

TOWN OF SOUTH BETHANY
BUDGET AND FINANCE COMMITTEE MEETING MINUTES
January 15, 2016

ATTENDANCE

Tim Saxton (Chairperson), Steve Farrow (Committee Member), Christine Keefe (Committee Member), Ken Baker (Committee Member), Don Boteler (Committee Member), Melvin Cusick (Town Manager), Troy Crowson (Police Chief) and Renee McDorman (Finance Director) were in attendance. .

PUBLIC COMMENTS

None

Review and Approval of December 2016 Meeting Minutes

The meeting minutes for the December 2016 meeting were reviewed. The December minutes were approved as written 5-0.

Review of Actual versus Budget for May through December of FY 2016

The committee reviewed the budget versus actual revenues and expenditures for May through December 2015. The committee found revenues to be meeting or exceeding budget in general. The expenditures are tracking as per the budget. The RTT and Building Permit revenue streams continue to exceed expectations in the first months of FY2016. Tax revenue was improved but continues to be slightly lower than historical trends. The Financial Director reported that there continues to be a greater than normal number of home/lot owners who have yet to pay their taxes. RTT revenue has significantly improved and revenue for this line item will now exceed budget for FY 2016. No major concerns were raised in regards to Expenditures. Legal fees have been trending high for the YTD. Due to this line item containing costs for coastal engineering to support a FEMA appeal it will need to be amended. The committee requested the Finance Director create a Budget Amendment for this line item to be presented to Town Council for approval.

Update on Committee Initiatives

- Fee Schedule – The committee reviewed the final draft of a revised Fee Schedule as presented by C. Keefe. It was agreed to make the following changes to the final draft, eliminate the additional \$100 to the late fee penalty for Rental tax and Property Tax and add a revised fee schedule for FOIA requests (to meet state regulations)The committee voted 5-0 to approve the Fee Schedule with these changes. This completed the review of all town fees. The proposed new fee schedule is to be sent to the Town Council at the February Town Council Meeting.
- Compensation Policy – Steve presented a set of recommendation to the committee on the total Paid Time Off policy. Discussion was held surrounding the policy around sick time, compensation time, holidays, personal time and vacation. Concern was raised with the

amount of paid time off allotted to Town personnel. Much discussion was held in regards to the Carry over policy and the Liability the Town carry's forward. The committee decided to delay a recommendation on carry of vacation time and sick time until a surrounding Town policy survey was completed. It was agreed that the Personnel Policy should be adhered to beginning with FY2016. No compensation time earned in FY 2016 may be carried forward into FY 2107 and employees will have until FY 2019 (3 years) to take all carried over comp time balance as of the end of FY 2016. In addition the vacation carry over policy will be strictly adhered to in FY 2016 with no carryover over and above policy. Any vacation time over policy as of the end of FY 2016 must also be taken within 3 years similar to the compensation recommendation above.

- Rental Tax and Real Estate Transfer Tax – C. Keefe presented the approved method for estimating Real Estate Transfer Tax for budgeting purposes in FY 2017. This proposal was previously approved by the committee. Work to date on the Rental Tax tracking was briefly presented again.

Initial Discussion on funding for Building Expansions

A brief discussion was held regarding funding for building expansion. The committee received input on expectations from Mayor Voveris for what is expected from Budget and Finance. Guidance received was to look at a 2-3 fiscal year approach and to consider multiple ways to fund including a special reserve for a building fund, tax increase, loan, other grants and use of unassigned reserves.

Public Comment Period

None

Adjournment

The meeting was adjourned at 5:15 pm.