Columbia County

FY13 Proposed Budget

IV. Capital and Debt

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Columbia County Capital Outlays

Capital expenditures in FY2012-2013 are budgeted in the same way that they are reported in our financial statements: as assets with an initial, individual cost of $5,000 or more, and having useful lives extending beyond a single reporting period. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. In prior years, each department or fund determined its own criteria for capital expenditures.

FY13 Capital Outlays Schedule - General Fund

	On Going	One-Time	Purpose	Revenue Source	Operating Fund's Budget Impact
Assessor	80,000		Assessment & Taxation Software Enhancements	General Fund	Essential for service delivery mandate; has positive impact on productivity
Assessor		14,250	Vehicle	General Fund	Essential for service delivery mandate; has positive impact on productivity, minimizing maintenance and fuel cost
Elections	6,925		OCVR Elections Software	General Fund	Essential for service delivery mandate
Jail	50,000		Jail Building Improvements	General Fund	Essential for service delivery mandate; less than ideal and may mean increase in maintenance costs
Surveyor		2,600	20% Survey Instrument	General Fund	Replace current Instrument purchased in 1991; technology advancement means saving time and maintenance cost
Building Maint		369,796	Capital Systems Improvements	Loan	Remainder of Capital Improvements projects which will result in energey efficiency savings and productivity gains
IT	50,600		Computer Network Enhancements	General Fund	Essential to service delivery; Productivity improvements due to technological jumps made in the intervening period
General Fund Total	**187,525**	**386,646**			

FY13 Capital Outlays Schedule - County Funds

	On Going	One-Time	Purpose	Revenue Source	Operating Fund's Budget Impact
Roads		10,000	Plow attachment for 4x4 pickup	Road Fund	One time expense of $10,000
Roads	120,000		10% of Replacement Cost Fishhawk Bridge	Road Fund	Maint costs of a new bridge less than the old bridge, but accelerating with time. Remainder to come from Federal Highway Bridge Program, through ODOT
Parks		30,000	Trucks	Park Fund	Reduction in operating reserves
Parks		60,000	Park and Trail Improvements	Grant	Neutral
Parks		75,000	Camp Wilk. bathroom	Park Fund	Bring campground up to Oregon health standards
Corner Restor.		10,400	80% Survey Instrument	Corner Funds	Replacement 1991 purchase; tech advancement means saving time and maint cost
Court Security	10,000		Equipment Replacement	Security Fund	Essential for mandated security at Courthouse
Law Library	25,000		Library Collections	Library Fund	Essential for mandated legal resources in County
Transit	185,000		CTS 43pers bus replace	ODOT Grants, match from community contrib, STF, BETC etc. Essential for the delivery of transit services to county residents.	
Transit		65,016	Security System		
Transit	225,000		CTS 43pers bus expansion		
Transit	104,647		28pers bus expansion		
Transit		1,010,120	Transit Center Phase II and III	Flex Fund Grant	Completion of the Transit Center in St Helens
Transit		60,000	Transit Planning	Grant	Work prior to additional capital investment
Footpath		333,454	Trail and Path Development	Trail Fund	Fund is in its entirety for capital investments in footpath and bicycle trail development
Other Funds Total	**669,647**	**1,653,990**			
County-wide Totals	**857,172**	**2,040,636**			

Capital Expenditures Notes:
The proposed **100-44 Emergency Management** budget does not include capital funds awarded through a federal agency to pay for 75% of the erection of an Emergency Operations Center. Prior budget estimates had the total cost of the project at $300,000. It is possible that this project will ultimately be appropriated but at this stage it seems more likely that the project will not go forward.

The **215 Unmet Needs Fund**, created to assist in the response to and recovery from the federally declared flood disaster of December 2007 in Vernonia, includes over $20 million over the course of three budget years for the purchase and demolition of buildings (homes and schools) within the flood plain and elevation and repair of structures in that community considered safe for continued residential or commercial use according to federal standards. The County will take title of land (the majority of which will be deeded over to the City of Vernonia) in the purchase and demolition portion of the work. These properties will be deed restricted for open space use in perpetuity; as such, the property ultimately has little financial value and, therefore, these outlays are not considered capital expenditures.

