

ITEM #: 41
DATE: 05-28-24
DEPT: FIN

COUNCIL ACTION FORM

SUBJECT: FINAL AMENDMENT TO FISCAL YEAR 2023/24 ADJUSTED BUDGET

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 - A first amendment is prepared to carry over unspent project amounts from the prior fiscal year in the fall.
- Amendment #2 - The second amendment is completed as part of the adoption process for the next fiscal year's budget.
- Amendment #3 - A final spring amendment is done to adjust for any significant changes that have occurred since the prior amendment. This amendment is typically restricted to the early start of CIP projects approved for the following fiscal year, new grants received and their associated project expenses, and any significant changes in CIP projects, operating expenses, or revenues.

Staff has prepared the final amendment (#3) to the FY 2023/24 City budget. The attached summary outlines the revenue and expenditure changes by fund. The final FY 2023/24 budget includes a final net decrease in revenues of \$5,466,609 and a net decrease in expenditures of \$4,250,756.

It should be noted that most of the increase in both revenues and expenses is related to changes in grant-funded stormwater CIP projects. Other changes include modifications to CIP projects and schedules, minor operating budget adjustments, and the adjustment of debt service schedules related to SRF-funded projects.

ALTERNATIVES:

1. Approve a final amendment to the Fiscal Year 2023/24 budget by decreasing revenues by \$5,466,609 and expenditures by \$4,250,756.
2. Refer this item back to staff for additional information or other adjustments to the amendments

CITY MANAGER'S RECOMMENDED ACTION:

The proposed amendment to the FY 2023/24 budget allows the budget to better the changes noted in the FY 2023/24 final amendment document. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1, as described above.

ATTACHMENT(S):

[FY 2023-24 Final Amendments](#)