City of Portland, Oregon--Debt Management Policies

I. COMPREHENSIVE CAPITAL PLANNING AND FINANCING SYSTEM

A. **Capital Planning and Financing Approach.** The City shall utilize an integrated approach to capital planning and financing in preparing a multi-year Capital Improvement Plan for City Council consideration and adoption. Individual bureaus and agencies shall develop multi-year capital plans. Coordination and preparation of the Citywide Capital Improvement Plan (the "CIP") shall reside with the Office of Management and Finance. The CIP shall be for the ensuing five fiscal years and shall be updated at least annually as part of the City budget process. The CIP shall contain a comprehensive description of the sources of funds, including current revenue requirements; identify the timing of project expenditures and their impact on future operating and capital budgets; and evaluate the impact of the projects on the amount and timing of bonds to be issued, debt service requirements, outstanding debt, and debt burden. In developing the CIP, an assessment shall be undertaken to determine whether the planned financings conform with policy targets related to (1) the magnitude and composition of the City's indebtedness, and (2) the fiscal resources of the City to support such indebtedness over the next five years. Affordability impacts of the CIP shall be evaluated in consultation with the various City Bureaus.

B. **Pay-As-You-Go Funding of Capital Outlays.** The City shall strive to make contributions from its own current revenues or from outside funding sources, such as state or federal grants, to each capital project or program equal to at least 5% of its total capital cost.

C. **Maintenance, Replacement and Renewal.** Consistent with its philosophy of keeping its capital facilities and infrastructure systems in good repair and to maximize the capital stock's useful life, the City will set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic replacement and renewal.

D. **Debt Authorization.** No City debt issued for the purpose of funding capital projects shall be authorized by the City Council unless it has been included in the CIP or until the Council has modified the CIP. Such modification shall occur only after the Council has received a report of the impact of the contemplated borrowing on the existing CIP and recommendations as to the financing arrangements from the Bureau of Financial Services.

E. **Debt Planning.** It shall be the responsibility of the Debt Manager to coordinate the timing, process, and sale of City debt required in support of the CIP. The Debt Manager shall make recommendations to the City Council as necessary in order to accomplish City financing objectives.

II. LIMITATIONS ON CITY INDEBTEDNESS

A. **Target Limitations on Non-Self-Supporting Unlimited Tax General Obligation Indebtedness.** The City shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, unlimited tax general obligation ("UTGO") debt outstanding at any time that is subject to approval by the voters (excluding long-term, non-self-supporting leases) does not exceed 0.75% of the City's taxable real market value.

B. **Target Limitations on Non-Self-Supporting Limited Tax Indebtedness.** The City shall, as a matter of policy, manage its finances so that the amount of direct, non-self-supporting, limited tax indebtedness and full faith and credit lease purchase obligations outstanding at any time that are not subject to approval by the voters does not exceed 1.0% of the City's taxable real market value.

Furthermore, the City shall strive to limit the annual debt service requirements on these obligations to an amount not greater than 7% of annual General Fund revenues.

These limitations apply to debt obligations issued with a specific pledge of the City's General Fund, obligations secured by a pledge of the City's full faith and credit, and obligations that are secured by available general funds, and which are not self-supporting, or which are paid for from General Fund monies. Also included within this limitation are any other loan agreements entered into directly by the City or secured indirectly by a pledge of the City's General Fund. These limitations shall not apply to indebtedness as described in II.G. below.

C. **Target Limitations on Self-Supporting Limited Tax Indebtedness.** The City shall, as a matter of policy, manage its finances so that the amount of direct, self-supporting, limited tax indebtedness outstanding at any time that is not subject to approval by the voters does not exceed 1.0% of the City's taxable real market value.

This limitation applies to debt obligations issued with a specific pledge of the City's General Fund, obligations secured by a pledge of the City's full faith and credit, and obligations that are secured by available general funds. It shall be the responsibility of the Debt Manager and the Director of the Bureau of Financial Services to determine whether such General Fund-secured obligations are classified as self-supporting. Such determination shall be made based upon factors including, but not limited to, length of history of the payment revenue source, debt service coverage, revenue volatility and classification of such debt by bond rating agencies. These limitations shall not apply to indebtedness as described in II.G. below.

