

TOWN OF SOUTH BETHANY
BUDGET AND FINANCE COMMITTEE MEETING MINUTES
September 13, 2023, 9:00am

Attendance

The following Committee Members were in attendance, Council Treasurer and B&F Chair, Randy Bartholomew, Steve Farrow, Rob Gensler, and Don Boteler. Committee member Cindy Van Horn had an excused absence. Committee member Joe Mormando, PKS auditor Ashley Stern and Lindsey Keen participated virtually. Also in attendance were Finance Director Renee McDorman, and Town Manager Maureen Hartman.

FY 2023 Audit Review and Presentation

Ashley Stern and Lindsey Keen presented the Town's audited financial statement for the period ending April 30, 2023. The Town has received the highest level of opinion a Certified Public accountant can give. There were no material internal control weaknesses over financial reporting. There were two deficiencies identified in bank reconciliations and accounting software setups. The Town Manager and Finance Director advised the committee and auditors Edmund's software company has been contacted to conduct a business plan review. The Town is awaiting confirmation of a date for the site visit. Edmunds will identify and correct setup errors and provide any additional required training. The auditors also noted on the Government Wide Statements (page 40 on audited Financial Statements) the net change in fund balance was \$424,214 for 2023 compared to an increase of \$132,932 in 2022. The unassigned fund balance totaling \$1,640,484 or 64% of the general fund does allow more than the recommended two months of operating expenditures in the unassigned fund balance. Ms. Stern further explained the GASB 68 requirement for reporting the liabilities associated with the Delaware Public Employee's retirement system and the two new GASB 96, (Subscription-based information technology arrangements) and GASB 101, (Compensated Absences requirements for the Town).

Approval of Jun 8, 2023, Minutes

The Committee unanimously approved the June 8, 2023 minutes with one change to remove "to" under the purchasing policy section.

FY 2024 Monthly Financial Review

The Committee reviewed the FY 2023 financials. The Treasurer noted that there was an increase in Grant revenues received for Police Pension Grant \$35,000, Criminal Justice Council (BJAG) Grant \$5,223, and from a Community Transportation Grant \$18,804. The Treasurer also noted that there is a slight change in property tax revenues resulting from the budgeted amount versus the actual billing amount. The Committee found the remaining financials in order and agreed that the Town was in good financial standing.

Investment Strategy Presentation

The Treasurer presented his proposal on modifying the Investment Policy and an overview of how to streamline the investment process. He proposed moving the Town's surplus funds into either a Fidelity or Vanguard account. This process would eliminate having multiple Certificate of Deposits with various banks and provide the Town with assurance for coverage for funds exceeding \$250,000 FDIC insurance. The Committee agreed and Rob Gesler offered to contact Vanguard, inquire about a municipal government representative, and see if we could get a better rate than offered by our current Fidelity account.

Adjournment

The next meeting is scheduled for October 5, 2023, at 9am. The meeting adjourned at 10:30 am.