

Hugo Neighborhood Association & Historical Society

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November 11, 2017 Email/Letter

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Subj: Request for Assistance in Interpreting & Understanding Oregon Local Budget Law (LBL) & Request for Oregon Department of Revenue (ODR) to Review That Josephine County (JO CO) Prepared & Administered its Budget According to LBL That All Local Governments Use Uniform Processes & Formats Prescribed by ODR

Dear Nia Ray:

This is a continuing request to ODR for assistance in interpreting and understanding Oregon LBL. Quite frankly your department's response to our previous requests for help since the summer of 2016 have not been much of value. Oregon LBL's citizen involvement (CI) requirements appear to include the following (Appxs. A1 - A3).

- (1) To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations (ORS 294.321(1)).
- (4) To provide specific methods for obtaining public views the preparation of fiscal policy (ORS 294.321(4)).
- (6) To enable the public, taxpayers and investors to be apprised of the financial policies and administration of the municipal corporation in which they are interested (ORS 294.321(6)).

Local Budgeting in Oregon (LBIO) is user friendly compared to understanding LBL. Thank you. The LBIO applicable to CI in the preparation of the budget, and understanding fiscal policies, program purposes, and the budget message appear to provide the following (Appx. A3).

1. It establishes standard procedures for preparing, presenting, and administering the budget (LBIO, p. 1).
2. It requires citizen involvement in the preparation of the budget and public disclosure of the budget before its formal adoption (LBIO, p. 1).

- **State officials check** to see that the budget is prepared and administered according to law.
- **Budgeting joint effort** between the people affected and the appointed and elected officials.
- Give the public **ample opportunity to participate** in the budgeting process.
- **Encourage public participation** in the budget-making process.
- Up to local government to prepare budget that clearly outlines fiscal policies and is **satisfactory to voters**.
- **Make your budget clear and concise**, and taxpayers will have a better **understanding** of purposes.
- Clear and concise, and understanding budget may find the **citizen input informative and beneficial**.
- The budgeting process **encourages citizen input**.
- The budget is a vehicle for **obtaining public opinion** about proposed programs and fiscal policies.

The above are lofty LBL standards, goals, and/or objectives: ODR monitoring of local budgets; budgeting joint effort; give the public ample opportunity to participate; encourage public participation; satisfactory to voters; make budget clear, concise, and understandable; citizen input informative and beneficial; encourages citizen input; and obtaining public opinion (Appx. A3).

The Hugo Justice System & Public Safety Services (JS&PSS) Exploratory Committee (*Committee*), Hugo Neighborhood Association & Historical Society (HNA&HS), has previously provided written testimony asking for assistance in clarifying and understanding LBL to the ODF, Property Tax Division (Appx. B-1; Attach. 1). It has also transmitted extensive written testimony to the JO CO Board of County Commissioners (JCBCC), other JO CO elected officials, the JO CO Budget Committee (JCBC), the JO CO Management Team (MT), and especially Arthur O'Hare, Budget Officer (O'Hare is also the Finance Director, JO CO Finance Department) (i.e., elected and appointed officials; Appx. B-2; Attach. 2).

The first formal written testimony to ODR requesting assistance on the interpretation of Oregon LBL was June 10, 2016. The ODR never responded to this letter. It did respond to our November 26, 2016 letter with two short paragraphs of questions instead of clarifying answers (Appx. B1). What it did not respond to spoke volumes, and on December 12, 2016 we tried again with no response from ODR. This most recent November 11, 2017 letter to the ODR from the *Committee* has the same goal of assisting citizens interpret and clarify LBL (Appxs. A1 - A3, & B1). This communication's catalyst was an article, "*Introducing They Report To You*" in the ACLU of Oregon's fall 2017 newsletter. Of particular interest was the overlap between the issues of the "They Report to You" ACLU of Oregon and the *Committee*. The issues for They Report to You were a lack of transparency and the need for creating accountability standards for the purpose of reforming Oregon's criminal justice system. These issues overlapped with the *Committee's* purpose to improve the JO CO JS&PSS system through transparency in the JO CO budget process, including CI, and citizen education, including engagement with elected and appointed officials responsible for public safety in the budget process, and a grant for a public safety study (Appx. C, JS&PSS Study Design: 2015; Attach. 3).

Formal written testimony to JO CO asking for help started January 20, 2016 to the JO CO MT. The reason for the request was MT's August 19, 2014 recommendation to the JCBCC that a future to be established committee identify mandated and elective PSS. The participating JO CO MT members at a resulting March 7, 2016 meeting with *Committee* members were responsive to its January 20, 2016 request for assistance in the sense that the participating elected and appointed officials listened and asked clarifying questions. We thank JO CO Commissioner Keith Heck for his special ability to listen and his support for the meetings that occurred between members of the *Committee* and members of the JO CO MT and JO CO department heads (Appx. B2). However, evidently the MT's August 19, 2014 recommendation was not implemented by the JCBCC.

Therefore, the MT members recommended that the *Committee* review the annual budget for answers concerning necessary or mandated services their work units identified (March 7, 2016 meeting - <http://www.hugoneighborhood.org/budgets.htm>).

- From MTM: **Identify what county services are mandated by state law and what level of those services is optimal** (emphasis added). Determine what it would cost to provide these **mandated services at an appropriate and sustainable level** (emphasis added).
- From JO CO Chair of Board of County Commissioners: Commissioner Walker urged the Managers to have ongoing conversations with their liaisons as they move forward and asked them to **provide a one page summary or outline showing what they felt were necessary or mandated services** (emphasis added), anything in their purview and how they thought it should be delivered would be helpful to the Board.

The *Committee* wrote approximately three dozen formal written letters to JO CO elected and appointed officials requesting assistance (Appx. B2) in interpreting and understanding LBL as it applies to the JO CO budget process. Disappointingly, this significant effort has not resulted in one letter response from the JCBC, other elected officials, the JCBC, or the JO CO MT since January 20, 2016 - almost two years. Most importantly the *Committee* has been seeking a meeting with Arthur O'Hare, Budget Officer, JCBC, but according to a September 23, 2016 email from him he is not available as evidenced by not having a meeting with us as of the date of this letter (Appx. B2). Is this transparency in government?

"Mike – you are requesting a meeting with me and with the Budget Committee in order to discuss various aspects of the budget process. That is really a decision of the Board of Commissioners for both me individually and for calling together the Budget Committee. I will need to check with them regarding your request and will get back to you when I have more information. Thanks. Arthur O'Hare, Finance Director, Josephine County, Oregon."

This lack of meaningful response and assistance from JO CO and the ODR had a chilling effect on the *Committee* members participation as citizens in JO CO budget processes (Attachs. 1 - 3). For example, it assumes that none of its budget letters (Appx. B1 - B2) were considered for the JO CO budgets FY 2016-17 and FY 2017-18 because they were not dated at a JCBC meeting. True? Actually, we don't know that the JCBC considers any testimony it receives at a budget meeting. Its members listened, but there is no written evidence how it considered testimony.

The *Committee's* main research project on the LBL budget processes was not available during the summer of 2016. It is now documented in a draft November 2016 publication, *Citizen Participation In The Josephine County Budget Process* (CPIInJOCOBP). This research project included an analysis of JO CO's 11 FY 2006-07 To FY 2016-17 budget messages (i.e., goals and directives; (Appxs. C - G; Attach. 4). It cannot be finished without clarifying answers to the identified LBL questions. Further, we had given up with JO CO providing written assistance on their own volition after the following three testimony letters on LBL as applied to the JO CO budget process were sent to the JCBC, JCBC, and ODR with no written reply (Appx. B-2).

- September 23, 2016 Letter JO CO Budget Officer, and JCBC (copies to JCBC).
- November 22, 2016 Letter to JCBC (copies to JO CO Budget Committee)
- December 12, 2016 Email to ODR (copies to JO CO Budget Committee; JCBC).

After a major pause in licking our wounds, we proceed once again requesting assistance of the ODR to better understand LBL (e.g., statutes, rules, manuals, handbooks, budget plans, CI programs, etc.; Appxs. A1 - A3). Our specific request to the ODR continues to be based on the ODR publication, *Local Budgeting In Oregon* (LBIO), that identifies it as the work unit where citizens can direct questions regarding LBL and its required budget procedures.

What about the *Committee's* eight researched CI/citizen participation (CP) "elements" of the budgeting process (CPInJOCOBP, p. VB-5)? How do they compare to the LBL standards, goals, and/or objectives (i.e., ODR monitoring of local budgets; budgeting joint effort; give the public ample opportunity to participate; encourage public participation; satisfactory to voters; make budget clear, concise, and understandable; citizen input informative and beneficial; encourages citizen input; and obtaining public opinion; Appx. A3)?

What about the components of each CI/CP element and the LBL standards, goals, and/or objectives? For example, CI Element 1. Government Environment Of Budgeting includes the following components: Structure And Form Of Government, Political Culture, Legal Requirements, and Population Size And Density & Managers' Characteristics (see last section of Appx. B2, LBL 2, Citizen Participation in Local Budget Process)? For example, how does JO CO's structure and form of government fit into compliance with LBL?

JO CO has three non-partisan commissioners who are elected at large for four-year terms. In broad terms the JO CO Board of County Commissioners (BCC) has legislative, management, and administrative duties. The daily administrative functions of each county office/program/division are overseen by managers appointed by the BCC, or one of seven other elected officials. The BCC sets county policy, adopts the annual budget, and passes resolutions and ordinances in accordance with state law. The BCC appoints many volunteers to citizen's advisory and review committees, including the budget committee. These committees assist the county and the BCC in providing needed and desired services to the community (JO CO FY 2015-16 Budget, p. 7). **Like most local counties, staff take their cue from the governing body, and the BCC determines the extent of public involvement in decision-making** (emphasis added). (CPInJOCOBP, p. VC1-1).

To repeat, the requests for assistance to better understand the LBL remain the same, which is to learn the LBL procedures for the preparation, presentation, and administration of budgets for municipal corporations, because that is the methodology we think JO CO is using for its budget process. For example, a major JO CO budget process deficiency is the lack of a formal program for educating and involving the public in the budget process (Web Resources: CPInJOCOBP). Without a meaningful written response from the ODR and/or JO CO, we presently feel the JCBCC has an informal unwritten minimalist budget CI LBL program based on a one-way flow of information in public hearings on proposed policies. This 'review and comment' methodology – decide on the policy, then introduce it to the public in a public hearing – is a poor educational vehicle for complex topics, not to mention grossly inadequate as a persuasion tool. What is your interpretation of LBL?

An example of the *Committee's* view of the one-way flow of information follows. It's members have been seeking a meeting with Arthur O'Hare, Budget Officer, JCBC since January 20, 2016 without success - for almost two years (Attach. 3). As great a handicap that this budget irregularity is to enable the public to be apprised of the local budget's procedures and financial policies, it might have been overcome except there are no formal written comprehensive JO CO local budget guidance procedures publicly available to the public (e.g., documents on JO CO web page, other public availability, etc.), not even a local county budget manual. All the public has is the LBL, which is why we have turned to the ODR for assistance. The following documents are not found in JO CO.

- County Budget Preparation Manual (i.e., interprets Oregon LBL for JO CO's operational budget preparation process - see Clackamas County).

- Citizen Involvement in Budgeting Plan (i.e., local government provides guidance and opportunities for how citizens can become involved in the budget process per the County Budget Manual; Web Resources - Citizen Involvement in Josephine County Budget Process).
- County Citizen's Guide to the Budget (i.e., local government explains its budget proposals and its public finances in a simple plain language; see examples in Attachment 3).
- Strategic Plan.
- Long-term Financial Plan.

How does JO CO's political culture fit into meeting LBL requirements? The *Committee* believes that JO CO uses a traditional CI budget process as interpreted by the budget officer. Is this true? Perhaps the budget officer is the only "expert budget technocrat" in JO CO for interpreting the LBL for application in the local budget process. Do you agree? Research suggests that the government must want to seek participation as much as the participants want to give it, and citizens are less likely to participate if the political environment is not positive and accepting of input. The *Committee* believes that traditional in Oregon somehow means using the minimal CI requirements of LBL as it can not find any formal JCBCC legislative decisions (i.e., resolutions or ordinances) identifying the public participation requirements in the budget process for the JCBCC, JCBC, and/or the public (e.g., no county budget manual, no citizen participation budget plan, no county citizen's guide to the budget, etc.). Is this true? It appears that this traditional or normal Oregon budget CI method focuses on a minimum one formal "apprise" meeting before the JCBC and a minimum of one formal "apprise" hearing before the JCBCC(CPInJOCOBP, p. VC2-1). Do you agree?

Another major issue is the lack of trust issue in JO CO government. Improving public trust is the key to the county public safety issue and future taxes. What will the public response be for the next public safety levy, and the next and the next? Voting on levies is presently the only method of participation that voters know their voices will be heard. The *Committee's* conclusion is that the JCBCC should identify what the citizen preferences and priorities are for budget allocations with meaningful public displays, written and oral in order that the citizens know they have been heard.

Public trust in government is also an important component of political culture is which is directly related to LBL "*To provide specific methods for obtaining public views the preparation of fiscal policy.*" (ORS 294.321(4)). Oregon State University (OSU) Researcher Davis found that "While ideology likely plays a role for both JO CO opponents and supporters of four public safety tax levies from 2012-15, ideology is not the only factor influencing citizen perceptions, particularly on the opponent side. Fair treatment (emphasis added) within processes is the second most common argument utilized by levy opponents (41% of opponents). Reading through the letters (i.e., letters-to-the-editor in *The Grants Pass Daily Courier*), this is likely a result of a lack of trust in governmental processes (emphasis added). Opponents of the levy are much more likely to oppose the levy because they see government as wasteful or otherwise untrustworthy." (Davis 2016, pps. 45-46; CPInJOCOBP, p. VC2-5; Appx. G). Is fair treatment for public participants, like transparency, required by the LBL? What provisions of "to provide specific methods for obtaining public views" does JO CO use to obtain and encourage public input/opinions in a clear, satisfactory, and understandable way to the voters (Appx. A3)? How does the county record and analyze this public input?

- Systems can range from citizens having very little input into planning, to having full citizen control over planning and service delivery. Systems of co-production are judged along two axes of citizen participation: involvement in service

planning and involvement in service delivery. Traditional service provision minimizes citizen involvement in both of these areas, favoring professional control over most service delivery procedures. **Within this model, citizens may have some control over the system by being able to elect decision makers, however, the ability of citizens to make direct decisions or help in the provision of services is limited** (emphasis added) (Davis 2016, pps. 47-48: Appx. G; CPInJOCOBBP, p. VC2-5).

- **The current system in JO CO is very similar to the traditional model. Its residents have some control over budgeting as it concerns to property tax issues, but for the most part, decisions are made by the JO CO BCC** (emphasis added). Since this system appears to be inadequate at ensuring procedural justice, JO CO should seek to change its mechanisms of service provision to allow for more citizen voices (Davis 2016, p. 48, Appx. G; CPInJOCOBBP, p. VC2-5).

The Committee conclusion is that it would be prudent for the JCBCC to take OSU Researcher Davis up on his challenge to test his conclusions about public trust in government and citizen preferences (Appx. G).

Re-emphasizing, for almost two years JO CO has not responded in writing to our requests for assistance in explaining its budget process in writing, including Arthur O'Hare, JO CO Budget Officer, and for that same time O'Hare has not been allowed by the JCBCC to meet with us, we are asking you, representing the ODR, assist us in understanding JO CO's interpretations of LBL to arrive at its local budget process, by understanding the LBL. In effect, we are interested in your department's help in understanding JO CO's non-existent "County Budget Manual." Or, from the big picture, could it be as simple as Multnomah County's alternative view of LBL where a comprehensive public budget manual could be developed any county? Is this true? Statue?

"STATUTORY REQUIREMENTS Local Budget Law dictates what must be included in the budget document. Surprisingly, the requirements are quite minimal. [Multnomah County] Districts are encouraged to add material to the budget that provide more in depth information for the public." (CPInJOCOBBP, p. VC-7).

What about CI Element 2, Budgeting Process Design (CPInJOCOBBP, pps. VD 1-28)? Due to the public policy decisions inherent in the budget, the budget process would seem to be a prime opportunity for citizen input. However, the limited empirical research available suggests that CI in budgeting is not widespread. Do JO CO budget practitioners (e.g., elected and appointed officials) disagree with academics on the value of citizen input? Is there an intrinsic aspect to the budget process that prevents it? Are there other reasons for the lack of voter participation? There is a wide range of specific methods for obtaining public views identified in the literature (ORS 294.321(4)). When and how can citizens be involved in the budget process? Why are active participation strategies not used more? What are the effects of CP or the lack of it (p. VD 1)?

Another LBL "Budgeting Process Design" question on "Budget Process Participants" follows (CPInJOCOBBP, pps. VD 11-19; Appx. E2): "*Are county JO CO Budget Committee members equal?*" The *Committee* has come to the preliminary budget irregularity that they are not, especially so when the JO CO Budget Officer for the JCBC is also the financial director for JO CO working for the JCBCC, and also from his behavior exhibited in JCBC meetings as represented by one reported in the newspaper. It appears that according to the LBL all members of the budget committee have equal authority because each member's vote counts the same.

The *Committee's* analysis in CPInJOCOBBP comes to the conclusion that the three citizen JCBC members are significantly inferior to the three JCBCC members in authority to influence the review and approval of the budget. The newspaper article also tells a story about the counselor for the JCBC, and certainly the LBL expert and counselor for the budget process, JO CO Budget

Office and Finance Director Arthur O’Hare (Appx. E2). As the budget officer supervised by the JCBC, he prepared the proposed budget and took exception to a citizen elector at a JCBC meeting requesting an additional meeting to discuss budgeting philosophy. More importantly he is quoted that the JCBC members were not equal, as “*The Board [JCBC] already knows we are putting our money in the most important places.*” The *Committee* interpreted this to mean JO CO doesn’t need the JCBC considering the method of implementing fiscal policy in the proposed budget established by the JCBC and developed by the Budget Officer (Appx. E2).

Again, our November 26/December 12, 2016 communications to ODR (Appx. B1) were, and are, about understanding the local JO CO budget processes as defined by LBL. The questions to the ODR about the LBL budget processes we think are being applied in JO CO are documented in our evolving CPInJOCOBP research project. As we previously wrote, our requests for assistance are not about influencing the county’s fiscal policies in determining actual programs and levels of service (LOS) – We might provide public input at a JCBC meeting date in some future budget process if we ever gain an accepted understanding of LBL procedures for the preparation, presentation, and administration of local governments’ budgets and fiscal policies. Our requests are about how the LBL’s procedures, and the fiscal policies are to be formulated, documented, and shared with the public at the JO CO government level of a county budget process.

For the purpose of budget process clarification, we think a better understanding of ORS 294.321 Purposes, and ORS 294.403 Budget Message, would be especially helpful, especially how they are prepared, presented, and, administered in budgets for local governments. For example, what are the authorities, explanations, processes, ODR’s administrative decisions (however they are labeled), court opinions, etc. applicable to ORS 294.321 and ORS 294.403 (Appxs. A1 - A3)? Helping us understand these two statutes would be significant to better comprehend their component parts and how they are related to the required budget procedures and components of local LBL budget documents (i.e. ORS 294.321 – standard procedures; description of the programs; fiscal policy to accomplish programs; specific methods for obtaining public views on the preparation of fiscal policy; and enable the public to be apprised of financial policies; ORS 294.403 – explain the budget document; description of the proposed financial policies; describe connections with the important features with the financial policies; set forth the reasons for salient changes; and explain the major changes in financial policy). What are the meaning differences between “prepared” and “presented” in ORS 294.321.1 (see Appxs. C - E for our full set of questions)? Please advise, if there are other studies, statutes, rules, etc. to review.

In conclusion, the *Committee* re-emphasizes its belief that “*the government must want to seek participation as much as the participants want to give it, and citizens are less likely to participate if the political environment is not positive and accepting of input.*” Should government seek participation in its budget process for purposes beyond to “apprise” the public? Can an Oregon county go beyond the minimum LBL requirements to really enable citizen participation with a CI/CP program? The questions are asked because the *Committee* has had a JO CO commissioner inform its members that the county must follow LBL, implying it can not go beyond the LBL. This commissioner’s position is in conflict with several other counties’ approaches (e.g., Multnomah, Clackamas, etc.). Specifically, the ODR has provided the law for why it cannot interfere with fiscal policy of municipal corporations (ORS 294.490; Appx. B1). But, it has not provided the standards to measure the differences in county budget policies, and

when these policies are not in compliance with LBL. The ODR has also provided that “a municipal corporation may enact their own policies to implement local budget law and provide additional citizen involvement, so long as it doesn’t conflict with the statutes,” but it has not provided the standards by which “conflict with the statutes” is measured (Appx. B1). What is the specific statute that allows counties to go beyond the minimal LBL requirements for CI/CP?

The *Committee* is requesting assistance of the ODR to better understand LBL. Our specific request to the ODR continues to be based on the ODR publication, *Local Budgeting In Oregon*, that identifies the ODR as the work unit where the public can direct questions regarding LBL and its required budget procedures. The *Committee’s* comprehensive set of LBL questions (Appxs. E1 - E4) for the ODR are covered in its CPInJOCOBP research project analysis which cannot be finished without clarifying interpretations/answers from ODR. This set of enquiries will be the primary questions’ script when the ODR responds to our continuing request for assistance.

We also do not understand the three Oregon LBL purposes “*To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations.*” as applicable to the JO CO CI budget process and/or budget (ORS 294.321(1), (4), & (6); Appx. A-1). This is because JO CO has never responded in writing to the *Committee’s* dozens of formal written letters to JO CO elected and appointed officials requesting assistance in interpreting and understanding LBL as it applies to the JO CO budget process since January 20, 2016. The *Committee’s* example “understanding” findings follow from LBL purposes (ORS 294.321) as explained in ODR’s *Local Budgeting in Oregon* (Appendix A3).

1. Budget does not give the public ample (e.g., more than necessary, sufficient: abundant, expansive, extensive, generous, great, plentiful, substantial, etc.) opportunity (e.g., lucky chance; favorable circumstances: convenience, freedom, hope to participate. The public opportunity to participate in the budget process is not ample; it feels lacking, limited, meager, poor, unimportant, wanting, insufficient, and basically not enough. The opportunity feels like misfortune and bad luck.
2. Budget is not clear and transparent to the voters in describing budget process standards and performance objectives. It is clearly not written in such a way as to allow easy and accurate perception or interpretation; without doubt and obvious of meanings. Instead, clear and transparent brings up thoughts of doubtfully, questionably, uncertain, indefinitely, indistinctly, and vaguely.
3. Budget is not satisfactory to the voters in a way that fulfills expectations or needs, acceptably, or in a satisfactory manner (e.g., adequately, convincingly, sufficiently, suitably, etc.). When asked about satisfaction with the budget, our feelings can be described as inadequate, inappropriate, insufficient, unreliable, unsuitable, and unsatisfactory
4. Budget process and CI opportunities are not understandable for ability of citizens to understand or comprehend it. The local JO CO budget does not promote an individual's perception or judgment (e.g., comprehend, fathom, figure out, find out, interpret, learn, perceive. This lack of understanding is a chilling effect on voter engagement and participation in the local budget process (e.g., be ignorant, disregard, ignore, misinterpret, misunderstand, neglect, not get, etc.).
5. Budgeting process does not encourage citizen input when JO CO for almost two years has not allowed citizens to meet with local budget officer, and no written response from appointed and elected officials to dozens for comprehensive emails/letters.
6. Budget does not provide actual public opinion input from meetings or references to recorded opinions, and/or from email/letters, surveys, or studies for how JO CO obtained public opinion about proposed programs and fiscal policies in county.

We also do not understand the LBL purpose of “*It requires citizen involvement in the preparation of the budget and public disclosure of the budget before its formal adoption* as applicable to the JO CO budget process and/or budget. This is because the JO CO Budget Officer for the JCBC has not been available for a meeting to explain local CI budget law for almost two

years, and because county officials have not responded to approximately three dozen formal written letters during that same time period.

The JCBCC's budget goal of "Apprise" might be satisfactory with many voters, especially if the majority have no major problems or trust issues. In general, this is not now the case for JO CO with the significantly reduced county revenues since FY 2012 - 13 (e.g., degradation of O&C revenues; scary horrific past and probable unforeseen future unemployment, bankruptcies and foreclosures; forecasts of revenue growth facing downward pressure; unanticipated PERS costs; etc.). The JCBCC has the responsibility of funding mandated and essential PSS programs, and it has public trust issues. Adding to the problem is that the public safety issue is not the simple focus of taxes versus safety. The JO CO public safety issue is multifaceted with citizen perceptions and engagement decisions, pro and con, involving a multitude of reasons for voter participation in the budget process, or not (CPInJOCOBP, p. II-36). The JCBCC needs to review its LBL CI program of a one-way flow of information in only JCBC public hearings on the proposed budget. The JCBCC's present 'review and comment' methodology – decide on the policy, then introduce it to the public in a public JCBC hearing is beyond ineffective in an atmosphere of declining public trust in government.

Finally, the *Committee's* involvement in the development of JO CO budgets is not about mounting legal challenges to their results. It is about understanding the local budget process to promote engagement of voters. We request the ODR to review how JO CO prepares and administers its annual budgets for compliance with LBL, especially in light of irregularity examples noted in this communication and more comprehensively covered in the *Committee's* CPInJOCOBP research and questioning project. Has JO CO used a uniform LBL process and format?

Thank you in advance for any attention you can give to this continuing information request on helping us interpret and understand Oregon LBL as it is implemented locally.

Sincerely,

Mike and Jon :)

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Hugo Neighborhood Association & Historical Society



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p.s. The *Committee* recognizes that the length of this communication is not conducive to you and/or your staff seriously reading this nine page email/letter, and especially the 51 pages of appendices. Sadly, co-equal reasons for its length are "for the record", and education for interested citizens and voters at our web page. Optimistically, we hope you and the voters both read it for its value to improve voter understanding and engagement in local budget processes.

Appendices

- Appendix A1. Oregon Local Budget Law: ORS 294.321 Purposes & ORS 294.403 Budget Message.
- Appendix A2. Oregon Local Budget Law: Chapter 294 – County and Municipal Financial Administration, ORS 294.305 to 294.565.
- Appendix A3. Local Budgeting in Oregon.
- Appendix B1. Written Testimony To Oregon Department of Revenue On Interpretation Of Oregon Local Budget Law.
- Appendix B2. Written Testimony To Josephine County On Interpretation Of Oregon Local Budget Law & Understanding JO CO FY 2015-16 Budget Process.
- Appendix C. Research on Josephine County's Public Safety Issue and Citizen Involvement In Josephine County Budget Process.
- Appendix D. Research on Oregon Local Budget Law.
- Appendix E1. Brainstorming Questions Of Oregon Local Budget Law & Josephine County's Budget Process.
- Appendix E2. Example Oregon LBL Question: Are county budget committee members equal?
- Appendix E3. Analysis Questions Of Oregon Local Budget Law & Josephine County's Budget Process
- Appendix E4. Process Issue Questions Of Oregon Local Budget Law & Josephine County's Budget Process
- Appendix F. JS&PSS Exploratory Committee's Web Resources.
- Appendix G. Recommendation For Researching JO CO Citizens' Preferences And Priorities.

Attachments

- Attachment 1. December 12, 2016 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law.
- Attachment 2. September 23, 2016 Letter to Arthur O'Hare, Josephine County Budget Officer, and Josephine County Budget Committee from Exploratory Committee on Requesting a Meeting to Clarify the JO CO Budget Process.
- Attachment 3. November 4, 2017 Letter to They Report to You, ACLU of Oregon From Mike Walker, Chair, JS&PSS Exploratory Committee, Hugo Neighborhood Association & Historical Society.
- Attachment 4. Chapter IV. Budget Process Brainstorming Questions from *Citizen Participation In The Josephine County Budget Process* (Appendix E).

Email Copies (transmitted in batches because of the volume)

Josephine County Board of County Commissioners

- Simon Hare, Chair
- Lilly Morgan, Vice-Chair
- Dan DeYoung, Commissioner

Other Josephine County Elected Officials

- Dave Daniel, Sheriff, Josephine County Sheriff's Office, Josephine County
- Ryan Mulkins, District Attorney, Josephine County
- Connie Roach, Assessor, Josephine County
- Rhiannon Henkels, County Clerk & Recorder, Josephine County
- Peter Allen, Surveyor, Josephine County
- Eve Arce, Treasurer, Josephine County
- Wally Hicks, Legal Counsel, Josephine County

Josephine County Management Team

- JO CO Management Team, c/o Rob Brandes, Director, JO CO Public Works Department
- Nate Gaoiran, Director JO CO Community Corrections.
- Cheryl Walker, Interim Public Health Director, JO CO Public Health Department.
- Julie A. Schmelzer, Community Development Director, JO CO Planning Office
 - James C. Black, Planner III, JO CO Planning Office
- Sarah Wright, Parks Director JO CO County Parks Department
- Jim Goodwin, Director JO CO Juvenile Justice.
- Larry Graves, Manager JO CO Airports.
- David Streeter, Forestry Timber Manager JO CO Forestry.
- Ryan Johnson, JO CO Building Operations Manager.
- Connie Roach, Assessor JO CO Assessor's Office.

- Arthur O’Hare, Finance Director JO CO Finance Department.
- Robert Rice, Building Safety Director, JO CO.
- Lisa Pickart, Program Manager JO CO Veterans Service Office.

Josephine County Budget Committee c/o JO CO Budget Officer

- Members Not Identified on JO CO Web Page (unlike other governments such as the City of Grants Pass - <https://www.grantspassoregon.gov/626/Budget-Committee>)

State of Oregon

- Oregon Governor, Kate Brown.
- Dennis Richardson, Oregon Secretary of State, Public Records Administrator.
- Ellen F. Rosenblum, Oregon Attorney General, Oregon Department of Justice.
- Transparency Oregon Advisory Commission
- Senator Richard Devlin, Chair, Transparency Oregon Advisory Commission.
- Representative Julie Fahey, Member, Transparency Oregon Advisory Commission.
- Representative Gene Whisnant, Member, Transparency Oregon Advisory Commission.
- Senator Kim Thatcher, Member, Transparency Oregon Advisory Commission.
- Mr. Thomas E. Fuller, Member, Transparency Oregon Advisory Commission.
- Mr. Brian DeForest, Member, Transparency Oregon Advisory Commission.
- Ms. Theresa McHugh, Member, Transparency Oregon Advisory Commission.
- Mr. Michael Marsh, Member, Transparency Oregon Advisory Commission.

Educational Facilities

Rural Studies Program, Oregon State University (Appx. G).
<https://ruralstudies.oregonstate.edu/?page=3>

- Bruce Weber, Director, Rural Studies Program, Oregon State University.
- Richard Sandler, Rural Studies Program Coordinator, Oregon State University.
- Brent Steel, Professor, Rural Studies Program, Oregon State University.
- Rogue Community College
- Henry Wisniewski, Faculty, Social Science & Human Services Department

Organizations

- Jay Meredith, President, Securing Our Safety, Inc.
- They Report To You, ACLU of Oregon

The Grants Pass Daily Courier

- Scott Stoddard, Editor, The Grants Pass Daily Courier
- Jeff Duewel, Reporter, The Grants Pass Daily Courier
- Shaun Hall, Reporter, The Grants Pass Daily Courier

Acronyms

CI	Citizen Involvement
CI/CP	Citizen Involvement/Citizen Participation
CP	Citizen Participation
CPInJOCOBP	<i>Citizen Participation In The Josephine County Budget Process</i>
HNA&HS	Hugo Neighborhood Association & Historical Society
JO CO	Josephine County
JCBCC	Josephine County Board of County Commissioners
JCBC	Josephine County Budget Committee
JCMT	Josephine County Management Team
JS&PSS	Justice System & Public Safety Services
LBIO	<i>Local Budgeting in Oregon</i>
LBL	Oregon Local Budget Law
MT	Josephine County Management Team
ODR	Oregon Department of Revenue
OSU	Oregon State University
PSS	Public Safety Services

Abbreviations

<i>Committee</i>	Hugo Justice System & Public Safety Services Exploratory Committee
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Appendices

- Appendix A1. Oregon Local Budget Law: ORS 294.321 Purposes & ORS 294.403 Budget Message
- Appendix A2. Oregon Local Budget Law: Chapter 294 – County and Municipal Financial Administration, ORS 294.305 to 294.565.
- Appendix A3. Local Budgeting in Oregon
- Appendix B1. Written Testimony To Oregon Department of Revenue On Interpretation Of Oregon Local Budget Law
- Appendix B2. Written Testimony To Josephine County On Interpretation Of Oregon Local Budget Law & Understanding JO CO FY 2015-16 Budget Process
- Appendix C. Research on Josephine County's Public Safety Issue and Citizen Involvement In Josephine County Budget Process
- Appendix D. Research on Oregon Local Budget Law
- Appendix E1. Brainstorming Questions Of Oregon Local Budget Law & JO CO's Budget Process
- Appendix E2. Example Oregon LBL Question: Are County Budget Committee Members Equal?
- Appendix E3. Analysis Questions Of Oregon Local Budget Law & JO CO's Budget Process
- Appendix E4. Process Issue Questions Of Oregon Local Budget Law & JO CO's Budget Process
- Appendix F. JS&PSS Exploratory Committee's Web Resources
- Appendix G. Recommendation For Researching JO CO Citizens' Preferences And Priorities

Subj: Continuing Request For Assistance From Oregon Department of Revenue (ODR) In Interpreting & Understanding Oregon Local Budget Law (LBL). **Are the interpretations of LBL in the Appendices A - G correct? Where questions and answers are provided, are they accurate? Is any information in the appendices incorrect?**

The Hugo Justice System & Public Safety Services (JS&PSS) Exploratory Committee (*Committee*), Hugo Neighborhood Association & Historical Society (HNA&HS), is requesting assistance of the ODR to better understand LBL (Appx. A1 - A3). Our specific request to the ODR continues to be based on the ODR publication, *Local Budgeting In Oregon*, that identifies the ODR as the work unit where the public can direct questions regarding LBL and its required budget procedures. The *Committee's* research work on the LBL budget processes is now documented in its draft November 2016 publication, *Citizen Participation In The Josephine County Budget Process* (CPInJOCOBP). It is based on the *Committee* continuing research of LBL, but cannot be finished without answers to its written LBL questions to the ODR (Attach. 4 & CPInJOCOBP).

Citizen Involvement in Josephine County Budget Process
Justice System & Public Safety Services Exploratory Committee
Hugo Neighborhood Association & Historical Society
Web Page: <http://www.hugoneighborhood.org/ci.htm>

Citizen Participation In The Josephine County Budget Process

- II. Oregon Budget Law Excerpts
- III. Excerpts from Josephine County Budgets: FY 2006-07 to FY 2016-17
- IV. Budget Process Brainstorming Questions
- V. Analysis: Elements And Components Of Citizen Participation In Budgeting Process
- VI. JO CO Budget Process Issues
- VII. Budget Process Recommendations

Appendices

Appendix A1. Oregon Local Budget Law: ORS 294.321 Purposes & ORS 294.403 Budget Message

There are three sections comprising Appendix 1.

- I. Oregon Local Budget Law
- II. Josephine County ORS 294.403 Budget Message
- III. Josephine County Budget Goals & Expected Outcomes

I. OREGON LOCAL BUDGET LAW

A. ORS 294.321 Purposes. The purposes of ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents) are:

- (1) To establish **standard procedures for the preparation, presentation, administration** (emphasis added) and appraisal of budgets of municipal corporations;
- (2) To provide for a **brief description of the programs** (emphasis added) of a municipal corporation **and the fiscal policy** (emphasis added) which is to accomplish these programs;
- (3) To provide for estimation of revenues, expenditures and proposed taxes;
- (4) To provide **specific methods for obtaining public views the preparation of fiscal policy** (emphasis added);
- (5) To provide for the control of revenues and expenditures for the promotion of efficiency and economy in the expenditure of public funds; and
- (6) To **enable the public, taxpayers** (emphasis added) and investors to be **apprised of the financial policies** (emphasis added) and administration of the municipal corporation in which they are interested.

Research Questions. What is the difference between “preparation” and “presentation” in ORS 294.321(1).

B. ORS 294.403 Budget Message. A budget message shall be prepared by or under the direction of the executive officer of the municipal corporation or, where no executive officer exists, by or under the direction of the presiding officer of the governing body. The budget message shall be delivered at a meeting of the budget committee as provided in ORS 294.426 (Budget committee meeting) (1). The budget message shall:

- (1) **Explain the budget document** (emphasis added);
- (2) Contain a brief **description of the proposed financial policies** (emphasis added) of the municipal corporation for the ensuing year or ensuing budget period;
- (3) **Describe in connection with the financial policies** (emphasis added) of the municipal corporation, **the important features** (emphasis added) of the budget document;
- (4) Set forth the **reason for salient changes** (emphasis added) from the previous year or budget period in appropriation and revenue items;
- (5) Explain the **major changes in financial policy** (emphasis added); and
- (6) Set forth any change contemplated in the municipal corporations basis of accounting and explain the reasons for the change and the effect of the change (emphasis added) on the operations of the municipal corporation.

Research Questions. What are the relationships between ORS 294.321 Purposes and ORS 294.403 Budget Message? Are the financial policies referenced in the ORS 294.403 Budget Message the same as those identified in ORS 294.321 Purposes? Is the budget message part of all completed budgets (i.e., 1. Complete Budget Officer Proposed Budget Document, 2. Complete Budget Committee Approved Budget Document, and 3. Complete Governing Body’s Adopted Budget Document) available for public input? Do fiscal policies include budget document goals and directives, including budgeting for outcomes processes? How is compliance with “purposes” and “budget message” assessed by local governments and the public? Are there any formal LBL procedures for monitoring, review, and assessment of compliance of ORS 294.321 Purposes and ORS 294.403 Budget Message by the Oregon Department of Revenue?

II. JOSEPHINE COUNTY ORS 294.403 BUDGET MESSAGE

A. Proposed JO CO's FY 2015-16 Budget. JO CO BCC's Budget Message Financial Policies: FY Proposed Budget 2016-17 (Proposed). There was no explicitly identified "Budget Message" in the proposed budget. Is the budget message required for the proposed budget and the adopted budget?

B. JO CO's FY 2015-16 Budget: April 30, 2015 Budget Message To Josephine County Budget Committee Members

We are pleased to present the Fiscal Year 2015-16 Annual Proposed Budget for Josephine County. All budgets are balanced as required by Oregon Budget Law, which means that resources match or exceed projected annual requirements. This budget message outlines the **financial priorities** (emphasis added) of the County and highlights major changes to the funds.

The Government Finance Officers Association (GFOA) of the United States and Canada has given the Distinguished Budget Presentation Award to Josephine County for the third year in a row. This award is the highest form of recognition in governmental budgeting and shows that our **budget document reflects nationally recognized guidelines for effective budget presentation** (emphasis added). It also recognizes our open and accountable budget process, as well as our commitment to provide an accessible budget document to the citizens of Josephine County.

JO CO is rightly proud of its distinguished budget presentation awards from the Government Finance Officers Association (GFOA; <http://www.gfoa.org/budgetaward>). Does "presented" mean something like the *Distinguished Budget Presentation Awards Program* of the GFOA and the explanation of the awards criteria? What are the GFOA responsibilities for CI in enabling the public to be appraised?

Proposed Budget Goals and Directives The Board of County Commissioners set goals to provide direction related to the "big picture" rather than listing individual actions or activities. **Each department has detailed in their budget how their programs meet the following goals** (emphasis added) approved by the Board of County Commissioners on 02-12-2015:

1. **Improve community outreach and communication to the public** (emphasis added) by investing in technology that will improve efficiencies within County departments and provide enhanced service to citizens.
2. **Develop a sustainable plan** (emphasis) for all mandated and essential County government programs (emphasis added).
3. **Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner** (emphasis added).

The Board of County Commissioners also provided several directives to be used in preparing department budgets. As you review the narratives, you will see how the directives are being addressed by the individual programs. Main directives are:

1. Budget at a level consistent with **current operational service levels** (emphasis added).
2. **Budget only for mandatory** (emphasis added) and/or self-supporting **programs** (emphasis added).
3. **Address County goals** (emphasis added) and **clearly define program purpose** (emphasis added) and **expected outcomes** (emphasis added).

Citizen Involvement in Josephine County Budget Process

Justice System & Public Safety Services Exploratory Committee

Hugo Neighborhood Association & Historical Society

Web Page: <http://www.hugoneighborhood.org/ci.htm>

III. JOSEPHINE COUNTY BUDGET GOALS & EXPECTED OUTCOMES

A. **Josephine County ORS 294.403 Budget Message.** Directive 3 of JO CO's FY 2015-16 budget: April 30, 2015 budget message to JO CO Budget Committee members follows (see Appx. A1, Section II.B): "Addresses County **goals** (emphasis added) and **clearly define program purpose** (emphasis added) and **expected outcomes** (emphasis added)."

B. JO CO's Budget Goals & Expected Outcomes: FY 2006-07 To FY 2016-17

1. **JO CO's Budget Goals** *The Josephine County Budget Process* (CPInJOCOBP) document covered JO CO's FY 2006-07 To FY 2016-17 goals in Chapter III.

Chpt. III. Excerpts from JO CO Budgets: FY 2006-07 To FY 2016-17 (84 pages)
The Josephine County Budget Process (CPInJOCOBP)
Citizen Involvement in Josephine County Budget Process
Web Page: <http://www.hugoneighborhood.org/ci.htm>

The *Committee's* analysis assumed that the JCBC's establish financial policies which are the LBL standard procedures for the preparation of an Oregon budget. They are called a variety of terms. Oregon's Local Budget Law, per the "*Local Budgeting Manual*", is found in ORS 294.305 to 294.565. The following budget plan terms are from the glossary of the *Local Budgeting Manual*: budget; budget message; proposed budget, financial plan; approved budget, financial summary; and adopted budget, financial plan (CPInJOCOBP, p. III-3). In practice the annual budget message in a JO CO budget contain the financial polices as a set of goals and directives from the JCBC.

What is LBL's definition of budget *financial policies/financial summary* as they relate to CI/CP? What is a budget? A budget is a **financial plan** (emphasis added) that includes estimates of expenditures and revenues for a single fiscal year or biennium. The local budgeting process provides procedures for evaluating a local government's needs and identifying revenue sources to meet those needs. A **completed budget** (emphasis added) provides a means of controlling expenditures and a justification for imposing property taxes. A local government's budget is a public document. Anything connected with the budget is subject to public inspection. The budget is a guide to the **financial management** (emphasis added) of the local government. **It provides information that encourages public participation in government** (emphasis added). Temper the detail of the budget with common sense to make the document as informative and uncomplicated as possible (*Manual*, pps. 5, 13, 14; CPInJOCOBP, Section III.B. JO CO BCC's Financial Policies: FY 2006-07 To FY 2016-17, p. III-3).

The *Committee* views goals as maintaining budget focus and balance. Goals and strategies help monitor progress, control spending, manage cash flow and make revenue and expenditure projections. A financial budget is, in reality, an action plan for achieving goals as defined by strategic financial objectives. It expresses strategic plans of local government units in measurable terms (i.e., dollars). Important to budget programs and CI/CP are both the goals and outcomes of implementing the programs and public participation. Program goals should be set at the beginning of the citizen-participation process, and program/CI/CP outcomes should be assessed and compared to what was expected when the goals were established, including measurable objectives and performance measures (ORS 294.321; CPInJOCOBP, Sec. III.D, p. III-49).

