

# Appendix

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# Appendix

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### Basis of Accounting

Modified accrual accounting is used for the General, Special Revenue, Capital Project and Debt Service Funds. All other funds use the accrual basis of accounting. The County's accounting practices conform to generally accepted accounting principals (GAAP), and with the standards of financial reporting developed by the Government Finance Officers Association of the United States and Canada and the Government Accounting Standards Board. The Government Finance Officers Association of the United States and Canada has awarded the Certificate of Achievement for Excellence in Financial Reporting to Multnomah County for the fiscal years ending 1984 through 2003 and 2007.

The fiscal year runs from July 1 through June 30.

### Audits

In accordance with the Oregon Municipal Audit Law (ORS 297.405 – 297.555 and 297.990) an audit is conducted at the end of each fiscal year by independent certified public accountants selected by approval of the Board of County Commissioners. This requirement has been complied with and the financial statements have received an "unqualified opinion" from the auditors. Such an opinion indicates there was no limitation on the scope of the auditor's examination and the financial statements were prepared in accordance with generally accepted accounting principles. The County's audit for fiscal year 2006 was performed by Moss Adams LLP, CPAs, Eugene, Oregon.

### General Fund

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

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

Debt Service Funds	<i>These exist until all long-term debt is repaid. Once debt is repaid, any remaining receipts in the fund are returned to the originating jurisdiction or the General Fund.</i>
Revenue Bond Sinking Fund	This accounts for the principal and interest (P&I) payments on bonds issued to acquire and construct non-profit facilities financed in partnership with the County. The revenues are derived from lease of the facilities constructed with bond proceeds and from the pledge of the Motor Vehicle Rental Tax, a General Fund Revenue.
Capital Debt Retirement Fund	This accounts for the P&I payments on limited tax obligation bonds; for full faith and credit obligations; and for Certificates of Participation or other financing agreements issued to acquire equipment, land, or facilities, and/or to construct facilities for County use. Revenues are service reimbursements and cash transfers from other funds.
General Obligation Bond Fund	This accounts for the retirement of General Obligation Bonds approved in May 1993 and May 1996 to repair Central Library build the Midland Library. Proceeds are derived from property taxes and interest earned on the cash balances.
PERS Pension Bond Fund	This accounts for the principal and interest payments on pension obligation revenue bonds issued to retire the County's PERS unfunded actuarial accrued liability. The revenues are derived from charge backs to departments based on departmental personnel cost.

Special Revenue Funds	<i>Special Revenue Funds are authorized for a specific purpose and generally operate on a year-to-year basis until the Fund is discontinued or revised by proper legislative authority. If the Fund is discontinued, any excess would be returned to the originating jurisdiction or the County General Fund.</i>
Strategic Investment Program Fund	This fund accounts for revenues from large corporations receiving property tax abatements and paying fees to the County for specific purposes as part of the agreement by which those taxes were reduced. Expenditures are restricted by contractual obligations, and are at the discretion of the County for Community Service Fees. The statutorily required payment by the companies is equal to ¼ of the annual tax savings enjoyed by the company.
Road Fund	In accordance with ORS 366.524 – 366.542 and ORS 368.705, this accounts for revenues primarily received from the State motor vehicle fee apportionment, County gasoline taxes, federal reserve yield, and interest income. Expenditures are restricted by Article IX, Section 3A of the State Constitution and consist of construction, repair, maintenance, and operations of public highways and roads.
Emergency Communications Fund	This accounts for revenues received from the State Telephone Excise Tax. Expenditures are restricted for the Emergency Communication Network in conjunction with the City of Portland, (Multnomah County Code 5.90.060.)
Bicycle Path Construction Fund	This accounts for 1% of State of Oregon Motor Vehicle fees collected pursuant to ORS 366.514. Expenditures are restricted by ORS to bicycle path construction and maintenance.
Recreation Fund	This accounts for State revenue paid to counties to supplement their parks programs. The revenues are County Marine Fuel Tax and RV License Fee Sharing. The General Fund contributes an amount to cover the cost of operating tours at the Bybee-Howell historical park. The expenditures of the fund are payments made to Metro under an Intergovernmental Agreement entered into in 1994.
Federal/State Program Fund	This fund accounts for the majority of dedicated revenues and expenditures related to federal and state financial assistance programs (grants). Also accounts for General Fund contributions (match) and operational revenues.
County School Fund	This accounts for funds transferred from General Fund and Forest Reserve yield revenues received from the State pursuant to ORS 328.005 – 328.035. Funds are distributed to the County School districts.
Tax Title Land Sales Fund	Accounts for the receipt and sale of foreclosed properties. Under the provision of ORS 275.275, these revenues are distributed to the taxing districts in the County.

Animal Control Fund	This accounts for revenues from dog and cat licenses, and control fees. Cash transfers are made to the General Fund for animal control activities.
Willamette River Bridge Fund	This accounts for Oregon Motor Vehicle fees and County gas taxes transferred from the Road Fund. Expenditures are for maintenance of County Bridges.
Library Fund	This accounts for the Multnomah County Public Library operations. Property taxes from a five-year special serial levy and transfers from the General Fund are the principal revenue sources. The Multnomah County Library was established by Ordinance 649 pursuant to ORS 357.400 – 375.610.
Special Excise Taxes Fund	This accounts for a portion of the transient lodging taxes collected from hotels and motels, and motor vehicle rental tax collected from rental agencies. Expenditures are to be used for Convention Center, visitor development purposes, regional arts and culture purposes, and other uses, pursuant to County Code 11.300 and 11.400.
Land Corner Preservation Fund	This accounts for recording fees on real property transactions and surveying activities. Expenditures are made for the establishment, re-establishment, and maintenance of public corners of government surveys pursuant to ORS 203.148.
Inmate Welfare Fund	This accounts for the proceeds from the sale of commissary items. Purchases are made for supplies for inmates in County jails. Excess funds are used on amenities such as recreation equipment for the institutions.
Justice Services Special Operations Fund	This fund accounts for revenues and expenditures that are dedicated to Justice Services in the Department of Community Justice, the District Attorney's Office, and the Sheriff's Office. Revenues include fees for probation, criminal processing assessment, conciliation court, liquor licenses, the gun ordinance, and marriage licenses; forfeitures; alarm permits; and concealed weapon permits.
General Reserve Fund	This fund accounts for General Fund revenues held in reserve to be used only in case of a serious financial emergency.

Capital Projects Funds	<i>Capital Projects Funds operate until the project is completed. Upon completion, any remaining cash is transferred to the Debt Service Fund to retire debt associated with the construction or acquisition of fixed assets or to the originating source of the funds.</i>
Justice Bond Project Fund	This fund accounts for projects to expand Inverness Jail, construct new jail facilities, upgrade other jail facilities, and pay for major data processing linkages in the Corrections system. Proceeds are derived from the sale of General Obligation Bonds approved by the voters May 21, 1996 and from interest earned on these proceeds.
Capital Improvement Fund	Accounts for the proceeds derived from the sale of unrestricted property, interest income, and any service reimbursement or operating revenue from leased facilities. Expenditures are made for capital acquisitions or for the retirement of lease/purchases. Authorized by Resolution 99-144.
Capital Acquisition Fund	Accounts for capital purchases with economic payoffs of less than five years and acquisition of computer equipment. Expenditures will be reimbursed over time by service reimbursements charged to the programs for which equipment is purchased and by service reimbursement charges for the computers funded by the flat fee program.
Building Project Fund	This fund accounts for expenditures for acquiring property, for remodeling, and for construction of County facilities. Resources are derived from certificates of participation or other financing proceeds and service reimbursements from other funds.
Asset Preservation Fund	Accounts for expenditures for building maintenance such as boiler replacement, carpet replacement, roof replacement etc. It provides prospective, not deferred, maintenance. Resources are derived from an asset preservation fee that is part of the facilities charges assessed to building tenants.
Library Construction Fund	This fund accounts for the renovation of branch libraries, and upgrades to Library computer systems and linkages. Proceeds are derived from the sale of GO Bonds approved by the voters May 21, 1996, and from interest earned on these proceeds.
Library Property Fund (History Only)	This fund accounts for the proceeds from the sale of surplus Library facilities. Expenditures are made for improvements to the Library system.

### Proprietary Funds

*The County maintains Proprietary Fund Types, including Enterprise Funds, using the full accrual basis of accounting, in which revenues are recorded when earned, and expenses are recorded when liabilities are incurred. Internal Service Funds are entirely or predominantly self-supported—by user charges, operating earnings, or transfers from other funds. These funds, authorized under ORS 294.470, are considered to have indefinite life. If the fund is discontinued, any excess funds would be returned to the originating jurisdictions or General Fund.*

### Dunthorpe- Riverdale Service District No. 1

This accounts for the operations of the sanitary sewer system in southwest unincorporated Multnomah County.

### Mid County Service District No. 14

This accounts for the operations of street lights throughout unincorporated Multnomah County.

### Behavioral Health Managed Care Fund

This accounts for all financial activity associated with the State-required Children's Capitated Mental Health program. This includes payments to providers with whom the County contracts for services. Revenues are capitation payments from the State.



<b>Internal Service Funds</b>	<i>Internal Service Funds account for all internal service reimbursements, revenues, and expenses associated with the County's insurance requirements and administration of workers' compensation; general liability; tort; auto; property; employee medical, dental, vision, life, and long-term disability claims and insurance; employee benefits; health promotion; post-retirement benefits; and unemployment insured and self-insured programs pursuant to County Code 7.101.</i>
<b>Risk Management Fund</b>	This accounts for all internal service reimbursements, revenues, and expenses associated with the County's insurance requirements and administration of workers' compensation; general liability; tort; auto; property; employee medical, dental, vision, life, and long-term disability claims and insurance; employee benefits; health promotion; post-retirement benefits; and unemployment insured and self-insured programs pursuant to Multnomah County Code 7.101.
<b>Fleet Management Fund</b>	This accounts for internal service reimbursements, revenues, and expenses associated with the administration and operation of the County's motor vehicle fleet and electronics.
<b>Telephone Fund</b>	This accounts for internal service reimbursements, revenues, and expenses associated with the operation of the County's telephone system. (History Only)
<b>Data Processing Fund</b>	This accounts for reimbursements, revenues, and expenses associated with the operation of the County's data processing services. It includes replacement and upgrade of personal computers and the software suite common to all County users.
<b>Mail Distribution Fund</b>	This accounts for internal service reimbursements, revenues, and expenses associated with the administration and operation of the County's U.S. Mail, internal distribution and delivery, records, and materiel management.
<b>Facilities Management Fund</b>	This fund accounts for internal service reimbursements, revenues, and expenses associated with the administration and operation of the County's property management, custodial, maintenance, and leasing of all County-owned and leased property.
<b>Business Services Fund (History Only)</b>	Accounts for internal service reimbursements, revenues and expenses associated with the administration and operation of the County's human resource operations, financial operations and SAP system.

<b>Fiduciary (Agency) Funds</b>	<i>These funds account for resources received and held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund.</i>
<b>Public Guardian Fund</b>	This accounts for receipts and disbursements for individuals who are not capable of handling their own financial affairs.
<b>Property Tax Funds</b>	This accounts for the collection of property taxes for all governmental entities located in Multnomah County and the disbursement of the collections to such entities.
<b>Department Trust Funds</b>	This accounts for the collection and disbursement of various receipts held. Multnomah County maintains several sub-funds which are used to account for the receipt of resources held by the County in a fiduciary capacity. Disbursements are made in accordance with the agreement or applicable legislative enactment for each particular fund:
<b>MCSO Forfeitures</b>	This accounts for cash transactions subject to forfeiture under 1989 Oregon Law, Chapter 791.
<b>Law Enforcement and ROCN</b>	This accounts for various law enforcement trust funds.

## Tax Information

The State of Oregon has not levied property taxes for general fund purposes since 1941, and obtains its revenue principally from income taxation.

Property tax administration, governed by the Oregon Constitution, State tax laws, and regulations of the Department of Revenue, includes the assessment, equalization, levy, and collection of taxes. A tax limitation measure ("Measure 50") affecting property tax collections was approved by the voters in the May 1997 special election. This legislation changed the property tax administration system substantially, with changes to levy rates, assessments and equalization. For information regarding the history of tax revenues and property tax limitations please see the Financial Policies section page 2.

### Permanent Tax Rates

Each local taxing district which imposed operating ad valorem taxes in FY 1998 received a permanent tax rate. The rate was calculated by dividing the total operating ad valorem taxes imposed by the County in FY 1998 (reduced by an average of approximately 17% statewide) by the property's AV. Measure 50 prohibits increases in permanent tax rates. Permanent tax rates are subject to the Measure 5 limitations. The County's permanent tax rate is \$4.3434 per \$1,000 Assessed Value.

### Exemptions

Measure 50 exempted from its limitations taxes levied to pay voter-approved general obligation bonds. Levies to pay general obligation bonds are also exempt from the Measure 5 limitations. See "General Obligation Bonded Indebtedness" below.

Measure 50 also exempted the following levies, which are subject to Measure 5 limitations:

1. Levies to pay bonds and other borrowings, if they were made before December 5, 1996, and were secured by a pledge or explicit commitment of ad valorem property taxes or a covenant to levy or collect ad valorem property taxes.
2. Certain local government pension levies.

The County has no levies of the types described in paragraphs 1 and 2, above.

### Local Property Tax Option

Local governments are able to override Measure 50 for limited-term local option levies subject to voter approval under the participation requirements discussed below. Local option levies may last up to five years for any purpose or ten years for capital projects.

*The 5-year Public Library Levy has cost property tax owners about 75.5 cents per*

Local option levies are subject to "special compression" under Measure 5. If operating taxes for non-school purposes exceed Measure 5's \$10/\$1,000 limit, local option levies are reduced first to bring operating taxes into compliance with this limit. This means that local option levies can be entirely displaced by future approval of permanent rate levies for new governments, or by urban renewal and the City of Portland's pension levy.