D. **Target Limitations on Lease-Purchase Financing of Equipment and Furnishings.** The City may enter into short-term lease-purchase obligations to finance the acquisition of capital equipment and furnishings with estimated useful lives of less than ten years. Outstanding lease-purchase obligations issued to finance capital equipment and furnishings shall not exceed 0.125% of the City's taxable real market value. Repayment of these lease-purchase obligations shall occur over a period not to exceed the useful life of the underlying asset or in any case no longer than five years from the issue date of such obligations. The Debt Manager of the Office of Management and Finance shall be responsible for developing procedures for use by City Bureaus interested in participating in the lease-purchase program, and for setting repayment terms and amortization schedules, in consultation with participating Bureaus.

E. **Limitations on General Fund Loan Guarantees and Credit Support.** As part of the City's financing activities, General Fund resources may be used to provide credit support or loan guarantees for public or private developments that meet high priority City needs. Before such General Fund commitments are made, specific policy goals and objectives that determine the nature and type of projects qualifying for such support, and specific limitations to be placed on the maximum amount of General Fund resources pledged to such projects shall be developed. The Office of Management and Finance shall be responsible for coordinating the development of such policies and goals, which shall not take effect until approved by the City Council. General Fund loan guarantees shall be subject to the overall debt limitations set forth in II.B above.

Recognizing the limited capacity of the City's General Fund to support both ongoing operating programs and secure long-term debt obligations, use of the General Fund to secure such obligations must first be approved by the Debt Manager and the Director of the Bureau of Financial Services. Key factors that will be considered in determining whether or not the General Fund should be used to secure a particular debt obligation will include the following:

1. Demonstration of underlying self-support, thus limiting potential General Fund financial exposure.

2. Use of General Fund support as a transition to a fully stand-alone credit structure, where interim use of General Fund credit support reduces borrowing costs and provides a credit history for new or hard–to-establish credits.

3. General Fund support is determined by the City Council to be in the City's overall best interest.

F. **Target Limitations on the Issuance of Revenue-Secured Debt Obligations.** The City shall finance the capital needs of its revenue producing enterprise activities through the issuance of revenue-secured debt obligations. Prior to issuing revenue-secured debt obligations, City Bureaus, in consultation with the Debt Manager, will develop financial plans and projections showing the feasibility of the planned financing, required rates and charges needed to support the planned financing, and the impact of the planned financing on ratepayers, property owners, City Bureaus, and other affected parties. The amount of revenue-secured debt obligations issued by a City Bureau will be limited by the feasibility of the overall financing plan as determined by the Debt Manager.

Revenue-secured debt obligations must first be reviewed and approved by the Debt Manager and the Director of the Bureau of Financial Services before being issued.

G. **Pension Obligation Debt.** The City may elect to fund accrued pension liabilities through the issuance of pension obligation bonds rather than funding such obligations on a pay-as-you-go basis. The principal amount of outstanding pension obligations and the debt service on such obligations shall be excluded from calculations of outstanding debt under Section II (A) (B) and (C) of this debt policy.

III. STRUCTURE AND TERM OF CITY INDEBTEDNESS

A. **Rapidity of Debt Repayment.** Generally, borrowings by the City should be of a duration that does not exceed the economic life of the improvement that it finances and where feasible should be shorter than the projected economic life. Moreover, to the extent possible, the City should design the repayment of debt so as to recapture rapidly its credit capacity for future use. The City shall strive to repay the principal amount of its long-term general obligation debt (both voter and non-voter approved) according to the following schedule: at least 20% in five years and 40% in ten years. The City may choose to structure debt repayment so as to wraparound existing obligations or to achieve other financial planning goals. Such alternative structures shall be subject to the approval of the Debt Manager and Director of the Bureau of Financial Services, in consultation with the involved Bureaus, before being recommended to the City Council.

B. **Use of Variable-Rate Securities.** When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities. The decision to issue such securities must be reviewed and approved by the Debt Manager and the Director of the Bureau of Financial Services, in consultation with the City Treasurer, before Council is requested to approve their issuance. Prior to issuing variable rate debt, Bureaus shall develop a plan to address interest rate risk associated with these instruments.

C. **Pledge of Restricted Funds to Secure Debt.** The City has the power to make an irrevocable pledge of a security interest in an account created exclusively for the security of holders of City obligations. Before such funds are used to secure a prospective financing, policies regarding the use of such restricted funds shall be developed by the affected Bureau and the Debt Manager, subject to approval by the Director of the Bureau of Financial Services, to ensure that the use of such funds to secure bonds does not violate restrictions on such funds and that underlying program commitments can be

maintained in addition to meeting debt service obligations on debt secured by the restricted funds. These policies shall be presented as recommendations to the City Council prior to or at the time issuance of the secured debt is to be authorized.

D. **Use of Subordinate Lien Obligations.** Creation of a subordinate lien financing structure, if appropriate, shall be based on the overall financing needs of a particular bureau, expected credit ratings, relative cost of a subordinate lien structure, and impacts on the City as determined by the Debt Manager and the Director of the Bureau of Financial Services, in consultation with the involved Bureau. The results of this review shall be presented in the form of recommendations to Council for consideration prior to or at the time such bonds are being authorized.

IV. SHORT-TERM DEBT AND INTERIM FINANCING

A. **Lines and Letters of Credit.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City has the power to enter into agreements with commercial banks or other financial entities for purposes of acquiring lines or letters of credit that shall provide the City with access to credit under terms and conditions as specified in such agreements. Before entering into any such agreements, takeout financing or intended amortization for such lines or letters of credit must be planned for and determined to be feasible by the Debt Manager. Any agreements with financial institutions for the acquisition of lines or letters of credit shall be approved by the City Council. Lines and letters of credit entered into by the City shall be in support of projects contained in the approved CIP.

B. **Bond Anticipation Notes.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City may choose to issue Bond Anticipation Notes as a source of interim construction financing. Before issuing such notes, takeout financing for such notes must be planned for and determined to be feasible by the Debt Manager. Bond Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the City Council.

C. **Tax and Revenue Anticipation Notes.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City may choose to issue Tax and Revenue Anticipation Notes to fund internal working capital cashflow needs. Before issuing such notes, cashflow projections will be prepared by the appropriate City Bureaus and reviewed by the Debt Manager. Tax and Revenue Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the City Council.

D. **Commercial Paper.** The City may choose to issue tax-exempt or taxable commercial paper as a source of interim construction financing for projects contained in the City's approved CIP only after the Debt Manager, in consultation with the City Treasurer, determines that such a financing represents the least cost interim financing option for the City. Furthermore, commercial paper shall not be issued for City capital programs unless it is of sufficient economic size as determined by the Debt Manager. A report recommending the issuance of commercial paper must first be approved by the Director of the Bureau of Financial Services before recommendations are made to City Council authorizing the establishment of such a program.

V. IMPROVEMENT DISTRICT AND ASSESSMENT CONTRACT FINANCING

A. **Financing Policies.** The policies guiding the City's improvement district and assessment contract financing program shall be guided by City Council Resolution No. 34847, as amended.

B. **Interest Rates on Local Improvement District Assessment Contracts.** The interest rate on local improvement district assessment contracts funded from the proceeds of assessment bonds shall be equal to the effective interest rate paid on the bonds sold to finance such contracts plus an additional percentage "bump rate" sufficient to cover administrative costs, cash flow requirements and reserve requirements. The bump rate shall be adjusted periodically based upon the historical improvement assessment bond collection history and consultation among the Auditor's Office, the Debt Manager, and the City Treasurer. The bump rate charged on assessment contracts with governmental bodies and other public entities may be lower than that of private property owners due to a lower risk of payment default.

C. **Interim Assessment Contract Interest Rates.** The interim assessment contract interest rate is the interest rate set on contracts that precede the sale of assessment bonds. This rate shall be set at a level deemed reasonable and prudent by the Debt Manager and the Auditor's Office to insure that funds collected through assessment contract payments are sufficient to meet that portion of future debt service requirements on improvement assessment bonds attributable to such contracts.

D. **Commitment to Self-Supporting Improvement District Financings.** Consistent with the concept of Improvement District and Assessment Contract financing, all of the City's improvement assessment indebtedness shall be self-supporting. Prior to the issuance of improvement assessment bonds, the Auditor's Office shall review projected cash flows which incorporate scheduled assessment contract payments, prepayments, delinquencies, and non-payments with the Debt Manager to ensure that the proposed bonds meet the City's self-supporting requirement.

VI. URBAN RENEWAL FINANCING

A. **Financing Policies.** Recognizing the uncertainty created by Oregon's property tax system, assessed value growth, and Oregon's initiative environment, the City will adopt a conservative approach to issuing urban renewal bonds, notes and interim financing. The Debt Manager, in consultation with the Portland Development Commission, shall develop policies and planning standards to guide capital project planning and financing in urban renewal districts.

B. **Commitment to Self-Supporting Tax Increment Financings.** The City shall strive to maintain its tax increment obligations as self-supporting indebtedness. Prior to the issuance of tax increment bonds, the Debt Manager, in consultation with the Portland Development Commission, shall review historical tax increment collections to ensure that the proposed bonds will meet the City's self-support requirement. No long-term debt shall be issued until the district has a five-year history of tax increment collections which demonstrate that the debt can be supported.

C. **Limitation on Short-Term Indebtedness.** The City shall limit the outstanding short-term indebtedness incurred on behalf of an urban renewal area (URA) to an amount that, when converted to long-term debt using reasonable borrowing assumptions, is fully self-supporting either from existing available tax increment revenues or from future available tax increment revenues that have been reasonably projected by the Debt Manager to be sufficient to fully support the outstanding short-term debt. Available tax increment revenues shall mean those tax increment revenues remaining after the payment of any long-term bonded indebtedness of the URA.

In projecting future tax increment revenues, the Debt Manager may:

1. Determine current borrowing capacity by projecting tax increment revenues for a five-year period. Short-term indebtedness may be incurred in amounts which are projected to be fully self supporting by the projected available tax increment revenues in the fifth year of the forecast.

2. Consider the value of a development agreement or similar contractual obligation that provides the City with reasonable assurance that the timing and assessed value of new taxable, non-abated development will be sufficient to support indebtedness in excess of that which can be paid from existing available tax increment revenues. The extent to which the Debt Manager will support additional indebtedness will be based on the particular nature of the contractual obligations of the private developers.

Exceptions to these limitations may be approved by a specific action of the City Council. If Council deems a project to be sufficiently important to allow borrowing in a URA in amounts in excess of the limits contained in this section, it may do so by acknowledging that tax increment revenues are not reasonably projected to be sufficient to support the indebtedness and the City's General Fund may be at an increased risk for the ultimate repayment of the indebtedness. In this circumstance, the Debt Manager may further recommend that a loss reserve be included as a contingent expenditure in the General Fund Financial Forecast.

D. **Debt Service Coverage Standards Based on Type of Urban Renewal District.** Because each type of urban renewal district carries different levels of risk, the City shall adopt appropriate debt service coverage planning standards for each type of district, including Option 3 districts, "window" districts (approved between December 6, 1996 and October 6, 2001), reduced rate plans, and other types of districts as may be created through the Oregon legislative process. These standards may consider the availability of the urban renewal Special Levy, non-tax increment sources of debt repayment, diversity of property ownership, mix of property types, or other credit factors as determined by the Debt Manager.

VII. CONDUIT FINANCINGS

The City may sponsor conduit financings for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the Portland Development Commission. All conduit financings must insulate the City completely from any credit risk or exposure and must first be approved by the Debt Manager and the Director of the Bureau of Financial Services before being submitted to City Council for authorization and implementation.

Conduit financings shall either:

1. Carry a rating not lower than "A3" or "A-" by Moody's Investors Service and/or Standard & Poor's Corporation, respectively. Exceptions to this requirement may only be made by the Debt Manager and the Director of the Bureau of Financial Services.

