

**IMPACT STATEMENT**

**Legislation title:** Authorize a borrowing of not more than \$60,470,000 in anticipation of the Fire and Police Disability and Retirement Fund levy for FY 2021-22 (Ordinance)

**Contact name:** Matt Gierach, Debt Manager

**Contact phone:** x3-6822

**Presenter name:** Matt Gierach

**Purpose of proposed legislation and background information:**

The proposed ordinance authorizes the City to issue tax anticipation notes to finance the cash flow deficit of the Fire and Police Disability and Retirement (“FPDR”) Fund until property tax revenues for FY 2021-22 are received. The amount of note proceeds permitted by the Ordinance will not exceed \$60,470,000.

Oregon Revised Statutes, Chapter 287A.180, authorizes the City to issue notes in anticipation of taxes and other revenues to be received by the City, and to pledge its anticipated taxes and other revenues to secure the notes, 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. If the full amount authorized by the Ordinance is issued, the notes will represent about 31.7 percent of the projected FY 2021-22 tax collections for the FPDR Fund levy. The City will repay the principal and interest on the notes no later than June 30, 2022.

**Financial and budgetary impacts:**

Based on current market conditions, the principal and interest at maturity is not expected to exceed \$60.8 million assuming the notes are outstanding until the end of FY 2021-22. Principal and interest will be repaid with FPDR Fund revenues including receipts from the FY 2021-22 FPDR Fund property tax levy.

**Community impacts and community involvement:**

This is an administrative action taken to provide funding to meet the cash flow deficit of the FPDR Fund until property taxes for FY 2021-22 are collected beginning in November 2021. There is no community impact or involvement anticipated.

**100% Renewable Goal:**

Not applicable.

**Budgetary Impact Worksheet****Does this action change appropriations?**

**YES:** Please complete the information below.

**NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount