

Financial Workshop

2023 Budget Overview

October 3, 2022

2023 RELEVANT BUDGET INFORMATION

Date	Title	Comments	Link		
8/15/2022	Budget Overview	Overview	Budget Overview		
8/29/2022	Budget Hearing #1	Parks and Recreation, Planning, Administration	Planning	Parks	Administration
9/12/2022	Budget Hearing #2	Legislative, Alderman Court, PWWR	Legislative	Alderman Court	PWWR
9/19/2022	Budget Hearing #3	Police, Electric, Finance	Police	Electric	Finance
	Budget Central	Central repository for all budget documentation	Budget Central		

TIMELINE

Date	Title	Notes
Monday, August 15, 2022	Budget Overview	Council Direction given for: Overview
Monday, August 29, 2022	Department Budget Hearing #1	Council Direction given for: Parks and Recreation, Planning, Administration
Monday, September 12, 2022	Department Budget Hearing #2	Council Direction given for: Legislative, Alderman Court, PWWR
Monday, September 19, 2022	Department Budget Hearing #3	Council Direction given for: Finance, Police, Electric
Monday, October 3, 2022	Financial Workshop	
Tuesday, October 18, 2022	Planning Commission Review of CIP	
Monday, November 7, 2022	Budget Hearing #1	
Monday, November 21, 2022	Budget Hearing #2 (if needed)	
Monday, December 5, 2022	Intro Date for revenue ordinances	
TBD	Budget Hearing #3	
TBD	Submitted Adopted Budget & adoption date	Submitted final copies to City Secretary

- This table represents the current Council schedule for the 2023 budget process
- Tonight's Financial Workshop summarizes the current budget, which includes the department presentations and any changes made since August 15th
- Final budget draft will be provided to Council at the Budget Hearing on November 7th

August 15 Projected Shortfall

- Total revenues were up 4.9% from the 2022 Approved Budget
- Total expenditures were up 11.4% from the 2022 Approved Budget, including both Operating and Capital budgets

	* as amended	* as amended	** as proposed		
	2021	2022	2023	% FROM	\$ FROM
BUDGET OVERVIEW	* BUDGET	* BUDGET	** BUDGET	2022 BUDGET	2022 BUDGET
Total Operating Revenue	\$ 95,236,865	\$ 99,471,876	\$ 104,331,482	4.9%	\$ 4,859,606
Operating Expenses	92,347,012	96,377,152	104,694,409	8.6%	8,317,257
Capital Improvements*	1,509,781	2,854,833	5,883,269	106.1%	3,028,436
Total Expenditures	\$ 93,856,793	\$ 99,231,985	\$ 110,577,678	11.4%	\$ 11,345,693
Total Surplus/(Shortfall)	\$ 1,380,072	\$ 239,891	\$ (6,246,196)		



The 2023 Budget as of 8/15 was \$6.2 million short of funding (revenue vs. expenditures).

8/15 vs. 10/3 Budget Overview

- From the August 15 Presentation:
 - Revenue;
 - Expenditures;
 - Net Capital Improvements;
 - Net Current Surplus;
 - were all adjusted
- Total revenue budget increased by \$7.2 million, or 6.9%
- Total Operating expenses increased by \$2.2 million, or 2.1%
- Net Capital improvements decreased by \$1.8 million, or -30.8%
- Details on the forthcoming slides

		** as proposed	** as proposed				
BUDGET OVERVIEW		8/15/2022	10/3/2022	% FROM	\$ FROM		
		** BUDGET	** BUDGET	8/15 BUDGET	8/15 BUDGET		
Revenue/Other Funding Sources							
Utility Sales	\$	78,441,900	\$	84,031,975	7.1%	\$	5,590,075
Property and Realty Taxes		10,846,000		11,422,000	5.3%		576,000
Fees for Service		11,076,245		12,627,563	14.0%		1,551,318
Intergovernmental Revenue		2,877,737		2,303,736	-19.9%		(574,001)
Other Revenue		1,089,600		1,120,600	2.8%		31,000
Total Operating Revenue		\$ 104,331,482		\$ 111,505,874	6.9%		\$ 7,174,392
Expenditures							
Personnel Services	\$	40,234,650	\$	38,932,621	-3.2%	\$	(1,302,029)
Utility Purchases		40,942,690		44,417,788	8.5%		3,475,098
Materials and Supplies		2,898,262		3,006,287	3.7%		108,025
Contractual Services		12,641,859		12,697,960	0.4%		56,101
Equipment Depreciation		2,045,980		1,925,340	-5.9%		(120,640)
Debt Service		4,592,685		4,592,685	0.0%		-
Other Expenses		1,338,283		1,355,783	1.3%		17,500
Total Operating Expenses		\$ 104,694,409		\$ 106,928,464	2.1%		\$ 2,234,055
Capital Improvements							
Gross Capital Improvements	\$	36,073,639	\$	33,763,053	-6.4%	\$	(2,310,586)
Less: Use of Reserves		(478,986)		(1,389,858)	190.2%		(910,872)
Equipment Replacement		(524,736)		(372,736)	-29.0%		152,000
Grants		(5,740,302)		(5,873,802)	2.3%		(133,500)
Bond Issues		(56,000)		(56,000)	0.0%		-
State Revolving Loan		(3,810,000)		(2,310,000)	-39.4%		1,500,000
American Rescue Plan Act		(7,370,346)		(7,219,370)	-2.0%		150,976
Other Sources		(12,210,000)		(12,471,058)	2.1%		(261,058)
Net Capital Improvements		\$ 5,883,269		\$ 4,070,229	-30.8%		\$ (1,813,040)
Net Current Surplus/(Deficit)		\$ (6,246,196)		\$ 507,181	-108.1%		\$ 6,753,377
TOTAL EXPENDITURES AND SURPLUS		\$ 104,331,482		\$ 111,505,874	6.9%		\$ 7,174,392

Budget Adjustments between 8/15 and 10/3 - REVENUE

Primary Adjustments include:

- Utility Sales (+\$5,590,000):
 - Water and sewer revenue adjustments were revised and are based on rate changes for volumetric sales. Small customer charge adjustments for Water and Sewer were already included in the August assumptions.
 - Electric revenue was adjusted to reflect the increased cost of providing power due to the Indian River Coal plant and expected DEMEC rate adjustment for 2023.
- Property & Realty Taxes (+\$576,000): Updated assessment figures (\$109K) plus a 10% tax increase (\$427K). Also includes hotel lodging tax improvements (\$40K)

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REVENUE SUMMARY	** BUDGET	** BUDGET	8/15 BUDGET	8/15 BUDGET
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Fees for Service	11,076,245	12,627,563	14.0%	1,551,318
Intergovernmental Revenue	2,877,737	2,303,736	-19.9%	(574,001)
Other Revenue	1,089,600	1,120,600	2.8%	31,000
Total Operating Revenue	\$ 104,331,482	\$ 111,505,874	6.9%	\$ 7,174,392

- Fees for Service (+\$1,551,000): Fee modifications for many City services
 - Recreation fees +10%
 - Parking fees +38%
 - Rental permits +35%
- Intergovernmental Revenue: Revised figures to reflect the 2023 budget request. Previous figures were based on 2022.

Budget Adjustments between 8/15 and 10/3 – UTILITY REVENUE

	** as proposed	** as proposed		
UTILITY REVENUE SUMMARY	8/15/2022 ** BUDGET	10/3/2022 ** BUDGET	% FROM 8/15 BUDGET	\$ FROM 8/15 BUDGET
Utility Revenue				
Electric	\$ 58,834,900	\$ 63,665,500	8.2%	\$ 4,830,600
Water	9,404,500	9,786,080	4.1%	381,580
Sewer	7,652,500	8,030,395	4.9%	377,895
Stormwater	2,550,000	2,550,000	0.0%	-
Total Utility Revenue	\$ 78,441,900	\$ 84,031,975	7.1%	\$ 5,590,075

Adjustments include:

- Electric: RSA adjustment to capture Indian River adjustment and anticipated DEMEC 2023 rate adjustment
- Water: Volumetric rate adjustment of 8%
- Sewer: Volumetric rate adjustment of 8%
- Stormwater: No change

Budget Adjustments between 8/15 and 10/3 - EXPENDITURES

Adjustments include:

- Personnel (-\$1.3M):
 - (-\$44,000) Remove full time Bailiff request and add part-time Bailiff
 - (-\$49,000) begin new Maintenance IV position in Parks on July 1
 - (-\$33,000) Remove/reduce Intern program
 - (-\$1.1M) Remove five police officers and two communication officers, have remaining Police request for personnel begin on July 1
- Utility Purchases (\$3.5M): Revised Electric purchase assumptions DEMEC based on increased cost

	** as proposed 8/15/2022	** as proposed 10/3/2022	% FROM 8/15 BUDGET	\$ FROM 8/15 BUDGET
OPERATING EXPENDITURES SUMMARY	** BUDGET	** BUDGET		
Expenditures				
Personnel Services	\$ 40,234,650	\$ 38,932,621	-3.2%	\$ (1,302,029)
Utility Purchases (Electric)	35,742,690	39,217,788	9.7%	3,475,098
Utility Purchases (Sewer)	5,200,000	5,200,000	0.0%	-
Materials and Supplies	2,898,262	3,006,287	3.7%	108,025
Contractual Services	12,641,859	12,697,960	0.4%	56,101
Equipment Depreciation	2,045,980	1,925,340	-5.9%	(120,640)
Debt Service	4,592,685	4,592,685	0.0%	-
Other Expenses	1,338,283	1,355,783	1.3%	17,500
Total Operating Expenditures	\$ 104,694,409	\$ 106,928,464	2.1%	\$ 2,234,055

Materials & Supplies (\$108K): Added funding for supplies for new police and bailiff positions

Contractual Services (\$56K): \$34K for recalculation of inter-department charges, and \$22K for updated budget estimates for various items across departments

Depreciation Expense (-\$120K): Delay of Energov implementation to 2024

Other Expenses (\$17.5K): Training related to 5 new police officers

Budget Adjustments between 8/15 and 10/3 – CAPITAL

	** as proposed	** as proposed		
	8/15/2022	10/3/2022	% FROM	\$ FROM
CAPITAL IMPROVEMENTS SUMMARY	** BUDGET	** BUDGET	8/15 BUDGET	8/15 BUDGET
Capital Improvements				
Gross Capital Improvements	\$ 36,073,639	\$ 33,763,053	-6.4%	\$ (2,310,586)
Less: Use of Reserves	(478,986)	(1,389,858)	190.2%	(910,872)
Equipment Replacement	(524,736)	(372,736)	-29.0%	152,000
Grants	(5,740,302)	(5,873,802)	2.3%	(133,500)
Bond Issues	(56,000)	(56,000)	0.0%	-
State Revolving Loans (SRL)	(3,810,000)	(2,310,000)	-39.4%	1,500,000
American Rescue Plan Act (ARPA)	(7,370,346)	(7,219,370)	-2.0%	150,976
Other Sources	(12,210,000)	(12,471,058)	2.1%	(261,058)
Net Capital Improvements	\$ 5,883,269	\$ 4,070,229	-30.8%	\$ (1,813,040)

Adjustments include:

- Decreased overall 2023 capital budget by \$2.3M in 2023 (\$36.07M to \$33.73M)
- Using \$911,000 more of reserves to fund projects in 2023
- Reduced W2206 Emerging Contaminants WTP Upgrades by \$1.5 million, as project was funded in August 2022

