

TOWN OF BOULDER JUNCTION DEBT MANAGEMENT POLICY

The Town of Boulder Junction shall, as a matter of policy, conduct its finances so that the amount of direct, non self-supporting, unlimited tax general obligation debt outstanding plus general obligation anticipation debt outstanding at any time that is subject to approval by the Town Board does not exceed 75% of the Town's legal debt margin capacity which is calculated at 5% of the Town's total equalized valuation.

The Town will seek the best financing types, debt structure and time frame for each financing need based on project needs, timing, tax or rate payer equity, and lowest true interest cost.

When the Town finances capital projects by issuing debt, it will pay back the related debt within a period not to exceed the expected useful life of the projects.

The Town should periodically review all outstanding debt to determine if savings can be achieved through refunding.

The Town will promote effective communications regarding its financial conditions with bond rating agencies and others in the marketplace based on full disclosure. The Town shall strive to achieve and maintain the highest long term credit/bond rating available through known sources and indices.

The Town will regularly evaluate its adherence to the debt management policy.

<u>POLICY HISTORY</u>
Approved:
Language Amendments: