

TITLE 5**MUNICIPAL FINANCE AND TAXATION¹****CHAPTER**

1. MISCELLANEOUS.
2. REAL AND PERSONAL PROPERTY TAXES.
3. PRIVILEGE TAXES.
4. WHOLESALE BEER TAX.
5. PURCHASING POLICY.
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CHAPTER 1**MISCELLANEOUS****SECTION**

- 5-101. Official depository for city funds.
- 5-102. Fiscal year.
- 5-103. Signing of checks.
- 5-104. City budget.

5-101. Official depository for city funds. Municipal funds may be deposited in any bank or banks located within the city. (1982 Code, § 6-101, modified)

5-102. Fiscal year. The fiscal year of the city shall begin on July 1 of each year and end on June 30 of the following year. (1982 Code, § 6-102)

5-103. Signing of checks. All checks issued in payment for expenditures shall be signed by the city recorder and countersigned by the mayor. (1982 Code, § 6-103)

5-104. City budget. It shall be the duty of the mayor each year to present to the city council a tentative budget for the ensuing fiscal year.

Such tentative budget shall be based upon expected revenues for the ensuing fiscal year. Total estimated expenditures shall not exceed expected revenues. (1982 Code, § 6-104)

¹Charter reference
Finance: § 4.

CHAPTER 2**REAL AND PERSONAL PROPERTY TAXES****SECTION**

5-201. When due and payable.

5-202. When delinquent--penalty and interest.

5-201. When due and payable. Taxes levied by the city against real and personal property shall become due and payable annually on July 1 of the year for which levied. (1982 Code, § 6-201)

5-202. When delinquent--penalty and interest. All real property taxes shall become delinquent on and after the first day of November next after they become due and payable and shall thereupon be subject to such interest as is authorized and prescribed by the state law for delinquent county real property taxes and a penalty not to exceed six percent (6%) per annum on the amount due. (1982 Code, § 6-202)

CHAPTER 3

PRIVILEGE TAXES

SECTION

5-301. Tax levied.

5-302. License required.

5-301. Tax levied. Except as otherwise specifically provided in this code, there is hereby levied on all vocations, occupations, and businesses declared by the general laws of the state to be privileges taxable by municipalities, an annual privilege tax in the maximum amount allowed by state laws. The taxes provided for in the state's Business Tax Act (Tennessee Code Annotated, § 67-4-701, et seq.) are hereby expressly enacted, ordained, and levied on the businesses, business activities, vocations, and occupations carried on within the city at the rates and in the manner prescribed by the act. The proceeds of the privilege taxes herein levied shall accrue to the general fund. (1982 Code, § 6-301)

5-302. License required. No person shall exercise any such privilege within the city without a currently effective privilege license which shall be issued by the recorder to each applicant therefor upon the applicant's payment of the appropriate privilege tax. (1982 Code, § 6-302)

CHAPTER 4

WHOLESALE BEER TAX**SECTION**

5-401. To be collected.

5-401. To be collected. The recorder is hereby directed to take appropriate action to assure payment to the city of the wholesale beer tax levied by the Wholesale Beer Tax Act, as set out in Tennessee Code Annotated, title 57, chapter 6.¹ (1982 Code, § 6-401)

¹State law reference

Tennessee Code Annotated, title 57, chapter 6 provides for a tax of seventeen percent (17%) on the sale of beer at wholesale. Every wholesaler is required to remit to each municipality the amount of the net tax on beer wholesale sales to retailers and other persons within the corporate limits of the municipality.

CHAPTER 5

PURCHASING POLICY

SECTION

- 5-501. Purchasing procedures.
- 5-502. Relations of other departments with the purchasing department.
- 5-503. Purchasing forms and methods.
- 5-504. Emergency purchases.

5-501. Purchasing procedures. As designated in the Charter of the City of Hohenwald and in this chapter, the city administrator or his/her designee shall act as purchasing agent for the city, with power, except as set out in these procedures, to purchase materials, supplies, equipment; secure leases and lease-purchases; and dispose of and transfer surplus property for the proper conduct of the city's business. All contracts, leases, and lease-purchase agreements extending beyond the end of any fiscal year must have prior approval of the governing body.

The purchasing agent shall have the authority to make purchases, leases, and lease purchases of more than four thousand dollars (\$4,000.00) and less than ten thousand dollars (\$10,000.00) singly or in the aggregate during any fiscal year and, except as otherwise provided herein, shall require three (3) competitive bids or quotations, either verbal or written, whenever possible prior to each purchase. Purchases of more than ten thousand dollars (\$10,000.00) but less than twenty-five thousand dollars (\$25,000.00) shall require three (3) written competitive bids. Competitive bids or quotations for the purchase of items that cost less than four thousand dollars (\$4,000.00) are desirable but not mandatory. All competitive bids or quotations received shall be recorded and maintained in the office of the purchasing agent for a minimum of seven (7) years after contract expires. When requisitions are required, the competitive bids or quotations received shall be listed upon that document prior to the issuance of the purchase order. Awards shall be made to the lowest and/or best bid. Items exceeding twenty-five thousand dollars (\$25,000.00) shall require publicly advertised, formal sealed bids.

A description of all projects or purchases, except as herein provided, that require the expenditure of city funds of twenty-five thousand dollars (\$25,000.00) or more shall be prepared by the mayor and submitted to the governing body for authorization to call for bids or proposals. After the determination that adequate funds are budgeted and available for a purchase, the governing body may authorize the mayor to advertise for bids or proposals. The award of purchases, leases, or lease-purchases of twenty-five thousand dollars (\$25,000.00) or more shall be made by the governing body to the lowest and/or best bid.

Purchases may be allowed only under the following circumstances and, except as otherwise provided herein, when such purchases are approved by the governing body:

- (1) Sole source of supply or proprietary products as determined after complete search by using the department and the purchasing agent, with governing body approval.
- (2) Emergency expenditures with subsequent approval of the governing body.
- (3) Purchases from instrumentalities created by two (2) or more cooperating governments.
- (4) Purchases from nonprofit corporations whose purpose or one (1) of whose purposes is to provide goods or services specifically to municipalities.
- (5) Purchases, leases or lease-purchases of real property.
- (6) Purchases through other units of governments as authorized by the Municipal Purchasing Law of 1983.
- (7) Purchases directed through or in conjunction with the state Department of General Services.
- (8) Purchases from Tennessee state industries.
- (9) Professional service contracts as provided in Tennessee Code Annotated, § 12-4-106.
- (10) Tort liability insurance as provided in Tennessee Code Annotated, § 29-20-407.
- (11) Purchases of fuels, fuel products or perishable commodities.
- (12) Purchases of natural gas and propane gas for re-sale.
- (13) Purchases, leases, or lease-purchases, from any federal, state, or local governmental unit or agency, of second-hand articles or equipment or other materials, supplies, commodities, and equipment.

The purchasing agent shall be responsible for following these procedures and the Municipal Purchasing Law of 1983, as amended, including keeping and filing required records and reports, as if they were set out herein and made a part hereof and within definitions of words and phrases from the law as herein defined. (Ord. #648, Jan. 2011)

5-502. Relations of other departments with the purchasing department. The purchasing department is a service agency for all other departments of the city. The purchasing function is a service, and for the mutual benefits gained to go toward the good of the city, an departments must work in harmony.

- (1) Purchasing department's responsibilities. (a) To aid and cooperate with all departments in meeting their needs for operating supplies, equipment, and services.
 - (b) To process all requisitions with the least possible delay.
 - (c) To procure a product that will meet the department's requirements at the least cost or greatest value to the city.

- (d) To know the sources and availability of needed products and services and maintain current vendor files.
 - (e) To obtain prices on comparable materials after receipt of departmental requisition.
 - (f) To select vendors, prepare purchase orders, and process and maintain necessary files.
 - (g) To search for new, improved sources of supplies and services.
 - (h) To assist in preparation of specifications and to maintain specification and historical performance files.
 - (i) To prepare and advertise requests for bids and maintain bid files.
 - (j) To keep items in store in sufficient quantities to meet normal requirements of the city for a reasonable length of time within space availability.
 - (k) To investigate and document complaints about merchandise and services for future reference.
 - (l) To transfer or dispose of surplus property.
- (2) Using department's responsibilities. (a) To allow ample lead time for the purchasing department to process the requisition and issue the purchase order, while permitting the supplier time to deliver the needed items.
- (b) To prepare a complete and accurate description of materials to be purchased.
 - (c) To help the purchasing department by suggesting sources of supply.
 - (d) To plan purchases in order to eliminate avoidable emergencies.
 - (e) To initiate specification preparation on items to be bid.
 - (f) To inspect merchandise upon receipt, and complete a receiving report noting any discrepancies in types, numbers, condition, or quality of goods.
 - (g) To advise the purchasing department of defective merchandise or dissatisfaction with vendor performance.
 - (h) To advise the purchasing department of surplus property.
- (Ord. #648, Jan. 2011)

5-503. Purchasing forms and methods. (1) Purchase requisition.

- (a) Purpose. A purchase requisition lets the purchasing department know, in detail, what the using department needs. A formal written requisition is required for purchases that must follow competitive bidding procedures. Informal written requisitions will be allowed for purchases not requiring competitive bidding.

(b) When prepared. Requisitions shall be prepared far enough in advance that the purchasing department can obtain competitive prices and the vendor has enough time to make the delivery.

(c) Who prepares the requisition. Requisitions shall originate in the using department and must be signed by the requisitioner and the department head. The department head shall file with the purchasing department a certified memorandum listing those who are authorized to sign a requisition.

(d) How to prepare. A properly processed purchase requisition must contain the following information:

(i) Date issued. The date the requisition is prepared.

(ii) Date wanted. State a definite delivery date. "AT ONCE, ASAP, and RUSH" are vague instructions and don't give the purchasing department sufficient information. Prepare far enough in advance to avoid emergencies.

(iii) Requisition number. Place the sequential number in this area if your department keeps a numerical requisition file.

(iv) Department. The complete name of using department.

(v) Requisitioner. Signature of the person initiating the purchase request.

(vi) Department head. Signature of the department head.

(vii) Suggested vendors. If there are more than three (3) suggested vendors, the department head should list on a separate sheet.

(viii) To be delivered to--be specific. If vague or indefinite, confusion may result in costly delays.

(ix) Item number. Numerical order of items listed.

(x) Quantity. The number required.

(xi) Unit. Dozen, lineal feet, gallons, etc.

(xii) Description. Give a clear description of the items, including size, color, type, etc. If the purchase is of a technical nature, specifications should be attached to the requisition. If the item cannot be described without a great amount of detail, a brief description should be given, followed by a trade name and model number of an acceptable item "or approved equal." Requisitions must not give specifications that will favor one supplier to the exclusion of any others.

NOTE: Incomplete information in this area will result in the requisition being returned to the using department for clarification.

(xiii) Account to be charged. Complete budgetary code.

(xiv) Unit price. Price for each individual item.

(xv) Amount. A total of quantity times unit price.

(e) **Routing requisitions.** Prepare two (2) copies of the purchase requisition. Send the original to the purchasing department and keep the copy in departmental files. After the purchasing department has received at least three (3) quotations or bids and has determined total cost of the merchandise, the cost will be listed on the original. These originals shall then be forwarded to the finance officer. The finance officer shall certify, by signature, that the proper account has been charged and the availability of budgetary and cash funds. The original requisition must then be returned to the purchasing department and filed.

(f) **Purchase orders.** Purchase orders are required for all non-recurring or non-contractual purchases exceeding one hundred dollars (\$100.00). Informal written requisitions will be allowed for purchases not requiring competitive bidding. A department head may approve purchases less than one hundred dollars (\$100.00) without a purchase order; however, it is recommended that all purchases receive a purchase order unless it can be justified by efficiency of operation. When a department head approves a purchase without a purchase order issued by the purchasing agent, he/she must adhere to the same standard and required procedures of the purchasing agent. The department head's signature will be required to process payment of such invoices. (Ord. #648, Jan. 2011)

5-504. Emergency purchases. (1) **Purpose.** Emergency purchases are to be made by departments only when normal functions and operations of the department would be hampered by submitting a requisition in the regular manner, or when property, equipment, or life are endangered through unexpected circumstances and materials, services, etc., and are needed immediately.

(2) **Who makes emergency purchases.** Emergency purchases, either verbal or written, may be made directly by the using department without competitive bids, provided sufficient funds are available and necessary approvals have been secured.

(3) **Who authorizes emergency purchases.** The mayor and the purchasing department must authorize an emergency purchase.

