

ITEM #: 14  
DATE: 05-09-23  
DEPT: FINANCE

**COUNCIL ACTION FORM**

**SUBJECT: RESOLUTION SETTING MAY 23, 2023 AS DATE OF PUBLIC HEARING ON FINAL ADJUSTED BUDGET FOR FISCAL YEAR 2022/23**

**BACKGROUND:**

The Code of Iowa requires that city spending by program not exceed Council approved budget amounts at any time during the year. To maintain compliance, the City of Ames monitors spending against the approved budget and prepares amendments to the budget several times during the fiscal year. The following is the customary amendment schedule:

Amendment #1 - In the fall, a first amendment is prepared to carry over unspent project amounts from the prior fiscal year.

Amendment #2 - The second amendment again as part of the adoption process for the next fiscal year's budget. This is typically done in March, but in FY 2022/23 it was done in April. It should be noted that due to a publication error, Amendment #2 will be shown as part of the final amendment in the publication notice to ensure compliance with state budget guidelines.

Amendment #3 - A final spring amendment is done to adjust for any significant changes that have occurred since the prior amendment. This amendment typically is restricted to the early start of CIP projects approved for the following fiscal year, new grants that have been received and their associated project expenses, and any significant changes in CIP projects, operating expenses, or revenues.

The deadline for adoption of amendments to the FY 2022/23 budget is May 31, 2023. Setting the hearing date as May 23, 2023 allows time for the publication of the hearing notice as required by the State of Iowa.

**ALTERNATIVES:**

1. Adopt a resolution setting May 23, 2023 as the date of public hearing on the final adjusted budget for FY 2022/23.
2. Refer this item back to staff for additional information or other adjustments to the amendments.

**CITY MANAGER'S RECOMMENDED ACTION:**

Amending the FY 2022/23 budget better reflects new grant funded projects, significant changes in CIP projects, and changes to operational expenses and revenues. Therefore, it is recommended that City Council approve Alternative No. 1, as described above.