Agenda Item #5

FY2026 Proposed September Budget Amendments

CITY OF POCATELLO

This document provides detailed information on the proposed FY2026 September budget amendments for the City of Pocatello.

A public hearing on the proposed budget amendments will be held at 6:00 pm on Thursday, September 17, 2026, in the Council Chambers at City Hall, 911 North 7th Avenue, Pocatello, Idaho 83201.

The City Council is scheduled to subsequently consider an amendment to the FY2026 Budget Ordinance at the September 17, 2026 Council Meeting.

MEMORANDUM FOR: Mayor Dahlquist, Council Members & Citizen Stakeholders

FROM: Finance Department

SUBJECT: **Proposed FY26 September Budget Amendments**

DATE: August 25, 2026

Purpose: The purpose of this budget amendment is to authorize the use of newly awarded funds, incorporate adjustments that have arisen since adoption of the Fiscal Year 2026 budget.

General: Each fiscal year, it becomes necessary for the City to amend the adopted budget to reflect unanticipated grants, newly identified funding sources, operational changes, or Council-approved projects that emerge after the original budget is passed. Even when funding has been awarded or project direction has been provided, the City Council must formally authorize the associated expenditures through the budget amendment process.

This process mirrors the requirements of the original budget adoption: publication of public notices, a public hearing to allow for resident input, and final approval of an amended budget ordinance by the City Council. This budget amendment includes adjustments needed to align departmental appropriations with current-year activity, incorporate new resources, and close out projects authorized by the Council.

Timeline: The proposed timeline for this September budget amendments is:

September 10, 2026	Presentation to Council at Work Session
September 9, 2026	Public notice #1 published
September 16, 2026	Public notice #2 published
September 17, 2026	City Council Public Hearing/ Ordinance for Council consideration

Why we amend:

The City of Pocatello periodically updates its adopted budget to ensure our financial plan remains accurate, transparent, and aligned with current operational needs. These updates, known as budget amendments, are necessary when new opportunities arise or when adjustments are required after the budget has been approved.

Budget amendments often occur when the City receives new funding—such as state or federal grants or when organizational changes take place. For example, when departments are consolidated or restructured to improve efficiency, costs and revenues must be realigned to reflect the new structure. Similarly, if the City receives new grant funding to support a public safety initiative or improve community services, a budget amendment is required to add those funds and authorize the related expenditures.

All budget amendments must be formally approved by the City Council in a public meeting. This process ensures compliance with state law, maintains a balanced and accurate budget, and provides transparency so residents can clearly see how resources are allocated and how organizational changes support the City's long-term goals.

Summary:

Current Budget (Amended June 2026)	$174,438,218
Proposed Amendments	2,423,400
Total Proposed Amended Budget	$176,861,618

f. **Itemized details:**

Amendment #	Department / Fund Description	Fund	Revenue Source	Authority Ask	Budget Amendment Explanation
1	General Fund	001	Reserves/Grant Revenue	$1,577,000.00	Increase General Fund budget authority using available reserves plus grant money to address additional expenditures and equipment purchases.
2	Cemetery	005	Reserves	$60,000.00	Increase budget authority using available Cemetery reserves to cover unanticipated FY2026 expenditures, including vehicle and equipment repairs, increased utility costs, and cemetery landscaping improvements related to irrigation and turf health.
3	Fleet Fund	051	Additional Revenue Received/Reserves	$480,000.00	Increase Fleet Services budget authority by $480,000 due to higher-than-anticipated repair costs and the increased scope of repairs. Additional revenue and expenditure authority is needed to cover projected activity through the remainder of FY2026.
4	Employee Wellness	053	Reserves	$15,500.00	The Employee Wellness Fund is requesting additional budget authority to cover FY2026 expenditures. Actual wellness costs increased significantly from FY2025 to FY2026 and exceeded the budgeted appropriation. The FY2027 budget has been updated to reflect the higher level of anticipated expenditures.
5	Worker Compensation	056	Reserves	$175,000.00	Increase budget authority for Workers' Compensation to cover anticipated claims for the remainder of FY2026.
6	Fire Capital	075	Reserves	$90,000.00	Increase budget authority in Fund 075 to cover Fire Department capital expenditures, including the purchase of a replacement vehicle for the Fire Chief, replacement of the roof at Fire Station #3, and replacement of the air conditioning and heating unit at Fire Station #5. Existing budget authority in Fund 075 will be used in conjunction with the additional budget authority requested.
7	Police Grant Fund	088	Reserves	$25,900.00	The Police Department is requesting to use available reserves in the Police Grant Fund to replace a vehicle for the Narcotics Division. The requested budget amendment provides budget authority for the vehicle replacement.
			Total	**$2,423,400.00**	

FY2026 Budget

Fund / Department	Budget Amendments (June 2026)	Proposed Amendments (September 2026)	Total Proposed Amended Budget
General Fund	$53,475,540	$1,577,000	$55,052,540
Liability Insurance Fund	$2,126,106		$2,126,106
Street Fund	$9,820,031		$9,820,031
Parks & Recreation	$3,914,072		$3,914,072
Cemetery	$622,589	$60,000	$682,589
Airport	$2,061,225		$2,061,225
Library	$2,355,514		$2,355,514
Transit Rural Fund	$1,581,072		$1,581,072
Pocatello Regional Transit - Urban	$4,552,999		$4,552,999
Business Improvement	$109,273		$109,273
Art Council	$10,300		$10,300
Emergency Repair	$41,200		$41,200
Sanitation Fund	$13,421,559		$13,421,559
Water Fund	$19,418,108		$19,418,108
Water Pollution Control	$14,750,168		$14,750,168
Ambulance Fund	$4,736,997		$4,736,997
Water Capacity Fee	$1,201,954		$1,201,954
Info Technology	$1,906,838		$1,906,838
Fleet Fund	$2,456,550	$480,000	$2,936,550
Utility Building	$1,754,415		$1,754,415
Employee Wellness	$52,335	$15,500	$67,835
Public Works Fund	$1,101,946		$1,101,946
Fuel	$1,262,843		$1,262,843
Workers Compensation	$1,387,312	$175,000	$1,562,312
Education Benefits	$54,636		$54,636
Animal Sheltor Bond	$238,842		$238,842
WPC Debt Service	$1,687,388		$1,687,388
Water Debt Service	$675,798		$675,798
Federal Aid Projects	$2,082,791		$2,082,791
Alternate Transportation	$1,724,090		$1,724,090
Airport Construction	$4,500,000		$4,500,000
Water Capital Projects	$2,651,036		$2,651,036
Fire Apparatus Capital	$83,393	$90,000	$173,393
Capital Improvements	$438,962		$438,962
Grant Funds	$7,203,155		$7,203,155
Federal ARPA Grant	$3,839,072		$3,839,072
Police Designated Funds	$58,395	$25,900	$84,295
Police Retirement Trust	$791,681		$791,681
Government Payout	$824,000		$824,000
Airport PP Special	$39,609		$39,609
CDR Loan Trust	$38,200		$38,200
Parks Obligated	$3,713		$3,713
Property Abatement	$122,004		$122,004
Golf Capital Improvement	$3,260,507		$3,260,507
TOTAL CITY WIDE BUDGET	**$174,438,218**	**$2,423,400**	**$176,861,618**