

CITY OF SEGUIN

To: City Council
From: Susan Caddell, Director of Finance
Date: March 11, 2026
Subject: Budget Amendments



It's real.

Historical Background

Every year after staff receives the final audit, mid-year budget amendments are requested. We review any unexpected expenditures that have arisen since approval of the original budget. We then review the list of capital items requested during the budget process, but we were unable to fund. After receiving the results of the audit and taking away any fund balance we are budgeting to use in FY26, we have 7 months operating expenditures in the General Fund available based upon the FY26 budget. After these budget amendments, we will have over 6.5 months of fund balance, which equates to \$10.9 million available to use, if needed. In the Utility Fund after receiving the results of the audit and taking away any retained earnings we are budgeting to use in FY26, we have over 3.14 months operating expenditures in retained earnings. This only leaves us \$793,830 in retained earnings available for use. Staff is recommending to use only \$331,950 of this balance. The capital projects being funded in the Utility Fund are being funded from retained earnings in the Utility Fund Capital Projects which has over \$5 million available for use.

Also included in the budget amendments are the appropriation of the bond funds we will be receiving in April.

I have included a summary of all the budget amendments. If you need further detail on the amendments, you can find that detail within the ordinances.

After these amendments are approved, all funds will maintain the minimum required fund balance of three months operating expenditures as required by the City's Fund Balance Policy.

I will be available for questions prior to and during the meeting. Please let me know if you have any questions.

Action Requested

City Council must approve the budget amendments attached.

Staff Recommendation

Staff recommends approval of the budget amendments.

ATTACHMENTS

1. Ordinances approving the budget amendments.