

Due to major capital projects that will provide long term economic benefit to Newark, the Village of Newark tax rate for the Proposed Budget for Fiscal Year 2022 will increase 1.90%. This will be only the third time in the last nine years that there has been any increase in the tax rate. There will also be rate increases for the Water and Sewer billings.

General Fund:

This year was very challenging for the Mayor (Chief Budget Officer), Board Trustees, and Clerk- Treasurer (Chief Financial Officer) to minimize the tax increase that is being proposed. The Tentative Budget presented to the Village Board at the March 17, 2021 budget workshop has been thoroughly reviewed at multiple meetings in an attempt to eliminate any spending that is not necessary to maintain the level of services that the board believes that the residents of Newark want and expect.

About 61% of budget is for public safety and village services, with the Police Department consisting of almost 38% of the total budget. We continue to provide all of the necessary services that our residents expect, such as excellent Police and Fire protection, Street maintenance, and strong Code Enforcement, all of which help to maintain property values in the Village. Village Parks and Recreation remain fully funded also, as these contribute to a higher quality of life for our citizens. The spending in the Proposed Budget for FY 2022 in the General Fund is budgeted to increase by \$273,489. Much of this increase is due to providing DPW with much needed equipment and Village maintenance, an increase in the cost to employee benefits, and the LED Street Lighting Bond payments starting in FY 2022. The Village Board continues to budget for large dollar equipment purchases (over \$100,000), while ensuring that any other equipment purchases are necessary for the safety of our employees and their ability to perform their duties.

Water Fund Budget:

There will be 10% rate increase for all our water customers. For average Village customer using 10,000 gallons a quarter, that will translate into a \$2.60 increase per quarter to the bill. The spending in the Proposed Budget for FY 2022 in the Water Fund is budgeted to increase by \$338,137. Much of this increase is due increase cost in chemicals and bond payments of \$282,923 for the Water Treatment System expansion/renovation starting in FY 2022. This increase is needed to maintain our current fund balance level, which is now at a very low level. We expect a continued increase in water revenue for this current fiscal year due to additional water being sold to customers outside of the Village, both commercial and municipal

The Sewer Fund:

There will be 10% rate increase for all our sewer customers. For average Village customer using 10,000 gallons a quarter, that will translate into an \$11.40 increase per quarter to the bill. Overall spending increased by \$30,443.00, with most of the increase coming from an increase in the cost of chemicals

The Village Board continues to investigate and explore ways to increase our water and sewer sales to surrounding communities; that will help us to keep any future cost increases to minimum, if even necessary at all. We will continue to diligently monitor Expenditures and seek new revenues sources.