

2026 Budget





Overview of Key Information

- \$85 million in total expenditure
- \$72 million in O&M expenditure
- \$1.1 million in Capital Improvement expenditure
- O&M Sales Tax Revenue Budget is a reforecast of 2025 Budget
 - 2026 Budget \$49.2 million
 - Current trends indicate that 2025 projected revenue will be \$48.0 million, an increase of \$800K, or 1.7% over 2024 actual
 - 2.5% budget increase for 2026 comparing to current year projection
- Salary/Benefit Enhancements
 - 2% Annual Step increase in Salaries
 - 2% Cost of Living Adjustment in Salary Ranges
 - 4% overall COLA increase in Salaries for Emps not eligible for a Step
 - Improved captive claim activities compared to fully-funded plan protecting Health Ins premiums to only a 15% increase
- Personnel Requests
 - Personnel requests are deferred until the end of 1st quarter 2026



Overview of Appropriations

- **Infrastructure Improvement**

- Franchise Fee Revenue Bond - \$17.5 million in Capital Improvements to occur over the next three budget cycles - construction of an E-911/Safety Center, Caraway Rd Expansion & Pedestrian/Trail Connections
- \$3.0 million appropriation for 2025 - Overlay & Street Improvements
- \$250K appropriation for 2025 - ADA Sidewalk Improvements
- \$1.1 million budget for recurring Cap Imp - Misc. Drainage Imp, Industrial Rail Maint & Economic Dev

- **Cap Improvement Carryover Funding**

- \$18.7 million total funding for 2025
- \$5.7 million net activity for 2025
- \$11.1 million in remaining appropriation

- **Depreciation Fund**

- \$4.4 million appropriation for 2025
- 37 fleet unit replacements (25 units for JPD) of total 52 fleet unit replacements requested
- \$2.5 million 2 new Fire Apparatus - additional \$625K funded (25%) for 2025 - total funding \$1.25M - CWL has agreed to fund the remaining \$1.2M over two budget cycles
- Replacement of Maint Equip – PD \$60K, FD \$45K, Parks \$297K, Street \$474K



Overview of Franchise Fee Cap Imp Revenue Bond

- **Revenue Bond Issuance**

- Par value/amount \$17,595,000 – principal to be repaid
- Net issuance proceeds available for project construction \$17,417,358
- Annual Debt Service \$1,147,100
- True Interest Cost 4.96%
- Final maturity 8/1/2055

- **Project Appropriation**

- \$5.5 million - E-911/Public Safety Center
- \$5.5 million - Caraway Rd Expansion
- \$5.0 million - Pedestrian & Trail Connections
- \$16.0 million total Project Appropriation

- **Projected Activities for 2025**

- Interest Earned \$264,000
- Expenditures & Commitments \$1.4 million
- Available Funding for additional projects or increased cost support \$1.6 million

Overview of Restricted Revenue Replacement Fund (ARPA)



• Funding	
▪ 2025 Carryover of Revenue Replacement Fund	<u>\$582,721</u>
• Appropriations for 2026	
▪ Tornado Siren Upgrade	
▪ Transition of communication system to Digital Radios	\$124,341
▪ System Expansion – 4 additional sirens to cover service area	<u>\$136,920</u>
Total Appropriations	<u>\$261,261</u>
Remaining Funding Available	<u>\$321,460</u>

