



Fiscal Year 2026 Budget

Sussex County Government

Proposed May 20, 2025



TABLE OF CONTENTS

Award	3
Reader's Guide	5
Introduction/Transmittal Letter	7
Executive Summary	10
Funds Overview	18
Revenue Sources with Fee Schedule	22
Department/Division List	36
Capital Improvement Plan	38
Debt Services Overview	39
Appendix	41
Glossary/Acronyms/Abbreviations	42
Ordinances	49

GFOA Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Sussex County
Delaware**

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Sussex County Government for its Annual Budget for the fiscal year beginning July 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Reader's Guide

This reader's guide describes the structure of the budget book and outlines its content. The budget book is designed to present budget information in an accessible and transparent manner. The book supplements the budget ordinance that is approved by County Council. It is designed to help residents, the media, and County officials more easily understand and participate in the budget process. The Sussex County Government is responsible for the writing, production and distribution of this publication.

The Introduction/Transmittal Letter

This section is an introduction to the budget and its process for 2026. It contains the following elements:

- Transmittal Letter – a narrative describing the current economy, highlighting key factors relevant to developing the budget document, and how the document addresses the key issues the County is facing;
- Organizational Structure - an organizational chart for the entire government which includes the separate elected constitutional offices
- History/Demographics of the County - a high-level view of the county as a community to enhance the reader's view of the area in which the government serves;
- Basis of Budgeting/Selected Financial Policies – a description of the policies that govern the County's approach to revenue estimation, debt management, expenditure projections, maintenance of fund balances, and other financial responsibilities;
- Budget Process - a description and timeline for preparing, reviewing, and adopting the budget for the upcoming fiscal year.

Executive Summary

This section is a description of the proposed spending plan for 2026 and the strategies, priorities and issues facing the government that drive the proposed spending plan. It is simply a "budget-in-brief" section of the document.

It contains the following elements:

- Proposed Budget Executive Summary – a quick summary of the overall budget including a summary of revenue and expenses with notable highlights, operational statistics and trends;
- Strategic Plan - an overview of the County's comprehensive Plan and how the strategies developed during the comprehensive plan guide the departments and the budget each year;
- Priorities and Issues/Short-term Organization Factors - a description of factors that drive what is being funded in the upcoming budget;
- Long-Range Operating Plan - a description of the County's long-range operating plans and their effect upon the budget and the budget process including a 10-year projection with the underlying assumptions made in the projection;
- Personnel Changes - a summary of position count changes and reasons for those changes;
- Pay Scale - the pay scale used in the budget to determine the cost of each position

Funds Overview

This section provides an overview of each fund in the budget and the relationship between the funds and the operational County departments. Under the fund overview menu, there is one page that combines all revenues and expenses of the funds to show total revenue and expenses of the County government. Following the combined fund summary, there are pages dedicated to each fund that provide various trend graphs and tables on the fund's specific revenue and expenses. At the bottom of each fund's page there is a discussion of the fund's fund balance/net position and how the current budget affects it.



Revenue Sources with Fee Schedule

This section gives a listing of all the fees the government charges that are not dictated already in Delaware or County Code. Under the main tab in this section, there are subsections designated for year major type of revenue source. Each section discusses the revenue source and provides charts and graphs showing at least 5-year's worth of data.

Department/Division List

Individual county departments (including constitutional offices) constitute the heart of this document. They are organized alphabetically. The department-level budget pages begin with information on whom the director is that leads the department or division. The department-level budget pages then go on to provide a general overview of the department's responsibilities and functions within County government, as well as its mission statement. The next section shows how many full-time employees are funded to operate the department. This section is followed by a list of successes completed in the prior year, which flows to the next section of what is expected to be accomplished in the next budget year.

The departments and divisions place their performance measures in a table that shows what administrative objective they are accomplishing as they complete their goal. Each goal has a target to achieve, and if it is an annual target, the actual results of trying to obtain the target in previous years are shown as a comparison in the table.

After the performance measures, the department pages focus on the expenses of the department. First, a summary of the department's overall budget is provided. A narrative of any major fluctuations from the previous year is provided. A 5-year trend graph shows the department's budget and actual expenses (if applicable) for those years.

The next section of the department-level budget provides a numerical and descriptive summary of expenditures by type, followed by a table of all the department's line items. The department-level budget presentation concludes with any large initiatives that the reader should be aware of.

Although the department pages provide line item details. Budget control levels are the total department level at which the County Council makes appropriations.

Capital Improvement Plan

The 2026-2030 Capital Improvement Program identifies expenditures and fund sources associated with the County's long-term investment in the County's physical assets. The first menu in this section discusses the capital budgeting process and what defines a capital project.

The next sections outline the multi-year capital plan for all funds. The plan lists the specific projects, the costs, and the funding sources to complete those projects. There is a separate tab that looks solely at the first year of the 5-year plan.

Debt Service

This section provides financial data on current debt obligations. There is a discussion between current debt levels and legal debt limits and the effects of existing debt on current operations.

Appendix

This section provides two items:

- a glossary of terms, including abbreviations and acronyms.
- the budget ordinances that are adopted by the County Council that make the budget law



Transmittal Letter

Todd F. Lawson, County Administrator

May 20, 2025

Mr. President and Members of Council:

As required by Title 9, Chapter 70, § 7003(d)(5) of the [Delaware Code](#), I respectfully submit the Proposed Annual Operating Budget for Sussex County for Fiscal Year (FY) 2026. The FY 2026 proposed budget was developed by the County Administrator, the Finance Director/COO, the Deputy Finance Director, and Manager of Accounting. This recommended budget was drafted after receiving submissions from County departments. We greatly appreciate the efforts of the directors and their staff in assisting us in producing a balanced budget.

FACTORS AFFECTING THE DEVELOPMENT OF THE FY 2026 BUDGET

As this is the first budget with this new County Council, the budget was developed knowing the Council's priorities focused on looking at development patterns in Sussex County. Knowing that these initiatives may affect land use development, the budget was still formed with caution in mind given its heavy reliance on the local real estate market. Suffice it to say, should real estate activity start to decline, the County's financial outlook will be affected.

Prior to this year, trends have shown that there has been a leveling off in building-related activity. To put it in perspective, the County experienced a record-breaking year for building permits in FY 2021 and, since then, has realized four consecutive years of decline. However, residential permits are not at 2021 levels but have seen a slight improvement over last year. However, while the year-to-year activity has trended down, the new baseline remains at a higher level than 2020.

As we expect that building activity will continue to level off, or maybe even continue to decline, we used cautious revenue projections and kept ongoing expenses at a sustainable level until we know for sure how any new development strategies will affect revenues.

Another factor to consider in the development of this budget is the completion of the reassessment project. The previous council made a pledge that the County would not bring in any more tax revenue as a result of the reassessment. Therefore, the budget was created with no additional tax revenue other than what is naturally generated from new improvements to land.

The Fiscal Year 2026 total budget is \$285.1 million, which represents an overall increase of \$19.4 million. The increase is being driven by one-time capital expenditures in the sewer capital fund. These expenditures include major upgrades and improvements at our Inland Bays and Wolfe Neck Regional wastewater facilities. As any prudent government, we continue to keep our ongoing operational expenses in check as we continue providing the same high level of service.

REVENUE CHALLENGES

The County receives the bulk of its revenue each year from both property taxes and realty transfer taxes (RTT), with RTT being the largest revenue source. In recent years, RTT has grown to account for almost 40 percent of the revenue to support operations. In the past, it accounted for less than 25 percent of our revenue. Relying on RTT collections for operations presents a risk due to the volatile nature of the funding. Although we are only budgeting approximately 75 percent of what was collected in FY 2024, as we look to the future, continually relying on this type of source of revenue will need to be addressed.



In this year's budget, RTT is \$2 million more than FY 2025's budget. While our trends show that the FY 2026 amount is at a short-term attainable level, it remains at a level that is higher than what was collected six years ago. And although RTT is our single greatest source of revenue, it is used for the County's most critical services, including paramedics, fire and ambulance companies, police, 911 dispatchers, economic development, assessment, public works, and open space. Thus, we can keep pace with the population and the demand for our critical services using RTT. However, should RTT drop below anticipated levels, it is likely at some point in the future the County will need to seek additional revenue from taxpayers.

As we have done with RTT, we continue the practice of budgeting a percentage of recent actual collections for all real estate market-sensitive revenues. Since 2021, this revenue has declined \$4.8 million, or 24 percent. Luckily, this revenue is being replaced with revenue generated by investment income and additional tax revenue due to additional improvements being added to the tax rolls. However, depending on the economy, investment income can fluctuate dramatically as well.

