



# NEWPORT BEACH

## City Council Staff Report

May 26, 2026  
Agenda Item No. 9

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** Jason Al-Imam, Administrative Services Director/Treasurer - 949-644-3126, jalimam@newportbeachca.gov

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**TITLE:** Set Public Hearing Date to Adopt Fiscal Year 2026-2027 Budget

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### **ABSTRACT:**

Per Section 1102 of the City Charter, the City Manager is to submit the budget to the City Council at least 35 days prior to the beginning of the fiscal year, July 1. After reviewing the budget and making such revisions as it may deem advisable, the City Council shall determine the time for the holding of the public hearing and publish a notice in an official newspaper not less than 10 days prior to said hearing. The Charter requires the City Council to adopt an annual budget each year on or before June 30.

### **RECOMMENDATION:**

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Schedule a public hearing of the City of Newport Beach's Proposed Budget for Fiscal Year 2026-2027 for June 9, 2026, and direct the City Clerk to publish a notice of said hearing in accordance with Section 1102 of the Newport Beach Charter.

### **DISCUSSION:**

The City's Charter requires that the City Council adopt an annual budget each year on or before June 30. Staff has provided the Council with copies of the preliminary budget document, and it is available for public review on the City's website at:

<https://www.newportbeachca.gov/government/departments/finance/city-budget-salary>

Staff recommends that the City Council set the date for the public hearing on the Fiscal Year 2026-2027 budget for June 9, 2026. The public hearing would be noticed and held during the regular Council meeting.

**FISCAL IMPACT:**

The proposed FY 2026-27 General Fund budget is structurally balanced, with projected revenues of approximately \$350.9 million and proposed expenditures of approximately \$348.4 million, resulting in an estimated \$2.5 million surplus. The proposed budget reflects the City's longstanding commitment to fiscal sustainability by maintaining core services and public safety while continuing investments in infrastructure, City operations, and community priorities.

**ENVIRONMENTAL REVIEW:**

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

**NOTICING:**

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).