

Financial Workshop

2026 Budget Overview

October 6, 2025

Budget Timeline

- ▶ Aug 18 – Initial Budget Overview
- ▶ Aug/Sept – Departmental Hearings
- ▶ Oct 6 – Financial Workshop (Tonight)
- ▶ Oct 21 – Capital Budget to Planning Commission
- ▶ Nov 3 – First Budget Hearing & possible adoption

Budget Overview - August 18th Presentation

	* as amended	* as amended	** as proposed		
BUDGET OVERVIEW	2024 * BUDGET	2025 * BUDGET	2026 ** BUDGET	% FROM 2025 BUDGET	\$ FROM 2025 BUDGET
Total Operating Revenue	\$ 114,875,828	\$ 123,454,239	\$ 127,906,899	3.5%	\$ 4,452,660
Operating Expenses	111,275,067	121,214,596	127,584,754	5.3%	6,370,158
Capital Improvements*	3,170,522	1,864,195	7,117,114	281.8%	5,252,919
Total Expenditures	\$ 114,445,589	\$ 123,078,791	\$ 134,701,868	9.4%	\$ 11,623,077
Total Surplus/(Shortfall)	\$ 430,239	\$ 375,448	\$ (6,794,969)		



The 2026 Budget as of 8/18 (before making cuts or revenue enhancements) was \$6.8 million short of funding.

For comparison purposes, the 2025 initial shortfall was \$3.4 million.

8/18 vs 10/6 Budget Overview

Budget Changes Since August 18th Presentation

- Adjustments to all categories were made
- Revenue budget decreased by \$385K
- Operating expenses decreased by \$2.2M
- Capital projects funded with current resources decreased by \$5.9M
- Overall budget now shows a \$914K surplus
- General Fund still reflects a \$491K deficit

	* as amended 8/18/2025 2026 BUDGET	** as proposed 10/6/2025 2026 BUDGET	% FROM 8/18/2025	\$ FROM 8/18/2025
Revenue/Other Funding Sources				
Utility Sales	\$ 97,246,868	\$ 96,280,350	-1.0%	\$ (966,518)
Real Estate and Other Taxes	12,807,262	14,981,000	17.0%	2,173,738
Fees for Service	11,992,222	12,155,411	1.4%	163,189
Intergovernmental Revenue	3,799,747	1,369,847	-63.9%	(2,429,900)
Other Revenue	1,907,100	2,007,100	5.2%	100,000
Appropriation of Prior Year Reserves	153,700	728,700	0.0%	575,000
Total Operating Revenue	\$ 127,906,899	\$ 127,522,408	-0.3%	\$ (384,491)
Expenditures				
Personnel Services	\$ 46,969,277	\$ 45,924,862	-2.2%	\$ (1,044,415)
Utility Purchases	53,713,684	53,713,684	0.0%	-
Materials and Supplies	3,280,179	3,224,679	-1.7%	(55,500)
Contractual Services	15,087,516	14,843,429	-1.6%	(244,087)
Equipment Depreciation	2,237,446	2,207,419	-1.3%	(30,027)
Debt Service	4,731,307	4,001,307	-15.4%	(730,000)
Other Expenses	1,565,345	1,482,345	-5.3%	(83,000)
Total Operating Expenses	\$ 127,584,754	\$ 125,397,725	-1.7%	\$ (2,187,029)
Capital Improvements				
Gross Capital Improvements	\$ 54,432,462	\$ 49,356,655	-9.3%	\$ (5,075,807)
Less: Use of Reserves	(1,591,408)	(2,195,313)	37.9%	(603,905)
Equipment Replacement	(384,804)	(571,795)	48.6%	(186,991)
Grants	(1,509,136)	(1,579,136)	4.6%	(70,000)
Bond Issues	-	-	0.0%	-
State Revolving Loans	(27,650,000)	(27,650,000)	0.0%	-
American Rescue Plan Act	-	-	0.0%	-
Other Sources	(16,180,000)	(16,150,000)	-0.2%	30,000
Net Capital Improvements	\$ 7,117,114	\$ 1,210,411	-83.0%	\$ (5,906,703)
Net Current Surplus/(Deficit)	\$ (6,794,969)	\$ 914,272	-113.5%	\$ 7,709,241
TOTAL EXPENDITURES AND SURPLUS	\$ 127,906,899	\$ 127,522,408	-0.3%	\$ (384,491)

Budget Comparison

Aug 18 vs Oct 6

August

	** as proposed @ 8/18/2025	** as proposed @ 8/18/2025	** as proposed @ 8/18/2025
FUND	2026 SURPLUS (DEFICIT)	2026 NET TRANSFERS	2026 NET SURPLUS (DEFICIT)
General	\$ (24,796,982)	\$ 17,701,865	\$ (7,095,117)
Utilities	\$ 18,119,845	\$ (18,119,845)	
Stormwater	300,148	-	300,148
Parking	65,071	(65,071)	-
Other	(483,051)	483,051	-
Total	\$ (6,794,969)	\$ -	\$ (6,794,969)

October

	** as proposed	** as proposed	** as proposed
FUND	2026 SURPLUS (DEFICIT)	2026 NET TRANSFERS	2026 NET SURPLUS (DEFICIT)
General	\$ (20,511,345)	\$ 20,020,469	\$ (490,876)
Utilities	20,944,247	(19,880,469)	1,063,778
Stormwater	299,302	-	299,302
Parking	174,200	(140,000)	34,200
Other	7,868	-	7,868
Total	\$ 914,272	\$ -	\$ 914,272

Surplus: \$914K overall;
General Fund deficit \$491K

Revenue Modifications since 8/18

	* as amended	** as proposed		
REVENUE	8/18/2025 2026 BUDGET	10/6/2025 2026 BUDGET	% FROM 8/18/2025	\$ FROM 8/18/2025
Utility Sales	\$ 97,246,868	\$ 96,280,350	-1.0%	\$ (966,518)
Real Estate and Other Taxes	12,807,262	14,981,000	17.0%	2,173,738
Fees for Service	11,992,222	12,155,411	1.4%	163,189
Intergovernmental Revenue	3,799,747	1,369,847	-63.9%	(2,429,900)
Other Revenue	1,907,100	2,007,100	5.2%	100,000
Appropriation of Prior Year Reserves	153,700	728,700	0.0%	575,000
Total Operating Revenue	\$ 127,906,899	\$ 127,522,408	-0.3%	\$ (384,491)

Adjustments to revenue projections include:

- Utility Sales: Net decrease of \$967K
- Property & Other Taxes: Increase of \$2.2M
- Intergovernmental Revenue: Decrease of \$2.4M
- Appropriation of Prior Year Reserves: Increase \$575K

Expense Modifications since 8/18

	* as amended	** as proposed		
OPERATING EXPENSES	8/18/2025 2026 BUDGET	10/6/2025 2026 BUDGET	% FROM 8/18/2025	\$ FROM 8/18/2025
Personnel Services	\$ 46,969,277	\$ 45,924,862	-2.2%	\$ (1,044,415)
Utility Purchases	53,713,684	53,713,684	0.0%	-
Materials and Supplies	3,280,179	3,224,679	-1.7%	(55,500)
Contractual Services	15,087,516	14,843,429	-1.6%	(244,087)
Equipment Depreciation	2,237,446	2,207,419	-1.3%	(30,027)
Debt Service	4,731,307	4,001,307	-15.4%	(730,000)
Other Expenses	1,565,345	1,482,345	-5.3%	(83,000)
TOTAL OPERATING EXPENDITURES	\$ 127,584,754	\$ 125,397,725	-1.7%	\$ (2,187,029)

Adjustments to expenditure projections include:

- Personnel: Decrease of \$1M
- Contractual Services: Decrease of \$244K
- Debt Service: Decrease of \$730K
- Other Expenses: Decrease of \$83K

Overall expenditures decreased by approximately \$2.2 million due to revised staffing costs, reduced service contracts, lower debt obligations, and adjustments to miscellaneous expenses.

Capital Modifications since 8/18

	* as amended	** as proposed		
	8/18/2025	10/6/2025	% FROM	\$ FROM
CAPITAL IMPROVEMENTS	2026 BUDGET	2026 BUDGET	8/18/2025	8/18/2025
Gross Capital Improvements	\$ 54,432,462	\$ 49,356,655	-9.3%	\$ (5,075,807)
Less: Use of Reserves	(1,591,408)	(2,195,313)	37.9%	(603,905)
Equipment Replacement	(384,804)	(571,795)	48.6%	(186,991)
Grants	(1,509,136)	(1,579,136)	4.6%	(70,000)
Bond Issues	-	-	0.0%	-
State Revolving Loans	(27,650,000)	(27,650,000)	0.0%	-
Other Sources	(16,180,000)	(16,150,000)	-0.2%	30,000
Net Capital Improvements	\$ 7,117,114	\$ 1,210,411	-83.0%	\$ (5,906,703)

Adjustments include:

- Reduced overall capital budget by \$5.1M by removing or deferring most projects
 - Note: Deferred projects will still need to happen and will likely cost more in the future
- Reduced reliance on current resources by \$5.9M, directly impacting the need to raise revenue requirements

Items Used to Balance the Budget

Capital Reductions:

- Reduced overall capital budget by \$5.1M by removing or delaying most projects
- Reduced the need to use current resources by \$5.9M, directly impacting the need to raise revenue requirements

Operating Reductions:

- Personnel: (\$1M) - adjusted start dates for vacant positions, reduced health insurance costs
- Contractual Services: (\$244K)
- Debt Service: (\$730K) - Substation interest
- Other Expenses: (\$83K) - mainly TNP

One-Time Funding:

- 401(a) Forfeitures: \$175K
- Self Insurance Reserve Transfer: \$400K - to offset workers compensation premium increases
- Appropriation of prior reserves: \$154K - to cover 2026 OPEX of \$17K Special Parks, \$137K Self Insurance

Budget Comparison 2025 vs 2026

- Revenue/ Other Funding Sources increased by \$4M
 - Revenue increase is \$3.25M
 - Use of Prior Year Reserves is \$729K
- Operating Expenditures increased by \$3.9M
- Gross Capital Budget increased by \$21.8M

	* as amended	** as proposed		
	2025	2026	% FROM	\$ FROM
	BUDGET	BUDGET	2025 BUDGET	2025 BUDGET
Revenue/Other Funding Sources				
Utility Sales	\$ 93,063,248	\$ 96,280,350	3.5%	\$ 3,217,102
Real Estate and Other Taxes	12,592,813	14,981,000	19.0%	2,388,187
Fees for Service	13,112,486	12,155,411	-7.3%	(957,075)
Intergovernmental Revenue	2,019,592	1,369,847	-32.2%	(649,745)
Other Revenue	2,756,100	2,007,100	-27.2%	(749,000)
Appropriation of Prior Year Reserves	-	728,700	100.0%	728,700
Total Operating Revenue	\$ 123,544,239	\$ 127,522,408	3.2%	\$ 3,978,169
Expenditures				
Personnel Services	\$ 44,587,197	\$ 45,924,862	3.0%	\$ 1,337,665
Utility Purchases	50,533,363	53,713,684	6.3%	3,180,321
Materials and Supplies	3,117,580	3,224,679	3.4%	107,099
Contractual Services	14,822,983	14,843,429	0.1%	20,446
Equipment Depreciation	2,069,775	2,207,419	6.7%	137,644
Debt Service	4,822,498	4,001,307	-17.0%	(821,191)
Other Expenses	1,533,700	1,482,345	-3.3%	(51,355)
Total Operating Expenses	\$ 121,487,096	\$ 125,397,725	3.2%	\$ 3,910,629
Capital Improvements				
Gross Capital Improvements	\$ 27,597,928	\$ 49,356,655	78.8%	\$ 21,758,727
Less: Use of Reserves	(2,227,051)	(2,195,313)	-1.4%	31,738
Equipment Replacement	(437,280)	(571,795)	30.8%	(134,515)
Grants	(1,526,950)	(1,579,136)	3.4%	(52,186)
Bond Issues	-	-	0.0%	-
State Revolving Loans	(7,938,609)	(27,650,000)	248.3%	(19,711,391)
American Rescue Plan Act	-	-	0.0%	-
Other Sources	(13,597,414)	(16,150,000)	18.8%	(2,552,586)
Net Capital Improvements	\$ 1,870,624	\$ 1,210,411	-35.3%	\$ (660,213)
Net Current Surplus/(Deficit)	\$ 186,519	\$ 914,272	390.2%	\$ 727,753
TOTAL EXPENDITURES AND SURPLUS	\$ 123,544,239	\$ 127,522,408	3.2%	\$ 3,978,169

City of Newark 2026 Expenditure Budget

Operating Expense Overview

2025 vs 2026

	* as amended	** as proposed		
OPERATING EXPENDITURES	2025 BUDGET	2026 BUDGET	% FROM 2025 BUDGET	\$ FROM 2025 BUDGET
Expenditures				
Personnel Services	\$ 44,587,197	\$ 45,924,862	3.0%	\$ 1,337,665
Utility Purchases	50,533,363	53,713,684	6.3%	3,180,321
Materials and Supplies	3,117,580	3,224,679	3.4%	107,099
Contractual Services	14,822,983	14,843,429	0.1%	20,446
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Other Expenses	1,533,700	1,482,345	-3.3%	(51,355)
Total Operating Expenses	\$ 121,487,096	\$ 125,397,725	3.2%	\$ 3,910,629

Budget Drivers

EXPENDITURE CHANGE TRACKING	----- * as amended -----		----- ** as proposed -----			
	2025 * BUDGET	% OF 2025 BUDGET	2026 ** BUDGET	% OF 2026 BUDGET	\$ FROM 2026 BUDGET	% FROM 2026 BUDGET
Electric Purchases (DEMEC)	\$ 44,283,363	36.5%	\$ 47,463,684	37.9%	\$ 3,180,321	7.2%
Wages	27,957,219	23.0%	29,879,634	23.8%	1,922,415	6.9%
Sewer Purchases (NCC)	6,250,000	5.1%	6,250,000	5.0%	-	0.0%
Healthcare	6,422,391	5.3%	5,550,362	4.4%	(872,029)	-13.6%
Pension	4,400,000	3.6%	4,800,000	3.8%	400,000	9.1%
Debt Service	4,822,498	4.0%	4,001,307	3.2%	(821,191)	-17.0%
OPEB	1,932,000	1.6%	2,000,000	1.6%	68,000	3.5%
Insurance (Auto, Property, Casualty, Cyber, etc)	1,353,300	1.1%	1,450,200	1.2%	96,900	7.2%
Worker's Compensation Program (DFIT)	873,000	0.7%	1,101,000	0.9%	228,000	26.1%
Subtotal	\$ 98,293,771	80.9%	\$ 102,496,187	81.7%	\$ 4,202,416	4.3%
City-wide Expenditures	\$ 121,487,096	100.0%	\$ 125,397,725	100.0%	\$ 3,910,629	3.2%

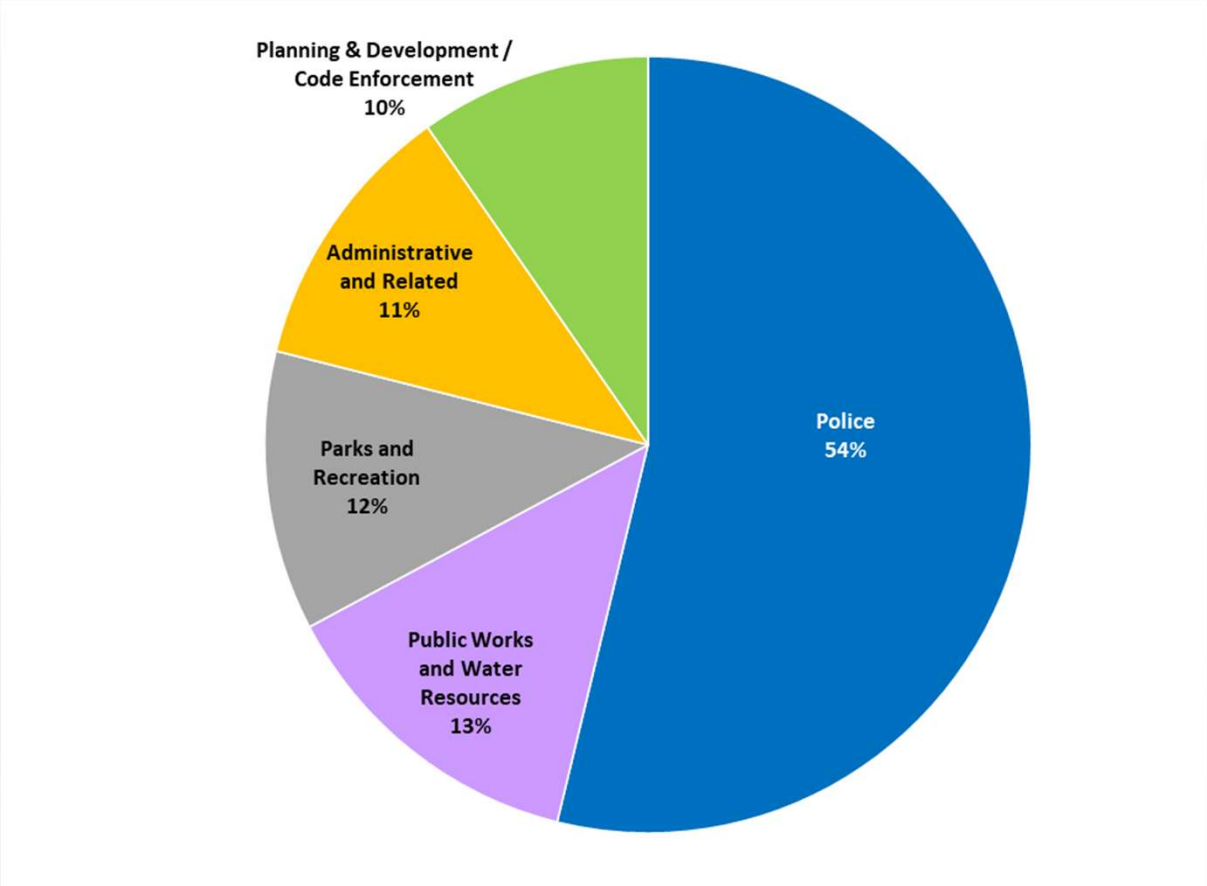
- Nine items make up over 81.7% of the operating budget, totaling \$102.5 million
- Electric and Sewer utility purchases combine for a total \$53.7 million, or 42.9%

