



Town of Ocean View

FY2027 Operating Budget and 5-Year Capital Improvement Program

Proposed Version - 02/10/2026





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INTRODUCTION



Town of Ocean View, Delaware

Fiscal Year 2027

May 1, 2026 to April 30, 2027



Ocean View! Welcoming You Home Yesterday, Today and Tomorrow!

Ocean View Administrative Offices

201 Central Avenue
Ocean View, Delaware 19970
(302) 539-9797
www.oceanviewde.gov

Ocean View Town Council

John Reddington, Mayor
John Planchart, Council Member, District 1
Colleen Twardzik, Council Member, District 2
Jay Tyminski, Council Member District 3
Don Walsh, Mayor Pro-Tem & Council Member, District 4

Ocean View Town Administration

Carol S. Houck, Town Manager
Kenneth McLaughlin, Chief of Police
Dawn Mitchell Parks, Finance Director
Ken Cimino, Planning, Zoning & Development Director
Matthew Martin, Facilities Operation Manager
Donna Schwartz, Town Clerk



Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Town of Ocean View
Delaware**

For the Fiscal Year Beginning

May 01, 2025

Christopher P. Morill

Executive Director

The Government Finance Officers Association (GFOA) of the United States and Canada presented a third Distinguished Budget Presentation Award to the Town of Ocean View, Delaware, for its Annual Budget for the fiscal year beginning May 01, 2025. In addition to receiving the award, the Town's budget received special recognition for its Capital Program. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to the program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





Fiscal Year (FY) 2027 Budget Message

February 10, 2026

Honorable Mayor and Council,

We are pleased to submit our proposed FY2027 Budget (5/1/2026 – 4/30/2027) for your consideration, and on behalf of the Administrative departments of the Town of Ocean View, with engagement from all departmental teams. As always, this document represents the Town's financial plan for the next fiscal year, including our Operating Budget, and the five-year Capital Improvement Program. There is, of course, no Water Utility budget, given the sale of our outsourced water distribution system in 2025. The overall budget, as presented, relies on financial forecasting for our expenses and revenues, knowledge of planned projects and those already underway, recommendations from our Comprehensive Development Plan, other initiatives and new requirements. We have attempted to position our community so that we can address near and longer-term needs as well as react to revenue trends while maintaining our current level of service delivery. Of note and associated with the sale of the water distribution system, is that Ocean View has **paid off all of its existing debt** (all associated with the water system) and is expected to establish a new trust fund in FY2027, that of the **Tax Rate Stabilization Trust Fund**, which we will outline in detail within this message.

The FY2027 Budget as presented herein represents a total **Operating Budget of \$7,065,060 and a Capital Improvement Program totaling \$3,900,150.**

The development of the FY2027 Budget was impacted by higher costs in certain areas of operations, our move towards a set pay scale for our non-management sworn police officers, the 5-year required full town reassessment, and the first year of Delaware paid family medical leave insurance, as now mandated. It also assumes increased revenues associated with the increase to 6% for Gross Rental Receipts and reduced costs associated with our move from State of Delaware health plans to the self-insured, local government focused, risk pooled health plans offered by the Delaware Valley Health Trust (DVHT), and bringing our facility cleaning in-house, utilizing our Public Works/Facilities Maintenance team.



For full awareness, we reduced expenses and revisited revenue from our initial budget numbers as we do each year (prior to our submission to Council). That effort resulted in **\$101,370 of revisions to eliminate the need for a Tax Rate increase for FY2027. The actions taken include:**

- **Cost of living adjustments** for all personnel (not including contractual and Police Pay scale employees) reduced from CPI-U Mid-Atlantic 3.3891% to 3%, **valued at \$4,015.**
- **Removal of a part-time seasonal** Code Enforcement position **valued at \$15,200.**
- **Revenue boost of \$82,155 from the proceeds of the Water Distribution sale** as advised during the Nov. 18th workshop (these were the final remaining funds after the balance of the funds were directed to our Trusts and to establish a new Tax Rate Stabilization Trust Fund).

Some highlights from the past year include:

- Ocean View received its 8th Unmodified Audit opinion for FY2025, the best outcome available to local governments, and again received a Distinguished Budget award from the Government Finance Officers Association!
- The total amount of grant revenue awarded to the Town in 2025 was \$568,585.
- Drainage improvement projects were completed in Avon Park, and a design for clearing and cleaning the ditch in the Cottages that runs between Sea Brook Road and Hudson Avenue in Kelly Estates is underway.
- Sidewalk improvements were completed along Woodland Avenue from Daisey Avenue to south of Betts Avenue and the design for the sidewalks along Oakland Avenue, Central Avenue and Oakwood Avenue with a connection to John West Park is ongoing.
- Tree trimming projects were completed in the Hunters Run development.
- The Town hired the firm of Connolly Gallagher to serve as Town Solicitor, increasing the depth of specialty as this firm specifically represents governmental entities and has recently established a counseling arm specific to guiding communities as their legal counsel.
- The Ocean View Police Department was awarded reaccreditation from the State of Delaware in April 2025, for the second time (reaccreditation required every 3 years).
- The Town funded an International Association of Chiefs of Police (IACP) risk analysis associated primarily with our responding to dispatches outside our jurisdiction. This report provided insight and recommendations for managing risk and requesting funding support for our doing so. As a result, staff has begun an education and outreach effort.



- The Ocean View Police Department volunteers logged over 1475 hours in 2025. This equates to the approximate value of \$46,905 at \$31.80 a volunteer hour!
- 352 residence checks, and 659 business checks were conducted by our Police Department.
- Over 1942 hours of Police in-service training were completed by our officers and our K9 teams participated in over 192 hours of training.
- The Ocean View Police Department received Gold Level Recognition for Excellence in Policy Development and Police Officer Training from Lexipol for the sixth year in a row in 2025.
- We funded a Police Total Compensation Analysis that led to the support and adoption of a pay scale for non-management police officers.
- The FOP hosted a golf tournament at Bear Trap Dunes in 2025 that benefited the OVPD's popular Cops and Goblins event! The tournament raised \$17,350, which defrayed the cost of offering the event to our community in cooperation with neighboring departments and local businesses.
- The Town's record of being named one of the safest places to live in Delaware has continued, highlighting the Town's strong commitment to community policing and public safety, and remaining a favorable place to do business, vacation and call home!

Thank you to the Mayor and Council, Town employees, volunteers, boards and commission members for their dedication that allowed Ocean View to accomplish all that we did last year!



Basic Budget Objectives Maintained in the Development of the FY2027 Budget

- Annual operating revenues shall cover annual operating expenses **within a balanced budget**. The Operating Budget can be found in **Section 2, General Fund**.
- **Maintain cash holdings equal to at least two-months operational costs** for the start of the next fiscal year without relying on state or federal grants. We hold these funds (rainy day funds) in our Unassigned Fund Balance and have in recent years maintained up to 4 months of operational support funding. As currently proposed, maintaining this Unassigned Fund Balance objective requires no additional funding and has a projected availability of \$2,173,240, which represents just under 4 months of operational support. Of note is that while, for auditing purposes, maintaining 2 months is deemed adequate, for financing and bonding purposes 4 months or more is preferred and is thought to assist in achieving a higher rating. Ocean View currently enjoys an AA+ rating. We continue to balance both considerations in developing our annual budget. **Section 1, Budget Highlights and Assumptions**.
- **Transfer Taxes**. We continue to recognize the value **of limiting our Town's dependence on transfer taxes for operational expenses in the FY2027 Budget** and in alignment with the direction of the Mayor and Council. This Budget continues to utilize transfer tax revenues to support the following trust funds:
 - **Capital Reserve Trust Fund (CRTF** -12.5% of each month's transfer taxes realized and, as necessary, supplemented by an annual contribution from the General Fund, as established by our Reserve Study) ; the
 - **Street Repair and Replacement Trust Fund (SRRTF** - 25% of each month's transfer taxes realized); and the
 - **Emergency Reserve Trust Fund (ERTF** – 20% of Operating Budget “as adopted”).
- **The Town's Capital Assets shall be maintained in good repair with the benefit of funding from the Capital Reserve Trust Fund (CRTF)**. The CRTF is aligned with a 5-year update to our Capital Reserve Study (most recently updated in December 2025). There is no FY2027 Reserve Funding requirement as you approved the transfer of \$300,000 from the dissolving of the water fund to this trust in association with the sale of the water distribution system. The Capital Reserve Trust Fund Balance, after accounting for FY2027 projects, will remain at approximately \$1,423,160. The CRTF details are part of the Capital Improvement Program (CIP) and can be found in **Section 3, Other Funding Sources**.



- **Annually Fund the Emergency Reserve Trust Fund (ERTF)** at 20% of the current year's operating budget. The ERTF is funded by transfer tax revenue not transferred during a fiscal year to the CRTF or the SRRTF. More specifically, we budget for the difference between what remains in the ERTF from the previous year(s) and the current budget year's 20% calculation. This proposed budget forecasts meeting this requirement of \$1,424,255, transferring \$139,820 from Transfer Tax by the end of FY2027. **Section 3, Other Funding Sources.**

Note: Excess Transfer Tax Revenues, over what is required for each Trust Fund as noted above and not needed to hit the ERTF 20% target, are added to the Street Repair and Replacement Trust Fund (SRRTF).

- Establishment of a **Tax Rate Stabilization Trust Fund (TRSTF)** in FY2027 (per Nov 2025 workshop recommendation) with the purpose of providing relief any given year (after FY2027 if a tax rate increase is necessary) for all property owners by providing a credit, for one year, towards any Council/budget adopted increase (up to 2 cents of tax value per year). If supported, the trust fund will be established in FY2027 with \$1,421,650 from the sale of the water distribution system, and it will have the requirement to balance (refund used monies to the trust at the then 10 cent tax value) every 5 years, at the time of the next full town reassessment. This will ensure its availability to smooth the impact of any future and necessary tax rate increases on our property owners. Retained funds will continue to be invested to gain interest and assist in sustaining the trust for its intended purpose.

Key Budget Assumptions of the FY2027 Budget

- **The recommended FY2027 budget is presented with no requirement to increase the tax rate.** Therefore, the tax rate set for FY2027, if supported by Mayor and Council will remain at .2578 per \$100 assessed value.

The value of one cent on the tax rate in FY2027 is \$142,765. However, looking forward, and absent identification of new revenue stream(s) or cuts to services, we currently anticipate at minimum a 1-cent tax rate increase for FY2028. Our code required (every 5 year) full town reassessment will be conducted during FY2027 for the FY2028 tax rate adoption and billing period.

While we seriously considered recommending the adoption of Sussex County's assessment figures for this upcoming (FY2027) 5-year full town reassessment requirement, there remains some concern for the following:

- Hearings are ongoing in regard to how Sussex County's reassessment addressed commercial properties, and



- The difference between how we recognize and begin to bill for subdivision lots once approved versus when Sussex County does, which results in reduced revenues.

For instance, moving to their assessment in FY2027 would currently result in reduced revenues from one of our larger and likely final large subdivisions (Shore Vista) if we move to Sussex County assessments at this time. The revenue loss is greater than the cost to complete our own reassessment.

We conservatively make this recommendation with an abundance of caution and to avoid any unintended consequences as the Sussex County reassessment issues are addressed. Ocean View will revisit at our next full town reassessment.

- Our revenue forecast reflects a temporary anticipated increase in Transfer Tax and new construction permit revenue associated with the development of Shore Vista Blue Heron and the last phase of Silverwood's. However, as was a key driver for our long-range financial planning forecast undertaken in FY2025, with little to no annexation options possible, our years will see the anticipated reductions in transfer tax and new construction permit revenue, thereby a reduction to funding of our three existing trust funds.

Note: the new Tax Rate Stabilization Trust Fund will not be funded by transfer tax revenues. Its seed funding from the water system sale will be invested and, as recommended, it would have a repayment requirement that is addressed during each subsequent 5-year full town reassessment.

- **Gross Rental Receipt Taxes (GRRT).** The GRRT was increased from 5% to 6% in 2024 in time for the calendar year 2025, which is anticipated to result in an additional \$125,000 of revenue in association with the workload and effort to manage the rental permitting program in our community.
- The State of Delaware's FY2026 Budget year funded **Municipal Street Aid (MSA)** for Ocean View at \$126,350. We have assumed this same level of funding for FY2027.
- **Town-owned streets (26.88 total miles as of Jan 2026)** will be maintained through the continuation of our annual paving maintenance program as recommended by the Town's consulting engineer with guidance from a regularly updated pavement management study. The study was most recently completed in December 2021. As required by Town Code, Council approved the funding of the next 5-year Pavement Management Plan in Jan 2026. Funding for street rehabilitation projects is available from the Street Repair and Replacement Trust Fund (SRRTF). Street Funds are accounted for in the Operating Budget. A listing of the locations for improvement in FY2027 can be found in **Section 1, Budget Highlights and Assumptions.**
- **Impact Fees** – there are various components to how Impact Fees are disbursed and what they fund. Impact fees are collected from **new construction permits** at \$1,936, of which \$1,436 is sent to the General Fund to support our Police Department operations.



The remaining \$500 from **new construction permits** plus .5% of each **regular (existing properties) building permit** are transferred to the Emergency Services Enhancement Fund (ESEF).

Additional Impact Fee Commentary:

- The Emergency Service Enhancement Fund (ESEF) is the fund that supports grants awarded to first responder providers in our community, including the Ocean View Police Department. The Millville Volunteer Fire Company (not associated with the Town of Millville) has been awarded this grant annually for some time. This recommended budget included the anticipated funding of up to \$80,000 in FY2027 to the Millville Volunteer Fire Company pending receipt of an application and Council approval. New revenue to this fund is forecasted to total \$155,000 in FY2027, an increase of \$71,000 over the FY2026 budgeted forecast based on anticipated new construction and regular building permit expectations. Additionally, while having budgeted conservatively, our early forecast for how we will end FY2026 this April suggests we will surpass our impact fee budget figures.
- Impact Fee funding sources (primarily new construction) for ESEF are expected to reduce in future years in relationship with a decline in new construction permits as the Town is built-out.
- **American Rescue Planning Act (ARPA) funding:** The Town's full allotment of ARPA funding was received totaling \$1,182,341. To date, all funds have been spent or are encumbered. The ARPA monies must be spent by the end of 2026. **Section 5, Capital Improvement Program**
- **Use of Unassigned Fund Balance for One-Time Analysis:** The FY2027 proposed budget anticipates the use of \$235,000 from our unassigned fund balance towards the completion of the Berzins Nature Park. Unassigned Fund Balance was also used in FY2026, with Council approval to assist in funding two replacement vehicles and the amenities design for Berzins Nature Park.
- **Compensation/Personnel** – This Budget proposal:
 - Continues to support paid volunteers for the Ocean View Police Department front desk from Memorial Day to Labor Day at a total cost not to exceed \$5,130.
 - Allocates a Cost-of-Living Adjustment (COLA) for employees (not including contractual employees — Town Manager and Chief or sworn police officers) of 3% (reduced from the Dec. 2025 CPI- U Mid-Atlantic Rate of 3.891% to balance the budget), and the Charter required COLA for Mayor and Council matching the December 2025 CPI-U of 3.891%.
 - Includes a new starting salary for OVPD of \$72,000 from \$68,000 for sworn police officers in association with the Police Compensation study completed on our behalf

by PFM Financial Advisers and as deemed necessary to remain competitive and seek to retain personnel. The migration of the OVPD sworn officers to an adopted pay scale includes annual steps of 1.5% and a 1.5% COLA. The initial value of instituting the pay scale is \$164,868 and has been included in the FY2027 budget per Council adoption of the scale following the study.

- Maintains the employee holiday bonus of \$350 with the exception of contractual employees, presented each year in December.
- Includes a contractual increase of 3.5% for the Chief of Police and Town Manager.
- Includes mandated paid family leave insurance funding valued at \$24,960 in FY2027.
- Includes funding for one Police Officer that is eligible for promotion in FY2027.
- Includes the continuation of the part-time position of Police Accountability and Accreditation Manager originally instituted mid FY2025 at the cost of \$25,000. This position also receives funding support from neighboring agencies totaling \$12,000.
- Includes the value of one additional part-time employee for the Public Works division (wages only/no health benefits) in association with the Town taking over its facility cleaning, formerly contracted out, and representing a savings of approximately \$14,400. The additional part-time position also allows for coverage during vacations, sick leave, family medical leave, and working to assist during community events.

- **Employee Benefits**

- Health Insurance – We will make the move to the Delaware Valley Health Trust (DVHT) beginning July 1, 2026, as noted above. At this time, we have maintained existing costs and projected a \$30,000 reduction to healthcare costs from that of FY2026 associated with our move to DVHT. In addition, this budget assumes employees continuing to share the cost of premium as follows:
 - 4% of the premium for Aetna Basic
 - 5% of the premium for Aetna CDH Gold Plan
 - 13.25% of the premium for Comprehensive PPO Plan
- Dental Insurance (Delta Dental) and Vision (Eye Med) are offered through the Delaware Valley Health Trust — no increase.
- Short Term Disability/ Life Insurance (Guardian) – budgeted increase of 5%.
- Workers Compensation – costs are set by formula by the DeLea Founders Insurance Trust (DFIT). DFIT is a workers' compensation self-insured municipal program in which Town Manager Houck is a current Trustee. Ocean View has been a member since its start. DFIT provides an estimate each January for the year as well as performs a true-up based on our “actual” experience for the previous year in relation to employee head count changes that can result in a credit or additional



monies due. For January 2026, the combined classification of employee categories rate is 9% less than January 2025. This is a result of DFIT members' success in managing claims.

- Pension – An increase of 13.99% per employee for sworn officers and 10.04% for civilian employees based on the preliminary actuarial defined rates as supplied by the Delaware Office of Management and Budget.
- Business Insurance — Increases for the May 2026 renewal include a 5% increase, and we have assumed 5% for the out years.
- Overtime – The Overtime lines have been assigned as follows: 12% of Public Safety Salaries; 5% of Public Works Salaries; 3% of Planning and Zoning salaries and 2.25% of General & Administration Salaries. The salary totals used do not include ineligible staff salaries – such as the Town Manager, Chief of Police and Division Heads.
- **CATV – Mediacom Cable Franchise** – The franchise revenue we receive is based on 5% of the services purchased by properties in the Town. If another provider enters a franchise agreement with the Town for Cable TV, the same 5% requirement will be included. We collected \$77,936 in FY2025, and have budgeted \$75,000 for FY2027. The current franchise agreement with Mediacom expires 10/2027.
- **Community Events** — This budget proposal assumes that three Seasons of Family friendly community events will be held in FY2027 with a funding level of \$50,000 (for Town events) and \$12,000 for partnership events (Chamber - Fire and Ice - \$6,000, Night to Shine \$1,000, Bocce \$2,000, Misc. \$3,000) as follows:
 - Summer Concerts in the park (June 19 & 25, July 9 & 23, Aug 13 & 27, & Sept 3)
 - Fall – Cops and Goblins (Saturday – Oct. 24, 2026)
 - Winter – Old Town Holiday Market, Tree Lighting and Trail of Lights (Saturday – November 28, 2026)
 - Fire and Ice (date in 2027 TBD)

An application was made for State Grant in Aide funding for Cops and Goblins in December 2025. However, we will not receive information regarding the outcome until June 2026. For that reason, we have included \$24,000 in expenses and \$24,000 in revenues from grants/donations. There is also \$5,000 remaining from the FOP fundraising effort for the event in 2025. If Grant in Aide funding is not successful, additional fundraising will need to take place and/or reconsideration of funding our partnership events.

- Our **Fee Schedule** includes revisions based on careful review and analysis of our policies, procedures, and fees of surrounding municipalities and in association with our ability to pay consultants for professional services. The fee schedule can be found on **page 47 of the Introduction.**



- **Capital Improvement Program** - The Capital Improvement Program portion of the proposed budget aligns with past discussions and needs as identified by our departments. Information is available in **Section 5, Capital Improvement Program**.

FY2027 Capital Program Highlights include:

Town facility development projects including the 8 Oakwood parking lot and the Berzins Nature Park totaling \$560,000.

Replacement vehicles totaling \$255,000

Drainage projects in Woodland Park, Oakwood and Woodland Avenue totaling \$955,610.

Design for street repair and improvement — Woodland Ave widening and bike lane addition \$150,000.

Sidewalk connectivity efforts – Woodland to Oakwood via Central Avenue \$1,750,000 (80/20 grant split).

Holiday decoration storage — \$12,000

Capital repairs funding from the Capital Repair Trust Fund — Maintenance facility \$17,500 (exterior door upgrades) and John West Park \$200,000 (partial new pay area upgrade).

These improvement projects total \$3,900,150 and the funding is from the following sources:

Funding Source:	Amount:
General Fund	\$235,000
Capital Replacement Trust Fund (CRTF)	\$217,500
Grant Funding (TAP, Sussex County Revenue Share & ARPA)	\$1,457,000
Street Repair & Replacement Trust Fund (SRRTF)	\$955,640
Alternative Funding Source (Financing)	\$825,010
Emergency Services Enhancement Fund (ESEF)	\$210,000

- **Trust Funds** – Full details of our three Trust Fund Accounts are attached in **Section 3, Other Funding Sources**.



In closing, we look forward to discussing the details of the Proposed FY2027 Operating and Capital Program Budgets and responding to your questions as we move through the budget process. Please let us know if you have any questions in advance of our Budget Workshop of February 24, 2026. As noted above, a presentation from PFM will be offered at the workshop related to our long-range planning forecast effort recently completed.

Respectfully Submitted,

Carol S. Houck
Town Manager

Dawn Mitchell Parks
Finance Director



ABOUT OCEAN VIEW



From its humble beginnings as a small village developed around a general store, Ocean View has remained focused on service to its community. Today, Route 26/Atlantic Avenue is the town's primary commercial corridor. There is a small, potential secondary commercial corridor along Central Avenue consisting of older structures, some of which have been converted into small retail shops and businesses. The older, established neighborhoods are concentrated north of Route 26 and dispersed throughout the Town on the south side of Route 26, intertwined with newer planned communities. As such, the development of Ocean View has resulted in an eclectic mix of both historic and newer structures.

Ocean View has a history of promoting the Town and showcasing its civic pride through community events. Starting in the early 1900s, the Town held its first Homecoming, which featured bands, food, and appearances by governors and senators. Some years the crowds reached 5,000 people. This event continued annually until the 32nd Homecoming, when it stopped due to gas rationing during World War II. The Town also held its Centennial from June 12-15, 1999. The festival included food, music, and activities. The event was also paired with the 41st Delmarva Chicken Festival. A smaller Historic Village in Ocean View Chicken Festival took place in Ocean View in May of 2022. In 2024, the Town celebrated its 135th anniversary of being incorporated with a parade, live music, food and more in John West Park.

In recent years, the Town has placed great effort into offering unique, family-friendly community events, and they have become popular among residents of all ages. The Town has hosted events such as summer concerts and classic movie nights, as well as seasonal events like the very popular Halloween festival Cops & Goblins, coordinated by the Ocean View Police Department, and the Old Town Holiday Market, and Tree Lighting — mentioned by some as a "Hallmark" worthy event! Additional activities are offered in partnership with other entities, such as the Quiet Resorts Chamber of Commerce and the Historic Village in Ocean View.

Town events are currently held at beautiful John West Park, which has become a focal point for gathering with family and friends. The well-maintained shaded park and playground areas are now hosting 2nd and 3rd generation visitors who welcome the opportunity to reminisce, slow down and be a part of a safe and peaceful community, just two miles from the Atlantic Ocean.



HISTORY OF OCEAN VIEW



The Town of Ocean View was officially incorporated on April 13, 1889, with nine (9) elected council members. The first town council president elected was Captain George W. West.

The history of Ocean View, however, dates back to the colonial era. The present site of Ocean View was originally a tract of 500 acres known as "Middlesex" granted to Matthew Scarborough under the authority of "Charles, Absolute Lord and Proprietary of the Provinces of Maryland and Avalon, Lord Baron of Baltimore".

After Scarborough's death, his land passed into the hands of the Hazzard family and then into the hands of the Hall family. W.S. Hall opened a store on his farmland near White's Creek, a portion of the old Middlesex Plantation, in 1800. Following the establishment of the general store, the area became known as Hall's Store. The village that sprang up around the store was composed of families of farmers, watermen, and seamen. In 1833, a post office was established on Central Avenue. Legend has it that the name of the village was changed to the Town of Ocean View due to its proximity to the beach with the Atlantic Ocean located

just two (2) miles to the east. It is said that one could see the Atlantic Ocean from the second floor of many homes at the time.

Local businesses listed in the Sussex County Farm Directory of 1875-1877 included J.M. Steel (blacksmith), Holt & Townsend (lumber), Js. F. Holt, G.W. Tunnell, McNeal & Williams (merchants), Miss M. Townsend (milliner), Jas. B. Davis (shoemaker), Lemuel H. Derrickson and Geo H. West (vessel captains), John W. Evans, James A. Firman, Joseph E. Hall, James F. Holt, Willian H. Hudson, Benton Mitchell, Jacob Pusey, Nathaniel F. Quillen, Thomas H. Richards, John Taylor, Peter Townsend, and John M. Turner (farmers and fruit growers).

An 1890 map of the Town, drawn by John T. West, included 44 residential dwellings, four stores, and two churches – Ocean View Presbyterian Church and Mariner’s Ocean View Methodist Church, still in existence today. By 1895 the Town had a population of 350 residents according to the Sussex County Farm Directory of 1895-1897. Residents at that time held jobs as sailors, lifesavers, masons, shopkeepers, carpenters, fishermen, mill operators, and farmers.

In 1923, Mrs. Cecile Long Steele ordered 50 chicks for her egg-laying business but received 500 birds due to a clerical error and raised her first flock of broiler-fryer chickens for commercial consumption, establishing Ocean View as the birthplace of the commercial broiler industry. This is Delaware's number one agricultural enterprise.

The Town would eventually shift from a predominately agricultural community to a year-round residential community with a commercial corridor. In the 1980s and 90s, the Town started to see an increase in retirees and vacationers. Ocean View is home to a year-round population of nearly 3000 as of 2025 with seasonal property owners and vacationers substantially increasing the Town’s population during the summer months.

Demographics

Population



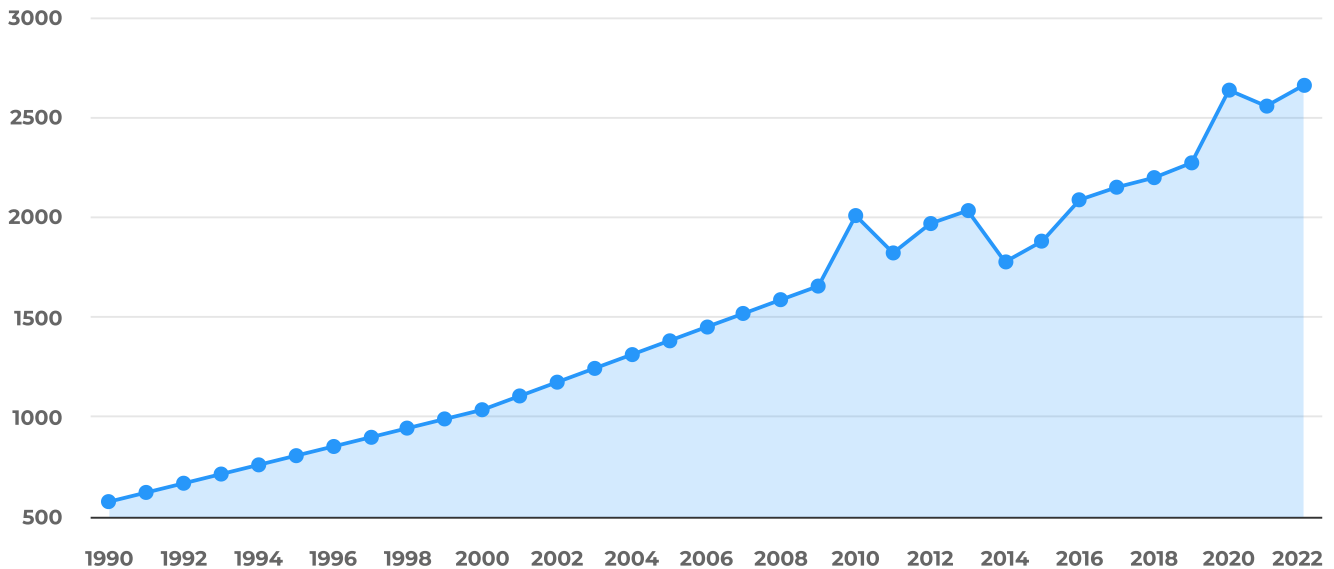
TOTAL POPULATION

2,660

4.07%
vs. 2021

GROWTH RANK

21 out of **57** Municipalities in Delaware



** Data Source: U.S. Census Bureau American Community Survey 5-year Data and the 2020, 2010, 2000, and 1990 Decennial Censuses*



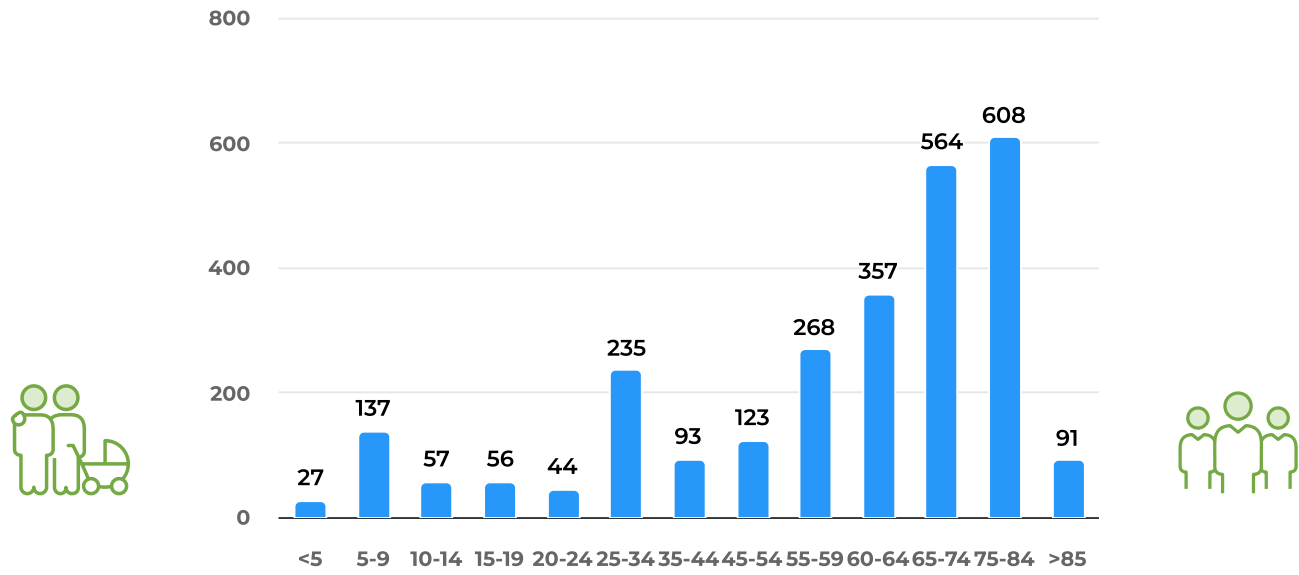
DAYTIME POPULATION

2,895

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

** Data Source: American Community Survey 5-year estimates*

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

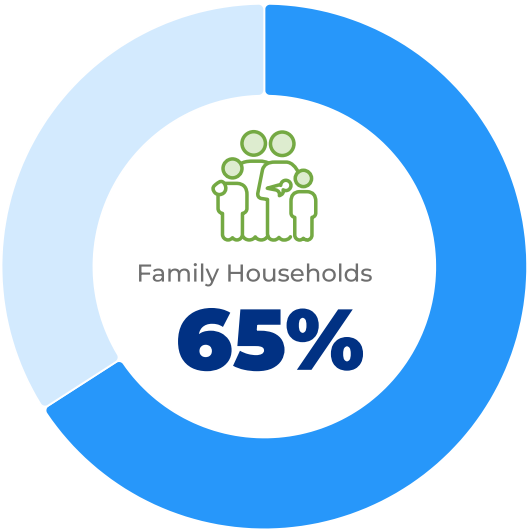
** Data Source: American Community Survey 5-year estimates*

Household Analysis

TOTAL HOUSEHOLDS

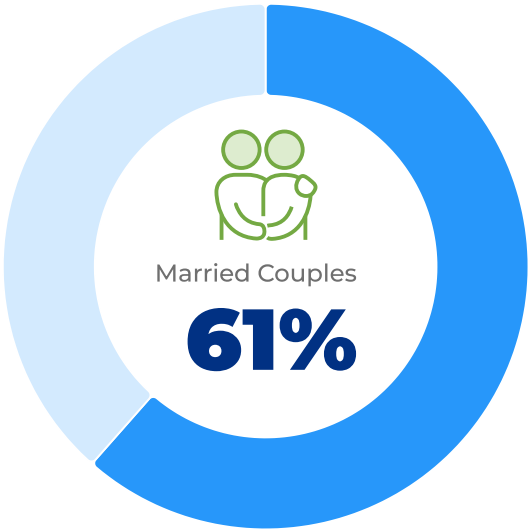
1,277

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



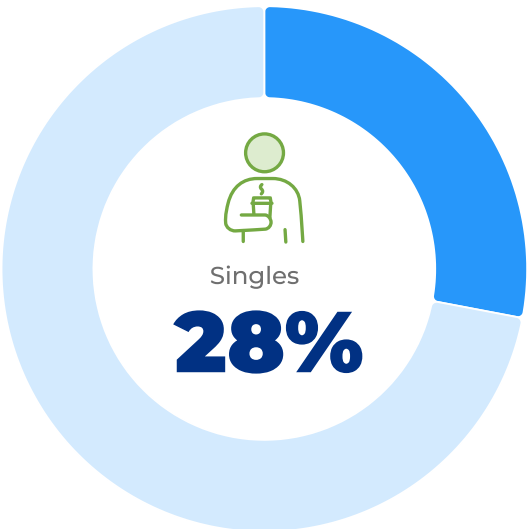
25%

higher than state average



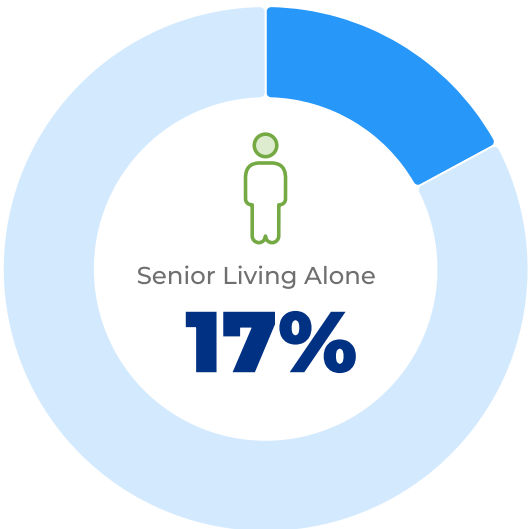
26%

higher than state average



2%

higher than state average



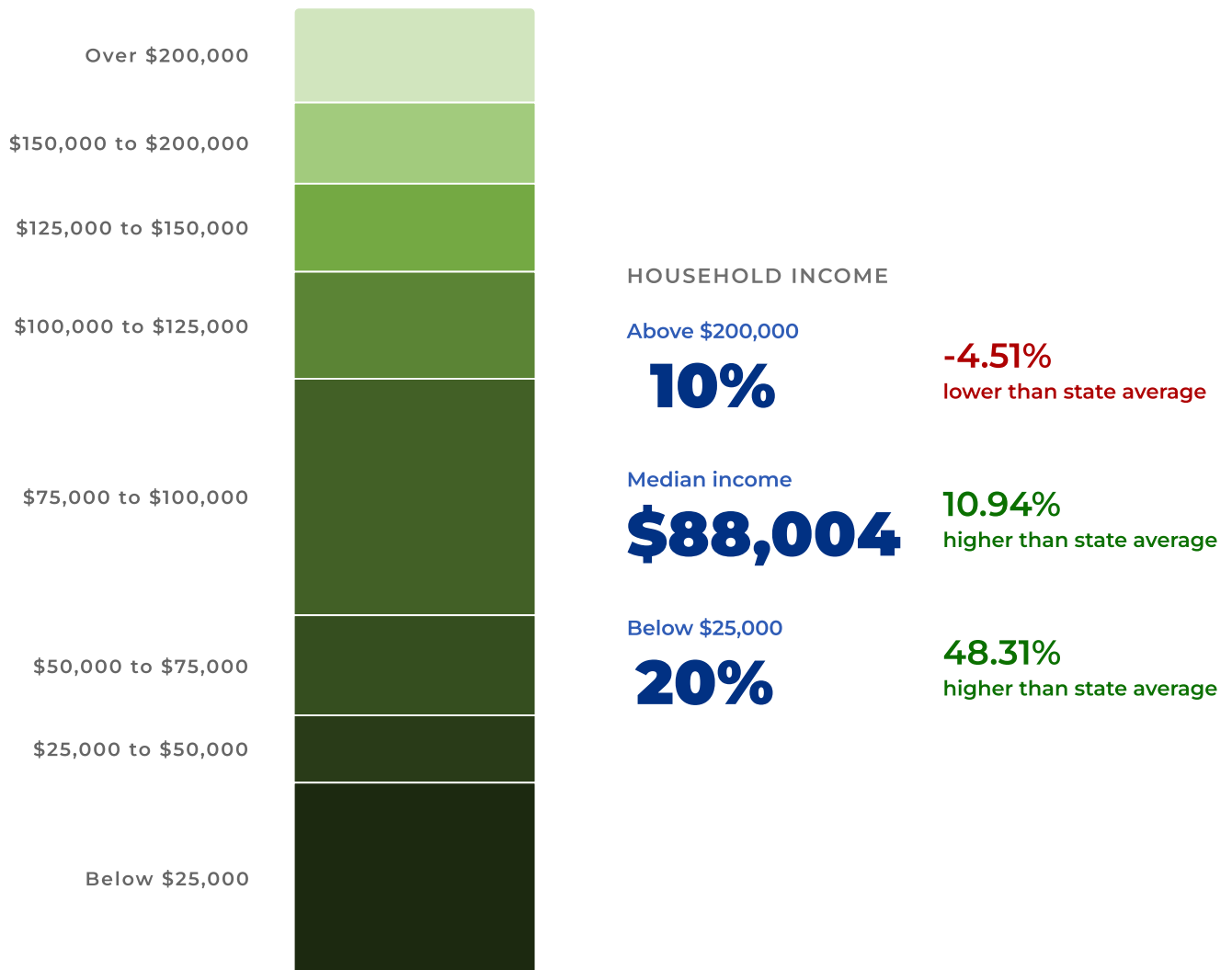
37%

higher than state average

* Data Source: American Community Survey 5-year estimates

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



* Data Source: American Community Survey 5-year estimates

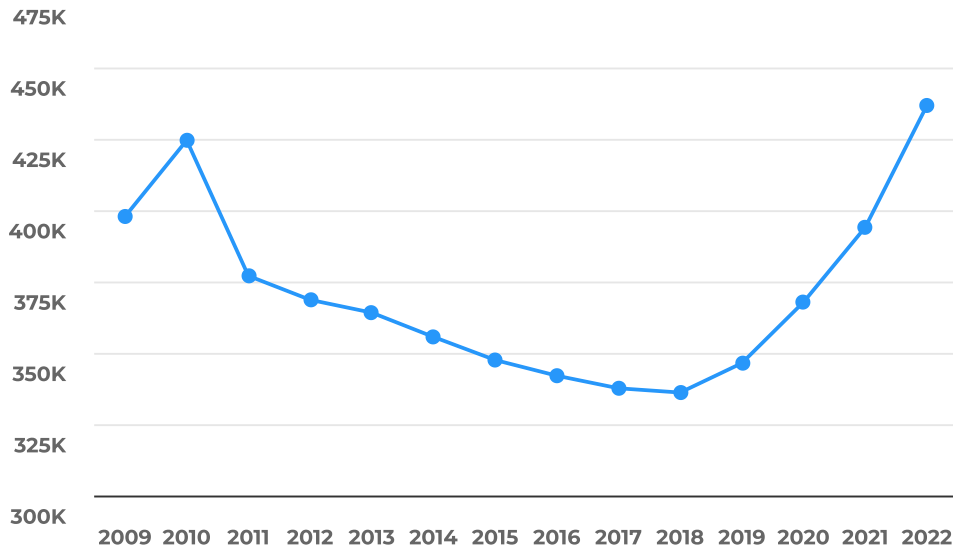


Housing Overview



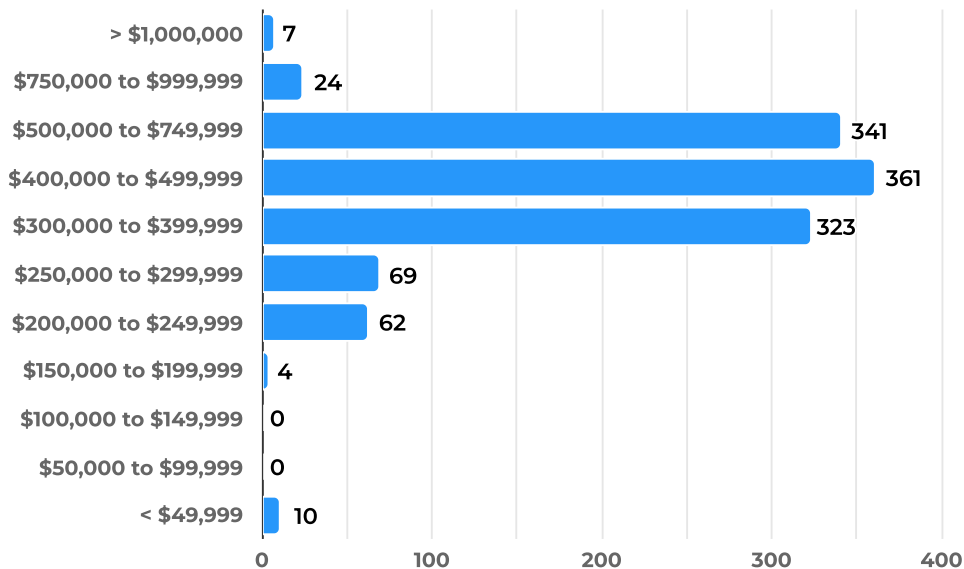
2022 MEDIAN HOME VALUE

\$436,700



** Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME VALUE DISTRIBUTION



** Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.*

HOME OWNERS VS RENTERS

Ocean View

State Avg.



** Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.*



Basis of Budgeting

Basis of Accounting and Budgeting

Accounting Basis

The basis of accounting refers to the timing of when transactions (revenues or expenditures) are recorded for reporting on the financial statements. Ocean View conforms to generally accepted accounting principles (GAAP) as applicable to government entities.

The Governmental Fund is accounted for on a modified accrual basis. Under the modified accrual basis accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered available if collected within 60 days after year-end while expenditures are recorded as the liabilities are incurred. Depreciation is not a recognized expense. Property taxes, interest revenue, intergovernmental and miscellaneous revenue are the primary revenue sources subject to accrual. Property taxes are reported as a receivable and considered available in the fiscal year for which they are levied if they are collected within the 60 days after year-end. The Town bills and collects its own property taxes.

Budgetary Basis

In the General fund, including Capital Projects, the budgets are adopted using a modified accrual basis of accounting with the following exceptions:

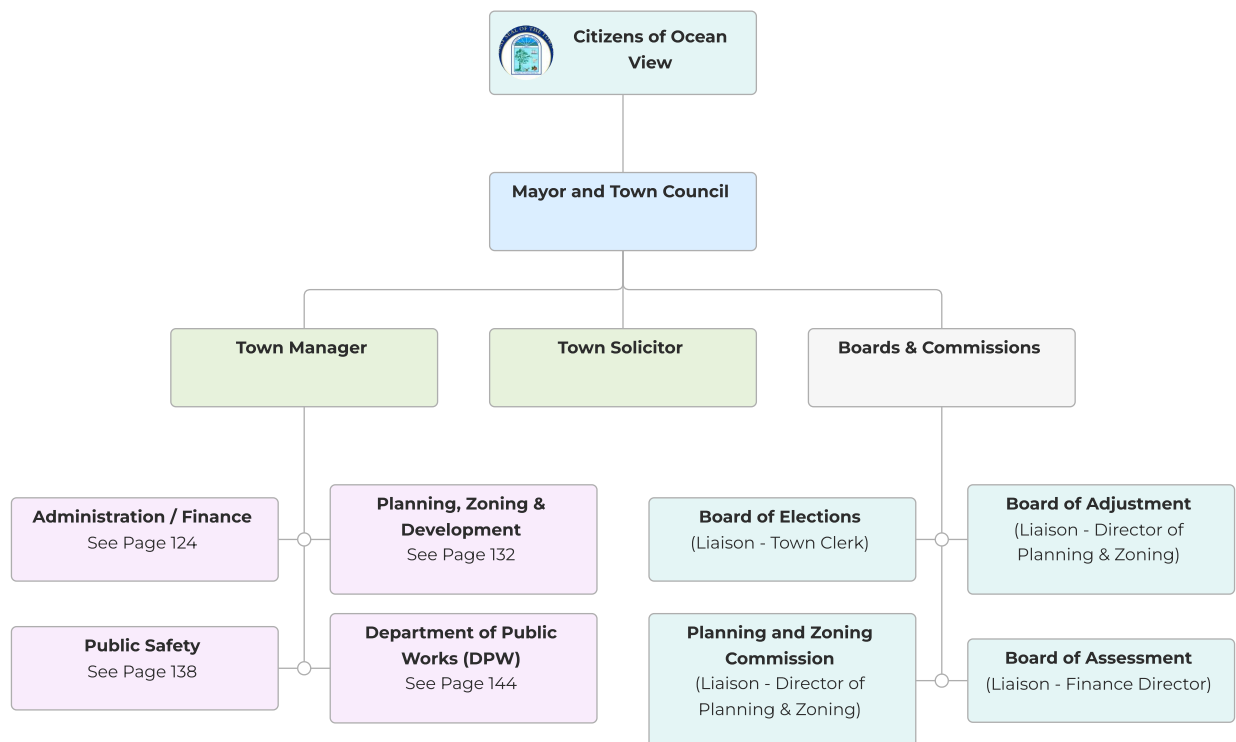
- Budget amounts are encumbered when contracts are approved by Council and signed. At year-end, encumbered amounts that have not yet been expended are carried forward to be paid in the next fiscal year and are reflected in the Town's Committed Fund Balance. These amounts for expenditures are included in the fiscal year when they are budgeted, rather than the fiscal year the liability incurred. In accordance with the Town Charter, appropriations that are not spent or encumbered lapse at the end of the fiscal year.
- Capital Projects, although part of the General Fund, are budgeted in perpetual or multi-year accounts. The Capital Project budgets do not lapse until the project is complete or considered abandoned, as stated in the adopted budget ordinance.

Organizational Structure

The Town of Ocean View is governed by a five-member elected Council. The Town's Charter specifies the election of the Councilpersons and the Mayor. Each Councilperson, as well as the Mayor, is elected by a plurality of all registered town voters for three (3) year terms and are limited to two (2) consecutive terms in office. The Town Council appoints the Town Manager. The Town Manager implements the Council's policies, serves as the Town's Chief Executive Officer, supervising the day-to-day operations of all the departments of the Town government as well as being charged with developing the annual and capital improvement budgets. He/She supervises an overall staff of 32 employees and is assisted by four (4) division heads, including the Chief of Police, Director of Finance, Director of Planning, Zoning & Development and the Public Works Facilities Operations Manager.

The organizational chart below represents an overview of the Town with more detailed organizational charts being found for each department, as noted.

TOV Organizational Chart



Fund Structure

The Town of Ocean View's accounting system is organized and operated on a fund basis. In prior years, its funds were classified into two types: governmental and proprietary funds. With the sale of the Water Distribution System in FY2025, the Town no longer has a proprietary fund.

Governmental Funds

The focus of the governmental fund is the determination of financial position and changes in financial position rather than net income. The Town has the following major governmental fund.

General Fund

The General Fund is the general operating fund of the Town of Ocean View. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund revenues are used to maintain and operate the general government operations such as Administration, Public Safety, Planning & Zoning and Public Works. The General Fund is appropriated and adopted by budget ordinance. Appropriations are detailed at the departmental level.

The Capital Projects Fund is part of the General Fund but is appropriated and adopted by its own budget ordinance. Appropriations are at the departmental level with funding sources from the General Fund ("Pay Go"), Capital Replacement Trust, Street Repair / Replacement Trust and grants. Transfer Tax is solely used to fund the Capital Replacement Trust (12.5%), the Street Repair / Replacement Trust (25% plus any additional) and the Town's Emergency Reserve (20% of current year's budget).

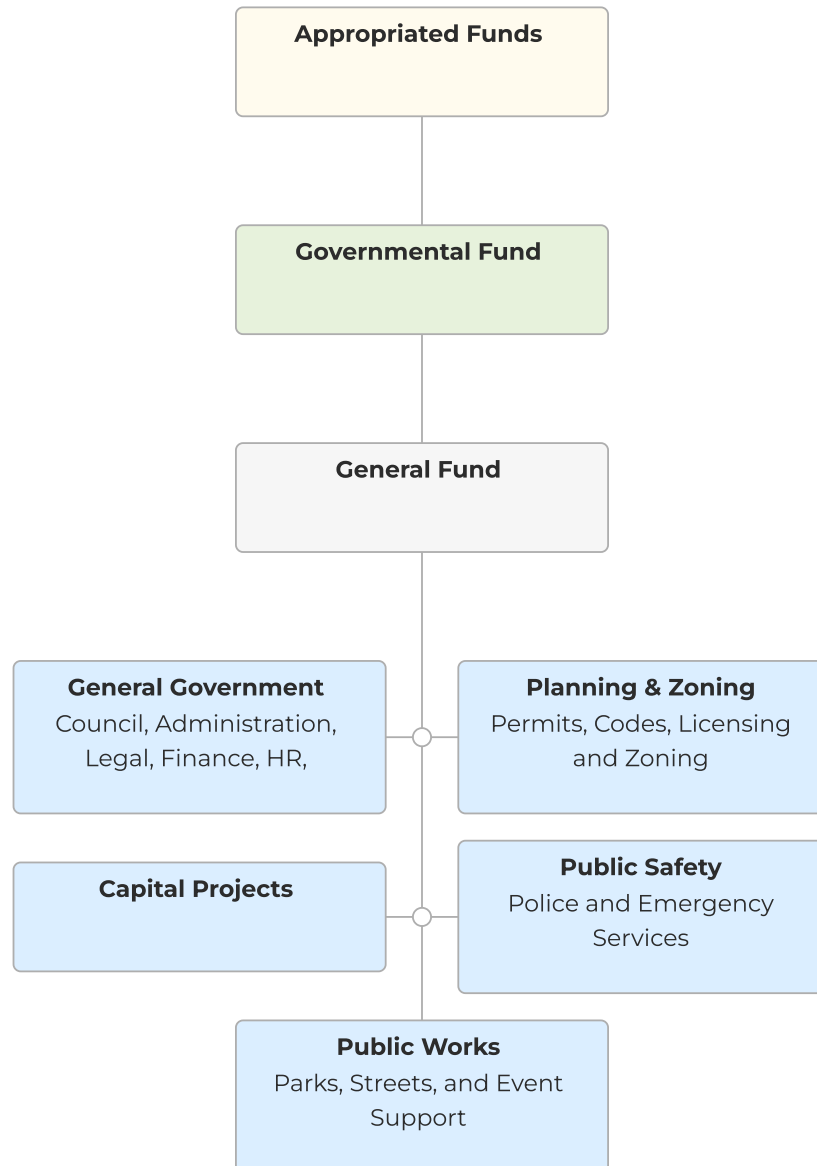
Major Funds

Major Funds are funds whose revenues and expenditures constitute more than 10 percent of the revenues or expenditures of the appropriated budget. The only major fund for the Town of Ocean View, as noted above, is the General Fund.



Department / Fund Relationships

The chart below shows the relationship of the funds to the functions and departments of the Town government.



Budget Process

By Town Charter, the Town Manager shall submit a balanced operating budget to the Town Council no later than the fifteenth (15th) day of March each year. The budget shall provide a complete financial plan and shall contain estimates of anticipated revenues and proposed expenditures for the coming year. The total anticipated revenues shall equal or exceed that total of proposed expenditures. The budget shall be open to inspection by anyone during the normal business hours and is currently also available on the Town's website.

The Town Manager shall also propose and submit to the Town Council a five (5) year Capital Improvements Program which includes a clear summary of its content, a list of all capital improvements proposed to be undertaken during the next five (5) years along with cost estimates, funding sources and recommended time schedule for each of the projects. The Capital Improvements Program is revised and extended each year.

The Town Council shall hold a public hearing and by ordinance adopt the Operating and Capital Improvements Program, as submitted or amended. A favorable vote of at least a majority of all members elected to the Town Council shall be necessary for adoption in advance to the Town's Fiscal Year commencing on May 1st.

Changes to Budget After Adoption

If, during the fiscal year, the Town Manager certifies that there are available funds for appropriations, revenues in excess of those estimated in the budget, the Town Council may make supplemental appropriations for the year up to the amount of such excess.

If a category (Salary & Related Employee Expense, Professional Services, Contractual Services, Utilities, etc) within a department's budget exceeds the appropriation approved by Town Council, the budget must be formally amended by going through the same process in which the budget was adopted, by ordinance through the public hearing process. The amended budget ordinance is introduced at the June Council meeting with the public hearing and vote at the July Council meeting.

Budget Timeline

The Fiscal Year 2027 Budget Timeline is shown below:

- **December 19, 2025**

Town Manager / Finance Director will distribute budget templates to Department Heads for completion.

- **January 9, 2026**

Department Heads will submit completed budget templates to the Town Manager / Finance Director.

- **January 13, 2026**

Tuesday, January 13: Council Meeting (3:00 p.m.) Town Council will be asked to provide input for Proposed FY2027 Operating and Capital. The Council will have an opportunity to provide the Town Manager / Finance Director with direction and/or expectations for initial preparation.

- **January 23, 2026**

Monday, December 29 – Friday, January 23: Town Manager / Finance Director will review anticipated revenue, Town's Capital needs, departmental input and will meet with Department Heads.

- **February 2026**

February 2026: The Proposed FY2027 Operating Budget and Capital Improvement Program will be delivered to the Town Council.

- **February 24, 2026**

Public Input on Budget and Council Budget Workshop (3:00 p.m.) Tuesday, February 24: Public Input on Budget and Council Budget Workshop (3:00 p.m.) The Council will request public input regarding the proposed FY2027 Budget and discuss the Operating Budget and Capital Budget. Details available using the FY2027 Proposed Operating and Capital Budget Book.

- **March 10, 2026**

Tuesday, March 10: Council Meeting (3:00 p.m.) Introduction of FY2027 Budget Ordinances.

- **March 24, 2026**

Tuesday, March 24: Council Final Budget Workshop - (3:00 p.m.) Additional review and possible amendments for the FY2027 Operating and Capital Budgets.

- **April 14, 2026**

Tuesday, April 14: Council Meeting (3:00 p.m.) Public Hearing and Adopt Budget Ordinances for FY2027 Operating and Capital Budgets. Adopt tax rate as part of Operating budget ordinance and adopt the FY2027 Fee Schedule Resolution.



Financial Policies

Ocean View's Financial Policies are set either by the Town Charter, the Town Council or Town Administration. These policies are used to establish goals and targets for the Town's financial operations, so that the Town Council and Administration can monitor the Town's performance.

The following pages contain the policies in the following areas:

1. Fiscal and Financial Affairs
2. Trust Reserve
3. Investment
4. Capitalization



Fiscal and Financial Affairs

The Charter of Ocean View article three (3) establishes the fiscal and financial affairs policies of the Town.

Fiscal Year

The Town shall operate on an annual budget. The fiscal year of the Town shall begin on the first day of May and end on the last day of April in the next succeeding calendar year. Such fiscal year shall constitute the budget year and the accounting year.

Duty to Prepare the Budget

The Town Manager shall submit an operating budget to the Town Council not later than the fifteenth (15th) day of March each year. The budget shall provide a complete financial plan for the budget year and shall contain estimates of anticipated revenues and proposed expenditures for the coming year. The total of the anticipated revenues shall equal or exceed that total of the proposed expenditures. The budget and all other financial records of the Town shall be open to inspection by anyone during normal business hours.

Capital Improvements Program

The Town Manager shall propose and submit to the Town Council a five (5) year Capital Improvements Program not later than the fifteenth (15th) day of March each year.

The Capital Improvements Program shall include:

1. A clear summary of its content.
2. A list of all capital improvements proposed to be undertaken during the next five (5) years.
3. Cost estimates, finding sources and recommended time schedules for each of the capital projects.

The Capital Improvements Program shall be revised and extended each year as the then current portion is adopted as part of the operating budget.

The Town Council shall hold public hearings and by ordinance adopt the Capital Improvements Program, as submitted or amended, at the same time as the adoption of the operating budget. The Town Manager shall include in the proposed operating budget those capital projects adopted by the Town Council for the ensuing year.



Adoption of the Budget

Before adopting the fiscal year budget and Capital Improvements Program, the Town Council shall hold a public hearing thereon after fifteen (15) days notice thereof in one (1) or more newspapers of general circulation within the Town. The Town Council may insert new items or may increase or decrease the items in the fiscal year budget. Where the Town Council shall increase the total proposed expenditures, it shall also increase the total anticipated revenues in an amount at least equal to such proposed expenditures. The fiscal year budget shall be prepared and adopted in the form of an ordinance. A favorable vote of at least a majority of all members elected to the Town Council shall be necessary for adoption.

Appropriations

No public money may be expended without having the approval of the Town Council. From the effective date of the budget, the general amounts stated therein as proposed expenditures shall be and become appropriated for the same general objects and purposes named therein with the following exceptions:

Supplemental Appropriations

If, during the fiscal year, the Town Manager certifies that there are available for appropriations, revenues in excess of those estimated in the budget, the Town Council by ordinance may make supplemental appropriations for the year up to the amount of such excess.

Emergency Appropriations

To meet a public emergency affecting life, health, property or the public good, the Town Council may make emergency appropriations. Such appropriations may be made by emergency ordinance in accordance with the provisions of Section 2.309 (B) of this Charter. To the extent that there are no available unappropriated revenues to meet such appropriations, the Town Council may by such, emergency ordinance, authorize the issuance of emergency notes which may be renewed from time to time, but the emergency notes and renewals of any fiscal year shall be paid not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.

Reductions

If, at any time during the fiscal year, it shall appear to the Town Council that the revenues available will be insufficient to meet the amount appropriated, the Town Council shall then take such action, as it deems necessary to prevent or minimize any deficit and may by ordinance reduce one (1) or more appropriations.

Limitations; Effective Date

No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof. The supplemental and emergency appropriations, and reduction or transfer of appropriations authorized by this Section, may be made effective immediately upon adoption.

Transfer of Funds

Any transfer of funds between appropriations proposed by the Town Manager or Chief Financial Officer must be approved by the Town Council before becoming effective.

Expenditures in Excess of Appropriations

No officer or employee shall, during any fiscal year, expend or contract to expend any money or incur any liability or enter into any contract which by its terms involves the expenditure of money for any purpose, in excess of the amounts appropriated for, or transferred to, that general classification of expenditure pursuant to this Charter. Any contract, verbal or written, made in violation of this Charter shall be null and void. Nothing contained in this section, however, shall prevent the making of contracts or the spending of money for capital improvements to be financed in whole or in part by the issuance of bonds, nor the making of contracts of lease or for services for any period exceeding the budget year in which such contract is made, when such contract is permitted by law.

Lapse of Unexpended Appropriations

All appropriations shall lapse at the end of the budget year to the extent that they shall not have been expended or lawfully encumbered. Any unexpended and unencumbered funds shall be considered a surplus at the end of the budget year and shall be carried into the subsequent fiscal year in the Town's cash balances.

Disposition of Fees Received by Town Officers and Employees

All fees received by an officer or employee of the Town in his or her official capacity shall belong to the Town and shall be accounted for to the Town.

Power to Tax

The Town Council shall determine and fix a rate of taxation based upon the most recent assessment after the budget has been adopted. The Town Council shall determine and fix a rate of taxation, which will produce approximately the amount of money necessary to defray the expenses of the Town for the current year, including interest on bonded indebtedness, for redemption of maturing bonds, and for maintenance of a sinking fund.

The Town tax rate shall be stated in terms of a certain rate on every One Hundred Dollars (\$100) of the assessed valuation.

Taxing Power

The Town Council shall have the power to levy and collect taxes on real property within the limits of the Town, except that which is not assessable and taxable by virtue of any law of the State of Delaware, to defray the expenses of the Town as determined pursuant to Section 3.110. The power to levy and collect taxes includes such amounts as are necessary to pay the principal and interest on general obligation bonds of the Town, for redemption of maturing bonds and for the maintenance of a building fund.

Revenues — Assessments

Taxation of Property

In the manner provided by law, the Town shall value and assess all property liable to assessment every five (5) years. All property that has increased in value because of additions, new buildings and improvements shall be assessed annually. The Town shall also in the annual assessment revise the assessment with respect to all real estate which has been sold or transferred during the year and keep current the assessment valuation of all other assessable property within the Town. The Town shall notify property owners by letter when their assessment has changed.

The Town shall make a written record showing the property; name(s) of owner(s), arranged alphabetically; the value of the property; and the amount of each owner's assessment. The assessment list shall be completed not later than the fifteenth (15th) day of February of each year. The Town shall post a copy of the assessment list in the Melson Administrative and Public Safety Building for public inspection and advertise by publication the inspection hours.

Any taxpayer of the Town aggrieved by the assessment on his or her property shall notice the Town, in writing, within twenty (20) days after being notified by letter that the assessment has changed, or by means of the posting of the assessment list for that year. Thereafter, Town Council shall hear and determine the appeal, and, not later than the thirty-first (31st) day of March, certify the assessment roll in its final form.

The Town Council may, by ordinance, assign any or all of its power under this Section to a Board of Assessment which shall be chosen in such fashion, serve for such term, and have such duties as the Town Council may ordain. After the valuation, assessment and any revision thereof, all taxes so assessed shall be levied and raised in equal proportions and rates.

Taxation of Real Estate Transfers

The Town Council of the Town of Ocean View shall levy, assess and collect, or provide for the levying, assessment and collection of such taxes as determined by ordinance.

Assessments When Due and Payable; Penalty for Late Payments

All Town taxes shall be due and payable May first (1st). After the thirty-first (31st) of August in the year in which the taxes shall be due, a penalty of one and a half percent (1.5%) per month shall be added until the same shall have been paid. The Council shall have the power to make just allowance for delinquencies in the collection of taxes.

Tax Collection

It shall be the duty of the Chief Financial Officer to proceed forthwith to collect all taxes in a fiscal year in which assessed and, in the collection of said taxes, the Chief Financial Officer shall have all the same powers conferred upon or vested in the Director of Finance for the Department of Finance of Sussex County.

The provisions of Title 25, Sections 2901 through 2905 of the Delaware Code Annotated, as amended, with reference to tax liens, shall be deemed and held to apply to all taxes late and opposed under the provisions of this Charter.

Authority to Borrow Money and Issue Bonds

The Town Council may borrow money and issue bonds or certificates of indebtedness to secure the payment thereof, on the faith and credit of the Town of Ocean View, to provide funds to defray the cost or the share of the Town of the cost of any permanent municipal improvements or appeal bonds; provided, however, that the borrowing of the money therefore shall have been authorized by the Town Council and shall have been approved in the following manner:

- 1.** Council by ordinance shall be permitted to borrow for the cost of permanent municipal improvements or appeal bonds. The ordinance shall state the amount of the money desired to be borrowed; the purpose for which it is desired; the manner of securing the same; and other facts relating to the loan, which are deemed pertinent. Such ordinance shall be passed by the affirmative vote of a majority vote of all members of the Town Council. The proposed borrowing ordinance must follow the same procedures for approving any ordinance enacted by the Town Council. If the sum to be borrowed does not exceed one-half percent (0.5%) of the current total assessable tax base of the Town of Ocean View in the current fiscal year, the ordinance becomes effective immediately.

- 2.** If the sum of money to be borrowed exceeds one-half percent (0.5%) of the current total assessable tax base of the Town of Ocean View, the ordinance shall not become operative



until after a thirty-one (31) day waiting period to permit the filing of a petition for a Borrowing Referendum to be filed.

3.

(a) If not less than thirty-three percent (33%) of the qualified voters of the Town of Ocean View shall sign and deliver to the Town Manager a petition calling for a Borrowing Referendum any time within the thirty-one (31) day waiting period established above, the Town Council shall, within twenty (20) days, adopt a resolution proposing to the electors of the Town that an amount of money be borrowed for any of the above purposes. The resolution shall state the amount of money desired to be borrowed, the purpose for which it is desired, the manner or securing the same, and other pertinent facts relating to the loan which are deemed pertinent by the Town Council, and ordering a Borrowing Referendum to be held not less than thirty (30) nor more than ninety (90) days after the adoption of said resolution.

(b) Notice of the date, time and place of holding of the said Borrowing Referendum shall be printed in two (2) issues of a newspaper having a general circulation in the Town of Ocean View within thirty (30) days prior to the date of said Borrowing Referendum.

(c) At said referendum, every owner of property, whether an individual, partnership, corporation, or other entity, shall have one (1) vote and every person who is a bona fide resident of the Town, but not an owner of property within the municipal limits of the Town and who shall be entitled at the time of the Borrowing Referendum to register and vote in the annual general election if such were held on the day of the Borrowing Referendum shall have one (1) vote whether or not such person be registered to vote in the annual general election.

(d) Any Borrowing Referendum shall be held pursuant to the provisions of this section shall be conducted by voting machines that shall have the ballot:

(e) In the event that an individual holds a power of attorney duly executed and acknowledged of another person or the resolution of the governing body of a partnership, corporation, or other entity, specifically authorizing the said individual to vote at the Borrowing Referendum, a duly authenticated copy of which has been filed in the Board of Elections, such individual shall be entitled to cast the vote of such person, partnership, corporation, or other entity.

(f) Immediately upon the closing of the polling place, the Board of Elections shall count the ballots for and against the proposed borrowing and shall announce the results thereof and shall make a certificate under their hands of the number of votes cast for and the number



of votes cast against the proposed borrowing and the number of void votes and shall deliver such certificate in duplicate to the Town Council. Said certificate shall be filed with the papers of the Town Council.

4. In the event that the Borrowing Referendum fails, no related ordinance shall again be considered for adoption for a period of at least six (6) months from the date of the Borrowing Referendum.

5. If the Borrowing Referendum passes, the Town Council shall determine the form of indebtedness; the interest rate; the time or times of payment of interest; the classes; the time or times of maturity; provisions as to registration; any callable or redeemable provision; the denomination and name, and other relative or pertinent matters. The bond or bonds or certificate or certificates of indebtedness may be sold at either public or private sale. The Council shall provide in its budget, and in fixing the rate of tax, for the payment of interest and principal on said bonds at the maturity or maturities thereof, and may establish a sinking fund therefore. The full faith and credit of the Town of Ocean View shall be deemed to be pledged for the due payment of the bonds and interest thereon issued under the provisions hereof, when the same have been properly executed and delivered for value. There shall be no limitation upon the amount which may be raised from the taxation of real estate for the payment of interest on, and the principal of, any bonded indebtedness whether herein before or hereafter incurred.

6. The bonded indebtedness shall not at any time exceed, in the aggregate, the total sum of twenty-five (25%) percent of the assessable value of the real property situated within the limits of the Town as shown by the last assessment pending the creation of the said indebtedness.

The Town Council of the Town of Ocean View shall have full power and authority to anticipate revenue by borrowing upon the full faith and credit of the Town of Ocean View, when, in the opinion of the majority of the Town Council, the needs of the Town of Ocean View demand it. The Town Council may secure such sum or sums of money so borrowed by promissory notes of the Town executed by such officers as designated by Town Council, either with or without the corporate seal of the Town of Ocean View affixed, as is requested by the Bank or persons advancing the money on said notes. No officer or Council Member shall be personally liable for the payment of such note because it is signed by them as officers or Council Member of the Town of Ocean View, and said note is authorized by ordinance of the Town Council. And no part of the principal of or the interest on any borrowing authorized by this Section shall be taxable by the State of Delaware or any political subdivision thereof.

The Town Council may accept from any authorized agency of the State or Federal government, or from persons, firms, or corporations, grants, loans, or contributions, and enter into agreements with such agency respecting such loans or grants. The Town Council shall not borrow money for its annual budgetary needs.

Independent Audit

The Council shall provide for an independent audit of all Town accounts and may provide for more frequent audits, as it deems necessary. The person or persons selected to audit the accounts of the Town shall have no personal interest, direct or indirect, in the fiscal affairs of the Town or any of its officers. An annual audit of the financial records of the Town shall be made at the end of each fiscal year, the fiscal year being from May first (1st) of each year to April thirtieth (30th) of the following year.

Reserve Trust Policies

Emergency Reserve Trust

The Emergency Reserve Trust was adopted by Town Council by Ordinance 212 and revised by Ordinance 339.

In preparing the annual budget for the Town, the Town Manager shall include an appropriation for an Emergency Reserve Trust (hereinafter ERTF). The total accumulated balance to be maintained shall not be less than 20% of the current operating budget of the Town. Portions of the transfer tax revenue shall be allocated to achieve and maintain the accumulated balance.

Funds accumulated in the ERTF may be expended if the Town is included within a geographical area declared to be a natural disaster by the President of the United States of America or by the Governor of the State of Delaware. In addition, funds can be expended by the Town Council when, at its discretion, it declares a public emergency and only for those purposes concurred upon by a majority of the members elected to the Town Council. Additionally, funds in the ERTF may be expended to fund the Town's annual operating budget during a period of reduced revenues due to reductions in transfer tax.

The Emergency Reserve Trust shall be replenished after expenditure for a natural disaster or to fund the Town annual operating budget by the Town Council by additionally depositing funds appropriated from the annual operating budget equal to 20% of the ERTF funds expended commencing the fourth (4th) year after their expenditure.

Funds accumulated in the ERTF will not be considered unexpended and unencumbered funds at the end of the budget year as per Section 3.108, Lapse of Unexpended Appropriations, of the Town Charter. Funds accumulated in the ERTF shall be considered encumbered funds.

Capital Replacement Trust

The Capital Replacement Trust was adopted by Town Council by Ordinance 304 and revised by Ordinance 324.

In preparing the annual budget for the Town, the Town Manager shall include an appropriation for the Capital Replacement Trust (hereinafter CRTF). The CRTF shall be funded by twelve and one-half percent (12.5%) of the Town's transfer tax and any additional income that may be earned by the reasonable and prudent investment of the CRTF in secure investments.

Funds accumulated in the CRTF shall be expended only for the repair and replacement of capital assets or improvements determined by a majority of the members elected to the Town Council when the repair or replacement cost exceeds \$2,500. Repair and Replacement costs may include engineering fees and costs, if necessary.

Funds accumulated in the CRTF will not be considered unexpended and unencumbered funds at the end of the budget year as per Section 3.108, Lapse of Unexpended Appropriations, of the Town Charter. Funds accumulated in the CRTF shall be considered encumbered funds.

Street Repair and Replacement Trust

The Street Repair and Replacement Trust was adopted by Town Council by Ordinance 303 and revised by Ordinance 325.

In preparing the annual budget for the Town, the Town Manager shall include an appropriation for the Street Repair and Replacement Trust (hereinafter SRRTF). The SRRTF shall be funded by twenty-five (25%) of the Town's transfer tax and any additional income that may be earned by the reasonable and prudent investment of the SRRTF in secure investments.

Funds accumulated in the SRRTF shall be expended only on the repair and replacement of street repair and replacement projects concurred by a majority of the members elected to the Town Council when the repair or replacement cost exceeds \$10,000. Repair and Replacement refers to the act of repairing or replacing a street, drainage system, or sidewalk through restoration, repair or replacement, including upgrades in quality, technology, design, construction or the like, together with the incidental design and engineering costs.

Funds accumulated in the SRRTF will not be considered unexpended and unencumbered funds at the end of the budget year as per Section 3.108, Lapse of Unexpended Appropriations, of the Town Charter. Funds accumulated in the SRRTF shall be considered encumbered funds.

Investment Policy

It is the policy of the Town of Ocean View to invest public funds in a manner which will provide the highest investment return with the maximum security, while meeting the daily cash flow demand of the town. All investment activity must conform to any Federal, State or Local statutes governing the investment of public funds.

This investment policy applies to all financial assets of the Town. These funds are enumerated in the Town's Comprehensive Annual Report and include:

1. General Fund (Operating and Reserve Funds)
2. Special Revenue Funds
3. Enterprise Funds (e.g., Water Fund) - dissolved by vote of Council effective 04/30/2026 with the transferring of funds to the Capital Replacement Trust Fund, Street Repair and Replacement Trust Fund and the creation of the Tax Rate Stabilization Trust Fund.

This statement of investment policy is set forth by the Town Council in order to:

1. Define and assign the responsibilities of all involved parties.
2. Establish a clear understanding for all involved parties of the investment goals and objectives for the Town's public funds.
3. Provide guidance and limitations to all third party investment managers regarding the investment of Town funds.
4. Establish a basis for evaluating investment results and investment manager's performance.
5. Establish the relevant investment horizon for which the Town's funds will be managed.
6. Meet the Town's fiduciary responsibilities by establishing policies and guidelines for investing the Town's funds.

The primary objectives, in priority order, of the Town's investment activities shall be:

1. Safety: Preservation of principal is the foremost objective of the investment program.
2. Liquidity: The Town's investment portfolio (both principal and earnings) shall remain sufficiently liquid to enable it to meet all the operating requirements that might be reasonably anticipated.
3. Return on investment: The Town's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles.

The Investment Officer may invest funds in the following:



- a. United States Government Securities: Issued and supported by the full faith and credit of the U.S. Government and Treasury.
- b. Commercial Bank Savings Accounts, Certificates of Deposit, Time Deposits, and Bankers Acceptances provided the banking institution is organized and supervised under federal or state laws; has assets of not less than \$5 billion; and is rated not lower than “B” by Fitch, Inc..
- c. Money Market Accounts in Commercial Banks.
- d. Delaware Local Government Investment Pool (DELGIP).
- e. Commercial Paper that is rated “A-1” by Standard & Poor’s and/or “P-1” by Moody’s Investor Services.

Prohibited investments include, but are not limited to the following:

- a. Commodities
- b. Private Placements
- c. Limited Partnerships
- d. Venture-Capital investments
- e. Real Estate Properties, except by participating in an open-end fund holding a diverse portfolio of real estate securities
- f. Unlisted or restricted securities
- g. Derivatives such as options, futures, and swaps
- h. Purchase of foreign securities, except those traded on an organized exchange and American Depositary Receipts (ADRs)

The Town's investment policy was adopted by resolution of the Town Council.

Capitalization Policy

Purpose

This accounting policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in the Town's annual financial statements.

Definitions

Materials and supplies – A material or supply is generally considered to be goods or property that are used or consumed in the business within twelve months of acquisition and are not inventory. Materials and supplies that meet this definition may be expensed.

Repair and maintenance costs – Expenditures that keep the property or equipment in ordinary efficient operating condition, restore property to previous condition, and routine maintenance costs. Repair and maintenance costs are reported as operating expenses and are not capitalized. Examples are: reconditioning or replacing parts, painting, paving an existing surface, or recurring maintenance costs.

Improvements – Expenditures that prolong the life of the equipment or property or increase the value, efficiency, safety, or capacity of the equipment or property. Improvements of this nature are capitalized.

Capital assets – Assets meeting the following criteria should be capitalized:

- Purchased, built, or leased assets with a useful life of one year or more.
- The cost of the asset exceeds the established threshold.
- Improvements to the assets which increase the value of the asset or significantly prolong its useful life.

Thresholds

The following thresholds will be used for different types of assets. Amounts under these thresholds will be considered repairs and will not be capitalized.

Furniture and Equipment	\$5,000
Vehicles	\$10,000
Buildings & Building Improvements	\$5,000
Land Improvements	Any amount

Estimated Useful Lives

The following guidelines are to be used to estimate the remaining useful lives of fixed assets.

Furniture and Equipment	5 to 7 years
Vehicles	5 to 10 years
Buildings & Building Improvements	40 years
Land Improvements	10 to 20 years

Capitalization method and procedures

All capital assets are recorded at their acquisition or construction cost as of the date acquired or date placed in service.

Donated equipment is recorded at the fair market value on the date of the gift.

When capital assets are sold or otherwise disposed of, the cost and accumulated depreciation will be removed from the capital asset listing.

For financial statement purposes, capital assets are depreciated using the straight-line method over the estimated useful life of the asset.

The Town's Capitalization Policy was adopted by the Town Council and added to the Town Policy Manual on January 14, 2025.

Proposed Fee Schedule

A schedule of fees for all administrative actions or services, applications, licenses, permits, impact fees, professional fees, financial security, performance, surety and utility bonds, rental licenses, Police Department fees, and such other fees as required by the Town's Code are established by resolution of the Town Council.

Resolution 25-02 adopted on April 8, 2025 and effective May 1, 2025 amended the Fee Schedule.

The Fee Schedule can be viewed by clicking the following link, [Fee Schedule - Resolution 25-02](#), or by visiting the Town website at www.oceanviewde.gov.

The following pages highlight the proposed changes to the Fee Schedule.

If adopted, by resolution, the Fee Schedule will become effective May 1, 2026.

ADMINISTRATIVE

Document Copies

See FOIA section for cost of copies.

Labels & Lists

❖ Current Business License Holders – mailing labels	\$ 150.00
❖ Property owner names and addresses – mailing labels:	
o All parcels within Town of Ocean View	\$ 175.00
o A subdivision up to 100 units	\$ 30.00
o Each additional 100 units in a subdivision	\$ 30.00
❖ Business License Holders – current list	\$ 50.00
❖ Property owner names & addresses:	
o All parcels within Town of Ocean View	\$ 100.00
o A subdivision up to 100 units	\$ 25.00
o Each additional 100 units in a subdivision	\$ 25.00
❖ Tax list	\$ 175.00

FOIA (Freedom of Information Act) Fees

❖ 20 pages single side copies & first hour search	Free
❖ Over 20 black & white single sided pages for 8.5"x11", 8.5"x14", and 11"x17" sized paper (two-sided copies shall be considered as two copies)	\$.10
❖ Color copies/printouts single sided pages for 8.5"x11", 8.5"x14", and 11"x17" sized paper (two-sided copies shall be considered as two copies)	\$ 1.00
❖ Color copies/printouts single sided pages larger than 11"x17"	\$ 2.00
❖ Oversized copies/printouts single sided 24"x36"	\$ 3.00
❖ Oversized copies/printouts single sided larger than 24"x36"	\$ 1.00 per square foot
❖ Other FOIA information and associated fees, such as labor costs for request requiring more than 1 hour of staff time to process are outlined in Resolution 15-7.	

Other Administrative Fees

❖ Credit card / electronic payment fee (charged by processor)	3.00% 2.95%
❖ Fax service	\$ 1.00 per page
❖ Interest on past due invoices Such as reimbursable expenses and service fees.	1.5% per month / 18% annual
❖ Recordation of documents in Recorder of Deeds Office, in Sussex County	\$ 100.00
❖ Returned check	\$ 35.00
❖ Election Filing Fee	\$ 50.00



APPLICATIONS

Annexation Request

❖ Up to 1 acre		\$ 100.00
❖ 1 acre to 4.99 acres		\$ 300.00
❖ 5 acres to 9.99 acres		\$1,000.00
❖ 10 acres to 24.99 acres*		\$2,000.00
❖ 25 acres or more*		\$3,000.00
❖ Appeal of decision as enumerated in Town Code		\$ 250.00
❖ Rezoning application		\$ 900.00

NOTE: Annexations of 10 or more acres are subject to professional fees.

Board of Adjustment

❖ Appeal of decision	\$ 750.00	\$1,000.00
❖ Variance	\$ 750.00	\$1,000.00
❖ Additional Variance on same application (per request)		\$ 100.00
❖ Special exception	\$ 750.00	\$1,500.00
❖ Administrative variance		\$ 200.00
❖ Penalty for violation of terms/conditions of variance granted		\$ 750.00

Planning & Zoning Commission

❖ Land Development / Site plan review	\$1,000.00	\$1,500.00
❖ Site plan review for outside seating	\$ 400.00	\$ 500.00
❖ Modification to previously approved site plan	\$ 400.00	\$ 500.00
❖ Subdivision:		
o 1 lot into 2 or combining 2 lots into 1	\$ 350.00	\$ 500.00
o 3 to 5 lots	\$ 750.00	\$1,000.00
o Greater than 5 lots	\$ 750 \$1,000 plus \$ 50 \$150 per lot in excess of 5 lots	
❖ Rezoning Application	\$ 900.00	\$1,500.00

NOTE: Planning & Zoning Commission meetings are subject to professional fees.

FINANCIAL SECURITY: PERFORMANCE and SURETY BONDS

- ❖ Financial security equal to 125% of the cost of completion of all infrastructure improvements required by the approved final plans, as outlined in Town Code Chapter 187-6L, Streets & Sidewalks
- ❖ Performance bond as outlined in Town Code Chapter 140-129B, Land use
- ❖ Bond with surety assuring completion as outlined in Town Code Chapter 140-82, Land use
- ❖ Surety bond for movement of oversized vehicles through the Town \$4,000
- ❖ Utility bond as outlined Chapter Utility Control Ordinance - Surface Type:
 - o Bituminous concrete pavement \$ 190.00 per square yard
 - o Surface treated (chip seal) pavement \$ 40.00 per square yard
 - o Unpaved area within right-of-way \$ 10.00 per square yard
- ❖ Performance bond as outlined in Town Code Chapter 140-74A, Land use for landscaping.
- ❖ Completion and maintenance bond as outlined in Town Code Chapter 140-98F, Land use



IMPACT

For proportionate share of capital costs (as set out in Town Code Chapter 136-1A)

- ❖ Upon issuance of building permit, per unit, new construction \$1,436.00

For the benefit of volunteer fire & emergency services (as set out in Town Code Chapter 136-1B)

- ❖ Upon issuance of building permit, per unit, new construction \$ 500.00

Surcharge for emergency services enhancement funding program (as set out in Town Code Chapter 15)

- ❖ Upon issuance of building permit: not less than .25% and not more than .50% of the construction value shown on the building permit application.

JOHN WEST PARK AMENITIES

NOTE: Fees apply to the use of John West Park amenities. Deposits, if not used, will be refunded.

	<u>Rental</u>	<u>Deposit</u>
❖ Group w/ membership comprised entirely of Ocean View property owners/residents.	\$ 0.00	\$ 50.00
❖ Organization w/ member who is an Ocean View property owner/resident.	\$ 50.00	\$ 50.00
❖ Personal use by an Ocean View property owner/resident	\$ 0.00	\$ 50.00
❖ Personal use by non-Ocean View property owner/resident.	\$ 50.00	\$ 50.00
❖ Organizational or Nonprofit organizational use by non-Ocean View property owner/resident.	\$ 100.00	\$ 50.00
❖ Governmental agency	\$ 0.00	\$ 50.00
❖ Nonprofit organization with member who is an Ocean View resident.	\$ 0.00	\$ 50.00
❖ Youth organization. One hour of community service requested per 4 hours of use. Verification required.	\$ 0.00	\$ 50.00

COMMUNITY CENTER @ 32 WEST AVENUE

NOTE: Fees apply to the use of the Community Center. Deposits, if not used, will be refunded.

	<u>Rental</u>	<u>Deposit</u>
❖ Group w/ membership comprised entirely of Ocean View property owners/residents.	\$ 50.00	\$ 50.00
❖ Organization w/ member who is an Ocean View property owner/resident.	\$ 75.00	\$ 50.00
❖ Personal use by an Ocean View property owner/resident	\$ 75.00	\$ 50.00
❖ Personal, Nonprofit organizational or organizational use by non-Ocean View property owner/resident.	\$ 125.00	\$ 50.00
❖ Governmental agency	\$ 0.00	\$ 50.00
❖ Nonprofit organization with member who is an Ocean View resident.	\$ 0.00	\$ 50.00
❖ Youth organization. One hour of community service requested per 4 hours of use. Verification required.	\$ 0.00	\$ 50.00

LICENSES

NOTE: Licenses are non-refundable, non-transferable and are not eligible for prorating.

- ❖ Business
 - Annual, calendar year (1/1 – 12/31) \$ 200.00
- ❖ Temporary, 30 consecutive days (2 per calendar year) \$ 75.00
- ❖ Event, per approved event for up to 3 consecutive days \$ 50.00
- ❖ Peddling, soliciting, and canvassing \$ 100.00
- ❖ Rental agent: independent contractors. \$ 100.00
 - Annual, calendar year (1/1 – 12/31) (Excludes agents paid as an employee.)
- ❖ Rental: each commercial or residential unit rented or offered for rent. Annual, calendar year (1/1 – 12/31). \$ 150.00
- ❖ Late fee for all license types postmarked after due date (1/1) \$ 40.00

PERMITS

NOTE: Permit fees are non-refundable and non-transferable.

Building

- ❖ Principal and accessory structures:
 - Gross floor area of each story for all uses, all covered porches and entryways and improvements to an existing open deck or patio by adding walls and roof for the purpose of creating additional enclosed living space. \$ 1.50 per square foot
 - Improvements to principal and accessory structures by adding walls and/or roof that increase the gross floor area. \$ 1.50 per square foot
- ❖ Open decks and/or patios:
 - Gross floor area of attached or unattached open deck, patio or similar structure with a floor area free from enclosed walls and/or roof. \$ 1.00 per square foot
- ❖ Repairs and renovations (for work identical or substantially the same):
 - 1% of Contract Cost or \$ 100.00 Minimum, whichever is greater.
- ❖ All others:
 - Dumpster placement (subject to town approval) \$ 0.00
 - Dumpster placement (not associated with a permit) \$ 100.00
 - Fence, sidewalk, and driveway \$ 100.00
 - Demolition of any structure or building \$ 100.00
 - Moving any structure or building in or through Town \$ 100.00
 - **Note:** Police escort required @ additional costs.
 - Swimming pools (in and above ground) \$ 1.00 per square foot
- ❖ Minimum charge for any building permit \$ 100.00
- ❖ Administrative Fee – Reissue of voided permit \$ 50.00
- ❖ Failure to obtain permit before work is performed penalty.
 - Penalties as specified in Town Code 140 (Land Use).

Sign

❖ Illuminated, direct or indirect	\$ 4.00 per square foot
❖ Non-Illuminated	\$ 2.00 per square foot
❖ Subdivision, permanent	\$ 500.00 per sign
❖ Minimum sign permit	\$ 100.00

Utility

❖ Base permit	\$ 175.00
❖ Utility permit (all based on <u>as-built</u>)	
○ Boring under paved road, per boring	\$ 100.00
○ Cut in paved street	\$ 10.00 per square foot
○ Trenching outside edge of pavement	\$ 1.00 per linear foot

Other

- ❖ Fee for the installation, repair or replacement of all other types of structures not otherwise covered in the categories above (e.g. antennas, solar panels, elevators, tanks, mechanical systems, etc).
 - 1% of Contract cost or \$100.00 minimum, whichever is greater.

Single Lot Development Grading plan review

- ❖ For improvements subject to 140-100 of the Town Code
Includes review of site grading plan & as-built survey by Town Engineer. Fee collected at time of permit issuance \$ 550.00

First Amendment Assemblies in Town Parks and Town-owned Property

- Assembly less than 50 people \$ 100.00
- Assembly of 50 people or more \$ 150.00
- Additional fees for security, traffic control, sanitation and cleanup may apply
- For any violation of the provisions of the permit, a fine shall be assessed in the amount of \$500 each day.

POLICE FEES

Road construction and escort to move structures through the streets of Ocean View

NOTE: Minimum 2-hour charge. Charges may vary if specified in state contract.

- ❖ Per officer \$ 65.00 per hour as set by State contract
- ❖ Additional town expenses (employee benefits & vehicle costs) \$ 30.00 per hour

Special Duty Officer (or other Town staff)

- ❖ Officer or other Town employee Employees hourly rate plus applicable payroll taxes.
Note: if employee brought in on day off cost will be 1 ½ x hourly rate plus applicable payroll taxes.
- ❖ Administrative fee 10% of employee's hourly rate plus applicable payroll taxes.
- ❖ ~~Vehicle use by employee~~ \$ 25.00
- ❖ Additional town expenses (employee benefits & vehicle costs) \$ 30.00 per hour
- ❖ Exception for service funded by a grant which specifies payment terms.

Other Charges

- ❖ Police report copy \$ 25.00
- ❖ Fingerprints* \$ 50.00

* Property owners & residents of Ocean View are exempt from this fee.



PROFESSIONAL FEES

Legal

❖ Attorney collection letter	\$ 250.00
❖ Municipal lien filed in Sussex County by Town Solicitor	\$ 250.00
❖ Municipal lien satisfaction filed in Sussex County by Town Solicitor	\$ 250.00
❖ Municipal lien renewal filed in Sussex County by Town Solicitor	\$ 250.00
❖ Attorney collection letter, Municipal lien filing, Municipal lien satisfaction filing, Municipal lien renewal filing and legal reviews for compliance (fee charged plus administrative fee of 10%)	

Reviews/inspections/approvals by professionals and consultants

- ❖ The Town may need to draw upon the expertise of engineering and legal professionals/consultants in order to process applications before the Planning & Zoning Commission, Board of Adjustment, and/or Town Council. These applications include, but are not limited to, land development site plans and subdivision plans (and any modifications) submitted to the Planning & Zoning Commission, applications for variances and special exceptions before the Board of Adjustment, and rezoning and annexation matters before Town Council. Town consultants may provide services such as meeting attendance, correspondence, plan review, official written overviews and reports, site visits, inspections, etc. on behalf of, and at the request of, the Town. Applicants are responsible for any fees charged by our outside professionals and consultants, plus a 10% administrative fee.
- ❖ Site Compliance Reviews: Inspect all phases of improvements as necessary to include, but not limited to, the following: Installation of drainage pipe and drainage basins, installation of water and sewer utilities, grading for roads, sidewalks, driveways and common areas, placement of GABC for roadways, sidewalks, and driveways, bituminous pavement for roadways, portland concrete cement for parking areas, sidewalks, curb, gutter, and driveways, traffic control devices and pavement markings, landscaping and shared use paths, sediment, and stormwater features

STIPENDS - as set by Town Council

NOTE: Fees are per member.

❖ Board of Adjustment, per application at meeting	\$ 30.00
❖ Board of Assessment, per appeal	\$ 30.00
❖ Board of Elections per election when voting polls are necessary	\$ 100.00
❖ Board of Elections to certify results of unopposed election	\$ 30.00
❖ Planning & Zoning Board, per hearing at meeting	\$ 30.00

TAXES

Gross Rental Receipts Tax

- ❖ On all rental property income 6%
 - January 1 – June 30 of calendar year: due by August 31 of same year
 - July 1 – December 31 of calendar year; due by February 15 of following year
- ❖ Gross Rental Receipts Tax late payment fee \$ 25.00 per month

Real Estate Tax (as set out in annual budget ordinance adopted in April for the upcoming fiscal year)

- ❖ Property Tax rate per \$100 of assessed valuation, as set by Town Assessor
 - Billed in May of each calendar year, due by August 31 of same year

Real Property Transfer Tax (as set out in Town Code Chapter 195)

- ❖ Value of property. 1 ½%

VIOLATIONS / FINES

Animals (as set out in Town Code Chapter 68)

- ❖ Barking and howling dogs,
 - 1st offense \$ 50.00
 - 2nd offense & each subsequent offense \$ 100.00
- ❖ Domesticated animal at large nuisance (Ordinance 373) \$ 100.00

Disorderly Conduct (as set out in Town Code Chapter 107)

- ❖ Sleeping in public, mandatory Court appearance and Court fees may also apply
 - 1st offense \$ 100.00
 - 2nd offense & each subsequent offense \$ 200.00

Property Maintenance (as set out in Town Code Chapter 169)

- ❖ Removal of grasses, weeds and other vegetative growth as defined in Town Code,
 - On lots less than or equal to ½ acre \$ 100 1st offense, \$200 each subsequent offense within a calendar year
 - On lots greater than ½ acre \$ 100 1st offense, \$200 each subsequent offense within a calendar year plus cost of private contractor to cut.
 - Property maintenance on rights-of-way \$ 100 1st offense, \$200 each subsequent offense within a calendar year

WATER FEES

- ❖ Other miscellaneous charges
 - Returned check charge \$ 35.00
- ❖ Interest Fee 1.5% of the outstanding charge until payment is made.
- ❖ Late fees
 - Late fee 1.5% per month

BUDGET OVERVIEW



Budget Highlights and Assumptions

The following pages show an overview of the budget highlights and assumptions for revenues, expenditures and capital improvements.

Budget Highlights

Continue to have no reliance on Transfer Tax for Operating Expenses

At the January 13, 2026 Council Meeting, Council recommended that the Town continue to eliminate reliance on Transfer Tax revenue.

	FY26	FY27	FY28	FY29	FY30	FY31
Transfer Taxes projected	\$ 1,180,000	\$ 1,250,000	\$ 1,180,000	\$ 1,000,000	\$ 900,000	\$ 800,000
Transfers to Trust Funds, detailed below	\$(1,180,000)	\$(1,250,000)	\$(1,180,000)	\$(1,000,000)	\$(900,000)	\$(800,000)
Allocated to Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Projected Transfer Tax collections to be moved from General Fund to the Street Repair & Replacement Trust (SRRTF), Emergency Reserve Trust (ERTF) and Capital Replacement Trust (CRTF) Funds:

	% of Transfer Tax	FY26	FY27	FY28	FY29	FY30	FY31
CRTF (ORD 304)	12.5%	\$ 147,500	\$ 156,250	\$ 147,500	\$ 125,000	\$ 112,500	\$ 100,000
SRRTF (ORD 303)	25.0%	295,000	312,500	295,000	250,000	225,000	200,000
Emergency Reserve Trust Fund (Ord 339)		54,590	139,820	0	0	0	0
Balance Transfer Tax Collections available		682,910	641,430	737,500	625,000	562,500	500,000
Total deposited to Trust Funds		\$ 1,180,000	\$ 1,250,000	\$ 1,180,000	\$ 1,000,000	\$ 900,000	\$ 800,000

Summary of Operating Budget

The totals below are revenues and operating expenses only and do not include capital expenditures funded by the General Fund. The shortages must be available from the Unassigned Fund Balance. The operating expenses include street repair and maintenance that is funded by the Street Repair & Replacement Trust, which is also reflected in the revenues. The out-year's fluctuation in expenses is directly related to street repair and maintenance of currently scheduled projects, the 2024 Reserve Study annual contribution and the required 5-year full-town reassessment.

The FY2026 Adopted Budget reflected revenues under expenses in the amount of \$69,500 to be funded from the Unassigned Fund Balance. At the January 13th Council meeting, the



Town Council approved the additional use of the Unassigned Fund Balance in the amount of \$38,430 for Berzin's Nature Park & Trail and \$48,700 for the replacement of two (2) total loss OVPD vehicles (insurance covered \$107,567 of the replacement costs). Unassigned Fund Balance will only be utilized if the FY2026 revenues fall short.

	FY26	FY27	FY28	FY29	FY30	FY31
Revenues	\$ 6,308,015	\$ 7,065,060	\$ 7,421,931	\$ 7,254,503	\$ 7,222,629	\$ 7,441,630
Expenses	(6,464,645)	(7,065,060)	(7,163,597)	(7,188,312)	(7,363,223)	(7,667,658)
Revenue Over (Under) Operating Expenses	\$ (156,630)	\$ 0	\$ 258,333	\$ 66,191	\$ (140,594)	\$ (226,027)

Balanced Budget Objective

The totals below are both operating and capital expenditures. The shortages must be available from the unassigned fund balance. As of the end of FY2025 (April 30, 2025), the Town's unassigned fund balance is \$2,564,871 and is also used for our goal of having at least a minimum of four (4) to six (6) months of projected expenses available.

The FY2027 proposed budget assumes the use of \$235,000 from unassigned fund balance for one-time construction costs for amenities at Berzin's Nature Park and Trail. The total cost of the project is estimated at just under \$470,000. The town will apply for grant funding and, if approved, finance the remaining amount versus utilizing the unassigned fund balance.

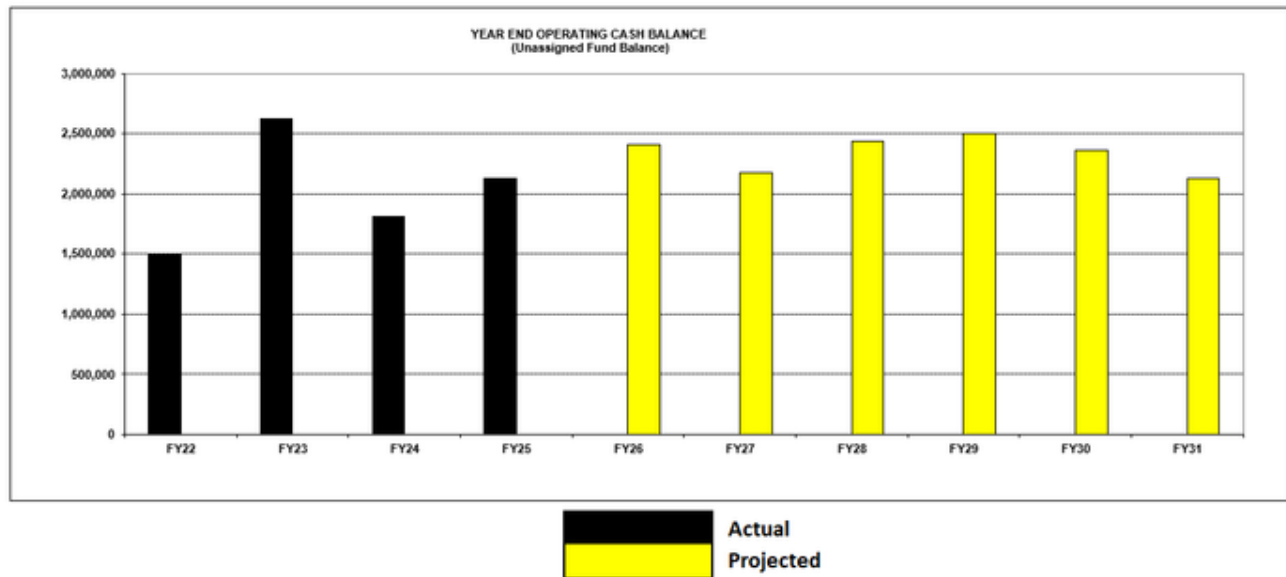
	FY26	FY27	FY28	FY29	FY30	FY31
Excess Annual Revenue (Expenditures)	(\$156,630)	(\$235,000)	\$258,333	\$66,191	(\$140,594)	(\$226,027)

Fund Balance Objective

The Town's goal is to have a minimum of two (2) to four (4) months of total operating expenses in the unassigned fund balance. As noted above, the proposed budget assumes the use of \$235,000 from the unassigned fund balance for Capital Projects and is included below.

The Government Finance Officers Association (GFOA) recommends an unassigned fund balance of no less than two (2) months of regular general fund operating revenues or expenditures, typically representing 17% of the budget. Governments should consider higher amounts if they are vulnerable to natural disasters, volatile revenue sources, face potential cuts in aid or are planning to finance capital projects.

	FY26	FY27	FY28	FY29	FY30	FY31
GFOA - minimum 2 months or 17% of Total Operating Budget	\$ 1,062,919	\$ 1,177,510	\$ 1,193,933	\$ 1,198,052	\$ 1,227,204	\$ 1,277,943
Goal - 4 months of Total Operating Budget	\$ 2,125,838	\$ 2,355,020	\$ 2,387,866	\$ 2,396,104	\$ 2,454,408	\$ 2,555,886
Projected - from prior fiscal year	\$ 2,408,240	\$ 2,173,240	\$ 2,431,573	\$ 2,497,763	\$ 2,357,169	\$ 2,131,141
Difference from Goal - Excess (Shortfall)	\$ 282,402	\$ (181,779)	\$ 43,707	\$ 101,659	\$ (97,239)	\$ (424,745)



Assumptions - Revenues

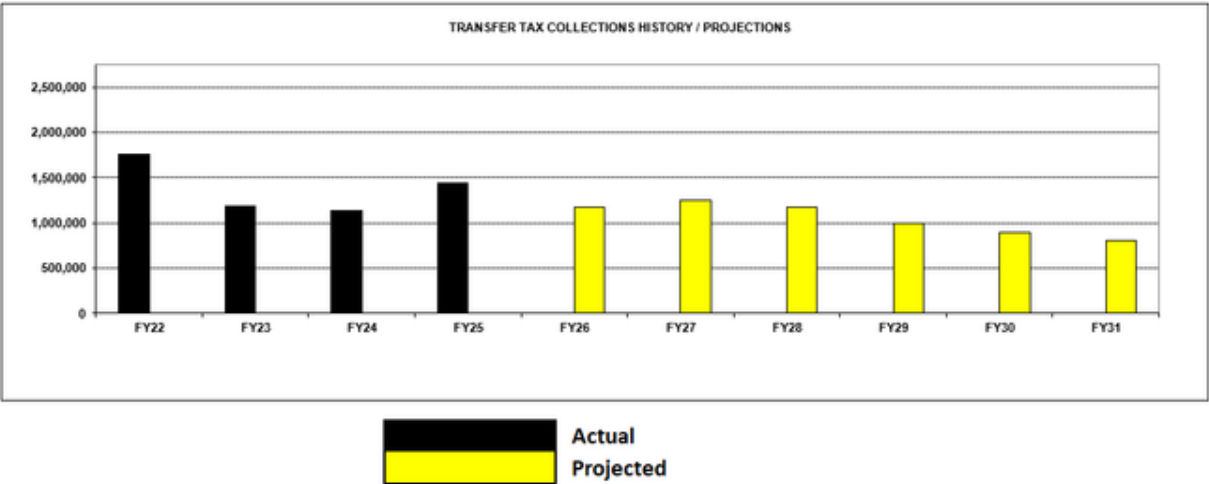
Projected Transfer Tax

For FY2027, the Transfer Tax is increased with the anticipation of new home construction in Silver Woods Community and the Shore Vista Community, which was annexed into the Town limits.

With Ocean View reaching a limited opportunity for new property annexation, in future years, the realty transfer tax will be transitioning from mostly the sale of new homes in recent years to the sale of existing homes. With this in mind and the rising interest rates, the realty transfer tax revenue is decreased in the out-years.

For Fiscal Year 2026, the amount represents revenues budgeted, not projected. As of December 31st, the total Transfer Tax collected is \$1,408,614 (\$318,318 ahead of our year-to-date target). For FY2027, to meet our \$1,180,000 budgeted goal, we would need to collect \$104,666 monthly.

	FY26	FY27	FY28	FY29	FY30	FY31
Total Amount	\$ 1,180,000	\$ 1,250,000	\$ 1,180,000	\$ 1,000,000	\$ 900,000	\$ 800,000
Calculated % increase / decrease	18.0%	5.9%	-5.6%	-15.3%	-10.0%	-11.1%



Projected Property Tax

The tax rate in FY2026 was .2578 per \$100 assessed value. We have proposed no change to the rate in FY2027, keeping the tax rate at .2578 per \$100 assessed value. The FY2027 property taxes are projected based on the total assessed values updated through 11/30/2025 plus estimated new construction completions from January 1 to June 30, 2026.

One cent is approximately equal to an increase / decrease of \$142,765 in tax revenue based on the total assessment value of \$1,427,657,100 as of November 30, 2025.

At the January 13, 2026 Council meeting, Council recommended that the Town continue to grant a 1% discount for early payment of property taxes.

	FY26	FY27	FY28	FY29	FY30	FY31
Tax Rate per \$100 of Assessed Value :	\$ 0.2578	\$ 0.2578	\$ 0.2678	\$ 0.2778	\$ 0.2878	\$ 0.2978
Tax Rate per \$100 of Assessed Value FY26:	\$ 0.2578					
Changes in the Property Tax rate:		0.00	0.01	0.01	0.01	0.01
Impact of additional new construction:		1.2%	0.2%	0.00%	0.00%	0.00%
1% Impact of discount	(30,670)	(36,805)	(38,233)	(39,660)	(41,088)	(42,516)
Actual Property Taxes billed - Current FY	\$ 3,641,145					
Projected Property Taxes at FY26 Rate	\$ 3,660,730	\$ 3,705,480	\$ 3,854,322	\$ 3,997,088	\$ 4,139,854	\$ 4,282,620

Building & Sign Permits, Site Plan Reviews

Permit cost for principal and accessory structures is \$1.50 per square foot.

Permit cost for open decks and / or patio areas free from an enclosed wall and / or roof is \$1.00 per square foot.

The increase in FY2027 is in anticipation of site plan reviews and permits for new construction in Silver Woods, Blue Heron and Shore Vista Communities.

	FY26	FY27	FY28	FY29	FY30	FY31
Building & Sign Permits, Site Plan Review	\$ 267,000	\$ 402,055	\$ 301,545	\$ 267,000	\$ 226,100	\$ 187,000

Business & Rental Licenses

Projections are based on trends in licenses issued over the past several years. As of July 1, 2020, Realtors were no longer required to have a license.

Effective May 1, 2021, the rental license fee increased from \$75 to \$150.

Effective May 1, 2023, the business license fee increased from \$150 to \$200.

	FY26	FY27	FY28	FY29	FY30	FY31
Business & Rental Licenses	\$ 207,250	\$ 227,250	\$ 227,250	\$ 207,250	\$ 207,250	\$ 207,250



Gross Rental Receipt Tax

Gross rental receipt tax revenue projections are based on trends in prior year collections. The gross rental receipt tax revenue has increased an average of 7% over the last three (3) fiscal years, down from an average 19% increase in previous years.

Effective January 1, 2025, the Gross Rental Receipt tax rate was increased from 5% to 6% of rental income. To calculate the FY 2027 anticipated revenue, FY 2025 actual rental income was divided by 5%, decreased by 2% and then calculated using the 6% tax rate.

	FY26	FY27	FY28	FY29	FY30	FY31
Gross Rental Receipts Tax	\$ 774,700	\$ 789,700	\$ 789,700	\$ 789,700	\$ 789,700	\$ 789,700

Impact Fees and Emergency Services Enhancement Funding (ESEF)

- collections from new construction permits

Impact fees are collected with certain building permits (at rate of \$1,936) and are projected based on recent construction activity. For the purposes of the FY 2027 budget, 70 new construction permits are budgeted versus 68 new construction permits that were budgeted in FY 2026.

ESEF fees — \$500 is collected as part of the Impact Fee. The funds are committed to ESEF until approved and distributed. The amount also includes .5% of the construction value of permits issued.

	FY26	FY27	FY28	FY29	FY30	FY31
Impact Fees	\$ 181,650	\$ 255,520	\$ 181,650	\$ 103,080	\$ 88,720	\$ 88,720

CATV Revenue (Mediacom)

Projections are based on collections from Mediacom over the past several years. The current Franchise Cable Agreement expires October 1, 2027. We recognize that 44% of cable households are estimated to cut the cord / increase streaming. Although we have not seen that within the Town of Ocean View due to having a large short-term rental community, we continue to adjust our estimate to reflect current collections.

	FY26	FY27	FY28	FY29	FY30	FY31
CATV revenue (Mediacom)	\$ 80,000	\$ 75,000	\$ 72,500	\$ 70,000	\$ 70,000	\$ 70,000

Police Fines & Fees

Projections are based on the level of collections from the court system over the past several years.

	FY26	FY27	FY28	FY29	FY30	FY31
Police Fines & Fees	\$ 25,250	\$ 25,250	\$ 25,250	\$ 25,250	\$ 25,250	\$ 25,250

Interest Earned on Investments

	FY26	FY27	FY28	FY29	FY30	FY31
Interest earned on investments	3.00%	3.00%	2.50%	2.00%	2.00%	2.00%

Grant Income (Intergovernmental Revenue)

Only those grants that can be reasonably estimated and that have been consistently received are included in the budget. As in previous years, staff will be engaged to increase our grant activity.

	FY26	FY27	FY28	FY29	FY30	FY31
County - Local Law Enforcement	\$ -	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
State - Police Pension Grant	\$ 110,000	\$ 125,000	\$ 126,875	\$ 128,780	\$ 130,710	\$ 132,670
State - Municipal Street Aid (MSA)	\$ 128,140	\$ 126,350	\$ 126,350	\$ 126,350	\$ 126,350	\$ 126,350
Indian River School District (IRSD)						
- School Resource Officer (SRO)	\$ 40,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000

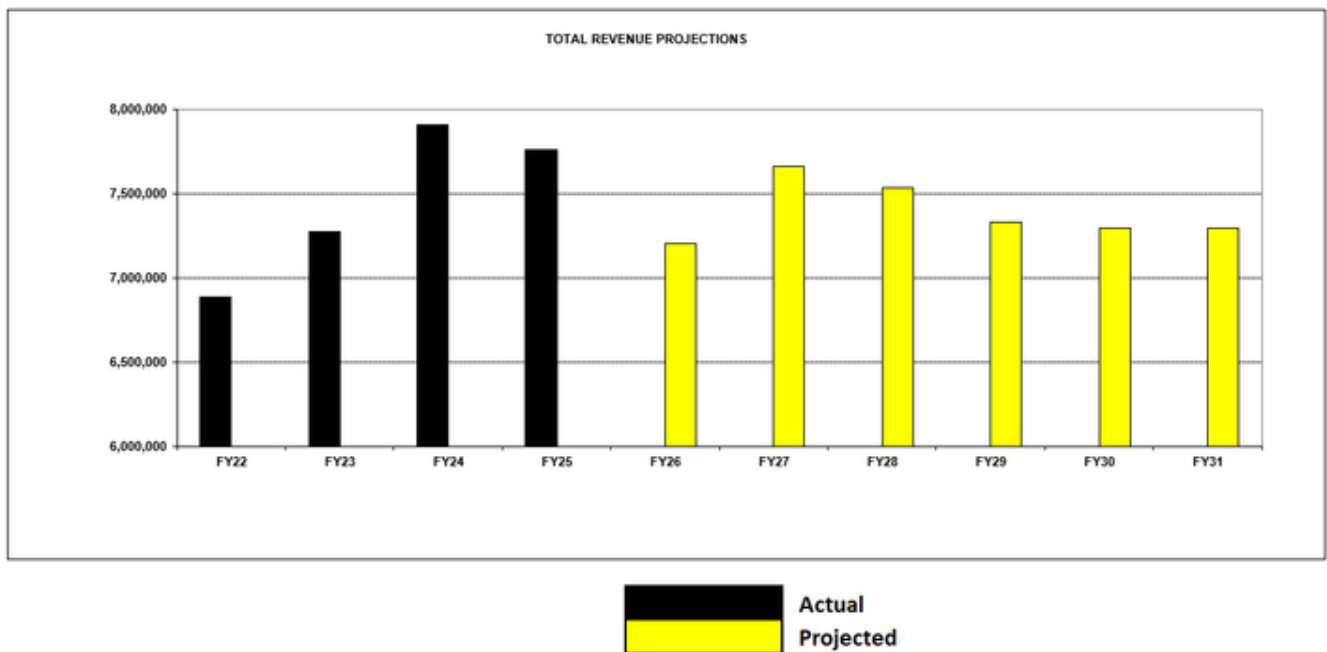
Total Revenue Projections

The Total Revenue Projections are prior to restricted and committed funds are transferred out of General Fund Revenue.

For FY2026, the amount represents revenues budgeted, not projected.

The increase in FY2027 is in anticipation of revenues generated from the anticipated continuation of new construction in the Silverwoods, Shore Vista and Blue Heron communities, the increase in the gross rental receipt tax and a slight increase in Transfer Tax.

	FY26	FY27	FY28	FY29	FY30	FY31
Total Revenue	\$ 7,202,015	\$ 7,661,600	\$ 7,537,144	\$ 7,333,879	\$ 7,299,022	\$ 7,296,223
Calculated % increase		6.4%	-1.6%	-2.7%	-0.5%	0.0%



Assumptions - Expenses

Salary Increases

FY2026 is calculated using the 3% COLA. The December 2024 CPI-U (Mid-Atlantic Region) was 3.315%.

FY2027 is calculated using the 3% COLA. The December 2025 CPI-U (Mid-Atlantic Region) was 3.891%.

FY2028 to FY2031 are calculated at a straight 3% COLA increase and will be reanalyzed and adjusted based on the December 31 CPI-U (Mid-Atlantic Region).

	FY26	FY27	FY28	FY29	FY30	FY31
% Increase	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Overtime

OVPD and DPW include overtime for scheduled events such as Cops & Goblins, Fire & Ice and other Town Community Events, whereas Administration and P&Z overtime is mainly based on staff attending Town meetings.

In FY2026, Public Works overtime was reduced from 10% to 5%, with the budget, including the addition of (2) part-time maintenance staff and the bringing of janitorial services in-house added a third part-time position. With the completion of Berzin's Nature Park & Trail, we will reevaluate the Department of Public Work's needs in FY2028.

	FY26	FY27	FY28	FY29	FY30	FY31
Police Department (OVPD)	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Public Works (DPW)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Administration	2.3%	2.25%	2.25%	2.25%	2.25%	2.25%
Planning & Zoning (P&Z)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Employee Insurance Premiums -Annual Increases

According to the December 2024 Statewide Benefits Office (SBO) Subcommittee, a 4.1% rate increase for FY2026 for active employees and non-Medicare retirees was anticipated. The final decision voted on by the State Employee Benefits Committee (SEBC) in March 2025 and communicated in the 2025 Open Enrollment materials was 4.2%.



At the January 13th Town Council meeting, Council voted to support the towns' migration from the State of Delaware Health plans to Delaware Valley Health Trust effective for the July 1, 2026, renewal period, and in association with the FY2027 budget. Although we anticipate a decrease in our Medical, Vision and Dental premiums, the renewal rates have not yet been set.

Worker's Compensation rate changes vary depending on the classification of the individual positions and claims filed.

	FY26	FY27	FY28	FY29	FY30	FY31
Medical/Hospitalization/Vision	4.1%	0.0%	5.0%	5.0%	5.0%	5.0%
Life/Disability	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Dental	5.0%	0.0%	5.0%	5.0%	5.0%	5.0%
Workers Compensation	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

State Pension Plan - Employer Share Cost

FY2027 estimated rates were received from the Office of Pensions in December and have been used to calculate pension expense.

Employer pension contribution for Public Safety increased from 15.20% to 17.26% while the civilian plan rates decreased from 5.48% to 6.03%. The forecasted out-years (FY2028 to FY2031) are increased by 2%.

The increase in the Public Safety Pension Plan is primarily caused by the pay in excess of actuarially assumed salary increases. Per the Delaware Office of Management and Budget, this has been normal across most pension plans as employers face recruitment and detainment challenges.

Departmental Operating Budgets

- Non-employee related costs, except business insurance

The departments use incremental-based budgeting, starting with the current budget as a base and line items are adjusted for inflation, growth and other factors. The out-years are increased by the percentages noted below unless specific expenses are known.

	FY26	FY27	FY28	FY29	FY30	FY31
FY2027 - FY2031 increase by	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%
		"incremental based"				

Departmental Operating Budgets - Business Insurance

	FY26	FY27	FY28	FY29	FY30	FY31
FY2027 - FY2031 increase by	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Street Repair & Improvements

The Street Repair and Replacement Trust Fund ("SRRTF") - established in January 2009, by Ordinance No. 243 — was created to ensure that adequate funding is provided each year to properly maintain the ~ 26.88 miles of Town-owned streets.

During FY2026, an updated paving study of the Town's streets was prepared by Wallace Montgomery Engineering (as required by the ordinance) and was presented to Town Council for approval at the January 13th Town Council meeting.

The list of planned street rehabilitation projects is below.

Work Plan | FY 2027

Name of Roadway Segment	From	To	Length (ft)	Width (ft)	Area(Sqft)	PCI	Treatment	Treatment Cost
ASHLEY PARK DR	AVON PARK BLVD	END	369.6	20	7392	87	Crack Sealing	\$ 4,638
BELLE ISLE DR	AVON PARK BLVD	END	211.2	20	4224	87	Crack Sealing	\$ 3,430
BRIARCLIFFE CT	WOODLAND AVE	END	633.6	21	13306	88	Crack Sealing	\$ 11,594
BRIGHTON ST-01	AVON PARK BLVD	CURVE	792	20	15840	85	Crack Sealing	\$ 12,994
BRIGHTON ST-02	CURVE	AVON PARK BLVD	739.2	20	14784	84	Crack Sealing	\$ 11,638
BRIGHTON ST-03	AVON PARK BLVD	END	211.2	20	4224	86	Crack Sealing	\$ 4,813
BROOKGREEN DR	AVON PARK BLVD	END	211.2	20	4224	86	Crack Sealing	\$ 2,730
LAKE VILLAGE CIR-1	END	SEAGRASS LN	264	22	5808	86	Crack Sealing	\$ 5,355
LAKE VILLAGE CIR-2	SEAGRASS LN	END	264	22	5808	86	Crack Sealing	\$ 5,355
PINE LN	WOODS CIR	CENTRAL AVE	264	20	5280	87	Crack Sealing	\$ 3,220
PLANTATION CT	WEDGEFIELD BLVD	SUMMERVILLE CT	844.8	22	18586	86	Crack Sealing	\$ 15,138
PORT ROYAL RD	WHITE'S CREEK LN	SALLY LN	950.4	20	19008	87	Crack Sealing	\$ 15,138
							Cracksealing - Total	\$ 96,041
AVON PARK BLVD-01	WEDGEFIELD BLVD	AVON PARK BLVD	158.4	24	3802	52	Rehabilitation	\$ 14,295
AVON PARK BLVD-02	END	ASHLEY PARK DR	633.6	20	12672	54	Rehabilitation	\$ 46,997
AVON PARK BLVD-03	ASHLEY PARK DR	BRIGHTON ST	316.8	20	6336	54	Rehabilitation	\$ 23,676
AVON PARK BLVD-04	BRIGHTON ST	BRIGHTON ST	264	20	5280	55	Rehabilitation	\$ 19,627
AVON PARK BLVD-05	BRIGHTON ST	BROOKGREEN DR	316.8	20	6336	53	Rehabilitation	\$ 23,499
							Rehabilitation - Total	\$ 128,094
							Total Cost	\$ 224,135

The total budgeted amount needed, including construction management and contingency is \$ 260,000.

Street repair and improvements	FY26	FY27	FY28	FY29	FY30	FY31
	\$ 200,000	\$ 260,000	\$ 682,480	\$ 526,820	\$ 517,300	\$ 639,100

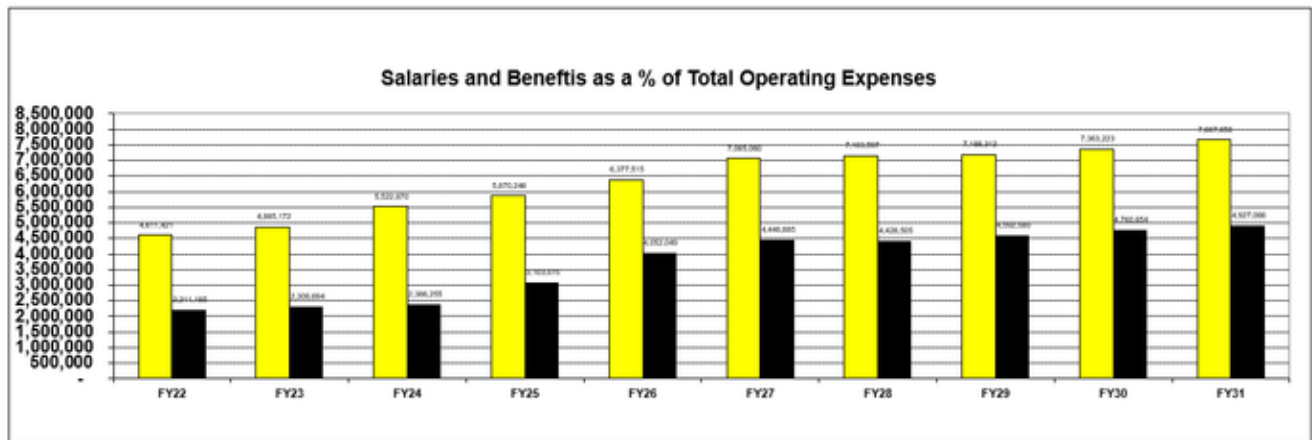


Trends - Projected Growth

Salaries and Benefits as a % of Total Operating Expenses

Personnel costs are the major driver of the operating budget.

The FY 2027 increase in personnel costs is a result of the migration to a pay scale for the police department, which included the across the board \$4K increase given to Sworn Officers to bring the starting salary to \$72K, 1.5% step increases and a one-time salary adjustment for pay scale placement, non-sworn COLA of 3%, Delaware paid family leave, and contractual salary increases.

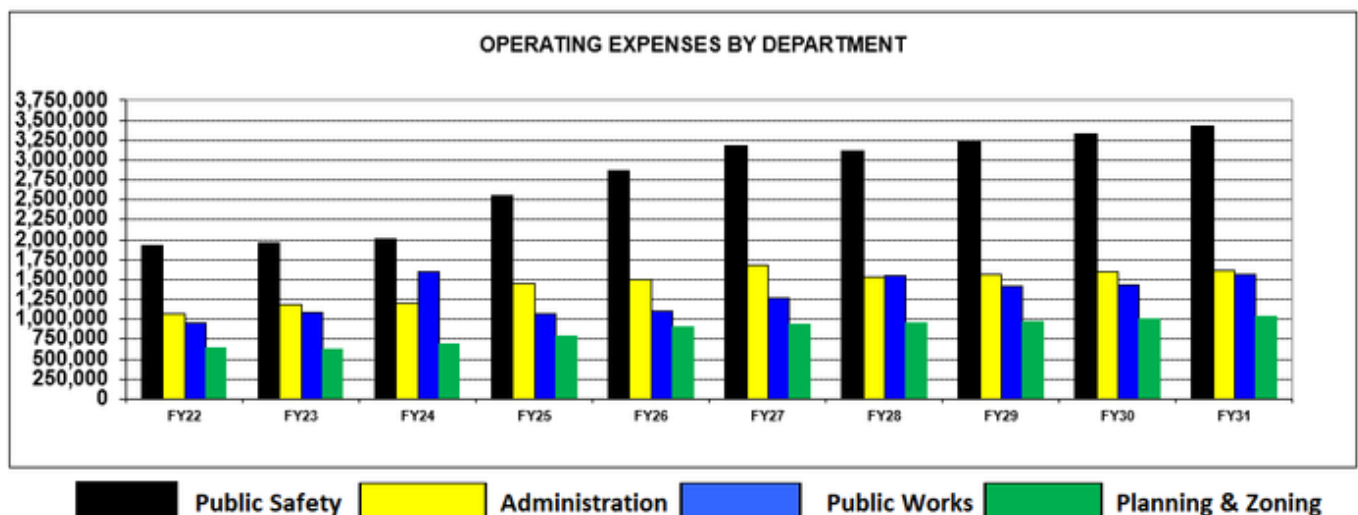


Total Department Operating Budgets
Salary and Benefits

Salaries and Benefits calculated
as a % of Total Operating Expenses

FY26	FY27	FY28	FY29	FY30	FY31
64%	63%	62%	64%	65%	64%

Operating Expenses by Department:



Public Safety **Administration** **Public Works** **Planning & Zoning**



Assumptions - Capital Improvements

Drainage

Below is a description, projected timing and our engineer's most recent cost estimates to complete critical drainage issues within the Town.

	FY27	FY28	FY29	FY30	FY31
Woodland Park Drainage Phase 2	\$ 590,010	\$ -	\$ -	\$ -	\$ -
The Cottages		\$ 102,000	\$ -	\$ -	\$ -
Woodland Avenue Drainage Study	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Hunter's Run Pipe Replacement	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -
Eastgate Blvd Pipe Replacement	\$ -	\$ -	\$ -	\$ -	\$ -
Oakwood Ave Drainage Improvements	\$ 315,600	\$ -	\$ -	\$ -	\$ -
Total projected by Fiscal Year	\$ 955,610	\$ 102,000	\$ 1,200,000	\$ -	\$ -
		\$ -	not yet included in Budget		
Total Estimated Drainage Project Costs =		\$ 2,257,610			

Sidewalks

- ADA Transition Plan, Restoration and Replacement

In accordance with the Americans with Disabilities Act of 1990 (ADA), certain public entities are required to complete a transition plan that addresses pedestrian access routes on the public right-of-way. A detailed 2016 Transition Plan was reviewed and approved by the Town Council at its February 14, 2017 meeting. All planned ADA transitions have been completed. ADA repairs, restoration and replacement of sidewalks were moved in FY2019 to the operating budget and are reimbursed by the Street Repair & Replacement Trust Fund.

The FY2027 is based on restoration or replacement projects currently being planned.

	FY26	FY27	FY28	FY29	FY30	FY31
Sidewalks - Restoration / Replacement	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000

Police Vehicles

The FY2027 budget assumes three (3) replacement police vehicles will be ordered with one (1) replacement in FY2028, 29, 30 and 31.

The cost is based on the most recent new vehicle acquired and will be purchased with \$45K from Sussex County as well as \$210K granted by Town Council from the Emergency Services Enhancement Fund (ESEF).

