

Date: December 3, 2013

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez 
County Mayor

Subject: Updated Market Conditions for Item 8D2 on the December 3, 2013 Board of County Commissioners' Meeting Agenda – Legistar 132150

This memorandum updates the Attachment 1 number run for Item 8D2 (Legistar 132150) on the December 3, 2013 meeting agenda of the Board of County Commissioners. More specifically, the items relates to the proposed Miami-Dade County, Florida Special Obligation Court Facilities Refunding Bonds, Series 2014A.

Resolution R-1313-09 requires that a preliminary number run attached to a Series Resolution for a bond transaction be updated prior to the Board of County Commissioners' (Board's) committee meeting of jurisdiction and prior to the Board's general meeting.

For a proposed refunding, a number run must provide for a debt service comparison between the bonds to be refunded with the refunding bonds indicating 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.

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 \$20,000,000	Positive	Five percent or greater	\$179,000	April 1, 2020
Initial Run of October 4, 2013	\$17,900,000	\$1,677,639	\$1,021,924 or 5.37 percent	\$179,000	April 1, 2020
Rerun of November 26, 2013	\$17,845,000	\$1,743,136	\$1,074,129 or 5.65 percent	\$198,450	April 1, 2020

The initial run of Attachment 1 was based on interest rates one would have expected to receive on October 4, 2013 with a level savings structure. The Rerun of Attachment 1 (attached to this memorandum) is based on interest rates one would have expected to receive as of November 26, 2013 with a level savings structure.

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

Miami-Dade County, Florida
 Special Obligation Court Facilities Refunding Bonds, Series 2014A
 PRELIMINARY NUMBERS

** VERSION: CURRENT MARKET CONDITIONS**

Sources:	Series 2014A Refunding Bonds (Refund 1998AB Bonds)
<hr/>	
Bond Proceeds:	
Par Amount	17,845,000.00
Premium	1,484,292.70
	<hr/>
	19,329,292.70
Other Sources of Funds:	
1998B Funds on Hand	1,702,000.00
	<hr/>
	21,031,292.70
<hr/>	
Uses:	Series 2014A Refunding Bonds (Refund 1998AB Bonds)
<hr/>	
Refunding Escrow Deposits:	
Cash Deposit	19,318,381.94
Other Fund Deposits:	
Debt Service Reserve	1,244,256.51
Delivery Date Expenses:	
Cost of Issuance	198,450.00
Underwriter's Discount	267,675.00
	<hr/>
	466,125.00
Other Uses of Funds:	
Additional Proceeds	2,529.25
	<hr/>
	21,031,292.70
<hr/>	

Note: Preliminary Numbers for discussion only.

BOND SUMMARY STATISTICS

Miami-Dade County, Florida
 Special Obligation Court Facilities Refunding Bonds, Series 2014A
 PRELIMINARY NUMBERS

** VERSION: CURRENT MARKET CONDITIONS**

Dated Date	01/09/2014
Delivery Date	01/09/2014
Last Maturity	04/01/2020
Arbitrage Yield	4.359441%
True Interest Cost (TIC)	2.676298%
Net Interest Cost (NIC)	2.810749%
All-In TIC	2.972933%
Average Coupon	4.585028%
Average Life (years)	3.843
Weighted Average Maturity (years)	3.901
Duration of Issue (years)	3.582
Par Amount	17,845,000.00
Bond Proceeds	19,329,292.70
Total Interest	3,143,939.44
Net Interest	1,927,321.74
Total Debt Service	20,988,939.44
Maximum Annual Debt Service	3,472,650.00
Average Annual Debt Service	3,370,213.29
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	15.000000
Total Underwriter's Discount	15.000000
Bid Price	106.817695

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	17,845,000.00	108.318	4.585%	3.843	6,800.10
	17,845,000.00			3.843	6,800.10

	TIC	All-In TIC	Arbitrage Yield
Par Value	17,845,000.00	17,845,000.00	42,020,000.00
+ Accrued Interest			
+ Premium (Discount)	1,484,292.70	1,484,292.70	2,328,390.95
- Underwriter's Discount	-267,675.00	-267,675.00	
- Cost of Issuance Expense		-198,450.00	
- Other Amounts			
Target Value	19,061,617.70	18,863,167.70	44,348,390.95
Target Date	01/09/2014	01/09/2014	01/09/2014
Yield	2.676298%	2.972933%	4.359441%

Note: Preliminary Numbers for discussion only.



