

BETHEL TOWN COUNCIL MEETING MINUTES
Tuesday, January 3, 2017

The meeting was called to order by President Jeff Hastings at 7:00 P.M. President Pro Tempore Phillips led the meeting in the Pledge of Allegiance. Present were Council members Anna Lee Robinson, Mary McCoy, Kevin Phillips, and Mark Shaver.

Secretary's Report: Minutes from December 6, 2016 meeting: On the page regarding Building permits, for the house on Hopkins Lane, the square footage of the house was bigger than 1200. A line was added "that upon additional review of the plans for the new construction on Hopkins Lane was determined to be approximately 1400 square feet, not including the garage." Also, the final cost of the filing cabinet was \$664.98. Motion made by Shaver, seconded by Robinson to accept the minutes with the above-referenced changes.

Town Clerk Report: (copy attached): The Town Clerk report was presented. The Historical Marker is waiting for a final approval from the State Archivist and a dedication ceremony for the mid to late March.

Historic Preservation Tax Credit Program is presented by Joan Larrivee of the State of Delaware. There are a lot of restrictions but it is a good presentation. McCoy suggested that it might be a good presentation for some of the Town's newer residents. It could be a separate presentation at a time other than the Town Council meeting. Ms. Miller was going to schedule a meeting.

Message Boards: LED lighting is additional for most message boards. There was discussion of a lighted message board at the Town Park and a solar-lit board at the Town Office. The message board at the Park would be a medium sized one. The color most neutral was a cedar which was a natural color. The color choices are: cedar, evergreen, brown, gray, and desert gray. The cost of \$530.65 for the message board at Community House without the light and the medium one for the Town Park with lighting would be \$918.94. Installation needs to be done by us. Motion made by McCoy for a medium, wall mounted message board in cedar for the Community House and a medium standing message board with lights for the Town Park in cedar. Motion seconded by Phillips. Motion passed unanimously

The leftover Christmas decorating funds of \$58.11 will be put in petty cash, per Shaver.

Community House Event: In the event of Anna Lee Robinson's retirement next month, McCoy suggested a Sunday afternoon have a Community Pot Luck dinner, from 2pm to 5pm. There was discussion of dates in January and February. There was discussion of

February 12 as the date with February 19, 2017 as the snow date. Robinson has been on Town Council since 1980.

Treasurer's Report: Bills to be Paid: \$165.85: Comcast, \$664.98: Annie Miller (reimbursement for file cabinet), \$9,187.97: GMB Engineering: \$115.66: Delmarva Power, \$88.54: Matheson Tri Gas, \$335.50: Miller Enterprises, \$120: Baker Electronics, \$500: Salisbury University. Motion made by McCoy, seconded by Robinson to pay the bills as described. Motion passed unanimously.

The Treasurer's Report was presented. Motion made McCoy, seconded by Phillips to accept the Treasurer's Reports as presented. Shaver said the reports will be on QuickBooks.

Financial Review: New Financial Review was presented. Salisbury was pleased with the progress made by the Town. Copy of the Financial Review is attached to the minutes per the charter.

Tax Liens: Since the town attorney was not present, this will be discussed at the next meeting.

Community Transportation Funds: Tim Dukes had secured Community Transportation Funds for the work down on the post-paving fill in the amount \$6,950. However, since we had to do the fill before we had a notice to proceed from the State, we can't pay that bill from those funds. However, we can use the funds to pay for the new street signs and installation. We now have the notice to proceed and will just need to present the invoices when we get the work done. The funds still can be used by the Town.

Building Permits: No activity. There is no update on the house on Hopkins Lane. They haven't yet gone to the County for their permit. There was discussion of the posting of building permits. There was discussion of possible fines, etc.....

Possible Cell Phone Tower on H&H Brand Farms property: The contractor contacted Jeff Hastings in late November 2016 about a monopole that is 125 feet tall on his property. It would be located behind the greenhouses near the woods. It would be for cell phones and internet. It would not have lights. It was asked about how planes avoid it. There are two in Laurel, one on 10th Street by Littleton's and one by the Flea Market. There was discussion about the negative impact on property values and concerns about health issues. The town has a 35 foot height restriction so a variance would have to be obtained. The Town being on the National Historic Register is a factor that according to Federal law has to be taken into the consideration for by the FCC when an application is presented. McCoy contacted Dan Parson at the Sussex County Historic what needs to be considered. Parsons said to wait until you get an application for the tower before you proceed.

Planning & Zoning Commission: There were letters from Hank Graves and Duane Campfield to be members of the Planning & Zoning Commission. McCoy made a motion, seconded by Shaver to appoint Hank Graves and Duane Campfield to the Planning & Zoning Commission. Motion passed unanimously.

Board of Elections: Pat Kough presented the update. As of the meeting date, there will be an election. Candidates are Robin Campfield, Mark Shaver and Ron Parry. There is money in petty cash available for use by the Board of Elections. Annie Miller asked about putting bios on the Town website. We need to update the email mailing lists. Robin Campfield had a question about using her name as Robin Tracey Campfield.

Community House: Bathroom expansion needs to be put off a little while. There was talk about possibly taking away the kitchen and put the offices in there and make the bathroom expansion part of that. Phillips talked about creating a historic wall in the Community House. Phillips said the building was built in 1858 and was Methodist Episcopal church.

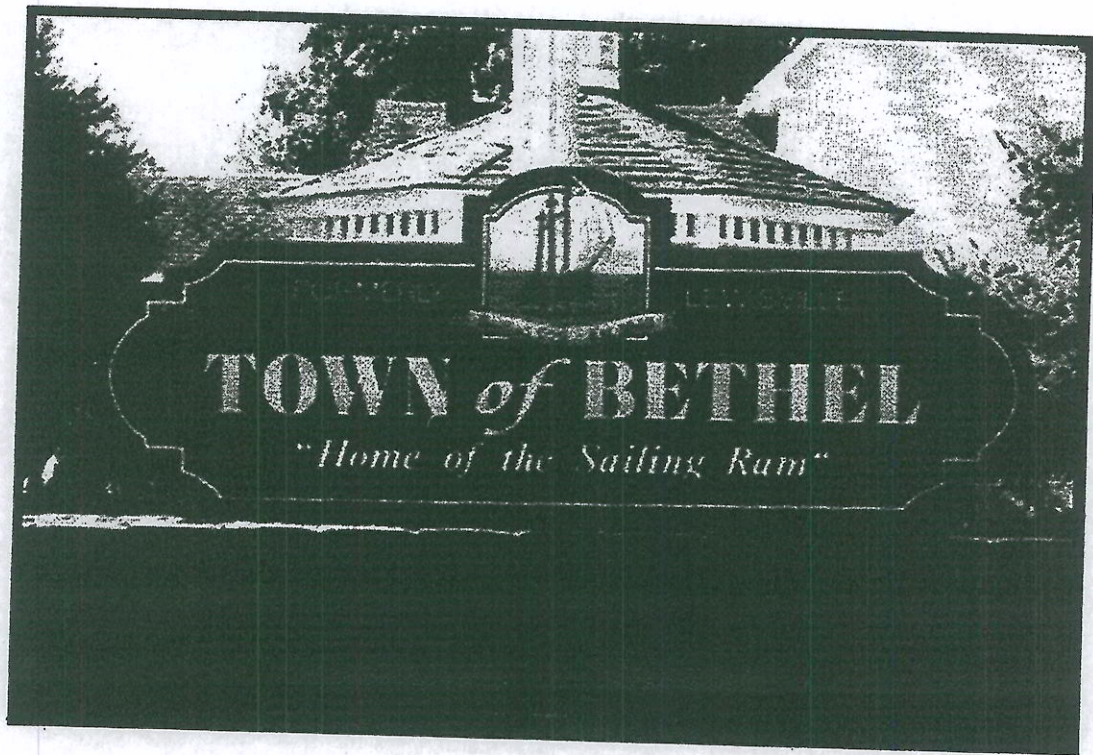
There were complaints about the parking lot at the Post Office.

The meeting was adjourned at 8:26 P.M.

