



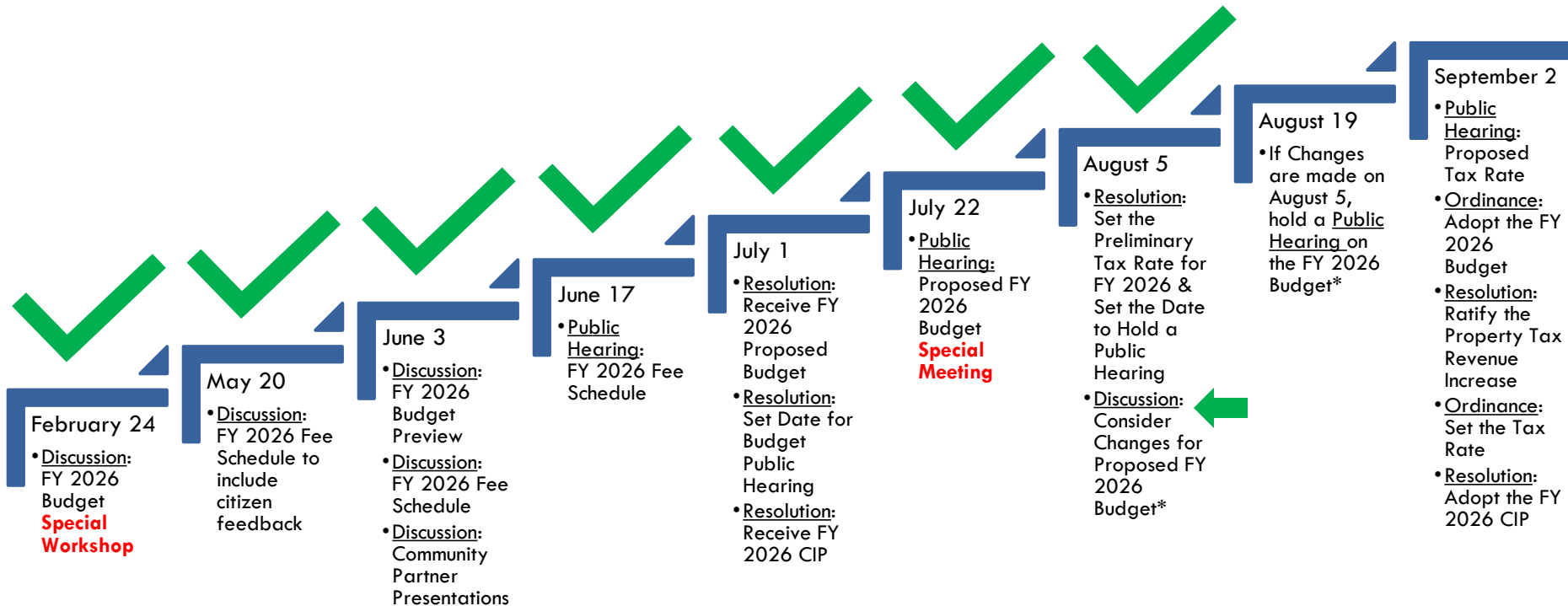
# FY 2026 PROPOSED BUDGET DISCUSSION-REQUEST FOR MOTION

DS-25-042

August 5, 2025

# Budget Calendar

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# Motion of Direction 7/1/2025

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Amount	Motion of Direction	Status
215,000	KEDC	Upon completion of FY 2025 audit in April 2026, consider use of excess fund balance
50,000	IBCC-Grocery Store Services (1 year contract)	In progress-not included in FY 2026 budget
41,500	Children's Advocacy	Included in FY 2026 Proposed Budget
30,000	Police: Mental Health	Included in FY 2026 Proposed Budget

