



Elizabeth Comfort
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2051 Kaen Road, Suite 490 | Oregon City, OR 97045

To: Board of County Commissioners
Gary Schmidt, County Administrator

From: Elizabeth Comfort, Finance
Chris Storey, WES Assistant Director
Nate Boderman, County Council

Re: Preliminary Official Statement (POS) for County Road Facility & Refunding of
County Full Faith and Credit 2009 & 2012 Obligations

Date: July 24, 2020

I am forwarding for your review and comment the **Preliminary Official Statement** which describes the upcoming 2020 Full Faith and Credit financing – to add new debt for the County Road Maintenance and Repair Facility and to replace the remaining bonds outstanding from the 2009 (Sunnybrook, Jail, Red Soil Campus Improvements) and 2012 (PDX-Milwaukie Light Rail Project) Full Faith and Credit debt obligation with bonds earning lower interest rates.

The Preliminary Official Statement is a draft disclosure document of the proposed refunding action addressed to all interested parties. It describes the County's current financial position, the existing bonds and the refunding bonds, and provides information from the County's Consolidated Annual Financial Report as of June 30, 2019.

We request you review this document and let us know by Tuesday, July 28, 2020 end of day if you have questions or suggested edits to the information presented.

On April 16, 2020, we presented to the Board the potential new debt for the County Road Facility, the Clackamas County Extension and 4-H District building, funding for the Gladstone and Oak Lodge Library construction and the refinancing of three current full faith and credit obligations. Additionally, staff proposed that two additional projects be included in the financing and thus eligible to use proceeds from the bond issuance: the relocation of existing facilities to new facilities and related infrastructure and improvements arising from or related to the construction of a new County Courthouse; and software and hardware upgrades to existing County financial and technological systems.

Since April we have withdrawn the OSU Extension debt due to a need for redesign and further look to identify the needs and related costs for this construction. Also pulled from the original request are the library constructions and improvements. This decision was due to the timing of the projects' readiness. The planning stages and community design groups are still in formation and actual construction will not be until 2023. Delaying the debt protects the County from potential violations associated with IRS municipal bond arbitrage requirements, which may arise where 85% of the bond proceeds are not spent within three years of the bond's issue date. Finally the 2012 debt (PSB & Public Safety Training Center) refinancing proposal is subject to tax as this obligation was refinanced in 2012.



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On April 16, 2020 the Board approved the resolution authorizing financings for new projects and refundings.

If we can answer any questions as you review the document we are happy to help. Thank you.