

Budget Development Subcommittee: Budget Process & Fund Structure

February 7, 2024

Agenda

What is Oregon Budget Law

Budget Development Process in 10 “easy” steps

Budget Basics

What can the Budget Committee do with the budget?

LCC’s Fund Structure

Resources for Budget Development Subcommittee



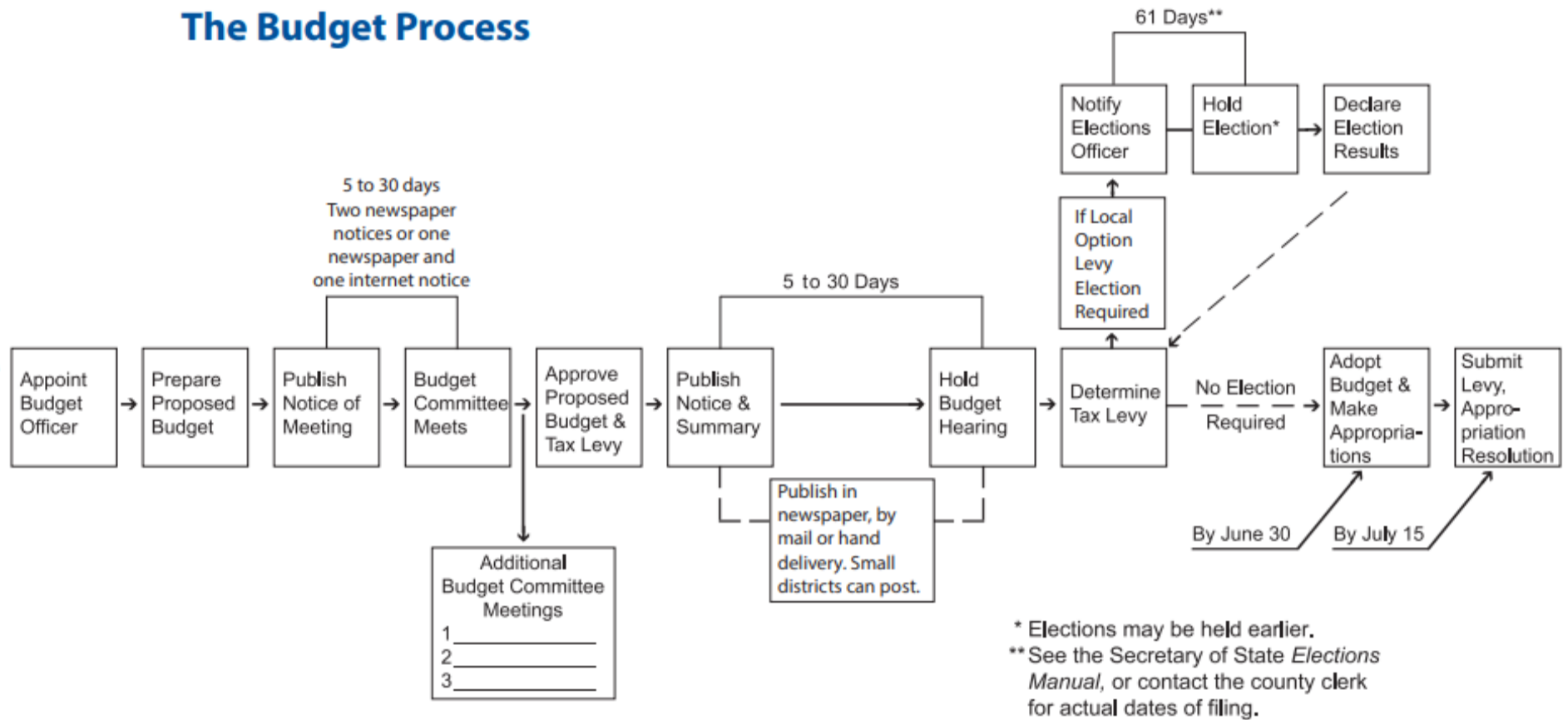
Chapter 294 of the Oregon Revised Statutes

Oregon's Local Budget Law is found in Oregon Revised Statutes (ORS) 294.305 to 294.565.
(115 pages, 14 chapters, and Six Appendices)

ORS 294 does many important things:

- Establish standard procedures and process
- Describe programs and policies
- Estimate revenues and expenditures
- Transparency with community input/involvement
- Provide control from overspending
- Tell the financial story in a standardized format

The Budget Process



Budget Development Process

In the budget development process outlined below, Lane Community College follows Oregon Local Budget Law. In addition to providing a financial plan for fiscal year revenues and expenses, Lane's Budget document outlines programs and initiatives and implements controls on spending authority. The budget development process is designed to encourage citizen input and public opinion about college programs and fiscal policies.

I Establish a Budget Committee

The Budget Committee consists of the seven members of the Board of Education plus seven citizens at large. Each board member appoints one citizen to the committee for a term of three years. Terms are staggered so that about one third of the appointed terms end each year.

II Appoint a Budget Officer

Lane's Budget Officer, is appointed by the Board of Education.



Board Policy 215

III Prepare a Proposed Budget

The Budget Officer supervises the preparation of a Proposed Budget which includes the following actions:

- A. Discuss Budget Assumptions with Budget Committee
- B. Develop resource (revenue) estimates and base expenditures budget
- C. Estimate preliminary surplus/deficit
- D. Determine tuition rate
- E. Develop changes to base and final budgets in accordance with internal planning processes and Board of Education approval
- F. Prepare Budget Message for the Budget Committee, public, employees and other stakeholders

IV Public Notice

Lane's Budget Officer publishes a public Notice of Budget Committee Meeting(s).

V Budget Committee Meeting(s)

At least one Budget Committee meeting is held to 1) review the budget message and document, 2) hear the public and 3) revise and complete the budget as needed. At the time the proposed budget is distributed to the Budget Committee, it becomes public record and is made available to the public.

VI Budget Approval

When the Budget Committee is satisfied with the proposed budget, including any additions to or deletions from the budget prepared by the Budget Officer, the budget is approved. Note: If the budget requires an ad valorem tax to be in balance, the budget committee must approve an amount or rate of total ad valorem property taxes to be certified to the assessor.

VII Publication

After the budget is approved a budget hearing is held by the Board of Education. The Budget Officer publishes a summary of the approved budget and a Notice of Budget Hearing.

VIII Budget Hearing

The Budget Hearing is held to receive citizen testimony on the approved budget.

IX Adoption

The Board of Education enacts a resolution to 1) formally adopt the budget, 2) make appropriations and, if needed, 3) levy and categorize taxes. The resolution must be adopted no later than June 30 for the fiscal year starting July 1.

X Budget Filed and Levy Certified

A copy of the complete budget is sent to the Lane County Clerk. When levying a property tax, Lane's Budget Officer submits notice of levy, categorization certification and resolutions to the County Assessor's office by July 15.

Budget Amendment Process

Budget estimates as shown in the Budget Document may be amended by the Board of Education 1) prior to formal adoption or 2) after formal adoption if amendments are adopted prior to the commencement of the budget fiscal year *and* the amount of estimated expenditures for each fund is not adjusted by more than 10%, a summary of the proposed changes must be published and another public Budget Hearing must be held.

Total ad valorem property tax amounts or rates may not be increased following formal adoption of the Budget Document unless 1) an amended Budget Document is republished and another public budget hearing is held and 2) the college obtains written approval and files a supplemental notice of property tax.

