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# 1981-82 Revenues and Expenditures in Washington County: An Examination of Geographic Incidence

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1981-82 Revenues and Expenditures  
in Washington County:  
An Examination of  
Geographic Incidence

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July 1984

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## Chapter 1

### INTRODUCTION

This report is the second phase of what is known as the Washington County Urban Services Study. First phase research commenced in March, 1983 and was completed in December, 1983. The focus of this first phase was the comparative cost of urban service provision by jurisdiction by service for the cities, special districts (excluding schools) and County that provide services inside the Washington County Urban Growth Boundary. The results of this research were reported in "Expenditures for Urban Services in Washington County: A Benchmark Comparison" which was issued in January, 1984. The second phase research examined the revenue and expenditure patterns for the provision of all County services. These expenditures and revenues were examined on the basis of geographic points of delivery and origin. In other words, the County was divided into three geographic areas: Incorporated (cities), Suburban (unincorporated but inside the Urban Growth Boundary), and Rural (unincorporated but outside the Urban Growth Boundary). County revenues (taxes, fees, grants, etc.) were examined in terms of how much each area produced and expenditures in terms of how much each area received. The difference between revenue and expenditure produces a measure of "revenue equity" by service. In sum, this report provides a measure of the extent to which the County's expenditures for service are equitably related to the source of its revenues.

#### DOUBLE TAXATION, URBAN SUBSIDIES, ETC.

Double Taxation and Urban Subsidy are terms which have been used to characterize taxes raised by counties inside cities and expended on services provided to unincorporated areas. In most cases this situation has occurred as much by historical accident as by plan. Counties, with the exception of home rule counties, are administrative subdistricts of the state, created originally to provide governmental services to sparsely populated rural areas. As cities developed, they established jurisdictional responsibilities within County boundaries. The geographic

overlap of boundaries created the possibility for double taxation. The possibility does not become a reality, however, until a County provides more services outside the city than inside the city, using funds raised in the city. It is also possible that the reverse situation may exist. The County may provide services to residents inside a city using revenues raised from unincorporated areas.

If subsidies exist, they are not necessarily improper. In the United States, taxes are consciously used to redistribute wealth. For example, the federal income tax is levied at a higher rate on the wealthy than the poor so that tax funds spent on social welfare programs benefit the poor at the expense of the more well off. The County could also raise tax revenue to reallocate money from one group to another. An example of this would be a cooperative library levy on all county residents used to reimburse city libraries for their use by non-residents.

Double taxation and subsidies become an issue when they exist either through historical accident or because they do not accomplish the policy goals set for them. In the context of the Portland metropolitan area, Double Taxation is an issue more for historical reasons than because of planned subsidization. Consequently, the jurisdictions which financed this study sought documentation of the existence of this problem and its extent. From this point, the jurisdictions must decide for themselves what they wish to accomplish and what actions are necessary.

#### METHODOLOGY

The methodology for this study is explained in Chapter 2. In general, the data used are drawn from the Fiscal Year 1981-82 Washington County Budget. Revenues are those listed in the budget and were confirmed by the County staff. Similarly, expenditures are taken from the budget but have been allocated to the three geographic areas to reflect the distribution of service. Thus, when expenditures are reported for each geographic area they reflect the proportion of total expenditure attributable to that area in service provided. Service delivery distributions were derived from individual department records either directly or through estimates derived from samples of the records. Some service delivery distributions are based on estimates using the judgements of the investigators supported by the informed judgement of County staff.

The Expenditure-Revenue Differential produced for each service area reflects the simple arithmetic of subtracting one number

from another. Yet, these numbers should be interpreted carefully. Differentials of less than \$100,000 probably should be ignored for several reasons. First, there may be a considerable margin of error in the estimation of service delivery and cost allocation. Secondly, even if the numbers were accurate, the cost to rectify this differential may exceed the benefits to be gained. More importantly, as discussed below, this study examines expenditure and revenue for one fiscal year. There can be annual changes in the service delivery pattern that might shift a subsidy \$100,000 without effort. Thus, general trends and gross differentials are the most important issues, not the exact extent of the dollar amounts.

#### STRENGTHS AND WEAKNESSES

The report is a best professional analysis of the actual events and circumstances in Washington County. It was produced with the strong cooperation and participation of County staff and the assistance of city and special district officials. Thus, it is accurate within the realm of what can feasibly be done and unbiased in that it does not attempt to make a case for one opinion or another. More importantly, throughout the research process, most of the local government jurisdictions in Washington County actively participated in reviewing and commenting on drafts and exchanging information concerning the results of the effort. This communication process itself is perhaps one of the most positive outcomes of the study.

From the perspective of changing institutions, it is very important that the findings be interpreted in the context of the County as it was and is now. The base year for this study was 1981-82. Since that time, significant changes have been made in the structure of the County government. For one, the state has assumed responsibility for the court system. Hence, we have not reported on that service in this study. Secondly, there have been significant reorganizations of departments and reorientations of services. The Cooperative Library Service is now operating under a different revenue allocation formula and the Public Works and Planning Departments are radically different organizations than they were in 1981-82. Thus, some of the findings of this report are outdated. These changes in organization and funding have already shifted expenditure-revenue differentials. For example, the 1981 Road Serial Levy is not an ongoing expenditure and its differential no longer exists. At some point, the County may wish to update the report to establish the extent of change and its impact on service delivery and revenue equity.

The strengths of the report lie in its objective, descriptive analysis of the County revenue-expenditure relationships. With the completion of the report, both the County and other affected jurisdictions have a concrete sense of the extent and direction of subsidies. From this knowledge, appropriate strategies can be identified and adopted. The process of identifying these strategies and adopting them has been advanced by the cooperation invested in the development and funding of the report itself. There is no guarantee that the jurisdictions will continue to cooperate as well or at all. Yet, there exists a substantial investment of effort made through the leadership of the participating executives and elected officials that has at least set the direction and created the possibility.

#### ACKNOWLEDGEMENTS

The research team appreciates the extreme cooperation of the County staff throughout the research process, particularly Bruce Thomson and Paul Shinn. Every city and special district which participated designated a staff person who provided assistance in many ways. Of particular help were Tim Erwert, Blair Crumpacker, Joy Martin, Steve Rhodes, Russ Washburn, Chuck Jones and Dick Dieterich. After almost two and one-half years of work with these and other individuals, we have come to think that Washington County is well served by the quality of its public officials and we owe them a debt of gratitude.

## Chapter 2

### EXPENDITURES AND REVENUES

This chapter discusses the Expenditure-Revenue Differential concept, the allocation of revenues and expenditures to geographic areas within the County, the nature of revenues in the General Fund, Grants and Fee Revenues, and the distribution of expenditures (services).

#### EXPENDITURE-REVENUE DIFFERENTIAL METHODOLOGY

Service delivery is defined as EXPENDITURES for provision of a service. There are other definitions of service delivery, such as road miles maintained or library books circulated, but these measures cannot be readily compared with each other. The payment for a service is not always a straightforward process. To permit comparison across service categories, this study reports service delivery as dollar expenditures.

Most services are funded by more than one source. Even if the General Fund provides all the money for a service, that fund receives money from at least 21 different sources. The sum of all funds for a particular service is the defined as REVENUE for a service. Revenue falls into four categories: General Fund or Dedicated Property Taxes, Fees and Charges, State and Federal Grants, and Other Revenues such as expense reimbursements.

#### EXPENDITURE-REVENUE DIFFERENTIAL

For a variety of reasons, services provided by the County are not always delivered uniformly. Police service (Sheriff) is not provided generally to the residents of the cities. These incorporated areas normally provide their own police protection. Differential service provision is primarily the result of



jurisdictional boundaries. Mental Health is a service which is provided county wide but only used on an as needed basis. Tax Assessment is a service used by all residents of the County. When the pattern of service delivery differs from the pattern of revenue generation within a given geographic area, a difference exists between revenue generated and expenditures for services in that area. This difference is called the Expenditure-Revenue Differential.

This study examines each County service to establish whether a differential exists and its extent. This analysis is derived using a table which looks like the following Example Table, showing the distribution of \$1,000 in general fund revenue according to the General Fund allocation percentage (discussed later). The expenditure for this example (service delivery) is allocated according to the distribution of population in the county. The Incorporated area has a differential of -\$3.00 or (3.00). This means that the Incorporated area receives \$3.00 less in service expenditure than it provides in revenue, and can be thought of as a net flow of money from the Incorporated area (-\$3.00) to the Unincorporated area (+\$3.00).

EXAMPLE TABLE

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 1,000.00            | 437.00            | 476.00        | 86.00      |
| FEES & CHARGES                       |                     |                   |               |            |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 1,000.00            | 437.00            | 476.00        | 86.00      |
| TOTAL EXPENDITURES                   | 1,000.00            | 434.00            | 453.00        | 113.00     |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | 0                 | (23.00)       | 27.00      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -0.00             | -0.00         | 0.00       |

## DIFFERENTIAL TABLES AND ROUNDING ERRORS

Rounding errors in the calculation of the differential result in the differentials not summing to \$0 in all cases. The Example Table shown above provides a good example of this problem. The Incorporated Area differential is -\$3, the Suburban -\$23, and the Rural is +\$27. When these differentials are added together they should sum to \$0. However, they do not--they sum to +\$1. This is the result of the effects of rounding error. All of the allocation percentages are three digit numbers ( i.e., Incorporated Population = .434 Total Population), rounded down from a 9 place decimal. This rounding process produces a small amount of error in the calculated Expenditure-Revenue Differential. This error is no more than plus or minus 0.001 for each table presented.

## DIFFERENTIAL TABLES

The structure of the Expenditure-Revenue Differential table shows several things about the analytic method used in this report. First, there are several potential revenue sources for each service provided by the County (General Fund or Dedicated Property Taxes, Fees and Charges, State and Federal Grants, and Other Revenues). Each revenue source has its own characteristic distribution within the County. It is the difference between the distribution of revenues and the distribution of expenditures which produces the Expenditure-Revenue Differential. The allocation of these revenues will be discussed in more detail later in this chapter. The Example Table is for a General Fund supported service. Tables for special fund services such as Roads, the Cooperative Library Service, and Dog Control (which do not receive any General Fund money) do not include the General Fund revenue category.

The Expenditure-Revenue Differential for each service is shown on the bottom line of these charts and may be positive or negative. The differential is also presented in the per capita and per \$1000 of assessed value forms to provide a comparison of the relative magnitude of the differential in each geographic area.

## GEOGRAPHIC ALLOCATION AREAS

All revenues and services are allocated to one of three geographic areas. The "Incorporated Area" contains all land within the incorporated cities: Beaverton, Hillsboro, Tigard, Tualatin, Forest Grove, Sherwood, Cornelius, Durham, King City, North Plains, Gaston, Banks, Wilsonville, Lake Oswego, Rivergrove, and Portland. The "Unincorporated Area" is the remainder of the County and is divided into two areas: "Suburban" and "Rural". The Suburban Area contains all unincorporated land inside the Urban Growth Boundary. The Rural Area contains all unincorporated land outside the Urban Growth Boundary. It was necessary to make a separate allocation area for the Unified Sewerage Agency (USA), since its physical and service boundaries do not include the entire county and do not match each other. The City of Hillsboro is included in USA service boundaries (USA provides service on a contract basis) but not in USA jurisdictional allocations. In addition, the Unincorporated portion of USA is almost entirely within the Suburban Area of the County. USA does not have a Rural allocation area.

## REVENUE SOURCE ALLOCATIONS

The process of geographically allocating revenues began with a review of the manner in which revenues were generated or allocated to the County by the state and/or federal governments. Most revenue sources are related directly or indirectly to the distribution of population, assessed value, or personal income in the County. These were determined using information from the US Census 1980 (revised) and the County Tax Assessor. They are shown in the following table:

TABLE 1

POPULATION, NUMBER OF HOUSEHOLDS, ASSESSED VALUES, AND PROPERTY TAX REVENUES RAISED BY JURISDICTION IN FY 81-82

| JURISDICTION            | POPULATION | HOUSEHOLDS | ASSESSED VALUE (000'S) | AREA PROPERTY TAXES * |
|-------------------------|------------|------------|------------------------|-----------------------|
| INCORPORATED AREA       |            |            |                        |                       |
| Beaverton               | 31,926     | 14,045     | 1,044,697              | \$30,177,808          |
| Hillsboro               | 27,664     | 10,109     | 707,183                | \$18,638,591          |
| Tigard                  | 15,109     | 6,414      | 628,768                | \$14,792,305          |
| Forest Grove            | 11,499     | 4,523      | 236,320                | \$ 6,046,615          |
| Tualatin                | 8,700      | 3,554      | 294,057                | \$ 7,372,174          |
| Cornelius               | 4,462      | 1,756      | 92,857                 | \$ 2,198,339          |
| Sherwood                | 2,386      | 971        | 59,437                 | \$ 1,501,240          |
| King City               | 1,853      | 1,238      | 77,639                 | \$ 1,702,629          |
| Durham                  | 707        | 242        | 26,814                 | \$ 596,064            |
| North Plains            | 715        | 262        | 15,941                 | \$ 431,283            |
| Banks                   | 489        | 188        | 8,792                  | \$ 210,492            |
| Gaston                  | 471        | 163        | 6,118                  | \$ 196,088            |
| Portland (pt)           | 646        | 402        | 18,371                 | \$ 498,438            |
| Lake Oswego (pt)        | 5          | 2          | 3,027                  | \$ 69,782             |
| Wilsonville (pt)        | 20         | 7          | 35,432                 | \$ 854,557            |
| Rivergrove (pt)         | 27         | 12         | 959                    | \$ 20,992             |
| -----                   |            |            |                        |                       |
| SUBTOTAL                | 106,674    | 43,888     | 3,256,412              | \$85,307,397          |
| UNINCORPORATED          |            |            |                        |                       |
| Suburban                | 111,357    | 36,676     | 3,321,610              | \$88,656,279          |
| Rural                   | 27,777     | 9,676      | 589,224                | \$13,225,613          |
| -----                   |            |            |                        |                       |
| SUBTOTAL                | 139,134    | 46,352     | 3,910,834              | \$101,881,893         |
| =====                   |            |            |                        |                       |
| COUNTY TOTAL            | 245,808    | 90,240     | 7,167,246              | \$187,189,290         |
| UNIFIED SEWERAGE AGENCY |            |            |                        |                       |
| Incorporated            | 78,958     | 32,435     | 2,512,838              | N/A                   |
| Suburban                | 109,297    | 53,211     | 3,273,252              | N/A                   |
| =====                   |            |            |                        |                       |
| TOTAL                   | 188,255    | 85,646     | 5,786,090              |                       |

\*This column indicates the total collection of all property taxes levied by all jurisdictions within each city, e.g. the Beaverton total includes its property tax and that amount

collected in the city by Tualatin Hills Park and Recreation District, Unified Sewerage Agency, Beaverton Schools, Washington County, etc.

These distributions were used to establish allocation percentages for revenues derived from the various geographical areas of the County.

#### ALLOCATION OF REVENUES RECEIVED FROM STATE AND FEDERAL SOURCES

Most State and Federal grants and Federal General Revenue Sharing monies come from state and federal general funds. These general funds derive the majority of their resources from personal income tax receipts. In Calendar Year 1980 personal income tax receipts amounted to 55 percent of total revenue collections received by the Internal Revenue Service (US STATISTICAL ABSTRACT). Employment taxes, directly related to personal income, amounted to an additional 25 percent of total collections. The dominant source of revenue for the Oregon General Fund is also the personal income tax.

Corporate income taxes are not a dominant source of revenue at either the state or federal level. No data are available on which to base a distribution of corporate revenue in Washington County. Accordingly, corporate income taxes were not used to distribute state and federal grant monies. In addition (according to the Department of Revenue), approximately 80 percent of the corporate income tax collected by the State of Oregon is derived from corporate operations outside the state (due to Oregon's unitary corporate income tax structure).

It was decided to geographically allocate state and federal grant monies based on the distribution of personal income. To do this allocation it was necessary to estimate the distribution of personal income in the County. A surrogate for this distribution was constructed using the median household income and the number of households by census tract for each jurisdiction. The number of households in each portion of a census tract was multiplied by the median household income in the same portion of the census tract. These numbers were summed to provide a total estimate of personal income for the Incorporated, Suburban and Rural Areas. The Incorporated Area had 38.8 percent of the total personal income, the Suburban Area 50.5 percent, and the Rural Area 11.2 percent. This distribution is used to allocate revenue received

from the state and federal sources. The following table summarizes the major revenue allocation factors for each area of the County.

TABLE 2  
REVENUE ALLOCATION PERCENTAGES BY GEOGRAPHIC AREA

| ALLOCATION<br>TYPE            | GEOGRAPHIC AREA OF COUNTY |          |       |
|-------------------------------|---------------------------|----------|-------|
|                               | INCORPORATED              | SUBURBAN | RURAL |
| POPULATION                    | 43.4%                     | 45.3%    | 11.3% |
| HOUSEHOLD                     | 48.6%                     | 40.6%    | 10.8% |
| PERSONAL INCOME               | 38.3%                     | 50.5%    | 11.2% |
| ASSESSED VALUE                | 45.4%                     | 46.4%    | 8.2%  |
| TOTAL PROPERTY<br>TAX REVENUE | 45.6                      | 47.4%    | 7.1%  |

EXPENDITURE ALLOCATIONS

The allocation of several expenditures is more complicated than the revenue allocations. In many cases, it was not possible to develop a clear basis for allocating expenditures because the services were not delivered directly to any given area. Administrative and Central Services are a good example. In such cases, service expenditures were allocated based on population distribution or an alternative. Many of the services covered in this report are delivered to identifiable populations or geographic areas. The records of the departments providing these services were reviewed (if possible) and a service delivery distribution developed. When the problem of confidentiality limited the ability of the research team to sample records, samples were drawn and processed by County staff. The process used to determine the distribution of service delivery will be discussed in each service section of this report.

**REVENUE SOURCES**

County revenue sources fall into several broad categories: property taxes, shared taxes from various sources (both state and

federal), state and federal grants, fees and charges for County services and other types of user fees. Many of these revenues can be directly attributed to particular services: for example, building permit fees. These fees are collected by the Building Department and used to cover the cost of providing building inspection services. A number of these revenue sources are discussed below to further explain their origins and, in the case of general fund revenues, to explain their allocation across the Incorporated, Suburban, and Rural Areas of the County.

#### GENERAL FUND REVENUE SOURCES

The County General Fund receives revenue from 21 different sources. The largest source is the property tax, accounting for nearly two-thirds of all general fund revenues. Each revenue category is generated on a different basis and its allocation varies across the Incorporated, Suburban, and Rural Areas.

#### PROPERTY TAX

In FY 1981-82 the property tax provided \$12,486,961 to the General Fund and an additional \$365,435 in delinquent property taxes. Property tax is generated by an ad valorem tax levied against all taxable land and structures in the County. The revenues from this source are generated from the Incorporated, Suburban, and Rural Areas in proportion to their relative shares of the total assessed value of land and structures. These proportions are Incorporated 45.4 percent, Suburban 46.4 percent, and Rural 8.2 percent.

#### CIGARETTE TAX

State Cigarette Tax revenues received by the County in FY 81-82 provided the General Fund with \$362,067. This revenue is a state shared revenue produced by a state tax on the sale of cigarettes. A portion of this tax is set aside for distribution to counties on the basis of the population of individual counties in relation to the total population of the state (per capita). These revenues are geographically allocated based on population.

These proportions are Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

#### LIQUOR TAX

State Liquor tax revenues received by the County in FY 81-82 totaled \$610,175. This is a state shared revenue produced by a state tax on the sale of all alcoholic beverages. A portion of this revenue is set aside for distribution to counties based on their total populations. These revenues are geographically allocated on the same basis: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent. Another portion of the liquor tax revenues is sent to the County for use in mental health programs, and allocated as grant revenue in the mental health section of this report.

#### FEDERAL GENERAL REVENUE SHARING

Federal Revenue Sharing provided the County General Fund with \$1,480,779 in FY 81-82. This revenue comes to the County from the federal government (primarily from Federal Income Tax) which distributes a portion of its revenues to local governments for use at their discretion. The money is allocated using a formula based in part on the population of the county. This results in the following allocation: Incorporated 38.3 percent, Suburban 50.5 percent, and Rural 11.2 percent.

#### PRIVILEGE TAX

The Privilege Tax provided the General Fund with \$33,688 in FY 81-82. This tax is a state shared revenue which is raised by the statewide collection of a flat fee per amusement device (pin ball game, video game, etc). The state retains 60 percent of the tax and distributes the remaining 40 percent among counties based on total population. Thus, these revenues are allocated to the geographic areas of the county based on population. This results in the following allocation: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.



### REAL ESTATE TRANSFER TAX

Washington County levies a tax of 0.1 percent of the total value of sale on properties sold within the county. This tax is collected at the time a new deed or purchase contract is recorded. The tax was geographically allocated based on shares of the total assessed value. This resulted in the following allocation: Incorporated 45.4 percent, Suburban 46.4 percent, and Rural 8.2 percent. The \$523,163 raised by this tax in FY81-82 will be geographically distributed using these same percentages.

### HOTEL-MOTEL TAX

Washington County levies a 5 percent tax on hotel and motel room rental in the county. The cities are allotted that portion of the tax raised within their jurisdictions and the County retained the remainder. In FY 81-82, this tax produced \$355,622 in general fund revenue. The County portion of this tax is raised almost entirely within the Suburban Area. This revenue is allocated using the following percentages: Suburban 95 percent, and Rural 5 percent.

### CABLE TV FRANCHISE FEES

In FY 81-82 the County General Fund received \$46,609 from Cable TV Franchise Fees. This money was derived entirely from the Suburban Area, and so allocated to it.

### INTEREST ON FUNDS INVESTED

Washington County places much of its revenue which is not needed for current expenditures in an investment pool. This revenue is derived from grant funds, property tax receipts, state shared revenues, federal shared revenues and other similar funds which

come to the County in large blocks. The interest on this investment is the second largest source of general fund revenues. A large share is earned on the investment of property tax receipts prior to their disbursal to the jurisdictions which levy the taxes. This revenue is allocated to the geographic areas based on the relative proportion of total property tax revenue raised in each. This results in the following distribution: Incorporated 45.6 percent, Suburban 47.4 percent, and Rural 7.1 percent.

#### O & C TIMBER SALE REVENUE

Under the Chamberlain-Ferris Revestment Act of 1916 (see Appendix A), O & C funds are distributed to counties in western Oregon from the sale of timber cut on the lands originally granted to the O & C Railroad by the federal government. Revenue derived from these sales is placed in a special fund in the U. S. Treasury and distributed to the eighteen counties using a formula defined in the Act. Thus, the County receives these funds by virtue of congressional action and decisions regarding any changes in the funding process are beyond the control of the County. In FY 81-82 this revenue amounted to \$610,175. There is no distinct geographical basis for the distribution of these revenues, so they are allocated to the geographic areas based on the population distribution in the county. This results in the following allocation: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

#### SALE OF FORECLOSED PROPERTY

Revenue from the sale of foreclosed property (Account #7100) is actually revenue from timber sales produced on property which the county foreclosed on many years ago. This property was turned over to the State Forestry Department for management as commercial forest land. In FY 81-82 this revenue amounted to \$203,086. It is entirely derived from the Rural Area of the County and allocated to it.

SALE OF MATERIALS & PUBLICATION, PERSONAL PROPERTY,  
AND REAL PROPERTY

Revenue from these sources (Account numbers 7210, 7230, 7250) comes from the sales of various materials, publications and pieces of property made by the County during any given year. In FY 81-82 this revenue totaled \$30,892 and is not derived specifically from any one geographic area. This revenue is allocated geographically based on population. This results in the following allocation: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

OTHER GENERAL FUND REVENUES

These revenues include Rentals #4300, Concessions #4500, Other Revenue From the Use of Money #4900, Other Agencies #5900, Beginning Fund Balance (Cash on Hand), Federal Payment in Lieu of Tax #7303. There is no clear geographic source for most of these revenues which amounted to \$230,994 in FY 81-82. These revenues were allocated based on the population distribution. This resulted in the following allocation, Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

GENERAL FUND ALLOCATION

The distribution of General Fund revenues to the three areas of the County is the sum of all the revenue distributions discussed in the preceding section. This results in the following: Incorporated 43.7 percent, Suburban 47.7 percent, and Rural 8.6 percent (as shown in the table below). This allocation is used to distribute General Fund monies received by General Fund supported services. To derive an allocation of General Fund money to a given service, the total fees and charges, grants, and other revenues directly attributed to the service in FY 81-82 are accounted for, added into its expenditure-revenue differential table, and then subtracted from the total expenditure for that service. The remaining expenditure is the amount of General Fund money required to support service provision.

TABLE 3

## DISTRIBUTION OF GENERAL FUND REVENUE SOURCES BY AREA

| REVENUE<br>SOURCES          | TOTAL<br>FY 1981-82 | INCORPORATED<br>ALLOCATION | UNINCORPORATED<br>SUBURBAN<br>ALLOCATION | UNINCORPORATED<br>RURAL<br>ALLOCATION |
|-----------------------------|---------------------|----------------------------|--|---------------------------------------|
| PROPERTY TAX                | 12,486,961          | 5,669,080                  | 5,781,463                                | 1,023,931                             |
| DELINQUENT                  | 365,435             | 165,907                    | 169,196                                  | 29,966                                |
| SUBTOTAL                    | 12,852,396          | 5,834,988                  | 5,950,659                                | 1,053,896                             |
| CIGARETTE TAX               | 362,067             | 157,137                    | 164,016                                  | 40,914                                |
| LIQUOR TAX                  | 610,175             | 264,816                    | 276,409                                  | 68,950                                |
| FED REVENUE<br>SHARING      | 1,480,779           | 567,138                    | 747,793                                  | 165,847                               |
| PRIVILEGE TAX               | 33,688              | 14,621                     | 15,261                                   | 3,807                                 |
| REAL ESTATE<br>TRANSFER TAX | 523,163             | 237,516                    | 242,224                                  | 42,899                                |
| HOTEL TAX                   | 355,622             |                            | 337,841                                  | 17,781                                |
| CABLE FRANCHISE             | 46,609              |                            | 46,609                                   |                                       |
| INTEREST                    | 2,034,536           | 927,748                    | 964,370                                  | 144,452                               |
| O & C REVENUE               | 610,821             | 265,096                    | 276,702                                  | 69,023                                |
| FORECLOSURE                 | 203,086             | 0                          | 0  | 203,086                               |
| RENTALS                     | 128,062             | 55,579                     | 58,012                                   | 14,471                                |
| CONCESSIONS                 | 1,560               | 677                        | 707                                      | 176                                   |
| OTHER REVENUE               | 540                 | 234                        | 245                                      | 61                                    |
| OTHER AGENCY                | 11,009              | 4,778                      | 4,987                                    | 1,244                                 |
| OTHER PERMIT                | 500                 | 217                        | 227                                      | 57                                    |
| SALE MATERIALS              | 11,635              | 5,050                      | 5,271                                    | 1,315                                 |
| SALE PERSONAL<br>PROPERTY   | 9,063               | 3,933                      | 4,106                                    | 1,024                                 |
| SALE REAL<br>PROPERTY       | 10,194              | 4,424                      | 4,618                                    | 1,152                                 |
| TELEPHONE<br>REIMBURSEMENT  | 26,720              | 11,596                     | 12,104                                   | 3,019                                 |
| OTHER 7900                  | 35,035              | 15,205                     | 15,871                                   | 3,959                                 |
| IN LIEU TAX                 | 288                 | 125                        | 130                                      | 33                                    |
| CASH CARRY<br>OVER          | 89,535              | 38,858                     | 40,559                                   | 10,117                                |
| SUBTOTAL                    | 6,584,687           | 2,574,750                  | 3,218,062                                | 793,387                               |
| TOTAL                       | 19,437,083          | 8,409,738                  | 9,168,721                                | 1,847,283                             |
| PERCENT OF<br>TOTAL         |                     | 0.433                      | 0.472                                    | 0.095                                 |

#### ALLOCATION OF FEES AND CHARGES

The geographic allocation of fees and charges is done on an individual service basis, normally using the same distribution as that of the service delivery. However, if available information shows that fees were collected through an alternative, geographically distinct allocation, they are allocated accordingly. Many of the fees and charges identified in this analysis are collected and deposited into the General Fund and so are not separate from it in the budget. In addition, all department expenditures are paid from the General Fund. However, for the purpose of this analysis, those fees and charges which can be identified as having been derived directly from a particular service are credited to that service and deleted from the General Fund. This allows a better assessment of the extent to which a service is supported by its users.

#### ALLOCATION OF GRANTS

The allocation of grants to the geographic areas of the County is made on a service by service basis using the distribution of personal income in the County. This distribution is Incorporated 38.3 percent, Unincorporated 50.5 percent, and Rural 11.2 percent. Grant monies received by the County for specific program use are credited to these programs as revenues.

#### ALLOCATION OF OTHER REVENUES

The Other Revenue category contains a variety of small revenues which do not fit into other major categories. These revenues are derived from such diverse sources as expense reimbursement, cash on hand (ending fund balance), interest on investments, and other small revenue sources. Specific revenue sources are discussed in each appropriate section. It is usually difficult to determine an exact geographic distribution for these revenues. Therefore, unless specifically stated in the discussion of a particular service, the Other Revenues are geographically allocated on the basis of population. This distribution is: Incorporated 43.4

percent, Suburban 45.3 percent, and Rural 11.3 percent.

## Chapter 3

### URBAN SERVICES

Washington County provides a group of Urban Services to its residents including Police (Sheriffs Patrol and Dispatch), Planning, Community Development (Block Grants), Sewers, Building Inspection, Roads and Road Maintenance, LID's, Street Lighting, Library, and Parks and Recreation services. These services are similar in some cases to corresponding services provided by the cities, but many differ.

Roads and Road Maintenance, Library, and Sewer will be discussed in separate chapters. Street Lighting and LID's are not included in this report because they are provided to very localized areas on what is essentially a fee for service basis. This service provision method does not have an effect on the analysis because an Expenditure-Revenue differential cannot be derived for services that are provided to small areas on a fee for service basis.

This chapter includes the analysis of the following services: Police (Sheriffs Operations and Central Dispatch), Community Development (Block Grants), Planning, Building Inspection, and Parks and Recreation. The urban services discussed in this chapter are similar to the urban services studied in the Phase I Report, however the expenditures totals in these two reports are not directly comparable because they were derived using different methodologies.

### POLICE SERVICES

The Public Safety Department (Sheriff) provides police patrol services. Police dispatch services are provided by the Communications Division of the Finance and Administration Department.

## SHERIFFS OPERATIONS

The Operations Division is the largest single component of the Public Safety Department (County Sheriffs Department) and employed 125 persons in the delivery of police services during FY 81-82. Total expenditures in that year amounted to \$3,605,603. The division also provides police services to areas not served by city police departments. Tualatin, King City, and Durham receive police services under contracts with the County.

Patrol activity is the most common service provided by this Division. It also provides Traffic Enforcement, Investigation, Narcotics Enforcement, K-9 Services, a Sniper-Hostage Situation Team, Marine Patrol at Hagg Lake, and Search and Rescue. Several of these services -- Investigation, Narcotics, K-9 Teams, Search and Rescue, and the Sniper-Hostage Situation team--are available to city police departments on a back-up basis. In addition, the Sheriffs Department and City Police departments provide mutual support along their common boundaries under the terms of mutual aid agreements. It is not possible to track the exchange of services under these agreements within the framework of this report. Therefore, this mutual exchange of services is not included in the expenditure-revenue differential calculations.

## CONTRACT SERVICES

The County Sheriff provides patrol services to three cities--Tualatin, King City, and Durham -- School District 48 and the Oregon Marine Board (Hagg Lake marine patrols) under service contracts. Tualatin (\$278,532) has contracted for the services of 11 Officers: 1 Sergeant, 3 Senior Deputies, and 7 Deputies. The Tualatin contract provides for a 25 percent discount on the cost of providing the first 5 officers, and the remaining officers at full cost. King City (\$53,900) has contracted for 16 hours a day of police patrol services on a year round basis. This contract demands the time of 3 Deputies. Durham (\$2,800) contracts for 10 hours of extra patrols per month. School district 48 also contracts for extra patrols. The rationale for providing contract services to the cities at less than the full cost of service is that the additional manpower the County hires under these contracts is available to the Sheriffs Department in the case of an emergency. Also, the residents of the cities have



already paid some of the cost of providing these services through their County property taxes.

#### SERVICE DELIVERY ALLOCATION

The distribution of services provided by the Operations Division to the Incorporated, Suburban, and Rural Areas was made by considering the distribution of two factors associated with the delivery of patrol service: the number of criminal incidents handled by area, and the number of patrol hours by area. According to the Sheriffs Department, each Deputy involved in patrol work spends approximately half his working time patrolling and the other half dealing with various incidents. These two factors were given equal weight in the determination of the service delivery by this division.

In 1983, the County Sheriffs Office modified the manner in which it collected data on criminal incidents handled by the Operations Division. The county was divided into reporting areas and information concerning incidents was coded geographically by area codes. With the help of the Sheriffs Department, these codes were correlated with the Incorporated, Suburban, and Rural Areas used in this analysis. Since no other geographic source of data is available in Washington County, it is assumed that the distribution of incidents handled by the Sheriffs Department had not substantively changed between FY 81-82 and Calendar Year 1983. There were 8645 incidents included in these data, of these 694 did not show a specific location. The remaining 7951 incidents were distributed as follows: Incorporated Area, 7.9 percent; Suburban Area, 79.0 percent; and Rural Area 13.1 percent. These percentages were used to allocate part of the expenditures for police services.

The service delivery distribution for patrol hours is different than that for incidents handled. At the request of the research staff, the Sheriffs Department recorded the distribution of patrol cars assigned to the 6 patrol districts in the County. This information covers the time period from April 10 to April 18, 1984. With the help of the Sheriffs Department this information (totaling 283 patrol shifts) was correlated with the Incorporated, Suburban, and Rural Areas. This resulted in the following allocation of patrol hours in the County: Incorporated Area 30.7 percent; Suburban Area 62.2 percent; and Rural Area 7.1 percent. This is the only geographic allocation of patrol hours in the county and was used to allocate expenditures for the Operations Division. This assumes that there has not been a significant shift in the pattern of patrol hour allocations since

FY 81-82. When the allocations for the number of incidents handled and the number of patrol hours were combined, the following service delivery allocation resulted: Incorporated Area 19.3 percent; Suburban Area 70.6 percent; and Rural Area 10.1 percent.

#### REVENUE SOURCES

There are two sources of revenue supporting the Operations Division of the Public Safety Department, service contracts and general fund revenues. General fund revenues are the largest source amounting to \$3,246,922 in FY 81-82. Contract services generated the remaining \$358,681 received in FY 81-82. These were allocated as follows: Incorporated Area \$335,232; Suburban Area \$834; and Rural Area \$22,615.

#### SHERIFFS OPERATIONS EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area generated \$1,045,268 more in revenue for Sheriffs Operations than it received in service expenditures. This differential is negative and can be translated to the equivalent of a property tax rate of \$0.32 per \$1000 assessed value. The Suburban Area has a large positive differential which totals +\$1,012,175, the equivalent of a property tax rate of \$0.30 per \$1000 assessed value. The Rural Area also has a positive differential totaling +\$33,093.

TABLE 4

SHERIFFS OPERATIONS EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 3,246,922           | 1,405,917         | 1,532,547     | 308,458    |
| FEES & CHARGES                       | 358,681             | 335,232           | 834           | 22,615     |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 3,605,603           | 1,741,149         | 1,533,381     | 331,073    |
| TOTAL EXPENDITURES                   | 3,605,603           | 695,881           | 2,545,556     | 364,166    |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | 0 (1,045,268)     | 1,012,175     | 33,093     |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -9.80             | 9.09          | 1.19       |
|                                      |                     | -0.32             | 0.30          | 0.06       |

COMMUNICATIONS-DISPATCH

The Communications Division of the Finance and Administration Department operates the Washington County Central Dispatch. In 1981, this dispatch center provided service to the Washington County Sheriffs Department, Hillsboro Police Department, Sherwood Police Department, Cornelius Police and Fire Departments, Washington County Rural Fire District # 1, Washington County Rural Fire District # 2, Tri-City Rural Fire District, Wolf Creek Highway District, North Plains Public Works Department, USA, Washington County Dog Control, and the Washington County Road Department.

## COMMUNICATIONS SERVICE DISTRIBUTION

Two services are delivered by this Division, dispatch and radio maintenance. Dispatch is the primary service. When a dispatch call is made, a card is filled out noting the location of the dispatch and the agency receiving the call. These cards are summarized each month and these summaries were used as a primary source of information. In FY 1981-82, the employees of this division made 249,820 dispatch calls.

The County Sheriffs Department received 63.1 percent of all the dispatch calls made that year. These calls were allocated to the three geographic areas on the basis of the Sheriffs service delivery allocation (Incorporated Area 19.3 percent, Suburban Area 70.6 percent, Rural Area 10.1 percent).

Central Dispatch made 35.5 percent of its total calls to city police departments, 0.9 percent to city fire departments, 0.3 percent to fire departments serving the Suburban Area, 0.1 percent to fire departments serving the Rural Area and 0.1 percent of the calls were transferred to other dispatch centers. No records were available showing the number of dispatch calls made to other departments and jurisdictions receiving this service. As a result, the distribution of communication services was made according to the distribution of dispatch calls made to emergency service agencies. This distribution is as follows: Incorporated Area, 48.6 percent; Suburban Area 44.9 percent; and Rural Area 6.5 percent.

Radio maintenance is a minor part of the total operations of the Communications Division. This program is funded on a fee for service basis and is provided largely to various departments within the County government. In FY 81-82, this program generated 2.6 percent of the total revenue for the Division with a corresponding level of service provision. For this reason, the distribution of these services was not used in the distribution of Communication services.

## REVENUE SOURCES

The General Fund is the largest single source of revenue for this service. The second largest source is contracts for dispatch

services totaling \$144,015 in FY 81-82. These contracts are for the provision of dispatch services to all the non-County jurisdictions which use the services of Central Dispatch. County non-General Fund services that use dispatch services reimburse Central Dispatch for the cost of these services. In FY 81-82, this Division received all of the 911 Excise Tax generated in the unincorporated areas of the County. (A distribution of the 911 Excise Tax is now pending.) Finally, this Division receives all of the previously mentioned radio maintenance fees.

COMMUNICATIONS EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive and totals +\$43,682. This Area receives more service from the dispatch center than it provides revenues. The differentials for the Suburban Area (-\$25,188) and the Rural Area (-\$18,494) are both negative. These Areas provide more revenue for this service than they receive in expenditures.

TABLE 5

CENTRAL DISPATCH EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                     | 530,473             | 229,695           | 250,383       | 50,395     |
| CONTRACTS                        | 144,015             | 83,528            | 56,412        | 4,075      |
| 911 TAX                          | 57,817              | 0                 | 47,121        | 10,696     |
| OTHER SOURCES                    | 19,324              | 8,387             | 8,754         | 2,184      |
| TOTAL REVENUES                   | 751,629             | 321,609           | 362,670       | 67,350     |
| TOTAL EXPENDITURES               | 751,629             | 365,292           | 337,481       | 48,856     |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0                   | 43,682            | (25,188)      | (18,494)   |
| PER CAPITA                       |                     | 0.41              | -0.23         | -0.67      |
| PER \$1000 ASSESSED VALUE        |                     | 0.01              | -0.01         | -0.03      |

## COMMUNITY DEVELOPMENT SERVICES

The Office of Community Development is responsible for the management of Community Development Block Grant (CDGB) funds the County receives from the federal government. These federal funds are used to support projects that: provide neighborhood revitalization to areas of the county which have relatively large numbers of low income households; support housing rehabilitation and construction for low income residents of the county; provide public infrastructure and community facilities; and support planning and economic development.

### REVENUE SOURCE

Washington County received \$1,967,990 in FY 1981-82 for this program under an Urban County entitlement. The County is eligible for money under this program because it has formed a consortium with all the cities in the county (except Banks and King City) that meet the minimum population (200,000) requirement for the Urban County Program. As long as the population of the Consortium remains above 200,000, the County will automatically qualify for ongoing funding of this program. The entitlement funds received by the County are granted for periods of three years. The stability of this funding source allows the Office of Community Development to concentrate on the process of project selection and management.

### EXPENDITURE ALLOCATION

The process used to determine which proposed projects will be funded in any given year has a pronounced effect on the geographic distribution of service delivery. Each year cities, the County, and non-profit community service corporations submit proposed projects to the Office of Community Development for review. (Washington County was not aggressively proposing projects in FY 81-82.) These projects are reviewed by the community development staff using criteria such as the number of

low and moderate income people who will be benefited by a particular proposal and the amount of local matching funds needed. The proposed projects are categorized under the following general headings: Neighborhood Revitalization, Housing, Community Facilities, Economic Development, and Planning. When staff review is finished, the proposed projects are sent to the Policy Advisory Board for review and recommendation to the Board of County Commissioners. The Policy Advisory Board consists of 1 member from each of the cities in the consortium and 1 member from the County. This Board ranks the projects in each category to determine which projects receive funding priority. This ranked list of projects is sent to the County Board of Commissioners who normally approve the ranking of projects as recommended. Once this final approval is granted, the projects in each category are funded on a priority basis until all of the funds in the category are used up.

The research staff, with the help of the Office of Community Development, allocated all of the projects in FY 81-82 to the three geographical areas of the County. In addition, the general administration expenditures made by this office were allocated based on the distribution of population. The results of this project specific allocation are shown in the differential table under the Total Expenditures. This allocation can vary from year to year based on the location of projects rated as having the highest priority.

#### COMMUNITY DEVELOPMENT EXPENDITURE-REVENUE DIFFERENTIAL

The expenditure-revenue differential in the Incorporated Area is positive and totals +\$548,148. The Incorporated Area receives more service from this department than it generates revenue to support service delivery. The Suburban Area (-\$456,725) and the Rural Area (-\$91,423) have negative differentials.

TABLE 6

COMMUNITY DEVELOPMENT EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES          |                     |                   | 0             | 0          |
| GRANTS                               | 1,967,990           | 753,740           | 993,835       | 220,415    |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 1,967,990           | 753,740           | 993,835       | 220,415    |
| TOTAL EXPENDITURES                   | 1,967,990           | 1,301,888         | 537,110       | 128,992    |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | 0                 | (456,725)     | (91,423)   |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 5.14              | -4.10         | -3.29      |
|                                      |                     | 0.17              | -0.14         | -0.1       |

PARKS AND RECREATION

The Parks and Recreation Program was part of the Property Maintenance Division of the Finance and Administration Department in FY 81-82. At that time, this Division provided parks services at only one park, Hagg Lake, and had no employees. The expenditures made for this service covered the reimbursement to the Bureau of Reclamation for the cost of operating the park facility. Currently, the Parks and Recreation Division has 3.67 (FTE) employees.

The revenues that supporting the provision of services at Hagg Lake were derived entirely from the General Fund in FY 81-82 and are allocated according to the General Fund allocation. The expenditure allocation presents a different set of problems.



Hagg Lake is a regional facility and attracts users from throughout the Portland metropolitan area, but the park facility is located in the Rural Area of the County. The physical location of this facility does not correspond with the location of its users. In fact, many park patrons come from outside Washington County, according to a user survey done in 1983 (this survey does not show a distribution of in-County park users). Expenditures for this service cannot be directly allocated. As a result, service delivery was allocated to the County on the basis of population.

PARKS AND RECREATION EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is small (0.1 % of the total expenditures) and totals +\$209. The Rural Area also has a positive differential totaling +\$3,765. These two Areas received more in service expenditures than they provided in revenues. The Suburban Area has a negative differential totaling -\$3,974.

TABLE 7

PARKS EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 209,169             | 90,570            | 98,728        | 19,871     |
| FEES & CHARGES                       |                     |                   |               |            |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 209,169             | 90,570            | 98,728        | 19,871     |
| TOTAL EXPENDITURES                   | 209,169             | 90,779            | 94,754        | 23,636     |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | 0                 | (3,974)       | 3,765      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.00              | -0.04         | 0.14       |
|                                      |                     | 0.00              | -0.00         | 0.01       |

## BUILDING INSPECTION

Building inspection services were provided by the Building Division of the Planning Department in FY 81-82. Under Oregon statute, a local jurisdiction may provide different levels of building inspection services. These services generally include plan checks, and building, plumbing, and mechanical inspections under the provisions of various state codes (such as the Uniform Building Code, Plumbing Code, etc.). The Building Division was responsible for all building inspection in FY 81-82. Plumbing and mechanical inspections were conducted by the Environmental Health Division of the Public Health Department.

The actual delivery of building inspection services is made primarily by Building Inspectors. There were 5 Inspectors in FY 81-82 who did field work: 2 worked in the Rural, Gaston, Banks and North Plains areas, and 3 worked in the Suburban Area. The remaining staff (8 FTE) provided support work to these Inspectors, or more specialized inspection and plan checking services. Discussions with the County staff revealed that the inspectors working the Suburban Area handled approximately 70 percent of all inspections made by the County. The remaining 30 percent were made in the Rural and Incorporated areas. The only inspections made by the County in the Incorporated Area were located in North Plains, Gaston, and Banks. As a result, Building Inspection services were allocated as follows: Incorporated Area 3 percent, Suburban Area 70 percent, and Rural Area 27 percent.

## REVENUE SOURCES

The revenue supporting this service comes primarily from user fees. Building Permit fees accounted for 52.2 percent (\$206,523) of the total revenue for this service. Plan Check Fees produced an additional 28.6 percent (\$113,191) of the total revenue, and the remaining 19.2 percent was derived from the General Fund. Building Inspection services are provided on a fee for service basis. Accordingly, fee revenue was allocated on the same basis as service delivery.

BUILDING INSPECTION EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is negative and totals -\$30,636 ( 7.7 % of the total expenditure). The Incorporated Area produced more revenue for this service than it received in service expenditures. Both the Suburban Area (+17,333) and the Rural Area (+\$13,304) have positive differentials.

TABLE 8

BUILDING INSPECTION EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 76,020              | 32,917            | 35,881        | 7,222      |
| FEES & CHARGES                       | 319,714             | 9,591             | 223,800       | 86,323     |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 395,734             | 42,508            | 259,681       | 93,545     |
| TOTAL EXPENDITURES                   | 395,734             | 11,872            | 277,014       | 106,848    |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | (30,636)          | 17,333        | 13,304     |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -0.29             | 0.16          | 0.48       |
|                                      |                     | -0.01             | 0.01          | 0.02       |

## PLANNING

Planning services in Washington County are provided by the Land Development and Comprehensive Planning Divisions of the Planning Department.

The Comprehensive Planning Division is responsible for long range planning in the areas of land use, economic development, capital improvements, and other similar areas under the provisions of ORS Chapter 197 (Statewide Planning and the LCDC). This Division is responsible for the preparation of a draft Comprehensive Plan for the Suburban and Rural Areas of the County. In FY 81-82, staff efforts were divided between the Rural Natural Resource Plan Element (Rural Area), and the Urban Natural Resource Plan Element (Suburban Area) which was coordinated with the cities under terms of the existing intergovernmental planning agreements. In addition, ongoing countywide transportation planning was coordinated with the cities.

In FY 81-82 the Division had 17.7 (FTE) employees. The research team and members of the Division conducted a review of staff committed to work on the two Plan Elements. It was determined that 4 planners and 1.66 (FTE) support personnel were directly involved in the preparation of the Rural plan element. Six planners and 2.32 (FTE) support staff worked on the Urban element. In addition, the Division purchased professional services in association with these work programs that were allocated 90 percent to the Urban Element and 10 percent to the Rural Element.

These direct expenditures were summed by area and their relative distribution (Rural Area 40.2%, and Suburban Area 59.8%) was used to allocate the remaining indirect expenditures. The distribution of total expenditures is Suburban Area \$419,978 and Rural Area \$248,542.

The Land Development Division is responsible for the administration of all County ordinances associated with the use and division of land. This includes the Land Development Code and the Subdivision and Minor Partition Ordinance. The Division reviews all requests for land development and/or land division in the unincorporated areas of the county. Under provisions of the Ordinances administered by this Division some actions may be approved administratively and others may require hearings before a Hearings Officer, the Planning Commission, and/or the Board of Commissioners. In FY 81-82, the Division processed 436 land use

actions, 136 were in the Rural Area and 300 were in the Suburban Area (ie. inside the UGB). Of these action, 191 required hearings in front of the Hearings Officer. The rest were processed using other procedures. The research staff and members of the Division staff reviewed the personnel allocations for FY 81-82. Out of 16.66 (FTE) employees, 2 planners, 0.5 of Code Enforcement, and 2 support personnel work on the processing of applications and complaints from the Rural Area. Seven planners, 0.5 of Code Enforcement Officer, and 3 support staff work on actions in the Suburban Area. The Hearings Officer's time was divided according to the distribution of actions he considered ( Suburban Area, 63.4% and Rural Area, 36.6%). The remaining indirect staff and material expenditures were allocated according to distribution of the direct service provided. The distribution of total expenditures made by this Division is Suburban Area \$315,048 and Rural Area \$104,428.

#### REVENUE SOURCES

The chief source of revenue for this service is the General Fund. It provided \$918,080 or 84.4 percent of the total revenue. The majority of fees and charges collected by these two Divisions are derived from fees charged by the Land Development Division for the actions its processes. These fees were allocated based on the distribution of applications. The final source of revenue for this department is a reimbursement for planning expenditures received from the LCDC.

#### PLANNING EXPENDITURE-REVENUE DIFFERENTIAL

No direct planning services are provided by the County to the Incorporated Area. Accordingly, the Incorporated Area differential is negative and totals -\$404,301 or 37.2 percent of the total expenditures made for this service in FY 81-82. The Suburban Area (+\$196,856) and the Rural Area (+\$207,446) both have positive differentials. These two Areas received more in service expenditures than they generated in revenue.

TABLE 9

PLANNING EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 918,080             | 397,529           | 433,334       | 87,218     |
| FEES & CHARGES                       | 152,233             | 0                 | 95,907        | 56,326     |
| GRANTS                               | 17,683              | 6,773             | 8,930         | 1,980      |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 1,087,996           | 404,301           | 538,170       | 145,524    |
| TOTAL EXPENDITURES                   | 1,087,996           | 0                 | 735,026       | 352,970    |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | (404,301)         | 196,856       | 207,446    |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -3.79             | 1.77          | 7.41       |
|                                      |                     | -0.12             | 0.06          | 0.35       |

## Chapter 4

### ROADS AND ROAD MAINTENANCE

Roads and road maintenance in Washington County were the responsibility of the Public Works Department in FY 1981-82. Expenditures made by this department for the purposes of this analysis are divided into three parts; Roads, Road Serial Levy, and System Development Funds. All Local Improvement District expenditures and other local assessment projects have been excluded from this analysis because they are provided on the basis of cost reimbursement for the service rendered to a particular property and have no impact on the larger issues covered in this report. Other services (County Surveyor and County Museum) provided by the Public Works Department will be discussed in separate sections of this report. The services provided by the Department are funded primarily by special funds (with the exception of the Surveyor and Museum, they do not receive revenue directly from the General Fund). The Public Works Department is charged for services it receives from General Fund supported departments, and in turn charges these departments for the services it provides to them.

### ROAD FUND SERVICE DELIVERY

In FY 81-82, the Road Fund, under the direction of the Public Works Director, was responsible for the planning, engineering, and maintenance of all County roads. In addition, the Shop Division provided all Washington County fleet vehicle maintenance. These services were provided by five divisions: Administration, Operations, Transportation, Engineering, and Shop. (The Public Works Department was reorganized in 1983/84.)

## ADMINISTRATION DIVISION

The Administration Division is responsible for the oversight of all Department activities and provides many of the central support functions required by the Department. The remainder of these support services are provided by General Fund supported Departments and are included in Division expenditures. Division expenditures also include a special group which covers contract construction work for cities and repair of slide damage to roads around Hagg Lake. This last item is a pass-through of funds from the Bureau of Reclamation. In FY 81-82, these special expenditures accounted for \$711,353 of the \$1,233,249 expended by the Division. In this year the Division had 10 employees.

## TRANSPORTATION DIVISION

The Transportation Division is responsible for all of the planning, traffic analysis, traffic engineering and site distance analysis, including the development of a County Transportation Plan coordinated with the cities. A small portion of the Hagg Lake engineering work in FY 81-82 was done by this division. In FY 81-82 the Division had 10 employees, and in FY 82-83 absorbed part of the Engineering Division.

## ENGINEERING DIVISION

The Engineering Division is responsible for the actual design of roads and road improvements built and maintained by Washington County. This design work includes roads for LID's, roads and bridges built with System Development Charge fund money, and the administration of engineering contracts for slide repair work at Hagg Lake. In addition, this Division is involved in the engineering review of land development projects in the Suburban and Rural Areas of the County. In FY 81-82, staff included 17 employees and included a survey team of seven for road right-of-way surveying. These seven employees were transferred to the County Surveyor in FY 82-83.



## OPERATIONS DIVISION

The Operations Division performs physical road construction, reconstruction, and maintenance, consisting primarily of chip sealing, patching, and grading work on existing county roads. It also performs drainage work and vegetation control along county rights-of-way and produces, installs, and maintains traffic control signs. Most street overlay and construction projects on County roads are undertaken by private contractors funded through the Serial Levy or System Development Charge Funds (discussed later), or LID's (not included in this analysis). The use of private contractors allows the County to concentrate its effort on road maintenance and reduces the need for specialized road building equipment. In FY 81-82 this Division had 62 employees.

## SHOP DIVISION

The Shop Division is responsible for the maintenance of all vehicles owned and operated by the County. Some vehicle maintenance funds come from charges paid by each department using County vehicles to the Motor Vehicle Working Capital Fund, which in turn reimburses the Road Fund. In FY 81-82 the Motor Vehicle Working Capital Fund received \$577,239 of its total expenditures (\$675,432) from County vehicle expenses and reimbursed the Road Fund a total of \$420,146. An additional \$220,998 was spent for the purchase of new vehicles and equipment. The remainder of fund expenditures were made for insurance and professional services. Expenditures made by the Motor Vehicle Working Capital Fund were included in Road Fund expenditures after all double counting was removed.

## EXPENDITURE ALLOCATION

The geographic allocation of Road Fund expenditures was based on the proportion of the County Road system that existed in each area in FY 81-82. The County road system contained 1215 miles of road in that year. Using road maps supplied by the County, the research staff measured the total mileage within the Incorporated

(54.38 miles) and Suburban Area (357.10 miles) and subtracted them from the total mileage to determine the Rural Area (803.53) total. One measure used to describe the allocation of expenditures for roads is the cost per lane-mile of road. In Washington County, it is unnecessary to convert road miles to lane-miles because nearly all road mileage consists of two-lane roads. These mileages produced the following expenditure allocation: Incorporated Area 4.5 percent, Suburban Area 29.4 percent, and Rural Area 66.1 percent.

This allocation method was used because the Operations Division (\$2,267,247), the largest division delivering this service, is responsible for maintenance of the entire system. The Administration, Transportation, and Engineering Divisions (\$2,251,685) provide much of their services indirectly through work in support of the Operations Division. The Shop Division also provides a portion of its services to the Operations Division. As a result, the location of roads is the best surrogate for location of delivery of roads and road maintenance available.

The Bureau of Reclamation provided the County with \$1,019,622 in reimbursements for the cost of repairing slide damage to roads around Hagg Lake in the Rural Area. This service was delivered entirely to the Rural Area and entirely allocated to it.

### **ROAD FUND REVENUES**

The Road Fund receives revenues from a variety of sources which are discussed in the following sections. Each section also contains allocation percentages used to link these revenues with their geographic sources.

### **STATE MOTOR VEHICLE FUND APPORTIONMENT**

The State Motor Vehicle Fund Apportionment is more commonly known as the State Gas Tax. In FY 81-82, it totaled \$2,730,654. This revenue is raised by the State through a tax on gasoline and the weight/mile tax levied on trucks. The State sets aside 20.7 percent the total collections from these taxes for distribution to the Counties on the basis of the total vehicle registration within each (including vehicle registration in the cities). Vehicle registrations are maintained under county headings but no

further geographic distinctions are made. Thus, it is not possible to allocate Gas Tax revenues geographically. Allocation was based on population distribution under the assumption that this distribution is approximately equal to the distribution of vehicles. The resulting allocation is as follows: Incorporated Area 43.4 percent, Suburban Area 45.3 percent, and Rural Area 11.3 percent.

#### COUNTY GAS TAX

Washington County levies a one cent per gallon tax on gasoline sales within the county, which it shares with the cities based on population. The County retains the portion of the tax allocated to the unincorporated area. In FY 81-82 this revenue source produced \$586,686 for the Road Fund. These revenues were allocated to the Suburban and Rural Areas on the basis of population.

#### FEDERAL REIMBURSEMENTS, FHWA AND BOR

Reimbursement expenditures made by the County on behalf of the Federal Highway Administration (FHWA) and the Bureau of Reclamation (BOR) totaled \$1,051,185 in FY 81-82. The BOR reimbursements were for work done under contract to repair slides around Hagg Lake, and included administration of the contracts, payment for engineering services, and actual construction. This BOR revenue was, in effect, a pass-through totaling \$1,019,622. The FHWA reimbursed the County for allowable expenses incurred under contract with FHWA in administering various federally funded highway construction projects. These revenues were allocated on the basis of personal income and resulted in the following distribution: Incorporated Area 38.3 percent, Suburban Area 50.5 percent and Rural Area 11.2 percent .

#### FEES: WEIGHMASTER, OTHER AGENCIES, MISCELLANEOUS, NON-CLASSIFIED, SALE OF MATERIALS AND PUBLICATION, AND PERSONNEL PROPERTY

This group of fees and charges includes a diverse mix of

non-geographically derived revenues totaling \$92,100 in FY 81-82. These revenues were allocated on the basis of population because their geographic origins cannot be determined.

#### OTHER REVENUE SOURCES

This disparate group of revenues has many sources. Weighmaster Fines, State Gas Tax Refund, Subdivision Reimbursements, Land Partition Fees, Inspection Fees, Subdivision Administration Fees, Growth Management, The Sale of Real Property, and Dust Abatement Cooperative Project are raised outside of the Incorporated Area and are allocated to either the Suburban or Rural Areas according to their origin. The Interest on Investments and Motor Vehicle Working Capital Fund are allocated on the basis of population. The 1980 Serial Levy Reimbursement is allocated on the basis of assessed value. The Permit Fees are allocated on the basis of the distribution of the County Roads.

