



Fiscal Year 2021 Budget

JULY 1, 2020 | JUNE 30, 2021

SUSSEX COUNTY COUNCIL

Michael H. Vincent – President
Irwin G. Burton III – Vice President
Douglas B. Hudson
John L. Rieley
Samuel R. Wilson Jr.

ADMINISTRATION

Todd F. Lawson – County Administrator
Gina A. Jennings – Finance Director/COO
Kathy L. Roth – Deputy Finance Director



Summary

Fund	2021 Budget	2020 Budget	Difference
General Fund	\$65,891,626	\$81,460,499	(\$15,568,873)
Capital Projects – GF	\$10,200,000	\$21,366,500	(\$11,166,500)
Water & Sewer Fund	\$42,426,210	\$40,803,693	\$1,622,517
Capital Projects – WS	\$30,950,000	\$34,580,000	(\$3,630,000)
Pension	\$8,381,650	\$7,553,724	\$827,926
Total	\$157,849,486	\$185,764,416	(\$27,914,930)



Revenue Highlights

- No tax increase or general fund fee increases
- No increase in sewer service charge
- Unified connection fee remains at \$6,360 – all districts will now pay the same rate (Ellendale and Blades)
- Increase in water service charge of \$15 - \$3.75/quarter
- Assessment Fees decrease in the following areas:
 - Ocean View
 - Holt's Landing
 - Holt's Landing – The Greens
 - Long Neck
- Assessment Fee increase for:
 - Henlopen Acres/Dewey Beach
- New Assessment for customers coming online in FY2021

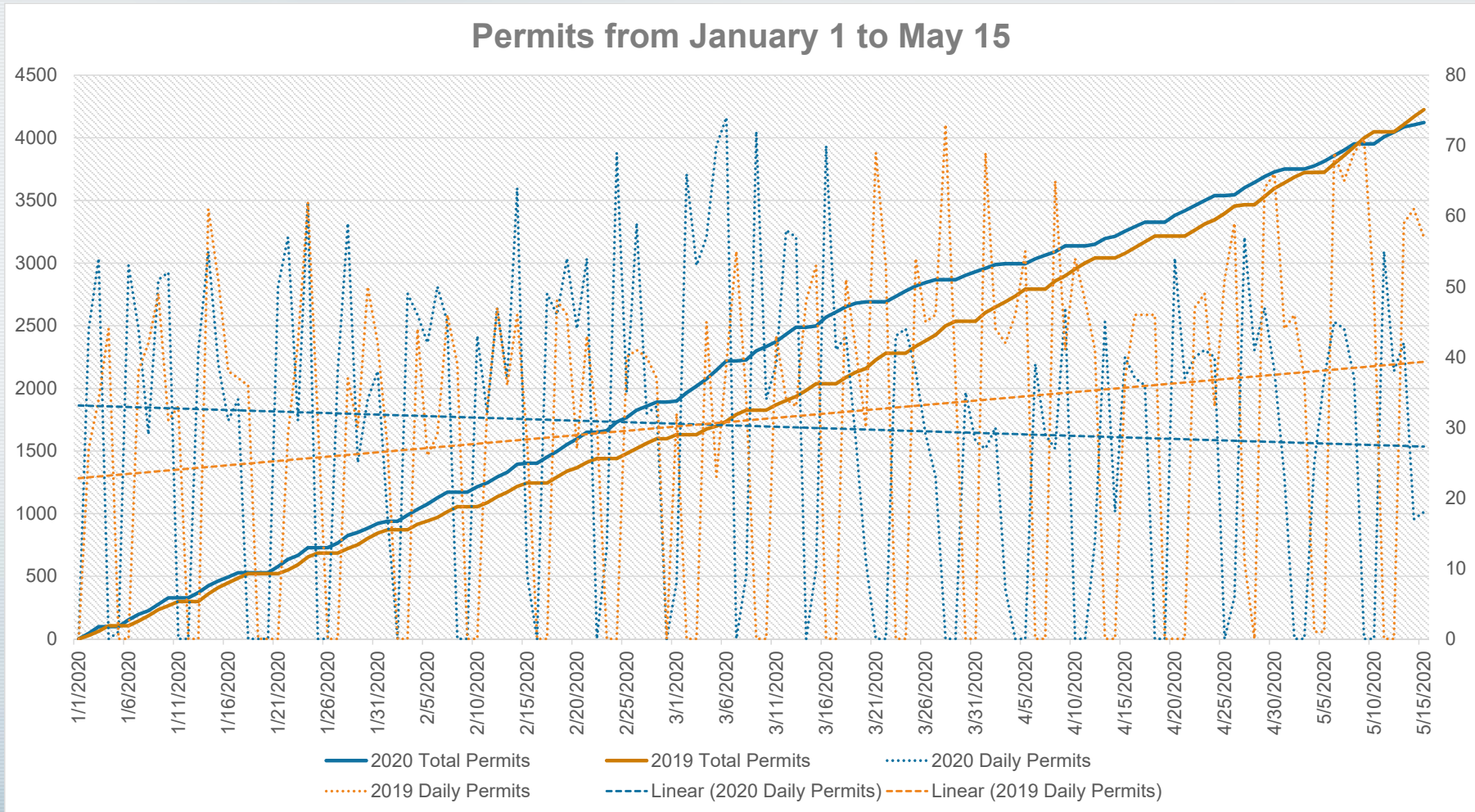


General Fund Revenue Projections

- No use of savings to support the operations of the General Fund budget
- The new accommodations tax is now shown in this budget
- The following revenues expected to increase from FY2020 budget:
 - Taxes due to additional improvements - \$489,000 – 3% increase
 - Increase in grants from other governments - \$777,000 – 11% increase
- The following revenues expected to decrease from FY2020 budget:
 - Interest - \$236,000 – 24% decrease
 - Building Related Revenues - \$549,000 – 5% decrease
 - Decrease in Sheriff Revenue - \$200,000 – 10% decrease
- Overall, revenue increase, without appropriated reserves, is \$1.3 million or 2% increase

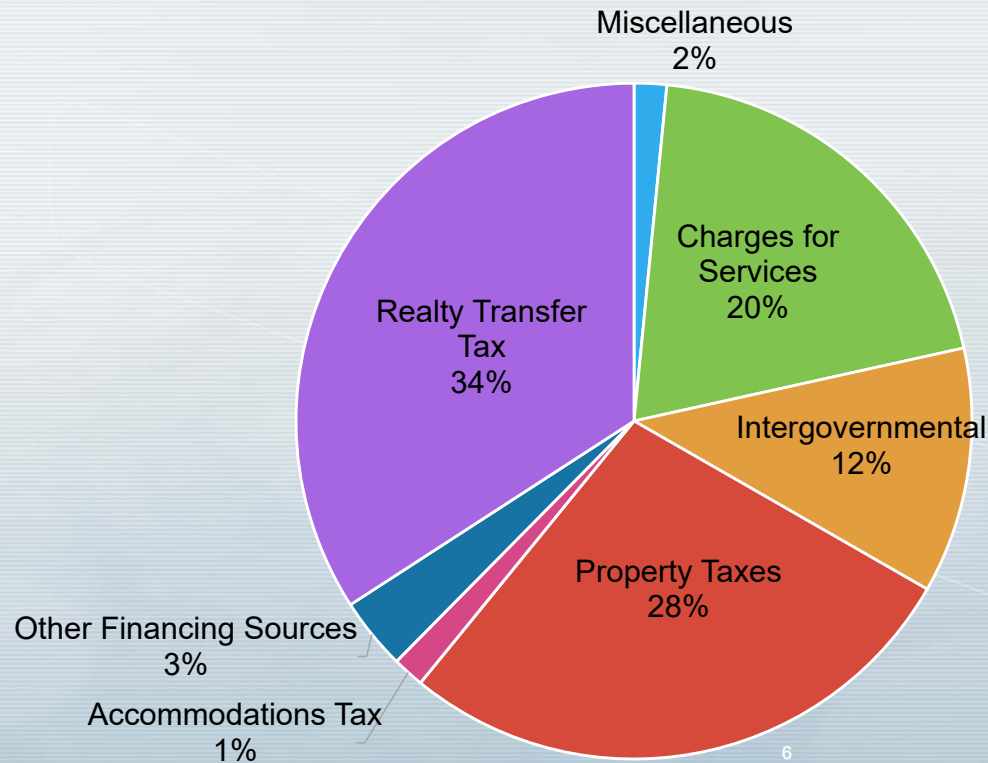


Recent Trends

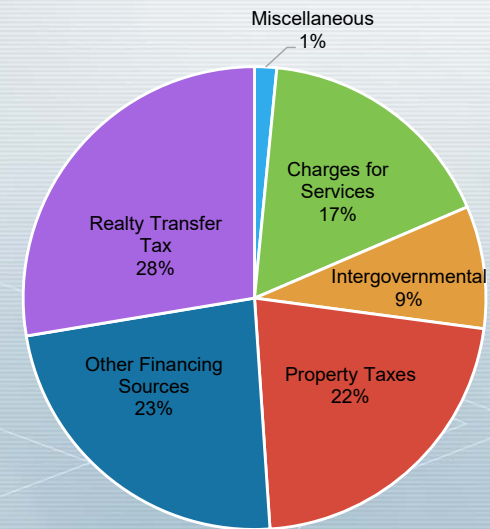


Revenue Highlights

FY 2021 Funding



FY 2020 Funding



Revenue Highlights



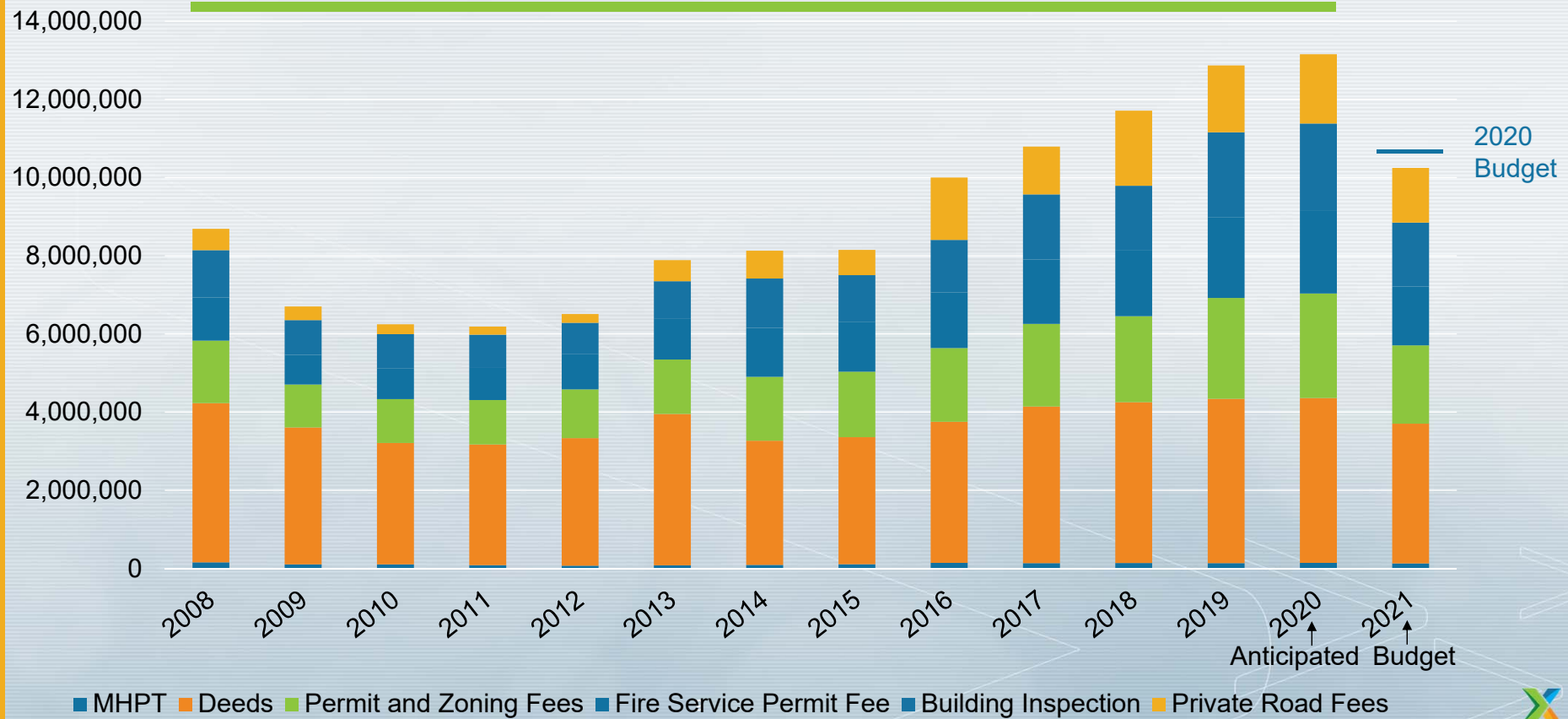
Realty Transfer Tax Usage



Budgeted Realty Transfer Tax in Operations	\$22,500,000
Paramedics (minus grant)	11,704,863
State Police	3,413,922
EOC (minus grant/911 fee)	4,145,020
Fire Companies (minus building permit fee)	2,876,350
Local Law Enforcement Grant	690,000
TOTAL	\$22,830,155



Building Related Revenues



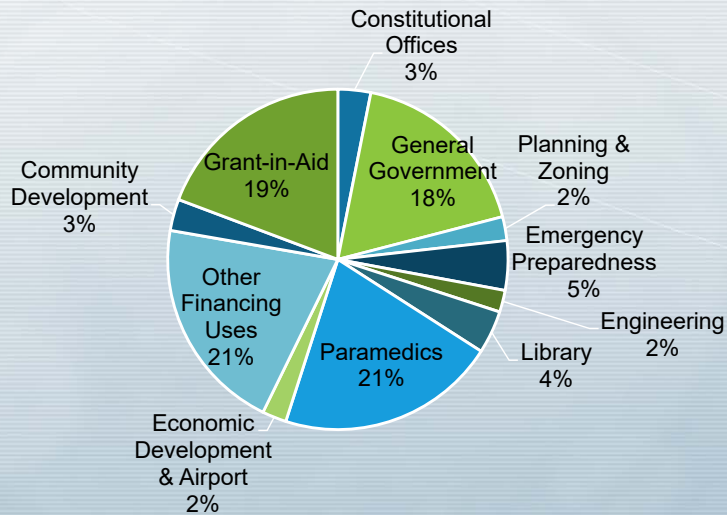
Fiscal Year 2021 Budget
PROPOSED
Sussex County Government



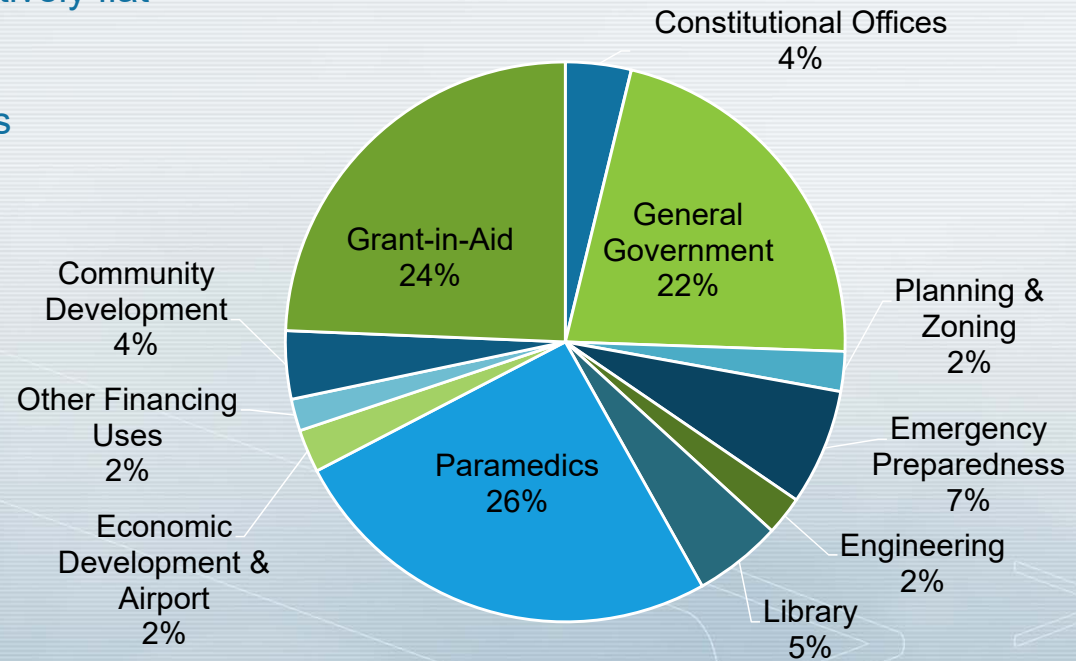
Expense Highlights

- Operational expenses are relatively flat
- No new initiatives or grants
- Changes in Personnel Benefits

2020 Expenses



2021 Expenses



Expense Details

The following Departments are budgeted to spend less in FY2021 than FY2020 (18 out of 28 cost centers, or 64%)

Administration	Mapping and Addressing
Airport and Business Park	Marriage Bureau
Assessment	Paramedics
County Council	Planning & Zoning
Economic Development	Public Works
Facilities Management	Recorder of Deeds
Human Resources	Records Management
Information Technology	Register of Wills
Library Administration	Sheriff



Expense Details

The following Departments are to spend more – amounts and reasons are provided

Department	Amount	Reason
Building Code	\$203,000	Transfer of 3 positions from P&Z
Community Development	\$160,000	Increase from federal grants
Constable	\$163,000	Transfer of 2 positions from P&Z; 2% increase in Dog Control contract
Emergency Preparedness	\$588,000	Hire 8 new staff to switch to a call-take model
Engineering Administration	\$139,000	Hire Assistant County Engineer; engineering consulting work
Finance	\$50,000	Transfer of 1 position from Assessment
Grant-in-Aid	\$345,000	Accommodations Tax, Open Space, State Police
Legal	\$50,000	Increase in legal services
Library Operations	\$23,000	Less than a 1% increase – building repairs
Safety and Security	\$6,000	1% increase – contract security

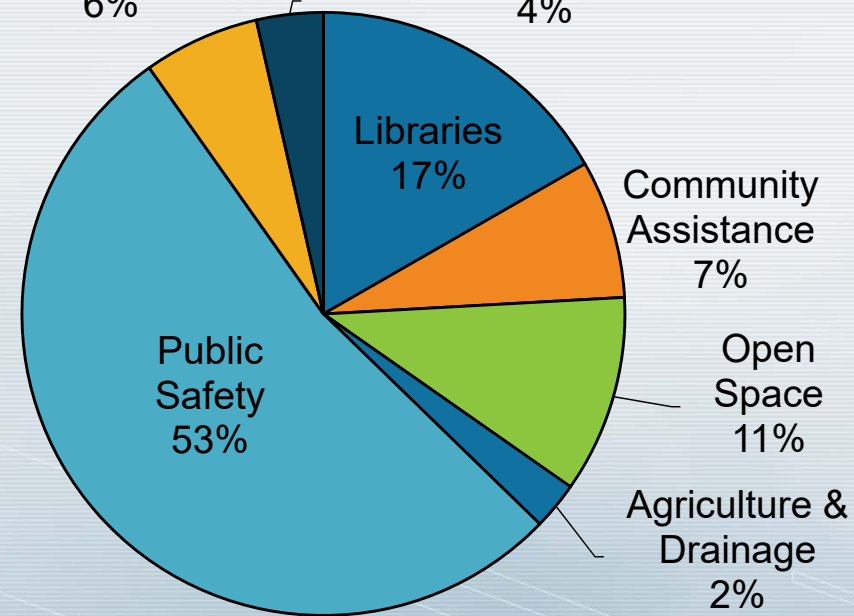


Grant-in-aid

Account Description	2019 Actual	2020 Budget	2021 Budget
Fire Company Grants	\$ 519,265	\$ 519,265	\$ 519,265
Rescue Truck	64,909	64,909	64,909
Aerial Device	60,379	60,379	60,379
Fire Service Discretionary	2,050,692	2,057,000	2,057,000
Fire Service Enhancement	2,070,724	1,500,000	1,500,000
Fire Service Special Grant	143,961	80,000	80,000
Ambulance Grants	94,797	94,797	94,797
Local Law Enforcement Grants	562,371	675,000	690,000
University of Delaware – Ag Program	109,049	109,049	109,049
Soil Conservation District Tax Ditch	125,000	125,000	125,000
Drainage & Conservation Grants	150,000	175,000	175,000
Open Space & Farmland Preserv.	1,019,531	1,000,000	1,700,000
Accommodation Tax Eligible Exp	-	-	1,000,000
CHEER & Senior Center Grants	21,600	71,600	71,600
Community Action Agency	9,600	9,600	9,600
Human Service Grants	222,510	225,000	225,000
Housing Assistance Grant	237,896	270,000	270,000
Community/Councilmanic Grants	168,041	175,000	175,000
Local Library Grants	2,279,373	2,500,000	2,551,200
Local Library Placement Fees	137,371	130,000	130,000
Assistance Relief Fund	60,450	55,000	61,000
Payment in Lieu of Taxes	6,715	6,715	6,715
Economic Assistance Grants	-	30,000	15,000
CIB – James Farm	25,000	83,200	83,200
Economic Development	53,500	40,000	52,000
Youth	20,940	22,000	22,000
DTCC	60,000	-	-
Community Outreach	25,842	22,000	22,000
Public Safety	15,000	15,000	15,000
Health Services	80,000	80,000	60,000
Economic Assistance Loan	145,482	500,000	500,000
Sports Complex Loan	-	1,500,000	-
DDD Grant	61,893	100,000	100,000
State Police Grant	3,239,963	3,318,501	3,413,922
DOC Grant	39,800	91,500	91,500
Total Grant-in-Aid	\$ 13,881,654	\$ 15,705,515	\$ 16,050,136

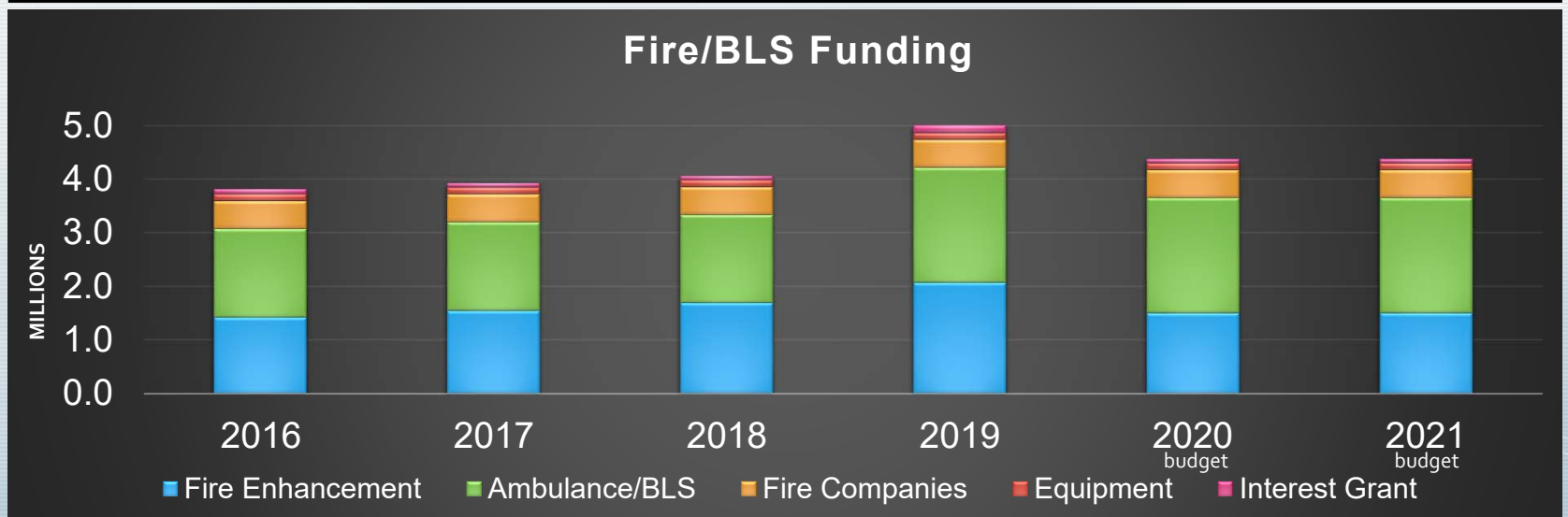
Accommodation Tax Eligible Expense 6%

Economic Development 4%



Grant-in-aid – Public Safety

Account Description	2019 Actual	2020 Budget	2021 Budget
Fire Company Grants	\$ 519,265	\$ 519,265	\$ 519,265
Rescue Truck	64,909	64,909	64,909
Aerial Device	60,379	60,379	60,379
Fire Service Discretionary	2,050,692	2,057,000	2,057,000
Fire Service Enhancement	2,070,724	1,500,000	1,500,000
Fire Service Special Grant	143,961	80,000	80,000
Ambulance Grants	94,797	94,797	94,797
Local Law Enforcement Grants	562,371	675,000	690,000
Public Safety	15,000	15,000	15,000
State Police Grant	3,239,963	3,318,501	3,413,922
Total Public Safety Grants	\$ 8,822,061	\$ 8,384,851	\$ 8,495,272



Grant-in-aid – AG/Drainage

Account Description	2019 Actual	2020 Budget	2021 Budget
University of Delaware – Ag Program	109,049	109,049	109,049
Soil Conservation District Tax Ditch	125,000	125,000	125,000
Drainage & Conservation Grants	150,000	175,000	175,000
Open Space & Farmland Preserv.	1,019,531	1,000,000	1,700,000
Total Agriculture/Drainage Grants	\$ 1,403,580	\$ 1,409,049	\$ 2,109,049



Grant-in-aid – Economic Development

Account Description	2019 Actual	2020 Budget	2021 Budget
Economic Assistance Grants	-	30,000	15,000
Economic Development	53,500	40,000	52,000
Economic Assistance Loan	145,482	500,000	500,000
DDD Grant	61,893	100,000	100,000
Total Economic Development	\$ 260,875	\$ 670,000	\$ 667,000

Downtown Development District (DDD)

- The Downtown Development Districts Act was enacted by the General Assembly in 2014 to, “Assist municipalities in strengthening neighborhoods while harnessing the attraction that vibrant downtowns hold for talented people, innovative small businesses and residents from all walks of life.”
 - Currently, Georgetown, Laurel, Milford and Seaford have the Downtown Development District designation.
- Spent all \$100,000 in FY2020 by April
- Requesting modification of program for single-family homes (detached and attached) to cap out at \$1,500. Currently, they receive \$10,000 maximum grant like other projects.



Grant-in-aid – Economic Development

Downtown Development District (DDD)

Date Awarded	Address Location	Qualified Construction Amount	State Grant	County Grant	Type of Project
8/14/2019	328 High Street - Seaford	\$ 255,101	\$ 50,000	\$ 10,000	mixed-use
9/20/2019	306 N High Street - Seaford	\$ 177,994	\$ 35,599	\$ 10,000	commercial
10/3/2019	20 Marshall Street - Milford	\$ 124,699	\$ 24,940	\$ 10,000	residential
10/3/2019	24 Marshall Street - Milford	\$ 120,204	\$ 24,041	\$ 10,000	residential
10/14/2019	28 South Walnut Street - Milford	\$ 58,762	\$ 11,752	\$ 5,876	commercial
11/6/2019	2 South Walnut Street - Milford	\$ 329,329	\$ 50,000	\$ 10,000	commercial
1/27/2020	215/221 High Street - Seaford	\$ 288,876	\$ 50,000	\$ 10,000	mixed-use
3/16/2020	413 East Market Street - Georgetown	\$ 87,207	\$ 17,441	\$ 8,721	commercial
3/26/2020	208 Oak Street - Laurel	\$ 82,207	\$ 16,441	\$ 8,220	residential
3/26/2020	106 Franklin Street - Milford	\$ 165,150	\$ 33,030	\$ 10,000	residential
4/6/2020	703 S. East Second Street - Milford	\$ 231,132	\$ 46,226	\$ 7,183	residential
		\$ 1,920,661	\$ 359,470	\$100,000	



Grant-in-aid – Economic Development

Downtown Development District (DDD)



111 McColley Street
 District: Milford
 Applicant: Zook's Property Management, LLC
 Project Type: Small Project
 Eligible Use: Residential
 Total Development Cost: \$102,835
 DDD Rebate: \$18,803
 Project Description: Interior and exterior rehabilitation of a single family home. Work included new roof, updated windows, new siding, electrical, plumbing, flooring, drywall, cabinetry, updated bathrooms, and HVAC.



32 The Circle, Georgetown, DE
 Applicant: Greenlea, LLC
 Project Type: Small Project
 Eligible Use: Commercial
 Project Cost: \$92,593
 DDD Rebate: \$18,519
 Project Description: Greenlea rehabilitated the second floor of this corner building into five offices. The improvements ranged from updated electrical and HVAC to new carpets and doors. The improvements also extended outside converting 8 porch columns from wood to brick.



105 North Front St, Seaford, DE
 Applicant: Old Town Hall Associates, LLC
 Project Type: Small Project
 Eligible Use: Commercial
 Project Cost: \$121,837
 DDD Rebate: \$24,367
 Project Description: The Old Town Hall in Seaford was renovated into a Connections Community Support facility to serve individuals with mental health and/or substance abuse issues. The former vacant property was converted into a community space by updating the HVAC system, creating meeting rooms, and opening up the main waiting area.



201 East Laurel Street, Georgetown, DE
 CONCEPT RENDERING
 Applicant: Jaelen, LLC
 Project Type: Large Project
 Eligible Use: Mixed-Use
 Total Development Cost: \$2,561,386
 DDD Rebate: \$457,997
 Project Description: This project is known as Splash Georgetown and will bring a new 4,575 s.f. laundry facility, 1,185 s.f. coffee shop, and a 1,135 s.f. beauty salon into a formerly vacant building. The project will also retain the upstairs apartments and add an outdoor playground.



131 East Market Street, Georgetown, DE
 Applicant: H.P. Layton Partnership
 Project Type: Small Project
 Eligible Use: Commercial
 Project Cost: \$21,007
 DDD Rebate: \$4,201
 Project Description: This project includes a new roof, exterior painting and new ceiling inside.



106 North Conwell Street
 District: Seaford
 Applicant: Sussex County Habitat for Humanity
 Project Type: Small Project
 Eligible Use: Residential
 Project Cost: \$93,153
 DDD Rebate: \$15,465
 Project Description: New construction of a single family home for the purpose of increasing homeownership in the District.



The Villas, Delaware Ave, Laurel, DE
 MAP OF PROPERTY
 Applicant: Villas on Broad Creek
 Project Type: Large Project
 Eligible Use: Residential
 Total Development Cost: \$2,419,899
 DDD Rebate: \$406,980
 Project Description: The Villas on Broad Creek community will continue development of the property outlined in yellow above. The new units will scale down the existing 3,000 s.f. to 1,900 s.f. units. This residential project will add 5 duplexes (10 homes).



508 Pine Street, Laurel, DE 19958
 Applicant: Individual homeowner
 Project Type: Small Project
 Eligible Use: Residential
 Project Cost: \$21,490
 DDD Rebate: \$4,298
 Project Description: The rehabilitation of this single-family house included a new roof.



Abbotts Grill – 300 Delaware Avenue, Laurel, DE
 Applicant: Laurel Redevelopment Corporation (LRC)
 Project Type: Small Project
 Eligible Use: Commercial
 Project Cost: \$87,710
 DDD Rebate: \$17,452
 Project Description: LRC rehabilitated the deck at Abbotts Grill from the decking down to the supporting footers. According to a geotechnical survey done for the project, this waterfront amenity is now safe and will serve Laurel's downtown for years to come.



401 High Street, Seaford, DE
 Applicant: C. Bryan Bennett Revocable Trust
 Project Type: Small Project
 Eligible Use: Mixed-Use
 Project Cost: \$211,892
 DDD Rebate: \$40,973
 Project Description: The C. Bryan Bennett Revocable Trust added to Seaford's downtown revitalization by rehabilitating the 401 High Street storefront and apartments. The apartments received new windows, laundry in units, and updated HVAC systems.



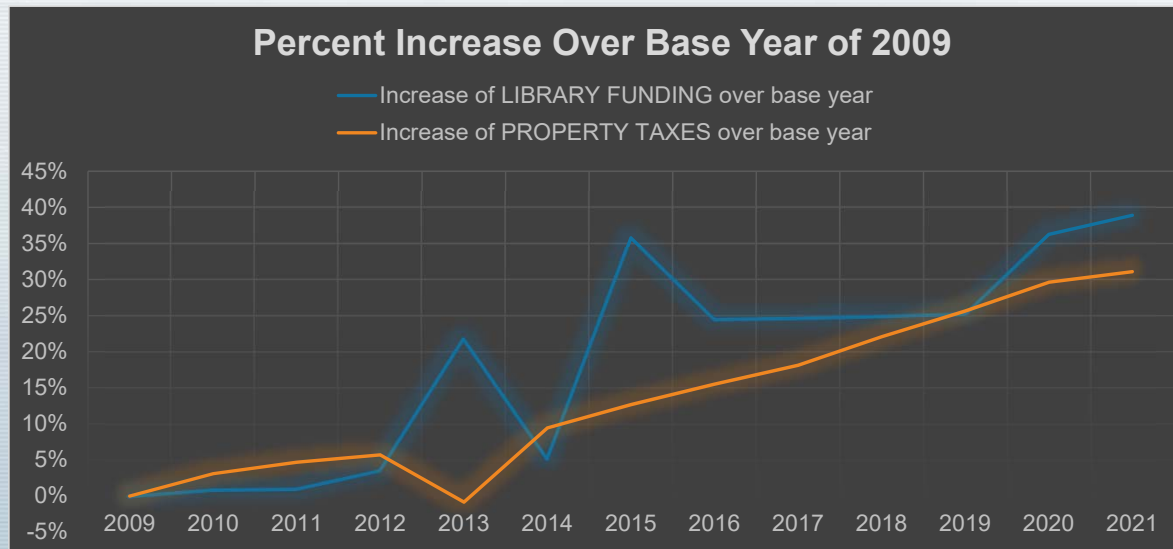
124 North Pine St, Seaford, DE
 Applicant: Zachary Parks
 Project Type: Small Project
 Eligible Use: Residential
 Project Cost: \$70,072
 DDD Rebate: \$14,254
 Project Description: Zachary Parks took a vacant house and turned it into a 4-unit rental property. Parks repaired the roof and painted the exterior. The interior rehabilitation included new ceilings, walls, flooring, plumbing, and doors throughout the house.



Grant-in-aid – Libraries

Account Description	2019 Actual	2020 Budget	2021 Budget
Local Library Grants	2,279,373	2,500,000	2,551,200
Local Library Placement Fees	137,371	130,000	130,000
Total Libraries	\$ 2,416,744	\$ 2,630,000	\$ 2,681,200

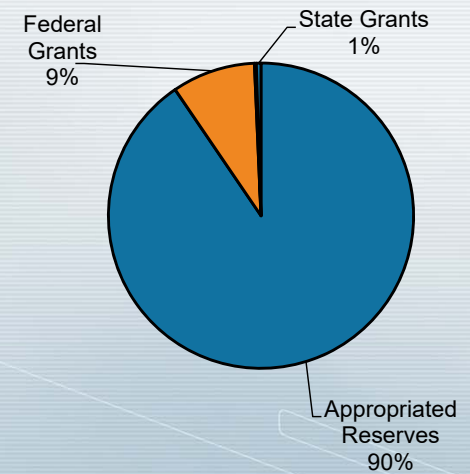
- Formula-based distribution
- Per the recommendation of the Library Advisory Board, increased funding last year by \$220,000



Capital Projects

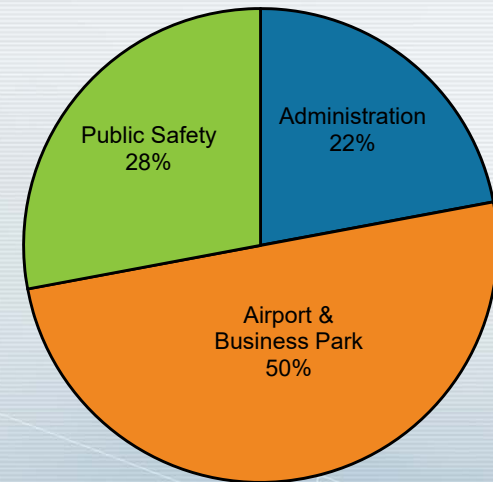
- Continuing with projects that were started in prior fiscal year or have committed federal funding

Funding Source	2021 Budget
Appropriated Reserves	\$ 9,230,000
Federal Grants	900,000
Investment Income	20,000
State Grants	50,000
Total Funding Sources	\$10,200,000



Capital Projects

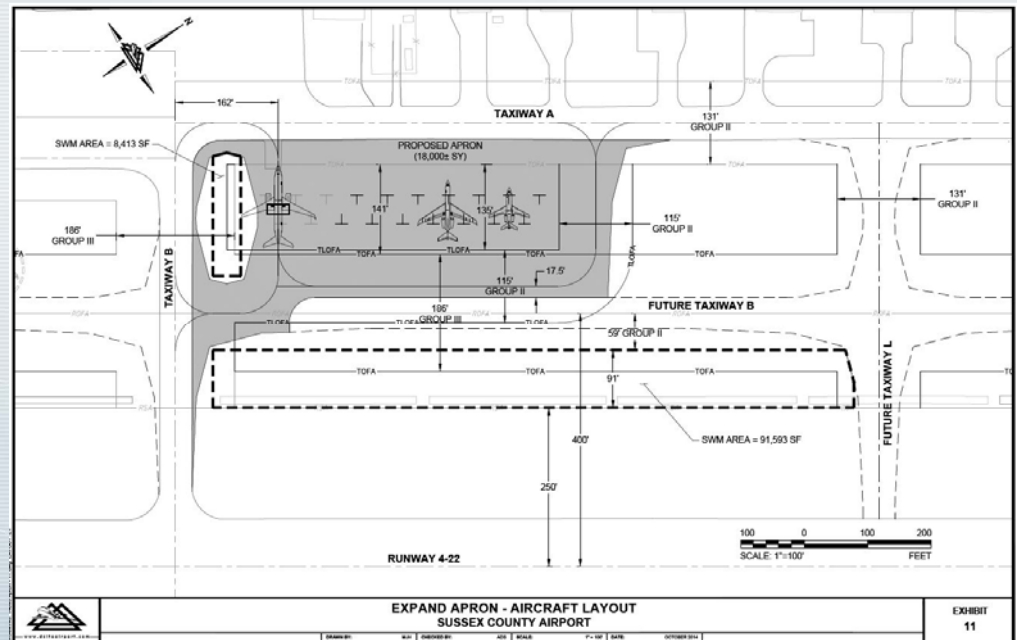
Administrative	
IT Infrastructure	750,000
Land Acq. & Improv.	1,500,000
Airport/Business Park	
Stormwater Improv.	750,000
RW 4-22 Taxiway B	300,000
Airport Masterplan	400,000
Apron Expansion – Design Phase	300,000
Pavement Improvements	500,000
Baltimore Avenue Connector	750,000
Coastal Business Park Improvements	1,250,000
Land Acquisition	750,000
Water Plant	100,000
Public Safety	
Public Safety Building	1,000,000
EMS Stations	1,850,000
Total Expenditures	\$10,200,000



Capital Projects

Design Phase Apron Expansion - \$300,000 (Grant Eligible)

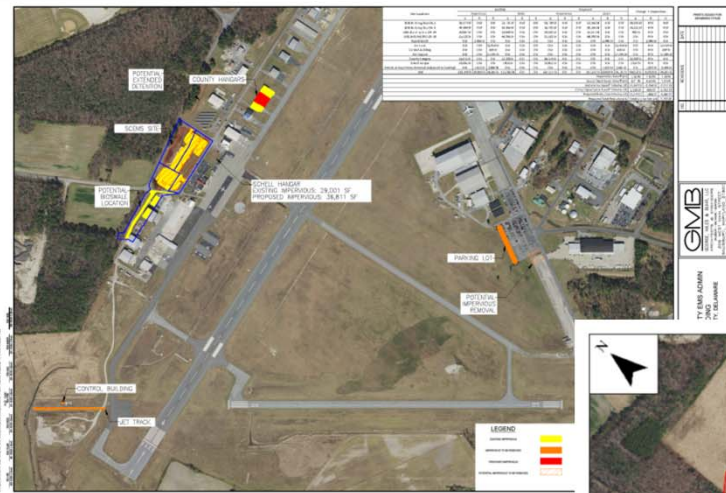
This project will continue the design of an expanded general aviation apron area, adjacent to the Terminal Apron. The FAA's Terminal Area Forecast for GED estimating a 15% increase in based aircraft by 2023.



