



Agenda Item Cover Sheet

Agenda Title:

- FY 2027 Budget Adoption

Department/Contact Person:

- City Administrator, Kristen Dorman
- Finance Manager, Amy Johnson

Background Information:

- In November of 2025, staff started preparation of the FY27 budget by forecasting revenues and expenditures for each fund based on historical trends and known contract increases.
- In December of 2025, Department heads began work on their base budgets.
- In January of 2026, the Finance Manager presented FY26 year-end projections, to set the framework for future presentations regarding the FY27 proposed budget.
- In February, 2026FY we held work sessions for revenue assumptions, budget outlook, and operating budget plan of action.
- In March of 2026, staff held a work session for capital and one-time funding requests, and presented the FY27 Proposed Budget to the City Council and the Public.
- The FY27 Budget must be approved by the City Council, and will take effect on April 1, 2026.

Financial Information:

- Total FY27 Proposed Budget: \$15,511,127
- After presenting the draft budget, there were a few changes made to the budget document as listed below:
 - Lagers Expense decreased by \$23,400 (General, Public Health, Transportation, Parks, and Water/Sewer Funds)
 - Cass County Road & Bridge Property tax increase by \$13,898 (Transportation Fund)
 - Livestock Revenue in Special Events increased by \$3,000 (Special Events Fund)

- Advertising Expense in Special Events decreased by \$5,000 (Special Events Fund)
- The G.O. Bond Fund expenses were not included in the draft; the expenses in that fund are \$732,833 (These expenses are part of the Bond proceeds we received in 2024, which are not part of our operating budgets)
- Vehicle Replacement Fund increased by \$985 in expenses.

Staff Recommendation:

- City Staff recommends adopting the FY 2027 budget document

Attachments:

- FY 27 Budget