

## ORDINANCE No. 186131

\* Authorize a borrowing of not more than \$28 million in anticipation of the Fire and Police Disability and Retirement Fund levy for FY 2013-2014 (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 2013-2014.
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 2013-2014, 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 \$118.6 million of ad valorem taxes for the Fire and Police Disability and Retirement Fund in fiscal year 2013-2014.
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 within six months after the obligations are issued the City's maximum cumulative cash flow deficit, calculated taking into account a reasonable working capital reserve, does not exceed the amount the City borrows.
5. The City adopts this Ordinance to authorize the City to borrow up to \$28 million in anticipation of the Fire and Police Disability and Retirement Fund levy for fiscal year 2013-2014.

NOW, THEREFORE, the Council directs:

- a. The City hereby authorizes borrowings in an aggregate principal amount of not more than \$28 million dollars (Twenty-Eight Million 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 2013-2014, and to pay the costs of the borrowings. 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 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, or to receive federal income tax subsidies in connection with the borrowings;
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 in order that the borrowings may be done as soon as possible; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: JUN 27 2013

Mayor Charlie Hales

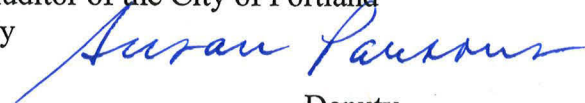
Prepared by: Bond Counsel: Jonas Biery

Date Prepared: June 12, 2013

LaVonne Griffin-Valade

Auditor of the City of Portland

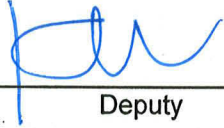
By



Deputy

Agenda No.  
**ORDINANCE NO. 186131**  
 Title

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<b>INTRODUCED BY</b> Commissioner/Auditor: <b>Mayor Charlie Hales</b>	CLERK USE: DATE FILED <u>JUN 21 2013</u>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Hales Chief of Staff Position 1/Utilities Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	LaVonne Griffin-Valade Auditor of the City of Portland  By:  Deputy
<b>BUREAU APPROVAL</b> Bureau: Office of Management & Finance Bureau Head: Jack D. Graham Prepared by: Bond Counsel: Jonas Biery Date Prepared: June 12, 2013 Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Council Meeting Date June 26, 2013 City Attorney Approval	<b>ACTION TAKEN:</b>

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

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. Novick	4. Novick <input checked="" type="checkbox"/>	
Hales	Hales <input checked="" type="checkbox"/>	