As of December 31, 2025, the Emergency Services Enhancement Fund had a balance of \$1,179,245 and can support the utilization of funds for the purchase of replacement police vehicles.



	FY26	FY27	FY28	FY29	FY30	FY31
Police Vehicles	\$ -	\$ 255,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000

Capital Repairs and Replacement

The Capital Replacement Trust Fund ("CRTF") was established in March 2007, by Ordinance No. 213. The CRTF was created to ensure that adequate funding is provided each year to repair and replace the Town's capital assets and improvements.

The April 5, 2019 review of the Town's Reserve Study was prepared by The Whayland Group, LLC and was amended in January 2024, November 2024 adding contingency for one-time expenses and most recently, in January 2026. The reserve study identifies out-year costs of known and recurring infrastructure needs. This detail is then used to assist in determining the funding allocated for/sent to the Capital Reserve Trust Fund (CRTF).

The below projected capital expenditures are based on the amended study.

	FY26	FY27	FY28	FY29	FY30	FY31
Capital repair and replacements	\$ 298,960	\$ 217,500	\$ 523,240	\$ 93,735	\$ 71,685	\$ 465,970

Strategic Plan

The State of Delaware requires that towns participate in comprehensive planning for the purpose of encouraging the most appropriate uses of the physical and fiscal resources of the municipality and the coordination of the municipal growth, development, and infrastructure investment actions with those of other towns, Sussex County and the State. The Town of Ocean View's plan was written to comply with the requirements of a municipal development strategy as described in the Delaware Code for towns with a population greater than 2,000. It is intended to cover a 10-year planning window and be reviewed at least every five years.

The Town Council on Tuesday, March 10, 2020, adopted the Town's 2020 Comprehensive Plan update. **The Plan received a 2020 American Planning Association Small Town Award**, which is presented to an outstanding Comprehensive Plan that addresses the development of a neighborhood, community, county or region. Ocean View's success in receiving this award was its high level of community engagement opportunities provided to get feedback and input, as well as the Town's commitment to the Plan. This accomplishment was followed in November 2021 by the announcement that the **State of Delaware's local chapter of the National Planning Association awarded Ocean View's 2020 Comprehensive Plan update its 2021 Outstanding Planning Project**.

In striving to become a complete community, Ocean View, Delaware, with the support of an involved citizenry, attempted to further define its unique character, by improving connectivity, supporting mixed and efficient uses of land, honoring our history, promoting healthy and engaging environments, focusing on cleanliness and safety and encouraging business diversity and job growth. In short, the future complete Ocean View community will in turn be a place where people desire to live, open a business and be engaged.

The most important considerations identified in the Comprehensive Plan are:

- Exploring strategies for managing growth, both inside and outside of Town boundaries.
- Fostering a stronger sense of community by identifying unique features, encouraging more community events, and possibly acquiring additional community gathering spaces.
- Expanding streetscaping along Route 26 and restricting commercial growth to mainly this corridor.
- Exploring options with other local partners and the state to increase the Town's multi-modal transportation offerings by extending sidewalks/crosswalks/bikelanes and off-road pedestrian corridors throughout Town.



- Examining an array of transportation options to get visitors and residents to the beach safely.
- Protecting invaluable natural and recreational resources and assets such as the Assawoman Canal and Trail.

The Community Vision Statement is based on comments and suggestions received during the public outreach process, as well as deliberation by the Comprehensive Plan Advisory Committee. They developed the following vision:

Ocean View: Embracing our history, managing our growth, and working together to become a complete community.



Achieving the Objectives Outlined in the Strategic Plan

The Town of Ocean View will implement the plan and ensure that current and future projects align with the established objectives and will work closely with the entities and all other organizations that have a community or economic impact on the Town. Future planning efforts will build upon the goals and vision established within the document. Therefore, the Comprehensive Land Use Plan is fully integrated into the Town's current planning initiatives, leading to a long-lasting impact and implementation. Below shows how each the Council, Administration and Departments are striving to achieve the objectives of the Comp Plan.

- (1) The Comprehensive Plan adopted by the Town Council provides long-term objectives;
- (2) Town Administration sets annual goals that align with the long-term objectives adopted by Council; and
- (3) The Town's Departments create goals to meet the objectives of Administration that will assist in achieving the long-term objectives set by the Comp Plan.

The Town has myriad tools at its disposal, such as the Route 26 Design Guidelines, the Historical Society and an active community. Each of the Plan's recommendations has been compiled and labeled as either a 'short-term' or 'long-term' goal and is reviewed periodically. The 2020 Certified Copy of the Comprehensive Plan is located on the Town's website.

Long-Term Objectives

The Comprehensive Land Use Plan (CLUP) outlines 11 long-term objectives which are used to set the annual goals for the upcoming budget year.

The 11 long-term objectives are:

Population and Demographics: Consideration of population projections, future housing and build-out, other demographic characteristics and aging-friendly communities.

Community Character and Design: Community character, history, community events and community design.

Future Land Use: Existing land use, future land use, annexation and zoning.

Environment: Habitat preservation, Forestry grants, Tree City USA, Wetlands Buffer, total maximum daily loads for the Inland Bays Watershed, source water protection, FEMA, hazard mitigation, air quality, and climate change.

Open Space and Recreation: Adhere to the Statewide Comprehensive Outdoor Recreation Plan (SCORP), Town recreation (both active and passive), Assawoman Canal along with Open Space and recreation opportunities.

Historic Resources: Retain the historic district, historic structures, and continued support of the Ocean View Historical Society.

Housing: Occupancy, housing composition, age of structures and future housing.

Community Services and Facilities: Community facilities, public safety and services, along with water and wastewater.

Economic Development: Monitor and assess economic conditions.

Transportation: Roads, traffic trends, bicycle facilities, pedestrian facilities and transit.

Intergovernmental Coordination: Engagement with neighboring communities, Sussex County, and State and Federal departments



Annual Goals

The Town administration sets annual goals that align with the long-term objectives set forth with the adoption of the Comprehensive Land Use Plan by the Town Council and then the Town's Departments create goals to meet the objectives of the Administration that will assist in achieving the long-term objectives set by the plan.

Ocean View's annual administrative goals are as follows:

- (1) Maintain a strong financial position through fiscal discipline
- (2) Provide services for an active, healthy and involved community
- (3) Promote economic development and growth
- (4) Preserve the Town's character and its natural resources
- (5) Maintain the safety of our community for residents, businesses and visitors
- (6) Provide superb customer service for the citizens through the dedicated staff

Annual Goal Relationship to Long-term Objective

Each annual goal is linked to long-term objectives. The relationship between the annual goal set by administration and the long-term objectives outlined in the Comprehensive Land Use Plan (CLUP) are shown below.



Annual Goal	Long-term Objective
Goal 1: Maintain a strong financial position through fiscal discipline.	• Population / Demographics • Community Character / Design • Future Land Use • Environment • Open Space / Recreation • Historic Resources • Housing • Community Services / Facilities • Economic Development • Transportation • Intergovernmental Coordination
Goal 2: Provide services for an active, healthy, and involved community.	• Population / Demographics • Future Land Use • Open Space / Recreation • Community Services / Facilities • Intergovernmental Coordination
Goal 3: Promote economic development and growth.	• Population / Demographics • Community Character / Design • Economic Development • Transportation • Intergovernmental Coordination
Goal 4: Preserve the Town's character and its natural resources.	• Community Character / Design • Future Land Use • Open Space / Recreation • Historic Resources • Community Services / Facilities • Transportation • Intergovernmental Coordination
Goal 5: Maintain the safety of our community for residents, businesses, and visitors.	• Population / Demographics • Community Character / Design • Housing • Community Services / Facilities • Intergovernmental Coordination
Goal 6: Provide superb customer service for the citizens through the dedicated staff.	• Population / Demographics • Community Character / Design • Future Land Use • Environment • Open Space / Recreation • Historic Resources • Housing • Community Services / Facilities • Economic Development • Transportation • Intergovernmental Coordination

Short-term Factors

There are many short-term factors that influence the development of a budget. The main factors that influenced the Town's FY2026 budget include inflation, revenue limitations, and the Town's 5-year reassessment.

Inflation

Inflation is a concern when developing a budget. The CPI-U which is used to monitor inflation had a 3.891% change from December 31, 2025. The CPI-U Mid Atlantic is used to set the pay scale for the Town Council and Mayor as well as to help determine increases in expenditures that may be needed, such as fuel, construction supplies and utilities.

Inflation is affecting all aspects of the budget including salaries and projects associated with the Capital Improvement Plan. Original estimates of projects are now being reviewed and revised based on current costs.

Revenue Limitations

The Town is seeing pressures from the following revenue limitations:

Transfer tax growth subsiding

As the Town becomes built-out, it will likely see transfer tax at least leveling at \$1 million if not dropping below that threshold. The status of interest rates and the real estate market in general will impact sales.

Impact fee revenue subsiding

As the new construction slows, the Town expects to see impact fees subside as well, which may decrease the amount it can dedicate to emergency service grants absent other revenue subsidies. Currently, the Impact Fee is dedicated to capital grants to Millville Fire Department and to the Town's Police Department for vehicle replacement.

Assessment growth declining

In the last two years, the Town has already seen declining assessment growth. Prior to FY2023, the Town's taxable assessable value grew by at least 4% annually. Since then, growth has declined.



Property Reassessment

In 2022, the Town conducted a revaluation of all tax proprieties located in the Town's corporate boundaries in accordance with the Town Charter that requires a reassessment every five years. These new assessed values were used for the Town's Fiscal Year 2023 property tax bills that were mailed in late May 2022. The town had last reassessed properties in 2017 and these values were used for the property tax billings beginning with the fiscal year 2018 property taxes.

The Town contracted with Pearson's Appraisal Services, Inc. to conduct the reassessment. The Town's reassessment was independent and not associated with the reassessment by Sussex County.

As a result of the reassessment, the FY2023 Budget was adopted with the proposed three-cent tax rate reduction. The tax rate per \$100 assessed value decreased from .2678 to .2378 and was reflected in the May 2022 Real Estate tax bill. The tax rate remained the same in FY2024 and FY2025. A two-cent increase was proposed in the FY2026 budget which brought the tax rate to .2578 per \$100 assessed value. The FY2027 budget maintains the tax rate at .2578 per \$100 assessed value.

The next revaluation of all properties located in the Town's corporate boundaries in accordance with the Town Charter is scheduled to be completed by December 2026 (FY2027) for the property tax bills being mailed in May 2027 (FY2028). The FY2027 budget includes the expense of the reassessment. The Town has determined that coordinating with Sussex County is not in the best interest of the Town and its citizens at this time due to differences in maintaining and billing subdivided properties along with other factors. As the newly subdivided properties are added to Sussex County billing, the Town will re-evaluate the option of obtaining the property assessed values from Sussex County.

Priorities & Issues

The Town of Ocean View focuses on the following identified issues or priorities, either financial in nature or having an impact on long-range goals. It is our goal to provide adequate services to the residents of Ocean View by continuing to budget conservatively, continuing to eliminate reliance on Transfer Tax and to continue to plan projects that encompass the importance of maintaining a high level of attractions.

Financial Burden

- Continue to fund the Town's pension liability at the actuarial required contribution determined by the State of Delaware Pension Office.
- Maintaining an operating reserve of at minimum two (2) months of operating expenses, with four (4) months being preferred.
- Anticipating future reduction in transfer tax revenue (not relied on for operations but needed to maintain adequate trust fund levels) in relationship to the Town reaching its limit of annexation. This fact impacts our out-year focus by underscoring the importance of maintaining a high level of attraction in relationship to service delivery and livability, including safety, cleanliness, walkability, bike lanes, community events, financial standing, etc. Ocean View will strive to maintain property values and resale interests as it manages this probability.
- Continued planned maintenance of infrastructure including streets, stormwater facilities, buildings, etc.

Long Range Planning

- Completion of sidewalk and bike lane networks which allow for increased walkability / bikeability and less reliance on vehicles.
- Increased open space availability through partnerships with the State of Delaware and other property owners. In FY2023, the Town purchased four (4) acres located on the corner of Muddy Neck and Double Bridges Roads for just this purpose. In FY2024, the Town purchased 8 Oakwood Avenue, which is adjacent to John West Park.
- Continue to support Ocean View's historic past and corridor, including the Historic Village in Ocean View and the Coastal Towns Museum, to increase interest in living or maintaining a business within the Town.
- Employee / Council / Boards and Commission recruitment, retention and succession planning.



Personnel Changes

Over the last three (3) fiscal years, the Town has added staff due to an increase in demand for services provided by the Town and with the addition of the SRO at Lord Baltimore Elementary School, an additional officer was hired in FY2024.

Management discusses succession planning annually and expects that certain key positions may turn over in 2 to 4 years. In order to prepare and separate certain Public Works (DPW) duties from Planning & Zoning (PZ), a DPW Facility Operations Manager was hired in FY2025.

With the State of Delaware's unfunded mandates that local police departments establish a Police Accountability Committee (PAC) and maintain a State accreditation. The council approved the hiring of a part-time coordinator position to oversee the PAC meetings and assist in the every 3-year accreditation process.

With the anticipation of the completion of Berzin's Natural & Park Area and to reduce the amount of overtime in Public Works, the addition of two (2) part-time employees to Public Works was approved in the FY2026 Budget. In the fall of 2025, the Town's long-time cleaning service provider retired. As a result, the Town Council approved the hiring of an additional part-time employee to the Public Works Department and janitorial duties were brought in-house, resulting in a savings of approximately \$14,400.

Proposed staffing levels (full and part-time by department) are represented in the table below.

Department	FY2024	FY2025	FY2026	FY2027	Reason for Change
<u>Administration</u>					
Full-time Employees	4	4	4	4	No change since FY2021 when F/T Accountant went P/T and a new Accountant was hired.
Part-time Employees	1	1	1	1	
<u>Planning & Zoning (PZ)</u>					
Full-time Employees	5	5	5	5	No change since FY2023 when a Seasonal Code Enforcement Officer (3 days a week between May and October) was hired. The position was unfunded for FY2027.
Part-time Employees	1	1	1	0	
<u>Public Safety</u>					
Full-time Employees	15	15	15	15	14 Sworn Officers / 1 Administrative Secretary / 1 PTE Coordinator / 1 Seasonal Front Desk - With the addition of an SRO at Lord Baltimore Elementary School, an additional officer was hired in FY2024. Council approved the hiring of a coordinator to oversee PAC and assist with accreditation in FY2025.
Part-time Employees	1	2	2	2	
<u>Public Works (DPW)</u>					
Full-time Employees	2	3	3	3	To move typical DPW duties from the PZ department, a Facility Operations Manager was hired in FY2025. FY2026 added 3 P/T staff.
Part-time Employees			2	3	
	29	31	33	33	

Pay Scale

The Town of Ocean View has three (3) pay scales as seen below.

- Administrative
- Administrative Sworn Officers
- Sworn Officers

The first represents administrative employees, including both full and part-time employees, while the second represents administrative officers.

In FY2026, the Town hired PFM Financial Advisors to perform a Police Total Compensation Study on our behalf as deemed necessary to remain competitive and retain personnel. As a result of the study, the sworn officers (non-administrative) are migrating to a pay scale with 1.5% steps, promotional increases and 1.5% COLA. The starting salary was increased to \$72,000 and the officers were placed on the pay scale based on years of service. Administrative Sworn Officers remained on the already established Public Safety Pay Scale as shown in the second pay scale.

For the FY2027 proposed budget, the administrative pay scales were adjusted based on the December 31st CPI-U for the mid-Atlantic region (3.891%) and do not include contractual employees (Town Manager and Police Chief).

Below are the administrative pay scales proposed for FY2027 and the number of employees per department by grade:

Pay Scale - Administrative			
	Minimum	Midpoint	Maximum
1	\$ 31,715	\$ 41,230	\$ 50,744
2	\$ 34,287	\$ 44,574	\$ 54,860
3	\$ 37,068	\$ 48,189	\$ 59,310
4	\$ 40,075	\$ 52,098	\$ 64,120
5	\$ 43,326	\$ 56,323	\$ 69,321
6	\$ 46,840	\$ 60,892	\$ 74,944
7	\$ 50,639	\$ 65,831	\$ 81,022
8	\$ 54,746	\$ 71,170	\$ 87,594
9	\$ 59,187	\$ 76,943	\$ 94,699
10	\$ 63,987	\$ 83,183	\$ 102,380
11	\$ 69,177	\$ 89,930	\$ 110,684
12	\$ 74,788	\$ 97,225	\$ 119,661
13	\$ 80,854	\$ 105,111	\$ 129,367

Department			
Adm	PZ	PS	DPW
		1	3
	1		1
	1	2	
	1		1
3			
	1		
			1
1	1		
4	5	3	6

Pay Scale - Public Safety (Administrative Sworn Officers)			
	Minimum	Midpoint	Maximum
9	72,000	93,600	115,200
10	77,840	101,192	124,544
11	84,154	109,400	134,646
12	90,979	118,273	145,567
13	98,359	127,866	157,374

		1	
		1	
0	0	2	0
4	5	5	6

Total Employee Count by Department

Below is the Sworn Officer pay scale as proposed for FY2027:

Promotional Increases	-	6.0%	6.0%	6.0%	8.0%	8.0%	8.0%	
Steps	Step Increase	Officer	Officer First Class	Corporal	Master Corporal	Sergeant	Lieutenant	Captain
0	-	\$72,000	\$76,320	\$80,899	\$85,753	\$92,613	\$100,022	\$108,024
1	1.5%	\$73,080	\$77,465	\$82,113	\$87,039	\$94,003	\$101,523	\$109,645
2	1.5%	\$74,176	\$78,627	\$83,344	\$88,345	\$95,413	\$103,046	\$111,289
3	1.5%	\$75,289	\$79,806	\$84,595	\$89,670	\$96,844	\$104,591	\$112,959
4	1.5%	\$76,418	\$81,003	\$85,863	\$91,015	\$98,296	\$106,160	\$114,653
5	1.5%	\$77,564	\$82,218	\$87,151	\$92,380	\$99,771	\$107,753	\$116,373
6	1.5%	\$78,728	\$83,452	\$88,459	\$93,766	\$101,268	\$109,369	\$118,118
7	1.5%	\$79,909	\$84,703	\$89,786	\$95,173	\$102,787	\$111,009	\$119,890
8	1.5%	\$81,107	\$85,974	\$91,132	\$96,600	\$104,328	\$112,675	\$121,689
9	1.5%	\$82,324	\$87,264	\$92,499	\$98,049	\$105,893	\$114,365	\$123,514
10	1.5%	\$83,559	\$88,572	\$93,887	\$99,520	\$107,482	\$116,080	\$125,367
11	1.5%	\$84,812	\$89,901	\$95,295	\$101,013	\$109,094	\$117,821	\$127,247
12	1.5%	\$86,085	\$91,250	\$96,725	\$102,528	\$110,730	\$119,589	\$129,156
13	1.5%	\$87,376	\$92,618	\$98,175	\$104,066	\$112,391	\$121,383	\$131,093
14	1.5%	\$88,686	\$94,008	\$99,648	\$105,627	\$114,077	\$123,203	\$133,060
15	1.5%	\$90,017	\$95,418	\$101,143	\$107,211	\$115,788	\$125,051	\$135,055
16	1.5%	\$91,367	\$96,849	\$102,660	\$108,820	\$117,525	\$126,927	\$137,081
17	1.5%	\$92,737	\$98,302	\$104,200	\$110,452	\$119,288	\$128,831	\$139,137
18	1.5%	\$94,129	\$99,776	\$105,763	\$112,109	\$121,077	\$130,763	\$141,225
19	1.5%	\$95,540	\$101,273	\$107,349	\$113,790	\$122,893	\$132,725	\$143,343
20	1.5%	\$96,974	\$102,792	\$108,959	\$115,497	\$124,737	\$134,716	\$145,493

Notes:

The starting salary was increased to \$72,000 from \$68,000.

Each sworn officer will be placed on the above pay scale based on rank and years of service (step) as of December 31, 2024. For example, the salary of an officer with the rank of Master Corporal and 7 years of service as of December 31, 2024 will be adjusted to \$95,173 and then given the 1.5% Step increase to Step 8 or \$96,600 effective May 1, 2026 in association with the FY2027 budget.

The OVPD has 11 officers which will migrate to the above pay scale.



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FUND SUMMARIES



General Fund



The General Fund accounts for all financial transactions and resources for the Town of Ocean View. Revenues in the General Fund are primarily from taxes (property, realty transfer and gross rental receipts), intergovernmental sources and charges for services.

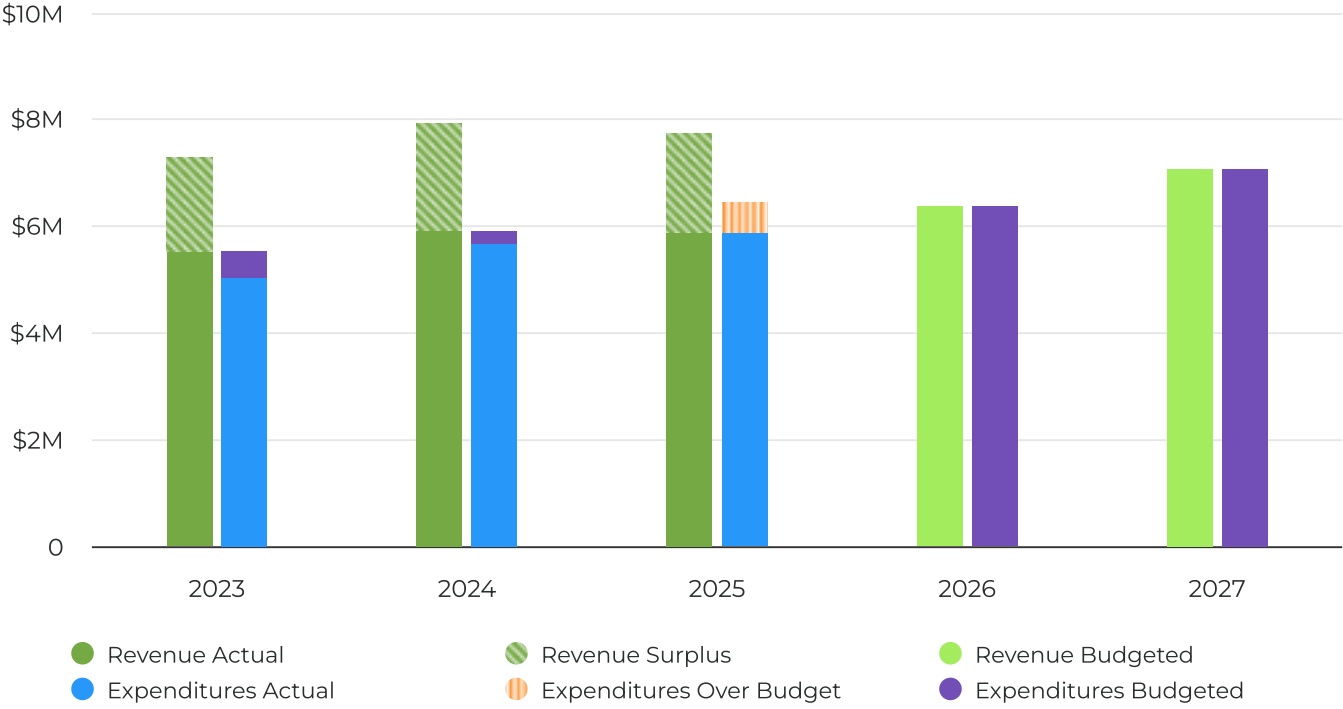
The General Fund includes the Town administration, planning, zoning & development, public safety and public works, including capital expense funding, such as improvements to Town buildings, equipment and vehicles, public works equipment and projects, community events and John West Park improvements.

Summary

The Town of Ocean View is projecting \$7,661,600 of revenue in FY2027 prior to transfers to the Town's trusts, which represents a 6.4% increase over the prior year (\$7,202,015). Budgeted expenditures are projected to increase by 10.8% or from \$6,377,515 in FY2026 to \$7,065,060 in FY2027.

The above totals are revenues and operating expenses only and do not include capital expenditures funded by the General Fund or the transfer to / from the Trust accounts. The shortages must be available from the unassigned fund balance. The operating expenses include Street Repair and Maintenance, which is funded by the Street Repair and Replacement Trust fund (SRRTF).

Revenues vs Expenditures Summary



Revenues by Source

Taxes are the largest revenue source for the General Fund. Taxes include property taxes, realty transfer taxes and gross rental receipts tax. Property tax is the largest of these three revenue sources.

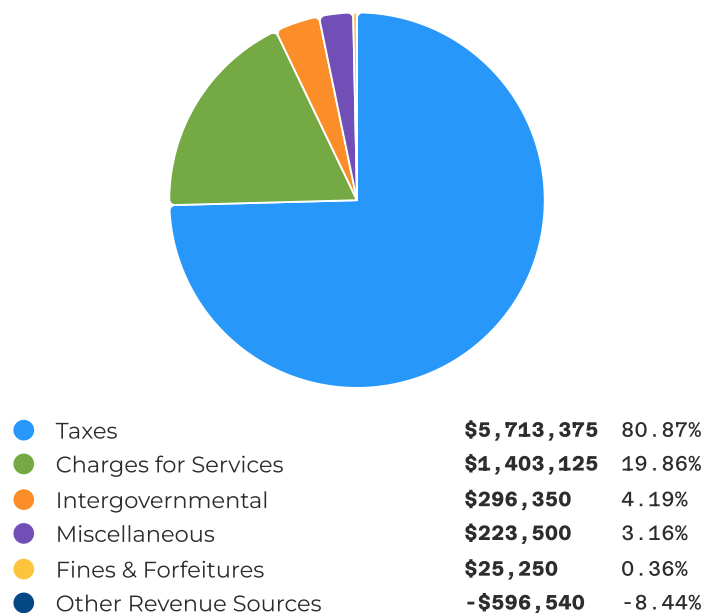
Property assessments continue to increase due to additional improvements and new construction added to the tax roll. Property tax assessments for FY2023 increased 24% over FY2022 due to the required town-wide 5-year reassessment. The FY2023 budget included a three-cent decrease in the property tax rate. A two-cent increase to the tax rate was adopted in FY2026, taking the tax rate from .2378 per \$100 assessed valuation to .2578 per \$100 assessed valuation.

We are proposing no change to the rate for FY2027, keeping the tax rate at .2578 per \$100 assessed value.

Realty transfer tax continues to be a restricted revenue for FY2027, giving no support to the general operations of the Town. Realty transfer tax is restricted to the Capital Replacement Trust (CRTF), Street Repair and Replacement Trust (SRRTF) and the Emergency Reserve Trust (ERTF).

Gross rental receipt tax has shown growth of 2% over the past two (2) years, compared to 8% in FY2023, and is continuing that trend in FY2026. The gross rental tax rate increased from 5% to 6% in calendar year 2025.

Projected 2027 Revenue by Source



For Fiscal Year 2027, the following revenues are transferred out of the General Fund and shown below under Other Revenue Sources:

- Transfer Tax to CRTF, SRRTF and ERTF in the amount of \$1,250,000
- Impact Fees to ESEF in the amount of \$155,000
- County Share of \$45,000 to the Capital Program for the purchase of OVPD replacement vehicles.

For Fiscal Year 2027, the following revenues are transferred to the General Fund and shown below as part of Other Revenue Sources:

- Use of Unassigned Fund Balance in the amount of \$235,000 (one-time costs for Berzin's Nature Park & Trail).
- Use of \$82,154 from the sale of Water Distribution System to eliminate the need for a tax rate increase.
- Street and Sidewalk Maintenance from SRRTF in the amount of \$335,000
- Grant awards from ESEF in the amount of \$436,305 (\$80,000 to Millville VFD and \$356,305 to OVPD).

Summary of Revenues by Source

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Taxes	\$5,355,968	\$5,582,075	\$5,713,375	2.35%
Intergovernmental	\$568,585	\$238,140	\$296,350	24.44%
Miscellaneous	\$337,480	\$220,500	\$223,500	1.36%
Fines & Forfeitures	\$30,949	\$25,250	\$25,250	0.00%
Charges for Services	\$1,465,952	\$1,136,050	\$1,403,125	23.02%
Other Revenue Sources	\$0	-\$824,500	-\$596,540	-27.65%
Total Revenues	\$7,758,933	\$6,377,515	\$7,065,060	10.70%

The Revenue Detail by line item for each Revenue Source can be found in Section 3, Funding Sources.

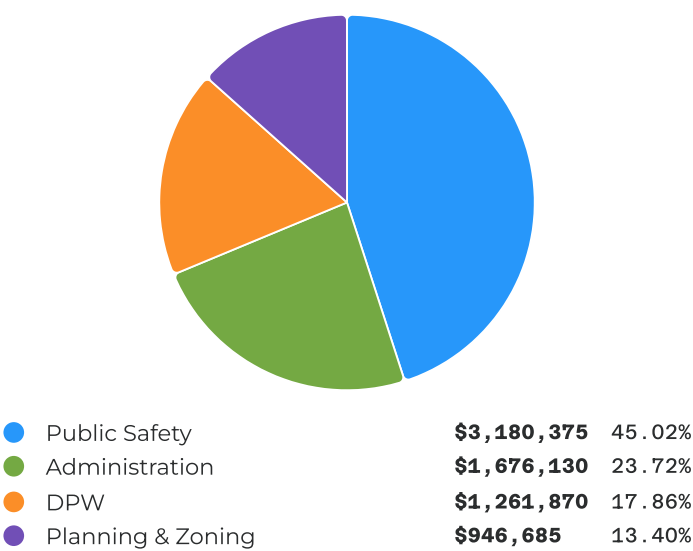


Expenditures by Function (Department)

The pie chart below indicates the function (or department) supported by the Town's revenues for the citizens of Ocean View. Public Safety is 45.02% of the town's expenditure. During the year, Public Safety applies for and is awarded many grants which aid in offsetting the expenses associated with overtime and equipment, although these grants are not budgeted.

DPW (Department of Public Works) includes expenses funded from the Street Repair and Replacement Fund for the purposes of sidewalk and street improvements. For FY2027, \$335,000 has been budgeted.

FY27 Expenditures by Function (Department)



Summary of Expenditures by Function (or Department)

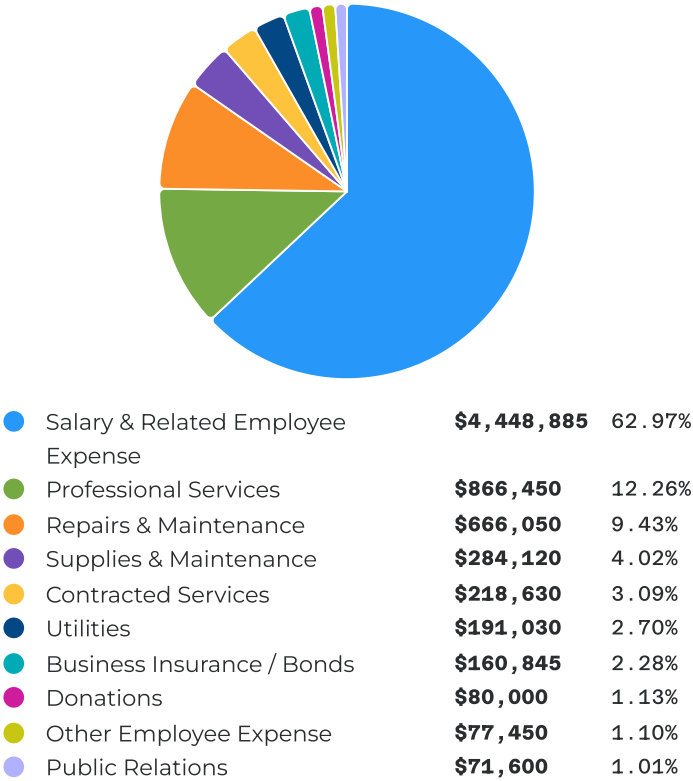
Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Administration	\$1,304,853.11	\$1,495,400.00	\$1,676,130.00	12.09%
Planning & Zoning	\$837,493.07	\$910,620.00	\$946,685.00	3.96%
Public Safety	\$2,712,321.77	\$2,863,200.00	\$3,180,375.00	11.08%
DPW	\$1,575,522.83	\$1,108,295.00	\$1,261,870.00	13.86%
Total Expenditures	\$6,430,190.78	\$6,377,515.00	\$7,065,060.00	10.78%

The Expenditure Detail by line item for each department can be found in section 4, Departments.

Administration (page 124)	Planning and Zoning (page 132)
Public Safety (page 138)	Public Works (page 144)

The pie chart below shows the FY2027 expenditures by category. Salaries and related employee expenses are the Town's largest expenditure category at 62.97% or \$4.44 million. Salaries and related employee expenses were \$4.05 million in FY2026. The 9.8% increase over last year is the result of the 3% COLA for administrative staff (sworn and non-sworn excluding contractual employees), the \$4,000 (per sworn officer) increase in public safety starting salary and the migration of the OVPD sworn officers to a step pay scale as noted in the Budget Message. For FY2027, we are anticipating a reduction in Health Insurance Premiums (rates) in association with the transition from State of Delaware Health Plans to Delaware Valley Health Trust.

FY27 Expenditures by Expense Type



Expenditures by Object

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Salary & Related Employee Expense	\$3,699,498.58	\$4,052,050.00	\$4,448,885.00	9.79%
Other Employee Expense	\$86,525.38	\$76,950.00	\$77,450.00	0.65%
Business Insurance / Bonds	\$120,852.97	\$137,900.00	\$160,845.00	16.64%
Professional Services	\$604,987.98	\$683,580.00	\$866,450.00	26.75%
Contracted Services	\$138,517.69	\$176,030.00	\$218,630.00	24.20%
Supplies & Maintenance	\$324,382.85	\$277,540.00	\$284,120.00	2.37%
Repairs & Maintenance	\$1,132,525.37	\$623,200.00	\$666,050.00	6.88%
Utilities	\$178,261.86	\$197,250.00	\$191,030.00	-3.15%
Public Relations	\$65,354.10	\$73,015.00	\$71,600.00	-1.94%
Donations	\$79,284.00	\$80,000.00	\$80,000.00	0.00%
Total Expenditures	\$6,430,190.78	\$6,377,515.00	\$7,065,060.00	10.78%



Fund Balance

Funds saved from prior years are represented in the Town's financial statements as Fund Balance. Governmental funds report amounts for five classifications of fund balances based on the constraints imposed on the use of resources.

The **Nonspendable Fund Balance** classification includes the amounts that cannot be spent because they are either (1) not in spendable form such as prepaid items or inventories; or (2) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications:

- **Restricted Fund Balance** — this classification reflects the constraints imposed on resources either (1) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** — these amounts can only be used for specific purposes pursuant to constraints imposed by formal ordinances or resolution by a majority vote of the Town Council.
- **Assigned Fund Balance** — this classification reflects the amount constrained by the Town's "intent" to be used for specific purposes, but is neither restricted nor committed. The Town Council solely has the authority to specifically assign funds. There is \$69,500 assigned as of the year ending April 30, 2025 for use in FY2026.
- **Unassigned Fund Balance** — this fund balance is the residual classification for the General Fund. This represents the resources available for future spending.

Fund Balance Summary

Fund Balance	FY 2023	FY 2024	FY 2025	% Change
Unassigned	\$2,128,289	\$2,002,043	\$2,564,871	0.00%
Assigned	\$0	\$0	\$69,500	0.00%
Committed	\$1,430,634	\$1,708,179	\$1,218,436	0.00%
Restricted	\$5,663,276	\$4,455,675	\$3,781,832	0.00%
Nonspendable	\$56,662	\$73,806	\$76,448	0.00%
Total Fund Balance	\$9,278,861	\$8,239,703	\$7,711,087	



Net Change in Fund Balance

Below the Statement of Revenues, Expenditures and Changes in Fund Balance reflects actual net changes in FY2023, FY2024 and FY2025, projected net change in FY2026 and proposed (estimated) net change in FY2027.

	ACTUAL			BUDGET	
	FY2023	FY2024	FY2025	FY2026 (Projected)	FY2027 (Proposed)
REVENUES					
Taxes	\$ 4,979,925	\$ 5,002,037	\$ 5,355,968	\$ 5,582,075	\$ 5,713,375
Intergovernmental revenues	1,018,547	1,528,538	568,585	238,140	296,350
Charges for services	972,622	957,116	1,465,952	1,136,050	1,403,125
Other Revenue	303,304	423,850	368,428	245,750	248,750
Total Revenues	7,274,398	7,911,541	7,758,933	7,202,015	7,661,600
EXPENDITURES					
Current					
General Government (Administration)	1,128,334	1,213,675	1,301,208	1,495,400	1,676,130
Planning and Zoning	658,369	697,360	833,340	910,620	946,685
Public Safety	2,168,209	2,484,418	2,710,337	2,863,200	3,180,375
Public Works	1,179,494	1,263,579	1,575,524	1,108,295	1,261,870
Capital Outlay and Leases *	2,559,761	3,291,667	1,867,140	1,623,640	4,816,216
Total Expenditures	7,694,167	8,950,699	8,287,549	8,001,155	11,881,276
Net Change in Fund Balance	(419,769)	(1,039,158)	(528,616)	(799,140)	(4,219,676)
Fund Balance, Beginning of Year	\$ 9,698,630	9,278,861	8,239,703	7,711,087	6,911,947
Fund Balance, End of Year	\$ 9,278,861	\$ 8,239,703	\$ 7,711,087	\$ 6,911,947	\$ 2,692,271

***NOTE:** Capital Outlay in FY2027 includes proposed funding from financing in the amount of \$1,125,000 and Grant match in the amount of \$1.4 million and will not be acknowledged until received and spent.

Water System

The Town sold the Water Distribution System to Tidewater Utilities Inc. on April 1, 2025 for the amount of \$4,607,660. All debt (Principal and Interest) associated with the General Obligation Bonds Series of 2018 was paid in full from sale proceeds as well as the grant recapture determined by the USDA and costs associated with the sale of the asset.

Moving forward, including FY2027, the Town will no longer include a budget for the Water System.

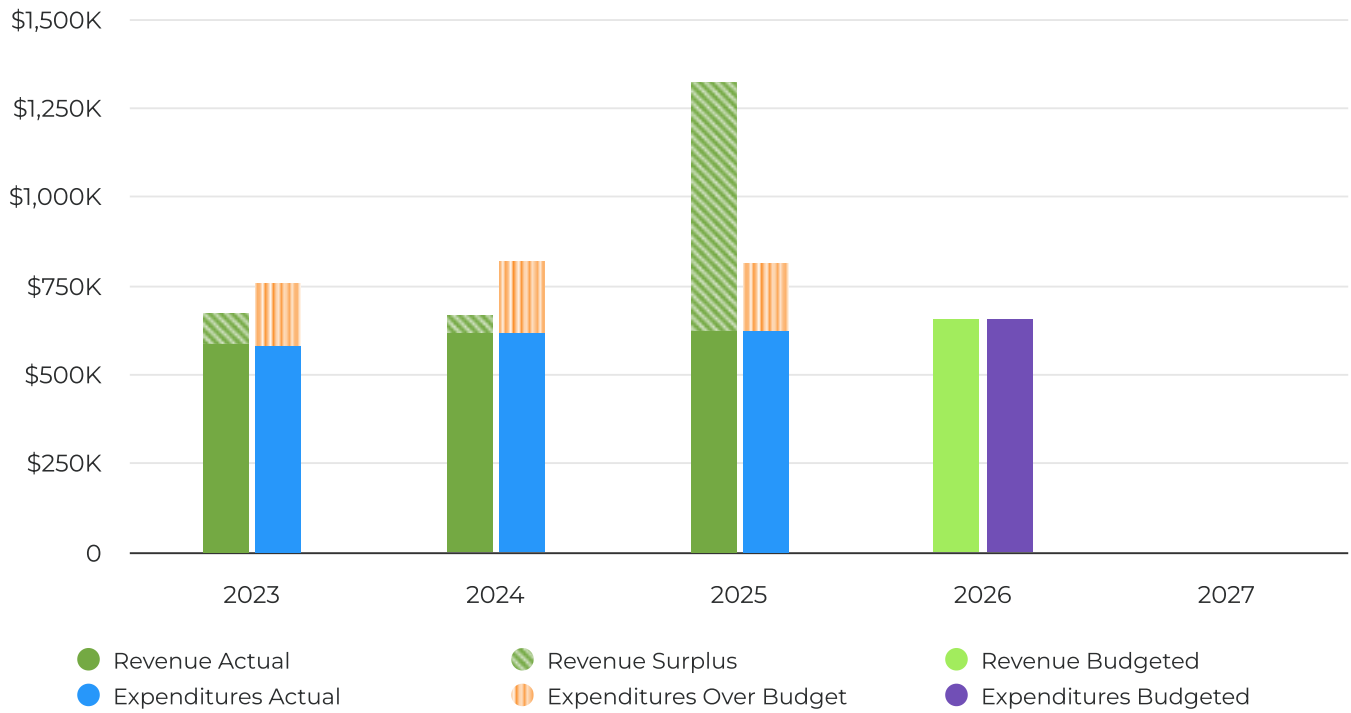
Summary

The Town of Ocean View Water Distribution System was a municipal utility that was fully outsourced to the private water utility, Tidewater Utilities Inc. The system serviced approximately 928 properties within the Town. The system was operated for the Town by Tidewater Utilities and water was provided from Tidewater's wells in the Bethany Bay District. Included in the system were fire hydrants located along streets in the Town's service territory. All properties located within the service territory were required to connect to the system.

In addition, the Town had an operation agreement with Tidewater, to provide meter reading and billing on behalf of the Town's water distribution system. Meters were read quarterly and water bills were mailed in January, April, July and October. Payment was due within 30 days of the billing date. An interest fee of 1.5% of the outstanding account balance was assessed each month until water charges are paid in full.

