

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: January 26, 2016 [X] Consent [ ] Regular  
[ ] Ordinance [ ] Public Hearing  
Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to approve:

- A) A Budget Amendment of \$67,640,000 in the 65.360M NAV Pub Imp Tax Rev Bond 15C CP, Prof Sports Fac Pr fund to reduce the budget for bond proceeds and costs of issuance for the taxable Series 2015C Bonds.
- B) A Budget Amendment of \$65,363,861 to establish the budget for bond proceeds and costs of issuance in the 56.645M NAV Pub Imp Rev Bonds, 15D CP, Prof Sports Fac Proj fund for the tax exempt Series 2015D Bonds.
- C) A Budget Transfer of \$2,069,791 in the TDC 1<sup>st</sup> Cent Fund to transfer \$1,216,605 from First Cent Reserves to the 65.360M NAV Pub Imp Tax Rev Bond 15C DS, Prof Sports Fac Pr fund to provide budget for the initial interest payment in FY 2016 and to transfer \$853,186 from First Cent Reserves to the 56.645M NAV Pub Imp Rev Bond 15D DS, Prof Sports Fac Proj fund to provide budget for the initial interest payment in FY 2016.
- D) A Budget Amendment of \$1,216,605 in the 65.360M NAV Pub Imp Tax Rev Bond 15C DS, Prof Sports Fac Pr fund to establish budget for interest expense.
- E) A Budget Amendment of \$1,353,186 in the 56.645M NAV Pub Imp Rev Bond 15D DS, Prof Sports Fac Proj fund to establish budget for interest expense.

**Summary:** On October 20, 2015, the Board approved Resolution No. R2015-1528 which authorized the issuance of the Series 2015C and Series 2015D bonds. While Resolution No. R2015-1528 allowed for both a taxable bond series and a tax exempt bond series, the adopted FY 2016 budget only included a taxable bond series. Subsequent to the adoption of the FY 2016 budget, market conditions, private activity and arbitrage rule research revealed that issuing both a taxable and a tax exempt series was in the best interest of the County. The taxable Series 2015C Bonds and the tax exempt Series 2015D Bonds are for the purpose of funding the construction of a Professional Sports Franchise Facility and to pay the cost of issuance of the bonds. The bonds, issued for a 30 year term at 4.084%, will provide the amount needed to fully fund the County's commitment to the project. The average annual debt service is \$7.649 million and interest payments will begin FY 2016. These budget amendments will establish the budget for the sale of the tax exempt Series 2015D Bonds and reduce the budget for the sale of the taxable Series 2015C Bonds. Countywide (PFK)

**Background & Justification:** The project agreement provides funding of \$135,000,000 for the construction of a Professional Sports Franchise Facility in Palm Beach County. The debt service for the bonds is \$229,313,174 over the term of the bonds. The bonds are secured by a covenant to budget and appropriate legally available non-ad valorem revenues with the sources of payment being \$50,000,000 from the State of Florida pursuant to FS 288.11631, \$67,021,656 from the Teams pursuant to the Facility Use Agreement, and the remaining \$112,291,518 from the TDC 1<sup>st</sup> Cent.

- Attachments:**
- 1. Budget Amendments in Funds 3078, 3079, 2078, & 2079
  - 2. Budget Transfer in Fund 1458

Recommended by: Elizabeth Blaser 1/7/16  
Department Director Date

Approved By: [Signature] 1/15/16  
County Administrator Date

## **II. FISCAL IMPACT ANALYSIS**

#### A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Capital Expenditures	130,000,000				
Issue Cost	723,861				
Debt Service Costs	2,569,791	5,378,632	5,795,890	7,846,478	7,838,774
Bond Proceeds	(122,005,000)				
Bond Premium	( 8,718,861)				
External Revenues	( 500,000)	(2,000,000)	(2,000,000)	(4,143,134)	(4,143,134)
In-Kind Match (County)					
NET FISCAL IMPACT	2,069,791	3,378,632	3,795,890	3,703,344	3,695,640
No. ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Current Budget? Yes \_\_\_\_\_ No   X  

**Budget Account No.:** Fund      Department      Unit     

**Object** \_\_\_\_\_ **Reporting Category** \_\_\_\_\_

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

The bonds are secured by a covenant to budget and appropriate legally available non-ad valorem revenues with the sources of payment being \$50,000,000 from the State of Florida pursuant to FS 288.11631, \$67,021,656 from the Teams pursuant to the Facility Use Agreement, and the remaining \$112,291,518 from the TDC 1<sup>st</sup> Cent.

**C. Departmental Fiscal Review:** \_\_\_\_\_

### III. REVIEW COMMENTS

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

Shen & Ben

N/A

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Contract Dev. and Control

### B. Legal Sufficiency:

Paul F. [Signature] 11/12/16  
Assistant County Attorney

**C. Other Department Review:**

**Department Director**

2016 - 0317

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

Fund 3078 - 65.360M NAV Pub Imp Tax Rev Bond 15C CP, Prof Sports Fac Pr

BGRV 010816\*150  
BGEX 010816\*623

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 12/11/2015	REMAINING BALANCE
<u>Revenues</u>							
810-4100-8401 Bond Proceeds	0	133,000,000	0	67,640,000	65,360,000		
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TOTAL RECEIPTS & BALANCES	0	133,000,000	0	67,640,000	65,360,000		
<u>Expenditures</u>							
411-B590-6502 Building Construction - CIP	0	130,000,000	0	65,000,000	65,000,000	0	65,000,000
810-7301-7305 Issue Costs	0	3,000,000	0	2,640,000	360,000	224,235	135,765
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TOTAL APPROPRIATIONS & EXPENDITURES	0	133,000,000	0	67,640,000	65,360,000		

Office of Financial Management and Budget	Signatures & Dates	BY BOARD OF COUNTY COMMISSIONERS
		AT MEETING OF
INITIATING DEPARTMENT/DIVISION		January 26, 2016
Administration/Budget Department Approval	1/11/2016	Deputy Clerk to the
OFMB Department - Posted		Board of County Commissioners

2016 - 0318

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

Fund 3079 - 56.645M NAV Pub Imp Rev Bonds, 15D CP, Prof Sports Fac Proj

BGRV 010816\*152  
BGEX 010816\*627

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 12/11/2015	REMAINING BALANCE
<u>Revenues</u>							
810-4100-8401 Bond Proceeds	0	0	56,645,000	0	56,645,000		
810-4100-8511 Premium	0	0	8,718,861	0	8,718,861		
<hr/>							
TOTAL RECEIPTS & BALANCES	0	0	65,363,861	0	65,363,861		
<u>Expenditures</u>							
411-B590-6502 Building Construction - CIP	0	0	65,000,000	0	65,000,000	0	65,000,000
810-7301-7305 Issue Costs		0	363,861		363,861	168,181	195,680
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TOTAL APPROPRIATIONS & EXPENDITURES	0	0	65,363,861	0	65,363,861		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

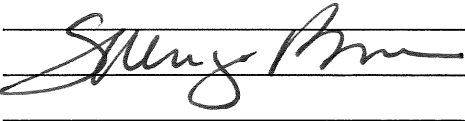
AT MEETING OF

January 26, 2016

INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval

OFMB Department - Posted

 1/11/16

Deputy Clerk to the

Board of County Commissioners

2016 - 0319

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET TRANSFER

Fund 1458 - TDC 1ST CENT FUND

BGEX 011116-634

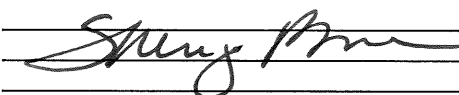
ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 01/08/2016	REMAINING BALANCE
<u>Expenditures</u>							
710-7345-9902    Operating Reserves	10,835,156	10,835,156	0	2,069,791	8,765,365	0	8,765,365
820-7290-9746    Transfer to Fund 2078	0	0	1,216,605	0	1,216,605	0	1,216,605
820-7290-9747    Transfer to Fund 2079	0	0	853,186	0	853,186	0	853,186
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TOTAL APPROPRIATIONS & EXPENDITURES	14,670,066	14,670,066	2,069,791	2,069,791	14,670,066		

Office of Financial Management & Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

INITIATING DEPARTMENT/DIVISION  
Administration/Budget Department Approval  
OFMB Department - Posted

 1/11/16

AT MEETING OF  
January 26, 2016  
Deputy Clerk to the  
Board of County Commissioners

2016 - 0320

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

Fund 2078 - 65.360M NAV Pub Imp Tax Rev Bond 15C DS, Prof Sports Fac Pr

BGRV 011116-154  
BGEX 011116-635

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 01/08/16	REMAINING BALANCE
<u>Revenues</u>							
810-4100-8314 Tr Fr TDC 1st Cent Fund 1458	0	0	1,216,605	0	1,216,605		
TOTAL RECEIPTS & BALANCES	0	0	1,216,605	0	1,216,605		
<u>Expenditures</u>							
810-7205-7201 Interest-Bonds	0	0	1,216,605	0	1,216,605	0	1,216,605
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	1,216,605	0	1,216,605		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

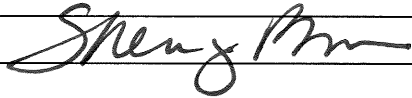
INITIATING DEPARTMENT/DIVISION

AT MEETING OF

Administration/Budget Department Approval

January 26, 2016

OFMB Department - Posted

 1/11/16

Deputy Clerk to the  
Board of County Commissioners

2016 - 0321

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

Fund 2079 - 56.645M NAV Pub Imp Rev Bond 15D DS, Prof Sports Fac Proj

BGRV 011116-155  
BGEX 011116-636

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 01/08/16	REMAINING BALANCE
<b>Revenues</b>							
810-4100-8314 Tr Fr TDC 1st Cent Fund 1458	0	0	853,186	0	853,186		
810-4100-3517 State Sales Tax Baseball Contribution	0	0	500,000	0	500,000		
<b>TOTAL RECEIPTS &amp; BALANCES</b>	0	0	1,353,186	0	1,353,186		
<b>Expenditures</b>							
810-7206-7201 Interest-Bonds	0	0	1,353,186	0	1,353,186	0	1,353,186
<b>TOTAL APPROPRIATIONS &amp; EXPENDITURES</b>	0	0	1,353,186	0	1,353,186		

Office of Financial Management and Budget

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