(4) **How to make emergency purchases.** After determining a true emergency exists, the following procedure should be followed:

(a) Notify the mayor and purchasing department of the need and nature of the emergency. The department, pending authorization will give verbal approval and issue a purchase order number. This number will be put on the requisition referred to in subsection (d) below.

(b) Using department must use sound judgment about prices when making emergency purchases of materials and supplies and for labor or equipment. Orders should be placed with vendors who have a good track record with the department.

(c) Suppliers shall furnish sales tickets, delivery slips, invoices, etc., for the supplies or services rendered. Terms of the transactions, indicating price and other data shall be shown.

(d) As soon as the purchase is complete, on the same or following business day, the using department must:

(i) Give the purchasing department a complete requisition with a description of the emergency and approval by the department head. "Confirming emergency purchase" must be marked plainly on the requisition, along with the purchase order number.

(ii) The sales ticket, delivery slips, invoices, and material receiving report confirming the purchase must be attached to the emergency requisition form.

(e) If an emergency should occur during a time when the administrative offices normally are closed, the using department will follow the above procedure with the exception of the first step. The evidence of purchase, such as sales slip, counter receipt, delivery slip, invoice, etc., that the supplier normally furnishes, shall be attached to the completed and approved requisition form and be forwarded to the purchasing department, along with a material receiving report.

(f) As soon as possible, the person authorizing the emergency purchase must prepare a report to the mayor and the governing body specifying the amount paid, the item(s) purchased, from whom the purchase(s) was made, and the nature of the emergency. (Ord. #648, Jan. 2011)

CHAPTER 6

DEBT POLICY¹

SECTION

- 5-601. Purpose.
- 5-602. Transparency.
- 5-603. Role of debt.
- 5-604. Types and limits of debt.
- 5-605. Use of variable rate debt.
- 5-606. Use of derivatives.
- 5-607. Costs of debt.
- 5-608. Refinancing outstanding debt.
- 5-609. Professional services.
- 5-610. Conflicts.
- 5-611. Review of policy.
- 5-612. Compliance.

5-601. Purpose. The purpose of this debt policy is to establish a set of parameters by which debt obligations will be undertaken by the City of Hohenwald, Tennessee. This policy reinforces the commitment of the city and its officials to manage the financial affairs of the city so as to minimize risk, avoid conflicts of interest and ensure transparency while still meeting the capital needs of the city. A debt management policy signals to the public and the rating agencies that the city is using a disciplined and defined approach to financing capital needs and fulfills the requirements of the State of Tennessee regarding the adoption of a debt management policy.

The goal of this policy is to assist decision makers in planning, issuing and managing debt obligations by providing clear direction as to the steps, substance and outcomes desired. In addition, greater stability over the long-term will be generated by the use of consistent guidelines in issuing debt.

(1) **Definition of debt.** All obligations of the city to repay, with or without interest, in installments and/or at a later date, some amount of money utilized for the purchase, construction, or operation of city resources. This includes but is not limited to notes, bond issues, capital leases, interfund loans, or loans of any type.

¹State law references

Tennessee Code Annotated 7, part 9--Contracts, leases, and lease purchase agreements.

Tennessee Code Annotated 9, part 21--Local government public obligations law.

(2) Approval of debt. Bonds, bond anticipation notes, capital outlay notes, grant anticipation notes, and tax and revenue anticipation notes will be submitted to the State of Tennessee Comptroller's Office prior to issuance or entering into the obligation. A plan for refunding debt issues will also be submitted to the comptroller's office prior to issuance. Capital or equipment leases may be entered into by the city council; however, details on the lease agreement will be forwarded to the comptroller's office on the specified form within forty-five (45) days. (Ord. #658, Sept. 2011)

5-602. Transparency. (1) The city shall comply with legal requirements for notice and for public meetings related to debt issuance.

(2) All notices shall be posted in the customary and required posting locations.

(3) All costs (including principal, interest, issuance, continuing, and one (1) time) shall be clearly presented and disclosed to the citizens, city council, and other stakeholders in a timely manner.

(4) The terms and life of each debt issue shall be clearly presented and disclosed to the citizens, city council, and other stakeholders in a timely manner.

