



**Honorable Mayor and Members of the Hermosa Beach City Council**  
**REAPPROPRIATION OF FUNDS FROM FY 2024–25 TO FY 2025–26, APPROVAL**  
**OF RELATED REVENUE REVISIONS**  
(Administrative Services Director Brandon Walker)

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**Recommended Action:**

Staff recommends City Council approve the budget reappropriation of certain unspent FY 2024-25 amounts to the FY 2025–26 Budget (**Attachment 1**).

**Executive Summary:**

General Fund FY 2024–25 Budget reappropriation requests total \$242,336. Other City Fund budget reappropriation requests and related estimated revenue are highlighted in **Attachment 1**.

Staff recommends City Council reappropriate the FY 2024–25 Budget reappropriation requests to the current FY 2025–26 Budget.

**Background:**

Budget appropriations for FY 2024–25 expired on June 30, 2025. Equipment and supplies or services must have been received by June 30 in order to be charged to the FY 2024–25 Budget. Some departments have items or services that were budgeted in FY 2024–25 but were not delivered or completed by year end. In these cases, unspent amounts for those items or projects need to be reappropriated (carried over) to the next fiscal year budget, since they were not included in the FY 2025–26 Budget.

In the case of Capital Improvement Projects, unspent funds are added to any amounts appropriated in the FY 2024–25 Budget, as necessary. The amount of prior year funding that would be left at year-end FY 2024–25 is estimated for FY 2025–26 Adopted Budget purposes. If expenditures are higher than estimated for FY 2024–25, the FY 2025–26 would be reduced. If expenditures are less in FY 2024–25, the amount for 2025–26 would be increased if the project is ongoing, as reflected in **Attachment 1**. Projects not completed in FY 2024–25 and not budgeted in FY 2025–26 would be carried forward into FY 2025–26.

For reappropriated projects funded by grants, the estimated revenue would need to be budgeted as well. Conversely, if more funds are spent in the previous year, grant revenue estimated for FY 2025–26 would be reduced.

**Analysis:**

The FY 2025–26 budgetary accounts would be revised to reflect the attached reappropriations and related revenue. All changes reflected in this agenda item would be reflected in the September reports including Revenue, Expenditures, and Capital Improvement Project (CIP) Report by Project.

**Fiscal Impact:**

Appropriations in the General Fund would increase by \$242,336 in the FY 2025–26 Budget due to the requested reappropriations. There are sufficient funds available from the prior year to cover the reappropriation requests in the General Fund and other City funds.

**Attachment:**

Budget Reappropriations from FY 2024–25 to FY 2025–26 and Revenue Revisions

**Respectfully Submitted by:** Henry Chao, Finance Manager

**Noted for Fiscal Impact:** Brandon Walker, Administrative Services Director

**Approved:** Steve Napolitano, Interim City Manager