COUNTY AGENDA REQUEST

Department:	Administration	Presenter(s):	County Administrator Steve Rapson
Meeting Date:	Thursday, September 26, 2013	Type of Request:	Consent

Wording for the Agenda:

Approval of staff's recommendation to adopt Resolution 2013-19 relating to the issuance of a 2013 General Obligation Bond for the purpose of advance refunding of the School Board's 2005 and 2007 General Obligation Bonds, and to provide a present value of approximately $2,637,000.00 savings for the taxpayers of Fayette County.

Background/History/Details:

The Fayette County Board of Education is in the process of issuing a Series 2013 Bond in the principal amount of $53,005,000. Issuance of this Series 2013 Bond will result in a present value of approximately $2,637,000 savings for the taxpayers of Fayette County.

Proceeds from this issue will be to refund a portion of the Series 2005 and Series 2007 General Obligation Bonds and pay the issuance costs for the Series 2013. In order to issue the Series 2013 Bond, a resolution by the Board of Commissioners is required for the levy and collection of an annual tax to provide funds for the payment of principal and interest for the Series 2013 Bond.

The resolution simply binds the Commission to levy the millage rate determined necessary by the Board of Education to pay the principal and interest of the refunding bonds.

What action are you seeking from the Board of Commissioners?

Approval of staff's recommendation to adopt Resolution 2013-19 relating to the issuance of a 2013 General Obligation Bond for the purpose of advance refunding of the School Board's 2005 and 2007 General Obligation Bonds, and to provide a present value of approximately $2,637,000.00 savings for the taxpayers of Fayette County.

If this item requires funding, please describe:

Not Applicable.

Has this request been considered within the past two years?	No	If so, when?	
Is Audio-Visual Equipment Required for this Request?*	No	Backup Provided with Request?	Yes

**** All audio-visual material must be submitted to the County Clerk's Office no later than 48 hours prior to the meeting. It is also your department's responsibility to ensure all third-party audio-visual material is submitted at least 48 hours in advance.***

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

Staff Notes:

This request serves as an example of intergovernmental cooperation between the Fayette County Board of Commissioners and the Fayette County Board of Education in order to provide exceptional educational opportunities while saving taxpayers' money.

LAW OFFICE
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September 11, 2013

VIA E-MAIL/FIRST CLASS MAIL

Mr. Steve Brown, Chairman
Fayette County Board of Commissioners
148 Terrane Ridge
Peachtree City, Georgia 30269

Mr. Dennis A. Davenport
McNally, Fox, Grant & Davenport, P.C.
100 Habersham Drive
Fayetteville, Georgia 30214

Re: Tax Levy Resolution for Fayette County
Board of Education Refunding General Obligation Bonds

Gentlemen:

This firm represents the Fayette County Board of Education and this letter is to request the County Commission review and adopt a tax levy resolution in connection with the Board of Education's refunding of 2005 and 2007 General Obligation bonds. Refinancing these bonds will create a present value savings of approximately $2,637,000.00 savings for the taxpayers of Fayette County. We would request that this matter be placed on the County Commission's agenda for adoption at its regularly scheduled meeting on September 26, 2013. I have provided a draft copy of the proposed Tax Levy Resolution for your review. A finalized version and additional copies will be forwarded to you prior to September 26th.

As you know, timing is very important when dealing with bond issues and it is important that the Commission act at this meeting so the validation process can move forward and the refunding bonds close. The resolution simply binds the Commission to levy the millage rate determined necessary by the board of education to pay the principal and interest of the refunding bonds.

I understand that any issue dealing with the millage rate can potentially receive a lot of attention from local residents and the media. I would like to answer any and all questions you or the Board of Commissioners has before that meeting. I am willing to attend the County Commission meeting if you feel that it is necessary or to have the superintendent or some other representative of the Board of Education present if you feel that will be helpful. On the other

hand, if we can answer any questions prior to the meeting and if you are sure that the passage of the resolution will be routine, then I would see no reason for anyone to attend that meeting and we can obtain signed copies from you on the following day.

I will follow up with you a week or so before the September 26th meeting to confirm the arrangements, ensure there are no questions and forward the originals to you for execution. In the meantime, if you should have any concerns, do not hesitate to give me a call.

Sincerely,

Cory O. Kirby

COK:cgr
Enclosure

cc: Dr. Joseph Barrow, Superintendent
Mr. Steven A. Rapson, County Administrator

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF FAYETTE COUNTY PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX TO PROVIDE FUNDS FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON $53,005,000 IN PRINCIPAL AMOUNT OF THE FAYETTE COUNTY SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BOND, SERIES 2013

WHEREAS, pursuant to a resolution of the Fayette County School District, a political subdivision of the State of Georgia (the "School District"), duly adopted by the Board of Education of Fayette County (the "Board") on August 26, 2013, as supplemented on September 16, 2013 (the "Resolution"), the Board authorized the issuance of up to $60,000,000 in principal amount of its Fayette County School District General Obligation Bond, Series 2013 (the "Series 2013 Bond"); and

WHEREAS, the proceeds of the Series 2013 Bond will be applied to (a) advance refund a portion of the School District's outstanding Fayette County School District General Obligation Bonds, Series 2005 (the "Refunded Series 2005 Bonds"), (b) advance refund a portion a portion of the School District's outstanding Fayette County School District General Obligation Bonds, Series 2007 (together with the Refunded Series 2005 Bonds, the "Refunded Bonds") and (c) pay the costs of issuing the Series 2013 Bond; and

WHEREAS, the Board, the body charged with contracting debts and managing the affairs of the School District, has determined pursuant to the Resolution, that it is in order to issue the Series 2013 Bond in the principal amount of $53,005,000 at this time, that a direct annual tax for the purpose of paying said Series 2013 Bond must be made in the amounts and for the years hereinafter stated; and

WHEREAS, it is necessary at this time that a tax be levied annually in amounts sufficient to pay the principal of, and the interest on, the Series 2013 Bond as the same become due.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Fayette County, Georgia, in meeting duly assembled and open to the public, and it is hereby resolved by authority of the same, that there be and is hereby levied a direct annual tax in order to pay debt service on the Series 2013 Bond for the years 2014 through 2026 upon all property subject to taxation for school bond purposes and located in the School District, which School District embraces all of the territory comprising Fayette County, Georgia, which tax shall be sufficient to raise the sums in each of the years as more fully set forth in Exhibit A hereto attached and made a part hereof.

BE IT FURTHER RESOLVED that the sums hereby levied are irrevocably pledged and appropriated to the payment of the principal of, and interest on, the Series 2013 Bond as the same become due and payable.

BE IT FURTHER RESOLVED that the said several sums shall be collected by the Tax Commissioner of Fayette County, Georgia, in each of said years, and shall be annually (or sooner) paid into a Debt Service Fund (as defined in the Resolution) to be maintained for and applied to the payment of the principal of, and interest on, the Series 2013 Bond as the same become due and payable, and provisions to meet the requirements of this section shall be made annually (or sooner) thereafter.

BE IT FURTHER RESOLVED by the authority aforesaid, and it is hereby resolved by authority of the same, that all orders and resolutions in conflict with the resolution this day passed, if any, be and the same are hereby repealed.

ADOPTED ON SEPTEMBER 26, 2013.

BOARD OF COMMISSIONERS OF FAYETTE COUNTY

(SEAL)

By:_____
Chairman

Attest:

_____
Clerk

EXHIBIT A

DEBT SERVICE SCHEDULE

March 1 of the Year	Principal	Interest	Total Debt Service
2014	$ 335,000	$ 538,030.20	$ 873,030.20
2015	710,000	1,274,614.00	1,984,614.00
2016	725,000	1,257,432.00	1,982,432.00
2017	3,535,000	1,239,887.00	4,774,887.00
2018	5,200,000	1,154,340.00	6,354,340.00
2019	5,390,000	1,028,500.00	6,418,500.00
2020	5,580,000	898,062.00	6,478,062.00
2021	5,770,000	763,026.00	6,533,026.00
2022	5,985,000	623,392.00	6,608,392.00
2023	6,180,000	478,555.00	6,658,555.00
2024	6,390,000	328,999.00	6,718,999.00
2025	6,615,000	174,361.00	6,789,361.00
2026	590,000	14,278.00	604,278.00
TOTAL	$53,005,000	$9,773,476.20	$62,778,476.20

CLERK'S CERTIFICATE

FAYETTE COUNTY, GEORGIA

I, the undersigned Clerk of the Board of Commissioners of Fayette County, Georgia, DO HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of resolution adopted by the Board of Commissioners of Fayette County, Georgia, in meeting duly assembled, on September 26, 2013, in connection with the issuance of the $53,005,000 Fayette County School District General Obligation Refunding Bond, Series 2013, the original of which resolution has been duly recorded in the Minute Book of said office, which is in my custody and control.

WITNESS my official hand and the seal of the Board of Commissioners of Fayette County this 26th day of September, 2013.

_____

Clerk

(SEAL)