

1 [Debt Management Policy and Procedures - Controller's Office of Public Finance]

2

3 **Resolution approving the Controller's Office of Public Finance's debt management**
4 **policy and procedures to manage the debt issuance process, pursuant to California**
5 **Government Code, Section 8855.**

6

7 WHEREAS, The Controller's Office of Public Finance ("Office of Public Finance")
8 manages the issuance of the City's general fund backed bonded indebtedness, and
9 administers the City's outstanding general fund backed debt portfolio; and

10 WHEREAS, The Office of Public Finance has prepared a document entitled "Debt
11 Policy of the City and County of San Francisco" ("Debt Policy") on file with the Clerk of the
12 Board of Supervisor in File No. 170631 that sets forth the debt management policies and
13 procedures of the City to effectively manage the debt issuance process and administer the
14 City's outstanding general fund backed debt portfolio; and

15 WHEREAS, The Debt Policy is intended to establish debt policy objectives (e.g.
16 maintaining moderate debt and debt service levels, maintain highest practical credit ratings,
17 etc.), improve the quality of decision-making processes, provide guidelines for appropriate
18 debt structures, establish processes and internal controls for the observance of debt issuance
19 and debt administration legal requirements, and demonstrate a commitment to best practices
20 in municipal debt planning, issuance and management; and

21 WHEREAS, The Government Finance Officers Association recommends as a best
22 practice the formal adoption of debt policies as a sound financial management practice to
23 guide debt issuance and administration decision making; and

24 WHEREAS, Chapter 307, Statutes of 2016 (SB 1029, amending Government Code,
25 Section 8855) was recently enacted to require, among other things, that local governments

1 certify 30 days prior to the sale of any bonds that it has adopted debt policies in accordance
2 with the requirements of Government Code, Section 8855, as amended; and

3 WHEREAS, The Office of Public Finance has recently undertaken a review of the Debt
4 Policy to ensure that it incorporates the requirements of Government Code, Section 8855, as
5 amended, and otherwise reflects current industry best practices; and

6 WHEREAS, The Board of Supervisors now desires to formally adopt the Debt Policy of
7 the City; now, therefore, be it

8 RESOLVED, That the foregoing recitals are true and correct; and, be it

9 FURTHER RESOLVED, That Controller’s Office of Public Finance’s Debt Policy is
10 hereby approved; and, be it

11 FURTHER RESOLVED, That the Controller and the Director of the Office of Public
12 Finance is hereby authorized and directed to make such changes to the Debt Policy to take
13 into account changes in law, and changes in best practices; provided that such changes shall
14 be filed with the Clerk of the Board within 30 days of any such change with a brief
15 memorandum explaining the nature of the change; and, be it

16 FURTHER RESOLVED, That this Resolution shall take effect immediately upon its
17 adoption.