*thousand of  
assessed value  
per year.*

Measure 50, which passed in 1997, requires that local option levies be approved by a majority of the voters at a general election in an even-numbered year or at any other election in which not less than 50% of the registered voters cast a ballot. In May of 2002, voters approved an extension of the Library Levy but less than 50% of the registered voters cast a ballot. Therefore, the Library Levy failed. Subsequently the County resubmitted the Library Local Option to voters in November 2002 and the measure passed.

**Voter  
Participation**

In order to be exempt from the cap provisions of Measure 50, general obligation bonds other than refunding bonds must be approved by a majority of the voters voting on the question either: (i) at a general election in an even numbered year, or (ii) at any other election in which not less than fifty percent (50%) of the registered voters eligible to vote on the question cast a ballot.

**General  
Obligation  
Bonded  
Indebtedness**

Levies to pay the following general obligation bonds are exempt from the limitations of Measure 50 and Measure 5:

1. General obligation bonds authorized by a provision of the Oregon Constitution;
2. General obligation bonds issued on or before November 6, 1990; or
3. General obligation bonds incurred for capital construction or capital improvements; and
  - a) if issued after November 6, 1990, and approved prior to December 5, 1996, by a majority of voters; or
  - b) if approved after December 5, 1996, in accordance with Measure 50's voter participation requirements, or bonds issued to refund the preceding bonds.

**Tax  
Collection**

*Property tax  
collections  
have declined  
over the past  
seven years,  
from about 3%  
to 2% of  
income. The  
decline is  
largely a result  
of Ballot  
Measure 5*

The County Tax Collector extends authorized levies, computes tax rates, bills and collects all taxes, and makes periodic remittances of collections to levying units. Tax collectors are charged with calculating public school and local government taxes separately, calculating any tax rate reductions to comply with tax limitation law, and developing percentage distribution schedules. The tax collector then reports to each taxing district within five days the amount of taxes imposed.

Tax collections are now segregated into two pools, one for public schools and one for local governments, and each taxing body shares in its pool on the basis of its tax rate (adjusted to tax limitation rate caps), regardless of the actual collection experience within each taxing body. Therefore, in effect, the amount for each taxing body becomes a pro rata share of the total tax collection record of all taxing bodies within the County. Thus, an overall collection rate of 90% of the county-wide levy indicates a 90 percent tax levy collection for each taxing body.

Taxes are levied and become a lien on July 1 and tax payments are due November 15 of the same calendar year. Under the partial payment schedule the

*(1991),  
reducing taxes  
to a maximum  
of about \$15  
per \$1,000 of  
assessed value.*

first third of taxes are due November 15, the second third on February 15 and the remaining third on May 15. If property taxes are paid in full by November 15, a 3% discount is allowed; if two-thirds of property taxes are paid by November 15, a 2% discount is allowed. For late payments interest accrues at a rate of 1.33% per month. Property is subject to foreclosure proceedings four years after the tax due date.

A Senior Citizen Property Tax Deferral Program allows homeowners to defer taxes until death or the sale of the home. Qualifications include a minimum age of 62 and household income under \$24,500 for claims filed between January 1 and December 31, 2000 and \$27,500 for claims filed after January 1, 2001. Taxes are paid by the State, which obtains a lien on the property and accrues interest at 6%.

**PROPERTY TAX COMPUTATION****GENERAL FUND (Fund 1000)**

Taxes From Permanent Rate - Fiscal Year Ending June 30, 2007	\$ 209,465,770
Plus Estimated Assessed Value Growth	<u>7,331,302</u>
TOTAL GENERAL FUND PROPERTY TAX	\$ 216,797,072
Taxes From Permanent Rate - Fiscal Year Ending June 30, 2008	\$ 216,797,072
Less amount exceeding shared 1% Constitutional Limitation	(4,877,934)
Less delinquencies and discounts on amount billed	<u>(12,715,148)</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$ 199,203,990

**LIBRARY LEVY (Fund 1510)**

5-year Local Option Levy - Fiscal Year ending June 30, 2008	\$ 44,726,031
Less amount exceeding shared 1% Constitutional Limitation	(8,274,316)
Less delinquencies and discounts on amount billed	<u>(2,187,103)</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$ 34,264,612

**GENERAL OBLIGATION BOND SINKING FUND (Fund 2003)**

General Obligation bond - Fiscal Year ending June 30, 2008	\$ 9,308,511
Less delinquencies and discounts on amount billed	<u>(558,511)</u>
TOTAL AVAILABLE FOR APPROPRIATION	\$ 8,750,000

**TAX LEVY ANALYSIS**

	ACTUAL 2004-05	ACTUAL 2005-06	BUDGET 2006-07	BUDGET 2007-08
Levy within 6% limitation	\$ 195,087,152	\$ 201,333,465	\$ 209,368,243	\$ 216,797,072
Library Levy outside 6% limitation	34,085,541	35,226,592	36,619,559	44,726,031
GO Bond Levies outside 6% limitation	8,103,909	9,663,042	9,478,183	9,308,511
Total Proposed Levy	237,276,602	246,223,099	255,465,985	270,831,614
Loss due to 1% limitation	(13,795,470)	(11,297,437)	(12,558,118)	(13,152,250)
Loss in appropriation due to discounts and delinquencies	<u>(11,899,994)</u>	<u>(11,509,364)</u>	<u>(14,574,472)</u>	<u>(15,460,762)</u>
<b>Total Proposed Levy less Loss</b>	<b>\$ 211,581,138</b>	<b>\$ 223,416,298</b>	<b>\$ 228,333,395</b>	<b>\$ 242,218,602</b>

**NOTES**

Average property tax discount	3.00%
Property tax delinquency rate	3.00%
Average valuation change (Based on July - January Value Growth)	3.50%

<b>Salary Related Expense (60130)</b>		
<i>Paid to the PERS Bond Sinking Fund (2004) to retire debt issued to pre-fund the County's unfunded liability and to support ongoing costs associated with PERS.</i>		
General Fund		<b>6,544,097</b>
NONDEPARTMENTAL	155,850	
DISTRICT ATTORNEY	543,690	
COUNTY HUMAN SERVICES	399,458	
HEALTH DEPARTMENT	1,204,939	
COMMUNITY JUSTICE	878,476	
SHERIFF'S OFFICE	2,477,700	
COUNTY MANAGEMENT	671,690	
COMMUNITY SERVICES	212,294	
Road Fund		<b>223,119</b>
Federal State Fund		<b>3,598,300</b>
NONDEPARTMENTAL	23,990	
DISTRICT ATTORNEY	137,109	
COUNTY HUMAN SERVICES	1,122,344	
HEALTH DEPARTMENT	1,419,092	
COMMUNITY JUSTICE	607,595	
SHERIFF'S OFFICE	285,310	
COUNTY MANAGEMENT	2,860	
Tax Title Fund		<b>5,660</b>
Bridge Fund		<b>134,458</b>
Library Levy Fund		<b>1,010,002</b>
Corner Preservation Fund		<b>25,739</b>
Inmate Welfare Fund		<b>35,140</b>
Special Operations Fund		<b>114,051</b>
DISTRICT ATTORNEY	829	
HEALTH DEPARTMENT	17,630	
COMMUNITY JUSTICE	24,039	
SHERIFF'S OFFICE	71,552	
Capital Improvement Program Fund		<b>5,091</b>
Behavioral Health Managed Care Fund		<b>137,618</b>
Risk Management Fund		<b>133,327</b>
NONDEPARTMENTAL	83,864	
BUSINESS & COMMUNITY SERVICES	49,463	
Fleet Management Fund		<b>78,412</b>
Data Processing Fund		<b>605,704</b>
Distribution Fund		<b>56,694</b>
Facilities Management Fund		<b>292,588</b>
<b>Total Payments to the PERS Bond Sinking Fund</b>		<b>\$ 13,000,000</b>

<b>Insurance Benefits (60140/60145)</b>		
<i>Paid to the Risk Management Fund (3500) to cover worker's compensation, medical, life, dental, unemployment, and long-term disability insurance.</i>		
General Fund		<b>30,986,299</b>
NONDEPARTMENTAL	639,008	
DISTRICT ATTORNEY	2,393,770	
COUNTY HUMAN SERVICES	1,930,859	
HEALTH DEPARTMENT	5,748,923	
COMMUNITY JUSTICE	4,302,506	
SHERIFF'S OFFICE	11,500,722	
COUNTY MANAGEMENT	3,304,540	
COMMUNITY SERVICES	1,165,971	
Road Fund		<b>1,197,273</b>
Federal State Fund		<b>17,612,616</b>
NONDEPARTMENTAL	110,135	
DISTRICT ATTORNEY	612,327	
COUNTY HUMAN SERVICES	5,788,184	
HEALTH DEPARTMENT	6,962,535	
COMMUNITY JUSTICE	2,931,469	
SHERIFF'S OFFICE	1,194,225	
COUNTY MANAGEMENT	13,741	
Tax Title Fund		<b>27,404</b>
Bridge Fund		<b>692,000</b>
Library Levy Fund		<b>5,572,009</b>
Corner Preservation Fund		<b>131,351</b>
Inmate Welfare Fund		<b>196,029</b>
Special Operations Fund		<b>572,674</b>
DISTRICT ATTORNEY	6,003	
HEALTH DEPARTMENT	69,055	
COMMUNITY JUSTICE	118,072	
SHERIFF'S OFFICE	379,544	
Capital Improvement Program Fund		<b>27,685</b>
Behavioral Health Managed Care Fund		<b>633,360</b>
Risk Management Fund		<b>530,874</b>
NONDEPARTMENTAL	311,237	
COUNTY MANAGEMENT	219,637	
Fleet Management Fund		<b>391,099</b>
Data Processing Fund		<b>2,476,088</b>
Distribution Fund		<b>331,071</b>
Facilities Management Fund		<b>1,368,535</b>
<b>Total Payments to the Risk Management Fund</b>		<b>\$ 62,746,367</b>



<b>Indirect Costs (60350/60355)</b>		
<i>Paid to the General Fund (1000) to cover the administrative and overhead costs billed to grants and other dedicated revenues.</i>		
Strategic Investment Fund		<b>16,681</b>
Road Fund		<b>668,160</b>
Emergency Communications Fund		<b>13,363</b>
Recreation Fund		<b>2,686</b>
Federal State Fund		<b>10,365,771</b>
NONDEPARTMENTAL	12,486	
DISTRICT ATTORNEY	200,977	
COUNTY HUMAN SERVICES	1,731,026	
HEALTH DEPARTMENT	5,725,357	
COMMUNITY JUSTICE	1,999,043	
SHERIFF'S OFFICE	680,172	
COUNTY MANAGEMENT	2,686	
COMMUNITY SERVICES	14,024	
Tax Title Fund		<b>24,723</b>
Bridge Fund		<b>173,971</b>
Library Levy Fund		<b>1,056,891</b>
Corner Preservation Fund		<b>43,017</b>
Inmate Welfare Fund		<b>161,667</b>
COMMUNITY JUSTICE	460	
SHERIFF'S OFFICE	161,207	
Special Operations Fund		<b>333,217</b>
HEALTH DEPARTMENT	104,367	
COMMUNITY JUSTICE	45,140	
SHERIFF'S OFFICE	183,710	
Behavioral Health Managed Care Fund		<b>4,491</b>
<b>Total Payments to GF for Indirect Costs</b>		<b>\$ 12,864,638</b>

<b>Telecommunication Costs (60370)</b>		
<i>Paid to the Data Processing Fund (3503) to cover the costs of services provided by the County-owned telecommunications system.</i>		
General Fund		<b>2,021,871</b>
NONDEPARTMENTAL	45,903	
DISTRICT ATTORNEY	160,720	
COUNTY HUMAN SERVICES	281,971	
HEALTH DEPARTMENT	466,801	
COMMUNITY JUSTICE	477,970	
SHERIFF'S OFFICE	296,745	
COUNTY MANAGEMENT	190,222	
COMMUNITY SERVICES	101,539	
Road Fund		<b>51,300</b>
Federal State Fund		<b>1,197,266</b>
NONDEPARTMENTAL	7,497	
DISTRICT ATTORNEY	25,348	
COUNTY HUMAN SERVICES	431,890	
HEALTH DEPARTMENT	484,808	
COMMUNITY JUSTICE	247,723	
Tax Title Fund		<b>2,025</b>
Bridge Fund		<b>32,676</b>
Library Levy Fund		<b>263,242</b>
Inmate Welfare Fund		<b>13,774</b>
Special Operations Fund		<b>12,715</b>
Behavioral Health Managed Care Fund		<b>53,324</b>
Risk Management Fund		<b>38,153</b>
NONDEPARTMENTAL	15,828	
COUNTY MANAGEMENT	22,325	
Fleet Management Fund		<b>22,412</b>
Data Processing Fund		<b>204,160</b>
Distribution Fund		<b>13,682</b>
Facilities Management Fund		<b>182,672</b>
<b>Total Payments to the Telephone Fund</b>		<b>\$ 4,109,272</b>

<b>Data Processing Costs (60380)</b>		
<i>Paid to the Data Processing Fund (3503) to cover the costs of developing, maintaining, and operating computer programs.</i>		
General Fund		<b>14,117,118</b>
NONDEPARTMENTAL	222,578	
DISTRICT ATTORNEY	429,402	
COUNTY HUMAN SERVICES	1,715,999	
HEALTH DEPARTMENT	1,910,624	
COMMUNITY JUSTICE	3,670,191	
SHERIFF'S OFFICE	2,055,027	
COUNTY MANAGEMENT	3,435,398	
COMMUNITY SERVICES	677,899	
Road Fund		<b>370,607</b>
Federal State Fund		<b>5,330,810</b>
NONDEPARTMENTAL	58,156	
DISTRICT ATTORNEY	55,663	
COUNTY HUMAN SERVICES	2,026,637	
HEALTH DEPARTMENT	3,190,354	
Tax Title Fund		<b>8,761</b>
Bridge Fund		<b>158,969</b>
Library Levy Fund		<b>3,752,791</b>
Corner Preservation Fund		<b>8,161</b>
Special Operations Fund		<b>24,901</b>
Behavioral Health Managed Care Fund		<b>428,562</b>
Risk Management Fund		<b>242,876</b>
NONDEPARTMENTAL	125,226	
BUSINESS & COMMUNITY SERVICES	117,650	
Fleet Management Fund		<b>109,312</b>
Data Processing Fund		<b>14,400</b>
Distribution Fund		<b>130,354</b>
Facilities Management Fund		<b>558,437</b>
<b>Total Payments to the Data Processing Fund</b>		<b>\$ 25,256,059</b>

