City of Florence

Budget Committee
Basics of Budgeting in Oregon
2015-2016

Confirmation of Members

Each Budget Committee Member must be a qualified voter of the City and be appointed by the City Council.

Chair & Vice-Chair

- The Chair's primary duty is to preside over the budget committee meetings.
- The Vice-Chair would conduct the meetings in the Chair's absence.
- The Chair and Vice-Chair are elected positions.

Role of the Budget Committee

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

Purpose of the Committee

- Conduct public hearings to hear budget message and review the budget
- Listen to comments and questions from the public
- Consider public input in budget deliberations
- Approve the property tax rate to submit to assessor
- Approve budget and recommend to the governing body

Legal Mandates

- Must hold at least one meeting to :
  - ✓ Receive the budget message & document
  - ✓ Provide opportunity for public input
- Must have a quorum (more than one half) to hold a meeting.
- <u>Cannot</u> mandate changes to personnel, employee contracts, or salary levels

What can the budget committee do to the budget?

- ". .Budget committees role is not to directly establish or eliminate specific programs or services . ." (DOR . Local Budgeting in Oregon p.17)
- Governing bodies responsible for setting budget parameters
- By majority vote "may add or delete funding for specific services" but final authority rests with governing body.

Public Meeting Rules

- Discussions must take place in Public Meeting.
- Direct all inquiries to the Budget Chair
- Budget Chair will communicate questions to Budget Officer.
- Budget Officer will address items and highlight issues so that all members have heard the question and answer.

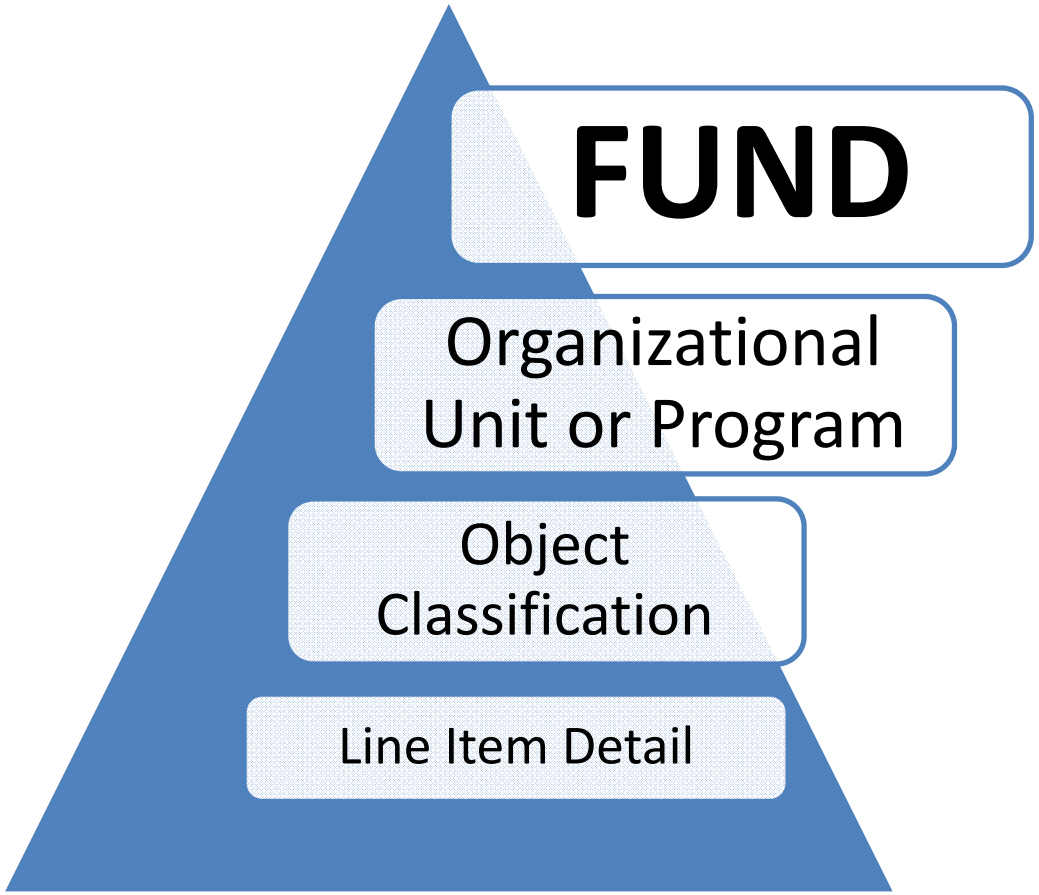
Budget Basics

Review of the Budget Process

The budgeting process has four steps in which the budget is:

1) Prepared
2) Approved
3) Adopted
4) Executed

Financial Structure



Resources and Requirements

MUST BALANCE!!!

Budget Resources

- Carryover – Beginning Fund Balance
- Property Taxes
- Charges for Services
- Franchise Fees
- Grants
- Bond Proceeds
- Donations
- Interfund Transfers In
- Interest Revenue

Budget Requirements
Object Classifications

Expenditures

- Personnel Services
- Materials & Services
- Capital Outlay
- Debt Service

Requirements

- Transfers Out
- Operating Contingency
- Reserved for Future Expenditure
- Unappropriated Ending Fund Balance (**UEFB**)

Example of Budget Format

Historical Data			Description of Resource and Requirement Items	Budget for Next Year 2014 - 2015		
Actual		Adopted Budget This Year 2013 - 14		Proposed by Budget Officer	Approved by Budget Committee	Adopted by City Council
2nd Preceding Year 2011 - 12	1st Preceding Year 2012 - 13					

FUND and PROGRAMS

General Fund

Events Center Fund

Streets Fund

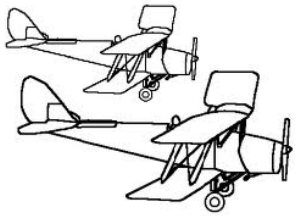
Public Works Enterprise Fund

Water Program

Wastewater Program

Stormwater Program

Airport Operations Fund



RESOURCES

Oregon Department of Revenue Budget Law *

Local Budgeting in Oregon

Local Budgeting Manual

*see handout with web links to resources