



Jackson County Library District

Meeting Agenda & Notice

Board & Budget Committee Work Session

Jefferson Conference Room

Rogue Valley Council of Governments

155 N. 1st Street, Central Point, OR 97502

Friday, March 1, 2019, at 3:00 p.m.

BUDGET COMMITTEE MEMBERS:

Board Members

Susan Kiefer, President
George Prokop, Vice President
Carol Doty, Director
Catherine Shaw, Director
Jill Turner, Director

Citizen Members

Eric Dziura, East Medford
Kevin Keating, East Medford
Cathy de Wolfe, East Medford
Catherine Prazenica, East Medford
Gerri Davis, East Medford

Mailing Address:

205 S. Central Avenue
Medford, Oregon 97501

Website Address:

www.jacksoncountylibrarydistrict.org

1. Call to Order/Roll Call
2. Introduction of Budget Committee Members and Staff
3. Discussion of ground rules, rules of order, conduct of meetings, voting/reaching consensus, etc.
4. Limitation of discussion pursuant to Oregon Local Budget Law
5. Fund Balance Policy
6. Current fiscal-year-to-date financial position
7. Current fiscal year spending priorities
8. Projections for 2019-2020
 - What do we know now?
 - Discussion of vision and goals, spending priorities, and resource allocation
9. Final comments from Budget Committee Members
10. Elect a Presiding Officer to chair the Budget Committee Meetings
11. Meetings to deliberate on the Fiscal Year 2019-20 Proposed Budget
 - First meeting on Friday, May 3, 2019, at 3:00 p.m.
 - If needed, second meeting on Friday, May 10, 2019, at 3:00 p.m.
12. Adjournment

If a physical accommodation is needed to participate in a Jackson County Library District meeting, please contact Donovan Edwards at 541-664-6674. Notification of at least 48 hours prior to the meeting, preferably in writing, will assist staff in providing reasonable accommodation.

Pre-meeting Topics for Budget Committee Discussions

We are sometimes asked whether the budget committee can be called together for “preliminary” discussions prior to their first “official” meeting under ORS 294.426 at which the budget message is delivered and for which notice must be published.

Following is a list of the types or topics of discussion that can be conducted prior to that first official meeting:

- Training on the budget committee process, calendar, expectations for committee members, etc.
- Committee members’ preferences for ground rules, rules of order, conduct of meetings, voting / reaching consensus, fact finding process, etc.
- Orientation on the organization and its various departments, programs, staffing, etc., and on the activities or services provided by each.
- Orientation on the budget document, the fund structure and the types of activities or programs and expenditures made from each fund in the budget.
- General discussion of vision and goals, spending priorities, or philosophy on how to allocate scarce resources or make trade-off decisions as to which programs get funded and which don’t.
- General economic projections by the finance officer of possible changes in resources or requirements expected next year.
- Any and all discussion of the current year budget or prior year budgets, including what, in general, might be done differently next year.

What cannot be discussed before the formally “noticed” meeting?

ORS 294.426(6): “The budget committee may not deliberate on the budget document as a body before the first meeting.” So, we recommend that you do not talk about:

- Specific estimates or appropriation amounts associated with any fund or line item, resource or requirement.
- The question of whether to fund specific programs or expenditures.
- The question of whether to impose any tax levy, or the amount of any levy.

Policy 2-4	Fund Balance	Created: 10/31/2018 Approved: 11/8/2018
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I. Purpose

Fund balance represents the difference between total assets and total liabilities in governmental funds. The fund balance serves as a measure of the financial resources available to a government. The Jackson County Library District Board of Directors (“District”) has approved a Fund Balance Policy that establishes the minimum level at which the General Fund balance should be maintained.

This policy is established to provide financial stability, cash flow for operations, and the assurance that the District will be able to respond to emergencies with fiscal strength.

II. Definitions

The Governmental Accounting Standards Board (GASB) issued Statement No. 54 in February 2009, incorporating changes in the reporting requirements for fund balances on the balance sheets of governmental funds. Statement No. 54 requires the use of five fund balance classifications. The five classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The five categories of fund balance, as established by GASB Statement No. 54, are as follows:

1. **Nonspendable fund balance** represents amounts that are not in a spendable form. The nonspendable fund balance represents prepaid items (e.g., prepaid insurance)
2. **Restricted fund balance** represents amounts that are legally restricted by outside parties for a specific purpose (e.g., grant requirements, donor requirements, debt covenants, or other governments) or restricted by law (constitutionally or by enabling legislation).
3. **Committed fund balance** represents funds formally set aside by the governing body for a particular purpose (e.g., Capital Improvement Fund). In order to add or remove a constraint on committed funds the Board must take formal action before the end of the fiscal year.
4. **Assigned fund balance** represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed (e.g., working capital).
5. **Unassigned (or unrestricted) fund balance** represents all spendable amounts not contained in the other classifications.

III. Order of spending

The District will spend the most restricted dollars before the less restricted, in the following order: restricted, committed, assigned, unassigned.

IV. Minimum ending fund balance

To preserve a sound financial system and to provide a stable financial base, it is the goal of the District to maintain a minimum General Fund ending fund balance equal to four months' worth of General Fund expenditures at June 30th.

V. Monitoring minimum fund balances

The District Administrator and Board will monitor revenue collections, expenditures, and availability of cash by reviewing monthly financial reports. The District Administrator shall advise the Board whenever revenue projections suggest that revenue will fall short of expectations, unexpected expenditures will exceed budget, or minimum fund balances may not be met by the end of the fiscal year.

VI. Replenishing fund balance shortfalls

Whenever the unassigned ending fund balance of the General Fund falls below the benchmark provided for in this policy, the District Administrator shall present a plan to the Board of Directors that would return the unassigned fund balance to four months' worth of operating expenditures at year end within one to three fiscal years.

Jackson County Library District
Statement of Revenues and Expenditures
July 1, 2018 through January 31, 2019

<i>101 - General Administration</i>				
	YTD Budget	YTD Actual	YTD Budget Remaining	Percentage received or spent to date
Operating Revenue				
Current Property Tax Collections	10,200,000.00	9,370,254.04	(829,745.96)	91.86%
Prior Year Property Tax Collections	200,000.00	138,710.79	(61,289.21)	69.35%
Interest Income	164,400.00	157,652.37	(6,747.63)	95.89%
Interest- Lindberg Note	0.00	8,353.28	8,353.28	0.00%
Other Income	5,000.00	3,216.44	(1,783.56)	64.32%
E Rate	103,000.00	61,901.00	(41,099.00)	60.09%
Reimbursements From RCC	27,000.00	26,357.52	(642.48)	97.62%
Ready To Read Grant	35,000.00	34,951.00	(49.00)	99.86%
Conference Room Rental	30,000.00	15,138.00	(14,862.00)	50.46%
Government Agency Rentals	107,541.00	107,610.30	69.30	100.06%
Inter-library Loan Fees	1,000.00	617.00	(383.00)	61.70%
Library Card Replacement Fees	3,000.00	1,754.60	(1,245.40)	58.48%
Late Fee Charges	10,000.00	6,868.09	(3,131.91)	68.68%
Lost/Damaged Materials	7,500.00	7,556.61	56.61	100.75%
Photocopy/Fax Sales	12,000.00	6,448.10	(5,551.90)	53.73%
Patron Refunds	(2,000.00)	(1,828.27)	171.73	91.41%
Printer Sales	14,000.00	8,928.89	(5,071.11)	63.77%
On Line Fee Collections	7,500.00	678.69	(6,821.31)	9.04%
Hulburt Donation	126,000.00	0.00	(126,000.00)	0.00%
Library Friends Donations	65,000.00	20,558.35	(44,441.65)	31.62%
Library Foundation Donations	6,500.00	6,363.54	(136.46)	97.90%
General Public Donations	2,500.00	231.85	(2,268.15)	9.27%
OR Community Foundation- restricted	12,000.00	2,750.10	(9,249.90)	22.91%
OR Community Foundation- non restricted	2,000.00	0.00	(2,000.00)	0.00%
EJ Smith Trust-Restricted	85.00	0.00	(85.00)	0.00%
Ted Gerlock-Restricted	15.00	0.00	(15.00)	0.00%
Carpenter Foundation-Restricted	3,000.00	3,000.00	0.00	100.00%
Library Foundation Donations- CP	50,000.00	0.00	(50,000.00)	0.00%
Oregon Community Foundation- Applegate	29,000.00	0.00	(29,000.00)	0.00%
Beginning Fund Balance-Unrestricted	7,175,000.00	8,197,771.98	1,022,771.98	114.25%
Beginning Fund Balance-Restricted	325,000.00	369,055.35	44,055.35	113.55%
Total Revenue	18,721,041.00	18,554,899.62	(166,141.38)	99.11%

Jackson County Library District
Statement of Revenues and Expenditures
July 1, 2018 through January 31, 2019

	YTD Budget	YTD Actual	YTD Budget Remaining	Percentage received or spent to date
Expenditures				
Program Expenses				
District Administrator Salary	0.00	51,804.00	(51,804.00)	
FICA and Medicare- payroll taxes	0.00	4,172.45	(4,172.45)	
Worker comp- payroll taxes	0.00	16.94	(16.94)	
Health/Dental Insurance	0.00	4,526.47	(4,526.47)	
Retirement Contribution	0.00	4,958.31	(4,958.31)	
Payroll- SUTA	0.00	1,052.51	(1,052.51)	
Personnel Cost	217,000.00	0.00	217,000.00	
Personnel services subtotal	217,000.00	66,530.68	150,469.32	30.66%
Accounting Services	60,000.00	15,871.72	44,128.28	26.45%
Auditing Services	11,025.00	10,750.00	275.00	97.50%
Administrative Services	76,000.00	25,534.08	50,465.92	33.59%
Bank Fees/Interest Expense	1,000.00	464.00	536.00	46.40%
Consultant Fees	50,000.00	9,210.00	40,790.00	18.42%
Elections	30,000.00	0.00	30,000.00	0.00%
Insurance	20,000.00	0.00	20,000.00	0.00%
Legal Services	20,000.00	9,879.00	10,121.00	49.39%
Memberships and Dues	3,500.00	2,271.60	1,228.40	64.90%
Office Supplies- admin	2,000.00	1,352.13	647.87	67.60%
Postage	2,000.00	749.32	1,250.68	37.46%
Registration/Tuition/Travel	15,000.00	2,888.55	12,111.45	19.25%
Special fees and Expenses	0.00	570.14	(570.14)	0.00%
Advertising/Legal Notices	2,500.00	0.00	2,500.00	0.00%
Alarm Services	2,600.00	1,876.40	723.60	72.16%
Building Repair/Maintenance	449,940.00	262,465.00	187,475.00	58.33%
Custodial Services	380,542.00	190,353.46	190,188.54	50.02%
Custodial Supplies	12,000.00	5,931.71	6,068.29	49.43%
Landscape Services	7,033.00	5,769.90	1,263.10	82.04%
Maintenance Services	2,000.00	0.00	2,000.00	0.00%
Security Services	79,407.00	35,892.00	43,515.00	45.20%
Signs and Signal Materials	25,000.00	0.00	25,000.00	0.00%
Building Repair/Maintenance- B-7	250,000.00	12,842.95	237,157.05	5.13%
Fees- Lindberg Note	72.00	42.00	30.00	58.33%
Equipment Repair/Maintenance	30,000.00	3,146.60	26,853.40	10.48%

Jackson County Library District
Statement of Revenues and Expenditures
July 1, 2018 through January 31, 2019

<i>101 - General Administration</i>				
	YTD Budget	YTD Actual	YTD Budget Remaining	Percentage received or spent to date
Facility Furnishing Expense	25,000.00	0.00	25,000.00	0.00%
Minor Equipment	50,000.00	29,219.72	20,780.28	58.43%
Computers and technology	306,885.00	150,403.13	156,481.87	49.00%
Supplies and Expenses-Facilities	500.00	0.00	500.00	0.00%
Computer Software and Licensing	119,922.00	0.00	119,922.00	0.00%
LS&S Contract	5,228,114.00	3,054,693.05	2,173,420.95	58.42%
Library Materials	874,182.00	575,691.74	298,490.26	65.85%
City Participation	16,700.00	0.00	16,700.00	0.00%
Strategic Plan Initiative	2,500,000.00	26,116.56	2,473,883.44	1.04%
E Rate Services	32,782.00	32,339.50	442.50	98.65%
Unique Management Services	16,391.00	16,152.50	238.50	98.54%
Comic Con	22,000.00	1,000.00	21,000.00	4.54%
LS &S- digital library staff	60,000.00	62,534.11	(2,534.11)	104.22%
SOHS contract	39,000.00	22,750.00	16,250.00	58.33%
Electricity	240,800.00	113,387.14	127,412.86	47.08%
Natural Gas	45,000.00	12,270.63	32,729.37	27.26%
Garbage Service	15,000.00	7,208.16	7,791.84	48.05%
Water and Sewer Service	32,000.00	17,517.64	14,482.36	54.74%
Street and Storm Drain Fees	18,000.00	11,250.98	6,749.02	62.50%
Telecom-Voice and LD	55,000.00	24,314.84	30,685.16	44.20%
Telecom-Wide Area Network	105,000.00	64,354.85	40,645.15	61.29%
Telecom-Internet Services	28,000.00	14,157.82	13,842.18	50.56%
Municipal Assessments	1,500.00	1,797.63	(297.63)	119.84%
Telecom- Hot Spots	52,000.00	26,973.23	25,026.77	51.87%
Maintenance & Fuel for Vehicles	16,000.00	2,341.68	13,658.32	14.63%
Hulburt Donation	126,000.00	39,272.71	86,727.29	31.16%
Library Friends Donations	65,000.00	32,031.64	32,968.36	49.27%
Library Foundation Donations	6,500.00	41,957.82	(35,457.82)	645.50%
General Public Donations	2,500.00	1,633.81	866.19	65.35%
OR Community Foundation-restricted	34,000.00	7,128.87	26,871.13	20.96%
EJ Smith Trust Books	85.00	0.00	85.00	0.00%
Gerlock Trust Books	15.00	0.00	15.00	0.00%
Carpenter Foundation Books	3,000.00	1,281.73	1,718.27	42.72%
Ready to Read 2017 Grant	70,000.00	0.00	70,000.00	0.00%
Kent Family Trust	5,000.00	231.95	4,768.05	4.63%
Library Foundation Donations- CP	50,000.00	78,733.86	(28,733.86)	157.46%

