

Fiscal 2012 Budget Letter

*Rooted in Our Past
Reaching for the Future*



Sussex County, Delaware



May 17, 2011

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Administrator

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May 17, 2011

Sussex County Council
2 The Circle
P. O. Box 589
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Dear President and Members of Council:

As required by Delaware Code, Title 9, Chapter 70, § 7003, paragraph (d), subparagraph (5), I respectfully submit the Proposed Annual Operating Budget for Sussex County for Fiscal Year (FY) 2012. The Fiscal 2012 proposed budget was developed by the Budget Committee consisting of the County Administrator, the Finance Director, the Budget and Cost Manager, and the Director of Accounting. This recommended budget is based on the individual requests from each County department. We would like to thank each department head for their cooperation and input in developing this budget.

The Fiscal 2012 Budget again presents a challenge in that revenues are expected to slowly recover and have increased at a modest level for the General Fund. Revenues are expected to be substantially lower than some recent years, such as 2008. General Fund income totaled over \$55 million in 2008 compared to the estimated \$48 million for 2012. Revenues are expected to be up two percent compared to the Fiscal 2011 Budget. Again, no tax or fee increases are projected. The \$3.00 County capitation tax is not included in the proposed budget, and there is zero use of Appropriated Reserves anticipated. Realty transfer tax is projected up seven percent to \$13.6 million. Conservative budgeting now and in the past has enabled the County to continue without raising property taxes.

This proposed budget again, for the third year, includes zero use of Appropriated Reserves in the General Fund portion of the budget. Appropriated Reserves in the Capital Improvements Fund totaling \$4 million are recommended to be used to fund Capital Improvements projects. This proposed General Fund \$48 million budget is 7.3 percent below the 2005 budget of \$51.8 million.

The County continues to budget with the following goals:

- *Balanced budget*
- *Maintain an operating reserve of approximately 25 percent*
- *Continued appropriated funding for pensions and pension benefits*
- *Operate without tax supported debt*
- *Maintain 'AA1' strong bond rating*
- *Maintain funding for local libraries*
- *Upgrade and maintain existing wastewater services*
- *Continue to eliminate existing septic systems in new and expanded sewer districts*
- *Provide subsidies to allow for the capping of front footage costs at 100 feet in sewer and water districts*
- *Continue tax credit and sewer assistance programs to help low-income residents*

The Fiscal 2012 Budget includes the following initiatives:

- *Economic Development – encourage new and expanded business opportunities in Sussex County to provide more jobs*
 - *Wastewater infrastructure projects including completion of the Angola Sewer and Oak Orchard Sewer expansion projects, as well as the expansion of the Inland Bays Regional Wastewater Facility; also initiate new projects including some within Miller Creek and Millville Sewer*
 - *Industrial Park Capital Projects – continue to pursue FAA funding for runway extension of 1,000 feet, continue with other projects such as storm water management, wetlands mitigation, and lighting improvements at the Industrial Airpark*

- *Industrial Revenue Bonds – encourage use of these bonds to provide tax-exempt funding for private projects*
- *Community Development Block Grant Program – housing rehabilitations for low-income residents with available Federal funding and County match for administrative costs*
- *Establish Airport marketing plan with a goal to attract additional business to Sussex County and provide greater employment opportunities*
- *Continue to implement uniform service charge rates for sewer and water funds*
- *Obtain best possible financing for sewer and water projects to improve affordability*
- *Implement new financial systems software packages which will provide additional information in a more efficient and cost-effective manner*
- *Perform sewer pump station rebuilds for aging infrastructure*
- *Consider changes to pension benefits for new employees*
- *Continue to pursue additional efforts to collect delinquent taxes and sewer and water bills*
- *Revise antiquated sections of Personnel Code*
- *Code Enforcement – continue cross-training of Assessors, Building Code Inspectors, and Planning and Zoning Inspectors to more efficiently enforce County codes*
- *Continue to update zoning ordinances as per Land Use Plan*
- *Implement redistricting as a result of newest census*
- *Review paramedic and emergency response programs as part of statewide initiative*
- *Continue with reduced service level for County bookmobile*

- *Increase capacity of Inland Bays Regional Wastewater Facility to two million gallons per day needed for Angola and Oak Orchard sewer expansions, as well as growth in existing Long Neck District*
- *Pursue options for treatment facility for expanded West Rehoboth Sewer*

This explanatory report is organized by individual fund beginning with the General Fund, followed by the Community Development Block Grant, Capital Improvements, and Water and Sewer Districts funds. We hope that this format will aid you in accessing information.

A continued concern is the County's share of realty transfer tax and State paramedic funding. This Fiscal 2012 Budget again assumes that the County will continue to receive a one-and-a-half percent realty transfer tax on eligible properties in unincorporated areas of the County. Reductions in these funds would mean that the County would have to re-evaluate the programs and grants even further. Given the economic climate that has resulted in a 63 percent reduction in County realty transfer revenue since Fiscal 2005, further State imposed reductions would have major consequences on services provided by the County. Page 5 of this report shows a chart reflecting some items that could be cut and/or reduced as a result of such a change.

The County is also concerned regarding any further decreases in State paramedic funding. The Fiscal 2010, 2011, and 2012 budgets reflect a \$1.2 million per year decrease in State Paramedic Grant funding, which is a result of the State of Delaware reducing its contribution toward paramedics from 40 percent to 30 percent during Fiscal 2010. A further ten percent reduction below 30 percent would cost the County an additional \$1.2 million. The County is concerned and realizes that further reductions in State paramedic funding would mean additional cuts in grants and/or other County services to fund the paramedics.

Another concern regarding State of Delaware proposals is the Recorder of Deeds and Register of Wills offices. Last year, the Governor's budget message included the possibility that the Recorder of Deeds and Register of Wills offices in all three counties could be consolidated and transferred to a function of the State of Delaware. Eliminating these functions from our budget would mean an approximate \$2.6 million reduction in net revenue for Sussex County's General Fund. Again, any such major revenue reduction would mean a closer review of County funding, especially for items such as State Police funding, sewer and water grants, and other grants to local nonprofit organizations.

I would like to personally thank each County employee who assisted with this challenging budget. This year again has been a difficult year for many Sussex County residents. County employees realize this and have worked hard to provide savings in our budget by implementing changes, assisting other employees with their work, cross-training, providing ideas to save tax dollars, and even taking voluntary unpaid time off. We wish to sincerely thank the employees who provide County services to our residents for adapting to the economic climate over the last few years.

The Budget Committee worked hard to prepare the many documents and required information for the budget. Our department heads responded in a responsible manner with reasonable requests while considering the economic reality of today. Our employees are the backbone of County government. Their jobs at times are difficult in attempting to respond to the needs and inquiries of our residents. We again commend them for their everyday assistance and efforts to provide important services for Sussex County residents.

We would also like to thank the County Council for its leadership and financial conservatism that has served us well in this time of economic change. We would like to thank the County Council for its trust, understanding, and assistance that has been provided as our government has responded to these tough economic times. We wish to thank our residents for their understanding and appreciation of the change that has occurred in our County government. Sussex County is a wonderful place to live. Our goal has been to continue to efficiently and effectively provide the services that County residents' desire.

Please feel free to contact me or the Budget Committee with any questions or concerns that you may have.

Sincerely,

A handwritten signature in cursive script that reads "David B. Baker".

David B. Baker
County Administrator

DBB/sww

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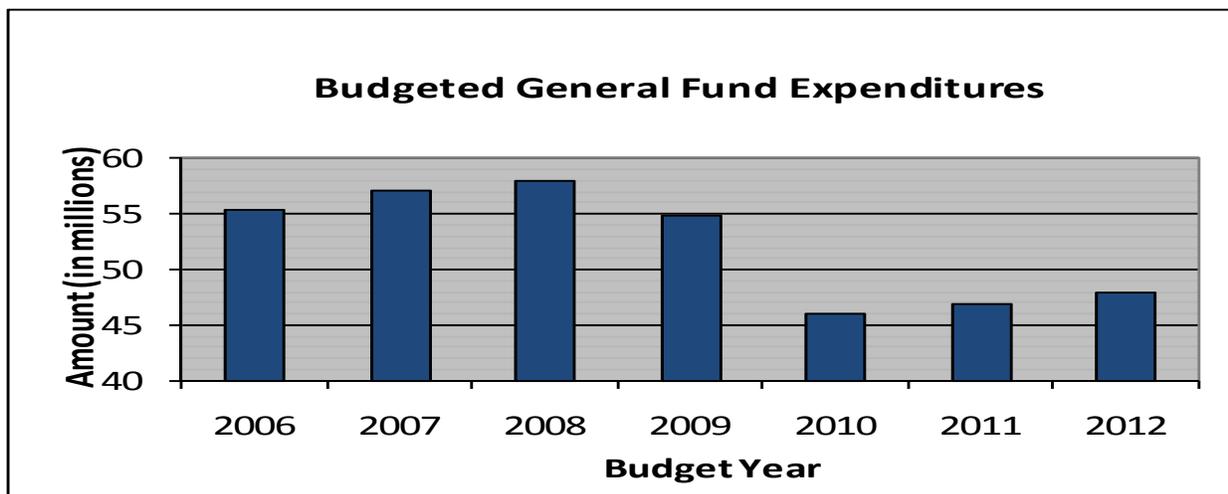
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SUSSEX COUNTY COUNCIL

GENERAL FUND

The County's General Fund Budget includes funding for most County programs and services that are provided. It does not include the County Water and Sewer Districts, Community Development Block Grant funded programs, or the Capital Improvements Fund. Each of those sections of the budget is explained separately. The General Fund does include funding for Paramedics, Libraries, Constitutional Offices, Finance, Planning and Zoning, and the County Engineering Department, as well as other departments.

The County's proposed General Fund Budget for Fiscal 2012 increased \$1,122,153, which represents 2.40 percent more than the Fiscal 2011 Budget. Total revenues and expenditures are estimated at \$47,964,800. The chart below shows the changes over the last seven years in budgeted expenditures for the General Fund.



GENERAL FUND

REVENUES

General Fund total revenues increased \$1,122,153, or 2.40 percent, compared to the previous Fiscal 2011 Budget. This projection reflects the Budget Committee's assumption that revenues will remain stable during Fiscal 2012. The proposed budget is 17.3 percent below the Fiscal 2008 General Fund Budget of \$57.9 million. Pages 2 through 5 of the County Budget reflect each individual revenue line item and show the changes from the preceding years.

Property Taxes

The General Fund Budget includes \$13,261,116 in County property taxes. This is based on taxable assessments of \$2,980,025,765. The estimated total property tax revenue has increased 2.17 percent compared to the Fiscal 2011 Budget. This increase reflects the addition of new construction placed on the tax assessment rolls. This percentage increase of 2.17 percent compares favorably to last year's 1.45 percent, however is lower than the 3.03 percent increase in the Fiscal 2010 Budget. No property tax increase is recommended. The current tax rate of 44.5¢ per \$100.00 of taxable assessed value is recommended to stay in place. The proposed budget includes a recommendation to maintain the local library portion of the property tax at 4.67¢. The remaining 39.83¢ is for general operations of County government. As in previous years, library tax revenues totaling \$1,391,672,

which also increased 2.17 percent, are dedicated to support the 11 independent libraries in the County.

As recommended by the County Council previously, the capitation tax will be suspended for Fiscal 2012 and perhaps indefinitely in the future. The County previously has charged a \$3.00 per adult resident capitation tax. The County Council voted to reduce this to zero for the Fiscal 2012 Budget, funding this from the excess of revenues over expenditures that the County realized during Fiscal 2010. The Fiscal 2010 financial report indicated that the General Fund net revenues exceeded expenditures by \$617,977. As a result of this, the County Council has elected to eliminate the \$3.00 capitation tax for Fiscal Year 2012.

Realty Transfer Tax Revenue

During Fiscal 2012, realty transfer tax revenue is estimated at \$13,570,000. This represents an increase of \$870,000 versus the Fiscal 2011 Budget, a seven percent increase. This estimate is based on the level of realty transfer tax activity for Fiscal 2011. This is 24 percent less than the Fiscal 2009 Budget estimate of \$17,920,000. The \$13,570,000 estimate is 63 percent less than the actual revenue collected six years earlier in Fiscal 2006. As during Fiscal 2011, the General Fund Budget is based on the assumption that all realty transfer tax revenue will be expended within the General Fund. No new realty transfer tax revenue is recommended to be transferred to the Capital Improvements Fund. The following chart shows the change in realty transfer tax revenue since Fiscal 2002.



The realty transfer tax estimate for Fiscal 2012 is the highest General Fund revenue source estimated. This estimate assumes that realty transfers will remain at a similar level as seen during Fiscal 2011. Any reduction in the allocation of realty transfer tax revenue between the State and County by the General Assembly would mean reduced expenditures and further program cuts. Possible reductions as a result of such a change, or a change in the State paramedic contribution, are noted on the following page.

**SUSSEX COUNTY – REALTY TRANSFER TAX FUNDING
POSSIBLE CUTS – FISCAL 2012**

General Fund		Amount
Grants - State Police		\$1,686,691
Grants - County Sewer Districts		1,060,380
Ellendale	134,500	
Unified District - IBRWF & Dagsboro/Frankford	135,880	
Wastewater Relief Fund *	140,000	
Wastewater 100 Front Foot Maximum Bill Fee *	650,000	
Grants - Local Law Enforcement to Towns		517,500
Grants - Fire Service		700,000
Grants - Community Action *		25,000
Grants - Community Grants *		150,000
Grants - Housing Assistance Program *		50,000
Grants - Human Service *		143,520
Grants - Municipal		45,000
Grants - Sussex Conservation District *		40,195
Grants - University of Delaware Agriculture Extension Service *		69,049
Finance / Administration Software		500,000
Economic Development - Industrial Park Marketing Plan*		30,000
Library - Bookmobile *		55,542
Library - Grants to Independent Libraries *		250,000
Paramedic Program - HAZMAT Program		34,200
Paramedic Program - Medical Equipment		210,000
Records Management - Additional Staff*		17,000
Total		\$ 5,584,077
* Program is not directly funded from realty transfer taxes, but could be reduced as a result of loss of additional realty transfer tax funding.		

Other Building Related Revenues

Other building and housing industry related revenues continue to reflect the depressed construction industry, as per the following chart. A decrease of \$123,200 is projected over the Fiscal 2011 depressed budget. Total other housing industry revenue is 60 percent less than the actual amount received during Fiscal 2006.

Housing Industry Revenue							
Source of Revenue	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Budget	2012 Budget
Manufactured Home Placement Tax	358,959	210,824	157,805	105,436	107,601	105,000	100,000
Recorder of Deeds	5,422,185	4,754,676	4,018,655	3,467,799	3,064,575	3,300,000	3,197,000
Maintenance Fee (Deeds)	66,908	59,277	51,290	34,783	38,488	30,000	38,000
Building Permit and Zoning Fees	2,775,513	2,076,999	1,597,735	1,097,805	1,120,403	1,100,000	1,100,000
Fire Service Enhanced Funding	2,093,729	1,535,864	1,106,321	758,837	791,472	780,000	780,000
Building Inspection Fees	2,413,769	1,770,275	1,211,344	886,569	869,303	840,000	830,000
Private Road Inspections	2,220,998	839,652	361,546	166,550	145,907	125,000	145,800
Private Road Design Fees	391,912	280,294	182,762	184,668	105,428	100,000	66,000
Total	15,743,973	11,527,861	8,687,458	6,702,447	6,243,177	6,380,000	6,256,800

Other General Fund Revenues

The State Paramedic Grant, representing 30 percent of paramedic program costs, is estimated to increase 3.18 percent, reflecting a corresponding 3.18 percent increase in the General Fund portion of the Paramedic Budget. This amount again reflects a reduced share of State of Delaware funding for paramedics of 30 percent. During Fiscal 2010, the State of Delaware reduced its contribution for paramedics from 40 percent to 30 percent, representing a State grant reduction of \$1.2 million which has been made up by County revenues. Prior to Fiscal 2004, the State contributed 60 percent of paramedic costs, which was reduced during Fiscal 2004 to 50 percent. It was reduced to 40 percent during Fiscal 2005 and 30 percent during Fiscal 2010, as noted. The County Council has concerns regarding how County government would handle any further reductions in funding by the State of Delaware for this critical public safety service.

Revenue from the Sheriff's Office is projected to increase 17 percent during Fiscal 2012, to \$2,800,000. This is up substantially from the 2007 actual share of

revenue of \$590,589. This increase reflects our depressed economy, which has resulted in increases in Sheriff's sales of properties and goods.

Estimated investment income is up 57 percent, to \$550,000. This increase of \$200,000 reflects a proposal to change investment policies for part of County funds and increase return with some longer term investments. As is noted later in the budget report, this additional \$200,000 in anticipated return will be provided as a grant to the fire and ambulance companies of Sussex County. The \$550,000 investment income estimate continues to reflect the extremely low level of interest rates that we currently receive of below one percent. Investment income also includes interest to again be charged to County water and sewer construction projects for interim loans during their construction period from the realty transfer tax account.

Allocation of costs to Water and Sewer Districts for administrative work performed by General Fund employees is up \$100,000, to \$725,000. We are continuing to improve in allocating costs properly to our Water and Sewer Districts. These amounts represent reimbursements for water and sewer district contributions from departments including Personnel, Accounting, Assessment, Finance Administration, and Administration. These departments provide services that benefit water and sewer customers, as well as other County residents. There is a change in the accounting, per instructions from the County auditors, in that these funds previously reflected in the budget as revenue are now shown as net of

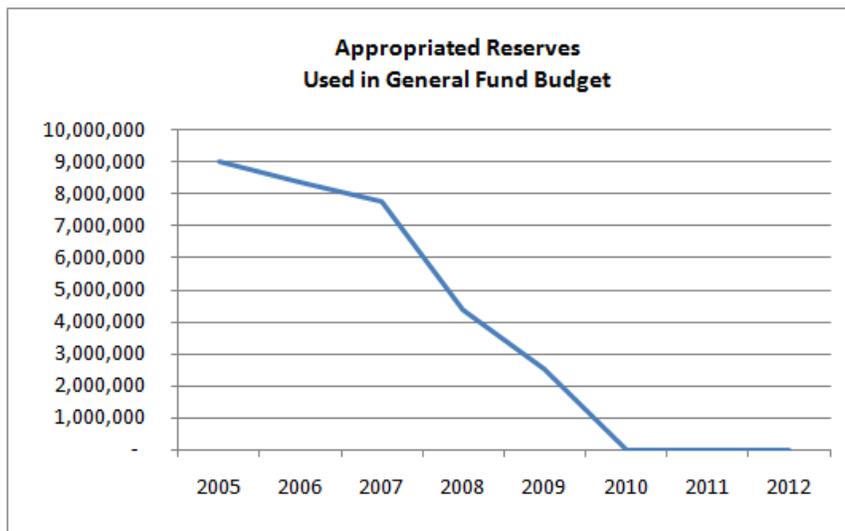
expenses. Thus, there are credits in the appropriate sections of the General Fund expenditure budget reflecting the credit for these amounts. Without this accounting change, the total General Fund Budget would have reflected a 3.9 percent increase. Water and sewer repayments continue at the Fiscal 2011 level of \$333,000, which represents repayment to the General Fund for unused construction grants for certain projects that were partially funded by realty transfer tax. Due to other sources of funding, these funds were not needed during the original construction project.

Pension reimbursements from the County Pension Fund and Pension Benefit Fund are up 5.1 percent, to \$4,255,786. However, these revenues are offset by corresponding estimated General Fund expenditures for these items. This revenue matches expenses for pensions paid and medical benefits for pensioners, and related costs that are incurred. As during the last two fiscal years, the County will reimburse the General Fund for benefit costs for our pensioners, as well as pension costs incurred. Both of these reimbursements reflect the purpose of establishing these trust funds.

Appropriated Reserves

The recommended Fiscal 2012 General Fund Budget again, for the third year, includes **zero use** of Appropriated Reserves. This reflects a major change compared to Fiscal 2008 and Fiscal 2009 where \$4,390,381 and \$2,550,515 were included to balance the General Fund budgets. The following chart reflects the decrease in the

use of Appropriated Reserves in the annual General Fund Budget. The Capital Improvements Fund Budget does include Appropriated Reserves, which will be explained in that section of this budget report.



GENERAL FUND

EXPENDITURE APPROPRIATIONS

The General Fund's total expenditures of \$47,964,800 also reflect a modest increase of 2.4 percent versus the Fiscal 2011 Budget. This budget amount also includes \$600,000 as a Reserve for Contingencies, which matches the same amount budgeted during the last two fiscal years. If unanticipated expenditures are needed and/or total revenues do not meet our expectations, then reserves may be needed to fund operations next fiscal year. At this time, that is not anticipated based on this budget proposal.

As per the following chart, some departments again show reductions in their annual budget, along with some with modest increases. Again, the number of full-time employees funded by the General Fund is considerably less than the 417 budgeted in Fiscal 2009. During Fiscal 2012, 363 General Fund positions are included in the budget. This compares to 358 during Fiscal 2011, 382 during Fiscal 2010, and 417 during Fiscal 2009. The number of full-time General Fund employees is 13 percent less than Fiscal 2009.

GENERAL FUND EXPENDITURES					
Department	Percentage Change from 2011 to 2012	Percentage Change from 2009 to 2012	Department	Percentage Change from 2011 to 2012	Percentage Change from 2009 to 2012
County Council	0.4%	-14.9%	Planning & Zoning	-3.1%	-21.2%
County Administration	-9.5%	-26.7%	Emergency Preparedness	-1.2%	2.5%
Grant-in-Aid	10.6%	-26.7%	Paramedics	3.2%	-10.4%
Finance Administration	-2.8%	2.1%	Economic Development	44.3%	-22.3%
Assessment	-9.4%	-35.6%	Industrial Airpark	-8.7%	-1.0%
Mapping & Addressing	10.8%	-17.8%	Engineering Admin	7.2%	-44.7%
Constables	-11.7%	-15.8%	Public Works	-3.3%	-35.7%
Dog Control	-0.6%	-	Solid Waste	-19.1%	4.5%
Accounting	-12.4%	-31.7%	Records Management	45.3%	-
Treasury	-1.6%	-14.9%	Libraries	1.0%	-10.3%
Building Inspection	0.4%	-36.2%	Clerk of Peace	14.6%	-12.3%
Personnel	-16.1%	-13.2%	Recorder of Deeds	-6.1%	-26.8%
Facilities Management	3.9%	-38.9%	Register of Wills	18.2%	13.8%
Security	47.6%	-	Sheriff	29.1%	18.5%
Data Processing	-11.9%	-34.9%	Community Development	18.5%	-6.5%
Information Systems	-11.9%	-7.3%			

The Fiscal 2011 staffing changes reflect several early retirement option programs that were implemented during Fiscal 2010. A limited early retirement option is anticipated during Fiscal 2012. Staffing changes are also a result of continued efforts to cross-train remaining staff as other employees leave County employment. No layoffs are recommended for Fiscal 2012. There were also no layoffs in the 2011 and 2010 budgets.

