



City of Foley, AL

407 E. Laurel Avenue
Foley, AL 36535

Signature Copy

Resolution: 25-1300-RES

File Number: 25-0441

Enactment Number: 25-1300-RES

A Resolution Adopting Fiscal Year 2026 Budgets

WHEREAS, the Fiscal Year 2026 (FY2026) budget for the General Fund is not a balanced budget and is slated to spend approximately \$24 million of reserves to aggressively address continued above average growth with measures that will ensure quality of life in our city, while maintaining sufficient reserves to weather unforeseen challenges that may arise, and

WHEREAS, budgets for the following City of Foley governmental funds are adopted in their entirety: Fire Ad Valorem, Gas Tax, Court Corrections, Jail Corrections, Foley Sports Tourism Event Center Operations, Foley Sports Tourism Multi-Use Fields Operations, Economic Incentives, Debt Services, and Impact Fee. The budget for the City of Foley Sanitation proprietary fund is also adopted, and

WHEREAS, budgets for funds of the following component units are included in the City's Budget Report: Public Facilities Cooperative District (PFCD), Public Athletic and Sports Facilities Cooperative District (PASFCD), and Public Cultural and Entertainment Facilities Cooperative District (PCEFCD), and

WHEREAS, the budgets are presented in summary form; however, a detailed account by account report is available by request from the Finance Director's Office, and budgets will be presented in the Distinguished Budget Award format at a future Council meeting, and

WHEREAS, the budgets for operational costs in funds where capital projects are scheduled are adopted; however, infrastructure maintenance and capital construction projects in these funds are approved on a per project basis and do not expire until the project is complete. Project schedules presented with budget documents are for informational and planning purposes only, and

WHEREAS, adoption of these budgets and their supporting documentation represent the Mayor and Managements best estimate of the City's financial condition and needs for FY2026. However, changing conditions may require amendments to the various budgets at any time and there is no guarantee that the Council will vote to approve expenditure of funds on any given project or other area covered by these budgets.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Foley, Alabama, as follows:

SECTION 1: These budgets covering the period October 1, 2025, through September 30, 2026, are adopted as prescribed herein. The summary budget document for each fund and other supporting documentation is attached to and made part of this resolution, and shall be

distributed to the Mayor, Council, and City Directors.

SECTION 2: General Fund budgeted dollars may not be exceeded in the following broad categories:

Personnel; Capital Equipment; Operational Expenses.

a) Directors are expected to operate with the funding appropriated for their department. Should a funding increase be required, a written request is to be submitted to the City Administrator and approved by Council resolution prior to expenditure of funds.

b) Departmental budget dollars may be transferred between accounts within a category upon a Directors written request to the Finance Director/City Treasurer.

c) Departmental budget dollars may be transferred between the three categories of a department only after approval by the City Administrator and action of the City Council.

d) Departmental capital purchases included in, and approved by this budget, are subject to further justification and adoption of resolution by Council prior to starting the requisition process (i.e. request for purchase order or letting of bids).

SECTION 3: The guidelines established by the City's Procedures for Projects must be followed, and required documentation submitted for approval by Council resolution prior to beginning a capital or infrastructure improvement project.

SECTION 4: New positions have been approved for addition to the City's Pay Classification Plan in this budget; however, in accordance with the City's Personnel System Policy, new positions (beyond those approved in this budget) may be established only with the approval (resolution) of the City Council. Hiring of employees for the filling of vacant positions will continue to be monitored for sufficient justification at the time of request and approval obtained from the Mayor and/or the Mayors designee.

SECTION 5: Pay-for-Performance Merit increases remain at the same percentages as was approved in the previous year and will be administered per the "Policy for Merit Raises for FY26 Budget Year". Effective October 1st, the City's Pay Classification Plan pay scales will be increased by 2% for inflationary adjustments based on CPI data. Employees whose job classification is subject to the Pay Plan will see their salary increased to the new minimum of the pay scale if their current salary falls below the new minimum.

SECTION 6: The City Council previously approved a "GAP Day and Holiday Pay Policy" that approves paid personal days for employees in order to cover gaps surrounding approved City holidays. There are three GAP Days during the year covered by this budget. The Good Friday holiday is being added for FY26. Effective FY2022, all full-time regular and part-time regular employees receive one floating holiday at the beginning of each calendar year.

SECTION 7: In accordance with the Governmental Accounting Standards Board (the GASB) Statement No. 54, Resolution No. 21-1276 adopted the City's most current Fund Balance Policy. Accordingly, the FY2026 budget now being adopted has been analyzed and complies with the policy. The *General Fund Cash Flow and Fund Balance Analysis* presented herein depicts that the minimum fund balance goal will be exceeded by approximately \$10.5 million.

SECTION 8: The attached schedules for *Grants and Contracts for Public Purpose* approves various agreements with outside agencies for the upcoming year by declaring the public

purpose and the money set aside for each organization. A list of additional contracts with outside agencies that provide support services for various City functions, such as economic development, marketing, and recreational services, is attached to, and the contracts hereby approved by, this resolution.

SECTION 9: In fiscal year 2024, council adopted Resolution 24-1363 to create a program for public initiatives and community events. The attached schedules for *Public Purpose Awards & Programs* approves various awards and community events by declaring the public purpose and the money set aside for each award and event.

SECTION 10: The attached schedules of *Façade Improvement Incentive Grant Awards*. These grants are approved on a per project basis and do not expire until the project is complete. Finance will roll budget each year for grants that were not completed as of September 30, 2025.

SECTION 11: Mayor and Council will receive regular reports to assist them in ensuring that no departmental level budgets are exceeded without permission. The reports will present both summary and detail financial information and will compare the beginning budget and current budget for each department with an organizational total. The reports will also be provided to Directors and Area Managers who are advised that there is a critical emphasis on not exceeding stated budgets and on the use of best practices in the expenditure of public funds.

SECTION 12: This Resolution shall become effective immediately upon its adoption as required by law.

PASSED, APPROVED AND ADOPTED this 2nd, day of September, 2025.



President Signature

J. W. Jones

Date

9-2-25

Attest by Assistant City Clerk

Christi Watkins

Date

9-02-25

Mayor Signature

[Signature]

Date

9/2/25