

BOARD OF PORT COMMISSIONERS OF THE LEE COUNTY PORT AUTHORITY

1. WORDING FOR AGENDA:

Request Board approval of arbitrage rebate payment on the Airport Revenue Bonds, Series 2000A and B and authorize the Board Chairman to execute IRS Form 8038-T, Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate.

2. SUBJECT CATEGORY:

Budgeting, Purchases, Contracts, and Agreements

A14A

3. MEETING DATE:

05-17-2005

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC

TIME REQUIRED:
(Public Only)

5. REQUIREMENT/PURPOSE:
(Specify)

- STATUTE
- ORDINANCE
- ADMIN.CODE
- OTHER Federal Internal

Revenue Service Regulation 1.148.

6. REQUESTOR OF INFORMATION:

A. (ALL REQUESTS)

NAME Benjamin R. Siegel
DEPT. Administration

B. (PUBLIC ONLY)

CITIZEN NAME _____
CITIZEN PHONE _____

7. BACKGROUND:

IRS regulations require that a bond issuer remit positive arbitrage earned on the investment of bond proceeds to the federal government every five years from date of bond issuance. IRS regulations require payment of 90% of the arbitrage rebate liability within 60 days of that date. The five-year calculation on the Lee County Airport Revenue Bonds, Series 2000A and B has been prepared by the Clerk's Finance and Records Department and is being reviewed by bond counsel, Squire, Sanders and Dempsey. Rebate liability is estimated to be \$11.5 million. A payment representing 90% of the rebate liability is due to the U.S. Treasury by May 20, 2005. Bond counsel is reviewing the calculation to determine the lowest allowable rebate liability. IRS Form 8038-T will be prepared upon completion of bond counsel's review.

The funding source is listed below:

Lee County, Florida County Airport Revenue Bonds, Series 2000A	20500041236.504983
Lee County, Florida County Airport Revenue Bonds, Series 2000B	20500041237.504983

After approval by the Board and Chairman's signature, please return the original Form 8038-T to Finance for submission to the U.S. Treasury by May 20, 2005.

8. RECOMMENDED ACTION:

Recommend Board approval of arbitrage rebate payment on the Airport Revenue Bonds, Series 2000A and B and authorize the Board Chairman to execute IRS Form 8038-T, Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate.

9. RECOMMENDED APPROVAL

DIVISION DIRECTOR	GENERAL SERVICES	FINANCE	PORT ATTORNEY	ASST. EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR

10. SPECIAL MANAGEMENT COMMITTEE ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

_____ Chairman

11. PORT AUTHORITY ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER