

Milford council readies to vote on nearly \$60M budget

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By Matt McDonald

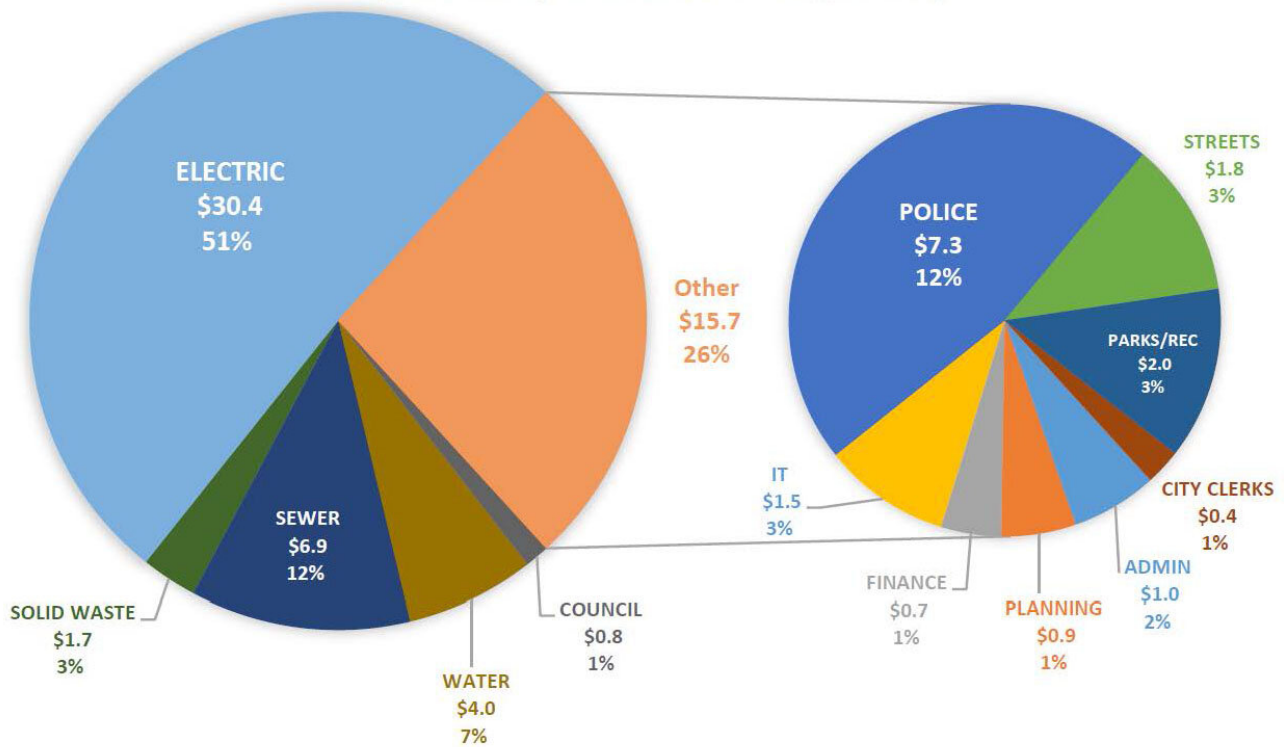


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CITY OF MILFORD

FY24 PROPOSED BUDGET

Expenditures by Fund & Department (\$ million)



SUBMITTED PHOTO

A city created chart of expenditures by fund and department in the proposed Milford fiscal year 2024 budget. The total budget, as recommended by city staff, is \$59,554,040, a 10.5% increase over last year's spending plan.

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By Matt McDonald

MILFORD — The final draft of the city’s fiscal year 2024 budget was recently released ahead of a likely City Council vote Monday night.

The nearly \$60 million it allocates would go toward things like the city-run electric utility, employee wages and maintaining infrastructure. It also pays for projects aimed at making Milford more attractive to businesses, enhancing recreation and improving public safety.

Among the items new to this year’s plan are a real estate tax increase to start paying down the debt to build Milford’s police station, currently under construction, and three positions: a new horticulturist to help beautify the city, an additional code enforcement officer, and a request for another deputy city clerk.

