

Memorandum



Date: June 2, 2015
To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners
From: Carlos A. Gimenez
County Mayor 
Subject: Updated Market Conditions for Item 5C on the June 2, 2015 Regular Meeting Agenda of the Board of County Commissioners (Legistar 151177)

This memorandum updates Attachment 1 for Item 5C on the June 2, 2015 Board of County Commissioners (Board) meeting agenda (Legistar 151177). The item relates to the proposed issuance of not to exceed \$350 million aggregate principal amount of Miami-Dade County, Florida Public Facilities Revenue and Revenue Refunding Bonds (Jackson Health System) 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. 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 for all parity debt and projected debts service coverage. 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 New Money and 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 April 15, 2015	\$283,345,000.00 not to exceed \$350,000,000.00	\$88,024,031.44	11.12 percent; estimated at \$34,328,008.15	\$2,691,777.50 including Underwriter's Discount	June 1, 2039
Rerun of Attachment 1 as of May 28, 2015	\$291,005,000.00	\$76,824,390.47	8.06 percent; estimated at \$24,891,133.84	\$2,764,547.50 including Underwriter's Discount	June 1, 2039

The current market update (Attachment 1 to this update memorandum) is based on the expected interest rates as of May 28, 2015, with the same debt structure as the initial number runs of April 15, 2015. Page 5 provides the projected annual debt service (\$497.134 million) on the issuance of the Series 2015 Refunding and New Money Bonds and when comparing to the prior debt service (\$531.014 million) on Page 4, the proposed Series 2015 Bonds decreases the debt service to be paid by the Public Health Trust by \$33.8 million.

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

Attachment

c: R.A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Carlos Migoya, President and CEO, Jackson Health System
Mark T. Knight, Executive Vice President and CFO, Jackson Health System
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 - Public Facilities Revenue Bonds
Series 2015AB Revenue Refunding and Revenue Bonds
Gross Pledge of PHT Revenues
\$25 Million Existing Proceeds Contribution and New Money Series

Dated Date 07/14/2015
Delivery Date 07/14/2015

Sources:	Series 2015A (Refunding Portion - Refunding 2005AB)	Series 2015A (New Money Portion)	Series 2015B (Refunding Portion - Refunding 2009)	Total
Bond Proceeds:				
Par Amount	208,985,000.00	24,930,000.00	57,090,000.00	291,005,000.00
Premium	24,250,082.00	2,856,091.70	6,991,940.90	34,098,114.60
	<u>233,235,082.00</u>	<u>27,786,091.70</u>	<u>64,081,940.90</u>	<u>325,103,114.60</u>
Other Sources of Funds:				
Project Fund - 2005A	9,772,000.00			9,772,000.00
2005AB DSRF	19,100,813.00			19,100,813.00
Project Fund - 2009			15,678,000.00	15,678,000.00
2009 DSRF			5,802,419.00	5,802,419.00
	<u>28,872,813.00</u>		<u>21,480,419.00</u>	<u>50,353,232.00</u>
	<u>262,107,895.00</u>	<u>27,786,091.70</u>	<u>85,562,359.90</u>	<u>375,456,346.60</u>

Uses:	Series 2015A (Refunding Portion - Refunding 2005AB)	Series 2015A (New Money Portion)	Series 2015B (Refunding Portion - Refunding 2009)	Total
Project Fund Deposits:				
Project Fund		25,450,000.00		25,450,000.00
Refunding Escrow Deposits:				
SLGS Purchases	242,552,634.00		80,220,563.00	322,773,197.00
Cash Deposit			0.22	0.22
	<u>242,552,634.00</u>		<u>80,220,563.22</u>	<u>322,773,197.22</u>
Other Fund Deposits:				
2015 Debt Service Reserve Fund	17,567,903.67	2,095,690.31	4,799,156.02	24,462,750.00
Delivery Date Expenses:				
Cost of Issuance	1,044,925.00	124,650.00	285,450.00	1,455,025.00
Underwriter's Discount	940,432.50	112,185.00	256,905.00	1,309,522.50
	<u>1,985,357.50</u>	<u>236,835.00</u>	<u>542,355.00</u>	<u>2,764,547.50</u>
Other Uses of Funds:				
Additional Proceeds	1,999.83	3,566.39	285.66	5,851.88
	<u>262,107,895.00</u>	<u>27,786,091.70</u>	<u>85,562,359.90</u>	<u>375,456,346.60</u>

