

Memorandum



Date: November 7, 2014
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 November 5, 2014 Meeting Agenda of
the Board of County Commissioners - Legistar 142325

This memorandum updates Attachment 1 to the Cover Memorandum for Item 8D2 (Legistar 142325) on the November 5, 2014 Board of County Commissioners (Board) meeting agenda. The item relates to the proposed issuance of an amount not to exceed \$812 million Miami-Dade County, Florida Aviation Revenue Refunding Bonds, Series 2014.

Resolution R-1313-09 requires that an initial number run attached to a Series Resolution for a bond transaction be updated prior to the Board's meeting to consider the item. For refunding bonds, a number run must provide a comparison of the debt service on the bonds to be refunded with the estimated debt service of the proposed refunding bonds, the estimated net present value savings, the estimated cost of issuance and the estimated final maturity on the proposed refunding debt obligations.

The following table together, with Attachment 1 of this memorandum, summarizes the requirements of R-1313-09 for the proposed refunding transaction:

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
Initial number runs of Attachment 1 as of October 10, 2014	Not to exceed \$740,580,000.00	\$146,581,986.53	9.64 percent or greater; estimated at \$78,366,876.01	\$3,332,610.00	Oct. 1, 2037
Rerun of Attachment 1 as of October 30, 2014	\$736,045,000.00	\$155,811,135.41	10.34 percent or greater; estimated at \$83,975,498.20	\$3,312,202.50	Oct. 1, 2037

The current market update (Attachment 1 to this memorandum) is based on expected interest rates from October 30, 2014, but with the same debt structure as the initial number runs from October 10, 2014. Page 1 of Attachment 1 provides the projected annual debt service savings by comparing the current debt service of the bonds to be refunded to the proposed Series 2014 Refunding Bonds.

If you have any questions regarding this financial update on the proposed Series 2014 Refunding Bonds, please contact Edward Marquez, Deputy Mayor, at 305-375-1451.

Attachment

c : R.A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Emilio T. Gonzalez, Director, Aviation Department
Anne Syrcle Lee, Chief Financial Officer, Aviation Department
Frank P. Hinton, Director of Bond Administration, Finance Department

SAVINGS

Miami Dade County Aviation Department
 Aviation Revenue Refunding Bonds, Series 2014A (AMT) and 2014B
 Rates as of COB October 30, 2014
 Current Refunded Bonds Only

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings
10/01/2015	40,324,606.26	6,720,767.71	33,603,838.55	33,599,303.34	4,535.21
10/01/2016	40,324,606.26		40,324,606.26	40,318,200.00	6,406.26
10/01/2017	40,324,606.26		40,324,606.26	40,316,550.00	8,056.26
10/01/2018	40,324,606.26		40,324,606.26	40,318,750.00	5,856.26
10/01/2019	40,324,606.26		40,324,606.26	40,317,200.00	7,406.26
10/01/2020	40,324,606.26		40,324,606.26	40,317,800.00	6,806.26
10/01/2021	40,324,606.26		40,324,606.26	35,523,250.00	4,801,356.26
10/01/2022	40,324,606.26		40,324,606.26	35,523,250.00	4,801,356.26
10/01/2023	40,324,606.26		40,324,606.26	35,523,250.00	4,801,356.26
10/01/2024	40,324,606.26		40,324,606.26	35,523,250.00	4,801,356.26
10/01/2025	46,324,606.26		46,324,606.26	36,163,250.00	10,161,356.26
10/01/2026	44,199,606.26		44,199,606.26	35,491,250.00	8,708,356.26
10/01/2027	62,670,856.26		62,670,856.26	51,136,250.00	11,534,606.26
10/01/2028	62,678,106.26		62,678,106.26	51,139,000.00	11,539,106.26
10/01/2029	62,382,856.26		62,382,856.26	50,847,500.00	11,535,356.26
10/01/2030	62,353,643.76		62,353,643.76	50,819,500.00	11,534,143.76
10/01/2031	62,352,893.76		62,352,893.76	50,815,500.00	11,537,393.76
10/01/2032	119,769,268.76		119,769,268.76	108,232,250.00	11,537,018.76
10/01/2033	179,134,031.26		179,134,031.26	167,596,500.00	11,537,531.26
10/01/2034	90,692,993.76		90,692,993.76	79,160,000.00	11,532,993.76
10/01/2035	182,652,931.26		182,652,931.26	171,119,750.00	11,533,181.26
10/01/2036	168,083,850.00		168,083,850.00	156,544,500.00	11,539,350.00
10/01/2037	52,500,000.00		52,500,000.00	50,163,750.00	2,336,250.00
	1,599,041,706.46	6,720,767.71	1,592,320,938.75	1,436,509,803.34	155,811,135.41

Savings Summary

Savings PV date	12/17/2014
Savings PV rate	4.162826%
PV of savings from cash flow	83,971,882.66
Plus: Refunding funds on hand	3,615.54
Net PV Savings	83,975,498.20

SUMMARY OF REFUNDING RESULTS

Miami Dade County Aviation Department
 Aviation Revenue Refunding Bonds, Series 2014A (AMT) and 2014B
 Rates as of COB October 30, 2014
 Current Refunded Bonds Only

Dated Date	12/17/2014
Delivery Date	12/17/2014
Arbitrage yield	3.536898%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	736,045,000.00
True Interest Cost	4.130374%
Net Interest Cost	4.408491%
All-In TIC	4.162826%
Average Coupon	4.998041%
Average Life	19.041
Weighted Average Maturity	19.024
Par amount of refunded bonds	812,105,000.00
Average coupon of refunded bonds	4.965922%
Average life of refunded bonds	19.302
Remaining weighted average maturity of refunded bonds	19.288
PV of prior debt to 12/17/2014 @ 4.162826%	906,049,636.97
Net PV Savings	83,975,498.21
Percentage savings of refunded bonds	10.340473%

SOURCES AND USES OF FUNDS

Miami Dade County Aviation Department
 Aviation Revenue Refunding Bonds, Series 2014A (AMT) and 2014B
 Rates as of COB October 30, 2014
 Current Refunded Bonds Only

Dated Date 12/17/2014
 Delivery Date 12/17/2014

Sources:	Airport Revenue Refunding Bonds, Series 2014A (AMT)	Airport Revenue Refunding Bonds, Series 2014B	Total
Bond Proceeds:			
Par Amount	593,810,000.00	142,235,000.00	736,045,000.00
Premium	70,191,936.45	16,112,477.65	86,304,414.10
	<u>664,001,936.45</u>	<u>158,347,477.65</u>	<u>822,349,414.10</u>
Other Sources of Funds:			
Debt Service Fund Transfer	5,419,394.79	1,301,372.92	6,720,767.71
	<u>669,421,331.24</u>	<u>159,648,850.57</u>	<u>829,070,181.81</u>
Uses:			
Refunding Escrow Deposits:			
Cash Deposit	663,778,768.94	158,295,369.83	822,074,138.77
Delivery Date Expenses:			
Cost of Issuance	2,672,145.00	640,057.50	3,312,202.50
Underwriter's Discount	2,969,050.00	711,175.00	3,680,225.00
	<u>5,641,195.00</u>	<u>1,351,232.50</u>	<u>6,992,427.50</u>
Other Uses of Funds:			
Additional Proceeds	1,367.30	2,248.24	3,615.54
	<u>669,421,331.24</u>	<u>159,648,850.57</u>	<u>829,070,181.81</u>

BOND DEBT SERVICE

Miami Dade County Aviation Department
 Aviation Revenue Refunding Bonds, Series 2014A (AMT) and 2014B
 Rates as of COB October 30, 2014
 Current Refunded Bonds Only

Period Ending	Principal	Coupon	Interest	Debt Service
10/01/2015	4,650,000	** %	28,949,303.34	33,599,303.34
10/01/2016	3,825,000	** %	36,493,200.00	40,318,200.00
10/01/2017	3,990,000	** %	36,326,550.00	40,316,550.00
10/01/2018	4,175,000	** %	36,143,750.00	40,318,750.00
10/01/2019	4,365,000	** %	35,952,200.00	40,317,200.00
10/01/2020	4,575,000	** %	35,742,800.00	40,317,800.00
10/01/2021			35,523,250.00	35,523,250.00
10/01/2022			35,523,250.00	35,523,250.00
10/01/2023			35,523,250.00	35,523,250.00
10/01/2024			35,523,250.00	35,523,250.00
10/01/2025	640,000	5.000%	35,523,250.00	36,163,250.00
10/01/2026			35,491,250.00	35,491,250.00
10/01/2027	15,645,000	5.000%	35,491,250.00	51,136,250.00
10/01/2028	16,430,000	5.000%	34,709,000.00	51,139,000.00
10/01/2029	16,960,000	5.000%	33,887,500.00	50,847,500.00
10/01/2030	17,780,000	5.000%	33,039,500.00	50,819,500.00
10/01/2031	18,665,000	5.000%	32,150,500.00	50,815,500.00
10/01/2032	77,015,000	5.000%	31,217,250.00	108,232,250.00
10/01/2033	140,230,000	5.000%	27,366,500.00	167,596,500.00
10/01/2034	58,805,000	5.000%	20,355,000.00	79,160,000.00
10/01/2035	153,705,000	5.000%	17,414,750.00	171,119,750.00
10/01/2036	146,815,000	5.000%	9,729,500.00	156,544,500.00
10/01/2037	47,775,000	5.000%	2,388,750.00	50,163,750.00
	736,045,000		700,464,803.34	1,436,509,803.34

BOND PRICING

Miami Dade County Aviation Department
 Aviation Revenue Refunding Bonds, Series 2014A (AMT) and 2014B
 Rates as of COB October 30, 2014
 Current Refunded Bonds Only

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
2014A Serial Bond:									
	10/01/2015	3,670,000	5.000%	0.890%	103.222				118,247.40
	10/01/2016	3,005,000	5.000%	1.110%	106.869				206,413.45
	10/01/2017	3,155,000	5.000%	1.350%	109.955				314,080.25
	10/01/2018	3,315,000	5.000%	1.600%	112.448				412,651.20
	10/01/2019	3,480,000	5.000%	1.850%	114.369				500,041.20
	10/01/2020	3,655,000	5.000%	2.080%	115.844				579,098.20
	10/01/2025	640,000	5.000%	2.730%	119.380 C	2.895%	10/01/2024	100.000	124,032.00
	10/01/2027	10,125,000	5.000%	3.060%	116.298 C	3.416%	10/01/2024	100.000	1,650,172.50
	10/01/2028	10,635,000	5.000%	3.120%	115.748 C	3.546%	10/01/2024	100.000	1,674,799.80
	10/01/2029	10,470,000	5.000%	3.170%	115.292 C	3.652%	10/01/2024	100.000	1,601,072.40
	10/01/2030	11,390,000	5.000%	3.220%	114.839 C	3.746%	10/01/2024	100.000	1,690,162.10
	10/01/2031	11,955,000	5.000%	3.270%	114.387 C	3.830%	10/01/2024	100.000	1,719,965.85
	10/01/2032	69,970,000	5.000%	3.320%	113.937 C	3.905%	10/01/2024	100.000	9,751,718.90
	10/01/2033	132,830,000	5.000%	3.370%	113.490 C	3.974%	10/01/2024	100.000	17,918,767.00
	10/01/2034	51,035,000	5.000%	3.420%	113.044 C	4.036%	10/01/2024	100.000	6,657,005.40
		<u>329,330,000</u>							<u>44,918,227.65</u>
2014A Term Bond:									
	10/01/2035	145,545,000	5.000%	3.820%	109.556 C	4.318%	10/01/2024	100.000	13,908,280.20
	10/01/2036	118,935,000	5.000%	3.820%	109.556 C	4.318%	10/01/2024	100.000	11,365,428.60
		<u>264,480,000</u>							<u>25,273,708.80</u>
2014B Serial Bond:									
	10/01/2015	980,000	2.000%	0.390%	101.266				12,406.80
	10/01/2016	820,000	2.000%	0.730%	102.252				18,466.40
	10/01/2017	835,000	3.000%	1.150%	105.062				42,267.70
	10/01/2018	860,000	3.000%	1.530%	105.389				46,345.40
	10/01/2019	885,000	4.000%	1.830%	109.904				87,650.40
	10/01/2020	920,000	4.000%	2.120%	110.188				93,729.60
	10/01/2027	5,520,000	5.000%	3.410%	113.133 C	3.701%	10/01/2024	100.000	724,941.60
	10/01/2028	5,795,000	5.000%	3.470%	112.601 C	3.816%	10/01/2024	100.000	730,227.95
	10/01/2029	6,490,000	5.000%	3.520%	112.160 C	3.909%	10/01/2024	100.000	789,184.00
	10/01/2030	6,390,000	5.000%	3.570%	111.721 C	3.992%	10/01/2024	100.000	748,971.90
	10/01/2031	6,710,000	5.000%	3.620%	111.284 C	4.066%	10/01/2024	100.000	757,156.40
	10/01/2032	7,045,000	5.000%	3.670%	110.849 C	4.132%	10/01/2024	100.000	764,312.05
	10/01/2033	7,400,000	5.000%	3.720%	110.416 C	4.193%	10/01/2024	100.000	770,784.00
	10/01/2034	7,770,000	5.000%	3.770%	109.985 C	4.248%	10/01/2024	100.000	775,834.50
		<u>58,420,000</u>							<u>6,362,278.70</u>
2014B Term Bond:									
	10/01/2035	8,160,000	5.000%	3.580%	111.633 C	4.201%	10/01/2024	100.000	949,252.80
	10/01/2036	27,880,000	5.000%	3.580%	111.633 C	4.201%	10/01/2024	100.000	3,243,280.40
	10/01/2037	47,775,000	5.000%	3.580%	111.633 C	4.201%	10/01/2024	100.000	5,557,665.75
		<u>83,815,000</u>							<u>9,750,198.95</u>
		<u>736,045,000</u>							<u>86,304,414.10</u>

Dated Date	12/17/2014	
Delivery Date	12/17/2014	
First Coupon	04/01/2015	
Par Amount	736,045,000.00	
Premium	86,304,414.10	
Production	822,349,414.10	111.725426%
Underwriter's Discount	-3,680,225.00	-0.500000%
Purchase Price	818,669,189.10	111.225426%
Accrued Interest		
Net Proceeds	818,669,189.10	

SUMMARY OF BONDS REFUNDED

Miami Dade County Aviation Department
 Aviation Revenue Refunding Bonds, Series 2014A (AMT) and 2014B
 Rates as of COB October 30, 2014
 Current Refunded Bonds Only

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
\$600,000,000 Aviation Revenue Bonds, Series 2002A (AMT), 2002A:					
TERM02	10/01/2032	5.000%	57,420,000.00	12/30/2014	100.000
	10/01/2033	5.000%	84,230,000.00	12/30/2014	100.000
TERM03	10/01/2035	5.125%	62,975,000.00	12/30/2014	100.000
TERM04	10/01/2035	5.050%	30,000,000.00	12/30/2014	100.000
	10/01/2036	5.050%	97,700,000.00	12/30/2014	100.000
			<u>332,325,000.00</u>		
\$291,400,000 Aviation Revenue Bonds, Series 2003A (AMT), 2003A:					
TERM	10/01/2033	5.000%	35,420,000.00	12/30/2014	100.000
TERM02	10/01/2034	4.750%	37,190,000.00	12/30/2014	100.000
	10/01/2035	4.750%	38,955,000.00	12/30/2014	100.000
			<u>111,565,000.00</u>		
\$211,850,000 Aviation Revenue Bonds, Series 2004A (AMT), 2004A:					
BOND	10/01/2029	4.875%	1,020,000.00	12/30/2014	100.000
TERM2030	10/01/2025	5.000%	6,000,000.00	12/30/2014	100.000
	10/01/2026	5.000%	4,175,000.00	12/30/2014	100.000
	10/01/2027	5.000%	15,960,000.00	12/30/2014	100.000
	10/01/2028	5.000%	16,765,000.00	12/30/2014	100.000
	10/01/2029	5.000%	15,885,000.00	12/30/2014	100.000
	10/01/2030	5.000%	13,145,000.00	12/30/2014	100.000
TERM2036	10/01/2031	4.750%	12,950,000.00	12/30/2014	100.000
	10/01/2032	4.750%	13,405,000.00	12/30/2014	100.000
	10/01/2033	4.750%	13,885,000.00	12/30/2014	100.000
	10/01/2034	4.750%	13,385,000.00	12/30/2014	100.000
	10/01/2035	4.750%	15,000,000.00	12/30/2014	100.000
	10/01/2036	4.750%	20,000,000.00	12/30/2014	100.000
2TERM36	10/01/2030	5.000%	5,000,000.00	12/30/2014	100.000
	10/01/2031	5.000%	6,100,000.00	12/30/2014	100.000
	10/01/2032	5.000%	6,560,000.00	12/30/2014	100.000
	10/01/2033	5.000%	7,050,000.00	12/30/2014	100.000
	10/01/2034	5.000%	8,565,000.00	12/30/2014	100.000
	10/01/2035	5.000%	7,000,000.00	12/30/2014	100.000
	10/01/2036	5.000%	10,000,000.00	12/30/2014	100.000
			<u>211,850,000.00</u>		
\$156,365,000 Aviation Revenue Bonds, Series 2004B (Non-AMT), 2004B:					
TERM	10/01/2027	5.000%	6,895,000.00	12/30/2014	100.000
	10/01/2028	5.000%	7,240,000.00	12/30/2014	100.000
	10/01/2029	5.000%	5,335,000.00	12/30/2014	100.000
	10/01/2030	5.000%	7,970,000.00	12/30/2014	100.000
TERM02	10/01/2031	5.000%	8,370,000.00	12/30/2014	100.000
	10/01/2032	5.000%	8,790,000.00	12/30/2014	100.000
	10/01/2033	5.000%	9,230,000.00	12/30/2014	100.000
	10/01/2034	5.000%	9,690,000.00	12/30/2014	100.000
	10/01/2035	5.000%	10,175,000.00	12/30/2014	100.000
	10/01/2036	5.000%	30,000,000.00	12/30/2014	100.000
	10/01/2037	5.000%	50,000,000.00	12/30/2014	100.000
SERIAL	10/01/2029	4.625%	2,670,000.00	12/30/2014	100.000
			<u>156,365,000.00</u>		
			<u>812,105,000.00</u>		