

BEFORE THE BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

(In the Matter of Adopting)
(and Defining the Various) RESOLUTION No. 96-122
(County Funds.)

WHEREAS, the Board of County Commissioners of Multnomah County has the responsibility to ensure that the County's financial records are maintained; and

WHEREAS, the Chair of the Board of County Commissioners is responsible under MCC 2.30.450 for the fiscal operations of the County; and

WHEREAS, the Board has established various funds in the County's 1996-97 Budget;

IT IS RESOLVED that the Multnomah County Board of Commissioners adopts and defines the following policies and fund structure as the guidelines for the financial accounting of County resources and expenditures.

GOVERNMENTAL FUNDS

Basis of Accounting

The County maintains all Governmental Fund Types including: the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available, and expenditures are recorded at the time liabilities are incurred.

GENERAL FUND

General Fund (100) - Accounts for the financial operations of the County which are not accounted for in any other fund. The principal sources of revenue are property taxes, business income taxes, motor vehicle rental taxes, intergovernmental revenue, and interest income. Primary expenditures in the General Fund are made for general government, public safety, health services, aging services, and youth and family services.

The General Fund also accounts for the repayment of short-term debt interest expenses incurred through the sale of short-term promissory notes.

SPECIAL REVENUE FUNDS

Special Revenue Funds are authorized for a specific purpose and generally operate on a year-to-year basis until the Fund is discontinued or revised by proper legislative authority. In the event the Fund is discontinued, any excess funds would be returned to the originating jurisdiction or the County General Fund.

Strategic Investment Program Fund (140) – Accounts for revenues from large corporations receiving property tax abatements and paying fees to the County for specific purposes as part of the agreement by which those taxes were reduced. Expenditures are partly restricted by contractual obligations, and partly are at the discretion of the County for Community Service Fees, the statutorily required payment by the companies that equals one fourth of the annual tax savings enjoyed by the company. The fund was created by Supplemental Budget action in 1996.

Road Fund (150) - In accordance with ORS 366.524 - 366.542 and ORS 368.705, accounts for revenues primarily received from the State of Oregon motor vehicle fee apportionments, County gasoline taxes, federal reserve yield, and interest income. Expenditures are restricted by Article IX, Section 3A of the Constitution of the State of Oregon and consist of construction, repair, maintenance, and operations of public highways and roads.

Emergency Communications Fund (151) - Accounts for revenues received from the State Telephone Excise Tax. Expenditures are restricted for the Emergency Communication Network in conjunction with the City of Portland, pursuant to Multnomah County Code 5.90.060.

Natural Areas Acquisition and Protection Fund (153) - Accounted for the acquisition, protection and management of natural areas. Revenues were derived from the sale of property and interest income. Authorized by Resolution 90-57, as amended by Resolution 93-338. With the transfer of the County parks program to Metro, accompanied by a \$1.2 million payment from this fund, the need for the fund will cease in Fiscal Year 1997-98.

Bicycle Path Construction Fund (154) - Accounts for one percent of State of Oregon Motor Vehicle fees collected pursuant to ORS 366.514. Expenditures are restricted by ORS for bicycle path construction and maintenance.

Recreation Fund (155) – Accounts for State revenue paid to counties to supplement their parks programs. The revenues are County Marine Fuel Tax and RV License Fee Sharing. The General Fund contributes an amount to cover the cost of operating tours at the Bybee-Howell historical park. The expenditures of the fund are payments to Metro to which the County transferred all parks operations in 1994.

Federal/State Program Fund (156) - Accounts for the majority of dedicated revenues and expenditures related to federal and state financial assistance programs (grants). Also accounts for General Fund contributions (match) and operational revenues.

County School Fund (157) - Accounts for funds transferred from General Fund and Forest Reserve yield revenues received from the State pursuant to ORS 328.005 - 328.035. Funds are distributed to the County School districts.

Tax Title Land Sales Fund (158) - Accounts for the receipt and sale of foreclosed properties. Under the provision of ORS 275.275, these revenues are distributed to the taxing districts in Multnomah County.

Animal Control Fund (159) - Accounts for revenues from dog and cat licenses, control fees. Cash transfers are made to the General Fund for animal control activities.

Willamette River Bridge Fund (161) - Accounts for State of Oregon Motor Vehicle fees and County gasoline taxes which are transferred from the Road Fund. Expenditures are made for inspections and maintenance of the Hawthorne, Morrison, Burnside, Sellwood, and Broadway bridges.

Library Fund (162) - Accounts for the Multnomah County Public Library operations. Property taxes from a three-year special serial levy and transfers from the General Fund are the principal sources of revenue. The Multnomah County Public Library was established by Ordinance 649 pursuant to ORS 357.400 - 375.610.

County Fair Fund (164) - In accordance with ORS 565.210 - 565.450, accounts for the State Racing Apportionment paid to the County to supplement the costs of presenting an annual County Fair. The actual operations of the Fair are conducted by a private non-profit group, the Friends of the Fair. The expenditures in the Fund are payments to the Friends of the Fair.

Convention Center Fund (166) - Accounts for a portion of the County's transient lodging taxes collected from all hotels and motels in the County. Expenditures are to be used for Convention Center and regional arts and culture purposes pursuant to Multnomah County Code 5.50.

Land Corner Preservation Fund (167) - Accounts for the collection of recording fees on real property transactions and surveying activities. Expenditures are made for the establishment, re-establishment, and maintenance of public corners of government surveys pursuant to ORS 203.148 and Multnomah County Code 5.10.270.

Inmate Welfare Fund (168) - Accounts for the proceeds from the sale of commissary items. Purchases are made for supplies for inmates in County jails. Excess funds are used on inmate amenities such as recreation equipment for the institutions.

Jail Levy Fund (169) - Accounts for the three-year Public Safety Levy originally approved by the voters in November 1989 and renewed in May 1993 and May 1996. Property taxes are the principal source of revenue. The expenditures recorded in this fund are those of the Inverness Jail, and related Corrections programs.

Assessment and Taxation Fund (175) - This fund was established as a result of the adoption of a statewide system aimed at assuring the quality and consistency of property assessment and tax collection of all counties, by the Oregon Legislature in 1989. This system involves State Department of Revenue examination of all Oregon counties' Assessment and Taxation budgets, includes a partial subsidy of those budgets based on recording fees imposed in 1989.

Justice Services Special Operations Fund (180) - This fund was established in the 1993-94 budget to account for revenues previously placed in the General Fund that are dedicated to Justice Services in the Community Corrections Department, the District Attorney's Office, and the Sheriff's Office. This fund accounts for probation fees, criminal processing assessment fees, conciliation court fees and marriage license fees for the Community Corrections Department. This fund accounts for revenues received from forfeitures and video lottery for the District Attorney's Office. This fund also accounts for the Sheriff's Office revenues received from forfeitures, alarm permits, concealed weapon permits, gun ordinance fees and liquor license fees collected for civil processing inspection.

DEBT SERVICE FUNDS

Debt Service Funds exist until all long-term debt is repaid. Once the debt is repaid, any receipts remaining in the fund are returned to the originating jurisdiction or County General Fund.

Revenue Bond Sinking Fund (224) – Accounts for the principal and interest payments on bonds issued to construct the Edgefield Children's Center. The revenues are derived from lease of the facility to the Edgefield Children's Center, Inc. The fund was created by Supplemental Budget action in 1996.

Capital Lease Retirement Fund (225) - Accounts for lease/purchase principal and interest payments for buildings and major pieces of equipment acquired by the issuance of Certificates of Participation or other lease/purchase arrangements. Revenues consist of service reimbursements and cash transfers from other County funds.

Library Bond Sinking Fund - 1993 (226) - This fund accounts for the retirement of General Obligation Bonds approved in May 1993 to repair the Central Library and construction of the Midland Library. Proceeds are derived from property taxes.

Library Bond Sinking Fund - 1996 (227) - This fund accounts for the retirement of General Obligation Bonds approved in May 1996 to repair branch libraries and improve

the computer systems and linkages of the Library system. Proceeds are derived from property taxes. The fund was created in the 1996-97 Adopted Budget.

Public Safety Bond Sinking Fund (228) - This fund accounts for the retirement of General Obligation Bonds approved in May 1996 to expand Inverness Jail, construct new jail facilities, upgrade other jail facilities, and pay for major data processing linkages in the Corrections system. Proceeds are derived from property taxes. The fund was created in the 1996-97 Adopted Budget.

CAPITAL PROJECTS FUNDS

Capital Projects Funds operate until the capital project is completed. Upon completion, any remaining cash is transferred to the Debt Service Fund to retire debt associated with the construction or acquisition of designated fixed assets or to the originating source of the funds.

Justice Bond Project Fund (230) - This fund accounts for projects to expand Inverness Jail, construct new jail facilities, upgrade other jail facilities, and pay for major data processing linkages in the Corrections system. Proceeds are derived from the sale of General Obligation Bonds approved by the voters May 21, 1996. The fund was created in the 1996-97 Adopted Budget.

Edgefield Children's Center Fund (231) – Accounts for the construction of an expanded Edgefield Children's Center. The proceeds are from issue of revenue bonds to be repaid from operational revenues of the Center. The fund was created by Supplemental Budget action in 1996.

SB 1145 Fund (232) – Accounts for State revenue to build jail beds to house convicted felons with sentences under twelve months. Until 1997, these felons were historically a responsibility of the State. The 1995 Legislature (in SB 1145) shifted that responsibility to counties and agreed to fund the construction of detention facilities and operational costs so that counties could assume the task of supervising these felons. The revenues are payments from the State of Oregon. The fund was created in the 1996-97 Adopted Budget.

Equipment Lease/Purchase Fund (234) - Accounts for expenditures for long-term lease purchases of equipment. Resources are derived from certificates of participation proceeds and other lease/purchase agreements and General Fund service reimbursements.

Facilities Lease/Purchase Project Fund (235) - Accounts for expenditures for long-term lease/purchases of property, remodeling, and construction of County facilities. Resources are derived from certificates of participation proceeds and other lease/purchase agreements and General Fund service reimbursements.

Library Construction Fund (236) - This fund accounts for the expansion of the Midland Library and renovation of the Central Library, renovation of branch libraries, and upgrades to Library computer systems and linkages. Proceeds are derived from the sale of General Obligation Bonds approved by the voters May 18, 1993 and May 21, 1996.

Capital Improvement Fund (240) - Accounts for the proceeds derived from the sale of unrestricted property, interest income, and any service reimbursement or operating revenue from leased facilities. Expenditures are made for capital acquisitions or for the retirement of lease/purchases. Authorized by Resolution 90-57, as amended by Resolution 93-338.

Capital Acquisition Fund (245) – Accounts for capital purchases with economic payoffs of less than five years. Initial resources were a transfer from the discontinued Natural Areas Acquisition and Protection Fund. Expenditures will be reimbursed over time by service reimbursements charged to the budgets of programs for which equipment is purchased. The fund was created in the 1996-97

PROPRIETARY FUNDS

Basis of Accounting

The County maintains all Proprietary Fund Types including: Enterprise Funds using the full accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned, and expenses are recorded at the time liabilities are incurred.

Internal Service Funds are entirely or predominantly self-supporting by user charges, operating earnings, or transfers from other funds. These funds, authorized under ORS 294.470, are considered to have indefinite life. In the event the fund is discontinued, any excess funds would be returned to the originating jurisdictions or County Fund.

ENTERPRISE FUNDS

Library Entrepreneurial Initiatives Fund (362) - Accounted for all miscellaneous non-tax revenues received by the Library, with the exception of the "Title Wave" bookstore. The fund is dedicated solely for Library improvement or enhancement purposes. The 1996-97 Budget transfers all balances and revenues to the Library Fund. This fund will cease to exist in Fiscal Year 1997-98.

CareOregon Fund (390) – Accounts for all financial activity associated with the operation of a managed health care system known as CareOregon. This includes payments to providers with whom the County has contracted for service to enrollees. Multnomah County is administrative agent for this collaborative partnership between Multnomah

County Health Department, Oregon Health Science University, Clackamas County Health Department, and private nonprofit Community and Migrant Health Centers across Oregon.

Children's Capitation Project Fund (395) – Accounts for all financial activity associated with the State required Children's Capitated Mental Health program. This includes payments to providers with whom the County contracts for services. Revenues are capitation payments from the State to the County. The fund was created by Supplemental Budget action in 1996.

INTERNAL SERVICE FUNDS

Insurance Fund (400) - Accounts for all internal service reimbursements, revenues, and expenses associated with the County's insurance requirements and administration of workers' compensation, general liability, tort, auto, property, employee medical, dental, vision, life and long-term disability claims and insurance, employee benefits, health promotion, post-retirement benefits, and unemployment insured and self-insured programs pursuant to Multnomah County Code 2.60.115 to 2.60.150.

Fleet Management Fund (401) - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's motor vehicle fleet.

Telephone Fund (402) - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's telephone system.

Data Processing Fund (403) - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's data processing services and operations. Beginning in 1996-97, this includes replacement and upgrade of personal computers and a standard software suite common to all County users.

Mail Distribution Fund (404) - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's U.S. Mail, internal distribution and delivery.

Facilities Management Fund (410) - Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's property management, custodial, maintenance and leasing of all County-owned and leased property. Prior to Fiscal Year 1994-95 operations were accounted for in General Fund (100).

FIDUCIARY (AGENCY) FUNDS

These agency funds account for resources received and held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund. The agency funds are as follows:

Public Guardian Fund (450) - Accounts for receipts and disbursements for individuals who are not capable of handling their own financial affairs.

Library Retirement Fund (480) - Accounts for the receipt and disbursement of funds for the Library Retirement Plan. The fund was established in Fiscal Year 1990-91 as a result of the Library merging with the County.

Sundry Taxing Bodies Fund (500) - Accounts for the collection of property taxes for all governmental entities located in Multnomah County and the disbursement of the collections to such entities.

Clearing Fund (503) - Accounts for Multnomah County checks outstanding, accrued payroll and payroll deductions payable and investments.

Deferred Compensation Fund (515) - Accounts for voluntary withholdings from employee's wages on which income taxes are deferred until the time of withdrawal.

Department and Offices Agency Fund (505) - Accounts for the collection and disbursement of various receipts held. Multnomah County maintains several sub-funds which are used to account for the receipt of resources held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund:

Sheriff's Revolving (853) - Accounts for the costs of extraditing prisoners which are prepaid by the County. Reimbursement is received from the State of Oregon as specified in ORS 206.315.

Fair Apportionment (859) - Accounts for payments made to specified exhibitors at the Multnomah County Fair. Payments are made from the County's apportionment of State racing revenue as specified in ORS 565.280 and 565.290.

Medical Examiner (865) - Accounts for funds belonging to deceased persons. The County holds these funds until they are claimed by the deceased's heirs or, after five years, are transferred to the State Land Board.

MCSO Forfeitures (880) - Accounts for cash transactions subject to forfeiture under 1989 Oregon Law, Chapter 791.

Animal Control Grooming Area (887) - Accounts for donations held in trust to remodel the existing grooming area at Animal Control and for new equipment.

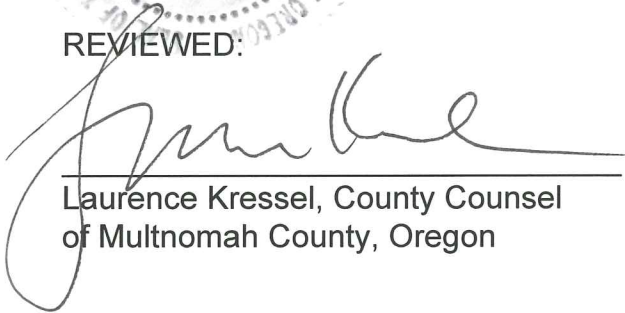
Animal Control Adoption Outreach Project (889) - Accounts for donations held in trust to operate the Second Chance Adoption Program at Clackamas Town Center storefront for animals not adopted at regional Animal Control Centers.

This Resolution replaces Resolution No. 95-141.

ADOPTED this 11th day of July 1996.



REVIEWED:



Laurence Kressel, County Counsel
of Multnomah County, Oregon

Board of County Commissioners
Multnomah County, Oregon

By



Beverly Stein, Chair