SUMMARY OF REFUNDING RESULTS

Miami-Dade County - Public Facilities Revenue Bonds
Series 2015AB Revenue Refunding and Revenue Bonds
Gross Pledge of PHT Revenues
\$25 Million Existing Proceeds Contribution and New Money Series

Dated Date	07/14/2015
Delivery Date	07/14/2015
Arbitrage yield	3.387487%
Escrow yield	1.119713%
Value of Negative Arbitrage	6,666,896.84
Bond Par Amount	266,075,000.00
True Interest Cost	3.881030%
Net Interest Cost	4.177920%
Average Coupon	4.972027%
Average Life	14.220
Par amount of refunded bonds	308,645,000.00
Average coupon of refunded bonds	4.992336%
Average life of refunded bonds	14.312
PV of prior debt to 07/14/2015 @ 3.387487%	364,350,526.58
Net PV Savings	24,891,133.84
Percentage savings of refunded bonds	8.064648%
Percentage savings of refunding bonds	9.354931%

SUMMARY OF BONDS REFUNDED

Miami-Dade County - Public Facilities Revenue Bonds
Series 2015AB Revenue Refunding and Revenue Bonds
Gross Pledge of PHT Revenues
\$25 Million Existing Proceeds Contribution and New Money Series

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Public Fac. Rev. (Jackson Health System), Sr. 2005A, 2005A:					
SERIALS	06/01/2028	5.000%	10,890,000.00	08/18/2015	100.000
	06/01/2029	5.000%	12,530,000.00	08/18/2015	100.000
	06/01/2030	5.000%	13,155,000.00	08/18/2015	100.000
	06/01/2031	5.000%	13,815,000.00	08/18/2015	100.000
	06/01/2032	5.000%	14,505,000.00	08/18/2015	100.000
TERM2035	06/01/2033	4.375%	15,230,000.00	08/18/2015	100.000
	06/01/2034	5.000%	15,900,000.00	08/18/2015	100.000
TERM2037	06/01/2035	5.000%	16,690,000.00	08/18/2015	100.000
	06/01/2036	4.375%	17,525,000.00	08/18/2015	100.000
	06/01/2037	4.375%	18,295,000.00	08/18/2015	100.000
			<u>148,535,000.00</u>		
Public Fac. Rev. (Jackson Health System), Sr. 2005B, 2005B:					
SERIALS	06/01/2016	5.000%	6,710,000.00	08/18/2015	100.000
	06/01/2017	5.000%	7,045,000.00	08/18/2015	100.000
	06/01/2018	5.000%	7,395,000.00	08/18/2015	100.000
	06/01/2019	5.000%	7,515,000.00	08/18/2015	100.000
	06/01/2022	5.000%	8,980,000.00	08/18/2015	100.000
	06/01/2023	4.250%	9,430,000.00	08/18/2015	100.000
	06/01/2024	5.000%	9,830,000.00	08/18/2015	100.000
	06/01/2025	5.000%	10,320,000.00	08/18/2015	100.000
	06/01/2026	5.000%	10,735,000.00	08/18/2015	100.000
	06/01/2027	5.000%	10,755,000.00	08/18/2015	100.000
SERIALS2	06/01/2019	4.000%	250,000.00	08/18/2015	100.000
	06/01/2020	4.000%	800,000.00	08/18/2015	100.000
TERM2028	06/01/2026	4.500%	100,000.00	08/18/2015	100.000
	06/01/2027	4.500%	625,000.00	08/18/2015	100.000
	06/01/2028	4.500%	1,050,000.00	08/18/2015	100.000
			<u>91,540,000.00</u>		
Public Facilities Revenue Bonds, Series 2009, 2009:					
SERIALS	06/01/2020	4.500%	2,010,000.00	06/01/2019	100.000
	06/01/2021	4.750%	2,100,000.00	06/01/2019	100.000
	06/01/2022	5.000%	2,200,000.00	06/01/2019	100.000
	06/01/2023	5.000%	2,310,000.00	06/01/2019	100.000
	06/01/2024	5.250%	2,425,000.00	06/01/2019	100.000
TERM29	06/01/2025	5.500%	2,555,000.00	06/01/2019	100.000
	06/01/2026	5.500%	2,695,000.00	06/01/2019	100.000
	06/01/2027	5.500%	2,840,000.00	06/01/2019	100.000
	06/01/2028	5.500%	3,000,000.00	06/01/2019	100.000
	06/01/2029	5.500%	3,165,000.00	06/01/2019	100.000
TERM34	06/01/2030	5.625%	3,335,000.00	06/01/2019	100.000
	06/01/2031	5.625%	3,525,000.00	06/01/2019	100.000
	06/01/2032	5.625%	3,720,000.00	06/01/2019	100.000
	06/01/2033	5.625%	3,930,000.00	06/01/2019	100.000
TERM39	06/01/2034	5.625%	4,155,000.00	06/01/2019	100.000
	06/01/2035	5.750%	4,385,000.00	06/01/2019	100.000
	06/01/2036	5.750%	4,640,000.00	06/01/2019	100.000
	06/01/2037	5.750%	4,905,000.00	06/01/2019	100.000
	06/01/2038	5.750%	5,190,000.00	06/01/2019	100.000
	06/01/2039	5.750%	5,485,000.00	06/01/2019	100.000
			<u>68,570,000.00</u>		
			<u>308,645,000.00</u>		

