



MEMORANDUM

DATE: February 9, 2026
TO: Honorable Mayor and City Councilmembers
 Jessica Jagoe, City Administrator
FROM: Joua Yang, Finance Director
SUBJECT: 2025 Budget Carryovers and 2026 Budget Amendments

Budgeted Amount:	Actual Amount:	Funding Source:
N/A	N/A	N/A

Council Should Consider

Motion(s) to approve, table or deny the following:

- Carryover budget funds from 2025 to 2026 for capital purchases to ensure funding remains dedicated to the specific infrastructure and equipment needs in the Capital Improvement Plan.

Discussion

Carryovers

It has been past practice to permit the carryover, from one year to the next, of unspent monies for specific purposes so budget amounts are better matched with revenues and expenditures.

- Re-allocating park equipment upgrades (pickleball nets) approved by Council in 2025 to align with 2026 installation schedule.
- Carryover of funds for multi-year infrastructure projects that take more than one year to finalize.
- Transitioning 2025 unspent permit software balance to support final conversion phase in 2026.

Staff is asking for a reduction in the 2025 budget and a corresponding increase to the 2026 budget for the following items:

Fund	Account No.	Amount	Description
PIR Fund	411-48130-42251	\$8,000	Pickleball Nets
PIR Fund	411-48219-45900	\$85,000	Hard Court & Trail Rehabilitation
PIR Fund	411-48201-45900	\$100,000	Hazelnut Park Parking Lot
PIR Fund	411-48500-45900	\$2,225	GRG Hazelnut, Chatham, & Floral Park
PIR Fund	411-48321-45900	\$193,000	Mounds View High School Trail
PIR Fund	411-48321-33422	\$450,000	SRTS Grant - Mounds View High School Trail
Water Fund	601-48537-33422	\$500,000	State Grant – Lexington Ave Watermain
General Fund	101-41910-44701	\$60,000	Permit Software

Amendments

Staff is asking for a reduction to the 2026 Lake Johanna Fire Department (LJFD) capital budget based on the December 17, 2025 board of directors special meeting in which they approved an amended capital budget that shifted the schedule on some of their equipment/vehicle replacements between 2026 and 2027. The amended budget was an overall reduction of \$120,000 to contract cities, of which \$29,280 was Arden Hill’s share (24.4%).

Fund	Account No.	Amount	Description
LJFD Capital	412-48120-45800	(\$29,280)	LJFD General Equipment

Budget Impact

No impact from carryovers as the request is for budget funds to be moved from 2025 to 2026 so they match up better with corresponding costs.

The budget amendment will decrease the 2026 LJFD capital budget by \$29,280.

Attachment

None.