BEFORE THE BOARD OF COUNTY COMMISSIONERS
MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 99-144

Adopting Financial and Budget Policies for Multnomah County, Oregon

The Board of County Commissioners finds:

The Board is the fiscal authority for Multnomah County government;

The Department of Support Services is responsible under MCC 7.001 for the budget and fiscal operations of the County;

The Director of Support Services is responsible for the preparation and management of the budget and for the management of the financial operations of the County;

A financial and budget policy will provide for prudent financial practices.

The Board resolves:

1. The Financial and Budget Policies set forth in Exhibit A are the policies of Multnomah County.

2. The Director of Support Services is directed to administer these Financial and Budget Policies.

3. The Director of Support Services is directed to review and update these policies as needed but not less than annually.

4. The Director of Support Services is directed to inform the Board on the status of these policies annually.

This Resolution replaces Resolution No. 98-69.

Adopted this 8th day of July, 1999.

Board of County Commissioners
Multnomah County, Oregon

By___________________
Beverly Stein, Chair

Reviewed by:

____
Thomas Sponsler County Counsel
of Multnomah County, Oregon

EXHIBIT A

MULTNOMAH COUNTY OREGON

FINANCIAL AND BUDGET POLICY

FISCAL YEAR 1999-2000

Prepared by: Department of Support Services; Finance Division and Budget and Quality Division

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OBJECTIVES

The objectives of this financial policy are:

1. To preserve capital through prudent budgeting and financial management.
2. To achieve the most productive use of County funds that meets the goals of the Board of County Commissioners.
3. To ensure that all finance-related activities meet generally accepted accounting principles.
4. To achieve a stable balance between the County's ongoing financial commitments and the continuing revenues available to the County.
5. To provide an accountable form of Government to the citizens of Multnomah County.

TAX REVENUES

BACKGROUND:

During the past decade Multnomah County has faced major decisions about the level and kind of taxation it should or could impose.

In 1986 and 1987 the Board twice increased the Business Income Tax (BIT) rate to cover the cost of expanded social and correction programs. In 1991, following passage of the Measure 5 limits on property taxes, the Board considered, but did not pass, a third increase in the Business Income Tax rate to offset some of the lost property tax revenue.

In response to a proposal of the Library Board (which had been tasked with recommending a long-term dedicated revenue source to replace property tax support of the Library system) the Board passed a utility excise tax in 1992, then rescinded the tax in 1993 before it took effect.

The 1990 passage of Measure 5 presented all local governments with a different kind of taxation problem: an increase in property tax levies by any government had the potential of reducing the property tax receipts of all other local governments. To avoid this possibility, Multnomah County and the cities of Portland, Troutdale, Fairview and Wood Village agreed not to propose levies that would change their relative 1992-93 shares of the $10 constitutional cap.

In November 1996, the voters of the State of Oregon approved a constitutional amendment, Ballot Measure 47, further limiting property taxes. In May 1997, the voters approved Ballot Measure 50 and repealed Measure 47. For fiscal year 1998, Measure 50 reduced the amount of property taxes imposed statewide by 17% from authorized levels (except taxes to pay exempt bonded indebtedness or Local Option levies approved by voters). Measure 50 limited the growth in taxable property value to 3% per year. It also requires that general obligation bonds and local option taxes must be approved by a majority of the voters at general election in even numbered years or at any other election in which not less than 50% of eligible registered voters cast a ballot.

In November 1997, Multnomah County voters approved a five year Library Local Option Levy. The levy will cost property owners 59 cents per thousand of assessed value per year.

In March 1998, Multnomah County voters imposed a temporary .5% Business Income Tax surcharge for tax year 1998 – one year only. The revenue generated from this surcharge is dedicated to supplement the various school districts within Multnomah County. It is expected that this temporary increase will generate approximately $12.5 million.

In 1999 the County was approached with a proposal to increase the rates of both the Transient Lodging Tax and Motor vehicle Rental Tax to dedicate the proceeds to Metro for funding an expanded Convention Center. The Board has not yet addressed this proposal but the 1999-2000 budget assumes that the taxes will be increased.

All of these tax decisions were made in an atmosphere of intense public and internal debate. Those debates consistently referred to these common factors: the progessivity of the tax, its administrative costs, its impact on the economy of the region, its effect on other local governments, and the degree to which the tax might be acceptable to the public.

POLICY STATEMENT:

The Board recognizes that taxation is necessary to provide public services to the citizens of the county. When considering changes to the County's tax structure, the Board will consider the following:

1. The ability of taxpayers to pay the taxes.
2. The impact of the taxes imposed by the County on other local governments.
3. The effect of taxes on the economy in the county.
4. Administration and collection costs of the taxes.
5. The ease of understanding the taxes by the taxpayers.

STATUS:

The County has several sources of tax revenue. These sources include property taxes, which are paid based on an established assessed value of real, personal and utility property. Except for general obligation bond levies and local option taxes, County property taxes increase with the growth in assessed value. That assessed value growth is limited to 3% per year plus changes as a result of annexation, rezoning, and new construction. The County collects property taxes in three ways.

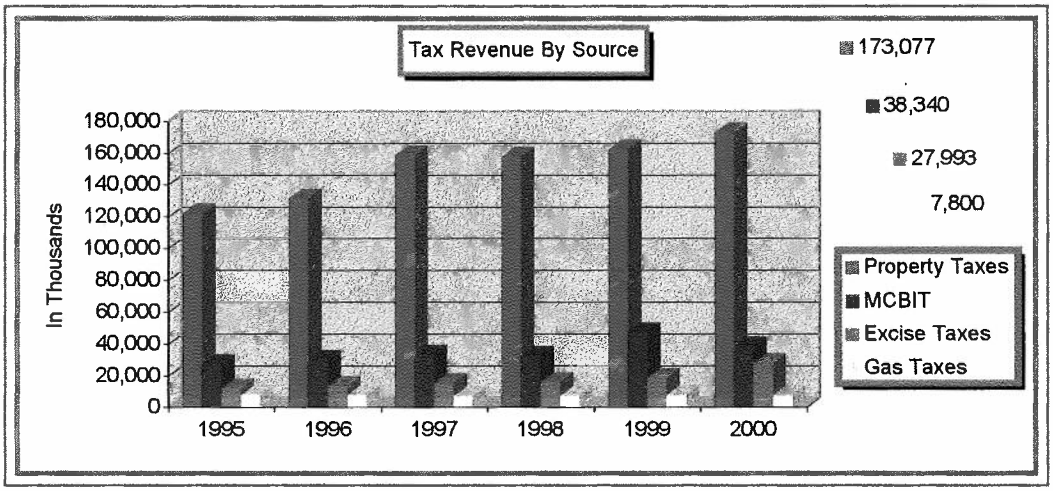
- a "permanent tax rate," the reduced combination of the County's "tax base" and two serial levies in effect when Measure 50 was approved.
- property taxes for the retirement of voter approved general obligation bonds ($15,651,680 in 1999-00).
- a local option levy for Library services.

Business entities doing business in Multnomah County pay business income taxes (MCBIT) based on their net income.

The County has two excise taxes, a Motor Vehicle Rental Tax and a Transient Lodging Tax. Motor vehicle rental taxes are assessed on the gross income generated from short-term vehicle rentals. Transient lodging taxes are basically imposed on room rental rates at hotels/motels. The Transient Lodging Taxes collected are (with minor exceptions) passed through to Metro for Convention Center operations and funding of the operations of the Performing Arts Center and Regional Art and Culture Council.

The County also imposes a gasoline tax that is dedicated to roads.

The County's tax revenues represent about 46% of the total Governmental Fund Type revenues (General and Special Revenue Funds). The graph depicts the tax revenue by source since fiscal 1995. (1999 & 2000 are budgeted amounts).



