

SUSSEX PRESERVATION COALITION • OCTOBER 2026

Protecting Taxpayers. Sustaining Essential Services

School capacity funding + Fire/EMS support in Sussex County, Delaware

SAME GOAL. TWO DIFFERENT RESPONSES.

Both initiatives help sustain essential services —but they use different payers, rules, and safeguards.

01

School surcharge

A fee tied to qualifying building permits helps fund capacity-related school construction.

BUILDING PERMIT REVENUE

02

Fire/EMS support

Shared billing and ambulance purchasing aim to lower costs for participating companies.

REALTY TRANSFER TAX REVENUE

THE SCHOOL CHARGE INITIATIVE IS LIVE

SEP 3, 2025	**State enabling law signed**	SB 176 authorizes Sussex County's school permit fee.
LATE 2025 – EARLY 2026	**Cost Study**	Cost Recovery, Streamlined Calculations, Equitable Distribution of Charges
JUN 16, 2026	**School surcharge approved**	Ordinance 4065 and the FY2027 budget pass.
JUL 2026	**Collections began**	Qualifying permits start generating district-specific funds.
THROUGH SEPTEMBER 30 2026	**Collections**	Collections have totaled $1.6 million • Cape - $748,000 • Indian River - $507,000 • Milford - $127,000

SCHOOL SURCHARGE COSTS & ALLOCATION

$5

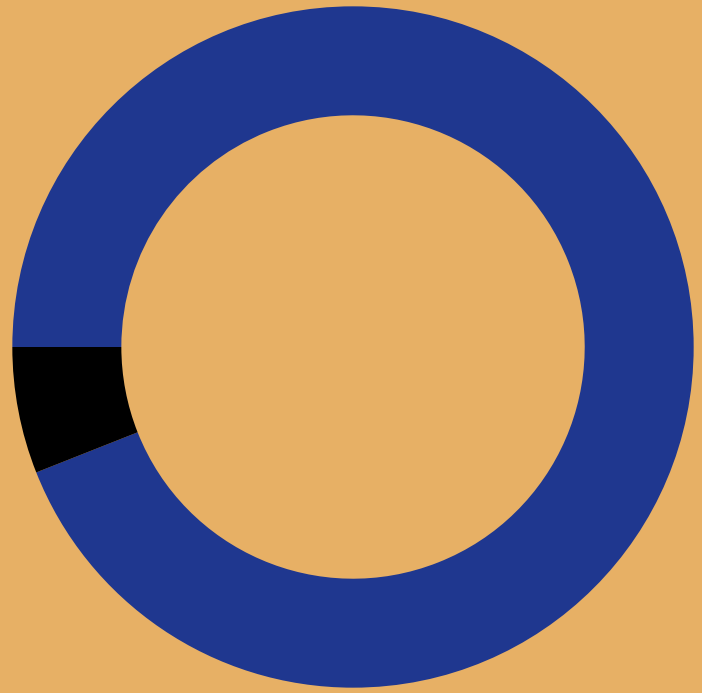
per $1,000 of construction value

$150K

current applicability threshold

≈ $7M

annual estimate based on 2025 activity



$4.70

to the local district where the permit is issued

$0.30

to Sussex Technical School

WHO PAYS—AND WHO IS EXEMPT

SURCHARGE GENERALLY APPLIES

Building permits with a construction value of $150,000 or more

- Residential and nonresidential permits can qualify.
- Nonresidential projects are capped at $1 million of value for this fee.

EXEMPTION EXAMPLES

- DSHA-supported affordable housing
- Sussex County Rental Program improvements
- Qualifying 501(c)(3) projects
- Agricultural and public-safety structures
- Certain replacement structures within 24 months

WORKED EXAMPLES

CONSTRUCTION VALUE × 0.005 = SURCHARGE

Examples assume the permit is subject to the surcharge.

$200K

× $5 per $1,000

= **$1,000**

qualifying project

$400K

× $5 per $1,000

= **$2,000**

$1,880 local + $120 Tech

$1.0M

× $5 per $1,000

= **$5,000**

nonresidential fee cap

ACCOUNTABILITY

FUNDS ARE SEPARATED BEFORE THEY ARE SPENT

Collection and distribution follow the County budget process.

1

Permit issued

County collects the surcharge with a qualifying permit.

2

Funds separated

Local-district and Sussex Tech shares go to distinct accounts.

3

District applies

A district requests prior-year funds for an eligible project.

4

Budget review

County distributes approved funds during the budget process.

Guardrail: funds are restricted to capacity-related capital improvements—not general operating expenses.

TWO DISTRICTS DRIVE 80% OF ESTIMATED COLLECTIONS

LARGEST ESTIMATED COLLECTIONS

- INDIAN RIVER — $2.80M
- CAPE HENLOPEN — $2.80M
- MILFORD — $450K

OTHER DISTRICT ESTIMATES

- SUSSEX TECH — $400K
- SEAFORD, WOODBRIDGE, DELMAR, LAUREL — UNDER $200K

INITIATIVE 2

Shared Services Strengthen Local Fire & EMS

Opportunities identified in 2025 fire study

22
Independent fire/ambulance companies



FACETS STUDY RECOMMENDATIONS

Six actions to improve resilience, efficiency and financial sustainability.

01 DEVELOP A STRATEGIC PLAN

Address system design, capacity, capabilities, resource ownership, funding and timing.

02 SHARE SUPPORT SERVICES

Use shared services to reduce costs, increase revenue and improve efficiency.

03 IMPLEMENT A FIRE SERVICE FEE

Tie new funding to the strategic plan and the shared future it defines.