SAVINGS

Miami-Dade County - Public Facilities Revenue Bonds
Series 2015AB Revenue Refunding and Revenue Bonds
Gross Pledge of PHT Revenues
\$25 Million Existing Proceeds Contribution and New Money Series

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 07/14/2015 @ 3.3874870%
09/30/2016	22,096,318.76	18,544,190.97	3,552,127.79	3,495,230.40
09/30/2017	22,095,818.76	18,882,650.00	3,213,168.76	3,035,815.09
09/30/2018	22,093,568.76	18,884,700.00	3,208,868.76	2,930,365.68
09/30/2019	22,093,818.76	18,881,050.00	3,212,768.76	2,835,680.40
09/30/2020	16,753,068.76	13,695,250.00	3,057,818.76	2,609,626.39
09/30/2021	15,920,618.76	13,694,000.00	2,226,618.76	1,840,961.61
09/30/2022	24,900,868.76	21,408,500.00	3,492,368.76	2,784,635.54
09/30/2023	24,901,868.76	21,407,750.00	3,494,118.76	2,693,484.35
09/30/2024	24,900,593.76	21,408,000.00	3,492,593.76	2,603,305.66
09/30/2025	24,901,781.26	21,408,000.00	3,493,781.26	2,517,622.36
09/30/2026	24,900,256.26	21,406,500.00	3,493,756.26	2,433,851.96
09/30/2027	24,900,781.26	21,407,250.00	3,493,531.26	2,352,705.02
09/30/2028	24,898,706.26	21,403,750.00	3,494,956.26	2,275,315.43
09/30/2029	24,896,956.26	21,399,750.00	3,497,206.26	2,200,966.82
09/30/2030	24,891,381.26	21,393,750.00	3,497,631.26	2,127,879.52
09/30/2031	24,896,037.50	21,404,250.00	3,491,787.50	2,053,486.05
09/30/2032	24,892,006.26	21,398,750.00	3,493,256.26	1,985,796.32
09/30/2033	24,892,506.26	21,401,250.00	3,491,256.26	1,918,396.03
09/30/2034	24,900,131.26	21,404,500.00	3,495,631.26	1,857,050.66
09/30/2035	24,891,412.50	21,396,500.00	3,494,912.50	1,794,617.88
09/30/2036	24,894,775.00	21,400,750.00	3,494,025.00	1,734,136.03
09/30/2037	24,896,256.26	21,399,500.00	3,496,756.26	1,677,827.43
09/30/2038	5,803,812.50	4,580,750.00	1,223,062.50	567,834.18
09/30/2039	5,800,387.50	4,578,000.00	1,222,387.50	548,429.83
	531,013,731.44	454,189,340.97	76,824,390.47	52,875,020.66

