

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON**

**RESOLUTION NO. 2017-090**

Authorizing an Internal Loan from the Risk Management Fund to the Information Technology Fund in the Amount of \$1,500,000 to Provide Funding for the Renewal of a 5-Year CISCO Enterprise License and Web-X Agreement.

**The Multnomah County Board of Commissioners Finds:**

- a. The current Cisco Enterprise License Agreement expires on October 2017.
- b. Renewal of the Cisco Enterprise License Agreement costs \$2,509,659. Currently, there are not sufficient funds in the Information Technology Fund to cover the entire cost of the Cisco Enterprise License Agreement. Therefore, \$1,500,000 will be borrowed from the Risk Management Fund and the remaining \$1,009,659 will be funded via the Information Technology Fund over the life of the Cisco Enterprise License Agreement.
- c. Renewal of the current Cisco Enterprise License Agreement is required to maintain the countywide phone system operations.
- d. Renewal of the Cisco Enterprise License Agreement provides the county an additional \$530K of products and services and an overall discount of 49% if payment is made in advance.
- e. Renewal of the Cisco Enterprise License Agreement offers the county the highest value, simplicity, and flexibility.
- f. Renewal of the Cisco Enterprise License Agreement provides the county with access to unlimited software products.
- g. The Information Technology Fund will repay the Risk Management Fund as outlined in Attachment A. Interest will accrue on the loan at the rate the county earns in the Local Government Investment Pool.
- h. State statute (ORS 294.468) authorizes the use of internal loans for periods of up to ten years.

**The Multnomah County Board of Commissioners Resolves:**

1. Renewal of the Cisco Enterprise License Agreement is a high priority for Multnomah County and offers the county the highest value, simplicity and flexibility.
2. The county authorizes the Chief Financial Officer to make the necessary accounting transactions in FY 2018 to loan \$1,500,000 from the Risk Management Fund to the Information Technology Fund for funding of the renewal of the Cisco Enterprise License Agreement.

3. The Information Technology Fund will repay the Risk Management Fund for the entire amount of the loan by June 1, 2023.

ADOPTED this 2<sup>nd</sup> day of November, 2017.



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

*Deborah Kafoury*

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Deborah Kafoury, Chair

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

By *Jed Tomkins*  
Jed Tomkins, Senior Asst. County Attorney

SUBMITTED BY: Mark Campbell, Chief Financial Officer, Dept. of County Management.

## Attachment A

### Amortization Schedule

Payment Date	Payment	Principal	Interest	Balance
				\$ 1,500,000
6/1/2019	\$ 313,175	\$ 291,425	\$ 21,750	1,208,575
6/1/2020	313,175	295,651	17,524	912,924
6/1/2021	313,175	299,938	13,237	612,986
6/1/2022	313,175	304,287	8,888	308,699
6/1/2023	313,175	308,699	4,476	-
Total	\$ 1,565,876	\$ 1,500,000	\$ 65,876	