

Citizen Participation In The Josephine County Budget Process

Justice System & Public Safety Services Issue

Draft October 11, 2016

Hugo Justice System & Public Safety Services Exploratory Committee

**Mike Walker
Jon Whalen**



Hugo Neighborhood Association & Historical Society

Draft October 2016

Citizen Participation In The Josephine County Budget Process

Outline¹

I. INTRODUCTION/PURPOSE

- A. Optimistic Citizen Participation Opportunities Alternative In Budget Process
- B. Pessimistic Citizen Participation Opportunities Alternative In Budget Process
- C. Summary of Chapters

II. OREGON BUDGET LAW EXCERPTS

- 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

III. EXCERPTS FROM JOSEPHINE COUNTY BUDGETS: FY 2006-07 To FY 2016-17

- A. Citizen Involvement in Budget Preparation Process
- B. JO CO BCC's Financial Policies: FY 2006-07 To FY 2016-17
 - 1. Financial Policies: FY Budget 2016 - 2017 (Proposed)
 - 2. Financial Policies: FY Budget 2015 - 2016
 - 3. Financial Policies: FY Budget 2014 - 2015
 - 4. Financial Policies: FY Budget 2013 - 2014
 - 5. Financial Policies: FY Budget 2012 - 2013
 - 6. Financial Policies: FY Budget 2011 - 2012
 - 7. Financial Policies: FY Budget 2010 - 2011
 - 8. Financial Policies: FY Budget 2009 - 2010
 - 9. Financial Policies: FY Budget 2008 - 2009
 - 10. Financial Policies: FY Budget 2007 - 2008
 - 11. Financial Policies: FY Budget 2006 - 2007
- C. Excerpts from Josephine County Budgets: FY 2006-07 To FY 2016-17
 - 1. FY Proposed Budget 2016 - 2017 Excerpts
 - 2. FY Budget 2015 - 2016 Excerpts
 - 3. FY Budget 2014 - 2015 Excerpts
 - 4. FY Budget 2013 - 2014 Excerpts
 - 5. FY Budget 2012 - 2013 Excerpts
 - 6. FY Budget 2011 - 2012 Excerpts
 - 7. FY Budget 2010 - 2011 Excerpts
 - 8. FY Budget 2009 - 2010 Excerpts
 - 9. FY Budget 2008 - 2009 Excerpts
 - 10. FY Budget 2007 - 2008 Excerpts

11. FY Budget 2006 - 2007 Excerpts
- D. Goals from JO CO Budgets: FY 2006-07 To FY 2016-17
1. Budget Goals: FY 2006-07 To FY 2016-17
 - a) FY Proposed Budget 2016-17 Goals
 - b) FY Budget 2015-16 Goals
 - c) FY Budget 2014-15 Goals
 - d) FY Budget 2013-14 Goals
 - e) FY Budget 2012-13 Goals
 - f) FY Budget 2011-12 Goals
 - g) FY Budget 2010-11 Goals
 - h) FY Budget 2009-10 Goals
 - i) FY Budget 2008-09 Goals
 - j) FY Budget 2007-08 Goals
 - k) FY Budget 2006-07 Goals
 2. CI/CP Goals: FY 2006-07 To FY 2016-17
 - a) FY Proposed Budget 2016-17 CI/CP Goals
 - b) FY Budget 2015-16 CI/CP Goals
 - c) FY Budget 2014-15 CI/CP Goals
 - d) FY Budget 2013-14 CI/CP Goals
 - e) FY Budget 2012-13 CI/CP Goals
 - f) FY Budget 2011-12 CI/CP Goals
 - g) FY Budget 2010-11 CI/CP Goals
 - h) FY Budget 2009-10 CI/CP
 - i) FY Budget 2008-09 CI/CP Goals
 - j) FY Budget 2007-08 CI/CP Goals
 - k) FY Budget 2006-07 CI/CP Goals
 3. Summary Of Major CI/CP Goal Themes: FY 2006-07 To FY 2016-17
 - a) FY Budget 2016-17 through 2014-15 Goals (same for three years)
 - b) FY Budget 2013-14 through FY Budget 2010-11 Goals (same for four years)
 - c) FY Budget 2009-10 through FY Budget 2006-07 Goals
 - (1) FY 2009-10 To FY 2006-07 Goals
 - (a) FY 2009-10 Budget Goals
 - (b) FY 2008-09 Budget Goals
 - (c) FY 2007-08 Budget Goals
 - (d) FY 2006-07 Budget Goals
 - (2) Summary For FY 2009-10 To FY 2006-07 Goals
 - d) Summary CI/CP Goal Themes With Questions: FY Budget 2016-17 To FY 2006-07
 - (1) Literature CI/CP Goal Themes
 - (2) JO CO' Budget CI/CP Goal Themes
 4. Goal Outcomes Assessed
- E. Directives from JO CO Budgets: FY 2006-07 To FY 2016-17
1. Directives
 - a) FY Proposed Budget 2016-17 Directives
 - b) FY Budget 2015-16 Directives
 - c) FY Budget 2014-15 Directives
 - d) FY Budget 2013-14 Directives
 - e) FY Budget 2012-13 Directives
 - f) FY Budget 2011-12 Directives
 - g) FY Budget 2010-11 Directives
 - h) FY Budget 2009-10 Directives
 - i) FY Budget 2008-09 Directives
 - j) FY Budget 2007-08 Directives
 - k) FY Budget 2006-07 Directives
 2. Summary Directive Themes

- 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 Objectives (ORS 294.321)
 - (1) Oregon Local Budget Law’s Objective 1. To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations
 - (2) Oregon Local Budget Law’s Objective 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 Objective 3. To provide estimates of revenues, expenditures and proposed taxes
 - (4) Oregon Local Budget Law’s Objective 4. To provide specific methods for obtaining public views in the preparation of fiscal policy
 - (5) Oregon Local Budget Law’s Objective 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 Objective 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
 - 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
 - 1. FY Budget 2016 - 2017 Budget Questions (Proposed)
 - 2. FY Budget 2015 - 2016 Budget Questions
 - 3. FY Budget 2014 - 2015 Budget Questions
 - 4. FY Budget 2013 - 2014 Budget Questions
 - 5. FY Budget 2012 - 2013 Budget Questions
 - 6. FY Budget 2011 - 2012 Budget Questions
 - 7. GFY Budget 2010 - 2011 Budget Questions
 - 8. FY Budget 2009 - 2010 Budget Questions
 - 9. FY Budget 2008 - 2009 Budget Questions
 - 10. FY Budget 2007 - 2008 Budget Questions
 - 11. FY Budget 2006 - 2007 Budget Questions
 - 12. Summary
- C. Conclusion

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?

- L. Summary/Conclusions
 - 1. Overview
 - 2. Introduction To Citizen Participation In Budgeting
 - 3. Summary of “Government Environment” Of Budgeting
 - a) Literature
 - b) Josephine County Government
 - c) CP Analysis Of “Government Environment Of Budgeting” In Budgeting for JO CO
 - (1) Political Ideology and Demographics Influence Citizen.
 - (2) Public Trust In Government
 - (3) Citizen Participation Budget Plan
 - (4) Josephine County Goals of “Inform”
 - d) Is The “Government Environment Of Budgeting” In Budgeting Working?
 - e) Are The “Legal Requirements Of JO CO Government” Working?
 - f) Is The “Technocratic Expert Model For CI In Budgeting” Working?
 - 4. Summary of “Budgeting Process Design” In Budgeting for JO CO
 - a) Literature
 - b) Josephine County Government
 - (1) Citizen Timing Involvement In Budget Process
 - (2) Type of Budget Allocation
 - (3) Budget Process Participants
 - (4) Budget Process Stages
 - (5) Sincere Preferences/Willingness To Pay
 - c) CP Analysis In “Budgeting Process Design” Budgeting for JO
 - d) Is “Budgeting Process Design” In Budgeting Working?
 - 5. Summary of “Citizen Participation Mechanisms” In Budgeting for JO CO
 - a) Literature
 - b) Josephine County Government
 - c) CP Analysis Of “Citizen Participation Mechanisms” In Budgeting for JO CO
 - 6. Summary of “Budget Goals” In Budgeting 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
 - 7. Summary of “Budgeting For Outcomes” In Budgeting For JO CO
 - 8. Summary of “GFOA’s Budget Presentation Award Program In Budgeting” For JO CO
 - 9. Summary Of “Action Plans” In Budgeting For JO CO
 - 10. Summary of “Public Participation in Planning, Budgeting, and Performance Management” In Budgeting For JO CO
 - 11. Summary of “Taxpayers Understanding Purposes Of Budget Issues” In Budgeting For JO CO

- 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

- VII. BUDGET PROCESS RECOMMENDATIONS
 - A. Background
 - B. Purpose
 - C. Audience
 - D. Trust
 - E. General Preliminary Brainstorming Recommendations
 - F. Specific Preliminary Brainstorming Recommendations To JO CO
 - 1. Element 1. Government Environment Of Budgeting Issues
 - Component 1. Structure And Form Of Government
 - Component 2. Political Culture
 - Component 3. Legal Requirements
 - Component 4. Technocratic Expert Model For Accounting & CI/CP In Budgeting
 - 2. Element 2. Citizen Participation In Budgeting Process Design Issues
 - Component 1. Citizen Involvement in Oregon Budget Law At Apprise/Inform Level
 - Component 2. Citizen Participation Timing In Budget Process
 - Component 3. Type of Budget Allocation
 - Component 4. Budget Process Participants
 - Component 5. Budget Process Stages/Budget Message
 - Component 6. Sincere Preferences/Willingness To Pay
 - Component 7. Public Participation in Planning, Budgeting, and Performance Management
 - 3. Element 3. Citizen Participation Mechanisms In Budgeting Issues
 - Component 1. Public Meetings
 - Component 2. Advisory Committees
 - Component 3. Workshops
 - Component 4. Third-Party Intermediation
 - 4. Element 4. Budgeting Goal Issues
 - Component 1. Budget Planning Goals
 - Component 2. JO CO Government Budget Goals: FY 2006-07 to FY 2016-17
 - Component 3. JO CO Budget Goal Issues
 - Budgeting For Outcomes Commits To Goals
 - Addressing County Goals And Clearly Defining Program Purpose
 - Sustainable Plan for All Mandated and Essential County Government Programs
 - Budget Only for Mandatory And/or Self-Supporting Programs.
 - Mandatory & Essential Levels Of Service
 - Supporting Analysis Lacking/Transparency in Government
 - No Strategic Plans
 - Goals And Outcomes Not Monitored(?)
 - Goals And Outcomes Not Evaluated(?)
 - 5. Element 5. Budgeting For Outcomes (BFO) Issues
 - 6. Element 6. Monitoring, Assessments, Performance, & Audits Issues
 - 7. Element 7. Transparency in Government Issues
 - 8. Element 8. Government Finance Officers Association Budget Presentation Award Program Issues
 - 9. Element 9. Action Plan Issues
 - 10. Element 10. Public Mistrust In Government Issues
 - 11. Element 11. Taxpayers Understanding Purposes of Budget Issues

- VIII. BUDGET PROCESS CONCLUSIONS
 - A. Standard Procedures for Preparing the Budget?
 - B. Citizen Involvement in the Preparation of the Budget?
 - C. Taxpayers Understanding Purposes of Budget?

- IX. SUMMARY & CONCLUSIONS

Acronyms/Abbreviations

Appendices

Appendix A1.	Citizen Participation In Budgeting Process: Going Beyond The Public Meeting and Hearing
Appendix A2.	Citizen Participation In Budgeting References
Appendix A3.	Citizen Participation Authorities In Oregon For Preparation Of Local Budgets
	I. Oregon Revised Statutes: 294.305 to 294.565
	II. Oregon Administrative Rules: 150-294.175 to 150-294.920
	III. <i>Local Budgeting Manual</i>
	IV. <i>Local Budgeting in Oregon</i>
Appendix B.	ORS 294.403 Budget Message
Appendix C.	Josephine County Budget Process – Budget Calendar FY 2016-17
Appendix D.	Oregon’s “Local Interference” Laws
Appendix E.	Good Budget Policy & Guidelines To Improve Public Budget Process
Appendix F.	Using the correct terms – Shall, Will, Should
Appendix G.	Obtaining High-Quality, High-Turnout Citizen Input on Local Government Budgets
Appendix H.	Public Participation and Organizational Performance: Evidence from State Agencies
Appendix I.	Transparency From Third-Party Intermediation
Appendix J.	Why Is Josephine County A Crucial Case In Group Engagement Theory?
Appendix K.	Public Involvement And/or Citizen Participation In Oregon Budget Law
Appendix L.	Selected Oregon Local Governments’ Budget Processes
Appendix M.	Citizen Participation in the Budget Process: The Effect of City Managers
Appendix N.	Public Participation in Municipal Budget Decision Process: City of Toronto’s 2011 Core Service Review
Appendix O.	Transparency Through Third-Party Intermediation
Appendix P.	Measuring The Success of Public Involvement In Oregon
Appendix Q.	Engaging the Public in National Budgeting: A Non-Governmental Perspective
Appendix R.	Tips for Improving the Accessibility of Budget Office Websites
Appendix S.	Quality Assurance Standard: For Community Stakeholder Engagement
Appendix T.	Budgeting for Results and Outcomes
Appendix U.	Distinguished Budget Presentation Award Program (GFOA’s Budget Awards Program)
Appendix V.	GFOA Best Practice: Public Participation in Planning, Budgeting, and Performance Management
Appendix W.	From Measurement and Reporting to Management and Improving
Appendix X.	What Citizens Want to Know about their Government’s Finances: Closing the Information Gap"
Appendix Y.	Analysis Of Josephine County Public Safety Services (PSS) Programs

Oregon Local Budget Law Papers

Paper 1.	Oregon Revised Statutes: 294.305 to 294.565 (full text)
Paper 2.	Oregon Administrative Rules: 150-294.175 to 150-294.920 (full text)
GFOA’s BPAP	Government Finance Officers Association’s Budget Presentation Award Program

Footnote Outline 1. Note to Reviewers: The table of contents is quite detailed as the Authors agree with “#C1. Mandatory Criteria” of the Government Finance Officers Association’s (GFOA) Budget Presentation Award Program (BPAP; GFOA 2014 p. 1; Appendix U).

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

Glossary

Acronyms

AGA	Association of Government Accountants
AMANS	Association of Municipal Administrators of Nova Scotia
ANES	American National Election Studies
AOC	Association of Oregon Counties
APA	American Planning Association
APA	American Public Administration
APFP	Analysis Phase of Financial Plan
ARPA	American Review of Public Administration
ASPA	American Society for Public Administration
BAC	Budget Advisory Committee
BCC	Board of County Commissioners
BFO	Budgeting for Outcomes
BLM	Bureau of Land Management
BP	Best Practices
BPC	Best Practices Criteria
BPAP	GFOA Budget Presentation Award Program
C2C	Commitment2Community
CAO	Chief Administrative Officer
CBAC	County Budget Advisory Committee
CEO	Chief Executive Officer
CGI	Collaborative Government Initiative
CI	Citizen Involvement
CIAC	Oregon Citizen Involvement Advisory Committee
CIC	Citizen Involvement Committee
CI/CP	Citizen Involvement/Citizen Participation
CIP	Citizen Involvement Plan
CO	County
CP	Citizen Participation
CRFB	Committee for a Responsible Federal Budget
CUFS	Community United For Safety
DBPA	GFOA Distinguished Budget Presentation Award
DEQ	Department of Environmental Quality
DOC	Department of Corrections
DOR	Department of Revenue
EC	Evaluation Criteria
ECMA	Evaluation Criteria to Measure Alternatives
ECSA	Emergency Economic Stabilization Act
ESA	Endangered Species Act
FMCBC	Financial Management Capacity Building Committee
FTE	Full Time Equivalent
FY	Fiscal Year
GDP	Gross Domestic Product
GFOA	Government Finance Officers Association
GFOA's BPAP	Government Finance Officers Association's Budget Presentation Award Program
GFOA's DBPA	Government Finance Officers Association's Distinguished Budget Presentation Award
GFOA's OBPA	Government Finance Officers Association's Outstanding Budget Presentation Award
GIS	Geographical Information Systems
GP	Grants Pass, Oregon
GPP	Government Performance Project
HNAHS	Hugo Neighborhood Association & Historical Society
I	Indicator
IAP2	International Association for Public Participation
IAP2's LOI	International Association for Public Participation's Level of Involvement

IAP2's PPS	International Association for Public Participation's Public Participation Spectrum
ICMA	International City and County Manager's Association
IFLG	Institute for Local Government
ISF	JO CO Internal Service Fund
JAIP	Journal of the American Institute of Planners
JJ	Juvenile Justice
JO	Josephine
JO CO	Josephine County
JOCBC	JO CO Budget Committee
JO CO JJ	JO CO Juvenile Justice Department
JOCOMT	JO CO Management Team
JO CO BC	Josephine County Budget Committee
JO CO BCC	Josephine County Board of County Commissioners
JO CO LPSCC	JO CO Local Public Safety Coordinating Council
JO CO PSS	Josephine County Public Safety Services
JO CO RLDC	Josephine County Rural Land Development Code
JPART	Journal of Public Administration Research and Theory
JPBAFM	Journal of Public Budgeting, Accounting & Financial Management
JS&PSS	Justice System & Public Safety Services
KPM	Key Performance Measure
LBIO	Local Budgeting in Oregon
LBL	Oregon Local Budget Law
LBM	Oregon Local Budgeting Manual (150-504-420)
LOE	Level of Engagement
LOS	Levels Of Service
LOI	Level of Involvement
LPSCC	JO CO Local Public Safety Coordinating Council
MALPSS	Minimally Acceptable Level of Public Safety Services
MCRP	Master's in Community and Regional Planning
MIP	Monitor and Implement Policy
MPFN	Mobilization Phase of Financial Plan
MPP	Masters of Public Policy
MSA	Metropolitan Statistical Area (used to be called a SMSA)
MRSC	Municipal Research & Services Center of Washington State
n/a	Non-Applicable
NACIR	National Advisory Commission on Intergovernmental Relations
NACSLB	National Advisory Council on State and Local Budgeting
NEPA	National Environmental Policy Act
NPMAC	National Performance Management Advisory Commission
NRC	National Research Center, Inc.
NSMFC	Nova Scotia Municipal Finance Corporation
NYBMR	New York Bureau of Municipal Research
O&C	Oregon and California Railroad
O&C Act	1937 O&C Act (preceded by 1926 Stanfield Act)
OAR	Oregon Administrative Rules
OBRA	Omnibus Reconciliation Act of 1993
OCI	Office of Citizen Involvement
ODOT	Oregon Department of Transportation
ODR	Oregon Department of Revenue
OECD	Organization for Economic Co-operation and Development
OGI	Open Government Initiative
OLBM	Oregon Local Budgeting Manual (150-504-420)
OLBL	Oregon's Local Budget Law
OPML	Oregon Public Meeting Law
ORMAP	Oregon Map

ORS	Oregon Revised Statutes
OSP	Oregon State Police
OSJCC	Oregon Sheriff's Jail Command Council
OSSA	Oregon State Sheriffs' Association
OSU	Oregon State University
OTC	Oregon Tax Court
PA	Public Administration
PAQ	Public Administration Quarterly
PAP	Public Administration and Planning
PAR	Public Administration Review
PBF	Public Budgeting & Finance
PC	Performance Criteria
PDF	Portable Document Format
PERB	Public Employees Retirement Board
PERS	Public Employees Retirement System
PFS	Pay for Success
PI	Performance Indicator
PI	Public Involvement
PIAC	Public Involvement Advisory Council
PICA	Pennsylvania Intergovernmental Cooperation Authority
PMRA	Public Management Research Association
PP	Public Participation
PPA	Public Participation Analysis
PPBPM	Participation in Planning, Budgeting, and Performance Management
PPMR	Public Performance & Management Review
PPS	Public Participation Spectrum
PSM	Public Service Motivation
PSP	Public Safety Plan
PSS	Josephine County Public Safety Services
PTA	Planning Theory and Practice, international journal for spatial planning and urban design.
QAS	Quality Assurance Standard
S&BP	Standards and Budget Parameters
SMSA	Standard Metropolitan Statistical Area. Now called a MSA
SOS	Securing Our Safety
SPT	Social Planning Toronto
SRI	Strategy Research Institute
SRS	Secure Rural Schools and Community Self-Determination Act of 2000
TGPDC	The Grants Pass Daily Courier
TSCC	Tax Supervising and Conservation Commission
TSSJ	The Social Science Journal
UO	University of Oregon
UO MCRP	University of Oregon, Master's in Community and Regional Planning
UO PPPMD	University of Oregon, Planning, Public Policy and Management Department,
WSSA	Western Social Science Association

Citizen Participation In The Josephine County Budget Process

I. INTRODUCTION/PURPOSE

The policies created by our local governments affect everyone in the community in some way. Public policy determines what services will be provided to the residents and the level of those services, what kinds of development will occur in the community, and it determines what the community's future will be. Policies are created to guide decisionmaking. Elected council members of cities, towns, and counties have public policy-making responsibilities. County commissioners also set policy, but have an executive role of administering policy as well. Formally adopted policy generally takes the form of a governing principle, plan, or course of action. In the public sector it generally evolves from a deliberative process, and is adopted by an ordinance or resolution.

Public policy is a combination of basic decisions, commitments, and actions made by those who hold authority or affect government decisions. The policy-making process weighs and balances public values. Often there is no "right" choice or correct technical answer to the issue at hand. Policymaking can be an adversarial process, characterized by the clash of competing and conflicting interests and viewpoints rather than an impartial, disinterested, or "objective" search for "correct" solutions for policy issues. The larger and more diverse the constituency, the more difficult policymaking becomes, particularly when addressing regional issues. Democracy is sometimes messy. Since our government is a representative democracy, an effective policy-making process insures that all relevant viewpoints are heard, and that the rights of individuals are protected.

According to Oregon's *Local Budgeting Manual* (pps. 5-6), **citizen involvement is 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 that a budget committee be formed that includes voters from the district. The budget officer draws together necessary information and prepares the proposed budget. The budget committee reviews and may revise the proposed budget before it is formally approved. After the budget committee approves the budget, the governing body publishes a summary of the budget and holds a public hearing, at which any person may appear for or against any item in the budget. **These requirements encourage public participation in budget making** (emphasis added). They also **give public exposure to budgeted programs and fiscal policies** (emphasis added) before the governing body adopts the budget. Citizen involvement in the budget cycle varies from one community to another. It is up to each local government to prepare a budget that clearly outlines its fiscal policies for the patrons of the district. **If a budget is clear and concise, taxpayers have a better understanding** (emphasis added) of what services their tax dollars are buying. Local governments may find citizen input informative and rewarding.

By any measure, private or JO CO government, including the governing body, public participation in the JO CO budget process as measured by the numbers of participating citizens, is a dismal failure. Why?

One high probability component to the answer is rational ignorance resulting in public attention scarcity in the JO CO budget process. Simply stated is that people's attention is a valuable commodity in many aspects of public life, including budgeting. Public attention is a resource and citizens only have so much of it. The record, for whatever the reason, is the JO CO budget process is deficient in public attention.

Rational ignorance is refraining from acquiring knowledge when the cost of educating oneself on an issue exceeds the potential benefit that the knowledge would provide. Ignorance about an issue is said to be "rational" when the cost of educating oneself about the issue sufficiently to make an informed decision can outweigh any potential benefit one could reasonably expect to gain from that decision, and so it would be irrational to waste time doing so. This has consequences for the quality of decisions made by large numbers of people, such as general elections, where the probability of any one vote changing the outcome is very small. However, in some votes, for example tax levies in JO CO, a few votes can change the results.

The Authors' believe that transparency needs to be achieved in the JO CO budget process in such a way that understanding and acting on the information provided does not divert too much scarce attention from the rest of the decision-making effort or increase the costs of participation and knowledge so much that ignorance and nonparticipation become the rational choices of citizens without already salient personal interests or expertise in budget analysis (Appendix I).

The purpose of *Citizen Participation In The Josephine County Budget Process* is to have the JO CO Board of County Commissioners (BCC) take steps toward greater transparency of the JO CO budget process by making information more readily available and comprehensible to citizens, and the citizens taking the opportunities to participate with more understanding.

Many local governments choose to exclude or minimize public participation in planning efforts claiming citizen participation is too expensive and time consuming. Yet, many citizen participation programs are initiated in response to public reaction to a proposed project or action. There are tangible benefits that can be derived from an effective citizen involvement program. Five benefits of citizen participation to the planning process follow (Cogan and Sharpe 1986, p. 284).

The purpose of Citizen Participation In The Josephine County Budget Process is to have the JO CO Board of County Commissioners (BCC) take steps toward greater transparency of the JO CO budget process by making information more readily available and comprehensible to citizens, and the citizens taking the opportunities to participate with more understanding.

- Information and ideas on public issues.
- Public Support for planning decisions.
- Avoidance of protracted conflicts and costly delays.
- Reservoir of good will which can carry over to future decisions.
- Spirit of cooperation and trust between the government and the public.

Citizen involvement (CI) and/or citizen participation (CP) are means to ensure that citizens have a direct voice in public decisions, and has long been a component of the democratic decision-making process. The terms "citizen" and "public," and "involvement" and "participation," and "CI and CP," are often used interchangeably even though there are questions about their different meanings. This paper uses them interchangeably to indicate a process through which citizens have a voice in public policy decisions. A definition of citizen participation follows (Appendix K).

- Citizen participation may be defined as a process in which ordinary people take part – whether on a voluntary or obligatory basis and whether acting alone or as part of a group – with the goal of influencing a decision involving significant choices that will affect their community.

However, Irvin and others make it plain that informed decisions starts at the beginning in identifying the issues and that key considerations are determining whether community participation is an effective policy-making tool.

- Irvin, Renee A., and John Stansbury. 2004. Citizen Participation in Decision Making: Is It Worth the Effort? *Public Administration Review* 64(1): 55-65. (Irvin 2004).

It is widely argued that increased community participation in government decision-making produces many important benefits. Dissent is rare: It is difficult to envision anything but positive outcomes from citizens joining the policy process, collaborating with others, and reaching consensus to bring about positive social and environmental change. This article, motivated by contextual problems encountered in a participatory watershed management initiative, reviews the citizen participation literature and analyzes key considerations in determining whether community participation is an effective policy-making tool. We list conditions under which community participation may be costly and ineffective and when it can thrive and produce the greatest gains in effective citizen governance. From the detritus of an unsuccessful citizen-participation effort, we arrive at a more-informed approach to guide policy makers in choosing a decision-making process that is appropriate for a community's particular needs (Irvin 2004)

Arguments for enhanced citizen participation often rest on the merits of the process and the belief that an engaged citizenry is better than a passive citizenry (King, Feltey and Susel 1998; Putnam 1995; Arnstein 1969). With citizen participation, formulated policies might be more realistically grounded in citizen preferences, the public might become more sympathetic evaluators of the tough decisions that government administrators have to make, and the improved support from the public might create a less divisive, combative populace to govern and regulate. However, incorporating citizen input into agency decision-making is not a costless process. This article articulates not just potential benefits but also potential social and economic costs of community participation, so that policy-makers can better predict the usefulness of a citizen participation initiative (Irvin 2004).

Irvin first explores the potentially wide-ranging benefits of enhanced community participation. The study concludes with “. . . a step back from the ‘how-to’ literature to determine ‘whether-to’ at all.” He describes the following (Irvin 2004).

1. Potentially wide-ranging benefits of enhanced community participation.
2. Drawbacks to community participation, including a brief discussion of relative costs of citizen participation versus representational decision-making.

3. Case study attempt to incorporate community participation in a management program for a degraded urban watershed, and the characteristics that made this project unusually challenging.
4. Place-based characteristics that serve as predictors for success or failure of community participation programs.

Nevertheless, the basic purpose of the 2015 *Study Design* is to promote citizen involvement (CI) and citizen participation (CP) for informed decision-making. If even as few as five percent of the voters in the last four JO CO public safety levies changed their votes, pro or con, it would make their final vote a more informed vote.

The purpose of the proposed JS&PSS Study is to provide grass roots opportunities to county citizens for active citizen involvement (CI), accessibility to information and education, and to better understand the JS&PSS Issue as the decision-makers. In a nut shell the proposed study's design basis is based on formal inventories and an impact methodology model which promotes informed decision-making through a unique decision process where the citizens are the decision-makers.

Justice System & Public Safety Services Study Design: 2015
Justice System Exploratory Committee
Hugo Neighborhood Association & Historical Society
<http://www.hugoneighborhood.org/justicesystemexploratorycommittee.htm>

The answer for supporting the *Study* is in line with the core philosophies of the Hugo Neighborhood Association & Historical Society and of its committee, the Hugo Justice System & Public Safety Services Exploratory Committee (Committee). These core beliefs are the foundation for their interest and volunteer work on the JS&PSS issue.

- Freedom of speech and the right to vote.
- All citizens, voters, and votes are legitimate.
- Fair Representation.

The *Study* is to be researched and written from a neutral point of view, meaning representing fairly, proportionately, and, as far as possible, without bias, all public views that have been published by reliable sources on a topic.

Make no mistake, understanding the JS&PSS Issue and designing the JS&PSS *Study* are major complicated tasks starting with understanding the values of neighbors. At the heart of a community is a group of people who live in a certain area, and whose common and diverse interests involve the area itself and the people who live there. There are substantial differences between Oregon counties in terms of their geographic and demographic characteristics, historic crime rates and their willingness to tolerate certain levels of crime and their past and present funding of various public safety services. Given these, and other, substantial differences, understanding how to determine whether Josephine County is providing “minimally adequate public safety services” is a difficult task indeed.

Stated another way, the purpose of the proposed JS&PSS Study is to provide grass roots opportunities to county citizens for active citizen involvement (CI), accessibility to information and education, and to better understand the JS&PSS Issue as the decision-makers.

Just as important are purposes that are not part of the Study. The purpose of the Study is NOT to recommend an alternative or a decision for citizens of JO CO and/or county government. It is to identify the public issues, range of JS&PSS alternatives, the affected conditions, and the impacts of each alternative evaluated by condition indicators and standards. The Study will not have a proposed action, preferred alternative, environmentally preferred alternative, citizen alternative, government alternative, or recommended decision. It will have a range of alternative actions identified by the public.

The Authors, Jon Whalen and Mike Walker, are voters in Josephine County (JO CO), Oregon with no previous exposure to Oregon Local Budget Law (OLBL) and/or the JO CO budget process. Their research was a trip into the unknown of what they didn't know and what the budget guidance documents provided, and did not clarify well. When they started this research project they were in the "Optimistic CP Opportunities In Budget Process" mode of participating in the budget process as one of its three primary participants (i.e., elected officials, public administrative staff, and citizens). This was after their first two readings of *Local Budgeting in Oregon*, and after their March 7, 2016 meeting with the JO CO Managers and their direction to study the JO CO budget for the purpose of understanding mandatory, essential, and necessary programs, and levels of services.

They did not think of themselves as providing the role of an independent third-party intermediary. The more they studied the more they thought part of their role might be to act in this role for the public just trying to make a living. They are still considering the idea of being a independent third-party advocate for the public in CI/CP in the budget process. The goal is the same which is to have public officials consider taking steps toward greater transparency by making information more readily available and comprehensible to citizens. The perspective is different, being an independent third-party advocate for the public versus a member of the active public (Appendix I).

The alternative CP purpose hypotheses are two, depending on the assumed government support for CI/CP in the budget process.

- Hypothesis #1. Optimistic CP Opportunities Alternative In Budget Process.
- Hypothesis #2. Pessimistic CP Opportunities Alternative In Budget Process.

In the final analysis, the Authors ask questions about CI/CP in the JO CO budget process, conduct their own analysis, identify CI/CP issues, and provide recommendations that they think will make the budget process more understandable. The reader must come to their own conclusions.

- CP Question No. 1. What are the strengths and weaknesses of current JO CO mechanisms of CI/CP?
- CP Question No. 2. How does CI/CP fit in with representative democracy?
- CP Question No. 3. What constitutes an effective, transparent, and trustworthy process of CI/CP in budgeting, and how should it be assessed?

A. Optimistic CP Opportunities Alternative In Budget Process

The Authors' research focus was CI/CP opportunities in the budget process, not the specific JO CO, Oregon's budget allocations and appropriations (i.e., FTE and costs; budget detail sheets) to programs nor levels of service. The reason the authors were optimistic was the document, *Local Budgeting in Oregon's* (page 1) identification of the two important things that Oregon's Local Budget does.

1. *"It establishes standard procedures for preparing, presenting, 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."*

The authors' interpretation of the *Local Budgeting in Oregon's* meaning of standard procedures and required CP in the preparation of the budget seems ideal. Even if this interpretation was not entirely correct, surely the proposed language would give the local government the opportunity to excel at CP.

There are three final evolutions of the completed budget in the local JO CO budget process (Appendix A, Budget Message; Sections IV.A.1, IV.A.3b), IV.A.5), and V.C.3.b)(1)(c)).

1. Complete Budget Officer Proposed Budget Document.
2. Complete Budget Committee Approved Budget Document.
3. Complete BCC Adopted Budget Document.

The authors started out studying the following budget law documents.

- *Local Budgeting in Oregon* (supplement to the *Local Budgeting Manual*)
- *Local Budgeting Manual*.

The Local Budgeting Manual (150-504-420) had several important chapters,

- Introduction
 - . Purpose of Local Budget Law
 - . Citizen involvement
- Chapter 1, Who Is Involved In The Budget Process?
- Chapter 3, The Budget Process.
- Chapter 8, The Budget Committee and Approving the Budget.
- Chapter 9, Publication Requirements
- Chapter 11, The Budget Hearing and Adopting the Budget
- Glossary

They also started studying the CP "text" financial policies, including the budget messages, from JO CO Budgets: FY 2006-07 to FY 2016-17.

Finally, they started studying the law.

1. Oregon's Local Budget Law: Oregon Revised Statutes: 294.305 to 294.565
2. Oregon's Local Budget Law: Oregon Administrative Rules: 150-294.175 to 150-294.920

This citizen involvement research project had four phases.

Phase I. Research Oregon's Local Budget Law.

- Citizen Understanding of Excerpts from JO CO Budget Messages: FY 2006-07 to FY 2016-17.
- Study the Public Safety Services Programs for the JO CO Budget: FY 2015-16.
- Identify Budget Questions for Further Study and Research.

Phase II. Analysis of Budget Questions Identified During the Study of the Law and JO CO Budget Excerpts, and a Final Identification of Budget Issues.

Phase III. Develop Recommendations about the Local JO CO Budget Process (to the JO CO BCC and the JO CO Budget Committee, with a copies to the JO CO departments and the Finance, Taxation and Exemptions Unit, Oregon Department of Revenue).

Phase IV. Potential comments on JO CO's future FY 2017-18 Budget Process.

An example optimistic budget question follows. Does the "Budget Message" have to be in the publically available proposed budget that is provided to the budget committee at its first meeting? The Hugo Justice System & Public Safety Services (JS&PSS) Exploratory Committee (Committee) observes that the budget message is a required element of the proposed budget.

The Exploratory Committee's reading of the *Local Budgeting in Oregon's* statement, "*It requires citizen involvement in the preparation of the budget . . .*", is excellent, as the annual budget project is year long with some of the most important elements occurring early in the process.

"Budgeting is not something you do once a year. It's a continuous operation, and it takes 12 months to complete a cycle." (*Local Budgeting in Oregon*, p. 2).

For example, the standards and budget parameters (S&BP) established by the governing body give the budget officer and administrative staff general guidelines for budget development. The Committee would argue that the standards and parameters to prepare the budget is the most important element of the budget process, and this is a wonderful opportunity for citizens to really be heard and understood.

A budget message, containing the budget and financial policies, is prepared by or under the direction of the executive officer or chair of the local government. The budget message shall be

delivered at a meeting of the budget committee as provided in ORS 294.426 – Budget committee meeting) (Appendices A & B).

Budget message. Written explanation of the budget and the local government’s **financial priorities** (emphasis added). It is prepared and presented by the executive officer or chairperson of the governing body (ORS 294.403, renumbered from 294.391). (*Local Budgeting Manual*, glossary).

The connection between the local government’s financial policies/financial plan required in the budget message and the budget is solid. These financial policies have to be in both (*Local Budgeting Manual*, glossary), regardless that they are so important as to require a specific ORS indicating they must be given at the first meeting of the budget committee.

Budget. Written report showing the local government’s **comprehensive financial plan** (emphasis added) for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

Budget: A policy statement detailing an entity’s plan for the attainment of stated goals during a specified period. This includes estimates of required expenditures and anticipated revenues necessary to carry out stated goals (JO CO FY 2015-16 Budget).

Budget Committee. The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of electors of the municipal corporation appointed by the governing body [ORS 294.414(2)].

Budget Committee: The budget planning board of an entity. It is comprised of the Board of County Commissioners and three appointed Josephine County Residents (JO CO FY 2015-16 Budget).

Proposed budget. Financial plan (emphasis added) prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review.

Approved budget. The budget that has been approved by the budget committee. The data from the approved budget is published in the **Financial Summary** (emphasis added) before the budget hearing (ORS 294.428, renumbered from 294.406).

Adopted budget. Financial plan (emphasis added) that is the basis for appropriations. Adopted by the governing body (ORS 294.456, renumbered from 294.435).

Adopted Budget: The annual budget document as approved by the budget committee and then adopted by the Board of County Commissioners (JO CO FY 2015-16 Budget).

JO CO FY 2015-16 Budget Appendix - Glossary

- Adopted Budget: The annual budget document as approved by the budget committee and then adopted by the Board of County Commissioners.
- Budget: A policy statement detailing an entity’s plan for the attainment of stated goals during a specified period. This includes estimates of required expenditures and anticipated revenues necessary to carry out stated goals.
- Budget Committee: The budget planning board of an entity. It is comprised of the Board of County Commissioners and three appointed Josephine County Residents.
- Program: A group of related activities performed by one or more organized units for the purpose of accomplishing a function for which the county is responsible.

- Requirements: A budget term used for all budgeted uses of monies in a fund during a fiscal period. It includes budgeted expenditures, interfund transfers, contingencies and balances budgeted to be carried over to the next fiscal period. Requirements must be equal to Resources (see next definition) in order for a fund's budget to be in balance.
- Resources: Total monies available during a budget period. This includes the estimated balances on hand at the beginning of the budgetary period plus all revenues anticipated being collected.

This makes **budgeting in Oregon a joint effort between the people affected** (emphasis added) by the budget and the appointed and elected officials responsible for providing the services (LBIO, p. 1).

Required Financial Policies One of the Committee's main topics is about the required S&BP financial policies per the Oregon's Local Budget Law (ORLBL) procedures for preparing a local budget, specifically as they are applicable to the responsibilities of a local government in defining the purposes of activities and/or program appropriations. It appears from the definitions of "Organization Unit" and "Program" (e.g., Oregon Revised Statutes (ORS) 294.311(31) charged with carrying on one or more specific functions; ORS 294.311(33) accomplish a major service or function for which the local government is responsible, etc.) that a local budget is required to identify the purposes and/or responsibilities of its programs, including their LOS authorities (e.g., mandated, essential, necessary, elective services, etc.).

GFOA Nationally Recognized Guidelines for Effective Budget Presentation While not specifically addressing the above "required financial policies", 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.

April 30, 2015 Budget Message To Josephine County Budget Committee Members (emphasis)

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) 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). 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.

I look forward to reviewing the proposed budget with you and wish to thank the many individuals in the various departments who are responsible for preparing this budget. Special thanks go to Chris Carlson, Budget Analyst in the Finance Office, who spent many hours ensuring that this budget document **met the collective requirements of the County and the GFOA** (emphasis).

Respectfully submitted, Arthur O'Hare, Finance Director & Budget Officer

All JO CO budgets and budget messages applicable to this research paper are web published under the title, *Budgets: Josephine County, Oregon*.

Budgets: Josephine County, Oregon
Exploratory Committee
Hugo Neighborhood Association & Historical Society
<http://www.hugoneighborhood.org/budgets.htm>

There were several potential issues to be researched and studied by the Committee in this paper. The following were the Committee's early brainstorming list. These were expanded into a refined issues list as the research progressed (Chapter V).

1. JO CO PSS Departments Addressing County Goals And Clearly Defining Program Purpose
2. JO CO PSS Departments Develop a Sustainable Plan for All Mandated and Essential County Government Programs - Budget Only for Mandatory And/or Self-supporting Programs.
3. Levels Of Service (LOS)
4. Budgeting For Outcomes (BFO)
5. Citizen's Guide to the Budget

In summary, the research focus was CI/CP opportunities in the budget process, not the specific JO CO's budget allocations and appropriations.

B. Pessimistic CP Opportunities Alternative In Budget Process

Sadly, after later readings of the two budget law documents along with the budget law and its local budget applications, serious questions are being asked about the minimalistic character of CI/CP in Oregon Local Budget Law.

- *Local Budgeting in Oregon* (supplement to the *Local Budgeting Manual*)
- *Local Budgeting Manual* (150-504-420).

After reading the actual law, they were concerned, especially after they had studied the CI/CP “text” financial policies from JO CO Budgets: FY 2006-07 to FY 2016-17, and the public safety program budgets for FY 2015-16.

- Oregon Revised Statutes: 294.305 to 294.565 (full text).
The two CI/CP purposes of ORS 294.305 are ORS 294.305(4) and (6).
 - (4) To provide specific methods for obtaining public views in the preparation of fiscal policy;
 - (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.
- Oregon Administrative Rules: 150-294.175 to 150-294.920 (full text).
- FY Budget 2015-16 Public Safety Program’s Budgets.
- FY 2006-07 to FY 2016-17 Budgets Purposed & Budget Messages.
- CI/CP “text” Financial Policies from JO CO Budgets: FY 2006-07 to FY 2016-17

The following examples for questions are unknown or tending toward the “Pessimistic CP Opportunities Alternative In Budget Process.” Other questions are identified in later chapters.

Question 1. ORS 294.305(4). What does it mean – “To provide specific methods for obtaining public views in the preparation of fiscal policy”?

Question 2. ORS 294.305(6). What does it mean – “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”? To be apprised does not sound like much more than reading the newspaper.

Question 3. This question comes from questions 1 and 2. The appears the guts of CI/CP compliance with Oregon Local Budget Law might to be one-way communication by way of a minimum of one public meeting before the JO CO Budget Committee and one public hearing before the JO CO BCC?

Question 4. For example, as in all things, if they are not explicitly defined there is room for interpretation. For example, the position¹ of Arthur O’Hare, Josephine County Finance Director, is that the budget message has to be given to the Josephine County Budget Committee at its first meeting required by law, but that the budget message does not have to be in the proposed budget. It has to be in the adopted budget. Per that position the budget message is not in the web published JO CO FY 2016-17 Proposed Budget. Having the government take almost a year to

1. June 14, 2016 meeting at Josephine County Courthouse between Arthur O’Hare, Josephine County Finance Director and Mike Walker, Justice System & Public Safety Services (JS&PSS) Exploratory Committee Chair, Hugo Neighborhood Association & Historical Society (HNAHS).

develop a proposed budget, and providing a very short public review and minuscule comment opportunities only at the end of the process is questionable (Appendix C).

Question 5. Another question concerns the members of the budget committee and the stated definition in the *Local Budgeting Manual* that they are equal in authority.

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district (ORS 294.414).

The *Local Budgeting Manual* identifies that “*All members of the budget committee have **equal authority** (emphasis added). Each member’s vote counts the same. Any member can be elected by the committee as its chair.*”

Chapter 8, Local Budgeting Manual - the Budget Committee and Approving the Budget (pps. 44 - 46)
Budget committee members The budget committee is a local government’s **fiscal planning advisory committee** (emphasis added). The governing body of each local government must establish a budget committee (ORS 294.414). **The budget committee is composed of the governing body and an equal number of electors appointed by the governing body** (emphasis added). An elector is a qualified voter who, for example, has the right to vote for a ballot measure submitted by the local government.

All members of the budget committee have **equal authority** (emphasis added). Each member’s vote counts the same. Any member can be elected by the committee as its chair.

However, ORS 294.414, Budget Committee, only identifies that there will be an equal number of members of the governing body and the electors, and that a presiding officer shall be appointed from among its members. It does not find that all members of the budget committee have equal authority.

ORS 294.414 Budget committee
OregonLaws.org
<http://www.oregonlaws.org/ors/294.414>
Accessed June 21, 2016

(1) Except as provided in ORS 294.423 (Governing body of certain municipal corporations to be budget committee), the governing body of each municipal corporation shall establish a budget committee in accordance with the provisions of this section.

(2) The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of electors of the municipal corporation appointed by the governing body; if there are electors fewer than the number required, the governing body and the electors who are willing to serve shall be the budget committee; and if there are no electors willing to serve, the governing body shall be the budget committee.

(9) The budget committee shall at its first meeting after its appointment elect a presiding officer from among its members. [Formerly 294.336]

In summary, the research focus is CI/CP opportunities in the budget process, not the specific JO CO’s budget appropriations. And, the answer as to which alternative purpose would prevail on the assumed support for CI/CP in the budget process was unknown.

Hypothesis #1. Optimistic CP Opportunities Alternative In Budget Process.
Hypothesis #2. Pessimistic CP Opportunities Alternative In Budget Process.

In summary, effectively communicating complex ideas without complete information, and making them comprehensible to your neighbors is very difficult.

- For analogies Mike thought of his camel story (tell a story)
- Jon thought of his zebra story (tell a story).

C. Summary of Chapters

This paper has nine chapters starting with an introduction and purpose of the paper.

Chapter I. Introduction/Purpose. This chapter is a description of the project, the issue and purpose of this paper, *Citizen Participation In The Josephine County Budget Process*.

Chapter II. Oregon Local Budget Law (LBL) Excerpts. The foundation of this project is the rule of law, it is not the Authors' interpretations. Chapter II on LBL is about the facts. What are the facts as they related to the authorities, responsibilities, and authorities does the local governing body have in developing a budget process and local budget? Sometimes the facts are slim and in conflict. Citizens will have to struggle.

Chapter III. Excerpts from Josephine County Budgets: FY 2006-07 TO FY 2016-17. This chapter is also about the facts; this time from JO CO budgets, but again, it is not the Authors' interpretations. Sometimes explanatory facts are pretty thin, and interested citizens most interpret and make assumptions in the absence of clear comprehensive local government explanations.

Chapter IV. Budget Process Brainstorming Questions are the Author's questions about the unknown. The budget process brainstorming questions were derived from ideas identified from the facts in Chapters II and III. The budget process questions are the foundations for the budget process analysis in Chapter V. That analysis in turn supports the identification of budget process issues identified in Chapter VI. Remember that the goal of brainstorming is NOT to come up with lots of practical solutions, but to come up with a large quantity of ideas. When brainstorming we're interested in ALL ideas — however unlikely to succeed, ridiculous, funny, outrageous or silly. We capture the sensible, practical and even boring ideas too – but we don't limit ourselves by saying "That won't work because..." After all who knows where an impossible idea might lead?

Chapter V. Analysis: Elements And Components Of Citizen Participation in Budgeting Process. As the title identifies this chapter is about the Author's analysis and opinions of the budget facts, Chapters II and III, and their questions about those facts. It starts to address the question: "What is JO CO's Problem, or Issue?" The reduction of federal payments to the county since the 2000 Secure Rural Schools Act, especially after 2012, and the failure of four CO public safety tax levies, and one city sales tax, are decisions about the issue. The Committee believes these decision facts are not right or wrong decisions; they are the truth; they are our reality. Chapter V's analysis is the bases for identifying the budget issues in Chapter VI.

Chapter VI. Budget Process Issues. (Opinions) Identifying the budget process issues is Step 6 in arriving at conclusions from the analysis of the JO CO budget from the Authors' perspective, from two voters trying to understand. Issues are basically the Authors' opinion highlights from different analyses ideas in Chapter V's analysis and identification of real and/or potential problems.

Chapter VII. Budget Process Recommendations. (Opinions)

Chapter VIII. Budget Process Conclusions. (Opinions)

Chapter IX. Summary & Conclusions. (Opinions)

The final summary and conclusions will probably not be a position about compliance with the Oregon Budget Law. It is anticipated that it will be a judgement by the authors as to its ability to promote public understanding, support for county programs, and recommendations to make the budget more understandable by the voters.

II. OREGON BUDGET LAW EXCERPTS

Oregon Local Budget Law excerpts in Step 2 is identifying information applicable to citizen participation in the JO CO budget process.

- Step 1: Chapter I. Introduction/Purpose
- **Step 2: Chapter II. Oregon Local Budget Law Excerpts**
- Step 3: Chapter III. Excerpts from JO CO Budgets: FY 2006-07 TO FY 2016-17
- Step 4: Chapter IV. Budget Process Brainstorming Questions From Oregon Local Budget Law & JO CO Budgets: FY Budget 2006-07 to FY 2016-17
- Step 5: Chapter V. Analysis: Citizen Understanding Budget Process
- Step 6: Chapter VI. Budget Process Issues
- Step 7: Chapter VII. Budget Process Recommendations
- Step 8: Chapter VIII. Budget Process Conclusions

A. Oregon Revised Statutes: 294.305 to 294.565 (Appendix D)

The Oregon Revised Statutes (ORS) is the codified body of statutory law governing the U.S. state of Oregon, as enacted by the Oregon Legislative Assembly, and occasionally by citizen initiative. The statutes are subordinate to the Oregon Constitution

The following Oregon Local Budget Law ORS were identified by the Exploratory Committee's reading of the statutes. They are the ORS applicable to CI/CP in the local budget process versus the allocations and appropriations (i.e., accounting details of spread sheets of full time equivalent (FTE) and costs; list of all statutes at Appendix D). Full text of all applicable ORS, OARs and this document, *Citizen Involvement In The Josephine County Budget Process*, are available at Chapter V - Budget Process of the budgets web page.

- *Citizen Participation In The Josephine County Budget Process*
- *Oregon Revised Statutes: 294.305 to 294.565 (Oregon Local Budget Law)*
- *Oregon Administrative Rules: 150-294.175 to 150-294.920 (Local Budget)*

Chapter V. Budget Process

Budgets: Josephine County, Oregon

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

1. ORS Outline First is the outline of applicable ORS to the project. Second are the ORS excerpts applicable to CI/CP in the local budget process.

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 294.403	Budget message
ORS 294.408	Time of making budget message and document
ORS 294.414	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

2. ORS Excerpts The following are the ORS excerpts applicable to CI/CP in the local budget process. When there are questions go to the full text of the ORS.

ORS 294.305. Sections constituting Local Budget Law

ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents) shall be known as the Local Budget Law.

ORS 294.311. Definitions for ORS 294.305 to 294.565 (for all definitions go to *Oregon Revised Statutes: 294.305 to 294.565* available at budgets web page)

(2) Activity means a specific and distinguishable service performed by one or more organizational components of a municipal corporation to accomplish a function for which the municipal corporation is responsible.

(3) Appropriation means an authorization granted by the governing body to make expenditures and to incur obligations for specific purposes.

(5) Budget means a plan of financial operation embodying an estimate of expenditures for a given period or purpose and the proposed means of financing the estimated expenditures.

(6) Budget document means the estimates of expenditures and budget resources as set forth on the estimate sheets, tax levy and the financial summary.

(8) Budget resources means resources to which recourse can be had to meet obligations and expenditures during the fiscal year or budget period covered by the budget.

(19) General county resources means resources from property taxes, state and federal shared revenue, beginning balances available for expenditure and interest not required to be allocated to specific programs or activities.

(20) Governing body means the city council, board of commissioners, board of directors, county court or other managing board of a municipal corporation including a board managing a municipally owned public utility or a dock commission.

(26) Municipal corporation means any county, city, port, school district, union high school district, community college district and all other public or quasi-public corporations including a municipal utility or dock commission operated by a separate board or commission. Municipal corporation includes an intergovernmental entity or council of governments that proposes to impose or imposes ad valorem property taxes.

(31) Organizational unit means any administrative subdivision of a municipal corporation, especially one charged with carrying on one or more functions or activities.

(33) Program means a group of related activities aimed at accomplishing a major service or function for which the municipality is responsible.

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 and appraisal of budgets of municipal corporations;
- (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) To provide for estimation of revenues, expenditures and proposed taxes;
- (4) To provide specific methods for obtaining public views in the preparation of fiscal policy;
- (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 and investors to be apprised of the financial policies and administration of the municipal corporation in which they are interested.

ORS 294.323 Budget period

(1) A municipal corporation, by ordinance, resolution or charter, may provide that the budget and budget documents for the municipal corporation be prepared for a period of 24 months. Unless so authorized by ordinance, resolution or charter, a municipal corporation may not prepare a budget and budget documents for a period longer than one fiscal year.

ORS 294.331 Budget officer

The governing body of each municipal corporation shall, unless otherwise provided by county or city charter, designate one person to serve as budget officer. The budget officer, or the person or department designated by charter and acting as budget officer, shall prepare or supervise the preparation of the budget document. The budget officer shall act under the direction of the executive officer of the municipal corporation, or where no executive officer exists, under the direction of the governing body.

ORS 294.338 Compliance with Local Budget Law required prior to expenditure or tax certification; exceptions

(1) A municipal corporation may not expend money or certify to the assessor an ad valorem tax rate or estimated amount of ad valorem taxes to be imposed in any year unless the municipal corporation has complied with ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents).

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;
- (2) Contain a brief description of the proposed financial policies of the municipal corporation for the ensuing year or ensuing budget period;
- (3) Describe in connection with the financial policies of the municipal corporation, the important features of the budget document;
- (4) Set forth the reason for salient changes from the previous year or budget period in appropriation and revenue items;
- (5) Explain the major changes in financial policy; 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 on the operations of the municipal corporation. [Formerly 294.391]

ORS 294.408 Time of making budget message and document

The budget message and budget document shall be prepared a sufficient length of time in advance to allow the adoption of the budget by the close of the current fiscal year or current budget period.

ORS 294.414 Budget committee

- (1) Except as provided in ORS 294.423 (Governing body of certain municipal corporations to be budget committee), the governing body of each municipal corporation shall establish a budget committee in accordance with the provisions of this section.
- (2) The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of electors of the municipal corporation appointed by the governing body; if there are electors fewer than the number required, the governing body and the electors who are willing to serve shall be the budget committee; and if there are no electors willing to serve, the governing body shall be the budget committee.
- (4) Appointive members of the budget committee may not be officers, agents or employees of the municipal corporation.
- (5) Appointive members of a budget committee that prepares an annual budget shall be appointed for terms of three years. The terms shall be staggered so that, as near as practicable, one-third of the terms of the appointive members end each year.
- (9) The budget committee shall at its first meeting after its appointment elect a presiding officer from among its members.

ORS 294.426 Budget committee meeting; notice; receipt of budget message and document; provision of copies of document

(1) The budget committee established under ORS 294.414 (Budget committee) shall hold one or more meetings for the following purposes:

- (a) Receiving the budget message prepared under ORS 294.403 (Budget message) and the budget document; and
- (b) Providing members of the public with an opportunity to ask questions about and comment on the budget document.

(2)(a) If a budget committee holds more than one meeting under subsection (1) of this section, the budget message and the budget document must be received at the first meeting.

(b) If the budget committee does not provide members of the public with an opportunity to ask questions about and comment on the budget document at the first meeting, the budget committee must provide the public with the opportunity at a subsequent meeting.

(3)(a) Except as provided in paragraph (b) of this subsection, the budget officer designated under ORS 294.331 (Budget officer) shall publish prior notice of each meeting of the budget committee held pursuant to subsection (1) of this section. The notice must contain the information described in subsection (4) of this section and must be published by one of the methods described in subsection (5) of this section.

(b)(A) If the budget committee holds more than one meeting for the purposes described in subsection (1) of this section, the budget officer may publish a combined notice for all the meetings.

(B) If the budget committee holds more than one meeting for the purpose described in subsection (1)(b) of this section, the budget officer may publish notice of only the first meeting. Notice of subsequent meetings may be given as provided in ORS 294.428 (Budget committee hearings) (emphasis added) (2). If notice is published for a meeting under this subparagraph and it is subsequently determined that the meeting is unnecessary, notice of cancellation of the meeting must be published as provided in ORS 294.428 (Budget committee hearings).

(4) The notice required under subsection (3) of this section must state:

(a) The purpose, time and place of the meeting or meetings and the place where the budget document is available;

(b) That the meeting is a public meeting where deliberations of the budget committee will take place; and

(c) If the meeting described in the notice is a meeting at which the budget committee will receive questions and comments from members of the public, that any person may ask questions about and comment on the budget document at that time. (emphasis added)

(5)(a) If the notice required under subsection (3) of this section is published only by publication in a newspaper, the notice must be published at least two separate times, not more than 30 days before the meeting date and not less than five days before the meeting date.

(b) The notice may be published once in a newspaper, not more than 30 days before the meeting date and not less than five days before the meeting date, and once on the municipal corporations Internet website, in a prominent manner and maintained on the website for at least 10 days before the meeting date. The newspaper notice must contain the Internet website address at which the notice is posted. (emphasis added)

(c) If the notice is published by mailing or hand delivery, the notice must be placed with the United States Postal Service or hand delivered not less than 10 days before the meeting date.

(6)(a) At any time before the first meeting required under subsection (1) of this section, the budget officer may provide one copy of the budget document to each member of the budget committee solely for the information and use of the individual members (emphasis added). The budget committee may not deliberate on the budget document as a body before the first meeting.

(b) If the budget officer does not provide copies of the budget document to the members of the budget committee under paragraph (a) of this subsection, the budget officer shall provide copies at the first meeting required under subsection (1) of this section.

(7) The budget officer shall file a copy of the budget document in the office of the governing body of the municipal corporation immediately following presentation of the budget document to the members of the budget committee under subsection (6) of this section. The copy is a public record of the municipal corporation.

(8) The governing body of the municipal corporation must provide to individuals upon request a copy of the budget document or the means of readily obtaining a copy of the budget document.

ORS 294.428 Budget committee hearings; approval of budget document

(1) The budget committee shall approve the budget document as submitted by the budget officer or the budget document as revised and prepared by the budget committee.

(2) In addition to the meetings held under ORS 294.426 (Budget committee meeting) (1), the budget committee may meet from time to time at its discretion. All meetings of the budget committee shall be open to the public. Except for a meeting of the budget committee held under ORS 294.426 (Budget committee meeting) (1), prior notice of each meeting of the budget committee shall be given at the same time as is required for notice of meetings of the governing body of the municipal corporation and may be given in the same manner as notice of meetings of the governing body or by any one or more of the methods described in ORS 294.311 (Definitions for ORS 294.305 to 294.565) (35).

(3) The budget committee may demand and receive from any officer, employee or department of the municipal corporation any information the committee requires for the revision and preparation of the budget document. The budget committee may compel the attendance of any such officer or employee at its meetings.

ORS 294.433 Format for notices and summaries

Format for publication of notices and summaries required by ORS 294.438 (Publication of notice of meeting, financial summary and budget summary) shall be prescribed by the Department of Revenue.

ORS 294.438 Publication of notice of meeting, financial summary and budget summary; requirements of financial summary and notice of meeting; rules

(1) Not more than 30 days and not less than five days before the meeting of the governing body of a municipal corporation under ORS 294.453 (Hearing by governing body on budget document as approved by budget committee), a notice of the meeting and a financial summary of the budget as approved by the budget committee and compared with the actual expenditures and budget resources of the preceding year or preceding budget period and the budget summary of the current year or current budget period must be published by one or more of the methods described in ORS 294.311 (Definitions for ORS 294.305 to 294.565) (35) at least once. The notice and financial summary may be published in accordance with forms prescribed by the Department of Revenue or in a narrative format that includes all the information required under subsections (2) to (8) of this section.

(2) Except as provided in ORS 294.441 . . .

ORS 294.444 County budget summary of revenues and expenditures funded in part by state resources

County budgets must contain a summary of revenues and expenditures for major programs funded in part by state resources. The summary must include, at a minimum, functions related to assessment and taxation, community corrections, district attorneys, juvenile corrections and probation, public health, mental health and chemical dependency, veterans services, roads and economic development. The summary must provide the total expenses for each program and identify the revenues used to fund the program from general county resources, state grants, federal grants, video lottery resources and other resources as applicable. . . .

ORS 294.448 Manner of publication.

(2) . . . (Hearing by governing body on budget document as approved by budget committee), publish a notice stating:

- (a) The date, time and place of the meeting required under ORS 294.453 (Hearing by governing body on budget document as approved by budget committee);
- (b) The place where the complete budget document is available during regular business hours for inspection by the general public;

ORS 294.451 Sufficiency of publication of budget documents; notice to governing body and assessor of publication error

(1) When a notice, budget summary or other document is required to be published under any provision of ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents), publication of the document shall be considered sufficient for all purposes if a good faith effort is made by the budget officer of the municipal corporation to publish by any one or more of the methods described in ORS 294.311 . . .

ORS 294.453 Hearing by governing body on budget document as approved by budget committee; alternative procedure in certain cases

(1) Except as provided in subsections (2) and (3) of this section, the governing body of a municipal corporation shall meet at the time and place designated in the notice of meeting required under ORS 294.438 (Publication of notice of meeting, financial summary and budget summary) for the purpose of holding a public hearing on the budget document as approved by the budget committee. At the meeting any person may appear for or against any item in the approved budget document. . . .

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

(1)(a) After the public hearing required under ORS 294.453 (Hearing by governing body on budget document as approved by budget committee) (1) and consideration of matters discussed at the public hearing, the governing body of a municipal corporation shall enact the ordinances or resolutions necessary to adopt the budget, to make the appropriations, to determine, make and declare the ad valorem property tax amount or rate to be certified to the assessor for either the ensuing year or each of the years of the ensuing budget period and to itemize and categorize the ad valorem property tax amount or rate as required under ORS 310.060 (Notice certifying taxes).

. . .

ORS 294.458 Filing copy of budget and certain documents with county assessor and Department of Revenue; records

(1) On or before July 15 of each year, or upon such other date as the Department of Revenue shall designate, each civil subdivision in the state that does not levy an ad valorem property tax, that is subject to the Local Budget Law and that prepares an annual budget shall file with the Department of Revenue a copy of the resolution adopting the budget and of the resolution making appropriations. . . .

ORS 294.461 Tax certification contrary to law voidable by Oregon Tax Court; appeal procedure

(1) Any ad valorem property tax made contrary to the provisions of ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents) or any other law relating to the making of tax levies shall be voidable as provided in subsection (2) of this section and ORS 310.070 (Procedure when taxes exceed limitations or are incorrectly categorized).

(2) The county assessor, county court, board of county commissioners, the Department of Revenue, tax supervising and conservation commission or 10 or more interested taxpayers may appeal to the regular division of the Oregon Tax Court and such appeal shall be perfected in the following manner only: . . .

ORS 294.471 Supplemental budget in certain cases; no increase in property taxes permitted

(1) Notwithstanding requirements as to estimates of and limitation on expenditures, during the fiscal year or budget period for which the original budget was adopted, the governing body of a municipal corporation may make one or more supplemental budgets under any of the following circumstances: . . .

ORS 294.473 Procedure when supplemental budget changes estimated expenditures by more than 10 percent

(1)(a) If the amended estimated expenditures contained in an individual fund that is being changed by a supplemental budget made under ORS 294.471 (Supplemental budget in certain cases) differ by more than 10 percent from the expenditures in the budget as most recently amended prior to the supplemental budget, the governing body of the municipal corporation shall hold a public hearing on the supplemental budget.

(b) Notice of the hearing required under paragraph (a) of this subsection, including a summary of the changes proposed in the funds that differ by more than 10 percent from the expenditures in the budget as most recently amended prior to the supplemental budget, must be published not less than five days before the meeting.

(c) After the hearing, additional expenditures contained in the supplemental budget described in this subsection may not be made unless the governing body of the municipal corporation enacts appropriation ordinances or resolutions authorizing the expenditures. The ordinances or resolutions must state the need for and the purpose and amount of the appropriation. . . .