#### ROAD FUND EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is negative and totals -\$2,002,944. This differential is equal to 33.1 percent of the total expenditures made for this service. The Incorporated Area receives less in expenditures for the provision of this service than it generates in revenues. The Suburban Area differential is also negative and totals -\$1,647,252. The Rural Area Differential is positive and totals +\$3,650,196. This positive differential is in part associated with the expenditures for the repair of slide damage at Hagg Lake. (If those expenditures and revenues are removed from the calculation of the differential the following differential result: Incorporated Area -\$1,612,429, Suburban Area -1,132,342, and Rural Area, +\$2,744,772) The following table includes the expenditures for the Hagg Lake slide repair projects.

TABLE 11

ROAD FUND EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                         | TOTAL REVENUE    | INCORPORATED AREA  | SUBURBAN AREA      | RURAL AREA       |
|---|------------------|--------------------|--------------------|------------------|
| GAS TAX CNTY                            | 586,686          | Ø                  | 478,149            | 108,537          |
| GAS TAX ST                              | 2,730,654        | 1,185,104          | 1,236,986          | 308,564          |
| FEES & CHARGES                          | 348,877          | 53,489             | 270,756            | 24,632           |
| GRANTS                                  | 1,051,185        | 402,604            | 530,848            | 117,733          |
| OTHER SOURCES                           | 1,325,248        | 587,784            | 607,282            | 130,182          |
| <b>TOTAL REVENUES</b>                   | <b>6,042,650</b> | <b>2,228,981</b>   | <b>3,124,022</b>   | <b>689,648</b>   |
| <b>TOTAL EXPENDITURES</b>               | <b>6,042,650</b> | <b>226,036</b>     | <b>1,476,770</b>   | <b>4,339,844</b> |
| <b>EXPENDITURE-REVENUE DIFFERENTIAL</b> | <b>Ø</b>         | <b>(2,002,944)</b> | <b>(1,647,252)</b> | <b>3,650,196</b> |
| PER CAPITA                              |                  | -18.78             | -14.79             | 131.41           |
| PER \$1000 ASSESSED VALUE               |                  | -0.62              | -0.50              | 6.19             |

1981 ROAD SERIAL LEVY

On march 31, 1981, the voters of Washington County approved a two year serial levy for road repair and maintenance. The revenue to fund this work was raised by a property tax on all property in the County. This levy should be considered as a unique, one time event because this program type is not used on an ongoing basis to fund road repair in the County. The levy was passed with the support of the cities (they received \$2,758,000 in revenue pass-through in FY 81-82 from this levy). The County's portion of this revenue is allocated based on assessed value. This produces the following distribution: Incorporated Area 45.4 percent, Suburban Area 46.4 percent, and Rural Area, 8.2 percent.

The revenues and expenditures made under this serial levy were averaged over the three-year period of major expenditures (FY 81-82, FY 82-83, and FY 83-84) in order to account for the problems associated with the timing of expenditures for serial levy projects in a given year. For example, in FY 81-82 the County collected \$9,020,821 in taxes but was able to expend only \$5,982,247. In FY 82-83, revenue and expenditures were approximately equal. In FY 83-84, there was very little revenue and the \$5,036,838 in expenditures made that year used cash carryover from previous years. (Transfer payments to the cities were excluded from this process.)

#### EXPENDITURE ALLOCATION

The Serial Levy revenues allowed the County to repair and resurface 400.81 miles of road during FY 81-82, FY82-83, and FY83-84 (according to the project index supplied to the research team). Of this work 170.42 miles (42.5%) was performed using County road crews that included a number of temporary employees hired with Serial Levy monies. Some Serial Levy funds were also used to purchase the necessary equipment to accomplish this work. The Road Department incurred some expense in association with these road maintenance projects (personnel costs and operational cost of rock crushers which provided material for some construction work). The research team was unable to isolate these expenditures and as a result they remain included in the Road Department expenditures previously discussed. The work done by the County was concentrated in the Rural Area (139.81 miles).

The largest single area of expenditure under this levy was contract road repair and maintenance done by private construction firms. This consisted of the application of asphalt overlays, chip seals, fog seals, and slurry seals to existing County roads. The research staff used the project list for FY 81-82, FY 82-83, and FY 83-84 to geographically allocate the expenditures. The entire list of projects was used to make this allocation. The use of the overall distribution of projects is preferable to a single year allocation because the distribution of construction projects will vary annually depending on factors such as County design capacity and revenue flows to support construction. The total expenditure for contract construction accomplished under this levy was \$10,810,393. Total direct expenditure by the County was \$8,968,324 (direct construction expenditures and indirect expenditures such as engineering). The distribution of construction and repair projects is shown in the following table.

TABLE 12

DISTRIBUTION OF SERIAL LEVY PROJECTS BY AREA IN FY 81-82 &  
 FY 82-83 & FY 83-84  
 in miles of road

| TYPE OF PROJECT    | INCORPORATED<br>AREA | SUBURBAN<br>AREA | RURAL<br>AREA |
|--------------------|----------------------|------------------|---------------|
| Asphalt Overlay    | 25.79                | 80.23            | 53.52         |
| Slurry Seal        | 0.07                 | 19.72            | 1.20          |
| Chip Seal-Contract | 5.52                 | 34.91            | 4.85          |
| Chip Seal-County   | 8.85                 | 21.76            | 139.81        |
| Fog Seal           | 0.00                 | 3.41             | 0.36          |
| -----              |                      |                  |               |
| TOTAL MILES        | 40.23                | 160.03           | 200.55        |

Cost figures supplied by the Public Works Department for each of the types of repairs were used to turn the miles of work done into expenditures. The results of the distribution are Incorporated Area 14.7 percent, Suburban Area 48.4 percent, and Rural Area 36.9 percent.

The Public Works Department expended \$1,573,416 for repair and maintenance work done directly by this Department. These expenditures included the cost of hiring temporary personnel and purchasing equipment and materials. These expenditures were geographically allocated using the same distribution as the contract construction work.

SERIAL LEVY EXPENDITURE-REVENUE  
DIFFERENTIAL--THREE-YEAR AVERAGE

The Incorporated Area expenditure-revenue differential average is negative and totals -\$2,028,927. This Area received less in service expenditures for this service than it generated in revenue from the serial levy. The Suburban Area (+\$132,178) and the Rural Area (+\$1,896,749) average differentials are positive. These differentials are for county expenditures only, and do not include the FY 83-84 pass-through of revenue to the cities.

TABLE 13

ROAD SERIAL LEVY EXPENDITURE-REVENUE DIFFERENTIAL, 3 YEAR AVERAGE

| REVENUE SOURCES                      | AVERAGE REVENUE ( 3 YR) | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|-------------------------|-------------------|---------------|------------|
| SERIAL LEVY                          | 6,524,733               | 2,962,229         | 3,027,476     | 535,028    |
| FEES & CHARGES                       |                         |                   |               |            |
| GRANTS                               |                         |                   |               |            |
| OTHER SOURCES                        |                         |                   |               |            |
| TOTAL AVG REVENUES                   | 6,524,733               | 2,962,229         | 3,027,476     | 535,028    |
| TOTAL AVG EXPENDITURES               | 6,524,733               | 959,136           | 3,157,971     | 2,407,626  |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                         | 0 (2,003,093)     | 130,495       | 1,872,598  |
| PER CAPITA PER \$1000 ASSESSED VALUE |                         | -18.78            | 1.17          | 67.4       |
|                                      |                         | -0.62             | 0.04          | 3.18       |

SYSTEM DEVELOPMENT CHARGE FUND

Washington County Ordinance # 248 established a set of charges for all new land uses in the County's unincorporated areas. This money will be used to make improvements to the overall transportation system and to help pay for the installation of new traffic control devices. The Systems Development Charge (SDC) for any given land use is related to the number of new parking spaces that the use will produce. For example, a new single family home is charged an SDC of \$200. Other uses are assessed at \$100 per parking space (this is multiplied by a use specific multiplier listed in the ordinance). In FY 81-82 this charge produced \$360,274 in new revenues. At the beginning of FY 81-82 the System Development Charge Fund had a balance of \$1,128,644. This fund earned \$91,780 in interest. These revenues are generated directly or indirectly (interest and cash on hand) in



the same manner. The vast majority of the revenue (95%) is derived from the Suburban Area and the remainder (5%) from the Rural Area. These revenues were allocated using this distribution.

#### EXPENDITURE ALLOCATION

Expenditures from this fund are primarily associated with the provision of the local government match needed for federal construction projects. These federal monies are spent for bridge replacement and repair, and the repair and reconstruction of the federal highway system. Total expenditures for projects using these funds are larger than the Local Government match because the Federal government normally supplies 80 percent to 90 percent of the total project cost. In FY 81-82 County expenditures were \$857,973 (Suburban Area \$669,997, and Rural Area \$187,996). However, not all of this money was actually expended in FY 81-82. Some funds were expended in FY 82-83 when projects were actually completed. The actual FY 81-82 expenditures totaled \$673,269 and are allocated using the same distribution as the total funds committed to projects in that year (Suburban Area, 78.1 percent and Rural Area, 21.9 percent). No expenditures were made in the Incorporated Area from this fund.

#### SDC FUND EXPENDITURE-REVENUE DIFFERENTIAL

No expenditures were made or revenues generated in the Incorporated area for this services. Accordingly, there is no Incorporated Area Differential. The Suburban Area differential is negative and totals -\$113,782. This area generated more revenue than it received in service expenditures. The Rural Area differential is positive and totals +\$113,782.

TABLE 14

SDC FUND EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| SDC CHARGES                          | 360,274             | Ø                 | 342,260       | 18,014     |
| CASH                                 | 221,215             | Ø                 | 210,154       | 11,061     |
| INTEREST                             | 91,780              | Ø                 | 87,191        | 4,589      |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 673,269             | Ø                 | 639,606       | 33,663     |
| TOTAL EXPENDITURES                   | 673,269             | Ø                 | 525,823       | 147,446    |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | Ø                 | (113,782)     | 113,782    |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | Ø                 | -1.02         | 4.10       |
|                                      |                     |                   | -0.03         | 0.19       |

## Chapter 5

### UNIFIED SEWERAGE AGENCY

The Unified Sewerage Agency (USA) is a special purpose government formed to provide sewage treatment in Washington County. Its boundary is approximately the same as the Metropolitan Portland Urban Growth Boundary, and approximately equal to the Incorporated and Suburban Areas used in this analysis. The residents of Hillsboro are not included in the jurisdictional boundaries of USA, but receive sewage treatment services under contract. The residents of Wilsonville are not in USA boundaries and do not receive its service. A small portion of USA extends into northwestern Clackamas County, and portions of Portland are served on a contractual basis.

The remainder of this chapter will look at the services provided by USA divided into four parts. The General Fund section covers all operations expenditures necessary to provide this service. Master Plan Construction, General Obligation Bond Redemption, and Master Plan Bond Redemption Funds are each considered separately.

### DIFFERENTIAL SUMMARY AND CONCLUSIONS

In FY 81-82 USA expended a total of \$15,034,492 in the provision of services, excluding LIDs. The expenditure-revenue differential for the Incorporated Area during that year for all USA's services was positive and totaled \$56,619. This differential amounts to only 0.38 percent of the total expenditures made by USA for all services. (+\$0.72 per capita in the Incorporated Area and -\$0.52 per capita in the Suburban Area) The differential for Operations (General Fund), the largest total expenditure category, is only 0.06 percent of the \$9,168,198 spent for the provision of this portion of USA's service. Differentials for USA services are primarily associated with capital construction and debt service.

TABLE 15

SUMMARY OF USA'S EXPENDITURE-REVENUE DIFFERENTIAL

| EXPENDITURE-              | REVENUE           | DIFFERENTIAL  |
|---------------------------|-------------------|---------------|
| SERVICE PROVIDED          | INCORPORATED AREA | SUBURBAN AREA |
| GENERAL FUND              | 5,378.00          | (5,378.00)    |
| MASTER PLAN CONSTRUCTION  | 17,841.00         | (17,841.00)   |
| MASTER PLAN BONDS         | 28,196.00         | (28,196.00)   |
| GENERAL OBLIGATION BONDS  | 5,204.00          | (5,204.00)    |
| TOTAL DIFFERENTIAL        | 56,619.00         | (56,619.00)   |
| PER CAPITA                | 0.72              | -0.52         |
| PER \$1000 ASSESSED VALUE | 0.02              | -0.02         |

**GENERAL FUND OPERATIONS**

The USA General Fund expenditures include those made for operation of the county-wide sewage treatment system, sewage collection in the Suburban Area, and the Administrative Services Division.

ADMINISTRATION

The administration of USA is the responsibility of the Board of Directors (the County Board of Commissioners) and the General Manager. The Office of the General Manager is responsible for the oversight of the three divisions of USA; Administrative Services,

Sewage Treatment, and Collection. Expenditures made by the Office of the General Manager include payments totaling \$337,725 to several cities in repayment for assets taken over by USA when the district was formed. In FY 81-82, expenditures totaled \$481,399.

The Administrative Services Division is responsible for the provision of accounting services, centralized purchasing services, clerical services, and risk management for all USA divisions. This division had 22.5 employees, in FY 81-82 and expended \$792,856. This expenditure includes much of the \$118,880 paid by USA to Washington County for services provided by the County to it, which included additional accounting services, additional clerical services, personnel services, building services, communication services, legal services, and various others.

#### TREATMENT FACILITIES

The Treatment Facilities Division is responsible for operation of four sewage treatment plants and associated facilities. The Treatment Division is divided into two functional parts, West Basin and East Basin. Eastern Washington County is served by the Durham Sewage Treatment Facility. The West Basin provides service to western Washington County from three sewage treatment plants: Rock Creek, Hillsboro and Forest Grove. The Treatment Division is staffed by 146 employees, and expended \$6,518,439 in FY 81-82.

#### COLLECTION SYSTEM DIVISION

The Collection System Division is responsible for the repair and maintenance of sewer lines owned by USA. These lines include all those with a diameter of greater than 22 inches and all sewer lines in the unincorporated portion (Suburban Area) of USA. In addition, USA is responsible for the sewer systems within the cities of Durham and King City, the division is responsible for the periodic inspection of these lines, the resealing of sewer lines with groundwater infiltration problems, other sewer line maintenance and construction work, and the maintenance of the vehicles owned by USA. This division had 42 employees in FY 81-82, and expended \$1,375,503.

## GENERAL FUND REVENUES

The three largest sources of revenue for the General Fund are monthly sewer fees charged to users of the system, and interest earned on investments and transfers for Fund 307, the Capital Reserve Fund.

### USER FEES

User fees are assessed monthly for each structure connected to the sewer system. USA collects 100 percent of user fees in the Suburban Area. These fees are assessed yearly and are sent to individual property owners with their property tax bills. In all cities, except Durham and King City, the City collects sewer service fees and passes 70 percent of fees to USA to cover the cost of providing sewage treatment. USA also collects some special fees from certain commercial and industrial establishments. User fees totaled \$7,388,667 in FY 81-82, and were allocated to the geographic areas based on their actual distribution.

### INTEREST EARNED ON INVESTMENTS

Interest earned on investments was a major revenue source in FY 81-82, contributing \$399,339 to the General Fund. Much of this interest is earned on the investment of a General Fund accumulated capital equipment replacement reserve, which totaled \$2,756,176 at the beginning of FY 81-82 and \$2,872,742 at the end of the fiscal year. This reserve is held to allow USA to make major capital expenditures to make repairs or replacements on the existing sewage treatment system. The value of existing capital equipment is depreciated each year.

### TRANSFER FROM FUND 307

Fund 307, Capital Reserve Fund , was established to insure a steady flow of funds to replace capital equipment throughout the USA sewage treatment system. The single largest source of revenue for this fund is derived from Connection Fees charged when a new structure is connected to the USA or City sewer systems, a charge initially designed to help meet the capital requirements of a growing sewer system. The Connection Fee is \$775 per dwelling unit equivalent. In FY 81-82, 64 percent of all sewer connection permits issued by USA were located inside cities (the cities pass 80 percent of the fees they collect to USA). The Connection Fee generated \$1,520,759 in revenue, nearly equaling the total amount (\$1,671,569) transferred from Fund 307 to other funds. Revenue transferred from Fund 307 is allocated to the Incorporated and Suburban Areas based on the distribution of Connection Fees. These transfers include: \$815,000 to the General Fund (300), \$157,174 to General Obligation Bond Redemption Fund (301), and \$685,692 to Master Plan Construction Fund (304).

### OTHER GENERAL FUND REVENUES

There are several small revenue sources which contributed \$240,935 to the General Fund in FY 81-82. These revenues were raised predominately in the Suburban Area and have been allocated to it. The revenue sources include Inspection Fees, Plan Check Fees, Side Sewer Inspection, Effluent Sales, and Customer Service Fees.

### USA GENERAL FUND EXPENDITURE-REVENUE DIFFERENTIAL

The expenditure-revenue differential for USA General Fund operations is very small (0.06 percent) in relation to the magnitude of total expenditures for this service. The Incorporated Area differential is positive (+\$5,378), as it receives more expenditures for services than it generates in revenue. The Suburban Area differential is negative and total

-\$5,378. These differentials are shown in the following table.

TABLE 16

USA GENERAL FUND EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA |
|----------------------------------|---------------------|-------------------|---------------|
| INTEREST                         | 401,412             | 198,298           | 203,114       |
| FEES & CHARGES                   | 7,627,529           | 3,149,138         | 4,478,391     |
| TRANSFER 307                     | 815,000             | 336,595           | 478,405       |
| RESERVES                         | 324,257             | 160,183           | 164,074       |
| TOTAL REVENUES                   | 9,168,198           | 3,844,213         | 5,323,985     |
| TOTAL EXPENDITURES               | 9,168,198           | 3,849,591         | 5,318,607     |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0                   | 5,378             | (5,378)       |
| PER CAPITA                       |                     | 0.07              | -0.05         |
| PER \$1000 ASSESSED VALUE        |                     | 0.00              | -0.00         |

**SEWER MASTER PLAN CONSTRUCTION PROJECTS**

When USA was formed, a Master Plan for construction of major sewerage system facilities was developed. In 1970, the voters authorized the sale of up to \$36,000,000 in general obligation bonds to construct this system. Work on the construction of this system occurs each yearly.

MASTER PLAN CONSTRUCTION REVENUE SOURCES

The largest source of revenue for the construction of these



facilities is revenue from the sale of general obligation bonds. These bonds will be repaid by property taxes, and, accordingly, this revenue is allocated using the assessed value distribution. In FY 81-82, revenue from these bonds contributed \$1,580,403 and an additional \$1,231,168 in federal grants was received for these construction projects. This revenue is allocated according to the distribution of income in the County. The other source of revenue supporting this construction was the payment by private developers of fees for the expansion of a sewer main to support the development of their property. This money was derived entirely from development in the Suburban Area and is allocated accordingly. It should be noted that the revenue in this fund fluctuates from year to year because bonds for this construction are sold in large blocks. In FY 81-82, \$9,900,300 in bonds were sold. All of this money was not expended and USA was able to earn \$314,197 in interest on the unexpended funds. As a result of this large bond sale, the FY 81-82 ending fund balance was \$8,964,801, and the money was used in subsequent years to fund Master Plan Construction. The Master Plan Construction also received a transfer of \$685,693 from the Capital Reserve Fund (307) to help cover system replacement expenditures.

#### EXPENDITURE ALLOCATION

The distribution of construction made under this program varies from year to year according to the location of projects to be accomplished. This variation can cause some shifting of the expenditure-revenue differential. Over half of the construction done in FY 81-82, \$1,781,905, was made for the purpose of expanding centralized sewage treatment facilities, and expenditures were allocated to the Suburban and Incorporated Areas on the basis of population served by these facilities. The remaining construction of main trunk line is allocated according to the area which it will serve.

#### MASTER PLAN CONSTRUCTION EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area expenditure-revenue differential for this portion of USA services is positive and totals +\$17,841. The Incorporated area received more in expenditures than it generated in revenue. The Suburban Area differential is negative and totals -\$17,841. These differentials are shown in the following table.

TABLE 17

## MASTER PLAN CONSTRUCTION EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| PROPERTY TAX                         | 1,580,403           | 685,895           | 894,508       | 0          |
| FEES & CHARGES                       |                     |                   |               |            |
| GRANTS                               | 1,231,168           | 530,633           | 700,535       |            |
| OTHER SOURCES                        | 389,038             | 0                 | 389,038       |            |
| TOTAL REVENUES                       | 3,200,609           | 1,216,528         | 1,984,081     | 0          |
| TOTAL EXPENDITURES                   | 3,200,609           | 1,234,369         | 1,966,240     |            |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | 0                 | 17,841        | (17,841)   |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.23              | -0.16         | 0          |
|                                      |                     | 0.01              | -0.01         | 0          |

## MASTER PLAN BOND REDEMPTION FUND

The Master Plan Bond Redemption Fund makes expenditures to pay off the bonds issued for the construction of major sewage treatment and collection facilities in accordance with USA's Master Sewer Plan. Expenditures are made from this fund for a system which ultimately benefits all residents served by USA, and are allocated based on the distribution of the total population served by USA. In effect, each resident within the boundaries of USA is paying for the cost to expand and improve sewer service delivery, regardless of whether or not individual residents are currently receiving the service.

MASTER PLAN BOND REDEMPTION REVENUE SOURCES

The largest revenue source for the redemption of these bonds is the property tax levied each year. This tax accounted for \$1,996,500 in revenue in FY 81-82, and is allocated geographically on the basis of the assessed value. Two other minor sources used to support expenditures made in this fund are Interest Earned (\$98,596) and Cash on Hand (\$82,643). They are derived indirectly from the property tax and are also allocated on the basis of assessed value. The other revenue source is City payments in lieu of taxes, which are allocated to the Incorporated Area.

MASTER PLAN BOND REDPEMPTION EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is small and positive, +\$28,196. The Incorporated Area receives more in expenditures for this service than the revenue generated for this service. The Suburban Area has a small negative differential (-\$28,196).

TABLE 18

MASTER PLAN BOND REDEMPTION FUND EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA |
|--------------------------------------|---------------------|-------------------|---------------|
| PROPERTY TAX                         | 1,966,500           | 853,461           | 1,113,039     |
| IN LIEU TAXES                        | 198,950             | 198,950           |               |
| INTEREST                             | 98,596              | 42,791            | 55,805        |
| CASH ON HAND                         | 82,643              | 35,867            | 46,776        |
| TOTAL REVENUES                       | 2,346,689           | 1,131,069         | 1,215,620     |
| TOTAL EXPENDITURES                   | 2,346,689           | 1,159,264         | 1,187,425     |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 28,196            | (28,196)      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.26              | -0.25         |
|                                      |                     | 0.01              | -0.01         |

GENERAL OBLIGATION BOND REDEMPTION FUND

When USA was created it took over the assets and debt obligations of several sanitary districts (the Aloha Sanitary District, the Metzger Sanitary District, the Raleigh Scholls Sanitary District, the Sunset Valley Sanitary District, and the West Slope Sanitary District). All of these districts had some outstanding debts in general obligation bonds issued for construction of sewerage facilities. The portions of those bonds used to construct local sewer line improvements are being paid off by property owners in the area which originally issued the bonds (Suburban Area). These revenues, collected as property taxes, amounted to \$71,199 in FY 81-82. Revenue and associated expenditures are allocated entirely to the Suburban Area. The other revenue sources are transfers from Fund 307, cash on hand, and interest earned on investments. All of these revenue sources are allocated according to the Fund

307 distribution previously discussed in this chapter. Expenditures are allocated based on assessed value.

GENERAL OBLIGATION BOND REDEMPTION FUND  
EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is small and positive (+\$5,204), as it receives more expenditures for this service than it generates in revenue. The Suburban Area differential is negative and totals -\$5,204.

TABLE 19

GENERAL OBLIGATION BOND FUND EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA |
|--------------------------------------|---------------------|-------------------|---------------|
| PROPERTY TAX                         | 71,199              | 0                 | 71,199        |
| TRANS FROM 307                       | 157,174             | 64,913            | 92,261        |
| INTEREST                             | 13,948              | 5,761             | 8,187         |
| CASH ON HAND                         | 76,675              | 31,667            | 45,008        |
| TOTAL REVENUES                       | 318,996             | 102,340           | 216,656       |
| TOTAL EXPENDITURES                   | 318,996             | 107,544           | 211,452       |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 5,204             | (5,204)       |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.05              | -0.05         |
|                                      |                     | 0.00              | -0.00         |

## Chapter 6

### WASHINGTON COUNTY COOPERATIVE LIBRARY SERVICE

The Washington County Cooperative Library Service (WCCLS) is a federation of libraries formed in 1975 to oversee, develop, and coordinate library services in the county. One of the primary objectives of this system is the provision of library service to residents of the unincorporated area. In addition, WCCLS was formed to allow existing libraries to avoid duplication of materials and services. This system includes the city libraries (Beaverton, Hillsboro, Tigard, Tualatin, Forest Grove, Cornelius and Sherwood), community libraries (West Slope, Cedar Mill, Banks, Town Center), public and private high school libraries (56 schools in the county), academic libraries (PCC-Rock Creek, and Pacific University), and special libraries (Floating Point System Inc., Intel Corporation, Lamb-Weston, Oregon Graduate Center, Oregon Regional Primate Center, Port of Portland, St. Vincent's Hospital and Medical Center, Tektronix Inc, Tuality Community Hospital, Washington County Law Library, and Washington County Museum Library). Each of these libraries is operated independently by its jurisdiction or governing body. WCCLS links them by providing such county-wide services as: reference services; inter-library book loans, courier services; books by mail; childrens programs; and outreach to those county residents unable to come to the libraries.

### REVENUE SOURCES

The WCCLS program has been supported primarily by property tax serial levies approved by Washington County voters in 1976 and 1978. These tax levies were raised county-wide, and distributed to the public libraries, community libraries, and the WCCLS central staff based on a formula devised cooperatively by the cities and the County. The cities received the portion of property tax revenue raised within their jurisdictional boundaries as a base payment in support of library services. In addition, money was set aside for distribution among the cities to help defray costs associated with provision of library

services to individuals living outside city boundaries. This non-fee access revenue was divided among the cities according to their individual shares of the total out-of-city circulation in the county. The Community Libraries (located in unincorporated areas) also received money from this levy to support their operations.

TABLE 20

WCCLS SERIAL LEVY REVENUE ALLOCATIONS IN FY 81-82

| CITY LIBRARY      | CITY PORTION OF LEVY | NON-FEE ACCESS         | PERCENT OF NON CITY CIRCULATION |
|-------------------|----------------------|------------------------|---------------------------------|
| Beaverton         | 120,466              | 39,930                 | 55%                             |
| Hillsboro         | 70,811               | 13,794                 | 19%                             |
| Tigard            | 66,524               | 7,986                  | 11%                             |
| Forest Grove      | 28,674               | 5,082                  | 7%                              |
| Tualatin          | 21,936               | 2,178                  | 3%                              |
| Cornelius         | 8,120                | 2,178                  | 3%                              |
| Sherwood          | 6,547                | 1,452                  | 2%                              |
| -----             |                      |                        |                                 |
| TOTAL             | 323,078              | 72,600                 | 100%                            |
| COMMUNITY LIBRARY |                      | SERIAL LEVY ALLOCATION |                                 |
| Banks             |                      | 3,500                  |                                 |
| Cedar Mill        |                      | 65,200                 |                                 |
| Town Center       |                      | 60,480                 |                                 |
| West Slope        |                      | 59,999                 |                                 |
| -----             |                      |                        |                                 |
| TOTAL             |                      | 189,179                |                                 |

The WCCLS central services are also supported primarily by the property tax levy. These programs received \$262,440 from the serial levy to support their operations in FY 81-82.

OTHER REVENUE SOURCES

There are several small revenue sources also available to support WCCLS operations. The State provides grant monies for support of library services in the unincorporated portion of Washington County. In FY 81-82 this state aid totaled \$20,817. In addition, WCCLS received \$7,551 in gifts, donations and fees. WCCLS is



operated as a special fund and, accordingly, any interest earned on the investment of WCCLS funds is accrued to this fund. During FY 81-82 it accrued \$18,407 in interest, but spent only \$2,694. WCCLS has a contract with Clatsop County to provide books by mail to its residents. This contract totaled \$30,000 in FY 81-82 and was removed from both the revenue and expenditure portions of this analysis.

## SERVICE DELIVERY

The WCCLS staff are responsible for the delivery of a variety of centralized services, while individual libraries are responsible for the delivery of all other library services.

### CENTRAL LIBRARY SERVICES

The central library services include: books by mail; central reference services; outreach library services; childrens library services; inter-library courier service; and library administration. These services are delivered primarily to the libraries in the County, and may be delivered by request to small portions of the County population. There is no service specific information available describing the distribution of these services within the County, and expenditures for service delivery have been allocated to the three geographic areas of the County based on population.

### LOCAL LIBRARY SERVICES

Local library services are those services delivered by individual city or community libraries. Book circulation is the largest single service delivered. Other services delivered by each library vary, depending on the type of resources and personnel each library has at its disposal.

WCCLS annually surveys the circulation of each city library in order to allocate the available money to defray the costs of non-fee access to library services to persons residing outside of the cities. The following table presents the results of the FY

81-82 survey of city library circulation.

TABLE 21

RESULTS OF CITY LIBRARY CIRCULATION SURVEY FY 81-82

| LIBRARY      | IN CITY<br>RESPONDENTS<br>(PERCENTAGE) | OUT OF CITY<br>RESPONDENTS<br>(PERCENTAGE) | TOTAL<br>RESPONDENTS |
|--------------|--|--|----------------------|
| Beaverton    | 6,451<br>(45.6%)                       | 7,707<br>(54.4%)                           | 14,158               |
| Hillsboro    | 4,171<br>(58.3%)                       | 2,982<br>(41.7%)                           | 7,153                |
| Tigard       | 2,023<br>(45.8%)                       | 2,390<br>(54.2%)                           | 4,413                |
| Forest Grove | 2,107<br>(68.9%)                       | 951<br>(31.1%)                             | 3,058                |
| Tualatin     | 2,074<br>(86.2%)                       | 331<br>(13.8%)                             | 2,405                |
| Cornelius    | 265<br>(52.3%)                         | 242<br>(47.7%)                             | 507                  |
| Sherwood     | 277<br>(52.0%)                         | 256<br>(48.0%)                             | 533                  |

The survey of the geographic distribution of city libraries users is the starting point in the process of allocating expenditures for local library services to the three geographic areas of the County. Circulation figures are not adequate to distribute service delivery between Suburban and Rural Areas. The locations of city libraries were compared with the population distribution in the areas surrounding the cities. Based upon this analysis, the out-of-city circulation (i.e. service delivery) was allocated as follows: Suburban Area (Beaverton, Tigard and Tualatin libraries), Rural Area (Cornelius and Forest Grove libraries), and Hillsboro Library was divided equally between Suburban and Rural Areas. This allocation was used to distribute the WCCLS expenditures for non-fee access to the three areas of the County. The portion of the WCCLS levy representing the amount raised entirely within the incorporated Area is sent directly to the cities. This allocation method produced the expenditure (service) distribution shown in the following table.

TABLE 22

DISTRIBUTION OF WCCLS EXPENDITURES BY AREA

| LIBRARY        | TOTAL WCCLS EXPENDITURE | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------|-------------------------|-------------------|---------------|------------|
|                | CITY                    | LIBRARIES         |               |            |
| Sherwood       | 7,999                   | 6,547             |               | 1,452      |
| Tigard         | 74,510                  | 66,524            | 7,986         |            |
| Beaverton      | 160,396                 | 120,466           | 39,930        |            |
| Hillsboro      | 84,605                  | 70,811            | 6,897         | 6,897      |
| Forest Grove   | 33,756                  | 28,674            |               | 5,082      |
| Tualatin       | 24,114                  | 21,936            | 2,178         |            |
| Cornelius      | 10,298                  | 8,120             |               | 2,178      |
| -----          |                         |                   |               |            |
| SUBTOTAL       | 395,678                 | 323,078           | 56,991        | 15,609     |
|                | COMMUNITY               | LIBRARIES         |               |            |
| Banks          | 3,500                   | 2,800             |               | 700        |
| Cedar Mill     | 65,200                  |                   | 65,200        |            |
| Towncenter     | 60,480                  |                   | 60,480        |            |
| West Slope     | 64,483                  |                   | 64,483        |            |
| -----          |                         |                   |               |            |
| SUBTOTAL       | 193,663                 | 2,800             | 190,163       | 700        |
| WCCLS Services | 248,229                 | 107,731           | 112,448       | 28,050     |
| -----          |                         |                   |               |            |
| TOTAL          | 837,570                 | 433,609           | 359,602       | 44,359     |

WCCLS EXPENDITURE-REVENUE DIFFERENTIAL

The expenditure-revenue differential for the WCCLS system shows that the Incorporated Area receives \$62,974 more in expenditures (service) for library services than it generates in revenue. The Suburban Area ( -\$36,300) and the Rural Area ( -\$26,676) both have negative differentials, and generate more levy revenue than they receive in service.

TABLE 23

## LIBRARY EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| SERIAL LEVY                          | 806,454             | 366,130           | 374,195       | 66,129     |
| FEEES & CHARGES                      | 7,551               | 3,277             | 3,421         | 853        |
| GRANTS                               | 20,871              |                   | 17,010        | 3,861      |
| OTHER SOURCES                        | 2,694               | 1,228             | 1,277         | 191        |
| TOTAL REVENUES                       | 837,570             | 370,636           | 395,902       | 71,035     |
| TOTAL EXPENDITURES                   | 837,570             | 433,609           | 359,602       | 44,359     |
| REVENUE-BENEFIT DIFFERENTIAL         | 0                   | 62,974            | (36,300)      | (26,676)   |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.59              | -0.33         | -0.9       |
|                                      |                     | 0.02              | -0.01         | -0.05      |

## OTHER SERVICE DELIVERY ISSUES

Two questions remain unanswered following examination of the expenditure-revenue differential for WCCLS services. First, the WCCLS serial levies have been providing part of the revenue available to the Cities to pay for library services. This has allowed the cities to provide library services without developing fully autonomous revenue sources. The question, then, is: Would the cities have maintained the same level of library service expenditures during the period of time covered by the two Library Serial Levies if the WCCLS revenues had not been available? Total WCCLS expenditures for library services account for 50.2 percent of the \$1,675,373 spent for library services by all jurisdictions in the County.

TABLE 24

## TOTAL EXPENDITURE FOR LIBRARY SERVICES BY SOURCE OF REVENUE

| JURISDICTION<br>(LIBRARY) | LOCAL<br>EXPENDITURE | WCCLS<br>EXPENDITURE | TOTAL<br>EXPENDITURE |
|---------------------------|----------------------|----------------------|----------------------|
| CITY LIBRARIES            |                      |                      |                      |
| Beaverton                 | 329,865              | 160,396              | 490,261              |
| Hillsboro                 | 170,090              | 84,605               | 254,695              |
| Tigard                    | 60,538               | 74,510               | 135,048              |
| Forest Grove              | 97,512               | 33,756               | 131,268              |
| Tualatin                  | 76,032               | 24,114               | 100,146              |
| Cornelius                 | 23,697               | 10,298               | 33,995               |
| Sherwood                  | 28,710               | 7,999                | 36,709               |
| COMMUNITY LIBRARIES       |                      |                      |                      |
| Banks                     | 7,664                | 3,500                | 11,164               |
| Cedar Mill                | 28,195               | 65,200               | 93,395               |
| Town Center               | 1,289                | 60,480               | 61,769               |
| West Slope                | 4,484                | 59,999               | 64,483               |
| WCCLS Central Services    |                      | 248,229              | 248,229              |
| -----                     |                      |                      |                      |
| TOTAL                     | 828,076              | 847,297              | 1,675,373            |

The second question is derived from the first, and from the process of calculating the expenditure-revenue differential. This question contains two parts: Should the expenditure-revenue differential be calculated using only the expenditures delivered directly by WCCLS, or the total services delivered? If the total services are counted, should the WCCLS funding in the Incorporated Area actually be allocated to that area, or should it be allocated in some other way? For example, the WCCLS library user survey can be used to provide a different picture of the delivery of library services in the County.

TABLE 25

## TOTAL BOOK CIRCULATION BY LIBRARY ALLOCATED TO INCORPORATED AND UNINCORPORATED AREAS OF WASHINGTON COUNTY

| LIBRARY      | TOTAL<br>CIRCULATION | INCORPORATED<br>PORTION | UNINCORPORATED<br>PORTION |
|--------------|----------------------|-------------------------|---------------------------|
| Beaverton    | 367,994              | 167,805                 | 200,189                   |
| Hillsboro    | 174,155              | 101,532                 | 72,623                    |
| Tigard       | 109,400              | 50,105                  | 59,295                    |
| Forest Grove | 122,324              | 84,281                  | 38,043                    |
| Tualatin     | 58,215               | 50,181                  | 8,034                     |
| Cornelius    | 26,751               | 13,991                  | 12,760                    |
| Sherwood     | 23,255               | 12,093                  | 11,162                    |

If service delivery is considered in view of the total cost to a city of delivering library service, then a different approach is needed for determining the expenditure-revenue differential. One method of accomplishing this would be to measure expenditures per circulation. For example, the total expenditure per circulation for Hillsboro is \$0.68. Hillsboro receives 33.2 percent of its total expenditures from the WCCLS levy, and 41.7 percent of its total circulation is delivered to library patrons residing outside Hillsboro. It is apparent that the WCCLS levy revenue does not cover the cost of delivering the service outside the City in this case. However, the magnitude of this differential depends on how the WCCLS revenues are allocated. If all the WCCLS revenues are allocated toward the cost of providing service outside the City, then the total differential for the provision of this service is -\$0.30 per unincorporated circulation. If only the non-fee access portion of the WCCLS revenue is counted, then the differential is -\$1.27 per unincorporated circulation. This example does not deal with the question of whether or not the City would have maintained this level of expenditure without the revenue from the WCCLS Levy, and whether library use would have been as heavy if non-residents had been required to pay a yearly fee for library access.

## Chapter 7

### COUNTY GENERAL SERVICES

County General Services includes all those traditionally provided by Oregon counties. These services include Property Assessment and Taxation, County Recorder, Elections, County Surveyor, County Museum, Dog Control, County Fair, and Agricultural Activities. The General Fund is a major source of revenue for these services (except Dog Control). They are provided directly by the County, with the exception of Agricultural Activities, which are provided by the Extension Service, the Soil and Water Conservation District and the State Watermaster with financial assistance from the County. Agricultural Activities are concentrated most heavily in the Rural and Suburban Areas, but some services are provided to the Incorporated Area. Services provided directly by the County are generally available to all County residents, with no geographic distinctions.

### ASSESSMENT AND TAXATION

The Assessment and Taxation Department provides County Assessor, County Clerk (Recorder), Dog Control, and Elections services (Dog Control is discussed in a separate chapter; Elections is discussed later in this chapter). At the beginning of FY 81-82, the County Clerk existed as a separate department, containing the Elections and Recorder Divisions. In January 1982 both divisions were transferred to the Department of Assessment and Taxation, bringing 14 additional employees into the Department for a total of 77 in FY 81-82. The position of County Clerk rested with the head of the Department of Finance and Administration at that time, then transferred to the County Assessor in December 1983 where the duties of the office were assigned to a discrete unit. (In 1983, Assessment and Taxation received the Archives and Dog Control Divisions from the Department of Finance and Administration.)

Three divisions of this Department are discussed in the following section: Administration, Appraisal, and Mapping and

Recording.

#### ADMINISTRATION DIVISION

This Division is responsible for overall departmental supervision, data entry, and secretarial support for the Assessors Office. In addition, it provides internal accounting and general assistance to the public. This division is also responsible for property tax collection in the County, processing of USA sewer assessments, and all LID assessments. In FY 81-82, the Department charged USA \$33,203 for these services, the Road Department \$2,314 for the cost of assessing its LID's, and the Metzger Park LID \$2,024 for its assessments.

The Division is also responsible for processing and maintaining records on personal property and mobile homes. Industrial machinery accounts for most of the personal property records. The Division handles all property tax relief programs and special exemptions. This includes over 52,000 property tax relief accounts, 1,800 veterans property tax exemptions, and 1,657 senior citizens property tax exemptions. In FY 81-82, this division had 21 employees.

#### APPRAISAL DIVISION

The Appraisal Division is responsible for the ongoing appraisal of all real and personal property in the County. Records on the value of property sales in various categories are compiled to determine general trends in the value of property in each of those categories. This information is used to support ongoing physical reappraisal of real property and to estimate changes in the value of real property during those years when reappraisals are not made. In addition, this division is directly involved with the Board of Equalization, which hears appeals on increases in the assessed value of individual pieces of real property.

The Division handles all Farm and Forest Property Tax Deferral programs. Appraisals of individual pieces of property are made by on request. This was the source of appraisal fees collected by this division in FY 81-82 (\$15,666). The Division also physically reappraises the entire County every six years, resulting in approximately one-sixth of real property accounts being appraised each year. Some real property, such private



utilities, commercial forest lands, and certain large industrial complexes, are appraised by the State Department of Revenue, not the County. In FY 81-82 the Division had 27 employees.

#### MAPPING AND RECORDING DIVISION

The Mapping Division was combined with the Recorders Division of the County Clerks Office to become the Mapping and Recording Division. In 1983, Archives was also absorbed. This division produces, updates, and maintains the tax assessor map system containing all land parcels in the County. In addition, it is responsible for recording and maintaining permanent records of all deeds, mortgages, contracts, tax liens, and any other legal documents an individual may wish to have recorded, and issues marriage licenses. In FY 81-82, 39,500 documents were processed.

Fees collected by the Division were the highest in the Department. They include Recording Fees (\$303,844) and Marriage Licenses (\$357,041). These revenues were allocated based on population because information on revenue source distribution was not available. This division also collects the Real Estate Transfer Tax included in the General Fund.

#### SERVICE DELIVERY

Services provided by the three division Assessment and Taxation are provided indirectly to all County residents. The expenditures for these services totaled \$1,809,106 in FY 81-82. Since these services are available to all County residents and all receive some measure of these services each year, the expenditures were geographically allocated based on population.

#### ASSESSMENT AND TAXATION EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive and very small (+\$1,133), only 0.06 percent of the \$1,809,106 expended for this service in FY 81-82. The Incorporated Area received just slightly more in service expenditures than it generated in revenues. The

Rural Area differential is also positive (+\$20,386). The Suburban Area differential is negative -(\$21,5198), only 1.2 percent of the total service expenditures made for this service in FY 81-82.

TABLE 26

ASSESSMENT AND TAXATION EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                     | 1,132,555           | 490,396           | 534,566       | 107,593    |
| FEES & CHARGES                   | 676,551             | 293,623           | 306,478       | 76,450     |
| GRANTS                           |                     |                   |               |            |
| OTHER SOURCES                    |                     |                   |               |            |
| TOTAL REVENUES                   | 1,809,106           | 784,019           | 841,044       | 184,043    |
| TOTAL EXPENDITURES               | 1,809,106           | 785,152           | 819,525       | 204,429    |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0                   | 1,133             | (21,519)      | 20,386     |
| PER CAPITA                       |                     | 0.01              | -0.19         | 0.73       |
| PER \$1000 ASSESSED VALUE        |                     | 0.00              | -0.01         | 0.03       |

ELECTIONS DIVISION

The Elections Division of the Assessment and Taxation Department is responsible for conducting all elections held in the County. It is also responsible for verifying voter signatures on initiative and referendum petitions submitted at the state or local level. Elections establishes and maintains a system of voter precincts based on jurisdictional and legislative boundaries in the County, and maintains records of voter registration in these precincts. In FY 81-82 this division had 6 employees, and expended \$376,132.

Elections Division services are provided generally to all

County residents, especially for general and primary elections. Special elections do not normally involve all County precincts. However, a substantial number of precincts will be involved in any given election. The geographic distribution of elections services changes with each election, making it impossible to allocate these services geographically. Hence, election expenditures are allocated on the basis of population.

#### REVENUE SOURCES

The General Fund provides most of the revenue for provision of these services (\$285,455). The remaining revenues are derived from election fees charged to other jurisdictions in the County. Under Oregon law, the County can charge other jurisdictions a fee for the costs of providing elections services beyond expenditures for permanent staff. These charges cover the costs of temporary staff and production of ballots for the election. They are charged cities, school districts, and other special districts based on the number of registered voters in each. When jurisdictions overlap, the charges are prorated. In FY 81-82 these charges totaled \$90,677. The cities paid a total of \$10,085, school districts \$38,364, and other special districts \$42,228. Fees from the cities were allocated entirely to the Incorporated Area. The remaining fees were geographically allocated on the basis of population.

#### ELECTIONS EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is negative and totals -\$5,423. This Area generated more in revenue than it received in service expenditures. The Suburban Area differential is also negative and totals -\$855. The Rural Area differential is positive and totals \$6,368.

TABLE 27

ELECTIONS EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 285,455             | 123,602           | 134,735       | 27,118     |
| FEES & CHARGES                       | 90,677              | 45,062            | 36,508        | 9,017      |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 376,132             | 168,664           | 171,243       | 36,135     |
| TOTAL EXPENDITURES                   | 376,132             | 163,241           | 170,388       | 42,503     |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | (5,423)           | (855)         | 6,368      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -0.05             | -0.01         | 0.2        |
|                                      |                     | -0.00             | -0.00         | 0.01       |

COUNTY SURVEYOR

The Washington County Surveyor was, administratively, a division of the Public Works Department in FY 81-82. At that time, the Division was funded entirely by the General Fund and fees. In FY 82-83 it assumed control of the Public Works Engineering Division survey crew. The Surveyor is responsible for a wide variety of services related to the continued maintenance of survey information in the County (specific duties are listed in ORS Chapters 92, 94, 97, 209, 271, 368, 376, 549, and 551). Among the major duties of the Surveyor are the checking of subdivision plats for all jurisdictions in the County, the recording of all surveys done in the County, the establishment or reestablishment of government survey corners, and performance of all County survey work. In addition, the Surveyor is responsible for assigning all new addresses in the unincorporated area of the

County. (The Surveyor now does survey work on roads in addition.)

Most services performed by the Surveyor do not have a geographically distinct pattern of service delivery. The recording of surveys, reestablishment of government corners, and surveying of properties involved in boundary disputes are distributed in approximately the same manner as population, according to the Surveyor. Checking of Subdivision Plats and Condominium Plats is concentrated in the Incorporated (60%) and Suburban Areas (40%). New addresses are assigned primarily in the Suburban Area (95%), the remainder in the Rural Area. These service distributions were used to allocate Surveyor expenditures.

#### REVENUE SOURCES

The General Fund provided \$182,295 (87.9%) of the Surveyor's total revenue, the remaining amount from fees and charges. The two principal fees are the Subdivision and Condominium Plat Check Fees, and Address fees. The distributions of these fees and their related services expenditures are the same.

#### SURVEYOR EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is negative and totals -\$14,986. This area received less in service expenditures than it generated in revenue. The Rural Area differential is also negative and totals -\$3,252. The Suburban Area differential is positive and totals +\$18,238.

TABLE 28

## SURVEYOR EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 182,295             | 78,934            | 86,043        | 17,318     |
| FEES & CHARGES                       | 25,038              | 12,143            | 12,655        | 240        |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 207,333             | 91,077            | 98,698        | 17,558     |
| TOTAL EXPENDITURES                   | 207,333             | 76,091            | 116,936       | 14,306     |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | (14,986)          | 18,238        | (3,252)    |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -0.14             | 0.16          | -0.1       |
|                                      |                     | -0.00             | 0.01          | -0.01      |

## COUNTY MUSEUM

The Washington County Historical Museum is, administratively, part of the Public Works Department. However, it is entirely supported by General Fund money. The County Museum is located on the PCC Rock Creek campus in a new building built with private funds. The Museum, founded in 1939, houses a collection of historic documents and memorabilia concerning the history of Washington County. It is partly supported by the Washington County Historical Society. However, this support is not included in the estimation of the expenditure-revenue differential. Museum services are provided primarily on site and are available to all County residents. There are no records available to indicate whether some residents use this facility more than others. Accordingly, the services provided by the Museum are allocated on the basis of population.

MUSEUM EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive and totals +\$56.  
 The Rural Area differential is also positive and totals +\$1,007.  
 The Suburban Area differential is negative and totals -\$1,063.

TABLE 29

COUNTY MUSEUM EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                     | 55,962              | 24,232            | 26,414        | 5,316      |
| FEES & CHARGES                   |                     |                   |               |            |
| GRANTS                           |                     |                   |               |            |
| OTHER SOURCES                    |                     |                   |               |            |
| TOTAL REVENUES                   | 55,962              | 24,232            | 26,414        | 5,316      |
| TOTAL EXPENDITURES               | 55,962              | 24,288            | 25,351        | 6,324      |
| EXPENDITURE-REVENUE DIFFERENTIAL |                     | 56                | (1,063)       | 1,007      |
| PER CAPITA                       |                     | 0.00              | -0.01         | 0.04       |
| PER \$1000 ASSESSED VALUE        |                     | 0.00              | -0.00         | 0.00       |

COUNTY FAIR

The Washington County Fairgrounds are used for the annual Washington County Fair and for a variety of other events. In Calendar Year 1982 the County Fair was attended by 52,620 people. Other events attracted another 179,041 people to the

fairgrounds. The Fair Board is responsible for the maintenance and management of the fairgrounds and is currently involved in the long term development of the property. The County Fairgrounds are predominately supported by user fees and admission charged to individuals using the fairgrounds for various activities. These activities produced 63 percent of the Fair's revenues in FY 81-82. The State Racing Commission provided a portion (17 percent) of the revenues received from betting at the State Fair. The remainder of the FY 81-82 revenues came from a one percent surcharge on the Hotel-Motel Tax levied by the County (this surcharge was later repealed by County voters) . There is no recognizable geographic distribution of these revenues and they were allocated to the areas of the County based on the distribution of population. Account #1100 of the General Fund contains an expenditure of \$11,890 in General Fund monies for the provision of benefits provided by the County to fair employees. This expenditure is included in the total expenditures and revenues for the Fair. As with most fee supported services, there is no discernible geographic pattern of expenditures for service provision. Expenditures were allocated according to the County population distribution.

#### COUNTY FAIR EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated (+\$12) and Rural Area (+\$214) differentials are positive. These Areas received more in service expenditures than they generated in revenue. The Suburban Area differential is negative and totals -\$214.



TABLE 30

COUNTY FAIR EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 11,890              | 5,148             | 5,612         | 1,130      |
| FEES & CHARGES                       | 176,641             | 76,662            | 80,018        | 19,960     |
| GRANTS                               | 48,451              | 21,028            | 21,948        | 5,475      |
| OTHER SOURCES                        | 6,177               | 2,681             | 2,798         | 698        |
| TOTAL REVENUES                       | 243,159             | 105,519           | 110,377       | 27,263     |
| TOTAL EXPENDITURES                   | 243,159             | 105,531           | 110,151       | 27,477     |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 12                | (226)         | 214        |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.00              | -0.00         | 0.01       |
|                                      |                     | 0.00              | -0.00         | 0.00       |

AGRICULTURAL ACTIVITIES

Washington County assists several agencies with agricultural activities in the County by providing a part of their yearly operating budgets (Account #1100). Service delivery is actually provided by the Oregon State Cooperative Extension Service, Washington County Soil and Water Conservation District, State Watermaster, and the Oregon Department of Agriculture. The County provided a substantial portion of the Extension Service budget. The Extension Service provides advice and information to the residents of Washington County on farm crops, farming practices, livestock production, forestry management, and also oversees the countywide 4-H program. The County provides the Soil and Water Conservation District with half the salary for a secretary. This district is active in the provision of soil management information and advice, and supports irrigation projects and

improvements. The State Watermaster assigns a Watermaster to Washington, Tillamook, Clatsop and Columbia Counties. This Watermaster works out of the Washington County Courthouse and is responsible for oversight and enforcement of water rights and related activities in the four- county area. The other Counties and Special Districts that use Watermaster services reimburse Washington County for a portion of the overall cost of this program. Washington County reimburses the Oregon Department of Agriculture for expenditures associated with the provision of Horticultural Inspections in Washington County. All of these services are provided generally to the residents of the County in a geographically indistinguishable fashion. Accordingly, service expenditures were allocated on the basis of population. The majority (86%) of revenue for this service is provided by the General Fund.

#### AGRICULTURAL ACTIVITIES EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive and totals +\$172.  
The Rural Area differential is also positive and totals +\$3,100.  
The Suburban Area differential is negative and totals -\$3,272.

TABLE 31

AGRICULTURAL ACTIVITIES EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                     | 172,215             | 74,569            | 81,285        | 16,360     |
| FEEES & CHARGES                  |                     |                   |               |            |
| GRANTS                           |                     |                   |               |            |
| OTHER SOURCES                    | 28,018              | 12,160            | 12,692        | 3,166      |
| TOTAL REVENUES                   | 200,233             | 86,729            | 93,978        | 19,526     |
| TOTAL EXPENDITURES               | 200,233             | 86,901            | 90,706        | 22,626     |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0                   | 172               | (3,272)       | 3,100      |
| PER CAPITA                       |                     | 0.00              | -0.03         | 0.11       |
| PER \$1000 ASSESSED VALUE        |                     | 0.00              | -0.00         | 0.01       |

DOG CONTROL

Under the Department of Finance and Administration, Dog Control is responsible for the operation of a small animal shelter and enforcement of the County Leash Law. Dog licenses, impoundment of dogs in violation of the leash law, and adoption of dogs and cats are included in these activities. The program is supported entirely by fees and charges. Statistics for FY 81-82 are: 24,000 licenses sold; 3,400 animals sheltered; 2,500 animals sold; and 1,300 citations or warnings issued.

## REVENUE

Total revenue for FY 81-82 was \$382,054. Licenses accounted for \$265,236, other fees and charges \$115,872, and interest \$946. The allocation of license revenue was derived using information from a sample of dog licenses sold in 1982 (total 140). Location of dog owner residence was used to distribute license revenue geographically: the Incorporated area 67 licenses (47.9%), Suburban 42 (30.0%), and Rural 31 (22.1%).

## DISTRIBUTION OF SERVICE DELIVERY

Cases selected at random from the Dog Control Officer's Daily Report for the period April 1982 through December 1983 providing information on the locations of 331 impoundments were used to distribute service delivery geographically. Impoundments in the Incorporated area numbered 229 (69.2%) of the total, Suburban 59 (17.8%), and Rural 43 (13.0%).

## EXPENDITURES

Total expenditures for Dog Control service delivery in FY 81-82 were \$382,054. Expenditures were allocated geographically using the service delivery distribution: Incorporated \$264,381, Suburban \$68,006, and Rural \$49,667.

## EXPENDITURE-REVENUE DIFFERENTIAL

Both the Suburban and Rural areas provided subsidies to the Incorporated area for Dog Control services. It is clear that the Incorporated area received \$86,634 more in services than it generated in revenue--a positive differential. The Suburban subsidy amounts to \$64,484, the Rural \$22,151.

TABLE 10

DOG CONTROL EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE<br>SOURCES                         | TOTAL<br>REVENUE 81-82 | INCORPORATED<br>AREA | SUBURBAN AREA | RURAL AREA |
|--|------------------------|----------------------|---------------|------------|
| LICENSES                                   | 265,236                | 127,048              | 79,571        | 58,617     |
| FEES & CHARGES                             | 115,872                | 50,288               | 52,490        | 13,094     |
| GRANTS                                     |                        |                      |               |            |
| INTEREST                                   | 946                    | 411                  | 429           | 107        |
| TOTAL<br>REVENUES                          | 382,054                | 177,747              | 132,489       | 71,818     |
| TOTAL<br>EXPENDITURES                      | 382,054                | 264,381              | 68,006        | 49,667     |
| EXPENDITURE-<br>REVENUE<br>DIFFERENTIAL    | 0                      | 86,634               | (64,484)      | (22,151)   |
| PER CAPITA<br>PER \$1000<br>ASSESSED VALUE |                        | 0.81                 | -0.58         | -0.80      |
|  |                        | 0.03                 | -0.02         | -0.04      |

## Chapter 8

### SOCIAL SERVICES

Social services in Washington County are administered by County agencies, most of which contract with outside providers for service delivery. Revenue to support these programs is derived primarily from grants, the General Fund, and, in some cases, user fees. Services are generally available on an as-needed or by-request basis, targeted toward populations that are most in need--those persons who cannot afford or are unable to receive necessary services from private providers.

The specific agencies dealt with in this analysis are the Area Agency on Aging, Veterans Services Division, Mental Health Department, Public Health Department, Juvenile Department, and the Juvenile Services Commission.

TABLE 32

#### SUMMARY SOCIAL SERVICES EXPENDITURE-REVENUE DIFFERENTIAL

|                         | EXPENDITURE-      | REVENUE       | DIFFERENTIAL |  |
|-------------------------|-------------------|---------------|--------------|--|
| SERVICE PROVIDED        | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA   |  |
| PUBLIC HEALTH           | 330,526           | (343,467)     | 12,939       |  |
| MENTAL HEALTH           | 365,472           | (293,198)     | (72,275)     |  |
| JUVENILE DEPARTMENT     | 153,905           | (168,807)     | 21,614       |  |
| JUVENILE SER COMMISSION | 7,972             | (7,922)       | (50)         |  |
| AGING                   | 95,454            | (102,700)     | 7,246        |  |
| VETERANS                | 7,167             | (6,723)       | (444)        |  |
| TOTAL                   | 960,496           | (922,817)     | (30,970)     |  |
| DIFFERENTIAL            |                   |               |              |  |
| PER CAPITA              | 9.00              | -8.29         | -1.11        |  |
| PER \$1000              | 0.29              | -0.28         | -0.05        |  |
| ASSESED VALUE           |                   |               |              |  |

## AGING

The Washington County Area Agency on Aging administers fifteen programs targeted toward the County's senior citizen population. All of these programs, excluding administration, are delivered through contracts with outside providers. The largest programs are congregate meals, transportation, home and personal care, mental health, and outreach. Other programs account for only a small percentage of total service provided. A not-for-profit organization, The Washington County Council on Aging, Inc., serves as an advisory group to the agency and has a separate budget which is not included in this analysis.

### REVENUE

In FY81-82, the Agency budget was \$741,511. Grants from the federal government, including the U.S. Department of Agriculture, accounted for \$707,833 of the total revenue; the remaining \$36,678 was derived from the General Fund. Under the Older Americans Act, federal funds directed to senior citizen programs, such as those provided by Washington County, can be spent only on persons aged 60 years and older.

