



Town of Milton

115 Federal Street, Milton, Delaware 19968

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Dear Mayor Collier and Town Councilmembers:

In accordance with Town Charter Section 28, herewith is the full submission of the Fiscal Year (FY) 2023 Town Budget, October 1, 2022 through September 30, 2023.

The following binder sections are provided for your review: Town Managers FY2023 Budget, Statement of Revenues and Expenditures as of July 1, 2022, FY2023 Fee Schedule, FY2023 Pay Scale, each department supervisors' budget submission, the Towns Drinking Water State Revolving Fund loans statements, Capital Improvements, list of town-owned vehicles, and the Annual Budget Presentation. Please note that you will find differences between my budget presentation and the requests from department supervisors. While drafting the town's annual budget, I compare the supervisor's requests with currently known facts and budget to present the best financial vision for the Town.

A summary of Fiscal Year 2023:

- ✚ General Fund Revenues \$4,755,322 (includes \$1,772,594 in grant funds, and \$380,043 in use of reserve funds) and Expenditures \$4,693,570 (includes use of the grants and reserve funds for capital projects and police expenditures). The result is a surplus of \$1,752, as the Emergency Services and Community Enhancement Funds are restricted sources.
- ✚ Proprietary (Utility) Fund Revenues \$1,482,463 and Expenditures \$1,401,540. The result is a surplus \$923, as Water Impact Fees collected (estimated \$86,000) are restricted funds and not expended in the FY2023 budget.

Notable items:

- ✚ Realty Transfer Tax (RTT): \$250,000 for operational expenditures of public safety. Use of RTT is codified in Delaware Code Title 22, Chapter 16.
- ✚ Fee schedule increases: Property Tax Rate (.252 to .299), Business Licenses (+/- 15%), Waste and Recycle (\$61.50 to \$63.50), Water Availability (\$40 to \$45, and \$80 to \$90), and Water Usage (\$3.50 to \$3.95 1,000 gallons).
- ✚ Building related revenues are based on 40 units.

- 📌 Town liability insurance is calculated with a 10% increase. The renewal period will begin in late August, with rates confirmed late September. The DFIT program advised of the expectation for a rate increase due to national effects of cyber-attacks, natural disasters, and law enforcement activities.
- 📌 Pay scale increase of 8.6%, based on the May 2022 Bureau of Labor Statistics report (the largest 12-month increase since period ending December 1981).
- 📌 Two additional Public Works Department employees, including restructuring of the department to prepare for annexed growth.
- 📌 Capital purchases of a dump truck and water department vac machine (items not purchased as approved in FY2021).
- 📌 Capital projects are those focused on safe and accessible transportation (ADA, pedestrian connectivity enhancements, and street resurfacing or rehabilitation). These projects are mostly funded through Municipal Street Aid and the Sussex County Realty Transfer Tax grants.
- 📌 Funding towards Economic Development Committee initiatives.
- 📌 Engineering fees to plan and design the Federal Street Drinking Water Well and Treatment Facility. Project construction will be funded in part by the American Rescue Plan Act.

I look forward to presenting and discussing the FY2023 budget. Please contact me with any questions.

Respectfully submitted,

Kristy Rogers

Kristy Rogers
Town Manager