4 – Phases of a Budget

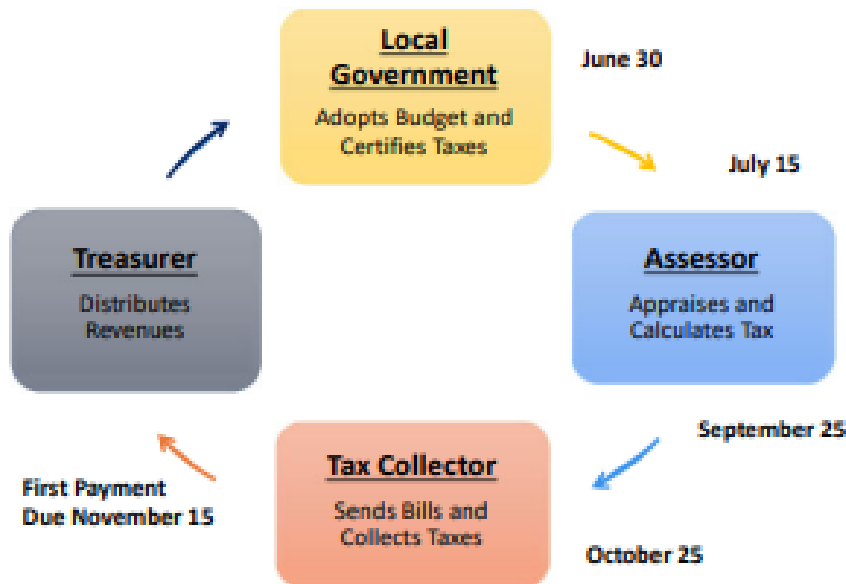
1st Phase – The Proposed Budget

2nd Phase – The Approved Budget

3rd Phase – The Adopted Budget

4th Phase – Changes to Adopted

Property Tax Cycle

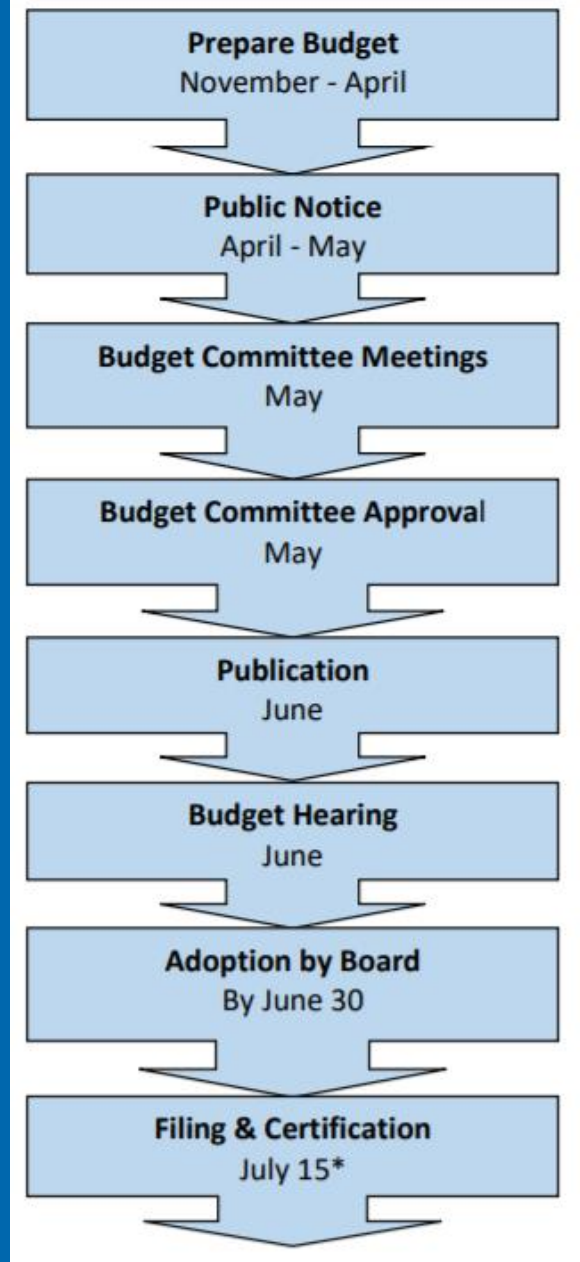


11

Sample Budget Calendar

- * *ORS 305.820(2)* states that if any deadline that needs to be filed to tax collector or county falls on a weekend or holiday, then the deadline is extended to the next business day.

	Action	Example Due Date	Complete
1	Appoint budget officer	January 12	
2	Appoint budget committee (BC)	January 26	
3	Prepare proposed budget	February 28	
4	Publish 1st notice of BC meeting	March 8	
5	Publish 2nd notice of BC meeting	March 18	
6	BC meeting & subsequent meetings if needed	March 28	
7	Publish notice of budget hearing	April 17	
8	Hold budget hearing	May 3	
9	Enact Resolutions to adopt, etc.	June 3	
10	Submit tax certification documents	By July 15*	
11	Send copy of all budget documents to county clerk	By September 30*	



FY23-24 Budget Committee Members

- Zone 1 - Ron Preisler
- Zone 2 - Siobhan Cancél
- Zone 3 - Charles Kimball
- Zone 4 - William Gray
- Zone 5 - Sue Cutsogeorge
- At Large - Kajanda Love
- At Large - Amber Patterson

LCC Board of Education Members

- Zone 1 - [Denise Diamond](#)
- Zone 2 - [Zachary Mulholland](#)
- Zone 3 - [Mike Eyster](#)
- Zone 4 - [Austin Fohnagy](#)
- Zone 5 - [Steve Mital](#)
- At Large - [Kevin Alltucker](#)
- At Large - [Lisa Fragala](#)

Budget Committee Basics

Budget Committee Members

consists of seven members of the Board of Education as well as seven citizens from the community.

Budget Committee Member Requirements

- Can't be officers, agents, or employees of the College
- Registered voters within the district boundary
- Each board member appoints one citizen to the committee for a term of three years.
- Terms are staggered so that about one third of the appointed terms end each year.

