwater Improvements
- Lighting and Pavement Improvements

2014 Budget

\$5,416,000



Library

- Greenwood Library Construction
- Milton Library Improvements
- South Coastal Library Improvements

2014 Budget

\$2,246,000



County Buildings

- Administration Building Improvements
- Records Management Building
- IT Data Center

2014 Budget

\$787,000



Engineering

- Woodland Park
- Land Acquisition

2014 Budget

\$625,000



Other Projects

- Parking Lot Improvements
- EMS Station
- ERP System

2014 Budget

\$799,000

Enterprise Funds

Fiscal Year 2014 Budget

Enterprise Funds - Highlights

- Service Charges – continue to work toward a uniform sewer rate
- Decrease in assessment rates due to bond refinancing and debt payoff
- 1.5% increase in EDUs
- 4% decrease in 2014 operating budget
- 16% decrease in capital projects
- System connection charges – 2.273% increase for inflation
- Continue 100 ft Cap
- Rate Study

Sewer Expense Summary

- Administrative and General Expenses increased 10.0%, \$502,000
 - 6 Sewer Studies – 50% reimbursed by the State
- Operations Expenses increased 6.9%, \$668,000
 - Electrical Safety Consultant
 - Chemicals
 - 3rd party wastewater treatment costs
 - Engineering for pumping system improvements
- Capital Expense decreased 18.2%, \$588,000
 - Pumping equipment - \$1,400,000
 - Transportation Equipment - \$209,000
 - Final Phase of ERP - \$236,000
 - Generators - \$119,000
- Debt Service decreased 12.8%, \$2,049,000

Assessment Charges

Charges used to recover the cost for bond payments, system improvements and maintenance costs

	Average Annual 2013 Assessment	Average Annual 2014 Assessment	Change
Angola	\$579.04	\$579.04	\$ -
Bayview Estates	621.56	588.76	(32.80)
Cedar Neck	336.16	298.32	(37.84)
Millville	414.40	414.40	-
North Bethany	765.90	765.90	-
Ocean View	338.56	338.56	-
Ocean Way Estates	272.24	190.07	(82.17)
Bethany – Proper	39.69	-	(39.69)
Sussex Shores	250.92	192.44	(58.48)
Blades	71.28	-	(71.28)
Dagsboro-Frankford	141.00	60.00	(81.00)
DF-Prince Georges	475.02	421.95	(53.07)
Dewey Sewer	46.86	46.86	-
DS-West Rehoboth	346.04	233.70	(112.34)

Assessment Charges

	Average Annual 2013 Assessment	Average Annual 2014 Assessment	Change
Ellendale	189.00	188.00	(1.00)
ED-New Market	343.20	322.74	(20.46)
Fenwick	90.17	22.72	(67.45)
Golf Village	167.00	147.00	(20.00)
Henlopen	98.00	-	(98.00)
Holt's Landing – The Greens	921.00	781.00	(140.00)
Holt's Landing	370.98	264.06	(106.92)
Johnsons Corner	626.00	455.00	(171.00)
Long Neck	270.10	260.61	(9.49)
Miller Creek	624.60	622.80	(1.80)
Oak Orchard	308.85	308.85	-
Oak Orchard Expansion	477.00	419.00	(58.00)
Sea Country	501.00	483.00	(18.00)
South Bethany	38.64	-	(38.64)
South Ocean View	541.53	541.53	-
Woodlands of Millsboro	46.00	42.00	(4.00)

Annual Charges

	1 EDU 2013 Service Charge	1 EDU 2014 Service Charge	Average Annual 2013 Rate	Average Annual 2014 Rate	\$ change
Angola	\$262.00	\$270.00	\$841.04	\$849.04	\$8.00
Bayview Estates	262.00	270.00	883.56	858.76	(24.80)
Cedar Neck	262.00	270.00	598.16	568.32	(29.84)
Millville	262.00	270.00	676.40	684.40	8.00
North Bethany	262.00	270.00	1027.90	1035.90	8.00
Ocean View	262.00	270.00	600.56	608.56	8.00
Ocean Way Estates	262.00	270.00	534.24	460.07	(74.17)
Bethany – Proper	262.00	270.00	301.69	270.00	(31.69)
Sussex Shores	262.00	270.00	512.92	462.44	(50.48)
Blades	281.82	281.82	353.10	281.82	(71.28)
Dagsboro-Frankford	262.00	270.00	403.00	330.00	(73.00)
DF-Prince Georges	262.00	270.00	737.02	691.95	(45.07)
Dewey Sewer	298.14	298.14	345.00	345.00	-
DS-West Rehoboth	240.80	270.00	586.84	503.70	(83.14)