The Government Finance Officers Association (GFOA) recommends that all governmental entities use some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus establishing logical links between authorized spending and broad organizational goals. It is essential that the strategic plan be initiated and conducted under the authorization of the organization's chief executive (CEO), either appointed or elected. Inclusion of other stakeholders is critical, but a strategic plan that is not supported by the CEO has little chance of influencing an organization's future. Several other goals related actions are recommended by the GFOA (CPInJOCOBBP, Sec. III.D, p. III-49); see CPInJOCOBBP, Sec. V.H. GFOA Budget Presentation Award Program).

a) Summary Of Major CI/CP Goal Themes: FY 2006-07 To FY 2016-17 Important to citizen participation in budgeting are its goals. Five potential goals for CI/CP have been identified in the literature: 1. informing decision making, 2. educating participants on the budget, 3. gaining support for budget proposals, 5. influencing decision making, and 5. enhancing trust and creating a sense of community. However, the focus of budgeting goals in JO CO are normally not CI/CP as the major reason for the budget would remain without public input per LBL purposes ORS 294.321 - balance the budget per the priorities of law and need (CPInJOCOBBP, Section III.D. Goals from JO CO Budgets: FY 2006-07 To FY 2016-17, p. 61).

Public involvement is about people, their perceptions, beliefs, aspirations, knowledge, and understanding, as much (if not more) an art as a science. Perspectives frequently vary about the success of public involvement efforts, often depending on who was involved and whether their needs were met in the process. So how can you measure success in public involvement efforts and what does it mean to be "successful"? Practical criteria for the measurement of public involvement efforts are based on evaluation of participants' goals and expectations. *Process* criteria evaluates the CI/CP means or approach. *Outcome-based* success measures have different criteria. Measuring success of *outcomes* is trickier to quantify because of the diversity of preferred results. In this respect, Evans (2002) makes a critical distinction between measuring the *success of the public involvement program (or process) itself and the success of the project (enterprise) the public involvement program supports* (CPInJOCOBBP, Section III.D, p. 61).

In general, the literature indicates a preference for a mix of process and outcome goals, as well as a mix of tools and techniques. A **number of CI/CP factors are key** (emphasis added) in developing an effective public involvement process that can attain the goals of local government and address the expectations of participants. **These include early involvement, inclusiveness, two-way communication, adequate information and resources, an appropriate degree of citizen control, incentives and/or compensation, agency clarity, openness, and management commitment, development of trust, prior community experience, agreement on goals, and going beyond legal minimums** (emphasis added; CPInJOCOBBP, p. III.D - 61).

Goal: Develop Sustainable Level of Service Plan for Mandated and Essential Programs.

Developing a sustainable budget plan (2016-17 through 2014-15) is a positive improvement over providing sustainable funding (2013-14 through FY Budget 2010-11). Questions involve understanding how JO CO defines "Developing a sustainable plan" and "Providing sustainable funding." Providing sustainable funding could be as simple as balancing the budget. Developing a plan involves a lot more. The question of mandated and essential County government programs is serious as the *Committee* members do not believe JO CO has accomplished the goal of developing a sustainable plan for all mandated and essential County government programs. Regardless that many professional government and private **opinions** have addressed the issue of not being in compliance with mandatory State and minimally acceptable level of public safety services (MALPSS) standards. The *Committee* does not believe programs can be in compliance with mandated and essential standards when mandated and essential county government programs have never been defined in a logical scientific way (see Exploratory Committee's MALPSS web page; CPInJOCOBBP, p. III.D - 63).

b) Summary CI/CP Goal Themes With Questions: FY Budget 2016-17 To FY 2006-07
(CPInJOCOBP, Section III.D, pps. 71 - 77)

(1) Literature CI/CP Goal Themes Important to citizen participation in budgeting are its goals. Five potential goals for CI/CP in budgeting have been identified in the literature.

1. Informing Decision Making.
2. Educating Participants on the Budget.
3. Gaining Support for Budget Proposals.
4. Influencing Decision Making.
5. Enhancing Trust and Creating a Sense of Community.

How can you measure success in public involvement efforts and what does it mean to be "successful"? In general, the literature indicates a preference for a mix of process and outcome goals, as well as a mix of tools and techniques. A number of CI/CP factors are key in developing an effective public involvement process that can attain the goals of the sponsor and address the expectations of participants (CPInJOCOBP, p. III.D - 71).

- Early Involvement.
- Inclusiveness.
- Two-way Communication.
- Adequate Information and Resources.
- An Appropriate Degree of Citizen Control.
- Incentives And/or Compensation.
- Agency Clarity.
- Openness, and Management Commitment.
- Development of Trust.
- Prior Community Experience.
- Agreement on Goals.
- Going Beyond Legal Minimums.

(a) A Ladder of Citizen Participation Sherry Arnstein, writing in 1969 about citizen involvement in planning processes in the United States, described a “ladder of citizen participation” that showed participation ranging from high to low. The ladder is a guide to seeing who has power when important decisions are being made. It has survived for so long because people continue to confront processes that refuse to consider anything beyond the bottom rungs. The eight rungs of the ladder follow (www.partnerships.org.uk/part/arn.htm; CPInJOCOBP, Section III.D, p. 71).

1. Manipulation and 2. Therapy. Both are non participative. The aim is to cure or educate the participants. The proposed plan is best and the job of participation is to achieve public support through public relations.
3. Informing. A most important first step to legitimate participation. But too frequently the emphasis is on a one way flow of information. No channel for feedback.
4. Consultation. Again a legitimate step attitude surveys, neighborhood meetings and public enquiries. But Arnstein still feels this is just a window dressing ritual.
5. Placation. For example, co-option of hand-picked ‘worthies’ onto committees. It allows citizens to advise or plan ad infinitum but retains for power holders the right to judge the legitimacy or feasibility of the advice.
6. Partnership. Power is in fact redistributed through negotiation between citizens and power holders. Planning and decision-making responsibilities are shared e.g. through joint committees.

- 7. Delegation. Citizens holding a clear majority of seats on committees with delegated powers to make decisions. Public now has the power to assure accountability of the programme to them.
- 8. Citizen Control Have-nots handle the entire job of planning, policy making and managing a program (i.e., neighborhood corporation with no intermediaries between it and the source of funds).

(b) IAP2 Spectrum of Public Participation Goals The International Association of Public Participation’s (IAP2) 2015 Spectrum of Public Participation was designed to assist with the selection of the level of participation that defines the public's role in any public participation process. The Spectrum shows that **differing levels of participation are legitimate and depend on the goals, time frames, resources, and levels of concern** (emphasis added) in the decision to be made. The IAP2 Spectrum of Participation is a resource that is used on an international level and can be found in many public participation plans CPIInJOCOBP, p. III.D - 72).

- Inform Goal. To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.
- Consult Goal. To obtain public feedback on analysis, alternatives and/or decisions.
- Involve Goal. To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.
- Collaborate Goal. To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.
- Empower Goal. To place final decision making in the hands of the public.

IAP2 Spectrum of Public Participation Promises To the Public (CPIInJOCOBP, p. III.D - 72).

- Inform Promise. We will keep you informed.
- Consult Promise. We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision. We will seek your feedback on drafts and proposals.
- Involve Promise. We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.
- Collaborate Promise. We will work together with you to formulate solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.
- Empower Promise. We will implement what you decide.

IAP2 Quality Assurance Standard for Community and Stakeholder Engagement (IAP2 2015). The terms public participation and community and/or stakeholder engagement are interchangeable in the context of this standard. IAP2 Core Values: The spectrum shows that **differing levels of engagement (i.e., referred to by IAP2 as ‘participation’) are warranted and legitimate, depending on the goals, time frames, resources and levels of concern in the decision to be made** (emphasis added). The core values define the expectations and aspirations of the public participation process. Practitioners should adhere to these values for community engagement to be effective and of the highest quality. **The extent to which the core values (which follow) can be adhered to is impacted by the level of influence** (emphasis added) (CPIInJOCOBP, p. III.D - 73).

- 1. Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.

2. Public participation includes the promise that the public’s contribution will influence the decision.
3. Public participation promotes sustainable decisions by recognizing and communicating the needs and interests of all participants, including decision makers.
4. Public participation seeks out and facilitates the participation of those potentially affected by or interested in a decision.
5. Public participation seeks input from participants in designing how they participate.
6. Public participation provides participants with the information they need to participate in a meaningful way.
7. Public participation communicates to participants how their input affected the decision.

However, the focus of JO CO budgeting goals are normally not CP; it is CI at the level of appraising the public (CPInJOCOBP, p. III.D - 73).

(2) JO CO’ Budget CI/CP Goal Themes The following Chapter III CI/CP goal themes, and/or potential themes, may, or may not, continue as identified budget issues (Chapter VI) for the JO CO budget process (CPInJOCOBP, Section III.D, pps. 74 - 77).

- Goal Theme: Enhanced CI/CP Public Trust Value. The JO CO budgets and CI/CP goals do not enhance public trust as measured by participation at budget meetings open to the public. The lack of public trust in government by a majority of its voting citizens is a major issue and the most significant as the context for all other issues.
- Goal Theme: JO CO BCC Provides Goals Per Budgeting for Outcomes A significant FY 2006-07 commitment was that the BCC would provide goals for all future budgets. In general the identification of goals was accomplished, especially for FY 2010-11 to FY 2016-17. Missing was identification of key words in the goals and a process for how to implement them by department and program.
- Goal Theme: Budgeting for Outcomes (BFO) Incorporation Commitments The BFO commitments from FY 2006-07 on through FY 2016-17 focus on three areas: 1. budgeting for outcomes is, 2. budgeting for outcomes focuses on, and 3. budgeting for outcomes asks four basic questions. How will the JO CO BCC’s three BFO commitments be accomplished?
 - Commitment #1. Citizen input on services levels they are willing to fund.
 - Commitment #2. Goals set by the Board.
 - Commitment #3. Stakeholder support of programs.

Implementing the BFO commitments from FY 2006-07 to future budget documents was spotty at best. The big deficit is that nowhere, to the Authors’ knowledge, has a budgeting for outcomes analysis been provided in any the budget, or a reference to BFO in any budget for 10 years (FY 2006-07 TO FY 2016-17). There have been simple statements in each budget that it occurred, and for the three budgets from 2016-17 through 2014-15, there has been a detailed outline of what budgeting for outcomes is supported to accomplish for three areas. **Therefore, until JO CO provides evidence of accomplishment beyond outline statements, it is assumed there is non-compliance for commitment #2.**

It is unknown if the three incorporation commitments were accomplished as the BFO analysis/assessment was not provided in any budget, nor referenced for any budget. **Therefore, until JO CO provides evidence of accomplishment beyond outline statements, it is assumed there is non-compliance for commitments #1 and #3.**

There are also questions about how the BCC gathered public input for Commitment #1 and stakeholder support for Commitment #3.

- Goal Theme: Improve Community Outreach **Improving** community outreach is a positive improvement over **encouraging** public involvement through community outreach. Questions involve understanding how JO CO’s CI/CP Program defines CI and public outreach. “Improve” implies an active government strategy to change CI over the baseline with a program to encourage.
- Goal Theme: IAP2 Spectrum of Public Participation: Inform, Consult, Involve, Collaborate, and Empower. **Using the IAP2 Spectrum of Public Participation, the JO CO “Improve” Community Outreach goal theme was accomplished for all budgets at the “inform” citizen participation level, but not for the higher levels of consult, involve, collaborate, or empower (IAP2 2015).** The next level

of CP, “consult” was not met because the local governing body did not provide an opportunity for the public to comment on any analysis, alternative, or decisions, except one proposed budget. In addition, the BCC did not provide written feed back for the public’s concerns and aspirations, nor how the public’s input influenced the decision. It also did not seek feedback on what were internal draft financial policies prior to the proposed budget being presented to the JO CO Budget Committee.

- Goal Theme: Develop a sustainable plan for all mandated and essential County government programs. Developing a sustainable plan is a positive improvement over providing sustainable funding. Questions involve understanding how JO CO defines “Developing a sustainable plan” and “Providing sustainable funding.” Providing sustainable funding could be as simple as balancing the budget. Developing a plan involves a lot more.

The question of mandated and essential County government programs is serious as **JO CO has not accomplished the goal of developing a sustainable plan for any defined mandated and essential county program.** Sadly mandated, essential, and minimally acceptable level of public services (MALPSS) was not defined for the huge majority of the JO CO budget programs.

Many professional government and private opinions have addressed the issue of not being in compliance with mandatory State and minimally acceptable level of public safety services (MALPSS) standards with backed up with only their opinions. The Authors do not believe programs can be in compliance with mandated and essential standards when mandated and essential county government programs have never been defined in a logical scientific way in any analysis, or assessment (see Exploratory Committee’s MALPSS web page).

- Goal Theme: Provide public access in a **transparent** (emphasis added), open, efficient, and professional manner. Effective fiscal transparency entails the intelligibility and usability as well as availability of budget and financial information, to nonspecialists (most citizens and many public officials) as well as to budget analysts and other specialists and budget-process insiders.
- Goal Theme: Goal Compliance. JO CO BCC compliance in continuing to develop explicitly clearer understandable goals. To its credit the JO CO BCC identified goals, but without definitions and objectives and, therefore, they are not understandable by the Authors. For a public understanding, the different voting citizens have to develop their own individually assumptions, definitions, and processes for using the goals. Significantly, there are not any performance standards to measure compliance.
- Goal Theme: Goals As Requirements. Will goals ever be compliance requirements, or will they remain non-mandatory provisions? “Should” in JO CO goals is implied to indicate a goal which must be addressed by the design, but is not formally verified and does not have legal performance standards.
- Goal Theme: Third Party Intermediation. A third-party intermediation might facilitate meaningful citizen participation in resource allocation, and thereby promote the developmental as well as protective functions of democracy. Some degree of third-party fiscal-information intermediation is needed, to improve transparency by reducing the expertise, time, and attention demands of participation, and by helping citizens to understand what fiscal information is important. It complements the government model; it does not replace it.
- Goal Theme: CI/CP Programs. CI/CP recognized as a program focusing on opportunities higher up on the “ladder of citizen participation” (Ordinances/Resolutions).
- Goal Theme: Monitoring & Evaluation. The JO CO budget process is in compliance with the accounting standards from the LBL. How about goal performance indicators, benchmarks, and performance standards for elected and appointed officials and CI/CP?
- CI/CP Goal Theme: Monitoring & Evaluation – Goal Performance Indicators, Benchmarks, and Performance Standards. The JO CO budget process is satisfactory for compliance with the CI “inform” standards from the LBL. It is a failure for compliance with enhanced CI/CP standards of consult, involve, collaborate, and empower (see IAP2 Quality Assurance Standard for Community and Stakeholder Engagement Standards).
- IAP2 Quality Assurance Standard for Community and Stakeholder Engagement Standards promote the right of individuals who are affected by a decision to have a say in the decision-making process, highlighting the benefits of this to organizations, governments and individuals. The set of standards are used to measure any engagement process in order to ensure it meets best practice principles leading to confidence in the outcome for all involved (IAP2 2015).

Community and stakeholder engagement is now required and accepted as a standard component of any significant project as much as traditional disciplines such as planning, development and implementation. Engagement is in fact intrinsic to the successful functioning of all of these conventional disciplines, as the outcomes should ultimately influence project development and completion (IAP2 2015).

The IAP2 Quality Assurance Standard has been designed to respond to market requirements for evidence that effective community and stakeholder engagement has been delivered and in particular that it accords with the professional communities perspective of quality. The terms public participation and community and/or stakeholder engagement are interchangeable in the context of this Standard (IAP2 2015).

2. JO CO's Budget Expected Outcomes Directives (CPInJOCOBP, Section III.E. Directives from JO CO Budgets: FY 2006-07 To FY 2016-17, pps. III-1, III-60 & III 78 -79).

a) *Committee Observations/Questions* It was difficult to understand CI/CP budget goals when terms and phrases (e.g., 1. improve community outreach, 2. provide access in a transparent, open, and professional manner, 3. encourage public involvement through community outreach, 4. provide services in a transparent, open and efficient manner; future budgets will incorporate, citizen input on service levels they are willing to fund, stakeholder support of programs, etc.) were not defined in the budgets or companion CI/CP documents (e.g., handbook, manual, plan, etc.). The *Committee* could not find any analysis/assessments, or references of availability, to support the committed FY 2006-07 To FY 2016-17 BFO components and statements on continued State mandates for future budgets (CPInJOCOBP, p. III-60).

b) JO CO's Expected Outcomes Budgeting for Outcomes (BFO) has been used in JO CO's budget process and identified in its budgets since its FY Budget 2006-07 through the last budget analyzed by the *Committee* - FY 2016-17. A common issue for BFO from FY 2006-007 through FY 2016-17 is the lack of access and/or availability of BFO information supporting 11 JO CO budgets (CPInJOCOBP, p. III-1).

Footnote III-1 is common issue for BFO from FY 2006-007 through FY 2016-17. It is a problem of availability of information supporting 11 JO CO budgets. The BFO analysis document is not available to the public (i.e., not in compliance with Josephine County Approved FY Budget 2016-17 Budget Goal #3 - Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner). It is especially a problem as a JO CO Budget Committee brought up the issue of BFO during the FY 2016-17 budget cycle and the BFO analysis document was not made available to the JO CO Budget Committee or the public (Section V.D.3c)(2) - All Budget Committee Members Do Not Have Equal Authority (CPInJOCOBP, p. III-1)

c) Goal Outcomes Assessed "BFO" has been used in the county since the JO CO FY 2006-07 Budget through FY 2016-17 (CPInJOCOBP, p. III 78 -79)

The Budget for fiscal year 2006-07 is a major change in how Josephine County budgets. This Budget establishes funding levels for programs and services instead of categories of expenditures. The Board of Commissioners reorganized County departments and services September 1, 2005. The Budget and new fund structure is modeled after the reorganizations. The Board also supported a fundamental change in the budget process, following the concept of a modified zero based budgeting process known as "Budgeting for Outcomes. "Budgeting for Outcomes" is based on programs and service levels within the County. **Future budgets will incorporate citizen input on services levels they are willing to fund, goals set by the Board and stakeholder support of programs** (emphasis added).

Measuring the success of CI/CP techniques, processes or projects can provide valuable feedback to practitioners, project proponents, and the public. Yet, while there seems to be general agreement that measuring the success or effectiveness of budget programs and CI/CP are important, actually measuring success does not seem to be a broadly applied practice, possibly due to added costs, concerns over the appropriateness or applicability of different metrics, a lack of understanding of the tools and techniques, or other reasons. For whatever the reasons, JO CO is with the majority in not measuring CI/CP success. The Authors could not find any information in the 11 reviewed JO CO budgets (FY 2016-17 to FY 2006-07) on measuring or assessing the success of the JO CO program and/or CI/CP budget goals, including BFO.

Governments and industry across the globe are increasingly recognizing the value of community and stakeholder engagement as an essential part of significant project planning and decision-making. **The paradigm of decision making consideration has shifted from a culture of “announce and defend,” to one of “debate and decide”** (emphasis added) (IAP2 2015).

The IAP2 Public Participation Spectrum is designed to assist with the level of influence that is required, depending on the community or stakeholder’s role in the engagement. **The spectrum shows that differing levels of influence in engagement (referred to by IAP2 as ‘participation’) are warranted and legitimate, depending on the goals, time frames, resources and levels of influence in the decision to be made** (emphasis added). However, most importantly, the spectrum sets out the commitment being made to the public at each level to ensure transparency. This IAP2 standard acknowledges that individual projects vary as to their position on the IAP2 Spectrum. In this way the standard specifically responds to the spectrum’s recommended strategy for dealing with the various levels of influence the community has. A IAP2 Public Participation Spectrum incorporated into a JO CO CI/CP Budgeting Plan (i.e., ordinance) would explain the local governing body’s public outreach and participation strategy.

Perhaps the most significant shift in thinking about community engagement has come with recognition that the engagement may now be motivated from within the community or even led by the community itself **rather than the one-way path from government or organization to community** strategy. Similarly in the commercial context it may arise from within the business or even be led by the staff and members.

IAP2 Quality Assurance Standard As well as adopting the IAP2 “Core Values” as the underlying principles for community and stakeholder engagement, **a standard process is used in order to ensure a quality community engagement exercise** strategy. The standard below summarizes the steps of this process. More detail is provided to the practitioner with guidelines for adoption in the original.

1. Problem Definition.
2. Agreement of Purpose/Context and Identification of Negotiables and Non-negotiables
3. Level of Participation.
4. Stakeholder Identification and Relationship Development.
5. Project Requirements.
6. Development and Approval of Engagement Plan.
7. Execution of Engagement Plan.
8. Feedback.
9. Evaluation and Review.
10. Monitoring.
11. Documentation of Evidence.

C. Budgeting for Outcomes (BFO) Conflicting Facts (Appx. E-2)

The BFO conflict concerns facts identified in the CPIInJOCOBP versus a JO CO Budget Committee meeting reported on May 26, 2016 (Appx. E-2).

- Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. Draft November 2016. *Citizen Participation In The Josephine County Budget Process*. <http://www.hugoneighborhood.org/budgets.htm>. Hugo, OR.
- Shaun Hall, Reporter. May 26, 2016. The Grants Pass Daily Courier. *Budget Committee Member Bashes Budgeting Process*. Grants Pass, OR (Appx. E2; <http://www.hugoneighborhood.org/budgets.htm>).

1. Citizen Participation In The Josephine County Budget Process (CPIInJOCOBP) The *Committee's* analysis in CPIInJOCOBP verifies an issue that the three citizen JO CO Budget Committee (JCBC) members are not close to being equals to the three JCBC members (see Appx. E2 for the arguments).

