

Completing your Annual Budget - Townships

The attached template is intended to assist with compiling your annual budget and certification of tax levy.

For each fund that you want to levy property tax dollars for, an amount must be specified. **You can only levy in dollars, not in mills.** The maximum amount of dollars you can levy for your General Fund corresponds to the value of 18 mills for your township. For a close estimate, use your taxable value of the previous year.

Example: Value of a mill = \$500,000 taxable value/1,000 = \$500
18 mills x \$500 = \$9,000 (max amount that can be levied in General Fund)

For more information about levying taxes, and guidelines for townships, review ND Century Code 57-15. Additionally, levy limitation information can be found at <https://www.nd.gov/tax/levyreport/>.

Getting Started- General Overview

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 Road Fund, please complete two Schedule C's – one for each fund.

Schedule C: How much money do you have, and what do you think you will spend?

Receipts – what are your sources of income?

Complete for how much was actually received in the previous year (2020), how much is estimated for the current year (2021), and how much is estimated to be received in the budget year (2022) for each fund your township maintains (e.g. general fund, road fund).

- Property Taxes
- Township Road Mileage
- State Aid Distribution
- Telecommunications Tax
- Interest Earned
- Use the blank lines for any other sources of income
- Miscellaneous Receipts

Disbursements – what will you spend money on?

Complete for how much was actually spent in the previous year (2020), how much is estimated to be spent in the current year (2021), and how much is estimated to be spent in the budget year (2022).

- Line Items 10 – 24 are typical types of expenditures. **If any of the line items do not apply, simply leave them blank.** Line 24 is a catch-all for all other disbursements.
- Total Disbursements (*sum of lines 10 through 24*)
- Receipts over (under) Disbursements (*Schedule B, line 9 minus line 25 – complete for all three columns*)
- Balance, January 1 (*what was your balance at the beginning of the year*)
- Balance, December 31 (*what was your balance at the end of the year*)

Schedule B: Outlining your budget

Appropriation and Cash Reserve

1. Final Appropriation (*how much you think you will need for next year - use number from line 25, Schedule C, 3rd column*)
2. Cash Reserve (*how much cash do you want to keep on hand?*) Cannot exceed 75% of Final Appropriation.
3. Total Appropriation and Cash Reserve (*sum of final appropriation and cash reserve*)

Resources and Amount Levied

4. Cash and Investments Available (*sum of any cash and investments available*)
5. Estimated Resources – (*total of how much you think you will spend; Schedule C, line 9, 3rd column*)
6. Total Resource (*line 4 plus line 5*)
7. Levy Required (*how much property tax levy do you need – line 3 minus line 6*)
8. Allowance for Delinquent Tax Collection (*up to 5% of the amount of line 7 is allowed*)
9. Total Amount Levied (*amount of property tax to be levied for your tax district for each fund*)

Schedule A: Certifying Levy Amount

- For each fund that you want to levy property tax dollars for, an amount must be specified. **You can only levy in dollars, not in mills**
 - Example
 - General Fund Levy
 - Every township has a General Fund
 - Road Levy
 - If your township has **voted on and approved a levy for roads** at the Annual Meeting (per NDCC 57-15-9.4), enter that amount. It is possible to have Road Fund, but to not request a levy.

Questions? Contact the Finance Department

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Monday – Friday, 8 am – 5 pm