


# COUNCIL COMMUNICATION

	Number:	<b>26-114</b>	Meeting:	<b>March 23, 2026</b>
	Agenda Item:	<b>22</b>	Roll Call:	<b>26-0373</b>
	Submitted by:	<b>Nickolas Schaul, Finance Director</b>		

## AGENDA HEADING:

Setting Public Hearings on April 6, 2026, for:

- (A) Adoption of the Capital Improvement Program (CIP) for Fiscal Year (FY) 2026-2027 through FY 2029-2030.
- (B) Amendment to the annual Operating Budget for the current FY ending June 30, 2026.
- (C) Adoption of the recommended annual Operating Budget for the FY ending June 30, 2027.

## SYNOPSIS:

Recommend approval of setting of hearings for FY 2026-2027 through FY 2029-2030 CIP, amendment to the current year budget for FY 2025-2026, and recommended annual budget for FY 2026-2027.

Preliminary Operating and Capital budget documents were distributed to the Council and posted on the City website February 11, 2026. Four (4) public meetings were conducted in December and January and opportunities for input were available on the City's website. Budget detail presentations were made to the City Council at the work session on February 18, 2026.

## FISCAL IMPACT:

Amount: FY 2025-2026 Amended Budget = \$1,126,773,901 (including capital budget). FY 2026-2027 Recommended Budget = \$953,084,831 (including capital budget)

Funding Source: The total \$953,084,831 budget would be the appropriation authority across all City funds.

## ADDITIONAL INFORMATION:

- Due to changes enacted in House File (HF) 718 which limited taxable valuation growth and increasing operational costs, the City continues to face challenges preparing a balanced budget even with status quo service levels and staffing. To address a budget shortfall, the following attrition/department reorganizations and/or changes in services are included in the presented budget:
  - Position Reductions – 16 total; 13 vacant, 3 change in force
  - Building Security
  - Violence Interruption Program
  - Library Operations

- Appendix A (attached to the Roll Calls) provides a list of corrective changes and detailed explanations made by the Budget Office after the publication of the preliminary documents.
- Budget questions and answers from the City Council work session and residents will be posted on the City website at [dsm.city/budget](http://dsm.city/budget).
- Final Adopted Budget documents will be created this spring and distributed to Council Members as well as posted online.

**PREVIOUS COUNCIL ACTION(S):**

Date: February 23, 2026

Roll Call Number: [26-0239](#)

Action: [To](#) receive oral or written testimony from any resident or property owner of Des Moines on the proposed property tax amount for fiscal year 2027, (3-23-26 at 7:30 AM). Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- April 6, 2026: Hold Hearing for Budget Consideration

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