

2026 Budget Presentation

Oct. 21, 2025



Agenda

- **2026 Budget Process**
- **Fund Balance Summary**
- **General Fund Summary**
- **Revenue Projections**
- **Operating Expenditures**
- **2026 New Positions**
- **Department Presentations**
- **General Fund Long Range Forecast**



2026 Budget Process

- Budget opened for departments May 2 for Operating, Personnel, and Capital budgets
- Revenue assumptions built and supported by Council at the July 17 Study Session
- Budget closed June 27 and EBT began reviewing departmental budgets
- Departments provided three rounds of reductions & reprioritizations to balance the budget for 2026 and through 2030
- Personnel and Compensation considerations were weighed by EBT
- Recommended budget finalized in October for release on Oct. 15, per state requirement



2026 Budget Process

- Best Practices:
 - Use budget targets to establish budget goals and strategy.
 - Establishes linkage between the budget and adopted community and Council priorities.
 - Achieves a structurally balanced budget through effective projection of sources and uses.
- Key Budget Deadlines:
 - Oct. 15 – Recommended Budget Released for Public Review
 - Oct. 28 – Public Hearing and 1st Reading
 - Nov. 18 – 2nd Reading and Budget Adoption
 - Dec. 9 – Final 2025 Supplemental and Mill Levy Certification



Budgeting for Resiliency

Key Resiliency Efforts

- Revenue forecasting at the aggregate level to better predict anticipated sources and economic factors.
- Long-range forecasting to include revenue and operating growth closer to historical actuals, as well as new and increased fees to support development impact.
- A recommended one-year reduction in full-time staff merit from 3% to 2% to support long-term staffing resiliency and growth.
- Reduction of long-range staffing plan anticipated positions for 2026 from 41 to consideration of only recommending 9 total new FTEs, all critical or cost neutral.
- \$3.3 million in operating reductions in the General Fund and \$2.6 million either reduced or reprioritized in the Capital Improvements Fund.

Fund Balance Summary

2026 Budget	Beginning Balance	Revenues - Proposed	Expenditures - Proposed	Net Increase/ Decrease	Restricted	Ending Balance
General Fund - 100	28,179,359	69,306,130	75,384,926	(6,078,796)	(3,328,546)	18,772,017
Capital Improvement Fund - 110	28,764,084	10,000,000	15,778,858	(5,778,858)	-	22,985,226
Grants Fund*	(1,681,344)	1,681,344	-	1,681,344	-	0
Trails & Natural Areas Fund	7,431,020	3,079,000	2,455,513	623,487	-	8,054,507
Conservation Trust Fund	1,538,007	350,000	1,477,067	(1,127,067)	-	410,940
Cemetery Fund	523,298	-	-	-	-	523,298
Total Special Revenue Funds	7,810,982	5,110,344	3,932,580	1,177,764	-	8,988,746
Transportation Impact Fund	29,753,282	4,065,740	12,175,000	(8,109,260)	-	21,644,022
Public Facilities Impact Fund	6,544,491	2,615,920	2,279,814	336,106	-	6,880,597
Parks Improvement Impact Fund	16,110,165	1,650,940	7,000,000	(5,349,060)	-	10,761,105
Police Facilities Impact Fund*	804,781	454,100	47,266,850	(46,812,750)	-	(46,007,969)
Tree Impact Fund	1,662,386	201,000	226,800	(25,800)	-	1,636,586
Storm Drainage Impact Fund	10,801,067	1,124,180	7,050,000	(5,925,820)	-	4,875,247
Total Capital Funds	65,676,173	10,111,880	75,998,464	(65,886,584)	-	27,290,823
Insurance Fund	-	2,093,062	1,500,062			
Fleet & Equipment Acquisition Fund	3,732	2,156,813	2,156,813	-	-	3,732
Total Internal Service Funds	3,732	4,249,875	3,656,875	593,000	-	596,732
Water Fund*	136,081,196	31,285,800	201,059,058	(169,773,258)	-	(33,692,062)
Wastewater Fund	41,406,131	12,124,000	10,249,868	1,874,132	-	43,280,263
Storm Drainage Operating Fund*	1,701,803	1,959,809	6,794,906	(4,835,097)	-	(3,133,294)
Airport Fund	122,719	491,545	422,969	68,576	-	191,295
Total Enterprise Funds	179,311,849	45,861,154	218,526,801	(172,665,647)	-	6,646,202
Totals	309,746,179	144,639,383	393,278,504	(248,639,121)	(3,328,546)	57,778,512

Note: The Police Facilities Impact Fund, Water Fund, and Storm Drainage Operating Fund all have anticipated debt issuances for 2026 that will offset the negative fund balances. The Town does not typically budget debt until Council approval and issuance.



General Fund Summary

General Fund Beginning Balance	\$24,918,869
General Fund Revenues	\$69,306,130
General Fund Operating & Debt Expenditures	\$63,228,113
Fleet Transfers Out	\$2,156,813
Ending Fund Balance	\$28,840,073
Transfer to Capital Improvement Fund	\$10,000,000
Non-spendable Fund Balance	\$3,328,546
Spendable Fund Balance	\$14,896,009
Forecast Spendable Fund Balance (includes 7.5% Turnback)	\$19,888,059