2023 Budget Compared to 2022

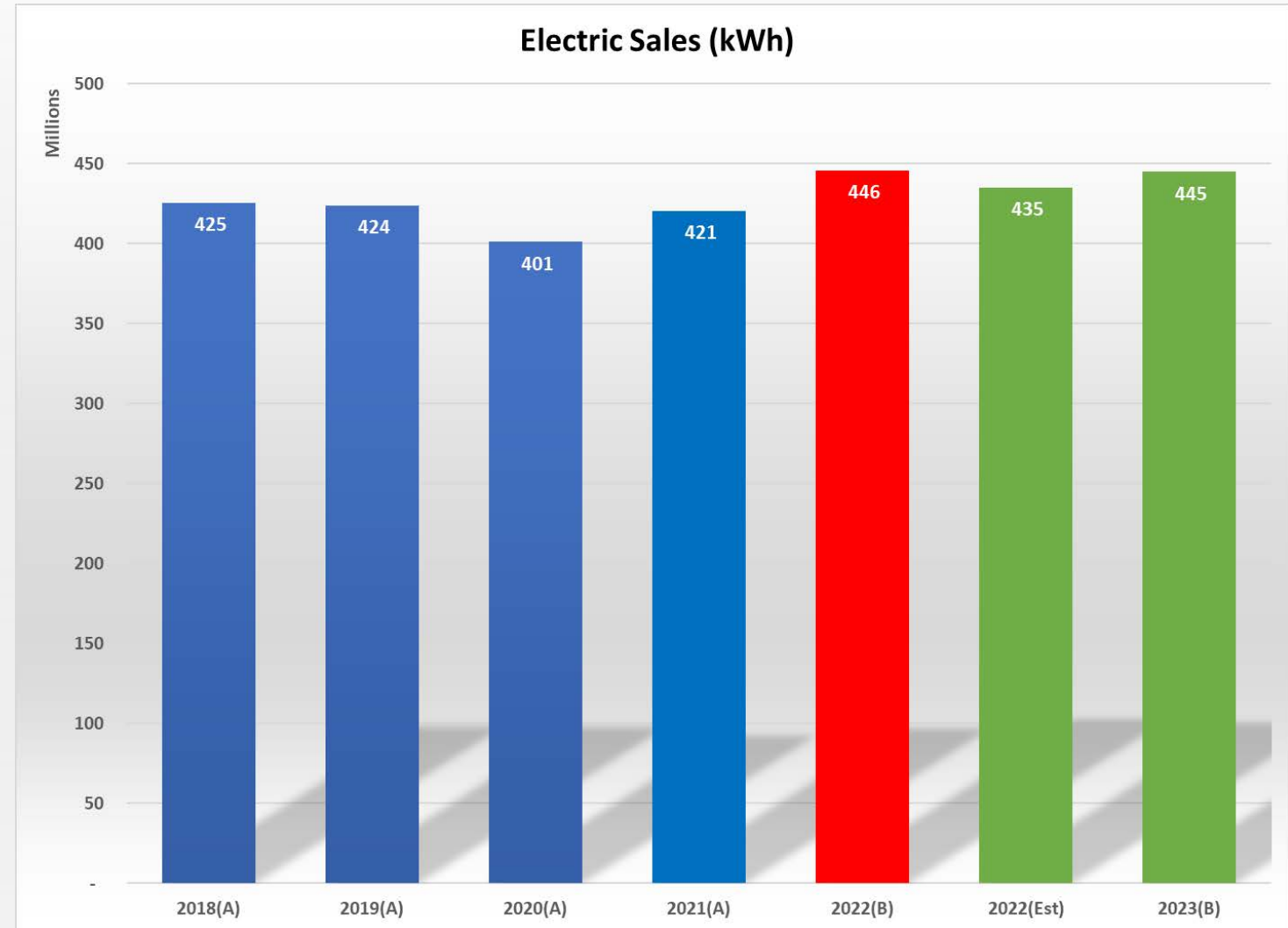
- 2023 Budget as of 10/3 compared to the 2022 Approved Budget as Amended:
 - Revenue: up \$12M or 12.1%
 - Operating Expenditures: up \$10.5M or 10.9%, *\$7 million are due to rising utility costs*
 - Gross Capital Budget: up \$15.1M or 81.4%, *\$12 million is new substation*
 - Use of City Reserves: down \$574K
 - Net Capital Improvements (2023 revenue needed to fund Capital): up \$770K or 23.3%
 - Total Budget: up \$12M or 12.1%

	* as amended	** as proposed		
	2022	2023	% FROM	\$ FROM
BUDGET OVERVIEW	* BUDGET	** BUDGET	2022 BUDGET	2022 BUDGET
Revenue/Other Funding Sources				
Utility Sales	\$ 73,723,500	\$ 84,031,975	14.0%	\$ 10,308,475
Real Estate and Other Taxes	10,995,115	11,422,000	3.9%	426,885
Fees for Service	10,622,656	12,627,563	18.9%	2,004,907
Intergovernmental Revenue	2,953,005	2,303,736	-22.0%	(649,269)
Other Revenue	1,002,600	1,120,600	11.8%	118,000
Appropriation of Prior Year Reserves	175,000	-	-100.0%	(175,000)
Total Operating Revenue	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998
Expenditures				
Personnel Services	\$ 36,477,888	\$ 38,932,621	6.7%	\$ 2,454,733
Utility Purchases	37,430,531	44,417,788	18.7%	6,987,257
Materials and Supplies	2,509,366	3,006,287	19.8%	496,921
Contractual Services	12,259,238	12,697,960	3.6%	438,722
Equipment Depreciation	1,808,826	1,925,340	6.4%	116,514
Debt Service	4,526,148	4,592,685	1.5%	66,537
Other Expenses	1,365,155	1,355,783	-0.7%	(9,372)
Total Operating Expenses	\$ 96,377,152	\$ 106,928,464	10.9%	\$ 10,551,312
Capital Improvements				
Gross Capital Improvements	\$ 18,612,982	\$ 33,763,053	81.4%	\$ 15,150,071
Less: Use of Reserves	(1,603,654)	(1,389,858)	-13.3%	213,796
Equipment Replacement	(733,157)	(372,736)	-49.2%	360,421
Grants	(733,016)	(5,873,802)	701.3%	(5,140,786)
Bond Issues	(450,178)	(56,000)	-87.6%	394,178
State Revolving Loan	(3,725,000)	(2,310,000)	-38.0%	1,415,000
American Rescue Plan Act	(7,623,490)	(7,219,370)	-5.3%	404,120
Other Sources	(444,654)	(12,471,058)	2704.7%	(12,026,404)
Net Capital Improvements	\$ 3,299,833	\$ 4,070,229	23.3%	\$ 770,396
Net Current Surplus/(Deficit)	\$ (205,109)	\$ 507,181	-347.3%	\$ 712,290
TOTAL EXPENDITURES AND SURPLUS	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998

City of Newark Utilities

Electric Utility

- 2023 Electric Revenue is \$63.7M
- Minimal growth in 2022 due to the current state of the economy
- Current electric rate will increase about 12.85% for the average residential customer
- Holding electric sales relatively flat in 2023 until we see some projects come to completion
- Second wholesale power cost adjustment for 2023 will be part of 2023 RSA adjustment in March
- Electric rate study will resume to include revised Capital Improvement Program
- EV charging rate targeted for 2024



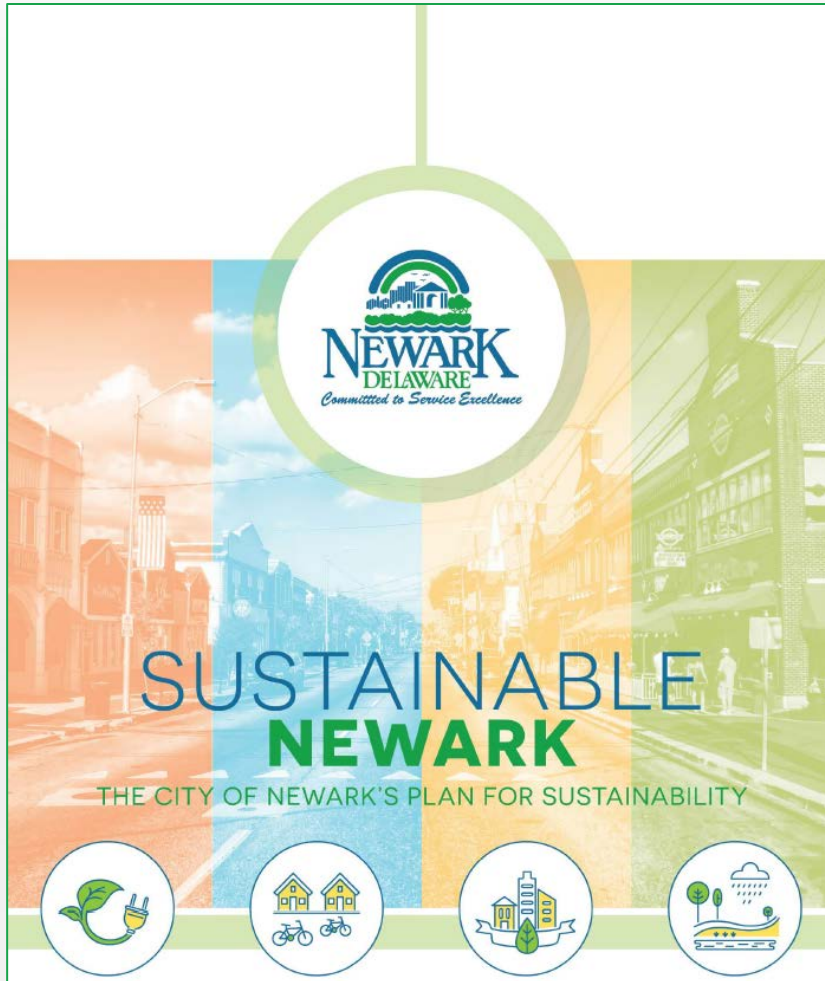
Electric Utility – Rising Energy Costs, Indian River Issue

- To maintain statewide electric grid reliability and to ensure enough energy is available, PJM (the regional grid operator) labeled the Indian River coal plant as a “Reliability Must Run (RMR) Unit”, making it unable to shutdown.
 - Increased costs to run the power plant, including new emissions and climate policies, made it no longer economical to operate.
 - Until system upgrades are completed by Delmarva Power, Indian River Power is required to stay operational over the next 4.5 years.
 - The Federal Energy Regulatory Commission (FERC) allows for a cost-of-service recovery rate in these situations. All electric customers on the Delmarva Peninsula are responsible for paying this cost, regardless of whether their utility receives power from Indian River Power. Newark does not receive power, but all customers in Delaware benefit from its existence.
- **Newark’s share of this expense is estimated to be a minimum of \$2.3 million annually (\$10.3 million over 4.5 years).** Total cost to DEMEC members is \$32.1 million.
- Delaware Municipal Electric Corporation (DEMEC) is fighting the costs included in this fee along with exposing the gaps in planning at the regional and federal level.
- The final timeline for the required projects and any potential reimbursement is outside of Newark and DEMEC’s control. However, DEMEC has partnered with other organizations to fight for an equitable solution.

Sustainable Newark

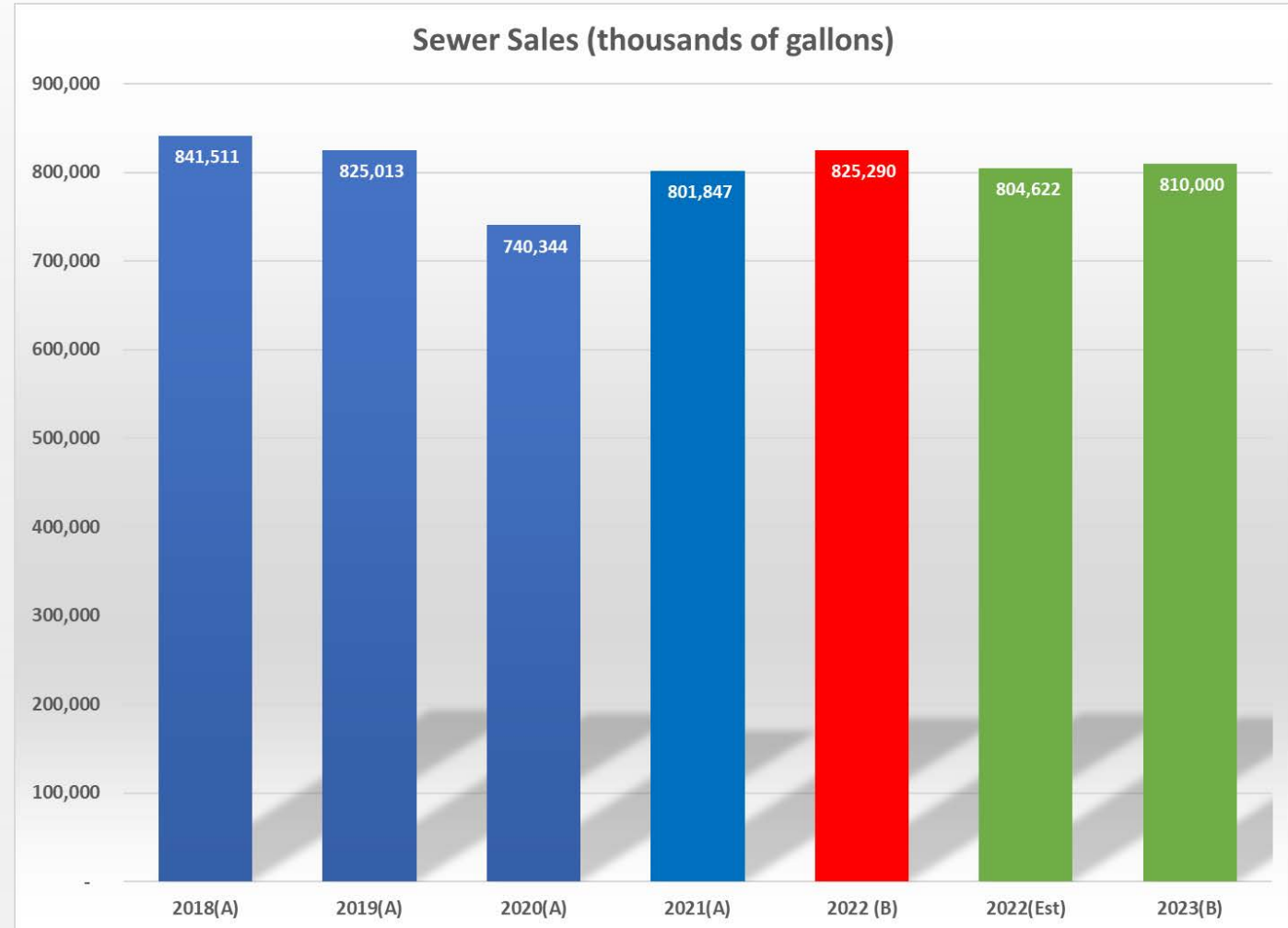
Newark is mindful of its need to improve sustainability

