



Staff Report

File #: 23-0513

REQUEST FOR CITY COUNCIL ACTION

DATE: 06/21/2023

TO: Honorable Mayor and City Council Members

FROM: Finance Department

SUBJECT:

RESOLUTION APPROVING THE CITY OF CORONA'S DEBT POLICY AND PROCEDURES AND REPEALING RESOLUTION NO. 2020-099

EXECUTIVE SUMMARY:

This staff report asks the City Council to adopt Resolution No. 2023-050 to update the Debt Policy with changes to the title of personnel and departments to correspond to the City's reorganization completed in Fiscal Year 2022, as well as additional minor clean-up language.

RECOMMENDED ACTION:

That the City Council adopt Resolution No.2023-050, approving the City of Corona's Debt Policy and Procedures and repeal Resolution No. 2020-099.

BACKGROUND & HISTORY:

The City of Corona, following the best practice guidelines for debt management published by the Government Finance Officers Association (GFOA), develops and maintains a formal Debt Policy and Procedures (the "Policy") to ensure that debt is issued and managed prudently. The purpose of the Policy is to improve the quality of decisions, articulate policy goals, provide guidelines for the structure of debt issuance, and demonstrate a commitment to long-term capital and financial planning.

The Policy is reviewed periodically by the Finance Department with assistance from the City's Municipal Advisor, CSG Advisors. Policy updates are presented to the City Council for adoption. The Policy was previously approved by the City Council on August 5, 2020.

ANALYSIS:

The City completed a reorganization in 2022 and made changes to various department structures and titles. Those changes require the Debt Policy to be updated accordingly. In addition, the

reference to the City's Municipal Advisor is updated along with minor clean-up language in the Method of Debt Offering Section (Policy Page 6) and Bond Issue Credit Quality Requirement Section (Policy Page 19), to clarify and update current processes.

FINANCIAL IMPACT:

There is no fiscal impact. The Policy is presented for review and approval.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. To update an existing policy, it has been determined that there will be no significant impact on the environment by approving this policy. As a result, no environmental analysis is necessary.

PREPARED BY: ELIANA NGUYEN, ACCOUNTING SUPERVISOR

REVIEWED BY: KIM SITTON, FINANCE DIRECTOR

Attachments:

1. Exhibit 1 - Resolution No. 2023-050
2. Exhibit 2 - Administrative Policy 01200.801 - Debt Policy and Procedures
3. Exhibit 3 - Debt Policy and Procedures - FY 23 Redline