

Chapter 294

County and Municipal Financial Administration

Chapter 294

NOTES OF DECISIONS

Creation of a reserve fund in a taxing district's budget is authorized. *Napier v. Lincoln County Sch. Dist.*, (1970) 4 OTR 221.

FURTHER CITATIONS: *St. Helens Rural Fire Protection Dist. v. Dept. of Rev.*, (1970) 4 OTR 186.

LAW REVIEW CITATIONS: 4 WLJ 476.

294.005

NOTES OF DECISIONS

Warrants are not negotiable unless expressly made so by statute. *School Dist. 47 v. United States Nat. Bank*, (1949) 187 Or 360, 211 P2d 723.

The word "warrant" when used in relation to financial affairs of a county, municipality, school district, etc., means the command of the council, board, or official, whose duty it is to pass upon the validity and to determine the amount of the claim against the municipality, to the treasurer to pay money out of any funds in the city treasury, which are or may become available for the purpose specified, to a designated person whose claim therefor has been duly adjusted and allowed. *Id.*

294.010

NOTES OF DECISIONS

Marginal indorsements on school district warrants "Presented but not paid for want of funds" did not benefit the plaintiff in an action thereon against a defense of payment, where circumstances indicated that the indorsements were falsely made after warrants had been paid. *Woodward v. Sch. Dist. 73*, (1939) 163 Or 63, 94 P2d 136.

294.015

CASE CITATIONS: *Woodward v. Sch. Dist. 73*, (1939) 163 Or 63, 94 P2d 136.

ATTY. GEN. OPINIONS: Sufficiency of evidence that lost or stolen highway bond coupons have been destroyed in order that payment thereof may be safely made, 1920-22, p 148; compliance with statutory procedure in case of loss of warrant, 1928-30, p 370.

294.025

NOTES OF DECISIONS

This section protects the "true and lawful owner" of the warrant and cannot be invoked by one who bought warrants which the school district had already paid. *Woodward v. Sch. Dist. 73*, (1939) 163 Or 63, 94 P2d 136.

294.027

ATTY. GEN. OPINIONS: Manner of submission of claims for expenses of sheriff while traveling outside county, 1960-62, p 8; authority to transfer certain duties from county clerk to a bank, 1966-68, p 569; computer service contract for preparation and payment of county payroll, (1969) Vol 34, p 746.

294.028

ATTY. GEN. OPINIONS: Authority to transfer certain duties from county clerk to bank, 1966-68, p 569; computer service contract for preparation and payment of county payroll, (1969) Vol 34, p 746.

294.029

ATTY. GEN. OPINIONS: Authority to transfer certain duties from county clerk to bank, 1966-68, p 569.

294.035

ATTY. GEN. OPINIONS: Investing the surplus in a special county fund in protested county warrants issued against a general fund, 1942-44, p 21; investments representing a surplus of county funds in the budgetary estimates of probable receipts, 1942-44, p 190; investment by county treasurer of school district bond fund, 1950-52, p 342; investment of surplus funds in bonds of sanitary district, 1958-60, p 373; savings and loan association as depository for funds of soil conservation district, 1960-62, p 344; short-term investment of school funds, 1960-62, p 411; use of county general funds to finance sewer service facilities, 1966-68, p 445.

294.040

ATTY. GEN. OPINIONS: Use of county general funds to finance sewer service facilities, 1966-68, p 445.

294.045

ATTY. GEN. OPINIONS: Investment of "surplus" and "idle balances" of funds of rural fire protection district, 1958-60, p 310.

294.050

ATTY. GEN. OPINIONS: County fund to which fines and penalties must be credited, 1964-66, p 386.

294.053

ATTY. GEN. OPINIONS: Investment of "surplus" and "idle balances" of funds of rural fire protection district, 1958-60, p 310.

294.060**NOTES OF DECISIONS**

Even though funds will be realized from the forest reserve rentals, a \$10 per capita tax shall be levied under ORS 328.005 for the county school fund. *School Dist. 4 v. Bayly*, (1951) 192 Or 548, 235 P2d 911.

FURTHER CITATIONS: *School Dist. 24J v. McCarthy*, (1966) 244 Or 379, 418 P2d 817.

ATTY. GEN. OPINIONS: Use of anticipated revenue from forest rental to repair roads, 1948-50, p 404; use of forest reserve rentals to reduce the county school fund levy, 1950-52, p 199; budgeting federal forest reserves, 1960-62, p 238; construing 1965 amendment to county school fund levy statute, 1964-66, p 388; use of rentals to reduce county school fund levy, 1964-66, p 479; application of authority to transfer road funds to school fund, (1969) Vol 34, p 770.

