

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Authorizing the County to Make an Internal Loan from the Risk Management Fund to the Library Fund of not more than \$16,000,000 to Provide for Short-Term Cash Flow Requirements.

The Multnomah County Board of Commissioners Finds:

- a. Property Tax is the largest source of revenue for the Library District. Property Tax revenues are not due and payable until November 15th.
- b. The Library Fund may experience a cash flow deficit prior to the time that property taxes are collected.
- c. In previous years, the County has allocated a General Fund cash transfer to the Library Fund in order to maintain a positive cash flow.
- d. Staff has analyzed the Library's cash flow needs, and the options for short-term borrowing, and has determined that an external borrowing would be more costly than an internal borrowing.
- e. The Risk Management Fund has sufficient cash as of June 30, 2013 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. The Library Fund cash flow shortfall prior to November 15th is estimated to be no more than \$16,000,000.
- h. The Library Fund will repay the Risk Management Fund no later than December 15, 2013. Interest on the loan will be charged at the rate the County earns in the Local Government Investment Pool (LGIP).

The Multnomah County Board of Commissioners Resolves:

1. The County authorizes the Chief Financial Officer to make the necessary accounting transactions in FY 2013-14 to loan up to \$16,000,000 from the Risk Management Fund to the Library Fund to cover the anticipated cash flow shortfall.
2. The Library Fund will reimburse the Risk Management Fund for the entire amount of the loan, plus any accrued interest, no later than December 14, 2013.

ADOPTED this 29th day of August, 2013

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Jeff Cogen, Chair

REVIEWED:

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

By _____
Jenny M. Madkour, County Attorney

SUBMITTED BY:
Mark Campbell, Chief Financial Officer