- 2023 budget recommendation includes:
 - Efficiency Smart program
 - Purchase of electric vehicles through an Energize Delaware grant (up to \$500,000 available per municipality; grant opens 10/15/22)
 - Public electric charging stations installed in 2021, internal-facing stations requested through Energize Delaware grant for 2023
 - ESCO Project 1 approved in 2020, under construction through 2022
 - LED Lighting, HVAC retrofit of City Hall, and solar arrays (McKees, City Hall rooftop, GWC, Field Operations Complex, Reservoir)
 - ESCO Project 2 approved in 2022, under construction through 2023
 - Funded with State Bond Bill money
 - City “Opt-Out” program for new Electric Account customers (over 4,000 customers as of 8/31/2022)



Sewer Utility

- Staff recommends a customer service charge adjustment in 2023 to cover SRL debt approved during 2018 Referendum
 - \$180,000 adjustment – included in the 2023 revenue budget
- Recommendation of an 8% volumetric rate increase in 2023
 - \$378,000 adjustment – included in the 2023 revenue budget
- Continued utilization of SRL program for sewer projects and ARPA
- Consumption estimated to be slightly more than 2021 and 2022

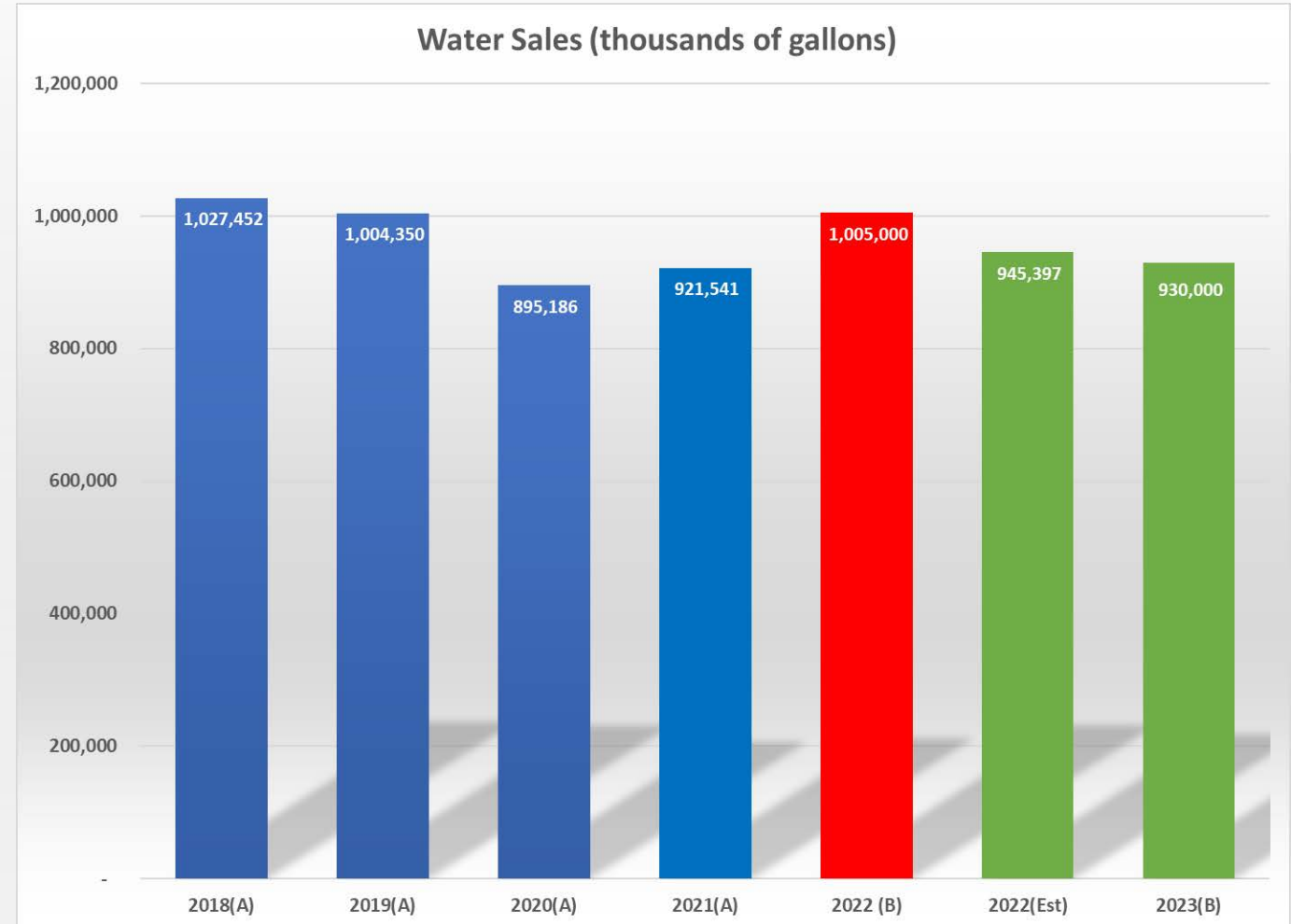


Sewer Utility - New Castle County Fee

- New Castle County sewer treatment rate will remain the same until June 30, 2023
 - Annual NCC bill expected to be \$5.2 million
 - Based on 2022 sewer sales
 - Accounts for 65% of all sewer revenue received by the City in 2023 (after proposed fee adjustments)
 - Does not leave much left over for City projects
 - City revised Code in 2020 to fully recover any increased cost of sewer service provided by New Castle County
 - Previously, the City was only allowed to collect for the revised fee going forward
 - If the City were to fall short in 2023, the City will be able to recover the County rate adjustment automatically per Code

Water Utility

- Water sales had averaged just over 1 billion gallons annually through 2019
- **Staff recommends small customer service charge adjustment in 2023 to cover SRL debt (approved via 2018 Referendum) = \$144,500 included in Revenue**
- **2023 volumetric rate adjustment of 8% adds \$382K in revenue to meet operational needs (included in Revenue budget)**
- Continued to use SRL and ARPA programs for water projects
- State mandate for the treatment of forever chemicals (PFOA/PFO)
- Customer growth: No new customers compared to 2021 (10,481)
- Chemours is in Veolia territory (not a water customer)



Stormwater Utility

- Completed Hillside Park in 2022
- Residential Grant Program: Partnership with New Castle County to provide free rain barrels to Newark residents.
- Continue to provide match funding for private stormwater management, focusing on HOA/Civic Association needs.
- Flexibility on our Capital Projects for storm drainage improvements allows us to pivot to new or ongoing flooding issues.
 - Currently focused on Julie Lane and Rahway Drive and Corrugated Metal Pipe Rehabilitation.
- No rate change for 2023

Parking Fund

	* as amended	* as estimated	** as proposed		
REVENUE SUMMARY	2022 * BUDGET	2022 * EST. BUDGET	2023 ** BUDGET	% FROM 2022 BUDGET	\$ FROM 2022 BUDGET
Revenue/Other Funding Sources					
Multi-Space Parking Fees	\$ 920,000		\$ 1,192,982	29.7%	\$ 272,982
Pay by App Parking Fees	1,700,000		2,638,597	55.2%	938,597
Monthly Fees	125,000	*Total Estimated	168,421	34.7%	43,421
Voucher Fees	50,000	for 2022	50,000	0.0%	-
Interest	12,000		12,000	0.0%	-
Total Parking Fund Revenue	\$ 2,807,000	\$ 2,900,000	\$ 4,062,000	44.7%	\$ 1,255,000

- Includes update of parking fees (have not changed since 1999)
 - See next slide for breakdown of rate proposals

Parking Fund – Rate Proposal

- Parking rates have not been adjusted since 1999.
 - Recommended Rate Adjustment Effective 2023:
 - Parking lots - \$1.50/hour from \$1.00/hour
 - Adds \$600,000 in revenue
 - On-street - \$2.00/hour from \$1.25/hour
 - Adds \$550,000 in revenue
 - Total proposed increase: \$1,150,000 (included in Revenue Budget)
 - Revenue generated is equivalent to a 14% tax increase (full year), 28% in first year
 - If increased from 1999 rates at the rate of inflation the lots would now be \$1.75 per hour and on-street spaces would be \$2.25 per hour.
 - Any change from this assumption will impact the revenue projections for the 2023 budget

City of Newark 2023 Expenditure Budget

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Other Expenses	1,365,155	1,355,783	-0.7%	(9,372)
Total Operating Expenses	\$ 96,377,152	\$ 106,928,464	10.9%	\$ 10,551,312
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Other Sources	(444,654)	(12,471,058)	2704.7%	(12,026,404)
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TOTAL EXPENDITURES AND SURPLUS	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998



2023 Proposed Budget

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► Personnel Expenses increased by \$2.5M (6.7%)

► Utility Purchases are up \$6.9M (18.7%)

► Debt Service is up \$66K (1.5%)

Total operating expenses are up 10.9%, or \$10.5 million compared to 2022

► Non-Personnel/Utility/Debt Operating Expenses up \$1M, or 5.8%

- Materials & Supplies increased \$497K (19.8%)
- Contractual Services increased \$438K (3.6%)
- Equip Depreciation Expense incr. \$116K (6.4%)
- Other Expenses decreased \$9K (-0.7%)

Expense Budget Overview – Operating Expenditures (OP EX)

2023 BUDGET DRIVERS

EXPENDITURE CHANGE TRACKING	----- * as amended -----		----- ** as proposed -----			
	2022 * BUDGET	% OF 2022 BUDGET	2023 ** BUDGET	% OF 2023 BUDGET	\$ FROM 2022 BUDGET	% FROM 2022 BUDGET
Electric Purchases (DEMEC)	\$ 32,230,531	32.4%	\$ 39,217,788	35.2%	\$ 6,987,257	21.7%
Wages	20,815,129	20.9%	21,818,465	19.6%	1,003,336	4.8%
Healthcare	4,774,796	4.8%	5,363,053	4.8%	588,257	12.3%
Sewer Purchases (NCC)	5,200,000	5.2%	5,200,000	4.7%	-	0.0%
Debt Service	4,526,148	4.6%	4,592,685	4.1%	66,537	1.5%
Pension	3,780,000	3.8%	4,000,000	3.6%	220,000	5.8%
OPEB	1,559,300	1.6%	1,726,850	1.5%	167,550	10.7%
Insurance (Auto, Property, Casualty, Cyber, etc)	1,010,000	1.0%	1,127,301	1.0%	117,301	11.6%
Worker's Compensation Program (DFIT)	800,000	0.8%	700,000	0.6%	(100,000)	-12.5%
Subtotal	\$ 74,695,904	75.1%	\$ 83,746,142	75.1%	\$ 9,050,238	12.1%
City-wide Expenditure and Surplus Total	\$ 99,471,876	100.0%	\$ 111,505,874	100.0%	\$ 12,033,998	12.1%

- Nine items make up 75.1% of the operating budget, totaling \$83.7 million
- Electric and Sewer utility purchases combine for a total \$44.4 million, or 40%
- Worker's Compensation insurance has gone down by 12.5%, or \$100,000 for 2023

Personnel Expenses – Operating Budget By Type

BUDGET OVERVIEW	* as amended	** as proposed	% FROM 2022 BUDGET	\$ FROM 2022 BUDGET	COMMENTS
	2022 * BUDGET	2023 ** BUDGET			
Wages					
Full-time	\$ 19,530,057	\$ 20,473,703	4.8%	\$ 943,646	In addition to general step increases and advancements, Full-time wages were impacted by: <u>Information Technology</u> : 2023: +1 FTE (Full-time Desktop Support Lead) <u>Management</u> : 2023: +1 FTE (Full-time HR Coordinator) <u>Parks and Recreation</u> : 2023: +1 FTE (Maintenance IV) <u>Police</u> : 2023: +5 FTE (SWORN - Police Officers), +2 FTE (CIVILIAN - Communication Officers I) <u>Water</u> : 2023: +1 FTE (Administrative Professional I)
Part-time	1,285,072	1,344,762	4.6%	59,690	In addition to general step increases and advancements, Part-time wages were impacted by: <u>Alderman's Court</u> : 2023: +0.5 FTE (Bailiffs - PT) <u>Management</u> : 2023: -0.5 FTE (HR Coordinator - PT) <u>Water</u> : 2023: -0.5 FTE (Administrative Professional I - PT)
Other	2,673,885	2,873,017	7.4%	199,132	All other wages (overtime, etc.)
Total Wages	\$ 23,489,014	\$ 24,691,482	5.1%	\$ 1,202,468	
Benefits					
Pension	\$ 3,780,000	\$ 4,000,000	5.8%	\$ 220,000	Annual City Contribution to the Pension Fund.
Defined Contribution 401(a)	445,705	524,714	17.7%	79,009	City Contribution to non-pensioned employees.
Healthcare	4,774,796	5,363,053	12.3%	588,257	Significant increase is due to the additional FTEs requested in 2023. See above for breakout.
OPEB	1,559,300	1,726,850	10.7%	167,550	2023: \$100,000 (future obligations - addition of \$100,000 [11.1%] and \$751,850 (current retirees).
Retirement Health Savings Account	162,387	199,867	23.1%	37,480	Pay as you go.
Other Fringe Benefits	2,266,686	2,426,655	7.1%	159,969	Social Security, FICA, Dental, Life, Vision and other insurances.
Total Benefits	\$ 12,988,874	\$ 14,241,139	9.6%	\$ 1,252,265	
TOTAL PERSONNEL SERVICES	\$ 36,477,888	\$ 38,932,621	6.7%	\$ 2,454,733	

- Personnel expenses (\$38.9M) include both current employees and retirees, and total 35% of the budget

Personnel Expenses – Position Request August 2022 **Updated**

- \$1,760,000: Initial Departmental Identified Position Needs for 2023:
 - \$77,000: Alderman Court – Swap part-time bailiff to full-time (1/2 FTE) - **CHANGE TO PART-TIME**
 - \$94,000: Finance/IT – Swap contracted desktop support position for full-time City position (1 FTE – offsetting) – **NO CHANGE**
 - \$950,000: Police – Request for new police officers (10 FTE – 2 of which are pending Federal grant funding) - **5 REQUESTED 07/01/2023**
 - \$390,000: Police – Request for communication officers (4 FTE) - **2 REQUESTED 07/01/2023**
 - \$59,000: PWWR – Convert part-time administrative aide to full-time – **NO CHANGE**
 - \$98,000: Parks – New Maintenance IV position (1 FTE) - **PARTIALLY OFFSET BY NEW REVENUE**
 - \$75,000: Administration – Convert part-time HR Coordinator to full-time (1/2 FTE) – **NO CHANGE**
 - \$26,000: Interns – Planning/Parks/PWWR - **DELETED**

Personnel Expenses – New Positions in 2023 Budget (Revised)

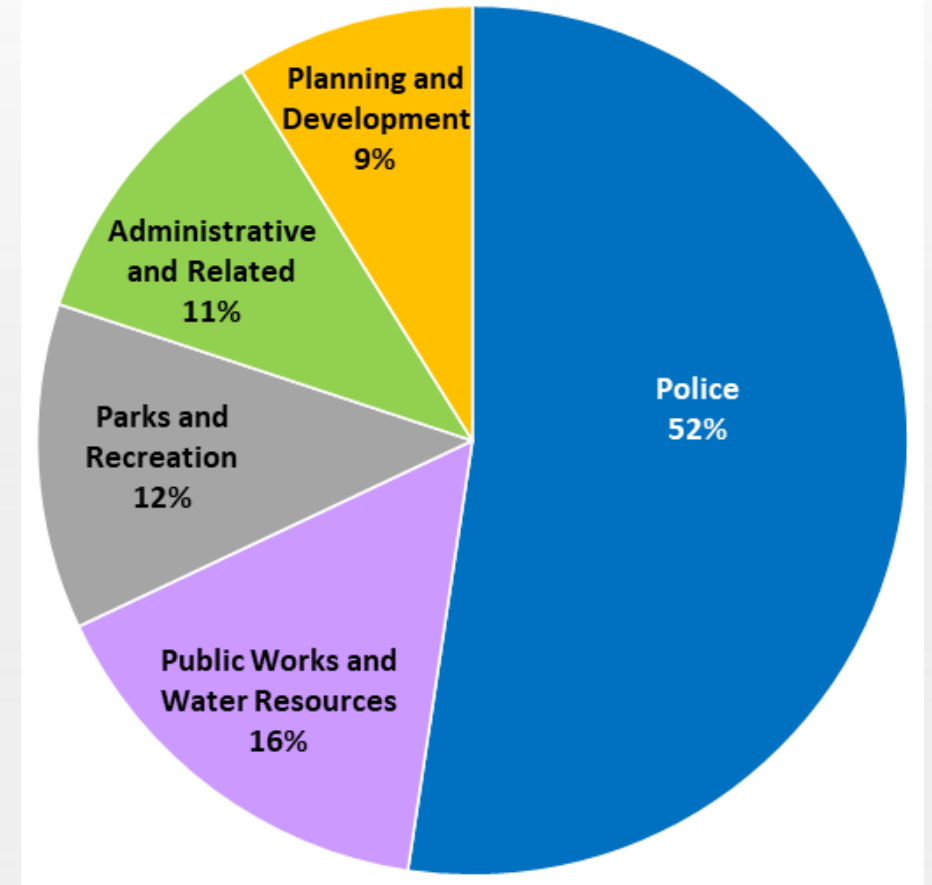
Department	Change from August 15	Position	#	Start Date	Salary & Benefits/Other		Comments
					2023 Budget	2024 Impact	
Alderman Court	Yes	Part-time Bailiff	0.50	1/1/2023	\$ 42,792.00	\$ 35,000.00	Add part-time bailiff. Need to purchase gun, vest, uniform in year 1
Finance	No	Desktop Support Lead	1.00	1/1/2023	\$ 14,000.00	\$ 14,000.00	Funding from Contractual budget (swapping contractual position for City position). 2023 contract for desktop support will be higher than what the City currently pays.
Police	Yes	Police Officer	5.00	7/1/2023	\$ 348,530.00	\$ 518,163.00	Original request was 10 new officers on 1/1/2023
Police	Yes	Communications Officer I	2.00	7/1/2023	\$ 96,484.00	\$ 209,441.00	Original request was 2 new officers on 1/1/2023
PWWR	No	Administrative Professional	0.50	1/1/2023	\$ 59,000.00	\$ 63,425.00	Convert part-time to full-time position (adds 0.5 FTE)
Parks and Recreation	Yes	Maintenance IV	1.00	7/1/2023	\$ 40,000.00	\$ 43,000.00	Offset by revenue adjustment in Parks by \$58,000
Administration (HR)	No	HR Coordinator	0.50	1/1/2023	\$ 75,000.00	\$ 80,625.00	Convert part-time to full-time position (adds 0.5 FTE).
TOTAL			10.5		\$ 675,806.00	\$ 963,654.00	

- Original request called for an additional 17.5 positions totaling \$1,760,000
- Adjustments have been made to reduce request to match funding capabilities of 10.5 at \$675,806

Expense Budget Overview – General Fund

	* as amended	** as proposed		
GENERAL FUND EXPENDITURES	2022 * BUDGET	2023 ** BUDGET	% FROM 2022 BUDGET	\$ FROM 2022 BUDGET
Police	\$ 17,180,680	\$ 18,263,677	6.3%	\$ 1,082,997
Public Works and Water Resources	4,962,168	5,464,753	10.1%	502,585
Parks and Recreation	4,039,378	4,236,412	4.9%	197,034
Administrative and Related	3,638,536	3,947,235	8.5%	308,699
Planning and Development	3,004,060	3,107,887	3.5%	103,827
Total General Fund Operating	\$ 32,824,822	\$ 35,019,964	6.7%	\$ 2,195,142

- General fund expenses are up \$2.2 million, or 6.7% over 2022 due to:
 - Police: \$1,100,000
 - Parks and Recreation: \$197,000
 - Public Works and Water Resources: \$502,585
 - Administration and related (Finance \$3K, Legislative -\$5K, Admin \$242K, Alderman Court \$69K)



Percentage of Departmental Budget to General Fund

Expense Budget Overview

By Department

- Departmental Operating Budget increased by \$10.5 million, or 11.4%
 - \$7 million is related to utility purchases*
 - Department budgets = do not include debt service and capital spending
 - Operating budget exclusive of utility purchases (Electric & Sewer):
 - 2022: \$54.4M
 - 2023: \$57.9M
- Operating expenses listed here do not include Debt Service (\$4.6M)

BY DEPARTMENT/DIVISION	* as amended		** as proposed	
	2022	2023	% FROM	\$ FROM
	* BUDGET	** BUDGET	2022 BUDGET	2022 BUDGET
Utility Purchases	\$ 37,430,531	\$ 44,417,788	18.7%	\$ 6,987,257
Police Department	17,180,680	18,263,677	6.3%	1,082,997
Electric Department	7,612,851	7,821,026	2.7%	208,175
Water Department	4,840,047	5,394,210	11.4%	554,163
Parks and Recreation	4,039,378	4,236,412	4.9%	197,034
Refuse Division	2,265,016	2,429,140	7.2%	164,124
Municipal Parking	2,386,306	2,530,627	6.0%	144,321
Street Division	1,619,458	1,904,090	17.6%	284,632
Code Enforcement Division	1,671,774	1,717,730	2.7%	45,956
Stormwater Utility	1,390,033	1,487,094	7.0%	97,061
Legislative Department	1,413,377	1,407,619	-0.4%	(5,758)
Sewer Department	1,165,571	1,330,600	14.2%	165,029
Administrative Department	1,253,072	1,495,302	19.3%	242,230
Engineering Division	1,077,694	1,131,523	5.0%	53,829
Planning Department	1,332,286	1,390,157	4.3%	57,871
Alderman's Court	636,453	705,662	10.9%	69,209
OPEB Fund Expenses	659,300	726,850	10.2%	67,550
Finance Department	335,634	338,652	0.9%	3,018
Community Development (Operating)	669,329	283,984	-57.6%	(385,345)
Unicity Transportation Fund	288,637	305,279	5.8%	16,642
Law Enforcement Fund	352,885	321,709	-8.8%	(31,176)
Self-Insurance Fund	140,000	145,000	3.6%	5,000
Special Parks Fund	41,195	54,220	31.6%	13,025
Maintenance Division-Fleet	1,524,134	1,838,713	20.6%	314,579
Maintenance Division-Facilities	1,054,614	1,037,495	-1.6%	(17,119)
Less: Inter-Dept. Electric Sales	(529,251)	(378,781)	-28.4%	150,470
Total Operating Expenditures	\$ 91,851,004	\$ 102,335,778	11.4%	\$ 10,484,774

OPERATING EXPENDITURE OVERVIEW - DEBT SERVICE

- 2023 Debt Service increases \$66K when compared to 2022.
- \$1.6M in debt obligations are coming off in 2023.
- Adding in the leasing of equipment/vehicles vs. purchasing smooth budget impact.
- New accounting requirement tracks lease obligations as debt service.

		* as amended	** as proposed		
DEBT	ENDING DATE	2022 * BUDGET	2023 ** BUDGET	\$ FROM 2022 BUDGET	COMMENTS
GOB Series 2011	9/14/2022	\$ 1,313,250	\$ -	\$ (1,313,250)	Last year of Loan.
Energy Conservation Loan	7/1/2022	51,329	-	(51,329)	Last year of Loan.
Smart Meters	9/1/2022 1/1/2028	960,480	703,349	(257,131)	ARRA/DNREC (\$257,133). Last year 2022. BOA (\$703,350).
Fiber Lease	8/5/2027	49,255	49,255	-	
IT Lease		-	50,000	50,000	
Office Equipment		51,368	50,341	(1,027)	Canon Copier Leases
ESCO	8/12/2040	508,195	510,048	1,853	2.345%. Twenty year term, offset by other revenue, energy savings.
2022 Prior Vehicle/Equipment Leases (19 vehicles)		251,246	282,050	30,804	
2023 Refuse Truck Leases (Six months - 4 vehicles)		-	85,898	85,898	
2023 Vehicle/Equipment Leases (33 new/27 financed)		-	487,864	487,864	
New Substation (\$12M/\$28M)	8/7/1905	-	730,000	730,000	Acquisition of materials to construct second substation. Thirty year obligation.
Total:		\$ 3,185,123	\$ 2,948,805	\$ (236,318)	

		* as amended	** as proposed		
ESTIMATED DEBT FROM REFERENDUM	ENDING DATE	2022 * BUDGET	2023 ** BUDGET	\$ FROM 2022 BUDGET	COMMENTS
Rodney Stormwater Park		\$ 470,000	\$ 546,355	\$ 76,355	Project completed 2021.
Sanitary Sewer Repairs		100,000	280,000	180,000	Phase 1 - \$1.3mm completed in 2021. Phase 2 - underway.
Air Stripper Replacement - South Well Field		255,000	255,000	-	\$4mm completed in 2021, project complete. P&I on all \$4mm for 2022.
Water Tank Maintenance		25,000	50,000	25,000	One tank complete at SWF as part of this project and several smaller projects underway in late 2022. Budget Interest on \$700,000 for 2023. No forgiveness until the entire project is completed. Includes debt forgiveness of \$674,112 at the end of the project. Total project loan is for \$2,250,000.
Water SCADA System		63,000	63,000	-	
Laird Tract Well Field Restoration		-	4,000	4,000	Principal on \$200,000 for 2023. Balance to spend in 2023. Full P&I on \$1.925M in 2024.
Water Main Replacement Program		88,025	203,525	115,500	Phase 1 - \$1mm completed in 2021. Phase 2 will be completed in 2022.
General Fund Projects		340,000	242,000	(98,000)	2018 Referendum General Fund Projects.
Referendum Payments Total:		\$ 1,341,025	\$ 1,643,880	\$302,855	
Budgeted Debt Service:		\$4,526,148	\$4,592,685	\$66,537	

City of Newark FY2023 Capital Budget Recommendation

BUDGET OVERVIEW	2022 * BUDGET	2023 ** BUDGET	% FROM 2022 BUDGET	\$ FROM 2022 BUDGET
Revenue/Other Funding Sources				
Utility Sales	\$ 73,723,500	\$ 84,031,975	14.0%	\$ 10,308,475
Real Estate and Other Taxes	10,995,115	11,422,000	3.9%	426,885
Fees for Service	10,622,656	12,627,563	18.9%	2,004,907
Intergovernmental Revenue	2,953,005	2,303,736	-22.0%	(649,269)
Other Revenue	1,002,600	1,120,600	11.8%	118,000
Appropriation of Prior Year Reserves	175,000	-	-100.0%	(175,000)
Total Operating Revenue	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998
Expenditures				
Personnel Services	\$ 36,477,888	\$ 38,932,621	6.7%	\$ 2,454,733
Utility Purchases	37,430,531	44,417,788	18.7%	6,987,257
Materials and Supplies	2,509,366	3,006,287	19.8%	496,921
Contractual Services	12,259,238	12,697,960	3.6%	438,722
Equipment Depreciation	1,808,826	1,925,340	6.4%	116,514
Debt Service	4,526,148	4,592,685	1.5%	66,537
Other Expenses	1,365,155	1,355,783	-0.7%	(9,372)
Total Operating Expenses	\$ 96,377,152	\$ 106,928,464	10.9%	\$ 10,551,312
Capital Improvements				
Gross Capital Improvements	\$ 18,612,982	\$ 33,763,053	81.4%	\$ 15,150,071
Less: Use of Reserves	(1,603,654)	(1,389,858)	-13.3%	213,796
Equipment Replacement	(733,157)	(372,736)	-49.2%	360,421
Grants	(733,016)	(5,873,802)	701.3%	(5,140,786)
Bond Issues	(450,178)	(56,000)	-87.6%	394,178
State Revolving Loan	(3,725,000)	(2,310,000)	-38.0%	1,415,000
American Rescue Plan Act	(7,623,490)	(7,219,370)	-5.3%	404,120
Other Sources	(444,654)	(12,471,058)	2704.7%	(12,026,404)
Net Capital Improvements	\$ 3,299,833	\$ 4,070,229	23.3%	\$ 770,396
Net Current Surplus/(Deficit)	\$ (205,109)	\$ 507,181	-347.3%	\$ 712,290
TOTAL EXPENDITURES AND SURPLUS	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998



Operating Budget By Type

Expense Budget Overview – Capital Improvements

	* as amended	** as proposed		
BY DEPARTMENT/DIVISION	2022 * BUDGET	2023 ** BUDGET	% FROM 2022 BUDGET	\$ FROM 2022 BUDGET
Capital Improvements				
Gross Capital Improvements	\$ 18,612,982	\$ 33,763,053	81.4%	\$ 15,150,071
Less: Use of Reserves	(1,603,654)	(1,389,858)	-13.3%	213,796
Equipment Replacement	(733,157)	(372,736)	-49.2%	360,421
Grants	(733,016)	(5,873,802)	701.3%	(5,140,786)
Bond Issues	(450,178)	(56,000)	-87.6%	394,178
State Revolving Loan (SRL)	(3,725,000)	(2,310,000)	-38.0%	1,415,000
American Rescue Plan Act (ARPA)	(7,623,490)	(7,219,370)	-5.3%	404,120
Other Sources	(444,654)	(12,471,058)	2704.7%	(12,026,404)
Net Capital Improvements	\$ 3,299,833	\$ 4,070,229	23.3%	\$ 770,396

- The Gross CIP Budget increased by \$15.1M (81.4%) to \$33.8M
- Net CIP Budget increased by \$770K (23.3%) to \$4.1. *This represents the portion of the capital budget that is supported by current revenues (taxes, fees, etc.)*
- Use of all City funds (Reserves + Equipment Replacement) decreased by \$574K compared to 2022. Use of Reserves and Equipment Replacement is used primarily for carryover of projects and scheduled equipment replacement. City is using \$250,000 in Real Estate Transfer Tax funding in 2023 towards the Street Program

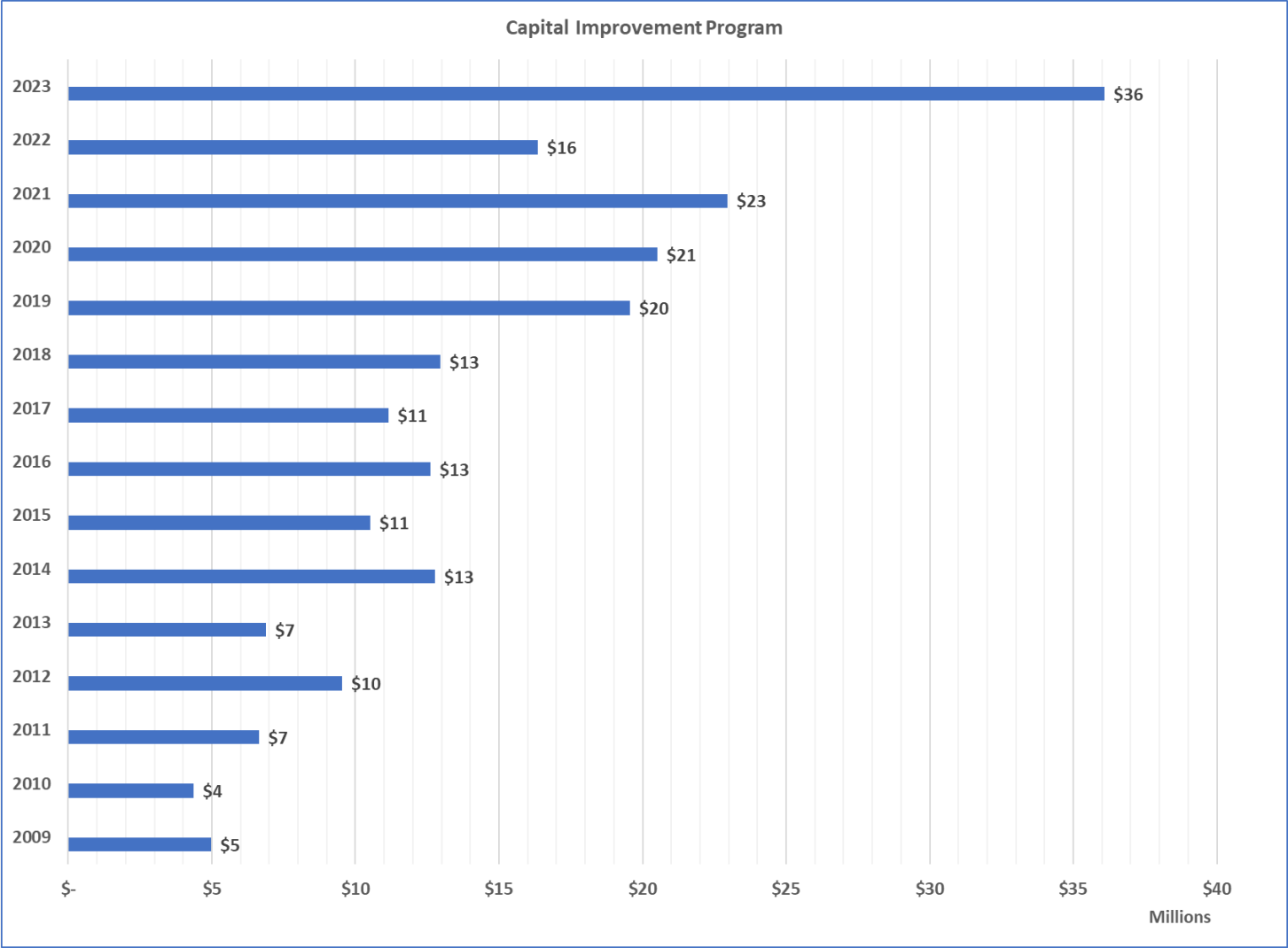
2023 CIP Requested/Funding Sources:

FUNDING SUMMARY						
	2023	2024	2025	2026	2027	Total 5 Year
New Funding:	\$ 27,507,267	\$ 32,500,230	\$ 19,015,388	\$ 11,936,738	\$ 10,766,623	\$ 101,726,246
*Prior Authorized Balance:	\$ 7,155,786	\$ 1,358,359	\$ 1,532	\$ -	\$ -	\$ 8,515,677
2023-2027 Funding:	\$ 33,763,053	\$ 33,858,589	\$ 19,016,920	\$ 11,936,738	\$ 10,766,623	\$ 109,341,923

*Prior Authorized Balance includes 2022 carryover funding only.

