

**TOWN OF SOUTH BETHANY
BUDGET AND FINANCE COMMITTEE MEETING MINUTES
Sep 23, 2020 – Virtual Meeting**

ATTENDANCE

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

Adoption of July 20,2020 Minutes

Minutes from the July 20, 2020 meeting were approved with corrections.

Review of FY2021 August Financials

The committee found the December financials to be in order and sound and determined the town's year-to-date performance against budget to be satisfactory.

Review and Discussion of (FY 2021 Current Reserve Account Balances, Classifications and Discussion on utilization of future uses of Reserves, and prioritization of Unassigned Reserves

The Treasurer opened the discussion with a short, synopsis about the vote taken at the September 11th Town Council meeting concerning the selection of light pole design options, -- and whether to purchase (pay extra) for the designer style poles or accept the standard aluminum lighting at no additional cost to the Town. He explained the vote was 4 to 3 to not make the investment, overwhelmingly due to the uncertainty of available funds. However, subsequent to that meeting, it was learned that there may be an operating surplus of approximately \$476,000 from the Fiscal Year Ending April 30, 2020. However, the exact amount of the surplus is pending final audit results. Therefore, the Mayor decided to re-open the discussion and has asked the B&F committee to provide feedback to the Town Council on different funding options and allocation of reserves based on the surplus amount of \$476,000. The Treasurer will report back to the Town Council with the results of this meeting. The Town has until the end of the month to notify DeIDOT with the decision. The task of this meeting would be to create at least two scenarios regarding the allocation of the unassigned funds. The first would allocate the cost of the light poles and the second would be without. Committee member Joe Mormando, asked to go on the record as opposing that the Committee was asked only to look at the option of decorative lights and not other opportunities that would have surfaced during the budgeting process when allocating unassigned reserves.

Light pole analysis- The summary of the cost to purchase and the operating costs associated with options was discussed. The incremental operational cost differences, including electricity, maintenance and insurance is \$2,171 cash plus \$3,625 depreciation for a total of \$5,796.

Discussion of the Reserves- The Committee discussed the allocation of the possible \$476,000 operating surplus. The goal was to address all areas of concern and to reflect adequate funding for current and future reserve funds. An analysis will be presented to Council.

The Committee also discussed meeting more frequently and updating the Town's depreciation current schedule.

Adjournment

The meeting adjourned at 11:15am