Overview of Reserve Analysis



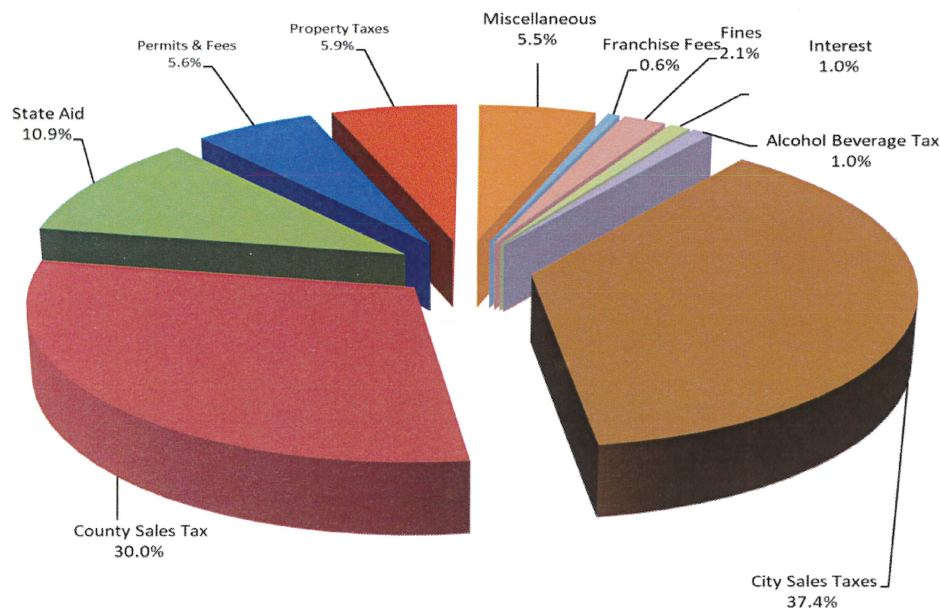
	Amount	Amount
2026 Projected Ending Balances		
General Fund	\$12,477,257	
Street Fund	\$ 173,785	
Capital Improvement Fund (Assigned)	\$ 12,024,831	
Depreciation Fund (Assigned)	\$ 5,317,377	
Total Fund Balances		\$29,993,250
LESS: Required Reserves		(\$9,750,203)
Remaining Unappropriated Reserves		\$20,243,048
Required Reserves Coverage (supporting \$5.4M Avg mthly Gen Fund Oper Exp)		1.8 months
Unappropriated Reserves Coverage (supporting \$5.4M Avg mthly GF Oper Exp)		2.0 months
Total Reserve Coverage		3.8 months

Note: RES-09:186 Required Res of 15% of budgeted exp of GF - - AML & GFOA recommend one to two months of coverage (8% to 17%)



O&M Revenues

Projected Operation & Maintenance Revenues by Source



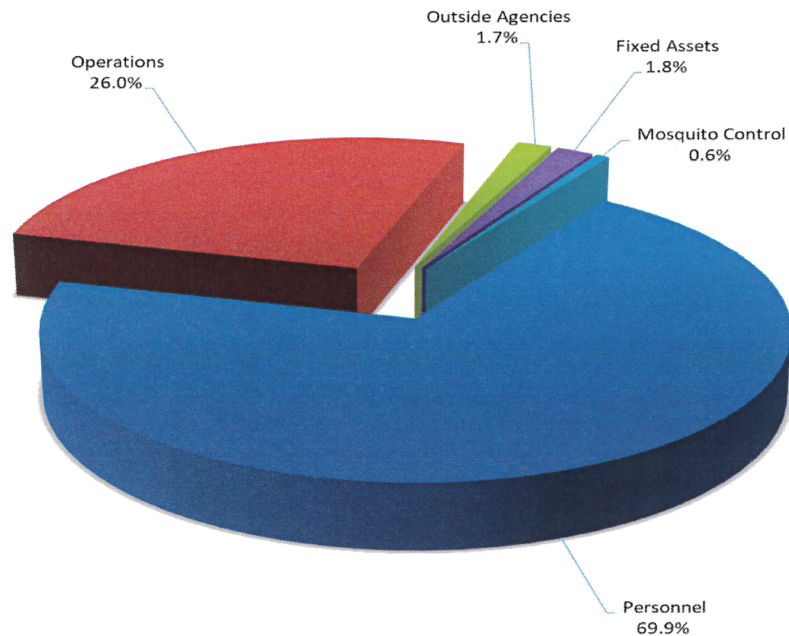
O&M Revenues	2025 Budget	2026 Budget	Difference
City Sales Taxes	\$27,278,218	\$27,278,218	\$-0-
County Sales Tax	\$21,888,782	\$21,888,782	\$-0-
State Aid	\$7,926,402	\$7,926,402	\$-0-
Permits and Fees	\$4,196,125	\$4,075,376	\$(120,749)
Property Taxes	\$4,097,750	\$4,290,001	\$192,251
Miscellaneous	\$3,899,260	\$4,027,256	\$127,996
Franchise Fees*	\$1,716,000	\$427,196	\$(1,288,804)
Fines	\$1,389,880	\$1,497,945	\$108,065
Interest	\$960,892	\$718,164	\$(242,728)
Alcohol Bev Tax	\$721,739	\$721,739	\$-0-
TOTAL O&M REVENUES	\$74,075,048	\$72,851,079	\$(1,223,969)

