

CHAPTER 2
BUDGET AMENDMENTS AND FUND TRANSFERS

[Prior to 11/30/88, see City Finance Committee[230] Ch 2]

Chapter rescission date pursuant to Iowa Code section 17A.7: 7/29/31

PREAMBLE

Consistent with home rule legislation, the city finance committee encourages as much flexibility as possible in the municipal budget administration. At the same time, it is the responsibility of the city finance committee to impose those procedures and processes necessary to ensure adequate notice to citizens of proposed and adopted changes in the local budget and to provide an opportunity for citizen involvement in the reallocation process.

[ARC 0390D, IAB 6/24/26, effective 7/29/26]

545—2.1(384,388) Appropriation of unanticipated amount. Budget amendments to the adopted city budget to permit the appropriation and expenditure of unencumbered and unanticipated balances or amounts anticipated to be available from sources other than property taxes but which have not been appropriated in the adopted budget will be prepared as provided in Iowa Code section 384.16 and are subject to protest as provided in Iowa Code section 384.19.

All adopted budget amendments to appropriate and expend unanticipated amounts are to be certified to the auditor of the county or counties where the city is located and to the director.

[ARC 0390D, IAB 6/24/26, effective 7/29/26]

545—2.2(384,388) Transfers between programs. Except as specifically provided elsewhere in these rules, all appropriation transfers between programs are budget amendments and will be prepared as provided in Iowa Code section 384.16 and subject to protest as provided in Iowa Code section 384.19.

All adopted budget amendments to permit the transfer of adopted budget appropriations between programs are to be certified to the auditor of the county or counties where the city is located and to the director.

[ARC 0390D, IAB 6/24/26, effective 7/29/26]

545—2.3(384,388) Transfers within programs. Transfers within programs are not budget amendments within the meaning of Iowa Code section 384.18. It is the responsibility of the governing body of each city to provide its own written rules for transfers within programs.

[ARC 0390D, IAB 6/24/26, effective 7/29/26]

545—2.4(384,388) Fund transfers.

2.4(1) General provisions. All transfers of moneys between funds found in the city budget forms will be approved by a fund transfer resolution. Transfers between funds in one program are types of amendments that are not subject to preparation and adoption as provided in Iowa Code section 384.16 and are not subject to protest as provided in Iowa Code section 384.19, but such transfers will comply with the state laws regarding the funds and the following subrules.

2.4(2) Debt service fund. Except where specifically not allowed under state law, moneys may be transferred from any other city fund to the debt service fund to meet outstanding principal and interest. Such transfers are to be authorized by the original budget or a budget amendment that has been adopted as provided in Iowa Code section 384.16 and subject to protest as provided in Iowa Code section 384.19.

2.4(3) Capital improvements reserve fund. Except where specifically not allowed under state law, moneys may be transferred from any city fund to the capital improvements reserve fund for purposes specified in Iowa Code section 384.7. Such transfers are to be authorized by the original budget or a budget amendment adopted as provided in Iowa Code section 384.16 and subject to protest as provided in Iowa Code section 384.19.

2.4(4) City utility fund and city enterprise fund. Any governing body of a city utility, combined utility system, city enterprise, or combined city enterprise that has a surplus in its fund may transfer such

surpluses to any other city fund, except the emergency fund, by resolution of the appropriate governing body. For the purposes of this subrule:

a. A surplus may exist only after all required transfers have been made to any restricted accounts in accordance with the terms and provisions of any revenue bonds or loan agreements relating to the utility or enterprise fund.

b. A “surplus” is defined as the cash balance in the operating account or the unrestricted net position calculated in accordance with GAAP, after adding back the net pension and other post-employment benefits liabilities and the related deferred inflows of resources and deducting the related deferred outflows of resources, in excess of:

(1) The amount of the expenses of disbursements for operating and maintaining the utility or enterprise for the preceding three months, and

(2) The amount necessary to make all required transfers to restricted accounts for the succeeding three months.

[ARC 0390D, IAB 6/24/26, effective 7/29/26]

These rules are intended to implement Iowa Code chapters 384 and 388.

[Filed 11/4/74]

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