

Agenda Statement

Meeting Date: October 20, 2026
To: City Council
Through: Jackie C. Wilde, City Manager
From: Kristin Erchinger, Finance Director
Agenda Item: 2026 Budget Amendment



BACKGROUND, JUSTIFICATION, & INTENT:

The 2026 Budget includes planned expenditures for a number of grants, capital and special projects, interfund transfers and other items which will not be completed in 2026 and which therefore can be de-obligated from 2026 previously authorized appropriations. In addition, funds authorized to be transferred to a new Permanent Fund will instead, be reflected going forward through 2033, as Assigned Fund Balance in the General Fund and beginning 2034, are expected to be transferred to the new Permanent Fund. Similarly, funding appropriated for residential housing improvements at BTI and Whittier Manor will be reflected as Assigned Fund Balance and not as expenditures until payments are remitted for specific authorized projects.

The City's lease agreement with Glacier Creek Development authorizes taxes for 2026 and 2027 to be deferred to 2028 and 2029. In accordance with Generally Accepted Accounting Principles related to the expected timing of receipt, those taxes cannot be reflected as revenues and instead will be recorded as Deferred Inflows until such time as the taxes are due in 2028 and 2029.

The City has identified grant funding for the construction of a new year-round harbor restroom; thus, the Harbor MRRF budget is amended to remove anticipated expenses from that source.

Actual CPV grant revenues came in at \$1,445,005 rather than the budgeted \$1,625,000 necessitating a budget change in order to avoid over-estimating funding available for projects that serve cruise ships and their passengers.

CONSISTENCY CHECKLIST:

	Yes	No	N/A
1. Comprehensive Plan:	☐	☐	☒
2. Whittier Code:	☐	☐	☒
3. Other:	☐	☐	☒

FISCAL NOTE: This action amends the 2026 Budget as cited above, and also results in certain General Fund reserves being reclassified as Assigned Fund Balance for both Permanent Fund contributions and Residential Housing Capital Repairs for BTI/Whittier Manor.

ATTORNEY REVIEW: ☐ Yes ☐ No ☒ Not Applicable

RECOMMENDATION: City Council authorize an amendment to the 2026 Budget to de-obligate funding for certain projects not intended to be completed by year-end, and to reclassify certain expenditures instead as Assigned Fund Balance.