**Creating Your City Budget**

Your city budget is a direct reflection of your city’s priorities and how you intend to serve the people of your city. Your budget will have a direct impact on the future success or failure of your city in terms of economic development, public safety, and quality of life.

Attached is the 2023 Budget Overview for your city as well as your 2023 Budget Proposal Worksheet. You must review the overview and the financial outlook. Then, based on the economic forecast for your city, create the 2023 budget proposal for both Revenue and Expenses. You should be prepared to justify and defend any changes from 2022.

Here are a few things you should keep in mind when preparing your budget:

* All budgets are required by the state constitution to be in balance – expenses cannot exceed revenue
* You only have discretionary authority over the General Government part of your budget. Other parts of the budget have been legally and contractually committed to as dedicated revenues and funds by previous city councils.
* Any changes to your tax rates and structure must comply with all relevant state laws and requirements
* Any issuance of bonds must provide for a reasonable plan of how funds will be repaid in a timely manner with interest.

You must have your 2023 Budget Proposal completed by the end of Government Functions part one.