

**CITY OF TONKA BAY  
ITEM NO. 9B**

# Memo

**To:** Honorable Mayor and City Council  
**From:** Joe Kohlmann, City Administrator  
**Date:** June 24, 2014  
**Re:** 2015 Budget Timeline – City of Tonka Bay

I would like to establish a timeline for the 2015 budget process. Please consider the following:

August 14 <sup>th</sup> @ 6 p.m. (THURSDAY)	Council budget worksession
August 14 <sup>th</sup> Regular Meeting	<i>(Tentative)</i> Fire & Police budget presentations
August 26 <sup>th</sup> @ 6 p.m.	Council budget worksession
September 9 <sup>th</sup> (regular meeting) (worksession at 6 p.m. if needed)	Adopt resolution for proposed budget and levy to meet September 15 <sup>th</sup> deadline to certify maximum levy to the county. Set the truth in taxation hearing for November.
November 11 <sup>th</sup> @ 6p.m.	Enterprise fund & fee schedule budget workshop
November 25 <sup>th</sup> (regular meeting)	Approve fee schedule
November (when desired- late November or early December)	Hold truth in taxation hearing
December 9 <sup>th</sup> Regular Meeting	Approve final budget and levy

**Council Action Requested:**

A motion scheduling the following four (September 10<sup>th</sup>, if needed) budget workshops:

- 1 August 14<sup>th</sup> @ 6 p.m. (THURSDAY)
- 2 August 26<sup>th</sup> @ 6 p.m.
- 3 September 9<sup>th</sup> @ 6 p.m.
- 4 November 11<sup>th</sup> @ 6 p.m.

## **LMNC BUDGETING TIMELINE GUIDE**

Cities generally prepare budgets in the summer with the following due dates:

**On or before Aug. 1:** The Department of Revenue notifies cities of state aid amounts.

**On or before Sept. 1:** The Department of Revenue notifies cities of the applicable levy limit, if any.

**On or before Sept. 15:** Cities must adopt their proposed budget and certify their proposed levy to the county auditor. Note: Once cities certify a *proposed* levy in September they may decrease the amount when they certify a *final* levy in December -- but may not increase it.

**Between Nov. 29 and Dec. 20:** The TNT public comment hearings, if required, must occur.

**On or before five working days after December 20 in each year:** Cities must adopt a final tax levy and certify that final property tax levy to the county auditor.

Cities generally receive various property tax revenues and state aid as follows:

**The first in June and the second in December:** The county treasurer distributes property tax revenues to cities in two payments.

**On or around July 20 and Dec. 26 each year:** The state distributes LGA payments to cities in two equal installments.

**On Oct. 31 and on Dec. 26:** Cities receive half of their MVHC reimbursement (if any) on each of these dates.

City budgeting never stops. While city councils and staff are preparing new annual city budgets, they are also tracking and reviewing the current year's revenues and expenditures. As cities implement a new year's budget, they are also auditing and reporting on the past year's expenditures. Preparation, approval, implementation, and audit review comprise the ongoing budget cycle.