<b>PC Flat Fee (60390)</b>		
<i>Paid to the Capital Asset Acquisition Fund (2508) to cover maintenance and replacement of county owned personal computers.</i>		
General Fund		<b>80,900</b>
DISTRICT ATTORNEY	80,400	
COMMUNITY SERVICES	500	
Federal State Fund		<b>10,800</b>
<b>Total Payments to the Capital Asset Acquisition Fund</b>		<b>\$ 91,700</b>
<b>Technology Asset Replacement (60400)</b>		
<i>Paid to the Capital Asset Acquisition Fund (2508) to cover maintenance and replacement of network servers and associated hardware.</i>		
General Fund		<b>15,000</b>
DISTRICT ATTORNEY	15,000	
Facilities Management Fund		<b>17,400</b>
<b>Total Payments to the Capital Asset Acquisition Fund</b>		<b>\$ 32,400</b>

<b>Motor Pool (60410)</b>		
<i>Paid to the Fleet Management Fund (3501) to cover the use and maintenance of County-owned vehicles, including both cars and vans for transportation, and heavy equipment used in road construction.</i>		
General Fund		<b>2,494,684</b>
NONDEPARTMENTAL	4,820	
DISTRICT ATTORNEY	129,150	
COUNTY HUMAN SERVICES	123,469	
HEALTH DEPARTMENT	170,298	
COMMUNITY JUSTICE	179,725	
SHERIFF'S OFFICE	1,677,862	
COUNTY MANAGEMENT	65,223	
COMMUNITY SERVICES	144,137	
Road Fund		<b>1,264,214</b>
Federal State Fund		<b>425,298</b>
NONDEPARTMENTAL	3,580	
COUNTY HUMAN SERVICES	149,138	
HEALTH DEPARTMENT	49,371	
COMMUNITY JUSTICE	210,096	
COMMUNITY SERVICES	13,113	
Tax Title Fund		<b>1,000</b>
Bridge Fund		<b>122,409</b>
Library Levy Fund		<b>89,463</b>
Corner Preservation Fund		<b>17,008</b>
Special Operations Fund		<b>365</b>
Behavioral Health Managed Care Fund		<b>8,657</b>
Risk Management Fund		<b>9,611</b>
NONDEPARTMENTAL	1,080	
BUSINESS & COMMUNITY SERVICES	8,531	
Data Processing Fund		<b>37,789</b>
Distribution Fund		<b>53,125</b>
Facilities Management Fund		<b>314,957</b>
<b>Total Payments to the Fleet Fund</b>		<b>\$ 4,838,580</b>

<b>Electronics (60420)</b>		
<i>Paid to the Fleet Management Fund (3501) to cover the use and maintenance of electronic/radio equipment used by various County departments.</i>		
General Fund		<b>515,521</b>
NONDEPARTMENTAL	54,655	
DISTRICT ATTORNEY	1,204	
HEALTH DEPARTMENT	9,001	
COMMUNITY JUSTICE	74,089	
SHERIFF'S OFFICE	324,437	
COUNTY MANAGEMENT	6,915	
COMMUNITY SERVICES	45,220	
Road Fund		<b>39,500</b>
Federal State Fund		<b>27,961</b>
Bridge Fund		<b>7,750</b>
Library Levy Fund		<b>4,256</b>
Land Corner Preservation Fund		<b>2,500</b>
Inmate Welfare Fund		<b>7,420</b>
Capital Improvement Program Fund		<b>25,000</b>
Asset Preservation Fund		<b>25,000</b>
Data Processing Fund		<b>5,222</b>
Distribution Fund		<b>5,320</b>
Facilities Management Fund		<b>43,000</b>
<b>Total Payments to the Fleet Fund</b>	<b>\$</b>	<b>708,450</b>

<b>Building Management (60430)</b>		
<i>Paid to the Facilities Mgmt Fund (3505) to cover the cost of office space and buildings.</i>		
General Fund		<b>22,634,026</b>
NONDEPARTMENTAL	3,830,064	
DISTRICT ATTORNEY	723,883	
COUNTY HUMAN SERVICES	992,722	
HEALTH DEPARTMENT	2,693,382	
COMMUNITY JUSTICE	4,709,873	
SHERIFF'S OFFICE	6,753,815	
COUNTY MANAGEMENT	2,046,688	
COMMUNITY SERVICES	883,599	
Road Fund		<b>898,316</b>
Federal State Fund		<b>6,797,057</b>
NONDEPARTMENTAL	60,726	
DISTRICT ATTORNEY	222,797	
COUNTY HUMAN SERVICES	2,971,806	
HEALTH DEPARTMENT	3,004,500	
COMMUNITY JUSTICE	537,228	
Tax Title Fund		<b>15,091</b>
Bridge Fund		<b>154,936</b>
Library Levy Fund		<b>5,601,455</b>
Special Operations Fund		<b>86,397</b>
HEALTH DEPARTMENT	23,975	
COMMUNITY JUSTICE	38,725	
SHERIFF'S OFFICE	23,697	
Behavioral Health Managed Care Fund		<b>66,731</b>
Risk Management Fund		<b>408,945</b>
NONDEPARTMENTAL	245,021	
BUSINESS & COMMUNITY SERVICES	163,924	
Fleet Management Fund		<b>482,760</b>
Data Processing Fund		<b>1,056,964</b>
Distribution Fund		<b>464,395</b>
<b>Total Payments to the Facilities Management Fund for Building Management</b>		<b>\$ 38,667,073</b>

<b>Capital Lease Retirement Fund (60450)</b>	
<i>Reimbursements made to the Capital Lease Retirement Fund (2002) for repayment of Certificates of Participation.</i>	
General Fund	<b>1,404,331</b>
Road Fund	<b>288,000</b>
Library Levy Fund	<b>159,000</b>
Facilities Management Fund	<b>9,479,599</b>
<b>Total Payments to the Capital Lease Retirement Fund</b>	
	<b>\$ 11,330,930</b>

