



STAFF REPORT

DATE: November 18, 2025

TO: Ted Henry, City Manager

FROM: Barry Smith, Finance Director

RE: 2025 Budget Amendment

SUMMARY:

Per state legislation, local units of government are allowed to amend their annual budget if needed. The amended budget must balance any proposed increase in spending with new revenue from sources other than property taxes. Some common reasons for budget amendments include:

- Increases in unexpected expenditures in the current fiscal year, for example, street maintenance.
- Additional approved projects or grants that were not in the current fiscal year budget.
- To record transfers from one fund to another that were not originally budgeted.
- Grant programs that were awarded after the current fiscal year budget was adopted.

LEGAL IMPLICATIONS:

K.S.A. 79-2929a outlines the process a city must follow if a budget amendment is needed. The process is like the annual budget process cities follow every year. Additional property taxes cannot be levied during the amendment process. The revenue neutral rate requirements do not apply but the public notice, hearing, adoption, submission, and filing requirements do apply.

FINANCIAL CONSIDERATION:

The budget amendment process will balance all increased spending with new revenue from sources other than property taxes. In the City's case, all additional revenue sources will come from unencumbered fund balances and transfers from other funds. The proposed amendment timeline is as follows:

- **Nov 18th** – staff will review the 2025 budget amendment process during the Discussion and Future Issues portion of the agenda.
- **Dec 2nd** – Staff will present the proposed 2025 budget amendment to City Council and request to set the public hearing for the 2025 budget amendment on Dec 16th, 2025.
- **Dec 4th** - The 2025 budget amendment Notice of Hearing will be published in the Ark Valley News. The publication date must be at least 10 days before the scheduled hearing.
 - *To meet the public notice requirement.*
- **Dec 16th** – Hold the 2025 budget amendment public hearing, close the public hearing, and adopt the 2025 budget amendment.
 - *To meet the hearing and adoption requirements.*
- **Dec 17th** – Staff will submit the approved budget amendment to Sedgwick County who will subsequently submit the budget amendment to the State of Kansas.
 - *To meet the submission and filing requirements.*