

Completing your Annual Budget – Townships

Getting Started- General Overview

The enclosed budget template is intended to assist with completing your annual budget and certification of tax levy. It provides all the information required by the North Dakota Century Code to be submitted to Williams County. Please discard any old forms and submit budget and levy certifications using **only one** of the following formats:

- Hard copy Budget & Levy Certification form provided in this packet
- ATR Budget and Levy Certification
- Excel spreadsheet that can be downloaded from the Williams County website:
<https://bit.ly/wcbtd22>

Although the budget is labeled Schedule A, B, and C, **you'll want to complete the budget sheet in reverse order: Schedule C, Schedule B, then Schedule A.** If you have both a General Fund and a Special Road Fund, please complete two Schedule C's – one for each fund. For more information, visit the Williams County website: <https://www.williamsnd.com/township-forms-and-documents/>

The following is an overview of the required schedules and information for your budget and levy calculation.

Step 1: Schedule C-

In this section, you will identify the actual Receipts (income) and Disbursements (expenses) for 2022, the projected amounts for 2023, and the budgeted amounts for 2024. You will then calculate the Year End fund balances for each year.

To help you complete this section, a schedule of your Township's remittances (deposits) from Williams County for 2022 is provided in this packet. **Remember to complete two Schedule C's if you have a General Fund AND a Special Road Fund**

Step 2: Schedule B -

In this section, you will determine your levy calculation, or the amount your Township will need to fund your 2024 budget. You will need information from Step 1 (Schedule C) for this calculation:

1	2024 Budgeted Expenditures	\$
2	Multiply 2024 Budget Expenditures by 75% <i>Maximum</i> (Interim Fund*)	\$
3	2024 Expenditures & Interim Fund (Add Line 1 + Line 2)	\$
4	2024 Budgeted Revenue (not including property tax)	\$
5	12/31/23 Ending Cash (estimated)	\$
6	Levy needed to fund 2024 budget & Interim Fund (Line 3 minus Line 4 & Line 5). <i>If result is negative</i> , then there are excess funds available to fund 2024 expenditures & interim fund and NO LEVY IS NEEDED	\$

*Interim Fund definition NDCC 57-15-27. For carrying over to next fiscal year to meet cash requirements.

Step 3: Schedule A

In this section, you will certify the levy amount determined in Step 2 and approved at your annual Township meeting.

Township clerk needs to complete and sign the certification. Confirm the following *before* you prepare a levy certification:

IS THE LEVY REQUEST IS REASONABLE? The maximum amount that a Township can request to levy is 18 mills, but a Township can **ONLY** request a levy in **dollars**. If a Township bases its 2024 expenditures on a levy that far exceeds the maximum allowable by law, then it risks overextending its current resources. Therefore, it is important to get a close estimate of the maximum **dollar** amount that can be levied by your Township *before* you prepare your 2024 budget & levy request. Use the calculation below and the 2022 Taxable Valuations & mill levies provided in this packet to help you calculate a close maximum levy estimate for your Township.

2022 Taxable Valuation of Township	\$
Multiply Taxable Valuation by 18	\$
Divide by 1,000 = Estimated maximum levy allowed by law	\$

For more information about levying taxes, and guidelines for townships, review ND Century Code 57-15.

IS A LEVY IS ACTUALLY NEEDED? The amount of funds that a Township can have at year end is limited to 75% of the next year's budgeted expenditures, per NDCC 57-15-27. **If your Township is carrying an excessive fund balance, then your budget should reflect why you are holding excess funds.** Those budgeted expenses and projects should be as specific as possible in your 2024 budget.

Also note that a Township can designate **UP TO** \$100,000 to be put in a Special Road Fund. Those funds can be excluded from the levy calculation, but Special Road Fund transfers must be approved at the Township annual meeting per NDCC 57-15-19.2.

ARE BUDGETS & LEVY CERTIFICATIONS COMPLETE AND SIGNED? All the information requested in the budget template and levy certificate is important, **so please do not leave required sections blank!** If you are having problems completing your budget and levy certification, please feel free to reach out to the Williams County Finance Department.

Questions? Contact the Finance Department
finance@co.williams.nd.us
701-713-3502
Monday – Friday, 8 am – 5 pm