

May 20, 2003

Sussex County Council
County Administrative Office Building
2 The Circle
P. O. Box 589
Georgetown, DE 19947

Dear President and Members of Council:

As required by Delaware Code, Title 9, Chapter 70, § 7003, paragraph (c) subparagraph (5), I respectfully submit the proposed annual operating budget for Sussex County for Fiscal Year (FY) 2004. The FY 2004 proposed budget was developed by the Budget Committee consisting of the County Administrator, the Finance Director, and the Director of Accounting. The information necessary to develop the budget was provided by each department and the County's Finance Coordinator.

The theme for the proposed 2004 budget is, ***"Things have been good . . . up to now!"*** For 15 years the budget that I have presented to the County Council has always been as conservative as possible. Although the new budget will increase spending at a higher percentage than recent budgets, Council should not think that thrift was ignored in developing the proposed 2004 budget. With continued growth in property assessments and population, it is inevitable that the percentage of budget expenditures will exceed past budgets.

For the proposed 2004 budget, assessments are projected to increase at a rate of 4.5 percent. The value of building permits issued in Sussex County for calendar year 2002 exceeded that of both Kent and New Castle County combined.

The budget process is not an open-and-closed ledger process. The most effective budgets focus not just on immediate needs or the politically popular issues, but instead on what is important for the long-term best financial interest of the County.

One thing that is always obvious to me this time of the year is that past budgets that have already been adopted were much easier to develop than the one that is in hand. With each budget preparation the Budget Committee aims for perfection but no budget is without imperfection. I am sure that the proposed FY 2004 budget will be just as financially stable as past budgets. American entrepreneur Donald Trump once stated, *“I try to learn from the past, but I plan for the future by focusing exclusively on the present. That’s where the fun is.”*

The proposed General Fund FY 2004 budget will increase 19.81 percent over FY '03 General Fund expenditures. This compares to New Castle County's General Fund increase in expenditures of 2.9 percent and Kent County's of 8.5 percent. The primary reason for the proposed General Fund increase in expenditures for FY 2004 of 19.81 percent is because of this year's Appropriated Reserve [see Addendum 7]. This year's Appropriated Reserve is in the amount of \$6.2 Million. This compares to 2003 expenditures for this account of \$2,516,306.

In addition to the increase in the Appropriated Reserve, the Budget Committee is recommending a new program entitled, “Economic Development Stimulus Loan Program.” There is \$1 Million being proposed for this program. I will give more details on the proposed expenditures for the Appropriated Reserve and the Economic Development Stimulus Loan Program further on in the budget letter.

Without the Appropriated Reserve and Economic Development Stimulus Loan Program expenditures, the proposed FY 2004 budget would have increased 5.65 percent. This 5.65 percent is comparable to increases in the General Fund from FY 1994 through FY 2003. During that ten-year period, County expenditures increased an average of 8.6 percent annually.

There are other contributing factors as to why the Budget Committee is recommending increased spending. Several of those factors are out of our control [see Addendum 8]; for example, public officials' liability insurance increased 100 percent, Airport liability 33 percent, Sheriff's liability 165 percent, and double-digit increases in health insurance, workmen's comp, general liability, and bonding.

Sussex County Council

May 20, 2003

Page 3.

March 2002, we were paying 76¢ a gallon for gasoline compared to \$1.13 in March 2003, an increase of 49 percent. Propane costs for heating of the Administrative Building increased 61 percent during this same time period [see Addendum 8]. Also, I would be remiss if I did not mention that Governor Minner's 2004 budget that was introduced on January 30, 2003, calls for a change in the funding for paramedic services. The Governor is proposing legislation that would change the County contribution of 40 percent to 60 percent and at the same time reducing the State contribution of 60 percent to 40 percent. This will result in a reduction of income to the County of \$1.4 Million that will have to be addressed in the paramedic budget. The County's expenditures for State police service in the County will increase \$906,000, a 17.7 percent increase over FY 2003.

All of these are contributing factors as to why the Budget Committee feels it necessary to allow for this year's budget to have a 19.81 percent increase. The Budget Committee strongly believes that this is only a one-year adjustment. Except for unforeseen circumstances, such as devastating results from pending problems in the Mideast, the Budget Committee believes that we will be able to go back to providing a financial plan that limits spending to less than a five percent increase annually.

The proposed revenues and expenditures for the FY 2004 budget were calculated with comparisons of past and current financial trends and the professional experience of the Budget Committee. FY 2004 will be the first full budget year that the County has had a bond rating of 'AA' from two agencies. In addition to the 'AA' rating that we received from Standard & Poor's on December 5, 2002, we also received an 'AA' rating from Moody's Investors Service. This rating was beneficial with refinancing that was done in 2003 and will be beneficial for any borrowing that may take place in FY 2004.

In a report released by Fitch Ratings, Public Finance, dated November 21, 2002, Fitch Ratings undertook a study of defaults of municipal debt, which resulted in the revision of its rating criteria for many sectors of public finance. During that process, Fitch came to the conclusion that management practices were more important in predicting favorable credit performance than had been appreciated in the past.

In developing the proposed FY 2004 budget, the Budget Committee has adopted the Fitch Ratings "Best Financial Management Practices for Governmental Issuer: [see Addendum 2]. The Budget Committee recommends that the County government maintain an Operating Reserve of a minimum of 20 percent.

The Fitch Ratings report states, **"Maintaining an operating reserve or rainy day fund is perhaps the most effective practice an issuer can use to enhance its credit rating. It is also the most frequently implemented practice, adopted by both large and small local government issuers. A financial reserve may be used to address unanticipated revenue shortfalls or unforeseen expenditures. This provides a first defense against deficit spending and helps maintain liquidity when budgetary drawdowns become inevitable."**

The Budget Committee believes that we should not ignore financial warning signs that indicate now, more than ever, we may need a "Rainy Day Fund." Delaware government is reportedly facing a \$300 Million shortfall. Should the programs that are being recommended for implementation by Governor Minner fail to eradicate that deficit, State government may be looking at shifting additional responsibilities requesting larger contributions to shared programs. An article that appeared in the Sunday News Journal on February 2, 2003, under the headline "Delaware not alone budget woes" stated, **"Coast to coast, states hope tax hikes, spending cuts have impact. From Alaska to Texas, states' governors and legislators are turning over dozens of rocks to find new sources of revenue or looking askance at programs that be cut as they try to close the worst gaps in their budgets in more than 50 years."**

As of this writing, we do not know what the affect to our finances will be as a result of military action being proposed in the Mideast by President George W. Bush. The Budget Committee is confident that there are enough checks and balances in the proposed FY 2004 budget to allow us to make adjustments during the year, should be necessary.

The following goals were used to establish the FY 2004 budget:

- ◆ **Balanced budget**

- ◆ **Maintain an Operating Reserve of a minimum of 20 percent**
- ◆ **Continue fully funding the Pension Program**
- ◆ **Operate without tax-supported debt**
- ◆ **Maintain 'AA' bond rating**
- ◆ **Expand public safety and library services**
- ◆ **Upgrade existing wastewater services and expand user base**
- ◆ **Maintain current tax rate**
- ◆ **Continue tax and sewer assistance programs**
- ◆ **Develop supporting land use ordinances**
- ◆ **Continue Open Space and Farmland Preservation Program**

I would like to take this opportunity to highlight the proposed budget that begins July 1, 2003.

1. **TAX RATES**

The tax rate for the proposed FY 2004 budget is 44.5¢ per \$100.00 assessment. To no one's surprise, this is the same rate that was established May of 1990. The rate is calculated by adding the estimated general operations rate of 36.97¢ per \$100.00 of assessment, the estimated library rate of 4.33¢ per \$100.00 of assessment, and the estimated capital fund rate of 3.2¢ per \$100.00 of assessment. The assessment is based on 50 percent of 1997 assessed value of property. The proposed FY 2004 budget projects that the

County government will collect \$9.1 Million in General Fund property tax [see Addendum 4]. General Fund property taxes are 22 percent of the County General Fund expenditures.

As required by State law, Title 14, Chapter 8, § 1917, the County's Treasury Division will collect all school taxes. County government is required to do the assessment, billing, collection, and litigation when necessary, of State school property taxes. In FY '03, the County billed \$47,678,938 for the eight school districts. The County government's General Fund portion of the property tax is 16.4 percent of the Sussex County property owner's entire tax bill [see Addendum 11].

Over the past years school districts, as well as the County, have benefited from the increase in tax base. Many school district assessments have exceeded the 16.4 percent of the County's tax base in the individual districts.

ANNUAL SCHOOL ASSESSMENT

<u>School District</u>	<u>1998-2002</u>	<u>Percent Increase</u>
		<u>1990-2002</u>
Cape Henlopen	21.50	46.50
Delmar	14.50	44.80
<u>School District</u>	<u>1998-2002</u>	<u>Percent Increase</u> <u>1990-2002</u>

Indian River	19.50	45.30
Laurel	16.40	51.30
Milford	16.30	41.73
Seaford	14.30	35.20
Sussex Tech	19.10	45.40
Woodbridge	19.90	54.87
Sussex County Government	19.10	45.40

Once again, there will not be any tax dollars spent on outstanding General Fund tax indebtedness. The County Council should take pride in this fact. There are very few governments of our size that do not have to rely on tax dollars to pay General Fund debt. The only General Fund obligation that the County has is supported by utility incomes. The outstanding obligation debt totals \$100,087,884. Based on our current assessment value in the County, the County government has the ability to borrow up to \$248,120,530. This is based on the County being able to borrow, under State law, 12 percent of our total assessments. Recent real estate market trends indicate that the County assessments only reflect 15 percent of the real estate market Countywide.

The capital tax rate of 3.2¢ per \$100.00 of assessed value in FY 2004 will generate \$655,100. This funding will contribute to the Capital Improvement Fund. The Capital Improvement Fund will continue to be developed on a pay-as-you-go basis. Income for the Capital Improvement Fund for FY 2004 is:

	Amount
	Year Ending
<u>Revenue</u>	<u>June 30, 2004</u>

Taxes	\$ 655,100
Realty Transfer Tax	1,850,000
Federal Airport Grant	913,730
State of Delaware – Airport Grant	50,763
State of Delaware – Courthouse Addition	91,793
Road Project Special Assessments	13,000
Landfill Water Connections	10,000
Investment Income	<u>20,000</u>
TOTAL REVENUE	<u>\$3,604,386</u>

The proposed FY '04 budget indicates that 21 sources of revenue will increase during the year. This compares to 22 sources of revenue that increased in FY '03. The increase in sources of revenue is a result of increases in the volume of work each department will perform.

The realty transfer tax is projected to generate \$11,850,000 of income during FY '04. This is a 33 percent increase over FY '03. The realty transfer tax will once again exceed property tax as a revenue generator for the County government. This is a statement of fact and not meant to be a boast. The Budget Committee believes it is very important that prudence be used in spending this funding. Long-term dependency of County operations on this funding could be devastating with a downturn in the economy. Subsidies for sewer service, the Open Space Program, and Capital Improvement Funding would have to be reduced or deleted if this funding did not generate revenue in excess of what is needed for public safety. Realty transfer tax funding for FY 2004 will be used for the following:

- Paramedics

- Fire Service
- Ambulance Service
- Emergency Operations Center
- Solid Waste
- Sewer Service Subsidy
- Local Government Revenue Sharing
- Open Space
- Capital Improvement Fund

2. **PUBLIC SAFETY**

As the year-round population and visitors continue to increase in Sussex County, the requirement to provide public safety necessitates an increase in spending. Public safety expenditures will increase 14 percent over FY 2003 expenditures. Police, fire, ambulance, sheriff, emergency operations, paramedics, and emergency preparedness administration services will cost \$12,433,555 in FY 2004 [see Addendum 9].

The proposed FY 2004 budget calls for the County government to provide a contribution in the amount of \$906,000 to the State of Delaware toward salaries and the purchase of equipment for additional State police in Sussex County. The County Council will continue to provide approximately 50 percent of the cost of 12 policemen stationed at Troop 4 in Georgetown. The new FY 2004 budget will be the second year the County has agreed to phase in an additional 20 officers. During FY 2003, the County paid 100 percent of four additional officers. This year the agreement requires the County to pay 50 percent toward the four officers hired in FY 2003 and 100 percent of four

additional officers being hired in FY 2004. This will bring the total to 20 that the County is assisting with. Twelve (12) additional officers will be added proportionately over the next three years after FY 2004. The total County contribution for the 20 additional policemen over a six-year period is approximately \$3.8 Million, with the State's share being \$1.7 Million. On a percentage basis, the County will pay 69 percent while the State of Delaware will pay 31 percent.

By FY 2007, the County and the State will be sharing the cost of 32 additional officers. County funding to pay for this program is being generated by the realty transfer tax. This tax is only collected in the unincorporated areas of Sussex County. Anyone living in a municipality who is already receiving police protection will not have their property taxes contributing to this program.

In addition to the \$906,000 that is being provided for salaries and equipment for the State police, the proposed FY 2004 budget will allow for a contribution of \$1.1 Million for converting the old Bridgeville State Visitors Center into a new home for Troop 5 of the Delaware State Police. The Budget Committee is recommending that the County Council enter into a joint agreement with the State for the sharing of this facility. It is estimated that the conversion and upgrade will cost \$3.3 Million. If the State is willing to share the facility with the new 10 Paramedic Unit, the County Council would assist in providing \$1.1 Million. Governor Ruth Ann Minner's proposed budget in January did not allow for the expenditure for this program. If the final adopted version of the Governor's budget excludes the State's contribution toward this program, the \$1.1 Million would be transferred toward the cost of a new Emergency Operations Center. When the County Council entered into an agreement with the State for staffing the additional troopers in Georgetown in 1996, there were 112 State policemen in Sussex County. With the additional four troopers in FY 2004, the total will raise to 161. This is a 43.7 percent increase in police staffing. This compares to Kent County who in 1996 had 63 State police and in FY 2004 will have 83 State police, a percentage of increase of 32 percent.

Sussex County volunteer fire companies will receive \$2,183,974 in funding for FY 2004. It is projected that the Fire Service Enhancement Fund will increase approximately 16.2 percent. The proposed budget calls for a contribution of \$1,075,000 for FY 2004. This funding is generated from one-quarter-of-one percent of the cost of the value of new construction. This will be the first year that this income is budgeted for over \$1 Million. The program has been in place for six years.

The Sussex County Volunteer Firemen's Association has recommended that the base figure be set at \$875,000. This funding will be shared equally among the 21 fire companies. Carlisle Fire Company will receive a 50 percent share because it is located in both Kent and Sussex County. Mid-Sussex Rescue and Georgetown American Legion Post No. 8 ambulance companies will receive \$10,000 each from this account. Funding generated in excess of \$875,000 will be distributed based on the percentage of new construction in the individual fire districts to each company.

The equipment grant portion for the fire service will increase 4.5 percent in FY 2004. This funding is based on the growth of property assessments during the previous year.

Basic life support funding will increase \$150,000 during FY 2004. This computes to a 49.4 percent increase for this category over FY 2003. This funding allows the volunteer companies to hire paid ambulance attendants to fill in for the hours when volunteers are not available. During FY 2004, 21 companies will have paid ambulance attendants. Millville will receive an additional \$3,140 ambulance equipment grant because they provide coverage in the Bethar Beach fire district also. The fire companies that are paying for part-time basic life support attendants are:

Blades	Georgetown American Legion	Millsboro
Bridgeville	Greenwood	Millville
Carlisle	Gumboro	Milton

Dagsboro	Laurel	Rehoboth Beach
Delmar	Lewes	Roxana
Ellendale	Memorial	Seaford
Frankford	Mid-Sussex Rescue Squad	Selbyville

The Georgetown Fire Company will receive \$3,000 for the purchase of foam for the firefighting equipment that is housed at their station for Countywide use. An additional \$12,000 will be provided to allow for the purchase of foam to be solely designated for use at the Georgetown Airport.

As in previous years, \$2,000 will be made available toward the cost associated with the memorial service that is held at the Delaware Volunteer Firemen's Association Annual Conference. The fire prevention pre-school education program will receive a \$5,000 contribution. This funding must be matched at a 50 percent level by the fire companies submitting a contribution.

