



MAYOR AND COUNCIL COMMUNICATION

DATE: 4/02/2013

CONSENT

ITEM #: 12

MOTION

AGENDA ITEM: Approve Debt Management Policy

SUBMITTED BY: Cathy Bendel, Finance Director

THROUGH: Dean Zuleger, City Administrator

REVIEWED BY: Dean Zuleger, City Administrator

SUMMARY AND ACTION REQUESTED: The City Council is asked to consider approval of a policy related to Debt Management for the City of Lake Elmo.

BACKGROUND INFORMATION: The City of Lake Elmo currently has no official policy surrounding Debt Management. Although most items listed are currently being adhered to, there is nothing documenting that fact as there should be. By approving the attached policy the City Council will strengthen the internal controls surrounding the use of debt.

STAFF REPORT: The use of borrowing and the issuance of debt is an important and flexible funding source available to the City. With the anticipated growth on the horizon, it is critical to have a policy surrounding the use of debt and this policy will outline the policy for the City of Lake Elmo.

Debt management is an integral part of the overall financial management of the City. This policy will ensure that adequate financial resources will be available for the repayment of debt while maintaining and/or enhancing the City's credit rating without placing a financial burden on the taxpayers.

RECOMMENDATION: It is recommended that the City Council consider approval of the Debt Management Policy. The suggested motion to do so is as follows:

“Move to approve the Debt Management policy as presented”

ATTACHMENTS:

1. Draft Debt Management Policy

SUGGESTED ORDER OF BUSINESS:

Introduction of Item.....City Administrator
Report/Presentation.....Finance Director
Questions from Council to Staff.....Mayor Facilitates
Public Input, if Appropriate.....Mayor Facilitates
Call for Motion.....Mayor & City Council
Discussion.....Mayor & City Council
Action on Motion.....Mayor Facilitates