

BUDGET & FINANCE ADVISORY COMMITTEE MEETING

12/22/2021 MEETING MINUTES

Attendees: Dick Keiling (Chairman), Tom Piatti, George Solyak, Brian Reynolds, Don Nederostek, Doug Parks, Steve Phillips, Yvette Tanious, Julia Johnson, John Viola

Guests: Greg Ellison, Ralph DeAngelus, Dave VanGasbeck, Steve Grunewald, Harvey Booth

Meeting called to order 9:03

1. No Public Comments
2. Minutes from the October meeting were approved

3. Ralph DeAngelus, Matt Ortt 2023 Budget Review:

Payroll taxes reflect 20% expense, this is based on tax on tips

Credit Card (Merchant Services) fees were reviewed and feel they are competitive. The POS provider, TOAST requires the use of their services. The average fee is 2.2%-2.8% based on the credit card used. The average credit card usage is 85% per transaction with 15% being cash.

During the season, all locations are open 7 days a week with normal business hours. This is a reflection of the labor pool having a desire to work for the facilities because of tips, hours of operation and management.

- A. Yacht Club:

Conservative assumptions for 2022/2023 assuming more moderate activity from 2021/2022 figures. Month of May was huge last year after COVID winter, don't expect will be the same this year. Increase in facility rental (banquet). Current 2022/2023 bookings are at \$470,000. The minimum rental is \$10,000 for the room, food and beverage is then added. Budgeting approach for Yacht Club and Banquets is to under promise and over deliver.

- B. Beach Club:

Conservative assumptions for 2022/2023, again assuming less activity of 10%. No capital improvements are planned. Facility rental (banquet) is typically less than the Yacht Club, however there is rental opportunities.

Entertainment is lower anticipating less in entertainment and possibly cancel entertainment to save on expense related to entertainment and royalty fees.

- C. Clubhouse: Anticipating increase in golf outings and rounds of golf, there will be an increase in revenues. Note that the Yacht Club provides all catering for golf outings.

- D. Performance bonus for Matt Ortt is built into budgets based on proposed revenues and expenses resulting in \$281K profits to OPA for the three venues.

- E. T-Docks were discussed. Matt Ortt unable to provide specific targeted revenue gains associated with them.

4. Ocean Pines Volunteer Fire Department:

There is a Memorandum of Understanding between OPA and the Fire Department whereas OPA contributes 50% of Capital Purchases and Apparatus Replacement. Need to confirm at next session that this is the only cost share!

The request for 2022/2023 is \$1,096,041

The department is comprised of full time staff of:

12 Paramedics, 2 EMT and 1 administration personnel, there is approximately 40 volunteers

Chief Grunewald explained that he researched prior years income and expenses and needed to revise and adjust the figures for 2022/2023 based on historical

Fund raising activities account for approximately \$120,000 annually. Other funding comes from donations, OPA, grants and the County.

Year over year revenues remain constant at \$1,324,061. Total expenses increased from \$1,870,236 for 2021/2022 to \$2,224,082 for 2022/2023 or an increase of \$353,846. The proposed budget adds 2 full time EMT's and moving to part time EMT's to full time or the addition of 3 full-time equivalents. Grows staff by one additional person for each eight hour shift.

The request of \$1,096,014 includes apparatus replacement of \$151,020 and capital purchases of \$45,000

There was additional discussion to schedule a meeting with the County involving OPA and the Fire Department to request additional funding for 2022/2023 and future years.

Monthly Financials: Questions were asked and answered on the monthly financials. Overall variance against budget for November was a positive \$42K.