Columbia County FY2012-13 Debt Information

Section 10, Article XI of the Oregon Constitution prohibits counties from creating any debt or liabilities which shall singly or in the aggregate, with previous debts or liabilities, exceed the sum of $5,000, unless those debts or liabilities are incurred to carry out purposes authorized by statute, and do not exceed limits fixed by statute.

ORS 287A.100 authorizes counties to issue general obligation bonds to finance capital construction or improvements upon approval of electors if the if the debts or liabilities do not exceed two percent of the real market value of all taxable property in the county, or any lesser limit on bonded indebtedness in a county charter. 287A.140 authorizes public bodies to issue annual tax levies to pay for the principal and interest of outstanding general obligation bonds.

ORS 287A.105 authorizes counties to incur debts or liabilities under ORS 271.390 and similar statutes if the debts or liabilities do not exceed one percent of the real market value of all taxable property in the county, or any lesser limit on bonded indebtedness in a county charter.

ORS287A.360 authorizes public entities to issue refunding bonds for outstanding debt without the authorization of the electors.

ORS 238.694 authorizes public entities to issue bonds to fund pension liabilities if that issuance may reduce the cost of public pensions to taxpayers. These bonds are outside of indebted limits noted in ORS chapter 287A.

1. Columbia County does not have a charter.
2. The latest real market value of the County is $5,477,228,279.
3. One percent of borrowings has a value of $54,772,283
4. The County electorate approved a ballot measure for jail construction and a general obligation bond was issued to fund that construction in 1999. The aggregate principal amount of borrowings subject to the two percent limit outstanding as of June 30, 2012, is $5,885,000. This balance is within statutory limit. This bond is also a refunded bond.
5. The County has issued bonded indebtedness that is subject to the limit of 287A.105. $10,553,404 in aggregate principal amount of borrowings is outstanding as of June 30, 2012. This balance is within the statutory limit.
6. The County has issued bonded indebtedness that is subject to ORS 238.694 in the amount of $7,758,798 in aggregate principal amount outstanding as of June 30, 2012. This balance is not subject to statutory limits as it is expected to save taxpayers money on the cost of public pensions.

The long term debt schedule for Columbia County follows.

Because the interest rate on the Knife River property is well above market, the County is seeking to pay off this loan in full. We believe this payout will happen in FY12.

Columbia County Long Term Debt

Lender	Interest Rate	Total Loan	Total Principal Remaining as of June 30, 2012	Total Interest Remaining as of June 30, 2012	Total Payments Due as of June 30, 2012
Pension Bonds					
Pers A & B	2-7.41%	4,394,484	4,028,798	4,354,324	8,383,122
Pers addl	4-5%	3,860,000	3,730,000	2,145,664	5,875,664
Total not subject to any limit		**8,254,484**	**7,758,798**	**6,499,988**	**14,258,786**
Loans					
City of St Helens	3.00%	100,000	78,164	18,831	96,995
Knife River (license agreement)*	12.00%	53,199	0	0	0
OEDD SPWF - West Rainier Road	5.23%	410,000	282,430	121,329	403,759
OEDD SPWF - Port Westward Road	4.99%	5,746,893	5,746,893	3,075,933.00	8,822,826
OEDD - Solid Waste Transfer Station	4.97%	4,435,000	3,792,861	2,034,278	5,827,139
Courthouse Capital Improvements	3.75%	713,000	653,056	121,992	775,048
Total subject to 1% RMV limit		**11,458,092**	**10,553,404**	**5,372,363**	**15,925,767**
Percent RMV		**0.209%**	**0.193%**	**In compliance**	
44,218,879 Amount debt capacity remaining (1% RMV minus remaining principal due)					
General Obligation Bond					
Jail Refinancing	4-4.25%	8,365,000	5,885,000	859,538	6,744,538
Total subject to 2% RMV limit		**8,365,000**	**5,885,000**	**859,538**	**6,744,538**
Percent RMV		**0.153%**	**0.107%**	**In compliance**	
103,659,566 Amount debt capacity remaining (2% RMV minus remaining principal due)					
Total Long Term Debt		**28,077,576**	**24,197,202**	**12,731,889**	**36,929,091**

Real Market Value FY12
5,477,228,279

* Expect to finalize agreement to payout remainder of license agreement before FY12 ends