SHORT TERM LOCAL REVENUES

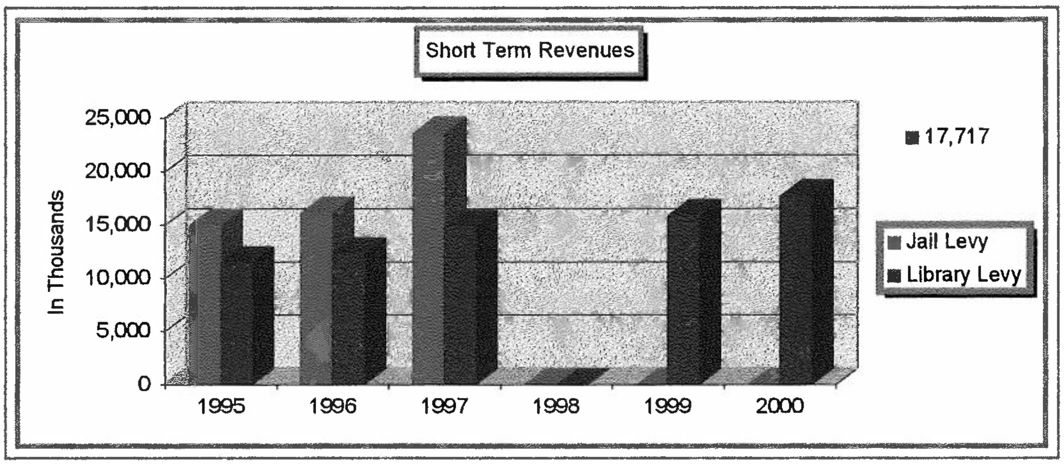
BACKGROUND:
Short-term revenues are sources of limited duration. The main source of these revenues has been serial levies for jail and library services and, since the passage of Measure 50, a five-year local option levy for Library services. Continued use of short-term revenues for ongoing programs places these programs or other programs at risk if the voters fail to approve subsequent limited term levies.

In fiscal year 1997-98, the dollar amounts of the library and public safety levies were combined with the County's general fund tax base amount to establish the permanent property tax rate per $1,000 of assessed value. The serial levies, which were merged with the tax base into a permanent tax rate, are no longer dedicated revenues.

Measure 50 requires that any property tax measure needs both a majority vote and a 50% voter turnout unless it is voted on at a general election. Because of the new voter requirement, it will be more difficult to obtain voter approval for short-term property tax revenues. Perhaps more important, the Constitution makes no provision for a government to change its permanent tax rate.

POLICY STATEMENT:
It is the goal of the Board to use short term revenue sources to fund priority service programs only after all other sources of revenue have been analyzed and have been determined not to be feasible for funding the service.

STATUS:
On November 4, 1997, the voters approved a five year local option levy for library services. This levy will cost property owners 59 cents per thousand of assessed value per year. The following graph reflects the use of short term revenues since 1995 (1999 and 2000 are budget).



TRANSPORTATION FINANCING

BACKGROUND:
Transportation infrastructure, roads and bridges, has not been funded adequately for either ongoing maintenance or capital improvements. In the Portland metropolitan area, growth is placing additional demands on the transportation system. Ongoing maintenance and improvements to this system are needed to continue economic growth, to alleviate existing transportation problems and to maintain the livability of the region.

Multnomah County's five year Capital Improvement Plan (CIP) has identified $150 million (1998 dollars) in transportation projects for the road system and anticipated revenues of only $20 million over the same period. Cities in Multnomah County are experiencing similar shortfalls in meeting the demand on their local systems.

Multnomah County also maintains and operates the Willamette River Bridges. These bridges are a critical link in a highly integrated transportation system. Regional growth makes it increasingly essential to keep all bridges in good working order with a minimum of downtime. The CIP identified a 20 year need for construction and maintenance on the Willamette River Bridges that will cost $277 million and an estimated $102 million of revenues available to address the costs.

In 1996, the County was prepared to participate in a regional election increasing the vehicle registration fee to pay for transportation improvements. The program was developed through the Joint Policy Advisory Committee on Transportation (JPACT). At the request of Governor, JPACT agreed to wait for the increase through the 1997 Oregon Legislature. The legislation to provide a statewide solution to the transportation funding needs failed during the 1997 legislative session.

In November 1997, the Board proposed a local vehicle registration fee dedicated to transportation construction. That measure was rejected by the voters.

POLICY STATEMENT:
It is the policy of the Board to support statewide and regional funding for transportation related needs. However, if statewide and regional funding packages fails the County will work with jurisdictions within the County boundaries to address the transportation funding needs of local governments located in Multnomah County.

STATUS:
The 1999 Legislature is considering adding four cents to the State gasoline tax and sharing it with local governments. It is also considering a $10 additional vehicle registration fee per year per vehicle for vehicles registered in a county that has had ten percent of the aggregate population growth of the state since 1980. Priority use of revenue from this source in Multnomah County would be the Willamette River Bridges.

On the other hand, the Legislature is also considering referring to the voters an amendment to the Oregon Constitution allowing limited funding of State Police from fuel taxes and other taxes or excises on ownership, operation, or use of motor vehicles. Such an amendment would potentially reduce revenue available for transportation.

FEDERAL/STATE GRANT AND FOUNDATION REVENUES

BACKGROUND:

Federal and State grant funds have increased significantly over the last ten years. Most of these revenues are restricted to a specific purpose such as mental health or community correction programs. Grants and Foundation funds are used for an array of County services and may offer an opportunity to assist the County in leveraging other funds. This policy statement is not intended to apply to Federal and State shared revenues, entitlements or fees for services.

POLICY STATEMENT:

The Board understands that grants from other governments and private sources represent both opportunities and risks. Grants allow the County to provide basic or enhanced levels of service and to cover gaps in the array of services the County otherwise offers. Grants may also commit the County to serve larger or different groups of clients and put pressure on County-generated revenues if the dedicated revenue source is withdrawn. When applying for a grant, the Board will consider:

1. The opportunities for leveraging other funds for continuing the grant/foundation related program.

2. How much locally generated revenue will be required to supplement the grant/foundation revenue source.

3. Whether the grant/foundation source will cover the full cost of the proposed program, or whether the County is expected to provide support and overhead functions to the program.

4. The degree of stability of the funding source.

5. Whether decline or withdrawal of the grant/foundation revenue source creates a budgetary expectation that the County will continue the program.

6. If the grant/foundation funds used for pilot or model programs will result in a more efficient way of doing business.

STATUS:

The 1999-2000 Federal State Budget has grant revenue sources of about $147,400,000. The County General Fund matches these programs with another $68,000,000 and service charges and other revenues account for about $5,000,000.

INDIRECT COST ALLOCATION

BACKGROUND:
The Federal and State Governments recognize that the cost of providing services includes the overhead cost of support services. Generally, federal and state grantors allow programs to recover indirect charges based on an indirect cost allocation plan. The County has historically prepared an indirect cost allocation plan in accordance with federal guidelines. The central services in the Cost Allocation Plan include, but are not limited to: the County Auditor, County Counsel, Employee Services, Equipment Use, Finance, Insurance, Labor Relations, Budget and Quality, Purchasing, Radio, and Records. Overhead rates will vary depending on the use of support service functions and departmental administrative costs that are not charged directly to the program. A flow-through rate is also charged against funds that are received by the County and passed through to other entities at the discretion of the funding provider.

POLICY STATEMENT:
Generally it is the policy of the Board to recover from dedicated revenue sources the full cost of programs supported by those sources. The full cost includes the appropriate proportionate share of the cost of County overhead functions, both central and departmental, that is attributable to programs funded with dedicated revenues.

The exception to the above policy is when the grantor agency does not allow the grantee to charge indirect costs or only allows a set indirect cost rate. The Board will have the final authority to accept a grant that does not allow the recovery of all or part of the indirect charge.

The Finance Division is responsible for preparing an Indirect Cost Allocation Plan that meets the requirements of the Office of Management and Budget (Federal Government Agency) Circular A-87. Central service and departmental administrative support provided to non-General Fund programs, activities, and or functions that are not recovered by internal service charges or billed directly to dedicated revenues will be recovered through an indirect cost based on the approved Indirect Cost Allocation Plan. The plan will be updated annually.

STATUS:
The County is in compliance with this policy. The overhead rates for fiscal year 1999-2000 are as follows:

Department/Office	% Rate
Community and Family Services	10.04%
Aging Services	3.10%
Juvenile & Adult Community Justice Services	5.18%
Health Services	13.71%
District Attorney	7.91%
Sheriff's Office	12.55%
Environmental Services	4.41%
Other County	3.73%
Library Services	7.28%
Flow Through Funds	.70%

RECURRING COSTS AND ONE-TIME-ONLY REVENUES

BACKGROUND:
Unrestricted one-time-only revenues present organizations with temptations that are hard to resist. In the short run it appears more beneficial to allocate such resources to the highest priority public service that would otherwise be unfunded than to restrict their spending to cover costs that will not recur in following years. However, the result of this practice is to expand operational levels and public expectations beyond the capacity of the organization to generate continuing funding. This inevitably produces shortfalls and crisis.

Sustaining an ongoing program level by deferring necessary expenditures or by incurring future obligations also inevitably produces shortfalls and crisis.

POLICY STATEMENT:
It is the policy of the Board that the County will fund ongoing programs with ongoing revenues.

When the County receives unrestricted one-time-only revenue, the Board will consider setting these funds aside for reserves or allocating them to projects or programs that will not require future financial commitments. The Board will use the following criteria when allocating these one-time-only receipts:

1. The level of reserves set aside as established by this policy.

2. The County's capital needs set out in the five year Capital Improvement Plan or Information Systems Development Plan.

3. One-time only spending proposals for projects or pilot programs, particularly investments that may result in long-term efficiencies or savings that do not require additional ongoing costs.

4. One-time only dollars that encourage innovative ideas or technology.

STATUS:
During budget deliberations the Budget and Quality Manager is responsible for providing a list of sources and uses of one-time only funds and informing the Chair and the Board on the recommended use of the funds received.

USER FEES, SALES and INTERGOVERNMENTAL REVENUES

BACKGROUND:
User fees are generally intended to cover all the costs or an agreed upon portion of the costs for providing services. Inflation or increased service delivery can erode the established user fees if the cost of service increases faster than revenue from the fee increases.

POLICY STATEMENT:
It is the general policy of the Board that user fees and service charges will be established at a level to recover the costs to provide services. Exceptions to this policy will be made depending on the benefit to the user of the service, ability of the user to pay for the service, benefit to County citizens, and the type of service provided.

As part of budget deliberations and during negotiations of Intergovernmental Agreements, Departments will be responsible for informing the Chair of a fully loaded cost analysis presenting the fee structure necessary to recover 100% of the cost of providing the service. Departments will also recommend whether fees or charges in each area should be set to recover 100% of the costs or be set at a lower rate such as sliding scale fees. The recommendation to the Chair will consider the benefits to an individual or agency, benefits to the citizens of the County, and the financial capacity of the users to pay for the service. The Budget and Quality Division is responsible for ensuring that departments are including all the costs associated with providing the service.

User fees and service charges collected by County agencies will be periodically reviewed. All fees and service charges will be reviewed each four years with approximately 25% of the fees and charges reviewed each fiscal year. Based on this review, the Chair will make recommendations to the Board regarding proposed changes, additions or deletions to current fee or service charge schedules.

Revenues generated from sales and commissions on sales of goods and services sold in County owned or leased facilities are to be credited to the County's General Fund unless the revenues are:

1. Generated for inmate welfare commissary operations.
2. Generated in Library facilities used for Library operations.
3. The Board grants an exception.

STATUS:
Departments are generally responsible for reviewing the fees and charges associated with their operations on an annual basis. Budget and Quality requires departments to complete information on those revenues during preparation of the annual budget. There are four County departments which generate the majority of fee revenue – Environmental Services, Health, Sheriff's Office and Community Justice. A complete review of the fees charged for services provided by the Health Department was conducted during 1998-99.

The 1999-2000 budget includes roughly $300,000 for a license fee on pet food. This amount only represents a portion of a full year of revenue.

ENTREPRENEURIAL ACTIVITIES

BACKGROUND:

As a consequence of carrying out duties or mandated functions, County programs and employees develop or acquire specialized skills, assemble information, and create educational and/or operational systems. Business, other governments or clients, who are not the primary focus of the County operation, may find these products or services economically valuable and are willing to pay for the specialized skills or products that relate to their business. In addition, County owned land or buildings may be strategically located or suitable for certain entrepreneurial activities.

Multnomah County will actively seek opportunities to sell a product or a service. When an opportunity does occur, County managers and policy makers face a complex decision about whether the activity will produce revenue; whether the revenue would benefit taxpayers who indirectly supported the development of the product or service; how the County should conduct itself in the marketplace consistent with the purposes for which the product or services was developed; and the use of the net revenue.

POLICY STATEMENT:

The Board wishes to reduce the cost of services to taxpayers as much as possible consistent with fairness, common sense and ethical consideration.

The primary purpose of the County engaging in any entrepreneurial activity will be that the dissemination of the product itself serves a public interest (broadly defined) independent of the net revenue obtained and the County will conduct itself in the marketplace accordingly. The Board recognizes that the decision to engage in entrepreneurial activities requires consideration of economic and public policy factors. In deciding whether to market County services and/or products the Board will consider the following:

1. Any legal restrictions that would prevent the action.
2. The ability of a County program to provide the service or product without allowing the marketing to interfere with its primary purpose.
3. Whether the product or service is superior, unique or benefits the taxpayers in the market, which may include location considerations.
4. The appropriateness of the product as it relates to a public agency.
5. The impact of marketing the particular service on the private sector providers of the same or related services. In general, the County should not compete with its taxpayers except where clearly justified under criterion 3 above.
6. The potential return compared to development or marketing cost associated with the proposed action.
7. Whether the County will subsidize its costs for providing the product or service.
8. In general, net revenues from entrepreneurial activity will be used to support or enhance the services linked to or used in the development of the product. The Board may make exceptions from time to time and use the revenues to fund other County priority services.

STATUS:

The County continues to explore entrepreneurial opportunities.

RESERVES

BACKGROUND:
Annually using all available ongoing revenue to pay for ongoing programs can result in fluctuations in program levels as revenues vary from one year to the next. Programs added in one year based on positive short term receipts can cause programs of equivalent cost being cut in the next year if economic factors cause those revenues not to grow as fast as costs. This has a detrimental effect on service delivery over time. It reduces efficiency. It also sets up difficult budget problems that could be avoided if program decisions were made in the context of the County's long-term financial capacity rather than on the basis of revenue available from one year to the next.

Maintaining an appropriate reserve assists the County in maintaining its favorable bond rating, which is currently Aa1 from Moody's Investors Service. Moody's established benchmark for the General Fund Balance or reserve is a dollar amount equal to at least 5% of General Fund revenues. The Library Levy Fund and the Public Safety Levy Fund also face pressures and budget problems similar to the General Fund. The fluctuations in revenues are not as great in the levy funds and therefore, the reserve requirements can be maintained at a lower amount.

POLICY STATEMENT:
The Board understands that to avoid financial instability, continuing requirements should be insulated from temporary fluctuations in revenues.

It is the goal of the Board to maintain reserve account in the General Fund, designated as unappropriated fund balance, funded at approximately 5% of the total budgeted requirements of the General Fund. In calculating the General Fund reserve requirement, the cash transfers to the two levy funds and the unappropriated balance itself will be excluded from requirements. It is also the goal of the Board to maintain reserve accounts in the Library Levy Fund and Public Safety Fund at approximately 2% of the total budgeted requirements of each of the funds. The reserves for the levy funds are anticipated to be funded in fiscal year 2001-2002.

The reserve accounts are to be used when basic revenue growth falls below the rate of basic revenue change achieved during the prior ten years.* In years when basic revenue growth falls below long term average growth, the Board will reduce the unappropriated fund balance to continue high priority services that could not otherwise be funded by current revenues. If the reserve account is so used, to maintain fiscal integrity, the Board will not use more than 40% of the actual reserve in a fiscal year and the Board will restore the account within two years of its use.

STATUS:
The following graphs show the reserve goal to budgeted reserves since 1996. The budgeted reserves do not include funds for contingency or emergency situations.

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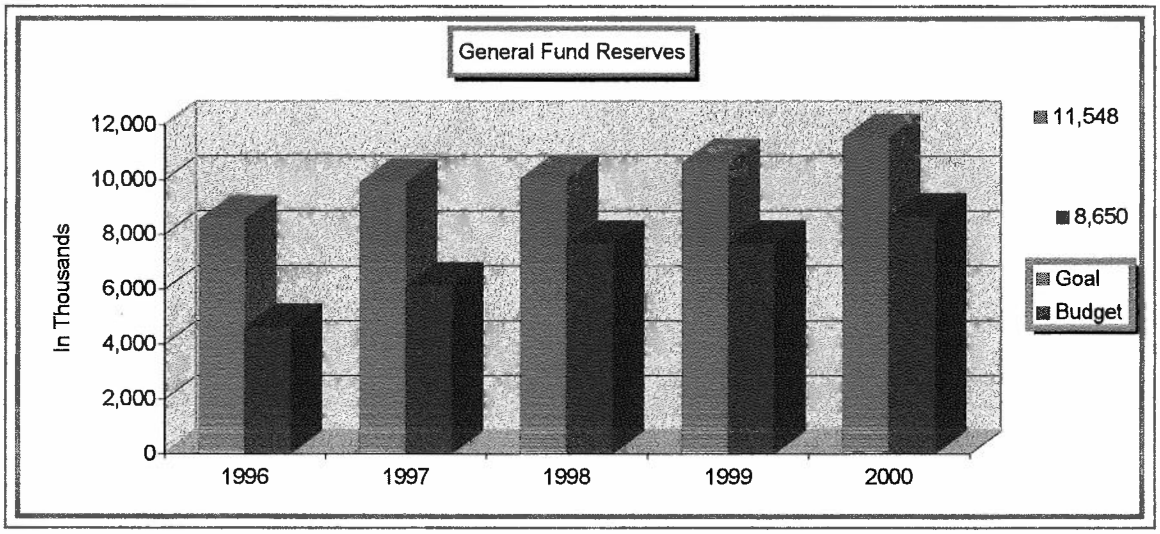
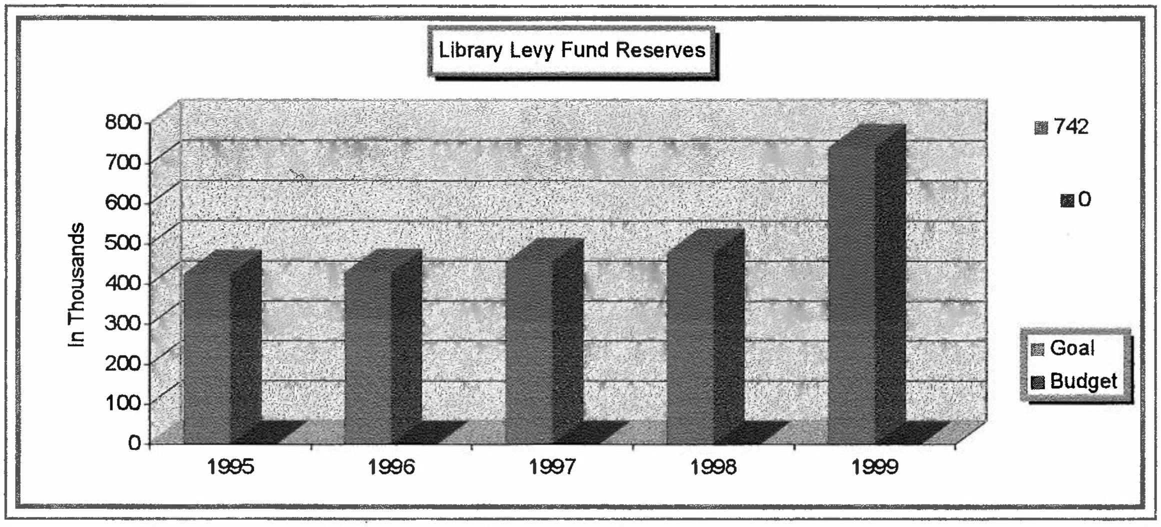
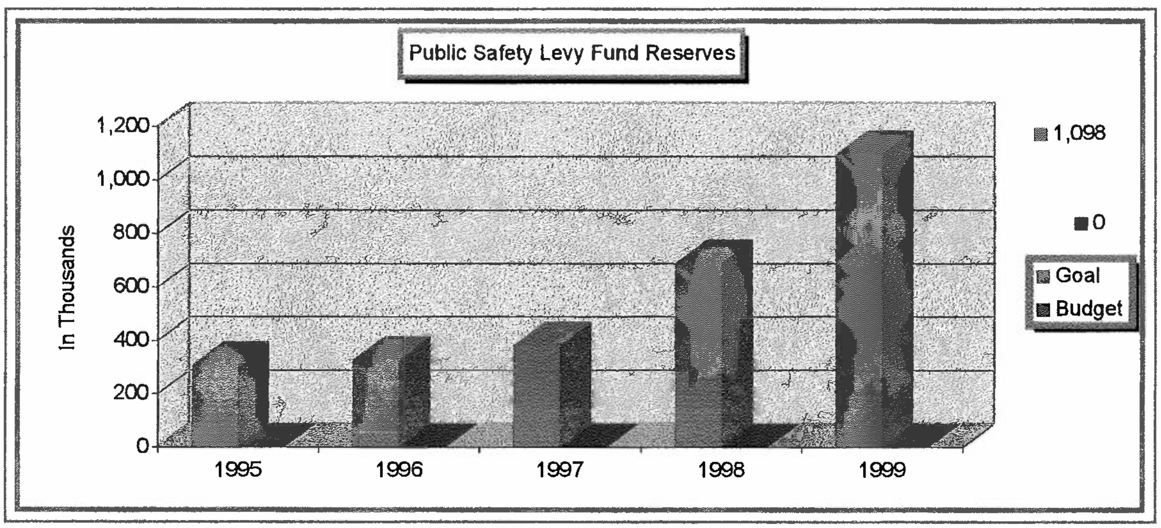
* "Basic revenue" is defined as the sum of General Fund property tax, business income tax, motor vehicle rental tax, cigarette tax, liquor tax and interest income. "Growth" is defined as total increase in fiscal year compared to the amount in the prior fiscal year, adjusted for changes in collection method, accrual method, or legislation defining the rate or terms under which the revenue is to be collected.


General Fund Reserves
12,000
10,000
8,000
6,000
4,000
2,000
0
In Thousands
1996
1997
1998
1999
2000
11,548
8,650
Goal
Budget


Library Levy Fund Reserves
800
700
600
500
400
300
200
100
0
In Thousands
1995
1996
1997
1998
1999
742
0
Goal
Budget


Public Safety Levy Fund Reserves
1,200
1,000
800
600
400
200
0
In Thousands
1995
1996
1997
1998
1999
1,098
0
Goal
Budget

GENERAL FUND EMERGENCY CONTINGENCY

BACKGROUND:
General Fund contingency transfers have a significant effect on the annual budget process by reducing the amount of ending working capital that is carried over to the subsequent fiscal year. Contingency transfers should be reviewed in the context of other budget decisions so that higher priority projects are not jeopardized.

POLICY STATEMENT:
The Board understands that in order to avoid financial instability, continuing requirements cannot increase faster than continuing revenues.

It is the policy of the Board to establish an emergency contingency account in the General Fund, as authorized by ORS 294.352, each fiscal year during the budget process. The account will be funded at a level consistent with actual use of transfers from contingency during the prior ten years.

To achieve financial stability, the following are guidelines to be used by the Board in considering requests for transfers from the General Fund Contingency Account:

1. Approve no contingency requests for purposes other than "one-time only" allocations.

2. Limit contingency funding to the following:

   a) Emergency situations which, if left unattended, will jeopardize the health and safety of the community.

   b) Unanticipated expenditures that are necessary to keep previous public commitment, or fulfill a legislative or contractual mandate, or can be demonstrated to result in significant administrative or programmatic efficiencies that cannot be covered by existing appropriations.

3. The Board may, when it adopts the budget for a fiscal year, specify programs which it wishes to review during the year and increase the Contingency account to provide financial capacity to support those programs if it chooses. Contingency funding of such programs complies with this policy.

STATUS:
The Budget and Quality Manager is responsible for informing the Board if contingency requests submitted for Board approval meet the criteria of this policy. In addition, each year the Board will receive a report on the prior year contingency actions. This report will include the total dollar amount of contingency requests, dollar amount approved and dollar amount that did not meet the criteria of this policy.

COMPENSATION

BACKGROUND:
Wage and benefit increases are negotiated between collective bargaining units and the County. In addition the Board authorizes wage and benefit increases to exempt employees by ordinance.

POLICY STATEMENT:
When any wage or benefit increase is authorized in an amount exceeding budgeted setasides for such wage and benefit increases, the alternatives considered for funding such increases shall include:

1. A budget reduction in the affected department or elsewhere in the County; or
2. An additional draw on contingency; or,
3. A combination of the above.

All tentative approved labor agreements or proposed exempt compensation packages presented to the Board for final approval shall contain, in writing, the following specific costing:

1. Estimates in percentage increases of the wage benefit and package as a whole for all years of the agreement or ordinance, as well as the absolute dollar amount of such increases; and
2. A specific narrative remark, if possible, of any future fiscal impacts of the contract or ordinance and financial impact on any language changes in the contract or ordinance. Such remarks shall address any estimated effects on the unfunded liability of the pension fund, any other fund or any other funded or unfunded liability.

STATUS:
This policy has been complied with throughout the prior fiscal year.

ALLOCATIONS FOR FACILITIES MAINTENANCE AND REPAIR

BACKGROUND:
Multnomah County owns in excess of 50 buildings at a historical cost of about $250 million. In 1999-2000 we will spend approximately $4.7 million on major maintenance and improvements to those buildings out of the General Fund. The $4.7 million excludes specific facilities that are being funded by bonds, State certificates of participation funds, or certificates of participation. The County will also sell revenue bonds in the amount of about $16 million to catch up on our deferred maintenance backlog.

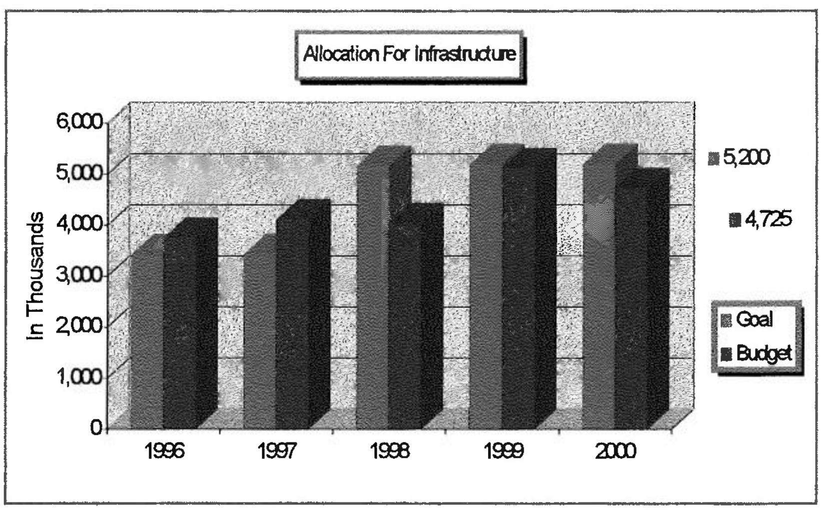
The structural maintenance of the County's capital plant is largely a non-discretionary activity. That is, the question is not whether such expenditures are necessary but in what year to schedule the expenditure on particular projects. Deferral of spending on capital projects builds an unfunded liability that there is no way to avoid sooner or later.

POLICY STATEMENT:
The Board recognizes that an adequate ongoing level of funding for capital improvements is essential to avoid costly reconstruction or replacement of capital assets. These capital assets include County buildings, bridges and roads.

It is the policy of the Board to maintain a Capital Improvement Program (CIP) Plan covering a period of five years. The Plan is to provide for anticipated future major improvements and maintenance to County owned and leased capital assets and provide for additional and replacement capital assets. The Plan will include major construction to be undertaken by the County, no matter what the funding source. The Plan will be reviewed and updated annually.

It is the goal of the Board to fund, out of the General Fund, the County's capital maintenance need at approximately 2% of the historical cost of County buildings. (2% represents a depreciation factor of depreciating the facilities over a 50 year period). In addition, to prevent the continued deterioration, Facilities Management will collect $1.65 per square foot of space in County owned facilities beginning in FY 1999.

STATUS:
The five year CIP Plan has been developed and was updated for fiscal year 1995-96. The current funding of capital needs is about $500,000 short of the goal. The following graph depicts the goal and actual for fiscal 1996 to 2000(1999 & 2000, budget estimates).



SALE OF UNRESTRICTED COUNTY PROPERTY

BACKGROUND:
On April 19, 1990, the Board adopted Resolution 90-57 creating the Capital Improvement Fund and Natural Areas acquisition Fund. These funds were created to restrict the use of proceeds received from the sale of unrestricted County property for future capital requirements and the acquisition, protection and management of natural areas. On October 7, 1993, the Board adopted Resolution 93-338 amending Resolution 90-57 to clarify that the funds deposited in the Natural Areas Acquisition Fund were to be 50% of the proceeds from the sale of undeveloped unrestricted property only. Resolution 93-338 also directed the Board to review the division of money between the funds in three years or upon the establishment of a regional funding source for natural areas. In May 1995 the voters of the Tri-County Region approved a general obligation measure authorizing Metro to issue $135.6 million in general obligation bonds to acquire open spaces. In addition the ownership and operations of the parks in Multnomah County were transferred over to Metro effective July 1, 1996.

Over the last several years the County has been presented with several opportunities to improve efficiencies by acquiring equipment and/or by redirecting building rental payments to pay for the acquisition of a facility. The Capital Improvement Fund paid for these investments initially and the annual savings or the redirected expenditure was repaid to the Capital Improvement Fund. In response to this the Board adopted Resolution 96-138 repealing Resolutions 90-57 and 93-338 and directing the proceeds from the sale of unrestricted County property to the Capital Improvement Fund and Capital Acquisitions Fund.

POLICY STATEMENT:
All proceeds from the sale of unrestricted property (not including land swaps) and interest earnings on the deposited proceeds are to be credited equally to the Capital Improvement Fund and Capital Acquisition Fund. The sale of several facilities to help finance the Multnomah Building and East County Facility will be a temporary exception to this policy.

Disbursements made from the Capital Improvement Fund are to be related to the purchase of property and/or improvements included in the County's Five Year Capital Plan.

Disbursements made from the Capital Acquisition Fund will be used to enable the County to take advantage of capital acquisition opportunities that may arise. The capital asset acquisition must have a useful life of at least five years. The asset must also demonstrate that the savings generated or the redirection of current expenditures will have a pay-back period of five years or less. Departments requesting funds from the Capital Acquisition Fund to take advantage of such an opportunity must present an issues and opportunities fact sheet to the Budget and Quality and Finance Division detailing the merits and financial impacts of the proposal. If approved by the Budget and Quality and Finance Divisions, the proposal will be presented to the Board for their approval. If approved, the Department will budget a service reimbursement sufficient to make the Capital Acquisition Fund whole within a five-year period. This service reimbursement must Include interest charges at the County's investment pool rate at the time of the acquisition.

STATUS:
In compliance.

LONG-TERM LIABILITIES

BACKGROUND:

The Financial Accounting Standards Board has issued various statements which require private sector organizations to record long-term liabilities in their financial records. The Governmental Accounting Standards Board has been moving towards private sector accounting standards and is requiring governmental organizations to either record long-term liabilities in the financial records of the organization or disclose the liabilities in the notes to the financial statements. To avoid having the Board or future Boards face huge unfunded liabilities, beginning in the mid 1980's, the County began funding many of its unfunded liabilities. By funding these liabilities over time the County will not be faced with funding liabilities without the resources to fund them. The practice of funding long-term liabilities has a favorable impact on our bond rating. The following is quoted from our most recent credit report: "The County's historically strong financial management is underscored by its response to revenue limitations imposed by Measure 5 beginning in fiscal year 1992. In addition to making dramatic program cuts and organizational changes, the County nevertheless continued its policy on funding long-term liabilities. The County's high credit rating is supported by the strong economy, sound financial management, high level of cooperation with underlying jurisdictions and moderate debt position."

