

STAFF REPORT



DATE: 11/13/23

TO: City Manager

FROM: Ted Henry, Assistant City Manager / Director of Finance

RE: 2023 Budget Amendment

BACKGROUND:

Municipalities are authorized by K.S.A 79-2929a to amend budgets to spend money not in the original budget. Additional expenditures are to be made from existing revenue and cannot require additional tax levies.

General Fund Budget

The proposed General Fund amendment is to provide information on changes made to each budgeted category. The 2023 General Fund budget was adopted by the Bel Aire City Council on September 7, 2022. Since the adoption of the 2023 General Fund budget, the city experienced beneficial 2022 budget performance which created more reserves than anticipated at the end of fiscal year 2022. In January of 2023, staff recommended, and the City Council approved using \$800,000 in surplus reserves to increase the annual transfer to our Capital Improvement Program (CIP) for street improvements. All other revenue and expense adjustments were anticipated and discussed during the 2024 Budget process. Finally, the proposed General Fund amendment creates more transparency on the mid-year adjustments of a growing community.

Water Budget

The 2023 water budget was adopted by the Bel Aire City Council on September 7, 2022. The budget amendment accounts for the increase in costs associated with CCUA's 2023 midyear decision to upgrade equipment at their plant. Additionally, it accommodates expenditures associated with the procurement of new meters, materials for meter settings, engineering outlays, and various special projects approved by the City Council in 2023. Adjustments were anticipated and discussed during the 2024 Budget process, therefore, no adverse effects on the planned 2024 Water Budget.

Sewer Budget

Since the adoption of the 2023 budget, staff has recommended, and the City Council has also approved Cured-In-Place-Pipe (CIPP) in Park Vista, Lawn Terrace, Battin, Glendale, as well as manhole rehabs on 53rd Street and sewer point repairs. All other adjustments were made during the 2024 Budget process and accommodate increase spending for new meters, meter setting materials, and engineering outlays. Adjustments were anticipated and discussed during the 2024 Budget process, therefore, no adverse effects on the planned 2024 Sewer Budget.

DISCUSSION and FINACIAL CONSIDERATIONS:

All budget adjustments before you tonight were accounted for in the 2024 Budget. This action only provides final budget authority for previously approved actions decided by City Council.

RECOMENDATION:

Step 1: Approve the 2023 Budget Amendments and set a public hearing for the December 5, 2023 City Council Meeting.

Step 2: Adopt the 2023 Budget Amendment at the December 5, 2023 City Council Meeting.