	2022 BUDGET AS AMENDED	-----2023-----		PROPOSED BUDGETS					TOTAL PROPOSED AMOUNTS
		RESERVES AND OTHER FUNDING	CURRENT FUNDING	2023	2024	2025	2026	2027	
ELECTRIC FUND	\$ 2,847,687	\$ 12,892,898	\$ 2,107,996	\$ 15,000,894	\$ 18,295,000	\$ 1,265,000	\$ 515,000	\$ 1,263,000	\$ 36,338,894
WATER FUND	4,469,000	8,081,000	119,000	8,200,000	6,956,000	8,505,000	4,100,000	3,190,000	30,951,000
SEWER FUND	1,950,000	1,336,000	-	1,336,000	1,275,000	1,050,000	1,050,000	1,000,000	5,711,000
STORMWATER FUND	950,000	888,420	75,000	963,420	1,035,000	725,000	725,000	1,285,000	4,733,420
PUBLIC WORKS DEPARTMENT - CAPITAL PROJECT FUND DIVISIONS	2,339,890	1,523,802	1,077,441	2,601,243	3,059,000	2,580,000	2,715,000	2,835,000	13,790,243
POLICE DEPARTMENT - CAPITAL PROJECT FUND	502,640	64,732	28,000	92,732	107,079	170,398	383,254	418,459	1,171,922
PARKS AND RECREATION DEPARTMENT - CAPITAL PROJECT FUND	1,988,275	596,762	390,000	986,762	1,027,000	435,713	513,000	635,000	3,597,475
PARKING FUND	-	200,000	62,792	262,792	75,639	5,809	65,984	58,164	468,388
INFORMATION TECHNOLOGY DIVISION - CAPITAL PROJECT FUND	2,327,155	201,570	-	201,570	78,871	30,000	74,500	32,000	416,941
MAINTENANCE FUND	545,000	3,307,640	210,000	3,517,640	1,415,000	4,200,000	1,570,000	-	10,702,640
OTHER DEPARTMENTS/DIVISIONS	693,335	600,000	-	600,000	535,000	50,000	225,000	50,000	1,460,000
GROSS CAPITAL IMPROVEMENTS	\$ 18,612,982	\$ 29,692,824	\$ 4,070,229	\$ 33,763,053	\$ 33,858,589	\$ 19,016,920	\$ 11,936,738	\$ 10,766,623	\$ 109,341,923
PLANNED FINANCING SOURCES									
GROSS CAPITAL IMPROVEMENTS	\$ 18,612,982	\$ 29,692,824	\$ 4,070,229	\$ 33,763,053	\$ 33,858,589	\$ 19,016,920	\$ 11,936,738	\$ 10,766,623	\$ 109,341,923
LESS: USE OF RESERVES	(1,603,654)	(1,389,858)	-	(1,389,858)	(334,153)	(1,532)	-	-	(1,725,543)
VEHICLE & EQUIPMENT REPLACEMENT	(733,157)	(372,736)	-	(372,736)	(917,804)	(715,177)	(704,491)	(1,140,417)	(3,850,625)
GRANTS	(733,016)	(5,873,802)	-	(5,873,802)	(949,673)	(784,000)	(774,073)	(710,000)	(9,091,548)
BOND ISSUES	(450,178)	(56,000)	-	(56,000)	(825,000)	(4,000,000)	(1,500,000)	-	(6,381,000)
STATE REVOLVING LOANS	(3,725,000)	(2,310,000)	-	(2,310,000)	(881,000)	(7,400,000)	(3,000,000)	(3,000,000)	(16,591,000)
AMERICAN RESCUE PLAN ACT	(7,623,490)	(7,219,370)	-	(7,219,370)	(4,256,371)	-	-	-	(11,475,741)
OTHER FINANCING SOURCES	(444,654)	(12,471,058)	-	(12,471,058)	(16,180,000)	(480,000)	(180,000)	(180,000)	(29,491,058)
NET CAPITAL IMPROVEMENTS	\$ 3,299,833	\$ -	\$ 4,070,229	\$ 4,070,229	\$ 9,514,588	\$ 5,636,211	\$ 5,778,174	\$ 5,736,206	\$ 30,735,408

2009 TO 2023 CIP HISTORY (15 YEARS)



- Electric Substation is \$12MM in 2023
- Overall trend in capital spending continues upward
- Addresses historic deferred maintenance of infrastructure, especially in utilities

Capital Projects – Priority 1 Projects

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2023	2024	2025	2026	2027	TOTAL
E2301	Electric	Electric	New Lines and Services	170,000	170,000	170,000	170,000	170,000	850,000
E1502	Electric	Electric	Underground Distribution - UD Star Campus	120,000	120,000	120,000	120,000	120,000	600,000
W1602	Water	Water	Roseville Park Pressure District	125,000	-	-	-	-	125,000
W0503	Water	Water	Well Restoration Program	150,000	100,000	-	-	-	250,000
W9308	Water	Water	Water Main Replacement Program	2,000,000	1,825,000	2,000,000	2,000,000	2,000,000	9,825,000
Q1301	Stormwater	Stormwater	Storm Drainage Improvements	525,000	550,000	550,000	550,000	600,000	2,775,000
Q0101	Stormwater	Stormwater	Stormwater Quality Improvements (NPDES Phase II Permit)	93,420	85,000	100,000	100,000	100,000	478,420
S0904	Sewer	Sewer	Sanitary Sewer Study and Repairs	1,061,000	850,000	1,050,000	1,050,000	1,000,000	5,011,000
C1601	Police	Capital Projects	Taser X26P Replacement	25,088	26,343	27,660	29,043	30,495	138,629
C1401	Police	Capital Projects	Ballistic Vests	7,644	15,736	12,738	32,211	12,964	81,293
*Includes Grant Funding				\$ 4,277,152	\$ 3,742,079	\$ 4,030,398	\$ 4,051,254	\$ 4,033,459	\$ 20,134,342

- Descriptions of the capital projects can be found within the departmental budget presentations on [Budget Central](#)

Capital Projects – Equipment

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2023	2024	2025	2026	2027	TOTAL
EEQSF	Electric	Electric	Equipment Replacement Program	343,000	130,000	450,000	-	873,000	1,796,000
WEQSF	Water	Water	Equipment Replacement Program	25,000	-	35,000	135,000	65,000	260,000
QEQSF	Stormwater	Stormwater	Equipment Replacement Program	45,000	-	75,000	75,000	585,000	780,000
SEQSF	Sewer	Sewer	Equipment Replacement Program	-	350,000	-	-	-	350,000
REQSF	Refuse	Capital Projects	Equipment Replacement Program	-	-	-	300,000	-	300,000
HEQSF	Street	Capital Projects	Equipment Replacement Program	-	900,000	150,000	-	100,000	1,150,000
TEQSF	Engineering	Capital Projects	Equipment Replacement Program	-	35,000	50,000	-	65,000	150,000
MEQSF	Fleet Maintenance	Maintenance	Equipment Replacement Program	-	-	-	70,000	-	70,000
CEQSF	Police	Capital Projects	Equipment Replacement Program	-	65,000	130,000	322,000	375,000	892,000
KEQSF	Parks & Recreation	Capital Projects	Equipment Replacement Program	90,000	25,000	35,000	210,000	65,000	425,000
AEQSF	Management	Capital Projects	Equipment Replacement Program	-	35,000	-	-	-	35,000
BEQSF	Code Enforcement	Capital Projects	Equipment Replacement Program	-	-	-	-	-	-
UEQSF	Unicity Transportation	Transportation	Equipment Replacement Program	-	150,000	-	175,000	-	325,000
VEQSF	Parking	Parking	Equipment Replacement Program	-	70,000	-	60,000	52,000	182,000
NEQSF	Facilities Maintenance	Maintenance	Equipment Replacement Program	-	-	-	-	-	-
*Includes Grant Funding				\$ 503,000	\$ 1,760,000	\$ 925,000	\$ 1,347,000	\$ 2,180,000	\$ 6,715,000

- Descriptions of the capital projects can be found within the departmental budget presentations on [Budget Central](#)

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2023	2024	2025	2026	2027	TOTAL
E2302	Electric	Electric	Spacer Cable Replacement	170,000	170,000	125,000	125,000	-	590,000
E2303	Electric	Electric	Underground Cable Replacement	155,000	155,000	-	-	-	310,000
E2304	Electric	Electric	Meter Replacement	100,000	100,000	100,000	100,000	100,000	500,000
E2305	Electric	Electric	Tropos Mesh Network Replacement (Electric Portion)	600,000	-	-	-	-	600,000
E2002	Electric	Electric	New Substation	12,000,000	15,700,000	-	-	-	27,700,000
E1807	Electric	Electric	Relay Replacements - Kershaw Substation	200,000	-	-	-	-	200,000
W2304	Water	Water	Lead Water Service Line (LSL) Assessment and Remediation	50,000	1,000,000	1,000,000	1,000,000	1,000,000	4,050,000
W2305	Water	Water	Tropos Mesh Network Replacement (Water Portion)	200,000	-	-	-	-	200,000
W2204	Water	Water	Curtis WTP - Treatment Units 4/5 Rehabilitation	350,000	-	-	-	-	350,000
W2205	Water	Water	Curtis WTP - Raceway and Backwash Lagoon Rehabilitation	550,000	-	-	-	-	550,000
W2206	Water	Water	Emerging Contaminants WTP Upgrades	2,900,000	-	-	-	-	2,900,000
W2001	Water	Water	Newark Reservoir Upgrades	100,000	1,500,000	-	-	-	1,600,000
W1701	Water	Water	Valve Inspection, Exercising and Rehabilitation	175,000	100,000	100,000	100,000	100,000	575,000
W1702	Water	Water	Source Water Protection	50,000	25,000	25,000	25,000	25,000	150,000
W8605	Water	Water	Water Tank Maintenance	1,000,000	881,000	-	-	-	1,881,000
S2305	Sewer	Sewer	Tropos Mesh Network Replacement (Sewer Portion)	200,000	-	-	-	-	200,000
Q2201	Stormwater	Stormwater	Outfall and City Owned SWM Facility Repair	300,000	400,000	-	-	-	700,000
H2301	Street	Capital Projects	Annual Street Program	1,761,302	1,775,000	2,125,000	2,125,000	2,375,000	10,161,302
H2302	Street	Capital Projects	ADA Accessibility Transition Plan	166,441	180,000	185,000	195,000	200,000	926,441
H2203	Street	Capital Projects	City Hall Parking Lot Rehabilitation	625,000	-	-	-	-	625,000
H1503	Street	Capital Projects	Newark Transportation Plan Implementation	37,500	70,000	70,000	95,000	95,000	367,500
K2203	Parks & Recreation	Capital Projects	Dickey and George Wilson Center Pool Resurfacing	20,000	-	-	-	-	20,000
K2004	Parks & Recreation	Capital Projects	Facilities Accessibilty (ADA Compliance)	30,000	30,000	20,000	20,000	30,000	130,000
K1301	Parks & Recreation	Capital Projects	Hard Surface Facilities Improvements	154,000	202,000	177,000	197,000	300,000	1,030,000
K0908	Parks & Recreation	Capital Projects	Children's Play Equipment	56,000	60,000	40,000	56,000	60,000	272,000
B2201	Code Enforcement	Capital Projects	EnerGov Civic Services Software	600,000	300,000	-	-	-	900,000
V2302	Parking	Parking	Parking Lot Surface Maintenance	200,000	-	-	-	-	200,000
I2301	Information Technology	Capital Projects	Surveillance Camera Upgrade and Refresh	135,000	30,000	30,000	74,500	32,000	301,500
N2302	Facilities Maintenance	Maintenance	Municipal Center Master Plan	430,000	90,000	-	-	-	520,000
*Includes Grant Funding				\$23,315,243	\$22,768,000	\$ 3,997,000	\$ 4,112,500	\$ 4,317,000	\$ 58,509,743

