



VILLAGE OF WINNEBAGO

MEMORANDUM

Prepared By: Joseph Dienberg
To: Committee of the Whole
Date: January 21, 2026
Subject: CY 2026 Budget Review #1

Background

Each year, the Village initiates a structured and deliberate process to prepare its annual budget, beginning with a full review of all revenue sources across each fund. As the first step in this process, the Village Administrator and Treasurer jointly evaluate projected revenues using historical trends, current-year performance, and known economic and policy factors at the state and local levels. This revenue assessment forms the foundation for department-level budget development.

Following this analysis, the Administrator provides each department head with a “bottom-line” number—an initial financial framework within which departments begin preparing their operational and capital requests. Department heads then develop and refine their draft budgets based on program needs, service expectations, capital requirements, and known contractual obligations. Once departmental requests are submitted, the Administrator and Treasurer meet with each department head to review, adjust, and reconcile requests to ensure alignment with available revenues, organizational priorities, and the Village’s strategic direction.

This stage of the process is now complete, with departmental budget submissions received and compiled. The Village has transitioned into a detailed line-item review phase, conducted by the Village Administrator and Treasurer in coordination with department heads. These meetings are focused on reviewing individual revenue and expenditure assumptions, clarifying justifications, and identifying any necessary adjustments prior to Board consideration. Following this internal review, the Village Board will conduct its own line-item examination of the proposed budget, which staff anticipates will occur over a series of three to four meetings based on prior practice and the scope

of discussion. At this time, the General Fund is the primary focus of the ongoing internal review, while Funds 17 (Community Development), 24 (Strategic Reserves), and 90 (Fourth of July) are being presented to the Board for review.

EXPENSES:

General Fund (Fund 01): Department Heads have submitted their Budgets, and the Administrator/Treasurer have begun detailed line-item reviews. Will be presented at upcoming Meeting.

Motor Fuel Tax Fund (Fund 15): Department Heads have submitted their Budgets, and the Administrator/Treasurer have begun detailed line-item reviews. Will be presented at upcoming Meeting. Primary Project will be the Westfield Road Box Culvert.

Community Development Fund (Fund 17): Total Community Development expenditures for 2026 are budgeted at \$312,566, an increase of \$104,106 (51%) over the 2025 adopted budget of \$207,460. This increase is almost entirely attributable to a \$100,000 one-time allocation funded by existing cash balance to advance Strategic Plan initiatives. Absent this one-time investment, ongoing operating expenditure increases by approximately 2%, with line-item increases driven by personnel and benefit adjustments largely offset by reductions in other operating categories. As a result, routine operating expenses remain aligned with available revenues and do not reflect broad-based or structural growth.

Personnel costs increase primarily due to Office Salaries, which rise from \$16,329.62 in 2025 to \$26,475.00 in 2026 (62%). This change reflects a two-year internship commitment approved by the Village, with the intern hired in Q3 2025 and now budgeted for a full year of hours (part-time) in 2026. The internship is scheduled to conclude in summer 2027, at which time personnel costs will decrease accordingly. There is no obligation for continued employment following the internship, and any continuation of the program will be formally evaluated at its conclusion.

Benefit-related expenditures show a noticeable increase tied to employee status changes, most significantly Health Insurance, which increases from \$300 budgeted in 2025 to \$11,000 in 2026. This change reflects the inclusion of a benefit-eligible employee.

Professional service costs increase selectively. Professional Fees rise from \$3,000 to \$5,000 (67%), reflecting appraisal activity experienced in 2025. Engineering is budgeted at \$8,000, a modest increase over the 2025 budget, with costs expected to be offset through escrow where applicable. Legal remains flat at \$13,000, consistent with historical averages despite variability in annual actuals.

Utility costs increase materially, with ComEd rising from \$900 to \$2,200 (144%), reflecting both increased electrical usage and higher unit electrical costs, partially associated with Park District use of the lighted diamonds. Staff will be working with the Park District to review the existing intergovernmental agreement (IGA) to ensure appropriate fees are paid or that the agreement is updated as necessary to accurately reflect current usage. Printing increases to \$3,800, driven by the addition of bi-annual newsletter printing, replacing ad hoc or deferred communication costs.

The most significant driver of the overall expenditure increase is the Community Development line item, which increases from \$13,000 to \$100,000 (669%). This allocation represents a planned, one-time use of existing cash balance to advance Strategic Plan priorities, including work related to the UDO update, Comprehensive Plan update, and targeted downtown blight improvements. This expenditure is not recurring and does not reflect an expansion of baseline operating costs.

Transfers out of the fund decrease from \$15,000 to \$10,000 (-33%), reflecting reduced need for support of the Village Events Fund based on expected donations and available cash in Fund 90.

Overall, while the Community Development Fund shows a notable increase in total expenditures for 2026, the majority of the change is attributable to clearly identified, non-recurring strategic investments, known personnel and benefit adjustments, and targeted operational corrections, rather than structural growth in ongoing service costs.

Strategic Reserves (Fund 24): Total Strategic Reserves expenditures for 2026 are budgeted at \$30,000, consistent with the 2025 adopted budget and unchanged on a year-over-year basis. The fund does not support routine operating costs, and no recurring operational expenditures are included.

