Agenda Item #: 36-2

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:	November 5, 2013	[X] Consent	[] Regular
	· [1	Ordinance []	Public Hearing

Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to approve:

- A.) Budget Amendment of \$27,944,382 in the \$27.8M Public Improvement Revenue Bonds, Series 2013 Convention Center Hotel Capital Project Fund to budget bond proceeds, costs of issuance, and General Fund reimbursement of prior year expenditures.
- B.) Budget Amendment of \$629,373 in the \$27.8M Public Improvement Revenue Bonds, Series 2013 Convention Center Hotel Debt Service Fund to budget interest expense and budget interfund transfers from the General Fund and Capital project funds.
- C.) Budget Amendment of \$165,027 in the General Fund to recognize reimbursement of prior year expenditures, establish an interfund transfer to the \$27.8M Public Improvement Revenue Bonds, Series 2013 Convention Center Hotel Debt Service Fund for interest expense and close out the Convention Center budget.
- D.) Budget transfer of \$324,270 in the Capital Outlay Fund from reserves to establish an interfund transfer to the \$27.8M Public Improvement Revenue Bonds, Series 2013 Convention Center Hotel Debt Service Fund for interest expense.
- E.) Budget transfer of \$263,000 in the Public Building Improvement Fund from reserves to establish an interfund transfer to the \$27.8M Public Improvement Revenue Bonds, Series 2013 Convention Center Hotel Debt Service Fund for interest expense.

Summary: On May 7, 2013, the Board approved Resolution No. R2013-0589 for the issuance of the Series 2013 bonds for the purpose of funding a \$27 million subsidy for the development of a 400 room Hilton Convention Center Hotel and related expenses. Through a competitive bid process, Stifel Nicolaus & Company, Incorporated was chosen to underwrite the bonds. The true interest cost is 4.97%. These budget amendments establish the budget for the sale of the Series 2013 Bonds. **Countywide (PFK)** (continues on page 3).

Attachments:

1. Budget Amendments

Recommended by:	Elizaluth Cloesu	10/35/13
•	Department Director	Date
Approved By:	Mer	1-12/17
	County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Fi	ve Year Summary o	f Fiscal Impac	t:			
	Fiscal Years	<u>2014</u>	<u>2015</u>	2016	<u>2017</u>	<u>2018</u>
Capitalissue Debtalis Exter	Proceeds al Expenditures Costs Service Costs nal Revenues ram Income (County)	(27,944,382) 27,500,000 444,382 629,373	 1,792,163	<u>1,791,638</u>		
No. A	FISCAL IMPACT ADDITIONAL FTE ITIONS (Cumulative	629,373 1,		<u>1,791,638</u> ———		
Budg	n Included In Curre et Account No.: ct Rep	Fund	Departn	nent		
В.	Recommended So	urces of Fund	s/Summa	ry of Fiscal	Impact:	
	onds are secured by source of the annua		n-ad valor	em revenues	s with the G	General Fund
C.	Departmental Fisc	al Review:				
		III. <u>REVIE</u>				
Α.	OFMB Fiscal and/o		- E106	ntrol Comm N/A tract Dev. a		1
B.	Legal Sufficiency:	• •				
	Assistant County	<u>(0/25/13</u> Attorney				
C.	Other Department	Review:				
	Department	Director				

REVISED 9/03 ADM FORM 01 (THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.) **Background and Justification:** On April 12, 2011, the BCC conceptually approved a subsidy in the amount of \$27 million for the development of a 400 room Hilton Convention Center Hotel to The Related Companies, L.P. and directed staff to begin negotiations with Related. On March 9, 2010, the BCC approved the Selection Committee's number one ranking of The Related Companies, L.P. to develop and operate the hotel. In May 2013, the Board approved a bond issue to provide funding for a \$27 million subsidy for the hotel project. Underwriters for the bonds were chosen in October 2013. The bonds are secured by a covenant to budget and appropriate legally available non-ad valorem revenues with the source of payment being the General Fund.



BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

Fund 3074 - 27.8M PUBLIC IMP REV BONDS, SERIES 2013 CONVENTION CENTER HOTEL

BGRV 102313*28 BGEX 102313*177

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
<u>Revenues</u>							
810-4100-8401 Bond Proceeds	0 0	0 0	27,944,382 0	0 0	27,944,382 0		
TOTAL RECEIPTS & BALANCES	0	0	27,944,382	0	27,944,382		
<u>Expenditures</u>							
761-7608-8201 Convention Center Hotel - Related Co. 821-7608-9000 Transfer to Fund 0001 761-7608-3401 Other Contractual Services	0 0 0	0 0 0	27,000,000 165,027 334,973	0	27,000,000 165,027 334,973		27,000,000 165,027 334,973
761-7608-7305 Cost of Issuance	0	0	444,382		444,382		444,382
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	27,944,382	0	27,944,382		
Office of Financial Management and Budget		Signatures	& Dates			OF COUNTY COMM AT MEETING OF	ISSIONERS
INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval	Cum	Nuan	10/24/13			November 5, 2013	
OFMB Department - Posted		<i></i>				Deputy Clerk to the of County Commission	ners
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BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

Fund 2074 - 27.8M PUB IMP REV BONDS, SERIES 2013 CONVENTION CENTER HOTEL

BGRV 102313*26 BGEX 102313*173

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
Revenues							
810-4100-8207 Transfer from Fund 3900 810-4100-8204 Transfer from Fund 3804 810-4100-8000 Transfer from Fund 0001	0 0 0	0 0 0	324,270 263,000 42,103	0 0 0	324,270		
TOTAL RECEIPTS & BALANCES	0	0	629,373	0	629,373		
Expenditures							
810-7196-7201 Interest Expense	0	0	629,373	0	629,373		629,373
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	629,373	0	629,373		
Office of Financial Management and Budget INITIATING DEPARTMENT/DIVISION	-	Signatures	& Dates			OF COUNTY COMMISS	SIONERS
Administration/Budget Department Approval OFMB Department - Posted	Lusa	Newy	10/24/13		Board	November 5, 2013 Deputy Clerk to the of County Commissione	ers
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BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET AMENDMENT

Fund 0001 - GENERAL FUND

BGRV 102313*27 BGEX 102313*174

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 10/17/2013	REMAINING BALANCE
Revenues							
800-8001-8732 Transfer from Fund 3074	0	0	165,027	0	165,027		
TOTAL RECEIPTS & BALANCES	1,070,918,243	1,070,918,243	165,027	0	1,071,083,270		
Expenditures							
760-7608-3401 Other Contractual Services 820-9300-9731 Transfer to Fund 2074 820-9900-9922 Res-Balances Forward	236,460 0 64,980,089	236,460 0 64,980,089	0 42,103 359,384	236,460	0 42,103 65,339,473		0 42,103 65,339,473
TOTAL APPROPRIATIONS & EXPENDITURES	1,070,918,243	1,070,918,243	401,487	236,460	1,071,083,270		
Office of Financial Management and Budget		Signatures	s & Dates	······		OF COUNTY COMM AT MEETING OF	ISSIONERS
INITIATING DEPARTMENT/DIVISION		Vlas	12/24/12]	November 5, 2013	
Administration/Budget Department Approval OFMB Department - Posted	Susa-	1 clanz	10/24/13			Deputy Clerk to the	oners

2014-0113

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET TRANSFER

Fund 3900 - CAPITAL OUTLAY

BGEX 420 102313*175

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
Expenditures 821-9801-9911 Res-Fut Dbt Svc Paymts 821-9100-9731 Transfer to Fund 2074	400,000 0	400,000 0	0 324,270	324,270 0	75,730 324,270		75,730 324,270
TOTAL APPROPRIATIONS & EXPENDITURES			324,270	324,270	0		
Office of Financial Management & Budget		Signatures	s & Dates			OF COUNTY COMM AT MEETING OF	ISSIONERS
INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval OFMB Department - Posted	Lusa	- neary	10/24/13		ľ	November 5, 2013 Deputy Clerk to the of County Commission	oners

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2014-0114

BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY, FLORIDA BUDGET TRANSFER

Fund 3804 - PUBLIC BUILDING IMPROVEMENT FUND

BGEX 420 102313*176

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
Expenditures 821-9814-9911 Res-Fut Dbt Svc Paymnts 821-9100-9731 Transfer to Fund 2074	263,000 0	263,000 0	0 263,000	263,000 0	0 263,000		0 263,000
TOTAL APPROPRIATIONS & EXPENDITURES		•	263,000	263,000	0		
Office of Financial Management & Budget		Signatures	& Dates			OF COUNTY COMM AT MEETING OF	ISSIONERS
INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval OFMB Department - Posted	Sum 7	1 any 10,	124/13		N	November 5, 2013 Deputy Clerk to the of County Commission	oners

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