

## Multnomah County Local Budget Law Training

9:00 AM, January 13, 2022

**Tax Supervising and Conservation Commission** 

Allegra Willhite, Executive Director Tunie Betschart, Budget Analyst



## **Today's Agenda**

9:00	Welcome	Everyone	
9:05	What is the Tax Supervising and Conservation Commission?	Allegra	
9:10	Budget Law Basics	Allegra	
9:20	Budget Process Overview	Allegra	
9:30	Tips on Forecasting	Jeff Renfro Multnomah County Economist	
9:45	Break	Everyone	
9:50	Proposed Budget (With Property Tax Tangent)	Allegra	
10:25	Resources/Additional Training Opportunities	Allegra	
10:30	Adjournment	Everyone	



# What is the Tax Supervising and Conservation Commission?



#### What is the TSCC?

- Created by the Legislature in 1919 to monitor
   Multnomah County local government budgets, taxes,
   and debt
- State agency with five commissioners appointed by the governor
- Limited authority role is primarily advisory and consultative
- Duties:
  - Review and certify member district budgets
  - Hold hearings on member budgets and tax measures
  - Advise districts on Oregon Local Budget Law
  - Prepare annual report documenting district budgets & debt
  - Provide information to the public
  - Investigate claims of budget law violations

#### **ADVOCATE**

We hold public hearings to engage with elected officials and advocate for the public interest in spending of taxpayer dollars.

#### **TRAIN**

We support and train local jurisdictions to adhere to local and state budget law.

#### **INFORM**

We publish an annual report that informs the public on local government budgets, indebtedness, and property taxes.

#### **REVIEW**

We analyze, review, and certify budgets to ensure adherence to state budget law.



#### Membership

Taxing districts primarily located in Multnomah County [43 eligible districts - 33 are members]

Required for districts serving populations of more than 200,000

Optional for districts serving populations of fewer than 200,000

Limited membership option also available



## **Budget Law Basics**



## Pop Quiz: What is a Budget?



- a) A financial plan
- b) An instrument to prioritize spending
- c) A tool to monitor expenditures
- d) An estimate of income and expenditures for a set period of time
- e) The basis used to establish appropriations
- f) All of the above



## Why Create A Budget?

We create a budget in order to identify appropriations

Appropriations are the legal authority to spend public money



## How to Create A Budget?

All local governments use a standard system as laid out in:

Oregon Revised Statutes 294.305-565
Oregon Administrative Rules 150-294-0300-0550



## Legislative Intent of Oregon's Local Budget Law (ORS 294.321)

- To establish standard procedures and process
- To describe programs and policies
- To estimate revenues and expenditures
- To create transparency through community member input and involvement
- To provide control from overspending
- To tell the financial story in standardized format



## Why follow budget law?

- If your district does not follow local budget law your district cannot levy taxes or expend money. 294.338(1)
- An improperly adopted property tax is voidable. 294.461
- Spending money in excess of the amounts provided by law, or for a different purpose than provided by law is illegal. 294.100(1)
- Any public official (who does so) shall be civilly liable for return of the money... 294.100(2)



## Budgeting by Fund

Local governments are required by ORS 294.333 to maintain accounting records by fund, using a cash, modified accrual, or accrual basis of accounting.

A Fund is a fiscal and accounting entity with *self-balancing* accounts to record cash and other financial resources, related liabilities, and balances and changes, all segregated for specific, regulated activities and objectives.



## **Funds**

**General Fund** 

Unrestricted

Revenues

Discretionary Spending All Other Funds

Restricted

Revenues

Restrictions set by:

Law

Contracts

Board Policy

Fund Definitions: OR Admin Rules 150-294-0420



## Fund Types

#### **General Fund**

Revenue from permanent rate, local option levy for operations, interest and other charges/fees received to cover general operations with no restrictions on how resources are used

#### Capital Project Fund

Revenue from GO bonds proceeds, local option levy for capital projects or grant monies to finance a capital project.

#### Special Revenue Fund

Dedicated to local option levy money, specific purpose grants, or other money required to be segregated by statute, charter, or terms.