Who Creates a Budget?

The budget is

- > Prepared & **Proposed** by Staff
- > **Modified** & Approved by the Budget Committee
- > Modified & Adopted by the Governing Board

What can the budget committee do with the budget?

- ☆ “. .Budget committees role is not to directly establish or eliminate specific programs or services . .” (Oregon Department of Revenue Local Budgeting in Oregon p.11)
- ☆ 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.

Basics to remember...

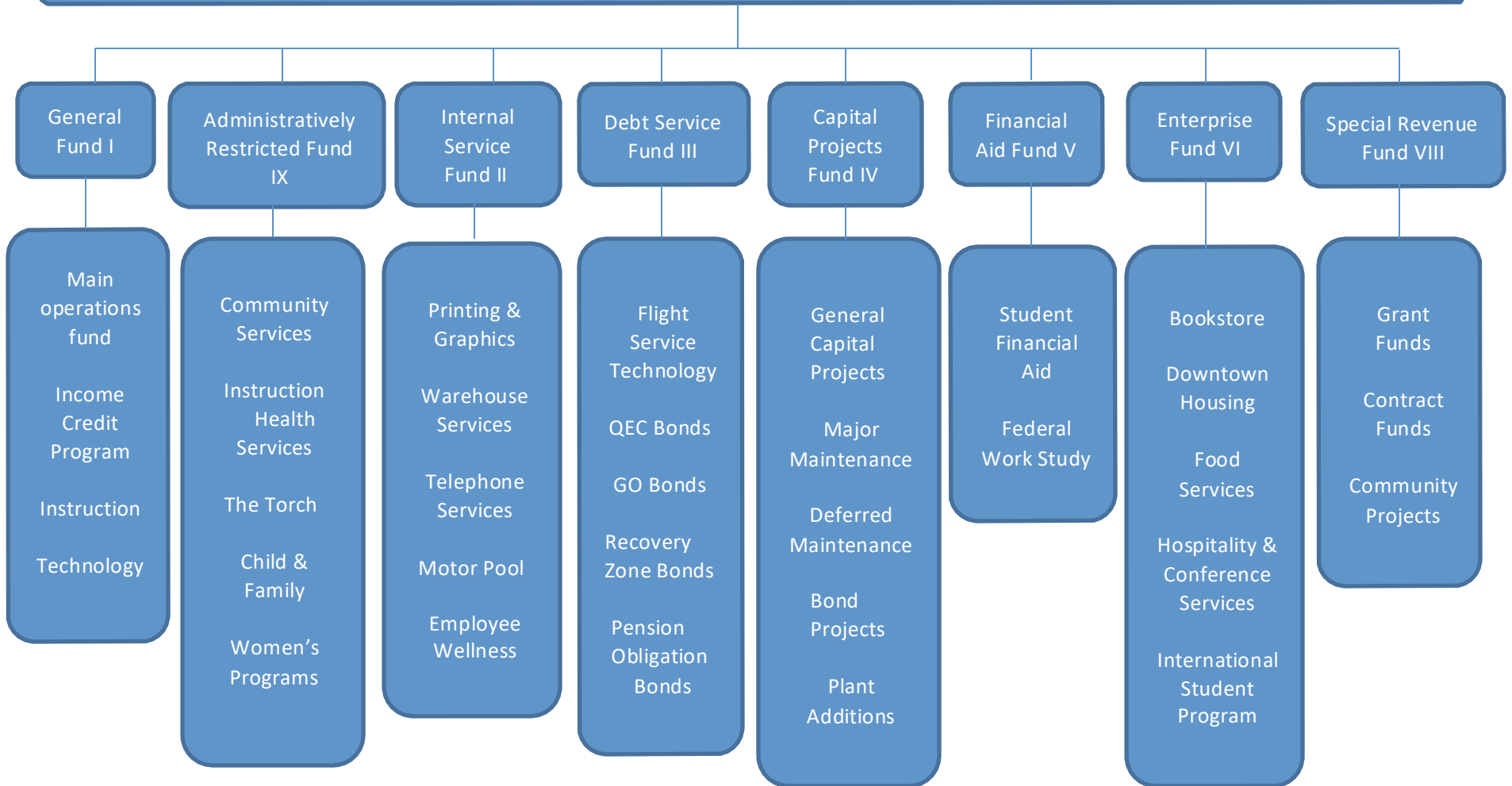
Budget law is all about APPROPRIATIONS

- LCC does things that cost money
- We can't spend public money without legal authority
- The Board gives the College legal authority to spend money through appropriations
- Appropriation is legal permission to spend
- Appropriation is also the legal limit on spending
- After budget adoption, appropriations are key