# Motion of Direction 7/22/2025

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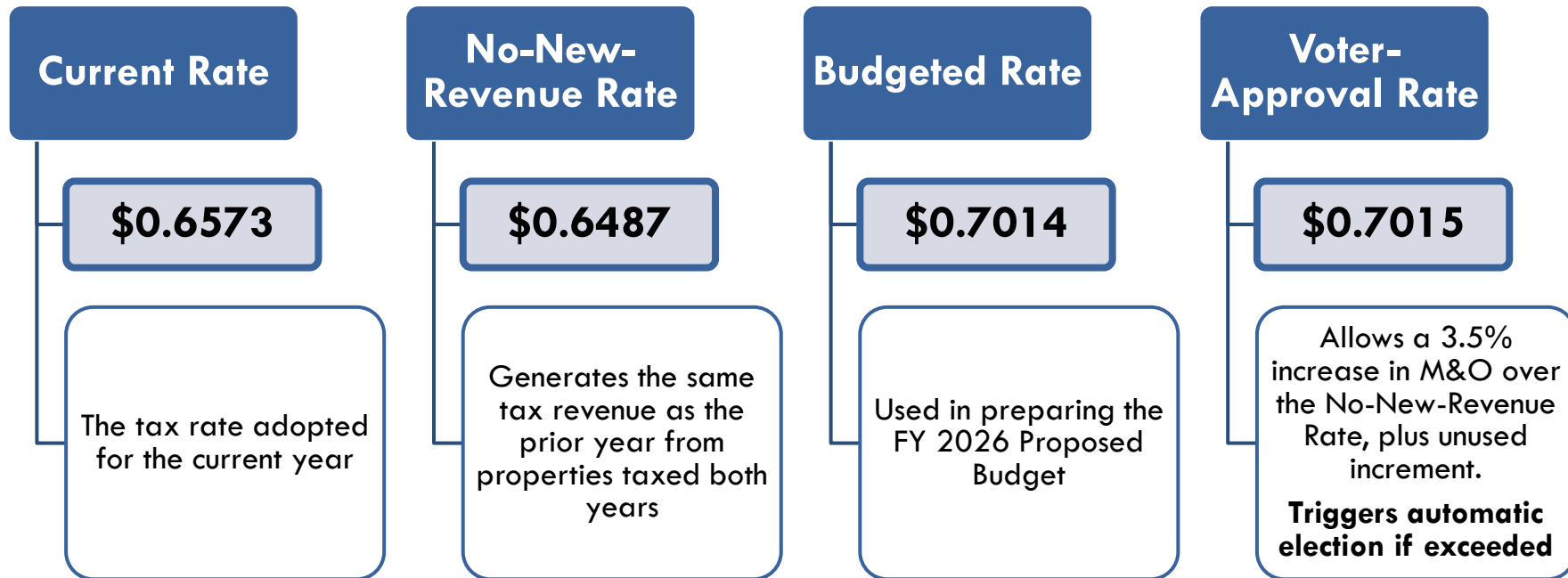
Amount	Motion of Direction	Status
(80,250)	Reduce the Travel & Training budget to \$6,000 per Council Member and \$9,000 for the Mayor.	Reduction made to FY 2026 Proposed Budget
	Options at a tax rate near .72 cents, prioritizing Compensation and Public Safety:	
852,577	PD 4 Officers & 1 Sergeant (Vehicle/Equipment*)	Public Safety
628,106	1% COLA/Comp Plan Implementation	Compensation
663,000	Traffic Signal Inventory & 5 Year Maintenance Plan	Public Safety
600,000	FD Training Tower*	Public Safety
289,306	FD Deputy Chief (Vehicle/Equipment*)	Public Safety
281,584	Assistant City Manager	
200,000	PD Impound Lot*	Public Safety
113,253	IT Security Manager	
63,724	Municipal Court Bailiff	Public Safety
41,500	Children's Advocacy Center	Public Safety
39,202	PD Body Armor	Public Safety
37,087	PD Field Training Officer Incentive Pay Increase	Public Safety
12,772	FD Reclass Captain to Battalion Chief	Public Safety
7,428	FD Arson Investigator Assignment Pay Increase	Public Safety
<b>3,749,289</b>		

# Key Tax Rates

Tax Year 2025 / Fiscal Year 2026

General Fund &  
Debt Service Fund

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# Changes from Proposed

General Fund

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Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 130,848,166	\$ 130,848,166
Add: Property Tax	2,499,289	-
Add: 1% COLA/Comp Plan Implementation	-	628,106
Add: Traffic Signal Inventory & 5 Year Maintenance Plan	-	663,000
Add: PD 4 Officers & 1 Sergeant	-	522,577
Add: Assistant City Manager	-	281,584
Add: FD Deputy Chief	-	169,306
Add: Transfer to IT Fund for New FTE: IT Security Manager	-	113,253
Add: Municipal Court Bailiff	-	63,724
Add: Children's Advocacy Center	-	41,500
Add: PD Body Armor	-	39,202
Add: PD Field Training Officer Incentive Pay Increase	-	37,087
Add: FD Reclass Captain to Battalion Chief	-	12,772
Add: FD Arson Investigator Assignment Pay Increase	-	7,428
Reduce: City Council Travel & Training	-	(80,250)
<b>New Total</b>	<b>\$ 133,347,455</b>	<b>\$ 133,347,455</b>

# Planned Use of Excess Fund Balance

General Fund

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One Time Cost		Expense
FD Training Tower	\$	600,000
PD Impound Lot		200,000
Vehicle/Equipment for PD 4 Officers & 1 Sergeant		330,000
Vehicle/Equipment for FD Deputy Chief		120,000
<b>New Total</b>	<b>\$</b>	<b>1,250,000</b>

