



Introduction. If you are a public official, may one day be a public official, or are an activist who monitors government boards and commissions, you will want to become familiar with Oregon's local budget process. NOTE: This training document is not a legal document, nor is it intended to constitute legal advice. Instead, it is a descriptive document about the basics of Oregon's local budget process.

① What are the Basics of Local Budget Laws?

Almost every local government in Oregon, regardless of size, must prepare and prepare and adopt a budget. With few exceptions, budgets must be annual or biennial. Schools, counties, cities, ports, rural fire districts, special district, urban renewal agencies, and special districts must all comply. Laws governing local budget processes can be found in Chapter 294 of Oregon's Revised Statutes.

② Get Your Hands Dirty! Get Appointed to a Budget Committee!

Budget Committees are a government body's fiscal planning advisory committee. The committee consists of the members of the governing body plus an equal number of qualified district voters appointed by the body. With few exceptions, all qualified voters of the district may serve on a Budget Committee.

Budget Committees are EXCELLENT places for activists to begin direct involvement in local government. Many of these positions remain vacant for years at a time. You can apply by filling out the appropriate forms at your county or city elections office. You do not need prior experience. You can learn on the job. Dive in! Committee members are appointed to three-year terms usually staggered. The Budget Committee must select a presiding officer who presides over Budget Committee meetings. Members are unpaid.

Once a "proposed" budget is distributed as described below, Budget Committee members may request any information required during consideration of the proposed budget from any district officer or employee. Budget Committees may amend the "proposed budget." Budget Committees, through the district's chief administrative officer, may require staff members to attend Budget Committee meetings.

③ What are the Nine Steps of the Budget Cycle?

- A. **A "Budget Officer" is Appointed.** This person works under the supervision of the governing body or a chief executive who works under that body.
- B. **A "Proposed" Budget is Prepared.** The Budget Officer is responsible for creating a proposed budget and presenting it to the governing body's budget committee.
- C. **The Budget Officer Publishes Notice.** A "Notice of Budget Committee Meeting" must be published. If only in a newspaper, it must be published twice, five to thirty days before the first Budget Committee hearing. If it is published on the governing body's website, it must appear at least ten days before the hearing and notice must be published once in a newspaper five to thirty days before (the newspaper notice must provide the website). If the notice is mailed, it must be provided ten days before the hearing.

If more than one meeting is held to solicit public testimony, only the first is required to be noticed as described above. Subsequent meetings may be noticed in accordance with notice requirements applicable to the governing body when it meets.

- D. **The Budget Committee Meets.** At least one meeting must be held to receive the proposed budget and hear the public. As soon as members of the Budget Committee receive the proposed budget, it becomes a public document. Members of the Budget Committee may not deliberate toward any decision before the meeting, and may not deliberate outside of a public meeting. If not at an initial budget committee meeting, the public must be allowed to offer testimony at a subsequent meeting during this process. All meetings are open to the public.

- E. Budget Committee Amends and/or "Approves" Proposed Budget.** The proposed budget is "approved" when the Budget Committee is satisfied with the document after making any amendments. An "approved" budget is not yet "adopted," but still a work in progress. If the budget includes income from a new or increased "ad valorem" tax, usually a property tax, the Committee must approve an amount or rate to be certified by a public assessor.
- F. Publish a Budget Summary and Notice of Budget Hearing.** Once the proposed budget is approved by the Budget Committee, a budget hearing must be held by the governing body. Notice of the hearing, and a summary of the budget must be published thirty days or more before the hearing. This information must be provided in the newspaper, by mail, or by hand delivery. If no area newspaper exists and estimated expenses in the budget do not exceed \$100,000, the information may be posted in three conspicuous places at least twenty days before the hearing.
- G. A Public Hearing Must be Held on the Approved Budget.** More than one hearing may be held. All hearings are open to the public. These hearings are to hear public testimony.
- H. The Budget is Adopted, Appropriations are Made, and Tax Levies are Declared.** The governing board finally "adopts" the budget. It may make changes before or, within narrow constraints, after it is adopted, but no changes can be made after the beginning of the next fiscal year, which generally begins on July 1. The governing body must enact resolutions to formally adopt the budget, make appropriations and, if needed, levy and categorize any tax.
- I. Budget is Filed and Any Levies are Certified.** Districts levying a property tax must submit to the county assessor's office on or before July 15. Districts not levying a property tax must send a copy of its adopting resolutions to the Department of Revenue before July 15. Property taxes must be approved by voters. The time and scope of such elections are regulated.

④ Here's How to Have an Impact on the Local Budget Process!

- A. Get on a Budget Committee!** If we are going to keep our republic, we need to take personal responsibility for its governance, yes? See if you can get appointed to a Budget Committee or elected to a local office on a body that automatically serves on a budget committee. There is no better way to be involved than to be one of the decision makers! Also, it is fascinating work!
- B. Get Involved EARLY IN THE PROCESS!** If you can't get on the Budget Committee, do what you can to get involved EARLY. You will have the best chance to influence a budget if you get involved BEFORE the Budget Committee approves the proposed budget. While it is still possible to effect change after that by lobbying Budget Committee members, it is harder. All too often, people show up at the final budget meeting where budgets are adopted. While it is technically possible to lobby for changes at this point, in reality the die is already cast. Get involved EARLY!
- C. Do Your Homework!** Go to the governing body you are interested in. Ask for past budgets. Ask for the minutes of recent Budget Committee hearings. Study the materials. If you find items you are interested or have questions about, make appointments to see members of the Budget Committee including members of the governing board. You might also be able to meet with staff. It is best to do this BEFORE the proposed budget is approved, but the earlier the better!
- D. Find the Timelines and Make Your Plan.** Go to your governing body and find out what their timeline is to accomplish the nine steps outlined above. Based on the timeline, make your plan. Include fellow activists. Plan Letters to the Editor in your local newspaper. Plan phone campaigns. If you make your voice heard, you CAN have an impact, particularly if you start early!
- E. Get More Training!** Go to the WLN website and get companion training documents on How to Lobby Public Officials, Testify Before Public Boards, Write Letters to the Editor, and more. Learning these skills will not guarantee success, but they will make success much more likely! Even if you fail the first time, acquiring and sharpening these skills will help you and your friends build reputations as competent activists and equip you for future battles and projects!

Conclusion. This offers a basic introduction and some rules of thumb relating to Oregon's local budget processes. Speak to an attorney or contact the Oregon Department of Revenue if you have questions. While the above provides good rules of thumb, there are exceptions and requirements associated with particular circumstances. You are encouraged to learn more by visiting the website of the Oregon Department of Revenue and reading "Budgeting in Oregon Manual" and "Local Budgeting Manual." You can also refer to ORS Chapter 294 online.