

RESOLUTION NO. 2024-2399

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, A MUNICIPAL CORPORATION OF ARIZONA, AMENDING FINANCIAL POLICIES 4-05 “FISCAL PLANNING & MANAGEMENT” and 4-13 “ESTABLISHMENT OF COMMUNITY FACILITIES DISTRICTS” AND ADOPTING NEW FINANCIAL POLICY 4-14 “DEBT MANAGEMENT”; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, the Prescott Valley Finance Department has embarked on a project to conduct a thorough review of all financial policies in order to identify areas requiring updates to reflect evolving best practices, address emerging challenges, and align with the Town’s strategic goals; and

WHEREAS, at the December 5, 2024, Town Council Study Session, management presented a new Debt Management Policy 4-14 (requiring revision of Fiscal Planning & Management Policy 4-05 to remove the existing Section N – “Provide a Debt Strategy Which Allows the Town to Meet Current and Future Needs”). The standalone Debt Management Policy provides for:

- Maintaining the Town’s sound financial position
- Minimizing debt service and issuance costs
- Maintaining access to cost-effective borrowing
- Achieving and maintaining the highest reasonable credit rating
- Assuring full and timely repayment of debt
- Maintaining full and complete financial disclosure and reporting
- Ensuring compliance with State and Federal laws and regulations; and

WHEREAS, management noted that, in the future, the Finance Department would bring a revised Fiscal Planning & Management Policy that includes a more comprehensive Budget and Planning focus; and

WHEREAS, management also presented a revised Establishment of Community Facilities Districts Policy 4-13 intended to ensure compliance with current laws and regulations and the long-term financial stability of the Town. A key tenet of the revised policy is financial protection of property owners within any CFD by establishing maximum tax rates and assessments.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, ARIZONA, THAT:

1. The Town Council hereby approves and adopts (a) revised Town Policy No. 4-05 “Fiscal Planning & Management”, (b) revised Town Policy No. 4-13 “Establishment of Community Facilities Districts”, and (c) new Town Policy No. 4-14 “Debt Management” in the

current Policies and Procedures Manual (attached hereto and incorporated herein by this reference).

2. This Resolution shall be effective upon its passage and approval according to law.

RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Arizona, this 11th day of December, 2024.

Kell Palguta, Mayor

ATTEST:

Fatima Fernandez, Town Clerk

APPROVED AS TO FORM:

Ivan Legler, Town Attorney

**Town Financial Policies
4-05, 4-13 and 4-14**