
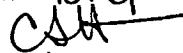


TOWN OF OCEAN VIEW  
DELAWARE

January 8, 2025

TO: Honorable Mayor and Council  
FROM: Dawn Mitchell Parks, Finance Director   
VIA: Carol S. Houck, Town Manager   
SUBJECT: Monthly Financial Update as of December 31, 2024

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**1. Real Estate Tax**

The FY25 Tax bills were processed and available online on May 1<sup>st</sup> for the assessments that were posted on February 15, 2024 (\$1,416,109,300). The property tax bills totaled \$3,279,198. The bills were postmarked May 31<sup>st</sup> and taxpayers had until July 31 to take advantage of the 1% discount and until August 31 to pay their current year taxes without penalty. As of the end of December, we've collected 99.66% of the current year's taxes and 2,698 property owners took advantage of the early payment discount in a savings of \$27,482.

**2. Municipal Water System**

On December 5th, Tidewater Utilities provided a list of 19 customers with past due amounts over 130 days in total of \$8,125. Of those, 13 customers paid in full and four (4) set up payment arrangements. Due to inclement weather conditions, disconnections were postponed from January 7<sup>th</sup> to January 9<sup>th</sup>. During the extended period, we were able to contact homeowners and make payment arrangements. No disconnections were scheduled. Currently, we have two (2) accounts without water service. Both properties are vacant.

**3. Balances – Reserve and Committed Funds**

**(a) Trust Funds:**

**Emergency Reserve Trust Fund (ERTF)** \$ 1,238,168

The Emergency Reserve Trust will be funded at 21% of the FY25 operating budget after the budgeted transfer of \$68,140 to General Fund. ERTF currently has \$910,625 available for use in a Fulton Money Market account and \$327,543 invested with Raymond James Financial Services (a division of Fulton Financial Services).

**Capital Replacement Trust Fund (CRTF)** \$ 1,270,950

The FY25 obligation from the Capital Replacement Trust is \$218,500. CRTF currently has \$917,743 available for use in WSFS Money Market account and \$353,207 invested with WSFS in the form of a 12-month, 2.225% CD that will come due on 8/28/2025.

**Street Repair and Replacement Trust Fund (SRRTF)** \$ 1,321,825

The FY25 obligation from the Street Repair and Replacement Trust is \$1,483,945 for capital projects and \$265,000 for street paving and sidewalks. SRRTF currently has \$745,799 available for use in a Fulton Money Market account and \$481,132 invested with Fulton CRIM and includes \$94,894 held in MSA Money market account at Fulton Bank.

**(b) American Rescue Plan Act Fund (ARPA):** \$ 284,295

On June 16, 2021, the Town received the first installment of the ARPA funds. The 2<sup>nd</sup> installment was received on June 23, 2022. The Final Rule published in January 2022 went into effect April 1, 2022. To date \$906,384 of the ARPA funds have been expended (\$100,000 MVFD, \$7,813 MVFD, \$121,486 towards Employee Premium Pay, \$82,850 for Motorola Portable Radios, \$31,530 for 33 West Parking Lot, \$292,136 for Berzins Natural & Park Area, \$10,300 for 32 West Access Control System, \$4,610 for Barnes & Thornburg legal services, \$240,055 for the purchase and development of 8 Oakwood Ave parking lot, 14,454 for Stalker Speed sign/trailer and \$1,150 for the OVPD Evidence Building Concept). The remaining balance is encumbered for the 8 Oakwood Ave Parking Lot, Berzin's Natural & Park Area and DPW Storage Building (Holiday Décor).

(c) **Emergency Services Enhancement Funding (ESEF) Program:**

The chart below shows the funds accumulated from the issuance of building permits which are committed and available for distribution. The amount collected as of the end of December for FY25 consists of 40 new home construction permits issued of the 45 that were budgeted along with .5% of the construction value of permits issued.

	Accumulation and Use			
	Collected	Used	Available	
FY21 & prior	1,989,246	(1,057,019)	932,227	\$1,055,019 to MVFC + \$2,000 to Beebe Med. Fdn.
FY22	155,956	(80,000)	1,008,183	MVFC
FY23	114,656	(80,000)	1,042,838	MVFC
FY24	76,019	(130,000)	988,858	\$50K OVPD & \$80K to MVFC
FY25	115,622	-	1,104,480	OVPD & MVFC Budgeted (\$130,000)
Cumulative collected and disbursed	2,451,499	(1,347,019)	1,104,480	

4. **Transfer Taxes**

Transfer Taxes collected through 11/30/2024 are from 20.4% new construction home sales (\$167,116) with 7.2% from land sales, developer to builder (\$58,953) and 72.4% resales of existing homes (\$592,955).

