

FY27 Preliminary Budget Discussion

November 9, 2026

Town of Nederland Budget Timeline

FY27 BUDGET SCHEDULE / SEPTEMBER–DECEMBER 2026

SEPTEMBER–OCTOBER

- **SEP 21 – OCT 1**
  Miranda & Christy review budgets line by line with Department Heads.
- **OCT 5–26**
  Build draft budget with Plante Moran. Meet virtually weekly as needed.
- **OCT 15**
  Email high-level preliminary budget to BOT by the submission deadline.
- **OCT 19–23**
  Department Heads review tentative budgets from Miranda & Plante Moran.

NOVEMBER

- **NOV 9**
  Miranda presents preliminary figures to BOT to guide budget development. Moved due to election / MPR use.
- **NOV 10-13**
  Amend budget based on BOT feedback.
- **NOV 17**
  Review complete draft budget, including revenue, expenditures and CIP.

DECEMBER

- **DEC 1**
  Public hearing on the proposed final budget.
- **DEC 8 · SPECIAL SESSION**
  Final budget adoption and mill levy resolution / certification.
- **DEC 15 · FALLBACK**
  Fallback date if the December 8 special session cannot occur.

November 9th BOT Meeting: Budget Discussion Agenda

- Eldora Transaction Impacts on the General Fund
- Options for Financial Resource Allocations
- Additional Revenue-Generating Opportunities
- Possible Expenditure Reductions

General Fund (preliminary)

	2025 Actuals* Adjusted	2026 Forecast	2027 Preliminary Proposed
Revenue	$3,204,270	$3,057,979	$3,094,373
Expenditures (excluding Eldora)	$3,396,511	$3,277,983	$3,277,983
Eldora expenditures*	$622,925	$2,135,661	TBD
Net income	($815,166)	($2,355,665)	($183,610)
Beginning fund balance*	$1,222,319	$407,153	($1,948,512)
Ending fund balance*	$407,153	($1,948,512)	($2,132,122)

**Eldora-related expenditures reflected in this forecast are limited to amounts paid through October 15, 2026, and do not include all acquisition-related services performed to date. Certain expenditures paid in 2025 are expected to be recorded through audit adjustments, which will increase 2025 expenditures and reduce beginning fund balance and accounts receivable. In addition, the Town continues to evaluate potential Eldora services performed that may have been incurred but not yet invoiced. Accordingly, the expenditures and fund balance presented in this forecast should be considered preliminary. Fiscal year 2025 and 2026 expenditures may increase from what is currently reported, resulting in a corresponding reduction in fund balance. The review remains ongoing, including cash flow analysis, and reported amounts are subject to change pending completion of the Town's evaluation and audit procedures.*

Options for Financial Resource Allocations to Address General Fund Deficit

Option	Potential Impact on Total GF Fund Balance**
Option 1 - Consolidate Community Center Fund into General Fund	$0.9M
Option 2 - Transfer from Water/Sewer Funds	$2.0M
Option 3 - Dissolve NDDA	$1.9M

Baseline (before any option): projected GF fund balance 12/31/2026 per the September 2026 reports)			
Baseline GF fund balance current estimate*: 12/31/2026	($1.9M)		
*Subject to change			

***See subsequent slides for limitations and considerations of each option. Figures presented are forecasted and subject to change.*

Option 1 - Consolidate Community Center Fund into General Fund

CONSIDERATIONS

- Mostly an accounting change; doesn't impact operations.
- Community Center fund should have been allocating funding already to the General Fund (GF) to offset cost of support by Departments paid from the GF (ie: admin, finance, Town Manager, etc.)
- If this option is of interest to the BOT, Town staff will need to assess of the $0.9M, how much is restricted and how much can positively impact the unassigned fund balance.
  - Example: charges for service (user fees) may be considered unrestricted funds.

Option	Potential Impact on Total GF Fund Balance*
Option 1 - Consolidate Community Center Fund into General Fund	$0.9M

**Figures presented are forecasted and subject to change.*

Option 2 - Transfer from Water/Sewer Funds

CONSIDERATIONS

- This would be a transfer from water/sewer savings with no expectation of repayment.
- If this option is of interest to the BOT, Town staff will need to assess of the $2M, how much is restricted and how much can positively impact the unassigned fund balance.
  - Example: charges for service (user fees) and sales tax may be considered unrestricted funds.