### DISTRIBUTION OF AGENCY SERVICES

Area Agency on Aging (AAA) services are provided on an as-needed basis to senior citizens in Washington County. The best available census data (1980) provide the total number of persons aged 65 and older who reside in the County; this number (19,626 persons) was allocated to Incorporated, Suburban, and Rural Areas using percentages based on census tract population data, approximating a distribution of senior citizens across the three geographic areas. The distribution was: 51 percent to the Incorporated Area, 36.5 percent to the Suburban Area, and 12.1 percent to the Rural Area. It must be remembered that persons aged 60-64 years, who qualify to receive AAA services, are not included in this analysis.

AAA served 18,007 persons in FY81-82. Applying the approximate distribution described above to the total number served, it was determined that 9256 persons (51.4%) lived in the Incorporated Area, 6573 persons (36.5%) resided in the Suburban Area, and 2178 persons (12.1%) resided in the Rural Area.

#### EXPENDITURES

Expenditures for AAA services were calculated using the service delivery distribution. The Incorporated Area had the largest number of persons served, and so received the highest expenditure--\$381,137. It was followed by the Suburban Area, which received \$270,652 in expenditures, and the Rural Area, which received \$89,723.

#### EXPENDITURE-REVENUE DIFFERENTIAL

In examining Table 33, it is clear that the Incorporated Area received \$95,454 more in services than it contributed to the total revenue, and the Rural Area, \$7246. But, the Suburban Area generated \$102,700 more than it received, accounting for 25 percent of the total expenditures received by the Incorporated Area, compared to 8 percent of those received by the Rural Area.



TABLE 33

AGING EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE | INCORPORATED AREA 81-82 | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------|-------------------------|---------------|------------|
| GENERAL FUND                     | 33,678        | 14,583                  | 15,896        | 3,199      |
| FEEES & CHARGES                  |               |                         |               |            |
| GRANTS                           | 707,833       | 271,100                 | 357,456       | 79,277     |
| OTHER SOURCES                    |               |                         |               |            |
| TOTAL REVENUES                   | 741,511       | 285,683                 | 373,352       | 82,477     |
| TOTAL EXPENDITURES               | 741,511       | 381,137                 | 270,652       | 89,723     |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0             | 95,454                  | (102,700)     | 7,246      |
| PER CAPITA                       |               | 0.89                    | -0.92         | 0.26       |
| PER \$1000 ASSESSED VALUE        |               | 0.03                    | -0.03         | 0.01       |

VETERANS SERVICES DIVISION

Veterans Services Division functions within the Department of Finance and Administration, providing assistance by request to veterans of military service residing in Washington County. In coordination with the Oregon Division of Veteran's Affairs, the Washington County program aids veterans with problems relating to housing benefits, pensions, social security, and disability.

## REVENUE

Total revenue for FY81-82 was \$20,638. The Division is funded primarily by the General Fund, which supplies 61 percent of its total revenue, supplemented by state reimbursements and federal grants, which provide the remaining 39 percent.

## DISTRIBUTION OF AGENCY SERVICES

As services are provided only to those veterans who request them, the service delivery distribution is based on the number of veterans served during a given time period and the geographic locations of their residences. The best available data were provided by the Division, covering October 1981 - April 1982, and July 1982 - December 1982; a total of 964 persons were served during those periods representing the Incorporated, Suburban, and Rural Areas. Of these, 790 persons (81%) resided in the Incorporated Area, 160 persons (16%) resided in the Suburban Area, and 68 persons (7%) were Rural residents.

## EXPENDITURES

Veterans Services expenditures for FY81-82 were allocated according to the service delivery distribution. The Incorporated Area received \$15,891 in expenditures for Veterans Services, the Suburban Area \$3,158, and the Rural Area \$1,589.

## EXPENDITURE/REVENUE DIFFERENTIAL

More requests for Veterans Division services were made by residents of the Incorporated Area than by those of either the Suburban or Rural Areas. In interpreting Table 34, it is clear that the Incorporated Area received \$7167 more in services than it generated in revenue; the Suburban (-\$6,723) and Rural (-\$444)

Areas supplied more revenue than they received in services.

TABLE 34

VETERANS SERVICES EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES GRANTS   | 16,397              | 7,100             | 7,739         | 1,558      |
| OTHER SOURCES                        | 4,241               | 1,624             | 2,142         | 475        |
| TOTAL REVENUES                       | 20,638              | 8,724             | 9,881         | 2,033      |
| TOTAL EXPENDITURES                   | 20,638              | 15,891            | 3,158         | 1,589      |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 7,167             | (6,723)       | (444)      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.07              | -0.06         | -0.02      |
|                                      |                     | 0.00              | -0.00         | -0.00      |

MENTAL HEALTH

Mental health services in Washington County are provided under contract by 24 outside service providers under the direction of the Washington County Mental Health Department. Planning, coordination, and program monitoring are carried out by Department staff, as well as drug abuse counseling, information and referral, prevention/education, and evaluation of those clients who become involved with the courts. Reporting to the Department are an advisory board representing all programs, and an advisory council for each. The Division itself is responsible to the County Administrator.

Three major program areas encompass the services provided through the Mental Health Department. They are Mental

Retardation/Developmental Disabilities, using 43 percent of the total department expenditures; Mental and Emotional Disturbances, 39 percent of expenditures; and Alcohol and Drug, accounting for 12 percent of total expenditures. Department administration demands the remaining 6 percent.

#### REVENUE

Department revenue is obtained primarily from state and federal block grants. When fees are charged for a service they are based on a sliding scale. Of the \$2,289,812 in total revenue for FY81-82, \$2,133,352 was obtained from grants, \$117,123 from the General Fund, and \$39,337 from user fees.

#### DISTRIBUTION OF SERVICE DELIVERY

The best available data provided by the Department for this study were for Calendar Year 1983, identifying the number of persons served and census tract numbers corresponding to their residence locations. The locations were identified as Incorporated, Suburban, and Rural Areas based on this census tract information; the population was distributed accordingly. Out of 5,318 persons served in 1983, 4,225 were included in the distribution; 440 persons residing outside the County, and 653 persons for whom no census tract information was recorded by the Department were excluded. The useable population was distributed as follows: Incorporated, 2315 persons (55%), Suburban 1567 persons (37.3%), and Rural 334 persons (8%).

#### EXPENDITURES

Based on the service delivery distribution, the Incorporated Area received \$1,254,817 for mental health services, the Suburban Area \$854,100, and the Rural Area \$180,895.

EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area received \$365,372 in services above what it generated in revenue. The Suburban Area generated \$293,198 more in revenue than it received in service expenditures. The Rural Area differential is also negative (-\$72,275), indicating that more revenue was raised in that Area than services received.

TABLE 35

MENTAL HEALTH EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------|-------------------|---------------|------------|
| GENERAL FUND                     | 117,123       | 50,714            | 55,282        | 11,127     |
| FEES & CHARGES                   | 39,337        | 21,557            | 14,673        | 3,108      |
| GRANTS                           | 2,133,352     | 817,074           | 1,077,343     | 238,935    |
| OTHER SOURCES                    |               |                   |               |            |
| TOTAL REVENUES                   | 2,289,812     | 889,345           | 1,147,298     | 253,170    |
| TOTAL EXPENDITURES               | 2,289,812     | 1,254,817         | 854,100       | 180,895    |
| EXPENDITURE-REVENUE DIFFERENTIAL |               | 0                 | (293,198)     | (72,275)   |
| PER CAPITA                       |               | 3.43              | -2.63         | -2.60      |
| PER \$1000 ASSESSED VALUE        |               | 0.11              | -0.09         | -0.12      |

**PUBLIC HEALTH**

The Washington County Department of Public Health provides health care services, either directly or through contracts with outside

providers, designed to assure that basic health standards are met in the County. Policy direction for the Department is given by the Board of County Commissioners who, under the County charter, appointed an Advisory Board of Health to assist them in making health policy. Services provided by the department are divided among three mission areas: Administration and Support Services; Community Health Services; and Environmental Services.

Administrative Services and Support Services, in addition to its administrative function, is responsible for the Medical Examiner Program and Vital Statistics. Investigation of violent and unattended deaths and preparation of death reports required by state law are assigned to Medical Examiner personnel, who work cooperatively with other law enforcement offices under the direction of the State Medical Examiner. As required by Oregon law, Vital Statistics maintains records of all births and deaths in Washington County.

Community Health Services has the largest budget of any of the mission areas, accounting for 41 percent of the department budget, and is comprised of four program areas. Communicable Disease Prevention and Control provides testing, immunization, treatment of communicable diseases to target populations field and clinic nursing services. Family planning, testing, and counseling are provided through Family Planning Services. Services for Parents and Children provides health screening, education and counseling, and nutritional services to parents and children who are unable to obtain private health care due to economic, social, or cultural barriers. Targeted at a similar population, Chronic Disease Services provides mental health nursing services, consultation and referral, and nutrition counseling for victims of chronic diseases.

Environmental Services is comprised of ten service areas, all fee supported, including solid waste and sewage programs, food service inspections, water systems programs, and facilities inspection programs. Activities carried out by this division are intended to help maintain a safe and healthy environment by preventing and controlling the spread of disease.

Public Health has experienced budget cuts over the last three budget cycles which have resulted in substantial reductions in services. Community Health Services, the largest mission area, has suffered the most. It has seen the closure of two satellite clinics in Tigard and Beaverton, and the elimination of several programs. Office space in Beaverton was secured in 1983 to replace the satellite clinics that were closed.

An audit of the department in 1983 recommended several measures to improve management and productivity in the face of further cutbacks. Lack of aggressive billing and follow-up procedures,

which caused over 25 percent of fees for service to go uncollected in 1982-83, were cited by the audit as areas needing serious attention. It was also suggested that the department identify its information needs, as the volume of data produced by the department and lack of an automated information system hamper the department's ability to accurately identify those clients who are "most in need."

#### REVENUE

Revenue for Public Health services is derived from three sources: grants, fees and charges, and the General Fund. In FY81-82 total revenue amounted to \$2,358,139. Of this, 45.3 percent was provided by grants, 37.1 percent by fees and charges, and 17.4 percent by the General Fund.

#### DISTRIBUTION OF AGENCY SERVICES

Data were provided by Community Health Service staff on the number of persons served by that mission area in FY81-82. Of these, a sample of 450 persons was drawn listing street addresses for each. The addresses were identified as Incorporated, Suburban, or Rural and the population distributed accordingly: Incorporated 284 persons (63.1%), Suburban 115 persons (25.6%), and Rural 51 persons (11.3%).

As all services provided by Environmental Health are fee-based, no service delivery distribution was developed for that mission area.

#### EXPENDITURES

Total expenditures for the Public Health Department for FY81-82 were \$2,358,139. Based on the service delivery distribution, \$1,375,579 was spent on Community Health Services in the Incorporated Area, \$716,085 in the Suburban Area, and \$266,469 in the Rural Area.

EXPENDITURE-REVENUE DIFFERENTIAL

The Suburban Area differential is -\$355,150, indicating that it contributed more in revenue than it received in service expenditures. The Incorporated area received \$346,983 more in services that it generated in revenue, and the Rural Area \$8,168.

TABLE 36

PUBLIC HEALTH EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE | INCORPORATED 81-82 AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------|-------------------------|---------------|------------|
| GENERAL FUND                     | 412,129       | 178,452                 | 194,525       | 39,152     |
| FEES & CHARGES                   | 876,841       | 440,655                 | 336,783       | 99,403     |
| GRANTS                           | 1,069,164     | 409,490                 | 539,928       | 119,746    |
| OTHER SOURCES                    |               |                         |               |            |
| TOTAL REVENUES                   | 2,358,134     | 1,028,597               | 1,071,236     | 258,302    |
| TOTAL EXPENDITURES               | 2,358,134     | 1,375,579               | 716,085       | 266,469    |
| EXPENDITURE-REVENUE DIFFERENTIAL |               | 0                       | (355,150)     | 8,168      |
| PER CAPITA                       |               | 3.25                    | -3.19         | 0.29       |
| PER \$1000 ASSESSED VALUE        |               | 0.11                    | -0.11         | 0.01       |

**JUVENILE DEPARTMENT**

The Juvenile Department, as designated by statute, is an extension of the Juvenile Court. As such, it is responsible for children referred to the department who are victims of child



abuse or abandonment, run-aways, beyond the control of their parents, dependent on public or private agencies for support or care, have violated the law, or who are filing a petition for emancipation.

Within the Juvenile Department are seven program areas, including Administration. Child custody reports are provided to the court by the Conciliation Division. Services Liaison to work with the State division on cases involving neglect, abuse, and termination of parent's rights. Related to this is the Shelter Care program, which conducts evaluations of children placed in residence by the Department. Counseling for youths who have committed offenses is available through the Youth Counseling Program; the Detention program places youths in need of confinement in detention facilities and transports them to and from court hearings. Substance abuse counseling is carried out under a separate program--Substance Abuse--as is counseling aimed at preventing juvenile delinquency--Community Prevention.

#### REVENUE

Revenue for the Juvenile Division is drawn from state and federal grants, fees and charges, and the General Fund. Funds from the State for a court subsidy to provide juvenile services are allocated based on the number of children in the County aged 6 to 18 years. Money is also gained from emancipation fees, marriage and divorce conciliation fees, and divorce filing fees.

Total revenue for the Department in FY81-82 was \$1,465,356. Of this, \$1,271,435 was derived from the General Fund, \$99,126 from fees and charges, \$71,012 from grants, and the remaining \$23,783 from other sources.

#### DISTRIBUTION OF SERVICE DELIVERY

Confidential records were provided by the Juvenile Department and analysed to arrive at a distribution of the department's service delivery. A sample of 385 clients was drawn, and the street addresses of each identified as Incorporated, Suburban, and Rural. When the population was distributed, 210 clients (54.3%) were identified as living in the Incorporated Area, 134 (34.6%) in the Suburban Area, and 43 (11.1%) the Rural Area.

## EXPENDITURES

Total expenditure by the Juvenile Department in FY81-82 was \$1,465,356. Detention facilities are made available by a contract with Multnomah County, amounting to \$122,859. Based on the service delivery distribution, \$798,619 (54.5%) was spent in the Incorporated Area for juvenile services, \$509,944 (34.8%) in the Suburban Area, and \$164,120 (11.1%) in the Rural Area.

## EXPENDITURE-REVENUE DIFFERENTIAL

Calculation of the expenditure-revenue differential shows that the Suburban Area generated \$168,807 more in revenue than in received in service expenditures. The Incorporated Area received \$153,905 more than in generated in revenue, and the Rural Area \$21,614.

TABLE 37

JUVENILE DEPARTMENT EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                     | 1,271,435           | 550,531           | 600,117       | 120,786    |
| FEES & CHARGES                   | 99,126              | 53,825            | 34,298        | 11,003     |
| GRANTS                           | 71,012              | 27,198            | 35,861        | 7,953      |
| OTHER SOURCES                    | 23,783              | 12,914            | 8,229         | 2,640      |
| TOTAL REVENUES                   | 1,465,356           | 644,469           | 678,505       | 142,383    |
| TOTAL EXPENDITURES               | 1,465,356           | 795,688           | 507,013       | 162,655    |
| EXPENDITURE-REVENUE DIFFERENTIAL |                     | 0                 | (171,492)     | 20,272     |
| PER CAPITA ASSESSED VALUE        |                     | 1.42              | -1.54         | 0.73       |
|                                  |                     | 0.05              | -0.05         | 0.03       |

JUVENILE SERVICES COMMISSION

The function of the Juvenile Services Commission is to provide administration, coordination, planning, and evaluation of juvenile services programs in Washington County. Program goals and objectives and final budgets are reviewed and approved by the Commission in keeping with its Comprehensive Plan. In FY 81-82, seven juvenile programs in Washington County were funded under the Juvenile Services Act serving 1,700 children and their families countywide.

Following the adoption of the Juvenile Services Act into law in 1979, counties were given the option of participating in Juvenile Services Act programs. Later that year the Washington County Board of Commissioners recommended that a 17-member Juvenile Services Commission be established. In January 1980, the first Commission was established, and a year later developed the first

Comprehensive Plan designed to promote coordination and planning among Washington County's juvenile service agencies.

#### REVENUE

Under the Juvenile Services Act, participating counties receive pass-throughs from the State General Fund which are then directed to juvenile services agencies. To receive these funds, programs must submit funding requests to their local Juvenile Services Commissions. In FY 81-82 Washington County's Commission approved requests from seven agencies, and received \$301,561 in Juvenile Services Act funding. All but \$49,822 was passed through to the seven juvenile services providers. This \$49,822 was used for the Commission's administrative and evaluation activities. For the purposes of this study, pass-throughs are not included as Juvenile Services Commission revenue.

#### DISTRIBUTION OF SERVICES

None of the seven programs funded by the Juvenile Services Act through the Juvenile Services Commission are included in the Washington County budget for FY 81-82, but the Commission's administration and evaluation activities are. Also, service delivery distributions for the seven agencies differ and are unrelated to County expenditures. For these reasons, the service delivery distribution for Commission administration and evaluation functions, based on population, is the only distribution relevant to this report. It is Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

#### EXPENDITURES

The total expenditure by the Juvenile Services Commission for administration and evaluation in FY81-82 was \$49,822. Based on the service delivery distribution, the Incorporated area received \$27,053 in expenditures, the Suburban area \$17,238, and the Rural \$5,530.

EXPENDITURE-REVENUE DIFFERENTIAL

The Suburban Area generated \$7,922 more in revenue than it received in service expenditures; the Rural Area generated \$50 more than it received. Only the Incorporated Area received more in service expenditures than it generated in revenue. Its differential is a positive \$7,972.

TABLE 38

JUVENILE SERVICES COMMISSION EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         |                     |                   | 0             | 0          |
| FEES & CHARGES                       |                     |                   |               |            |
| GRANTS                               | 49,822              | 19,082            | 25,160        | 5,580      |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 49,822              | 19,082            | 25,160        | 5,580      |
| TOTAL EXPENDITURES                   | 49,822              | 21,623            | 22,569        | 5,630      |
| EXPENDITURE-REVENUE DIFFERENTIAL     |                     | 0                 | (2,591)       | 50         |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.02              | -0.02         | 0.00       |

Chapter 9

COURTS AND CORRECTIONS

The five agencies discussed in this chapter are Washington County Law Library, Tigard Justice Court, District Attorney, Community Corrections, and Public Safety. Services provided by these agencies are designed to meet the legal needs of Washington County residents and to provide correctional facilities for offenders. Revenue to support these services is derived from fees and charges, grants designated by applicable legislation, and the General Fund.

TABLE 39

COURTS AND CORRECTIONS EXPENDITURE-REVENUE DIFFERENTIAL

| SERVICE PROVIDED          | EXPENDITURE- REVENUE DIFFERENTIAL |               |            |
|---------------------------|-----------------------------------|---------------|------------|
|                           | INCORPORATED AREA                 | SUBURBAN AREA | RURAL AREA |
| LAW LIBRARY               | 0                                 | 0             | 0          |
| TIGARD JUSTICE COURT      | 0                                 | 0             | 0          |
| DISTRICT ATTORNEY         | 8,795                             | (22,964)      | 14,169     |
| PUBLIC SAFETY SERVICES    | 2,209                             | (10,436)      | 8,226      |
| COMMUNITY CORRECTIONS     | 464,098                           | (365,816)     | (98,282)   |
| TOTAL DIFFERENTIAL        | 475,102                           | (399,216)     | (75,887)   |
| PER CAPITA                | 4.45                              | -3.59         | -2.73      |
| PER \$1000 ASSESSED VALUE | 0.15                              | -0.12         | -0.13      |

## **LAW LIBRARY**

The Washington County Law Library, as mandated by statute, provides legal research materials to attorneys, litigants, and the courts. As a courtesy, library materials are also available for use by the public. Materials include legal opinions, statutes, regulations, and other legal documents. In FY81-82, the library was staffed by one librarian. Staff has since increased to two. In FY82-83 there were 15,600 requests for service.

### REVENUE

Services provided by the Law Library are entirely fee supported. Forty-percent of circuit and district court civil filing fees are directed to the library for service provision. Total revenue for FY81-82 was \$114,175. Unexpended revenue amounting to \$33,150 was placed in a capital construction fund for the Law Library.

### DISTRIBUTION OF SERVICE DELIVERY

Services provided by the Law Library are specifically targeted toward the legal community, but may be used by the general public. Distribution of service delivery across the County's three geographic areas was based on population: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

### EXPENDITURES

Materials constituted the largest expenditure for the Law Library, amounting to \$42,660 in FY81-82. Total expenditures were \$81,025. Expenditures for service delivery were allocated to the three geographic areas of the County as follows: Incorporated \$35,165, Suburban \$36,704, and Rural \$9156.

EXPENDITURE-REVENUE DIFFERENTIAL

As the Law Library is entirely fee supported, the expenditure-revenue differential sums to zero.

TABLE 40

LAW LIBRARY EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 0                   | 0                 | 0             | 0          |
| FEES & CHARGES                       | 81,025              | 35,165            | 36,704        | 9,156      |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 81,025              | 35,165            | 36,704        | 9,156      |
| TOTAL EXPENDITURES                   | 81,025              | 35,165            | 36,704        | 9,156      |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 0                 | 0             | 0          |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0                 | 0             | 0          |

**TIGARD JUSTICE COURT**

The Tigard Justice Court employs one Justice of the Peace authorized to decide minor traffic and civil matters. During FY81-82 the court conducted 805 trials and processed 10,942 complaints.



## REVENUE

Revenue for the Justice Court is derived entirely from fees and court costs associated with traffic offenses, misdemeanors, civil matters, and fish and game licenses. Total revenue for FY81-82 was \$110,455.

## SERVICE DELIVERY DISTRIBUTION

Services provided by the Tigard Justice Court are available on an as-needed basis to residents of the County. Distribution of service delivery across the three geographic areas of the County was based on population: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

## EXPENDITURES

Total expenditures in FY81-82 amounted to \$77,468. There were \$32,987 in unexpended revenue. Expenditures for service delivery in each of the three geographic areas of the County were allocated using the service delivery distribution: Incorporated \$33,621 (43.4%), Suburban \$35,093 (45.3%), and Rural \$8,754 (11.3%).

## EXPENDITURE-REVENUE DIFFERENTIAL

As the Tigard Justice Court is entirely fee supported, the expenditure- revenue differential sums to zero.

TABLE 41

TIGARD JUSTICE COURT EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         |                     | 0                 | 0             | 0          |
| FEES & CHARGES                       | 77,468              | 33,621            | 35,093        | 8,754      |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 77,468              | 33,621            | 35,093        | 8,754      |
| TOTAL EXPENDITURES                   | 77,468              | 33,621            | 35,093        | 8,754      |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 0                 | 0             | 0          |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0                 | 0             | 0          |

DISTRICT ATTORNEY

The District Attorney in Washington County is responsible for prosecution of felonies, misdemeanors, major traffic and juvenile offenses, and family non-support cases. Police reports are screened by District Attorney staff to determine which cases to prosecute. Fifteen Deputy District Attorneys were employed by the office in FY81-82, aided by other administrative and support staff. Deputy DAs are not permanently assigned to case areas but are rotated.

A significant increase in the number of murders per year in Washington County in 1981 brought a change in focus to the District Attorney's office. Prior to 1981 Washington County averaged one murder per year, a figure which changed in that year to one murder per month. Prosecution of felony cases then took

on a new emphasis, resulting in a significant increase in workload for the office.

#### REVENUE

The District Attorney derives most of its revenue from the General Fund. Federal grant money directed to the State Department of Human Resources is distributed to District Attorney offices for prosecution of non-support cases, amounting to \$70-80,000 in revenue for the Washington County office. State reimbursement for personnel provides \$6500 per year for each Deputy DA. In FY81-82, Washington County received \$90-100,000 in reimbursements for 15 Deputy DAs. Total revenue in FY81-82 was \$935,607.

In FY83-84 a new program was begun known as the Victim-Witness Program. It provides for a fee payment to the State Attorney General's Office by the guilty party in a criminal case. A District Attorney's office may qualify for 50 percent of the revenue from fees raised in its jurisdiction by filing to participate in the program and being certified by the Attorney General's Office. Revenue from the Victim-Witness Program will account for approximately \$35-40,000 in revenue for the District Attorney in Washington County during FY84-85.

#### DISTRIBUTION OF SERVICE DELIVERY

Services provided by the District Attorney are intended to benefit the general public through prosecution of those who have violated the law. Distribution of service delivery was made on the basis of population with the following result: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

#### EXPENDITURES

Felony prosecutions account for the largest expenditures by the District Attorney. Total expenditures for all program areas in FY81-82 were \$935,607. This amount was geographically allocated using the service delivery distribution: Incorporated \$406,053

(43.4%), Suburban \$423,830 (45.3%), and Rural \$105,724 (11.3%).

EXPENDITURE-REVENUE DIFFERENTIAL

Calculation of the expenditure-revenue differential reveals that the Suburban Area generated \$22,964 more in revenue than it received in service expenditures. The Incorporated Area received \$8,795 more in services than it raised in revenue, the Rural \$14,169.

TABLE 42

DISTRICT ATTORNEY EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------|-------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES          | 778,415       | 337,054           | 367,412       | 73,949     |
| GRANTS                               | 157,192       | 60,205            | 79,382        | 17,606     |
| OTHER SOURCES                        |               |                   |               |            |
| TOTAL REVENUES                       | 935,607       | 397,258           | 446,794       | 91,555     |
| TOTAL EXPENDITURES                   | 935,607       | 406,053           | 423,830       | 105,724    |
| EXPENDITURE-REVENUE DIFFERENTIAL     |               | 8,795             | (22,964)      | 14,169     |
| PER CAPITA PER \$1000 ASSESSED VALUE |               | 0.08              | -0.21         | 0.51       |
|                                      |               | 0.00              | -0.01         | 0.02       |

## COMMUNITY CORRECTIONS

Under the Oregon Community Corrections Act of 1977 (CCA), counties may be eligible for state funding to provide community corrections programs to their jurisdictions. County participation in CCA programs may be full or partial, the level of funding set accordingly. A county may become eligible by submitting a Plan of Service to the State Corrections Division. A local Community Corrections Advisory Board, authorized by the Board of County Commissioners, is responsible for developing a Plan designed to serve local needs.

A specific appropriation of CCA funds is directed by the Legislature toward the operation of residential facilities. Otherwise, CCA funds may be used without restriction according to the County's Plan of Service. However, a Maintenance of Effort clause in the Act forbids the use of these funds to substitute for local funds. The amount of the Enhancement Grant directed to each county is based on an assessment of risk and need, and whether the county participation will be full or partial. Some risk and need factors are the total population of the county, population in the high risk group (aged 16 to 30), and number of felony convictions.

Full participant counties are required to pay the State a penalty for every Class C Felon sentenced to a state institution above a predetermined number. Partial participant plans (Regional Manager Plans) are operated by the State Corrections Division, receiving one-half of full participant funding with no payback obligations.

Washington County is a full participant county. Its Plan of Service specifies four program areas and a Restitution Center, providing a variety of services. Expenditures for each program area are designed to meet local needs.

The Offender Services Program is comprised of four service areas targeted toward probation and parole offenders. Supervision of such offenders residing in Washington County is provided through Probation and Parole Supervision. In FY81-82, supervised offenders numbered 2100-2200. Mental Health and Alcohol Services provide mental health treatment, counseling, and antabuse monitoring for those requiring specialized services. In FY81-82, 900-1000 probation and parole offenders required these services. Job and Educational Services are available through referrals and services provided by CETA, the State Employment

Division, and local community colleges. Job services were provided to approximately 875 persons in FY81-82. Pre-Parole Release Coordination staff, in cooperation with the Field Service Pre-Release Team in Multnomah County, coordinate offender transition from prison status to parole supervision in Washington County.

Court Services support court activities. Presentence Investigations requested by Washington County courts fall within this program area. Intake interviews are conducted for all offenders sentenced to Community Corrections programs. These records are processed and maintained along with other necessary files, documents, and records by Intake and Central Records. The Psychiatric Security Review Board releases offenders from the Oregon State Hospital to Washington County to conduct pre-release evaluations, release plans, and community supervision. Transfers of offenders into Washington County for probation or parole supervision are monitored by staff according to interstate compact and intraregional transfer policy. Lastly, activities of offenders sentenced to the DUII Diversion Program in Washington County are monitored by court services staff with the Department of Mental Health.

The Community Corrections program in Washington County includes public service activities designed to provide information to the community about the program--Public Services--and to place and monitor those offenders who have been sentenced to community service--Community Services. Offenders who are required to perform community service work on weekends typically provide basic maintenance and repairs to local parks and community centers and help with the construction of County facilities and the painting of senior citizen centers. Administrative functions are carried out by Administrative Services. These include the activities of the Corrections Advisory Board, staff training and development, and the Class C Felon payback to the State.

Short-stay offenders are housed at the Restitution Center, which serves as an annex of the Washington County Jail. The total number of inmates in FY81-82 was 96. During 1983-85, offenders sentenced to weekends in jail will fill vacant beds on a space-available basis. The Advisory Board and the Board of County Commissioners will also consider housing women inmates at the Center. Center staff are responsible for the probation supervision of residents. Education and job placement programs are also available.

## REVENUE

Community Corrections in Washington County receives revenue from four State grant sources. The Enhancement Grant has already been described. Grant money for field services is based on the number of offenders in each of four crime classes ranking the seriousness of the committed offense. Additional mental health and corrections funding is provided according to the amounts of the Enhancement and Field Services grants. As mentioned earlier, the Legislature designates a specific amount for the operation of residence facilities. This is a fixed amount for each county, amounting to \$325,000 per biennium.

