



**DOUGLAS COUNTY
ADMINISTRATIVE POLICIES AND PROCEDURES**

TITLE Debt	Approval Date 12/18/07
POLICY CUSTODIAN Finance	Revision Date

PURPOSE: To set forth guidelines for entering into debt, such as revenue bonds, general obligation debt, or lease agreements.

DEPARTMENT RESPONSIBLE: Finance

DEPARTMENT(S) AFFECTED: All

POLICY:

1. Debt will not be incurred to finance current operating expenditures.
2. The debt period for bonds used to finance capital projects shall not exceed the useful life of the project.
3. Every effort will be made to obtain the best possible bond rating for the County and to maintain a favorable rating through prudent financial management and adherence to a policy of full disclosure on finance reporting.
4. As required by constitutional amendment or statute, appropriate elections will be held to obtain voter approval for debt issuance.
5. The Board of County Commissioners is authorized to execute lease agreements on behalf of the County.
6. In accordance with state statute, general obligation debt shall not exceed 1.5 percent of the assessed valuation of county property.