Respectfully submitted,


Mary McCoy
Secretary

Town of Bethel, Delaware
Financial Statements



Year Ended June 30, 2016

TABLE OF CONTENTS

BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	4
NOTES TO THE FINANCIAL STATEMENTS	5-10

Town of Bethel, Delaware

Balance Sheet
Governmental Funds

June 30, 2016

	General Fund	Municipal Street Fund	Impact Fee Fund	Transfer Fee Fund	Total Governmental Funds
ASSETS					
Cash	\$ 15,084	\$ 55,925	\$ 18,855	\$ 56,198	\$ 146,062
Certificates of deposit	4,556	45,419	-	-	49,975
Transfer tax receivable	-	-	-	30,000	30,000
Property tax receivable	346	-	-	-	346
Total Assets	\$ 19,986	\$ 101,344	\$ 18,855	\$ 86,198	\$ 226,383

LIABILITIES AND FUND BALANCES

Liabilities					
Bio Retention deferred grant revenue	\$ 2,118	\$ -	\$ -	\$ -	\$ 2,118
Fund Balances					
Impact Fees - Restricted	-	-	18,855	-	18,855
Municipal Street Aid - Restricted	-	101,344	-	-	101,344
Town Operating	17,868	-	-	-	17,868
Transfer Fee Funds - Restricted	-	-	-	86,198	86,198
Total Fund Balance	\$ 17,868	\$ 101,344	\$ 18,855	\$ 86,198	\$ 224,265
Total Liabilities and Fund Balances	\$ 19,986	\$ 101,344	\$ 18,855	\$ 86,198	\$ 226,383

The financial statements are prepared for educational purposes.

The Notes are an integral part of the financial statements.

No assurance is provided on these financial statements.

Town of Bethel, Delaware
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds

For the Year Ended June 30, 2016

	General Fund	Municipal Street Fund	Impact Fee Fund	Transfer Fee Fund	Total Governmental Funds
REVENUES					
Bio Retention grant income	\$ 361,086	\$ -	\$ -	\$ -	\$ 361,086
Community House rental income	700	-	-	-	700
Franchise fee income	2,626	-	-	-	2,626
Impact fees	-	-	2,128	-	2,128
Infrastructure grant income	9,950	-	-	-	9,950
Municipal Street Aid revenue	-	7,852	-	-	7,852
Property tax revenue	6,059	-	-	-	6,059
Transfer fee revenue	-	-	-	24,010	24,010
On behalf insurance income	5,464	-	-	-	5,464
On behalf police grant income	9,447	-	-	-	9,447
Interest income	-	31	9	23	63
Miscellaneous income	600	-	-	-	600
Total revenues	\$ 395,932	\$ 7,883	\$ 2,137	\$ 24,033	\$ 429,985
EXPENDITURES					
Bio Retention grant expense	\$ 361,087	\$ -	\$ -	\$ -	\$ 361,087
On behalf insurance grant expense	5,464	-	-	-	5,464
On behalf police grant expense	9,447	-	-	-	9,447
Christmas banners	500	-	-	-	500
Grass cutting	400	-	-	-	400
Professional fees	4,271	-	-	-	4,271
Office expense	2,382	-	-	-	2,382
Office supplies	1,774	-	-	-	1,774
Public safety	263	-	-	-	263
Repairs & maintenance	20,360	-	-	-	20,360
Snow removal	-	400	-	-	400
Town insurance	3,408	-	-	-	3,408
Electric	-	6,706	-	-	6,706
Gas & electric utilities	1,890	-	-	-	1,890
Telephone	1,283	-	-	-	1,283
Total expenses	\$ 412,529	\$ 7,106	\$ -	\$ -	\$ 419,635
Net change in fund balance	(16,597)	777	2,137	24,033	10,350
Fund Balance, July 1, 2015	34,465	100,567	16,718	62,165	213,915
Fund Balance, June 30, 2016	\$ 17,868	\$ 101,344	\$ 18,855	\$ 86,198	\$ 224,265

The financial statements are prepared for educational purposes.

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**THE TOWN OF BETHEL, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1- Description of the Town of Bethel

The Town of Bethel (hereon referred to as the "Town") is located in southwestern Delaware and has a population of approximately 180 people. Some of the major services provided by the Town include planning and zoning, street improvements, and maintenance.

The Town's basic financial statements include the accounts of all of the Town's operations.

The Town must comply with the Delaware Code, specifically Title 22, entitled Municipalities.

Note 2- Summary of Significant Accounting Policies

The financial statements of the Town have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the Town's accounting policies are described below.

Basis of Presentation

All of the Town's activities are classified as governmental activities in the fund financial statements. The Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance report information on all of the activities of the Town.

Governmental funds are those funds through which most governmental functions are typically paid. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources.

Government wide financial statements have not been prepared, which is not in compliance with the standards of the GASB.

The Council elected for all funds to be reported as major governmental funds.

The Town is responsible for preparing all financial statements. In addition, the Town Council is responsible to design, implement, and maintain internal control to prevent and detect fraud.

**THE TOWN OF BETHEL, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 2- Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

During the year, the Town segregates transactions relating to certain Town functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Town at a more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The Town has no non-major funds.

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The Town has no proprietary or fiduciary funds.

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

General Fund

The general fund is the primary operating fund of the Town. The general fund is used to finance and account for the ordinary operations of governmental agencies. This fund is appropriated by the Legislature for any legally authorized purpose. It is used to account for all revenues and disbursements not provided for in other funds. The general fund includes all money derived from taxes, fees, permits, licenses, or from any other sources or receipts unless specifically exempted or provided by law. All general fund money may be encumbered and expended upon establishment of the appropriation in the State of Delaware's finance and accounting system. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the general fund.

**THE TOWN OF BETHEL, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 2- Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Municipal Street Aid Fund

The Municipal Street Aid Fund is comprised of government grants from the State of Delaware for restricted and interest income. The restricted funds portion may only be used for repairs and maintenance of the Town's streets. The Municipal Street Aid Fund may not be used for the policing of municipal streets, including but not limited to salaries, equipment, vehicles and supplies.

Transfer Fund

The Transfer Fund consists of transfer taxes paid from the transfer of deeds on properties located within the Town.

Impact Fund

The Impact Fund is compiled of impact fee revenues occurring from the transfer of deeds relating to undeveloped lots, specifically the building maintenance impact fee, and the storm water run-off impact fee.

Measurement Focus

The statements are prepared using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become available and measurable; expenditures are recognized in the period in which the fund liability is incurred (if measurable). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year end. All operations are generally handled on a cash basis. However, at the end of the year all revenues and expenses must be adjusted to the modified accrual basis for the purpose of financial statements.

**THE TOWN OF BETHEL, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 2- Summary of Significant Accounting Policies (Continued)

Budgetary Control

The Treasurer submits an annual budget to the Council in accordance with the town charter. In July, the Council members adopt the annual fiscal year appropriated budget for the Town's operating funds. Once approved, the Council may amend the legally adopted budget when necessary.

The fund's appropriated budget is prepared on a detailed item basis. Revenues are budgeted by source. Expenditures are budgeted by type. This constitutes the legal level of control. All budget revisions are subject to review by the Council. A budget to actual comparison is not presented in these financial statements.

Cash and Cash Equivalents

The Town invests in several certificates of deposit. Interest rates vary from .05% to .35% and are terms range from six to twelve months.

Property Taxes

Property taxes are billed at the beginning of each fiscal year and are payable by October 31 with 1.5% interest penalty per month outstanding. Tax liens should be placed on delinquent taxpayers, but are not enforced by the Council presently.

Capital Assets

The Town of Bethel owns various small parcels of real estate, streets, street lights, and the Community House, for which the acquisition costs cannot be determined. These fixed assets and other capital assets are not recorded on the financial statements.

During the current year, the Council made substantial improvements to the Community House primarily insulating the building, installation of handrails, new windows, updating fire equipment, a new safe, new sidewalk and flagpole. The installation of which are significant improvements that enhance the life of the building. As a result of the Council's decision not to capitalize fixed assets, these costs are recorded in the Statement of Revenues, Expenditures and Changes in Fund Balance as Repairs and Maintenance totaled \$20,360.

**THE TOWN OF BETHEL, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 2- Summary of Significant Accounting Policies (Continued)

Governmental Fund Balance

Fund balances represent the difference between assets and liabilities. Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restrictions on fund balances can be found on the Balance Sheet.

In the governmental fund financial statements, fund balances are classified as follows:

Restricted fund balance- amounts that can be spent for only specific purposes because of constraints imposed by external providers (such as grantors), or imposed by constitutional provisions.

Unassigned fund balance- amounts that are available for any purpose; these amounts are reported primarily in the Town's general fund.

Restricted Grant Revenue

In the current year, the Town received cash from grants in excess of the grant expenditures, creating deferred grant revenue. The Town must spend this funding based on the terms of the grant award and the revenue will be recognized as the associated expenditures are incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3- Risk and Insurance Coverage

The Town has exposure to various kinds of risk. As a means to reduce this exposure, the Town has purchased insurance policies from commercial insurance agents. These policies cover property, general liability, automobile, and bonding of all Council members.

