

TO: City Council
FROM: Troy Niemeyer, Finance Director
DATE: July 7, 2026
SUBJECT: Ordinance No. O2026-003, 2025-2026 Budget Amendment No. 1

1) Recommended Action:

Forward the item to July 21, 2026, Council meeting on Considerations with a recommendation to adopt Ordinance No. O2026-003, 2025-2026 Budget Amendment No. 1.

2) Background:

This amendment authorizes expenditures for the purchase of the Lodge building, additional funds for the Tumwater Youth Program, increased funding for the Gary Oak tree protection measures, funding for the Thurston County Opioid Task Force, purchase of the Valley properties from LOTT, and additional funds for code enforcement.

3) Policy Support:

2026-2032 Strategic Priorities & Goals: Tumwater Excellence: refine and sustain a great organization. Be good stewards of public funds by following sustainable financial strategies.

4) Alternatives:

☐ N/A

5) Fiscal Notes:

This amendment adds \$15,690 in revenue and \$62,150 in in expenditures for 2025 across all funds. For the General Fund in 2025 it decreases revenue by \$10,010 and decreases expenses by \$85,750.

For 2026 it increases revenues by \$1.3 million and increases expenses by \$5 million across all funds. Most of the increase is for a new fire truck, the Lodge building, and the transfer of opioid funds.

For the General Fund in 2026, it increases revenues by \$36,270 and increases expenses by \$975,767. Nearly all General Fund expense increases are for code enforcement and the transfer of opioid funds to the task force.

6) Attachments:

- A. Ordinance No. O2026-003
- B. Budget adjustment details 2025
- C. Budget adjustment details 2026