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## Budget Process

One of the most important activities undertaken each year by the City is the budget process. The quality of decisions made in the budget process conveys the City's long-range plans and policies for current and future services.

The budget is a financial, planning, and policy document which reflects the allocation of limited revenue among competing uses and serves as a guide for the various departments in implementing their goals and objectives.

Annual budgets are adopted for the General, Capital Projects, Debt Service, and Proprietary Funds. Within the General fund, budgets are prepared for each major department. For example, Elections, Administration, Fire Department and Streets are departments within the General fund.

Budgeted amounts are reported as originally adopted. Budgeted expenditure appropriations lapse at year-end. The City's department heads may make transfers of appropriations within their department. As better information becomes available, the budget may be amended by the City Council. The budgetary level of control is at the department level.

The budget process is a year-round activity because regular reporting is necessary to provide accountability, understanding, and confidence in the City. The City provides different types of reporting to facilitate this process. These reports include: monthly department reports, monthly capital project reports, monthly cash balances reports, budget document, and an audited comprehensive annual financial statement.

The City follows the procedures below in establishing the budget:

The annual budget process begins in July of each year. Budget worksheets are supplied to all City departments/departments heads. The City Administrator and the Finance Director conduct budget assistance meetings (if necessary) with the department heads. Budget requests and supplementary information from all department heads must be received by early August. The City Administrator and the Finance Director meet with department heads to discuss budget requests. Total budget requests are compared to revenue estimates to ensure that there is funding available to fund the proposed expenditures. Budget workshops are held with the City Council and citizens interested in participating in the budget process. The City Administrator and the Finance Director meet with department heads to discuss and review recommended budget and associated changes. In early September, the City sets the preliminary levy and the public hearing information, which is forwarded to the County Auditor by September 30th each year. In October and November, additional budget workshops are held with the City Council (if necessary). The County mails parcel specific tax notices in November to property owners providing taxes due the following year based on the preliminary levy. A budget and levy hearing is held in December in accordance with State law. The budget and tax levy are adopted through passage of resolutions.

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## Budget Calendar as of July 1, 2023

July 1, 2023	Finance Director prepares and distributes budget worksheets and instructions for departments/department heads.
July 1-16, 2023	City Administrator/Finance Director to conduct budget assistance meetings if necessary with departments/department heads.
July 17, 2023	Budget requests and supplementary information are due from departments/department heads.
Before July 17, 2023	Department of Revenue notifies cities of LGA amounts projected for 2023.
August 2023	Budget workshops held with City Council as needed.
August 15-26, 2023	City Administrator/Finance Director meet with departments/department heads to discuss and review recommended budget and associated changes.
September 1-15, 2023	Finance Director makes final changes for the Proposed Budget.
September 21, 2023	At the Council meeting, the public hearing date on the proposed budget and proposed tax levy are approved by the Council.
By September 30, 2023	City Administrator/Finance Director certifies preliminary levy and hearing date to Anoka County.
October/November 2023	Additional budget workshops held with City Council as needed
November 2023	County Auditor mails tax notices to each taxpayer.
December 7, 2023	Initial Truth-In-Taxation Hearing on 2024 Budget & Levy and adoption of the 2024 Budget and Levy.
December 21, 2023	Final adoption date of the 2024 Budget and Levy.

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