

Fiscal Year 2026 Operating Budget Ordinance

1 Be it ordained by the Town Council of the Town of Middletown, Rhode Island, that the following
 2 anticipated revenues and expenses by fund and function, are hereby appropriated and approved for
 3 the operation of Town Government and its activities for the Fiscal Year beginning July 1, 2025, and
 4 ending June 30, 2026 .

5
 6 Section 1. General Fund

- 7 **A. Use of Unrestricted Fund Balance**
- 8 **AB.** Capital Improvement Program
- 9 **BC.** Appropriation to School Department
- 10 **CD.** General Fund Civic Appropriation
- 11 **DE.** Police Department organization
- 12 **EF.** Fire Department organization
- 13 **FG.** Full funding of Pension and OPEB
- 14 **GH.** Atlantic Beach District TIF Report
- 15 **HI.** American Rescue Plan Act Spending Plan
- 16 **IJ.** Middletown Prevention Coalition

17 Section 2. Parks and Recreation Fund

- 18 A. Beach Parking Holidays

19 Section 3. Sewer Fund

- 20 A. Sewer Maintenance/Newport Customer Service charges

21 Section 4. Refuse and Recycling Fund

- 22 A. Pay As You Throw (PAYT) Bag fees/Annual Permit fee

23 Section 1. General Fund: Approve Fiscal Year 2026 General Fund Budget as follows:
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25 AUTHORIZED EXPENDITURES

26	Town Administrator	\$ 572,681
27	Finance/ HR	1,334,064
28	Tax Assessment / Collections	334,840
29	Town Clerk	581,950
30	Information Technology	1,103,408
31	Support Services	544,924
32	Town Council	77,849
33	Town Solicitor	232,885
34	Boards & Committees	37,790
35	Building	496,020
36	Planning	334,716
37	Police	8,123,157
38	Fire	6,264,634
39	Public Works	3,196,717
40	Library	1,076,308 1,191,918 ¹
41	Senior Center	385,687
42	Middletown Prevention Coalition	32,270
43	Community Outreach	480,286 507,663 ³
44	Grants Total	486,301
45	<i>Public Safety Grants</i>	143,356
46	<i>Public Works Grants</i>	128,205

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1	AUTHORIZED EXPENDITURES (cont'd)		
2	Community Services Grants	214,740	
3	Debt Service	11,809,570	
4	Non-Department Specific	6,683,995	6,550,385 ^{1&3}
5	Capital Improvements		
6	Information Technologies	103,000	
7	Police	252,508	
8	Fire	1,743,000	
9	Public Works	1,425,850	
10	Senior Center	38,260	
11	School Department	300,000	
12			
13			
14	Education	45,279,270	45,979,270 ²
15			
16	Total General Fund Expenditures	93,331,940	94,041,317
17			
18	ANTICIPATED REVENUES		
19	Taxes Levied by Municipality	58,985,322	58,683,515 ^{3&4}
20	Penalties	110,000	
21	Investment Income	380,500	
22	Other Revenue from Local Sources	129,045	
23	Restricted Grants-in-Aid State Sources	676,173	
24	Restricted Grants-in-Aid Federal Govt.	280,996	
25	Funds Transfer In	5,788,061	5,792,333 ³
26	Proceeds from Disposal of Real/Personal Property	1,000	
27	Proceeds/Loan-Other Financing Sources	3,400,000	
28	Proceeds from Capital Leases	2,075,000	
29	Revenue from Claims & Settlements	55,158	
30	Licenses	152,900	
31	Permits	1,134,790	
32	Fines & Other Fees	728,600	
33	User & Program Fees	1,376,593	
34	Intra Governmental Support	5,347,258	
35	Revenues – Other	35,768	
36	School Department Revenue	12,374,776	12,474,776 ²
37	School Department CIP Appropriation	300,000	400,000 ²
38	School Department Use of Fund Balance	—	500,000 ²
39	Town Use of Fund Balance	—	306,912 ⁴
40	Total General Fund Revenues	93,331,940	94,041,317
41	<u>Section 1A. Use of Unrestricted Fund Balance:</u> In accordance with Ordinance 33.18(D), the Fiscal Year 2026 budget shall include the		
42	use of unrestricted fund balance in the amount of \$306,912. This allocation is intended to offset the increase in property taxes		
43	resulting from Debt Service pertaining to the Middle High School Construction Project and Elementary School Renovation Project.		
44	The offset is based on the anticipated future reimbursement from the Rhode Island Department of Education (RIDE). Said		
45	reimbursement is expected upon reaching substantial completion of the Middle/High School construction and Elementary		
46	School Complex renovation and reimbursement is projected to begin in fiscal year 2028. ⁵		

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1 Section 1DE. Police Department organization: In accordance with the Town Council’s authority
 2 under Town Charter §701, and to remain within the parameters of the approved FY2026 budget
 3 appropriation, the Police Department shall be comprised of up to and not more than, 49 full-time
 4 employees and 2 part-time employees, to include: 1 Police Chief; 1 Deputy Chief; up to,
 5 but not more than, 1 Captain; up to, but not more than , 6 Lieutenants; up to, but not more than,
 6 4 Sergeants; up to, but not more than, 5 Detectives; up to, but not more than, 27 Patrol Officers;
 7 up to, but not more than, 1 civilian Animal Control Officer; up to, but not more than, 1 civilian Records
 8 Clerk; up to, but not more than, 1 civilian Mechanic; up to, but not more than, 1 civilian Administrative
 9 Assistant; up to, but not more than, 1 part-time civilian VIN Inspection Clerk; up to, but not more than,
 10 1 part-time civilian Harbormaster; up to, but not more than, and employ civilians on special assignment
 11 to include non-permanent officers, community service officers, and public safety interns.

12 Offices, Grades/ 13 Divisions	Administration	Animal Control	Detective	Patrol	Harbormaster
14 Chief	1				
15 Deputy Chief	1				
16 Captain	1				
17 Lieutenant	2		1	3	
18 Sergeant			1	3	
19 Detective			5		
20 Patrol	3			24	
21 Civilian	4 (3 FT, 1 PT)	1			1 (PT)

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 23 Section 1EF. Fire Department organization: In accordance with the Town Council’s authority under Town
 24 Charter §702, and to remain within the parameters of the approved FY2026 budget appropriation,
 25 the Fire Department shall be comprised of up to, but no more than, 43 employees, to include:
 26 1 Fire Chief; up to, but no more than, 4 Battalion Chiefs; up to, but no more than, 2 Captains; up to
 27 but no more than, 6 Lieutenants; up to, but no more than, 25 line firefighting/rescue employees; up to,
 28 but no more than, 4 civilian dispatchers; and up to, but no more than, 1 civilian administrative assistant.

31 Offices, Grades/Divisions	Administration	Dispatch	Fire & Rescue	Fire Prevention
32 Chief	1			
33 Battalion Chief			4	
34 Captain			2	
35 Lieutenant			6	
36 Firefighter			25	
37 Civilian	1	4		

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 39 Section 1FG. Full funding of pension and other post-retirement systems: In accordance with
 40 Town Ordinance §33.19(B)(2), the annual budget will provide for the full funding of the employee
 41 retirement systems as recommended by the town’s actuary.

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 43 Section 1GH. Atlantic Beach District Tax Increment Financing (TIF) Annual Reporting:
 44 The unaudited balance as of June 30, 2024 less any encumbrances or projected encumbrances in fiscal year
 45 2025 for the Dunlap-Wheeler Park Design Services and the Atlantic Beach District streetscape
 46 design services for the Atlantic Beach District TIF is \$229,173.00.

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1 Section 1GH. Atlantic Beach District Tax Increment Financing Annual Reporting (cont'd):

2 Total increase/(decrease) property values compared to base year: \$87,336,691

3 Tax revenues generated from proposed tax rate from increase/(decrease) in property values from base year: \$490,890

4 Amount set aside for use in proposed budget for use in the Atlantic Beach District: \$0

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7 Section 1HI. American Rescue Plan Act (ARPA) Fiscal Year (FY) 2026 Spending Plan (ARPA Dollars Only):

8 Berkeley Avenue and Green End Avenue Drainage Improvements: \$150,850

9 Department of Community Outreach FY 2026 Allocation: \$131,708

10 Deficit Reduction Plan to School Department FY 2026 Allocation: \$200,000

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13 Section 1IJ. Funding of Middletown Prevention Coalition for Fiscal Year 2026:

14 The Middletown Prevention Coalition has submitted a grant application that includes continued funding for a full-
 15 time coordinator, with the Town expecting to receive the award by the end of September 2025. In the fiscal year
 16 2026 budget, the town has appropriated non-tax revenue to support the operations for three months. If the Town
 17 does not receive the grant, the programs will need to be adjusted to reflect the appropriation approved by the
 18 Town Council. This adjustment will ensure that the coalition's operations remain aligned with available funding
 19 while still meeting the community's needs.