Annual Charges

	1 EDU 2013 Service Charge	1 EDU 2014 Service Charge	Average Annual 2013 Rate	Average Annual 2014 Rate	\$ change
Ellendale	262.00	270.00	451.00	458.00	7.00
ED-New Market	262.00	270.00	605.20	592.74	(12.46)
Fenwick	262.00	270.00	352.17	292.72	(59.45)
Golf Village	-	-	167.00	147.00	(20.00)
Henlopen	487.15	487.15	585.15	487.15	(98.00)
Holt's Landing -Greens	262.00	270.00	1183.00	1051.00	(132.00)
Holt's Landing	262.00	270.00	632.98	534.06	(98.92)
Johnsons Corner	262.00	270.00	888.00	725.00	(163.00)
Long Neck	233.94	258.43	504.04	519.04	15.00
Miller Creek	262.00	270.00	886.60	892.80	6.20
Oak Orchard	262.00	270.00	570.85	578.85	8.00
Oak Orchard - Exp	262.00	270.00	739.00	689.00	(50.00)
Sea Country	262.00	270.00	763.00	753.00	(10.00)
South Bethany	262.00	270.00	300.64	270.00	(30.64)
South Ocean View	262.00	270.00	803.53	811.53	8.00
Woodlands of Millsboro	808.00	808.00	854.00	850.00	(4.00)

Water Fund

- Revenues increased 11.9 percent, or \$127,000
- Increase in the cost to purchase water from supplier - City of Rehoboth
- No more assessment charges; increase in service charge

	Average Annual 2013 Assessment	Average Annual 2014 Assessment	1 EDU 2013 Service Charge	1 EDU 2014 Service Charge	Average Annual 2013 Rate	Average Annual 2014 Rate
Dewey Water	\$107.58	-	\$198.18	\$305.76	\$305.76	\$305.76

Enterprise Capital Projects

REVENUE	Water & Sewer Fees	\$	8,000,000
	Federal Funding	\$	8,741,000
	State Funding	\$	1,170,000
	Total	\$	17,911,000

EXPENSES	Various Pump Station and Connection Rehabilitations	\$	10,550,000
	Goslee Creek Regional Pump Station	\$	50,000
	IBRWF Expansion 2A	\$	1,400,000
	Long Neck Branch & Autumn Roads Sewer	\$	80,000
	Millville Sewer Expansion	\$	70,000
	Angola Sewer District & North Expansion	\$	641,000
	Route 26 – Phase III	\$	1,500,000
	Herring Creek Water & Sewer District	\$	2,330,000
	Oak Orchard Expansion	\$	350,000
	Dewey/Henlopen Treatment Contribution	\$	500,000
	Bethel Sewer	\$	40,000
	Concord Road Expansion	\$	400,000
	Total	\$	17,911,000

5-Year Capital Projects

General Fund	2014	2015	2016	2017	2018
Appropriated Reserves	\$5,279,770	\$2,227,200	\$3,433,100	\$3,110,300	\$2,851,800
Federal Aviation Grant	2,803,500	1,215,000	450,000	4,500,000	5,760,000
Investment Income	14,000	10,000	10,000	10,000	10,000
Interfund Transfer	500,000	-	-	-	-
State of Delaware Grants					
Aviation	155,750	67,500	2,500	250,000	320,000
Bond Bill	1,000,000	-	-	-	-
Paramedic	120,000	150,000	150,000	-	-
Total Funding Sources	\$9,873,020	\$3,669,700	\$4,045,600	\$7,870,300	\$8,941,800
Enterprise Fund	2014	2015	2016	2017	2018
Water & Sewer Fees	\$ 8,000,000	\$ 1,700,000	\$ 9,040,000	\$ 9,600,000	-
Federal USDA Funding	8,741,000	27,760,000	25,033,977	20,502,000	12,538,083
State of Delaware SRF	1,170,000	-	-	-	-
Total Funding Sources	\$17,911,000	\$29,460,000	\$34,073,977	\$30,102,000	\$12,538,083

Non-Water & Sewer Capital Projects	\$34,400,420
Water & Sewer Capital Projects	\$124,082,060
Total 5-Year Capital Improvements Funding	\$158,485,480

Fiscal Year 2014 Budget

Budget and Presentation Available Online:
www.sussexcountyde.gov

Budget Comments can be sent to:
budget@sussexcountyde.gov