Capital Projects – Priority 3 Projects

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2023	2024	2025	2026	2027	TOTAL
E2202	Electric	Electric	Electric Warehouse	200,000	1,200,000	-	-	-	1,400,000
E2001	Electric	Electric	City Hall - Electric Vehicle Charging Station Wiring	592,894	-	-	-	-	592,894
E0503	Electric	Electric	SCADA and Automatic Switching	250,000	150,000	-	-	-	400,000
W2302	Water	Water	New Elevated Water Storage Tank	-	-	4,400,000	-	-	4,400,000
W2201	Water	Water	Water Facilities Security Improvements	100,000	-	-	-	-	100,000
W2203	Water	Water	Well and Wellhouse Facility Upgrades	-	300,000	-	-	-	300,000
W2102	Water	Water	Highfield Drive Booster Station Rehabilitation	300,000	-	-	-	-	300,000
W1601	Water	Water	Backup Generation at Water Facilities	125,000	125,000	125,000	-	-	375,000
W1503	Water	Water	Academy Street Interconnection Pump Station	-	300,000	-	-	-	300,000
S2201	Sewer	Sewer	FOG Program Development	75,000	75,000	-	-	-	150,000
R2201	Refuse	Capital Projects	Roll Off Dumpster Purchase	11,000	24,000	-	-	-	35,000
H1903	Street	Capital Projects	Skid Steer Purchase	-	75,000	-	-	-	75,000
K2302	Parks & Recreation	Capital Projects	Ash Tree Removal/Management	100,000	50,000	-	-	-	150,000
K2202	Parks & Recreation	Capital Projects	Dickey Park Improvements	67,500	382,500	-	-	-	450,000
V2301	Parking	Parking	Third Vehicle-Mounted License Plate Recognition Device and Warranty	62,792	5,639	5,809	5,984	6,164	86,388
N2301	Facilities Maintenance	Maintenance	George Wilson Community Center Master Plan	595,000	-	-	-	-	595,000
N2303	Facilities Maintenance	Maintenance	Field Operations Complex Administrative Building	-	825,000	4,000,000	1,500,000	-	6,325,000
N1809	Facilities Maintenance	Maintenance	Historic Newark Train Station Master Plan	-	500,000	200,000	-	-	700,000
*Includes Grant Funding				\$ 2,479,186	\$ 4,012,139	\$ 8,730,809	\$ 1,505,984	\$ 6,164	\$ 16,734,282

- Descriptions of the capital projects can be found within the departmental budget presentations on [Budget Central](#)

Capital Projects – Priority 4 Projects

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2023	2024	2025	2026	2027	TOTAL
E1911	Electric	Electric	35kV Line 3402 Capacity Upgrade	-	300,000	300,000	-	-	600,000
W2303	Water	Water	Water Main Conditions Assessment	-	800,000	820,000	840,000	-	2,460,000
C1903	Police	Capital Projects	NPD Ethernet Rewiring Project	60,000	-	-	-	-	60,000
K2305	Parks & Recreation	Capital Projects	George Read Park	-	-	-	-	100,000	100,000
K2201	Parks & Recreation	Capital Projects	Kubota Mule	-	15,500	-	-	-	15,500
K2205	Parks & Recreation	Capital Projects	George Wilson Center School Hill History Display	19,262	-	-	-	-	19,262
K2207	Parks & Recreation	Capital Projects	Olan Thomas and Kershaw Park Improvements	420,000	-	-	-	-	420,000
K2003	Parks & Recreation	Capital Projects	Handloff Park Trail	-	200,000	-	-	-	200,000
K1605	Parks & Recreation	Capital Projects	Redd Park Trail Improvements	-	32,000	30,000	-	-	62,000
K1501	Parks & Recreation	Capital Projects	Iron Glen Park Master Plan	-	-	50,000	-	-	50,000
I2202	Information Technology	Capital Projects	Remote Access System	48,870	48,871	-	-	-	97,741
I1902	Information Technology	Capital Projects	Tyler Technologies Cash Management Module	17,700	-	-	-	-	17,700
N2203	Facilities Maintenance	Maintenance	Energy Savings Project Round II	2,181,500	-	-	-	-	2,181,500
N1806	Facilities Maintenance	Maintenance	FOC - Master Plan	311,140	-	-	-	-	311,140
*Includes Grant Funding				\$ 3,058,472	\$ 1,396,371	\$ 1,200,000	\$ 840,000	\$ 100,000	\$ 6,594,843

- Descriptions of the capital projects can be found within the departmental budget presentations on [Budget Central](#)

Capital Projects – Priority 5 Projects

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2023	2024	2025	2026	2027	TOTAL
E1810	Electric	Electric	Lightning Arrestor Replacement	100,000	100,000	-	-	-	200,000
K2301	Parks & Recreation	Capital Projects	Hidden Valley Park Pavilion and ADA sidewalk	-	-	-	-	50,000	50,000
K2303	Parks & Recreation	Capital Projects	Tree Pit Installations (Main Street)	30,000	30,000	30,000	30,000	30,000	150,000
K2206	Parks & Recreation	Capital Projects	Wi-Fi in Parks	-	-	53,713	-	-	53,713
A2301	Management	Capital Projects	Main Street and City Hall Holiday Lighting Enhancement	-	50,000	50,000	50,000	50,000	200,000
				\$ 130,000	\$ 180,000	\$ 133,713	\$ 80,000	\$ 130,000	\$ 653,713

- Descriptions of the capital projects can be found within the departmental budget presentations on [Budget Central](#)

City of Newark 2023 Revenue Budget



	* as amended	** as proposed		
	2022	2023	% FROM	\$ FROM
BUDGET OVERVIEW	* BUDGET	** BUDGET	2022 BUDGET	2022 BUDGET
Revenue/Other Funding Sources				
Utility Sales	\$ 73,723,500	\$ 84,031,975	14.0%	\$ 10,308,475
Real Estate and Other Taxes	10,995,115	11,422,000	3.9%	426,885
Fees for Service	10,622,656	12,627,563	18.9%	2,004,907
Intergovernmental Revenue	2,953,005	2,303,736	-22.0%	(649,269)
Other Revenue	1,002,600	1,120,600	11.8%	118,000
Appropriation of Prior Year Reserves	175,000	-	-100.0%	(175,000)
Total Operating Revenue	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998
Expenditures				
Personnel Services	\$ 36,477,888	\$ 38,932,621	6.7%	\$ 2,454,733
Utility Purchases	37,430,531	44,417,788	18.7%	6,987,257
Materials and Supplies	2,509,366	3,006,287	19.8%	496,921
Contractual Services	12,259,238	12,697,960	3.6%	438,722
Equipment Depreciation	1,808,826	1,925,340	6.4%	116,514
Debt Service	4,526,148	4,592,685	1.5%	66,537
Other Expenses	1,365,155	1,355,783	-0.7%	(9,372)
Total Operating Expenses	\$ 96,377,152	\$ 106,928,464	10.9%	\$ 10,551,312
Capital Improvements				
Gross Capital Improvements	\$ 18,612,982	\$ 33,763,053	81.4%	\$ 15,150,071
Less: Use of Reserves	(1,603,654)	(1,389,858)	-13.3%	213,796
Equipment Replacement	(733,157)	(372,736)	-49.2%	360,421
Grants	(733,016)	(5,873,802)	701.3%	(5,140,786)
Bond Issues	(450,178)	(56,000)	-87.6%	394,178
State Revolving Loan	(3,725,000)	(2,310,000)	-38.0%	1,415,000
American Rescue Plan Act	(7,623,490)	(7,219,370)	-5.3%	404,120
Other Sources	(444,654)	(12,471,058)	2704.7%	(12,026,404)
Net Capital Improvements	\$ 3,299,833	\$ 4,070,229	23.3%	\$ 770,396
Net Current Surplus/(Deficit)	\$ (205,109)	\$ 507,181	-347.3%	\$ 712,290
TOTAL EXPENDITURES AND SURPLUS	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998

Operating Budget By Type

2022 Budget vs. 2023 Recommended Budgeted Revenue

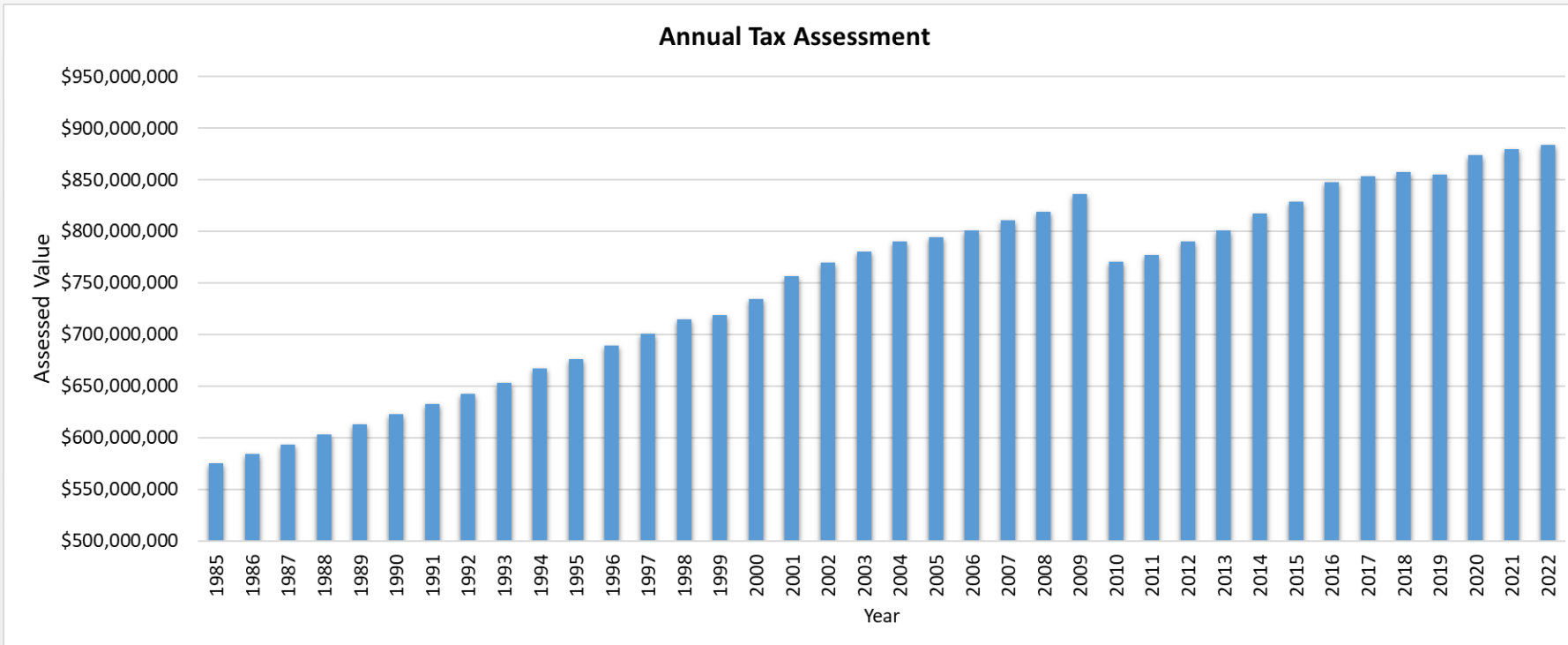
	* as amended	** as proposed		
UTILITY REVENUE SUMMARY	2022 * BUDGET	2023 ** BUDGET	% FROM 2022 BUDGET	\$ FROM 2022 BUDGET
Utility Revenue				
Electric	\$ 54,644,000	\$ 63,665,500	16.5%	\$ 9,021,500
Water	9,157,000	9,786,080	6.9%	629,080
Sewer	7,322,500	8,030,395	9.7%	707,895
Stormwater	2,600,000	2,550,000	-1.9%	(50,000)
Total Utility Revenue	\$ 73,723,500	\$ 84,031,975	14.0%	\$ 10,308,475
Other				
Realty Transfer Tax	\$ 1,764,115	\$ 1,650,000	-6.5%	\$ (114,115)
Property Tax	8,146,000	8,722,000	7.1%	576,000
Penalties	60,000	60,000	0.0%	-
Franchise Tax	425,000	350,000	-17.6%	(75,000)
Lodging Tax	600,000	640,000	6.7%	40,000
Fees for Service	10,622,656	12,627,563	18.9%	2,004,907
Intergovernmental Revenue	2,953,005	2,303,736	-22.0%	(649,269)
Other Revenue	1,002,600	1,120,600	11.8%	118,000
Appropriation of Prior Year Reserves	175,000	-	-100.0%	(175,000)
Total Non-Utility Revenue	\$ 25,748,376	\$ 27,473,899	6.7%	\$ 1,725,523
Total Revenue/Other Funding Sources	\$ 99,471,876	\$ 111,505,874	12.1%	\$ 12,033,998

- Revenue in 2023 is anticipated to be up 12.1% or \$12M
- Utilities up (\$10.3M), or 14% as presented on prior pages
- Real Estate Transfer Tax \$1.65M, down 6.5%
- Property Tax \$8.7M, +\$576K (small growth + proposed 10% tax increase)
- Lodging Tax \$640K, +\$40K
- Fees for Service \$12.6M, +\$2M
- Intergovernmental Revenue -\$650K, -22%

