

# BUDGET COMMITTEE PURPOSE & PROCESS



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# Overall Budget Process

- The budget officer prepares a proposed budget.
- Notice of the budget committee meeting is published.
- The budget document is made available at or before the meeting.
- The budget committee conducts at least one public meeting for questions or comments.
- The budget committee approves the budget.
- Notice of the public hearing and a summary of the approved budget are published.
- The governing body conducts a public hearing on the approved budget.
- The governing body, after public comment and deliberations, adopts the budget and enacts resolutions or ordinances by June 30.
- The government body certifies the district's tax, if any, to the county assessor by July 15.



# Budget Committee – State Law

## ***Oregon Revised Statute (ORS) 294.414 – Budget Committee***

- (1) ...the governing body of each municipal corporation shall establish a budget committee...
- (2) The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of electors of the municipal corporation appointed by the governing body...
- (4) Appointive members of the budget committee may not be officers, agents or employees of the municipal corporation.
- (5) Appointive members of a budget committee that prepares an annual budget shall be appointed for terms of three years. The terms shall be staggered so that, as near as practicable...
- (7) If any appointive member is unable to serve the term for which the member was appointed.
- (9) The budget committee shall at its first meeting after its appointment elect a presiding officer from among its members.



# Budget Committee – State Law

## ***ORS 294.426 - Budget Committee meeting***

The budget committee established under ORS 294.414 shall hold one or more meetings for the following purposes:

- (1) (a) *Receiving the budget message prepared under ORS 294.403 (Budget message) and the budget document;* and
- (b) *Providing members of the public with an opportunity to ask questions about and comment on the budget document.*
- (2) (a) If a budget committee holds more than one meeting under subsection (1) of this section, the budget message and the budget document must be received at the first meeting.
- (b) If the budget committee does not provide members of the public with an opportunity to ask questions about and comment on the budget document at the first meeting, the budget committee must provide the public with the opportunity at a subsequent meeting.



# Budget Committee – State Law

## **ORS 294.428 - Budget Committee hearings**

- (1) The budget committee shall approve the budget document as submitted by the budget officer or the budget document as revised and prepared by the budget committee. The budget document as approved by the budget committee shall specify the ad valorem property tax amount or rate for all funds.*
- (2)** In addition to the meetings held under ORS 294.426...(1), the budget committee may meet from time to time...shall be open to the public...prior notice of each meeting of the budget committee shall be given at the same time as is required for notice of meetings of the governing body...
- (3) The budget committee may demand and receive from any officer, employee or department of the municipal corporation any information the committee requires for the revision and preparation of the budget document. The budget committee may compel the attendance of any such officer or employee at its meetings.*



# Committee Description – County Policy

The Budget Committee is a Mandated Special Committee of Lane County provided for in State law (ORS 294.414) and Lane Manual section 3.565.

**Lane Manual 3.565 Budget Committee.** Reviews and approves the County budget, limits the amount of tax which may be levied by the County and establishes a tentative maximum for total permissible expenditures for each fund in the County budget.

**MEETS:** Upon completion of Proposed Budget; typically first 3 weeks of May

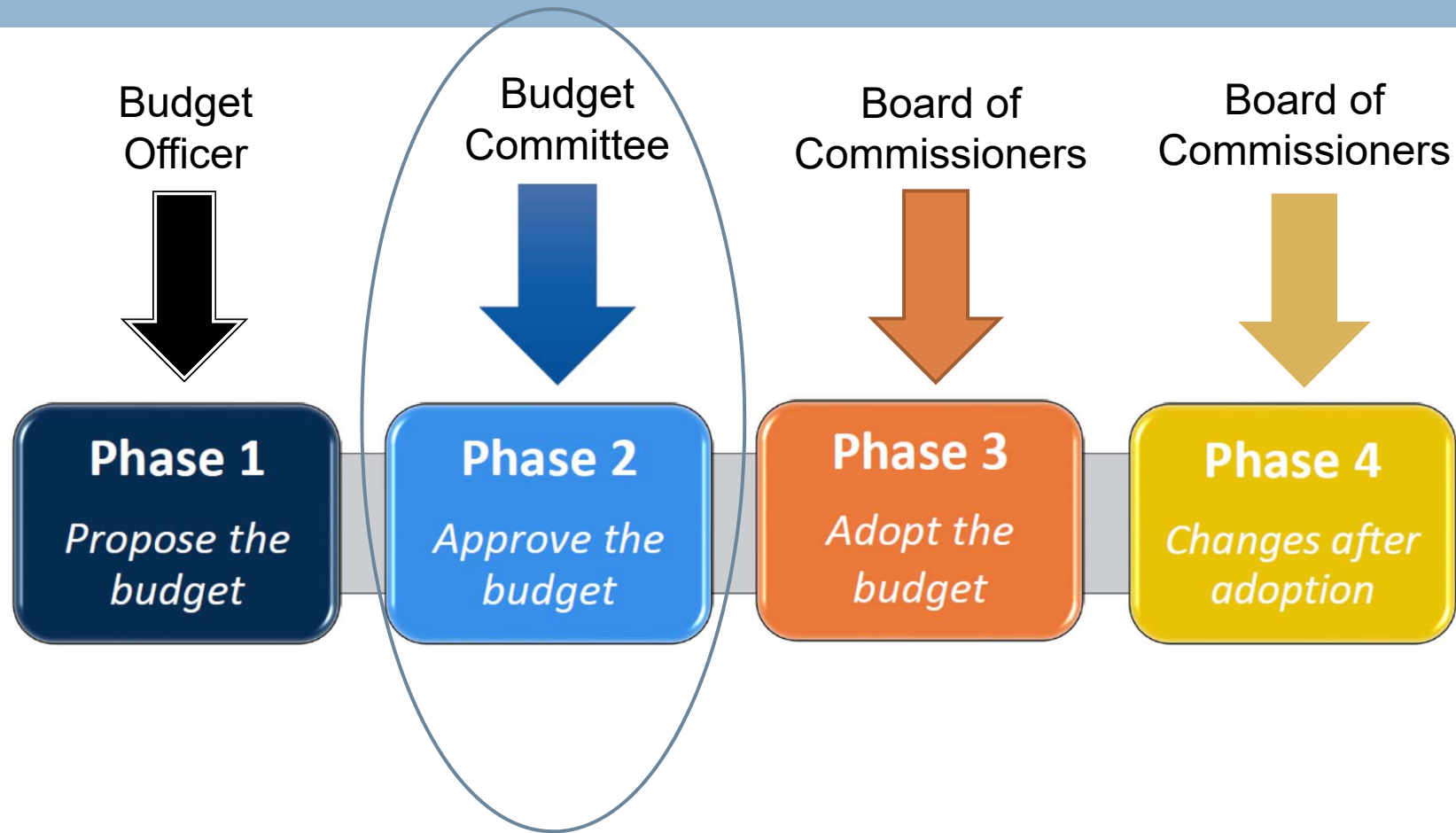
**MEMBERSHIP:** (10) Consists of members of the Board of Commissioners and an equal number of lay citizens. Vacancies on this committee will not be advertised unless otherwise requested by the Board member whose recommended appointee position has been vacated.

**TERM:** 3 years, [staggered terms] ending December 31

**QUALIFICATIONS:** Resident of Lane County, registered voter, non-Lane County Government employee.



# Budget Phases



# Budget Cycle – Roles & Responsibilities

## Budget Development

- \* Budget Office & Departments
- \* County Administrator

## Budget Adoption

- \* County Administrator (Proposed)
- \* ***Budget Committee (BCC + 5 residents) (Approve)***
- \* Board of Commissioners (Adopt)

## Budget Execution (aka Spend it and Amend it)

- \* County Staff, Budget Office and Board Of Commissioners

## Auditing & Assessment

- \* Financial Services, Departments, External Auditor





# Job Description/Purpose

## What The Budget Committee Does:

- ❑ Receives the Budget Document
- ❑ Hears the budget message
- ❑ Hears & considers public comment
- ❑ Discusses and revises the budget as needed
- ❑ Approves the budget
- ❑ Approves the property taxes

*Source: Oregon Department of Revenue*



# Job Description Continued

## Receives the Budget Document

Proposed Budget document provided/made public one week prior to start of published Budget Committee meetings. “Pre-Meeting”

- Budget becomes a public document when released to committee and needs to be available - *posted on County website same day*
- Public has right to inspect and request copies (can be charged for copies)– *On website & public copy is at County Administration front desk*



# Job Description Continued

## Hears the Budget Message

The Budget Committee receives the Budget Message at their first meeting. The Message is:

- ❑ Prepared by or under direction of executive officer
- ❑ Explains budget document
- ❑ Describes financial policies
- ❑ Explains any changes since last year
- ❑ Must be in writing
- ❑ Anyone can deliver it



**ORS 294.403**

# Job Description Continued

## Hear & Consider Public Comment

Public Hearing and additional Public Comment

- On the date and time in the published notice
- Any person may ask questions about and comment on the budget **ORS 294.426(4)(c)**
- Can establish time limits and other policies for public comment period – *typically 3 minutes per speaker*
- Add additional meetings if desired – *LC holds public hearing (1<sup>st</sup> meeting) & public comment (last meeting)*

Source: Oregon Department of Revenue



# Job Description Continued

## **Discuss and Revise the Budget**

Department & Overview presentations, Question and Answer process added to assist with this task.

- Discuss and (if a majority feels necessary) revise the proposed budget.
- May reduce or increase the estimate of resources and requirements.
- May approve budget at first meeting or it may take several meetings.

Source: Oregon Department of Revenue



# Job Description Continued

## Approve the Budget

Established revision/deliberation process

- Sample Motion to Approve Budget:
  - ▣ “I move that the budget committee of Sample City approve the budget for the 2021-22 fiscal year in the amount of 13,910,076.”
- *(motion and vote recorded in the minutes)*

Source: Oregon Department of Revenue



# Job Description Cont.

## Approve Each Tax levy

- Sample Motion to Approve Taxes:
  - *“Move approval of the FY 2020-2021 Local Option Tax to support 4-H and OSU Extension Programs in Lane County in the amount of \$0.015 per \$1,000 Assessed Value”*
- The Budget Committee is now finished!

*Source: Oregon Department of Revenue*



# Lane County Committee Process

- Committee members attend Leadership Team Meeting in January
- Tour(s) of service (on hold with COVID-19) (March-April)
- Committee “pre-meeting” and budget materials provided (~7 days prior to first meeting)
- Budget Buddy assignments – Directors paired w/ resident members
- *Committee receives budget message and holds public hearing.*
- Committee worksessions - presentations from departments.
- Individual committee members submit questions to departments.
- Individual committee members propose adjustments to the budget.
- Committee holds public comment period prior to deliberation.
- *Committee deliberates, approves budget and sets amount of tax to be levied.*
- Committee reviews and makes recommendation for Elected Officials Compensation

*\*Red highlights = legally required duties*



FY 21-22 Proposed Budget Presentation



# Question & Answer Process

*ORS 294.428- The budget committee may demand and receive from any officer, employee or department of the municipal corporation any information the committee requires for the revision and preparation of the budget document. The budget committee may compel the attendance of any such officer or employee at its meetings :*

Lane County goes beyond budget law requirement and provides additional opportunity for individual member questions. Historically used in situations of:

- ☐ Questions specific to materials provided to the committee prior to meetings.
- ☐ Questions not answered during meetings due to lack of meeting time or need for more information prior to providing answer.



# Question & Answer Process

## **15 Minute Rule**

### **Pertaining to Budget Committee Members:**

(1) Individual committee members shall be allowed to ask for information from any county employee for information *by sending the question through the County Administration budget staff* – which will coordinate the collecting of answers and make sure that the question and answers are provided to ALL budget committee members. No more than 15 minutes may be expended on such a request by a county employee. All such information requests will be sent to the Department Director who will then forward to the appropriate employee.

(2) In the event an individual committee member needs more information or assistance on a particular issue or matter, individual members may request the entire Budget Committee to provide authority for additional assistance beyond the 15-minute rule. This request shall occur at a budget committee meeting and majority approval of the request is required.



# Questions?

□ *Up Next: Break.*



FY 21-22 Proposed Budget Presentation