Revenue Projections – Somewhat Constrained

Sales Taxes

Retail

Vehicle

Other Taxes

Highway User Taxes

Motor Vehicle Taxes

Road & Bridge Taxes

Cigarette Taxes

Severance Taxes

Specific Ownership Taxes

Building/Development

Use Tax

Building Permits

User Charges/Fees

5% Bag Fees

3% Landfill Fees

Recreation Fees

5% **Oil & Gas**

8% Oil & Gas Royalties

-2% Other Fees & Permits - Oil and Gas

5% **Other**

0% Investment Income - Pooled

0% Investment FVA - Pooled

Franchise Fees

-1%

-1%

Total Revenue 4.1%

15%

10%

12%

10%

0%

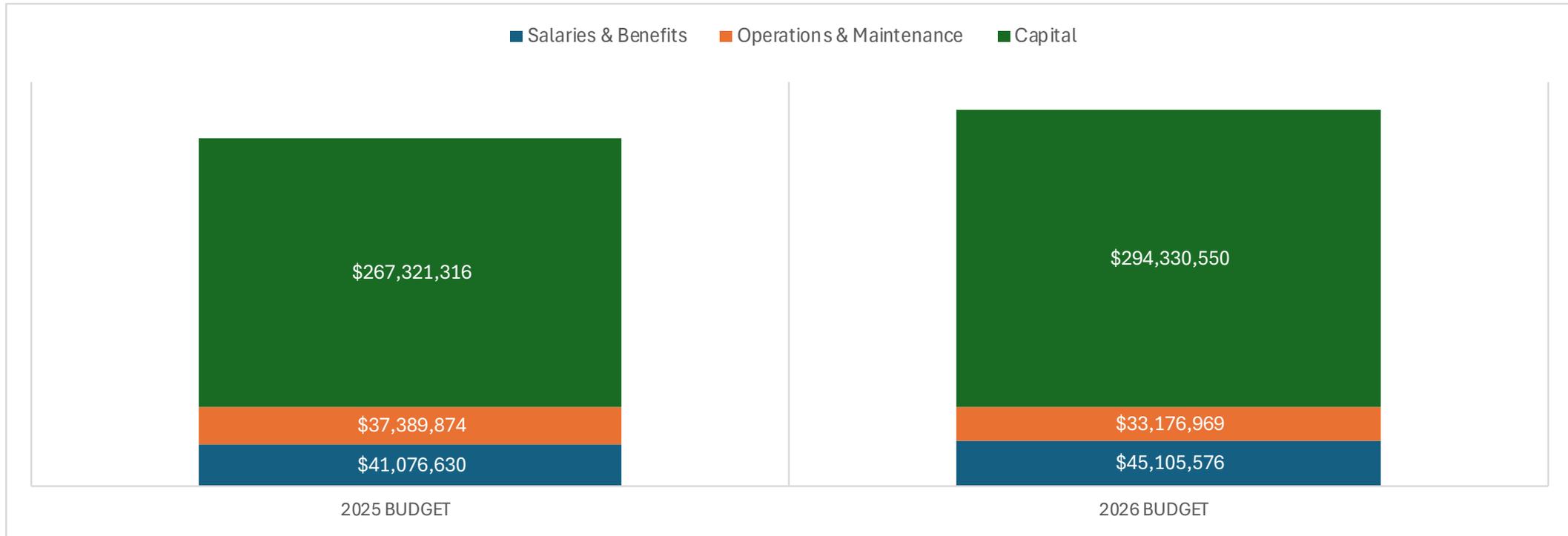
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Townwide Expenditures



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 41,076,630	\$ 45,105,576	\$ 4,028,946	10%
Operations & Maintenance	\$ 37,389,874	\$ 33,176,969	\$ (4,212,905)	-11%
Capital	\$ 267,321,316	\$ 294,330,550	\$ 27,009,234	10%
Debt & Transfers	\$ 17,415,504	\$ 20,665,408	\$ 3,249,905	19%
Expenditures Total	\$ 363,203,323	\$ 393,278,504	\$ 30,075,180	8%
Positions	345	351.5	6.5	1.9%



2026 New Positions

Job Title	Fund	Department	Start Date	Total Wages	Max Add Pay	Max Benefits	Total Comp (Est.)
Police Officer	GENERAL FUND	Police	1/1/2026	\$85,196.80	\$2,540.00	\$36,623.43	\$124,360.23
Assistant Coordinator - Special events	GENERAL FUND	Parks & Recreation	2/1/2026	\$57,652.24	\$2,540.00	\$33,234.97	\$93,427.21
Facilities Maintenance Technician II	GENERAL FUND	Public Works	3/1/2026	\$52,819.12	\$2,540.00	\$32,592.69	\$87,951.81
Streets Technician II	GENERAL FUND	Public Works	4/1/2026	\$47,468.16	\$2,540.00	\$31,881.60	\$81,889.77
Parks Maintenance Superintendent	CONSERVATION TRUST FUND	Parks & Recreation	2/1/2026	\$104,296.76	\$2,540.00	\$39,255.04	\$146,091.80
Water Resources Manager	WATER FUND	Utilities	1/1/2026	\$113,977.00	\$2,540.00	\$40,502.44	\$157,019.44
Distribution Maintenance Operator III	WATER FUND	Utilities	3/1/2026	\$65,618.47	\$2,540.00	\$34,270.96	\$102,429.43
Wastewater Maintenance Mechanic	WASTEWATER FUND	Utilities	3/1/2026	\$56,777.50	\$2,540.00	\$33,118.72	\$92,436.23
Stormwater Maintenance Operator III	STORM DRAINAGE OPERATING FUND	Utilities	3/1/2026	\$65,618.47	\$2,540.00	\$34,270.96	\$102,429.43

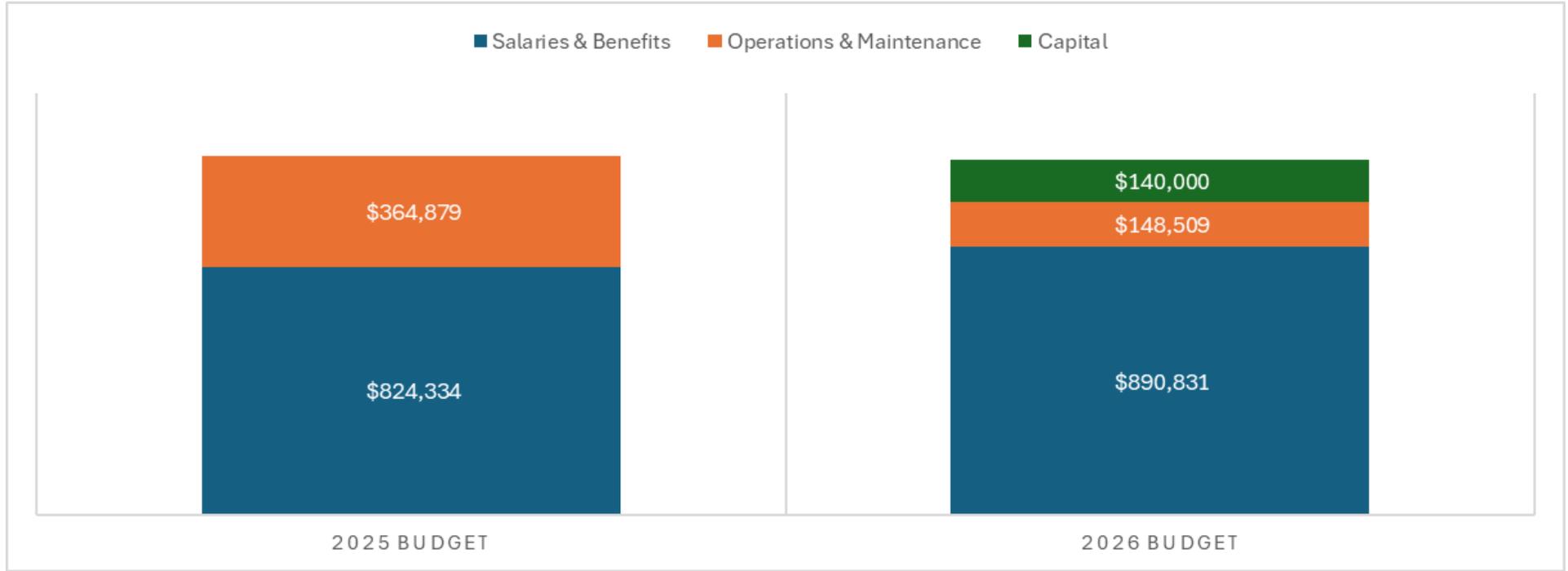


Information Technology 2026 Budget Overview

Denise Jakan,
Director of Information
Technology



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 824,334	\$ 890,831	\$ 66,497	8%
Operations & Maintenance	\$ 364,879	\$ 148,509	\$ (216,370)	-59%
Capital	\$ -	\$ 140,000	\$ 140,000	
Expenditures Total	\$ 1,189,213	\$ 1,179,340	\$ (9,873)	-1%
Positions	6	6	0	-

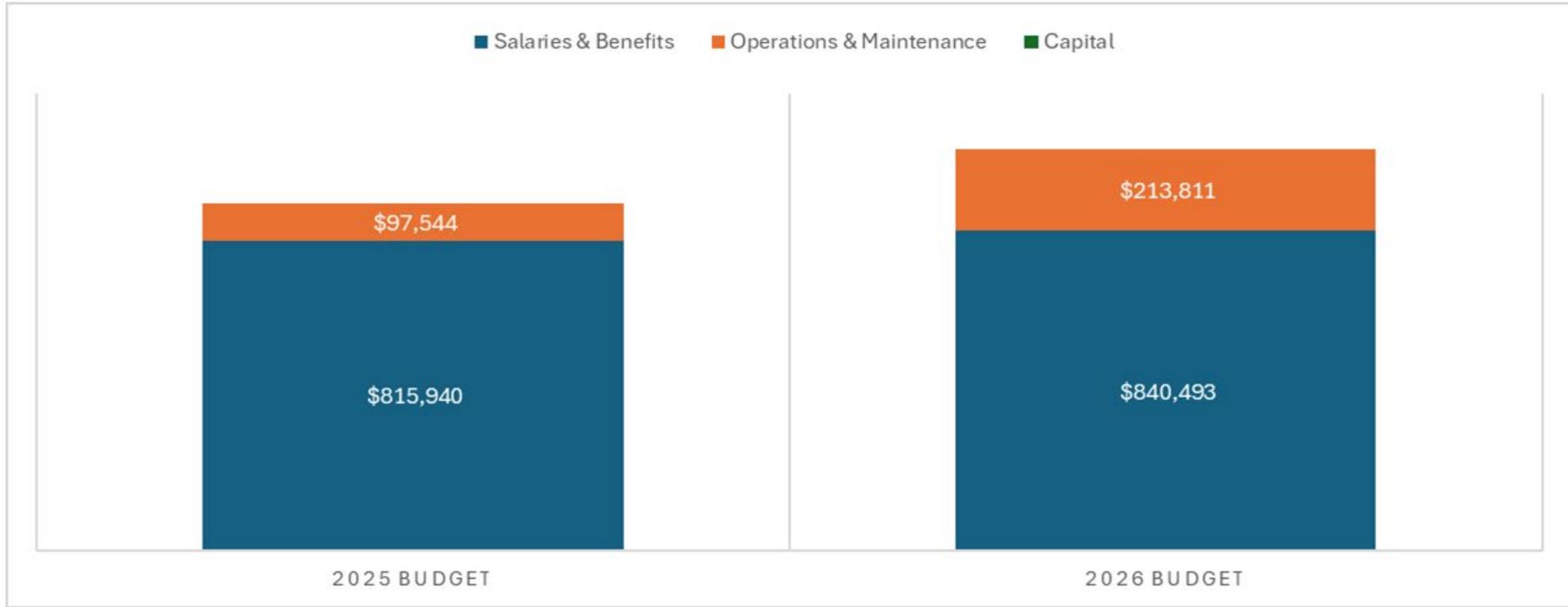


Communications & Community Engagement 2026 Budget Overview

Gabi Rae, Director of Communications & Community Engagement



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 815,940	\$ 840,493	\$ 24,553	3%
Operations & Maintenance	\$ 97,544	\$ 213,811	\$ 116,267	119%
Capital	\$ -	\$ -	\$ -	-
Expenditures Total	\$ 913,484	\$ 1,054,304	\$ 140,820	15%
Positions	6	6	0	-

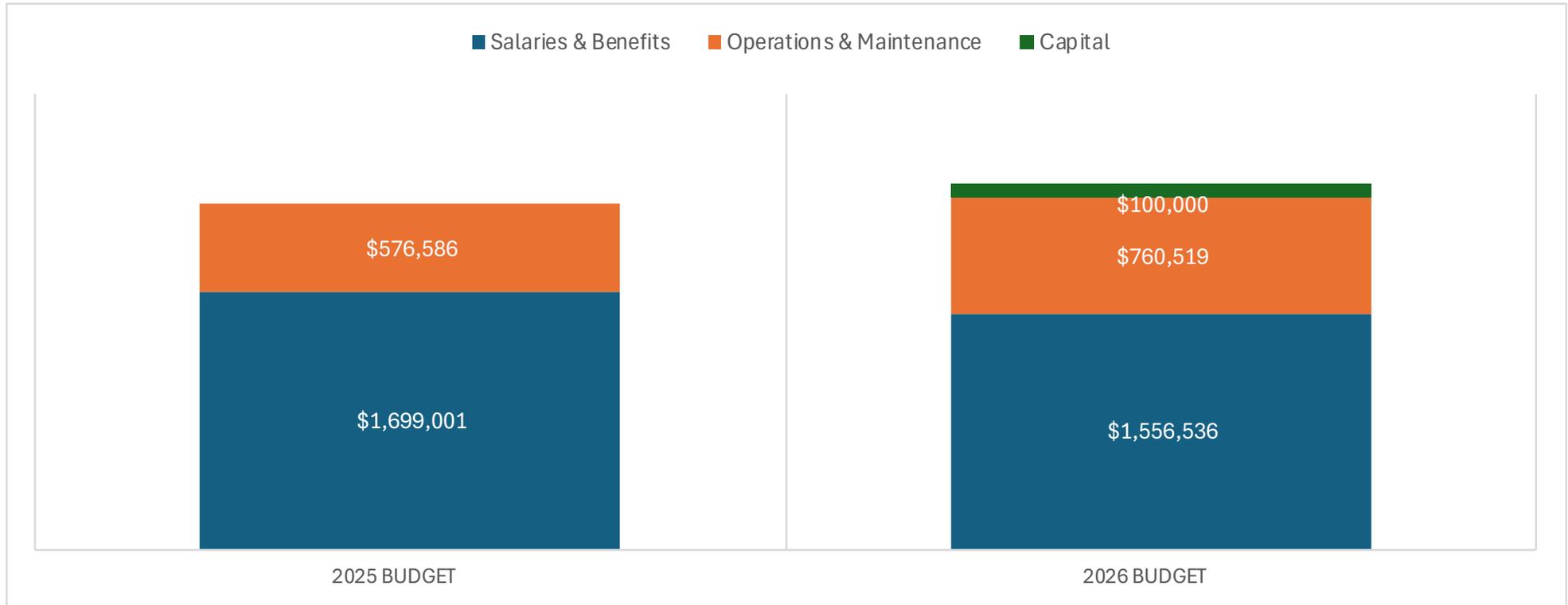


Human Resources 2026 Budget Overview

Alicia Melendez, Director of
Human Resources



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 1,699,001	\$ 1,556,536	\$ (142,465)	-8%
Operations & Maintenance	\$ 576,586	\$ 760,519	\$ 183,933	32%
Capital	\$ -	\$ 100,000	\$ 100,000	
Expenditures Total	\$ 2,275,587	\$ 2,417,055	\$ 141,468	6%
Positions	10	10	0	-

