



## FINANCE DEPARTMENT MEMORANDUM

**TO:** City Council; James Gallup, City Manager  
**FROM:** Bettina Chandler, City Recorder  
**DATE:** December 10, 2025  
**SUBJECT:** FY 2025-2026 Budget Amendments

---

Attached is Ordinance 2026-01, an Ordinance amending the FY 2025-26 Budget. Most of the items have been approved by City Council in previous meetings. Following is a list of the amendment highlights. Please let me know if you have questions.

**General Fund Revenue Increase** for Fire HMEP and THSO Grants; Fire and Recreation East TN Foundation Grants; I.T. PEP Cybersecurity Grant; JCCC Silver Sneakers Program; Police vehicles sold on GOVDeals; insurance recoveries; PEP Full Package Bonus; sale of scrap metal; Recreation GameTime Playground Grant; FY 25-26 donation to the Fire Department from the County; and Fire Station 2 Bond Proceeds.

**General Fund Expenditure Increase** for Fire Station 2 construction costs; Police winter jackets (funded by GOVDeals sale of vehicles); Fire Department hazardous materials (funded by HMEP Grant); Fire Department miscellaneous fire equipment (funded by East TN Foundation Grant); Fire Department jaws of life (funded by THSO grant and private donation); Recreation equipment items (funded by East TN Foundation Grant); and Recreation Department playground equipment (50% funded by Gametime Playground Grant).

**Sanitation Fund Revenue Increase** for Operating Transfer In from General Fund.

**Sanitation Fund Expenditure Increase** for IWORQ data processing services.

**Water Sewer Fund Revenue Increase** for cutoff service fee.

**Water Sewer Expenditure Increase** for Water Plant bleach tank replacement and installation; Sewer Plant legal service assistance from McGill Associates; audit depreciation adjustments; and Water Plant turbidimeter replacement.

**General Fund Amendments**

Revenues	\$5,765,330.	Increase
Expenditures	\$5,732,610.	Increase
<b>Fund Balance</b>	<b>\$ 32.720.</b>	<b>Increase</b>

**Sanitation Fund Amendments**

Revenues	\$ 2,000.	Increase
Expenditures	\$ 2,000.	Increase
<b>Fund Balance</b>	<b>\$ 0.</b>	<b>Increase/Decrease</b>

**Water Sewer Fund Amendments**

Revenues	\$ 30,000.	Increase
Expenditures	\$ 566,900.	Increase
Capital Outlay Uses	\$ 19,350.	Decrease
<b>Retained Earnings</b>	<b>(\$ 517,550.)</b>	<b>Decrease</b>