

General Fund Expenditures by Department			
Department	2026 Proposed Budget	Change from Prior Year Adopted	% Change
Administration Group			
City Commission	\$358,732	<i>(\$12,528)</i>	<i>-3.4%</i>
City Manager	\$758,533	<i>\$7,863</i>	<i>1.0%</i>
Neighborhood Council	\$41,965	<i>\$41,965</i>	<i>-</i>
Communication Specialist	\$123,975	<i>(\$14,681)</i>	<i>-10.6%</i>
City Clerk	\$294,992	<i>\$20,707</i>	<i>7.5%</i>
Animal Shelter	\$1,119,453	<i>(\$32,090)</i>	<i>-2.8%</i>
City 190	\$0	<i>\$0</i>	<i>-</i>
Miscellaneous Admin	\$1,210,817	<i>(\$29,130)</i>	<i>-2.3%</i>
Contingency	\$172,497	<i>\$122,497</i>	<i>245.0%</i>
City/ County Health	\$250,000	<i>\$0</i>	<i>0.0%</i>
Total Administration Group	\$4,330,964	\$104,603	2.5%
Court			
Court	\$944,343	<i>\$90,298</i>	<i>10.6%</i>
Elected Judge	\$386,695	<i>\$22,476</i>	<i>6.2%</i>
Jail Alternatives	\$23,000	<i>\$0</i>	<i>0.0%</i>
Total Court	\$1,354,038	\$112,774	9.1%
Legal Department			
City Attorney	\$1,682,947	<i>\$58,466</i>	<i>3.6%</i>
Total Legal Department	\$1,682,947	\$58,466	3.6%
Police Department			
Police Debt Service	\$231,570	<i>(\$1)</i>	<i>0.0%</i>
Police Admin	\$3,134,686	<i>\$8,825</i>	<i>0.3%</i>
Patrol	\$8,840,436	<i>\$1,072,921</i>	<i>13.8%</i>
Support Services	\$1,800,936	<i>(\$384,100)</i>	<i>-17.6%</i>
Investigation Services	\$3,490,348	<i>\$450,042</i>	<i>14.8%</i>
Records Bureau	\$950,919	<i>\$54,967</i>	<i>6.1%</i>
COPS Grant	\$0	<i>(\$366,708)</i>	<i>-100.0%</i>
Total Police Department	\$18,448,895	\$835,946	4.7%
Fire Department			
Fire Debt Service	\$317,227	<i>\$235,103</i>	<i>286.3%</i>
Fire Operations	\$11,095,897	<i>\$450,501</i>	<i>4.2%</i>
Fire Prevention	\$725,903	<i>\$34,237</i>	<i>4.9%</i>
Emergency & Disaster	\$179,078	<i>\$22,728</i>	<i>14.5%</i>
Total Fire Department	\$12,318,105	\$742,569	6.4%
Park & Recreation Department			
Park & Rec Admin	\$739,226	<i>(\$14,290)</i>	<i>-1.9%</i>
Parks	\$2,576,095	<i>\$144,948</i>	<i>6.0%</i>
Trail Maintenance	\$171,471	<i>\$18,503</i>	<i>12.1%</i>
Total Park & Rec Department	\$3,486,792	\$149,161	4.5%
Transfers Out			
Planning & Comm Development	\$304,932	<i>(\$72,000)</i>	<i>-19.1%</i>
Natural Resources	\$256,277	<i>\$0</i>	<i>0.0%</i>
Swimming Pools	\$208,861	<i>\$80,000</i>	<i>62.1%</i>
Recreation - AHBS	\$400,407	<i>\$100,000</i>	<i>33.3%</i>
Civic Center Events	\$234,000	<i>\$100,000</i>	<i>74.6%</i>
Total Transfers Out	\$1,404,477	\$208,000	17.4%
Total Expenditures	\$43,026,218	\$2,211,519	5.4%
Totals			

Tax Scenarios for FY2026		
A) No Permissive Levy and No Inflationary Increase	B) No inflationary increase	C) No inflationary increase
\$358,732	\$358,732	\$358,732
\$758,533	\$758,533	\$758,533
\$41,965	\$41,965	\$41,965
\$123,975	\$123,975	\$123,975
\$294,992	\$294,992	\$294,992
\$1,119,453	\$1,119,453	\$1,119,453
\$0	\$0	\$0
\$1,210,817	\$1,210,817	\$1,210,817
\$172,497	\$172,497	\$172,497
\$250,000	\$250,000	\$250,000
\$4,330,964	\$4,330,964	\$4,330,964
\$944,343	\$944,343	\$944,343
\$386,695	\$386,695	\$386,695
\$23,000	\$23,000	\$23,000
\$1,354,038	\$1,354,038	\$1,354,038
\$1,682,947	\$1,682,947	\$1,682,947
\$1,682,947	\$1,682,947	\$1,682,947
\$231,570	\$231,570	\$231,570
\$3,134,686	\$3,134,686	\$3,134,686
\$8,840,436	\$8,840,436	\$8,840,436 \$8,383,276
\$1,800,936	\$1,800,936	\$1,800,936
\$3,490,348	\$3,490,348	\$3,490,348
\$950,919	\$950,919	\$950,919
\$0	\$0	\$0
\$18,448,895	\$18,448,895	\$17,991,735
\$317,227	\$317,227	\$317,227
\$11,095,897	\$11,095,897	\$11,095,897
\$725,903	\$725,903	\$725,903
\$179,078	\$179,078	\$179,078
\$12,318,105	\$12,318,105	\$12,318,105
\$739,226	\$739,226	\$739,226
\$2,576,095	\$2,576,095 \$2,431,147	\$2,576,095
\$171,471	\$171,471 \$152,968	\$171,471
\$3,486,792	\$3,323,341	\$3,486,792
\$304,932	\$304,932	\$304,932
\$256,277	\$256,277	\$256,277
\$208,861	\$208,861 \$128,861	\$208,861
\$400,407	\$400,407 \$300,407	\$400,407
\$234,000	\$234,000 \$134,000	\$234,000
\$1,404,477	\$1,124,477	\$1,404,477
\$38,134,949	\$42,582,767	\$42,569,058
(\$4,891,269)	(\$443,451)	(\$457,160)

