Balanced Budget

Lane County does not formally define "Balanced budget" in its financial policies, instead the definition in Oregon Local Budget Law is used. Oregon Revised Statute 294.388(1) states:

Each municipal corporation shall prepare estimates of expenditures and other requirements for the ensuing year or budget period. The estimates must be reconciled so that the total amount of expenditures and other requirements in each fund equals the total amount of resources in the fund for the same period.

Lane County budget and financial policies from the Lane Manual is provided below:

Financial and Budget Management

4.005 Purpose

The purpose of these policies is to provide guidance to the departments in the prudent management of the financial affairs of Lane County to meet the goal of maintaining financial stability. The following financial and budget policies are adopted in support of the County's Strategic Plan, to ensure stability in service delivery and promote the efficient use of public funds. *(Revised by Order No. 84-12-19-9; Effective 12.19.84; 06-5-31-1, 5.31.06; 18-05-01-06, 5.1.18)*

4.010 Policies

Departments will use the following policies in administering their budgets, developing long-range goals and plans, and dealing with the public and other governments.

1) Budget and Management Policies
   - a) The County's annual budget will be structurally balanced throughout the fiscal year with recurring expenditures at or below the level of recurring revenues. If structural imbalance occurs in any Fund, a plan will be developed and implemented to restore structural balance.
   - b) The County budget will provide for an appropriate balance between operating and equipment/capital portions of the budget to ensure that equipment and facility maintenance and replacement are adequately funded and are appropriate when compared to service levels.
   - c) Long-range financial plans, including financial forecasts of revenues and expenditure estimates will be completed for all operating funds to ensure financial and service stability.
   - d) Allocation of funds from discretionary general fund revenue will be re-established annually, after considering other revenue sources available to fund services, the level and appropriateness of expenditures, and the consideration of all mandated and critical County services.
   - (e) Financial reports detailing budget expenditure status and relevant economic and financial information will be presented to the Board of Commissioners no less than bi-annually.
   - (f) The County will prepare and publish its Adopted Budget document in accordance with local budget law and with the goal of obtaining the Distinguished Budget Presentation Award issued by the Governmental Finance Officers Association.
   - (g) The County will prepare and publish a Comprehensive Annual Financial Report in accordance with state law, the principles of the Governmental Accounting Standards Board, and the Generally Accepted Accounting Principles, with the goal of obtaining the Certificate of Achievement in Excellence in Financial Reporting issued by the Government Finance Officers Association.
   - (h) The County will manage its separate funds in a manner that insures that one fund does not improperly subsidize another fund.

2) Revenue Policies
   (a) One-time revenues will be used for one-time expenditures or projects and will not be used for recurring operating purposes unless specifically approved by the Board of Commissioners through the budget process.
   (b) Prior to initiation of new projects, services, grants, or capital improvement projects, financial impact analyses will be completed and considered. The analysis will identify the short term and long-range effects of new initiation on the County, including any commitment for additional County resources.
   (c) The County will strive to diversify revenues and to develop sustainable revenue sources in order to maintain services during economic downturns and/or fluctuations of any existing revenue source.
   (d) Charges for service will be reviewed annually and set by the Board of Commissioners upon recommendation from the County's Finance & Audit Committee. Analysis will take into account beneficiaries of the service, amounts charged by other agencies for similar services, the actual direct and indirect cost of providing the services, and statutory limits. Generally fees will be set to recover the cost of providing the service. The Lane County Finance and Audit Committee's website retains fee adjustments it can be accessed at: https://lanecounty.org/government/county_departments/county_administration/administration/advisory_committees_and_boards/Finance%20and%20Audit
   (e) The County may sell or lease services that were developed to meet a County need, but the sale or lease will be secondary to the original purpose for developing the service.

3) Expenditure Control/Cost Recovery Policies
   (a) Personnel expenditure budgeting will take into account anticipated vacancy rates.
   (b) Contracting for services provided by outside agencies or vendors will be considered when contracting out is both cost effective and consistent with County employee policies.
   (c) Intergovernmental agreements to provide, receive, or cooperate in the provision of service delivery will be encouraged wherever services can be more effectively provided on a collective basis. Billing for services provided to user agencies will be sufficient to fully recover costs of operation, including depreciation of equipment, direct and indirect costs.
   (d) Department expenditures may not exceed appropriations, and expenditure of discretionary general fund may not exceed the amount allocated to the department.
   (e) Fees and charges for internal service funds will be set at a cost recovery level. For replacement reserves, the charges will be established at a level to fund the replacement over the expected useful life of the equipment. Internal service charges will be reviewed annually for appropriateness.
   (f) The County will charge the allowable indirect cost allocation to all departments and funds in the most equitable manner possible and will recover the allowable indirect cost allocation from all grants, contracts and intergovernmental agreements. Exceptions will be made only upon Board approval. Indirect cost revenues, except for depreciation and use allowance revenues, are to be received into the General Fund to pay for the cost of central services provided. Depreciation and use revenues are to be received into the Capital Improvement Fund and assigned to general capital improvement projects as approved by the Board.
   (g) All grant, contract, and other service generated revenues (e.g. fees, reimbursements) are considered fully expended prior to expending other County funds unless otherwise directed by specific grant or contract requirements.
   (h) Any services or programs that are largely or wholly supported by time-limited grant or contract funds will be considered to automatically sunset at the expiration of the grantor contract.

(i) General funds will not be moved to another fund for future carryover, except for approved equipment replacement payments as set by budget direction during the annual budget process or in a supplemental budget transfer appropriation.

4) Reserve Policies:

(a) General Fund. Lane County will establish and strive to maintain a minimum 20% reserve of anticipated operating revenues, to ensure adequate cash flow, a strong standing with bond rating agencies, and protection of service levels to the community in the event of unforeseen events, revenue volatility, or economic downturns. This reserve is in addition to contingency amounts. The reserve will have two components:

(i) Emergency Reserve.

(1) Purpose. The first 17% of the reserve will be designated an emergency reserve and will be maintained to ensure adequate cash flow and a strong bond rating.

(2) Conditions for Use. The emergency reserve will be available for appropriation ordered by the Board for expenditure necessary to respond to a threat of public health or safety that involves one or more of the following: a severe revenue shortage threatening critical services; an involuntary conversion or destruction of Lane County property, a civil disturbance, a natural disaster, or other public calamity.

(ii) Service Stabilization Reserve.

(1) Purpose. The additional reserve beyond the emergency reserve amount will be designated a service stabilization reserve, which will provide the potential to achieve or maintain a very strong bond rating.

(2) Funding. Priority will be given to fund this component of the reserve when the County receives one-time discretionary general fund revenue or excess year-end lapse funds resulting from lower-than-budgeted expenditures.

(3) Conditions for Use. The reserve will be available for appropriation to reduce the impact of revenue fluctuations and drops in revenue growth due to economic downturns when continuation of existing service levels to the community are threatened. The following trends will guide the use of the service stabilization reserve.

(A) Overall General Fund operating revenue growth below 2.5% annually;

(B) Current Year Property Tax revenue growth below 2.5% annually;

(C) Local housing prices more than 10% below any time in prior 24 months;

(D) The Year-over-year Eugene/Springfield MSA unemployment rate more than two percentage points higher than any time in the prior 12 months, or an overall unemployment rate in excess of 7%.

(iii) Replacement of Reserve. In the event the total reserve falls below the 20% minimum amount, replenishment will begin as soon as feasible, preferably within the fiscal year following use, with full replenishment occurring within five fiscal years.

(iv) Additional Reserves. In the event the total reserve exceeds 25% of operating revenues, within a specific Board of Commissioner plan to do so, the Budget Officer will provide recommendation to the Board on the reserve. If a recommendation for expenditure is presented, priority will be given to one-time expenditures that result in future operating cost reductions or prepayment of debt obligations.

(b) Road Fund. Lane County will establish and strive to maintain a minimum 40% reserve based of anticipated operating revenues, to ensure adequate cash flow, protection of service levels to the community in the event of unforeseen events, revenue volatility or economic downturns and maintain Road Fund assets. This reserve is in addition to contingency amounts. The reserve will have three components:

- (i) Emergency Reserve.
  - (1) Purpose. The first 17% of the reserve will be designated an emergency reserve and will be maintained to ensure cash flow.
  - (2) Conditions for Use. The emergency reserve will be available for appropriations ordered by the Board for expenditures necessary to respond to a threat to public health or safety that involves one or more of the following: a severe revenue shortage threatening critical services, an involuntary conversion or destruction of Lane County Road Fund assets, or an unexpected asset failure.
- (ii) Catastrophic Reserve.
  - (1) Purpose. The next 15% of the reserve will be designated as a catastrophic road fund reserve. It will provide the ability to prepare and complete repairs to a road fund asset failure due to an extreme event.
  - (2) Conditions for Use. The catastrophic reserve will be available for appropriations ordered by the Board for expenditures necessary to respond to a Lane County Road Fund asset failure that involves one or more of the following: an involuntary conversion or destruction of Road Fund assets, a civil disturbance, a natural disaster, or other public calamity.
- (iii) Service and Asset Stabilization Reserve.
  - (1) Purpose. The additional reserve beyond the emergency and catastrophic reserves will be designated as a service and asset stabilization reserve.
  - (2) Funding. Priority will be given to fund this component of the reserve when the County receives one-time discretionary road fund revenue or excess year-end funds resulting from lower-than-budgeted expenditures within road fund budgets.
  - (3) Conditions for Use.
    - (A) The reserve will be available for appropriation to reduce the impact of revenue fluctuations and drops in revenue growth due to economic downturns when continuation of existing service levels to the community is threatened.
    - (B) The reserve will be available for appropriation to provide resources for a Lane County Road Fund asset capital improvement, preservation or construction.
    - (C) The following trends will guide the use of the service and asset stabilization reserve:
      - (a-a) Overall Road Fund operating revenue growth below 2.5% annually;
      - (b-b) State Highway Allocation revenue growth below 2.5% annually;
      - (c-c) Local housing prices more than 10% below any time in the prior 24 months;
      - (d-d) The Year-over-year Eugene/Springfield MSA unemployment rate more than two percentage points higher than any time in the prior 12 months, or an overall unemployment rate in excess of 7%.

(4) Replenishment of Reserves. In the event the total reserve falls below the 40% minimum amount, replenishment will begin as soon as feasible, preferably within the fiscal year following use and not later than within five years.

(5) Additional Reserves. In the event the total reserve exceeds 45% of operating revenues, without a specific Board of Commissioners plan to do so, the Budget Officer will provide recommendation to the Board on the reserve. If a recommendation for expenditure is presented, priority will be given to one-time expenditures that result in future operating cost reductions or preservation of road fund assets.

(c) Other Funds

(i) Debt Service Funds and other Funds used to process pass through payments to other entities are excluded from reserve requirements.

(ii) For all other Funds, reserve levels will be established specific to the funding source, service type and assets owned. The recommended level will be verified and reviewed for adequacy through the annual budget process.

5) Governmental Fund Balance Policies

To enhance the usefulness and consistency of governmental fund balance information, the following terms will be used to classify governmental fund balances:

(a) Non-spendable. Includes constrained amounts that cannot be spent such as inventories, prepaid expenditures, long-term loans and notes receivable, permanent contributions, and property held for resale.

(b) Restricted. Includes constrained amounts whose restrictions are either 1) externally imposed by creditors, grantors, contributors, or laws/regulations, or 2) internally imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or mandate payment of resources from outside the government, and includes a legally enforceable requirement that those resources be used only for specific purposes. All Lane County Board Ordinances/Resolutions and legislation in the Lane County Home Rule Charter and the Lane Code are considered enabling legislation. Legally enforceable means Lane County can be compelled by those outside the government to use those resources for the purposes specified in the legislation.

(c) Committed. Includes constrained amounts that can be used only for specific purposes imposed by the Lane County Board of Commissioners. Commitments can only be reversed by taking the same action employed to commit the amounts (e.g., board order). The difference between Restricted and Committed is that committed resources can be redeployed for other purposes with appropriate due process. Compliance with the commitment is not legally enforceable by those outside the government. All Lane County Board Orders and legislation in the Lane Manual are considered Committed.

(d) Assigned. Includes amounts constrained by the intent that they be used for specific purposes. Intent can be expressed by either the Lane County Board of Commissioners, Lane County advisory committees or officials the Board of County Commissioners has delegated authority to. All Budget Committee and Finance & Audit Committee decisions and policies in the Administrative Procedures Manual are considered Assigned.

(e) Unassigned. Defined as the residual fund balance that is not non-spendable, restricted, committed, or assigned. *(Revised by Order No. 02-1-30-1; Effective 1.30.02; 06-5-31-1, 5.31.06; 10-7-7-5; 7.7.2010; 13-03-12-02, 3.12.13; 18-05-01-06, 5.1.18)*

Investment Policies

4.015 Purpose.

The purpose of these policies is to provide direction to the Director of Operations or delegated County Treasurer in the investment of surplus cash in all funds, including moneys held in a fiduciary capacity. *(Revised by Order No. 94-6-28-7, Effective 6.28.94; 04-12-8-4, 12.8.04; 18-05-01-06, 5.1.18)*

4.020 Policies.

The following are the policies to be used by the Director of Operations or delegated County Treasurer in administering the investment program.

(1) Investment practices shall be in accord with all applicable state and federal statutes and regulations. Investments shall be made in accordance with such statutes and regulations, including but not limited to Oregon law governing County financial administration and depositories of public funds and securities, as applicable.

(2) Maturity of such investments will be made to coincide as nearly as practical with the expected use of the funds and may not exceed three (3) years or statutory requirements, unless matched to a specific cash flow and approved by the Board of Commissioners.

(3) Investment of County funds shall be made only upon the authorization of the Director of Operations, delegated County Treasurer, or designee.

(4) Other Lane County officials receiving money in their official capacity must deposit such funds with the Director of Operations or delegated County Treasurer, or at the discretion of the Director or Treasurer, in checking/negotiable order of withdrawal accounts.

(5) All investments shall be placed to ensure a competitive rate of return and be consistent with considerations of safety, liquidity and yield.

(6) The County Administrator is delegated the authority and responsibility to develop and maintain Administrative Procedures to implement these policies.

(7) LM 4.020 shall be adopted not less than annually by the Board of Commissioners. *(Revised by Order No. 04-12-08-04, 12.8.04; Readopted without changes by Order No. 02-05-15-08, 5.15.02; 06-02-15-03, 2.15.06; 07-02-21-04, 2.21.07; 08-02-06-05, 2.6.08; 09-01-28-10, 1.28.09; 10-02-24-01, 2.24.10; 11-03-15-09, 3.15.11; 12-03-14-06, 3.14.12; 13-03-12-01, 3.12.13; 14-04-15-01, 04.15.14; 18-05-01-06, 5.1.18; 18-03-13-02, 3.13.18)*

Interfund Loans

4.035 Purpose.

The purpose of these policies is to outline the requirements and responsibilities of departments regarding the use of interfund loans as a short-term financing resource to address cash flow needs in County operations or capital financing plans. *(Revised by Order No. 04-4-28-16; Effective 4.28.06)*

4.040 Policies.

The following are the policies to be used by departments entering into interfund loan transactions:

(1) Interfund loans are a tool employed by the County to assist funds and programs experiencing short-term, transitory cash imbalances created in the conduct of activities approved by the Board of County Commissioners.

(2) Interfund loan requests must be reviewed and approved by the County's Finance and Audit Committee prior to taking a request for authorization to the Board of County Commissioners.

(3) Interfund loans must be authorized by an order of the Board of County Commissioners, which shall state the fund from which the loan is to be made, the fund to which the loan is to be made, the purpose for which the loan is made and the principal amount of the loan, along with a schedule for repayment of principal and interest, or a statement that interest is not applicable to the loan.