It has been well documented that during a ten-year period the County had a population increase of almost 40 percent. The Budget Committee is pleased that during the last ten years County government contributions to the Sussex County volunteer fire service have increased 268 percent, based on the recommended FY 2004 funding.

3. **EMPLOYEES**

The Budget Committee is recommending that all employees making \$52,000 or less receive a \$520.00 increase effective July 1, 2003. Employees making over \$52,000 a year will receive a one percent increase. An additional one percent will be provided for all employees January 1, 2004, as long as expenditures are within income for the FY 2004 proposed budget are in conformity with the budget projections [see Addendum 12]. Funding is also made available on the basis of merit, promotion, and longevity increases. It is my understanding that the proposed New Castle County government budget is projecting a three

percent increase for all of their employees, and Kent County a one-and-a-half percent increase to all of their employees including Levy Court members, and an additional one-and-a-half percent to everyone except Levy Court members. The current proposed State budget calls for no salary increase for State employees. Based on past County policy that retirees receive 1 percent of the cost of living awarded to employees, retirees will receive one percent in July, but will not receive an increase in January.

The Budget Committee trusts the employees will realize that for the past 10 years they have received a cost of living increase every year. Most years have been higher than what is being projected, but benefits continue to increase. The proposed FY 2004 budget indicates that health insurance will increase 7 percent. During FY 2004, each individual employee will have a contribution made in the amount of \$780.00 per month for vision, dental, and group hospitalization. This is an annual contribution of \$9,360 per employee. The pension contribution will increase 33 percent, to 12 percent of the gross recommended salary for each employee. The County government will still be required to self-insure each employee for the first \$75,000. A reduction in the self-funding portion of the group hospitalization may have led to a greater increase.

The Budget Committee is pleased that there will not be any changes in the prescription drug benefit program. Funding will be allowed for the continuation of the long-term disability insurance for employees. This insurance is beneficial to employees who have exhausted all of their sick and vacation time. The program which allows for the transferring of sick and vacation time from one full-time employee to another full-time employee that was established in FY 2002 will also continue.

The Budget Committee would like to have a higher cost of living increase, but we believe that if the employees look fairly at the overall benefit package that the County has, it would be difficult to find a better program.

The County currently provides group hospital benefits for most pensioners. The County has funded this on a pay-as-you-go basis in the past from the General Fund. The Governmental Accounting Standards Board (GASB) has issued a proposed statement that will require the County to reflect the liability for the group hospital coverage for pensioners on our financial statement. It will also require us to expend an amount of approximately \$2 Million per year to fund the pensioner group hospital benefit liability. The County's actuary has completed a report which estimates this liability to be approximately \$19 Million in total.

During Fiscal 2003, the County began the process, in advance of the proposed accounting standards, to set aside funds to pay for pensioner group hospital benefits; \$500,000 was budgeted. Any funds accumulated in this account will reduce the County's future annual liability for pensioner benefits when the new accounting standards go into effect, possibly during Fiscal Year 2008. The Fiscal Year 2004 contribution of \$500,000 will reduce the annual \$2 Million expense for this growing liability, which will be reported on our financial statements in the near future. Failing to fund group hospital benefit future liability could have an impact on the County's bond rating, as much as the effect of under-funding the pension plan.

4. **COUNTY COUNCIL**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$3,220,498	\$1,905,543	\$330,678	\$375,445	\$414,376

1 Council President

1 Council Vice President

3 Council Members

1 Clerk of the Council

Telephone: (302) 855-7743 Fax: (302) 855-7749

Agenda Line: (302) 855-7888

Website: <http://www.sussexcounty.net>

E-mail: gcole@sussexcounty.net; ddukes@sussexcounty.net;
fjones@sussexcounty.net; vphillips@sussexcounty.net;
lrogers@sussexcounty.net

The County Council is the legislative branch of County government. The County Council consists of five elected members. Each Councilman is elected from their own district. The County Council President is elected by the members of the Council at their organizational meeting in January. The five Councilmen receive an annual salary of \$21,131, effective July 1, 2003. The County Council President, which rotates each year at their organization meeting, receives an additional \$1,000.

The County Council's proposed FY '04 budget allows for the Council to belong to the following organizations:

- Delaware Association of Counties
- Delaware League of Local Governments
- Delaware Rural Water Association
- Delaware Safety Council
- Delmarva Water Transport Committee
- First State RC&D Council
- National Association of Counties
- Sussex County Association of Towns

Councilmanic funding will once again be allotted at \$10,000 per Councilman. The Recreation Assistance Program will remain at the same level of funding, \$6,000 per Councilman. Funding from these accounts can be encumbered but not spent during the current budget year and carried over the following year.

The County Council will contribute funding to the following activities during FY '04:

- Delaware Technical & Community College**
- Annual Women's Conference**

**Senior Citizen Beach Day
Slam Dunk To The Beach
Sussex County Science Fair
Women's Health Conference**

In FY 2004, the Budget Committee is recommending that the County Council consider establishing an "**Economic Development Stimulus Loan Program.**" The Economic Development Stimulus Loan Program would be used to assist municipalities in Sussex County with a low-interest loan for the development of economic-beneficial programs. In recent years, both the State of Delaware and the United States federal government have had to reduce traditional assistance programs that have been beneficial to local governments in the area. While local governments will need to develop greater financial self-sufficiency, not all local officials have the resources to deal with the challenge of growth without straining the financial resources of the community. Increasing population, heightened economic activities, and more intense development are all major concerns that local governments in Sussex County are dealing with.

Funding in the amount of \$1 Million is being provided to allow for the County Council to establish the program for the first year. This funding is being made available from the realty transfer tax. Future funding of this account will be determined each budget year. The establishment of this program will be beneficial to local governments, as well as the County government. Traditional local government services compete for excess funding that a local government may have to allow for the development of an entrepreneurial economic development program. A successful economic development program may be beneficial in increasing revenues for the local government. County government, as well as the school districts.

Eligible Application Requirements

- All Sussex County governments in good standing with the Sussex County Association of Towns;

- Local governments must demonstrate their ability to repay the loan;
- Local governments whose charter allows the ability to borrow funding for the individual projects;
- Local governments whose town councils have voted to apply for the funding a public meeting with the passage of a resolution and minimum two-thirds public vote;
- Local governments who have a five-year capital budget;
- Local governments who have had a balanced budget for a minimum of three consecutive years.

Eligibility

Projects must meet the following criteria:

- Maintain or provide gainful employment within and for the people of Sussex County;
- Aid, assist, and encourage economic development or redevelopment in Sussex County;
- Maintain, diversify, or expand employment-promoting enterprises within Sussex County.

Eligible Projects

- Construction of a new building or the purchase, renovation, or expansion of an existing building that will generate income to the municipality and the County government;
- Purchase and improvement of land needed to accommodate a structure that will generate income to the municipality and the County government;
- Provisions for access roads, utilities, and other site development facilities related to a project that generates income to the municipality and the County government;

- Development and construction of machinery and equipment, including pollution control equipment, that will generate income to the municipality and the County government;
- Construction of new utilities, purchase of an existing utility, or expansion of an existing utility that will provide income to the municipality and the County government.

Determination of Eligibility

To be eligible for the Economic Development Stimulus Loan Program, the County government must make the following findings as to the project:

- The project will provide a public benefit;
- The debt will be repaid from revenues of the project or other sources;
- The local municipality shall pledge its full faith and credit and good faith taxing abilities toward the debt.

Loan Limitation

- The maximum amount of funding that will be eligible for each application will be \$250,000;
- Municipalities may apply for a multitude of projects.
- Municipalities may only apply for one project per year.

Terms of Loan

- Municipality requesting funds will pay the cost of drafting the loan agreement;
- Individual repayment schedules will be negotiated;
- One percent annually on the unpaid balance;
- Interest payments will be made on the anniversary of the award of the loan annually;

- Principal payments will be made as the municipality receives impact fee service charges, or taxes from the project;
- Funds repaid will be placed in a current General Fund account;
- All unpaid balances will be paid in full on the tenth anniversary of the initial loan.

Loan Committee

The Loan Committee will consist of the President of the Sussex County Council, County Attorney, County Administrator, County Finance Director, and Director of the Sussex County Economic Development Office.

Council Approval

The Sussex County Council will vote on the recommendation of the Loan Committee at a regularly scheduled Council meeting.

County Council meetings will once again be available on a nationwide basis on the Internet. Anyone wishing to monitor County Council meetings which are normally held at 10:00 a. m. on Tuesdays, Board of Adjustment meetings which are held at 7:00 p.m. on the second and fourth Monday of each month or the Planning and Zoning Commission meetings which are normally scheduled for the second and fourth Thursday of each month will be able to link from the County's home page of www.sussexcounty.net to monitor the meetings.

The Sussex County Council will accomplish the following objectives during budget year 2004:

- ✓ ***Strengthen intergovernmental cooperation at the local, State, and Federal levels***

- ✓ *Maintain public availability*
- ✓ *Adopt supporting ordinances for the new Land Use Plan*
- ✓ *Adopt Economic Development Stimulus Loan Program*

5. **LEGAL**

The proposed FY 2004 budget indicates the County Council will spend \$206,000 for legal services. This funding will be paid to the private sector for legal services. With the resignation of Eugene H. Bayard and Dennis Schrader in December of 2002, the County Council will receive legal representation from James D. Griffin, and Vincent G. Robertson will represent the Planning and Zoning Commission. Richard E. Berl, Jr., will continue with legal representation of the Board of Adjustment. The three attorneys will be responsible for representing the County in all legal matters and perform other duties as described in 9 Delaware Code, § 7005.

Based on the volume of legal work that is required to manage the County government, it will be necessary to use services of the law firm of Young Conaway, Stargatt & Taylor regarding personnel and labor issues, the law firm of Parkowski, Noble & Guerke on environmental issues, and the law firm Potter Anderson & Corroon to assist with bond funding.

The Budget Committee strongly recommends the continued contracting of legal services. Because of the wide array of issues, it is cost-prohibitive at this time to try to have enough attorneys and staff to handle all issues in-house.

The Legal Department will accomplish the following objectives during budget year 2004:

- ✓ *Attend all public hearings and meetings as required*
- ✓ *Advise and assist in drafting ordinances to support the new Land Use Plan*

✓ *Provide legal interpretation in a timely manner*

6. **GRANT-IN-AID PROGRAM**

During FY 2004, the grant-in-aid contribution will be \$5,347,140. Grant-in-aid contributions include programs for police and the fire and ambulance companies. Other programs funded through this account include the Future Farmers of America, CHEER's Meal Program, Small Business Development Center, and First State Community Action. The Budget Committee is pleased that they can recommend funding at the current level in the FY '04 budget. Many of these same programs that receive State funding will have reductions at that level.

The Budget Committee is recommending a \$50,000 contribution to assist the University of Delaware with their Extension Poultry Engineer. The \$50,000 will be contingent upon the State of Delaware continuing to fund this program also. The Extension Service will receive a one percent increase in other funding portions of the County's grant for FY 2004. This will increase the County's total contribution to the University of Delaware to \$160,206. This compares to a contribution by New Castle County government of \$55,000 and Kent County government of \$26,000.

The Sussex Conservation District will receive a contribution of \$124,033 for FY 2004. This is a one percent increase in funding for the salaries of the Coordinator, Sediment and Stormwater Management Assistant, and Equipment Manager. The \$124,033 includes \$75,000 to match the State funding for the Tax Ditch Program. It is the Budget Committee's understanding that New Castle County's contribution for FY '04 to their Soil Conservation District is \$120,000 and Kent County's is \$100,000, respectively.

Human Service Grants will once again be made available for nonprofit agencies to apply for this funding in August, with grants being awarded by the County Council in late October. The proposed FY 2004 budget is funded at

\$110,000. Based on other budget needs, the Budget Committee recommending a reduction of \$6,593. Although it may appear that we are reducing the Human Service Grants account, the Budget Committee believe that we should consider the \$149,250 that is recommended in community improvements. Although this may be a one-time funding, many of the projects would have requested funding under the Human Service Grants category.

Revenue Sharing will be made available in the amount of \$135,000 for municipalities in Sussex County. Municipalities that do not have a real property transfer tax, or who collect less than \$20,000 annually in their realty transfer tax will be eligible to receive Revenue Sharing from the County in the amount of \$15,000. Since this program was started, the County government has made a contribution in the amount of \$495,000 to local governments.

Funding contributions during FY 2004 will be made to local governments in the following areas:

Town of Georgetown	Payment in Lieu of Taxes	\$ 5,782
	Treatment of Waste from Sussex County Industrial Airpark and Purchasing of Water and Sewer Services for County Properties Located in Georgetown	\$ 61,042
	Treatment of Waste from the Ellendale Sanitary Sewer District	\$ 41,365
City of Rehoboth Beach	Acquisition of Water for Dewey Beach	\$370,000
	Treatment of Sanitary Sewer for Henlopen Acres and Dewey Beach	\$586,000
	Revenue Sharing for 9-1-1 Fee for Telephone Bill	\$ 48,548
City of Seaford	Treatment of Sanitary Sewer for the Town of Blades	\$147,000

Revenue Sharing for 9-1-1 Fee for
Telephone Bill

\$ 40,535

The Sewer and Water Low-Income Loan Program, the County's Sewer and Water Low-Income Assistance Program, West Rehoboth Sewer Low-Income Assistance Program, and Federal Rural Development Hookup Cost/Loan Grant Program will once again be available in FY '04. The loan fund can be utilized on delinquent or current balances. The interest rate is three percent. The Budget Committee is recommending that the County's Sewer and Water Low-Income Assistance Program subsidy remain at \$200.00 annually. This funding is made available to individuals who meet the income guidelines for the programs as established by HUD/CDBG low-income levels. To be eligible and remain eligible for these programs, an applicant's liquid assets cannot exceed \$15,000. Currently, there are 308 households utilizing these programs [see Addendum 10].

The proposed 2004 budget allows for the continuation of the County property tax subsidy for the County's portion of the property tax bill. Guidelines that were established for this program in FY '02 allow that any individual whose annual income does not exceed \$15,800 is eligible for the program. Households having more than one adult cannot have an income exceeding \$20,000. This subsidy is in the form of a grant that can be applied to the County's portion of the property tax bill only. Funding cannot be applied to school or ditch taxes. This program does not restrict anyone from applying for the senior citizen or disability programs that give exemption from all property taxes. To date, there are 25 households receiving some form of subsidy from the County Council for this program.

The Budget Committee believes that Sussex County government is the only local government in the State that is offering wastewater assistance and the County tax subsidy program.

Funding in the amount of \$625,499 will be made available for the Sussex County Land Trust. In FY 2002, the County entered into a partnership with Sussex County Land Trust, a nonprofit conservation organization dedicated to protecting natural, cultural, agricultural, and recreational resources through land preservation, stewardship, and education for today and tomorrow [see Addendum 6]. The FY 2003 budget allowed for a contribution of \$1 Million. The \$625,499 contribution in FY '04 will be made available from the Appropriated Reserve account. County funds pledged to the Trust shall only be used for land acquisition, the purchasing of development rights, or the stewardship of land purchased with County funds. Funds are not permitted to be used for general administration of the Trust. County funds contributed to the Trust may only be expended for specific purposes that are approved by four affirmative votes of the Council members at an open meeting. The \$625,499 contribution for FY 2004 is ten percent of the surplus that was generated from FY 2003. Each year's contribution will be limited to excess revenue in the amount of ten percent from the previous audited budget year.

Although the primary reason for the establishment of this program was to purchase open space, there is nothing prohibiting the use of a portion of the funds to be leveraged with the State of Delaware Agricultural Land Preservation Foundation. During FY '03, the County and the Sussex County Land Trust formed a partnership in generating funds to purchase development rights on agricultural land in Sussex County. The County Council provided \$300,000 that was matched by the Sussex County Land Trust. This funding was then leveraged with \$600,000 from the State of Delaware and \$600,000 from the Federal government. The \$1.8 Million allowed the purchase of development rights from five farms. This is a total of 821 acres that will be protected from development for eternity. The Budget Committee believes this will be a very good program for leveraging funding again in the new budget year.

7. **COUNTY ADMINISTRATOR**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$184,616	\$168,759	\$169,488	\$188,965	\$199,202

1 County Administrator – Robert L. Stickels
1 Administrative Secretary
Telephone: (302) 855-7742 Fax: (302) 855-7749
E-mail: administration@sussexcounty.net

The County Administrator is required to perform duties as listed in Title Delaware Code, § 7003, that include, but are not limited to, being the Chief Administrative Officer of the County, attending all necessary government meetings, and being responsible for the proper administration of all County affairs. During FY '04, the County Administrator will represent the County Council on the following committees:

- American Planning Association
- Delaware Association of Counties
- Delaware Emergency Medical Services Oversight Council
- Delaware Inland Bays Estuary Program Executive Council
- Delaware Sea Grant Advisory Council
- Governor's Advisory Council on Planning Coordination
- Livable Delaware Subcommittees
- National Association of Counties
- Sussex County Association of Towns

During FY 2004, the County Administrator will continue to be active with the Sussex County Association of Towns. The Administrator meets with mayors, council members, and town managers on a monthly basis. During FY 2004, the County Administrator will work on strengthening intergovernment coordination and cooperation. This relationship should be beneficial in helping to establish the newly proposed Economic Development Stimulus Loan Program.

In addition to meeting on a quarterly basis with representatives from New Castle and Kent County, the County Administrator will set up a schedule on a quarterly basis to meet with staff members of our congressional representatives. Currently, this is only done on a scheduled annual basis. Meeting on a quarterly basis will allow the Administrator to become more familiar with Federal activities and allow our congressional representatives to better understand what activities the County government is trying to accomplish.

The County Administrator will accomplish the following objectives during budget year 2004:

- ✓ ***Maintain oversight of County departments***
- ✓ ***Assist in drafting supporting ordinances for the new Land Use Plan***
- ✓ ***Lobby on behalf of the County Council for State and Federal funding assistance to reduce utility costs***
- ✓ ***Investigate ways to diversify revenues in order to meet future financial needs for new and existing programs***
- ✓ ***Closely monitor the County's revenues and expenditures on a monthly basis***
- ✓ ***Provide annual road improvement requests for funding through the Delaware Department of Transportation Capital Improvement Program***
- ✓ ***Continue as the primary point of contact and publicly accessible representative for County government***

8. **FINANCE – ADMINISTRATION**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$275,168	\$261,962	\$279,735	\$540,118	\$487,719

1 Finance Director – David B. Baker

1 Finance Coordinator

1 Purchasing Agent

1 Administrative Secretary

Telephone: (302) 855-7741 Fax: (302) 855-7749

E-mail: dbaker@sussexcounty.net

In addition to the responsibilities listed for the Finance Director in Title Delaware Code, § 7004, the Finance Director is responsible for overseeing the financial functions of the County government with respect to expenditures and revenues. As a key member of the Budget Committee, the Finance Director assists in monitoring monthly financial reports and preparing special financial analyses that assist the County Administrator in the monthly monitoring of the County's current budget. The Finance Director oversees the Treasury Division, Accounting Division, Assessment Division, Utility Billing Division, and Data Processing.

The Finance Director is responsible for ensuring that all idle cash is invested at the highest interest rate while minimizing any risk. During FY 2004, it is anticipated that the County's General Fund will generate an income of \$700,000 from investments. This is a reduction of 22.2 percent from earnings on investments in FY '03. The primary reason is because of the low interest rates that are being paid.

The Finance Director will work with the County Administrator in developing the Capital Improvement planned expenditures. It is important that we continue with the pay-as-you-go Capital Improvement Program. Development of capital projects without incurring long-term debt will help reduce the over-

cost, which will be beneficial to the taxpayers of Sussex County as well as future Councils.

The Finance Director will accomplish the following objectives during budget year 2004:

- ✓ ***Maintain County financial stability and planning efforts***
- ✓ ***Continue efforts to collect delinquent taxes and sewer and water charge including pursuing garnishes and court judgments for manufactured home***
- ✓ ***Implement Governmental Accounting Standards Board Statement No. 34 for Fiscal 2003 reporting***
- ✓ ***Develop vehicle maintenance schedule procedure through Purchasing Agent***
- ✓ ***Review and implement consultant sewer and water rate report***
- ✓ ***Review Pension Fund investment status and consider changes***
- ✓ ***Review West Rehoboth sewer refinancing options, i.e. swap or refunding***
- ✓ ***Develop plan for new integrated finance data program which will include Accounting, Assessment, Treasury, and Utility Billing divisions***
- ✓ ***Submit Comprehensive Annual Financial Report (CAFR) for Fiscal 2003 or month earlier***
- ✓ ***Review investment policy regarding collateral and investment composition with goal to increase returns safely***
- ✓ ***Establish County escheat policy for unclaimed funds***

✓ *Establish program to accept sewer and water and property tax payments via the Internet*

✓ *Additional emphasis on administration of financial departments*

9. **FINANCE – ASSESSMENT DIVISION**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$985,943	\$1,006,234	\$1,128,731	\$1,129,095	\$1,261,827

1 Director – Eddy J. Parker

1 Assistant Director

3 Assessor III

3 Assessor II

1 Assessor I

2 Clerk-IV Supervisors

8 Clerk III-Technicians

5 Clerk II-Data Entry

3 Clerk I

Telephone: (302) 855-7824 Fax: (302) 855-7828

E-mail: eparker@sussexcounty.net

It is the responsibility of this division to ensure that all land, building improvements, and other special betterments, except those exempt from taxes, are valued and added to the County's assessment roll for the purpose of taxation. Employees of this division are also responsible for maintaining the County property record cards, maintaining tax maps, and issuing building permits. The director of this division oversees the daily operation of the County's Addressing Program, Constable's Office, and Building Code Department.

The total expenditures for this division have increased 11.8 percent. As with most of the individual departments, the everyday cost of operating this division is only increasing as a result of personnel costs, including benefits.

The Assessment Division will accomplish the following objectives during budget year 2004:

- ✓ ***Maintenance of computerized real estate and parcel database and data entry for transfers, name changes, and legal description of title changes***
- ✓ ***Assist in developing new building code***
- ✓ ***Convert paper records to microfilm to reduce storage insufficiencies in records***
- ✓ ***Provide assistance in obtaining information for the general public, real estate industry, and law community***
- ✓ ***Assure that equity in existing assessment roll is maintained***
- ✓ ***Coordinate efficiency between Building Code, Constable's Office, Mapping and Addressing, and Planning and Zoning***
- ✓ ***Strive to seek more efficient and economical procedures for everyday office tasks***

10. **FINANCE – ACCOUNTING DIVISION**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$476,348	\$473,977	\$520,915	\$611,552	\$662,939

1 Director – Susan M. Webb, CPA

1 Assistant Director
1 Payroll Accountant
2 Accountant III
3 Accountant II
2 Accountant I
1 Clerk II
Telephone: (302) 855-7853 Fax: (302) 855-7722
E-mail: smwebb@sussexcounty.net

The director of this division is responsible for assisting the County Administrator and the Finance Director in preparation of the annual budget and the recording of financial transactions through the budget year to prepare the monthly budget performance reports. A very important part of monitoring the annual budget is the preparation of the monthly monitoring report that is provided to the County Administrator and the Finance Director. Other responsibilities of the employees in this division include the processing of County financial transactions in an accurate and timely manner, to include preparing payroll, maintaining fixed asset records, monitoring Federal and State grants, recommending and approving budget adjustments, review of County bills, and the coordination of the County's annual audit report.

The Accounting Division will accomplish the following objectives during budget year 2004:

- ✓ ***Properly maintain current fixed asset records***
- ✓ ***Maximize the efficiency of the accounting software***
- ✓ ***Assure that funds received are deposited on the day of receipt and invested as soon as they are available in an interest-bearing account***
- ✓ ***Collect all Airport income, including fuel sale premiums***
- ✓ ***Collect all Industrial Park tenant rents***

- ✓ *Monitor all Industrial Park leases to ensure conformity with payme requirements and insurance standards*
- ✓ *Process accounts payable in a timely manner, allowing the County to tak advantage of any discounts that it is eligible for*
- ✓ *Close out year-end records to allow for completion of audited expenses in timely manner*
- ✓ *Provide monthly budget monitoring reports*
- ✓ *Comply with new GASB regulations*

11. **FINANCE – TREASURY DIVISION**

<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$392,080	\$439,831	\$462,354	\$511,451	\$535,442

1 Director – Joyce F. Lord
1 Assistant Director
1 Tax Adjustment Specialist
1 Accountant I
2 Clerk III-Technicians
1 Financial Clerk Teller II
1 Financial Clerk Teller I
1 Secretary II
Telephone: (302) 855-7760 Fax: (302) 854-5078
E-mail: jlord@sussexcounty.net

The Treasury Division is responsible for administrating the State Senior Citizen School Property Tax Credit Program, exemptions for residents over the age (

65, exemption program for disabled, and Sussex County Property Tax Subsidy Program [see Addendum 10].

The Treasury Division is responsible for doing the billing and the collection for eight school districts in Sussex County. During FY 2003, the division billed \$47,678,938 in property tax for the eight school districts in Sussex County. This compares to the County property tax income of \$9,219,891. The school districts have received the same benefit of assessment increases over the years as the County (see Page 6).

Residents of the County over the age of 65 will continue to receive the benefit of the State's exemption program that is administered by this division. Anyone over the age of 65 can have a 50 percent reduction in their primary residence school taxes, regardless of their financial position. This results in a savings to the senior citizen population of approximately \$2.2 Million annually. To participate in this program, seniors only have to apply one time. New applicants must apply before September 1 if they have never been registered in the program in the past. Those registering after September 1 will not be eligible until the following tax year.

The Treasury Division will accomplish the following objectives during budget year 2004:

- ✓ ***Increase capitation enrollment by monitoring Division of Motor Vehicle records and school referendum registrations***
- ✓ ***Aggressively assist the County Attorney in collecting delinquent property taxes and utility fees***
- ✓ ***Adjust tax records to the new addressing system***
- ✓ ***Re-bill payments received that are not paid in full as soon as possible***
- ✓ ***Enhance information for taxes and exemptions on the Internet***

- ✓ *Billing and collection of school taxes*
- ✓ *Provide property tax information in a timely and efficient manner*

12. **BUILDING CODE**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$617,267	\$621,302	\$736,433	\$722,931	\$816,201

1 Chief of Building Code Inspectors – Van W. Milligan
1 Code Enforcement Officer III-Plans Review Specialist
2 Code Enforcement Officer II
1 Code Enforcement Officer I
1 Secretary II
1 Clerk II-Data Entry
Telephone: (302) 855-7860 Fax: (302) 855-7869
E-mail: vmilligan@sussexcounty.net

The Building Code Department is responsible for doing plan review and building inspections for residential and commercial structures. The County contracts with First State Inspection Agency to perform field inspections for the single-family portion of the inspection program. The Building Code Department will continue to provide services for local municipalities that request this service. Currently, the County provides single-family home inspections for 14 municipalities, and multi-family and commercial inspections for 15 municipalities.

Single-Family

Multi-Family/Commercial

Blades

Bethel

Bridgeville	Blades
Dewey Beach	Bridgeville
Ellendale	Dewey Beach
Fenwick Island	Fenwick Island
Frankford	Frankford
<u>Single-Family</u>	<u>Multi-Family/Commercial</u>
Georgetown	Georgetown
Greenwood	Greenwood
Henlopen Acres	Henlopen Acres
Millville	Millville
Milton	Milton
Ocean View	Ocean View
Slaughter Beach	Selbyville
South Bethany	Slaughter Beach
	South Bethany

This service is provided by the County without any cost to the local governments. Many of the small towns would not be able to have this program if the County did not provide the administrative portion of this service. Once again, in FY 2004 the entire cost of this program will be paid by the fees associated with the permits.

During FY 2004, the committee that was established in the County last year to review the building codes will complete their findings. Currently, the County is using the Council of American Building Officials 1992 edition. The committee is reviewing the International & Residential Building Code. It is believed that the adoption of this building code would be beneficial, as it would bring the code

into uniformity Statewide. Uniformity of a single building code would be beneficial not only to homeowners but to contractors, as well as material suppliers.

During FY 2004, it is projected that the Building Code Department will be responsible for providing the following inspections:

Single-Family Homes	1,500
Modular Homes	300
Additions to Existing Structures	2,100
Multi-Family Projects	40
Commercial Projects	300

The Building Code Department will accomplish the following objectives during budget year 2004:

- ✓ ***Complete review and comments on all single-family homes within five working days***
- ✓ ***Complete review and comments on all commercial projects within working days***
- ✓ ***Maintain the current fee structure***
- ✓ ***Provide educational opportunities for inspectors to ensure that they receive the necessary training and education with the implementation of a new building code***
- ✓ ***Provide educational workshops for the general public on the implementation of a new building code***

13. **PERSONNEL**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$195,003	\$230,969	\$313,965	\$334,207	\$347,745

1 Director – Dennis V. Cordrey

1 Assistant Director

1 Payroll Accountant

2 Clerk III-Technicians

Telephone: (302) 855-7711 Fax: (302) 855-7715

E-mail: personnel@sussexcounty.net

The Personnel Department is responsible for assisting the County Administration in providing a healthy work environment to instill a spirit of professionalism among employees and to assist the employees in all areas of personnel practices. The department is responsible for assisting the County Administration in recruiting, testing, and interviewing in the selection of future County employees. Personnel records of current County employees, plus retirees, are managed by this department. These records include medical, vision, dental and life, accidental death, and long-term disability insurance. The department maintains an individual file for each retiree, employee, as well as spouses and dependents.

In an attempt to attract the best qualified applicant for each position that is posted, during FY 2004 the Personnel Department will post the positions on the County's Internet website, as well as notices being sent to Delaware State University and Delaware Technical & Community College, Jack F. Owe Campus, Georgetown.

The Personnel Department will accomplish the following objectives during budget year 2004:

- ✓ *Assist the County Administrator in assuring that the County maintains competitive compensation and benefit package that is cost-effective*
- ✓ *Post all employment vacancies*
- ✓ *Review and evaluate County employees' benefits*
- ✓ *Process all health, dental, and vision reimbursements in a timely manner*
- ✓ *Review job classification categories to ensure employees are being compensated for the work that they are performing*
- ✓ *Coordinate training and education between departments*
- ✓ *Maintain automated sick, vacation, and compensatory records*
- ✓ *Develop, identify, and coordinate training opportunities for staff development*
- ✓ *Ensure that all employees receive an annual evaluation*
- ✓ *Maintain lines of communication with pensioners in regard to their pensions and benefits*
- ✓ *Complete all surveys as needed by State, Federal, or County administration*

14. **MANAGEMENT INFORMATION SYSTEMS**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$635,470	\$734,008	\$854,482	\$304,125	\$332,160

1 Supervisor – Eddie C. Sparaglione

1 Webpage Designer

1 Network Technician

2 PC Technician I

Telephone: (302) 855-7898 Fax: (302) 853-5889

E-mail: ecs@sussexcounty.net

Prior to FY 2003, Management Information Systems had been combined with the Mapping and Addressing Division and Assessment. Since the separation of the two departments, Management Information Systems has worked closely over the last year with the Data Processing Department. Since the reconstruction of the department, service to the individual departments has improved and a lot has been accomplished.

During budget 2004, Information Systems will enhance the accessibility of information to County staff, as well as the general public, with improved Internet and Intranet service. Efforts will be made to improve the County website presence and make it more user-friendly, with additional links to other agencies.

Additional requirements during FY 2004 will be the enhancement of security and increased reliability of the system. Communication between floors in the Administrative Building should be increased by as much as ten times during the new budget year.

Management Information Systems will accomplish the following objectives during budget year 2004:

- ✓ Maintain the security camera system for the Administrative Building at West Complex***
- ✓ Manage the Internet-based broadcasting of all Council meetings, Board Adjustment meetings, Planning and Zoning Commission meetings, at special meetings held in the Council Chambers***

- ✓ *Maintain hardware and software inventory for the computing infrastructure*
- ✓ *Enhance network security and ease of use through a single enterprise identity mapping between the AS/400 and the PC network*
- ✓ *Assist the paramedics with their IT related issues when the need arises*
- ✓ *Support the computer-aided dispatch system software and hardware for the Emergency Operations Center*
- ✓ *Assist the County Administrator in producing electronic presentations*

15. **MAPPING AND ADDRESSING**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY ' 03</u>	<u>Budget</u> <u>FY '04</u>
-0-	-0-	\$854,483	\$700,775	\$645,502

1 Supervisor – Matthew M. Laick
1 GIS Specialist
2 GIS Technicians
1 CAD Technician I
2 Addressing Technicians
1 Clerk III-Technician
4 Clerk II-Data Entry
Telephone: (302) 855-1176 Fax: (302) 853-5889
E-mail: mLaick@sussexcounty.net

Budget year 2004 will be the second year that Mapping and Addressing has been independent of Management Information Systems. During FY 2003 additional progress has been made. It is projected that 2004 will be more productive, as almost the entire staff has been replaced and the orientation time for the employees to get up to speed has improved.

The 9-1-1 addressing plans are to continue to work toward the completion of an accurate telephone database with Verizon, the accuracy being above 95 percent for both Sections 1 and 2 by January 1 of 2004. Funding has been appropriated to allow for the installation of private road signs. It is estimated that 300 signs will be installed by staff over the new budget year. Staff will develop plans on the approach of addressing Section 4. The addressing of Section 4 will start the first quarter of the new budget year and be completed by the fourth quarter.

Within the mapping section, the new seamless tax map coverage of the County is proving very helpful not only for the County staff, but also for the general public using this system. During FY 2004, staff will strive to develop and maintain seamless tax map updates on a daily basis. New methods will be investigated to develop and simplify the distribution of this parcel information more readily to the general public.

The Mapping and Addressing Division will accomplish the following objectives during budget year 2004:

- ✓ ***Complete the accuracy of the telephone database for Sections 1 and 2***
- ✓ ***Continue refining the database for Section 3***
- ✓ ***Commence the delivery of emergency addresses for Section 4***
- ✓ ***Review and approve all road names and addressing for new subdivisions***
- ✓ ***Install signage for private roads***
- ✓ ***Maintain the seamless tax map data***

16. **CONSTABLE'S OFFICE**

Actual	Actual	Actual	Budget	Budget
--------	--------	--------	--------	--------

<u>FY '00</u>	<u>FY '01</u>	<u>FY '02</u>	<u>FY '03</u>	<u>FY '04</u>
\$157,590	\$197,868	\$164,539	\$152,120	\$162,029
1 County Constable – Robert N. Betts				
2 Constables				
Telephone: (302) 854-5034 Fax: (302) 855-7828				
E-mail: rbetts@sussexcounty.net				

The Constable's Office is responsible for enforcement of all Sussex County codes and the collection of delinquent taxes, sewer and water bill miscellaneous accounts receivable, and non-sufficiently funded checks. During budget year 2004, the office will work with the Justice of the Peace courts and the Attorney General's Office in prosecuting offenders of County regulations.

During FY 2004, the Constable's Office will continue its partnership with the First State Manufactured Housing Association in locating and identifying abandoned manufactured homes in the County which are abandoned and derelict. The First State Manufactured Housing Association has provided an \$8,000 matching grant to the County to allow the County government to provide a zero interest loan to property owners who assist in the cleanup of unsightly and unsafe manufactured homes. During FY 2003, 105 homes were removed through the program. The Delaware Solid Waste Authority has also assisted in this program by accepting homes at a cost of \$375.00 per home. The homes are being recycled and reduced to a cover material for the landfills. Prior to the acceptance by the Solid Waste Authority, property owners were paying as much as \$2,000 a home.

The Constable's Office will accomplish the following objectives during budget year 2004:

- ✓ ***Removal of 150 unsightly and unsafe manufactured homes***

- ✓ *Vigorous and aggressive pursuit of collection of back taxes, overdue sewer and wastewater bills, insufficiently funded check reimbursements, and open permits*
- ✓ *Investigate and resolve complaints from the general public in a timely and professional manner*
- ✓ *Assist the Planning and Zoning Department with correction of zoning violations*

17. **PLANNING AND ZONING**

<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$673,535	\$784,695	\$795,443	\$919,265	\$921,224

1 Director – Lawrence B. Lank

1 Assistant Director

1 Environmental Planner

1 Land Use Planner

2 Zoning Inspector III

1 Zoning Inspector II

3 Zoning Inspector I

1 Clerk IV-Supervisor

2 Clerk III-Technicians

1 Clerk II-Data Entry

Telephone: (302) 855-7878 Fax: (302) 854-5079

E-mail: llank@sussexcounty.net

The Planning and Zoning Department is responsible for providing zoning information on building permits (including setbacks from property lines, building locations, and accessory use locations. The department coordinates all necessary advertising and scheduling of public hearings for the Sussex County Council.

County Planning and Zoning Commission and the Sussex County Board Adjustment.

With the adoption in FY 2003 of a new Land Use Plan, the Planning and Zoning Department will be responsible for developing support ordinances during FY 2004. State law requires the County to adopt a plan every five years, and once the plan is adopted the County has 18 months to provide the necessary support ordinances, including a zoning map to comply with the Land Use Plan. The primary responsibility for the department during FY 2004 will be the drafting of needed support documents. Fifteen Thousand Dollars (\$15,000) will be allotted to allow for outside consulting services, if necessary, to prepare the ordinances related to the Land Use Plan. Any funds not used in this category will be encumbered to allow for the creation of a Reserve Fund to pay costs associated with the comprehensive plan that will be due in October of 2007.

During FY 2004, the following ordinances will be drafted:

- Commercial Zoning Density Reduction
- Wetlands Setbacks – Tidal/Non-tidal
- Route 13/Route 113 Corridor Overlay
- East-West Corridor Overlay
- Defined Open Space Requirements
- Community Design
- TAC Review for RPC Developments
- Schedule of Construction Clause for RPC Developments
- Environmentally Sensitive Area

- Overlay Zones
- Clustering
- TDR Sending Program
- Biotech Industry Campus
- Agriculture-Business Zone
- C-2 Zoning
- Preapplication Program

The Planning and Zoning Department continues to see an increase in requests for changes of zone and conditional uses. The FY 2004 budget will allow for the Planning and Zoning Commission to meet 36 times during the year. The Board of Adjustment will have funding budgeted to allow for 30 meetings during the year. Each member of the Commission and the Board is paid \$250.00 for each meeting they attend.

The Planning and Zoning Department will accomplish the following objectives during budget year 2004:

- ✓ ***Draft supporting ordinances for the Land Use Plan***
- ✓ ***Coordinate activities between the Sussex County Engineering Department and State of Delaware agencies***
- ✓ ***Coordinate technical review of pending applications and process applications in a timely manner***
- ✓ ***Coordinate violation activities with the Constable's Office***

- ✓ *Maintain membership with the American Planning Association*
- ✓ *Refine the computer program in tracking outstanding permit violations*
- ✓ *Assist in providing training seminars for board members and staff*
- ✓ *Maintain all County zoning ordinances on-line for accessibility to County departments and the general public*

18. **EMERGENCY OPERATIONS AND PREPAREDNESS**

<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$1,628,400	\$1,775,232	\$1,606,029	\$1,454,969	\$1,635,891

- 1 Director – Joseph L. Thomas
 - 1 PC Programmer
 - 1 Clerk III-Technician
 - 1 Chief Dispatcher
 - 1 Quality Assurance Supervisor
 - 3 Emergency Communications Specialist Supervisors
 - 5 Emergency Communications Specialist II
 - 11 Emergency Communications Specialist I
 - 1 Communications Support Supervisor
 - 1 Communications Support Tech II
 - 1 Mechanic II
 - 1 Emergency Plan Coordinator
- Telephone: (302) 855-7801 Fax: (302) 855-7805
 After Hours: (302) 855-7803
 E-mail: jthomas@sussexcounty.net

This department consists of Emergency Preparedness, Emergency Operation Center, Local Emergency Planning Committee, and Emergency Operation Communications. The department is responsible for responding to natural

disasters (such as snowstorms, floods, hurricanes, and nor'easters) and technical disasters (such as chemical spills or hazardous material incidents). The Emergency Operations Communications Center provides E-9-1-1 service for all residents of Sussex County. The County portion of the 9-1-1 Center is responsible for dispatching fire companies, ambulance squads, and County paramedics. The 9-1-1 Center is shared with the State of Delaware whose dispatchers are responsible for dispatching State police, the medical helicopter, and local police departments.

During budget year 2004, the Emergency Operations Department will once again be responsible for protecting the health, safety, and welfare of the citizens and visitors of Sussex County. It is important that this department maintain a high quality of professionalism to assure that the general public receiving the most up-to-date communications during a disaster. The department works closely with the Delaware Emergency Management Agency in coordinating information between the towns in Sussex County. It is not unusual during an incident that the department is involved with five to six bridge calls in an attempt to gain the most knowledge of the situation as it exists.

During FY 2004, funding will be allotted to allow for the staffing of four dispatchers for each shift, when necessary. Also, additional funding will be allocated to allow for overtime. It is not unusual for a staff member to have to work 16 to 17 hours for a three- to four-day period. Training will be provided during the new budget year for dispatchers in incident dispatching for use with the Mobile Command Center and Homeland Security for the 9-1-1 Center.

The Mobile Command Center will again be readily available to local fire and ambulance companies on an as-needed basis. In the past, this equipment has been very beneficial as an information center and a field meeting room facility. Staff will be responsible during the budget year to ensure that the County meets the reaccreditation requirements for priority dispatching.

The capital budget indicates that during FY 2004 planning will start on the design for the construction of a new community operations facility. During March 2003, the County Council approved the selection of a design engineer. It is anticipated construction will start on this project during budget year 2004 with an estimated budget of \$4.5 Million. Funding will be provided through the Capital Improvement Fund. A study group will be established to look into what would be the best benefit for sharing the facility with the State government. Other agencies that may want to utilize the facility are the Delaware State Police, Department of Natural Resources, Department of Transportation, Delaware National Guard, and American Red Cross.

The Communications Support Section will supervise and assist in the performance of preventive maintenance of all County communication towers and respective antennas and feed lines. During budget year 2004, it is anticipated that the Communications Support Section will complete the rebuilding of siren controls for each fire and ambulance department in the County. Eventually there will be a cost and time savings, as many of the current systems are antiquated and it is very difficult and expensive to obtain the necessary replacement parts. Staff members of the Communications Support Section will participate in the design of the new Emergency Operations Center in regard to the communications equipment.

The Local Emergency Planning Committee, which is part of the County Emergency Operations Center, is funded 100 percent by the State of Delaware. This department is responsible for instituting safeguards pertaining to emergency preparedness operations in time of a hazardous material release or spill from a fixed or mobile facility that may affect the general public. The department is responsible to compile and maintain records and inventory of facilities that produce, store, or sell hazardous materials in Sussex County and supply this information to first responders, as well as the general public upon request.

During budget year 2004, staff of the Local Emergency Planning Committee will make the County's disaster plan and hazardous materials annex available.

on a compact disk. Training will be conducted upon request through a full fire exercise, as required by the Federal permit.

Emergency Operations and Preparedness will accomplish the following objectives during budget year 2004:

- ✓ ***Provide regional training for emergency medical dispatch priority***
- ✓ ***Maintain the mobile command post to offer public safety, with the capabilities of providing the latest weather, emergency communication bulletins, and a centralized meeting facility***
- ✓ ***Maintain a working relationship with the County's fire service on issues relating to dispatching, communications, and preparedness***
- ✓ ***Maintain the UHB paging system for the Sussex County volunteer fire service***
- ✓ ***Upgrade siren equipment for the fire and ambulance service***
- ✓ ***Continue to locate and include new facilities in the chemical reporting program for the Local Emergency Planning Committee***
- ✓ ***Critique actual incidents for training purposes and/or as alternatives to conducting training exercises***
- ✓ ***Coordinate a public information program to include the printing of brochures to be distributed to the public to provide valuable information during an emergency event***
- ✓ ***Remain active as a member of the State Emergency Response Commission***
- ✓ ***Complete a physical on-site audit of a minimum of 30 percent of the facilities in Sussex County for compliance with storage of hazardous materials***

- ✓ *Train dispatchers in incident dispatching for use with the Mobile Command Center and Homeland Security for the 9-1-1 Center*
- ✓ *Obtain reaccreditation for priority dispatch*
- ✓ *Conduct an education and open house program*
- ✓ *Communications Support Section will maintain County-owned electronic equipment*
- ✓ *Communications Support Section will support the 800 megahertz system/equipment for the Sussex County fire/EMS, ALS, EMS support, at Sheriff's Office*
- ✓ *Assist local towns and schools with emergency management needs, as well as provide prompt, adequate information during an emergency event*
- ✓ *Provide professional input and insight into the design of the new Emergency Operations Center*

19. **EMERGENCY MEDICAL SERVICES**

<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$4,602,725	\$5,145,550	\$5,656,071	\$6,486,521	\$7,250,079

- 1 Director – Glenn H. Luedtke**
- 1 Deputy Director**
- 1 Technical Services Division Manager**
- 1 Operations Division Manager**
- 1 Professional Standards Manager**
- 1 System Administrator**

1 Training Supervisor
1 Technical Services Assistant
1 Office Manager
8 Supervisors
72 Paramedics
1 Mechanic II
1 Mechanic I
2 Clerks
Telephone: (302) 854-5050 Fax: (302) 855-7780
Website: <http://www.sussexcounty.net/scems>
E-mail: gluedtke@sussexcounty.net

Sussex County Emergency Medical Services is responsible for providing mobile health care service to improve the quality of life within Sussex County. This is accomplished through direct patient care, continuous quality improvement, innovative technologies and procedures, and comprehensive education and training of the paramedic staff and the general public.

The FY 2004 budget will allow Sussex County Emergency Medical Services to support seven paramedic units and two supervisor units, providing advanced life support service to all of Sussex County and a portion of Kent County. The system operates out of nine facilities with a fleet of 26 vehicles. This year's budget for Emergency Medical Services is \$7,250,079. This is the largest single expenditure in the County General Fund portion of our budget.

Governor Minner's 2004 budget requests that the General Assembly allow for the changing of the cost-sharing formula. Currently, the State of Delaware pays 60 percent of eligible costs, with the County paying 40 percent. During FY 2004, the percentages will be reversed. As a result of the State's \$300 Million shortfall, the Governor is asking that the County provide 60 percent funding and the State will pay 40 percent. Based on the County's contribution in FY '03, this is a \$1.4 Million difference.

Emergency Medical Services responded to 12,231 calls during calendar year 2002. This is an increase of approximately 6.4 percent over the previous calendar year. Medic Unit 102, located in the Seaford area and serving western Sussex County, continues to be the busiest unit.

CALENDAR 2002 UNIT RESPONSES

Seaford – Medic Unit 102	2,801 Responses
Milford – Medic Unit 104	2,195 Responses
Stockley – Medic Unit 103	2,078 Responses
Lewes – Medic Unit 101	1,660 Responses
Millville – Medic Unit 105	1,657 Responses
Lincoln – Medic Unit 106	1,239 Responses
Supervisor – EMS 100	488 Responses
Other	113 Responses

After three years of planning, the additional Supervisor 110 Unit will be added along with Medic 107. These new units will be placed on the western side of the County to help relieve the number of calls that are being responded to by Medic 102.

Although we have continued an aggressive recruiting program, the process of adding paramedics to staff the new west side unit and supervisor positions has proven a considerable challenge. As of March 1, 2003, we are two paramedics short of fully staffing our existing six-unit, one-supervisor configuration, leaving us with a total of eight positions to be filled during FY '03. Representatives of the department will be attending paramedic training facilities in four states during the months of March, April, and May in an effort to recruit graduates.

In anticipation of continued difficulties in finding qualified personnel, Emergency Medical Services' contingency plan is to place Supervisor 110 in service area as soon as sufficient staff has been hired to replace those promoted to the new supervisor positions. Supervisor 110 will be stationed on the west side of the County, making it available for emergency responses in that area until Medic 107 can be made operational. This will give us an opportunity to improve our response times in western Sussex County within the constraints of our manpower availability and without using costly overtime.

Meetings have taken place with the Delaware State Police in trying to negotiate an agreement that would allow for the placement of Unit 107 in Bridgeville at the home of Troop 5. As I stated earlier, the County has offered to pay one-third of the cost of renovating the old Bridgeville State Visit Center in an amount not to exceed \$1.1 Million to allow for the sharing of the facility to become a true public safety facility that would include a helicopter pad, offices for the paramedics and State police, and garage mechanic capabilities. If we are not able to negotiate a mutual agreement on the location and the renovations, the unit will be located as a stand-alone paramedic satellite office.

I am pleased that Sussex County Emergency Medical Services has led the way in Delaware by implementing the Drug Facilitated Intubation Program. Implementation steps included sending our Quality Manager and Training Supervisor for special "train-the-trainer" education, designing an education program tailored to the specific needs of our paramedics, providing the training to all of our full- and part-time field personnel, and establishing a state-of-the-art quality assurance program that tracks and evaluates every use of the technique. As of March 2003, Sussex County continues to be the only advanced life support service in Delaware that uses this technique. The proposed 2004 budget allows for continuation of the successful program that allows for scheduled replacement and rechassis of older vehicles. The program has enabled us to greatly reduce overall vehicle expenses for FY '04.

In response to the threats currently posed to our entire country, Emergency Medical Services continues to form new and closer relationships with other emergency service agencies and institute inter-agency training with staff of the Department of Natural Resources and Environmental Control, who has the responsibility for hazardous materials responses. Emergency Medical Services will continue to build on this relationship and those with the fire service ensure that we are able to respond to any threats, now or in the immediate future.

Emergency Medical Services will accomplish the following objectives during budget year 2004:

- ✓ ***Hire additional paramedics to staff the second supervisor unit and western 107 Unit***
- ✓ ***Maintain continuing education programs that include coordination between volunteer fire and ambulance service organizations and the general public***
- ✓ ***Maintain a high community visibility***
- ✓ ***Maintain a high quality of advanced life support for Sussex County residents as well as seasonal visitors***
- ✓ ***Improve response time, particularly in western Sussex County***
- ✓ ***Provide comprehensive education and training for County employees and the general public***

20. **DATA PROCESSING**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
--------------------------------	--------------------------------	--------------------------------	--------------------------------	--------------------------------

\$320,911 \$315,618 \$346,288 \$376,313 \$416,585

1 Director – Bonnie O. Smith

1 Assistant Director

2 Programmer II

2 Computer Operator II

Telephone: (302) 855-7846 Fax: (302) 855-7845

E-mail: dataprocessing@sussexcounty.net

Data Processing continues to be the backbone and source of County information. An important aspect of the Data Processing Department is that an overwhelming majority of the work performed by this department requests that are made from various departments and the general public during the year. This information is important to outside sources, and these requests are needed in a prompt manner. As the County government provides more information through the Internet, it is believed that the general public's requests for information will reduce. However, as the County government departments' activities increase, Data Processing will still have high demand for outside assistance.

During budget year 2004, Data Processing will be involved with three very important projects. The three programs Data Processing will be involved with during the new budget year are: (1) upgrade of the IBM AS/400, (2) System 36 Environment conversions, and (3) property owner names and addresses.

The disk utilization capacity of the AS/400 is at 88 percent. This necessitates that an upgrade occur to this computer system. This project was started in February 2003 and will be completed in the new budget year. Response time is affected by the increase in disk space. Financial history of all transactions, tax history, assessment history, and map card history from paper to computer disks have, in the past three years, increased disk space.

At the present time, all of the house-written programs (tax, utility, assessment planning and zoning) operate in a System 36 Environment. Data Processing

will begin the slow, tedious process of changing these programs to a RP native environment. Funding will be allocated in FY 2004 to obtain consulting services from IBM Business Partners for this work.

The Assessment Division and Treasury Division have requested more available space for property owners' names and a larger address area. These divisions, in addition, request that a system be designed for ease in use to locate a property owners by individual name search. Data Processing will begin to meet with these divisions to get a better insight into their needs and to begin the initial design phase. This will be a massive project that will involve interdepartmental cooperation and assistance to complete.

The Data Processing Department will accomplish the following objectives during budget year 2004:

- ✓ ***Assist in the modernization of financial software***
- ✓ ***Interdepartment cooperation in providing high quality information in timely manner***
- ✓ ***Generate income to the General Fund by processing public information requests from various sources***
- ✓ ***Complete upgrade of the AS/400 computer system***
- ✓ ***Commence conversion of the System 36 Environment***
- ✓ ***Expand property ownership name and address accessibility***

21. **ENGINEERING – ADMINISTRATION**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$558,577	\$649,671	\$726,119	\$762,560	\$886,343

1 County Engineer – Michael A. Izzo, P.E.
1 Assistant County Engineer
1 Historic Preservation Planner
1 Director of Engineering Accounting
1 Director of Utility Engineering
3 Project Engineers
1 Office Manager
1 Accountant II
2 Accountant I
2 Permit Technicians
1 Clerk IV-Supervisor
1 Clerk III-Technician
1 Clerk II-Data Entry
Telephone: (302) 855-7718 Fax: (302) 855-7799
E-mail: mizzo@sussexcounty.net

The primary responsibility for Engineering Administration is the design, construction, and operation and maintenance of public utilities. This responsibility includes wastewater treatment and disposal plants, public water systems, and the Sussex County Airport and Industrial Park. The County Engineer is also responsible for oversight and administration of the Planning and Permits Division, Utility Construction Division, and Public Works Division. Currently, Engineering Administration is involved with 80 projects. During the next five years, the department will be involved with \$153 Million in Capital Improvement projects. This includes \$44 Million for FY '04 [see Addendum 14]. During FY '04, Engineering Administration will be involved with eight regional sewer projects. These projects include Cedar Neck, Ellendale, Oak Orchard, Bay View Estates/Sea Country Estates, North Millville, South Ocean View, Mill Creek, and Pinetown.

Additional projects during FY '04 include Airport improvements totaling \$1,898,255. Engineering Administration will perform a feasibility study and initiate the land acquisition process for expansion of Runway 4-22, design and

be completed for Runway 10-28, and an engineering consultant will be selected for the design and to oversee construction of the very necessary fire supply system upgrade. The four wastewater treatment facilities that the County operates will all have different phases that will eventually allow for expansion and treatment upgrade.

Engineering Administration will accomplish the following objectives during budget year 2004:

- ✓ ***Oversight of design and construction of new and expanded sanitary wastewater treatment facilities***
- ✓ ***Promote existing boundaries of sewer districts***
- ✓ ***Oversight of Capital Improvement projects to include Airport, Libraries, Records Retention Center, and Emergency Operations Center***
- ✓ ***Investigate alternatives for design and treatment of sanitary sewer***
- ✓ ***Complete intergovernmental cooperation study for the elimination of point discharge at the Rehoboth Wastewater Treatment Plant***

22. **ENGINEERING – PLANNING AND PERMITS DIVISION**

Costs for this division are included with Engineering Administration.

2 Planning Technicians

5 Permit Technicians

1 Office Manager

Telephone: (302) 855-7719 Fax: (302) 855-7799

E-mail: rarchut@sussexcounty.net

As the population of the County continues to increase, the demands for sanitary sewer service are also increasing. No place in Sussex County

government is the challenge of growth more evident than in the Planning and Permits Division. This division is the front line in respect to land use planning and long-term financing. Planning and Permits must deal not only with the expansion of existing districts, but the creation of new districts. The proposed FY 2004 budget will allow for \$809,000 in funding for engineering planning initiatives.

The South Coastal Area Planning Study was adopted by the Sussex County Council on February 20, 1990. The plan recommended that prior assignments be updated, re-evaluated, and revised every five years to address evolving environmental needs and to reflect current development trends. Numerous South Coastal Area Planning Study amendments have been prepared and adopted for specific areas, but a comprehensive revision has not been done in 13 years. During this time period, development has moved inland from the coastal areas, and the County government adopted a new 2002 Comprehensive Plan to guide land decisions. An update of the South Coastal Area Planning Study is needed to address the growth and changes in the designated development zones.

The South Coastal Area Planning Study determined that in 1990 the existing Route 54 interceptor had insufficient capacity to serve the ultimate needs of the Fenwick Island Sanitary Sewer District. Recent observations have confirmed this. Additionally, two major developments have been proposed along the Route 54 interceptor. One development will use an existing connection to an interceptor, and the other project has been required to construct a portion of a parallel pipeline that will discharge to Pump Station 3. During FY 2004, the Planning and Permits Division will work with the developer to provide for the design of the additional transmission facilities to accommodate ultimate flows from the Fenwick Island Sanitary Sewer District and the Derrickson Creek area.

During budget year 2004, a consultant will be selected to study the Angola Neck planning area. Angola Neck is one of the few remaining unsewered areas in the Indian River/Rehoboth Bay drainage corridor. Development

prevalent in the area and more is being proposed. No previous studies have reviewed the potential growth or the environmental needs of the area. The Planning and Permits Division is proposing a study be undertaken to prepare to assess the existing needs and develop a long-range plan for addressing those needs.

The Inland Bays Regional Wastewater Facilities were originally designed to or serve the Long Neck Sanitary Sewer District. In February 2000, the Oak Orchard Sanitary Sewer District was approved by referendum, creating an additional area to be served by the Inland Bays Regional Wastewater Facilities. The need to serve this new area and the growth around the Long Neck Sanitary Sewer District has necessitated a review of the treatment and disposal facilities and a comprehensive plan to address growth in the area.

The Town Council of Dagsboro has informed the Planning and Permits Division that they are receiving numerous requests for large-scale development. When Dagsboro completes their land use plan, it will be necessary to look at what the impact will be on the existing sanitary sewer district. We currently believe that the proposed number of units will overwhelm the existing sewer system, constructed. Additionally, the Piney Neck area east of the Town of Dagsboro is coming under development pressure. This is one of the few remaining unsewered areas along the Indian River shoreline. In addition to the new development that is being proposed, there are also existing unsewered developed properties. No previous study has reviewed the development growth or the environmental needs of the area. The Planning and Permits Division is proposing to assess the existing and future needs of the sewer district and surrounding area that will result in the development of a long-range plan to address those needs.

The \$640,000 necessary to complete these studies will be funded through several sources: General Fund, Wastewater Advisory Council grants and loan developer contributions, transmission impact fees, and plant expansion fees.

The Planning and Permits Division will accomplish the following objectives during budget year 2004:

- ✓ *Assist in selection of a consultant for the North Coastal planning area and the Dagsboro-Frankford planning and expansion area*
- ✓ *Prepare planning documents for the South Coastal area planning update, Inland Bays Regional Wastewater Facilities expansion and improvement and Long Neck planning area*
- ✓ *Negotiate an agreement to design a parallel pipeline for the Fenwick Island Sanitary Sewer District Route 54 corridor*
- ✓ *Administrate property hookups for the Ellendale Sanitary Sewer District*
- ✓ *Prepare startup of the Cedar Neck Sanitary Sewer District*
- ✓ *Implement a personal computer program for the calculation and storing equivalent dwelling unit assessment information for commercial accounts*
- ✓ *Provide for an orderly expansion of sanitary sewer districts through the use of existing and new planning documents*
- ✓ *Implement a fee structure to cover the cost of the County's pre-treatment program for industrial discharge*
- ✓ *Assist the Records Management Committee to scan and computerize files*
- ✓ *Attend Wastewater Advisory Council meetings*
- ✓ *Provide newsletters on all ongoing projects*

23. UTILITY BILLING DIVISION

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$401,526	\$494,322	\$459,049	\$532,838	\$541,522

1 Director – Leon Collins

1 Assistant Director

1 Accountant I

5 Clerk III-Technicians

3 Clerk II-Data Entry

Telephone: (302) 855-7871 Fax: (302) 854-5381

E-mail: lcollins@sussexcounty.net

The Utility Billing Division is responsible for billing and collection of sanitary sewer and water district charges and administrating the grant programs to assist low income residents in obtaining funding to help toward their sanitary sewer utility cost [see Addendum 10].

The work demand for the Utility Billing Division continues to increase as we add more users to the sanitary sewer systems. Currently, the division is responsible for 45,701 accounts. During FY 2004, the Utility Billing Division will be responsible for adding all of the billing information for the Ellendale Sanitary Sewer District and the first phase of the Cedar Neck Sanitary Sewer District.

The proposed FY 2004 budget allows for the hiring of a new clerk. This clerk's primary responsibility will be to pursue delinquent accounts. This activity will include a telephone and letter-writing campaign. Utility Billing will continue the implementation of collection programs used by New Castle County, which are currently contacting mortgage companies for those who are delinquent on their sewer and water payments. Although utility charges cannot be escrowed, lenders frown on borrowers who are delinquent on utilities that could result in a lien on the property, or even a sheriff's sale.

The proposed FY 2004 budget allows for continuation of the low-income assistance program to assist property owners who have septic problems. The County government will provide a grant up to \$2,500 for those who qualify for assistance. To date, we have assisted 314 residents.

The Utility Billing Division will accomplish the following objectives during budget year 2004:

- ✓ ***Accurate and timely processing of all utility bills***
- ✓ ***Administrate the assistance program for low-income utility users***
- ✓ ***Administrate the septic grant program for low-income residents***
- ✓ ***Aggressively collect delinquent accounts***
- ✓ ***Continue partial payment acceptance program***
- ✓ ***Assist the Board of Appeals in making fair and accurate decisions on appeals***
- ✓ ***Establish an in-house training program***

24. **ENGINEERING – UTILITY CONSTRUCTION DIVISION**

Costs associated with this division are allocated through the Sussex County Utility Distribution Account. The expenses associated are allocated based on the percentage of work accomplished by this division.

- 1 Director – Robert C. Green**
- 1 Project Coordinator**
- 16 Utility Construction Technicians**
- 1 CAD Technician**
- 1 Secretary II**

Telephone: (302) 855-7717 Fax: (302) 854-5391
E-mail: rgreen@sussexcounty.net

The Utility Construction Division is responsible for working with the Planning and Permits Division and Engineering Administration in the development of construction plans and making recommendations primarily for the County sanitary sewer construction programs. This division is responsible for working with contractors, the County's consulting engineers, and property owners. The field personnel are usually the first line of contact for property owners when they commence a new project. It is vital that these County representatives provide the proper first image of County government.

Another responsibility of the Utility Construction Division is the oversight of private utility sanitary sewer construction work that requires Ordinance No. 3 compliance. Once this work is completed, it is necessary that Utility Construction staff receives utility easements and obtain as-built drawings of the utilities.

During FY 2003, plan review income increased 144 percent, and construction administration and inspection increased by 135 percent. We have every indication that the workload will continue in FY 2004 at the same rate. The increase in revenue directly represents the amount of work that the Utility Construction Division is responsible for.

During FY 2003, an additional employee was added to the staff to help oversee the connection of the Ellendale Sanitary Sewer District properties. This employee was assigned full-time to the new district. As a number of properties complete their connection to this system, the employee will then be transferred to the Cedar Neck Sanitary Sewer District to perform the same responsibilities. As the result of an additional staff member, we will have to acquire one vehicle for the employee.

Funding will be allotted in the new budget year to allow for the purchase of a new printer/scanner. The Utility Construction Division currently has all sanitary

sewer as-builts scanned and available on-line. A new printer/scanner will provide a means for printing as-builts to be used by the Engineering Department and will also serve as a means of income, as this information could be purchased by the general public and engineering firms.

The Utility Construction Division will accomplish the following objectives during budget year 2004:

- ✓ ***Maintain a line of communication with the public during construction projects***
- ✓ ***Maintain all as-built records***
- ✓ ***Assist in Miss Utility locations***
- ✓ ***Provide in-house training and education opportunities for staff***
- ✓ ***Provide value engineering recommendations for construction cost reduction***
- ✓ ***Plan review and inspection of construction for Ordinance No. 38 projects***

25. **ENGINEERING – PUBLIC WORKS DIVISION**

<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$285,209	\$286,775	\$549,068	\$360,029	\$365,721

1 Director – Richard S. McCabe
 1 Assistant Director
 1 Private Roads Coordinator
 3 Public Works Technicians
 1 Secretary
 Telephone: (302) 855-7703 Fax: (302) 854-5391
 E-mail: hjackson@sussexcounty.net

The Public Works Division is responsible for performing plan review and construction inspection for private subdivisions, and Technical Advisory Committee review for subdivision applications, private water and sewer systems, streetlighting projects, suburban community improvement projects, landfill projects, and Federal Emergency Management Agency mitigation projects.

Public Works Division employees are responsible for performing maintenance and assisting the County engineering consultant with the sampling groundwater and central water system facilities located in the County Bridgeville, Anderson Crossroads, Omar, Angola, Laurel, and Stockley landfills. Although all of these landfills have been inactive for over 15 years, they still remain a large potential financial liability to the taxpayers of Sussex County. The sites require constant monitoring in an attempt to reduce illegal dumping at the sites. During FY 2004, Roy F. Weston, the County's consulting engineer for the landfills, will continue to provide technical support and assist in developing site evaluation and remedial work.

During the new budget year, an appraisal will take place to allow for the purchasing of 36 acres adjacent to the Anderson Crossroads landfill. The Budget Committee believes that it would be more prudent for Council to consider purchasing this property than to allow for its development adjacent to the old landfill.

During the first quarter of FY 2004, the Public Works Division will complete the mitigation project for private homeowners for elevating their homes above the 100-year flood plain. In FY '03, funding was awarded by the Federal Emergency Management Agency to allow for this mitigation. Property owners were required to pay 25 percent of the money, while the Federal government made 75 percent of the payments. The Budget Committee believes that if the County was requested to participate in this program again, it would be best to hire an outside engineering consultant to do the oversight. It would be

important to ensure there was sufficient funding in the Federal grant to allow for the hiring of a private consulting firm.

The Public Works Division will accomplish the following objectives during budget year 2004:

- ✓ ***Provide technical advisory review of subdivision applications in a timely manner, both pre-applications and final submittals***
- ✓ ***Complete the Federal Emergency Management Agency Mitigation Program***
- ✓ ***Promote expansion of community participation in suburban community street district improvements***
- ✓ ***Promote participation in community streetlighting districts***
- ✓ ***Perform plan review and construction inspection of privately owned and operated sanitary sewer and water systems that fall under the jurisdiction of County Ordinance No. 657***
- ✓ ***Assist in the sampling of groundwater and central water facilities monitoring the County's landfills***
- ✓ ***Provide engineering inspection services for the County's Airport construction projects***

26. **LIBRARY SERVICES**

Library services in Sussex County consist of 11 independent libraries and three County-managed libraries, a bookmobile service, book delivery service, literacy program, and Library Administration [see Addendum 15]. The total expenditure for library services in Sussex County for both independent and County libraries is \$3,247,488 for the new budget year. Based on the estimated population of 2004, this computes to \$19.21 per resident in Sussex

County. By comparison, New Castle County is providing \$19.04 per resident and Kent County is providing \$7.62 per resident.

In budget year 2004, the Budget Committee is recommending total increase funding to the 11 independent libraries in the amount of \$110,291. The County government provides funding through three sources: (1) library tax, which will increase 4.5 percent in FY '04; (2) General Fund grant-in-aid contribution which will increase 16.93 percent in FY '04; and (3) mobile home placement tax, which will increase 10.7 percent. The Budget Committee realizes that the independent libraries monitor the expenditures of the County's library services and the three County libraries. For comparison, County library services will increase 7.56 percent compared to the independent libraries' increase of 7.4 percent.

Services provided to the local libraries through Library Administration without cost are:

- ❖ Auditing of financial expenditures
- ❖ Delivery of materials on a daily basis
- ❖ Training and education assistance
- ❖ Coordination of literacy programs

<u>Library Administration</u>				
<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$596,592	\$485,244	\$574,238	\$602,988	\$623,250

1 County Librarian – Carol H. Fitzgerald
1 Assistant County Librarian

- 1 Librarian III**
 - 1 Systems Administrator**
 - 1 PC Technician II**
 - 1 Accountant I**
 - 2 Librarian I**
 - 1 Library Assistant III**
 - 1 Library Assistant II**
- Telephone: (302) 855-7890 Fax: (302) 855-7895**
E-mail: cfitzger@hollinet.lib.de.us

The County Librarian is responsible for general administration and overseeing the budgeting, accounting, and consulting for the County-operated libraries. This oversight includes the bookmobile, South Coastal Library located at Bethany Beach, Greenwood Library, and the Milton Library.

During budget year 2004, \$75,000 in additional funding has been made available for upgrading the County-operated libraries' computers (see Page 89). An equal amount in the form of a grant has also been awarded to the independent libraries, if they choose to spend it on this same program.

The County Librarian will be responsible during FY 2004 to review and revise existing policies, procedures, and guidelines regarding library services. Policies have not been reviewed since 1997.

Bookmobile

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$104,022	\$106,734	\$106,038	\$114,959	\$126,685

- 1 Librarian I**
 - 1 Library Assistant I**
- Telephone: (302) 381-3582**

The Sussex County government bookmobile is an excellent cost-effective outreach vehicle for the County government, which currently has 71 stop. These stops include senior centers and day care centers that would not have library service without the bookmobile. Circulation of materials for the bookmobile increased 22.47 percent in calendar year 2002 compared to 2001—14,578 items were circulated through the bookmobile in 2002 compared to 11,903 in 2001. Patron visits also increased in calendar year 2002 over 2001 by 12.17 percent—5,559 patrons visited the bookmobile in calendar year 2002 compared to 4,956 in calendar year 2001. The Hollinet database access installation that was completed in FY 2003 will continue to be maintained. The installation has been very beneficial to patrons in obtaining materials in a timely manner.

Milton Library

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$374,737	\$264,351	\$399,647	\$285,884	\$322,083

1 Director – Mary C. Hopkins

1 Library Assistant III

1 Library Assistant II

2 Library Assistant I

Telephone: (302) 684-8856 Fax: (302) 684-8956

E-mail: mhopkins@hollinet.lib.de.us

FY 2004 will be a very exciting year for the Milton Library. A \$1.7 Million library expansion that started in the last quarter of FY '03 will be completed in the last quarter of FY '04. Upon the completion of construction, the Milton Library will be a focal point for the downtown Milton area for both adults and children. The facility will provide a place for meeting rooms, community activities, and tutoring/ educational training center.

Materials provided by the library to the community are both a reading pleasure as well as educational. There has recently been an increase in the number of requests for videos and DVD's. The Budget Committee has asked the County Librarian to establish a policy in the purchase of videos and DVD's. The Budget Committee is concerned that the lending of audios should not curtail the purchase of written materials.

South Coastal Library

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$291,959	\$351,806	\$393,330	\$392,757	\$424,311

1 Director – June E. Moran

2 Librarian I

1 Library Assistant III

2 Library Assistant I

1 Maintenance Supervisor

Telephone: (302) 539-5231 Fax: (302) 537-9106

E-mail: jmoran@hollinet.lib.de.us

The South Coastal Library, which is located in Bethany Beach, lends the materials of all of the 13 library services in Sussex County. The library addresses the needs of the area residents and non-resident visitors and property owners. Circulation increased in calendar year 2002 to 127,682 items of materials compared to 113,046 items in calendar year 2001. This is a 12.9 percent increase in circulation. Patron visits during this same time increased 10 percent, with 111,751 visitors in calendar year 2002 compared to 100,751 visitors in calendar year 2001. It is believed that in FY 2004 circulation and visitation will continue to increase with the completion of the expanded parking facility.

Funding has been appropriated in FY 2004 to allow for the hiring of an entry level staff person by the third quarter of the budget year. The staff person will

be responsible for performing circulation functions. This will allow more experienced personnel to devote needed time to reference and children's services.

The South Coastal Library will provide a variety of summer programs for young adults to promote the library as a source of service to this age group. It is projected that a young adult section will be developed to encourage continuing library usage as younger users mature.

As part of the community outreach, staff at the South Coastal Library will develop a newsletter informing the community of new titles that are available and a schedule of program events.

The South Coastal Library continues to reap the benefits of a very generous Friends of the Library organization, both financially and in the dedication of manpower hours. During calendar year 2002, volunteers provided 4,042 hours of service to the County at no charge. This service is very beneficial, especially during the peak summer months.

Greenwood Library

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$171,765	\$175,640	\$188,444	\$230,286	\$253,575

1 Director – Patricia L. Brown

3 Library Assistant II

Telephone: (302) 349-5309 Fax: (302) 349-5284

E-mail: pbrown@hollinet.lib.de.us

The Greenwood Library continues to provide a meaningful cultural and educational program center for the community. During budget year 2004, the staff of the Greenwood Library will offer a significant number of additional

programs for children and teens in order to generate an increase in attendance. It is a goal of the staff to increase this age group's participation in library programs ten percent over the next two years.

Expansion of the Greenwood Library is anticipated to take place in FY 2004. The Capital Improvement Program indicates that \$1 Million will be made available to allow for this expansion. It is anticipated that funding will come from the Friends of the Greenwood Library, the County, and the State of Delaware. If the State's financial position does not allow for them to participate, expansion may have to be delayed. Planning for this expansion will start in the fourth quarter of FY '04.

The Budget Committee is pleased that patron visits and circulation continue to increase. This is an indication that there is a need to expand the facilities. During calendar year 2002, circulation increased 9.4 percent—62,819 items were circulated compared to 57,423 items in calendar year 2001. Patron visits during this period increased 8.05 percent. During calendar year 2002, 43,071 patrons visited the Greenwood Library compared to 39,865 during calendar year 2001.

Literacy Program

Costs for the Literacy Program are included in Library Administration.

The County Department of Libraries provides a Literacy Program under the title, "Project READS." Project READS provides leadership for the adult basic literacy program for all of the libraries in the County providing referral services and educational workshops to community organizations working with adults with beginning level reading skills. Project READS serves a small group of people that have (real or perceived) barriers that prevent them from participating in a regular classroom-learning environment. Referrals to the program come from mental health groups, vocational agencies, programs for people with disabilities, and others in the community. Currently, there are 20 individuals enrolled in the program, with a waiting list of 15 new students. The

waiting list is comprised primarily of students whose residence is on the west side of the County. One of the problems in matching students with tutors is that tutors who volunteer time in the program live primarily in the eastern part of the County. Sixty (60) percent of the current students have been in the program for over one year.

Project READS, as a part of outreach service, has been working with Sussex Crisis Housing Services, Inc., providing programs for women living at Northport in the transitional housing apartments. Project READS provides for the educational and informational needs of the women. The "WHO-WIL" (Women Helping Other Women In Literacy) Program helps the women develop a sense of community. It is the goal of the program to help women address the educational needs and assume responsibility for their learning. A second goal is to help women recognize their strengths and weaknesses and develop the skills needed to move beyond living in a day-to-day crisis environment.

Library Delivery Service

Costs for this program are included in Library Administration.

During budget year 2004, the County will once again continue to contract for delivery services. Brooks Courier, Inc., is currently delivering to each library five days a week. It is projected that during 2004 the County will spend \$45,000. The Budget Committee believes that contracting with the private sector is the most cost-effective way to provide this program. When this program was operated with County staff, there were days delivery was missed if an employee was out sick or on vacation, and the County had the expense even three years of replacing a vehicle.

County Library Services will accomplish the following objectives during budget year 2004:

- ✓ ***Provide library services for all Sussex County residents and visitors***

- ✓ *Maintain the automated system and monitor for security issues*
- ✓ *Provide consulting services for independent libraries and boards by Library Administration*
- ✓ *Provide training opportunities for staff through appropriate classes, workshops, and conferences*
- ✓ *Investigate the expansion of the Greenwood and South Coastal libraries*
- ✓ *Complete construction of the library expansion for the Milton Library*
- ✓ *Provide daily delivery service to independent libraries in their charge*
- ✓ *Provide meaningful cultural and educational programs*
- ✓ *Provide adult literacy programs Countywide*

27. **ECONOMIC DEVELOPMENT AND INDUSTRIAL AIRPARK**

<u>Actual</u> FY '00	<u>Actual</u> FY '01	<u>Actual</u> FY '02	<u>Budget</u> FY '03	<u>Budget</u> FY '04
\$1,016,907	\$796,961	\$387,747	\$388,273	\$379,715

1 Director – Stephen T. Masten, Sr.
 1 Development Planner
 1 Clerk III-Technician
 5 Security Guards
 Telephone: (302) 855-7770 Fax: (302) 855-7773
 E-mail: smasten@sussexcounty.net

The responsibilities of the Economic Development Office include the promoting and development of new and existing businesses in Sussex County and expanding and diversifying the economy and employment base of our

County. The department is responsible for recruiting businesses Countywide, include tenants for the industrial parks. Industrial park recruitment includes the Seaford and Selbyville Industrial Parks, in addition to the Sussex County Industrial Park located in Georgetown.

The Sussex County Airport continues to be a focal point for business expansion opportunities. The current Capital Improvement Program indicates that the County government is anticipating spending \$200,000 at the Industrial Park during FY 2004. The five-year capital budget calls for a total of \$12 Million in improvements to the Airport and the Industrial Park. Many of these improvements are contingent on receiving 95 percent grant eligibility. The Federal government provides 90 percent of the funding and the State of Delaware five percent.

During budget 2004, the primary focus will be the investigation of lengthening the main runway. It will be important to do community outreach, keeping Airport neighbors apprised as to the course of action the County government plans on taking in expansion and what the time schedule for activities will be.

The Budget Committee is pleased that Sussex County was recognized as the third best rural area in the United States. During budget year 2004, the Economic Development Office will continue to provide demographic information to businesses, individuals, and communities upon request. This information is vital in not only recruiting new employers, but also for job retention.

Other activities of the Economic Development Office during the new budget year will include the Tourism Commission, Delmarva Water Transport Committee, Delmarva Economic Development Association, Sussex County Today and Tomorrow Conference, and the Association of Airport Executives.

The Economic Development Office will accomplish the following objectives during budget year 2004:

- ✓ *Seek alternative funding for Airport and Industrial Park expansion*
- ✓ *Provide demographic inquiries in a prompt manner*
- ✓ *Continue to assist existing businesses to assure business retention*
- ✓ *Provide potential businesses with information regarding education opportunities, as well as location availability*
- ✓ *Encourage the business community to comply with the Sussex County Land Use Plan*
- ✓ *Work with local municipalities and the State of Delaware Economic Development Office to locate businesses Countywide*
- ✓ *Promote the Economic Development Stimulus Loan Program with local governments*

28. **FACILITIES MANAGEMENT**

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$1,757,628	\$1,310,663	\$1,396,384	\$1,446,271	\$1,515,499

1 Facilities Manager – Ray W. Webb

1 Assistant Facilities Manager

1 Electrician

7 Maintenance Workers

3 Mechanics

1 Carpenter

6 Custodians

1 Clerk

Telephone: (302) 855-7840 Fax: (302) 855-7749

Airport Maintenance: (302) 855-7837

The Facilities Management Department is responsible for maintaining County buildings and grounds, including the Industrial Park, County libraries, County West Complex, and County Administrative Building. The maintaining County facilities also includes the removal of snow. During the winter of 2003, Facilities Management employees did an outstanding job of making sure the buildings were accessible in a relatively reasonable time.

The Facilities Management Department will accomplish the following objectives during budget year 2004:

- ✓ *Continue to maintain all County facilities in a neat and clean manner*
- ✓ *Upkeep and maintenance of all grounds and roads for the Airport/Industrial Park*
- ✓ *Maintain 166 County vehicles in a safe and proper manner*
- ✓ *Coordinate custodial services for the three County-operated libraries*
- ✓ *Assist the Engineering Department with the upgrade and expansion of the Airport facilities*
- ✓ *Assist the Engineering Department in the location and construction of the Emergency Operations Center, Records Retention Center, and equipment storage building*

29. **CONSTITUTIONAL OFFICES**

Constitutional offices include the Clerk of the Peace, Recorder of Deeds, Register of Wills, and Sheriff. During FY 2003, the responsibilities for the Register in Chancery were transferred to the State of Delaware. All of these offices are managed by an elected official, although the County government

responsible for their financial accountability. The elected officeholders should coordinate the management of these offices with the County Administration. Expenditures for these offices in FY 2004 total \$1,898,030. This is an increase in expenditures for these same offices over FY '03 of 15.4 percent.