* 2026 Budget restricts \$1,147,100 for debt service for the Series 2025 Revenue Bond

O&M Account Type Expenditures



Projected Operation & Maintenance Expenditures by Type

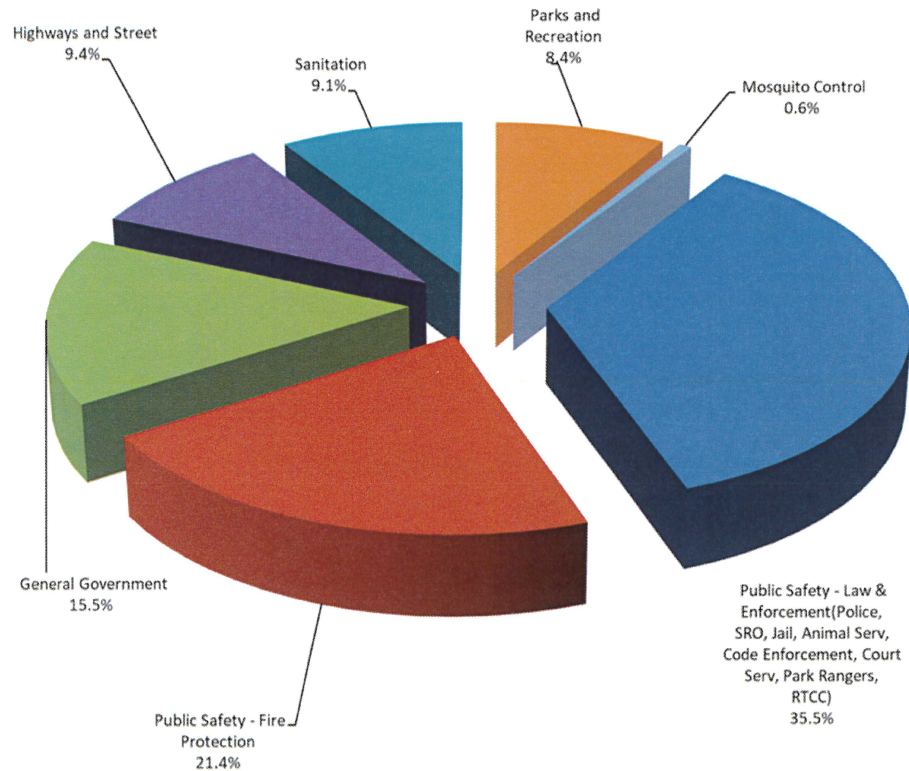


O&M Expenditure by Account Type	2025 Budget	2026 Budget	Difference
Personnel	\$48,691,075	\$50,170,536	\$1,479,461
Operations	\$18,468,753	\$18,621,332	\$152,579
Fixed Assets	\$1,352,460	\$1,283,226	\$(69,234)
Outside Agencies	\$1,261,250	\$1,208,250	\$(53,000)
Mosquito Control	\$460,000	\$460,000	\$-0-
TOTAL	\$70,233,538	\$71,743,344	\$1,509,806

O&M Account Classification Expenditures



Projected Operation & Maintenance Expenditures by Classification



O&M Expenditure by Classification	2025 Budget	2026 Budget	Difference
Law Enforcement	\$24,958,559	\$25,457,113	\$498,554
Fire Protection	\$14,808,178	\$15,350,129	\$541,951
Gen Government	\$10,643,494	\$11,123,048	\$479,554
Highways and Street	\$6,788,886	\$6,741,994	\$(46,892)
Sanitation	\$6,494,724	\$6,556,005	\$61,281
Parks & Recreation	\$6,079,697	\$6,055,055	\$(24,642)
Mosquito Control	\$460,000	\$460,000	\$-0-
TOTAL	\$70,233,538	\$71,743,344	\$1,509,806

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