

# Gas Tax Bond Redemption Fund

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**Managing Bureau:** Portland Bureau of Transportation

**Statement of Purpose:** This fund is used to achieve a proper matching of revenues and expenditures related to the debt financing of Portland Bureau of Transportation projects.

**Sources of Revenue:** Resources primarily consist of gas tax revenues from the City's share of the state and county collections.

**Contingency Requirements:** Oregon Administrative Rule 150-294.388(7) does not permit contingencies in a debt service fund.

**Reserve Requirements:** The size of debt service reserve requirements varies by individual bond covenant. Reserves may be funded with bond proceeds, other eligible resources, or with the purchase of a reserve surety policy. The reserve may be drawn upon when there are insufficient resources to pay debt service, but must be replenished in accordance with bonds covenants or surety policy.

**Disposition of Funds:** In the event the fund is closed, all excess revenues would be transferred to the General Fund. Restrictions on the debt service reserve would still apply.