Employee Count by Division

DIVISION		Filled Positions	Vacancies		Vacant Job Titles / Bargaining Units
		# of Employees	# of Positions	Total Positions	
ELECTRIC		24	0	24	
WATER		21	3	24	*(1) Maint. I [Union: AF 1670], (+1) Water Plant Operator, (+1) Utility Inspector I
SEWER		3	1	4	*(1) Maint. IV [Union: AF 1670]
STORMWATER		6.5	0	6.5	
REFUSE		8	0	8	
STREET		7	0	7	
ENGINEERING		7	0	7	
FLEET		5	0	5	
PLANNING		7	0	7	
CODE		13.5	0	13.5	
PARKING		14.5	0	14.5	
ALDERMAN'S		6	0	6	
LEGISLATIVE		4.5	0	4.5	
MANAGEMENT		12	0	12	
FACILITIES		5.5	0.5	6	*(.5) P/T Fac. Maint. Carpenter [Union: AF 1670]
FINANCE/PUB		13.5	1	14.5	*(.5) P/T Finance Assistant [Union: CWA], (.5) P/T Meter Reader [Union: CWA]
IT		10	0	10	
PARKS & REC		19.5	0	19.5	
POLICE	*SWORN	76	4	80	*(4) Police Officers [Union: FOP]
POLICE	*CIVILIAN	21.5	2	23.5	*(1) Comm, Officer I [Union: CWA] and (1) Admin. Prof. I [Union: CWA]
		285	11.5	296.5	

General Fund Expense Overview

	* as amended	** as proposed
GENERAL FUND EXPENDITURES	2025 * BUDGET	2026 ** BUDGET
Police	\$ 20,583,010	\$ 22,503,754
Public Works and Water Resources	5,930,697	5,611,324
Parks and Recreation	4,799,721	4,872,774
Administrative and Related	4,614,947	4,750,830
Planning & Development / Code Enforcement	4,515,972	4,079,331
Total General Fund Operating	\$ 40,444,347	\$ 41,818,013



General Fund – Divisional Surplus (Deficit)

	** as proposed	** as proposed	** as proposed
GENERAL FUND - DIVISIONS	2026 EXPENDITURES	2026 REVENUE	2026 NET SURPLUS (DEFICIT)
Police	\$ 22,503,754	\$ 728,201	\$ (21,775,553)
Parks and Recreation	4,872,774	797,000	(4,075,774)
Code Enforcement	2,350,513	2,785,000	434,487
Refuse	2,168,363	48,000	(2,120,363)
Management	2,033,309	-	(2,033,309)
Street	2,009,674	-	(2,009,674)
Planning	1,728,818	125,500	(1,603,318)
Legislative	1,433,523	-	(1,433,523)
Engineering	1,433,287	85,000	(1,348,287)
Alderman's Court	836,280	1,484,000	647,720
Finance	447,718	16,660,108	16,212,390
IT	-	-	-
Total	\$ 41,818,013	\$ 22,712,809	\$ (19,105,204)

Debt Service Overview

DEBT	ENDING DATE	* as amended 2025 ± BUDGET	** as proposed 2026 ±± BUDGET	\$ FROM 2025 BUDGET
2022 Prior Vehicle/Equipment Leases		115,419	91,796	(23,623)
2024 Master Vehicle/Equipment Leases		402,971	417,175	14,204
2025 Master Vehicle/Equipment Leases		192,033	68,045	(123,988)
New Substation (\$12M/\$28M)		730,000	-	(730,000)
Sanitary Sewer Repairs [Ph 2]		126,574	195,000	68,426
Water Tank Maintenance		50,000	70,000	20,000
Laird Tract Well Field Restoration		70,000	-	(70,000)
Water Main Replacement Program		176,566	195,839	19,273

Total Debt Service Expenditures = \$4M – Decrease of \$821K

City of Newark

2026 Capital Improvement Budget

Capital Improvements Overview

	* as amended	** as proposed		
CAPITAL IMPROVEMENTS	2025 BUDGET	2026 BUDGET	% FROM 2025 BUDGET	\$ FROM 2025 BUDGET
Gross Capital Improvements	\$ 27,597,928	\$ 49,356,655	78.8%	\$ 21,758,727
Less: Use of Reserves	(2,227,051)	(2,195,313)	-1.4%	31,738
Equipment Replacement	(437,280)	(571,795)	30.8%	(134,515)
Grants	(1,526,950)	(1,579,136)	3.4%	(52,186)
Bond Issues	-	-	0.0%	-
State Revolving Loans	(7,938,609)	(27,650,000)	248.3%	(19,711,391)
American Rescue Plan Act	-	-	0.0%	-
Other Sources	(13,597,414)	(16,150,000)	18.8%	(2,552,586)
Net Capital Improvements	\$ 1,870,624	\$ 1,210,411	-35.3%	\$ (660,213)

- The Gross CIP Budget increased by \$21.8M (79%) to \$49.4M.
- Net CIP Budget decreased by \$660K (-35.3%) to \$1.2M. *This represents the portion of the capital budget that is paid for out of current operating revenues.*

FUNDING SUMMARY

New Funding:
 *Prior Authorized Balance:
 2026-2030 Funding:

2026	2027	2028	2029	2030	Total 5 Year
\$ 37,833,054	\$ 37,553,312	\$ 15,216,165	\$ 12,963,213	\$ 37,853,136	\$ 141,418,880
\$ 11,523,601	98,515	\$ -	\$ -	\$ -	\$ 11,622,116
\$ 49,356,655	\$ 37,651,827	\$ 15,216,165	\$ 12,963,213	\$ 37,853,136	\$ 153,040,996

*Prior Authorized Balance includes 2025 carryover funding only.