**THE TOWN OF BETHEL, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 4- On-behalf payments- Sussex County

The Town receives on-behalf payments for police enforcement from Sussex County. The County retains the funds and pays the associated invoices to the Delaware State Police department, for costs related to the Town's speed enforcement. On the Statement of Revenue, Expenditures, and Changes in Fund Balance, this has been recorded as both revenue and expenditures and totaled \$9,447 for the year ended June 30, 2016.

The Town receives on-behalf payments for insurance from Sussex County. The County retains the funds and pays the associated invoices. On the Statement of Revenue, Expenditures, and Changes in Fund Balance, this has been recorded as both revenue and expenditures and totaled \$5,464 for the year ended June 30, 2016.

Note 5- Grant Awards

The Town of Bethel received grant funding from various agencies including the Delaware Department of Natural Resources, Chesapeake Bay Trust and Delaware Department of Transportation.

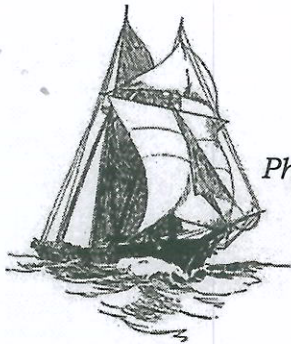
The Town is responsible to maintain compliance with the terms of all grant awards. During our testing, we did not receive invoices for grant expenses related to the Bio-retention grant.

Note 6- Transfer Tax Receivable

The Town receives 1.5% of the sales price from the sale of properties within Town limits. Transfer taxes are collected at settlement. If the Town does not receive \$20,000 in transfer tax revenue during the year, Sussex County will provide the Town with \$15,000 per year. At year-end, the Town had a receivable of \$30,000 for transfer taxes for fiscal years 2015 and 2014. These amounts were received in full in October of 2016.

Note 7- Concentrations

A large portion of the Town's activities are supported by revenues received through grants. In addition, the Town also receives a large portion of its revenues from state and local funding. Any loss of funding would have a substantial impact on the financial statements of the Town and would impair the operations and services provided by the Town.



Town of Bethel

PO Box 310, 7769 Main Street, Bethel, DE 19931

Phone (302) 877 – 8139 Email tob310bethel@gmail.com Web www.bethel.delaware.gov

Normal Business Hours: Wednesday 9AM to 12PM and 1PM to 3PM

Town Clerk Report, January 3, 2017

Town Calendar for January 2017 as of 12/28/16

Tuesday, January 3—Town Meeting, 7 PM
Wednesday, January 4—Election Solicitations Due
Tuesday, January 31—February Meeting Agenda Due

Town Calendar for February 2017 as of 12/28/16

Tuesday, February 7—Town Meeting 7 PM
Tuesday, February 7—Council Term Expirations: Robinson/Shaver
Tuesday, February 8—Mary McCoy's Birthday
Saturday, February 18—Town Elections, 1:00 to 4:00 PM
Tuesday, February 21—BOE Results Due (within 48 hours of polls closing)
Tuesday, February 28—March Agenda Due

Note: Prepared an annual calendar for the Town for 2017.

Historical Marker Program Update

Waiting for text marker approval; I informed Kevin Barni of Council's approval on Dec. 7 and sent emails on Dec. 14, Dec. 21, and Dec. 28 asking for status update. Dec. 28 he replied that he made no changes to text after council's approval and is awaiting for the final approval from state archivist. He recommended we set a dedication date for mid to late March. Then as soon as approval is received he can order the marker and let the vendor know the date so it can be prioritized accordingly.

Historical Building Preservation and Insurance Review

Date: TBD (Ken Lebo)

Filing & Archives

Ordered and received the new filing cabinet. Transferred current files to new cabinet. Received back files from SU. Received building permit files from Kevin Phillips. Working to organize all files. Yancey spent an 1.25 hours on past filing, 12/7/16

Salisbury University & Quickbooks

Financial Review has been completed. Quickbooks has been updated. Created an invoice template for the rental of the Community House; also have templates now for Building Permits and Impact Fees.

Town Website

Posted notice of solicitation for election candidates; added 2017 dates to web calendar

Christmas Un-Decorating

Was able to locate garland on clearance for the gazebo for next year as well as some bows and miscellaneous items. Mary provided storage totes. Stored away all items for next year. Of the \$400.00, receipts total \$341.89. Leftover funds equal \$58.11 which are in the safe.

Message Boards

I have a couple of final details I need Council to review and a final approval to order.

Historic Preservation Tax Credit Program

Would residents be interested in a presentation?