Clerk of the Peace

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$82,731	\$89,374	\$93,285	\$104,527	\$106,072

1 Clerk of the Peace – D. Ray Ellerman

1 Deputy

1 Clerk III-Technician

Telephone: (302) 855-7727 Fax: (302) 855-7798

The Clerk of the Peace is responsible for issuing State marriage licenses, the performance of civil marriage ceremonies when requested, and providing the general public with copies of marriage certificates. The issuing of State wedding licenses continues to be dependent on the County government to subsidize this office. Expenses for FY '04 will be \$106,072, with an income projected of \$35,000. This results in a subsidy of \$71,072, although fees have been adjusted over the last two budget years. To make this office cost-effective, wedding licenses would have to be raised to approximately \$100.00 each.

The Clerk of the Peace will accomplish the following objectives during budget year 2004:

- ✓ ***Maintain a 24-hour telephone hotline for information***
- ✓ ***Perform civil ceremony marriages***

- ✓ *Provide ceremonial wedding certificates upon request*
- ✓ *Maintain all records in a computerized system*

Recorder of Deeds

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$999,753	\$818,714	\$823,391	\$928,206	\$1,097,666

1 Recorder of Deeds – John F. Brady

1 Deputy

1 Operations Manager

15 Clerks

Telephone: (302) 855-7785 Fax: (302) 855-7787

E-mail: pfausnaught@sussexcounty.net

The Recorder of Deeds Office is responsible for recording all legal documents pertaining to real estate in the County, including deeds, mortgages, tax lien agreements, rights of way, and survey plots. Additional responsibilities include recording of appointments, powers of attorney, military discharges, and Uniform Commercial Code financing notices. The process of recording requires preserving at least one permanent copy of the information and providing ready public access to the same information.

The Recorder of Deeds is also responsible for collecting the realty transfer tax for the State of Delaware. The Deeds Office collected \$19,491,658 for the State during FY 2002. This is a 101 percent increase in income for the State since FY 1997, when the State collected \$9.7 Million.

As a result of increased property transfers, the Recorder of Deeds Office has become very busy. It has necessitated the working of overtime during the week and weekends. During FY 2004, the Recorder of Deeds Office will attempt to return all filed documents within six weeks of the filing. Increase

customer service will be accomplished by installing printers onto document access public stations in the public area. A 24-hour recorder information telephone line will be installed that will have the capability of listing all fees and services and will allow for messages to be taken. Responses to messages and public requests for information will be completed within two working business days after receipt of the inquiry.

The Recorder of Deeds will accomplish the following objectives during budget year 2004:

- ✓ ***Assist the general public with requests for information***
- ✓ ***Timely and efficient recording and indexing of documents***
- ✓ ***Proficiently accounting and distributing appropriate fees and taxes to the proper organization***
- ✓ ***Return all filed documents within six weeks of the initial filing***

Register of Wills

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$165,890	\$171,243	\$194,903	\$217,263	\$236,681

1 Register of Wills – Howard A. Clendaniel

1 Chief Deputy

1 Deputy

3 Clerks

Telephone: (302) 855-7875 Fax: (302) 853-5871

E-mail: hwilkins@sussexcounty.net

The duties of the Register of Wills include probate estates, register and record wills after death, appoint executors and administrators, and various other activities associated with the handling of estates.

During the fourth quarter of FY '03, the Register of Wills was relocated from the Sussex County Courthouse to the newly constructed Court of Chancery located on The Circle. Funding from past budgets had been encumbered to allow for the purchase of new furnishings and equipment totaling \$27,000 as a result of this relocation. The County government is responsible for covering these costs. The County's Information Systems Department will be required to provide computer linkage between the new Chancery building and the County Administrative Office Building.

The Register of Wills will accomplish the following objectives during budget year 2004:

- ✓ ***Computerize department records for the program similar to New Castle County***
- ✓ ***Prompt response to all public inquiries***
- ✓ ***Cross-train employees***
- ✓ ***Organize and relocate to the new Court of Chancery facility***

Sheriff's Office

<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$273,726	\$271,671	\$351,499	\$365,238	\$457,611

1 Sheriff – Robert L. Reed
1 Chief Deputy
5 Deputies

2 Deputy Clerks

Telephone: (302) 855-7830 Fax: (302) 855-7832

E-mail: sheriff@sussexsheriff.com

The Sheriff's Office responsibilities range from serving legal notices, to the transporting of State prisoners, to the sale of real estate.

The Budget Committee is concerned with the percentage of increase that the Sheriff has asked for in his FY 2004 budget. The Sheriff's Office has asked for a 43 percent increase in expenditures. This request was the largest of any department or constitutional office under the County's budget. However, the Budget Committee is only recommending an increase of 25.3 percent.

The Sheriff's Office has requested two new vehicles, an additional deputy sheriff, and \$40,000 in computer equipment. The Budget Committee has recommended one new vehicle, a reduction in the purchase of computer equipment, and the delaying of hiring a fifth deputy, which would increase the deputies on the road by 20 percent. A 20 percent increase in manpower on the road appears to be in accordance with the percent of increase in civil processes served from 2001 to the year 2002. During 2001, a total of 8,233 papers were served compared to 9,812 in 2002. This is an increase of 1,579, a 19.1 percent increase.

During FY 2004, the Sheriff's Office will implement a new computer system that is proposed to reduce the workload by one-third. Before a fifth deputy is hired the Budget Committee would like to see the implementation of this new computer system to determine just how much manpower time it is saving. It is the Sheriff's goal that the new system will keep records updated more efficiently and accurately than they are presently being handled.

During FY 2004, the expenditures of the Sheriff's Office will have to be monitored closely, as the Budget Committee is concerned with the 25 percent increase and the fact that the Sheriff only finished \$10.00 to the plus side in the budgeted numbers for FY '02.

The Sheriff's Office will accomplish the following objectives during budget ye 2004:

- ✓ *Implement a new computer system to reduce manpower/time and upda records more efficiently and accurately*
- ✓ *Training and education in areas of focus to ensure proper processing court-related documents*
- ✓ *Cross-train road deputies to assist with clerical office functions*
- ✓ *Process all sales in a timely and professional manner*

30. **COMMUNITY DEVELOPMENT AND HOUSING**

		<u>County Contribution</u>		
<u>Actual</u> <u>FY '00</u>	<u>Actual</u> <u>FY '01</u>	<u>Actual</u> <u>FY '02</u>	<u>Budget</u> <u>FY '03</u>	<u>Budget</u> <u>FY '04</u>
\$97,391	\$103,038	\$101,532	\$129,758	\$142,683

1 Director – William C. Lecates
4 Rehabilitation Specialists
1 Secretary II
 Telephone: (302) 855-7777 Fax: (302) 854-5397
 E-mail: wlecat@sussexcounty.net

The primary responsibility of the Community Development and Housing Divisic is to provide annual grants and loans to finance housing rehabilitatio community facilities, and public works improvements that serve low-moderate-income residents in Sussex County. The proposed 2004 budg indicates that the Community Development and Housing Division will manag \$1,449,000 in housing assistance from three different sources of loans ar

grants: (1) the Community Development Block Grant for FY 2004 will total \$1,188,500; (2) FmHA Housing Preservation Grant, \$50,000; and (3) Delaware State Housing Loan Program, \$210,000. This funding will be beneficial allowing the Community Development and Housing Division to provide decent housing, a suitable living environment, and expanded economic opportunities primarily for persons of low- to moderate-income [see Addendum 17].

In addition to administering the County government program, the Community Development and Housing staff will administrate programs for the towns of Ellendale and Laurel. The cost of administering the grants for the towns will be absorbed by the County and through grant funding. In the past, municipalities would not have been able to have a program if the County had not administrated it for them.

With the completion of the Ellendale Sanitary Sewer District, the Community Development and Housing Division will process approximately 175 applications for assistance to allow homes to be hooked to the central sewer system.

The Community Development and Housing Division will accomplish the following objectives during budget year 2004:

- ✓ ***Administrate housing code complaints for rental tenants***
- ✓ ***Assist Ellendale residents in connection to the sanitary sewer system***
- ✓ ***Assist low- to moderate-income citizens with grant funds for housing rehabilitation, code compliance, and infrastructure improvements***
- ✓ ***Rehabilitate 100 homes using Community Development Block Grant funds, Housing Preservation Grant funding, and the Housing Preservation Loan Program***

- ✓ *Encourage the restoration of Sussex County's housing stock, promote economic stimulation, and provide decent housing for all residents of Sussex County*

31. **APPROPRIATED RESERVE**

The proposed FY 2004 budget contains a recommendation from the Budget Committee to allocate \$6.2 Million to the Appropriated Reserve account. This funding is made available from revenue expenditure savings from the FY 2003 budget. Projects that are being recommended for funding are:

Airport Safety Equipment – Foam	\$ 15,000
Capital Improvements – Public Safety	2,205,240
Community Improvements	
Blades Marina	20,000
Bridgeville Historical Society	5,000
Delaware Community Foundation	2,500
Delaware Soybean Board	5,000
Delaware Vegetable Growers – Processor Incentive Program	20,000
Dry Dock	5,000
Georgetown Train Station	5,000
Greenwood Historical Society	5,000
Indian River Soccer Program	4,750
Inland Bays Center Building	50,000
Marvel Museum	10,000

Milton Historical Society	\$	5,000
Rehoboth Historical Society		2,000
Seaford Historical Society		10,000
County Libraries – Computer Replacements		75,000
Local Library Funding		75,000
Milton Library – Furniture and Equipment		110,000
Open Space Land Trust Funding		625,499
Sewer Project Grants		<u>3,000,000</u>
TOTAL		<u>\$6,254,989</u>

The Budget Committee believes the recommended projects are a very good way of returning this money back into the community for investments that will benefit future budgets. The \$625,499 for the open space Land Trust funding will be leveraged with \$1 Million that was made available under this program in FY '03. The wastewater sewer districts will have a benefit of \$3 Million, which is 47.9 percent of the total Appropriated Reserve for FY 2002. This funding will be beneficial in reducing the amount of phosphorous and nitrogen that is exposed to the inland bays. The Budget Committee is pleased that none of the \$6.2 Million that is being recommended for expenditures goes back to recurring expenses. Should the County not have the benefit of the Appropriated Reserve in the FY 2003 or 2004 budgets, taxes would not have to be raised to cover these expenditures.

32. **CAPITAL IMPROVEMENTS**

The proposed 2004 Capital Improvement Program has been estimated by the Budget Committee to be \$44 Million. During the next five years, Capital Improvement Program expenditures total \$153 Million [see Addendum 14].

The Budget Committee believes that the Capital Improvement budget is significantly as important as the General Fund budget. Although much has been written and said over the General Fund and taxpayers question the best use of their tax dollars, Capital Improvement budgets have more long-term effect than the annual General Fund on most programs. The Capital Improvement budget must address not only what is needed for expansion, but what is needed to maintain the infrastructure at its present capacity. The Budget Committee has the difficulty of making reasonable expense and revenue projections for a five-year period. All revenue projections used for the 2004 Capital Improvement Program are based on 2003 dollar values. It is important that over a long period of time, in some instances 20 years, adjustments for change in inflation are allowed to take place.

During 2004, revenues for the proposed Capital Improvement budget come from a wide array of incomes. It is important that all capital expenditures are necessary, affordable, and publicly acceptable. The Budget Committee is pleased that once again any General Fund expenditures that are not supported by revenue income have sufficient dollars that allow for those expenditures without having to issue General Fund bonds that need to be supported by property tax. The Sussex County government's Capital Improvement Program has been successful with continuation of the pay-as-you-grow concept.

33. **WATER AND SEWER DISTRICTS**

The Budget Committee is pleased that it can once again recommend a grant for the water and sewer districts. The Budget Committee is recommending that \$3 Million be used from the Appropriated Reserve Account (see Page 89). This is the sixth consecutive year that the Budget Committee has been able to recommend subsidies to the sewer districts for a total of \$13.5 Million. The

Budget Committee is recommending that the following sewer districts receive \$3 Million in subsidies in FY 2004 [see Addendum 16]:

Blades	\$ 67,000
Cedar Neck	500,000
Dagsboro-Frankford	500,000
Ellendale	200,000
Fenwick Island	200,000
Long Neck	550,000
South Coastal Regional Wastewater Facility	573,000
West Rehoboth	310,000
Wastewater Relief Fund	<u>100,000</u>
TOTAL	<u>\$3,000,000</u>

This funding is being used both toward operations as well as capital costs. The commitment by the County Council to support this funding has been beneficial in the past in allowing us to leverage State and Federal loans and grants. To my knowledge, the Sussex County government is the only local government that is committing General Fund dollars in the form of grants. The continued expansion of wastewater service with grant assistance is beneficial in making the projects affordable, acceptable, and environmentally beneficial.

The proposed 2004 budget recommendation allows for the continuation of uniform operations and maintenance (O&M) costs for the sewer districts utilizing the South Coastal Regional Wastewater Facility.

The County Engineering Department's Operations and Maintenance Division is responsible for the operation of the Inland Bays Wastewater Treatment Plant.

South Coastal Wastewater Treatment Plant, Wolfe Neck Wastewater Facility and Piney Neck Wastewater Facility. The staff is required to maintain 540 miles of collection and transmission line and 261 pump stations. The annual budget that is required to maintain our wastewater service totals \$23,407,627.

**SUSSEX COUNTY GOVERNMENT WASTEWATER ACCOUNTS
BY DISTRICT**

<u>District</u>	<u>No. of Accounts</u>
West Rehoboth	12,580
Dewey Beach	2,839
Bethany Beach	4,319
South Bethany	5,422
Fenwick Island	4,210
Blades	468
Henlopen Acres	217
North Bethany	1,096
Dagsboro-Frankford	791
Cedar Neck	244
Ocean View	1,272
Holts Landing	533
Ellendale	683
Long Neck	6,216

The **Dewey Beach Water District** annual bill will be unchanged for the eighth consecutive year. The average homeowner will pay \$260.90 for water service. The County is responsible for maintaining the water tower and service lines for the users of the Dewey Beach Water District and to purchase water from the City of Rehoboth. In FY 2004, the annual cost will be \$370,000. This is a 10 percent increase.

During FY 2004, the County Administrator and Finance Director will negotiate a new agreement with the City of Rehoboth for supplying water. This is the last year of a five-year agreement. The previous agreement required the users of the Dewey Beach Water District to pay a two percent increase annually for the purchase of water. By using past retained earnings, however, we were able to leave the rate at its current price structure. I am not sure this will be true for FY 2005.

The **Dewey Beach Sanitary Sewer District** annual bill for the average homeowner for the proposed FY 2004 year budget will remain at \$297.04. County employees are responsible for the collection and transmission of wastewater for the Dewey Beach Sanitary Sewer District to the City of Rehoboth wastewater treatment plant. During FY 2004, the Dewey Beach District will pay the City of Rehoboth \$545,000 for wastewater treatment.

During FY 2003, the County government entered into an agreement with the City of Rehoboth to investigate alternative forms of discharge for the treatment of wastewater from the Rehoboth treatment plant. Currently, the wastewater is discharged into the Rehoboth Canal. Once the study and the alternatives have been completely evaluated, the County government will work with City officials to try to select the best method of discharge that is cost-effective and environmentally beneficial.

Funding has been allotted in the amount of \$17,500 for the resurfacing of wells as part of the County's ongoing preventive maintenance program, and \$22,400 has been appropriated to allow for the rebuilding of Pump Station and pump station communication upgrades.

The **Blades Sanitary Sewer District** will have an annual charge of \$315.2. Operations and Maintenance staff of the County is responsible for the collection and transmission of wastewater for this district. The City of Seaford through a contractual agreement with the County, provides treatment. The district contribution to the City of Seaford during FY 2004 for treatment will be \$80,000. The district will also be contributing \$67,000 as a one-time payment for additional treatment capacity at the Seaford treatment plant.

