

Memorandum



Date: April 15, 2008

B & F

Agenda Item No. 7 (B)

To: Honorable Chairman Bruno A. Barreiro
and Members Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Report on Results of Aviation Series 2003E Conversion to Fixed Rate Mode

On February 21, 2008, the Board adopted Resolution No. R-187-08 authorizing the conversion of the \$139.7 million in outstanding Aviation Revenue Refunding Bonds, Series 2003E (AMT) from an auction rate mode to a fixed rate mode. We are pleased to advise the Board of the results of such conversion and the remarketing efforts relating to these Bonds.

From the initial auction date starting in April 2005 through November 2007, the average auction rate (including auction fees) was 3.774 percent. Compared to the fixed rate available at the time, issuing the auction rate mode resulted in estimated interest savings of \$3.5 million.

Although the fixed rates are currently higher than the previous auction rates, the uncertainty of the auction rate market made it necessary to fix these Bonds, as auction rates bonds are no longer a viable alternative for variable rate debt. The debt service payment for these Bonds is incorporated in the Aviation Department's budget and for planning purposes it is based on a six percent rate for bond issuances.

On March 11, 2008, the remarketing agent, Lehman Brothers had a successful pricing of the Series 2003E AMT Bonds. The average life of the Bonds is 10.531 years and the true interest cost is 5.225 percent.

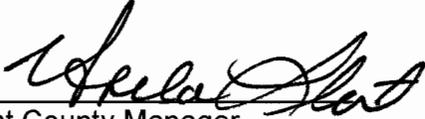
The Series 2003E Bonds were remarketed to a fixed rate mode with the original bond insurer – MBIA Insurance Corporation. The rates achieved were as follows:

Maturities	Amount	Coupon	Yield
2010	\$ 6,225,000	5.25%	3.69%
2011	6,575,000	5.25%	3.91%
2012	6,925,000	5.25%	4.16%
2013	7,325,000	5.25%	4.33%
2014	7,725,000	5.25%	4.50%
2015	8,125,000	5.25%	4.67%
2016	8,525,000	5.25%	4.83%
2017	9,075,000	5.375%	5.00%
2018	9,575,000	5.375%	5.16%
2024	69,575,000	5.125%	5.45%

Given the very volatile market and the general investor lack of confidence, along with the glut of auction rate products that need to be remarketed to other modes, the rates achieved for this financing, were the best available rates in the marketplace. First Southwest, the Financial Advisors assisted us in determining that the County received the most attractive pricing available at the time. The remarketing to a fixed rate mode, protected the County from the high fluctuations currently existent in the variable rate market.

Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners
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For your information we are attaching the first page from the Remarketing Document used in the remarketing of the Series 2003E Bonds; the complete attachment is available from the Finance Department. The closing for these Bonds took place on March 17, 2008.



Assistant County Manager

OFFICIAL STATEMENT DATED MARCH 11, 2008**For Remarketing of Miami-Dade County, Florida Auction Rate Aviation Revenue Refunding Bonds, Series 2003E (AMT) Upon Conversion to Fixed Rate****REMARKETING - NOT A NEW ISSUE
BOOK-ENTRY ONLY****RATINGS: See "RATINGS" herein**

In connection with the conversion of the Series 2003E Bonds to a Fixed Rate Mode, Holland & Knight LLP, and Law Offices of Steve E. Bullock, P.A., Bond Counsel to the County, will deliver their opinions, to the effect that under existing law and assuming compliance with certain arbitrage rebate and other tax requirements referred to in this Official Statement, interest on the Series 2003E Bonds from the Mode Change Date, as hereafter defined, is excludable from gross income for federal income tax purposes, except that no opinion is expressed as to the exclusion from gross income of interest on any Series 2003E Bond for any period during which such Series 2003E Bond is held by a person who is a "substantial user" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended, of any project financed or refinanced with proceeds of the Series 2003E Bonds or a "related person" to such a "substantial user." It is also the opinion of Bond Counsel that interest on the Series 2003E Bonds will be treated as an item of tax preference in computing the alternative minimum tax. For a further description of the consequences to the owners of the Series 2003E Bonds of other provisions of the Internal Revenue Code of 1986, as amended, see "TAX MATTERS" herein.



