

SenatorBailey_FAV_SB861.pdf

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Position: FAV

JACK BAILEY
Legislative District 29
Calvert and St. Mary's Counties

Judicial Proceedings Committee



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Annapolis Office
James Senate Office Building
11 Bladen Street, Room 402
Annapolis, Maryland 21401
410-841-3673 • 301-858-3673
800-492-7122 Ext. 3673
Jack.Bailey@senate.state.md.us

District Office
Dorsey Professional Park
23680 Three Notch Road, Unit 101
Hollywood, Maryland 20636
240-309-4238

March 3, 2021

Senate Bill 861 – St. Mary's County – Public Facilities Bond

Dear Chairman Guzzone and Members of the Committee:

As the Senator representing St. Mary's County, I am writing in support of Senate Bill 861 – St. Mary's County – Public Facilities Bond. This local bill was requested by the St. Mary's County Board of Commissioners and authorizes the Commissioners to borrow up to \$30,000,000 to finance the construction, improvement, and development of public facilities in St. Mary's County.

The St. Mary's County Delegation passed this bill unanimously. I respectfully request a favorable report on Senate Bill 861. Thank you for your consideration of this bill. Please contact me if you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bailey".

Senator Jack Bailey
District 29
Calvert and St. Mary's Counties

SB 861 - SUPPORT - Jeannett Cudmore - \$30 Million

Uploaded by: Cudmore, Jeannett

Position: FAV



ADVANCED MEMORANDUM

DATE: March 1, 2021

SUBJECT: Senate Bill 861 – St. Mary's County – Public Facility Bonds

Hello leadership and members of the Appropriations Sub-Committee, on behalf of the Commissioners of St. Mary's County it is our privilege to provide written testimony on the request for County's Bond Authorization for its on-going Capital Improvement Program.

You have the Fiscal and Policy Note, which breaks down the request. The County asks for Bond Authority based on proposed budget needs during the Budget process and listing of projects provided details the basis for the request. Significant projects are Airport Improvements (\$4.0 million), Roadway & Safety Improvements (\$4.5 million), Snow Hill Park (\$2.3 million), and Public School's Safety & Security (\$3.0 million). The County has always requested the Bond Authority prior to Budgeting for Bonds as a revenue source. The Commissioners want to make sure they have Bond Authority in place for any Bonds that are budgeted, because once the Budget is approved and the beginning of the fiscal year begins, the County would like to move immediately into implementing these Capital Projects on behalf of its citizens.

The County only sells Bonds based on Cash Flow needs, and expenditures on approved capital projects are closely monitored monthly to ensure the Finance Department has an accurate and timely assessment of its obligations. When expenditures on bond-funded CIP projects reach \$10 million, the County needs to start the process of selling bonds. It takes about 6 months from start of updating the Public Offering Statement to closing the Bonds.

Bond Authority requested - \$143.9 M since 2013 –

The Bond Authority for 2013 has been completely used and the remaining balances are:

2017 \$11,524,310
2018 \$24,600,000
2019 \$30,000,000
2020 \$33,000,000

Total current Bond Authority: **\$99,124,310** - obligated to CIP FY2021 and prior budget years: **\$85,769,572**.

The estimated annual expense after the sale of the Bonds will be approximately \$2.0 million, based on the current interest rate, with estimated sale date in FY2024, based on term of 20 years.

The County is currently planning for a \$30,000,000 Bond Sale with closing date of May 25, 2021 and will use the remaining 2017 Bond Authority and \$18,475,690 of the 2018 Authority. This will leave a balance of \$69.1 million in authority.

Ending June 30, 2020 debt for the County was **\$113,588,015** and Metropolitan Commission was **\$96,709,875** for a combined **\$210,297,890**, 1.64% of assessable base. The County's Debt Service as a percentage of revenues was 5.52% at June 30, 2020. We are well within Debt Affordability on both ratios and continues through FY2027.

Should you have any further questions, please let me know.

Jeannett Cudmore, Chief Financial Officer, St. Mary's County Government

SB 861 - SUPPORT - CSMC.pdf

Uploaded by: Guy, Randy

Position: FAV

ST. MARY'S COUNTY GOVERNMENT

COMMISSIONERS OF
ST. MARY'S COUNTY



James R. Guy, President
Eric Colvin, Commissioner
Michael L. Hewitt, Commissioner
Todd B. Morgan, Commissioner
John E. O'Connor, Commissioner

Senate Bill 861

St. Mary's Co. – Public Facilities Bond

Hearing: March 3, 2021

SUPPORT

February 16, 2021

The Honorable Guy Guzzone, Chairman
Budget and Taxation Committee
3 West, Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Re: **SB 861**- St. Mary's County - Public Facilities Bond- Hearing: March 3, 2021

Dear Chairman Guzzone:

The Commissioners of St. Mary's County **SUPPORT** SB 861– St. Mary's County - Public Facilities Bond which is being heard on March 3, 2021 in the Budget and Taxation Committee.

We request a favorable report on SB 861. We appreciate the introduction of this legislation and believe this legislation will benefit the citizens of St. Mary's County. We look forward to working with you on this and other initiatives throughout the session.

Sincerely,
COMMISSIONERS OF ST. MARY'S COUNTY

James Randy Guy, President

CSMC/AB/sf
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The Honorable Guy Guzzone, Chairman
February 16, 2021

Cc: Senator Jack Bailey
Delegate Matthew Morgan
Delegate Jerry Clark
Delegate Brian Crosby
Commissioner Eric Colvin
Commissioner Michael Hewitt
Commissioner Todd Morgan
Commissioner John O'Connor
Dr. Rebecca Bridgett, County Administrator
David Weiskopf, County Attorney