

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 09-128

Authorizing the County to Make an Internal Loan from the Risk Management Fund to the General Fund of Not More than \$17,500,000 to Provide for Short-Term Cash Flow Requirements

The Multnomah County Board of Commissioners Finds:

- a. Property Tax is the largest source of revenue in the General Fund. Property tax revenues are not due and payable until November 15th.
- b. The General Fund typically experiences a cash flow deficit prior to the time that property taxes are collected.
- c. In previous years, the County has authorized the Chief Financial Officer to enter into short-term borrowing to offset the projected cash flow deficit.
- d. Staff has analyzed the General Fund cash flow needs and the prospects for short-term borrowing. Interest rate spreads present an unacceptable level of risk at this time.
- e. The General Fund has sufficient cash as of June 30, 2009, to limit the amount required to bridge the anticipated cash flow shortfall prior to November 15th.
- f. Oregon Revised Statutes (ORS 294.460) allow local governments to loan money from one fund to another fund for any purpose for up to one year.
- g. There is sufficient cash in the Risk Management Fund to make a loan to the General Fund.
- h. The General Fund cash flow shortfall prior to November 15th is estimated to be between \$14,000,000 and \$16,000,000. By this action the Board will authorize a loan not to exceed \$17,500,000 in order to provide for any unanticipated change in the General Fund's cash position.
- i. The General Fund will repay the Risk Management Fund no later than November 30, 2009 in order that interest will not be accrued on the loan.

The Multnomah County Board of Commissioners Resolves:

1. The County authorizes the Chief Financial Officer to make the necessary accounting transactions in FY 2009-10 to loan up to \$17,500,000 from the Risk Management Fund to the General Fund to cover the anticipated cash flow shortfall.
2. The General Fund will reimburse the Risk Management Fund for the entire amount of the loan no later than November 30, 2009.

ADOPTED this 22nd day of October, 2009



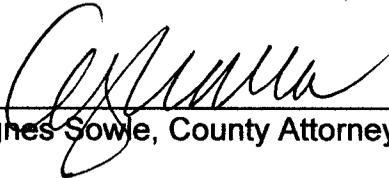
BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON



Ted Wheeler, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By 

Agnes Sowle, County Attorney

SUBMITTED BY:

Mindy Harris, Interim Director, Department of County Management