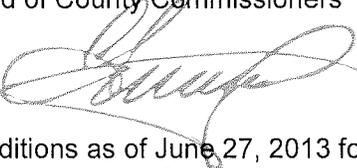


Memorandum



Date: July 1, 2013
To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners
From: Carlos A. Gimenez
County Mayor 
Subject: Updated Market Conditions as of June 27, 2013 for the Capital Asset Acquisition Special
Obligation and Refunding Bonds, Series 2013A and Capital Asset Acquisition Special
Obligation Refunding Bonds, Series 2013B – Legistar 131161

This updates Attachment 2 included in the proposed Capital Asset Acquisition Special Obligation and Refunding Bonds, Series 2013A and Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2013B listed as item 8D2 on the July 2, 2013 meeting agenda of the Board of County Commissioners (Board). Resolution R-1313-09 requires that a preliminary number run attached to a Series Resolution for a bond transaction be updated prior to the meeting of the committee of jurisdiction and the Board's general meeting. A final pricing report will be distributed to the Board after the Series 2013 Capital Asset Acquisition Bonds are priced.

This transaction proposes both new money and refunding bonds. For new money bonds, a number run must provide a projected debt service schedule including principal and interest payments, current market interest rates, total annual debt service including debt service for all parity debt and projected debt service coverage. In this case all parity debt would be the proposed Refunding Bonds. For a proposed refunding, a number run must provide for a debt service comparison between the bonds to be refunded with the refunding bonds, indicate gross savings, provide estimated costs of issuance, demonstrate that the final maturity of the refunding bonds does not exceed the refunded bonds and demonstrate that the net present value savings equals or exceeds five percent. Exceptions must demonstrate a compelling public policy reason.

Number Run	Par Amount of Refunding Bonds to be Issued	Gross Debt Service Savings over Life of the Refunding Bonds	Net Present Value Savings	Estimated Issuance Cost	Estimated Final Maturity
Resolution Parameters	Not to exceed \$120,500,000	N/A	N/A	\$295,730.00 (Series 2013B Only)	April 1, 2038
Initial Run of Attachment 2, May 13, 2013	\$101,561,724	(\$8,606,547)	0.0 percent	\$1,115,880 (Series 2013A and B)	April 1, 2038
Rerun of Attachment 2, June 27, 2013	\$100,614,631	(\$11,108,722)	(0.4 percent)	\$1,158,660 (Series 2013A and B)	April 1, 2038

The Initial Run of Attachment 2 was based on the interest rates one would have expected to receive in the Bond Market as of May 13, 2013. The Rerun of Attachment 2 (attached to this memorandum) is based on the interest rates one would have expected to receive as of June 27, 2013. Based on market conditions on June 27, 2013, the refunding results in an overall present value loss (see Attachment 2, page 3). As outlined in the transmittal memorandum to the series resolution, this refunding is recommended because the Capital Asset Acquisition Special Obligation Bonds, Series 2010C (Scott Carver/Hope VI Project) has a final maturity of October 1, 2013 and the refunding portion of the Series 2013A Bonds associated with the Capital Asset Series 2010C Bonds will have a final maturity of April 1, 2038. The Naranja Lakes CRA Sunshine State Loan has a final maturity of July 1, 2016 and the refunding portion of the Series 2013A Bonds associated with Naranja Lakes CRA Sunshine State Loan will have a final maturity of April 1, 2033.

Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners
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The extension of Capital Asset Series 2010C and Naranja Lakes CRA Sunshine State Loan was done to facilitate cash flow needs of the County and the Naranja Lakes CRA, which is a compelling public policy purpose.

The estimated debt service on the proposed Series 2013A and Series 2013B Bonds is outlined on page 7 of Attachment 2. The estimated true interest cost (TIC) on the transaction is 4.43 percent (see Attachment 1, page 2). Based on the June 27, 2013 Rerun of Attachment 2, maximum annual debt service is \$10,499,250, the final maturity of the Series 2013A exceeds the final maturity of the refunded bonds and the Series 2013B Bonds does not exceed the final maturity of the bonds to be refunded.

If you have any questions, please contact Deputy Mayor Edward Marquez at 305-375-1451, or me directly.

Attachment

c: R.A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Jennifer Moon, Director, Office of Management and Budget
Blanca Padron, Deputy Director, Finance Department
Frank Hinton, Director of Bond Administration, Finance Department
Charles Anderson, Commission Auditor

SOURCES AND USES OF FUNDS

Capital Asset Acquisition Bonds
Series 2013AB Revenue and Refunding Bonds
Preliminary Numbers

Sources:	Series 2013A	Series 2013B	Total
Bond Proceeds:			
Par Amount	71,995,000.00	24,560,000.00	96,555,000.00
Net Premium/OID	2,540,720.30	1,518,911.10	4,059,631.40
	<u>74,535,720.30</u>	<u>26,078,911.10</u>	<u>100,614,631.40</u>
Other Sources of Funds:			
Debt Service Fund	401,227.92	582,644.44	983,872.36
	<u>74,936,948.22</u>	<u>26,661,555.54</u>	<u>101,598,503.76</u>
Uses:			
Project Fund Deposits:			
ERP	46,000,000.00		46,000,000.00
Election Equipment	4,262,000.00		4,262,000.00
Transit Buses	2,758,480.00		2,758,480.00
Portables	2,800,000.00		2,800,000.00
	<u>55,820,480.00</u>		<u>55,820,480.00</u>
Refunding Escrow Deposits:			
Cash Deposit	18,245,724.70	628,000.55	18,873,725.25
SLGS Purchases		25,738,374.00	25,738,374.00
	<u>18,245,724.70</u>	<u>26,366,374.55</u>	<u>44,612,099.25</u>
Delivery Date Expenses:			
Cost of Issuance	431,970.00	147,360.00	579,330.00
Underwriter's Discount	431,970.00	147,360.00	579,330.00
	<u>863,940.00</u>	<u>294,720.00</u>	<u>1,158,660.00</u>
Other Uses of Funds:			
Additional Proceeds	6,803.52	460.99	7,264.51
	<u>74,936,948.22</u>	<u>26,661,555.54</u>	<u>101,598,503.76</u>

BOND SUMMARY STATISTICS

Capital Asset Acquisition Bonds
Series 2013AB Revenue and Refunding Bonds
Preliminary Numbers

Dated Date	09/18/2013
Delivery Date	09/18/2013
Last Maturity	04/01/2038
Arbitrage Yield	4.332055%
True Interest Cost (TIC)	4.428294%
Net Interest Cost (NIC)	4.567200%
All-In TIC	4.505714%
Average Coupon	4.925256%
Average Life (years)	10.067
Weighted Average Maturity (years)	9.939
Duration of Issue (years)	7.681
Par Amount	96,555,000.00
Bond Proceeds	100,614,631.40
Total Interest	47,873,449.57
Net Interest	44,393,148.17
Total Debt Service	144,428,449.57
Maximum Annual Debt Service	10,499,250.00
Average Annual Debt Service	5,886,362.71
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	6.000000
Total Underwriter's Discount	6.000000
Bid Price	103.604476

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	96,555,000.00	104.204	4.925%	10.067	65,596.20
	96,555,000.00			10.067	65,596.20

	TIC	All-In TIC	Arbitrage Yield
Par Value	96,555,000.00	96,555,000.00	96,555,000.00
+ Accrued Interest			
+ Premium (Discount)	4,059,631.40	4,059,631.40	4,059,631.40
- Underwriter's Discount	-579,330.00	-579,330.00	
- Cost of Issuance Expense		-579,330.00	
- Other Amounts			
Target Value	100,035,301.40	99,455,971.40	100,614,631.40
Target Date	09/18/2013	09/18/2013	09/18/2013
Yield	4.428294%	4.505714%	4.332055%



SUMMARY OF REFUNDING RESULTS

Capital Asset Acquisition Bonds
Series 2013AB Revenue and Refunding Bonds
Preliminary Numbers

