

Clerk of the Board



GLADYS McCOY, Multnomah County Chair

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BOARD OF
COUNTY COMMISSIONERS
1988 MAY 18 PM 1:20
MULTNOMAH COUNTY
OREGON

MEMORANDUM

TO : Finance Committee
DATE : 5/18/88
RE : FINANCE COMMITTEE MEETING REMINDER & AGENDA

Meeting: WEDNESDAY MAY 25, 1988 - 10:00 a.m.
Commission Boardroom

AGENDA

1. Administrative Procedures/User Fee Schedule Resolution - Jack Horner
2. Fiscal Management Ordinance - Dave Boyer
3. Investment Policy Status Report - Dave Boyer
4. Financing Marine Facilities - Paul Yarborough
5. Gill Building Purchase - F. Wayne George
6. Financing Sheriff's Storage Building - F. Wayne George

PENDING:

1. Inmate Welfare Fund Status Report
2. Indirect Costs

GM:ddf

FINANCE COMMITTEE MEETING MINUTES
WEDNESDAY MAY 25, 1988

BOARD OF
COUNTY COMMISSIONERS
1988 JUN - 1 PM 12:57
MULTNOMAH COUNTY
OREGON

MEMBERS

PRESENT: Commissioner Gladys McCoy, Chair; Commissioner Caroline Miller
Linda Alexander; Jack Horner; George Brower

OTHERS

PRESENT: Dave Boyer; Wayne George; Paul Yarborough; Duane Zussy; Merrie
Ziady; Charles Ciecko; James Smith

The meeting was convened at 10:10 a.m. by Chair McCoy.

1) Jack Horner reported that more time was needed to prepare the User Fee Schedule draft resolution and administrative rules. The item will be placed on the agenda in June.

2) Dave Boyer reported on the Fiscal Management Ordinance amendment. After discussion, the following changes were recommended:

a. section M 1. on Page 5 will be reworded to clarify "internal controls, accountability and auditability of systems";

b. language will be added to section M 2. on Page 5 clarifying the need for outside financial consultants to maintain a dialog with the Finance Office to evaluate the financial impact of their findings on the County.

Dave Boyer will make these suggested changes and return this item to the Finance Committee in June.

3) The County Investment Policy as presented by Dave Boyer will be forwarded to the Board for approval.

4) Paul Yarborough and Charles Ciecko presented a proposal for financing county marine facilities. The proposal refers to diversion of motor boat fuel taxes for maintenance and acquisition of boating facilities within Multnomah County. John DuBay, Assistant County Counsel, reported that according to State statute motor boat fuel taxes are not dedicated to road fund purposes. In order to use motor boat fuel tax dollars collected for the proposed purpose (funding marine facilities), the County Ordinance would have to be changed. Mr. DuBay submitted a detailed memorandum of his findings which is attached to these minutes.

Paul Yarborough asked for and received Committee approval of the concept for funding marine facilities in this manner. The Ordinance draft will include language dedicating motor boat fuel tax receipts to a fund for "Boating and Marine Facilities Owned and Operated by Multnomah

County". Charles Ciecko, Paul Yarborough and John DuBay will work on an Ordinance revision to present directly to the Board of Commissioners.

5) Paul Yarborough, F. Wayne George and Duane Zussy asked for Committee input regarding addition of the following into the finance package for the Gill Building purchase:

- a) remodel of the basement into a permanent location for the County Employee Development Program;
- b) minor elevator repair work;
- c) partitions on the 7th, 8th and 9th floors;
- d) conversion of the mezzanine area into additional office space for word and data processing personnel.

Commissioner Miller asked for an accounting of funds believed previously allocated for remodeling of the mezzanine area. Mr. George will report back to the Committee on this issue at the next meeting.

Commissioner Miller also asked for a comprehensive, long-range use plan for the Gill Building so that the Board can be assured that all the space is put to the best possible use and is not being constantly remodeled and repaired. Wayne George said that he would be ready to present the Long Range Space Plan to the Finance Committee in a couple of weeks.

Dave Boyer of the Finance Office indicated that it is not in the County's best interest to lease in excess of 10% of the building because of tax implications.

The concerns addressed in a letter from Local 88 were discussed. Commissioner McCoy asked Wayne George to prepare a response to the Board addressing the Local 88 concerns. A copy of the letter will be distributed to members of the Finance Committee.

The Board is committed to the purchase of the Gill Building, but the Finance Committee agreed that the requested additions to the finance package need further study. Prior to the deadline for putting the financing package together, the 3rd week in June, and prior to the next Finance Committee meeting, Commissioner Miller and other Commissioners will be shown the facility and given a model for recommended space usage. This matter will be continued at the June 15 Finance Committee meeting.

6) After discussion of financing the Sheriff's storage facility, the Committee approved the theory of purchasing the land

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adjacent to the Hansen Building and building a storage facility on that site. It was generally agreed that this proposal from Wayne George and Chuck Fessler made good fiscal and long range planning sense and the two were asked to proceed with their study of the plan and report their recommendations directly to the Board.

7) The next meeting of the Finance Committee will be Wednesday June 15th at 10:00 a.m. in the Commission Boardroom.

The meeting was adjourned at 12:08 p.m.

FC:ddf
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How on the Bk.



MULTNOMAH COUNTY OREGON

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TO: Charlie Ciecko, Superintendent
DES Parks

FROM: Noelle Billups *NB*
Assistant County Counsel

DATE: November 30, 1987

RE: Fuel Tax on Motor Boat Fuel

You have asked whether motor boat fuel taxes is subject to the city-county transfer agreement. The answer is no. Our contract with the City requires that the County transfer a proportion of County road revenue to the City based upon a certain formula. The funds to be transferred as "county road revenue" are defined at Art. II §5 of the contract:

County Road Revenues. All revenues received by the County from its share of the Oregon State Highway Funds pursuant to ORS 366.525 to ORS 366.540, the Federal Forest Reserve Yield pursuant to ORS 293.560, the County fuel tax and all future revenues sources dedicated for road purposes.
(Emphasis added.)

Thus, taxes which are not dedicated to road fund purposes are not subject to transfer.

Former Art. IX § 3 of the Oregon Constitution allowed gas tax revenue to be used for "parks, recreational, scenic or other historic places." Art. IX § 3 was amended in 1980 to delete the provision allowing for gas taxes to be used for

Charlie Ciecko
November 30, 1987
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parcs and recreational facilities. All motor vehicle tax revenue is now limited to road purposes and roadside rest areas. However, in a letter opinion dated April 12, 1979 to Director Brad Morris of the State Marine Board (OP-7745), the Attorney General held that taxes on motor boat fuel are not taxes on motor vehicle fuel. For that reason, the Attorney General concluded that unrefunded recreational motor boat fuel tax could be diverted to the State Marine Board. The opinion was prospective in that it considered the effect of the proposed (later) amendment. According to the Attorney General's opinion, motor boat fuel taxes are thus not subject to Art. IX §3 (even as amended) and are not dedicated solely to road purposes. Since the motor boat fuel tax is not dedicated to road purposes, it is not subject to transfer under the contract.

cc: Paul Yarborough
Larry Kressel

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Clerk of the Board