

**ORDINANCE No. 184603 As Amended**

\*Authorize a borrowing in an amount sufficient to produce not more than \$26,799,000 in anticipation of the Fire and Police Disability and Retirement Fund levy for FY 2011-2012 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Fire and Police Disability and Retirement Fund of the City of Portland (the "City") will experience a cumulative cash flow deficit during fiscal year 2011-2012.
2. Oregon Revised Statutes Section 287A.180 authorizes the City to borrow money in anticipation of taxes and other moneys to be received by the City in fiscal year 2011-2012, and to pledge its anticipated taxes and other revenues to secure those borrowings, so long as the borrowings mature within 13 months after they are issued and do not exceed 80 percent of the amount the City has budgeted to receive in that fiscal year.
3. The City will budget to receive approximately \$105.6 million of ad valorem taxes for the Fire and Police Disability and Retirement Fund in fiscal year 2011-2012.
4. Federal law permits the City to finance its deficit in the Fire and Police Disability and Retirement Fund with tax-exempt obligations, and to avoid payment of arbitrage rebate in connection with the borrowings, if the City's actual cash flow deficit exceeds the amount it borrows.
5. The City adopts this Ordinance to authorize the City to borrow in an amount sufficient to produce not more than \$26,799,000 in anticipation of the Fire and Police Disability and Retirement Fund levy for fiscal year 2011-2012.

NOW, THEREFORE, the Council directs:

- a. The City hereby authorizes borrowings in an amount sufficient to produce not more than \$26,799,000 (Twenty-Six Million Seven Hundred Ninety-Nine Thousand Dollars) to finance its deficit in the Fire and Police Disability and Retirement Fund in anticipation of the receipt of its Fire and Police Disability and Retirement Fund levy for fiscal year 2011-2012, plus additional amounts to pay the costs of the borrowings. The aggregate principal amount of the borrowings required for these purposes is estimated not to exceed \$27,000,000 (Twenty-Seven Million Dollars). The borrowings shall mature not later than thirteen months after they are issued, shall be issued under the authority of ORS 287A.180, and may be in the form of one or more notes, lines of credit, or other obligations. In connection with these borrowings, the Debt Manager of the City, City Treasurer, the Chief Financial Officer of the Bureau of Financial Services, the Chief Administrative Officer of the Office of Management and Finance, or the person designated by the Chief Administrative Officer of the Office of Management and Finance to act as Debt Manager under this Ordinance (any of whom is referred to in this

Ordinance as a "Debt Manager") may, on behalf of the City and without further action by the Council:

1. borrow money from one or more commercial banks in the form of notes, lines of credit or other obligations, or sell notes or other obligations in the public securities markets by negotiated sale or competitive bid;
2. participate in the preparation of, authorize the distribution of, and deem final any disclosure documents that are desirable for the borrowings;
3. establish the final principal amounts, maturity dates, interest rates, sale prices, redemption terms, payment terms and dates, and other terms of the borrowings within the limitations of this Ordinance;
4. pledge the City's full faith and credit, ad valorem taxing power, and any other City taxes and revenues to pay the borrowings;
5. provide that the borrowings bear interest that is excludable from, or includable in, gross income under the federal internal revenue code;
6. covenant to comply with the requirements of federal law that are necessary for interest on tax-exempt borrowings to be excludable from gross income under the federal internal revenue code;
7. negotiate the terms of, and execute and deliver any legal documents that are desired to carry out the borrowings authorized by this Ordinance, execute and deliver any related certificates or other documents, and take any other action in connection with the borrowings which the Debt Manager finds will be advantageous.

Section 2. The Council declares that an emergency exists so there can be timely distribution of the funds for Fire and Police Disability and Retirement retirees and disabled and to meet statutory deadlines; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: MAY 18 2011

Mayor Sam Adams

Prepared by: Bond Counsel: Jonas Biery

Date Prepared: May 3, 2011

**LaVonne Griffin-Valade**

Auditor of the City of Portland

By



Deputy

Agenda No. **184603** As Amended  
**ORDINANCE NO.**  
 Title

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<p><b>INTRODUCED BY</b>          Commissioner/Auditor:  <b>Mayor Sam Adams</b></p>	<p>CLERK USE: DATE FILED <u>MAY 13 2011</u></p>
<p><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams <i>Clay Hall</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade          Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p><b>BUREAU APPROVAL</b></p> <p>Bureau: Financial Services <i>[Signature]</i>          Bureau Head: Rich Goward</p> <p>Prepared by: Jonas Biery:PT          Date Prepared: May 3, 2011</p> <p>Financial Impact Statement          Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>          Not Required <input type="checkbox"/></p> <p>Portland Policy Document          If "Yes" requires City Policy paragraph stated in document.          Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>Council Meeting Date  <b>May 18, 2011</b></p>	<p><b>ACTION TAKEN:</b></p>
<p><b>City Attorney Approval</b></p>	

<b>AGENDA</b>
<p><b>TIME CERTAIN</b> <input type="checkbox"/>  <b>Start time:</b> _____</p> <p><b>Total amount of time needed:</b> _____          (for presentation, testimony and discussion)</p>
<p><b>CONSENT</b> <input type="checkbox"/></p>
<p><b>REGULAR</b> <input checked="" type="checkbox"/>  <b>Total amount of time needed: 5 minutes</b>          (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz <input checked="" type="checkbox"/>	
2. Fish	2. Fish <input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman <input checked="" type="checkbox"/>	
4. Leonard	4. Leonard <input checked="" type="checkbox"/>	
Adams	Adams <input checked="" type="checkbox"/>	