



# CITY COUNCIL AGENDA REPORT

**DATE:** September 11, 2025

**AGENDA OF:** September 23, 2025

**DEPARTMENT:** Finance

**SUBJECT:** Discussion and appropriate action on an Ordinance adopting the FY 2025-2026 Annual Budget for the Enterprise and Airport fund for the Fiscal Year beginning October 1, 2025, and ending September 30, 2026, and authorizing expenditures as therein provided.

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**RECOMMENDED MOTION:** Approval of an ordinance adopting the Fiscal Year 2025–2026 Enterprise Fund and Airport Fund budgets for the City of Castroville, Texas, for the fiscal year beginning October 1, 2025, and ending September 30, 2026.

Motion to adopt the budget must be a record vote.

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**BACKGROUND:** On September 9, 2025, City Council adopted the Fiscal Year 2026 General Fund Budget by ordinance. At that time, Council chose to defer action on the Enterprise Fund and Airport Fund budgets to allow additional review and discussion. This deferral was unprecedented for the City, but is permissible under the Texas Local Government Code provided that all budgets are formally adopted prior to the start of the fiscal year on October 1.

Approval of the Enterprise Fund and Airport Fund budgets is now scheduled for Council consideration at the September 23, 2025, meeting. Adoption of these budgets is necessary to ensure proper financial authorization for operations and expenditures beginning October 1, 2025.

On August 26<sup>th</sup>, the City Administration presented the following proposed budget:

Budget Comparison:	FY 2025	FY 2026	FY 2026
	Adopted	Proposed	% Change
Utility Fund	\$ 8,702,791	\$ 9,314,315	7% increase
Airport Fund	\$ 762,374	\$ 778,268	2% increase

**FISCAL IMPACT/SOURCE OF FUNDING:**

☐ Budgeted   ☐ Requires Budget Amendment

**ATTACHMENTS:** Ordinance Adopting the FY 2026 Annual Budget  
Proposed Budget Expenditures

**Urgency (0-5 = Low Urgency to High Urgency):** 5  
**Impact (0-5 = Low Impact to High Impact):** 5

Submitted by:   Leroy Vidales, Finance Director