

BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR
MULTNOMAH COUNTY

(In the matter of the adoption of the)	
(1997-98 Budget for Mid County Street Lighting,)	RESOLUTION
(Service District No. 14, for the Fiscal Year July 1, 1997)	97-117
(to June 30, 1998 and making the appropriations)	
(thereunder, pursuant to ORS 294.435)	

WHEREAS the above entitled matter is before the Board to consider the adoption of the budget for Mid County Street Lighting Service District No. 14 for the fiscal year July 1, 1997 to June 30, 1998; and

WHEREAS the Mid County Street Lighting Service District No. 14 budget as prepared by the duly appointed Budget Officer has been considered and approved by the Board and said budget has been duly certified by the said Tax Supervising and Conservation Commission with recommendations; and

WHEREAS said budget as certified is on file in the Budget and Quality Office of Multnomah County; and

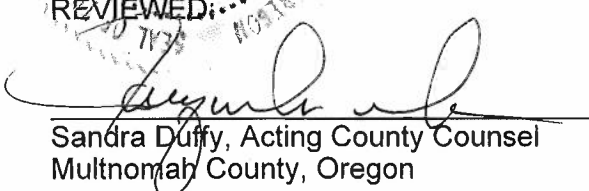
WHEREAS the Board has responded to the recommendations from the Tax Supervising and Conservation Commission, which responses are attached to this Resolution as Attachment A,

NOW THEREFORE BE IT RESOLVED that the budget, including Attachment B, is hereby adopted as the budget of Mid County Street Lighting Service District No. 14 and the appropriations are authorized for the fiscal year July 1, 1997 to June 30, 1998 as follows.

Fund	Appropriation	
General Fund		
	Materials and Services	220,000
	Capital Outlay	150,000
	Contingency	25,000
	Total Requirements	395,000

ADOPTED this 19th day of June 1997.




Sandra Duffy, Acting County Counsel
Multnomah County, Oregon

Board of County Commissioners
Multnomah County, Oregon

By 
Beverly Stein, Chair



Multnomah County

Service District

Adopted **Budgets**

June 19, 1997

Fiscal Year 97-98

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INTRODUCTION

Multnomah County Service Districts have been created under the provisions of the Oregon Revised Statutes, Chapter 451, to provide construction and operation of sanitary sewer systems and to provide street lighting in particular areas of the County. The Multnomah County Board of Commissioners serves as the Governing Body of each Service District. The Budget Committee for each Service District consists of the members of the Governing Body and residents of the Service District appointed by the Governing Body for terms of three years.

The annual budget for each Service District is prepared under the direction of a Budget Officer designated by the Governing Body. The Budget Committee reviews the annual budget and approves it, either as submitted by the Budget Officer or with revisions requested by the Budget Committee.

This fulfills the requirements of Local Budget Law (ORS 294), which provides specific methods for obtaining public views and enable the public to be informed about financial policies and administration of the districts.

EXPLANATION OF THE BUDGET DOCUMENT

This document consists of a detailed display of the Resources and Requirements of each of the two Service Districts in Multnomah County.

Preceding the financial information for each Service District is a brief Budget Message which discusses special items pertaining to the individual Service District, including any major changes in either Resources or Requirements.

SERVICE DISTRICT FINANCIAL POLICIES

Management of all Service Districts is conducted by the Multnomah County Department of Environmental Services. Each Service District is, however, a separate and independent financial entity. To this end, all expenses incurred by a Service District, including contractual engineering support and management by Multnomah County Department of Environmental Services and Finance Division, are met with revenue from sewer user charges and connection fees and/or assessments to real property within the street lighting or sewer Service District.

Under the Accrual Basis of accounting, all revenues are recorded at the time they are earned and expenditures are recorded at the time liabilities are incurred. Budgets and comparative historical cost summaries are prepared utilizing these bases. This practice conforms to Oregon Budget Law.

For financial statement purposes, each Service District is treated as an Enterprise Fund and accounted for on the accrual basis of accounting. This practice conforms to generally accepted accounting principles (GAAP).