2. Be sold via a private sale only to 'accredited investors" pursuant to City Code Section 5.72.080.

The obligated borrower in a conduit financing shall be responsible for complying with all arbitrage rebate requirements associated with the bonds and shall, prior to the closing of the bonds, enter into a contract for rebate services with a firm recognized as having expertise in performing arbitrage rebate calculations for tax-exempt bonds.

VIII. FINANCING PROPOSALS

Any capital financing proposal made to a City Bureau, Agency, or Commission involving a pledge or other extension of the City's credit through the sale of securities, execution of loans or leases, or making of guarantees or otherwise involving directly or indirectly the lending or pledging of the City's credit shall be referred to the Debt Manager, who in a timely manner shall be responsible for analyzing the proposal, responding to the proposal, and recommending to the Director of the Bureau of Financial Services the required action to be taken.

IX. SELECTION OF FINANCE CONSULTANTS AND SERVICE PROVIDERS

The City's Debt Manager shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the City's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices. The solicitation and selection process for such services will comply with City Code requirements for such services, including procurement requirements for Professional, Technical, and Expert Services if appropriate.

A. **Bond Counsel.** As part of its responsibility to oversee and coordinate the marketing of all City indebtedness, the City Attorney, with advice of the Debt Manager and a committee representing City Bureaus, Agencies, and Commissions with capital financing needs, shall make recommendations to the City Council regarding the selection of Bond Counsel to be employed and the duration of the employment for individual or a series of financings. The Council shall make such selection, taking into consideration these recommendations.

B. **Underwriters.** The Debt Manager shall solicit proposals for underwriting services for all debt issued in a negotiated or private placement sale mode. The solicitation process shall include formation of a review committee to evaluate written proposals and, if deemed necessary, conduct oral interviews. In addition, the proposal solicitation and selection process for negotiated sales as developed by the Debt Manager and amended from time to time, shall also be followed. The selection of underwriters may be for an individual or series of financings or a specified time period. The Council shall make such selections taking into consideration the recommendations of the review committee.

C. **Financial Advisor.** The Debt Manager, with advice of a committee representing City Bureaus, Agencies, and Commissions with capital financing needs, shall make recommendations to the City Council regarding the selection of financial advisors to be employed and the duration of such employment. The time period for employment may relate to an individual or a series of financings, or for a specified period of time. The Council shall make such selections taking into consideration the recommendations of the review committee.

D. **Paying Agent.** The Debt Manager, in consultation with the City Treasurer, shall solicit periodically for paying agent services from qualified commercial and trustee banks. The cost of providing such services shall be used by the Debt Manager, along with other qualitative measurements, in selecting a Paying Agent.

E. **Other Service Providers.** The Debt Manager shall periodically solicit for providers of other services necessary to carry out the debt issuance activities of the City (escrow agents, verification agents, trustees, etc.). The Debt Manager in selecting such additional service providers shall evaluate the cost and perceived quality of service of the proposed service provider.

X. METHOD OF SALE

A. **Presumption of Competitive Sale.** The City, as a matter of policy, shall issue its debt obligations through a competitive sale unless the Debt Manager determines that such a sale method will not produce the best results for the City. In such instances where the City deems the bids received through a competitive sale process as unsatisfactory or does not receive bids, it may, at the election of the City Council, enter into negotiation for sale of the securities.

B. **Negotiated Sale.** When determined appropriate by the Debt Manager and approved by the Director of the Bureau of Financial Services, the City may elect to sell its debt obligations through a negotiated sale. Such determination may be made on an issue by issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in these Debt Policies, consistent with City Code.

C. **Private Placement.** When determined appropriate by the Debt Manager and approved by the Director of the Bureau of Financial Services, the City may elect to sell its debt obligations through a private placement or limited public offering. Selection of a placement agent shall be made pursuant to selection procedures developed by the Debt Manager, consistent with City Code.

E. **Use of Technology in Bond Sale Process.** The City shall encourage the use of electronic bidding systems, electronic dissemination of disclosure information and other technological methods whenever the use of such technology is expected to reduce sale costs and enhance market participation in City financings.

XI. REFUNDING OF CITY INDEBTEDNESS

A. Debt Service Savings--Advance Refundings. The City may issue advance refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings equals or exceeds 5 percent, calculated in accordance with Oregon Administrative Rules on Advance Refundings. In addition, issuance of advance refunding bonds that generate at least 3 percent, but less than 5 percent, net present value savings may be allowed with the approval of the Debt Manager and the Director of the Bureau of Financial Services. Such approval, if given, shall be based upon an opportunity cost analysis of the net present value savings benefits of executing the advance refunding versus waiting for a possible future decline in interest rates.

B. Debt Service Savings--Current Refundings. The City may issue current refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings equal or exceed $100,000.

C. Restructuring of Debt. The City may choose to refund outstanding indebtedness when existing bond covenants or other financial structures impinge on prudent and sound financial management. Savings requirements for current or advance refundings undertaken to restructure debt may be waived by the Debt Manager and the Director of the Bureau of Financial Services upon a finding that such a restructuring is in the City's overall best financial interests.

D. Open Market Purchase of City Securities. The City may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible. The Debt Manager and the City Treasurer shall be responsible for developing procedures for executing open market purchases and the savings objectives to be achieved by undertaking such actions.

XII. USE OF CREDIT ENHANCEMENT

The City shall use credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost-effective. Selection of credit enhancement providers shall be subject to a competitive bid process developed by the Debt Manager. Credit enhancement may be used to improve or establish a credit rating on a City debt obligation even if such credit enhancement is not cost effective if, in the opinion of the Debt Manager, the use of such credit enhancement meets the City's debt financing goals and objectives.

XIII. CREDIT RATINGS

A. Rating Agency Relationships. The Debt Manager shall be responsible for maintaining relationships with the rating agencies that currently assign ratings to the City's various debt obligations. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

B. Use of Rating Agencies. The Debt Manager shall be responsible for determining whether or not a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.

C. Minimum Long-Term Rating Requirements. The City's minimum rating requirement for its direct, long-term, debt obligations is a rating not lower than "A3" by Moody's Investors Service or "A-" by Standard & Poor's Corporation. If such a debt obligation cannot meet this requirement based on its underlying credit strength, then credit enhancement shall be sought to ensure that the minimum rating is achieved. If credit enhancement is unavailable or is determined by the Debt Manager to be uneconomic, then the obligations may be issued without a rating.

A lower rating standard may be accepted for indirect or conduit obligations, subject to the approval of the Debt Manager and the Director of the Bureau of Financial Services.

XIV. REBATE REPORTING AND COVENANT COMPLIANCE

The Debt Management Group shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues.

It shall be the primary responsibility of debt-issuing Bureaus to ensure that appropriate accounting records of tax-exempt bond expenditures are maintained for a period that time that allows the City to comply with its arbitrage rebate requirements. The Debt Management Group shall advise Bureaus on appropriate record-retention timeframes based upon current legal requirements and industry best practices. Bureaus are further responsible to promptly notify the Debt Management Group of any issues surrounding the appropriate use of tax-exempt bond proceeds or facilities financed with tax-exempt bonds.

Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored to ensure that all covenants are complied with.

XV. ONGOING DISCLOSURE

The Debt Manager shall be responsible for providing ongoing disclosure information to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies

XVI. DERIVATIVE PRODUCTS

The City may in the future choose to enter into contracts and financing agreements involving interest rate swaps, floating/fixed rate auction or reset securities, or other forms of debt bearing synthetically determined interest rates as authorized under Oregon statutes. The use of such products shall conform to the City's Interest Rate Exchange Agreement Policy.

XVII. OTHER POLICIES AND REQUIREMENTS

A. Annual Audit of City. The annual audit of the City shall describe in detail all funds and fund balances established as part of any direct debt financing of the City. The audit may also contain a report detailing any material or rate covenants contained in any direct offering of the City and whether or not such covenants have been satisfied.