The entirety of the 2026 expenditure request is contained within Professional Fees, budgeted at \$30,000. This allocation is intended to provide capacity for a potential TIF and/or economic development consulting engagement, should the Board choose to advance that work during the year. Actual 2025 spending in this category is currently projected at \$19,500, indicating that the full budgeted amount is not automatically expended and that any use of funds remains discretionary and board directed. As structured, Fund 24 remains purpose-specific and controlled, with expenditures limited to one-time professional services tied to strategic or economic development initiatives rather than ongoing Village operations.

Water Operations & Maintenance (Fund 51): Department Heads have submitted their Budgets, and the Administrator/Treasurer have begun detailed line-item reviews. Will be presented at upcoming Meeting.

Village Events Fund (Fund 90): Fourth of July expenditures for 2026 are budgeted at \$23,500, an increase of \$5,250 (29%) from the 2025 adopted budget of \$18,250. The increase is limited to two items and does not reflect an expansion of the event itself.

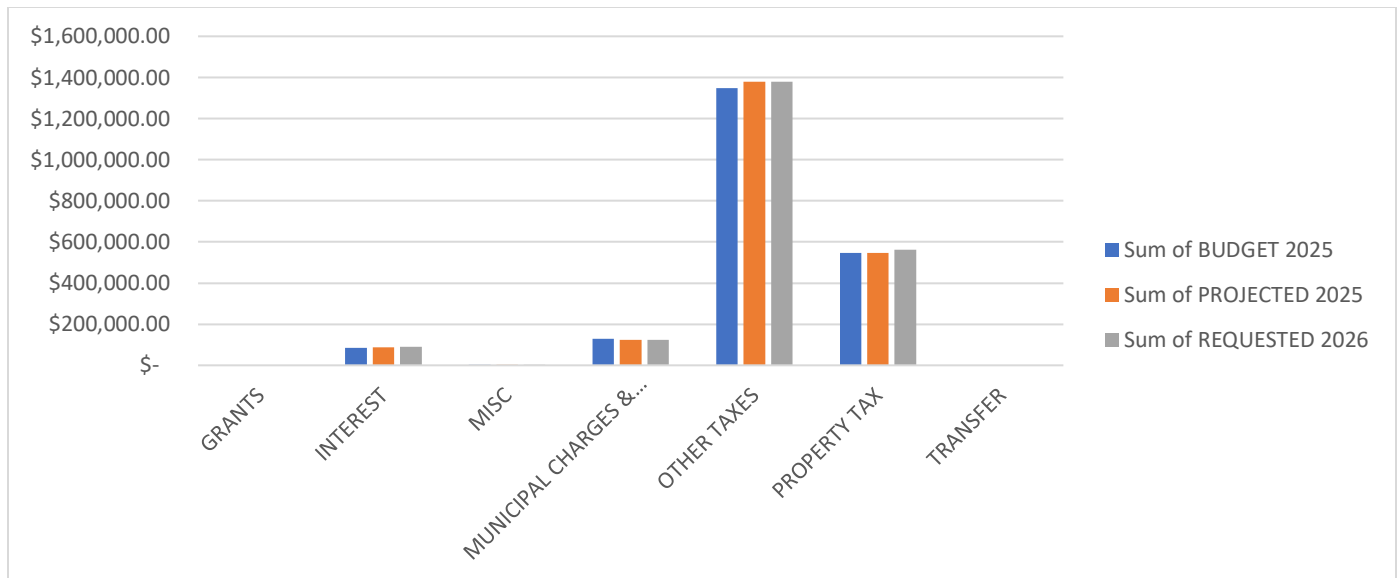
- Fireworks increase from \$18,100 to \$18,500 (2%), reflecting a modest contractual cost adjustment and aligning with projected 2025 actuals of \$18,350. Fireworks remain the only recurring and guaranteed expense in the fund.
- Merchandise is added at \$5,000 to support a one-time America 250 commemorative T-shirt fundraiser. This expense is fully offset by \$5,000 in Merchandise Sales revenue and is structured as an “in-and-out” item, not a new ongoing cost.

All other Fourth of July expense categories—including labor, security, entertainment, concessions, and operations—remain unbudgeted for 2026, consistent with prior years. Miscellaneous Expenses, budgeted at \$150 in 2025, are eliminated entirely.

REVENUES:

General Fund (01) Revenue: General Fund revenues for 2026 are projected at \$2.156 million, representing a modest 2% increase from the prior year. While the revenue base remains stable, this level of growth is not sufficient to keep pace with rising operational costs, inflationary pressures, and contractual obligations across General Administration, Police, and non-enterprise Public Works. As a result, each department's budget is being reviewed closely for potential reductions or efficiencies. This includes the decision not to allocate interest earnings back to departments in the 2026 budget, effectively reducing their budgets by approximately 2% compared to prior years.

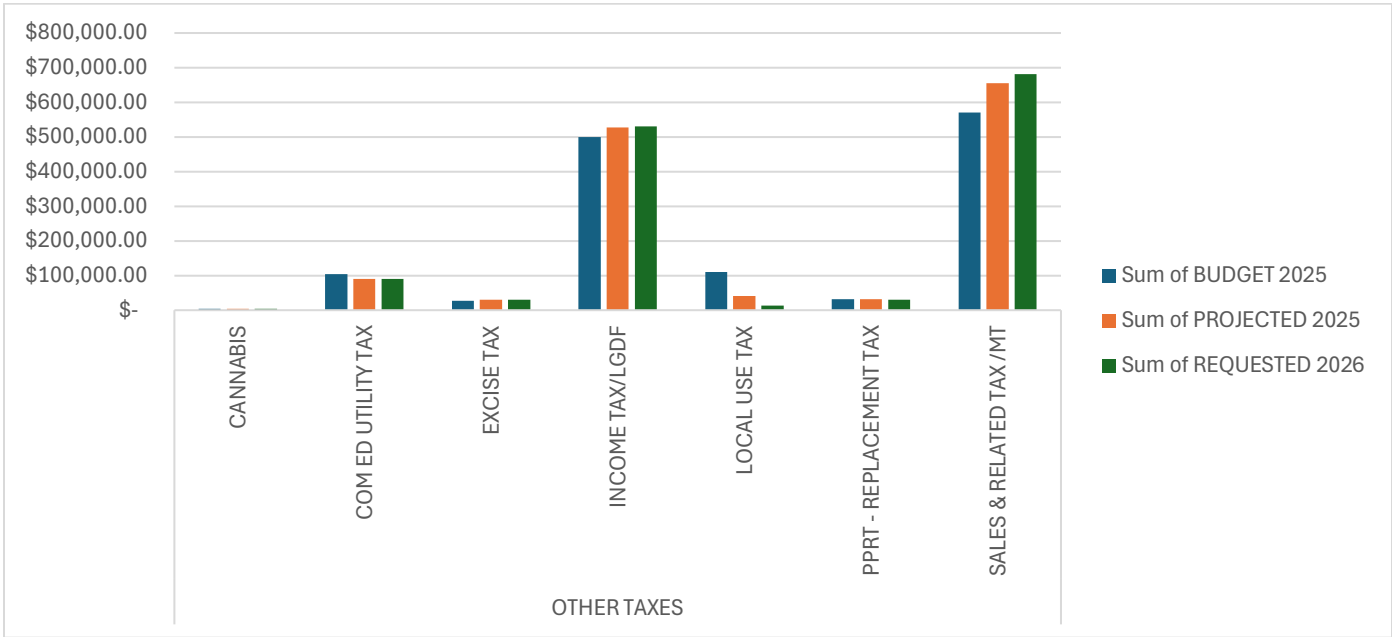
The overall revenue picture is supported primarily by property tax levies, state-shared revenues, and sales-related taxes. Property-tax components, including the corporate levy, police levy, and Road & Bridge transfer, continue to show predictable annual increases in the range of 3–5%. These steady but modest increases offer structural stability but do not generate enough new revenue to absorb cost escalation in personnel, insurance, and materials.



State-shared revenues present a more mixed set of trends. Income tax (LGDF) remains a strong and growing source, with a projected 6% increase in 2026. However, PPRT continues its multiyear decline as the state corrects prior years of over-allocation.

The shift between Sales & Related Tax and Local Use Tax is the result of the State of Illinois' implementation of the Leveling the Playing Field for Illinois Retail Act, which changed how sales and use taxes are allocated between the state and municipalities. Under the revised system, more

revenue is now classified under the Retailers' Occupation/Sales Tax portion and less under Local Use Tax. This redistribution is clearly reflected in the Village's revenues: Sales & Related Tax jumps from \$570,000 budgeted in 2025 to a projected \$654,559 in 2025 actuals and \$680,741 in 2026—a 19% increase. In contrast, Local Use Tax drops sharply from \$110,000 budgeted in 2025 to \$41,748 in 2025 actuals, and then to a projected \$12,730 in 2026, an 88% decline. Although the composition shifts significantly between the two categories, the combined effect is still a net gain for the Village, with the increase in sales tax more than offsetting the loss of use tax. This change does not reflect new economic activity so much as a reallocation of taxes already being paid under the state's new framework.



Utility and consumption-related revenues continue to soften. The ComEd utility tax declines again—down 14%—reflecting reduced electrical usage from increased residential solar installation. Other small tax and fine-based revenue lines remain flat or minimal. Police towing fines, general fines, and DUI revenues represent less than a percent of the total revenues and demonstrate year-to-year inconsistency. These categories do not contribute meaningfully to operational funding.

The IGA for the School Resource Officer continues to provide predictable cost offsetting for the Police Department. Rock 39 administrative revenue grows modestly with agreement dictated increases. Interest income has become a reliable contributor due to elevated rates; however, interest earnings are not being redistributed to departments in 2026, allowing the General Fund to retain that revenue centrally to offset broader fiscal pressures.

Overall, the General Fund's revenue growth remains steady but insufficient to match expenditure pressures heading into 2026. While the fund benefits from stability in its core state-shared and property tax components, the Village must manage the reality that a 2% revenue increase does not align with cost escalation in labor, insurance, utilities, equipment, fuel, and contracted services. This structural imbalance drives the need for tighter departmental oversight, careful budgeting, and identification of areas where expenses can be reduced or deferred.