2. Committee Analysis of Budgeting for Outcomes (BFO) Issue For the *Committee*, the May 26, 2017 news paper article entitled *Budget Committee Member Bashes Budgeting Process* told a story about the JCBC and one of its meetings. Members of the *Committee* came away with several noteworthy points from the reported discussion of budget committee members (Appx. E2). The points that follow will only address BFO budget issues (BI).

- BI1. There was a budget issue disagreement between JCBC members on the BFO issue.
- BI2. BFO budget issue debate was between one citizen member of the JCBC and two JCBC members, including the JO CO Budget Officer.
- BI2a) Budget issue debates between equals. The six issues under this heading could apply, but might not apply (see Appx. E2 for full debate issues).
- BI2b) Budgeting for Outcomes (BFO) issue debate where members are unequal.
 - BI2b)-1 "Arthur will tell you, basically, we are doing that (budgeting for outcomes)," Heck said. O'Hare agreed. "We're not doing it (budgeting for outcomes) because we don't need to reinvent the wheel," he said. "We went through the process. Our priorities are the same."
 - BI2b)-2 Commissioner Keith Heck, also a Budget Committee member, characterized Goodwin's suggestions as a difference of opinion over budgeting philosophy. Ironically, Goodwin is suggesting a return to a budget approach the county has used in the past, called "budgeting for outcomes," which focuses on funding top priorities first. Heck, Commissioner Simon Hare and Finance Director Arthur O'Hare said that, in the four years since the method was used, the county's priorities have not changed so there is no need to reset them.
 - BI2b)-3 Budget Committee should reassess its priorities this year is Margaret's personal opinion," O'Hare said.
 - BI2b)-4 JO CO Board of Commissioners already knows we are putting our money in the most important places." O'Hare said.
 - BI2b)-5 O'Hare added that he took as "pretty offensive" Goodwin's comments during deliberations that she believed the county was not following generally accepted accounting practices.
 - BI2b)-6 JO CO received Distinguished Budget Presentation Award from Government Finance Officers Association for the budget validating that it was correct. O'Hare.
- BI3. The reported "Budgeting for Outcomes" issue had inaccurate information.

BI3. Committee Analysis of 2a) BFO issue debate where members are equal (see Appx. E2 for full list of six issue, not applicable to this BFO analysis.

BI4. Committee Analysis of 2b) BFO issue debate where members are unequal.

BI2b)-1 BFO Difference of Opinion "Arthur will tell you, basically, we are doing that (budgeting for outcomes)," Heck said. O'Hare agreed. "We're not doing it (budgeting for outcomes) because we don't need to reinvent the wheel," he said. "We went through the process. Our priorities are the same."

Committee BI2b)-1 Response Two expert JO CO witnesses (i.e., JO CO commissioner and JO CO Budget Director) are disagreeing with each other on whether BFO is being used, including the apparent disagree of JO CO Budget Director with himself.

BI2b)-2 BFO: Four Years since the Method Was Used Commissioner Keith Heck, also a Budget Committee member, characterized Goodwin's suggestions as a difference of opinion over budgeting philosophy. Ironically, Goodwin is suggesting a return to a budget approach the county has used in the past, called "budgeting for outcomes," which focuses on funding top priorities first. Heck, Commissioner Simon Hare and Finance Director Arthur O'Hare said that, in the four years since the method was used, the county's priorities have not changed so there is no need to reset them.

CPInJOCOBP BI2b)-2 Response BFO has been identified in JO CO's budgets since its FY Budget 2006-07 through the last budget analyzed by the *Committee* - FY 2016-17. A common *Committee* issue for BFO from FY 2006-007 through FY 2016-17 is the lack of access and/or availability of BFO evidence supporting 11 JO CO budgets identifying that BFO was used (Apps. A-1, p. A1-9; CPInJOCOBP, p. III-1).

A common issue for BFO from FY 2006-007 through FY 2016-17 is a problem of availability of information supporting the 11 JO CO budgets. The BFO analysis documents are not available to the public (i.e., not in compliance with Josephine County Approved FY Budget 2016-17 Budget Goal #3 - Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner). It is especially a problem as a JO CO Budget Committee brought up the issue of BFO during the FY 2016-17 budget cycle and the BFO analysis document was not made available to the JO CO Budget Committee or the public (Apps. A-1, p. A1-9; CPInJOCOBP, p. III-1, Footnote III-1)

CPInJOCOBP BI2b)-2 Response Goal Outcomes Assessed "BFO" has been used in the county since the JO CO FY 2006-07 Budget through FY 2016-17 (Apps. A-1, p. A1-9; CPInJOCOBP, p. III 78 -79)

The Budget for fiscal year 2006-07 is a major change in how Josephine County budgets. This Budget establishes funding levels for programs and services instead of categories of expenditures. The Board of Commissioners reorganized County departments and services September 1, 2005. The Budget and new fund structure is modeled after the reorganizations. The Board also supported a fundamental change in the budget process, following the concept of a modified zero based budgeting process known as "Budgeting for Outcomes. "Budgeting for Outcomes" is based on programs and service levels within the County. **Future budgets will incorporate citizen input on services levels they are willing to fund, goals set by the Board and stakeholder support of programs** (emphasis added).

A BFO budget overview is provided for at least five recent annual JO CO budgets, but without any supporting evidence in the budgets, or referenced documents that demonstrate BFO was used in the budget processes.

- Proposed FY 2016 - FY 2017 (CPInJOCOBP, pps. III 24 - 25)
- FY 2015 - FY 2016 (CPInJOCOBP, p. III 30)
- FY 2014 - FY 2015 (CPInJOCOBP, p. III 32)
- FY 2013 - FY 2014 (CPInJOCOBP, pps. III 34 - 35)
- FY 2012 - FY 2013 (CPInJOCOBP, p. III 38)

JO CO BFO Model: The County Process - Budget Overview

- ▣ Budgeting for Outcomes is:
 - A departure from the traditional budgeting model of using last year as a base, adding inflation, and then cutting the result to balance the budget.
 - A type of zero-based budgeting (programs versus historical).
 - A top-to-bottom review of everything from citizens' perspectives and priorities, rather than a department or government perspective.
 - A way of establishing program priorities and allocating resources when revenues are limited.
 - A better tool for elected officials to set the direction of the County and choose the services it will provide.
- ▣ Budgeting for Outcomes focuses on:
 - Setting the price of government
 - Setting the priorities of government
 - Setting the price of each priority
 - The “keeps”, not the cuts.
- ▣ Budgeting for Outcomes asks Four Basic Questions:
 - How much revenue will we have: What price of government will we charge the citizens?
 - What outcomes (results) matter most to our citizens?
 - How much should we spend to achieve each outcome?
 - How can we “best” deliver each outcome that citizens expect?
- ▣ Budgeting for Outcomes – County Level:
 - Josephine County looks at programs provided by each department and the level to which each should be funded, rather than looking at expenditure categories and line items as in the past.
 - If funding is reduced or lost, priorities will help the County determine how best to adjust service levels and choose which programs to keep

In summary, two JO CO commissioners and the JO CO Budget Officer provided expert opinions on “BFO” in a JCBC meeting not supported by 11 annual budgets from FY 2006-07 to FY 2016-17 (CPInJOCOBP, p. III 78 -79), but nevertheless overpowering the lone citizen JCBC member whose opinion was that BFO should be used per the budget message in the FY 2016-17 budget.

BI2b)-3 Citizen JCBC Member's Vote Budget Committee should reassess its priorities this year is Margaret's personal opinion," O'Hare said.

Committee BI2b)-3 Response All members of the JCBC provide their personal opinions when they discuss budget issues and when they vote on the budget committee. However, it appears that the JO CO Budget Officer is making a reference to the authority of himself and the two JO CO commissioners' "expert" opinions versus the citizen member's personal opinion. The JO CO Budget Officer's personal opinion about the citizen's opinion being personal is interesting as he is not a member of the JCBC and can not vote. However, he has overpowering authority to influence the JCBC votes as the "expert" interpreting Oregon local budget law (LBL) and is the keeper of the JO CO budget process that is not available to the members of the JCBC and the public in a written document.

All the public has is the LBL, which is why the *Committee* turned to the Oregon Department of Revenue for assistance in interpreting the LBL for applicability to JO CO. The following documents are not found for JO CO.

- County Budget Preparation Manual (i.e., interprets Oregon LBL for JO CO's operational budget preparation process - see Clackamas and Multnomah counties).
- Citizen Involvement in Budgeting Plan (i.e., local government provides guidance and opportunities for how citizens can become involved in the budget process per the County Budget Manual; Web Resources - Citizen Involvement in Josephine County Budget Process).
- County Citizen's Guide to the Budget (i.e., local government explains its budget proposals and its public finances in a simple plain language; see examples in Attachment 3).
- Strategic Plan.
- Long-term Financial Plan.

BI2b)-4 JO CO Commissioners JCBC Authority Trumps Citizen Members JO CO Board of Commissioners already knows we are putting our money in the most important places." O'Hare said.

CPInJOCOBP BI2b)-4 Response (Appx. E2). The JO CO Budget Director and Finance Director O'Hare was the informal[?] team leader of the JO CO Budget Committee, and certainly the expert and leader of the JO CO budget process and the JCBC. With the responsibility of the budget officer supervised by the JCBCC, he prepared the proposed budget and took exception to a citizen elector at a budget committee meeting requesting an additional meeting to discuss budgeting philosophy and issues with the budget process. Most importantly O'Hare is quoted that the budget committee members were not equal, as "The Board (of Commissioners) already knows we are putting our money in the most important places." (i.e., we don't need a budget committee considering overturning fiscal policy already established by the JCBCC).

BI2b)-5 JO CO Budget Office Authority Trumps Citizen Members O'Hare added that he took as "pretty offensive" Goodwin's comments during deliberations that she believed the county was not following generally accepted accounting practices.

Committee BI2b)-5 Response All members of the JCBC have the responsibility to bring attention of any potential noncompliance with LBL to their committee, regardless that the local non-voting JCBC JO CO Budget Officer is the undisputed expert witness concerning the interpretation of LBL. The citizen member of the JCBC identifying the potential accounting practices budget issue also has the expertise of being a former accountant (see the following ODR's *The Consequences of Noncompliance with Local Budget Law*). The Committee believes the JO CO Budget Officer unfairly exercised his authority to influence the JCBC votes as the "expert" interpreting LBL. Finally, the Committee's values that if it had to pick between the rule of law and citizen involvement and/or citizen participation, it would vote for compliance with LBL accounting practice standards (see *Committee BI2b)-3 Response*, *CPInJOCO BP BI2b)-4 Response*, & *Appx. E2*).

The JCBC reviews and approves JO CO's proposed budget that it meets the goals and objectives established by the JCBC and LBL standards. The committee is composed of the JCBC and an equal number of citizens. The committee reviews the budget at a public meeting(s). The public is encouraged to attend because one of the most important purposes of the committee is to take comments and questions from interested citizens. The committee can make changes to the proposed budget to reflect changes it wants to make in the JO CO government's spending in order to meet the goals and objectives established by the JCBC. When it is satisfied, the JCBC approves the budget.

The criteria JCBC uses to review the budget are the JCBC's expressly stated budget goals. Therefore, if a budget committee approves a proposed budget, then the committee certifies that JO CO is planning to spend money in furtherance of expressly stated goals. The JCBC does not set salaries, benefits, or contract terms for employees or administrators, nor staffing levels. The JCBC does not decide whether or not a service or program should be provided. The budget committee does not make JO CO policies.

The Oregon Department of Revenue interprets LBL, and can identify budgetary irregularities, and may order JO CO to revise its budget procedures to conform with LBL for irregularities in budget procedures.

- ORS 305.110 Duty to construe tax laws
- ORS 294.505 Division of Audits to issue notification of budgetary irregularities
- ORS 294.510 Order for revision of budgetary procedures; enforcement

Continued BI2b)-5 Response: The Consequences of Noncompliance with Local Budget Law

Oregon Department of Revenue

<http://library.state.or.us/repository/2013/201311251406321/index.pdf>

The consequences of noncompliance with Local Budget Law

If we do not comply with every little detail of Local Budget Law, will the Budget Police come to arrest us? Probably not. But:

- Any deviation from the law could be grounds for a civil lawsuit against any public official who spends public money without having followed the law.
- Tax Court could deny some or all of your property tax levy.
- Your auditor could cite the violation in your audit report.
- The Oregon Department of Revenue could order your local government to correct its procedures. (ORS 305.110, 294.505, 294.510)
 - [ORS 305.110 Duty to construe tax laws]
 - [ORS 294.505 Division of Audits to issue notification of budgetary irregularities]
 - [ORS 294.510 Order for revision of budgetary procedures; enforcement]
- What if I, as a budget officer or a member of the governing body, don't agree with the Oregon Department of Revenue on the interpretation of Local Budget Law?
- If the department has issued a formal order that causes you to be aggrieved, you may appeal to Oregon Tax Court under ORS 305.275.
- More often, the Finance and Taxation analysts provide informal advice. Local Budget Law has been around for decades. The analysts use their experience and knowledge of the statutes, Attorney General advice and past court decisions to interpret the law. These informal interpretations represent their informed opinion. If you disagree, we suggest you seek advice from your own legal counsel.

ORS 305.110 Duty to construe tax laws. The Department of Revenue shall construe the tax and revenue laws of this state whenever requested by any interested person or by any officer acting under such laws and shall instruct such officers as to their duties under such laws. Such officers shall submit all questions arising with them which affect the construction of tax and revenue laws of the state to the department.

ORS 294.505 Division of Audits to issue notification of budgetary irregularities

- Department of Revenue to advise municipal corporation of correct procedures

https://www.oregonlegislature.gov/bills_laws/ors/ors294.html

- (1) The Division of Audits created by ORS 297.020 shall notify the municipal corporation and Department of Revenue of any irregularities in the budget procedure of the municipal corporation which is brought to its attention in the audits prepared by the division or brought to its attention in audits which are required to be filed with the division.
- (2) If the Department of Revenue finds from the information submitted by the Division of Audits pursuant to subsection (1) of this section that ORS 294.305 to 294.565 have not been followed, the Department of Revenue shall order the municipal corporation to correct its procedures in the preparation of its subsequent budgets. The order shall set forth the irregularities and the steps necessary to prevent such irregularities from happening in the future. Such order shall be a public record. [1963 c.576 §34a]

Annotations [<https://www.oregonlaws.org/ors/294.505>] §§ 294.305 (Sections constituting Local Budget Law) to 294.520 (Priority of appeals under Local Budget Law)

Notes of Decisions Tax court properly invalidated sanitary authority's proposed tax where authority had sufficient federal grant and other funds available to meet pay-ments due on its bonds without tax. *Bashaw, Dept. of Rev. v. Bear Creek Valley San. Auth.*, 287 Or 113, 597 P2d 822 (1979)

Atty. Gen. Opinions Budgeting deferred compensation assets and liabilities, (1976) Vol 37, p 1284; exclusion of municipal financial activities with respect to urban renewal agency projects, (1977) Vol 38, p 1062

ORS 294.510 Order for revision of budgetary procedures; enforcement.

[https://www.oregonlegislature.gov/bills_laws/ors/ors294.html] (1) The Department of Revenue may order a municipal corporation to revise its budget procedures to conform with ORS 294.305 to 294.565 when irregularities in the procedures of the municipal corporation are called to its attention.

(2) The Department of Revenue may require the municipal corporation in its order to file for inspection a copy of the budget document at any stage in the procedure of the budget preparation.

(3) If the municipal corporation or officer or employee thereof neglects or refuses to comply with the department order, the department may apply to the judge of the Oregon Tax Court for an order returnable within five days from the date thereof, to compel such municipal corporation, public officer or employee to comply with such order or to show cause why the order should not be complied with.

(4) Any order issued by the judge pursuant to subsection (3) of this section may be appealed from as provided by ORS 305.445, except that the appeal shall be filed within 10 days of the entering of the order. The Supreme Court shall hear and determine the appeal expeditiously, as may be appropriate for the timely and orderly completion of the budgetary process of the municipal corporation and the extension of its levy upon the assessment and tax roll.

(5) The remedy provided in this section is cumulative and shall not preclude the department from exercising any power or right otherwise provided by law. [1963 c.576 §34b; 1977 c.221 §1]

BI2b)-6 Distinguished Budget Presentation Award To JO CO From GFOA

Distinguished Budget Presentation Award from Government Finance Officers Association for the budget implying to the budget committee and the public that the budget document met the collective requirements of JO CO and the GFOA. O'Hare.

CPInJOCO BP BI2b)-6 Response (CPInJOCO BP, p. III 48 - 51).

Government Finance Officers Association Budget Presentation Award Program What is outstanding from the *Committee's point* of view is the method of analyzing the submitted budget document, including the GFOA Questionnaire - Detailed Location Criteria Guide. For example, the judging process entails that each budget document submitted to the program is evaluated separately by three reviewers with specific Awards Criteria. Each reviewer rates a given budget document as being either not proficient, proficient, or outstanding (emphasis added) in regard to **27 specific criteria** (emphasis added), grouped into four basic categories. The reviewer also provides an overall rating for each of the basic categories. To receive the award, **a budget document must be rated either proficient or outstanding by at least two of the three reviewers for all four basic categories, as well as for 14 of the 27 specific criteria identified as mandatory** (emphasis added) (CPInJOCO BP, p. III 48).

GFOA Nationally Recognized Guidelines for Effective Budget Presentation Arthur O'Hare, Finance Director & Budget Officer, in his April 30, 2015 budget message to the Josephine County Budget Committee members, wrote that JO CO had received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award, and that this award is the highest form of recognition in governmental budgeting, and shows that the JO CO budget document reflects nationally recognized guidelines for effective budget presentation. **He assured the budget committee and the public that the budget document met the collective requirements of JO CO and the GFOA** (emphasis added) (CPInJOCO BP, p. III 49).

Detailed Location Criteria Guide and Explanation of Criteria (CPInJOCO BP, p. III 49).

- ▣ Detailed Location Criteria guide (GFOA Questionnaire on Exploratory Committee's web page). Government Finance Officers Association. 2014. GFOA Detailed Criteria Location Guide: Distinguished Budget Presentation Awards Program (Questionnaire). <http://www.gfoa.org/budgetaward>.
- ▣ Explanation of Criteria (GFOA 27 specific Criteria on Exploratory Committee's web page). Government Finance Officers Association. 2015. *Distinguished Budget Presentation Awards Program*. GFOA Distinguished Budget Presentation Awards Program (Budget Awards Program) & Awards Criteria (and explanation of the criteria). <http://www.gfoa.org/budgetaward>.

What does a GFOA Distinguished Budget Presentation Award mean (CPInJOCO BP, Appxs. U & V)? The *Committee* certainly does know from the record that, per the JO CO Budget Officer's assurance to the JCBC and the public, that the budget document met the collective requirements of JO CO and the GFOA. For example, does the budget meet all 27 specific GFOA criteria by all three reviewers? To receive the award, a budget document must be rated either proficient or outstanding by at least two of the three reviewers for all four basic categories, as well as for 14 of the 27 specific criteria identified as mandatory (emphasis added) (CPInJOCO BP, p. III 48).

In truth, the JCBC and the public does not know from the budget about the specific GFOA evaluations as there is no information in the budget about the JO CO's scores from the three GFOA reviewers' evaluation concerning compliance with the 27 specific GFOA criteria. All they

know from the budget is that a GFOA Distinguished Budget Presentation Award was received by JO CO. For example, from the GFOA evaluation process highlights it is know that one of the three GFOA reviewers' may have failed the budget, but the award could be still given if two GFOA reviewers give passing scores. However, of the two remaining reviewers, needed ratings of "proficient" on the **14 of the 27 specific GFOA criteria identified as mandatory**.

Disagreements by the *Committee* with compliance of three of 14 GFOA criteria identified as mandatory, and a desire that the budget satisfied six other non-mandatory criteria.

Mandatory GFOA Criteria

- #P3. *Mandatory*: The document shall include a budget message that **articulates** (emphasis added) priorities and issues for the upcoming year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. The message may take one of several forms (*e.g., transmittal letter, budget summary section*).
- #P4. *Mandatory*: The document should include a **coherent** (emphasis added) statement of entity-wide long-term financial policies.
- #P5. *Mandatory*: The document shall **describe the process for preparing, reviewing, and adopting** (emphasis added) the budget for the coming fiscal year. It also should describe the procedures for amending the budget after adoption.

Non-Mandatory GFOA Criteria

- #P1: The document should include a **coherent statement** (emphasis added) of organization-wide, strategic goals and strategies that address long-term concerns and issues.
- #O5: The document should include **clearly stated goals and objectives** (emphasis added) of organizational units (*e.g., departments, divisions, offices or programs*).
- #O6: The document should provide **objective measures** (emphasis added) of progress toward accomplishing the government's mission as well as goals and objectives for specific units and programs.
- #C4: A glossary should be included for any terminology (including abbreviations and acronyms) that is not readily **understandable to a reasonably informed lay reader** (emphasis added).
- #C5: Charts and graphs should be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the **messages conveyed by the graphs are not self-evident** (emphasis added).
- #C6: The document should be produced and formatted in such a way as to **enhance its understanding** (emphasis added) by the average reader. It should be attractive, consistent, and oriented to the reader's needs.

Further Citizen Involvement (CI) Quiry. A GFOA award suggests a conflict between the present JO CO CI budget program and the GFOA criteria requirements for a "Distinguished Budget Presentation Award." This is because the GFOA recommends that governments incorporate public participation efforts in planning, budgeting, and performance management results processes. It also recommends that to ensure effective and well implemented public participation processes, governments include certain considerations in designing their efforts (i.e., purposes, assurances, approaches, information, communication, and buy-in from top government officials; CPInJOCOBP, Sect V.J).

