

Agenda Item #: 36-4

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: June 16, 2009 [X] Consent [] Regular
[] Ordinance [] Public Hearing
Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to adopt a Resolution amending Resolution No. R-2009-0888, adopted May 19, 2009; modifying certain of the parameters established with respect to the issuance of a not to exceed \$16.5 Million Capital Improvement Bond Anticipation Note, Series 2009; and providing an effective date.

Summary: On May 19, 2009, the Board adopted a Resolution (R-2009-0888) authorizing the negotiation of a loan in the amount of not to exceed \$16.5 Million from the Sunshine State Governmental Financing Commissions or in the alternative, the issuance of the County's Capital Improvement Bond Anticipation Note (BAN), Series 2009 in an amount not to exceed \$16.5 Million and delegating to the Chairman of the Board of County Commissioners the authority to consummate the Loan or the BAN. Staff has determined that the BAN is the appropriate financing alternative. The above amendment is necessary to change the interest rate parameters to allow for a variable rate bond anticipation note for up to three years. Countywide (PFK)

Background and Justification: On April 21, 2009, the Board approved a Resolution (R-2009-0698) authorizing the issuance of not to exceed \$16.2 Million Public Improvement Revenue Bonds (Four Points and other Public Building Projects), Series 2009 to finance the cost of renovation, construction and equipping of public improvement facilities. The County received two bids in response to its request for proposals, one of which was non-responsive and the other was at an interest rate that was considerably above the current market for fixed rate bonds. Staff rejected the bids and recommended the Loan or BAN. The not to exceed amount was raised to \$16.5 Million on May 19, 2009 to allow for potential increases in costs of issuance.

- Attachments:**
- 1. Resolution

Recommended by: Elizabeth Boese Department Director Date: 6/9/09

Approved By: [Signature] County Administrator Date: 6/12/09

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Note Proceeds	(16,500,000)	_____	_____	_____	_____
Capital Projects	16,100,000	_____	_____	_____	_____
Costs of Issuance	400,000	_____	_____	_____	_____
Debt Service Costs	_____	495,000	495,000	495,000	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	0	495,000	495,000	495,000	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes X No _____
 Budget Account No.: Fund 3065 Department 411 Unit B308, B381
 Object 4907 Reporting Category _____

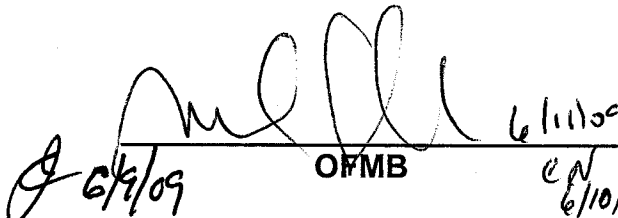
B. Recommended Sources of Funds/Summary of Fiscal Impact:

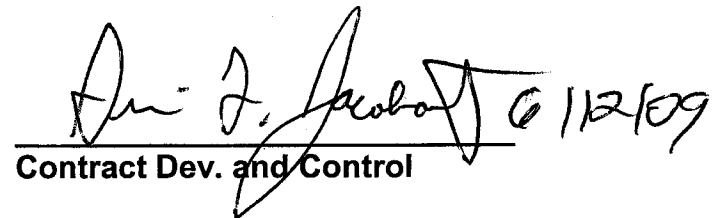
Annual interest payments on the bond anticipation note will be funded from legally available non-ad valorem revenues.

C. Departmental Fiscal Review: _____

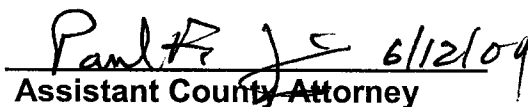
III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:


 _____ 6/11/09
 OFMB
 6/9/09


 _____ 6/12/09
 Contract Dev. and Control

B. Legal Sufficiency:


 _____ 6/12/09
 Assistant County Attorney

C. Other Department Review:

 Department Director

NGN DRAFT #3: 5/28/09
046-05

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AMENDING ITS RESOLUTION NO. R-2009-0888, ADOPTED MAY 19, 2009; MODIFYING CERTAIN OF THE PARAMETERS ESTABLISHED WITH RESPECT TO THE ISSUANCE OF A NOT TO EXCEED \$16,500,000 CAPITAL IMPROVEMENT BOND ANTICIPATION NOTE, SERIES 2009; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "County") did on May 19, 2009, adopt its Resolution No. R-2009-0888 (the "Note Resolution") authorizing the issuance of the County's Capital Improvement Bond Anticipation Note, Series 2009 ("the Note") in an amount not to exceed \$16,500,000, and delegating to the Chairman of the Board of County Commissioners the authority to accept, execute and deliver a commitment to purchase said Note meeting certain parameters set forth in the Note Resolution; and

WHEREAS, the County now desires to modify one of the parameters set forth in the Note Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA as follows:

SECTION 1. Section 6(d)(1)(ii) of the Note Resolution is hereby modified to read as follows: "(ii) a variable interest rate not in excess of the London Interbank Offer Rate (LIBOR) plus 1.00% per annum, and an initial interest rate not in excess of 2.25% per annum."

SECTION 2. Section 6(d)(1)(iii) of the Note Resolution is hereby modified to read as follows: "(iii) the final maturity no later than June 1, 2012."

SECTION 3. Except as modified hereby, the Note Resolution shall remain in full force and effect.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____ who moved its adoption. The motion was seconded by Commissioner _____, and upon being put to a vote, the motion passed as follows:

Commissioner John F. Koons - Chairman
Commissioner Burt Aaronson - Vice Chairman
Commissioner Karen T. Marcus
Commissioner Shelley Vana
Commissioner Steven L. Abrams
Commissioner Jess R. Santamaria
Commissioner District 7 (vacant)

The Chairman thereupon declared the Resolution duly passed and adopted this 16th day of June, 2009.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF
COUNTY COMMISSIONERS

SHARON R. BOCK, CLERK AND COMPTROLLER

By _____
Deputy Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By _____
County Attorney