

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
MULTNOMAH COUNTY, OREGON**

**RESOLUTION NO. 2020-101**

Authorizing Short-Term Financing in Anticipation of Income Tax Revenues in an Amount Not to Exceed \$15,000,000.

**The Multnomah County Board of Commissioners Finds:**

- a. On November 3, 2020, voters of the County approved Measure 26-214, which established a new tax on taxable income derived within the County above certain thresholds (the "Income Tax") in order to establish a tuition-free "Preschool for All Program" in the County (the "Preschool Program").
- b. The County expects to incur certain operating costs associated with the Preschool Program, including costs for software development, County staff time and services, and tax administration and collection by the City of Portland (collectively, the "Operating Costs"), before it receives Income Tax revenues in an amount sufficient to pay such Operating Costs.
- c. ORS 287A.180 authorizes the County to borrow money to provide financing in anticipation of the Income Tax revenues, so long as the borrowing matures within 13 months of issuance and does not exceed 80% of the Income Tax revenues that the County has budgeted or otherwise reasonably expects to have available to pay the borrowing. Such borrowing may be secured by all or any part of the revenues of the County that may lawfully be used to pay the borrowing.
- d. The County reasonably expects to have at least \$133 million in Income Tax revenues available to pay the borrowing and the maximum principal amount of the borrowing does not exceed 80% of that amount.
- e. It is in the best interests of the County to borrow not more than \$15,000,000 in anticipation of Income Tax revenues in order to finance the Operating Costs.

**The Multnomah County Board of Commissioners Resolves:**

1. Short-Term Financing Authorized. The County Board of Commissioners hereby authorizes the County to enter into a financing for the Operating Costs (the "Short-Term Financing") pursuant to ORS 287A.180. The Short-Term Financing may be in the form of tax revenue anticipation notes, lines of credit, loan agreements or other obligations. The term of the Short-Term Financing shall not exceed thirteen months and the aggregate principal amount of the Short-Term Financing shall not exceed \$15,000,000.
2. Security for Short-Term Financing. The County shall pay amounts due under the Short-Term Financing from any and all of its lawfully available funds as authorized by ORS 287A.180. Pursuant to ORS 287A.315, the County hereby pledges its full faith and credit and taxing power within the limitations of Sections 11 and 11b of Article XI of the Oregon Constitution to pay the amounts due under the Short-Term Financing. This pledge of the County's full faith and credit and taxing power shall not entitle the owner or

purchaser of the Short-Term Financing to any lien on specific properties or revenues of the County.

3. No Additional Taxes Authorized. The Short-Term Financing shall not be an unlimited tax general obligation of the County and neither the authorization or the issuance of the Short-Term Financing shall authorize the County to levy any taxes outside the limitations of Sections 11 and 11b, Article XI of the Oregon Constitution.
4. Delegation. The Chief Financial Officer or their designee (the "Authorized Representative") may, on behalf of the County and without further action by the Board:
  - i. Select one or more commercial banks or other purchasers of the Short-Term Financing;
  - ii. Participate in the preparation of, authorize the distribution of, and deem final any disclosure documents that are desirable for the Short-Term Financing;
  - iii. Establish the final principal amounts, maturity dates, interest rates, sale prices, redemption terms, payment terms and dates, and other terms of the Short-Term Financing within the limitations of this resolution;
  - iv. Issue, sell and deliver the Short-Term Financing;
  - v. Provide that the Short-Term Financing will bear interest that is excludable from, or includable in, gross income for federal income tax purposes under the Internal Revenue Code; and
  - vi. Negotiate the terms of, and execute and deliver any legal documents that are desired to carry out the borrowings authorized by this resolution, execute and deliver any related certificates or other documents, and take any other action in connection with the borrowings which the Authorized Representative determines will be advantageous to the County.

**ADOPTED this 3rd day of December, 2020.**

BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON



*Deborah Kafoury*

Deborah Kafoury, County Chair

REVIEWED:  
JENNY M. MADKOUR, COUNTY ATTORNEY  
FOR MULTNOMAH COUNTY, OREGON

By *William Glasson*  
William Glasson, Senior County Attorney

SUBMITTED BY: Eric Arellano, Chief Financial Officer