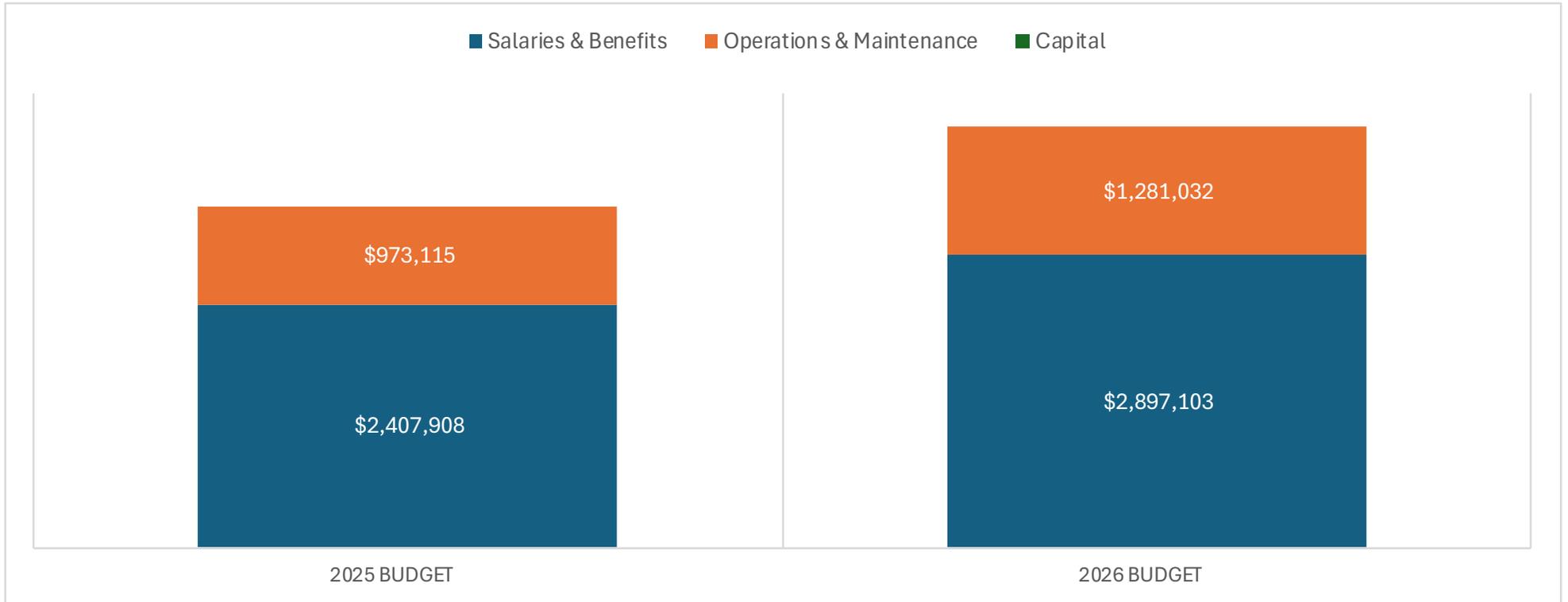


Town Administration 2026 Budget Overview

**Meredyth Muth, Director of
Administrative Services &
Operations**



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 2,407,908	\$ 2,897,103	\$ 489,195	20%
Operations & Maintenance	\$ 973,115	\$ 1,281,032	\$ 307,917	32%
Capital	\$ -	\$ -	\$ -	-
Expenditures Total	\$ 3,381,023	\$ 4,178,135	\$ 797,112	24%
Positions	15	15	0	-

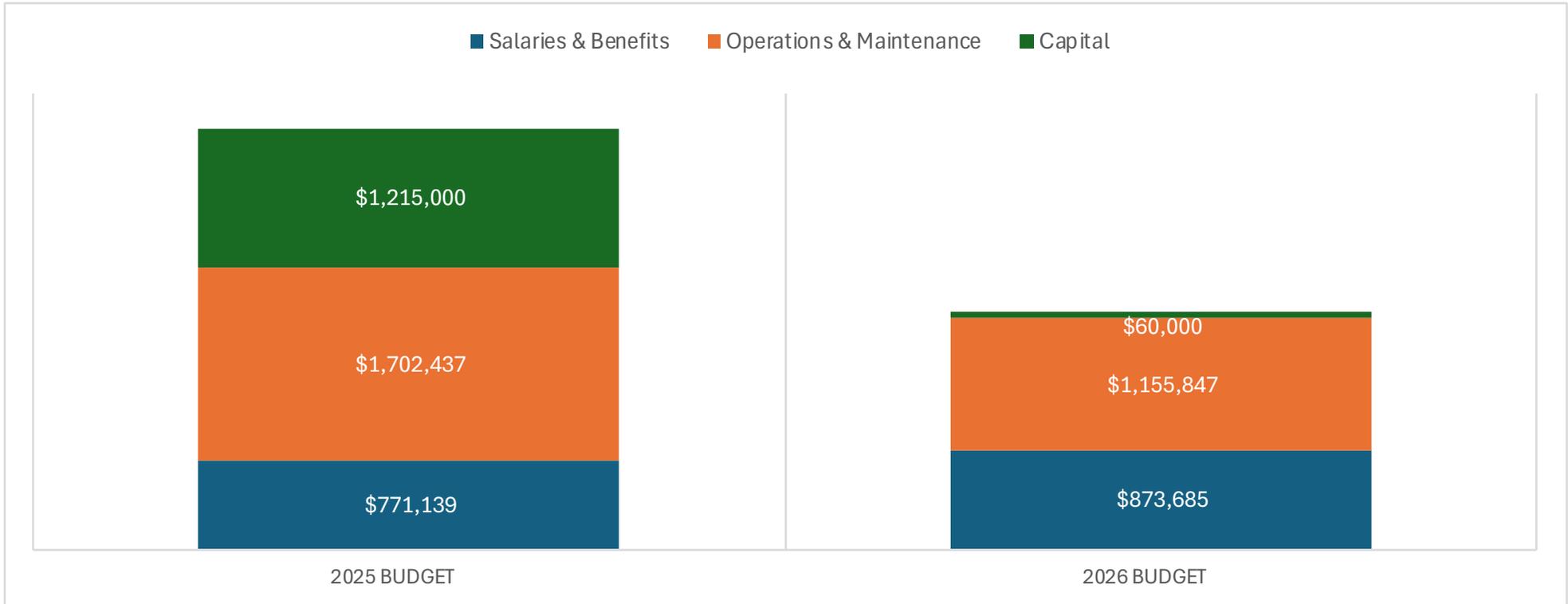


Environmental Services 2026 Budget Overview

David Frank, Director of
Environmental Services

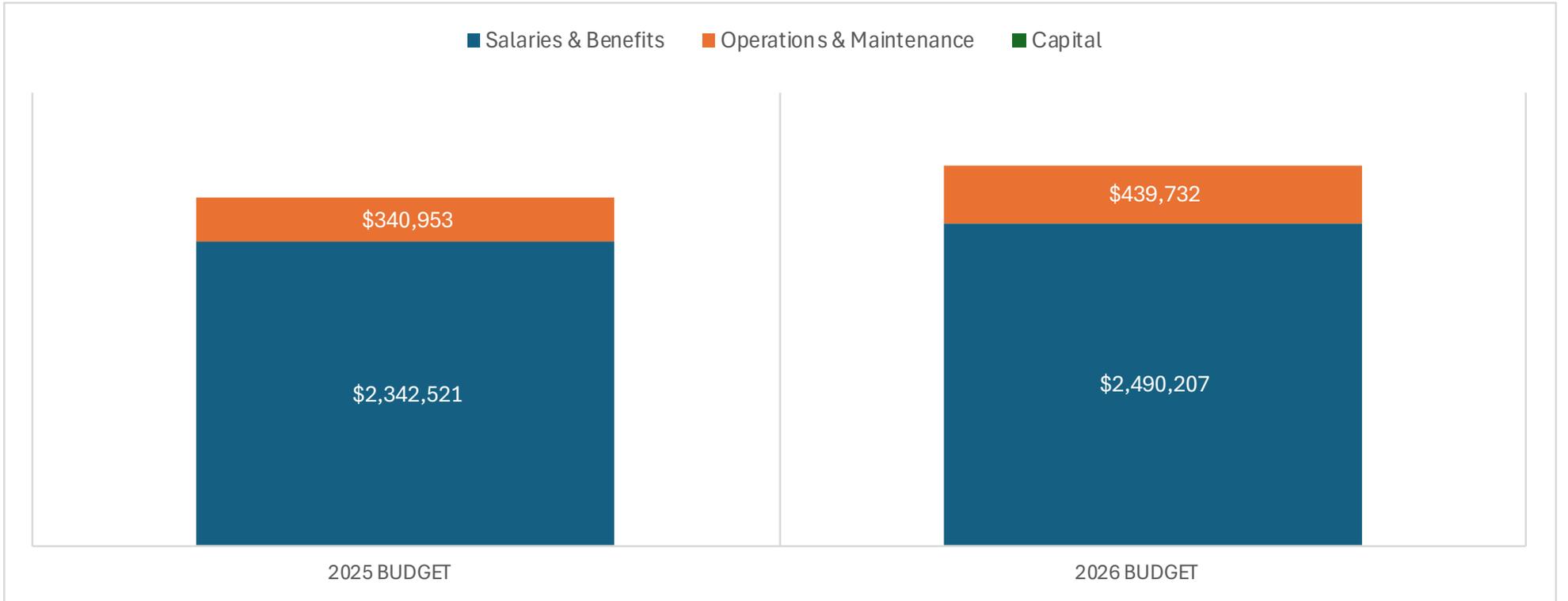


Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 771,139	\$ 873,685	\$ 102,546	13%
Operations & Maintenance	\$ 1,702,437	\$ 1,155,847	\$ (546,590)	-32%
Capital	\$ 1,215,000	\$ 60,000	\$ (1,155,000)	-95%
Expenditures Total	\$ 3,688,576	\$ 2,089,532	\$ (1,599,044)	-43%
Positions	6.6	6.6	0	-

Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 2,342,521	\$ 2,490,207	\$ 147,686	6%
Operations & Maintenance	\$ 340,953	\$ 439,732	\$ 98,779	29%
Capital	0	0	\$ -	-
Expenditures Total	\$ 2,683,474	\$ 2,929,939	\$ 246,465	9%
Positions	18	18	0	-

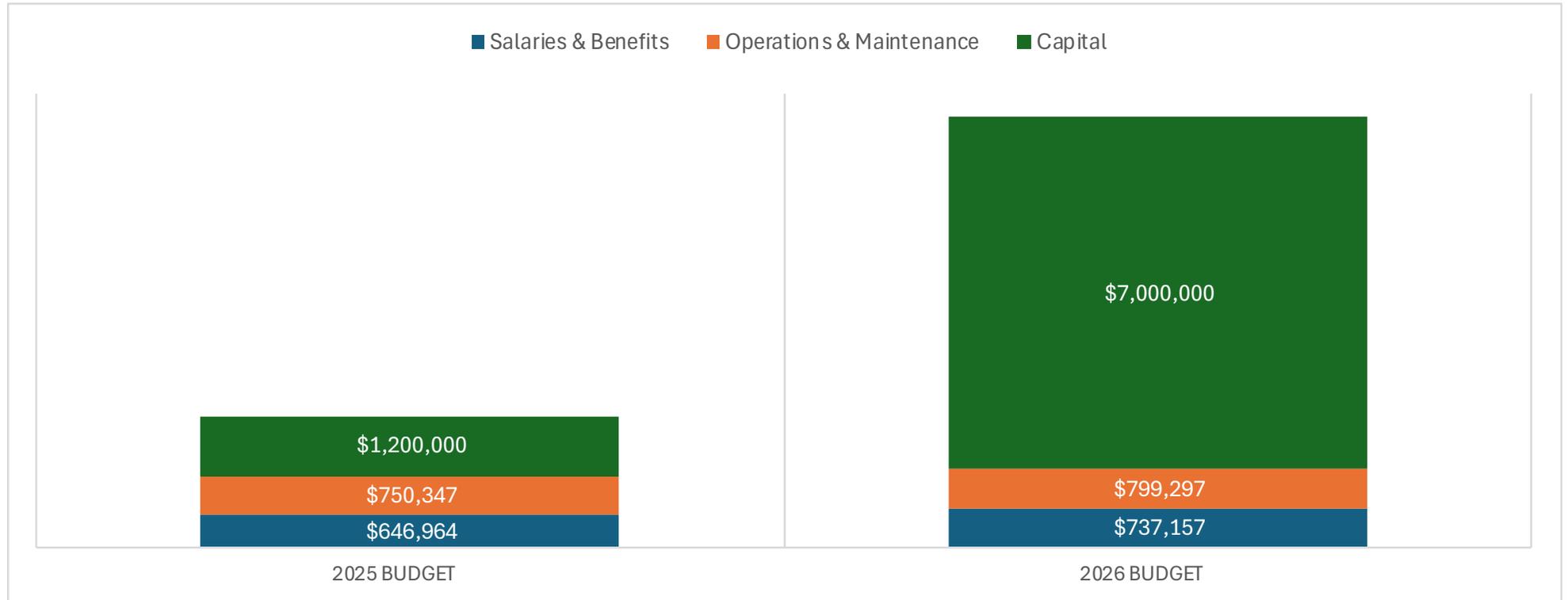


Economic Development 2026 Budget Overview

Julian Jacquin, Director of
Economic Development



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 646,964	\$ 737,157	\$ 90,193	14%
Operations & Maintenance	\$ 750,347	\$ 799,297	\$ 48,950	7%
Capital	\$ 1,200,000	\$ 7,000,000	\$ 5,800,000	483%
Expenditures Total	\$ 2,597,311	\$ 8,536,454	\$ 5,939,143	229%
Positions	4	4	0	-

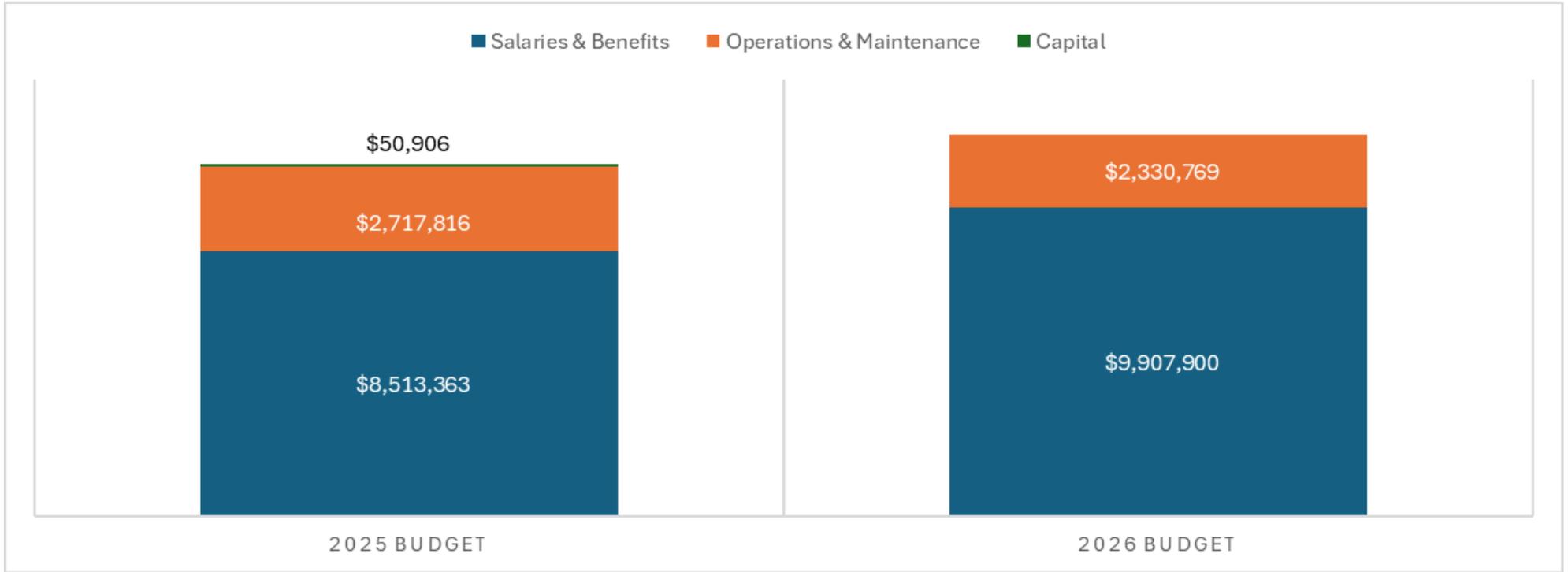


Public Safety 2026 Budget Overview

Lee Mathis, Police Chief



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 8,513,363	\$ 9,907,900	\$ 1,394,537	16%
Operations & Maintenance	\$ 2,717,816	\$ 2,330,769	\$ (387,047)	-14%
Capital	\$ 50,906	\$ -	\$ (50,906)	-100%
Expenditures Total	\$ 11,282,085	\$ 12,238,669	\$ 956,584	8%
Positions	57	58	1	0

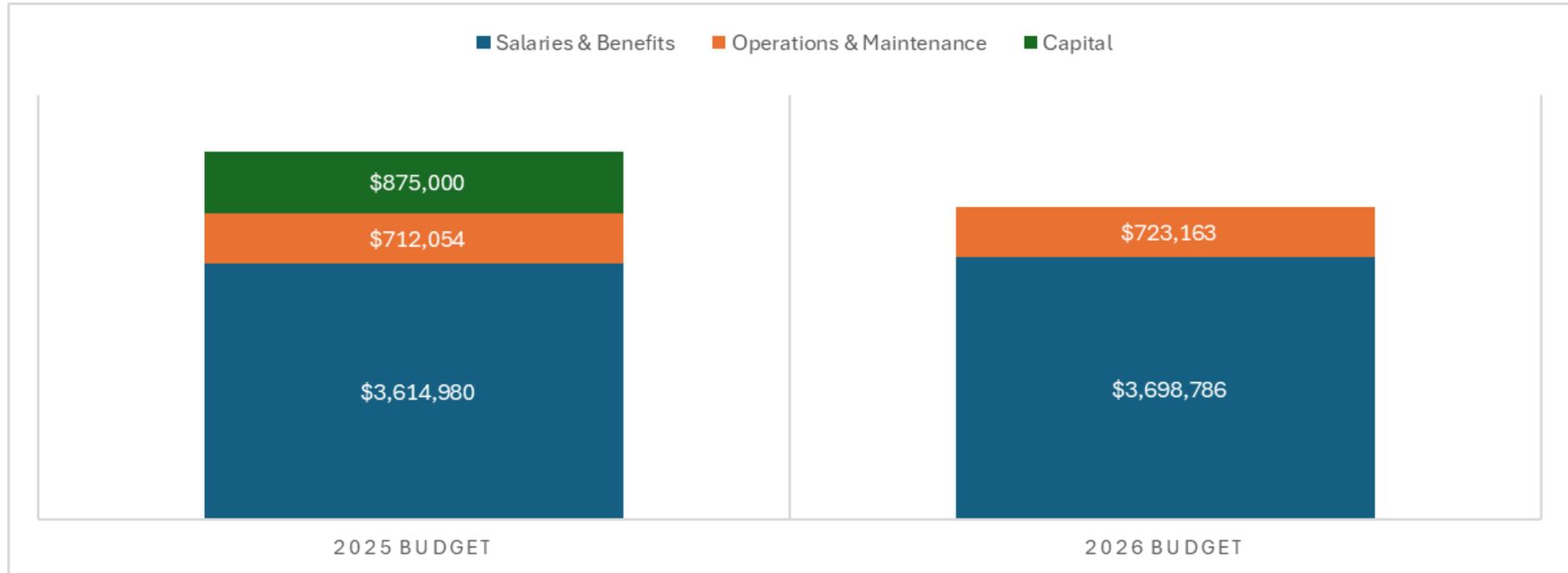


Planning & Development 2026 Budget Overview

Sarah Nurmela, Director of
Planning & Development



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 3,614,980	\$ 3,698,786	\$ 83,806	2%
Operations & Maintenance	\$ 712,054	\$ 723,163	\$ 11,109	2%
Capital	\$ 875,000	\$ -	\$ (875,000)	-100%
Expenditures Total	\$ 5,202,034	\$ 4,421,949	\$ (780,085)	-15%
Positions	27	25	-2	-



Parks & Recreation 2026 Budget Overview

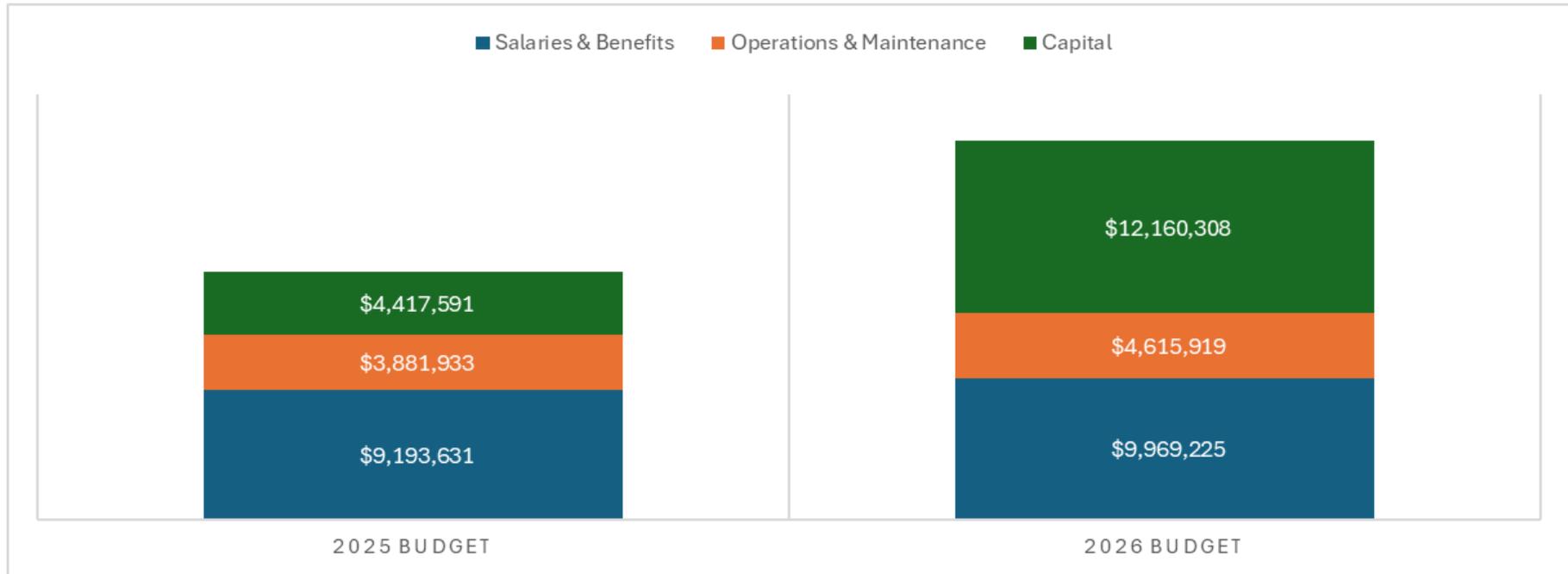
Luke Bolinger, Director of
Parks & Recreation





Budget Comparison

Parks & Recreation



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 9,193,631	\$ 9,969,225	\$ 775,594	8%
Operations & Maintenance	\$ 3,881,933	\$ 4,615,919	\$ 733,986	19%
Capital	\$ 4,417,591	\$ 12,160,308	\$ 7,742,717	175%
Expenditures Total	\$ 17,493,155	\$ 26,745,452	\$ 9,252,297	53%
Positions	121 (50 FT and 71 FTE)	121 (52 FT and 69.5 FTE)	0.5	-

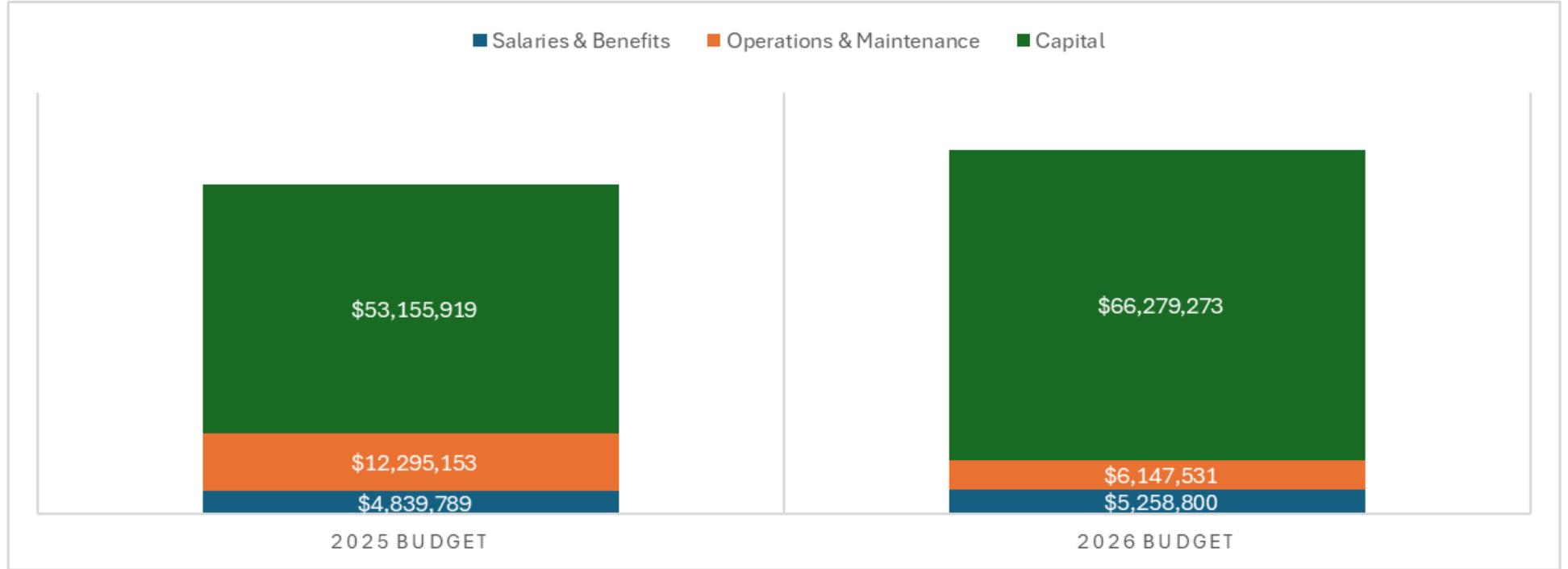


Public Works 2026 Budget Overview

David Pasic, Director of
Public Works



Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 4,839,789	\$ 5,258,800	\$ 419,011	9%
Operations & Maintenance	\$ 12,295,153	\$ 6,147,531	\$ (6,147,622)	-50%
Capital	\$ 53,155,919	\$ 66,279,273	\$ 13,123,354	25%
Expenditures Total	\$ 70,290,861	\$ 77,685,604	\$ 7,394,743	11%
Positions	38	40	2	-

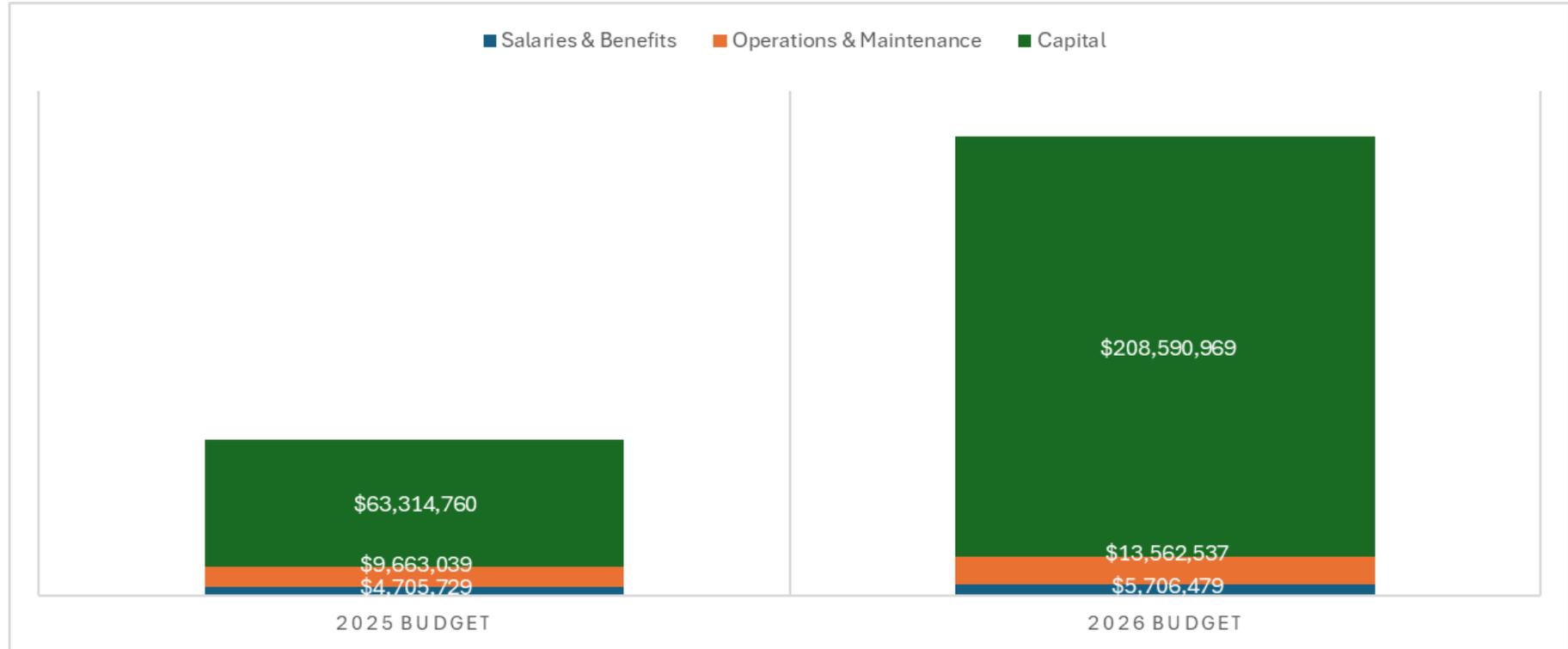


Utilities 2026 Budget Overview

Todd Fessenden, Director of Utilities



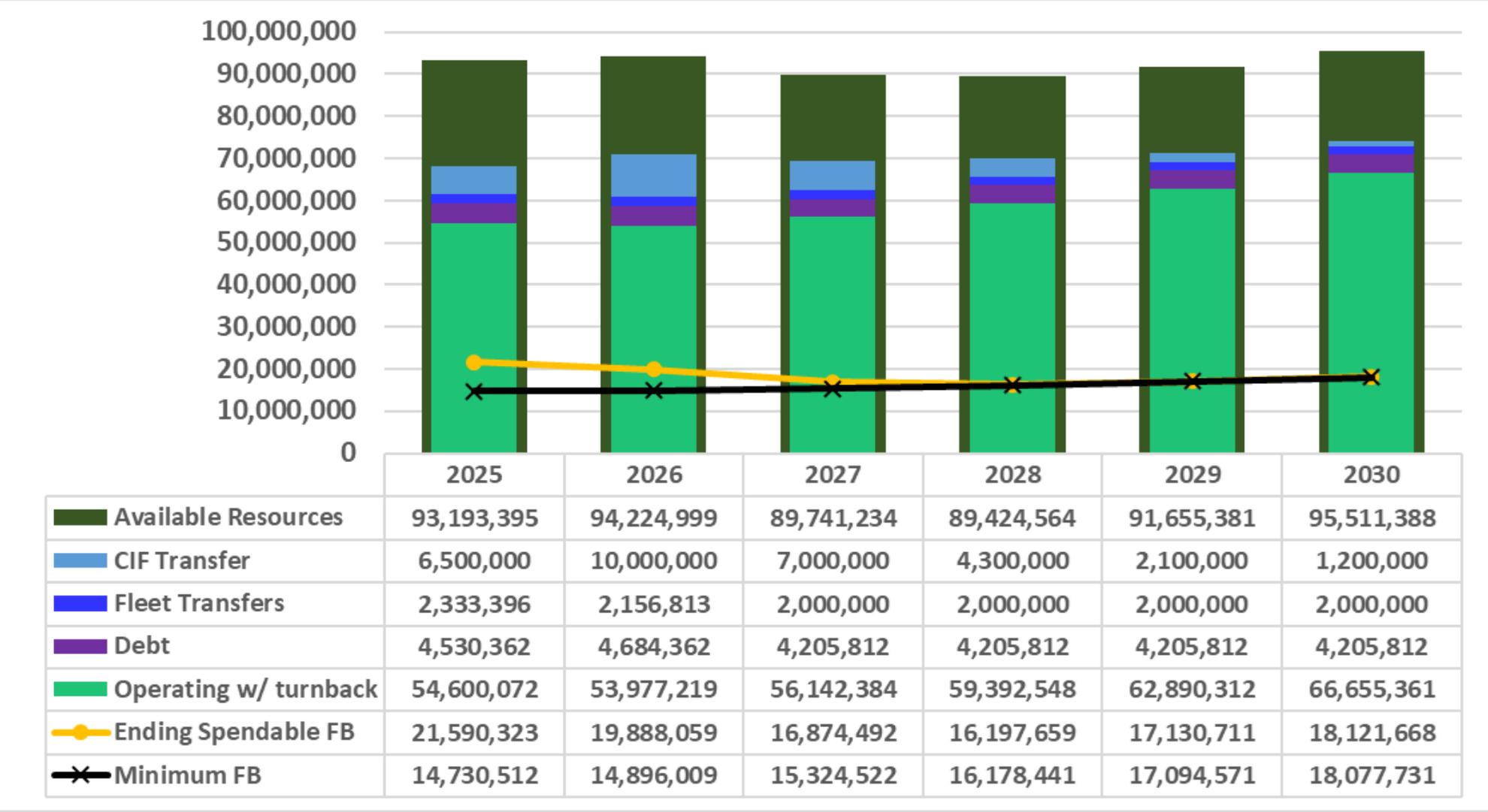
Budget Comparison



Expenditure Type	2025 Budget	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 4,705,729	\$ 5,706,479	\$ 1,000,750	21%
Operations & Maintenance	\$ 9,663,039	\$ 13,562,537	\$ 3,899,498	40%
Capital	\$ 63,314,760	\$ 208,590,969	\$ 145,276,209	229%
Expenditures Total	\$ 77,683,528	\$ 227,859,986	\$ 150,176,458	193%
Positions	38	42	4	-



General Fund Forecast





General Government CIP Forecast



	2025 1st Supp.	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
CIF Beginning FB	27,000,000	12,569,372	6,314,814	6,048,208	2,879,172	-2,389,280
General Fund Transfer	6,500,000	10,000,000	7,000,000	4,300,000	2,100,000	1,200,000
Rollovers	9,079,005					
New Requests	411,418					
Interfund Transfers	785,000					
Original Capital Budget	10,655,205	16,254,558	7,266,606	7,469,036	7,368,452	7,763,486
Total Capital Budget	20,930,628	16,254,558	7,266,606	7,469,036	7,368,452	7,763,486
CIF Ending FB	12,569,372	6,314,814	6,048,208	2,879,172	-2,389,280	-8,952,766



Upcoming Dates & Next Steps

Oct. 28
• **1st Public Hearing – Proposed Budget Book Presentation**



Nov. 18
• **2nd Public Hearing – URA & Town Budget Adoption 2025**



Dec. 9
• **Final Supplemental, Tax Levy Council & URA Meeting**



Questions & Discussion