Summary of Oregon Budget Law Process by Statutory Reference:

<https://www.oregon.gov/dor/programs/property/Documents/Local%20Budget%20Training%20-%20Statutory%20and%20Administrative%20Rule%20References.pdf>

Lane Community College Funds



Fund Structure Graph

2023-2024 Adopted Budget

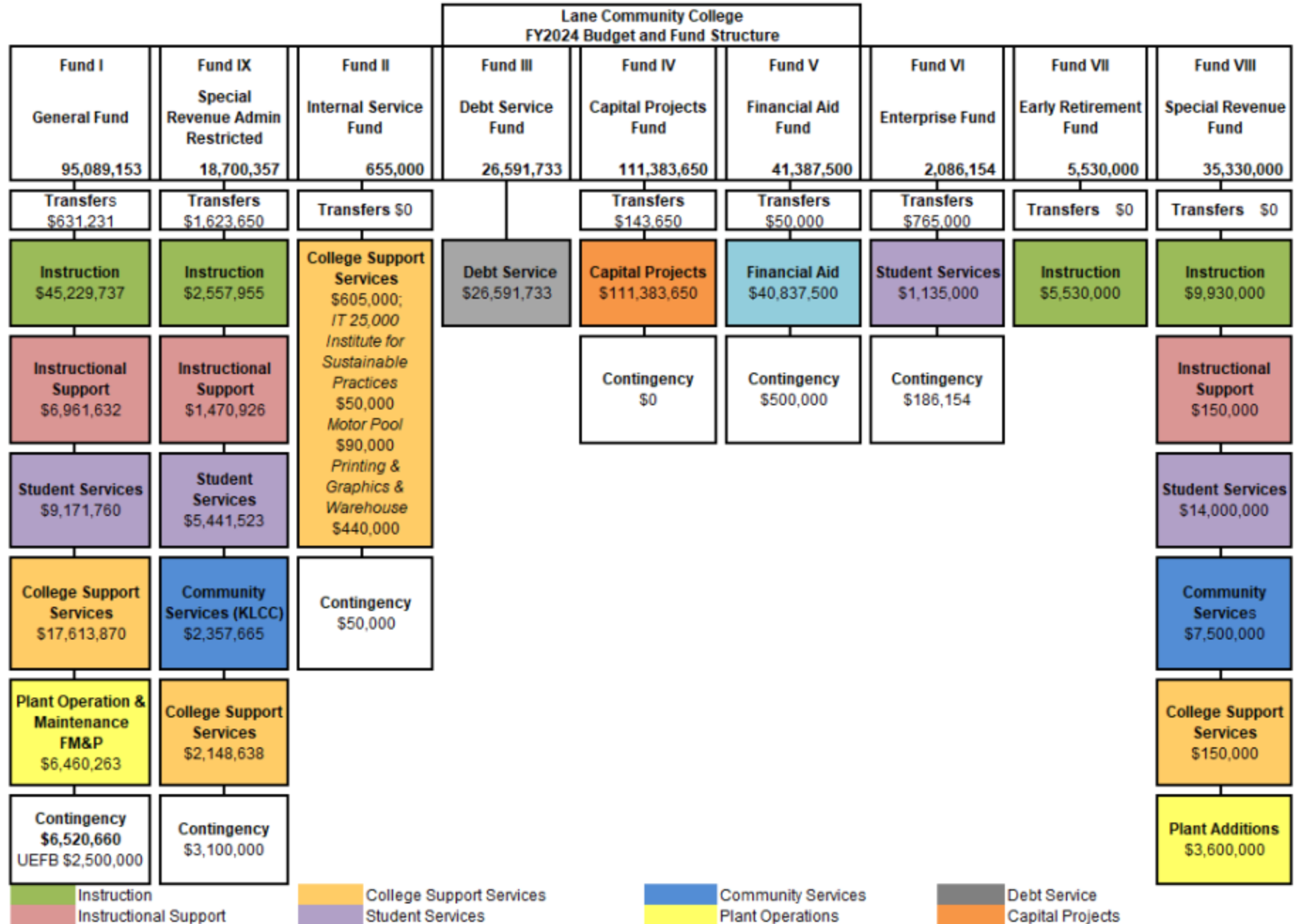


Chart 11: FY24 Adopted Budget – Summary All Funds

