Town of South Bethany
Budget and Finance Committee Meeting Minutes
September 21, 2026 9:00 AM

Attendance: The following Committee members attended in person: B&F Chair Christine Keefe, Linda Bowers, Tim Saxton, Don Boteler, Treasurer Cindy Van Horn, Town Manager Maureen Hartman, and Finance Director Renee McDorman. Joe Mormando participated virtually.

**Call to Order:** The meeting was called to order at 9:00 AM.

Public Comment**:** There was no public comment.

**Approval of Minutes:** The Committee approved the minutes from the February 19, 2026, and September 3, 2026, meetings.

**Treasurer Monthly Reports and Audit Review**
Treasurer Cindy Van Horn reviewed the monthly report and statement of revenues and expenses. Treasurer Van Horn also reviewed the recent audit results, which were favorable.

**Operating Reserve Fund Policy**
The Committee reviewed the Operating Reserve Fund Policy and does not recommend any changes to the existing policy. Renee McDorman will note that the policy was reviewed on September 21, 2026.

**Discussion On Allocation of Fund Balances**
The Committee reviewed the Allocation of Fund Balances, which is based on the recent audit. The Committee voted unanimously to increase the Operating Reserve Fund from four months to six months, noting that a portion of the FY 2026 surplus would be redirected from the Infrastructure Fund to the Operating Reserve Fund. The Operating Reserve Fund Policy would not need to be amended, and the Town Council could readily transfer funds to meet unexpected future expenses.

The Committee agreed that $500,000 should be added to the Operating Reserve Fund to provide six months of operating reserves. A resolution will be submitted to the Mayor and Town Council for approval to increase the amount held in the Operating Reserve Fund by $500,000, equivalent to two additional months of operating expenses.

**Update of Capital Needs/Infrastructure Plan**
The Committee also reviewed the funding needed for the ARM. The required amount, $196,399, could be transferred from the Realty Transfer Tax Fund to the ARM Fund. The Committee voted unanimously to fund the ARM. Because this action involves a transfer from a restricted fund, a resolution or motion will be sent to the Town Council for approval. The Treasurer noted the possible impact of the two transactions discussed above.

The meeting adjourned at 10:25 AM and next meeting will be held on October, 20, 2025.