ORS 294.476 Local option tax approved after adoption of budget; supplemental budget

(1) Following the adoption of a budget under ORS 294.456 (Governing body to adopt budget, make appropriations, declare and categorize property tax amount or rate) that does not include revenue from a proposed local option tax, if a municipal corporation places a local option tax measure on the ballot for an election held in September and the electors of the municipal corporation approve the measure, in order to impose the local option tax during the current fiscal year or current budget period the governing body of the municipal corporation must:

(a) Adopt an ordinance or resolution to determine, make and declare the local option tax and to categorize the local option tax amount or rate as provided in ORS 310.060 (Notice certifying taxes); . . .

ORS 294.495 Department of Revenue to construe Local Budget Law; rules

Notwithstanding ORS 294.695 (Attorney General as legal advisor and counsel to commission), the Department of Revenue shall:

(1) Construe ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents) and any other law relating to the making of tax levies when 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 to the department all questions arising with them which affect the construction of laws of this state relating to local budgetary procedures.

(2) Make such rules and regulations and prescribe such forms as it considers proper to effectually carry out 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) or any other law relating to the making of tax levies.

ORS 294.500 Declaratory ruling by Department of Revenue as to its rules; rules

1) On petition by 10 interested taxpayers or a municipal corporation, the Department of Revenue may issue a declaratory ruling with respect to the validity or applicability to any person, municipal corporation or state of facts of any rule adopted by the department.

(2) The Department of Revenue shall adopt rules prescribing the form, content and procedure for submission, consideration and disposition of petitions under subsection (1) of this section.

(3) The Department of Revenue must afford interested parties a full opportunity for hearing on the subject of a petition before issuing a declaratory ruling under subsection (1) of this section.

(4)(a) A declaratory ruling issued under subsection (1) of this section binds the department and all parties to the proceedings on the state of facts alleged, unless it is altered or set aside by a court.

(b) A declaratory ruling is subject to review in the Oregon Tax Court in the manner provided by ORS 294.515 (Appeal by municipal corporation from Department of Revenue order) and is subject to the same limitations under ORS 294.515 (Appeal by municipal corporation from Department of Revenue order) as appeals.

ORS 294.505 Division of Audits to issue notification of budgetary irregularities; Department of Revenue to advise municipal corporation of correct procedures

(1) The Division of Audits created by ORS 297.020 (Functions and duties of Division of Audits) 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. . . .

ORS 294.510 Order for revision of budgetary procedures; enforcement

- (1) The Department of Revenue may order a municipal corporation to revise its budget procedures to conform with ORS 294.305 (Sections constituting Local Budget Law) to 294.565 (Failure to file copy of required budget, reports or other documents) 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 (Appeals to Supreme Court), 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.

B. Oregon Administrative Rules: 150-294.175 to 150-294.920 (Appendix A3)

The State Rulemaking Process. A "rule" is "any agency directive, standard, regulation or statement of general applicability that implements, interprets or prescribes law or policy, or describes the procedure or practice requirements of any agency" - ORS 183.310(9).

OAR Citations. Every OAR uses the same numbering sequence of a three-digit chapter number followed by a three-digit division number and a four-digit rule number. For example, Oregon Administrative Rules, chapter 150, division 294, rule 175 is cited as OAR 150-294.175.

150-294.175 Department of Revenue Review of the County Assessment, Appeal, Collection, and Distribution of Property Taxes.

The Following Oregon Local Budget Law OAR were identified by the Exploratory Committee's reading of the statutes. They are the OAR applicable to CI/CP in the local budget process versus the allocations and appropriations (i.e., accounting details of spread sheets of full time equivalent (FTE) and costs; Appendix E).

Full text of all applicable ORS, OARs and this document, *Citizen Involvement In The Josephine County Budget Process*, are available at Chapter V - Budget Process of the budgets web page.

- *Citizen Involvement In The Josephine County Budget Process*
- *Oregon Revised Statutes: 294.305 to 294.565 (Oregon Local Budget Law)*
- *Oregon Administrative Rules: 150-294.175 to 150-294.920 (Local Budget)*

Chapter V. Budget Process

Budgets: Josephine County, Oregon

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

1. OAR Outline First is the outline of applicable OAR. Second are the actual OAR excerpts applicable to citizen involvement in the local budget process.

OAR 150-294.175	Department of Revenue Review of the County Assessment, Appeal, Collection, and Distribution of Property Taxes
OAR 150-294.311	Definition of Taxing Authority
OAR 150-294.311(6)	Definition of Budget Document
OAR 150-294.311(31)	Definition of Taxing Authority (Definition of Organization Unit)
OAR 150-294.361(2)	Budget Resources
OAR 150-294.388	Proposed Expenditures-Required Presentation
OAR 150-294.388(1)-(A)	Governmental Fund Definitions
OAR 150-294.414	Quorum Necessary to Hold Meeting
OAR 150-294.426(8)	Charging for Budget Document Copies
OAR 150-294.453(1)	Quorum Necessary to Hold Meeting
OAR 150-294.456(1)-(C)	Publishing of Amended Budget Document
OAR 150-294.456(3)	Manner of Appropriations
OAR 150-294.471	Supplemental Budget Procedures
OAR 150-294.905(2)	Members of the Budget Committee: Governing Body and Appointees. Definition of Representatives of the Services Provided for a Council of Government

2. OAR Excerpts The following are the actual OAR excerpts applicable to citizen involvement in the local budget process.

OAR 150-294.175 Department of Revenue Review of the County Assessment, Appeal, Collection, and Distribution of Property Taxes

(1) As used in ORS 294.175, the following definitions will apply:

(a) "Adequacy to provide the resources needed to achieve compliance" means: Appropriate and sufficient resources to maintain compliance with all laws and rules pertaining to the assessment, levying, and collection of property taxes.

(b) "Laws requiring equality and uniformity in the system of property taxation" includes administrative rules implementing those statutes.

(c) "Equality" means equity of assessments as required by the Oregon Constitution and laws to achieve fairness in property taxation.

(d) "Other laws" include but are not limited to Chapters 305 to and including 312.

(e) "Review" under ORS 294.175 may include, but is not limited to, an examination by the department of any county records, both paper and magnetic media; interviews with county staff; field review of values and procedures; and special studies. . . .

(3) At the department's discretion, the department may examine any property and records to verify the accuracy of county records.

(4) For counties under the Computer Assisted Valuation program, part of the review will consist of the review required by ORS 308.027. When the department conducts a review of counties not under ORS 308.027, current appraisals will be reviewed to ensure they comply with the established standards for an appraisal contained in OAR 150-308.027(10). . . .

(6) The determination by the department that assessment and taxation activities, functions or services of the county are not adequate to maintain compliance or are not in compliance with a conference agreement or plan must be made no later than 40 days prior to the next fiscal quarter. . . .

OAR 150-294.311 Definition of Taxing Authority

(1) "Permanent Tax Rate" means the tax rate calculated by the Department of Revenue for the 1997-98 tax roll or as subsequently adjusted as provided for in ORS 310.246. In the case of districts that have never levied a tax, it is the tax rate adopted by voters as set out in Section 11(3)(c), and Section 11(8), Article XI of the Oregon Constitution.

(2) "Local Option Tax" means an ad valorem property tax that exceeds the limitation of the Article XI, Section 11, of the Oregon Constitution. The tax must be adopted by voters as set out in Section 11(4) and Section 11(8), Article XI of the Oregon Constitution. . . .

OAR 150-294.311(6) Definition of Budget Document

(1) The complete copy of the budget document filed with the county clerk under ORS 294.458 must include the following:

(a) A copy of the two notices of the budget committee meeting showing the dates published, or an affidavit of publication, accompanying a copy of the actual publications;

(b) A copy of the notice of budget hearing showing the date published, or an affidavit of publication, accompanying a copy of the actual publications;

(c) A copy of all of the budget detail sheets;

(d) A copy of the resolution statements or ordinance that adopt the budget, and make appropriations;

(e) If the district is imposing taxes on property subject to ad valorem property taxation, a copy of the resolution statement or ordinance that imposes the tax;

(f) If the district is imposing taxes on property subject to ad valorem property taxation, a copy of the resolution statement or ordinance that categorizes the tax for purposes of Article XI, section 11(b), of the Oregon Constitution;

(g) If the district is imposing taxes on property subject to ad valorem property taxation, a copy of the Notice of Property Tax Levy form;

(h) Sample ballots of any new ad valorem tax authority approved by the voters and being used for the first time by the district.

(2) The budget document may include any other document the district chooses to include.

OAR 150-294.311(31) Definition of Taxing Authority (Definition of Organization Unit)

As used in ORS 294.305 to 294.565, an organizational unit is an administrative subdivision of a municipal corporation accountable for specific services, functions, or activities.

OAR 150-294.361(2) Budget Resources

Budget resources of a county shall not include proceeds and interest arising under ORS 275.090 to 275.310 which will be distributed to any municipal corporation. However, any proceeds and interest distributed under ORS 275.090 to 275.310 shall be considered a budget resource for the municipal corporation receiving the distribution, including the county.

OAR 150-294.388 Proposed Expenditures-Required Presentation

Proposed expenditures presented within a traditional budget or a program budget must be detailed fully by object of expenditure and as a minimum, be classified by organization unit or program, and categorized into the object classifications listed in ORS 294.388(3) and (4) or according to the classification of accounts approved by the Department of Revenue under ORS 294.393. Organizational unit has the same meaning as found in OAR 150-294.311(31).

OAR 150-294.388(1)-(A) Governmental Fund Definitions

(1) For the purpose of this rule "fund" means a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

(2) Municipal corporations organized and operated on a fund accounting system shall prepare estimates of expenditures for the ensuing year using the following types of funds:

(a) The General Fund — To account for all financial resources except those required to be accounted for in another fund.

(b) Special Revenue Funds . . .

(c) Capital Projects Funds . . .

(d) Debt Service Funds . . .

(e) Special Assessment Funds . . .

(f) Enterprise Funds . . .

(g) Internal Service Funds . . .

(h) Trust and Agency Funds . . .

OAR 150-294.414 Quorum Necessary to Hold Meeting

A budget committee must have a quorum, or majority of the total membership of the committee, present in order to hold a meeting. To take any action requires the affirmative vote of a majority of the total budget committee membership. Majority is defined as one more than half unless otherwise specified by law.

OAR 150-294.426(8) Charging for Budget Document Copies

(1) The budget document of a municipal corporation becomes a public record as defined under ORS 192.410(4) at the time the proposed budget is filed with the office of the governing body. It remains a public record throughout the budget process and after adoption. Municipal corporation budget documents are not exempt from disclosure under Oregon law so they may be inspected by interested individuals. ORS 192.440 authorizes the custodian of any public record to give a copy of the record to a person when requested.

(2) A municipal corporation may charge a fee for a copy of any version of the budget under ORS 192.440.

OAR 150-294.453(1) Quorum Necessary to Hold Meeting

To hold a budget hearing there must be a quorum, or majority of the total governing board membership present. To take any action requires the affirmative vote of a majority of the total governing board. Majority is defined as one more than half unless otherwise specified by law.

OAR 150-294.456(1)-(C) Publishing of Amended Budget Document

When publishing an amended budget document, the governing body must include the following information using the same publishing procedures as the original summary described under ORS 294.448: . . .

OAR 150-294.456(3) Manner of Appropriations

(1)(a) Except as otherwise permitted or required by statute or rule, amounts must be appropriated by organizational unit or program of each fund, with one appropriation amount for each organizational unit or program.

(b) Notwithstanding section (1)(a), municipal corporations may appropriate a separate amounts for an activity within an organizational unit or program as long as the organizational unit or program to which the separately appropriated amount is allocated is also clearly identified.

(2) Separate amounts in each fund must be appropriated for any operating expenses for personnel services, materials and services, or capital outlay that cannot be allocated to a specific organizational unit or program and for debt service, special payments, interfund revenue transfers, and operating contingencies.

(3) If a municipal corporation is permitted by statute to estimate expenditures in a manner other than by organizational unit or program under ORS 294.388(2) and no other statute or rule prescribes the manner for appropriation of such expenditures, then it must appropriate by personnel services, materials and services, capital outlay, debt service, special payments, interfund revenue transfers, and operating contingencies for each fund.

(4) When adopting a biennial budget the appropriated amount is the total for the fund for both years of the ensuing budget period.

(5) When adopting an annual budget the appropriated amount is the total for the ensuing fiscal year.

OAR 150-294.471 Supplemental Budget Procedures

(1) During the fiscal year or budget period, the governing body may find that an unanticipated condition requires adjustments to the budget. If the condition meets the requirements of ORS 294.471, the governing body may prepare a supplemental budget. . . .

OAR 150-294.905(2) Members of the Budget Committee: Governing Body and Appointees. Definition of Representatives of the Services Provided for a Council of Government

(1) Not all of the governing body members are required to participate on the budget committee. The number of governing body representatives may be determined by each council of governments.

(2) For the purpose of appointive representation on the budget committee as described in ORS 294.905(2), a "representative of services provided" means a person who is not prohibited from serving by OAR 150-294.905(4) and who is willing to be a delegate for a general classification of services provided. As an example: It is not necessary to seek a member from each senior citizen program (senior employment, home-delivered means, senior transportation, etc.). The member(s) may be appointed from the general classification of "senior citizen services" or "public safety services" or "job training services." A good faith effort should be made to obtain a number of appointive representatives equal to the number of governing body representatives.

C. Local Budgeting Manual

Oregon's Local Budget Law (LBM), per the "*Local Budgeting Manual*", is found in Oregon Revised Statutes (ORS) 294.305 to 294.565 (Appendix D). The following are Committee excerpts from Oregon's *Local Budgeting Manual*. The full excerpts are in Appendix A3. The full text of these statutes can be found on the Oregon Legislature web site at www.leg.state.or.us. (LBM, p. 5)

They can also be found at the Exploratory Committee' web page: Budgets: Josephine County, Oregon. <http://www.hugoneighborhood.org/budgets.htm>

The law sets out several specific steps that must be followed during the budgeting process. The process must **begin far enough in advance that it can be followed** (emphasis added; LBM, p. 5).

1. Introduction, *Local Budgeting Manual*

a) Purpose of Local Budget Law (LBM, p. 5) Budgeting is not simply something a local government does once every year or two. **It is a continuous process, taking 12 or 24 months** (emphasis added) to complete a cycle. The budgeting process has four parts. The budget is: 1) prepared, 2) approved, 3) adopted, and 4) executed.

Oregon's Local Budget Law has several important objectives (ORS 294.321):

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

b) Citizen involvement (LBM, p. 5)

- To give the **public ample opportunity to participate in the budgeting process** (LBM, p. 5).
- After the budget committee approves the budget, the governing body publishes a summary of the budget and **holds a public hearing, at which any person may appear for or against any item in the budget** (LBM, p. 5).
- **Citizen involvement in the budget cycle varies from one community to another** (emphasis added).
- It is up to each local government to prepare a budget that **clearly outlines its fiscal policies for the patrons of the district** (emphasis added).
- **If a budget is clear and concise, taxpayers have a better understanding** (emphasis added) of what services their tax dollars are buying

2. Chapter 1, Who Is Involved In The Budget Process (pps. 7 - 11) Many state and local agencies and organizations are involved in the budget process. This chapter provides an overview of the duties and responsibilities of each.

The authority of the Oregon Department of Revenue for its oversight role in the budgeting process is found in ORS 294.485 to ORS 294.510. ORS 294.495 gives to the department sole authority to interpret and administer Local Budget Law and to issue administrative rules for compliance.

3. Chapter 3, The Budget Process (pps. 13 - 18) **Budget basics** A budget is a financial plan that includes estimates of expenditures and revenues for a single fiscal year or biennium. The **local budgeting process provides procedures** (emphasis added) for evaluating a local government's needs and identifying revenue sources to meet those needs.

A local government's **budget is a public document** (emphasis added). Anything connected with the budget is subject to **public inspection** (emphasis added). The budget is a **guide to the financial management of the local government** (emphasis added). 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.

"The governing body of each municipal corporation shall, unless otherwise provided by county or city charter, designate one person to serve as budget officer. The budget officer, or the person or department designated by charter and acting as budget officer, shall prepare or supervise the preparation of the budget document. The budget officer shall act under the direction of the executive officer of the municipal corporation (emphasis added), or where no executive officer exists, under the direction of the governing body."

Budget message A budget message is prepared annually by the executive officer of the district. The budget message must:

- **Explain** (emphasis added) the budget document.
- Include a brief **description of the proposed financial policies** (emphasis added) for the coming fiscal year.
- **Describe the important features** (emphasis added) of the budget document in connection with the **financial policies** (emphasis added) of the local government.
- Explain the reason for changes from the previous year in appropriation and revenue items.
- Explain the major **changes in financial policy** (emphasis added).

The budget message is delivered to the budget committee at its first meeting (emphasis added). The budget message must be in writing, since it is a **part of the complete budget document** (emphasis added). The message can be delivered by anyone the executive officer or presiding officer appoints.

5. Budget committee meets (ORS 294.426). The **budget message is delivered at the first budget committee meeting** (emphasis added). The **budget message** (emphasis added) explains the proposed budget and any significant changes in the local government’s fiscal policy or financial position. After the initial meeting, the budget committee may meet as many times as needed to revise and complete the budget. **At least one meeting must provide the opportunity for questions and comments from any interested person** (emphasis added). The budget committee is allowed to meet for training and advisory reviews throughout the year, but the budget may not be deliberated before the first meeting for which notice is published. All meetings are subject to Oregon’s Public Meetings Law (ORS Chapter 192).

The budget officer may make the **proposed budget available** (emphasis added) to the members of the budget committee at any time before the first meeting, or may distribute the budget at the first meeting. At the time the budget is given to the committee, a copy must be filed in the office of the district. The **budget becomes a public record at this point and must be made available to anyone who is interested in viewing it** (emphasis added).

Public meeting law: ORS 192.610 to 192.690 The Public Meeting Law policy statement (ORS 192.620) states:

“The Oregon form of government requires an informed public aware of the deliberations and decisions of the governing bodies and the information upon which such decisions were made. It is the intent of ORS 192.610 to 192.690 that decisions of governing bodies be arrived at openly.”

Local Budget Law meetings fall within the Public Meeting Law.

4. Chapter 8, The Budget Committee and Approving the Budget (pps. 44 - 46) **Budget committee members** The budget committee is a local government's **fiscal planning advisory committee** (emphasis added). The governing body of each local government must establish a budget committee (ORS 294.414). **The budget committee is composed of the governing body and an equal number of electors appointed by the governing body** (emphasis added). An elector is a qualified voter who, for example, has the right to vote for a ballot measure submitted by the local government.

All members of the budget committee have **equal authority** (emphasis added). Each member's vote counts the same. Any member can be elected by the committee as its chair. (p. 44)

Budget committee **members should develop a general understanding** (emphasis added) of the **budget process** (emphasis added), the **departments or programs** (emphasis added) included in the budget document, and the legal constraints imposed on the local government's tax levy after budget committee approval. "*Local Budgeting in Oregon*" (150-504-400) is recommended.

Duties of the budget committee The budget committee meets publicly to review the **budget document as proposed** (emphasis added) by the budget officer. **The committee receives the proposed budget and the budget message** (emphasis added) and holds **at least one meeting in which the public may ask questions about and comment** (emphasis added) on the budget.

The budget committee may meet from time to time throughout the year at the governing body's discretion for purposes such as training (emphasis added). All of these **meetings are open to the public**.

Copies of the budget The budget officer **may make the proposed budget available to the budget committee at any time before the first budget committee** (emphasis added) meeting advertised in the notice. Alternatively, the budget officer may choose to **make the budget available at the first budget committee meeting** (emphasis added) [ORS 294.426(6)(b)]. Immediately following the release of the proposed budget to the budget committee, the budget officer must file a copy of the budget in the office of the governing body. This **copy becomes a public record** (emphasis added). The governing body must provide copies of this budget, or a **means of quickly duplicating it** (emphasis added), to any interested person. A local government may charge a fee for the copy [OAR 150-294.401(7), implementing ORS 294.426].

Budget committee meetings The budget **committee elects a presiding officer** (emphasis added) from among the members at the first meeting [ORS 294.414(9)]. The budget committee also **hears the budget message at its first meeting** (emphasis added). One of the committee's **most important duties is to hear and consider any testimony presented by the public about the budget** (emphasis added).

The budget committee reviews and, if a majority of the committee feels it is necessary, **revises the proposed budget submitted by the budget officer** (emphasis added).

The committee must ultimately **balance each fund and approve the budget** (emphasis added). Committee members may not discuss or deliberate on the budget outside of a public meeting.

The committee **may ask questions of the executive officer or other staff, and request additional information** (emphasis added). The committee is **entitled to receive any information it needs** (emphasis added) to make decisions about the budget (ORS 294.428).

Any budget committee action requires the affirmative vote of a majority of the total budget committee membership [OAR 150-294.336-(B), implementing ORS 294.414].

The budget **committee may approve the budget at the first meeting** (emphasis added). However, it **could take several meetings** (emphasis added) to do so. [ORS 294.428(2)].

Approving the taxes Once the budget committee has approved the budget, it has completed all of the duties required of it by Local Budget Law (emphasis added). However some local governments have a policy of including the budget committee in other parts of the process, such as adopting a supplemental budget. These are **local policy decisions** (emphasis added) that are up to the discretion of the governing body.

After the budget committee approves the budget (emphasis added), it is turned over to the governing body and the process **enters into the adoption stage** (emphasis added). The governing body has the final responsibility for allocating the resources of the budget to the programs and departments of the local government [ORS 294.456(1)].

5. Chapter 9, Publication Requirements Publishing meeting notices and a financial summary of the budget are some of the most important parts of the budget process (emphasis added) (ORS 294.426; 294.438; and 294.448).

Notice of budget committee meeting Notice of the first meeting of the budget committee held for the purpose of receiving the budget message and budget document, and the first meeting at which questions and comments from the public will be heard must be published.

Narrative publication—an alternative As an alternative to the publication forms discussed above, Local Budget Law permits the use of a narrative publication (ORS 294.438). The purpose of a narrative is to give meaning to the budget figures while highlighting significant features in the budget. A narrative publication can include any other information the governing body wants to provide, in any form or format (LBM, p. 50).

6. Chapter 11, The Budget Hearing and Adopting the Budget After the budget committee has approved the budget, the governing body must hold a public hearing on that budget and then adopt the budget.

Budget hearing One of the most important steps in the budget process is publishing a summary of the budget (emphasis added) that has been approved by the budget committee (emphasis added) and a notice of the budget hearing.

After the “*Notice of Budget Hearing*” is published, the budget hearing must take place at the time and place published or the hearing must be rescheduled and a new notice published. The governing body conducts the hearing and **receives testimony from any person present** (emphasis added)(ORS 294.453). It gives consideration to matters discussed at the hearing (ORS 294.456).

The budget committee is **not required by law** (emphasis added) to be present at the budget hearing. However some local governments make it their **policy to ask the budget committee to participate** (emphasis added).

The hearing must be held on the budget that was approved by the budget committee, even if the governing body intends to modify that version of the budget before adopting it. The **published financial summary** (emphasis added) should also reflect the **version of the budget that was approved by the budget committee** (emphasis added).

7. Glossary (pps. 78 - 82)

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

Adopted budget. Financial plan that is the basis for appropriations. Adopted by the governing body (ORS 294.456, renumbered from 294.435).

Appropriation. Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body [ORS 294.311(3)].

Approved budget. The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing (ORS 294.428, renumbered from 294.406).

Budget. Written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district (ORS 294.414, renumbered from 294.336).

Budget message. Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body (ORS 294.403, renumbered from 294.391).

Budget officer. Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget (ORS 294.331).

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(20)].

Local government. Any city, county, port, school district, education service district, community college, special district, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipality or municipal corporation under ORS 294.311(26).

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

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

Program budget. A budget based on the programs of the local government.

Proposed budget. Financial plan prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review.

Resource. Estimated beginning funds on hand plus anticipated receipts (ORS 294.361).

D. Local Budgeting in Oregon (full excerpts in Appendix A)

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 involvement in the preparation of the budget, and understanding fiscal policies, program purposes, and the budget message.

Oregon's Local Budget Law does two important things (LBIO, p. 1).

1. **It establishes standard procedures for preparing** (emphasis added), presenting, 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.

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, 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** (emphasis added) by the budget and the appointed and elected officials responsible for providing the services (LBIO, p. 1).

To **give the public ample opportunity to participate** (emphasis added) in the budgeting process, 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 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).

Naturally, citizen involvement varies from one community to the next. If the patrons in your district are active and involved, you may find citizens asking for information not specifically required under local budget law. 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. 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).

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).

The Budget Cycle: The Nine Steps (LBIO, pps. 2 - 3).

Preparing the Budget

Step 1. Budget Officer Appointed.

Step 2. Proposed Budget Prepared.

Approving the Budget

Step 3. Budget Officer Publishes Notice.

Step 4. Budget Committee Meets.

Step 5. Committee Approves Budget.

Advertising and Holding Hearings

Step 6. Budget Summary and Notice of Budget Hearing Published.

Step 7. Budget Hearing Held.

Adopting the Budget

Step 8. Budget Adopted, Appropriations Made, Tax Levy Declared, and Categorized.

Step 9. Budget Filed and Levy Certified.

Budgeting is not something you do once a year. It's a continuous operation, and it takes 12 months to complete a cycle (LBIO, p. 2).

Preparing the Budget (LBIO, p. 2)

1. **Budget officer appointed.** Each local government must have a budget officer, either appointed by the governing body or designated in the local government's charter. The budget officer is under the supervision of either the executive officer or the governing body (LBIO, p. 2).

2. **Proposed budget prepared.** The budget officer is responsible for preparing or supervising the preparation of the proposed budget for presentation to the budget committee (LBIO, p. 2).

Approving the Budget (LBIO, p. 2)

At least one meeting must be held to 1) receive the **budget message** (emphasis added) and budget document, and 2) hear the public (LBIO, p. 2).

When the budget is given to the budget committee, it becomes a **public record and must be made available to the public** (emphasis added) (LBIO, p. 2).

All budget discussions must be held at public meetings. At the budget committee meeting, the budget message is delivered. The **budget message** (emphasis added) explains the proposed budget and significant changes in the local government's financial position. At this meeting, the budget committee may provide members of the public the opportunity to ask questions about or comment on the budget. If public comment is not allowed at this meeting, the budget committee must provide the public with the opportunity at subsequent meetings (LBIO, p. 2).

Advertising and Holding Hearings (LBIO, p. 2)

Adopting the Budget (LBIO, p. 3)

All budgets must meet certain minimum requirements, outlined here. For specific examples consult the Manual (LBIO, p. 3).

Under local budget law the budget must follow a basic format (LBIO, p. 3).

The Local Budget Process Chart (LBIO, p. 6). The nine step budget process is shown on the chart.

Step 1.	Budget Officer Appointed.
Step 2.	Proposed Budget Prepared (emphasis added).
Step 3.	Budget Officer Publishes Notice.
Step 4.	Budget Committee Meets.
Step 5.	Committee Approves Budget.
Step 6.	Budget Summary and Notice of Budget Hearing Published.
Step 7.	Budget Hearing Held.
Step 8A.	Tax Levy Declared, and Categorized.
Step 8B.	Budget Adopted, Appropriations Made,
Step 9.	Budget Filed and Levy Certified.

What is a budget committee? The budget committee is the district’s fiscal planning advisory committee. The committee consists of the elected governing body members and an equal number of qualified district voters appointed by the governing body (LBIO, p. 9).

What are the rules about budget committee meetings? Minutes of each meeting are kept. The minutes are the official record of budget committee meetings. It is important that minutes are accurate. The budget process is required by law and districts may need to document that the process was in compliance with state statutes (LBIO, p. 10).

What happens at the first budget committee meeting? Generally, the budget committee elects a chair and other officers, **receives the budget message, hears patrons** (emphasis added), sets dates for future meetings, and adopts rules of order (LBIO, p. 10).

What happens at subsequent budget meetings? At least one meeting must provide the opportunity for the public to ask questions and make comments about the budget (LBIO, p. 10).

How is the material that is presented by the budget officer at the first meeting prepared? The budgeting process is a continuous cycle that generally begins long before the budget committee meets. Each district has its own procedures for budget review and development. In larger districts, each part of the organization may have its own budget preparation process, in which funding requests for the upcoming fiscal year are developed and then “rolled up” into the total agency budget requirements. By the time the budget committee receives the **budget message** (emphasis added) and budget document, many hours of work have been put into budget

development. The budget officer coordinates these efforts with district staff and other administrators (LBIO, p. 10).

May I ask questions other than at budget committee meetings? It could be very helpful and a courtesy to other budget committee members if inquiries are not restricted to committee meetings. **Checking with the administrator and/or budget officer between meetings allows members to explore budget items of interest in greater detail than might be practical during committee meetings** (emphasis added). Questioning also assists the administration/budget officer by giving an indication of concerns, making it possible to highlight issues that may be of interest to the entire budget committee (LBIO, p. 11).

Can I consult with other budget committee members about details in the budget other than at budget committee meetings? Discussion of the budget committee must always take place in the forum of a public meeting. One of the reasons Oregon uses the budget committee process is to ensure public comment and full disclosure of budget deliberations. It is much better to abide by the spirit of the law and hold **all** discussions at budget committee meetings (LBIO, p. 11).

Can the budget committee add or delete programs or services? Generally, the budget committee's role is not to directly establish or eliminate specific programs or services. **Standards and budget parameters established by the governing body give the budget officer and administrative staff general guidelines for budget development** (emphasis added). The budget officer then prepares a budget which reflects the governing body's parameters. This proposed budget is what the budget committee considers during its meetings. Budget committee influence on programs and services is most often exerted at a higher level, when it approves the overall budget and establishes the tax levy. **Having said all that, if a majority of the budget committee agrees, it can add or delete funding for specific services.** Public participation at budget committee meetings may influence budget committee decisions. However, final authority for administration rests with the governing body. The governing body can make changes after the budget committee has approved the budget, although they may have to re-publish the budget and hold another public hearing to do so (LBIO, p. 11).

After the budget is approved by the budget committee and recommended to the governing body, what action does the governing body take? The governing body must publish a financial summary of the budget that was approved by the budget committee. The notice of the budget hearing is also published with the financial summary. At the **public hearing, the governing body hears any citizen input** on the approved budget (LBIO, p. 12).

Glossary (LBIO, pps. 13 - 14)

Adopted budget. The financial plan adopted by the governing body which forms a basis for appropriations (LBIO, p. 13).

Appropriation. Based on an adopted budget, an authorization for spending specific amounts of money for specific purposes during specific periods of time. Presented in a resolution or ordinance adopted by the governing body (LBIO, p. 13).

Budget. Written report showing the local government's comprehensive financial plan for one fiscal year. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year (LBIO, p. 13).

Budget committee. Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters from the district (LBIO, p. 13).

Budget message. An explanation of the budget and local government's financial priorities. Prepared by or under the direction of the executive officer or presiding officer of the governing body (LBIO, p. 13).

Budget officer. Person appointed by the governing body to assemble budget material and information, prepare the proposed budget, and oversee the budget process (LBIO, p. 13).

Fund. A division in a budget segregating independent fiscal and accounting requirements. An entity within a government's financial plan designated to carry on specific activities or to reach certain objectives (LBIO, p. 14).

Governing body. County court, board of commissioners, city council, school board, board of trustees, board of directors, or other governing board of a local government (LBIO, p. 14).

Ordinance. Written directive or act of a governing body. Has the full force and effect of law within the local government's boundaries, provided it does not conflict with a state statute or constitutional provision. See also "Resolution." (LBIO, p. 14)

Organizational unit. Any administrative subdivision of a local government, especially one charged with carrying on one or more specific functions (such as a department, office, or division). (LBIO, p. 14)

Program. A group of related activities to accomplish a major service or function for which the local government is responsible (LBIO, p. 14).

Proposed budget. Financial and operating plan prepared by the budget officer, submitted to the public and budget committee for review (LBIO, p. 14).

Resolution. A formal expression of will or intent voted by an official body. Statutes or charter will specify actions that must be made by ordinance and actions that may be by resolution. See "Ordinance." (LBIO, p. 14)

Resources. Estimated beginning fund balances on hand at the beginning of the fiscal year, plus all anticipated revenues (LBIO, p. 14).

Revenues. Monies received or anticipated by a local government from either tax or nontax sources (LBIO, p. 14).

E. Josephine County Budget Process – Budget Calendar FY 2016-17 (Appendix C)

The following JO CO budget documents are web published on the Exploratory Committee’s web page.

- Proposed Budget 2016-17*
- Proposed Budget 2016-17 (Introduction, but no identified "Budget Message")*
- Proposed Budget 2016-17 (Budget Import Documents)

Budget Calendar FY 2016-17*

???	Standards and budget parameters (S&BP) established by the governing body and provided to the budget officer and administrative staff general guidelines for budget development.
March 11, 2016.	Completed Budgets to Finance.
March 28, 2016.	Week of JO CO BCC review with Finance and Individual Departments.
April 19, 21, 26, 2016.	Budget Committee Meeting, 4 to 6 p.m. (Other meetings may be added or removed at first meeting).
May 18, 2016.	Hold Budget Hearing.
June 1, 2016.	Adopt and Certify Tax.

F. Summary

III. EXCERPTS FROM JOSEPHINE COUNTY BUDGETS: FY 2006-07 TO FY 2016-17

Identifying JO CO budget excerpts is Step 3 in arriving at conclusions from the analysis of the Josephine County budget from a voter perspective.

- Step 1: Chapter I. Introduction/Purpose
- Step 2: Chapter II. Oregon Budget Law Excerpts
- **Step 3:** Chapter III. Excerpts from JO CO Budgets: FY 2006-07 TO FY 2016-17
- Step 4: Chapter IV. Budget Process Brainstorming Questions From Oregon Local Budget Law & JO CO Budgets: FY Budget 2006-07 to FY 2016-17
- Step 5: Chapter V. Analysis: Citizen Understanding Budget Process
- Step 6: Chapter VI. Budget Process Issues
- Step 7: Chapter VII. Budget Process Recommendations
- Step 8: Chapter VIII. Budget Process Conclusions

There are five parts to Chapter III: Excerpts from Josephine County Budgets: FY 2006-07 TO FY 2016-17.

- A. Citizen Involvement in Budget Preparation Process
- B. JO CO BCC's 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

Budgeting for Outcomes (BFO) has been used in JO CO since its FY Budget 2006-07.

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.

Footnote III-1 is common issue for BFO from FY 2006-007 through FY 2016-17. It is a problem of the lack of access/availability of BFO information supporting 11 JO CO budgets.

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).

A. Citizen Involvement in Budget Preparation Process

Understanding the citizen involvement (CI)/citizen participation (CP) opportunities in the JO CO budget preparation process is the reason of identifying excerpts. The excerpts are the indicators of what the authors do not know about budget preparation and public comment processes identified in the FY 2006-07 to FY 2016-17 budgets. They are looking for greater clarity and understanding as they believed the message that “budgeting in Oregon a joint effort between the people affected by the budget and the appointed and elected officials responsible for providing the services.”

Portions of excerpts are the potential foundations for preliminary budget questions.

- The focus was citizen opportunities for involvement in the budget process.
- Oregon’s Local Budget requires citizen involvement in the preparation of the budget
- Three final evolutions of the completed budget: Final Budget Officer Completed Proposed Budget, 2. Final Completed Budget Committee Approved Budget, and 3. Final BCC Completed Adopted Budget.
- CI “text” purposes, including the standards and budget parameters (S&BP; e.g., goals, directives, guidance, etc.) established by the governing body for budget development.
- Budget Message shall be delivered at a meeting of the budget committee on the completed proposed budget. It is a written explanation of a local government’s budget and financial policies. The budget message is part of the completed proposed budget.
- Required S&BP financial policies per the Oregon’s Local Budget Law (ORLBL) procedures for preparing a local budget, specifically as they are applicable to the responsibilities of a local government in defining the purposes of activities.
- Local budget is required to identify the purposes and/or responsibilities of its programs, including their LOS authorities (e.g., mandated, essential, necessary, elective services; etc.).
- JO CO PSS departments addressing county goals and clearly defining program purpose and expected outcomes.
- JO CO PSS departments develop a sustainable plan for all mandated and essential county government programs - budget only for mandatory and/or self-supporting programs.
- Levels Of Service (LOS)
- Budgeting For Outcomes (BFO)
- Citizen’s Guide to the Budget

B. JO CO BCC's Financial Policies: FY 2006-07 To FY 2016-17

The following summary of the county's financial policies is an introduction to the budget programs and major changes for 10 years of budgets from FY 2006-07 to FY 2016-17.

Definition of financial policies as they relate to CI/CP -

Oregon's Local Budget Law has six important objective concerning "Standards and Budget Parameters." Three of them important to CI/CP follow (Appendix A1; ORS 294.321):

- To establish **standard procedures for the preparation** (emphasis added), presentation, administration and appraisal of budgets of municipal corporations;
- To provide for a brief **description of the programs** (emphasis added) of a municipal corporation and the fiscal policy which is to accomplish these programs;
- To **enable the public, taxpayers and investors to be apprised of the financial policies** (emphasis added) and administration of the municipal corporation in which they are interested.

The standard procedures for the preparation of the budget and the financial policies of the budget are established by the JO CO Board of County Commissioners (BCC). They are called a variety of terms. This paper used the broad idea of "Standards and Budget Parameters" for budget preparation/development.

Oregon's Local Budget Law, per the "*Local Budgeting Manual*", is found in Oregon Revised Statutes (ORS) 294.305 to 294.565. The full text of these statutes can be found on the Oregon Legislature web site at www.leg.state.or.us. The following budget plan terms are from the glossary of the *Local Budgeting Manual* (Appendix A).

Budget. Written report showing the local government's **comprehensive financial plan** (emphasis added) for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(5)].

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

Proposed Budget. Financial plan (emphasis added) prepared by the budget officer. All funds must balance. It is submitted to the public and the budget committee for review (ORS 294.331 ORS 294.403; ORS 294.408; ORS 294.414; ORS 294.426).

Approved Budget. The budget that has been approved by the budget committee. The data from the approved budget is published in the **Financial Summary** (emphasis added) before the budget hearing (ORS 294.428).

Adopted Budget. Financial plan (emphasis added) that is the basis for appropriations. Adopted by the governing body (ORS 294.456).

1. Financial Policies: FY Proposed Budget 2016-17 (Proposed)

There was no explicitly identified “Budget Message.” (Proposed budget versus Adopted budget?). “County Budget Process and Budget Goals” under “Introduction.” The title of page 1 was different: “Josephine County Budget Process.”

Josephine County Approved Budget Goals

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

* Departments are to explain in their budget submissions how their budgets(s) meet these goals.

Based on **Local Budget Law and Budgeting for Outcomes** (emphasis added)^{III-1}

2. Financial Policies: FY Budget 2015-16

Budget Message. 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** of the County and highlights major changes to the funds.

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** approved by the Board of County Commissioners on 02-12-2015:

1. Improve community outreach and communication to the public 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**.
3. Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner.

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**.
2. **Budget only for mandatory** and/or self-supporting **programs**.
3. **Address County goals** and **clearly define program purpose** and **expected outcomes**.

Josephine County uses budgeting for outcomes model.^{III-1}

3. Financial Policies: FY Budget 2014-15

This budget message outlines the **financial priorities** of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our **goal is to provide as much transparency in government as possible** while following Oregon Budget Law.

Based on “**Budgeting for Outcomes**”, the FY 2014-15 budget details **Oregon Revised Statute (ORS) mandates, program outcomes**, revenue and expenditure line items and personnel for each department within their respective fund.^{III-1} Each Department has **detailed how their programs meet the goals** (emphasis added) set by the Board of Commissioners in FY 2014.

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

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don't rely on property taxes and/or Federal Fund support. Most Departments continue to provide **minimal services** for our citizens.

4. Financial Policies: FY Budget 2013-14

This budget message outlines the financial priorities of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our goal is to provide as much transparency in government as possible while following Oregon Budget Law.

Based on “Budgeting for Outcomes”, the FY 2013-14 budget details Oregon Revised Statute (ORS) mandates, program outcomes, revenue and expenditure line items and personnel for each department within their respective fund.^{III-1} **Each Department has detailed how their programs meet the goals set by the Board of Commissioners in FY 2010** (emphasis added) Included in the “Introduction” section is a brief history of the actions Josephine County has taken since FY 2005-06 to reduce the cost of government while still attempting to fund essential programs throughout the County.

With the County's goal of maintaining service levels comparable to FY 2012-13, reserves are being used up.

With the economy continuing to be stagnant and the State's ongoing budget issues, many Department will be further reducing staff, making it even more difficult to provide minimal services for our citizens.

The Personnel section includes the Organizational chart with the proposed positions county wide.

Josephine Approved Budget Goals: FY Budget 2013-14

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County's citizens by providing an environment that fosters a highly qualified and professional workforce.

5. Financial Policies: FY Budget 2012-13

This budget message outlines the financial priorities of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our goal is to provide as much transparency in government as possible while following Oregon Budget Law.

Based on “Budgeting for Outcomes”, the FY 2012-13 budget details Oregon Revised Statute (ORS) mandates, program outcomes, revenue and expenditure line items and personnel for each department within their respective fund.^{III-1} Each Department has detailed how their programs meet the goals set by the Board of Commissioners in FY 2011:

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided in Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs for the next 10 years.
- 3) Provide services in a transparent, open and efficient manner to the citizens of Josephine County.
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes and/or Federal Fund support. With the economy continuing to be stagnant and the State’s current budget issues, many Department will be further reducing staff, making it even more difficult to provide minimal services for our citizens.

Fund Structure Information 11) The Personnel section includes the Organizational chart with the proposed positions county wide.

6. Financial Policies: FY Budget 2011-12

The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon (emphasis added) and stakeholder support of programs. The budgets includes details on mandates (emphasis added), program outcomes, revenues expenditures and personnel for each department within the respective fund. Although County government and the resulting budget is complex the goal is to provide as much transparency in government as possible while following Oregon Budget Law.

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} In FY 2010-11 the County adopted four goals related to the budget. Each Department was requested to relate how their programs met the following goals.

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes and/or Federal SRS 2008 dollars. With the economy continuing in a downward trend and the State’s current budget issues, many Department will face challenges to provide services at minimal levels for our citizens.

7. Financial Policies: FY Budget 2010-11

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} For FY 2010-11, the County adopted four goals related to the budget. Each Department was requested to relate how their programs met the following goals:

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided in Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs for the next 10 years.
- 3) Provide services in a transparent, open and efficient manner to the citizens of Josephine County.
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. Also included in the budgets are details on ORS mandates, program outcomes, revenues, expenditure line items and personnel for each department within the respective fund. Although County government and the resulting budget is complex, **our goal is to provide as much transparency in government as possible while following Oregon Budget Law** (emphasis).

Josephine County is still requiring that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes and/or the Federal SRS 2008 dollars. With the economy still in a downward trend and the State’s current budget issues, those Departments will have even more of a challenge to provide services as minimal levels) for our citizens.

8. Financial Policies: FY Budget 2009-10

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} The budget before you includes citizen input on services they are willing to fund, **guidelines set by the Board of County Commissioners** (emphasis added), **mandates required by the State of Oregon and stakeholder support of programs** (emphasis added). Also included in the budget is detail on outcomes, revenues, expenditure line items and personnel for each department; which includes offices, divisions and programs within the respective fund. **The goal is to provide as much transparency in government as possible while following Oregon Budget Law** (emphasis added).

The goals were not explicitly identified in lists as they were in the budgets from FY 2010-11 through FY 2016-17. If they were the Authors could not find them nor a specific “Budgeting for Outcomes” goals summary. One explicit goal was identified in a paragraph in the budget message.

- The goal is to provide as much transparency in government as possible while following Oregon Budget Law.

9. Financial Policies: FY Budget 2008-09

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County. The budget before you today includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. Also included in the budget is the detail on expenditure line items and a listing of personnel with classifications and compensation packages for each program. **The goal is to provide much transparency in government as possible and still abide by Oregon Budget Law** (emphasis added).

The goals were not explicitly identified in lists as they were in the budgets from FY 2010-11 through FY 2016-17. If they were the Authors could not find them nor a specific “Budgeting for Outcomes” goals summary. One explicit goal was identified in a paragraph in the budget message.

- The goal is to provide as much transparency in government as possible while following Oregon Budget Law.

Josephine County made major changes to county government in FY 07-08. Because of these changes, the majority of county government programs became self sustaining through fees, grants, and other revenue sources that did not rely on property tax and/or O&C monies from the Federal Government. Currently, no new revenue sources have been put in place or have been approved by the voters to replace the O&C monies in FY 08-09. With no replacement dollars for the approximately 12 million dollar loss of O&C funds, the FY 08-09 budget reflects additional reductions to operations and services that are not self funded.

For FY 07-08, the Budget Committee approved and the Board of County Commissioners adopted a budget that funded most county government programs at a Service Level 1, which was based on mandated and/or self funded services.

10. Financial Policies: FY Budget 2007-08

Josephine County continues to be in a transition period. The Board directed the preparation of the budget with two service levels. Service Level 1 is based on current revenue sources with no replace dollars for the approximately \$12 million loss of O&C funding. Service Level 2 includes revenues from a Criminal Justice Systems Local Option Levy that is on the May ballot to fund the Sheriff, District Attorney, and Juvenile Justice.

The County continued with the “Budgeting for Outcomes” model which is based on programs and service levels within the County.^{III-1} The budget before you tonight incorporates citizen input on service levels they are willing to fund, **goals set by the Board, mandates required by the State of Oregon** and stakeholder support of programs.

The goals were not explicitly identified in lists as they were in the budgets from FY 2010-11 through FY 2016-17. If they were the Authors could not find them nor a specific “Budgeting for Outcomes” goals summary. One reference to goals set by the Board was identified in a paragraph in the budget message.

- The budget before you tonight incorporates citizen input on service levels they are willing to fund, goals set by the Board, **mandates required by the State of Oregon** and stakeholder support of programs. .

11. Financial Policies: FY Budget 2006-07

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.^{III-1} **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).

The goals were not explicitly identified in lists as they were in the budgets from FY 2010-11 through FY 2016-17. If they were the Authors could not find them nor a specific “Budgeting for Outcomes” goals summary. One reference in a paragraph in the budget message identified what future budgets would provide.

- Future budgets will incorporate citizen input on services levels they are willing to fund, goals set by the Board and stakeholder support of programs.
 - **Citizen Input on Services Levels They Are Willing to Fund**
 - **Goals Set by the Board**
 - **Stakeholder Support of Programs**

The Budget before you clearly outlines the programs and services that the County Departments provide, creating the transparency in government that our citizens have requested. Changes include:

1. Department that provided similar services were grouped together in one fund such as Public Safety, showing the true cost of the department and its programs.
2. Twenty nine funds were consolidated into six major funds.
3. Transfers between Funds are defined, showing transfers as expenditures from one fund and a revenue source for the receiving fund.
4. The centralized overhead of the County was consolidated into the Internal Service Fund.

The Board directed Departments to prepare proposed budget for each program, showing two service levels. Service Level One reflects mandated and/or self supporting programs and Service Level Two recognized existing programs within the County had been funded in prior years. The two service levels are shown in Schedules A and B in your book. Schedule A is a summary of the programs within a Department. Any new programs or personnel require a justification paper explaining the need and funding source. The budget before you today show program funding at Service Level Two.

Fund Structure Changes The new Public Safety Fund consolidates into one fund the departments of Sheriff, District Attorney, Community Justice, and Court Securing. The Fund’s main revenue source is a transfer from General Fund.

C. Excerpts from Josephine County Budgets: FY 2006-07 TO FY 2016-17

1. FY Proposed Budget 2016 - 2017 Budget Excerpts (pages 1 - 5)

There was no explicitly identified “Budget Message” in the proposed budget. However, Oregon Local Budget Law requires a budget message in the budget (Section II.C.3; Appendix 3). The Exploratory Committee’s present position is that this requirement is applicable to all three final evolutions of the budget in the local JO CO budget process.

“The budget message is delivered to the budget committee at its first meeting. The budget message must be in writing, since it is a part of the complete budget document.” (*Manual*, p. 14).

1. Final Budget Officer Complete Proposed Budget
2. Final Budget Committee Complete Approved Budget
3. Final BCC Complete Adopted Budget

Budget message. Written explanation of a local government’s budget and financial policies, including any changes from the prior fiscal year. It is prepared and presented under the direction of the executive officer or chairperson of the governing body [ORS 294.403].

ORS 294.311(31). Organizational unit. Any administrative subdivision of the local government, especially one charged with carrying on one or more specific functions.

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

OAR 150-294.352(1). Special revenue fund. A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Josephine County Budget Process n/a
Oregon Budget Law & County Process n/a
Budget Calendar 2016-17 n/a

Josephine County Approved Budget Goals

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

* Departments are to explain in their budget submissions how their budgets(s) meet these goals.

Budget Overview n/a

ISF Methodology n/a
Internal Vendors (Cost Methodology) n/a

Budget Directives/Guidelines

- ▣ Based on **Local Budget Law and Budgeting for Outcomes** (emphasis added)^{III-1}
 - **Status Quo budget** (emphasis added) required unless change is supported by revenue
 - Revenue projections with support for inclusion at Fund level
 - Expenditures - Department level (Departments: Offices, Divisions, Programs)
 - **Reported at Service Levels - Mandatory and/or self supporting** (emphasis added)
 - Source of Revenue - document additions or reductions
 - Narratives describing program and relation to County goals.
 - Funds supported by dedicated and/or outside sources need to balance revenues and expenditures
 - Personal Services Budget - prepared by Finance to estimate costs
 - Based on current payroll (February 2016)
 - Allocate at Department level
 - Vacant and/or new positions require **justification paper** (emphasis added)
 - Capital Outlay
 - Limited to \$5,000 or above, requires **justification paper** (emphasis added)
 - 5 Year Projection (County Charter requirement)
 - Expense to related Reserve Fund (may require transfer from operating)
 - Transfers between Funds (at fund level)
 - Debt Service (at fund level)

Budget Directives/Guidelines (additional 2016-17 Specific)

- ▣ General Fund Reserve (Contingency) minimum of \$3 million dollars. Need to build reserves.
- ▣ Transfer to Public Safety from General Funds in the amount of \$2.5 million dollars.
- ▣ No approved Levy budget to be submitted.
- ▣ Public Safety Fund budgets and requirements should not exceed projections for FY 16-17. **Dollar limits will be provided to departments based on FY 15-16 actual percentage allocation.** (emphasis added)
- ▣ Internal Service Funds are to maintain rates based on 15-16 budget.

Budget Changes after Adoption

Timber Harvest Revenue and National Forests - History (page 6; not part of Josephine County Budget Process) Timber Harvest Revenue to Counties goes back more than a century. In 1893, President Harrison created Forest Reserves which were expanded by President Cleveland in 1897. Then, in 1908, President Theodore Roosevelt created the National Forests. Also in 1908, President Roosevelt signed an agreement that recognized the fiscal constraint to counties by lack of taxation on this federally claimed land and enacted federal payments to counties as well as a share of timber harvests from these lands.

The revenue from the National Forest harvesting went to supporting county road funds and eventually also school funds. However, between 1970 and 1993, policies changed. In 1976, the National Forest Management Act of 1976 was passed. In the 1990's, the cutting of old growth trees began to conflict with the Clean Water Act, the National Environmental Policy Act and the Endangered Species Act. And in 1990 the Spotted Owl was put on the endangered species list, and it had the effect of sharply decreasing the ability to harvest timber from National Forests, thereby decreasing the revenue counties were receiving. From 1993 to present, there has been continuing decreases in timber harvests and reforms to Forest Service Planning.

Beginning in 1993 Congress recognized that revenues were declining and devised a payments program not based on harvest. This plan was expressed first as the Omnibus Reconciliation Act of 1993 (OBRA), providing an alternative annual safety net payment which was replaced by the Secure Rural Schools and Community Self-Determination Act of 2000 (SRS).

A one-year extension of the SRS expired in September 2007 and had not been renewed by Congress despite efforts by the Oregon delegation and others by July 1, 2008. Then on October 3, 2008, Congress passed the Emergency Economic Stabilization Act (ECSA) and the President signed the four-year continuation and phase-out of the payments. This had a four year payment reduction with the final year being 40% of the original payments. Recently, the Transportation Act of 2012, signed by President Obama, has included a one-time payment to counties but only a percent of the final 40% payment will be paid out. This extension amounted to roughly \$4.7 million for Josephine County in discretionary funds that the county budgeted for public safety.

O&C Lands - Bureau of Land Management In addition to the National Forest system, in 1916 the Federal Government reclaimed 2.8 million acres in Oregon that had originally been designated for a railroad. The lands, now known as 'O&C', are managed by the Bureau of Land Management. In 1926, the Stanfield Act provided that the counties also receive a share of the revenue from the timber harvests occurring on the O&C lands. Timber harvest has also dramatically decreased on the O&C lands, for the same reasons it has decreased in the National Forests.

2. FY Budget 2015 - 2016 Budget Excerpts (Entire - pages 14 to 16)

Introduction (Outline)

- Budget Message
 - Proposed Budget Goals
 - Proposed Directives
- Josephine County Budget Process
 - Oregon Budget Law & County Process
 - Budget Calendar 2015-16
- Josephine Approved Budget Goals
- The County Process – Budget Overview
 - Josephine County uses budgeting for outcomes model
- Budget Overview
- ISF Methodology
- Internal Vendors (Cost Methodology)
- Budget Directives/Guidelines

April 30, 2015 Budget Message To Josephine County Budget Committee Members (emphasis)

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) 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). 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.

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) approved by the Board of County Commissioners on 02-12-2015:

1. Improve community outreach and communication to the public 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) .
3. Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner.

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).
2. **Budget only for mandatory** (emphasis) and/or self-supporting **programs** (emphasis).
3. **Address County goals** (emphasis) and **clearly define program purpose** (emphasis) and **expected outcomes** (emphasis).

Summary of Funds In the Proposed Budget Book on pages 14 and 15 you will find a summary of funds. The total budget for FY 2015- 16 for all funds equals \$76,479,700. This amount is \$8,231,000 less than last year, a 9% reduction. The major changes are:

- a. \$4.8 million decrease in the Public Safety fund (SRS funding and contract revenue);
- b. \$2.1 million decrease in Transit (Pass-thru grant);
- c. \$2.6 million decrease in Public Works (Transfer to reserves), and;
- d. \$1.0 million increase in Community Corrections Parole and Probation (Justice Reinvestment)

Proposed Budget Development Approach

General Fund We are **maintaining current service levels** (emphasis) in the general fund departments. The Proposed General Fund Budget for FY 2015-16 is \$11,762,000 approximately a 1% increase over last year. Most of the program budgets remain consistent with the prior year, the exceptions being Planning which is down due to a reduction in staff & supplies and in General Government which is up due to increases in insurance premiums.

Special Revenue Funds **Josephine County requires the majority of County programs to be self-sustaining** (emphasis) through fees, grants, state contracts, and other revenue sources that don't rely on property taxes or general fund support. Most departments continue to **provide services at a reduced level** (emphasis) for our citizens.

Significant Changes to County Programs In the Proposed Budget Book on pages 16 and 17 you will find a brief description of the significant changes to County programs. In this budget message I will highlight three items.

Animal Protection and Regulation In May 2014 the citizens of Josephine County passed a three- year local option levy of .08c/\$1,000. FY 2015-16 is the second year of the three-year levy and is expected to increase Animal Shelter revenues by approximately \$530,000. The purpose of the program is to provide professional and compassionate animal services through shelter, adoption, educational programs, population control and health care services while remaining fiscally responsible.

Forestry Reserve In 2013 approximately 2,600 acres of County forest land was burned by wildfire. The Forestry Department began salvage logging operations almost immediately. The Board of County Commissioners decided to place the funds collected through the salvage operations into a Forestry Reserve Fund in order to smooth out the revenue stream for funding the general fund and to provide adequate revenue for the Forestry Department as they continue in the second year of their three-]year reforestation project for the burned timber lands.

The foresight of this decision to establish a Forestry Reserve is evident today, since it appears that the market for timber is so low that the County is not going to offer any timber sales in the current year.

Public Safety Fund The Proposed Budget shows a decrease of 39% in the Public Safety Fund, and a reduction of 31.47 FTE. This is a direct result of the loss of federal O&C funding, now known as SRS funding. This is the **fourth year of significant losses** (emphasis) to the Public Safety Fund.

However, on April 16, 2015 the reauthorized Secure Rural Schools Act was signed into law and extended SRS funding for two years. The amount available for Josephine County was not yet known as of the printing of the Proposed Budget Book. A revised budget will be included in the budget presentations from Public Safety. The extension provides 5% less funding than the prior year, which means Public Safety will still be reduced from their current budget level, although not as drastically as the 39% reduction indicated in the Proposed Budget.

The SRS extension is anticipated to provide an additional \$2 million to the budget for the **Sheriff, District Attorney, and Juvenile Justice programs** (emphasis). Revenues for the Public Safety fund are expected to include a transfer from the general fund of \$2.5 million dollars, carryover dollars of \$2.4 million, and dedicated revenues of \$1.5 million. An **election is scheduled for May 19** (emphasis) that, if passed, will fund the **Jail, Sheriff Patrols, and Juvenile Justice** (emphasis); but these revenues are not included in the budget since it has not yet been approved by the citizens.

Title III and County Schools & Roads were also funded by the SRS extension.

Conclusion Josephine County is able to **maintain essential service in most programs** (emphasis), although at **reduced levels** (emphasis), because of policies put in place and maintained by the Board of County Commissioners. In the Proposed Budget Book on pages 11 and 12 you will find a list of the changes and efforts made by the County in response to our budget constraints.

We are facing challenges, especially in Public Safety, but service reductions and other strategic efforts have been implemented that will allow the County to continue to operate within a balanced budget.

I look forward to reviewing the proposed budget with you and wish to thank the many individuals in the various departments who are responsible for preparing this budget. Special thanks go to Chris Carlson, Budget Analyst in the Finance Office, who spent many hours ensuring that this budget document met the collective requirements of the County and the **GFOA** (emphasis).

Respectfully submitted,

Arthur O'Hare, Finance Director & Budget Officer

Josephine Approved Budget Goals (page 18)

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

***Departments are to explain in their budget submissions how their budget(s) meet these goals.** (emphasis added)

The County Process - Budget Overview

Josephine County uses budgeting for outcomes model. (pages 18 to 19)^{III-1}

- ▣ 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** (emphasis added), 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.
 - The County operates on accrual based budgeting and accounting.

- ▣ 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?** (emphasis added)
 - How much should we spend to achieve each outcome?
 - How can we “best” deliver **each outcome that citizens expect?** (emphasis added)

- ▣ 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.

3. FY Budget 2014 - 2015 Budget Excerpts

BFO^{III-1} Claimed, but Budget Directives is Status Quo Budget (pages 14 to 17)

Introduction

- Budget Message
 - Budget Goals
- Josephine County Budget Process
 - Oregon Budget Law & County Process
 - Budget Calendar 2014-15
- Josephine Approved Budget Goals
- The County Process – Budget Overview
 - Josephine County uses budgeting for outcomes model
- Budget Overview
- ISF Methodology
- Internal Vendors (Cost Methodology)
- Budget Directives/Guidelines
 - Budget Directives/Guidelines (additional 2014-15 specific)

May 8, 2014. As the Budget Officer for Josephine County, I am tasked by Oregon Budget Law to present to the Budget Committee a balanced budget. This budget message outlines the **financial priorities** (emphasis added) of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our **goal is to provide as much transparency in government as possible** (emphasis added) while following Oregon Budget Law.

Based on “**Budgeting for Outcomes**”(emphasis added), the FY 2014-15 budget details **Oregon Revised Statute (ORS) mandates** (emphasis added), **program outcomes** (emphasis added), revenue and expenditure line items and personnel for each department within their respective fund. Each Department has **detailed how their programs meet the goals** (emphasis added) set by the Board of Commissioners in FY 2014.

- 1) Improve community outreach and communication to the public by investing in technology that will improve efficiencies within County Departments and provide enhanced service to citizens.
- 2) Develop a sustainable plan 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.

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don't rely on property taxes and/or Federal Fund support. Most Departments continue to provide **minimal services** (emphasis added) for our citizens.

Fund Structure Information* 4. Fund 12, Public Safety: funding for the public safety departments (Sheriff, District Attorney and Juvenile Justice) from Federal sources has ended. An election is scheduled for May 22 that will fund the Jail and Juvenile Justice programs but is not included in this budget since it has not been approved by the citizens.

8. Fund 40, Internal Service Fund (ISF) provides the centralized support services of the County including the Board of County Commissioners (BCC). ISF covers a wide range of programs that deliver administrative support to all County Departments. Instead of each Department hiring personnel to provide human resource, finance, legal information technology, gis, property management and communication services, it is centralized to be more cost effective. For the third year in a row the BCC maintained the current rate of 10%.

* The County established a new finance system including a revised chart of accounts.

Conclusion Today I am presenting a balanced budget – Josephine County will live within its’ means as required by Oregon Budget Law. Because this budget contains no proposed funding from federal timber sources or citizen approved levies, you will see the continuing impacts of reduced service levels to programs, both in dollars and positions (FTE’s) budgeted. The Public Safety Fund, which relied on General Fund transfers and SRS 2013 federal monies, will be having additional reductions in FY 2015-16 unless the levy is successful May 22nd. Even if the levy passes, Josephine County and its citizens will need to continue to work together on a plan for sustainable long term funding for the Criminal Justice System and its related programs.

Today is the **first opportunity** (emphasis added) for the Budget Committee to deliberate on the proposed budget and **to hear from the citizens** (emphasis added) of the County. **Additional opportunities** (emphasis added) in the next few weeks will be available for our **citizens to voice their thoughts on what services Josephine County should provide** (emphasis added) in FY 2014-15.

Unlike some of our neighboring counties who are looking at program failures countywide, Josephine County is able to **maintain essential services** (emphasis added) in most programs, **although at reduced levels** (emphasis added), because of policies put in place by the Board of County Commissioners in the last few years.

Rosemary Padgett, CFO/Budget Officer

Josephine Approved Budget Goals (page A-19)

- 1) Improve community outreach and communication to the public by investing in technology that will improve efficiencies within County Departments and provide enhanced service to citizens.
- 2) Develop a sustainable plan 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.

***Departments are to explain in their budget submissions how their budget(s) meet these goals.** (emphasis added)

The County Process - Budget Overview

Josephine County uses budgeting for outcomes model. (pages 19 to 20)^{III-1}

- ▣ 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.

4. FY Budget 2013 - 2014 Budget Excerpts

BFO Claimed, but Budget Directives is Status Quo Budget (pages A-14 to A-17)^{III-1}

Introduction (Outline)

Budget Message

Josephine County Budget Process

Oregon Budget Law & County Process

Budget Calendar 2013-14

Josephine Approved Budget Goals

The County Process – Budget Overview

Josephine County uses budgeting for outcomes model

Budget Overview

ISF Methodology

Internal Vendors (Cost Methodology)

Budget Directives/Guidelines

Budget Directives/Guidelines (additional 2013-14 specific)

May 7, 2013. As the Budget Officer for Josephine County, I am required by Oregon Budget Law to present to the Budget Committee a balanced budget. This budget message outlines the **financial priorities** (emphasis added) of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our **goal is to provide as much transparency in government as possible** (emphasis added) while following Oregon Budget Law.

Based on “**Budgeting for Outcomes**”(emphasis added), the FY 2013-14 budget details **Oregon Revised Statute (ORS) mandates** (emphasis added), **program outcomes** (emphasis added), revenue and expenditure line items and personnel for each department within their respective fund. Each Department has **detailed how their programs meet the goals** (emphasis added) set by the Board of Commissioners in FY 2010. Included in the “Introduction” section is a **brief history of the actions Josephine County has taken since FY 2005-06** to reduce the cost of government while still attempting to fund essential programs (emphasis added) throughout the County.

