

**TOWN OF SOUTH BETHANY**  
**BUDGET AND FINANCE COMMITTEE MEETING MINUTES**  
**October 15, 2014**

**MEETING CALLED TO ORDER**

Tim Saxton, Chairperson, called the October 15, 2014, meeting to order at 3:30 p.m.

**ATTENDANCE**

Tim Saxton (Chairperson), Renee McDorman (Finance Director), Jay Headman (Committee Member), Keith Krenz (Committee Member) and Tony Caputo (Committee Member) were present. Steve Farrow (Committee Member) and Melvin Cusick (Town Manager) was excused.

**PUBLIC COMMENTS**

None

**REVIEW OF PREVIOUS MEETING MINUTES**

Meeting Minutes for September 10, 2014 meeting were reviewed with no comments. Motion by Tony to approve and seconded by Jay. Motion to approve carried.

**Review OF ACTUAL VERSUS BUDGET FOR FY 2015**

The committee reviewed the budget versus actual revenues and expenditures for September of 2014. The committee found no new significant deviations from budget in either revenue or expenses in the past month.

**DISCUSSION ON POLICIES**

The committee reviewed the second draft of a proposed Investment Policy that has been prepared by Steve Farrow. The committee provided minor comments which will be included in the next draft and a final draft will be presented at the next meeting. The final draft to be reviewed will be formatted by Pam and prepared for submission to the Town Council.

Jay and Keith led the discussion on Reserve Policy. The discussion entailed determining why there are not ARM reserves within the FY2015 Budget. Tony felt that there was not adequate documentation regarding Town Council approval for these reserves therefore these monies were not include in the budget as a Reserve line item. Tony made it very clear that these monies currently reside in other funds and that he was not opposed to creating these reserves funds. Tony further stated he would like to see formal documentation of Town Council approval for these reserve funds to be created. The committee concluded the discussion with agreement to determine the last budget that showed funding for the ARM reserves. From there it would be possible to determine what the correct funding could be proposed for the FY 2015 budget through a budget amendment.

Jay and Keith stated they would move forward with the finalization of a draft reserve policy that could be reviewed by the committee.

**Discussion on Evaluation of Reserving for Employee Retirement Bonus**

The committee discussed the continued evaluation of reserving for Employee Retirement Bonus as per our current personnel policy. It was agreed we would continue to have an ongoing reserve that would be funded yearly. Further the committee agreed to evaluate the funding needs during every budget process and would continue with the current tool for this evaluation.

The committee as discussed the vacation and sick pay carry over that is in the audit report. Discussion was held on whether we should include a line item on this within the yearly budget but not final conclusion was reached. This will be raised again during the budget process.

**PUBLIC COMMENTS**

None

**ADJOURNMENT**

A motion was made by Tony, seconded by Jay, to adjourn the October 15, 2014 Budget and Finance Committee Meeting at 5:00 p.m. The motion was unanimously carried.