Another revenue challenge is using assumptions. Whereas economically driven revenues are budgeted based on trends, some revenues are budgeted on assumptions. We assumed that the County would continue to receive 1.5 percent of RTT on eligible properties in unincorporated areas. If the State were to change these revenue sources or pass any legislation that would cut our revenues or raise our expenses, we would have to re-evaluate the budget. We also assume, since the State has not approved their FY 2026 budget, that they will continue to fund our paramedics at 30 percent of last year's budgeted expenditures.

EXPENSE PRIORITIES IN THE FY 2026 BUDGET

Revenues are only one side of the budget equation. The other side is the expenses that support our governmental services and County Council priorities. Any new project requests were scrutinized to ensure they are necessary, align with the County's objectives, and address long-term concerns and issues of the Council. Although priorities that were established by the previous Council continue, such as sustaining government services without adding a financial burden to our current and future residents, increasing workforce housing opportunities, and fostering an environment that attracts businesses and creates jobs for our highly skilled workforce - a new priority has been established: reviewing land use strategies. There are additional funds in the Planning & Zoning Department in both legal and consulting to assist the Council in achieving their vision. The programs and projects funded through this budget that address the priorities of workforce housing and economic development are funding for the Housing Trust Fund for housing rehabilitation and settlement assistance and funding for the ExciteSussex Loan program.

To ensure that all departments are aligned with Administration and the County's priorities, the budget is created with six organization-wide goals that then lead to specific department operational goals. Each department's goals are listed in their respective sections of the budget document. Each department's goals reference an organization-wide objective listed below.



Maintain the County's strong financial position through efficient use of resources



Provide services that contribute to an active, healthy and informed community



Promote initiatives for measured economic development and growth



Advance balanced efforts to protect our county's environment, residents and visitors while preserving the character of the county and its natural resources



Provide a safe and secure environment for everyone who lives, works and conducts business in the county





Provide a well-qualified and service-friendly workforce that aids the vision of Sussex County Government

These administrative organizational-wide goals are developed from the vision of the County Council and their constituents through the Comprehensive Plan.

SUMMARY

In closing, the County's fiscal year 2026 budget continues to follow the conservative budget philosophies of the past while we slowly pivot towards a new perspective following this Council's directives.

Please feel free to contact me or the budget team with any questions or concerns you may have.

Sincerely,

Todd F. Lawson

County Administrator



Executive Summary

This page is an overview of significant budgetary items and trends.

Total Budget: \$285,140,031

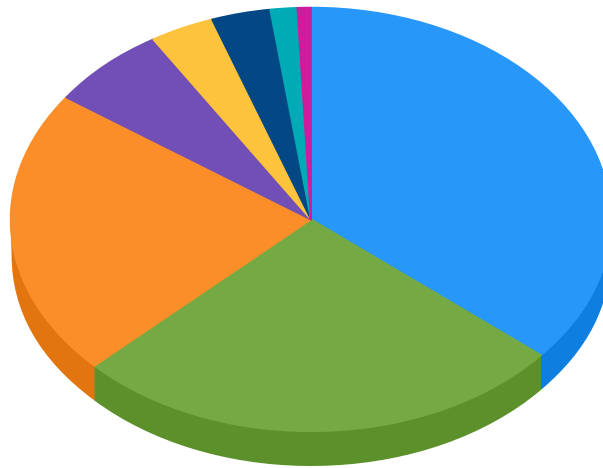
Fund	Budgeted Amount
General Fund	\$103,422,374
Capital Projects (noted as Capital in charts below)	\$18,335,462
Sewer Fund	\$62,841,457
Water Fund	\$2,088,180
Sewer and Water Capital Projects (noted as Capital Assets in charts below)	\$76,739,000
Pension Funds	\$11,784,000
Grant Fund (ARPA)	\$9,929,558

FY 2026 Overall Revenues by Fund

As illustrated in the pie chart below, the general fund is the largest fund, making up 36.5% of the total 2026 budget.



2026 Revenues by Fund



General Fund (Budgeted)	\$103,422,374	(36.08%)
Capital Assets (Budgeted)	\$76,739,000	(26.77%)
Sewer (Budgeted)	\$62,841,457	(21.92%)
Capital (Budgeted)	\$18,335,462	(6.40%)
Grant (Budgeted)	\$9,929,558	(3.46%)
Pension (Budgeted)	\$9,124,184	(3.18%)
Other Pension Employee Benefit (Budgeted)	\$4,147,000	(1.45%)
Water (Budgeted)	\$2,088,180	(0.73%)

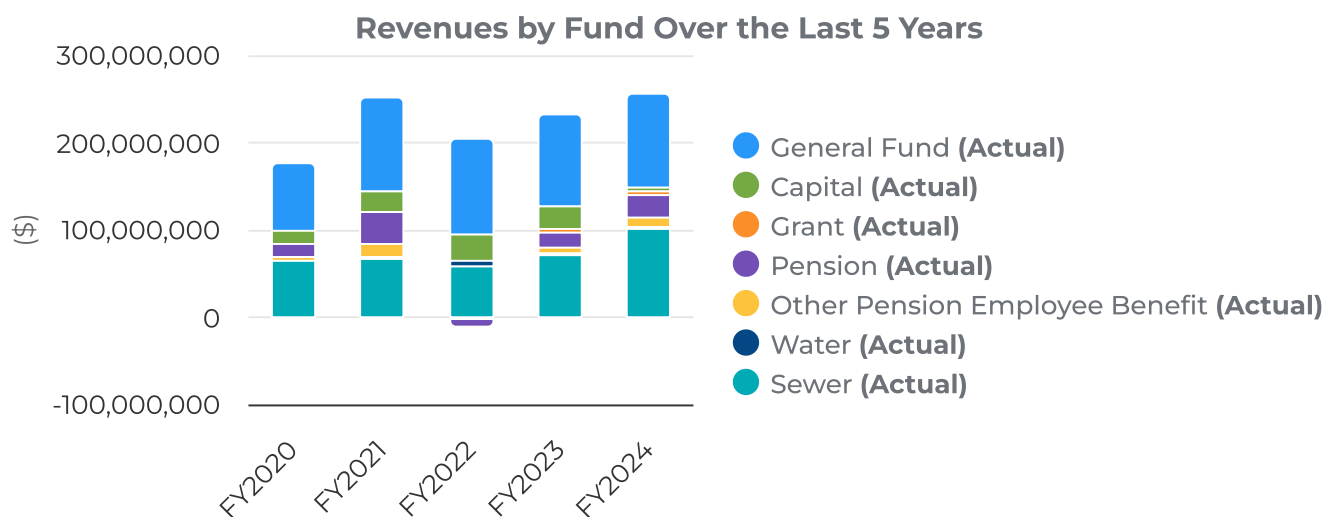
FY 2026 Revenue Highlights

- No increase in property taxes
- Property tax revenue increased by 3.1 percent, or \$614,000, due to newly added improvement values in the assessment rolls.
- Realty transfer tax is up \$2.0 million, or 5.7 percent from last year's budget.
- Other building-related revenues are relatively flat from last year's budget.
- \$11.2 million in reserves is being used in the General Fund for previous commitments or one-time purchases - accommodation tax, reassessment, State of Delaware Park commitment, Farmland Preservation, ExciteSussex loan program and community development.
- \$12.6 million in reserves are being used on one-time expenditures in the Capital Fund
- \$12 increase in the sewer service charge to cover operational expenses
- \$33 increase in the annual water service charge to cover operational expenses
- New fee for sewer construction phase design modification fee
- Increase in various Sheriff Department fees to cover expenses
- New sewer assessment fees for two service areas coming online in the future
- Increase in assessment fee in Pintail Pointe area due to construction cost exceeding estimated amounts
- Decreases in assessment rates in five sewer areas due to more users in these areas or debt being paid off

Overall Revenue Trends

The five-year trend shows that the General Fund consistently generates the highest revenue due to realty transfer tax collections. However, these revenues have fluctuated from year to year due to variations in the building-related income. The most significant one-year fluctuation in realty transfer tax revenue occurred between FY 2020 and FY 2021, with a \$21.5 million increase. However, after the peak in 2022 of \$63.0 million, there was a \$9.5 million and \$5.7 million decrease over the next two years. The Sewer Fund ranks as the second-largest revenue source. The fluctuation in FY 2024 was driven by \$23.0 million in grant funds received for major capital projects and \$6.3 million for developer contributions. Additionally, the increase in sewer revenue over the years is primarily due to new customers connecting to the system.

