



# City of Blaine Anoka County, Minnesota

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## Legislation Text

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File #: RES 18-129, Version: 1

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**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 21<sup>st</sup> day of June, 2018