



**TOWN OF HOLDEN BEACH  
BOARD OF COMMISSIONERS  
SPECIAL MEETING  
TUESDAY, NOVEMBER 20, 2018 – 10:00 A.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Special Meeting on Tuesday, November 20, 2018 at 10:00 a.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Mike Sullivan; Commissioners Pat Kwiatkowski, Joe Butler, John Fletcher and Peter Freer; Town Manager David W. Hewett; Town Clerk Heather Finnell; Assistant Town Manager Christy Ferguson; Public Works Director Chris Clemmons; and Detective Jeremy Dixon.

**WORK SESSION TO DRAFT AT LEAST A THREE AND POSSIBLY FIVE YEAR REVENUE VS. COST ESTIMATE TO HELP PLANNING FOR GROWING FUND AND RESERVE BALANCES**

Commissioner Kwiatkowski said she would like to encourage participation from the audience. She said this will not be the only work session. If the Board is going to draft a plan, we will need to have a lot of components. This one is about trying to figure out additional revenue streams that could be possible. She incorporated the public suggestions into the background document. Some of them may not be legal or are not possible, but that is what they can discuss today. If something is identified as a good idea, she would like a commissioner to take it to work with staff and if necessary with Attorney Fox for legal. The Board can get a probability of success, estimate of money and steps that need to be taken to get the revenue stream in hand in time for the Board's revenue discussions for next year. She said once the Board gets the revenues identified that they think they can do and revenue increase estimates in hand, then they have to look at what it means against the projected costs over the next three – five years. She tried to keep this to increases in revenue. Commissioner Kwiatkowski said there were a few suggestions on cost cutting, but that to her needs to be a separate meeting and has to happen during budget discussions as well. Commissioner Freer said he would like to see a cost discussion as well and then bring them together. Commissioner Fletcher volunteered to run the cost workshop. He will work with Town Manager Hewett and staff to put together the same type of workshop on expenses. Commissioner Freer encouraged him to also look at debt.

Elaine Jordan said she is here because of the notice that was sent out. She said when she saw the notice she was very disturbed, distressed and disappointed. She said perhaps the Board's explanation gives her a little more comfort, but when she sees a notice about increasing revenues, her thoughts are that this is a government. She said the Town isn't a manufacturer, it doesn't make things to increase revenues. The only way to increase revenues for a government is to increase taxes or impose additional fees. She said that is a problem. Ms. Jordan said the 2019 revaluation is just around the corner. She said the Holden Beach economy is nothing but real estate. Ms. Jordan said the Board needs to wait to see the new tax base. She also asked the Board to look at expenses to see if the Town really needs them. She said she

thinks the Town needs to look at the taxes being avoided by those who are renting their homes privately. She said you may need to spend money to garner more money. Ms. Jordan stated they got back onto this island too late after Hurricane Florence. She said the Town was the last island to open and as property owners they only got on the island 90 minutes before the general public. The communication was good during the storm. She said don't tell her there was a legal issue. She said she called all sorts of government entities and there were no restrictions on people getting back on the island. Commissioner Kwiatkowski said this is off topic. Commissioner Freer asked when the 2019 revaluation will be complete. Ms. Jordan replied the county does the values. They would be effective in January 2019.

Commissioner Kwiatkowski said beach nourishment is the first priority in everybody's mind on what the Town is saving money for. She took a look at what our property tax and BPART revenues have been since 2008. Town Manager Hewett supplied her with numbers that were taken from the Audit Report of each year. She tried to take a look between 2018 – 2022 if we kept up with about a 3% increase in our property tax and about a 5% increase in occupancy tax a year. What those numbers would look like is under Scenario 1. She is projecting it with keeping the property tax rates the same. Scenario 2 is assuming we have another couple of good years ahead of us and then have a slight downturn in the economy. It was to get an idea of the range of monies we may look at having. Commissioner Kwiatkowski tried to estimate where we were on our Capital Reserve Fund for beach nourishment knowing that we have put money into it, including this year we took the \$0.02 ad valorem tax transfer into it; we are saying we would like to have a 5% savings target from occupancy tax revenues and we were going to put the money that is currently in escrow with the county for paying back our central reach obligation into it. She came up with a number of about \$5.6 million of committed funds. She tried to go forward with what ifs. The best number she came up with is maybe \$8.25 million on our way to \$10 million. This is all an estimate. She said this an exercise anyone can challenge. This isn't taking into account if the Town invests and what kind of investment income we could get. Commissioner Kwiatkowski believes as a Board they need to have a hard look at this. She thinks it behooves the Board to have a discussion on a yearly basis to see if there are potential revenue streams we can tap into to enhance our General Fund and our Capital Reserve Fund.

Commissioner Kwiatkowski said the callout did get quite a few suggestions of ways we could possibly get additional monies. There are a total of 20 of them, 18 under General and BPART and two under infrastructure. She suggested the Board go over them one by one and have people say if they think it is worth looking into further.

Commissioner Freer mentioned General Fund Balance. Commissioner Kwiatkowski said the 70% General Fund Balance is the Board's policy today, but that doesn't mean it can't be modified. Commissioner Freer said that was made several years ago and he thinks the Board should readdress that. He said that was when we were coming from 34% and we have done a really good job. In his mind back then he wanted to present a realistic goal, not the ultimate goal. He said our peers are well over 100% for a reason. Commissioner Kwiatkowski suggested having Commissioner Freer put that on the December Board agenda. Commissioner Freer asked how FEMA reimbursements fit in with the sand fund and different funds we are dealing with. He understands it is complicated because we are dealing with reimbursements and there is a timing element. He thinks that discussion should be had at some point as well. Mayor Pro Tem Sullivan stated he thinks to get to the issue he would like to have clarified, he would need to clarify the question. He said you would need to drill that down for Town Manager Hewett to answer the question. He said the Board talked about it. We got a lot of money put back into the Town's coffers that we had no

idea we were going to have. We spent it and that meant we didn't need to spend money out of BPART and that enabled the Town to increase the BPART Fund. He said if you look at the BPART Fund it has more money than it did before the Central Reach Project. Commissioner Freer said reimbursement, it was money spent. It was not free money. Mayor Pro Tem Sullivan said he then needs to understand how the reimbursement process works. He provided an example of reimbursement. Commissioner Kwiatkowski asked the Board to stay on topic. If we need to have a workshop on the FEMA process, she is sure Town Manager Hewett would be happy to do that.

Commissioner Fletcher said the first item is an ABC Store. He is not sure if you can just have one and that the state doesn't allocate them. He said we have one close and it is moving closer. He is not sure of the legalities. Commissioner Fletcher said one of the things here is that we don't have bed and breakfasts. He asked if he is correct that we can't have bed and breakfasts. Town Manager Hewett responded that it is probably a zoning/ permitted use question as much as it is related to the occupancy tax permitted collections. He would need to check into that. Commissioner Fletcher suggested that may be an opportunity to obtain revenue.

Commissioner Kwiatkowski said someone did make the recommendation that there be a rental property certification annually. Town Manager Hewett said that is illegal, there is specific legislation that prohibits that.

Commissioner Freer said he is not sure how formal the VRBO monitoring is today. Assistant Town Manager Ferguson explained that Fiscal Operations Clerk Lancaster keeps a list and explained how it is investigated. Commissioner Freer asked if we could formalize that. His understanding is that some of our neighbors have a more formalized version in place. He understands that is a growing area. Commissioner Fletcher agreed. He said it is not controlled and there are increasing amounts of people who want to open their house for that reason. He said then they start feeding people and it becomes a bed and breakfast. Commissioner Kwiatkowski said she understands the suggestion is there should be a formal process and that should be instituted once the process is created and approved. Commissioner Freer agreed. Commissioner Kwiatkowski asked if he has some examples of what our neighbors do. Commissioner Freer replied that his understanding is that Ocean Isle has a more formal approach. Mayor Pro Tem Sullivan asked if we have any knowledge on how much money the current process brought in this year. Assistant Town Manager Ferguson said she would ask Fiscal Operations Clerk Lancaster. Ms. Jordan said Air B&B does collect taxes, but the other websites don't. Commissioner Butler thanked Ms. Jordan for bringing the information to the Board's attention. He said it has a direct impact on revenue. He suggested that this may need to be a special subject.

Commissioner Kwiatkowski said items 4 & 5 are both about parking. She said they received several comments about the possibility of paid parking. The day parking lot for beachcombers came from an individual who she thinks got the idea from what is done in several northeastern states. There is nothing illegal about creating paid parking. This would need a considerable effort from someone to lead it in terms of what it would take and what the estimate of revenue would be. Mayor Pro Tem Sullivan stated it is on the agenda for tonight. Commissioner Kwiatkowski asked if it is about revenue or about solving parking problems. Commissioner Butler said based on the Citizens Advisory Committee, the Town doesn't have a parking problem. He said we have more of a problem of people not looking for parking areas and wanting to park as close as they can to the beach. He talked about going to the beach in New Jersey. He said the

committee counted over 500 spaces throughout the island. The individual parking areas that the Town has was about 250 spots. The committee determined at that point that the Town has sufficient parking. He would suggest leaving this discussion up to the committee. Mayor Pro Tem Sullivan added that the tasker specifically will have something on paid parking so the Board can let them do the research.

Assistant Town Manager Ferguson spoke with Fiscal Operations Clerk Lancaster and she said the process is pretty formalized. They have a spreadsheet they update monthly. They send out letters to people they find are not on the list. Sometimes people send something back and can prove they are with a company and only use the websites to advertise. At this time Fiscal Operations Clerk Lancaster feels like the Town is capturing it. She does work with the companies. Mayor Pro Tem Sullivan thinks we should find out how many locations are being monitored compared to how many properties are being identified to get an understanding of what we are capturing. The Board talked about having Fiscal Operations Clerk Lancaster present at a future meeting.

Commissioner Kwiatkowski said she doesn't understand how it works to charge day parking for beachcombers. Mayor Pro Tem Sullivan said he thinks what the person was saying is if you go to the Jersey Shore, you pay to go to the beach and you pay to park your car. Commissioner Butler added they also sell monthly passes.

Town Manager Hewett doesn't think the Town has franchise enabling legislation to allow canopy service and vacation rental equipment service company annual fees. He agreed to look into it. Public Works Director Clemmons said he believes the Town charged privilege licenses in the past and that turned out to be illegal. Town Manager Hewett explained that the privilege was removed. Mayor Pro Tem Sullivan asked if the ice cream carts are the same. Commissioner Kwiatkowski said there was no detail provided when that item was submitted so she put it on the list. She said it is food carts.

Commissioner Kwiatkowski said she doesn't know exactly what they mean by pet tags. She explained that no detail was provided and asked if anyone had insight on how that works. Ms. Jordan said there is a long seminar on this topic, it is not a simple topic. The Board talked about the suggested item.

Commissioner Kwiatkowski said that moving to e-billing for water and sewer bills is more of a cost reduction. You wouldn't be using postage. Commissioner Fletcher mentioned going paperless. Mayor Pro Tem Sullivan said you would need to give the Town a tasker; how much does it cost to mail the bills out as opposed to how much it would cost electronically. Commissioner Butler stated that an issue may be folks may not be online. Town Manager Hewett added that electronic billing and automated billing services that the Town has put in place were put in place as an option for people. This seems to be counteractive to that. We have a lot of people utilize the walk through option. Commissioner Fletcher said you can make payments, but e-billing is not an option currently. You get a paper bill. Commissioner Freer said he knows water is one of the last direct hooks to our property owners and it may have been on purpose to not make it electronic. Commissioner Kwiatkowski talked about personal experience with electronic notifications. She said voluntary is great, mandatory is a separate thing. Mayor Pro Tem Sullivan said one way to accomplish both to some degree would be to let people opt out. Commissioner Fletcher said the opt out option doesn't always work. Town Manager Hewett said this one is a bit deeper than putting stamps on a bill. Receiving a bill is directly tied to the preservation of service. We know we send a bill to them. Whether they get it digitally is another thing. Mayor Pro Tem Sullivan understands it may not

be feasible, but he thinks we should look at it to determine the cost and to see if enough people will participate. Town Manager Hewett agreed to look at it.

Commissioner Kwiatkowski would like to group items 9 & 19 because they are both about food. She thinks we can go back to when there was an Italian ice request. It really has to do with food services not associated with a permanent building. She asked if food trucks are legal and if it is worth pursuing to see if it brings sufficient revenue. Town Manager Hewett responded that in the past both of those were viewed as itinerant merchants/ peddling and not allowed. That would be subject to a follow-up interpretation. Commissioner Kwiatkowski said that would mean if it does look favorable there would need to be an ordinance change. Town Manager Hewett said he thinks the Town would need to amend permitted uses in the Zoning Ordinance. Commissioner Kwiatkowski asked if there is enough potential revenue to explore the possibility and if it looks attractive the Board could look at the ordinance. Mayor Pro Tem Sullivan asked if restaurants on the island pay a fee in addition to their property taxes. Town Manager Hewett replied no. Mayor Pro Tem Sullivan said he thinks before the Town decides on inviting food trucks in, this would have an adverse impact on the few restaurants on the island and he thinks the Town needs to check with them. If the Town is only going to get a small amount of income he would not want to have an adverse impact on the people who have been on the island trying to make a living. Commissioner Butler said in addition there could be issues with the Board of Health and inspections. He, along with Commissioner Freer agree with Mayor Pro Tem Sullivan. Anne Arnold asked how you would just limit it to food if you change the ordinance for vendors. Commissioner Kwiatkowski responded that her understanding is that the Town does have the ability to define what to allow. The question then would be can you control the number you allow. It would need to be investigated under today's legal framework. This needs consideration if the Board decides it is valuable enough to pursue. She has heard comments that people would like more food opportunities on the island. She said there are two ways of looking at it. Does it harm the existing restaurants or does it supplement them because it is a different service? She would be happy to work with staff on this, but if it is determined it is not possible it is not worth taking the time. Commissioner Butler would be more concerned about the people currently on the island. Commissioner Freer agrees. Mayor Pro Tem Sullivan doesn't find it as an attractive option. Commissioner Fletcher said Dominos delivers all sorts of things so food is available. Ms. Jordan asked if there is a way to have food trucks if it is part of an existing brick and mortar building. Commissioner Kwiatkowski said she wishes Attorney Fox was here. She thinks she read that there was recently a challenge on that in Carolina Beach. Town Manager Hewett said he thinks that Attorney Fox is well versed and qualified to speak to the specifics. Commissioner Kwiatkowski said she will speak to Attorney Fox tonight, but she is still sensing there is not warmth on this.

Commissioner Kwiatkowski said it would need an advocacy effort for the Town to be able to charge a municipality \$0.05 prepared food/ meals tax. Other vacation towns do things like this in multiple states. She asked if the Town sees it as worth pursuing. Ms. Jordan said the restaurants on the causeway off of the island wouldn't need to pay so there would be an immediate competitive disadvantage for the restaurants on the island. Commissioner Kwiatkowski said it sounds like this is not something the Board wants to pursue.

Commissioner Kwiatkowski said the item about state/ county annual match for municipality sand reserve fund contribution/ 401K concept would also need an advocacy effort. She asked if you can get an idea through that the towns that are saving to capital reserve funds deserve an annual match of some sort. It

would not be for when a disaster hits, it would be save along the way, just like retirement. Someone would need to come up with a plan on how this would happen and if there are other kind of monies available through grants or matching. Town Manager Hewett said although he doesn't foresee this happening in time for an upcoming budget impact, that this particular concept should be integrated into our discussions on our sand fund that has been established by the General Assembly. He would submit that there is room for this type of idea or concept to become involved in the upcoming and near term state budget discussions where this type of idea may gain some traction. Commissioner Freer stated we almost have it already. The county contributes a certain percentage and a town is supposed to. If you don't have that you won't get the project. He said it is a similar concept. Town Manager Hewett said that is the Shallow Draft Inlet Navigation project by project funding. The sand fund is a separate fund and is probably a fairly broad concept at this time. This indicates a type of savings instead of on a project. Commissioner Freer agrees you should expand to multiple years instead of project by project. It is an interesting concept. Town Manager Hewett said it is directly related to how we engage with our local and federal representatives to help craft legislation that would help enable this type of thing. Commissioner Kwiatkowski said this interests her a lot and asked Town Manager Hewett if they could work out a thought process on how you would go about jump starting this. This may take a couple of years to get it rolling, but if you do it is an annual win. Town Manager Hewett said the way the Shallow Draft Inlet Navigation Fund came out was it was an iterative process over three years to find a source of funds and negotiate how it would integrate with the Memorandum of Agreement. Commissioner Kwiatkowski will get with Town Manager Hewett.

Commissioner Kwiatkowski said the next item is Town sponsored 5k races, where there is an enrollment fee. She is not sure the frequency imagined. Assistant Town Manager Ferguson said when it says Town sponsored she is assuming they are talking about the Town completely running it. As a runner, if they are charging a \$25 - \$35 fee, they would want real timers, not the low-key process we typically do for something like the Turkey Trot. She thinks the better answer for this proposal would be what the Board will see on tonight's agenda. She talked about a proposal from the Parks & Recreation Advisory Board that will be on the agenda. The only other race we currently offer besides the Turkey Trot is through a partnership with the school system. Nick Westfall announced at the last one that he will no longer do that so if we are going to offer that we will need to do it as the Town. With the good that goes along with the race where they are building on the school programs and fighting childhood obesity she doesn't see charging and still maintaining numbers. She thinks the overall health benefit is better than charging \$25 - \$35 for that. Commissioner Freer said he gets asked a lot of questions about what parks & rec does and how it positively affects the taxpayers and visitors. He said Assistant Town Manager Ferguson does a good job getting free food and things. He thinks we should stand back and look at all of the events we do. What is the dollar cost and dollar gain? He thinks a lot of the events have grown into something that takes a lot of time, money and effort from the Town staff. He thinks we should take a look at all of them and we need to figure out what they are costing the Town. Assistant Town Manager Ferguson said they were presented the spreadsheet for the for profit races. It was about \$800 for man and machine for the Police Department. That doesn't include the time beforehand with the race routes. That is why they went with the \$1,500 fee. Commissioner Freer said it is only an example of what he is talking about. He said we have a lot of other things we do, including the festivals. He is not against the festivals, but he doesn't think we understand what they cost us and what benefit they give us both financially and non-financially. He said he is talking about everything. He knows they take a lot of time from multiple staff members. Commissioner Freer said he is not passing judgement, but we don't have any information to understand the pluses and minuses. He will propose that in a different meeting.

Assistant Town Manager Ferguson said summer camps can make money. She is assuming this item is similar to what she worked at Oak Island. They would bring in anything from \$6,000 – \$10,000 on registration day. It's all day, instead of the one day we do now and you need to have dedicated staff. There is the expense side of it as well. She thinks a lot of local programs are growing because the programs that were offered through the school with Communities in School went away. People are looking for more options. Ms. Jordan asked if the anticipated kids coming would be vacationers or kids from local people. Assistant Town Manager Ferguson provided examples of people who attended camp in Oak Island. Commissioner Kwiatkowski read the request and said she thinks the request was meant more for the vacationers on the island. Mayor Pro Tem Sullivan asked if you need certification to be a counselor. Assistant Town Manager Ferguson said what Oak Island did was to try and hire teachers. They liked to get around 24 kids. If you get 18 – 20 you could do okay as far as breaking even. It depends what the going rate is right now. They would charge \$70 - \$80 a week for a 9:00 a.m. – 2:00 p.m. camp. Commissioner Kwiatkowski said the question becomes if it is a camp for visitors'/ vacationers' children, what is the likelihood of getting a couple of dozen a day. It seems to be a high level of complexity. Assistant Town Manager Ferguson said it would have to be weekly and you would need to have sign ups early. The Board talked about if people would use this service while on vacation. Mayor Pro Tem Sullivan asked if it could be done three days a week. Commissioner Kwiatkowski inquired if the Board would like a logistical examination of this to see whether there is something that is worthwhile that could make money and not require the Town to staff up for a daycare center. Mayor Pro Tem Sullivan suggested that it be extended to others besides vacationers. Assistant Town Manager Ferguson will provide the Board with information on this item.

Town Manager Hewett said you cannot do impact fees for future construction. Town Manager Hewett said there is a section in the Town's Code Book we need to delete.

Commissioner Kwiatkowski said the next item is increase in fines for improper parking, littering, speeding and other code violations. Commissioner Fletcher asked what the Town is getting now for violations. Town Manager Hewett said he hesitates using penal code enforcement for revenue production. The Board agrees. Commissioner Kwiatkowski said the idea is to stop inappropriate behavior not increase fees.

Commissioner Kwiatkowski said the next item, increase in business license and other permit fees is similar to another item that was discussed, it is illegal. Town Manager Hewett said those were the business/privilege licenses.

Commissioner Kwiatkowski explained someone did propose if money is needed, a property tax increase might need to be considered.

Commissioner Kwiatkowski stated the possible increase in cell tower leases was a specific item from someone who has experience in the business. If the Town is interested, they could come in and talk about if we could get more than we currently get. She said if Town Manager Hewett thinks it would be worthwhile to follow up with the individual, the contact is in the email they sent. Town Manager Hewett stated with the continued digitalization of information it is not just a cellphone tower anymore. This is probably a viable market to address. We had our eyes on this as an opportunity for a long time. Mayor Pro Tem Sullivan asked if it is realistic. He said he knows the Board and the prior Board were asked to grant

a reduction in a current lease. Town Manager Hewett said he thinks that request is standard annual thing, but he does not know the answer to that. He thinks as things become more digital it opens other opportunities that we haven't forecasted previously. Commissioner Freer inquired if the Town ever looked at why Sprint doesn't have service on the island. Town Manager Hewett said we have five or six carriers up there, he would need to look at it. Ms. Jordan stated you need to look at those leases really carefully.

Commissioner Kwiatkowski said there are also a couple of ideas relating to infrastructure, which is basically starting to save for the future. One of the items was to make sure the Board set permanent development fees, presumably higher than the temporary status quo. There was another recommendation to bump the water and sewer rates up by 5% per year for three years and escrow all of the additional revenue. She said the first item is in the Board's remit. She doesn't see the second item as any different than raising taxes, which is something the Board doesn't particularly want to do. Town Manager Hewett explained under the Local Government Fiscal Control Act you can't just escrow additional funds. You need to have a capital project defined for that. Unless there is a capital project finite, he thinks you would have a hard time justifying it. You are basically creating a kitty for an unknown and he doesn't think the Board should entertain that.

Commissioner Kwiatkowski asked if anyone had anything else. She said the idea of the ABC Store as she recalls wasn't having an ABC Store. It was pursuing if the Town could be granted some of the revenues from the nearby store. Town Manager Hewett said Holden Beach is the only Brunswick County beach that doesn't have an ABC Store. Some of the towns have two. The law in Brunswick County for ABC Stores is very specific. He doesn't know the type of money we are talking about at the one nearby. He thinks it is worthy of some more investigation as to what that might be and what type of framework could be established. It might be that it is not worth it for the Town. He does not know what is involved with having an ABC Store for Holden Beach since Brunswick County has one nearby. He thinks the Town needs to do some legwork. Commissioner Fletcher said they all have more mainland presence. Town Manager Hewett said there are a lot of specifics involved with an ABC Store. For example our restaurants have to acquire their liquor from a designated ABC Store. That is a direct one to one revenue that is generated here and goes to Brunswick County. Commissioner Kwiatkowski inquired if it is worth having Town Manager Hewett do some digging on this to see if there is an opportunity. Town Manager Hewett said this is already on his radar to see if there are opportunities.

Commissioner Kwiatkowski summarized the meeting items that have action items:

- 1 – Town Manager Hewett will keep his eyes open and if there is an opportunity he will pursue them.
- 4 - Paid parking will be part of the remit of the new committee the Board will discuss tonight.
- 11 - The state/ county annual match –she will put something together with Town Manager Hewett on how the Board could move forward. It's an idea that can match up well with the state sand fund. It's just spending the time on advocacy to make sure this concept gets into it.
- 12 - Assistant Town Manager Ferguson will be talking tonight on event fees where this fits in. The Board can revisit this item if they want to after they listen to her tonight.
- 13 - Assistant Town Manager Ferguson will put together a rough concept on what it takes for summer camp and what it looks like for three and five day programs, what it will take in terms of resources and breaking even.

18- Town Manager Hewett has the name of a person on the island who sent the message saying they have expertise on cell tower leases.

2- VRBO – the idea of a formal process. It seems we do have one. We will have a presentation from staff at an upcoming meeting to hear about what is done.

The Board still has development fees in front of them.

Commissioner Kwiatkowski stated Commissioner Fletcher said he would lead the workshops on costs. Commissioner Fletcher said he will need to talk to Town Manager Hewett and each of the departments. Commissioner Kwiatkowski said her thought was that the Board would try to have some of the revenue ideas with some estimated monies together for discussion for the budget. The Board usually talks about revenues about March/ April. Timeliness is important here. She said when she starts to get feedback from people she will talk to everyone about a second workshop if needed.

Ms. Jordan stated on the charts she thinks Commissioner Kwiatkowski was assuming a 3% increase every year on property tax. Commissioner Kwiatkowski said on collected property tax. Scenario 1 is assuming we get a 3% increase annually in property tax because that has been somewhere along the line that has been a number to expect when things are good. Ms. Jordan said the problem with that assumption is that property revaluation is every four years. She stated generally the only way you would get a property tax increase is by increasing the rate or having new construction. Commissioner Kwiatkowski said this is predominately from new construction. New construction adds to the base. You can also have a big property improvement where they will come out and do a reassessment.

## **ADJOURNMENT**

*Motion by Commissioner Fletcher to adjourn at 11:34 a.m.; second by Commissioner Freer; approved by unanimous vote.*

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J. Alan Holden, Mayor

ATTEST:

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Heather Finnell, Town Clerk Finnell