Option	Potential Impact on Total GF Fund Balance*
Option 2 - Transfer from Water/Sewer Funds	$2M

**Figures presented are forecasted and subject to change.*

Option 3 – Dissolve NDDA

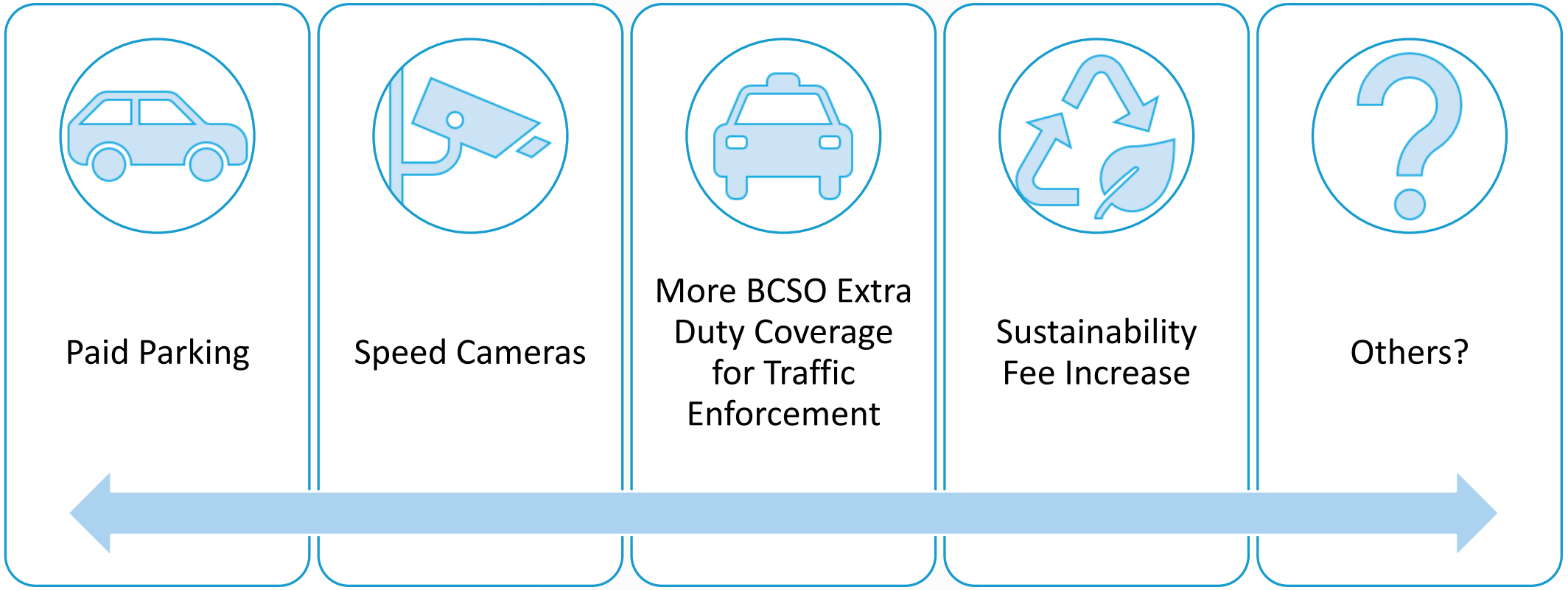
CONSIDERATIONS

- The $1,907,362 is the current account balance of the NDDA. Dissolving the NDDA does remove the mill being paid by the parcels in the district.
- If this option is of interest to the BOT, Town staff will need to assess of the $1.9M, how much is restricted and how much can positively impact the unassigned fund balance.
- Town staff also need to evaluate impact of dissolving the NDDA on other taxing districts.

Option	Potential Impact on Total GF Fund Balance*
Option 3 - Dissolve NDDA	$1.9M

**Figures presented are forecasted and subject to change.*

Additional Revenue Generating Opportunities



Possible Expenditure Reductions

- Based on direction provided by the BOT at the November 9th meeting, additional expenditure reductions may be necessary to achieve a balanced FY27 budget.
- Potential reductions may include, but are not limited to:
  - Organizational Assessment: Evaluating staffing levels, organizational structure, and operational efficiencies.
  - Program and Project Reductions: Reducing, deferring, or eliminating programs, projects, and planned CIPs.
- Departmental Impacts and Considerations
  - It is critical that the Town consider the operational impacts of any financial decisions. Town departments will bear the responsibility of implementing these reductions, which may affect staffing, service delivery, employee morale, and the Town's ability to meet community expectations.



Next Steps

NOVEMBER 17TH @ 7PM

FULL BUDGET REVIEW