	2025 BUDGET AS AMENDED	-----2026-----		PROPOSED BUDGETS					TOTAL PROPOSED AMOUNTS
		RESERVES AND OTHER FUNDING	CURRENT FUNDING	2026	2027	2028	2029	2030	
ELECTRIC FUND	\$ 15,000,000	\$ 16,277,318	\$ 999,682	\$ 17,277,000	\$ 13,023,000	\$ 3,526,000	\$ 350,000	\$ 800,000	\$ 34,976,000
WATER FUND	7,422,209	28,282,999	137,001	28,420,000	9,507,631	5,035,000	5,910,000	5,225,000	54,097,631
SEWER FUND	1,550,000	200,000	-	200,000	3,075,000	1,000,000	1,050,000	1,000,000	6,325,000
STORMWATER FUND	1,087,722	1,260,453	50,000	1,310,453	1,290,000	750,000	775,000	815,000	4,940,453
PUBLIC WORKS DEPARTMENT - CAPITAL PROJECT FUND DIVISIONS	990,209	644,136	-	644,136	4,371,641	3,266,525	2,761,644	2,671,020	13,714,966
POLICE DEPARTMENT - CAPITAL PROJECT FUND	7,178	372,730	-	372,730	343,594	351,304	426,569	197,616	1,691,813
PARKS AND RECREATION DEPARTMENT - CAPITAL PROJECT FUND	434,500	215,000	-	215,000	1,211,625	800,000	1,010,000	682,500	3,919,125
PARKING FUND	346,110	53,608	23,728	77,336	694,336	277,336	250,000	26,380,000	27,679,008
FINANCE DEPARTMENT - CAPITAL PROJECT FUND	-	-	-	-	35,000	-	-	-	35,000
INFORMATION TECHNOLOGY DIVISION - CAPITAL PROJECT FUND	110,000	40,000	-	40,000	1,310,000	50,000	50,000	50,000	1,500,000
MAINTENANCE FUND	650,000	800,000	-	800,000	2,740,000	110,000	120,000	-	3,770,000
OTHER DEPARTMENTS/DIVISIONS	-	-	-	-	50,000	50,000	260,000	32,000	392,000
GROSS CAPITAL IMPROVEMENTS	\$ 27,597,928	\$ 48,146,244	\$ 1,210,411	\$ 49,356,655	\$ 37,651,827	\$ 15,216,165	\$ 12,963,213	\$ 37,853,136	\$ 153,040,996
PLANNED FINANCING SOURCES									
GROSS CAPITAL IMPROVEMENTS	\$ 27,597,928	\$ 48,146,244	\$ 1,210,411	\$ 49,356,655	\$ 37,651,827	\$ 15,216,165	\$ 12,963,213	\$ 37,853,136	\$ 153,040,996
LESS: USE OF RESERVES	(2,227,051)	(2,195,313)	-	(2,195,313)	(284,696)	(250,000)	(250,000)	(550,000)	(3,530,009)
VEHICLE & EQUIPMENT REPLACEMENT	(437,280)	(571,795)	-	(571,795)	(1,625,088)	(1,507,524)	(996,196)	(527,580)	(5,228,183)
GRANTS	(1,526,950)	(1,579,136)	-	(1,579,136)	(1,036,767)	(519,136)	(569,136)	(519,136)	(4,223,311)
BOND ISSUES	-	-	-	-	-	-	-	(25,000,000)	(25,000,000)
STATE REVOLVING LOANS	(7,938,609)	(27,650,000)	-	(27,650,000)	(9,800,000)	(4,200,000)	(4,200,000)	(5,200,000)	(51,050,000)
AMERICAN RESCUE PLAN ACT	-	-	-	-	-	-	-	-	-
OTHER FINANCING SOURCES	(13,597,414)	(16,150,000)	-	(16,150,000)	(11,210,000)	(2,180,000)	(180,000)	(150,000)	(29,870,000)
NET CAPITAL IMPROVEMENTS	\$ 1,870,624	\$ -	\$ 1,210,411	\$ 1,210,411	\$ 13,695,276	\$ 6,559,505	\$ 6,767,881	\$ 5,906,420	\$ 34,139,493

2026 CIP Requested/Funding Sources 20

Capital Projects – Priority 1 Projects

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2026	2027	2028	2029	2030	TOTAL
E2601	Electric	Electric	New Lines and Services	200,000	200,000	200,000	200,000	200,000	1,000,000
E1502	Electric	Electric	Underground Distribution - UD Star Campus	150,000	150,000	150,000	150,000	150,000	750,000
W2205	Water	Water	Curtis WTP - Raceway and Backwash Lagoon Rehabilitation	1,500,000	-	-	-	-	1,500,000
W0503	Water	Water	Well Restoration Program	-	100,000	100,000	-	-	200,000
W9308	Water	Water	Water Main Replacement Program	1,000,000	2,000,000	2,200,000	2,200,000	2,200,000	9,600,000
Q0101	Stormwater	Stormwater	Stormwater Quality Improvements (NPDES Phase II Permit)	160,453	100,000	125,000	125,000	125,000	635,453
S0904	Sewer	Sewer	Sanitary Sewer Study and Repairs	200,000	2,050,000	1,000,000	1,050,000	1,000,000	5,300,000
C1401	Police	Capital Projects	Ballistic Vests	22,530	14,194	14,904	22,169	8,216	82,013
I2405	Information Technology	Capital Projects	Cybersecurity Improvements	-	40,000	-	-	-	40,000
I2301	Information Technology	Capital Projects	Surveillance Camera Upgrade and Refresh	-	50,000	50,000	50,000	50,000	200,000
N1806	Facilities Maintenance	Maintenance	FOC - Master Plan	750,000	-	-	-	-	750,000
*Includes Grant Funding				\$ 3,982,983	\$ 4,704,194	\$ 3,839,904	\$ 3,797,169	\$ 3,733,216	\$ 20,057,466

- 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					
				2026	2027	2028	2029	2030	TOTAL
EEQSF	Electric	Electric	Equipment Replacement Program	177,000	873,000	626,000	-	450,000	2,126,000
WEQSF	Water	Water	Equipment Replacement Program	200,000	175,000	710,000	185,000	-	1,270,000
QEQSF	Stormwater	Stormwater	Equipment Replacement Program	200,000	585,000	-	-	40,000	825,000
SEQSF	Sewer	Sewer	Equipment Replacement Program	-	375,000	-	-	-	375,000
REQSF	Refuse	Capital Projects	Equipment Replacement Program	-	-	300,000	-	-	300,000
HEQSF	Street	Capital Projects	Equipment Replacement Program	-	100,000	200,000	-	-	300,000
TEQSF	Engineering	Capital Projects	Equipment Replacement Program	50,000	115,000	-	150,000	-	315,000
MEQSF	Fleet Maintenance	Maintenance	Equipment Replacement Program	-	70,000	-	70,000	-	140,000
CEQSF	Police	Capital Projects	Equipment Replacement Program	325,000	300,000	307,000	375,000	160,000	1,467,000
KEQSF	Parks & Recreation	Capital Projects	Equipment Replacement Program	-	347,000	120,000	375,000	60,000	902,000
AEQSF	Management	Capital Projects	Equipment Replacement Program	-	-	-	50,000	-	50,000
BEQSF	Code Enforcement	Capital Projects	Equipment Replacement Program	-	-	-	160,000	32,000	192,000
VEQSF	Parking	Parking	Equipment Replacement Program	-	112,000	-	-	80,000	192,000
NEQSF	Facilities Maintenance	Maintenance	Equipment Replacement Program	-	-	50,000	50,000	-	100,000
FEQSF	Finance	Capital Projects	Equipment Replacement Program	-	35,000	-	-	-	35,000
*Includes Grant Funding				\$ 952,000	\$ 3,087,000	\$ 2,313,000	\$ 1,415,000	\$ 822,000	\$ 8,589,000

- 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					
				2026	2027	2028	2029	2030	TOTAL
E2502	Electric	Electric	Unit 45 Substation Transformer and Breaker Upgrade	-	2,000,000	-	-	-	2,000,000
E2302	Electric	Electric	Spacer Cable Replacement	125,000	-	-	-	-	125,000
E2303	Electric	Electric	Underground Cable Replacement	150,000	150,000	150,000	-	-	450,000
E2304	Electric	Electric	Meter Replacement	100,000	100,000	100,000	-	-	300,000
E2002	Electric	Electric	New Substation	16,000,000	9,000,000	-	-	-	25,000,000
E1807	Electric	Electric	Relay Replacements - Kershaw Substation	250,000	150,000	-	-	-	400,000
W2401	Water	Water	Curtis Water Treatment Plant - PFAS Removal	25,000,000	-	-	-	-	25,000,000
W2304	Water	Water	Lead Water Service Line (LSL) Assessment and Remediation	-	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
W2001	Water	Water	Newark Reservoir Upgrades	150,000	-	-	1,500,000	-	1,650,000
W1702	Water	Water	Source Water Protection	-	25,000	25,000	25,000	25,000	100,000
W1602	Water	Water	Roseville Park Pressure District	50,000	250,000	-	-	-	300,000
W8605	Water	Water	Water Tank Maintenance	-	-	-	-	1,000,000	1,000,000
S2601	Sewer	Sewer	Silverbrook Pump Station Auxiliary Force Main	-	500,000	-	-	-	500,000
S2501	Sewer	Sewer	Sewer Pump Station Generator Addition and Replacement	-	150,000	-	-	-	150,000
H2601	Street	Capital Projects	Annual Street Program	499,136	3,724,576	2,231,525	2,316,644	2,376,020	11,147,901
H2602	Street	Capital Projects	ADA Accessibility Transition Plan	95,000	200,000	200,000	200,000	200,000	895,000
H2504	Street	Capital Projects	Street Paver	-	-	220,000	-	-	220,000
H1503	Street	Capital Projects	Newark Transportation Plan Implementation	-	190,000	95,000	95,000	95,000	475,000
C2601	Police	Capital Projects	Patrol Rifle Replacement	25,200	29,400	29,400	29,400	29,400	142,800
K2004	Parks & Recreation	Capital Projects	Facilities Accessibilty (ADA Compliance)	40,000	30,000	30,000	35,000	35,000	170,000
K1301	Parks & Recreation	Capital Projects	Hard Surface Facilities Improvements	-	361,625	385,000	335,000	362,500	1,444,125
K0908	Parks & Recreation	Capital Projects	Children's Play Equipment	60,000	70,000	70,000	70,000	70,000	340,000
V2501	Parking	Parking	License Plate Reader Replacement	-	55,000	-	-	-	55,000
V2401	Parking	Parking	Parking Ambassador Body Cameras	27,336	27,336	27,336	-	-	82,008
V2302	Parking	Parking	Parking Lot Surface Maintenance	50,000	250,000	250,000	250,000	550,000	1,350,000
I2601	Information Technology	Capital Projects	Wi-Fi Replacement	40,000	-	-	-	-	40,000
I2602	Information Technology	Capital Projects	Virtual Environment Replacement	-	750,000	-	-	-	750,000
I2603	Information Technology	Capital Projects	Backup and Recovery Solution	-	400,000	-	-	-	400,000
N2602	Facilities Maintenance	Maintenance	Parks Maintenance Storage Facility	-	650,000	-	-	-	650,000
*Includes Grant Funding				\$42,661,672	\$20,062,937	\$ 4,813,261	\$ 5,856,044	\$ 5,742,920	\$ 79,136,834

