

MEMORANDUM

TO: Agencies, Boards, & Commissions

FROM: John Collin, City Manager

DATE: August 27, 2025

SUBJECT: 2026 Operating Budget Direction Submission Request

At the August 11, 2025, Committee of the Whole meeting, Administration presented the 2026 Budget Directions Report which included the proposed municipal tax levy increase of no more than 2.6% for services directly controlled by the City. The decision was ratified by City Council on August 25, 2025.

City Departments have been instructed to submit proposed 2026 budgets that include net operating cost increases of no more than 2.6%. It is going to be extremely challenging for the City to achieve this mandate.

I appreciate the fiscal restraint your organization has shown in prior years; this year will continue to be a challenging budget to prepare. It is essential to maintain affordability for existing residents and businesses in order to attract new growth opportunities to the City.

I am strongly encouraging all of our Service Partners to do their best to limit 2026 increases in line with the 2.6% mandate.

I appreciate your efforts and I look forward to our continued work together.