



2nd Budget Amendment to the 2026 Budget

CITY COUNCIL MEETING – July 21, 2026

City Staff Representative:
Department:

Kathryn Mortensen, Director of Budget & Innovation
Budget & Innovation

Amendment Purpose

- The City can only spend money that has been appropriated by the Council
- Amendment Need:
 - Use of lodging tax fund balance
 - Carry forward of a 2025 grant award
 - Developer reimbursements per development agreements
- Sufficient appropriations do not exist to cover these items



Budget Impact

Fund	Amount	Reason
General Fund	\$50,000	Carry Forward of a 2025 grant award
Impact Fees Fund	\$2,608,339	For planned developer reimbursements per approved development agreements
Lodging Tax / General Fund	\$40,000	For the use of Lodging Tax dollars on a drone show as part of the Flix and Kicks program
Cemetery Fund	\$150,000	For the construction of a new ossuary in a City Cemetery

Action Requested

- **Approve 2nd Amendment to the 2026 Budget**
- Allocates an **additional \$2,848,339** as shown in the table
- Brings the total City Budget for 2026 to **\$345M**

Fund	Current Budget	Amendment	Amended Budget
General Fund	\$65,293,758	\$70,000	\$65,363,758
Landscaping Fund	\$6,000	\$0	\$6,000
Impact Fees Fund	\$3,765,485	\$2,608,339	\$6,373,824
Highway Fund	\$125,000	\$0	\$125,000
Lottery Fund	\$250,000	\$0	\$250,000
Lodging Tax Fund	\$1,135,012	\$20,000	\$1,155,012
Cemetery Fund	\$789,915	\$150,000	\$939,915
Capital Improvement Fund	\$39,448,797	\$0	\$39,448,797
Parks Capital Improvement Fund	\$37,435,908	\$0	\$37,435,908
Cemetery Perpetual Care Fund	\$109,639	\$0	\$109,639
Water Enterprise Fund	\$107,958,147	\$0	\$107,958,147
Sewer Enterprise Fund	\$73,385,184	\$0	\$73,385,184
Strom Drainage Fund	\$3,995,689	\$0	\$3,995,689
Benefits Internal Service Fund	\$6,857,460	\$0	\$6,857,460
Fleet Internal Service Fund	\$1,378,599	\$0	\$1,378,599
Total	\$341,934,593	\$2,848,339	\$344,782,932

Questions?

