



Debt Management Policy

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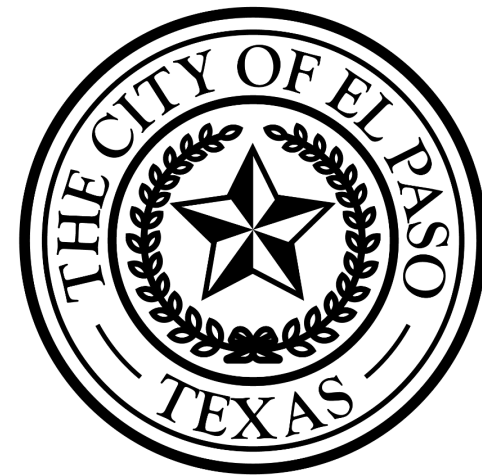




Strategic Plan Alignment

Goal 6. Set the Standard for Sound Governance and Fiscal Management

- *6.6 Ensure continued financial stability and accountability through sound financial management, budgeting and reporting*



Background

- The Debt Management Policy applies to all debt instruments regardless of the funding source
- It establishes guidelines to develop and maintain a sound debt management program
- The objective of the policy is to establish and maintain a solid position with respect to the debt service fund
- The policy is intended to be reviewed at least bi-annually

FY 2021 Policy changes

- Added a paragraph to link the capital improvement plans to the issuance of debt.
- Update the time length for commercial paper to be in line with the investment policy
- Updated capitalization across the document, and acronyms
- Added a paragraph for conduit debt
- Added a paragraph for special assessment bonds
- Update average maturity levels for all bonds
- Clarify the use of the investment earnings and the requirement to be authorized by council action in accordance to bond ordinances
- Added clarification in regard to GASB 89 capitalized interest cost

FY 2021 Policy changes, continues

General Obligation (GO) Bonds Update:

- Update the average life of bonds from 20 to 25 years
- Updated paragraph pertaining to the size of issuance for GOs
- Added uses for GO bonds to include the public safety bond and refunding bonds
- Updated the useful life of assets purchased with GOs to add an exclusion to vehicles and equipment
- Added an exception to the voter authorized debt to distinguish between new proceeds requiring voter approval for issuance and debt refunding, which doesn't require voter approval

FY 2021 Policy changes, continues

Certificates of Obligation (CO) Bonds Update:

- Updated the life of the assets purchase with COs from one year to three years

Refunding of Debt

- Expanded the definition of refunding debt
- Re-emphasize that refunding of debt doesn't require voter approval
- Added clarification regarding the use of escrow accounts and purchase of SLGS with escrow funds

FY 2021 Policy changes, continues

Arbitrage and continuing disclosures

- Arbitrage paragraph added to insert language about compliance with federal tax law.
- Added a section about how arbitrage rebate compliance services are selected
- Added a paragraph to acknowledge that the City will comply with rule 15(c) 2-12 of the Securities and Exchange Commission



Mission

Deliver exceptional services to support a high quality of life and place for our community



Values

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government

