

## Finance Committee Feedback

On February 14<sup>th</sup>, the Finance Committee held a meeting to discuss multiple topics, including the draft FY2026 budget. During the meeting, the quorum was lost, resulting in the meeting ending without a formal recommendation to the Town Council.

After the meeting, Finance Committee members were asked individually to provide any thoughts or concerns regarding the FY2026 draft budget, so the commissioners may have the benefit of their recommendations for the February 21<sup>st</sup> Town Council meeting. Below are the statements submitted by members of the Finance Committee.

### **Eric Nelson:**

My feedback on 2026 operating budget:

I remain concerned with achieving the revenue goals in the budget.

On the expense side, I wish we had time to consider and accommodate unexpected cost increases of materials and supplies.

### **Bernie Krauss:**

I have two concerns with the draft 2026 budget: the 100% healthcare and the lack of dollars associated with the staffing plan boxes.

Given that some people have other options like Tricare and don't use the healthcare options and the coverage for family members can vary depending if they have a spouse/partner and/or dependents, employee compensation, which consists of salary and healthcare benefits, may be out of balance. It seems employees with a spouse and/or dependents may make more than other people in the same job category. This seems to create an unequal compensation system.

In the January workshop, several commissioners mentioned that in business/industry, companies generally do not pay 100% for worker family members, and some companies require a spouse/partner to have their own insurance if they are working at a company that offers health benefits.

When asked about the 50/50 split for the State mandated FMLA, Sheena said it would negligible and gave the example of \$25 for the highest paid Dewey Beach employee. Well, every little bit helps when you are trying to build a balanced budget. With the potential property tax referendum, we need to be able to defend why we need the additional funds.

I believe the submitted staffing plan does not meet the Dewey Beach requirements, but I need to do some additional research. I know when created my budgets and estimates for my company after I retired from the Army, I needed to include real personnel cost numbers for corporate planning, as well commercial and Government contracts.

I understand Sussex County and the State take care of many of Dewey Beach Roads and other utilities such as water. Dewey Beach Residents and property owners already pay various taxes and

fees to the County and State. For the planned increased Sussex County property tax and State Short Term Rental tax, I would be interested in understanding what is County and State monies are shared with Dewey Beach in terms of grants and other funding?

We tacitly agreed at the meeting that any of the benefits questions should be deferred to September 2025 and the preparation of the 2026 budget. I understand your frustration with meeting attendance. I was asked to join the then Investment Committee and Audit Committee so there would be a better chance to have the required forum. I'm still a consulting employee with my company, but I don't work too many hours so I tend to have more control over my time.

**Vincent Susi:**

As we discussed, I agree with the recommended changes to parking fines and hourly parking fees. No other feedback from me.

**John Gephart:**

I did not participate in the Budget workshop and have only had brief exposure to the current, draft budget. Consequently, I do not have any supportive or critical feedback for the Commissioners.

**Zeke:**

I will be there

**Mark Mayer:**

Thank you for taking the lead on this. With a budget recommendation needed, I believe that what is being proposed to the commissioners is a fair approach to ensuring operations of the town.

**Suzanne Evans:**

I have no feedback.