

MANAGEMENT OF TAX-EXEMPT AND TAX-ADVANTAGED OBLIGATIONS

631.1

The District has a strong interest in maintaining its ability to issue tax-exempt and tax-advantaged obligations ("Obligations") as a means of securing capital through borrowing at favorable rates. The District further wishes to ensure that such obligations, once issued, are managed and monitored in a manner that (1) preserves their tax-exempt or tax-advantaged status; (2) complies with applicable laws and regulations; and (3) demonstrates accountability with respect to the appropriate use of the proceeds of any offering.

The Director of Finance and Operations shall serve as the District's Compliance Officer with respect to the post-issuance management of the District's Obligations. The Board recognizes that the compliance and recordkeeping measures that are associated with the issuance of such Obligations are extremely complex. Accordingly, the Compliance Officer is authorized to work with the District's professional financial advisors and its designated bond counsel on an ongoing basis to:

1. Establish appropriate systems and procedures respecting post-issuance compliance and recordkeeping practices, covering matters such as (a) proper registration of the obligation; (b) continuing disclosure requirements; (c) calculating and monitoring arbitrage compliance and rebate requirements; (d) tracking the expenditure of proceeds by project/purpose; (e) ensuring proper management of funds to be used for debt service; (f) filing appropriate reports and tax forms; and (g) taking corrective actions if needed. To the extent recommended by the District's professional advisors, such procedures may be adopted as a formal administrative or Board rule under this policy.
2. Occasionally review and recommend any appropriate changes to the systems and procedures respecting post-issuance compliance and recordkeeping that are implemented pursuant to this policy; and
3. Ensure that the Compliance Officer adequately understands and implements the systems and procedures that are established and implemented pursuant to this policy.

The service expenses associated with obtaining such advice and counsel are necessary costs associated with the decision to issue tax-exempt and tax-advantaged obligations. The Compliance Officer shall ensure that the District's annual budget includes estimated costs for these services. The Compliance Officer shall inform the Board if issues arise that are likely to cause the District's actual expenditures for such services to substantially exceed the amounts allocated in the applicable budget period.

Legal References:

Wisconsin Statutes

[Chapter 67](#) [municipal borrowing and municipal bonds]

[Section 67.04](#) [purposes of issuing municipal bonds and notes]

[Section 67.05](#) [bonds issues; procedures, including referendum]

[Section 67.12](#) [temporary borrowing and borrowing on promissory notes]

[Section 120.115](#) [DPI reporting requirements and report on debt service]

Federal Guidance

[IRS Publication 4079](#), Tax-Exempt Governmental Bonds

Adopted: 03/02/15

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