\$139,700,000
MIAMI-DADE COUNTY, FLORIDA
Miami International Airport
(Hub of the AmericasSM)
Aviation Revenue Refunding Bonds
Series 2003E (AMT - Fixed Rate)

Due: As shown on inside cover page

Miami-Dade County, Florida (the "County") is remarketing its \$139,700,000 Aviation Revenue Refunding Bonds, Series 2003E (AMT - Fixed Rate) (the "Series 2003E Bonds"). The Series 2003E Bonds are being remarketed in connection with a mandatory tender for purchase as a result of the conversion of the Series 2003E Bonds to bear interest at a Fixed Rate. The Series 2003E Bonds are being remarketed as fully registered bonds, initially registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2003E Bonds. So long as the Series 2003E Bonds are in book-entry form, purchases of beneficial interests in the Series 2003E Bonds will be made in book-entry only form, without certificates, in denominations of \$5,000 or integral multiples of \$5,000.

Upon their remarketing, interest on the Series 2003E Bonds will accrue from the Mode Change Date (expected to be March 17, 2008) pursuant to the remarketing and will be payable on April 1 and October 1 of each year, commencing October 1, 2008.

Principal of and interest on the Series 2003E Bonds will be payable at the corporate trust offices of The Bank of New York, as successor in interest to JPMorgan Chase Bank, N.A., as trustee (the "Trustee"), in New York, New York. So long as DTC or its nominee is the registered owner of the Series 2003E Bonds, payments of the principal of and interest on the Series 2003E Bonds will be paid directly to DTC or its nominee, and disbursements of such payments to beneficial owners will be the responsibility of DTC and its participants. See "THE SERIES 2003E BONDS - Book-Entry Only System." The Series 2003E Bonds will be subject to optional and mandatory redemption prior to maturity at the prices, in the manner and at such times as set forth in this Official Statement. See "THE SERIES 2003E BONDS - Redemption."

THE SERIES 2003E BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM A PLEDGE OF NET REVENUES (AS DEFINED IN THIS OFFICIAL STATEMENT) DERIVED FROM THE PORT AUTHORITY PROPERTIES, INCLUDING THE OPERATION OF THE MIAMI INTERNATIONAL AIRPORT, AS DESCRIBED IN THIS OFFICIAL STATEMENT AND CERTAIN OTHER MONIES. THE SERIES 2003E BONDS ARE SECURED ON A PARITY BASIS WITH THE COUNTY'S AVIATION REVENUE BONDS OUTSTANDING UNDER THE TRUST AGREEMENT DESCRIBED IN THIS OFFICIAL STATEMENT. NEITHER THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR THE COUNTY NOR THE FAITH AND CREDIT OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2003E BONDS. THE ISSUANCE OF THE SERIES 2003E BONDS DOES NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF FLORIDA OR THE COUNTY OR ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY TO LEVY ANY TAXES FOR THE SERIES 2003E BONDS OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT EXCEPT FROM THE NET REVENUES AND CERTAIN OTHER MONIES PLEDGED TO THE PAYMENT OF THE SERIES 2003E BONDS UNDER THE TRUST AGREEMENT.

Timely payment of the principal of and interest on the Series 2003E Bonds is guaranteed under a policy of financial guaranty insurance issued by MBIA Insurance Corporation (the "Insurer"). See "FINANCIAL GUARANTY INSURANCE - MBIA Policy."



See the inside cover page for maturities, principal amounts, CUSIP numbers, interest rates, and prices or yields for the Series 2003E Bonds upon their remarketing.

This cover page contains information for quick reference only. It is not a summary of the Series 2003E Bonds. Investors must read the entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision.

The Series 2003E Bonds are being remarketed in accordance with the terms of the Series 2003 Resolution, as amended by the 2004 Amending Resolution and the 2008 Resolution (all as hereinafter defined), subject to the delivery of an opinion by Holland & Knight LLP, Miami, Florida, and Law Offices of Steve E. Bullock, P.A., Miami, Florida, Bond Counsel in substantially the form attached hereto as Appendix E-3. Certain legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain other legal matters relating to disclosure will be passed upon for the County by Hunton & Williams LLP, Miami, Florida, and Law Offices Thomas H. Williams, Jr., P.L., Miami, Florida, Disclosure Counsel. The Financial Advisors to the Aviation Department are First Southwest Company, Aventura, Florida, and Frasca & Associates, L.L.C., New York, New York. It is expected that the Series 2003E Bonds will be available for delivery through DTC in New York, New York on or about March 17, 2008.

LEHMAN BROTHERS,
as Remarketing Agent

Dated: March 11, 2008