POLICY STATEMENT:

Except for vacation liability, it is the goal of the Board to fund 100% of all long term liabilities that are required by the Governmental Accounting Standards Board (GASB) to be disclosed or accounted for in the County's comprehensive annual financial report. Vacation liabilities will be funded at the salary amount but not include benefits. These liabilities include, but are not limited to; accrued vacation, medical & dental incurred but not reported (IBNR) claims, workers compensation IBNR claims, liability IBNR claims, post retirement benefits, and Library Retirement Plan benefits. The Finance Director is responsible for ensuring that these liabilities are funded according to the actual liability or the actuarially determined liability.

STATUS:

The following is the June 30, 1998, funding level of each liability ($ in thousands):

Type of Liability	Total Liability	Amount Funded	Percent Funded
Vacation (1)	$ 11,962	$ 9,917	82.90%
Self Insurance (2)	8,081	8,081	100.00%
Post Retirement (3)	10,788	9,023	83.68%
Library Retirement (4)	6,715	5,655	84.21%
Total	$ 37,546	$ 32,676	87.02%

(1) GASB requires a portion of the vacation liability be recorded and the remaining amount be disclosed.

(2) GASB requires self-insurance claims be recorded as a liability in the financial statements.

(3) GASB requires employer paid benefits extended to retirees be disclosed in the financial statements.

(4) The Library Retirement Funds are required to be disclosed. Funds are dedicated to former employees of the Library Association of Portland.

ACCOUNTING AND AUDITS

BACKGROUND:
Under ORS 294 the County is required to have the County's financial records audited by an independent accounting firm annually.

POLICY STATEMENT:
The Board understands that the County's accounting system and financial records are required by State law to be maintained according to Generally Accepted Accounting Principles (GAAP), standards of the Government Finance Officers Association (GFOA) and the principles established by the Governmental Accounting Standards Board (GASB), including all effective pronouncements.

Multnomah County's Ordinance No. 660 as amended, which established an Audit Committee, audit procedures and audit rules, will apply to all financial audits. The basic duties of the Audit Committee are:

1. Review the scope and general extent of the external auditor's planned examination.

2. Review with management and the external auditor the financial results of the audit.

3. Review with the external auditor the performance of the County's financial and accounting personnel.

4. Review written responses of management letter comments and single audit comments.

5. Present Audit, Single Audit and Report to Management to the Board.

6. Select the external auditor.

The Comprehensive Annual Financial Report (CAFR) shall be sent to grantor agencies and rating agencies on a regular basis and at such other times as may be deemed appropriate in order to maintain effective relations.

It is the goal of the Board to maintain a fully integrated automated financial system that meets the needs of the County. This financial system is to include; general ledger, accounts payable, accounts receivable, purchasing, payroll and cost accounting for all applicable operations. The financial system will be maintained on a monthly basis to monitor expenditures and revenues, budget and actual.

STATUS:
In compliance.

FUND ACCOUNTING STRUCTURE

BACKGROUND:
According to local budget law and generally accepted accounting principles the County is required to establish and maintain various funds. To ensure that the Board is informed of the various funds Finance has historically presented to the Board the County's fund structure each year when the budget is adopted.

POLICY STATEMENT:
The Finance Director is responsible for preparing and presenting a resolution defining the various County funds to the Board each fiscal year.

The County will follow generally accepted accounting principles number three and number four when creating a fund and determining if the fund is to be a dedicated fund.

PRINCIPLE 3 TYPES OF FUNDS: The following types of funds should be used by state and local governments:

GOVERNMENTAL FUNDS

General Fund - to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditure for specified purposes.

Capital Projects Funds - to account for financial resources to be used for the acquisition or construction of major facilities (other than those financed by proprietary funds and trust funds).

Debt Service Funds - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

PROPRIETARY FUNDS

Enterprise Funds - to account for operations (a) that are financed and operated in a manner similar to private business enterprises-where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, or accountability.

Internal Service Funds - to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, governmental units, and/or other funds. These include (a) Expendable Trust Funds, (b) Nonexpendable Trust Funds, (c) Pension Trust Funds, and (d) Agency Funds.

<u>PRINCIPLE 4 NUMBER OF FUNDS</u>: Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

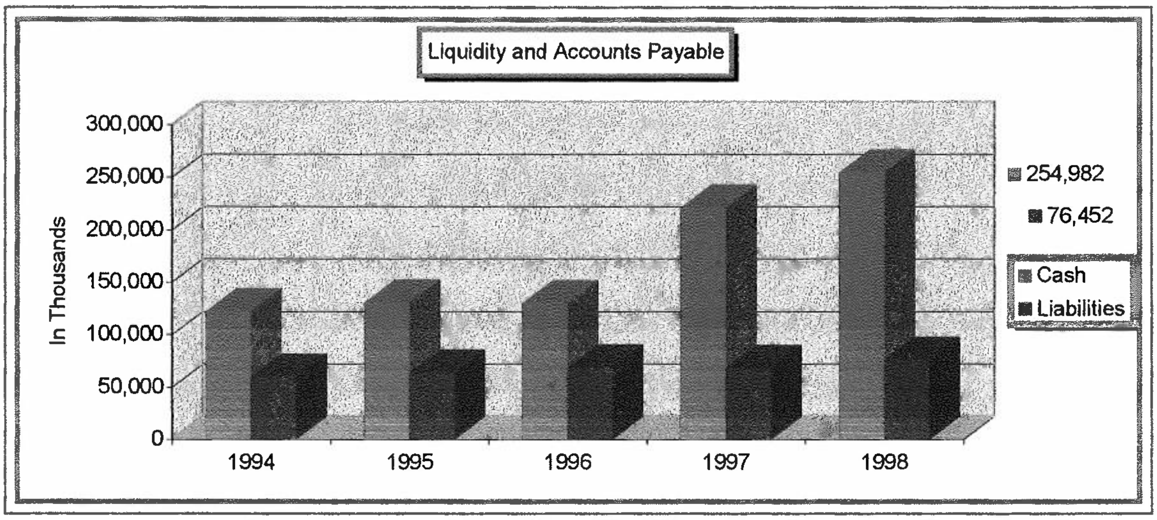
STATUS:
In compliance. Note that in the 1999-2000 budget the number of bonded debt sinking funds has been decreased.

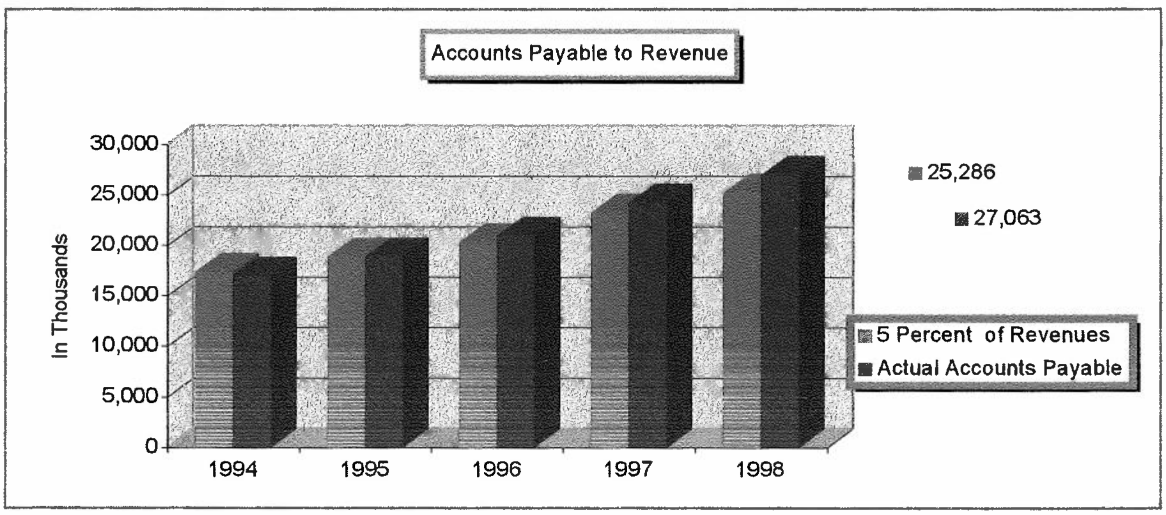
LIQUIDITY AND ACCOUNTS PAYABLE

BACKGROUND:
Liquidity is the ratio of cash and short-term investments to current liabilities including amounts held in trust and reflects the County's ability to pay its short-term debts and accounts payable. Cash and Investments in the capital projects funds and debt retirement funds are long-term cash and investments. The credit rating industry considers a liquidity ratio of $1 of cash to $1 of debt as an acceptable liquidity ratio. Generally the County has maintained about $2 of available cash to every $1 of current liabilities.

POLICY STATEMENT:
The County will strive to maintain a liquidity ratio of at least $1 dollar of cash and short-term investments to each $1 dollar of current liabilities. The County will also strive to maintain year end accounts payable equal to or less than 5% of operating revenues as recorded in the County's Governmental Fund Types.

STATUS:
The County is in compliance. The following graphs depicts the comparison of cash and investments to current liabilities and accounts payable to revenues for fiscal years 1994 to 1998.





BANKING, CASH MANAGEMENT AND INVESTMENTS

BACKGROUND:
Multnomah County maintains an active investment program. An investment policy was first formalized in 1982 and has been revised several times since. These policies incorporate various Oregon Revised Statute Codes which specify the types and maturity restrictions that local governments may purchase. The County's Investment Policy also contains self-imposed constraints in order to effectively safeguard the public funds involved.

POLICY STATEMENT:
Banking services shall be solicited at least every five years on a competitive basis. The Finance Director is authorized to act as "Custodial Officer" of Multnomah County and is responsible for performing the treasury functions of the County under ORS 208, 287, 294 and 295 and the County's Home Rule Charter. In carrying out these duties and functions, the Finance Director is authorized to establish internal Finance Division policy that meets generally accepted auditing standards relating to cash management.

In accordance with ORS 294.135, Multnomah County's investment transactions shall be governed by a written investment policy, which will be reviewed and adopted annually by the Board of County Commissioners. The investment policy will include the investment objectives, diversification, limitations and reporting requirements. In accordance with MCC 2.60.305 through 2.60.315 the County will utilize an independent Investment Advisory Board to review the County's investment plan and investment performance. Unrecognized gains or losses on investments will be recorded in the County's financial report.

STATUS:
The County is in compliance with this policy. Banking services were put out to bid in the Spring of 1997. Services to be re-bid in 2002. The following is the County's June 30, 1998 investment portfolio summary ($ in thousands):

Description	Market Value	Cost Basis
U.S. Government Securities	$ 10,220	$ 10,198
U.S. Government Agencies	143,805	143,823
Repurchase Agreements	24,000	24,000
Commercial Paper	47,234	47,230
Bankers' Acceptances	9,902	9,903
LGIP	16,354	16,354
Library Pension	10,722	10,722
Cash Deposits	3,521	3,521
Total	$ 265,704	$ 265,751

SHORT-TERM AND LONG-TERM DEBT FINANCINGS

BACKGROUND:
Prior to 1988, the County had maintained a pay-as-you-go philosophy for financing capital projects. The philosophy of pay-as-you-go may be costly in some ways due to cost acceleration in inflationary periods. Over-utilized facilities generate higher operation and maintenance costs and the citizens are not served well by over-utilized or nonexistent facilities. An alternative is to issue debt which is sometimes referred to as pay-as-you-use. The philosophy of issuing debt for public projects is to have the citizens benefiting from the project pay for the debt retirement costs.

POLICY STATEMENT:
All financings are to be issued in accordance with the County's Home Rule Charter and applicable State and Federal Laws.

1. Short-Term Debt. If it is determined by the Finance Division that the General Fund cash flow requirements will be in a deficit position prior to receiving property tax revenues in November, the County will issue short-term debt to meet the anticipated cash flow requirements. When financing a capital project, Bond Anticipation Notes or a Line of Credit may be issued if such financings will result in a financial benefit to the County. Before issuing short-term debt the Board must authorize the financing by adopting a resolution.

2. Bonds and other Long-Term Obligations. It is the policy of the Board that the County will attempt to meet its capital maintenance, replacement or acquisition requirements on a pay as you go basis. If the dollar amount of the capital requirement cannot be met on a pay as you go basis, if it is financially beneficial to issue bonds or COPs, and if the project has been determined to benefit future citizens, the County will evaluate the feasibility of issuing a long-term debt financing instrument.

3. All long-term financings must provide the County with an economic gain or be as a result of a mandate by the Federal or State Government or court. Under no circumstances will current operations be funded from the proceeds of long-term borrowing.

4. It is also the policy of the Board to purchase or lease/purchase facilities, instead of renting, when the programs or agencies being housed in the facility are performing essential governmental functions.

5. When issuing debt, the County will follow the Government Finance Officers Association recommended practice of selecting and managing the method of sale of State and Local Government Bonds.

6. If capital expenditures are anticipated to be incurred prior to the issuance of the debt, the Board authorizes the Finance Director to execute a declaration of official intent "DOI" with regard to such expenditure. The DOI must express the County's reasonable expectations that it will issue debt to reimburse the described expenditures. It must contain a general description of the project and state the estimated principal amount of obligations expected to be issued to finance the project. A copy of the DOI shall be sent to the Board.

7. The following are the different types of financings the County may use to fund its major capital acquisitions or improvements.

a) Revenue Bonds may be used whenever possible to finance public improvements which can be shown to be self-supported by dedicated revenue sources, needed for infrastructure or economic development or approved by the Board for specific purposes.

i) Revenue supported bonds are to be used to limit the dependency on property taxes for those projects with available revenue sources, whether self-generated or dedicated from other sources.

ii) Adequate financial feasibility studies are to be performed for each project to determine the adequacy of the dedicated revenue source.

b) General Obligation Bonds (G.O. bonding) will be used to finance capital projects which have been determined to be essential to the maintenance or development of the County.

i) Capital improvement projects will be analyzed, prioritized and designated as to essential characteristics through the CIP committee process.

ii) Use of G.O. bonding will only be considered after exploring alternative funding sources such as Federal and State grants and project revenues.

c) Limited Tax Bonds will be considered as a financing method if Revenue bonding or G.O. bonding is not feasible . w

d) Lease-Purchases or Certificate of Participation will be considered as a financing method if Revenue bonding or G.O. bonding is not feasible.

e) All leases and limited tax bonds as reported in the County's comprehensive annual financial report under the Long-Term Obligation Account Group will be limited as follows:

i) Annual lease-purchase payments or limited tax bond payments recorded in the respective Funds or Capital Lease Retirement Fund will be limited to 5% of the total revenues of the fund supporting the lease payment.

ii) All acquisitions will be limited to the economic life of the capital acquisition or improvement and in no cases shall exceed 20 years.

iii) All acquisitions must fit within the County's mission, goals & objectives or governmental role.

iv) All annual lease-purchase or bond payments must be included in the originating Departments' adopted budget or in the facilities management's building service reimbursement .

f) Refundings or Advance Refundings will be done if there is a present value savings of

3% or more or if the restructuring of the financing will benefit the County.

g) Intergovernmental agreements with the State of Oregon for Energy Loans.

h) It is the policy of the Board not to form Local Improvement Districts (LIDs) for purposes of issuing debt to finance LID improvements. The reasoning for not forming LIDs is because of the added costs of administering the LIDs, the small number of citizens served, and the potential risk that in the event of default by the property owners, the County's General Fund will have to provide funds to retire any outstanding obligations.

i) It is the policy of the Board to act as an "Issuer" of conduit financing for any private college, university, hospital, or non-profit organization that is located in Multnomah County and is eligible to use this type of financing. The County will charge a fee of $1.00 per $1,000 of bonds issued or $10,000, whichever is greater, to act as an issuer for the organization. This fee is to offset any administrative costs that may be incurred by the County when acting as an issuer. The County will retain bond counsel to represent the County on any legal issues including any risks associated with the conduit financing. The university or college will be assessed an additional fee to cover any bond counsel expenses incurred by the County. In addition to the fees established above, the organization must have a Moody's rating of Baa or better or BBB rating from Standard and Poor's and must not condone any discriminatory practices or policies. The Board of County Commissioners must approve each conduit financing issue.

j) External financial advisors, underwriters and bond counsel will be selected in accordance with the County's Administrative Procedures.