Motor Fuel Tax Fund (Fund 15): The Motor Fuel Tax Fund continues to receive routine per-capita allocations from the State based on statewide fuel consumption. Revenues in this fund show consistency over time, but the purchasing power of MFT continues to weaken as roadway construction costs grow considerably faster than fuel tax revenue. Despite this, MFT remains the primary revenue source for larger projects such as the Goodling Street improvements. Based on the spreadsheet and current year trends, MFT revenues are not expected to increase significantly in 2026 and should be considered stable but insufficient to keep pace with capital needs without supplemental funding from other sources.

Community Development Fund (Fund 17): Community Development revenues remain stable overall, with 2026 revenue projected at \$210,150—essentially flat compared to prior years, showing only a 0.2% increase. Unlike the General Fund, this revenue stream does not support high-inflation operational lines such as public safety equipment, fuel, utilities, or large-scale staffing. Instead, it covers contracted services for code enforcement and the building official, along with a portion of salaries tied directly to Community Development, including but not limited to zoning, permitting, and development review. Because this cost structure is narrower and more service-specific, the revenue pressures in this fund are different and more manageable than those affecting the General Fund.

Permit and inspection fees remain a consistent source, stabilizing at \$20,000 for 2025 and 2026 after unusually high activity in 2023 and 2024. These revenues track development cycles and reflect typical permitting volume in a smaller community. Development escrow remains budgeted at \$40,000 to support legal, engineering, and review services, with unspent escrow funds returned to the applicant.

Interest income declines significantly—from \$14,743 in 2024 to a requested \$9,000 in 2026—reflecting the spending-down of fund balance over years related to the Memorial Park project. Franchise fees continue their multiyear decline, falling from \$18,772 in 2023 to a projected \$13,000 in 2026, driven by the continued erosion of cable television subscriptions related to “cord-cutting”. This remains one of the few structurally declining revenue lines in the fund.

Liquor license revenue stays steady at \$14,250, and excise tax collections move slightly from year to year but show no meaningful growth. Video gaming revenue continues to be one of the fund’s largest contributors at roughly \$90,000 annually. The 2025 projection reflects a temporary closure of one gaming establishment, largely offset by a new business expected to open, resulting in a conservative but balanced estimate for 2026.

Miscellaneous income shows substantial variation because it typically represents the sale of Village-owned property. The significant amounts received in 2023 (\$13,581) and especially in 2024 (\$40,308) resulted from one-time sales and are not recurring revenues. For this reason, the line is appropriately budgeted at zero for 2026 unless new property transactions are planned.

Overall, Community Development revenues remain predictable and generally stable year to year. While the fund does not face the same inflationary pressures as the General Fund, it also lacks growth-oriented revenue sources. This requires continued attention to contracted service levels and development-related workload to ensure expenditures remain aligned with the fund’s modest and steady revenue base.

Strategic Reserves (Fund 24): The Strategic Reserves Fund receives no new revenue aside from interest earnings, which have increased in recent years due to elevated market rates. The projections continue to show no new inflows into this fund beyond interest. As a result, the fund remains positioned to serve its intended purpose as a long-term stability reserve and a financial backstop for major capital needs rather than as a source of recurring operational support.

One of the key goals identified in the Village’s Strategic Plan is the creation of a formal Capital Improvement Program (CIP) and the establishment of a dedicated capital fund to support it. As the plan takes shape during the year—and as the Village identifies its long-term infrastructure priorities, timelines, and cost estimates—there may be an opportunity to recommend supplemental

appropriations to transfer a portion of available cash balance into the Strategic Reserves Fund to seed this capital program. These transfers would not be considered operational revenue but rather intentional policy decisions to position the Village for long-term capital planning.

For 2026, the revenue outlook for Strategic Reserves remains straightforward: interest earnings will continue to provide a modest contribution, and no new structural revenues are anticipated. Any future growth in this fund will depend on deliberate transfers tied to board direction and the implementation of the CIP framework established through the strategic planning process.

Water Operations & Maintenance (Fund 51): The Water O&M Fund remains a self-supporting enterprise fund, and its long-term financial structure continues to follow the principles established in the Village's 2021 Water Rate Study. The rate study emphasized that a municipal water utility must be operated on a zero-profit basis over the long term while maintaining enough annual revenue to cover operating costs, debt obligations, and capital requirements. That framework still guides how the Village interprets its revenue trends today.

O&M revenues are composed of three primary, stable components: (1) water usage charges, (2) capital charges tied to the Four Rivers Sanitation Authority (FRSA) debt, and (3) the 1% municipal sales tax restricted to water-related activities. The rate study documented roughly \$870,000 annually in water-generated revenue between 2017–2020, supplemented by approximately \$66,000 per year from the Rock 39 intergovernmental maintenance agreement and approximately \$217,000 per year in water-dedicated sales tax receipts. Today, each of these revenue sources has grown in both scale and reliability.

The most notable change is the Village's increased sales tax performance. What averaged just over \$200,000 during the rate-study period now exceeds \$497,000 in 2026, significantly strengthening the O&M fund's total revenue base. Water sales have also continued to grow modestly with system usage, and the capital charge—the usage-based fee designed to pay the Village's FRSA debt—remains a high-performing, dependable source. The study recommended eventual movement toward a flat-fee capital structure to reduce the risk associated with declining consumption, and the Village continues operating with that long-term planning assumption in mind. The sales tax for this fund is set to end in 2030, but the debt obligation will not have been met at that time.

