

ITEM #:	<u>26</u>
DATE:	<u>05-12-26</u>
DEPT:	<u>FIN</u>

COUNCIL ACTION FORM

SUBJECT: FINAL AMENDMENT TO FY 2025/26 BUDGET

BACKGROUND:

The City's annual budget is modified several times during the year to account for changes from the revenues and expenditures that were anticipated at the time the budget was adopted. The final amendment allows the City to modify the annual budget one final time before the end of the fiscal year. Typically, adjustments made through final amendments include: new grants/funding sources, modifications to CIP schedules or costs, material programmatic changes, and other significant changes in revenues/expenses.

The deadline to adopt a final amendment to the FY 2025/26 budget is May 31. A public hearing must be held prior to adoption of the final amendment. Staff is proposing that the City Council hold the public hearing for the final amendments for FY 2025/26 during the regularly scheduled City Council meeting on May 26, 2026.

ALTERNATIVES:

1. Adopt a resolution establishing May 26, 2026, as the date of the public hearing on the final amendments to the FY 2025/26 Budget.
2. Delay the hearing and resolution.

CITY MANAGER'S RECOMMENDED ACTION:

The final budget amendment is the last opportunity to modify the adopted City budget to account for changes since the time the budget was adopted. A public hearing is required by State law in order to proceed with the final amendment to the FY 2025/26 City budget. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1, as described above.