

Contact: Chip Guy  
Chief of Public Information  
Sussex County Administration  
(302) 854-5000  
[pio@sussexcountype.gov](mailto:pio@sussexcountype.gov)

Sussex County Council  
Administrative Offices  
2 The Circle  
PO Box 589  
Georgetown, DE 19947

Sussex County  
Government

# News Release

## Sussex County adopts \$128 million budget for Fiscal 2010

Georgetown, Del., June 16, 2009: Sussex County property owners can take comfort in one certainty in this uncertain economy: while the price of fuel, food and even fun seems to be going up, County taxes will not be among those items on the rise.

Sussex County Council, following a public hearing Tuesday, June 16, 2009, approved the \$128 million budget for the 2010 fiscal year that begins July 1. The budget calls for no increase in taxes and very little new spending for the County during the next year.

The adopted budget keeps in place the county's property tax rate of 44.5 cents per \$100 of assessed value, making this the 20<sup>th</sup> consecutive budget in which the County tax rate has remained the same. The only increases proposed and accepted by the County Council were related to sewer and water fees, including a flat increase of \$8 per year for the County's more than 60,000 sewer and water customers to help cover administrative costs. Council also adopted a 5 percent increase in connection charges for new public sewer and water users.

While taxes and most other fees are remaining flat, so too is much of the County's spending. In fact, the adopted budget is an austere, pared-back plan when compared to the current year's \$142 million budget, coming in some \$14 million, or 10 percent, lower with reductions in everything from equipment purchases to the hiring of new employees.

The smaller budget is the result of declining revenues, particularly in the housing sector. Once the largest revenue source, the Realty Transfer Tax – the 3 percent levy attached to most

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Sussex County adopts \$128 million budget for FY10 property sales, and split between the County and State – is forecast to drop almost 30 percent in the next year, to \$12.7 million.

“This budget should come as no surprise to anyone. Given the weaker state of the economy, revenue is down, in households, in businesses and in government,” County Administrator David B. Baker said. “Thanks to the hard work of our employees and the leadership of our Council, we have found ways to save and to continue providing services in an efficient way.”

The new budget avoids mandatory furloughs, unpaid leave and employee layoffs, but does trim more than two dozen positions from the County payroll through retirement and attrition. That will lead to a savings of more than \$1.7 million. Meanwhile, changes in health care benefits that will require increased contributions from employees and higher co-pays will save taxpayers an additional \$1 million.

Other savings will come from forgoing some equipment purchases and limiting travel, as well as reducing Grant-in-Aid funding to more than 100 organizations and non-profit groups. The latter alone will save more than \$2.5 million. And recently adopted initiatives, such as an early retirement option for qualified employees, as well as revenue enhancers, such as fee increases for the Clerk of the Peace office, also are factored in.

Council did, however, partially restore funding to local law enforcement grants, which provides up to \$25,000 each to 21 of the county’s municipalities for police equipment and other departmental expenses. Council members considered dropping that to \$12,500 for each of the towns in the proposed budget, but opted to cut the amount to \$15,000 per town instead.

Council President Vance C. Phillips praised the budget’s writers – the committee included Mr. Baker, Finance Director Susan M. Webb, Budget and Cost Manager Kathy L. Roth and Accounting Director Gina A. Jennings – for balancing needs with affordability and practicality.

“Sussex Countians are feeling the negative effects of the economy, and this budget ensures local government won’t add to their financial pain,” Mr. Phillips said. “The taxpayers expect no less, and I’m proud of what this new Council has delivered in its first six months on the job.”

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***Copies of the Fiscal Year 2010 budget, the accompanying budget letter and original news release issued May 19, 2009, are posted on the county’s Web site at [www.sussexcountypa.gov](http://www.sussexcountypa.gov).***