

<p style="text-align: center;">TOWN OF SOUTH BETHANY BUDGET AND FINANCE COMMITTEE MEETING MINUTES October 20, 2025, 8:30am</p>

Attendance

The following Committee Members were in attendance in person, Treasurer and B&F Chair, Randy Bartholomew, Simon Moore, Steve Farrow, Don Boteler, Tim Saxton, Russell Beland, Joe Mormando, Nancy Loube, Town Manager, Maureen Hartman, and Finance Director Renee McDorman. Rich Juliano participated virtually.

Introduction of New Members

Two new members were introduced to the Committee, Nancy Loube and Joe Mormando.

Approval of September 9, 2025, Minutes

The Committee approved September 9, 2025, minutes with correction.

Review FY 2026 Financial Reports

The committee reviewed the FY 26 September financial reports and agreed the town was still in good financial standing but did have concerns about the lower-than-average revenues derived from rental tax. Revenues will be reviewed in more detail after the October reports are posted, which will be the sixth month point of the budget.

Audit Communication Follow-up

The Treasurer discussed the Town of South Bethany audit presentation given by Lindsey Keen from PKS. Ms. Keen discussed a couple issues from the audit communications that needed to be addressed to the Town Council. The Treasurer explained that one issue was the approval level that should be implemented when the Finance Director transfers monies from the general fund accounts into investment accounts (Vanguard). The auditors recommend the approval be in writing from both the Treasurer and Town Manager. Currently, the Finance Director does advise the Town Manager that she will be transferring monies between the funds and advises the Treasurer of the same. We will now make it a more formal process and have written approval for the transfers. One additional communication item was the recommendation from the auditors to set up within the general fund an unrestricted and restricted account for transfer tax so that there is a designation for monies designated for investments. The Finance Director will speak with the auditors and get their input on a proper setup for the accounts.

Investment Policy Review

The Committee discussed updating the investment policy to provide different investment venues and use a less conservative approach to investment opportunities than what is in place now. The Committee had different perspectives on how much should be invested in riskier investments (equities) or to stay more conservative with government securities. Steve Farrow, Tim Saxton, and

Simon Moore will be looking at the different venues and drafting the appropriate changes to the investment policy.

Recommendations on Investment Options

The committee discussed the current Town investments in the Vanguard account. The three members reviewing the policy will investigate the other options and report back to the committee with recommendations.

Public Comment

There was no public comment.

Adjournment

The meeting adjourned at 10:00 am.