

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 9/9/97

Reference No.: CB-93-1997

Proposer: County Executive

Draft No.: 1

Sponsors: Russell, Wilson, Bailey

Item Title: An Act authorizing Prince George's County to borrow
an aggregate principal amount not to exceed
\$106,401,000 to finance various school projects

Drafter: Kathleen H. Canning
Office of Law

Resource Personnel: Steve Kaplan
OMB

LEGISLATIVE HISTORY:

Date Presented: 9/2/97

Executive Action: 10/16/97 S

Committee Referral:(1) 9/2/97 PSFM

Effective Date: 12/1/97

Committee Action:(1) 9/4/97 FAV

Date Introduced: 9/9/97

Pub. Hearing Date: (1) 9/30/97 1:30 P.M.

Council Action: (1) 9/30/97 ENACTED

Council Votes: DB:A, JE:A, SD:A, IG:A, TH:A, WM:A, RVR:A, AS:A, MW:A

Pass/Fail: P

Remarks: _____

PUBLIC SAFETY & FISCAL MANAGEMENT COMMITTEE REPORT Date: 9/4/94

Committee Vote: Favorable, 4-0, (In favor: Council Members Wilson, Estepp, Maloney and Scott).

This bill will enable the County to borrow \$106.4 million for 19 school projects. The amount enabled is considerably more than will be sold in FY98. The County Charter (Section 827) requires the County to authorize for sale sufficient amounts to complete at least a usable portion of each project. In FY98, the County will only sell the amount necessary to pay for actual expenses incurred during the fiscal year and costs anticipated in the first half of FY99.

There will be no fiscal impact related to the enactment of CB-93-1997.

BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

In accordance with Charter requirements, an act authorizing the County to borrow funds to finance capital projects must be adopted prior to the passage of a bond sale authorization ordinance.

This bill provides the County with the authority to borrow an aggregate principal amount not to exceed \$106,401,000 for school construction projects. Council approval serves as a substitute for voter referendum endorsement which is not required for school facilities. It is the first of two bills, (the second being an accompanying bond authorization act) that must be adopted prior to the sale of general obligation bonds.