

Memorandum



Date: April 21, 2015
To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners
From: Carlos A. Gimenez
County Mayor 
Subject: Updated Market Conditions for Item 8D4 on the April 21, 2015 Regular Meeting
Agenda of the Board of County Commissioners - Legistar 150762

This memorandum updates Attachment 1 to the Cover Memorandum for Item 8D4 (Legistar 150762) on the April 21, 2015 Board of County Commissioners (Board) meeting agenda. The item relates to the proposed issuance of not to exceed \$225 million aggregate principal amount of Miami-Dade County, Florida Transit System Sales Surtax Revenue Refunding Bonds, Series 2015.

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 for final consideration. 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 to 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 Run of Attachment 1 as of March 11, 2015	\$192,220,000.00 not to exceed \$225,000,000.00	\$28,001,947.92	8.67 percent; estimated at \$18,006,358.75	\$1,729,980.00 including Underwriter's Discount	July 1, 2036
Rerun of Attachment 1 as of April 14, 2015	\$193,110,000.00	\$27,462,915.42	8.46 percent; estimated at \$17,570,709.93	\$1,737,990.00 including Underwriter's Discount	July 1, 2036

The current market update (Attachment 1 to this memorandum) is based on expected interest rates of April 14, 2015, with the same debt structure as the initial number runs of March 11, 2015. Page 5 of Attachment 1 provides the projected annual debt service savings resulting by comparing the current debt service of the bonds to be refunded to the proposed Series 2015 Refunding Bonds.

Should you have any questions regarding this financial update on the proposed Series 2015 Revenue Refunding Bonds, please contact Deputy Mayor Edward Marquez at 305-375-1451.

Attachment

- c: R.A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Ysela Llord, Director, Miami-Dade Transit
Jennifer Moon, Director, Office of Management and Budget
Frank P. Hinton, Director of Bond Administration, Finance Department
Charles Anderson, Commission Auditor

SOURCES AND USES OF FUNDS

Miami-Dade County, FL People's Transportation Plan
Series 2015 Refunding (Transit System Surtax)

Current MMD and credit spreads as of April 14, 2015

Sources:

Bond Proceeds:	
Par Amount	193,110,000.00
Premium	<u>30,835,906.80</u>
	223,945,906.80
Other Sources of Funds:	
Sinking Fund Release	4,196,804.06
	<u>228,142,710.86</u>

Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.53
SLGS Purchases	<u>226,400,681.00</u>
	226,400,681.53
Delivery Date Expenses:	
Cost of Issuance	965,550.00
Underwriter's Discount	<u>772,440.00</u>
	1,737,990.00
Other Uses of Funds:	
Additional Proceeds	4,039.33
	<u>228,142,710.86</u>

Note: Preliminary Numbers. Subject to change based on market conditions at time of pricing.

BOND SUMMARY STATISTICS

Miami-Dade County, FL People's Transportation Plan
Series 2015 Refunding (Transit System Surtax)

Current MMD and credit spreads as of April 14, 2015

Dated Date	05/28/2015
Delivery Date	05/28/2015
Last Maturity	07/01/2036
Arbitrage Yield	2.818525%
True Interest Cost (TIC)	3.286170%
Net Interest Cost (NIC)	3.633472%
All-In TIC	3.334920%
Average Coupon	4.972571%
Average Life (years)	11.626
Duration of Issue (years)	9.048
Par Amount	193,110,000.00
Bond Proceeds	223,945,906.80
Total Interest	111,636,790.83
Net Interest	81,573,324.03
Total Debt Service	304,746,790.83
Maximum Annual Debt Service	20,075,000.00
Average Annual Debt Service	14,448,682.30
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	4.000000
Total Underwriter's Discount	4.000000
Bid Price	115.568053

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	193,110,000.00	115.968	4.973%	11.626
	193,110,000.00			11.626