SUMMARY OF REQUIREMENTS

<u>DESCRIPTION</u>	<u>ACTUAL 94-95</u>	<u>ACTUAL 95-96</u>	<u>BUDGET 96-97</u>	<u>PROPOSED 97-98</u>
Sewer Service District No. 1 DUNTHORPE RIVERDALE	616,542	684,209	681,000	699,000
Street Lighting Svc. Dist. No. 14 MID COUNTY	<u>839,525</u>	<u>891,276</u>	<u>1,093,000</u>	<u>951,000</u>
TOTAL	<u>1,456,067</u>	<u>1,575,485</u>	<u>1,774,000</u>	<u>1,650,000</u>

REIMBURSEMENTS TO COUNTY
1996-97 CHARGES BY MULTNOMAH COUNTY TO SERVICE DISTRICTS

<u>SERVICE DISTRICT</u>	<u>ROAD FUND</u>	<u>GENERAL FUND</u>	<u>TOTAL</u>
Dunthorpe Riverdale	7,000	6,000	13,000
Mid County	<u>20,000</u>	<u>15,000</u>	<u>35,000</u>
TOTAL	<u>27,000</u>	<u>21,000</u>	<u>48,000</u>

BUDGET MESSAGE

DUNTHORPE RIVERDALE SERVICE DISTRICT NO. 1

This district was formed in the middle 1960's and by 1970 had removed a significant source of pollution from the Willamette River. Its 557 clients are mainly located in unincorporated Multnomah County with a few customers in northern Clackamas County and the City of Portland.

The district's lines are maintained by the City of Portland and its sewage flow is treated at Portland's Tryon Creek Treatment Plant. The three pump stations planned for reconstruction last year were postponed until this year due to environmental constraints. The cost for the three projects is estimated to be \$420,000.00. This money has been set aside in a sinking fund allocated to cover the costs associated with depreciated facilities.

The present service charge is \$32.50 per month. The proposed service charge is \$36.50 per month. The increase in the service charge is to reflect the 12.1% increase from the City of Portland for services and treatment and to re-establish over time the sinking fund to an adequate level to provide for future maintenance needs.

In accordance with the stated position of the District's governing body, the unappropriated balance is intended to fund the depreciation of the District's facilities.

RESOURCES

FORM LB-20

General
Name of Organizational Unit - Fund

Dunthorpe Riverdale Service Dist. No. 1
Name of Municipal Corporation

	HISTORICAL DATA			RESOURCE DESCRIPTION	Budget for Next Year: 1997 - '98			
	Actual		Adopted Budget This Year '96 - '97		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year: '94 - '95	First Preceding '95 - '96						
				PERSONAL SERVICES				
1.				1. * Available Cash on Hand (Cash Basis), or				1.
2.	\$464,065	\$464,531	\$460,000	2. * Net Working Capital (Accrual Basis)	\$460,000	\$460,000	\$460,000	2.
3.				3. Previously Levied Taxes Estimated to be Received				3.
4.	\$28,831	\$55,158	\$1,000	4. Interest	\$1,500	\$1,500	\$1,500	4.
5.				5. OTHER RESOURCES				5.
6.	\$5,000	\$7,490	\$10,000	6. Connection Fees	\$7,500	\$7,500	\$7,500	6.
7.	\$118,646	\$157,030	\$210,000	7. Sewer Users Service Charge	\$230,000	\$230,000	\$230,000	7.
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26.				26.				26.
27.				27.				27.
28.				28.				28.
29.	\$616,542	\$684,209	\$681,000	29. Total Resources, Except Taxes to be Levied	\$699,000	\$699,000	\$699,000	29.
30.				30. Taxes Necessary to Balance Budget				30.
31.				31. Taxes Collected in Year Levied				31.
32.	\$616,542	\$684,209	\$681,000	32. TOTAL RESOURCES	\$699,000	\$699,000	\$699,000	32.

EXPENDITURE SUMMARY
BY FUND, ORGANIZATIONAL UNIT OR PROGRAM
 General
 Name of Organizational Unit - Fund

Dunthorpe Riverdale Service Dist. No. 1
 Name of Municipal Corporation

	HISTORICAL DATA			EXPENDITURE DESCRIPTION	Budget for Next Year: 1997 - '98			
	Actual		Adopted Budget This Year '96 - '97		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year: '94 - '95	First Preceding '95 - '96						
				PERSONAL SERVICES				
1.				1.				1.
2.				2.				2.
3.				3.				3.
4.				4.				4.
5.				5.				5.
6.				6.				6.
7.				7. TOTAL PERSONAL SERVICES				7.
				MATERIALS AND SERVICES				
8.				8. Multnomah County Charges:				8.
9.	\$3,326	\$5,051	\$6,000	9. General Fund Service Reimbursement	\$7,000	\$7,000	\$7,000	9.
10.	\$1,200	\$218	\$7,000	10. Road Fund Service Reimbursement	\$7,000	\$7,000	\$7,000	10.
11.	\$146,000	\$138,605	\$210,000	11. City of Portland Charges	\$210,000	\$210,000	\$210,000	11.
12.	\$187	\$240	\$500	12. Utilities	\$500	\$500	\$500	12.
13.	\$1,250	\$1,887	\$3,500	13. Miscellaneous	\$3,500	\$3,500	\$3,500	13.
14.	\$152,011	\$146,001	\$227,000	14. TOTAL MATERIAL AND SERVICES	\$228,000	\$228,000	\$228,000	14.
				CAPITAL OUTLAY				
15.			\$420,000	15. City of Portland Pump Station Reconstruction	\$420,000	\$420,000	\$420,000	15.
16.				16. Drainage Study	\$20,000	\$20,000	\$20,000	16.
17.				17.				17.
18.				18.				18.
19.				19.				19.
20.				20.				20.
21.			\$420,000	21. TOTAL CAPITAL OUTLAY	\$440,000	\$440,000	\$440,000	21.
				TRANSFERRED TO OTHER FUNDS				
22.				22.				22.
23.				23.				23.
24.				24.				24.
25.			\$20,000	25. General Operating Contingency	\$20,000	\$20,000	\$20,000	25.
26.			\$20,000	26. TOTAL TRANSFERS & CONTINGENCIES	\$20,000	\$20,000	\$20,000	26.
27.	\$152,011	\$146,001	\$667,000	27. TOTAL EXPENDITURES	\$688,000	\$688,000	\$688,000	27.
28.	\$464,531	\$538,208	\$14,000	28. UNAPPROPRIATED ENDING FUND BALANCE	\$11,000	\$11,000	\$11,000	28.
29.	\$616,542	\$684,209	\$681,000	29. TOTAL	\$699,000	\$699,000	\$699,000	29.

BUDGET MESSAGE

MID COUNTY SERVICE DISTRICT NO. 14

This county service district (originally known as Tulip Acres Lighting District when formed in 1967), now includes virtually all the unincorporated urban area of Multnomah County, as well as the cities of Fairview, Maywood Park and Troutdale.

District growth has stabilized due to the completion of the majority of the annexations, but is experiencing a mild increase due to development. The major change in this budget from last year is the deletion of the income and expenditures related to the potential service area subject to the Supreme Court decision. The portion of the District budget that covered this area was not used last year and is not anticipated to be necessary this budget period. Should a decision be reached requiring action this year, a supplemental budget will be prepared for approval.

The district has been able to operate at the reduced rate of \$35 per home per year and proposes to remain at this rate next year.