Capital Projects

Stormwater Improvements - \$750,000 (Not Grant Eligible)

Implementation of the stream restoration project involves the design and construction of water quality and habitat improvements along the Eli Walls Tax Ditch. This project & a bioswale along Aviation Avenue in conjunction with impervious pavement removal will generate sufficient stormwater credits to support the 5-year capital projects plan in this drainage basin.



Capital Projects

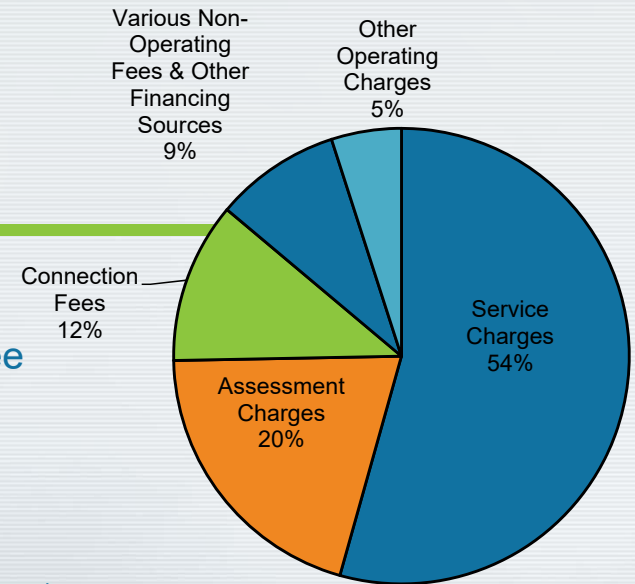
Public Safety Projects – 2,850,000

There are 2 public safety construction projects in the FY2021 capital budget. One is Medic Station 110/200 in Seaford. The second is the public safety training and administrative facility next to the EOC.



Sewer Revenue

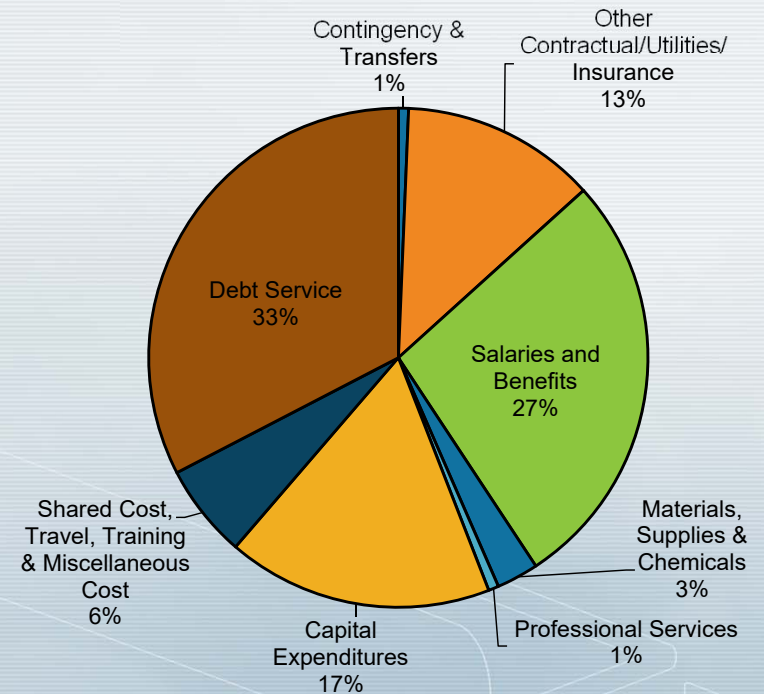
- No increase in sewer service charges
- All sewer areas will pay the \$6,360 connection fee
- Assessment Fees decrease for:
 - Ocean View - \$0
 - Holt's Landing - \$0
 - Holt's Landing – The Greens - \$5.23 (decreased \$2.36/front foot)
 - Long Neck - \$0
- Assessment Fee increase for:
 - Henlopen Acres/Dewey Beach - \$317.52/EDU (increased \$21.48) – annual debt payment increased \$120,000 over last year – due to closing second SRF loan
- New Assessment for customers coming online in FY2021
 - Chapel Branch - \$680/EDU
 - Western Sussex - \$303/EDU



