

TOWN OF OCEAN VIEW
DELAWARE

September 5, 2025

TO: Honorable Mayor and Council
FROM: Dawn Mitchell Parks, Finance Director *DM*
VIA: Carol S. Houck, Town Manager *CH*
SUBJECT: Monthly Financial Update as of August 31, 2025

1. Real Estate Tax

The FY26 Tax bills were processed and available online on May 1st for the assessments that were posted on February 15, 2025 (\$1,393,798,293). The property tax bills totaled \$3,593,212. They were postmarked by June 6th and taxpayers have 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 August, we collected 93% of current year's taxes and 2,793 citizens have taken advantage of the early payment discount in the amount of \$30,660.

2. Water System

On April 3, 2025, the final Town water billing was processed by Tidewater Utilities Inc in the amount of \$143,410 with a May 3rd due date. At the end of June, the Town had \$15,338 in outstanding bills (11 accounts with 2 or more quarterly billings due in the amount of \$5,355). All accounts with credits were issued a refund on July 1st (\$8,892 total refunded) and letters to 72 accounts with outstanding balances were processed and mailed (\$9,983). As of the end of August, six accounts remain with outstanding balances in the amount of \$3,706.

3. Balances – Reserve and Committed Funds

(a) Trust Funds:

Emergency Reserve Trust Fund (ERTF) \$ 1,196,197

The Emergency Reserve Trust is funded at just under 20% of the FY26 operating budget. ERTF currently has \$860,930 available for use in a Fulton Money Market account and \$335,267 invested in Raymond James Financial Services (a division of Fulton Financial Services).

Capital Replacement Trust Fund (CRTF) \$ 1,370,494

The FY26 obligation from the Capital Replacement Trust is \$298,960. CRTF currently has \$1,009,340 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.

Street Repair and Replacement Trust Fund (SRRTF) \$ 1,084,124

The FY26 obligation from the Street Repair and Replacement Trust is \$144,860 for capital projects and \$290,000 for street paving and sidewalks. SRRTF currently has \$374,366 available for use in a Fulton Money Market account and \$492,884 invested with Fulton CRIM and includes \$216,874 held in MSA Money market account at Fulton Bank.

(b) 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 August 2025 consists of 29 new home construction permits (68 are budgeted) along with a surcharge of .5% of the construction value of permits issued.

	Accumulation and Use			
	Collected	Used	Available	
FY22 & prior	2,145,202	(1,137,019)	1,008,183	\$1,135,019 to MVFC + \$2,000 to Beebe Med. Fdn.
FY23	114,656	(80,000)	1,042,839	MVFC
FY24	76,019	(130,000)	988,858	\$50K OVPD & \$80K to MVFC
FY25	164,055	(129,284)	1,023,628	OVPD & MVFC Budgeted (\$130,000)
FY26	88,785		1,112,413	
Cumulative collected and disbursed	2,588,716	(1,476,303)	1,112,413	

4. Transfer Taxes

Transfer Taxes collected through 07/31/2025 are from 42.5% new construction home sales (\$210,636) with .7% from land sales, developer to builder (\$3,540) and 56.8% resales of existing homes (\$281,148).

	Current	1st Prior Yr.	2nd Prior Yr.	3rd Prior Yr.	4th Prior Yr.
Collections	FY26	FY25	FY24	FY23	FY22
May	\$ 144,636	\$ 111,480	\$ 132,109	\$ 133,281	\$ 198,193
June	\$ 115,953	\$ 114,711	\$ 73,594	\$ 102,401	\$ 174,067
July	\$ 234,735	\$ 115,241	\$ 54,532	\$ 133,542	\$ 118,532
August	\$ -	\$ 84,321	\$ 93,268	\$ 136,067	\$ 173,294
September	\$ -	\$ 45,510	\$ 73,868	\$ 187,793	\$ 148,578
October	\$ -	\$ 188,453	\$ 110,222	\$ 92,352	\$ 170,418
November	\$ -	\$ 159,307	\$ 164,863	\$ 63,445	\$ 190,268
December	\$ -	\$ 89,360	\$ 61,631	\$ 63,075	\$ 101,272
January	\$ -	\$ 75,496	\$ 89,072	\$ 21,093	\$ 156,492
February	\$ -	\$ 108,058	\$ 75,585	\$ 24,762	\$ 55,620
March	\$ -	\$ 147,891	\$ 100,791	\$ 111,132	\$ 141,865
April	\$ -	\$ 196,570	\$ 105,163	\$ 114,985	\$ 135,551
Total	\$ 495,324	\$ 1,436,400	\$ 1,134,700	\$ 1,183,926	\$ 1,764,150

For FY26, to meet our \$1,180,000 budgeted goal we will need to collect \$98,333 monthly. As of the end of July, we are \$200,324 ahead of our year-to-date target amount.

5. Financial Statement Recap (pages 3 and 4) followed by the August Analytics (pages 5 and 6)

Attached are updated Revenue and Expenditure financial reports for the date ending August 31, 2025.

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

Respectfully submitted September 5, 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, 2026

Revenues	August YTD Actual	FY26 Adopted Budget	Over (Under) Budget	Period 04 33% % of Budget	
PROPERTY TAX REVENUE	\$ 3,608,108	\$ 3,664,025	\$ (55,917)	98%	A
Early Payment Discount - Taxes (1% if paid by 7/31/24)	\$ (30,660)	(36,650)	\$ 5,990	84%	B
TRANSFER TAXES	695,926	1,180,000	\$ (484,074)	59%	B
BUILDING PERMITS					
Building Permits	166,736	250,000	\$ (83,264)	67%	
Impact Fees	130,429	181,650	\$ (51,221)	72%	
Other Permits/Fees	14,560	17,000	\$ (2,440)	86%	
GRANTS					
State Grant - Municipal Street Aid	63,175	128,140	\$ (64,965)	49%	C
Other Grant Proceeds (Public Safety and ARPA)	204,493	110,000	\$ 94,493	186%	D
GROSS RENTAL RECEIPT TAXES	282,323	774,700	\$ (492,377)	36%	E
LICENSES	14,425	207,250	\$ (192,825)	7%	F
MISCELLANEOUS					G
Cable Franchise Fee	19,496	80,000	\$ (60,504)	24%	
Interest	79,952	187,000	\$ (107,048)	43%	
Other - Donations	15,957	138,650	\$ (122,693)	12%	
P&Z and BOA Fees	1,850	10,000	\$ (8,150)	19%	
POLICE: Fines & Fees	8,607	25,250	\$ (16,644)	34%	
REVENUE WITH OFFSETTING EXPENSE					H
Reimbursable Fees	(20,926)	130,000	\$ (150,926)	-16%	
Pass through MVFC Ambulance Service	157,750	155,000	\$ 2,750	102%	
Total Revenues	\$ 5,412,201	\$ 7,202,015	\$ (1,789,814)	75%	
SRRTF: Sidewalk work	\$ -	\$ 90,000	(90,000)	0%	
ESEF: committed funds being granted	\$ -	\$ 80,000	(80,000)	0%	
SRRTF: Street Paving	\$ 12,209	\$ 200,000	(187,791)	6%	
Use of Unassigned Fund Balance	\$ -	\$ 69,500	(69,500)	0%	
FY26 Revenue Restricted/Committed					I
ARPA (American Rescue Plan Act)			0		
Capital Budget: Public Safety Grants			0		
Capital Replacement Trust Fund (CRTF 12.5%)	\$ (20,213)	(147,500)	127,287	14%	
Emergency Reserve Trust Fund (ERTF)		(54,590)	54,590	0%	
Emergency Services Enhancement Fund (ESEF)	\$ (37,570)	(84,000)	46,430	45%	
Street Repair & Replacement Trust (SRRTF 25% + Add'l)	\$ (675,713)	\$ (977,910)	302,197	69%	
Total Revenues Available for Operations	\$ 4,690,913	\$ 6,377,515	\$ (1,686,602)		

Recap	Actual	Budget	Over (Under) Budget
Total Revenues Available for Operations (above)	\$ 4,690,913	\$ 6,377,515	\$ (1,686,602)
Total Expenditures (Page 5 of 8)	1,910,014	6,377,515	(4,467,501)
Revenues Over (Under) Expenditures	\$ 2,780,899	\$ -	\$ 2,780,899

Town of Ocean View

Comparison of Budget to Actual

Year-to-Date for the Fiscal Year Ending April 30, 2026

Expenditures	August YTD Actual	FY26 Adopted Budget	Over (Under) Budget	Period 04
				33% % of Budget
SALARY & RELATED EMPLOYEE EXPENSES				
Wages: Salary, Overtime, Bonus	860,576	2,867,535	\$ (2,006,959)	30%
Insurances: Dental, Health, Life	241,572	600,515	(358,943)	40%
Payroll Taxes	72,839	229,610	(156,771)	32%
Pension	96,932	298,390	(201,458)	32%
Worker's Compensation	43,351	56,000	(12,649)	77%
CONTRACTED SERVICES				
Committee Stipends	930	6,500	(5,570)	14%
Computer/Copier Maintenance & related expenses	57,671	118,550	(60,879)	49%
Other	5,431	50,980	(45,549)	11%
EMPLOYEE RELATED EXPENSES, OTHER				
GRANT AWARDS: ESEF FUNDS	-	80,000	(80,000)	0%
INSURANCE BUSINESS & BONDS				
INSURANCE BUSINESS & BONDS	137,508	137,900	(392)	100%
PROFESSIONAL SERVICES				
Audit	10,000	25,000	(15,000)	40%
Engineering	115	32,500	(32,385)	0%
Legal	13,720	39,500	(25,780)	35%
Property Assessments	9,458	75,000	(65,542)	13%
Other	49,499	226,580	(177,081)	22%
Pass thru MVFC Ambulance Service	-	155,000	(155,000)	0%
Reimbursable - Engineering	7,935	125,000	(117,065)	6%
Reimbursable - Other	750	5,000	(4,250)	15%
PUBLIC RELATIONS				
PUBLIC RELATIONS	21,314	73,015	(51,701)	29%
REPAIRS & MAINTENANCE				
Buildings, non-capital	5,103	17,000	(11,897)	30%
Drainage	-	75,000	(75,000)	0%
Machinery & Equipment, non-capital	1,325	8,000	(6,675)	17%
Park	6,467	25,000	(18,534)	26%
Street & Sidewalk Maintenance & Repairs	69,857	425,000	(355,143)	16%
Vehicles	15,959	34,500	(18,541)	46%
Other(Cleaning, Inspections, etc.)	8,475	41,700	(33,225)	20%
SUPPLIES & MISCELLANEOUS				
Advertising	10,231	22,500	(12,269)	45%
Department Specific Supplies	48,445	93,240	(44,795)	52%
Gas & Diesel	14,366	64,000	(49,634)	22%
NonCapital Equipment/Grant Funded Equipment	13,058	42,500	(29,442)	31%
Office Supplies/Postage	10,723	35,100	(24,377)	31%
Uniforms	3,942	17,200	(13,258)	23%
TELEPHONE & COMMUNICATIONS				
TELEPHONE & COMMUNICATIONS	15,797	51,400	(35,603)	31%
UTILITIES				
Street Lights	22,406	90,000	(67,594)	25%
Utilities	11,116	55,850	(44,734)	20%
Total Expenditures	\$ 1,910,014	\$ 6,377,515	\$ (4,467,501)	30%

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Town of Ocean View

Comparison of Operating Budget to Actual – Analytic Comments Year-to-Date for the Fiscal Year Ending April 30, 2026

Revenues

- A. **Property Tax Revenues:** The FY26 tax bills were postmarked June 6th. 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 will be 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 FY26, to meet our \$1,180,000 budgeted goal we needed to collect \$98,333 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 FY25, the Town was allotted \$128,140, which is 2.14% of the total MSA funding. For FY26, the Town was allotted \$126,351, which is 2.11% of the total MSA funding.
- 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 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 Gross Rental Receipt tax rate increased to 6% for rental income received after January 1, 2025. 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, \$158,300 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 (\$130,000 budgeted).

Revenue not available for Operations

- I. **FY26 Restricted/Committed Revenue:** 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 FY25, a total of \$1,023,628 in ESEF collections were carried over to FY26. 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.
- N. **Public Relations:** The primary expenses are for the Spring Fling, Concerts in the Park, Movies in the Park, Holiday Market, and Cops & Goblins. 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.