Revenue is also derived from probation, room and board fees, and restitution from those in work release programs. Fees and charges amount to approximately \$80,000 in revenue per year. Additional revenue is derived from the General Fund.

Total revenue for FY81-82 was \$1,195,302. Grants totaled \$962,764: \$502,000 derived from Section 14-1, \$112,000 from Section 14-3 of the Community Corrections Act; \$148,000 derived from the State for Field Service Operations and \$161,000 for the Field Service Unit; and \$39,764 for mental health and corrections activities. Revenue from fees and charges amounted to \$131,466, and from the General Fund, \$101,072.

## SERVICE DELIVERY DISTRIBUTION

The best available data provided by Community Corrections were the number of supervised offenders and their locations, including those in the Restitution Center, during one day in 1981-82. The locations were identified as Incorporated, Suburban, or Rural and the population distributed accordingly. A total of 1001 offenders were included in the analysis; 121 persons who were from out of state, out of county, pending transfers, absconders, and jail inmates were excluded. The distribution was 825 offenders located in the Incorporated Area (82.4%), 158 in the Suburban Area (15.8%), and 18 in the Rural Area (1.8%).

EXPENDITURES

Expenditures for Community Corrections activities were allocated to the three geographic areas of the County using the service delivery distribution. The Incorporated Area received \$984,929 for Community Corrections in FY81-82, the Suburban Area \$188,858, and the Rural Area \$21,515.

EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area expended \$464,098 more than it generated in revenue for Community Corrections activities. The Suburban Area differential is -365,816, indicating that it generated more in revenue than it received in services. The Rural Area differential is also negative (-\$98,282).

TABLE 43

COMMUNITY CORRECTIONS EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 101,072             | 43,764            | 47,706        | 9,602      |
| FEES & CHARGES                       | 131,466             | 108,328           | 20,772        | 2,366      |
| GRANTS                               | 962,764             | 368,739           | 486,196       | 107,830    |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 1,195,302           | 520,831           | 554,673       | 119,798    |
| TOTAL EXPENDITURES                   | 1,195,302           | 984,929           | 188,858       | 21,515     |
| EXPENDITURE-REVENUE DIFFERENTIAL     | 0                   | 464,098           | (365,816)     | (98,282)   |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 4.35              | -3.29         | -3.54      |
|                                      |                     | 0.14              | -0.11         | -0.17      |



## **PUBLIC SAFETY SERVICES**

Services provided by the Washington County Department of Public Safety include police services, corrections, emergency planning, and administrative and support activities. The largest program area is Police Services, which is discussed in a separate chapter. This chapter will be divided into two sections, Corrections and Services and Administration, as the function of Corrections differs greatly from other department activities.

### **SERVICES AND ADMINISTRATION**

#### ADMINISTRATION DIVISION

Administrative support and community education are provided by the Administration Division. Through the Community Education program the Division provides crime prevention, bicycle safety, traffic safety, and community public safety education programs. Educational programs are available through community schools and special demonstrations. The total budget in FY81-82 for the Administration Division was \$708,505. Funding is derived primarily from the General Fund and fees for service.

#### SERVICES DIVISION

The Services Division contains five program areas: Warrants, Emergency Planning, Civil Enforcement, Records, and Scientific Investigations. County fugitive and traffic warrants are served, transported, and booked by the Warrants section, which also coordinates out-of-state extraditions. In FY81-82, 2,571 warrants were booked, 904 served, and there were 69 extraditions. This section is funded entirely by the General Fund.

Emergency Planning staff are responsible for the development of

countywide community disaster and emergency preparedness planning and coordination activities. The program recruits and trains volunteers to assist with these activities, and provides community education in self-survival through public appearances and informational pamphlets. In addition, staff and volunteers conduct search and rescue missions, and take part in simulated disasters. At the end of Calendar Year 1982 Emergency Services was added to the Administration Division. The Federal government provides funding for these mandated services through reimbursements. Additional funding is derived from the General Fund.

Service, booking, and filing of County civil processes, enforcement of court orders, garnishments, and public auctions of property and abandoned vehicles are carried out by the Civil Enforcement program. In FY81-82, 11,899 papers were booked, 9,695 served, and 8,635 attempted. This section is funded through the General Fund and fees and charges.

Records of criminal and non-criminal cases generated by the Operations and Corrections Division are processed and maintained by the Records Section. Requests from law enforcement agencies, courts, and attorneys for copies of these records are also handled by the section. Reports processed in FY81-82 numbered 18,100. Funding for the Records section is derived primarily from the General Fund, a small portion from user fees.

Scientific Investigation undertakes the processing of evidence, classification of fingerprints, crime scene photography, and provides expert testimony concerning physical evidence in County criminal cases. In addition, the program is responsible for the maintenance and control of lost and stolen property. In FY81-82 program activities required 184 field hours and 908 photo lab hours; in that year, 6829 finger prints were processed. The activities of this section are funded primarily by the General Fund and applicable user fees.

#### REVENUE

The total revenue for Services and Administration in FY81-82 was \$665,315. Grants accounted for \$34,396, fees and charges for \$175,809, and the General Fund for the largest portion, \$455,110.

### DISTRIBUTION OF SERVICE DELIVERY

As Public Safety administration and services are provided countywide, the distribution of service delivery was based on population percentages in Incorporated, Suburban, and Rural Areas: Incorporated 43.4 percent, Suburban 45.3 percent, and Rural 11.3 percent.

### EXPENDITURES

Total expenditures for Services and Administration in FY81-82 were \$665,315. Based on the service delivery distribution the Incorporated Area received \$288,747 (43.4%), the Suburban Area \$301,388 (45.3%), and the Rural \$75,181 (11.3%).

### EXPENDITURE-REVENUE DIFFERENTIAL

The Suburban Area differential is -\$10,436, indicating that it produced more in revenue than it received in services. The Incorporated Area received \$2,209 more than it generated in revenue, the Rural Area \$8,226.

TABLE 44

## ADMINISTRATION AND SERVICES EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------|-------------------|---------------|------------|
| GENERAL FUND                         | 455,110       | 197,063           | 214,812       | 43,235     |
| FEES & CHARGES                       | 175,809       | 76,301            | 79,641        | 19,866     |
| GRANTS                               | 34,396        | 13,174            | 17,370        | 3,852      |
| OTHER SOURCES                        |               |                   |               |            |
| TOTAL REVENUES                       | 665,315       | 286,537           | 311,823       | 66,954     |
| TOTAL EXPENDITURES                   | 665,315       | 288,747           | 301,388       | 75,181     |
| EXPENDITURE-REVENUE DIFFERENTIAL     |               | 0                 | (10,436)      | 8,226      |
| PER CAPITA PER \$1000 ASSESSED VALUE |               | 0.02              | -0.09         | 0.30       |
|                                      |               | 0.00              | -0.00         | 0.01       |

## CORRECTIONS

The Corrections Division operates the Washington County Jail, providing care for its inmates. Services provided for the inmates include, food, clothing, health, recreation, counseling, transportation, and security for court appearances. Statistics for FY81-82 are 6,860 total bookings, 49,574 man-days served, and 148,722 meals served. Of the total bookings, 3538 (51.6%) were by County law enforcement and courts, although court bookings may involve persons cited by other agencies and by Tualatin, Durham, and King City. City and State bookings accounted for 48.4 percent of the total.

## REVENUE

Total revenue for FY81-82 was \$1,633,673. Of this, \$1,572,992 was derived from the General Fund, \$60,681 from Federal reimbursements.

## DISTRIBUTION OF SERVICE DELIVERY

Services provided by the Corrections Division were distributed to the three geographic areas of the County based on a tabulation of the number of jail inmates and their arresting agencies for the period January 30 to February 20, 1984, a total of 219 persons. The arresting agencies were then grouped according to location. The result, Incorporated 73 persons (33.4%), Unincorporated 84 persons (38.3%), and other non-county or court 62 persons (28.3%).

## EXPENDITURES

In FY81-82 total expenditures for the Corrections Division were \$1,633,673. Expenditures were allocated using the service delivery distribution: Incorporated \$759,658, Suburban \$712,281, and Rural \$161,734.

## EXPENDITURE-REVENUE DIFFERENTIAL

The Suburban Area generated \$60,815 more in revenue than it received in expenditures. The Incorporated Area received \$55,312 more in services than it produced in revenue, the Rural \$5,503.

TABLE 45

CORRECTIONS DIVISION EXPENDITURE--REVENUE DIFFERENTIAL

| REVENUE SOURCES                  | TOTAL REVENUE | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------|-------------------|---------------|------------|
| GENERAL FUND                     | 1,572,992     | 681,106           | 742,452       | 149,434    |
| FEEES & CHARGES                  |               |                   |               |            |
| GRANTS                           |               |                   |               |            |
| OTHER SOURCES                    | 60,681        | 23,241            | 30,644        | 6,796      |
| TOTAL REVENUES                   | 1,633,673     | 704,346           | 773,096       | 156,231    |
| TOTAL EXPENDITURES               | 1,633,673     | 759,658           | 712,281       | 161,734    |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0             | 55,312            | (60,815)      | 5,503      |
| PER CAPITA                       |               | 0.52              | -0.55         | 0.2        |
| PER \$1000 ASSESSED VALUE        |               | 0.02              | -0.02         | 0.01       |

## Chapter 10

### ADMINISTRATIVE AND CENTRAL SERVICES

The general administrative function in the County is the responsibility of the Board of County Commissioners and the County Administrator, who also heads the Administrative Office. There are a number of central administrative functions which support the administrators and do not generally provide direct services to the public: Finance, Data Processing, Word Processing, Personnel, County Counsel, County Auditor, Central Services, and Property Maintenance. The services provided by these departments to County residents are not delivered in a geographically distinguishable manner. These services were allocated to three Areas of the County using the distribution of aggregate General Fund expenditures made by all non-central services. These service areas expended a total of \$22,423,714 for the provision of various General Fund supported services, distributed as follows: Incorporated Area, 44.8 percent of the total; Suburban Area, 44.3 percent; and Rural Area, 10.9 percent. These allocations were used for total expenditures made by all of these services.

### CENTRAL AND ADMINISTRATIVE SERVICE SUMMARY

Central and Administrative Services expended \$4,339,409 for service provision in FY 81-82. Analysis of the expenditure-revenue differential for all services shows that the total differential (i.e. total Suburban Area differential -\$124,995) amounts to only 2.8 percent of the total service expenditures. The Incorporated Area (+\$54,113 or 1.2 % of total) and the Rural Area (+\$69,461 or 1.6 % of total) both generated less revenue for Central and Administrative Services than they received in service expenditures.

TABLE 46

SUMMARY OF THE EXPENDITURE-REVENUE DIFFERENTIAL FOR CENTRAL AND ADMINISTRATIVE SERVICES

| SERVICE PROVIDED          | EXPENDITURE- REVENUE DIFFERENTIAL |               |            |
|---------------------------|-----------------------------------|---------------|------------|
|                           | INCORPORATED AREA                 | SUBURBAN AREA | RURAL AREA |
| ADMINISTRATION            | 11,809                            | (22,831)      | 11,022     |
| PERSONNEL                 | 2,674                             | (4,503)       | 1,829      |
| COUNTY COUNSEL            | 3,544                             | (6,646)       | 1,681      |
| COUNTY AUDITOR            | 1,172                             | (2,266)       | 1,094      |
| FINANCE                   | 10,467                            | (19,695)      | 9,228      |
| DATA PROCESSING           | 7,504                             | (13,371)      | 5,867      |
| WORD PROCESSING           | 974                               | (1,809)       | 835        |
| CENTRAL SERVICE           | 5,296                             | (10,122)      | 4,826      |
| PROPERTY MAINTENANCE      | 12,511                            | (37,318)      | 24,807     |
| COURT HOUSE BONDS         | (1,838)                           | (6,434)       | 8,272      |
| TOTAL DIFFERENTIAL        | 54,113                            | (124,995)     | 69,461     |
| PER CAPITA                | 0.51                              | -1.12         | 2.50       |
| PER \$1000 ASSESSED VALUE | 0.02                              | -0.04         | 0.12       |

This table shows an apparent shift in expenditures from their geographic revenue sources in the Incorporated and Rural Areas of the County. The Rural Area benefits most from this shift, as shown by a positive differential of \$2.50 per capita. The Incorporated Area differential is the smallest, +\$0.51 per capita. This indicates that the shift of resources between Incorporated and Unincorporated Areas of the County is very small. The net Unincorporated Area differential is \$54,113. This differential is 1.6 percent of the the total expenditures for Central and Administrative Services in FY 81-82.



## COUNTY ADMINISTRATION

The revenues and expenditures examined in this section are dominated by those made in support of the Board of County Commissioners and the County Administrative Office. This section also includes a number of general nondepartmental expenditures from Account #5200 (e.g. insurance, bonds, memberships in various organizations).

### BOARD OF COUNTY COMMISSIONERS

The County Board of Commissioners consists of an elected Chair and four elected Commissioners responsible for the formulation of County policy, the adoption of all County legislative actions, and oversight of County policy and operations. The Board appoints the County Administrator, who is responsible for insuring that their decisions are implemented. The Board is also the Board of Directors for the Unified Sewerage Agency (USA), County Service District #1 (Street Lighting), Area Agency on Aging, and Rat and Mosquito Control District (currently nonfunctional). According to the County Administrator's Office, the Board spends approximately 93 percent of its time on general County business, another 5 percent on the business of USA, and 1 percent to the business of each of the remaining two Boards. The services provided by the Board are funded entirely by the General Fund. The County is reimbursed for Board expenses while its members are serving as directors of other agencies. The total expenditure by the Board for all operations in FY 1981-82 was \$114,589.

### COUNTY ADMINISTRATIVE OFFICE

The Administrative Office is headed by the County Administrator and is responsible for carrying out the general County management functions delegated to the Administrator by the Board. This includes the coordination of most of the County's activities. The County Administrator is also responsible for the appointment, supervision, and discipline of all department heads subject to

the approval by the Board. The Administrative Office prepares the annual budget and undertakes management analyses and long term financial planning for the County. In FY 81-82 the expenditures by this office totaled \$268,683.

#### NONDEPARTMENTAL ACCOUNT #5200

This group of expenditures includes memberships and regional dues for organizations such as the National Association of Counties, Association of Oregon Counties, METRO, and the Metropolitan Portland Local Government Boundary Commission. Also included are services such as Washington County Community Action and the Battered Women Shelter. These nondepartmental expenditures totaled \$403,997 in FY 82-81.

#### ADMINISTRATION EXPENDITURE-REVENUE DIFFERENTIAL

The County Administration expenditure-revenue differential is computed in the table below. Looking at the differential in terms of an Incorporated/Unincorporated split, the Incorporated Area generates \$11,809 less in revenue than it receives in administrative expenditures. When the differential is examined in light of the Incorporated, Suburban, and Rural division, a slightly different picture emerges. The Suburban Area has a larger negative differential (-\$22,831), and the Rural Area has a positive differential (+\$11,022). The magnitude of these differentials is relatively small when they are calculated on a per capita basis. The Incorporated Area differential is +\$.011 per capita, the Suburban Area -\$0.21 per capita, and the Rural Area +\$0.40.

TABLE 47

ADMINISTRATIVE SERVICES EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES          | 787,269             | 340,887           | 371,591       | 74,791     |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        | 0                   | 0                 | 0             | 0          |
| TOTAL REVENUES                       | 787,269             | 340,887           | 371,591       | 74,791     |
| TOTAL EXPENDITURES                   | 787,269             | 352,697           | 348,760       | 85,812     |
| REVENUE-BENEFIT DIFFERENTIAL         | 0                   | 11,809            | (22,831)      | 11,022     |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.11              | -0.21         | 0.40       |
|                                      |                     | 0.00              | -0.01         | 0.02       |

All Central and Administrative Services have a similar expenditure-revenue differential. Incorporated and Rural Areas generate slightly less revenue for Central and Administrative Services than they receive in expenditures for these services.

COUNTY COUNSEL

The County Counsel heads the department that provides legal services to all of County departments, and is responsible to the Board of County Commissioners. The County Counsel works cooperatively with the County Administrator in providing legal advice to County departments. The County Counsel also drafts legal documents and provides legal services for USA. When the Road Fund, Dog Control Fund, other special fund services, or USA require legal assistance from the County Counsel, they provide reimbursements for the expenses related to these services. These

expense reimbursements are the only non-general fund revenues received by this department. Total expenditures in FY 81-82 were \$237,045.

THE COUNTY COUNSEL EXPENDITURE-REVENUE DIFFERENTIAL

The expenditure-revenue differential for the Incorporated Area is +\$3,544. The Incorporated Area generates \$3,544 less in revenues than it receives in service expenditures. The Suburban Area has a negative differential of \$6,646, while the Rural Area has a positive differential of \$1,681. That is, the Suburban Area provided more in revenue than it received in expenditures for services.

TABLE 48  
COUNTY COUNSEL EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES GRANTS   | 225,054             | 97,448            | 106,226       | 21,380     |
| OTHER SOURCES                        | 11,991              | 5,204             | 5,432         | 1,355      |
| TOTAL REVENUES                       | 237,045             | 102,652           | 111,657       | 22,735     |
| TOTAL EXPENDITURES                   | 237,045             | 106,196           | 105,011       | 24,416     |
| REVENUE-BENEFIT DIFFERENTIAL         |                     | 0                 | (6,646)       | 1,681      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.03              | -0.06         | 0.06       |
|                                      |                     | 0.00              | -0.00         | 0.00       |

## FINANCE

Finance services include those provided by the Administration, Treasury and Accounting Programs of the Finance Division of the Finance and Administration Department. Total expenditures for the Finance Division in FY 81-82 were \$522,878. Other Finance and Administration divisions responsible for word processing, data processing, central services, and property maintenance will be discussed later in this chapter.

### ADMINISTRATION

The Administration Program of the Finance Division is responsible for internal department administration. It oversees financial services provided to general fund departments in the County and to special fund services such as Roads, Dog Control, and the Cooperative Library System. In FY 81-82 the Finance and Administration Department received a total of \$36,804 in expense reimbursements for services provided by this division. (\$14,160 from USA, \$20,592 from the Road Fund, and \$2,052 from the Dog Control Fund.)

### TREASURY

The Treasury Program of the Finance Division is responsible for investing and managing the County's cash flow. The Program invests property taxes and other revenues in short term investments to maximize County revenues. Interest earned on investments is the second largest source of revenue for the General Fund. Property tax revenues collected for all taxing jurisdictions in Washington County are held for short periods of time by the County. They are disbursed to these jurisdictions in lump sum payments. The County keeps all the interest earned on property tax money collected for other jurisdictions. A Multnomah County Circuit Court decision regarding such interest is currently under appeal. If this decision is upheld, the County would be required to give each jurisdiction the interest earned on property taxes collected for each. The property taxes represent the largest block of money invested by the Treasury program. The Treasury runs a local investment pool for the County and other county jurisdictions. This investment pool allows other jurisdictions to benefit from the use of cash flow

management techniques. In FY 81-82 the local jurisdictions using this investment pool included many of the school districts, the Tualatin Hills Parks and Recreation District, the Tigard Water District, The Metzger Water District, and USA. The Treasury also handles a number of trust funds for the County and other jurisdictions.

ACCOUNTING

The Accounting Program of the Finance Division is responsible for all County general accounting functions, i.e., payroll, accounts receivable and payable, and budgetary reporting for all general and special fund supported services. Community Development, the Road Fund, Dog Control Fund, Street Lighting District, and Cooperative Library System reimburse the General Fund for part of the costs of providing these services.

INTEREST, ACCOUNT # 5200

Finance Division expenditures for FY 81-82 totaled \$522,878. For the purpose of this analysis, the cost of short term borrowing to fund County operations from the beginning of the Fiscal Year until the first major disbursement of property tax revenues is included in the expenditures for financial services. In FY 81-82 these expenditures for short term interest totaled \$177,052 (a nondepartmental expenditure in the # 5200 account). The addition of this nondepartmental expenditure increases the total expenditure for financial services in FY 81-82 to \$699,930.

THE FINANCE DIVISION EXPENDITURE-REVENUE DIFFERENTIAL

The Finance Division expenditure-revenue differential for the Incorporated Area is positive (+\$10,467). The Incorporated Area generated \$10,467 less in revenue than it received in service expenditures. The Suburban Area differential is negative and totals -\$19,695, while the Rural Area differential is positive and totals \$9,228. That is, the Suburban Area generated more revenue than it received in service expenditures.

TABLE 49

## EXPENDITURE-REVENUE DIFFERENTIAL FOR THE FINANCE DIVISION

| REVENUE SOURCES                  | TOTAL REVENUE | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|----------------------------------|---------------|-------------------|---------------|------------|
| GENERAL FUND                     | 668,198       | 289,330           | 315,389       | 63,479     |
| FEEES & CHARGES                  |               |                   |               |            |
| GRANTS                           |               |                   |               |            |
| OTHER SOURCES                    | 31,732        | 13,772            | 14,375        | 3,586      |
| TOTAL REVENUES                   | 699,930       | 303,101           | 329,764       | 67,065     |
| TOTAL EXPENDITURES               | 699,930       | 313,569           | 310,069       | 76,292     |
| EXPENDITURE-REVENUE DIFFERENTIAL | 0             | 10,467            | (19,695)      | 9,228      |
| PER CAPITA                       |               | 0.10              | -0.18         | 0.33       |
| PER \$1000 ASSESSED VALUE        |               | 0.00              | -0.01         | 0.02       |

## DATA PROCESSING

The Data Processing Division of the Finance and Administration Department is responsible for the operation, coordination, and programming of the County computer system. This system is primarily used to manage the tax assessment data base and to provide an accounting and budget management system. The Data Processing Division also provides training for in-house users of the system and programming support for the development of new or improved programs for in-house use. The major outside users of the data processing system are title companies in Washington County. Each company rents a terminal to provide access to Tax Assessor records maintained in the computer. Seven title companies paid \$40,000 in access fees and terminal rental charges in FY 81-82, about two-thirds of the total data processing fees collected by the County. The remaining fees were collected from

other jurisdictions and private companies. In addition, USA reimbursed the County \$1,068 for data processing services.

The system of providing data processing services to the County has undergone a recent change. During FY 83-84, the County decided to contract out the operation of its Data Processing services to a private firm. The future effect of this action on the expenditure-revenue differential is unknown. However, it is unlikely that this action will result in a dramatic shift.

#### THE DATA PROCESSING EXPENDITURE-REVENUE DIFFERENTIAL

The Data Processing Division expenditure-revenue differential for the Incorporated Area is positive (+\$7,504). The Incorporated area generated \$7,504 less revenue than it received in service expenditures for data processing. The Suburban Area differential is negative and totals -\$13,371, while the Rural Area differential is positive and totals \$5,867. The Suburban Area generated more revenue for this service than it received in expenditures.



TABLE 50

DATA PROCESSING EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 438,085             | 189,691           | 206,776       | 41,618     |
| FEES & CHARGES                       | 66,653              | 28,927            | 30,194        | 7,532      |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        |                     |                   |               |            |
| TOTAL REVENUES                       | 504,738             | 218,618           | 236,970       | 49,150     |
| TOTAL EXPENDITURES                   | 504,738             | 226,123           | 223,599       | 55,016     |
| REVENUE-BENEFIT DIFFERENTIAL         | 0                   | 7,504             | (13,371)      | 5,867      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.07              | -0.12         | 0.21       |
|                                      |                     | 0.00              | -0.00         | 0.01       |

WORD PROCESSING

The Word Processing Division of the Finance and Administration Department is responsible for the provision of centralized word processing services to County departments. The Road Fund, USA, and other special fund services provide reimbursements for Word Processing services provided to them. USA provided the largest reimbursement in FY 81-82 (\$1,940). The Word Processing Division's three employees handled a total of 900 projects in FY 81-82. Total expenditures during FY 81-82 were \$65,253.

THE WORD PROCESSING EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area expenditure-revenue differential is positive (+\$974). The Incorporated generated \$974 less in revenue than it received in in service expenditures. The Suburban Area Differential is negative and larger (-\$1,809) the Incorporated differential. The Rural Area differential is positive and total \$835. The Suburban Area generated more revenue for this service than it received in expenditures.

TABLE 51

WORD PROCESSING EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                     | TOTAL REVENUE | INCORPORATED 81-82 AREA | SUBURBAN AREA | RURAL AREA |
|-------------------------------------|---------------|-------------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES GRANTS  | 60,866        | 26,355                  | 28,729        | 5,782      |
| OTHER SOURCES                       | 4,387         | 1,904                   | 1,987         | 496        |
| TOTAL REVENUES                      | 65,253        | 28,259                  | 30,716        | 6,278      |
| TOTAL EXPENDITURES                  | 65,253        | 29,233                  | 28,907        | 7,113      |
| REVENUE-BENEFIT DIFFERENTIAL        |               | 0 974                   | (1,809)       | 835        |
| PERCAPITA PER \$1000 ASSESSED VALUE |               | 0.01 0.00               | -0.02 -0.00   | 0.03 0.00  |

## CENTRAL SERVICES

The Central Services Division of the Department of Finance and Administration provides a variety of support services to other County departments, including the operation of a mail room, centralized purchasing, a central office supply storeroom, and operation of a print shop. Central purchasing services are currently utilized only by County departments; there are no cooperative purchasing agreements with other jurisdictions. Central Services receives small reimbursements for services and materials from USA and other special fund services. In FY 81-82, total expenditures for Central Services were \$353,521.

### CENTRAL SERVICE EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive (+\$5,296). The Incorporated area generated +\$5,296 less in revenue than it received in central service expenditures. Suburban Area differential is larger than that of the Incorporated Area. It is negative and amounts to -\$10,122. The Rural Area differential is positive and amounts to \$4,826. It received more expenditures for this service than it generated in revenue.

TABLE 52

CENTRAL SERVICES EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                                  | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--|---------------------|-------------------|---------------|------------|
| GENERAL FUND FEES & CHARGES GRANTS OTHER SOURCES | 346,648             | 150,099           | 163,618       | 32,932     |
| TOTAL REVENUES                                   | 353,521             | 153,081           | 166,731       | 33,708     |
| TOTAL EXPENDITURES                               | 353,521             | 158,377           | 156,610       | 38,534     |
| REVENUE-BENEFIT DIFFERENTIAL                     | 0                   | 5,296             | (10,122)      | 4,826      |
| PER CAPITA PER \$1000 ASSESSED VALUE             |                     | 0.05              | -0.09         | 0.17       |
|  |                     | 0.00              | -0.00         | 0.01       |

PROPERTY MAINTENANCE

The Property Maintenance Program of the Department of Finance and Administration is responsible for the maintenance, repair, and alteration of all County buildings. This Program is also responsible the provision of janitorial services in County buildings. Janitorial services were provided to 157,108 square feet of County buildings in FY 81-82. The building maintenance portion of this program is responsible for structural, electrical and mechanical maintenance. The expenditures for this service also include the total expenditures for telephone service for General Fund services. This program is also responsible for internal moving of offices and equipment. Total expenditures by this program in FY 81-82 were \$982,582. No capital expenditures were included in this amount. All expenditures for Miscellaneous Alterations and Repairs (Account # 2000) are included in the

total expenditure for this service. These expenditures are predominately capital expenditures and totaled \$143,695 in FY 81-82.

PROPERTY MAINTENANCE EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive (+\$12,511). The Incorporated Area generated \$12,511 less revenue than it received in service expenditures. The Suburban Area differential is negative and totals -\$37,318. The Rural Area differential is positive and totals +\$24,807.

TABLE 53

PROPERTY MAINTENANCE EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 1,085,625           | 474,418           | 517,843       | 93,364     |
| FEEES & CHARGES                      |                     |                   |               |            |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        | 40,652              | 17,643            | 18,415        | 4,594      |
| TOTAL REVENUES                       | 1,126,277           | 492,061           | 536,258       | 97,957     |
| TOTAL EXPENDITURES                   | 1,126,277           | 504,572           | 498,941       | 122,764    |
| REVENUE-BENEFIT DIFFERENTIAL         | 0                   | 12,511            | (37,318)      | 24,807     |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.12              | -0.34         | 0.81       |
|                                      |                     | 0.00              | -0.01         | 0.04       |

PERSONNEL

The Personnel Department is responsible for all personnel related matters in the County government, and provides staff support for the Civil Service Commission. Personnel is also responsible for coordination of collective bargaining in County government and oversees the Equal Employment Opportunity and Affirmative Action Programs. In addition, it is responsible for recruiting, screening, and testing prospective employees for the County, USA, and Washington County Rural Fire District #1. In FY 81-82, this department helped to fill 292 positions and processed over 7,000 employment applications. USA, the Road Department, and Fire District #1 reimburse the General Fund for this service. In FY 81-82, the Personnel Department had 5 employees, and expended a total of \$180,858.

PERSONNEL DEPARTMENT EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive (+\$2,674). The Suburban Area differential is negative and totals -\$4,503. The Rural Area differential is positive and totals \$1,829. The Suburban Area generated more revenue than it received in service expenditures.