	Current	1st Prior Yr.	2nd Prior Yr.	3rd Prior Yr.	4th Prior Yr.
Collections	FY25	FY24	FY23	FY22	FY21
May	\$ 111,480	\$ 132,109	\$ 133,281	\$ 198,193	\$ 123,231
June	\$ 114,711	\$ 73,594	\$ 102,401	\$ 174,067	\$ 102,828
July	\$ 115,241	\$ 54,532	\$ 133,542	\$ 118,532	\$ 153,975
August	\$ 84,321	\$ 93,268	\$ 136,067	\$ 173,294	\$ 203,328
September	\$ 45,510	\$ 73,868	\$ 187,793	\$ 148,578	\$ 232,105
October	\$ 188,453	\$ 110,222	\$ 92,352	\$ 170,418	\$ 171,100
November	\$ 159,308	\$ 164,863	\$ 63,445	\$ 190,268	\$ 155,611
December	\$ -	\$ 61,631	\$ 63,075	\$ 101,272	\$ 182,214
January	\$ -	\$ 89,072	\$ 21,093	\$ 156,492	\$ 194,287
February	\$ -	\$ 75,585	\$ 24,762	\$ 55,620	\$ 126,990
March	\$ -	\$ 100,791	\$ 111,132	\$ 141,865	\$ 182,629
April	\$ -	\$ 105,163	\$ 114,985	\$ 135,551	\$ 191,094
Total	\$ 819,024	\$ 1,134,700	\$ 1,183,926	\$ 1,764,150	\$ 2,019,393

For FY25, to meet our \$1,000,000 budgeted goal we will need to collect \$83,333 monthly. As of the end of November, we are \$235,691 ahead of our year-to-date target amount.

5. **Financial Statement Recap (pages 3 & 4) followed by the December Analytics (pages 5 & 6)**

Attached are updated Revenue and Expenditure financial reports for the date ending December 31, 2024.

As always, if you have any questions concerning the Financial Reports, please do not hesitate to contact me.

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Respectfully submitted January 8, 2025  
Dawn Mitchell Parks  
Finance Director



## Town of Ocean View

### Comparison of Budget to Actual

Year-to-Date for the Fiscal Year Ending April 30, 2025

Revenues	December YTD Actual	FY25 Adopted Budget	Over (Under) Budget	Period 08 67% % of Budget	
PROPERTY TAX REVENUE	\$ 3,288,152	\$ 3,350,940	\$ (62,788)	98%	A
Early Payment Discount - Taxes (1% if paid by 7/31/24)	\$ (27,496)	(33,290)	\$ 5,794	83%	
TRANSFER TAXES	876,112	1,000,000	\$ (123,888)	88%	B
BUILDING PERMITS					
Building Permits	217,044	175,000	\$ 42,044	124%	
Impact Fees	173,177	137,120	\$ 36,057	126%	
Other Permits/Fees	18,390	12,000	\$ 6,390	153%	
GRANTS					
State Grant - Municipal Street Aid	64,070	130,000	\$ (65,930)	49%	C
Other Grant Proceeds (Public Safety and ARPA)	400,557	145,000	\$ 255,557	276%	D
GROSS RENTAL RECEIPT TAXES	284,588	650,000	\$ (365,412)	44%	E
LICENSES	146,375	212,500	\$ (66,125)	69%	F
MISCELLANEOUS					G
Cable Franchise Fee	41,884	80,000	\$ (38,116)	52%	
Interest	207,388	182,350	\$ 25,038	114%	
Other	113,636	192,100	\$ (78,464)	59%	
P&Z and BOA Fees	3,250	10,000	\$ (6,750)	33%	
POLICE: Fines & Fees	19,617	30,500	\$ (10,883)	64%	
REVENUE WITH OFFSETTING EXPENSE					H
Reimbursable Fees	102,111	105,000	\$ (2,889)	97%	
Pass through MVFC Ambulance Service	151,300	155,000	\$ (3,700)	98%	
<b>Total Revenues</b>	<b>\$ 6,080,154</b>	<b>\$ 6,534,220</b>	<b>\$ (454,066)</b>	<b>93%</b>	
SRRTF: Sidewalk work	\$ 47,283	\$ 75,000	(27,717)	63%	
ESEF: committed funds being granted	\$ 50,000	\$ 130,000	(80,000)	38%	
SRRTF: Street Paving	\$ 6,165	\$ 190,000	(183,835)	3%	
Emerging Projects: to balance budget	\$ -	\$ 25,385	(25,385)	0%	
FY25 Revenue Restricted/Committed					I
ARPA (American Rescue Plan Act)	\$ (41,108)	0	(41,108)		
Capital Budget: Public Safety Grants		(35,000)	35,000	0%	
Capital Replacement Trust Fund (CRTF 12.5%)	\$ (109,514)	(125,000)	15,486	88%	
Emergency Reserve Trust Fund (ERTF)		68,140	(68,140)	0%	
Emergency Services Enhancement Fund (ESEF)	\$ (52,952)	(72,500)	19,548	73%	
Street Repair & Replacement Trust (SRRTF 25% + Add'l)	\$ (766,598)	\$ (875,000)	108,402	88%	
<b>Total Revenues Available for Operations</b>	<b>\$ 5,213,430</b>	<b>\$ 5,915,245</b>	<b>\$ (701,815)</b>		

