



The Town of Fenwick Island

800 Coastal Highway, Fenwick Island, DE 19944-4409

302-539-3011 ~ 302-539-1305 fax

www.fenwickisland.delaware.gov

BUDGET & FINANCE COMMITTEE

April 22, 2026, 9:30 AM

Town Hall

Minutes

APPROVED

COMMITTEE MEMBERS IN ATTENDANCE:

W. Rymer, C. Wilson, and Julie Lee at Town Hall

S. Rubenstein, K. Zanelotti, S. Brennan, T. Leahy, L. Lear, L. Wilder and J. Napolitano via Zoom

ALSO IN ATTENDANCE (in person or via zoom):

Jerry Green and Kathy Grab were in person.

Rymer called the meeting to order at 9:30am and the Committee did the Pledge of Allegiance. The committee then reviewed and approved the minutes from the June 3, 2025 meeting. Motion to approve was made by W. Rymer and seconded by C. Wilson. Final vote was 10 in favor and two abstain (J Lee and T Leahy were not present for June 3 meeting).

Rymer provided an update on the YTD operating results through March 31 and FY26 Revised Forecast for the remainder of the year. Revenues are projected to be in-line with the original budget as well as most operating expenses. Only one expense category (Legal Expense due to recent ACLU litigation defense expenses) has significantly exceeded expectations and will exceed budget by \$70,000-\$80,000 for the full year. The Revised Forecasted Operating Loss (expenses exceed revenues) is now \$249,000 as compared to the original budgeted loss of \$165,000. RTT revenues are forecasted to be in-line with the original budget. Capital expenditures are forecasted to be below budget so overall cashflow should be consistent with the budget and forecasted unrestricted cash reserves as of July 31, 2026 are expected to be between 11 and 12 months of annual expenses. Town goal is to maintain unrestricted cash reserves of 4-6 months.

Rymer then discussed a preliminary timeline for the upcoming FY2027 Budget Cycle:

- Department Heads will finalize first drafts of expense and capital expenditure by April 24.
- These first drafts will be consolidated and reviewed by Green and Rymer for reasonableness as well as to highlight any unusual items.
- Salary budgets will be reviewed and approved by the Town Council separately.
- A first draft of revenue projections will be created and reviewed by Green and Rymer.
- A consolidated First Draft of the FY27 Budget (revenues, expenses, RTT, Capital Expenditures) should be available by mid-May with the goal of having the next Budget and Finance Committee meeting the week of May 19.
- A second review and any additional changes to be completed by mid-June with the goal of providing the Town Council a recommended FY27 Budget for the June 24.

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The Committee discussed the impact of a softening real estate market (less RTT revenues) and a resulting decrease in new home construction (lower Building Permit revenues) on the upcoming financial fiscal year. Fenwick has avoided the need for an increase in property taxes for more than 15 years by utilizing the strong real estate and new construction markets to fund significant capital investments (dredging and resiliency planning) as well as offset increased operating expenses primarily salaries and health insurance costs (especially salaries for police department). To continue to maintain an appropriate level of cash reserves, the Committee discussed the possibility of increasing property taxes for the upcoming fiscal year. The Committee will also review other revenue streams (fees such as business licenses, parking rates etc) for potential increases during the next meeting. These discussions were preliminary and will be revisited during the review of the First Draft of the FY27 Budget.

There was no New Business, Old Business or Public Participation.

ADJOURNMENT:

A motion was made by J. Lee and seconded by C. Wilson to adjourn the meeting. The motion was passed unanimously (12-0) and the meeting was adjourned at 10:48am.