8. Revenue Bonds in Partnership with Nonprofit Agencies.

a) The County may issue tax exempt revenue bonds in partnership with a 501(c)(3) non-profit agency. The non-profit agency is responsible for 100% of the capital project costs, all of the debt financing issue costs, any debt reserve requirements and will be responsible for the ongoing annual debt payments and other related costs. The County will issue debt not to exceed 60% of the total capital costs of the project.

b) The County enjoys a very good credit rating and does not wish this rating to be negatively impacted. Before the County considers a proposal to assist a 501(c)(3) non-profit agency by issuing tax exempt revenue bonds to finance a capital project, the agency and the County must comply with the following. The conditions listed below are in addition to the applicable requirements contained in this section of the County's Financial and Budget Policies.

c) Preconditions:

i) The agency must be an IRS 501(c)(3) organization and must demonstrate that it cannot obtain conventional financing at a reasonable cost.

ii) In general, it is intended that the County will be assisting small to medium size agencies that have total annual revenues from all sources of at least $1,000,000 but not greater than $10,000,000

iii) The planned use of the revenue bond proceeds must be consistent with County policy priorities or benchmarks.

iv) The agency must provide the County with five years of historical financial information and operational trends.

v) The agency must provide the County with a capital and business expansion plan including a five year revenue and expenditure forecast.

vi) The agency must demonstrate its ability to conduct a capital fund raising campaign.

vii) The agency must be non-discriminatory in providing access to its services and in its employment practices.

d) **Cost Responsibilities:**

i) The agency is responsible for 100% of the capital project costs. The County will assist the agency by issuing tax exempt revenue bonds to finance no more than 60% of the capital project and related allowable debt issuance costs. The agency is responsible for raising the remaining project funds.

ii) The agency is responsible for all bond issuance costs.

iii) Unless granted an exception by the Chair, County administrative costs are to be reimbursed by the agency or capitalized as part of the debt to be repaid by the agency.

iv) The agency is responsible for all ongoing costs related to the financing. These include annual debt payments, paying agent costs, or other related costs. The agency is obligated for the term of the financing and may not have the option of a "nonappropriation" clause.

v) Before the County issues the debt, the agency must have raised 75% of the project funds for which it is responsible; with the County's administrative agreement, a portion of those funds may be in the form of well- secured promissory notes from grantors or private contributors; the remaining agency contributions must be deposited before matching debt funds are released, on a schedule negotiated in the contract for each project.

vi) It is expected that all private funds will be collected within one year of the County's approval of the bond financing partnership. If the private funds are not collected within two years of the County's approval of bond financing, the County shall no longer be considered as committed to the revenue bond financing partnership.

e) **Other Conditions:**

i) The County must have title, or first lien rights if the escrow agent holds title on behalf of the lender, to the property while debt is outstanding.

ii) The agency must provide the County an unencumbered cash reserve in the amount equal to at least six monthly payments or make monthly installment payments equal to 1/12 of the annual debt service requirement. Any interest earned on these funds remains the property of the County and will be used to offset administration costs. Payments are to begin upon the issuance of the debt. This reserve is in addition to any reserves required by the financing.

iii) The County will conduct a risk analysis and fully disclose this information to the Board prior to approval of the debt. The County reserves the right to have a third party perform a credit analysis.

iv) The Board must approve of the financing by resolution

v) Contractual language must be in place to protect the County in case of late payments or default by the agency.

vi) The agency must provide an annual, independently audited financial report to the County.

f) **Non-Profit Revenue Bond Limits:**

i) In general, the County will not provide revenue bond financing for a non-profit agency for any project that is under $1,000,000 or over $4,000,000. in bonded indebtedness.

ii) In accordance with the County's financial policy for long-term debt, the combined long-term debt of the County shall not exceed 5% of the County's General Fund revenues. Further, the issuance of revenue bonds in partnership with non-profit agencies shall be limited so as not to exceed 25% of the remaining available long-term debt capacity or $8,000,000 of principal, whichever is less.

iii) The maximum term of revenue bonds issued under this policy will not exceed 15 years.

g) **Administration of this Policy Section:**

i) The Finance Division is responsible for coordinating the overall process of accepting and reviewing proposals by non-profits to enter into partnership with the County for revenue bond financing and for making recommendations to the Chair in considering these requests.

ii) County operating department(s) with related programs are responsible for analyzing proposals for conformity with related program policy guidelines

iii) The Finance Division is responsible for analyzing proposals for conformity with these financial policy guidelines and for implementing revenue bond financing partnerships, as approved.

9. Hospital Authority: It is the policy of the Board to issue revenue bonds for hospital facilities as authorized by Resolution 98-1 adopted by the Board of County Commissioners, acting as Hospital Authority, on December 3, 1998.

STATUS:
The following shows the County's outstanding obligations as of July 1, 1999:($ in thousands)

Description	Moody's Rating	Dated	Maturity Date	Amount Issued	Principal Outstanding	1999/2000 Prin & Int Payment
Short Term Notes "TRANS"	MIG 1	7/1/99	6/30/00	$ 11,000	$ 11,000	$ 11,495
General Obligation Bonds	Aa1	10/1/96	10/1/16	$ 79,700	$ 34,465	$ 5,433
	Aa1	10/1/96	10/1/16	29,000	14,570	4,136
	Aa1	3/1/94	10/1/13	$ 22,000	6,865	$ 1,153
	Aa1	9/1/94	10/1/14	9,000	2,155	420
	Aa1	2/1/99	10/1/16	66,115	66,115	3,407
				$205,815	$ 124,170	$14,549
Revenue Bonds						
RCC Series 1998	A3	10/1/98	10/1/14	$3,155	$3,155	134
Certificates of Participation						
1999 Multnomah Building	Aa3	4/1/99	8/1/19	$ 36,125	$ 36,125	$ 1,334
1998 JJC Refunding & New	Aa3	2/1/98	8/1/17	48,615	$ 44,745	5,895
1993 A & B Health Facilities	Aa3	5/1/93	7/1/13	19,890	12,745	1,665
1990 Probation Building	Aa3	7/1/90	7/1/99	455	115	59
1995 Equipment	A1	3/1/95	9/1/99	2,455	535	548
1996 Equipment	A1	6/1/96	12/1/00	1,845	790	412
				$145,385	$ 96,730	$ 9,915
Leases and Contracts						
Portland Building	N/A	1/22/81	1/22/08	$ 3,475	$ 2,024	$ 332
IXerox Computer Leases	N/A	9/1/97	9/1/02	249	129	60
IBM Computer Lease	N/A	3/10/99	4/1/02	1,657	1,657	584
Ameritech Lease	N/A	1/10/96	1/10/00	317	70	74
				$ 5,983	$ 3,880	$1,050
			Sub total		$100,610	$10,965
			Deduct:			
			IBM Lease		($1,657)	($584)
			ISD Leases		(3,712)	(1,176)
			Xerox Lease		(129)	(60)
Governmental Fund Type Supported Debt Payment					$95,112)	$9,145

REMAINING BORROWING CAPACITY	
Debt Capacity (Supported by General Government Fund Types Only)	
199-2000 General Fund Revenues	$ 289,385
	0.05
5% Limitation Dollar Amount	$ 14,469
Lease/Debt Capacity Used	$ (9,145)
Annual Payment Available	$ 5,324
Estimate Principal Value Available	$ 63,900

G. O. Bonded Debt Per Capita	$ 193
Gross Debt Per Capita	$ 355