SUMMARY OF REFUNDING RESULTS

Miami-Dade County, Florida
Special Obligation Court Facilities Refunding Bonds, Series 2014A
PRELIMINARY NUMBERS

** VERSION: CURRENT MARKET CONDITIONS**

Dated Date	01/09/2014
Delivery Date	01/09/2014
Arbitrage yield	4.359441%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	17,845,000.00
True Interest Cost	2.676298%
Net Interest Cost	2.810749%
Average Coupon	4.585028%
Average Life	3.843
Par amount of refunded bonds	19,000,000.00
Average coupon of refunded bonds	4.750000%
Average life of refunded bonds	3.863
PV of prior debt to 01/09/2014 @ 4.359441%	19,501,787.08
Net PV Savings	1,074,128.89
Percentage savings of refunded bonds	5.653310%
Percentage savings of refunding bonds	6.019215%

Note: Preliminary Numbers for discussion only.

SUMMARY OF BONDS REFUNDED

Miami-Dade County, Florida
Special Obligation Court Facilities Refunding Bonds, Series 2014A
PRELIMINARY NUMBERS

** VERSION: CURRENT MARKET CONDITIONS**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 1998A, 1998A:					
ATERM18	04/01/2015	4.750%	165,000.00	02/08/2014	100.000
	04/01/2016	4.750%	175,000.00	02/08/2014	100.000
	04/01/2017	4.750%	180,000.00	02/08/2014	100.000
	04/01/2018	4.750%	190,000.00	02/08/2014	100.000
ATERM20	04/01/2019	4.750%	205,000.00	02/08/2014	100.000
	04/01/2020	4.750%	2,290,000.00	02/08/2014	100.000
			3,205,000.00		
1998B, 1998B:					
BTERM18	04/01/2015	4.750%	2,645,000.00	02/08/2014	100.000
	04/01/2016	4.750%	2,770,000.00	02/08/2014	100.000
	04/01/2017	4.750%	2,905,000.00	02/08/2014	100.000
	04/01/2018	4.750%	3,040,000.00	02/08/2014	100.000
BTERM20	04/01/2019	4.750%	3,180,000.00	02/08/2014	100.000
	04/01/2020	4.750%	1,255,000.00	02/08/2014	100.000
			15,795,000.00		
			19,000,000.00		

Note: Preliminary Numbers for discussion only.



SAVINGS

Miami-Dade County, Florida
 Special Obligation Court Facilities Refunding Bonds, Series 2014A
 PRELIMINARY NUMBERS

** VERSION: CURRENT MARKET CONDITIONS**

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 01/09/2014 @ 4.3594412%
04/01/2014	451,250.00	171,539.44	279,710.56	276,976.37
04/01/2015	3,712,500.00	3,468,100.00	244,400.00	233,340.12
04/01/2016	3,714,025.00	3,471,650.00	242,375.00	221,136.41
04/01/2017	3,714,137.50	3,472,650.00	241,487.50	210,500.26
04/01/2018	3,712,600.00	3,467,250.00	245,350.00	204,551.12
04/01/2019	3,714,175.00	3,467,500.00	246,675.00	196,942.72
04/01/2020	3,713,387.50	3,470,250.00	243,137.50	185,896.13
	22,732,075.00	20,988,939.44	1,743,135.56	1,529,343.13

Savings Summary

PV of savings from cash flow	1,529,343.13
Less: Prior funds on hand	-1,702,000.00
Plus: Refunding funds on hand	1,246,785.76
Net PV Savings	1,074,128.89

Note: Preliminary Numbers for discussion only.

BOND DEBT SERVICE

Miami-Dade County, Florida
Special Obligation Court Facilities Refunding Bonds, Series 2014A
PRELIMINARY NUMBERS

** VERSION: CURRENT MARKET CONDITIONS**

Period Ending	Principal	Coupon	Interest	Debt Service
04/01/2014			171,539.44	171,539.44
04/01/2015	2,715,000	3.000%	753,100.00	3,468,100.00
04/01/2016	2,800,000	3.000%	671,650.00	3,471,650.00
04/01/2017	2,885,000	4.000%	587,650.00	3,472,650.00
04/01/2018	2,995,000	5.000%	472,250.00	3,467,250.00
04/01/2019	3,145,000	5.000%	322,500.00	3,467,500.00
04/01/2020	3,305,000	5.000%	165,250.00	3,470,250.00
	17,845,000		3,143,939.44	20,988,939.44

Note: Preliminary Numbers for discussion only.