



Date: Tuesday, May 26, 2026

Honorable Mayor and Council Members

Author and title: Jen Callaway, Town Manager and Nicole Casey, Administrative Services Director

Title: **Fiscal Year 2026/27 Annual Operating Budget and Five-Year Capital Improvement Project Budget Workshop**

Jen Callaway, Town Manager

Recommended Action: That Council conducts a workshop to discuss the draft fiscal year (FY) 2026/27 Annual Operating Budget and Five-Year Capital Improvement Project Budget.

Discussion: The Town of Truckee develops an operating and capital budget each fiscal year (FY) which runs July 1st through June 30th. The Town Council must review and adopt a budget for the subsequent fiscal year prior to June 30th.



INVEST IN **KEY INFRASTRUCTURE,**
COMMUNITY CONNECTIVITY,
& **ECONOMIC VITALITY**



ENHANCE PARTNERSHIPS & INVESTMENT
FOR **EMERGENCY PREPAREDNESS**
INCLUDING WILDFIRE READINESS,
MITIGATION & RECOVERY



ACTIVELY SUPPORT THE DEVELOPMENT
OF **WORKFORCE HOUSING**



REDUCE GREENHOUSE GAS EMISSIONS
& BECOME A LEADER IN
ENVIRONMENTAL SUSTAINABILITY



ENHANCE **COMMUNICATION**
& **PUBLIC OUTREACH**

Preliminary input into the FY 2026/27 budget process began early in 2026, during the Council off-site retreat in which Council reaffirmed its commitment with minor adjustments to the FY2025-2027 Council Priorities. These preliminary discussions helped to inform the development of the proposed/draft operating and capital budget for Council consideration and direction, ensuring that the budget includes funding for all core Town services and council focus areas.

As a reminder, these goals are in addition to the full complement of services – police, maintenance, community development, streets and roads, trails, code enforcement, building, and administrative duties that the Town provides to the community on an ongoing basis.

The proposed/draft budget funds all Town services and capital projects from July 1, 2026 through June 30, 2027. The budget makes key investments in operations and capital improvements, while also preserving healthy financial reserves to weather future emergencies and economic downturns.

The budget is provided as a link to a dynamic online version of the budget. From there, individuals who wish to see the budget in PDF format can click the link to convert the material to pdf format. The links are provided under the Attachments section. The online version contains a hyperlinked table of contents to the left of the reader interface.

There are few items that did not make it into this version of the budget and will be incorporated into the final version presented for adoption in June. Those items include:

- Correction of the timing of spending in the General Plan Update project (no additional funding).
- Updating the sales tax projects based on updated projections from HdL, the Town's sales tax consultant, which staff are expecting to receive in the next week.
- Additional funding added to the operational assessment implementation CIP to support recent cost updates for acquisition of additional CloudPermit modules and consultant support for implementation
- Additional funding of approximately \$20,000 in professional services to support staff training.

Items staff are seeking Council direction include:

- Based on the previous Council discussion, staff followed up with CalTrans regarding the intersection improvements at the 184/Shell Highway 80 exit. Based on this follow-up, an additional capital project could be incorporated within the five-year CIP budget that would include \$200,000 of Measure U funding to support efforts by CalTrans to improve pedestrian and bicyclist safety on the Highway 80 overpass on Donner Pass Road. Staff understand CalTrans expected timeline would be to begin designing the improvements in FY 2026/27 with possible construction occurring in 2027 and anticipate minimal staff involvement. If directed by Council to be incorporated into the CIP budget, staff would update the workplan to include support of this project. Given the current information from Caltrans, staff involvement is expected to be minimal and at this time staff would not propose removing a workplan to free up capacity for this item.
- On May 13, 2026, staff received a request from Clean Up the Lake to fund a large clean-up effort at Donner Lake. The proposal is provided as Attachment 2 and the corresponding budget is provided as Attachment 3. The project budget is approximately \$90,000 and staff have since reached out to Clean Up the Lake staff to better understand the request for financial support from the Town. Staff anticipate having this information to share at the budget workshop and seek Council direction as to adding this project to the Town's CIP budget. The draft budget does not currently have allocated funding to support a lake clean-up project. The Sustainability Designation is fully allocated; therefore, this would need to come from the General Fund. There is currently sufficient General Fund capacity for this item.

During this workshop, staff will provide detail into the draft Operating and Capital budgets and receive Council direction for any modifications or changes prior to presentation to Council for final adoption as part of a council meeting in June 2026.

Priority:

<input checked="" type="checkbox"/> Enhanced Communication	<input checked="" type="checkbox"/> Climate and Greenhouse Gas Reduction	<input checked="" type="checkbox"/> Housing
<input checked="" type="checkbox"/> Infrastructure Investment	<input checked="" type="checkbox"/> Emergency and Wildfire Preparedness	<input checked="" type="checkbox"/> Core Service

Public Communication:

Council Retreat/Workshop & Priority Setting – January 29, 2026

Town Talk hosted by the Chamber of Commerce – Demystifying the Town Budget

Capital Improvement Project Budget Workshop – April 28, 2026

Attachments:

Attachment 1 – Letter from the Town Manager

Link 1 - Draft FY2026/27 Annual Operating Budget – <https://town-truckee-ca-cleardoc.cleargov.com/25674/1025916/d>

Link 2 – Draft FY2026/27 – FY2030/31 Capital Improvement Projects Budget - <https://town-truckee-ca-cleardoc.cleargov.com/15798/548138/d>