TABLE 54

PERSONNEL DEPARTMENT EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                         | 141,814             | 61,406            | 66,936        | 13,472     |
| FEEES & CHARGES                      |                     |                   |               |            |
| GRANTS                               |                     |                   |               |            |
| OTHER SOURCES                        | 39,044              | 16,945            | 17,687        | 4,412      |
| TOTAL REVENUES                       | 180,858             | 78,351            | 84,623        | 17,884     |
| TOTAL EXPENDITURES                   | 180,858             | 81,024            | 80,120        | 19,714     |
| REVENUE-BENEFIT DIFFERENTIAL         |                     | 0                 | 2,674         | (4,503)    |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | 0.03              | -0.04         | 0.07       |
|                                      |                     | 0.00              | -0.00         | 0.00       |

## COUNTY AUDITOR

The County Auditor is one of the few elected department heads in the County government. Under the Washington County Charter, the County Auditor is charged with the responsibility of performing independent internal assessments of the effectiveness and efficiency of County offices. The Auditor does not have the authority to compel department or program changes. Such changes are the responsibility of the Board of Commissioners.

For example, in FY 81-82 the Auditor conducted an assessment of the Public Health Department and recommended a number of changes in its operations. These recommended changes were presented to the Board of Commissioners for further action. Many of these proposed changes represent modifications of current County policy. Such policy decisions are the responsibility of the Board.

In FY 81-82, the Auditor's Department had two employees, and expended \$78,148.

### AUDITOR EXPENDITURE-REVENUE DIFFERENTIAL

The Incorporated Area differential is positive (+\$1,172). The Incorporated Area generated \$1,172 less revenue than it received in expenditures for Auditor's services. The Suburban Area has a larger differential. It is negative and totals -\$2,266. The Rural Area differential is positive and totals \$1,094.



TABLE 55

COUNTY AUDITOR EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES              | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|------------------------------|---------------------|-------------------|---------------|------------|
| GENERAL FUND                 | 78,148              | 33,838            | 36,886        | 7,424      |
| FEES & CHARGES               |                     |                   |               |            |
| GRANTS                       |                     |                   |               |            |
| OTHER SOURCES                |                     |                   |               |            |
| TOTAL REVENUES               | 78,148              | 33,838            | 36,886        | 7,424      |
| TOTAL EXPENDITURES           | 78,148              | 35,010            | 34,620        | 8,518      |
| REVENUE-BENEFIT DIFFERENTIAL | 0                   | 1,172             | (2,266)       | 1,094      |
| PER CAPITA                   |                     | 0.01              | -0.02         | 0.04       |
| PER \$1000 ASSESSED VALUE    |                     | 0.00              | -0.00         | 0.00       |

COURTHOUSE IMPROVEMENT BONDS SINKING FUND

Courthouse Improvement Bonds Sinking Fund expenditures are for retiring general obligation bonds sold to finance improvements to the County Courthouse complex. These expenditures are financed by the County property tax. However, the total expenditures in FY 81-82 exceeded total revenues in this fund by \$7,826. This deficit was the result of an increase in the amount of delinquent property taxes. The deficit will be made up in the future either through increased property tax collections or higher-than-expected payments of delinquent property taxes by currently delinquent property owners.

COURTHOUSE BOND FUND EXPENDITURE-REVENUE DIFFERENTIAL

Both the Incorporated Area differential and the Suburban Area differential are negative. The Incorporated Area is the smaller of the two and totals -\$1,838. The Suburban Area differential totals -\$6,434. The Rural Area differential is positive and totals \$8,272.

TABLE 56

COURTHOUSE BOND FUND EXPENDITURE-REVENUE DIFFERENTIAL

| REVENUE SOURCES                      | TOTAL REVENUE 81-82 | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|--------------------------------------|---------------------|-------------------|---------------|------------|
| TAX LEVY                             | 260,318             | 118,184           | 120,788       | 21,346     |
| INTEREST                             | 3,043               | 1,382             | 1,412         | 250        |
| CASH                                 | 35,183              | 15,973            | 16,325        | 2,885      |
| OTHER SOURCES                        | 7,826               | 3,553             | 3,631         | 642        |
| TOTAL REVENUES                       | 306,370             | 139,092           | 142,156       | 25,1       |
| TOTAL EXPENDITURES                   | 306,370             | 137,254           | 135,722       | 33,394     |
| REVENUE-BENEFIT DIFFERENTIAL         | 0                   | (1,838)           | (6,434)       | 8,272      |
| PER CAPITA PER \$1000 ASSESSED VALUE |                     | -0.02             | -0.06         | 0.30       |
|                                      |                     | -0.00             | -0.00         | 0.01       |

## Chapter 11

### FINDINGS AND CONCLUSIONS

Before presenting the findings of this study, it is important to review those factors which limit their interpretation. This study examines the data for FY 1981-82. Since that time there have been a number of County organizational and program changes which may have altered the direction and extent of subsidies. The same is true for programs funded with federal and state grants. Most importantly, the information reported here is valid only for FY 1981-82, reflecting accurately and objectively the relationship between revenues and expenditures for that year. Since changes in revenues and expenditures will alter this relationship, only a follow-up study could substantiate whether it will continue in subsequent years.

#### TOTAL EXPENDITURES BY SERVICE AREA

Total Washington County expenditures for the study year were \$56,342,036. These expenditures were supported by many different revenue sources, including a three year average of the road serial levy revenues, grants, fees, charges, property taxes, state and federal shared revenues, and other revenues received by the County. General Fund expenditures (not including the roads, library, sewer, and dog control special funds) amounted to \$26,763,118 (47.5 percent of total expenditures). Table 57 indicates the relative geographic share of total and general fund expenditures. Clearly, the bulk of total expenditures (64.0%) were made in the Unincorporated Area, and most of this amount in the Suburban Area. Total County General Fund services appear to reflect the distributions of incorporated versus unincorporated population (45% incorporated versus 55% unincorporated). The difference between these distributions reflects the concentration of special fund expenditures in the Unincorporated Area. The majority of the special fund expenditures in the Suburban Area were made for roads and sewer, and in the Rural area for roads.

The aggregate service expenditure was balanced between Suburban

and Urban Areas. In the Rural Area, the aggregate service expenditure (with the exception of roads) is relatively proportional to County population, but the mixture of services delivered is different than in the other areas. The magnitude of service expenditures in the Rural Area is considerably smaller than those in the other two areas.

TABLE 57

| TOTAL           | EXPENDITURE FOR SERVICE BY AREA OF THE COUNTY |                   |               |            |
|-----------------|---|-------------------|---------------|------------|
| SERVICE         | TOTAL EXPENDITURES                            | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|                 | GENERAL                                       | FUND              | SERVICES      |            |
| PUBLIC SAFETY   |   |                   |               |            |
| OPERATIONS      | 3,605,603                                     | 695,881           | 2,545,556     | 364,166    |
| DISPATCH        | 751,629                                       | 365,292           | 337,481       | 48,856     |
| JAIL            | 1,633,673                                     | 759,658           | 712,281       | 161,734    |
| SERVICES        | 665,315                                       | 288,747           | 301,388       | 75,181     |
| COMMUNITY DEVEL | 1,967,990                                     | 1,301,888         | 537,110       | 128,992    |
| PLANNING        | 1,087,996                                     | 0                 | 735,026       | 352,970    |
| BUILDING        | 395,734                                       | 11,872            | 277,014       | 106,848    |
| PARKS AND RECRE | 209,169                                       | 90,779            | 94,754        | 23,636     |
| MENTAL HEALTH   | 2,289,812                                     | 1,254,817         | 854,100       | 180,895    |
| PUBLIC HEALTH   | 2,358,134                                     | 1,375,579         | 716,085       | 266,469    |
| VETERANS SERVIC | 20,638  | 15,891            | 3,158         | 1,589      |
| AGING SERVICES  | 741,511                                       | 381,137           | 270,652       | 89,723     |
| JUVENILE        | 1,465,356                                     | 795,688           | 507,013       | 162,655    |
| DISTRICT ATTORN | 935,607                                       | 406,053           | 423,830       | 105,724    |
| TIGARD JUSTICE  | 77,468  | 33,621            | 35,093        | 8,754      |
| LAW LIBRARY     | 81,025  | 35,165            | 36,704        | 9,156      |
| JUVENILE SERVIC | 49,822  | 27,053            | 17,238        | 5,530      |
| COMMUNITY CORRE | 1,195,302                                     | 984,929           | 188,858       | 21,515     |
| ADMINISTRATION  | 787,269                                       | 352,697           | 348,760       | 85,812     |
| COUNTY COUNSEL  | 237,045                                       | 106,196           | 105,011       | 24,416     |
| FINANCE         | 699,930                                       | 313,569           | 310,069       | 76,292     |
| PERSONNEL       | 180,858                                       | 81,024            | 80,120        | 19,714     |
| DATA PROCESSING | 504,738                                       | 226,123           | 223,599       | 55,016     |
| WORD PROCESSING | 65,253  | 29,233            | 28,907        | 7,113      |
| CENTRAL SERVICE | 353,521                                       | 158,377           | 156,610       | 38,534     |
| PROPERTY MAINTN | 1,126,277                                     | 504,572           | 498,941       | 122,764    |
| COURT HOUSE BON | 306,370                                       | 35,010            | 34,620        | 8,518      |
| COUNTY AUDITOR  | 78,148  | 137,254           | 135,722       | 33,394     |
| ASSESSMENT AND  | 1,809,106                                     | 785,152           | 819,525       | 204,429    |
| ELECTIONS       | 376,132                                       | 163,241           | 170,388       | 42,503     |
| COUNTY SURVEYOR | 207,333                                       | 76,091            | 116,936       | 14,306     |
| COUNTY MUSEUM   | 55,962  | 24,232            | 25,351        | 6,324      |
| COUNTY FAIR     | 243,159                                       | 105,531           | 110,151       | 27,477     |
| AGRICULTURAL AC | 200,233                                       | 86,901            | 90,706        | 22,626     |
| SUBTOTAL        | 26,763,118                                    | 12,009,253        | 11,848,757    | 2,903,631  |

TABLE 57 CONTINUED

|                         | SPECIAL    | FUND       | SERVICES   |           |
|-------------------------|------------|------------|------------|-----------|
| ROAD FUND               |            |            |            |           |
| ROADS                   | 6,042,650  | 226,036    | 1,476,252  | 3,650,196 |
| SERIAL LEVY             | 6,608,883  | 971,506    | 3,198,699  | 2,438,678 |
| SYSTEM DEVELO           | 673,269    | 0          | 525,823    | 147,446   |
| DOG CONTROL             | 382,054    | 264,381    | 68,006     | 49,667    |
| COOPERATIVE LIB         | 837,570    | 433,609    | 359,602    | 44,359    |
| UNIFIED SEWERAGE AGENCY |            |            |            |           |
| GENERAL FUND            | 9,168,198  | 3,849,591  | 5,318,607  |           |
| M P CONST               | 3,200,609  | 1,234,369  | 1,966,240  |           |
| M P BONDS               | 2,346,689  | 1,159,264  | 1,187,425  |           |
| G O BONDS               | 318,996    | 107,544    | 211,452    |           |
| -----                   |            |            |            |           |
| SUBTOTAL                | 29,578,918 | 8,246,300  | 14,312,106 | 6,330,346 |
| =====                   |            |            |            |           |
| TOTAL                   | 56,342,036 | 20,255,553 | 26,160,863 | 9,233,977 |
| EXPENDITURES            |            |            |            |           |
| PER CAPITA              |            | 189.88     | 234.93     | 332.43    |
| PER \$1000              |            | 6.22       | 7.88       | 15.67     |
| ASSESED VALUE           |            |            |            |           |

County expenditures per capita for all services in the Urban and Suburban areas of the County were \$189.88 and \$234.93 respectively, and for General Fund services \$112.58 and \$106.40 respectively. Service expenditures in the Rural Area were \$332.43 per capita for all services; almost seventy percent of this amount was for roads, and \$104.53 for General Fund services. The expenditures necessary to maintain rural roads and the repair of the roads at Hagg Lake clearly dominate the services received by this population, particularly during the years of the serial levy.

In the first phase of this project a list of urban services was identified: General Administration, Police, Community Development, Library, Parks and Recreation, Streets, Sewers, and Local Improvement Districts. The relative distribution of the urban services analyzed in this report is indicated in Table 58.

TABLE 58

EXPENDITURES FOR URBAN SERVICES BY AREA OF THE COUNTY

| SERVICE                    | TOTAL<br>EXPENDITURES | INCORPORATED<br>AREA | SUBURBAN<br>AREA | RURAL<br>AREA |
|----------------------------|-----------------------|----------------------|------------------|---------------|
| =====                      |                       |                      |                  |               |
| PUBLIC SAFETY              |                       |                      |                  |               |
| OPERATIONS                 | 3,605,603             | 695,881              | 2,545,556        | 364,116       |
| DISPATCH                   | 751,629               | 365,292              | 337,481          | 48,856        |
| LIBRARY                    | 837,570               | 433,609              | 359,602          | 44,359        |
| COMMUNITY DEVELOPMENT      |                       |                      |                  |               |
| PLANNING                   | 1,087,996             | 0                    | 735,026          | 352,970       |
| BUILDING                   | 395,734               | 11,872               | 277,014          | 106,484       |
| BLOCK GRANTS               | 1,967,990             | 1,301,888            | 537,110          | 128,992       |
| PARKS AND REC              | 209,169               | 90,779               | 94,754           | 23,636        |
| -----                      |                       |                      |                  |               |
| SUBTOTAL                   | 8,856,691             | 2,899,321            | 4,886,543        | 1,069,413     |
| PER CAPITA                 | 36.03                 | 27.18                | 43.88            | 38.50         |
| PER \$1000 A. V.           | 1.24                  | 0.89                 | 1.47             | 1.82          |
| -----                      |                       |                      |                  |               |
| ROADS AND ROAD MAINTENANCE |                       |                      |                  |               |
| ROAD DEPARTMENT            | 6,042,650             | 226,036              | 1,476,252        | 3,650,196     |
| SERIAL LEVY                | 6,608,883             | 971,506              | 3,198,699        | 2,438,678     |
| SYSTEM DEVELOP             | 673,269               | 0                    | 525,823          | 147,446       |
| SEWERS-USA TOTAL           | 15,034,492            | 5,350,768            | 8,683,724        | 0             |
| =====                      |                       |                      |                  |               |
| TOTAL                      | 37,215,985            | 9,447,631            | 18,865,795       | 7,305,733     |
| EXPENDITURES               |                       |                      |                  |               |
| PER CAPITA                 | 151.40                | 88.57                | 169.42           | 263.01        |
| PER \$1000 ASSESSED        | 5.19                  | 2.90                 | 5.68             | 12.40         |
| VALUE                      |                       |                      |                  |               |

Total expenditures for the services listed in this table are not directly comparable to the results of the Phase I Report, due to different methodologies used to estimate total service expenditures. The expenditures reported here are for service areas similar to those reported in Phase I. LID's and Street Lighting are not included in this report because they are provided on a fee for service basis. General Administration is not included in this table. In Phase I, this service was a residual of the expenditures for administration made by general purpose governments.

Expenditures for Urban Services in Washington County shown in Table 58 accounted for 66.1 percent (62.5 percent if the Road Serial Levy is excluded) of all County expenditures made during FY 81-82. The data indicate a County policy commitment to provide urban services to its residents. These expenditures are concentrated most heavily in the Suburban Area, with the exception of the expenditures for roads. This area is the largest consumer of County urban service expenditures, receiving more per capita than average County expenditure for such services.

#### REVENUES IN RELATION TO EXPENDITURES

The following discussion is predicated on the expenditure/revenue differential calculated for each service and portrayed in Table 59. Two cautions are necessary. One, differentials of less than \$100,000 are probably insignificant. The margin of error may be at least this great, even though it cannot be calculated exactly. Secondly, a sum total of all differentials is neither desirable or valid because, as the table indicates, the direction of differential varies by service. In summing the total differential these differences are diluted, and give a false impression of the problem. (Some of the service differentials can be eliminated through local decisions; those funded by the state or federal governments require state or federal action. Further, some differentials are intentional and desirable, such as those for health programs which benefit the economically disadvantaged.) Thus, unlike the Multnomah County Study, a grand total estimate of the Expenditure-Revenue Differential for Incorporated, Suburban and Rural Areas is not provided in this report.



TABLE 59

## TOTAL EXPENDITURE-REVENUE DIFFERENTIAL BY AREA OF THE COUNTY

| SERVICE PROVIDED            | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|-----------------------------|-------------------|---------------|------------|
| GENERAL                     | FUND              | SERVICES      |            |
| PUBLIC SAFETY               |                   |               |            |
| OPERATIONS                  | (1,045,268)       | 1,012,175     | 33,093     |
| DISPATCH                    | 43,682            | (25,188)      | (18,494)   |
| JAIL                        | 55,312            | (60,815)      | 5,503      |
| SERVICES                    | 2,209             | (10,436)      | 8,226      |
| COMMUNITY DEVELOPMENT       | 548,148           | (456,725)     | (91,423)   |
| PLANNING                    | (404,301)         | 196,856       | 207,446    |
| BUILDING INSPECTION         | (30,636)          | 17,333        | 13,304     |
| PARKS AND RECREATION        | 209               | (3,974)       | 3,765      |
| MENTAL HEALTH               | 365,472           | (293,198)     | (72,275)   |
| PUBLIC HEALTH               | 346,983           | (355,150)     | 8,168      |
| VETERANS SERVICES           | 7,167             | (6,723)       | (444)      |
| AGING SERVICES              | 95,454            | (102,700)     | 7,246      |
| JUVENILE                    | 151,220           | (171,492)     | 20,272     |
| DISTRICT ATTORNEY           | 8,795             | (22,964)      | 14,169     |
| TIGARD JUSTICE COURT        | 0                 |               | 0          |
| LAW LIBRARY                 | 0                 |               | 0          |
| JUVENILE SERVICE COMMISSION | 7,972             | (7,922)       | (50)       |
| COMMUNITY CORRECTIONS       | 464,098           | (365,816)     | (98,282)   |
| ADMINISTRATION              | 11,809            | (22,831)      | 11,022     |
| COUNTY COUNSEL              | 3,544             | (6,646)       | 1,681      |
| FINANCE                     | 10,467            | (19,695)      | 9,228      |
| PERSONNEL                   | 2,674             | (4,503)       | 1,829      |
| DATA PROCESSING             | 7,504             | (13,371)      | 5,867      |
| WORD PROCESSING             | 974               | (1,809)       | 835        |
| CENTRAL SERVICES            | 5,296             | (10,122)      | 4,826      |
| PROPERTY MAINTENANCE        | 12,511            | (37,318)      | 24,807     |
| COURT HOUSE BOND FUND       | (1,838)           | (6,434)       | 8,272      |
| COUNTY AUDITOR              | 1,172             | (2,266)       | 1,094      |
| ASSESSMENT AND TAXATION     | 1,133             | (21,519)      | 20,386     |
| ELECTIONS                   | (5,423)           | (855)         | 6,368      |
| COUNTY SURVEYOR             | (14,986)          | 18,238        | (3,252)    |
| COUNTY MUSEUM               | 56                | (1,063)       | 1,007      |
| COUNTY FAIR                 | 12                | (226)         | 214        |
| AGRICULTURAL ACTIVITIES     | 172               | (3,272)       | 3,100      |

TABLE 59 CONTINUED

|                             | SPECIAL | FUND        | SERVICES    |           |
|-----------------------------|---------|-------------|-------------|-----------|
| ROAD FUND                   |         |             |             |           |
| ROADS                       |         | (2,002,944) | (1,647,252) | 3,650,196 |
| SERIAL LEVY                 |         | (2,028,927) | 132,178     | 1,896,749 |
| SYSTEM DEVELOPMENT FUND     |         | 0           | (113,782)   | 113,782   |
| DOG CONTROL                 |         | 86,634      | (64,484)    | (22,151)  |
| COOPERATIVE LIBRARY SERVICE |         | 62,974      | (36,300)    | (26,676)  |
| UNIFIED SEWERAGE AGENCY     |         |             |             |           |
| GENERAL FUND                |         | 5,378       | (5,378)     |           |
| MASTER PLAN CONST           |         | 17,841      | (17,841)    |           |
| MASTER PLAN BOND            |         | 28,196      | (28,196)    |           |
| GENERAL OBLIG BONDS         |         | 5,204       | (5,204)     |           |

Public Safety Dispatch, Jail and Other Services, Building Inspection, Parks and Recreation, Veterans Services, District Attorney, Tigard Justice Court, Law Library, Juvenile Service Commission, Administration, County Counsel, Finance, Personnel, Data and Word processing, Central Services, Property Maintenance, Court House Bond, County Auditor, Assessment and Taxation, Elections, County Surveyor, Museum, Fair, and Agricultural Activities all seem to portray a balance between revenue and expenditure sources, indicating a relative equity in the County's funding of these services. These services also tend to be provided to all County residents and/or are primarily fee supported. Wider distribution of service delivery tends to reduce the magnitude of differentials. For fee supported services, the differentials are small primarily because the service delivery and the revenue sources coincide.

A few services appear to account for the major differentials existing in the County's service program. In particular, Public Safety Operations, Planning, and Roads differentials indicate subsidies from the cities to the unincorporated areas of the County, principally suburban. On the other hand, Community Development, Health Services, Juvenile Services, and Community Corrections differentials indicate subsidies from the Suburban Area to other areas of the County, principally urban. These services are funded primarily by state and federal revenues. The existing subsidies are, primarily, a result of decisions made at the state and/or federal levels to provide services to target populations or limited geographic areas. Redistribution of income resulting from these decisions is intentional and beyond the ability of the County to change.

The larger differentials for these services are primarily associated with the differences in the locations of populations

served by programs, and the location of revenue sources supporting the programs. These differences may be the result of jurisdictional boundaries, as in the case of Sheriff's Operations and Planning. They may also be the result of public policy choices made at the Federal and State level to benefit particular populations, as in the case of Community Development, Aging, Public Health, and Mental Health.

TABLE 60

| SERVICE AREAS WITH MAJOR EXPENDITURE-REVENUE DIFFERENTIALS |                   |               |            |
|--|-------------------|---------------|------------|
| SERVICE PROVIDED   | INCORPORATED AREA | SUBURBAN AREA | RURAL AREA |
|  | GENERAL FUND      | SERVICES      |            |
| PUBLIC SAFETY OPERATIONS                                   | (1,045,268)       | 1,012,175     | 33,093     |
| COMMUNITY DEVELOPMENT PLANNING                             | 548,148           | (456,725)     | (91,423)   |
| MENTAL HEALTH  | (404,301)         | 196,856       | 207,446    |
| PUBLIC HEALTH  | 365,472           | (293,198)     | (72,275)   |
| AGING SERVICES   | 346,983           | (355,150)     | 8,168      |
| JUVENILE   | 95,454            | (102,700)     | 7,246      |
| COMMUNITY CORRECTIONS                                      | 151,220           | (171,492)     | 20,272     |
|  | 464,098           | (365,816)     | (98,282)   |
|  | SPECIAL FUND      | SERVICES      |            |
| ROAD FUND  |                   |               |            |
| ROADS  | (2,002,944)       | (1,647,252)   | 3,650,196  |
| SERIAL LEVY AVERAGE  | (2,028,927)       | 132,178       | 1,896,749  |

INCORPORATED VERSUS UNINCORPORATED DIFFERENTIAL

If the two unincorporated areas are combined, the pattern of differentials is as indicated in Table 61. No significant differences in the pattern from that of the preceding analysis can be observed. However, the total differential flowing from the incorporated to unincorporated area is indicated in the per capita and per \$1000 assessed value figures. The differential is approximately \$30 per capita and \$1 per \$1000 assessed value. These amounts should not be interpreted as based on the property

tax, as they are produced by several different revenue sources.

Table 61 also indicates the percentages of total expenditures represented by the existing differentials. With some exceptions, the differentials identified constitute less than ten (10) percent of expenditures for each program area. This confirms the observation made earlier that differentials of less than \$100,000 are probably not significant. With two exceptions, services with differentials of less than ten percent of expenditures are also subject to the margin of error. The exceptions, Juvenile Services Commission and Veterans Services, have small differentials intentionally produced by the funding sources for these programs. The total expenditures for both programs are under \$75,000.

Those services with differentials above ten (10) percent of total expenditures also represent significant number of all differentials. Percentages reported indicate the relative subsidy produced by the delivery of these programs to each service recipient area. In other words, approximately 27 percent of the Community Development effort is paid for by non-recipients. Similarly, approximately 30 percent of Sheriff's Operations is paid for by non-recipients. These data also indicate the extent of subsidization, but do not indicate whether these subsidies are equitable or inequitable, nor why they exist.

TABLE 61

TOTAL EXPENDITURE-REVENUE DIFFERENTIAL IN THE INCORPORATED AND UNINCORPORATED AREAS AND THE DIFFERENTIAL AS A PERCENT OF TOTAL EXPENDITURE FOR EACH SERVICE

| SERVICE PROVIDED                     | INCORPORATED AREA | UNINCORPORATED AREA | DIFFERENTIAL AS A PERCENT OF TOTAL SERVICE EXPENDITURE |
|--------------------------------------|-------------------|---------------------|--|
|                                      | GENERAL FUND      | SERVICES            |  |
| PUBLIC SAFETY OPERATIONS             | (1,045,268)       | 1,045,268           | 28.99  |
| DISPATCH                             | 43,682            | (43,682)            | 5.81   |
| JAIL SERVICES                        | 55,312            | (55,312)            | 3.39   |
|                                      | 2,209             | (2,209)             | 0.33   |
| COMMUNITY DEVELOPMENT PLANNING       | 548,148           | (548,148)           | 27.85  |
| BUILDING INSPECTION                  | (404,301)         | 404,301             | 37.16  |
| PARKS AND RECREATION                 | (30,636)          | 30,636              | 7.74   |
| MENTAL HEALTH                        | 209               | (209)               | 0.10   |
| PUBLIC HEALTH                        | 365,472           | (365,472)           | 15.96  |
| VETERANS SERVICES                    | 346,983           | (346,983)           | 14.71  |
| AGING SERVICES                       | 7,167             | (7,167)             | 34.73  |
| JUVENILE                             | 95,454            | (95,454)            | 12.87  |
| DISTRICT ATTORNEY                    | 151,220           | (151,220)           | 10.32  |
| TIGARD JUSTICE COURT                 | 8,795             | (8,795)             | 0.94   |
| LAW LIBRARY                          | 0                 | 0                   | 0  |
| JUVENILE SERVICE COMMISSION          | 0                 | 0                   | 0  |
| COMMUNITY CORRECTIONS ADMINISTRATION | 7,972             | (7,972)             | 16.00  |
| COUNTY COUNSEL                       | 464,098           | (464,098)           | 38.83  |
| FINANCE                              | 11,809            | (11,809)            | 1.50   |
| PERSONNEL                            | 3,544             | (3,544)             | 1.50   |
| DATA PROCESSING                      | 10,467            | (10,467)            | 1.50   |
| WORD PROCESSING                      | 2,674             | (2,674)             | 1.48   |
| CENTRAL SERVICES                     | 7,504             | (7,504)             | 1.49   |
| PROPERTY MAINTENANCE                 | 974               | (974)               | 1.49   |
| COURT HOUSE BOND FUND                | 5,296             | (5,296)             | 1.50   |
| COUNTY AUDITOR                       | 12,511            | (12,511)            | 1.11   |
| ASSESSMENT AND TAXATION              | (1,838)           | 1,838               | 0.60   |
| ELECTIONS                            | 1,172             | (1,172)             | 1.50   |
| COUNTY SURVEYOR                      | 1,133             | (1,133)             | 0.06   |
| COUNTY MUSEUM                        | (5,423)           | 5,423               | 1.44   |
| COUNTY FAIR                          | (14,986)          | 14,986              | 7.23   |
| AGRICULTURAL ACTIVITIES              | 56                | (56)                | 0.10   |
|                                      | 12                | (12)                | 0  |
|                                      | 172               | (172)               | 0.09   |

TABLE 61 CONTINUED

| SPECIAL                     | FUND        | SERVICES  |       |
|-----------------------------|-------------|-----------|-------|
| ROAD FUND                   |             |           |       |
| ROADS                       | (2,002,944) | 2,002,944 | 33.15 |
| SERIAL LEVY                 | (2,028,927) | 2,028,927 | 30.70 |
| SYSTEM DEVELOPMENT FUND     | 0           | 0         | 0.00  |
| DOG CONTROL                 | 86,634      | (86,634)  | 22.68 |
| COOPERATIVE LIBRARY SERVICE | 62,974      | (62,974)  | 7.52  |
| UNIFIED SEWERAGE AGENCY     | 56,619      | (56,619)  | 0.38  |

WASHINGTON COUNTY COMPARISON WITH MULTNOMAH COUNTY

Since the impetus for this study was the original analysis of Multnomah County's expenditure/revenue differential, we have provided a rough comparison with those findings. It is only rough because the methodology used in the Washington County report is slightly different. Further, the program classifications for Multnomah County were not consistent with those for Washington County. Therefore, this comparison should be treated as suggestive rather than definitive.

Table 62 divides the comparison into two program categories: those funded primarily from local sources, and those from federal or state sources. In the latter case, the comparison shows an almost identical level of differential as percentage of total expenditure, with the exception of Aging services. This exception is probably due to county demographics: Multnomah County's eastern unincorporated area may have a larger number of older individuals than does the unincorporated area in Washington County.