<b>Distribution Fund (60460)</b>		
<i>Paid to the Distribution Fund (3504) for mail distribution and delivery, materials management, and central stores.</i>		
General Fund		<b>1,871,225</b>
NONDEPARTMENTAL	19,476	
DISTRICT ATTORNEY	291,053	
COUNTY HUMAN SERVICES	67,868	
HEALTH DEPARTMENT	598,501	
COMMUNITY JUSTICE	182,416	
SHERIFF'S OFFICE	219,431	
COUNTY MANAGEMENT	400,638	
COMMUNITY SERVICES	91,842	
Road Fund		<b>134,583</b>
Federal State Fund		<b>796,424</b>
NONDEPARTMENTAL	5,177	
DISTRICT ATTORNEY	44,370	
COUNTY HUMAN SERVICES	193,340	
HEALTH DEPARTMENT	502,915	
COMMUNITY JUSTICE	50,622	
Tax Title Fund		<b>741</b>
Bridge Fund		<b>16,834</b>
Library Levy Fund		<b>32,762</b>
Inmate Welfare Fund		<b>1,515</b>
Special Operations Fund		<b>19,646</b>
HEALTH DEPARTMENT	1,577	
COMMUNITY JUSTICE	4,881	
SHERIFF'S OFFICE	13,188	
Behavioral Health Managed Care Fund		<b>5,627</b>
Risk Management Fund		<b>62,022</b>
NONDEPARTMENTAL	24,280	
BUSINESS & COMMUNITY SERVICES	37,742	
Fleet Management Fund		<b>160,120</b>
Data Processing Fund		<b>25,969</b>
Facilities Management Fund		<b>87,109</b>
<b>Total Payments to the Distribution Fund</b>		<b>\$ 3,214,577</b>



# Detail of Cash Transfers Between Funds

## Appendix

DETAIL OF CASH TRANSFERS			
From	To	Amount	Description
GENERAL FUND	LIBRARY SERIAL LEVY FUND LIBRARY	\$ 15,812,876 15,812,876	General Fund Supplement of Library.
GENERAL FUND	ASSET PRESERVATION FUND COUNTY MANAGEMENT	\$ 1,500,000 1,500,000	Repayment of Funds "Borrowed" From AP in Prior Years.
STRATEGIC INVESTMENT PROGRAM FUND	GENERAL FUND OVERALL COUNTY	\$ 350,000 350,000	Transfer Community Service Fee Revenue to General Fund per Board Policy.
ROAD FUND	BICYCLE PATH CONSTRUCTION FUND COMMUNITY SERVICES	\$ 64,000 64,000	1% of Motor Vehicle Fees Dedicated to Bicycle Paths.
ROAD FUND	WILLAMETTE RIVER BRIDGES FUND COMMUNITY SERVICES	\$ 5,365,351 5,365,351	Maintenance/Repair of Willamette River Bridges in Accordance w/ Portland - Multnomah County Services Agreement.
ANIMAL CONTROL FUND	GENERAL FUND OVERALL COUNTY	\$ 1,217,000 1,217,000	Animal License Fees/Other Revenue; Partially Offsets Costs Associated with the Animal Control Program.
WILLAMETTE RIVER BRIDGES FUND	GENERAL FUND OVERALL COUNTY	\$ 500,000 500,000	Second Installment Payment - 5 Year Internal Loan.
CAPITAL ASSET ACQUISITION FUND	DATA PROCESSING FUND COUNTY MANAGEMENT	\$ 1,495,486 1,495,486	Transfer Fund Balance to Support Desktop PC Replacement.
DATA PROCESSING FUND	BUILDING PROJECTS FUND COUNTY MANAGEMENT	\$ 200,000 200,000	Support for A&T Recording System Replacement.
FACILITIES MANAGEMENT FUND	CAPITAL IMPROVEMENT FUND COUNTY MANAGEMENT	\$ 3,007,794 3,007,794	Transfer Portion of Facilities Management Charges Attributable to Capital Improvement Program.
FACILITIES MANAGEMENT FUND	ASSET PRESERVATION FUND COUNTY MANAGEMENT	\$ 1,675,521 1,675,521	Transfer Portion of Facilities Management Charges Attributable to Asset Preservation Program.

# Debt Amortization Schedules

## Appendix

<b>Multnomah County, Oregon</b>								
OUTSTANDING OBLIGATIONS (AS OF June 30, 2007)								
	<b>Dated</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Amount Issued</b>	<b>Principal Outstanding 6/30/2006</b>	<b>Principal Outstanding 6/30/2007</b>	<b>2007-2008 Interest</b>	<b>2007-2008 Principal</b>
<b>General Obligation Bonds:</b>								
Tax supported								
Series 1999 Refunding Bonds	02/01/1999	10/01/16	4.53%	\$ 66,115,000	\$ 63,570,000	\$ 61,550,000	\$ 2,685,098	\$ 2,105,000
Series 1996B Public Safety Bonds	10/01/1996	10/01/16	5.33%	79,700,000	10,495,000	7,175,000	271,375	3,495,000
Series 1996A Library Bonds	10/01/1996	10/01/16	5.12%	29,000,000	1,275,000	655,000	16,375	655,000
Total general obligations bonds				\$ 196,815,000	\$ 75,340,000	\$ 69,380,000	\$ 2,972,848	\$ 6,255,000
<b>Revenue Bonds:</b>								
Regional Children's Campus	10/01/98	10/01/14	4.50%	3,155,000	2,115,000	1,915,000	80,295	205,000
Port City	11/01/00	11/01/15	5.58%	2,000,000	1,565,000	1,440,000	67,993	130,000
Oregon Food Bank	11/01/00	10/01/14	5.54%	3,500,000	2,740,000	2,525,000	119,333	225,000
Total revenue bonds				\$ 8,655,000	\$ 6,420,000	\$ 5,880,000	\$ 267,621	\$ 560,000
<b>PERS Pension Revenue Bonds:</b>								
Limited Tax Pension Obligation revenue Bonds	12/01/99	06/01/30	7.67%	\$ 184,548,160	\$ 175,203,160	\$ 170,908,160	\$ 7,449,765	\$ 5,325,000
<b>Certificates of Participation:</b>								
1998 Advance Refunding	02/01/1998	07/01/13	4.53%	48,615,000	17,795,000	15,240,000	657,600	2,690,000
Total certificates of participation				\$ 48,615,000	\$ 17,795,000	\$ 15,240,000	\$ 657,600	\$ 2,690,000
<b>Full Faith and Credit Obligations:</b>								
1999A Full Faith and Credit	04/01/1999	08/01/19	4.71%	36,125,000	6,340,000	4,850,000	171,411	1,550,000
2000A Full Faith and Credit	04/01/1999	08/01/19	5.24%	61,215,000	13,165,000	9,430,000	494,713	3,935,000
2003 Full Faith and Credit	06/01/2003	07/01/13	2.83%	9,615,000	7,890,000	6,990,000	178,203	915,000
2004 Full Faith and Credit	10/01/2004	08/01/19	3.71%	54,235,000	54,235,000	54,235,000	2,619,750	-
Total full faith and credit				\$ 161,190,000	\$ 81,630,000	\$ 75,505,000	\$ 3,464,077	\$ 6,400,000
<b>Leases and Contracts:</b>								
Portland Building -- purchase of two floors -- intergovernmental agreement	01/22/81	01/22/08	7.25%	3,475,000	587,196	305,671	26,219	305,671
Sellwood Lofts - Library Branch	01/01/02	01/01/32	2.50%	1,092,802	1,061,880	1,052,844	108,084	10,012
Total leases and contracts				\$ 4,567,802	\$ 1,649,076	\$ 1,358,515	\$ 134,303	\$ 315,683
<b>Loans:</b>								
State Energy Loans	07/01/96	06/30/97	7.20%	1,063,664	419,039	335,761	20,072	81,334
Sewer Loans	07/05/96	07/05/16	5.65%	42,264	26,547	24,479	1,348	2,184
Total loans				\$ 1,105,928	\$ 445,586	\$ 360,240	\$ 21,420	\$ 83,518

## Glossary of Commonly Used Terms

Although the goal of the County's budget is to provide information that is concise and understandable; the complexities of public finance and Oregon State Budget law can be confusing for those not familiar with the budget process.

The Glossary contains many of the key words and terms used in the County's budget to help the reader.

### -A-

**Accrual Basis.** Method of accounting recognizing transactions when they occur without regard toward cash flow timing. (ORS 294.311(1))

**Adopted Budget.** Financial plan adopted by the Board of County Commissioners for the fiscal year that forms the basis for appropriations.

**Ad Valorem Tax.** A property tax computed as a percentage of the value of taxable property. Based on the Assessed Value.

**Appropriation.** Authorization for spending a specific amount of money for a specific purpose during a fiscal year. The appropriation can be changed during the year by board transfer, grants or the supplemental budget.

**Approved Budget.** The budget that has been approved by the Board of County Commissioners.

**Assessed Value.** The value set on real and personal taxable property as a basis for levying taxes. It is the lesser of the property's maximum assessed value (the value that grows by 3 percent) or real market value.

**Assessment Date.** January 1. The date on which the real market value of property is set.

**Audit.** The review and appraisal of the County's accounts and fiscal affairs conducted by an accountant. A report is issued by the auditor expressing an opinion about the financial statements and compliance with requirements.

### -B-

**Balanced Budget.** A balanced budget occurs when the total sum of money a government collects in a year is equal to the amount it spends on goods, services, and debt interest.

**Basis of Accounting.** Means the cash basis, the modified accrual basis or the accrual basis.

**Board of Commissioners.** As set forth in the Multnomah County Home Rule Charter, the Board of County Commissioners consists of five members, elected by district for a four year term, who are devoted full-time to County's business.

**Bonded Debt** ("local improvement"). Borrowed monies for a capital construction project, approved by voters to be repaid by a tax levy.

**Budget.** Basis of the legal authorization for the expenditure of funds. A written plan of financial operation for estimating expenditures for one year, and the proposed means of financing the estimated expenditures. Must include a balanced statement of actual revenues and expenditures during each of the last two years, estimated revenues and expenditures for the current and upcoming year. (ORS 294.311.(4))

**Budget Committee.** Fiscal planning board of a local government, consisting of the five Commissioners authorizes the maximum for the tax levy. (ORS 294.336)

**Budget Cycles.** The various developmental stages: REQUESTED (prepared by departments), the PROPOSED (prepared by County Chair), APPROVED (adjusted by the Board) and ADOPTED (adjusted/approved by the Board).

**Budget Message.** Written explanation of the budget and the local government's financial priorities prepared and presented by the County Chair. (ORS 294.391)

**Budget Officer (Director).** Person designated to assemble budget material and information and to physically prepare the proposed budget. (ORS 294.331)

**Budget Period/Year.** A 12-month period from July 1 through June 30 to which the annual operating budget applies. (ORS 294.311(7))

### -C-

**Capital Outlay.** Items which have a useful life of one or more years and exceed \$5,000 such as machinery, land, furniture, equipment, or buildings. (ORS 294.352(6))

**Cash Basis.** System of accounting under which revenues are accounted for only when received in cash, and expenditures are accounted for only when paid. (ORS 294.311(8))

**Categories of Measure 5 Limitation.** The three categories in which taxes on property are placed before the constitutional limits can be tested: Education, General Government, Excluded from Limitation. (ORS 310.150(1))

**Classification.** A group of positions which are enough alike in duties, authority, and responsibilities to require the same qualifications and the same pay for all positions in the group.

**Contingency.** An estimate in an operating fund for unforeseen spending that may become necessary.

**Continuous Improvement.** On-going, incremental and measurable steps taken to enhance service delivery by improving efficiency and/or effectiveness.

**Current Assets.** Assets available to finance current operations or to pay current liabilities.

**Current Liabilities.** Liabilities due within one year.

**Current Year.** The fiscal year in progress.

### -D-

**Design Team:** A review body that includes representatives from each elected officials' office, the Budget Office, and department representation that recommend internal and external budget decision-making process steps, and a communication plan for the Board.

**Discretionary Revenue.** Revenue that is not dedicated or restricted for a specific purpose. Local government can spend these funds on any activity.

### -E-

**Efficiency Measure (Productivity).** Efficiency measurement is a method for examining how effectively a program is performing the activities it is doing. This is an indicator that measures the cost of resources (e.g., in dollars, FTE, employee hours, time, etc.) per unit of output (e.g., per repair, per case, etc.).

**Encumbrance.** An obligation chargeable to an appropriation and for which part of the appropriation is reserved. (ORS 294.311(10)).

**Expenditures.** Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. (ORS 294.311(13))

**-F-**

**Factor.** Provides a cause-effect link to a result within a results map.

**Fiscal Year.** A 12-month period from July 1 through June 30 to which the annual operating budget applies. (ORS 294.311(17))

**FTE.** Full Time Equivalent. The equivalent of one employee working full-time for one year.

**Fund.** A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives. Fund types include: general, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve. (OAR 150-294.352(1)-(A))

**Fund Balance.** The excess of assets of a fund over its liabilities and reserves during a fiscal year.

**-G-**

**GASB.** Governmental Accounting Standards Board (GASB) establishes and improves standards of state and local governmental accounting and external financial reporting.

**General Fund.** A fund used to account for most fiscal activities except for those activities requiring to be accounted for in another fund. Consists of discretionary and dedicated revenues.

**General Ledger.** Financial accounting system for recording and reporting actual expense and revenue activity.

**Grant.** Donation or contribution of cash or other assets to government from a third party, to be used or spent for a specified purpose, activity, or facility. (ORS 294.311(17))

**-H-**

**Home Rule Charter.** Voter-approved charter amendment that grants Multnomah County the authority to make its own laws.

**-I-**

**Indicator.** A report or signal, based on one or a combination of measures, that allows the observer to know whether performance is in line, ahead of, or behind expectations – e.g. “Average trip time” as an indicator of mobility.

**Indirect Charges.** Administrative costs incurred by centralized activities and charged back to funds based on personal services and occupancy costs. Administrative costs include general administration, human resources, legal services, payroll and finance.

**Input Indicator.** Reports amount of resources such as financial, personnel, material that are devoted to a program. Financial and personnel data are the most common input measures.

**Interfund Loans.** Loans made by one fund to another. Loans must be repaid by the end of the ensuing year. (ORS 294.460)

**-L-**

**Levy.** Amount or rate of ad valorem tax certified by a local government for the support of governmental activities.

**Liabilities.** Debt or other legal obligation arising from transactions in the past which must be liquidated, renewed, or refunded at a future date; does not include encumbrances.

**Local Government.** Any city, county, port, school district, community college, public or quasi-public corporation commission operated by a separate board or commission; a municipal

**Local Option Tax.** Voter approved temporary taxing authority that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. They are limited to five years unless they are for a capital project, then they are limited to the useful life of the project or 10 years, whichever is less.

### -M-

**Mandates.** Activities required to be performed by local government. Requirements are legislated by state and federal government.

**Maximum assessed value (MAV).** The maximum taxable value limitation placed on real or personal property by the constitution. It can increase a maximum of three percent each year. The three percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction.

**Measure 5 Constitutional limits.** The maximum amount of tax on property that can be collected from an individual property in each category of limitation. (Art. XI, sect.11b, Or Const.)

**Modified accrual basis.** Method of accounting where revenues and other financial resource increments, such as bond proceeds, are recognized when they become susceptible to accrual, that is, when they become both measurable and available (collectible) to finance expenditures for the current period. (ORS 294.311(21)(a))

### -O-

**OAR.** Oregon Administrative Rule. Written to clarify Oregon law. Has the authority of law.

**OF.** Legal Opinion issued by the Oregon Attorney Generals Office.

**ORS.** Oregon Revised Statute. Oregon laws established by the legislature.

**Object Classification.** A grouping of expenditures, such as personal services, materials and services, capital outlay, debt services, and other types of requirements. (ORS 294.311(28))

**Obligations.** The amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment during the same or a future period.

**Operating Rate.** The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

**Ordinance.** A formal legislative enactment by the governing board of a municipality.

**Outcome Measure (Results).** This indicator is designed to report the results of the service. It can often be described as a short-term (e.g., successful treatment completion), intermediate term (e.g., success by 3 or 6 months), or long-term outcome (e.g., 1 year or more). There should be a logical connection from outputs to meaningful outcomes, with activities supporting the results in a sequential fashion. The data can be reported as either numbers, percentages (assuming percentages of the output), or rates (xxx per 1,000).

**Outcome Teams.** A group of various experts that staff one of the six county priority areas who are responsible for developing requests for offers, requesting program offers, reviewing their content, and ranking how much contribution each offer has in it intended results. The goal of this work is to create better program offers from which the Board will purchase.

**Output Measure.** The most common type of indicator found in most performance measurement systems and reports the number units produced or services provided by the program. It describes the activities that a program has completed, but not necessarily their results. Data are typically reported as numbers and not percentages.

### **-P-**

**Payroll Expenses (Personal).** Health and accident insurance premiums, Social Security, retirement contributions, workers' compensation and unemployment taxes are examples.

**Performance Management.** The use of performance measurement information to help set performance goals; allocate and prioritize resources; inform managers to either confirm or change current policy or program direction to meet those goals; and report on the success of meeting those goals.

**Performance Measurement.** Process of developing meaningful, objective indicators that can be systematically tracked to assess progress made in achieving predetermined goals. Only after the development of meaningful measures and matched with regular review and utilization is an organization able to move to performance management.

**Permanent Rate Limit.** The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government can increase a permanent rate limit.

**Priority Based Budgeting.** Innovative approach for agencies to identify funding priorities that show results that support the agency's overall goals, and that are most valued by citizens.

**Priority (Budget Priority).** Represent six categories of citizen directed county government services, that include Basic Living Needs, Safety, Accountability, Education, Thriving Economy, and Vibrant Communities.

**Program Budget.** A budget based on programs of work or projects. (ORS 294.311(25))

**Program Evaluation.** The systematic collection of information about the activities, characteristics and outcomes of programs to make judgments about the program, improve program effectiveness and/or informed decisions about future programming. The application of scientific research methods to estimate how much observed results, intended or not, are caused by program activities.

**Program Offer.** A proposal from a department(s) that is submitted to Board of County Commissioners. The offer states what priority is addressed, the services to be provided, the performance expectations, and the cost.

**Property Taxes.** Ad valorem tax certified to the County Assessor by a local government unit.

**Proposed Budget.** Financial and operating plan prepared by the County Chair. It is submitted to the public for review and the Board of County Commissioners for approval.

### **-Q-**

**Quality Measure.** This measure reflects effectiveness in meeting the expectations of customers. Measures include reliability, accuracy, courtesy, competence, responsiveness, and completeness associated with the product or service. Customer satisfaction reflects the degree to which the customer's expectations of a service are met or exceeded. Lack of quality can also be measured.

**-R-**

**Real Market Value (RMV).** Amount of cash which could reasonably be expected by an informed buyer acting without compulsion, in an "arms-length" transaction during the period for which the property is taxed.

**Receipts.** Cash received unless otherwise qualified. (ORS 294.311(31))

**Request for Offers:** A process where Outcome Teams ask departments to submit program offers which are designed to respond to specific strategies outlined by the Outcome Team.

**Requirement.** The sum of all appropriated and unappropriated items in a fund. Total requirements must always equal total resources in a fund.

**Resolution.** A formal order of a governing body; lower legal status than an ordinance.

**Resource.** Estimated beginning funds on hand plus anticipated receipts. See Revenues. (ORS 294.316)

**Results Map:** A visual representation of the pathway to the result. Using words or images, it helps viewers understand the cause-effect connection between actions or factors and the result. Backed by evidence, it quickly communicates what is known to work in accomplishing the result.

**Revenues.** Money received or anticipated by a local government from either tax or non-tax sources.(ORS 294.311(33))

**-S-**

**Serial Levy.** A voter approved tax levy for a specific purpose, over a specific time no greater than five years, and for a specified maximum amount.

**Strategy:** A strategy is a set of actions chosen by an organization to achieve a result. A strategy is based on an understanding of (or assumptions about) the cause – effect connection between necessitated by a qualifying emergency. (ORS 294.371)

**Supplemental Budget.** A financial plan prepared after the regular budget has been adopted to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. (ORS 294.480)

**-T-**

**Tax.** Any charge imposed by a governmental unit upon property or upon a property owner as a direct consequence of ownership of that property except incurred charges and assessment for local improvements.

**Tax Levy.** Total amount of taxes imposed by a local government unit.

**Tax on Property.** Any tax, fee, charge or assessment imposed by any government unit upon property or upon a property owner as a direct consequence of ownership of that property (ORS 310.140(1)).

**Tax Rate.** The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed valuation of taxable property.

**Tax Roll.** The official list showing the amount of taxes levied against each property. (ORS 294.450)

**Transfers.** Amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund. (ORS 294.450)



**-U-****Unappropriated Ending Fund Balance.**

Amount set aside in the budget to be used as a cash carryover to the next fiscal year or budget period budget. It provides the local government with cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless

**Unappropriated Reserves.** The unappropriated ending balance is called a "requirement", not an expenditure. The law specifically requires the unappropriated ending fund balance to become a budget resource in the next fiscal year (cash balance). During a current year, unappropriated funds are not available under *any* circumstance.

**-W-**

**Web-Tool:** An internet-based program offer input template for use with the Multnomah County Priority-Based Budgeting Process.