(4) Interfund loans must be made in compliance with all other statutory requirements and limitations of Oregon law governing County financial administration. The County and Municipal Financial Administration provisions of Oregon law are included in LM 4.040(5) and (6) below.

(5) Interfund loans are to be characterized as either “operating” or “capital” and shall meet the following additional requirements, consistent with their character:
   - (a) An “Operating Interfund Loan” is defined as a loan made for the purpose of paying operating expenses. An operating interfund loan:
     - (i) Shall be budgeted and repaid no later than the end of the fiscal year subsequent to the period in which the loan was made;
     - (ii) If not repaid in the same fiscal year in which it is made, the full repayment of the loan shall be appropriated as a budget requirement in the subsequent fiscal year; and
     - (iii) Is required to be assessed interest, unless otherwise stated in the adopting order.
       - (1) If interest is assessed, the rate of interest will be equivalent to the actual earnings rate in the Lane County Investment Pool, unless otherwise stated in the adopting order.
       - (2) If interest is assessed, such interest will be computed as simple interest on the outstanding balance from the date of the loan to the date of repayment or partial repayment, unless otherwise stated in the adopting order.
   - (b) A “Capital Interfund Loan” is defined as a loan made for the purpose of financing the design, acquisition, construction, installation, or improvement of real or personal property and not for the purpose of paying operating expenses. A capital interfund loan:
     - (i) Shall not exceed 120 months in duration;
     - (ii) Shall set forth in the adopting order a schedule under which the principal amount of the loan, together with interest thereon at the rate provided for pursuant to LM 4.040(5)(b)(iii) below, are to be budgeted and repaid to the lending fund;
     - (iii) Shall be assessed interest at a rate that is equivalent to the actual earnings rate in the Lane County Investment Pool, unless otherwise stated in the adopting order; and
     - (iv) Shall accrue interest computed as simple interest on the outstanding balance from the date of the loan to the date of repayment or partial repayment, unless otherwise stated in the adopting order.

(6) Loans shall not be made from the following funds or restricted resources:
   - (a) From debt service reserve funds to the extent that the amount of the loan exceeds the amount required to be held in the reserve fund by covenant with the holders of the bonds or other obligations;
   - (b) From debt service funds; nor
   - (c) From monies restricted to specific uses under constitutional provisions, unless the purpose of the loan is an allowed use under constitutional provisions.

(7) In addition to the statutory requirements and limitations of Oregon law governing County financial administration, listed in LM 4.040(5) and (6) above, the following additional policies and provisions shall apply to all County interfund loans:
   - (a) Interfund loans shall not be made from funds otherwise restricted by law, bond covenants, grantor requirements, Board order or ordinance for specific uses, unless the purpose of the loan is an allowed use under those restrictions or the restricting entity approves the loan transaction.
   - (b) Interfund loans are not to be used to fund on-going operating activities other than those approved by the Board of County Commissioners in a formal budget action.
   - (c) Interfund loans are not to be used to balance the on-going operating budget of the borrowing fund due to a shortage of spending authorization.

(d) Interfund loans will be granted only after it has been demonstrated that reasonable consideration was given to other potential resources available to the fund and when the loan is required to meet a pressing need or to take advantage of a special opportunity.

(e) Interfund loans made to General Fund departments or programs shall not obligate unrestricted General Fund general revenue sources for future loan repayments beyond the current fiscal year.

(f) Interfund loans may be made only if there is a likely expectation that the fund receiving the loan will have the ability to repay it. In other cases, the use of an interfund transfer should be considered for appropriateness.

(g) Consideration shall be given to the adequacy of resources in the lending fund, and in no case shall an interfund loan be made when the consequence of that loan would be to deter or otherwise interfere with any function or project for which the fund was established.

(h) Interfund loans may be repaid in advance without any additional accrual of interest (if applicable) or any other penalties.

