

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

Meeting Date: 4/24/2001

Reference No.: CB-16-2001

Proposer: County Executive

Draft No.: 3

Sponsors: Russell, Scott, Wilson, Gourdine, Shapiro

Item Title: An Act concerning the issuance and sale of General
Obligation Bonds to finance School and County Capital
Projects in an amount not to exceed \$28,402,000

Drafter: Kathy Canning
Law

Resource Steve Kaplan
Personnel: OMB

LEGISLATIVE HISTORY:

Date Presented: 3/6/2001

Executive Action: 5/15/2001 S

Committee Referral: 3/6/2001 PSFM

Effective Date: 6/29/2001

Committee Action: 3/22/2001 FAV(A)

Date Introduced: 4/3/2001

Public Hearing: 4/24/2001 10:00 A.M.

Council Action: 4/24/2001 ENACTED

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

Pass/Fail: P

Remarks: _____

4/24/2001 – Amended on the floor; CB-16-2001 (DR-3) enacted.

PUBLIC SAFETY & FISCAL MANAGEMENT COMMITTEE REPORT Date: 3/22/01

Committee Vote: Favorable as amended: 4-0, (In favor: Councilmembers Bailey, Scott, Estepp and Shapiro).

This bill will allow the County to sell general obligation bonds for the projects approved at the November 2000 referendum that are programmed for initiation or continuation in the FY2001 Capital Budget. These projects are listed in the Table of Projects on page 32 of the legislation. Also included in the Table of Projects are the three school renovations discussed in CB-14-2001. Only \$12.2 million of the authorized amount of \$28.4 million will be sold in FY2001. The enactment of CB-16-2001 will allow the County to establish bond receivables for the enumerated

projects pending the forthcoming general obligation bond sale scheduled for late spring.

Summary of Bond Sale Authorization Projects on Page 32

	<u>FY2001 Sale Amount</u> (in millions)
Board of Education	3.3
Dept of Public Works & Transportation	4.8
Fire/EMS Dept	2.9
Community College	.80
Dept of Environmental Resources	<u>.40</u>
	\$ 12.20

The Office of Law, in consultation with Bond Counsel, the Office of Management and Budget, Office of Finance and the Legislative Officer, submitted a proposed Draft 2 of CB-16-2001. The amendment in Draft 2 provides language indicating that the bonds and consolidated refunding bonds are within both the current debt limit imposed by State law effective June 1, 2001, applicable to taxable years beginning after June 30, 2001.

There will not be a fiscal impact as a result of enacting CB-16-2001. However, there will be a negative fiscal impact 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)

This bill will authorize the County to issue \$28,402,000 in general obligation bonds. The projects contained in this bill were approved by referendum in the November 2000 general election and are programmed in the FY2001 Capital Budget. Also included in the bond sale list are three school renovation projects being added by amendment to the FY2001 Capital Budget.

CODE INDEX TOPICS: