



City of Blaine Anoka County, Minnesota

Blaine City Hall
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Legislation Details (With Text)

File #: RES 18-129 **Version:** 1 **Name:** Approve Debt Management Policy
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Title: ADOPTING A DEBT MANAGEMENT POLICY
Sponsors: Joe Huss
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Attachments: 1. ADOPTED Debt Policy 2018

Date	Ver.	Action By	Action	Result
6/21/2018	1	City Council	Adopted	Pass

ADMINISTRATION - *Joe Huss, Director of Finance*

ADOPTING A DEBT MANAGEMENT POLICY

Workshop Review April 12, 2018
Workshop Review June 7, 2018
Council Approval June 21, 2018

Council reviewed various drafts of the attached Debt Management Policy at Workshops in May and June and directed staff to bring the policy forward for official adoption.

Key elements of the policy include:

- Blaine will strive to confine long-term borrowing to capital improvements, equipment, or projects that have a useful life of at least three years.
- The City will strive to keep maturity length of bonds below 20 years and to retire 65% of outstanding principal within 10 years.
- Every effort will be made to structure its debt repayments to match pledged revenue streams and tax levies.
- Where possible, the City will use revenue (including G.O. backed revenue) or other self-supporting type bonds instead of general obligation bonds.
- The City will not use long-term debt for current operations (including repairs).
- The City will maintain frequent and regular communications with bond rating agencies and comply with Securities Exchange Commission (SEC) reporting requirements.
- Inter-fund borrowing is allowed in certain instances.
- The City may issue debt to refund or refinance existing debt, but only in instances when

the reissuance or refunding provides significant cost savings in terms of net present value of the reduced costs.

Adopt the following resolution for the City's Debt Management Policy

WHEREAS, the City of Blaine recognizes the importance of establishing policies to effectively improve and direct decision making; and

WHEREAS, the attached Debt Management Policy establishes guidelines and parameters for the effective governance, management, and administration of debt and other financing obligations issued by the City of Blaine and the Blaine EDA; and

WHEREAS, the Blaine City Council has reviewed the attached policy and supports the policy's objectives and standards;

NOW, THEREFORE, BE IT RESOLVED, that the Blaine City Council does hereby establish the attached as the Blaine Debt Management Policy.

PASSED by the City Council of the City of Blaine this 21st day of June, 2018