

Agenda Statement

Meeting Date: February 17, 2026
To: City Council
Through: Jackie Wilde, City Manager
From: Kristin Erchinger, Finance Director
Agenda Item: Mid-Cycle 2026 Budget Adjustments



BACKGROUND, JUSTIFICATION, & INTENT:

The Whittier City Council approved the 2026 Budget on December 17, 2024. An amendment to the 2026 Budget was passed in January 2026 to re-appropriate project funds previously expected to be completed in 2025, but which will not be fully completed until 2026. This Resolution proposes adjustments to budgeted line items based on information not available or unknown at the time the 2026 budget was passed in 2024. For example, fish tax revenues have declined in the most recent two years partly due to the closure of Whittier's seafood processing plant, and partly due to the overall decline in fish harvested. Sales tax revenues have risen higher than originally anticipated, and ambulance fees have increased due to implementation of a new billing system. Lack of a contract to provide security services to Anton Anderson Memorial Tunnel necessitates a reduction in corresponding revenues. The Ground-Based Passenger Fee is downward adjusted to reflect a more conservative expectation of revenues in the initial year of implementation. The following expenditure changes are proposed for the General Fund: Servers are slated for replacement under the City's entity-wide IT contract; Council authorized returning \$50,000 in donated funds to a cruise line partner; turnover in finance staff requires temporary staff and training to implement software changes and a new tax collection system; and increased funding for a comprehensive plan update and new EMS billing software.

Proposed Harbor budget amendments include: a rate study (\$50,000), installation of new safety ladders (\$18,000), increased trash disposal (\$45,000), and server replacement (\$11,667). Delong Dock amendments include reduced wharfage <\$20,000>; fendering repairs to the dock (\$30,000), grant-writing assistance to pursue \$53 million (\$22,000), and disposal of oil/antifreeze (\$4,000).

CONSISTENCY CHECKLIST:

	Yes	No	N/A
1. Legislative Priorities: <i>list the legislative priority</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Comprehensive Plan: <i>list action item number (see Consistency Checklist Reference Material)</i>	<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"/>

FISCAL NOTE: This amendment anticipates use of reserves as follows: \$625,333 from General Fund reserves; \$124,667 from Harbor reserves; and \$76,000 from Delong Dock reserves.

ATTORNEY REVIEW: Yes No Not Applicable

RECOMMENDATION: Council authorize amendments to the 2026 Budget as identified in the attached Mid-Cycle Budget adjustment detail.