



O&M Budget Fiscal Note

RELATING TO:

Amend the 2026 Operations and Maintenance Budget for Watercourse In-House Services

Cost Center: Engineering Services (41), Administration (16), Human Resources (77), Finance (71), Fringe (91)	Line Item: Various
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Line Item Impact			
2026 Original Budget		\$21,885,878	
Carryovers or Transfers		\$0	
Adjusted Budget		\$21,885,878	
Estimated Annual Expenditure including Request		\$22,068,739	
Anticipated Year End Balance		(\$182,861)	
Actual Year to Date Expenditures Through 1/1/2026		\$0	

For unfavorable Year End Balance, identify funding source:

☐ Absorbed within the Division
☐ Other Division
☒ Unallocated Reserve

Anticipated Expenditure Timing	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact
Current Year (2026)	\$1,096,825	\$0	\$1,096,825
Subsequent (2027-2030)	\$1,904,240	\$0	\$1,904,240
Total Cost	\$3,001,065	\$0	\$3,001,065

Comments: Amending the 2026 O&M budget to provide watercourse maintenance in-house rather than contractual has an unfavorable impact of \$182,861 on the 2026 budget. Funds originally budgeted for contracting these services is redistributed to various accounts, and the unallocated reserve is to be utilized for additional upfront equipment costs. Based on internal analysis, over a five-year period, these services are expected to save the District approximately \$889,000. This amendment also increases 2026 District headcount from 250 to 253 positions.

Budget Review by:	Date
Alex Klosterman	11/5/2025