



Program #10026 - Capital Debt Retirement Fund **FY 2026 Department Requested**

Department: Nondepartmental **Program Contact:** Eric Arellano
Program Offer Type: Operating **Program Offer Stage:** Department Requested
Related Programs:
Program Characteristics:

Program Description

Multnomah County is currently making debt payments on the following obligations:

- Series 2010B (\$15 million) - Full Faith & Credit
- Oregon Transportation Investment Bank (OTIB) (\$3.2 million) - Intergovernmental Loan
- Series 2017 (\$164.1 million) - Full Faith & Credit
- Series 2019 (\$16.075 million) - Full Faith & Credit (Bank Placement Loan)
- Series 2021 (\$89.58 million) - Full Faith & Credit (Refunding - Sellwood Bridge Bonds)
- Series 2022 (\$25.095 million) - Full Faith & Credit (Bank Placement Loan)

The outstanding debt issues have funded a number of capital improvements and acquisitions. These include the construction of the East County Courthouse and the new downtown Multnomah County Courthouse, the Sellwood Bridge replacement project, the new Health Department Headquarters building, the implementation of a new Enterprise Resource Planning (ERP) system, and the NEPA/Design/Right of Way phases of the Earthquake Ready Burnside Bridge capital project. All binding obligations were approved by the Board of County Commissioners.

Multnomah County's credit is rated Aaa by Moody's Investors Services and AAA by Standard & Poor's - both represent the highest rating awarded for governmental debt. The firms cited Multnomah County's stable governing board, strong budget management, low debt levels, effective funding/management of long term liabilities, adequate reserves and large and stable tax base.

Performance Measures

Measure Type	Performance Measure	FY24 Actual	FY25 Budgeted	FY25 Estimate	FY26 Target
Output	Moody's Rating of Aa1 or Better	1	1	1	1
Outcome	Debt Service Payments Made as Scheduled	100%	100%	100%	100%

Performance Measures Descriptions

Maintaining an investment grade bond rating limits the amount the County might otherwise have to pay towards annual debt service. In 2017, Moody's and Standard & Poor's upgraded all Multnomah County full faith and credit debt to Aaa and AAA, respectively. (1)-indicates Moody's Aa1 (or better) rating, (0)-represents a rating lower than Aa1. All principal and interest payments are made on time in order to maintain an investment grade rating on the bond issue. Multnomah County has never defaulted on a debt payment.

Legal / Contractual Obligation

Principal and interest on the full faith and credit obligations and intergovernmental agreements are a binding debt obligation of the County. All debt issues and refundings were approved by various resolutions adopted by the Board of County Commissioners.

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Department Requested General Fund	Department Requested Other Funds
Program Expenses	2025	2025	2026	2026
Contractual Services	\$0	\$4,000	\$0	\$3,000
Debt Service	\$0	\$23,894,539	\$0	\$23,854,815
Unappropriated & Contingency	\$0	\$775,190	\$0	\$1,142,220
Total GF/non-GF	\$0	\$24,673,729	\$0	\$25,000,035
Program Total:	\$24,673,729		\$25,000,035	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Intergovernmental	\$0	\$202,336	\$0	\$172,526
Other / Miscellaneous	\$0	\$23,695,203	\$0	\$23,684,289
Interest	\$0	\$40,000	\$0	\$40,000
Beginning Working Capital	\$0	\$736,190	\$0	\$1,103,220
Total Revenue	\$0	\$24,673,729	\$0	\$25,000,035

Explanation of Revenues

Debt service payments are collected from departments through internal service reimbursements and passed through to the Capital Debt Retirement Fund.

Per House Bill 4093, a District Court surcharge on certain traffic and parking fines will support the Central Courthouse capital construction project.

Significant Program Changes

Last Year this program was: FY 2025: 10026 Capital Debt Retirement Fund