04 PLAN FOR SERVICE DISRUPTION

Prepare contingencies for Fire/EMS failure or withdrawal.

05 STANDARDIZE ACCOUNTING

Adopt consistent accounting systems and practices across the service.

06 REVENUE ENHANCEMENTS/COST AVOIDANCE

Pursue grants, cost avoidance and recurring savings.

ONE PLAN • SHARED SERVICES • SUSTAINABLE FUNDING • CONSISTENT OVERSIGHT • OPERATIONAL CONTINGENCIES

STUDY TO IMPLEMENTATION

COUNTY PROGRAMS TURN FACETS GUIDANCE INTO ACTION

The purchasing and billing programs operationalize the study's shared-services agenda.

COUNTY PROGRAM	ADVANCES	FACETS RECOMMENDATIONS
AMBULANCE PURCHASING	›	**SHARED SUPPORT SERVICES • COST AVOIDANCE** Aggregates buying power, lowers acquisition costs and supports planned replacement of system resources.
CENTRAL BILLING	›	**SHARED SUPPORT SERVICES • STANDARDIZED ACCOUNTING • REVENUE • COST AVOIDANCE** Reduces duplicated administration, improves collections and creates more consistent billing and reporting practices.

TOGETHER, THE PROGRAMS MOVE FACETS FROM RECOMMENDATION TO NEAR-TERM ACTION

AMBULANCE PURCHASING

COUNTY PURCHASING SPREADS AMBULANCE COSTS

3

Ambulances purchased countywide each year

7-year

Rotation aims to provide each company a County-purchased unit once every 7 years

>$50K

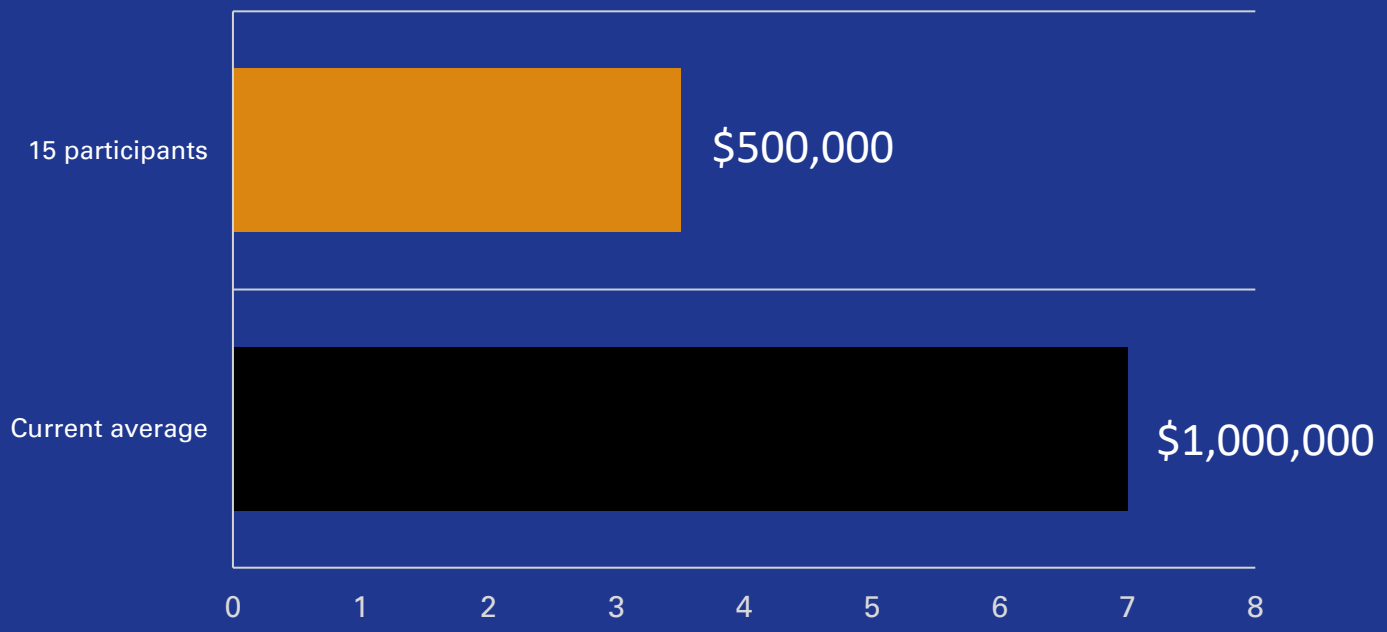
Annual bulk-purchase savings; with option of companies to utilize the bulk rate

ATLANTIC SUPPLIES BASE-BID UNITS • COMPANIES MAY PURCHASE OPTIONS

CENTRAL BILLING

ONE VENDOR CAN CUT DUPLICATED BILLING COST IN HALF

Savings depend on enough departments choosing to participate.



>$500K

Potential annual savings if every company participates

- Maverick rate: 4.0% with 8 participants; 3.5% with 15 participants.
- Participation remains elective; companies retain their own rates and subscription plans.
- Maverick's strengths: guaranteed collection rate, 5 of 22 companies in Sussex already used them, additional consulting and training provided to companies

THE INITIATIVE IS LIVE AND SUCCESSFUL

SEP 30, 2026	**Company decisions were due**	Companies confirm participation and ambulance choices.
OCT 2026	**Contracts + onboarding**	Contracts/onboarding started Oct. 1; next ambulance orders: May + July 2027.

- **Signed contracts or verbal commitments that boards have approved moving forward after their current contracts expire with the Ambulance Billing Program from 21 companies**
- **6 companies have signed the ambulance purchase MOU for the first round of purchases**



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Questions?

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