

Chapter 2.52

DEBT LIMITATION

Sections:

- 2.52.010 Short title.
- 2.52.020 Purpose.
- 2.52.030 County debt.

2.52.010 Short title. This chapter shall be referred to as the debt limitation ordinance.

2.52.020 Purpose. The purpose of this chapter is to limit the county's ability to incur debt.

2.52.030 County debt.

A. The county of Douglas, represented by its county commission and elected and appointed officers, shall not incur any debt which by itself, or in aggregate with other county debt, exceeds the county debt limit except as provided for in F and G below. (initiative §(a), 1998).

B. Debt to be paid through special revenue funds, revenue bonds, certificates of participation, the general fund, public works fund, capital project funds, water project funds, and any and all other sources of county revenue, are to be included in the calculation of county debt. (initiative §(b), 1998).

C. The county debt limit is set at 2 million upon passage of this ordinance. County debt is reported as \$0.00, zero dollars, as of June 1, 1996. With passage of this ordinance, any debt owed by the county in excess of the 2 million debt limit, will be either repaid to the lenders within 120 days after passage of this ordinance, or will be subject to voter approval as debt outside the limit in a county-wide public vote to be initiated by the county commissioners within 180 days. (initiative §(c), 1998).

D. No county funds shall be expended to repay any debt that either exceeds or is outside the county debt limit, unless the debt is outside the county debt limit by voter approval. (initiative §(d), 1998).

E. County-wide votes to change the debt limit, can be initiated by either an act of the county commissioners or through the initiative petition process. The question asked of voters to change the debt limit shall be "Shall Douglas County (Increase/decrease) the county debt limit to \$(amount)". The ballot explanation will include, but is not limited to, the dollar amount of change to the debt limit. (initiative §(e), 1998).

F. Debt can be placed outside the county debt limit, and not subject to the provisions of this ordinance, only after approval of a majority of voters in a county-wide public vote. Bonded Indebtedness that is incurred by the county through voter approval

In a county-wide public vote is to be considered outside the county debt limit by voter approval. (initiative §(f), 1998).

G. The county—wide vote to place debt outside the debt limit, can be initiated by either an act of the county commissioners or through the initiative petition process. The question asked of voters to place debt outside the limit shall be “Shall Douglas County incur \$(amount) of debt outside the county debt limit for (the project name)”. The ballot explanation shall include, but is not limited to, the estimated total dollar amount of principle and interest the county would pay for the debt over the life of the obligation, the number of years of the obligation, and an estimate of the net revenue, if any, that the project itself would generate over the life of the obligation to help pay the debt. (initiative §(f), 1998).

H. If any part of this ordinance is deemed to be invalid within the constraints of State and Federal law, then only that part is void, and the remaining provisions of the ordinance will remain in force. (initiative §(h), 1998).