

30-1

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: May 17, 2016 Consent Regular
 Ordinance Public Hearing
Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to approve:

- A) Budget Amendment of \$157,163,595 in the \$121.035M Revenue Refunding Bonds, Series 2016 debt service fund to budget bond proceeds, refunding bond premium, transfer from the refunded bonds' debt service reserve, transfer from the refunded bonds' debt service fund, costs of issuance, and payment to refunding bond escrow agent.
- B) Budget Transfer of \$2,829,313 in the \$176.5M Public Improvement Revenue Bond, Series 2008 DS debt service fund to decrease the interest payment and increase the transfer to the Revenue Refunding Bonds, Series 2016 debt service fund.
- C) Budget Transfer of \$6,790,350 in the \$176.5M Public Improvement Revenue Bond, Series 2008 DSR debt service reserve fund to reduce the debt service reserve and increase the transfer to the Revenue Refunding Bonds, Series 2016 debt service fund.

Summary: On March 1, 2016, the Board authorized the issuance of the Series 2016 Refunding Bond for a partial refunding for the Public Improvement Revenue Bonds, Series 2008 through a competitive sale as recommended by the County Financing Committee (CFC) and the County's Financial Advisors. Through an electronic bid process, the County awarded the sale to Raymond James. The refunding will save the County approximately \$18.7 million in debt service over the life of the bonds. The County's AA+/Aa1 (AAA on General Obligation Bonds) credit rating increased the savings by approximately \$2,180,000. **Countywide (PFK)**

Background and Justification: On January 21, 2016, the County Financing Committee (CFC) met to discuss the financing alternatives and recommended that, due to the current period of low interest rates, the County should proceed with the refunding for potential savings. Upon the recommendation of the County's Financial Advisors and the CFC, the refunding was done through a competitive sale. The Bonds are secured by a pledge of non ad valorem revenues.

Attachments:

- 1. Budget Amendment in Fund 2535
- 2. Budget Transfer in Fund 2053
- 3. Budget Transfer in Fund 2054

Recommended by: Elizabeth Brown 4/27/16
Department Director Date

Approved By: Verdenia C. Baker 5/1/16
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>
Bond Proceeds	(121,035,000)	_____	_____	_____	_____
Premium on Bonds	(26,508,932)	_____	_____	_____	_____
Issue Costs	1,300,783	_____	_____	_____	_____
Payment to Escrow Agent	146,243,149*	_____	_____	_____	_____
Debt Service Payments	(0)	(6,118,992)	(6,051,750)	(9,711,750)	(9,713,750)
 NET FISCAL IMPACT	 (0)	 (6,118,992)	 (6,051,750)	 (9,711,750)	 (9,713,750)
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No X (Various Budgets)
 Budget Account No.: Fund _____ Department _____ Unit _____
 Object _____ Reporting Category _____

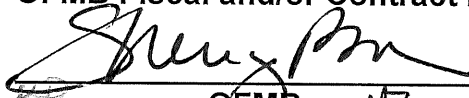
B. Recommended Sources of Funds/Summary of Fiscal Impact:

The debt service payments are secured by a pledge to budget and appropriate legally non-ad valorem revenues.
 *Net of \$9,619,663 accrued interest and debt service reserve.


C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

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

 _____ OFMB MB 4/27	N/A _____ Contract Dev. and Control
--	---

B. Legal Sufficiency:



 Assistant County Attorney
 4/28/16

C. Other Department Review:

 Department Director

2016 - 0758

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

FUND 2535 - 121.035M NAV 16 DS, Ref 141.45M 08 Jail Expand/Pub Bldg

BGRV 031816*445
BGEX 031816*1124

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 4/27/2016	REMAINING BALANCE
Revenues							
810-4100-8501 Proceeds of Refunding Bonds	0	0	121,035,000	0	121,035,000		
810-4100-8511 Refunding Premium/Discount Revenue	0	0	26,508,932	0	26,508,932		
810-4100-8323 Transfer from Fund 2053	0	0	2,829,313		2,829,313		
810-4100-8325 Transfer from Fund 2054	0	0	6,790,350	0	6,790,350		
TOTAL RECEIPTS & BALANCES	0	0	157,163,595	0	157,163,595		
Expenditures							
810-7207-7305 Issue Costs	0	0	1,300,783	0	1,300,783	0	1,300,783
810-7207-9450 Payment Refund Bond Escrow Agent	0	0	155,862,812	0	155,862,812	0	155,862,812
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	157,163,595	0	157,163,595		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS


INITIATING DEPARTMENT/DIVISION

AT MEETING OF

Administration/Budget Department Approval

May 17, 2016

OFMB Department - Posted

 4/27/16

Deputy Clerk to the

Board of County Commissioners

2016 - 0760

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER

FUND 2053 - 176.5M NAV 08 DS, Jail Expand/Pub Bldg

BGEX 031816*1121

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 4/27/2016	REMAINING BALANCE
<u>Expenditures</u>							
820-7196-9753 Transfer to Fund 2535	0	0	2,829,313	0	2,829,313	0	2,829,313
810-7166-7201 Interest Expense	7,318,850	7,318,850	0	2,829,313	4,489,537	3,659,425	830,112
TOTAL APPROPRIATIONS & EXPENDITURES	11,265,350	11,265,350	2,829,313	2,829,313	11,265,350		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS


AT MEETING OF

May 17, 2016

INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval

OFMB Department - Posted

 4/27/16

Deputy Clerk to the

Board of County Commissioners

2016 - 0759

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER

FUND 2054 - 176.5M NAV 08 DSR, Jail Expand/Pub Bldg

BGEX 031816*1122

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 4/27/2016	REMAINING BALANCE
Expenditures							
820-7167-9753 Transfer to Fund 2535	0	231,763	6,790,350	0	7,022,113	231,763	6,790,350
810-9959-9911 Res-Future Debt Service Payment	11,268,150	11,268,150	0	6,790,350	4,477,800	0	4,477,800
TOTAL APPROPRIATIONS & EXPENDITURES	11,268,150	11,268,150	6,790,350	6,790,350	11,268,150		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

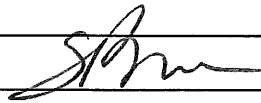
INITIATING DEPARTMENT/DIVISION

AT MEETING OF

May 17, 2016

Administration/Budget Department Approval

OFMB Department - Posted

 4/27/16

Deputy Clerk to the

Board of County Commissioners