Further, the Committee agrees with the GFOA that identifying critical issues is a key step in strategic planning. Once the environmental analysis has been completed, the next step is to use the resulting information to identify the most critical issues. **Issue recognition should reflect stakeholder concerns, needs, and priorities as well as environmental factors affecting the community** (CPInJOCOBP, Sec V.I).

All 27 Criteria The following are the titles of all 27 criteria for each of the four major purposes:

1. Policy Tool (P), 2. Financial Plan (F), 3. Organization's Operations (O), and 4. Communications Medium (C) (CPInJOCOBP, pps. III 50 -51).

1. Policy Tool (P) - 5 Criteria (e.g., strategic goals, issues, concerns, financial policies, priorities, process, procedures, etc.).

- #P1: The document should include a coherent statement of organization-wide, strategic goals and strategies that address long-term concerns and issues.
- #P2: The document should describe the entity's short-term factors that influence the decisions made in the development of the budget for the upcoming year.
- #P3. *Mandatory*: The document shall include a budget message that articulates priorities and issues for the upcoming year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. The message may take one of several forms (e.g., *transmittal letter, budget summary section*).
- #P4. *Mandatory*: The document should include a coherent statement of entity-wide long-term financial policies.
- #P5. *Mandatory*: The document shall describe the process for preparing, reviewing, and adopting the budget for the coming fiscal year. It also should describe the procedures for amending the budget after adoption.

2. Financial Plan (F) - 10 Criteria (e.g., funds, appropriation, basis for budgeting, revenues and expenditures, revenue estimates, revenue trends, long-range financial plans, effect upon the budget and the budget process, budgeted capital expenditures, nonrecurring capital expenditures, operating budget and the services, current debt obligations, legal debt limits, effects of existing debt levels, etc.).

- #F1: The document should include and describe all funds that are subject to appropriation.
- #F2: The document shall explain the basis of budgeting for all funds, whether cash, modified accrual, or some other statutory basis.
- #F3. *Mandatory*: The document shall present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization.
- #F4. *Mandatory*: The document must include summaries of revenues and other financing sources, and of expenditures and other financing uses for the prior year actual, the current year budget and/or estimated current year actual, and the proposed budget year.
- #F5. *Mandatory*: The document shall include projected changes in fund balances, as defined by the entity in the document, for appropriated governmental funds included in the budget presentation (fund equity if no governmental funds are included in the document).
- #F6. *Mandatory*: The document shall describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends.
- #F7: The document should explain long-range financial plans and its effect upon the budget and the budget process.
- #F8. *Mandatory*: The document should include budgeted capital expenditures, whether authorized in the operating budget or in a separate capital budget.
- #F9: The document should describe if and to what extent significant nonrecurring capital expenditures will affect the entity's current and future operating budget and the services that the entity provides.
- #F10. *Mandatory*: The document shall include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current operations.

3. Organization's Operations (O) - 6 Criteria (e.g., organization charts; narrative, tables, schedules, or matrices to show the relationship between functional units, major funds, and nonmajor funds; personnel or position counts; activities, services or functions carried out by organizational units; goals and objectives of organizational units; objective measures of progress toward accomplishing the government's mission; etc.).

- #O1. *Mandatory*: The document shall include an organization chart(s) for the entire entity.
- #O2: The document should provide narrative, tables, schedules, or matrices to show the relationship between functional units, major funds, and nonmajor funds in the aggregate.
- #O3. *Mandatory*: A schedule or summary table of personnel or position counts for prior, current and budgeted years shall be provided.
- #O4. (*Mandatory*): The document shall describe activities, services or functions carried out by organizational units.
- #O5: The document should include clearly stated goals and objectives of organizational units (e.g., *departments, divisions, offices or programs*).

#O6: The document should provide objective measures of progress toward accomplishing the government's mission as well as goals and objectives for specific units and programs.

4. Communications Medium (C) - 6 Criteria (e.g., table of contents; overview of significant budgetary items and trends; statistical and supplemental organization data, its community, and population; background information related to the services provided; glossary for any terminology not readily understandable to a reasonably informed lay reader; charts and graphs to highlight financial and statistical information; narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident; document produced and formatted in such a way as to enhance its understanding by the average reader; document attractive, consistent, and oriented to the reader's needs, etc.).

#C1. *Mandatory*: The document shall include a table of contents that makes it easier to locate information in the document.

#C2. *Mandatory*: The document should provide an overview of significant budgetary items and trends. An overview should be presented within the budget document either in a separate section (e.g., *executive summary*) or integrated within the transmittal letter or as a separate budget-in-brief document.

#C3: The document should include statistical and supplemental data that describe the organization, its community, and population. It should also furnish other pertinent background information related to the services provided.

#C4: A glossary should be included for any terminology (including abbreviations and acronyms) that is not readily understandable to a reasonably informed lay reader.

#C5: Charts and graphs should be used, where appropriate, to highlight financial and statistical information. Narrative interpretation should be provided when the messages conveyed by the graphs are not self-evident.

#C6: The document should be produced and formatted in such a way as to enhance its understanding by the average reader. It should be attractive, consistent, and oriented to the reader's needs.

BI3. In Inaccurate BFO Information Discussed at JCBC Meeting

Committee Response See response to above budget issues and the Committee's response, especially the CPIInJOCOBP BI2b)-2 Response.

Appendix A2. Oregon Local Budget Law:
Chapter 294 – County and Municipal Financial Administration, ORS 294.305 to 294.565
(https://www.oregonlegislature.gov/bills_laws/ors/ors294.html)

The following information is from the *Committee's* Chapter II, *Citizen Participation In The Josephine County Budget Process* (CPIInJOCOBP).

Citizen Involvement in Josephine County Budget Process

Justice System & Public Safety Services Exploratory Committee
Hugo Neighborhood Association & Historical Society
Web Page: <http://www.hugoneighborhood.org/ci.htm>

Citizen Participation In The Josephine County Budget Process

- II. Oregon Budget Law Excerpts
 - III. Excerpts from Josephine County Budgets: Fy 2006-07 to Fy 2016-17
 - IV. Budget Process Brainstorming Questions
 - V. Analysis: Elements And Components Of Citizen Participation In Budgeting Process
 - VI. JO CO Budget Process Issues
 - VII. Budget Process Recommendations
- Appendices

The following applicable LBL ORS are identified by the *Committee's* reading of the statutes. They are the *Committee's* “determination” about the applicable local county budget process’ ORS because the local experts, JCBCC, JO CO Budget Officer (JO CO Finance Officer), and the JO CO Budget Committee, have not been available to discuss the budget preparation process since the *Committee* first formally requested their assistance last January 2016.

ORS LBL Outline An outline of applicable ORS LBL to the *Committee's* CI research project, *Citizen Participation In The Josephine County Budget Process* (CPIInJOCOBP), follows (CPIInJOCOBP, p. II-2).

CI Research Project Sections Of Local Budget Law	
ORS 294.305	Sections constituting Local Budget Law
ORS 294.311	Definitions for ORS 294.305 to 294.565
ORS 294.321	Purposes
ORS 294.323	Budget period
ORS 294.331	Budget officer
ORS 294.338	Compliance with Local Budget Law required prior to expenditure or tax certification; exceptions
ORS 294.388	Estimates and Reconciliation of Expenditures and Other Requirements (Form and Contents).
ORS 294.403	Budget message
ORS 294.408	Time of making budget message and document
ORS 294.414	Budget committee
ORS 294.423	Governing body of certain municipal corporations to be budget committee
ORS 294.426	Budget committee meeting; notice; receipt of budget message and document; provision of copies of document
ORS 294.428	Budget committee hearings; approval of budget document
ORS 294.433	Format for notices and summaries
ORS 294.438	Publication of notice of meeting, financial summary and budget summary; requirements of financial summary and notice of meeting; rules
ORS 294.444	County budget summary of revenues and expenditures funded in part by state resources
ORS 294.448	Manner of publication; alternative requirements in certain cases

ORS 294.451	Sufficiency of publication of budget documents; notice to governing body and assessor of publication error
ORS 294.453	Hearing by governing body on budget document as approved by budget committee; alternative procedure in certain cases
ORS 294.456	Governing body to adopt budget, make appropriations, declare and categorize property tax amount or rate; amendment of budget estimates, appropriations and tax amounts or rates limited; requirements for appropriations and tax amounts or rates
ORS 294.458	Filing copy of budget and certain documents with county assessor and Department of Revenue; records
ORS 294.461	Tax certification contrary to law voidable by Oregon Tax Court; appeal procedure
ORS 294.471	Supplemental budget in certain cases; no increase in property taxes permitted
ORS 294.473	Procedure when supplemental budget changes estimated expenditures by more than 10 percent
ORS 294.476	Local option tax approved after adoption of budget; supplemental budget
ORS 294.495	Department of Revenue to construe Local Budget Law; rules
ORS 294.500	Declaratory ruling by Department of Revenue as to its rules; rules
ORS 294.505	Division of Audits to issue notification of budgetary irregularities; Department of Revenue to advise municipal corporation of correct procedures
ORS 294.510	Order for revision of budgetary procedures; enforcement

Department of Revenue (ODR) November 28, 2016 Email Response (Appx. B1)

ORS 294.490	ODF not to interfere with fiscal policy of municipal corporation (ODR Par. 1)
ORS 294.305-565	Local budget law sets forth minimum standards (ODR Paragraph 2). Local budget law (ORS 294.305-565) sets forth minimum standards; a municipal corporation may enact their own policies to implement local budget law and provide additional citizen involvement, so long as it doesn't conflict with the statutes.

Although minimal, there is no doubt that there are Oregon LBL requirements that all local governments must follow (for example the above ORS; are there others?). Some examples of LBL requirements in summary form follow (CPIInJOCOBP, p. VC1-6).

- That a budget officer be appointed and a budget committee formed.
- Notices are published, budgets are made available for public review, and opportunities for public comment are provided during at least two points in the budget process (i.e., budget committee meeting and local governing body hearing).
- Budget meetings and hearings are held as prescribed before budget approval and adoption.
- The timing and frequency of public notices.
- Budget committee's first meeting must meet publication requirements (i.e., notice of other meetings of the Budget Committee must be provided as required by Oregon public meeting law).
- Governing body adopt a budget and approve the tax levies no later than June 30.
- Prohibits changes between the approved and adopted budgets that would result in a fund's expenditures growing by more than 10%.

In summary, there are LBL budget process requirements for citizen participation applicable to all local governing bodies. These minimal requirements must be followed. However, under JO CO's home rule charter, it may provide for the exercise of county authority over matters of county concern, such as enhanced CI/CP procedures beyond the minimums of the Oregon Local Budget Law.

Selected observations from *Committee's* Chapter II, *Citizen Participation In The Josephine County Budget Process* follow (CPIInJOCOBP, Chapter F. Summary & Citizen Involvement Research, pps. II-32 to II-37).

Traditional Required ‘Steps’ in LBL Public Decision Process The JO CO’s hearing and public comment processes tend to be formalistic, one-way communication from members of the public to the JOCO Budget Committee (JOCOBC) and the JO CO Board of County Commissioners (BCC). The citizen’s role is to be apprised and react (CPInJOCOBP, p. II-33).

Legal Traditional (LBL ORS 294.305 to 294.565) To enable the public to be apprised of the financial policies in the JO CO budgeting process, LBL requires that a budget officer be appointed and a budget committee be formed. The budget officer draws together necessary information and prepares the proposed budget. The JOCOBC then reviews, and revises as needed, the proposed budget before it is formally approved. Notices are published, budgets are made available for public review, and at least two meeting opportunities for public comment are provided (i.e., one to JOCOBC and one to the JO CO BCC). These requirements enable the public to be apprised of the budget-making process and budgeted programs and fiscal policies before their adoption by the JO CO BCC (CPInJOCOBP, p. II-34).

3. Citizen Participation Models The models of “citizen leadership,” “technocratic expert,” and “bureaucratic indifference” provide different theoretical perspectives to think about how professional administration affects managers’ and elected officials’ behavior in regard to involving citizens in the budget process. The “Technocratic Expert” Model is concerned with the tension between professional administration and CI/CP. For instance, the tension between professional expertise and democratic governance is an important political dimension of our time. As public problems become highly sophisticated in modern society, policy processes are increasingly dominated by professional experts. Such technocratic dominance is likely to hamper CI/CP because administrative decision-making based on expertise and professionalism may leave little room for participatory processes (CPInJOCOBP, p. II-35).

4. Range of CI/CP Budget Processes Allowed by LBL ORS 294.305 to 294.565 (Traditional to Enhanced) There are traditional LBL budget process requirements for citizen participation applicable to all local governing bodies. These minimal requirements must be followed. However, under JO CO’s home rule charter, it may provide for the exercise of county authority over matters of county concern, such as enhanced CI/CP procedures beyond the minimums of the Oregon Local Budget Law (Section V.C.1.b)). With enhanced citizen participation, formulated policies might be more realistically grounded in citizen preferences, the public might become more sympathetic evaluators of the tough decisions that JO CO Budget leaders have to make, and the improved support from the public might create a less divisive, combative populace to govern and regulate (CPInJOCOBP, p. II-35).

The traditional budget method under LBL is JO CO’s institutionalized practice of public meetings and hearings as the normal method to involve citizens in planning. The ‘review and comment’ methodology – decide on the policy, then introduce it to the public in a public hearing – is usually a poor educational vehicle for complex topics, not to mention grossly inadequate as a persuasion tool, but is still used extensively by local governments in Oregon (CPInJOCOBP, p. II-35).

Assessment For CI/CP In Budget Process The obstacles to collaborative participation are considerable, but they can be overcome. The most basic starting point, however, is to recognize that many situations are not appropriate for collaborative methods in the first place. Before undertaking a collaborative effort, planners must make sure a conflict assessment is done to find the obstacles and determine whether they can be overcome. This identifies the potential stakeholders and their interests and resources. It then looks at the costs and at the potential political opposition or support for such an effort and assesses the likelihood that agreements reached will have an impact. Such a study must make a comparison between a realistic estimate of staffing costs and technical assistance in a collaborative process with the costs of litigation, delay, continuing conflict, and lack of revenues needed. While properly done collaborative methods may seem costly, the costs of not using such methods can be even greater (CPInJOCOBP, p. II-36).

LBL Outcomes [JO CO BCC provided several directives to be used in preparing department budgets (Appx. A1). As you review the narratives, you will see how the directives are being addressed by the individual programs. The third directive is: “3. *Address County goals* (emphasis added) and *clearly*

define program purpose (emphasis added) and *expected outcomes* (emphasis added).”] – **Supporting Analysis Lacking/ Transparency in Government** The minimal CI level of public participation, as defined by the public meeting and public hearing format in the JO CO budget process, is the county’s informal goal of “Inform.” The public participation goal of “Inform” is to provide the public with balanced and objective information to assist them in understanding the problems. This is pretty much the purpose of CI, per the LBL purpose of ORS 294.321(6), to enable the public to be “apprised”(CPInJOCOBP, p. II-36).

In practice, as study after study has suggested, **citizen participation in budgetary decision making is typically minimalist and yields few, if any, directly observable results, especially legally required methods of public participation in government decision making – public hearings, review and comment procedures in particular.** JO CO is one of a majority of Oregon local governments practicing the minimal required LBL process – public hearings with opportunity for public input procedures. Is JO CO wasting a valuable opportunity to understand and refine the priorities of the community, to educate the public about fiscal priorities and trade-offs, to enhance trust and transparency in government, and to pull together as a community? Or is it acting in a pragmatic fashion, gathering and considering policy preference information using other input mechanisms (CPInJOCOBP, p. II-36)?

The framework for measuring citizen participation success should be clearly defined early in the budget process before the proposed budget is given to the JOCOBBC. Measuring participation success can be framed, for example, by fairness and competence, as **participation is most beneficial when it occurs early in the process so that it can actually affect decisions**, when it is two-way deliberative communication rather than simply one-way information sharing, and when the mechanisms are designed around the purpose for participation (i.e., during a year long process versus a two-month JOCOBBC review and approve process; Appendix L). Ultimately the differences between the methods legally required in the US, Oregon, and JO CO, and collaborative approaches include: one-way talk vs. dialogue; elite or self-selected vs. diverse participants; reactive vs. involved at the outset; top-down education vs. mutually shared knowledge; one-shot activities vs. continuous year long engagement; and use for routine activities vs. for controversial choices (CPInJOCOBP, p. II-36).

Opaque Budget Process The Authors can easily conclude the budget process is opaque as they have been studying the JO CO budget process intensively for six months, and are still struggling to speculate about the big picture, and numerous JO CO process details. For example, the JO CO Budget Officer has been too busy to meet with the Exploratory Committee since January 20, 2016 to September 28, 2016 to talk about the county budget process. This includes the ODR since June 10, 2016. This experience is certainly not transparency in government, especially since both organizations advertized they are available to help explain the LBL. The JO CO budget document is available, but not transparent from the date the JO CO Budget Officer’s proposed budget document is delivered to the JOCOBBC for its first advertized meeting in the sense of being “apprised” or informed (i.e., there are a few JOCOBBC meetings open to the public where they can be apprised and give input). The JOCOBBC purpose is to approve the proposed budget (CPInJOCOBP, p. II-36).

The *Committee’s* position is that the JCBCC’s public participation goal of “Inform” might be very satisfactory with many citizens where there are not issues/problems as identified by voters, especially if the majority of the public has no problems or trust issues. This is not the case for JO CO with the significantly reduced county O&C revenue since FY 2012 -13 along with other unknowns (e.g., further degradation of O&C revenues; scary horrific past of future unforeseen unemployment, bankruptcies and foreclosures; state forecasts of revenue growth facing downward pressure; unanticipated PERS costs; etc.). The JCBCC has the specific issue of funding mandated and essential PSS programs at levels it determines appropriate, and it has public trust issues. Adding to the problem is that the public safety issue is not the simple focus of taxes versus safety. The JO CO public safety issue is multifaceted with citizen perceptions and engagement decisions, pro and con, involving a multitude of reasons for involvement or not participating by the public (CPInJOCOBP, p. II-36).

Appendix A3. Local Budgeting in Oregon
(Reference Section II.D of *Citizen Participation In The Josephine County Budget Process*; Appendices D - F)

Local Budgeting in Oregon (LBIO is a supplement to the *Local Budgeting Manual* (150-504-420), hereafter called the *Manual*. This booklet will introduce you to the requirements of Oregon's Local Budget Law, but it is not a substitute for the *Manual* (LBIO, p. 1). The following are excerpts from LBIO **applicable to CI in the preparation of the budget, and understanding fiscal policies, program purposes, and the budget message** (emphasis added). First Oregon's Local Budget Law does two important things (LBIO, p. 1).

1. **It establishes standard procedures for preparing, presenting,** (emphasis added) and administering the budget.
2. **It requires citizen involvement in the preparation of the budget** (emphasis added) and public disclosure of the budget before its formal adoption.
 - State officials check to see that the budget is prepared and administered according to law.
 - Budgeting joint effort between the people affected and the appointed and elected officials.
 - Give the public ample opportunity to participate in the budgeting process.
 - Encourage public participation in the budget-making process.
 - Up to local government to prepare budget that clearly outlines fiscal policies and is satisfactory to voters.
 - Make your budget clear and concise, you'll find that taxpayers have a better understanding of purposes.
 - Clear and concise, and understanding budget may find the citizen input informative and beneficial.
 - The budgeting process encourages citizen input.
 - The budget is a vehicle for obtaining public opinion about proposed programs and fiscal policies.

Many people rely on you, as an elected or appointed official, to see that the annual budget is prepared correctly. **State officials check to see that the budget is prepared and administered according to law** (emphasis added), and citizens in your district check to see that programs they want and need are adequately funded. This makes **budgeting in Oregon a joint effort between the people affected by the budget and the appointed and elected officials** (emphasis added) responsible for providing the services (LBIO, p. 1).

To **give the public ample opportunity to participate in the budgeting process** (emphasis added), local budget law requires that a budget officer be appointed and a budget committee be formed. The budget officer draws together necessary information and prepares the first draft of the budget. The budget committee then reviews and revises the proposed budget before it is formally approved. Notices are published, budgets are made **available for public review** (emphasis added), and **at least two opportunities for public comment** (emphasis added) are provided. These requirements **encourage public participation in the budget-making process and give public exposure to budgeted programs and fiscal policies** (emphasis added) before their adoption (LBIO, p. 1).

- **Give the public ample opportunity.** Synonyms for "**Ample**" from Dictionary.com - adj. more than necessary, sufficient (<http://www.thesaurus.com/browse/ample>): abundant, bountiful, broad, copious, expansive, extensive, generous, great, plentiful, spacious, substantial, voluminous, wide (see web site for more synonyms). Antonyms for ample: cramped, insignificant, lacking, limited, little, meager, narrow, poor, rare, restricted, scarce, short, small, sparse, unimportant, wanting, insufficient, not enough.

- **Synonyms for “Opportunity”** from Dictionary.com - noun lucky chance; favorable circumstances (<http://www.thesaurus.com/browse/opportunity>): convenience, event, excuse, freedom, hope, moment, space, time (see web site for more synonyms). Antonyms for opportunity: closing, closure, misfortune, reality, truth, bad luck.

Naturally, CI varies from one community to the next. If the patrons in a county are active and involved, the government may find citizens asking for information not specifically required under LBL. **It is up to your local government to prepare a budget that clearly outlines its fiscal policies and is satisfactory to the voters of the district** (emphasis added). If you can make your budget clear and concise, you’ll find that taxpayers have a **better understanding of the purposes** (emphasis added) for which their tax dollars are spent. You may also find the citizen input informative and beneficial (LBIO, p. 1).

- **Budget Clearly Outlines to the Voters.** **Clearly:** in such a way as to allow easy and accurate perception or interpretation (i.e., the ability to write clearly); without doubt; obviously. **Synonyms for “Clearly”** from Dictionary.com - adv. without any doubt (<http://www.thesaurus.com/browse/clearly>): apparently, certainly, definitely, distinctly, evidently, obviously, openly, plainly, positively, precisely, seemingly, surely, undoubtedly (see web site for more synonyms). Antonyms for clearly: doubtfully, dubiously, equivocally, questionably, uncertain, indefinitely, indistinctly, mysteriously, vaguely.
- **Budget Satisfactory to the Voters.** **Satisfactory:** in a way that fulfills expectations or needs; acceptably. "the matter is considered to be satisfactorily resolved". Synonyms for **“Satisfactory”** from Dictionary.com - adv. in a satisfactory manner (<http://www.thesaurus.com/browse/satisfactorily>): adequately, competently, convincingly, sufficiently, suitably, abundantly. More words related to satisfactorily: acceptably, appropriately, capably, competently, copiously, decently, fairly well, fittingly (see web site for more synonyms). Antonyms for satisfactory: bad, inadequate, inappropriate, insufficient, intolerable, unacceptable, unreal, unreliable, unsuitable, unfit, unsatisfactory (<http://www.thesaurus.com/browse/satisfactory>).
- **Better Understanding of Budget Purposes** **Understanding:** the ability to understand something; comprehension; an individual's perception or judgment of a situation. Synonyms for **“Understanding”** from Dictionary.com - verb appreciate, comprehend (<http://www.thesaurus.com/browse/understand>) accept, discern, explain, fathom, figure out, find out, follow, get, grasp, interpret, know, learn, master, perceive, read, realize, recognize, see, sense, tolerate (see web site for more synonyms). Antonyms for understand: be ignorant, disallow, disapprove, disregard, fail, ignore, lose, misinterpret, miss, misunderstand, neglect, not get.

Besides outlining programs for the coming year, the budget controls the local government’s spending authority. Since the **budgeting process encourages citizen input** (emphasis added), the budget is also a vehicle for **obtaining public opinion about proposed programs and fiscal policies** (emphasis added) of your district (LBIO, p. 1).

- **Budgeting Process Encourages Citizen Input** Merriam-Webster Dictionary. Definition of **Encourage**, encouraged; encouraging transitive verb: 1.a: to inspire with courage, spirit, or hope - hearten she was encouraged to continue by her early success; 1.b: to attempt to persuade - they encouraged him to go back to school; 2: to spur on - warm weather encourages plant growth; 3: to give help or patronage - gov. grants designed to encourage conservation (<https://www.merriam-webster.com/dictionary/encourage>).
- **Budget Is a Vehicle for Obtaining Public Opinion. Citizen Preferences and Priorities** (Appx. G). Merriam-Webster Dictionary. Definition of **Preference**, 1a: the act of preferring: the state of being preferred, 1b: the power or opportunity of choosing, 2: one that is preferred, 3: the act, fact, or principle of giving advantages to some over others, 4: priority in the right to demand and receive satisfaction of an obligation, 5: orientation (2b sexual) (<https://www.merriam-webster.com/dictionary/preference>).

**Appendix B1. Written Testimony To Oregon Department of Revenue
On Interpretation Of Oregon Local Budget Law
(Appendix F. JS&PSS Exploratory Committee’s Web Resources)**

Budgets: Josephine County, Oregon
<http://www.hugoneighborhood.org/budgets.htm>

The Hugo Justice System Exploratory Committee (Committee) has provided extensive written testimony asking for assistance in clarifying and understanding Oregon Local Budget Law (LBL) to the Oregon Department of Revenue (ODR), Property Tax Division. They are available on the “Budgets: Josephine County, Oregon” web site.

- June 10, 2016 Letter to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law. Author O'Hare, JO CO Finance Director copied (O'Hare is also the JO CO Budget Officer, JO CO Budget Committee). Neither ODR or O'Hare responded.
- November 26, 2016 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law. ODR responded on November 28, 2016; O'Hare did not respond.
- November 28, 2016 Email from Oregon Department of Revenue to Exploratory Committee on Clarifying Oregon Local Budget Law.
- December 12, 2016 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law. No Response From ODR. Author O'Hare, JO CO Finance Director copied (O'Hare is also the JO CO Budget Officer, JO CO Budget Committee). Neither ODR or O'Hare responded.
- November 11, 2017 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law.

ORF November 28, 2016 Email Response Paragraph 1.

Please help me to clarify your current question. In your June email and our subsequent phone call, I understood the questions to be more related to the county’s fiscal policy in determining levels of service, which DOR is prohibited from interfering with (ORS 294.490). But, it seems that is no longer your issue, but rather when citizens become involved and the level of citizen involvement in the budget process.

ORF November 28, 2016 Email Response Paragraph 2.

Do you wish to make a change in the process within Josephine County, or the underlying local budget law statutes? Please note that local budget law (ORS 294.305-565) sets forth minimum standards; a municipal corporation may enact their own policies to implement local budget law and provide additional citizen involvement, so long as it doesn’t conflict with the statutes. That being said, DOR cannot address issues that go beyond the statutorily required processes.

Appendix B2. Written Testimony To Josephine County On Interpretation Of Oregon Local Budget Law & Understanding JO CO FY 2015-16 Budget Process

Justice System & Public Safety Services Study Design: 2015

Justice System Exploratory Committee

Hugo Neighborhood Association & Historical Society

<http://www.hugoneighborhood.org/justicesystemexploratorycommittee.htm>

The Hugo Justice System Exploratory Committee (*Committee*) has provided extensive written testimony asking for assistance in clarifying and understanding Oregon Local Budget Law (LBL) to the Oregon Department of Revenue, Property Tax Division, and its application by the Josephine County (JO CO) Board of County Commissioners, the JO CO Budget Committee, and the JO CO Management Team. The most important member of the JO CO Management Team interpreting Oregon LBL's application to the JO CO budget process was and is Arthur O'Hare, Budget Officer, JO CO Budget Committee (O'Hare is also the Finance Director, JO CO Finance Department).

Except for a limited written email response by the Oregon Department of Revenue, Property Tax Division, the Committee has not received any written response from JO CO in clarifying and understanding Oregon LBL's application to the JO CO budget process.

This *Committee's* budget request testimony on clarifying and understanding Oregon LBL is provided by the six JO CO identified public safety services, the JO CO budget process, and Oregon Local Budget Law. They are available on the identified web sites.

JO CO Public Safety Services (PSS)

- PSS 1. Adult Jail.
- PSS 2. Juvenile Justice Program.
- PSS 3. District Attorney's Office.
- PSS 4. Sheriff Rural Patrol Deputies.
- PSS 5. Criminal Investigations & Related Sheriff's Office Support Services. Includes all 10 budgeted programs of the Josephine County Sheriff's Office.
- PSS 6. Animal Control/Protection.

JO CO Budget Process & Oregon Local Budget Law (LBL)

- LBL 1. Josephine County Budgets.
- LBL 2. Citizen Participation in Local Budget Process.

Public Meeting Presentations

Written Testimony To Josephine County On Interpretation Of Local Budget Law

PSS 1. Adult Jail (see PSS 5)

PSS 2. Juvenile Justice Program

Josephine County Juvenile Justice Public Safety Services

<http://www.hugoneighborhood.org/juvenile.htm>

- November 23, 2015 Letter/Email To Jim Goodwin, Director, JO CO Juvenile Justice (JJ), From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue.
- January 20, 2016 Letter/Email To Jim Goodwin, Director, JO CO JJ, From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue.
- March 28, 2016 Letter/Email To Jim Goodwin, Director, JO CO JJ Dept., From Committee. Subject: Learn About JO CO's Juvenile Justice Budget Program.
- April 4, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee. Juvenile Justice copied. Subject: Minimally Acceptable Level Of Public Safety Services (MALPSS).
- May 14, 2016 Letter/Email To Jim Goodwin, Director, JO CO JJ Dept., From Committee. Subject: Observations After Studying JO CO JJ Dept. Adopted Budgets: FY 2015-16 & FY 2010-11.
- May 26, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee on Citizen's Guides To The Budget. Juvenile Justice copied. Subject: Citizens' Guides To The Budget.

PSS 3. District Attorney's Office

District Attorney's Office

<http://www.hugoneighborhood.org/da.htm>

- September 30, 2015 Letter/Email to Ryan Mulkins, JO CO District Attorney, From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue.
- March 28, 2016 Letter/Email to Ryan Mulkins, JO CO District Attorney, From Committee. Subject: Learn About JO CO District Attorney's Office's Budget Program.
- June 14, 2016 Letter/Email to Ryan Mulkins, JO CO District Attorney, From Committee. Subject: June 8, 2016 Meeting Minutes Between Committee and JO CO District Attorney.

PSS 4. Sheriff Rural Patrol Deputies (see PSS 5)

PSS 5. Criminal Investigations & Related Sheriff's Office Support Services - Includes all 10 Budgeted Programs of the Josephine County Sheriff's Office, Including PSS 1 & PSS 4.

Josephine County's Criminal Investigations & Related Sheriff's Office Support Services

<http://www.hugoneighborhood.org/sheriff.htm>

- August 24, 2015 Letter/Email To Dave Daniel, Sheriff, JO CO Sheriff's Office, From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue.
- March 28, 2016 Letter/Email To Dave Daniel, Sheriff, JO CO Sheriff's Office, From Committee. Subject: Learn About Josephine County's (JO CO's) Sheriff's PSS Budget Program.
- April 4, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee. Sheriff copied. Subject: Minimally Acceptable Level Of Public Safety Services (MALPSS)
- May 9, 2016 Letter/Email To Lieutenant Travis Snyder, JO CO Sheriff's Office, From Committee. Subject: Learning About JO CO Sheriff Office's PSS Budget Program.
- May 26, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee on Citizen's Guides To The Budget. Sheriff copied. Subject: Citizens' Guides To The Budget.

- June 20, 2016 Email To Lieutenant Travis Snyder, JO CO Sheriff's Office, From Committee. Subject: Learning About JO CO Sheriff Office's PSS Budget Program.
- June 29, 2016 Email To Lieutenant Travis Snyder, JO CO Sheriff's Office, From Committee. Subject: Learning About JO CO Sheriff Office's PSS Budget Program.
- **July ?, 2016 Letter/Email To** Lieutenant Travis Snyder & Sargent Ed Vincent, Jail Commander, JO CO Sheriff's Office, From Committee. Subject: Minutes of June 29, 2016 Meeting Between Josephine County JO CO's) Sheriff's Representatives Lieutenant Travis Snyder and Sargent Ed Vincent With Exploratory Committee Representatives Members Jon Whalen and Mike Walker

PSS 6. Animal Control/Protection

Josephine County's Animal Control/protection

<http://www.hugoneighborhood.org/animal.htm>

- November 23, 2015 Letter/Email Diane Hoover, Director, Josephine County Public Health; Josephine County Animal Protection, From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue.
- January 20, 2016 Letter/Email to Diane Hoover, Director, Josephine County Public Health, From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue
- March 28, 2016 Letter/Email to Diane Hoover, Director, Josephine County Public Health; Josephine County Animal Protection, From Committee. Subject: Learn About JO CO's Animal Control/Protection Budget Program.
- April 4, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee. Animal Protection copied. Subject: Minimally Acceptable Level Of Public Safety Services (MALPSS)
- May 26, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee on Citizen's Guides To The Budget. Animal Protection copied. Subject: Citizens' Guides To The Budget.
- June 2016. Diane Hoover, Director, Josephine County Public Health, felt she had provided what the Committee had requested.

LBL 1. Josephine County Budgets

Budgets: Josephine County, Oregon

<http://www.hugoneighborhood.org/budgets.htm>

- January 20, 2016 Letter/Email to Arthur O'Hare, Finance Director, JO CO Finance Department, From Committee. Subject: Share Information About JO CO's JS&PSS Problem/Issue. O'Hare responded, but never had time for a meeting.
- May 26, 2016 Letter to Josephine County Board of County Commissioners from Exploratory Committee on Citizen's Guides To The Budget. O'Hare copied.
- June 4, 2016 Letter to Josephine County Budget Committee from Exploratory Committee on Citizen's Guides To The Budget & Participating in FY 2017-18 Budget Process. Author O'Hare, Finance Director, has not responded as of September 23, 2016.
- June 10, 2016 Letter to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law. Author O'Hare, JO CO Finance Director copied. Neither ODR or O'Hare responded.
- September 23, 2016 Letter to Arthur O'Hare, Josephine County Budget Officer, and Josephine County Budget Committee from Exploratory Committee on Requesting a Meeting to Clarify the JO CO Budget Process.
- September 23, 2016 Email From Arthur O'Hare, Josephine County Budget Officer, to Exploratory Committee on Exploratory Committee's Request for Meeting to Clarify the JO CO Budget Process. O'Hare's response to the meeting request follows -- "Mike – you are requesting a meeting with me and with the Budget Committee in order to discuss various aspects of the budget process. That is really a decision of the Board of Commissioners for both me individually and for calling together the Budget Committee. I will need to check with them regarding your request and will get back to you when I have more information. Thanks. Arthur O'Hare, Finance Director, Josephine County, Oregon."
- November 22, 2016 Letter/Email to Josephine County Board of County Commissioners from Exploratory Committee on JO CO Budget Process Sharing and Study of County Citizens' Budget Preferences And Priorities.
- November 26, 2016 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law.

- November 28, 2016 Email from Oregon Department of Revenue to Exploratory Committee on Clarifying Oregon Local Budget Law.
- December 12, 2016 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law.

**January 20, 2016 Invitation to JO CO Management Team Members To Share Information
JO CO Management Team Meeting With Exploratory Committee: March 7, 2016**

Josephine County Management Team Recommends Mandated & Elective Services Be Identified: August 19, 2016

JO CO Management Team. August 19, 2014. Exhibit A. Managers Recommendation on Strengthening County Services. September 3, 2014 Approved Minutes of August 19, 2014 JCBCC's Weekly Business Session. Grants Pass, OR. http://www.hugoneighborhood.org/JSPSS_Studies.htm.

Identify what county services are mandated by state law and what level of those services is optimal. Determine what it would cost to provide these mandated services at an appropriate and sustainable level. Identify what other county services may be desired by the citizens of the county. Determine what it would cost to provide these elective services at an appropriate and sustainable level.

- January 20, 2016 Invitation to JO CO Management Team Members To Share Information About Josephine County's (JO CO's) Justice System & Public Safety Services (JS&PSS) Problem/Issue (i.e., public safety issue). Rob Brandes, Director, Josephine County Public Works Department; Sarah Wright, Parks Manager, Josephine County Parks; and Arthur O'Hare, Finance Director, Josephine County Finance Department responded to the January 20, 2016 enquiry letters. During the response period Rob Brandes ended up coordinating a combined meeting for all the JO CO Management Team members invited. He set the date and the agenda which was agreed to by the Committee. The date was set for March 7, 2016 and it occurred on that date.

- Rob Brandes, Director JO CO Public Works Dept.
- Nate Gairan, Director JO CO Community Corrections.
- Diane Hoover, Director JO CO Public Health.
- Dennis Lewis, Director JO CO Planning Office.
- Sarah Wright, Parks Manager JO CO County Parks.
- Jim Goodwin, Director JO CO Juvenile Justice.
- Larry Graves, Director JO CO Airports.
- Vic Harris, Forestry Program Supervisor JO CO Forestry.
- Ryan Johnson, Building Operations Manager JO CO Building Operations & Maintenance.
- Connie Roach, Assessor JO CO Assessor's Office.
- Arthur O'Hare, Finance Director JO CO Finance Department.
- Robert Rice, Building Official JO CO Building Safety.
- Lisa Pickart, Program Manager JO CO Veterans Service Office.

Example Invitation Letters.

- Authur O'Hare, Finance Director, JO CO Finance Department.
- Rob Brandes, Director, JO CO Public Works Department.
- Minutes of March 7, 2016 Meeting

The JO CO Management Team members (MTM) continually asked what Whalen and Walker (W/W) wanted. The answer from W/W was the same as their January 20, 2016 letter/email to all MTM.

"We would be interested in any necessary or mandated services your work unit identified."

W/W were not interested in the MTM doing any additional work. They were only interested in any necessary or mandated services your work unit identified (from January 20, 2016 letter/email). The reason they used those terms was because of the MTM's recommendation to the JO CO that a future committee perform certain tasks, and the partial response of the Chair of the JCBCC (Appendix B).

- From MTM: *Identify what county services are mandated by state law and what level of those services is optimal. Determine what it would cost to provide these mandated services at an appropriate and sustainable level.*
- From JO CO Chair of Board of County Commissioners: *Commissioner Walker urged the Managers to have ongoing conversations with their liaisons as they move forward and asked them to provide a one page summary or outline showing what they felt were necessary or mandated services, anything in their purview and how they thought it should be delivered would be helpful to the Board.*

The response from the MTM was that they identified necessary or mandated services for their work units through the annual JO CO budget process.

W/W shared that many individuals and groups must feel they had another agenda beyond their statement in the January 20, 2016 letter/email to the MTM.

The Hugo JS&PSS Exploratory Committee has been trying to understand the public safety issue since 2013. For example, some of the Committee's core beliefs are that all citizens, voters, votes, and values are legitimate. Our 2015 JS&PSS Study Design idea flows from this center, which is a long-term strategy, not a quick fix. The idea's goal is an independent, philanthropic-funded, socio-economic impact Study to be researched and written from a neutral point of view. This means representing fairly, proportionately, and, as far as possible, without bias, all public views that have been published by reliable sources on the public safety issue.

In summary, what W/W heard from the MTM was that any necessary or mandated services their work unit identified were in their submitted budget documents, and they had not offered any supplemental documentation to the BCC as a result of Cheryl Walker's urging of August 19, 2014. In hindsight, the W/W feels "necessary or mandated services" were the equivalent of the MTM's August 19, 2014 recommended strategy elements for a future committee to identify mandated public safety services. It appears this committee was never formed.

- From MTM: *Identify what county services are mandated by state law and what level of those services is optimal. Determine what it would cost to provide these mandated services at an appropriate and sustainable level.*

LBL 2. Citizen Participation in Local Budget Process

Citizen Involvement in Josephine County Budget Process

<http://www.hugoneighborhood.org/ci.htm>

- June 10, 2016 Letter to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law.
- September 23, 2016 Letter to Arthur O'Hare, Josephine County Budget Officer, and Josephine County Budget Committee from Exploratory Committee on Requesting a Meeting to Clarify the JO CO Budget Process (copies: Oregon Department of Revenue (ODR), Josephine County (JO CO) Board of County Commissionres (BCC) members are part of the Josephine County Budget Committee (JOCOBC); all JO CO elected officials; JO CO Management Team (JOCOMT); and The Grants Pass Daily Courier (TGPDC)).
- September 23, 2016 Email From Arthur O'Hare, Josephine County Budget Officer, to Exploratory Committee on Exploratory Committee's Request for Meeting to Clarify the JO CO Budget Process. O'Hare's response to the meeting request follows.

*"Mike – you are requesting a meeting with me and with the Budget Committee in order to discuss various aspects of the budget process. That is really a decision of the Board of Commissioners for both me individually and for calling together the Budget Committee. I will need to check with them regarding your request and will get back to you when I have more information. Thanks.
Arthur O'Hare, Finance Director, Josephine County, Oregon"*

- November 26, 2016 Letter/Email to Oregon Department of Revenue from Exploratory Committee on Clarifying Oregon Local Budget Law.

November 2016. Citizen Participation in the Josephine County Budget Process

- November 2016 Citizen Participation In The Josephine County Budget Process. Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. November 2016. Citizen Participation In The Josephine County Budget Process. Hugo Neighborhood Association & Historical Society. Hugo, OR.
- November 2016. Chapter V: Elements And Components Of Citizen Participation In Budgeting Process. Walker, Mike & Jon Whalen. November 2016. Chapter V: Elements And Components Of Citizen Participation In Budgeting Process, *Citizen Participation In The Josephine County Budget Process* (CPInJOCOBP). For Hugo Justice System & Public Safety Services Exploratory Committee, Hugo Neighborhood Association & Historical Society. Hugo, OR.

Step 5: Chapter V. Analysis: Elements and Components of Citizen Participation in Budgeting Process (CPInJOCOBP, p. VB -5) This analysis chapter is first organized around Ebdon and Franklin's four citizen-participation elements and their components (elements 1 - 4). It also includes elements 5 - 7: Government Finance Officers Association (GFOA) Budget Presentation Award Program (BPAP), budget action plans, and GFOA's best practices in public participation.

Element 1. Government Environment Of Budgeting	
Component 1.	Structure And Form Of Government
Component 2.	Political Culture
Component 3.	Legal Requirements
Component 4.	Population Size And Density & Managers' Characteristics
Element 2. Budgeting Process Design	
Component 1.	Citizen Participation Timing In Budget Process
Component 2.	Type of Budget Allocation
Component 3.	Budget Process Participants
Component 4.	Budget Process Stages
Component 5.	Sincere Preferences/Willingness To Pay

- Element 3. Citizen Participation Mechanisms In Budgeting
 - Component 1. Public Meetings
 - Component 2. Focus Groups
 - Component 3. Simulations
 - Component 4. Advisory Committees
 - Component 5. Surveys
 - Component 6. Third-Party Intermediation
 - Component 7. Workshops
- Element 4. Budgeting Goals and Outcomes
 - Component 1. Goals
 - Component 2. Outcomes
- Element 5. Government Finance Officers Association Budget Presentation Award Program
- Element 6. Budgeting Action Plans
- Element 7. Government Finance Officers Association Best Practices In Public Participation
- Element 8. Taxpayers Understanding Purposes Of Budget Issues

Each of the components has the following sections. They will be the same for all chapter V sections.

