



**STAFF REPORT
HOLLISTER CITY COUNCIL
MEETING DATE: May 19, 2025
REPORT # City Manager-2025-27**

**AGENDA ITEM: INFORMATIONAL REPORT ON FISCAL YEAR (FY) 2024-25
QUARTER 3 BUDGET MONITORING AND RECEIVE A PRELIMINARY UPDATE
REGARDING FISCAL YEAR 2025-26 BUDGET DEVELOPMENT**

DEPARTMENT: City Manager

DEPARTMENT HEAD: David Mirrione, City Manager

STAFF CONTACT: David Mirrione, City Manager

RECOMMENDED ACTION: Receive the informational budget monitoring update for Quarter 3 of Fiscal Year 2024-25 and provide possible direction to staff.

DISCUSSION: The City of Hollister adopts an annual operating budget covering a 12-month period. This period is referred to as a fiscal year. The City adopted a budget for Fiscal Year (FY) 2024-25 at their June 18, 2024 meeting. The City's FY 2024-25 annual operating budget covers the 12-month period of July 1, 2024 - June 30, 2025.

The City has various fiscal and budget policies, which are referenced as an Appendix in the FY 2024-25 budget book, to help guide the administration of the annual budget process and to ensure the City Council and staff are good stewards of public funds. One of these policies requires staff to conduct ongoing budget monitoring to evaluate the various financial activities of the City.

This budget policy states the following: "The City will prepare and issue timely interim reports on the City's financial status to the Council and staff. This includes: online access to the City's financial management system by City staff; monthly reports to program managers; more formal quarterly reports to the Council and department heads; mid-year budget reviews; and interim annual reports." On November 12, 2024, staff presented to the City Council, a formal quarterly report to the City Council for Quarter 1 of FY 2024-25. At this meeting, staff were directed to return to the City Council meeting on December 3, 2025 with a list of potential strategies and actions that the City Council can take to stabilize its budget, rebuild its reserves, and ensure that it can meet its short-term and long-term obligations across all City funds. At the January 7, 2025 City Council meeting, Mayor Stephens requested a comprehensive mid-year budget presentation on February 4th and received consensus from the City Council. On February 4, 2025, the City Council received the presentation and gave staff direction.

The item being heard today will provide a report regarding the Quarter 3 quarterly budget monitoring summary for Fiscal Year 2024-25. Staff will also provide a preliminary update regarding Fiscal Year 2025-26 budget development.

FISCAL IMPACT: N/A

PREVIOUS COUNCIL OR COMMISSION ACTION: City Council received the FY 2024-25 Quarter 2 Budget Update and budget stabilization strategies on February 14, 2025.

CEQA: Not a project.

ATTACHMENTS:

1. FY 2024-25 Q3 Budget Report (Fund Level)
2. FY 2024-25 Q3 Budget Report (Department Level)