

Council Meeting: July 9, 2026	Prepared By: Matt Gsellmeier, Finance Director,
Topic: 2027 Budget Goals and Priorities	Action Required:

Summary

Staff has begun work preparing to draft the 2027 budget, and requests clarification of City Council goals and priorities to assist in the process.

Specifically, staff requests budgetary feedback and guidance on the following items:

- 2027 Budget Target:
 - City Council has historically established a goal to limit budget to the previous year adding any increase in tax capacity plus the average rate of inflation.
 - 2026 Budget = \$10,713,974 (Gen Fund = \$9,011,237, D.S. = \$1,702,737)
 - 2026 Tax Capacity = \$24,262,267
 - 2027 Projected Tax Capacity = \$27,543,093 (13.5% increase)
 - May 2026 rate of inflation = 4.2%
- 2027 Service Delivery Priorities and Debt Service Obligation:
 - 2027 Debt Service Obligation = \$1,743,843
 - Service delivery priorities challenging with limited scope of capabilities and rising expectations for services, and staff would like guidance on City Council priorities to assist in decision making if/when service demands exceed capabilities (staff/budget/equipment/time).
- Other goals or priorities
 - Staff would like to know if City Council has any additional goals or priorities that should be incorporated into drafting the 2027 budget.

Financial/Budget

City Council will provide direction to staff for the 2027 Budget. Staff will present the draft budget with anticipated tax impacts in August.

Recommendation

Provide staff direction on goals and priorities for the 2027 budget.

Council Action

Discuss and provide direction.

Attachments

1. [2027 Budget Calendar.pdf](#)
2. [Corcoran 2026 Assessment Report - Net Tax Capacity.pdf](#)