Town of Berlin, Maryland

FY 2026 YEAR END FINANCIAL OVERVIEW

General Fund

The General Fund is the general operating fund of the Town.

General Fund – used to account and report all the financial resources not accounted for and reported in other funds. It includes all transactions for general governmental services.

Revenues are derived primarily from:

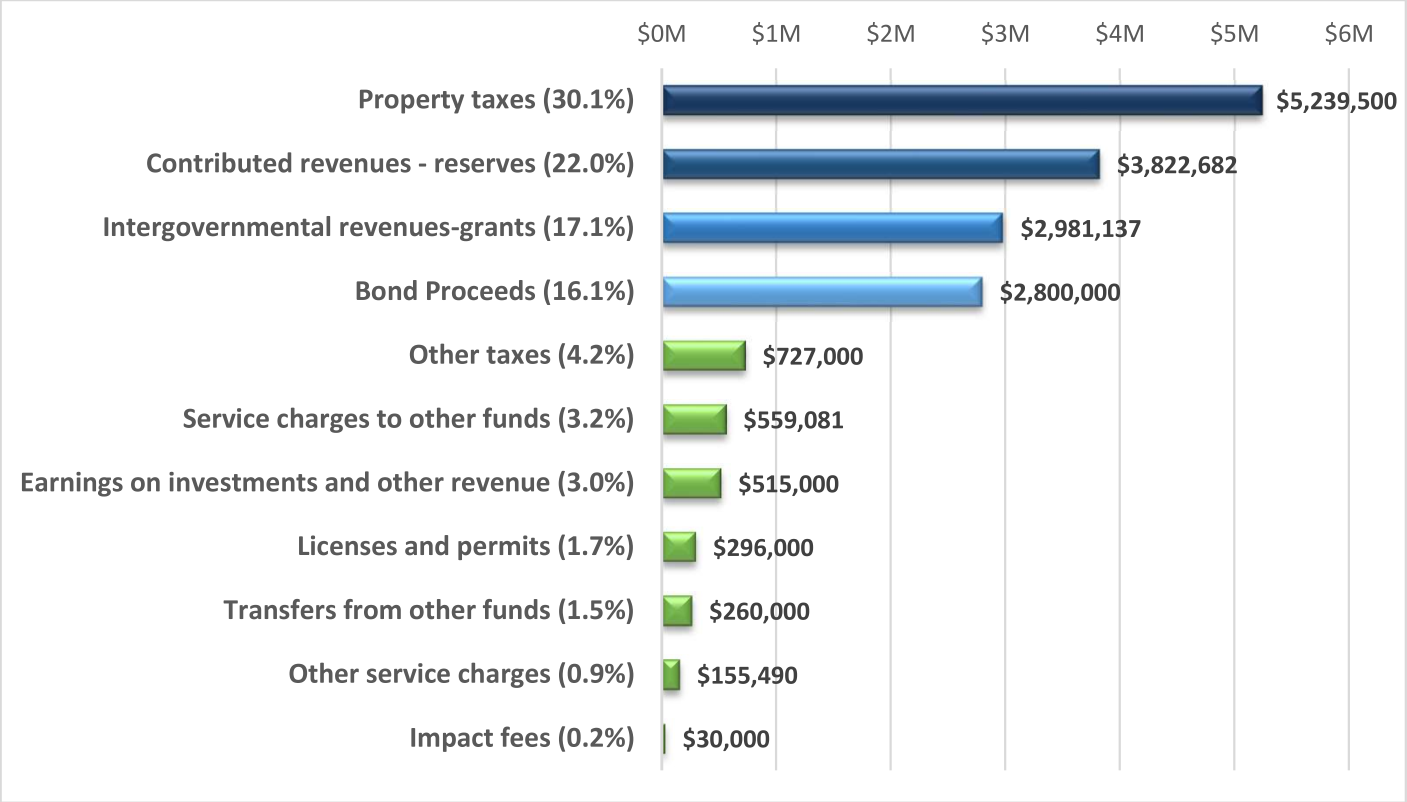
- Taxes, grants, licenses and permit fees, intergovernmental revenues (highway user revenue, slots revenue).

Resources generated by fund are spent for general government and in accordance with the annual appropriated budget approved by Mayor and Council.

FINANCIAL HIGHLIGHTS GENERAL FUND
FY 2026 ENDED JUNE 30, 2026

	FY 2026						FY 2025
		Budget		Actual	Diff $	Diff %	Actual
Revenues							
Property taxes	$	5,239,500	$	5,493,095	(253,595)	5% $	5,237,620
Other taxes		727,000		1,111,515	(384,515)	53%	849,404
Licenses and permits		296,000		351,759	(55,759)	19%	373,339
Intergovernmental revenues		1,013,000		999,319	13,681	-1%	1,653,124
Contributed revenues - grants		1,968,137		550,000	1,418,137	-72%	560,000
Service charges to other funds		559,081		1,038,633	(479,552)	86%	1,001,381
Other service charges		155,490		338,769	(183,279)	118%	348,982
Impact fees		30,000		9,000	21,000	-70%	12,919
Earnings on investments		500,000		552,358	(52,358)	10%	717,849
Other Revenues Miscellaneous		15,000		60,057	(45,057)	300%	44,649
Bond Loan Proceeds		2,800,000		-	2,800,000	-100%	-
Transfers from other funds		260,000		-	260,000	-100%	-
Contributions from reserves		3,822,682		-	3,822,682	-100%	-
Total revenues	$	17,385,890	$	10,504,505	6,881,385	-40% $	10,799,267
Expenditures							
General government		2,539,946		1,603,237	936,709	-37%	1,863,763
Public safety		3,512,376		3,088,422	423,954	-12%	3,177,386
Public works		1,566,935		1,298,534	268,401	-17%	1,197,382
Planning and community development		1,010,838		815,197	195,641	-19%	533,201
Recreation and parks		86,835		75,108	11,727	-14%	63,062
Debt service		389,000		267,655	121,345	-31%	562,167
Capital outlay		8,279,960		1,585,726	6,694,234	-81%	2,377,284
Total expenditures	$	17,385,890	$	8,733,878	8,652,012	-50% $	9,774,245
Net change in fund balance as of 06/30	$		$	1,770,627		$	1,025,022

GENERAL FUND FY 26 BUDGETED REVENUES BY SOURCE



	2026 Budget	
Revenues	$	%
Property taxes	5,239,500	30.1%
Other taxes	727,000	4.2%
Licenses and permits	296,000	1.7%
Intergovernmental revenues-grants	2,981,137	17.1%
Contributed revenues - reserves	3,822,682	22.0%
Service charges to other funds	559,081	3.2%
Other service charges	155,490	0.9%
Impact fees	30,000	0.2%
Earnings on investments and other reve	515,000	3.0%
Transfers from other funds	260,000	1.5%
Bond Proceeds	2,800,000	16.1%
Total revenues	17,385,890	100.0%

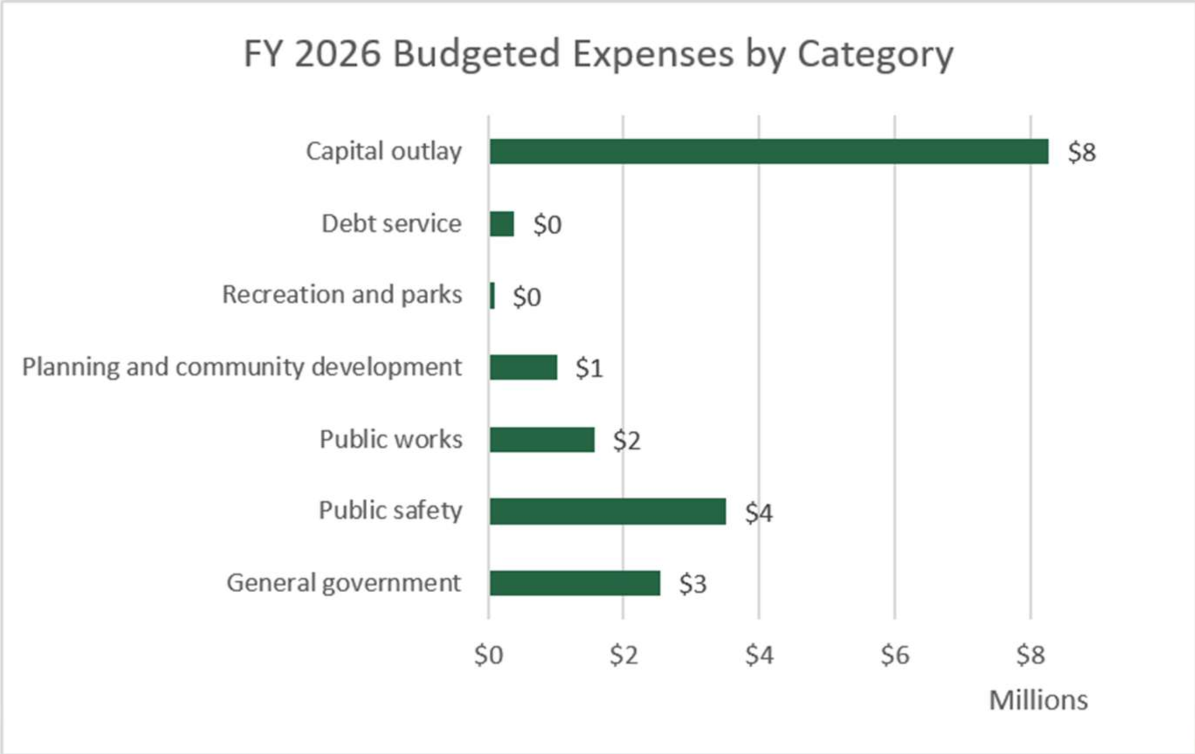
FINANCIAL HIGHLIGHTS GENERAL FUND
FY 2026 ENDED JUNE 30, 2026

	FY 2026					FY 2025
	Budget		Actual	Diff $	Diff %	Actual
Expenditures						
General government		2,539,946	1,603,237	936,709	-37%	1,863,763
Public safety		3,512,376	3,088,422	423,954	-12%	3,177,386
Public works		1,566,935	1,298,534	268,401	-17%	1,197,382
Planning and community development		1,010,838	815,197	195,641	-19%	533,201
Recreation and parks		86,835	75,108	11,727	-14%	63,062
Debt service		389,000	267,655	121,345	-31%	562,167
Capital outlay		8,279,960	1,585,726	6,694,234	-81%	2,377,284
Total expenditures	$	17,385,890	$ 8,733,878	8,652,012	-50%	$ 9,774,245
Net change in fund balance as of 06/30	$		$ 1,770,627			$ 1,025,022

	FY 2026	FY 2025
	Actual	**Actual**
Fund balances		
Nonspendable (due to/due from other funds)	$ 102,850	$ 102,850
Restricted (slots revenues)	1,331,565	1,037,676
Committed (impact fees, debt reduction, disaster recovery)	2,048,018	1,985,616
Assigned (insurance, police forfeiture, capital, stabilization and community center)	5,910,906	6,632,911
Unassigned	1,770,627	3,692,981
Total fund balances, end of year	$ 11,163,966	$ 13,452,034

GENERAL FUND FY 26 BUDGETED EXPENSES BY CATEGORY

	2026 Budget	
Expenditures	**$**	**%**
General government	$2,539,946	14.6%
Public safety	$3,512,376	20.2%
Public works	$1,566,935	9.0%
Planning and community development	$1,010,838	5.8%
Recreation and parks	$86,835	0.5%
Debt service	$389,000	2.2%
Capital outlay	$8,279,960	47.6%
Total expenditures	$17,385,890	100.0%



General Fund Balance

Nonspendable fund balance - amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

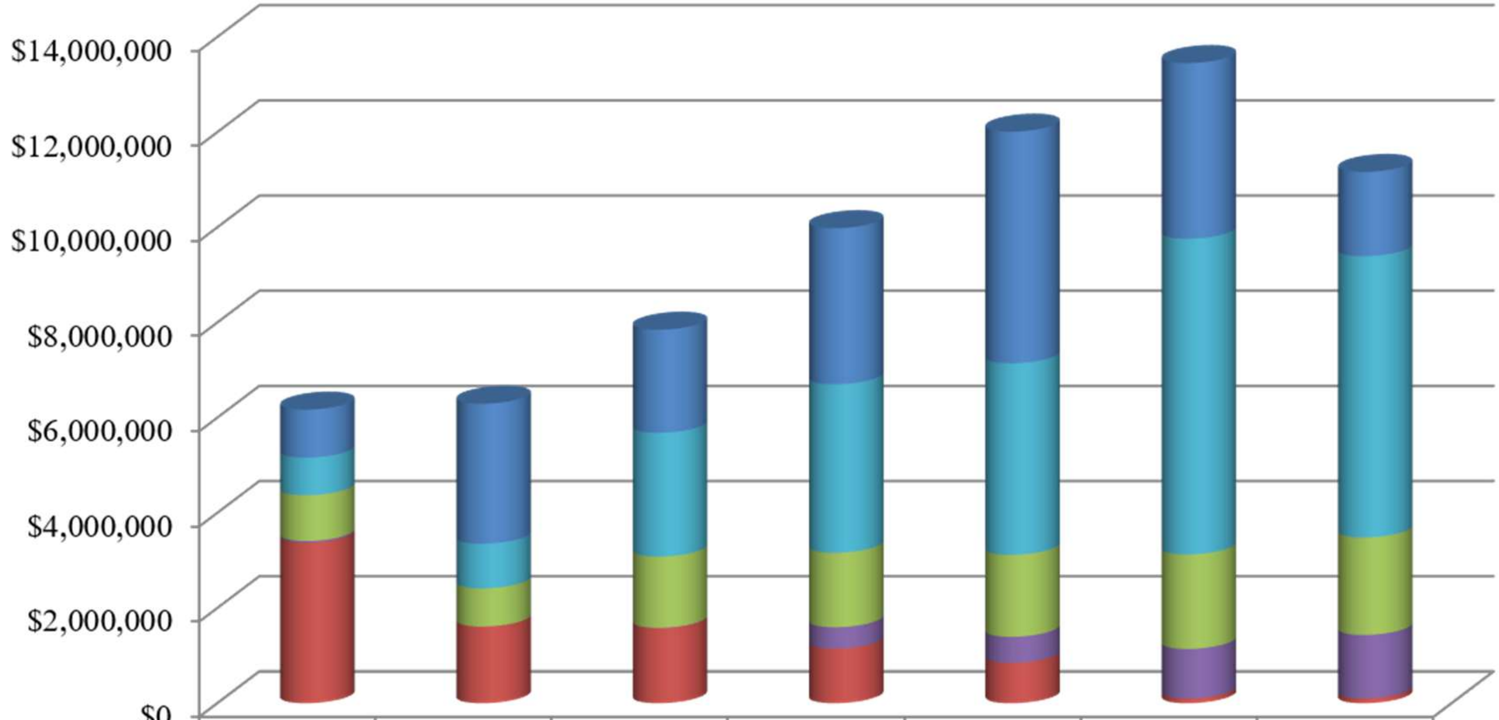
Restricted fund balance - amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed fund balance - amounts that can be spent only for specific purposes determined by a formal action of the Mayor and Council.

Assigned fund balance - amounts the Mayor and Council intend to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance - amounts that are available for any purpose; these amounts can be reported only in the Town's General Fund.

GENERAL FUND BALANCES FISCAL YEARS 2020-2026



	2020	2021	2022	2023	2024	2025	2026
Unassigned	1,008,044	2,941,969	2,166,752	3,279,029	4,867,955	3,692,981	1,770,627
Assigned (Health,Comm.Cntr,Stabilization, Police,Capital Reserve)	791,005	938,602	2,600,983	3,541,908	4,024,731	6,632,911	5,910,906
Committed (Impact fees,Debt Reduction, Disaster Recovery)	961,743	802,215	1,496,878	1,563,922	1,722,744	1,985,616	2,048,018
Restricted (Local Impact Grant-Ocean Downs)	32,886	1,277	4,587	447,340	547,753	1,037,675	1,331,565
Nonspendable (Due from other funds)	3,375,304	1,609,137	1,579,137	1,149,137	847,445	102,850	102,850

GENERAL FUND BALANCE OS OF JUNE 30, 2026

- **Nonspendable** $102,850
  Due from Storm Water Fund as of 06/30/2025

- **Restricted** $1,331,565*
  Slot revenues – limitations on how monies can be spent by higher levels of government. *Balance as of 06/30/2026 and subject to change

- **Committed** $2,048,018
  Impact fees, debt reduction, disaster recovery – limitations on how monies can be spent placed by M&C by ordinance.

- **Assigned** $5,910,906
  Health care, LEOPS, community center, police forfeiture, stabilization reserve, capital reserve – M&C assigned specific purposes for the funds. Capital reserve will be reduced by approved capital projects.

- **Unassigned** $1,770,627**
  Amount available for spending in the event of unexpected contingencies.
  **Unaudited balance as of 06/30/2026 and subject to change

Total fund balance FY 2026 as of June 30, 2026 $ 11,163,966

General Fund
Capital Projects and Assets as of June 30, 2026

Department	Project	Amount
Administration	Portable Radios	$19,814
Building and Grounds	Multi Purpose Building Demolition	$109,319
Building and Grounds	Community Center Feasibility Study	$8,287
Building and Grounds	Town Hall Renovation	$706,437
Building and Grounds	Bikeways	$80
Police Department	Vehicles and Equipment	$188,110
Police Department	Dell Desktops	$19,779
Public Works	Public Works Building Design	$55,384
Sanitation	Trash Cans, Lids	$18,620
Streets	Streets and Paths Paving	$19,591
Streets	CAT Skid Loader	$131,170
Streets	Ford F250	$65,176
Streets	Streets Signs	$2,352
Streets	Kubota RTV	$25,208
Streets	Light Tower Generator	$8,700
Planning	Ford Maverick 2025	$30,789
Planning	Comprehensive Study	$47,432
Planning	Impact Fees Study	$33,593
Parks	SD Park Comfort Stations	$55,299
Parks	SD Playground Unit	$40,586
Total		**$1,585,726**

FINANCIAL HIGHLIGHTS ELECTRIC FUND
FY 2026 ENDED JUNE 30, 2026

	FY 2026					FY 2025
	Budget		Actual	Diff $	Diff %	Actual
Revenues						
Operating revenues						
Charges for services	$ 6,277,600	$	6,257,549	20,051	0%	$ 6,259,323
Sales and Services	365,000		66,684	298,316	-82%	133,040
Interest on delinquent accounts	35,000		33,667	1,333	-4%	29,551
Miscellaneous	1,100		105	995	-90%	244
Total operating revenues	$ 6,678,700	$	6,358,005	320,695	-5%	$ 6,422,158
Contributed revenues- grants	-		104,428	(104,428)	100%	-
Contribution from reserves	1,131,000		-	1,131,000	-100%	-
Bond Loan Proceeds	1,000,000		-	1,000,000	-100%	-
Total revenues	$ 8,809,700	$	6,462,433	2,347,267	-27%	$ 6,422,158
Expenditures						
Purchased power	3,421,300		3,759,631	(338,331)	10%	3,250,836
Personnel expenses	1,360,340		1,241,103	119,237	-9%	1,254,421
Supplies and operating	304,434		311,878	(7,444)	2%	395,618
Professional services	300,000		209,794	90,206	-30%	160,366
Contracted services	155,395		98,819	56,576	-36%	80,202
Insurance	35,500		37,326	(1,826)	5%	28,769
Repairs and maintenance	37,500		56,712	(19,212)	51%	24,415
General overhead	498,231		498,231	-	0%	471,315
Debt service	501,000		471,132	29,868	-6%	529,073
Capital outlay	2,196,000		946,168	1,249,832	-57%	454,058
Total expenditures	$ 8,809,700	$	7,630,795	1,178,905	-13%	$ 6,649,073
Operating income (loss) as of 06/30	$ -	$	(1,168,362)			$ (226,915)

Electric Fund
Capital Projects and Assets
as of June 30, 2026

Department	Project	Amount
Power Plant	Oxidation Filter	$14,762
Power Plant	Power Plant Engine #5 Hotstart	$26,372
Power Plant	Power Plant Cooling Tower Upgrade	$5,961
Power Distribution	Schoolfield Street Back Up Generator	$30,850
Power Distribution	Chevy Silverado 1500	$46,799
Power Distribution	300KVA Transformer	$19,198
Power Distribution	ALTEC Bucket Truck Parts	$24,980
Power Distribution	NEXGRID AMI Metering	$674,085
Power Distribution	Savage Substation Transformer	$103,162
Total		**$946,169**

ELECTRIC FUND CAPITAL PROJECT COMPLETED FY 2026

AMI SMART METERS PROJECT

FINANCIAL HIGHLIGHTS WATER FUND
FY 2026 ENDED JUNE 30, 2026

	FY 2026					FY 2025
	Budget		Actual	Diff $	Diff %	Actual
Revenues						
Operating revenues						
Water service	$ 800,000	$	735,682	64,318	-8%	$ 820,906
Service charges	155,000		141,618	13,382	-9%	135,045
Special connection fees	221,250		6,225	215,025	-97%	26,574
Sales and Services	20,000		13,784	6,216	-31%	15,503
Interest on delinquent accounts	31,550		35,192	(3,642)	12%	37,399
Miscellaneous	68,100		107,929	(39,829)	58%	101,183
Total operating revenues	$ 1,295,900	$	1,040,430	255,470	-20%	$ 1,136,610
Grant Loan Proceeds	2,166,080		-	2,166,080	-100%	297,456
Contribution from reserves	2,246,000		-	2,246,000	-100%	-
Total revenues	$ 5,707,980	$	1,040,430	4,667,550	-82%	$ 297,456
Expenditures						
Personnel expenses	452,957		400,102	52,855	-12%	424,353
Supplies and operating	203,977		188,697	15,281	-7%	204,563
Contracted services	62,958		19,218	43,740	-69%	18,498
Insurance	18,600		19,923	(1,323)	7%	14,584
Repairs and maintenance	467,850		129,795	338,055	-72%	117,465
General overhead	89,558		89,558	0	0%	64,978
Debt service	50,000		-	50,000	-100%	-
Capital outlay	4,362,080		1,387,030	2,975,050	-68%	530,548
Total expenditures	$ 5,707,980	$	2,234,322	3,473,658	-61%	$ 1,374,989
Operating income (loss) as of 06/30	$ -	$	(1,193,892)			$ 59,078