TABLE 62

COMPARABLE SERVICE EXPENDITURE-REVENUE DIFFERENTIAL FY 81-82 FOR  
WASHINGTON AND MULTNOMAH COUNTIES

-----  
SERVICE PROVIDED DIFFERENTIAL AS PERCENT OF  
TOTAL SERVICE EXPENDITURE  
BY COUNTY  
=====

WASHINGTON COUNTY      MULTNOMAH COUNTY

SERVICES PRIMARILY FUNDED FROM LOCAL SOURCES

|                      |       |       |
|----------------------|-------|-------|
| PUBLIC SAFETY        |       |       |
| OPERATIONS           | 28.99 | 55.36 |
| JAIL                 | 3.39  | 25.66 |
| PLANNING             | 37.16 | 61.75 |
| PARKS AND RECREATION | 0.10  | 41.24 |
| DISTRICT ATTORNEY    | 0.94  | 12.25 |
| JUVENILE             | 10.32 | 12.95 |
| COUNTY FAIR          | 0     | 0.10  |
| ROAD FUND            |       |       |
| ROADS                | 33.15 | 30.20 |
| DOG CONTROL          | 22.68 | 0.80  |

SERVICES PRIMARILY FUNDED FROM FEDERAL AND STATE SOURCES

|                |       |       |
|----------------|-------|-------|
| MENTAL HEALTH  | 15.96 | 12.58 |
| PUBLIC HEALTH  | 14.71 | 11.35 |
| AGING SERVICES | 12.87 | 2.14  |

In the remaining service areas, the differences are far more significant. Each service has a relatively unique explanation for the variations in differential. For Public Safety, the relative difference in Incorporated Area populations (45 percent in Washington County versus 74 percent in Multnomah) may explain the difference in differentials. Parks and Recreation differentials vary because of the responsibility assumed by the Tualatin Hills Parks and Recreation District. Dog Control differentials reflect the difference in responsibilities shared by cities and the respective counties. The differentials for District Attorney probably reflect characteristic differences in incorporated areas and the change in responsibility for the court system. The Jail differential also demonstrates the difference between incorporated areas in each county; the same is true for

Planning. The Road Fund differential is surprising, in that the differentials as percentage of total expenditures are nearly alike. The explanation for this probably relates to the distribution of county roads. In Multnomah County the mileage of roads within cities was much greater than in Washington County, and percentage of incorporated area in the county is also higher. This made the differential lower than it might have been.

Over time, Washington County may more closely approximate Multnomah County in the character of its differentials. Since the level of incorporation is lower in Washington County, the extent of subsidies for locally funded services is also lower. This study may simply have examined Washington County at an earlier point in the development of service programs than Multnomah County.

#### COUNTY EXPENDITURES FOR URBAN SERVICES

In the first phase of the Urban Services Study the County's expenditures for Urban Services were ignored, as the distribution of County expenditures was unknown. The results of this phase will permit recalculating of total expenditures, which will be reported in an addendum to the first phase report. However, the summary impact of County expenditures is reported here. Table 63 portrays total expenditures (level of effort) by all governmental jurisdictions for urban services within the County Urban Growth Boundary. Expenditures for each incorporated area are reported by jurisdiction name. Expenditures for selected unincorporated areas are reported under the common names for those areas.

Total urban service expenditures (listed in Table 63) for most incorporated areas are in excess of \$20 per \$1000 assessed value. Tigard, Cornelius, Durham and King City are the exceptions. Total expenditures for unincorporated areas are below this amount. They range from \$15.00 to \$19.00 per \$1000 assessed value. This is a very narrow range, indicating a relatively uniform level of expenditure effort for urban services in the Suburban Area, even though there are several different service providers. More importantly, while the Suburban Area expenditure range is generally lower than for incorporated areas, some incorporated areas--identified earlier--are also below the \$20 threshold. There appears to be a minimum level of urban service expenditure effort expected by the public. Indeed, Aloha/Cedar Hills, with a combined population approximating the combined population of Beaverton and Hillsboro, receives a level of expenditure for urban services that is only \$6 per \$1000



assessed value less than the average expenditures of these two jurisdictions, and is \$1 per \$1000 assessed value less than Hillsboro level of effort.

Exceptions to this minimum level of expenditures, which appears to be about \$15.00 per \$1000 assessed value in Urban/Suburban Areas, are in the Rural Areas of the County, which receive about \$6.00 to \$8.00 per \$1000 assessed value in service expenditures. King City and Durham are also exceptions in that they receive about \$11.00 and \$12.00, respectively. Those areas of the County in which service expenditures exceed \$25.00 per \$1000 assessed value appear to be typified by significant infrastructure expenditures for urban renewal or future growth. Most incorporated areas expend about \$25.00 per \$1000 assessed value. The one outlier is Beaverton, which expends \$30.00 per \$1000 assessed value, and the principal contributor to this expenditure level appears to be the Urban Renewal Agency.

TABLE 63

TOTAL EXPENDITURES PER CAPITA AND PER \$1,000 ASSESSED  
VALUE FOR URBAN SERVICES BY AREA

A Recapitulation of Table 83 and 84, Phase I Report

| AREA         | SERVED BY      | TOTAL PER \$1000<br>ASSESSED VALUE | TOTAL PERCAPITA |
|--------------|----------------|------------------------------------|-----------------|
| BEAVERTON    | COUNTY         | 0.99                               | 19.68           |
|              | BEAVERTON      | 24.35                              | 841.78          |
|              | TUALATIN HILLS | 2.44                               | 66.30           |
|              | USA            | 3.01                               | 84.21           |
|              | TOTAL          | 30.79                              | 1101.97         |
| HILLSBORO    | COUNTY         | 0.99                               | 19.68           |
|              | HILLSBORO      | 16.55                              | 425.23          |
|              | USA            | 3.01                               | 84.21           |
|              | TOTAL          | 20.55                              | 529.11          |
| TIGARD       | COUNTY         | 0.99                               | 19.68           |
|              | TIGARD         | 5.65                               | 249.77          |
|              | TIGARD WATER D | 2.26                               | 79.02           |
|              | TUALATIN RFD   | 3.15                               | 119.99          |
|              | USA            | 3.01                               | 84.21           |
| TOTAL        | 15.06          | 552.67                             |                 |
| FOREST GROVE | COUNTY         | 0.99                               | 19.68           |
|              | FOREST GROVE   | 21.07                              | 423.71          |
|              | USA            | 3.01                               | 84.21           |
|              | TOTAL          | 25.07                              | 527.59          |
| TUALATIN     | COUNTY         | 0.99                               | 19.68           |
|              | TUALATIN       | 17.93                              | 655.28          |
|              | TUALATIN RFD   | 3.15                               | 119.99          |
|              | USA            | 3.01                               | 84.21           |
|              | TOTAL          | 25.08                              | 879.15          |
| CORNELIUS    | COUNTY         | 0.99                               | 19.68           |
|              | CORNELIUS      | 13.41                              | 278.37          |
|              | USA            | 3.01                               | 84.21           |
|              | TOTAL          | 17.41                              | 382.26          |

TABLE 63 CONTINUED

| AREA                  | SERVED BY          | TOTAL PER \$1000<br>ASSESSED VALUE | TOTAL PERCAPITA |
|-----------------------|--------------------|------------------------------------|-----------------|
| SHERWOOD              | COUNTY             | 0.99                               | 19.68           |
|                       | SHERWOOD           | 19.22                              | 478.94          |
|                       | TUALATIN RFD       | 3.15                               | 119.99          |
|                       | USA                | 3.01                               | 84.21           |
|                       | TOTAL              | 26.37                              | 702.89          |
| KING CITY             | COUNTY             | 0.99                               | 19.68           |
|                       | KING CITY          | 1.63                               | 73.30           |
|                       | TIGARD WATER D     | 2.26                               | 79.02           |
|                       | TUALATIN RFD       | 3.15                               | 119.99          |
|                       | USA                | 3.01                               | 84.21           |
| TOTAL                 | 11.04              | 376.19                             |                 |
| DURHAM                | COUNTY             | 0.99                               | 19.68           |
|                       | DURHAM             | 5.53                               | 210.54          |
|                       | TUALATIN RFD       | 3.15                               | 119.99          |
|                       | USA                | 3.01                               | 84.21           |
|                       | TOTAL              | 12.68                              | 434.41          |
| ALOHA/<br>CEDAR HILLS | COUNTY             | 5.48                               | 142.42          |
|                       | WOLF CREEK WD      | 5.54                               | 212.30          |
|                       | TUALATIN HILLS     | 2.44                               | 66.30           |
|                       | WC RFD #1          | 3.08                               | 90.36           |
|                       | USA                | 3.01                               | 84.21           |
| TOTAL                 | 19.55              | 595.58                             |                 |
| GARDEN HOME           | COUNTY             | 5.48                               | 142.42          |
|                       | METZGER WATER D    | 4.72                               | 161.92          |
|                       | TUALATIN HILLS     | 2.44                               | 66.30           |
|                       | WC RFD #1          | 3.08                               | 90.36           |
|                       | USA                | 3.01                               | 84.21           |
| TOTAL                 | 18.73              | 545.20                             |                 |
| WEST SLOPE            | COUNTY             | 5.48                               | 142.42          |
|                       | WEST SLOPE WATER D | 1.94                               | 49.80           |
|                       | TUALATIN HILLS     | 2.44                               | 66.30           |
|                       | WC RFD #1          | 3.08                               | 90.36           |
|                       | USA                | 3.01                               | 84.21           |
| TOTAL                 | 15.95              | 433.08                             |                 |

TABLE 63 CONTINUED

| AREA                   | SERVED BY       | TOTAL PER \$1000<br>ASSESSED VALUE | TOTAL PERCAPITA |
|------------------------|-----------------|------------------------------------|-----------------|
| ORENCO                 | COUNTY          | 5.48                               | 142.42          |
|                        | WOLF CREEK WD   | 5.54                               | 212.30          |
|                        | WC RFD #2       | 1.31                               | 32.47           |
|                        | USA             | 3.01                               | 84.21           |
|                        | TOTAL           | 15.34                              | 471.39          |
| WASHINGTON<br>SQUARE   | COUNTY          | 5.48                               | 142.42          |
|                        | METZGER WD      | 4.72                               | 161.92          |
|                        | WC RFD #1       | 3.08                               | 90.36           |
|                        | USA             | 3.01                               | 84.21           |
|                        | TOTAL           | 16.29                              | 478.91          |
| RALEIGH<br>HILLS       | COUNTY          | 5.48                               | 142.42          |
|                        | RALEIGH WATER D | 2.06                               | 71.87           |
|                        | TUALATIN HILLS  | 2.44                               | 66.30           |
|                        | WC RFD #1       | 3.08                               | 90.36           |
|                        | USA             | 3.01                               | 84.21           |
| TOTAL                  | 16.07           | 455.15                             |                 |
| RURAL - WEST<br>COUNTY | COUNTY          | 5.48                               | 142.42          |
|                        | CORNELIUS FIRE  | 0.58                               | 10.65           |
|                        | TOTAL           | 6.06                               | 153.07          |
| RURAL - EAST<br>COUNTY | COUNTY          | 5.48                               | 142.42          |
|                        | TUALATIN RFD    | 3.15                               | 119.99          |
|                        | TOTAL           | 8.63                               | 262.41          |

Per capita expenditures appear to follow the same patterns as those discussed above. The high per capita expenditure efforts of Beaverton and Tualatin reflect the infrastructure efforts of both jurisdictions. Sherwood's expenditures, on the other hand, appear to reflect a similar effort to accommodate growth, but from a smaller population base. It should be remembered that Sherwood relies heavily on LID financing for most capital improvements. More importantly, however, the table indicates that, regardless of population density, per capita expenditures are about the same. This again would seem to point to a minimum level of expected service effort.

The exact nature of this minimum service effort is hard to

define. It is masked by the mix of revenues used to finance service delivery in the County. As reported in the phase one study, the County (excluding USA) appeared to derive about 60 percent of its revenue from the property tax, the cities about 19 percent. In the unincorporated areas of the County, however, the mix of service providers also contributes to the combination of revenue sources. While cities are also served by special districts, the range of services provided by cities is generally much greater. Thus, special districts provide only a limited set of services within city boundaries. In comparison, the County provides a much more limited set of services to the unincorporated area, and special district services provide a greater impact on service and revenue source diversity. Hence, even within county boundaries, the public clearly has many expectations regarding service delivery. At the same time, however, these variations have limits that are clearly discernable. It is more surprising that there is as much commonality among geographic areas of the County as there are extremes.

#### CONCLUSIONS AND POLICY OPTIONS

The task given the research team did not include discussion and recommendation of specific policy options for the County. Instead, the project was intended to identify the extent and location of existing subsidies. On this basis, the following discussion sets out a series of general directions that may be followed by the County, cities, and special districts. No judgement is made on which are the best options: that responsibility lies with County decisionmakers.

Expenditures for the library and road services analyzed in this report were considered in terms of the County budget. However, a great deal of cooperation exists between the cities and the County in the provision of these services. City and County revenues blend, and this report could not account for the effects of this situation. As previously mentioned, library services as actually provided by the cities, and part of the funding and Central Services are provided by the County. With roads, certain County revenues are shared with the cities. It may be useful to re-analyze these services in the future, in order to better understand the relationships between city and County programs.

Clearly, subsidies exist in the service expenditures of the County. Some of these subsidies are produced by the revenue-raising and expenditure decisions of the County. On the other hand, some subsidies are produced by revenue and expenditure

decisions of other units of government, namely the State of Oregon and the federal government. Those subsidies produced locally may be more readily addressed.

Just as importantly, some of the subsidies can be identified as desired policy decisions reached by public officials. As indicated earlier, many federal programs, because of the federal income tax and federal policy decisions, are intentionally subsidizing services to certain segments of society. Unintentional or historically invisible subsidies are of the most interest and concern here. These subsidies may be of significant importance to County, city, and special district officials, since they represent a potential target for improvement in the effectiveness and efficiency of service delivery in the County. Indeed, the current efforts by the County and cities to rectify inequities in the road financing program indicate that a serious commitment has already been made to the improvement of service delivery. Unless continued attention is paid to existing inequities, they may only increase in the future.

Three broad strategies are available to the County. These three, however, are not mutually exclusive, and an even greater number of approaches to the issues are possible. The three general options are 1) changes in the County revenue structure, 2) changes in County expenditure patterns and, 3) changes in the pattern of land incorporation. The first option could be based either on an effort to have beneficiaries of public services pay fully for the benefits they receive, or on an approach that would involve subsidizing certain economically disadvantaged individuals. Fees and services charges are methods of executing first option; special assessment districts represent another option. In the latter option, additional property tax increments could be levied on target areas to pay for increased service levels. Alternatively, generalized revenue sources, such as the property tax or income tax, can be used to redistribute income among specific societal groups. The choice of method depends on the specific policy goals and objectives desired.

For expenditures, the County could alter the level of service provided in selected program areas. Services could be reduced, or offered through special arrangements to individual jurisdictions. The County could also establish a minimum level of service provision across incorporated and unincorporated areas. Additional services could be purchased on contract through special assessments or other arrangements.

Finally, the pattern of incorporation currently exhibited in the County could also be changed, and more quickly than would be anticipated. The impact would be to alter the pattern of differentials, probably increasing the subsidy from the incorporated to the unincorporated areas of the County. It seems

likely that incorporation will continue, most likely on a piecemeal basis. The relevant question, then, is not if, but when, and based on what strategy. As Multnomah County, Portland, and Gresham have already established, it is possible for the affected jurisdictions to set out a plan for the service delivery to areas within the County. A similar plan has already been partially created in land use plans developed in the County, but neither the effort nor the approach to operationalizing them has been developed. Instead of remaining passive, existing jurisdictions could adopt a clear policy on urban service provision and annexation. This policy could even extend to the encouragement, particularly by the County, of specific jurisdictional service responsibilities in incorporated areas.

There are many options and variations to the themes advanced above. Washington County has already begun to develop approaches to the resolution of the problems identified here. The most promising aspect of this research has been the collective effort made by all jurisdictions in the County. There is no guarantee that the process of intergovernmental collaboration will be peaceful or cooperative; if it were, the best possible results for the public might not be obtained. The fact, however, that seventeen jurisdictions have funded this study and collaborated in its production indicates that the basic framework of productive intergovernmental relations exists. Based on an effective process of communication and identification of practical alternatives, the jurisdictions within the County can move toward an improved service delivery system for all County residents.

## Appendix A

### CONGRESSIONAL INTENT IN O & C TIMBER REVENUE DISTRIBUTION

PREPARED BY: KATHI A. KETCHESON

#### QUESTION

What was the Congressional intent in granting revenue derived from the sale of timber harvested on O & C lands to Oregon counties? Specifically, are the benefits of this revenue intended for all residents these counties, or primarily for those residing in the rural areas, where,

1. the timber is harvested on rural lands,
2. the revenue is distributed to counties from a special fund, and
3. the lands are administered by the federal government?

#### BRIEF ANSWER

Revenue derived from the sale of timber harvested on O & C lands within Oregon counties is intended to benefit all residents of counties containing these lands. The purpose of the revenue distribution formula stated in the Chamberlain-Ferris Revestment Act of 1916 (Pub. Law 64-86, 39 Stat. 218) and its later amendments was to ensure 1) annual revenue in lieu of taxes which would have been collected by the State and counties, had the land remained under their administration, and 2) revenue in lieu of taxes accrued on the land prior to March 1, 1938 (44 Stat. 915). Creation of the Oregon and California land grant fund, into which all O & C timber revenue is placed, was intended to prevent those counties which may have greater yearly timber harvests than



others from receiving disproportionate shares of the revenue. Revenue flowing to the counties is thus removed from its geographical source, i.e., rural forest lands, and is derived, rather, from a federal pool of funds allotted to the counties at the will of Congress. The counties do not have a specific right to this revenue. The courts have determined that both the lands and the revenue derived from them are the exclusive property of the United States government and that only Congress has the power to determine what portion of that revenue, if any, to distribute to the counties. Congress can amend or repeal statutes governing the distribution of revenue to the counties at will.

#### STATEMENT OF FACTS

Under the Chamberlain-Ferris Revestment Act of 1916, the United States government revested undisposed of lands formerly granted by Congress to the Oregon and California Railroad Company (39 Stat. 218). The railroad had violated a proviso to the granting statute regarding the sale of land to settlers, and so forfeited the unsold lands to the United States (Pub.Res. 18, 60th Cong., 1st Sess., 35 Stat. 571). In the 1916 Act, Congress provided for 1) the classification of land according to use, 2) the sale of timber harvested from timber lands, 4) the sale of non-mineral agricultural lands for settlement under homestead laws, and 4) the creation of the Oregon and California land-grant fund. Revenue derived from the revested lands would be placed in a special fund within the U.S. Treasury general fund, to be distributed as compensation a) to the railroad for the revested lands (Oregon and C.R.R. Co. v. United States, 1915, 238 U.S. 393, 35 S.Ct. 908, 59 L.Ed. 1360), and b) to the State and counties for back taxes owed them and future taxes they would have collected, had the lands remained under their jurisdiction, for provision of roads, schools, highways, bridges, and port districts. The Act set out a formula by which revenue would be distributed; later amendments refined this formula and removed restrictions on how the money could be spent. O & C revenue is paid into the counties' general funds.

#### APPLICABLE STATUTES

Aug. 28, 1937, Pub. Law 75-405, 50 Stat. 874 (amending June 9, 1916, Pub. Law 64-86, 39 Stat. 218, Sec. 10 paragraph 2):

## TITLE II

That on and after March 1, 1938, all moneys deposited in the Treasury of the United States in the special fund designated the "Oregon and California land-grant fund" shall be distributed annually as follows:

[a] Fifty per centum to the counties in which the lands revested under the Act of June 9, 1916 (39 Stat. 218), are situated, to be payable on or after June 30, 1938, and each year thereafter to each of the said counties in the proportion that the total assessed value of the Oregon and California grant lands in each of said counties for the year 1915 bears to the total assessed value of all of said lands in the State of Oregon for said year, such moneys to be used as other county funds.

April 21, 1976, Pub.L. 94-273, sec. 2(28), 90 Stat. 376  
(amending 50 Stat. 874):

[b] Twenty-five per centum to said counties as money in lieu of taxes accrued or which shall accrue to them prior to March 1, 1938, under the provisions of the Act of July 13, 1926 (44 Stat. 915), and which taxes are unpaid on said date, such moneys to be paid to said counties severally by the Secretary of the Treasury of the United States, upon certification by the Secretary of the Interior, until such tax indebtedness as shall have accrued prior to March 1, 1938, is extinguished.

From and after payment of the above accrued taxes said 25 per centum shall be accredited annually to the general fund in the Treasury of the United States until all reimbursable charges against the Oregon and California land-grant fund owing to the general fund in the Treasury have been paid: Provided, That if for any year after the extinguishment of the tax indebtedness accruing to the counties prior to March 1, 1938, under the provisions of forty-fourth Statutes, page 915, the total amount payable under subsection [a] of this section is less than 78 per centum of the aggregate amount of tax claims which accrued to said counties under said Act for the year 1934, there shall be additionally payable for such year such portion of said 25 per centum [but not in excess of three-fifths of said 25 per centum], as may be necessary to make up the deficiency. When the general fund in the Treasury has been fully reimbursed for the expenditures which were made charges against the Oregon and

California land-grant fund said 25 per centum shall be paid annually, on or after September 30, to the several counties in the manner provided in section [a] of this section.

(see main volumn for text of c)

NOTE: Subsequent annual Appropriation Act provisos have validly amended the 1937 statute, limiting the counties to lesser shares of the revenue (Skoko v. Andrus, 638 F.2d 1154)

## DISCUSSION

Timber lands are classified as rural (77 CJS 547, RURAL). Thus, the geographic source of timber harvest revenue may be termed rural. It would seem logical, then, to say that since O & C timber lands are rural, the geographic source of revenue produced by the sale of that timber is rural.

But whereas it is undeniable that the timber is harvested on rural lands, it is harvested on lands belonging to the federal government, the sole possessor of the lands and revenue derived from them. Therefore, geographic distinctions made by a county when referring to lands under its jurisdiction are inapplicable. The lands should be referred to as federal, or public lands, which may be rural, but are not county rural lands. Also, the path taken by the revenue from its geographic source to its eventual recipients is not straightforward; that is, the revenue is not derived by the counties, but by the federal government, which then disburses it according to statute. Let us examine the first of these issues, the ownership and disposition of O & C lands.

The original granting of land to the Oregon and California Railroad was intended to promote the development of the Oregon Territory. In selling the land to large purchasers, primarily lumber interests, the railroad violated Congressional directives that the land be sold in small parcels to settlers and at low prices. For this reason, Congress enacted the Chamberlain-Ferris Revestment Act of 1916, which has been subsequently amended. Recognizing that the revestment removed huge tracts of land from the State tax rolls, thereby depriving the State of future revenue for schools and roads, Congress devised a formula by which revenue derived from O & C lands would be distributed to the State, counties, and the federal government. In particular, the formula was designed to ensure that those counties in which greater amounts of timber might be harvested than in others would

not benefit disproportionately.

In an action against the Secretary of the Interior challenging a 1954 statute that transferred jurisdiction of O & C lands to the Department of Agriculture, the court held that when the United States revested the O&C lands it was an act of eminent domain, and disposition of the lands and revenue derived from them is within the discretion of Congress (Clackamas County v. McKay, 226 F.2d 343). Clackamas County objected to the transfer, claiming that the sovereign authority of the State had been violated, and feared that a reduction in income from the lands would result. The court stated that, although the lands lie within the boundaries of a sovereignty (the State), ownership of the lands clearly lies with the United States, and any reductions in income to counties or the State is within the discretion of Congress. Clackamas County therefore had no standing to challenge the statute.

In another action by Clackamas County challenging annual Appropriation Act provisos that amended the O & C statutes and reduced the County's shares of the timber revenue, the court held that, "Whatever the Congress did to alleviate the loss of tax revenues suffered by the O & C counties when the O & C lands were revested in the United States was an act of grace on the part of Congress. It conferred no rights upon the counties to the continuance of Congress's bounty. Congress could amend or repeal the Act in question without infringing any right of the counties." (Skoko v. Andrus, 638 F.2d 1157, 1979) Counties containing O & C lands have no rights entitling them to the revenue, but receive it at the will of Congress. The court's language also makes it clear that revenue from these lands is derived by the United States as the sole sovereignty: "Between 1916 and 1926, the United States derived little revenue from the O & C lands. As a result, the third stage payments to the counties never materialized." (Ibid.)

The second issue, and perhaps the most important, is the method by which revenue from O & C timber sales is distributed to the counties. Revenue derived by the United States from these sales is placed in a special fund in the Treasury of the United States. It is then distributed to the counties according to a formula stated in the Chamberlain-Ferris Act, as refined by its later amendments and annual Appropriation Act provisos. The formula is not related in any way to the locations of timber harvests; indeed, the formula is designed to eliminate the identification of harvests by county and to pool the money into a general fund. The only distinction made in regard to specific counties is that the shares received by each county are in the proportion that the total assessed value of O & C lands within each for the year 1915 bears to the total assessed value of these lands in the State of Oregon for that year. This distinction is not related to the

geographic locations of yearly harvests.

Thus, the federal revenue derived from the sale of timber harvested on O & C lands is placed in the federal treasury and distributed to the counties under a formula stated and refined in statutes, at the discretion of Congress. This revenue does not pass from its geographic source directly to its recipients. And, designated as other county funds, it is intended to provide a benefit to all the residents of receiving counties; a county is not restricted in its use of the revenue, but its provision is intended for the general benefit of the county.

In summation, neither O & C lands, nor the revenue derived from them, are the possession of the counties, so that geographic distinctions regarding revenue sources within county boundaries are not applicable. Both the lands and source of the revenue should be termed federal. In addition, the method of revenue distribution involves the transfer of funds from a federal source (the Treasury of the United States) to the counties under a formula developed as a means of righting an inequity that resulted from the revestment of O & C lands. This serves to further confirm that the revenue source is federal. The term "rural" is inapplicable to the discussion of O & C timber revenue.

Appendix B

TECHNICAL COMMITTEE AND COUNTY STAFF CONTACTED

TECHNICAL COMMITTEE MEMBERS

|                  |                                |
|------------------|--------------------------------|
| Mark Arbuthnot   | Cornelius                      |
| Denis Borman     | King City                      |
| Charles Cameron  | Washinton County               |
| Don Carlson      | METRO                          |
| Dick Carson      | Washington County Fire #1      |
| Blair Crumpacker | Beaverton                      |
| Gordon Dawson    | Tualatin                       |
| Pat Demarinis    | Wolf Creek Highway Water Dist. |
| Dick Dieterich   | Forest Grove                   |
| Dick Duyck       | Washington County Fire #2      |
| Tim Erwert       | Hillsboro                      |
| Bob Jean         | Tigard                         |
| Chuck Jones      | Washington County Fire #1      |
| Noel Klein       | Beaverton                      |
| John Krawczyk    | Unified Sewerage Agency        |
| Jim Larkins      | Cornelius                      |

|                    |                               |
|--------------------|-------------------------------|
| Jesse Lohman       | Metzger Water District        |
| Joy Martin         | Tigard                        |
| Jack Nelson        | Beaverton                     |
| Jane Jensen-Norman | Washington County             |
| Jeanne Percy       | Durham                        |
| Floyd Pittard      | Tualatin Fire District        |
| Dan Potter         | Wilsonville                   |
| Steve Rhodes       | Tualatin                      |
| Paul Shinn         | Washington County             |
| Gene Siebel        | Wolf Creek Highway Water Dist |
| Theodore Spence    | ODOT                          |
| Bruce Thomson      | Washington County             |
| Russ Washburn      | Tualatin Rural Fire District  |

WASHINGTON COUNTY STAFF CONTACTED DURING COURSE OF STUDY

| STAFF MEMBER             | DEPARTMENT OR OFFICE            |
|--------------------------|---------------------------------|
| Don Stillwell            | Administrative Office           |
| Charles Cameron          | Administrative Office           |
| Bruce Thomson            | Administrative Office           |
| Don Mason                | Assessment and Taxation         |
| Paul Shinn               | Finance and Administration      |
| Rick Daniels             | Transportation and Land Use     |
| Bruce Warner             | Transportation and Land Use     |
| John Rosenberger         | Transportation and Land Use     |
| Jane Jensen-Norman       | Transportation and Land Use     |
| Tim Tiler                | Transportation and Land Use     |
| R. Charles Pearson       | Transportation and Land Use     |
| Loren Meinz              | Transportation and Land Use     |
| Steve Conway             | Transportation and Land Use     |
| Rick Rider               | Transportation and Land Use     |
| John Gray                | Transportation and Land Use     |
| Steve Bittle             | Transportation and Land Use     |
| John Krawczyk            | Unified Sewerage Agency         |
| Larry Shadbolt           | Office of Community Development |
| Donna Selle              | Cooperative Library Service     |
| Sheriff Bill Probstfield | Public Safety                   |
| LT. Steve Wineager       | Public Safety                   |



|                |                              |
|----------------|------------------------------|
| Gene Bonney    | Public Safety                |
| Jerry Harkins  | Juvenile Department          |
| Rick DeMars    | Community Corrections        |
| Jim Carr       | District Attorney            |
| Ann Karland    | Law Library                  |
| Judge Payne    | Tigard Justice Court         |
| Chuck Fuchs    | Dog Control                  |
| Jim Watson     | Dog Control                  |
| Adeline Hesse  | County Fair                  |
| Mary Sorenson  | Public Health                |
| Alice McCarter | Mental Health                |
| Jan Marshall   | Mental Health                |
| Bob Tepper     | Area Agency on Aging         |
| Linda Gesler   | Juvenile Services Commission |