

3G-1

Agenda Item #: \_\_\_\_\_

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

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<b>Meeting Date:</b>	<b>January 13, 2015</b>	<input checked="" type="checkbox"/>	<b>Consent</b>	<input type="checkbox"/>	<b>Regular</b>
		<input type="checkbox"/>	<b>Ordinance</b>	<input type="checkbox"/>	<b>Public Hearing</b>
<b>Department:</b>	<b>Office of Financial Management &amp; Budget</b>				

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**I. Executive Brief**

**Motion and Title: Staff recommends motion to adopt:**

a Resolution of the Board of County Commissioners of Palm Beach County, Florida, authorizing the issuance of not exceeding \$80,000,000 in initial aggregate principal amount of Palm Beach County, Florida, Revenue Refunding Bonds, Series 2015, in one or more Series (the "Bonds") for the purpose of paying and defeasing all of the County's outstanding Public Improvement Revenue Refunding Bonds, Series 2008A and a portion of the County's Public Improvement Revenue Bonds, Series 2008-2; establishing the maturity schedule for the bonds if sold through a public offering; authorizing the County Administrator or the Debt Manager of the County to publish through electronic means a Summary Notice of Sale and to receive bids pursuant to a competitive sale of said bonds and award the sale of said bonds to the responsive bidder or bidders offering the lowest true interest cost to the County which shall not exceed three and one-half percent (3.50%) if the bonds are sold through a public offering; authorizing the execution and delivery of said bonds; approving the form of and authorizing the execution and delivery of an Escrow Deposit Agreement; approving the form of and authorizing the execution and delivery of a Registrar/Paying Agent agreement; approving the preparation and use of a Summary Notice of Sale, an Official Notice of Bond Sale, a Preliminary Official Statement and final Official Statement if the bonds are sold through a public offering; authorizing the electronic dissemination of the Preliminary Official Statement and Official Statement; providing for, in the alternative of a public offering with respect to the defeasance of the Series 2008A bonds, a negotiated private placement of such bonds; making certain covenants and agreements in connection with the bonds; providing for the rights and remedies of the owners of the bonds; providing for the terms and payment of such bonds; providing for certain other matters in connection therewith; and providing for an effective date.

**Summary:** On November 24, 2014, the County Financing Committee (CFC) approved the advance refunding of all or a portion of the County's Public Improvement Revenue Bonds, Series 2008-2 and Public Improvement Revenue Refunding Bonds, Series 2008A based on a target net present value savings of not less than 5.00%. The bonds originally funded a grant to Max Planck and refunded various Sunshine State Loans. The bonds will be sold on a competitive basis through a public offering, or if the Series 2008A does not meet the 5.00% savings as a public offering, it will be refunded as a direct bank placement. Upon the adoption of the resolution, staff and the County's financial advisor will monitor market conditions. The County's financial advisor informed the CFC that current interest rates were unusually low and at that time the total net present value savings was approximately \$3.5 million. **Countywide (PFK)**

Background continued on page 3

**Attachments:**

1. Bond Resolution.

**Recommended by:** \_\_\_\_\_

**Department Director**

**Date**

**Approved By:** \_\_\_\_\_

**County Administrator**

**Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures					
Operating Costs					
Debt Service Costs	*	*	*	*	*
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					
NO. ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Current Budget? Yes No

Budget Account No.: Fund Department Unit  
Object Reporting Category

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

The Resolution authorizes the sale of Bonds. The debt service payments are secured by a covenant to budget and appropriate.

\*Debt service payments will decrease in future years; however, the amounts are not known until the bonds are sold.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

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

Susan Fleming 12/18/14  
OFMB  
12/18/14  
J. Jacobson 1/16/15  
Contract Dev. and Control

B. Legal Sufficiency:

Paul F. 1/7/15  
Assistant County Attorney

C. Other Department Review:

Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.  
WPB 383257753v5/013000.012700

**Background and Justification:** The County's Debt Management Policy stipulates that the net present value savings on the debt service of the refunding bonds is at least 5% unless interest rates are at historically low levels and future opportunities to achieve more savings are not likely to occur. The County's financial advisor informed the CFC that current interest rates were unusually low and at that time the total net present value savings was approximately \$3.5 million. The CFC voted to move forward with the refundings through a competitive public offering and/or direct bank placement and instructed the financial advisor to monitor the market to determine the best time to move forward.