

## **Dewey Beach Budget & Finance Committee Meeting Minutes 1/12/2018**

The meeting was called to order at 3:30 pm.

Members in Attendance: Claire Walsh, Steve Huse, Joe Kienle, Dennis Trencher (telephonic), Dave Davis

Others in Attendance: Gary Persinger, TJ Redefier, Paul Bauer, Dale Cooke, Larry Silver, David King, Gary Talley, Chris Flood (Cape Gazette)

The agenda and prior meeting minutes were adopted as written.

The group agreed to a series of meetings as follows, in anticipation of delivering the draft budget to the Council by the end of February:

- Friday, January 26<sup>th</sup> at 3:30 pm
  - Friday, February 9<sup>th</sup> at 3:30 pm
1. Larry Silver, Chair of the Audit Committee and CPA was invited and attended the meeting for discussion of the movement of below-the-line accounts to the main body of the budget and financial statements. After a brief discussion of the historical reasoning for having done this, Mr. Silver recommended and the committee agreed and voted unanimously to recommend to the Council that all below-the-line items be moved before the commencement of the new budget year on April 1<sup>st</sup>.
  2. A recommendation for a town marketing budget was proposed by Paul Bauer. Dale will consider this with input from Council as part of his departmental budget reviews.
  3. Steve recommended that we solicit input from the Council for any special projects and priorities that they agree need to be added to the budget. Dave will provide a list of items needed in the 1/13 Town Council meeting and add this to the list.
  4. The committee began the review of the initial departmental budgets that have been received thus far, which include police, seasonal police, code enforcement, streets, lifeguards (less Todd's costs), and maintenance capital improvements. Missing at the time were Admin, Building Inspector, Alderman's Court. It became clear during the discussion that more work was needed on each budget to confirm staff and salary levels, and other requests that are imbedded in each as necessary and subject to justification. Dale will work with each department head, document key negotiated items, and provide an updated and finalized budget for each, as they are completed and no later than February 2<sup>nd</sup> so that the committee can proceed with the budget review on Feb. 9<sup>th</sup>.
  5. David King suggested a performance review of progress against budget and strategic inputs for the following budget year occur in the fall. The committee generally agreed this was a good idea and will consider it as part of the effort in that timeframe.

6. Dale indicated that an interim Finance Director should be available very soon and will be available and attend our meetings on 1/26 and 2/9.
7. David King requested that the town review its fee structures in light of other nearby towns and general fairness to all constituents. The discussion evolved into a broader topic of the expected state enactment of a 6% accommodations tax, and Dewey's need to capture additional revenue to fund long-term and critical priorities such as sea level rise, bayside protection, and other similarly important issues to the town's viability. The committee voted and agreed unanimously to recommend to the Council that they approve that B&F move forward in further defining this issue, and preparing an item for referendum for the September 2018 election to address this issue.
8. Joe Kienle indicated that due to the transition of the town Finance Director, he could make little progress on defining the possibly moving some of the town's non-restricted operating surplus funds to the investment advisor, with all due care and consideration for liquidity and conservative asset class placement. Joe will continue to work this issue and report to the committee as progress in this area is achieved.
9. Steve Huse gave a brief update on both the CPI indexing of fees and the possibilities for better handling of delinquent parking fines. On CPI indexing, the committee voted unanimously to recommend to the Council that B&F work toward implementing this, but not for the current upcoming fiscal year. The parking fines process will be further evaluated in light of the magnitude of the problem given the current reduction in uncollected fines and a suitable action plan recommended. Part of this will also be to benchmark fines and costs with surrounding towns and setting appropriate levels.

With no further business to be discussed, the meeting was adjourned at 5:30 pm

Respectfully submitted,

Dave Davis