



2025-2026

Mayor's Budget Development Guidance

Dear Honorable DuPont City Councilmembers, Fellow Residents, and Community Stakeholders:

It is my honor to submit the proposed budget for the 2025-2026 fiscal years. The 2025-26 Proposed City of DuPont Biennial Budget totals \$22,344,847 in 2025 and \$23,008,766 in 2026. The major difference between the 2025 and 2026 budgets are due to capital road overlay projects. The 2025 General Fund budget of \$13,355,123 in expenditures with an estimated General Fund Balance of \$997,102 and a 2026 General Fund budget of \$13,043,319 in expenditures with an estimated ending General Fund Balance of \$857,012.

The philosophy of this budget was to be aggressive in estimating expenses and conservative in estimating revenues. The estimated ending fund balances are all based on 2024 revised figures and do not consider anticipated revenue from investment interest and additional Business and Occupancy Square Footage tax increase that went into effect in the 3rd quarter of 2024.

The proposed budget estimates our Revenue Stabilization Fund will have an ending fund balance of \$686,520 in 2025 and an estimated ending fund balance of \$804,520 in 2026. The proposed budget estimates the Contingency Fund will have an estimated ending fund balance of \$223,457 in 2025 and an estimated ending fund balance of \$278,057 in 2026. While we invest in these funds, we need to continue to work to meet our fiscal goals.

This budget is the City's single most important policy document. Its purpose is to provide a comprehensive overview of all City funds and services and to give residents a better understanding of the City's operating and fiscal programs.

This will be the first year since 2011 the City has presented a budget document that follows the Government Finance Officers Association (GFOA) best practices in local budgeting. When I ran to be Mayor for the City of DuPont I campaigned on a platform of increasing transparency in our local government. As I took office, we faced the immediate test of COVID-19. This unprecedented challenge became the focus of my administration. I am proud of how the City responded to the global pandemic and am excited we are now able to move forward in a proactive manner. This budget will not be eligible for a GFOA Budget Award, which sets criteria that a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. Our goal is to meet this standard going forward.

My administration will continue to look for ways to enhance and provide information and resources, so the City's budget is accessible and understandable to everyone in the community.

A budget should serve as:

- A policy document.
- A financial plan.
- An operations guide.
- A communication device with stakeholders.

The budget process should accomplish the following:

- Involve stakeholders.
- Identify stakeholder issues and concerns.
- Obtain stakeholder support for the overall budgeting process.
- Achieve stakeholder acceptance of decisions related to goals, services, and resource utilization.
- Report to stakeholders on services and resource utilization and serve generally to enhance the stakeholders' view of government.

The Twelve Elements of the Budget Process:

Establish Broad Goals to Guide Government Decision Making

1. Assess community needs, priorities, challenges and opportunities.
2. Identify opportunities and challenges for government services, capital assets, and management.
3. Develop and disseminate broad goals

Develop Approaches to Achieve Goals

4. Adopt financial policies.
5. Develop programmatic, operating, and capital policies and plans
6. Develop programs and services that are consistent with policies and plans
7. Develop management strategies

Develop a Budget Consistent with Approaches to Achieve Goals

8. Develop a process for preparing and adopting a budget
9. Develop and evaluate financial options
10. Make choices necessary to adopt a budget

Evaluate Performance and Make Adjustments

11. Monitor, measure, and evaluate performance
12. Make adjustments as needed

A council priority was "Pursuing Additional Revenue Opportunities" and during the 2024 fiscal year the council adopted several new revenues which will have a positive impact on our 2025-26 Budget. An increase in Business and Occupancy square footage tax is estimated to bring in an additional \$1.7 million annually to our General Fund. A "claw back" of an additional 2% Lodging tax will bring in an estimated \$500,000 annually to Fund 103: Lodging Tax Fund. A 1/10 of 1% sales tax increase will bring in an estimated \$350,000 annually for Fund 631: Transportation Benefit District Fund. Additionally, the City has taken an active and aggressive approach to investing monies in the Local Government Investment Pool which will bring in an estimated \$600,000 per year. These new revenues are not a panacea for our budget as we will still need to be aggressive and creative in seeking new revenues, and we need to also aggressively review our expenditures and look for new efficiencies and savings.

Other notable changes in the 2025-2026 Budget are:

- Remove Public Works Supervisor (1.0 FTE)
- Cancel Landscape Contract (Reduce Professional Services \$155,000 +)
- Add two (2) Public Works Maintenance Worker I (2.0 FTE) (Council Priority)
- Add three (3) Public Works Lead Workers (No FTE Change)
- Add \$35,000 to Administration Professional Services for Legislative Lobbyist (Council Priority)
- Remove ARPA Specialist
- Remove Senior Planner
- Reduce Planning Professional Services by \$200,000 from prior budget.
- Add one (1) Planner/GIS (1.0 FTE)
- Remove one (1) Engineer (1.0 FTE)
- Add one (1) Engineer Tech (1.0 FTE)
- Remove one (1) Police Sargeant (1.0 FTE)
- Add one (1) Police Officer (1.0 FTE)

From the Equipment Rental and Replacement (ER&R)

- Add two (2) Police Cruisers in 2025
- Add one (1) Police Cruiser in 2026
- Add one (1) Ambulance in 2026 (One year lead time to receive Ambulance)
- Add ten (10) Automated External Defibrillators (AED) in 2025
- Add one (1) TYMCO 500x High Dump Street Sweeper in 2025

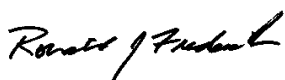
Additionally, this budget includes across the board increase for training and education of our staff. It is in the best interest of our community that we invest in the workers that help make this a great community to live, work, and play.

I want to thank our DuPont Team Members who helped craft this budget: Kelly Atkinson, Keith Campbell, Larry Clark, Mickey Gillie, Gordon Karg, Sabrina Kearney, Barbara Kincaid, Carma Oaksmith, Bryan Moore, Karri Muir, and Amy Walker. A special thanks to Lara McRea for her significant help in enhancing this budget book.

I have attempted to highlight several key components and issues of our budget. This message isn't intended to be all-encompassing. Staff has worked hard to provide information, data, highlights, changes and transparency for all funds and departments. I encourage the reader to take the time to review and understand what their City is doing and how we are utilizing our resources. The budget should define the values of our community; and we want you to be a partner in this process.

We are blessed to be able to call DuPont our home. While we have many of the same challenges that are common in other communities, we have an exciting and bright future!

Respectfully submitted,



Mayor Ronald J. Frederick