After four (4) years of negotiations, the Town signed an APA (Asset Purchase Agreement) in June 2024 with Tidewater Utilities, Inc. for the sale of the Water Distribution System. At the July 2024 Town Council meeting, the Mayor and Council voted unanimously in favor of the sale of the Water Distribution System. Resolution 24-06 was signed in to action pending the final approval of the National USDA and the Delaware Public Service Commission. As noted above, the sale concluded in April 2025 (FY2026).

Revenues vs Expenditures Summary



Comprehensive Fund Summary

As stated above, with the sale of the Water Distribution System, the Town will no longer have a Water Fund. By the year-end of FY2026, the water fund will be dissolved, and the fund balance will be disbursed as recommended in the Financial Assessment performed by PFM Financial Consultants in FY2025 and approved by the Council at the November 2025 meeting following a workshop as follows:

- \$300,000 to be transferred to the Capital Reserve Trust.
- \$300,000 to be transferred to the Street Repair & Replacement Trust.
- Develop regulations, guardrails (max 2 cents per year) and accounts to create a Tax Rate Stabilization Trust with funding in the amount equal to approximately 10 cents of assessed value or \$1,421,650, and
- The remaining \$82,155 is to be considered for use in the FY2027 budget.

Comprehensive Fund Summary

Category	FY 2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Proposed (% Change)
Revenues						
Total Revenues	\$669,370	\$664,096	\$1,320,931	\$653,290	\$0	
Expenditures						
Total Expenditures	\$753,464	\$816,961	\$812,028	\$653,290	\$0	
Total Revenues Less Expenditures	-\$84,095	-\$152,864	\$508,903	\$0	\$0	0.00%



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FUNDING SOURCES

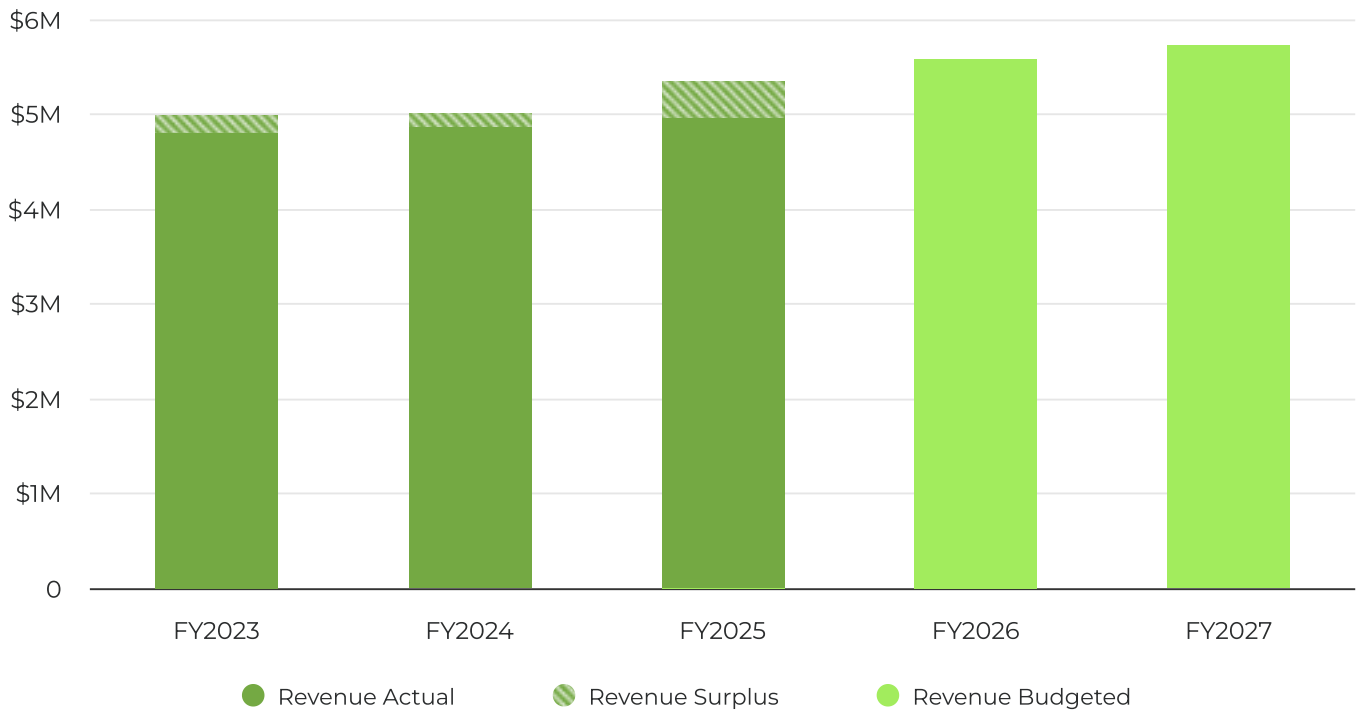


Taxes Summary

Taxes include property taxes, realty transfer taxes and gross rental receipts tax. All of which are General Fund Revenue.

\$5,713,375 **\$131,300**
(2.35% vs. prior year)

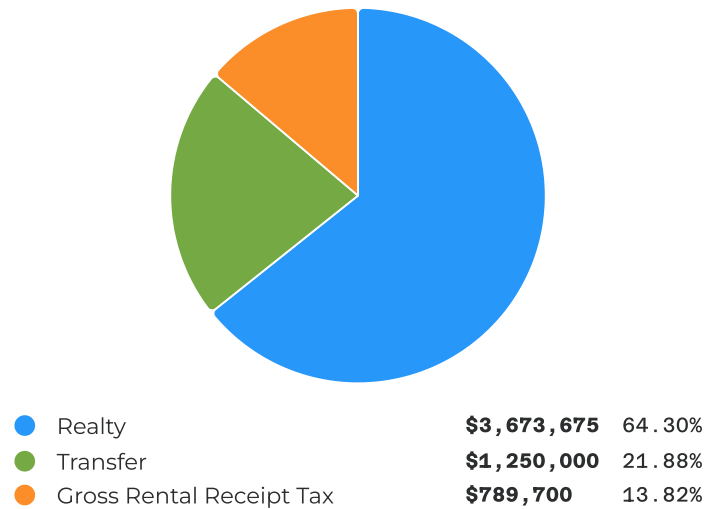
Taxes Proposed and Historical Budget vs. Actual



For FY2026, the budgeted tax revenue is \$5.6 million, representing a 12.37% increase from the previous period. This marks a significant rise in the tax revenue budget compared to the prior year.

In FY2027, the budgeted tax revenue is \$5.7 million, which is a 2.35% increase from the FY2026 budget. This indicates a continued, though more moderate, growth in the tax revenue budget compared to the previous year.

Tax Revenue by Source



The Tax Revenue by Source for the fiscal year includes Realty (Property) taxes at \$3.7 million, which accounts for 64.3% of the total. Transfer taxes contribute \$1.3 million, representing 21.88%. The Gross Rental Receipt Tax amounts to \$789,700, making up 13.82% of the tax revenue.

Tax Revenues by Source

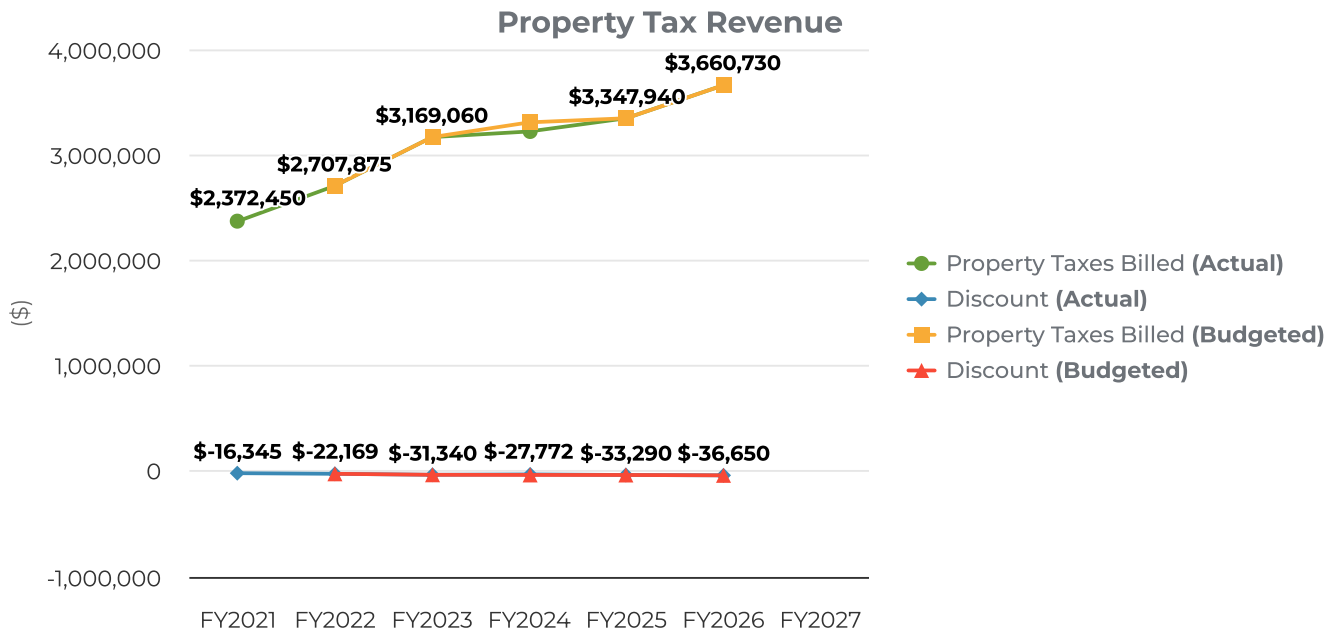
Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Realty	\$3,249,393	\$3,627,375	\$3,673,675	1.28%
Taxes	\$3,249,393	\$3,627,375	\$3,673,675	1.28%
Late Penalties - Taxes	\$4,501	\$3,295	\$5,000	51.75%
Property Taxes Billed	\$3,272,388	\$3,660,730	\$3,705,480	1.22%
Discount	-\$27,496	-\$36,650	-\$36,805	0.42%
Transfer	\$1,436,401	\$1,180,000	\$1,250,000	5.93%
Taxes	\$1,436,401	\$1,180,000	\$1,250,000	5.93%
Transfer Taxes	\$1,436,401	\$1,180,000	\$1,250,000	5.93%
Gross Rental Receipt Tax	\$670,174	\$774,700	\$789,700	1.94%
Taxes	\$670,174	\$774,700	\$789,700	1.94%
Gross Rental Receipt Taxes	\$670,174	\$774,700	\$789,700	1.94%
Total Revenues	\$5,355,968	\$5,582,075	\$5,713,375	2.35%

Property Tax Revenue

The tax rate in FY2026 was .2578 per \$100 assessed value. No increase to the tax rate is being proposed in FY2027. The FY2027 property taxes are projected based on the total assessed values updated through 12/31/2025.

One cent is approximately equal to an increase / decrease of \$142,765 in tax revenue.

At the January 13, 2026, Council meeting, the Council recommended that the Town continue to grant a 1% discount for the early payment of property taxes or \$36,805.



Historical Chart of Tax Rates

The tax rate is per \$100 of assessed value.

The years in **red notate the full Town 5-year reassessment** as required by Town Charter.

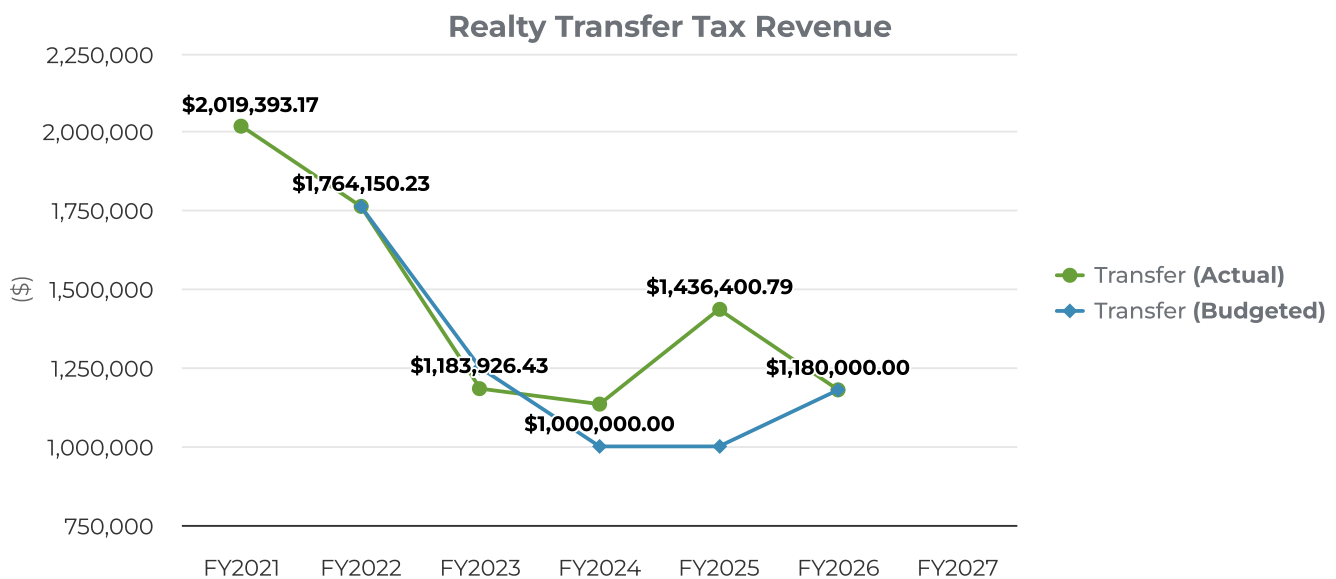
2012-2013	\$	0.1588	0.0352	28%
2013-2014	\$	0.1588	0.0000	0%
2014-2015	\$	0.1620	0.0032	2%
2015-2016	\$	0.1652	0.0032	2%
2016-2017	\$	0.1652	0.0000	0%
2017-2018	\$	0.1652	0.0000	0%
2018-2019	\$	0.2478	0.0826	50%
2019-2020	\$	0.2478	0.0000	0%
2020-2021	\$	0.2478	0.0000	0%
2021-2022	\$	0.2678	0.0200	8%
2022-2023	\$	0.2378	(0.0300)	-11%
2023-2024	\$	0.2378	0.0000	0%
2024-2025	\$	0.2378	0.0000	0%
2025-2026	\$	0.2578	0.0200	8%
Proposed				
2026-2027	\$	0.2578	0.0000	0%

Realty Transfer Tax Revenue

Realty Transfer Taxes are restricted and fund the Capital Replacement Trust (CRTF), Street Repair & Replacement Trust (SRRTF) and the Emergency Reserve Trust (ERTF).

At the January 13, 2026, Council meeting, Council recommended that the Town continue to eliminate reliance on transfer tax. The CRTF (ordinance 304) is funded with 12.5% of the collected transfer tax, the SRRTF (ordinance 303) is funded with 25% of the transfer tax and the ERTF (ordinance 339) is funded with the transfer tax to maintain a balance at 20% of the annual operating budget.

With the Town reaching its limit of annexation, the realty transfer tax will be transitioning from mostly the sale of new homes to the sale of existing homes once the remaining communities are developed. With this in mind, the realty transfer tax revenue is being adjusted for a slight increase over last fiscal year as shown in the chart below.

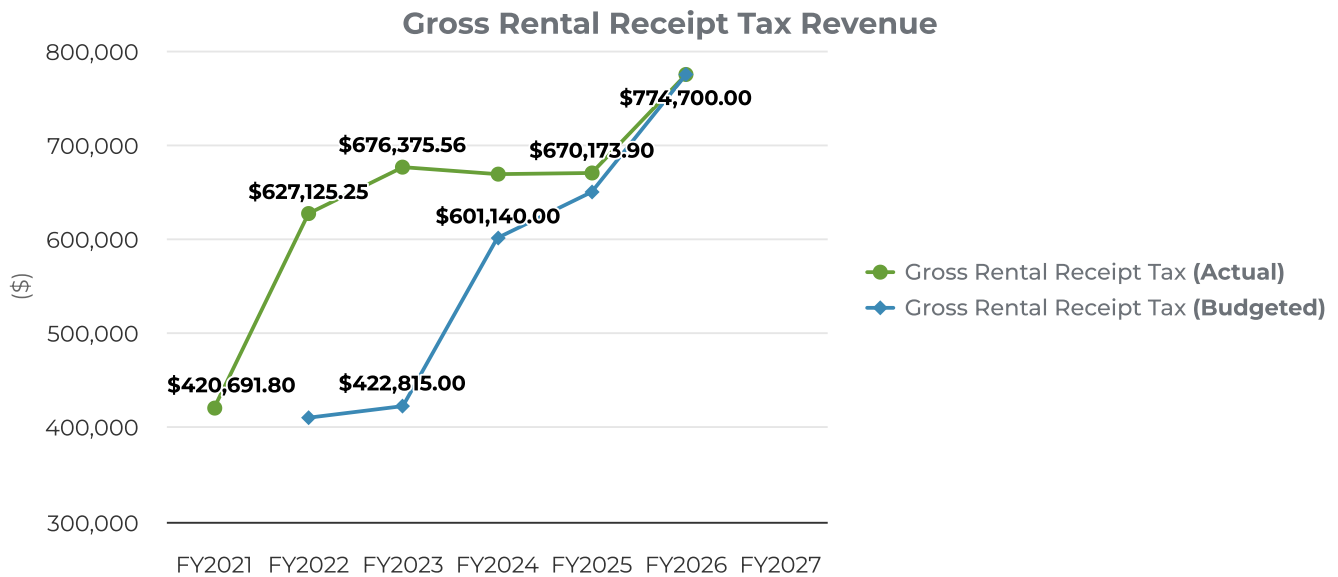


Gross Rental Receipt Tax Revenue

Gross rental receipt tax revenue projections are based on trends in prior year collections. The gross rental receipt tax has an average increase of 2% over the past two (2) years, compared to 8% in FY2023, and is continuing that trend in FY2026.

The gross rental rate increased from 5% to 6% in calendar year 2025.

For fiscal year 2026, we have budgeted \$789,750.



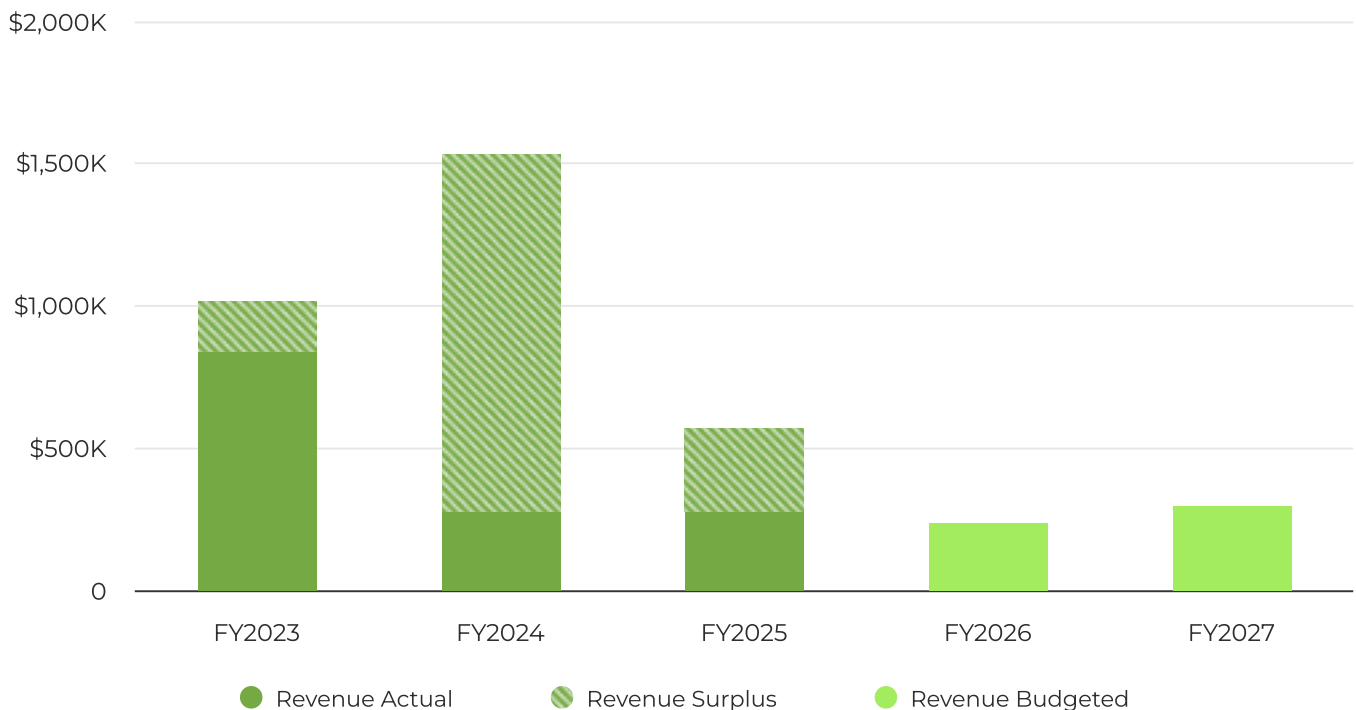
Intergovernmental Summary

Intergovernmental revenue is made up of monies from other governmental agencies, including grantor for general financial support. The town budgets for only those grants that can be reasonably estimated and that have been consistently received. Other grants, that are non-budgeted, are applied for and awarded during the fiscal year to offset Police Department overtime, training, and supplies.

The significant increases in fiscal years 2022 and 2023 are the two (2) installments of the American Recovery Plan (ARPA) grant in the amount of \$591,170 each and \$288,253 from Sussex County (excess Transfer Tax).

\$296,350 **\$58,210**
(24.44% vs. prior year)

Intergovernmental Proposed and Historical Budget vs. Actual



Intergovernmental Revenue by Category

Grants that are applied for by the Police Department on an annual basis are not budgeted as shown below.

The State Pension Funding formula is based on the salaries of the OVPD officers and therefore, increased in association with the migration to the pay scale with 1.5% step increases, 1.5% COLA and a \$4,000 increase to the starting salary.

The County Revenue Share will be used in FY2027 for the purchase of OVPD replacement vehicles as noted in the Capital Improvement Program.

Intergovernmental Revenues by Category

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
General Fund	\$568,585	\$238,140	\$296,350	24.44%
Grant Proceeds G&A	\$75,222	\$0	\$0	0.00%
SALLE/EDIE Grant Proceeds	\$16,514	\$0	\$0	0.00%
SLEAF Grant Proceeds	\$88,980	\$0	\$0	0.00%
OHS Grant Proceeds	\$10,964	\$0	\$0	0.00%
SLEAF Receipts - Assets Seized	\$1,239	\$0	\$0	0.00%
CVC Grant Proceeds	\$34,122	\$0	\$0	0.00%
Other Grant Proceeds	\$42,240	\$0	\$0	0.00%
CJC Grant Proceeds	\$24,600	\$0	\$0	0.00%
US DOJ Grant Proceeds	\$3,316	\$0	\$0	0.00%
State Pension Funding PD	\$103,248	\$110,000	\$125,000	13.64%
County Revenue Sharing Funds PD	\$40,000	\$0	\$45,000	
Public Safety: Other Grants - COPS	\$0	\$0	\$0	0.00%
Municipal Street Aid DPW	\$128,140	\$128,140	\$126,350	-1.40%
TAP Grant Proceeds G&A	\$0	\$0	\$0	0.00%
Total Revenues	\$568,585	\$238,140	\$296,350	24.44%



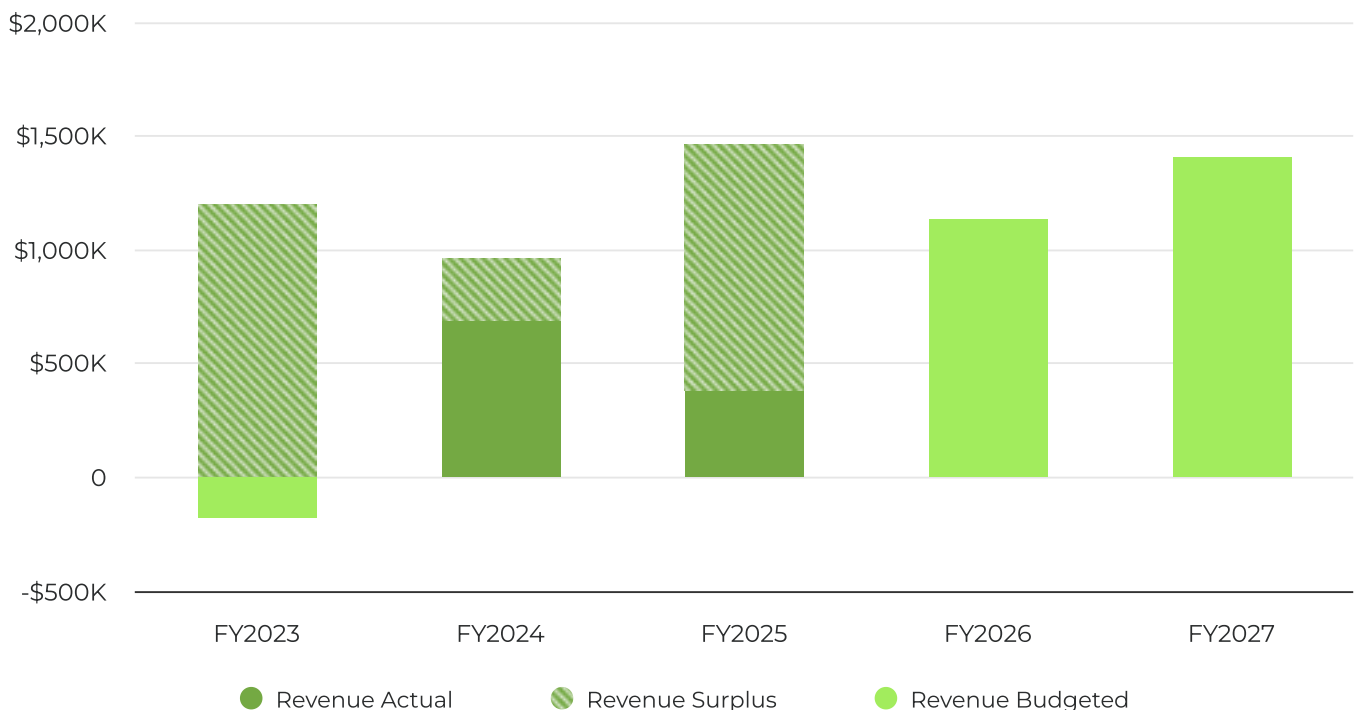
Charges for Services Summary

Charges for Services are collected by the Town of Ocean View. These services include licenses, reimbursable fees and permits or building-related fees.

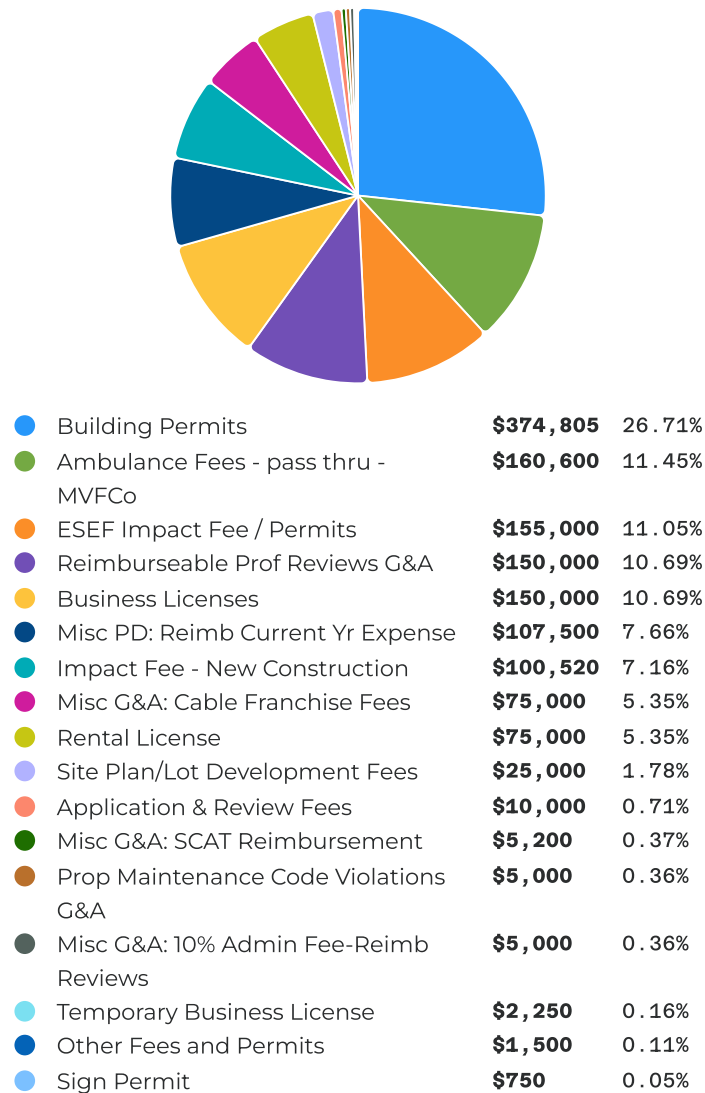
With the Town reaching its limit of annexation, building-related fees will be decreasing as the Town transitions from permits for new home construction to permits for maintenance or improvements of existing homes. With this in mind, we have conservatively budgeted for 70 new home permits in fiscal year 2027, which is an increase over fiscal year 2026 due to anticipating three (3) communities continuing or starting to build in FY2026.

\$1,403,125 **\$267,075**
(23.51% vs. prior year)

Charges for Services Proposed and Historical Budget vs. Actual



Charges for Services Revenue



Shown as Charges for Services revenue, the Ambulance Fee is a pass-thru to Millville Volunteer Fire Company. Included on the property tax bill is a separate line item for \$50.00 which represents a discount from the MVFC's usual \$75.00 donation request. This service covers the property owners, occupants, renters, visitors or employees of a business entity on the property identified on the tax bill.

Early in 2016, the Millville Volunteer Fire Company requested the Town of Ocean View to assess a fee of \$35.00 per taxpayer to assist in providing financial support in order to maintain the existing ambulance service and to incorporate a permanent second shift so as to have 24-hour ambulance service availability seven days a week. After much consideration and discussion at public meetings, the Town Council agreed in November 2016 to institute an annual fee of \$35.00 per improved property and businesses within the Town of Ocean View starting with fiscal year 2018 tax billing. The agreement was for a period of three (3)

years and extended in February 2020 for an additional three (3)years. At the April 2023 Council meeting, the Town Council agreed to extend the agreement for a period of three (3) years and to increase the assessed fee to \$50.00 per taxpayer.

Other items such as Professional Reviews and Property Maintenance Violations are for services expensed by the Town and reimbursed by the contractor or property owner. These revenues do not support the Town's operating expenses as well as a portion of the Impact Fee that is transferred to the Emergency Services Enhancement Fund (ESEF).

Charges for Services Revenue by Line Item

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Rental License	\$86,400	\$75,000	\$75,000	0.00%
Rental License	\$86,400	\$75,000	\$75,000	0.00%
Misc G&A: Reimb of Current Yr Expense	\$95,026	\$43,150	\$0	
Misc G&A: Reimb of Current Yr Expense	\$95,026	\$43,150	\$0	
In From Fund Balance	\$0	\$43,150	\$0	
Building Permits	\$311,165	\$250,000	\$374,805	49.92%
Building Permits	\$311,165	\$250,000	\$374,805	49.92%
Misc G&A: Legal Fees Reimbursed	\$500	\$0	\$0	0.00%
Misc G&A: Legal Fees Reimbursed	\$500	\$0	\$0	0.00%
Sign Permit	\$950	\$500	\$750	50.00%
Sign Permit	\$950	\$500	\$750	50.00%
Misc G&A: SCAT Reimbursement	\$10,230	\$0	\$5,200	
Misc G&A: SCAT Reimbursement	\$10,230	\$0	\$5,200	
Impact Fee - New Construction	\$76,108	\$97,650	\$100,520	2.94%
Impact Fee - New Construction	\$76,108	\$97,650	\$100,520	2.94%
ESEF Impact Fee / Permits	\$164,055	\$84,000	\$155,000	84.52%
ESEF Impact Fee / Permits	\$164,055	\$84,000	\$155,000	84.52%
Site Plan/Lot Development Fees	\$23,485	\$15,000	\$25,000	66.67%
Site Plan/Lot Development Fees	\$23,485	\$15,000	\$25,000	66.67%
Other Fees and Permits	\$1,685	\$1,500	\$1,500	0.00%
Other Fees and Permits	\$1,685	\$1,500	\$1,500	0.00%
Temporary Business License	\$1,950	\$2,250	\$2,250	0.00%
Temporary Business License	\$1,950	\$2,250	\$2,250	0.00%
Misc PD: Reimb Current Yr Expense	\$67,300	\$55,000	\$107,500	95.45%
Misc PD: Reimb Current Yr Expense	\$67,300	\$55,000	\$107,500	95.45%
IRSC SRO Funding	\$0	\$0	\$80,000	
PAC Membership	\$0	\$0	\$12,000	
Virtra Simulator - Cost Share	\$0	\$0	\$5,500	
DEA OT Reimbursement	\$0	\$0	\$10,000	
Business Licenses	\$157,606	\$130,000	\$150,000	15.38%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Business Licenses	\$157,606	\$130,000	\$150,000	15.38%
Application & Review Fees	\$7,250	\$10,000	\$10,000	0.00%
Application & Review Fees	\$7,250	\$10,000	\$10,000	0.00%
Misc G&A: Cable Franchise Fees	\$77,936	\$80,000	\$75,000	-6.25%
Misc G&A: Cable Franchise Fees	\$77,936	\$80,000	\$75,000	-6.25%
Misc G&A: Refund of Pr Yr Expenses	\$17,899	\$2,000	\$0	
Misc G&A: Refund of Pr Yr Expenses	\$17,899	\$2,000	\$0	
Misc DPW: Reimburse of Current Yr Expense	\$100	\$0	\$0	0.00%
Misc DPW: Reimb of Curr Yr Expense	\$100	\$0	\$0	0.00%
Misc G&A: 10% Admin Fee-Reimb Reviews	\$16,098	\$5,000	\$5,000	0.00%
Misc G&A: 10% Admin Fee - Reimb Reviews	\$16,098	\$5,000	\$5,000	0.00%
Reimbursable Prof Reviews G&A	\$159,834	\$125,000	\$150,000	20.00%
Reimbursable Prof Reviews G&A	\$159,834	\$125,000	\$150,000	20.00%
Prop Maintenance Code Violations G&A	\$39,050	\$5,000	\$5,000	0.00%
Prop Maintenance Code Violations G&A	\$39,050	\$5,000	\$5,000	0.00%
Ambulance Fees - pass thru - MVFCo	\$151,300	\$155,000	\$160,600	3.61%
Ambulance Fees - pass thru - MVFCo	\$151,300	\$155,000	\$160,600	3.61%
Other License	\$25	\$0	\$0	0.00%
Other License	\$25	\$0	\$0	0.00%
Total Revenues	\$1,465,952	\$1,136,050	\$1,403,125	23.51%



Miscellaneous

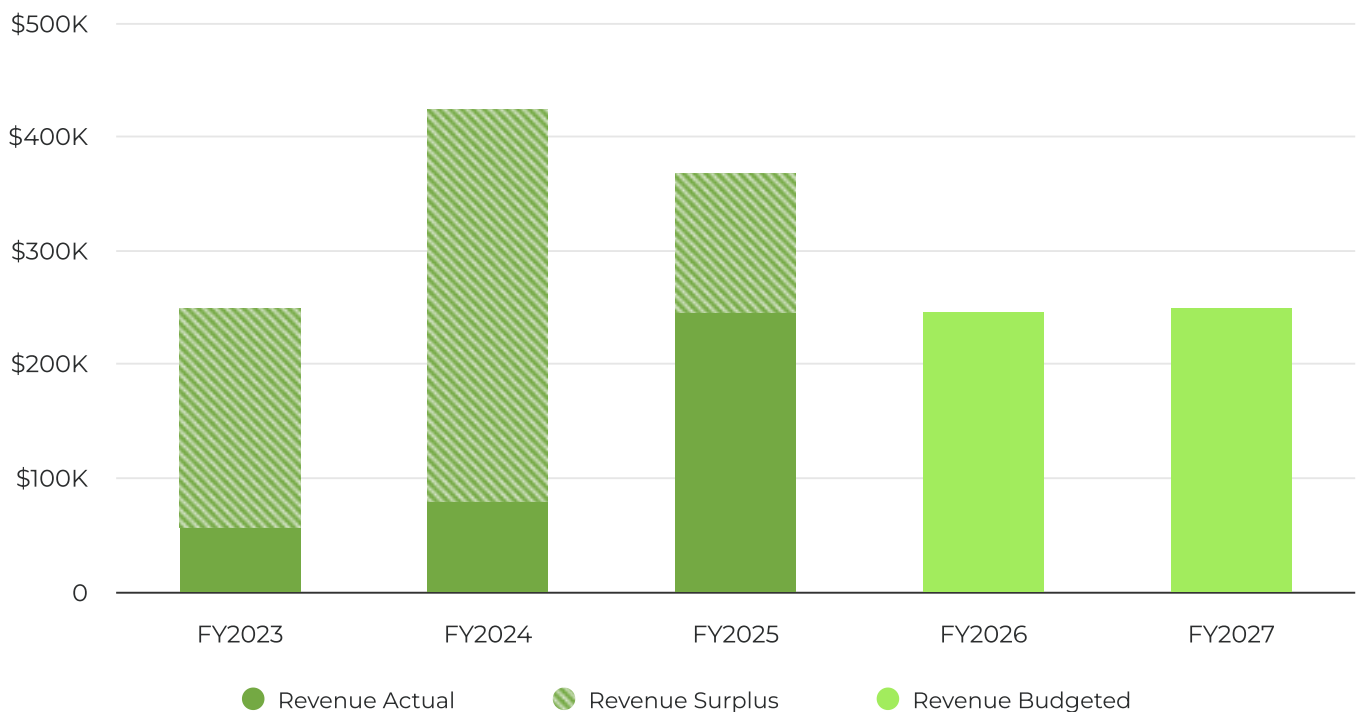
Miscellaneous Revenue includes investment earnings, restricted and unrestricted, expense reimbursements, lease payments, sale of assets, police fines & fees along with other income such as donations.

\$248,750

\$3,000

(1.22% vs. prior year)

Miscellaneous Proposed and Historical Budget vs. Actual



Miscellaneous Revenue by Category

For fiscal year 2027, interest has been conservatively budgeted based on the current year's interest revenue, reflecting increases in all interest categories as shown below. Interest (restricted and unrestricted) collections in the first eight (8) months for FY2026 is \$168,642.

Revenues by Category

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Miscellaneous	\$337,480	\$220,500	\$223,500	1.36%
Investment Earnings	\$294,799	\$185,000	\$181,000	-2.16%
Interest Earned - Restricted	\$6,636	\$5,000	\$5,000	0.00%
Misc G&A: Unrestricted Interest Income	\$134,823	\$75,000	\$90,000	20.00%
Misc G&A: Restricted Interest Income	\$44,764	\$30,000	\$30,000	0.00%
Misc G&A: Restricted CRTF Interest	\$11,994	\$4,000	\$5,000	25.00%
Misc G&A: Restricted ERTF Interest	\$43,862	\$25,000	\$25,000	0.00%
Misc G&A: Restricted SRRTF Interest	\$50,591	\$45,000	\$25,000	-44.44%
Restricted Interest Income DPW	\$2,130	\$1,000	\$1,000	0.00%
Miscellaneous	\$14,630	\$13,500	\$13,500	0.00%
Misc G&A: Lease Pymts/Rental Fees	\$14,630	\$13,500	\$13,500	0.00%
South Coastal Village (\$530 monthly)	\$0	\$0	\$6,360	
Osher (\$3,780 annually)	\$0	\$0	\$3,780	
Event Vendors (\$100 each)	\$0	\$0	\$1,800	
Pavillion Rentals	\$0	\$0	\$1,560	
Expense Reimbursements	\$14,184	\$15,000	\$24,000	60.00%
Misc PD: Donations	\$14,184	\$15,000	\$24,000	60.00%
Other Income	\$12,767	\$7,000	\$5,000	-28.57%
Misc G&A: Other Income	\$5,487	\$2,000	\$2,000	0.00%
Misc G&A: CreditCard Conv Fee:Gen Fund	\$4,280	\$2,000	\$0	
EG Programming Support - Mediacom	\$3,000	\$3,000	\$3,000	0.00%
Donations	\$1,099	\$0	\$0	0.00%
Misc G&A: Donations	\$1,099	\$0	\$0	0.00%
Fines & Forfeitures	\$30,949	\$25,250	\$25,250	0.00%
Public Safety Fines & Fees	\$30,949	\$25,250	\$25,250	0.00%
Misc PD: Report Fees & Other	\$350	\$250	\$250	0.00%
Misc PD: Fines	\$30,599	\$25,000	\$25,000	0.00%
Total Revenues	\$368,428	\$245,750	\$248,750	1.22%



Other Revenue Sources

For Fiscal Year 2027, the transfers to / from General from the Town's Trusts have been allocated to Other Revenue Sources to be more transparent with the activity within the Trust Funds.

For Fiscal Year 2027, the following revenues are transferred out of the General Fund and shown below under Other Revenue Sources:

- Transfer Tax to CRTF, SRRTF and ERTF in the amount of \$1,250,000
- Impact Fees to ESEF in the amount of \$155,000
- County Share of \$45,000 to the Capital Program for the purchase of OVPD replacement vehicles.

For Fiscal Year 2027, the following revenues are transferred to the General Fund and shown below as part of Other Revenue Sources:

- Use of Unassigned Fund Balance in the amount of \$235,000 (one-time costs for Berzin's Nature Park & Trail).
- Use of \$82,154 from the sale of Water Distribution System to eliminate the need for a tax rate increase.
- Street and Sidewalk Maintenance from SRRTF in the amount of \$335,000
- Grant awards from ESEF in the amount of \$436,305 (\$80,000 to Millville VFD and \$356,305 to OVPD).

-\$596,540

\$227,960

(-27.65% vs. prior year)

Other Revenue Sources by Category

Category	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Other Revenue Sources	-\$824,500	-\$596,540	-27.65%
Emergency Reserve Trust Fund	-\$54,589	-\$139,820	156.13%
Emergency Reserve Trust Fund	-\$54,589	-\$139,820	156.13%
Street Repair & Replacement Trust Fund	-\$687,911	-\$618,930	-10.03%
Street Repair & Replacement Trust Fund	-\$687,911	-\$618,930	-10.03%
Transfer Out to SRRTF from Transfer Tax	-\$977,911	-\$953,930	-2.45%
Transfer In From SRRTF for Streets and Sidewalks	\$290,000	\$335,000	15.52%
Capital Reserve Trust Fund	-\$147,500	-\$156,250	5.93%
Capital Reserve Trust Fund	-\$147,500	-\$156,250	5.93%
Emergency Services Enhancement Fund	-\$4,000	\$281,305	-7,132.63%
Emergency Services Enhancement Fund	-\$4,000	\$281,305	-7,132.63%
In From ESEF for Grant Award	\$80,000	\$0	
Transfer to ESEF (Emergency Service Enhancement Fund)	-\$84,000	-\$155,000	84.52%
OVPD Vehicle Replacement	\$0	\$210,000	
OVPD Pay Scale Implementation	\$0	\$146,305	
MVFD Capital Grant	\$0	\$80,000	
Water System Fund	\$0	\$82,155	
Water System Fund	\$0	\$82,155	
General Fund Capital Pay as You Go	\$69,500	-\$45,000	-164.75%
General Fund	\$69,500	-\$45,000	-164.75%
General Fund to Capital Pay-As-You-Go	\$0	-\$280,000	
Use of Unassigned Fund Balance	\$69,500	\$235,000	238.13%
Total Revenues	-\$824,500	-\$596,540	-27.65%



Recap of Trust Accounts

The Town's trusts are the Capital Replacement Trust (CRTF), Street Repair and Replacement Trust (SRRTF) and the Emergency Reserve Replacement Trust (ERTF).

The recap below is for the 10-year period ending April 30, 2035, followed by an analysis of each of these trusts.

In FY2025, the Town hired a consulting firm to perform a financial condition assessment and forecast of the Town's financial status and to assist with the development of the Town's Long-term Financial Plan. From diagnosis to treatment options and recommendations will be presented at the February 25th Budget Workshop. With the decline in Transfer Tax, the Town needs to prepare for other alternative funding options for capital programs and infrastructure needs.

Balances shown are as of the end of each Fiscal Year

Fiscal Year	SRRTF	CRTF	ERTF	Projected Totals
FY25	1,095,727	1,326,448	1,185,156	3,607,331
FY26	1,827,700	1,480,294	1,266,412	4,574,406
FY27	1,637,262	1,424,225	1,431,054	4,492,541
FY28	1,956,268	1,197,353	1,454,102	4,607,723
FY29	2,378,912	1,398,924	1,477,603	5,255,438
FY30	2,728,182	1,622,333	1,501,564	5,852,078
FY31	2,871,959	1,451,882	1,525,994	5,849,835
FY32	3,393,903	1,486,940	1,550,904	6,431,747
FY33	3,921,537	1,751,727	1,576,302	7,249,565
FY34	4,454,922	1,993,969	1,602,197	8,051,087
FY35	4,460,735	2,150,868	1,628,600	8,240,203

Actual Balances as of 04/30/2025

Legend

SRRTF	Street Repair and Replacement Trust Fund (reflects projects planned)
CRTF	Capital Replacement Trust Fund (Reflects the 2024 Reserve Study)
ERTF	Emergency Reserve Trust Fund (20% of Annual Operation Budget)

Street Repair and Replacement Trust

Balance in SRRTF at April 30, 2025	
Total Restricted for the SRRTF - see pg. 30 audited financial statements	\$ 936,506
Add balance in MSA money market account at Fulton Bank	159,221
Total restricted at beginning of FY25 for street and drainage projects =	\$ 1,095,727

	Projected Additions				Projected Expenditures			Balance at end of Fiscal Year
	MSA Grant Receipts	Transfer Tax Deposits		Interest Income	Street / Sidewalk Maintenance Costs	Sidewalk Connectivity Costs	Drainage Project Costs	
		Monthly Collections	"Excess" Collections					
		(a)	(b)	(c)	(d)		(e)	\$ 1,095,727
FY26	126,350	595,000	682,910	27,393	(275,000)		\$ (424,680)	1,827,700
FY27	126,350	312,500	641,430	19,922	(335,000)	(590,040)	(365,600)	1,637,262
FY28	128,140	295,000	737,500	17,846	(757,480)	-	(102,000)	1,956,268
FY29	128,140	250,000	625,000	21,323	(601,820)	-		2,378,912
FY30	128,140	225,000	562,500	25,930	(592,300)	-	-	2,728,182
FY31	128,140	200,000	500,000	29,737	(714,100)	-		2,871,959
FY32	128,140	200,000	437,500	31,304	(275,000)	-	-	3,393,903
FY33	128,140	200,000	437,500	36,994	(275,000)	-	-	3,921,537
FY34	128,140	200,000	437,500	42,745	(275,000)	-	-	4,454,922
FY35	128,140	200,000	437,500	48,559	(275,000)	-	-	4,460,735



As of 12/31/2025, the Trust had a balance of \$1,297,628 with \$580,665 available for use in Fulton Government Interest Money Market, \$217,356 available for use in the Municipal Street Aid account, also a Fulton Government Interest Money Market, and \$496,607 invested with Fulton Cash Reserve Investment Management (CRIM).

As shown above, the Street Repair & Replacement Trust would not be able to fund all the Town's needs starting in FY2027. The Town will need to fund the projects from the General Fund through the increase of the property tax rate, unassigned fund balance or find alternative funding options. The Town will be discussing alternative funding sources such as financing of projects now that we are debt free due to the sale of the Water Distribution System.

NOTES:

(a) Deposits are made each month to the SRRTF based on the level of Transfer Tax collected. Ord.No. 303 (adopted May 14, 2013) provides that the 25% of total transfer taxes collected are to be used to fund the SRRTF. The FY2026 monthly collections includes the approved transfer of \$300,000 from the sale of the Water Distribution System.

(b) During the preparation of the FY2017 & FY2018 Budget, Town Council confirmed that the Town should continue to reduce the amount of Transfer Tax collections applied to operations to (i) accumulate additional funds for infrastructure projects and (ii) gradually wean the Town from the use of this tax for operations.

Beginning with FY2019, Town Council confirmed that the Town will remove all reliance on Transfer Tax collections in order to build necessary reserves while the revenue stream is still strong, with the expectation that in the foreseeable future the Town will see a steep decline in these funds.

(c) Interest income is projected based on the beginning of the fiscal year balance.

(d) Projected expenditures are based on studies completed by the Town's Engineer.

(e) Engineer's costs for construction project management (design, bidding process, construction inspections, etc.) are based on studies completed by the Town's Engineer.

Capital Replacement Trust

Balance in CRTF at April 30, 2025

Total Restricted for the CRTF - see pg. 30 audited financial statements = **\$ 1,326,448**

	Deposits from Transfer Tax	Projected Interest Income	Reserve Study Annual	Projected Capital Repairs Current Yr \$\$	Balance at end of Fiscal Year
	(a)	(b)	(c)	(d) (e)	
FY25					\$ 1,326,448
FY26	447,500	5,306	-	(298,960)	1,480,294
FY27	156,250	5,181	-	(218,565)	1,423,160
FY28	147,500	4,981	144,996	(205,330)	1,515,307
FY29	125,000	5,304	166,066	(98,225)	1,713,452
FY30	112,500	5,997	177,691	(449,015)	1,560,625
FY31	100,000	5,462	191,235	(432,010)	1,425,312
FY32	100,000	4,989	193,629	(262,286)	1,461,644
FY33	100,000	5,116	199,683	(38,568)	1,727,875
FY34	100,000	6,048	206,768	(68,873)	1,971,818
FY35	100,000	6,901	212,619	(160,860)	2,130,478

As of 12/31/2025, the Trust had a balance of \$1,446,339 with \$1,085,185 available for use in WSFS Money Market account and \$361,154 invested with WSFS in the form of a 12-month, 2.225% CD that will come due on 8/27/2026.

NOTES:

(a) Deposits are made each month to the CRTF based on the level of Transfer Tax collected. Ordinance No. 304 adopted effective May 14, 2013, provides that 12.5% of total transfer tax collections are to be used to fund the CRTF. The FY2026 monthly collections includes the approved transfer of \$300,000 from the sale of the Water Distribution System.

(b) Interest income is projected based on the beginning of the fiscal year balance.

(c) With the 2024 Reserve Study, the Town will start making annual contributions from the General Fund. Previously, the deposits from Transfer Tax covered the annual contribution amount as stated in the Reserve Study. The General Fund will contribute the amount above the deposits from transfer tax receipts and projected interest income. With the approved transfer of \$300,000 from the sale of the Water Distribution System, no contribution is budgeted for FY2027.

(d) Projected Capital Expenditures are based on the January 30, 2024, review of the Town's capital assets titled "Reserve Study" prepared by Bob Wheatley of The Whayland Group, LLC. The expenditures projected by Mr. Wheatley in this study have been inflated at the rate of 3% per year.

It should be noted that the timing of certain projects included in the approved study has been adjusted in the Capital Improvement Budget. Some projects have been accelerated, while others have been delayed because repair and/or replacement is not deemed necessary as of the current budget year.

(e) Note that, effective with the FY19 budget, the expenditure of CRTF fund changed from being limited to those cases when the repair or replacement cost exceeds \$1,500 to costs exceeding \$2,500.



Emergency Reserve Trust

Balance in ERTF at April 30, 2025

Total Restricted for the ERTF - see pg. 30 audited financial statements = **\$ 1,185,156**

	Deposits from Transfer Tax Receipts	Projected Interest Income	Budgeted Expenditures	Balance at end of Fiscal Year	Budgeted or Proposed Operating Expenses	Required 20% of budgeted or Proposed Expenses
	(a)	(b)		(c)	(d)	(e)
FY25	-	-	-	\$ 1,185,156	5,870,245	1,174,049
FY26	54,590	26,666	-	1,266,412	6,377,515	1,275,503
FY27	139,820	24,822	-	1,431,054	7,065,060	1,413,012
FY28	-	23,049	-	1,454,102	7,163,599	1,432,720
FY29	-	23,500	-	1,477,603	7,188,314	1,437,663
FY30	-	23,961	-	1,501,564	7,363,223	1,472,645
FY31	-	24,431	-	1,525,994	7,667,658	1,533,532
FY32	-	24,909	-	1,550,904	-	-
FY33	-	25,398	-	1,576,302	-	-
FY34	-	25,896	-	1,602,197	-	-
FY35	-	26,403	-	1,628,600	-	-

The Emergency Reserve Trust is funded just under 20% of the FY24 Operating Budget due to the decrease in interest rates over the past 12 months.

As of 12/31/2025, the Trust had a balance of \$1,263,995 with \$925,283 available for use in Fulton Bank Government Interest Money Market and \$338,712 invested with Raymond James Financial Services. Funds above \$250,000 will be transferred to Raymond James for investing according to the Town's Investment policy once any FY2027 needs, if any, are determined.

NOTES:

(a) The ERTF was established in 2007 by Ordinance No. 212. When the Street Repair & Replacement Trust Fund was established in 2009, that ordinance provided that future deposits from Transfer Tax collections should be used to "fund" the SRRTF instead of the ERTF.

(b) Interest income is projected based on the beginning of the fiscal year balance. With the prediction that interest rates will have a gradual decrease over the next year, the shortfall / transfer from Transfer Tax Revenue was calculated not including estimated interest for FY2027.

(c) Note that Town Code Sec. 14-3 D "Method of Funding" (Ord. No. 278 adopted on 05/17/11) provides that the ERTF shall be funded by "appropriations from the annual operating budget to maintain the ERTF at \$275,000".

Ordinance No. 339 adopted on 5/9/17 revises the balance to be maintained to 20% of the current operating budget and shall be funded through excess transfer tax revenues, with FY22 being when the balance must have been met and maintained.

(d) (e) Columns (d) and (e) represent the budgeted amount whether adopted or proposed in the fiscal year draft of the Operating Budget and the required balance to maintain for each fiscal year.

DEPARTMENTAL OVERVIEW



Administration



Carol S. Houck

Town Manager

The Town Administration includes the Town Manager and her staff. The Town Manager is appointed by the Mayor and Council and serves at the pleasure of the Mayor and Council. The role of the Town Manager is to be the Chief Executive Officer of the Town and to supervise the day-to-day operations of all the departments of Town Government. The Town Manager is charged with developing the annual and long-range capital improvement budgets. She is assisted by four (4) department division heads — including the Director of Finance, Director of Planning & Zoning, Public Works Facility Operations Manager and the Chief of Police.

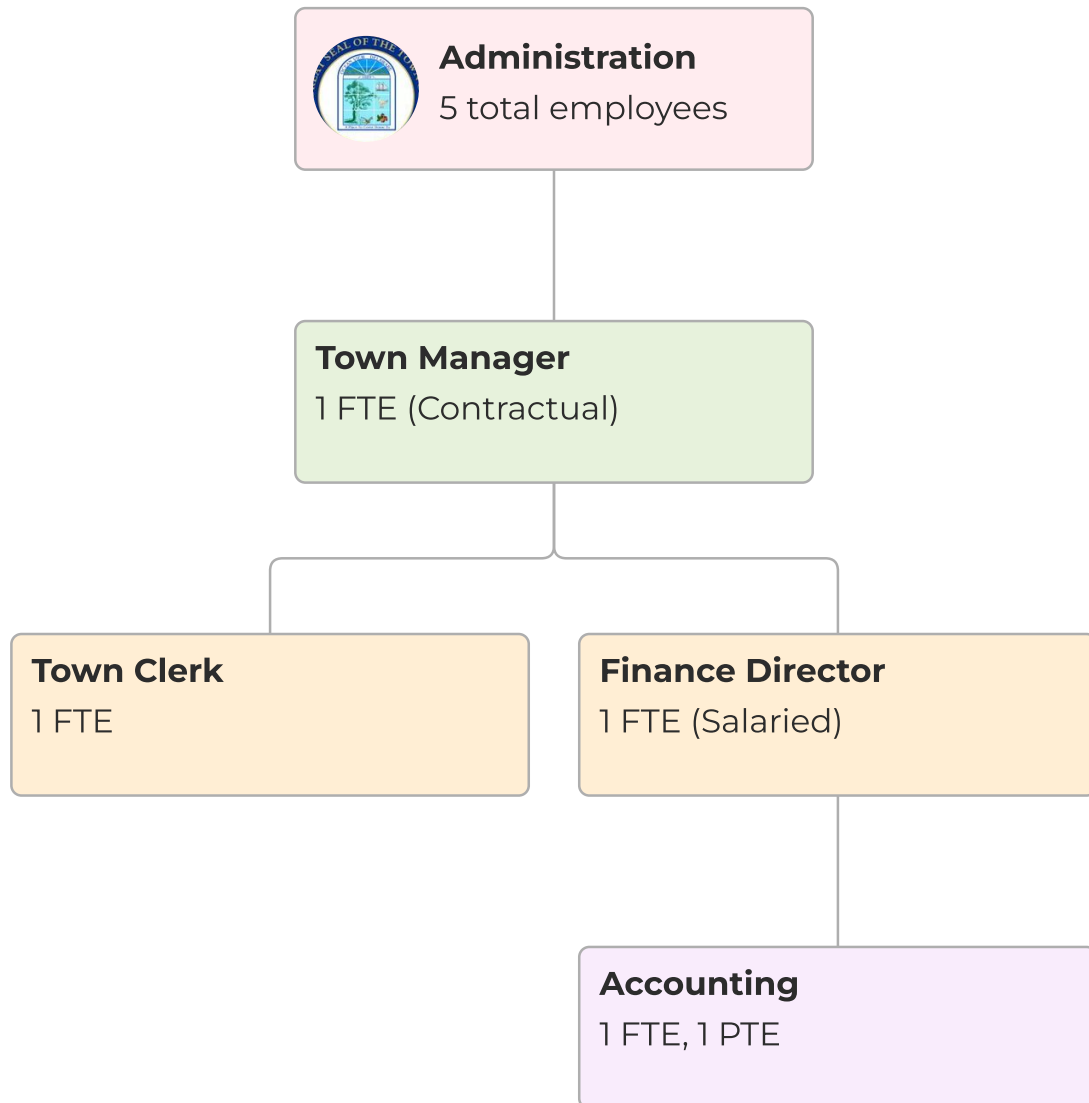
The administrative department oversees all finance operations, records management, human resources management, Town Clerk duties, financial oversight of the municipal water system, website and advertising, event management, budgeting and tax collection. The Town Clerk is the staff liaison to the Board of Elections.

Town Manager Houck began her appointment with the Town of Ocean View in January 2019.

Prior Year's Achievements

1. Presented with a 35-year award by the International Association of City Managers for continued commitment to the profession of local government.
2. Recommended / completed a Financial Forecast to identify steps to best position the Town for financial success.
3. Reorganized Public Works Division, improving professionalism and streamlining responses to community needs.
4. Recommended / completed an OVPD Total Compensation Study to gauge how we compare in association with retaining officers and competitiveness and the IACP Study to review risk involved with the OVPD responding to out of jurisdiction calls for service.
5. Recommended and provided leadership for the sale of the Town's Water Distribution System, developing a Tax Rate Stabilization Trust Fund with the proceeds after paying off Town debt.

Administration Organizational Chart



Finance



Dawn Mitchell Parks

Director of Finance

The Finance Department is responsible for all Ocean View financial operations, including general accounting and reporting, accounts payable, payroll, property tax billing and collection. The department also coordinates the development of the Town's annual operating and capital budgets and works with the independent auditors during the annual audit and the preparation of the Town's annual financial statements. The Finance Director is the staff liaison to the Board of Assessment. The Finance Director reports directly to the Town Manager.

Director of Finance, Dawn Mitchell Parks, began her career with the Town of Ocean View in October 2018.

Prior Year's Achievements

1. Implemented GASB No. 101, Compensated Absences
2. Earned the Government Finance Officers Association's Distinguished Budget Presentation Award for the 3rd year with special recognition for the Capital Program
3. Earned an Unmodified Audit Opinion of the FY2025 Financial Statement
4. Maintained AA+ credit rating
5. Collected 99.78% of Property Taxes

Performance Measures

Administration Annual Goal	Measure	FY2025 Actual	FY 2026 Target	FY2027 Target
Goal 1: Maintain a strong financial position through fiscal discipline	Maintain a AA+ Credit Rating	Maintained AA+ Credit Rating	Maintain AA+ Credit Rating	Maintain AA+ Credit Rating
	Implement audit recommendations within 3 months of the presentation of the annual audit	No Recommendations presented with FY25 audit	Complete 100% of the recommendations	Complete 100% of the recommendations
	Achieve 98% collection rate of current year property taxes	99.78% collection rate of current year	99.17% collection rate as of 12/31/25	> 99% collection rate
	Achieve Unmodified opinion from external auditor	Achieved an Unmodified Opinion	Achieve an Unmodified Opinion	Achieve an Unmodified Opinion
	Manage total budget expenditures at or below 96%	Achieved - 90%	Achieve	Achieve
	Achieve the GFOA's Distinguished Budget Award	Received - 3rd year with special recognition for Capital Program	Receive	Receive
Goal 6: Provide superb customer service to the citizens by the Town's dedicated staff	Staff participation in Community Events	Achieved - Cops & Goblins and Holiday Market /Tree Lighting	Achieve	Achieve
	Education participation by Finance staff	Achieved - Attended GFOA, MDGFOA and Fraud Conferences	Achieve	Achieve

Expenditures Summary

Administration expenditures have increased \$180,730, or 12.09% over the prior year. The increase is associated with the full-town reassessment required by the code, the amount estimated at \$175,000. Other increases include the first year of the mandated Delaware Paid Leave Insurance Program and increased legal expenses with the hiring of a new Town Solicitor.

The FY2024 increase is related to community events such as adding a Spring event and increased costs for other events such as Cops and Goblins.

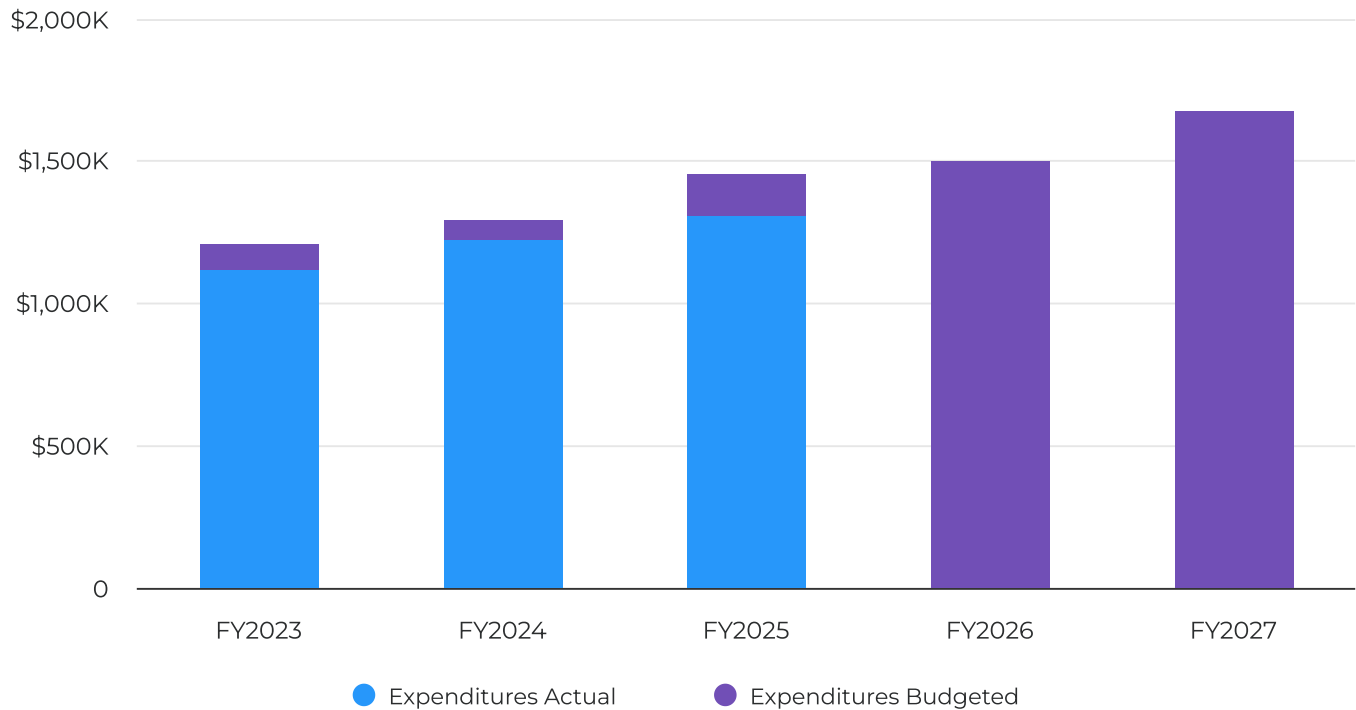
The FY2025 significant increase is directly related to salary & related employee expenses as well as increases in utilities and other contracted services due to inflation, as well as increased expenses associated with the Town's 135th year celebration.

FY2026 found the Administration leveling its budgetary needs by reducing expenses associated with one-time costs such as advertising, public relations (events) and the grant award from the Emergency Service Enhancement Fund (ESEF).

\$1,676,130 **\$180,730**
 12.09% vs. prior year)

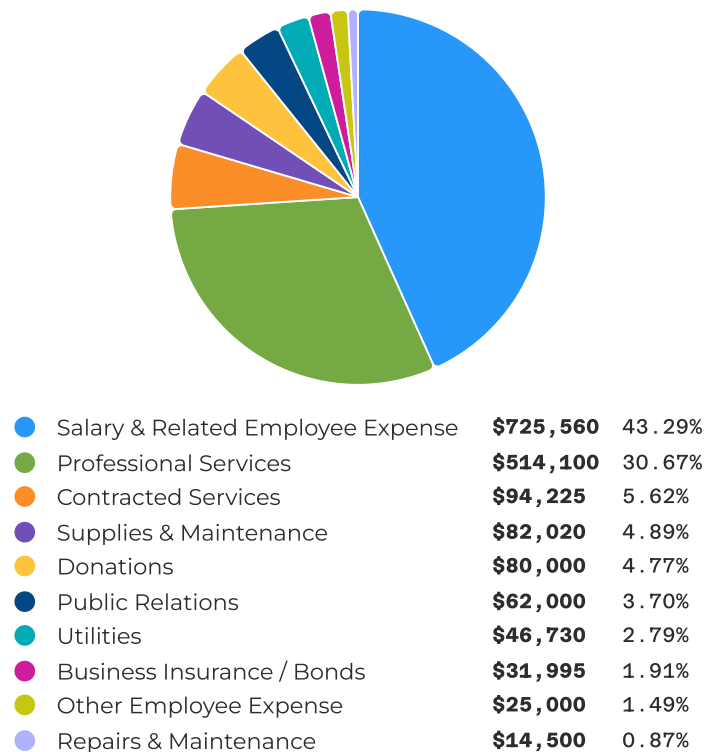


Administration Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Administration salaries and benefits consist of one (1) contractual employee, one (1) salaried, two (2) full-time and one (1) part-time employee as shown in the above organizational chart.



Administration salaries also include the Mayor and Town Council compensation.

Expenditure Detail by Line Item

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Salary & Related Employee Expense	\$606,759	\$688,815	\$725,560	5.33%
Salary & Related Employee Expense	\$606,759	\$688,815	\$725,560	5.33%
Town Council	\$5,430	\$5,520	\$5,735	3.89%
Gross Salaries G&A	\$454,242	\$503,780	\$527,620	4.73%
Bonus G&A	\$1,573	\$1,600	\$1,600	0.00%
Overtime G&A	\$4,326	\$4,450	\$4,700	5.62%
Health/Hosp Insurance G&A	\$74,825	\$96,750	\$100,480	3.86%
Delaware Valley Health Trust / EyeMed	\$0	\$103,050	\$103,875	0.80%
Employee Cost Share	\$0	-\$6,300	-\$3,395	-46.11%
Dental Insurance G&A	\$3,340	\$4,100	\$3,250	-20.73%
Life/Disability Insurance G&A	\$2,012	\$3,080	\$6,525	111.85%
Guardian Disability & Life Insurance	\$0	\$2,280	\$2,205	-3.29%
DE Paid Leave Program - Private Insurance Cost	\$0	\$800	\$4,320	440.00%
Social Security ER Share G&A	\$28,197	\$31,950	\$33,460	4.73%
Medicare ER Share G&A	\$6,591	\$7,475	\$7,825	4.68%
Employee Retirement ER Share G&A	\$24,862	\$27,940	\$32,195	15.23%
Unemployment Compensation G&A	\$825	\$1,570	\$1,570	0.00%
Worker's Compensation Insurance G&A	\$452	\$500	\$500	0.00%
State Employment Training Fund G&A	\$83	\$100	\$100	0.00%
Other Employee Expense	\$29,488	\$25,000	\$25,000	0.00%
Other Employee Expense	\$29,488	\$25,000	\$25,000	0.00%
Dues & Memberships G&A	\$4,722	\$5,000	\$5,000	0.00%
Education/Meetings/Seminars G&A	\$20,774	\$15,000	\$15,000	0.00%
Mileage/Travel Reimbursement G&A	\$1,611	\$1,500	\$1,500	0.00%
Holiday G&A	\$2,381	\$3,500	\$3,500	0.00%
Business Insurance / Bonds	\$23,181	\$27,500	\$31,995	16.35%
Business Insurance / Bonds	\$23,181	\$27,500	\$31,995	16.35%
Business Insurance/Bonds G&A	\$23,181	\$27,500	\$31,995	16.35%
Professional Services	\$286,592	\$369,015	\$514,100	39.32%
Professional Services	\$286,592	\$369,015	\$514,100	39.32%
Codification Services G&A	\$1,195	\$2,500	\$2,500	0.00%
Consulting Services G&A	\$0	\$75,000	\$5,000	-93.33%
Legal Services G&A	\$18,238	\$15,000	\$45,000	200.00%
Auditing Services G&A	\$18,000	\$25,000	\$27,500	10.00%
Payroll Processing Services G&A	\$5,622	\$5,200	\$6,000	15.38%
Property Assessments G&A	\$56,416	\$75,000	\$250,000	233.33%
Full Town Reassessment	\$0	\$0	\$175,000	
Property Assessments	\$0	\$0	\$75,000	



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Contracted Labor G&A	\$10,987	\$10,815	\$12,000	10.96%
Other Services G&A	\$21,706	\$2,500	\$2,500	0.00%
Ambulance Fees - pass thru - MVFCo	\$151,300	\$155,000	\$160,600	3.61%
EG Programming Expenses	\$3,128	\$3,000	\$3,000	0.00%
Contracted Services	\$74,525	\$86,665	\$94,225	8.72%
Contracted Services	\$74,525	\$86,665	\$94,225	8.72%
Computer Maintenance Contract G&A	\$11,628	\$15,000	\$15,000	0.00%
Copier Lease G&A	\$4,322	\$4,500	\$5,450	21.11%
Elevator Maintenance G&A	\$2,305	\$2,575	\$2,500	-2.91%
Generator Maintenance Agreement G&A	\$484	\$515	\$425	-17.48%
HVAC Maintenance Agreement G&A	\$0	\$1,030	\$750	-27.18%
Pest Control G&A	\$1,328	\$1,545	\$1,100	-28.80%
Security Monitoring/Maintenance G&A	\$1,259	\$2,000	\$1,500	-25.00%
Software Maint/Subscription Serv G&A	\$31,845	\$26,500	\$26,500	0.00%
Website/Domain Hosting G&A	\$1,800	\$2,500	\$2,000	-20.00%
Holiday Decor Mgmt G&A	\$18,486	\$28,000	\$36,000	28.57%
Sprinkler System Inspection G&A	\$829	\$1,000	\$1,000	0.00%
Committee Stipends G&A	\$240	\$1,500	\$2,000	33.33%
Supplies & Maintenance	\$73,960	\$78,740	\$82,020	4.17%
Supplies & Maintenance	\$73,960	\$78,740	\$82,020	4.17%
Advertising G&A	\$19,214	\$15,000	\$20,000	33.33%
Office Supplies/Printing/Copies G&A	\$10,559	\$12,000	\$12,000	0.00%
Postage/Shipping G&A	\$5,671	\$12,000	\$12,000	0.00%
Miscellaneous G&A	\$321	\$3,000	\$3,000	0.00%
NonCapital Equipment G&A	\$1,378	\$5,000	\$5,000	0.00%
Transfer Tax Bank Fees/Charges G&A	\$12,128	\$12,000	\$12,500	4.17%
Other Supplies G&A	\$496	\$2,000	\$1,000	-50.00%
Uniforms/Clothing G&A	\$49	\$500	\$500	0.00%
Bank Charges: General Fund Transfer Tax	\$125	\$300	\$300	0.00%
Bank Charges: MSA	\$495	\$420	\$420	0.00%
Bank Charges: General Fund ESEF	\$444	\$420	\$420	0.00%
Bank Charges: GF Money Market G&A	\$5,966	\$5,500	\$5,500	0.00%
Bank Charges: GF Checking G&A	\$3,539	\$3,500	\$3,500	0.00%
Bank Charges: CRIM Fees Gen Fund	\$4,554	\$3,500	\$4,800	37.14%
Credit Card Service Charges: G&A CKG	\$7,797	\$2,500	\$0	
Bank Charges: CRIM Fees SRRTF	\$342	\$500	\$300	-40.00%
Bank Charges: SRRTF MM Acct	\$883	\$600	\$780	30.00%
Repairs & Maintenance	\$30,457	\$31,000	\$14,500	-53.23%
Repairs & Maintenance	\$30,457	\$31,000	\$14,500	-53.23%
Cleaning Service G&A	\$16,013	\$19,000	\$2,500	-86.84%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Inspections - Building G&A	\$1,191	\$1,000	\$1,000	0.00%
Repairs to Machinery/Equipment G&A	\$1,020	\$1,000	\$1,000	0.00%
Repairs to Buildings - NonCapital G&A	\$12,232	\$10,000	\$10,000	0.00%
Utilities	\$40,842	\$46,250	\$46,730	1.04%
Utilities	\$40,842	\$46,250	\$46,730	1.04%
Electric G&A	\$10,149	\$12,000	\$12,000	0.00%
Propane Gas G&A	\$474	\$500	\$1,500	200.00%
Sewer G&A	\$3,337	\$3,800	\$3,800	0.00%
Trash/Recycling G&A	\$1,312	\$2,000	\$1,500	-25.00%
Water G&A	\$3,822	\$5,000	\$5,000	0.00%
Other G&A	\$505	\$550	\$525	-4.55%
Mobile Devices G&A	\$2,400	\$2,400	\$2,405	0.21%
Telephone & Internet G&A	\$18,844	\$20,000	\$20,000	0.00%
Public Relations	\$59,766	\$62,415	\$62,000	-0.66%
Public Relations	\$59,766	\$62,415	\$62,000	-0.66%
Holiday in the Park G&A	\$10,357	\$11,915	\$12,500	4.91%
Concerts in the Park G&A	\$4,228	\$8,500	\$11,000	29.41%
Spring Fling G&A	\$685	\$3,500	\$2,000	-42.86%
Cops & Goblins G&A	\$22,388	\$24,000	\$24,000	0.00%
Movies in the park	\$2,943	\$2,000	\$0	
Arbor Day	\$0	\$500	\$500	0.00%
Other G&A	\$19,163	\$12,000	\$12,000	0.00%
Fire & Ice	\$0	\$6,000	\$6,000	0.00%
Night To Shine	\$0	\$1,000	\$1,000	0.00%
Chamber Basket	\$0	\$500	\$0	
Miscellaneous Support for Local Events	\$0	\$2,000	\$3,000	50.00%
Ball4All	\$0	\$500	\$0	
Bocce Ball Tournaments	\$0	\$2,000	\$2,000	0.00%
Donations	\$79,284	\$80,000	\$80,000	0.00%
Donations	\$79,284	\$80,000	\$80,000	0.00%
Grant Award from ESEF Fees G&A	\$79,284	\$80,000	\$80,000	0.00%
Total Expenditures	\$1,304,853	\$1,495,400	\$1,676,130	12.09%



Planning, Zoning & Development



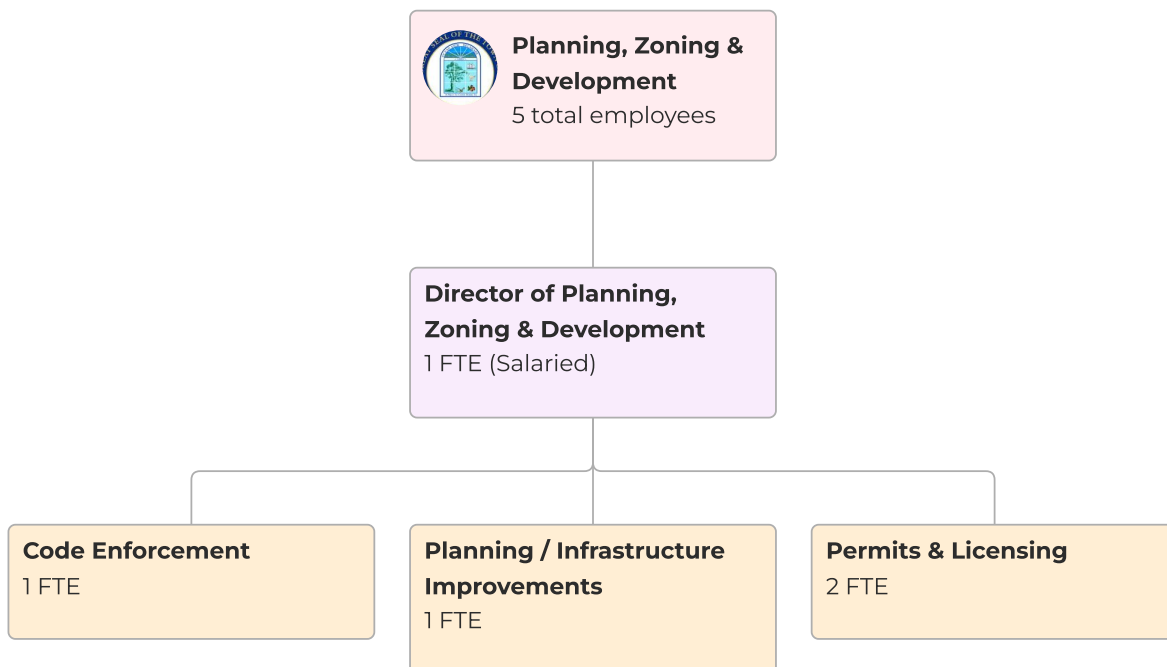
Ken Cimino

Director of Planning, Zoning & Development

The Planning and Development Division handles all aspects of the Town's infrastructure, building environment, codes, and property maintenance, as well as rental properties. The division is led by the Planning and Development Director, with support from a Planner, a Code Enforcement/Licensing Assistant, a Code Enforcement Officer and an Admin. Assistant/Receptionist, in addition to a consulting Town Engineering Firm. The Planning and Zoning Director is the staff liaison to the Planning Commission and Board of Adjustments. The Planning and Development Director reports directly to the Town Manager.

Director of Planning, Zoning and Development began his career with the Town of Ocean View in June 2018.

Planning, Zoning & Development Organizational Chart



Prior Year's Achievements

1. Continued the implementation of the adopted Comprehensive Land Use Plan (CLUP).
2. Drainage improvement project designs were completed in Avon Park and the design for clearing and cleaning the ditch in the Cottages that runs between Sea Brook Road and Hudson Avenue in Kelly Estates was completed.
3. Secured the DelDot Transportation Alternative Program (TAP) grant for Sidewalk construction from Woodland Avenue to Oakland via Central Avenue. Funding for construction of facilities for pedestrians, bicyclists and other non-motorized forms of transportation was granted.
4. Sidewalk improvements were completed along Woodland Avenue were completed, along with design for sidewalks along Oakland Avenue, Central Avenue and Oakwood Avenue to John West Park is ongoing.

Performance Measures

Administration Annual Goal	Measure	FY2025 Actual	FY 2026 Target	FY2027 Target
Goal 1: Maintain a strong financial position through fiscal discipline	Manage total budget expenditures at or below 96%	Achieved - 89%	Achieve	Achieve
Goal 2: Provide services for an active, healthy and involved Community	Promote walkability through sidewalk connectivity projects	Achieved	Achieve	Achieve
Goal 3: Promote economic development and growth	Work closely with developers to bring needed services to the community	Achieved	Achieve	Achieve
Goal 5: Maintain the safety of our community for residents, businesses and visitors	Promote walkability through sidewalk connectivity projects	Achieved	Achieve	Achieve
	Enforce the Town Code and DE Department of Transportation Standards & Specifications for Work Zone Traffic Control ensuring safe passage through work zones	Achieved	Achieve	Achieve
Goal 6: Provide superb customer service to the citizens by the Town's dedicated staff	Provide same day service and real time solutions	Achieved	Achieve	Achieve
	Staff participation in Community Events	Achieved	Achieve	Achieve
	Education participation by Planning & Zoning staff	Achieved	Achieve	Achieve



Expenditure Summary

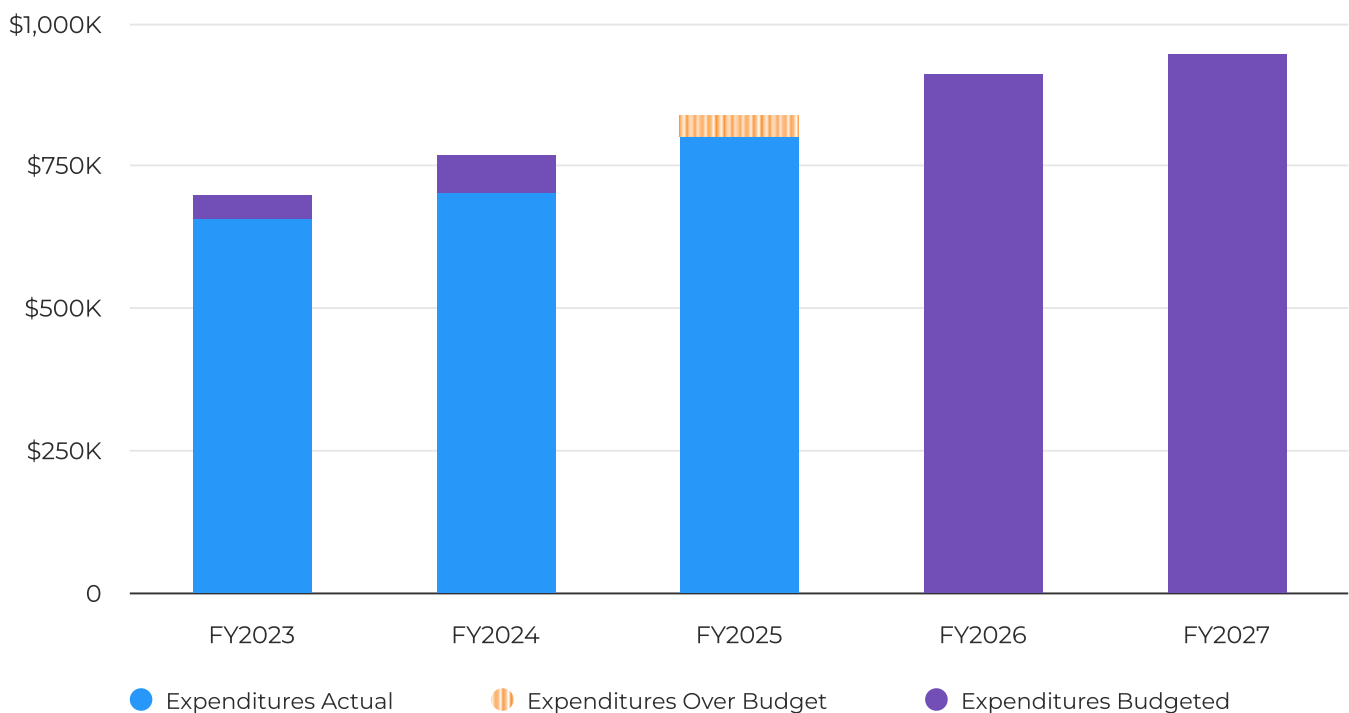
Planning & Zoning expenditures increased by \$36,065 or 3.96% over the prior year. Increases include the first year of the mandated Delaware Paid Leave Insurance Program and increased legal expenses with the hiring of a new Town Solicitor.

The FY2025 significant increases are related to professional service contracts, supplies and maintenance (specifically fuel) as well as increases in salary & related employee expenses.

The FY2026 significant increase is related to professional service contracts in association with the transitioning consulting services for Traffic Analysis and Planning Support Services from the Town's Capital Improvement Program to the Operating Budget. Other significant increases include additional funding for business insurance and reimbursable engineering reviews (offset by revenue).

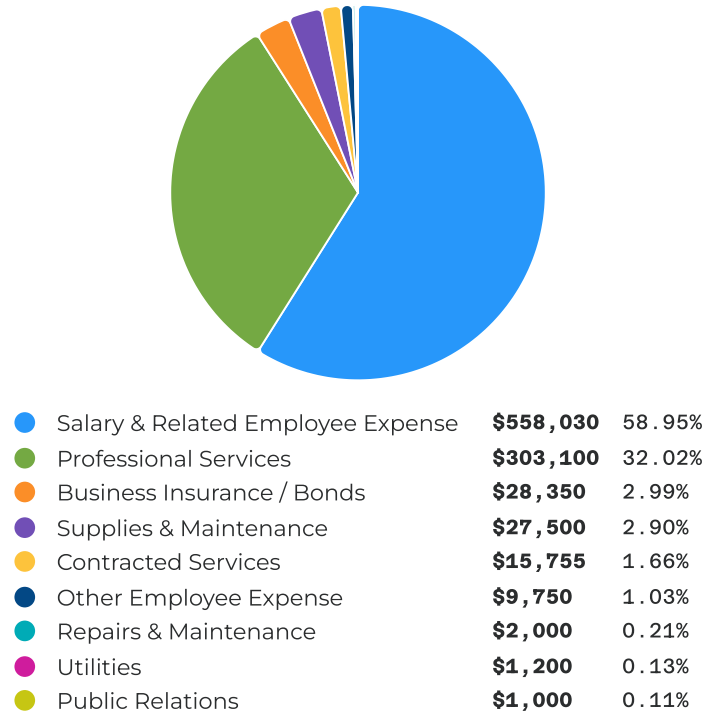
\$946,685 **\$36,065**
3.96% vs. prior year)

Planning & Zoning Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Planning & Zoning salaries and benefits consist of one (1) salaried and four (4) full-time employees.

Expenditure Detail by Line Item

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Salary & Related Employee Expense	\$498,659	\$558,170	\$558,030	-0.03%
Planning & Zoning	\$498,659	\$558,170	\$558,030	-0.03%
Gross Salaries P&Z	\$357,460	\$393,440	\$388,575	-1.24%
Bonus P&Z	\$2,065	\$2,390	\$2,390	0.00%
Overtime P&Z	\$4,008	\$7,550	\$7,750	2.65%
Health/Hosp Insurance P&Z	\$78,837	\$88,505	\$91,145	2.98%
Delaware Health Valley Trust / Eyemed	\$0	\$91,805	\$92,850	1.14%
Employee Cost Share	\$0	-\$3,300	-\$1,705	-48.33%
Dental Insurance P&Z	\$4,954	\$6,900	\$5,800	-15.94%
Life/Disability Insurance P&Z	\$2,345	\$3,450	\$5,740	66.38%
Guardian Disability & Life Insurance	\$0	\$2,450	\$2,540	3.67%
DE Paid Leave Program - Private Insurance	\$0	\$1,000	\$3,200	220.00%
Social Security ER Share P&Z	\$21,775	\$25,010	\$24,720	-1.16%
Medicare ER Share P&Z	\$5,092	\$5,850	\$5,780	-1.20%
Employee Retirement ER Share P&Z	\$20,318	\$22,105	\$24,040	8.75%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Unemployment Compensation P&Z	\$829	\$1,880	\$1,000	-46.81%
Worker's Compensation Insurance P&Z	\$886	\$1,000	\$1,000	0.00%
State Employment Training Fund P&Z	\$91	\$90	\$90	0.00%
Other Employee Expense	\$7,819	\$9,750	\$9,750	0.00%
Planning & Zoning	\$7,819	\$9,750	\$9,750	0.00%
Dues & Memberships P&Z	\$2,270	\$1,500	\$1,500	0.00%
Education/Meetings/Seminars P&Z	\$4,171	\$7,500	\$7,500	0.00%
Mileage/Travel Reimbursement P&Z	\$1,379	\$750	\$750	0.00%
Business Insurance / Bonds	\$26,273	\$26,000	\$28,350	9.04%
Planning & Zoning	\$26,273	\$26,000	\$28,350	9.04%
Business Insurance/Bonds P&Z	\$26,273	\$26,000	\$28,350	9.04%
Professional Services	\$277,549	\$266,500	\$303,100	13.73%
Planning & Zoning	\$277,549	\$266,500	\$303,100	13.73%
Consulting Services P&Z	\$15,541	\$80,000	\$80,000	0.00%
General Consulting Services	\$0	\$35,000	\$50,000	42.86%
Planning Support	\$0	\$15,000	\$15,000	0.00%
Traffic Analysis	\$0	\$30,000	\$15,000	-50.00%
Legal Services P&Z	\$28,344	\$23,500	\$35,000	48.94%
Engineering Services P&Z	\$53,556	\$32,500	\$32,500	0.00%
Engineering - Reimb Reviews P&Z	\$178,793	\$125,000	\$150,000	20.00%
Prop Cleanup - Reimbursable P&Z	\$750	\$5,000	\$5,000	0.00%
Other Services P&Z	\$564	\$500	\$600	20.00%
Contracted Services	\$11,447	\$14,000	\$15,755	12.54%
Planning & Zoning	\$11,447	\$14,000	\$15,755	12.54%
Computer Maintenance Contract P&Z	\$2,304	\$1,500	\$1,500	0.00%
Copier Lease P&Z	\$4,326	\$4,500	\$6,255	39.00%
Software Maint/Subscription Serv P&Z	\$2,806	\$3,000	\$3,000	0.00%
Committee Stipends P&Z	\$2,010	\$5,000	\$5,000	0.00%
Supplies & Maintenance	\$14,078	\$24,500	\$27,500	12.24%
Planning & Zoning	\$14,078	\$24,500	\$27,500	12.24%
Advertising P&Z	\$4,006	\$6,000	\$7,500	25.00%
Office Supplies/Printing/Copies P&Z	\$4,530	\$5,000	\$5,000	0.00%
Postage/Shipping P&Z	\$3,065	\$2,500	\$4,000	60.00%
NonCapital Equipment P&Z	\$0	\$2,500	\$2,500	0.00%
Other Supplies P&Z	\$14	\$500	\$500	0.00%
Gas & Deisel P&Z	\$2,464	\$7,500	\$7,500	0.00%
Uniforms/Clothing P&Z	\$0	\$500	\$500	0.00%
Repairs & Maintenance	\$469	\$9,500	\$2,000	-78.95%
Planning & Zoning	\$469	\$9,500	\$2,000	-78.95%
Vehicle Repair/Maintenance P&Z	\$469	\$9,500	\$2,000	-78.95%
Utilities	\$1,200	\$1,200	\$1,200	0.00%
Planning & Zoning	\$1,200	\$1,200	\$1,200	0.00%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Mobile Devices P&Z	\$1,200	\$1,200	\$1,200	0.00%
Public Relations	\$0	\$1,000	\$1,000	0.00%
Planning & Zoning	\$0	\$1,000	\$1,000	0.00%
Other P&Z	\$0	\$1,000	\$1,000	0.00%
Total Expenditures	\$837,493	\$910,620	\$946,685	3.96%



Public Safety



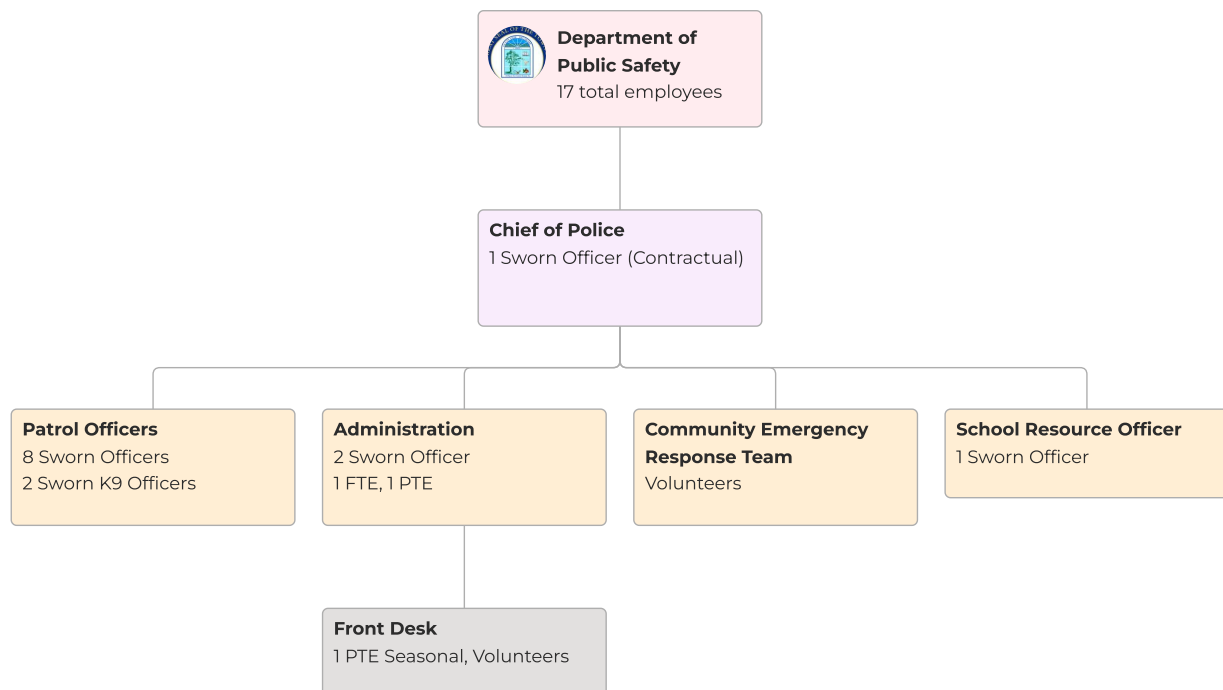
Kenneth McLaughlin

Chief of Police

The Ocean View Police Department is a full-service department under the leadership of the Chief of Police. Currently, 14 officers strong with one full-time secretary. The Ocean View Police department includes patrol officers, admin officers, two (2) K9 officers, a school resource officer, and is heavily involved in proactive community law enforcement activities and services, including home and business checks, local school engagement, various task force involvement, a Community Emergency Response Team (CERT) and neighboring town partnerships. The department recruits volunteers to operate its front desk and has a strong training program requirement for all officers. The Chief of Police reports to the Town Manager under the guidelines of the Council approved contractual agreement.

Chief of Police, Kenneth McLaughlin, began his appointment with the Town of Ocean View in May 2001.

OVPD Organizational Chart



Prior Year's Achievements

1. Awarded State of Delaware Police Accreditation for another three (3) years in the spring of 2025.
2. Received Gold Level Recognition for Excellence in Policy Development and Police Officer Training for the 6th year.
3. OVPD K9 units were certified by the National Police Canine Association.
4. PD volunteers provided hundreds of hours of service to the citizens of Ocean View.

Performance Measures

Administration Annual Goal	Measure	FY2024 Actual	FY 2025 Target	FY2026 Target
Goal 1: Maintain a strong financial position through fiscal discipline	Manage total budget expenditures at or below 96%	Achieved - 94%	Achieve	Achieve
Goal 2: Provide services for an active, healthy and involved Community	Promote bicycle safety and provide headlamps	Achieved	Achieve	Achieve
	Promote Cops & Goblins festival	Achieved	Achieve	Achieve
Goal 5: Maintain the safety of our community for residents, businesses and visitors	Receive the State of Delaware Police Accreditation	Received - Reaccreditation	Receive	Receive
	Receive the Gold Level Recognition for Excellence in Policy Development and Police Officer Training	Received - 6th Year	Receive	Receive
Goal 6: Provide superb customer service to the citizens by the Town's dedicated staff	Be named the safest place to live in Delaware	Achieved	Achieve	Achieve
	Participation in Community Events	Achieved	Achieve	Achieve
	Education Participation	Achieved	Achieve	Achieve



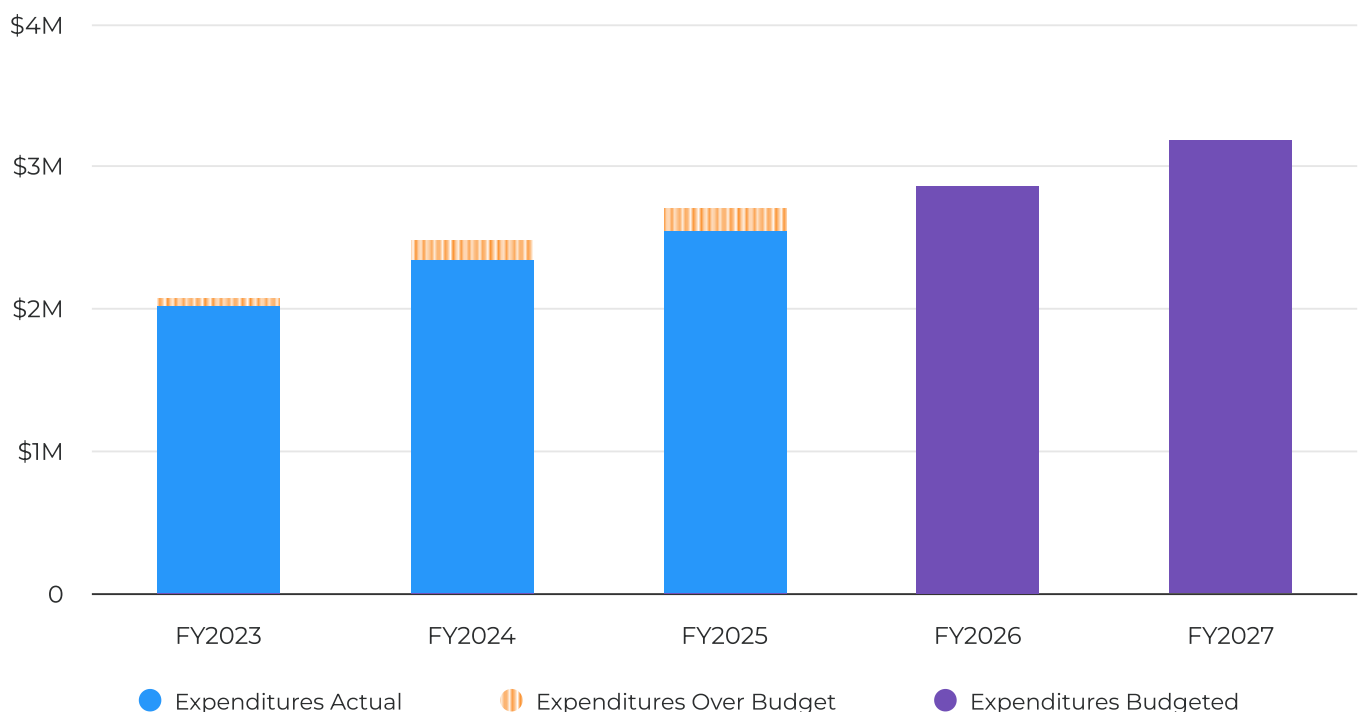
Expenditures Summary

Public Safety expenditures increased by \$317,175 or 11.08% over the prior year. Increases include implementation of the Sworn Officers to a pay scale with a starting salary of \$72,000 (up from \$68,000), 1.5% annual step increases, 1.5% annual COLA (cost-of-living-adjustment), along with set promotional increases which were recommended by PFM Financial Advisors following the OVPD Total Compensation Study which deemed these changes necessary to stay competitive and to retain personnel. Other increases include the first year of the mandated Delaware Paid Leave Insurance Program.

The FY2025 and FY2026 increases are related to salary and related employee expenses, contractual services and supplies and maintenance, such as fuel, uniforms and ammunition. In FY2025, to keep the salary competitive with surrounding towns, the sworn officers were each given a \$5,000 incremental increase, taking the starting salary from \$60,000 to \$65,000. Again in FY2026 to keep a competitive starting salary, public safety was increased to \$68,000 from \$65,000. The pay scale was adjusted by 4.61%, giving each officer a \$3,000 pay increase plus COLA (Cost-of-Living-Adjustment).

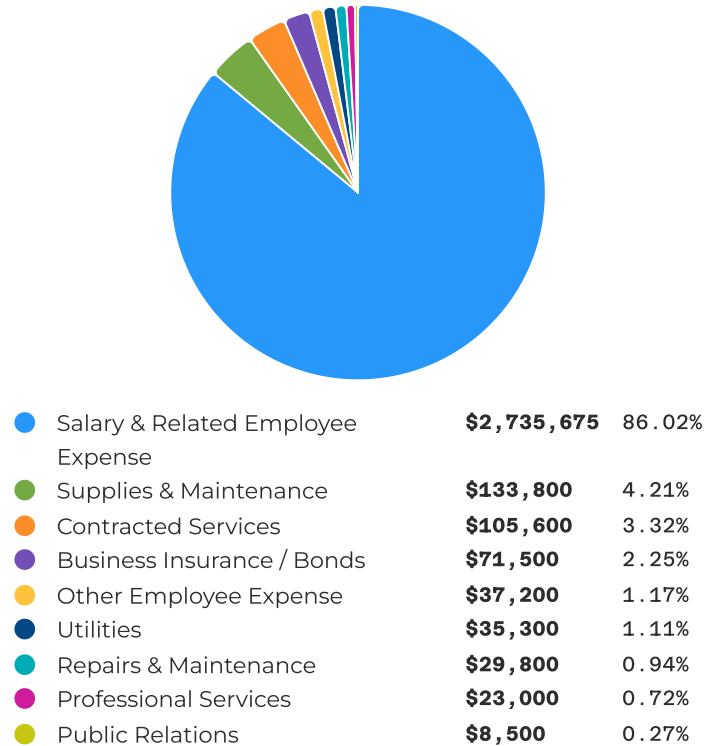
\$3,180,375 **\$317,175**
11.08% vs. prior year)

Public Safety Proposed and Historical Budget vs. Actual



Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Public Safety salaries and benefits consist of one (1) contractual employee, thirteen (13) full-time sworn officers, one (1) full-time administrative employee, one (1) part-time coordinator and one (1) seasonal employee as shown in the above organizational chart.

Expenditure Detail by Line Item

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Salary & Related Employee Expense	\$2,266,539	\$2,445,370	\$2,735,675	11.87%
Public Safety	\$2,266,539	\$2,445,370	\$2,735,675	11.87%
Gross Salaries PD	\$1,417,766	\$1,544,020	\$1,724,055	11.66%
Bonus PD	\$5,664	\$6,365	\$6,365	0.00%
Overtime PD	\$186,785	\$149,270	\$169,955	13.86%
Health/Hosp Insurance PD	\$279,412	\$305,155	\$321,710	5.43%
Delaware Valley Health Trust / Eyemed	\$0	\$318,980	\$328,730	3.06%
Employee Cost Share	\$0	-\$13,825	-\$7,020	-49.22%
Dental Insurance PD	\$10,698	\$13,620	\$11,000	-19.24%
Life/Disability Insurance PD	\$7,970	\$11,575	\$24,050	107.78%
Guardian Disability & Life Insurance	\$0	\$8,575	\$8,845	3.15%
DE Paid Leave Program - Private Insurance	\$0	\$3,000	\$15,205	406.83%
Social Security ER Share PD	\$97,799	\$105,380	\$117,825	11.81%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Medicare ER Share PD	\$22,870	\$24,645	\$27,555	11.81%
Employee Retirement ER Share PD	\$190,618	\$234,690	\$262,860	12.00%
Unemployment Compensation PD	\$2,440	\$5,350	\$5,000	-6.54%
Worker's Compensation Insurance PD	\$44,275	\$45,000	\$65,000	44.44%
State Employment Training Fund PD	\$243	\$300	\$300	0.00%
Other Employee Expense	\$48,676	\$36,700	\$37,200	1.36%
Public Safety	\$48,676	\$36,700	\$37,200	1.36%
Dues & Memberships PD	\$6,512	\$6,500	\$7,000	7.69%
Education/Meetings/Seminars PD	\$42,097	\$30,000	\$30,000	0.00%
Mileage/Travel Reimbursement PD	\$68	\$200	\$200	0.00%
Business Insurance / Bonds	\$45,127	\$55,000	\$71,500	30.00%
Public Safety	\$45,127	\$55,000	\$71,500	30.00%
Business Insurance/Bonds PD	\$45,127	\$55,000	\$71,500	30.00%
Professional Services	\$19,476	\$21,815	\$23,000	5.43%
Public Safety	\$19,476	\$21,815	\$23,000	5.43%
Legal Services PD	\$961	\$1,000	\$1,000	0.00%
Contracted Labor PD	\$10,830	\$10,815	\$11,000	1.71%
Other Services PD	\$7,686	\$10,000	\$11,000	10.00%
Contracted Services	\$50,891	\$72,615	\$105,600	45.42%
Public Safety	\$50,891	\$72,615	\$105,600	45.42%
Computer Maintenance Contract PD	\$0	\$500	\$1,000	100.00%
Copier Lease PD	\$1,988	\$2,000	\$3,025	51.25%
Elevator Maintenance PD	\$2,305	\$2,575	\$2,500	-2.91%
Generator Maintenance Agreement PD	\$484	\$515	\$425	-17.48%
HVAC Maintenance Agreement PD	\$0	\$1,030	\$750	-27.18%
Pest Control PD	\$543	\$1,545	\$500	-67.64%
Security Monitoring/Maintenance PD	\$1,259	\$3,200	\$1,500	-53.13%
Software Maint/Subscription Serv PD	\$43,483	\$60,250	\$95,000	57.68%
Sprinkler System Inspections PD	\$829	\$1,000	\$900	-10.00%
Supplies & Maintenance	\$194,382	\$138,300	\$133,800	-3.25%
Public Safety	\$194,382	\$138,300	\$133,800	-3.25%
Advertising PD	\$1,144	\$1,000	\$500	-50.00%
Office Supplies/Printing/Copies PD	\$1,777	\$3,000	\$3,000	0.00%
Postage/Shipping PD	\$26	\$300	\$300	0.00%
Miscellaneous PD	\$1,239	\$0	\$0	0.00%
NonCapital Equipment PD	\$90,432	\$30,000	\$30,000	0.00%
Other Supplies PD	\$7,189	\$10,000	\$8,000	-20.00%
Gas & Deisel PD	\$44,670	\$48,000	\$46,000	-4.17%
Uniforms/Clothing PD	\$17,415	\$15,000	\$15,000	0.00%
Canine Supplies PD	\$5,681	\$6,000	\$5,000	-16.67%
Ammunition PD	\$24,809	\$25,000	\$26,000	4.00%
Repairs & Maintenance	\$49,773	\$44,900	\$29,800	-33.63%
Public Safety	\$49,773	\$44,900	\$29,800	-33.63%
Cleaning Service PD	\$17,583	\$16,600	\$2,500	-84.94%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Inspections - Building PD	\$1,191	\$800	\$800	0.00%
Repairs to Machinery/Equipment PD	\$1,971	\$2,000	\$1,000	-50.00%
Repairs to Buildings - NonCapital PD	\$10,399	\$5,000	\$5,000	0.00%
Other Repairs/Maintenance PD	\$387	\$500	\$500	0.00%
Vehicle Repair/Maintenance PD	\$18,242	\$20,000	\$20,000	0.00%
Utilities	\$31,870	\$39,000	\$35,300	-9.49%
Public Safety	\$31,870	\$39,000	\$35,300	-9.49%
Electric PD	\$4,975	\$7,000	\$7,000	0.00%
Propane Gas PD	\$296	\$1,500	\$1,500	0.00%
Sewer PD	\$2,511	\$3,000	\$2,800	-6.67%
Trash/Recycling PD	\$2,533	\$2,500	\$1,500	-40.00%
Water PD	\$2,457	\$3,000	\$2,500	-16.67%
Mobile Devices PD	\$13,465	\$15,000	\$15,000	0.00%
Telephone & Communications PD	\$5,633	\$7,000	\$5,000	-28.57%
Public Relations	\$5,588	\$9,500	\$8,500	-10.53%
Public Safety	\$5,588	\$9,500	\$8,500	-10.53%
Special Olympics PD	\$0	\$2,000	\$1,000	-50.00%
Valor Awards PD	\$0	\$500	\$500	0.00%
Other PD	\$5,588	\$7,000	\$7,000	0.00%
Total Expenditures	\$2,712,322	\$2,863,200	\$3,180,375	11.08%



Public Works



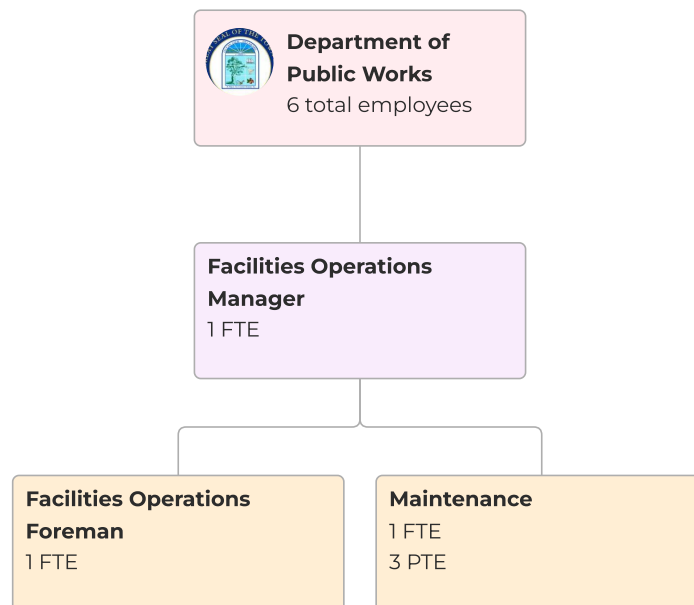
Matthew Martin

Facilities Operations Manager

The Public Works division oversees outsourced contractual relationships with various companies for the efficient provision of turf management, landscaping, facility maintenance, etc. In addition, this division is currently made up of the Facilities Operations Manager, a Foreman and a full-time laborer, and three (3) part-time laborers who are expected to complete daily maintenance and oversight of all town facilities, including parks, right of ways, storm water facilities, etc. Sign maintenance and installations, oversight of snow removal operations, interaction with outsourced water utility representatives and special program assistance are also the responsibility of this division. Public Works provides support for all community events. The Facilities Operations Manager reports directly to the Town Manager.

Facilities Operations Manager, Matthew Martin, began his career with the Town of Ocean View in January 2025.

DPW Organizational Chart



Prior Year's Achievements

1. Performed daily facility checks and building inspections at 32 West Community Center, John West Park and the Municipal Building located at 201 Central Avenue.
2. Staff received certification in Mosquito and Pest Control from the State of Delaware.
3. A partnership with DelDOT and the Salt Air Gardeners Club culminated in the upkeep of a Blue Star Memorial beautification site along Atlantic Avenue honoring all who served our country.

Performance Measures

Administration Annual Goal	Measure	FY2024 Actual	FY 2025 Target	FY2026 Target
Goal 1: Maintain a strong financial position through fiscal discipline	Manage total budget expenditures at or below 96%	Achieved - 96%	Achieve	Achieve
Goal 2: Provide services for an active, healthy and involved Community	Perform daily checks of the exercise equipment located at John West Park	Completed	Complete	Complete
	Assist in the set up and take down of Community Events	Achieved	Achieve	Achieve
Goal 4: Preserve the Town's character and its natural resources	Tree and shrub work to enhance the beauty of Ocean View	Completed	Complete	Complete
Goal 5: Maintain the safety of our community for residents, businesses and visitors	Perform daily playground inspections on equipment located at John West Park	Completed	Complete	Complete
	Preparedness and response during and following storms	Achieved - Storm Response Required	Achieve	Achieve
Goal 6: Provide superb customer service to the citizens by the Town's dedicated staff	Perform weekly rounds through Town collecting trash and checking storm drains and ditches	Completed	Complete	Complete
	Participation in Community Events	Achieved	Achieve	Achieve



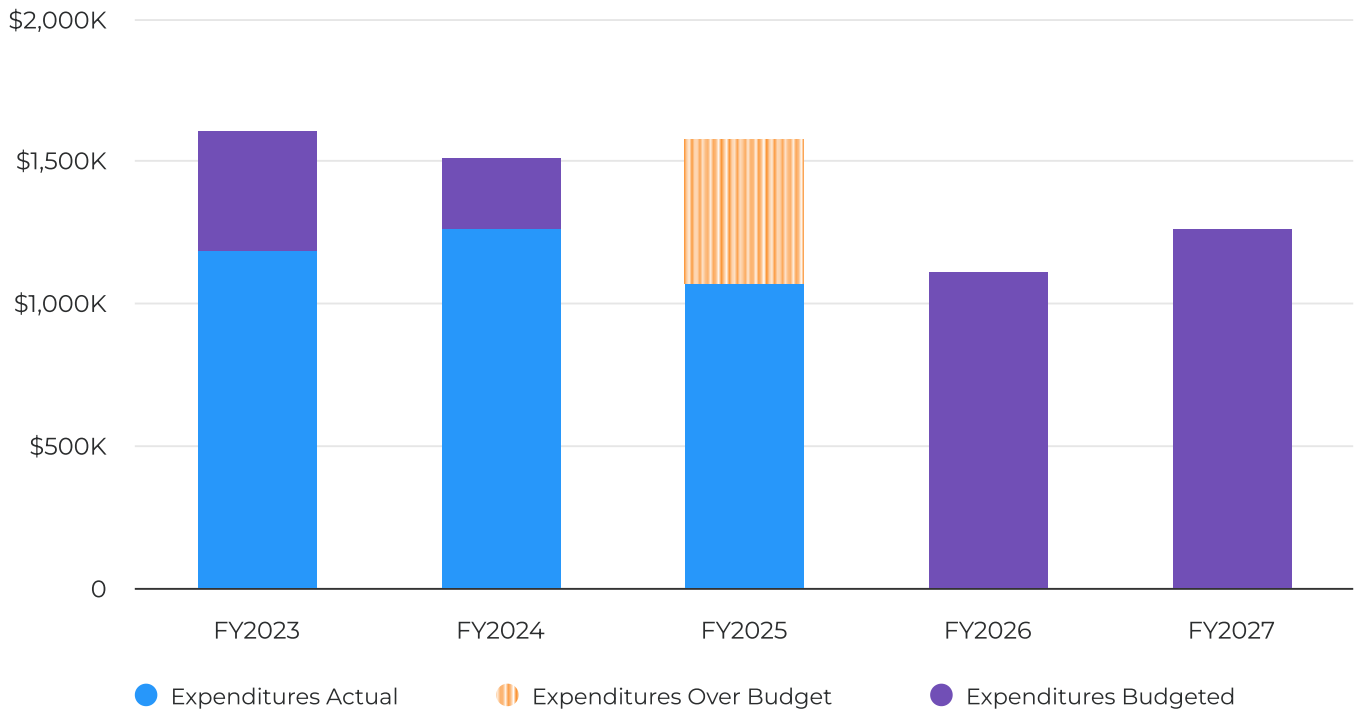
Expenditure Summary

Public Works expenditures increased \$153,575 or 13.86% from the prior year. The significant increase to the Public Works budget is associated with increases to planned drainage repairs & maintenance, sidewalk repairs, storm response, street maintenance and street repair & replacement. Other increases include the first year of the mandated Delaware Paid Leave Insurance Program and an increase to salaries & benefits with the transitioning of janitorial duties to in-house after the retirement of the Town's longtime cleaning provider and in December 2025, Council approved the hiring of a 3rd part-time employee. The cleaning services line item in the Administration and Public Safety budgets was reduced to offset the hiring of the 3rd part-time employee.

The FY2026 proposed budget included the addition of two (2) part-time maintenance workers in association with the anticipated opening of the Berzin's Nature Park & Trail, along with increased in-house projects. The decrease in FY2025 is related to a reduction of street rehabilitation projects while drainage projects are in their construction phase (from \$745K to \$790K spread over three (3) budget cycles). Other operating expenses such as fuel, utilities and expenses directly related to salary and related employee expenses increased in FY2025 over FY2024.

\$1,261,870 **\$153,575**
13.86% vs. prior year)

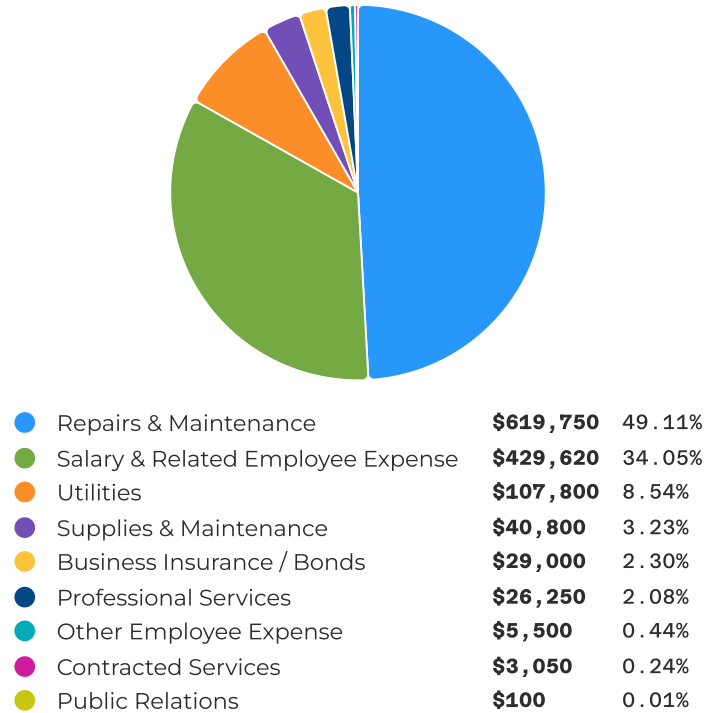
Public Works Proposed and Historical Budget vs. Actual



The Department of Public Works budget includes street maintenance (\$260,000) and sidewalks (\$75,000). Projects under these categories are currently developed and overseen by the Director of Planning & Zoning and are funded by the Street Repair & Replacement Trust and Municipal Street Aid. With the addition of the Facility Operations Manager, these duties will transition to the Department of Public Works.

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



Public Works salaries and benefits consist of three (3) full-time employees and three (3) part-time employees as shown in the above organizational chart.

Expenditure Detail by Line Item

Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Salary & Related Employee Expense	\$327,541	\$359,695	\$429,620	19.44%
DPW	\$327,541	\$359,695	\$429,620	19.44%
Gross Salaries DPW	\$209,783	\$237,610	\$268,850	13.15%
Bonus DPW	\$786	\$2,000	\$2,400	20.00%
Overtime DPW	\$9,178	\$9,540	\$9,825	2.99%
Health/Hosp Insurance DPW	\$69,818	\$60,880	\$92,020	51.15%
Delaware Valley Health Trust / Eyemed	\$0	\$67,410	\$93,545	38.77%
Employee Cost Share	\$0	-\$6,530	-\$1,525	-76.65%
Dental Insurance DPW	\$2,795	\$4,200	\$4,320	2.86%
Life/Disability Insurance DPW	\$1,312	\$2,300	\$3,775	64.13%
Guardian Disability & Life Insurance	\$0	\$1,700	\$1,525	-10.29%
DE Paid Leave Program - Private Insurance	\$0	\$600	\$2,250	275.00%
Social Security ER Share DPW	\$13,246	\$15,450	\$17,425	12.78%
Medicare ER Share DPW	\$3,098	\$3,610	\$5,705	58.03%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Employee Retirement ER Share DPW	\$10,020	\$13,655	\$12,560	-8.02%
Unemployment Compensation DPW	\$922	\$900	\$1,250	38.89%
Worker's Compensation Insurance DPW	\$6,537	\$9,500	\$11,390	19.89%
State Employment Training Fund DPW	\$47	\$50	\$100	100.00%
Other Employee Expense	\$542	\$5,500	\$5,500	0.00%
DPW	\$542	\$5,500	\$5,500	0.00%
Dues & Memberships DPW	\$0	\$300	\$300	0.00%
Education/Meetings/Seminars DPW	\$542	\$5,000	\$5,000	0.00%
Mileage/Travel Reimbursement DPW	\$0	\$200	\$200	0.00%
Business Insurance / Bonds	\$26,273	\$29,400	\$29,000	-1.36%
DPW	\$26,273	\$29,400	\$29,000	-1.36%
Business Insurance/Bonds DPW	\$26,273	\$29,400	\$29,000	-1.36%
Professional Services	\$21,372	\$26,250	\$26,250	0.00%
DPW	\$21,372	\$26,250	\$26,250	0.00%
Contracted Labor DPW	\$20,759	\$25,750	\$25,750	0.00%
Other Services DPW	\$613	\$500	\$500	0.00%
Contracted Services	\$1,656	\$2,750	\$3,050	10.91%
DPW	\$1,656	\$2,750	\$3,050	10.91%
Computer Maintenance Contract DPW	\$567	\$300	\$300	0.00%
Pest Control DPW	\$444	\$750	\$750	0.00%
Rental of Machinery/Equipment DPW	\$464	\$1,200	\$1,200	0.00%
Software Maint/Subscription Serv DPW	\$181	\$0	\$300	
Building Security Contract DPW	\$0	\$500	\$500	0.00%
Supplies & Maintenance	\$41,964	\$36,000	\$40,800	13.33%
DPW	\$41,964	\$36,000	\$40,800	13.33%
Advertising DPW	\$2,538	\$500	\$500	0.00%
Office Supplies/Printing/Copies DPW	\$595	\$300	\$300	0.00%
Postage / Shipping	\$34	\$0	\$0	0.00%
Miscellaneous DPW	\$1	\$0	\$0	0.00%
NonCapital Equipment DPW	\$5,800	\$5,000	\$5,000	0.00%
Other Supplies DPW	\$5,894	\$5,000	\$5,000	0.00%
Gas & Deisel DPW	\$10,034	\$8,500	\$10,000	17.65%
Uniforms/Clothing DPW	\$2,291	\$1,200	\$1,500	25.00%
Road and Street Signs DPW	\$935	\$2,500	\$3,500	40.00%
Mosquito Control Supplies DPW	\$13,841	\$13,000	\$15,000	15.38%
Repairs & Maintenance	\$1,051,827	\$537,800	\$619,750	15.24%
DPW	\$1,051,827	\$537,800	\$619,750	15.24%
Cleaning Service DPW	\$1,573	\$1,300	\$750	-42.31%
Repairs to Machinery/Equipment DPW	\$3,588	\$5,000	\$5,000	0.00%



Category	FY2025 Actual	FY2026 Budgeted	FY 2027 Budgeted	FY2026 Budgeted vs. FY 2027 Budgeted (% Change)
Repairs to Buildings - NonCapital DPW	\$6,143	\$1,500	\$1,500	0.00%
Vehicle Repair/Maintenance DPW	\$3,972	\$5,000	\$7,500	50.00%
Sidewalk Repairs DPW	\$68,487	\$90,000	\$75,000	-16.67%
Drainage Repair/Maintenance DPW	\$35,637	\$75,000	\$100,000	33.33%
Street Maintenance DPW	\$102,782	\$90,000	\$100,000	11.11%
Street Maintenance DPW: Storm Response	\$0	\$45,000	\$45,000	0.00%
Street Repair & Replacement DPW	\$668,539	\$200,000	\$260,000	30.00%
Park Expense DPW	\$26,315	\$25,000	\$25,000	0.00%
Street Maintenance DPW - Storm Response	\$134,790	\$0	\$0	0.00%
Utilities	\$104,350	\$110,800	\$107,800	-2.71%
DPW	\$104,350	\$110,800	\$107,800	-2.71%
Electric DPW	\$4,578	\$5,000	\$5,000	0.00%
Propane Gas DPW	\$2,260	\$1,000	\$1,000	0.00%
Sewer DPW	\$618	\$1,000	\$1,000	0.00%
Trash/Recycling DPW	\$2,276	\$3,000	\$2,500	-16.67%
Water DPW	\$1,556	\$5,000	\$2,500	-50.00%
Street Lights DPW	\$87,943	\$90,000	\$90,000	0.00%
Mobile Devices DPW	\$1,454	\$1,800	\$1,800	0.00%
Telephone & Communications DPW	\$3,664	\$4,000	\$4,000	0.00%
Public Relations	\$0	\$100	\$100	0.00%
DPW	\$0	\$100	\$100	0.00%
Other DPW	\$0	\$100	\$100	0.00%
Total Expenditures	\$1,575,523	\$1,108,295	\$1,261,870	13.86%



CAPITAL IMPROVEMENT PROGRAM



Proposed Five-Year Capital Improvement Program

Proposed Capital Improvement Program for Fiscal Years 2027–2031
May 1, 2026 to April 30, 2031.

The five-year Capital Improvement program is an important tool that assists the Town in its long-range goals. Each year, the program is reviewed and re-evaluated. The first year of the program was considered when creating the FY2027 Capital Budget and is subject to appropriations during the 2027 Operating and Capital Budget process. The remaining years serve as a guide for future improvements, their cost and sources of funding.