Jackson County Library District
Statement of Revenues and Expenditures
July 1, 2018 through January 31, 2019

<i>101 - General Administration</i>				
	YTD Budget	YTD Actual	YTD Budget Remaining	Percentage received or spent to date
OR Community Foundation- unrestricted	12,000.00	0.00	12,000.00	0.00%
2018 Ready to Read Grant	0.00	15,551.39	(15,551.39)	0.00%
Kaleidoscope grant expenditures	0.00	1,093.35	(1,093.35)	0.00%
Materials and supplies subtotal	11,805,495.00	5,083,252.60	6,722,242.40	43.06%
Capital Outlay	350,000.00	56,018.00	293,982.00	16.00%
Contingency	750,000.00	0.00	750,000.00	0.00%
Ending Fund Balance	<u>3,548,546.00</u>	<u>0.00</u>	<u>3,548,546.00</u>	0.00%
Total Program Expenses	<u>16,671,041.00</u>	<u>5,205,801.28</u>	<u>11,465,239.72</u>	31.23%
Total Expenditures	<u>16,671,041.00</u>	<u>5,205,801.28</u>	<u>11,465,239.72</u>	31.23%
Transfer to Other Funds				
Transfer to Capital Improvement Fund	<u>2,050,000.00</u>	<u>2,050,000.00</u>	<u>0.00</u>	<u>100%</u>
Total Transfer to Other Funds	2,050,000.00	2,050,000.00	0.00	100%
Net Revenue Over Expenditures	<u>0.00</u>	<u>11,299,998.34</u>	<u>11,299,098.34</u>	0.00%

Jackson County Library District
Statement of Revenues and Expenditures
July 1, 2018 through January 31, 2019

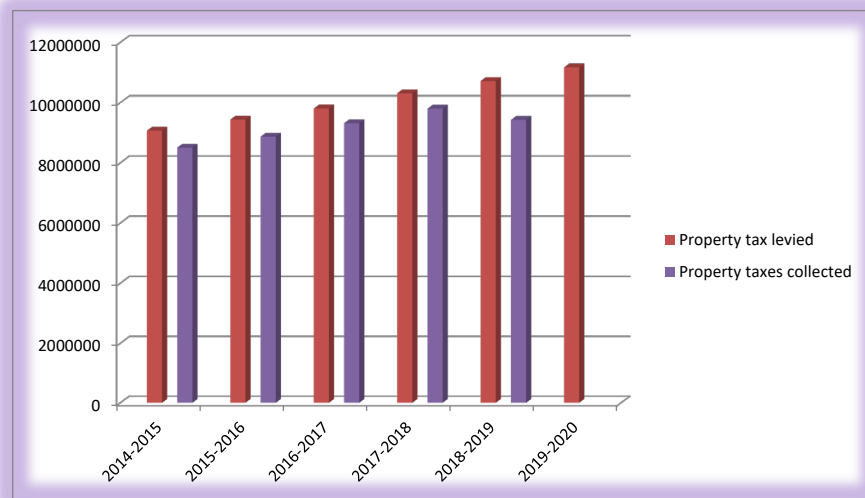
<i>201 - Capital Improvement Fund</i>				
	YTD Budget	YTD Actual	YTD Budget Remaining	Percentage received or spent to date
Operating Revenue				
Beginning Fund Balance-Restricted	2,050,000.00	2,085,670.00	0.00	0.00%
Transfer from General fund	<u>2,050,000.00</u>	<u>2,050,000.00</u>	<u>0.00</u>	<u>100.00%</u>
Total Operating Revenue	<u>4,100,000.00</u>	<u>4,135,670.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Revenue	<u>4,100,000.00</u>	<u>4,135,670.00</u>	<u>35,670.00</u>	<u>100.87%</u>
Expenditures				
Capital Outlay	<u>4,100,000.00</u>	<u>0.00</u>	<u>4,100,000.00</u>	<u>0.00%</u>
Net Revenue Over Expenditures	<u>0.00</u>	<u>4,135,670.00</u>	<u>4,135,670.00</u>	<u>0.00%</u>

**Jackson County Library District
Budget Work Session - March 1, 2019
Tax Collection Worksheet**

	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Projected 2019-2020
Property tax levied	9,063,984.69	9,437,179.88	9,801,600.16	10,310,469.42	10,720,333.59	11,169,789.44
Property taxes collected	8,502,939.00	8,870,758.00	9,319,360.93	9,797,639.92	9,425,329.20	
Property taxes budgeted	n/a	8,800,000.00	9,135,000.00	9,600,000.00	10,200,000	10,610,000
Collection rate used		93.2%	93.2%	94%	95%	95%
Collection rate as of 6/30	93.81%	94.00%	95.08%	95.03%		
Per State property tax collection rate	94.50%	94.80%	94.90%	95.40%		
Assessed value to compute rate	17,442,139,138.00	18,145,084,529.00	18,854,460,574.00	19,826,573,272.00	20,603,677,825.00	21,480,364,316.00
Assessed value increase		702,945,391.00	709,376,045.00	972,112,698.00	777,104,553.00	876,686,491.00
Percentage increase		4.03%	3.91%	5.16%	3.92%	4.255% avg increase
Tax rate	.52/1000	.52/1000	.52/1000	.52/1000	.52/1000	.52/1000

as of 2/20/2019

all estimated



Local Budgeting in Oregon



Local Budgeting in Oregon

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For additional copies, write to:

Publications
 Oregon Department of Revenue
 PO Box 14380
 Salem OR 97309-5075





Local Budgeting in Oregon is a supplement to the *Local Budgeting Manual* (150-504-420), hereafter called the *Manual*. This booklet will introduce you to the requirements of Oregon's Local Budget Law, but it is not a substitute for the *Manual*. Before you take any formal action in the budget process, consult the *Manual*.

First, the basics

What is the law?

Most local governments in Oregon, from the smallest cemetery district to the largest city, must prepare and adopt an annual or biennial budget. (The only exceptions are a few types of local governments specifically exempted.) Schools, counties, cities, ports, rural fire protection districts, water districts, urban renewal agencies, and special districts are all subject to the same budget provisions.

This is not unusual. Many states have specific laws which require units of local government to prepare and adopt annual operating budgets. Yet, Oregon's budgeting system is considered one of the most progressive in the nation. Why?

Look at Oregon's Local Budget Law. (You'll find it in Chapter 294 of the Oregon Revised Statutes.) The law does two important things:

1. It establishes standard procedures for preparing, presenting, and administering the budget.
2. It requires citizen involvement in the preparation of the budget and public disclosure of the budget before its formal adoption.

Many people rely on you, as an elected or appointed official, to see that the annual budget is prepared correctly. State officials check to see that the budget is prepared and administered according to law, and citizens in your district check to see that programs they want and need are adequately funded. This makes budgeting in Oregon a joint effort between the people affected by the budget and the appointed and elected officials responsible for providing the services.

To give the public ample opportunity to participate in the budgeting process, local budget law requires that a budget officer be appointed and a budget committee be formed. The budget officer draws together necessary information and prepares the first draft of the budget. The budget committee then reviews and revises the proposed budget before it is formally approved. Notices are published, budgets are made available for public re-

view, and at least two opportunities for public comment are provided. These requirements encourage public participation in the budget-making process and give public exposure to budgeted programs and fiscal policies before their adoption.

Naturally, citizen involvement varies from one community to the next. If the patrons in your district are active and involved, you may find citizens asking for information not specifically required under local budget law. It is up to your local government to prepare a budget that clearly outlines its fiscal policies and is satisfactory to the voters of the district. If you can make your budget clear and concise, you'll find that taxpayers have a better understanding of the purposes for which their tax dollars are spent. You may also find the citizen input informative and beneficial.

What is a budget?

A budget is a financial plan containing estimates of expenditures and revenues for a single fiscal year (July 1 through June 30).

Note: Local governments have the option of budgeting on a 24-month "biennial" budget period or by fiscal year. For the differences entailed in biennial budgeting, see page 8. Throughout this booklet, we refer to "fiscal year" but if a local government adopts a biennial budget, the period referred to is a 24-month period.

Besides outlining programs for the coming year, the budget controls the local government's spending authority. Since the budgeting process encourages citizen input, the budget is also a vehicle for obtaining public opinion about proposed programs and fiscal policies of your district.

The content and detail of each budget will vary substantially because of differences in the purpose, size, and complexity of local governments.

Who is on the budget committee?

The budget committee consists of the members of the local governing body (such as county commissioners or school board members) and an equal number of citizens at large. The citizens are appointed by the governing body and serve terms of three years. Terms are staggered so that about one-third of the appointed terms end each year.

Note: For most of the districts in Multnomah County, because the Tax Supervising and Conservation Commission (TSCC) holds the budget hearing, the governing body is the budget committee and there are no appointive members. These districts should consult with the TSCC about their processes. This publication addresses the budget committee process for all other districts in the state.



The budget cycle

The nine steps

Budgeting is not something you do once a year. It's a continuous operation, and it takes 12 months to complete a cycle. The budgeting process is actually in three parts: The budget is prepared, approved, and finally adopted. Your budget must be prepared far enough in advance so that it can be adopted before June 30. After adopting the budget, the governing body will make the necessary appropriations and certify the tax levy to the county assessor.

To simplify this rather complex process, we've divided budgeting into nine steps.

Preparing the budget

1. **Budget officer appointed.** Each local government must have a budget officer, either appointed by the governing body or designated in the local government's charter. The budget officer is under the supervision of either the executive officer or the governing body.
2. **Proposed budget prepared.** The budget officer is responsible for preparing or supervising the preparation of the proposed budget for presentation to the budget committee.

Approving the budget

3. **Budget officer publishes notice.** When the proposed budget and the budget message are ready, the budget officer publishes a "Notice of Budget Committee Meeting." If notice is only published in a newspaper of general circulation, it must be published at least twice, five to 30 days before the scheduled budget committee meeting date. The notice may be published once in a newspaper (five to 30 days prior to the scheduled budget committee meeting) as long as it is also published on the local government's website at least 10 days before the meeting. The newspaper notice must include the website address. If notice is hand delivered or mailed, only one notice is required not later than 10 days prior to the meeting.
4. **Budget committee meets.** At least one meeting must be held to 1) receive the budget message and budget document, and 2) hear the public. The budget officer provides a copy of the proposed budget to each member of the budget committee. The copies may be distributed any time before the advertised bud-

get committee meeting. It is also acceptable to wait and distribute the budget at the advertised meeting. When the budget is given to the budget committee, it becomes a public record and must be made available to the public.

The budget committee members cannot get together in person, by telephone, or email before the advertised meeting to discuss the budget. All budget discussions must be held at public meetings.

At the budget committee meeting, the budget message is delivered. The budget message explains the proposed budget and significant changes in the local government's financial position. At this meeting, the budget committee may provide members of the public the opportunity to ask questions about or comment on the budget. If public comment is not allowed at this meeting, the budget committee must provide the public with the opportunity at subsequent meetings.

After the initial meeting, if needed, the budget committee may meet as many times as needed to revise and approve the budget. If two or more meetings are held to take comment from the public, only the first meeting to do so must meet the publication requirements explained in step 3. Notice of additional meetings for this or any other purpose may be provided in the same time frame and manner as notices of meetings of the governing body. Notice of other meetings of the budget committee must be provided as required by Oregon public meeting law. All meetings are open to the public.

5. **Committee approves budget.** When the budget committee is satisfied with the proposed budget, including any additions to or deletions from the one prepared by the budget officer, the budget is approved. If the budget requires an ad valorem tax to be in balance, **the budget committee must approve an amount or rate of total ad valorem property taxes to be certified to the assessor.**

Advertising and holding hearings

6. **Budget summary and notice of budget hearing published.** After the budget is approved, a budget hearing must be held by the governing body. The budget officer must publish a summary of the budget approved by the budget committee and notice of budget hearing five to 30 days before the scheduled hearing. This information must either appear in a newspaper of general circulation, be mailed, or be hand delivered.

If no newspaper is published in your district and estimated expenditures for the ensuing year do not exceed \$100,000, you may provide the budget summary and notice of budget hearing by posting it in three conspicuous places within the district for at least 20 days prior to the date of the hearing.

See the *Manual* for details on publication requirements.

7. **Budget hearing held.** The budget hearing must be held by the governing body on the date specified on the public notices.

The purpose of the hearing is to receive citizens' testimony on the budget approved by the budget committee. Additional hearings may be held. All hearings are open to the public.

Adopting the budget

8. **Budget adopted, appropriations made, tax levy declared and categorized.** By law, the governing body may make changes in the approved budget before or after it is adopted, but no later than the beginning of the fiscal year to which the budget relates. However, without first publishing a revised budget summary and holding another budget hearing:

- Taxes may not be increased beyond the amount approved by the budget committee, and
- Estimated expenditures in a fund may not be increased by more than \$5,000 or 10 percent, whichever is greater.

After the budget hearing, and after considering relevant testimony, the governing body adopts the budget. **It should not be formally adopted until the latter part of June** so last-minute revisions to revenue or expenditure estimates can be incorporated.

The governing body must enact a resolution or ordinance to 1) formally adopt the budget, 2) make appropriations, and if needed, 3) levy, and 4) categorize any tax. The budget is the basis for making appropriations and certifying the tax levy. The resolution or ordinance must be adopted no later than June 30. See the *Manual* for the format of the resolution or ordinance.

9. **Budget filed and levy certified.** The final step in the budget cycle is to certify any necessary property tax levy.

Districts levying a property tax must submit to the county assessor's office on or before July 15:

- Two copies of notice of levy and the categorization certification, and
- Two copies of the budget resolution or ordinance.

Each local district that does not levy a property tax must send a copy of the resolution adopting its budget and making appropriations to the Department of Revenue on or before July 15. All local districts send a copy of the complete budget to the county clerk on or before September 30. School districts also submit a copy of the budget to the county education service district office and to the Oregon Department of Education.



The budget document

All budgets must meet certain minimum requirements, outlined here. For specific examples consult the *Manual*.

Under local budget law the budget must follow a basic format. Expenditures generally are broken down first by fund, then by organizational unit or program, and then, more specifically, by object classification and object. Revenues are broken down by fund, at the least.

What is a fund?

A fund is a fiscal and accounting entity with self-balancing accounts set aside to carry on a specific activity or to meet certain objectives in accordance with a specific regulation. The requirements and resources of a fund must always balance. Every budget has at least one fund (commonly called the General Fund) which is used for everyday operation of the local government.

Depending on the size and complexity of your local government and the services it provides, your district may also have a number of special funds. The most common reason for establishing a special fund is to account for a revenue source whose use is limited to a particular kind of expenditure. Examples include: debt service funds, construction funds, reserve funds, street funds, water funds, and sewer funds.

What is an organizational unit?

Some funds are broken down to account for one or more organizational units or activities, which are merely subdivisions of a fund. An organizational unit might be a department, office, or division. What you call these units is up to your local government.

What is a program?

Budget requirements may be prepared by program. Programs are groups of activities to accomplish a major service or function. Schools use programs in budgeting.

Budget format

Your budget detail sheets for expenditures and revenues must show in parallel columns:

1. Actual expenditures and revenues for two years preceding the current year.
2. Budgeted requirements and revenues for the current year.

3. Estimated requirements and revenues for the coming fiscal year. Upcoming fiscal year estimates should be broken into three columns: proposed, approved, and adopted, showing estimated amounts as they are considered through each step of the budget process.

Information in each column must be itemized to show all estimated or incurred requirements and revenues.

Revenues

Budget revenues are divided into two types: ensuing year property tax and nonproperty tax revenues. Property taxes shown in your budget will not be the same as the property tax “levy” you submit to the assessor.

There are three reasons for this. First, not all taxpayers pay their taxes in the year billed. Second, discounts are given for timely property tax payments. Third, the Oregon Constitution sets a limit on the amount of taxes that can be collected from an individual property.

You must estimate the amount of taxes to be lost because of the “constitutional limits” and “discounts allowed and other uncollected amounts.”

The total of these amounts plus estimated taxes to be received cannot exceed your district’s taxing authority, which includes its rate limit, voter approved local option levies, and levies to repay bonded debt. This total is the amount of tax levy that is certified to the assessor.

The amount estimated as “loss due to constitutional limit” will vary from district to district. Late in October or early November each year, the tax collector sends the district a report on the amount of taxes that will actually be billed for the district. This is called the taxes imposed.

“Discounts allowed and other uncollected amounts” normally will represent only a small percentage of the property tax levy. Contact your county tax collector for help in determining this percentage.

You next need to calculate how much tax revenue can be raised using the district’s permanent rate limit.

$$\begin{array}{c} \text{Rate Limit} \\ \text{times} \\ \text{Estimated District Assessed Value} \\ \text{equals} \\ \text{Amount Raised By Rate Limit} \end{array}$$

This amount plus any local option taxes or bond levies, less the estimate of taxes to be lost, is the amount of tax revenue estimated to be received. If this amount is less than the amount needed for the budget, requirements must be reduced, other sources of revenue found, or additional taxing authority approved by voters.

Expenditures and requirements: by fund

Under the law, budget expenditures and other requirements must be itemized to show all estimated expenses. The estimates may be prepared either by program or organizational unit. Within any fund each expenditure must be detailed and identified, arranged by organizational unit if applicable, and put into one of these major object classifications:

- **Personnel services** includes all salaries, fringe benefits, and miscellaneous costs associated with salary expenditures.
- **Materials and services** includes contractual and other services (example: audit or legal services), materials, supplies, and other charges.
- **Capital outlay** includes acquisition of land, buildings, improvements, machinery, and equipment.

Some special expenditures and requirements do not fit logically into one of these three object classifications. These are put in special categories. The most common special categories are:

- **Debt service** includes repayment of principal and interest on bonds, interest-bearing warrants, and short term loans.
- **Transfers.** An amount to be given as a resource to another fund in the budget.
- **General operating contingencies.** A special amount set aside in the upcoming year for unforeseen expenses.
- **Unappropriated ending fund balance.** A special amount set aside in a budget for use as a resource in the beginning of the next fiscal year after it was budgeted.

Expenditures and requirements: program budgets

Program budgets are prepared differently. Estimates for each program must be arranged by activity and then put into separate object classifications, as already described.



Taxes and budgeting

Many local governments rely heavily on property taxes to finance services they offer. In some cases, services are paid for entirely by property taxes.

The amount and type of tax a local government may levy is limited by the Oregon Constitution and Oregon law. The constitution allows a local government to levy annually the amount that would be raised by its permanent rate limit without further authorization from the voters. Revenue from the permanent rate-limited levy can be used for any purpose.

When a local government has no permanent rate limit or when the rate limit does not provide enough revenue to meet estimated expenditures, the government may request a local option levy from the voters. These levies are in excess of the rate limit and require voter approval. Currently, ESDs cannot use the local option tax. Schools and community colleges can use the local option tax, but the amount they may request is limited.

A local option can be used for general purposes or a specific activity. The levy may be stated as a total dollar amount or rate to be levied uniformly for a period. If the levy is for an operating purpose, the period cannot exceed five years. If the levy is for a capital project, the period cannot exceed 10 years or the life of the capital asset, whichever is less.

A debt service levy is used only to pay principal and interest on bonds. The constitution does not require voters to approve this type of levy each year. That's because voter approval of a bond issue is considered approval of levies necessary to repay bond interest and principal.

By law, some local governments are limited on the total amount of tax they may levy. These limits are computed as a percentage of a local government's property value. For specific examples, consult the *Manual* or the Department of Revenue, Finance and Taxation Unit.

Tax levies not made according to law may be voided by an appeal to the Oregon Tax Court. Appeals can be made by the county assessor, county court, board of commissioners, Oregon Department of Revenue, Tax Supervising and Conservation Commission, or 10 or more interested taxpayers. An appeal must be submitted within 30 days after the local government certifies the tax levy to the county assessor.

In addition, since 1991, the Oregon Constitution has limited the amount of taxes that may be imposed on any property. For any property, the maximum amount of taxes to support the public school system is \$5 per \$1,000 of real market value. The maximum amount of taxes to support other government operations is \$10 per \$1,000 of real market value. Certain types of taxes may not be subject to the limit. See the *Manual* for further information.



Elections and budgeting

Many local governments find that available revenues, including revenue from levies made under the permanent rate limit, are not enough to finance proposed expenditures. In this case, there are two alternatives:

1. Lower the proposed expenditures to equal available revenues, or
2. Schedule a tax levy election to obtain voter approval to levy a local option tax.

All local governments that decide to schedule a levy election are limited to four election dates each year. The levy election must be on one of these dates.

See your county elections officer for more information. The county elections officer publishes election notices, sample ballots, and a list of polling places.

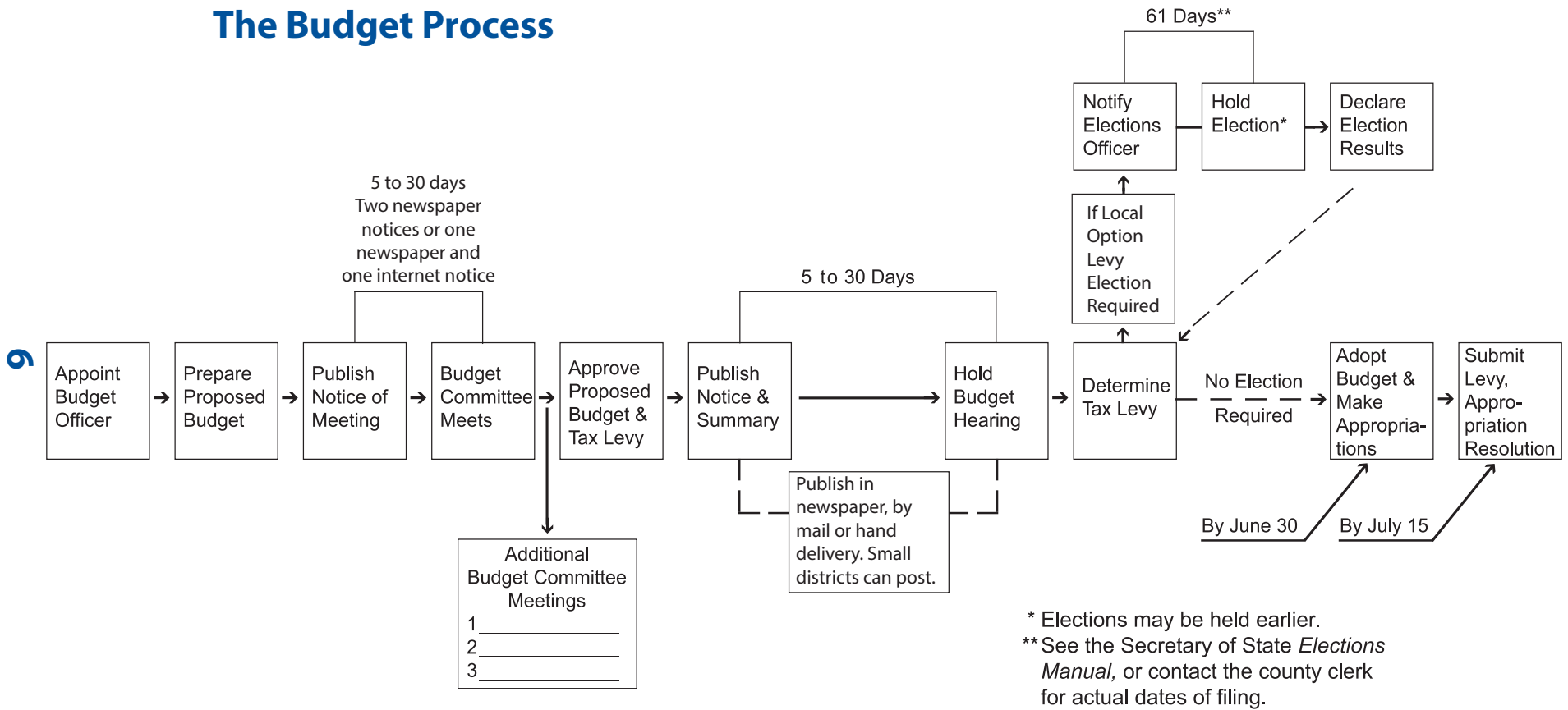
Election dates

- Second Tuesday in March
- Third Tuesday in May
- Third Tuesday in September
- First Tuesday after the first Monday in November

Even if the voters have not yet approved the tax levy before the end of the fiscal year, the governing body must adopt the budget and make appropriations by June 30 to lawfully spend public funds in the new fiscal year. When the district is planning on a tax levy election in September, it must request in writing from the county tax assessor an extension to certify its tax levy. When the tax levy is finally determined, the governing body adopts the resolution to levy taxes and submits its final levy certification to the assessor. If the late levy election failed, the governing body must reduce its budget appropriations to reflect the amount of taxes it actually has authority to levy.

Tax levy ballot language sometimes must contain certain wording or statements required by law or must not exceed other limits. For more details, see the *Manual*, or download a copy of the *Tax Election Ballot Measure Manual* (150-504-421).

The Budget Process





Appropriations and their use

When the nine budget steps are completed and the new fiscal year begins, the governing body works from appropriations. Amounts listed in the appropriation resolution provide authority to spend public funds in the next 12 months. However, appropriations may be made in broader categories than the detail presented in the budget.

District spending is limited to the schedule of appropriations. But what if it is necessary to exceed original appropriations? This may be done after transferring appropriations or preparing a supplemental budget. There are special provisions for exceeding appropriations due to civil disturbance, fire, flood, earthquake, or other calamity.

Appropriation transfers

The governing body's spending authority in existing appropriations may be changed by 1) transferring amounts among existing appropriations in the same fund, or 2) transferring from an existing appropriation in one fund to an existing appropriation category in another fund.

Whenever you need to transfer an appropriation, the governing body must enact a resolution or ordinance providing for the transfer. This enactment must be made before any overexpenditure is incurred. Once a transfer is authorized, the expenditures can be made.

Supplemental budgets

By transferring appropriations, a governing body usually has enough flexibility to carry out the programs prescribed in an adopted budget. But there will be times when an adopted budget gives no authority to make certain expenditures or when revenues are received for which the governing body had no previous knowledge. In these cases it is possible to use a supplemental budget to authorize expenditures or spend additional revenues in a current fiscal year. (There are a few special revenues which may be spent without a supplemental budget.) Supplemental budgets cannot be used to authorize a tax levy.

Local budget law does not contemplate the involvement of the budget committee in adopting supplemental budgets. The governing body may adopt a supplemental budget at a regular public meeting if prior notice is given and the expenditures in the supplemental budget are 10 percent or **less** than of the budget fund being adjusted. If the expenditures are more, the governing body must

publish a summary of the changes in the supplemental budget and hold a special hearing.

Public officials who spend money unlawfully, in excess of authorized amounts or for purposes not provided by law, are civilly liable. The district attorney or a taxpayer may file suit for return of the money.

For more details, see Oregon Revised Statute 294.471 or the *Manual*.



Audits

The final phase in the budgeting cycle is an audit of the previous fiscal year. This usually is done soon after a new fiscal year begins. Most local governments are subject to Oregon's Local Budget Law. Most of these governments are required to have their accounts and fiscal affairs audited and examined annually.

An audit must be done by the Secretary of State or an auditor certified by the Oregon State Board of Accountancy to conduct municipal audits. The auditor examines financial statements, books, records, and other financial data of your local government. The auditor also will look at any activities that relate to collection, receipt, custody, handling, expenditure, or disbursement of public funds.

Contact the Secretary of State's office, Audits Division for further explanation or questions.



Biennial budgeting

Local governments may budget either on a one-year (fiscal year) or a two-year (biennial) cycle. The governing body may, by ordinance, resolution, or charter, provide that the budget be prepared for a period of 24 months. The biennial budget period begins July 1 and ends June 30 of the second following calendar year. In brief, the differences between fiscal year budgeting and biennial budgeting are:

1. Members of a budget committee who prepare a biennial budget are appointed to four-year terms. The terms of the members should be staggered so that one-fourth of the terms end each year.
2. The budget estimate sheets containing the estimates of resources and expenditures in a biennial budget must show:
 - Actual expenditures for the two budget periods preceding the current budget period,
 - The estimated expenditures for the current budget period, and
 - The estimated expenditures for the ensuing budget period.
3. The summary of the budget as approved by the budget committee that is published along with the notice of the budget hearing will show the proposed budget for a two-year period.
4. If a taxing district adopts biennial budgeting, the budget committee must approve the amount or rate of ad valorem property taxes for each year of the biennium.
5. After the budget committee approves a biennial budget and before the budget is adopted, the governing body may not increase the amount of estimated expenditures for the biennium in any fund by more than \$10,000 or 10 percent, whichever is greater, and may not increase the amount or rate of the tax levies approved by the budget committee for either year of a biennial budget unless the amended budget document is republished and another budget hearing is held. Once the budget is adopted, the tax amount cannot be increased in the second year.
6. If a district adopts a biennial budget, then after the budget hearing and before the June 30 that precedes the start of the budget period, the governing body must pass a resolution or ordinance to adopt the budget and make appropriations for the ensuing 24-month budget period. The governing body must also pass a resolution or ordinance to levy and categorize property taxes for each year of the ensuing budget period.

7. Whether a budget is for a fiscal year or for a biennium, certification of property tax levies and a copy of a resolution or ordinance levying and categorizing taxes for the ensuing year must be submitted to the county assessor every year by July 15.
8. Districts that must submit their budgets to the Department of Revenue or to the Tax Supervising and Conservation Commission must do so only during the first year of a biennial budget period.



Questions and answers

What is a budget committee?

The budget committee is the district's fiscal planning advisory committee. The committee consists of the elected governing body members and an equal number of qualified district voters appointed by the governing body.

Who can serve on a budget committee?

Any qualified voter of the district appointed by the governing body except officers, agents, or employees of the district.

Are budget committee members paid for their work?

Budget committee members cannot receive any compensation for serving as committee members. They may be eligible to receive reimbursement for travel or meal expenses that are incurred as a result of meetings or other authorized committee functions.

How long do members serve?

Citizen budget committee members are appointed by the governing body for three-year terms. Terms are staggered so that approximately one-third of the terms expire each year. Members may be re-appointed for successive terms. If a member resigns, becomes ineligible, or is unable to serve out his or her term of office, the governing body appoints a replacement to complete the term. There is no provision in the law for "alternate" members.

What if no one will serve on the budget committee?

If the governing body is unable to appoint qualified individuals to vacant positions, the budget committee may function with a reduced number of members. For example, if a five-member governing body, after making a good faith effort to seek qualified citizen members, can fill only three of the appointed positions, the budget committee can function with eight members rather than ten. A majority would then be five instead of six. The membership may not be reduced because governing body positions are currently vacant.

Who are the budget committee officers?

Only a presiding officer position is required by law. The presiding officer's duties are to chair budget committee

meetings. The chair can be either an elected or appointed member. Some districts may elect a vice chair to conduct meetings in the presiding officer's absence. The committee should also designate someone to be responsible for keeping an official record of its proceedings. All members of the budget committee have the same degree of authority and responsibility.

What is the budget committee's main function?

In a series of public meetings the budget committee meets to review, discuss, make additions or deletions, and approve the proposed budget presented by the local government's budget officer. Upon completion of its deliberations, the committee approves the budget and sets the tax rate or amount needed to balance the budget.

What are the rules about budget committee meetings?

Budget committee meetings are open to the public. A quorum is required to conduct committee business. A majority of the budget committee membership is required to approve any motion.

Minutes of each meeting are kept. The minutes are the official record of budget committee meetings. It is important that minutes are accurate. The budget process is required by law and districts may need to document that the process was in compliance with state statutes. The approval of the final budget document and the rate or amount of tax to be imposed, in particular, should be in the form of motions with the votes recorded in the minutes.

What happens at the first budget committee meeting?

Generally, the budget committee elects a chair and other officers, receives the budget message, hears patrons, sets dates for future meetings, and adopts rules of order. These rules should establish an operating procedure for the budget review process. The committee may adopt Robert's Rules of Order or establish its own. In any event, the budget committee needs to discuss and agree upon a procedure. The committee may not adopt any rule which would allow it to take official action with approval of less than a majority of its members in agreement.

What happens at subsequent budget meetings?

Generally, the second and other subsequent meetings take place at least one week after the first meeting. This practice allows budget committee members to review the proposed budget document. Budget committee members may wish to make arrangements with the district administrator and/or budget officer to visit district operations during this week, make inquiries about specific budget items, request additional information, or indicate areas of interest they believe should be highlighted at future

meetings. In subsequent meetings, the entire budget is reviewed fund by fund and/or section by section.

At least one meeting must provide the opportunity for the public to ask questions and make comments about the budget. Notification of the first budget committee meeting in which public questions and comments will be heard is required in a newspaper of general circulation, by a first-class mailing to every street address or P.O. box in the district, or by hand delivery to every street address. See Chapter 9 of the *Manual* for more detail on publication requirements.

How many meetings are required?

The number of meetings required varies from year to year and with the unit of government. Some districts meet only once, others may need to meet several times. Factors such as the detail in the budget documents, size of the district, number of funds, presentation of the budget, and the personalities of individual budget committee members will result in various numbers of meetings.

When will I get a copy of the budget?

The budget officer provides copies of the proposed budget at or before the first budget committee meeting, when the budget message is presented by the executive officer.

What other information is available to the budget committee?

The budget committee may request any information required during consideration of the proposed budget from any district officer or employee. The budget committee may also require staff members to attend budget committee meetings. Such requests by the budget committee should be made through the chief administrative officer of the local government and/or budget officer.

How is the material that is presented by the budget officer at the first meeting prepared?

The budgeting process is a continuous cycle that generally begins long before the budget committee meets. Each district has its own procedures for budget review and development. In larger districts, each part of the organization may have its own budget preparation process, in which funding requests for the upcoming fiscal year are developed and then "rolled up" into the total agency budget requirements. By the time the budget committee receives the budget message and budget document, many hours of work have been put into budget development. The budget officer coordinates these efforts with district staff and other administrators.

What is a quorum? What happens if we don't have a quorum at a budget committee meeting?

A quorum is one more than half the total number of the members. If a quorum is not present, the members who

are present may discuss committee business, but no action may be taken.

What if we have a quorum, but cannot get a majority of the members of the budget committee to approve the budget?

Any action by the budget committee requires approval by a majority of the entire committee. For example, if the budget committee has ten members, six are present at a meeting (a quorum), but only five of the six present agree with a motion to approve the proposed budget, then the motion does not pass. It is up to the budget committee to negotiate a budget and tax that is acceptable to a majority of its members.

May I ask questions other than at budget committee meetings?

It could be very helpful and a courtesy to other budget committee members if inquiries are not restricted to committee meetings. Checking with the administrator and/or budget officer between meetings allows members to explore budget items of interest in greater detail than might be practical during committee meetings. Questioning also assists the administration/budget officer by giving an indication of concerns, making it possible to highlight issues that may be of interest to the entire budget committee.

Can I consult with other budget committee members about details in the budget other than at budget committee meetings?

Discussion of the budget committee must always take place in the forum of a public meeting. One of the reasons Oregon uses the budget committee process is to ensure public comment and full disclosure of budget deliberations. It is much better to abide by the spirit of the law and hold **all** discussions at budget committee meetings.

Can the budget committee add or delete programs or services?

Generally, the budget committee's role is not to directly establish or eliminate specific programs or services. Standards and budget parameters established by the governing body give the budget officer and administrative staff general guidelines for budget development. The budget officer then prepares a budget which reflects the governing body's parameters. This proposed budget is what the budget committee considers during its meetings. Budget committee influence on programs and services is most often exerted at a higher level, when it approves the overall budget and establishes the tax levy.

Having said all that, if a majority of the budget committee agrees, it can add or delete funding for specific services. Public participation at budget committee meetings may

influence budget committee decisions. However, final authority for administration rests with the governing body. The governing body can make changes after the budget committee has approved the budget, although they may have to re-publish the budget and hold another public hearing to do so.

Can the budget committee determine how much an employee is paid?

The budget committee does not approve new personnel, employee contracts or salary schedules, nor does it negotiate salary contracts.* However, the adopted salary schedules, negotiated contracts, and other materials that have a fiscal impact on the budget document may be requested for review by the budget committee. Through its authority, the budget committee may direct the administration to make dollar adjustments (increases or decreases) in the proposed budget.

What happens after all the sections of the budget are presented?

After all presentations are made, all patron input received, and all other related issues discussed, the budget committee approves the budget. The approved budget recommends a level of spending for the year. The approved budget document also specifies the full amount of the property tax levy authority that may be certified to the tax assessor. The governing body may reduce the levy, but the rate or amount of the levy approved by the budget committee cannot be increased without republishing the financial summaries. Approval of the tax levy and the budget should be in the form of a formal motion, with the vote recorded in the minutes of the meeting.

Does the budget committee have any other duties?

At the end of the final meeting where the budget is approved, and the tax levy rate or amount is established, the committee's work is finished as far as local budget law is concerned. Local charters may have additional duties. Frequently, budget committee members express a desire to assist the governing body and administration in any public meetings or appearances concerning the budget. The budget committee may be reconvened by the governing body at a later date in the event the financial conditions in the district change. A meeting for this reason is called at the discretion of the governing body and is not a requirement of the local budget law.

*Note: ORS 204.126 says the county budget committee or TSCC approves changes in the salary of elected county officials.

After the budget is approved by the budget committee and recommended to the governing body, what action does the governing body take?

The governing body must publish a financial summary of the budget that was approved by the budget committee. The notice of the budget hearing is also published with the financial summary. At the public hearing, the governing body hears any citizen input on the approved budget. The governing body may make additional adjustments to the budget that was approved by the budget committee. Following the hearing and no later than June 30, the governing body must adopt the budget, make appropriations, and set the property tax levy rate or amount. If a property tax is required, the governing body must certify the tax to the county assessor no later than July 15.

What if the governing body changes the budget approved by the budget committee in ways that the budget committee does not approve?

The governing body has that right. However, the amount of the estimated expenditure for each fund may not be increased more than 10 percent unless a summary of the revised budget is again published and another public hearing is held. In addition, the total property tax to be levied may not exceed the amount or rate shown in the budget that was approved by the budget committee and published with the notice of the budget hearing without once again publishing the revised budget and holding another public hearing. Of course, budget committee members are free to attend that hearing and voice their opinions of the changes made by the governing body.

What is a supplemental budget?

Districts may find it necessary to prepare a supplemental budget at some point during the fiscal year. Circumstances under which a supplemental budget is authorized are:

- An occurrence, condition, or need arises which was not known at the time the budget was adopted.
- Additional funds are made available after the budget was adopted.

Although the budget committee is usually not involved with supplemental budgeting, the procedures for supplemental budgets are similar to those for the annual budget. If estimated expenditures are being changed by more than 10 percent, these procedures include a public hearing and publishing a notice and budget summary five to 30 days prior to the hearing.

Where can I find the law that governs the creation and operation of budget committees?

Budget committees are required in Oregon's Local Budget Law. This law is found in the Oregon Revised Statutes (ORS) beginning at ORS 294.305.

These statutes as well as additional information can be found on the Department of Revenue website at www.oregon.gov/DOR.

Where can I direct my questions regarding budget committees?

Oregon Department of Revenue
Finance, Taxation and Exemptions
PO Box 14380
Salem OR 97309-5075

Telephone: 503-945-8293
Fax: 503-945-8737
Email: finance.taxation@oregon.gov



Administration Checklist

- ✓ Gather budget requests.
- ✓ Evaluate budget requests and develop proposed budget.
- ✓ Develop estimates of revenue.
- ✓ Prepare budget proposal.
- ✓ Estimate ad valorem taxes in budget document.
- ✓ Prepare budget message.
- ✓ Publish required notices and budget summary.
- ✓ Provide citizens with information about approved budget.

Budget Committee Checklist

- ✓ Establish a meeting calendar.
- ✓ At first meeting, elect presiding officer (required) and vice chair (optional).
- ✓ At first meeting, establish budget committee procedural rules.
- ✓ At first meeting, receive budget message and proposed budget.
- ✓ Request information.
- ✓ Make budget documents available to any person.
- ✓ Provide opportunities for citizens to ask questions.
- ✓ Approve motion setting the rate or amount of taxes necessary to balance budget.
- ✓ Approve budget and recommend to the governing body.



Glossary

Here are some terms you will use as you work on your budget.

Adopted budget. The financial plan adopted by the governing body which forms a basis for appropriations.

Ad valorem tax. A property tax computed as a percentage of the value of taxable property. See “Assessed value.”

Appropriation. Based on an adopted budget, an authorization for spending specific amounts of money for specific purposes during specific periods of time. Presented in a resolution or ordinance adopted by the governing body.

Assessed value. The portion of value of real or personal property that is taxable. It is the lesser of the property’s real market value or the constitutional value limit (maximum assessed value—MAV). The value limit may increase 3 percent annually unless qualifying improvements or changes are made to the property. These improvements or changes allow the value limit to increase by more than 3 percent.

Biennial budget period. A 24-month period beginning July 1 and ending June 30 of the second succeeding year.

Budget. Written report showing the local government’s comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year.

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters from the district.

Budget message. An explanation of the budget and local government’s financial priorities. Prepared by or under the direction of the executive officer or presiding officer of the governing body.

Budget officer. Person appointed by the governing body to assemble budget material and information, prepare the proposed budget, and oversee the budget process.

Capital outlay. Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings.

County elections officer. County clerk or registrar of elections.

District. See “Local government.”

Expenditures. Decreases in net financial resources if accounts are kept on an accrual or modified accrual basis; total amount paid if accounts are kept on a cash basis.

Fiscal year. A 12-month period beginning July 1 and ending June 30.

Fund. A division in a budget segregating independent fiscal and accounting requirements. An entity within a government’s financial plan designated to carry on specific activities or to reach certain objectives.

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other governing board of a local government.

Line-item budget. The traditional form of budgeting, where proposed expenditures are based on individual objects of expense within a department or division.

Local government. Any city, county, port, school district, public, or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission.

Municipality. See “Local government.”

Ordinance. Written directive or act of a governing body. Has the full force and effect of law within the local government’s boundaries, provided it does not conflict with a state statute or constitutional provision. See also “Resolution.”

Organizational unit. Any administrative subdivision of a local government, especially one charged with carrying on one or more specific functions (such as a department, office, or division).

Payroll expenses. Health and accident insurance premiums, Social Security and retirement contributions, and civil service assessments, for example.

