

Prince George's County Council

Agenda Item Summary

Meeting Date: 11/5/2008
Reference No.: CR-076-2008
Draft No.: 1
Proposer(s): County Executive
Sponsor(s): Dean
Item Title: A Resolution for the purpose of adopting a Debt Management Policy for Prince George's County to provide guidelines for the issuance of bonds and other forms of indebtedness to finance capital improvements, equipment acquisition and other related services

Drafter: Joseph Hamlin, Office of Law
Resource Personnel: Lateefah A. Durant, Office of Finance

LEGISLATIVE HISTORY:

Date Presented:		Executive Action:	11/18/2008 S
Committee Referral:	9/9/2008 - PSFM	Effective Date:	
Committee Action:	10/20/2008 - FAV		
Date Introduced:	9/9/2008		
Public Hearing:			
Council Action (1)	11/5/2008 - ADOPTED		
Council Votes:	MB:A, WC:A, SHD:A, TD:A, CE:A, AH:A, TK:A, EO:A, IT:A		
Pass/Fail:	P		
Remarks:			

AFFECTED CODE SECTIONS:

COMMITTEE REPORTS:

PUBLIC SAFETY AND FISCAL MANAGEMENT

Date 10/20/2008

Committee vote: Favorable, 5-0, (In favor: Councilmembers Knotts, Campos, Dean, Exum and Turner.)

This resolution will provide for the adoption of a Debt Management Policy for the County. The Policy will establish guidelines for the issuance of bonds and other forms of indebtedness to finance capital improvements, equipment acquisition and other related services. The adoption of a Debt Management Policy is a fiscally prudent course of action which will promote the attainment of financial planning and management objectives and set limits, but preserve flexibility in managing the County's financial risk. Also, it will give comfort to the rating agencies and investors that the County intends to adhere to these goals and targets established by the Prince George's County Council.

The Office of Finance will be responsible for managing the County's Debt Management Program and will use these policies to establish certain debt management goals, structure debt and achieve the lowest cost of borrowing for the County.

The Office of Law has reviewed this resolution and finds it to be in proper legislative form with no legal

impediments to its adoption.

The adoption of CR-76-2008 will not have an immediate fiscal impact on the County. However, the Office of Audits and Investigations (A&I) suggests that the Office of Finance review all pertinent aspects of the Debt Management Policy to insure that it incorporates sufficient flexibility which will enable the County to responsibly and professionally navigate through and respond to the volatile and changing financial environment and infrastructure.

BACKGROUND INFORMATION/FISCAL IMPACT:

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

The purpose of this Resolution is to adopt a Debt Management Policy to provide guidelines for the issuance of debt instruments to finance capital improvements, equipment acquisition and other related services. Adopting a Debt Management Policy is a fiscally prudent course of action because it promotes attainment of financial, planning and management objectives; takes a comprehensive approach to accountability; and, sets limits but preserves flexibility.

CODE INDEX TOPICS:

INCLUSION FILES:

I-CR-76-2008 ATTACHMENT.pdf
