

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

Meeting Date: 6/18/96

Reference No.: CB-28-1996

Proposer: County Executive

Draft No.: 2

Sponsors: Council Members Russell, Wilson, Del Giudice, and Gourdine

Item Title: The Issuance and Sale of General Obligation Bonds
not to exceed \$60,529,000

Drafter: Barbara L. Holtz,
Office of Law

Resource Personnel: Steve Kaplan,
OMB

LEGISLATIVE HISTORY:

Date Presented: 5/14/96

Executive Action: 8/6/96 S

Committee Referral:(1) 5/14/96 PSFM

Effective Date: 9/23/96

Committee Action:(1) 6/6/96 FAV(A)

Date Introduced: 6/18/96

Pub. Hearing Date: (1) 7/23/96 1:30 PM

Council Action: (1) 7/23/96 Enacted

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

Pass/Fail: P

Remarks: _____

PUBLIC SAFETY & FISCAL MANAGEMENT COMMITTEE REPORT Date: 6/6/96

Committee Vote: Favorable, as amended, 5-0 (In favor: Council Members Estep, Bailey, Del Giudice, Maloney and Scott).

This bill will authorize the County to sell \$60.5 million dollars in general obligation bonds for capital projects adopted in the FY97 budget. It includes \$16.8 million for schools, \$20.6 million for roads, bridges and mass transit, \$.8 million for libraries, \$3.4 million for renovation of County Buildings (Health and Central Services), \$.6 million for Public Safety related projects (Corrections and Police), \$3.5 million for the Community College (Science Building) and \$14.7 million for solid waste projects (DER). The projects listed in this legislation, (with the exception of the schools), were approved previously by referendum. The debt service for these bonds will be included in the

FY98 Current Expense Budget.

The interest and principal payments for the solid waste capital projects will be paid from the Solid Waste Management Fund.

This legislation was amended by reducing the amount to be borrowed from \$64,585,000 to \$60,529,000. The reduction was the result of deleting two projects, (Highland Park Elementary School Renovation and Hil-Mar Elementary School), and increasing the amount in Resurfacing and Safety Improvement projects from \$2,500,000 to \$2,831,000. Attachment 1 (pages 33-34) lists each project to be authorized, the amount to be sold and the enabling Act.

The fiscal impact on the County will be negative to the extent of the debt service obligation incurred by the County when the bonds are sold.

BACKGROUND INFORMATION/FISCAL IMPACT

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

As provided in Section 814 of the Charter, the County Council may adopt bond issue authorization ordinances to provide the means to fund capital projects that are to be financed from borrowing. This bill provides the County with the authority to sell general obligation bonds for capital projects in the amount of \$60,529,000. Prior to the adoption of this legislation, the projects cited in this bill must be approved in the FY1997-2002 Capital Improvement Program.

CODE INDEX TOPICS: