



# 1<sup>st</sup> Budget Amendment to the 2026 Budget

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CITY COUNCIL MEETING – March 3, 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:
  - New revenues to back grants and IGA needs
  - Utilization of existing restricted revenues
  - Projects requiring the use of fund balance
- Sufficient appropriations do not exist to cover these items



# Budget Impact – With New Revenues

Fund	Amount	Reason
General Fund	\$633,951	Youthlink IGA
General Fund	\$260,000	Grant fund positions regarding energy policies and the Green Business Network
Water Enterprise Fund	\$92,012	Grant for the purchase of three electric vehicles
Capital Improvement Fund	\$168,000	Grant for the installation of three dual port chargers at the Municipal Service Center
General Fund	\$50,700	Grant for the development of additional dwelling unit plans

# Budget Impact – Utilizing Restricted Revenues

Fund	Amount	Reason
Parks Capital Improvement Fund	\$178,537	Utilization of lodging tax revenues for the purchase of an outdoor screen
Capital Improvement Fund	\$67,000	Utilization of lodging tax revenues on improvements to Main Street Creatives
Lodging Tax Fund	\$245,537	Transfer of revenues from the lodging tax fund
Impact Fees Fund	\$2,765,485	Utilization of impact fees on developer agreements and to cover a portion of a capital project
Cemetery Perpetual Care Fund	\$9,639	Reconciliation of Cemetery Perpetual Care Fund Interest Transfer

# Budget Impact – Utilizing Unassigned Fund Balance

Fund	Amount	Reason
Water Enterprise Fund	\$5,460,000	Water Share Purchase
Capital Improvement Fund	\$1,595,127	Acceleration of the Sable Corridor Improvements capital project
General Fund	\$200,644	Reimbursement of Enterprise Fund impact fees for the RavenField project
General Fund	\$200,000	Increase to the Parks & Recreation Department's landscaping contract this year

## Action Requested

- Approve 1st Amendment to the 2026 Budget
- Allocates an additional **\$11,926,633** as shown in the table
- Brings the total City Budget for 2026 to **\$292M**

Fund	Current Budget	Amendment	Amended Budget
General Fund	\$63,948,463	\$1,345,295	\$65,293,758
Capital Improvement Fund	\$6,000	\$0	\$6,000
Parks & Recreation Capital Improvement Fund	\$1,000,000	\$2,765,485	\$3,765,485
Impact Fees Fund	\$125,000	\$0	\$125,000
Landscaping Fund	\$250,000	\$0	\$250,000
Lottery Reserve Fund	\$889,474	\$245,537	\$1,135,011
Highway Fund	\$789,915	\$0	\$789,915
Lodging Tax Fund	\$23,300,873	\$1,830,127	\$25,131,000
Cemetery Fund	\$17,825,365	\$178,537	\$18,003,902
Cemetery Perpetual Maintenance Fund	\$100,000	\$9,639	\$109,639
Water Fund	\$88,504,656	\$5,552,012	\$94,056,668
Wastewater Fund	\$70,760,416	\$0	\$70,760,416
Storm Drainage Fund	\$3,945,689	\$0	\$3,945,689
Benefits Internal Service Fund	\$6,857,460	\$0	\$6,857,460
Fleet Internal Service Fund	\$1,378,599	\$0	\$1,378,599
<b>Total</b>	<b>\$279,681,910</b>	<b>\$11,926,633</b>	<b>\$291,608,543</b>

# Questions?

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