

# Overview

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## **Lane County's Budget Process**

Budget preparation begins in early winter and results in the completion of a proposed budget to be considered by the Budget Committee in spring. Once the Budget Committee has considered and approved the budget, the Board of County Commissioners holds a public hearing and adopts the budget. An illustration of the process with a schedule of Lane County's Budget Process follows this description. Citizens participate and provide input into the County budget process in many ways (see the next section on Community Involvement). Steps in the budget process:

### **1. Proposed Budget Prepared:**

The Lane County Leadership Team, made up of the Commissioners, department directors, and the County Administrator, usually meet in late fall to review the previous year's activities and the financial forecast for the next five years. The Leadership Team provides direction and agrees on the assumptions to be used in budgeting for the coming year. County department managers then begin building the budget, based on goals/priorities set forth by the County Commissioners.

Proposed budgets must reflect projected expenditure and revenue forecasts, activity levels and external limitations or pressures such as State tax measures, technology requirements, labor union contracts and capital improvement projects. Finished department budgets are submitted to the County Administrator's Office for subsequent review, revision and approval by the County Administrator.

### **2. Notice of Budget Committee Meeting Published:**

Once the proposed budget document is prepared by County staff, a "Notice of Budget Committee Meeting" is published. The notice contains the dates, times and places of several meetings, including presentation of the Budget Message, Budget Committee public hearings and deliberations. The notice is published once in the five to thirty days before the meeting and can be found in The Register-Guard newspaper.

### **3. Budget Committee Meets:**

The budget message, delivered at the first Budget Committee meeting, explains the Proposed Budget and any significant changes in the County's financial position. Budget Committee meetings are public meetings, during which interested parties may attend. The public may also provide testimony or public comment at scheduled meetings not designated as work sessions.

The Proposed Budget is made available to each member of the Budget Committee before their first meeting. At this time, the Proposed Budget is also made available to the community. A copy is placed in the County Administrator's Office and an electronic version is available on the County's internet website [www.lanecounty.org/budget](http://www.lanecounty.org/budget).

### **4. Budget Committee Approves Budget:**

The Budget Committee hears public testimony, presentations from each department, and comments from the Budget Manager and budget analysts. It also reviews the Proposed Budget, any add/reduction packages and any additional material requested. The committee deliberates and makes any necessary additions or reductions from the budget proposed by the County Administrator, before approving the budget. The Approved Budget specifies the amount or rate of ad valorem taxes for each fund receiving tax revenue. The Budget Committee is the only group that can set the property tax to be levied each year. It also sets the maximum amount that will be appropriated to each department within each fund.

### **5. Budget Summary and Notice of Budget Hearing Published:**

After the budget is approved, a budget hearing must be held by the Board of County Commissioners.

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The Board publishes a Financial Summary of the budget and a Notice of Budget Hearing five to thirty days before the scheduled hearing, during which additional public testimony is invited.

### **6. Budget Hearing Held:**

The purpose of the hearing is to listen to citizens' testimony on the Approved Budget.

### **7. Budget Adopted, Appropriations Made, Taxes Declared and Categorized:**

By law, the Board may make changes in the Approved Budget before it is adopted. Prior to the beginning of the fiscal year to which the budget relates, it can also make changes to the adopted budget. However, there are limitations:

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

After considering public testimony provided at the Budget Hearing, the Board of Commissioners deliberates and adopts the budget, no later than June 30. The Board prepares a resolution or ordinance that formally adopts the budget, makes appropriations and, if needed, levies and categorizes taxes. The budget is the basis for making appropriations and certifying the taxes.

### **8. Notice of Property Tax Levy:**

Each taxing district imposing a property tax levy must give notice of its property tax levy to the County Assessor by July 15.

### **9. Amendments to the Budget:**

Supplemental Budgets: There are 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. Supplemental budgets may require publication and a public hearing depending on the size of the changes being proposed. Each supplemental is discussed and adopted by the Board of Commissioners. The budget committee is not involved in adopting supplemental budgets. Supplemental budgets cannot be used to authorize a tax levy.

Board Orders Amending the Budget: In addition to the supplemental budget process, when needed, the Board can amend appropriations to the current year budget at a regular, publicly announced, meeting providing the changes do not exceed 10% of total fund expenditures and meet all other Oregon Budget Law requirements. These amendments happen periodically throughout the year, often as a result to changes in grant funding.