

# TOWN OF GEORGETOWN

MAYOR  
AND  
COUNCIL



TOWN HALL  
39 THE CIRCLE  
GEORGETOWN, DE 19947

April 27, 2011

Dear Residents,

The economic slowdown continues to cause significant budget challenges for the Town of Georgetown.

Since our Fiscal Year (FY) 2008 Budget, the Town has, at all levels, sought to reduce operating costs, refine operations to be more efficient, and minimize property tax increases. A review, by year, is presented below:

## **FY 2008**

- Personnel reduction by 4 employees (9%) – Savings of \$213,093
- Made changes to our health care benefits
  - Increase medical co-pay from zero to \$15.00 per visit
  - Increased medical deductible 20%
- Services reduced or eliminated:
  - None

## **FY 2009**

- Incorporated a \$524,000 reduction in budgeted operating expenses (8%)
- Increased Property Tax rate by \$0.40 per \$100 of assessed value
- Services reduced or eliminated:
  - None

## **FY 2010**

- Incorporated a \$247,805 reduction in budgeted operating expenses (4%)
- Personnel reduction by 2 employees (5%) – Savings of \$108,246
- Minimized use of outside contract labor (Public Works area)
- Increased parking meter fees, parking fines, business license fees and application fees
- Services reduced or eliminated:
  - Mayor and Council Discretionary Fund

## **FY 2011**

- Incorporated a \$120,235 reduction in budgeted operating expenses (2%)
- Personnel reduction by 3 employees (7%) – Savings of \$245,267
- Services reduced or eliminated:
  - None

Our approach to the FY 2012 budget continues to ensure the fees charged by the Town cover the costs of operating the Town and before any tax increases are considered, an extensive review of all our revenues and expenses is conducted. The preparation of our FY 2012 has been

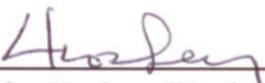
extremely difficult as the economic slowdown continues into its 4<sup>th</sup> year and the impact continues to directly affect the Town.

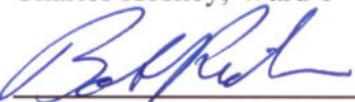
Accordingly, the following has been incorporated into the adopted FY 2012 Budget:

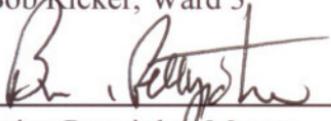
- Maintaining of operating expenses at the FY 2011 level
- Personnel reduction by 3 employees (5%) – Savings of \$100,965
- Elimination of Mayor And Council Compensation – Savings \$2,750
- Increased sewer rates by \$1.45 per 1,000 gallons
- Services reduced or eliminated:
  - Yard waste pick up and disposal

After realigning positions, minimizing expenses, the need for a property tax increase is the only option available. The \$0.21 increase will balance our budget.

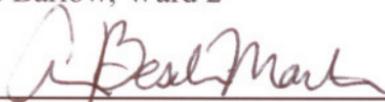
We applaud the efforts of all our employees during these difficult times and commend their commitment to the Town and its residents.

  
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Charles Koskey, Ward 1

  
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Bob Ricker, Ward 3

  
\_\_\_\_\_  
Brian Pettyjohn, Mayor

  
\_\_\_\_\_  
Sue Barlow, Ward 2

  
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Annie Besche-Martin, Ward 4

  
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Gene Dvornick, Town Manager