Sewer Expenses

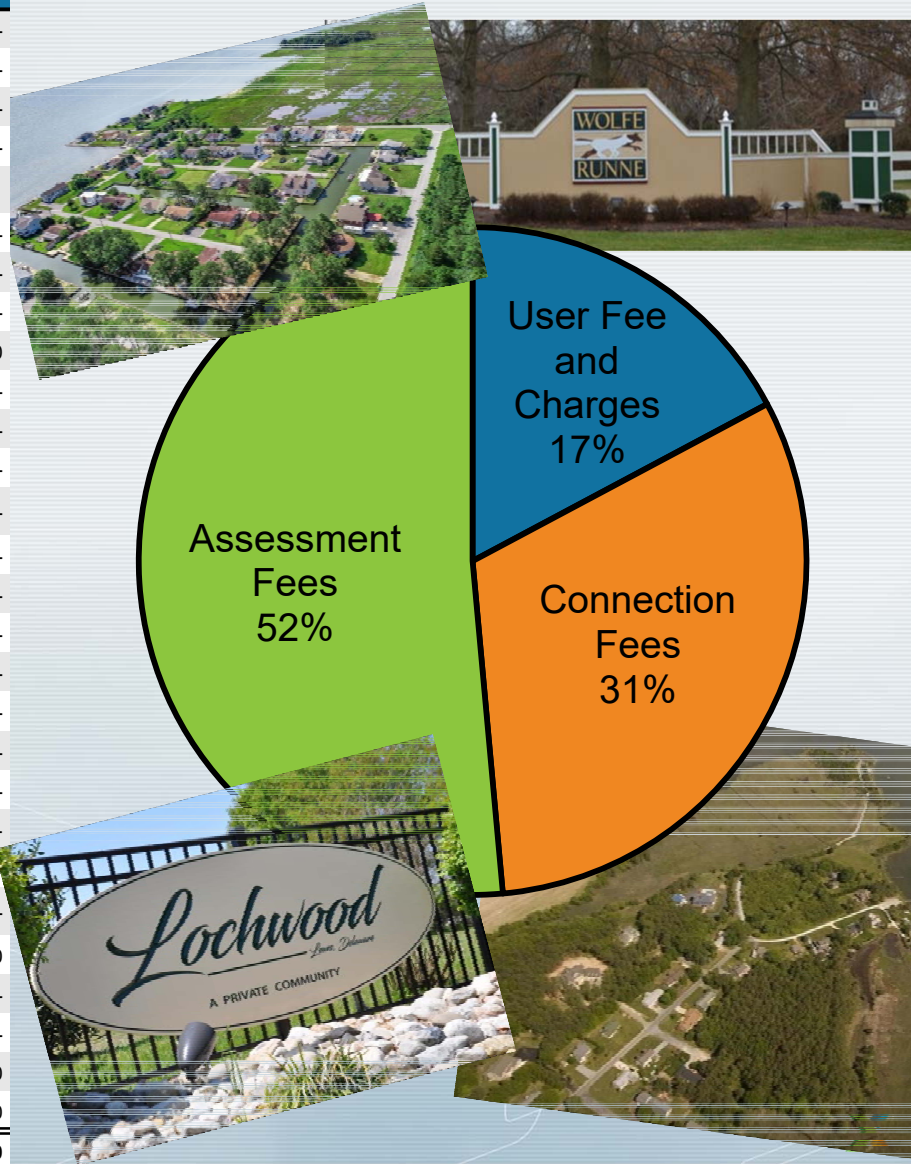


- Expenses increased \$1.5 million, or 3.8%
- The increase is due to the capital improvements to maintain the sewer system
 - \$800,000 – Pump Stations 27, 222 and 70 – rehab wet well, new valve vault and electrical improvements
 - \$600,000 – Pump Station 2 – new wet well, valve vault, and electrical building
 - \$400,000 – Pump Station 4 – drywell improvements, new bypass manhole and electrical replacement



Sewer 5-Year Capital

	2021	2022	2023	2024	2025
IBRWF-Spray Demand Loop	\$8,150,000	\$ 3,500,000	\$ 3,000,000	\$ -	\$ -
IBRWF-Disposal Expansion	-	3,600,000	1,000,000	-	-
IBRWF-Treatment Expansion	-	7,000,000	13,250,000	-	-
IBRWF-Regional Biosolids/Septage	11,000,000	3,700,000	-	-	-
IBRWF – Const.Wetlands & Stormwater Improvements	300,000	2,000,000	-	-	-
SCRWF-Capacity Expansion	1,250,000	20,000,000	16,000,000	1,750,000	-
SCRWF-Compliance Upgrades	750,000	7,000,000	6,000,000	1,450,000	-
Piney Neck-RWF Transmission Imprv	100,000	900,000	3,500,000	2,500,000	-
Piney Neck –Lagoon Conversions	250,000	-	-	-	2,500,000
WNRWF-Conversion	200,000	3,500,000	5,500,000	4,500,000	-
Pump Stations & Transmission to RB	750,000	1,750,000	1,000,000	-	-
Rehoboth WWTP Phase II	200,000	10,000,000	9,000,000	-	-
LBPW WWTP Expansion Participation	-	750,000	-	-	-
Concord Road/Route 13 Commercial	-	800,000	-	-	-
Western Sussex Sewer District	3,500,000	9,900,000	-	-	-
Herring Creek Sewer Area	3,000,000	2,000,000	9,500,000	7,500,000	-
Winding Creek Water	-	250,000	250,000	1,500,000	-
Chapel Branch	500,000	2,750,000	3,750,000	-	-
Joy Beach	-	500,000	3,000,000	3,000,000	-
Mulberry Knoll	100,000	1,800,000	1,600,000	-	-
Ellendale Water District	500,000	3,500,000	3,500,000	-	-
Wolfe Runne	250,000	2,100,000	1,900,000	-	-
Holts Landing Expansion – Mallard Creek	100,000	1,500,000	600,000	-	-
Branch/Autumn/Tucks Roads	-	500,000	2,500,000	3,500,000	1,500,000
Tanglewood-Bayard PS #1	50,000	600,000	250,000	-	-
Oak Acres-Bayard PS #5	-	250,000	1,500,000	750,000	-
Lochwood Sewer Area	-	500,000	5,000,000	3,500,000	1,000,000
Bethany Forest Sewer Area	-	-	-	500,000	2,000,000
Total Expenses	\$30,950,000	\$90,650,000	\$91,600,000	\$30,450,000	\$7,000,000



Water

- Increase is water service charge of \$15 - \$3.75/quarter (current rate = \$312)
- Operations increased \$115,000; the increase is driven by the water being purchased from Rehoboth Beach
- Beginning January 1, prices will increase by \$300,000; a \$150,000 increase in this year's budget

Year	Cost	Increase In Rate	Additional Income
2021	\$ 150,000	\$15	\$ 56,235
2022	\$ 300,000	\$30	\$ 112,470
2023	\$ 300,000	\$45	\$ 168,705
2024	\$ 300,000	\$60	\$ 224,940
2025	\$ 300,000	\$75	\$ 281,175
2026	\$ 300,000	\$80	\$ 300,000



What's Next?

Finance will review building-related revenues quarterly determining if previous cuts can be restored. If the revenue of Realty Transfer Tax, Building Permits, Building Inspections, and Recorder of Deeds is over a quarter's budget by at least \$1 million the following will be restored in the order below in \$1,000,000 amendment increments:

Supplemental 1: Fencing at airport and landfill, Records Management HVAC, vehicles, I.T. equipment, training/seminars, Administration Building repairs and arc flash study, paramedic equipment, garage tools, and contingency of \$200,000

Supplemental 2: Parking lot striping, various office equipment, library building improvements, Geotechnical Engineering projects, advertising, Industrial Park water plant miscellaneous repairs, ESRI Damage Reporting software, various programs (Libraries/in-house training), new I.T. position for cyber security, building needs assessment, website maintenance, economic development study, airport terminal upgrade, books and supplies, and contingency of \$400,000



What's Next?

Supplemental 3: Grant-in-Aid \$1,000,000

Housing trust funds (\$500,000), economic development loan replacement (\$500,000)

Supplemental 4: Grant-in-Aid \$1,000,000

Open space (\$1,000,000)

Supplemental 5: Capital Projects \$1,000,000

Stormwater program (\$500,000) and Western Sussex Business Park (\$500,000)

Supplemental 6: Capital Projects \$1,000,000

Stormwater program (\$500,000) and Western Sussex Business Park (\$500,000)

Supplemental 7: Capital Projects \$1,000,000

Stormwater program (\$500,000) and Western Sussex Business Park (\$500,000)

Supplemental 8: Land Acquisition (\$800,000) and Grant-in-Aid (\$200,000)

Supplemental 9: Any amount remaining, transfer to Capital Fund for future projects



What's Next?

There will also be \$750,000 items put on hold in sewer. The release of these funds are based on the revenue from connection and construction inspection fees. If revenues exceed \$750,000 using these revenues, the following will be amended to the budget:

- Pump Station 20 improvements
- 4 Vehicles
- Travel and Seminars
- Computer replacements





Fiscal Year 2021 Budget

Budget documents and presentation can be found at: www.sussexcountype.gov

Budget comments can be sent to: budget@sussexcountype.gov

Public Hearing - June 23, 2020

