



CITY COUNCIL

AGENDA ITEM STAFF REPORT

MEETING DATE:	Tuesday, December 9, 2025
TITLE:	Ordinance Adopting a Budget for the Fiscal Year 2026, Which Begins January 1, 2026
DEPARTMENT:	Finance
PROJECT MANAGER:	AMANDA GUNTRUM, INTERIM FINANCE DIRECTOR
REQUESTED ACTION:	Approval
STRATEGIC PLAN GOAL(S):	#4: INVEST IN PUBLIC INFRASTRUCTURE #7: SUPPORT EXCELLENT MUNICIPAL SERVICES
ATTACHMENTS:	Ordinance, Budget

EXECUTIVE SUMMARY

This Ordinance will adopt a budget for the City's 2026 fiscal year as presented within the November 25, 2025 City Council meeting. The 2026 Budget was presented for public hearing on November 25, 2025, and reflects a continued commitment to a "business plan" approach centered on efficiency, effective service delivery, and long-term community improvement. The proposed budget totals \$97,487,876 in both revenues and expenditures—an increase of approximately 11% over the 2025 Budget—resulting in a balanced financial plan supported in part by the City's Unassigned Fund Balance.

General Fund revenues are projected at \$40,750,887, with expenditures estimated at \$39,783,401. Water and Wastewater revenues, the City's second-largest funding source, are projected at \$15,260,288 and include a planned 9% rate adjustment necessary to meet regulatory and infrastructure demands. Corresponding Water & Wastewater Fund expenses are estimated at \$21,568,051, which includes capital projects.

The 2026 property tax rate is expected to be 0.6171, reflecting a levy increase of \$179,699, or 5%. Under the proposed ordinance, the City will levy \$3,780,882 in 2025 property taxes to be collected in 2026. The tax rate for both Madison and St. Clair Counties is anticipated to increase modestly. Of the \$3,780,882 to be collected, 100% will be allocated directly to the Police and Firefighter Pension Funds, with 0% supporting General Fund operations.

Both the General Fund and the Water & Wastewater Fund are projected to maintain Unassigned Fund Balances within the required 15%–20% policy range established by ordinance, ensuring continued fiscal stability.

RECOMMENDATION

Staff recommends adoption of the budget for 2026 as presented by staff.