

Resolution No. 9-09-1
Introduced: 9/17/2009
Adopted: 9/17/2009
Effective Date: October 7, 2009

**RESOLUTION OF
THE VILLAGE OF MARTIN'S ADDITIONS**

SUBJECT: RESOLUTION TO ADOPT DEBT POLICY

WHEREAS, Article 95, Section 22F of the Maryland Code, as amended by Chapter 693 of the Acts of the General Assembly of Maryland, Session of 2009, directs each local government to adopt a local debt policy;

WHEREAS, the Council of the Village of Martin's Additions finds that a debt policy can help to ensure maintenance of a sound debt position and the protection of the Village's credit; and

WHEREAS, the Council finds that adopting the Debt Policy attached hereto would promote the good government of the Village and protect and preserve the Village's rights, property, and privileges, and for the protection and promotion of the health, safety, and welfare of the residents of the Village.

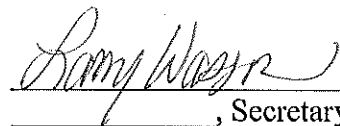
NOW, THEREFORE, it is, this 17th day of September, 2009, by the Village Council:

RESOLVED, that the Debt Policy attached hereto be and is hereby adopted; and it is further,

RESOLVED, that this Resolution shall become effective on ~~September~~ October 21st
7th, 2009.

RESOLVED, that a copy of this Resolution and the attached Debt Policy shall be mailed by certified mail to the Maryland State Treasurer.

I, LARRY WASSON, Secretary of the Village Council, hereby certify that the foregoing Resolution was adopted by the Council at its meeting on September 19th, 2009.

, Secretary

THE VILLAGE OF MARTIN'S ADDITIONS DEBT POLICY

Introduction

This Debt Policy is adopted to help ensure that debt is issued and incurred prudently and cost effectively. The Debt Policy sets forth guidelines for the issuance and management of all financings of the Village. Adherence to the policy will help ensure that the Village of Martin's Additions maintains a sound debt position while protecting the financial stability of the Village and the credit quality of its obligations.

I. Uses of Debt.

Subject to the applicable provisions of the Maryland Constitution, the Maryland Code, and the Village Charter and Code of Ordinances, as amended from time to time, debt may be used by the Village as deemed necessary and appropriate by the Village Council.

The Council will use its best efforts to limit long-term borrowing to capital improvements that cannot be financed from current revenues. The Council will use its best efforts to avoid using long-term debt to support current operations. Except when necessitated by cash flow or other emergency situations, short-term debt will not be used for non-capital purposes.

Because the Village does not currently have enterprise or utility fund related debt, no policy is incorporated herein with respect thereto. This policy, however, will be revised if and when the Village issues enterprise or utility fund related debt.

Capital projects financed through the issuance of bonds will not be financed for longer than the expected useful life of the project. The Council will use its best efforts to avoid using bond proceeds to finance non-capital projects, supplies, and personnel expenses. The Council will use its best efforts to keep the average maturity of general obligation bonds at or below 20 years.

II. Borrowing Power.

Section 702 of the Village Charter, as may be amended from time to time, is incorporated into this policy.