LAW REVIEW CITATIONS: 4 WLJ 567-572.

294.065

ATTY. GEN. OPINIONS: Apportionment of federal funds received, 1958-60, p 95.

294.070

ATTY. GEN. OPINIONS: Employes under the Taylor Grazing Act as employes of the counties and not of the grazing districts under the Workmen's Compensation Law, 1944-46, p 107; pending the elections of an advisory board or disposition of the funds received from the Federal Government by the legislature, investing the funds in United States Government securities, 1944-46, p 453.

294.080

ATTY. GEN. OPINIONS: Proper account for interest earned on bond proceeds, 1964-66, p 174; owner of interest earned by deposit in condemnation proceedings, (1970) Vol 35, p 286.

294.085

ATTY. GEN. OPINIONS: Necessity of drawing separate warrants for payments from separate funds, 1966-68, p 215; authority to transfer certain duties from county clerk to a bank, 1966-68, p 569; controlling payment of claims against the county, (1969) Vol 34, p 493.

294.090

ATTY. GEN. OPINIONS: Necessity of drawing separate warrants for payments from separate funds, 1966-68, p 215; authority to transfer certain duties from county clerk to a bank, 1966-68, p 569; controlling payment of claims against the county, (1969) Vol 34, p 493.

294.095

ATTY. GEN. OPINIONS: Time when surplus of dog license fund becomes part of county general fund, 1940-42, p 595.

294.100**NOTES OF DECISIONS**

A public policy rendering it unlawful for public officials to use any money exacted by tax laws for a specific purpose for any other purpose is promulgated by this statute. *Tuttle v. Beem*, (1933) 144 Or 145, 24 P2d 12.

The compensation of teachers in excess of the amount budgeted therefor is not authorized where it would require funds budgeted elsewhere. *Glines v. Bain*, (1937) 157 Or 358, 72 P2d 33.

FURTHER CITATIONS: *Harryman v. Roseburg Rural Fire Protection Dist.*, (1966) 244 Or 631, 420 P2d 51.

ATTY. GEN. OPINIONS: Liability for expenditures exceeding budget where made from emergency fund or other fund of county court, 1930-32, pp 421, 479; use of building funds by school district for operating school busses, 1930-32, p 463; payment for additional teacher and repair work in absence of provision in budget, 1934-36, p 267; maintenance of third class schools when tax funds are insufficient, 1934-36, p 282; officials liable when money is expended in excess of budget or for purposes not budgeted, 1934-36, p 547; use in construction of capitol of appropriation made for vault, 1936-38, p 144; use by school district of money to satisfy judgment, 1936-38, p 225; liability for money expended on education of students not qualified to attend schools, 1936-38, p 566; expenditures by school board for litigation expenses, 1936-38, p 583; payment by board where claims and expenses exceed income, 1938-40, p 603.

Use of special funds for unemployed for W.P.A. project, 1940-42, p 288; use of emergency fund for eradication of crickets, 1942-44, p 398; transfer of money from bond fund to general fund, 1946-48, p 93; payment of debts by county court when funds exhausted, 1946-48, p 158; school director's liability for unconstitutional levy, 1948-50, p 33; liability of county court when there are no funds available to pay for an election, 1948-50, p 188; use of proceeds of bonds in localities other than those specified in the bond election, 1948-50, p 311; power of school district to borrow money to pay for paving a street, 1948-50, p 366; authority of State Board of Control to use funds appropriated to purchase a city block to buy other land, 1948-50, p 372; propriety of issuance of warrants for a sum greater than authorized for building of teachers' housing, 1948-50, p 438.

County clerk's authority to use county funds to pay district election expenses, 1952-54, p 250; board member's liability when excessive funds expended, 1952-54, p 255; levying body expending money from emergency fund when no provision is made first in budget, 1958-60, p 12; use of county road funds for additional compensation to district attorney, 1956-58, p 201; authority of school district to purchase land on contract, 1962-64, p 93; reliance on advice of counsel, 1962-64, p 173; expenditure of funds for other than budgeted purpose, 1962-64, p 264; necessity of drawing separate warrants for payments from separate funds, 1966-68, p 215; expenditure of county funds for county fair or for historical museum, (1968) Vol 34, p 309.

294.105

ATTY. GEN. OPINIONS: Validity of subsection (2), 1934-36, p 7.

LAW REVIEW CITATIONS: 4 WLJ 476.

294.230

ATTY. GEN. OPINIONS: Requiring a statement of the number and amount of all warrants drawn against each separate fund in the county budget, 1942-44, p 250; controlling payment of claims against the county, (1969) Vol 34, p 493; accounting for road funds, (1970) Vol 35, p 1.

294.235

ATTY. GEN. OPINIONS: Controlling payment of claims against the county, (1969) Vol 34, p 493.

294.250

ATTY. GEN. OPINIONS: Duty of county court to insist upon publication of statutory data, 1926-28, p 477; publication of list of old-age assistance recipients, 1938-40, p 333; qualification of "Whistlepunk" as a newspaper, 1964-66, p 478.

294.255**NOTES OF DECISIONS**

Selection of the newspaper by the county court and acceptance by the proprietor of the newspaper constitute a contract which neither party may ignore. *Coos Bay Times Pub. Co. v. Coos County*, (1916) 81 Or 626, 160 P 532.

FURTHER CITATIONS: *Flagg v. Columbia County*, (1908) 51 Or 172, 94 P 184.

ATTY. GEN. OPINIONS: Defining "published in the county," 1962-64, p 456; qualification of "Whistlepunk" as a newspaper, 1964-66, p 478; construing "published within the county," 1966-68, p 532.

294.305 to 294.520**NOTES OF DECISIONS**

This law does not require the adoption of a budget before levying or collecting an excise tax. *Horner's Market v. Tri-County Metropolitan Transp. Dist.*, (1970) 2 Or App 288, 467 P2d 671, Sup Ct review denied (with opinion), 256 Or 124, 471 P2d 798.

General fund revenues are used to finance general fund appropriations ratably. *Department of Rev. v. Multnomah County*, (1970) 4 OTR 133.

FURTHER CITATIONS: *Girt v. Tri-County Metropolitan Transp. Dist.*, (1970) 4 OTR 92; *Napier v. Lincoln County Sch. Dist.*, (1970) 4 OTR 221; *Myers v. Bd. of Directors*, (1971) 5 Or App 142, 483 P2d 95.

ATTY. GEN. OPINIONS: Validity of county charter provision regarding budget procedure, 1960-62, p 403; authority of school district to purchase land on contract, 1962-64, p 93; allocation of revenues for debt service, 1962-64, p 244; expenditure of funds for other than budgeted purpose, failure to use budgeted funds, 1962-64, p 264; school district budgets, 1962-64, p 419; necessity of budgeting grants under *Manpower Development and Training Act*, 1962-64, p 486; application to housing authorities and urban renewal agencies, 1964-66, p 18; applicability to water control districts, 1964-66, p 104; county authority to expend public funds for employe retirement plans, 1964-66, p 148; application to county fair board, 1964-66, p 193; construing proposed constitutional tax limit, 1964-66, p 429; extent of county health board's authority to fix health officer's salary, 1966-68, p 9; application of *Local Budget Law* to domestic water supply corporations, 1966-68, p 107; application of state allotment procedure to community college reimbursement, 1966-68, p 91; application to Metropolitan Area Education District, (1969) Vol 34, p 394; application to county service districts, (1969) Vol 34, p 554; levying tax in annexed territory without voter approval, (1969) Vol 34, p 629; use of planned programming budgeting, (1969) Vol 34, p 821.

LAW REVIEW CITATIONS: 47 OLR 53; 4 WLJ 483, 497, 500-503.

294.305**NOTES OF DECISIONS**

Rigid barriers against expenditures in excess of appro-

priations were intended and were set up by this Act. *Glines v. Bain*, (1937) 157 Or 358, 72 P2d 33.

It was the evident purpose of this Act to require municipal corporations not only to make itemized estimates of the income which they proposed to expend during the next succeeding fiscal year, but to publish such estimates as well, so that the taxpayers might be fully advised, and might have an opportunity of meeting with the levying board and discussing the budget with it. *Vinton v. Hoskins*, (1944) 174 Or 106, 147 P2d 892.

The *Local Budget Law* does not operate as an implied amendment of ORS 328.005 providing for a \$10 per capita tax levy for the purpose of creating a county school fund. *School Dist. 4 v. Bayly*, (1951) 192 Or 548, 235 P2d 911.

