



City of Newberg Budget Committee Orientation

APRIL 15, 2017

Role and Process of the Budget Committee

➤ Who?

- ❖ Elected governing body members (7)
- ❖ An equal number of qualified City voters appointed by the governing body (7).
- ❖ A quorum is a majority of the total membership of the Committee (i.e. 8 members).
- ❖ Any Budget Committee action requires an affirmative vote of a majority of the total budget committee, not merely the majority of members present (i.e. Newberg requires 8 affirmative votes).

Role and Process of the Budget Committee

➤ What?

- ❖ A financial plan that includes estimates of expenditures and revenues for a single fiscal year (July 1 to June 30). ORS 294.311.
- ❖ Key actions taken by the Budget Committee
 - ❖ Approve the budget.
 - ❖ Set and approve the amount or rate of property taxes to be imposed. The City's permanent tax rate is \$4.3827 per \$1,000 of assessed value.

➤ Where?

- ❖ All meetings will be held at the Public Safety Building, 401 E. Third Street

Role and Process of the Budget Committee

- **When?** The budget must be adopted before June 30. A budget calendar provides adequate timeframes to accomplish each step.

April 25 (Tues) First Budget Committee meeting

May 3 (Wed) Second Budget Committee meeting

May 9 (Tues) Third Budget Committee meeting (if necessary)

May 10 (Wed) Fourth Budget Committee meeting (if necessary)

May 16 (Tues) Fifth Budget Committee meeting (if necessary)

June 5 (Mon) Council Meeting – Public Hearing and Budget Adoption

Role and Process of the Budget Committee

- First Meeting (April 25)
 - ❖ Budget Officer delivers the Budget Message
 - ❖ Long Range Financial Plan Model
 - ❖ Begin Fund Presentations
- Second Meeting (May 3)
 - ❖ State Shared Revenues Public Hearing to discuss possible uses of these funds. Based on per capita formulas, certain revenues collected by the state are distributed among cities, including taxes on liquor, cigarette, gas, marijuana, and phone (911 tax).
 - ❖ Continuation of Fund Presentations

Role and Process of the Budget Committee

- Third Meeting (May 9)
 - ❖ Wrap up Fund Presentations
 - ❖ Committee Deliberation
 - ❖ Approve the budget and set the taxes
 - ❖ The Budget Committee duties are now complete!
- City Council Meeting (June 5)
 - ❖ Public Hearing on the budget
 - ❖ Public Hearing on the proposed uses of state revenue sharing funds
 - ❖ Adopt the budget

Role and Process of the Budget Committee

➤ Why?

- ❖ Required by Oregon State law
- ❖ Public process to receive comments and questions
- ❖ IT'S FUN(D)!!!

Public Meeting Rules

- Discussions need to take place in a public meeting. You are strongly encouraged to discuss the budget with others. Take care to avoid committee deliberation among committee members that should be conducted at the public meeting.
- Questions and requests for information should be directed to the Budget Committee chair, who will coordinate with City staff to provide at the next meeting for the benefit of the full committee.

Budget Resources

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

Budget Requirements

- Personnel Services
- Materials and Services
- Capital Outlay
- Debt Service
- Transfers Out
- Operating Contingency
- Reserved for Future Expenditure
- Unappropriated Ending Fund Balance (UEFB)

Budget Information

- Oregon Department of Revenue Budget Law
- Basic Budget Book - designed for the first-time budget officer
- Local Budgeting in Oregon – designed for the public and budget committee members
- Local Budgeting Manual
- <http://www.oregon.gov/DOR/programs/property/Pages/local-budget.aspx>