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# Budgets

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## **Purpose**

Units of local government that levy a property tax must prepare and submit an annual budget to the Indiana Department of Local Government Finance (DLGF). Budgets are prepared and adopted by an appropriate fiscal body for that unit. The budget is submitted to the DLGF, which makes final determinations of budgets, rates and levies for those funds which the DLGF oversees. The certified budget order establishes a certified property tax levy, tax rate and approved appropriation for the DLGF-reviewed funds of the unit.

Budgets for local governments provide insight on plans for the coming year, based on financial decisions as seen in the data. Budgets provide considerable detail on proposed spending. Budgets are entered and submitted to the DLGF using Gateway, the online submission system and public access site ([learn more about Gateway](#)).

The **Data Collected** portion of this document will provide more detail on what is specifically collected through the series of “forms,” which capture varying levels of detail.

## **Units Reporting**

More than 2,400 local property tax-levying units in Indiana complete and submit itemized budgets to the DLGF through Gateway, including counties, cities, towns, townships, schools, libraries and special districts.

## **Data Collected**

The budget application collects information on itemized budgets, the estimates of revenue the unit expects in the coming year, current year financial information such as cash balance and expenditures, and the proposed levies and tax rates for the upcoming calendar year.

The budget information submitted essentially provides a financial plan for the coming year for each fund, documenting the planned spending and anticipated revenues and ultimately, the tax levy and rate. Taxing units may have a variety of funds. Certain funds are controlled by a maximum property tax levy, as calculated through a statutory formula. Of levy-controlled funds, the General Fund is the largest fund for most units—and for some units it is the only fund. Taxing units may also have cumulative funds, which allow for the accumulation of dollars over time for the funding of large-scale projects. Lastly, taxing units may have funds which are driven by certain needs, such as the payment of debt service.

There are multiple sections to the budget submitted in Gateway, as summarized below. The data from those sections are provided in the public reports available on Gateway.

- **Form 1: Line-Item Budget Estimate**  
The form displays itemized budget estimates for each fund and department as advertised and adopted by the local unit.
- **Form 2: Estimate of Miscellaneous Revenue**  
The form displays estimates of all revenues except property taxes by fund as submitted by the local unit. Revenue estimates used in calculating certified budgets are available after DLGF budget review.
- **Form 3: Notice to Taxpayers of Budget Estimates and Tax Levies**  
Budget Form 3 is the advertisement published in local newspapers concerning the budgets and levies which are to be raised in the ensuing year. In addition, this form notifies taxpayers of the dates and locations of the public hearing and budget adoption meeting.
- **Form 4-A: Budget Summary**  
The form displays budget estimates by fund, department, and expenditure category as advertised and adopted by the local unit.
- **Form 4-B: Budget Estimate - Financial Statement - Tax Rate**  
The form displays budget and revenue estimates, June 30 cash balances, and tax rates and levies by fund as advertised and adopted by the local unit. Certified amounts are available after DLGF budget review.
- **Current Year Financial Worksheet**  
The Current Year Financial Worksheet is used by local units to complete Budget Form 4-B. This report contains data on actual expenditures from the first half of the current year, cash balances as of June 30 of the current year, certified or adopted budgets from the current year, additional appropriations and temporary loans by fund which have occurred in the current year.
- **Debt Worksheet**  
The Debt Worksheet is used by local units to identify debt obligations that must be paid in the budget year and annual expenses associated with these debts.

## Timeframe

Local officials can begin using the budget application as early as May of each year. Budgets must be adopted by November 1 and submitted in Gateway within two days of budget adoption. After that, the application is closed and officials must request special permission to make changes prior to final certification. Final certification of budgets is generally completed by mid-February. The DLGF budget calendar may be viewed at <http://www.in.gov/dlgf/2385.htm>.

Public release of the non-certified (published and adopted) budget information occurs each November, followed with the addition to certain reports of the certified values after February 15 of each year.

## Understanding the Data

Overall, it is important to understand that the information is entered (or uploaded) and submitted by the unit. Keep in mind the possibility that something may have been mistyped. If you are viewing a unit's report and question the information, please first contact the unit to discuss. The DLGF assumes no responsibility for errors or omissions in the budget data found on Gateway.

Budget data should be considered literally as a budget—with anticipated income to be received from various revenue sources and planned to be spent on various activities. For actual expenditure and revenue collections, users should refer to the State Board of Accounts' Annual Financial Report, which may be found on Gateway.

## For More Information

More details on the requirements for Budgets can be found at <http://www.in.gov/dlgf/8945.htm>.

If you would like more information about the use of this report, please contact the Department of Local Government Finance at [gateway@dlgf.in.gov](mailto:gateway@dlgf.in.gov) or (317) 232-3777.