As per the above chart, almost every department has seen major budget reductions over the past three years. The number of full-time employees has also been reduced eight percent over the past three years.

NUMBER OF FULL-TIME EMPLOYEES					
(Change in Number of Full-Time Employees)					
Department	Change from 2011 to 2012	Percentage Change from 2009 to 2012	Department	Change from 2011 to 2012	Percentage Change from 2009 to 2012
Accounting	0.75	-20.5%	Information Technology	0.00	19.4%
Administration	0.25	-15.0%	LEPC-Hazardous Materials	0.00	0.0%
Assessment	0.00	-29.7%	Library Administration	-0.25	-42.3%
Bookmobile	0.00	-30.0%	Mapping & Addressing	-0.25	-22.5%
Building Inspections	0.00	-25.0%	Milton Library	0.00	0.0%
Clerk of Peace	0.00	-16.7%	Paramedics	0.58	-5.2%
Communications System	0.00	-25.0%	Personnel	0.00	0.0%
Community Development	0.00	0.0%	Planning & Zoning	-1.00	-18.8%
Constable	-1.00	-20.0%	Public Works	0.00	-20.0%
County Council	0.00	0.0%	Recorder of Deeds	0.00	-22.2%
Data Processing	0.00	-16.7%	Records Management	0.00	-
Dog Control	0.00	-	Register of Wills	0.00	0.0%
Economic Development	0.00	-33.3%	Security	3.00	33.3%
Emergency Operations Center	0.00	0.0%	Sheriff	2.00	20.0%
Emergency Preparedness	0.00	0.0%	South Coastal Library	0.00	-14.3%
Engineering Administration	-0.25	-53.0%	Treasury	0.00	-11.1%
Facilities Management	0.75	-39.2%	Utility Billing	0.00	0.0%
Finance	0.00	20.0%	Water & Sewer Administration	0.00	22.9%
Greenwood Library	0.00	0.0%	Water & Sewer Maintenance	0.00	3.5%
Industrial Airpark	0.00	37.5%			
			Total	4.58	-7.86%

Total Full-time Employment as of June 30											
1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
332	356	399	416	441	477	485	514	539	525	512	490

The proposed budget includes a two percent cost of living increase for County employees, with a \$750 minimum. Thus, employees who earn less than \$37,500 will receive a \$750 increase, which would mean a greater percentage increase for those employees at the lower end of the salary scale.

The proposed budget also recommends elimination of the anniversary increase program that has been offered to employees in the past. The rationale behind this recommendation is that it is more appropriate to reward individual employees for the quality of work they perform versus longevity. Given limited County resources, we believe that providing a cost of living increase reflecting the increasing cost for all employees of gas, groceries, etc., and continuation of some merit increases for outstanding work performed are preferred options compared to continuing the anniversary increases for employees with three years of service or more. The proposed cost of living increase is less than the Consumer Price Index increase of 2.7 percent as of March 2011. It also recognizes that employees have not received a cost of living increase since July 1, 2008.

COUNTY COUNCIL

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$600,177	\$505,838	\$525,353	\$544,711	\$546,996

(Percent Change: 0.42 Percent Increase)

Council President – Michael H. Vincent

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Council Vice President – Samuel R. Wilson, Jr.

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Councilman George B. Cole

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Councilwoman Joan R. Deaver

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Councilman Vance C. Phillips

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Clerk of the Council – Robin A. Griffith

Administrative Secretary – Gaye P. King

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

Website: www.sussexcountyde.gov

The County Council is the legislative branch of County government consisting of five elected members. Each Council member is elected from their own district. The County Council President and Vice President are elected annually by the members of the Council at their organizational meeting in January.

Each of the five Council members will receive an annual salary of \$26,825, reflecting a \$750 increase which represents the same increase that a similar County employee would receive. This is less than the \$28,663 per year paid to Kent County Commissioners and \$41,459 paid to New Castle County Council members. The County Council President receives an additional \$1,000 per year, and additional funding is also included for County Council's travel and telephone costs at \$3,000 per year. As in prior years, funding is included for Public Officials' Liability Insurance, code books, legal advertising, and office related expenses.

The proposed budget includes membership to the following organizations:

- **Delaware Association of Counties**

- *Delaware League of Local Governments*
- *Delaware Safety Council*
- *First State RC&D Council*
- *International Institute of Municipal Clerks*
- *National Association of Counties*
- *Sussex County Association of Towns*

The proposed budget also includes funding again for Community Grants at the same level of \$150,000. This represents a 51 percent decrease compared to the Fiscal 2009 Budget. Each Council member's grant for the year would total \$30,000. These grants allow funding for youth, academic, and sports activities, special nonprofit events, and fundraising efforts for organizations such as the American Cancer Society, etc.

The County Council Budget also includes specific grants for programs including the following:

- *Caroling on The Circle*
- *Delaware Natural Resources & Environmental Control – Tide Gauge Program*
- *Delmarva Chicken Festival*
- *Delaware District III Little League World Series*
- *Delaware Technical & Community College Annual Women's Conference*
- *Mildred King Memorial Luncheon for employees*
- *Senior Citizens Beach Day*
- *Sussex County Child Health Promotion Coalition*
- *Wings & Wheels Program at County Airport*

Most of these grants are funded at the same level as Fiscal 2011, which represented an eight percent decrease from Fiscal 2009. Funding for the Children's Health Awareness Program assists with our efforts to reduce obesity for Sussex County children. The grant for tide gauges provided by the State of Delaware assists in this program which enables County staff to monitor flooding issues on-line. This saves considerable staff time and helps provide warning of potential flooding problems. The fall Wings & Wheels Festival has been a major success in providing an

interesting festival and major increase in tourism in Sussex County at the County Airport.

Regularly scheduled County government meetings are as follows:

Sussex County Council	10:00 a.m.	Each Tuesday
Planning and Zoning Commission	6:00 p.m.	Second and fourth Thursday of each month
Board of Adjustment	7:00 p.m.	First and third Monday of each month

Sussex County Council, Planning and Zoning Commission, and Board of Adjustment meetings are posted on bulletin boards in the County Administrative Office Building, as well as on the County's website. Those wishing to monitor Council meetings may do so by linking to the County's home page of www.sussexcountypa.gov. Live review of these meetings is also available at this home page address on the Internet.

The Sussex County Council will accomplish the following objectives during Fiscal 2012:

- ✓ ***Maintain public availability to all citizens of the County***
- ✓ ***Promote a pleasant work environment for the employees***
- ✓ ***Encourage citizen participation to assist in making informed decisions***
- ✓ ***Maintain financial stability***
- ✓ ***Guide development to existing infrastructure areas***
- ✓ ***Action on Land Use Plan Update ordinances***
- ✓ ***Continue efforts to more efficiently provide County services***
- ✓ ***Continue efforts to reduce County costs without impacting base services***

COUNTY ADMINISTRATION

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$486,487	\$465,844	\$385,639	\$464,748	\$420,755

(Percent Change: -9.47 Percent Decrease)

County Administrator – David B. Baker

dbaker@sussexcountyde.gov

Deputy County Administrator – Harold F. Godwin

Chief of Public Information – Chip Guy

Administrative Secretary – Susan W. Webb

Telephone: (302) 855-7742 Fax: (302) 855-7749

County Administration manages the operation of the County government. The County Administrator reports directly to the County Council. Nineteen (19) department heads report to the County Administrator.

As discussed in further detail in various sections of this budget report, County government will again be busy during Fiscal 2012 providing and improving services for Sussex residents and visitors. Administration will continue attempts to more efficiently provide County services, especially given the state of the current economy and the recent dramatic real estate downturn. Efforts will continue to combine resources and duties amongst departments.

Construction will be completed during Fiscal 2012 on the Angola Sewer, Johnson's Corner Sewer, Oak Orchard Expansion, and expansion of the Inland Bays Regional Wastewater Facility. Hookups will begin on these projects. The Solar Panel Project will also be on-line during Fiscal 2012 to provide electric cost savings for the County Emergency Operations Center. This project was funded by a Federal grant for \$660,000.

County Administration will also work during the year to closely monitor State legislation, especially as it affects County government. Legislation will continue to be monitored regarding realty transfer tax funding, paramedic funding, dog control initiatives, amongst other proposals that affect County government. Land Use Plan ordinances will be developed during the year for County Council consideration also.

Funding is included for replacement photography equipment for the Public Information Officer. Also included is funding for a training period for the new County Administrator.

The County Administration Budget reflects a credit of \$99,460, which represents cost reimbursements for Water and Sewer Districts that previously were included revenue. Without this credit, the County Administration Budget would be up 12 percent. The reason for the increase is primarily the transition to a new County Administrator and including funding for a training period.

County Administration will accomplish the following objectives during Fiscal 2012:

- ✓ ***Maintain County's strong financial position***
- ✓ ***Introduce Land Use Plan Update ordinances***
- ✓ ***Closely monitor personnel transition with continuing cross-training and retraining efforts during this economic downturn***
- ✓ ***Pursue economic development in Sussex County with continuing capital projects at the County Industrial Park, completion of a marketing plan for the Airport and Industrial Park, assisting businesses with Industrial Revenue Bonds, and assisting businesses with expansion plans***
- ✓ ***Further pursue wastewater expansion projects to eliminate septic systems, especially along the Inland Bays areas***
- ✓ ***Continue ongoing review of County finances and services provided, with a goal to provide County services in the most efficient and economical manner possible***
- ✓ ***Continue code enforcement cross-training efforts***
- ✓ ***Implement a revised and improved building security plan***

LEGAL DEPARTMENT

The proposed Fiscal 2012 Budget includes \$272,500 for legal services. The County Attorney, Mr. J. Everett Moore, Jr., represents the County Council, and Mr. Vincent G. Robertson represents the Planning and Zoning Commission. Mr. Richard E. Berl, Jr., will continue to represent the Board of Adjustment. Regarding personnel and labor matters, the firm of Young, Conaway, Stargatt & Taylor will be employed. Ballard & Spahr will assist with financial matters, including bonds.

The Legal Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Attend public hearings and meetings as required***
- ✓ ***Advise and assist in drafting ordinances as required by the County Council***
- ✓ ***Provide legal interpretations in a timely manner for State and Federal legislation***
- ✓ ***Assist in the collection of delinquent property taxes and utility fees***
- ✓ ***Provide productive legal services to County Council and staff***
- ✓ ***Prepare ordinances as part of Land Use Plan Update***

GRANT-IN-AID PROGRAMS

Recommended Grant-in-Aid Programs included in the Fiscal 2012 Budget total \$7,829,049. Although this is an increase of ten percent versus the 2011 budget, it is considerably less than 2009 expenditures of \$9.3 million and 2008 expenditures of \$15.8 million. The increase in funding reflects some modest increases in revenues that we have received over the last two years and new assistance for the volunteer fire and ambulance services in Sussex County. This recommended budget is 51 percent less than the actual 2008 expenditures for grant-in-aid. The Fiscal 2012 Budget includes some restoration of cuts that occurred in Fiscal 2010 in response to the changing economy and reduction of County funds available. Individual line item recommendations for the Grant-in-Aid Programs are included on Pages 13 through 18 of the County budget. The proposed budget includes funding for the following:

	Fiscal 2010 <u>Actual</u>	Fiscal 2011 <u>Budget</u>	Fiscal 2012 <u>Budget</u>
University of Delaware Agricultural Extension Service	\$ 69,049	\$ 69,049	\$ 69,049
Sussex Conservation District	\$ 151,797	\$ 115,195	\$ 115,195
Sussex County Volunteer Fire and Ambulance Companies	\$2,991,110	\$2,984,496	\$3,276,350
CHEER Meal Programs	\$ 9,200	\$ 9,600	\$ 9,600
First State Community Action Agency	\$ 9,200	\$ 9,600	\$ 34,600
Human Service Grants	\$ 140,900	\$ 143,520	\$ 143,520
Delaware State Police	\$1,274,321	\$1,542,458	\$1,686,691
Georgetown Payment in Lieu of Taxes	\$ 6,434	\$ 6,715	\$ 6,715
Town Grants	\$ 15,000	\$ 30,000	\$ 45,000
County Water and Sewer Contribution	\$ 270,380	\$ 270,380	\$ 270,380
County Wastewater Front Foot Assessment Cap	\$ 495,288	\$ 550,000	\$ 650,000
County Wastewater Relief Fund	\$ 120,423	\$ 136,000	\$ 140,000
Housing Assistance Programs	\$ 30,000	\$ 30,000	\$ 50,000

	Fiscal 2010 <u>Actual</u>	Fiscal 2011 <u>Budget</u>	Fiscal 2012 <u>Budget</u>
Open Space Land Program	\$ 358,325	-0-	\$ 61,798
Local Law Enforcement Grants	\$ 420,000	\$ 420,000	\$ 517,500
Community Improvements Grants	\$ 133,325	\$ 150,000	\$ 150,000

Funding for Fire Service Grants was reduced by eight percent during Fiscal 2010. The Fiscal 2011 Budget included restoring one-half of the cuts made during Fiscal 2010. The remaining one-half of reductions totaling \$91,854 are restored in the Fiscal 2012 Budget. This brings Fire Service Grants up to the same level allotted for during Fiscal 2010. The fire service funding includes grants to each fire and ambulance company, including \$1,500,000 for Basic Life Support assistance. This money is a reimbursement of salary costs for ambulance attendants that are needed by the fire service due to the shortage of volunteers. The Fire Service Enhanced Fund Grant of \$780,000 represents the estimated amount to be received from a .25 of one percent building permit surcharge. All actual amounts received from this fee are remitted to fire companies based on a formula recommended by the Sussex County Volunteer Firefighters Association. This amount equals the Fiscal 2010 and 2011 estimates also. Amounts from this fee up to \$950,000 are divided equally among the fire companies. Amounts above \$950,000 are allocated based on where the fee is generated from.

The proposed budget includes a new line item of \$200,000 for a special Fire Service Grant. This grant will be generated from additional investment income on County investments. The following is a summary of this proposed program:

Supplemental Fire Service Grant

County to invest \$10 million of Appropriated Reserves from realty transfer tax funds separate, with a goal to earn five percent per year:

- A. Five percent annual investment goal – fire companies to receive grant for annual investment income up to four percent per year; the fire service grants to be awarded annually based on recommendations from Fire Resource Committee, but at the discretion of the Sussex County Council.
- B. County receives first one percent of investment income earned.
- C. Fire service would receive investment income of up to four percent after County receives one percent.

- D. Four-fifths vote of the County Council required to use principal for any other purpose, i.e. grants to fire service, Human Service Grants, County operations, libraries, etc.
- E. If there is a loss from investments, then principal balance must be restored before any additional grants are made from investment income in the future to the County or the fire service.
- F. County receives investment income of over five percent per year.
- G. Fiscal 2012 budget reflects implementation of this program for approximately one-half year.
- H. Grants would be awarded annually, after review of investment results at March 15 of each year.

Grants to County Water and Sewer Districts have been maintained at \$270,380, which continues the 74 percent reduction compared to Fiscal 2009. The proposed grants include allocations for the Inland Bays Regional Wastewater Facility land purchase debt service of \$47,880, grants to the Ellendale Sewer District of \$134,500, and a grant to the Dagsboro-Frankford Sewer District of \$88,000 toward the cost of land purchased for future expansion there. The County Wastewater Relief Fund is budgeted at \$140,000, reflecting the increase in need for assistance for needy residents who apply for help with their County wastewater bills. As the number of users of County wastewater increases, there will be additional demands for this funding.

The budget recommends continuing the 100-front-foot cap on sewer and water assessments. This program will assist approximately 5,000 County water and sewer residential customers whom have larger lots exceeding 100 front feet and are current in their payment of County sewer, water, and tax bills. Maintenance of this 100-front-foot cap requires approximately \$650,000 in funding. This is up \$100,000, or 18 percent, compared to the Fiscal 2011 Budget of \$550,000.

Grant funding for the CHEER Meals on Wheels Program continues at \$9,600. The grant to First State Community Action Agency has been increased. Nine Thousand, Six Hundred Dollars (\$9,600) is included for operational costs, as in the Fiscal 2011 Budget. An additional \$25,000 is recommended for First State Community Action Agency to help their program to renovate their operational center in Georgetown. Our goal is to provide \$25,000 per year for the next four years, for a total of \$100,000, to assist First State Community Action Agency which benefits many needy residents in Sussex County.

Human Service Grants funding is maintained at the Fiscal 2011 level of \$143,520. These grants are awarded annually after receipt of individual requests from a multitude of nonprofit agencies throughout the County.

Funding for the State Police Program includes continuation of agreements that provide 40 additional State troopers in Sussex County, in addition to the State allocation of officers. Although our most recent agreement with the State of Delaware reflects that the State and the County will provide four additional State troopers in Sussex County each year, it has been requested by the State of Delaware, for the third year in a row, to defer adding four additional State Police officers during Fiscal 2012. Our budget for this program has increased to \$1,686,691, primarily due to an additional payroll period during Fiscal 2012 which reflects the accounting that the State of Delaware uses.

Town Grants for \$45,000 include \$15,000 in funding to an estimated three towns in the County who receive less than \$20,000 per year in realty transfer tax.

Also included in the proposed budget again are grants for the towns to assist with local police operations entitled 'Local Law Enforcement Grants.' Proposed funding for this program is up 23 percent. This proposal includes partial restoration of cuts made in Fiscal 2009. The recommended budget includes grants of \$22,500 per town for towns with local town police. These grants benefit 21 local police departments, especially when officers may need to travel outside of town limits to assist State Police in answering calls. These town police grants may be used toward operational or capital costs by the towns. The Fiscal 2009 Budget included \$25,000 per town. Also included in this line item is a grant of one-half of this allocation, or \$11,250, for four towns who although they do not have their own local police force, contract out with State Police or other security agencies to provide security service in their towns. Closer scrutiny of these individual requests will occur during Fiscal 2012. These grants are made with specific requests stating how the funds will be used.

Funding is also included to supplement the Community Development Block Grant Program with \$50,000 for housing rehabilitations. This proposed funding is up \$20,000 for Fiscal 2012, although it is still one-half of the 2009 budget level of \$100,000. This grant is to be used for emergency housing rehabilitation work needed primarily when eligible individuals apply for assistance that is needed on an emergency basis.

The budget also includes a grant to the University of Delaware Agricultural Extension Service for \$69,049. This equals the Fiscal 2011 budgeted amount. The amount for this grant was reduced during Fiscal 2010 by 50 percent.

Funding for the Sussex Conservation District includes \$75,000 again for tax ditch drainage work. Also included is \$40,195 for a grant for drainage projects. This represents the same level of funding as during Fiscal 2011.

During Fiscal 2012, Local Library Grants reflect a 1.24 percent increase in total funding for independently controlled libraries. A total of \$1,994,323 is estimated to be available to fund the local independent libraries. Revenue from the manufactured home placement tax is dedicated for local independent libraries and is estimated to provide \$100,000 during Fiscal 2012. This reflects a \$5,000 decrease. At the same time, funding will continue at \$250,000, representing capitation tax revenues previously dedicated for local independent libraries. In addition, the County library tax of 4.67¢ is also estimated to increase funding for local libraries for a total of \$1,391,672. These funds, in addition to the grant in the Grant-in-Aid Budget for \$252,651 from other funding sources, represent the total for independent local libraries.

We are pleased that some of the reductions in Grant-in-Aid programs have been partially restored during Fiscal 2012. However, the Grant-in-Aid programs are substantially lower than in previous years, reflecting the economic realities of today. Certainly there are many worthy Grant-in-Aid requests that we are unable to fund at the levels that they have received in the past. The recommended budget does include our best efforts to fund these and other programs in the County with available funds.

FINANCE ADMINISTRATION

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$786,505	\$742,654	\$621,941	\$736,061	\$715,449

(Percent Change: -2.8 Percent Decrease)

Finance Director – Susan M. Webb, CPA

swebb@sussexcountyde.gov

Budget and Cost Manager – Kathy L. Roth, CPA

Collections Manager – Katrina M. Mears

Purchasing Agent – Frank E. Shade

Administrative Secretary – Nancy J. Cordrey

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

The Finance Director is responsible for overseeing the financial functions of the County government. This includes overseeing the Treasury Division, Accounting Division, Assessment Division, and Utility Billing Division. The Finance Director, along with the Budget and Cost Manager and the Director of Accounting, assists the County Administrator in developing this budget plan.

During Fiscal 2012, Finance Administration will continue to focus on monitoring expenditures and revenues, and the effect of the economy on the budget. Efforts will be made to analyze the current financial status to make estimates for the future. Pension Fund and Pension Benefit Fund investments will also be closely monitored. Finance Administration will also make recommendations for new investments for the new Fire Service Grant funding.

The Finance Director is also responsible for investing County funds, managing the County Pension Fund with help from the Pension Committee, as well as overseeing financial reporting including the Comprehensive Annual Financial Report (CAFR). We are proud of the fact that the Government Finance Officers Association of the United States and Canada has awarded Sussex County a Certificate of Achievement for Excellence in Financial Reporting for eight consecutive years.

The Finance Director is also responsible for coordinating funding for water and sewer and other capital improvements projects. This involves working with funding agencies such as the State Clean Water Advisory Council and the Rural Development Office of the United States Department of Agriculture (USDA).

Finance Administration will continue its efforts to obtain the best possible funding for sewer expansion projects with funding that provides lower interest rates and some grants.

The proposed Finance Administration Budget includes funding for a printer and chair which need replacement. Funding is also included for insurance and the Insurance Buyers' Council, the County's insurance consultant.

Also included in the proposed Finance Administration Budget is \$18,671 in credits for reimbursements from Water and Sewer Districts for their costs. This was previously budgeted as revenue, but due to an accounting change is now netted against expenditures. Without this change, the Finance Administration Budget would have decreased 0.26 percent.

