

1 **COUNCIL OF THE CITY OF SEAT PLEASANT, MARYLAND**

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3 **RESOLUTION NO. 10-08**

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5 **Introduced By** City Council  
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7 **Date Introduced** September 14, 2009  
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9 **Date Adopted** September 14, 2009  
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11 **Date Effective** September 14, 2009  
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13 **A RESOLUTION concerning**

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15 **CITY DEBT POLICY**

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17 **FOR** the purpose of establishing a debt policy for the City of Seat Pleasant; and matters  
18 generally related thereto.  
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20 **EXPLANATORY STATEMENT:** Article 24, Section 2-101, of the Maryland Annotated  
21 Code, as enacted by Chapter 693 of the Laws of Maryland of 2009, requires political  
22 subdivisions in Maryland to adopt and submit to the Maryland Treasurer a local debt policy. The  
23 City Council also believes that the establishment of and adherence to a debt policy for the City  
24 will help ensure that the City of Seat Pleasant maintains a sound debt position while protecting  
25 the financial stability of the City and the credit quality of its obligations.  
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27 **NOW, THEREFORE,**

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29 **SECTION I: BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SEAT**  
30 **PLEASANT** that it hereby adopts the following as the debt policy for the City of Seat Pleasant:  
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32 1. The City will incur debt as the City Council deems reasonable and appropriate  
33 from time to time in a manner consistent with, and as may be provided in, the Maryland  
34 Constitution, Maryland statutory law, the City of Seat Pleasant Charter, the Code of the City of  
35 Seat Pleasant and other applicable laws.  
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37 2. In furtherance of paragraph 1, the City Council expressly recognizes and adopts  
38 as part of the City's debt policy the provisions of Sections C-815, C-816, C-817 and C-818 of the  
39 City Charter, as they may be amended from time to time, that generally address tax anticipation  
40 borrowing, the borrowing of money evidenced by the issuance of bonds, notes and other  
41 certificates of indebtedness, and the payment of indebtedness.  
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43 3. To the extent feasible and practicable, the City will endeavor to:  
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a. Limit the use of long-term debt to the financing of capital acquisitions and improvements.

b. Limit the issuance of bonds for the financing of the acquisition or construction of capital improvements to durations not longer than the estimated useful life of the improvements being financed.

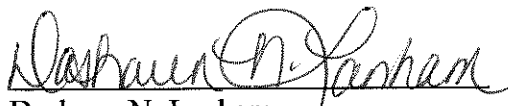
c. Avoid using debt to finance current operating costs, except in the event of severe cash flow or other emergency situations.

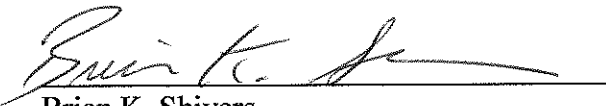
**SECTION II. BE IT FURTHER RESOLVED THAT** a copy of this Resolution shall be sent, promptly after its adoption, by certified mail, return receipt requested, to the Maryland Treasurer.

**SECTION III. BE IT FURTHER RESOLVED THAT** this Resolution shall take effect immediately upon its adoption.

ATTEST:

COUNCIL OF THE CITY OF  
SEAT PLEASANT

  
Dashaun N. Lanham,  
City Clerk

  
Brian K. Shivers,  
Council President