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22 Section 2. Parks and Recreation Fund: Approve the Fiscal Year 2026 Parks and Recreation Fund as follows:

24 AUTHORIZED EXPENSES

25 Beach Operations		\$ 1,326,242 1,321,970 ³
26 Lifeguards		586,786
27 Harbor Master		46,841
28 Security		151,699
29 Parks & Grounds		182,812
30 Campground		65,660
31 Non-Department Specific		732,285 736,557 ³
32 Capital Improvement Program		320,757
33 Total Parks and Recreation Fund Expenses	\$	3,413,082

34

35 ANTICIPATED REVENUES

36 Investment Income		\$ 12,000
37 Other Revenue from Local Sources		10,050
38 User & Program Fees - Beach		2,306,435
39 User & Program Fees - Campground		313,840
40 Restricted Income - Other		450,000
41 Use of Fund Balance		320,757
42 Total Parks and Recreation Fund Revenues	\$	3,413,082

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44 Section 2A. Holiday Parking Rate at Sachuest Beach:

45 The Town shall charge the Holiday Parking Rate on Memorial Day (May 26th), Juneteeth (June 19th),

46 Independence Day (July 4th), Victory Day (August 11th), and Labor Day (September 1st).

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1 Section 3. Sewer fund: Approve the Fiscal Year 2026 Sewer Fund budget as follows:

2 AUTHORIZED EXPENSES

3 Sewer Maintenance Operations	\$ 6,909,622
4 Debt Service	975,895
5 Debt Service-Grants	44,500
6 Total Sewer Fund Expenses	\$ 7,930,017

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8 ANTICIPATED REVENUES

9 Sewer Maintenance/Construction	\$ 7,051,777
10 Penalties	11,250
11 Investment Income	69,500
12 Other Revenue from Local Sources	2,990
13 Restricted Income-Grants	44,500
14 Use of Fund Balance	750,000
15 Total Sewer Fund Revenues	\$ 7,930,017

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17 Section 3A. Sewer Maintenance/Newport Customer Service charges:

- 18 1. Collect a Sewer Rate of \$19.39 per 1,000 gallons for all connected sewer users.
19 2. Collect a Newport Customer Service Charge of \$44.93 per meter from all connected sewer users.

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21 Section 4. Refuse and Recycling Fund: Approve the Fiscal Year 2026 Refuse and Recycling Fund

22 Budget as follows:

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24 AUTHORIZED EXPENSES

25 Refuse & Recycling Operations	\$ 301,232
26 Pay-As-You-Throw (PAYT)	1,122,505
27 Non-Department Specific	5,102
28 Total Refuse & Recycling Fund Expenses	\$ 1,428,839

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30 ANTICIPATED REVENUES

31 Investment Income	\$ 18,600
32 Other Revenue from Local Sources	8,760
33 Permits	875,725
34 User & Program Fees	478,550
35 Budgeted Use of Fund Balance	47,204
36 Total Refuse & Recycling Fund Revenues	\$ 1,428,839

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38 Section 4A. Pay As You Throw (PAYT) Annual Permit Fee/Bag fees:

- 39 1. Maintain the PAYT bag rate of \$1.75 for the 15 gallon trash bag and \$2.00 for the 33 gallon trash bag
40 2. Eliminate sales of the 8-gallon trash bag
41 3. Increase the Annual Permit Fee to \$185.00 for all PAYT program participants

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¹Amended by Council, May 28, 2025

²Amended by Council, May 28, 2025

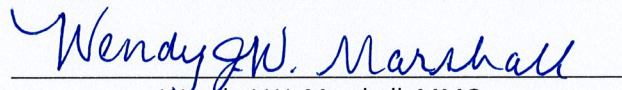
³Amended by Council, May 28, 2025

⁴Amended by Council, May 28, 2025

⁵Amended by Council, May 28, 2025

May 28, 2025

READ AND ADOPTED IN COUNCIL, AS AMENDED

A handwritten signature in blue ink that reads "Wendy J.W. Marshall". The signature is written in a cursive style and is positioned above a horizontal line.

Wendy J.W. Marshall, MMC
Town Clerk