1. Literature about the component.
2. Josephine County Government's situation relating to the component. Sometimes summary Authors' views of questions/issues are identified and addressed further in the analysis section.
3. CI/CP analysis in budgeting for JO CO by the Authors.
4. Is it working?

• November 2016 Appendices For Citizen Participation In The Josephine County Budget Process. Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. October 2016. Appendices For Citizen Participation In The Josephine County Budget Process. Hugo Neighborhood Association & Historical Society. Hugo, OR.

Public Meeting Presentations

http://www.hugoneighborhood.org/JSPSS_Presentations.htm

Justice System Exploratory Committee

Justice System & Public Safety Services Study Design: 2015

- | | |
|------------|---|
| 12/10/2015 | Explain "Study Design" To Josephine County Board of County Commissioners |
| 01/12/2016 | Explain What's The Problem? To Grants Pass Chapter of John Birch Society |
| 01/12/2016 | Explain Arguments For Study Design To Grants Pass (GP) Chapter of John Birch Society |
| 01/12/2016 | Explain Minimally Adequate Level Of Public Safety Services Research Project To GP Chapter of John Birch Society |
| 03/07/2016 | Explain "Study Design" To Josephine County Management Team |

Appendix C. Research on Josephine County's Public Safety Issue and Citizen Involvement In Josephine County Budget Process

- **Justice System & Public Safety Services Study Design: 2015**
Justice System Exploratory Committee (*Committee*), Hugo Neighborhood Association & Historical Society (HNA&HS)
<http://www.hugoneighborhood.org/justicesystemexploratorycommittee.htm>
- **Citizen Involvement In Josephine County Budget Process**
Committee, HNA&HS
<http://www.hugoneighborhood.org/ci.htm>
- **November 2016. Citizen Participation in the Josephine County Budget Process**
- **Budgets: Josephine County, Oregon**
Justice System & Public Safety Services Study Design: 2015
Committee, HNA&HS
<http://www.hugoneighborhood.org/budgets.htm>
- **Citizen Participation In The Josephine County Budget Process**
 - Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. Draft November 2016. *Citizen Participation In The Josephine County Budget Process*. Hugo, OR. There are nine chapters to the draft evolving Citizen Participation In The Josephine County Budget Process (i.e., I- IX, including acronyms/abbreviations, appendices (including a bibliography), and a glossary (<http://www.hugoneighborhood.org/budgets.htm>)).
 - I. Introduction/Purpose, including Acronyms/Abbreviations
 - II. Oregon Local Budget Law Excerpts
 - III. Excerpts from Josephine County Budgets: FY 2006-07 to FY 2016-17
 - IV. Budget Process Brainstorming Questions
 - V. Analysis: Elements and Components of Citizen Participation in Budgeting Process
 - VI. Josephine County Budget Process Issues
 - VII. Citizen Involvement/Citizen Participation Program & Budget Process Recommendations
 - VIII. Budget Process Conclusions
 - IX. Summary & Conclusions
 - Appendices
 - Glossary
 - June 2016 Oregon Revised Statutes: 294.305 to 294.565 (Oregon LBL)
 - June 2016 Oregon Administrative Rules: 150-294.175 to 150-294.920 (LBL)

Appendix D. Research on Oregon Local Budget Law (LBL) & Josephine County Budgets

Citizen Participation In The Josephine County Budget Process **Budgets: Josephine County, Oregon**

Justice System & Public Safety Services Study Design: 2015

Justice System Exploratory Committee

Hugo Neighborhood Association & Historical Society

<http://www.hugoneighborhood.org/budgets.htm>

- Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. Draft November 2016. *Citizen Participation In The Josephine County Budget Process*. Hugo, OR.

Chapter II. Oregon Local Budget Law Excerpts

Citizen Participation In The Josephine County Budget Process

- A. Oregon Revised Statutes: 294.305 to 294.565
 - 1. ORS Outline
 - 2. ORS Excerpts
- B. Oregon Administrative Rules: 150-294.175 to 150-294.920
- C. Local Budgeting Manual
 - 1. Introduction, *Local Budgeting Manual*
 - a) Purpose of Local Budget Law
 - b) Citizen involvement
 - 2. Chapter 1, Who Is Involved In The Budget Process
 - 3. Chapter 3, The Budget Process
 - 4. Chapter 8, The Budget Committee and Approving the Budget
 - 5. Chapter 9, Publication Requirements
 - 6. Chapter 11, The Budget Hearing and Adopting the Budget
 - 7. Glossary
- D. Local Budgeting in Oregon
- E. Josephine County Budget Process – Budget Calendar FY 2016-17
- D. Summary

Chapter III. Excerpts from Josephine County Budgets: FY 2006-07 to FY 2016-17

Citizen Participation In The Josephine County Budget Process

- A. Citizen Involvement in Budget Preparation Process
- B. JO CO BCC's Budget Message Financial Policies: FY 2006-07 To FY 2016-17
- C. Excerpts from Josephine County Budgets: FY 2006-07 To FY 2016-17
- D. Goals from JO CO Budgets: FY 2006-07 To FY 2016-17
- E. Directives from JO CO Budgets: FY 2006-07 To FY 2016-17

Appendix E1. Brainstorming Questions Of Oregon Local Budget Law & Josephine County's Budget Process

Citizen Participation In The Josephine County Budget Process

Budgets: Josephine County, Oregon

Justice System & Public Safety Services Study Design: 2015

Justice System Exploratory Committee

Hugo Neighborhood Association & Historical Society

<http://www.hugoneighborhood.org/budgets.htm>

- Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. Draft November 2016. *Citizen Participation In The Josephine County Budget Process*. Hugo, OR.

Chapter IV. Budget Process Brainstorming Questions from *Citizen Participation In The Josephine County Budget Process*

IV. BUDGET PROCESS BRAINSTORMING QUESTIONS

A. Budget Process Questions From Oregon Local Budget Law

1. Budget Process Questions Oregon Revised Statutes: 294.305 to 294.565
2. Budget Process Questions Oregon Administrative Rules: 150-294.175 to 150-294.920
3. Budget Process Questions From Local Budgeting Manual
 - a) Oregon's Local Budget Law, per the "*Local Budgeting Manual*", is found in Oregon Revised Statutes (ORS) 294.305 to 294.565
 - b) Introduction, *Local Budgeting Manual*
 - c) Oregon's Local Budget Law's Purposes (ORS 294.321)
 - (1) Oregon Local Budget Law's Purpose 1. To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations
 - (2) Oregon Local Budget Law's Purpose 2. To provide for a brief description of the programs of a municipal corporation and the fiscal policy which is to accomplish these programs
 - (3) Oregon Local Budget Law's Purpose 3. To provide estimates of revenues, expenditures and proposed taxes
 - (4) Oregon Local Budget Law's Purpose 4. To provide specific methods for obtaining public views in the preparation of fiscal policy
 - (5) Oregon Local Budget Law's Purpose 5. To provide for the control of revenues and expenditures for the promotion of efficiency and economy in the expenditure of public funds.
 - (6) Oregon Local Budget Law's Purpose 6. To enable the public, taxpayers and investors to be apprised of the financial policies and administration of the municipal corporation in which they are interested.
 - d) Oregon Local Budget Law's Citizen involvement Opportunity Questions
 - (1) Public Ample Opportunity to Participate in the Budgeting Process
 - (2) Governing Body Holds a Public Hearing for Citizen Comments
 - (3) Citizen Involvement in the Budget Cycle Varies by Community
 - (4) Budget That Clearly Outlines its Fiscal Policies for the Citizens
 - (5) Clear and Concise Budget Promotes Taxpayers Understanding
 - e) Chapter 1, Who Is Involved In The Budget Process?
 - f) Chapter 3, The Budget Process
 - g) Chapter 8, The Budget Committee and Approving the Budget
 - h) Chapter 9, Publication Requirements
 - i) Chapter 11, The Budget Hearing and Adopting the Budget

- j) Glossary
- 4. Budget Process Questions From Local Budgeting in Oregon
 - a) Important Objectives of Local Budget Law
 - b) Monitoring And/Or Compliance Of Local Budgets Under Local Budget Law
 - c) Budgeting Process Encourages Citizen Input
 - d) The Budget Cycle: The Nine Steps
 - e) Preparing the Budget
 - f) Approving the Budget By The JO CO Budget Committee
 - g) Advertising and Holding Hearings
 - h) Adopting the Budget
 - i) The Local Budget Process Chart The nine step budget process is shown on the chart.
 - j) What happens at the first JO CO Budget Committee meeting?
 - k) How is the material that is presented by the budget officer at the first JO CO Budget Committee meeting prepared?
 - l) JO CO Budget Process To Develop JO CO Proposed Budget
 - m) After the budget is approved by the budget committee and recommended to the governing body, what action does the governing body take?
- 5. Budget Process Questions From JO CO FY 2016-17 Budgeting Calendar
- 6. Summary
- B. Budget Questions From JO CO Budgets: FY Budget 2006-07 to FY 2016-17

Appendix E2. Example Oregon LBL Question: *Are county budget committee members equal?*

The following is from the Committee's research and analysis documented in *Citizen Participation In The Josephine County Budget Process*.

- *Citizen Participation In The Josephine County Budget Process*: Section V.D.3 Budget Process Participants. pps. V.D - Budgeting Process Design - Analysis - 11 - 18. <http://www.hugoneighborhood.org/budgets.htm>).

I. JOSEPHINE COUNTY BUDGET COMMITTEE MEMBERS ARE NOT EQUAL

The *Committee* has come to the preliminary position that county budget committee members are not equal, not even close, and especially so when the JO CO Budget Officer for the JO CO Budget Committee is also the financial director for JO CO working for the JO CO BCC. This issue is exacerbated when the JO CO Budget Officer's behavior as exhibited in JO CO Budget Committee meetings to a citizen member (Secs. II - III), as represented by a meeting reported on May 26, 2016 in The Grants Pass Daily Courier, was from the point of view of an authority without the equality of even being a member of the committee. However, according to the LBL all members of the budget committee have equal authority. Each member's vote counts the same. However, the ORS does not identify equal authority.

II. BUDGET COMMITTEE MEMBER BASHES BUDGETING PROCESS

- Shaun Hall, Reporter. May 26, 2016. The Grants Pass Daily Courier. *Budget Committee Member Bashes Budgeting Process*. Grants Pass, OR (<http://www.hugoneighborhood.org/budgets.htm>).

The *Committee's* analysis in *Citizen Participation In The Josephine County Budget Process* comes to the preliminary conclusion that the three citizen budget committee members are not close to being equals to the three JO CO BCC members. For example, citizen members are excluded from significant internal steps of the budget process where members of the JO CO BCC are the unequal authority over the JO CO Management Team, including the Finance Director (i.e., Budget Officer) who coordinates the development of the proposed budget (V.D.3 pps. 11 - 18).

Equal authority comes from having 1. the substantial power to remain on the budget committee no matter the potential differences with the other members, and to be involved and influential in the entire budget process, and 2. the substantial and knowledge power to influence a vote of the majority of the budget committee. On the surface it is quite astounding that the Oregon legislature established a committee of appointed citizens and elected governing body members as equals. Nevertheless, it is quite obvious that the citizen electors are not equal to the members of the governing body, and if they try to be independent, they are labeled as being disruptive (i.e., lashing out - to suddenly attack someone or something physically or criticize him, her, or it in an angry way) rather than as credible members of the committee expressing a difference of opinion (V.D.3 pps. 11 - 18). The entire *Budget Committee Member Bashes Budgeting Process* news paper article (<http://www.hugoneighborhood.org/budgets.htm>) follows.

A member of the Josephine County Budget Committee is lashing out against her colleagues and the county's budgeting process. In a treatise sent to the Daily Courier, Margaret Goodwin takes **issue with the way the county determines spending priorities** (emphasis added), calling county departments "fiefdoms" that are insulated from budget cuts.

But county officials are pushing back, saying many services already have been cut to the bone and that priorities often are mandated by the state. If Goodwin didn't like spending priorities, she missed her chance to voice specific concerns during recent meetings of the Budget Committee: She made no suggestions about where to make cuts.

In an interview with the Daily Courier, she explained that her suggestions last year were ignored and this year she had other priorities, an effort to change the process itself. "I focused on a higher level," said **Goodwin, a former accountant** (emphasis added).

She lost, ultimately, on a 4-2 vote, with fellow committee member Jim Brumbach voting with her in an unsuccessful bid to hold an additional meeting to discuss budgeting philosophy. Now Goodwin is hoping to influence next year's budget process. "The public needs to know about this," she said. "**If the public understands the issue, then if the public cares enough maybe some people will express an opinion.**" (emphasis added)

Brumbach, although he voted with Goodwin to hold another meeting, later said he was "fairly satisfied" with the way things were. "I already have a sense of what the priorities are," he said.

Committee member Steve Welch said Goodwin's ideas arrived too late to be considered by the committee. She brought up the topic April 19, at the committee's first of three meetings. The final meeting was last week.

"The feeling of the committee in general was it was way too late this year to start," Welch said. "The problem is a general disagreement with what funds are available," he continued. "People, I think, want to say the money is available and they don't believe only the most essential services are being funded. I think it's really that kind of idea that Margaret's expressing."

Commissioner Keith Heck, also a Budget Committee member, characterized Goodwin's suggestions as a difference of opinion over budgeting philosophy.

Ironically, Goodwin is suggesting a return to a budget approach the county has used in the past, called "**budgeting for outcomes**," (emphasis added) which focuses on funding top priorities first. Heck, Commissioner Simon Hare and Finance Director Arthur O'Hare said that, in the four years since the method was used, the county's priorities have not changed so there is no need to reset them.

"Arthur will tell you, basically, we are doing that (budgeting for outcomes)," Heck said. O'Hare agreed. "We're not doing it (budgeting for outcomes) because we don't need to reinvent the wheel," he said. "**We went through the process** (emphasis added). Our priorities are the same."

"The whole theory that we should **reassess our priorities this year** (emphasis added) is Margaret's personal opinion," O'Hare said. "The Board (of Commissioners) already knows we are putting our money in the most important places." O'Hare added that he took as "pretty offensive" Goodwin's comments during deliberations that she believed the county was **not following generally accepted accounting practices** (emphasis added).

The state requires they be followed, he said. He also said the Government Finance Officers Association of the United States and Canada for the fourth year in a row had given the county a **Distinguished Budget Presentation Award** (emphasis added), the latest for the budget covering the current fiscal year.

The budget for the fiscal year beginning in July was approved by the Budget Committee 5-1 on May 17, with Goodwin dissenting. On Wednesday, commissioners also approved it. The county's three commissioners sit on the six-member Budget Committee.

Goodwin made a name for herself last year and this spring by suggesting that federally funded road money be put to use for patrol deputies. The issue was debated, but money instead has been banked. Last year, she said, she questioned spending but was ignored. "Because of the response, I didn't do that this year," she said. "I found some significant things, but I didn't bring those up because there were bigger fish to fry."

"You fund the 'must-haves' first, then the 'should haves' and, if there's any money left over, you fund the 'nice to haves,'" she said. "In county budgeting, the 'must haves' are the mandated services, but the level at which you fund them is also important. "Simply asking the department heads how much it costs to fund a mandated service is the easiest way to decide how much it costs, but there are always savings that can be realized by requiring justification for each expense."

In preparing the budget for the coming fiscal year, commissioners directed managers to budget for service levels similar to this year, and directed that those services only be those that are mandated or self-supporting.

O'Hare called the coming year's budget "status quo," as far as service levels are concerned, comparing this year to next year, although spending is about 5 percent higher than this year's budget: \$90 million, up from \$86 million. The vast majority of this money comes from state and federal sources, and must be spent as dictated by those sources.

Goodwin, in her statement, said status quo budgeting insulated departments from cuts. "**Status quo budgeting** (emphasis added) looks at each department as its own fiefdom, with its own inviolate budget, which is protected from being drawn upon to meet higher priority requirements in other areas of government," she said. In an interview with the Daily Courier, Goodwin also faulted the committee's schedule, saying **not enough time was allowed to review the budget** (emphasis added). "**This is not an actual budget review,**" (emphasis added) she said. "We look at PowerPoints and congratulate department heads."

Goodwin could have had more influence on how meetings were run, but declined a nomination to serve as chairwoman of the committee. She said she instead wanted to focus on advocacy.

Reach reporter Shaun Hall at 541-474-3722 or shall@thedailycourier.com

III COMMITTEE CONCLUSION

For the *Committee*, the news paper article told a story about the JO CO Budget Committee (JCBC) and one of its meetings. Members of the *Committee* came away with several noteworthy points from the reported discussion of budget committee members.

1. There was a budget issue disagreements between JCBC members with unequal authority.
2. Budget issues debated between one citizen member of the JCBC and the other five (i.e., 3 BCC members, and 2 other citizen members). There were two types of issue debate: a) Where members are equal; b) Where members are unequal. The dichotomy if difficult from a news article. Something different could have easily occurred. Since the citizen issue raiser was a former accountant, it would have seemed that experience would have bestowed a higher level of expertise authority.
 - 2a) Budget issue debates between equals.
 - 2a)-1. The way the JO CO determines spending priorities.
 - 2a)-2. Effort to change the budget process itself.
 - 2a)-3. If the public understands the issue, then if the public cares enough maybe some people will express an opinion.
 - 2a)-4. Status quo budgeting insulated departments from cuts. Status quo budgeting looks at each department as its own fiefdom, with its own inviolate budget, which is protected from being drawn upon to meet higher priority requirements in other areas of government,"
 - 2a)-5. Not enough time in JO CO Budget Committee's schedule allowed to review the budget.
 - 2a)-6. JO CO Budget Committee meetings do not review actual budget review. It looks at PowerPoints and congratulate department heads.
 - 2b) Budget Budgeting for Outcomes (BFO) issue debate where members are unequal.
 - 2b)-1 "Arthur will tell you, basically, we are doing that (budgeting for outcomes)," Heck said. O'Hare agreed. "We're not doing it (budgeting for outcomes) because we don't need to reinvent the wheel," he said. "We went through the process (emphasis added). Our priorities are the same."
 - 2b)-2 Commissioner Keith Heck, also a Budget Committee member, characterized Goodwin's suggestions as a difference of opinion over budgeting philosophy. Ironically, Goodwin is suggesting a return to a budget approach the county has used in the past, called "budgeting for outcomes," which focuses on funding top priorities first. Heck, Commissioner Simon Hare and Finance Director Arthur O'Hare said that, in the four years since the method was used, the county's priorities have not changed so there is no need to reset them.

- 2b)-3 Budget Committee should reassess its priorities this year is Margaret's personal opinion," O'Hare said.
- 2b)-4 JO CO Board of Commissioners already knows we are putting our money in the most important places." O'Hare said.
- 2b)-5 O'Hare added that he took as "pretty offensive" Goodwin's comments during deliberations that she believed the county was not following generally accepted accounting practices.
- 2b)-6 JO CO received Distinguished Budget Presentation Award from Government Finance Officers Association for the budget validating that it was correct. O'Hare.

3. The reported "Budgeting for Outcomes" issue had inaccurate information.

In summary, JO CO Budget Director and Finance Director Arthur O'Hare was the informal[?] team leader of the JO CO Budget Committee, and certainly the expert and leader of the budget process. With the responsibility of the budget officer supervised by the BCC, he prepared the proposed budget and took exception to a citizen elector at a budget committee meeting requesting an additional meeting to discuss budgeting philosophy and issues with the budget process. Most importantly O'Hare is quoted that the budget committee members were not equal, as "The Board (of Commissioners) already knows we are putting our money in the most important places." (i.e., we don't need a budget committee considering overturning fiscal policy already established by the BCC).

The *Committee's* judgement about the authorities of the governing body members and the public members of the budget committee is not a conclusion of inappropriateness. It does not consider that question as the county process could be legal under the LBL. It is a conclusion that the governing body members of the budget committee are exceedingly superior to their citizen members; it is a fairness issue. The *Committee* challenges the Oregon Department of Revenue, who wrote the Manual, to demonstrate in the law (i.e., ORS or OAR) that all members of the budget committee have equal authority when debating issues in the budget committee.

Appendix E3. Analysis Questions Of Oregon Local Budget Law & Josephine County's Budget Process

Citizen Participation In The Josephine County Budget Process

Budgets: Josephine County, Oregon

Justice System & Public Safety Services Study Design: 2015

Justice System Exploratory Committee

Hugo Neighborhood Association & Historical Society

<http://www.hugoneighborhood.org/budgets.htm>

- Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. Draft November 2016. *Citizen Participation In The Josephine County Budget Process*. Hugo, OR.