RESOURCES

FORM LB-20

General
Name of Organizational Unit - Fund

Mid-County Service Dist. No. 14
Name of Municipal Corporation

	HISTORICAL DATA			RESOURCE DESCRIPTION	Budget for Next Year: 1997 - '98			
	Actual		Adopted Budget This Year '96 - '97		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year: '94 - '95	First Preceding '95 - '96						
				PERSONAL SERVICES				
1.				1. * Available Cash on Hand (Cash Basis), or				1.
2.	\$635,119	\$684,356	\$700,000	2. * Net Working Capital (Accrual Basis)	\$740,000	\$740,000	\$740,000	2.
3.	\$25,124	\$8,280	\$12,000	3. Previously Levied Taxes Estimated to be Received	\$10,000	\$10,000	\$10,000	3.
4.	\$35,979	\$42,728	\$30,000	4. Interest	\$40,000	\$40,000	\$40,000	4.
5.				5. OTHER RESOURCES				5.
6.	\$143,303	\$155,759	\$350,000	6. Assessments	\$160,000	\$160,000	\$160,000	6.
7.		\$153	\$1,000	7. Sundry	\$1,000	\$1,000	\$1,000	7.
8.				8.				8.
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25.				25.				25.
26.				26.				26.
27.				27.				27.
28.				28.				28.
29.	\$839,525	\$891,276	\$1,093,000	29. Total Resources, Except Taxes to be Levied	\$951,000	\$951,000	\$951,000	29.
30.				30. Taxes Necessary to Balance Budget				30.
31.				31. Taxes Collected in Year Levied				31.
32.	\$839,525	\$891,276	\$1,093,000	32. TOTAL RESOURCES	\$951,000	\$951,000	\$951,000	32.

EXPENDITURE SUMMARY
BY FUND, ORGANIZATIONAL UNIT OR PROGRAM
 General
 Name of Organizational Unit - Fund

Mid-County Service Dist. No. 14
 Name of Municipal Corporation

	HISTORICAL DATA			EXPENDITURE DESCRIPTION	Budget for Next Year: 1997 - '98			
	Actual		Adopted Budget This Year '96 - '97		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year: '94 - '95	First Preceding Year: '95 - '96						
				PERSONAL SERVICES				
1.				1.				1.
2.				2.				2.
3.				3.				3.
4.				4.				4.
5.				5.				5.
6.				6.				6.
7.				7. TOTAL PERSONAL SERVICES				7.
				MATERIALS AND SERVICES				
8.	\$7,968	\$12,875	\$15,000	8. MULTCO General Fund Services	\$15,000	\$15,000	\$15,000	8.
9.	\$2,032	\$1,091	\$20,000	9. MULTCO Road Fund Services	\$20,000	\$20,000	\$20,000	9.
10.	\$142,859	\$144,928	\$400,000	10. Utilities	\$175,000	\$175,000	\$175,000	10.
11.	\$2,310	\$4,918	\$10,000	11. Miscellaneous	\$10,000	\$10,000	\$10,000	11.
12.				12.				12.
13.				13.				13.
14.	\$155,169	\$163,812	\$445,000	14. TOTAL MATERIAL AND SERVICES	\$220,000	\$220,000	\$220,000	14.
				CAPITAL OUTLAY				
15.	\$1,259		\$150,000	15. Equipment	\$150,000	\$150,000	\$150,000	15.
16.				16.				16.
17.				17.				17.
18.				18.				18.
19.				19.				19.
20.				20.				20.
21.	\$1,259		\$150,000	21. TOTAL MATERIAL AND SERVICES	\$150,000	\$150,000	\$150,000	21.
				TRANSFERRED TO OTHER FUNDS				
22.				22.				22.
23.				23.				23.
24.				24.				24.
25.			\$75,000	25. General Operating Contingency	\$25,000	\$25,000	\$25,000	25.
26.			\$75,000	26. TOTAL TRANSFERS & CONTINGENCIES	\$25,000	\$25,000	\$25,000	26.
27.	\$156,428	\$163,812	\$670,000	27. TOTAL EXPENDITURES	\$395,000	\$395,000	\$395,000	27.
28.	\$683,097	\$727,464	\$423,000	28. UNAPPROPRIATED ENDING FUND BALANCE	\$556,000	\$556,000	\$556,000	28.
29.	\$839,525	\$891,276	\$1,093,000	29. TOTAL	\$951,000	\$951,000	\$951,000	29.

ATTACHMENT A

The Board makes the following responses to the recommendations of the Tax Supervising and Conservation Commission contained in the letter certifying the 1997-98 Mid County Service District budget.

1. Budget Committee Membership

The Transportation Division and the Budget and Quality Office will work with your office to make sure citizen members are included on the budget committee for the 1997-98 budget. The suggested combination of the service district budget committee hearing with hearings by one or more of the small east county cities is one we will pursue.