County is liable for expenses of investigation by Attorney General under ORS 180.070 which expenses take precedence over budgeted items. *Gleason v. Thornton*, (1957) 210 Or 666, 313 P2d 776.

FURTHER CITATIONS: *Multnomah County v. Luhn*, (1947) 180 Or 528, 178 P2d 159.

294.311

CASE CITATIONS: *Ewauna Box Co. v. Weyerhaeuser Tmbr. Co.*, (1953) 198 Or 360, 255 P2d 121; *Department of Rev. v. Multnomah County*, (1970) 4 OTR 133; *Napier v. Lincoln County Sch. Dist.*, (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: Applicability to water district which does not intend to levy a tax, 1944-46, p 147; inclusion of people's utility district in the local budget law, 1948-50, p 445; rural fire district, 1956-58, p 181; inclusion of first and second class school districts, 1956-58, p 187; municipal corporations with no power to levy a tax, 1960-62, p 374; notice of meeting of school district budget committee, 1962-64, p 419; application to housing authorities and urban renewal agencies, 1964-66, p 18; application to county fair board, 1964-66, p 193; applicability to water control districts, 1964-66, p 104; construing "unencumbered," 1964-66, p 410; construing encumbrance of World War Veterans' Educational Aid Fund, 1964-66, p 422; application of *Local Budget Law* to Liquor Enforcement Fund, 1966-68, p 28; application of *Local Budget Law* to domestic water supply corporations, 1966-68, p 107; application to Metropolitan Area Education District, (1969) Vol 34, p 394; application to county service districts, (1969) Vol 34, p 554; use of planned programming budgeting, (1969) Vol 34, p 821; submitting several district tax levies at one election, (1970) Vol 34, p 1034.

294.316

ATTY. GEN. OPINIONS: Applicability to water control districts, 1964-66, p 104; application of *Local Budget Law* to domestic water supply corporations, 1966-68, p 107; application to county service districts, (1969) Vol 34, p 554.

294.321

CASE CITATIONS: *Department of Rev. v. Multnomah County*, (1970) 4 OTR 133.

ATTY. GEN. OPINIONS: Enforcing compliance with *Local Budget Law*, 1966-68, p 107; use of planned programming budgeting, (1969) Vol 34, p 821.

294.326**NOTES OF DECISIONS**

This section does not apply to an excise tax. *Horner's Market v. Tri-County Metropolitan Transp. Dist.*, (1970) 2

Or App 288, 467 P2d 671, Sup Ct review denied (with opinion), 256 Or 124, 471 P2d 798.

FURTHER CITATIONS: Harryman v. Roseburg Rural Fire Protection Dist., (1966) 244 Or 631, 420 P2d 51.

ATTY. GEN. OPINIONS: Necessity of budgeting grants under Manpower Development and Training Act, 1962-64, p 486; extent of county health board's authority to fix health officer's salary, 1966-68, p 9; application of Local Budget Law to Liquor Enforcement Fund, 1966-68, p 28; enforcing compliance with Local Budget Law, 1966-68, p 107; county's rights and duties when zoning district is dissolved, (1968) Vol 34, p 44; budgeting contributions by park users, (1969) Vol 34, p 389; juvenile court authority to determine personnel salaries, (1970) Vol 34, p 977.

LAW REVIEW CITATIONS: 4 WLJ 491-494.

294.331

CASE CITATIONS: Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: When budget is approved, (1969) Vol 34, p 714.

294.336

CASE CITATIONS: Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: Compensation for service on the budget committee, 1958-60, p 36; right of chairman of budget committee to vote, 1966-68, p 29; when budget is approved, (1969) Vol 34, p 714; juvenile court authority to determine personnel salaries, (1970) Vol 34, p 977.

294.341

ATTY. GEN. OPINIONS: When budget is approved, (1969) Vol 34, p 714.

294.351

NOTES OF DECISIONS

Under a former similar statute, substantial and not a technical compliance with the law as to itemization was required. *State v. Hare*, (1916) 78 Or 540, 153 P 790.

Under a former similar statute, merely an estimate of how much of the general tax fund, as distinguished from special road tax fund, was to be used on for road purposes, was required. *Roney v. Lane County*, (1916) 81 Or 372, 159 P 73.

Under a former similar statute, the sum needed for interest payments upon bonds constituting a valid debt of the city was to be included in the budget of a city; the city could not repudiate its indebtedness by omitting mention thereof in the budget. *State v. Melville*, (1935) 149 Or 532, 39 P2d 1119, 41 P2d 1071.

General fund revenues are used to finance general fund appropriations ratably. *Department of Rev. v. Multnomah County*, (1970) 4 OTR 133.

FURTHER CITATIONS: *Glines v. Bain*, (1937) 157 Or 358, 72 P2d 33; *Vinton v. Hoskins*, (1944) 174 Or 106, 147 P2d 892; *School Dist. 4 v. Bayly*, (1951) 192 Or 548, 235 P2d 911; *Gleason v. Thornton*, (1957) 210 Or 666, 313 P2d 776.

ATTY. GEN. OPINIONS: Failure of county court to comply with provision of budget law as invalidating tax levy,

1928-30, p 57; budgeting unexpended fund for use in building county jail, 1938-40, p 18; authority of county court to levy taxes for salary of a sanitary engineer when budget committee refused to allow such salary and did not include it in published estimate, 1946-48, p 17; increase of county employes' salaries by county courts beyond annual budget estimate therefor, 1942-44, p 150; budget practice where portion of water district is annexed to city, 1948-50, p 4; inclusion of capital outlay expenditures in the school district budget, 1948-50, p 109; provisions needed in budget to retire an indebtedness, 1948-50, p 336.

Budgeting funds arising from operation of county interstate toll bridge, 1954-56, p 125; anticipated receipts and expenditures from serial tax levy in annual school district budget, 1958-60, p 231; payment to budget committee out of emergency fund, 1958-60, p 36; budgeting and accounting for funds arising from agreement with Federal Government, 1960-62, p 125; obtaining funds for hospital care of indigents, 1960-62, p 219; limitation on authority of a county to expend funds for county fair purposes, 1960-62, p 233; validity of revolving fund for road equipment and supplies, 1960-62, p 238; use to restore budget item, 1962-64, p 277; source of salary not budgeted, 1962-64, p 443; application of Local Budget Law to Liquor Enforcement Fund, 1966-68, p 28; use of planned programming budgeting, (1969) Vol 34, p 821.

294.356

NOTES OF DECISIONS

Under former similar statute, where no emergency existed, the board of a school district had no authority to fix compensation of teachers in excess of the amount budgeted therefor. *Glines v. Bain*, (1937) 157 Or 358, 72 P2d 33.

ATTY. GEN. OPINIONS: Employment by school district board of person to drill well, 1922-24, p 364; definition of "emergency" and "emergency fund", 1922-24, p 497; payment on notes indorsed by members of board from emergency fund, 1926-28, p 376; salaries and expenses of juvenile officers in Klamath County, 1934-36, p 412; expending emergency funds for relocation of Pacific highway, 1938-40, p 275; inability of National Guard to pay rent for armory, 1940-42, p 32; increase of county employes' salaries beyond annual budget estimate in case of threatened vacancy, 1942-44, p 150; making available to the county assessor moneys in addition to that budgeted for the payment of expenses of his office, 1942-44, p 201; financing of program to control eradication of Mormon crickets when not otherwise provided for, 1942-44, p 398; payment of salary of a public officer increased by the legislature but not provided for in budget, 1944-46, p 198; payment of sanitary engineer employed to combat unsanitary conditions not provided for in budget, 1946-48, p 46.

294.361

CASE CITATIONS: *Napier v. Lincoln County Sch. Dist.*, (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: Noncompliance with statute as invalidating tax levy, 1924-26, p 533; listing of delinquent taxes and other items in the budget as assets, 1930-32, p 125; authority of levying board of municipal corporations to limit by budgetary appropriations the amount of expenditures to be made from special funds created by legislation or raised by tax levies for special and particular purposes, 1936-38, p 237; inclusion in budget of unexpended fund, 1938-40, p 18; balance on hand from operation of county fair as inuring to general fund of county, 1938-40, p 575.

Considering unexpended balances remaining in funds budgeted and appropriated for specific purposes at the end

of year, 1944-46, p 30; county fair board's power to hold in reserve funds moneys received from property taxes and racing commission receipts, 1944-46, p 407.

Credits due county from Assessment and Taxation County Account, 1956-58, p 220; Oregon-California land grant funds, 1956-58, p 287; emergency fund accumulated by rural school district, 1958-60, p 12; inclusion by rural school district of uncollected taxes as item under estimated receipts, 1960-62, p 15; budgeting federal forest reserves, 1960-62, p 238; validity of revolving fund for road equipment and supplies, 1960-62, p 238; short-term investment of school funds, 1960-62, p 449; necessity of budgeting grants under Manpower Development and Training Act, 1962-64, p 486; construing "unencumbered," 1964-66, p 410; application of Local Budget Law to Liquor Enforcement Fund, 1966-68, p 28.

294.366

CASE CITATIONS: Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

294.371

ATTY. GEN. OPINIONS: Legislative limit on tax base, (1970) Vol 34, p 1043.

294.376

ATTY. GEN. OPINIONS: Additional compensation of district attorney, 1960-62, p 335.

294.381

CASE CITATIONS: St. Helens Rural Fire Protection Dist. v. Dept. of Rev., (1970) 4 OTR 186; Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: Six percent constitutional limitation, as applicable to budget, 1924-26, p 108, 1928-30, p 370, 1934-36, p 574; validity of tax levy, 1928-30, p 71; validity of tax base in excess of constitutional limitation where previous tax levy was erroneously computed at less amount than authorized, 1952-54, p 123; Oregon-California land grant funds, 1956-58, p 287; effect of bond sinking fund surplus on annual levy, 1962-64, p 3; legislative limit on tax base, (1970) Vol 34, p 1043.

LAW REVIEW CITATIONS: 4 WLJ 584.

294.391

ATTY. GEN. OPINIONS: When budget is approved, (1969) Vol 34, p 714.

294.401

ATTY. GEN. OPINIONS: Notice of meeting of school district budget committee, 1962-64, p 419; when budget is approved, (1969) Vol 34, p 714.

294.406

ATTY. GEN. OPINIONS: Notice of meeting of school district budget committee, 1962-64, p 419; extent of county health board's authority to fix health officer's salary, 1966-68, p 9; right of chairman of budget committee to vote, 1966-68, p 29; when budget is approved, (1969) Vol 34, p 714; juvenile court authority to determine personnel salaries, (1970) Vol 34, p 977.

294.411

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394; when budget is approved, (1969) Vol 34, p 714.

294.416**NOTES OF DECISIONS**

Under a former similar statute, where a bona fide effort to comply was made, a substantial compliance was sufficient. State v. Hare, (1916) 78 Or 540, 153 P 790.

FURTHER CITATIONS: Zeek v. Union Sch. Dist. 5, (1950) 188 Or 45, 211 P2d 740, 213 P2d 794; Vinton v. Hoskins, (1944) 174 Or 106, 147 P2d 892.

ATTY. GEN. OPINIONS: Requiring entire amount to be levied in published budget including amount of increase approved or to be approved by election, 1924-26, p 442; inclusion of unadvertised item in budget at annual budget meeting of school district, 1934-36, p 98; validity of publication containing erroneous statement of balance constituting amount of estimated levy, 1940-42, p 664; when budget is approved, (1969) Vol 34, p 714.

294.421

ATTY. GEN. OPINIONS: Publication of school budget, 1962-64, p 419; application to Metropolitan Area Education District, (1969) Vol 34, p 394; when budget is approved, (1969) Vol 34, p 714.

294.430

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394; when budget is approved, (1969) Vol 34, p 714; juvenile court authority to determine personnel salaries, (1970) Vol 34, p 977.

294.435**NOTES OF DECISIONS**

Under former statute, a levy for "new courthouse construction" included in the published budgets for several years, when a county had an uncompleted courthouse, did not limit the application of the moneys collected to that courthouse, but the sum was available for another courthouse, under a former Act. Dougan Co. v. Klamath County, (1921) 99 Or 436, 193 P 645.

Under former statute, a resolution of a school district board to restore salaries to a basic schedule, in excess of the amount budgeted therefor, was invalid. Glines v. Bain, (1937) 157 Or 358, 72 P2d 33.

The levy referred to in Ore. Const. Art. XI, §11 is the levy described in this section. Department of Rev. v. Multnomah County, (1970) 4 OTR 133.

FURTHER CITATIONS: Zeek v. Union Sch. Dist. 5, (1950) 188 Or 45, 211 P2d 740, 213 P2d 794; Vinton v. Hoskins (1944) 174 Or 106, 147 P2d 892.

ATTY. GEN. OPINIONS: Six percent limitation as affecting power of board of newly organized district in levying tax, 1922-24, p 24; including unpaid bills incurred under provisions of law, in budget, and drawing warrants in payment of same as soon as tax levy is made, 1922-24, p 63; issuance of warrants for payment of bounty upon jack rabbits in excess of amount budgeted therefor, 1930-32, p 755; considering possible deficiency in collection of taxes in making estimates, 1932-34, p 82; when county court may exceed the amount of tax levy for building and maintaining bridges

and roads or expenses of elections and for circuit court expenses, 1936-38, p 9; limitation on expenditure of funds, 1936-38, p 128; levying board limiting by budgetary appropriation expenditures from special funds, 1936-38, p 237; county contracting to expend sum before collection, 1940-42, p 353; increase of county employes' salaries beyond annual budget estimate therefor, 1942-44 p 150; making available to the county assessor moneys in addition to that budgeted, 1942-44, p 201; increase of estimate for a particular item in budget as not limited to 10 percent where total increase on all items is less than 10 percent, 1944-46, p 214; authority of budget committee to reduce item of salary in a contract between a county educational board and a county school supervisor, 1946-48, p 522; expenditure of more money by Oregon State College for demonstrations and field work than was appropriated by the county courts for such purpose, 1948-50, p 243; elimination of appropriations for the county health nurse and veterinarian by the county court, 1948-50, p 266; provisions needed in budget to retire an indebtedness, 1948-50, p 336; power of school district to borrow money to pay for paving of a street, 1948-50, p 366; use of anticipated revenue from forest rental to repair roads, 1948-50, p 404; paying for school bus where fund not available, 1950-52, p 266; proceeds of sale of county road shop as not being available for use in building new road shop, 1950-52, p 346.

Mode of operation when funds insufficient to perform contracts and maintain a school, 1952-54, p 255; expenditure of unanticipated revenues on basis of supplemental budget, 1954-56, p 134; tax-levying powers of second class school districts, 1956-58, p 187; Oregon-California land grant funds, 1956-58, p 287; funds for extra bailiff, 1958-60, p 7; authority of school board to take into consideration tax delinquencies and to increase levy to cover deficiencies, 1960-62, p 15; budgeting and accounting for funds arising from agreement with Federal Government, 1960-62, p 125; budgeting federal forest reserves, 1960-62, p 238; validity of revolving fund for road equipment and supplies, 1960-62, p 238; expenditure of funds for other than budgeted purpose, 1962-64, p 264; restoring budget item after levy, 1962-64, p 277.

Authority to issue warrants totaling more than available cash and collectible taxes, 1964-66, p 98; construing "levy", 1964-66, p 429; application of Local Budget Law to Liquor Enforcement Fund, 1966-68, p 28; when budget is approved, (1969) Vol 34, p 714; juvenile court authority to determine personnel salaries, (1970) Vol 34, p 977.

294.440

CASE CITATIONS: Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: School district's authority to enter into agreement with a federal agency, 1952-54, p 130; funds available for emergency expenditure, 1962-64, p 173; necessity of budgeting grants under Manpower Development and Training Act, 1962-64, p 486.

294.445

NOTES OF DECISIONS

A hybrid method of accounting, using accrual basis to record liabilities and cash basis to record revenue, is authorized under this section. Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

294.450

NOTES OF DECISIONS

Where interest on outstanding road bonds was paid out of the general fund instead of the proceeds of taxes levied

for the purpose, such proceeds could not be used for paying on bonds during the following year, where the amount thereof was ordered returned to the general fund. First Nat. Bank v. Yamhill County Court, (1924) 110 Or 74, 222 P 1077.

Warrants were not issued in violation of the requirements of the Local Budget Law where in each instance that the road expenditures exceeded the road budget, the excess was paid from unexpended funds duly transferred from other funds in the general budget of the county. Coos County v. Oddy, (1937) 156 Or 546, 68 P2d 1064.