Other annual revenues, such as administrative fixed charges, shut-off/turn-on fees, and miscellaneous income, remain relatively stable. Occasional non-recurring items—such as equipment sales or meter sales—appear as needed but are not relied on structurally. The Village also receives reimbursement under the Rock 39 contract agreement, which offsets water utility obligations and equipment expenses tied to the Rock 39 service area. This revenue has been incorporated consistently into operations and now sits near \$85,000 combined for contract agreement costs, fuel, and equipment.

Interest income has grown meaningfully from historic levels due to higher market rates and the fund's stronger cash position. Because reserves remain well above AWWA-recommended levels—historically three months of operating costs—the fund earns more interest than projected in 2021, although this should continue to be treated as supplemental, not structural, revenue.

Overall, O&M revenue is expected to grow by approximately 7% from 2025 to 2026 under the worksheet provided. While this outpaces the 2% inflationary assumption used in the 2021 study, the concern remains that long-term cost trends—particularly for well rehabilitation, tank maintenance, regulatory compliance, and system repair—continue to exceed 2% annually. The rate study projected a need for an additional \$75,000 annually to maintain the system and begin building a sustainable capital cycle. A new Water Rate Study will need to be completed in 2026.

Village Events Fund (Fund 90): Fourth of July revenues remain straightforward, supported primarily by a transfer from the Community Development Fund, along with donations and a small amount of UTV registration fees. Donations fluctuate from year to year but are expected to increase in 2026 due to additional staff outreach and the added emphasis on the event with next year marking the 250th anniversary of the United States. Interest earnings are no longer budgeted, and other revenue lines such as merchandise or vendor fees are not used. The only expense supported by this fund is the annual fireworks display. The transfer from the Community Development Fund fills the gap between donations and fireworks costs and is reduced in 2026 based on stronger expected donation activity.

**PERSONNEL REQUEST DETAIL
FISCAL YEAR 2026 BUDGET**

DEPARTMENT: COMMUNITY DEVELOPMENT

Position Title/Justification	Annual Salary	Employee Group Insurance	IMRF	FICA
TOTALS	\$ -	\$ -	\$ -	\$ -

**PROFESSIONAL ASSOCIATION DETAIL
FISCAL YEAR 2026 BUDGET**

DEPARTMENT: COMMUNITY DEVELOPMENT

Organization Name	Justification	New or Existing	Membership Holder	Cost
Northern Illinois Council of Governments	Facilitates regional cooperation and strategic planning, enabling the Village to align with broader regional initiatives and grant opportunities.	Existing	Village	2,500
			TOTAL	\$2,500

COMMUNITY DEVELOPMENT REVENUE								COMMENTS	
Account Number	Description	Actual			Budget 2025	Actual 2025	Requested 2026		% Change
		2022	2023	2024					
17- COMMUNITY DEVELOPMENT									
307	DEVELOPMENT ESCROW	\$ -	\$ -	\$ -	\$ 40,000.00	\$ 5,000.00	\$ 40,000.00	0%	
329	PERMITS/INSPECTION FEES	\$ 8,972.00	\$ 34,890.00	\$ 31,484.15	\$ 20,000.00	\$ 21,192.92	\$ 20,000.00	0%	
330	CODE ENFORCEMENT FINES	\$ -	\$ 100.00	\$ -	\$ -	\$ -	\$ -	N/A	
371	GRANTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	
381	INTEREST	\$ 3,474.00	\$ 13,810.00	\$ 14,743.43	\$ 13,000.00	\$ 12,085.20	\$ 9,000.00	-31%	
382	VERIZON WATER TOWER RENT	\$ 9,750.00	\$ 9,075.00	\$ 9,900.00	\$ 9,900.00	\$ 9,900.00	\$ 9,900.00	0%	
385	LIGHTED DIAMOND FEES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.00	N/A	Working with Park District on Existing IGA
386	UTV REGISTRATION FEES	\$ -	\$ -	\$ 2,700.00	\$ -	\$ -	\$ -	N/A	
387	FRANCHISE FEES	\$ 22,535.00	\$ 18,772.00	\$ 15,289.21	\$ 16,000.00	\$ 12,986.40	\$ 13,000.00	-19%	
388	MISC INCOME	\$ 2,798.00	\$ 13,581.00	\$ 40,308.36	\$ 1,800.00	\$ 6,378.00	\$ -	-100%	
389	EXCISE TAX	\$ 5,895.00	\$ 5,971.00	\$ 5,355.03	\$ 4,800.00	\$ 5,091.51	\$ 5,000.00	4%	
390	LIQUOR LICENSE FEES	\$ 16,617.00	\$ 18,333.00	\$ 20,750.00	\$ 14,250.00	\$ 20,750.00	\$ 14,250.00	0%	
391	GAMING LICENSE FEE	\$ 30.00	\$ 30.00	\$ 20.00	\$ 20.00	\$ 8,530.00	\$ 8,500.00	42400%	
392	VIDEO GAMING	\$ 68,432.00	\$ 88,167.00	\$ 96,322.88	\$ 90,000.00	\$ 89,216.39	\$ 90,000.00	0%	
399	TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	
	NEW ZONING FEES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500.00	N/A	
	NEW PERMITS- SOLICITORS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	
TOTAL COMMUNITY DEVELOPMENT REV		\$138,503	\$202,729	\$236,873	\$209,770	\$191,130	\$212,650	1%	