Revenue - General Fund

- Real Estate Transfer Tax – ebbs and flows, past reliance has been on large commercial transactions
 - Use of RTT overcollection in future years
 - Replenish General Fund reserves, as they are critical to maintaining the City's bond rating
 - Use towards future one-time expenses
- Hotel Lodging Tax –Showing positive activity. Green Mansion expected to be online in 2023
- Property Taxes
 - Flat tax growth year over year (1983 assessments)
 - 43% of the City's tax base is exempt from paying property taxes
 - Tax base is projected to grow less than 1% in July of 2023
 - The only way to absorb the annual cost of living increases in the General Fund is through tax/fee increases or development activity
 - Every 1% is equal to \$41,475 in Year 1, and \$82,950 annually afterwards
 - Every penny (\$.01) is equal to \$44,368 in Year 1, and \$88,736 annually afterwards
- Estimated transfer from the utilities in 2023 will be \$20.1 million
 - Includes transfers primarily to general fund (\$16.1M), OPEB (\$727K), self-insurance (\$133K), capital (\$1.45M), debt service (\$1.3M)

Assessment Growth



- Since 1999, assessment growth has grown less than 1% a year on average
 - Chrysler was removed in 2010
 - Redevelopment of STAR in latter years
 - Other redevelopment brought totals up to 2009 level
 - Addition of Chemours in 2020
- Tax increases are required to meet City needs since Assessment is generally flat
 - 10/24 years no tax increase over this period
 - Four increases over 10% to catch up

Revenue – Tax Adjustment

10% TAX ADJUSTMENT

Percentile	Assessment	Current Tax Bill	Proposed Tax Bill (10% increase)	Difference	% of Current Bill to Refuse
<i>Rate</i>		<i>\$ 0.9348</i>	<i>\$ 1.0283</i>	<i>\$ 0.0935</i>	
25th	\$ 48,825	\$ 456.42	\$ 502.06	\$ 45.64	77%
50th (median)	\$ 67,000	\$ 626.32	\$ 688.95	\$ 62.63	56%
75th	\$ 88,100	\$ 823.56	\$ 905.91	\$ 82.36	42%

- Adding five new police officers and two new communication officers, with a starting date of July 1, has a fiscal impact of \$445,000 in 2023.
 - A 10% tax increase will only add \$427,000 in revenue in 2023
 - 2023 General Fund expenses are up \$2.2 million (equal to a 53% tax increase)
 - 2024 Impact of five officers and two communication officers is approximately \$728,000 (\$518K police, \$210K comm. officers)
 - Median tax bill in 2022 was \$626. Almost 800 properties pay \$350 or less in property taxes
 - In addition to Police - Residential taxes are used for:
 - Refuse Service - Cost to provide refuse service is now \$350 per household, up 10% from 2021
 - Street Maintenance, leaf collection, snow plowing, parks

Revenue – Water Adjustment

Gallons	2022	2023 Proposed	Difference	% Difference
No Consumption	\$ 7.53	\$ 8.37	\$ 0.84	11.1%
3,174	\$ 27.93	\$ 30.39	\$ 2.47	8.8%
3,667	\$ 31.96	\$ 34.75	\$ 2.79	8.7%
5,000	\$ 42.87	\$ 46.54	\$ 3.66	8.5%
10,000	\$ 83.80	\$ 90.74	\$ 6.94	8.3%

- 84 cents increase in the customer charge will cover debt service from the 2018 Referendum
- 8% Volumetric increase with customer charge increase will result in an average water rate adjustment of 8.7%
 - Volumetric rate was reduced 10% in 2020
 - \$2.79 average impact per household per month
 - Impact can be controlled through conservation

WATER				
In City				
Meter Size	Current	2023 Proposed	Monthly Difference	Annual Difference
5/8"	\$ 7.53	\$ 8.37	\$ 0.84	\$ 10.04
3/4"	\$ 10.54	\$ 11.71	\$ 1.17	\$ 14.04
1"	\$ 16.57	\$ 18.41	\$ 1.84	\$ 22.08
1 1/2"	\$ 52.71	\$ 58.57	\$ 5.86	\$ 70.32
2"	\$ 67.77	\$ 75.30	\$ 7.53	\$ 90.36
3"	\$ 165.66	\$ 184.06	\$ 18.40	\$ 220.80
4"	\$ 301.21	\$ 334.67	\$ 33.46	\$ 401.52
6"	\$ 677.72	\$ 753.01	\$ 75.29	\$ 903.48
8"	\$ 1,054.23	\$ 1,171.35	\$ 117.12	\$ 1,405.44
Outside City				
Meter Size	Current	2023 Proposed	Monthly Difference	Annual Difference
5/8"	\$ 10.17	\$ 11.30	\$ 1.13	\$ 13.56
3/4"	\$ 14.23	\$ 15.81	\$ 1.58	\$ 18.96
1"	\$ 22.36	\$ 24.84	\$ 2.48	\$ 29.76
1 1/2"	\$ 71.16	\$ 79.07	\$ 7.91	\$ 94.92
2"	\$ 91.49	\$ 101.65	\$ 10.16	\$ 121.92
3"	\$ 223.65	\$ 248.50	\$ 24.85	\$ 298.20
4"	\$ 406.63	\$ 451.81	\$ 45.18	\$ 542.16
6"	\$ 914.92	\$ 1,016.57	\$ 101.65	\$ 1,219.80
8"	\$ 1,423.21	\$ 1,581.33	\$ 158.12	\$ 1,897.44

Revenue – Sewer Adjustment

Gallons	2022	2023 Proposed	Difference	% Difference
No Consumption	\$ 6.06	\$ 7.83	\$ 1.77	29.2%
3,174	\$ 30.76	\$ 34.37	\$ 3.61	11.7%
3,667	\$ 34.60	\$ 38.49	\$ 3.89	11.3%
5,000	\$ 44.97	\$ 49.64	\$ 4.67	10.4%
10,000	\$ 83.88	\$ 91.44	\$ 7.56	9.0%

- \$1.77 increase in the customer charge to cover debt service from the 2018 Referendum
- 8% Volumetric increase with customer charge increase will result in an average sewer rate adjustment of 11.3%
 - Volumetric rate was reduced 10% in 2020
 - \$3.89 average impact per household per month
 - Impact can be controlled through water conservation

SEWER				
In City				
Meter Size	Current	2023 Proposed	Monthly Difference	Annual Difference
5/8"	\$ 6.06	\$ 7.83	\$ 1.77	\$ 21.22
3/4"	\$ 8.48	\$ 10.96	\$ 2.48	\$ 29.76
1"	\$ 13.32	\$ 17.22	\$ 3.90	\$ 46.83
1 1/2"	\$ 42.38	\$ 54.80	\$ 12.42	\$ 149.02
2"	\$ 54.49	\$ 70.45	\$ 15.96	\$ 191.58
3"	\$ 133.19	\$ 172.22	\$ 39.03	\$ 468.40
4"	\$ 242.16	\$ 313.13	\$ 70.97	\$ 851.68
6"	\$ 544.86	\$ 704.55	\$ 159.69	\$ 1,916.27
8"	\$ 847.56	\$ 1,095.97	\$ 248.41	\$ 2,980.86
Outside City				
Meter Size	Current	2023 Proposed	Monthly Difference	Annual Difference
5/8"	\$ 8.01	\$ 10.57	\$ 2.56	\$ 30.70
3/4"	\$ 11.22	\$ 14.80	\$ 3.58	\$ 42.91
1"	\$ 17.63	\$ 23.25	\$ 5.62	\$ 67.44
1 1/2"	\$ 56.09	\$ 73.98	\$ 17.89	\$ 214.65
2"	\$ 72.11	\$ 95.11	\$ 23.00	\$ 276.05
3"	\$ 176.28	\$ 232.50	\$ 56.22	\$ 674.65
4"	\$ 320.51	\$ 422.73	\$ 102.22	\$ 1,226.63
6"	\$ 721.14	\$ 951.14	\$ 230.00	\$ 2,760.01
8"	\$ 1,121.77	\$ 1,479.55	\$ 357.78	\$ 4,293.40

Revenue Assumptions Included in 2023 Budget

- **\$4,830,600 – Change in revenue, due to Indian River charges**
- **\$427,000 - Property Tax Adjustment of 10%**
- **\$1,084,475 - Water/Sewer/Stormwater**
 - Volumetric rate adjustment 8% (Water: \$381,580, Sewer \$377,895)
 - Customer Charge Adjustment (Water: \$145,000, Sewer \$180,000)
 - No adjustment to stormwater
- **\$719,855 - Rental Fees: 35% increase, last change was in 2010**
 - 1,598 single family home rentals – increase from \$200 to \$275: \$439,450
 - 877 multi-family 14 units or less – increase from \$55 to \$75: \$65,775
 - 3,302 multi-family 15 units or more – increase from \$45 to \$65: \$214,630
- **\$1,150,000 - Parking Rates (no adjustments since 1999)**
- **\$57,725 - Recreation fee increase of 10%**

Taxes and Utilities Impact on Average Resident

MEDIAN RESIDENT

MONTHLY	CURRENT	PROPOSED	DIFFERENCE	% DIFF
Water (3,667 gallons)	\$31.96	\$34.75	\$2.79	8.7%
Sewer (3,667 gallons)	\$34.60	\$38.49	\$3.89	11.2%
Electric (winter/summer avg -750 kWh)	\$147.78	\$147.78	\$0.00	0.0%
Stormwater (Tier 2)	\$3.89	\$3.89	\$0.00	0.0%
Taxes (\$67K AV median)	\$52.19	\$57.41	\$5.22	10.0%
TOTAL	\$270.42	\$282.32	\$11.90	4.4%

ANNUAL	CURRENT	PROPOSED	DIFFERENCE	% DIFF
Water	\$383.52	\$417.00	\$33.48	8.7%
Sewer	\$415.20	\$461.88	\$46.68	11.2%
Electric	\$1,773.30	\$1,773.30	\$0.00	0.0%
Stormwater (Tier 2)	\$46.68	\$46.68	\$0.00	0.0%
Taxes	\$626.32	\$688.95	\$62.63	10.0%
TOTAL	\$3,245.02	\$3,387.81	\$142.79	4.4%

- Median resident will see an estimated 4.4% increase across the board from all City services in 2023
- No change in current levels of services
- Electric rate changes will go into effect in 2022 to offset the pass-through expenses from DEMEC
 - Reflected in “Current” and “Proposed” estimate
 - RSA will need to be adjusted again in March 2023 to reflect the cost of power
 - Amount of adjustment unknown at this time

TO BE CONSIDERED

Action Items To Be Considered for 2023 Budget

- **Water Rate Adjustments: Customer Charge and Volumetric Adjustment**
 - Average annual residential impact is \$33.48 (\$2.79 per month)
- **Sewer Rate Adjustments: Customer Charge and Volumetric Adjustment**
 - Average annual residential impact is \$46.68 (\$3.89 per month)
- **Property Tax Increase of 10%**
 - Average annual residential impact is \$63 (\$5.22 per month)
 - 12-month all items Consumer Price Index was 8.1% in August 2022, before cost of additional police
- **Parking Rate Adjustment**
- **Rental Permit Adjustment**
- **Electric RSA Adjustment:**
 - Will occur outside of the 2023 budget process in 2022
- **Events Tax**
- **AETNA Hose Hook and Ladder:** Use \$100,000 from RTT to provide a grant in 2022
- **Building Permit review** & include fee to cover Public Safety services

Recommended Direction for Lobbyist

- Payment in Lieu of Taxes (PILOT)
 - PILOT-lite has been \$400,000 annually from 2019 through 2022, need to be full members in the program and updates to include UD owned properties in calculation
- Continued coordination with state legislators for cost sharing of 2023 City Projects
 - Newark Train Station
 - George Wilson Center
 - Other Facility initiatives
- Events Tax
- Infrastructure Bill
- State Revolving Fund (SRF) Loans Program vs. Principal Forgiveness vs. Grants
- Charter amendment for SRF borrowing without referendum
- Electric Vehicles (EV) and infrastructure grant opportunities
- Statewide Municipal Aid from the State to support the rising costs of Police services
- Increase to Municipal Street Aid funding

Budget Process – Next Thirty Days

10/12/2022	Draft Version of CIP on Budget Central
10/15/2022	Deadline to advertise budget summary
10/18/2022	Draft CIP Presented to the Planning Commission
10/26/2022	Final Version of CIP & Operating Budgets for Council
11/07/2021	Budget Hearing
11/21/2022	Budget Hearing #2 (if needed)