CASE CITATIONS: Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: "Fund" interpreted, when transfers from one fund to another can be made, 1920-22, p 476; transfer of balance in budget for equipping high schools to general fund for payment of teachers, 1922-24, p 10; transfer to county highway or road fund of moneys credited to general fund, 1924-26, p 209, 1930-32, p 183; fiscal interest in excess of amount collected therefor as payable from transferred fund, 1930-32 p 347; warrant fund as transferable, 1930-32, p 416, 1932-34, p 71; transfer to general fund of sinking fund for purpose of building a gymnasium, 1930-32, p 574; transfer to current expense fund from general warrant fund, 1930-32, p 711; market road fund money transferred to county road fund to reimburse latter for use of county road machinery in maintenance of market roads in county, 1934-36, p 813; school district transfer from emergency fund to aid in building schoolhouse, 1934-36, p 443; transfer of funds to repair roads and bridges, 1936-38, p 9; emergency fund money transferred to building fund of first-class school district, 1936-38, p 152; judgment as payable by transferred funds of school district, 1936-38, p 224; warrants for building purposes, to be paid out of cash on hand and revenue to be derived from collection of delinquent taxes, as issuable by school district, 1936-38, p 227; availability of money for improvement of city-owned airport, 1940-42, p 317; disposition of funds received by municipality on fire policy, 1940-42, p 478; using a surplus in a county special fund in a general fund, 1942-44, p 21; increase of county employes' salaries by county courts beyond annual budget estimate therefor in case of threatened vacancy, 1942-44, p 150; transfer of funds from the general road fund to the general fund, election division, 1948-50, p 188; transfer of funds from the road fund to the general fund, 1948-50, p 241; disposal of school bond funds when the purpose of the bond issue has been accomplished, 1948-50, p 362; use of anticipated revenue from forest rental to repair roads, 1948-50, p 404; transfer of funds from a budget item to the general fund to pay for deficit on school construction contract, 1948-50, p 438; transfer of funds appropriated for general county purposes to the fund for the county hospital, 1952-54, p 219; Oregon-California land grant funds, 1956-58, p 287; funds for extra bailiff, 1958-60, p 7; expenditure of funds for other than budgeted purpose, 1962-64, p 264; source of salary not budgeted, 1962-64, p 443; submitting several district tax levies at one election, (1970) Vol 34, p 1034.

294.475

CASE CITATIONS: Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

294.480

CASE CITATIONS: Gleason v. Thornton, (1957) 210 Or 666, 313 P2d 776; Napier v. Lincoln County Sch. Dist., (1970) 4 OTR 221.

ATTY. GEN. OPINIONS: Budgeting federal forest reserves,

1960-62, p 238; juvenile court authority to determine personnel salaries, (1970) Vol 34, p 977.

294.485

NOTES OF DECISIONS

This section is remedial and should be construed liberally. *Napier v. Lincoln County Sch. Dist.*, (1970) 4 OTR 221.

An "interested taxpayer" must be a person claiming rights to real or personal property within the jurisdiction of the taxing district in which the issue is raised, such property being subject to tax by the district. *Id.*

An equitable owner qualifies as an interested taxpayer. *Id.*

Taxpayer does not lose that status because of tax delinquency. *Id.*

Action can not be barred by laches where appeal is brought within time limit of statute. *Id.*

The constraint on levies as applied to a home rule county was constitutional. *Department of Rev. v. Multnomah County*, (1970) 4 OTR 133.

FURTHER CITATIONS: *Girt v. Tri-County Metropolitan Transp. Dist.*, (1970) 4 OTR 92.

ATTY. GEN. OPINIONS: Effect of levy to cover unadvertised item included in budget of school district, 1934-36, p 98; personal liability of school directors for unconstitutional levy after approval of levy by the taxpayers, 1948-50, p 33; procedure a school district should follow in order to correct a budget, 1948-50, p 421; validity of special election on tax levy held in first class school district, 1950-52, p 266; voidable tax levy in rural fire district, 1956-58, p 181; statements regarding budget recommendations, 1960-62, p 203; review of metropolitan service district levy, (1970) Vol 34, p 959.

294.495

CASE CITATIONS: *Department of Rev. v. Multnomah County*, (1970) 4 OTR 133.

294.510

ATTY. GEN. OPINIONS: Enforcing compliance with Local Budget Law, 1966-68, p 107.

294.515

CASE CITATIONS: *St. Helens Rural Fire Protection Dist. v. Dept. of Rev.*, (1970) 4 OTR 186.

ATTY. GEN. OPINIONS: Appeal procedure for State Tax Commission order, 1964-66, p 429; enforcing compliance with Local Budget Law, 1966-68, p 107.

294.520

CASE CITATIONS: *St. Helens Rural Fire Protection Dist. v. Dept. of Rev.*, (1970) 4 OTR 186.

294.605 to 294.705

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394.

294.605

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394.

294.615

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394.

294.620

LAW REVIEW CITATIONS: 4 WLJ 503.

294.625

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394.

294.635

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394.

294.685

ATTY. GEN. OPINIONS: Application to Metropolitan Area Education District, (1969) Vol 34, p 394.

294.990

CASE CITATIONS: *State v. Johnson*, (1969) 1 Or App 363, 462 P2d 687.