COMMUNITY DEVELOPMENT EXPENDITURES								COMMENTS	
Account Number	Description	Actual			Budget 2025	Actual 2025	Requested 2026		% Change
		2022	2023	2024					
17-47- COMMUNITY DEVELOPMENT									
421	OFFICE SALARIES	\$ 5,735.00	\$ 10,723.00	\$ 4,942.03	\$ 16,329.62	\$ 14,470.59	\$ 26,475.00	62%	Q3 2025 Intern Hire Now Budgeted For Full-Year Hours
422	CODE ENFORCEMENT OFFICER	\$ 12,480.00	\$ 10,560.00	\$ 12,480.00	\$ 12,480.00	\$ 11,520.00	\$ 12,480.00	0%	
423	BUILDING INSPECTOR	\$ 13,000.00	\$ 11,000.00	\$ 13,000.00	\$ 13,000.00	\$ 12,000.00	\$ 13,000.00	0%	
424	ELECTRICAL INSPECTOR	\$ 3,510.00	\$ 3,735.00	\$ 4,509.75	\$ 4,500.00	\$ 4,500.00	\$ 4,725.00	5%	
429	VILLAGE ADMINISTRATOR	\$ -	\$ -	\$ 26,760.66	\$ 31,500.00	\$ 32,384.73	\$ 32,999.97	5%	
450	CODE ENFORCEMENT FINE COSTS	\$ -	\$ -	\$ -	\$ 1,500.00	\$ -	\$ -	-100%	
451	HEALTH INSURANCE	\$ -	\$ -	\$ 161.40	\$ 300.00	\$ 204.50	\$ 11,000.00	3567%	Employee Change in Status
452	HEALTH INS. DEDUCTIBLE REIMBUR	\$ -	\$ -	\$ -	\$ 2,000.00	\$ -	\$ 750.00	-63%	
453	IDES/UNEMPLOYMENT INSURANCE .0082	\$ 8.00	\$ 75.00	\$ 98.47	\$ 200.00	\$ 107.12	\$ 225.00	13%	
461	ADM SOCIAL SECURITY	\$ 392.00	\$ 699.00	\$ 2,130.04	\$ 3,300.00	\$ 3,085.95	\$ 3,980.40	21%	
463	ADM MEDICARE	\$ 92.00	\$ 163.00	\$ 498.11	\$ 775.00	\$ 721.80	\$ 930.90	20%	
465	IMRF BENEFITS	\$ 492.00	\$ 785.00	\$ 2,477.05	\$ 3,300.00	\$ 2,996.87	\$ 3,400.00	3%	
512	OFFICE & COMPUTER EQUIPMENT	N/A	N/A	N/A	\$ 500.00	\$ 779.60	\$ 250.00	-50%	
529	IT SERVICES	N/A	N/A	N/A	\$ 350.00	\$ 190.00	\$ 350.00	0%	
530	PROFESSIONAL FEES	\$ 8,992.00	\$ 3,901.00	\$ 3,375.62	\$ 3,000.00	\$ 5,684.50	\$ 5,000.00	67%	Misc. Appraisals in 2025
532	ENGINEERING	\$ 1,082.00	\$ 2,859.00	\$ 3,847.25	\$ 7,089.75	\$ 10,340.75	\$ 8,000.00	13%	Offset in Escrow
533	LEGAL	\$ 7,040.00	\$ 4,954.00	\$ 13,946.31	\$ 13,000.00	\$ 5,476.00	\$ 13,000.00	0%	
NEW	ENGINEERING - ESCROW REIMBURSABLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	Line Item Transfer to be done when expenses are incurred
NEW	POSTAGE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200.00	0%	
NEW	PUBLISHING/ADVERTISEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000.00	0%	Zoning Application Publications
561	DUES/MEMBERSHIPS/SUBSCRIP	\$ 2,500.00	\$ 1,875.00	\$ 3,321.00	\$ 4,000.00	\$ 2,895.00	\$ 3,000.00	-25%	Dissolution of Chamber
576	COM ED **	\$ 628.00	\$ 970.00	\$ 682.19	\$ 900.00	\$ 2,061.84	\$ 2,200.00	144%	Increased Electrical Costs - Lighted Diamonds
593	EQUIP/SOFTWARE MAINT/LEASE	N/A	N/A	N/A	\$ 3,800.00	\$ 2,085.94	\$ 3,800.00	0%	Software Transition - Reduction Anticipated 2027
658	MISC. EXPENSES	\$ -	\$ 37.00	\$ 3,938.36	\$ 2,200.00	\$ 391.79	\$ 500.00	-77%	
659	OFFICE SUPPLIES	N/A	N/A	N/A	\$ 300.00	\$ -	\$ -	-100%	
660	PRINTING	N/A	N/A	N/A	\$ 1,200.00	\$ 3,691.52	\$ 3,800.00	217%	Addition of Bi-Annual Newsletter Printing
701	COMMUNITY DEVELOPMENT	\$ 25,157.00	\$ 20,357.00	\$ 3,456.33	\$ 13,000.00	\$ -	\$ 100,000.00	669%	Use of Cash Balance for Strategic Plan Goals (UDO / Comp Plan Update / Downtown Blight Improvements)
800	MAINTENANCE SERVICE PAR	\$ -	\$ -	\$ -	\$ 3,425.00	\$ 3,320.14	\$ 3,500.00	2%	
832	PARK EQUIPMENT SINKING FUND	\$ 2,000.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ -	0%	
900	PRESIDENTIAL CONTINGENCY	\$ 951.00	\$ 969.00	\$ 1,141.95	\$ 1,200.00	\$ 1,181.57	\$ 1,200.00	0%	
911	COMMUNITY EXPENSES	\$ 4,132.00	\$ 2,393.00	\$ 1,780.32	\$ 5,000.00	\$ 5,529.69	\$ 1,400.00	-72%	New Line for Property Taxes
912	COMMUNITY PROJECTS	\$ 3,069.00	\$ 2,962.00	\$ 167,010.21	\$ 4,000.00	\$ 388.92	\$ -	-100%	
950	BANK FEES/CHARGES	N/A	N/A	N/A	\$ 2,400.00	\$ 2,820.80	\$ 3,000.00	25%	Conservative Estimate - Eliminating CC Fees in 2026
953	GRANTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
959	TRANSFER OUT	\$ 15,000.00	\$ 8,625.00	\$ 17,700.00	\$ 15,000.00	\$ 12,000.00	\$ 10,000.00	-33%	Reducing Based on Donations/Cash available in Fund 90
998	DEVELOPMENT ESCROW RETURN	N/A	N/A	N/A	\$ 37,910.25		\$ 40,000.00	6%	
NEW	PROPERTY TAX PAYABLE						\$ 1,400.00		
TOTAL COMMUNITY DEVELOPMENT EXP		\$106,260	\$89,642	\$287,257	\$207,460	\$140,830	\$312,566	51%	

