



The Town of Fenwick Island

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FINANCE COMMITTEE APRIL 5, 2018 AT 10:30 AM

MINUTES

In Attendance

Richard Mais, Richard Benn, Vicki Carmean, Julie Lee, Mark Tingle, Bill Weistling, Roy Williams, Terry Tieman, Dean Gary, Pat Schuchman

Absent

Gardner Bunting

Richard Mais called the meeting to order at 10:31 AM.

Approval of Minutes

A motion was made by Vicki, seconded by Richard Benn, to accept the minutes from the February 22, 2018 meeting. The motion passed unanimously.

Discussion

Property Taxes

Terry informed the Committee that she received a quote of \$76,000 from Tyler Technologies to have the homes in Fenwick Island revalued. The last evaluation was completed in 1976. We would not have to go back to the \$1.92 value after the reevaluation due to the rollback rate, and the new rate would take the new values multiplied by a new rate. Richard Mais stated that a reevaluation will not increase revenue. Richard Benn questioned if we could recoup the cost of the reevaluation, and Terry responded yes, when we increase taxes.

Mark commented that it would make sense to revalue the properties before we raise taxes. Terry added that a reevaluation should be done at least every 10 years. Bill added that the rates have not changed for over 40 years so no one should complain about any increases. Richard Benn agreed on have the reevaluation completed and felt that the Town is doing it in fairness with an outside company.

Roy questioned that after the reevaluation how could the Town raise revenue. Terry responded that the only way is to raise taxes since the properties will be revalued, and the rate could change.

Terry commented that she has spoken to Mayor Langan and he is in favor of doing the reevaluation before raising taxes.

Vicki added that to avoid any issues, like Ocean View is currently having, that we should do any tax increases in steps.

A motion was made by Mark, seconded by Vicki, to forward to the Budget Committee the recommendation to hire a firm to revalue the properties in Town. The motion passed unanimously.

Recommendations

Business License Fees:

Terry commented that at the last meeting it was discussed to keep the business license fee at \$185 for rental and retail licenses, but raise the contractor's license to \$200.

Mark questioned the current fee for realtors. Pat responded that the agency itself obtains the business license, not the individual agents.

Terry commented that the current room rate is \$7.20. Pat added that \$7.20 is more than what was charged 20 years ago.

Richard Mais confirmed what was suggested at the last meeting – to raise the contractor's fee to \$200 and charge a new fee of \$200 for an ATM license.

A motion was made by Julie, seconded by Vicki, to forward to the Budget Committee the suggestion of raising the contractor's fee to \$200. The motion passed unanimously.

A motion was made by Vicki, seconded by Julie, to forward to the Budget Committee the suggestion of initiating a \$200 fee for ATM's. The motion passed unanimously.

Rental Fees:

Julie commented that she is in favor of the suggestion made by Bill at the last meeting to increase the residential to 8%, and then splitting the commercial to 3.5% on hotels and 4% on other commercial properties.

Richard Mais stated that the fees will need to be looked at to determine when the appropriate time would be to roll out the increases.

Richard Benn commented that the fees need to be raised to maintain the reserve.

A motion was made by Vicki, seconded by Mark, to forward to the Budget Committee the suggestion of increasing the residential and commercial rental fees. The motion passed unanimously.

Building Permit Fees:

Terry confirmed that the Committee decided not to make any changes to the building permit fees at the last meeting.

Richard Benn questioned if the ICC cost was researched, as discussed at the last meeting. Pat responded that she contacted Bethany Beach and they only use the ICC cost on Beracah homes.

Parking Permits:

Terry confirmed the suggestions from the previous meeting on increasing the hours to 10:00 PM, offering an hourly rate of \$2.50 per hour (with a 2 hour minimum), increasing the daily permit to \$20, increasing the weekly permit to \$120, removing the monthly permit, increasing the summer permit to \$400, increasing the additional resident tag to \$400, raising the business employee permit to \$100, and raising the replacement permit to \$200.