FINANCIAL HIGHLIGHTS SEWER FUND
FY 2026 ENDED JUNE 30, 2026

	FY 2026							FY 2025	
	Budget		Actual		Diff $	Diff %		Actual	
Revenues									
Operating revenues									
Sewer service	$	2,300,000	$	2,217,881	82,119	-4%	$	2,411,469	
Service charges		470,000		430,228	39,772	-8%		465,843	
Special connection fees		613,050		16,261	596,789	-97%		73,520	
Hauler fees		400,000		427,918	(27,918)	7%		716,346	
Interest on delinquent accounts		50,600		58,344	(7,744)	15%		64,690	
Miscellaneous		3,150		1,833	1,317	-42%		5,168	
Total operating revenues	$	3,836,800	$	3,152,466	684,334	-18%	$	3,737,036	
Grant Loan Proceeds		1,000,000		-	1,000,000	-100%		-	
Contribution from reserves		2,424,000		-	2,424,000	-100%		-	
Total revenues	$	7,260,800	$	3,152,466	4,108,334	-57%	$	3,737,036	
Expenditures									
Personnel expenses		1,147,942		846,316	301,626	-26%		1,026,972	
Supplies and operating		574,771		557,445	17,326	-3%		492,004	
Contracted services		36,837		16,579	20,258	-55%		32,134	
Insurance		36,850		31,826	5,024	-14%		27,344	
Repairs and maintenance		112,500		231,806	(119,306)	106%		102,668	
General overhead		444,850		444,850	0	0%		425,347	
Debt service		468,500		353,358	115,142	-25%		467,310	
Capital outlay		3,215,500		767,506	2,447,994	-76%		1,271,605	
Total expenditures	$	6,037,750	$	3,249,686	2,788,064	-46%	$	3,845,384	
Contribution to capital reserve		993,050		-				-	
Transfers to general fund		230,000		-				-	
Operating income (loss) as of 06/30	$	-	$	(97,220)			$	(108,348)	

WATER & SEWER FUNDS CAPITAL PROJECTS, ASSETS AS OF JUNE 30, 2026

Water Fund

Water Administration Department:		
	Water Capacity Plan	$ 24,271
	Ford 250 Truck	$ 67,405
Water Treatment:		
	Powellton Ave Well #1 House	$ 454,639
	Water Supply Water Well	$ 24,202
Water Distribution:		
	Franklin Ave Water Tower Well#2	$ 243,062
	Smart Meters Project	$ 187,747
	Lead Inventory, Replacement	$ 36,510
	Vac Truck	$ 314,057
	Hydrant Replacement	$ 35,136

Sewer Fund

Collection System:		
	Vac Truck	$ 311,976
	West Street Pump Station	$ 139,048
	CAT Excavator	$ 147,346
	High Tide Lift Station Generator	$ 53,830
Treatment Plant:		
	Aqua-Aerobic Filters	$ 12,305
	Valves	$ 14,057
	Treatment Plant Actuators	$ 52,703
Spray Site:		
	Zero Turn Mower 24HP	$ 16,898
	Zero Turn Mower Diesel	$ 19,343

WATER RESOURCES CAPITAL PROJECT COMPLETED
FY 2026 ENDED JUNE 30, 2026

SMART METERS PROJECT

FINANCIAL HIGHLIGHTS STORM WATER FUND
FY 2026 ENDED JUNE 30, 2026

	FY 2026				FY 2025
	Budget	Actual	Diff $	Diff %	Actual
Revenues					
Operating revenues					
Service charges	$ 314,500	$ 298,004	16,496	-5%	$ 313,848
Interest on delinquent accounts	1,200	1,694	(494)	41%	1,662
Miscellaneous	50	50	-	0%	50
Total operating revenues	$ 315,750	$ 299,748	16,002	-5%	$ 315,560
Grant Loan Proceeds	731,100	-	731,100	-100%	-
Total revenues	$ 1,046,850	$ 299,748	747,102	-71%	$ 315,560
Expenditures					
Personnel expenses	147,155	133,999	13,156	-9%	132,885
Supplies and operating	16,371	11,706	4,665	-28%	12,756
Professional services	15,000	15,969	(969)	6%	18,432
Contracted services	880	8,024	(7,144)	812%	12,132
Insurance	2,300	2,570	(270)	12%	1,951
General overhead	5,994	5,994	0	0%	39,741
Capital outlay	829,150	42,765	786,385	-95%	40,902
Total expenditures	$ 1,016,850	$ 221,027	795,823	-78%	$ 258,799
Transfers to general fund	30,000	-			-
Operating income (loss) as of 06/30	$ -	$ 78,721			$ 56,761

Storm Water Fund Capital Projects and Assets as of June 30, 2026

Hudson Branch Street Stream Restoration	$ 22,500
Westminister and Abbey Storm Drains	$ 7,765
Flood Mitigation Water Capacity Plan	$ 12,500

In Conclusion …