Description	Actual			Budget 2025	Actual 2025	Requested 2026	% Change	COMMENTS
	2022	2023	2024					
17- COMMUNITY DEVELOPMENT								
REVENUE TOTAL	\$ 138,503.00	\$ 202,729.00	\$236,873	\$ 209,770.00	\$ 191,130.42	\$ 212,650.00	1%	
CASH BALANCE UTILIZATION	N/A	N/A	\$ -	\$ -	\$ -	\$ 100,000.00	N/A	Use of Cash Balance
EXPENSE TOTAL	(\$106,260)	(\$89,642)	(\$287,257)	\$ (207,459.62)	\$ (140,829.62)	\$ (312,566.27)	51%	
REVENUE OVER/(UNDER) EXPENDITURES	\$ 32,243.00	\$113,087	\$ (50,383.99)	\$ 2,310.38	\$ 50,300.80	\$84	N/A	

**LINE ITEM JUSTIFICATION
FISCAL YEAR 2026 BUDGET**

DEPARTMENT: COMMUNITY DEVELOPMENT

Account Number	Description Detail	2025 Budget	2026 Budget Request				
701	COMMUNITY DEVELOPMENT Accounting for Strategic Plan Goals including: Comp Plan/UDO Update, 114 S. Benton Improvements	13,000	100,000				
911	COMMUNITY EXPENSES Park Portable Restrooms <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; padding: 0 10px;">\$ 137.50</td> <td style="padding: 0 10px;">Per Month</td> </tr> <tr> <td style="border-bottom: 3px double black; padding: 0 10px;">\$ 1,100.00</td> <td style="padding: 0 10px;">8 Months</td> </tr> </table>	\$ 137.50	Per Month	\$ 1,100.00	8 Months	5,000	1,400
\$ 137.50	Per Month						
\$ 1,100.00	8 Months						
998	DEVELOPMENT ESCROW RETURN Unspent Amount will be returned to Developer upon completion of project, Spent amount will include a Line-Item Transfer to Line-Item the expenses occurred.	40,000	40,000				

STRATEGIC RESERVES REVENUE								COMMENTS	
Account Number	Description	Actual			Budget 2025	Projected 2025	Requested 2026		% Change
		2022	2023	2024					
90- STRATEGIC RESERVES									
381	INTEREST	\$ -	\$ -	\$ 17,663.12	\$ 17,750.00	\$ 14,235.12	\$ 12,000.00	-32%	
399	TRANSFER IN	\$ -	\$ -	\$ 346,000.00	\$ -	\$ -	\$ -	N/A	
TOTAL STRATEGIC RESERVES REV		\$0	\$0	\$363,663	\$17,750	\$14,235	\$12,000	-32%	

