

To: President and Members of the Munster Town Council

From: Wendy Mis, IAMC, CMC
Clerk-Treasurer

Date: September 15, 2025

Re: Ordinance 1991: 2026 Budget

Tonight, Council will conduct the public hearing and have first reading on the ordinance for the 2026 budget. The most recent session of the General Assembly capped the growth factor for property taxes at 4.00%. Miscellaneous revenues are calculated based on State-provided amounts or historical data depending on the revenue type. The property taxes less circuit breakers plus miscellaneous revenues dictate how much is available to appropriate. The proposed 2026 budget includes the following.

- Department head requests for day-to-day and capital expenses
- 2.00% cost of living increase for all regular full-time and firefighters
 - 50 sworn police officers
 - Recently approved positions of Assistant Town Manager, Economic Development Director and Communications Director
- 3.00% and 7.00% increase for medical and dental insurance, respectively
- Use of TIF funds for police officer wages
- 16% increase for NIPSCO charges

The Town Manager and Clerk-Treasurer Staff met with Department Heads individually and reviewed the expenditure requests. A separate budget presentation for Council with Department Heads was held last week with follow-up information provided. The matter was discussed at the Agenda Review for this meeting, and final opportunity for Council review can happen prior to adoption on October 6, 2025.

A separate session to discuss the potential impacts of SEA1 was held last month. Numerous possible savings and revenue streams were identified and presented to Council. Some have already been implemented (e.g. not filling recently vacated positions, Comcast internet cancellation, reduction of outside contractor services that can be performed in-house, eliminating certain training/conference attendance). Increased fees for services and programs, the introduction of new fees, and changes to employee benefits will be brought to Council when thoroughly assessed and ready for their approval.

Ordinance 1991 has been drafted in the format dictated by the Department of Local Government Finance and shows, by fund, the requested appropriations, tax levy, and tax rate. The 2026 Certificate of Net Assessed Valuations (NAV) shows a 3.4% growth in Munster's NAV. Depending on the 2025 GO and Park Bonds interest rates, the overall 2026 tax rate for the Town is projected to drop about 3 cents per \$100.00 of assessed valuation. The levy and rates are set to be adopted so that the Town is best positioned to provide the services and amenities the residents expect.

RECOMMENDED ACTION:

Conduct a public hearing on the proposed 2026 budget.

Under *New Business*:

By motion and roll call vote, hear the proposed Ordinance 1991 on first reading and set October 6, 2025, for second reading and adoption.