(8) No County fund shall carry a deficit cash balance for more than six months during any 12-month period without the written authorization of the County Administrator. Lacking that authorization, the fund managers shall be required to proceed with initiating an interfund loan authorization discussion with the Finance and Audit Committee and request to the Board of County Commissioners

(9) At no time shall a County fund carry a deficit fund balance at fiscal year end. *(Revised by Order No. 04-4-28-16; Effective 4.28.16; 18-05-01-06, 5.1.18)*

Debt Policies

4.025 Purpose.

The purpose of these policies is to provide direction to the Director of Operations or delegated County Treasurer in the issuance and management of the County's borrowing and capital financing activities. *(Revised by Order No. 06-9-13-9, Effective 9.13.06; 18-05-01-06, 5.1.18)*

4.030 Policies.

The following are the policies to be used by the Director of Operations or delegated County Treasurer in administering the issuance of debt.

(1) Debt management practices shall be in accord with all applicable state and federal statutes and regulations. Debt shall be issued in accordance with such statutes and regulations, including but not limited to, Oregon law governing local government borrowing and Oregon facilities financing as applicable.

(2) Debt shall be issued in a manner that minimizes the County's debt service and issuance costs while maintaining the highest practical credit rating.

(3) Repayment schedules for debt retirement for capital projects shall not exceed the useful life of the asset acquired through the debt issuance.

(4) Bonds and long-term debt obligations shall be issued only upon the authorization of the Board of County Commissioners. *(Revised by Order No. 06-9-13-9, Effective 9.13.06; 06-12-13-6, 12.13.06; 18-05-01-06, 5.1.18)*

Lane County Debt Policy and Legal Debt Limitation Calculation

The County continues to manage and administer its debt program in compliance with the restrictions and limitations of State law with regard to bonded indebtedness for counties, as outlined in Oregon Revised Statutes 287.052 – 074 and related sections. These statutory restrictions not only establish legal limitations on the level of limited tax and general obligation bonded debt which can be issued by the County (1% and 2% of the real market value of all taxable property, respectively), but the statutes also outline the processes for public hearings, public notice and bond elections, as well provisions for the issuance and sale of bonds and restrictions on the use of those bond proceeds.

Video Lottery Allocation Policy

4.100 Purpose.

The Video Lottery Allocation Policy reaffirms that video lottery receipts must be applied to programs and activities which support economic development in Lane County. Video lottery revenue is received from the State of Oregon as a transfer from the Oregon State Lottery Fund. The Oregon State Lottery Fund is governed by the Oregon Constitution, Article XV Section 4. This policy defines economic development activities for Lane County and provides guidance for strategic allocation of video lottery funds to economic development programs and activities. This policy reaffirmation is the basis for all video lottery allocation decisions for the benefit of Lane County citizens, and is meant to encourage partnerships between the County, communities within the county, non-profit organizations, private parties, and others directly involved in economic development activities that meet one or more of the economic development objectives or categories listed in paragraph 4.105 below. *(Revised by Order No. 01-2-21-2; Effective 5.1.02; 05-11-30-3, 11.30.05; 18-05-01-06, 5.1.18)*

4.105 Definition of Economic Development.

Economic development is defined as a program, group of policies, or activity that seeks to improve the economic well-being and quality of life for a community. Ideally, economic development will create and retain jobs, enhance employment opportunities, increase family wage income, and provide a stable tax base. Creation of new high-paying jobs and improvement of workers' wages are the principal outcomes anticipated from this economic development policy. Other outcomes may also include community development investments in infrastructure, commercial and business parks, public/private partnerships, organization capacity development, and strategies that leverage funds and resources to accomplish the following:

(1) Business Development. Programs that encourage business growth and investment that create new employment opportunities, attract and expand business, increase tourism, and facilitate start-up and emerging businesses.

(2) Workforce Development. Partnerships between business, education and government that build the skills of the local workforce and increase opportunities for families to meet or exceed the median household income for Lane County. *(Revised by Order No. 01-2-21-2; Effective 5.1.02; 05-11-30-3, 11.30.05; 18-05-01-06, 5.1.18)*

4.110 Allocation.

After establishing appropriate reserve levels pursuant to the County's reserve policies, the Board of Commissioners will annually allocate the revenues derived from the State's video lottery distribution to counties for economic development between two economic development categories through the annual budget process as follows:

(1) Category 1 - General Economic Development. The Board will strive to allocate no more than fifty percent (50%) of the County's annual receipts to this category. The purpose of the General Economic Development allocation is to pay for ongoing County programs and services which meet the adopted definition of economic development. Guidelines for determining eligibility for this category are:

- (a) The cost of administering the County's Economic Development program.
- (b) Participation in forums for exchanging ideas and addressing the economic development needs of the County.
- (d) Contracting with other agencies for the purpose of community/county promotion, marketing/recruitment, and other economic development support services, the sole purpose of which is to build capacity over time and increase and/or stabilize the economy of the County and its residents.
- (e) County programs or any contract(s) with other agencies to provide economic development support services to the County and/or communities within the county.

(2) Category 2 - Economic Development Strategic Investment. The Board will strive to allocate no less than fifty percent (50%) of the County’s annual receipts from video lottery revenue to the Economic Development Strategic Investment category. The purpose of this category is to assist communities to pro-actively leverage video lottery dollars through public-private partnerships that will make a measurable difference in the economic growth and stability of Lane County. General guidelines for allocation from this category are:

(a) Any activity or project supported must demonstrably and directly increase the chance of making a measurable difference to the economy of Lane County and its residents.

(b) Projects are expected to have some financial support other than video lottery money.

(c) Projects or facilities identified in a recognized capital improvement plan (e.g., the County, communities within the county or economic development organization's capital improvement plan) will receive priority consideration.

(d) Projects that require multi-year commitments may be funded and some or all of the funds for this category may be carried forward for future allocation. *(Revised by Order No. 01-2-21-2; Effective 5.1.02; 05-11-30-3, 11.30.05; 18-05-01-06, 5.1.18)*

COMPUTATION OF LEGAL DEBT MARGIN – GENERAL OBLIGATION BONDED INDEBTEDNESS	
June 30, 2019	
Oregon Revised Statute 287.054 provides a debt limit on general obligation bonds of 2% of the real market value of all taxable property within the County's boundaries.	
Real Market value	$51,263,666,086
Debt limit rate	2.00%
Debt limit	1,025,273,322
Less applicable bonded debt *	0
Legal debt margin	$1,025,273,322
Total debt as a percent of debt limit	0.00%
* No additional debt has been authorized as of July 1, 2020.	

COMPUTATION OF LEGAL DEBT MARGIN - LIMITED TAX BONDED INDEBTEDNESS	
June 30, 2019	
Limited Tax Bonds (excluding Pension Bonds)	
Oregon Revised Statute 287.053 provides a debt limit on limited tax full faith and credit bonds of 1% of the real market value of all taxable property within the County's boundaries.	
Real Market value	$51,263,666,086
Debt limit rate	1.00%
Debt limit	512,636,661
Less net applicable bonded debt	20,533,464
Legal debt margin	$492,103,197
Total debt as a percent of debt limit	4.01%
Summary of limited tax obligations:	
Limited Tax Full Faith and Credit Bonds, Series 2002A	305,000
Limited Tax Full Faith and Credit Bonds, Series 2003B	790,000
Limited Tax Full Faith and Credit Bonds, Series 2009A	2,035,000
Limited Tax Full Faith and Credit Bonds, Series 2011	7,040,000
Limited Tax Full Faith and Credit Bonds, Series 2011R	1,595,000
Limited Tax Full Faith and Credit Bonds, Series 2017	8,870,000
	20,635,000
Less: Funds applicable to the payment of principal thereof per ORS 287.053(1):	
Lane Events Center Debt Service Fund	(101,536)
Net applicable bonded debt *	$20,533,464
Limited Tax Pension Bonds	
Debt limit (5% of real market value)	$2,563,183,304
Debt applicable to limit:	
Limited Tax Pension Bonds, Series 2002	$52,293,058
Legal debt margin	$2,510,890,246
Total debt applicable to the limit as a percentage of debt limit	2.04%

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