

36-1

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: February 4, 2020 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 \$25,961,500 in the \$25.18M Revenue Refunding Bonds, Series 2019 debt service fund to budget bond proceeds, refunding bond premium, transfer from the refunded bonds' debt service fund, costs of issuance, payment to refunding bond escrow agent, and interest expense.
- B) Budget Transfer of \$427,788 in the \$27.8M Taxable Public Improvement Revenue Bond, Series 2013 DS debt service fund to decrease the interest payment and increase the transfer to the Revenue Refunding Bonds, Series 2019 debt service fund.

Summary: On October 22, 2019, the Board authorized the issuance of the Series 2019 Refunding Bonds for a partial refunding of the Taxable Public Improvement Revenue Bonds, Series 2013 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 Robert W. Baird. The refunding will save the County approximately \$2.2 million (10.03%) in debt service over the life of the bonds. **Countywide (DB)**

Background and Justification: On September 19, 2019, 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 2538
- 2. Budget Transfer in Fund 2074

Recommended by:  12/13/19
Department Director Date

Approved By:  12/20/19
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Bond Proceeds	(25,180,000)	_____	_____	_____	_____
Premium on Bonds	(353,713)	_____	_____	_____	_____
Sinking Fund Transfer	(91,813)*	_____	_____	_____	_____
Issue Costs	672,188	_____	_____	_____	_____
Payment to Escrow Agent	24,953,338	_____	_____	_____	_____
Debt Service Payments	(214,901)	43,028	(7,473)	(7,523)	(7,873)
NET FISCAL IMPACT	(214,901)	43,028	(7,473)	(7,523)	(7,873)
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.

*Trustee transfer of \$91,813 of accrued interest.

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

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

<p><u><i>[Signature]</i></u> 12/14/19 12/13/19 ^{ES} 12/14/19 OFMB</p>	<p><u><i>[Signature]</i></u> 12/17/19 Contract Dev. and Control 12/17/19 TW</p>
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B. Legal Sufficiency:

[Signature] 12/14/19
 Assistant County Attorney

C. Other Department Review:

 Department Director

2020 - 0246

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

FUND 2538 - 25.18M NAV 19 DS, Ref NAV Tax 13 Conv Center Hotel Project

BGRV 121219*135
BGEX 121219*0509

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 11/25/2019	REMAINING BALANCE
Revenues							
810-4100-8501 Proceeds of Refunding Bonds	0	0	25,180,000	0	25,180,000		
810-4100-8511 Refunding Premium/Discount Revenue	0	0	353,713	0	353,713		
810-4100-8731 Transfer from Fund 2074	0	0	427,787	0	427,787		
TOTAL RECEIPTS & BALANCES	0	0	25,961,500	0	25,961,500		
Expenditures							
810-7210-7201 Interest - Bonds	0	0	335,974	0	335,974	0	
810-7210-7305 Issue Costs	0	0	672,188	0	672,188	0	672,188
810-7210-9450 Payment Refund Bond Escrow Agent	0	0	24,953,338	0	24,953,338	0	24,953,338
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	25,961,500	0	25,961,500		

Office of Financial Management and Budget

INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval

OFMB Department - Posted

Signatures & Dates

[Signature] 12/13/19
[Signature] 12/16/19

BY BOARD OF COUNTY COMMISSIONERS

AT MEETING OF

February 4, 2020

Deputy Clerk to the

Board of County Commissioners

2020 - 0247

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER

FUND 2074 - 27.8M NAV Tax 13 DS, Convention Center Hotel

BGEX 121219*510

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 11/21/2019	REMAINING BALANCE
Expenditures							
810-7196-9767 Transfer to Fund 2538	0	0	427,788	0	427,788	0	427,788
810-7196-7201 Interest Expense	1,196,588	1,196,588	0	427,788	768,800	601,981	166,819
TOTAL APPROPRIATIONS & EXPENDITURES	1,196,588	1,196,588	427,788	427,788	1,196,588		


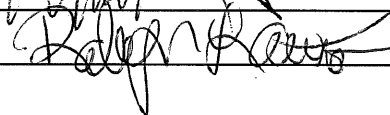
Office of Financial Management and Budget

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 12/13/19
 12/16/19

BY BOARD OF COUNTY COMMISSIONERS

AT MEETING OF

February 4, 2020

Deputy Clerk to the

Board of County Commissioners



SOURCES AND USES OF FUNDS

Palm Beach County, Florida
Public Improvement Revenue Refunding Bonds, Series 2019B
Taxable Advanced Refunding of Taxable Public Improvement Series 2013

Final Numbers
Sale Date: November 12, 2019
Competitive Bid Winner: Robert W. Baird

Dated Date 11/26/2019
Delivery Date 11/26/2019

Sources:

Bond Proceeds:	
Par Amount	25,180,000.00
Net Premium	<u>353,712.50</u>
	25,533,712.50
Other Sources of Funds:	
Sinking Fund Contribution	91,812.50
	<u>91,812.50</u>
	25,625,525.00

Uses:

Refunding Escrow Deposits:	
Cash Deposit	467.82
Open Market Purchases	<u>24,952,869.95</u>
	24,953,337.77
Delivery Date Expenses:	
Cost of Issuance	245,512.13
Underwriter's Discount	<u>426,675.10</u>
	672,187.23
	<u>672,187.23</u>
	25,625,525.00

SAVINGS

Palm Beach County, Florida
 Public Improvement Revenue Refunding Bonds, Series 2019B
 Taxable Advanced Refunding of Taxable Public Improvement Series 2013

Final Numbers
 Sale Date: November 12, 2019
 Competitive Bid Winner: Robert W. Baird

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/26/2019 @ 3.0135691%
09/30/2020	550,875.00	335,974.34	214,900.66	212,150.85
09/30/2021	1,101,750.00	1,144,777.50	-43,027.50	-44,246.66
09/30/2022	1,101,750.00	1,094,277.50	7,472.50	4,654.34
09/30/2023	1,101,750.00	1,094,227.50	7,522.50	4,493.63
09/30/2024	1,101,750.00	1,093,877.50	7,872.50	4,603.11
09/30/2025	1,778,812.50	1,772,877.50	5,935.00	2,759.60
09/30/2026	1,781,475.00	1,775,852.50	5,622.50	2,393.27
09/30/2027	1,776,243.75	1,772,852.50	3,391.25	498.45
09/30/2028	1,778,447.50	1,773,877.50	4,570.00	1,410.26
09/30/2029	1,773,257.50	1,768,927.50	4,330.00	1,190.93
09/30/2030	1,773,782.50	1,772,927.50	855.00	-1,393.63
09/30/2031	1,770,282.50	1,770,802.50	-520.00	-2,307.44
09/30/2032	1,769,657.50	1,767,627.50	2,030.00	-412.95
09/30/2033	1,766,782.50	1,453,127.50	313,655.00	211,365.07
09/30/2034	1,766,532.50	1,457,302.50	309,230.00	202,318.04
09/30/2035	1,768,115.00	1,455,502.50	312,612.50	198,629.91
09/30/2036	1,766,377.50	1,457,727.50	308,650.00	190,430.63
09/30/2037	1,761,835.00	1,453,407.50	308,427.50	184,799.46
09/30/2038	1,759,360.00	1,452,525.00	306,835.00	178,542.07
09/30/2039	1,758,697.50	1,449,952.50	308,745.00	174,485.52
09/30/2040	1,758,550.00	1,450,592.50	307,957.50	169,044.76
09/30/2041	1,753,737.50	1,449,307.50	304,430.00	162,312.45
09/30/2042	1,754,987.50	1,450,995.00	303,992.50	157,444.11
09/30/2043	1,752,037.50	1,450,852.50	301,185.00	151,535.66
09/30/2044	1,749,756.25	1,448,868.75	300,887.50	147,076.35
	40,276,602.50	36,369,040.59	3,907,561.91	2,313,777.79

Savings Summary

PV of savings from cash flow	2,313,777.79
Less: Prior funds on hand	-91,812.50
Net PV Savings	2,221,965.29