With the County’s **goal of maintaining service levels comparable to FY 2012-13** (emphasis added), reserves are being used up.

With the economy continuing to be stagnant and the State’s ongoing budget issues, many Department will be further reducing staff, making it even more difficult to provide **minimal services** (emphasis added) for our citizens.

Changes in Fund Structure 8. The centralized administration overhead of the County is in Fund 401, Internal Service Fund. The Board of County Commissioners maintained the current charge of 10%.

11) The Personnel section includes the **Organizational chart** (emphasis added) with the proposed positions county wide. A comparison of FTE by Department between FY 2012-13 and FY 2013-14 is also included

Conclusion The Public Safety Fund, which relied on General Fund transfers and SRS 2012 federal monies, will be facing major reduction in FY 2014-15 unless the Criminal Justice Systems levy is successful in May. Even if the levy passes, Josephine County and its citizens will need to continue to work together on a plan for sustainable long term funding for the criminal justice system.

Conclusion Today is the **first opportunity** (emphasis added) for the Budget Committee to deliberate on the proposed budget and **to hear from the citizens** (emphasis added) of the County. **Additional opportunities** (emphasis added) in the next few weeks will be available for our **citizens to voice their thought on what services Josephine County should provide** (emphasis added) in FY 2012-13.

Unlike some of our neighboring counties who are looking at program failures countywide, Josephine County is able to **maintain essential services** (emphasis added) in most programs, although at reduced levels, because of policies put in place by the Board of County Commissioners in the last few years.

Rosemary Padgett, CFO/Budget Officer

Josephine Approved Budget Goals (page A-19)

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all **mandated and essential County government programs** (emphasis added) for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County's citizens by providing an environment that fosters a highly qualified and professional workforce.

***Departments are to explain in their budget submissions how their budget(s) meet these goals.** (emphasis added)

The County Process - Budget Overview

Josephine County uses budgeting for outcomes model. (pages A-19 to A-20)^{III-1}

- ▣ 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

Timber Harvest Revenue and National Forests - History (pages A-24 to A-26)

Timber Harvest Revenue to Counties goes back more than a century. In 1893, President Harrison created Forest Reserves which were expanded by President Cleveland in 1897. Then, in 1908, President Theodore Roosevelt created the National Forests. Also in 1908, President Roosevelt signed an agreement that recognized the fiscal constraint to counties by lack of taxation on this federally claimed land and enacted federal payments to counties as well as a share of timber harvests from these lands.

The revenue from the National Forest harvesting went to supporting county road funds and eventually also school funds. However, between 1970 and 1993, policies changed. In 1976, the National Forest Management Act of 1976 was passed. In the 1990's, the cutting of old growth trees began to conflict with the Clean Water Act, the National Environmental Policy Act and the Endangered Species Act. And in 1990 the Spotted Owl was put on the endangered species list, and it had the effect of sharply decreasing the ability to harvest timber from National Forests, thereby decreasing the revenue counties were receiving. From 1993 to present, there has been continuing decreases in timber harvests and reforms to Forest Service Planning.

Beginning in 1993 Congress recognized that revenues were declining and devised a payments program not based on harvest. This plan was expressed first as the Omnibus Reconciliation Act of 1993 (OBRA), providing an alternative annual safety net payment which was replaced by the Secure Rural Schools and Community Self-Determination Act of 2000 (SRS).

A one-year extension of the SRS expired in September 2007 and had not been renewed by Congress despite efforts by the Oregon delegation and others by July 1, 2008. Then on October 3, 2008, Congress passed the Emergency Economic Stabilization Act and the President signed the four-year continuation and phase-out of the payments. This had a four year payment reduction with the final year being 40% of the original payments. Recently, the Transportation Act of 2012, signed by President Obama, has included a one-time payment to counties but only a percent of the final 40% payment will be paid out. This extension amounted to roughly \$4.7 million for Josephine County in discretionary funds that the county budgeted for public safety.

O&C Lands - Bureau of Land Management In addition to the National Forest system, in 1916 the Federal Government reclaimed 2.8 million acres in Oregon that had originally been designated for a railroad. The lands, now known as 'O&C', are managed by the Bureau of Land Management. In 1926, the Stanfield Act provided that the counties also receive a share of the revenue from the timber harvests occurring on the O&C lands. Timber harvest has also dramatically decreased on the O&C lands, for the same reasons it has decreased in the National Forests.

Local Property Tax Revenue Limitations Property taxes are collected by local governments to support schools, roads, police and fire protection, and other services. Oregon's property tax system is uniquely limited by two voter-passed constitutional amendments; Measures 5 and 50. Measure 5, approved in 1990, created a permanent limitation on property taxes of \$10 dollars per \$1,000 of real market value for general government services, and \$5 dollars per \$1,000 of real market value for education services. If the tax extended exceeds Measure 5 limits then tax compression occurs. Measure 50, approved in 1997, and assigned a permanent rate to each taxing district that cannot be raised without statewide-voter approval. For 1997 the assessed value of the property is the real market value or 90% of the 1995 assessed value, whichever is lower. The assessed value of properties can only increase 3% annually. If the property has changed since 1995, increased values are calculated in comparison to the values of similar property that existed in 1995. General obligation bonds are not limited by Measure 5 limits, but local option levies, GAP bonds, and urban renewal levies are.

The permanent tax rate for Josephine County was set at \$0.5867 per \$1,000 of assessed value.

This rate had the assumption the O&C Federal payments would continue. According to the Assessor's office, Josephine County's taxable value was \$6.26 million for 2012 and with a tax rate of .5867 cents multiplier it raises under \$4 million for county services or less than the taxable value. The county adopts with expenditures close to \$65 million and in 2013-14 at \$47.5 million. Illustrating the County receives most its revenues from other sources to operate its programs.

Permanent Rates Analysis

2 counties under \$1.00 ranges
14 counties between \$1.00 & \$2.50
10 counties between \$2.51 & \$3.57
8 counties between \$3.58 & \$4.50
2 counties between \$8.50 & \$9.00
*average (minus highest 2) is \$2.47

Comparable Counties to Josephine based on population

Benton -	rate \$2.21
Coos -	rate \$1.08
Douglas -	rate \$1.11
Klamath -	rate \$1.73
Linn -	rate \$1.27
Polk -	rate 1.72
Umatilla -	rate \$2.85
Yamhill -	rate \$2.58
average rate	above of \$1.82

5. FY Budget 2012 - 2013 Budget Excerpts (pages A-1 to A-3)

Introduction (Outline)

- Budget Message
 - Goals
- Josephine County Budget Process
 - Oregon Budget Law & County Process
 - Budget Calendar 2012-13
- Josephine Approved Budget Goals
- The County Process – Budget Overview
 - Josephine County uses budgeting for outcomes model
- Budget Overview
- ISF Methodology
- Internal Vendors (Cost Methodology)
- Budget Directives/Guidelines
 - Budget Directives/Guidelines (additional 2012-13 specific)

April 24, 2012. As the Budget Officer for Josephine County, I am tasked by Oregon Budget Law with presenting to the Budget Committee a balanced budget. This budget message outlines the **financial priorities** (emphasis added) of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our **goal is to provide as much transparency in government as possible** (emphasis added) while following Oregon Budget Law.

Based on “**Budgeting for Outcomes**”(emphasis added), the FY 2012-13 budget details **Oregon Revised Statute (ORS) mandates** (emphasis added), **program outcomes** (emphasis added), revenue and expenditure line items and personnel for each department within their respective fund.^{III-1} Each Department has **detailed how their programs meet the goals** (emphasis added) set by the Board of Commissioners in FY 2011:

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided in Josephine County.
- 2) Provide sustainable funding for all **mandated and essential County government programs** (emphasis added) for the next 10 years.
- 3) Provide services in a transparent, open and efficient manner to the citizens of Josephine County.
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes and/or Federal Fund support. With the economy continuing to be stagnant and the State’s current budget issues, many Department will be further reducing staff, making it even more difficult to provide **minimal services** (emphasis added) for our citizens.

Fund Structure Information 11) The Personnel section includes the **Organizational chart** (emphasis added) with the proposed positions county wide. A comparison of FTE by Department between FY 2011-12 and FY 2012-13 is also included.

Conclusion Today is the **first opportunity** (emphasis added) for the Budget Committee to deliberate on the proposed budget and **to hear from the citizens** (emphasis added) of the County. **Additional opportunities** (emphasis added) in the next few weeks will be available for our **citizens to voice their thought on what services Josephine County should provide** (emphasis added) in FY 2012-13.

Unlike some of our neighboring counties who are looking at program failures countywide, Josephine County is able to **maintain essential services** (emphasis added) in most programs, although at reduced levels, because of policies put in place by the Board of County Commissioners in the last few years.

Rosemary Padgett, CFO/Budget Officer

Josephine Approved Budget Goals (page A-5)

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all **mandated and essential County government programs** (emphasis added) for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County's citizens by providing an environment that fosters a highly qualified and professional workforce.

***Departments are to explain in their budget submissions how their budget(s) meet these goals.** (emphasis added)

The County Process - Budget Overview

Josephine County uses budgeting for outcomes model. (pages A-5 to A-6)^{III-1}

- ▣ 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.

6. FY Budget 2011 - 2012 Budget Excerpts

Introduction (Outline)

Budget Message

- One statement on guidelines set by Board of County Commissioners & mandates required by State
- One explicit goal on transparency in government
- One statement on budgeting for outcomes
- County goals

Josephine County Approved Budget Goals 2011-12

April 20, 2011. As the Budget Officer for Josephine County, I am presenting to the Budget Committee a balanced budget as required by Oregon Budget Law. The budget before you includes **citizen input on services they are willing to fund** (emphasis added), **guidelines set by the Board of County Commissioners** (emphasis added), **mandates required by the State of Oregon** (emphasis added) and **stakeholder support of programs** (emphasis added). The budgets includes **details on mandates** (emphasis added), **program outcomes** (emphasis added), revenues expenditures and personnel for each department within the respective fund. Although County government and the resulting budget is complex the **goal is to provide as much transparency in government as possible** (emphasis added) while following Oregon Budget Law.

The County is continuing with the “**Budgeting for Outcomes**” model (emphasis added), which is based on programs and service levels within the County. In FY 2010-11 the County adopted four goals related to the budget. **Each Department was requested to relate how their programs met the following goals** (emphasis added).

- 1) **Encourage public involvement, through community outreach** (emphasis added), in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide **sustainable funding for all mandated and essential County government programs for the next ten years** (emphasis added).
- 3) Provide **services in a transparent, open and efficient manner** (emphasis added) to all the citizens of Josephine County
- 4) Ensure **cost effective achievement of services** (emphasis added) to the County’s citizens by providing an environment that fosters a **highly qualified and professional workforce** (emphasis added).

Josephine County requires that the majority of County programs be self sustaining through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes and/or Federal SRS 2008 dollars. With the economy continuing in a downward trend and the State’s current budget issues, many Department will face challenges to **provide services at minimal levels** (emphasis added) for our citizens.

Fund Structure Information 5) The County is continuing to follow the **Public Safety Plan, approved in January 2009** (emphasis added), for funding public safety departments through FY 2011-12. Funding comes from Federal SRS 2008 monies, a transfer from General Fund of 3 million dollars and dedicated revenues. New funding will be required for FY 2012-13 and beyond **in order to maintain Public Safety at the same level of service** (emphasis added). With no new funding, projections estimate the Public Safety programs will decrease at least fifty (50) percent of current service levels in FY 2012-13.

7) The centralized overhead of the County is in Fund 401, Internal Service Fund. Current overhead charges were increased from 8.5% to 9.25%.

Impacts With the exception of Public Safety, the proposed Budget shows the continuing impacts of reduced service levels referred to as Service Level 1 budgets, both in dollars and positions (FTE's) budgeted. Departments that were reduced beginning in FY 07-08 will continue to operate under those constraints. The Public Safety Fund, which relies on General Fund transfers and the SR 2008 federal monies, has increased service levels based on the **Public Safety Plan** (emphasis added). Without a sustainable funding source, Public Safety will be faced with service reductions beginning in FY 2012-13.

Conclusion During the Josephine County FY 2011-12 Budget Process, we will be discussing programs and related service levels that are currently available to our citizens. **The citizens, through their representatives, need to identify the programs that are considered necessary to maintain the quality of life we expect in Josephine County** (emphasis added). We then need to work together in providing sustainable long term funding for those important County government services.

Rosemary Padgett, CFO/Budget Officer

Josephine County Approved Budget Goals: 2011-12

- 1) **Encourage public involvement, through community outreach** (emphasis added), in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide **sustainable funding for all mandated and essential County government programs for the next ten years** (emphasis added).
- 3) Provide **services in a transparent, open and efficient manner** (emphasis added) to all the citizens of Josephine County
- 4) Ensure **cost effective achievement of services** (emphasis added) to the County's citizens by providing an environment that fosters a **highly qualified and professional workforce** (emphasis added).

Departments are to explain in their budget submissions how their budget(s) meet these goals (emphasis added).

7. FY Budget 2010 - 2011 Budget Excerpts

Introduction (Outline)

Budget Message

One statement on budgeting for outcomes

County goals

One statement on guidelines set by Board of County Commissioners & mandates required by State

One explicit goal on transparency in government

Josephine County Approved Budget Goals 2010-11

Budget Message. April 27, 2010. The County is **continuing with the “Budgeting for Outcomes”** (emphasis added) model, which is based on **programs and service levels** (emphasis added) within the County.^{III-1} For FY 2010-11, the County adopted four goals related to the budget. **Each Department was requested to relate how their programs met the following goals** (emphasis added):

- 1) **Encourage public involvement** (emphasis added), through **community outreach** (emphasis added) , in identifying service requirements and programs to be provided in Josephine County.
- 2) Provide **sustainable** (emphasis added) funding for all **mandated and essential** (emphasis added) County government programs for the next 10 years.
- 3) Provide services in a **transparent, open and efficient manner** (emphasis added) to the citizens of Josephine County.
- 4) **Ensure cost effective achievement of services** (emphasis added) to the County’s citizens by providing an environment that fosters a **highly qualified and professional workforce** (emphasis added) .

The budget before you includes **citizen input on services they are willing to fund** (emphasis added), **guidelines** (emphasis added) set by the Board of County Commissioners, **mandates required** (emphasis added) by the State of Oregon and **stakeholder support** (emphasis added) of programs. Also included in the budgets are **details on ORS mandates** (emphasis added) , **program outcomes** (emphasis added), revenues, expenditure line items and personnel for each department within the respective fund. Although County government and the resulting budget is complex, **our goal is to provide as much transparency** (emphasis added) in government as possible **while following Oregon Budget Law** (emphasis added).

Josephine County is still requiring that the **majority of County programs be self sustaining** (emphasis added) through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes and/or the Federal SRS 2008 dollars. With the economy still in a downward trend and the State’s current budget issues, those Departments will have even more of a challenge to **provide services as minimal levels** (emphasis added) for our citizens. Because of the economic trends there are three requests for additional monies from the General Fund for Public Health Solid Waste program, Veterans Services, and a new request for support of the Animal Protection program.

Conclusion. Josephine County and its **citizens need to work together on a plan for sustainable** (emphasis added) long term funding for public safety and **other essential county government services** (emphasis added). Over the next few weeks, we will be **holding a number of public meetings** (emphasis added) to discuss programs and service levels that are available to our citizens, as presented in the Josephine County FY 2010-11 Budget. Today, all Josephine County **citizens will have the chance to be heard** (emphasis added) on what services they feel are important to the County and its citizens **as part of the Budget Committee process** (emphasis added).

Rosemary DeLashmutt, CFO/Budget Officer

8. FY Budget 2009 - 2010 Budget Excerpts

Introduction (Outline)

Budget Message

One statement on budgeting for outcomes

One statement on guidelines set by Board of County Commissioners & mandates required by State

One explicit goal on transparency in government

Budget Message. April 23, 2009. The County is **continuing with the “Budgeting for Outcomes”** (emphasis added) model, which is based on programs and service levels within the County.^{III-1} The budget before you includes **citizen input on services they are willing to fund** (emphasis added), **guidelines** (emphasis added) set by the Board of County Commissioners, **mandates required by the State of Oregon** (emphasis added) and **stakeholder support of programs** (emphasis added). Also included in the budget is **detail on outcomes** (emphasis added), revenues, expenditure line items and personnel for each department; which includes offices, divisions and programs within the respective fund. As our Budget Officer, I will be presenting to the Budget Committee a balanced budget as required by Oregon Budget Law. Although County government and the resulting budget is complex, **our goal is to provide as much transparency in government** (emphasis added) as possible while following Oregon Budget Law.

Impacts With the exception of Public Safety, the proposed Budget shows the continuing impacts of reduced service levels referred to as Service Level 1 budgets, both in dollars and positions (FTE’s) budgeted. Departments that were reduced beginning in FY 07-08 will continue to operate under those constraints. However, the **Public Safety Fund** (emphasis added) that relies on General Fund transfers and federal dollars will be able to **improve service levels** (emphasis added) over the next three fiscal years but will then be faced with **service reductions** (emphasis added) beginning in FY 2012-13 when the SRS 2008 Bailout payments have ended.

Conclusion With receipt of the SRS 2008 Bailout monies from the federal government, Josephine County and its citizens have been granted an opportunity in the next three years to **work together on a plan for long term funding** (emphasis added) that will support public safety and other **essential** (emphasis added) county government services. **It is time for more of Josephine County’s citizens to be heard concerning County government** (emphasis added). The Budget Committee meeting today is the next step on the path to working together as a community to provide a safe and livable environment that will be **supported by all the citizens** (emphasis added) of Josephine County.

Rosemary DeLashmutt, CFO/Budget Officer

9. FY Budget 2008 - 2009 Budget Excerpts

Introduction (Outline)

Budget Message

- One statement on budgeting for outcomes
- One statement on guidelines set by Board of County Commissioners & mandates required by State
- One explicit goal on transparency in government

Budget Message. **April 17, 2008** The County is **continuing with the “Budgeting for Outcomes”** (emphasis added) model, which is based on **programs and service levels** (emphasis added) within the County.^{III-1} The budget before you today includes **citizen input on services they are willing to fund** (emphasis added), **guidelines** (emphasis added) set by the Board of County Commissioners, **mandates required by the State of Oregon** (emphasis added) and **stakeholder support of programs** (emphasis added). Also included in the **budget is the detail** (emphasis added) on expenditure line items and a listing of personnel with classifications and compensation packages for each program. With the support of the Board of County Commissioners and the cooperation of the Elected Officials, Division Managers and Program Supervisors in the preparation of this budget, I am able to present to the Budget Committee a balanced budget as required by **Local Budget Law** (emphasis added). Although County government and the resulting Budget is complex, **our goal is to provide much transparency in government** (emphasis added) as possible and still abide by Oregon Budget Law.

Josephine County made major changes to county government in FY 07-08 (emphasis added). Because of these changes, the **majority of county government programs became self sustaining** (emphasis added) through fees, grants, and other revenue sources that did not rely on property tax and/or O&C monies from the Federal Government. Currently, no new revenue sources have been put in place or have been approved by the voters to replace the O&C monies in FY 08-09. With no replacement dollars for the approximately 12 million dollar loss of O&C funds, the FY 08-09 budget reflects additional reductions to operations and services that are not self funded.

For FY 07-08, the Budget Committee approved and the Board of County Commissioners adopted a budget that funded most county government programs at a **Service Level 1, which was based on mandated and/or self funded services** (emphasis added) .

In the budget before you, new proposed positions include a **“Justification” paper on the purpose of the position** (emphasis added) and how it will be funded in future years.

Impacts The proposed Budget shows the continuing **impacts of a Service Level 1 budget** (emphasis added) , both in dollars and positions (FTE’s) budgeted. The Offices/Divisions and Programs that were reduced in FY 07-08 will continue to operate under those constraints. The Public Safety Fund that relies on General Fund transfers and O&C dollars will have service reductions in FY 08-09.

Conclusion Josephine County is at a turning point in its history (emphasis added) . Without a sustainable funding source for public safety and the criminal justice system, the County will be greatly impacted. The County currently has approximately thirteen million in available dollars (including contingencies) to fund service that are not dedicated and/or required by law. In FY 09-10, if the County utilizes every dollar available, the available funding drops to approximately six million dollars but leaves no monies for General Fund contingencies.

It is in the best interest of Josephine County and its citizens, that **we work together to find a long term sustainable way to fund essential county government services** (emphasis added).

10. FY Budget 2007 - 2008 Budget Excerpts

Introduction (Outline)

Budget Message

One statement on budgeting for outcomes

One statement on goals set by the Board & mandates required by the State of Oregon

One statement on transparency in government requested by citizens

Addendum to Budget Message Fiscal Year 2007-08

Josephine County Adopted Budget Memorandum About Historical Data 2007-08

Budget Message. **April 26, 2007** Josephine County **continues to be in a transition period** (emphasis added). As the County copes with the reality of the loss of O&C fund, which **had been a sustainable source of revenue to fund County government for over seventy years** (emphasis added), the Board directed the preparation of the budget with two service levels. **Service Level 1** (emphasis added) is based on current revenue sources with no replace dollars for the approximately \$12 million loss of O&C funding. **Service Level 2** (emphasis added) includes revenues from a **Criminal Justice Systems Local Option Levy** (emphasis added) that is on the May ballot to fund the **Sheriff, District Attorney, and Juvenile Justice** (emphasis added). With the support of the Board of County Commissioners and the cooperation of the Elected Officials, Division Managers and Program Supervisors in the preparation of this budget, I am able to present to the Budget Committee a balanced budget as required by Local Budget Law. In order to give a clear picture of the Service Level 1 and Service Level 2 budget proposals, I have included both levels in each Fund's resources and requirements page for your review and consideration.

The County **continued with the "Budgeting for Outcomes"** (emphasis added) model which is based on programs and service levels within the County.^{III-1} The budget before you tonight **incorporates citizen input on service levels they are willing to fund** (emphasis added), **goals set by the Board** (emphasis added), **mandates required by the State of Oregon** (emphasis added) and **stakeholder support of programs** (emphasis added). Also included in this budget is the detail on expenditure line items and a listing of FTE's with classifications and salary packages for each program, creating **the transparency in government** that our citizens have requested.

Impacts This was a difficult budget to prepare, with many hard decision that had to be made by the Elected Officials, Managers, and the Board of County Commissioners. With the major impact of Level 1 **reductions to county services and employees** (emphasis added), decisions impacting the overall budget will be finalized less than a week ago. The loss of O&C funds creates a major challenge for the County as a whole to **continue programs and services at the level need and expected by the citizens** (emphasis added) of Josephine County. The budget before you reflects that challenge.

Rosemary Padgett, Budget Officer

11. FY Budget 2006 - 2007 Budget Excerpts

Introduction (Outline)

Budget Message

- One statement on continued mandates
 - One statement major change in how Josephine County budgets
 - Funding levels for programs and services instead of categories of expenditures
 - Reorganized County departments and services
 - Budgeting for Outcomes established based on programs and service levels
 - Future budgets will incorporate citizen input on services levels they are willing to fund,
 - Future budgets will incorporate goals set by the Board
 - Future budgets will incorporate stakeholder support of programs
 - One statement on transparency in government requested by citizens
- Josephine County Adopted Budget Memorandum About Historical Data 2006-07

Budget Message. May 11, 2006. With the support of the Board of County Commissioners and the cooperation of the Elected Officials and appointed Directors in the preparation of this budget, I am able to present to the Budget Committee a balanced budget as required by Local Budget Law. Josephine County **continues to be in a transition period** (emphasis added); coping with **tightening revenue sources** (emphasis added) including the potential loss of O&C funds, **rising costs in operations** (emphasis added), and **continued mandates** (emphasis added) to provide services. The proposed BY 2006-07 Budget reflects the challenge faced by the County.

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** (emphasis added). The Board of Commissioners **reorganized County departments and services September 1, 2005** (emphasis added). 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"**(emphasis added).^{III-1} "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** (emphasis added), **goals set by the Board** (emphasis added) and **stakeholder support of programs** (emphasis added). The Budget before you clearly outlines the programs and services that the County Departments provide, **creating the transparency in government that our citizens have requested** (emphasis added). Changes include:

1. Department that provided similar services were grouped together in one fund such as Public Safety, showing the true cost of the department and its programs.
2. Twenty nine funds were consolidated into six major funds.
3. Transfers between Funds are defined, showing transfers as expenditures from one fund and a revenue source for the receiving fund.
4. The centralized overhead of the County was consolidated into the Internal Service Fund.
5. Program costs that Departments could control, such as fleet and building costs, were directly charged to their budgets and treated as internal vendors.
6. Two Reserve Funds were added to account for property and equipment capital purchases and major repairs of the fixed assets of the County.

The Board directed Departments to prepare proposed budget for each program, showing two service levels. **Service Level One** (emphasis added) reflects mandated and/or self supporting programs and **Service Level Two** (emphasis added) recognized existing programs within the County had been funded in prior years. The two service levels are shown in Schedules A and B in your book. Schedule A is a summary of the programs within a Department. Any new programs or personnel require a justification paper explaining the need and funding source. The budget before you today show program funding at Service Level Two.

Fund Structure Changes The new **Public Safety Fund** (emphasis added) consolidates into one fund the departments of **Sheriff, District Attorney** (emphasis added), **Community Justice** (emphasis added), and **Court Securing**. The Fund's main revenue source is a transfer from General Fund.

The Internal Service Fund contains departments and divisions that provide countywide support to other departments and the citizens of Josephine County (emphasis added). This fund includes budgets for: the Board of County Commissioners, General Government, Property Management, Finance, Human Resources, Legal, Information Technology, Communications, Geographical Information Systems (GIS) and Central Services. The rate of overhead Countywide is under seven (7) percent and is assess against the operational Funds based on their personnel and materials and services budget.

The other Funds in the Budget Book are required to shown as individual funds. Because of the major format change in the Budget, prior year budget information is included in the Historical Section.

The proposed Budget **maintains current service levels in most Departments** (emphasis added), reflects the savings in personnel costs implemented last year by the Board of County Commissioners and increases the General Fund contingency for future carry over. Although the County still faces the major challenge of the loss of O&C funds, the proposed budget for FY 2006-07 represents the collaborative effort by the Board, Elected Officials and appointed Directors **to continue programs and services to the citizens of Josephine County with declining resources** (emphasis added). Rosemary Padgett, Budget Officer

Josephine County Adopted Budget Memorandum About Historical Data 2006-007 On September 1, 2005, the Board of County Commissioners reorganized the County's department structure. The new **organization chart** (emphasis added) is included in the Personnel section of this budget book. The 2006-07 budget reflects the new organization. It also reflects a fundamental **change in the fund structure and budget categories which has been done with the purpose to bring greater clarity to the County's budget for the Budget Committee and the County's citizens** (emphasis added). Many funds have been combined to substantially reduce the number of funds, and budget categories within the funds are broken down by department and program, rather than by expenditure type. (Personal Services, Materials and Services, etc.), as in the past. Accordingly, historical data is presented in a separate Historical Section rather than with the 2006-07 budget data because it is not directly comparable.

D. Goals from JO CO Budgets: FY 2006-07 To FY 2016-17

The Authors view goals as maintaining budget focus and balance. The process must ultimately balance operational budget requirements with the funds required to achieve long-term financial goals. This is a main reason why budgeting is never a set process but instead is one that often fluctuates each year. 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 CI/CP are both the goals and outcomes of participation. Goals should be set at the beginning of the citizen-participation process, and CI/CP outcomes should be assessed and compared to what was expected when the goals were established, including measurable objectives and performance measures. Two of the most important legal CI/CP compliance goals for JO CO are from the LBL (ORS 294.321).

- (1) To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations;
- (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) To provide for estimation of revenues, expenditures and proposed taxes;
- (4) **To provide specific methods for obtaining public views in the preparation of fiscal policy;**
- (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 and investors to be apprised of the financial policies and administration of the municipal corporation in which they are interested.**

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 (GFOA 2005). Several other goals related actions are recommended by the GFOA (see Section V.H. Government Finance Officers Association Budget Presentation Award Program).

1. Prepare a Mission Statement. The mission statement should be a broad but clear statement of purpose for the entire organization. One of the critical uses of a mission statement is to help an organization decide what it should do and, importantly, what it should not be doing. The organization's goals, strategies, programs and activities should logically cascade from the mission statement (GFOA 2005).

2. Develop Strategies to Achieve Broad Goals. Strategies relate to ways that the environment can be influenced (internal or external) to meet broad goals. A single strategy may relate to the achievement of more than one goal. There should be a relatively small number of specific strategies developed to help choose among services and activities to be emphasized. Use of flowcharts or strategy mapping is encouraged in the design of strategies. To optimize the success of these strategies, opportunities should be provided for input from those who will be affected (GFOA 2005).

3. Create an Action Plan. The action plan describes how strategies will be implemented and includes activities and services to be performed, associated costs, designation of responsibilities, priority order, and time frame involved for the organization to reach its strategic goals. There are various long-range planning mechanisms available to enable organizations to clarify their vision and strategy and translate them into action (GFOA 2005).

Government Finance Officers Association Budget Presentation Award Program What is outstanding from the Exploratory 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 in regard to 27 specific criteria, 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 (GFOA 2014; Section V.H; Appendix U).

The GFOA's best practice for effective presentation of a local government's budget document was formalized in 1996 and reconfirmed in 2014. This is because the budget document is very important, since it identifies the services to be provided (along with the funding), and the rationale behind key decisions. Because of the time required to read and understand the entire budget document, a concise summary that captures these elements is essential. Users of the budget document will benefit from a high quality report that promotes better communication, which makes it easier to comprehend the information presented (GFOA 2014 p. 1).

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.

1. Budget Goals: FY 2006-07 To FY 2016-17

a) FY Proposed Budget 2016-17 Goals JO CO departments are to explain in their budget submissions how their budgets(s) meet these goals.

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

b) FY Budget 2015-16 Goals 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 approved by the Board of County Commissioners on 02-12-2015:

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

c) FY Budget 2014-15 Goals This budget message outlines the financial priorities of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our goal is to provide as much transparency in government as possible while following Oregon Budget Law.

Based on “Budgeting for Outcomes”, the FY 2014-15 budget details Oregon Revised Statute (ORS) mandates, program outcomes, revenue and expenditure line items and personnel for each department within their respective fund.^{III-1} Each Department has detailed how their programs meet the goals set by the Board of Commissioners in FY 2014.

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

d) FY Budget 2013-14 Goals

- 1) **Encourage public involvement, through community outreach**, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all **mandated and essential County government programs** for the next ten years.
- 3) **Provide services in a transparent, open and efficient manner** to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

e) FY Budget 2012-13 Goals This budget message outlines the financial priorities of the County and highlights major changes to the Funds. Although County government and the resulting budget is complex, our goal is to provide as much transparency in government as possible while following Oregon Budget Law.

Based on “Budgeting for Outcomes”, the FY 2012-13 budget details Oregon Revised Statute (ORS) mandates, program outcomes, revenue and expenditure line items and personnel for each department within their respective fund.^{III-1} Each Department has detailed how their programs meet the goals set by the Board of Commissioners in FY 2011:

- 1) **Encourage public involvement, through community outreach**, in identifying service requirements and programs to be provided in Josephine County.
- 2) Provide **sustainable funding** for all **mandated and essential** County government programs for the next 10 years.
- 3) **Provide services in a transparent, open and efficient manner** to the citizens of Josephine County.
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

f) FY Budget 2011-12 Goals The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} In FY 2010-11 the County adopted four goals related to the budget. Each Department was requested to relate how their programs met the following goals.

- 1) **Encourage public involvement, through community outreach**, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide **sustainable funding** for all **mandated and essential** County government programs for the next ten years.
- 3) **Provide services in a transparent, open and efficient manner** to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

g) FY Budget 2010-11 Goals The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} For FY 2010-11, the County adopted four goals related to the budget. Each Department was requested to relate how their programs met the following goals:

- 1) **Encourage public involvement, through community outreach**, in identifying service requirements and programs to be provided in Josephine County.
- 2) Provide **sustainable funding** for all **mandated and essential** County government programs for the next 10 years.
- 3) **Provide services in a transparent, open and efficient manner** to the citizens of Josephine County.
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

h) FY Budget 2009-10 Goals

Budget Message

- One statement on continuing budgeting for outcomes
- One statement on guidelines set by Board of County Commissioners & mandates required by State
- One explicit goal on transparency in government

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. Also included in the budget is detail on outcomes, revenues, expenditure line items and personnel for each department; which includes offices, divisions and programs within the respective fund. The goal is to provide as much transparency in government as possible while following Oregon Budget Law.

i) FY Budget 2008-09 Goals

Budget Message

- One statement on budgeting for outcomes
- One statement on guidelines set by Board of County Commissioners & mandates required by State
- One explicit goal on transparency in government

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County. The budget before you today includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. Also included in the budget is the detail on expenditure line items and a listing of personnel with classifications and compensation packages for each program. The goal is to provide much transparency in government as possible and still abide by Oregon Budget Law.

Josephine County made major changes to county government in FY 07-08. Because of these changes, the majority of county government programs became self sustaining through fees, grants, and other revenue sources that did not rely on property tax and/or O&C monies from the Federal Government. Currently, no new revenue sources have been put in place or have been approved by the voters to replace the O&C monies in FY 08-09. With no replacement dollars for the approximately 12 million dollar loss of O&C funds, the FY 08-09 budget reflects additional reductions to operations and services that are not self funded.

For FY 07-08, the Budget Committee approved and the Board of County Commissioners adopted a budget that funded most county government programs at a Service Level 1, which was based on mandated and/or self funded services.

j) FY Budget 2007-08 Goals

Budget Message

- One statement on budgeting for outcomes
- One statement on goals set by the Board & mandates required by the State of Oregon
- One statement on transparency in government requested by citizens

Josephine County continues to be in a transition period. The Board directed the preparation of the budget with two service levels. Service Level 1 is based on current revenue sources with no replace dollars for the approximately \$12 million loss of O&C funding. Service Level 2 includes revenues from a Criminal Justice Systems Local Option Levy that is on the May ballot to fund the Sheriff, District Attorney, and Juvenile Justice.

The County continued with the “Budgeting for Outcomes” model which is based on programs and service levels within the County.^{III-1} The budget before you tonight incorporates citizen input on service levels they are willing to fund, goals set by the Board, mandates required by the State of Oregon and stakeholder support of programs. Also included in this budget is the detail on expenditure line items and a listing of FTE’s with classifications and salary packages for each program, creating the transparency in government that our citizens have requested.

k) FY Budget 2006-07 Goals

Budget Message

- One statement on continued mandates
- One statement major change in how Josephine County budgets
 - Funding levels for programs and services instead of categories of expenditures
 - Reorganized County departments and services
 - Budgeting for Outcomes established based on programs and service levels
 - Future budgets will incorporate citizen input on services levels they are willing to fund,
 - Future budgets will incorporate goals set by the Board
 - Future budgets will incorporate stakeholder support of programs
- One statement on transparency in government requested by citizens

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.^{III-1} Future budgets will incorporate citizen input on services levels they are willing to fund, goals set by the Board and stakeholder support of programs.

The Budget before you clearly outlines the programs and services that the County Departments provide, creating the transparency in government that our citizens have requested. Changes include:

1. Department that provided similar services were grouped together in one fund such as Public Safety, showing the true cost of the department and its programs.
2. Twenty nine funds were consolidated into six major funds.
3. Transfers between Funds are defined, showing transfers as expenditures from one fund and a revenue source for the receiving fund.
4. The centralized overhead of the County was consolidated into the Internal Service Fund.

The Board directed Departments to prepare proposed budget for each program, showing two service levels. Service Level One reflects mandated and/or self supporting programs and Service Level Two recognized existing programs within the County had been funded in prior years. The two service levels are shown in Schedules A and B in your book. Schedule A is a summary of the programs within a Department. Any new programs or personnel require a justification paper explaining the need and funding source. The budget before you today show program funding at Service Level Two.

2. CI/CP Goals: FY 2006-07 To FY 2016-17

a) FY Proposed Budget 2016-17 CI/CP Goals

- 1) Improve community outreach.
- 3) Provide access in a transparent, open, and professional manner.
- * Future budgets will incorporate (see FY Budget 2006-07)
 1. Future budgets will incorporate mandates required by the State of Oregon.
 2. Future budgets will incorporate citizen input on services levels they are willing to fund.
 3. Future budgets will incorporate goals set by the JO CO BCC.
 4. Future budgets will incorporate stakeholder support of programs.

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

b) FY Budget 2015-16 CI/CP Goals

- 1) Improve community outreach.
- 3) Provide access in a transparent, open, and professional manner.
- * Future budgets will incorporate (see FY Budget 2006-07)

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

c) FY Budget 2014-15 CI/CP Goals

- 1) Improve community outreach.
- 3) Provide access in a transparent, open, and professional manner.
- * Future budgets will incorporate (see FY Budget 2006-07)

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

d) FY Budget 2013-14 CI/CP Goals

- 1) Encourage public involvement, through community outreach.
- 3) Provide services in a transparent, open and efficient manner.
- * Future budgets will incorporate (see FY Budget 2006-07)

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

e) FY Budget 2012-13 CI/CP Goals

- 1) Encourage public involvement, through community outreach.
- 3) Provide services in a transparent, open and efficient manner.
- * Future budgets will incorporate (see FY Budget 2006-07)

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

f) FY Budget 2011-12 CI/CP Goals

- 1) Encourage public involvement, through community outreach.
- 3) Provide services in a transparent, open and efficient manner.
- * Future budgets will incorporate (see FY Budget 2006-07)

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

g) FY Budget 2010-11 CI/CP Goals

- 1) Encourage public involvement, through community outreach.
- 3) Provide services in a transparent, open and efficient manner.
- * Future budgets will incorporate (see FY Budget 2006-07)

Analysis/assessment was not provided to support the BFO commitments, including State mandated, or the BFO.

h) FY Budget 2009-10 CI/CP Goals There was no explicit list of BCC goals in the budget. The following statement was provided in the budget, but no analysis/assessment was provided to support the four components of the statement, or the BFO (i.e., * Future budgets will incorporate; see FY Budget 2006-07). “Guidelines” set by the Board of County Commissioners was identified instead of “Goals.”

“The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs.”

i) FY Budget 2008-09 CI/CP Goals There was no explicit list of BCC goals in the budget. The following statement was provided in the budget, but no analysis/assessment was provided to support the four components of the statement, or the BFO (i.e., * Future budgets will incorporate; see FY Budget 2006-07). “Guidelines” set by the Board of County Commissioners was identified instead of “Goals.”

“The budget before you today includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs.”

j) FY Budget 2007-08 CI/CP Goals There was no explicit list of BCC goals in the budget. The following statement was provided in the budget, but no analysis/assessment was provided to support the four components of the statement, or the BFO (i.e., * Future budgets will incorporate; see FY Budget 2006-07).

“The budget before you tonight incorporates citizen input on service levels they are willing to fund, goals set by the Board, mandates required by the State of Oregon and stakeholder support of programs.”

k) FY Budget 2006-07 CI/CP Goals There was no explicit list of BCC goals in the budget. The following statement was provided in the budget, but no analysis/assessment was provided to support the four components (i.e., statement on continued [State] mandates separate, but added to the three below) of the statement, or the BFO.

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.^{III-1} Future budgets will incorporate citizen input on service levels they are willing to fund, goals set by the Board and stakeholder support of programs.

The Budget before you clearly outlines the programs and services that the County Departments provide, creating the transparency in government that our citizens have requested.

Authors 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.).

Authors could not find any analysis/assessments, or references of availability, to support the three committed FY 2006-07 Budgeting for Outcomes (BFO) components and statements on continued State mandates for future budgets (i.e. FY 2006-07 To FY 2016-17).

1. Future budgets will incorporate mandates required by the State of Oregon.
2. Future budgets will incorporate citizen input on services levels they are willing to fund.
3. Future budgets will incorporate goals set by the JO CO BCC.
4. Future budgets will incorporate stakeholder support of programs.

To enable the public, taxpayers and investors to be “apprised” of the financial policies meets the CI/CP goal of informing (ORS 294.321(6), and perhaps educating participants.

3. 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 by Ebdon and Franklin (there are many more; Sale 2005; IAP2 2015): 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 (Ebdon & Franklin 2006, p. 441). However, the focus of budgeting goals are normally not CI/CP as the major reason for the budget would remain without public input - balance the budget per the priorities of community law and need. To enable the public to be apprised of the financial policies probably meets the CI/CP goal of informing and perhaps educating participants (ORS 294.321(6)).

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

There is 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.

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* (Sale 2005, p. 1; Appendix P).

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 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 (Sale 2005, p. 2; Appendix P).

a) FY Budget 2016-17 through 2014-15 Goals (same for three years)

- 1) **Improve community outreach** and communication to the public by investing in technology that will improve efficiencies within County departments and **provide enhanced service** to citizens.
- 2) **Develop a sustainable plan** for all **mandated and essential County government programs**.
- 3) **Provide access** to County services to the citizens of Josephine County in a **transparent, open, and professional manner**.
- 4) **Budgeting for Outcomes** Based on Programs and Service Levels (continuous commitment of budgeting for outcomes from FY 2006-07).
 - Future budgets will incorporate citizen input on services levels they are willing to fund.
 - Future budgets will incorporate goals set by the Board.
 - Future budgets will incorporate stakeholder support of programs.

Authors Statements/Opinions On Major CI/CP Goal Themes on the following major CI/CP goal themes follow.

- Goal 1) Theme. Improve Community Outreach.
- Goal 2) Theme. Develop Sustainable Level of Service Plan for Mandated and Essential Programs.
- Goal 3) Theme. Provide Access in a Transparent, Open, and Professional Manner.
- Goal 4) Theme. Compliance With Budgeting for Outcomes Incorporation Commitments.

Goal 1) Improve Community Outreach Improving community outreach (2016-17 through 2014-15) is a positive improvement over encouraging public involvement through community outreach (2013-14 through FY Budget 2010-11). Questions involve understanding how JO CO's CI/CP Program defines CI/CP and public outreach. Improve implies a positive CI change over the baseline of a program to encourage. What was the CI/CP baseline? How was it measured? Was it measured?

Practical criteria for the **measurement of public involvement efforts are based on evaluation of participants' goals and expectations**. There are three types of criteria.

- CI/CP Process Criteria.
- Outcome-based Success Measure Criteria.
- Measuring Success of Outcome Criteria.

CI/CP Process Criteria (evaluating the means or approach) can include the following.

- Accessibility to Affect Decision Making.
- Diversity of Views.
- Opportunities for Participation or Information Exchange.
- Identification and Integration of Concerns.
- Independence of the Facilitator.
- Inclusiveness.
- Adaptability.
- Amenability.
- Resiliency.
- Durability.

Outcome-based Success Measures can include the following.

- Project or Decision Acceptability.
- Project Efficiency.
- Cost Avoidance.
- Mutual Learning and Respect.
- Improved Understanding.
- The Amount of Conflict Resolution Required.
- The Degree of Consensus Achieved.
- Influence on and Participation in Decision-making.
- Participant Satisfaction with the Results of the Process.

Measuring success of *outcomes* is trickier to quantify because of the diversity of preferred results. For example, an agency might consider public support or ease of implementation as an appropriate outcome, while the public might consider the extent to which the community can achieve its goals or alter or block decisions, as better measures of success.

Goal 2) Develop Sustainable Level of Service Plan for Mandated and Essential Programs.

Developing a sustainable 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 Authors 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 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 (see Exploratory Committee’s MALPSS web page).

Minimally Acceptable Level of Public Safety Services (MALPSS)
Exploratory Committee
Hugo Neighborhood Association & Historical Society
<http://www.hugoneighborhood.org/malpss.htm>

Goal 3) Provide Access in a Transparent, Open, and Professional Manner. This goal seems to be successful with a few exceptions. For example, the Budget Director seems to be too busy to respond to requests for information and/or an audience, and the FY 2006-07 Budgeting for Outcomes decision/commitment has not been successful in providing any analysis in the budget, or a reference in any budget for 10 years (FY 2006-07 TO FY 2016-17).

Goal 4) Compliance With Budgeting for Outcomes (BFO) Incorporation Commitments. The BFO commitments from FY 2006-07 are 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 budget from 2016-17 through 2014-15, there has been a detailed outline of what budgeting for outcomes does for three areas.

- Area 1. Budgeting for Outcomes Is.
- Area 2. Budgeting for Outcomes focuses On.
- Area 3. Budgeting for Outcomes asks Four Basic Questions

- 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.

There was no information for commitments #1 and #3. Goals were identified for FY 2016-17 through 2014-15.

b) FY Budget 2013-14 through FY Budget 2010-11 Goals (same for four years)

- 1) **Encourage public involvement, through community outreach**, in identifying service requirements and programs to be provided by Josephine County.
- 2) **Provide sustainable funding for all mandated and essential County government programs** for the next ten years.
- 3) **Provide services in a transparent, open and efficient manner** to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County's citizens by providing an environment that fosters a highly qualified and professional workforce.
- 5) **Budgeting for Outcomes** Based on Programs and Service Levels
 - Future budgets will incorporate citizen input on services levels they are willing to fund
 - Future budgets will incorporate goals set by the Board
 - Future budgets will incorporate stakeholder support of programs

Authors Statements/Opinions

Goal 1) Encourage Public Involvement Through Community Outreach The goal of encouraging public involvement through community outreach (FY 2013-14 through FY 2010-11) is positive. Questions involve understanding how JO CO's CI/CP Program defines CI and public outreach. What kind of program does the county have? Public outreach is normally a government function. Since the goals are the JO CO BCC, it is assumed that it is encouraging the county elected officials and county department heads to perform public involvement through community outreach. True?

Practical criteria for the measurement of public involvement efforts are based on evaluation of participants' goals and expectations are covered in Goal 1) Improve Community.

Goal 2) Provide Sustainable Funding for All Mandated and Essential County Government Programs. Providing sustainable funding (FY 2013-14 through FY 2010-11) is very different from developing a sustainable plan for mandated and essential JO CO programs (2016-17 through 2014-15). 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.

The question of mandated and essential JO CO programs is serious as the Authors do not believe the county has accomplished the goal even though many professional government opinions have addressed it because it has not defined mandated and essential county government programs in a logical scientific way (see Exploratory Committee’s MALPSS web page).

Goal 3) Provide Services in a Transparent, Open and Efficient Manner. Providing services in a transparent, open, and efficient manner is different than providing access. This goal seems to be successful with a few exceptions. For example, the JO CO Finance Department seems to be too busy to respond to requests for information and/or an audience (Section ??), and the FY 2006-07 Budgeting for Outcomes decision/commitment has not been successful as there had not been in any analysis in the budget, or a reference to BFO in any budget for 10 years (FY 2006-07 TO FY 2016-17).

Goal 4) Budgeting for Outcomes (BFO) Incorporation Commitments The BFO commitments from FY 2006-07 are spotty at best. The big deficit is that nowhere, to the Authors’ knowledge, has a budgeting for outcomes analysis been in any the budget, or a reference 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 does for the following three areas.

- Area 1. Budgeting for Outcomes Is.
- Area 2. Budgeting for Outcomes focuses On.
- Area 3. Budgeting for Outcomes asks Four Basic Questions

- 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.

There was no information in the budgets for commitments #1 and #3. Goals were identified for FY 2013-14 through FY 2010-11.

c) FY Budget 2009-10 through FY Budget 2006-07 Goals Except for Budgeting for Outcomes, the goals for these four years were not identified in easy to understand lists (i.e., not as explicit as the later seven years that followed).

(1) FY 2009-10 To FY 2006-07 Goals Practical criteria for the measurement of public involvement efforts are based on evaluation of participants' goals and expectations are covered in Goal 1) Improve Community.

(a) FY 2009-10 Budget Goals

Budget Message

- One statement on continuing budgeting for outcomes
- One statement on guidelines set by Board of County Commissioners & mandates required by State
- One explicit goal on transparency in government

The County is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County.^{III-1} The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. Also included in the budget is detail on outcomes, revenues, expenditure line items and personnel for each department; which includes offices, divisions and programs within the respective fund. The goal is to provide as much transparency in government as possible while following Oregon Budget Law.

Budgeting for Outcomes Based on Programs and Service Levels

- Future budgets will incorporate citizen input on services levels they are willing to fund
- Future budgets will incorporate goals set by the Board
- Future budgets will incorporate stakeholder support of programs

(b) FY 2008-09 Budget Goals

Budget Message

- One statement on budgeting for outcomes
- One statement on guidelines set by Board of County Commissioners & mandates required by State
- One explicit goal on transparency in government

JO CO is continuing with the “Budgeting for Outcomes” model, which is based on programs and service levels within the County. The budget before you today includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs. Also included in the budget is the detail on expenditure line items and a listing of personnel with classifications and compensation packages for each program. The goal is to provide much transparency in government as possible and still abide by Oregon Budget Law.

Budgeting for Outcomes Based on Programs and Service Levels

- Future budgets will incorporate citizen input on services levels they are willing to fund
- Future budgets will incorporate goals set by the Board
- Future budgets will incorporate stakeholder support of programs

(c) FY 2007-08 Budget Goals

Budget Message

- One statement on budgeting for outcomes
- One statement on goals set by the Board & mandates required by the State of Oregon
- One statement on transparency in government requested by citizens

The County continued with the “Budgeting for Outcomes” model which is based on programs and service levels within the County.^{III-1} The budget before you tonight incorporates citizen input on service levels they are willing to fund, goals set by the Board, mandates required by the State of Oregon and stakeholder support of programs. Also included in this budget is the detail on expenditure line items and a listing of FTE’s with classifications and salary packages for each program, creating the transparency in government that our citizens have requested.

Budgeting for Outcomes Based on Programs and Service Levels

- Future budgets will incorporate citizen input on services levels they are willing to fund
- Future budgets will incorporate goals set by the Board
- Future budgets will incorporate stakeholder support of programs

(d) FY 2006-07 Budget Goals

Budget Message

- One statement on continued mandates
- One statement major change in Josephine County budgets
 - Funding levels for programs and services instead of categories of expenditures
 - Reorganized County departments and services
 - Budgeting for Outcomes established based on programs and service levels
 - Future budgets will incorporate citizen input on services levels they are willing to fund,
 - Future budgets will incorporate goals set by the Board
 - Future budgets will incorporate stakeholder support of programs
- One statement on transparency in government requested by citizens

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.^{III-1} Future budgets will incorporate citizen input on services levels they are willing to fund, goals set by the Board and stakeholder support of programs.

(2) Summary For FY 2009-10 To FY 2006-07 Goals

FY Budget 2009 - 2010 Goals

- One statement on continuing budgeting for outcomes.
- One statement on guidelines set by Board of County Commissioners & mandates required by State.
- One explicit goal on transparency in government.

FY Budget 2008-09 Goals

- One statement on budgeting for outcomes.
- One statement on guidelines set by Board of County Commissioners & mandates required by State.
- One explicit goal on transparency in government.

FY Budget 2007-08 Goals

- One statement on budgeting for outcomes
- One statement on goals set by the Board & mandates required by the State of Oregon
- One statement on transparency in government requested by citizens

FY Budget 2006-07 Goals

- One statement on continued mandates
- One statement major change in Josephine County budgets
 - Funding levels for programs and services instead of categories of expenditures
 - Reorganized County departments and services
 - Budgeting for Outcomes established based on programs and service levels
 - Future budgets will incorporate citizen input on services levels they are willing to fund,
 - Future budgets will incorporate goals set by the Board
 - Future budgets will incorporate stakeholder support of programs
 - One statement on transparency in government requested by citizens

Authors Statements/Opinions From the budget year goal statements that could be found the Authors concluded that there were an aggregate four goals for FY 2009-10 to FY 2006-07.

Goal 1) 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. Goal statements from FY 2006-07 for FY 2009-10 to FY 2007-08 appeared fragmentary and incomplete.

Goal 2) Budgeting for Outcomes (BFO) Incorporation Commitments The BFO commitments from FY 2006-07 are spotty at best. The big deficit is that nowhere, to the Authors' knowledge, has a budgeting for outcomes analysis been in any the budget, or a reference 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 budget from 2016-17 through 2014-15, there has been a detailed outline of what budgeting for outcomes does for three areas.

- Area 1. Budgeting for Outcomes Is.
- Area 2. Budgeting for Outcomes focuses On.
- Area 3. Budgeting for Outcomes asks Four Basic Questions

- 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.

The following statements were found for the three years (FY 2009 - 2010 through 2007-08) following the FY 2006-07 BFO commitment year, but they were not explicit lists of goals. These statement and others were fragmentary and incomplete compared to later years.

FY 2009-10 Budget Goals. The budget before you includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs.

FY 2008-09 Budget Goals. The budget before you today includes citizen input on services they are willing to fund, guidelines set by the Board of County Commissioners, mandates required by the State of Oregon and stakeholder support of programs.

FY 2007-08 Budget Goals. The budget before you tonight incorporates citizen input on service levels they are willing to fund, goals set by the Board, mandates required by the State of Oregon and stakeholder support of programs.

Goal 3) Compliance With Mandated JO CO Programs.

- FY Budget 2009 - 2010 One statement on mandates required by State.
- FY Budget 2008-09 One statement on mandates required by State.
- FY Budget 2007-08 One statement on mandates required by the State of Oregon
- FY Budget 2006-07 One statement on continued mandates

The Authors assumes that the four years of simple “mandates” statements will be the equivalent of the goal statements for mandates from 2010-11 to FY 2016-17 which would be to “Develop a Sustainable Plan” and/or “Provide Sustainable Funding” for all State of Oregon mandated JO CO programs

- FY Budget 2016-17 through 2014-15 Goals: *Develop a sustainable plan for all mandated and essential County government programs.*
- FY Budget 2013-14 through FY Budget 2010-11 Goals: *Provide sustainable funding for all mandated and essential County government programs for the next ten years.*

Developing a sustainable 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 Authors do not believe JO CO has accomplished the goal even though many professional government opinions have addressed it because it has not defined mandated and essential county government programs in a logical scientific way (Section ??).

Goal 4) Provide Access in a Transparent, Open, and Professional Manner.

- FY Budget 2009 - 2010 One explicit goal on transparency in government.
- FY Budget 2008-09 One explicit goal on transparency in government.
- FY Budget 2007-08 One statement on transparency in government requested by citizens.
- FY Budget 2006-07 One statement on transparency in government requested by citizens.

The Authors assumes that the four years of simple “transparency in government” statements will be the equivalent of the goal statements for transparency from 2010-11 to FY 2016-17 which would be to “Provide Access to County Services” and/or “Provide Services” in a transparent, open and professional/efficient manner.

- FY Budget 2016-17 through 2014-15 Goals: *Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner.*
- FY Budget 2013-14 through FY Budget 2010-11 Goals: *Provide services in a transparent, open and efficient manner to all the citizens of Josephine County.*

The transparency in government goal seems to be successful with only a few exceptions encountered by the Authors. For example, the JO CO Finance Department seems to be too busy to respond to requests for information and/or an audience (Section ??), and the FY 2006-07 Budgeting for Outcomes decision/commitment has not been successful judged by any analysis in the budget, or a reference in any budget for 10 years (FY 2006-07 TO FY 2016-17). From the Authors’ point of view it does not exist because it is not available to them.

d) Summary CI/CP Goal Themes With Questions: FY Budget 2016-17 To FY 2006-07 For this papers' purpose, potential CI/CP goal themes come from Arnstein, Ebdon, Sale, and IAP2. This literature review is followed by a summary of JO CO' budget CI/CP goal themes.

(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 (Ebdon 2005).

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.

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"? 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 (Sale 2005, p. 2; Appendix P).

- 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 Ladder of Citizen Participation (Arnstein 1969). 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. Here is how David Wilcox describes the 8 rungs of the ladder at www.partnerships.org.uk/part/arn.htm.

- | | |
|------------------------------------|---|
| 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 programme e.g. neighborhood corporation with no intermediaries between it and the source of funds.

IAP2 Spectrum of Public Participation Goals (IAP2 2015). IAP2's 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 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.

- 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 (IAP2 2015).

- 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 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. 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 (IAP2 2015, pps. 7 & 10).

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 recognising 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 budgeting goals are normally not CI/CP as the major reason for the budget would be needed without public input - balance the budget per the priorities of community law and need. To enable the public to be apprised of the financial policies probably meets the CI/CP goal of informing (ORS 294.321(6), and perhaps educating public participants.

(2) JO CO' Budget CI/CP Goal Themes The following CI/CP Goal Themes may, or may not, continue as identified budget issues (Chapter VI) for the JO CO budget process.

- 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 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 this goal was accomplished, especially for FY 2010-11 to FY 2016-17.
- Goal Theme: Budgeting for Outcomes (BFO) Incorporation Commitments The BFO commitments from FY 2006-07 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 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.

It is unknown if the three incorporation commitments were accomplished as the BFP analysis/assessment was not provided in any budget, nor referenced for any budget. Therefore, until JO CO provides evidence of accomplishment beyond statements, it is assumed there is non-compliance for commitments #1 and #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 a positive CI change over the baseline of a program to encourage.
- 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 consult level of CP was weak as the public was not provided alternatives to consider. 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 prior to the proposed budget was 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 mandated and essential county program. Sadly mandated, essential, and minimally acceptable level of public services (MALPSS) was not defined in any budget.

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 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, open, efficient, and professional manner.
- Goal Theme: Goal Compliance. JO CO BCC compliance in continuing to develop explicitly clearer understandable goals. Goals are identified, but without definitions and objectives they are not understandable by the public.
- 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 (Appendix F).
- 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 (Ordinances/Resolutions).
- Goal Theme: Monitoring & Evaluation. Goal performance indicators, benchmarks, and performance standards. The JO CO budget process is good for compliance with the accounting standards from the LBL.
- CI/CP Goal Theme: Monitoring & Evaluation. Goal performance indicators, benchmarks, and performance standards. The JO CO budget process is good for compliance with the CI/CP “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, p. 3).

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, p. 6).

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, p. 7).

3. Goal Outcomes Assessed Budgeting for Outcomes (BFO) has been used in the county since the JO CO FY 2006-07 Budget.

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.

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 CI/CP is 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 (Sale 2005, p. 4). 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 JO CO budgets (FY 2016-17 to FY 2006-07) on measuring or assessing the success of the JO CO CI/CP budget goals, including BFO.

- Stakeholders: any individual, group of individuals, organization or politics entity with an interest or stake in the outcome of a decision.
- Public: those stakeholders who are not typically part of the decision-making entity or entities.
- Public Participation: and process that involves the public in problem-solving or decision-making and that uses public input to make better decisions.

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” (IAP2 2015, p. 6).

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. 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 (IAP2 2015, p. 11). A IAP2 Public Participation Spectrum incorporated into a JO CO CI/CP Budgeting Plan (i.e., ordinance) would explain the local governing body’s strategy public outreach and participation.

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. Similarly in the commercial context it may arise from within the business or even be led by the staff and members (IAP2 2015, p. 12).

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. The standard below summarizes the steps of this process. More detail is provided to the practitioner with guidelines for adoption in the original (IAP2 2015, pps. 14 - 22)

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.

IAP2 Audit An Auditing process will be developed to establish the requirements for an audit of a Community and Stakeholder Engagement project to determine the level of adherence to the “Quality Assurance Standard” and adoption of the process set out for community and stakeholder engagement activities. The auditing process will require the auditor to review documented evidence and report on the quality of this evidence against the requirements set out in the standard process as illustrated in the standard (IAP2 2015, pps. 22 - 25). All this means is that CI/CP in budgeting will be addressed with a level of significance equal to that of the LBL’s accounting standards.

E. Directives from JO CO Budgets: FY 2006-07 To FY 2016-17 (not started)

1. Directives
 - a) FY Proposed Budget 2016 - 2017 Directives
 - b) FY Budget 2015 - 2016 Directives
 - c) FY Budget 2014 - 2015 Directives
 - d) FY Budget 2013 - 2014 Directives
 - e) FY Budget 2012 - 2013 Directives
 - f) FY Budget 2011 - 2012 Directives
 - g) FY Budget 2010 - 2011 Directives
 - h) FY Budget 2009 - 2010 Directives
 - i) FY Budget 2008 - 2009 Directives
 - j) FY Budget 2007 - 2008 Directives
 - k) FY Budget 2006 - 2007 Directives
2. Summary Directive Themes

IV. BUDGET PROCESS BRAINSTORMING QUESTIONS

Identifying budget process brainstorming questions is Step 4 in arriving at budget process issues and recommendations. They are CI/CP perspective analysis of the Oregon Budget Law and JO CO budgets.

- Step 1: Chapter I. Introduction/Purpose

Phase I. Identify Brainstorming Questions.

- Step 2: Chapter II. Oregon Budget Law Excerpts
- Step 3: Chapter III. Excerpts from JO CO Budgets: FY 2006-07 TO FY 2016-17
- **Step 4: Chapter IV.** Budget Process Brainstorming Questions From Oregon Local Budget Law & JO CO Budgets: FY Budget 2006-07 to FY 2016-17

Phase II. Analysis of Budget Questions Identified During the Study of the Law, and a Final Identification of Budget Issues.

- Step 5: Chapter V. Analysis: Elements And Components of Citizen Participation In Budgeting Process
- Step 6: Chapter VI. Budget Process Issues

Phase III. Develop recommendations about the local JO CO budget process to the JO CO BCC and the JO CO Budget Committee.

- Step 7: Chapter VII. Budget Process Recommendations
- Step 8: Chapter VIII. Budget Process Conclusions

The budget process brainstorming questions were derived from ideas (i.e., tagged in “**bold**”) identified in Chapters II and III, excerpts from Oregon Budget Law and JO CO budgets. The budget process questions are the foundations for the budget process analysis in Chapter V. The analysis in turn supports the identification of budget process recommendations identified in Chapter VI.

Brainstorming Questions Remember that the goal of brainstorming is NOT to come up with lots of practical solutions, but to come up with a large quantity of ideas. The quality of those ideas is not of great importance because brainstorming helps us kick-start the mind out of its stuck place, and come up with new and interesting directions.

When brainstorming we’re interested in ALL ideas — however unlikely to succeed, ridiculous, funny, outrageous or silly. We capture the sensible, practical and even boring ideas too – but we don’t limit ourselves by saying “That won’t work because…” After all who knows where an impossible idea might lead?

A Few Brainstorming Tips

- The brainstorming questions are on JO CO's budget process for preparing its FY 2006-07 TO FY 2016-17 budgets: 1. final completed proposed, 2. final completed approved, and 3. final completed adopted.
- Questions are developed from the text of the actual FY 2006-07 to FY 2016-17 budgets and Oregon Local Budget Law.
- The question, "What else?" is powerful to open up more ideas and answers. You can also add the words "in life" to the end of the question to get the ideas flowing again!
- When identifying questions try not to 'think' and instead just write whatever pops into your head – The goal is to bypass the rational brain and get underneath to some new creative and different ideas.
- The Authors and the readers must try and strike a balance between allowing time for ideas to surface and keeping the momentum going with the questions.
- While the questions may not seem exciting, remember that the answers might be. The questions are totally open, so the Authors and readers can identify questions from the budget texts any way they see fit— even if their questions seem irrelevant at the time.

Goals and Directive comes from the FY 2015-16 budget message (see Section III.A. Summary of JO CO BCC's Financial Policies). They are one major focus because of the directive from the JO CO Board of County Commissioners (BCC) that the department heads submitting budgets "**Address County goals and clearly define program purpose and expected outcomes.**"

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** approved by the Board of County Commissioners on 02-12-2015:

1. Improve community outreach and communication to the public 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**.
3. Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner.

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**.
2. **Budget only for mandatory** and/or self-supporting **programs**.
3. **Address County goals** and clearly define **program purpose** and **expected outcomes**.

Questions from the interpretation of the goals and directives follow.

Question #1. Are mandated and essential County government programs equal to budgeting at a level consistent with current operational service levels? This seems to be the only way to follow the goals and directives.

Question #2. Are the JO CO departments supposed to “*Develop a sustainable plan for all mandated and essential County government programs.*” but “*Budget only for mandatory and/or self-supporting programs.*” This would omit essential programs from being funded.

Question #3. What are the definitions for “mandated and essential County government programs”?

Question #4. Is to “Budget at a level consistent with current operational service levels.” equal to budgeting for “essential County government programs”?

Question #5. Are mandated county government programs to be budgeted the only “required” programs besides self-supporting programs.? It is assumed that “required” is the “shall” standard that has been held up in court. True?

Question #6. Are there JO CO mandated programs in addition to State mandated programs?

How are the FY 2015-16 budget message mandatory and essential program requirements interpreted from Oregon Budget Law and the Oregon budget manual? Does the budget identify mandatory and essential program requirements and budget levels of service (LOS) outside of the budget message?

It appears the mandatory and essential program requirements are **standard procedures** (*Local Budgeting Manual*) from the governing body for the preparation of the proposed budget. These standard procedures in *Local Budgeting In Oregon* are identified as **standards and budget parameters** established by the governing body as guidelines for budget development.

At first glance many purpose and description statements in the FY 2015-16 budget appear to be mandatory. However, the budget programs do not make it apparent any distinctions between mandatory or essential programs. In the budget text statements, mostly purpose statements, facts and/or declaration of purpose are identified. The program statements do not identify LOS supporting mandatory and/or essential programs.

What about the relationship between mandatory and essential programs, budgeted level of services (LOS) (e.g., mandatory, essential, minimally acceptable level of public safety services (MALPSS), etc.), and typical “requirements” statements described by the verbs “shall,” “will,” “must,” “should, and “may” ? What are the differences in the law when the verbs “shall,” “will,” “must,” “should, and “may” are used? Often the terms “shall” and “must” are used interchangeably, with no definition of what any of these verbs mean.

Requirements The following is from “Requirements Experts” (Appendix F).

- Wheatcraft, Lou. Posted on: October 9th, 2012; Viewed June 28, 2016 *Using the correct terms – Shall, Will, Should*. Requirements Experts. <http://reqexperts.com/>.

Question. Customers have been known to want to include “non-mandatory” requirements in their specifications. They use the verbs “should”, “may” and “will”, among others. Some customers do state that such “non-mandatory” requirements will not need to be verified. What is your take on any statement other than a “shall” being referred to, or used, as a requirement?

Response. Shall – Requirement: Shall is used to indicate a requirement that is contractually binding, meaning it must be implemented, and its implementation verified. Period! Don’t think of “shall” as a word, but rather as an icon that SCREAMS: “This is a requirement.” If a statement does not contain the word “shall” it is not a requirement. If shall is not in the written law, ordinance, resolution, manuals, guidance, etc., it is not a mandatory requirement (Appendix F).

The Authors agree with this article by Requirements Experts as to the meaning of the “shall” statement. Their agreement is based on 15 years in the land use business having to interpret Josephine County’s comprehensive plan and zoning ordinance (i.e., Josephine County Rural Land Development Code).

Interpretations for the FY 2015-16 budget goals & directives. The Authors could not find any budget educational explanations or clarifications on mandatory and essential programs, budgeted level of services (e.g., mandatory, essential, minimally acceptable level of public safety services (MALPSS), etc.), and typical “requirements” statements described by the verbs “shall,” “will,” “must,” “should, and “may”. Therefore, to make sense in asking questions, they developed there own interpretations of action verbs.

The three terms to use in the budget program purpose sections to describe mandatory and essential programs and budgeted level of services are “shall”, “will”, and “should”.

Shall – Requirement: Shall is used to indicate a requirement that is contractually binding, meaning it must be implemented, and its implementation verified through monitoring, evaluation, and/or auditing. This is a requirement. If a statement does not contain the word “shall” it is not a requirement. If shall is not in the written law, ordinance, resolution, manuals, guidance, budget, etc., it is not a mandatory requirement. Shall statements are subject to verification through monitoring (Appendix F).

Will – Facts or Declaration of Purpose. Will is used to indicate a statement of fact. Will statements are not subject to verification. For example: descriptions about another system will use “will”. “The XYZ system will have the timing as defined in an ICD 1234.” Or descriptions of something that exists today, will use “will”. “This report will contain this data...” In a statement of work (SOW) or task order for the budget, use will be to communicate something that will be done.

Should – Goals/Directives, non-mandatory provisions. Should is used to indicate goals and directives which must be addressed by the design of the budget process, but are not formally verified.

Why include “should” goal statements in the budget document? Because the governing body may have a very important issue they want to communicate to the county departments and the public, but it is difficult to do in the form of a verifiable requirement. The JO CO BCC identified the goals to provide direction. The governing body used directives for the public to see how the directives are being addressed by the individual programs.

The governing body can also use “should” if it wants to communicate design criteria. For example, rather than saying “The system shall minimize life cycle costs” which is not verifiable, you make it a goal using “should” instead of “shall”.

Should – Another use for goals is in minimum/maximum or threshold/goal situations.
Example: “The system shall have a threshold response time of less than or equal to 1.0 seconds, with a goal of less than or equal to 0.25 seconds.” The requirement that must be verified is the first value, however it was communicated to the developer that the developer would like better performance – if it doesn’t have a large impact on cost and schedule. Any value in between the threshold and goal is acceptable. MALPSS could work as a lower threshold to the goal.

You always want to keep your goals in front. Not buried in the requirements, but in the same early section of the budget. The goals will be part of the design review.

Must – Don’t use must because no one has defined how must is different from shall. Also, shall has held up in court.

Conclusion The following brainstorming questions will remain as they were when first developed at the start of the Exploratory Committee’s research of the JO CO budget process. For example, they will not change as the Committee becomes more informed about some of the budget processes, and especially after the analyses of Chapter V, including the identification of budget process issues (Chapter VI).

Months after the Authors wrote the above they discovered the criteria of the Government Finance Officers Association’s (GFOA) Distinguished Budget Presentation Award program (V.H). After studying the criteria (GFOA 2015) they found even more (VI.H) terms conditioning criteria that were, or could be, used in evaluating the budget goals and program purpose sections.

Should	Make Sure	Is Essential
May	Can Be	Recommended
Mandatory	Consider	Asks For
Shall	Is Not	Ought To Be
Must	Not Required	Might
Required	Will	Will Not

Being awarded a GFOA Distinguished Budget Presentation Award is significant, except what does it mean? The award criteria includes 177 modifying words to the 27 criteria from “shall” compliance standards to non-mandatory standards. The following are three categorizations of the 177 words. The two modifying words of “should” and “may” are used 96 (55%) times out of the total of 177 words. Four modifying words of “mandatory”, “shall”, “must”, and “required” are used 42 (23%) times out of 177 words. The remaining 12 modifying words (assumed to be non-mandatory compliance standards) are used 39 (22.6%) times out of 177 words.

All non-mandatory modifiers total 135 (77.6%) words out of 177 words (Sections V.H and VI.H).

A. Budget Process Questions From Oregon Local Budget Law

There are five parts to Section IV.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 Objectives (ORS 294.321)
 - d) Oregon Local Budget Law's Citizen involvement Opportunity Questions
 - 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
5. Budget Process Questions From Josephine County FY 2016-17 Budgeting Calendar

Oregon's Local Budget Law (LBL) has several **important purposes** (ORS 294.321).

- (1) To establish **standard procedures for the preparation** (emphasis added), presentation, administration 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 which is to accomplish these programs;
- (3) To provide estimates of revenues, expenditures and proposed taxes;
- (4) To provide **specific methods for obtaining public views in 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 and investors to be apprised of the financial policies** (emphasis added) and administration of the municipal corporation in which they are interested.

1. Budget Process Questions From Oregon Revised Statutes: 294.305 to 294.565

a-1) Are the purposes of Local Budget Law provisions to be addressed in the design of the budget process, but not verified for compliance?

a-2) Are the six purposes of the Local Budget Law, ORS 294.305 to ORS 294.565, compliance requirements that are “shall” requirements for local governments?

a-3) Are the six purposes of the Local Budget Law, compliance requirements under ORS 294.495, ORS 294.500, ORS 294.505, and ORS 294.510?

b-1) The budget message and proposed budget are given separately to the budget committee at its first meeting. Is the budget message also part of the proposed plan as they both deal with the same written explanation of financial policies?

b-2) Is the budget message required in all three final evolutions of the completed budget in the local JO CO budget process?

1. Final Complete Budget Officer Proposed Budget
2. Final Complete Budget Committee Approved Budget
3. Final Complete BCC Adopted Budget

c) Local Budget Law Purpose No. (1). To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations.

c-1) How are the standard procedures for the proposed JO CO budget established?

c-2) Are the budget committee governing body members involved in establishing the standard procedures for the proposed JO CO budget in their separate role as the governing body before the budget committee meets? How and when?

c-3) Are the budget committee “elector” members involved in establishing the standard procedures for the proposed budget? How and when?

c-4) Is the public involved in establishing the standard procedures for the proposed budget? How and when?

d) Local Budget Law Purpose No. (2). To provide for a brief description of the programs of a municipal corporation and the fiscal policy which is to accomplish these programs.

d-1) What are the elements of a brief description of JO CO programs? Are these elements the part of the standard procedures for developing the proposed budget?

d-2) Are elements of JO CO programs the goals and directives of the governing body pertinent to the programs? Is the development of goals and directives for programs part of the standard procedures for developing the proposed budget?

d-3) If a goal is to develop a sustainable plan for all mandated and essential County government programs, does each program have to describe the specific mandated and essential programs?

d-4) Do the standard procedures have to identify what a sustainable plan is?

d-5) If a main directive in preparing department budgets is to budget only for mandatory and/or self-supporting programs, does each program have to describe the specific mandated and self-supporting programs?

- d-6) If a main directive in preparing department budgets is to budget at a level consistent with current operational service levels, does each program have to describe the specific mandated, essential, and/or self-supporting programs' levels of service (LOS)?
- d-7) Are fiscal policy requirements of the budget message and proposed budget?
- d-8) Are the fiscal policy requirements the same fiscal policies required in the budget message and proposed budget?
- d-9) Are fiscal policies part of the required standard procedures for developing the proposed budget?

e) Local Budget Law Purpose No. (4). To provide specific methods for obtaining public views in the preparation of fiscal policy.

- e-1) Under Local Budget Law, what are the types of specific methods for obtaining public views in the preparation of fiscal policy?
- e-2) Is the requirement to provide methods for obtaining public views in the preparation of fiscal policy for the same financial policies required for the budget message and proposed budget?
- e-3) What is the range of citizen involvement mechanisms (i.e., methods for obtaining public views) in the preparation of fiscal policy?
- e-4) Is it correct that the very minimums for specific methods is to require one meeting of the proposed budget to the JO CO Budget Committee for oral public comment, and one meeting of the JO CO BCC for oral public comment?
- e-5) Are there any requirements in Local Budget Law for obtaining public views in the preparation of fiscal policy by written comments? When can written comments be submitted?
- e-5) Are there any requirements in Local Budget Law for obtaining public views in the preparation of fiscal policy by written comments during a designated comment period?

f) Local Budget Law Purpose No. (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.

- f-1) Is the meaning of "apprised" equivalent to the dictionary sense of to give notice to; inform; and advise?
- f-2) If so, is this meaning about being informed, like reading a newspaper, and not about participating in the sense of citizen involvement in the budget process (i.e., preparation of budget by commenting and receiving feedback (i.e., two-way communications) on establishing standard procedures for the preparation, such as financial policies, and on the actual appropriations)?

g) ORS 294.414 Budget Committee.

- g-1) Is the budget committee design of an equal number of members of the governing body and an equal number of members of electors for balance between voters and elected officials (i.e., government)?
- g-2) Are electors appointed for three years equal to members of the governing body elected for four years with elected incumbents having a good chance to be elected again?
- g-3) Is the budget committee design of having all members, both elected and electors, eligible as the presiding officer for the goal of minimizing the government's influence?

h) ORS 294.426. Budget committee meeting; notice; receipt of budget message and document; provision of copies of document.

h-1) How does having the requirement of receiving the budget message and the budget document for the first time, and the providing members of the public with an opportunity to ask questions about and comment on the budget document during the first meeting before the budget committee, promote CI/CP?

h-2) How does having the possibility of one meeting before the public promote CI/CP in establishing standard procedures for the preparation of the proposed budget and in commenting on the preparation of fiscal policy?

h-3) How does having the possibility of subsequent meetings after the first meeting promote CI/CP in establishing standard procedures for the preparation of the proposed budget and in commenting on the preparation of fiscal policy?

h-4) How does providing one copy of the budget document to each member of the budget committee before the first budget meeting promote CI/CP?

h-5) How does filing a copy of the budget document in the office of the governing body of the municipal corporation immediately following presentation of the budget document to the members of the budget committee promote CI/CP for the purposes of “apprising” the public and providing an opportunity for an educated public to comment on the proposed budget?

h-6) Does JO CO web publish it three budgets on the web to promote CI/CP?

1. Final Completed Budget Officer Proposed Budget
2. Final Completed Budget Committee Approved Budget
3. Final Completed BCC Adopted Budget

i) ORS 294.444 County budget summary of revenues and expenditures funded in part by state resources.

i-1) Do the specific programs receiving amounts of revenues and expenditures for major programs (e.g., community corrections, district attorneys, juvenile corrections, etc.) funded in part by state resources have to show the specific information in the budget program?

i-2) What about the sheriff, jail, and legal counsel?

i-3) What if programs do not provide the total expenses for each program and identify the revenues used to fund the program from general county resources, state grants, federal grants, video lottery resources and other resources? Are these deficiencies of the Local Budget Law acting like compliance requirements under ORS 294.495, ORS 294.500, ORS 294.505, and ORS 294.510?

j) ORS 294.448. Manner of publication; alternative requirements in certain cases.

j-1)?

k) ORS 294.451. Sufficiency of publication of budget documents; notice to governing body and assessor of publication error.

k-1) Does a good faith effort that fails to publish budget documents (ORS 294.305; ORS 294.311) make the effort legally sufficient?

k-2) If so, why have the requirements if there is not accountability?

l) ORS 294.453. Hearing by governing body on budget document as approved by budget committee; alternative procedure in certain cases.

l-1) What does the CI/CP opportunity for any person to appear for or against any item in the approved budget document mean?

l-2) Can citizens provide written comments in advance without showing up for the hearing before the governing body?

l-3) Are citizen's written comments read at the meeting for the record?

l-4) Can citizens recognize the governing body's response to their written comments in the meeting minutes or some other written document?

l-5) Can citizens recognize their oral comments in the meeting minutes?

l-6) Can citizens recognize their oral comments and the governing body's response to their comments in the meeting minutes or some other written document?

m) 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.

m-1)?

n) ORS 294.458. Filing copy of budget and certain documents with county assessor and Department of Revenue; records.

n-1) What if the local government does not file with the Department of Revenue a copy of the resolution adopting the budget and of the resolution making appropriations?

o) ORS 294.461. Tax certification contrary to law voidable by Oregon Tax Court; appeal procedure.

o-1) What does voidable mean?

o-2) How do 10 or more interested taxpayers appeal to the regular division of the Oregon Tax Court?

p) ORS 294.471. Supplemental budget in certain cases; no increase in property taxes permitted.

p-1)?

q) ORS 294.473. Procedure when supplemental budget changes estimated expenditures by more than 10 percent.

q-1)?

r) ORS 294.476. Local option tax approved after adoption of budget; supplemental budget.

r-1)?

s) ORS 294.495. Department of Revenue to construe Local Budget Law; rules.

s-1) Is the Department of Revenue the final authority for construing Local Budget Law? Does construe mean the following: interpret a word or phrase in a particular way; analyze the syntax of text, sentence, or word; and/or translate a passage word for word, typically aloud?

s-2) Does the Department of Revenue review local budgets for compliance with Local Budget Law?

s-3) Does the Department of Revenue review local budgets when requested by the public for compliance with Local Budget Law?

t) ORS 294.500. Declaratory ruling by Department of Revenue as to its rules; rules.

t-1) What is a declaratory ruling with respect to the validity of a rule?

t-2) What is a declaratory ruling with respect to the applicability of a rule to any person?

t-3) What is a petition and a disposition?

t-4) How does an interested party provide for a hearing?

u) ORS 294.505. Division of Audits to issue notification of budgetary irregularities; Department of Revenue to advise municipal corporation of correct procedures.

u-1) What starts an audit by the Department of Revenue?

u-2) What does notify the municipal corporation of irregularities in the budget procedure mean?

v) ORS 294.510. Order for revision of budgetary procedures; enforcement.

v-1) What types of irregularities are there?

v-2) How are irregularities called to the attention of the Department of Revenue?

v-3) How does the Department of Revenue order a municipal corporation to revise its budget procedures to conform with Local Budget Law?

v-4) What does file for inspection a copy of the budget document mean?

v-5) What are the stages in the procedure of the budget preparation?

v-6) How does a municipal corporation or officer or employee neglect to comply with the department order?

v-7) How does a municipal corporation or officer or employee refuse to comply with the department order?

v-8) How does the Department of Revenue apply to the judge of the Oregon Tax Court for an order? What is the order requested?

(5) What does the remedy provided in this section for cumulative mean?

2. Budget Process Questions From Oregon Administrative Rules: 150-294.175 to 150-294.920

a) OAR 150-294.175. Department of Revenue Review of the County Assessment, Appeal, Collection, and Distribution of Property Taxes.

a-1) What does “laws requiring equality and uniformity in the system of property taxation” mean?

a-2) Under what circumstances would the Department of Revenue examine property and records to verify the accuracy of county records?

a-3) What is the Computer Assisted Valuation program?

b) OAR 150-294.311. Definition of Taxing Authority.

b-1) "Permanent Tax Rate" ?

b-2) "Local Option Tax" ?

c) OAR 150-294.311(6). Definition of Budget Document.

c-1) What is a budget detail sheet?

c-2) Resolution statement or ordinance - what is the difference? Do all formal local government plans have to be implemented by resolution statement or ordinance?

c-3) What are examples of “any other document the district chooses to include’ in the budget document?

c-4) Would these other documents include a range of citizen involvement/citizen participation opportunities (e.g., review and comment periods, meetings, hearings, focus groups, simulations, permanent advisory committees, surveys, third-party intermediation, workshops, etc.) in budget preparation?

d) OAR 150-294.311(31) Definition of Taxing Authority (Definition of Organization Unit).

d-1) Is an organizational unit any work unit in a local government’s organizational chart?

d-2) What does “accountable” mean? How important is the issue if the government fails in being accountable? How is accountable monitored, evaluated, and/or audited?

d-3) What are the definitions of the specific services, specific functions, and specific activities?

e) OAR 150-294.361(2). Budget Resources.

e-1)?

f) OAR 150-294.388. Proposed Expenditures-Required Presentation.

f-1) What does required presentation mean?

f-2) It is assumed that presentation does not mean the dictionary meaning (i.e., awarding, presenting, giving, handing over/out, bestowal, granting, award "the presentation of his certificate")?

f-3) Does presentation mean proposing a budget in a required format?

f-4) What is the relationship between “required presentation” and the GFOA Distinguished Budget Presentation Award that JO CO has received several times?

g) OAR 150-294.388(1)-(A) Governmental Fund Definitions.

g-1)?

- General Revenue Funds
- Special Revenue Funds
- Capital Projects Funds
- Debt Service Funds
- Special Assessment Funds
- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds

h) OAR 150-294.414. Quorum Necessary to Hold Meeting.

h-1) Is it true that all members of the budget committee are equal?

i) OAR 150-294.426(8). Charging for Budget Document Copies.

i-1) What is the proposed budget document when the local government is establishing fiscal policies for preparing the budget?

j) OAR 150-294.453(1). Quorum Necessary to Hold Meeting.

j-1) What is the difference between OAR 150-294.414 and OAR 150-294.453(1)?

j-2) It appears that the governing board members and the elector members have different authorities when determining quorums. False? True?

k) OAR 150-294.456(1)-(C). Publishing of Amended Budget Document.

k-1)?

l) OAR 150-294.456(3). Manner of Appropriations.

l-1)?

m) OAR 150-294.471. Supplemental Budget Procedures.

m-1)?

n) OAR 150-294.905(2). Members of the Budget Committee: Governing Body and Appointees. Definition of Representatives of the Services Provided for a Council of Government.

n-1)?

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 (Appendix D).

a-1) What are the specific citizen involvement (CI/CP) steps that must be followed during the budgeting process?

a-2) What does "*The process must begin far enough in advance that it can be followed.*" mean? Does this mean as far in advance to perform all the steps in order to meet the final dateline submission to the Oregon Department of Revenue?

a-3) Is one of the most important steps (i.e., standards and budget parameters established by governing body for preparation of the proposed budget) defined well enough for informed citizen involvement?

b) Introduction, *Local Budgeting Manual*

b-1) Is budgeting more than something a local government does once every year?

b-2) Is budgeting a continuous process, taking 12 months to complete a cycle?

b-3) Are all of the stakeholder groups (i.e., governing body, budget committee, and public) provided opportunities to participant in all steps in the process to prepare the budget?

b-4) The budgeting process has four parts.

- Prepared (Proposed Budget).
- Approved Budget.
- Adopted Budget.
- Executed.

c) Oregon's Local Budget Law's Purposes (ORS 294.321).

Purpose 1. To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations;

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;

Purpose 3. To provide estimates of revenues, expenditures and proposed taxes;

Purpose 4. To provide specific methods for obtaining public views in the preparation of fiscal policy;

Purpose 5. To provide for the control of revenues and expenditures for the promotion of efficiency and economy in the expenditure of public funds; and

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.

(1) Oregon Local Budget Law's Purpose 1. To establish standard procedures for the preparation, presentation, administration and appraisal of budgets of municipal corporations.

c-1-1) What are the Oregon Budget Law procedures to establish standard procedures for the preparation of a local government's budget?

c-1-2) Do the Oregon Budget Law procedures include the following goals: 1. informing decision making, 2. educating participants on the budget, 3. gaining support for budget proposals, 4. influencing decision making, and 5. enhancing trust and creating a sense of community?

c-1-3) What are the public opportunities to be involved in the preparation of the budget? This includes questions about policy standards for the preparation of the budget, including goals and directives, and JO CO departments draft budgets submitted to the JO CO Finance Director to develop a proposed budget.

(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.

c-2-1) What are the standards and criteria to determine what and how a "brief description" of the budget programs are prepared?

c-2-2) Does fiscal policy, which is to accomplish budget programs, mean standards and budget parameters established by governing body for preparation of the proposed budget?

c-2-3) Does fiscal policy, which is to accomplish budget programs, mean the FTE, costs and budget detail sheets?

(3) Oregon Local Budget Law's Purpose 3. To provide estimates of revenues, expenditures and proposed taxes.

c-3-1)?

(4) Oregon Local Budget Law's Purpose 4. To provide specific methods for obtaining public views in the preparation of fiscal policy.

c-4-1) What types of public involvement opportunities are used in the budget process for obtaining public views in the preparation of fiscal policy (e.g., public meetings, public hearings focus groups, simulations, advisory committees, surveys, etc.)? Are there any restrictions in law as to the type of citizen involvement mechanism?

c-4-2) Is informed decision making accomplished through passive participation in which citizens communicate their level of satisfaction with the proposed budget to decision makers through testimony at public meetings/hearings?

c-4-3) Is citizen education an important goal in budget participation?

c-4-4) Is citizen participation useful in marketing budget proposals?

c-4-5) Is citizen participation designed to actually influence budget decision making?

c-4-6) Does fiscal policy which is to accomplish budget programs mean standards and budget parameters established by governing body for preparation of the proposed budget?

c-4-7) Does fiscal policy, which is to accomplish budget programs, mean the FTE, costs and budget detail sheets?

c-4-8) Are the JO CO BCC goals clearly articulated to the public before the preparation process begins (i.e., at the time the JO CO departments learn of the goals)?

c-4-9) Are meetings and hearings required for the public to share their comments?

- c-4-10) Are their public comment periods on the policy standards for the preparation of the budget, proposed budget, approved budget, and adopted budget?
- c-4-11) Are public comments part of the written public record with feedback in the record for how the governing body used the comments?
- c-4-12) Are the governing body's responses to citizen comments part of the written public record?

(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.
c-5-1)?

(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.

c-6-1) What does "to enable the public to be apprised" mean?

c-6-2) Is it informing the public of a reality already constructed by officials through two meetings/hearings at the end of the budget process? Most states impose certain legal budget requirements on local governments (such as public hearings) that may either enhance or constrain citizen participation. What is JO CO's record of CI/CP in the budget process (e.g., how many citizens show up for meetings/hearings, contact a member of the budget committee or governing body, provide oral testimony, submit written comments, organized local groups, support and protest levies, etc.)?

c-6-4) Is there any opportunity in OLBL to have a process where citizen input is possible at the preparation stage rather than the budget approval and adoption phases?

c-6-5) Does fiscal policies mean standards and budget parameters established by governing body for preparation of the proposed budget, but not the budget committee and/or the public?

c-6-6) Does fiscal policies mean the FTE, costs and budget detail sheets?

c-6-7) Does fiscal policies mean both c-6-5) and c-6-6)? How?

d) Oregon Local Budget Law's Citizen Involvement Opportunity Questions

(1) Public Ample Opportunity to Participate in the Budgeting Process

d-1-1) What does "ample" mean? Does ample mean enough or more than enough; plentiful. Does ample mean large and accommodating?

d-1-2) What does "ample opportunity" mean? Does it mean fully sufficient or more than adequate for the purpose or needs; plentiful; enough: an ample supply of water; ample time to finish. 2. of sufficient or abundant measure; liberal; copious: an ample reward?

d-1-3) Does "To give the public ample opportunity to participate in the budgeting process," mean that it is important enough for the Oregon Department of Revenue to have a citizen participation in budgeting program?

d-1-4) Public involvement is about people, their perceptions, beliefs, aspirations, knowledge, and understanding. How can you measure success for the goal of giving the public ample opportunity to participate in the budgeting process?

d-1-5) Would having practical criteria for the measurement of public involvement efforts based on evaluation of participants' goals and expectations help?

d-1-6) As the final interpreter of Oregon Local Budget Law, does the Department of Revenue have guidance and/or direction to local governments on how to develop a citizen participation in budgeting program and plan?

d-1-7) Does "public ample opportunity to participate in the budgeting process" use "The Ladder of Citizen Participation" to identify beneficial outcomes of citizen participation in budgeting programs such as the following?

- Reducing isolation of the financial planner from the public.
- Generating a spirit of cooperation and trust.
- Providing opportunities to disseminate information.
- Identifying additional dimensions of inquiry and research.
- Assisting in identifying alternative solutions.
- Providing legitimacy to the planning effort and political credibility of the local government.
- Increasing public support.

d-1-8) What citizen participation techniques are part of the Oregon Department of Revenue's CI/CP in budgeting programs?

- Publicity
- Public Education
- Public Input
- Public Interaction
- Public Partnership

d-1-9) Does Oregon Local Budget Law's budgeting process provide ample citizen participation opportunities in both budget planning and budget policy making?

d-1-10) Worst Case - Is "To give the public ample opportunity to participate in the budgeting process," two one-day meetings/hearings (i.e., before budget committee and governing body) where "any person may appear for or against any item in the budget," for the purpose of minimizing public participation in the budget process claiming citizen participation is too expensive and time consuming.

d-1-11) Establishing performance standards and benchmarks for public involvement provides the advantage of allowing initial agreement on what is important. Pre-established metrics, including performance indicators, benchmarks, and performance standards set beforehand based on key project goals, can help to gain up-front agreement on what to measure, and can be integrated into the project design.

d-1-12) What about a mix of CI/CP process and outcome goals, as well as a mix of tools and techniques?

d-1-13) What are the key factors in developing an effective public involvement process in budgeting that can attain the goals of the local governing body and address the expectations of the public?

d-1-14) What about the following ideas for CI/CP: early involvement, inclusiveness, two-way communication, adequate information and resources, an appropriate degree of citizen control, incentives and/or compensation, government clarity, openness, and management (i.e., JO CO BCC, other elected officials, JO CO department heads) commitment, development of trust, prior community experience, agreement on goals, and going beyond legal minimums?

(2) Governing Body Holds a Public Hearing for Citizen Comments

d-2-1) Does this “for or against comment process” promote citizens expressing their views, provide opportunities for citizens to respond to the ideas of others, and offer a future toward the work of consensus?

d-2-2) Does the “for or against comment process” aid the governing body by ensuring that views are identified, questions raised, answers provided, and judgements supported?

d-2-3) Is the “for or against comment process” recorded for the record?

d-2-4) Does the “for or against comment process” recorded record provide a written response from the governing body on how it considered and addressed public comments?

d-2-5) Does the “for or against comment process” address the following goals/objectives of public consultation?

1. To build credibility with those who will be affected, those who will pay and those who will use a public service.
2. To identify public concerns and values.
3. To develop consensus among the impacted parties, users of public services, and those who pay.
4. To create the greatest number of "unsurprised" apathetics.
5. To produce better financial policy decisions (i.e., public consultation and "technical" decision process).
6. To enhance democratic practice (i.e. the democratic ideology which underlies the North American political structure has as a principle tenet of the right to participate in decision making).

d-2-6) Does the “for or against comment process” start and end the day of the hearing?

d-2-7) Does the “for or against comment process” avoid the issue that can arise when the public feels it is excluded from a public budget decision-making process?

(3) Citizen Involvement in the Budget Cycle Varies by Community

d-3-1) What is citizen involvement in the budget cycle and how does it, or can it, vary from one community to another? What is the potential to go beyond the legal minimums?

d-3-2) What is the difference, if any, between citizen involvement and citizen participation?

d-3-3) Are the following definitions considered accurate by the Oregon Department of Revenue?

- Citizen participation is a process which provides private individuals an opportunity to influence public decisions and has long been a component of the democratic decision-making process.
- Citizen involvement is a means to ensure that citizens have a direct voice in public decisions.

d-3-4) Would the following citizen participation in budgeting process techniques vary from one community to another?

- Publicity — Publicity techniques are designed to persuade and facilitate public support, relating to citizens as passive consumers.
- Public Education — Public education programs present relatively complete and balanced information so that citizens may draw their own conclusions.
- Public Input — Public input techniques solicit ideas and opinions from citizens. They are most effective when combined with feedback mechanisms which inform participants of the extent to which their input has influenced ultimate decisions.
- Public Interaction — Public interaction techniques facilitate the exchange of information and ideas among citizens, planners, and decision makers. When these techniques are effectively utilized, each participant has the opportunity to express his or her views, respond to the ideas of others, and work toward consensus.
- Public Partnership — Public partnerships offer citizens a formalized role in shaping the ultimate decisions.

(4) Budget That Clearly Outlines its Fiscal Policies for the Citizens It is up to each local government to prepare a budget that clearly outlines its fiscal policies for the patrons of the district.

d-4-1) Can the fiscal policies of the JO CO FY 2015-16 budget process, and final adopted budget near 800 pages long, including appendices, be clearly outlined (i.e., give a summary of something)?

Fiscal policy is the use of government spending and taxation to influence the economy.

When the government decides on the goods and services it purchases, the transfer payments it distributes, or the taxes it collects, it is engaging in fiscal policy.

Clearly Meaning: in such a way as to allow easy and accurate perception or interpretation.

Synonyms for Clearly: intelligibly, plainly, distinctly, comprehensibly, with clarity; without doubt; obviously, evidently, patently, unquestionably, undoubtedly, without doubt, indubitably, plainly, undeniably, incontrovertibly, irrefutably, doubtless, it goes without saying, needless to say.

d-4-2) Are the budget goals and directives from the JO CO BCC fiscal policies of the budget?

- d-4-3) Can the fiscal policies be clearly articulated to the JO CO Budget Committee and the public before the budget process formally begins at the time the budget message is given at the first public meeting of the JO CO Budget Committee?
- d-4-4) Would making the budget goals and directives from the JO CO BCC available to the JO CO Budget Committee and the public before the budget process publically begins be valuable?
- d-4-5) Would involving the public in all the budget process be more open and help build trust in government?
- d-4-6) What are budget process strategy alternatives that might have a chance, over the long-term, to improve public trust in government, even support from the public for government budget decision-making?

(5) Clear and Concise Budget Promotes Taxpayers Understanding If a budget is clear and concise, taxpayers have a better understanding of what services their tax dollars are buying.

- d-5-1) Is a clear and concise JO CO FY 2015-16 budget process, and final adopted budget near 800 pages long, including appendices understandable by the public?
- d-5-2) Can a near 800 page budget be clear and concise (i.e., clear and concise = expressing or covering much in few words; brief in form but comprehensive in scope; succinct; terse)?
- d-5-3) Can a near 800 page budget promote a better understanding of a very complex budget?
- d-5-4) What do the taxpayers need to have a better understanding of what services their tax dollars are buying?
- d-5-5) Would a Citizens' Guide To The Budget help?
- d-5-6) Would more time to be involved (e.g., review the proposed budget, give testimony, etc.) help, from the day the JO CO BCC provide goals and directives to the JO CO elected officials and JO CO department heads for developing the proposed budget and when it becomes publically available, and the hearing day for public testimony?

e) Chapter 1, Who Is Involved In The Budget Process?

- e-5-1) When do the many state and local agencies and organizations involved in the budget process start participating in the preparation of the budget?
- e-5-2) What is the authority of the Oregon Department of Revenue (ODR) in its oversight role in the budgeting process?
- e-5-3) What does ODR's sole authority to interpret and administer Local Budget Law mean?
- e-5-4) How can citizens become involved in asking for assistance from the ODR in understanding their role in the budget process under Local Budget Law?

f) Chapter 3, The Budget Process

- f-6-1) How can citizens become involved in the local budgeting process for the purpose of evaluating a local government's needs?
- f-6-2) How do citizens review a proposed budget of 800 pages in a few days or weeks?
- f-6-3) What "information" is in the budget that encourages public participation in government and the budget process?
- f-6-4) How timely should the "information" be for public review to have meaning at a public meeting/hearing?

- f-6-5) How does the governing body temper the detail of the budget with common sense to make the document as informative and uncomplicated as possible?
- f-6-6) Can the JO CO Budget Committee and the public become involved at the time the JO CO BCC provides direction to the budget officer on how to prepare the proposed budget?
- f-6-7) Is understanding the budget message crucial to understanding the budget?
- f-6-8) How should the budget message explain the budget document?
- f-6-9) What is a brief description of the proposed financial policies for the coming fiscal year?
- f-6-10) What are the proposed financial policies beyond the goals and directives?
- f-6-11) What are the important features to be described in the budget message?
- f-6-12) Can the JO CO Budget Committee and the public be involved in the development of the financial policies of the county, its changes from the previous year, and any major changes in the financial policies?
- f-6-13) Why is the availability of the budget message delayed until the first meeting of the JO CO Budget Committee?
- f-6-14) Since the budget message is part of the complete budget document, must it be available in all the completed budgets available for public review (i.e., proposed budget, approved budget, and adopted budget)?
- f-6-15) Can the budget message be shared with the JO CO Budget Committee and the public before the first budget committee meeting?
- f-6-16) Is the minimum Oregon Budget Law standard that at least one meeting/hearing must provide the opportunity for questions and comments on the proposed budget from any interested person in front of both the JO CO Budget Committee and the JO CO BCC?
- f-6-17) Does the minimum Oregon Budget Law standard allow the JO CO Budget Committee to meet for **training and advisory reviews** throughout the year as long as the budget is not deliberated before the first meeting for which notice is published?
- f-6-18) What kind of training can be provided?
- f-6-19) What is an advisory review?
- f-6-20) Has the JO CO Budget Committee every met for training and advisory reviews?
- f-6-21) Are all JO CO Budget Committee training and advisory reviews “meetings” subject to Oregon’s Public Meetings Law (ORS Chapter 192)?
- f-6-22) What is the purpose of **making the proposed budget available** to the members of the JO CO Budget Committee **at any time before its first meeting**?
- f-6-23) Does the proposed budget become a public record at the time it is made available to the JO CO Budget Committee, and therefore, it is available to the public for review and comment?
- f-6-24) What is the purpose of not making the proposed budget available to the members of the JO CO Budget Committee and the public before the committee’s first meeting?
- f-6-24) How does not making available the policies and directives of the proposed budget to the JO CO Budget Committee before its first meeting in compliance with the public meeting law policy statement (ORS 192.620) that “*The Oregon form of government requires an informed public aware of the deliberations and decisions of the governing bodies and the information upon which such decisions were made. It is the intent of ORS 192.610 to 192.690 that decisions of governing bodies be arrived at openly.*”

g) Chapter 8, The Budget Committee and Approving the Budget

g-7-1) How does the JO CO Budget Committee perform the role of fiscal planning advisory committee to JO CO the when it is not involved in fiscal policies delivered to the JO CO departments by the JO CO BCC prior to the JO CO Budget Committee's first meeting?

g-7-2) Does Oregon Budget Law require JO CO to establish a budget committee (ORS 294.414)?

g-7-3) Is the budget committee composed of the governing body members and an equal number of electors appointed by the governing body? An elector is a qualified voter who, for example, has the right to vote for a ballot measure submitted by the local government.

g-7-4) What are the authorities of appointed members of the budget committee versus the elected members? Do all members of the JO CO Budget Committee have equal authority as each member's vote counts the same, and any member can be elected by the committee as its chair?

- "All members of the budget committee have **equal authority** (emphasis added). Each member's vote counts the same. Any member can be elected by the committee as its chair." (*Local Budgeting Manual*, p. 44).

g-7-4b) How are the three electors (i.e., qualified JO CO voters) equal to the three members of the JO CO BCC when many budget law requirements exist in the JO CO budget process whose outcomes dictate otherwise?

- The JO CO budget process is a continuous process with the JO CO BCC members involved for the 12 months of the year (i.e., the BCC developed the fiscal policies it thought best after months and months of work without the budget committee being involved).
 - Budgeting is not simply something a local government does once every year or two. **It is a continuous process, taking 12 or 24 months** (emphasis added) to complete a cycle. The budgeting process has four parts. The budget is: 1) prepared, 2) approved, 3) adopted, and 4) executed (*Local Budgeting Manual*, p. 5).
- Electors to the JO CO Budget Committee are appointed by the JO CO BCC, and in JO CO the Electors are involved for about a month from when the proposed budget is made available to them and the public to the time the committee approves the proposed budget.
- Members of the JO CO BCC will probably have more training and experience in the budget process. Information is lacking on the annual training of the Electors.
- Electors 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).
 1. Internal. Standards and budget parameters (S&BP) established by the JO CO BCC and provided to the JO CO Finance Director (i.e., budget officer) and administrative staff as general guidelines for development of the proposed budget (i.e., February?).
 2. Internal. Completed budgets from JO CO departments to JO CO Finance Director.
 3. Internal. Week of JO CO BCC review with JO CO Finance Director and individual JO CO departments.
 4. Internal. The JO CO Finance Director prepares a budget which reflects the JO CO BCC's S&BP.
- Timing Is Late: Even when the Electors are part of the budget process to develop the proposed budget, they like the public are asked to participate too late in the budget process and are less likely to influence outcomes.
 5. Public. The JO CO Finance Director's final proposed budget is what the JO CO Budget Committee and the public sees for the first time and considers during its meetings.
 6. Public. JO CO Budget Committee influence on programs and services is most often exerted at a higher level, when it approves the overall budget and establishes the tax levy; it is usually not involved with funding for specific services.

7. Public. Having said all that, if a majority of the JO CO Budget Committee agrees, it can add or delete funding for specific services.
8. Public. Public participation at JO CO Budget Committee meetings may influence committee approval decisions.
- The members of the JO CO BCC are the unequaled authority for the final adopted budget.
9. Public. Final authority for administration rests with the JO CO BCC.
10. Public. The JO CO BCC can make changes after the JO CO Budget Committee has approved the budget, although they may have to re-publish the budget and hold another public hearing to do so.

g-7-5) **Should JO CO Budget Committee members develop a general understanding of the budget process, the departments or programs** included in the budget document, and the legal constraints imposed on the local government's tax levy after budget committee approval?

g-7-6) Will reading "*Local Budgeting in Oregon*" (150-504-400) create understanding of the JO CO Budget Committee members of the budget process, the JO CO departments or programs, and the legal constraints?

g-7-7) Are the duties of the JO CO Budget Committee limited to meeting publicly to review the **budget document as proposed** by the budget officer?

g-7-8) Is the first time the proposed budget and the budget message is made available to the JO CO Budget Committee at its first notified meeting?

g-7-9) Does Oregon Budget Law require **at least one meeting/hearing in which the public may ask questions about and comment** on the budget before both the JO CO Budget Committee and the local governing body?

g-7-10) Does Oregon Budget Law permit the first meeting of the JO CO Budget Committee to also be the first and only meeting in which the public may ask questions about and comment on the budget?

g-7-11) Can the JO CO Budget Committee meet from time to time throughout the year at the discretion (i.e., the freedom to decide what should be done in a particular situation) of the JO CO BCC for purposes such as training?

g-7-12) Are JO CO Budget Committee training meetings open to the public?

g-7-13) How many JO CO Budget Committee training meetings have the JO CO BCC authorized and implemented in the last 10 years?

g-7-14) Are the following purposes the only roles of the JO CO Budget Committee at its meetings?

Purpose 1. The budget **committee elects a presiding officer** from among the members at the first meeting [ORS 294.414(9)].

Purpose 2. The budget committee **hears the budget message at its first meeting.**

Purpose 3. One of the committee's **most important duties is to hear and consider any testimony presented by the public about the budget.**

Purpose 4. The budget committee reviews and, if a majority of the committee feels it is necessary, **revises the proposed budget submitted by the budget officer.**

Purpose 5. The committee must ultimately **balance each fund and approve the budget.**

Purpose 6. The committee **may ask questions of the executive officer or other staff, and request additional information.** The committee is **entitled to receive any information it needs** to make decisions about the budget (ORS 294.428).

Purpose 7. Any budget committee action requires the affirmative vote of a majority of the total budget committee membership [OAR 150-294.336-(B), implementing ORS 294.414].

Purpose 8. The budget **committee may approve the budget at the first meeting.**

However, it **could take several meetings** to do so. [ORS 294.428(2)].

g-7-15) Has the JO CO Budget Committee completed all of the duties required of it by Local Budget Law once it has approved the budget?

g-7-16) Can the JO CO Budget Committee have a substantial role in other parts of the budget process, such as local policy decisions, if approved by the JO CO BCC, such as adopting a supplemental budget?

g-7-17) **After the budget committee approves the budget**, is it turned over to the JO CO BCC and the process **enters into the adoption stage**?

g-7-17) Does the JO CO BCC have the final responsibility for allocating the resources of the budget to the programs and departments of the local government [ORS 294.456(1)]?

h) Chapter 9, Publication Requirements

h-8-1) Why is publishing **meeting notices and a financial summary of the budget some of the most important parts of the budget process** (ORS 294.426; 294.438; and 294.448)?

h-8-2) Why is publishing notice of the first meeting of the JO CO Budget Committee held for the purpose of receiving the budget message and budget document important?

h-8-3) Why is publishing notice of the first meeting at which questions and comments from the public will be heard important?

h-8-4) If the purpose of a narrative publication (ORS 294.438) is to give meaning to the budget figures while highlighting significant features in the budget, how is it different from the citizen involvement objects identified in Local Budgeting Manual?

- It is up to each local government to prepare a budget that clearly outlines its fiscal policies for the patrons of the district.
- If a budget is clear and concise, taxpayers have a better understanding of what services their tax dollars are buying.

h-8-5) Does the JO CO BCC have the authority to include a narrative publication with any other information that it wants to provide, in any form or format?

h-8-6) Is a narrative publication like a Citizens Guide To The Budget?

i) Chapter 11, The Budget Hearing and Adopting the Budget

i-9-1) Must the JO CO BCC hold a public hearing on the budget and then adopt the budget after the JO CO Budget Committee has approved the budget?

i-9-2) Why is publishing a summary of the budget that has been approved by the JO CO Budget Committee, and a notice of the budget hearing, one of the most important steps in the JO CO budget process?

i-9-3) After the “*Notice of Budget Hearing*” is published, does the budget hearing have to take place at the time and place published for the hearing?

i-9-4) Does the JO CO BCC conduct the “*Notice of Budget Hearing*” hearing and **receive testimony from any person present** (ORS 294.453)?

i-9-5) Must the JO CO BCC **give consideration to matters discussed** at the hearing (ORS 294.456)? How is this action recorded?

- i-9-6) Is the JO CO BCC **receiving testimony from any person present** at the hearing (ORS 294.453) limited to oral and/or written testimony at the hearing?
- i-9-7) Can the public provide written testimony to the JO CO BCC before the meeting/hearing?
- i-9-10) Is there a public comment period for the purpose of the JO CO BCC receiving testimony from any person present in the form of written testimony?
- i-9-11) Does to **give consideration to matters discussed** at the hearing (ORS 294.456) mean the JO CO BCC has any public testimony recorded for the record in a written document?
- i-9-12) Does to **give consideration to matters discussed** at the hearing (ORS 294.456) mean the JO CO BCC has recorded for the record specifically how it considered testimony from the public in a written document?
- i-9-13) Can the JO CO BCC make it their **policy to ask the JO CO Budget Committee to participate** in the adoption phase of the budget process?
- i-9-14) Must the adoption hearing be held on the budget that was approved by the JO CO Budget Committee, even if the JO CO BCC intends to modify that version of the budget before adopting it.
- i-9-15) Must the **published financial summary** reflect the **version of the budget that was approved by the** JO CO Budget Committee?

j) Glossary

- j-10-1) What is the purpose of the Local Budget Manual glossary?
- j-10-1) What terms are required in the Local Budget Manual glossary?

4. Budget Process Questions From Local Budgeting in Oregon This document, *Local Budgeting in Oregon* (LBIO), is a supplement to the *Local Budgeting Manual* (150-504-420), (*Manual*). This booklet will introduce you to the requirements of Oregon’s Local Budget Law, but it is not a substitute for the *Manual*

a) Important Objectives of Local Budget Law

a-1-1) Does Oregon’s Local Budget Law do the following two important things?

- **It establishes standard procedures for preparing**, presenting, and administering the budget.
- **It requires citizen involvement in the preparation of the budget** and public disclosure of the budget before its formal adoption.

a-1-2) Is budgeting in Oregon a **joint effort between the people affected** by the budget and the **appointed and elected officials responsible** for providing the services?

a-1-3) What does joint effort mean?

a-1-4) Does joint effort mean one of the following: 1. as in collaboration, 2. as in teamwork, or as in coercion?

a-1-5) Or does joint effort mean none of the definitions in brainstorming question a-1-4), and mean a relationship between people affected and elected officials responsible?

a-1-6) How does local budget law requiring that a budget officer be appointed and a budget committee be formed give the public ample opportunity to participate in the budget process?

a-1-7) How does notices that budgets are made available for public review provide opportunities for public comment?

a-1-8) What does the “**at least two opportunities for public comment**” at hearings at the end of the budget process give meaningful encouragement for public participation in the budget-making process?

a-1-9) How does the “**at least two opportunities for public comment**” at hearings at the end of the budget process give meaningful public exposure to budgeted programs and fiscal policies before their adoption?

a-1-10) Has the “**at least two opportunities for public comment**” at hearings at the end of the budget process informal public participation plan developed public trust in the JO CO budget process?

- Outcome - Traditional service provision minimizes citizen involvement in service planning and involvement in service delivery, 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 (Davis 2016, p. 48).
- Outcome - The current system in Josephine County is very similar to the traditional model. Josephine County residents have some control over budgeting as it concerns to 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).
- Outcome?
- Outcome?

b) Monitoring And/Or Compliance Of Local Budgets Under Local Budget Law

b-2-1) What has the JO CO BCC and/or the JO CO Budget Committee done when citizens ask for information not specifically required under Oregon Local Budget Law?

b-2-2) How does the JO CO BCC and/or JO CO Budget Committee determine that its budgets (i.e., proposed, approved, and adopted) clearly outlines its fiscal policies and is satisfactory to the voters of the district? Does any kind of monitoring or compliance analysis and documentation occur by the JO CO BCC and/or JO CO Budget Committee?

b-2-3) If the JO CO budget is clear and concise, does the JO CO BCC and/or JO CO Budget Committee find that taxpayers have a better understanding of the purposes for which their tax dollars are spent and trust in government is building?

b-2-4) Does the JO CO BCC and JO CO Budget Committee find that citizen input is informative and beneficial, and if so, how?

c) Budgeting Process Encourages Citizen Input

c-3-1) Does the JO CO budget outline programs for the coming year, and control the local government's spending authority?

c-3-2) Does the JO CO budgeting process encourage citizen input, and if so, how?

c-3-3) If the JO CO budgeting process encourages citizen input, how is it vehicle for **obtaining public opinion about proposed programs and fiscal policies** of JO CO?

c-3-4) Does being a vehicle for obtaining public opinion about proposed programs and fiscal policies of JO CO mean the two meetings/hearings opportunities for the public that gives input at the meetings/hearings?

d) The Budget Cycle: The Nine Steps

Preparing the Budget

Step 1. Budget Officer Appointed.

Step 2. Proposed Budget Prepared.

Approving the Budget

Step 3. Budget Officer Publishes Notice.

Step 4. Budget Committee Meets.

Step 5. Committee Approves Budget.

Advertising and Holding Hearings

Step 6. Budget Summary and Notice of Budget Hearing Published.

Step 7. Budget Hearing Held.

Adopting the Budget

Step 8. Budget Adopted, Appropriations Made, Tax Levy Declared, and Categorized.

Step 9. Budget Filed and Levy Certified.

d-4-1) Is budgeting something done once a year, or is it a continuous operation, that takes 12 months to complete a cycle ?

d-4-2) What are the implications for a 12 month involvement cycle for the JO CO Budget Committee and/or the public versus and end of the budget cycle for involvement?

e) Preparing the Budget

- e-5-1) Is a budget officer a “shall” requirement of Local Budget Law for JO CO?
- e-5-2) Is the budget officer under the supervision of the JO CO BCC?
- e-5-3) Is the budget officer responsible for preparing or supervising the preparation of the proposed budget for presentation to the JO CO Budget Committee and the public in accordance from its supervisors (i.e., JO CO BCC)?

f) Approving the Budget By The JO CO Budget Committee

- f-6-1) Is it the minimum requirement of Local Budget Law that at least one meeting must be held before the JO CO Budget Committee to 1. receive the **budget message** and budget document, and 2. hear the public, and it could occur at one meeting/hearing, or over several meetings/hearings?
- f-6-2) What does “hear the public” mean?
- f-6-3) Does the budget become a **public record and must it be made available to the public** when it is given to the JO CO Budget Committee?
- f-6-4) Do all budget discussions by the JO CO Budget Committee have to be held at public meetings?
- f-6-5) Does the budget message have to be delivered to the JO CO Budget Committee at its first budget committee meeting?
- f-6-6) Is the purpose of the **budget message** given at the first budget committee meeting, to explain the proposed budget, and significant changes in the local government’s financial position?
- f-6-7) Is it true that at its first meeting, the JO CO Budget Committee may **provide members of the public the opportunity to ask questions about or comment on the budget?**
- f-6-8) How does the JO CO Budget Committee know to provide members of the public the opportunity to ask questions about, or comment on the budget, if it has not been involved in the preparation of the budget, and has never hear the budget message before?
- f-6-9) Must the JO CO Budget Committee provide the public with the opportunity for public comment at subsequent meetings, if it is not allowed at the first budget committee meeting?

g) Advertising and Holding Hearings

- g-7-1)

h) Adopting the Budget

- h-8-1) Must all budgets must meet certain minimum requirements?
- h-8-2) Under local budget law, must the budget follow a basic format?

i) The Local Budget Process Chart The nine step budget process is shown on the chart.

- Step 1. Budget Officer Appointed.
- Step 2. Proposed Budget Prepared** (emphasis added).
- Step 3. Budget Officer Publishes Notice.
- Step 4. Budget Committee Meets.
- Step 5. Committee **Approves Budget**.
- Step 6. Budget Summary and Notice of Budget Hearing Published.
- Step 7. Budget Hearing Held.

- Step 8A. Tax Levy Declared, and Categorized.
- Step 8B. **Budget Adopted**, Appropriations Made,
- Step 9. Budget Filed and Levy Certified.

- i-9-1) Is the JO CO Budget Committee the JO CO's fiscal planning advisory committee?
- i-9-2) Are the members of the JO CO Budget Committee equal to the JO CO BCC and an equal number of qualified district voters appointed by the JO CO BCC?
- i-9-3) Do the qualified district voters necessarily represent the public when they are appointed by the JO CO BCC?
- i-9-4) What are the rules about JO CO Budget Committee meetings? Do they provide an accessible public record for the citizens of JO CO to understand their role in budget hearings before the budget process starts?
- i-9-5) Where are the minutes of JO CO Budget Committee meetings kept?
- i-9-6) Are minutes the official record of the JO CO Budget Committee meetings?
- i-9-7) How important is it that minutes are accurate for public input (i.e., comprehensive, more than a summary, etc.)?
- i-9-8) How does the JO CO BCC and/or the JO CO Budget Committee document that the JO CO budget process was in compliance with Oregon Budget Law? If so, where is this documentation, and especially where are the assessments supporting these compliance statements?
- i-9-9) What if the budget process is perceived by some citizens to not be in compliance with Oregon Budget Law?

j) What happens at the first JO CO Budget Committee meeting?

- j-10-1) Is the following accurate for the roles of the JO CO Budget Committee at its first meeting: 1. budget committee elects a chair and other officers, **2. receives the budget message**, **3. hears patrons**, 4. sets dates for future meetings, and 5. adopts rules of order?
- j-10-2) Does at least one subsequent meeting have to be provided if the opportunity for the public to ask questions and make comments about the budget at the first meeting does not occur?
- j-10-3) Does this mean that citizens must be prepared to attend at least two JO CO Budget Committee meetings (i.e. first and potential subsequent) because the first meeting does not have to advertise that public testimony will be accepted?

k) How is the material that is presented by the budget officer at the first JO CO Budget Committee meeting prepared?

- k-11-1) Is the budgeting process a continuous cycle that generally begins long before the JO CO Budget Committee first meets?
- k-11-2) What is the JO CO procedure for review and development of the proposed budget before it is presented to the JO CO Budget Committee at its first meeting?
- k-11-3) Are budget goals and directives for preparing the budget given to JO CO departments to develop their individual budgets for the upcoming fiscal year months prior to the first budget committee meeting?
- k-11-4) Are these individual JO CO department budgets then "rolled up" into the total JO CO proposed budget by the budget officer and made available to the JO CO Budget Committee and public at the committee's first meeting?

k-11-5) Are many months and hours of work have been expended in budget development by the JO CO BCC, other elected officials, JO CO Budget Officer, JO CO department heads, and other JO CO administrators by the time the JO CO Budget Committee and the public sees the **budget message and proposed budget document** for the first time?

k-11-6) When does the official internal budget process start and what are its steps?

k-11-7) May JO CO Budget Committee members ask questions other than at budget committee meetings?

k-11-8) Would it help other JO CO Budget Committee members if inquiries were not restricted to committee meetings?

k-11-9) Would checking with the budget officer between meetings allow JO CO Budget Committee members to explore budget items of interest in greater detail than might be practical during committee meetings?

k-11-10) Would JO CO Budget Committee members questions also assists the budget officer by giving an indication of concerns, making it possible to highlight issues that may be of interest to the entire JO CO Budget Committee?

k-11-11) Can JO CO Budget Committee members consult with other budget committee members about details in the budget other than at budget committee meetings? No.

k-11-12) Can the JO CO Budget Committee add or delete programs or services, or is the committee's role not to directly establish or eliminate specific programs or services?

k-11-12) Are the **standards and budget parameters established by the JO CO BCC** given to the budget officer and JO CO departments as general guidelines for budget development without involvement by the JO CO Budget Committee and the public?

k-11-13) Why aren't the JO CO Budget Committee and the public involved in developing the goals and directives to the budget officer and JO CO departments prior to the budget process officially begins at the first meeting of the JO CO Budget Committee meeting?

l) JO CO Budget Process To Develop JO CO Proposed Budget

l-12-1) Is the following the actual JO CO budget process for developing the proposed budget?

1. Internal. Standards and budget parameters (S&BP) established by the JO CO BCC and provided to the JO CO Finance Director (i.e., budget officer) and administrative staff as general guidelines for development of the proposed budget (i.e., February?).
2. Internal. Completed budgets from JO CO departments to JO CO Finance Director.
3. Internal. Week of JO CO BCC review with JO CO Finance Director and individual JO CO departments.
4. Internal. The JO CO Finance Director prepares a budget which reflects the JO CO BCC's S&BP.
5. Public. The JO CO Finance Director's final proposed budget is what the JO CO Budget Committee and public sees for the first time and considers during its meetings.
6. Public. JO CO Budget Committee influence on programs and services is most often exerted at a higher level, when it approves the overall budget and establishes the tax levy; it is usually not involved with funding for specific services.

7. Public. Having said all that, if a majority of the JO CO Budget Committee agrees, it can add or delete funding for specific services.
8. Public. Public participation at JO CO Budget Committee meetings may influence committee approval decisions.
9. Public. Final authority for administration rests with the JO CO BCC.
10. Public. The JO CO BCC can make changes after the JO CO Budget Committee has approved the budget, although they may have to re-publish the budget and hold another public hearing to do so.

m) After the budget is approved by the budget committee and recommended to the governing body, what action does the governing body take?

m-13-1) Is the JO CO BCC required to publish a financial summary of the proposed budget that was approved by the JO CO Budget Committee?

m-13-2) What is the financial summary of the proposed budget?

m-13-3) Is the notice of the adoption budget hearing also published with the financial summary?

m-13-3) Does the JO CO BCC hear any citizen input on the approved budget at its adoption public hearing?

5. Budget Process Questions From Josephine County FY 2016-17 Budgeting Calendar

The following JO CO budget documents are web published on the Exploratory Committee's web page.

- Proposed Budget 2016-17*
- Proposed Budget 2016-17 (Introduction, but no identified "Budget Message")*
- Proposed Budget 2016-17 (Budget Import Documents)

Budget Calendar FY 2016-17*

- | | |
|--------------------------------|---|
| ?, 2016 | Standards and budget parameters (S&BP) established by the JO CO BCC and provided to the budget officer and JO CO Department staff on general guidelines for budget development. |
| March 11, 2016. | Completed JO CO Departments Budgets to Finance. |
| March 28, 2016. | Week of JO CO BCC review with Finance and Individual JO CO Departments. |
| April 19, 21, 26, 2016. | Budget Committee Meeting(?), 4 to 6 p.m. On Proposed Budget (Other meetings may be added or removed at first meeting). |
| May 18, 2016. | JO CO BCC Hold Approved Budget Hearing. |
| June 1, 2016. | JO CO BCC Adopt Budget and Certify Tax. |

6. Summary

B. Budget Questions From JO CO Budgets: FY Budget 2006-07 to FY 2016-17

1. FY Budget 2016 - 2017 Budget Questions (Proposed)
2. FY Budget 2015 - 2016 Budget Questions
3. FY Budget 2014 - 2015 Budget Questions
4. FY Budget 2013 - 2014 Budget Questions
5. FY Budget 2012 - 2013 Budget Questions
6. FY Budget 2011 - 2012 Budget Questions
7. FY Budget 2010 - 2011 Budget Questions
8. FY Budget 2009 - 2010 Budget Questions
9. FY Budget 2008 - 2009 Budget Questions
10. FY Budget 2007 - 2008 Budget Questions
11. FY Budget 2006 - 2007 Budget Questions

The budget process questions were derived from ideas (i.e., identified in “**bold**”) identified in Section II.C, “Excerpts from Josephine County Budgets: FY 2006-07 To FY 2016-17.” They are identified by applicable fiscal year. .

The budget process questions are the foundations for the budget process analysis identified in the Chapter V analysis which supports the identification of budget process issues (Chapter VI) and recommendations (Chapter VII).

1. FY Budget 2016 - 2017 Budget Questions (Proposed)

a) Is the **budget message** required in all three final completions of the budget in the local JO CO budget process?

1. Final Completed Budget Officer Proposed Budget
2. Final Completed Budget Committee Approved Budget
3. Final Completed BCC Adopted Budget

Budget message. Written explanation of a local government's budget and financial policies, including any changes from the prior fiscal year. It is prepared and presented under the direction of the executive officer or chairperson of the governing body [ORS 294.403].

b) What is the definition of a **sustainable plan** for all mandated and essential County government programs? Does sustainable mean: 1. able to be maintained at a certain rate or level, or 2. able to be upheld or defended? Is this about the difference between a sustainable budget and a balanced budget? Is a balanced budget not a sustainable budget? Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges (GFOA 2008). Is a sustainable plan a long-term financial strategic plan?

c) What are the standards and criteria to identify a “**mandated**” JO CO program?

d) What are the standards and criteria to identify an “**essential**” JO CO program?

e) Is the proposed FY 2016 - 2017 budget a “**Budgeting for Outcomes**” budget or a “**Status Quo**” budget? These two ideas would seem to be in conflict with each other.

The proposed FY 2016 - 2017 budget identified the following budget directives/guidelines.

- Based on Local Budget Law and Budgeting for Outcomes
- Status Quo budget required unless change is supported by revenue
- Reported at Service Levels - Mandatory and/or self supporting

f) What are the standards and criteria to identify a “**mandatory service level**” (level of service)?

g) What are the standards and criteria to identify a “**self supporting service level**”(level of service)?

h) What is a **justification paper** (e.g., purpose, elements, analysis, etc.)?

i) Does not exceed projections/based on FY 15-16 percentage allocations mean a “**Status Quo**” budget?

The proposed FY 2016 - 2017 budget identified the following budget directives/guidelines.

- Public Safety Fund budgets and requirements should not exceed projections for FY 16-17. Dollar limits will be provided to departments based on FY 15-16 actual percentage allocation.

2. FY Budget 2015 - 2016 Budget Questions

a) What is the definition of JO CO **financial priorities**? How are they different from mandatory and essential programs?

b) What is a Government Finance Officers Association (GFOA) of the United States and Canada **distinguished budget presentation award**? Is presentation a way to describe how it looks?

c) Does the distinguished budget presentation award have anything to do with **the content of the budget, including citizen involvement opportunities for budget preparation**?

d) What is the definition of an “**open and accountable budget process**”? Accountable for what policy elements: policy, financial, organization’s operations, and/or communications medium?

e) What is the definition of a “**commitment to provide an accessible budget document**” to the citizens of Josephine County?

f) What is the JO CO Board of County Commissioners **definition of detailed information** in department budgets for how their programs meet the goals approved by BCC?

1. Improve community outreach and communication to the public 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) .
3. Provide access to County services to the citizens of Josephine County in a transparent, open, and professional manner.

g-1) What is the definition of **main directive** and other directives?

g-2) What is the definition of **current operational service levels**?

g-3) What are the standards and criteria to identify a “**mandated**” JO CO program?

g-4) What are the standards and criteria to identify an “**essential**” JO CO program?

g-5) What are the elements of a **program purpose**?

g-6) What is the definition of expected outcomes (i.e., impacts to property owners?)?

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).
2. **Budget only for mandatory** (emphasis) and/or self-supporting **programs** (emphasis).
3. **Address County goals** (emphasis) and **clearly define program purpose** (emphasis) and **expected outcomes** (emphasis).

h) Does a program identified as **self-sustaining** have to be 100% self-sustaining? Is there a cut off?