(5) A debt service schedule outlining the rate of retirement for the principal amount shall be clearly presented and disclosed to the citizens, city council, and other stakeholders in a timely manner. (Ord. #658, Sept. 2011)

5-603. Role of debt. (1) Long-term debt shall not be used to finance current operations. Long-term debt may be used for capital purchases or construction identified through the capital improvement, regional development, transportation, or master process or plan. Short-term debt may be used for certain projects and equipment financing as well as for operational borrowing; however, the city will minimize the use of short-term cash flow borrowings by maintaining adequate working capital and close budget management.

(2) In accordance with Generally Accepted Accounting Principles (GAAP) and state law:

(a) The maturity of the underlying debt will not be more than the useful life of the assets purchased or built with the debt, not to exceed thirty (30) years; however, an exception may be made with respect to federally sponsored loans, provided such an exception is consistent with law and accepted practices.

(b) Debt issued for operating expenses must be repaid within the same fiscal year of issuance or incurrence. (Ord. #658, Sept. 2011)

5-604. Types and limits of debt. (1) The city will seek to limit total outstanding general fund debt, excluding GO backed revenue debt, to five percent (5%) of assessed value.

(2) At no time shall general fund debt, excluding GO backed revenue debt, be issued or structured in such a manner where any year's total debt

obligation, including principal and interest, exceed current property tax revenues.

(3) At no time shall general fund, excluding GO backed revenue, be issued or structured in such a manner where any year's total debt obligation, including principal and interest, exceed fifteen percent (15%) of current projected general fund operating revenue.

(4) The city shall seek to limit total outstanding proprietary debt to a "debt to equity" ratio of 1.0.

(5) At no time shall proprietary debt be issued or structured in such a manner where any year's total debt obligation, including principal and interest, exceed fifteen percent (15%) of current projected proprietary operating revenue plus depreciation expense.

(6) The limitation on total outstanding debt must be reviewed prior to the issuance of any new debt.

(7) The city's total outstanding debt obligation will be monitored and reported to the city council by the municipal finance officer. The municipal finance officer shall monitor the maturities and terms and conditions of all obligations to ensure compliance. The municipal finance officer shall also report to the city council any matter that adversely affects the credit or financial integrity of the city.

(8) The city is authorized to issue general obligation bonds, revenue bonds, loans, notes and other debt allowed by law.

(9) The city will seek to structure debt with level or declining debt service payments over the life of each individual bond issue or loan.

(10) As a rule, the city will not backload, use "wrap-around" techniques, balloon payments or other exotic formats to pursue the financing of projects. When refunding opportunities, natural disasters, other non-general fund revenues, or other extrinsic factors occur, the city may utilize non-level debt methods. However, the use of such methods must be thoroughly discussed in a public meeting and the mayor and governing body must determine such use is justified and in the best interest of the city.

(11) The city may use capital leases to finance short-term projects not to exceed the useful life of the capital purchase.

(12) Bonds backed with a general obligations pledge often have lower interest rates than revenue bonds. The city may use its general obligation pledge with revenue bond issues when the populations served by the revenue bond projects overlap or significantly are the same as the property tax base of the city. The city council and management are committed to maintaining rates and fee structures of revenue supported debt at levels that will not require a subsidy from the city's general fund. (Ord. #658, Sept. 2011, as amended by Ord. #675, June 2012)

5-605. Use of variable rate debt. (1) The city recognizes the value of variable rate debt obligations and that cities have greatly benefitted from the

use of variable rate debt in the financing of needed infrastructure and capital improvements.

(2) However, the city also recognizes there are inherent risks associated with the use of variable rate debt and will implement steps to mitigate these risks; including:

(a) The city will annually include in its budget an interest rate assumption for any outstanding variable rate debt that takes market fluctuations affecting the rate of interest into consideration.

(b) Prior to entering into any variable rate debt obligation that is backed by insurance and secured by a liquidity provider, the city council shall be informed of the potential affect on rates as well as any additional costs that might be incurred should the insurance fail.

(c) Prior to entering into any variable rate debt obligation that is backed by a letter of credit provider, the city council shall be informed of the potential affect on rates as well as any additional costs that might be incurred should the letter of credit fail.

(d) Prior to entering into any variable rate debt obligation, the city council will be informed of any terms, conditions, fees, or other costs associated with the prepayment of variable rate debt obligations.

(e) The city shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any variable rate debt obligation. (Ord. #658, Sept. 2011)

5-606. Use of derivatives. (1) The city chooses not to use derivative or other exotic financial structures in the management of the city's debt portfolio.

(2) Prior to any reversal of this provision:

(a) A written management report outlining the potential benefits and consequences of utilizing these structures must be submitted to the city council; and

(b) The city council must adopt a specific amendment to this policy concerning the use of derivatives or interest rate agreements that complies with the state funding board guidelines. (Ord. #658, Sept. 2011)

5-607. Costs of debt. (1) All costs associated with the initial issuance or incurrence of debt, management and repayment of debt (including interest, principal, and fees or charges) shall be disclosed prior to action by the city council in accordance with the notice requirements stated above.

(2) In cases of variable interest or non-specified costs, detailed explanation of the assumptions shall be provided along with the complete estimate of total costs anticipated to be incurred as part of the debt issue.

(3) Costs related to the repayment of debt, including liabilities for future years, shall be provided in context of the annual budgets from which such payments will be funded. (Ord. #658, Sept. 2011)

5-608. Refinancing outstanding debt. (1) The city will refund debt when it is in the best financial interest of the city to do so, and the municipal finance officer shall have the responsibility to analyze outstanding bond issues for refunding opportunities. The decision to refinance must be explicitly approved by the governing body, and all plans for current or advance refunding of debt must be in compliance with state laws and regulations.

(2) The municipal finance officer will consider the following issues when analyzing possible refunding opportunities:

(a) Onerous restrictions. Debt may be refinanced to eliminate onerous or restrictive covenants contained in existing debt documents, or to take advantage of changing financial conditions or interest rates.

(b) Restructuring for economic purposes. The city will refund debt when it is in the best financial interest of the city to do so. Such refunding may include restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, or to release reserve funds. Current refunding opportunities may be considered by the municipal finance officer if the refunding generates positive present value savings, and the municipal finance officer must establish a minimum present value savings threshold for any refinancing.

(c) Term of refunding issues. The city will refund bonds within the term of the originally issued debt. However, the municipal finance officer may consider maturity extension, when necessary to achieve a desired outcome, provided such extension is legally permissible. The municipal finance officer may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.

(d) Escrow structuring. The city shall utilize the least costly securities available in structuring refunding escrows. Under no circumstances shall an underwriter, agent or financial advisor sell escrow securities to the city from its own account.

(e) Arbitrage. The city shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any refunding. (Ord. #658, Sept. 2011)

5-609. Professional services. The city shall require all professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the city and the lender or conduit issuer, if any. This includes "soft" costs or compensations in lieu of direct payments.

(1) **Counsel.** The city shall enter into an engagement letter agreement with each lawyer or law firm representing the city in a debt transaction. (No

engagement letter is required for any lawyer who is an employee of the city or lawyer or law firm which is under a general appointment or contract to serve as counsel to the city. The city does not need an engagement letter with counsel not representing the city, such as underwriters' counsel.)

(2) Financial advisor. (If the city chooses to hire financial advisors.) The city shall enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions. Whether in a competitive or negotiated sale, the financial advisor shall not be permitted to bid on, privately place or underwrite an issue for which they have been providing advisory services for the issuance.

(3) Underwriter. (If there is an underwriter.) The city shall require the underwriter to clearly identify itself in writing (e.g., in a response to a request for proposals or in promotional materials provided to an issuer) as an underwriter and not as a financial advisor from the earliest stages of its relationship with the city with respect to that issue. The underwriter must clarify its primary role as a purchaser of securities in an arm's-length commercial transaction and that it has financial and other interests that differ from those of the city. The underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to take down per maturity to the city council, or its designated official, in advance of the pricing of the debt. (Ord. #658, Sept. 2011)

5-610. Conflicts. (1) Professionals involved in a debt transaction hired or compensated by the city shall be required to disclose to the city existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, liquidity or credit enhancement provider, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the city to appreciate the significance of the relationships.

(2) Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platforms are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct. (Ord. #658, Sept. 2011)

5-611. Review of policy. This policy shall be reviewed at least annually by the city council with the approval of the annual budget. Any amendments shall be considered and approved in the same process as the initial adoptions of this policy, with opportunity for public input. (Ord. #658, Sept. 2011)

5-612. Compliance. The chief financial officer is responsible for ensuring compliance with this policy. (Ord. #658, Sept. 2011)