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CITY BUDGET PROCESS TAKES ON NEW APPROACH

LAKE OSWEGO – With less than one year as Lake Oswego’s City Manager, Alex McIntyre has taken a fresh look at the City’s budget and plans to establish a new budget process in 2009 that is more accountable, more flexible, and more transparent to Lake Oswego citizens. Mr. McIntyre recently laid out his changes to City department directors and managers. The most visible change for citizens will be an annual budget process. Currently, the budget cycle is every two years. The benefits of annual budgeting include more opportunity for citizen involvement in how revenues from taxes and fees are spent, and more accountability of City expenditures since these will be reviewed twice as often.

The second major change will be to require departments to be more responsible for the development and oversight of their budgets. Previously, the City’s Finance Department performed most of the budgeting and ongoing oversight of each department’s budget.

“Department Directors need to be more actively involved in their budgets, and in turn, more accountable for what projects and programs receive funds and how those funds are spent throughout the year”, McIntyre said. “I really want them to take greater ownership of their budget.”

The City also wants to use long range master plans as the basis for developing annual capital budgets. Many of the City’s capital plans are in need of updating. “Having reliable capital plans for the City’s major infrastructure areas such as transportation, sewer and water systems, City buildings and facilities, and parks, is essential to properly and efficiently managing our public assets.” It will take time to develop these plans. However, Mr. McIntyre hopes to have some of them in place for the 2010 budget process.

“Alex brings a new perspective to how our City manages its budget. Over the past couple of years, we have heard loud and clear from a number of citizens that the City Council and City administration needs to be more transparent and accountable. This is one significant step in that direction. These changes are also timely given our current economic uncertainties”, said Mayor-elect Jack Hoffman, who will lead the new City Council through the upcoming budget process. “Even though the City expects to continue to be financially stable this next year [the City relies primarily on property taxes as its primary source of revenue], we know that times are difficult and that we may need to adjust based on changing financial conditions. These measures that Alex is putting in place will help us make those adjustments as needed over the coming year.”

The 2009 budget process is already underway with the City Manager beginning to develop his proposed budget. The City’s Budget Committee, which is comprised of an equal number of volunteer citizens and City Council members, will begin its review of the City Manager’s proposed budget in April. All Budget Committee Meetings are open to the public and citizens are encouraged to provide input. The Committee will make recommendations to the City Council which, in June, will approve a final budget for the beginning of the fiscal year, July 1, 2009.

The City’s financial statements are published in the Comprehensive Annual Financial Report. This report is available on the City’s website at www.ci.oswego.or.us or by contacting the City’s Finance Director, Carol Bryck at 503-697-7413.

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