



Mayor's Monthly

June 2025

NEWS & INFO

[A Note on the FY2025 Year-End Treasurer's Report](#)

Recently, the Fiscal Year 2025 year-end Treasurer's Report was shared, and questions were raised about the recent tax rate adjustment. I will happily take this opportunity to provide the context that was lacking and to clarify the rationale behind the decisions made by the Town Council.

The report as presented does not show an accurate picture of a surplus for the fiscal year 2025. While it shows \$345,000 as a net number, that figure includes grant revenue and expenses which skew the picture. Because the timelines for receiving grant monies and spending those funds cross fiscal years, the report shows grant revenues exceeding expenses by \$92,000. Thus, to get a more accurate picture of actual operating revenue and expenses, the received but not yet spent grant funds totaling \$92,000 should be deducted from the \$345,000. In addition, if the total capital expenditures of \$102,000 are deducted, ***the actual net amount of the surplus is approximately \$151,000.***

This surplus resulted primarily from ***delayed or deferred spending***, not a structural reduction in the cost of providing essential town services. In many cases, these savings were one-time or temporary, and they do not reflect a recurring decrease in operating expenses. Moreover, it is important to consider the long-term fiscal planning required to responsibly manage our community's finances. A key issue that significantly impacts our town's revenue base is the fact that Sussex County had not reassessed property values since 1973. This outdated valuation system created a substantial gap between actual property values and taxable assessments.

To put this into perspective, had Sussex County conducted a property reassessment reflecting current real estate values, and had the Town kept the same tax rate (millage), *South Bethany would have collected an estimated additional \$2 million in annual revenue*. Recognizing this, the Town proactively lowered the millage rate to prevent an excessive tax burden on residents while still balancing the budget responsibly.

This approach reflects both fiscal prudence and a strong commitment to fairness for our residents. The reduction in the millage rate ensured that the tax increase remained necessary, measured, and aligned with the actual cost of maintaining and improving town services.

Lastly, it's important to highlight that any year-end surplus—while positive—is only a small component of the overall financial picture. Surpluses can fluctuate due to timing and are not a sustainable basis for long-term planning or for determining tax rates, which must account for future needs, inflation, capital planning, and risk management.

We appreciate attention to the town's financial affairs and welcome continued dialogue as we work together to maintain South Bethany's fiscal health and high quality of life.

[Community Planning Meeting Focuses on Resiliency](#)

The community planning meeting held on May 15th was well attended. Residents heard presentations about resiliency planning from planners at the University of Delaware and learned the preliminary results of the community survey. (The final survey results will be shared on the website when available.) Residents in attendance offered feedback and observations, and engaged in discussion about future resiliency planning efforts and projects. The presentation slides are available for viewing on the Town website (home page) and a video recording of the event will be posted soon. Another meeting will be held this summer to allow more residents to participate.

[New Storyboards Along Russell Road](#)

On Memorial Day weekend, the Community Relations Committee (CRC) unveiled new storyboards along the Russell Road side of Richard Hall Park. The panels received a design "refresh" and replaced the originals, installed in 2014, that were deteriorating. Town funds were used for the project with a contribution from the South Bethany Historical Society. Thank you to the team who worked on this project and to the Committee for hosting a lovely unveiling event!

[A Second Indian River School District Referendum](#)

The Indian River School District will host a current expense referendum on **Thursday, June 5th**. The referendum will seek funding in the amount of \$22.5 million for increased operating costs and to maintain a competitive salary package. Voting will be held from 7:00 a.m. until 8:00 p.m. at multiple polling places, including Lord Baltimore Elementary School and the Millville Community Center. ***To vote on the referendum, your home in South Bethany (or elsewhere within the school district) must be your primary residence.***

CALENDAR NOTES

[June 20:](#) Coffee & Conversation, 9 a.m.

[June 27:](#) Town Council Meeting, 9 a.m.

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