#### Debt Service Fund

Revenue comes from special property tax levy (such as Revenue Bonds or GO bonds) to budget for payment of principal and interest on long-term debt.



## Fund Types

#### Internal Services Fund

Revenue from services provided from one department to another department. ex. Fleet Management.

**Enterprise Fund** 

For revenue received in fees or charges used to cover expenses of a business type entity such as running a parking garage or pool.

#### Trust & Agency Fund

Grants, gifts or transfers from general fund received in a fiduciary capacity to be used for a specified purpose.

#### Reserve Fund

Transfers from general funds or grants used to accumulate money for financing the cost of a service, project, property or equipment. Resolution required to create fund.



## **Budget Terms**

#### Resources and Requirements

Resources: All sources of available funds, including beginning fund balance and transfers in from other funds

Requirements: all expenditures, as well as other obligations that must be planned for but may not actually be spent

#### **Revenues and Expenditures**

Revenues: sources of new money anticipated to be received in the coming year

Expenditures: money expected to be spent in the coming budget year

#### <u>Appropriations</u>

Your legal spending authority. The budget is the basis for appropriations. Appropriations establish spending limits.



## The Holy Grail of Budget Law Is the Appropriation

- Districts DO things
- Doing things costs money
- Districts can't spend public money without legal authority
- District gives itself legal authority to spend money through appropriations
- Appropriation is legal permission to spend
- Appropriation is also legal limit on spending
- After budget adoption, all that matters is appropriations

Source – DOR 2018 TSCC Appropriations Presentation



#### To Summarize...

Budget law is built with transparency in mind

Statutes and admin rules are your guide

Budgets must be organized by fund and balanced

Budget is used to justify your appropriations



## **Budget Process Overview**



## **Budget Cycle**

#### **Preparation**

Budget Calendar
Development & Budget
Committee Appointment

#### **Monitor & Change**

Changes by Resolution or Supplemental Budget

#### **Budget Adoption**

Governing Body Adopts
Budget & Certifies
Property Taxes

#### Certification\*

TSCC Reviews & Certifies Budget

#### **Proposed Budget**

Budget Officer Prepares
Budget

#### **Approved Budget**

**Budget Committee Approves Budget** 

\*For TSCC Member Districts



### **Timeline**



#### **Prior to July 1**

Resolutions to adopt budget, make appropriations, levy and categorize property taxes



## Who Creates A Budget?

### The budget is:

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



## **Budget Calendar**

Prepared by the Budget Officer



- Includes:
  - Timing of Proposed, Approved and Adopted Budgets
  - Scheduled meetings and hearings
  - Dates of required notices (Budget Committee and Public Hearing)
  - TSCC and other filing requirements
  - Tax elections, if necessary

Goal is to ensure all steps are completed prior to July 1



## Proposed Budget



## What is the Proposed Budget?

- Budget Message
- Budget Detail Sheets
- Whatever else the district would like to include



## Proposed Budget - Budget Message (294.403)

- 1) Explains budget document
- 2) Describes proposed financial policies for ensuing year
- 3) Describes important features of the budget document
- 4) Notes salient changes in appropriation and revenue items
- 5) Explains major changes in financial policies
- 6) Notes changes in method of accounting and the impact

Prepared at direction of CEO or Presiding Officer

Presented to Budget Committee with budget document @ Committee's first meeting



## **Proposed Budget – Detail Sheets**

2019-20	2020-21	2021-22 Revised	Line Item	2022-23 Budget			
Actual	Actual	Budget		FTE	Proposed	Approved	Adopted
\$	\$\$ <u>/</u>	<b>\$\$\$</b>	Wages	10	\$\$\$\$		

Matches
numbers from
respective
year's audit or
CAFR

Adopted budget as modified by post-adoption changes

The Proposed Budget as prepared by the Budget Officer for presentation to the Budget Committee