V. Analysis: Elements and Components of Citizen Participation in Budgeting Process

A. Overview

B. Introduction To Citizen Participation In Budgeting

1. Literature
2. Budget Process Analysis Step

C. Government Environment Of Budgeting

1. Structure And Form Of Government
 - a) Literature
 - b) Josephine County Government
 - (1) Profile
 - (2) Home Rule County
 - (3) Enhanced Citizen Participation Procedures
 - c) CP Analysis Of "Structure And Form Of Government" In Budgeting for JO CO
 - d) Is The "Structure And Form Of Government Of JO CO Government" Working?
2. Political Culture
 - a) Literature: JO CO Uses a Traditional Budget Process
 - b) Josephine County Government
 - (1) Why Is Josephine County A Crucial Case
 - (a) Political Ideology
 - (b) Demographic Statistics
 - (c) Public Trust In Government
 - (d) Summary
 - (2) Josephine County, Oregon From Wikipedia
 - c) CP Analysis Of "Political Culture" In Budgeting for JO CO
 - (1) Political Ideology and Demographics Influence Citizen Perceptions
 - (2) Public Trust In Government
 - (3) Citizen Participation Budget Plan
 - (4) Josephine County Goals of "Inform" to "Consult"
 - d) Is The "Political Culture Of JO CO Government" Working?
3. Legal Requirements
 - a) Literature
 - b) Josephine County Government
 - (1) State of Oregon
 - (a) Oregon Revised Statutes
 - (b) Oregon Administrative Rules
 - (c) Local Budgeting Manual
 - i) Introduction: Purpose & Citizen Involvement
 - ii) Chapter 1, Who Is Involved In The Budget Process
 - iii) Chapter 3, The Budget Process
 - iv) Chapter 8, The Budget Committee and Approving the Budget
 - v) Chapter 9, Publication Requirements
 - vi) Chapter 11, The Budget Hearing and Adopting the Budget
 - (d) Local Budgeting in Oregon
 - (2) Josephine County Government
 - (a) Traditional CI Budget Process
 - (b) Meetings/Hearings Open To Public Comments
 - c) CP Analysis Of "Legal Requirements" In Budgeting for JO CO
 - (1) Oregon Revised Statutes
 - (2) Oregon Administrative Rules
 - (3) Local Budgeting Manual

- (4) Local Budgeting in Oregon
 - (5) Josephine County Government
 - (6) Summary
 - d) Are The “Legal Requirements Of JO CO Government” Working?
4. Population Size And Density & Managers’ Characteristics
- a) Literature
 - b) Josephine County Government
 - (1) Population
 - (2) Density
 - (3) JO CO Managers’ Characteristics
 - c) CP Analysis In Budgeting for JO CO
 - (1) Background
 - (a) Controversial Political Conditions
 - (b) Public Distrust in Government
 - (c) Stakeholder Distrust in the Authors’ Purpose
 - (2) CP Of “Population Size And Density & Managers’ Characteristics” Analysis In Budgeting for JO CO
 - (a) Interview JO CO BCC & Public Safety Department Managers
 - (b) JO CO Managers 2014 Recommendation on Strengthening County Services
 - (c) Prototype Work With JO CO Juvenile Justice Program
 - (d) Enhanced Citizen Participation
 - (e) JO CO Uses Technocratic Expert Model For CI In Budgeting
 - d) Is The “Technocratic Expert Model For CI In Budgeting” Working?
5. Summary “Government Environment Of Budgeting”
- a) Literature
 - b) Josephine County Government
 - c) CP Analysis Of “Government Environment Of Budgeting” In Budgeting for JO CO
 - d) Is The “Government Environment Of Budgeting In JO CO” Working?

D. Budgeting Process Design

- 1. Citizen Participation Timing In Budget Process
 - a) Literature
 - b) Josephine County Government
 - (1) JO CO CI Requirements of Oregon Local Budget Law
 - (2) Notice In JO CO Budget Process
 - (3) Citizen Comments On Availability of Proposed Budget Document
 - c) CP Analysis Of “Citizen Participation Timing In Budget Process” In Budgeting for JO CO
 - (1) JO CO Minimum CI Requirement of Oregon Local Budget Law
 - (2) CI In JO CO Budget Process Occurs Late
 - d) Is “Late CI Participation In Budgeting” Working?
- 2. Type of Budget Allocation
 - a) Literature
 - b) Josephine County Government CI
 - c) CP Analysis Of “Type of Budget Allocation” In Budgeting for JO CO
- 3. Budget Process Participants
 - a) Literature
 - b) Josephine County Government Budget Process Participants
 - (1) Roles of Budget Committee Members
 - (2) Authorities of Budget Committee Members
 - c) CP Analysis Of “Budget Process Participants” In Budgeting for JO CO
 - (1) Brainstorming Questions On Authorities
 - (2) All Budget Committee Members Do Not Have Equal Authority
 - d) Are the “Authorities Of The Budget Process Participates” In Budgeting” Working?
- 4. Budget Process Stages Assessment For CI/CP
 - a) Literature
 - b) Josephine County Government
 - c) CP Analysis Of “Budget Process Stages” In Budgeting for JO CO
 - d) Are “Obstacles to Collaborative Participation” In JO CO’s Budgeting Process” Insurmountable?
- 5. Sincere Preferences/Willingness To Pay
 - a) Literature
 - b) Josephine County Government
 - c) CP Analysis Of “Sincere Preferences/Willingness To Pay” In Budgeting for JO CO
 - d) Are There “Sincere Preferences/Willingness To Pay” Issues In JO CO’s Budgeting Process?
- 6. Summary of “Budgeting Process Design”
 - a) Literature
 - b) Josephine County Government
 - (1) Citizen Involvement Timing In Budget Process

- (2) Type of Budget Allocation
- (3) Budget Process
- (4) Budget Process Stages
- (5) Sincere Preferences/Willingness To Pay
- c) CP Analysis In Budgeting for JO CO
- d) Is “Budgeting Process Design” In Budgeting for JO CO Working?

E. Citizen Participation Mechanisms In Budgeting

- 1. Citizen Participation Mechanisms
 - a) Public Meetings
 - (1) Literature
 - (2) Josephine County Government
 - (a) Legal Requirements
 - (b) Notice
 - (c) Public Availability of Proposed Budget Document
 - (d) Summary
 - (3) CP Analysis Of “Public Meetings” In Budgeting for JO CO
 - (4) Are The “Public Meetings” In Budgeting for JO CO Working?
 - b) Focus Groups
 - (1) Literature
 - (2) Josephine County Government
 - (3) CP Analysis For “Focus Groups” In Budgeting for JO CO
 - (4) Are “Focus Groups” In Budgeting for JO CO Working?
 - c) Simulations
 - (1) Literature
 - (2) Josephine County Government
 - (3) CP Analysis For “Simulations” In Budgeting for JO CO
 - (4) Are “Simulations” In Budgeting for JO CO Working? Not enough information.
 - d) Advisory Committees
 - (1) Literature
 - (2) Josephine County Government
 - (3) CP Analysis For “Advisory Committees” In Budgeting for JO CO
 - (4) Are “Advisory Committees” In Budgeting for JO CO Working?
 - e) Surveys
 - (1) Literature
 - (2) Josephine County Government
 - (3) CP Analysis For “Advisory Committees” In Budgeting for JO CO
 - (4) Are “Surveys” In Budgeting for JO CO Working?
 - f) Third-Party Intermediation
 - (1) Literature
 - (2) Josephine County Government
 - (3) CP Analysis For “Third-Party Intermediation” In Budgeting for JO CO
 - (4) Is “Third-Party Intermediation” In Budgeting for JO CO Working?
 - g) Workshops
 - (1) Literature
 - (2) Josephine County Government
 - (3) CP Analysis for “Workshops” In Budgeting for JO CO
 - (4) Is “Workshops” In Budgeting for JO CO Working?
 - h) Government Finance Officers Association Budget Presentation Award Program
 - (1) Background
 - (2) Josephine County Government
 - (3) CP Analysis For “Budget Awards Program” In Budgeting for JO CO
 - (4) Is “Budget Awards Program” In Budgeting for JO CO Working?
- 2. Summary of “Citizen Participation Mechanisms In Budgeting”
 - a) Literature
 - b) Josephine County Government
 - c) CP Analysis In Budgeting for JO CO
- 3. Are “Citizen Participation Mechanisms In Budgeting” In Budgeting for JO CO Working?

F. Budgeting Goals

- 1. Literature
 - a) Budgeting For Goals/Problems
 - b) CI/CP Goals
 - (1) Informing Decision Making
 - (2) Educating Participants On The Budget
 - (3) Gaining Support For Budget Proposals
 - (4) Influencing Decision Making

- (5) Enhancing Trust And Creating A Sense Of Community
 - (6) Public Participation In Community And Regional Planning
 - (7) Governmental Finance Officers Association's Best Practices
 - (8) Quality Assurance Standard: For Community Stakeholder Engagement
 - (9) Summary
2. JO CO Government Budget Goals: FY 2006-07 to FY 2016-17
 - a) FY Budget 2016-17 through 2014-15 Goals (same for three years; Section III.D.3.)
 - b) FY Budget 2013-14 through FY Budget 2010-11 Goals (same for four years; Section III.D.3.)
 - c) FY 2009-10 To FY 2006-07 Goals
 - d) JO CO' Budget CI/CP Goal Themes
 - e) Example JO CO FY 2015-16 Goals & Directives (Section III.D.3)
 - (1) JO CO FY 2015-16 Goals
 - (2) JO CO FY 2015-16 Directives
 - f) Oregon Revised Statutes
 3. CP Analysis Of Budget Goals For JO CO
 - a) Oregon Revised Statutes
 - b) JO CO's Inform Goal
 - c) Lack of Evidence For The Record
 - d) Effectiveness of Budgeting Goals
 - e) Addressing County Goals And Clearly Defining Program Purpose
 - f) Sustainable Plan for All Mandated and Essential County Government Programs
 - g) Budget Only for Mandatory And/or Self-Supporting Programs.
 - h) Mandatory & Essential Levels Of Service
 - i) Supporting Analysis Lacking/Transparency in Government
 - j) No Strategic Plans
 - k) Goals And Outcomes Not Monitored(?)
 - l) Goals And Outcomes Not Evaluated(?)
 4. Are "Budgeting Goals" In Budgeting for JO CO Working?
- G. Budgeting For Outcomes**
1. Literature
 2. JO CO Budgeting For Outcomes Process
 - a) JO CO Government Budget Goals: FY 2006-07 to FY 2016-17
 - (1) FY Budget 2016-17 through 2014-15 Goals
 - (2) FY Budget 2013-14 through FY Budget 2010-11 Goals
 - (3) FY 2009-10 To FY 2006-07 Goals
 - (4) JO CO' Budget CI/CP Goal Themes
 - (5) Example JO CO FY 2015-16 Goals & Directives
 - (a) JO CO FY 2015-16 Goals
 - (b) JO CO FY 2015-16 Directives
 - b) Budgeting for Outcomes: FY 2012-13 to FY 2015-16
 - (1) Budgeting For Outcomes Purposes "Is" [Purposes]
 - (2) Budgeting For Outcomes Focuses
 - (3) Budgeting For Outcomes Asks Four Basic Questions
 - (4) Budgeting for Outcomes – County Level
 - (5) Budgeting for Outcomes: FY 2016-17
 - (6) Budgeting for Outcomes Process Not Found
 - (7) No Evidence Provided And/Or Referenced
 3. CP Analysis For "Budgeting Outcomes" In Budgeting for JO CO
 - a) Budgeting for Outcomes: FY 2012 to FY 2015-16
 - b) Availability Of JO CO's Analysis For Budgeting For Outcomes
 - c) No Evidence Provided And/Or Referenced
 4. Summary: Budgeting For Outcomes
- H. Government Finance Officers Association Budget Presentation Award Program**
1. Literature
 2. Josephine County Government
 3. Analysis Of "GFOA Award Program" In Budgeting for JO CO
 4. Is "GFOA Award Program" Working?
- I. Action Plans**
1. Literature
 - a) Government Finance Officers Association
 - b) GFOA Best Practice: Long-Term Financial Planning
 - c) Governmental Finance Officers Association Best Practices
 2. Josephine County Government
 3. Analysis Of "Action Plans" In Budgeting for JO CO
 4. Are "Action Plans" Working?

J. GFOA Best Practice: Public Participation in Planning, Budgeting, and Performance Management

1. Literature
 - a) Public Participation Literature
 - b) Governmental Finance Officers Association Best Practices Literature
2. Josephine County Government
3. Analysis Of “GFOA Best Practice: Public Participation” In Budgeting for JO CO
4. Is “GFOA Best Practice: Public” Working?

K. Taxpayers Understanding Purposes of Budget Issues

1. Literature
2. Josephine County Government
3. Analysis Of “Taxpayers Understanding Purposes” In Budgeting for JO CO
4. Is “Taxpayers Understanding Purposes ” Working?

Appendix E4. Process Issue Questions Of Oregon Local Budget Law & Josephine County's Budget Process

Citizen Participation In The Josephine County Budget Process

Budgets: Josephine County, Oregon

Justice System & Public Safety Services Study Design: 2015

Justice System Exploratory Committee

Hugo Neighborhood Association & Historical Society

<http://www.hugoneighborhood.org/budgets.htm>

- Walker, Mike; Whalen, Jon, Members of Hugo Justice System & Public Safety Services Exploratory Committee, HNA&HS. Draft November 2016. *Citizen Participation In The Josephine County Budget Process*. Hugo, OR.

VI. JO CO BUDGET PROCESS ISSUES

- A. Government Environment Of Budgeting Issues
 - 1. Structure And Form Of Government Issues
 - 2. Political Culture Issues
 - 3. Legal Requirements Issues
 - 4. Technocratic Expert Model For Accounting & CI/CP In Budgeting Issues
- B. Citizen Participation In Budgeting Process Design Issues
 - 1. Citizen Involvement in Oregon Budget Law At Apprise/Inform Level Issues
 - 2. Citizen Participation Timing In Budget Process Issues
 - 3. Type of Budget Allocation Issues
 - 4. Budget Process Participants Issues
 - 5. Budget Process Stages/Budget Message Issues
 - 6. Sincere Preferences/Willingness To Pay Issues
 - 7. Public Participation in Planning, Budgeting, and Performance Management Issues
- C. Citizen Participation Mechanisms In Budgeting Issues
 - 1. Public Meeting Issues
 - 2. Advisory Committee Issues
 - 3. Workshop Issues
 - 4. Third-Party Intermediation Issues
- D. Budgeting Goal Issues
 - 1. JO CO Government Budget Goals: FY 2006-07 to FY 2016-17
 - 2. Budget "Planning" Goal Issues
 - 3. JO CO Budget Goal Issues
 - a) Budgeting For Outcomes Commits To Goals Issues
 - b) Addressing County Goals And Clearly Defining Program Purpose Issues
 - c) Sustainable Plan for All Mandated and Essential County Government Program Issues
 - d) Budget Only for Mandatory And/or Self-Supporting Program Issues
 - e) Mandatory & Essential Levels Of Service Issues
 - f) Supporting Analysis Lacking/Transparency in Government Issues
 - g) No Strategic Plans Issues
 - h) Goals And Outcomes Not Monitored Issues (?)
 - i) Goals And Outcomes Not Evaluated Issues (?)
- E. Budgeting For Outcomes Issues
- F. Monitoring, Assessments, Performance, & Audits Issues
- G. Transparency in Government Issues
- H. Government Finance Officers Association Budget Presentation Award Program Issues
- I. Action Plan Issues
- J. Public Mistrust In Government Issues
- K. Taxpayers Understanding JO CO Purposes of Budget Issues (Brainstorming)
 - 1. Understanding JO CO Department Staffing Analysis Issues
 - 2. JO CO Department Descriptions & Relationships Issues
 - 3. Professional Web Page for JO CO Departments Issues
 - 4. Use Of References & Links In JO CO Budget Programs Issues
 - 5. Flow Chart of JO CO Departments Issues
 - 6. JO CO Citizen's Guide To The Budget Issues
 - 7. Optical Character Recognition Feature of JO CO Budgets Issues
 - 8. Standard Procedures for Preparing JO CO Annual Budgets Issues

Appendix F. JS&PSS Exploratory Committee's Web Resources

Justice System & Public Safety Services Study Design: 2015

Justice System & Public Safety Services Exploratory Committee

Hugo Neighborhood Association & Historical Society

Web Page: <http://www.hugoneighborhood.org/justicesystemexploratorycommittee.htm>

Justice System & Public Safety Services Study Design: 2015

Appendices to Study Design

Letters-To-The-Editor

Media Articles

Studies & Information

Public Safety Services (PSS)

City of Grants Pass Public Safety Project Reports

Citizen Participation in Local Budget Process

Public Outreach

Press Releases

Guest Opinions

Voters Pamphlets

Minimally Acceptable Level Of Public Safety Services

Public Meeting Presentations

Josephine County Budgets

Courts

Public Safety Services

Justice System & Public Safety Services Exploratory Committee

Hugo Neighborhood Association & Historical Society

Web Page: <http://www.hugoneighborhood.org/pss.htm>

1. Adult Jail.
2. Juvenile Justice Program.
3. District Attorney's Office.
4. Sheriff Rural Patrol Deputies.
5. Criminal Investigations & Related Sheriff's Office Support Services. Includes all 10 budgeted programs of the Josephine County Sheriff's Office.
6. Animal Control/Protection.
7. Adult Corrections

Budgets: Josephine County, Oregon

Justice System & Public Safety Services Exploratory Committee

Hugo Neighborhood Association & Historical Society

Web Page: <http://www.hugoneighborhood.org/budgets.htm>

Other Resources (OR)

OR1. The Local Budgeting Manual, 150-504-420.

OR2. Local Budgeting in Oregon, 150-504-400

OR3. Administrative rules, see chapters 294 and 310.

- Oregon Administrative Rules (OAR): Division 294, Local Budget

(http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_150/150_294.html).

- Oregon Administrative Rules (OAR): Division 310, Levy of Property Tax; Tax Reduction Programs

(http://arcweb.sos.state.or.us/pages/rules/oars_100/oar_150/150_310.html).

- Oregon Revised Statutes (ORS) 294, Chapter 294. County and Municipal Financial Administration

(<http://www.oregonlaws.org/ors/chapter/294>).

- Oregon Revised Statutes (ORS) 310, Chapter 310. Property Tax Rates and Amounts; Tax Limitations; Tax Reduction Programs

(<http://www.oregonlaws.org/ors/chapter/310>).

Citizen Involvement in Josephine County Budget Process

Justice System & Public Safety Services Exploratory Committee

Hugo Neighborhood Association & Historical Society

Web Page: <http://www.hugoneighborhood.org/ci.htm>

Citizen Participation In The Josephine County Budget Process (CPInJOCOBP) (approx. 550 pages not counting appendices)

II. Oregon Budget Law Excerpts (37 pages)

III. Excerpts from Josephine County Budgets: Fy 2006-07 to Fy 2016-17

IV. Budget Process Brainstorming Questions

V. Analysis: Elements And Components Of Citizen Participation In Budgeting Process

VI. JO CO Budget Process Issues

VII. Budget Process Recommendations

Appendices (195 pages)

**Appendix G. Recommendation For Researching
JO CO Citizens' Preferences And Priorities**
(Through Rural Studies Program, Oregon State University)
(<https://ruralstudies.oregonstate.edu/?page=3>)

The JS&PSS Exploratory Committee, Hugo Neighborhood Association & Historical Society, recommends that the Josephine County Board of County Commissioners (JO CO BCC) aggressively address the lack of trust issue in government. Improving public trust over the long-term should be covered by formal public policy on many fronts and with many strategies by the BCC, as this is the key to the county public safety issue and other public issues. For example, the BCC should strongly demonstrate sincerity in seeking to understand why the majority of voting citizens do not trust JO CO government (i.e., you can't meaningfully fix the unknown). **The BCC should also identify what the citizen preferences and priorities are for budget allocations** (emphasis added) with meaningful public displays, written and oral, that the citizens know they have been heard). In summary, it would be prudent for the BCC to take Davis (2016)¹ up on his challenge for future research to test his conclusions about **public trust in government and citizen preferences** (emphasis added) with several citizen participation mechanisms (e.g., surveys, standing JO CO Budget Committee, focus groups, JO CO Fiscal Advisory Committee, workshops, etc.).

- Davis wrote: Josephine County residents appear to want certain policies from their County government. Supporters would like to see proper funding for law enforcement, opponents would prefer that a property tax not be used to raise that funding, and opponents would also like a more trustworthy process for making a delivering policy. Josephine County should seek to accomplish all three of these items if it truly wants to pass legislation to fund public safety services. Many Josephine County residents oppose the levy proposed by the County, but that is not the problem that Josephine County faces. Some residents resent the decisions made by the County government because they feel disconnected from the process of policymaking and policy delivery and distrust the officials in charge of making policy decisions. If the County wants to resolve issues regarding citizen disenfranchisement from County processes, the County should seek to incorporate more citizen voices into the decision-making process (Davis 2016, p 48).
- Davis wrote: The current system in Josephine County is very similar to the traditional model. Josephine County residents have some control over budgeting as it concerns property tax issues, but for the most part, decisions are made by the County Commissioners. Since this system appears to be inadequate at ensuring procedural justice, Josephine County should seek to change its mechanisms of service provision to allow for more citizen voices (Davis 2016, p 48).
- Davis wrote: Opposition mistrust of government is a clear obstacle to ensuring citizen engagement with government. If Josephine County wishes to ensure the funding of County law enforcement, the County will have to overcome any barriers to citizen trust. This paper's recommendation is that the County should seek to gain trust through increased citizen involvement in policy planning and delivery through co-production policies (Davis 2016, p 51).
- Davis wrote: Future Research - This research provides a first take at documenting the views of the citizens of Josephine County and placing them within a framework to understand how County residents make decisions to engage with government. This was not meant to completely understand all of the opinions held by Josephine County residents, nor was the theoretical framework used the only way to look at citizen opinions. Research utilizing a completely different framework could result in different results. Further research should look to apply other theories of public opinion to the Josephine County case to further understand where citizen opinions come from and how these opinions inform behavior (Davis 2016, p 50).
- More research should also be done to determine the viability of the policy recommendations made within this paper. Approaches to coproduction should be analyzed, weighed, and sorted by applicability to the Josephine County model of government. From there, further research could look into the amount of citizen engagement that Josephine County residents would be interested in possessing. This research should then point to possibilities of coproduction of policy within Josephine County (Davis 2016, p 51).

The *Committee* agrees with Miller and Evers (2002) when they suggested that *the government must want to seek participation as much as the participants want to give it, and citizens are less likely to participate if the political environment is not positive and accepting of input.*

1. Davis, Nathan. Presented June 10, 2016, Commencement June 11, 2016. *Citizen Perceptions of Public Safety Levies in Josephine County, Oregon: A Test of Group Engagement Theory*. Masters of Public Policy (MPP) Essay, Submitted to Oregon State University In partial fulfillment of the Requirements for the degree of Master of Public Policy. Corvallis, OR (Davis 2016).

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