The budget also factors in already-approved fee increases for water, sewer, electricity and trash pickup and disposal. Staff are recommending the trash fee be bumped up more because of higher-than-expected costs.

“The current fiscal condition of the City is stable, and the proposed budget is balanced,” City Manager Mark Whitfield wrote in a letter to the council included with the final draft of the budget. “Milford is a great place to live, work and play. Keeping Milford a great place means adequately funding public safety, infrastructure, parks, recreation opportunities, and reliable public services. Just as our forefathers and foremothers left us this great City, today, it is our opportunity to impact the future of the City for the better.”

Here is an overview of the final draft of Milford’s budget for fiscal year 2024, which runs from July 1 to June 30 next year.

Revenues and expenditures

The total budget, as recommended by city staff, is \$59,554,040, a 10.5% increase over last year’s spending plan. About 85% of that increase is offset by a jump in city revenue, Mr. Whitfield wrote.

City staff are projecting Milford will underspend last year’s budget by about \$200,000, which Mr. Whitfield in an interview primarily attributed to a staffing shortage and robust spending controls.

Just over half of the budget —\$30.4 million — would go toward electric utility-related expenditures. The rest is accounted for among the various costs related to other services and departments. The next largest expenditures are for policing (\$7.3 million), sewer (\$6.9 million) and water (\$4 million).

The largest source of revenue for the general fund — which excludes the water, sewer, solid waste and electric funds — is the property tax, expected to raise \$5.7 million of the general fund’s \$13,595,463 million. The next largest source is transfers from the utility funds, at \$3.9

million.

The City Council regularly transfers money from those funds to use for other purposes, though Mr. Whitfield recommends the council consider setting limits on the amounts to avoid undesirable increases in utility rates.

Tax and fee increases

The Milford Police Department will be moving from its current, cramped headquarters to a 24,000-square-foot facility later this year, thanks to residents in 2021 approving a referendum to let the city borrow up to \$20 million for the project.

The price tag for the facility is expected to fall between \$16 to \$18 million — and the first bill is about to come due. The plan is to increase the real estate tax over two years to start servicing the debt.

The draft final budget includes what would be the first of the two hikes in the annual property tax rate: 5.325 cents per \$100 of assessed property value, a 10.8% increase. The police station debt accounts for 4.325 cents of that rise. There is a separate 1 cent increase as part of the city's plan to wean itself off the use of a different tax for operating expenses.

The City Council has already approved fee schedules applicable through fiscal year 2026 for water, sewer, electricity and trash pickup and disposal that account for the latest cost studies. Louis Vitola, the finance director, said staff are recommending the council raise the trash fee \$1 higher than initially planned because of the impact of inflation.

Altogether, the property tax increase and utility fee increases would cost the average resident an estimated \$12.49 a month — or \$150 a year — according to a calculation included in the final draft. An earlier draft of the budget released last month had that cost incorrectly pegged at a slightly lower amount, which the Delaware State News reported at the time, because of a miscalculation, Mr. Vitola said.

“Yes, there's an increase in taxes and service fees. But I think we're doing a lot to improve and enhance the quality of life within Milford,” Mr. Whitfield said.

How money would be spent

Unsurprisingly, there is a lot packed into a budget for a city of more than 11,000. Among its dozens of pages are six police cars; numerous streetscaping projects; lead line and asbestos pipe removals; flood mitigation upgrades for 4th Street; lawnmower maintenance money for the Parks and Recreation Department; and much, much more.

Some of the larger capital projects include the aforementioned streetscaping work, as well as new bike paths, the Milford Corporate Center, improvements to the Mispillion Riverwalk, the new downtown playground and funding for new or expanded city buildings.

Mr. Whitfield said he always uses the city's Strategic Plan, a five-year plan that incorporates resident input, to guide the budget.

Residents have wanted to see more efforts to beautify their city, he said as an example, so he is asking the council to approve funds for a horticulturalist to join the arborist the city took on last year. The horticulturalist would "really enhance our front door, making it an open and inviting place that people want to come to," he said.

The city, Mr. Whitfield said, is doing a lot of good with the money it spends, from making "positive strides in improving police services" to adding new amenities like pickleball courts to improving infrastructure.

"There's a lot that we're doing," Mr. Whitfield added, "and it obviously takes money to be able to achieve these things."

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