- i) What is the definition of a “**services at a reduced level;**” is this service level a serious reduction, and, if so, by what **standards**?
- j-1) What is a **significant change** (e.g., percent, dollars, impacts, etc.) to a county program?
- j-2) How does the county **define significance**? Is this like a significant impact. For example, 40 CFR 1508.27 - "Significantly" as used in the National Environmental Policy Act (NEPA) requires considerations of both context and intensity:
- (a) Context. This means that the significance of an action must be analyzed in several contexts such as society as a whole (human, national), the affected region, the affected interests, and the locality. Significance varies with the setting of the proposed action. For instance, in the case of a site-specific action, significance would usually depend upon the effects in the locale rather than in the world as a whole. Both short- and long-term effects are relevant.
- (b) Intensity. This refers to the severity of impact. Responsible officials must bear in mind that more than one agency may make decisions about partial aspects of a major action.
- j-3) Does the county use a **scientific process** to define significance (i.e., define issue, indicator, and standards)?
- j-4) What is a **significant loss** to the Public Safety Fund? What public services are lost? How is the loss measured?
- k-1) What does “**maintain essential service in most programs**” mean (e.g., maintain funding, FTE, LOS, etc.)? What programs?
- l) Budgeting for Outcomes (BFO) Questions
- l-1) What is a “**review of everything from citizens’ perspectives**”, rather than a department or government perspective?
- l-2) How does the **county decide on what citizens’ perspectives** are?
- l-3) Has, or does the county **conduct citizen surveys** for identifying the voters values, needs, and/or preferences?
- l-4) **How many people provided comments** to establish a citizens’ perspective? What citizen participation mechanisms in budgeting were used?
- m-1) How did the county decide “**What outcomes (results) matter most to our citizens?**”*
- n-1) How did the county identify an “**outcome that citizens expect?**”*

* Is this about implementing the budget and evaluating performance? For example, eventually local governments will implement the approved budgeted proposals as programs. Proposal costs are matched up with line-item accounts for management and accounting purposes, and performance measures are used to monitor and evaluate performance. The BFO process is often part of a larger performance management effort that provides a way for the government to review performance results throughout the year.

3. FY Budget 2014 - 2015 Budget Questions

a) What is the **definition of financial priorities**?

b) What are the **standards and criteria used to evaluate compliance** with “provide as much transparency in government as possible”?

“goal is to provide as much transparency in government as possible while following Oregon Budget Law.”

c) Does the **Oregon Budget Law restrict providing transparency**?

d) What is the reference for **“Budgeting for Outcomes”** (e.g., author, date, title, analysis, etc.).

Based on **“Budgeting for Outcomes”**, the FY 2014-15 budget details Oregon Revised Statute (ORS) mandates, program outcomes, revenue and expenditure line items and personnel for each department within their respective fund. Each Department has detailed **how their programs meet the goals** set by the Board of Commissioners in FY 2014. 2). **Develop a sustainable plan** for all mandated and essential County government programs.

e) What are the **specific ORS mandates**, including the specific sections identifying either programs or LOS?

f) What is the **definition of program outcomes**?

g) What is the **methodology** by which JO CO departments **detail how their programs meet JO CO BCC goals**?

h) What are the **elements of a sustainable plan**? For example, 10 key elements to strategic planning were found on the internet by Strategic Planning Partners. Is this what is meant by elements of a sustainable plan (http://yourstrategicconsultant.com/ten_key_planning.php)?

1. Development of a Communication Strategy.
2. Development of a Strategic Planning Task Force.
3. Identify Organization’s Vision Statement.
4. Mission Statement – an organization’s mission is a definition of whom and what they are. Often mission statements include core goals and values of the organization.
5. Values – values are the organization’s fundamental beliefs in how they operate. Values can provide a guideline for management and staff for acceptable organizational behavior. Often values relate to the organization’s organizational culture.
6. Goals – goals are broad based strategies needed to achieve your organization’s mission.
7. Objectives – objectives are specific, measurable, action oriented, realistic and time bound? strategies that achieve the organization’s goals and vision.
8. Tasks – tasks are specific actionable events that are assigned to individuals/departments to achieve. They, too, should be specific, measurable and time bound.
9. Implementation Strategy As a part of the implementation strategy, accountability measures are put in place to ensure implementation takes place.
10. Monitoring of Strategic Plan – it is critical to monitor the success and challenges of planning assumptions and initiatives. When evaluating the successes of a plan, you must look objectively at the measurement criteria defined in the organizations goals and objectives. It may be necessary to retool the plan and its assumptions if elements of the plan are off track.

i) How do the departments identify **mandated programs**?

j) What is the threshold for defining **minimal services**?

k) Why doesn't the JO CO budget process have opportunities for the three voter members of the budget committee to understand the proposed budget policies like the JO CO BCC before the first formal advertized public meeting? Why are they not in the meetings with the BCC for the following purposes (Appendix C):

1. Standards and budget parameters (S&BP) established by the governing body and provided to the budget officer and administrative staff general guidelines for budget development.
2. Week of JO CO BCC review with Finance and Individual Departments of proposed budgets.

l) Why is the first formal advertized public meeting of the budget committee the **first opportunity for the citizens to comment on the budget process** (i.e., standards and budget parameters)?

Today is the first opportunity for the Budget Committee to deliberate on the proposed budget and to hear from the citizens of the County. Additional opportunities (emphasis added) in the next few weeks will be available for our citizens to voice their thoughts on what services Josephine County should provide in FY 2014-15.

m) Why doesn't the budget process have a **citizen involvement plan** to detail the comprehensive set of opportunities available for citizens to voice their thoughts on: 1. JO CO BCC proposed budget policies before the first formal advertized public budget committee meeting, and 2. what services JO CO should provide?

n) What is the methodology (e.g., issues, indicators, standards/thresholds, etc.) to define and/or identify "**essential services.**" How are essential services different from mandated services?

o) **What does "reduced levels" mean?** For example, what does it mean a reduction in .1 FTE, .5 FTE, 1 FTE, etc.?

p) What is the **budgeting for outcomes** model? How does the county use it? How does outcomes compare with budgeting for mandated and essential programs?

Why isn't the BFO model and/or BFO analyses provided in the budget, and/or referenced to applicable BFO documents in the budget document? Not having this information available does not feel like transparency in government.

4. FY Budget 2013 - 2014 Budget Questions

- a) What are the **specific measurable financial priorities**?
- b) What is the specific definition of “**as much transparency in government as possible**”?
What parts of the budget are not transparent?
- c) What is “**Budgeting for Outcomes**”?
- d) How are **Oregon Revised Statute (ORS) mandated programs** different from essential programs?
- e) What are **program outcomes**?
- f) What are the JO CO BCC requirements for how departments **detailed how their programs meet the goals**?
- g) What does “**attempting to fund essential programs**” mean? Does this mean essential programs might not be funded. If so, by what standards is the determination made?
- h) How does JO CO’s “**goal of maintaining service levels comparable to FY 2012-13**” complement “**Budgeting for Outcomes**”? Are these two ideas compatible, or are they apples and oranges?
- i) What is the threshold and/or impacts of providing **minimal services** for our citizens?
- j) How does the personnel “**organizational chart**” with the proposed positions county wide assist in understanding the individual department programs and their relationships with other programs?
- k) What does the following sentence mean? “Even if the levy passes, Josephine County and its **citizens will need to continue to work together on a plan for sustainable long term funding** (emphasis added) for the criminal justice system.” What alternative solutions is the JO CO BCC considering? What alternative solutions are the citizens of JO CO considering?
- l-1) Why is the first formal advertized public meeting of the budget committee the **first opportunity for the citizens to comment on the budget process**?
- l-2) Why doesn’t the budget process have a **citizen involvement plan** to detail the comprehensive set of opportunities available for citizens to voice their comments?
- l-3) What is the methodology (e.g., issues, indicators, standards/thresholds, etc.) to define and/or identify “**essential services.**” How are essential services different from mandated services?
- m) What is the **budgeting for outcomes** model? How does the county use it? How does outcomes compare with budgeting for mandated and essential programs?

5. FY Budget 2012 - 2013 Budget Questions

- a) What are JO CO's **financial priorities**?
- b) Does following Oregon Budget Law mean the county **can not provide transparency in government at the maximum level it desires**? What does the statement mean about what citizens don't know that they need to know?
- c) What is an **ORS program mandate**?
- d) How does the county define program outcomes?
- e) What happens if a department has not **detailed how their programs meet the JO CO BCC goals**? How does the voter know if this might occur? Are the goals measured for compliance (i.e., performance criteria, evaluation, and audits)?
- f) What are the citizen participation **programs used by JO CO to encourage public involvement** in identifying service requirements and programs to be provided in JO CO? Does JO CO have any formal "action plans": strategic plan, long-term financial plan, citizen involvement plan, county budget manual, citizen involvement in budgeting plan, or county citizen's guide to the budget?
- g) What are the **community outreach programs used by JO CO to encourage public involvement** in identifying service requirements and programs to be provided in Josephine County?
- h) What is the **definition of service requirements**? Does service requirements mean level of services (LOS) as defined by FTE and cost, or by describing a program's service requirements purposes in text?
- i) What does **sustainable funding for 10 years mean** versus sustainable funding for five years?
- j) What are the definitions for, or methodologies to define, **mandated and essential JO CO programs**?
- k) What does providing services in an **open and transparent manner** mean? Does this mean all components of the budget process are open to citizens, including recorded public budget documents? Does it mean the equivalent of a freedom-of-information act request to review these documents?
- l) How does JO CO provide monitor/measure services to citizens in an **efficient manner** (i.e., efficient for the government to provide the services and/or efficient for the citizen)? What measurement standards and/or criteria are used to evaluate being provided in an efficient manner?

m) How does a **highly qualified and professional workforce ensure cost effective achievement of services** to the County's citizens? Wouldn't some kind of performance evaluation standards better achieve this goal? What are the thresholds for "highly qualified" and "professional workforce"?

n) Does self sustaining county programs mean 100 percent self sustaining?

o) What is the measurable level of "**minimal services for citizens**? How does minimal compare to essential? What are the thresholds for each? Is minimal like a MALPSS?

p-1) Why is the first formal advertized public meeting of the budget committee the **first opportunity for the citizens to comment on the budget process**?

p-2) Why doesn't the budget process have a **citizen involvement plan** to detail the comprehensive set of opportunities available for citizens to voice their comments?

p-3) What is the methodology (e.g., issues, indicators, standards/thresholds, etc.) to define and/or identify "**essential services.**" How are essential services different from mandated services?

q) What are the **performance requirements** by which departments are evaluated for explaining in their budget submissions how their budget(s) meet JO CO BCC goals.

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County's citizens by providing an environment that fosters a highly qualified and professional workforce.

r) What is **budgeting for outcomes** budget? Is budgeting for outcomes what the Economic Times mean in August 2005? Would it mean the same thing in a different search link?

http://articles.economicstimes.indiatimes.com/2005-08-22/news/27483290_1_outcome-budget-expenditure-government-employees

An outcome budget measures the development outcomes of all government programmes. For instance, it will tell a citizen if money has been allocated for building a primary health centre, has indeed come up. In other words it is a means to develop a linkage between the money spent by a government and the results which follow.

s) Does a **traditional budgeting model** use last year as a base, adding inflation, and then cutting the result to balance the budget? Is that model equivalent to budgets and requirements not exceeding projections for FY 16-17 (i.e., dollar limits will be provided to departments based on FY 15-16 actual percentage allocation).

t) What **specific public involvement outreach programs** does JO CO use to decide on "**What outcomes (results) matter most to our citizens?**"

u) What specific public involvement outreach programs and/or citizen participation mechanisms does JO CO use to decide on what "**Outcomes do citizens expect?**"

6. FY Budget 2011 - 2012 Budget Questions

- a) How did the county arrive at a budget that includes **citizen input on services they are willing to fund**? Was it a formal survey of citizens? What were the specific outreach programs that enabled the JO CO BCC to understand what services citizens were willing to fund?
- b) What were the **guidelines set by the Board of County Commissioners**? When were they available to the budget committee and voters? How and when were they developed?
- c) What were the **mandates required by the State of Oregon**? How and when were they identified?
- d) What was the **stakeholder support of programs**? Who were the specific stakeholders and how did they provide support of the budget programs?
- e) What are the budget **details on program mandates** for each department within the respective fund.
- f) What are the budget **details on program outcomes** for each department within the respective fund. What is a program outcome. Are outcomes developed each year?
- g) How was the **goal is to provide as much transparency in government as possible** achieved? What does Oregon Budget Law have to do with transparency in government?
- h) **What was the year the county is continuing from** with the “Budgeting for Outcomes” model? What are the web links to the original “Budgeting for Outcomes” process/analysis?
- i) What evaluation method was used to conclude compliance with the JO CO BCC’s request that all departments **relate how their programs met the BCC’s goals**.
- Goal 1) **Encourage public involvement, through community outreach** (emphasis added), in identifying service requirements and programs to be provided by Josephine County.
 - Goal 2) Provide **sustainable funding for all mandated and essential County government programs for the next ten years** (emphasis added).
 - Goal 3) Provide **services in a transparent, open and efficient manner** (emphasis added) to all the citizens of Josephine County
 - Goal 4) Ensure **cost effective achievement of services** (emphasis added) to the County’s citizens by providing an environment that fosters a **highly qualified and professional workforce** (emphasis added).
- k) When were the **goals compliance evaluations** made available to the public?
- l) **What are services at minimal levels**?
- m) How can the public get a copy of the **Public Safety Plan, approved in January 2009**?

n) What is the relationship between “**Budgeting For Outcomes and maintaining Public Safety at the same level of service**”?

o) **What are the impacts to the citizens in quality of life** from reduced service levels referred to as Service Level 1 budgets.

p-1) **How do citizens, through their representatives, identify the programs** that are considered necessary to maintain the quality of life we expect in Josephine County?

p-2) **What is the citizen involvement plan** for voters to make comments to their representatives?

p-3) Is there a **public comment period**?

p-4) How will citizens know their comments were considered? **Will there be a written analysis of their comments** and how they were considered by the decision-makers?

q) **What is the JO CO plan for citizens working together** in providing sustainable long term funding for services?

r) What are the **performance requirements** by which departments are evaluated for explaining in their budget submissions how their budget(s) meet JO CO BCC goals.

- 1) Encourage public involvement, through community outreach, in identifying service requirements and programs to be provided by Josephine County.
- 2) Provide sustainable funding for all mandated and essential County government programs (emphasis added) for the next ten years.
- 3) Provide services in a transparent, open and efficient manner to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.

s) What is the **county’s public involvement plan** to encourage public involvement through community outreach?

t) What is the definition of **sustainable funding for all mandated and essential JO CO programs** for the next ten years?

u) What is the **county’s program to provide services in a transparent, open and efficient manner** to citizens?

v) How will fostering a **highly qualified and professional workforce** ensure **cost effective achievement of services** to the County’s citizens? Is there an evaluation mechanism in place for compliance?

w) **How are departments evaluated in their requirement to explain** in their budget submissions how their budgets meet JO CO BCC goals?

7. FY Budget 2010 - 2011 Budget Questions

a) What does **continuing with the “Budgeting for Outcomes”** mean?

b) Are **service levels equal to FTE and costs**?

c) What **methods do JO CO departments use** to respond to the JO CO BCC’s request that department programs relate the BCC’s four goals?

Goal 1) **Encourage public involvement** (emphasis added), through **community outreach** (emphasis added) , in identifying service requirements and programs to be provided in Josephine County.

Goal 2) Provide **sustainable** (emphasis added) funding for all **mandated and essential** (emphasis added) County government programs for the next 10 years.

Goal 3) Provide services in a **transparent, open and efficient manner** (emphasis added) to the citizens of Josephine County.

Goal 4) **Ensure cost effective achievement of services** (emphasis added) to the County’s citizens by providing an environment that fosters a **highly qualified and professional workforce** (emphasis added) .

d) What does **public involvement** mean?

e) What is the method that citizens should use to provide **citizen input on services they are willing to fund**?

f-1) Are the JO CO BCC **guidelines limited to the four goals**?

f-2) Are the JO CO BCC guidelines part of the Oregon’s Local Budget Law objective (ORS 294.321) to establish **standard procedures for the preparation of the proposed budget**?

g) What are the specific **mandates required** by the State of Oregon?

h) How does the JO CO BCC figure out the **stakeholder support** of programs?

i) What are the budgets **details on ORS mandates**?

j) What are **program outcomes** (i.e., citizen quality of life and/or FTE and costs)?

k) What is the citizen involvement plan for the JO CO BCC goal to provide **as much transparency** (emphasis added) in government as possible **while following Oregon Budget Law**?

l) Does **self sustaining** county programs mean 100% self sustaining?

m-1) How do the departments define **providing services at minimal levels**?

m-2) Do departments have a methodology to define minimal levels? If so, is it available to the public?

- n) What is the JO CO approach, method, and/or citizen involvement plan that guides **citizens need to work together on a plan for sustainable** long-term funding for public safety.
- o) What is the JO CO departments' approach, method, and/or plan that directs/guides the identification of **other essential county government services**?
- p) How are the public meetings formatted to enhance public comments on programs and service levels?
- q-1) Are there other citizen involvement comments opportunities besides JO CO Budget Committee public meetings.
- q-2) Do **citizens have the chance to be heard** on what services they feel are important at all Budget Committee meetings (i.e., **as part of the JO CO Budget Committee process**)?

8. FY Budget 2009 - 2010 Budget Questions

- a) What does **continuing with the “Budgeting for Outcomes”** mean? How many years has it been continuing?
- b) How do the JO CO BCC know what services **citizen are willing to fund** ?
- c) What are the **mandates required by the State of Oregon**?
- d) How do the JO CO BCC know **programs stakeholders support**?
- e) What are the types of budget **details to be identified for outcomes**?
- f) What are the county’s standards and criteria for **providing as much transparency in the budget process** as possible?
- g) Is the **Public Safety Fund available for public review on-line**?
- h) How does the county define **improving service levels**?
- i) How does the county define **service reductions**?
- j-1) What is the county’s long-term plan for citizens to **work together for long term funding** for essential public safety services?
- j-2) Does the identification of public safety as essential services mean they are **not mandatory services**?
- j-3) What other services beside public safety **are essential services**?
- k) What is the county’s plan for **more of Josephine County’s citizens to be heard concerning County government**? No citizen involvement budgeting plan is known to be available.
- l) What is the **county’s plan for citizens** working together as a community to provide a **safe and livable environment** that will be supported?
- What is JO CO plan for citizens?
 - What is the JO CO process for citizens working together as a community?
 - What is the definition of safe? The sheriff’s opinions that crime is going up. Some citizen have developed an analysis that crime is going down. Neither meets the standards of a scientific vetted study.
 - How do citizens define a livable environment. Has JO CO completed a citizen opinion survey of preferences?

9. FY Budget 2008 - 2009 Budget Questions

- a) What does **continuing with the “Budgeting for Outcomes”** mean?
- b) How do the JO CO BCC know what services **citizen are willing to fund** ?
- c) What are the **mandates required by the State of Oregon**?
- d) How do the JO CO BCC know **programs stakeholders support**?
- e) What are the types of budget **details to be identified for outcomes**?
- f) What are the county’s standards and criteria for **providing as much transparency in the budget process** as possible?
- g) What were the **major changes to the county in FY 07-08**?
- h) What were the county government **programs that became self sustaining**?
- i-1) What are the **Service Level 1 mandated and/or self funded services**?
- i-2) If there are only mandated services and self funded services from a Service Level 1, does that mean there **are no essential services beyond the other two service types**?
- j-1) Are there **“justification” papers on the purpose of positions available** for public review?
- j-1) What are the **purposes and components of justification papers**?
- k-1) If JO Co is at a turning point in its history, does that mean public safety services are **below a minimally acceptable level of services (MALPSS)**, and if so, by what standards and criteria?
Has MALPSS study been completed for JO CO?
- k-2) **What is a sustainable level of services** for the public safety and the criminal justice system?
- k-3) What is the **definition of sustainable** as it relates to a MALPSS LOS?
- l-1) Does the county have a citizen involvement plan for how the voters can **work together to find a long term sustainable way to fund essential services**?
- l-2) What is the **definition of essential services**?

10. FY Budget 2007 - 2008 Budget Questions

- a) Josephine County **continues to be in a transition period** how?
- b) If O&C funding has been a sustainable source of revenue to fund JO CO government for over seventy years, does that mean a **sustainable level is the historic funding of all programs**, including public safety services?
- c) If Service Level 1 is based on current revenue sources with no O&C funding, does that mean there will be **no services beyond self supporting services**?
- d) If Service Level 2 includes revenues from a Criminal Justice Systems Local Option Levy to fund the Sheriff, District Attorney, and Juvenile Justice, **does that mean patrol and the jail are not public safety services**?
- e) What is “**Budgeting for Outcomes**”?
- f) How did the county establish a budget that incorporates **citizen input on service levels they are willing to fund**?
- g) How does the JO CO BCC set **goals**? Does it involve any of the stakeholders? What kind of involvement process does it use to involve the other elected officials and county department heads?
- h) What are the specific **mandates required by the State of Oregon**?
- i) How did the county establish that the budget incorporates **stakeholder support of its programs**?
- j-1) What is the county’s definition of transparency in government that our citizens have requested?
- j-2) What was the method used by citizens to request transparency?
- j-2) Are written records available concerning the transparency request?
- k) How did the county decide that the continuation of the historic O&C revenue levels (i.e., **continue programs and services at historic levels**) was the level needed and expected by the citizens?

11. FY Budget 2006 - 2007 Budget Questions

a) What does it mean to “**continues to be in a transition period**”?

b) What is an example of **tightening revenue sources**?

c-1) What is an example of **rising costs in operations**?

c-2) Are the rising costs in operations **higher than normal inflation**?

d-1) What services are the **continued mandates**?

d-2) How is a **mandate defined**?

d-3) **What method** (e.g. indicators, threshold standards, etc.) does the JO CO Finance Department use to define a mandated program and/or services?

The Board of Commissioners **reorganized County departments and services September 1, 2005.**

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”**(emphasis added). “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** (emphasis added),

goals set by the Board (emphasis added)

and **stakeholder support of programs** (emphasis added).

The Budget before you clearly outlines the programs and services that the County Departments provide, **creating the transparency in government that our citizens have requested** (emphasis added).

Service Level One (emphasis added) reflects mandated and/or self supporting programs

Service Level Two (emphasis added) recognized existing programs within the County had been funded in prior years.

Fund Structure Changes The new **Public Safety Fund** (emphasis added) consolidates into one fund the departments of **Sheriff, District Attorney** (emphasis added), **Community Justice** (emphasis added), and **Court Securing**.

The proposed Budget **maintains current service levels in most Departments**

to continue programs and services to the citizens of Josephine County with declining resources (emphasis added).

The new **organization chart** (emphasis added) is included in the Personnel section of this budget book. The 2006-07 budget reflects the new organization.

It also reflects a fundamental **change in the fund structure and budget categories which has been done with the purpose to bring greater clarity to the County's budget for the Budget Committee and the County's citizens** (emphasis added).

12. Summary

Many of the individual budget documents for FY budget 2006-07 to FY 2016-17 had similar goals, directives, and statements across the years. There was redundancy in the budget questions because of this similarity and differences as the statements were stated in different ways, and/or additional information was provided.

C. Conclusion

Local government budgets in Oregon are just too complex to understand without a concentrated government citizen participation budget program to assist its citizens.

V. ANALYSIS: ELEMENTS OF CITIZEN PARTICIPATION IN BUDGETING PROCESS^{V-1}

Budget Process Analysis Step Identifying the budget process analysis (i.e., priority topics and analysis) is Step 5. The analysis chapter is the detail of analysis (i.e., tying together Chapters II - IV to a logical opinion of the authors).

Phase I. Introduction/Purpose

- Step 1: Chapter I. Introduction/Purpose

Phase II. Environment Of Budgeting

- Step 2: Chapter II. Oregon Budget Law Excerpts
- Step 3: Chapter III. Excerpts from JO CO Budgets: FY 2006-07 TO FY 2016-17

Phase III. Brainstorming Questions

- Step 4: Chapter IV. Budget Process Brainstorming Questions From Oregon Local Budget Law & JO CO Budgets: FY Budget 2006-07 to FY 2016-17

Phase IV. Analysis

Of Budget Questions Identified During the Study of the Law, and a Final Identification of Budget Issues.

- **Step 5: Chapter V. Analysis: Elements of Citizen Participation in Budgeting Process**
- Step 6: Chapter VI. Budget Process Issues

Phase V. Recommendations

About the local JO CO budget process to the JO CO BCC and the Exploratory Committee.

- Step 7: Chapter VII. Budget Process Recommendations
- Step 8: Chapter VIII. Budget Process Conclusions

Many state and local governments are currently struggling with fiscal stress — in some cases, the worst they have experienced in decades. Painful decisions are required regarding spending and service reductions or tax and fee increases. This appears to be an important time for citizens to play a role in helping elected officials determine the best solutions for government and the community (Ebdon & Franklin 2006, p. 437).

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. Are government officials 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 are they acting in a pragmatic fashion, gathering and considering policy preference information using other input mechanisms (Ebdon & Franklin 2006, p. 438)?

When attempting to aggregate the citizen-participation literature, a number of common elements deemed critical to structuring budget participation emerge. Three commonly reported elements (independent variables) represent (1) the governmental environment, (2) the design of the process, (3) the mechanisms used to elicit participation. The fourth element (a common dependent variable) represents the goals and outcomes desired from participation in budgetary decision making (Ebdon & Franklin 2006, p. 438). The analysis chapter is mainly organized around Ebdon and Franklin's four citizen-participation elements and their components (elements 1 - 4), including elements 5 - 7: the Government Finance Officers Association (GFOA) Budget Presentation Award Program, action plans, and GFOA Best Practices In Public Participation.

The budget process analysis topics were derived from the budget process questions identified in Chapter IV. Analysis topics are a combination of ideas from Oregon Budget Local Law (Chapter II), and from the JO CO budgets from FY 2006-07 to FY2016-17 (Chapter III). Others are the authors view of priority question topics which focus on citizen involvement and understanding the budget process for the preparation of the budget from start to finish.

The budget process analysis supports the identification of budget process issues (Chapter VI) and recommendations (Chapter VII).

This draft Chapter V, Analysis: Elements of Citizen Participation in Budgeting Process, is being developed in a separate document (see web page: Citizen Involvement in Josephine County Budget Process).

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

Footnote V-1. Chapter V is presently a temporary two page introduction to a separate document, "Analysis: Elements of Citizen Participation in Budgeting Process" which on September 5, 2016 was 180 pages.

VI. BUDGET PROCESS ISSUES

Identifying the voters' perspective for JO CO budget process issues is Step 6 which is one outcome from the analysis of the budget. The issues are mostly the highlights of different analyses ideas from Chapter V.

- Step 1: Chapter I. Introduction/Purpose

Phase I. Identify Brainstorming Questions

- Step 2: Chapter II. Oregon Budget Law Excerpts
- Step 3: Chapter III. Excerpts from JO CO Budgets: FY 2006-07 TO FY 2016-17
- Step 4: Chapter IV. Budget Process Brainstorming Questions From Oregon Local Budget Law & JO CO Budgets: FY Budget 2006-07 to FY 2016-17

Phase II. Analysis of Budget Questions Identified During the Study of the Law, and a Final Identification of Budget Issues.

- Step 5: Chapter V. Analysis: Citizen Understanding Budget Process
- **Step 6: Chapter VI. Budget Process Issues**

Phase III. Develop recommendations about the local JO CO budget process to the JO CO BCC and the JO CO Budget Committee.

- Step 7: Chapter VII. Budget Process Recommendations
- Step 8: Chapter VIII. Budget Process Conclusions

As background, the Authors provide a context for their identification of issues, especially since most issues come from Chapter V's analysis and identification of real or potential problems. First, the basic purpose of the 2015 *Study Design* is to promote citizen involvement (CI) and citizen participation (CP) for informed decision-making. Stated another way, the purpose is to provide grass roots opportunities to county citizens for active CI/CP, accessibility to information and education, and to better understand the Justice System & Public Safety (JS&PSS) Issue (i.e., JO CO public safety issue) as the decision-makers. If even as few as five percent of the voters in the last four JO CO public safety levies changed their votes, pro or con, it would make their final votes more informed votes.

Involving citizens in the governance process is rooted in the Jeffersonian tradition of American politics. Jefferson advocated locally based, bottom-up government that is responsive to citizens, and he viewed citizen apathy as dangerous to civic health. There is little disagreement that the public should have an opportunity to influence government actions. Whether or not the public uses the opportunity, keeping that option available is important in a democracy. It is accepted that citizen participation is valued and beneficial to government. What are governments trying to accomplish when they involve citizens?

Step 6: Chapter VI, Budget Process Issues This issues chapter is first organized around Ebdon and Franklin's (2006) four citizen-participation elements and their components (elements 1 - 4). It also includes seven additional elements on a variety of issues.

- Element 1. Government Environment Of Budgeting Issues
 - Component 1. Structure And Form Of Government
 - Component 2. Political Culture
 - Component 3. Legal Requirements
 - Component 4. Technocratic Expert Model For Accounting & CI/CP In Budgeting
- Element 2. Citizen Participation In Budgeting Process Design Issues
 - Component 1. Citizen Involvement in Oregon Budget Law At Apprise/Inform Level
 - Component 2. Citizen Participation Timing In Budget Process
 - Component 3. Type of Budget Allocation
 - Component 4. Budget Process Participants
 - Component 5. Budget Process Stages/Budget Message
 - Component 6. Sincere Preferences/Willingness To Pay
 - Component 7. Public Participation in Planning, Budgeting, and Performance Management
- Element 3. Citizen Participation Mechanisms In Budgeting Issues
 - Component 1. Public Meetings
 - Component 2. Advisory Committees
 - Component 3. Workshops
 - Component 4. Third-Party Intermediation
- Element 4. Budgeting Goal Issues
 - Component 1. Budget Planning Goals
 - Component 2. JO CO Government Budget Goals: FY 2006-07 to FY 2016-17
 - Component 3. JO CO Budget Goal Issues
 - a) Budgeting For Outcomes Commits To Goals
 - b) Addressing County Goals And Clearly Defining Program Purpose
 - c) Sustainable Plan for All Mandated and Essential County Government Programs
 - d) Budget Only for Mandatory And/or Self-Supporting Programs.
 - e) Mandatory & Essential Levels Of Service
 - f) Supporting Analysis Lacking/Transparency in Government
 - g) No Strategic Plans
 - h) Goals And Outcomes Not Monitored(?)
 - i) Goals And Outcomes Not Evaluated(?)
- Element 5. Budgeting For Outcomes Issues
- Element 6. Monitoring, Assessments, Performance, & Audits Issues
- Element 7. Transparency in Government Issues
- Element 8. Government Finance Officers Association Budget Presentation Award Program Issues
- Element 9. Action Plan Issues
- Element 10. Public Mistrust In Government Issues
- Element 11. Taxpayers Understanding Purposes of Budget Issues
 - a) Understanding JO CO Department Staffing Analysis Issues
 - b) JO CO Department Descriptions & Relationships Issues
 - c) Professional Web Page for JO CO Departments Issues
 - d) Use Of References & Links In JO CO Budget Programs Issues
 - e) Flow Chart of JO CO Departments Issues
 - f) JO CO Citizen's Guide To The Budget Issues
 - g) Optical Character Recognition Feature of JO CO Budgets Issues
 - h) Standard Procedures for Preparing JO CO Annual Budgets Issues

There are two main government goals with significant important differences between efforts to inform the public, and efforts to involve the public.

- To inform the public of government decisions.
- To involve the public in government decision-making.

Many government officials stop at the first public involvement goal of “inform”, using CI/CP primarily as a way to educate the public. Making the additional effort of involving citizens in decision making can provide officials with insights and information, leading to better decisions. There is no corruption or dishonesty in the JO CO budget process. The process is traditional in the sense of decades of O&C passthrough money within the framework of a “Technocratic Expert Model” in accounting and CI/CP. However, this legitimate model of “apprising” and/or “informing” the public does not focus on active citizen participation, understanding, or support.

The JO CO CI/CP budget process is the minimal legal Oregon Local Budget Law (LBL) level of “informing” the public, and it worked just fine in the past. Historically, the JO CO BCC rarely asked for increased taxes and the public rarely wanted to become involved in the budget. During the heyday of O&C pass-through money, when the county was not getting into your wallet or purse, it was just too much work to get involved in the budget, and most citizens felt that government was doing a reasonable job. Rational ignorance was traditional for the public in refraining from acquiring knowledge when the cost of educating oneself on an issue exceeded the potential benefit that the knowledge would provide. The Authors admit they practiced this strategy as the budget process was very complex and information held by the government, while not secret, was just too much work to figure out under JO CO’s “inform” level of sharing.

The local traditional CI LBL budget process is interpreted and implemented by the JO CO Budget Officer. Traditional in Oregon means using the minimal CI requirements of LBL as there are no formal BCC legislative policies (i.e., resolutions or ordinances) identifying the public participation process and requirements in the budget process for the leaders of the budget process (i.e., BCC, other elected officials, JOCOBC, JOCOMT), and the public. This traditional or normal Oregon budget method focuses on one formal legal meeting before the JOCOBC and one formal legal hearing before the JO CO BCC. Significantly, the *Local Budgeting Manual* (LBM, Chapter 9, Publication Requirements) emphasizes meeting notices and a financial summary of the budget more than CI/CP.

“Publishing meeting notices and a financial summary of the budget are some of the most important parts of the budget process.” (ORS 294.426; 294.438; and 294.448) (LBM 2012, p.47)

This “normal” Oregon JO CO budget process easily satisfies the Oregon Citizen Involvement Advisory Committee’s (CIAC) question criteria for the establishment of a citizen participation budget plan.

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. The county should seek to accomplish all three of these items if it truly wants to pass legislation to fund public safety services. (Davis 2016).

Although there is a government interest in hearing from citizens, the BCC clearly wants to remain flexible in when and how it obtains public input. There is also a sense that the public would probably not show up if an intensive effort to involve them was implemented. This is probably true in the short-term, as it took decades to arrive at today's relationship between the BCC and the public in budgeting. Trying to involve the public with beneficial outcomes (e.g., understanding, support, trust, etc.) may take just as long to turn around. It turns out that, per Chapter I, Introduction/Purpose, that the two alternative purpose themes for this paper continue.

1. Optimistic CP Opportunities Alternative In Budget Process.
2. Pessimistic CP Opportunities Alternative In Budget Process.

The optimistic CP opportunities alternative is pretty much the Authors' basic purpose of the 2015 *Study Design* which is to promote citizen involvement and citizen participation for informed decision-making. This is also the purpose of *Citizen Participation In The Josephine County Budget Process* which is to have the JO CO BCC take steps toward greater accountability, transparency, and public participation (i.e., key elements of good governance) in the JO CO budget process by making information more readily available and comprehensible to citizens, **through collaborative approaches**. The goal is that, over the long-term, the citizens take the opportunities to participate in a collaborative budget process (e.g. dialogue; diverse participants; involved at the outset; mutually shared knowledge; continuous engagement; controversial choices versus use for routine activities, etc.) with more understanding, support, and trust.

The pessimistic CP opportunities alternative turns out to be that opportunities remain as they are now, at a CI level. The 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".

The Authors' position is that the BCC'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 BCC 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.

There are many reasons to believe in the Optimistic CP Opportunities Alternative In Budget Process purpose. The example of a future involvement of the public in JO CO's participation in the Government Finance Officers Association's (GFOA) Budget Presentation Award Program is just one.

What the Authors have observed in the JO CO's CI/CP budget program appears to be different from what the GFOA's Budget Presentation Award Program implies (see question below). From the JO CO budget web site the county shares that the GFOA provides that it established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal (<http://www.gfoa.org/budgetaward>).

The JO CO has been awarded the GFOA Distinguished Budget Presentation Award several times in recent years. For example, Arthur O'Hare, Finance Director and Budget Officer, in his April 30, 2015 budget message to the county budget committee, wrote that JO CO had received the 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.**

Question. A GFOA award suggests a conflict between the present JO CO CI/CP 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 the following considerations in designing their efforts (i.e., purposes, assurances, approaches, information, communication, and buy-in from top government officials; see Section V.J. for more details).

How can this be? The idiom "the devil is in the detail" refers to a catch or mysterious element hidden in the details, expressing the idea that whatever one does should be done thoroughly (i.e., details are important). Perhaps, both are occurring at the same time? Perhaps the pessimistic CP opportunities alternative turns out to be that while CP opportunities remain as they are now, they are also in a state of transition beyond the focused meetings/hearings public participation goal of "Inform" – to enable the public to be "apprised".

The Authors are impressed with a 2012 response from a city official and a member of the City of Milwaukie Budget Committee (Appendix L).

Yes we will be applying for the GFOA budget award again. **In the spirit of continuous improvement, constantly comparing and contrasting our financial documents up against the best in the nation is one way we plan on improving the communication of financial results to our citizens** (emphasis added). The GFOA award programs are not ways for GFOA to raise money, but rather they distribute an applicant's document around to Special Review committee members for determination of meeting minimum qualifications. **Whether an award is given or not, the true value of this program is that it provides comments and improvement suggestions for applicants to work on with future documents, a process which we believe improves the transparency in communicating financial results back to our**

citizens (emphasis added). And finally, it is also one way to recognize the appreciation of the work performed by the Budget Committee and members of the Finance Department.

Regardless, this chapter on issues 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** (emphasis added) (Section V.I; GFOA 2005 p. 2).

Significant is that all the issues involve one issue: Public trust and/or non-trust in JO CO government. Many times the budget CI/CP issue itself would not be an issue if there was a more healthy view of local government by its citizens. Individual citizens can not prove what the majority of JO CO citizens think, but based on the last four public safety levies from 2012 - 2015, it can safely be assumed that a majority of voting citizens do not trust JO CO government.

There is also the larger trust issue. As a comparison, what is the public trust in Washington for the period 1958-2015? Public trust in the government remains near historic lows. Only 19% of Americans today say they can trust the government in Washington to do what is right “just about always” (3%) or “most of the time” (16%) (PewResearchCenter 2015).

Trust in Government

PewResearchCenter. Viewed September 14, 2016.

<http://www.people-press.org/2015/11/23/public-trust-in-government-1958-2015/>.

The Organization for Economic Co-operation and Development weighted in on trust in government - Only 40% of Citizens Trust Their Government. Trust in government is deteriorating in many OECD countries. Lack of trust compromises the willingness of citizens and business to respond to public policies and contribute to a sustainable economic recovery. Why Trust Is Important: Trust is important for the success of a wide range of public policies that depend on behavioral responses from the public.

- Trust is necessary to increase the confidence of investors and consumers.
- Trust is essential for key economic activities, most notably finance.
- Trust in institutions is important for the success of many government policies, programs and regulations that depend on cooperation and compliance of citizens.

OECD. Viewed September 14, 2016

<http://www.oecd.org/gov/trust-in-government.htm>

The OECD identified six areas for governments to win back trust (go to full article for details).

1. Reliability: Governments have an obligation to minimize uncertainty in the economic, social and political environment.
2. Responsiveness: Trust in government can depend on citizen's experiences when receiving public services - a crucial factor of trust in government.
3. Openness: Open government policies that concentrate on citizen engagement and access to information can increase public trust.
4. Better regulation: Proper regulation is important for justice, fairness and the rule of law as well in delivering public services.

5. Integrity & fairness: Integrity is a crucial determinant of trust and is essential if governments want to be recognized as clean, fair and open.
6. Inclusive policy making: Understanding how policies are designed can strengthen institutions and promote trust between government and citizens.

Trust in Practice: Towards Inclusive Policy Making

OECD. Viewed September 14, 2016

<http://www.oecd.org/gov/trust-inclusive-policy-making.htm>

Moving from an approach that focuses principally on policy measures to one that understands better "how" policies are designed and implemented will help strengthen institutions and in turn promote greater trust between citizens and government.

A priority for governments should be to build a policy making process conducive to trust. Concerns over the undue influence of vested interests over decision making has led to **increasing demands for more transparency and a greater commitment to safeguarding the public interest. Efforts to guarantee that the policy making process is open, inclusive and fair would improve the quality of policy decisions** (emphasis added).

A policy-making process conducive to trust is built on informed decisions using reliable and relevant information, that are in the public interest, and are carried out with high standards of behavior.

The above areas that OECD identified for governments to win back trust has a large overlap with what the Authors are describing as enhanced CI/CP.

The Authors believe that budget politics should be based on evidence. However, trust is about believing in something or someone. Facts matter, but beliefs may, and do, trump facts when held deeply. Most voters do not feel they are part of the JO CO budget process, nor does JO CO especially encourage them to be, or enable them to be by the county's actual lack of actions (i.e., lack of budget CI/CP action plan agreements with citizens). Many citizens are also scornful of those they view as self-serving government technocrats. This view is in lock-step with popular trust in expert opinions and established institutions tumbling across the U.S. However, citizens are not ignorant, in the long-term the truth has powerful forces on its side. Any politician or government leader who fudges with the truth will eventually be exposed. Contrarily, they will be admired and trusted for truth in action.

[Still Researching - Minutes are not policy and the Authors did not find an incorporation or reference to the minutes that they clarified fiscal policies. Web minutes did not go back to 2006-07].

A. Government Environment Of Budgeting Issues

1. Structure And Form Of Government Issues These issues consider the influence of variation in the structure and form of local government on the likelihood that various forms of citizen involvement (CI)/citizen participation (CP) will be utilized.

Issue. County Manager Is it an issue that JO CO does not have a county manager? Without one the JO CO BCC is responsible for these administrative manager duties.

The literature supports the position that communities with a council-manager form of government are more likely to seek citizen input, because they employ a full-time professional. The county does not have the equivalent of a city manager (i.e., a county manager). The BCC performs many of those functions along with many others. There is a wide range of legitimate and effective forms of government JO CO can use. The Authors believe the present form is one of them. The question is whether it is working for CI/CP?

Issue. Who Controls Information? One of the biggest issues with JO CO citizen participation is information, who controls it and whether it is comprehensive, accurate, readily available to the public, and just as important whether the voting citizens believe it is trustworthy.

Issue. CI/CP & Government Officials and Policy Competition with existing processes: JO CO government officials and policy makers are key to successful civic engagement strategies. They will be more responsive and co-operative if they do not feel that they are being bypassed or threatened by engagement activities.

Issue. Authority For the purposes of this paper, the central question is whether there are any known conflicts under Oregon Local Budget Law (LBL) for enhanced CI/CP procedures, and a potentially conflicting local government charter, ordinance, regulation, or policy. There is no doubt that there are minimal CI LBL requirements that JO CO must follow. However, the county, under its home rule charter and the LBL, may provide for the exercise of county authority over matters of county concern, such as enhanced CI/CP procedures beyond the minimums of the LBL.

Issue. Talk Is Not Cheap While describing the very important benefits of enhanced CI/CP, it is acknowledged that JO CO BCC should consider a litmus test to consider when they allocate resources toward CI/CP processes. Even more difficult, perhaps, is the prospect of measuring incremental changes in the well-being of the general public as they become more engaged in the policy process. With widespread public benefit as the goal of any public policy process, it behooves the administrator to consider the advantages and disadvantages of the decision-making process when determining the most effective implementation strategy, bearing in mind that talk is not cheap – and may not even be effective.

Issue. No Known BFO Champions There are no known individual JO CO leaders championing Budgeting of Outcomes – BFO (e.g., JO CO commissioners, other seven elected officials, department heads, etc.). It was observed that one JO CO Budget Committee (JOCOBC) member raised a BFO issue during the FY 2016-17 budget, and was not supported by a majority of the JOCOBC.

Issue. No BFO Model For Use By Departments The lack of a formal and coherent framework for implementing BFO (i.e., local government messaging and focusing on BFO instructions) each JO CO budget year has been noticed. For example, the JO CO FY 2006-07 “budgeting for outcomes” initiative, a performance budgeting process, has been stalled for a decade and has not moved forward to address several core BFO principles, examples of which follow.

- BFO effort linked to larger budget performance management, monitoring, and evaluation.
- Identification of high-level priorities important to the public for organizing the budget process through
- Develop request for results.
- Ranking the department proposals (alternatives).
- Identifying performance measures to monitor and evaluate performance.
- Sharing clear expectations for the BFO process communicated to stakeholders through written records.
- Formal BFO evaluation processes non-existent.

The county has been stuck for 10 annual budgets with highlighting the main BFO’s ideas it is using without any sharing of supporting analysis of why the FY 2006-07 BFO financial policies are still applicable (i.e., disappointingly nonspecific). This conclusion became apparent after an intensive review of the financial policies for JO CO public safety departments from FY 2006-07 to FY 2016-17, a detailed study of the FY 2015-16 public safety departments programs, and interviewing representatives of all public safety departments.

Issue. Public Distrust Of Government Instead of taking the time and effort to involve citizens, JO CO can wait until they experience higher levels of voter distrust and anger. To win elections, candidate promises make the newspapers. Some share that huge budget gaps have created end-of-county service disasters and revenues must be secured; others share the budget can be dealt with through greater efficiencies, with no impact on essential services or tax increases; or that the government facts aren’t right. Such promises are difficult to keep and inevitably prompt greater citizen disillusionment. Wouldn’t it be better to start the discussions earlier, no matter the different sides and views – to help citizens understand the realities of the fiscal situation – rather than pretend that miracles can happen in government, or stoically await the future?

2. Political Culture Issues Political culture is an important JO CO variable in the environment's influence on budget participation because the history of participation is a fairly good predictor of the forms that participation will take. **The Authors believe 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.**

Issue. **Political Ideology** JO CO is unique because it is politically conservative in comparison to the rest of Oregon and to the rest of the country. There is a significant conservative, tea party, and libertarian movement within the county. This effect of this conservative ideology can be seen in the county voters' historical votes on state and county tax initiatives decisions to support or oppose tax measures. Based on these results, ideology can be considered a determinant of tax measure support in JO CO to oppose tax increases.

Issue. **Political Culture** JO CO is unique in that a particular policy instrument, a property tax, had been proposed (i.e., levies in 2012, 2013, 2014, and 2015) to provide funding for public safety services in the county. This took place in a county that was very unique in terms of political ideology and demographic statistics. JO CO is unique because it is politically conservative in comparison to the rest of Oregon and to the rest of the country. This effect of this ideology on county resident's decisions to support or oppose tax measures can be considered a determinant of tax measure support.

Issue. **Demographic Statistics** The situation in JO CO is particularly unique because of the demographics of the population that resides in the county. The population of the county is much older than the rest of the state. This number is inflated due to the higher number of retirees in the county, with almost half of the households collecting some form of social security income. JO CO residents are also less well off than those in other parts of the state, with a median household income from 2010-2014 of \$31,890 compared to \$43,024 for the entire state. The end result of these statistics is that most JO CO residents live on a fixed income, making an increase in property taxes undesirable for much of the population.

Issue. **JO CO Uses a Traditional Budget Process** Citizens have responded to JO CO's "apprise" and/or "inform" level of CI/CP appropriately - minimalist. Others feel that the county can improve citizen trust in government through enhanced CI/CP efforts, and therefore find citizens more understanding and supporting of budget allocations.

Issue. **Citizen Participation in JO CO Budget Is Minimalist** In practice, JO CO citizen participation in budgetary decision making is typically minimalist and yields few, if any, directly observable results. Are government officials 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? Or are they acting in a pragmatic fashion, gathering and considering policy preference information using other input mechanisms?

Issue. BCC, Elected Officials, & Departments There has been relatively little innovation in the crucial practices and processes of financial planning which should be supporting JO CO's budget goal of BFO. To put it simply, local authorities are facing 21st century problems with a 20th century approach to CI/CP in budget accounting. In benign financial environments, incremental budgeting is an efficient way to distribute funds. But in times of austerity, this approach to budgeting is proving inadequate. Traditional budgeting can hamper innovation by trapping local authorities in patterns of past spending. In doing so, it tends to preserve the status quo rather than questioning whether each marginal dollar is helping the BCC meet its strategic objectives department by department.

Issue. Public Trust In Government While ideology likely plays a role, fair treatment within processes is the second most common argument utilized by levy opponents, probably because of a lack of trust in governmental processes. Residents have some control over budgeting as it concerns property tax issues, but for the most part, decisions are made by the JO CO BCC. What this implies for the county is its voters will be more likely to view taxation and larger government as inherently unfair. Both the ideology of voters in JO CO and the demographics of the population suggest that individuals will likely be opposed to future levies on the basis of their perceived unfairness.

Issue. CI/CP Directionless Beyond "Apprise" Per informal policy direction from the BCC to use the LBL, financial planning professionals, with public policy responsibilities have institutionalized the practice of public meetings/hearings as the method to involve the JO CO public in the budget process. This one-way flow of information on proposed policies, the 'review and comment' methodology – government 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. Commonly used efforts such as public meetings, open houses, and public hearings are viewed by the majority of CP researchers as mediocre or average in their effectiveness to include the public.

Issue. CI/CP Budget Goal of "Inform" It is concluded that the level of public participation in budgeting, as defined by the public meetings/public hearings JO CO budget process strategy, is the BCC'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, alternatives and/or solutions. This would be the purpose of CI per the LBL's purpose of ORS 294.321(6), to enable the public to be "Apprised."

However, while inform equals "apprise" of the LBL, it is tricky because the International Association of Public Participation (IAP2) Spectrum identifies a public meeting as "Consult", but the IAP2 public participation goal of "Consult" is to obtain public feedback on analysis, alternatives, and/or decisions. It is not apparent that the JO CO budget process meaningfully reaches the consult goal as there is no written record of the specific public input (versus the JO CO budget meeting minutes with very few details), and no specific budget committee or BCC written responses of the specific affects the public comments had on the complete budget decision for the stage the public comments were applicable (i.e, complete proposed budget, complete approved budget, complete adopted budget).

Issue. **CI/CP Budget Goal of “Inform” Satisfactory** The public participation goal of “Inform” would be 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 JO CO revenue since FY 2012 -13. The BCC has the specific issue of funding State mandated and JO CO essential public safety service 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 and not participating.

3. Legal Requirements Issues Most states, including Oregon, impose certain legal budget requirements on local governments (such as public hearings) that may either enhance or constrain participation. The present JO CO citizen budget process participation model, in terms of the opportunity for one-way testimony in budgeting is centered on early BCC fiscal policies turned into the complete proposed budget by the JO CO elected officials, the JO CO Management Team, and the JO CO Budget Officer for presentation to the JOCOBC. There is almost no opportunity for the budget committee, and especially the public, to meaningfully affect policy this late in the budget process when the proposed budget is first submitted to the committee.

Issue. Oregon Local Budget Law (LBL) Oregon imposes certain legal budget requirements of local governments (ORS 294.305 to 294.565). Although minimal for CI, there is no doubt that there are LBL requirements, especially accounting, that are applicable to all local Oregon governments. Some examples follow.

- 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%.

The LBL also provides for the exercise of county authority over matters of county concerns beyond the minimums of the LBL, such as enhanced CI/CP procedures.

Issue. ORS 294.305 to 294.565 Not About CI/CP Most of the LBL ORS are not about citizen involvement (CI) or citizen participation (CP) in the budget process as nowhere in the ORS can the reader find citizen involvement and/or citizen participation identified. Citizen involvement is introduced not in the applicable ORS and/or the OAR, but in the “introduction” of the Oregon Local Budgeting Manual (*Manual*). The word “public” is identified 43 times in the ORS.

- | | |
|-------------------------|-----------------------|
| • citizen | Zero (0) times in ORS |
| • citizen involvement | Zero (0) times in ORS |
| • citizen participation | Zero (0) times in ORS |
| • involvement | Zero (0) times in ORS |
| • participation | Zero (0) times in ORS |
| • public | 43 times in ORS |
| • public involvement | Zero (0) times in ORS |
| • public participation | Zero (0) times in ORS |

Issue. Public Meetings/Hearings, Review and Comment Procedures Legally required methods of public participation in government decision making in JO CO – meetings/hearings and their review and comment procedures in particular – do not work. They do not achieve genuine participation in budget planning or decisions; they do not satisfy members of the public that they are being heard in the budget process; they seldom can be said to improve the budget decisions that public officials make; and they do not incorporate a broad spectrum of the public into the budget process. However, it is worse than that, as almost no citizens show up.

Issue. ORS “Apprise” Public Purpose Misrepresented The ORS “apprised” public purpose is in conflict with several non-ORS/OAR policy documents. The most recent one is the 2016 training workshop by the Oregon Department of Revenue (ODR) on basic local budget law. One of the training power point panels identifies five “Purposes of Local Budget Law” with ORS 294.321 as the authority for the five purposes. The one of concern is “Encourage citizen involvement.” The ODR is blatantly teaching a falsehood that LBL, specifically ORS 294.321, encourages citizen involvement. The ODR promotes and/or takes credit for CI through the authority of the *Manual* and the *Local Budgeting In Oregon* documents it authored. However, the ORS “apprise” purpose and the *Manual* “to encourage the public” are not remotely the same. “Apprise” as practiced in JO CO is barely above nonparticipation on Armstein’s “Ladder of Citizen Participation.”

Issue. CI/CP An Afterthought In ORS CI/CP appear to be an afterthought after ORS 294.305 to 294.565 became law. There are no ORS requirements for CI/CP to occur such as in the requirement of a citizen involvement budget plan, or any other formal procedure program to help the public understand the local budget process, and how to most effectively participate. The minimalist LBL establishes standard budget procedures (i.e., mostly accounting), and provide for the specific CI methods of meetings/hearings for obtaining public input on the preparation of fiscal budget policies. However, the focus is to enable the public, taxpayers and investors to be apprised, or informed of fiscal policies. Under LBL, “CP in budget preparation” identifies a minimum of one public meeting before the budget committee to provide input on the proposed budget (could be 1st meeting), and a minimum of one public hearing before the BCC on the approved budget (could be 1st hearing).

Issue. Goals & Directives Not Compliance Standards The significant problem is that CI/CP purposes are like goals, they are usually not legal requirements (Appendix F), and there is not a legal penalty for non-compliance. This is especially so in JO CO where goals and purposes are usually reasonable, but general without specific measurable performance standards. Regardless, CI/CP purposes are not even identified in LBL, except to enable the public to be apprised.

Issue. Oregon Administrative Rules The OARs, with the force of law, are usually the savior of too general ORS. Because there is nothing in LBL on CI/CP, there is very little in the OARs applicable to CI/CP in the local government’s budget process.

Issue. **Manual Introduces CI** The *Manual* does not address CI in its own chapter as nowhere in the ORS can the reader find CI/CP identified. Citizen involvement is introduced in the “introduction” of the *Manual* as if it were a purpose of LBL, as a manual is supposed to help interpret the law, not create it. This was a liberal interpretation by the ODR, almost deceiving, but they were stuck with the ORS as legislation and tried to tie CI into its operating rules as expressed in the *Manual* and the *Local Budgeting In Oregon* document. JO CO’s CI/CP authority appears to be from the ORS or OAR; it is not.

Issue. **Manual Introduces Understanding For Budget Committee** The *Manual* recommends that JOCBC members should develop a general understanding of the budget process, not what the budgeting process will do to educate the members on their job responsibilities, nor the roles of the citizens in the budget process (*Local Budgeting in Oregon*” - 150-504-400; *Manual*, p. 44).

Issue. **Oregon LBL falls under Public Meeting Law** The Public Meeting Law policy statement **requires an informed public aware of the deliberations and decisions** of the governing bodies and the information upon which such decisions were made. It is the intent of ORS 192.610 to 192.690 that decisions of governing bodies be arrived at openly. The JO CO budget process does not meet this higher standard of “*require an informed public aware of the deliberations and decisions*” beyond the minimal LBL requirement of apprise/inform. However, LBL allows the local governing body to go beyond the minimal LBL CI/CP requirements in accomplishing this purpose. The JO CO BCC may, or may not, take on the purpose of requiring an informed public aware of its deliberations and decisions and the information upon which the fiscal policies and decisions were made in its annual budget process through collaborative CI/CP approaches, and it has elected not to do so.

Issue. **Budget Message Not Part of Proposed Budget** The JO CO interpretation that the JO CO budget message is not part of the JO CO proposed budget is a significant problem. The question of whether the budget message is part of the budget document is not answered by the legislative definition of the budget message (ORS 294.403); one of its main purposes is to describe proposed financial policies. The *Manual* (LBM, p. 14) identifies that the budget message is part of the complete budget document, and it also identifies three evolutions of the budget (i.e., proposed, approved, and adopted). The JO CO government also provides an opportunity for public comment (ORS - public “input”) in the local budget process at the three final evolutions, or stages of the completed budget.

1. Complete Budget Officer Proposed Budget Document.
2. Complete Budget Committee Approved Budget Document.
3. Complete BCC Adopted Budget Document.

For purposes of public input, it is illogical that the definition by JO CO of the complete budget is restricted to the adopted budget. It is logical that the budget message is part of all three complete final budgets as they all are for the reason to enable the public to be apprised of financial policies in the budget message. It was for that reason the JO CO budget process provides a public opportunity to comment on the budget’s proposed financial policies at a budget committee

meeting and a BCC hearing. Why does JO CO give an opportunity to comment on the proposed financial policies of the proposed budget, but not provide the financial polices as part of the proposed budget? The JO CO budget process in not in compliance with LBL as interpreted by the *Manual* when it provides the budget message only in the complete adopted budget.

Issue. Training For JO CO Budget Committee (JOCOBC) The LBL allows the JOCOBC to meet from time to time throughout the year for purposes such as training, but only with the JO CO BCC's approval (LBM, p 45). The bottom line is that the BCC plans and authorizes the budget committee's training, major procedures, and role, if any, the committee has in assisting the BCC in the budget process for the time it take to prepare the budget. The BCC's present informal policy is that the budget committee's main job is to figure out its responsibilities from the time it first meets the public in a public meeting until it approves the proposed budget over a time period of approximately 2 months. Informal policy is used as JO CO does not have any official public policy position (i.e., resolution or ordinance) such as a CI plan in the budget process, or a budget manual that the public and the budget committee could use in preparation of commenting on the proposed budget. Part of the issue is the perception that the JOCOBC is in charge of its role which is largely dictated by the budget calendar (see Section VI.B.4).

Issue. No Written Record Of JO CO Budget Committee Consideration One of the JOCOBC's most important duties is to hear and consider any input presented by the public about the budget. However, besides giving public input and any the members of the budget committee in response saying thank you to the citizen commenting, there is no significant written record of how the committee considered public testimony (i.e., what were the specific citizen's issues and recommendations and how did the committee specifically "consider" them?).

Issue. JO CO Budget Process in Not in Compliance The JOCOBC averages three advertized public meeting per year on the budget process from the time of the "budget message" meeting. The minutes of these meeting are usually 1 - 3 pages long. Most meetings had no members from the public giving input and this deficiency does not register as a significant JOCOBC topic during the budget meeting. When a member of the public does provide input there is normally a brief summary of the public input in the minutes, as one of the budget committee's most important duties to hear and consider any input presented by the public. However, the budget input process stops at the point of public input without any record how the committee considered the public input, and how it affected the decision. The JO CO budget process in not in compliance with its local budget process to give consideration to public input.

Issue. JO CO BCC Consideration – Keep Careful Minutes of the Budget Hearing Proceedings The JO CO BCC conducts the hearing and receives testimony from any person present (ORS 294.453). It gives consideration to matters discussed at the hearing (ORS 294.456). The *Manual* warns to "*Keep careful minutes of the budget hearing proceedings to document your compliance with these requirements.*" (LBM, p 55). Considering public input received at the public hearing before the BCC is crucial as consideration is an essential element for the formation of a contract as the *Manual* interprets LBL. However, the meeting hearing

minutes for BCC budget meetings are so brief to not include how public testimony was considered, only that it was. The JO CO budget process is not in compliance with LBL to give consideration to public input.

Issue. Notices More Important Than Public Input. “Publishing meeting notices and a financial summary of the budget are some of the most important parts of the budget process” (ORS 294.426; 294.438; and 294.448) (*Manual*, p. 47). This “most important parts” statement is telling because compliance with the financial summary form and timing of the notice is an appealable standard. Therefore, one of the most important parts of the budget process is not about apprising/informing the public, nor about ample opportunities for CI/CP, but about a appealable measurable form and timing compliance “notice” criteria.

Issue. May Budget Start Schedule To Tight For Additional Meeting With June 30 Adoption Schedule Compliance standards for publishing meeting notices and budget summaries for the budget committee’s first meeting and the governing body’s first hearing have twins in chapters 9 and 11 of the *Manual*. Chapter 11 fills in some of “why” these notice criteria are important and the CI purpose of enabling the public to be apprised is not important. After the “*Notice of Budget Hearing*” is published, the budget hearing must take place at the time and place published or the hearing must be rescheduled and a new notice published. Timing: the normal short 2-month schedule from the first meeting of the budget committee when the budget message is given, and the first meeting of the BCC does not leave much room for any needed additional meetings. Therefore, they are usually voted down by the majority of the JOCOBC when additional information and/or meetings are requested by any member of the budget committee as there is no provision in law for adopting the budget after June 30.

Issue. JO CO Has Not Taken Advantage Of ORS 294.438 The LBL’s narrative publication alternative’s purpose (ORS 294.438) of giving meaning to the budget figures while highlighting significant features in the budget is a startlingly honest statement of the potential flexibility of the JO CO BCC to do what they want to in terms developing financial policies for the budget process. The fact that the *Manual* explicitly explains that the BCC “can include any other information it wants to provide, in any form or format” in the budget beyond the LBL requirements is significant (Appendix L).

Issue. Purpose Of Enabling Public To Be Apprised Legally Meaningless The LBL does identify one of its purposes as enabling the public to be apprised. However, there are no standards of compliance for budget goals or purposes identified in the LBL on in the JO CO budget. Without them, LBL purposes are legally meaningless (i.e., when performance criteria are not required as part of LBL or local budgets).

4. Technocratic Expert Model For Accounting & CI/CP In Budgeting Issues Managers' professionalism, perceived political environment, and attitude toward citizen input are important factors explaining local governments' adoption of **participatory and/or collaborative budgeting** processes. Participatory budgeting is a process of democratic policy-making in which the government invites citizen inputs during the budget process and allows their influence in budget decision-making.

Why do some local governments include citizen participation (CP) in the budget process while others do not. The question of what factors drive a local government to invite CP deserves more attention. The controversy of the impact of the form of government reveals the necessity to investigate in-depth mechanisms and motivations within the local government context, especially the role of elected officials and managers in the decision process. What are the linkages between managers and CP in budgeting? Examining whether and how managers' professional characteristics and attitudes (i.e. "citizen leadership" model, "technocratic expert" model, and "bureaucratic indifference" model) affect local governments' adoption of CP in the budget process is important to citizens.

The models of "citizen leadership," "technocratic expert," and "bureaucratic indifference" provide different theoretical perspectives to think about how professional administration affects managers' behavior in regard to involving citizens in the budget process.

The Authors have been studying the JO CO public safety issue since 2012. Since 2015 they have interviewed all three county commissioners and public safety department heads at least one, and most of them twice. They consider them all to be professionals, and most appear to be distant, in some degree, in terms of sharing information. The Authors' have observed that the JO CO BCC, JO CO public safety elected officials, and JO CO department heads exhibit all three of the very different perspectives about how managers' characteristics might impact CI/CP. **Scientifically inconclusive, the Authors admit they believe the technocratic expert model dominates in JO CO.** They believe the actual level of CP is determined by both the extent to which governments provide involvement opportunities and the extent to which citizens are willing and competent to participate.

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. From the "technocratic expert" model perspective, one might argue that since budgeting is a central and complex management function, professional administrators, including the budget process leaders, may fear that CI/CP reduces administrative efficiency, and, as a result, they may openly or privately discourage CI/CP in budgeting.

For the record, over the last four years the Authors have been studying the safety issue, they have found almost universally that the involved public they have communicated with (i.e., stakeholder government and private citizens) concerning the JO CO public safety issues, pro or con, generally don't understand, and/or trust the Authors' motives. It is suspected that all, or most, believe instead that the Authors secretly might support one side of the pro-con issue on the opposite of their values. They therefore are reticent to provide information as it might be able to be used against their interests.

Issue. JO CO Leader's Attitudes and Roles Toward CP Have you heard this one - "Idealism increases in direct proportion to one's distance to the problem." Does this mean that only those who are not engaged in budgeting advocate CP in budget decisions? For the question this means that CP in budgeting is nice in theory but it doesn't work or isn't tried in practice; or that in order for a pie-in-the-sky idealism to make it in the real world, it needs to be located in the "realism" of the public budgeteer's daily work experience. Without a CI/CP budget goal change beyond the LBL "appraise" level of participation, including performance standards, **many believe, or wonder if the JO CO government leaders (e.g., JO CO commissioners, other seven elected officials, JO CO Management Team - JOCOMT, etc.) support CP in budget decisions.**

Issue. Budget Officer's Attitudes and Roles Toward CP The budget officer's administrative reality, with its statutory basis, illuminates how the processes for getting public input into general and special purpose government agency budgets can be driven by shortened time frames, legal requirements, the necessity of a "clean audit," and a culture that supports this emphasis. This reality is also the BCC's reality as the budget officer works for the BCC. **In many examples public input is, at best, restricted to responding to a prepared budget, without any interest on the part of staff in making changes to the completed budget document prepared by technically proficient budget professionals.** Although the public would be invited to meetings/hearings at the end of the fiscal year, timing pressures for budget approval and adoption would again disallow meaningful citizen input. The question is if CI/CP is based on nothing more than meeting minimal legal requirements – producing token, or inauthentic CI/CP?

Issue. Budget Officer's Administrative Reality Prepare for legal deadlines for notification (so as not to incur an audit finding for procedural non-compliance).

Issue. Expert-focused Approaches to Citizen Input in Public Budgeting. Preparation of better, friendlier budget materials is a technical solution narrative that requires only that budget officers operate by meeting legal requirements for CP. The need for budget presentation skills relates to citizens' roles as voters in approving or denying tax levies for public services. Clear and simplified budget presentations can contribute to citizens' developing confidence in the fiscal and overall management capacities of JO CO. In this narrative, budget presentations contribute to the development of an image of overall technical competence. Citizens need not participate because the situation is in the hands of competent, politically-savvy administrators and technical experts. The main problem with this narrative is that the majority of JO CO citizen voters hold government and its employees in negative regard, and are increasingly alienated from government, and have voted down four tax levies in as many years.

Issue. **Control Strategies to Keep Citizens Away** Deliberately or not, public administrators draw upon assorted control strategies to keep citizens away from policy and budget decision processes. **These JO CO procedures include limiting citizen input until a time when it is meaningless or an unessential part of the policy process;** using routine procedures for getting citizen input, such as relying solely on traditional public hearings and notices; defining problems and issues before asking citizens what they think, thus constraining possible ways of understanding the situation and possible solutions; and **failing to facilitate conversation at meetings, thus letting the proceedings turn into a series of monologues.**

Issue. **Tight Control In Budget Process** Tight control by JO CO is especially apparent in the budget process. Typically, budgets are developed internally by the BCC and are **presented to the public as a finished product at the first JOCOBC meeting, as one that can be manipulated only marginally and indirectly, and after key issues have already been defined.** Professional, technical expertise, and efficiency are given more value than democracy in the budgetary profession. Too much and too-loud CP creates delays and inefficiencies and threatens the positions of incumbent politicians and administrators. **Therefore, technical expertise is valued over the hands on, lived experience of community residents.**

Issue. **Budget Reality in JO CO Traditional And Continuing** The budget reality in JO CO is a “Technocratic Expert” CI/CP model which reflect the basic minimal CI requirements of the LBL. This is in contrast with the enhanced CI/CP approach that is allowed by budget law and the approach of many local governments in Oregon. JO CO’s minimal CI model was not because of the present JO CO situation of hard controversial unstable local revenues, as this same minimal CI/CP model was used for many stable revenue decades prior to the local public safety budget revenue issue, with its major cuts occurring in safety programs in 2012.

Issue. **Change for Traditional JO CO Budget Process** Traditional service provision minimizes CI/CP, favoring professional control. 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. The current system in the county is very similar to the traditional model. JO CO residents have some control over budgeting as it concerns to property tax issues, but for the most part, decisions are made by the BCC. 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.

Issue. **Ethical Financial Planner** Financial planning professionals with public policy have institutionalized the practice of JO CO public hearings to involve the public in planning. However public hearings and other similar commonly used efforts are viewed as mediocre in their effectiveness to include the public. So what can the ethical financial planner do to improve CI/CP in local government planning? One solution is to “adopt a different process that moves public participation to the forefront of planning instead of an afterthought” and that responds to the charge in the American Planning Association’s definition of community planning. - *“Community planning is a process that seeks to engage all members of a community to create more prosperous, convenient, equitable, healthy and attractive places for present and future generations.”*

B. Citizen Participation In Budgeting Process Design Issues

The literature cites a variety of considerations, such as timing, type of budget allocation, participants, and gathering sincere preferences, when designing the budget participation process.

Due to the public policy decisions inherent in the budget, the budget process would seem to be a prime opportunity for citizen input. However, empirical research suggests that CI/CP in budgeting is not widespread. Do practitioners such as the **JO CO government leaders (e.g., JO CO commissioners, other seven elected officials, JOCOMT, JOCOBC, etc.)** disagree with the 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 participation? When and how are citizens involved in the budget process? Why is CP not used more? What are the effects of CP in budgeting?

1. Citizen Involvement In Oregon Local Budget Law At Apprise/Inform Level Issues

Issue. Budget Complexity and Citizen Disinterest Budget complexity and citizen disinterest are the major barriers to CI when the JO CO public making a difference is slight for making a difference in budget decision-making. There is no written record that citizen input into the JO CO budget process has changed the annual proposed budgets.

Issue. Citizen Distrust in Government Citizen participation is seen as a way to reduce the level of citizen distrust in government, and to educate people about government activities. Major distrust in government is an issue in JO CO. Why hasn't enhanced CI/CP started/stuck?

Issue. Citizens Willing to Commit It is difficult to find a group of representative citizens willing to commit the necessary time and effort in the traditional JO CO CI budget process to learn about complex public budgets during times of stable budgets (i.e., relative trust), let alone during times of fiscal stress (i.e., relative mistrust).

Issue. Single One-Way Budget Cycle In JO CO CI citizen input process occurs linearly and in reference to a single annual budget cycle rather than as an ongoing two-way dialogue over the years. Citizens can't really get involved and make a difference beyond the potential of the three elector citizens on the JOCOBC, and there are many question that the electors even have a chance for a meaningful dialogue with the differences in the authority of the BCC members and the elector citizen members.

Issue. Cost In Time & Money Cost and frequency are factors in the lack of two-way communication. Two-way CI/CP methods take significant more time, effort, and money than traditional CI budgeting methods. Leaders do not usually get rewarded for successful inventory and CI/CP programs that their successors will inherit. The high probability scenario is that success for two-way CI/CP methods will take too long (i.e., 10 - 20 years in the political environment of JO CO), and be beyond the tenure of the present leaders for them to be rewarded.

Issue. **Review and Comment Methodology** Typical participatory mechanisms could be adopted by the JO CO BCC to improve upon the one-way flow of information in public meetings and/or hearings on proposed financial policies. However, the ‘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, but it is still used extensively.

2. Citizen Participation Timing In Budget Process Issues The literature identifies that timing is important because input that is received late in the process is less likely to have an effect on outcomes. This suggests that budget input is more beneficial during the preparation stage when the BCC shares its fiscal policies the first time with the other JO CO seven elected officials and JO CO department heads, rather than the budget proposal/approval/adoption phases. In and out of Oregon, there are examples of budget input occurring early in the process, but most studies have found participation used more frequently at the end of the process.

1. Complete Budget Officer Proposed Budget Document.
2. Complete Budget Committee Approved Budget Document.
3. Complete BCC Adopted Budget Document.
4. Execution of Adopted Budget Document.

Issue. **Participation Works Best When it Is a Dialogue** Other research besides timing suggests that participation works best when it is a dialogue rather than simply one-way information sharing. However, JO CO budget participation for the public still occurs primarily in the late stages of the budget process, and that changes have focused more on providing additional information to the public than on opening up a two-way dialogue.

Issue. **Timeliness Of Information** Timeliness of the information should be based on the sources and intended use of the information. If the purpose is to educate and inform the public about budget decisions that have been adopted for the upcoming fiscal year, the information should be made available soon after the proposed budget has been developed and definitely by the time of the approved budget. **On the other hand, if the purpose is to inform citizens of proposed budget decisions and to seek citizen feedback**, especially on fiscal policies, the information should be provided at the beginning point in the process when the proposed budget is being developed. Minimal CI/CP under LBL is to educate and inform and to seek citizen feedback. JO CO budgets are reasonable at educating and informing, and deficient at seeking and using citizen feedback. The problem is that poor timing of information leads to poor timing of opportunities to provide citizen input regarding that information.

Issue. **Effective Participation Through a Different Lens** Overall, citizens believe an effective participation system should include two-way communication between all stakeholder groups, more opportunity to be heard earlier in the process (not in May at the budget public hearings), and involvement an honest dialogue with JOCOBC, BCC, other elected officials, JOCOMT, and their staff regarding the budget and the citizens’ role in the process. A major criticism of public hearings concerns timing. Because most jurisdictions hold only the state-mandated LBL meetings/hearings, and they usually takes place late in the process, the public has little opportunity actually to influence results. These meetings/hearings take on a perfunctory or symbolic function.

Issue. Does Government Really Want To Involve The Public? If JO CO wants to involve the public, timing is vital, regardless of the method used. A high level of frustration is expressed by the public with the use of JO CO public meetings/hearings, particularly because they take place at the end of the process, when little meaningful input can be given. Meetings, surveys, and conversations, when conducted in a timely manner, afford the best opportunities for citizen input. They can tell people about the demands and the opportunities facing JO CO in both the short term and the long term. When this two-way exchange begins early in the budget process, there is a greater likelihood that the information exchanged will be used and that both citizens and JO CO officials will be better informed about the other's position and more committed to the result.

Issue. Availability of Proposed Budget Document To Review The LBL allow JO CO to provide its proposed budget to the public the day of the JO CO budget committee's first meeting (ORS 294.426(1)). One informal survey of the availability of Oregon county proposed budgets before the 1st budget committee meeting found highs of 55 and 27 days to review the proposed budget and give comments for Yamhill and Jackson counties, and lows of 0 days for Coos and Josephine counties. Zero days to review massive budget documents for comment is not fair nor logical, but it is legal. If a copy of the proposed budget is made available to the budget committee before its first meeting, the minimalist CI/CP standards of LBL provide that it is solely for the information and use of the individual budget committee members, not the public (ORS 294.426(6)(a)). The saving grace of the LBL is that it allows local governments to pursue enhanced CI/CP per the discretion of the governing body (Appendix L). In conclusion, in JO CO the number of days the public and budget committee had to preview the proposed budget before the budget committee's first meeting is not enough for meaningful participation.

Issue. Violating Concepts of Meaningful Public Participation The legal option of only making the complete proposed budget available to the public for the first time at the first JOCOBC meeting – at which the public has an opportunity to submit comments is especially egregious – legal, but a flagrant violation of the concepts of meaningful public participation. It promotes citizen disinterest and rational ignorance which is refraining from acquiring knowledge when the cost of educating oneself on an issue exceeds the potential benefit that the knowledge would provide any opportunity to make a change. This is a major problem in JO CO; public does not show up at budget meetings.

Issue. Public Opinion Not Heard Or Valued per the Oregon LBL minimum requirements. The minimum LBL approach creates a perception/reality that public opinion is not being “heard” or valued. Structured opportunities for two-way citizen testimony (input) into the JO CO budget are minimal to non-existent.

Issue. Stage of Citizen Input To Improve Public Trust The JO CO's use of the minimal CI requirements of LBL do not allow, much less enable or enhance public participation in the first phase (i.e., proposed budget) of the JO CO budget process. It misses a great opportunity over the long-term to improve public trust. The majority of the academic literature concludes that timing is important because input that is received late in the process is less likely to have an effect on outcomes (i.e., public input is more beneficial during the preparation stage rather than later phases: proposed/approval/adoption).

3. Type of Budget Allocation Much of the CI/CP research has focused on the operating budget. However, input is also used – and may be more common in – other types of resource allocation. For example, many mid-western cities have participatory processes for the allocation of nonoperating funds or for particular portions of the operating budget. These included capital improvement, community development block grants, and earmarked funds for community agencies.

CI/CP is used in different types of resource allocations in JO CO.

- Budget.
- Capital Improvement Projects.
- Land Use Plans.

The budget allocations for activities beyond the budget process are not pertinent to the purposes of this paper.

There are no identified issues for “type of budget allocation.”

4. Budget Process Participants Issues (i.e., selection method, numbers, representatives, and authorities). The selection of participants is another important design component. Researchers suggest that participation should be open to large numbers of people. Participants should also be representative of the community, to give wide access and not close anyone out of the process. The participant-selection method might also be critical; for example, officials could invite individuals based on neighborhood involvement, or individuals could self-select. Selection methods that purposively seek to include a wide range of perspectives are better received than those in which selection is perceived as cronyism that supports a particular political agenda.

Per the general public minimal CI requirements of LBL, the present JO CO budget process participants are the following.

1. JO CO Board of County Commissioners (BCC).
2. JO CO Other Seven Elected Officials.
3. JO CO Management Team (JOCOMT).
4. JO CO Budget Committee (JOCOBC) (ORS 294.414).
5. Staff, Including Budget Officer who works for the BCC.
6. Public.

Per LBL, JO CO must establish a budget committee. The committee is composed of the JO CO governing body members (BCC) and an equal number of elector citizens. An elector is a qualified voter who, for example, has the right to vote for a ballot measure submitted by the local government. The selection of electors is the responsibility of the JO CO BCC. In JO CO there are six members of the budget committee (i.e., all three commissioners and three elector citizens appointed by the commissioners per ORS 294.414).

Issue. Members of JO CO Budget Committee Do Not Have Equal Authority What are the authorities of the BCC members of the budget committee versus the appointed elector members? Do all members of the JOCOBC have equal authority, per the *Manual*, as each member's vote counts the same, and any member can be elected by the committee as its chair? How are the three electors (i.e., qualified JO CO voters) equal to the three members of the JO CO BCC when many budget law requirements, and real world relationships exist in the JO CO budget process whose outcomes dictate otherwise?

Issue. According to the Manual for LBL, All Members of the Budget Committee Have Equal Authority as each member's vote counts the same and the budget committee elects a presiding officer from among its members. This position is sharply contested by the Authors and they challenge the Oregon Department of Revenue (ODR), who wrote the *Manual*, to demonstrate in the law (i.e., ORS or OAR) that all members of the budget committee have equal authority. The BCC members of the budgeting committee have extensive power beyond that of the elector members of the committee. The reasons for this position in JO CO follow.

1. The BCC controls the JOCOBC's operating funds, its staff, its schedule, and its role.
2. Electors are appointed by the BCC and their reappointment is at the discretion of the BCC.
3. Governing body members work on budget year round while electors have approximately two months.
4. Governing body members are paid full-time professionals, while electors are unpaid and part-time.
5. Governing body members have more budget training and experience than electors.

6. Electors are excluded from the critical first phase of developing the proposed budget until it is a complete proposed budget submitted to the entire budget committee and the public for the first time.
7. Electors are asked to participate too late in the budget process and they are less likely to effect outcomes (i.e., real decision-making).
8. The governing body members are the unequaled authority for the final adopted budget.

Issue. Elector Members of JOCOBC Labeled Disruptive When Expressing Opinions 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 rather than as credible members of the committee expressing a difference of opinion (i.e., the JO CO Budget Officer is inferring that the budget committee members were not equal, with his 2016 quote: *"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).

Issue. Elector JOCOBC Members Are Appointed The elector budget committee members do not have 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. They also do not have the substantial and knowledge power to influence a vote of the majority of the budget committee. The LBL authorities for the JO CO's budget process participants in budgeting are legitimate and can be effective in the budgeting process. The question is whether it is working for CI/CP to improve public trust and the quality of the budget allocations?

Issue. The JOCOBC Is Under Control Of JO CO BCC The county commissioners control the JOCOBC's operating funds, its staff, its schedule, and its role. The JOCOBC is invisible outside of approximately two months when its job is to approve the proposed budget, and during that period it does not have time to address budget process issues. It barely has time to address budget allocation issues.

Issue. Majority Vote Of Budget Committee Slanted To BCC The budget committee reviews the budget proposal and, if a majority of the committee feels it is necessary, revises the proposed budget submitted by the budget officer. During this process the committee may ask questions of the executive officer or other staff, and request additional information. Getting additional information and revising the proposed budget is almost impossible to do as any budget committee action requires the affirmative vote of a majority of the total budget committee membership. The difficulty for the elector citizens on the committee is that half the members of the budget committee are the governing body (in this case the JO CO BCC), and the BCC had already developed the proposed fiscal policies and approved the individual departments submissions to the proposed budget prior to the budget committee seeing it (i.e., they have a vested interest in the status quo).

Issue. **Unequal Authority** Equal authority comes from having the following: 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 seemingly equals. Nevertheless, it is quite obvious that the JO CO elector citizens are not equal to the members of the governing body (JO CO BCC), 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.

Issue. **Public Believes Propaganda That Budget Committee Is Independent** The issue position will be explained by a recent experience of the Exploratory Committee which optimistically thought the JOCOBC was the expert group that could answer its budget process questions. It is official in the Exploratory Committee's view that the JOCOBC is not independent, and **now the Committee makes official requests to the JO CO BCC to schedule the JOCOBC's time for the purpose of explaining the budget process to the public.**

The fact that all members of the budget committee have equal votes, and that the an elector member of the JOCOBC might be voted as chair of the JOCOBC, has little value if the committee does not exist outside of the two months to approve the proposed budget with the names and contact information of some of the JOCOBC members (i.e., the elector members) kept secret from the public. It is understand that the JOCOBC members can't address budget allocation issues outside of public meetings and keeping the contract information helps with that issue. **However, hiding the JO CO budget process and its experts from the public by not having any information contacts for it to go to when it has budget process questions feels like it must be illegal under LBL.**

The Authors made their first request to the JO CO Budget Officer for budget process information on January 20, 2016. On September 27, 2016 the Authors made their first official request to the BCC versus continuing to believe that Arthur O'Hare, JO CO Budget Officer, and the JOCOBC, have any independent authority or responsibility to schedule the JOCOBC's time and decide its own roles beyond approving the annual proposed budget. Its request to the BCC was precipitated after Mr. O'Hare's September 23, 2016 email response to our September 23, 2016 letter/email request for a meeting with him and the JOCOBC to answer JO CO budget process questions with clarifying answers.

"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"

Since Arthur O'Hare is the BCC's employee, and the JO CO BCC controls the schedule and roles of the JOCOBC, the Authors asked the BCC to schedule a meeting(s) for them with Arthur O'Hare, JO CO Budget Officer, and the JOCOBC. No response from BCC as of October 7, 2016.

5. Budget Process Stages/Budget Message Issues There are several stages of the JO CO budget process.

1. Draft Internal Proposed Budget Document Developed By Budget Officer Under Direction Of JO CO BCC/Budget Leadership (i.e., BCC, Other Elected Officials, and JO CO Department Heads).
2. Complete Budget Officer Proposed Budget Document.
3. Complete Budget Committee Approved Budget Document.
4. Complete BCC Adopted Budget Document.
5. Execution of Adopted Budget Document.

Issue. Available Assessment for its CI/CP Budget Process Stages JO CO does not conduct a conflict assessment for its budget process phases, nor for the individual needs of CI/PC in its different stages. The BCC has adopted an informal policy that its CI/CP requirements are those minimums that are identified in the LBL. Informal is used because JO CO does not have a CI in budgeting plan or any other plan explaining CI/CP in its budget process (e.g., no county budget manual, no citizen participation budget plan, no county citizen's guide to the budget, etc.). This informal CI/CP policy is quite a restriction on the potential for enhanced CP beyond minimal LBL (Appendix L). Compliance is worked out on a case-by-case basis with the BCC being advised by the JO CO Budget Officer.

Issue. Gaining Valuable Input from Citizens There is a critical difference between going through the empty ritual of public participation and the public, including elector JOCOBC members, having the real power needed to affect the outcome of the process. Early and two-way participation can be very useful in educating the public about key trade-offs and gaining valuable input from citizens about their priorities and preferences. **Working with the public through participatory/collaborative CI/CP mechanisms** to make these connections encourages citizens to participate in a more knowledgeable fashion rather than simply demand that their fire station or library remain open without tax increases, or other service cuts.

Issue. Obstacles to Collaborative Participation Insurmountable? An academic from Oregon State University's masters public policy program recommends that **JO CO should seek to incorporate more citizen voices into its decision-making process through collaborative participation, including using co-productive models of governance.** This is because JO CO traditional service for CI in service planning and involvement in service delivery minimizes CI in both of these areas, favoring professional control over most service delivery procedures. Citizens may have some control over the system by being able to elect the BCC decision makers, however, the ability of citizens to make direct decisions or help in the provision of services is limited.

Issue. **Budget Message Part of Complete Budget Document** There was no explicitly identified “Budget Message” in the FY 2016-17 proposed budget. The *Manual* requires a budget message in the completed budget. This requirement is applicable to all three final evolutions of the budget in the local JO CO budget process. The JO CO Budget Officer disagrees; his position is that the “Budget Message” is required only for the complete adopted budget. However, the BCC has made him unavailable to talk to the Authors.

1. Final Budget Officer Complete Proposed Budget
2. Final Budget Committee Complete Approved Budget
3. Final BCC Complete Adopted Budget

Issue. **Budget Message Statements Without Supporting Facts** Without supporting facts or analysis for fiscal policies in the budget, or referenced in the budget documents, many JO CO budgets have statements in them like the following.

The budget before you includes **citizen input on services they are willing to fund** (emphasis added), **guidelines set by the Board of County Commissioners** (emphasis added), **mandates required by the State of Oregon** (emphasis added) and **stakeholder support of programs** (emphasis added). The budgets includes **details on mandates** (emphasis added), **program outcomes** (emphasis added), revenues expenditures and personnel for each department within the respective fund. Although County government and the resulting budget is complex the **goal is to provide as much transparency in government as possible** (emphasis added) while following Oregon Budget Law.

Each of these statements in **bold** are issues in their own right and are identified later.

Issue. **Non-Fiscal Accounting Information Not Vetted.** Fiscal accounting information in the budget which is identified in the budget message is considered vetted. However, most of the goals, objectives, purposes, and budgeting of outcomes in the budget message, do not have accompanying vetted support information. The exception is Davis’s identification of JO CO citizen preferences and priorities on the public safety issue (Davis 2016).

6. Sincere Preferences/Willingness To Pay Issues Public safety services (PSS) are needed in JO CO; it is just the tax mechanism or other source of revenue, the cost, the ability to pay, and trust in government concerning the need, that are the issues.

In public choice theory, preference revelation (also preference revelation problem) is an area of study concerned with ascertaining the public's demand for public goods. If government planners do not have "full knowledge of individual preference functions", then it's likely that public goods will be under or over supplied. Unlike private goods, public goods are non-excludable and non-rivalrous. This means that it's possible for people to benefit from a public good without having to help contribute to its production. Given that information about marginal benefits is available only from the individuals themselves, people have an incentive to under report their valuation for public goods. If public finance was entirely voluntary, then anybody who under reported their benefit would decrease their tax payment. This problem is known as the free-rider problem.

The ability to gain information about sincere preferences or the willingness to pay for public services is important. Studies have found a discontinuity between citizen demands and their willingness to pay taxes. In some cases, individuals might state a higher preference for a service if they believe they will not have to pay their fair share. Therefore, it is desirable to take this into consideration to understand true preferences. Eddon and Franklin (2004) identified several "Evaluation Criteria for Citizen Engagement," including sincere preferences/willingness to pay.

- Input is representative of the community.
- Opportunity is available for large numbers of citizens to participate.
- Input occurs early in the process.
- Sincere preference/willingness revealed.
- Participation includes two-way communication between public and government officials.
- Input is considered in decisions.

Issue. Citizens Not Involved During Fiscal Stress Calls for public participation in resource-allocation decision have been heard in the past. **The concern with cynical, distrustful citizens is leading many governments to focus again on gathering citizen input during budgeting, especially for those with the fiscal stress faced by local government becomes more serious.** JO CO has been under potential fiscal stress since 2000 and real fiscal stress since 2012. Both elected representatives and administrative officials are seeking to create public value in the squeeze between more public service and reduced costs and taxes. Painful decisions are required regarding service reductions or tax and fee increases. This appears to be an important time for citizens to play a role in helping elected officials determine the best solutions for government and the community.

Issue. Cumulative Fiscal Stress Questions about economic stress that the JO CO BCC have to consider, beyond the high profile degrading O&C passthrough revenues, are other major economic factors that have to be considered like future unforeseen unemployment, bankruptcies and foreclosures (i.e., 2007 is not that far into the past). That scary horrific past, along with the

normal State of Oregon forecasts of revenue growth in Oregon and other states facing downward pressure over the 10-year extended forecast horizon is a concern. As the baby boom population cohort works less and spends less, traditional state tax instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen in the past. The monster in the bedroom today is the potential of unanticipated PERS costs (i.e., 30 percent of all government payroll expenses within a decade?), with few reforms known that will meet the courts' rulings on abrogating a legal labor agreement.

Issue. JO CO Officials Do Not Know Citizen Preferences Bald political statements in the budgets indicate the governing body knows the citizen preferences – “*The budget before you includes citizen input on services they are willing to fund* (emphasis added).” However, there have been no scientific studies used in the budget to support this statement, or referenced, that purport to identify citizen preferences. The recent exception is by Davis (2016).

Issue. Cost Most discussions of the value of public participation, including understanding JO CO citizen preferences leave out a large barrier: cost. At high cost, understanding the hearts of the citizens by meeting with them regularly, of using some other instrument of gaining citizen preferences (e.g., surveys, etc.), **and ultimately gaining their trust and friendship may be the only way that regulators can promote new policies in communities where anti-government sentiment runs high.**

Issue. Groups Of Citizens Point Outward 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. Many county residents oppose the proposed public safety levies, but that is not the problem. Some residents resent the decisions made by JO CO government because they feel disconnected from the process of policymaking and policy delivery and distrust the officials in charge of making policy decisions.

Issue. Citizen Opinions Are So Varied for Sources of Revenues No matter how much citizen involvement is granted within the process, some individuals will not be satisfied with the results. This is particularly the case within JO CO where citizen opinions are so varied for sources of revenues (e.g., residential and commercial property taxes, transfers from other levels of government, sales taxes, BLM management of federally administered lands, flat taxes, consumption taxes, income taxes, business license taxes, charges and fees, revenue growth compared with economic growth, etc.).

Issue. Less Connected With Scientific Explanations Disconnected also means that JO CO has not provided a scientific explanation of why the old status quo PSS (i.e., pre FY 2012 - 13) are needed. For example, it has not elected to perform a minimally acceptable level of public safety services (MALPSS) analysis to make its case. It has relied on professional opinion in an environment of public distrust in government. The JO CO governing body has also not described scientifically the mandated and essential programs, and the need for their supporting levels of service (LOS).

Issue. **JO CO Has Not Tried Enhanced CI/CP** JO CO has not used enhanced CI/CP to explain the PSS need, nor received the support of a majority of its voting citizens for paying for proposed PSS levies. Arguments for enhanced CP often rest on the merits of the process and the belief that an engaged citizenry is better than a passive or anti-government citizenry. With CP, formulated policies might be more realistically grounded in citizen preferences, the public might become more sympathetic evaluators of the tough decisions that government administrators have to make, and the improved support from the public might create a less divisive, combative populace to govern and regulate. It is not known whether enhanced CI/CP would work in the long-term (i.e., 10 - 20 years). However, the bottom line is that JO CO has not tried enhanced CI/CP in the last 10 years or so since the probability of degraded O&C passthrough revenues became known, and incorporating citizen testimony into the JO CO budget decision-making process is not costless and timeless.

Issue. **Willingness To Pay**” The literature supports the benefits of an informed citizenry. There are also social and economic costs of enhanced CI/CP. Is enhanced CI/CP worth it to the JO CO BCC, other seven JO CO elected officials, and department heads? JO CO government leaders have not shared with the public what assumptions they are using for determining citizen testimony on sincere preferences and willingness to pay opinions. The question is whether the status quo is working for improving public trust and the quality of the budget allocations?

7. Public Participation in Planning, Budgeting, and Performance Management Issues Good public participation practices can help governments be more accountable and responsive, and can also improve the public's perception of governmental performance and the value the public receives from the government. The National Advisory Council on State and Local Budgeting Recommended Budget Practices includes recommendations for stakeholder input throughout the planning and budgeting process. GFOA recommends that governments incorporate public participation efforts in planning, budgeting, and performance management results processes. GFOA also recommends that to ensure effective and well implemented public participation processes, governments include a variety of important CI/CP considerations in designing their efforts. The following issues are all derived from the paper entitled, *GFOA Best Practice: Public Participation in Planning, Budgeting, and Performance Management* (Section V.J; Appendix V; GFOA 2009).

Issue. Purposes for Involving the Public JO CO's purpose for CI/CP is to apprise/inform the public. This is a legitimate level of involvement for stable conditions with public support. It does not work for conditions of fiscal stress and trust in government issues for a majority of the voting public.

Issue. Public Perspective Except for poorly attended public meetings/hearings, JO CO has no CI/CP program to solicit and/or understand the public's perspective. No written assurances by JO CO have been provided to the public that it is receiving the public's perspective rather than only that of a small number of highly vocal special interest groups. This is because everything is informal and undocumented with no publically available vetted studies except for Davis (2016).

Issue. Most Effective Solicitation Of Public Participation Public meetings/hearings are the one formal method JO CO uses for eliciting public participation in its budget process. It is one legal LBL method, but not the approach most likely to be effective in the planning-budgeting-performance management cycle. Several approaches in planning, budgeting, and performance are needed. A significant problem is that JO CO does not involve the public in planning and performance management.

Issue. Public Input Incorporated into Decision Making The majority of the JO CO voters do not believe the government when it provides information that public input will be incorporated into decision making. There is no publically available written record that it occurs beyond brief summaries in budget meeting/hearing minutes. Most importantly there is no for the record information on the details of the public input, how it was considered by either the JOCBC or BCC, and most importantly whether it made any impact on the budget decisions.

Issue. No Information On Use Of Public Input There is no formal JO CO strategic budgeting plan or CI/CP in budgeting plan that communicates to the public how public values will be collected and used. The JO CO governing body has little information on public values except the elected official method (i.e., they assert they were elected and they know what the public thinks). It has not tried any CI/CP method except the minimal apprise/inform public meetings/hearings (e.g., focus groups, simulations, CI/CP advisory committees, surveys, third-party intermediation, CI/CP workshops, etc.).

Issue. Absence of Buy-in From Top Government Officials There is no formal enhanced CI/CP advocacy from top JO CO government officials for CP in the form of existing or proposed CI/CP plans with the authority of an ordinance (e.g., strategic plans, long-term financial plans, citizen involvement plans, county budget manuals, citizen involvement in budgeting plan, county citizen’s guide to the budget, etc.).

Issue. Articulating Purpose Of Public Participation Beyond “Apprise” Articulating the purpose for conducting a public participation process is critical because the purpose becomes the foundation for deciding who to involve, how to select them, what activities they will be involved in, what information will be collected, and how the government will use the information. JO CO has not utilized any CI/CP purpose beyond apprise/inform associated with its minimal public meetings/hearings strategy. The GFOA’s best practices range of purposes for involving the public follow (GFOA 2009).

- To improve performance by better understanding what the public wants and expects from its government;
- To adjust services and service levels more closely to citizens’ preferences;
- To establish performance measures that incorporate the public’s perspective;
- To differentiate among the expectations of a jurisdiction’s various demographic groups in policy and service design;
- To understand public priorities in planning, budgeting, and managing services. (Public priorities are particularly important in making budget decisions when revenues are not sufficient to continue to provide all services at their current levels);
- To establish long term strategies to provide for a fiscally sustainable future for the jurisdiction;
- To ensure that capital investment decisions, such as the location of infrastructure elements, are informed by public input;
- To provide information to the public about a government’s services and results.

Issue. CI/CP Timing and Approaches JO CO has one point of access for the public in the budget process - after proposed budget has been developed during the minimalist public meetings/hearings process before JO CO Budget Committee and JO CO BCC. Public mistrust in government remains high.

Timing and approaches are related because approaches that work in one phase of planning, budgeting, and performance management may not be effective in other phases. For example, a community goal setting session would be very appropriate in assisting a government to establish priorities in developing a strategic plan, or in the early stages of the budget process. GFOA’s best practices range of general approaches and timing for involving the public follow.

- Identifying citizen preferences and satisfaction levels. Such efforts should occur before a decision has been made, or to test various ideas and approaches. Governments may solicit information for general purposes, such as strategic planning, or may solicit targeted information as input for specific projects, plans, or initiatives.
- Creating public or neighborhood advisory groups, committees, and informal task forces. These are often ongoing and can be used both to seek information during planning and information gathering and can in connection with subsequent phases, including consideration of alternatives, decision making, implementation, evaluation, and reporting.
- Providing information to the public. This approach is appropriate at all stages (e.g., public reports, such as budgets-in-brief, popular annual financial reports, performance reports, etc.).

Issue. **Technocratic Expert Model For CI/CP in Budgeting** JO CO uses the expert judgement and objective data budgeting process. GFOA's best practice is to use public involvement with expertise and data. Information derived from public involvement processes should be considered along with expert knowledge and judgment (i.e., such as the engineering expertise necessary to build a bridge) and objective data (i.e., such as economic and demographic information, both of which are also critical to good decision making).

Issue. **Collect, Maintain, Monitor, and Analyze Information from Public Involvement**

Activities JO CO's budget program informs the public that its input will be considered, but provides zero information explaining how public involvement has made a difference. It provides no information on CI/CP performance (i.e., collect, maintain, monitor, and analyze information from public involvement activities).

GFOA's best practice is that governments should systematically collect, maintain, monitor, and analyze information gained from public involvement activities, maintain contact information on individuals and groups that wish to be kept informed, and use multiple communication mechanisms to ensure that those involved or interested in the process are notified of opportunities for additional feedback and of decisions made based on the public involvement process. **Most importantly, governments should explain how public involvement has made a difference in plans, budgets, and performance, and gather public feedback on how successful the process has been through the public's eyes.**

C. Citizen Participation Mechanisms In Budgeting Issues

Many citizen participation mechanisms - methods, each with strengths and weaknesses, have been used to elicit participation in the budget process (e.g., public meetings, focus groups, simulations, advisory committees, workshops, surveys, third-party intermediation, etc.).

No participatory mechanism is without weaknesses. A big difference among the mechanisms is the type of communication they foster between citizens and public officials. For example, surveys and public hearings tend to provide one-way information regarding citizen opinions. One-way communication can occur in the other direction as well. When officials release budget information, the nature of the data reported and the timing of its release can shape citizens' perceptions of the budget process and the likelihood that their participation is valued. Even the professionalization of the public information office can be an indirect signal that communicates officials' expectations regarding participation.

Ultimately the differences between the methods legally required in the US 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 engagement; and use for routine activities vs. for controversial choices.

Issue. Oregon's Legal Budget Law Requirements Oregon, like most states, impose certain legal budget requirements on local governments, such as public meetings/hearings, that may either enhance or constrain participation. It is time to face facts we know, but prefer to ignore. JO CO's traditional use of legally required minimal methods of public participation in government decision making – public hearings, review and comment procedures in particular — do not work. They do not achieve genuine participation in planning or other decisions; they do not satisfy members of the public that they are being heard; they seldom can be said to improve the decisions that departments and public officials make; they do not incorporate a broad spectrum of the public; and most importantly the public is uninformed with a majority of the voters mistrusting government and not supporting budget proposals that increase taxes.

This section will only address four citizen participation mechanisms: 1. public meetings, 2. advisory committees, 3. workshops, and 4. third-party intermediation. This is because the researchers only have knowledge of the first three, and the four, third-party intermediation, is part of what this paper hopefully accomplishes.

Issue. JO CO Citizen Involvement Budgeting Program The JO CO CI/CP budgeting program is presently hovering at the first goal of apprising/informing the public of government decisions. The county's informal policy is to follow the minimal public hearing requirements of LBL. This informal CI/CP policy is a significant restriction on the potential for enhanced CI/CP beyond minimal LBL presently being practiced by local governments across Oregon. A quote from the *Budget Manual for Local Governments in Multnomah County* is worth providing again. Other examples of county enhanced CI/CP procedures are available (Appendix L).

“STATUTORY REQUIREMENTS Local Budget Law dictates what must be included in the budget document. Surprisingly, the requirements are quite minimal. Districts are encouraged to add material to the budget that provide more in depth information for the public.” (Appendix L; TSCC 2008 p. 17).

Issue. Citizens Normal Inclination Is To Avoid The Budget Process Much has been written on the topic of public alienation from the local government’s budget process, and it usually assumes that if only the right vehicle for empowerment and engagement is offered, citizens will lose their cynicism toward government and actively support democratic processes. However, it needs to be acknowledged that working out policy decisions and implementation details over a protracted series of meetings is an activity most citizens prefer to avoid.

1. Public Meetings/Hearings Issues

Issue. ‘Review and Comment’ Methodology The ‘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, but is still used extensively by JO CO.

Issue. Public Meetings Not Good For Giving Citizens Direct Influence JO CO public budget meetings are not very good at giving citizens direct influence, but they can be used as forums for preliminary information sharing. Public budget meetings/hearings are common before budget adoption. Timing of these meetings/hearings is often a constraint. Attendance is generally low unless a “ hot issue ” is involved, such as proposed tax increases or service reductions. In addition, attendees may not be representative, and they may have little knowledge of the budget as a whole.

Issue. Hearing and Public Comment Processes Tend to Be Formalistic, One-way Communication Several techniques are nearly ubiquitous in the US, most of which are enshrined in law as required ‘steps’ in a public decision process. The hearing and public comment processes tend to be formalistic, one-way communication from members of the public to the agency or elected officials. The ordinary citizen is most likely to participate in public hearings in local arenas, where their interests are most clearly affected and where they are most knowledgeable. Typically these procedures are used after plans or decisions have been proposed, often in some detail. The citizen’s role is to react. This, in its entirety, is the JO CO CI strategy to “apprise” citizens (ORS 294.321(6)).

Issue. Limits For Meetings/Hearings Two or three-minute time limits are often placed on speakers, with equal time for the highly informed or the person whose livelihood is at issue as for the rambling fellow. Citizens have to stand below the stage where budget committee and JO CO BCC members sit. They can speak only on the topic defined in the agenda. The program typically does not allow for interchange, although occasionally a JOCOBC member may ask a question. Citizens have no entitlement to answers to *their* questions. It is not surprising that citizens normally speak at public hearings only when much is at stake for them or when they have a passionate belief about an issue.

Issue. **Special Interests Participate** Public hearings typically are attended primarily, if not uniquely, by avid proponents and opponents of a measure affecting them personally, by representatives of organized interest groups, and by a handful of diehard budget watchers.

Issue. **Inequality Of Power and Information** Participation pathologies can come from the inequality of power and information of JO CO citizens and government. Dialogue with other non-designated speakers are probably not permitted, even if citizen questions were pertinent. Citizens usually get no information about their rejected alternatives and were allowed only to react to the proposal. They are frequently told that the proposal represents the best answer. The focus is on technical data, and citizens who wanted to speak of fairness and justice were ruled out of order. This situation was one of “distorted communicative action” due to the inequalities in treatment of speakers, lack of multi-way dialogue, and control of the agenda.

Issue. **U.S. Review & Comment Procedures Are Better, But** The U.S. government review (e.g., BLM, FS, NPS, etc.) and comment procedures are better than the straight JO CO public budget meetings/hearings, but still have major problems. In project review the U.S. government documents potential impacts in a detailed technical report. There are public hearings on the report, and **comments are made in writing by agencies, stakeholder groups and citizens and they are published with responses.** Even though government staff have to respond to comments, they can be unresponsive or dismissive. They may declare comments off point, just as in JO CO public meetings/hearings. The citizen does not know who wrote the responses in the U.S. government approved minutes, much less have the opportunity to confront the individual or have an interchange on the topic. Comment processes are difficult to learn about and not readily accessible to the ordinary citizen, but they are available at the U.S. government level **versus the vacuum of the JO CO CI/CP budget process.** Commentors do not have an opportunity to discuss or resolve issues among themselves – just like the JO CO budget process.

Issue. **Minimal Apprise/Inform Meeting Standard** The minimal CI provisions of “to enable the public . . . to be apprised of the financial policies” in the LBL purposes are barely above nonparticipation on Armstein’s “Ladder of Citizen Participation.” Apprised is to be informed, and “Informing” is just above nonparticipation. The model of “Apprise/Inform” for budget meetings/hearing is not satisfactory for issues such as the county public safety issue which is multifaceted, with citizen perceptions and engagement decisions, pro and con, involving a multitude of reasons for involvement and/or non-engagement.

Issue. **No Evaluation Method For Success Of Meeting/Hearing Approach** Unfortunately, JO CO does not have a method to evaluate the success of its budget meetings/hearings approach to its citizens involved in budgeting, and more importantly, it does not try. What CI/CP criteria might it consider in the future? Examples of two types of evaluation criteria used for effective public participation follow: 1. acceptance criteria, which concern features of a method that make it acceptable to the wider public, and 2. process criteria, which concern features of the process that are liable to ensure that it takes place in an effective manner.

Issue. Government Leadership JO CO going beyond the LBL budget meetings/hearings format will require altruistic local governing bodies, as the acknowledgment for a job well done will not be given to them. Their sacrifices will be for future elected officials as the major outcome of public trust will not develop in the short-term, but the long-term, optimistically perhaps 10 - 20 years. This is because the pattern is clear in local governments, especially for JO CO which has a history of rejecting tax measures as reflected by its last 10 failed levies for funding public safety services.

2. Advisory Committee Issues An advisory committee is usually a collection of individuals who bring unique knowledge and skills which augment the knowledge and skills of the local government body in order to more effectively guide and manage. Citizen budget advisory committees have been used in many places. These are better than some other methods at informing participants about budget issues. However, participation is limited and may not be representative, and they can be costly in terms of time and effort. One study found that advisory committees are effective when appointments are made in a democratic manner and when the committees have clear goals. According to the Oregon Department of Revenue the JO CO Budget Committee is a “fiscal planning advisory committee” to JO CO (*Manual*, p. 44), but DOR does not directly define the roles of this type of committee. It does define the duties of the budget committee. What is a fiscal planning advisory committee? Planning and advisory are the keys. Advisory means making recommendations, not decisions. What is planning? The Authors’ position is that JO CO does not have a budget advisory committee; it has a budget committee whose primary job is to approve the budget.

Issue. JO CO Budget Advisory Committee JO CO has a budget committee that, according to ODR, is a fiscal planning advisory committee. The budget committee meets publicly to review the proposed budget document as proposed by the budget officer, holds at least one meeting on it in which the public may ask questions about and give public input on the budget, and eventually approves the budget. Is it a “fiscal planning advisory committee” to JO CO per the *Manual*? A “fiscal planning advisory committee” and the JO CO Budget Committee’s actual job, defined by the ODR, seem like a very long way apart, especially when the advisory committee is advising itself (i.e., advising on fiscal policies the BCC developed months before). This appears to be a major conflict of interest.

The JO CO Budget Committee is JO CO’s fiscal planning advisory committee if its job is short-term for about 2 months each year reacting to a proposed budget prepared by the JO CO Budgeting Officer based on policy information given to department heads by the BCC through the point it approves the budget. By definition this reactionary mode of advising is not the needed long-term fiscal planning needed from a “fiscal planning advisory committee.”

Issue. Comprehensive Long-term Financial Planning Process Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges. Many governments have a comprehensive long-term financial planning process because it stimulates discussion and engenders a long-range perspective for decision makers. JO CO does not have a publically available one accessible by its citizens. It can be used as a tool to

prevent financial challenges; it stimulates long-term and strategic thinking; it can give consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders such as the public. The GFOA recommends that all governments regularly engage in long-term financial planning that encompasses certain elements and essential steps, including updating long-term planning activities as needed in order to provide direction to the budget process.

Issue. Advisory Committee Proposed By SOS In 2016 Securing Our Safety proposed to the JO CO BCC that it form a “The Round Table of Josephine County.” The Round Table’s (advisory group) mission is to “To Accept and Review Proposals for Providing Financial Resources to the Law Enforcement and Justice Programs Operated by Josephine County.” It is unknown whether this group was formed by the BCC.

Issue. CI/CP “Advisory Committees” In Budgeting Advisory committees would be a citizen participation mechanism - more meaningful participation. However, there are no advisory committees on JO CO budgeting process except the handicapped short-term JO CO Budget Committee whose focus is on approving the completed proposed budget. There are also no advisory committees for each JO CO department.

3. Workshop Issues At its most basic level the budget workshop participants (i.e., open to all stakeholders) could learn how to prepare, develop and present budgets aligned with local government’s strategic goals in compliance with the minimal standards of LBL. Working in groups, they would gather the information needed to construct and analyze operating budgets. There would be practice evaluating and revising a budget to increase its chances of acceptance. This type of workshop would be an opportunity to gain the tools and insights to craft the budget your local government needs to overcome obstacles and achieve success.

Issue. Josephine County Government Training workshops have been used by the JO CO Budget Committee. These workshops are open to the public. More needs to be learned about how the JO CO BCC uses workshops for JO CO Budget Committee training. It could be that these workshops are another one way-method of sharing information to the budget committee and the public without meaningful two-way communication. They also could be acting as a good two-way communication method, or have the potential, for more meaningful participation. These questions are unknown as the JO CO Budget Officer is not available to the Authors to talk about the budget process.

Issue Participatory Budgeting Workshops At a higher level the CI/CP JO CO training workshop could consider participatory budgeting (PB) which is permitted under LBL. It is one of the most exciting and fastest growing innovations in democracy. The idea is simple – giving ordinary citizens the power to spend part of a public budget. But the practice of PB is complex, and requires careful planning.

Issue. Accessible Information On Workshops It is known that sometimes the JO CO Budget Committee has workshops. It is not known what actually occurs at these workshops, or what different purposes are possible in the future – Just not enough information.

4. Third-Party Intermediation Issues An intermediary (or go-between) is a third party that offers intermediation services between two or more parties. It would be a CP mechanism - more meaningful participation. Third party organizations are not meant to replace the civil service, but to supplement their work by enhancing public understanding of the process, developing platforms for meaningful participation, and facilitating transparency.

Third-Party Intermediation represents an unexploited JO CO opportunity. The argument is that a third-party intermediation combined with direct and indirect citizen action, including efforts to track and audit actual resource use as well as influence budget formulation, would be a useful complement to the traditional JO CO CI LBL prescription.

Issue. Polarized Public In JO CO The county is polarized with at least three groups: 1. supporters of funding for pre-FY 2012-13 levels of public safety services (PSS), especially law enforcement, 2. opponents that would prefer that a property tax not be used to raise the pre-FY 2012-13 funding, and 3. citizens pleading for more information, and/or those that mistrust government and reject new taxes. There are no known third-party intermediation groups in JO CO.

Issue. Potential Third-party Intermediaries There are citizen groups working on the JO CO public safety issue. SOS, Exploratory Committee, other citizen groups, etc. were not formed to be a third-party intermediaries. However, they are, or could, produce material that could be beneficially used by to-be formed organizations implementing a “Third-Party Intermediation strategy between JO CO (i.e., JO CO Commissioners, other JO CO seven elected officials, and JO CO department heads), and the public.

Issue. Could New Idea Help? This is a relatively new idea that is starting to be seriously used by local governments. The City of Toronto considered the “Third-Party Intermediation strategy being used in Philadelphia and New York City. In Toronto, non-profit organizations have stepped up to take on the role of budget intermediary by bridging the communication gap between City Hall and the communities it serves, and by better integrating elements of simplicity, clarity and brevity in discussions. Could “Third-Party Intermediation” work in JO CO? Not enough information.

D. Budgeting Goal Issues There are three big ideas for “Goals And Outcomes.”

1. Identify Issues.
2. Monitoring With Performance Standards.
3. Evaluated.

- Section VI.D.1 is about the actual “JO CO Government Budget Goals: FY 2006-07 to FY 2016-17”.
- Section VI.D.2 is about the “Budget Planning Goal Issues”.
- Section VI.D.3 is about the “JO CO Budget Goal Issues”.

1. 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; Section V.F)

- 1) **Improve community outreach** and communication to the public by investing in technology that will improve efficiencies within County departments and **provide enhanced service** to citizens.
- 2) **Develop a sustainable plan** for all **mandated and essential County government programs**.
- 3) **Provide access** to County services to the citizens of Josephine County in a **transparent, open, and professional manner**.
- 4) **Budgeting for Outcomes** Based on Programs and Service Levels (continuous commitment of budgeting for outcomes from FY 2006-07).
 - Future budgets will incorporate citizen input on services levels they are willing to fund.
 - Future budgets will incorporate goals set by the Board.
 - Future budgets will incorporate stakeholder support of programs.

b) FY Budget 2013-14 through FY Budget 2010-11 Goals (same for four years; Section III.D.3; Section V.F)

- 1) **Encourage public involvement, through community outreach**, in identifying service requirements and programs to be provided by Josephine County.
- 2) **Provide sustainable funding** for all **mandated and essential County government programs** for the next ten years.
- 3) **Provide services in a transparent, open and efficient manner** to all the citizens of Josephine County
- 4) Ensure cost effective achievement of services to the County’s citizens by providing an environment that fosters a highly qualified and professional workforce.
- 5) **Budgeting for Outcomes** Based on Programs and Service Levels
 - Future budgets will incorporate citizen input on services levels they are willing to fund
 - Future budgets will incorporate goals set by the Board
 - Future budgets will incorporate stakeholder support of programs

c) FY 2009-10 To FY 2006-07 Goals (variable for four years; Section III.D.3; Section V.F)

- 1) JO CO BCC Provides Goals Per Budgeting for Outcomes
- 2) Budgeting for Outcomes (BFO) Incorporation Commitments
- 3) Compliance With Mandated JO CO Programs.
- 4) Provide Access in a Transparent, Open, and Professional Manner.

d) Directives & Guidelines Example directives and guidelines follow to demonstrate specific intent in implementing the annual budget goals.

- JO CO FY 2016-17 Directives/Guidelines
 - Status Quo budget required unless change is supported by revenue
 - Expenditures - Department level (Departments: Offices, Divisions, Programs)
 - Reported at Service Levels - Mandatory and/or self supporting
 - ▣ Public Safety Fund budgets and requirements should not exceed projections for FY 16-17. Dollar limits will be provided to departments based on FY 15-16 actual percentage allocation.

- JO CO FY 2015-16 Directives/Guidelines
 - * Departments are to explain in their budget submissions how their budget(s) meet these goals.
 1. Budget at a level consistent with current operational service levels.
 2. Budget only for mandatory and/or self-supporting programs.
 3. Address County goals and clearly define program purpose and expected outcomes.April 30, 2015 Budget Message - Each department has detailed in their budget how their programs meet the following goals approved by the Board of County Commissioners on 02-12-2015.

- JO CO FY 2014-15 Directives/Guidelines
 - * Departments are to explain in their budget submissions how their budget(s) meet these goals.

May 8, 2014 Budget Message - Each Department has detailed how their programs meet the goals set by the Board of Commissioners in FY 2014.

- JO CO FY 2013-14 Directives/Guidelines
 - * Departments are to explain in their budget submissions how their budget(s) meet these goals.

May 7, 2013, Budget Message - Each Department has detailed how their programs meet the goals set by the Board of Commissioners in FY 2010.

e) Oregon Revised Statutes (Section II.A.; Section V.C.3; Section V.F) Oregon imposes certain legal budget requirements of local governments. There are six purposes identified (ORS 294.321 Purposes). Two purposes touch on citizen participation (see Section II.A for all six purposes).

- ORS 294.321(4) **To provide specific methods for obtaining public views** (emphasis added) in the preparation of fiscal policy
- ORS 294.321(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.

2. Budget “Planning” Goal Issues This section is about budget planning goal issues where the public is not involved in a formal budget “planning” CI/CP guidance process because JO CO does not have any formal budget action plans (Section I. Action Plan Issues).

- Strategic Plan
- Long-term Financial Plan
- Citizen Involvement Plan
- County Budget Manual
- Budget-In-Brief
- Citizen Involvement in Budgeting Plan
- County Citizen’s Guide to the Budget

Important to CP is consideration of both the goals and outcomes of participation. Goals should be set at the beginning of the citizen-participation process, and outcomes should be assessed and compared to what was expected when the goals were established. Five potential goals for budget input 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, and (5) enhancing trust and creating a sense of community.

Issue. Practices Encourage Development Of Local Government’s Goals National Advisory Council on State and Local Budgeting NACSLB’s best practices promote the linkage of the budget process with other activities of the government (NACSLB 1998). Their scope recognizes that budgeting has many dimensions – political, managerial, planning, communications, and financial. GFOA/NACSLB practices encourage the development of organizational goals, establishment of policies and plans to achieve these goals, and allocation of resources through the budget process that are consistent with goals, policies, and plans. There is also a focus on measuring performance to determine what has been accomplished with scarce government resources. **These practices are closely tie to the GFOA Presentation Award Program and JO CO practices** as the county has been awarded the GFOA’s Distinguished Presentation Award several times.

Issue. Goal-Driven Approach to Budgeting Of all of the functional areas of finance, the one most in need of guidance is government budgeting. The release by the NACSLB of a set of recommended practices represents a milestone in budgeting – in one document governments now have a comprehensive set of processes and procedures that define an accepted budget process. The practices advocate a goal-driven approach to budgeting that spans the planning, development, adoption, and execution phases of the budget. JO CO has budget goals, but its goals do not drive its budget process.

Issue. Audit An auditing process is vital to determine the level of adherence to the JO CO CI’s purpose in budgeting, and there should be formal adoption of the process set out for community and stakeholder engagement activities. JO CO has little to no auditing for JO CO’s CI in budgeting (Appendix V).

Government Finance Officers Association (GFOA) recommends a goals approach. The recommended GFOA public participation in planning, budgeting, and performance management best management practices are on its web site: <http://www.gfoa.org/services/nacslb> (NACSLB 1998).

The International Association for Public Participation (IAP2) goes further in its 2015 publication, *Quality Assurance Standard: For Community Stakeholder Engagement* (Standard). The Standard has adopted the IAP2 core values as the “**principles upon which to define quality throughout the process of community and stakeholder engagement.**” The IAP2's Core Values define the expectations and aspirations of the public participation process. Local governments should adhere to these values for community engagement to be effective and of the highest quality.

Issue. IAP2 Quality Assurance Standard: Stakeholder and Community Engagement Process As well as adopting the core values as the underlying principles for community and stakeholder engagement, a standard process must be undertaken in order to ensure a quality community engagement exercise. JO CO has no standard process except ORS 294.321(4) & (6).

Issue. Choose the Level of Legitimate Involvement and Level of Influence The level of citizen participation is determined by the local governing body from the “Public Participation Spectrum.” The spectrum acknowledges that differing levels of engagement are warranted and legitimate, depending on the goals, time frames, resources and levels of concern in the decision to be made. For example, the spectrum is used to choose the level of legitimate involvement and level of influence (i.e., inform, consult, involve, collaborate, or empower) and identify the goal of the program. JO CO has no explanations for its CI strategy except LBL’s purpose of enabling the public to be “apprised” (ORS 294.321(4) & (6)) as interpreted by the JO CO Budget Officer who is not available to answer budget questions except during budget meetings/hearings.

Issue. Development and Approval of Engagement Plan An engagement plan is required to communicate the way in which JO CO intends to involve the stakeholder groups in participating and influencing budget decision-making. JO CO has no CI/CP budgeting plan of any type.

Issue. Feedback An integral part of the citizen engagement process is feedback which refers to the provision of information to stakeholders, including the public, on how engagement outcomes will be utilized in decision making. Feedback is also a quality indicator highlighted in IAP2’s core values which have been adopted as the principles of this standard. Except for the adopted budget, feedback from JO CO to the public is minimal to lacking.

Issue. Evaluation and Review Engagement evaluation and review enables JO CO government to make recommendations and decisions based on the outcomes of CI/CP engagement. It is also the vital evidentiary point in the project outcomes and a central element of assuring quality engagement. JO CO has no evaluation and review CI process in budgeting.

Issue. Monitoring To ensure community and stakeholder budget engagement is effective and continually provides support to the budget – ongoing monitoring and measuring of performance should be conducted and reported. JO CO does not conduct monitoring and measurement of performance for its CI in budgeting to “apprise.”

Issue. Documentation of Evidence Lacking The IAP2 “Standard” for community and stakeholder engagement is accompanied by an audit framework that sets out required standards including (Appendix S): 1. benchmarks, 2. evidence points, and 3. project assessment. To ensure engagement projects can be assessed for quality and can demonstrate that the Standard process has been adhered to details of the activities undertaken should be recorded for auditing purposes. In addition, organizations can benefit from the engagement experiences undertaken and lessons learned. Documentation of actions and outcomes can provide an internal mechanism for continuous improvement. JO CO has little recording of evidence for JO CO’s CI in budgeting.

Issue. JO CO Goals But No CI/CP Connections JO CO has budget goals, but its goals were not established with independent plans involving the public to achieve these goals, including the allocation of resources through the budget process that are consistent with goals, policies, and plans. Measuring performance to determine what has been accomplished with scarce government resources has been especially lacking.

3. JO CO Budget Goal Issues This section focuses on JO CO goals versus JO CO budget planning CI/CP goal issues.

Issue. **Budgeting For Outcomes Commits To Goals.** The JO CO FY 2006-07 budget process was almost revolutionary in establishing BFO, and committing to future annual goals based on programs and service levels, including the incorporation of the following into the budgets: 1. citizen input on services levels they are willing to fund, 2. goals set by the JO CO BCC, and 3. stakeholder support of programs. The problem was follow-through with a publically available budget goals planning process plan (e.g., handbook, guide, etc.) to implement the FY 2006-07 BFO commitment (see Sections VI.D.2 & VI.E. Budgeting For Outcomes Issues).

Issue. **High-Road Or Low-Road Participation Goals** Participation goals may relate to high-road purposes such as enhancing trust or creating a sense of community, or low-road such as education, gaining support, and influencing decisions. There is consensus that goals should be clearly articulated by the decision makers before the process begins. JO CO has budget goals, but no understandable explanation of what they mean, and especially how they were applied through monitoring and evaluation.

Issue. **Outcomes Of Budget Participation** JO CO has not systematically measured the outcomes of CI/CP in budgeting (i.e., however, fiscal decision outcomes are the shining light of compliance/accomplishment). Participation is valuable because it provides an opportunity to gather input and encourages two-way communication, but seldom does JO CO's one-way communication through its meetings/hearings format result in resource-allocation decisions modified as a direct result of public input. Instead, JO CO officials assert that public input is considered, but without documentation on how it was considered, nor whether it had any effect on the budget decisions.

Issue. **Traditional Versus Collaborative In Oregon** Oregon ideas have been researched about the traditional theory of planning with a collaborative model of planning. The traditional system is compared to a collaborative model that is more welcoming to CI. The objective of traditional models is, "*Legal conformity, inform and educate, gain support of public for agency policies.*" Whereas the collaborative model aims to, "*create conditions for social learning and problem-solving capacity.*" The different objectives frame the barrier of the traditional model to involving citizens in quality dialogs, sharing responsibility and sharing power with citizens in making planning decisions. It is the same for JO CO's CI where LBL's level of CI/CP is to "apprise"/inform the public versus involve, collaborate, and empower.

Issue. **JO CO's Inform Goal** The IAP2 Spectrum identifies a public meeting as "Consult", but the public participation goal of "Consult" is to obtain public feedback on analysis, alternatives, and/or decisions. It is not apparent that the JO CO budget process meaningfully reaches the consult goal as there is no written record for the following (1. specific public input - sometimes 1 - 2 sentence summaries in budget committee meeting minutes, 2. specific budget committee or BCC responses to public input, and/or 3. specific affect the public comments had on the completed stage of the budget for the stage the comments are applicable (i.e, complete proposed budget, complete approved budget, complete adopted budget).

Issue. Public Trust & Apprising The Public The “Inform” level of participation 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 such as the historical decades of the average 12 million dollar O&C passthrough monies. This is not the case for JO CO with the significantly reduced JO CO revenue since FY 2012 -13. The BCC 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 and not participating.

Issue. Lack of Evidence For The Record There is no evidence in the FY 2006-07 to FY 2016-17 budgets, or referred to in the budgets, that the “appraise” or “inform” level of participation was met by any element of a public participation program, or otherwise. For example, it is not apparent from the record that JO CO asked and answered the following questions.

1. What level of involvement or empowerment do you expect from the public participation program or what is your ‘goal’?
2. How will the opinions and concerns that are collected from the public be used in the decision making process or what is the local governing body’s ‘promise to the public’?

The answers to the two questions will enable the decision makers (i.e., local governing body) and professional planners (i.e., financial planners) to contemplate the ‘Goal’ of the citizen involvement program and the ‘Promise to the Public’ that will ultimately steer the public participation program. However, JO CO has no formal public participation program for budgeting.

Issue. No Evaluation Criteria, Monitoring, or Evaluation of the Apprise CI/CP Goal Developing CI/CP evaluation criteria is imperative to measuring or comparing the financial policies and/or budget plan alternatives. Monitoring the effects after the plan has been implemented is critical. Post implementation should start with the CI/CP “Evaluation Criteria to Measure Alternatives” by asking the question: Do JO CO’s fiscal policy solutions meet the evaluation criteria? The implementation of any JO CO budget plan will proceed more efficiently with public support and the early inclusion of the public in the planning analysis process. The final stage is evaluation of the county’s CI program. Without clear CI/CP performance measures and the rigorous reporting of measures over time, it is very difficult to decipher the trends or measure successful CI in budgeting.

Issue. JO CO Has No CI/CP Principles For Budgeting The IAP2 core values are the “principles upon which to define quality throughout the process of community and stakeholder engagement.” The core values define the expectations and aspirations of the public participation process. JO CO should adhere to these values for community engagement to be effective and of the highest quality, however, the county has no CI/CP principles for budgeting.

Issue. **Public Perceptions Missing** JO CO establishing budget goals is a good start. Future steps in making the JO CO goal process contribute to increasing public trust in government is still in the future. Fair treatment is one of the most common arguments utilized by PSS levy opponents, and this is likely a result of a lack of trust in governmental processes. JO CO supporters would like to see their “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. These citizen perceptions are not part of the JO CO budget process; They are from researcher Davis (2016).

Issue. **Disconnect Citizens Should Be Sought** The majority of JO CO voters opposed the four levies proposed from 2012 - 2015 (i.e., 2012 by county, 2013 by county, 2014 by Securing Our Safety, and 2015 by Community United For Safety), but that is not the problem that JO CO faces. Some voters resent the decisions made by the JO CO BCC because they feel disconnected from the process of policymaking and policy delivery and distrust the officials in charge of making policy decisions. If the JO CO wants to resolve issues regarding citizen disenfranchisement, it should seek to incorporate more citizen voices into the budget decision-making process (Davis 2016).

Issue. **Budget Goal: All Departments Develop a Sustainable Plan for All Mandated and Essential County Government Programs** This budget goal is exactly the same for FY budget 2016-17 through 2014-15 and almost identical for the proceeding four years to that goal for FY budget 2013-14 through FY 2010-11 – provide sustainable funding for all mandated and essential County government programs for the next ten years). It is the same in spirit back to FY 2006-07 – compliance with mandated JO CO programs. The problem is that over all those budget years the JO CO departments have never developed a sustainable plan for their departments and the BCC does not address the issue. The problem is that State mandated and essential JO CO programs are not identified. Each department just describes it programs without identifying whether they are mandated, or essential, or not.

a) Budgeting For Outcomes Commits To Goals Issues

Issue. **Budgeting For Outcomes Commits To Goals.** The JO CO FY 2006-07 budget process was almost revolutionary in establishing BFO, and committing to future annual goals based on programs and service levels, including the incorporation of the following into the budgets:

1. Citizen Input on Services Levels They Are Willing to Fund,
2. Goals Set by the JO CO BCC, and
3. Stakeholder Support of Programs.

The problems were several.

1. Original BFO analysis was not available to the JOCOBC or the public, and
2. No follow-through with a publically available budget goals planning process plan (e.g., handbook, guide, etc.) to implement the FY 2006-07 BFO commitment (see previous Section V.G, and following Section VI.E. Budgeting For Outcomes Issues).

b) Addressing County Goals And Clearly Defining Program Purpose Issues

Issue. ‘Only for Mandatory Program’ Fit with ‘Requires the Majority’ of Programs? The JO CO FY 2015-16 budget provides, in part, in its budget message: 1. Goal #2 - Develop a sustainable plan for all ‘mandated and essential’ county government programs, and 2. Directive #2 - Budget ‘only for mandatory’ and/or self-supporting programs. It was assumed that mandatory programs meant mandatory services and mandatory level of services (LOS). However, also in the budget message, under Special Revenue Funds, was the following: “Josephine County requires the majority of County programs to be self-sustaining through fees, grants, state contracts, and other revenue sources that don’t rely on property taxes or general fund support.” How does ‘only for mandatory’ program fit with ‘requires the majority’ of programs?

Issue. Recommended Strategy Elements to Identify Mandated and Elective Services Not Implemented In 2014 the Josephine County Management Team (JOCOMT) recommended strategy elements to the JO CO Board of County Commissioners (BCC) for the purpose of identifying mandated (i.e., ORS 294.311(31) and ORS 294.311(33)?), and elective services. According to the JOCOMT, its recommendation was not explicitly implemented. However, for the FY 2015-16 budget, the BCC directed managers to budget for programs similar to the FY 2014-15 year, and directed that those programs only be those that are ‘mandated’ or self-supporting. It is not understood how the JOCOMT could follow the BCC’s direction to budget for only ‘mandated’ or self-supporting programs when the its recommended strategy elements to identify mandated and elective services were not implemented (i.e., without methodologies).

Issue. Mandatory Programs Means Mandatory Services and Mandatory LOS The Authors continue to assume that mandatory programs means mandatory services and mandatory LOS. It is further assumed the BCC ‘mandated’ services and LOS are part of the S&BP established by the governing body (LBIO)? True? JO CO Budget Officer is not available to explain the budget process to the Authors.

Issue. Goals’ Meaning Is Not Clear The county goals are in the budgets, but their meaning is not clear as the public is provided the goal “phrases” and then it seems like the process is over. Sometimes there are some budget directives, but a major element of understanding is missing without performance standards for the goals and directives, monitoring, and evaluation feedback to the public.

Issue. JOCOBC and the Public Were Not Included in the Development of the Goals First, and foremost, the JO CO Budget Committee (JOCOBC) and the public were not included in the development of the budget goals and directives. That project was some kind of internal government process between the JO CO BCC, JO CO Budget Officer, and the JO CO Department heads.

Issue. **Strategic Plan and Financial Plan** Missing is a JO CO strategic plan and financial plan to tie the goals into a framework of understanding (see previous on GFOA's Distinguished Budget Presentation Award criteria and IAP2's quality assurance standard for community stakeholder engagement).

Issue. **The Grants Pass Daily Courier** To further the confusion, beyond the variety of LBIO and ORS/OAR terms, is that most local news articles in *The Grants Pass Daily Courier* on the JO CO public safety issue state, or strongly imply, that JO CO budget programs priorities are mandated by the State of Oregon, or are self-supporting. This is in line with the FY 2015-16 budget message. However, a 2016 news article, *Budget Committee Member Bashes Budgeting Process* reported that Margaret Goodwin, Member, JO CO Budget Committee, stated that "In county budgeting, the 'must haves' are the mandated services, but the level at which you fund them is also important."

Issue. **ORS/OAR References For Programs Incomplete** The JO CO FY 2015-16 budget is pretty good at referencing some ORS in its program summaries, but it generally lacking in: 1. being comprehensive in addressing all applicable State mandated ORS and OAR services in its program descriptions, 2. identifying what portions of the identified ORS/OAR are applicable, and 3. in identifying the type of responsibility priorities and LOS, including funding (e.g., mandated, essential, necessary, elective, etc.).

Issue. **Standalone Program Descriptions Don't Relate to the BCC Goals** The JO CO FY 2015-16 budget message under a section entitled "Proposed Budget Goals and Directives" identified that the JO CO BCC set the goals to provide direction related to the "big picture" rather than listing individual actions or activities and that each department has detailed in their budget how their programs meet the following BCC goals.

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

The only problem is that most PSS budget program text descriptions are standalone descriptions that don't relate to the above BCC goals, including a general lack of individual programs goals and how they related to the county's overall budget goals.

Issue. **FY 2010-11 budget Compared To FY 2015-16** A review of the FY 2010-11 and FY 2015-16 budgets for the same PSS programs found very little difference in the budget program wording despite the fact the there had been a huge reduction in O&C passthrough revenues to the county in 2012.

Issue. **Quantifiable Information on Goal Objectives** There was little information to no quantifiable information on goal objectives, or time frames on meeting the objectives.

Issue. Relationship of the PSS Program Text Descriptions to Goals and Directives The budget message also provided several directives to be used in preparing department budgets. The budget message instructions to the reviewer were – “*As you review the narratives, you will see how the directives are being addressed by the individual programs.*” The main directives follow.

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

The big problem was that it was difficult to impossible to understand the relationship of the PSS program text and how these descriptions related to the goals and directives. The county goals did not have a clearly defined framework for linking the programs purpose in any strategic manner to promote public understanding.

Issue. No “Program Purpose” or Impact Methodology to Determine “Outcomes” A significant problem in the budget message from the JO CO BCC when it required departments to address all county goals and clearly define program purpose and expected outcomes (‘standards and budget parameters’), but did not explicitly define “program purpose” or a impact methodology to determine “outcomes.”

1. What is the definition of a purpose as defined by the Oregon Budget Law?
2. What is the definition of an outcome as defined by the Oregon Budget Law?

The JO CO BCC in the FY 2015-16 budget message directed all department to implement three goals and three directives in their budgets (i.e., BCC Directive 3. “*Address County goals and clearly define program purpose and expected outcomes.*”). Providing ‘standards and budget parameters’ (S&BP) is an excellent fiscal policy. The biggest problem with this S&BP is that there were no companion financial policies to define the “purpose” and a methodology to identify “outcomes.”

Issue. Missing Components: Policies to Define a “Sustainable Plan” & Methodology to Identify “Mandated and Essential Programs” There are all kinds of ideas in LBL about defining a purpose (see June 10, 2016 Letter/Email to Finance, Taxation and Exemptions Unit, Oregon Department of Revenue <http://www.hugoneighborhood.org/budgets.htm>, From Exploratory Committee). The Committee supports the purpose to develop a sustainable plan for all ‘*mandated and essential*’ county government programs (BCC Goal #2). **However, again the major missing component is standard financial policies for all departments to define a “sustainable plan”, and a methodology to identify “mandated and essential programs” and LOS.** Without these financial policies all the public observes in the budgets is each department sincerely developing a wide range of individual projects based on their own professional individual judgements. Many program purposes don’t look like plans, but summaries of issues and solutions. There is no budget reference to a sustainable plan (i.e., strategic plan) which had a plan’s detail.

Issue. **What Are Outcomes?** The Exploratory Committee does not yet have an idea what the LBL requires in a budget for “outcomes” and continues to study the LBL. However, it has long-term reasoned recommendations of what outcomes should be. Outcomes to the Committee are significant beneficial and adverse impacts to programs and the public. It strongly recommends that these impacts tell a story to the public, if not in the budget, than in a companion citizen guide to the budget.

Issue. **What Is the Difference Between Emergency, Adequate, Normal, and Optimal Levels of PSS?** How far will people go to get the best available outcomes. What will one sacrifice for the best? Many things in life are relative, and to achieve the best in one thing, usually means giving something else up.

A normative level of PSS might be considered to be the normal or correct way of doing something (i.e., perhaps a compromise between adequate and optimal?). However, defining normal is difficult . . . normal today, or normal yesterday? Normal prior to 2012 or normal in 2015? Knowing what is correct is even more difficult. Correct according to whom? Whose professional experience opinion, and/or facts, determine the definition of “correct.”

Issue. **What is a MALPSS Analysis Compared To A Professional Opinion?** A professional opinion from an experienced practitioner is usually very good, but it is also normally without documentation, and publically available supporting comprehensive facts, inventories, or analysis. It is more about trusting the practitioner, rather than understanding the facts.

The Committee is proposing a MALPSS research project that goes beyond the valuable work of the Lane County Public Safety Coordinating Council in defining a PSS rating system, including its ratings for over 70 sub-components of their services. The research project will include an analysis for determining the applicable alternative levels of PSS in a scientific, documented, and publicly accessible way. The project’s analysis model has five elements.

Issue. **MALPSS Analysis Model** The Committee’s five element MALPSS analysis model could be adapted by JO CO PSS departments to identify outcomes, and the Committee so recommends.

Issue. **JO CO PSS Departments Address County Goals & Clearly Define Program Purpose**

REVIEW for work done - Juvenile Justice Example

c) Sustainable Plan for All Mandated and Essential County Government Program Issues

Issue. **JO CO PSS Departments Not In Compliance With Goal** Per JO CO goals, the county departments are to develop a sustainable plan for all mandated and essential county government programs. The reviewed PSS departments are not in compliance with this goal.

The Government Finance Officers Association (GFOA) recommends a sustained goals approach identified by the National Advisory Council on State and Local Budgeting (NACSLB 1998). The NACSLB's work is important in emphasizing that budgeting should have a long-range perspective, and not be simply an exercise in balancing revenues and expenditures one year at a time. This focus on long-term financial planning comes at a critical time. Recommended budget practices encourage governments to consider the longer-term consequences of such actions to ensure that the impacts of budget decisions are understood over a multi-year planning horizon and to assess **whether program and service levels can be sustained** (emphasis added (NACSLB 1998, p. 1).

Articulating the purpose for conducting a public participation process is critical because the purpose becomes the foundation for deciding who to involve, how to select them, what activities they will be involved in, what information will be collected, and how the government will use the information. JO CO has not utilized any CI/CP purpose beyond apprise/inform associated with its minimal public meetings/hearings strategy. One of GFOA's best practices for involving the public follows (GFOA 2009).

•“To establish long term strategies to provide for a fiscally sustainable future for the jurisdiction;”

Issue. **Sustainable Plan/Budget Only for Mandatory And/or Self-supporting Programs**

The JO CO BCC in the FY 2015-16 budget message directed all the departments submitting budgets to implement three goals and three directives (i.e., BCC Directive 3. *“Address County goals and clearly define program purpose and expected outcomes.”*). Providing ‘standards and budget parameters’ (S&BP) is a good idea. The biggest problem with the S&BP is there were not standard methodologies to implement them. For example, the BCC provided the direction of **1. Goal #2 - Develop a sustainable plan for all ‘mandated and essential’ county government programs**, and **2. Directive #2 - Budget ‘only for mandatory’ and/or self-supporting programs**. However, the BCC and the departments have not defined a standard methodology to identify ‘mandated or essential programs’ in any systematic or scientific way, essentially making the budget purpose statements professional opinions without vetted facts supporting the PSS.

Issue. Five Element MALPSS Analysis Model The Committee’s five element MALPSS analysis model could easily be adapted as a systematic and standard classification methodology by JO CO departments to identify ‘mandated and essential’ programs. See the 01/12/2016 presentation to the Grants Pass Chapter of John Birch Society “*Explain Minimally Adequate Level Of Public Safety Services Research Project.*” It has an example for the local air quality index and rural patrol coverage which partially follows.

The Grants Pass’s Air Quality Index reports daily air quality. The AQI tells us how clean or polluted our air is. It can be calculated for five major air pollutants. For each of these pollutants, national air quality standards have been developed to protect public health. Particulate matter is one of the five air pollutants used to calculate the Grants Pass air quality index (AQI). It has six air pollution levels.

1. The Comparison of rural patrol coverage and the Grants Pass AQI in terms of problems, indicators, and standards.
2. For the comparison of problems, we will use *rural patrol coverage* as the PSS problem and Air Pollution as the air quality problem.
3. The indicator for rural patrol coverage is *response time* and the indicator for air pollution is *PM 2.5 particulate matter*. PM2.5 is fine particulate matter that has a diameter of 2.5 micrometers or less.
4. The standard for rural patrol coverage is *number of minutes to response* and the standard for air pollution is an “X” amount of *PM 2.5 particulate matter* (i.e., one of six levels) in micrograms per cubic meter.

The standards and criteria for the JO CO programs are most appropriately identified by the individual PSS program. The significant idea is that standards and criteria are clearly the responsibility of the county departments that is accountable for the accuracy and comprehensiveness of their budget purpose statements and associated information.

d) Budget Only for Mandatory And/or Self-Supporting Program Issues The JO CO government is plagued by a lack of trust by a majority of county voters, and by ineffective informed voter outreach, especially educational program descriptions of public safety services in the budget process. Does the Technocratic Expert Model for CI in budgeting with minimal LBL CI tools help or hurt trust? Would an enhanced citizen participation model in the budgeting process help in the long-term, or not?

How can we be well-informed voters? And, is there a way to sift through the noise and bluster of campaigns to get, as they used to say on Dragnet, “just the facts”? One of the biggest issues in citizen participation is information, who controls it and whether it is trustworthy.

Issue. Mandated State PSS Programs & LOS The Oregon Revised Statutes (ORS) identify some mandated State PSS programs, but not very many. However, it is very difficult to impossible to understand mandatory ORS LBL in JO CO budget programs, with the result that there are very few ORS mandatory programs, especially mandatory State level of services (LOS) in the JO CO budgets. From the JO CO FY 2007-08 to FY 2016-17 budget program summaries, it is difficult to impossible to verify which programs are State mandatory programs, or elective county programs. A few example PSS mandatory programs and LOS from the ORS follow.

- ORS requires one sheriff and a jail, but does not require any deputy sheriffs, or that the jail have one bed or 280 bed usage levels. For emphasis we repeat that the LOS for beds is about usage; it is not about the bed capacity of the jail.
- ORS requires one or more persons as counselors of the juvenile department. If more than one person is appointed, one may be designated as director.
- ORS does not provide any statutory requirement to have a juvenile detention and/or shelter facility, this is left up to the governing body to decide on. The program of providing facilities is a county decision; it is not a state mandated requirement

Issue. State/ORS Mandatory Jail Requirement The State/ORS jail requirement is not about the physical capacity of a jail. Nor is it about the jail bed usage versus the physical bed capacity. It is purely about the law. ORS requires one sheriff, and presumably one jailer – the sheriff program of one sheriff is both the State mandatory program requirement and the LOS. A local government having patrol deputies is not a State mandatory program; this is a county elective program and county elective LOS. There is no mandatory State required LOS. The same goes for the jail and juvenile justice department. Having a physical jail is a State mandatory program. Using one bed up to 200 beds is not a mandatory State program requirement. Again it is up to the county to define jail deputies and jail bed usage as an elective LOS. ORS is silent on bed usage and there is zero usage required. **This position is controversial as it is in conflict with the present goals design of JO CO budgets.**

Issue. Present Legal Budget Requirements of JO CO Government Working? The Authors do not believe the present legal budget requirements of JO CO government are working if the goal is to have informed citizens actively involved and supporting controversial budget programs during times of fiscal stress. The BCC’s public participation goal of “Inform” was probably very satisfactory with many citizens pre-2012, especially if the majority of the voters had no problems or trust issues. However, the CI model of “Apprise” is not satisfactory during times of fiscal stress and for issues such as the county public safety issue, which is multifaceted, with citizen perceptions and engagement decisions pro and con, involving a multitude of reasons for involvement and/or engagement – All within the context of mistrust in government by a majority of the voters.

Issue. GFOA Budget Award Program Criteria & JO CO Legislation The GFOA budget award program criteria is policy for the JO CO Finance Department. The Authors support the GFOA budget award program criteria becoming local JO CO legislation (i.e., resolution or ordinances) **for the purpose of transparency in government and, hopefully, the beginning of a long road to improved public trust in government** (i.e., there are 27 GFOA criteria presently being used by JO CO below the public’s radar in its applications to the GFOA budget award program; Appendices U & V).

Issue. Effectiveness of Community Participation? Evidence for the effectiveness of community participation in management is in short supply, due in part to the inherent problems in measuring the success of policies that may take decades to positively affect change. Even more difficult, perhaps, is the prospect of measuring incremental changes in the well-being of the general public as they become more engaged in the policy process. Also an issue is the lack of performance standards.

Issue. **Cost of Enhanced CI/CP** Any discussions of the value of enhanced CI/CP must not leave out a large barrier – cost. At high cost, winning the hearts of the citizens by meeting with them regularly and ultimately gaining their trust and friendship may be the only way that regulators can promote new policies in communities, where anti-government sentiment runs high.

Issue. **Major Barriers to Citizen Participation** Budget complexity and citizen disinterest are the major barriers to participation. However, a number of Oregon governments have successfully used CP mechanisms in the budget development process that can serve as models for enhanced CI/CP and public trust in government

Issue. **Citizens View Effective Participation Through a Different Lens** Overall, they believe an effective participation system should include two-way communication between all three stakeholder groups (i.e., elected officials, staff, and citizens), more opportunity to be heard earlier in the process (not in late May at the budget public hearing), and involvement in honest dialogue with staff and elected officials regarding the budget and the citizens' role in the process.

Issue. **Few State Mandated Programs in JO CO Budgets** This is a problem because major portions of county budget programs are not self-supporting nor mandatory by the State LBL; they are county elective programs supported by county elective LOS.

e) Mandatory & Essential Levels Of Service (LOS) Issues

Issue. Majority of LOS Appear to Be “Essential,” “Necessary,” or “Elective” The Committee’s review of the FY 2015-16 PSS budget LOS finds that there are legitimate PSS budget programs from the ORS and Oregon Administrative Rules (OAR) that are identified as mandating PSS. However, the Committee has come to the conclusion that there are very few ORS/OAR mandatory “LOS,” and therefore, very few identified in the FY 2015-16 budget. The majority of LOS in the budgets appear to be “essential,” “necessary,” or “elective.” A mandatory LOS might be the “minimally adequate level of public safety services” (MALPSS), but the Committee is not sure.

A few example LOS from the ORS follow.

- ORS does not require any deputy sheriffs, or that the jail have one bed or 280 bed usage levels. For emphasis we repeat that the LOS for beds is about usage; it is not about the bed capacity of the jail.
- ORS requires one or more persons as counselors of the juvenile department. If more than one person is appointed, one may be designated as director.
- ORS does not provide any statutory requirement to have a juvenile detention and/or shelter facility, this is left up to the governing body to decide on. The program of providing facilities is a county decision; it is not a state mandated requirement

Issue. Mandated County Government Programs and LOS Consistent with Current Operational Service Levels Some JO CO departments identify the mandated with in effect, moral standards, of what was considered right. However, the BCC’s financial policies were actually tricky. They addressed mandated county government programs and LOS consistent with current operational service levels. The programs to be addressed were mandatory, but the LOS of the current operations service level has nothing to do with mandated LOS. LOS could be elective or essential, or some lower category. Goal 2 and LOS Directive 1, and program Directive 2 follow.

- Goal 2. Develop a sustainable plan for all mandated (i.e. above examples) and essential County government programs.
- Directive 1. Budget at a level consistent with current operational service levels.
- Directive 2. Budget only for mandatory and/or self-supporting programs.

Issue. LOS Methodology The Committee’s recommended LOS approach is that the PSS departments tackle the job like they were going to court.

1. What does federal, state or local law require?
2. What has the law been interpreted by court opinion precedents?
3. What legal applicable PSS department issues have been studied and are available as supporting vetted analysis and reference papers?

Issue. **“Essential” LOS & MALPSS** The Committee believes the MALPSS analysis model could be adapted by departments to identify an “essential” LOS for any budget program, and it is not limited to an “essential” LOS. The methodology can be used for any LOS (e.g., mandated, essential, necessary, elective, etc.). See the following example of a MALPSS analysis model that can be used by all PSS departments.

- Analysis 1. Identify PSS department program issue(s).
- Analysis 2. Identify Indicator(s) for PSS department. An indicator is a variable, either singly or in combination with another variable, which is taken as an indication of the condition of the overall program. What are the indicators for the particular PSS budget programs?
- Analysis 3. Standards for PSS department Indicators. A standard is the measurable aspect of an indicator. It is the level, point, or value above which something will take place, or below which it will not take place. It provides a baseline against which a particular condition, or change, can be judged as acceptable or not.
- Analysis 4. Department PSS Outcome (Significance) Determinations. To determine significance, impacts are compared to the standards beyond which the impacts, including cumulative, become significant.

Issue. **Current Operational Service Levels Equals an Essential LOS?** The Committee wonders if budgeting at a level consistent with current operational service levels is an essential LOS. There is no way to know from the budget. Perhaps the Lane County Public Safety Coordinating Council’s (PSCC) approach should be considered for determined an essential LOS for PSS?

- Lane County Public Safety Coordinating Council. December 1, 2011 *Status of the Public Safety System in Lane County as per Senate Bill 77*. Report to the Board of County Commissioners. Eugene, OR.

The Lane County PSCC identified five levels of MALPSS for its services. Its adequate level of service does not seem to reach an “essential” LOS. It all depends on the definitions and criteria. Perhaps Lane County PSCC’s minimally adequate level of service is what JO CO would consider essential.

- 1. Adequate Level of Service
- 2. Minimally Adequate Level of Service
- 3. Less than Adequate Level of Service
- 4. Inadequate Level of Service
- 5. Emergency Level of Service

Issue. **Evidence Based Versus Bald Professional Opinions** Regardless, the Committee’s point is to get beyond bald professional opinions in identifying and establishing “essential” LOS, or any LOS. Assume the PSS department is going to court, and/or use the scientific method for determining a range of LOS. The BCC would approve the applicable financial policy.

Issue. **Few State Mandated Program And/or LOS In JO CO Budgets** Most of the LOS in the budgets are identified by JO CO as supporting essential programs with their corresponding essential LOS. This is a problem because major portions of county budget programs are not self-supporting nor mandatory; they are county elective programs supported by county elective LOS.

f) Supporting Analysis Lacking/Transparency in Government Issues The following are examples of analysis lacking in the budget process and/or lack of transparency in government.

- The budget process experts (i.e., JO CO Budget Officer and JO CO Budget Committee’s (JOCOBC) are not available to the public for the purpose of explaining the budget (i.e., January 20, 2016 to October 3, 2016).
- There are no JO CO informative action plans (e.g., strategic plan, long-term financial plan, citizen involvement plan, county budget manual etc.) that the JOCOBC or the public can use to understand the budget process.
- Excessive time it takes to get records after a copy request from the JO CO Legal Counsel.
- Almost no time to review proposed budget prior to the JOCOBC’s first meeting.
- There is no information on GFOA’s “Distinguished Budget Presentation Award Program” (Budget Awards Program) except the county has received several. There is no information on the GFOA’s 27 criteria that the county uses when it applies for an award application.
- There is no information on Budgeting For Outcomes in the budget documents (except for its goals and the outline of a process).

Issue. JO CO Uses the Minimal Required LBL Process CP 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?

Issue. Framework for Measuring Success Should Be Clearly Defined 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 JO BO Budget Committee (JOCOBC) review and approve process).

Issue. Legally Required Budget Process Versus Collaborative Approaches Ultimately the differences between the methods legally required in the US 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 engagement; and use for routine activities vs. for controversial choices. Other ethical criteria have also been suggested for use in design and later evaluation of public involvement, including representativeness (pluralism), impartiality, accountability, confidentiality, transparency, and recognition of promises.

Issue. Lack Of Formal Budget Process The JO CO budget decision-making process and decision-making should be transparent so that the voting citizens can observe and understand what is going on and how decisions are being made. One significant problem is the complete lack of JO CO guidance in the form of county budget action plans (i.e., strategic plan, financial plan, budget handbook, citizen budget guide, etc.) for the public to start understanding the “ballpark rules,” the budget process procedures.

Issue. **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 many of the budget process details. Crucial is the denial of resources to explain the budget process. For example, the JO CO Budget Officer has been too busy to meet with the Exploratory Committee since January 20, 2016 to October 4, 2016 to talk about the county budget process. That is certainly not transparency in government. The budget document is transparent from the date the JO CO Budget Officer's proposed budget document is delivered to the JOCOBC for first advertised meeting in the sense of being "apprised" or informed (i.e., there are a few JOCOBC meetings open to the public where they can be apprised and give input). The JOCOBC purpose is to approve the proposed budget.

Issue. **Enhanced CP Process Can Help Build Trust** Although, the current JO CO CI in budgeting process does not now perform to its potential, the Authors believe that a new citizen participation (CP) process can help maintain and promote legitimacy in the budget process and build trust between JO CO government and community members. By including the public in a known participatory and/or collaborative budget process JO CO can instill transparency in the decision-making process, and in turn have the potential to gain trust and credibility from the public.

Issue. **Transparency in Decision Making Will Increase Legitimacy and Credibility** The extent or quality of the participation will develop varying levels of trust, however remaining transparent in decision making will increase legitimacy and credibility. James Creighton writes, *"The way to achieve and maintain legitimacy is to follow a decision-making process that is visible and credible with the public and involves the public"* (Creighton 2005). Citizen involvement is important in gaining public trust and achieving a credible, legitimate right to make decisions. However, the present JO CO public budget process does not have a documented budget decision-making process to follow, let alone one that is visible and credible.

Issue. **Incorporating Citizens in Decision Making** can produce long-term support for public projects. James Creighton writes, *"Participating in a decision gives people a sense of ownership for that decision, and once that decision has been made, they want to see it work. Not only is there political support for implementation, but groups and individuals may even enthusiastically assist in the effort"* (Creighton, 2005).

Issue. **"Transparency" Includes Knowledge** of the facts of the decision-making process and the decision. Just as important it includes knowledge of the budget decision-making process before the budget process starts. Understanding the rules of the ball park are just as important as actual involvement in the decision-making process.

Issue. **Knowledge of the Budget Planning Process**, includes the CI barriers, resource and legal constraints, occupational mandates, technocracy, bureaucracy, and potential lack of appreciation for public opinion. This CI stage will take time and resources and may require the government to teach the public how to analyze data and interpret technical information, and hire consultants that are skilled in public participation practice. **Transparency and trust are key ingredients.**

Issue. **Long-Term Public Support for the Budget** Transparency as process knowledge, and incorporating citizens in decision making, can produce long-term support for the budget and/or public projects. If community members are included in the decision making process they are more likely to support the carrying out of the decision. Community members can be respected allies for the budget officer and the budget committee in implementing public projects that span a greater time period than elected officials hold terms. Effective public participation can gain long-term advocacy and ease or improve the implementation of public projects or plans, or it can become a pitched battle.

Issue. **Practical Challenges to Effective CI/CP** in budgetary decision making are legion. Many are generic barriers to citizen involvement in public administration, and a few are specific to budgeting. Generic challenges include (a) the “barriers of everyday life” such as time and attention constraints, the demands of job and family, insecurities and discrimination grounded in class and educational backgrounds, and cultures that lack a sense of personal or group efficacy; (b) administrative (and elected) officials’ resistance or indifference; and (c) poor process design and mechanism choices that can undermine even well intentioned efforts by officials to involve citizens (King et al., 1998). Also generic is the competition among some of the process design criteria, for example openness, representativeness, and the need for participants to be well informed about what choices are feasible and what their implications are (Justice 2009, pps. 259-260; Appendix I).

Issue. **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. It also entails the existence of an attentive and comprehending audience, which for purposes of democratizing budgeting would have to include non-specialists.

Issue. **Distinguish Effective from Illusory Fiscal Transparency** The intelligibility and usefulness of financial information for supporting decision making by a particular audience help to distinguish effective from illusory fiscal transparency. Reliable and valid preference formation, deliberation, and revelation cannot be expected unless participants first understand their fiscal situation, options and the likely tradeoffs and other consequences associated with their choices.

Issue. **No Authentic CP in Budgeting Without Effective Transparency** There can be no authentic citizen participation in budgeting without effective transparency. Participation is meaningless if not well informed, and participants can only be well informed if there is effective transparency. At the same time, it does not seem reasonable to expect participants – particularly non-specialists – to have unlimited time and attention to devote to comprehending and making use of relevant information (Appendix I).

Issue. **Expand the Attentive Public by Transforming the Inattentive Public** Transparency needs to be achieved in the JO CO budget process in such a way that understanding and acting on the information provided does not divert too much scarce attention from the rest of the decision-making effort, or increase the costs of participation and knowledge so much that ignorance and nonparticipation become the rational choices of citizens without already salient personal interests or expertise in budget analysis. For proponents of developmental models of democracy at least as much as for more protectively oriented advocates of democratic administration, the openness and representativeness criteria indicate that one key design objective for budget processes and mechanisms is to expand the attentive public by transforming the inattentive public.

Issue. **Have Public Officials Take Steps Toward Greater Transparency** A central institutional-design consideration is how to achieve transparency in a way that does not unduly diminish the autonomy of citizen participants. One solution, reflected in much of the practitioner as well as scholarly literature advocating greater citizen involvement in (or at least attention to) resource allocation, is to have public officials take steps toward greater transparency by making information more readily available and comprehensible to citizens. **This is an excellent idea, make no mistake about it.** It is also an incomplete solution. Among the obstacles to participatory budgeting, Miller and Evers (2002) call out three in particular as being especially nettlesome: non-negotiable issues (conflicts over broad community norms regarding allocation choices), the inherent complexity of budget issues, and the implicit assumptions built into budget processes and contents. All three, to some degree, are likely to be exacerbated by the institutionalized, taken-for-granted beliefs of even the most well intentioned budget insiders and others among the usual suspects of attentive publics (Miller, Justice, & Iliash, 2004). Thus, transparency from within the system, as it were, is extremely valuable, but may be biased. This suggests the appropriateness of providing genuinely independent analysis, to excavate and challenge assumptions, and to generate alternative ones, in budgeting as in other arenas. Thus it may be desirable to foster citizen action from the outside as well as citizen involvement on the inside of government (Appendix I).

Issue. **Will the Resources Be Used per Adopted Budget?** Will the resources actually be used in accordance with the intent inscribed in the adopted budget? Corruption is one concern that leads to the promotion of citizen involvement in resource allocation by international organizations and local civil-society groups, of course. But even without any corrupt misappropriation of funds, simple carelessness or the gray area of re-budgeting can lead to actual uses of funds that vary from the adopted budget. **Expenditure monitoring, financial reporting, and various kinds of audits** are of course solutions widely employed by managers and other insiders as well as some attentive outsiders. However, at least in the U.S., these processes and mechanisms tend not to be designed for or widely used by individual citizens (Appendix I).

Issue. **Promote Social Accountability & Restore the Public's Confidence** Strengthening the transparency and openness of public budgets can help promote social accountability and **restore the public's confidence** in overall government. For example, something as simple as transparent information in budget committee meeting minutes have power. That will enable citizens to become more engaged and, in the process, learn more about the budget and fiscal policy concerns. As they do, cynicism should dissipate and trust in government should improve.

The May 10, 2012 budget report for a City of Milwaukie Budget Committee Meeting is illustrative. In this case it was a response from a city official to a question from a budget committee member (City of Milwaukie 2012) – *“Whether an award is given or not, the true value of this program is that it provides comments and improvement suggestions for applicants to work on with future documents, a process which we believe improves the transparency in communicating financial results back to our citizens.”*

Issue. What Are the Potential Benefits of an Engaged Public? JO CO residents appear to want certain policies from their local 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. If the JO CO wants to resolve issues regarding citizen disenfranchisement from county processes, it should seek to incorporate more citizen voices into the decision-making process. Davis recommended that JO CO do this through using co-productive models of governance (Davis 2016).

- The main obstacle to building public support for difficult choices on the JO CO’s finances and future is not public opposition to tax increases or programme cuts, nor is it lack of interest; **the main obstacle is deeply felt and pervasive mistrust of government.**
- “The public is ready for this conversation.” Participants can be thoughtful and serious, not apathetic or unwilling to consider difficult choices, “and **beneath their mistrust and dissatisfaction is a deep desire** to address the problem”.
- Public engagement is the key to overcoming mistrust. Although JO CO’s accountability and transparency must be improved, those actions alone will not be sufficient to overcome mistrust. **Most participants do not believe that leaders and governments are interested in their views.** To overcome mistrust, government must find better ways to communicate with citizens and convince them that their views are heard and are important to decision makers.

Issue. Improving Trust and Accountability On the critical issue of improving trust and accountability, see the following.

- Government must use performance as the basis for funding or changing programs. Citizens would like to see greater focus on measuring and reporting outcomes.
- Citizens have responsibilities, too. They should play an active role in making government more accountable by participating directly in the political process or through exercising stronger oversight and endorsing stronger “watchdog” mechanisms.

Issue. Whether the Public Trusts That Their Involvement and Testimony Will Be Used Citizens can be eager for opportunities to become engaged in serious and substantive discussions about the budget; it depends on whether the public trusts that their involvement and testimony will be used by JO CO government.

Issue. **JO CO Should Figure Out How To Sincerely Ask For CI** Non-expert citizens have the ability and desire to address complex public policy issues, and they enjoy being asked to do so.

Issue. **What Settings Promote CI/CP?** People are able to set aside initial biases and opinions and to listen, learn, discuss, argue and compromise if given the opportunities **in the right setting**.

Issue. **If Citizens believe** Participants, irrespective of their political affiliations and demographic characteristics, are willing to vote for unpopular tax increases and benefit cuts and will agree to options that go against their own immediate self interest **if they believe** that those actions will: solve the problem; and be shared fairly among all segments of the population and all parts of the country.

Issue. **Citizen Participation Process Trusted by Public** Participants will agree to raise their own taxes and cut their own benefits and services once they are **convinced that there are no easy answers** through a citizen participation process they trust.

Issue. **JO CO must Provide Evidence of Having Followed Good Process** The Foundations of Public Participation and IAP2 – With clearer expectations of engagement from government, community and industry there is also a requirement for greater transparency and accountability of the growing body of engagement practitioners. This places greater responsibility and expectations to not only follow good process **but to provide evidence of having followed good process**. IAP2's Code of Ethics is a set of principles which guides it in the practice of enhancing the integrity of the public participation process (IAP2 2015, pps. 8-9).

- 1. Purpose:** We support public participation as a process to make better decisions that incorporate the interests and concerns of all affected stakeholders and meet the needs of the decision-making body.
- 2. Role** Role Of Practitioner: we will enhance the public's participation in the decision-making process and assist decision-makers in being responsive to the public's concerns and suggestions.
- 3. Trust:** **We will undertake and encourage actions that build trust and credibility for the process and among all the participants** (emphasis added).
- 4. Defining** The Public's Role: we will carefully consider and accurately portray the public's role in the decision-making process.
- 5. Openness:** We will encourage the disclosure of all information relevant to the public's understanding and evaluation of a decision.
- 6. Access** To the Process: we will ensure that stakeholders have fair and equal access to the public participation process and the opportunity to influence decisions.
- 7. Respect** For Communities: we will avoid strategies that risk polarizing community interest or that appear to 'divide and conquer'.
- 8. Advocacy:** **We will advocate for the public participation process and will not advocate for a particular interest, party or project outcome** (emphasis added).
- 9. Commitments:** We will ensure that all commitments made to the public, including those by the decision-maker, are made in good faith.
- 10. Support** Of the Practice: we will mentor new practitioners in the field and educate decision-makers and the public about the value and use of public participation.

Issue. Citizen’s Guide to the Budget A citizen’s guide to the budget is a fascinating idea that the Committee hopes JO CO will consider, and/or individual PSS departments will implement. The big picture is the need for the local government to explain its budget proposals and the public finances in simple, plain language documents – often referred to as a “citizens’ guide to the budget.” JO CO used to have “Reader’s Guides.” Some Oregon local governments use the “budget message” to cover topics in a citizen’s guide to the budget.

Issue. Transparency and Accountability Ideas The annual budget is the key instrument by which JO CO translates its policies into action, therefore, presenting the budget in a way that makes sense to the general public is central to its transparency and accountability. A few ideas covered follow.

- Publication of a citizens’ guide allows JO CO to explain in plain language the objectives of its budget. It also helps citizens to assess the impact on their own circumstances and on specific groups in society, including the effects of the burden of taxation, service provision and employment prospects.
- Broadening understanding of JO CO’s public finances can help to frame more realistic citizen expectations and to build support for difficult policy choices.
- JO CO explains what is in the annual budget proposals and what their effects are expected to be.
- Its distinguishing feature is that it is designed to reach and be understood by as large a segment of the JO CO population as possible.
- Information should be presented in layman’s terms that are easy to understand, avoiding technical jargon and making full use of simple and effective charts and diagrams.
- Key fiscal risks should be discussed. These include the fiscal impacts of deviations in key economic variables from the forecasts (e.g., declining federal payments to counties, etc.).
- Citizens will wish to know how the JO CO budget will affect their own standards of living, their security interests, and the nature and significance of the budget’s impact on groups in society that are of particular policy interest (e.g., the poor and vulnerable, different groups of taxpayers, etc.). The guide should therefore provide some indication of the budget’s potential impact on take-home pay for different income levels, income support and service provision in the coming year, and on possible implications for the medium term.
- JO CO should briefly explain what it is doing to improve overall service delivery and the social impacts of its spending programs.

Issue. High Cost of Enhanced CI/CP Any discussions of the value of public participation must not leave out a large barrier – cost. At high cost, winning the hearts of the citizens by meeting with them regularly and ultimately gaining their trust and friendship may be the only way that JO CO can promote new policies in communities, where anti-government sentiment runs high.

g) No Strategic Plans Issue

Issue. No Direction From Strategic Planning The 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. Even though JO CO uses the GFOA criteria participating in the GFOA Budget Presentation Program, it is weak to none existent on conducting any kind of public budgetary planning which involves the stakeholders, especially its citizens.

Issue. Informal CI Requirements LBL Minimums The BCC has an informal policy that its CI requirements are minimums identified in the LBL. Informal is used because JO CO does not have any plan by resolution or ordinance explaining its CI in budgeting process. For example, JO CO does not have any of the following types of actions plans even though they are recommended and/or suggested for consideration through the county's participation in the GFOA Budget Presentation Award Program (Section V.I).

- Strategic Plan
- Long-term Financial Plan
- Citizen Involvement Plan
- County Budget Manual
- Budget-In-Brief
- Citizen Involvement in Budgeting Plan
- County Citizen's Guide to the Budget

Issue. JO CO Needs To Apply Strategic Budget Planning While there is not a single best approach to strategic planning, a sound strategic planning process will include several key steps, the first three follow (Section V.I; GFOA 2005 pps 1-3):

(1) **Initiate the Strategic Planning Process.** 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 (emphasis added), but a strategic plan that is not supported by the CEO has little chance of influencing an organization's future.

(2) **Prepare a Mission Statement.** The mission statement should be a broad but clear statement of purpose for the entire organization. One of the critical uses of a mission statement is to help an organization decide what it should do and, importantly, what it should not be doing. The organization's goals, strategies, programs and activities should logically cascade from the mission statement.

(3) **Assess Environmental Factors.** A thorough analysis of the government's internal and external environment sets the stage for an effective strategic plan. A frequently used methodology for conducting an environmental assessment is a "SWOT" (Strengths, Weaknesses, Opportunities, Threats) analysis. Strengths and weaknesses relate to the internal environment, while analysis of opportunities and threats focuses on the environment external to the organization.

Issue. CI/CP Budgeting Goals Exist as Solitary Features in Annual Budget Documents

JO CO's effort to identify budget goals, including CI goals is an excellent start. However, not much can really be stated about JO CO's CI/CP budgeting goals except that they exist as solitary features in the FY 2006-07 to FY 2016-17 annual budget documents. The term solitary is used because the goals have no connections to any CI/CP process steps in the budget record (e.g. principles, performance criteria, monitoring, evaluation, public feedback, documentation, etc.), except as part of a FY 2006-07 "budgeting for outcomes" set of goals. All the direct or implied "encourage public involvement" words translate into the major legal ORS purpose of enabling the public, taxpayers and investors **to be apprised** of the financial policies.

E. Budgeting For Outcomes (BFO) Issues

Issue. **Availability/Accessibility of BFO Information** BFO information supporting 11 JO CO budgets from FY 2006-007 through FY 2016-17 is not available in the budgets and not referenced in the budgets to their source(s). The BFO analysis document(s) is not available to the public (i.e., not in compliance with JO CO 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). For example, in 2016 this was an identified problem the JO CO Budget Committee brought up. Significant was that the BFO analysis supporting the BFO goals, directives, and process were 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).

Issue. **Budget Does Not Incorporate FY Budget 2006 - 2007 Commitments That It Continues to Refer To** The Board of Commissioners initiated a fundamental change in the FY Budget 2006 - 2007 budget process, following the **concept of a modified zero based budgeting process known as “Budgeting for Outcomes”**(emphasis added).^{III-1} “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** (emphasis added), **goals set by the Board** (emphasis added) and **stakeholder support of programs** (emphasis added).

- Future budgets will incorporate citizen input on services levels they are willing to fund,
- Future budgets will incorporate goals set by the Board
- Future budgets will incorporate stakeholder support of programs
- Future budgets will incorporate Oregon mandates to provide services.

Issue. **No Known Public Participation Program Specific To BFO** There is no known public participation program plan, handbook, or guide for the budgeting process and/or BFO. Public participation — in the form of focus groups, surveys, and public hearings — helps mitigate the opposition to the change. Also, public participation helps governments create the expectations for the BFO process and encourages discussions that focus on community expectations and the citizen perspective. There is no evidence that JO CO conducted focus groups, surveys, public hearings, or any specific citizen outreach mechanism etc. for the purpose which “*incorporates citizen input on service levels they are willing to fund.*” The incorporation statement has been in most budgets as a statement without making available in the budget or referencing any supporting evidence.

Issue. **Coordinating Traditional Budgeting With BFO** Leaving the role, structures and methods of BFO evaluation to individual departments to determine was an arguably weak conclusion that reflected, in part, the uncertainty surrounding the integration of the JO CO traditional output and outcome methodologies, including where evaluation could therefore best contribute to policy development. JO CO does not have a clear BFO budgeting and expenditure management framework which would have provided the review process with a much better starting point for determining where and in what form evaluation activities might contribute, given various policy objectives and performance measurement needs.

Issue. **BFO Experiments** JO CO Departments are experimenting with BFO because of a lack of a clear and fully articulated standard JO CO BFO model in which traditional output and outcome concepts are effectively integrated in the budgeting and expenditure management process, and it has generated difficulties. The assumption is that departments have had almost insurmountable challenges in linking the rationale for their spending operations with both appropriations (*i.e.* relevance) and impact assessment – assumption is because public has not seen a supporting written record. Not surprisingly, the requirements to develop a meaningful intervention logic **and** an effective structure for performance measurement have clearly emerged for all departments as the most difficult aspects of implementing the “budgeting for outcomes” initiative. Based on JO CO’s last 10 budget years, the present unknown model of expenditure management provides no inherent process and little clear guidance for how critical BFO linkages should be made. One wonders if the message that they **should** be made has occurred. Current JO CO department practice largely involves a range of department-specific responses and practices that vary significantly in both content and merit, and sadly fail the BFO goals and objectives.

Issue. **County’s GFOA BPAP #06 Criteria Not Followed For BFO** The GFOA BPAP #06 Criteria: The document should provide objective measures of progress toward accomplishing the government’s mission as well as goals and objectives for programs, including the JO CO budget program.

GFOA BPAP #06 Criteria Location Guide Questions

1. Are performance data for individual departments included in the document?
2. Are performance data directly related to the stated goals and objectives of the unit?
3. Do performance measures focus on results and accomplishments (*e.g., output measures, efficiency and effectiveness measures*) rather than inputs (*e.g., dollars spent*)? (emphasis added)

Explanation Performance measures should include the outputs of individual units and provide a meaningful way to assess the effectiveness and efficiency of those units. The measures should be related to the mission, goals, and objectives of each unit. Include information for at least three years (the prior year actual, current year estimate or budget, and budget year).

Link performance measures to unit goals and objectives and include efficiency and effectiveness measures.

Issue. **Principles of Effective Outcomes Budgeting** The GFOA and US National Advisory Council on State and Local Budgeting (NACSLB) have identified four essential principles of effective budgeting for the GFOA Budget Presentation Award Program of which JO CO is a participant. The specific GFOA principles include: (1) set broad goals to guide decisions, (2) develop strategies and financial policies, (3) design a budget supportive of strategies and goals and (4) focus on the necessity of continually evaluating a government’s success at achieving the goals that it has set for itself (*i.e.*, performance). Budgeting for results and outcomes links strategic planning, long-range financial planning, performance measures, budgeting, and evaluation. It also links resources to objectives at the beginning of the budgetary process, so that the primary focus is on outcomes rather than organizational structure. The GFOA recommends that governments consider budgeting for results and outcomes as a practical way to achieve the objective of integrating performance into the budgetary process.

The GFOA believes that the following eight BFO steps should help local governments in making a successful transition from traditional output concepts to BFO.

- BFO Step 1. Determine how much money is available.
- BFO Step 2. Prioritize results.
- BFO Step 3. Allocate resources among high priority results.
- BFO Step 4. Conduct analysis to best achieve desired results.
- BFO Step 5. Budget available dollars to the most significant.
- BFO Step 6. Annual progress measures, monitoring, and feedback.
- BFO Step 7. Check what actually happened.
- BFO Step 8. Communicate performance results.

Issue. How Much Money Is Available? The budget should be built on expected revenues. This would include base revenues, any new revenue sources, and the potential use of fund balance. JO CO has successfully completed this BFO step.

Issue. Prioritize Results The BFO results or outcomes that matter most to citizens should be defined. Elected leaders should determine what programs are most important to their constituents. The BCC accomplished this BFO step in the sense of macro prioritizing what the BCC decided were the service levels citizens were willing to fund and stakeholder support of programs, but did not inform or involve the public in how they did it (i.e., the 10 annual budgets do not have specific statements of citizen preferences and how the BCC obtained them). There is no list of prioritized results, especially as the view becomes the details of each budget program.

Issue. Allocate Resources Among High Priority Results The BFO allocations should be made in a fair and objective manner. Allocations were made as all 10 annual budgets were adopted by the BCC with specific allocations to specific programs and program elements. Not provided was written documentation supporting the specifics as to particular BFO goals tracking through each program and, especially the individual program elements.

Issue. Conduct Analysis To Best Achieve Desired Results Conduct analysis to determine what BFO strategies, programs, and activities will best achieve desired results. No publically available analysis is available to JO CO budget stakeholders, especially the public.

Issue. Budget Available Dollars To Most Significant Budget available dollars to the most significant BFO programs and activities. The objective is to maximize the benefit of the available resources. Per previous, it is not clear how this budgeting was done as there is no list of prioritized results for each program element. Not provided was written documentation supporting the specifics as to particular BFO goals tracking through each program element. No publically available analysis to best achieve the desired result was available to the public.

Issue. Check What Actually Happened This involves using performance measures to compare actual versus budgeted BFO results. Checking or monitoring compliance of outcomes with BFO performance measures was a failure as JO CO does not have any BFO performance criteria, or if it did this information was not available to the public.

Issue. **Annual Progress Measures, Monitoring, and Feedback** Set measures of annual BFO progress through monitoring, and close the feedback loop. These measures should spell out the expected results and outcomes and how they will be measured. This JO CO BFO step is pretty much a failure. None of the annual elements of this BFO step occurred, or if they did the information was not accessible by the public. The public, including the JO CO Budget Committee, has not been provided any BFO material except the BFO goal, directives, and process statements in each annual budget

Issue. **Communicate Performance Results** Internal and external stakeholders should be informed of the BFO results in an understandable format. This is another failure of the BFO budgeting goals, directives, and process commitments, as zero information was provided to stakeholders by the JO CO BCC, or its representatives.

Issue. **One-Year Versus Multi-Year Budgeting** Budgeting for results and outcomes is not just a one-year exercise, but also a multi-year effort that should improve the budget process. The annual budget require that sustainable plans for all mandated and essential programs are required sometimes for an identified five or ten year horizon. But, there is no publically available tracking (except for accounting) through performance standards, to monitoring, to evaluation, or feedback to the public.

F. Monitoring, Assessments, & Performance/Audits Issues (Draft)

Issue. BCC Does Not Evaluate Budget Compliance With Goals and Directives The JO CO BCC sets goals to provide direction related to the “big picture” rather than listing individual actions or activities. Some budget have statements like “*Each department has detailed in their budget how their programs meet the goals approved by the Board of County Commissioners.*” The BCC also provided directives to be used in preparing department budgets. Some budget have statements like “*As you review the narratives, you will see how the directives are being addressed by the individual programs.*” However, the budget is silent on compliance with goals and directives. There is just no written feedback on performance standards, monitoring, or evaluation of the goals and directives.

Issue. Outcomes Of CI Budget Goals Not Assessed Important to CI/CP are both the goals and outcomes of participation. Goals should be set at the beginning of the citizen-participation process, and CI/CP outcomes should be assessed and compared to what was expected when the goals were established. This does not occur except for the LBL of apprise.

Issue. No BFO Analysis/Assessments, Or References of Availability, to support the committed FY 2006-07 Budgeting for Outcomes (BFO) components and statements on mandates for future budgets (i.e. FY 2006-07 To FY 2016-17).

1. Future budgets will incorporate mandates required by the State of Oregon.
2. Future budgets will incorporate citizen input on services levels they are willing to fund.
3. Future budgets will incorporate goals set by the JO CO BCC.
4. Future budgets will incorporate stakeholder support of programs.

Issue. Performance Measurement Not Incorporated In Budget Process JO CO does not have performance measurement as an integral part of its budget process. It is impossible for citizens to understand the relationship of goals and outcomes if performance measurements are not identified, monitored, and evaluated for compliance, and written feedback made available to the public stakeholders.

The Government Finance Officers Association (GFOA) has long urged state and local governments to incorporate performance measurement as an integral part of their budget process, and it strongly endorses the work of the National Performance Management Advisory Commission’s (NPMAC), 2010 report, *A Performance Management Framework for State and Local Government: From Measurement and Reporting to Management and Improving*. The NPMAC 2010 report represented eleven national public interest organizations of elected and appointed state and local government officials, including the GFOA (GFOA 2011, pps. 1-2).

The GFOA encourages state and local governments to implement performance management systems. The purpose of public-sector performance management is to provide a systematic approach to managing performance through concepts, practices and processes that align governments’ efforts to achieve the best possible results for the public within available resources. Performance management emphasizes the importance of continuous learning, improvement, and accountability for results.

G. Transparency In Government Issues (Synthesizing)

Issue. Terms and Phrases Not Defined 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.).

Issue. Complicated Issue Make no mistake, understanding the JS&PSS Issue and (i.e., JO CO public safety issue) designing the JS&PSS *Study* are major complicated tasks starting with understanding the values of neighbors. At the heart of a community is a group of people who live in a certain area, and whose common and diverse interests involve the area itself and the people who live there. There are substantial differences between Oregon counties in terms of their geographic and demographic characteristics, historic crime rates and their willingness to tolerate certain levels of crime and their past and present funding of various public safety services. Given these, and other, substantial differences, understanding how to determine whether JO CO is providing a “minimally adequate level of public safety services” (MALPSS) is a difficult task indeed, especially when the county states its collective government opinion (i.e. political and profession opinions) that it is not providing a MALPSS without providing any evidence to support the professional opinion: research, documented study, vetted paper, etc.

Issue. Transparency In Government Transparency needs to be achieved in the JO CO budget process in such a way that understanding and acting on the information provided does not divert too much scarce attention from the rest of the decision-making effort or increase the costs of participation and knowledge so much, that ignorance and nonparticipation become the rational choices of citizens without already salient personal interests or expertise in budget analysis. There are many areas where JO CO does not provide transparency in government.

CI/CP Issue. Supporting Analysis Lacking - No Written Record Three significant areas where there is no written analysis supporting JO CO’s budgeting process follow.

1. **Unexplained JO CO Budgeting For Outcomes (BFO)** BFO information supporting 11 JO CO budgets from FY 2006-007 through FY 2016-17 is not available in the budgets and not referenced to their source(s). The BFO analysis document(s) is not available to the public (i.e., not in compliance with JO CO 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) (Section V.G; Section VI.E)
2. **Unavailable JO CO Performance Criteria** Twenty-seven (27) very important performance criteria are used by JO CO when participating in the GFOA Budget Presentation Award Program. A major issue is the unfamiliarity of the GFOA’s BPA program by the JO CO Budget Committee (at least some of the elector citizens), and the public. This is because there is no information in the budget about these 27 GFOA best practice criteria in the JO CO budgets, referenced to other sources, or published on JO CO web page.

Except for single sentence acknowledgments of JO CO being awarded the Distinguished Budget Presentation Award in several annual budgets, there is no information about the GFOA's budget award program (e.g., significance, process, major purposes, evaluation criteria, relationships to policies, financial plans, organization's operations, and communications, including public involvement, etc.). This is in conflict with the county's goal of transparency in government, especially when these are county performance standards being used by the county (Section VI.H).

3. **Lack of Action Plans** Strategic planning for public organizations is based on the premise that leaders must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy their constituents in the years head. GFOA recommends that all local governments regularly engage in long-term financial planning. A financial plan should include an analysis of the financial environment, revenue and expenditure forecasts, debt position and affordability analysis, strategies for achieving and maintaining financial balance, and plan monitoring mechanisms, such as scorecard of key indicators of financial health. The public and elected officials should be able to easily learn about the long-term financial prospects of the government and strategies for financial balance. Hence, governments should devise an effective means for communicating this information, through either separate plan documents (i.e., action plans) or by integrating it with existing communication devices. Several types of actions plans can assist JO CO in carrying out its budgeting goals (e.g. Strategic Plan, Long-term Financial Plan, Citizen Involvement Plan, County Budget Manual, Budget-In-Brief, Citizen Involvement in Budgeting Plan, County Citizen's Guide to the Budget, etc.) (Section VI.I).

CI/CP Issue. **Potential for Unrealistic Expectations** Citizens must understand how their input will be used. If their views are merely advisory, they should know the extent to which they will be taken into account by decision makers. Otherwise, popular expectations could result in demands that cannot be fulfilled.

CI/CP Issue. **"Bad" Outcomes** Officials should decide how to respond if citizens misunderstand the issues, express unwise choices or fail to appreciate the consequences of their preferences. Those results may signal the need for greater public education about the issues, or they may demonstrate areas where decision makers are out of step with the electorate.

CI/CP Issue. **JO County Budget Meetings/Hearings Minutes** It is assumed that the JO CO meeting minutes meet the minimal LBL with other Oregon budget committees. However, in terms of being informative to the public, they are nothing like budget committees in other Oregon counties that are given the opportunity to practice enhanced CI/CP. For example, see the City of Milwaukie Budget Committee meeting minutes describing the purpose of its GFOA budget award participation program, win or lose (Appendix L). *"Whether an award is given or not, the true value of this program is that it provides comments and improvement suggestions for applicants to work on with future documents, a process which we believe improves the transparency in communicating financial results back to our citizens."*

CI/CP Issue. **Lack of Transparency In Government: Reviewing & Obtaining Public Records** On December 28, 2015 the Exploratory Committee made a public records request to JO CO Legal Counsel's Office for minutes of JO CO Local Public Safety Coordinating Council (LPSCC) meetings. The request was part of the Committee's outreach strategy to explain *Study Design* to citizens and government representatives by researching information to assist in public understanding of the public safety issue.

The Committee was specifically interested in any research and/or work that the LPSCC had conducted on the topic of "minimally adequate level of public safety services" (MALPSS), an analysis concept embodied in three bills signed into laws from 2009 - 2013: 1. OR Senate Bill 77 (2009), 2. OR House Bill 4176 (2012), and 3. OR House Bill 3453 (2013). The JO CO Chair of the LPSCC had implied to the Committee that all one had to do to review the LPSCC's meeting minutes was to simply fill out a form for an information request.

When the Committee received a February 3, 2016 from the JO CO Legal Counsel it was caught by surprise. Inside the letter envelope was a "response to request for release of public information" form that stated the review of minutes the Committee wanted would cost \$126.00 in staff time and copying fees (February 14, 2016 Email/Letter). Except for the statement of estimated fees, there was no explanation for the change in the Authors' request, nor specific supporting data demonstrating the reasonableness of charges for "actual costs".

On February 14, 2016 an email/letter was sent to JO CO LPSCC, Chair, from the Committee on the LPSCC public records request. The Committee's concern was that the LPSCC meeting minutes were effectively illegally unavailable as under Oregon public disclosure law the records requester had the right to review the material before requesting copies.

On May 18, 2016 members of the Exploratory Committee, spent 1.5 hours reviewing JO CO LPSCC public records request, requesting and paying for copies. They paid 25 cents a copy, but only for copies they were interested in after reviewing the material. **Disconcerting was the unavailability of the JO CO LPSCC meeting minutes for two years of the Committee's request (i.e., after January 9, 2014).**

December 28, 2015 - May 18, 2016: 153 days from the time of a simple public records request to review the meeting minutes of a local government council is not transparency in government. This experience also dented the public trust in government.

H. Government Finance Officers Association Budget Presentation Award Program Issues (Draft Final)

Issue. **Criteria Are Permissive** JO CO has received the GFOA Distinguished Budget Presentation Award (DBPA) for several years now. However, many of the 27 criteria do not have to be met to receive the GFOA DBPA (Section V.H). Will JO CO strive to met more of the criteria to qualify for an “Outstanding” Budget Presentation Award?

Issue. **Unknown BPA Criteria** What is outstanding is the method of using performance criteria when analyzing budget documents (i.w., GFOA 2014; GFOA 2015). Submitted budget documents are rated for 27 specific criteria as being one of the following four conclusions: 1. information not present, 2. not proficient, 3. proficient, or 4. outstanding. A major issue is the unfamiliarity of the GFOA’s BPA program by the JO CO Budget Committee (at least some of the elector citizens), and the public. This is because there is no information about these 27 GFOA best practice criteria in JO CO’s annual budgets, referenced to other sources, or published on JO CO web page. This is in conflict with the county’s goal of transparency in government, especially when these are county performance standards being used by the county.

Issue. **Public Not Involved in GFOA BPA** The real value is that JO CO has complete control of involving the public in understanding the GFOA’s 27 best practice criteria, but the BCC have not shared the performance management program with the public.

Issue. **Unavailable GFOA BPA Application Documents** Other issues with the JO CO’s GFOA BAP are the unavailability of JO CO’s applications to GFOA for consideration of a budget presentation award. These are the JO CO filled out questionnaires to GFOA on the Detailed Criteria Location Guide (GFOA 2014).

Issue. **Unavailable GFOA BPA Evaluation Documents** Just as important are the missing evaluations of the GFOA on how well JO CO performed against the criteria. It is known that for three to four years at least that the county was awarded the GFOA DBPA. This is invaluable information on the strengths and weaknesses of JO CO’s budget documents for compliance with the GFOA BPA’s 27 best practice criteria (GFOA 2015).

Issue. **Mandatory& Non-Mandatory GFOA BPA Criteria** Monitoring, evaluation, and performance management does not work if JO CO’s GFOA BPA criteria are non-mandatory (Appendix F. Using the correct terms – Shall, Will, Should). Worst case: A GFOA DBPA does not mean much is the GFOA evaluation criteria finding was one of the first two of four evaluation findings: 1. Information Not Present, and 2. Does Not Satisfy Criterion. There is also clarification needed for when a criteria rating of proficient and outstanding are required criteria or non-mandatory criteria.

GFOA BPA Finding #1.	Information Not Present.
GFOA BPA Finding #2.	Does Not Satisfy Criterion.
GFOA BPA Finding #3.	Proficient
GFOA BPA Finding #4.	Outstanding.

Issue. What Does A GFOA Budget Award Mean? Being awarded a GFOA DBPA is significant, and what does it mean? The 27 award criteria includes 177 modifying words to the criteria from “shall” compliance standards to non-mandatory standards. The following are three categorizations of the 177 words. The two modifying words of “should” and “may” are used 96 (55%) times out of the total of 177 words. Four modifying words of “mandatory”, “shall”, “must”, and “required” are used 42 (23%) times out of 177 words. The remaining 12 modifying words (assume to be non-mandatory compliance standards) are used 39 (22.6%) times out of 177 words. All non-mandatory modifiers total 135 (77.6%) words.

“Should” and “May” Are Used	96 (55.0%)
“Mandatory”, “Shall”, “Must”, and “Required” Are Used	42 (23.0%)
Remaining 12 Non-mandatory Compliance Modifying Words	<u>39 (22.6%)</u>
	Total 177 (100.6%)

“Should” and “May” Are Used	96 (55.0%)
Remaining 12 Non-mandatory Compliance Modifying Words	<u>39 (22.6%)</u>
	Total 135 (77.6%)

Should	72 (41%)
May	<u>24 (14%)</u>
Total	96 (55%)

Mandatory	14 (8%)
Shall	11 (6%)
Must	11 (6%)
Required	<u>6 (3.4%)</u>
Total	42 (23%)

Terms Number of Times Used In Document

Should	72 (41%)	“Should” is usually used with goals, action plans, or strategies on how goals will be achieved. A “Should” is a non-mandatory provisions. Should is used to indicate a goal which must be addressed by the design but is not formally verified.
May	24 (14%)	Expressing possibility or permission.
Mandatory	14 (8%)	Mostly with the word “shall.” However, Criteria #C2, #F8, & #P4 used it with the word “should,” and criteria #F4 used it with the word “must.”
Shall	11 (6%)	Mostly with mandatory criteria. Shall is used to indicate a requirement that is contractually binding, meaning it must be implemented, and its implementation verified. Period! Don’t think of “shall” as a word, but rather as an icon that SCREAMS: “This is a requirement.” If a statement does not contain the word “shall” it is not a requirement.
Must	11 (6%)	Also used with Mandatory Criteria #F4. Don’t use must because no one has defined how must is different from shall. Also, shall has held up in court, must has not.
Required	6 (3.4%)	Could be considered mandatory criteria.
Make Sure	6 (3.4%)	
Can Be	6 (3.4%)	

Consider	6 (3.4%)	Consider or considered.
Is Not	5 (3%)	
Not Required	5 (3%)	Will is used to indicate a statement of fact. Will statements are not subject to verification.
Will	<u>5 (3%)</u>	
SubTotal	39 (22.6%)	
Is Essential	1 time	
Recommended	1 time	
Asks For	1 time	
Ought To Be	1 time	
Might	1 time	
Will Not	<u>1 time</u>	
SubTotal	6 (3.4%)	

TOTAL 177 TIMES (101%) a modifying word is used for the 27 GFOA criteria.

Some conflicts are internal to an individual award criteria. For example, how can a “mandatory” criteria standard be required when the clarification is “should”, or “encouraged”, but “not required”?

Issue. Transparency Lacking Except for single sentence acknowledgments of JO CO being awarded the Distinguished Budget Presentation Award in several annual budgets, there is no information about the GFOA’s budget award program (e.g., significance, process, major purposes, evaluation criteria, relationships to policies, financial plans, organization’s operations, and communications, including public involvement, etc.).

Under what individual criteria (i.e., 27 criteria) did JO CO’s budgets of receive a GFOA’s evaluation of Distinguished or Outstanding? What group criteria (i.e., policy tool, financial plan, organization’s operations, and communication medium) did JO CO’s budgets of receive an evaluation of Proficient or Outstanding? What criteria received a grade of information not present or does not satisfy criterion?

What extra work would JO CO have to do to receive an Outstanding Budget Presentation Award instead of a Distinguished Budget Presentation Award?

Issue. Public Availability of Documents Except for single sentence acknowledgments of JO CO being awarded the GFOA DBPA in several annual budgets, there is no information about the public availability of GFOA evaluations of award program applications.

Issue. GFOA Best Practices Related to Budgeting and Fiscal Policy GFOA currently has 38 best practices related to budgeting and fiscal policy. These could be very valuable to the JO CO citizen interested in the budget (Appendix U). The JO CO budget documents are deficient in not identifying or referencing these GFOA best practices. The following two documents are recommended reading for those interested in the GFOA's Distinguished Budget Presentation Award Program.

- Government Finance Officers Association. 2014. GFOA Detailed Criteria Location Guide: Distinguished Budget Presentation Awards Program (Questionnaire). <http://www.gfoa.org/budgetaward>.
- 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>.

Other Government Finance Officers Association's "best practices" available on line that are applicable to the GFOA's BPA program and the JO CO budget process follow. Two National Advisory Council on State and Local Budgeting (NACSLB) publications were coauthored by GFOA and/or recommended by it.

- Government Finance Officers Association. March 2005. *GFOA Best Practice: Establishment of Strategic Plans*. Approved by the GFOA's Executive Board, March, 2005. Chicago, IL.
- Government Finance Officers Association. 2008. *GFOA Best Practice: Long-Term Financial Planning*. Chicago, IL.
- Government Finance Officers Association. 2009. *Recommended Practice: Budgeting for Results and Outcomes (2009) (BUDGET)*. Chicago, IL.
- Government Finance Officers Association. 2009. *GFOA Best Practice: Public Participation in Planning, Budgeting, and Performance Management*. Approved by the GFOA's Executive Board, February 2009. Chicago, IL. <http://www.gfoa.org/print/450>
- Government Finance Officers Association. 2014. *Best Practice: Effective Presentation of the Budget Document (1996, 2014) (BUDGET)*. Chicago, IL.
- Government Finance Officers Association. 2015. *GFOA Best Practice Adopting Financial Policies*. GFOA Budget Committee: (2001, 2015). Chicago, IL.
- Government Finance Officers Association. October 5, 2015 *Best Practices and Effective Budget Presentation*. GFOA Training On Best Practices, 105 pages. Phoenix, AZ
- Government Finance Officers Association. Downloaded August 29, 2016. [Generic] *Distinguished Budget Presentation Award*. To Recipient: Two Page Generic Budget Award Letter/Speech.
- Government Finance Officers Association. 2011. *Best Practice: Performance Management*. Chicago, IL.
- National Advisory Council on State and Local Budgeting (NACSLB). 1998. *Recommended Budget Practices: A Framework for Improved State and Local Government Budgeting*.
- National Performance Management Advisory Commission. 2010. *A Performance Management Framework for State and Local Government: From Measurement and Reporting to Management and Improving*. Chicago, IL.

Issue. Enhanced CI/CP Performance Criteria JO CO's budget process is in sharp contrast to The City of Milwaukie, Oregon practicing enhanced CI/CP (Appendix L). For example, something as simple as minutes is vitally important. In a Milwaukie Budget Committee meeting the GFOA budget award program was described by the minutes as follows.

"Yes we will be applying for the GFOA budget award again. In the spirit of continuous improvement, constantly comparing and contrasting our financial documents up against the best in the nation is one way we plan on improving the communication of financial results to our citizens. The GFOA award programs are not ways for GFOA to raise money, but rather they distribute an applicant's document around to Special Review committee members for determination of meeting minimum qualifications. Whether an award is given or not, **the true value of this program is that it provides comments and improvement suggestions for applicants to work on with future documents, a process which we believe improves the transparency in communicating financial results back to our citizens** (emphasis added). And finally, it is also one way to recognize the appreciation of the work performed by the Budget Committee and members of the Finance Department." (Appendix L).

Regardless that JO CO's GFOA BPA program is below the horizon of public perception, it has the significant potential to revolutionize the present CI in budgeting program.

Issue. Example JO CO's GFOA BPA Criteria Unknown To Public The following GFOA BPA best practices are JO CO's best budget practices as they are used when applying to the GFOA BPA program (GFOA 2014; Appendix U). Thirteen (13) of the award programs criteria are considered by the Authors to be applicable to CI/CP. The huge almost insufferable problem is that the public, the most important stakeholders to the JO CO budgeting process don't know anything about them. Depending on the public interest all 27 criteria are applicable to taxpayers understanding the purposes of budget issues.

GFOA BPAP #P1 Criteria: The document should include a coherent statement of organization-wide, strategic goals and strategies that address long-term concerns and issues (GFOA 2014 p. 1).

Criteria Location Guide Questions

1. Are non-financial policies/goals included?
2. Are these policies/goals included together in the Budget Message or in another section that is separate from the departmental sections?
3. Are other planning processes discussed?

Explanation This criterion relates to the long-term, entity-wide, strategic goals that provide the context for decisions within the annual budget. Consider including action plans or strategies on how the goals will be achieved. Refer to GFOA's best practice on Establishment of Strategic Plans.

GFOA BPAP #P4. Mandatory Criteria: The document should include a coherent statement of entity-wide long-term financial policies (GFOA 2005 p. 4).

Criteria Location Guide Questions

1. Is there a summary of financial policies and goals?
2. Do the financial policies include the entity's definition of a balanced budget?
3. Are all financial policies presented in one place?

Explanation This criterion requires a discussion of the long-term financial policies. Financial policies that should be included (but not limited to) and formally adopted relate to: (1) financial planning policies, (2) revenue policies, and (3) expenditure policies. The entity should adopt a policy(s) that defines a balanced operating budget, and indicate whether the budget presented is balanced. The entity should adopt a policy(s) that supports a financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, and cash management and investment policies. The entity should adopt a policy(s) to inventory and assess the condition of all major capital assets. Revenue policies should consist of diversification, fees and charges, and use of one-time and unpredictable revenues. Expenditure policies should consist of debt capacity, issuance, and management, fund balance reserves, and operating/capital budget versus actual monitoring.

Refer to GFOA's best practices on (1) Adopting Financial Policies, (2) Long-Term Financial Planning, (3) Multi-Year Capital Planning, (4) Establishing Government Charges and Fees, (5) Debt Management, (6) Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund, (7) Determining the Appropriate Level of Working Capital in Enterprise Funds (8) Creating a Comprehensive Risk Management Program, and (9) Establishing an Effective Grants Policy.

GFOA BPAP #04. (Mandatory) Criteria: The document shall describe activities, services or functions carried out by organizational units (GFOA 2005 p. 11).

Criteria Location Guide Questions

1. Does the document clearly present the organizational units (*e.g., divisions, departments, offices, agencies, or programs*)?
2. Does the document provide descriptions of each organizational unit?

Explanation This criterion requires a clear presentation of the organizational units within the budget document. A narrative description of the assigned services, functions, and activities of organizational units should be included. The presentation of relevant additional information should be included (*e.g., shift in emphasis or responsibilities or major changes in costs*).

Discuss major financial or program changes occurring in the different departments. Refer to GFOA's best practice on "Departmental Presentation in the Operating Budget Document."

GFOA BPAP #05 Criteria: The document should include clearly stated goals and objectives of organizational units (*e.g., departments, divisions, offices or programs*) (GFOA 2005 p. 11).

Criteria Location Guide Questions

1. Are unit goals and objectives identified?
2. Are unit goals clearly linked to the overall goals of the entity?
3. Are objectives quantifiable?
4. Are time frames on objectives noted?

Explanation This criterion requires that unit goals and objectives be clearly identified. The relationship of unit goals to the overall goals of the entity should be apparent (perhaps, in the form of a matrix). For purposes of this criterion, goals are long-term and general in nature, while objectives are more short-term oriented and specific. Note when goals and objectives are expected to be accomplished.

GFOA BPAP #06 Criteria: 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 (GFOA 2014, pps. 11 - 12).

Criteria Location Guide Questions

1. Are performance data for individual departments included in the document?
2. Are performance data directly related to the stated goals and objectives of the unit?
3. Do performance measures focus on results and accomplishments (*e.g., output measures, efficiency and effectiveness measures*) rather than inputs (*e.g., dollars spent*)? (emphasis added)

Explanation Performance measures should include the outputs of individual units and provide a meaningful way to assess the effectiveness and efficiency of those units. The measures should be related to the mission, goals, and objectives of each unit. Include information for at least three years (the prior year actual, current year estimate or budget, and budget year).

Link performance measures to unit goals and objectives and include efficiency and effectiveness measures.

Refer to GFOA's best practice on "A Systematic Approach to Managing Performance and Performance Management for Decision Making."

GFOA BPAP #P1 Criteria: The document should include a coherent statement of organization-wide, strategic goals and strategies that address long-term concerns and issues (GFOA 2014 p. 1).

Criteria Location Guide Questions

1. Are non-financial policies/goals included?
2. Are these policies/goals included together in the Budget Message or in another section that is separate from the departmental sections?
3. Are other planning processes discussed?

Explanation This criterion relates to the long-term, entity-wide, strategic goals that provide the context for decisions within the annual budget. Consider including action plans or strategies on how the goals will be achieved. Refer to GFOA's best practice on Establishment of Strategic Plans.

GFOA BPAP #F7 Criteria: The document should explain long-range financial plans and its effect upon the budget and the budget process.

Criteria Location Guide Questions

1. Are long-range financial plans identified?
2. Do your long-range financial plans extend out at least two years beyond the budget year?

3. Is there a concise explanation or illustration of the linkage between the entity's long-range financial plans and strategic goals?

Explanation This criterion requires the identification of long-range financial plans that extend beyond the budget year. The impacts of the long-range financial plan upon the current budget and future years should be noted.

Refer to GFOA best practices on (1) Long-Term Financial Planning, (2) **Establishment of Strategic Plans**, (3) **Budgeting for Results and Outcomes**, and (4) Multi-Year Capital Planning.

GFOA BPAP #C1. Mandatory Criteria. The document shall include a table of contents that makes it easier to locate information in the document (GFOA 2014 p. 1)

Criteria Location Guide Questions

1. Is a comprehensive table of contents provided to help the reader locate information in the document?
2. Are all pages in the document numbered or otherwise identified?
3. Do the page number references in the budget or electronic table of contents agree with the related page numbers in the budget or electronic submission?

Explanation Detailed indices preceding individual sections can be helpful, but they are not a substitute for a single comprehensive table of contents. Care should be taken in developing budget or electronic page number references in the table of contents, so they agree with the related page numbers in the budget document or electronic submission. The use of whole numbers as page numbers is easier to follow. *Make sure every page in the budget document is sequentially numbered.*

GFOA BPAP #C2. Mandatory Criteria: 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 (GFOA 2014 p. 2).

Criteria Location Guide Questions

1. Is an overview contained in the budget message/transmittal letter, executive summary, or in a separate budget-in-brief document?
2. Is summary information on significant budgetary items conveyed in an easy to read format?
3. Is summary information on budgetary trends provided?

Explanation The intent of this criterion is to help readers quickly understand major budgetary items and trends (revenues, expenditures, and capital). Highlighting, indentation, bullet points, outlines, tables, or graphs may help in communicating this information. If a budget-in-brief is published as a separate document, inclusion of easy to read summary financial information in the main budget document is encouraged. Refer to GFOA's best practice on "Effective Presentation of the Budget Document."

GFOA BPAP #C3 Criteria: 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 (GFOA 2014, p. 12).

Criteria Location Guide Questions

1. Is statistical information that defines the community included in the document (e.g., population, composition of population, land area, and average household income)?
2. Is supplemental information on the local economy included in the document (e.g., major industries, top taxpayers, employment levels, and comparisons to other local communities)?
3. Is other pertinent information on the community (e.g., local history, location, public safety, education, culture, recreation, transportation, healthcare, utilities, and governmental structure) included in the document?

Explanation Background information should be included in the budget in the form of statistical and supplementary data, either in a separate section or throughout the document. The goal is to provide a context for understanding the decisions incorporated into the budget document. The presentation should include factors that will affect current or future levels of service (e.g., population growth, economic strength in the region, or a change in the size of the school age population).

Do not just copy the CAFR statistical/supplemental section into the budget document. Refer to GFOA’s best practice on “The Statistical/Supplemental Section of the Budget Document” for information that should be included as part of this discussion.

GFOA BPAP #C4 Criteria: A glossary should be included for any terminology (including abbreviations and acronyms) that is not readily understandable to a reasonably informed lay reader (GFOA 2014, pps. 12 - 13).

Criteria Location Guide Questions

1. Is a glossary that defines technical terms related to finance and accounting, as well as non-financial terms related to the entity, included in the document?
2. Are acronyms or abbreviations used in the document defined in the glossary?
3. Is the glossary written in non-technical language?

Explanation The use of technical terms and acronyms ought to be kept to a minimum, to enhance the value of the document to the majority of stakeholders. When technical terms and acronyms are used, they should be clearly and concisely described in the glossary. *Make sure acronyms and non-financial terms are also included.*

GFOA BPAP #C5 Criteria: 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 (GFOA 2014, p. 13).

Criteria Location Guide Questions

1. Are charts and graphs used in the document to convey essential information (*e.g., key policies, trends, choices and impacts*)?
2. Do the graphics supplement the information contained in the narratives?

Explanation This criterion requires that graphics be used to communicate key information in the budget document. Graphics should enhance the budget presentation, and clarify significant information. The entity determines the most effective format to present graphic information. Graphics may be consolidated or included throughout the document. Normally, narratives should accompany the graphs. Graphs can be used for such topics as revenues, expenditures, fund balances, staffing, economic trends, capital expenditures, service levels, performance measures, or general statistical information. Originality is encouraged, but not at the expense of clarity and consistency. Consider using captions to explain the significance of graphs.

GFOA BPAP #C6 Criteria: 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 (GFOA 2014, p. 13).

Criteria Location Guide Questions

1. Is page formatting consistent?
2. Are the main sections of the document easily identifiable?
3. Is the level of detail appropriate?
4. Are text, tables, and graphs legible?
5. Are budget numbers in the document accurate and consistent throughout the document?

Explanation The goal of this criterion is to make sure that the document itself contributes to the effectiveness of the communication to readers. Sequential page numbering throughout the document is encouraged. Budget numbers (both financial and operational) should be accurate and consistent throughout the document. Put similar topics in the same section.

Refer to GFOA’s best practice on “Making the Budget Document Easier to Understand” and “Presenting Official Financial Documents on Your Government’s Website.”

I. Action Plan Issues

Issue. **Strategic Action Plan** GFOA recommends that all local governments 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** (emphasis added). Strategic planning is a comprehensive and systematic management tool designed to help local governments assess the current environment, anticipate and respond appropriately to changes in the environment, envision the future, increase effectiveness, develop commitment to the government's mission and achieve consensus on strategies and objectives for achieving that mission. Strategic planning is about influencing the future rather than simply preparing or adapting to it. JO CO does not have a budget action plan

Issue. **Long-Term Financial Plan** GFOA Best Practice: Long-term financial planning combines financial forecasting with strategizing. It is a highly collaborative process that considers future scenarios and helps governments navigate challenges. Long-term financial planning works best as part of an overall strategic plan. Many governments have a comprehensive long-term financial planning process because it stimulates discussion and engenders a long-range perspective for decision makers. It can give consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders. GFOA recommends all governments have a long-term financial plan. JO CO does not have one.

Issue. **Content Of A Financial Plan** A financial plan should include an analysis of the financial environment, revenue and expenditure forecasts, debt position and affordability analysis, strategies for achieving and maintaining financial balance, and **plan monitoring mechanisms, such as scorecard of key indicators** (emphasis added) of financial health. Most of the elements of a financial plan are topics treated in this document, *Citizen Participation In The Josephine County Budget Process*. JO CO has not conducted the above analysis.

Issue. **Visibility Through Other Action Plans** The public and elected officials should be able to easily learn about the long-term financial prospects of the government and strategies for financial balance. Hence, governments should devise an **effective means for communicating this information, through either separate plan documents or by integrating it with existing communication devices** (emphasis added). JO CO does not have budget action plans.

Issue. **Mobilization Phase of Financial Plan (MPFN)** The mobilization phase prepares the local government for long-term planning by creating consensus on what the purpose and results of the planning process should be.

Issue. **MPFN: Alignment of Resources** Determining the composition of the project team, identifying the project sponsor, and **formulating a strategy for involving other important stakeholders** (emphasis added) is critical. This step also involves the creation of a high-level project plan to serve as a roadmap for the process.

Issue. **MPFN: Preliminary Analysis** This step **helps raise awareness of special issues among planning participants** (emphasis added), such as the board or non-financial executive staff. A scan of the financial environment is common at this point.

Issue. **MPFN: Identification of Service Policies and Priorities** Service policies and priorities have important implications on how resources will be spent and how revenues will be raised. A strategic plan or a priority setting session with elected officials could be useful in identifying service policies and priorities.

Issue. **MPFN: Validation and Promulgation of Financial Policies** Financial policies set baseline standards for financial stewardship and perpetuate structural balance, so a planning process must corroborate policies in place (as well as the organization's compliance with those policies) and also identify new policies that may be needed.

Issue. **MPFN: Definition of Purpose and Scope of Planning** The purpose and scope of the planning effort will become clear as a result of the foregoing activities, but the process should include a forum for developing and recognizing their explicit purpose and scope (emphasis added).

Issue. **Analysis Phase of Financial Plan (APFP)** The analysis phase is designed to produce information that supports planning and strategizing. The analysis phase includes the projections and financial analysis commonly associated with long-term financial planning. The analysis phase involves information gathering, trend projection, and analysis.

Issue. **APFP: Information Gathering** This is where the government analyzes the environment in order to gain a better understanding of the forces that affect financial stability. **Improved understanding of environmental factors** (emphasis added) should lead to better forecasting and strategizing.

Issue. **APFP: Trend Projection** After the environment has been analyzed, the planners can project various elements of long-term revenue, expenditure, and debt trends.

Issue. **APFP: Analysis** The forecasts can then be used to identify potential challenges to fiscal stability (e.g., "imbalances"). These could be fiscal deficits (e.g., expenditures outpacing revenues), environmental challenges (e.g., **unfavorable trends in the environment** (emphasis added), or policy weaknesses (e.g., weaknesses in the financial policy structure). Scenario analysis can be used to present both optimistic, base, and pessimistic cases.

Issue. **Decision Phase of Financial Plan** After the analysis phase is completed, the government must decide how to use the information provided. **Key to the decision phase is a highly participative process that involves elected officials, staff, and the public** (emphasis added). The decision phase also includes a culminating event where the stakeholders can assess the planning process to evaluate whether the purposes for the plan described in the mobilization phase were fulfilled and where a sense of closure and accomplishment can be generated. Finally,

the decision phase should address the processes for executing the plan to ensure tangible results are realized.

Issue. **Execution Phase of Financial Plan** After the plan is officially adopted, strategies must be put into action (e.g. funding required in achieving goals). The execution phase is where the strategies become operational through the budget, financial performance measures, and action plans. **Regular monitoring** (emphasis added) should be part of this phase.

Issue. **Citizen Participation Plan** The CP plan process is envisioned to visualize and improve the implementation of public involvement in budget planning. The recommended process is grounded in the important factors of public participation and in response to its barriers. The four stage process is within the context of an overall process to implement citizen involvement in planning. Its significant differences from many others is at Stage 1 (i.e., public bodies formally identifying and choosing the goal of the program) and Stage 4 (i.e., actually monitoring and evaluating the success of the CI program. This is just like what is always done for the financial policies of the budget, but almost never done for CI.

Other Action Plans –

J. Public Mistrust In Government Issues

Citizens are demanding greater public accountability, particularly regarding stewardship of public resources. Results of the American National Elections Studies show declining values of trust in government. In 2008, the trust in government index was 26, the lowest value since 1958 (American National Election Studies, 2010a). For the same year, 72% of survey respondents agreed that people in the government waste a lot of money paid in taxes (American National Election Studies, 2010a). In contrast, in 2002, the value of the trust in government index was 42, and only 48% of those surveyed thought that people in the government waste a lot of money paid in taxes (Jordan 2016, p. 2).

- American National Election Studies. 2010a. *Table 5A.3: Do people in government waste tax money 1958-2008*. [cited May 16, 2011]. http://www.electionstudies.org/nesguide/toptable/tab5a_3.htm.
- American National Election Studies. 2010b. *Table 5A.5: Trust in government index 1958-2008*. [cited May 16, 2011]. http://www.electionstudies.org/nesguide/toptable/tab5a_5.htm.

Significant is that all the JO CO budget issues involve one issue: Public trust and/or non-trust in JO CO government. Many times the budget CI/CP issue itself would not be an issue if there was a more healthy view of local government by its citizens. Citizens do not know the scientific answer on their collective trust in JO CO government, but based on the last four public safety levies from 2012 - 2015, it can safely be assumed that a majority of voting citizens do not trust JO CO government.

As a comparison, what is the public trust in Washington for the period 1958-2015 by another poll taker? Public trust in the government remains near historic lows. Only 19% of Americans today say they can trust the government in Washington to do what is right “just about always” (3%) or “most of the time” (16%) (PewResearchCenter 2015).

Trust in Government

PewResearchCenter. Viewed September 14, 2016.

<http://www.people-press.org/2015/11/23/public-trust-in-government-1958-2015/>.

The foundation of any program to prevent and resolve public controversy must be an informed public. Yet, **understanding citizen preferences and the information needs required can be exceedingly difficult** (emphasis added). Informing and engaging the public is often a strategic decision, one that balances inclusiveness and engagement at the risk of impacting process efficiency. When the stakes are low or there is a general agreement upon an issue, administrators are less likely to solicit citizen input; the problem is that many government decisions, especially related to resource allocation, are complicated, costly, and often provoke significant disagreement. These are the times when knowledge of the ‘true’ preference structure of an informed citizenry seems most valuable (Jordan 2016, pps. 6-7).

The only vetted study on citizen preferences in Josephine County is a recent one from Nathan Davis, a researcher at Oregon State University (Davis 2016).

- 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).

Issue (Davis 2016). **Fair Treatment** 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 within processes is the second most common argument utilized by levy opponents (41% of opponents). This is likely a result of a lack of trust in governmental processes. Opponents of the levy are much more likely to oppose the levy because they see government as wasteful or otherwise untrustworthy.

Given these results, JO CO residents appear to want certain policies from their local 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. The county should seek to accomplish all three of these items if it truly wants to pass legislation to fund public safety services (Davis 2016).

Issue (Davis 2016). **Don't Trust Budget Process** 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. 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.

Issue (Davis 2016). **Oppose Tax Levies** County voters will be more likely to view taxation and larger government as inherently unfair. Both the ideology of voters in JO CO and the demographics of the population suggest that individuals will likely be opposed to the levy on the basis of the levies' perceived fairness (Davis 2016).

K. Taxpayers Understanding JO CO Purposes of Budget Issues (Draft)

Public Outreach. Outreach is targeted to provide information to groups of current or potential voters and/or to community partners regarding available public safety services (PSS) or benefits. The target audience is the average group of voters who generally could be better informed. The Committee also feels that rational ignorance by the voter is refraining from acquiring knowledge of PSS when the cost of educating oneself exceeds the potential unknown benefit that the knowledge would provide.

Issue voting is often contrasted with party voting. This is when voters switch between issue voting and party voting depending on how much information is available to them about a given candidate. Low-information elections, such as those for congressional candidates, would thus be determined by party voting, whereas presidential elections, which tend to give voters much more information about each candidate, have the potential to be issue-driven. The Committee's goal is issue voting.

Being an informed voter is tough as it means to be knowledgeable about the issues and positions of candidates when voting. However, knowledge is power even though most of us are busy with the day to day of work and responsibilities. It also means voters are able to make decisions without influence from outside factors intended to persuade those who may not fully understand an issue (e.g., PSS, etc.), and/or a candidate's platform or ideas.

To put it bluntly most voters are assisted in being better informed when as many as possible low growing fruits of information formats are available. The following recommendations by the Committee are intended to be some of those low-growing fruits.

1. Understanding JO CO Department Staffing Analysis Issues

Issue. Recommendation 1. Understanding Staffing Analysis The public needs to understand the needed staffing for the JO CO departments, including its individual programs, especially during today's lack of trust environment. It is not enough to arrive at a budget in an open government setting (i.e., JO CO Budget Committee).

Budget Committee This committee is composed of three members of the elector public and the JO CO Board of Commissioners. The Budget Committee meets three or four times in a public setting each spring to review and approve proposed budget documents by the Budget Officer for the County. Budget Committee members should have an interest in County operations and an understanding of governmental budget processes.

ORS Chapter 294 - <http://www.co.josephine.or.us/page.asp?navid=1730>

Oregon Local Budget Law ORS 294.305 Sections constituting Local Budget Law.

ORS 294.305 to 294.565 shall be known as the Local Budget Law. 12/19/2014 Josephine County Overview of Budget Process - <http://slideplayer.com/slide/9275522/>

What independent nongovernment documented staffing analysis has been completed for the JO CO department (MALPASS)?

MALPASS: Minimally Acceptable Level Of Public Safety Services

Justice System Exploratory Committee
Hugo Neighborhood Association & Historical Society
<http://www.hugoneighborhood.org/malpss.htm>

What organization's staffing standards were used for the staffing analysis (MALPASS)? See Chapters III and IV of Standards For Public Safety Services.

Walker, Mike & Whalen, Jon. Very Draft February 1, 2016. Standards For Public Safety Services (Public Outreach 5.9), at Studies & Information. JS&PSS Exploratory Committee, HNAHS. Hugo, OR.

Standards For Public Safety 2016
Studies & Information
JS&PSS Exploratory Committee
Hugo Neighborhood Association & Historical Society
Web Page: http://www.hugoneighborhood.org/JSPSS_Studies.htm

Chapter III. References on Public Safety Services Standards: Highlights

Chapter IV. More Detailed Bibliography on Public Safety Services Standards

Most of the staffing analysis papers are on police and fire/EMS services. However, the main point of this recommendation is that the present staffing conclusions are in the JO CO annual budget documents (but without the staffing analysis). The conclusions are identified as requirements (i.e., FTE and budgets) in Schedules A & B for each program. A little bit of additional clarification on needed/required staffing would have considerable effect or influence in helping voters understand the programs, their needs and benefits.

2. JO CO Department Descriptions & Relationships Issues

Issue. Recommendation 2. Department Descriptions & Relationships The descriptions of the JO CO departments in the JO CO web pages and in the JO CO annual budget documents are not designed for easy consumption and understanding by the JO CO voters. The members of the Exploratory Committee are still trying to understand the departments after approximately 80 hours of research. This county program is complex, especially its relationships with other juvenile programs.

Josephine County Juvenile Justice
<http://www.co.josephine.or.us/SectionIndex.asp?SectionID=163>
Budgets: Josephine County, Oregon
<http://www.hugoneighborhood.org/budgets.htm>

The departments should consider developing standalone program documents summarizing their programs, including updated web pages, and flow charts. The goal is not legal requirements; the goal is public understanding moving toward public trust.

Issue. Recommendation 3. Professional Web Pages for JO CO Departments The JO CO department's web page is a component of the JO CO's web page. They look like the government, and it is brief in being helpful information toward public understanding. It communicates most effectively with other professionals. This analysis will take one PSS program as an example – JO CO Juvenile Justice.

Josephine County Juvenile Justice

<http://www.co.josephine.or.us/SectionIndex.asp?SectionID=163>

The JO CO JJ Department needs a supplemental web pages to promote and informed the public.

For example, see the following.

- Washington County Juvenile Department - <http://www.co.washington.or.us/Juvenile/>
- Clackamas County Juvenile Department - <http://www.clackamas.us/juvenile/>
- Multnomah County, Dept of Community Justice (Dcj) Juvenile Services - <https://multco.us/dcj-juvenile>
- Marion County Juvenile Department - <http://www.co.marion.or.us/JUV>
- Benton County Juvenile - <https://www.co.benton.or.us/juvenile>

It is speculated that citizen groups (i.e., pro or con tax levies) would be willing to subsidize and/or secure volunteer services for supplemental web publications.

Issue. Recommendation 4. Use Of References & Links References, and links to more detailed budget information should be provided. A greatly expanded use of “references” for opinions, issues, conditions, and programs would be valuable for voters that wish to know more after reading a JO CO program identified in the annual budget documents and JO CO's web pages.

Issue. Recommendation 5. Flow Chart of Josephine County PSS Departments The Exploratory Committee has not found any flow charts/diagrams depicting individual JO CO Departments. Information should be presented in layman's terms that are easy to understand, avoiding technical jargon and making full use of simple and effective charts and diagrams. Flow diagrams are valuable in understanding the PSS departments. The bottom line, make full use of simple and effective charts and diagrams. For example, see the following for Juvenile Justice.

- Juvenile Justice System Structure and Process Case Flow Diagram
Office of Juvenile Justice and Delinquency Prevention
Office of Justice Programs
U.S. Department of Justice
- Yamhill County's Juvenile Justice System 2013
Yamhill County, Oregon Juvenile Justice Department
- Marion County Juvenile Department's Flow Charts
Marion County, Oregon Juvenile Department

6. JO CO Citizen's Guide To The Budget Issues

Issue. Recommendation 6. Citizen's Guide To The Budget "For in the end, a budget is more than simply numbers on a page. It is a measure of how well we are living up to our obligations to ourselves and one another."

Because the annual budget is the key instrument by which JO CO translates its policies into action, presenting the budget in a way that makes sense to the general public is central to its accountability. A few ideas covered follow (Appendix A).

- Publication of a citizens' guide allows JO CO to explain in plain language the objectives of its budget. It also helps citizens to assess the impact on their own circumstances and on specific groups in society, including the effects on the burden of taxation, service provision and employment prospects.
- Broadening understanding of JO CO's public finances can help to frame more realistic citizen expectations and to build support for difficult policy choices.
- JO CO explains what is in the annual budget proposals and what their effects are expected to be.
- Its distinguishing feature is that it is designed to reach and be understood by as large a segment of the JO CO population as possible.
- Information should be presented in layman's terms that are easy to understand, avoiding technical jargon and making full use of simple and effective charts and diagrams.
- Key fiscal risks should be discussed. These include the fiscal impacts of deviations in key economic variables from the forecasts (e.g., declining federal payments to counties, etc.).
- Citizens will wish to know how the JO CO budget will affect their own standards of living, and the nature and significance of the budget's impact on groups in society that are of particular policy interest (e.g., the poor and vulnerable, different groups of taxpayers, etc.). The guide should therefore provide some indication of the budget's potential impact on take-home pay for different income levels, income support and service provision in the coming year, and on possible implications for the medium term.
- JO CO should briefly explain what it is doing to improve overall service delivery and the social impacts of its spending programs.

Examples and references to citizen's guides to budgets follow. Except for *Producing a Citizens' Guide to the Budget: Why, What and How?*, they are not in any order of preference. They are arranged in the categories of federal, state, and local.

Producing a Citizens' Guide to the Budget: Why, What and How? (Appendix A)

Petrie, Murray and Shields, Jon. 2010.

OECD Journal on Budgeting, Volume 2010/2.

<https://www.oecd.org/gov/budgeting/48170438.pdf>

Citizen's Guide to the Fiscal Year 2014

Financial Report of the United States Government

<http://www.nmvoices.org/wp-content/uploads/2014/02/citizen-budget-guide-2014-update-web.pdf>

A Citizen's Guide to the Washington State Budget 2015

Senate Ways and Means Committee

<http://leg.wa.gov/Senate/Committees/WM/Documents/2015CGTB.pdf>

A Citizen's Guide to the Washington State Budget 2016

Senate Ways and Means Committee

http://leg.wa.gov/Senate/Committees/WM/Documents/Publications/2016/2016%20CGTB_Final_website.pdf

Citizen's Guide to the New Mexico State Budget: How the State Spends Money and Why it Matters, 2014

<http://www.nmvoices.org/wp-content/uploads/2014/02/citizen-budget-guide-2014-update-web.pdf>

Citizens' Guide to Local Budgets

Office of the New York State Comptroller

Division of Local Government and School Accountability

<https://www.osc.state.ny.us/localgov/pubs/releases/LocalBudgetGuide2010.pdf>

A local government budget can be difficult to understand for the average citizen who may not have a background in accounting or a familiarity with budgeting. However, with some basic knowledge about what budgets contain, why they are important, and how they are presented, every citizen of every local community in New York State should be able to decipher the budget document.

Citizen's Guide to the Adopted FY16 Budget

Sarasota County

<https://www.scgov.net/Finance/Budgets/2016%20Citizens%20Guide%20to%20the%20Budget.pdf>

City of Lewiston, Idaho

<http://www.cityoflewiston.org/index.aspx?NID=357>

Citizen's Guide to the New Mexico State Budget: 2014

<http://www.nmvoices.org/wp-content/uploads/2014/02/citizen-budget-guide-2014-update-web.pdf>

A Guide to Understanding Denver Public Schools' Budget

http://financialservices.dpsk12.org/wp-content/uploads/2014/11/DPS_CitizensGuide_final_web.pdf

A Citizen's Guide to the City's Budget Process

City of Palm Bay, Florida

<http://www.palmbayflorida.org/home/showdocument?id=8646>

A Guide to Understanding the Budget: 2014 -15

Hamilton County Department of Education

http://www.pefchattanooga.org/wp-content/uploads/2015/06/HCDE_budget-guide_051515.pdf

A Citizens' Guide to the Clallam County Budget

<http://www.clallam.net/taxes/documents/Guide2002.pdf>

Reader's Guide to the Budget

Leon County Government, Fiscal Year 2007 Budget

http://www.leoncountyfl.gov/omb/budget06-07/budget/01-Readers_Guide/00-Readers_Guide.pdf

Budget User's Guide

Charleston County

<http://www.charlestoncounty.org/departments/budget/files/Budget%20Overview.pdf>

7. Optical Character Recognition Feature of JO CO Budgets Issues

Issue. **Budget Not Searchable** if standalone pdf files are inserted into annual budgets. Most of JO CO's text pages are searchable. Some are not when text files are inserted into the annual budgets.

Optical Character Recognition (OCR), is a technology that enables you to convert different types of documents, such as scanned paper documents, PDF files or images captured by a digital camera into editable and searchable data.

8. Standard Procedures for Preparing JO CO Annual Budgets Issues

The Government Finance Officers Association's (GFOA) best practice for effective presentation of a local government's budget document was formalized in 1996 and reconfirmed in 2014. This is because the budget document is very important, since it identifies the services to be provided (along with the funding), and the rationale behind key decisions. GFOA's best practice on "Website Presentation of Official Financial Documents" goes into more detail on how to present an electronic document (GFOA 2014 p. 2).

VII. RECOMMENDATIONS (Preliminary Brainstorming)

A. Background

The context for the identification of recommendations were derived from Chapter VI's identification of real or potential budget problems (i.e., issues) and their relationship to the Authors' 2015 *Study Design*. First, the basic purpose of the 2015 *Study Design* is to promote citizen involvement (CI) and citizen participation (CP) for informed decision-making. Stated another way, the purpose is to provide grass roots opportunities to county citizens for active CI/CP, accessibility to information and education, and to better understand the Justice System & Public Safety (JS&PSS) Issue (i.e., JO CO public safety issue) as the decision-makers. If even as few as five percent of the voters in the last four JO CO public safety levies changed their votes, pro or con, it would make their final vote a more informed vote.

Josephine County Public Safety Issue
Justice System Exploratory Committee
Justice System & Public Safety Services Study Design: 2015
<http://www.hugoneighborhood.org/justicesystemexploratorycommittee.htm>

The Co-Authors of *Study Design* contacted the members of the Josephine County Management Team (JOCOMT) as stakeholders in defining JO CO's public safety issue, and in seeking solutions for it as managers; the Authors wanted to get together and brainstorm ideas. They believed that the JOCOMT's August 19, 2014 recommended strategy elements to identify mandated and elective public safety services (PSS) to the JO CO BCC would be foundational in developing a minimally acceptable level of public safety services (MALPSS) analysis for the public safety issue. The Authors were interested in any necessary or mandated services the MT's work units had identified. A conclusion of a March 7, 2016 meeting between the MT members and the Authors was that any necessary or mandated services the MT's work units had identified were in their submitted budget documents, and they had not offered any supplemental documentation to the BCC as a result of Commissioner Cheryl Walker's urging of August 19, 2014. At that point the Authors made a commitment to study the JO CO FY 2015-16 budget in order to better understand MALPSS issues as they related to the county's public safety issue. This eventually lead the Authors to the almost overwhelming research involved in developing this draft *Citizen Participation In The Josephine County Budget Process*.

Josephine County Management Team Meeting With Exploratory Committee: March 7, 2016
Budgets: Josephine County, Oregon
Justice System Exploratory Committee
Justice System & Public Safety Services Study Design: 2015
<http://www.hugoneighborhood.org/budgets.htm>

B. Purpose

The optimistic CP opportunities alternative (Chapter I) of this paper is the purpose of the 2015 *Study Design*, which is to promote citizen involvement and citizen participation for informed decision-making. This is also the purpose of *Citizen Participation In The Josephine County Budget Process* which is to have the JO CO BCC take steps toward greater transparency of the JO CO budget process by making information more readily available and comprehensible to citizens, and the citizens taking the opportunities to participate with more understanding.

The recommendations focus on empowering citizens in JO CO budgeting for the purpose of improving trust in the local government, and

What are governments trying to accomplish when they involve citizens in their budget processes? There are two main goals.

- To inform the public of government decisions.
- To involve the public in government decision making.

Many government officials have been faithfully and successfully implementing the first public participation budget goal for decades, using CI primarily as a way to inform and educate the public. Making the additional effort of involving citizens in decision making, however, can provide officials with insights and information, leading to better policy decisions.

Identifying the Josephine County budget recommendations is Step 7 in arriving at conclusions from the analysis of the JO CO budget from a voter perspective.

- Step 1: Chapter I. Introduction/Purpose

Phase I. Identify Brainstorming Questions

- Step 2: Chapter II. Oregon Budget Law Excerpts
- Step 3: Chapter III. Excerpts from JO CO Budgets: FY 2006-07 TO FY 2016-17
- Step 4: Chapter IV. Budget Process Brainstorming Questions From Oregon Local Budget Law & JO CO Budgets: FY Budget 2006-07 to FY 2016-17

Phase II. Analysis of Budget Questions Identified During the Study of the Law, and a Final Identification of Budget Issues.

- Step 5: Chapter V. Analysis: Citizen Understanding Budget Process
- Step 6: Chapter VI. Budget Process Issues

Phase III. Develop recommendations about the local JO CO budget process to the JO CO BCC and the JO CO Budget Committee.

- **Step 7: Chapter VII. Budget Process Recommendations**
- Step 8: Chapter VIII. Budget Process Conclusions

C. Audience

This draft paper, *Citizen Participation In The Josephine County Budget Process*, and these budget recommendations about the local JO CO budget process are intended first for the public and the JO CO Budget Committee, and second to the JO CO leadership (i.e., JO CO BCC, other JO CO seven elected officials, and JOCOMT), with notice to the Finance, Taxation and Exemptions Unit, Oregon Department of Revenue.

What started with the Hugo Justice System & Public Safety Services (JS&PSS) Exploratory Committee's (Justice System Exploratory Committee) July 18, 2013 JO CO public safety issue scope of work evolved to its definitive August 2015 *Study Design* Project. That led to focused meetings and/or interviews with the JO CO Leadership members, including the JO CO Budget Committee in late 2015 and early 2016 including information request letters to the State of Oregon (i.e., three to Oregon Governor John A. Kitzhaber in 2013, two to Oregon Governor Kate Brown in 2015 on MALPSS, and one to the Finance, Taxation and Exemptions Unit, Oregon Department of Revenue on Oregon Local Budget Law July 2016).

As can be seen first the Authors were asking for information from the audience on the JO CO public safety issue and the local budget process. Now the Authors will be providing the same audience an opportunity to review and comment on the draft paper, *Citizen Participation In The Josephine County Budget Process* before it is finalized.

D. Trust

Oregon, like many states, imposes legal budget requirements on local governments, such as public hearings, that may enhance or constrain public participation. It is time to face what we know, but prefer to ignore. JO CO's use of the legally required minimal methods of CI in budgeting – public hearings, review and comment procedures in particular – do not work today. This type of budget process does not achieve genuine participation in budget planning; it does not satisfy members of the public that they are being heard; and it can seldom be said to improve the decisions that JO CO had already made in the complete proposed budget - most voting citizens just don't trust the annual budget process and don't show up. For example, how many citizens off the street have shown up in the last 10 years of budget meetings? A couple dozen?

The JO CO CI/CP budgeting program is presently hovering at the first goal of “apprising-informing” the public of government decisions with its policy to follow minimal CI requirements of LBL. This informal citizen participation policy is a restriction on the potential for practicing enhanced CI/CP to involve the public in government decision making, and it does not provide fertile ground for growing trust in government.

What is the public trust in Washington for the period 1958-2015? Public trust in the government remains near historic lows. Only 19% of Americans today say they can trust the government in Washington to do what is right “just about always” (3%) or “most of the time” (16%) ([PewResearchCenter 2015](#)).

Significant is that all the JO CO budget issues and JO CO public safety issues involve one overarching issue: Public trust and/or non-trust in JO CO government. Many times the budget CI/CP issue and the JO CO public safety issue themselves would not be an issue if there was a more healthy view of local government. JO CO citizens do not have vetted facts about their preferences as a group, but based on the last four public safety levies from 2012 - 2015, it can be safely assumed that a majority of voting citizens do not trust JO CO government.

Citizens are demanding greater public accountability, particularly regarding stewardship of public resources in an atmosphere of low public trust in JO CO government combined with the thought that people in the government waste a lot of money paid in taxes. As another comparison of trust – In 2010 the Association of Government Accountants (AGA 2010) found strong dissatisfaction among citizens regarding the financial information they receive from the government. Nearly three-fourths of citizens regard financial information as important; yet only five percent reported satisfaction with information provided by their governments.

The Organization for Economic Co-operation and Development also weighted in on trust in government - Only 40% of Citizens Trust Their Government (OECD 2016). Lack of trust compromises the willingness of citizens and business to respond to public policies and contribute to a sustainable economic recovery. Why Trust Is Important: Trust is important for the success of a wide range of public policies that depend on responses from the public.

- Trust is necessary to increase the confidence of investors and consumers.
- Trust is essential for key economic activities, most notably finance.
- Trust in institutions is important for the success of many government policies, programs and regulations that depend on cooperation and compliance of citizens.

The OECD identified ideas for governments to win back trust has a large overlap with what the Authors are describing as one outcome of enhanced citizen involvement (CI)/citizen participation (CP). Moving from an approach that focuses principally on policy measures to one that understands better "how" policies are designed and implemented will help strengthen local governments and in turn promote greater trust between citizens and government.

A priority for governments should be to build a policy making process conducive to trust. Concerns over the undue influence of vested interests over decision making has led to increasing demands for more transparency and a greater commitment to safeguarding the public interest. Efforts to guarantee that the policy making process is open, inclusive and fair would improve the quality of policy decisions.

A policy-making process conducive to trust is built on informed decisions using reliable and relevant information, that are in the public interest, and are carried out with high standards of behavior.

An informed citizenry is one that is ready to be engaged in the policy process, but other challenges to participation exist, such as citizen apathy and ineffective participatory mechanisms.

Restated, an important question is: How can JO CO government increase citizen trust, enhance accountability, and improve citizen perceptions of government performance?

One possible answer would be to better

engage the public in the process of government decision making, especially with regard to fiscal policy. But, citizens need to be educated and informed before they can effectively engage in decision making and governance. The following are some more general ideas/potential policies about building public trust through an enhanced CI/CP JO CO budget process.

An informed citizenry is a necessary, but not a sufficient condition for effective public participation. This is consistent with the empirical findings that increasingly show the fallacy of the optimists' hope that transparency in and of itself will prove to be a panacea for a various governmental ills. Needed from government is that they pursue better quality, or more effective transparency that satisfies the citizen's desire for relevancy, usefulness, and timeliness. An informed citizenry is one that is ready to be engaged in the policy process, but other challenges to participation exist, such as citizen apathy and ineffective participatory mechanisms.

Public participation may serve as a way to persuade citizens to support a particular policy, legitimize policy decisions, build public trust, and create alliances with citizens and interest groups that can help to solve public problems. Through public participation, awareness can be increased, fostering a more transparent, engaged, and collaborative partnership between citizens and administrators. This correlates with the increasing shift from government to governance, the role of public participation, especially at the local level has evolved significantly from traditional hierarchical decision making structures.

The Authors continue to believe that the foundation of any government program to help prevent and resolve public controversy must be an informed public confident with its government. Yet, understanding citizen preferences and the information needs required can be exceedingly difficult. Informing and engaging the public is often a strategic decision, one that balances inclusiveness and engagement at the risk of impacting process efficiency. Significantly, these are the times when knowledge of the 'true' preference structure of an informed citizenry seems most valuable.

Ambiguous goals and political and environmental constraints further compound the problem.

Citizens cannot effectively participate without being informed, particularly for complex and controversial issues such as budgeting and fiscal policy. However, developing informed citizens as it pertains to budgeting and financial issues can be challenging. Part of this is a systemic issue wherein financial reporting is often conceptualized as an outreach or accountability tool by chief financial officers as opposed to a mechanism for greater engagement. Ambiguous goals and political and environmental constraints further compound the problem; yet by empowering citizens, reeducating administrators, and designing and implementing the necessary structures, administrators can encourage effective and informed participation.

It is not surprising, therefore, that one of the most obvious requirements for effective citizen participation in decision making is that citizens be provided with meaningful and accurate information that matches their desires. In addition to accuracy, the information presented should be relevant, organized, and presented in a meaningful manner. In the absence of information, the contributions from public participation may be limited, as citizens may come to the decision making table with relatively little information on the topics or issues to be addressed. Citizens may need to be informed and educated before they can participate effectively.

Different controversial movements have shaken America and JO CO in recent years. They are not addressed in this paper except for JO CO's degradation of O&C revenues resulting in the JO CO public safety issue. It is observed that many of these movements are assumed to be discrete, separate phenomena. But, there is an argument that they have fed one another and overlapped, as more people rediscover the fine art of direct action. Many issues don't get fixed at the voting booth, at least not without a fight. So more and more, people are taking to the streets and raising their voices to pressure politicians to act.

**Citizens may need to be informed
and educated before they can
participate effectively**

The Authors don't feel their action of conducting and documenting analyze in *Citizen Participation In The Josephine County Budget Process* is making trouble for JO CO government because they had no agenda, pro or con on the JO CO public safety issue, and still don't. They tried to be fair and impartial. But, they do feel like they are activists acting together, honoring America's long history of making waves to make change. Leadership matters.

After reading the above paragraph, corrections are necessary as the Authors do have a pro agenda on an enhanced CI/CP program in the JO CO budget process and the recommendations although not categorized that way could be broken down into two type of recommendations.

1. JO CO Public Safety Recommendations.
2. JO CO CI/CP Budget Recommendations.

E. General Preliminary Brainstorming Recommendations (not close to being comprehensive)

Recommendation. Why Trust Is Important This issue is intertwined between why trust is important and areas where governments need to win back trust. The Organization for Economic Co-operation and Development (OECD) weighted in on trust in government - Only 40% of citizens trust their government and trust is deteriorating. Trust is important for the success of a wide range of public policies that depend on behavioral responses from the public. In particular, trust is important for the success of many government policies, programs and regulations that depend on cooperation and compliance of citizens. The OECD identified six areas for governments to win back trust.

Trust in Practice: Towards Inclusive Policy Making
OECD. Viewed September 14, 2016
<http://www.oecd.org/gov/trust-inclusive-policy-making.htm>

Recommendation OECD 1. Reliability Promotes Trust Governments have an obligation to minimize uncertainty in the economic, social and political environment. Reliable policymaking requires developing a long-term vision for the public sector. The vision includes strengthened planning functions and improvement of monitoring, including specialized evaluation units and more regular reporting by departments on progress in implementation.

Recommendation OECD 2. Responsiveness Promotes Trust Trust in government can depend on citizen's experiences when receiving public services - a crucial factor of trust in government. Under tight fiscal constraints and growing expectations, governments are increasingly engaging with citizens to ensure quality, responsiveness and ultimately trust in public services. Governments are also exploring how improved service delivery can boost confidence and trust in the public sector.

Recommendation OECD 3. Openness Promotes Trust Open government policies that concentrate on citizen engagement and access to information can increase public trust. There are a number citizen involvement mechanisms to support open and inclusive government, from access to information, to consultation processes, to full-fledged open government policies. At the heart of these efforts is the goal of increasing citizens' trust which should be the main goal when investing in openness and engagement of citizens, with others including strengthening social cohesion, raising awareness or increasing citizens' scrutiny.

Recommendation OECD 4. Better Regulation Promotes Trust Proper regulation is important for justice, fairness and the rule of law as well in delivering public services. For citizens it is important for justice, fairness and the rule of law as well in delivering public services. For businesses it is important to have reliability and confidence in regulatory governance for investment and growth. For public administrations it is important to have the confidence of stakeholders to act and trust in the efficiency and appropriate use of public resources for equal benefit for all citizen's well-being and environmental protection.

Recommendation OECD 5. **Integrity & Fairness Promotes Trust** Integrity is a crucial determinant of trust and is essential if governments want to be recognized as clean, fair and open. Evidence suggests a link between trust in politicians, both from the business community and citizens, and the perception of corruption. Integrity policies, aimed at preventing corruption and fostering high standards of behavior, help to reinforce the credibility and legitimacy of those involved in policy decision making, safeguarding the public interest and restoring confidence in the policy making process. Policies addressing high-risk areas, such as the working relationship between the public and private sectors, can limit undue influence and build safeguards to protect the public interest.

Recommendation OECD 6. **Inclusive Policy Making Promotes Trust** Understanding how policies are designed can strengthen institutions and promote trust between government and citizens.

Recommendation. **Information Timely, Relevant & Contextualized** There is an information gap between citizens and their governments when it comes to government finances. The inherent complexity of fiscal policy makes it exceedingly difficult for effective public participation. Effective public participation in fiscal decision making must address informing or educating the citizenry with accurate and meaningful government financial data. Better understanding citizen wants and perceptions is critical to closing the information gap between users and providers of financial information. Citizens are interested in some types of information over others and that such information must be timely, made relevant and contextualized (Jordan 2016)

- Jordan, Meagan; Yusuf, Juita-Elena (Wie); Mayer, Martin; and Mahar, Kaitrin, *"What Citizens Want to Know about their Government's Finances: Closing the Information Gap"* (2016). School of Public Service Faculty Publications. Paper 9. http://digitalcommons.odu.edu/publicservice_pubs/9

Recommendation Jordan 1. **Types of Budget Information Citizens Want** The need is for information to be made relevant and contextualized so that citizens can understand how it relates to or impacts them. For example, one citizen asked, "How does this information show me that my county leaders are doing a good job?" The question illustrate the use of government performance measures – either in terms of efficiency, outcomes, benefits and costs – as key elements of relevance. They are a critical component necessary for citizens to better understand the relevance of the information. The use of performance measures provides a way to provide context while lowering the intellectual entry barrier for individuals seeking to make sense of complicated fiscal data.

Recommendation Jordan 2. **Timeliness Information From government** Timeliness should be based on the sources and intended use of the information. **If JO CO's purpose is to educate and inform** about budget decisions that have been approved or adopted for the upcoming fiscal year, the information should be made available soon after the proposed budget has been completed and/or approved. On the other hand, **if JO CO's purpose is to inform citizens of proposed budget decisions and to seek citizen feedback**, the information should be provided at the point in the process when the proposed budget is being developed or deliberated before it is complete. Poor timing of information leads to poor timing of opportunities to provide citizen input regarding that information.

Recommendation. **Cost** Consider costs of a significant public participation program, for purpose of ultimately gaining trust and friendship where anti-government sentiment runs high.

Recommendation. **Broad Participation and Equity in Recruitment** Engaging the entire affected community is important even with its barriers

Recommendation. **Equity in Sharing Opinions** There are several concerns regarding the individual participant equality in public engagement efforts in planning. The issues are to make sure everyone has an opportunity to be heard and that everyone feels comfortable sharing thoughts and opinions without being attacked. Public engagement efforts ought to encourage open communication, active listening and an atmosphere where everyone feels comfortable to share their opinions.

Recommendation. **Communicate** Inform the public with clear, unbiased information. Translation of technical concepts and legal jargon into understandable terms and comprehensible issues that promote honest education and public efficacy.

Recommendation. **Public Influence on the Decision** It is important to empower the public and allowing the public opinions to influence community decision making. **What is needed is an importance of listening to the public concerns and incorporating these opinions into community plans.** People need to be involved from the very beginning and have a genuine say in the design and implementation of the project for ‘participation’ to be meaningful.”

Recommendation. **Utilize an Array of Public Participation Techniques** Local governments and agencies should utilize an array of public participation techniques. In a time of decreasing revenues, the investment in genuine and thoughtful governance, and the involvement of citizens in making the decisions which will impact our lives and our future, are more critical than ever. To not do so, to continue with old ways -- open house, council session feedback, etc. -- is short sighted.

Recommendation. **Transparency** There needs to be transparency in the JO CO budget process in such a way that understanding and acting on the information provided does not divert too much scarce attention from the rest of the decision-making effort or increase the costs of participation and knowledge so much that ignorance and nonparticipation become the rational choices of citizens without already salient personal interests or expertise in budget analysis.

Recommendation. **Enhanced Citizen Participation** Arguments for enhanced citizen participation often rest on the merits of the process and the belief that an engaged citizenry is better than a passive citizenry. With citizen participation, formulated policies might be more realistically grounded in citizen preferences, the public might become more sympathetic evaluators of the tough decisions that government administrators have to make, and the improved support from the public might create a less divisive, combative populace to govern and regulate. However, incorporating citizen input into agency decision-making is not a costless process. This article articulates not just potential benefits but also potential social and economic costs of

community participation, so that policy-makers can better predict the usefulness of a citizen participation initiative.

- Williams, Lisa Marie. 2012. *A Better Budget for a Better City: Ideas for a health budget process in Toronto*. Wellesley Institute.

Recommendation. Resident Engagement Government work with community partners to foster a new culture of engagement in municipal decision-making. Prioritized resident engagement and conduct a multi-year exercise experimenting with a mix of traditional and innovative engagement models to ask residents: how can we better communicate with you and how can the budget better serve your needs?

Recommendation. Resident Engagement Explore the introduction of participatory budgeting in budget process as a means of providing community members with more substantial and diverse options for engagement.

Recommendation. Accountability Through Oversight The increasing size and complexity of the budget makes consideration of more formal, arm's length budget oversight mechanisms appropriate. The expansion of oversight duties to different actors (at the county, municipal, and neighborhood levels), and enforcement of budget information disclosure may prove crucial for maintaining good governance and public trust in city government.

Recommendation. Fiscal Prudence Map the fiscal, social and health implications of all budget options. Produce non-partisan reports containing budget options as well as analyses explaining the trade-offs of each, thus informing decision-makers.

Recommendation. Transparency Through Third-Party Intermediation Harness the power of local budget intermediaries by enabling them to enhance public understanding of the budget process, develop platforms for meaningful participation, and facilitate transparency. By synthesizing and condensing budget information, residents are offered insight into policy issues as well as ideas for broader budget reform.

Recommendation. Public Trust in the Budget Process While pre-emptive action or precautionary measures are valuable in maintaining public trust in the budget process, the subsequent frustration from a scandal or recurring mismanagement of the process can sometimes push us past complacency and spur local action. With the right impetus we can restructure our local governance systems, including our budget processes, to better reflect our collective identity.

Recommendation. Quality Assurance Standard for Community and Stakeholder Engagement Need for a standard process for any engagement process to ensure it meets best practice principles leading to confidence in the outcome for all involved. There are important elements of any engagement process for a set of 'standardized principles' to ensure consistency in quality and support those carrying out the process. It also allows any process to be audited against a defined standard for simpler evaluation and quality assurance.

Recommendation. **Written Record Of Scientific Evidence** JO CO requests are more likely to be fully funded if they show a widespread commitment to evidence and innovation. Allocate resources to programs and practices backed by strong evidence of effectiveness.

Recommendation. **Performance Plans** Major new policy proposals, and county performance plans, should be accompanied by a thorough discussion of existing evidence, both positive and negative, on the effectiveness of those proposals in achieving the county priority policy goal or objective. Such evidence includes evaluation results, performance measures, and other relevant data analytics and research studies, with a preference for high quality experimental and quasi-experimental studies.

Recommendation. **Using Innovative Outcome-focused Grant Designs** Proposals should expand or improve the use of grant program designs that focus Federal dollars on effective practices while also encouraging innovation in service delivery. These include tiered-evidence grants, **Pay for Success initiatives** and other pay for performance approaches. Performance Partnerships allowing blended funding, waiver demonstrations, incentive prizes, competitive incentive funds that encourage the use of evidence-based practices in formula grants, or other strategies to make grant programs more evidence focused.

Recommendation. **Strengthening County Capacity to Use Evidence** Proposals should strengthen county capacity by promoting knowledge-sharing among government decision-makers and practitioners through clearinghouses that help translate strong research into practice; enhancing the skills of managers, program officers, and review panels to assess and use available evidence; and developing common evidence frameworks to better distinguish strong from weak evidence and measure cost effectiveness.

Recommendation. **Other County Specific Needs** Counties may propose other strategies that would significantly improve their capacity to use or build evidence to achieve better results or increase cost-effectiveness in high priority programs. In addition to developing strategies to use evidence to promote continuous, incremental improvement, counties are also encouraged to submit proposals that would test higher-risk, higher-return innovations with the potential to lead to more dramatic improvements in results or reductions in cost.

G. Specific Preliminary Brainstorming Recommendations To JO CO (not close to being comprehensive)

Recommendation. Aggressively Address Trust Issue This issue must be addressed on many fronts and with many strategies by the JO CO BCC. For example, the BCC must aggressively demonstrate sincerity in understanding why the majority of voting citizens do not trust JO CO government (i.e., you can't meaningfully fix what your not sure of), and what the citizen preferences in budget allocations are (i.e., citizens know they have been listened to). The BCC must take Davis (2016) up on his challenge for future research to test his citizen preferences conclusions with one or more citizen participation mechanisms (e.g., surveys, standing JO CO Budget Committee, 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 to 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).

Step 7: Chapter VII. Budget Process Recommendations This recommendations chapter is significantly derived from Chapter VI Issues.

- VII. RECOMMENDATIONS (Preliminary Brainstorming)
 - A. Background
 - B. Purpose
 - C. Audience
 - D. Trust
 - E. General Preliminary Brainstorming Recommendations
 - F. Specific Preliminary Brainstorming Recommendations To JO CO
 - 1. Element 1. Government Environment Of Budgeting Issues
 - Component 1. Structure And Form Of Government
 - Component 2. Political Culture
 - Component 3. Legal Requirements
 - Component 4. Technocratic Expert Model For Accounting & CI/CP In Budgeting
 - 2. Element 2. Citizen Participation In Budgeting Process Design Issues
 - Component 1. Citizen Involvement in Oregon Budget Law At Apprise/Inform Level
 - Component 2. Citizen Participation Timing In Budget Process
 - Component 3. Type of Budget Allocation
 - Component 4. Budget Process Participants
 - Component 5. Budget Process Stages/Budget Message
 - Component 6. Sincere Preferences/Willingness To Pay
 - Component 7. Public Participation in Planning, Budgeting, and Performance Management
 - 3. Element 3. Citizen Participation Mechanisms In Budgeting Issues
 - Component 1. Public Meetings
 - Component 2. Advisory Committees
 - Component 3. Workshops
 - Component 4. Third-Party Intermediation
 - 4. Element 4. Budgeting Goal Issues
 - Component 1. Budget Planning Goals
 - Component 2. JO CO Government Budget Goals: FY 2006-07 to FY 2016-17
 - Component 3. JO CO Budget Goal Issues
 - Budgeting For Outcomes Commits To Goals
 - Addressing County Goals And Clearly Defining Program Purpose
 - Sustainable Plan for All Mandated and Essential County Government Programs
 - Budget Only for Mandatory And/or Self-Supporting Programs.
 - Mandatory & Essential Levels Of Service
 - Supporting Analysis Lacking/Transparency in Government
 - No Strategic Plans
 - Goals And Outcomes Not Monitored(?)
 - Goals And Outcomes Not Evaluated(?)
 - 5. Element 5. Budgeting For Outcomes (BFO) Issues
 - 6. Element 6. Monitoring, Assessments, Performance, & Audits Issues
 - 7. Element 7. Transparency in Government Issues
 - 8. Element 8. Government Finance Officers Association Budget Presentation Award Program Issues
 - 9. Element 9. Action Plan Issues
 - 10. Element 10. Public Mistrust In Government Issues
 - 11. Element 11. Taxpayers Understanding Purposes of Budget Issues

Recommendation Davis 1. **Overcome Barriers to Citizen Trust** 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, 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).

VIII. BUDGET PROCESS CONCLUSIONS ????

- A. Standard Procedures for Preparing the Budget
- B. Citizen Involvement in the Preparation of the Budget
- C. Taxpayers Understanding Purposes of Budget

IX. SUMMARY & CONCLUSIONS (BRAIN STORMING)

Josephine County, Oregon can be proud of its budget program and the decision-making in its annual budget documents.

- The budgets are balanced in times of stability and in times of fiscal stress.
- The budgets are legal in being in compliance with Oregon Local Budget Law.
- Leaders of the budget process (i.e., county commissioners, other seven elected officials, and department heads) are a professional honest team.
- It received the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Awards several times in the last several years.
-

Josephine County, Oregon is currently struggling with fiscal stress — the worst it has experienced in decades. Painful decisions have been required regarding spending and service reductions or tax and fee increases. This appears to be an important time for citizens to play a role in helping elected officials determine the best solutions for government and the community.

The Authors had previously identified that the BCC's public participation goals 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 have no problems or trust issues. However, the Authors believe that the CI model of "Inform" is not satisfactory during times of fiscal stress and for issues such as the county public safety issue which is multifaceted, with citizen perceptions and engagement decisions, pro and con, involving a multitude of reasons for involvement and/or engagement (Section V.C.2.c).

Other questions about economic stress that the JO CO BCC have to consider are other major economic factors that have to be considered like future unforeseen unemployment, bankruptcies and foreclosures. That scary horrific past, along with the normal state forecasts of revenue growth in Oregon and other states facing downward pressure over the 10-year extended forecast horizon is a concern. As the baby boom population cohort works less and spends less, traditional state tax instruments such as personal income taxes and general sales taxes will become less effective, and revenue growth will fail to match the pace seen in the past. The monster in the bedroom today is the potential of unanticipated PERS costs (i.e., 30 percent of all government payroll expenses within a decade?) and with few reforms known that will meet the courts' rulings on abrogating a legal labor agreement.

In practice, JO CO citizen participation in budgetary decision making is minimalist and yields few, if any, directly observable results. Is the JO CO BCC 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, are they acting in a pragmatic fashion, having considered policy preference information and the dismal citizen participation in the budget process?

Members of the JO CO BCC are smart, and all capable even though because of political ideology they can't always agree. They all know about the public safety issue and the last four years of levy failures from 2012-2015 and the lack of trust in government by the majority of the voting citizens.

They know JO CO has a minimal public involvement budget process which they inherited from their predecessors and maintained. It is assumed that the BCC has maintained this minimal level of public involvement in budgeting because any enhanced level costs money, and over the years the citizens have demonstrated a lack of interest in the budget process.

Some citizens feel that as a political strategy, the BCC is moving slowly with BFO, testing the waters with the voters and other county leaders. The BCC has arrived at some understandable goals and directives/guidelines (sometimes with conflicts). However, the act of not developing a formal budgeting program to implement the budget goals, including BFO, politically allows all JO CO leaders to interpret the BCC's goals and directives within the framework of their individual programs and priorities, not within a encompassing county set of integrated programs and priorities.

There are many opportunities for our JO CO leaders to experiment further building toward being recipients of the GFOA Outstanding Budget Presentation Award. In that process they have the opportunity to involve its interested citizens in that process.

The GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

C:\Users\Mike\Documents\AAA Applications\Hugo_Neighborhood_Association\Community_Issues\JO CO Public Safety Services
2015\Communicatrions\StateholderLettersOnStudyDesign\JO CO Budget Committee\JSPSS_JO CO BUDGET ANALYSIS PROJECT_101116.wpd