Capital Projects – Priority 2 Projects ²³

Capital Projects – Priority 3 Projects

PROJECT NUMBER	DEPARTMENT / DIVISION	FUND	PROJECT DESCRIPTION	FIVE YEAR CAPITAL IMPROVEMENTS PROGRAM RECOMMENDED FUNDING					
				2026	2027	2028	2029	2030	TOTAL
E2202	Electric	Electric	Electric Warehouse	125,000	-	-	-	-	125,000
W2601	Water	Water	Curtis WTP Lighting and Heating	-	100,000	-	-	-	100,000
W2602	Water	Water	Paper Mill Storage Tank Improvements	70,000	350,000	-	-	-	420,000
W2603	Water	Water	Water Meter Replacement Program	-	-	1,000,000	1,000,000	1,000,000	3,000,000
W2302	Water	Water	New Elevated Water Storage Tank	200,000	4,800,000	-	-	-	5,000,000
W2201	Water	Water	Water Facilities Security Improvements	150,000	-	-	-	-	150,000
W2203	Water	Water	Well and Wellhouse Facility Upgrades	-	300,000	-	-	-	300,000
W2102	Water	Water	Highfield Drive Booster Station Rehabilitation	50,000	250,000	-	-	-	300,000
W1601	Water	Water	Backup Generation at Water Facilities	-	157,631	-	-	-	157,631
Q2601	Stormwater	Stormwater	Annual Stormwater Improvements Projects	550,000	605,000	625,000	650,000	650,000	3,080,000
Q2602	Stormwater	Stormwater	Hillside Park Underpass Canopy	200,000	-	-	-	-	200,000
Q2501	Stormwater	Stormwater	Catch Basin Repair/Replacement	100,000	-	-	-	-	100,000
Q2502	Stormwater	Stormwater	Crawler Inspection Camera	100,000	-	-	-	-	100,000
R2201	Refuse	Capital Projects	Roll Off Dumpster Purchase	-	42,065	-	-	-	42,065
N2603	Facilities Maintenance	Maintenance	NPD Building Improvements	-	20,000	60,000	-	-	80,000
*Includes Grant Funding				\$ 1,545,000	\$ 6,624,696	\$ 1,685,000	\$ 1,650,000	\$ 1,650,000	\$ 13,154,696

- 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					
				2026	2027	2028	2029	2030	TOTAL
E2402	Electric	Electric	Advanced Metering Infrastructure (AMI) Replacement	-	-	2,000,000	-	-	2,000,000
E1911	Electric	Electric	35kV Line 3402 Capacity Upgrade	-	400,000	300,000	-	-	700,000
W2303	Water	Water	Water Main Conditions Assessment	50,000	-	-	-	-	50,000
R2501	Refuse	Capital Projects	Main Street Trash Bin Replacement	-	-	20,000	-	-	20,000
K2601	Parks & Recreation	Capital Projects	Play Safety Surfacing	95,000	25,000	25,000	65,000	15,000	225,000
K2506	Parks & Recreation	Capital Projects	Coleman Park Redevelopment	-	60,000	-	-	-	60,000
K2507	Parks & Recreation	Capital Projects	Tree & Meadow Inventory, Assessment, Planning & Installation	-	20,000	20,000	20,000	20,000	80,000
K1605	Parks & Recreation	Capital Projects	Redd Park Trail Improvements	-	20,000	-	-	-	20,000
V2601	Parking	Parking	Parking Payment System Refresh	-	-	-	-	750,000	750,000
V2602	Parking	Parking	Parking Garage	-	250,000	-	-	25,000,000	25,250,000
I2505	Information Technology	Capital Projects	Time and Attendance	-	70,000	-	-	-	70,000
N2601	Facilities Maintenance	Maintenance	ESCO 3: Re-Energized	50,000	2,000,000	-	-	-	2,050,000
*Includes Grant Funding				\$ 195,000	\$ 2,845,000	\$ 2,365,000	\$ 85,000	\$25,785,000	\$ 31,275,000

- 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					
				2026	2027	2028	2029	2030	TOTAL
K2602	Parks & Recreation	Capital Projects	Fencing Restoration & Removal	-	20,000	20,000	20,000	20,000	80,000
K2603	Parks & Recreation	Capital Projects	Holiday Display & Installation	-	25,000	15,000	-	-	40,000
K2604	Parks & Recreation	Capital Projects	New Vehicle #1442 Addition to Fleet	-	68,000	-	-	-	68,000
K2502	Parks & Recreation	Capital Projects	0 Paper Mill Road/Ruger Property Rehabilitation	-	10,000	10,000	10,000	10,000	40,000
K2505	Parks & Recreation	Capital Projects	Park Pavilion Replacement and ADA Accessibility (2025)	-	75,000	75,000	50,000	60,000	260,000
K2508	Parks & Recreation	Capital Projects	Pool Pumphouse Electric Upgrade	20,000	-	-	-	-	20,000
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	120,000
A2301	Management	Capital Projects	Main Street and City Hall Holiday Lighting Enhancement	-	50,000	50,000	50,000	-	150,000
*Includes Grant Funding				\$ 20,000	\$ 328,000	\$ 200,000	\$ 160,000	\$ 120,000	\$ 828,000

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

City of Newark 2026 Revenue Budget

Revenue Overview

2025 vs 2026

	* as amended	** as proposed		
UTILITY REVENUE SUMMARY	2025 BUDGET	2026 BUDGET	% FROM 2025 BUDGET	\$ FROM 2025 BUDGET
Utility Revenue				
Electric	\$ 70,475,100	\$ 72,186,300	2.4%	\$ 1,711,200
Water	10,443,948	11,650,700	11.6%	1,206,752
Sewer	9,515,150	9,814,300	3.1%	299,150
Stormwater	2,629,050	2,629,050	0.0%	-
Total Operating Revenue	\$ 93,063,248	\$ 96,280,350	3.5%	\$ 3,217,102
Other				
Realty Transfer Tax	\$ 1,700,000	\$ 1,700,000	0.0%	\$ -
Property Tax	9,745,313	9,951,000	2.1%	205,687
Penalties	67,500	50,000	-25.9%	(17,500)
Franchise Tax	300,000	280,000	-6.7%	(20,000)
Lodging Tax	780,000	900,000	15.4%	120,000
College and University Tax	-	2,100,000	100.0%	2,100,000
Fees for Service	13,112,486	12,155,411	-7.3%	(957,075)
Intergovernmental Revenue	2,019,592	1,369,847	-32.2%	(649,745)
Other Revenue	2,756,100	2,007,100	-27.2%	(749,000)
Appropriation of Prior Year Reserves	-	728,700	100.0%	728,700
Total Operating Revenue	\$ 30,480,991	\$ 31,242,058	2.5%	\$ 761,067
Total Revenue/Other Funding Sources	\$ 123,544,239	\$ 127,522,408	3.2%	\$ 3,978,169

Revenue Assumptions

Utility Adjustments:

- Water: 12% rate adjustment to support an \$870K reserve for capital improvements, PFAS related projects, and water and general fund operational needs
- Sewer: 8% rate adjustment to support ongoing sewer and general fund operations

Tax/Fees:

- Property Taxes: No increase included, but a 2.5%-3.3% minimum increase is recommended to at least keep up with CPI.
 - A larger increase should be considered due to rapid general fund expense growth
- College and University Tax: \$2.1M projected based on UD's enrollment

