COUNTY AGENDA REQUEST

Department:	Finance	Presenter(s):	Mary S. Holland
Meeting Date:	Thursday, October 13, 2011	Type of Request:	Old Business

Wording for the Agenda:

Approval 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 determined to be "excess funds."

Background/History/Details:

In 1998, the County took a $5,000,000 participation stake in the Georgia Local Government Series 1998A certificates of participation. Proceeds were used to finance the County's share of the Georgia Municipal Association lease pool agreement. An interest rate swap was simultaneously entered into with J.P. Morgan, with a $5,000,000 basis for swap calculations.

The lease pool agreement stipulates that all funds - principal and interest - must be used every five years. Any balance remaining in the lease pool's Equipment Fund longer than that is declared "excess funds." The County has reduced its participation two times previously, for a total reduction of $1,780,000.

The County has been notified that Bank of New York estimates an additional $1,889,000 will become excess on December 1, 2011. This reduction will decrease our liability to $1,331,000.

What action are you seeking from the Board of Commissioners?

Approval 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 estimated amount of $1,889,000 which has been determined to be "excess funds".

If this item requires funding, please describe:

No funding required.

Has this request been considered within the past two years?	Yes	If so, when?	Annually
Do you need audio-visual for the presentation?	No	Backup Provided with Request?	No

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	Yes
Approved by Purchasing	Not Applicable	County Clerk's Approval	Yes
Administrator's Approval	Yes		

Staff Notes: