



COUNTY OF NEVADA COUNTY EXECUTIVE OFFICE

Eric Rood Administrative Center
950 Maidu Avenue, Suite 220
Nevada City, CA 95959
(530) 265-7040
Fax 265-9839
E-MAIL: ceo@co.nevada.ca.us

NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: January 26, 2016
TO: Board of Supervisors
FROM: County Executive Office
SUBJECT: Approve Resolution Adopting a New Debt Management Policy.

RECOMMENDATION: Approve the resolution.

FUNDING: Not applicable.

BACKGROUND:

One of the priorities of the Board of Supervisors is to maintain the county's financial stability, and that priority is furthered by the Debt Management Policy (DMP) and other Board adopted policies such as the Fund Balance Reserve Policy, the Treasurer's Investment Policy, and the Tax-Exempt Financing Compliance Procedures. The DMP acts as a guide for debt issuance and prescribes best practices when considering the issuance of new debt. The DMP objectives are to maintain financial discipline, prudence and long-term stability; enhance the quality of decisions by establishing a systematic and prudent approach to debt issuance and management; facilitate approval of debt issuance using predetermined policies; protect the County's good credit worthiness and minimize the County's borrowing costs; and to incorporate debt management practices into the County's planning and project management.

The policy includes practices to meet those objectives including, among others: the use of an Ad Hoc Debt Advisory Committee (DAC) which is comprised of the CEO, Auditor Controller, Treasurer-Tax Collector, and County Counsel or their designees; the use of debt affordability measures to ensure financial stability; and the use of external finance professionals to assist in managing and issuing debt.

The proposed Debt Management Policy has been developed in collaboration with the County Executive Office, the Auditor-Controller, and an independent financial advisor, and incorporates Government Finance Officers Association (GFOA) recommendations and other best practices of fiscal management in this policy area.

Item Initiated by: Martin Polt, Deputy County Executive Officer

Approved by: Richard A. Haffey, County Executive Officer