Total Funding Requested by Source

Below is a summary of the funding sources for the five-year Capital Improvement Program.

	Amount Year ending April 30, 2027	Amount Year ending April 30, 2028	Amount Year ending April 30, 2029	Amount Year ending April 30, 2030	Amount Year ending April 30, 2031	5-year Totals
<u>Appropriations from the:</u>						
General Fund	\$ 235,000	\$ -	\$ -	\$ -	\$ -	\$ 235,000
Emerging Project Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Replacement Trust Fund	\$ 217,500	\$ 523,240	\$ 93,735	\$ 71,685	\$ 465,970	\$ 1,372,130
Agency Funded Grants:						\$ -
Sussex Cnty Revenue Sharing Grant	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 225,000
DE ORPT Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DE TAP Grant (80% / 20% match)	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000
Delaware Bond Bills (multiple years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
American Rescue Plan Act	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
DNREC Grant - Tax Ditch	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BRIC Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Repair & Replacement Trust Fund	\$ 955,640	\$ 102,000	\$ -	\$ -	\$ -	\$ 1,057,640
Other Funding Source - Financing	\$ 825,010	\$ 1,977,590	\$ 3,510,000	\$ -	\$ -	\$ 6,312,600
Emergency Service Enhancement Fund	\$ 210,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 710,000
Total Appropriations	\$ 3,900,150	\$ 2,772,830	\$ 3,773,735	\$ 241,685	\$ 635,970	\$ 11,324,370



Proposed Capital Improvement Program by Department

Below is a summary of the five-year Capital Improvement Program, followed by a narrative of each project.

	Amount Year ending April 30, 2027	Amount Year ending April 30, 2028	Amount Year ending April 30, 2029	Amount Year ending April 30, 2030	Amount Year ending April 30, 2031	5-year Totals
Capital Expenditures						
General & Administrative						
Berzin's Natural Area and Park	\$ 470,000	\$ -	\$ -	\$ -	\$ -	\$ 470,000
8 Oakwood Avenue Parking Lot	\$ 90,040	\$ -	\$ -	\$ -	\$ -	\$ 90,040
Total Administrative	\$ 560,040	\$ -	\$ -	\$ -	\$ -	\$ 560,040
Public Safety						
Replacement of Police Vehicles	\$ 255,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 935,000
Total Public Safety	\$ 255,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 935,000
Planning & Zoning						
Drainage Projects:						
Woodland Park - Phase II	\$ 590,010	\$ -	\$ -	\$ -	\$ -	\$ 590,010
The Cottages	\$ -	\$ 102,000	\$ -	\$ -	\$ -	\$ 102,000
Hunters Run Pipe Replacement	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ 1,200,000
Oakwood Avenue	\$ 315,600	\$ -	\$ -	\$ -	\$ -	\$ 315,600
Woodland Ave Drainage Study	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Total Drainage projects	\$ 955,610	\$ 102,000	\$ 1,200,000	\$ -	\$ -	\$ 2,257,610
Street Repair Projects:						
Woodland Avenue Street Widening	\$ 150,000	\$ -	\$ 2,310,000	\$ -	\$ -	\$ 2,460,000
Total Street Repair projects	\$ 150,000	\$ -	\$ 2,310,000	\$ -	\$ -	\$ 2,460,000
Sidewalk Connectivity projects						
Woodland to Oakwood via Central	\$ 1,750,000	\$ -	\$ -	\$ -	\$ -	\$ 1,750,000
West Avenue - Phase IV	\$ -	\$ 1,977,590	\$ -	\$ -	\$ -	\$ 1,977,590
Total Sidewalk Connectivity projects	\$ 1,750,000	\$ 1,977,590	\$ -	\$ -	\$ -	\$ 3,727,590
Total Planning & Zoning	\$ 2,855,610	\$ 2,079,590	\$ 3,510,000	\$ -	\$ -	\$ 8,445,200
Public Works						
Automotive Lift	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000
Salt Storage Building	\$ -	\$ 61,800	\$ -	\$ -	\$ -	\$ 61,800
Holiday Décor Storage	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
Total Public Works	\$ 12,000	\$ 61,800	\$ 20,000	\$ -	\$ -	\$ 93,800
Capital Repairs from CRTF						
32 West Avenue - Capital Repairs	\$ -	\$ 56,650	\$ 10,080	\$ -	\$ 4,280	\$ 71,010
201 Central Avenue - Capital Repairs	\$ -	\$ 80,340	\$ -	\$ 8,305	\$ 326,060	\$ 414,705
222 Maintenance Road - Capital Repairs	\$ 17,500	\$ -	\$ -	\$ 26,225	\$ -	\$ 43,725
John West Park - Capital Repairs	\$ 200,000	\$ 324,450	\$ -	\$ 13,115	\$ 68,100	\$ 605,665
Vehicle Replacement	\$ -	\$ -	\$ 63,655	\$ 24,040	\$ 67,530	\$ 155,225
Capital Repairs - funded from the CRTF	\$ 217,500	\$ 461,440	\$ 73,735	\$ 71,685	\$ 465,970	\$ 1,290,330
Total Capital Outlays	\$ 3,900,150	\$ 2,772,830	\$ 3,773,735	\$ 241,685	\$ 635,970	\$ 11,324,370



General & Administrative Requests

Berzin's Nature Park & Trail (GA001)

The Town purchased property at the corner of Muddy Neck Road and Double Bridges Road using grant funds totaling \$500,000 in FY23. Plans have been developed for Berzin's Nature Park & Trail, complete with walking trails, scenic boardwalk overlooks, an outdoor classroom, pavilion and restrooms. Construction is scheduled for Fall 2026.

Project No. GA001	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"	\$ 43,430	\$ 235,000					\$ 278,430
Sussex Cnty Excess Funding Grant	\$ 288,253						\$ 288,253
DE ORPT Grant	\$ 100,000						\$ 100,000
DE TAP Grant (80% / 20% match)	\$ 1,189,103						\$ 1,189,103
Delaware Bond Bill	\$ 113,113						\$ 113,113
Emerging Projects	\$ 81,445						\$ 81,445
American Rescue Plan Act (ARPA)	\$ 341,974						\$ 341,974
Other funding sources	\$ -	\$ 235,000					\$ 235,000
Total Funding:	\$ 2,157,318	\$ 470,000	\$ -	\$ -	\$ -	\$ -	\$ 2,627,318
Engineering	\$ 603,772						\$ 603,772
Construction / Construction Management	\$ 1,050,000	\$ 470,000					\$ 1,520,000
Vehicles & Equipment	\$ -						\$ -
Other - Land Purchase	\$ 503,546						\$ 503,546
Total Project Costs	\$ 2,157,318	\$ 470,000	\$ -	\$ -	\$ -	\$ -	\$ 2,627,318



8 Oakwood Avenue Parking Facility (GA002)

The Town purchased property at the corner of Central Avenue and Oakwood in the fall of 2023. The funding for the purchase was as follows and totaled \$410,158.

Funding	Amount
ARPA	\$225,100
Delaware Bond Bill	\$ 89,500
ORPT Grant	\$ 89,500
General Fund	\$ 6,058

Construction cost is estimated at \$214,775 and is scheduled for Spring 2026. ARPA funds were encumbered in December 2025 in the amount of \$155,435 leaving \$90,040 for the paving to be funded by SRRTF (Street Repair & Replacement Trust Fund).

Project No. GA002	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Excess Funding Grant							\$ -
Street Repair/Replacement TF (SRRTF)		\$ 90,040					\$ 90,040
DE TAP Grant (80% / 20% match)							\$ -
FY25 Bond Bill							\$ -
Emerging Projects							\$ -
American Rescue Plan Act (ARPA)	\$ 454,175						\$ 454,175
Other funding sources	\$ -						\$ -
Total Funding:	\$ 454,175	\$ 90,040	\$ -	\$ -	\$ -	\$ -	\$ 544,215
Engineering	\$ 72,760						\$ 72,760
Construction / Construction Management	\$ 156,315	\$ 90,040					\$ 246,355
Vehicles & Equipment							\$ -
Other - Land Purchase	\$ 225,100						\$ 225,100
Total Project Costs	\$ 454,175	\$ 90,040	\$ -	\$ -	\$ -	\$ -	\$ 544,215

Public Safety Requests

Replacement of Police Vehicles (PS001)

The request includes the base price of the vehicles as well as the after-market outfitting. The oldest reserve will then be sold at auction.

The FY2027 budget includes the purchase of three (3) police vehicles as well as two (2) replacements in FY2028, FY2029, FY2030 and FY2031. The vehicles will be purchased with \$45K from Sussex County Revenue Sharing Grant as well as \$210,00K from the Emergency Services Enhancement Fund (ESEF).

OVPD vehicles being replaced in FY2027 are P-06, P-14 and P-15.

The purchase will have no effect on the Operating Budget since they are replacements and funding is identified from other sources.

Project No. PS001	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant	\$ 35,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 260,000
Street Repair/Replacement TF (SRRTF)							\$ -
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)	\$ 50,000	\$ 210,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 760,000
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources							\$ -
Total Funding:	\$ 85,000	\$ 255,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 1,020,000
Engineering							\$ -
Construction / Construction Management							\$ -
Vehicles & Equipment	\$ 85,000	\$ 255,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 1,020,000
Other - Contingency							\$ -
Total Project Costs	\$ 85,000	\$ 255,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 1,020,000

Public Works Requests

Automotive Lift (PW001)

The Department of Public Works has requested the installation of an automotive lift at the Maintenance Building. Originally requested for FY2028, it has been pushed to FY2029 so that a full calendar year of research and analysis can be made to determine the necessity.

Although not part of the Capital Reserve Study, the purchase and installation is eligible for funding from the Capital Reserve Trust Fund (CRTF) as an improvement to the Maintenance Building.

Project No. PW001	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)							\$ -
Capital Replacement TF (CRTF)				\$ 20,000			\$ 20,000
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources							\$ -
Total Funding:	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000
Engineering							\$ -
Construction / Construction Management							\$ -
Vehicles & Equipment				\$ 20,000			\$ 20,000
Other - Contingency							\$ -
Total Project Costs	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000

Salt Storage Building (PW002)

In preparation for harsh winters to come, a salt storage building has become a necessity, not only in order to be prepared, but for cost savings by purchasing it during the off season.

Although not part of the Capital Reserve Study, the purchase and installation is eligible for funding from the Capital Reserve Trust Fund (CRTF) as an addition to the Maintenance Building.

Project No.PW002	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)							\$ -
Capital Replacement TF (CRTF)			\$ 61,800				\$ 61,800
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources							\$ -
Total Funding:	\$ -	\$ -	\$ 61,800	\$ -	\$ -	\$ -	\$ 61,800
Engineering							\$ -
Construction / Construction Management			\$ 61,800				\$ 61,800
Vehicles & Equipment							\$ -
Other - Contingency							\$ -
Total Project Costs	\$ -	\$ -	\$ 61,800	\$ -	\$ -	\$ -	\$ 61,800



Holiday Decor Storage (PW003)

During the Fall / Winter of 2024, we determined that we could save money by storing our holiday decor, such as the John West Park Christmas tree & Decorations, the Holiday Trail of Lights (also at John West Park), the light pole wreaths and other decor if we had dedicated storage. Currently, we pay for storage off site, have to get it delivered, set up, taken down and taken back to storage.

Prior to the decor being delivered and set up next November, we will have storage in place for when the decor is taken down.

ARPA funding for the storage was encumbered in December 2024 and must be spent by December 2026.

Project No. PW003	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)							\$ -
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)		\$ 12,000					\$ 12,000
Other funding sources							\$ -
Total Funding:	\$ -	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
Engineering							\$ -
Construction / Construction Management		\$ 12,000					\$ 12,000
Vehicles & Equipment							\$ -
Other - Contingency							\$ -
Total Project Costs	\$ -	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000

Planning and Zoning Requests

Drainage Projects:

Woodland Park Phase II (PZ002)

Drainage improvements along Woods Circle, Maple Lane and Holly Lane in the Woodland Park neighborhood. The project was previously scheduled for construction in FY2026 but has been pushed to FY2028.

Funding from SRRTF was originally scheduled for FY2028 but due to funding restraints alternative funding sources will be discussed.

Project No. PZ002	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)	\$ 155,500						\$ 155,500
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources		\$ 590,010					\$ 590,010
Total Funding:	\$ 155,500	\$ 590,010	\$ -	\$ -	\$ -	\$ -	\$ 745,510
Engineering	\$ 150,000						\$ 150,000
Construction / Construction Management		\$ 590,010					\$ 590,010
Vehicles & Equipment							\$ -
Other - Contingency	\$ 5,500						\$ 5,500
Total Project Costs	\$ 155,500	\$ 590,010	\$ -	\$ -	\$ -	\$ -	\$ 745,510



The Cottages (PZ004)

Drainage improvements along Columbia Avenue, Sally Lane, Port Royal Road and Whites Creek lane were completed in FY2025. Additional work has been scheduled for FY2028 for clearing, excavation and grading of the existing drainage channel that runs between Seabrook Avenue and Hudson Avenue to White Creek.

Project No. PZ004	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)	\$ 942,508		\$ 102,000				\$ 1,044,508
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources							\$ -
Total Funding:	\$ 942,508	\$ -	\$ 102,000	\$ -	\$ -	\$ -	\$ 1,044,508
Engineering							\$ -
Construction / Construction Management	\$ 942,508		\$ 102,000				\$ 1,044,508
Vehicles & Equipment							\$ -
Other - Contingency							\$ -
Total Project Costs	\$ 942,508	\$ -	\$ 102,000	\$ -	\$ -	\$ -	\$ 1,044,508

Hunters Run Pipe Crossing (PZ010)

Remove and replace all existing asphalt coated corrugated metal pipes and roadway "slot" drains in the community. Once complete, mill and overlay all existing roadways. The cost of the street resurfacing is included in the construction cost of the project.

Originally scheduled to start in FY2007, the project has been pushed to FY2029 with funding from alternative sources to be discussed.

Project No. PZ010	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)	\$ 134,640						\$ 134,640
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources				\$ 1,200,000			\$ 1,200,000
Total Funding:	\$ 134,640	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ 1,334,640
Engineering	\$ 134,640						\$ 134,640
Construction / Construction Management				\$ 1,200,000			\$ 1,200,000
Vehicles & Equipment	\$ -						\$ -
Other - Contingency							\$ -
Total Project Costs	\$ 134,640	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ 1,334,640



Oakwood Avenue (PZ013)

Drainage improvements to Oakwood Avenue adjacent to John West Park. The project was originally waiting for the grant award paperwork from Building Resilient Infrastructure & Communities (BRIC) for the amount of the engineering and construction cost. The BRIC grant was unfunded after approval. The total cost of the project will be funded by the Street Repair & Replacement Trust (SRRTF).

Project No. PZ013	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"	\$ -						\$ -
Sussex Cnty Revenue Sharing Grant	\$ -						\$ -
Street Repair/Replacement TF (SRRTF)	\$ 222,000	\$ 315,600					\$ 537,600
Capital Replacement TF (CRTF)	\$ -						\$ -
Emergency Service Enhancement TF (ESEF)	\$ -						\$ -
BRIC Grant	\$ -						\$ -
American Rescue Plan Act (ARPA)	\$ -						\$ -
Other funding sources							\$ -
Total Funding:	\$ 222,000	\$ 315,600	\$ -	\$ -	\$ -	\$ -	\$ 537,600
Engineering	\$ 60,000						\$ 60,000
Construction / Construction Management	\$ 125,000	\$ 315,600					\$ 440,600
Vehicles & Equipment	\$ -						\$ -
Other - Contingency	\$ 37,000						\$ 37,000
Total Project Costs	\$ 222,000	\$ 315,600	\$ -	\$ -	\$ -	\$ -	\$ 537,600

Woodland Avenue Drainage Study (PZ014)

A drainage improvement study to Woodland Avenue will be performed in FY2027.

Project No. PZ014	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"	\$ -						\$ -
Sussex Cnty Revenue Sharing Grant	\$ -						\$ -
Street Repair/Replacement TF (SRRTF)	\$ -	\$ 50,000					\$ 50,000
Capital Replacement TF (CRTF)	\$ -						\$ -
Emergency Service Enhancement TF (ESEF)	\$ -						\$ -
BRIC Grant	\$ -						\$ -
American Rescue Plan Act (ARPA)	\$ -						\$ -
Other funding sources							\$ -
Total Funding:	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Engineering		\$ 50,000					\$ 50,000
Construction / Construction Management							\$ -
Vehicles & Equipment	\$ -						\$ -
Other - Contingency							\$ -
Total Project Costs	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000



Street Repair Projects:

Woodland Avenue Street Widening_(PZ012)

The project will design, construct and widen Woodland Avenue to accommodate pedestrian safety and bike lanes along the corridor between Central Avenue and West Avenue. The improvement will incorporate roadway widening being completed by the developer of the Shore Vista Community. Woodland Avenue has become a busy cross-through roadway which will benefit from the improvement.

Staffing will seek grant funding for pedestrian and bike rider safety / traffic-calming efforts to lessen the funding burden from the Street Repair & Replacement Trust as well as other funding sources being discussed.

Project No. PZ012	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)		\$ 150,000					\$ 150,000
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources				\$ 2,310,000			\$ 2,310,000
Total Funding:	\$ -	\$ 150,000	\$ -	\$ 2,310,000	\$ -	\$ -	\$ 2,460,000
Engineering		\$ 150,000					\$ 150,000
Construction / Construction Management				\$ 2,310,000			\$ 2,310,000
Vehicles & Equipment							\$ -
Other - Contingency							\$ -
Total Project Costs	\$ -	\$ 150,000	\$ -	\$ 2,310,000	\$ -	\$ -	\$ 2,460,000

Sidewalk Connectivity Projects:

Woodland Avenue to Oakwood Avenue via Central Avenue (PZ019)

The phase III sidewalk connectivity project design was originally scheduled for FY2023 with construction scheduled for FY2024 but has been pushed to FY2027.

The project was awarded the Delaware Transportation Alternative Program (TAP) Grant in the spring of 2025 (80/20 split).

Project No. PZ019	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)	\$ 118,500	\$ 350,000					\$ 468,500
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
DE TAP Grant (80% / 20% match)		\$ 1,400,000					\$ 1,400,000
American Rescue Plan Act (ARPA)							\$ -
Other funding sources							\$ -
Total Funding:	\$ 118,500	\$ 1,750,000	\$ -	\$ -	\$ -	\$ -	\$ 1,868,500
Engineering	\$ 118,500						\$ 118,500
Construction / Construction Management		\$ 1,633,810					\$ 1,633,810
Vehicles & Equipment							\$ -
Other - Contingency		\$ 116,190					\$ 116,190
Total Project Costs	\$ 118,500	\$ 1,750,000	\$ -	\$ -	\$ -	\$ -	\$ 1,868,500

West Avenue - Phase IV (PZ020)

The phase IV sidewalk connectivity project will provide a safe path along West Avenue from Osprey Lane to Assawoman Canal Trail via Central Avenue. The design for the project is complete and other funding sources are being discussed.

Project No. PZ020	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
General Fund "Pay-Go"							\$ -
Sussex Cnty Revenue Sharing Grant							\$ -
Street Repair/Replacement TF (SRRTF)	\$ 224,187						\$ 224,187
Capital Replacement TF (CRTF)							\$ -
Emergency Service Enhancement TF (ESEF)							\$ -
Agency Funded Grants							\$ -
American Rescue Plan Act (ARPA)							\$ -
Other funding sources			\$ 1,977,590				\$ 1,977,590
Total Funding:	\$ 224,187	\$ -	\$ 1,977,590	\$ -	\$ -	\$ -	\$ 2,201,777
Engineering	\$ 210,687						\$ 210,687
Construction / Construction Management			\$ 1,977,590				\$ 1,977,590
Vehicles & Equipment							\$ -
Other - Contingency	\$ 13,500						\$ 13,500
Total Project Costs	\$ 224,187	\$ -	\$ 1,977,590	\$ -	\$ -	\$ -	\$ 2,201,777

This phase is broken into three (3) projects as follows:

West Avenue — Betts Avenue	Scheduled for FY2028
West Avenue — North	Scheduled for FY2028
West Avenue — South	Scheduled for FY2028 - 2029

Capital Repairs from CRTF

The following projects are funded by the Capital Repair Trust Fund (CRTF) and are based on the 2024 Reserve Study. The repairs, maintenance or replacement are based on the January 2024 review of the Town's capital assets titled "Reserve Study" prepared by Bob Wheatley of The Whayland Group, LLC. The study assumed an annual inflation rate of 3%, added vehicle replacement, and was revised in November 2024 to add contingencies for one-time costs and again in December 2025.

The Reserve Study identifies out-years costs of known and recurring infrastructure needs. This detail is then used to assist in determining the funding allocated for / sent to the Capital Reserve Trust Fund (CRTF). The fiscal year items are intended to be funded accordingly by the CRTF.

The study lists the repairs, maintenance or replacement by calendar year which is noted in the description.



32 West Avenue (Community Center) (CRTF1)

Project No. CRTF1	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
2024 HVAC - Split System - Unit 2	\$ 8,860						\$ 8,860
2025 Doors - Fiberglass	\$ 8,858						\$ 8,858
2025 Roofs - Composite Shingle	\$ 22,180						\$ 22,180
2027 Generator			\$ 56,650				\$ 56,650
2028 HVAC - Split System - Unit 1				\$ 10,080			\$ 10,080
2030 Lighting - Parking Lot						\$ 4,280	\$ 4,280
Contingency	\$ 10,300						\$ 10,300
Total Costs:	\$ 50,198	\$ -	\$ 56,650	\$ 10,080	\$ -	\$ 4,280	\$ 121,208

201 Central Avenue (Wallace A. Melson Municipal Complex) (CRTF2)

Project No. CRTF2	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
2024 Solar Array Repairs & Replacement	\$ 50,000						\$ 50,000
2024 Doors - Entrance - Phase 1 & 2	\$ -						\$ -
2024 Alarm System Upgrade	\$ 20,000						\$ 20,000
2025 Doors - Entrance - Phase 3	\$ 7,210						\$ 7,210
2025 Telephone & Security Systems	\$ 100,000						\$ 100,000
2027 Ceiling Fiberboard Panels			\$ 49,440				\$ 49,440
2027 Doors - Overhead Sectional			\$ 30,900				\$ 30,900
2029 Epoxy Floor - OVPD					\$ 8,305		\$ 8,305
2029 Solar Array Repairs & Replacement							\$ -
2030 Carpet - 1st Floor						\$ 57,400	\$ 57,400
2030 Telephone & Security Systems						\$ 268,660	\$ 268,660
Contingency	\$ 20,600						\$ 20,600
Total Costs:	\$ 197,810	\$ -	\$ 80,340	\$ -	\$ 8,305	\$ 326,060	\$ 612,515

222 Maintenance Road (Department of Public Works Building) (CRTF3)

Project No. CRTF3	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
2026 Doors - Electric Operators (6)		\$ 12,000					\$ 12,000
2026 Doors - Exterior Hardware		\$ 5,500					\$ 5,500
2029 Heat Pumps - Split System Ductless					\$ 21,855		\$ 21,855
2029 Toilet Accessories					\$ 4,370		\$ 4,370
Contingency	\$ 5,150		\$ -				\$ 5,150
Total Costs:	\$ 5,150	\$ 17,500	\$ -	\$ -	\$ 26,225	\$ -	\$ 48,875



John West Park (CRTF4)

Project No. CRTF4	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
2029 Playground Equipment	\$ 261,500	\$ 200,000	\$ 324,450			\$ 42,210	\$ 828,160
2029 Pavilion Improvements					\$ 13,115		\$ 13,115
2030 Miracle Recreation Fitness Systems						\$ 25,890	\$ 25,890
							\$ -
Total Costs:	\$ 261,500	\$ 200,000	\$ 324,450	\$ -	\$ 13,115	\$ 68,100	\$ 867,165

Playground equipment replacement was originally scheduled to start in FY2024 with funding from the following:

FY2021	\$60,000 (59,850 remaining)
FY2022	\$80,000 (\$30,861 remaining)
FY2023	\$71,500
FY2024	\$50,000

The current thought is that an overhaul and update of our playground at John West Park will require extensive effort and an all-at-once approach to get in and get the project done, thereby limiting closure time. The November 2024 Reserve Study included funding in calendar year 2029 (FY2030). The December 2025 revision moved \$200,000 to calendar year 2026 (FY2027) for use with the historical funding, possibly splitting the upgrade into two (2) projects.

Grant funding can and will also be sought.

Vehicle Replacement (CRTF5)

Project No. CRTF5	Historical	FY2027	FY2028	FY2029	FY2030	FY2031	TOTAL
2024 Dump Truck (replace DPW 01)	\$ 121,000						\$ 121,000
2024 Ford Ranger (replace PZ F350)	\$ 60,000						\$ 60,000
2025 Mosquito Sprayer #1 - mounted	\$ 22,660						\$ 22,660
2028 Ford F350 (replace DPW08)				\$ 63,655			\$ 63,655
2029 Mosquito Sprayer #2 - mounted					\$ 24,040		\$ 24,040
2030 Ford F350 (formerly PZ01)						\$ 67,530	\$ 67,530
							\$ -
Contingency							\$ -
Total Costs:	\$ 203,660	\$ -	\$ -	\$ 63,655	\$ 24,040	\$ 67,530	\$ 358,885

Impact on Future Operating Budgets

As part of the annual review of the Capital Improvement Program, the Town reviews each project to determine, if any, increases in maintenance and operational costs.

We do not anticipate that any of the projects, replacements or capital purchases that are part of the Capital Improvement Program will create the need to increase the property tax rate or impose a fee specifically for their operations.

Vehicles:

All vehicles included in the FY2027 Budget are replacement vehicles. We do not anticipate any increase to our maintenance or operational budgets once purchased and added to the fleet. Current vehicles will be sold, traded or, on occasion, held as a reserve vehicle.

Drainage Projects:

All drainage projects are improvements to the Town's infrastructure and will not have an impact on future maintenance or operational budgets once completed.

Sidewalk Connectivity Projects:

The sidewalk connectivity projects currently scheduled will have little to no impact on the maintenance or operational budget. Sidewalks have a 40-year book period. Minor repairs will be made using the public works maintenance line item.

Equipment or Building Improvements:

All equipment or building improvements listed on the FY2027-31 Capital Improvement Program are upgrades or replacements. We do not anticipate any impact, whether an increase or decrease to our maintenance or operational budgets once completed.

Open Space / Land:

Once completed, Berzin's Nature Park & Trail will have an impact on future maintenance and operational budgets. As the project progresses, analysis will be performed to determine the impact. However, the current addition of three (3) part-time maintenance staff is hopefully sufficient to absorb extra duties at Berzin's Nature Park & Trail. The purchase of 8 Oakwood Avenue adjacent to John West Park which occurred in FY2024, will be transitioned to additional parking. Once complete, the parking lot will have an impact on the contractual services and utilities. At this time, the project is not completed and does not impact the FY2027 operating budget.

American Rescue Plan Act (ARPA) Funded Projects

Signed into law on March 11, 2021, The American Rescue Plan Act ("ARPA") provided additional funding for state and local governments. The Town of Ocean View was awarded \$1,182,341. On June 16, 2021, the Town received the first installment of the ARPA funds. The 2nd installment was received on June 23, 2022. The Final Rule gave governments until December 31, 2024, to expend or encumber the awarded funds. All encumbered funds must be expended by December 31, 2026.

American Rescue Plan Act	ARPA	12/31/2024	Funds Awarded Ocean View	\$1,182,341.00	
PROJECTS SUPPORTED/ALREADY FUNDED	PURPOSE	OR VENDOR	AMOUNTS:		
MILLVILLE VOL FIRE CO	BUILDING FUND		\$ 100,000.00		TOV_ARPA-001
	EMERGENCY SERVICES ENHANCEMENT		\$ 7,812.65		TOV_ARPA-003
OPEN SPACE BERZINS NATURAL AREA	TOWARDS PROPERTY PURCHASE		\$ 210,293.38		TOV_ARPA-008
	ENGINEERING		\$ 8,544.05		
	ENGINEERING CONSULT DELDOT		\$ 24,023.03		
	FY24 ORPT Grant Match		\$ (60,000.00)		
	DESIGN 20% MATCH TAP GRANT		\$ 109,275.63		
	TOWARDS EDUCATIONAL CENTER		\$ 49,837.55		
32 WEST AVE CARD ACCESS PROJECT GRANT MATCH		(ADVANTECH)	\$ 10,299.50		TOV_ARPA-007
MOBILE RADIO REPLACEMENTS OVPD		(MOTOROLA)	\$ 82,850.14		TOV_ARPA-004
BARNES AND THORNBURG - LEGAL SERVICES ASSOCIATED WITH ARPA GRANT			\$ 4,609.64		TOV_ARPA-006
COVID 19 PREMIUM PAY			\$ 121,486.23		TOV_ARPA-002
33 WEST PARKING LOT	LANDSCAPE		\$ 30,700.00		TOV_ARPA-005
	SIGNAGE		\$ 830.00		
8 OAKWOOD AVENUE	PURCHASE (Total Purchase Cost \$405,000)		\$ 225,100.00		TOV_ARPA-010
	DEMOLITION		\$ 14,075.00		
	ENGINEERING & DESIGN	\$454,175	\$ 55,000.00		
	CONSTRUCTION		\$ 135,000.00		
	LANDSCAPE & SIGNAGE		\$ 25,000.00		
ENGINEERING/DESIGN EVIDENCE STRUCTURE		(Project Dropped)	\$ 1,150.00		TOV_ARPA-011
STALKER RADAR SPEED TRAILER			14,454.20		TOV_ARPA-009
STORAGE SHED - HOLIDAY DÉCOR	SITE WORK		1,500.00		TOV_ARPA-012
	SHED		10,500.00		
			\$ 1,182,341.00		



The remaining \$217,273 was encumbered for the following projects in December 2024 and approved by the Town Council at the January 2025 meeting. Funds must be spent by December 2026.

Project	Original Encumbered Funding	Remaining Encumbered Funding
8 Oakwood Avenue Parking Facility	\$454,175.00	\$155,435.00
Berzin's Nature Park & Trail	\$341,974.00	\$49,838.00
Holiday Decor Storage	\$12,000.00	\$12,000.00

DEBT



Debt

With the sale of the Water Distribution System, the Town has no debt.

Town debt is backed by the full faith and credit of the Town of Ocean View Government.

Ocean View's legal debt limit, by statute, is 25 percent of the assessed value of taxable property. The chart below shows the proposed debt limit and legal debt margin.

Projected legal debt margin calculation for fiscal year 2027 (in millions of dollars)	
Projected assessed value	1,393.55
Debt limit (25% of assessed value)	348.38
Forecasted net debt applicable to limit	-
Legal debt margin	348.38

In August 2018, the Town issued general obligation bonds to advance refund two 2007 USDA loans used to finance a portion of the water distribution system. The \$4,160,000 bonds were sold at a premium of \$30,212 with a true interest rate of 3.445%, resulting in a savings of \$349,759 over the life of the debt.

The issuance did not extend the life of the debt with a final payment due September 15, 2047. As a result of the refunding, the 2007 USDA loans have been defeased. The Town has an AA+ bond rating by S&P Investment Services.

The general obligation bond series of 2018 were payable in semi-annual payments in March (interest only) and September (principal and interest). The total amount of outstanding general obligation bonds payable at April 30, 2024 was \$3,860,000.

The Town sold the Water Distribution System to Tidewater Utilities Inc. on April 1, 2025 for the amount of \$4,607,660. All debt (Principal and Interest) associated with the General Obligation Bonds Series of 2018 was paid in full from sale proceeds as well as the grant recapture determined by the USDA and costs associated with the sale of the asset.

APPENDIX



Glossary / Acronyms / Abbreviations

A

Accrual: Relating to or being a method of accounting that recognizes income when earned and expenses when incurred (see modified accrual and full accrual)

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

Actuarial: A statistical calculation performed by actuaries.

Amortization: an accounting technique used to periodically lower the book value of a loan or an intangible asset over a period of time.

Annual Budget: A budget covering a single fiscal year.

Appropriated Reserves: Funds that have been set aside from previous fiscal years.

Appropriations: A legal authorization granted by a legislative body to make expenditures and to incur obligations.

American Rescue Plan Act: of 2021 provides historic support for state, local and tribal governments to fund the pandemic.

ARPA: American Rescue Plan Act

Assessed Value: A value assigned to real estate or other property as the basis for levying taxes.

Assessment Rolls: A database of properties located in the Town of Ocean View that includes the assessed value of those properties.

Assets: Resources owned by an entity. Assets have a capacity to provide future services or benefits.

Audit: An examination of the Town's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audited: The statement has been examined by an independent certified public accountant.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Available Revenue: Revenue collectible within the current period, or soon enough thereafter, to pay liabilities for the current period.



B

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Balanced Budget: Revenues equal expenditures.

Basis of Accounting: The time various transactions are recorded.

Basis of Budgeting: The estimation of revenue and expenses over a specified future period of time.

Baseline Budget: Using the current spending levels as the "baseline" for establishing future funding requirements and assumes future budgets will equal the current budget times the inflation rate times the population growth rate.

BCBS: Blue Cross Blue Shield

Bond: An indebtedness sold by a governmental agency to generate funds. The bond guarantees payment of the original investment plus interest by for a specific date or dates in the future.

Bonded Debt: The total amount owed by the Town as a result of the sale of general obligation or other bonds guaranteed by the Town.

Bond Issue: The sale of a certain number of bonds at one time by the Town.

Bond Rating: A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C is a very low rating.

BRIC: Building Resilient Infrastructure and Communities

Budget: A plan of financial operations for a given period of time providing estimates of proposed expenditures and the proposed means of financing them.

Budget Ordinance: The ordinance that levies taxes, sets the tax rate and appropriates revenues for specified expenditures (purposes, functions, activities, or objectives) during a fiscal year.

C

Capital Asset: Property, plant, equipment, and infrastructure assets purchased, built or leased with a useful life one year or more.

Capital Expenditure: Money spent by the Town to purchase a capital asset such as property, plant, equipment, and infrastructure assets. To be considered a capital asset, the purchase must be over \$5,000.

Capital Outlay: An expenditure for the acquisition cost of capital assets, such as equipment, or expenditures to make improvements to capital assets that materially increase their value or useful life.



Capital Projects: A plan to build and/or purchase property, plant, equipment, and infrastructure assets.

Capital Projects Fund: Account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Reserve Trust Fund: Funds accumulated that shall only be expended for the repair and replacement of capital assets or improvements determined by a majority of the Town Council and funded by 12.5% of Realty Transfer Tax collected.

CARES Act: Coronavirus Aid, Relief and Economic Security Act

CERT: Community Emergency Response Team

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

CLUP: Comprehensive Land Use Plan

Commercial Paper: A short-term unsecured promissory note issued by companies

Comprehensive Land Use Plan: A long range plan that guides policy and land use decisions.

Connection Fee: Fee charged to access a central water system to pay for the infrastructure cost that provided the capacity.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Contingency: Budget account in which funds are set aside for unseen expenditures which may become necessary to use during the year.

COPS grant: Community Oriented Policy Services grant awarded by the US Department of Justice.

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

COVID-19: a mild to severe respiratory illness that is caused by coronavirus.

CPCN: Certificate of Public Convenience and Necessity

CRTF: Capital Reserve Trust Fund

CPI_U: Consumer Price Index - Urban

CY: Calendar Year



D

DE: Delaware

Debt: Duty or obligation to pay money, deliver goods, or render services under an express or implied agreement.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Defeasance / Defeased: a bond which, after its issuance, has its outstanding debt collateralized by cash equivalents. The funds are used as collateral are sufficient to meet all payments of principal and interest on the outstanding bonds as they come due.

DEMA: Delaware Emergency Management Agency

DeLDOT: Delaware Department of Transportation

Department: A Town agency or office.

Depreciation: Annual loss of value of equipment or other asset. This is not a budgeted item, but will show in the actual audited numbers.

DNREC: Department Natural Resources and Environmental Control

DPW: Department of Public Works

DVHT: Delaware Valley Health Trust

E

Economic Development: The creation of wealth from which community benefits are realized. It is an investment in growing your economy and enhancing the prosperity and quality of life for all residents.

EDU: Equivalent Dwelling Unit

Emergency Reserve Trust Fund: Funds in addition to emergency appropriations funded annually during the budget process (not less than 20% of the current operating budget). These funds are for use during natural disasters, public emergencies or during periods of reduced revenue.

Emergency Services Enhancement Fund: Funding program established to award annual grants to volunteer fire services or other organized providers of fire protection and emergency services. Funded by one half of one percent (.5%) of the construction value of building permits and \$500 of the \$1,936 Impact Fee.

Employment costs: The total expense of employment. This cost includes salary, overtime, FICA, health, pension, life insurance, unemployment, workers' compensation, and disability insurance.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or other commitments that are chargeable to, but not yet paid from, a specific appropriation account.



Enterprise Fund: A separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of the total cost of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery—direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Equities: Investments that are stocks and shares in a company.

Equivalent Dwelling Unit (EDU): An arbitrary term used to express the load-producing effects on the water system and/or sewer system caused by one average-sized residential dwelling.

ERTF: Emergency Reserve Trust Fund

ESEF: Emergency Services Enhancement Fund

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represents funding sources necessary to support a community's annual budget.

Expenditure: An outlay of money made by the Town to provide the programs and services within their approved budget.

Expense/Expenditure: The cost required for something.

F

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fiscal Responsibility: The ability to balance between government spending and tax to maintain sustainable public finances and ensure fiscal policy aids the optimal rate of economic growth.

Fiscal Year (FY): An accounting period covered by the Town's budget. Ocean View's fiscal year commences May 1st and ends the following April 30th.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Full-Time (FTE): Status of an employee whose combined weekly hours total at least 40 hours.

Function: The primary role of the department in the Town government.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds.

Fund Balance: The difference between assets and liabilities in governmental funds. The balance in this account is the cumulative results of actual revenues and expenditures over time.

Funding Sources: Financial resources used to support expenses.

FY: Fiscal Year

G

GAAP: Generally Accepted Accounting Principles - A set of rules that encompass the details, complexities, and legalities of business and corporate accounting.

GASB: Governmental Accounting Standards Board

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

GF: General Fund

GFOA: Government Finance Officers Association

Governing Body: A board, committee, commission, or other executive or policy making body of a municipality or school district (Ocean View Town Council).

Government Finance Officers Association: represents public finance officials throughout the United States and Canada. The association provides training and educational opportunities, recommended practices and GASB interpretations to finance officials and support staff.



Governmental Fund: Account to track the government's activities that are primarily tax-supported.

I

Incremental Budgeting: a method of creating a budget based on the previous period's budget, with some adjustments for inflation, growth, or other factors.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Infrastructure: The structures that support the Town, such as roads, water facilities, communication, etc.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Interfund Transfer: Type of transaction in which a fund transfers resources to another fund.

Intergovernmental Revenue: Revenues from other governments (County, State or Federal).

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

IRSD: Indian River School District

IT: Information Technology

L

Lease: A contract that gives someone the right to use a property or asset for a set amount of time in exchange for payment.

Liability: Loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honored by the entity.

Liaison: Communication or cooperation which facilitates a close working relationship between people or organization.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

M



Maturity Date: The date that the principal of a bond becomes due and payable in full.

Misc: Miscellaneous

Modified Accrual Accounting: The accounting method under which revenues are recognized in the period they become available and measurable, and expenditures are recognized in the period the associated liability is incurred.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Mutual Funds: A financial vehicle made up of a pool of money collected from many investors to invest in securities

N

Note: A short-term loan, typically with a maturity date of a year or less.

O

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Obligations: Debt or commitment of an entity

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Ordinance: The regulation adopted by Town Council.

Other Funding Source: The revenue source that is made up of transfers from other funds or use of savings.

OVPD: Ocean View Police Department

P

P&Z: Planning and Zoning

Part-time (PTE): Status of an employee whose combined weekly hours total less than 40 hours.

Pay-Go: Meeting of costs as they arise mostly from General Fund. Also known as Pay-as-you-go.

PD: Police Department (Public Safety)

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.



Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Fund: A fund used in governmental accounting to account for activities that involve business-like interactions.

Purchased Services: The cost of services that are provided by a vendor.

R

Rd: Road

Realty Transfer Tax (RTT): A tax that is levied on the transfer of ownership of real property from one entity to another. The County collects 1.5% of the value of a transfer for the Town.

Reassessment: The periodic process to reevaluate property values.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserves: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or future use, otherwise known as savings.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve a fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenue: Monies received by the Town to support its budget and enable the employees to provide services needed by the public. Property taxes, gross rental receipt tax, building permits, and receipts from state and federal sources are examples.

Revenue Sources: Financial resources used to support expenditures.

RTT: Realty Transfer Tax

S

SBO: Statewide Benefits Office

SEBC: State Employee Benefits Committee

SRO: School Resource Officer

SRRTF: Street Repair and Replacement Trust Fund

Street Repair and Replacement Trust Fund: Funds accumulated that shall only be expended on the repair and replacement of streets, drainage and sidewalks as determined by a majority of the Town Council and funded by 25% of Realty Transfer Tax collected.



Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Sustainability: Meeting the needs of the present without compromising the ability of future generations to meet their needs.

T

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$.2578 per \$100 of assessed valuation of taxable real property.

Taxable assessments: The value of property used to calculate property taxes.

Transfers In: Financial inflows from other funds of the government reporting entity.

Transfers Out: Financial outflows to other funds of the government reporting entity.

Trust Fund: As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

U

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved and are therefore available for expenditure once certified as part of free cash.

Unfunded Liability: The government's obligation to pay a future benefit.

Unreserved Fund Balance: The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected.

Unrestricted Funds: Funds with no restrictions imposed by entities outside the County

V

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

W

Water Fund: The fund that accounts for the water operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services are recovered primarily through water user and service charges.