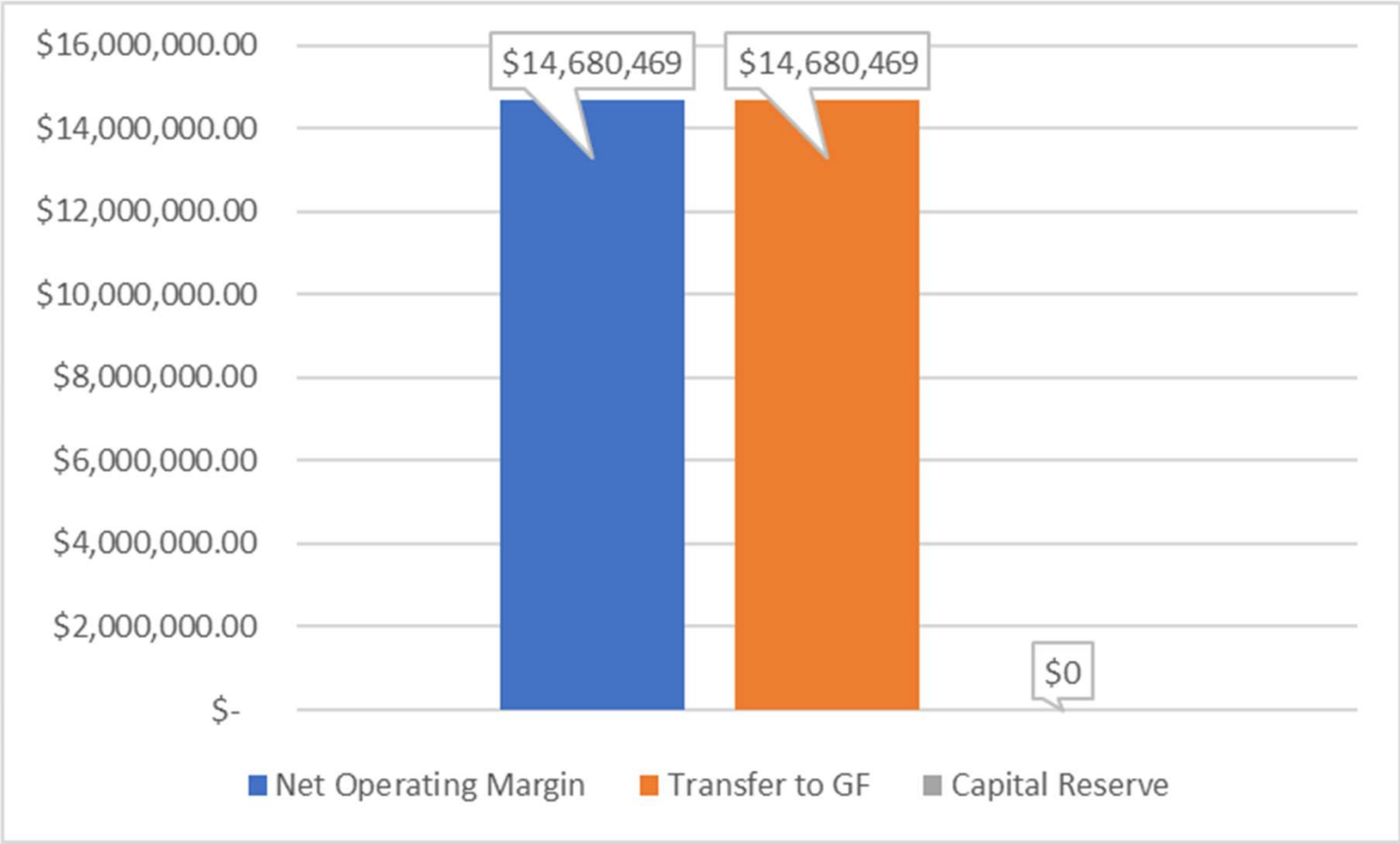
One-Time Revenue Sources:

- 401(a) Forfeitures: \$175K
- Transfer of Self Insurance Reserves: \$400K
- Appropriation of prior reserves fund balance \$17K

General Fund Revenue Highlights

- **Real Estate Transfer Tax:** Projected to remain generally consistent with prior years
- **Hotel Lodging Tax:** Estimated revenue of \$900K in 2026
- **Property Taxes:** Current rate is \$0.2385 per \$100 of assessed value
 - Annual cost of living increases can only be absorbed through tax/fee increases or new development activity
 - A tax increase is recommended to at least keep up with CPI
- **Permit & Fee Revenue:** Estimated to be significantly lower than previous years
- **Transfer from Utilities and Parking:** \$20M
 - \$18M to the General Fund
 - \$1M to OPEB
 - \$1M to Debt Service Fund

Electric Fund Margin Allocation



Revenue – Water Adjustment

Proposed 2026 Water Rate Adjustment – 12% Increase

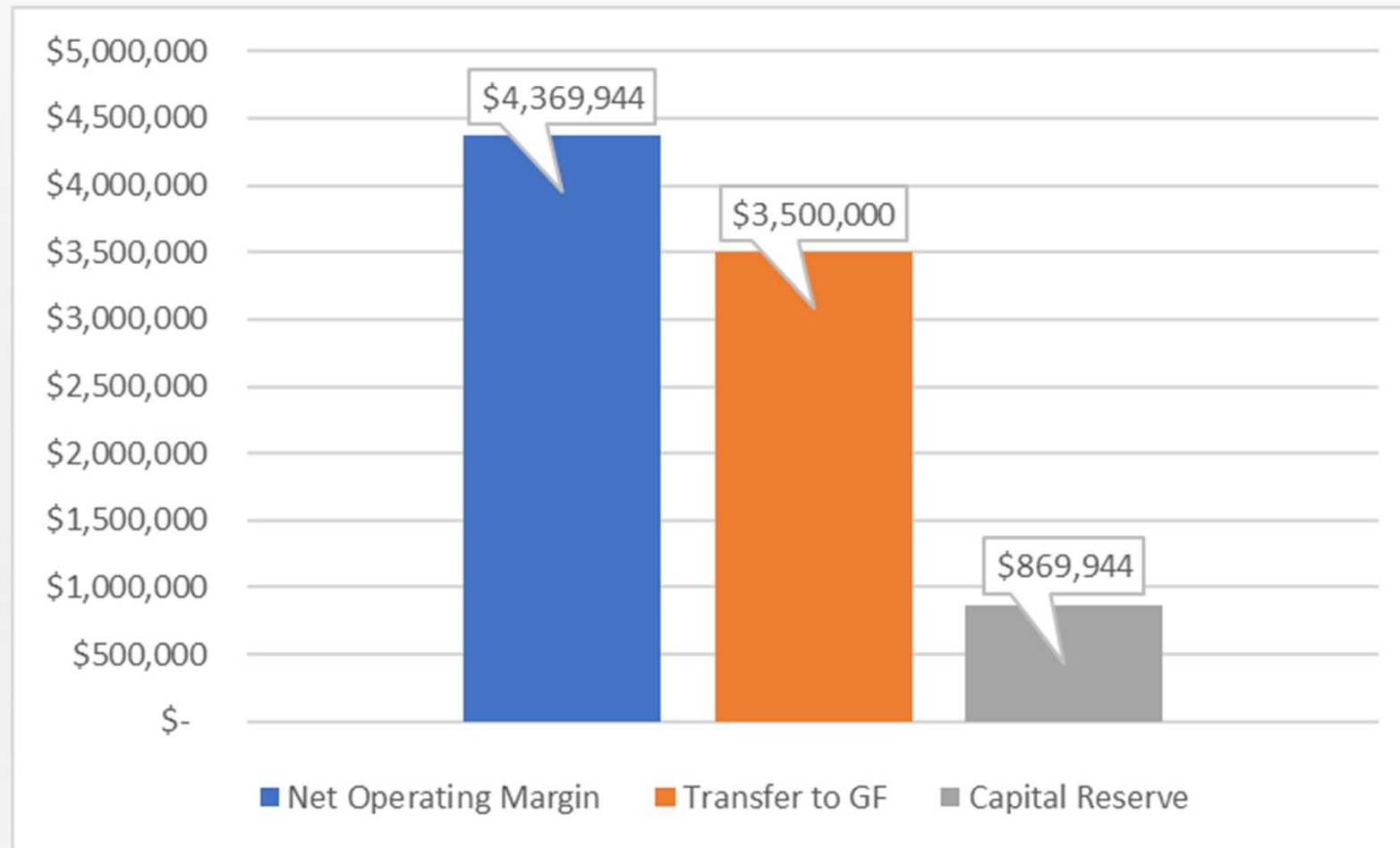
Average customer using 3,667 gallons/month with 5/8" meter:

- Usage = **\$4.22** monthly increase
- Customer charge = **\$1.05** monthly increase
- Total Impact = **\$5.27** monthly increase

Gallons		2025	2026 Proposed	Difference	% Difference
No Consumption	\$	8.76	\$ 9.81	\$ 1.05	12.0%
3,174	\$	32.64	\$ 36.56	\$ 3.92	12.0%
3,667	\$	43.91	\$ 49.18	\$ 5.27	12.0%
5,000	\$	56.69	\$ 63.49	\$ 6.80	12.0%
10,000	\$	104.61	\$ 117.16	\$ 12.55	12.0%

