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COUNTY DEPARTMENT AGENDA REQUEST

Department/Division: Finance

Department Head: Mary S. Holland

Presenter, if needed: Ted L. Burgess

Preferred Meeting Date: Thursday, January 22, 2009

Wording for the Agenda:

Consideration of staff's recommendation to reduce the county's participation in the Georgia Municipal Association Lease Pool Program, including the outstanding amount of Certificates of Participation, and the associated interest-rate swap agreement by the amount of the account balance declared to be "excess funds."

Background/History/Details:

Fayette County has participated in the GMA Lease Pool Program for a number of years and currently holds a $5,000,000 participation in a group of related financial instruments that includes: 1998A Series Certificates of Participation, a lease pool agreement with the Georgia Municipal Association, and an interest-rate swap with Morgan Guaranty Trust Company of New York. The lease pool agreement stipulates that all funds, principal and interest, must be used every five years. Any balance remaining in the account longer than that is declared "excess funds." The county's account includes $1,018,796.51 that has been declared excess funds. At this time, the county can choose to (1) lease vehicles in this amount, (2) pursue a one-year extension, or (3) call this value of certificates of participation, reduce the amount in the lease pool fund, and reduce the basis of the interest-rate swap by this amount.

What action are you seeking from the Board of Commissioners?

Authorization to take appropriate actions to reduce outstanding certificates of participation, lease pool account balances, and the interest-rate swap basis by the $1,018,796.51 that has been determined to be "excess funds".

If this item requires funding, please describe:

Has this issue come before the Commissioners in the past? No

If so, when?

Do you need audio-visual for the presentation? No

Back-up Material Submitted? Yes

STAFF USE ONLY

- (●) Finance Review Complete
- (●) Purchasing Review Complete
- (●) Legal Review Complete
- (●) Administrative Staff Review Complete

Administrator's Approval Yes

Confirmed Meeting Date Thursday, January 22, 2009

- ( ) Recognition/ Presentation
- ( ) Public Hearing
- (●) Old Business
- ( ) New Business
- ( ) Consent
- ( ) Report
- ( ) Other