

Town of Georgetown

FY 2026 Budget Workshop

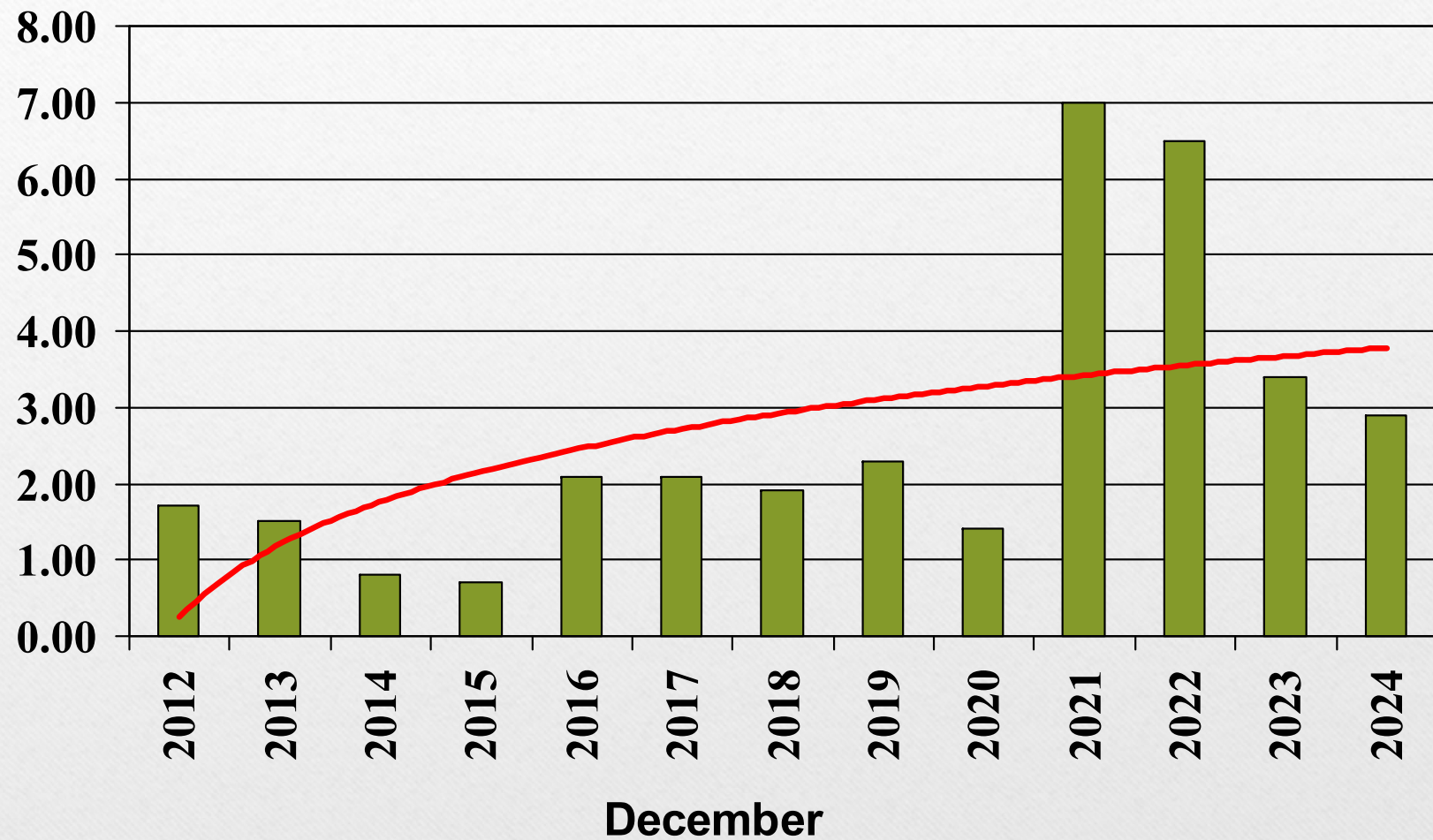
Wednesday, March 26, 2025

Reminder

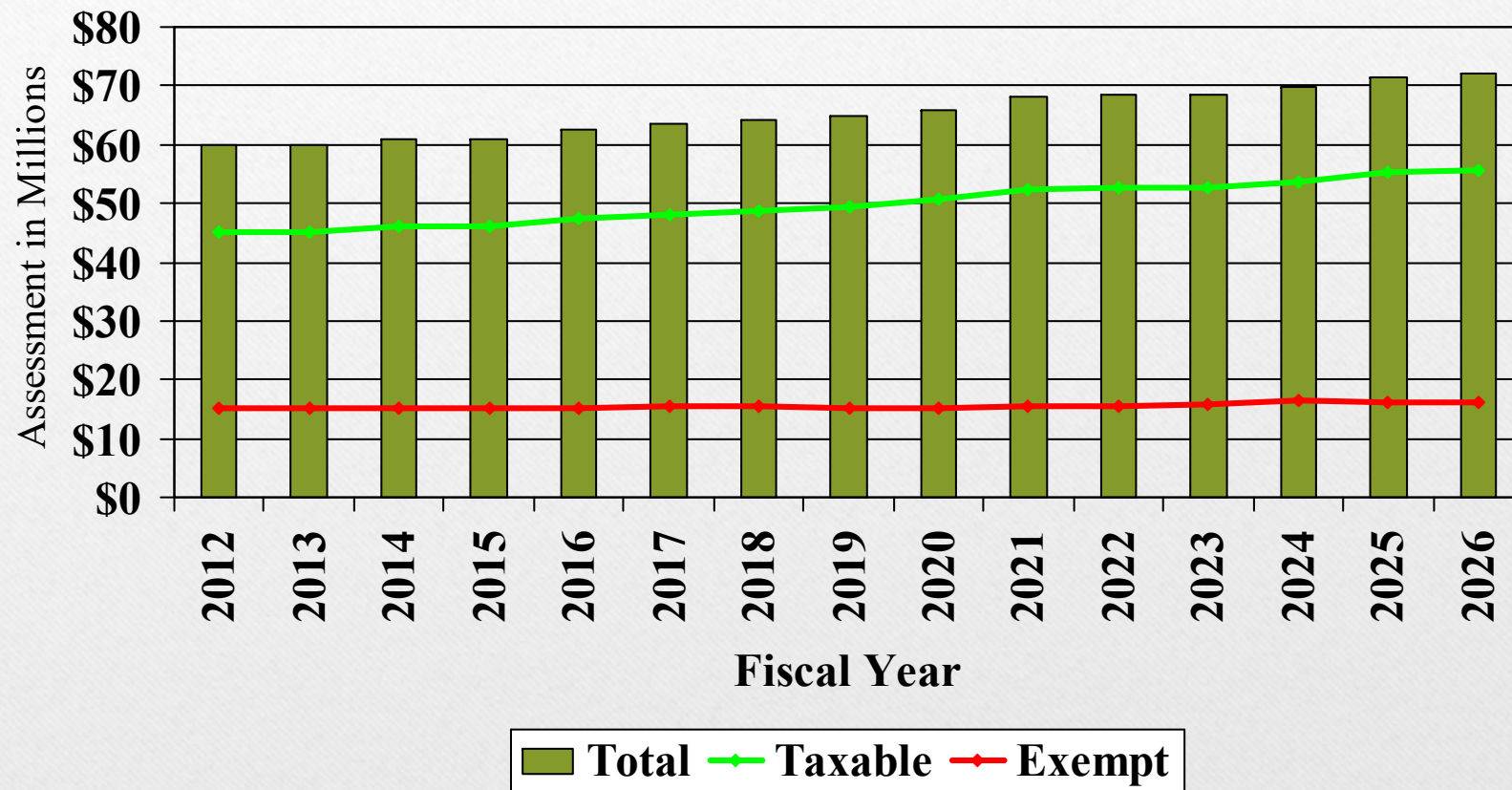
This is a workshop and no formal actions are to be taken.

Suggestions or action items identified during the workshop may require formal Town Council action at a properly noticed Regular Town Council Meeting.

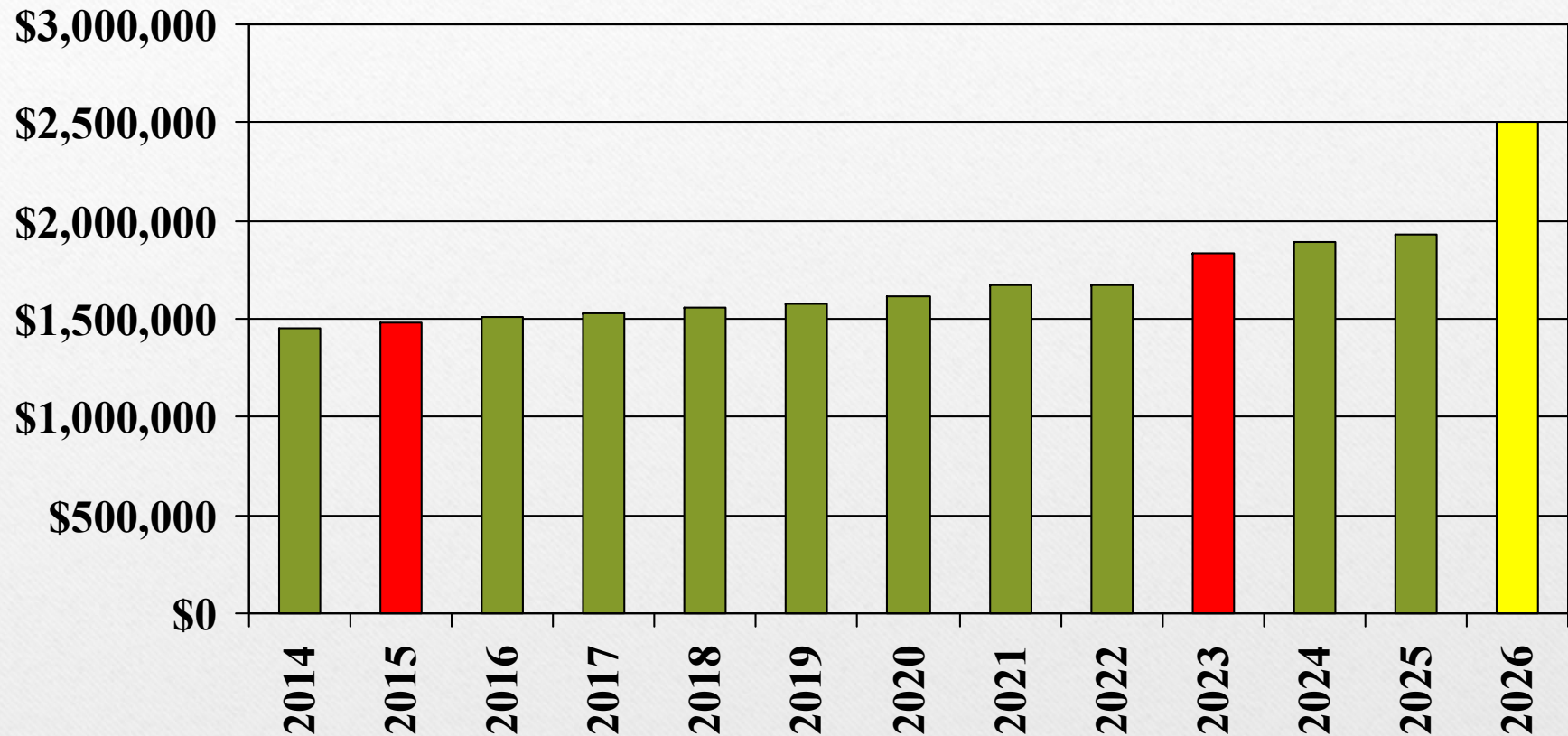
Consumer Price Index



Property Assessments



Property Tax Billed



Tax Rate Increase History

2007: \$0.08 Cents

2010: \$0.40 Cents

2012: \$0.21 Cents

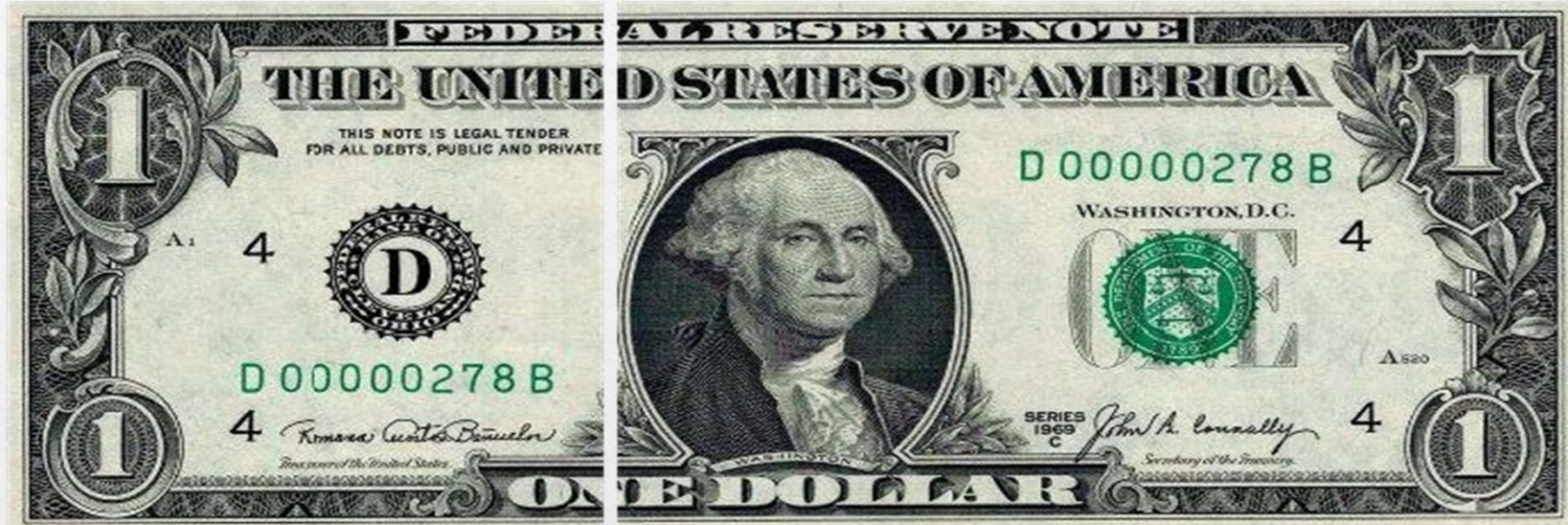
2015: \$0.03 Cents

2023: \$0.32 Cents

Proposed Rate Increase

2026: \$.92

Tax Increase



Bond Payment

39%

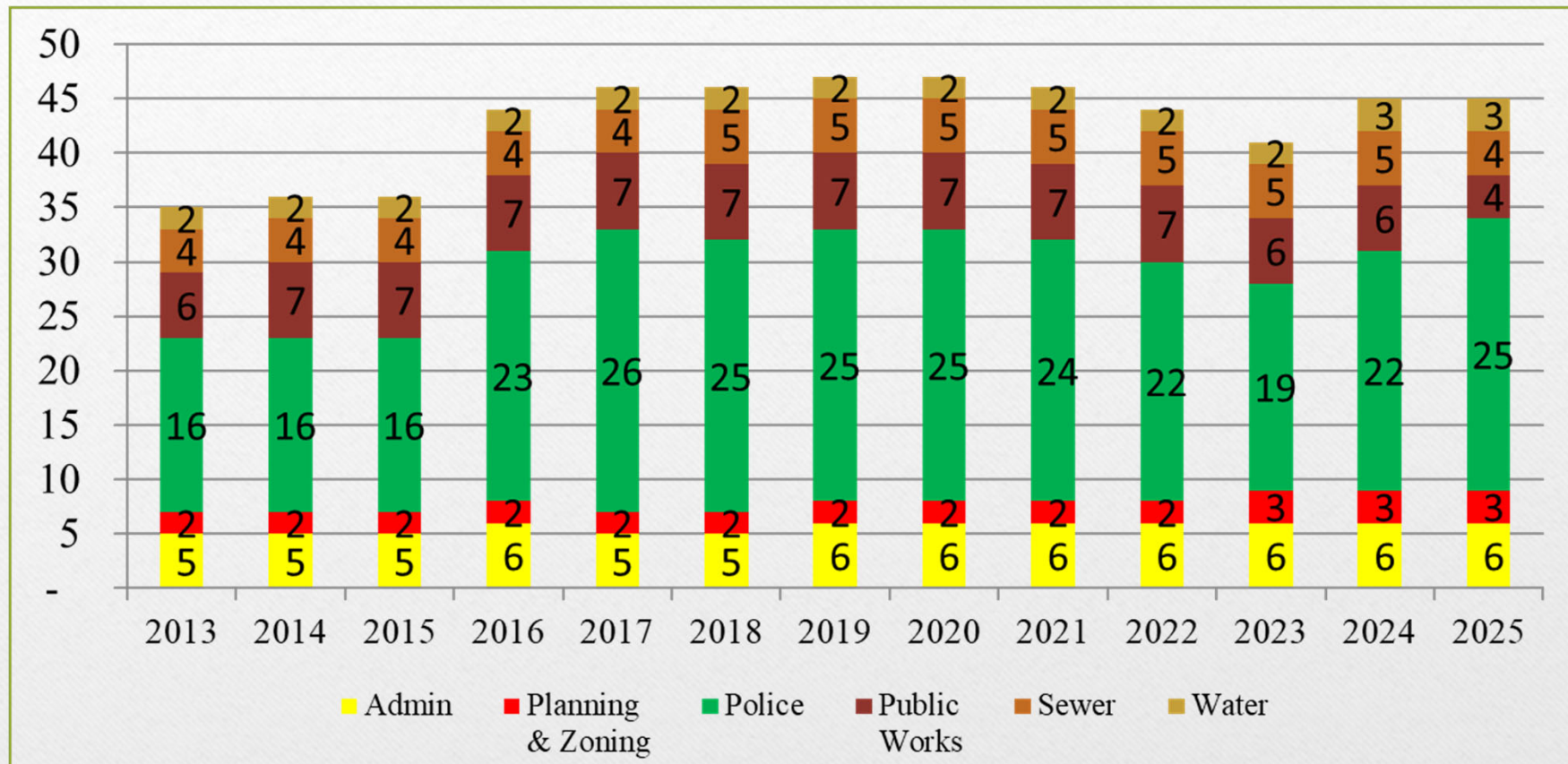
\$0.39

Public Safety

61%

\$0.53

Staffing History



Salary Increase History

	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
CPI Inc (May)	0.8%	0.7%	2.1%	2.1%	1.9%	2.3%	1.4%	7.0%	6.5%	3.4%	2.9%
