



## CITY COUNCIL STAFF REPORT

**TO:** City Council

**DATE:** July 14, 2025

**DEPARTMENT:** Administration

**PREPARED BY:** Isaac Whippy, City Manager

**PRESENTER:** Isaac Whippy, City Manager

**AGENDA TITLE:** Request for Council Direction on the use of Asset Forfeiture Education Fund for One-Time Funding Support for the Humane Society & Approval of Resolution for Budget Amendment # 2026-02

### RECOMMENDATION

Receive the report and provide direction to staff on:

1. Updating the current FY 2025/26 allocation to the Humane Society from the adopted \$30,000 annual amount to \$5,000 per month (totaling \$60,000) in line with prior year allocation increase.
2. Considering the Humane Society's request to increase its FY 2025–26 allocation to \$100,000, using a one-time \$40,000 from Asset Forfeiture Funds- Education to fund the increase.

### BACKGROUND

The Humane Society delivers critical animal welfare and public-safety services for Fort Bragg and surrounding county areas, including sheltering, adoptions, low-cost spay/neuter, and partnership with the Police Department on animal control.

- Current Adopted Budget: The FY 2024–25 operating budget includes a \$30,000 annual appropriation for the Humane Society.
- Requested Amendment for FY 2025-26: The Humane Society has demonstrated rising veterinary and facility costs and recommends updating its funding to \$5,000 per month (total \$60,000) for the remainder of the year in line with prior year allocation increase.
- FY 2025–26 One-Time Request: To sustain enhanced service levels, the Humane Society requests an increase to \$100,000 annual allocation—an increase of \$40,000 over the updated \$60,000 baseline.

## **DISCUSSION**

The City is projecting a General Fund surplus of approximately \$50,000 for FY 2025-26. To address the Humane Society's immediate funding needs, staff recommends redirecting \$30,000 of this surplus to increase the current FY 2025-26 allocation from \$30,000 to \$60,000. This adjustment would ensure uninterrupted operations and maintain the organization's current service level through the remainder of the fiscal year.

Looking ahead to FY 2025–26, the Humane Society has requested an increase to the annual allocation of \$100,000. To support this increase, the City could use a one-time allocation of \$40,000 from the asset forfeiture education funds to fund the \$40,000 increase to \$100,000 or \$8,333/month.

Should the Council choose to proceed, staff will return with a formal budget amendment and prepare a funding agreement that outlines accountability measures, eligible uses of funds, and reporting requirements.

## **FISCAL IMPACT**

- Ongoing Allocation (FY 2025-26): +\$30,000 (from surplus) to increase the annual allocation from \$30,000 to \$60,000.
- One-time increase: (FY 2025–26): \$100,000 total; funded by \$60,000 ongoing baseline plus \$40,000 one-time from Asset Forfeiture Education Funds (\$174,000 available).

These actions reduce the year-end surplus by \$30,000.

## **ALTERNATIVES**

1. Approve both the FY 2024–25 adjustment and the FY 2025–26 increase as outlined.
2. Approve only the FY 2024–25 adjustment and revisit the FY 2025–26 request during next year's budget process.
3. Decline one or both requests and direct staff to notify the Humane Society.
4. Provide alternative direction for community-based grant allocations or other funding strategies.