## **Proposed Budget Steps**

- Estimate Resources
- Estimate Requirements
- Balance Budget



## Step 1: Estimating Resources

#### **Resources Classification System**

	Category	Line Items		
	Beginning Fund Balance	Beginning Fund Balance		
		Current Year Ptaxes		
	Revenues	Fees, Licenes, Fines, etc		
		Federal State and all other grants, etc		
Pasauraas		Debt Proceeds		
Resources		All other sources		
	Transfers In	From Water Fund		
		From IT Fund		
		Sewer fund loan repayment		
		Internal Service Reimbursements		



## Beginning Fund Balance

Step 1: Estimate Beginning Fund Balance (BFB)

Current cash on hand

- + Estimated revenue for duration of fiscal year
- Estimated expenditures for duration of fiscal year
- = Estimated BFB for start of ensuing fiscal year



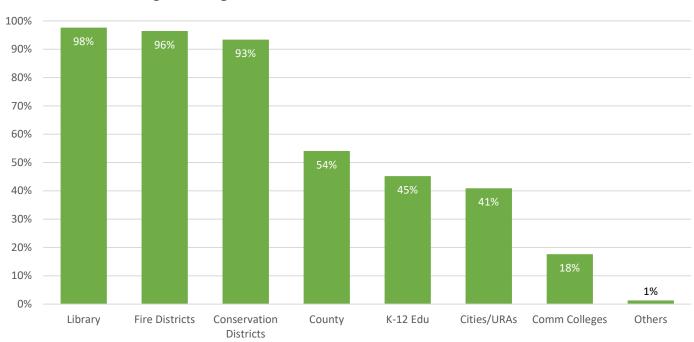
## Pop Quiz

For which types of districts do property taxes make up 75% or more of General Fund revenues?

- A. Library, Fire, and Conservation Districts
- B. Library, Counties, and Cities
- C. Counties, Cities, and Schools



### **Property Tax as % of GF Revenue**





## **Estimating Resources**

### **Step 2: Estimate Property Taxes**

#### Rate-Based Levy

[Permanent Levies & Local Option Levies, e.g. \$5.2781 & \$1.99]

#### Assessed Value x Rate = Taxes Levied

#### **Dollar Amount Levy**

[GO Bond Levies, e.g. \$136 million, optional for Permanent Levies & Local Options Levies]

#### **Tax Levy Types**

Permanent Levy

Permanent Tax Rate Limit

**Local Option Levy** 

For operations (5 yr limit) or capital projects (10 yr limit)

General Obligation
Bonds
Capital Costs



## PROPERTY TAX TANGENT



## The Dream of the 90s is Alive in Oregon

#### Prior to the 1990s:

- Oregon had a pure levy-based property tax system
- Each taxing district calculated its own tax levy based on its budget needs, with most limited to an increase of 6%
- The taxes each district imposed equaled its tax rate multiplied by its real market value (the assessor's assessment of what the property was worth on the market)

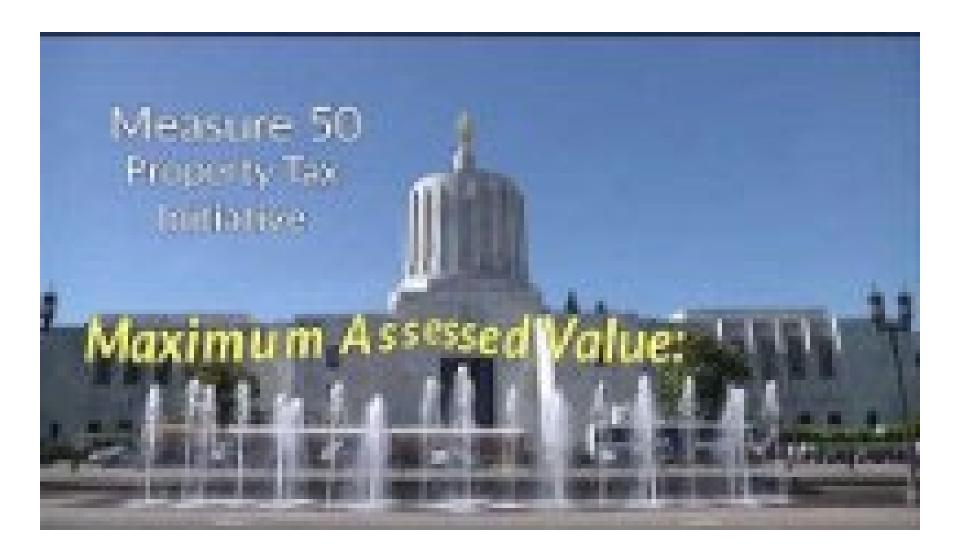
Oregon's property tax system was restructured in the 1990s by two statewide ballot measures that dramatically altered the system



## What you see is NOT what you get

- Measure 5 & 50 limit property taxes
- Measure 5 (1990)
  - Capped property taxes for all general governments (cities, counties, special districts) and schools at \$10 and \$5 respectively per \$1,000 of real market value (RMV)
  - If the property taxes on an individual property exceed the Measure 5 limits, the taxes are reduced until the limitations are reached, a process known as compression.
- Measure 50 (1997)
  - Set a new assessed value (AV) level
  - Capped annual growth in AV at 3% annually
  - Set permanent rates for all taxing districts





# Back to Calculating Property Taxes...



### Estimating Property Taxes: Rate-Based Tax Levies

\$30,000,000 X 3.0% \$30,900,000	Last Year's Assessed Value Estimated Annual AV Increase Projected AV
\$30,900,000 X .0015985	Projected AV Permanent Tax Rate (\$1.5985 per \$1,000)
\$49,394 \$49,394 - 320 \$49,074	Taxes Extended  Taxes Extended  Compression  Estimated Taxes to be Imposed
\$49,074 X 94% \$46,130	Estimated Taxes to be Imposed Assumed Collection Rate Estimated FY 22-23 Taxes to Be Received

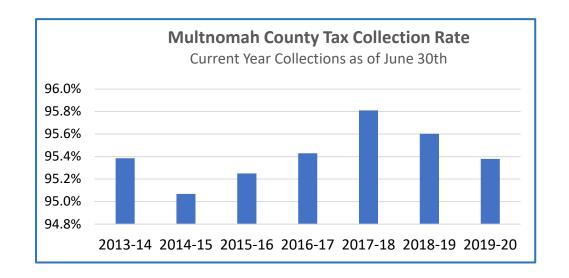


# Estimating Compression & Collection Rate

Taxes Extended
- Compression
Taxes Imposed

Taxes Lost to Compression							
FY 19-20 FY 20-21 FY 21-22							
Multnomah County	4.0%	4.3%	4.1%				
City of Portland	5.6%	6.1%	7.6%				
Portland Public Schools	5.2%	5.4%	5.6%				

Taxes Imposed x Collection Rate Taxes Budgeted





#### Estimating Property Taxes: Dollar Amount Tax Levies

#### **Calculating Taxes to be Levied**

#### Example:

Total Debt Service Requirements \$ 60,000

Less Resources On Hand - \$ 10,000

Equals Taxes Needed = \$50,000

Divided by Collection Percent .958

Equals Tax Levy = \$53,236

Levy to Approve & Certify: \$ 53,236



# **Estimating Resources**

#### Step 3. Estimate other Resources

- \$ Beginning Fund Balance
- \$ Revenues
  - Property Taxes (current year)
  - Prior Year Property Taxes
  - ¢ Fees, Licenses, Fines
  - Enterprise Revenue
  - ¢ Federal / State / Local Revenue
  - **¢** Grants

  - Sale of Assets
- \$ Interfund Transfers In
  - \$ Cash
  - \$ Interfund Service Reimbursements

ORS 294.361



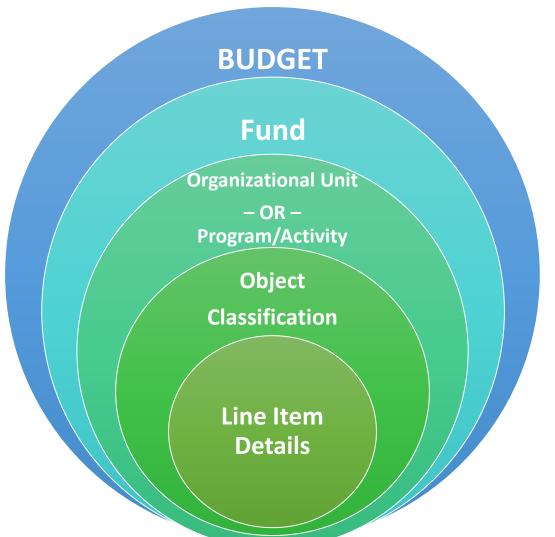
# Pop Quiz

After we finish estimating resources, what comes next?

- A. Balance the budget.
- B. Estimate requirements.
- C. Take a nap, we've finished the proposed budget.

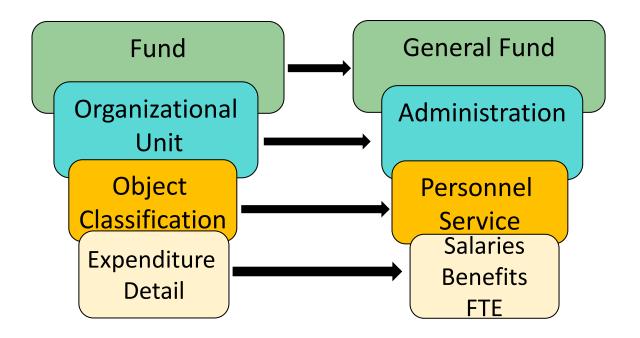


# **Estimating Requirements**



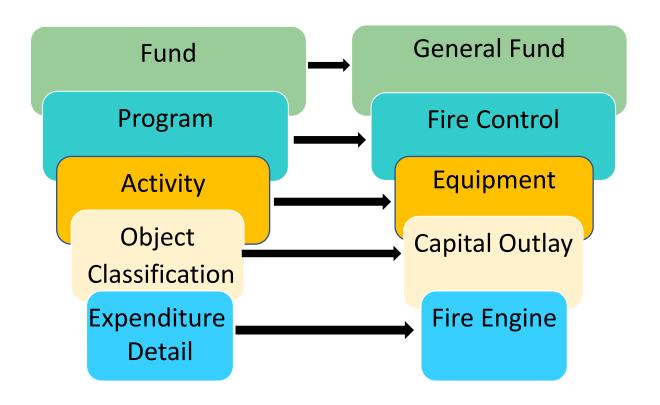


#### **Estimating Requirements – Organizational Units**





### **Budget Organization – Programs**





# **Estimating Requirements**

#### **Requirements Classification System**

Object Classification	Expenditure or Requirement?	Allocated or Not Allocated to an Organizational Unit or Program/Activity?
Personnel Services		
Materials & Service		Usually Allocated
Capital Outlay	Expenditure	
Special Payments		
Debt Service		
Transfers (Out)		
Operating Contingency		Not Allocated
Reserves for future expenditure	Requirement	
Unappropriated Ending Fund Balance		



# **Estimating Requirements - Personnel**

Step 1: Estimate Personnel Costs (must include FTE)

General Fund – Administration								
REQUIREMENTS Personnel Services								
	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Revised	FY 2022-23 Proposed	FY 2022-23 Approved	FY 2022-23 Adopted	FTE	
Full-time Salaries	100,000	110,000	112,000	115,000	0	0		2.00
Employee Benefits	2,000	2,100	2,500	3,000	0	0		
FICA	7,000	7,200	7,300	7,500	0	0		
Pension	40,000	41,000	41,500	42,000	0	0		
Insurance	30,000	32,000	34,000	35,000	0	0		
Total Personnel Services	179,000	192,300	197,300	202,500	0	0		



# **Estimating Personnel Services**

Estimates of expenditures for personnel services must include for each organizational unit or activity the total budgeted cost of all officers and employees and the number of related full-time equivalent positions.

Current salaries/salary ranges not required to be in budget document but must be available upon request.

ORS 294.388(5)



# Estimating Requirements – Other Expenditures

- Step 2: Estimate Other Expenditures
  - Materials & Services
  - Capital Outlay (can be allocated or not allocated)
  - Special Payments (not allocated)
  - Debt Service (not allocated)



# **Estimating Materials & Services**

State of Oregon

**CPI** Projection

All Urban Consumers, West Region (All Items)

2022 3.0%

2023 2.1%

2024 2.1%

CPI-W West-Size A <a href="https://data.bls.gov/cgi-bin/srgate">https://data.bls.gov/cgi-bin/srgate</a>



## **Estimating Capital Outlay**

Assets with an initial life exceeding one fiscal year, with a minimum value determined by governing board

Can be Allocated or Unallocated ORS 294.388(3)

Requirements Classification System				
Fund: General Fund				
Admin Cuas	Cap Outlay	Office Furn		
Admin Svcs	Cap Outlay	Vehicles		
Public Safety	Multiple	Multiple		
Cap Outlay Unallocated	Cap Outlay	New City Hall		



# Estimating Special Payments & Debt Service

Special Payments — includes payments of taxes, passthrough fees or charges, grants to other organizations, and other expenditure that do not fit in the other expenditure categories (Object classifications section of Local Budgeting Manual)

**Debt service** – estimates must include separate amounts for principal and interest for each bond issue in each fund.

ORS 294.388(6)



# Estimating Resources – Other Requirements

Step 3: Estimate requirements not allocated to organizational unit or

program/activity

Transfers Out

Contingencies

Reserved for future expenditures

Unappropriated fund balance

Object Classification	Expenditure or Requirement?	Allocated or Not Allocated to an Organizational Unit or Activity?
Personnel Services		
Materials & Service		Usually Allocated
Capital Outlay	Expenditure	
Special Payments		
Debt Service		
Transfers (Out)		
Operating Contingency		Not Allocated
Reserves for future expenditure	Requirement	
Unappropriated Ending Fund Balance		



## **Estimating Contingencies**

"The estimate for a fund may include an estimate for general operating contingencies". 294.388(7)

An operating contingency is for expenditures in "operating funds" that "cannot be foreseen and planned in the budget" and should be based on prior history or risk analysis. OAR 150-294-0430

There is no limit on how much can be budgeted as contingency.

**No Contingencies in Debt Service Funds!** 



# Estimating Reserved for Future Expenditures & Unappropriated Ending Fund Balance 150-294-0440

#### Reserved for Future Expenditures OAR 150-294-0350

- Can be budgeted in a Reserve Fund and is for funds "saved" for use in future fiscal years.
- Not included in appropriations, but can be appropriated using a supplemental budget if need arises.

#### **Unappropriated Ending Fund Balance** OAR 150-294-0440

- Set-aside for next year's working capital prior to receipt of revenues sufficient to meet expenditures.
- Cannot be spent during the year except in specified situations.

# And now we balance!

### Resources & Requirements

Each fund must be balanced

Resources = Requirements

	Beginning Fund Balance		<b>Ending Fund Balance</b>
+	Revenues	+	Expenditures
<u>+</u>	Transfers In	+	Other Requirements
=	Total Resources	=	<b>Total Requirements</b>

#### REMEMBER

- Resources are budgeted by fund and source
- Requirements are budgeted by fund, function, and use
- Budget numbers are good faith effort estimates
- Negative resource amounts are contrary to statute



# Tips on releasing the Proposed Budget document

- May be provided to members of the Budget Committee prior to first meeting for informational purposes only, (i.e. no deliberations)
- When given to Budget Committee it becomes a public document and a copy must be filed in the office of the municipal corporation for public inspection
- Means of duplication must be available to public. (District may charge reasonable fee for photo copies).



# Resources

- TSCC Staff, available anytime, anywhere
- TSCC Budget Manual for Local Governments in Multnomah County
- TSCC website: <u>www.tsccmultco.com</u>
- DOR website: <u>http://www.oregon.gov/DOR/programs/property/Pages/local-budget.aspx</u>
- DOR Local Budget Law Training sessions
- State of Oregon: Forms Forms and publications library Local Budget
  - Includes <u>DOR Local Budget Law Manual</u>



# Contact Us

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# REFERENCE SLIDES



# Budget Calendar Example

Acme Water District 2017-2018 Budget Calendar	Date	Notes
Community notification of need for budget members	Jan 1	
Board Appoints budget officer (ORS 294.331)	Jan 17	
Testimony & appointment of budget committee members	Jan 17	
Budget officer prepares budget		
Send TSCC copy of the budget calendar	Feb 13	(send draft to TSCC for review )
Board Adopts budget calendar	Feb 21	
Publish notice of budget committee meeting (ORS 294.426) in newspaper	March 3	5-30 days before mtg (include website on post)
Publish notice of budget committee meeting (ORS 294.426) on website	March 3	For at least 10 days before mtg
Proposed budget available (ORS 294.426)	March 21	During/After committee meeting
First Budget Committee Meeting (ORS 294.426)*	April 21	
Second Budget Committee Meeting (ORS 294.426)*	April 4	
Third Budget Committee Meeting: Cpmmittee Approves budget & levy*	April 18	
District files Approved Budget with TSCC	April 19	Deadline is May 15 or 30 days before bud hearing
Publish budget hearing notice (LB1)	June 2	5 to 30 days before hearing
Budget hearing held (ORS 294.453)	June 20	Must be 30 days after filing w/TSCC
Board Adopts Budget, and levies and categorizee taxes (ORS 294.456)		
District files adopted budget & response to certification letter with TSCC	June 21	
District informs assessor's office: Send LB-50 & copy of resolutions (ORS 294.458)	June 21	Deadline July 15th

<sup>\*</sup> Provide opportunity for public testimony at at least one of the budget committee meetings



## Fund Definitions

Funds D	Funds Defined in OAR 150-294.0420			
	Government Fund Definitions			
Special Revenue	To account for revenues legally restricted to specific purposes and the expenses from these revenues			
Capital Projects	For the acquisition or construction of major capital facilities (other than those financed by Enterprise, Special Assessment, or Trust Funds).			
Debt Service	To accumulate revenues for - and pay - debt service			
Special Assessment	For the financing of public improvements or services deemed to benefit the properties against which the special assessments are levied			
Enterprise	For functions operated like private business or functions for which the governing body wants to periodically determine "profit or loss"			
Internal Service Funds	See ORS 294.343			
General	To account for all financial resources except those required to be accounted for in another fund			
Trust and Agency Funds	To account for assets held by a governmental unit in a trustee capacity or as an agent for other entities			

	<b>Funds Defined</b>	in GAAFR	
	Used to account	General Fund	
	for activities	Special Revenue Funds	
	primarily	<b>Capital Projects Funds</b>	
Governmental Funds	supported by	Debt Service Funds	
	taxes, grants, and		
	similar revenue	Permanent Funds	
	sources		
	Used to account for	Enterprise	
Proprietary Funds	activities that receive		
	significant support	Internal Service	
	from fees and	internal Service	
	charges		
	Used to account	Agency	
	for resource that a	Investment Trust	
	government holds	Pension and Other	
	as a trustee or	Benefits Trust	
Fiduciary Funds	agent on behalf of		
	an outside party		
	that cannot be	Private Purpose Trust	
	used to support		
	the government's		
	own programs		



# TSCC Property Tax Estimate Worksheet Example

	Corbet	t School Dist	rict				
					Nur	nbers in red can	be changed
-	2018-19	2019-20	2020-21	2021-22		2022-23	PROJECTION
=					Rate	Selected Factor	Projection
Permanent Rate Levy					\$ 4.5941		
Assessed Value	404,189,950	414,695,400	437,160,300	447,974,970			459,174,000
Annual AV Increase		2.60%	5.42%	2.47%		2.50%	
Taxes Extended	1,856,889	1,905,152	2,008,358	2,058,042			2,109,491
Taxes Compressed	15,879	15,563	20,258	19,115			(21,095)
Comp as a % of Extended	0.86%	0.82%	1.01%	0.93%		1.00%	
			Estimated 1	Taxes to be Imposed:			2,088,396
			Ass	umed Collection Rate:		_	95.5%
			2022-23 Es	stimated Taxes to be	e Received	:	1,994,000



## Compression Example

#### Tax (calculated on AV):

General Govt (\$15/\$1,000 AV) = \$3,000Education (\$7/\$1,000 AV) = \$1,400

#### **Limits (calculated on RMV):**

General Govt \$10/\$1,000 RMV = \$2,750 Education \$5/\$1,000 RMV = \$1,375

#### **Difference = Compression Loss:**

General Govt Tax (\$3,000) – Limit (\$2,750) = \$250 Education Tax (\$1,400) – Limit (\$1,375) = \$25

Taxes Extended – Compression = Taxes Imposed

RMV = \$275,000 AV = \$200,000



## Org Unit Definition – Admin Rule 150-294-0320

An organizational unit is an administrative subdivision of a municipal corporation accountable for specific services, functions, or activities.

Example 1: Cities may allocate expenditures within the general fund to organizational units such as: City Recorder, Police Department, Fire Department, Library, etc.

Example 2: Counties may allocate expenditures within the general fund to organizational units such as: Assessor's Office, Treasurer's Office, Clerk's Office, Health Department, etc.

Example 3: For municipalities other than cities or counties, the governing body may identify organizational units within the general fund by the responsibilities assigned, e.g., General Administration, Plant Maintenance, etc.



# Program/Activity Definition – ORS 293.311

A program is a group of related activities aimed at accomplishing a major service or function [ORS 294.311(33)].

Programs could include services and functions such as: fire protection, water, sewers, road maintenance, etc.

Most special districts are formed to provide just one or two major services. The budgets of these districts are considered program budgets unless one or more of the funds are organized by organizational unit.

School budgets that are organized according to the classification of accounts in the "Oregon Department of Education's Program Budgeting and Accounting Manual for School Districts" are considered program budgets.



## ORS 294.388 - Specifics on Requirements

#### 294.388 Estimates and reconciliation of expenditures and other requirements; form and contents.

- (1) Each municipal corporation shall prepare estimates of expenditures and other requirements for the ensuing year or budget period. The estimates must be reconciled so that the total amount of expenditures and other requirements in each fund equals the total amount of resources in the fund for the same period.
- (2) Estimates required under subsection (1) of this section must be prepared by organizational unit or by program. For purposes of preparing the estimates, "organizational unit" does not apply to hospitals, school districts or education service districts.
- (3) Estimates prepared by organizational unit pursuant to subsection (2) of this section must be detailed under separate object classifications of personnel services, materials and services and capital outlay. Separate estimates must be made for operating expenses and general capital outlays that cannot reasonably be allocated to an organizational unit and for special payments, debt service and interfund revenue transfers.
- (4) Estimates prepared by program pursuant to subsection (2) of this section must be arranged for each activity of a program. Estimates under each activity must be detailed under separate object classifications of personnel services, materials and services and capital outlay. Separate estimates must be made for operating expenses and general capital outlays that cannot reasonably be allocated to an activity within a program and for special payments, debt service and interfund revenue transfers.
- (5) Estimates of expenditures for personnel services must include for each organizational unit or activity the total budgeted cost of all officers and employees and the number of related full-time equivalent positions. Upon request, a municipal corporation shall make available the current salary of each officer and employee, other than persons who receive an hourly wage or who are hired on a part-time basis. For the purpose of preparing a list of salaries, employees of like classification and salary range may be listed by the number of employees, the highest and lowest salaries and the total amount of all salaries, in each salary range.
- (6) Debt service estimates must include separate amounts for principal and interest for each bond issue in each fund.
- (7) The estimate for a fund may include an estimate for general operating contingencies.