Anniversary Increase	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
General Additional							2.0%	20%			
FOP Additional								10%			20%
Total	2.8%	2.7%	4.1%	4.1%	3.9%	4.3%	5.0%	39.0%	8.5%	5.4%	24.9%

General Employee – Salary Scale update due to Minimum Wage Rate Changes (FY 23)

Police Department – New FOP Contract (FY 23 & FY 26)

Building on Success

- Conservative Revenue Estimates
- Ongoing Service Delivery Improvements
- Implementing Cash Management to take advantage of higher interest rates
- Purchasing Card Rebate
 - Rebate to Date FY 25: **\$5,600** (1% of Purchases)
 - Rebate Since Inception FY 08: **\$88,427**

Proposed FY 2026 Budget

<u>REVENUES</u>	
General Fund Revenues	\$ 5,961,652
Water Revenues	\$ 1,585,813
Wastewater Revenues	\$ 2,259,836
TOTAL REVENUES	\$ 9,807,301
<u>EXPENDITURES</u>	
General Fund Expenses	\$ 6,944,334
Water Fund Expenses	\$ 1,373,318
Wastewater Fund Expenses	\$ 2,456,954
TOTAL EXPENDITURES	\$ 10,774,606
<u>INTERFUND</u>	
Realty Transfer Tax	\$ 266,000
Water & Sewer Impact Accounts	\$ 581,517
Water & Sewer Depreciation Accounts	\$ 25,300
Reserve Account	\$ 94,488
TOTAL TRANSFERS IN/OUT	\$ 967,305
PROJECTED SURPLUS/(DEFICIT)	\$ -

Highlights

- Increased Revenues
 - Property Tax
 - Cellular Tower Lease – Annual escalation
 - Courthouse Municipality Fee
 - Building Permit
 - Police Fines
 - Water & Sewer Utility Service Charge – Increased Consumption
 - New Debt Reduction Fee (Water & Sewer)
 - 2025 General Obligation Bond Payment
 - \$9.66 per 30,000 gallons used - Water
 - \$6.51 per 30,000 gallons used - Sewer

Highlights

- Reduced Expenses
 - Gasoline & Fuel
 - Telephone
 - Deferred re-hire of two positions
 - Public Works
 - Wastewater
- Personnel
 - Police – Authorized **25** certified officers
 - Current staffing: **19** certified officers, **5** civilian
 - Ongoing Recruitment efforts
 - 2 Positions Budgeted for full year
 - 2 Positions Budgeted for ½ Year
 - FOP Contract Negotiations
 - Increase in Salary & Benefits

Requested Capital Expenditures

- Police Department
 - 3 New Vehicles – No estimated increase in current Lease payment
- Public Works
 - Snowplow & Salt Spreader- \$20,000
- Wastewater
 - New Truck - \$46,000

Major Projects

- Environmental Projects
 - King Street Water Facility (EPA – NPL) (DE-1717)
 - Former Georgetown Dump Site (DE-1719)
- DelDOT Projects
 - Arrow Safety Road – Phase II
 - Route 18/404 Grade Separated Intersection
 - Georgetown to Lewes Trail – Final Phase
- New Police/Public Works Facility
 - 2025 GO Bond
- Public Works Salt Barn
 - Community Reinvestment Fund – Design
 - Realty Transfer Tax – Construction

American Rescue Plan Act 2021

- Awarded \$ 4,083,125.56
- Encumbered \$4,083,125.56
- Spent to date \$1,847,354.64
- Current Projects
 - Water
 - AMI – Project 99.1% completed
 - Incomplete - 16
 - Sewer
 - Pump Station Rehabilitation
 - Awarded to Hopkins Construction
 - Work to begin Spring 2025

Service Delivery Enhancements

- Edmunds ERP Modules
 - Online Bill Pay
 - Land Management
 - Online Permit Application



- CodeRED
 - High-speed, reliable performance
 - Easy integration with other systems
 - Ability to instantly send emergency and routine alerts via multiple channels simultaneously
 - Purpose-built for public safety, mission continuity, disaster recovery, employee engagement and more



Considerations

- Federal Funding
- Potential Legislative Impacts
- Emerging Contaminants
 - Water & Wastewater
- County Reassessment
 - FY 2027 Town Tax Billing

Town Indebtedness

- Total Debt: \$21,651,325
 - Water (16.5%)
 - Debt: \$3,565,771
 - Annual Principal Payment: \$26,310
 - Water Impact Account Balance: \$637,276
 - Sewer (29.4%)
 - Debt: \$6,369,013
 - Annual Principal Payment: \$55,206
 - Sewer Impact Account Balance: \$3,109,210
 - Town Hall/PD/PW Buildings (54.1%)
 - Balance: \$11,716,540
 - Annual Principal Payment \$51,708

Important Points to Remember

- Cash is King
 - Importance of building and maintaining reserves
 - Once borrowed, need to replenish doubles
- Deferral Cost More
 - Postponement of tax and rate increases generally results in larger, less palatable increases
 - Need for capital improvements is not decreasing
- Financial Issues
 - Operating Cost increase annually
 - Ability to manage to some degree
 - Some items outside our control

Tax Rate Increase History

- Consider Annual Increase
 - Avoid Negative Press Impacts
 - Minimized Magnitude of Increase
- Easier for Residents to Adjust
 - Smaller incremental increases
- Eliminates “Catch Up” after two to three years of higher costs
- Every one cent increase, generates \$5,450.36 income

Next Steps

- Review and Discuss Line-Item Budget Detail
 - Present and Adopt FY 2026 Budget at April 14, 2025, meeting

Town of Georgetown

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