

Handouts and Budget Glossary

Budgeting for Local Governments The Fundamentals

Oregon Government Finance Officers Association

Fall 2018 Conference

Tuesday October 16, 10:30

Craig Gibons Executive Director Tax Supervising and Conservation Commission



Handout 1

State of Oregon Administrative Rules

[Division 294 - LOCAL BUDGET](#)

[150-294-0100](#) Department of Revenue Review of the County Assessment, Appeal, Collection, and Distribution of Property Taxes

[150-294-0105](#) Expenditures for Assessment and Taxation

[150-294-0110](#) Definition: Certification of Compliance. Plan to Achieve Adequacy

[150-294-0115](#) Contents of Grant Application

[150-294-0120](#) Estimates of Expenditures for Assessment and Taxation

[150-294-0125](#) Certification

[150-294-0130](#) Alternative Method for Certification

[150-294-0140](#) Transfers from the CATF to the CAFFA Account

[150-294-0150](#) Calculation of Interest on Late Payments

[150-294-0300](#) Definition of Taxing Authority

[150-294-0310](#) Definition of Budget Document

[150-294-0320](#) Definition of Organizational Unit

[150-294-0330](#) Budgeting Grants, Gifts, Bequests, and Devises

[150-294-0340](#) Establishing a Financial Reserve Fund

[150-294-0350](#) "Reserved for Future Expenditure" Requirement

[150-294-0360](#) Detail Sheets for Biennial Budgets

[150-294-0370](#) Resources Are Not Required to Be Budgeted

[150-294-0380](#) Negative Resources

[150-294-0390](#) Budget Resources

[150-294-0400](#) Estimating Tax Revenue for Biennial Budgets

Handout 1

- [150-294-0410](#) Proposed Expenditures-Required Presentation
- [150-294-0420](#) Governmental Fund Definitions
- [150-294-0430](#) General Operating Contingencies
- [150-294-0440](#) Unappropriated Ending Fund Balance
- [150-294-0450](#) Quorum Necessary to Hold Meeting
- [150-294-0460](#) Charging for Budget Document Copies
- [150-294-0470](#) Reporting Historical Data for Published Budget Summaries
- [150-294-0480](#) Quorum Necessary to Hold Meeting
- [150-294-0490](#) Property Taxes Certified
- [150-294-0500](#) Publishing of Amended Budget Document
- [150-294-0510](#) Manner of Appropriations
- [150-294-0520](#) Documents to File When Certification Cannot Be Certified By July 15
- [150-294-0530](#) Budget Certification Document to Be Submitted
- [150-294-0540](#) Transfers of Appropriations
- [150-294-0550](#) Supplemental Budget Procedures
- [150-294-0800](#) Councils of Governments Subject to Certain Budgetary Requirements
- [150-294-0810](#) Members of the Budget Committee: Governing Body and Appointees. Definition of Representatives of the Services Provided for a Council of Government
- [150-294-0820](#) Restrictions on Appointive Budget Committee Members for a Council of Government
- [150-294-0830](#) Duties of the Budget Committee of a Council of Government
- [150-294-0840](#) Duties of the Governing Body of a Council of Government

Handout 2

Acme Rural Fire Protection District No. 10

BUDGET CALENDAR

Fiscal Year 2018-2019

Appoint Budget Officer	January 16, 2018
Appoint New Budget Committee Member(s)	January 16, 2018
Budget Committee Training Meeting	February 28, 2018
Submit Notice of First Budget Meeting to Newspaper	February 28, 2018
Publish Notice of First Budget Committee Meeting	March 5 and March 20, 2018
First Budget Committee Meeting, Possible Approval of Budget and Tax Rate	April 1, 2018
Second Budget Committee Meeting, if needed, Approval of Budget and Tax Rate	April 24, 2018
Submit Notice of Budget Hearing (LB-1) to Newspaper	May 15, 2018
Publish Notice of Budget Hearing	June 5, 2018
Budget Hearing and Board Meeting Public Hearing Levy Taxes Make Appropriations Adopt Budget Set Tax Categories	June 19, 2018
Submit Resolution and LB-50 to Assessor	July 15, 2018
Submit Budget Document to County Clerk	September 30, 2018

Handout 3

Pre-meeting Topics for Budget Committee Discussions

We are sometimes asked whether the budget committee can be called together for “preliminary” discussions prior to their first “official” meeting under ORS 294.426 at which the budget message is delivered and for which notice must be published.

Following is a list of the types or topics of discussion that can be conducted prior to that first official meeting:

- Training on the budget committee process, calendar, expectations for committee members, etc.
- Committee members’ preferences for ground rules, rules of order, conduct of meetings, voting / reaching consensus, fact finding process, etc.
- Orientation on the organization and its various departments, programs, staffing, etc., and on the activities or services provided by each.
- Orientation on the budget document, the fund structure and the types of activities or programs and expenditures made from each fund in the budget.
- General discussion of vision and goals, spending priorities, or philosophy on how to allocate scarce resources or make trade-off decisions as to which programs get funded and which don’t.
- General economic projections by the finance officer of possible changes in resources or requirements expected next year.
- Any and all discussion of the current year budget or prior year budgets, including what, in general, might be done differently next year.

What cannot be discussed before the formally “noticed” meeting?

ORS 294.426(6): “The budget committee may not deliberate on the budget document as a body before the first meeting.” So, we recommend that you do not talk about:

- Specific estimates or appropriation amounts associated with any fund or line item, resource or requirement.
- The question of whether to fund specific programs or expenditures.
- The question of whether to impose any tax levy, or the amount of any levy.

Handout 4

A

Use this notice if public comment will be taken at this meeting.

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the _____, _____, State of Oregon, to
(District name) (County)

discuss the budget for the fiscal year July 1, 20____ to June 30, 20____, will be held at _____
(Location)

_____. The meeting will take place on _____ at _____
(Address) (Date) ☐ a.m.
☐ p.m.

The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget.

This is a public meeting where deliberation of the Budget Committee will take place. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee.

A copy of the budget document may be inspected or obtained on or after _____ at _____
(Date) (Location)

between the hours of _____ ☐ a.m. ☐ a.m.
☐ p.m. and _____ ☐ p.m. ☐ p.m.

150-204-073-1 (Rev. 11-17)

B

Use this notice if public comment will be taken at a later meeting.

NOTICE OF BUDGET COMMITTEE MEETING

A public meeting of the Budget Committee of the _____, _____, State of Oregon,
(District name) (County)

on the budget for the fiscal year July 1, 20____ to June 30, 20____, will be held at _____
(Location)

The meeting will take place on _____ at _____
(Date) ☐ a.m.
☐ p.m.

The purpose of the meeting is to receive the budget message. This is a public meeting where deliberation of the Budget Committee will take place.

An additional, separate meeting of the Budget Committee will be held to take public comment. Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. The meeting for public comment will be on

_____ ☐ a.m.
(Date) at _____ ☐ p.m., held at _____
(Location)

A copy of the budget document may be inspected or obtained on or after _____
(Date) ☐ a.m. ☐ a.m.
at _____ ☐ p.m. and _____ ☐ p.m.
(Location)

150-204-073-1 (Rev. 11-17)

Handout 5

ORIGINAL

RESOLUTION # 251

RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED that the Council Members of the City of Maywood Park hereby adopt the budget for fiscal year 2018-2019 in the total of \$713,955. This budget is now on file at the City office, in Maywood Park, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2018, and for the purposes shown below are hereby appropriated:

	Appropriations	Unappropriated
General Fund		
Administrative Services	134,298	
Public Safety	65,500	
Capital Outlay Unallocated	3,000	
Contingencies	5,077	
Transfers Out	59,900	
Total Fund Appropriations	267,775	
State Tax Street Fund		
Streets Transportation and Parking	101,750	
Transfer Out	9,639	
Contingencies	8,291	
Total Fund Appropriations	119,680	
Storm Drain Reserves Fund		
Public Works Sewer System	25,000	
Total Fund Appropriations	25,000	
Reserved for Future Expenditures		126,865
Wastewater System Reserves Fund		
Public Works Sewer System	78,025	
Total Fund Appropriations	78,025	
Reserved for Future Expenditures		5,500
Failing Street Property Development Fund		
Reserved for Future Expenditures		91,110
Total Appropriations, All Funds	490,480	
Total Unappropriated, All Funds		223,475
Total Adopted Budget		713,955

Handout 5

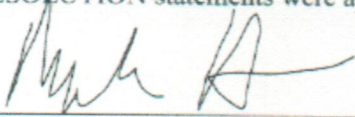
RESOLUTION IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed for tax year 2018-2019 upon the assessed value of all taxable property within the City, at the rate of \$1.9500 per \$1,000 of assessed value for permanent rate tax.

RESOLUTION CATEGORIZING THE TAX

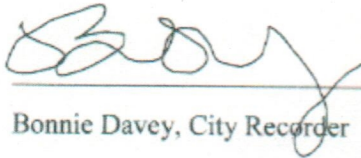
BE IT RESOLVED that the taxes imposed are hereby categorized for purposes of Article XI section 11b as general government limitation at the permanent rate of \$1.9500 per \$1,000 of assessed value of all taxable property within the City.

The above RESOLUTION statements were approved and declared adopted on this 18th day of June, 2018.



Mark Hardie, Mayor

ATTEST:



Bonnie Davey, City Recorder

Handout 6

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50
2018-2019

To assessor of _____ County

☐ Check here if this is
an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The _____ has the responsibility and authority to place the following property tax, fee, charge, or assessment
on the tax roll of _____ County. The property tax, fee, charge, or assessment is categorized as stated by this form.

Mailing address of district _____ City _____ State _____ ZIP code _____ Date submitted _____
Contact person _____ Title _____ Daytime telephone number _____ Contact person e-mail address _____

CERTIFICATION—You must check one box if you are subject to Local Budget Law.

- ☐ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits	Excluded from Measure 5 Limits
	Rate —or— Dollar Amount	
1. Rate per \$1,000 or total dollar amount levied (within permanent rate limit) ... 1		
2. Local option operating tax 2		
3. Local option capital project tax 3		
4. City of Portland Levy for pension and disability obligations 4		
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 5a		
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001 5b		
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) 5c		

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000 6	
7. Election date when your new district received voter approval for your permanent rate limit 7	
8. Estimated permanent rate limit for newly merged/consolidated district 8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES

Description	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1		
2		

If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property. The authority for putting these assessments on the roll is ORS _____. (Must be completed if you have an entry in Part IV.)

Appendix A

Glossary

Accrual Basis. Method of accounting recognizing transactions when they occur without regard toward cash flow timing. ORS 294.311(1).

Activity. That portion of the work of an organizational unit relating to a specific function or class of functions, a project or program, a subproject or subprogram, or any convenient division of these. ORS 294.311(2).

Adopted Budget. Financial plan adopted by the governing body for the fiscal year or budget period. ORS 294.456.

Ad Valorem Tax. Latin for “according to value”. A property tax computed as a percentage of the value of taxable property. Based on the Assessed Value.

Advance Refunding. Advance refunding means selling new bonds, all or part of which are to be used to pay an outstanding bond one year or more after the advance refunding bond is issued and before any right to call or otherwise retire the old bond issue arises. ORS 287A.001(1).

Annexation. Occurs when a district extends its boundaries outside of its previous service area.

Appropriation. Authorization for spending a specific amount of money for a specific purpose during a fiscal year or budget period, based on the adopted budget or the budget as amended by the governing body during the fiscal year or budget period. It is presented in a resolution or ordinance adopted by the governing body. ORS 294.311(3).

Approved Budget. The budget that has been approved by the budget committee. ORS 294.428.

Assessed Value (AV). The value set on all taxable property as a basis for imposing taxes. It is the lesser of the property's maximum assessed value (the value that grows by 3 percent) or real market value. ORS 308.146.

Assessment Date. January 1. The date on which the real market value of property is set. ORS 308.250.

Audit. The review and appraisal of a municipal corporation's accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State. ORS 297.425.

Audit Report. A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about the propriety of a local government's financial statements, and compliance with requirements, orders and regulations.

Ballot Measure 5. An initiative petition approved by Oregon voters on November 6, 1990 amending Oregon's Constitution (Article XI, section 11b). Limits property taxes. Places property taxes into one of three categories: 1) for purpose of funding public school system; 2) for purpose of funding government operations other than public school system, and 3) for payment of exempt bonded indebtedness. Taxes for funding public school system limited, after a five year phase in, to \$5 of real market value. Limits taxes for funding government operations other than public school system to \$10 per \$1,000 of market value.

Ballot Measure 50. A referendum referred by the Legislature and approved by Oregon voters on May 20, 1997 amending Oregon's Constitution (Article XI, section 11). Reduced property taxes in 1997-98 by state-wide average of 17%. Cut and capped

assessed values. Converted tax base authority (levy based system) to permanent tax rate limit authority (rate based system).

Bequest. A gift by will of personal property; a legacy.

Biennial Budget. A budget adopted for a 24-month period. ORS 294.323.

Bond Levy. A property tax certified to the county assessor for the exclusive purpose of paying principal and interest on general obligation bonds approved by the voters. ORS 287A.140

Budget. Written report showing the local government's comprehensive financial plan for one fiscal year or a 24 month budget period. It must include a balanced statement of actual revenues and expenditures for each of the last two budgets and estimated revenues and expenditures for the current and upcoming budget. ORS 294.311(5).

Budget Committee. Budget planning board of a local government. ORS 294.414 or 294.423.

Budget Message. Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body. ORS 294.403.

Budget Officer. Person designated to assemble budget material and information and to physically prepare the proposed budget. ORS 294.331.

Budget Period. A 24-month period from July 1 through June 30 to which the biennial budget applies. ORS 294.311(7).

Budget Transfers. Synonymous with Interfund Transfers.

Capital Outlay. Items which have a useful life of one or more years and exceed a dollar threshold established by the district, such as machinery, land, furniture, equipment, or buildings.

Capital Projects Fund. A fund to account for resources, such as bond sale proceeds, to be used for major capital item purchase or construction. OAR 150-294.388(1)-(A).

Cash Basis. System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid. ORS 294.311(9).

Categories of Measure 5 Limitation. The three categories in which taxes on property are placed before the constitutional limits can be tested: taxes for purpose of funding the public school system (education), taxes for the purpose of funding government operations other than the public school system (general government), and taxes for the purpose of paying principal and interest on exempt bonded indebtedness (excluded from limitation). ORS 310.150(1).

Compression. A prorated reduction in taxes required by Ballot Measure 5 (1990) property tax limits. Compression is computed on a property-by-property basis, and is first applied against local option taxes and only when those taxes are reduced to zero then to other operating taxes.

Compression Loss. The amount of taxes that cannot be billed due to the imposition of the Measure 5 limits. Difference between Taxes Extended and Taxes Imposed.

Contingency. An estimate in an operating fund for unforeseen spending that may become necessary.

Current Assets. Assets which are available to finance current operations or to pay current liabilities.

Current Budget Period. The budget period currently in progress. ORS 294.311(10).

Current Year. The fiscal year in progress. ORS 294.311(11).

Debt Service Fund. A fund established to account for payment of general long-term debt principal and interest. OAR 150-294.388(1)-(A).

Defeasing. Setting aside in an escrow account the full amount needed to pay off a bond issue.

Devise. A gift by will of the donor of real property.

District. Synonymous with “municipal corporation”.

Division of Tax. The process of, and revenue from, apportioning taxes to urban renewal agencies from the increase in value (excess value) over the assessed value of all properties within the plan areas when the plan area was first adopted (frozen value). Synonymous with “tax increment financing”.

Double Majority. An election requiring that at least 50 percent of the registered voters eligible to vote in the election cast a ballot, and more than 50 percent of those voting vote “yes” on the question in order to approve the measure.

Education Category. The category for taxes that will be used to support the public school system and not for the purpose of paying exempt bonded indebtedness. Limit is \$5 per \$1,000 of real market value. ORS 310.150(1)(b).

Encumbrance. An obligation chargeable to an appropriation and for which part of the appropriation is reserved. ORS 294.311(13).

Ensuing Budget Period. The budget period following the current budget period for which a budget is being prepared. ORS 294.311(14).

Ensuing Year. The fiscal year following the current year for which a budget is being prepared. ORS 294.311(15).

Enterprise Fund. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. They are usually self-supporting. Examples of enterprise funds are those for water, gas, and electric utilities, swimming pools, airports, parking garages, transit systems, and ports. OAR 150-294.388(1)-(A).

Excluded from Limitation Category. The category for taxes used to pay principal and interest on exempt bonded indebtedness. ORS 310.150(1)(a).

Exempt Bonded Indebtedness. Bonded indebtedness authorized by a specific provision of the Oregon Constitution or to finance capital construction or capital improvements as approved by voters as a general obligation of the governmental unit. ORS 310.140(7).

Expenditures. Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. ORS 294.311(16).

Fiscal Year. A 12-month period from July 1 through June 30 to which the annual operating budget applies. ORS 294.311(17).

Fund. A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives. Fund types include: general, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve. OAR 150-294.388(1)-(A).

Fund Balance. The excess of the assets of a fund over its liabilities and reserves. ORS 294.311(18).

Gap Bonds. Any portion of a local government’s property tax levy that is used to repay other qualified taxing district obligations.

General Fund. A fund used to account for most operating activities except for those activities required to be accounted for in another fund. OAR 150-294.388(1)-(A).

General Government Category. The category for taxes used to support general government operations that are not for the purposes of supporting the public school system and not for the purpose of paying exempt bonded indebtedness. Limit is \$10

per \$1,000 of real market value. ORS 310.150(1)(c).

Governing Body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a municipal corporation. ORS 294.311(20).

Grant. A donation or contribution in cash which may be made to support a specified purpose or function, or general purpose. ORS 294.311(21).

Interfund Loans. Loans made by one fund to another and authorized by the governing body by resolution or ordinance. ORS 294.468.

Interfund Transfers. Amounts moved from one fund to finance activities in another fund. They are shown as appropriations in the originating fund and resources in the receiving fund.

Internal Service Fund. A fund used to account for fiscal activities when goods or services are provided by one department or agency to other departments or agencies on a cost-reimbursement basis. ORS 294.311(23) and 294.343.

Intrafund Transfers. Amounts moved from an existing appropriation authority to a different appropriation authority within the same fund. ORS 294.463(1).

Joint District. A taxing district whose boundary extends into an adjacent county.

Legal Opinion. The opinion as to legality rendered by an authorized official. Oregon Attorney General Opinions cited as OF in this manual.

Levy. Amount or rate of ad valorem tax certified by a local government to the county assessor for placement on the assessment and tax roll for the support of governmental activities.

Liabilities. Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at

a future date; does not include encumbrances. ORS 294.311(24)

Local Government. Synonymous with “municipal corporation”.

Local Option Tax. An *ad valorem* property tax that exceeds the limitation of Article XI, Section 11, of the Oregon Constitution. Voter approved temporary taxing authority under ORS 280.040 to 280.145 that is in addition to the taxes generated by the permanent tax rate limit. Local option taxes can be for general operations, a specific purpose or capital projects. They are limited to five years unless they are for a capital project, then they are limited to the useful life of the project or 10 years, whichever is less. OAR 150-294.311.

Materials & Services. Expenses for operating costs and supplies and contracted services, such as utilities, rent liability insurance, repair parts, fuel and professional service fees. Also includes assets that fall below the threshold for classification as a “capital asset.”

Maximum Assessed Value (MAV). Limitation value established under Ballot Measure 50 (1997) to restrict the increases in assessed value to no more than three percent (3%) per year unless there are qualifying exceptions such as new construction. MAV is the greater of the prior year’s AV times 1.03 or the prior year’s MAV. ORS 308.146.

Measure 5 Constitutional limits. The maximum amount of tax on property that can be collected from an individual property in each category of limitation. Article XI, section 11b, Oregon Constitution.)

Municipal Corporation. Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipal corporation or municipality. Synonymous with District and Taxing District. ORS 294.311(26).

Net Working Capital. The sum of the cash balances, accounts receivable expected to be realized during the ensuing fiscal year, inventories, supplies and prepaid expenses, less current liabilities and, if the encumbrance method of accounting is used, reserves for encumbrances. Does not apply to the cash basis of accounting. ORS 294.311(27).

OAR. Oregon Administrative Rule. Written to clarify Oregon law. Has the authority of law.

OF. Legal Opinion issued by the Oregon Attorney General's Office.

ORS. Oregon Revised Statute. Oregon laws established by the legislature.

Object Classification. A grouping of expenditures, such as personnel services, materials and services, capital outlay, debt services, and other types of requirements. ORS 294.311(29).

Operating Taxes. Ad valorem property taxes derived from a district's permanent tax rate limit. ORS 310.055(1),

Ordinance. A formal legislative enactment by the governing board of a municipality.

Organizational Unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions such as a department, office or division. ORS 294.311(31)

Other Qualified Obligation. A portion of a district's property tax levy in 1997-98 that was not subject to the state-wide 17% reduction under Ballot Measure 50. Includes principal and interest on any bond or formal, written borrowing of moneys issued before December 5, 1996, for which ad valorem property tax revenues have been pledged or explicitly committed or that are secured by a covenant to levy. Also included are pension and disability plan obligations that commit property taxes and impose property taxes to fulfill those obligations. ORS 310.202(9).

Personnel Services. Expenses related to the compensation of salaried employees, such as: salary, employment taxes, health and accident insurance premiums, Social Security taxes and retirement plan contributions. ORS 294.388(5).

Permanent Rate Limit. The maximum rate of ad valorem property taxes that a local government can impose without specific voter approval. It is the rate calculated by the Department of Revenue for the 1997-98 tax roll or as subsequently adjusted as provided for in ORS 310.246. In the case of districts that have never levied a tax, it is the tax rate adopted by voters as set out in Section 11(3)(c) and Section 11(8), Article XI of the Oregon Constitution. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government can increase a permanent rate limit once it is established. OAR 150-294.311

Prior Year Taxes. Taxes levied for fiscal years preceding the current one. Revenues from these taxes are treated as non-tax resources in the budget.

Program. A group of related activities to accomplish a major service or function for which the local government is responsible. ORS 294.311(33).

Property Taxes. Ad valorem tax certified to the county assessor for inclusion on the assessment and tax roll by a local government unit.

Proposed Budget. Financial and operating plan prepared by the budget officer. It is submitted to the public and the budget committee for review.

Publish or Publication. Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by first class mail to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries of the local government. ORS 294.311(35).

Real Market Value (RMV). The amount in cash which could reasonably be expected by an informed seller from an informed buyer in an arm's-length transaction as of the assessment date. In most cases, the value used to test the constitutional limits. ORS 308.205.

Requirement. The sum of all appropriated and unappropriated items in a fund. Total requirements must always equal total resources in a fund. ORS 294.388(1).

Reserved for Future Expenditure. An amount budgeted, but not appropriated, that is not anticipated to be spent during the fiscal year or budget period, but rather carried forward to be appropriated for a specific use in a future budget.

Reserve Fund. Established to accumulate money over time for a specific purpose, such as purchase of new equipment. ORS 294.346.

Resolution. A formal order of a governing body; it has lower legal status than an ordinance.

Resource. Estimated beginning funds on hand plus anticipated revenues and interfund transfers. Total resources must always equal total requirements in a fund. ORS 294.361.

Special Levy. An *ad valorem* tax imposed by an urban renewal agency for certain plan areas created prior to December 6, 1996. Certified as a dollar amount.

Special Payments. A budget expenditure and appropriation object classification for pass-through payments and grants made to other organizations and other unusual expenditures that do not fall into any other object classification such as personnel services, materials & services or capital outlay.

Special Revenue Fund. A fund used to account for the proceeds of specific revenue

sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specific purposes. ORS 294.311(39) and OAR 150-294.388(1)-(A).

Supplemental Budget. A financial plan prepared after the regular budget has been adopted to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. ORS 294.471.

Tax Increment Financing. Synonymous with "division of tax".

Tax on Property. Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property. ORS 310.140(18).

Tax Rate. The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

Tax Roll. The official list showing the amount of taxes imposed against each taxable property.

Taxing District. Synonymous with "municipal corporation".

Transfers. Synonymous with Interfund Transfers.

Trust and Agency Fund. A fund used to account for activities of assets held in trust by a local government.

Unappropriated Ending Fund Balance. Amount set aside in the budget to be used as a cash carryover to the next fiscal year or budget period budget. It provides the local government with cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency. ORS 294.398.