

3G-1

Agenda Item #:

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: April 7, 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 \$44,882,333 in the \$41.83M Taxable Revenue Refunding Bonds, Series 2019A debt service fund to budget bond proceeds, refunding bond premium, transfer from the refunded bonds' debt service and debt service reserve funds, costs of issuance, payment to refunding bond escrow agent, and interest expense.
- B) Budget Transfer of \$697,638 in the \$62.7M Public Improvement Revenue Refunding Bond, Series 2011 DS debt service fund to decrease the interest payment and increase the transfer to the Revenue Refunding Bonds, Series 2019A debt service fund.
- C) Budget Transfer of \$2,068,250 in the \$62.7M Public Improvement Revenue Refunding Bond, Series 2011 DSR debt service reserve fund to decrease the debt service reserve and increase the transfer to the Revenue Refunding Bonds, Series 2019A debt service fund.

**Summary:** On October 22, 2019, the Board authorized the issuance of the Series 2019A Refunding Bonds for a partial refunding of the Public Improvement Revenue Refunding Bonds, Series 2011 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 FHN Financial. The refunding will save the County approximately \$5.5 million (13.41%) 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 2537
- 2. Budget Transfer in Fund 2526
- 3. Budget Transfer in Fund 2527

Recommended by: Spencer Brown Department Director 2/20/2020 Date

Approved By: W. Baker County Administrator 2/5/2020 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	(41,830,000)	_____	_____	_____	_____
Premium on Bonds	(286,445)	_____	_____	_____	_____
Sinking Fund Transfer	( 516,375)*	_____	_____	_____	_____
Reserve Fund Release	(2,068,250)**	_____	_____	_____	_____
Issue Costs	336,428	_____	_____	_____	_____
Payment to Escrow Agent	44,364,642	_____	_____	_____	_____
Debt Service Payments	(851,487)	(738,850)	(743,800)	(742,475)	(740,850)
<b>NET FISCAL IMPACT</b>	(851,487)	(738,850)	(743,800)	(742,475)	(740,850)
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 \$516,375 of accrued interest.

\*\*Trustee transfer of \$2,068,250 of debt service reserve

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

**III. REVIEW COMMENTS**

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

<p><i>Reyn Brown</i> 2/21/2020</p> <p><i>DB</i> 2/20</p>	<p>OFMB <i>MB</i> 2/20</p>	<p><i>LH</i> 2/20</p>	<p><i>J. S. Jacobson</i> 2/28/2020</p> <p>Contract Dev. and Control</p> <p>2/29/2020 <i>TW</i></p>
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**B. Legal Sufficiency:**

*[Signature]* 3/2/2020  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

2020 - 0569

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

FUND 2537 - 41.83M Tax NAV 2019A DS, Ref 11 Conv Cntr Project

BGRV 021220\*400  
BGEX 021220\*993

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 02/12/2020	REMAINING BALANCE
<b>Revenues</b>							
810-4100-8501 Proceeds of Refunding Bonds	0	0	41,830,000	0	41,830,000		
810-4100-8511 Refunding Premium/Discount Revenue	0	0	286,445	0	286,445		
810-4100-8707 Tr Fr 62.7M NAV 11 DS Fund 2526	0	0	697,638	0	697,638		
810-4100-8708 Tr Fr 62.7M NAV 11 DSR Fund 2527	0	0	2,068,250	0	2,068,250		
<b>TOTAL RECEIPTS &amp; BALANCES</b>	0	0	44,882,333	0	44,882,333		
<b>Expenditures</b>							
810-7209-7201 Interest - Bonds	0	0	181,263	0	181,263	0	181,263
810-7209-7305 Issue Costs	0	0	336,428	0	336,428	0	336,428
810-7209-9450 Pymt-Refund Bond Escrow Agent	0	0	44,364,642	0	44,364,642	0	44,364,642
<b>TOTAL APPROPRIATIONS &amp; EXPENDITURES</b>	0	0	44,882,333	0	44,882,333		

Office of Financial Management and Budget

INITIATING DEPARTMENT/DIVISION

Administration/Budget Department Approval

OFMB Department - Posted

Signatures & Dates

*[Signature]* 2/20/2020  
*[Signature]* 2/21/2020

BY BOARD OF COUNTY COMMISSIONERS

AT MEETING OF

April 7, 2020

Deputy Clerk to the

Board of County Commissioners

2020 - 0570

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET TRANSFER

FUND 2526 - 62.7M NAV 11 DS, Ref Part 81M Conv Cntr 04

BGEX 021220\*992

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 02/12/2020	REMAINING BALANCE
<b>Expenditures</b>							
820-7191-9766 Tr To 41.83M Tax NAV Ref NAV 11 DS, Fund 2537	0	0	697,638	0	697,638	0	697,638
810-7191-7201 Interest Expense	2,491,500	2,491,500	0	697,638	1,793,862	1,285,875	507,987
<b>TOTAL APPROPRIATIONS &amp; EXPENDITURES</b>	2,491,500	2,491,500	697,638	697,638	2,491,500		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

INITIATING DEPARTMENT/DIVISION

AT MEETING OF

Administration/Budget Department Approval

April 7, 2020

OFMB Department - Posted

Deputy Clerk to the  
Board of County Commissioners

*[Handwritten Signature]* 2/20/2020  
*[Handwritten Signature]* 2/21/2020

2020 - 0571

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET TRANSFER

FUND 2527 - 62.7M NAV 11 DSR, Ref Part 81M Conv Cntr 04

BGEX 021220\*990

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 02/12/2020	REMAINING BALANCE
<b>Expenditures</b>							
820-7192-9766 Tr To 41.83M Tax NAV Ref NAV 11 DS, Fund 2537	0	0	2,068,250	0	2,068,250	0	2,068,250
810-9971-9911 Res-Fut Dbt Svc Paymnts	5,701,500	5,701,500	0	2,068,250	3,633,250	0	3,633,250
<b>TOTAL APPROPRIATIONS &amp; EXPENDITURES</b>	5,701,500	5,701,500	2,068,250	2,068,250	5,701,500		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

INITIATING DEPARTMENT/DIVISION

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Administration/Budget Department Approval

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OFMB Department - Posted

Deputy Clerk to the

Board of County Commissioners

*[Handwritten Signature]* 2/20/2020  
*[Handwritten Signature]* 2/21/2020