Recap	Actual	Budget	Over (Under) Budget
Total Revenues Available for Operations (above)	\$ 5,213,430	\$ 5,915,245	\$ (701,815)
Total Expenditures (Page 5 of 8)	4,212,354	5,870,245	(1,657,891)
Revenues Over (Under) Expenditures	\$ 1,001,076	\$ 45,000	\$ 956,076



# Town of Ocean View

## Comparison of Budget to Actual

Year-to-Date for the Fiscal Year Ending April 30, 2025

Expenditures	December YTD Actual	FY25 Adopted Budget	Over (Under) Budget	Period 08
				67%
				% of Budget
SALARY & RELATED EMPLOYEE EXPENSES				
Wages: Salary, Overtime, Bonus	1,688,843	2,573,795	\$ (884,952)	66%
Insurances: Dental, Health, Life	391,874	543,995	(152,121)	72%
Payroll Taxes	133,937	207,465	(73,528)	65%
Pension	168,122	252,070	(83,948)	67%
Worker's Compensation	50,179	44,950	5,229	112%
CONTRACTED SERVICES	-			
Committee Stipends	1,230	6,500	(5,270)	19%
Computer/Copier Maintenance & related expenses	90,134	106,250	(16,116)	85%
Other	20,785	66,400	(45,615)	31%
EMPLOYEE RELATED EXPENSES, OTHER	40,892	81,750	(40,858)	50%
GRANT AWARDS: ESEF FUNDS	-	135,000	(135,000)	0%
INSURANCE BUSINESS & BONDS	120,661	138,200	(17,539)	87%
PROFESSIONAL SERVICES	-			
Audit	18,000	25,000	(7,000)	72%
Engineering	7,110	35,000	(27,890)	20%
Legal	32,504	51,000	(18,496)	64%
Property Assessments	38,411	75,000	(36,589)	51%
Other	43,176	115,000	(71,824)	38%
Pass thru MVFC Ambulance Service	151,300	155,000	(3,700)	98%
Reimbursable - Engineering	64,881	100,000	(35,119)	65%
Reimbursable - Other	1,989	5,000	(3,011)	40%
PUBLIC RELATIONS	51,853	80,100	(28,247)	65%
REPAIRS & MAINTENANCE	-			
Buildings, non-capital	10,256	9,000	1,256	114%
Drainage	35,637	75,000	(39,363)	48%
Machinery & Equipment, non-capital	1,315	5,500	(4,185)	24%
Park	20,909	25,000	(4,091)	84%
Street & Sidewalk Maintenance & Repairs	576,468	400,000	176,468	144%
Vehicles	15,753	24,500	(8,747)	64%
Other(Cleaning, Inspections, etc.)	21,324	42,100	(20,776)	51%
SUPPLIES & MISCELLANEOUS	-			
Advertising	20,488	27,000	(6,512)	76%
Department Specific Supplies	65,612	92,620	(27,008)	71%
Gas & Diesel	36,236	80,000	(43,764)	45%
NonCapital Equipment/Grant Funded Equipment	154,707	41,100	113,607	376%
Office Supplies/Postage	20,139	35,600	(15,462)	57%
Uniforms	10,710	17,200	(6,490)	62%
TELEPHONE & COMMUNICATIONS	30,144	50,800	(20,656)	59%
UTILITIES	-			
Street Lights	50,346	90,000	(39,654)	56%
Utilities	26,430	57,350	(30,920)	46%
<b>Total Expenditures</b>	<b>\$ 4,212,354</b>	<b>\$ 5,870,245</b>	<b>\$ (1,657,891)</b>	<b>72%</b>



## Town of Ocean View

### Comparison of Operating Budget to Actual – Analytic Comments Year-to-Date for the Fiscal Year Ending April 30, 2025

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#### Revenues

- A. Property Tax Revenues:** The FY25 tax bills were postmarked May 31st. Taxpayers had until July 31 to take advantage of the 1% discount and until August 31 to pay without penalty. Penalties are billed monthly on unpaid taxes. New Construction Half-year bills were processed and mailed the first week of November.
- B. Transfer Taxes:** We continue to build the various reserve funds for future capital repairs and replacement needs and street and sidewalk repairs. The reserve funds were established by ordinance for specific purposes. For FY25, to meet our \$1,000,000 budgeted goal we needed to collect \$83,333 monthly.
- C. Grants – State Grant (Municipal Street Aid):** Historically, the Town's share of MSA funding has been approximately 1.9% of the total state-wide grant. For FY24, the Town received \$128,043 which is 2.13% of the total MSA funding. For FY25, the Town has been allotted \$128,140 which is 2.14% of the total MSA funding. The first installment was received in September 2024 and the second installment should be received in February 2025.
- D. Public Safety Grants:** This category is comprised of various grants to aid in public safety including: (1) Sussex County Council provides an annual grant (\$35K) to each municipal police department that responds to calls within the County but outside that department's normal jurisdiction. These funds are moved to the capital budget and are used towards the purchase of a new police vehicle; (2) The State provides an annual grant to assist with the cost of the pension expense for those in the plan for sworn officers.
- E. Gross Rental Receipts Tax:** The collection of GRRT tax is based on the calendar year and payments are due August 15 and February 15. Therefore, most revenue is received in July/August and January/February.
- F. Licenses:** The town issues business (annual and temporary) and rental licenses. Licenses are issued on an annual basis and are due at the beginning of each calendar year. Accordingly, during the first eight months of the fiscal year, license collections are expected to be minimal. Normal collections primarily occur in December and January.
- G. Miscellaneous:** This category is primarily comprised of: (1) Cable Franchise Fees: The franchise agreement with Mediacom and is based on 5% of the cable company's revenue from its customers in Town and is paid quarterly. (2) reimbursement of prior year expenses; (3) rental of meeting room and park; (4) administrative fee (10% of reimbursable reviews); (5) Sale of assets; and (6) Donations.
- H. Revenue with Offsetting Expense:** The major components of this category are (1) The pass-thru ambulance fee for MVFC (\$155,000 budgeted, \$154,350 actual). Funds collected by September 30th will be turned over in October. (2) The charges billed by the Town to property developers for inspections of construction work related to roads, site development, and sidewalks that are done by the Town's engineer (\$105,000 budgeted).



### **Revenue not available for Operations**

- I. FY25 Revenue Restricted/Committed:** These funds are committed or restricted for specific purposes and thus are not available for general operations. The restricted funds are comprised of transfer tax revenue and interest earned on the restricted funds. A portion of the Impact Fees collected are committed for Emergency Services Enhancement Fund (ESEF) which are distributed as a grant award each spring.

### **Expenditures**

- J. Contracted Services, Other:** Contracted services other is comprised of various maintenance agreements (ie elevator, HVAC, pest control, etc.), cleaning services, holiday décor management and the outsourcing of Town maintenance.
- K. Employee Related Expenses, Other:** This line includes expenses for dues and membership, meetings and seminars, and travel reimbursement.
- L. Grant Awards: ESEF Funds:** At the end of FY24, a total of \$988,858 in ESEF collections were carried over to FY25. In past years, the carryover was significantly less, however council made the conscious decision in FY17 to limit the grant award so that as less fees are collected in future years that Town will be able to continue to grant funds to assist with necessary capital purchases. The grant request and subsequent distribution normally occurs in March.
- M. Insurance – Business:** The Town’s general business insurance policies are renewed annually on May 7 and the premiums are paid at the beginning of the fiscal year. For FY25, the Town changed providers with a savings of 37,610.
- N. Public Relations:** The primary expenses are for the Spring Fling, Concerts in the Park, Movies in the Park, Holiday Market, Cops & Goblins and for FY25, the Town’s 135<sup>th</sup> Celebration. Most of these costs are incurred in the first half of the fiscal year.
- O. Repairs & Maintenance – Street & Sidewalk Maintenance, Replacement & Repairs:** This line represents ADA Sidewalk repairs and annual street maintenance. Street Paving determined by the amended Street Paving Study is also included in this line item.
- P. Supplies & Miscellaneous - Department Specific:** Related to G&A are fees associated with banking/investments and transfer tax collections. With Public Safety the expenses are primarily ammunition, canine and various PS specific supplies. DPW the expenses include street signage.