Permanent rate limit. A district’s permanent ad valorem property tax rate for operating purposes. This rate levied against the assessed value of property raises taxes for general operations. Permanent tax rate limits were either computed by the Department of Revenue for districts existing prior to 1997–1998 or are voter-approved for districts formed in 1997–1998 and later.

Program. A group of related activities to accomplish a major service or function for which the local government is responsible.

Property taxes. Amounts imposed on taxable property by a local government within its operating rate limit, levied under local option authority, or levied to repay bonded debt.

Proposed budget. Financial and operating plan prepared by the budget officer, submitted to the public and budget committee for review.

Real market value. Value at which a property would be sold by an informed seller to an informed buyer on the appraisal date. Value set on real and personal property as a basis for testing the (Measure 5) constitutional limits.

Reserve fund. Established to accumulate money from one fiscal year to another for a specific purpose.

Resolution. A formal expression of will or intent voted by an official body. Statutes or charter will specify actions that must be made by ordinance and actions that may be by resolution. (For cities, revenue raising measures such as taxes, special assessments, and service charges always require ordinances.) See “Ordinance.”

Resources. Estimated beginning fund balances on hand at the beginning of the fiscal year, plus all anticipated revenues.

Revenues. Monies received or anticipated by a local government from either tax or nontax sources.

Supplemental budget. Prepared to meet unexpected needs or to spend revenues not anticipated at the time the regular budget was adopted. Cannot be used to increase a tax levy.

Tax levy. Taxes imposed by a local government unit through a rate or amount.

Transfers. Amounts distributed from one fund to finance activities in another fund. Shown as a requirement in the originating fund and a revenue in the receiving fund.

Unappropriated ending fund balance. Amount set aside in the budget to be used as a cash carryover to the next year’s budget, to provide the local government with a needed cash flow until other money is received. This amount cannot be transferred by resolution or used through a supplemental budget during the fiscal year it is budgeted unless there is a significant calamity or natural disaster.

Where to get help preparing your local budget

Finance, Taxation and Exemptions..... 503-945-8293
Emailfinance.taxation@oregon.gov

Each year the Department of Revenue makes available a booklet that contains forms and instructions for summarizing your district's budget for publication and certifying the tax levies to the assessor. These forms meet the minimum requirements of local budget law and are free of charge.

The forms are available each year beginning in January on the department's website at www.oregon.gov/dor.

The booklet is available upon request by contacting the Finance, Taxation and Exemptions Unit by telephone, email, or at the address below. If you would like a copy sent to you, please request your copy no later than November 15.

Finance, Taxation and Exemptions Unit
Oregon Department of Revenue
PO Box 14380
Salem OR 97309-5075

Your district may also computer-generate the budget detail and publication forms based upon your district's own computer formatting.

Have questions? Need help?

General tax information www.oregon.gov/dor
Salem..... 503-378-4988
Toll-free from an Oregon prefix..... 1-800-356-4222

Asistencia en español:

En Salem o fuera de Oregon..... 503-378-4988
Gratis de prefijo de Oregon 1-800-356-4222

TTY (hearing or speech impaired; machine only):
Salem area or outside Oregon 503-945-8617
Toll-free from an Oregon prefix..... 1-800-886-7204

Americans with Disabilities Act (ADA): Call one of the help numbers above for information in alternative formats.

Municipal Corporations

Local Budget Law

Forms and Instructions

2019-2020

This booklet contains forms and instructions that a county, city or special district uses to publish notice of its budget committee meetings and its budget hearing and financial summary in order to comply with Oregon’s Local Budget Law.^{1,2} It also contains the forms necessary to certify property taxes to the county assessor and to publish notice for a supplemental budget hearing.

The booklet is arranged with the instructions and examples in the front and the blank forms in the back.

Urban renewal agencies are subject to Local Budget Law and must complete the process separately from the parent municipality (county or city). A booklet with the forms designed specifically for urban renewal agencies, *Local Budget Law and Notice of Property Tax Forms and Instructions for Urban Renewal Agencies*, 150-504-076, is available on our website at: www.oregon.gov/dor/forms, search by form number, or by scrolling down to “Local budget”.

School districts, education service districts, and community colleges are also subject to Local Budget Law, but the forms differ somewhat. A booklet designed specifically for these districts, *Local Budget Law and Notice of Property Tax Forms and Instructions for Education Districts*, 150-504-075, is available at: www.oregon.gov/dor/forms, search by form number, or by scrolling down to “Local budget”.

Budget detail sheets

Budget detail sheets are used to prepare your municipal corporation’s budget. These forms are not included in this booklet but are available for down-

1—Local Budget Law is found in Oregon Revised Statutes (ORS) 294.305 to 294.565.

2—Not all special districts are subject to Local Budget Law. See page 4 for information about those districts that are not subject to the law.

load in fillable PDF or Microsoft Excel format on our website at: www.oregon.gov/dor/forms, scroll down to “Local budget”.

You may create your own computer-produced versions of these forms as long as the formats are the same as the detail sheets provided by the department.

Forms included in this booklet Page

- *Notice of Budget Committee Meeting*, 150-504-073-119
- *Form LB-1, Notice of Budget Hearing*, 150-504-073-221
- *Resolutions*, 150-504-073-623
- *Form LB-50, Notice of Property Tax*, 150-504-073-725
- *Notice of Supplemental Budget Hearing*, 150-504-073-827

Finance & Taxation contact information:

Finance & Taxation(503) 945-8293
finance.taxation@oregon.gov

Melanie Cutler(971) 301-1128
melanie.cutler@oregon.gov

Danette Benjamin(971) 301-1149
danette.m.benjamin@oregon.gov

Jean Jitan(971) 600-4097
jean.jitan@oregon.gov

General information

Required forms and publications:

All districts subject to local budget law must publish the following notices:

- *Notice of Budget Committee Meeting*, 150-504-073-1 (see page 19 for details)
- *LB-1, Notice of Budget Hearing*, 150-504-073-2 (see page 21 for details)
- *Notice of Supplemental Budget Hearing*, 150-504-073-8 (as needed, see page 27 for details)

Each taxing district imposing a property tax must notify the county assessor of its property tax levy by July 15.

Districts subject to Local Budget Law must submit:

- Form *LB-50, Notice of Property Tax and Certification*, 150-504-073-7 (see page 25 for details), **and**
- Governing body resolutions that adopt the budget, make appropriations, impose property taxes, and categorize those taxes as to their Measure 5 category.

Districts not subject Local Budget Law must submit:

- Form *LB-50, Notice of Property Tax and Certification*, 150-504-073-7 (see page 25 for details), **and**
- Governing body resolutions that impose property taxes and categorize those taxes as to their Measure 5 category.

Electronic versions of the forms are found on our website at: www.oregon.gov/dor/forms, scroll down to “Local budget”. Paper versions of the forms are found at the back of this booklet. Computer produced versions of these forms may be used as long as the format is the same as the forms provided in this booklet

Be sure to use the new forms for 2019–2020 provided in this booklet or on our website. Read the instructions in this booklet carefully. If you use forms generated by your computer, revise your forms accordingly.

How to publish

Publication is defined in ORS 294.311(35) as being one of the following actions:

- Printing in one or more newspapers of general circulation within the boundaries of the district; or
- Mailing through the U.S. Postal Service by first class mail, postage prepaid to each street address, PO Box and rural route number within the boundaries of the district; or
- Hand delivery to each street address within the boundaries of the district.

When this booklet says “publish” it means by any of the methods described above, unless otherwise noted.

Filling out the forms

You may fill out the forms on our website. There is a “fillable” PDF version and a Microsoft Excel version of each form. The “fillable” PDF version can be filled in online and then printed. However, it can’t be edited once you have saved it to your computer, so every time you access a form online, you must begin with the blank form. The Excel version can be downloaded to your computer and then filled in, saved, and edited later. If you use the Excel version you may insert lines (rows) as necessary to make more room, for example on the Form LB-1 for all of your organizational units/programs. You may also delete any blank lines.

Alternatively, you may cut out and fill in the paper versions of the blank forms found in this booklet or download and print the blank forms from our website and then fill in your information by hand. If you prepare a paper version of a form, you may cut and paste to add more space or to delete blank lines.

Biennial budgets

Local governments may budget either for a one-year (fiscal year) or a two-year (biennial) budget period. Except as noted, all requirements for publishing notices and certifying property tax are the same for both. If a district adopts a biennial budget, the financial summary of the budget as approved by the budget committee that is published on Form LB-1, *Notice of Budget Hearing*, must show actual revenues and expenditures for the biennial budget period preceding the current budget period, the estimated resources and requirements in the budget adopted for the current biennial budget period, and the estimated resources and requirements for the ensuing biennial budget period.

The governing body must pass a resolution or ordinance to levy and categorize any property taxes **for each year of the ensuing budget period.**

Regardless of whether a budget is for a single fiscal year or for a biennium, Form LB-50, *Notice of Property Tax and Certification*, and a copy of the resolution or ordinance levying and categorizing taxes for the ensuing year must be submitted to the county assessor **every year by July 15.**

Districts that are required to submit their budgets to the Tax Supervising and Conservation Commission must do so **only during the first year of a biennial budget period.**

Special districts that are not subject to Local Budget Law

The governing body of special districts not subject to local budget law must adopt a budget and make appropriations by June 30. If the district imposes any tax, fee, charge or assessment on the property tax roll, it must submit a Form LB-50, *Notice of Property Tax and Certification and resolutions*, imposing taxes and categorizing the taxes to the county assessor by July 15. However, the district may not need to form a budget committee, or publish a *Notice of Budget Committee Meeting*, 150-504-073-1, publish a *Notice of Budget Hearing and Financial Summary*, 150-504-073-2, or otherwise follow Local Budget Law.

The following types of special districts are exempt from Local Budget Law, but may have additional budgeting requirements under their formation statute:

- Drainage districts organized under ORS chapter 547;
- District improvement companies organized under ORS chapter 554;
- Highway lighting districts organized under ORS chapter 372;
- Irrigation districts organized under ORS chapter 545;
- Road districts organized under ORS chapter 371, unless it is a county road district that is imposing an ad valorem tax;
- Soil and water conservation districts organized under ORS chapter 568 that won't levy an ad valorem tax during the ensuing year or ensuing budget period;
- Municipal public utilities operating under separate boards or commissions, authorized under ORS chapter 225 and city charters, and people's utility districts organized under ORS chapter 261, both operating without ad valorem tax support during the ensuing year or ensuing budget period;
- Housing authorities organized under ORS 446.515 to 446.547 and ORS chapter 456 that are not carrying out urban renewal activities using a division of ad valorem taxes under ORS 457.440 during the ensuing year or ensuing budget period;
- Water control districts organized under ORS chapter 553 that won't levy an ad valorem tax during the ensuing year or ensuing budget period;
- Hospital financing authorities organized under ORS 441.525 to 441.595;
- Export trading corporations organized under ORS 777.755 to 777.800;
- Diking districts organized under ORS chapter 551;
- Health districts organized under ORS 440.315 to 440.410; and
- Intergovernmental entities created under ORS 190.010, including councils of governments described in ORS 294.900 to 294.930, except that an intergovernmental entity or a council of governments that proposes to impose ad valorem property taxes for the ensuing year or budget period is subject to Local Budget Law for the budget prepared for that year or period.

Notice of Budget Committee Meeting, 150-504-073-1

A notice must be filed prior to the first budget committee meeting at which they will be:

- (1) Receiving the budget message and the budget document; and
- (2) Providing members of the public with an opportunity to ask questions about and comment on the budget document. If more than one meeting is being held to meet these two requirements, then the first meeting must be to receive the budget and budget message. The public comments may also be heard at that meeting. If the public won't be provided the opportunity to comment at that first meeting, then the budget committee must provide such an opportunity at one or more subsequent meetings.

If more than one meeting is used to meet the requirements, the published notice may be a single notice containing all of the required information. If several meetings are being held to take public questions and comments, only the first of the series must be formally "published," but notice of each subsequent meeting must be given in the same time frame as meetings of the governing body of the municipal corporation and in the same manner, or in one of the publication formats described in Local Budget Law: printing in newspaper, mailing, or hand delivery.

Notice of the meeting(s) to fulfill the two budget committee requirements must state:

- The purpose, time and place of the meeting(s) and where the budget document is available.
- That the meeting is a public meeting.
- If the meeting is one at which public comment will be invited, then the notice must state that any person may ask questions about and comment on the budget document at that meeting.

The *Notice of Budget Committee Meeting* form included in this packet may be used to provide notice of the budget committee meeting. Two versions of the form are provided in this booklet. Use the "A" version of the form if the budget committee will receive the budget message and take public comment at the same meeting. Use the "B" form if public comment will be taken only at a meeting held after the meeting at which the budget message is delivered. If you use the "B" form, you must publish the date, time, and location of the meeting at which the budget message will be delivered, and also the date, time, and location of the first meeting at which public comment will be taken.

A district may wish to compose its own notice. This is acceptable as long as all of the required elements are included in the notice.

Publishing the notice of the budget committee meeting

If the notice is only published in a newspaper, the notice must be published at least twice. The first publication can't be more than 30 days prior to the meeting date, and the second publication can't be less than five days prior to the meeting date.

Alternatively, you may post notice of the meeting prominently on your internet website for at least the 10 days before the meeting and publish one time in a newspaper, five to 30 days before the meeting. If you choose to post one of the notices on your website, the newspaper notice must give the website address where the notice is posted.

If notice is published by mailing or by hand delivery, only one notice is required and it must be mailed or hand delivered not later than 10 days prior to the meeting date.

Form LB-1, Notice of Budget Hearing, 150-504-073-2

Every local government that is subject to Local Budget Law must publish notice of the budget hearing and summary of approved budget. Form LB-1, *Notice of Budget Hearing*, may be used for this purpose.

Important: If you generate your publication notice from a computerized accounting system, your output must conform to the current version of Form LB-1.

Instead of using Form LB-1, you may use a narrative publication format of your own design. If a narrative format is used, it must contain all of the same information provided on the form, but it can also include any other information you want to provide.

Form LB-1 Notice of Budget Hearing contains seven sections:

1. Legal notice of the time and place of the budget hearing, including a statement of where a copy of the budget may be obtained, and a statement of the basis of accounting used to prepare the budget. If the basis of accounting has changed, include a description of the effect this change will have on the budget.
2. A financial summary of the budget resources.
3. A financial summary of the budget requirements by object classification.
4. A financial summary of the budget requirements by organizational unit or program including the number of full-time equivalent employees in each unit or program.
5. A narrative statement of the prominent changes from the current year in the activities and financing of the organizational units or programs.
6. A summary of the property tax levies.
7. A statement of indebtedness.

Columns on the form

Some sections of Form LB-1 contain three columns for financial data. These columns provide data for different fiscal years, as explained below:

Actual Amounts Last Year. This column contains the actual amounts spent or received as reflected in the audited financial data for the prior fiscal year or biennial budget period. This column corresponds with column two of the budget detail sheet, "First Preceding Year."

Adopted Budget This Year. This column contains the amounts in the current year's adopted budget,

including any supplemental budgets adopted by the governing body. This column corresponds with column three of the budget detail sheet, "Adopted Budget this Year."

Approved Budget Next Year. This column contains the amounts for next year as **approved by the budget committee**. This column corresponds with the "Approved by Budget Committee" column on the budget detail sheets.

Summarizing expenditures and resources

The amounts in the financial summary sections must include the total from all funds. A resource or expenditure item or an organizational unit or program must be included in the publication if an amount was adopted for the item in the current year budget or in the preceding year or was approved for that item for next year.

Financial summary—Resources

Fill in the total amount for each year for the following budget resource items:

- **Beginning fund balance/net working capital.** The amount of cash, cash equivalents and investments (if you use the cash basis of accounting) or net working capital and investments (accrual basis) on hand at the beginning of the budget period.
- **Fees, licenses, permits, fines, assessments and other service charges.** Revenues from any charges you impose for services you provide.
- **Grants, gifts, allocations and donations.** Revenues given to you by others during the budget year including revenue sharing.
- **Revenue from bonds and other debt.** Any money you borrow and receive during the budget year.
- **Interfund transfers/internal service reimbursements.** Amounts transferred from one fund to another are resources in the fund that receives the transfer. Internal service charges paid by a budget transfer from one unit of the organization for services provided by another unit are resources in the fund that receives the transfer.
- **All other resources except current year property taxes.** Interest earned on investments, prior years' property tax revenue received this year, and any other revenues not included in one of the other categories.

- **Current year property taxes.** The total amount from all current year property taxes.

Financial summary—Requirements by Object Classification

Fill in the total amount of budget requirements for each year for the following object classification categories:

- **Personnel services.** Salaries, benefits, workers compensation insurance, social security tax and other costs associated with employees.
- **Materials and services.** Contractual and other services. Materials, supplies, utilities, insurance, travel and other miscellaneous charges and operating expenses.
- **Capital outlay.** Land acquisition, buildings, improvements, machinery, equipment and other capital assets.
- **Debt service.** The amount set aside for repayment of debt. It includes principal and interest on both short-term debt and long-term debt.
- **Interfund transfers.** Amounts budgeted to be transferred from one fund to another within the budget.
- **Contingencies.** The amount set aside for anticipated operating expenses that can't be specifically identified at the time the budget is prepared.
- **Special payments.** Payments of taxes, fees or charges collected by one entity and then paid to another organization on a pass-through basis, grants made or distributed to others that will be expended by them, and other expenditures that don't fit into one of the other expenditure categories.
- **Unappropriated ending balance and reserved for future expenditure.** The total of unappropriated ending fund balances or ending fund balances and reserved for future expenditure amounts in all funds. Unappropriated ending fund balance or ending fund balances is the amount set aside under ORS 294.398 to provide funds in the budget period following the one for which this budget is approved, for expenditures expected between July 1 and the time when enough new revenues are on hand to meet cash flow needs. Reserved for future expenditure is the amount that isn't anticipated to be spent in the upcoming budget period, but rather "saved" for future needs.

The "Total Requirements" in each column in this section of the form should equal the "Total Resources" in the corresponding column of the "Resources" section of the form.

Financial summary—Requirements and Full-Time Equivalent Employees by Organizational Unit or Program

In this section of the form, list the total expenditures and other budget requirements and the total number of full-time equivalent employees (FTE) in each organizational unit or program in your budget. Write in the name of each organizational unit or program as it appears in your budget. On the line to the right of the unit or program name, show the total requirements in all funds expended for that unit or program last year, in the current year, and in the approved budget for next year. On the line immediately below the total requirements for each unit or program, write the number of (FTE)s for that unit or program in each year. Add more lines if necessary, so that all of the units or programs are shown. You may delete any unused rows before publishing.

If you have expenditures or employees that are not budgeted for a particular organizational unit or program, write the total of all such requirements on the line labeled "Non-Departmental/Non-Program," and the total FTE of such employees on the line immediately below.

The "Total Requirements" in each column in this section of the form should equal the "Total Requirements" in the corresponding column in the "Requirements by Object Classification" section of the form.

Statement of Changes in Activities and Sources of Financing

In this section of the form, write a narrative description of any prominent changes in the activities and financing of the organizational units or programs in the approved budget as compared to the current year budget. The information you include here might be copied from similar information in the budget message that you presented to your budget committee this year.

Take as much space or as little as necessary to describe all prominent changes. If you need more space and you are using the Excel version of the form, you may insert lines (rows). If you are using a paper version of the form, you may use additional sheets of paper. If you use a paper version of the form, and you publish the notice in a newspaper, be sure to cut and paste, so the narrative section is printed all together. As in other sections of the form, if you don't need all of the lines or space provided, you may delete any unused rows before publishing.

Property Tax Levies

On the three lines provided, write in the tax rate or the amount of your permanent rate levy, and any local option levies or bond levies for each year. On the line for the "Permanent Rate Levy," write in your full permanent rate **limit** on the line within parentheses, whether you imposed that full rate or not. In each year column, write in the actual tax rate or dollar amount that you imposed in that year, or in the case of the "Approved Next Year" column, the rate or amount approved by your budget committee. State the rate as a rate per \$1,000 of assessed value. (Typically, a rate per \$1,000 on the form looks like "\$x.xxxx," in dollars and cents, with the decimal followed by four digits. Example: \$1.50 per \$1,000 would be written "\$1.5000.")

If you imposed or your budget committee has approved any local option levies, write in the rate or amount on the "Local Option Levy" line. If you have more than one local option levy in any year, state the rates or amounts separately.

If you imposed or your budget committee has approved any levies to pay debt service on general obligation bonds, write in each year's amount on the line for "Levy for General Obligation Bonds."

Statement of Indebtedness

This section summarizes your authorized and outstanding debt. List for any general obligation bonds, other bonds and other borrowings the debt outstand-

ing and the debt authorized but not yet incurred on July 1. Debt authorized but not incurred usually refers to general obligation bond debt that has been voter-approved, but for which the bonds haven't yet been sold.

Publishing Form LB-1, Notice of Budget Hearing, 150-504-073-2

Taxing districts that are subject to Local Budget Law must notify the public of the budget hearing by publishing the notice and financial summary in a newspaper, first class mail, or hand delivery not less than five or more than 30 days before the scheduled hearing. You may also post this notice on your website in addition to one of the publishing methods. See page three for "How to Publish."

Posting

If no newspaper is published in the district **and** the total anticipated requirements won't exceed \$100,000 (\$200,000 if a biennial budget), the hearing notice and financial summary may be posted in three conspicuous places in the district for at least **20 days** before the scheduled budget hearing instead of publishing the notice by newspaper, mail or hand-delivery.

Form LB-1 Sample

**FORM
LB-1**

NOTICE OF BUDGET HEARING

1

A public meeting of the Sample City Council will be held on June 15, 2019 at 3:00 a.m. at Council Chambers, 1333 NW Sample Pkwy., Sample City, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2019 as approved by the Sample City Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Administration Dept., City Hall-3rd Floor, between the hours of 8:00 a.m., and 5:00 p.m., or online at www.samplecity.net. This budget is for an annual; biennial budget period. This budget was prepared on a basis of accounting that is: the same as; different than the preceding year. If different, the major changes and their effect on the budget are:

Contact	Telephone number	E-mail
J. Smith	(503) 555-0000	jsmith@sample.ci.or.us

2

FINANCIAL SUMMARY – RESOURCES

TOTAL OF ALL FUNDS	Actual Amounts 2017-2018	Adopted Budget This Year: 2018-2019	Approved Budget Next Year: 2019-2020
1. Beginning Fund Balance/Net Working Capital	1,280,354	982,310	572,420
2. Fees, Licenses, Permits, Fines, Assessments & Other Service Charges.....	1,200,693	949,590	446,570
3. Federal, State & all Other Grants, Gifts, Allocations & Donations	397,048	70,700	72,570
4. Revenue from Bonds & Other Debt	25,333	1,500,060	477,930
5. Interfund Transfers/Internal Service Reimbursements	221,596	222,060	200,620
6. All Other Resources Except Current Year Property Taxes.....	12,541	7,860	12,780
7. Current Year Property Taxes Estimated to be Received.....	2,106,729	1,334,085	2,695,665
8. Total Resources—add lines 1 through 7.....	\$5,244,294	\$5,066,665	\$4,478,555

3

FINANCIAL SUMMARY – REQUIREMENTS BY OBJECT CLASSIFICATION

9. Personnel Services	3,315,976	3,065,300	2,809,760
10. Materials and Services	358,671	378,505	361,350
11. Capital Outlay	22,176	102,570	95,800
12. Debt Service	97,666	35,640	35,565
13. Interfund Transfers.....	39,214	50,570	77,515
14. Contingencies.....	164,523	164,800	165,450
15. Special Payments.....	163,987	128,110	145,680
16. Unappropriated Ending Balance and Reserved for Future Expenditure ...	1,082,081	1,141,170	787,435
17. Total Requirements—add lines 9 through 16.....	\$5,244,294	\$5,066,665	\$4,478,555

4

FINANCIAL SUMMARY – REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM*

Name of Organizational Unit or Program			
FTE for Unit or Program			
Name <u>Administration</u>	486,424	373,303	395,989
FTE	5	4	4
Name <u>Police</u>	1,361,987	1,399,885	1,385,962
FTE	14	15	14
Name <u>Fire & Emergency Services</u>	875,563	746,605	692,980
FTE	9	8	7
Name <u>Planning & Economic Development</u>	194,570	279,977	197,995
FTE	2	3	2

Form LB-1 Sample (continued)

Name Environmental Services & Public Works	778,279	746,605	593,984
FTE	8	8	6
Not Allocated to Organizational Unit or Program	1,547,471	1,520,290	1,211,645
FTE	0	0	0
Total Requirements	\$5,244,294	\$5,066,665	\$4,478,555
Total FTE	38	38	33

5

STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING*

A reduction in revenue from building permits and inspection fees of approximately \$500,000 makes it necessary to reduce staff by 5 FTE, as follows: 1 FTE from the Police Department; 1 FTE from the Fire Department; 1 FTE from the Planning Department; 2 FTE from Public Works.

6

PROPERTY TAX LEVIES

	Rate or Amount Imposed	Rate or Amount Imposed	Rate or Amount Approved
Permanent Rate Levy (Rate Limit 3.6129 Per \$1000)	3.6129	3.6129	3.6129
Local Option Levy	1.5000 + \$100,000	1.5000 + \$100,000	1.5000 + \$100,000
Levy for General Obligation Bonds	102,550	37,420	37,700

7

STATEMENT OF INDEBTEDNESS

Long Term Debt	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, but not Incurred on July 1
General Obligation Bonds	\$26,215,012	
Other Bonds	\$9,246,324	
Other Borrowings	\$5,461,336	
Total	\$40,922,672	

*If more space is needed to complete any section of this form, use the space below or add sheets.

Resolutions Adopting, Appropriating, Imposing, and Categorizing Taxes

After the public hearing, at a regularly scheduled meeting, the governing body must enact resolutions or ordinances to adopt the budget, make appropriations, impose property taxes, and categorize the taxes.

Resolution adopting the budget

Adopt the budget by June 30. The resolution that adopts the budget should state the total amount of all budget requirements. Budget requirements include all expenditures, transfers and contingencies, along with any “Reserved for Future” amounts and “Unappropriated Ending Fund Balance” amounts.

Resolution making appropriations

Include a schedule of appropriations, by fund and organizational unit or program, in the resolution making appropriations. This schedule provides the district with legal spending authority and spending limitations throughout the fiscal year.

If you adopt a biennial budget, you must appropriate for the entire 24-month budget period.

At a minimum, for each fund you must 1) appropriate a separate amount for each organizational unit or program and 2) appropriate separate amounts for expenses that can’t be allocated to a particular organizational unit or program using the appropriation categories outlined in statute [ORS 294.456(3)]:

- Personnel services.
- Materials and services.
- Capital outlay.
- Debt service.
- Special payments.
- Interfund revenue transfers.
- Operating contingency.

Use only these appropriation categories. Don’t use categories such as “Other” or “Miscellaneous”.

For example:

General fund—	
Administration	\$562,415
Police department	\$1,193,010
Fire & EMS	\$457,850
Capital Outlay.....	\$1,099,000
Debt Service	\$34,500
Interfund revenue transfer.....	\$200,500

The amount appropriated for a unit or program should include the amounts for personnel services,

materials and services, and any capital outlay attributed to that unit or program.

Appropriate items that are not specifically identified with an organizational unit or program—debt service, special payments, interfund revenue transfers, operating contingency, and non-departmental/non-program capital outlay—separately in each fund.

Remember, “Unappropriated Ending Fund Balances” and “Reserved for Future Expenditure” amounts are not included as appropriations in the resolution because these amounts are not going to be spent in the coming year.

Resolution imposing taxes

State the dollar amount or rate of each property tax being certified to the county assessor. **Taxes imposed must be the same or lower than the dollar amount or rate approved by the budget committee**, unless the governing body republished the budget summary with the changed taxes and held a second budget hearing.

Under the **permanent rate limit**, the budget committee may have chosen to impose a dollar amount. If the governing body agrees with this choice, the resolution must reflect that dollar amount of taxes and not impose the rate. Impose only a rate **or** dollar amount, **not both**.

Your district may have received voter approval for one or more **local option taxes**. Local option taxes can be for operations or capital projects. In the resolution state the dollar amount or rate approved by the voters for each local option tax by type—operations or capital project. Again, the dollar amount or rate must be the same or lower than that approved by the budget committee unless the budget was republished.

Taxes imposed to pay for **bonds** are **always** imposed as a dollar amount. In the resolution, state the dollar amount of taxes needed to pay general obligation bond principal and interest, including the extra amount you add to replace the amount estimated to be lost to discounts and uncollectables. As with the other taxes, this amount must be equal to or lower than the amount approved by the budget committee unless amended by the governing body by republishing the revised amount and holding a second hearing prior to adopting the budget.

Resolution categorizing taxes

The governing body must declare by resolution the constitutional tax limitation category into which each of the district's tax levies will be placed. The tax categories most often used by counties, cities and special districts are **general government** and **excluded from limitation**.

Taxes for debt service on general obligation bonds are excluded from limitation. All other ad valorem taxes are usually subject to the general government limit.

If a general government district levies a local option tax, a portion of which is intended by the voters for use by an education category district, the portion intended for education must be categorized in the education category. The resolution must specify how much of the rate or dollar amount will be used in each category.

The statement categorizing a tax may be combined with the statement imposing the tax.

The rate or amount categorized must be the same as the rate or amount stated in the resolution imposing the tax.

Sample resolution form

The resolution form provided in this booklet is designed to be removed and the blanks filled in. If it doesn't meet your needs (perhaps because you have more than four funds), use the language as an example, and create your own resolution. For more details on the resolution statements read Chapter 11 in the *Local Budgeting Manual*.

Submission to Department of Revenue

If you are subject to Local Budget Law and are not imposing a property tax, by July 15, submit the resolution statements adopting the budget and making appropriations to the department by e-mail to: **finance.taxation@oregon.gov**. Alternatively, you may mail them to Property Tax Division, Oregon Department of Revenue, PO Box 14380, Salem OR 97309-5075.

Sample

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2019, for the following purposes:

General Fund

<u>Organizational Unit or Program:</u>	
Administration	395,989
Police	1,385,962
Fire & Emergency Services	692,980
Planning & Economic Development	197,995
<u>Not Allocated to Organizational Unit or Program:</u>	
Debt Service	3,000
Special Payments.....	145,680
Transfers Out.....	77,515
Contingency.....	115,450
Total.....	\$3,014,571

Debt Service Fund

Debt Service	32,565
Total.....	\$32,565

Public Works Fund

Environmental Serv. & Public Works	593,984
Contingency.....	50,000
Total.....	\$643,984

Total APPROPRIATIONS, All Funds . . .	\$3,691,120
Total Unappropriated and Reserve Amounts, All Funds . . .	787,435
TOTAL ADOPTED BUDGET . . .	\$4,478,555 *

(*amounts with asterisks must match)

Form LB-50, Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property, 150-504-073-7

Form LB-50 is used to certify and categorize your property tax and other charges to the county assessor. The tax certification Form LB-50 is due to the county assessor by **July 15**, unless a written extension of time to certify has been approved by the assessor prior to July 15.

Oregon law (ORS 310.060) allows taxing districts to request in writing an extension of time to certify taxes (for good and sufficient reasons). The written request for extension must be given to the county assessor by **July 15**.

If you adopt a biennial budget, you must certify taxes each year you wish to impose a tax levy. You must submit a **separate** certification each year of the two-year budget period.

General instructions

In the spaces at the top of this form, fill in:

- The name of the county being sent the certification.
- The name of the taxing district and the name of the county where the district is located. (If the district is located in more than one county, submit the certification to each county listing the primary county first.)
- The mailing address of the district, including city and zip code; and
- The name, title, daytime telephone number, and email address of a budget contact person. This person should be someone who is available for contact after the document is submitted to the assessor.
- If a district imposes a levy that it intends to split between general government and education categories, Form ED-50 is also required to certify the rate or amount intended for education. Form ED-50 is available on our website at: www.oregon.gov/dor/forms, scroll down to "Local budget".

Certification check boxes

ORS 294.456 doesn't allow a district that is subject to Local Budget Law to certify ad valorem property taxes in an amount or at a rate greater than that approved by the budget committee, unless an amended budget summary is republished by the governing body and a second budget hearing is held. **One of these boxes must be checked.** If the amount or rate

being certified isn't greater than that approved by the budget committee, check the first box. If the budget was republished, and the amount or rate is within the amount republished, check the second box.

The assessor's office won't accept your tax certification documents unless one of these boxes is checked.

Exception: Special districts that are not subject to Local Budget Law need not check one of these boxes.

Part I: Taxes to be Imposed

Line 1. You may enter an amount or rate in box 1. If your governing body resolution imposing taxes stated a rate per \$1,000 of assessed value, enter the same rate in box 1. The rate entered may be up to your maximum permanent rate limit as shown on line 6.

If your governing body resolution imposing taxes stated a dollar amount, you must enter the same dollar amount in box 1. This amount can't exceed the amount your permanent rate would actually raise.

Line 2. If you are certifying a local option levy for operations, you may enter a dollar amount or rate in box 2. If you certify a rate, enter the rate per \$1,000 of assessed value. The rate entered may be up to the maximum rate approved by the voters and must equal the rate imposed by resolution.

You must enter a dollar amount to be levied if the voters approved a fixed-dollar levy. The amount can't exceed the amount approved by the voters and must equal the amount in the resolution imposing tax.

Line 3. If you are certifying a local option levy for capital projects, you may enter a dollar amount or rate in box 3. If you certify a rate, enter the rate per \$1,000 of assessed value. The rate entered may be up to the maximum rate approved by the voters and must equal the rate imposed by resolution.

You must enter a dollar amount to be levied if the voters approved a fixed-dollar levy. The amount can't exceed the amount approved by the voters and must equal the amount in the resolution imposing tax.

Line 4. The City of Portland is the only entity that may use this line. Enter the amount being levied to pay for qualifying pension and disability obligations in box 4.

Lines 5a, 5b, and 5c. If your debt service levy includes amounts for bonds approved prior to October 6, 2001, and bonds approved after that date, see the back of Form LB-50 for a worksheet to use in figuring lines 5a and 5b.

The worksheet uses the amount of budgeted principal and interest expenditures for each bond issue to arrive at a ratio. This ratio is then used to allocate the total levy on line 5c between bonds approved before and after October 6, 2001.

Line 5a. Enter the amount levied that is used to repay principal and interest on bonds approved by the voters prior to October 6, 2001. Advanced refunding bonds that are sold to refund bonds authorized prior to October 6, 2001 are treated as if they were authorized prior to October 6, 2001.

Line 5b. Enter the amount levied that is used to repay principal and interest on bonds approved by the voters after October 6, 2001.

Line 5c. Enter the total dollar amount levied to pay for bond principal and interest not subject to the limitations of Measure 50 (section 11, Article XI) or Measure 5 (section 11b, Article XI) in box 5c. Bond levies are always a dollar amount. This line is the total of lines 5a and 5b.

The total debt service levy on line 5c must be the same amount as stated in the resolution imposing tax.

Part II: Rate Limit Certification

Most districts had a permanent rate limit established in 1997–98 for operating taxes. Some new districts have had permanent rate limits established by voters. Other districts have a new permanent rate because of a merger or consolidation.

Part II of this form is designed to notify the assessor of your permanent rate limit.

Line 6. Enter the district's permanent rate limit per \$1,000 of assessed value. The rate should be carried four places to the right of the decimal point. If you don't know your permanent rate limit, contact your county assessor, or the Department of Revenue, Finance and Taxation Team.

Line 7. If you are a new district that just had its permanent rate limit established by the voters, enter the **date of the election** in which your rate limit was approved. You only need to complete this line for the first year your new permanent rate limit is certified. If you use line 7, include a copy of the **ballot measure** with your certification documents.

Line 8. If your district went through a merger or consolidation during the current fiscal year, show your estimated permanent rate limit on this line. Before taxes are extended on the roll for the upcoming fiscal year, the assessor will calculate a permanent rate limit for your district using actual values. You will be notified of the actual new permanent rate limit. If your estimated rate is higher than the actual permanent rate limit, the assessor will use the actual rate. If your estimated rate is less than the actual permanent rate limit, the assessor will use the estimated rate. You may contact your county assessor, or the Department of Revenue, Finance and Taxation Team if you need help in estimating your new permanent rate limit.

Part III: Schedule of Local Option Taxes

Complete this schedule if you have one or more voter-approved local option taxes. For each local option tax, list the purpose of the tax (operating or capital project), the date voters approved it, the first tax year the tax can be imposed, the final tax year the tax will be imposed and the dollar amount or rate authorized by the voters.

Part IV: Special Assessments, Fees, and Charges

Those districts and nongovernmental entities that place non-ad valorem taxes or other charges on the tax roll must certify to their county assessor by July 15, by completing this part of the form.

If your district is imposing any of the following items, you must declare them on this portion of the form:

1. Ad valorem assessments.
2. Other taxes, fees, charges, and special assessments such as for water, irrigation, road, drainage, etc., which may be placed on the roll under the provisions of a specific statute.

Counties and cities may have charges that fall into this area. Some special districts such as irrigation, water and some road districts, may also impose a special assessment on the properties within their boundaries. Some nongovernmental entities also have specific statutory authority to place charges on the roll. These charges may be calculated on an ad valorem basis or on another unit of measurement, such as by property, acre, or frontage foot. Your options are usually governed by statute in the chapter of the Oregon Revised Statutes under which your district is organized.

Identify by category

For every item described in Part IV, show the total amount in the column for the appropriate category. These categories are:

General government. Generally, these are taxes on property imposed by a unit of government whose main purpose is to perform governmental operations other than educational services.

Excluded from limitation. These are fees, charges, and special assessments not limited by Measure 5.

If you have questions about the correct category of your tax, consult your legal counsel, or the statewide organization representing your district, or your county assessor.

Describe the specific charge(s) on the available line(s) under the heading, "Description."

Determine the total of each type of charge. Place the total dollar figure in the box under the appropriate category.

Attach a complete listing of properties, by assessor's account number, on which fees, charges, and assessments are imposed. Show the amount of the fees, charges, or assessments which are imposed uniformly on the properties, i.e., each property will pay the same dollar amount. If the fees, charges, or assessments are not uniform, such as, the amounts are calculated differently for each property, show the amount imposed on each property.

If your district is using Part IV, you must enter in the space provided the specific Oregon Revised Statute (ORS) number that gives the district the authority to place the items on the tax roll.

Submission to assessor

If you are **imposing a tax on property** and are **subject to Local Budget Law**, you must submit the following documents to the county assessor in each county in which this tax is imposed by July 15, or the date of extension granted by the assessor:

- Two copies of the resolution statements that adopt the budget, make appropriations, impose taxes, and categorize the taxes.
- Two copies of a complete LB-50.
- Two copies of any newly approved local option or permanent rate ballot measures.

If you are imposing a tax on property and are **not** subject to Local Budget Law, you must submit:

- Two copies of a resolution imposing and categorizing the tax.
- Two copies of the LB-50.
- Two copies of any newly approved local option or permanent rate ballot measures.

If you are imposing a fee, charge or assessment that is **not** a tax on property and you are **not** subject to Local Budget Law, submit two copies of the LB-50. The assessor or the Department of Revenue may request additional documents.

Don't submit a copy of your budget to the assessor or the Department of Revenue unless it is specifically requested.

If your district is subject to Local Budget Law, a complete copy of your budget must be submitted to the county clerk by September 30.

Form LB-50 Sample

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50 2019–2020

To assessor of Sample County

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

Check here if this is an amended form.

The Sample City has the responsibility and authority to place the following property tax, fee, charge, or assessment

District name

on the tax roll of Sample County. The property tax, fee, charge, or assessment is categorized as stated by this form.

County name

123 Main Street Sample OR 97000 6-28-19
Mailing address of district City State ZIP code Date submitted

J. Smith Mayor 503-555-0000 j.smith@sample.net
Contact person Title Daytime telephone number Contact person e-mail address

CERTIFICATION—You must check one box if you are subject to Local Budget Law.

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
 The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits		
	Rate —or— Dollar Amount		
1. Rate per \$1,000 or total dollar amount levied (within permanent rate limit) ... 1	3.6129		
2. Local option operating tax 2	\$100,000		Excluded from Measure 5 Limits
3. Local option capital project tax 3	1.5000		
4. City of Portland Levy for pension and disability obligations 4	0		Dollar Amount of Bond Levy
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 5a		\$12,200	
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001 5b		\$25,500	
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) 5c		\$37,700	

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000 6	3.6129
7. Election date when your new district received voter approval for your permanent rate limit 7	N/A
8. Estimated permanent rate limit for newly merged/consolidated district 8	N/A

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters
Operating	Nov. 2, 2015	2016–17	2020–21	\$100,000
Capital Project	May 21, 2016	2017–18	2025–26	1.5000

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1 Delinquent Sewer Charges	454.225		\$10,000
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor’s account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.
**** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.**

(see the back for worksheet for lines 5a, 5b, and 5c)
File with your assessor no later than JULY 15, unless granted an extension in writing.

Notice of Supplemental Budget Hearing, 150-504-073-8

General

Use this form only if a supplemental budget hearing is needed. Not every supplemental budget requires a hearing. A hearing is required when the supplemental budget makes a change in expenditures of more than 10 percent in any fund.

A supplemental budget that does not change expenditures in any fund by more than 10 percent may be adopted at a regular meeting of the governing body. Publish notice of the regular meeting at least five days prior to the meeting and include a statement that a supplemental budget will be considered. For more information on supplemental budgets see the *Local Budgeting Manual*, 150-504-420, or ORS 294.471.

Hearing notice

Complete the upper portion of the form by giving the name of the district, the location, date, and time of the hearing, and indicate when and where a copy of the supplemental budget document can be obtained or inspected. The hearing notice must also contain a summary of the proposed budget changes.

Summary of Proposed Budget Changes

Give the name of each fund being adjusted by more than 10 percent. Use a separate section for each fund being adjusted.

Next, list any resource item that is being added or adjusted, such as "Unrestricted Grant," or "transfer from Special Revenue Fund," and the new total amount. Also list any expenditure category that is being adjusted, such as "Personnel Services" or "Capital Outlay," and the new total amount.

If the supplemental budget is changing an existing resource or requirement, the amount shown should be the new total amount. The amounts in the "Revised Total Fund Resources" and "Revised Total Fund Requirements" boxes should be the new total for the fund. In the explanation of changes area, explain the reason for the adjustment and identify the organizational units or programs associated with the expenditures being adjusted. See example below.

Publication

Publish this form at least one time, not less than **five days** before the supplemental budget hearing. You may publish in a newspaper of general circulation in the district, by mailing by first class mail to every mailing address in the district, or by hand delivery to every street address in the district.

SUMMARY OF PROPOSED BUDGET CHANGES			
AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED			
FUND: General Fund			
Resource	Amount	Expenditure—indicate Org. unit / Prog. & Activity, and Object class.	Amount
1. Grant	\$25,000	1.Admin.—Personnel services	\$392,430
2.		2. Contingency	\$130,450
3.		3.	
Revised Total Fund Resources	\$3,810,385	Revised Total Fund Requirements	\$3,810,385

Explanation of changes: Sample City has received a \$25,000 operating grant and is transferring \$15,000 from contingency to increase the Administration department personnel services expenditure by \$40,000 to fund one part-time enforcement officer. These changes increase the total personnel services expenditure from \$352,430 to \$392,430 and decreases the contingency from \$145,450 to \$130,450.

Amounts being changed don't necessarily add up to new total in fund.

Show new total for object classification.

Show new total resources and requirements for fund (must balance).

Percent of Property Taxes Collected, by County

This percentage is the portion of current year property taxes collected in each of the last five years. You may use this percentage to estimate the amount of property tax revenue you will receive as a budget resource. For example, if 92.2 percent is collected, then 7.8 percent would be lost to discounts and other uncollected amounts. (100% - 92.2% = 7.8%). Multiply your tax rate (per \$1,000) times the assessed value in your district divided by \$1,000, and then multiply the result by the figure from the chart below to get the estimated amount your rate will raise for your budget.

County	2013-14	2014-15	2015-16	2016-17	2017-18*
Baker	93.8%	92.8%	94.0%	94.7%	94.1%
Benton	94.4%	94.4%	95.1%	95.2%	95.9%
Clackamas	94.9%	95.1%	95.2%	95.5%	95.4%
Clatsop	93.4%	93.8%	94.0%	94.3%	94.3%
Columbia	94.1%	94.0%	94.2%	94.2%	94.1%
Coos	92.7%	93.1%	92.9%	93.2%	93.3%
Crook	93.8%	94.2%	94.1%	94.3%	94.3%
Curry	92.7%	93.4%	93.7%	93.7%	93.9%
Deschutes	95.4%	95.9%	95.3%	95.7%	96.1%
Douglas	92.9%	93.1%	93.5%	93.5%	93.8%
Gilliam	95.9%	95.4%	95.3%	96.3%	95.9%
Grant	92.3%	93.3%	93.0%	92.9%	92.9%
Harney	92.2%	92.8%	92.7%	92.7%	92.9%
Hood river	95.1%	95.1%	95.6%	95.3%	95.4%
Jackson	94.2%	94.5%	94.8%	94.9%	95.1%
Jefferson	93.9%	94.2%	94.8%	95.0%	94.8%
Josephine	93.5%	93.7%	93.9%	94.3%	94.5%
Klamath	93.1%	93.3%	92.9%	93.2%	93.2%
Lake	92.9%	92.6%	93.1%	93.1%	93.4%
Lane	94.5%	94.7%	94.7%	94.8%	95.6%
Lincoln	93.3%	93.8%	93.8%	94.3%	94.3%
Linn	93.2%	93.7%	93.7%	94.1%	94.8%
Malheur	93.9%	94.0%	94.2%	94.3%	94.5%
Marion	94.4%	94.8%	94.9%	95.2%	95.1%
Morrow	95.8%	96.1%	95.9%	95.7%	94.2%
Multnomah	94.8%	95.1%	95.2%	95.5%	95.8%
Polk	94.1%	94.6%	94.7%	94.4%	94.6%
Sherman	94.9%	95.0%	96.0%	96.0%	96.3%
Tillamook	93.6%	94.7%	94.6%	94.8%	95.0%
Umatilla	94.1%	94.6%	94.5%	94.2%	94.7%
Union	93.2%	93.3%	93.8%	93.9%	94.6%
Wallowa	94.4%	94.4%	94.4%	94.5%	94.4%
Wasco	93.3%	93.6%	94.0%	94.3%	94.4%
Washington	95.4%	95.7%	95.6%	95.7%	96.2%
Wheeler	91.5%	92.4%	91.1%	90.7%	88.9%
Yamhill	93.3%	93.4%	93.8%	94.2%	94.6%
Statewide	94.6%	94.9%	94.9%	95.1%	95.4%

* The collection rate may include potential refund credits in that fiscal year. (See ORS 305.286)

Oregon Department of Revenue Research Section 09/17/18

A

Use this notice if public comment will be taken at this meeting.

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the _____, _____, State of Oregon, to
(District name) (County)
discuss the budget for the fiscal year July 1, 20____ to June 30, 20____, will be held at _____
(Location)
_____. The meeting will take place on _____ at _____
(Address) (Date) a.m. p.m.

The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget.
This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.

A copy of the budget document may be inspected or obtained on or after _____ at _____,
(Date) (Location)
 a.m. a.m.
between the hours of p.m. and p.m.

150-504-073-1 (Rev. 11-17)

B

Use this notice if public comment will be taken at a later meeting.

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the _____, _____, State of Oregon,
(District name) (County)
on the budget for the fiscal year July 1, 20____ to June 30, 20____, will be held at _____
(Location)
The meeting will take place on _____ at _____
(Date) a.m. p.m.

The purpose of the meeting is to receive the budget message. This is a public meeting where deliberation of the Budget Committee will take place.

An additional, separate meeting of the Budget Committee will be held to take public comment. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. The meeting for public comment will be on

_____ at _____, held at _____
(Date) a.m. p.m. (Location)

A copy of the budget document may be inspected or obtained on or after _____
(Date) a.m. a.m.
at _____, between the hours of p.m. and p.m.
(Location)

150-504-073-1 (Rev. 11-17)

**FORM
LB-1**

NOTICE OF BUDGET HEARING

A public meeting of the _____ will be held on _____ at _____ at _____
(Governing body) (Date)

_____, Oregon. The purpose of this meeting is to discuss the budget for the
(Location)

fiscal year beginning July 1, 20____ as approved by the _____ Budget Committee. A summary of
(Municipal corporation)

the budget is presented below. A copy of the budget may be inspected or obtained at _____
(Street address)

_____ between the hours of _____ a.m., and _____ p.m., or online at _____ This

budget is for an annual; biennial budget period. This budget was prepared on a basis of accounting that is: the same as;

different than the preceding year. If different, the major changes and their effect on the budget are:

Contact	Telephone number ()	E-mail
---------	-------------------------	--------

FINANCIAL SUMMARY – RESOURCES

TOTAL OF ALL FUNDS	Actual Amounts 20____–20____	Adopted Budget This Year: 20____–20____	Approved Budget Next Year: 20____–20____
1. Beginning Fund Balance/Net Working Capital			
2. Fees, Licenses, Permits, Fines, Assessments & Other Service Charges...			
3. Federal, State & all Other Grants, Gifts, Allocations & Donations			
4. Revenue from Bonds & Other Debt.....			
5. Interfund Transfers/Internal Service Reimbursements			
6. All Other Resources Except Current Year Property Taxes.....			
7. Current Year Property Taxes Estimated to be Received.....			
8. Total Resources —add lines 1 through 7.....			

FINANCIAL SUMMARY – REQUIREMENTS BY OBJECT CLASSIFICATION

9. Personnel Services			
10. Materials and Services			
11. Capital Outlay			
12. Debt Service			
13. Interfund Transfers.....			
14. Contingencies.....			
15. Special Payments.....			
16. Unappropriated Ending Balance and Reserved for Future Expenditure			
17. Total Requirements —add lines 9 through 16			

FINANCIAL SUMMARY – REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM*

Name of Organizational Unit or Program			
FTE for Unit or Program			
Name			
FTE			
Name			
FTE			
Name			
FTE			
Name			
FTE			

Resolution No. _____
RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED that the Board of Directors of the _____ hereby adopts the budget for fiscal year 20____-____ in the total of \$_____. * This budget is now on file at _____, in _____, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 20____, and for the purposes shown below are hereby appropriated:

General Fund

Organizational Unit or Program:
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____

Not Allocated to Organizational Unit or Program:

Personnel Services\$ _____
 Materials & Services\$ _____
 Capital Outlay\$ _____
 Debt Service\$ _____
 Special Payments\$ _____
 Transfers Out\$ _____
 Contingency\$ _____
 Total\$ _____

Debt Service Fund

Debt Service\$ _____
 Total\$ _____

Fund

Org. Unit/Program\$ _____
 Special Payments\$ _____
 Transfers Out\$ _____
 Contingency\$ _____
 Total\$ _____

Fund

Org. Unit/Program\$ _____
 Special Payments\$ _____
 Transfers Out\$ _____
 Contingency\$ _____
 Total\$ _____

Total Appropriations, All Funds \$ _____

Total Unappropriated and Reserve Amounts, All Funds \$ _____

TOTAL ADOPTED BUDGET \$ _____*

*(*amounts with asterisks must match)*

RESOLUTION IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed for tax year 20____ - ____ upon the assessed value of all taxable property within the district:

- (1) In the amount of \$ _____ OR at the rate of \$ _____ per \$1,000 of assessed value for permanent rate tax;
- (2) In the amount of \$ _____ OR at the rate of \$ _____ per \$1,000 of assessed value for local option tax; and
- (3) In the amount of \$ _____ for debt service for general obligation bonds;

RESOLUTION CATEGORIZING THE TAX

BE IT RESOLVED that the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

General Government Limitation

Permanent Rate Tax..... \$ _____ or _____/\$1,000
 Local Option Tax \$ _____ or _____/\$1,000

Excluded from Limitation

General Obligation Bond Debt Service..... \$ _____

The above resolution statements were approved and declared adopted on this _____ day

of _____ 20_____.

X _____
 Signature

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50 2019-2020

To assessor of _____ County

Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The _____ has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of _____ County. The property tax, fee, charge, or assessment is categorized as stated by this form.

Mailing address of district	City	State	ZIP code	Date submitted
Contact person	Title	Daytime telephone number	Contact person e-mail address	

CERTIFICATION— You **must** check one box if you are subject to Local Budget Law.

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
- The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits		
	Rate —or— Dollar Amount		
1. Rate per \$1,000 or total dollar amount levied (within permanent rate limit) ... 1			Excluded from Measure 5 Limits
2. Local option operating tax 2			
3. Local option capital project tax 3			
4. City of Portland Levy for pension and disability obligations 4			
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 5a			Dollar Amount of Bond Levy
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001 5b			
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) 5c			

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000..... 6	
7. Election date when your new district received voter approval for your permanent rate limit 7	
8. Estimated permanent rate limit for newly merged/consolidated district 8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

**** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.**

(see the back for worksheet for lines 5a, 5b, and 5c)
File with your assessor no later than JULY 15, unless granted an extension in writing.

Worksheet for Allocating Bond Taxes

Debt service requirements for bonds approved **prior to** October 6, 2001 (including advanced refunding issues to redeem them):

	Principal	Interest	Total
Bond Issue 1			
Bond Issue 2			
Bond Issue 3			
Total A			

Debt service requirements for bonds approved **on or after** October 6, 2001:

	Principal	Interest	Total
Bond Issue 1			
Bond Issue 2			
Bond Issue 3			
Total B			
Total Bond (A + B)			

Total Bonds

$$\frac{\text{Total A} = \$ \underline{\hspace{2cm}}}{\text{Total A + B} = \$ \underline{\hspace{2cm}}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{\hspace{2cm}} \quad (\text{enter on line 5a on the front})$$

$$\frac{\text{Total B} = \$ \underline{\hspace{2cm}}}{\text{Total A + B} = \$ \underline{\hspace{2cm}}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{\hspace{2cm}} \quad (\text{enter on line 5b on the front})$$

Total Bond Levy \$ (enter on line 5c on the front)

Example – Total Bond Levy = \$5,000

Debt service requirements for bonds approved **prior to** October 6, 2001 (including advanced refunding issues to redeem them):

	Principal	Interest	Total
Bond A: Bond Issue 1	5,000.00	500.00	5,500.00
Bond Issue 2	3,000.00	250.00	3,250.00
Bond Issue 3	1,000.00	100.00	1,100.00
Total A			9,850.00

Debt service requirements for bonds approved **on or after** October 6, 2001:

	Principal	Interest	Total
Bond B: Bond Issue 1	3,000.00	50.00	3,050.00
Total B			3,050.00
Total Bond (A + B)			\$12,900.00

Formula for determining the division of tax:

$$\frac{\text{Total A} = \$ \underline{9,850.00}}{\text{Total A + B} = \$ \underline{12,900.00}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{3,818.00} \quad (\text{enter on line 5a on the front})$$

$$\frac{\text{Total B} = \$ \underline{3,050.00}}{\text{Total A + B} = \$ \underline{12,900.00}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{1,182.00} \quad (\text{enter on line 5b on the front})$$

Total Bond Levy \$ 5,000.00 (enter on line 5c on the front)

NOTICE OF SUPPLEMENTAL BUDGET HEARING

- Use for supplemental budget proposing a change in any fund's expenditures by more than 10 percent.

A public hearing on a proposed supplemental budget for _____, for the current fiscal year, will be
(District name)

held at _____.
(Location)

The hearing will take place on _____ at _____ a.m. p.m.
(Date) (Time) The purpose

of the hearing is to discuss the supplemental budget with interested persons.

A copy of the supplemental budget document may be inspected or obtained on or after _____ at
(Date)

_____, between the hours of _____ a.m. p.m. and _____ a.m. p.m.
(Location)

SUMMARY OF PROPOSED BUDGET CHANGES

AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED

FUND: _____

Resource	Amount	Expenditure—indicate Org. unit / Prog. & Activity, and Object class.	Amount
1. _____	_____	1. _____	_____
2. _____	_____	2. _____	_____
3. _____	_____	3. _____	_____
Revised Total Fund Resources		Revised Total Fund Requirements	

Explanation of changes:

FUND: _____

Resource	Amount	Expenditure—indicate Org. unit / Prog. & Activity, and Object class.	Amount
1. _____	_____	1. _____	_____
2. _____	_____	2. _____	_____
3. _____	_____	3. _____	_____
Revised Total Fund Resources		Revised Total Fund Requirements	

Explanation of changes:
