

Office of the County Auditor
Auditor's Analysis

Council Bill 13- 2025

Introduced: March 3, 2025

Auditor: Maya Cameron

Fiscal Impact:

The fiscal impact of this legislation would be an increase in debt service related to the new bond issuance, which would be appropriated in future budgets beginning in Fiscal Year 2027. We are unable to determine the fiscal impact, as the additional debt service will be dependent upon the amount of bonds the County issues and the interest rates at the time of the bond sale. The bond issuance is scheduled to occur in March 2025.

Bond issuance costs including rating agency fees, bond counsel, underwriter's discount, and financial advisory services could not be determined at this time, but could have minimal fiscal impact.

All capital appropriations to be funded with consolidated public improvement (CPI) bond proceeds were approved in prior years' budget legislation.

The administration has indicated plans to submit an amendment correcting the assessable base of \$64,022,716,197 as reflected on page 5, row 7 of the legislation to \$64,022,945,136 as reflected in the June 30, 2024 ACFR.

Purpose:

The purpose of this legislation is to authorize the County to issue CPI bonds of up to \$15,000,000. The proceeds of the bonds will be used to reimburse the County for the cost of certain public improvements, retire outstanding short-term debt, and pay costs of issuance related to the bonds.

Other Comments:

The total bond issuance of \$15 million encompasses three loans at \$5 million each for separate sub-projects: Extended North Tunnel, MD Ave Culvert, and T-1 Pond under the Ellicott City Safe & Sound project.

The County's overall debt as of June 30, 2024, is \$1,190,300,000 for CPI bonds.