# Changes from Proposed

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## Debt Service Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 20,207,374	\$ 21,087,558
Add: Property Tax	189,367	-
<b>New Total</b>	<b>\$ 20,396,741</b>	<b>\$ 21,087,558</b>

## Hotel Occupancy Tax Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 3,110,515	\$ 3,110,515
Add: Interest Income	8,906	-
Add: 1% COLA/Comp Plan Implementation		8,906
<b>New Total</b>	<b>\$ 3,119,421</b>	<b>\$ 3,119,421</b>



# Changes from Proposed

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## Aviation Enterprise Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 7,011,248	\$ 6,403,363
Add: 1% COLA/Comp Plan Implementation	-	58,241
<b>New Total</b>	<b>\$ 7,011,248</b>	<b>\$ 6,461,604</b>

## Solid Waste Enterprise Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 28,393,641	\$ 28,393,641
Add: Interest Income	58,020	-
Add: 1% COLA/Comp Plan Implementation	-	58,020
<b>New Total</b>	<b>\$ 28,451,661</b>	<b>\$ 28,451,661</b>

# Changes from Proposed

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## Water & Sewer Enterprise Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 52,309,845	\$ 52,309,845
Add: Interest Income	96,892	-
Add: 1% COLA/Comp Plan Implementation	-	96,892
<b>New Total</b>	<b>\$ 52,406,737</b>	<b>\$ 52,406,737</b>

## Drainage Utility Enterprise Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 5,532,601	\$ 5,532,601
Add: Interest Income	49,629	-
Add: 1% COLA/Comp Plan Implementation	-	49,629
<b>New Total</b>	<b>\$ 5,582,230</b>	<b>\$ 5,582,230</b>

# Changes from Proposed

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## Fleet Internal Service Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 2,040,503	\$ 2,040,503
Add: 1% COLA/Comp Plan Implementation	-	15,779
<b>New Total</b>	<b>\$ 2,040,503</b>	<b>\$ 2,056,282</b>

## Risk Management Internal Service Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 2,399,975	\$ 2,399,975
Add: 1% COLA/Comp Plan Implementation	-	2,223
<b>New Total</b>	<b>\$ 2,399,975</b>	<b>\$ 2,402,198</b>

## Information Technology Internal Service Fund

Description	Revenues	Expenses
FY 2026 Proposed Budget	\$ 8,255,575	\$ 9,220,033
Add: Transfer from General Fund	113,253	-
Add: Information Technology Security Manager	-	113,253
Add: 1% COLA/Comp Plan Implementation	-	17,645
<b>New Total</b>	<b>\$ 8,368,828</b>	<b>\$ 9,350,931</b>

# FY 2026 Proposed Budget with Changes

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Fund Group	Projected Beginning Fund Balance	FY 2026 Revenues	FY 2026 Expenses	Change in Fund Balance	Projected Ending Fund Balance	Fund Balance Reserve
General Fund	\$ 34,594,025	\$ 133,347,455	\$ 133,347,455	\$ -	\$ 34,594,025	25.94%
Water & Sewer Fund	12,047,696	52,406,737	52,406,737	-	12,047,696	22.99%
Capital Project Funds	26,480,878	24,509,303	39,357,498	(14,848,195)	11,632,683	29.56%
Solid Waste Fund	6,610,715	28,451,661	28,451,661	-	6,610,715	23.23%
Internal Service Funds	7,824,728	22,340,464	23,340,569	(1,000,105)	6,824,623	29.24%
Debt Service Fund	5,060,622	20,396,741	21,087,558	(690,817)	4,369,805	20.72%
Other Special Revenues	5,465,085	12,549,024	14,570,258	(2,021,234)	3,443,851	23.64%
Street Maintenance Fund	7,408,128	10,245,240	9,686,850	558,390	7,966,518	82.24%
Aviation Fund	6,770,344	7,011,248	6,461,604	549,644	7,319,988	113.28%
Drainage Utility Fund	1,474,785	5,582,230	5,582,230	-	1,474,785	26.42%
Hotel Occupancy Tax	716,982	3,119,421	3,119,421	-	716,982	22.98%
Golf Course Fund	292,914	1,548,836	1,696,977	(148,141)	144,773	8.53%
<b>Subtotal</b>	<b>\$ 114,746,900</b>	<b>\$ 321,508,360</b>	<b>\$ 339,108,818</b>	<b>\$ (17,600,458)</b>	<b>\$ 97,146,442</b>	
Less Interfund Activity		(34,633,257)	(34,633,257)			
Less Health Insurance Transfer		(7,469,990)	(7,469,990)			
<b>Adjusted Total</b>		<b>\$ 279,405,113</b>	<b>\$ 297,005,571</b>			

# Council Direction

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- ❑ No motion
- ❑ Motion of direction to amend staff recommendations
- ❑ Motion of direction to approve staff recommendations

# Recommendation

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- Motion of direction to approve staff recommendations