

**TOWN OF SOUTH BETHANY  
BUDGET AND FINANCE COMMITTEE MEETING MINUTES  
July 16, 2019 – South Bethany Town Hall**

**ATTENDANCE**

Don Boteler (Committee Chair), Steve Farrow (Committee Member), Steve Farrow (Committee Member), Chris Keefe (Committee Member), Joe Mormando (Committee Member), Maureen Hartman (Town Manager), Renee McDorman (Finance Director).

**Review and Discussion on Investment Policy**

The Committee began with a review of the proposed revised Investment Policy Statement for the town. Chris Keefe, working with Renee McDorman, had previously developed the proposed revisions for the purpose of bringing the town's Investment Policy up to current municipal standards. Following a thorough discussion, the Committee agreed to minor changes in the nature and frequency of required reporting of portfolio composition and performance. The Committee further agreed that the proposed language appears to permit a closer matching of the maturities of certain holdings to the schedule for implementing Capital Plan initiatives. The Committee then approved the Statement contingent upon the agreed to changes being made to the reporting practices.

**Review of Capital Plan and Re-allocation of possible surplus Reserves**

The Committee then reviewed (1) the status of the town's Capital Plan and (2) how best to allocate to reserves the town's FY19 operating surplus. With respect to the Capital Plan, Ms. Hartman and Ms. McDorman advised the Committee that the staff had requested and received an estimate for construction of the beach access walkways from a contractor who was strongly recommended by DNREC as the most highly qualified builder of beach access walkways. The estimate was \$26,000 per walkway, \$11,000 higher than the \$15,000 estimate that was included in the Capital Plan and FY 2020 Budget. In addition, the estimate is for a grade level walkway; not the elevated walkway contemplated in the Plan. The current Plan calls for building three walkways per year for five years. The Committee noted that, when actual bids are solicited and received, the Town Council will need to determine how best to amend the project plan should the best price be significantly higher than the \$15,000 estimate included in the Capital Plan, but expressed a preference for staying within the \$45,000 year-one budget for beach walkways, even if it would mean building only one or two walkways rather than the three walkways called for in the Capital Plan. Finally, the Committee discussed how best to allocate the FY19 operating surplus to capital reserves and determined that, after fully funding the ARM reserves, the balance of the surplus should be allocated to the Operating Reserve account.

**Development of finance slides/scenarios for public educational presentation**

The Committee briefly discussed the idea of putting together a financial presentation to help educate the public on Town finances.

**Review of FY 2019 audit findings**

Audit findings were not available for this meeting.

**Adjournment**

Meeting adjourned at 10:15am