STRATEGIC RESERVES EXPENDITURES								COMMENTS	
Account Number	Description	Actual			Budget 2025	Projected 2025	Requested 2026		% Change
		2022	2023	2024					
24- STRATEGIC RESERVES									
530	PROFESSIONAL FEES	\$ -	\$ -	\$ -	\$ 30,000.00	\$ 19,500.00	\$ 30,000.00	0%	Potential TIF/Economic Development Consultant
950	BANK FEES/CHARGES	\$ -	\$ -	\$ -	\$ -		\$ -	0%	
959	TRANSFER OUT	\$ -	\$ -	\$ -	\$ -		\$ -	0%	
TOTAL STRATEGIC RESERVES EXP		\$0	\$0	\$0	\$30,000	\$19,500	\$30,000	N/A	

STRATEGIC RESERVES OVER(UNDER) EXPENDITURES								COMMENTS
Description	Actual			Budget	Actual	Requested	%	
	2022	2023	2024	2025	2025	2026	Change	
24- STRATEGIC RESERVES								
REVENUE TOTAL	\$ -	\$ -	\$363,663	\$ 15,000	\$ 14,235	\$ 12,000	-20%	
CASH BALANCE UTILIZED	\$ -	\$ -	\$0	\$ 34,500	\$ 5,265	\$ 18,000		
EXPENSE TOTAL	\$ -	\$ -	\$0	(\$30,000)	\$ (19,500.00)	(\$30,000)	N/A	
REVENUE OVER/(UNDER) EXPENDITURES	\$0	\$0	\$363,663	\$19,500	\$0	\$0	N/A	

Description	Actual			Budget 2025	Projected 2025	Requested 2026	% Change	COMMENTS
	2022	2023	2024					
90- 4TH OF JULY								
REVENUE TOTAL	\$ 26,026.00	\$ 10,160.00	\$22,411	\$19,075	\$20,225	\$ 23,550.00	5%	
FUND BALANCE UTILIZATION	N/A	N/A	N/A	N/A		N/A	N/A	
EXPENSE TOTAL	\$ 17,706.00	\$ 17,470.00	\$18,100	\$18,250	\$18,350	\$ 23,500.00	30%	
REVENUE OVER/(UNDER) EXPENDITURES	\$8,320	(\$7,310)	\$4,311	\$825	\$1,875	\$50	N/A	

Use of Cash Balance

4TH OF JULY REVENUE								COMMENTS	
Account Number	Description	Actual			Budget 2025	Actual 2025	Requested 2026		% Change
		2022	2023	2024					
90- 4TH OF JULY									
350	DONATIONS	\$ 10,657.00	\$ 1,068.00	\$ 4,441.00	\$ 2,500.00	\$ 6,627.33	\$ 7,000.00	180%	Available Cash Balance \$14,864.00
351	FUNDRAISERS	\$ 131.00	\$ -	\$ -	\$ -	\$ -		N/A	
352	MERCHANDISE SALES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	N/A	
353	FESTIVAL SALES	\$ -	\$ -	\$ -	\$ -	\$ -		N/A	
381	INTEREST	\$ 238.00	\$ 467.00	\$ 270.12	\$ 225.00	\$ 297.55	\$ 250.00	11%	
382	VENDOR FEES	\$ -	\$ -	\$ -	\$ -	\$ -		N/A	
386	UTV REGISTRATION FEES				\$ 1,350.00	\$ 1,300.00	\$ 1,300.00	N/A	Added in 2025
387	SPONSOR ADS	\$ -	\$ -	\$ -	\$ -	\$ -		N/A	
388	MISC. INCOME	\$ -	\$ -	\$ -	\$ -	\$ -		N/A	
399	TRANSFER IN	\$ 15,000.00	\$ 8,625.00	\$ 17,700.00	\$ 15,000.00	\$ 12,000.00	\$ 10,000.00	-33%	
TOTAL 4TH OF JULY REV		\$26,026	\$10,160	\$22,411	\$19,075	\$ 20,224.88	\$23,550	23%	

4TH OF JULY EXPENDITURES								COMMENTS	
Account Number	Description	Actual			Budget 2025	Projected 2025	Requested 2026		% Change
		2022	2023	2024 YTD					
90-48 4TH OF JULY									
423	FESTIVAL LABOR	\$ -	\$ -	\$ -	\$ -			N/A	
530	SECURITY	\$ -	\$ -	\$ -	\$ -			N/A	
554	PUBLISHING/ADVERTISING	\$ 166.00	\$ -	\$ -	\$ -			N/A	
560	ENTERTAINMENT	\$ -	\$ -	\$ -	\$ -			N/A	
572	MERCHANDISE	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00		N/A	
651	OPERATIONS/ MISC SUPPLIES	\$ 190.00	\$ 120.00	\$ -	\$ -			N/A	
655	CONCESSIONS	\$ -	\$ -	\$ -	\$ -			N/A	
658	MISC EXPENSES	\$ -	\$ -	\$ -	\$ 150.00			-100%	
915	VENDOR TICKET SALES	\$ -	\$ -	\$ -	\$ -			N/A	
916	FIREWORKS	\$ 17,350.00	\$ 17,350.00	\$ 18,100.00	\$ 18,100.00	\$ 18,350.00	\$ 18,500.00	2%	
TOTAL 4TH OF JULY EXP		\$17,706	\$17,470	\$18,100	\$18,250	\$18,350	\$23,500	29%	

Possible Commemorative T-Shirt Fundraiser