STAFF MEMORANDUM

Date:	July 7, 2026
From:	David Deitch City Manager
To:	Niceville City Council
RE:	Fifth Amendment to FY2026 Budget – Ordinance Number 26-08-01

Action Requested:
Motion to approve additional amendments to the Fiscal Year 2026 budget. The accounting for transfers between the General Fund and Discretionary Surtax Fund are in accordance with Generally Accepted Accounting Principles (GAAP).

Background:
We are proposing changes to accounts in the General Fund and Discretionary Surtax Fund. The changes are identified below:

General Fund Revenues:

- Increase appropriated (carry forward) reserve funds for a generator originally budgeted in FY2025, and is expected to be purchased and paid for in FY2026.
- Transfer the Fire Truck Investment Account balance to the Discretionary Surtax Fund.

General Fund Expenditures:

- Increase equipment expenditures in the Innovation and Technology department due to the purchase of a generator originally budgeted in FY2025.
- Transfer the Fire Truck Investment Account balance to the Discretionary Surtax Fund to align with where the trucks are budgeted.

Discretionary Surtax Fund Revenues:

- Increase the pledge of remaining American Rescue Plan Act (ARPA) funds based on revised estimates.
- Transfer in of the Fire Truck Investment Account balance from the General Fund.
- Reduce the appropriation of Surtax Fund reserves due to the change (increase) of ARPA and Fire Truck Investment funding.

Discretionary Surtax Fund Expenditures:

- Increase Fire Department Capital Expenditures for a Pumper Truck, Brush Trucks, and related equipment. The city learned on Tuesday June 23 that the balance of payment for these 3 fire vehicles ordered will be required within the next 45 days. This is due to all the apparatus' being ready for delivery much sooner than expected.

Recommendation: Motion to approve Ordinance 26-08-01.

ORDINANCE NO. 26-08-01

AN ORDINANCE ADOPTING ADDITIONAL AMENDED BUDGET CHANGES FOR THE CITY OF NICEVILLE FOR THE FISCAL YEAR COMMENCING ON OCTOBER 1, 2025; AN ORDINANCE ADOPTING AND APPROVING ADDITIONAL APPROPRATIONS SET FORTH IN SAID BUDGET FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2025; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF NICEVILLE, FLORIDA:

Section 1: The Adopted Budget for the fiscal year commencing October 1, 2025 and ending September 30, 2026 for the City of Niceville, Florida, is amended as follows and is hereby officially adopted:

General Fund FY2026 Adopted Budget Revenues

Account	Adopted Budget	Revision	Amended Budget
001.000.398.700.04	106,800.00	33,279.00	140,079.00
001.000.398.700.04	140,079.00	834,311.00	974,390.00
General Fund Total Revenues	**21,364,845.00**	**867,590.00**	**22,232,435.00**

General Fund FY2026 Adopted Budget Expenditures

Account	Adopted Budget	Revision	Amended Budget
001.120.519.640.00	30,000.00	33,279.00	63,279.00
001.119.581.125.00	-0-	834,311.00	834,311.00
General Fund Total Expenditures	**21,364,845.00**	**867,590.00**	**22,232,435.00**

Discretionary Surtax FY2026 Adopted Budget Revenues*

Account	Adopted Budget	Revision	Amended Budget
125.000.331.221.00	500,000.00	39,000.00	539,000.00
125.000.381.001.00	-0-	834,311.00	834,311.00
125.000.398.000.99	1,777,910.00	(160,781.00)	1,617,129.00
Discretionary Surtax Fund Total Revenues	**3,556,938.00**	**712,530.00**	**4,269,468.00**

Discretionary Surtax Fund FY2026 Adopted Budget Expenditures*

Account	Adopted Budget	Revision	Amended Budget
125.125.522.640.00	1,617,980.00	712,530.00	2,330,510.00
Discretionary Surtax Fund Total Expenditures	**3,556,938.00**	**712,530.00**	**4,269,468.00**

*Adopted and Amended Total Revenues and Expenditures reflect changes from Ordinance #26-07-03

Section 2: This Ordinance shall become effective as provided by law.

PASSED AND ENACTED in regular session upon the second and final reading by the City Council of the City of Niceville, Florida this 11th day of August, 2026

____
Daniel Henkel, Mayor

ATTEST:

____
Wendy Farmer, City Clerk

E-2