WATER					
In City					
Meter Size	Current	2026 Proposed	Monthly Difference	Annual Difference	
5/8"	\$ 8.76	\$ 9.81	\$ 1.05	\$	12.60
3/4"	\$ 12.26	\$ 13.73	\$ 1.47	\$	17.64
1"	\$ 19.27	\$ 21.58	\$ 2.31	\$	27.72
1 1/2"	\$ 61.30	\$ 68.66	\$ 7.36	\$	88.32
2"	\$ 78.81	\$ 88.27	\$ 9.46	\$	113.52
3"	\$ 192.64	\$ 215.76	\$ 23.12	\$	277.44
4"	\$ 350.26	\$ 392.29	\$ 42.03	\$	504.36
6"	\$ 788.10	\$ 882.67	\$ 94.57	\$	1,134.84
8"	\$ 1,225.93	\$ 1,373.04	\$ 147.11	\$	1,765.32
Outside City					
Meter Size	Current	2026 Proposed	Monthly Difference	Annual Difference	
5/8"	\$ 11.83	\$ 13.25	\$ 1.42	\$	17.04
3/4"	\$ 16.55	\$ 18.54	\$ 1.99	\$	23.88
1"	\$ 26.00	\$ 29.12	\$ 3.12	\$	37.44
1 1/2"	\$ 82.75	\$ 92.68	\$ 9.93	\$	119.16
2"	\$ 106.39	\$ 119.16	\$ 12.77	\$	153.24
3"	\$ 260.08	\$ 291.29	\$ 31.21	\$	374.52
4"	\$ 472.86	\$ 529.60	\$ 56.74	\$	680.88
6"	\$ 1,063.94	\$ 1,191.61	\$ 127.67	\$	1,532.04
8"	\$ 1,655.01	\$ 1,853.61	\$ 198.60	\$	2,383.20

Water Fund Margin Allocation



Revenue – Sewer Adjustment

Proposed 2026 Sewer Rate Adjustment – 8% Increase

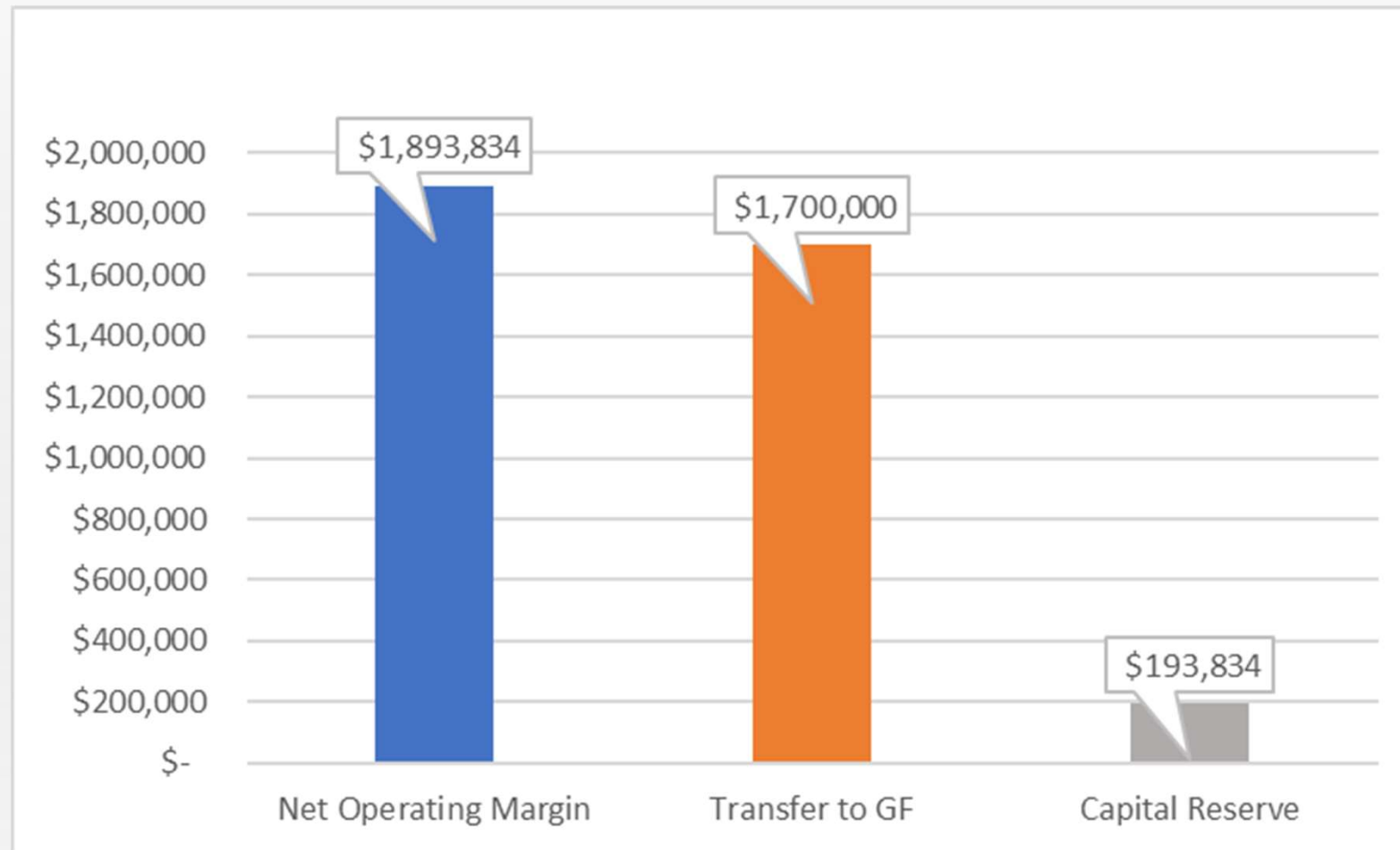
Average customer using 3,667 gallons/month with 5/8" meter:

- Usage = **\$2.79** monthly increase
- Customer charge = **\$.64** monthly increase
- Total Impact = **\$3.43** monthly increase

Gallons		2025	2026 Proposed	Difference	% Difference
No Consumption	\$	8.00	\$ 8.64	\$ 0.64	8.0%
3,174	\$	38.20	\$ 41.26	\$ 3.06	8.0%
3,667	\$	42.89	\$ 46.32	\$ 3.43	8.0%
5,000	\$	55.58	\$ 60.02	\$ 4.45	8.0%
10,000	\$	103.15	\$ 111.40	\$ 8.25	8.0%

SEWER					
In City					
Meter Size	Current	2026 Proposed	Monthly Difference	Annual Difference	
5/8"	\$ 8.00	\$ 8.64	\$ 0.64	\$	7.68
3/4"	\$ 11.20	\$ 12.10	\$ 0.90	\$	10.75
1"	\$ 17.60	\$ 19.01	\$ 1.41	\$	16.90
1 1/2"	\$ 55.98	\$ 60.46	\$ 4.48	\$	53.74
2"	\$ 71.98	\$ 77.74	\$ 5.76	\$	69.10
3"	\$ 175.95	\$ 190.03	\$ 14.08	\$	168.91
4"	\$ 319.91	\$ 345.50	\$ 25.59	\$	307.11
6"	\$ 719.80	\$ 777.38	\$ 57.58	\$	691.01
8"	\$ 1,119.69	\$ 1,209.27	\$ 89.58	\$	1,074.90
Outside City					
Meter Size	Current	2026 Proposed	Monthly Difference	Annual Difference	
5/8"	\$ 10.80	\$ 11.66	\$ 0.86	\$	10.37
3/4"	\$ 15.12	\$ 16.33	\$ 1.21	\$	14.51
1"	\$ 23.75	\$ 25.65	\$ 1.90	\$	22.80
1 1/2"	\$ 75.58	\$ 81.63	\$ 6.05	\$	72.56
2"	\$ 97.17	\$ 104.95	\$ 7.77	\$	93.29
3"	\$ 237.53	\$ 256.54	\$ 19.00	\$	228.03
4"	\$ 431.88	\$ 466.43	\$ 34.55	\$	414.60
6"	\$ 971.73	\$ 1,049.47	\$ 77.74	\$	932.86
8"	\$ 1,511.58	\$ 1,632.50	\$ 120.93	\$	1,451.11

