

# Agenda Statement



**Meeting Date:** January 20, 2026  
**To:** City Council  
**Through:** Jackie Wilde, City Manager  
**From:** Kristin Erchinger, Finance Director  
**Agenda Item:** Mid-Cycle 2026 Budget Adjustments and 2025 Unspent Funding Re-appropriation

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## **BACKGROUND, JUSTIFICATION, & INTENT:**

The City of Whittier implemented its first biennial budget covering the period January 1, 2025 through December 31, 2026, approved by the Whittier City Council via Ordinance 2024-001 on December 17, 2024. The expectation is that at the start of each even-numbered year – or the second year of the biennial budget – the Administration will request Council consider budget adjustments which 1) address unforeseen circumstances that were not known at the time the budget was passed, and which may have a material impact on the budget; 2) require budget amendments to reduce the 2025 and increase the 2026 budget to carryover funds which were expected to be spent or brought in during 2025 but which will be completed instead, in 2026; and 3) to examine actions approved by the City Council which will affect the 2026 Budget, but for which appropriations have not yet been made to amend the budget.

This resolution is aimed at carrying forward grant project funding which was not completed in 2025. It also identifies changes in circumstances that were not known during the formation of the City’s first biennial (2025/2026) budget, such as Council’s approval of a consultant to assist with the Alaska Railroad Land Purchase, an amendment to the City Manager’s contract, and other similar actions which now require a budget amendment or appropriation in 2026 to carry out those actions authorized by Council. This action also addresses some major 2025 adjustments that are needed due to significant changes in actual experience versus budgeted revenues and/or expenses, such as the reduced CPV grant revenues compared with budget, the increased cost of solid waste costs in the Harbor, the reduced Shared Fisheries Business Tax, etc. Following the City Council work session of January 20, 2026, the Administration is expecting to bring forward an additional mid-cycle budget adjustment Resolution to incorporate Council wishes and/or to address other line item changes proposed by Council or the Administration, which will affect the 2026 financial performance, but which were not reflected in the 2026 Budget passed in December 2024.

## **CONSISTENCY CHECKLIST:**

	Yes	No	N/A
1. Legislative Priorities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Comprehensive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Whittier Code: <i>Biennial Budget, ORD 2024-001</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FISCAL NOTE:** The 2025 and 2026 Budgets have various line items that require reappropriation. In the case of grants that have been postponed from 2025 to 2026, there is no bottom-line impact to the City’s reserves, as the costs of these grant-funded projects will be

offset by grant revenues. To the extent that Council has already approved Resolutions that will impact the 2026 budget, but for which appropriations have not yet been made, those appropriations will generally reduce the budgeted reserves if they increase expenses, and increase budgeted reserves if they increase revenues. The amendments to the budget do not in themselves result in increases or decreases in the City's financial performance; those impacts to the City's finances come from the actual performance rather than from budgeted revenues and expenses.

**ATTORNEY REVIEW:**  Yes  No  Not Applicable

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**RECOMMENDATION:** Council authorize budget amendments for both 2025 and 2026 resulting from Council actions for which a budget appropriation has not been made, and authorize a reduction of the 2025 Budget and an increase in the 2026 Budget for actions that did not take place prior to December 31, 2025, but for which the project is ongoing into 2026.