

Lewes Board of Public Works
Finance Committee
September 11, 2024, Meeting Minutes

Committee Members

Richard Nichols, BPW Treasurer
Bob Heffernan, BPW Assistant Treasurer- Absent
Austin Calaman, BPW General Manager
Kimberly Bellere, BPW Finance Manager
Amy Marasco, Ex-Officio City Council Member
Mike Hogan, Committee Member via Zoom
Calvin Jaber, Committee Member- ABSENT
Carolyn Jones, Committee Member

Others Present

Sharon Sexton, BPW Special Projects Coordinator

The meeting was called to order at 10:05am.

Committee Review July 22, 2024, Finance Committee minutes. Consensus to send minutes to BPW Board for approval.

Kimberly Bellere, BPW Finance Director, reviewed the Finance report.

Current Workflow

- The Finance Committee and BPW staff are developing a Cash Flow Template organization, by utility, to enhance reports and forecasts of short- and long-term status.
- Enhanced reporting will support better decision-making and early detection of issues.
- Need to adopt a proactive approach to managing wastewater expenses.

Key Takeaways

- Emphasized the separation of operating and capital reserves to improve financial clarity and proposed distinct investment policy statements for each.
 - The investment policies are currently very broad and need to be tightened up, as discussed.
 - Discussed refining investment strategies, advocating for a tailored fund allocation approach.
 - Discussed updating investment guidelines
- Identified regulatory challenges regarding lead service line replacements, stressing the need for a comprehensive inventory to support funding requests and EPA compliance.

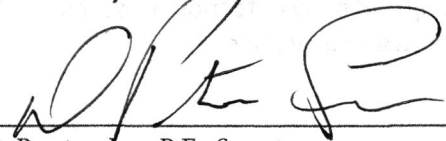
- Municipalities face significant regulatory unknowns, especially regarding lead and copper rules, plus increased drinking water testing (UCMR5).
- EPA requires all lead service lines to be replaced within 10 years.
- Ongoing discussions should prioritize funding strategies and policy development.
- Collaborative identification of issues is crucial for addressing future regulatory challenges.
- Highlighted the importance of establishing a rainy-day fund and a resilience fund, focusing on proper categorization and securing funding for unexpected expenses.
- Recognized the necessity of collaborating with officials at all levels to secure financial support for infrastructure improvements and advocate for clean drinking water initiatives.
- Cash Reserves
 - It's essential to separate operating reserves from capital reserves for clarity.
 - Each reserve pool should have its own distinct investment policy statement.
 - Initial reserve grouping was too broad and lacked specificity.

Action Items

- Ms. Marasco suggested proposing to FEMA that the scoping project for building resilient communities is important and could be funded.
- Ms. Marasco will coordinate with Ms. Bellere on the financial reserve report for the board meeting.
- Collect data for resiliency plans.
- The committee will have counsel draft any resolutions for finance committee recommendations.

Meeting adjourned at 11:30am.

Respectfully submitted,
Sharon Sexton
Special Projects Coordinator



D. Preston Lee, P.E., Secretary

2/26/25

Date