Sewer Fund Margin Allocation



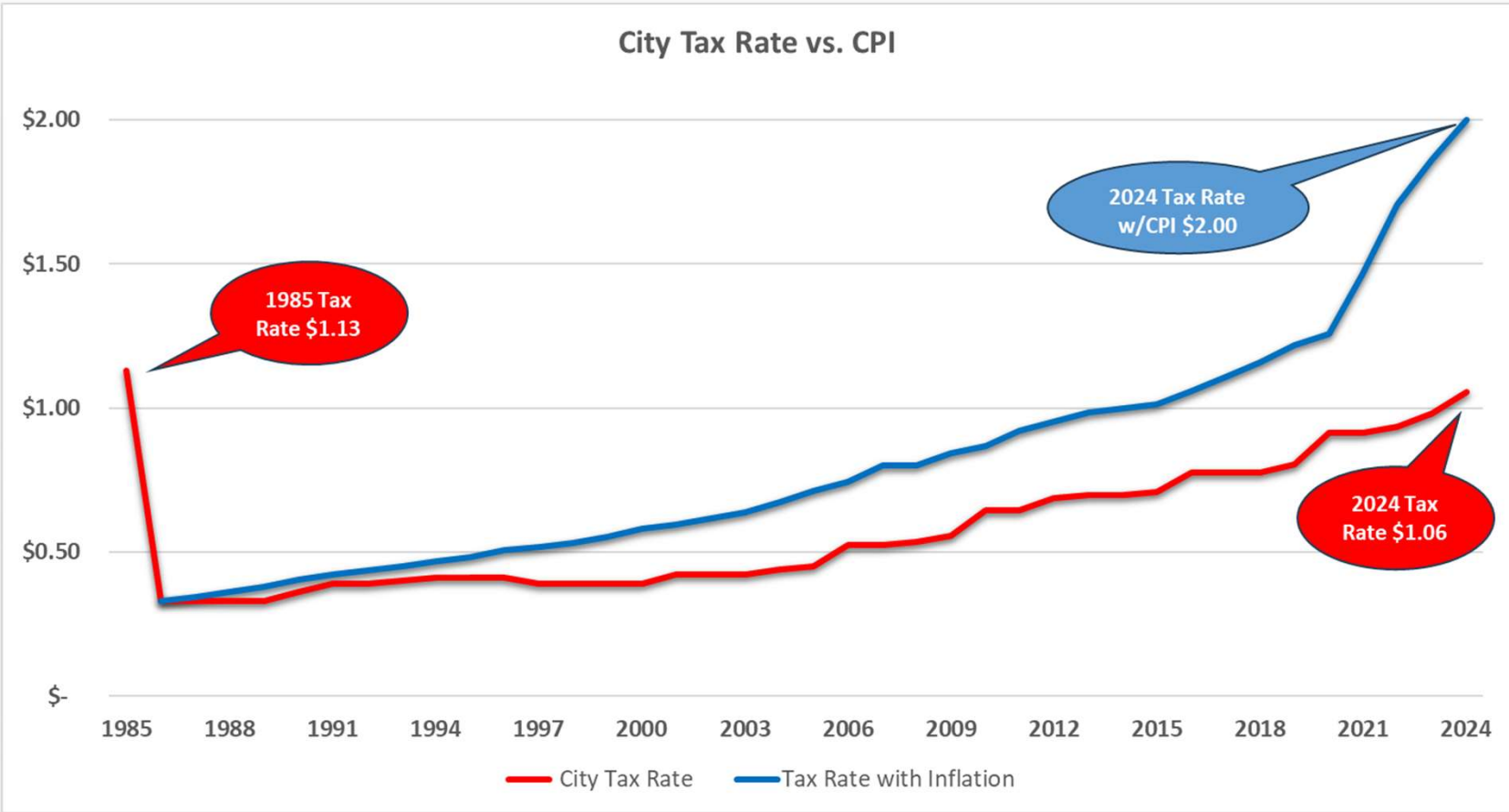
Revenue – Tax Adjustment

Percentage Increase	Current Tax Revenue	2026 New Tax Revenue	2027 New Tax Revenue
Base	\$ 9,951,000		
2%		\$ 99,510	\$ 199,020
2.5%		\$ 124,388	\$ 248,775
3%		\$ 149,265	\$ 298,530
3.3%		\$ 164,192	\$ 328,383
14.5%		\$ 721,448	\$ 1,442,895

Percentile	Assessed Value	Current Tax Bill	2% Increase	2.5% Increase	3% Increase	3.3% Increase	14.5% Increase
Rate		\$ 0.2385	\$ 0.2433	\$ 0.2445	\$ 0.2457	\$ 0.2464	\$ 0.2731
25th	\$ 264,600	\$ 631.07	\$ 643.69	\$ 646.85	\$ 650.00	\$ 651.90	\$ 722.58
50th (median)	\$ 366,200	\$ 873.39	\$ 890.85	\$ 895.22	\$ 899.59	\$ 902.21	\$1,000.03
75th	\$ 455,800	\$1,087.08	\$1,108.82	\$1,114.26	\$1,119.70	\$1,122.96	\$1,244.71
Change from Current Tax Bill			2% Increase	2.5% Increase	3% Increase	3.3% Increase	14.5% Increase
25th			\$ 12.62	\$ 15.78	\$ 18.93	\$ 20.83	\$ 91.51
50th (median)			\$ 17.47	\$ 21.83	\$ 26.20	\$ 28.82	\$ 126.64
75th			\$ 21.74	\$ 27.18	\$ 32.61	\$ 35.87	\$ 157.63

- 2026 General Fund expenses are up \$1.4 million (equal to a 14.5% tax increase), some of this expense has been offset with coordinating fees
- Median tax bill in 2025 was \$873.39
- In addition to Police - Residential taxes are used for:
 - Refuse Service
 - Parks and Recreation (parks, playgrounds, events are not fully funded)
 - Street Maintenance, leaf collection, snow plowing, parks
 - Portions of planning, administration, facilities, fleet maintenance, and finance not paid by fees or utilities

Tax Rate versus Inflation



- City's tax rate has not followed inflation
- 1985 tax rate, last year before current assessment, was \$1.13
- Tax rate in 1986 (first year after reassessment) was \$0.33
 - Adjusted for inflation, that would be equal to \$2.00 in 2024

Taxes and Utilities Impact on Average Resident

MEDIAN RESIDENT IMPACT

MONTHLY	CURRENT	PROPOSED	DIFFERENCE	% DIFF
Water (3,667 gallons)	\$43.91	\$49.18	\$5.27	12.0%
Sewer (3,667 gallons)	\$42.89	\$46.32	\$3.43	8.0%
Electric (winter -750 kWh)*	\$143.46	\$175.55	\$32.09	22.4%
Taxes (\$366.2K AV median)	\$72.78	\$74.61	\$1.83	2.5%
TOTAL	\$307.05	\$349.68	\$42.62	13.9%

*Assumes 9% cost increase to purchase power from DEMEC.

ANNUAL	CURRENT	PROPOSED	DIFFERENCE	% DIFF
Water (3,667 gallons)	\$526.92	\$590.16	\$63.24	12.0%
Sewer (3,667 gallons)	\$514.68	\$555.84	\$41.16	8.0%
Electric (winter -750 kWh)*	\$1,721.52	\$2,106.63	\$385.11	22.4%
Taxes	\$873.39	\$895.36	\$21.97	2.5%
TOTAL	\$3,684.63	\$4,196.11	\$511.49	13.9%

*Assumes 9% cost increase to purchase power from DEMEC.

- Average resident will see an estimated \$42.62 per month increase across the board for all City services in 2026
- No change in current levels of services

TO BE CONSIDERED

Action Items To Be Considered for 2026 Budget

- **Water:** Approve 12% rate adjustment to support capital reserves and PFAS requirements
 - Implement RSA with capital reserve ordinance for water
- **Sewer:** Approve 8% rate adjustment to support ongoing sewer and general fund operations
 - Implement RSA with capital reserve ordinance for sewer
- **Property Tax:** Implement at least a 2.5%-3.3% increase to align with CPI
 - 12-month Consumer Price Index (All Items): 3.3% as of August 2025
- **Electric:**
 - Revenue Stabilization Adjustment (RSA) to occur as part of the budget process, revisit March 2026
 - Implement new electric rates based on Electric Study

Recommended Direction for Lobbyist

- Potential charter amendments for additional tax options
- FY27 Bond Bill – Coordinate with state legislators for cost sharing of City projects/initiatives
- Events Ticket Tax/Fee
- State funding to support the rising costs of Police services statewide
- Request increase to Municipal Street Aid (MSA) funding for FY27

Budget Process – Next Sixty Days

10/08/2025	Draft Version of CIP on Budget Central
10/15/2025	Deadline to advertise budget summary
10/21/2025	Draft CIP Presented to the Planning Commission
10/27/2025	Final Version of CIP & Operating Budgets for Council
11/03/2025	Budget Hearing
11/17/2025	Budget Hearing #2 (if needed)