



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Office of Audits and Investigations

May 31, 2017

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: David H. Van Dyke *DHV*
County Auditor

FROM: Inez N. Claggett *INC*
Senior Legislative Auditor

RE: Fiscal Impact Statement
CB-053-2017 Issuance and Sale of General Obligation Stormwater Management Bonds

Pursuant to your request, we have reviewed CB-053-2017 to estimate its fiscal impact on Prince George's County, Maryland.

CB-053-2017, Issuance and Sale of General Obligation Stormwater Management Bonds, authorizes the County to issue and sell up to \$28,940,000 in aggregate principal amount in general obligation stormwater management bonds to finance certain capital projects in the FY 2017 Capital Budget and Program. In addition to general obligation bonds, general obligation bond anticipation notes, and general obligation refunding bonds also are authorized. The six (6) projects proposed to receive funding are listed in Attachment No. 1 of CB-053-2017. Revenue from the Stormwater Management Enterprise Fund will support the principal and interest payments on the bonds, notes, and refunding bonds issued and sold pursuant to CB-053-2017.

Enactment of CB-053-2017 will authorize the County to incur additional debt in the aggregate principal amount of up to \$28,940,000, plus interest on the general obligation stormwater management bonds, necessary to carry out the intent of the Act. This additional principal debt, related interest and issuance costs associated with the proposed general obligation stormwater management bonds or stormwater management bond anticipation notes, when issued, will have a negative fiscal impact on the County's Stormwater Management Enterprise Fund to the extent of the total multi-year debt service costs. The amount of the negative fiscal impact is contingent on the bond interest rate and the term of the bonds. The fiscal impact on the County's Stormwater Management Enterprise Fund for any stormwater management refunding bonds should be positive if and when such refunding bonds are sold.

If you require additional information, or have questions about this fiscal impact statement, please call me.

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