

2026 Budget Presentation

October 28, 2025



Agenda

- **Budget Process Highlights**
- **Fund Balance Summary**
- **General Fund Summary**
- **Revenue Projections**
- **Townwide Expenditures**
- **Key Projects by Priority Area**
- **2026 New Positions**
- **Reduced or Unfunded Projects**
- **CIP Overview**
- **Major CIP Projects by Department and Fund**
- **General Fund & CIP Forecast**
- **Reflecting on 2026 Budget Process and Goals**

2026 Budget Process Highlights

- 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 totaling \$4.2 million across all funds & reprioritizations to balance the budget for 2026 and through 2030
- Personnel and Compensation considerations were weighed by EBT
- Recommended budget finalized in October and presented via Study Session on October 21st



Fund Balance Summary

Changes in Fund Balances/Working Capital - 2026 Budget						
2026 Budget	Beginning Balance	Revenues - Proposed	Expenditures - Proposed	Net Increase/ Decrease	Restricted	Ending Balance
General Fund - 100	24,918,869	69,306,130	75,545,213	(6,239,083)	(3,328,546)	15,351,240
Capital Improvement Fund - 110	28,764,084	10,000,000	15,778,858	(5,778,858)	-	22,985,226
Grants Fund*	-	-	-	-	-	-
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	9,492,326	3,429,000	3,932,580	(503,580)	-	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	2,156,853	2,156,853	-	-	3,732
Total Internal Service Funds	3,732	4,249,915	3,656,915	593,000	-	596,732
Water Fund*	136,081,196	31,285,800	201,130,225	(169,844,425)	-	(33,763,229)
Wastewater Fund	41,406,131	12,124,000	10,315,234	1,808,766	-	43,214,897
Storm Drainage Operating Fund*	1,701,803	1,959,809	6,806,628	(4,846,819)	-	(3,145,016)
Airport Fund	122,719	370,848	437,969	(67,121)	-	55,598
Total Enterprise Funds	179,311,849	45,740,457	218,690,056	(172,949,599)	-	6,362,250

Note: The Police Facilities Impact Fund, Water Fund, and Storm Drainage Operating Fund all have anticipated debt issuances or COPs 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	\$63,388,400
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

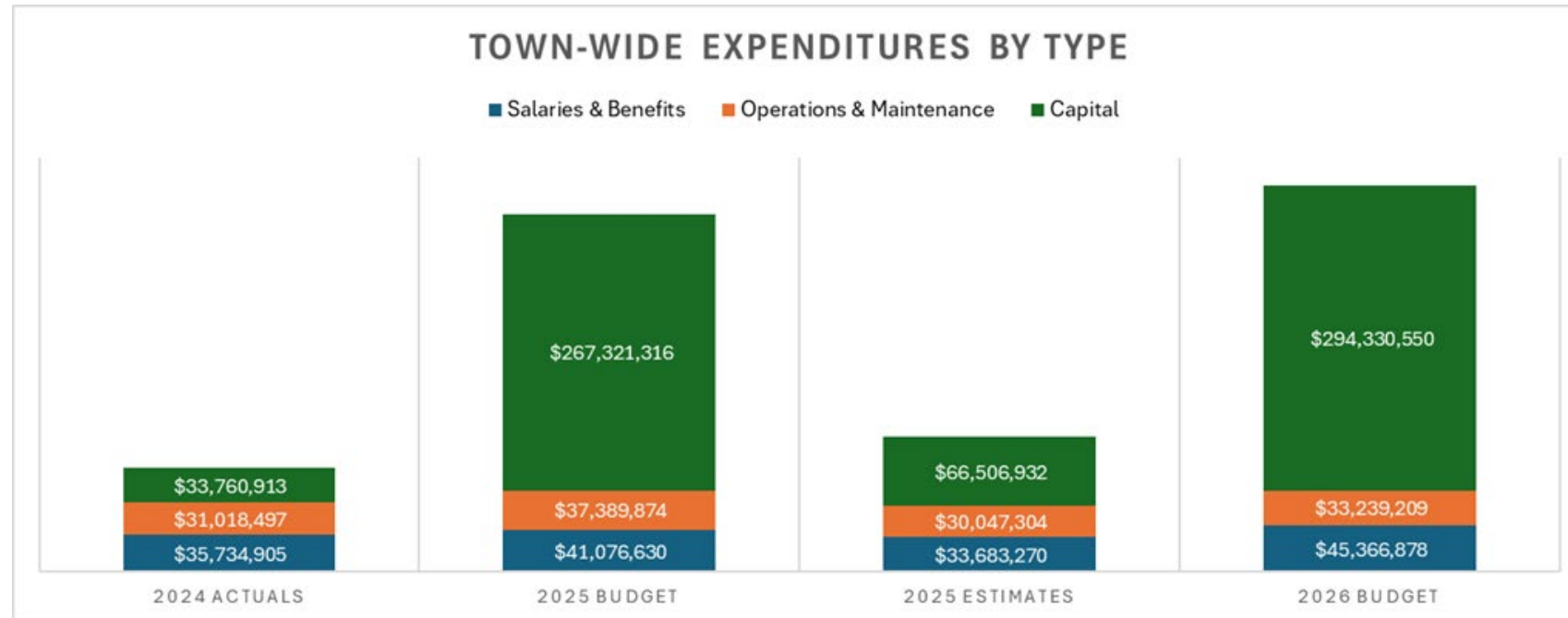


Revenue Projections – Somewhat Constrained

Sales Taxes		User Charges/Fees	
Retail	5%	Bag Fees	15%
Vehicle	3%	Landfill Fees	10%
Other Taxes		Recreation Fees	12%
Highway User Taxes	5%	Oil & Gas	
Motor Vehicle Taxes	8%	Oil & Gas Royalties	10%
Road & Bridge Taxes	-2%	Other Fees & Permits - Oil and Gas	0%
Cigarette Taxes	5%	Other	
Severance Taxes	0%	Investment Income - Pooled	10%
Specific Ownership Taxes	0%	Investment FVA - Pooled	10%
Building/Development		Franchise Fees	8%
Use Tax	-1%	Total Revenue 4.1%	
Building Permits	-1%		



Townwide Expenditures



Expenditure Type	2024 Actuals	2025 Budget	2025 Estimates	2026 Budget	Change (\$)	Change (%)
Salaries & Benefits	\$ 35,734,905	\$ 41,076,630	\$ 33,683,270	\$ 45,366,878	\$ 4,290,248	10%
Operations & Maintenance	\$ 31,018,497	\$ 37,389,874	\$ 30,047,304	\$ 33,239,209	\$ (4,150,665)	-11%
Capital	\$ 33,760,913	\$ 267,321,316	\$ 66,506,932	\$ 294,330,550	\$ 27,009,234	10%
Debt & Transfers	\$ 31,167,368	\$ 17,415,504	\$ 17,415,504	\$ 20,610,243	\$ 3,194,740	18%
Expenditures Total	\$ 131,681,683	\$ 363,203,323	\$ 147,653,010	\$ 393,546,880	\$ 30,343,557	8%
Positions	322	345		351.5	6.5	1.9%

Community Priorities - Summarized

- **Managing growth to make Erie even better, not just bigger**
- **Promoting a prosperous local economy**
- **Providing high quality amenities**
- **Ensuring a safe, healthy, inclusive environment**
- **Ensuring a safe, affordable, reliable water supply**

Managing growth to make Erie even better, not just bigger

- Upgrading and building new transportation infrastructure throughout Town
- Updating the Town's impact fees
- Updating the Unified Development Code (UDC)
- Maintaining existing streets

Promoting a prosperous economy

- Securing a grocery store and commercial development in Town Center
- Updating the Town's Affordable Housing Policy & Strategy
- Using multiple strategies to retain, grow, and attract new businesses
- Implementing the Erie Airport Economic Development Strategy

Providing high quality amenities

- Developing Compass and Morgan Hill Parks
- Expanding Erie Community Center
- Designing and securing funding for a 2nd Community Center
- Continuing Coal Creek improvements (Reach 2 and 4)
- Constructing new trails
- Renovating Schofield Farm and Maker Space
- Funding public art and cultural programming

Ensuring a safe, healthy, inclusive environment

- Expanding the Public Safety building
- Strengthening oil and gas monitoring and enforcement
- Implementing multiple new sustainability initiatives
- Funding the ADA transition plan

Ensuring a safe, affordable, reliable water supply

- Designing and building new water storage tanks
- Designing a 2nd water treatment facility
- Adding solar to power water and wastewater facilities
- Working with regional partners to resolve issues with NISP and Chimney Hollow

2026 New Positions

- **General Fund Total = \$387,629**
 - **Police Officer (Police) \$124,360**
 - **Assistant Coordinator - Special Events (Parks & Recreation) \$93,427**
 - **Facilities Maintenance Technician II (Public Works) \$87,952**
 - **Streets Technician II (Public Works) \$81,890**
 - **Conservation Trust Fund Total = \$146,092**
 - **Parks Maintenance Superintendent (Parks & Recreation) \$146,092**
- All totals reflect Total Wages + Max Additional Pay + Max Benefits. They are prorated due to estimated start date.

2026 New Positions Continued

- Water Fund Total = \$259,449
 - Water Resource Manager (Utilities) \$157,019
 - Distribution Maintenance Operator (Utilities) \$102,430
- Wastewater Fund Total = \$92,436
 - Wastewater Maintenance Mechanic (Utilities) \$92,436
- Storm Drainage Operating Fund Total = \$102,429
 - Stormwater Maintenance Operator III (Utilities) \$102,429

•All totals reflect Total Wages + Max Additional Pay + Max Benefits. They are prorated due to estimated start date.

2026 Reduced Personnel & Operation Items

Personnel

- A recommended one-year reduction in full-time staff merit from 3% to 2% to support long-term staffing resiliency and growth
- Removal of merit increases for part-time employees
- 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

Operations

- \$4.4 million in operating reductions across all funds, examples include:
- Planning & Development Incentives at Cheeseman reduced by \$2M
- All Departments – reductions to consultation services by \$1.6M
- Economic Development Incentives reduced by \$400K
- Environmental Services Consultation Services reduced by \$225K
- Other operating reductions (i.e. clothing & uniforms, office supplies, printing & copy services, etc.) of over \$150K



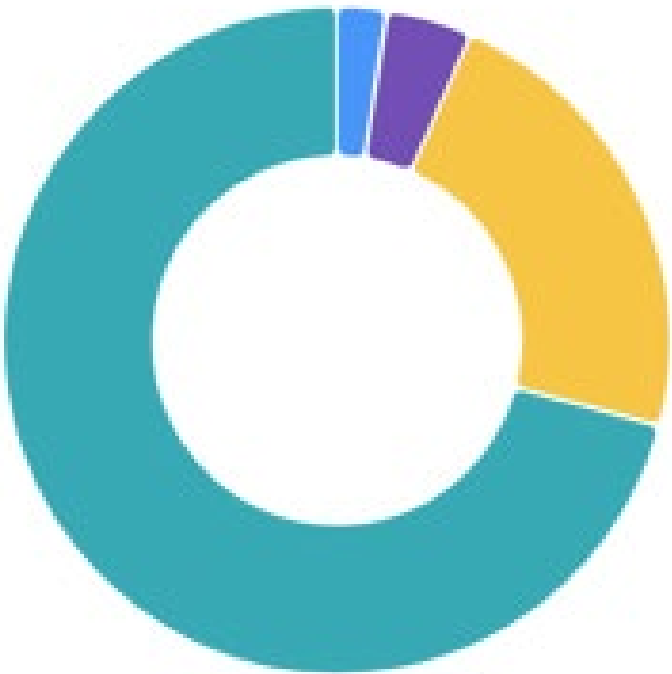
2026 Delayed/Reduced/Unfunded Capital Items

- **Capital Improvement Fund Delayed Projects (from 2026 to 2027):**
 - Facilities Energy Performance (\$1.15M)
- **Capital Improvement Fund Reduced 2026 Projects:**
 - Parks & Rec Capital Equipment (\$90K)
 - Electric Vehicle Charging Stations (\$40K)
 - Traffic Mitigation (\$25K)
 - Police Capital Equipment (\$13,200)
- **Capital Improvement Fund Unfunded Projects:**
 - Meller/Lombardi Corridor Safety and Multi-Modal Improvements (\$1.46M)
 - ECC Improvements (\$348K)
 - Lehigh Park – Renovation of Splash Pad (\$250K)
- **Public Facilities Fund Unfunded Projects:**
 - Page Property - Village at Coal Creek (\$17.0M)
 - Erie Community Center Addition (\$11.4M)
- **Parks Improvement Impact Fund Unfunded Projects:**
 - Morgan Hill (\$9.25M)
 - Compass Park (\$8.9M)
- **Airport Fund Unfunded Projects:**
 - New Airport Terminal Building (\$4M)



Capital Improvement Plan Summary

Budgeted Capital Costs By Department (FY2026)



Economic Development (2%)	\$7,000,000.00
Environmental Services (0%)	\$60,000.00
Information Technology (0%)	\$140,000.00
Parks & Recreation (4%)	\$12,160,308.00
Public Works (23%)	\$66,279,273.00
Risk (0%)	\$100,000.00
Utilities (71%)	\$208,590,969.00

TOTAL **\$294,330,550.00**



Capital Improvement Plan Summary

Capital Improvements Fund - 110		
Department	Project Description	2026 Proposed
Econ Dev	Mine Mitigation - Town Center and ECC	\$ 7,000,000
Public Works	Street Maintenance Projects	\$ 4,500,000
Trails & Natural Areas Fund - 210		
Department	Project Description	2026 Proposed
Parks & Rec	Coal Creek Trail - Reach 2 & 4	\$ 1,700,000
Transportation Impact Fund - 300		
Department	Project Description	2026 Proposed
Public Works	CLR - Erie Parkway to Telleen	\$ 8,000,000
Public Works	Coal Creek Reach 2 and 4	\$ 3,500,000
Public Facilities Impact Fund - 310		
Department	Project Description	2026 Proposed
Public Works	Erie Community Center Addition	\$ 1,263,194
Public Works	Page Property	\$ 1,016,620
Parks Improvement Impact Fund - 320		
Department	Project Description	2026 Proposed
Parks & Rec	Morgan Hill	\$ 3,650,000
Parks & Rec	Compass Park	\$ 3,350,000
Police Facilities Impact Fund - 325		
Department	Project Description	2026 Proposed
Public Works	PD/Courts Expansion	\$ 47,266,850

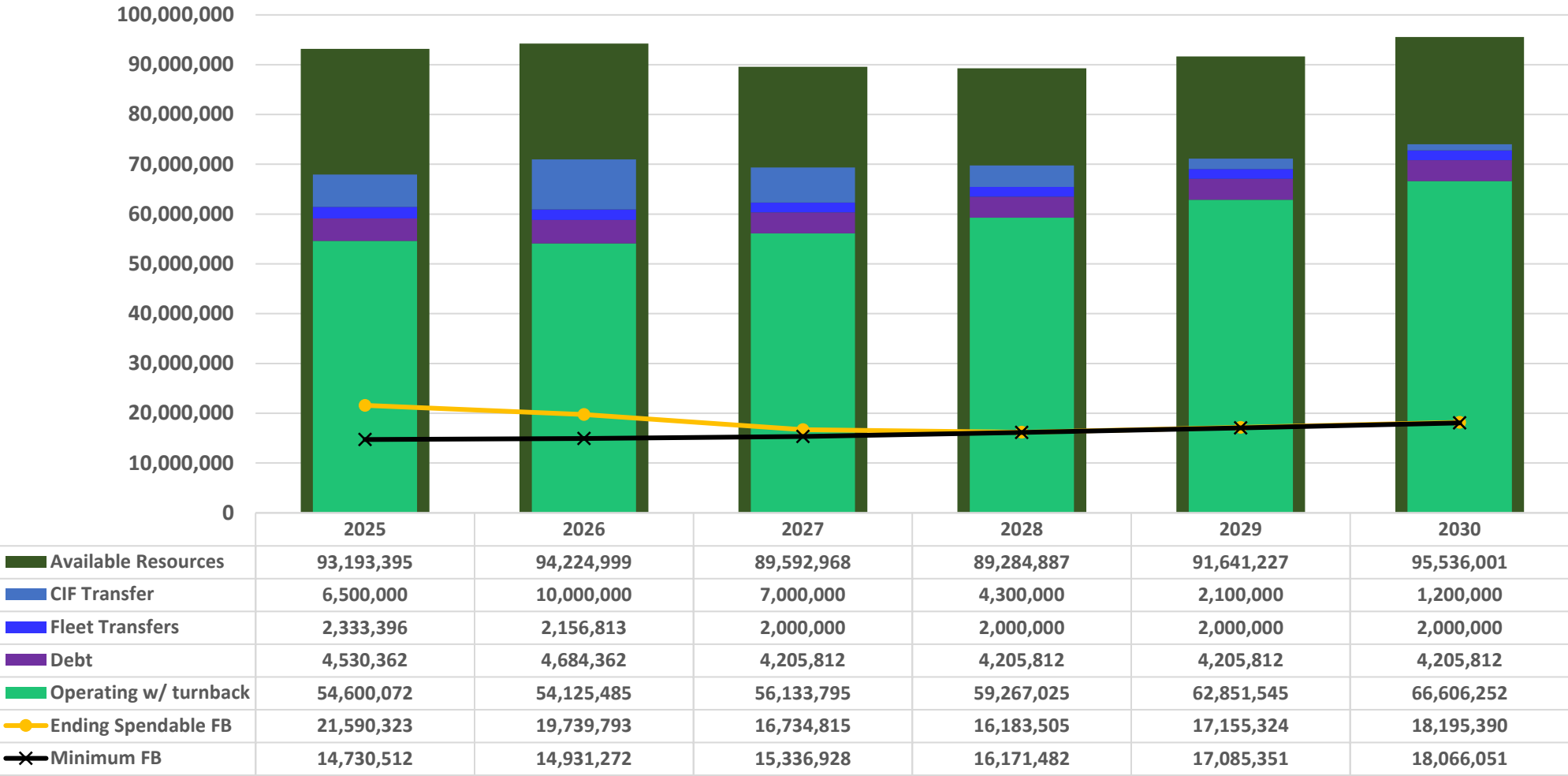


Capital Improvement Plan Summary

Storm Drainage Impact Fund - 340		
Department	Project Description	2026 Proposed
Utilities	Coal Creek Reach 2 and 4	\$ 6,650,000
Water Fund - 500		
Department	Project Description	2026 Proposed
Utilities	Water Treatment Facility - New	\$ 151,683,000
Utilities	Zone 3 Water Tank	\$ 19,091,872
Utilities	LRMWTF Plant 1 Filter System Upgrade	\$ 6,000,000
Utilities	NISP	\$ 4,858,750
Utilities	Windy Gap Firming Project	\$ 2,869,000
Utilities	Erie Lake Repairs	\$ 1,000,000
Utilities	Upsizing Waterlines - Developer Reimburse	\$ 1,000,000
Wastewater Fund - 510		
Department	Project Description	2026 Proposed
Utilities	Solar at NWRf	\$ 2,256,458
Utilities	NWRf to HWY 52 & WCR5 (reimb)	\$ 1,050,000
Storm Drainage Operating Fund - 520		
Department	Project Description	2026 Proposed
Utilities	Coal Creek Reach 2 and 4	\$ 1,404,901
Utilities	111th Street Improvements	\$ 1,100,000



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

Looking Back at the 2026 Budget Process

- **Budgeting for Resiliency**

- 2025 Goal: Begin engaging departments on identifying and developing performance measures.
 - Created a document to assist departments in what other similar municipalities are measuring performance wise.
- 2026 Goal: Meeting more frequently with departments to review current year spending trends to inform strategic budgeting for future years.
 - Focused on departments that were more complex
 - Focus on departments that touch multiple budget facets (i.e. Grants, Capital, etc.)
 - Held monthly meetings with key stakeholders to discuss budgets
- 2026 Goal: Develop more refined department-level estimates for current year spending.
 - Developed Targets for 2026 based on 2025 budget numbers.
 - Asked departments to hold to that number and if asking for more, a full justification would be asked to be provided.
- 2026 Goal: Continued refinement of revenue assumptions based on year-over-year trends.
 - New revenue review process and aggregate-level forecasting.

Upcoming Dates & Next Steps

Nov. 18

- 2nd Public Hearing –
URA & Town 2026
Budget Adoption



Dec. 9

- 2nd Supplemental,
Mill Levy Certification

Questions & Discussion