Savings Summary

PV of savings from cash flow	52,875,020.66
Less: Prior funds on hand	-50,353,232.00
Plus: Refunding funds on hand	22,369,345.18
Net PV Savings	24,891,133.84

BOND DEBT SERVICE BREAKDOWN

Miami-Dade County - Public Facilities Revenue Bonds
Series 2015AB Revenue Refunding and Revenue Bonds
Gross Pledge of PHT Revenues
\$25 Million Existing Proceeds Contribution and New Money Series

Period Ending	Series 2015A (Refunding Portion - Refunding 2005AB)	Series 2015A (New Money Portion)	Series 2015B (Refunding Portion - Refunding 2009)	Total
09/30/2016	16,030,645.14	1,790,502.78	2,513,545.83	20,334,693.75
09/30/2017	16,028,150.00	1,788,200.00	2,854,500.00	20,670,850.00
09/30/2018	16,030,200.00	1,789,900.00	2,854,500.00	20,674,600.00
09/30/2019	16,026,550.00	1,791,000.00	2,854,500.00	20,672,050.00
09/30/2020	9,115,750.00	1,790,000.00	4,579,500.00	15,485,250.00
09/30/2021	9,115,750.00	1,791,250.00	4,578,250.00	15,485,250.00
09/30/2022	16,825,750.00	1,790,750.00	4,582,750.00	23,199,250.00
09/30/2023	16,825,250.00	1,788,500.00	4,582,500.00	23,196,250.00
09/30/2024	16,825,500.00	1,789,500.00	4,582,500.00	23,197,500.00
09/30/2025	16,825,500.00	1,788,500.00	4,582,500.00	23,196,500.00
09/30/2026	16,824,250.00	1,790,500.00	4,582,250.00	23,197,000.00
09/30/2027	16,825,750.00	1,790,250.00	4,581,500.00	23,197,500.00
09/30/2028	16,818,750.00	1,787,750.00	4,585,000.00	23,191,500.00
09/30/2029	16,817,500.00	1,788,000.00	4,582,250.00	23,187,750.00
09/30/2030	16,815,500.00	1,790,750.00	4,578,250.00	23,184,500.00
09/30/2031	16,821,500.00	1,790,750.00	4,582,750.00	23,195,000.00
09/30/2032	16,818,750.00	1,788,000.00	4,580,000.00	23,186,750.00
09/30/2033	16,821,250.00	1,787,500.00	4,580,000.00	23,188,750.00
09/30/2034	16,822,250.00	1,789,000.00	4,582,250.00	23,193,500.00
09/30/2035	16,820,250.00	1,787,250.00	4,576,250.00	23,183,750.00
09/30/2036	16,818,750.00	1,787,250.00	4,582,000.00	23,188,000.00
09/30/2037	16,821,000.00	1,788,750.00	4,578,500.00	23,188,250.00
09/30/2038		1,791,500.00	4,580,750.00	6,372,250.00
09/30/2039		1,790,250.00	4,578,000.00	6,368,250.00
	351,494,545.14	42,945,602.78	102,694,795.83	497,134,943.75