This budget includes funding for additional collection efforts for outstanding property taxes and sewer and water bills. Implementation of a uniform rate structure for service charges for sewer districts will continue. A new integrated finance software program will be implemented to more efficiently provide billing, collection, and reports, and provide better internal controls.

Finance Administration will accomplish the following objectives during Fiscal 2012:

- ✓ ***Continue financial planning with emphasis on ways to control costs***
- ✓ ***Additional emphasis on administration of financial departments***
- ✓ ***Continue efforts to collect delinquent taxes and sewer and water charges, including pursuing garnishes and court judgments for manufactured homes, as well as additional tax sales***
- ✓ ***Complete uniform rate study, working along with the Engineering Department***
- ✓ ***Attain funding for sewer expansion projects***
- ✓ ***Begin implementation of new integrated finance software program that will include Accounting, Assessment, Treasury, and Utility Billing divisions***
- ✓ ***Submit Comprehensive Annual Financial Report (CAFR) for Fiscal 2011***
- ✓ ***Determine plan for investments for Fire Service Grant funding***

- ✓ *Closely manage and monitor Pension Fund investments*
- ✓ *Prepare quarterly financial reports for County Council, as well as estimating future financial needs*
- ✓ *Prepare a formal investment policy for cash investments*

ASSESSMENT DIVISION

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$2,066,084	\$1,856,126	\$1,513,023	\$1,449,841	\$1,313,754

(Percent Change: -9.39 Percent Decrease)

Director – Eddy J. Parker

eparker@sussexcountyde.gov

Assistant Director – Christopher S. Keeler

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

The Assessment Division is responsible to ensure that all land, buildings, improvements, and other special betterments, except those exempt from taxes by State law, are valued and added to the County's assessment rolls for the purpose of taxation. The employees of this division are also responsible for maintaining all County property records, maintaining tax maps, and issuing building permits. The director of this division oversees the daily operation of the County's Addressing Program, Constables' Office, Building Code Department, Dog Control, and code enforcement efforts.

After a Fiscal 2011 budget decrease of 21 percent and a ten percent decrease during the previous year, this budget reflects the same number of positions. Without the accounting change where water and sewer cost reimbursements are credited against the individual department's expenses, there would actually be a two percent increase in total costs for the Assessment Division.

Staff in the Assessment Division will continue to support the Clerk of the Peace Office on an as-needed basis. A replacement photocopier for Assessment and the Building Code Department is also included in this budget.

The Assessment Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Provide assistance in obtaining information for the general public, real estate industry, and law community relating to property records***
- ✓ ***Maintenance of computerized real estate and parcel database and data entry for transfers, name changes, and legal description of title changes***

- ✓ *Assure that equity in existing assessment rolls is maintained*
- ✓ *Coordinate efficiency and cross-training between Building Code, Constables' Office, Mapping and Addressing, and Planning and Zoning*
- ✓ *Promptly process building permits*
- ✓ *Continue to update assessment records to promptly reflect new construction*
- ✓ *Begin implementation of a new finance software package*
- ✓ *Assist the Clerk of the Peace Office with staffing on an as-needed basis*

MAPPING AND ADDRESSING

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$731,087	\$653,509	\$655,807	\$594,851	\$659,341

(Percent Change: 10.84 Percent Increase)

9-1-1 Addressing Manager – Megan M. Nehrbas

mnehrbas@sussexcountyde.gov

GIS Specialist – Robert W. Lynch

blynch@sussexcountyde.gov

Telephone: (302) 855-1176 Fax: (302) 853-5889

The Mapping and Addressing Department creates, draws, and maintains County maps. They also operate the Sussex County on-line map, which is used by many for information. Tax maps and parcel splits are drawn and maintained by this department. The Addressing Department is responsible for addressing new subdivisions. Office personnel are available for questions, problems, and to gather customer information. They also install and maintain private road signs. This department is responsible for inputting town information into our databases and providing the State of Delaware E-9-1-1 Administrator and Verizon with updates.

The Mapping and Addressing Department will continue a public education program emphasizing the need of property owners to complete and return the necessary information regarding addresses and telephone numbers. It is essential that each telephone number is linked to a physical address so that our 9-1-1 Center will realize the address of individual calls received. Verizon requires a 95 percent match rate for physical addresses and phone numbers for a system to be considered Enhanced 9-1-1. The Addressing Department received during Fiscal 2011 information from Verizon that is enabling them to come much closer in meeting this 95 percent match rate. The Fiscal 2012 Budget includes funding for some additional road signs for private roads that require naming.

During Fiscal 2012, Sussex County's Addressing Department will continue working with the police, fire service, paramedics, and post offices to assist in the match of address and phone number information from residents. Additional software updates and changes will continue to be made to provide better addressing information, especially as it relates to our 9-1-1 system. More frequent updates will occur, which will assist emergency responders in locating residents. This

department will also continue to work with Sussex County towns to input their addressing data.

During Fiscal 2012, the Mapping and Addressing Department will work to incorporate new software to further expand the use of geographic information systems (GIS). There will be additional need in the future to make the GIS a base for overlays to provide information to the public and for use by staff.

The Fiscal 2011 Budget reflected a reduction of two staff people in the Mapping and Addressing Department. This 2012 budget includes a new GIS Specialist to help with further implementation of GIS in the County. The proposed budget includes three additional ESRI licenses which enable users to use GIS. This will provide three additional licenses for employees within the department. Also included is new PC equipment for a new employee.

The Mapping and Addressing Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Increase address match rate by completing data audits while working with Verizon and the State***
- ✓ ***Increase address posting compliance***
- ✓ ***Work with Data Processing to prepare data for inclusion in new software package***
- ✓ ***Establish GIS expertise to support the new software and County goals***
- ✓ ***Continue support of the 9-1-1 Center and improve implementation of GIS capabilities at the EOC***
- ✓ ***Review and approve all road names and addresses for new subdivisions***
- ✓ ***Continue the installation of signs on private roads***
- ✓ ***Gather and input information from towns for mapping purposes, which will make our maps more accurate***
- ✓ ***Work with County departments to provide immediate on-line GIS capability whether in the field or at the office***

- ✓ *Provide management with visualization tools for information regarding options and their predicted impacts*
- ✓ *Continue efforts toward more frequent updates of information regarding Mapping and Addressing*

CONSTABLES' OFFICE

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$229,674	\$274,089	\$331,485	\$313,917	\$277,186

(Percent Change: -11.70 Percent Decrease)

Chief Constable – Alan L. Holloway

aholloway@sussexcountyde.gov

Telephone: (302) 855-7819 Fax: (302) 855-7828

The County Constables' Office is responsible for the enforcement of all County codes and assistance with the collection of delinquent taxes, water and sewer bills, miscellaneous accounts receivable, and insufficiently funded checks. During Fiscal 2012, the Constables' Office will continue prosecuting violators through the Justice of the Peace courts.

During Fiscal 2012, the Constables' Office will continue to assist the Collections Manager in collecting delinquent property taxes and water and sewer bills. The Constables' Office will also manage the partially State funded property cleanup program. The State of Delaware is anticipated to again provide \$10,000 toward these costs.

The Fiscal 2012 Budget reflects the transfer of one staff person. Also included in the proposed budget is \$7,500 toward the cost of removing unsafe and abandoned manufactured homes.

The Constables' Office will accomplish the following objectives during Fiscal 2012:

- ✓ ***Investigate and resolve complaints and violations in a timely and professional manner***
- ✓ ***Vigorous and aggressive pursuit of collection of back taxes, overdue sewer and water bills, bad check reimbursements, and open permits***
- ✓ ***Demolition of vacant and illegal manufactured homes in collaboration with First State Manufactured Housing Association***
- ✓ ***Assistance with property tax sales***

- ✓ *Assist the Building Code Department in bringing open building permits to a complete finish*
- ✓ *Assist the Treasury Division in preparation for tax sales*
- ✓ *Assist the Planning and Zoning Department with correction of zoning and lot maintenance violations*
- ✓ *Continue to assist with the dog license issuance process*

DOG CONTROL

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$290,727	\$581,454	\$613,617	\$755,846	\$751,608

(Percent Change: -0.56 Percent Decrease)

Dog Licensing – Pamela V. Fausnaught

pfausnaught@sussexcountyde.gov

Telephone: (302) 855-7380 Fax: (302) 855-7873

The Dog Control Section of the Assessment Division is responsible for issuing dog licenses in Sussex County, as well as overseeing the County's new dog control responsibilities. Effective January 1, 2010, authority for dog control was transferred to the Sussex County Council by the State of Delaware. This includes licensing of dogs, as well as handling stray dogs.

The Sussex County Council handles the stray dog responsibilities via a contract with Delaware Animal Care & Control. Also, County staff handles providing dog licenses that are required in Sussex County.

Dog licenses can be obtained at the County offices in the Administration Building on The Circle in Georgetown, via the Internet at the County's website www.sussexcountyde.gov, or via mail. Complaints for stray dogs can be addressed to Delaware Animal Care & Control at 302-698-3006 or their toll-free number at 1-888-352-7722.

This transfer of responsibility to the County government is projected to cost the Sussex County Council a net amount of \$641,608 during Fiscal 2012. Revenues from fines and licensing fees are estimated at \$110,000 versus expenses of \$751,608. The State of Delaware was previously responsible for this service.

The Dog Control Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Provide 24-hour service to handle stray dogs in Sussex County***
- ✓ ***Improve on licensing dogs in Sussex County***

- ✓ *Provide dog licensing information at various locations in the County for residents, such as hardware stores, department stores, veterinarian offices, public libraries, town offices, etc.*
- ✓ *Expand cross-training with employees from other departments to assist with dog licenses as needed, which will save the County from hiring additional employees for this purpose*

ACCOUNTING DIVISION

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$785,673	\$766,222	\$581,475	\$656,348	\$575,044

(Percent Change: -12.39 Percent Decrease)

Director – Gina A. Jennings

gjennings@sussexcountyde.gov

Assistant Director – Keith A. Moore

Telephone: (302) 855-7853 Fax: (302) 855-7722

The Accounting Division is responsible for the processing and recording of all financial transactions, which includes the preparation of monthly budget performance reports and monitoring the budget. This department is also responsible for preparing payroll, maintaining fixed asset records, monitoring Federal and State grants, review of bills to be paid, assistance with annual audit, and preparation of the County's annual financial report.

During Fiscal 2012, the Accounting Division will be an active participant in overseeing the implementation of new financial software. The new software will enable us to provide more timely, accurate, and additional information in a more efficient manner.

This proposed budget includes one additional staff position, an Accountant III, for three-quarters of the year. After a new accountant is hired, it is anticipated that a part-time accountant will no longer be needed. The Fiscal 2011 Budget included two less Accounting staff personnel.

The Accounting Division will once again apply for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting that has been received for the previous eight years. Continuing internal audits of cash and petty cash transactions will also be addressed on a quarterly basis. This proposed budget includes funding for the annual audit of County records.

The proposed Accounting Budget includes \$179,715 in credits for reimbursements from Water and Sewer Districts that were previously recorded as revenue in the General Fund. Adding these credit amounts back to the total budget amount results in a 15 percent increase compared to Fiscal 2011, which is primarily

attributable to an addition of one full-time staff person plus the increase in cost for the annual audit.

The Accounting Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Begin implementation of new financial software***
- ✓ ***Oversee implementation of the Enterprise Resource Planning Software (ERPS) System within various departments of the County***
- ✓ ***Document and formalize procedures for each department as the new system becomes implemented; the new software system will require changing current procedures***
- ✓ ***Work with the auditors during the annual audit to ensure an accurate and timely annual financial report***
- ✓ ***Continue accurate financial reporting used by the County Finance Director, County Administrator, and County Council***
- ✓ ***Maintain accurate financial and fixed asset records by processing all transactions in an accurate and timely manner***
- ✓ ***Efficient and timely payment of invoices***
- ✓ ***Assure that funds received are deposited on the day of receipt and invested as soon as they are available in an interest-bearing account***
- ✓ ***Efficiently collect all incomes due to the County, including Airport rental income, fuel sales, and Industrial Park rents***
- ✓ ***Submit the 2011 annual audit report for recognition from the Government Finance Officers Association***
- ✓ ***Comply with current Governmental Accounting Standards Board (GASB) regulations***
- ✓ ***Continue implementation of internal control procedures on a quarterly basis for County departments, including auditing of cash and petty cash***

TREASURY DIVISION

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$734,948	\$578,758	\$652,212	\$610,973	\$600,947

(Percent Change: -1.64 Percent Decrease)

Director – Amanda M. Bennett

abennett@sussexcountyde.gov

Telephone: (302) 855-7760 Fax: (302) 854-5078

The Treasury Division is responsible for billing and collecting County property taxes, school property taxes, tax ditch assessments, capitation taxes, street lighting and road improvement assessments, as well as front foot assessments for some sanitary sewer and water districts. The Treasury Division is usually one of the first stops when a taxpayer has a question regarding their property tax bill. The Treasury Division works diligently to provide individual attention to walk-in taxpayers, as well as those who communicate via telephone or e-mail. Many of these inquiries pertain to the school portion of the property tax bill. With the growing increase in the senior citizen population, an additional burden has been placed on the staff to administer tax relief programs.

The Treasury Division is responsible for administering the following tax assistance programs:

- Exemption for Disabled***
- Exemption for Residents Over 65***
- State Senior Citizen School Property Tax Credit***
- Sussex County Property Tax Subsidy***

The Treasury Division receives over 1,200 requests annually for exemption under the State Senior Citizen School Property Tax Credit. As of April 2011, the following exemptions have been granted:

<i>State Senior Citizen School Property Tax Credit</i>	<i>20,038 Properties</i>
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Residents Over 65 2,489 Properties

Disability 873 Properties

Sussex County Property Tax Subsidy 6 Properties

During FY 2012, the Treasury Division will continue to focus on collecting delinquent property taxes with the use of commitment letters for partial payments, phone contacts, additional written letters, monition sales, and wage garnishments. The Treasury Division will coordinate these efforts with the Collections Manager, as well as the Constables' Office. During Fiscal 2012, the Treasury Division will be subscribing to a service to help locate people as part of the collection process. The division will also continue creating procedural manuals for current processes, as well as cross-training of employees to relieve the burden from transitional periods.

The Treasury Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Continue collaboration efforts with other finance departments for software program upgrades***
- ✓ ***Delinquencies – work with the Collections Manager to continue and accelerate efforts to collect delinquent tax accounts through methods such as wage garnishments, partial payment commitment letters, phone contacts, monition sales, and Constables' Office contacts***
- ✓ ***Create procedural manuals for current processes***
- ✓ ***Improve collection efforts with a subscription for a people location application, which will help with wage garnishments for delinquent accounts and efforts to collect delinquent accounts***
- ✓ ***Continue cross-training of employees to relieve burden during transitional periods***

BUILDING CODE

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$1,082,580	\$750,164	\$494,913	\$583,591	\$585,812

(Percent Change: 0.38 Percent Increase)

Chief of Building Code Inspectors – Anderson E. Wright

awright@sussexcountyde.gov

Telephone: (302) 855-7860 Fax: (302) 855-7869

The Building Code Department is responsible for doing plan review and building inspections for additions and residential and commercial structures. As of September 1, 2008, County staff took over the inspection of single-family homes that was previously done by contract with First State Inspection Agency.

County staff including Building Code inspectors as well as Planning and Zoning inspectors and assessors have been assisting to handle the inspection of new construction in the County. The staffing in the Building Code Department is recommended to stay at the current level of nine full-time positions.

Current policy is that single-family homes will be reviewed within five working days and commercial projects within 15 working days. The Budget Committee is pleased that the department has been able to meet these standards. It should be noted that there are times when plans are being submitted without all of the necessary information completed, and the time for review does not start until a full set of plans has been provided to the staff.

The Building Code Department is assisted with County assessors who often perform final inspections of properties, as well as their assessments. They are also assisted by Planning and Zoning inspectors who help as needed with building code inspections, and they also handle most manufactured home tie-down and foundation inspections.

An important goal for the Building Code Department is to complete the process whereby all inspectors are certified for commercial as well as residential building codes.

The Fiscal 2012 Budget assumes a one percent decrease in revenue from this department, to \$830,000. This would result in an estimated net income for the department of \$244,188 when compared to projected expenses of \$585,812.

During Fiscal 2012, it is projected that the number of inspections will remain at about the same level, as per the schedule below. However, they will remain substantially below levels from Fiscals 2005 and 2006.

	Actual FY 2006	Actual FY 2007	Actual FY 2008	Actual FY 2009	Actual FY 2010	Estimated FY 2011	Estimated FY 2012
Single-Family Homes	2,053	1,407	1,112	869	1,057	966	1,100
Modular Homes	319	312	173	125	113	103	100
Additions to Structures	2,324	1,719	1,749	1,425	1,347	1,288	1,500
Commercial Projects	428	392	288	255	162	187	144
Multi-Family Projects	176	81	50	37	47	34	25
Miscellaneous	217	473	204	67	44	90	50
Additional Inspections	1,738	1,770	1,433	653	308	300	400

The Fiscal 2012 Budget includes funding for continuing education to certify inspectors.

The Building Code Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Continue cross-training of zoning inspectors, assessors, and Building Code inspectors to efficiently handle inspection process***
- ✓ ***Efficiently use existing County staff to provide County Code inspection services***
- ✓ ***Complete review and comments on all single-family homes within five working days***
- ✓ ***Complete review and comments on all commercial projects within 15 working days***
- ✓ ***Continue to coordinate efforts with the State Fire Marshal in regard to commercial structures***
- ✓ ***Continue open lines of communication with the building industry***

- ✓ *Ensure that inspectors are provided with the necessary training and education needed for implementation of the International Building Code/International Residential Code*
- ✓ *Obtain residential and commercial building code certifications for each inspector*

PERSONNEL

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$612,317	\$602,950	\$602,679	\$614,437	\$515,687

(Percent Change: -16.07 Percent Decrease)

Director – Karen B. Brewington

personnel@sussexcountyde.gov

Assistant Director – Bonnie J. Wootten

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

The Personnel Department is responsible for assisting the County Administrator in providing a healthy work environment, to instill a spirit of professionalism among all employees, and to assist the employees in all areas of personnel practices. The department is responsible for recruiting, testing, and interviewing in the selection of future County employees. Personnel records for 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 individual files for each retiree and employee.

The Personnel Department will continue the practice of posting positions on the Internet website, as well as notices being sent to Delaware State University, the University of Delaware, and Delaware Technical & Community College, Jack F. Owens Campus, Georgetown. The posting of these positions with universities and colleges has been beneficial in allowing the department to attract the best-qualified applicants available.

During FY 2012, the Personnel Department will continue to work with each department to implement the personnel performance evaluation process. Each department head is responsible for doing an evaluation of their employees on an annual basis. These evaluations are essential in determining if an employee is qualified for a promotion. The Personnel Department will continue the 'Employee of the Quarter' and 'Employee of the Year' program, which has been very successful. Also, the department will continue to provide an employee newsletter, "The Scene," which updates employees on County government, special events, and programs, as well as employee accomplishments and news.

The Fiscal 2012 Personnel Budget includes a credit of \$83,838 for Water and Sewer Districts cost reimbursements. In previous years this was shown as a revenue, but due to an accounting change this reimbursement must be netted against the expenses. By taking this into account, the office would show a net decrease of -2.43 percent for the year.

The Fiscal 2012 Personnel Budget again includes funding for the Employee Assistance Program to assist employees with personal problems that affect their work performance. The cost of this program is \$9,900.

Also included is funding for administration of the flexible spending account through our healthcare provider, Integra. The cost of this administration is \$8,500. Funding is also included for annual review of our medical insurance by an independent outside consultant.

A review of our medical insurance program by an outside consultant, with recommendations, was completed during Fiscal 2008. During Fiscals 2009 and 2010, the County Council implemented changes, many of which were recommended by our consultant with this review. These changes included additional employee contributions toward the cost of insurance, increased co-pays, spousal coordination of benefits, incentives for employees to opt-out of County health insurance, and a Silver Plan option at no cost for the employee. During Fiscal 2010, a request for proposals to shop out our group medical insurance was completed with the assistance of an outside consultant. This resulted in the recommendation by our consultant to continue with Integra for a three-year contract. Even with the changes implemented in the rebidding of the medical insurance, our costs have risen somewhat in the forthcoming budget by approximately three percent. The cost of medical insurance is \$15,819 per full-time employee per year for the County's share. Each County employee covered by the Gold Plan contributes \$40 per month versus zero dollars per month per employee for the Silver Plan. County employees who would like to have family coverage pay an additional \$140 per month. Basically, the County is contributing toward the cost of family medical insurance, as well as individual.

During Fiscal 2009, a flexible spending account option was made available to County employees. Flexible spending accounts enable County employees to deduct daycare and medical costs as a pretax payroll deduction. Participating employees will save by not having to pay Federal or State income taxes on the income used for these eligible costs. During Fiscal 2012, greater emphasis will be placed on communicating to employees the benefits of flexible spending accounts, as well as the Employee Wellness Program. The County also saves the Social Security tax expense from the pre-tax payroll.

The County will continue to offer its vision and dental reimbursement plans at the same levels, with a maximum reimbursement of \$1,000 per coverage.

Mileage reimbursement will remain at 48¢ per mile as of July 1, 2011. The Internal Revenue Service allows 51¢ per mile.

Funding is included again in this budget for long-term disability insurance for each full-time employee at a cost of \$78,000 per year. During Fiscal 2012, this program will be rebid. The budget also includes funding for pre-employment, as well as reasonable suspicion drug testing of employees. Currently, the Personnel Department manages a random sampling drug testing program for drivers of County vehicles.

During Fiscal 2012, the Personnel Department in conjunction with the County labor attorney will review the Personnel Ordinance, including sections regarding disability. Any recommended changes will be submitted to the County Council for consideration.

The Personnel Department, during Fiscal 2012, will also implement a standard tuition reimbursement policy for employees who elect to take college courses that benefit their work in their current position. Cost reimbursement will be limited to \$1,500 per year per employee at 75 percent of the cost. The courses must be pre-approved and must relate to the current County position. Our Paramedic Department will continue their own program which has been in effect for a number of years. Funding for this program is included under the Personnel Employees Benefit section of the budget at \$20,000.

The Pension Distribution section of the Personnel Budget includes a credit of \$100,000 for savings to be generated from a limited early retirement option to be offered. This is the net savings during Fiscal 2012 that is projected; however, it is expected that the savings could be considerably higher.

The Personnel Pension Distribution Budget includes \$4,183,886 for payments of monthly pensions and pensioner benefit costs. This amount reflects the increased number of pensioners and the aging of part of the employee base, as well as various early retirement options to affect savings. During Fiscal 2012, reimbursements will be made from the Pension Trust Fund to the General Fund for the amount of pensions paid, as well as the medical insurance cost for County pensioners. Also reimbursed from the Pension Trust Fund will be related costs for an investment advisor, an actuary to review the fund, and the cost of the investment managers totaling \$71,900. Reimbursements for vision and dental costs for pensioners are not included in the anticipated revenue from the Pension Trust Fund.

During Fiscal 2012, the Personnel Department will work with our legal advisors to review the County's Personnel Code. Also, this department will continue the Health Awareness Week program to encourage employees and others to establish healthy living habits.

The Personnel Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Provide excellent customer service to all County employees and retirees primarily in the areas of benefits, staffing, compensation, and employee relations***
- ✓ ***Provide information and guidance to supervisors and managers regarding policies, procedures, and Federal/State laws***
- ✓ ***Research cost-effective ways to streamline processes reducing the amount of time and paper that is currently being utilized***
- ✓ ***Continue furthering education to obtain the skills and knowledge to better serve the employees and management of Sussex County Council***
- ✓ ***Develop and implement human resources policies and procedures to assure consistency across departments in policy application***
- ✓ ***Work with supervisors and managers to update job descriptions and store electronically on Intranet for employee access***
- ✓ ***Manage, budget, and facilitate the 4th Annual Health Awareness Week***
- ✓ ***Develop and implement process to verify validity of Social Security numbers for all new hires***
- ✓ ***Develop and implement process to audit pensioners to verify Social Security numbers are currently valid (pensioner is not deceased) and their beneficiaries, and confirming addresses***
- ✓ ***Continue to provide the County's newsletter "The Scene" quarterly, including the holiday edition***
- ✓ ***Rebid employee life insurance program***

✓ *Implement new tuition reimbursement policy for County employees*

FACILITIES MANAGEMENT

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$1,971,734	\$1,652,089	\$1,491,110	\$1,520,893	\$1,732,615

(Percent Change: 13.92 Percent Increase)

Facilities Manager – Douglas J. Stoakley

dstoakley@sussexcountyde.gov

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

Airport Maintenance: (302) 855-7837

Safety Director – Joseph Kempf

Telephone: (302) 855-7730

Security Supervisor – Leonard J. Sekscinski

Telephone: (302) 858-5330

The Facilities Management Department is responsible for maintaining all County buildings and grounds, including the Industrial Park, County libraries, County West Complex, and the County Administration Building. Additionally, the staff of Facilities Management is responsible for making sure that all facilities are safe and accessible during inclement weather such as snowstorms. Facilities Management expenditures have dropped considerably since FY 2006 when \$2,268,720 was spent. The Fiscal 2010 Budget included seven less full-time positions. This department has provided additional savings by handling landscaping, grass cutting, and cleaning services with in-house staff instead of some that were contracted to private vendors.

The Fiscal 2012 proposed budget includes a separate section within the Facilities Management Department for security of the Industrial Park and the County Administration Building. Eight full-time employees are included in this section of the budget, plus part-time employees. The County Administration Building will continue to be manned by security guards and open for use by registered title searchers and other members of the public until approximately 11:00 p.m. each evening. Changes to the lock system and security system within the County Administration Building occurred during Fiscal 2011. The building will continue to be closed to the public and others from 11:00 p.m. until 6:30 a.m. County employee security guards will ensure that the building is secure. The Security Budget includes three new full-time positions to be transferred from other departments.

One of the new security positions will direct visitors at the West Complex to their desired destination and also help other offices with various work items.

The Facilities Management Budget includes an addition of one maintenance worker for three-quarters of the year. This position is needed to maintain County owned facilities in a proper condition. As previously noted, staffing has been cut over the last several years in response to the economic downturn. Also included in this year's budget is a reduction of one part-time worker.

Funding is also included for the County Administration Building parking lot and sidewalk repairs, and heat pump and valve replacements. Replacement maintenance vehicles will be provided from other offices.

The Security Budget includes a new GPS unit for the security vehicle, a new 800 megahertz radio for the security guards, one-half of the cost for new security cameras installed at the West Complex, as well as funding for training.

The Facilities Management Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Continue to maintain all County facilities in a neat, clean, and safe manner***
- ✓ ***Provide upkeep and maintenance on all grounds and roads for the Airport/Industrial Park***
- ✓ ***Provide custodial services for all three County operated libraries***
- ✓ ***Maintain 124 County owned vehicles in a safe and efficient manner***
- ✓ ***Continue security system improvements for County Administration Building and West Complex***

DATA PROCESSING

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$524,246	\$483,105	\$538,578	\$427,705	\$376,666

(Percent Change: -11.93 Percent Decrease)

Director – Bonnie O. Smith

dataprocessing@sussexcountyde.gov

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

The Data Processing Department maintains the day-to-day operations of the IBM Power Six computer system. This system handles and provides assessment information, tax information, applications for the Treasury and Utility Billing divisions, payroll applications, Accounting Division applications, as well as handling numerous requests for data from various State and local agencies, and the general public.

During Fiscal 2012, the Data Processing Department will assist with implementation of the new Enterprise Resource Planning Software project. This new software will be initially implemented in the Finance departments including Accounting, Treasury, and Utility Billing. It will gradually be implemented over the next year and a half in other departments, including Assessment and Planning and Zoning, and will provide greater efficiencies in County government and additional information in an easier to use format. Bidding has been completed for the software and the various bids are currently being evaluated. Funding will be from the Capital Improvements and Water and Sewer budgets.

The Data Processing Department Budget also includes credits for reimbursements from Water and Sewer Districts for allocation of costs totaling \$65,909. Because of a change in accounting standards, these reimbursements from Water and Sewer Districts are netted to expenses, where in the past they have been shown as a revenue line item. By taking this into account, the Data Processing Department Budget reflects a 3.48 percent increase versus the 2011 budget.

The FY 2012 Budget includes the cost of replacing one personal computer in this department. The Data Processing Department is estimated to generate approximately \$17,000 in income from responding to various information requests from the public.

The Data Processing Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Staff will be involved in each phase of implementation of new ERPS system***
- ✓ ***Document staff knowledge of files, data, and system operations to assist with conversion of files and systems***
- ✓ ***Develop a shift in thinking and work requirements due to new software***
- ✓ ***Train and educate staff on use of new file layouts for data requests from sources other than County staff***
- ✓ ***Continue updating, enhancing, and fulfilling software needs and requests from users such as Utility Billing, Utility Permits, and Treasury***
- ✓ ***Respond to requests for changes from various departments and evaluate those that will be the most productive***
- ✓ ***Generate income to the General Fund by processing public information requests from various sources in a timely manner***
- ✓ ***Encourage programmers to attend educational classes***
- ✓ ***Convert data base files from older generation flat files to externally describe files for use with current systems***

INFORMATION TECHNOLOGY

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$858,245	\$869,991	\$675,004	\$1,000,201	\$880,596

(Percent Change: -11.96 Percent Decrease)

Director – Thomas E. Glenn

tglenn@sussexcountyde.gov

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

During Fiscal 2012, the primary goal is to assist various departments in implementing and maintaining various technologies that will allow them to perform their functions more efficiently, with a higher level of customer support and satisfaction. Information Technology is responsible for maintaining the computing and communication networks and hardware throughout County facilities. They also monitor network security, as well as maintaining the network storage of information including proper backups.

Information Technology is responsible for the County's website. With the website receiving more than 140,000 visits every month, continued updates and improvements will be ongoing during Fiscal 2012. The most popular features on the site include property tax information, agendas and minutes, Sheriff's sales information, departmental directory, and Mapping and Addressing inquiries.

This department will continue to more efficiently utilize staff, including those working in the Paramedic, Library, Data Processing, as well as Information Technology sections. With more centralized oversight of these Information Technology employees, greater efficiencies will result.

During Fiscal 2012, the County General Fund will receive reimbursements from Water and Sewer Districts for an estimated \$108,486 for Information Technology costs attributed to the water and sewer districts. In the past, this was accounted for as a revenue line item in the budget, but because of a change in accounting rules it is now netted against expenses. Taking this into account in a comparison to the Fiscal 2011 Budget, the Information Technology Department reflects a decrease of 1.11 percent.

The Fiscal 2012 Budget includes funding for a network assessment by an outside expert to ensure compliance with the latest security standards. Also included is funding for partially using outside hardware servers for handling stored e-mail for County employees. This service will include various anti-virus, anti-spam, and BlackBerry server options which we currently pay for separately. Funding for laptops needed for training County employees for Word and spreadsheet type programs is also included.

Information Technology will accomplish the following objectives during Fiscal 2012:

- ✓ ***More efficiently manage Information Technology efforts by utilizing staff from other departments including Paramedic, Data Processing, and Library***
- ✓ ***Manage the Internet-based broadcasting of all Council meetings, Board of Adjustment meetings, Planning and Zoning Commission meetings, and special meetings held in the Council Chambers***
- ✓ ***Maintain hardware and software inventory for all computing infrastructure***
- ✓ ***Assist the County Administrator in producing electronic presentations***
- ✓ ***Improve resources and information for the public***
- ✓ ***Improve network security and data backups***
- ✓ ***Update County e-mail and calendaring system***
- ✓ ***Assist with digital document storage for Records Retention Program***
- ✓ ***Continue transitioning servers to virtualized hardware to improve efficiencies***
- ✓ ***Continue deployment of wireless network infrastructure***
- ✓ ***Assist with maintenance of fire service and basic life support service computer-aided dispatch system***
- ✓ ***Update phone/communications systems***
- ✓ ***Upgrade firewall to secure internal digital records***

- ✓ *Improve access control security for administration buildings, as well as provide additional security cameras*
- ✓ *Work with County offices to implement the Enterprise Resource Planning Software package to improve efficiencies in County government*

PLANNING AND ZONING

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$1,524,715	\$1,279,394	\$1,233,292	\$1,240,041	\$1,201,722

(Percent Change: -3.09 Percent Decrease)

Director – Lawrence B. Lank

llank@sussexcountyde.gov

Assistant Director – C. Shane Abbott

Environmental Planner – Jeffrey C. Shockley

Chief Zoning Inspector – Susan E. Isaacs

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

The Planning and Zoning Department is responsible for providing zoning information for 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 Planning and Zoning Commission and the Sussex County Board of Adjustment. The Sussex County Planning and Zoning Commission normally meets the second and fourth Thursday at 6:00 p.m., and the Board of Adjustment normally meets the first and third Monday at 7:00 p.m.

Activity for the Planning and Zoning Department has stabilized as a result of changes in the building construction industry. With the passage of State law requiring applications to be submitted to the State Planning Office prior to the County Council accepting application, County staff has to participate in the preliminary review of these projects. The majority of these meetings are held in Dover. Additional requirements for the pre-application and the ordinance requiring all Residential Planned Communities to be reviewed by the Technical Advisory Committee involves Planning and Zoning staff. Both of these processes are beneficial in refining applications to make sure they are in compliance with State and County regulations.

Inspectors in the Planning and Zoning Department will continue to work with the Constables' Office in resolving outstanding permits and zoning violations. Inspectors will continue enforcement of the "bandit sign ordinance," which will reduce the number of temporary off-premise directional-type signs that were previously scattered along County roadways.

During Fiscal 2012, the County Planning and Zoning Department will continue to closely monitor new developments to ensure that required amenities are provided by the developer. Coordination with the Public Works Department has meant that performance bonds are not released until required amenities and other provisions such as setbacks, etc., are achieved. The Planning and Zoning Department now requires that new projects have performance bonds for all amenities, as well as roads and storm water requirements.

Coordination with the Assessment, Constables', and Building Code departments will continue, especially regarding code enforcement. Planning and Zoning inspectors have been cross-trained to assist with building code inspections as needed, and training will continue in building code requirements. Zoning inspectors also inspect manufactured home foundations and tie-downs.

As a result of the economic slowdown, the backlog of the Planning and Zoning Commission has been reduced considerably. Public hearings for many applications were not held for 12 to 18 months after the application was received. That time period has been reduced to approximately three to four months. Funding has been estimated in the FY 2012 Budget for a reduced 30 meetings of the Planning and Zoning Commission, as well as 24 meetings for the Board of Adjustment.

During Fiscal 2012, ordinances will be developed by Urban Research & Development Corporation, the County's land use consultant, to continue implementation of the updated Land Use Plan. Additional legal costs for development of these ordinances are also included in the Fiscal 2012 Budget.

The proposed budget includes one less staff person for FY 2012. Funding is also included for a Land Use Planner position.

The Planning and Zoning Department will accomplish the following objectives during Fiscal 2012:

- ✓ ***Prepare and recommend changes to the County's land use ordinances especially needed to implement the revised Land Use Plan***
- ✓ ***Coordinate land use recommendations with the Sussex County Engineering Department and State of Delaware agencies***
- ✓ ***Coordinate technical review of pending applications and process all in a timely manner***

- ✓ *Coordinate violation activities with the Constables' Office*
- ✓ *Assist in providing training seminars for board members and staff*
- ✓ *Maintain all County zoning ordinances on-line for accessibility of the public and County departments*
- ✓ *Provide a review of all development activities for compliance with adopted ordinances and the Land Use Plan*
- ✓ *Continue stepped-up enforcement of new development requirements including amenities, setbacks, buffers, etc.*
- ✓ *Coordinate efforts with Assessment, Building Code, and Public Works departments to more efficiently provide code enforcement*
- ✓ *Closely monitor developer completion of required amenities, setbacks, etc.*

EMERGENCY OPERATIONS AND PREPAREDNESS

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$2,585,285	\$2,305,965	\$2,467,390	\$2,610,176	\$2,579,386

(Percent Change: -1.18 Percent Decrease)

Director – Joseph L. Thomas

jthomas@sussexcountyde.gov

Assistant Chief Dispatcher – Richard C. Short

Quality Assurance Supervisor – Debra A. Jones

Local Emergency Planning Committee Chairman – Charles B. Stevenson IV

Telephone: (302) 855-7801 Fax: (302) 855-7805

After Hours: (302) 855-7803

This department consists of Emergency Preparedness, Emergency Operations Center, Local Emergency Planning Committee, and Emergency Operations Communications. Emergency Preparedness Administration is responsible for coordinating public safety activities for natural disasters such as snowstorms, floods, hurricanes, and nor'easters. The department also assists in such matters as technical disasters (i.e. chemical spills or hazardous material incidents). Administration is also responsible for overseeing each of the other divisions.

The Emergency Operations Department is responsible for dispatching 9-1-1 calls for medical and fire emergencies. It is critical that this department maintain an extremely high level of professionalism to assure that 9-1-1 calls are responded to in the quickest and most efficient manner.

The Delaware Emergency Management Agency (DEMA) works closely with this department in coordinating information between the towns in Sussex County. DEMA is responsible for coordinating conference calls between local governments, State agencies, interstate government, and the weather service.

The Mobile Command Center will again be readily available to local fire and ambulance companies on an as-needed basis. This mobile piece of equipment has been very beneficial as an information center and field meeting room facility in Sussex County. The Mobile Command Center will also be utilized during the year for activities such as Punkin Chunkin, the Apple-Scrapple Festival, and Fourth of July celebrations. Given current and future budget constraints, there may be a cost

reimbursement charge to the appropriate organization requesting this service in the future for special events.

The Emergency Operations Department is located in an 18,000-square-foot building located at the Airport in Georgetown. The new Emergency Operations Center has state-of-the-art communications equipment with an alternative power source to handle all 9-1-1 calls. An enlarged area for 9-1-1 dispatchers is shared by the State of Delaware and County dispatchers. In addition, accommodations have been made available for the State Police, Delaware National Guard, Red Cross, Radio Amateur Civil Emergency Service, and Department of Transportation, especially in the event of storms or other emergencies.

The Local Emergency Planning Committee, which is part of the County's Emergency Operations Center, is responsible for instituting safeguards pertaining to emergency preparedness operations in time of a hazardous material release or spill from fixed or mobile facilities that may affect the general public. The department compiles and maintains records of inventory of facilities that produce, store, or sell hazardous materials in Sussex County. This information is to be made available through the Dispatch Center to first responders, as well as the general public, upon request. This program is funded with over 90 percent State of Delaware grant funding that is made available from the users, handlers, and producers of hazardous materials.

The Sussex County Emergency Operations Plan Update will be completed during early Fiscal 2012. This update will incorporate the plans from all towns in Sussex County. Emergency Preparedness Administration will also work with the Sussex County Citizen Corps Council to help educate volunteers to assist during major emergencies.

The Fiscal 2012 Budget again includes an incentive for dispatchers who meet the highest level of performance. The amount of the incentive will be \$375, with a maximum of \$750 per year. This program will provide a reward for dispatchers who meet the National Academy of Emergency Medical Dispatch (NAEMD) performance level on each of the various required judged items. This program rewards employees who maintain a high level of competence in responding to emergency calls, which in turn enables the Sussex County Emergency Operations Center to maintain its certified status.

During Fiscal 2012, the County will continue with plans to review the current disciplinary policy and training program for dispatchers. Also, a review of the dispatcher salary procedure will continue. The County will consider paying dispatchers on an hourly versus salaried basis to more closely reflect their hours

worked. Funding is also included for continuing education for the dispatchers to help them as they handle very difficult situations each day.

The Fiscal 2012 Budget again includes funding for shift differential pay for Emergency Communications Specialists who work the night shift. This supplemental fee of 75¢ per hour is comparable to what the State of Delaware offers their dispatchers, as well as that of other counties.

The Emergency Preparedness Administration Budget includes a new maintenance agreement for the keyless entry system, which is out of warranty. Also included is the cost of a camera needed for pictures during emergencies and replacement bulbs for projectors. The proposed budget also includes funding for the purchase of a replacement photocopier and \$4,500 for radio equipment needed for the Radio Amateurs Civil Emergency Service (RACES) unit to provide communications equipment at shelters when needed. Also included is replacement of a damaged gate at the Emergency Operations Center.

The Emergency Operations Center Budget includes funding for computer-aided dispatch software and replacement of aging personal computers for dispatchers and the Mobile Command Unit. New light towers for the dispatch consoles at \$6,000 is also included, which will enable dispatchers to see when other dispatchers are busy handling a call.

Included in the Communications Budget are six UHF base radios provided to the fire companies for in-house paging and rebroadcasting of the 800 megahertz system. Current radios are now out of warranty and not supported by the company. Also included is replacement cost for three desktop encoders which enable the fire service providers to page from their stations. Two siren controllers which need replacement are also included. A dual band mobile radio for the Mobile Command Unit that splits frequencies between 700 and 800 megahertz is also included which will enable the County to cover other frequencies that other agencies such as DelDOT use. A new paging base and amplifier for the South Coastal tower is included which will enable dispatching on the southeast side of the County over a microwave-type system. This will save in monthly costs paid to Verizon.

Funding is again included for 9-1-1 Day, which helps educate school children regarding public safety with exhibits by Emergency Preparedness, Delaware State Police, DNREC, Sussex County Paramedics, town police, etc.

Emergency Operations and Preparedness will accomplish the following objectives during Fiscal 2012:

- ✓ *Maintain certification of Emergency Operations Center*
- ✓ *Achieve State-required NAEMD grades on dispatching tests*
- ✓ *Provide regional training for emergency medical dispatch priority*
- ✓ *Maintain the Mobile Command Center to assist with public safety needs on-site during emergencies and at special events*
- ✓ *Assure that there are open lines of communication with the fire service on issues relating to dispatch, communications, and emergency preparedness*
- ✓ *Maintain the UHF paging system for the Sussex County volunteer fire service*
- ✓ *Complete update of the Sussex County Emergency Operations Plan*
- ✓ *Continue to work with the Delaware Emergency Management Agency to develop and update emergency plans to include, but not limited to, evacuation, debris management, and sheltering*
- ✓ *Continue Local Emergency Planning Committee project with full-time employee to better perform hazardous material surveys and provide information to emergency responders*
- ✓ *Review of County dispatcher discipline policy*
- ✓ *Review of County dispatcher pay procedure*
- ✓ *Plan for a new shop to house the Communications Support Section*
- ✓ *Support the fire service by assisting and maintaining mobile data terminals in fire service vehicles to provide a wireless link to the Dispatch Center in order to track units and send vital dispatch information*
- ✓ *Finish the purchase and installation of a web-enabled information management software for Emergency Management to assist in better handling incidents during EOC activations and daily operations*
- ✓ *Become an accredited Center for Excellence in Emergency Fire Dispatch through the National Academies of Emergency Dispatch*

EMERGENCY MEDICAL SERVICES

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$13,213,202	\$12,520,985	\$12,272,121	\$12,065,180	\$12,445,917

(Percent Change: 3.16 Percent Increase)

Director – Robert A. Stuart

rstuart@sussexcountype.gov

Telephone: (302) 854-5050 Fax: (302) 855-7780

Website: www.sussexcountype.gov/scems

Sussex County Emergency Medical Services (EMS) is a recognized national leader in providing mobile healthcare services 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 paramedic staff and the general public.

The Fiscal 2012 Emergency Medical Services Budget supports eight full-time paramedic units, one seasonal paramedic unit, and two supervisory units providing advanced life support service to all of Sussex County and a portion of Kent County (primarily Milford). The program operates out of 12 facilities with a staff of 111 paramedics, administrators, students, and support personnel. Funding is not included for the Deputy Director administrative position. One new full-time paramedic is recommended for Fiscal 2012. The cost of this new position will result in a net savings due to the decrease in overtime required. The net savings is estimated to be approximately \$36,000.

The Paramedic Department Budget includes funding for three paramedic students who will graduate during the fall of 2011 and thereafter work full-time as County paramedics. Also, funding is included for three other student positions to assist with their education costs at Delaware Technical & Community College during the spring of 2012. This student program will enable Sussex residents to be trained at Delaware Technical & Community College to become paramedics.

During Fiscal 2012, the Paramedic Department will continue to operate a part-time power unit on weekends throughout the summer months in the beach area and other areas as needed. The summer power unit will continue to operate with one paramedic on weekends during the summer months. Special events coverage again

will be handled with regular on-duty staff whenever possible to reduce costs. It is anticipated that during FY 2012 special events coverage for July 4 celebrations, Punkin Chunkin, Bridgeville Apple-Scrapple, Polar Bear Plunge, etc., may be charged for. It is our understanding that State of Delaware agencies, such as the Delaware State Police, DNREC, and DeIDOT, already charge for these services for similar special events.

On-duty training will continue, when feasible, to obtain payroll savings. Conference travel continues at a reduced level to be used only for seminars and conferences that produce the greatest benefit for the County. During FY 2010, conference registration costs were reduced from \$16,300 to \$6,000 budgeted, which is continued for Fiscal 2011 and 2012.

As for other County employees, longevity increases on employee anniversaries will be discontinued during Fiscal 2012. Merit increases for outstanding evaluations will again continue at a \$750 level for paramedics who qualify. These are reviewed annually for the paramedics at their anniversary date. Funding is also again included in the Fiscal 2012 Budget for continuation of the Paramedic Department's partial tuition reimbursement program for employees to continue to improve their skills with further education.

The Capital Improvements Budget includes funding for upgrades to restroom facilities at the West Complex headquarters. It also includes funding for possible property acquisition for a new Emergency Medical Services facility. The proposed budget includes funding for 12 new replacement cardiac monitors at a cost of approximately \$300,000. Our existing cardiac monitors are aging and may not be supported by the manufacturer past the expiration of the current maintenance agreement. This will enable the County to upgrade 12 of the 32 monitors during Fiscal 2012. The balance would be replaced during ensuing years.

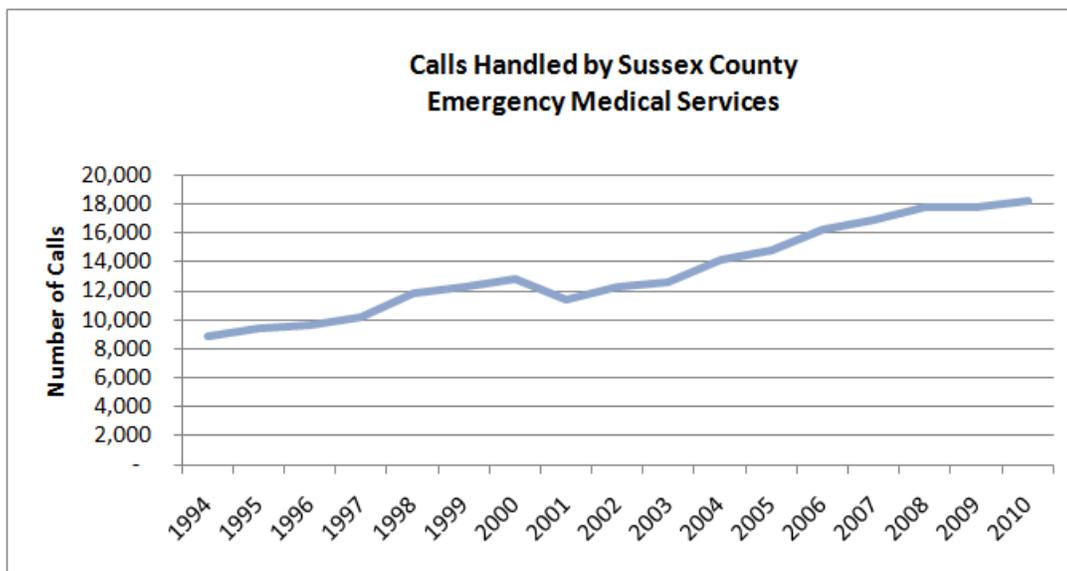
The proposed budget also includes the purchase of fifteen (15) 800 megahertz portable radios. The portable radios they will replace will no longer be supported by the manufacturer with maintenance agreements after December 31, 2011. Again, the County anticipates replacing the balance of these radios in ensuing budget years. No new vehicles are included in this proposed budget. A new emergency generator at Paramedic Station 102 in Laurel is included.

Funding for the Paramedic Department will continue with Sussex County paying 70 percent of the cost, or \$8,712,142. This budget anticipates that the State of Delaware will fund at the Fiscal 2010 level of 30 percent, for a total of \$3,733,775. During Fiscal 2010, the State of Delaware decreased its portion of funding from 40 percent to 30 percent, costing the County an additional \$1.2 million per year. The

State of Delaware has decreased its share of the cost of the Paramedic Program from 60 percent to now 30 percent over time, which has meant an increase in cost to the Sussex County government of \$3,733,775 per year. The County's share of this program is funded by realty transfer tax revenues, which have also decreased sharply. The County believes that reducing the State's share of funding should translate into a reduction in State requirements for this program. More flexibility in the program may help in continuing service at the current high quality level with less State imposed restrictions.

It is also important to note that the realty transfer tax which funds this essential department is received by the County only from unincorporated areas. The Paramedic Program provides service throughout the entire County including all towns and municipalities, as well as the unincorporated area. There is no charge to the towns for providing this essential service.

A breakdown follows of calls handled by the Emergency Medical Services Department. As you can see from the chart, the number of unit responses has increased almost every calendar year as the County population has grown and aged, and as additional summer visitors come to Sussex County. During 2010, 18,276 calls were handled by the County EMS Department, which reflects a 106 percent increase since 1994. Based on 18,276 calls, the average cost per call is \$667, with \$467 of that total funded by the County.



Emergency Medical Services will accomplish the following objectives during Fiscal 2012:

- ✓ ***Continue as a nationally recognized leader in mobile healthcare services by providing quality, compassionate patient care with continuous quality improvement and proactive planning***
- ✓ ***Provide staff and support for eight full-time paramedic units, one seasonal paramedic unit, and two supervisory units, providing advanced life support service to all of Sussex County***
- ✓ ***Provide comprehensive education and training for paramedics***
- ✓ ***Develop cost-saving procedures without jeopardizing the quality of service being provided***
- ✓ ***Continue to provide additional coverage with a part-time power unit at a level of two days per week during the summer***

ECONOMIC DEVELOPMENT

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$52,882	\$103,293	\$89,291	\$85,185	\$122,937

(Percent Change: 44.32 Percent Increase)

Director – Julie L. Wheatley

jwheatley@sussexcountye.de.gov

Telephone: (302) 855-7793 Fax: (302) 855-7805

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

During Fiscal 2012, County economic development efforts will continue coordination with the Sussex Economic Development Action Committee (SEDAC) that began meeting during Fiscal 2008. A goal of this committee is to proactively attempt to obtain additional and improved employment opportunities for Sussex County residents, as well as diversifying the County's economy to ensure economic activity during economic downcycles.

Funding will be provided in the FY 2012 Budget to allow the Economic Development Office to continue to disseminate demographic information to businesses, individuals, and communities as requested. This information is beneficial in allowing the private sector to make decisions on expansion and relocation, as well as to local governments in obtaining the necessary information when applying for grant funding.

During Fiscal 2012, the Economic Development Office will continue meeting on a monthly basis with existing major businesses in Sussex County to offer assistance where possible in their efforts to maintain and expand their businesses. Continuation of quarterly meetings with our Industrial Park tenants will also occur to discuss their needs and then assist them where and as needed. The department

will also work to expand the website with additional links to the Small Business Administration, Southern Delaware Tourism, etc., as well.

Included in the Fiscal 2012 proposed budget is \$30,000 in funding for completion of an Airport and Industrial Park marketing plan. The goal of this plan will be to identify businesses, especially those that are aviation related, that can be attracted to our Airport. Our Economic Development Director, in conjunction with our Airport Manager and other staff, will work with a consultant to develop a marketing plan. Some of this work has been completed to-date.

Also included is funding toward the development of an economic development program which would tout the advantages of Sussex County to prospective businesses.

The Economic Development Office will work hard to assist existing businesses, as well as bring new businesses to Sussex County. Economic diversification is very important to ensure that as changes in the economy occur, opportunities in other fields become available.

The Economic Development Office will accomplish the following objectives during Fiscal 2012:

- ✓ ***Proactively work to obtain new businesses and expand existing businesses in Sussex County, with a goal of providing better and more diversified employment opportunities for Sussex County residents***
- ✓ ***Continue to assist existing industries in the County while seeking new business opportunities to provide gainful employment to Sussex County residents***
- ✓ ***Continue to provide demographic information to businesses, individuals, and communities as needed and requested***
- ✓ ***Continue to promote Airport and Industrial Park development***
- ✓ ***Monthly meetings with existing major businesses in Sussex County to offer assistance where viable***
- ✓ ***Quarterly meetings with Industrial Park tenant companies will be continued***

- ✓ *Expand County website pertaining to economic development with additional links to help new businesses and expanding businesses in Sussex County*
- ✓ *Host economic development event with business resource partners and SEDAC*
- ✓ *Complete an Airport/Industrial Park marketing plan*

INDUSTRIAL AIRPARK

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$869,803	\$810,235	\$819,219	\$778,119	\$710,319

(Percent Change: -8.71 Percent Decrease)

Director – James A. Hickin

jhickin@sussexcountyde.gov

Telephone: (302) 855-7775 Fax: (302) 855-7773

Approximately 900 employees of various businesses work at the Sussex County Industrial Airpark in Georgetown. Mr. James Hickin, Director of Airport and Industrial Park Operations, will manage the Airport and Airpark operations. The County owns the land at the Industrial Airpark and Airport. During Fiscal 2012, the Industrial Airpark Office will continue to monitor leases and subleases to ensure compliance with the terms of these agreements.

The Capital Improvements Budget includes funding for additional improvements at the Industrial Airpark for Fiscal 2012. These include runway lighting improvements, storm water improvements, pavement improvements, and improvements to the new security guard building, as well as wetlands mitigation, Phase I. Also included is funding for the design of the extension of the main runway, 4-22, by 500 feet, which is eligible for Federal Aviation Administration funding.

The proposed budget includes funding for Nanticoke Avenue curb repairs, railroad tie replacements, restaurant equipment repair, ditch cleaning and mowing, snow removal at the Airport, window replacements in the Airport building, perimeter fence tree and branch removal, as well as terminal building repairs. Funding is also included for maintenance of the water and wastewater systems at the Industrial Airpark and wildlife management at the Airport.

The Industrial Airpark Office will accomplish the following objectives during Fiscal 2012:

- ✓ ***Assist businesses at the Airport and Industrial Park***
- ✓ ***Coordinate funding for Airport and Industrial Park expansions with the FAA, State, and local businesses***

- ✓ *Create and implement Airport policies that promote commercial development and increased aeronautical activity*
- ✓ *Promote useful and informative updates to Airport neighbors through quarterly public meetings and other means to keep neighbors, and Airport users as well, as informed as possible regarding activities*
- ✓ *Monitor Airport and Industrial Park leases*
- ✓ *Complete storm water improvements at Airport and Industrial Park*
- ✓ *Complete design of Runway 4-22 extension*
- ✓ *Complete wetlands mitigation work*
- ✓ *Work closely with Sussex County Airport Advisory Committee for recommendations and advice regarding Airport and Industrial Park issues*
- ✓ *Complete rehabilitation of Runway 4-22 lighting system*
- ✓ *Work to attain funding plan for a 1,000-foot extension of the main runway*

ENGINEERING ADMINISTRATION

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$1,611,520	\$1,472,125	\$881,469	\$810,772	\$868,857

(Percent Change: 7.16 Percent Increase)

County Engineer – Michael A. Izzo, P.E.

mizzo@sussexcountye.gov

Director of Engineering Accounting – Jeffrey E. James

Telephone: (302) 855-7718 Fax: (302) 855-7799

During Fiscal 2012, the Engineering Administration Department will oversee a variety of projects, including a number of regional sewer projects. During Fiscal 2011, the Johnson's Corner Sewer project and The Woodlands of Millsboro project were completed. During Fiscal 2012, completion of the Angola Sewer District project and Oak Orchard Sanitary Sewer District expansion project will occur. The Angola Sewer project will eliminate approximately 1,431 septic systems on the Inland Bays. The Oak Orchard Sanitary Sewer District expansion project will eliminate approximately 776 septic systems in the Oak Orchard area. This is in addition to the 368 septic systems eliminated as part of the Johnson's Corner Sewer District.

During Fiscal 2012, a \$15 million expansion of the Inland Bays Regional Wastewater Facility will also be completed. This spray irrigation treatment facility serves Long Neck, Oak Orchard, and Angola. This project will expand the capacity from 1.4 million gallons per day to two million gallons per day, plus it will upgrade the treatment system to a tertiary treatment process.

During Fiscal 2012, the Engineering Department will oversee a number of other new projects. These include the construction of Millville Contract F sewer expansion, work on the Beaver Dam Road expansion project in the Millville Sewer District and Tanglewood/Oak Acres project in the Miller Creek District, and overseeing upgrades to Fenwick Island Pump Station 30 and a new force main to the South Coastal Regional Wastewater Facility. Planning will begin for pumping from the Wolfe Neck wastewater plant to the Inland Bays facility and extending sewer lines on Route 26 west also.

Also, the Engineering Department anticipates working on the design for the Greenwood Library, design for the extension of the main runway at the Airport, storm water management improvements at the Industrial Park, wetlands mitigation project related to the Airport, and repairing the electrical lighting system at the Airport.

The Engineering Administration proposed budget includes upgraded AutoCAD software. Also included is funding for an additional engineer.

The Engineering Administration Department will continue to coordinate its work with developers to achieve maximum contributions that will benefit existing residents. Engineering Administration will oversee various developer-built collection systems, as well as transmission systems, that will be contributed to the County upon completion. During Fiscal 2010, the County received \$3,647,000 in developer contributions for sewer projects.

Engineering Administration will also oversee the formation of street lighting districts and suburban community road improvement projects per requests from residents. Engineering Administration will continue to monitor the environmental impact of the six former County landfills and work with the Center for the Inland Bays at the James Farm Ecological Preserve.

Engineering Administration will accomplish the following objectives during Fiscal 2012:

- ✓ ***Oversight of design and construction of new and expanded sanitary sewer projects***
- ✓ ***Promote community participation in suburban community street district improvements***
- ✓ ***Promote participation and administer County street lighting districts***
- ✓ ***Provide oversight of closed County landfills, to include sampling of groundwater and central water facilities monitoring***
- ✓ ***Oversight of Capital Improvements Projects which include the Airport, library expansions, and Industrial Park***

- ✓ *Develop plans for Western Sussex Sewer, Dagsboro-Frankford Expansion, Wolfe Neck Treatment Plant Expansion, and Inland Bays Regional Treatment Plant Expansion*
- ✓ *Provide the County Council with timely and quantitative information regarding capital projects*
- ✓ *Historic Planner will continue to work with Engineering staff to identify and assist with historical findings for various wastewater expansion projects, assist with Western Sussex Byways Project, and assist Sussex County Land Trust with Cannon/Masten property*

ENGINEERING - PUBLIC WORKS DIVISION

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$860,001	\$800,714	\$744,178	\$606,190	\$586,203

(Percent Change: -3.30 Percent Decrease)

Director – Michael E. Brady

mbrady@sussexcountyde.gov

Telephone: (302) 855-7703 Fax: (302) 854-5391

The Public Works Division is responsible for performing plan review and construction inspections for roads, as well as for water and sewer in new private subdivisions. This division also assists the Technical Advisory Committee with review of subdivision applications and Residential Planned Communities.

The Public Works Division Budget includes funding for construction plan review of developments regarding private roads with a private consulting firm. This work covers plans received under Ordinance No. 99 and Ordinance No. 110. Inspection of these projects will continue by County personnel in the Public Works Division. Construction plan review by a private engineering firm will be performed only as needed, when plan review volumes exceed the division's capabilities. Also, managing and maintaining bonds and letters of credit for development projects has become a major work item, especially with the change in the economy. The Public Works Division handles bonds and letters of credit for the road and sewer work in new private subdivisions. They also oversee the bonds for the Sussex Conservation District, which is responsible for review of the storm water work.

Revenues from private road inspections and design review fees are expected to decrease again during Fiscal 2012. Revenues are estimated to total \$211,800 versus \$225,000 for Fiscal 2011 and \$251,335 collected in Fiscal 2010. This compares considerably less to the \$544,308 collected in Fiscal 2008. This is also due to the economic downturn and the drastic impact on the construction industry.

The Public Works Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Provide technical advisory review of subdivision applications***

- ✓ *Reduce work with a private consulting firm in performing construction plan reviews for private road design and construction by performing as much of this work as possible with County staff*
- ✓ *Perform necessary inspections as required under County Ordinance No. 657*
- ✓ *Provide engineering inspection services for County construction projects as needed*
- ✓ *Complete rewriting requirements for private road design and construction, and make subsequent ordinance changes*
- ✓ *Participate in Sussex Conservation District Storm Water Advisory Committee*

ENGINEERING - RECORDS MANAGEMENT

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
-0-	-0-	\$62,634	\$67,987	\$98,806

(Percent Change: 45.33 Percent Increase)

Historic Preservation Planner/Records Manager – C. Daniel Parsons

dparsons@sussexcountyde.gov

Telephone: (302) 854-5033

The Records Management Center, now located at the old Emergency Operations Center near the Airport in Georgetown, will continue to be busy during Fiscal 2012 implementing records management for County records. This division receives records from County departments; handles requests for records from County departments; indexes, files, and shelves records; creates databases of records; tracks the life cycle of records; scans records; sends appropriate records to the State of Delaware Division of Archives; and documents destruction of records once they have met their legal retention period.

During Fiscal 2012, digitalization of County records will continue. The Records Center will continue indexing and scanning records, as well as storing them in an organized fashion that enables easy access. A long-term goal is to expand digitizing the County records.

A new part-time employee is included in the budget to assist with scanning of records. Also included is funding for a new scanner, as well as money for acid-free boxes.

Regarding Historic Preservation, efforts will continue to support heritage, tourism, and issues such as byways projects and history publications. Work will also continue to assist with sewer construction projects and Community Development Block Grant projects that may have some historical significance.

The Records Management Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Continue the process of the development of a comprehensive records management system***

- ✓ *Complete indexing of all record holdings*
- ✓ *Determine a long-term solution for the use of digitalization of records to maximize record use efficiency and minimize the creation of duplication of paper records*
- ✓ *Implementation of a system to effectively manage the transmittal of records to the Records Center and the acquisition of those records*
- ✓ *Continue collaboration with departments to better serve record needs*
- ✓ *Continue historic preservation efforts to monitor County sewer and Community Development projects, as well as encourage heritage, tourism, and efforts to preserve historically significant properties*
- ✓ *Oversee the grant-funded Western Sussex Byways corridor management plan*

LIBRARY SERVICES

Library services in Sussex County consist of 11 independent libraries and three County managed libraries, a bookmobile service, book delivery service, and Library Administration. The total County contributions for operating expenditures for library services in Sussex County for both independent and County libraries totals \$4,234,237 for Fiscal 2012. This represents an increase of 0.46 percent, less than one-half percent versus Fiscal 2011. This is ten percent less than the Fiscal 2009 Budget. In addition, there is \$1,500,000 in the Capital Improvements Budget for expansion of the Greenwood Library, plus \$85,000 also in the Capital Improvements Budget for improvements at the South Coastal Library.

Although the capitation tax is not included as a revenue line item in the Fiscal 2012 Budget, as a result of the net income for Fiscal 2010 funding continues at a level of \$250,000 dedicated to the 11 independent libraries. Previously, funds received from the capitation tax were allocated to the 11 independent libraries. Funding for the independent libraries in total was actually up 1.24 percent.

Library Services will accomplish the following objectives during Fiscal 2012:

- ✓ ***Provide library services for all Sussex County residents and visitors***
- ✓ ***Assist in support of the automated library system***
- ✓ ***Provide services to assist independent local libraries by Library Administration office***
- ✓ ***Provide appropriate training opportunities for staff***
- ✓ ***Provide delivery service to all libraries***
- ✓ ***Provide meaningful cultural and educational programs***
- ✓ ***Expand the user base of the County's literacy programs***
- ✓ ***Complete design and plan for the Greenwood Library expansion project***
- ✓ ***Provide On-line Computer Library Center (OCLC) cataloging for all Sussex libraries***

- ✓ *Strive to provide library services to meet the growing demand with less funding*

LIBRARY ADMINISTRATION AND DELIVERY SERVICE

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$903,645	\$807,244	\$762,274	\$558,886	\$530,946

(Percent Change: -5.00 Percent Decrease)

County Librarian – Carol H. Fitzgerald

carol.fitzgerald@lib.de.us

Assistant County Librarian – Deborah L. Haines

Telephone: (302) 855-7890 Fax: (302) 855-7895

The Sussex County Librarian is responsible for general administration and overseeing of the County operated libraries. The Sussex County Librarian exercises general direction over the County libraries and the bookmobile. The librarian is responsible for administering the County library system that provides every resident free and equal access to services and resources, and guidance in their use. The County operated libraries, in addition to the bookmobile, include the South Coastal Library located in Bethany Beach, the Greenwood Library, and the Milton Library.

The budget again includes funding for the On-line Computer Library Center (OCLC), a bibliographic utility that will allow catalogers to do original cataloging of materials for all libraries in the County and meet cataloging standards. This cataloging function is handled by Library Administration for all 14 County libraries, plus the bookmobile. The County will continue to fund the contracting of a delivery service for efficient and timely delivery of materials for libraries in Sussex County upon the request of individuals.

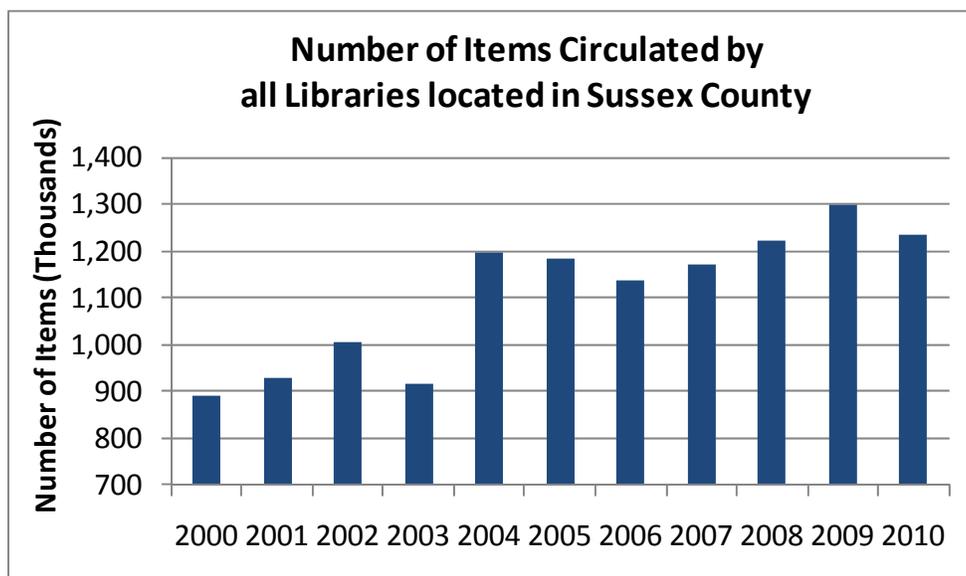
Library Administration will continue to maintain a collection of materials available for adults with basic literacy needs. These are materials for adults with beginning-level reading skills. Funding is included again for Staff Development Day, a once-a-year program held at Delaware Technical & Community College for Countywide library staff and board members to attend classes and seminars.

Library Administration maintains and circulates a list of professional materials and journals for each library. Partial replacement of personal computers (PCs) is recommended for each library during Fiscal 2012. The cost of these personal computers in each library is partially funded with a 50 percent State grant.

Staffing for the Library Administration Department reflects the reduction of one part-time employee. It also reflects the replacement of the 25-year library director, Mrs. Carol Fitzgerald, who is retiring.

The Library Administration Budget also includes \$10,000 under Miscellaneous Expenditures representing estimated amounts for donations to be received during the year. This funding would be allocated to the various libraries based on the requests of the donators. Also included is funding for three personal computers to replace older models. This budget assumes that State library grants for each library will remain at the current level of \$335,398.

Library circulation in Sussex County was down five percent during Fiscal Year 2009, to 1,234,407 items circulated in Fiscal 2010. But, circulation was up 39 percent comparing 2010 to 2000. The challenge for County libraries is to continue to provide service with scarce resources and growing demand.



BOOKMOBILE

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$184,743	\$125,484	\$75,495	\$97,239	\$98,600

(Percent Change: 1.40 Percent Increase)

Library Assistant II – Melissa K. Millman
Telephone: (302) 381-3582

The Fiscal 2012 Budget recommends continuing the reduced level for bookmobile operations in response to the economic downturn and also in light of the cost of operating the bookmobile. The bookmobile will operate with one full-time staff person and one part-time staff person working two days per week. The bookmobile will continue to operate two days per week to provide service to schools and senior centers in particular. The bookmobile also could be used to help any Sussex County library that temporarily closes due to moving to a new location, while construction is ongoing. Two days per week will also be scheduled to deliver theme kits of various collections, especially to daycare centers, using a van that is no longer needed by the County Paramedic Department.

This budget will enable the County to continue providing service at a reduced level for those who need and use the bookmobile. It will also enable the County to continue to receive State Library Standards funding for the bookmobile, estimated to be \$41,697. The budget also includes replacement of one laptop and receipt printers as needed.

SOUTH COASTAL LIBRARY

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$587,182	\$589,450	\$601,289	\$631,986	\$643,398

(Percent Change: 1.81 Percent Increase)

Director – Suzanne M. Keefe

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

The South Coastal Library, which is located in Bethany Beach, remains one of the most active of all libraries in Sussex County based on the lending of materials. The South Coastal Library will continue to provide materials and services for current topics and titles, lifelong learning, and general information by maintaining a collection that anticipates public demand and serves the general information needs of the community. This library will also provide cultural and educational programs for patrons.

Fiscal 2012 will be the third year of operations for the enlarged South Coastal Library that doubled in size to 21,000 square feet. The proposed budget again includes funding for a part-time Children’s Librarian. The Children’s Librarian provides programs and services for young children, outreach to area schools, maintains children’s materials, and encourages parents and children to use the public library.

The budget again includes replacing 19 PCs, with the State funding one-half of the cost. Some of the older computers being replaced will be used by other County departments. Funding is also included to replace a French drain to correct a drainage problem in the front of the building at an estimated cost of \$3,000. The Capital Improvements Fund includes funding to replace original windows from 1993 that have leakage problems.

GREENWOOD LIBRARY

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$448,070	\$405,014	\$428,568	\$424,762	\$429,096

(Percent Change: 1.02 Percent Increase)

Director – Patricia L. Brown

patricia.brown@lib.de.us

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

Greenwood Library continues to be an educational center for the Town of Greenwood. The library provides a variety of sources and materials for both adults and youth in western Sussex County. During Fiscal 2012, the Greenwood Library will again provide cultural and educational programs for all ages.

Funding is included in the proposed budget to replace 13 PCs, with the State funding half of the cost. Also included are funds to replace receipt printers and bar code scanners. The Capital Improvements Budget includes \$1,500,000 toward the cost of design and construction of a new building for the Greenwood Library, with half of the funding for this construction to be funded by the State of Delaware.

MILTON LIBRARY

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$519,921	\$478,823	\$514,868	\$532,201	\$537,874

(Percent Change: 1.07 Percent Increase)

Director – Mary C. Hopkins

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

The Milton Library is a focal point in downtown Milton providing a variety of activities and a valuable resource for adults and children. The Fiscal 2012 Budget request continues library services at the current level for a varied community, including filling the needs for children, retirees, and new residents to Sussex County. The expanded second floor, which opened during Fiscal 2010, provides additional tutoring rooms and a meeting room.

Funding is included for a detection system to improve building security, laptops for the computer training lab, replacement bar code scanners and receipt printers, as well as 21 PCs. The 21 replacement personal computers will be purchased with one-half funding by the State of Delaware. Carpet for the second floor of the older section of the building is also included in the budget. Funding for books and dues and subscriptions remains at the Fiscal 2011 Budget levels. During Fiscal 2012, completion of some building repair projects will occur that were funded in Fiscal 2011.

LOCAL LIBRARIES

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$1,900,333	\$1,923,090	\$1,947,058	\$1,969,806	\$1,994,323

(Percent Change: 1.24 Percent Increase)

The County Council provides substantial funding for 11 local independent public libraries in the County. These libraries are overseen by independent library boards in Bridgeville, Delmar, Frankford, Georgetown, Laurel, Lewes, Milford, Millsboro, Rehoboth Beach, Seaford, and Selbyville.

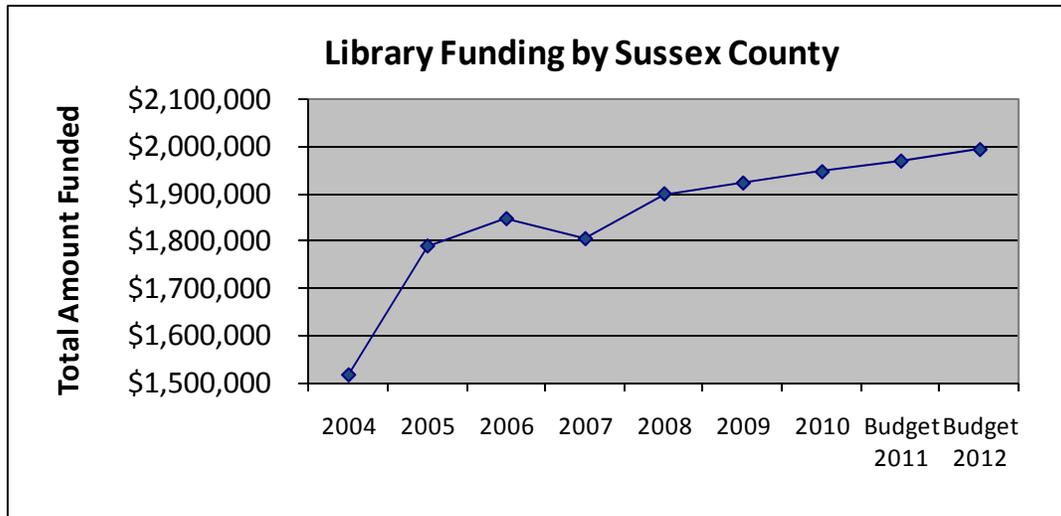
County funding for local libraries comes from the following sources:

	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
Capitation Tax	\$ 239,473	\$ 244,000	\$ 250,000	-0-
Property Tax (Library)	1,303,294	1,342,748	1,362,155	\$1,391,672
Manufactured Home Placement Fee	105,702	107,659	105,000	100,000
County Grant	274,621	252,651	252,651	502,651
Total	\$1,923,090	\$1,947,058	\$1,969,806	\$1,994,323

The recommended total funding for local libraries has increased by 1.24 percent during Fiscal 2012. No change in formulas or property tax allocations is recommended by the Library Advisory Board or the Budget Committee at this time. Although capitation fees are not being charged during Fiscal 2012, funding from the County's General Fund continues at the 2011 \$250,000 level. The County property tax of 4.67¢ per \$100 of taxable assessed value is up 2.17 percent. All of these funds are dedicated to local libraries. The increase in the property tax amount is allocated equally among the libraries. The manufactured home placement tax is down again by \$5,000, or five percent. The grant amount that is funded from other County revenues is recommended to be maintained at \$252,651.

As per the following graph, County funding for Sussex local libraries has increased from \$1.5 million in 2004 to almost \$2 million in Fiscal 2012. Local libraries are responsible for their individual Capital Improvements Projects. Local libraries are managed by independent boards that oversee their individual operations. They do

receive State Grant-in-Aid funding and donations to help with their operations and construction projects.



In addition to the direct funding that is provided by the County Council, local libraries also receive direct benefits from Library Administration, with the cost being absorbed by the County government. These services include audit of financial expenditures, delivery of materials on a daily basis, training and education assistance, coordination of literacy programs, computer technical services, cataloging, out-of-state library loan assistance, library promotion and outreach services, and consultation on specific issues and problems.

CONSTITUTIONAL OFFICES

Constitutional offices include the Clerk of the Peace, Recorder of Deeds, Register of Wills, and Sheriff. Each of these offices is managed by an elected official, although the County government is responsible for their financial accountability. It is essential that the elected officeholders coordinate the management of these offices with the County Administrator.

Expenditures for these offices during Fiscal 2012 are projected to total \$2,533,871. This is an increase of 9.13 percent compared to the Fiscal 2011 Budget. The increase reflects the need to address additional activity, especially in the Sheriff's Office.

The Fiscal 2012 Budget estimates revenue from these offices of \$7,052,000 versus expenses of \$2,533,871. This results in an estimated net income from these row offices of \$4,518,129.

CLERK OF THE PEACE/MARRIAGE BUREAU

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$177,621	\$151,138	\$152,636	\$134,607	\$154,254

(Percent Change: 14.60 Percent Increase)

Clerk of the Peace – George S. Parish

gparish@sussexcountyde.gov

Deputy – Anna M. Besche-Martin

abesche@sussexcountyde.gov

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

The Clerk of the Peace/Marriage Bureau is responsible for issuing State marriage licenses, the performance of civil ceremony marriages when requested, and providing the general public with copies of marriage certificates. During Fiscal 2010, the office was reorganized and fees were increased in order to make the office more cost-effective. Revenues are estimated for the Clerk of the Peace Office for FY 2012 to bring in \$109,000 versus expenses of \$154,254. This would result in a \$45,254 net loss. This is considerably better than the actual net loss for Fiscal 2008 of \$119,846.

This budget continues the staffing level of two including the elected Clerk of the Peace and one deputy, and part-time help from the Assessment Division. Staff from the Assessment Division has been trained to assist as needed on Fridays or other times when the Clerk of the Peace Office is particularly busy with work.

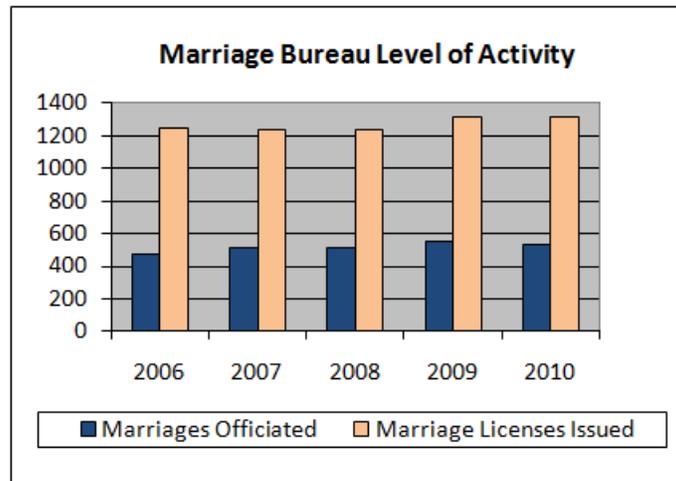
The proposed budget includes \$18,000 in estimated costs for software program changes to enable this office to administer civil unions, as per a new State law requirement. During Fiscal 2012, the Clerk of the Peace Office will initiate the use of credit cards for payment of fees.

The net cost of a marriage license in Sussex County has decreased to \$23.42 in Fiscal 2010 from \$59.14 in Fiscal 2009 and \$97.00 per license in Fiscal 2008. This reduction is a result of the changes in the fees, plus reorganization of the department whereby one full-time position was reduced to part-time help. These costs compare favorably to New Castle and Kent County, as per the below chart. The Fiscal 2010 cost per license issued for New Castle was \$122.44 and \$84.42 for Kent County.

The number of marriages officiated by the Clerk of the Peace has increased over time from 330 in Fiscal 2004 to 531 in Fiscal 2010.

Net Cost of a Marriage License a Comparison Among the Three Delaware Counties			
	Net Loss FY 2010	License Issued	Net Cost
New Castle	\$ (313,437)	2560	\$ (122.44)
Kent	\$ (101,300)	1200	\$ (84.42)
Sussex	\$ (30,896)	1319	\$ (23.42)

Clerk of the Peace Activity		
	Marriages Officiated	Marriage Licenses Issued
2006	474	1249
2007	509	1237
2008	516	1236
2009	552	1318
2010	531	1319



The Clerk of the Peace Office will accomplish the following objectives during Fiscal 2012:

- ✓ ***Perform civil ceremony marriages***
- ✓ ***Maintain all records in a computerized system***
- ✓ ***Schedule wedding ceremonies at the County facility when available***
- ✓ ***Digitize prior year marriage records***
- ✓ ***Provide services with a reduced number of full-time staff, but utilize employees from other offices to assist as needed***
- ✓ ***Implement acceptance of credit card for payment of marriage licenses***

RECORDER OF DEEDS

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$1,428,983	\$1,265,853	\$1,075,902	\$1,139,021	\$1,070,133

(Percent Change: -6.05 Percent Decrease)

Recorder of Deeds – Scott M. Dailey

sdailey@sussexcountyde.gov

Deputy – Catherine A. Pepper

cpepper@sussexcountyde.gov

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

The Recorder of Deeds Office is responsible for recording all documents pertaining to real estate in the County, including deeds, mortgages, tax liens, agreements, rights-of-way, and survey plots. Other responsibilities include recording of appointments, powers of attorney, military discharges, and Uniform Commercial Code financing notices.

The Recorder of Deeds also collects realty transfer tax for the State of Delaware and some local towns, as well as for Sussex County Council. As per the following chart, the Recorder of Deeds Office activity has decreased from a high of 69,738 documents in 2004 to 40,844 documents recorded in 2010. This 41 percent decrease since 2004 reflects the change in the economy.

Recorder of Deeds Activity		
	Documents Recorded	Percentage Change
2004	69,738	-
2005	69,212	-1%
2006	65,197	-6%
2007	59,770	-8%
2008	47,296	-21%
2009	48,123	2%
2010	40,844	-15%

Recorder of Deeds revenue is estimated to be \$3,243,000, three percent less than the Fiscal 2011 Budget. This is \$938,217 less than the 2008 actual Recorder of Deeds fee collections. This again reflects the drastic change in our economy.

During Fiscal 2010, a program was instituted to enable attorneys, title search firms, and the public to access information maintained by the Recorder of Deeds Office on-line. The availability of this information on-line has improved our customer service and lessened title searcher space needs in the Recorder of Deeds Office. Forty-Three Thousand, Three Hundred Ninety-Four Dollars (\$43,394) in additional net revenue per year was received during Fiscal Year 2010 from amounts paid to ACS, the outside contractor who assists with the storing of deed and record information. This revenue has resulted in a major decrease in the net payments to ACS.

During Fiscal 2012, the Recorder of Deeds Office will continue scanning deeds and mortgages to provide greater information on-line and in an easily accessible means.

The Recorder of Deeds Office will accomplish the following objectives during Fiscal 2012:

- ✓ ***Assist the general public with requests for information***
- ✓ ***Proficiently account and distribute appropriate fees and taxes to the proper organizations***
- ✓ ***Further decrease time involved in processing and recording documents***
- ✓ ***Further digitize microfiche documents***
- ✓ ***Continue to address storage needs***
- ✓ ***Continue scanning of old documents to help provide additional on-line resources***

REGISTER OF WILLS

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$413,202	\$387,502	\$395,377	\$398,350	\$470,851

(Percent Change: 18.20 Percent Increase)

Register of Wills – Cynthia Green

cgreen@sussexcountyde.gov

Chief Deputy – Roberta A. Smith

rsmith@sussexcountyde.gov

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

The duties of the Register of Wills include probate estates, register and record wills after death, appoint executors and administrators, and various activities associated with the handling of estates. During 2007, the Register of Wills Office moved to the Justice of the Peace Court building behind the Courthouse and the County Administrative Office Building. The County rents this office space from the State of Delaware, but it is expected that the County will need to find another site for the Register of Wills Office at a future time.

The Register of Wills Budget includes an increase of \$49,380 for advertising due to a change in procedure. In the past, ads for wills were paid directly by the applicant and estate to the newspapers. These required ads are now paid for by the County. Thus, there is an increase in the expense for advertising by the County, but this is offset by a corresponding increase in revenue.

Also included in the proposed Fiscal 2012 budget is a \$15,000 increase in Other Contractual Services. This additional funding is intended to assist in providing scanning capabilities and move toward a similar on-line availability format that the Recorder of Deeds currently has implemented.

Revenues from the Register of Wills Office are estimated to be \$900,000, an increase of 7.63 percent compared to Fiscal 2011. Revenues vary in this office from year to year based on the value of estates and the number of wills handled.

The Register of Wills Office will accomplish the following objectives during Fiscal 2012:

- ✓ *Respond promptly and courteously to all public inquiries*
- ✓ *Continue to provide high quality personal services*
- ✓ *Implement a scanning and imaging project which will preserve and protect new and existing files*
- ✓ *Reduce costs within the department as much as possible*

SHERIFF'S OFFICE

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$665,757	\$638,170	\$691,504	\$649,865	\$838,633

(Percent Change: 29.05 Percent Increase)

Sheriff – Jeffrey S. Christopher

jchristopher@sussexcountyde.gov

Chief Deputy – Dennis R. Lineweaver

dlineweaver@sussexcountyde.gov

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

The Sheriff's Office is located in the County's West Complex on North DuPont Boulevard in Georgetown. The office is responsible for the serving of legal notices, including subpoenas, and the Sheriff sale of real estate and personal property. As per the chart below, the activity in the Sheriff's Office has increased considerably. Work completed during Fiscal 2010 was 94 percent greater than 2005.

Sheriff's Department Activity		
Fiscal Year	Papers Served	Percentage Change
2005	9,725	-
2006	9,729	0.04%
2007	12,125	25%
2008	12,974	7%
2009	13,973	8%
2010	18,822	35%

Difficult economic times and the housing market crisis have meant additional foreclosures that have contributed to the increase in revenues within the Sheriff's Office. Revenues are estimated at \$2,800,000 for Fiscal 2012, which is a 17 percent increase versus the 2011 budget. During Fiscal 2010, the Sheriff's Office successfully bid on and earned the State of Delaware Family Court service business for Sussex County. This provides an additional \$85,000 per year in revenue.

The Fiscal 2012 Budget reflects changes in staffing in an attempt to provide sufficient help to handle the large number of foreclosures and sales, as well as other activity. Two requested clerks have been added during Fiscal 2011 to assist with the

work needed to be done to prepare and administer Sheriff's Sales, as well as other court related paper service. One of these clerk positions was added during April 2011 to the Sheriff's Office, which fulfills the Sheriff's FY 2012 budget request for clerical help. The Sheriff's Office has indicated a backlog, and the additional staffing is recommended as a means to speed up the process. Also, additional part-time clerical help will be made available from another employee in a different department.

A replacement deputy is included in the budget, as well as a new part-time deputy to assist with the Sheriff's Office paper service and foreclosure work. If there is sufficient need in the future to provide additional staff to supplement 12 full-time and one part-time employee in this office, that can be considered during the year. The Budget Committee recommendation is to try this option as a means to alleviate the backlog. The County realizes that if the increase in staff is not sufficient to handle the backlog, other options will need to be considered. This reflects the past history within this department. The Fiscal 2011 Budget included ten full-time positions. During Fiscal 2011, two employees were transferred to help with the workload.

Tools and Small Equipment in the recommended budget includes a new telephone and weapon for the new deputy, plus \$500 for other miscellaneous items during the year, if needed. The Machinery and Equipment line item includes funding for a new vehicle for the new deputy plus a personal computer and related equipment for the vehicle such as a computer hookup. This line item also includes a replacement copier. Funding is included for a uniform for the new deputy, plus uniform replacements as needed. Training and Education includes funding for classes for ten deputies and clerks at \$300 each.

The Sheriff's Office will accomplish the following objectives during Fiscal 2012:

- ✓ ***Ensure the proper processing of all court related documents***
- ✓ ***Process all sales in a timely and professional manner***
- ✓ ***Upgrade and utilize County's computer system to enable Sheriff deputies to perform their duties more efficiently***
- ✓ ***Continue to pursue other revenue generating options such as auctioneering at Sheriff's sales and handling Family Court activity***

- ✓ *Establish mutual trust with the public, County officials, and the legal community*
- ✓ *Improve the work output efficiency and turn-around time for documentation being served*
- ✓ *Implement standard operating procedures*
- ✓ *Reduce liability with appropriate job-related training*

COMMUNITY DEVELOPMENT AND HOUSING

General Fund

Actual FY '08	Actual FY '09	Actual FY '10	Budget FY '11	Budget FY '12
\$286,122	\$255,638	\$228,371	\$221,133	\$262,141

(Percent Change: 18.54 Percent Increase)

Director – William C. Lecates

wlecatess@sussexcountyde.gov

Assistant Director – Brad D. Whaley

Telephone: (302) 855-7777 Fax: (302) 854-5397

The primary responsibility of the Community Development and Housing Division is to provide and manage annual grants and loans to finance housing rehabilitation, community facilities, and public works improvements that serve low- to moderate-income residents in Sussex County.

The Community Development and Housing Division hopes to rehabilitate between 100 and 125 homes for needy families in Sussex County during Fiscal 2012. Fifty Thousand Dollars (\$50,000) is also included in the General Fund Budget to assist with this worthwhile program. This is an increase of \$20,000, a two-thirds increase. These funds help with emergency needs for low-income residents for housing repairs which are administered by this department. Although this department has assisted over 1,591 low- to moderate-income citizens, their waiting list for these projects totals approximately 1,132 homeowners.

Revenue

The Community Development and Housing Division is funded primarily by Federal CDBG funds. During Fiscal 2010, a new program, the Federal Neighborhood Stabilization Program, was initiated and implemented by this department.

Total revenues during Fiscal 2012 are expected to decrease to \$2,869,141. This is a 23 percent decrease associated with a reduction in Federal funding.

	Budget Fiscal <u>2010</u>	Budget Fiscal <u>2011</u>	Budget Fiscal <u>2012</u>
Federal Grants	\$1,290,000	\$1,225,000	\$1,218,000
State Loan Program	200,000	200,000	200,000
Neighborhood Stabilization Program	1,900,000	2,039,024	1,139,000
County Contribution – Rehabs and Grants	30,000	30,000	50,000
County Contribution – Administration	<u>199,891</u>	<u>221,133</u>	<u>262,141</u>
TOTAL	<u>\$3,619,891</u>	<u>\$3,715,157</u>	<u>\$2,869,141</u>

Appropriations

The Fiscal 2012 Budget estimates \$1,252,000 in funding for housing rehabilitation projects, sewer and water hookup costs, and a State loan program for housing rehabilitation. For the eighth consecutive year, the Budget Committee is recommending that funding from the General Fund be made available to assist the Community Development and Housing Division to allow for emergency assistance. Fifty Thousand Dollars (\$50,000) is recommended to be available for this program, an increase of 67 percent. This will be beneficial in helping those who are not on the three-year waiting list who have severely inadequate housing conditions with immediate problems.

During Fiscal 2012, Community Development and Housing staff will again assist municipalities in obtaining grant funds. This staff oversees public hearings for funding requests. The administration cost for the towns is absorbed by the County. Following is a list of projects requested and anticipated to be completed during Fiscal 2012:

- Delmar – Housing Rehab (4)
- Ellendale – Housing Rehab (4)
- Laurel – Housing Rehab (4)
- Milford – Housing Rehab (4)
- Scattered Sites – Housing Rehab (10)
- Water and Sewer Hookups (30)
- Emergency Rehab (5)

Rural Lincoln/Greentop – Housing Rehab (4)

Rural Dagsboro/Millsboro – Housing Rehab (4)

Rural Ellendale – Housing Rehab (4)

Seaford – Housing Rehab (4)

Neighborhood Stabilization Program

During Fiscal 2010, this department implemented the Neighborhood Stabilization Program (NSP), a new Federal program to stabilize neighborhoods affected by the foreclosure crisis. Homes that are foreclosed are purchased and resold to low- to moderate-income residents of Sussex County at affordable prices. Mortgages are obtained from local banks at reduced amounts. The Federal money from this program would be used to finance “soft second mortgages.” When these loans are repaid upon resale of the home, the “soft second mortgage” would either transfer to a new eligible low- to moderate- income owner or be repaid. Those funds could again be used for affordable housing purposes. This program involves the use of partners such as Habitat for Humanity, NCALL, Diamond State Land Trust, Milford Housing, Sussex County Association of Realtors, and First State Community Action Agency. As of May 6, 2011, this department has assisted 20 homebuyers with purchasing homes through the NSP, as well as the purchase of six Habitat for Humanity homes, one Diamond State CLT home, and two Milford Housing homes. We are proud to note that these homes have not only been purchased, but buyers have been found for all but two, and new owners are living in these previously foreclosed homes. The results from this program, which is a collaborative effort, compare very favorably to that of other counties and has been copied by other counties, and will be utilized by the State.

Moderately Priced Housing Unit Program

It is the goal of this program to increase County housing stock for middle-income professionals such as teachers, nurses, and police officers. This program attracts developers to construct more affordable housing for Sussex County year-round residents. In exchange for agreeing to build a house that is affordable for a household of four earning between \$46,700 and \$73,000 annually, developers would receive expedited reviews and some increased density for their projects. Those wishing to participate in the program must meet a variety of criteria to qualify. Applicants will be scored on the basis of their proposal and considered accordingly for participation in the program. The County’s website provides a copy of the ordinance authorizing the Moderately Priced Housing Unit Program. A total of 547 moderately priced units have been approved for the program.

During Fiscal 2009, this program was approved for expansion with a rental housing element. The rental housing program will be implemented on a trial basis at this time. The first project was approved for 25 affordable rental units in the Lewes area.

The Community Development and Housing Division will accomplish the following objectives during Fiscal 2012:

- ✓ *Continue to assist over 250 low- to moderate-income citizens through grant funds for housing rehabilitation, infrastructure projects, and water and sewer hookups*
- ✓ *Rehabilitate approximately 100 to 125 homes using Federal, State, and County funds*
- ✓ *Administer Housing Code complaints for rental tenants*
- ✓ *Encourage the private sector to provide affordable housing in new projects*
- ✓ *Encourage the restoration of Sussex County's housing stock, promote economic stimulation, and provide decent housing for all residents of Sussex County*
- ✓ *Assist applicants with the Moderately Priced Housing Unit and rental program to help Sussex County residents*
- ✓ *Continue the Neighborhood Stabilization Program in Sussex County using Federal funds to purchase and rehabilitate foreclosed homes and thereafter resell them to low- to moderate-income residents*
- ✓ *Work with offices of the State Attorney General and Bank Commissioner to promote consumer education regarding foreclosure prevention*
- ✓ *Assist in providing information regarding low-interest State mortgage programs for first-time homebuyers to help Sussex residents obtain a home and help the Sussex housing market*
- ✓ *Continue to implement programs in a fair and consistent manner*

CAPITAL IMPROVEMENTS

NON-SEWER AND WATER

The Capital Improvements Fund includes funding for non-sewer and water County projects. These projects are funded by general County resources and grants.

Revenue

The Fiscal 2012 Budget includes revenue to fund projected non-sewer and water projects as per this comparison chart:

	<u>Actual 2010</u>	<u>Budget 2011</u>	<u>Budget 2012</u>
Appropriated Reserves	\$2,221,652	\$5,834,950	\$4,366,800
Federal Airport Grant	1,093,095	522,500	1,151,400
FEMA Grant	186,093	-0-	-0-
Federal Energy Grant	-0-	660,000	-0-
State of Delaware Airport Grant	63,071	13,750	30,300
State of Delaware Library Grant	28,716	250,000	750,000
State of Delaware Paramedic Grant	93,879	75,000	76,500
State of Delaware EOC Communications Bldg.	-0-	653,800	650,000
State of Delaware Park Grant	-0-	-0-	25,000
Third Party Contributions	10,333	-0-	-0-
Investment Income	<u>91,289</u>	<u>50,000</u>	<u>25,000</u>
TOTAL REVENUE	<u>\$3,788,128</u>	<u>\$8,060,000</u>	<u>\$7,075,000</u>

From a revenue standpoint, the focus of this year's Capital Improvements Budget again is to use funds set aside in previous years for these projects. These appropriated reserve amounts total \$4,366,800. Our goal will be to use available funds to develop these needed projects instead of borrowing through bond issues. It is possible in succeeding years that bond funding may be needed to continue funding projects. The County does issue bonds for water and sewer district projects, but those are a liability for each individual water and sewer district. Because realty transfer tax revenues have declined to such a large degree, our emphasis is on using available funds during this weaker housing market.

Federal Airport Grant money totaling \$1,151,400 through the Federal Aviation Administration (FAA) represents 95 percent grant funding. This amount reflects what we believe is attainable to help with the design project for a 500-foot extension of the main runway and Phase I of the Wetlands Mitigation Project at the Airport. Also included is a State grant at 2.5 percent of the cost for those two projects.

A State of Delaware Library Grant for \$750,000, representing a 50 percent share, for the Greenwood Library expansion is also included. It is hoped that an additional \$750,000 will be appropriated in Fiscal 2013 for this project.

A \$76,500 Paramedic Grant at 30 percent funding for paramedic related capital projects is also included. A State of Delaware grant for \$25,000 for park improvements at the Woodland property purchased by the County is also included. Finally, a State of Delaware grant of 50 percent toward an Emergency Operations Center communications building for \$650,000 is included.

The total revenue and expenditures of \$7,075,000 for non-sewer and water capital improvements represents a 12 percent decrease for Fiscal 2012.

Appropriations

Fiscal 2012 appropriations include improvements at the County Airport and Industrial Park. This funding is seen as an economic development tool for Sussex County. Approximately 900 employees work at the Sussex County Industrial Park outside of Georgetown. The main employer, PATS, Inc., has increased its employee base from 50 in 1997 to approximately 350 employees at this time.

An example of the County Council's economic development emphasis is the cooperative effort with Delaware Technical & Community College to provide an airframe mechanics training program at the Airport. During Fiscal 2008 and Fiscal 2009, the County expended approximately \$1.2 million to purchase and renovate a hangar at the County Airport. Delaware Technical & Community College received FAA approval for their training program and graduated their first class during Fiscal 2011. During Fiscal 2011, the Sussex County Council agreed to lease additional space to Delaware Technical & Community College at the Industrial Park for expansion of this program to train Sussex County residents to learn the skills for aircraft power plant, in addition to the airframe mechanics training program. This program enables Sussex County residents to learn skills needed as airframe mechanics, with employment opportunities available in Georgetown as well as at other airport locations.

The Fiscal 2012 Capital Improvements Budget includes \$150,000 for runway lighting improvements. This funding is needed to upgrade the electrical system powering primarily the runway lights that are operational. The electric wiring serving these lights needs replacement, which could involve replacing wiring under the taxiway and/or runway.

Also included is \$700,000 toward the cost of design for a 500-foot extension of the main runway, 4-22. This project will extend the main runway from 5,000 to 5,500 feet. The Federal government will fund 95 percent of this cost, matched by 2.5 percent by the State and 2.5 percent funding by the County.

The County will continue during Fiscal 2012 to pursue Federal funding and other sources of funding for the extension of the main runway for an additional 500 feet, to 6,000 feet. A 6,000-foot extension would enable Boeing 757 sized airplanes to land and take off at our Airport. This size airplane meets with the long-term capability for PATS, a major employer at our Industrial Park, plus it will encourage other aviation related business in Georgetown. The County has been strongly pursuing funding for the complete 1,000-foot extension with help from our congressional representatives, as well as the Delaware Economic Development Office.

Funding is also included for storm water improvements (\$335,000) at the Industrial Park. This would take care of drainage concerns for remaining open lots at our Industrial Park. A total of \$677,500 is recommended for pavement improvements at the Airport. Six Hundred Thousand Dollars (\$600,000) is estimated to be needed to mill and repave Taxiway A which extends east toward the Delaware State Police hangar and needs repairs at this time.

Additional funding for the security guard building totaling \$9,000 is included in this budget. This will supplement Fiscal 2011 funding for \$30,000 to complete the project, including sewer and water hookup, an ADA compliant stairs and ramp, and camera monitors for the Industrial Park.

Five Hundred Twelve Thousand Dollars (\$512,000) is included for the Wetlands Mitigation Project related to the Airport clear zone work that was done a few years ago. Approximately nine acres of wetlands will be built on another County owned property in the Williamsville area, as required by the Federal government. FAA funds are available for this at 95 percent, with a 2.5 percent State match.

West Complex wiring and improvements totaling \$26,500 are included in the recommended budget to provide the needed wiring for further use of the second floor. Funding is also included for replacement of the uninterruptible power supply

(UPS) for the Administrative Office Building on The Circle. The County Administrative Building currently has a UPS system; however, it is becoming less reliable as it ages and it only provides temporary service for emergency lighting.

A new communications building is proposed for combined shops for the State and County communications departments. This would include a bay large enough to service fire trucks, paramedic units, County vehicles, ambulances, and Sheriff's Department vehicles for repair and installation of emergency lighting and communications equipment. The estimated cost of this project is \$1,300,000. Fifty (50) percent of the funding from the State of Delaware is anticipated to cover the State's share of this building.

Funding is included to repair and renovate two restrooms located in the West Complex Administrative Building. These restrooms have not been renovated in approximately 30 years and need to be repaired. The estimated cost of \$55,000 will be partially funded by the State Paramedic Grant at 30 percent funding.

Funding is included for repairs at the Emergency Operations Center of the geothermal HVAC service. There is a large amount of electronic equipment at the Emergency Operations Center which keeps temperatures there at high levels throughout the year, placing a strain on the existing geothermal system. Improvements are anticipated to be completed during July and August of 2011.

Software improvements and the Enterprise Resource Planning Software program will begin to be implemented during Fiscal 2012. Bids were received during Fiscal 2011. This project, half funded by the Water and Sewer Districts and the County General Fund based on activity, will improve the efficiency of the Finance and Administration offices. Information will be more easily accessible for the public and greater efficiencies are anticipated, which will mean less staffing required in the future. This software will help the County's Assessment, Treasury, Utility Billing, Accounting, and Planning and Zoning departments. A new basis will be established for our property records.

Fifty Thousand Dollars (\$50,000) is included for funding for improvements at the park near the Nanticoke River near Seaford. During Fiscal 2010, 40 acres were purchased with a goal to use approximately half of the property for a site to deposit dredging materials from the Nanticoke River. The remaining 20 acres is anticipated to be used as a passive type park. Our goal is that this funding, with 50 percent assistance from the State of Delaware, will enable us to establish a trail type system on the 20 acres for use by the public.

Funding for \$1,500,000 is included for the new replacement Greenwood Library Project. One-half, or \$750,000, of this total is to be funded by the State of Delaware. This project will increase the size of the Greenwood Library from 3,754 square feet to approximately 10,000 square feet. This funding will cover design and part of the construction cost. It is anticipated that additional funding will be made available next year by the State of Delaware and the County to fund the remainder of the estimated costs.

Funding for improvements to the South Coastal Library is also included totaling \$85,000. Large window sections in the original South Coastal Library building are leaking and there is some rotting wood. This funding is needed to replace those windows on the building.

Funding is also included for property acquisition for property needed at the Airport for extension of the runway, a possible new paramedic location near Long Neck, and a property adjacent to a County former landfill.

WATER AND SEWER DISTRICTS

ENVIRONMENTAL SERVICES

Director of Environmental Services – Heather L. Sheridan

hsheridan@sussexcountyde.gov

Assistant Director of Environmental Services – Rodney T. Marvel

rmarvel@sussexcountyde.gov

Telephone: (302) 855-7730 Fax: (302) 539-0981

The County's water and sewer treatment facilities consist of Inland Bays, Piney Neck, South Coastal, and Wolfe Neck. They are staffed as follows:

Inland Bays Regional Wastewater Facility

District Manager – Michael Winters

mwinters@sussexcountyde.gov

District Manager – Justin Mitchell, Sr.

jmitchell@sussexcountyde.gov

Telephone: (302) 947-0864 Fax: (302) 947-0115

Piney Neck Wastewater Facility

District Manager – Holly R. Brittingham

hbrittingham@sussexcountyde.gov

Telephone: (302) 732-9540 Fax: (302) 732-9540

South Coastal Regional Wastewater Facility

District Manager – Loran A. George

lgeorge@sussexcountyde.gov

District Manager – Gary Hall

ghall@sussexcountyde.gov

Telephone: (302) 855-7730 Fax: (302) 539-0981

Wolfe Neck Regional Wastewater Facility

District Manager – Gordon Serman

gserman@sussexcountyde.gov

District Manager – Robert Fisher

rfisher@sussexcountyde.gov

Telephone: (302) 644-2761 Fax: (302) 644-2763

Uniform Service Charge Rate

and Accounting Fund

As a result of a recommendation from a utility rate study by Municipal Finance Services Group, the County is attempting to provide a uniform service charge rate and a more streamlined fund accounting approach. The budget for Fiscal 2011 began that process. Effectively July 1, 2010, the County implemented one accounting fund for all sewer districts, except Dewey Water (a water district) and West Rehoboth Sewer (funded by revenue bonds). As a result of this change, the County was able to reduce one Accounting staff position during Fiscal 2011. Less administrative time in the Engineering Department is also providing savings.

Fiscal 2012 begins the second year toward establishing a uniform service charge rate for these districts, as well as combining the accounting funds. Regarding the service charge rates, we are recommending a rate increase of \$8.00 per year to a base rate of \$254.00 per year for Bethany, South Bethany, Fenwick, Holts Landing, Ocean View, Miller Creek, Millville, Cedar Neck, Bay View Estates, Sea Country Estates, South Ocean View, Ellendale, Oak Orchard, and Johnson's Corner sewer districts. The purpose of these increases is to cover rising costs and major maintenance needs that we are incurring as our infrastructure ages.

As part of the effort to provide a uniform service charge rate over the next few years, we are recommending a slightly higher increase for the Long Neck Sewer District to "catch up" from the lower beginning rate level. For Long Neck Sewer, we are recommending a \$15.00 increase, to \$218.94 per year. We are recommending leaving service charge rates at current levels for Dewey Water, Dewey Sewer, Blades Sewer, Henlopen Acres Sewer, Dagsboro-Frankford Sewer, West Rehoboth Sewer, and The Woodlands of Millsboro Sewer.

Our goal, as noted, is to work toward a uniform service charge rate structure whereby the service charge rate is the same for each district. We are recommending that we gradually accomplish this over the next few years by continuing with similar equalizing rate changes in a manner that would minimize the impact over time. We estimate that over the next seven to eight years we can gradually implement this change to a single service charge rate for all districts, except for Dewey Water and West Rehoboth Sewer. We anticipate substantial administrative savings in the future as a result of this process.

Revenues

The Fiscal 2012 proposed budget includes revenue funding as per the information below:

<u>SEWER & WATER DISTRICT REVENUES:</u>	AMOUNT FOR YEAR ENDING JUNE 30, 2012
Assessment Charges	\$12,278,973
Service Charges	15,909,743
Investment Income	39,100
Permit & Plan Review Fees	209,500
Holding Tank & Septage Fees	215,000
Miscellaneous Fees	114,928
Connection Fees	842,750
County Contribution - Transfer Tax	270,380
Rent & Farm Income	126,732
Available Surplus	3,928,441
TOTAL REVENUES	<u>\$33,935,547</u>

Service charges recover the cost of operating and maintaining the collection system, transmission system, and treatment facilities. The charges recover costs for electric power, personnel, fuel, supplies, and maintenance. Service charges may also include the debt service for the treatment facilities. They are billed quarterly to users. Vacant lots do not pay a service charge. There are no exemptions for service charges.

Assessment charges recover the costs for bond payments and costs for constructing the sewer and water system, maintenance, system upgrade expenses, and project reserves. They are broken down into two parts. The transmission and treatment portion recovers the costs related to pumping stations, force mains, large diameter pipelines, and some treatment facilities. The collection or distribution portion recovers the cost of the local collection and distribution lines, which are smaller pipelines that drain into the transmission system. Assessment charges are billed to each account based on the number of assessable front feet of the property, unless they qualify for a property tax exemption including farmland and nonprofit organizations.

Connection charges are an important source of revenue for the water and sewer districts. They are charged for new connections to the water and sewer systems. The purpose of these fees is to recover the cost of transmission and treatment related to growth in the districts. Our goal is that these connection charges recover the costs related to providing additional transmission and treatment facilities to cover additional growth.

Front foot assessment rates are recommended to remain at the same level as during Fiscal 2011. Any excess amounts received from front foot assessment rates may be applied to Operations and Maintenance costs.

The increase in the service charge rates will mean minor changes to average bills for Fiscal 2012. Rate changes range from zero percent for many areas to a maximum of 3.00 percent for the Long Neck Sewer District.

Following is a listing of average bills for Fiscal 2012 compared to FY 2011, which includes service charges and front foot assessment fees for average bills based on averages within each district :

<u>District</u>	<u>FY 2011 Average Bill</u>	<u>Proposed FY 2012 Average Bill</u>	<u>Increase/ (Decrease)</u>	<u>Percent Increase/ (Decrease)</u>
Dewey Water	\$ 292.76	\$ 292.76	-0-	-0-
Dewey Sewer	\$ 348.96	\$ 348.96	-0-	-0-
Bethany Sewer	\$ 289.47	\$ 297.47	\$ 8.00	2.76%
South Bethany Sewer	\$ 288.00	\$ 296.00	\$ 8.00	2.78%
Fenwick Sewer	\$ 344.64	\$ 352.64	\$ 8.00	2.32%
Blades Sewer	\$ 359.72	\$ 359.72	-0-	-0-
Henlopen Sewer	\$ 588.15	\$ 588.15	-0-	-0-
Sussex Shores Sewer	\$ 517.32	\$ 525.32	\$ 8.00	1.55%
North Bethany Sewer	\$1,085.30	\$1,093.30	\$ 8.00	.74%
Long Neck Sewer	\$ 499.20	\$ 514.20	\$ 15.00	3.00%
Dagsboro-Frankford Sewer	\$ 412.48	\$ 412.48	-0-	-0-

<u>District</u>	<u>FY 2011 Average Bill</u>	<u>Proposed FY 2012 Average Bill</u>	<u>Increase/ (Decrease)</u>	<u>Percent Increase/ (Decrease)</u>
Dagsboro-Frankford Sewer – Prince George’s Acres	\$ 739.85	\$ 739.85	-0-	-0-
West Rehoboth Sewer	\$ 622.10	\$ 622.10	-0-	-0-
Ocean Way Estates Sewer	\$ 519.90	\$ 527.90	\$ 8.00	1.54%
Holts Landing Sewer	\$ 616.98	\$ 624.98	\$ 8.00	1.30%
Ocean View Sewer	\$ 588.24	\$ 596.24	\$ 8.00	1.36%
Miller Creek Sewer	\$ 849.78	\$ 857.78	\$ 8.00	0.94%
Millville Sewer	\$ 670.76	\$ 678.76	\$ 8.00	1.19%
Cedar Neck Sewer	\$ 614.46	\$ 622.46	\$ 8.00	1.30%
Ellendale Sewer	\$ 443.00	\$ 451.00	\$ 8.00	1.81%
Ellendale Sewer – New Market	\$ 591.84	\$ 599.84	\$ 8.00	1.35%
Bay View Estates Sewer	\$ 867.56	\$ 875.56	\$ 8.00	0.92%
Sea Country Estates Sewer	\$ 749.00	\$ 757.00	\$ 8.00	1.07%
Oak Orchard Sewer	\$ 562.66	\$ 570.66	\$ 8.00	1.42%
Holts Landing Sewer – The Greens	\$1,167.00	\$1,175.00	\$ 8.00	0.69%
South Ocean View Sewer	\$ 787.53	\$ 795.53	\$ 8.00	1.02%
Angola Sewer	N/A	\$ 819.88	N/A	N/A
Golf Village Sewer	\$ 179.00	\$ 179.00	-0-	-0-
Johnson’s Corner Sewer	N/A	\$ 880.00	N/A	N/A
The Woodlands of Millsboro	\$ 856.00	\$ 856.00	-0-	-0-

As in prior years, increases are recommended for the one-time connection fees payable at the time of initial hookup by new users. As per the following chart, these fees are recommended to increase four percent for Fiscal 2012. This increase reflects the increase in the Construction Cost Index that is developed by the Engineering News Record. This four percent increase represents the inflation of capital improvement costs.

Also included in the connection fee schedule is a new rate for the Angola Sewer District. The rate for the Johnson's Corner Sewer District has been revised and goes into effect for any new homes built in that area after June 30, 2011. Existing improvements in the Johnson's Corner Sewer District will not be responsible for a connection fee, since it will be funded as part of the front foot assessment rate. The estimated 2007 public hearing \$3,600 connection fee will not be charged to existing improvements as of June 30.

The new connection fee for the Angola Sewer District also will apply for new users after June 30, 2011. Connection fee costs for existing improvements as of June 30, 2011, will also be funded as part of the front foot assessment rate. The estimated 2007 public hearing connection fee of \$3,375 will not be charged to existing improvements as of June 30.

This budget reflects a new assessment and service charge rate for the Angola Sewer District, which was coming on-line partially during July 2011. Construction on the project will enable additional users, especially in the Angola by the Bay area, to come on-line during the first half of Fiscal 2012. The front foot assessment rate for the Angola Sewer District is recommended to be \$6.58 per front foot. This rate includes, as noted, the cost of construction of the sewer district, as well as connection fee costs which were previously anticipated to be paid for by individual new users. This rate is substantially lower than anticipated at the time of the referendum in 2007 due to a number of factors. Construction costs are lower than anticipated, aided by a strong bidding climate. Also, Sussex County was able to take advantage of Stimulus funding that became available which provided an additional \$1,500,000 in grant funding toward the cost of this \$27 million project. As part of the financing package, better loan terms were arranged with a lower interest for a 40-year USDA Rural Development loan of 2.75 percent versus 4.5 percent. For these reasons, we were able to fund this project at a rate of \$6.58 versus \$8.91 per front foot which was estimated in 2007 and proposed at the time of the referendum. This is a decrease of 22 percent for an average annual bill. Grants, including a \$1 million grant from the Sussex County Council, have meant that this project is 22 percent grant funded.

The Johnson's Corner Sewer District will come on-line during Fiscal 2012 also. Some hookups are occurring during Fiscal 2011. The proposed front foot assessment rates are also considerably lower than anticipated at the 2007 referendum and public hearing. A front foot assessment rate of \$6.26 per front foot is recommended, which is considerably lower than the \$8.77 per front foot rate estimated in June of 2007. The reason for the lower rate is that actual costs are considerably lower than anticipated due to a favorable bidding climate. The project was estimated to cost \$13.6 million and the actual cost is \$10.6 million. Also, Stimulus funds were received that were not anticipated in 2007 when the original estimate was prepared. A USDA Rural Development loan for 40 years at 3.5 percent for \$2 million is used to fund this project, when it was anticipated to be a 4.5 percent loan for \$5.2 million. Also, a Federal STAG grant was approved for this project for \$291,000 that was not anticipated. A Federal Stimulus grant for \$1.2 million was also received for the project. Grants, including a County grant for \$500,000, have meant that this project is 38 percent grant funded. The average annual bill is 25 percent less than estimated at the 2007 public hearing.

It is anticipated that the Oak Orchard Expansion project will come on-line during Fiscal 2012. A public hearing and proposal for a new front footage rate for the Oak Orchard Expansion area will occur during Fiscal 2012.

SUMMARY OF SYSTEM CONNECTION CHARGES
JULY 1, 2011 – JUNE 30, 2012

<u>District</u>	Proposed FY '12 Total System Connection Charge/ <u>EDU</u>
Dewey Water	\$ 980
Dewey Sewer	\$3,527
Bethany Sewer	\$4,697
South Bethany Sewer	\$4,697
Fenwick Sewer	\$5,015
Blades Sewer	\$3,162
Henlopen Sewer	\$3,527
Long Neck Sewer	\$3,612
Dagsboro-Frankford Sewer	\$6,474

<u>District</u>	Proposed FY '12 Total System Connection Charge/ <u>EDU</u>
West Rehoboth Sewer Extension	\$4,590
Holts Landing Sewer – Existing District	\$3,717
Holts Landing Sewer – Extensions	\$6,057
Holts Landing Sewer – Septic Installation	\$2,444
Ocean View Sewer Expansion	\$4,697
Miller Creek Sewer	\$4,995
Ellendale Sewer (Rate for new improvements after 1/1/05 and extensions after 6/30/04)	\$7,607
Ellendale Sewer (Rate for existing improvements as of 1/1/05 within boundaries of original district)	\$4,377
Angola Sewer (Rate for new improvements and extensions after 6/30/11)	\$3,546
Johnson’s Corner Sewer (Rate for new improvements and extensions after 6/30/11)	\$4,861
Cedar Neck Sewer Expansion	\$4,697
Millville Expansion (Rate for existing improvements as of 6/30/03 within boundaries of original district)	\$2,300
Millville Sewer Expansion (Rate for new improvements after 6/30/03 and district extensions)	\$6,001
Oak Orchard Sewer (Rate for new improvements after 2/01/01)	\$3,548

<u>District</u>	Proposed FY '12 Total System Connection Charge/ <u>EDU</u>
Bay View Estates Sewer (Rate for extensions to existing district and for all after 12/29/06)	\$6,177
Sea Country Estates Sewer (Rate for hookups after 6/30/06)	\$5,015
South Ocean View Sewer	\$5,895
Golf Village – Amount equal to the Town of Georgetown’s Impact Fee (<u>Note</u> : EDU means “Equivalent Dwelling Unit”)	

Appropriations/Expenditures

The Fiscal 2012 Budget includes funds to operate, maintain, and repay capital costs for each of the County’s 21 water and sewer districts.

Operations and Maintenance

Operations and Maintenance expenses included in the Fiscal 2012 Budget total \$10,414,944. This is up 1.48 percent compared to the Fiscal 2011 Budget. Operations costs include the purchase of water from the City of Rehoboth for the Dewey Water District, wastewater treatment by the City of Rehoboth for the Dewey Sewer District, wastewater treatment for the Ellendale Sewer District by the Town of Georgetown, and wastewater treatment for the Blades Sewer District by the City of Seaford. This budget also includes \$1,322,250 for power purchased for over 300 pump stations, plus the four wastewater treatment facilities. Wastewater treatment and water purchase costs provided by the City of Rehoboth, City of Seaford, and the Town of Georgetown totaling \$1,400,510 are also included in the budget. The County is in the process of renegotiating with the City of Rehoboth for the supply of water and wastewater treatment for Dewey Beach and Henlopen Acres.

This portion of the budget also includes \$61,250 for payment due to the State of Delaware for the lease of property near the Wolfe Neck Treatment Plant. As per our original agreement with the Townsend Company, Sussex County leases farmland for spray irrigation purposes. After the County originally leased the property from the previous owners (Townsend’s, Inc.), the State of Delaware

purchased the property and this lease was assigned to the State. It is essential that this property continue to be used for spray irrigation of wastewater, which is the number one preferred alternative for sewer processing by the Delaware Department of Natural Resources and Environmental Control. The State of Delaware purchased this property from Townsend's, Inc., with the knowledge that this lease would continue in effect.

The Maintenance Budget of \$6,489,205 has increased 1.04 percent compared to Fiscal 2011. The FY 2011 Budget was up 4.94 percent. This budget includes funding for 88 Operations and Maintenance employees. This number of positions is remaining the same for Fiscal 2012, even though there will be an increase of work as the Johnson's Corner, Angola Sewer, and Oak Orchard Expansion users come on-line. Funding for earned promotions for Operations and Maintenance staff is also included. These promotions are based on attainment of greater certifications by staff. Some merit increases are also included. The number of users is up 2.91 percent over the past year. Shift differential pay of 75¢ per hour is again included for night shifts for SCADA technicians who monitor each pump station on a 24-hour basis.

Eight (8) Operations and Maintenance employees are on call 24 hours a day specifically to monitor pump stations at our treatment facilities. The Fiscal 2012 Budget again includes additional funding of 38¢ per hour for maintenance employees on call during non-working hours. When these employees are on call, their personal activities are restricted.

The Maintenance Budget includes a contract for maintenance of the Dewey Beach Water Tower. Funding is also included for maintenance of the spray irrigation systems, pump stations, wastewater treatment plants, and collection systems.

The Operations Budget includes funding for the SCADA communications system, which is an automatic monitoring system for each of the over 300 pump stations. The Operations Budget also includes funding for monitoring wells at the wastewater treatment facilities, as well as software for the accounting, SCADA, and asset management programs.

Funding for Operations operating supplies includes approximately \$51,000 for upgrade of the AutoCAD system. Also, Information Technology maintenance costs are included in that line item.

Capital Outlays

(Included in Operations and Maintenance Budget)

The Fiscal 2012 Budget includes funding for projects needed to maintain, rebuild, and renovate the current facilities. This budget includes a total of \$2,705,340 for various projects. This budget is up \$917,138, 51 percent. This is a major increase, but reflects the aging of districts including Dewey Beach, Bethany Beach, South Bethany Beach, and Fenwick Island which are approximately 30 years old. Ongoing renovations and pump rebuilds are required to maintain capital equipment in proper working status.

The collection system gravity sewers line item includes \$135,000 to slip-line approximately 2,000 feet of eight-inch concrete gravity sewer lines. This technology will prevent groundwater leaks into this particular line in the South Bethany area. Funding is included under Pumping System Land and Land Rights for easements and/or land purchases if needed. The Pumping System Receiving Wells and Pump Pits line item includes \$265,000 for rehabilitating a wet well at Pump Station 24. This is needed due to deteriorating conditions at the South Bethany Pump Station. This change is needed to reduce maintenance costs and to alleviate safety conditions there. Also included is funding in this line item to replace wet well lids in the Henlopen Acres Sewer District which need repairs.

The pumping equipment includes replacing a generator at Pump Station 63 for approximately \$35,000 which is located near the Indian River Inlet and has extensive rust damage and needs a new alternator section. Funding is also included to replace control cabinets in the Dewey Beach and Bethany Beach districts due to corrosion totaling approximately \$34,000. Also included is \$140,000 to replace digital control systems and pumps at five grinder stations in the Long Neck Sewer District. This will update the control systems and allow three-phase grinder pumps to be utilized, resulting in a cost savings for power consumption and maintenance costs. Also included is \$70,000 to complete the SCADA upgrade in the West Rehoboth Sewer project. This will lower maintenance costs by enabling better electronic monitoring of pump stations. One Hundred Five Thousand Dollars (\$105,000) is included to replace generators for the West Rehoboth Sewer District that have become unreliable and cost-prohibitive to maintain. They are 16 years old and are needed for Pump Station 201 and Pump Station 215. Funding totaling \$48,000 is included to replace a 22-year-old generator for Pump Station 10 that serves the South Coastal Regional Wastewater Facility which has become unreliable and cost-prohibitive to maintain.

Funding is not included for a new solids handling system for the Inland Bays facility to dispose of sludge after it is treated through a Class A treatment system similar to what is used at the South Coastal Regional Wastewater Facility. This \$5 million project could be considered in the future as part of a capital upgrade.

Funding totaling approximately \$150,000 is included to replace a headworks screen which is over ten years old and has been rebuilt twice at the South Coastal Regional Wastewater Facility. This grit removal system has been allowing some material, such as rags and debris, to clog the wastewater treatment system. Currently, employees spend several hours a day cleaning out equipment by removing piles of debris from the treatment equipment. Replacement of this headworks screen will help reduce this maintenance cost.

Also included is \$40,000 to replace a roof on a building built in 1988 which houses the Class A solids system equipment. The current roof has been repaired several times, but is failing causing many leaks in the building.

Funding is included to replace a jet/vac truck for the West Rehoboth Sanitary Sewer project. The truck currently in use has developed considerable maintenance issues. Over \$34,000 has been spent in maintenance costs for this vehicle. This truck is important to vacuum lines and pump station pits, and is used on a daily basis. Funding is also included for two snowplows for the West Rehoboth and Inland Bays facilities to enable staff to clear the lanes coming into the facilities, and to travel to various pump stations.

Engineering Administration

This budget includes staff of 43 employees, which is unchanged from the Fiscal 2010 and 2011 levels. These employees work primarily for water and sewer districts. Time spent on General Fund or new sewer construction projects will again be reimbursed to the Water and Sewer Districts based on actual timesheets and costs incurred. These costs are estimated to be \$350,000.

Insurance expense totaling \$344,555 is also included covering the cost of over 300 pump stations, four wastewater treatment plants, vehicles, liability and other equipment associated with the water and sewer districts. Contingencies totaling \$300,000 are also included here. The Engineering Administration Budget has increased four percent, partially due to a \$50,000 increase in Contingencies.

Cost Center Accounting

Seven Hundred Twenty-Five Thousand Dollars (\$725,000) is budgeted as a reimbursement to the General Fund for administrative costs that are funded through the General Fund Budget. This is up \$100,000, or 16 percent, compared to the Fiscal 2011 Budget. This includes costs for the Accounting Division, Personnel Department, County Administration, Assessment, and Engineering Administration. These costs will be allocated based on formulas for each of the noted departments that reflect a fair allotment to the Water and Sewer Districts. Offices such as Administration, Accounting, and Personnel provide services that benefit the water and sewer districts, as well as each of the other departments. Allocations based on the number of employees, budget amounts, and number of EDU's will be used to allocate these costs fairly.

UTILITY BILLING DIVISION

<u>Actual FY '08</u>	<u>Actual FY '09</u>	<u>Actual FY '10</u>	<u>Budget FY '11</u>	<u>Budget FY '12</u>
\$928,045	\$907,133	\$780,851	\$848,885	\$887,979

(Percent Change: 4.61 Percent Increase)

Director – Patricia G. Faucett

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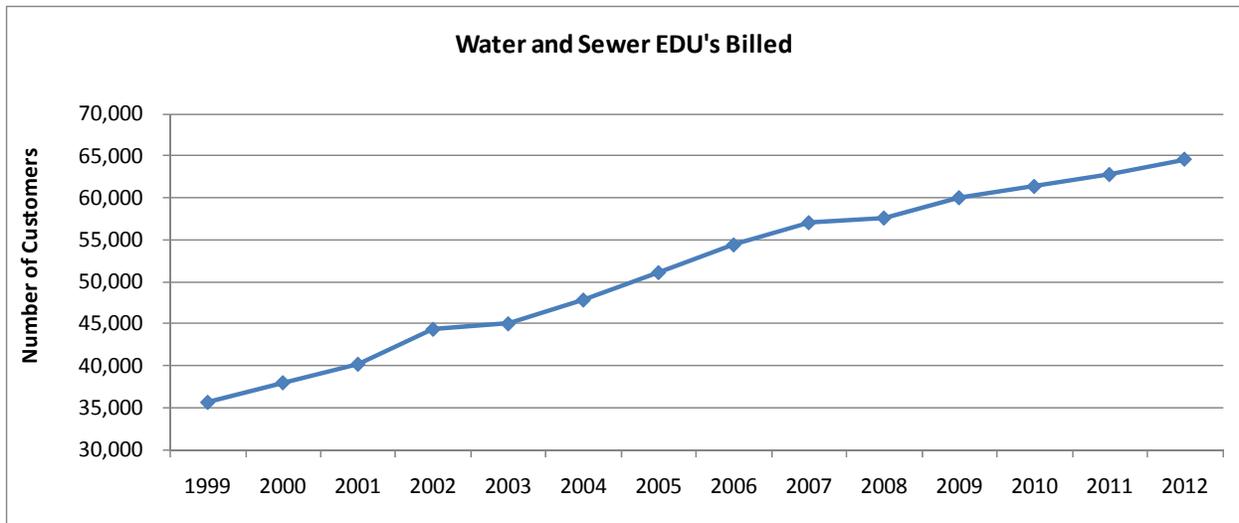
The Utility Billing Division is responsible for the billing and collection of sanitary sewer and water district charges and administering the grant programs to assist low-income residents in obtaining funding to help toward their sanitary sewer utility cost.

With the Fiscal 2012 Budget, staffing levels for the Utility Billing Division remain at 12. This is one less staff position compared to Fiscal 2007. The number of water and sewer users has grown 2.91 percent during the past year. Users are up 12 percent in total during the last five years, and up 70 percent in total over the last 12 years.

Additional funding is included for postage to cover the addition of new districts during the year, resulting in more mailings. The Office Furniture and Equipment line item includes \$20,000 for scanning software and hardware equipment needed to organize and track payments more efficiently.

During Fiscal 2012, the Utility Billing Division will work more closely with the Collections Manager to improve collections. They will also contact banks in regard to establishing remote deposits. They will also utilize the new change slip program which will electronically allow the permits department to process changes and improve recordkeeping and efficiency.

Also, the Utility Billing Division will work closely with County staff to begin implementation of the ERPS program, which is expected to provide considerably greater efficiencies in billing and processing of payments in the future.



The Utility Billing Division will accomplish the following objectives during Fiscal 2012:

- ✓ ***Accurate and timely processing of all utility bills***
- ✓ ***Administer assistance programs for low-income utility users***
- ✓ ***Aggressively collect delinquent accounts***
- ✓ ***Continue partial payment acceptance program***
- ✓ ***Assist the Board of Appeals in making fair and accurate decisions on appeals***
- ✓ ***Continue to administer the electronic payment system***
- ✓ ***Evaluate the possibility of a change in software for Utility Billing programs***
- ✓ ***Initiate and secure an automatic electronic payment system whereby customers could automatically pay their bills via debit authorization***
- ✓ ***Coordinate with Collections Manager to facilitate improvements in water and sewer collections***
- ✓ ***Consider the amnesty program again next year***

WATER AND SEWER DISTRICTS

CAPITAL PROJECTS

During Fiscal 2012, the County Engineering Department will continue work on expanding wastewater service in the County. During the past four years, new sewer projects have been approved including the Angola Sanitary Sewer District, Johnson's Corner Sanitary Sewer District, Golf Village Sanitary Sewer District, expansion of the Oak Orchard Sanitary Sewer District, and The Woodlands of Millsboro sewer project. During Fiscal 2012, it is expected that each of these projects will be complete and hookups will be allowed. These projects add approximately 2,700 EDU's to the County wastewater system, replacing existing septic systems along the Inland Bays areas.

During Fiscal 2010, the City of Rehoboth decided to pursue the ocean outfall option for wastewater treatment for Rehoboth. The City of Rehoboth now treats wastewater for Henlopen Acres and Dewey Beach, two County sewer districts that will be impacted by the wastewater treatment decision of Rehoboth. The City of Rehoboth is in the permitting stage for this project.

Construction is underway for expansion of the Inland Bays Regional Wastewater Facility near Long Neck to handle EDU's from Oak Orchard, Angola, and the Long Neck areas. This will enable the wastewater plant to increase capacity to two million gallons per day from 1.4 million gallons per day. Completion of this project is expected during Fiscal 2012. This project will also improve the treatment process to tertiary treatment, a higher level of processing.

During Fiscal 2012, the County Administration, Finance, and Engineering departments will be reviewing other areas to plan to expand sewer. Examples of future projects include the Tanglewood/Oak Acres Expansion of the Miller Creek Sanitary Sewer District, which would replace approximately 59 existing septic systems; Beaver Dam Road Expansion of the Millville Sewer District, which would replace 29 existing septic systems; Blades Sewer Expansion, including 161 existing septic systems along Broad Creek between Blades and Seaford; Joy Beach, replacing 180 existing septic systems on Rehoboth Bay off of Camp Arrowhead Road; and Herring Creek North near Angola, to replace 101 existing septic systems on Herring Creek.

GENERAL FUND

FIVE-YEAR PROJECTION

General Fund					
Five Year Projeciton					
FISCAL YEAR	2012	2013	2014	2015	2016
REVENUE	\$ 47,964,800	\$ 48,799,490	\$ 50,020,788	\$ 50,948,524	\$ 52,249,827
EXPENDITURES	\$ 47,964,800	\$ 48,832,458	\$ 50,119,260	\$ 51,443,085	\$ 52,805,027
SURPLUS/(DEFICIT)	\$ -	\$ (32,968)	\$ (98,472)	\$ (494,561)	\$ (555,200)

The Budget Committee prepared a five-year projection of net revenues versus expenditures as part of the Fiscal 2012 Budget. The above table summarizes these estimates. These estimates are prepared on a conservative basis. This assumes a static economy in Sussex County. Increases in property tax, realty transfer tax, Recorder of Deeds fees, building permit fees, private road revenues, and investment income are projected at two percent during Fiscal 2013. During Fiscals 2014, 2015, and 2016, these are estimated to increase three percent as the economy recovers on a slow but consistent basis.

Regarding expenditures, most departmental expenditures are estimated to increase two percent during Fiscal 2013, followed by three percent increases in 2014, 2015, and 2016. The grant-in-aid portion of the budget is estimated to increase at one percent per year during this five-year time period. Other possible new revenues generated by fee increases or State legislation authorizing the County to collect items such as possibly a hotel or rental accommodation tax are not included. It is assumed that there would be sufficient funds in the Capital

Improvements account to cover basic capital improvements during this five-year period. As per this plan, estimated deficits in the General Fund would range from zero in Fiscal 2012 to a high of \$555,200 in Fiscal 2016. The cumulative total of these estimates is \$1,181,202.

The purpose of this projection is to ensure that the County has a viable future budget. The Budget Committee believes that this is a conservative estimate based on minimal growth over the next five years.