The Budget Committee is recommending a grant contribution in the amount of \$67,000 from the Appropriated Reserve account. The Town of Blades continues to have slow growth, and increased users have not been sufficient to keep up with inflation costs of insurance, chemicals, and labor. Without the grant, the district would have had a 40 percent cost increase.

The **Dagsboro-Frankford Sanitary Sewer District** will have an average bill of \$413.97 annually. This bill is calculated by using the same operations and maintenance and front footage rates as when the district was established in 1993.

Large-scale development has been proposed for the Dagsboro-Frankford Sanitary Sewer District. The proposed number of units will overwhelm the existing sewer system, if constructed. Additionally, the Piney Neck area east of the Town of Dagsboro is coming under development pressure. This is one of the few remaining unsewered areas in the Indian River shoreline. There is already existing development in the area that is on on-site septic systems.

Previously, there has not been any study undertaken to review the development growth or the environmental needs of the area. The Budget Committee is recommending that funding in the amount of \$70,000 be made available to prepare an assessment of existing and future needs of the sewer district and surrounding areas. Upon completion, a long-range development plan addressing those needs would be recommended to the Council. The

Budget Committee is recommending a grant of \$450,000 toward the purchase of land in the future for the district.

Operating costs for the Dagsboro-Frankford Sanitary Sewer District continue to increase. It is necessary that the Budget Committee allow for electric cooling fans and the purchase of pumps in the amount of \$14,100 for Pump Station 8.

The **Bethany Beach Sanitary Sewer District** will have an average bill of \$239.20. The Bethany Beach Sanitary Sewer District operations and maintenance rate will remain at the uniform rate of \$195.10. This district would not receive the same benefit if all sewer districts using the South Coastal Regional Wastewater Facility's capital costs were consolidated. The Budget Committee believes that it makes practical sense to uniform the operations and maintenance portion, but capital costs should be paid by the individual districts or subdistricts that are not built at the same time nor receive the same financial assistance from the Federal or State government. Additionally, the old districts have been paying debt service for a much longer period of time.

Fifty Thousand Dollars (\$50,000) is once again being appropriated during FY 2004 to allow the Operations and Maintenance Division to perform repairs to the gravity sewers in the vicinity of Tingle Road. This should be the last year of this work in that area. Relining the existing pipe is much more cost-effective than if the entire line was replaced.

Sixteen Thousand, Nine Hundred Dollars (\$16,900) will be appropriated to allow for communication upgrades of pump stations and to purchase a spa pump.

The **South Bethany Sanitary Sewer District** will have an annual average cost of \$237.10. This is based on the operations and maintenance rate once again remaining at \$195.10.

The Utility Construction Division will perform oversight inspection for gravity sewer upgrades for the South Bethany Sanitary Sewer District with a \$79,000

appropriation. Funding has been appropriated to allow for the replacement of Pump Station 49, pump station communication upgrades, and the purchase of a spare pump in the amount of \$31,400 for the district.

The **North Bethany Sanitary Sewer Subdistrict** will have an average annual cost of \$1,070.37. The primary reason that this district continues to have the highest annual cost in the County's sewer system is because of the settlement of lawsuit in the mid-80's limiting the growth of the district. Since 2000, the North Bethany Sanitary Sewer District average increase in equivalent dwelling unit has been less than one-and-a-half percent a year. The additional income from the increased users is usually not even enough to keep pace with inflation.

The users of the North Bethany Sanitary Sewer District would be the biggest beneficiaries should the County Council choose to uniform capital costs for the sewer districts utilizing the South Coastal Regional Wastewater Facility. Without substantial subsidies and because of the lack of potential expansion, there appears to be minimal chance of rate reduction for the next few years. The only assistance this district has received is \$775,000 from the County Council General Fund from FY '99 to FY '01.

The **Fenwick Island Sanitary Sewer District** will have an average cost of \$293.10 for FY '04. This is based once again on the operations and maintenance rate remaining at \$195.10.

During budget year 2004, the Planning and Permits Division will look at upgrading the Route 54 interceptor. The South Coastal Area Planning Study performed in 1990 determined that the existing Route 54 interceptor has insufficient capacity to serve the ultimate needs of the Fenwick Island Sanitary Sewer District. Recent observations have confirmed this. Additionally, two major developments have been approved on the Route 54 corridor. This study will provide for the design of additional transmission facilities to accommodate the ultimate flow for the Fenwick Island Sanitary Sewer District in the area known as Derrickson Creek. It is anticipated that this study will cost \$200,000.

and will be paid for from an Appropriated Reserve grant and assistance from the State Revolving Fund.

Additionally, \$20,700 has been recommended to allow for the purchase of spare pumps and pump station communication upgrades.

The **Henlopen Acres Sanitary Sewer District** will have an average bill of \$499.00 for FY 2004. Operations and Maintenance staff of the County is responsible for maintaining the collection and transmission lines for this district. The City of Rehoboth is responsible for the treatment of the wastewater and its discharge. The district will be responsible for paying the City \$41,000 in FY 2004 for this service.

Henlopen Acres is the smallest stand-alone sewer district that is operated by the County. Since 1992, the Henlopen Acres Sanitary Sewer District has only seen a three percent increase in equivalent dwelling units. Because of so few users, there is little potential for a reduction in the overall cost of this district.

The **West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District** will have an annual cost of \$643.75. This is the first time in three years that the rate has not been reduced. The West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District has been the biggest beneficiary of the program that the Council established six years ago in providing General Fund grants. The district has received \$3,340,424 from the County Council. This includes this year's contribution of \$310,000.

During FY 2004, the Engineering Department will be responsible for seeking land that will allow for expansion of the spray fields. It is projected that current capacity allowing for continued growth in the district will be sufficient until 2009. Spray alternatives have been discussed with the City of Rehoboth and the Department of Natural Resources and Environmental Control as to the feasibility of using State-owned land.

Increases in expenses in the operation of the wastewater treatment plant include a ten percent increase in chemicals. After the waste has been treated to permit limits, water discharged on the land is used for farming operations. In FY 2004, the district will pay \$61,250 for the right to discharge to the fields. These lands are owned by the State of Delaware and are managed by a private farmer.

The Budget Committee is recommending that \$46,400 be appropriated to allow for the rebuilding of Pump Station 227, pump station communication upgrades, and the purchase of three- and five-horsepower pumps and impellers for several pump stations. One Hundred Thirteen Thousand, Two Hundred Eighty Dollars (\$113,280) will be necessary for the upgrading of the equipment for the irrigation system. Two irrigation pumps will be replaced and two chlorine pumps, along with necessary gear and valves and rig controls.

The Long Neck Sanitary Sewer District rate for the proposed FY 2004 year budget is \$472.83. This is the tenth consecutive year that the operations and maintenance and front foot assessments have remained the same for the district.

During the new budget year, the Engineering Department will be responsible for developing an expansion plan for the spray irrigation treatment. The Inland Bays Regional Wastewater Facilities were originally designed only to serve the Long Neck Sanitary Sewer District. With the creation of the Oak Orchard Sanitary Sewer District by referendum in February of 2000, the Inland Bays Regional Wastewater Facility will have to be expanded by the year 2011. The current wastewater facility has sufficient capacity to handle the Long Neck Sanitary Sewer District and the initial hookups for the Oak Orchard Sanitary Sewer District. The necessity for additional treatment and land disposal will only be needed as both districts grow.

The Budget Committee is recommending \$37,000 to be used for the rebuilding of Pump Station 82, pump station communication upgrades, and the purchase of three- and five-horsepower pumps.

The **Sussex Shores Sanitary Sewer Subdistrict** will have an annual bill in FY 2004 of \$466.42. This district is served by the South Coastal Regional Wastewater Facility and will benefit from the uniform rate of \$195.10.

Ocean Way Estates, a subdistrict of the Bethany Beach Sanitary Sewer District will have an annual rate of \$469.00 for FY 2004. This district is also serviced by the South Coastal Regional Wastewater Facility with an O&M rate of \$195.10.

The **Holts Landing Sanitary Sewer District** will have an average annual rate of \$584.40. This will mark the third year that the County government has been responsible for operating the district. Prior to FY 2003, the district was operated by a private utility company. When the County negotiated purchasing the system, a study was performed to determine the necessity for upgrading. During FY 2004, the upgrade will continue to take place.

The Holts Landing Sanitary Sewer District collection system is different than other systems that are operated by the County and did not meet Ordinance No. 38 requirements. Waste is discharged into a holding tank that is shared between two homes. This waste is collected in a small diameter line and disposed into a force main pumping station. The current pumping station is undersized and is necessary for upgrading the system. Additionally, all vacant lots will have septic systems installed at one time and overall improvements will be made to the collection system, such as raising clean-outs to eliminate unnecessary groundwater infiltrating into the system. It is anticipated this work will be completed in the fourth quarter of 2004, with an estimated cost of \$1,594,000.

This district also receives treatment service from the South Coastal Regional Wastewater Facility with a uniform rate of \$195.10.

The **South Coastal Regional Wastewater Facility** will be required to spend \$250,670 in capital expenditures for budget year 2004. As the users of the system continue to increase, it is essential that the staff be provided with

sufficient funding to allow for this facility to operate in a proper working order to remain in compliance with all permits to ensure the protection of the environment.

The Engineering Department has been working with the private sector developing a plan that will allow for the upgrade of the existing solid handling system. The major equipment in this project includes the RDP system, belt filter presses, sludge pumps, and a polymer system. The RDP process, the heat assisted line pasteurization process that will yield sludge that will be classified as an 'A' product by the U.S. Environmental Protection Agency, will be beneficial in eliminating the need for site specific permitting requirements associated with our current Class B biosolid system. Eventual cost savings will be reflected in the reduction of needing to monitor a site and transporting the product to the site. Upon completion of the final design, the Engineering Department will be the scope of services, with construction projected to start in October and being completed by the fourth quarter of FY 2004 at an estimated cost of \$2 Million.

The Budget Committee is recommending \$146,300 be allotted for the purchase of chlorine pumps, a surge tank blower, decant pumps, an exhaust fan for the blower building, and a generator for the sand filter room. All of this work is necessary in an attempt to limit the downtime we may have, avoiding interruption of sewer service for the residents. It will also be necessary during FY 2004 to purchase three four-by-four extended pickup trucks and one van for the electrician.

The Budget Committee believes that the general public views the wastewater sanitary sewer service as a monotonous government service. As long as the service is uninterrupted, little thought is given to the complexity of treatment and financing. Because of the financial position of the Federal and State governments, the Budget Committee believes it is essential that the Council allow for an increase in system connection charges.

The only proposed increases that are being recommended by the Budget Committee are sanitary sewer system connection charges. Many of the

charges have not been raised in seven years. These fees are calculated by adding a fee for transmission cost and a fee for treatment cost. This funding is used to allow for expansion capacity for new users. The Budget Committee believes these increases are necessary to allow for the purchase of land to expand treatment facilities and for future upgrade of capacity.

There are several contributing factors as to why the Budget Committee feels it is necessary for these prices to increase, in addition to the fact that many have not been adjusted since FY '97—inflation, although small over a seven-year period, impacts the final cost of operation of the district; and, primarily, the fact that the price of land based on availability has increased tremendously over the last three years. Finally, financial assistance from the Federal or State government can no longer be depended upon.

The Budget Committee would recommend that the County Council allow for an increase in system connection charges as follows:

**SUMMARY OF SYSTEM CONNECTION CHARGES
 JULY 1, 2003 – JUNE 30, 2004**

<u>District</u>	Proposed FY '04 Total System Connection Charge/ <u>EDU</u>	FY '03 Total System Connection Charge/ <u>EDU</u>
Dewey Beach Water	\$ 719	\$ 600
Dewey Beach Sewer	\$2,589	\$2,159
Bethany Beach Sewer	\$4,151	\$2,159
South Bethany Sewer	\$4,151	\$2,159
Fenwick Island Sewer	\$4,385	\$2,389

Blades Sewer	\$2,145	\$ 600
Henlopen Acres Sewer	\$2,589	\$2,159
Long Neck Sewer	\$2,411	\$2,101
Dagsboro-Frankford Sewer	\$4,753	\$2,954
West Rehoboth Sewer	\$3,369	\$2,954
Holts Landing Sewer (Existing)	\$3,432	\$1,559
Holts Landing Sewer (Extension)	\$5,150	\$3,219
Holts Landing Sewer (Septic)	\$1,795	\$1,795
Ocean View Sewer	\$4,151	\$2,159
Cedar Neck Sewer (New Imp.)	\$4,151	\$2,159
Cedar Neck Sewer (Existing Imp.)	\$2,159	\$2,159
North Millville Sewer (New Imp.)	\$3,432	\$1,559
North Millville Sewer (Existing Imp.)	\$2,300	\$1,559
Miller Creek Sewer (New Imp.)	\$3,432	\$1,559
Miller Creek Sewer (Existing Imp.)	\$1,559	\$1,559
Oak Orchard Sewer (New Imp.)	\$1,156	-0-
Ellendale Sewer (New Imp.)	\$3,416	-0-

(Note: EDU means "Equivalent Dwelling Unit")

The Budget Committee believes it is inevitable that the percent of increase budget expenditures for FY 2004 will exceed past budgets. For the past three budget years, County budgeted expenditures have increased an average of 4 percent per year. In FY 2004, expenditures are 19.81 percent higher than FY 2000. The Budget Committee does not consider this an inflated budget, but one adjustment. The Budget Committee feels that if we do not allow for increases now we may not be able to in the future. American author Mark Twain once stated, *was seldom able to see an opportunity until it had ceased to be one.*"

The Government Finance Officers Association of the United States and Canada reported in their newsletter of March 14, 2003, **"Almost 72 percent of U.S. counties**

are facing budget shortfalls because of funding cuts at the federal and state level and the struggling national economy, according to a survey of 715 county officials conducted by the National Association of Counties. The study indicated that fiscal problems have forced 45 percent of the counties facing budgetary shortfalls consider implementing tax increases. The survey indicated that of those 45 percent of counties, 54 percent have already increased local-option sales taxes. In addition, 37 percent of the counties are facing reductions in state funding that will reduce services and 17 percent of counties plan to increase tax rates." The Budget Committee is confident that this year's rate of increase should not be seen again for three to four years, if at all. There is one similarity that the FY 2004 budget has with past budgets, and that is consistent success.

Sussex County residents will benefit at the public safety level with increased contributions to the State police, a seventh paramedic unit, additional funding for the volunteer fire companies, and a General Fund grant of \$3 Million for wastewater treatment and expansion of services. These programs will be beneficial in removing potential pollutants from our bays and groundwater.

The Budget Committee is pleased that even during tight financial times they are able to recommend a new program. The Economic Development Stimulus Loan Program should be beneficial in assisting with employment opportunities throughout the County. Occasionally, even a small amount of funding may be the difference in allowing a business to expand or relocate to our County.

The continuation of the Open Space Program will help preserve open space for future generations. Eventually, this program may even lead to a parks and recreation program for the County.

Finally, the Budget Committee believes the financial benefit package offered to the employees is unequalled in either the public or private sector. For those under \$52,000, the \$520.00 awarded in July will be greater than the one percent cap for those over \$52,000. The County government continues to absorb increased costs for health, dental, and vision benefits. The Kiplinger Letter of March 7, 2003, states

Sussex County Council
May 20, 2003
Page 102.

“Health care woes are going to get worse before they get better. By 2008, doubling of employees’ cost is likely.”

The Budget Committee would ask the County Council to look at the overall benefit of this year’s budget proposal and to not allow the percent of increase to outweigh the benefits of this year’s spending adjustments. American author Clarence Darrow once wrote, *“The real world is not easy to live in. It is rough; it is slippery. Without the most clear-eyed adjustments we fall and get crushed.”*

I would encourage the County Council to review the proposed budget thoroughly before the public hearing which will be held on Tuesday, June 17, 2003.

Please do not hesitate to contact me or other Budget Committee members should you have any questions regarding this proposal.

Sincerely,

Robert L. Stickels
County Administrator

RLS/sww