

# AGENDA STAFF REPORT



**MEETING NAME:** REGULAR BOARD MEETINGS  
**MEETING DATE(S):** JANUARY 15 & 20, 2026  
**FROM:** SKYLER AUBREY, ACCOUNTING MANAGER  
**FOR:** ACTION  X  DIRECTION \_\_\_\_\_ INFORMATION \_\_\_\_\_

## RESOLUTION 2026-01 REVISED 2025-2026 OPERATING AND CAPITAL BUDGET

### STAFF RECOMMENDATION

Adopt Resolution 2026-01, revising the Operating and Capital Budgets for the fiscal year 2025-2026.

### SUMMARY

Each December, staff reviews the Board-adopted Operating and Capital Budgets for the ongoing fiscal year. The 2025-2026 Operating and Capital budgets have been revised and presented in detail. Staff recommends adoption as presented.

### ANALYSIS

Staff recommends an increase in operating budget for the below items.

1. BID #629 – customer billing outsourcing - \$10,000
2. BID #669 – GIS/CMMS staff augmentation - \$93,750
3. BID #824 – engineering contract labor - \$50,000
4. BID #881 – heavy equipment certification - \$10,000
5. BID #314 – on-call accounting services and ERP implementation project management - \$50,000
6. BID #315 – temporary payroll staff - \$25,000

FINANCIAL DATA		
Cost Associated with this action:	\$2,793,247	
Current FY cost:	N/A	
Future FY cost:	N/A	
Is it covered in current year budget:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Budget adjustment needed:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If yes, year needed:	FY 2025-2026	
All previous contracts including dates, amounts and board approvals are attached or have been made available.		
FUNDING SOURCES		
Source of funds:	Operations/Grants	
BID/Job#	Various	
Current BID/Job balance	N/A	
Balance remaining if approved:	N/A	

See Revised Departmental Budgets attachment for updated budget totals after operating budget increases. Additionally, staff recommends budget augmentations to fifteen current capital projects. See Revised Capital Budget attachment. Staff is also recommending budget augmentations for four new capital projects.

### FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION

Operating expenses and capital project budgets increased by \$238,750 and \$2,554,497 respectively. This action is consistent with Strategic Plan SMART Goal 1 related to Customer Communications, Goal 2 related to Water Supply, Goal 3 related to Financial Management, Goal 4 related to System Reliability, Goal 5 related to Environmental Sustainability, and Goal 6 related to Improved Technology & Processes.

### ATTACHMENTS

2025-2026 Revised Departmental Budgets, 2025-2026 Revised Capital Budget and Continuing Appropriations, Resolution 2026-01