

HOUSE BILL NO. 1221

Introduced by

Representatives Herbel, Porter, Wieland

1 A BILL for an Act to amend and reenact sections 40-40-06 and 40-40-09 of the North Dakota
2 Century Code, relating to the final city budget deadline.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 40-40-06 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **40-40-06. Notice of preliminary budget statement - Contents - How given.** After
7 the governing body has prepared the preliminary budget statement, the auditor of the
8 municipality shall give notice that:

- 9 1. The preliminary budget is on file in the office of the auditor and may be examined
10 by anyone upon request.
- 11 2. The governing body shall meet no later than October ~~first~~ seventh at the time and
12 place specified in the notice as prescribed by subsection 3 for the purpose of
13 adopting the final budget and making the annual tax levy.
- 14 3. The governing body shall hold a public session at the time and place designated in
15 the notice of hearing at which any taxpayer may appear and discuss with the body
16 any item of proposed expenditures or may object to any item or amount.

17 The notice must contain a statement of the total proposed expenditures for each fund in the
18 preliminary budget, but need not contain any detailed statement of the proposed expenditures.
19 The notice must be published at least once, not less than six days prior to the budget hearing,
20 in a newspaper published in the municipality, if there is one, and if no newspaper is published in
21 the municipality, the notice must be published not less than six days prior to the meeting in the
22 official city newspaper as provided by section 40-01-09.

23 **SECTION 2. AMENDMENT.** Section 40-40-09 of the North Dakota Century Code is
24 amended and reenacted as follows:

1 **40-40-09. Determination of amount to be levied - Adoption of levy - Limitations.**
2 After completing the final budget on or before October ~~first~~ seventh, the governing body shall
3 proceed to make the annual tax levy in an amount sufficient to meet the expenses for the
4 ensuing year as determined at the budget meeting. In determining the amount required to be
5 levied, the governing body first shall ascertain its net current resources by adding the estimated
6 revenue for the ensuing year other than property taxes, any transfers in, and the estimated fund
7 balance at the end of the current year. Then the governing body shall ascertain its
8 appropriation and reserve by adding the final appropriation for the ensuing year, any transfers
9 out, and the cash reserve. The net current resources must be deducted from the appropriation
10 and reserve and the balance shall be considered the amount that is required to be raised by
11 taxation during the ensuing year. The determination of the amount of the levy that can be
12 collected within the ensuing year must be made by the governing body based upon the past
13 experience of the district. The levy as finally adopted must be approved by a majority vote of
14 the members of the governing body and noted in the proceedings of the governing body. The
15 amount levied is subject to the limitations as prescribed by the laws of this state, and is subject
16 to the further limitation that the amount may not exceed the levy requested by the municipality.
17 The levy adopted must appropriate in specific amounts the money necessary to meet the
18 expenses and liabilities of the municipality.