Cut all of Park & Rec and all General Fund subsidies	Cut FY26 increases to P&R and FY26 increases to subsidies	Cut 4 out of the 5 vacant police officer positions
Note: FY2026 CM Budget Proposal does not include a Permissive Medical Levy tax increase due to changes in employee/City medical insurance contribution formula change to 80/20.		

Budget Scenario Notes

Notes and Assumptions

1. In scenarios A and B; we didn't touch Public Safety. Scenario C includes Police (current vacant positions). We've attached an updated GF percentage breakout, visually detailing the amount already in Public Safety compared to other GF departments.
2. The Commission will quickly see that wages (both union, exempt) have an impact on the budget. The largest is year two of the Police Association's CBA in FY25 PLUS rank maturity in the department. The Police Patrol budget increased over \$1.07 million alone.
3. Scenario A would [again we avoided Public Safety]: 1) Eliminate P&R as we know it [severely limit Natural Resources, likely close Neighborhood Pools, limit operations in other areas]. 2) It would severely deplete Planning and Community Development [as in eliminate planning positions] 3) Eliminate Civic Center Events. We can speak to the full operational impact in each of these areas.
4. Scenario B [again avoiding Public Safety]: 1) Eliminates a substantial portion of the PARKS department and some trails. 2) Likely closes Neighborhood Pools, limit operations in other areas and 3) impacts P&R programming.
5. Scenario C introduces reducing Public Safety – Patrol. The impact would be a reduction of four (4) vacant patrol positions.
6. CM/Finance is more concerned about next year's budget because of legislative changes to how the City budgets.

7. All department requests for FY26 we reviewed and considered for reductions:

There are no new positions in the budget (just consolidations)

- Across the departments - reductions in travel, training, supplies, equipment
- In some cases, departments were directed to use some department fund balances to reduce internal service charges or to address expenditure items.
 - I directed departments to purchases essential – lower cost - items for operations with any savings from FY25 to reduce requests in FY26
- CM Office asked departments to consider not filling position vacancies
 - Legal: Vacated paralegal, increased outside attorney hours
 - Fire: Offered Support Services Assistant Chief and external training
 - Position added back to FY26 budget proposal
 - Court: Offered Courtroom Clerk position
 - Position added back to FY26 budget proposal
 - CM considered
 - Not filling the DCM position
 - Eliminating Communications Specialist (but is a CC priority)
 - Reducing NC Coordinator hours
- P&R - Significantly reduced the request for SAHBS (and pools) GF subsidy.

Instead of eliminating an entire service or division, the CM proposed FY26 budget recommends:

1. Budget process for **FY27** begins *after* adoption of FY26. We know next year will be more difficult, so administration, department leadership, and Commission will tackle the budget in work sessions before next March's formal process.
2. We avoided reductions in Public Safety. It seems counter-productive when the community is beginning to discuss another levy. If we reduce now, we would then be seeking to replace what was lost when another levy ask is eventually made.
3. Some P&R items can be picked up by the PMD#1, but not all.
4. We have two RFP's out for Civic Center Events and P&R Operations/Fees. Short version:

Civic Center Events: The City's approach needs to drastically change (i.e., one staffer to coordinate building for use), privatize operations and/or partner with an outside group to manage events (GF Symphony has made a pitch). The facility is too old, there are other city competitive venues, and we can't financially produce shows.

P&R: Parks and Recreation is 9% of the overall General Fund budget. Build and implement a cost recovery model for all services. Evaluate operations, especially SAHBS, Multi-Sports, to determine whether the City can run it differently than originally proposed. This is a full scope review.
5. This is not a great strategy, but: the City is hoping that Calumet's tax appeal is resolved this year.
6. Recommended budget contemplates using Undesignated Fund Balance for FY26 (roughly \$647,845); however, CM/Finance proposes to keep Undesignated Reserve Balance strong to carry the City budget over the next two years.
7. All CBA ratifications pending and will have an impact on the FY26/26 budget (including compression on non-union positions).
8. CM is not recommending increasing the Permissive Medical Levy in FY2026 over FY2025.