



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Manager

SUBJECT: FY 2026-28 Budget Calendar

MEETING DATE: February 24, 2026

RECOMMENDATION:

Staff recommends that the City Council receive and file the FY 2026-28 Budget Calendar, establishing the timeline for budget preparation, public engagement, and formal adoption proceedings.

BACKGROUND:

This staff report presents the FY 2026-28 budget calendar for the preparation, review, and adoption of the biennial budget. The calendar establishes key dates for departmental budget submissions, public engagement, budget workshops, public hearings, and final adoption.

This biennial budget process will allow the City to establish a two-year financial plan that provides greater stability. Notably, this budget cycle will mark the City's first-ever community budget meetings, representing a significant enhancement to our public engagement efforts. These meetings will provide the community with a meaningful opportunity to engage directly in the budget development process, share their priorities, and help shape the City's fiscal direction. This new initiative reflects the City's commitment to fostering civic engagement and ensuring that the community is heard before budget decisions are made.

DISCUSSION:

The proposed budget calendar has been developed to ensure a comprehensive and transparent budget development process. The calendar includes the following key milestones:

Department Preparation Phase (January - March): Finance will update the position budgeting model, and the Departments will prepare budget worksheets, develop performance measures, and submit budget augmentation requests.

Community Engagement (March): For the first time in the City's history, two dedicated community budget meetings will be held in March to gather direct public input on budget priorities. These meetings will serve as an opportunity for residents to learn how the City

budget is developed, understand how the City received and spends public funds, and provide feedback on service needs, priorities, and infrastructure improvements. Public input collected through these meetings will be documented and summarized for City Council consideration as part of the upcoming work-study sessions.

Review and Analysis (April): City staff will meet with departments to review budget requests, capital improvement projects, and proposed workforce changes.

Council Review and Adoption (May - June): The City Council will conduct three budget work-study sessions to review the proposed budget, with final adoption scheduled for June 23, 2026

FISCAL IMPACT:

There is no direct fiscal impact associated with the receiving and filing of the budget calendar. The budget calendar establishes the timeline for the development and adoption of the biennial budget, which will determine fiscal impacts for the two-year period.

ALTERNATIVES:

1. Approve the staff's recommendations.
2. Reject the staff's recommendations.
3. Provide staff with alternate or further direction.

ATTACHMENTS:

1. FY 2026-28 Budget Calendar

Recommended by: Alvaro Castellon, Director of Finance

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Ernie Hernandez, City Manager