



Memo

To: The Honorable Mayor and City Council
From: Sandy Riffle, City Clerk
Date: November 11, 2022
Re: Budget Amendment Summary

The City's accounting firm reviewed the City's budget for the 2021/2022 fiscal year. As a result of their review, Council is presented with the final budget amendment for the 2021/2022 fiscal year. The following summarizes the amendment:

General Fund – Exhibit A

1. The first three items (Increase ARPA, Smart Cop and off duty) had expenses over budget, but specific revenue sources, so we increased the revenue budget an equal amount.
2. Since police bonus line item was significantly over budget, McDirmit reallocated the sworn salary budget to cover this line item (zero net change to PD budget)
3. The last item is for a few expenses that were significantly over budget. Since a few revenue line items were also significantly over budget, McDirmit increased the revenue budgets an equal amount. Since overall, the city is well under the total general fund expenditure budget, this amendment can be updated to just reallocate expenses if Council does not want to change any of the revenue line items.
4. For the last amendment column, if any of these over-budget expenditures have a specific revenue source, the amendment can be separated out as for the first 3 items. For example, there will be reimbursement for smart cop. If we get the reimbursement by 11/30/22, we can recognize the revenue, otherwise, we would want to report as unavailable revenue.

Roads & Streets – Exhibit B

1. Sidewalk repair is over budget. There was discussion of using ARPA funds for some sidewalk expenses. If so, the amendment for roads & streets and the general fund will need to be updated.
2. The City is slightly over the 75% reserve requirement so McDirmit increased the transfer from the general fund to roads and streets to cover the increased expenses. This will fix the reserve requirement issue.