	TIC	All-In TIC	Arbitrage Yield
Par Value	193,110,000.00	193,110,000.00	193,110,000.00
+ Accrued Interest			
+ Premium (Discount)	30,835,906.80	30,835,906.80	30,835,906.80
- Underwriter's Discount	-772,440.00	-772,440.00	
- Cost of Issuance Expense		-965,550.00	
- Other Amounts			
Target Value	223,173,466.80	222,207,916.80	223,945,906.80
Target Date	05/28/2015	05/28/2015	05/28/2015
Yield	3.286170%	3.334920%	2.818525%

SUMMARY OF REFUNDING RESULTS

Miami-Dade County, FL People's Transportation Plan
Series 2015 Refunding (Transit System Surtax)

Current MMD and credit spreads as of April 14, 2015

Dated Date	05/28/2015
Delivery Date	05/28/2015
Arbitrage yield	2.818525%
Escrow yield	0.592805%
Value of Negative Arbitrage	7,538,984.32
Bond Par Amount	193,110,000.00
True Interest Cost	3.286170%
Net Interest Cost	3.633472%
Average Coupon	4.972571%
Average Life	11.626
Par amount of refunded bonds	207,800,000.00
Average coupon of refunded bonds	4.952509%
Average life of refunded bonds	11.681
PV of prior debt to 05/28/2015 @ 2.818525%	254,510,506.91
Net PV Savings	17,570,709.93
Percentage savings of refunded bonds	8.455587%
Percentage savings of refunding bonds	9.098809%

SUMMARY OF BONDS REFUNDED

Miami-Dade County, FL People's Transportation Plan
Series 2015 Refunding (Transit System Surtax)

Current MMD and credit spreads as of April 14, 2015

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Transit System Sales Surtax Bonds, Series 2006:					
SERIAL	07/01/2016	5.000%	4,395,000.00		
	07/01/2017	4.000%	4,615,000.00	07/01/2016	100.000
	07/01/2018	5.000%	4,800,000.00	07/01/2016	100.000
	07/01/2019	5.000%	5,040,000.00	07/01/2016	100.000
	07/01/2020	5.000%	5,290,000.00	07/01/2016	100.000
	07/01/2021	5.000%	5,555,000.00	07/01/2016	100.000
	07/01/2022	5.000%	5,835,000.00	07/01/2016	100.000
	07/01/2023	5.000%	6,125,000.00	07/01/2016	100.000
	07/01/2024	5.000%	6,435,000.00	07/01/2016	100.000
	07/01/2025	5.000%	6,755,000.00	07/01/2016	100.000
	07/01/2026	5.000%	7,090,000.00	07/01/2016	100.000
	07/01/2027	4.500%	7,445,000.00	07/01/2016	100.000
	07/01/2036	4.750%	11,495,000.00	07/01/2016	100.000
TERM31	07/01/2031	5.000%	33,540,000.00	07/01/2016	100.000
TERM35	07/01/2035	5.000%	40,770,000.00	07/01/2016	100.000
			<u>155,185,000.00</u>		
Transit System Sales Surtax Revenue:					
BOND	07/01/2020	5.000%	6,465,000.00	07/01/2018	100.000
	07/01/2021	5.000%	6,785,000.00	07/01/2018	100.000
	07/01/2022	5.000%	7,125,000.00	07/01/2018	100.000
	07/01/2023	5.000%	7,480,000.00	07/01/2018	100.000
	07/01/2024	5.000%	7,855,000.00	07/01/2018	100.000
	07/01/2025	5.000%	8,245,000.00	07/01/2018	100.000
	07/01/2026	5.000%	8,660,000.00	07/01/2018	100.000
			<u>52,615,000.00</u>		
			<u>207,800,000.00</u>		

SAVINGS

Miami-Dade County, FL People's Transportation Plan
Series 2015 Refunding (Transit System Surtax)

Current MMD and credit spreads as of April 14, 2015

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 05/28/2015 @ 2.8185253%
07/01/2015	5,138,943.75		5,138,943.75	5,125,776.11
07/01/2016	14,672,887.50	13,612,540.83	1,060,346.67	1,022,839.38
07/01/2017	14,673,137.50	13,610,400.00	1,062,737.50	1,007,277.38
07/01/2018	14,673,537.50	13,611,400.00	1,062,137.50	978,566.51
07/01/2019	14,673,537.50	13,609,200.00	1,064,337.50	953,124.95
07/01/2020	21,136,537.50	20,075,000.00	1,061,537.50	923,975.89
07/01/2021	21,133,787.50	20,072,250.00	1,061,537.50	898,325.19
07/01/2022	21,136,787.50	20,071,500.00	1,065,287.50	876,454.24
07/01/2023	21,133,787.50	20,071,250.00	1,062,537.50	849,915.12
07/01/2024	21,138,537.50	20,075,000.00	1,063,537.50	827,073.98
07/01/2025	21,134,037.50	20,071,000.00	1,063,037.50	803,707.37
07/01/2026	21,134,037.50	20,073,000.00	1,061,037.50	779,893.13
07/01/2027	12,041,537.50	10,979,000.00	1,062,537.50	759,268.79
07/01/2028	12,041,512.50	10,977,000.00	1,064,512.50	739,691.37
07/01/2029	12,042,512.50	10,978,250.00	1,064,262.50	718,939.61
07/01/2030	12,044,012.50	10,981,750.00	1,062,262.50	697,614.71
07/01/2031	12,045,012.50	10,981,500.00	1,063,512.50	678,982.93
07/01/2032	12,044,512.50	10,981,750.00	1,062,762.50	659,599.89
07/01/2033	12,041,512.50	10,976,500.00	1,065,012.50	642,569.13
07/01/2034	12,045,012.50	10,980,000.00	1,065,012.50	624,648.11
07/01/2035	12,043,512.50	10,980,750.00	1,062,762.50	605,935.58
07/01/2036	12,041,012.50	10,977,750.00	1,063,262.50	589,295.28
	332,209,706.25	304,746,790.83	27,462,915.42	21,763,474.66

Savings Summary

PV of savings from cash flow	21,763,474.66
Less: Prior funds on hand	-4,196,804.06
Plus: Refunding funds on hand	4,039.33
Net PV Savings	17,570,709.93

BOND DEBT SERVICE

Miami-Dade County, FL People's Transportation Plan
Series 2015 Refunding (Transit System Surtax)

Current MMD and credit spreads as of April 14, 2015

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2016	3,375,000	2.000%	10,237,540.83	13,612,540.83
07/01/2017	4,300,000	3.000%	9,310,400.00	13,610,400.00
07/01/2018	4,430,000	4.000%	9,181,400.00	13,611,400.00
07/01/2019	4,605,000	4.000%	9,004,200.00	13,609,200.00
07/01/2020	11,255,000	5.000%	8,820,000.00	20,075,000.00
07/01/2021	11,815,000	5.000%	8,257,250.00	20,072,250.00
07/01/2022	12,405,000	5.000%	7,666,500.00	20,071,500.00
07/01/2023	13,025,000	5.000%	7,046,250.00	20,071,250.00
07/01/2024	13,680,000	5.000%	6,395,000.00	20,075,000.00
07/01/2025	14,360,000	5.000%	5,711,000.00	20,071,000.00
07/01/2026	15,080,000	5.000%	4,993,000.00	20,073,000.00
07/01/2027	6,740,000	5.000%	4,239,000.00	10,979,000.00
07/01/2028	7,075,000	5.000%	3,902,000.00	10,977,000.00
07/01/2029	7,430,000	5.000%	3,548,250.00	10,978,250.00
07/01/2030	7,805,000	5.000%	3,176,750.00	10,981,750.00
07/01/2031	8,195,000	5.000%	2,786,500.00	10,981,500.00
07/01/2032	8,605,000	5.000%	2,376,750.00	10,981,750.00
07/01/2033	9,030,000	5.000%	1,946,500.00	10,976,500.00
07/01/2034	9,485,000	5.000%	1,495,000.00	10,980,000.00
07/01/2035	9,960,000	5.000%	1,020,750.00	10,980,750.00
07/01/2036	10,455,000	5.000%	522,750.00	10,977,750.00
	193,110,000		111,636,790.83	304,746,790.83