

**Priority:** Accountability  
**Program Offer Type:** Existing Operating  
**Related Programs:**

**Lead Agency:** Non-Departmental - All  
**Program Contact:** Mindy Harris

**Program Characteristics:**

**Executive Summary**

The GO Bond Sinking program accounts for the payment of General Obligation Bond principal and interest approved by the voters in May 1993 and May 1996. The 1993 GO Bond was issued in February 1994 to restore the historic Central Library and build the Midland Library. The 1996 Bond was issued in October to remodel, construct, or purchase various Library and Public Safety facilities and equipment. Revenue to pay the debt is derived from property taxes and interest earned on the cash balances.

**Program Description**

The following bond issues are included in these programs: General Obligation Bond Series 1994 in the amount of \$31,000,000 (This Bond issue has been refinanced and is included in the Series 1999 refunding issue). General Obligation Bond Series 1996A in the amount of \$29,000,000. General Obligation Bond Series 1996B in the amount of \$79,700,000. Portions of the Series 1996A & B Series are included in the \$66,115,000 Series 1999 Refunding General Obligation Bond issue.

**Program Justification**

Bond payments are made on time to maintain an investment grade rating on the bond issue. Managing debt carefully provides for strong financial management. In May 1993 the voters approved a County Ballot Measure authorizing the issuance of \$31,000,000 in General Obligation Bonds to renovate the Central Library and build a new Midland Library. In May of 1996 the voters approved two County Ballot Measures (26-44 and 26-45). Measure 26-44 was a \$29 million bond authorization to enhance library facilities, repair library branches, renovate library branches and upgrade computer systems used in the library system. Measure 26-45 was a \$79,700,000 bond authorization to finance the construction of public safety facilities and equipment. The bond proceeds were used to build the Children's Receiving Center, build the Wapato Jail, add a dorm at the Juvenile Justice Complex, add beds at the Inverness Jail and purchase computer applications for public safety use. It also provided funds to repair or remodel the downtown courthouse, Justice Detention Center, and transitional housing facilities.

**Performance Measures**

Measure Type	Primary Measure	Previous Year Actual (FY07-08)	Current Year Purchased (FY08-09)	Current Year Estimate (FY08-09)	Next Year Offer (FY09-10)
Output	GO Bond Rating Moody's Aa1	1	1	1	1
Outcome		0	0	0	0

**Performance Measure - Description**

Maintaining an investment grade bond rating limits the amount the County might otherwise have to pay towards annual debt service; (1)-indicates Moody's Aa1 rating, (0)-represents rating lower than Aa1. All principal and interest payments were made on time and the County's General Obligation Bonds are rated Aa1 by Moody's. No additional voter approved debt has been authorized. Multnomah County has never defaulted on any debt issues.

## Legal/Contractual Obligation

Principal and interest on the voter approved General Obligation Bonds are a binding debt that the County must pay. The property tax levy used to pay the debt is outside of the property tax constitution limits imposed by State Ballot Measure #5 approved in 1990 and State Ballot Measure #50 approved in 1997.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
<b>Program Expenses</b>	2009	2009	2010	2010
Debt Service	\$0	\$9,232,498	\$0	\$9,246,510
Unappropriated & Contingency	\$0	\$7,984,976	\$0	\$7,489,494
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$17,217,474</b>	<b>\$0</b>	<b>\$16,736,004</b>
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Total GF/non-GF:	<b>\$0</b>	<b>\$17,217,474</b>	<b>\$0</b>	<b>\$16,736,004</b>
Program Total:	<b>\$17,217,474</b>		<b>\$16,736,004</b>	
Program FTE	0.00	0.00	0.00	0.00
<b>Program Revenues</b>				
Taxes	\$0	\$8,225,000	\$0	\$8,868,279
Other / Miscellaneous	\$0	\$8,992,474	\$0	\$7,867,725
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$17,217,474</b>	<b>\$0</b>	<b>\$16,736,004</b>

## Explanation of Revenues

Revenue to pay the debt is derived from property taxes and interest earned on the cash balances.

## Significant Program Changes

**Last year this program was:** #10018, GO Bond Sinking Fund

The GO 1996 issue was paid off in FY 2008.