2. Size and Use of District Reserves

The size of the Mid County Street Lighting District Reserve is an interesting problem and before preparing the 1998-99 budget, the Transportation Division and the Budget and Quality Office will look for reasonable ways to make use of it.

3. Administrative Charges – Road Fund

The charges to the service district for Road Fund support will be examined and will be corrected if they are being underrecovered.

4. Streetlight Electricity Contract with PGE

The Transportation Division will review the circumstances that allowed Portland to renegotiate its streetlight contract and determine whether the Mid County Street Lighting District should pursue similar negotiations.

TAX SUPERVISING & CONSERVATION COMMISSION
MULTNOMAH COUNTY, OREGON

June 9, 1997

724 Mead Building 421 S.W. Fifth Avenue

Portland, Oregon 97204-2189 Voice (503) 248-3054
FAX (503) 248-3053 E Mail TSCC@aol.com

Board of Commissioners
Mid-County Street Lighting Service District
1510 Portland Building
Portland, Oregon 97204

BOARD OF
COUNTY COMMISSIONERS
97 JUN 12 PM 2:51
MULTNOMAH COUNTY
OREGON

Dear Board Members:

The Commission has completed review and consideration of the Mid-County Street Lighting Service District's 1997-98 budget. This review was undertaken pursuant to ORS 294.605-705 to confirm compliance with applicable laws and to determine the adequacy of estimates necessary to support efficient and economical administration of the district.

The 1997-98 budget, filed June 5, 1997, is hereby certified with no objections and the following recommendations. Estimates were judged to be reasonable for the purposes shown and the document was found to be in substantial compliance with the law.

Recommendations:

1. Budget Committee Membership

-The district is required to appoint a Budget Committee including five non-elected citizens. We noted that this year's Budget Committee contained no citizen members. Smaller districts such as yours often have difficulty filling vacant budget committee positions. As discussed, you could probably increase your citizen involvement by holding next year's budget meeting in the evening, and in East County - possibly at the same time and place as the City of Fairview, Troutdale or Maywood Park budget meeting. One of the County Commissioners would need to attend as well. Our understanding is that staff informally met with the Troutdale Budget Committee this year, and will attempt to formalize the arrangement next year.

2. Size and Use of District Reserves

-The district's fund balance is over three times the size of its annual operating budget. We recommend the district establish a formal policy guiding the use and control of these resources. One option would be to lower rates. Another option would be to research the economics of purchasing all streetlights and poles within the district. Finally, the district could also evaluate the legality of using reserves for non traditional use - such as for utility under-grounding. We note that your enabling statutes (451.010(c)) grant you the ability to provide "street lighting works, *including all facilities necessary* for the lighting of streets and highways."

Commissioners

**Richard Anderson, Anthony Jankans, Roger McDowell,
Charles Rosenthal, Ann Sherman**

3. *Administrative Charges - Road Fund*

Prior year county road fund charges to the district have been substantially less than budget. It appears that either the amount budgeted is overstated, or that county staff is undercharging the district for the time and expense involved in managing the district's operation.

4. *Streetlight Electricity Contract with PGE*

We noted that the City of Portland recently re-negotiated its streetlight electricity contract with PGE for considerable savings. We're not at all certain that the same circumstances apply to the district's contract. We simply wanted to make you aware of city's action - if you weren't already.

Budget estimate amounts certified are as follows:

General Fund	\$ 951,000
Unappropriated Balance	(556,000)

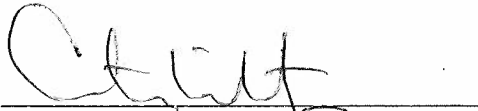
The budget committee should be advised of the Commission's recommendations and that the budget has been transmitted to the Board for subsequent advertising, hearing, adjustment if needed, and adoption. Responses to Commission recommendations should be included in either the adopting resolution, or within an accompanying letter.

Please file a copy of the adopted budget and supporting documentation within 15 days of adoption. This filing should include a copy of the budget, a copy of each LB form, proof of publication and the adopting resolutions.

Thanks to staff for their efforts and assistance. Please let us know if we can further assist.

Yours very truly,

TAX SUPERVISING & CONSERVATION COMMISSION



Courtney Wilton
Administrative Officer

CW:jr