

36-4

Agenda Item #: _____

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: June 21, 2016[X] Consent [] Regular
[] Ordinance [] Public Hearing
Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to adopt a:

Fifteenth Supplemental Palm Beach County Airport System Revenue Bond Resolution (the "Fifteenth Supplemental Resolution") of the Board of County Commissioners of Palm Beach County, Florida supplementing Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted November 1, 1984, as amended and supplemented (the "Bond Resolution"), authorizing the issuance of not to exceed \$75,000,000 in aggregate principal amount of Palm Beach County, Florida Airport System Revenue Refunding Bonds, Series 2016 for the purpose of refunding all or a portion of the outstanding Palm Beach County, Florida Airport System Revenue Bonds, Series 2006A and paying all costs necessary or incidental to the foregoing, as more fully provided for herein; providing for certain details of such bonds; authorizing the form of such bonds and the execution and delivery of such bonds; providing for the application of the proceeds of such bonds; delegating authority to appropriate officials of Palm Beach County, in consultation with Palm Beach County's Co-Financial Advisors, to determine whether to secure such bonds, all or in part, by the debt service reserve account or a subaccount therein; authorizing obtaining a municipal bond insurance and/or a debt service reserve account insurance policy for all or a portion of such bonds; authorizing the execution and delivery of agreements in connection with any municipal bond insurance policy and/or debt service reserve account insurance policy and the payment of the related premiums; approving the form of a bond purchase agreement and delegating authority to appropriate officials of Palm Beach County to determine certain details of such bonds and to execute and deliver the bond purchase agreement to effect the competitive negotiated sale of the bonds, all subject to the parameters set forth in this resolution; approving the form of and authorizing the distribution of a Preliminary Official Statement in connection with the offering and sale of the bonds and authorizing the execution and delivery by appropriate officials of Palm Beach County of a final Official Statement; appointing the trustee, registrar, and paying agent for such bonds; approving certain tax covenants relating to such bonds; appointing an escrow agent, and providing for the selection of a verification agent for the Series 2006A Bonds to be refunded and approving a form of an escrow deposit agreement and delegating authority to appropriate officials of Palm Beach County to execute and deliver the escrow deposit agreement; providing for the undertaking by Palm Beach County required by rule 15C2-12 of the Securities and Exchange Commission; authorizing other required actions; providing for severability and an effective date.

Summary: The County's Financial Advisors have reviewed the Airport System Revenue Bonds, Series 2006A and determined that these bonds can be currently refunded for a savings. These bonds will be refunded at a not to exceed amount of \$75 million on a competitive negotiated basis. Based on current market conditions, the estimated savings have a net present value of \$11,656,512 (16.87%). **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. The County reserves the right to cancel the sale if market conditions deteriorate. The County's Financial Advisors will monitor market conditions to maximize savings. If the market allows for the series to be refunded, it will be done through a competitive negotiated sale.

Attachments:

- 1. Fifteenth Supplemental Resolution.

Recommended by: For Richard G. Soriano 6/2/16
Department Director Date
Approved By: U. Butler 6/3/16
County Administrator Date

I. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020.
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 X__

Budget Account No.: Fund _____ Department _____ Unit _____
 Object _____ Reporting Category _____

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

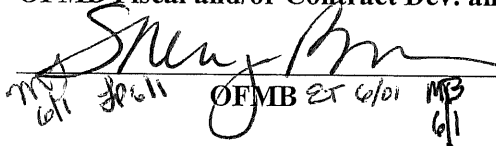
The Resolution authorizes the sale of Bonds. The debt service payments are secured by a pledge of airport revenues.

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

C. Departmental Fiscal Review: _____

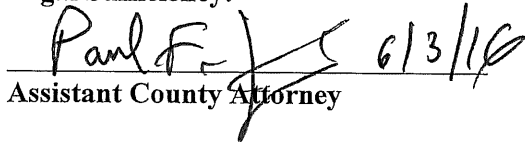
III. REVIEW COMMENTS

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


N/A

 Contract Dev. and Control

B. Legal Sufficiency:


 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