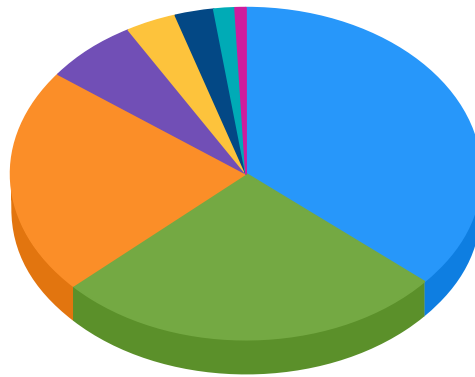
It is important to note that Enterprise Capital is not included in the trend analysis as these expenses are capitalized rather than expensed.



Overall Expenditures

As illustrated in the pie chart below, the General Fund is the largest fund. The only fund where the expenditures does not equal the expenses is the Pension Fund. The Pension Fund has more revenue than expenses to keep this fund well-funded. In order to fund the unfunded liability, the County must add more money to the fund than is disbursed.

2026 Expenditures by Fund



General Fund (Budgeted)	\$103,422,374	(36.27%)
Capital Assets (Budgeted)	\$76,739,000	(26.91%)
Sewer (Budgeted)	\$62,841,457	(22.04%)
Capital (Budgeted)	\$18,335,462	(6.43%)
Grant (Budgeted)	\$9,929,558	(3.48%)
Pension (Budgeted)	\$7,637,000	(2.68%)
Other Pension Employee Benefit (Budgeted)	\$4,147,000	(1.45%)
Water (Budgeted)	\$2,088,180	(0.73%)

Expenditures Highlights

FY 2026 notable expenses include:

- Strong partnership with the volunteer fire service by providing \$6.0 million in funding.
- Funding for the Delaware State Police MOU for a total support of \$5.8 million for 25 supplemental State of Delaware Troopers
- Funding for local law enforcement for a total amount of \$1,025,000, an increase of \$105,000
- Continue the partnership with the independent libraries by providing \$3.1 million for operations
- Continue with the elevated funding for open space purchases (operating and capital budgets combined) in the amount of \$7.4 million
- Continue economic initiatives by funding the ExciteSussex program, Delaware Coastal Business Park improvements and airport capital projects
- Support General Fund capital projects of \$18.3 million; a large focus of these projects, \$5.0 million, is to continue to invest in open space throughout the county
- Support Enterprise Fund capital projects of \$76.7 million; the largest project is the drainage improvements and upgrades at the Inland Bays Wastewater Facility in the amount of \$23.0 million
- A 2.5 percent cost-of-living adjustment for employees; a 1.25 percent cost-of-living adjustment for pensioners

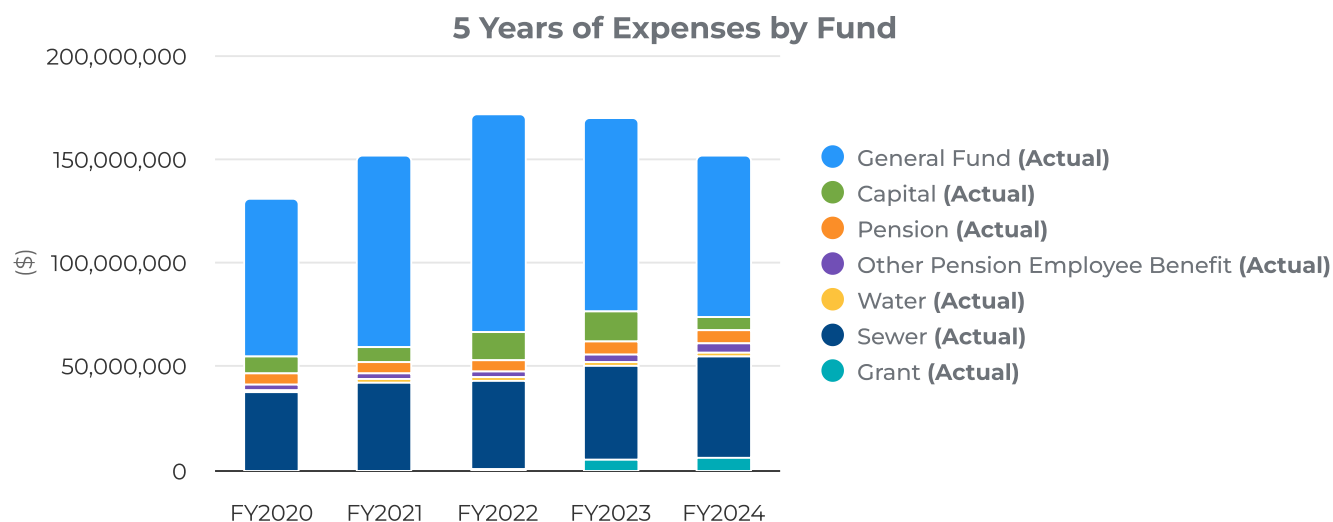
As employment costs are 35.5 percent of the County's operating expenses, the County is very careful to monitor the trends of these costs. The trend analysis on employment can be found in the personnel changes section of the budget book.

The bar graph below shows that the General Fund has had the highest expenditures over the past five years, remaining the largest fund. The Sewer Fund ranks second in spending. The General Fund's expenditures have fluctuated and

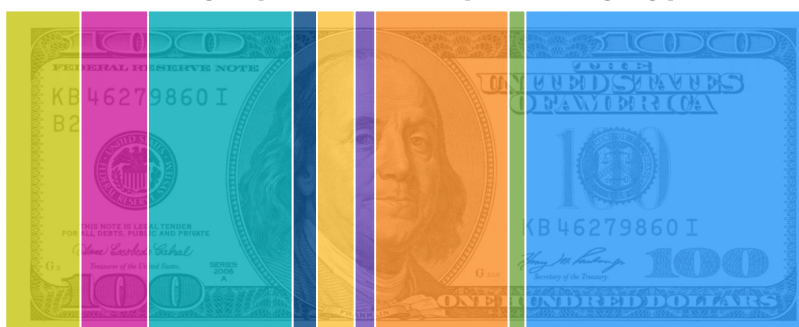


gradually decreased during this period, mainly due to interfund transfers directed toward the Capital Projects Fund.

It is important to note that Enterprise Capital is not included in the trend analysis as these expenses are capitalized rather than expensed.



County Operational Expenses by Type



- Other Financing **(Budgeted)** \$16,770,713 (9.41%)
- Capital Outlay **(Budgeted)** \$14,840,426 (8.32%)
- Grant-In-Aid **(Budgeted)** \$31,861,483 (17.87%)
- Training and Travel **(Budgeted)** \$5,521,528 (3.10%)
- Programs and Project... **(Budgeted)** \$8,394,242 (4.71%)
- Supplies **(Budgeted)** \$4,383,031 (2.46%)
- Other Contractual Se... **(Budgeted)** \$29,361,923 (16.47%)
- Professional Service... **(Budgeted)** \$3,780,193 (2.12%)
- Personnel **(Budgeted)** \$63,368,030 (35.54%)

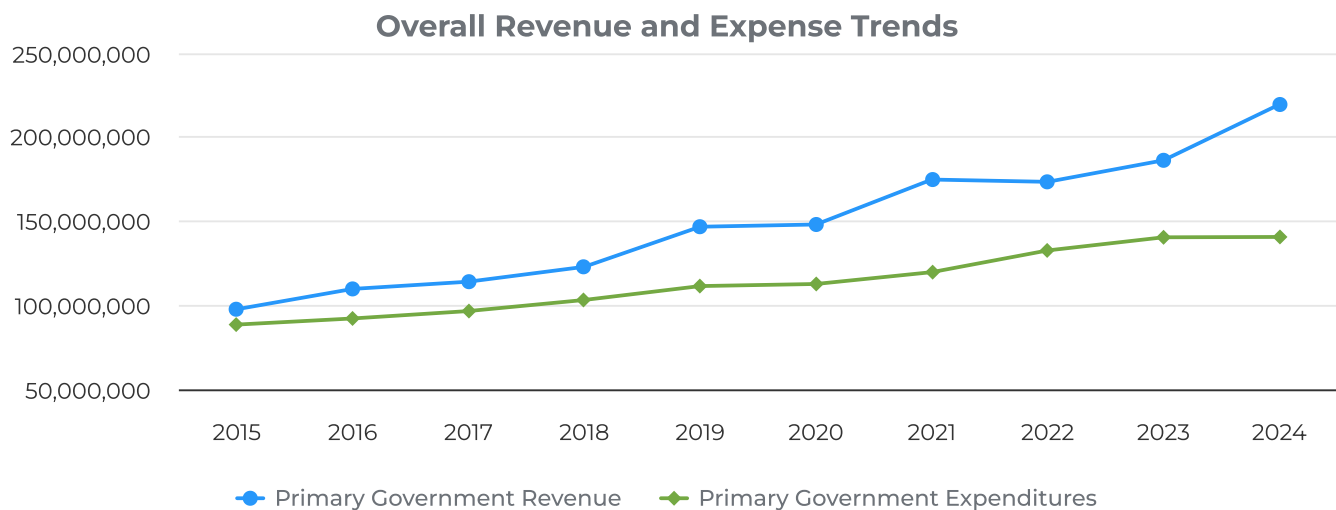
Strategic Alignment

The County's decisions are guided by strategic initiatives, ensuring that departmental budget objectives align with their respective goals. These departmental goals must also align with the County Administration's annual objectives, which, in turn, are structured to support the County's comprehensive plan as adopted by the County Council.

Overall Revenue and Expense Trends for Operations

The County carefully monitors the trends in its spending along with the revenues that support these expenditures. The next chart demonstrates the trend in expenses as it relates to the trend in revenues. Both revenues and expenses trend upward as the County continues to grow and add more residents and sewer customers. The graph incorporates both the General Fund and Enterprise operational funds. As this analysis is used to show sustainability in normal operations, additional contributions made to the County's pension funds above and beyond the actuarial determined contribution is not included. It is also important to note that even though grant-in-aid expenses are not expenses necessary for County's operations they are included in the analysis as many of these organizations depend on this funding for their operations.

The 10-year trend analysis shows that while revenues are increasing an average of 8.1 percent per year, the operational expenses are continually staying below the revenue increase averaging 4.1 percent per year. The reader needs to understand that over a third of the FY 2025 revenue is restricted and can only be used for certain expenditures. Therefore, the County cannot increase its expenditures at the same rate as its revenue as this revenue is restricted.

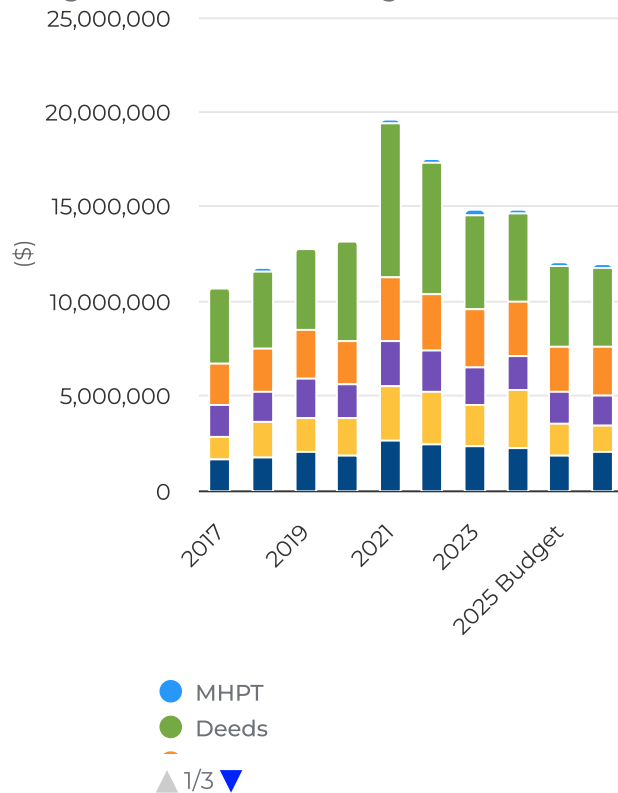


Economically-Sensitive Revenue Trends

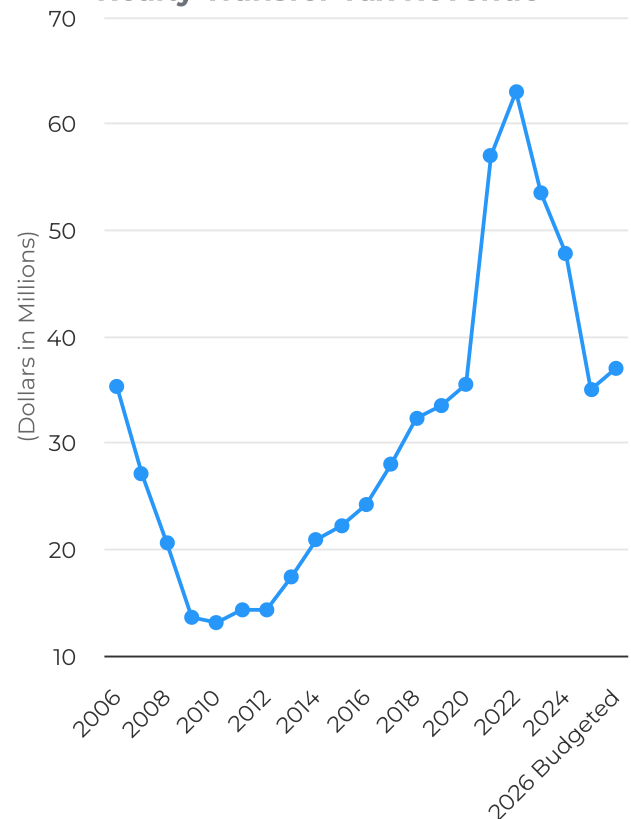
The most volatile revenue sources the County collects are the revenues that rely on the building activity in the County. These revenues include realty transfer tax, mobile home placement tax, recorder of deeds fees, permit and zoning fees, building inspection fees and private road fees. The first chart below shows 10 years of building-related revenue excluding realty transfer tax. The County is budgeting more in FY 2026 than in FY 2025. FY 2026's budgeted revenue is only 81% percent of what was collected in FY 2024.

The second chart shows realty transfer tax, the County's largest revenue source. This chart goes back to 2006 and demonstrates how volatile this revenue source is. The County carefully monitors this revenue to make sure that it never relies on an amount that cannot conservatively be estimated. For example, FY 2026's budget is \$11 million less than the revenue collected in FY 2024.

Charges for Services - Building Related Revenue



Realty Transfer Tax Revenue

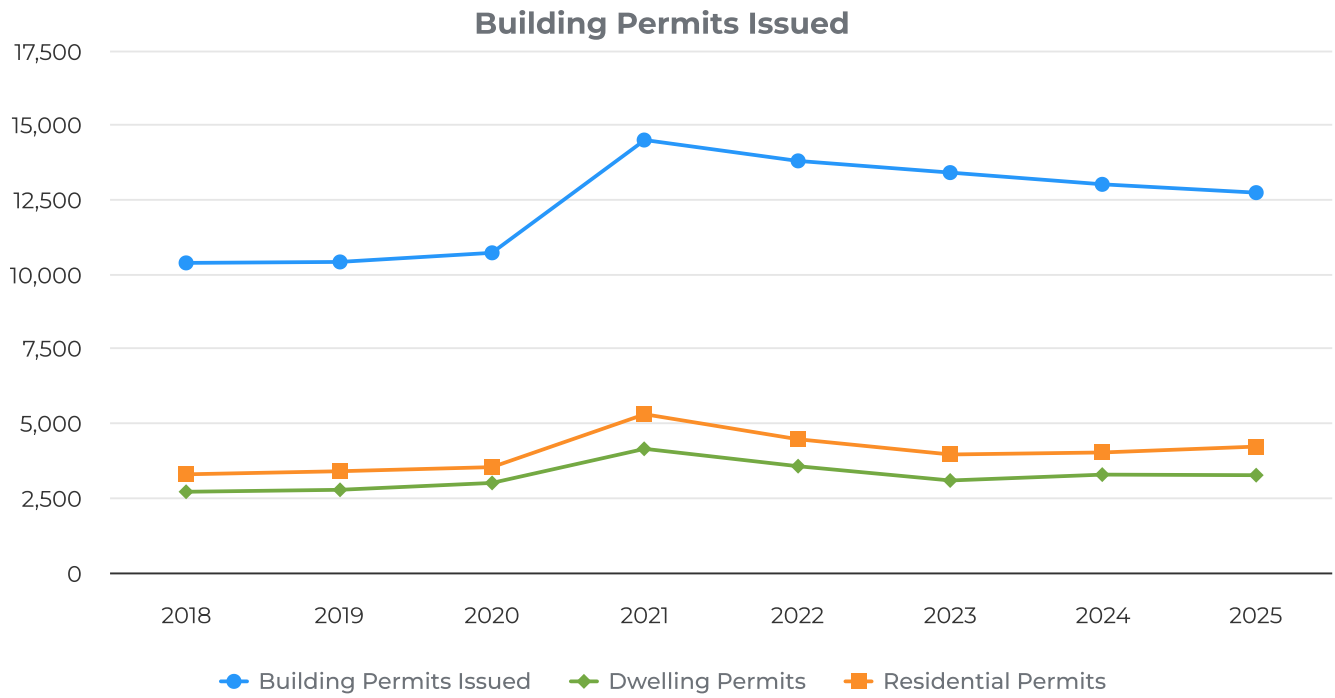


Noteworthy Statistics

- The average County tax bill is \$124 for a single-family home and \$47 for a manufactured home.
- County's sewer services continue to increase with a 2.8 percent growth in the current budget year.
- Real estate tax revenue continue to increase with a 3.1 percent growth due to new property values being added to the assessment roles
- On average, the dispatch center answers 300 9-1-1 calls per day, call decreased 7 percent from 2023 to 2024.
- EMS responses have increased 60.2 percent over the last 10 years.
- As shown in the chart below, building permits saw an incline during the pandemic. However, since 2021, the County is seeing a slowing in building activity. While total building permits and residential permits have been down since



that time, there was a slight increase in dwelling permits over last year. As the County moves into FY 2026, the budget does not anticipate any increases in building permits.



Funds Summary Overview

Sussex County, like other state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements. Sussex County's funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds. These categories are further divided into individual funds that are represented in this budget book. These funds are described below.

Types of Funds

The financial transactions of the County are reported in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its position, liabilities, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The County has two governmental funds for financial statement purposes and a third, the ARPA fund, for budgeting purposes only. The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The Capital Project Fund is maintained to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The County has two proprietary funds. The two funds are used to account for the provision of water and sewer services to customers in the County's Water and Sewer Districts. The County has two fiduciary funds. The Pension Trust Fund is used to account for the assets of the Sussex County Employee Pension Plan. The Other Post-retirement Employee Benefit Trust Fund is used to account for the assets of the Sussex County Other Post-Retirement Employee Benefit Plans.

Major Funds

Major funds are funds whose revenues or expenditures constitute more than 10 percent of the revenues or expenditures of the appropriated budget. The major funds of the County are the General Fund, Capital Projects Fund, Sewer Fund and the American Rescue Plan Act Grant Fund.

Governmental Funds

General Fund

The General Fund is the chief operating fund of the County. It accounts for all resources not required to be accounted for in other funds. A significant part of the General Fund revenues are used to maintain and operate the general government. Revenues include taxes and fees for services such as permits, marriage licenses, document recording, registering of wills, and planning and zoning fees. Expenditures include, among other things, those for general government, public safety, community development, libraries, planning and zoning, assessment, building code and code enforcement.

The General Fund is an appropriated fund and listed in the budget ordinance. Appropriations are at the department level.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction or improvement of capital facilities. This fund is supported by transfers from the General Fund, particularly realty transfer tax.

The Capital Projects Fund is an appropriated fund listed in the budget ordinance. Appropriations are at the department level.



American Rescue Plan Act Grant Fund

The American Rescue Plan Act Grant Fund was set up specifically to track the federal funds received through the American Rescue Plan Act. This will be the final fiscal year for these funds.

The American Rescue Plan Act Grant Fund is listed in the budget ordinance. Appropriation is at the grant level.

Proprietary Funds (solely Enterprise Funds)

The Enterprise Funds are appropriated and listed in the budget ordinance together. The operating expenses are appropriated at the function level. Although included in this document, sewer and water capital projects are not appropriated as they are recorded as an asset in the accounting system. Sources of funds for these enterprise funds are primarily from water and sewer service charges.

Sewer Fund

The Sewer Fund accounts for the operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services are recovered primarily through sewer user charges.

The Sewer Fund is an appropriated fund and listed in the budget ordinance. The operating expenses are appropriated at the function level. Although included in this document, sewer capital projects are not appropriated as they are recorded as an asset in the accounting system.

Water Fund

The Water Fund accounts for the operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services are recovered primarily through water user charges.

Fiduciary Funds

Although the Fiduciary Funds are listed in the budget book and in the financial statements, these funds are not appropriated funds. Funding for the fiduciary funds comes from appropriations of the general and enterprise funds.

Pension Trust Fund

The Pension Trust Fund is used to account for resources held for the benefit of parties outside the government, specifically pensioners of the County. This fund is supported by contributions through the General Fund and Proprietary Funds.

Other Post-Retirement Employee Trust Fund (OPEB)

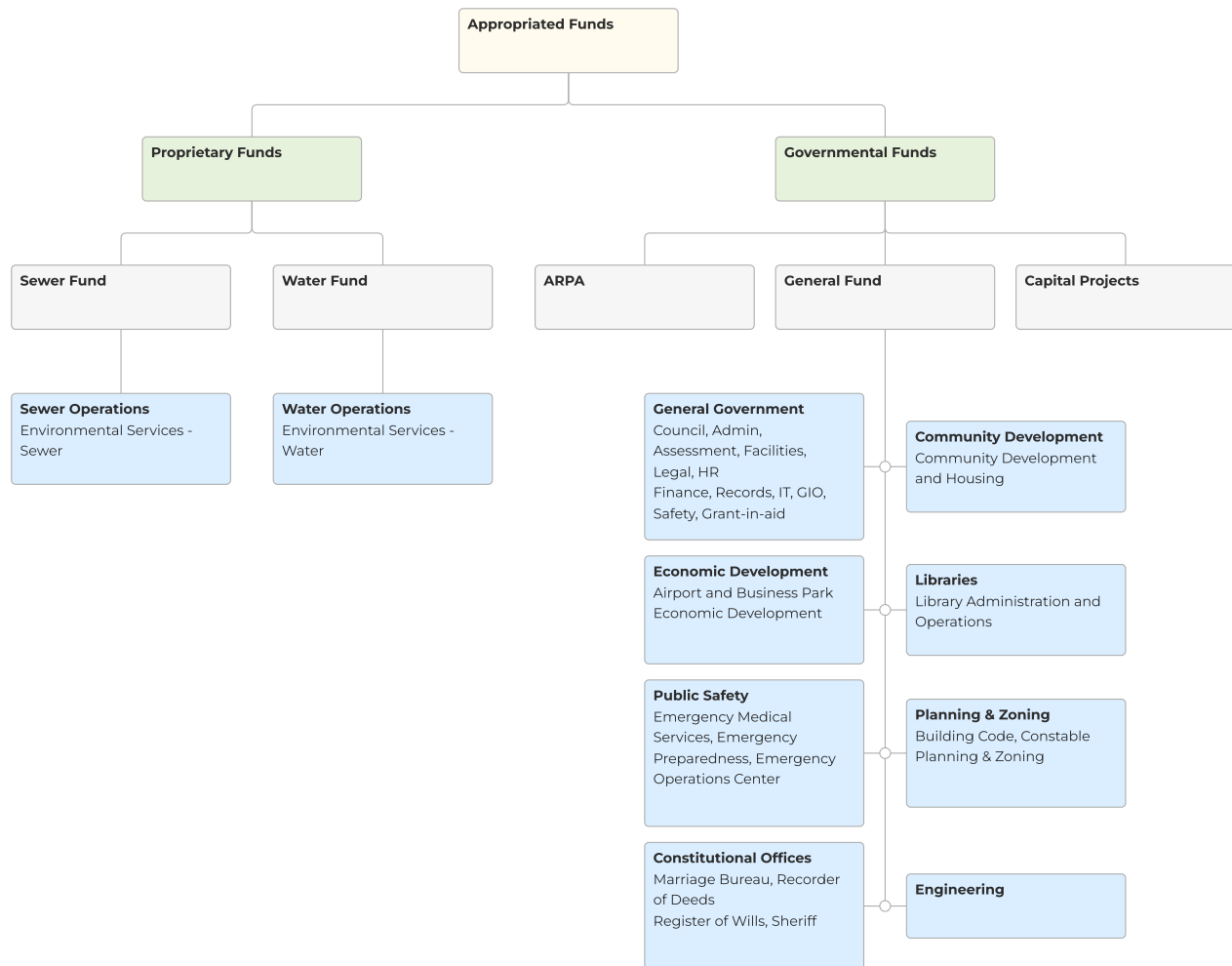
The OPEB Fund is used to account for resources held for the benefit of parties outside the government, specifically pensioners of the County who earned an insurance benefit in addition to their regular pension. This fund is supported by contributions through the General Fund and Proprietary Funds.



Relationship between Funds and the County's Functions

The chart below shows the relationship of funds to the functions and departments of County government. Funds are in gray and the department and functions are in blue.

Fund and Function Relationship



Relationship Among Funds

Some funds rely on other funds for support. The chart below shows how each fund relies on one another to sustain. This support can be found in the budget under the line items "Transfers In" and "Transfers Out" or "County Contributions".

In summary, General Fund funds the Capital Projects Fund, Pension Fund, and OPEB Fund. Whereas, the Sewer and Water Funds also help fund the Pension and OPEB Funds to support its applicable retirees.

	Transfers Money to:
Transfers Money From:	Capital Projects Fund
General Fund	X
Sewer Fund	
Water Fund	

(continued from above)

Transfers Money to:	
Pension Fund	OPEB Fund
X	X
X	X
X	X

Revenue Sources

Sussex County's budget is funded primarily through taxes, charges for services and intergovernmental grants. Each type of revenue source is described in its own section.

The fee schedules for fees, not already stated in State and County Code, are listed below. If this schedule contradicts Code, the Code all supersede this list.



Fee Schedule - General Fund

Fee Description		Rate
Assessment		
Tax Release Form		\$5.00
C-Grade Classification Letter		\$35.00
C-Grade Letter - Reissue		\$10.00
Building Code		
Revision - Additional Plan Review - Revised dwelling projects after approval of original application		\$60.00
Revision - Additional Plan Review - Revised project after approval of original application		\$30.00
Building Permit	\$7.50 for the first \$1,000 of construction estimate; \$3 for each \$1,000 thereafter for properties not with in incorporated municipalities that have their own Zoning Code.	
Building Permit	\$5.00 for the first \$1,000 of construction estimate; \$2 for each \$1,000 thereafter for properties with in incorporated municipalities that have their own Zoning Code.	
Manufactured Home Placement Permits	\$7.50 for the first \$1,000 of construction estimate; \$3 for each \$1,000 thereafter for properties not with in incorporated municipalities that have their own Zoning Code.	
Manufactured Home Placement Permits	\$5.00 for the first \$1,000 of construction estimate; \$2 for each \$1,000 thereafter for properties with in incorporated municipalities that have their own Zoning Code.	
Manufactured Home Inspection		\$120.00



	Manufactured Home Inspection - additional fees	\$40.00
	Community Development	
	Housing Fair - Vendor Fee (Non-Profit Exhibitor)	\$50.00
	Housing Fair - Vendor Fee (For-Profit Exhibitor)	\$75.00
	Housing Fair Sponsorship Fee - Bronze	\$150.00
	Housing Fair Sponsorship Fee - Silver	\$300.00
	Housing Fair Sponsorship Fee - Gold	\$500.00
	Countywide (excluding libraries or departments listed in Code)	
	Notary Charge - (Non-employee)	\$3.00
	Returned Check, ACH, or Credit Card Fee	\$25.00
	Photocopies - black & white – 8.5x11, 8.5x14, or 11x17	\$0.10
	Photocopies - black & white - double sided 8.5x11, 8.5x14, or 11x17	\$0.20
	Photocopies - black & white - 18x22	\$2.00
	Photocopies - black & white - 24x36	\$3.00
	Photocopies - black & white - greater than 24x36	\$1.00
	Photocopies - color - 18x22	\$3.50
	Photocopies - color - 24x36	\$4.50
	Photocopies - color - greater than 24x36	\$2.50
	Microfilm or Microfiche, standard copies	\$0.15
	Archive Retrieval	\$25.00
	Address labels	\$0.50
	DVDs, CDs, other storage devices	Material cost
	Foreign transaction fee	Cost basis
	Employee hourly wages charged for billable services, not associated with set fees	Varies
	Emergency Services	
	Special Event Fee - Paramedic (30 days notice)	\$75.00
	Special Events Fee - Mobile Command Unit	\$50.00
	Special Events Fee - Dispatcher coverage	\$50.00
	Human Resources	
	ID Cards - Annual Fee	\$15.00
	ID Cards - Replacement Fee per Occurrence	\$5.00
	Information Technology	
	Data Center - Half Rack Space Rental	\$500.00
	Data Center - Full Rack Space Rental	\$1,000.00



Libraries		
	Late Fees : Overdue Materials	\$0.25
	Replacement Fee Library Card	\$2.00
	Facsimile	\$0.25
	Miscellaneous damaged materials	\$1.00
	Laminating	\$0.50
	Lost or damaged book covers or media cases	\$3.00
	Photocopy	\$0.25
GIO		
	GIS 911 Address Point Data File	\$25.00
	Custom Mapping Fees	Varies
	Street Signage	Cost basis
	Street Signage Installation - (excludes cost of sign)	Varies
	Subdivision Naming Approval	\$50.00
Engineering		
	Plan Review Fees - Chapter 99 - flat fee for (2) reviews of submitted plans	\$3,500.00
	Plan Review Fees - Chapter 99 - per unit for (2) reviews of submitted plans	\$55.00
	Plan Review Fees - Chapter 99 - Per multi-unit building for (2) reviews of submitted plans	\$20.00
	Chapter 99 Third Additional reviews - after first (2) reviews based on 60% fees calculated for original plans submitted	\$0.60
	Plan Review Fees - Chapter 99 fourth additional reviews - after first (3) reviews based on 50% fees calculated for original plans submitted	\$0.50
	Plan Review Fees - Chapter 99 - fifth additional reviews - after first (4) reviews based on 40% fees calculated for original plans submitted	\$0.40
	Plan Review Fees - Plan Revisions - Chapter 99 - after obtaining County approval	\$2,000.00
	Plan Review Resubmittal Fee	\$300.00
	Field Inspection Fees - Chapter 99	\$1,225.00
	Field Inspection - Overtime - Holiday or Weekend Hours	\$70.00
Register of Wills		
	Will Receiving and Indexing Fee	\$10.00
	Testator Will Examination Fee – without amendment	\$2.00
	Receiving Codicil Will Fee – for existing indexed and file will	\$5.00
	Receiving Amendment or Change to the Original Memorandum Fee	\$5.00
	Web Search Subscription Service Fee – Single-user	\$25.00
	Web Search Subscription Service Fee – Multi-user	\$150.00
Planning and Zoning		
	Minor subdivision (2-5 lots)	\$200 plus \$20 per lot



Minor lot line adjustment/lot consolidation	\$150.00
Administrative variance	\$50.00
Zoning and certificate of occupancy verification letters	\$150.00
Subsequent reviews to release bond	\$150.00
Board of Adjustment application	\$500.00
Board of Adjustment application	\$600.00
Board of Adjustment application	\$800.00
Board of Adjustment application	\$500.00
Board of Adjustment code interpretation or administrative appeal	\$600.00
Board of Adjustment accessory dwelling unit application fee	\$500.00
Variance modification request within 1 year	\$500.00
Change of zone application	\$1,000.00
Application to amend zoning ordinance	\$1,000.00
Small scale conditional use (CU) application (small scale is when the proposed CU is to operate as an accessory/ancillary manner to a dwelling on the parcel)	\$500.00
Conditional Use application (not small scale)	\$1,000 plus \$50 per dwelling unit
Conditional Use application for business, commercial, industrial, and other buildings	\$100 per 1,000 square feet, capped at \$5,000 per phase
Major subdivision/RPC application	\$1,000 plus \$50 per dwelling unit
Major subdivision/RPC application (where forested buffer plan is required)	\$1,750 plus \$50 per dwelling unit
Readvertising due to postponement of applicant	Cost of advertisement
Temporary removable vendor permits	\$100.00
Re-subdivision or revised record plan – residential	\$1,000 plus \$50 per dwelling unit
Re-subdivision or revised record plan – nonresidential	\$1,000.00
Plan expiration extension	\$1,000.00
Site plan review for business, commercial, industrial, and other buildings (hospitals, schools, institutional, and places of worship are exempt)	\$100 per 1,000 square feet, capped at \$5,000 per phase
Appeal from any finding, decision, or recommendation of the Department with regard to subdivision standards affecting an individual residential lot or use and/or affecting other residential and nonresidential lots or uses	\$3,000.00
Appeal of revised landscape plan	\$500.00
Appeal of record plan modification	\$1,000.00
Appeal of sunset plan review/determination as to whether substantially underway	\$1,000.00
Construction sign permits fee	\$.50 per square foot minimum charge of



	\$25 per sign for signs larger than 32 square feet
	\$.25 per square foot minimum charge of \$25 per sign annual fee.
Sign permits larger than 32 square feet	
Sign permits equal to or smaller than 32 square feet	\$7.50
Demolition Fee	No charge
Site plan review fee - Multifamily residential	\$50 minimum, plus \$2 per dwelling unit in excess of 10 dwelling units.
Site plan review fee – Commercial, industrial, or private institutional	\$50 minimum, plus \$2 per 1,000 square feet in excess of 4,000 square feet of gross floor area, including outside sales display and storage areas.
Site plan review fee – Manufactured home parks, parks, and campgrounds for mobile campers and tent camping	\$50 minimum, plus \$2 per site in excess of 10 manufactured homes or campsites.
Plan Review Resubmittal Fee	\$300.00

(continued from above) ↑

Unit of Measure
Assessment
Per Release
Per Classification Letter
Per Release Letter
Building Code
Minimum fee, plus additional permit fees for additional square footage
Minimum fee, plus additional permit fees for additional square footage
\$7.50 for the first \$1,000 of construction estimate; \$3 for each \$1,000 thereafter for properties not with in incorporated municipalities that have their own Zoning Code.
\$5.00 for the first \$1,000 of construction estimate; \$2 for each \$1,000 thereafter for properties with in incorporated municipalities that have their own Zoning Code.
\$7.50 for the first \$1,000 of construction estimate; \$3 for each \$1,000 thereafter for properties not with in incorporated municipalities that have their own Zoning Code.
\$5.00 for the first \$1,000 of construction estimate; \$2 for each \$1,000 thereafter for properties with in incorporated municipalities that have their own Zoning Code.
Fee, includes up to three inspections
Additional fee for each inspection need over above the first three inspections.
Community Development
Each
Each
Per Sponsorship
Per Sponsorship
Per Sponsorship
Countywide (excluding libraries or departments listed in Code)
Per Document
Each Occurrence
Per Page
Per Page



Per Page
Per Page
Per Square Foot
Per Page
Per Page
Per Square Foot
Per Copy
Per Box
Per Label
Reimbursed by customer
Employee hourly rate plus 65.0% overhead charge
Emergency Services
Per Hour
Per Hour
Per Hour
Human Resources
Each
Each
Information Technology
Per Month
Per Month
Libraries
Per Day
Each
Per Page - \$1 minimum
Per Item
Per Foot
Per Item
Per Page
GIO
Each
Employee hourly rate plus 65.0% overhead charge
Each
Employee hourly rate plus 65.0% overhead charge

Outside the first request, per hour with minimum of \$50.00	
Engineering	
Flat Fee	
Per Unit (addition to Flat Fee)	
Per Unit (addition to Flat Fee)	
Original Plan Review Fees	
Original Plan Review Fees	
Original Plan Review Fees	
Each	
Per Each Occurrence	
Per equivalent dwelling unit including as-built asset	
Per Hour	
Register of Wills	
Per Will	
Per occurrence	
Per occurrence	
Per occurrence	
Per user per month	
Per month for firm with unlimited users	
Planning and Zoning	
\$200 plus \$20 per lot	
Per occurrence	
Per occurrence	
Per occurrence	
Per review	
1 – 6 variances	
7 – 9 variances	
10 or more variances	
Per special use exception	
Per occurrence	
Per variance	
Per occurrence	
Per occurrence	

Per occurrence
Per occurrence
\$1,000 plus \$50 per dwelling unit \$100 per 1,000 square feet, capped at \$5,000 per phase
\$1,000 plus \$50 per dwelling unit
\$1,750 plus \$50 per dwelling unit
Cost of advertisement
Per permit
\$1,000 plus \$50 per dwelling unit
Per occurrence
Per occurrence
\$100 per 1,000 square feet, capped at \$5,000 per phase
Per appeal
Per appeal
Per appeal
Per appeal
\$.50 per square foot minimum charge of \$25 per sign for signs larger than 32 square feet
\$.25 per square foot minimum charge of \$25 per sign annual fee.
onetime fee
\$50 minimum, plus \$2 per dwelling unit in excess of 10 dwelling units.
\$50 minimum, plus \$2 per 1,000 square feet in excess of 4,000 square feet of gross floor area, including outside sales display and storage areas.
\$50 minimum, plus \$2 per site in excess of 10 manufactured homes or campsites.
Per Each Occurrence

Enterprise Fund - Fee Schedule

Fee Description	Rate
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Damage to County infrastructure from outside sources	Varies
Plan Review Fees - Chapter 110 - Sussex County Sewer District - Sewer - Flat Fee including (2) reviews of submitted plans	\$3,000.00
Plan Review Fees - Chapter 110 - Sussex County Sewer District - Sewer - Per Unit including (2) reviews of submitted plans	\$30.00
Plan Review Fees - Chapter 110 - Sussex County Sewer District - Sewer - Per multi-unit building (2) reviews of submitted plans	\$10.00
Plan Review Fees - Chapter 110 - Sussex County Water District - Water - Flat fee including (2) reviews of submitted plans	\$3,000.00
Plan Review Fees - Chapter 110 - Sussex County Water District - Water - Per Unit including (2) reviews of submitted plans	\$20.00
Plan Review Fees - Chapter 110 - Sussex County Sewer District - Sewer - Per multi-unit building (2) reviews of submitted plans	\$10.00
Plan Review Fees - Chapter 110 - third additional reviews - after first (2) Sewer/Water plan review	\$0.60
Plan Review Fees - Chapter 110 - fourth additional reviews - after first (3) Sewer/Water plan review	\$0.50
Plan Review Fees - Chapter 110 - fifth additional reviews - after first (4) Sewer/Water plan review	\$0.40
Plan Review Fees - Sewer/Water Plan Revisions - Chapter 110 - after obtaining County approval.	\$2,000.00
Construction Phase Design Modification Fee	\$500.00
Commercial Sewer Site Review Fee	\$1,000.00
Pump Station Review Fees – Chapter 110 – Sussex County Sewer District	\$2,500.00
Plan Review Resubmittal Fee	\$300.00
Field Inspection Fees - Chapter 110	\$875.00
Field Inspection - Overtime	\$70.00
Field Inspection Trip Charge – rescheduled connection inspections – each additional field inspection required due to contractor’s methods, no call/no show, or cancellation within 2 hours of scheduled appointment	\$100.00
Sewer/Water Connection Permits	\$130.00
Availability fee for Private Fire Service	\$300.00
Waste Hauler’s Annual License Fee	\$250.00
Waste Hauler Fee - Septage Treatment Charges	\$0.08
Wastewater Holding Tank Permit	\$100.00
Water Turn Off or On Fee	\$300.00
Bulk Water User Permit (Usage Fees charged separately)	\$50.00
Bulk Water Usage Fee - First 5,000 Gallons	\$30.00



Bulk Water Usage Fee - 5,001 Gallons and Up	\$6.00
Industrial Wastewater Discharge Permit	\$500.00
Industrial Wastewater Discharge - Permit Amendment	\$250.00
Industrial Wastewater Discharge - Permit Variance(s)	\$250.00
Industrial Wastewater Discharge - User Annual Monitoring, Inspection, and Surveillance Fee	\$250.00
Application Fees - Extending District Boundaries - Sewer and/or Water - 2 Acres or Less	\$500.00
Application Fees - Extending District Boundaries - Sewer and/or Water - 2.1 - 9.9 Acres	\$750.00
Application Fees - Extending District Boundaries - Sewer and/or Water - 10 - 150.0 Acres	\$1,500.00
Application Fees - Extending District Boundaries - Sewer and/or Water - Over 150.0 Acres	\$2,500.00
Sewer Service Charges	\$352.00
Water Service Charges	\$450.00
Metered Water Service Charges	Varies
Irrigation Fee - Water District	Additional 1 EDU on water bill
Water Fire Service Fee	\$300.00
Sewer Service Concept Evaluation Fee	\$1,000.00
Sewer Availability Fee	\$1.00
Sewer Inspection Camera Fee	\$150.00
Flagger services	\$50.00
Bio-solids Processing Fees	
Enterprise Employee Hourly Rate for Services	Various
Enterprise Employee Premium Hourly Rate for Services for After Hour and Holiday Hours	Various

(continued from above) ↑

Unit of Measure
Actual Cost or Equipment rates based on FEMA Schedule
Flat Fee
Per Unit (addition to Flat Fee)
Per Unit (addition to Flat Fee)
Flat Fee
Per Unit (addition to Flat Fee)
Per Unit (addition to Flat Fee)
Original Plan Review fees
Original Plan Review fees
Original Plan Review fees
Each
Per review
Flat Fee
Flat Fee (including 2 reviews of submitted plans)
Per Each Occurance
Per equivalent dwelling unit including as-built asset
Per Hour
Per Occurrence
Per Permit
Annually
Annually
Per Gallon
Each

Each
Each
5,000 Gallons
1,000 Gallons
Per Issuance
Per Issuance
Per Issuance
Annually
Each
Each
Each
Each
Per EDU - Annual
Per EDU - Annual
Rate based on water providers bulk service rate approved by the Public Service Commission.
Additional 1 EDU on water bill
Per connection - Annual
Per Evaluation
Annual Service Charge
Per hour for equipment and crew. Charge per based on hourly increments.
Per hour for flagger. Charge per based on hourly increments.
Per agreed contract pricing.
Employee hourly rate plus 65.0% OH charge.
Employee premium hourly rate plus 40.0% OH charge.

Departments Summary

General Fund: The General Fund serves as the county's primary operating fund, supporting a broad spectrum of local government services. These include public safety, libraries, land use planning and zoning, economic development, housing rehabilitation, grant-in-aid, marriage services, deed recording, property maintenance compliance, building code enforcement, and estate service.

Capital Project Fund: This governmental fund is designated for the routine replacement of existing capital assets and additional capital improvements. Funding is sourced from capital reserves and grants.

Proprietary Funds: These funds account for business-type activities. The county maintains two enterprise funds: sewer and water.

Fiduciary Funds: These funds include the Pension Trust Fund and the Post-Retirement Employee Benefit Trust Fund. All divisions of the County participate in these funds.

Department & Fund Relationship

Below is a chart that shows the relationships between the department services and the various funds.

Department / Fund Relationship				
Departments/Offices		General Fund	Capital Funds	Proprietary Funds
General Government	Administration	X	X	X
	Assessment	X		
	County Council	X	X	X
	Facilities Management	X		
	Finance	X	X	X
	Geographic Information Services	X		X
	Human Resources	X		X
	Information Technology	X		X
	Legal	X		X
	Records Management	X		X
Community Development	Community Development	X		
Economic Development	Economic Development	X		
	Airport and Business Park	X	X	
	Safety and Security	X		
Engineering	Engineering	X	X	X
	Public Works	X		
	Enviromental Services - Sewer			X
	Enviromental Services - Water			X
Community Assistance Programs	Fire and Ambulance Grants	X		
	Public Safety Grants	X		



	Environmental Grants	X			
	Public Assistance Grants	X			
	Economic Assistance Grants	X			
	Library Grants	X			
Library	Library Administration	X			
	Greenwood Library	X			
	Milton Library	X			
	Mobile Library	X			
	South Coastal Library	X			
Planning & Zoning	Planning & Zoning	X			
	Building Code	X			
	Constable	X			
Public Safety	Emergency Medical Services	X			
	Emergency Communication Services	X			
	Emergency Management Service	X			
	Local Emergency Planning Committee	X			
Constitutional Offices	Recorder of Deeds	X			
	Marriage Bureau	X			
	Register of Wills	X			
	Sheriff	X			

(continued from above) ↑

Department / Fund Relationship
Fiduciary Funds
X

Capital Improvement Plan

The capital improvement plan is a multi-year plan for the County's long-term investment in the County's physical assets. The plan outlines specific projects, the costs, and funding sources.

Capital Budgeting Process

In order to be funded, the budget committee accepts requests from all departments during the normal budget process. The budget committee then reviews the request to see if (1) the request falls within the long-term goals of the County and (2) funding is available. The projects are then presented to County Council during the budget workshop for their review in the final proposed budget. All General Fund capital projects must be supported by reserves or grants, and all Enterprise Fund capital projects must be supported by user fees, other charges, or grants.

Basis for Capital Revenue and Expenditures Estimates

Expenditure estimates are submitted to the budget committee based on figures provided by each department. Cost projections for large projects are assessed by the County's engineers or consultants. The budget team evaluates capital requests to determine whether sufficient revenue is available to support the purchase. For major sewer projects, the engineering and finance departments collaborate to assess whether the project qualifies for State or Federal funding.

Capital Improvement Project Ranking and Prioritization Process

Capital expenditures are determined based on available funding. The budget team prepares a five-year capital projection to ensure adequate financing for multi-year projects. If funding is insufficient, the budget committee will request that departments resubmit their original requests, prioritizing essential projects. Additionally, department heads will be asked to provide a list of projects that can be postponed. The budget team will then review the revised requests and present them to the County Council for consideration.

Definitions and Criteria for Capital Projects

The Capital Improvement Plan is used to manage financial resources allocated for capital projects, otherwise known as capital expenditures, including the acquisition, construction, or enhancement of capital facilities. These projects typically involve large-scale investments that exceed normal operational costs. The assets acquired or developed through capital projects generally have long lifespans, and most projects extend over multiple years.

Capital projects are evaluated based on several key factors, including alignment with the County's organizational objectives, project justification, financial feasibility, environmental impact, and long-term effects on the County.

Debt Overview Summary

Sussex County's fiscal year forecasts \$200 million in outstanding bonds payable. This debt is backed by the full faith and credit of Sussex County Government, although revenues from the sewer utility are being used to pay for the debt service. There is no General Fund bonded debt; **the debt is solely used to fund business-type activities**. The County issues debt to fund business-type capital improvements. Business-type operating expenses and capital improvements of a normal recurring nature are included in the calculation of the revenue requirement from rates and are financed on a "pay-as-you-go" basis. The County has a triple-A bond rating by both S&P and Moody's Investment Services.

The forecast for the County's Enterprise Fund debt will increase \$50 million by the end of 2026. The debt is for the construction costs associated with the expansion of the Unified Sewer District. The payments for these debt issuances will be covered by assessment charges paid by the users in the respective areas.

Sussex County legal debt limit, by statutory, is 12 percent of assessed value of taxable property. The chart below shows the proposed debt limit and legal debt margin.

Description	Amount
Projected Assessed Value (changed from \$4 billion in FY2025 to \$92 billion in FY2026 due to reassessment)	\$92,000
Debt Limit (12% of Assessed Value) (changed from \$504 million in FY 2025 to \$11.04 billion in FY2026 due to reassessment)	11,040
Forecasted Net Debt Applicable to Limit	200
Legal Debt Margin	\$10,840

Projected Legal Debt Margin Calculation for Fiscal Year 2026 (in millions of dollars)

Fiscal Year Ending	Principal	Interest	Total
2026	\$9.0	\$3.9	\$12.9
2027	9.1	3.8	12.9
2028	8.8	3.6	12.4
2029	8.6	3.4	12.0
2030	8.8	3.2	12.0
2031-2035	45.2	13.4	58.6
2036-2040	41.3	9.4	50.7
2041-2045	29.1	5.6	34.7
2046-2050	22.3	2.9	25.2
2051-2055	11.6	1.0	12.6
2056-2060	4.9	0.3	5.2



Fiscal Year Ending	Principal	Interest	Total
2061-2064	1.3	0	1.3

Total Projected Business-type Debt Service (in millions of dollars)

The annual debt service amounts are projected to be paid 100 percent by assessment charges by users of the applicable sewer areas, and 40 percent will be paid by sewer service charges and sewer connection fees. Again, all debt is related to the improvement and expansion of sewer infrastructure.



Appendix



Glossary

Accrual: Relating to or being a method of accounting that recognizes income when earned and expenses when incurred (see modified accrual and full accrual)

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

ACFR: Annual Comprehensive Financial Report

Actuarial: A statistical calculation performed by actuaries.

AD&D: Accidental Death and Dismemberment Insurance

ADC: Actuarial Determined Contribution

Ag.: Agriculture

ALS: Advanced Life Support

Annual Budget: A budget covering a single fiscal year.

Appropriated Reserves: Funds that have been set aside from previous fiscal years.

Appropriations: A legal authorization granted by a legislative body to make expenditures and to incur obligations.

ArcGIS: A geographical information system used by the County's GIS department

ARPA: American Rescue Plan Act

Assessed Value: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assessment Charges/Rates: A sewer or water charge that is primarily used to recover the cost of debt payments and can also be used for sewer and water system improvements and maintenance costs.

Assessment Rolls: A database of properties located in Sussex County that includes the assessed value of those properties.

Assets: The resources owned by an entity. All assets have a capacity to provide future services or benefits.

Assmt: Assessment

Audit: An examination of the County's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audited: The number or statement has been examined by an independent certified public accountant.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Available Revenue: Revenue collectible within the current period, or soon enough thereafter, to pay liabilities for the current period.



Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Flow: The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.



Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Compliance: Adherence to relevant laws, regulations, and internal policies governing financial reporting and operations.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

COVID: Coronavirus disease

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

DEMA: Delaware Emergency Management Agency

EDU: Equivalent dwelling unit

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery — direct, indirect, and capital costs — are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Equity: The residual interest in the assets of an organization after deducting liabilities, representing the owners' stake in the business.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)



Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

FAA: Federal Aviation Administration

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Financial Statements: Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

Fiscal Year: The 12-month period for which an organization plans the use of its funds, typically not the same as the calendar year.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

FY: Fiscal year

FYE: Fiscal year end

GAAP: Generally Accepted Accounting Principles - Standard accounting principles, standards, and procedures that companies use to compile their financial statements.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure



assets, such as bridges, roads, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

GIO: Geographic Information Office

Governing Body: A board, committee, commission, or other executive or policy making body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Internal Controls: Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

LEPC: Local Emergency Planning Committee

Liabilities: Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

M: Million

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.



Net Income: The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

OPEB: Other Post-Retirement Employee Benefit Trust Fund

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Funds: Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenues: Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.



Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

RTT: Realty transfer tax

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.



Ordinances

The Budget Ordinances can be found here: [Sussex County](#)