	Series 2013A	Series 2013B	Total
Dated Date	09/18/2013	09/18/2013	09/18/2013
Delivery Date	09/18/2013	09/18/2013	09/18/2013
Arbitrage Yield	4.332055%	4.332055%	4.332055%
Escrow Yield	0.069756%	0.069756%	0.069756%
Value of Negative Arbitrage		575,233.21	575,233.21
Bond Par Amount	71,995,000.00	24,560,000.00	42,250,000.00
True Interest Cost	4.599478%	3.499802%	4.298000%
Net Interest Cost	4.707391%	3.657148%	4.461707%
Average Coupon	4.957762%	4.714246%	4.886401%
Average Life	11.699	5.283	9.084
Par amount of refunded bonds	18,045,000.00	25,120,000.00	43,165,000.00
Average coupon of refunded bonds	2.511280%	5.000000%	4.855208%
Average life of refunded bonds	0.461	5.363	3.314
PV of prior debt	18,089,357.53	26,476,117.04	44,565,474.57
Net PV Savings	-1,132,528.91	934,939.11	-197,589.80
Percentage savings of refunded bonds	-6.276137%	3.721891%	-0.457755%
Percentage savings of refunding bonds	-1.573066%	3.806755%	-0.467668%

SUMMARY OF BONDS REFUNDED

Capital Asset Acquisition Bonds
Series 2013AB Revenue and Refunding Bonds
Preliminary Numbers

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2004B, 2004B:					
TERM19	04/01/2015	5.000%	3,260,000.00	04/01/2014	100.000
	04/01/2016	5.000%	3,265,000.00	04/01/2014	100.000
	04/01/2017	5.000%	2,910,000.00	04/01/2014	100.000
	04/01/2018	5.000%	2,910,000.00	04/01/2014	100.000
	04/01/2019	5.000%	2,915,000.00	04/01/2014	100.000
TERM24	04/01/2020	5.000%	2,920,000.00	04/01/2014	100.000
	04/01/2021	5.000%	1,735,000.00	04/01/2014	100.000
	04/01/2022	5.000%	1,735,000.00	04/01/2014	100.000
	04/01/2023	5.000%	1,735,000.00	04/01/2014	100.000
	04/01/2024	5.000%	1,735,000.00	04/01/2014	100.000
			25,120,000.00		
Series 2010C Taxable Bonds (Scott/Carver Homes Project), 2010_C:					
TAX	10/01/2013	2.908%	13,805,000.00		
Naranja Lakes Sunshine State Loan, SS_NARAN:					
BOND	07/01/2014	2.486%	1,290,000.00	09/18/2013	100.000
	07/01/2015	2.486%	1,410,000.00	09/18/2013	100.000
	07/01/2016	2.486%	1,540,000.00	09/18/2013	100.000
			4,240,000.00		
			43,165,000.00		



SAVINGS

Capital Asset Acquisition Bonds
Series 2013A

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 09/18/2013 @ 4.3320549%
04/01/2014	14,062,234.27	401,227.92	13,661,006.35	698,669.86	12,962,336.49	12,955,799.55
04/01/2015	1,371,354.39		1,371,354.39	1,304,050.00	67,304.39	95,501.03
04/01/2016	1,457,047.59		1,457,047.59	1,300,400.00	156,647.59	174,682.82
04/01/2017	1,549,571.11		1,549,571.11	1,298,150.00	251,421.11	251,980.29
04/01/2018				1,298,950.00	-1,298,950.00	-1,076,577.06
04/01/2019				1,302,500.00	-1,302,500.00	-1,034,028.76
04/01/2020				1,301,250.00	-1,301,250.00	-989,489.10
04/01/2021				1,303,750.00	-1,303,750.00	-949,571.77
04/01/2022				1,304,750.00	-1,304,750.00	-910,210.51
04/01/2023				1,299,250.00	-1,299,250.00	-868,150.47
04/01/2024				1,297,500.00	-1,297,500.00	-830,396.25
04/01/2025				1,299,250.00	-1,299,250.00	-796,406.69
04/01/2026				1,299,250.00	-1,299,250.00	-762,773.84
04/01/2027				1,297,500.00	-1,297,500.00	-729,570.97
04/01/2028				1,299,000.00	-1,299,000.00	-699,544.43
04/01/2029				1,303,500.00	-1,303,500.00	-672,283.60
04/01/2030				1,300,750.00	-1,300,750.00	-642,497.84
04/01/2031				1,301,000.00	-1,301,000.00	-615,432.70
04/01/2032				1,304,000.00	-1,304,000.00	-590,739.22
04/01/2033				1,299,500.00	-1,299,500.00	-563,776.10
04/01/2034				982,750.00	-982,750.00	-408,527.38
04/01/2035				984,250.00	-984,250.00	-391,818.90
04/01/2036				983,750.00	-983,750.00	-375,023.78
04/01/2037				981,250.00	-981,250.00	-358,210.97
04/01/2038				981,750.00	-981,750.00	-343,189.39
	18,440,207.36	401,227.92	18,038,979.44	30,326,719.86	-12,287,740.42	-1,130,256.03

Savings Summary

PV of savings from cash flow	-1,130,256.03
Plus: Refunding funds on hand	-2,272.88
Net PV Savings	-1,132,528.91

SAVINGS

Capital Asset Acquisition Bonds
Series 2013B

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 09/18/2013 @ 4.3320549%
04/01/2014	1,256,000.00	582,644.44	673,355.56	611,387.22	61,968.34	59,805.10
04/01/2015	4,516,000.00		4,516,000.00	4,405,000.00	111,000.00	105,864.46
04/01/2016	4,358,000.00		4,358,000.00	4,244,800.00	113,200.00	102,786.50
04/01/2017	3,839,750.00		3,839,750.00	3,726,400.00	113,350.00	97,999.67
04/01/2018	3,694,250.00		3,694,250.00	3,582,000.00	112,250.00	92,705.37
04/01/2019	3,553,750.00		3,553,750.00	3,440,500.00	113,250.00	89,570.75
04/01/2020	3,413,000.00		3,413,000.00	3,299,000.00	114,000.00	86,345.00
04/01/2021	2,082,000.00		2,082,000.00	1,972,500.00	109,500.00	79,429.38
04/01/2022	1,995,250.00		1,995,250.00	1,885,250.00	110,000.00	76,410.11
04/01/2023	1,908,500.00		1,908,500.00	1,798,250.00	110,250.00	73,336.45
04/01/2024	1,821,750.00		1,821,750.00	1,711,500.00	110,250.00	70,225.32
	32,438,250.00	582,644.44	31,855,605.56	30,676,587.22	1,179,018.34	934,478.12

Savings Summary

PV of savings from cash flow	934,478.12
Plus: Refunding funds on hand	460.99
Net PV Savings	934,939.11



BOND DEBT SERVICE BREAKDOWN

Capital Asset Acquisition Bonds
Series 2013AB Revenue and Refunding Bonds
Preliminary Numbers

Period Ending	Series 2013A	Series 2013B	Total
04/01/2014	3,268,312.35	611,387.22	3,879,699.57
04/01/2015	6,094,250.00	4,405,000.00	10,499,250.00
04/01/2016	6,093,100.00	4,244,800.00	10,337,900.00
04/01/2017	6,091,250.00	3,726,400.00	9,817,650.00
04/01/2018	6,091,450.00	3,582,000.00	9,673,450.00
04/01/2019	6,090,750.00	3,440,500.00	9,531,250.00
04/01/2020	6,089,250.00	3,299,000.00	9,388,250.00
04/01/2021	6,095,000.00	1,972,500.00	8,067,500.00
04/01/2022	6,097,250.00	1,885,250.00	7,982,500.00
04/01/2023	6,085,750.00	1,798,250.00	7,884,000.00
04/01/2024	5,200,750.00	1,711,500.00	6,912,250.00
04/01/2025	5,205,500.00		5,205,500.00
04/01/2026	5,202,250.00		5,202,250.00
04/01/2027	5,206,000.00		5,206,000.00
04/01/2028	5,206,000.00		5,206,000.00
04/01/2029	4,947,000.00		4,947,000.00
04/01/2030	4,941,500.00		4,941,500.00
04/01/2031	4,942,000.00		4,942,000.00
04/01/2032	4,947,750.00		4,947,750.00
04/01/2033	4,943,000.00		4,943,000.00
04/01/2034	982,750.00		982,750.00
04/01/2035	984,250.00		984,250.00
04/01/2036	983,750.00		983,750.00
04/01/2037	981,250.00		981,250.00
04/01/2038	981,750.00		981,750.00
	113,751,862.35	30,676,587.22	144,428,449.57