

## **Chapter 3.40**

### **MUNICIPAL DEBT POLICY**

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**3.40.030 Consistency with Debt  
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**3.40.010 Findings and Purpose**

The City Council finds and declares that debt, properly issued and managed, is a critical element in any financial management program. Poor management of debt can have ripple effects that hurt other areas of the City. Therefore, in order to provide guidance in the issuance and management of debt by the City or its related entities and in compliance with Government Code Section 8855(i), the City Council shall require that a Debt Policy be adopted pursuant to the provisions of this Chapter. The main objectives of the Debt Policy shall be to establish policies governing the appropriate use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the City's interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

**3.40.020 Adoption of Debt Policy /  
Amendments**

The City Council shall adopt a comprehensive Debt Policy by resolution at a regularly scheduled City Council meeting or any special meeting called for that purpose. Thereafter, the Debt Policy may be amended following a public hearing at a regularly scheduled City Council meeting and upon a majority vote of the City Council by subsequent resolution at a separate regularly scheduled City Council meeting, provided

the amendment is consistent with the provisions of this Chapter.

**3.40.030 Consistency with Debt Policy**

The City Council shall not issue, refund, refinance or otherwise incur any debt unless it is consistent with the Debt Policy and the Ripon General Plan.