

# Memorandum



**Date:** August 31, 2015  
**To:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners  
**From:** Carlos A. Gimenez  
County Mayor  
**Subject:** Updated Market Conditions for Item 8D1 on the September 1, 2015 Regular Meeting  
Agenda of the Board of County Commissioners - Legistar 151902

This memorandum updates Attachment 1 to the transmittal memorandum for Item 8D1 (Legistar 151902) on the September 1, 2015 Board of County Commissioners (Board) meeting agenda. The item relates to the proposed issuance of not to exceed \$45 million aggregate principal amount of Miami-Dade County, Special Obligation Court Facilities Refunding Bonds, Series 2015.

Resolution No. 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 final meeting. 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 Resolution No. 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 August 4, 2015	\$40,220,000.00 not to exceed \$45,000,000.00	\$7,454,343.76	10.98 percent; estimated at \$4,897,705.09	\$402,200.00 including Underwriter's Discount	April 1, 2035
Rerun of Attachment 1 as of August 26, 2015	\$40,435,000.00	\$7,135,898.62	10.55 percent; estimated at \$4,703,918.35	\$404,350.00 including Underwriter's Discount	April 1, 2035

The current market update (Attachment 1 to this update memorandum) is based on expected interest rates of August 26, 2015, with the same debt structure as the initial number runs of August 4, 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 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  
Jennifer Moon, Director, Office of Management and Budget  
Charles Anderson, Commission Auditor

## SOURCES AND USES OF FUNDS

Miami-Dade County, Florida  
 Series 2015 Courthouse Refunding of Series 2003A

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 Preliminary Numbers

## Sources:

Bond Proceeds:	
Par Amount	40,435,000.00
Premium	4,783,846.20
	<u>45,218,846.20</u>

## Uses:

Refunding Escrow Deposits:	
Cash Deposit	0.57
SLGS Purchases	<u>44,812,986.00</u>
	44,812,986.57
Delivery Date Expenses:	
Cost of Issuance	202,175.00
Underwriter's Discount	<u>202,175.00</u>
	404,350.00
Other Uses of Funds:	
Additional Proceeds	1,509.63
	<u>45,218,846.20</u>

Note: Preliminary numbers for discussion purposes only. Rates reflect current market conditions and assumed spreads.

## BOND SUMMARY STATISTICS

Miami-Dade County, Florida  
Series 2015 Courthouse Refunding of Series 2003A

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Preliminary Numbers

Dated Date	10/06/2015
Delivery Date	10/06/2015
Last Maturity	04/01/2035
Arbitrage Yield	3.522106%
True Interest Cost (TIC)	4.010425%
Net Interest Cost (NIC)	4.275552%
All-In TIC	4.051291%
Average Coupon	5.000000%
Average Life (years)	15.641
Duration of Issue (years)	11.243
Par Amount	40,435,000.00
Bond Proceeds	45,218,846.20
Total Interest	31,621,795.14
Net Interest	27,040,123.94
Total Debt Service	72,056,795.14
Maximum Annual Debt Service	5,828,500.00
Average Annual Debt Service	3,697,854.06
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	111.330954

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	40,435,000.00	111.831	5.000%	15.641	34,555.40
	40,435,000.00			15.641	34,555.40

	TIC	All-In TIC	Arbitrage Yield
Par Value	40,435,000.00	40,435,000.00	40,435,000.00
+ Accrued Interest			
+ Premium (Discount)	4,783,846.20	4,783,846.20	4,783,846.20
- Underwriter's Discount	-202,175.00	-202,175.00	
- Cost of Issuance Expense		-202,175.00	
- Other Amounts			
Target Value	45,016,671.20	44,814,496.20	45,218,846.20
Target Date	10/06/2015	10/06/2015	10/06/2015
Yield	4.010425%	4.051291%	3.522106%

## SUMMARY OF REFUNDING RESULTS

Miami-Dade County, Florida  
Series 2015 Courthouse Refunding of Series 2003A

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Preliminary Numbers

Dated Date	10/06/2015
Delivery Date	10/06/2015
Arbitrage yield	3.522106%
Escrow yield	0.010175%
Value of Negative Arbitrage	125,495.80
Bond Par Amount	40,435,000.00
True Interest Cost	4.010425%
Net Interest Cost	4.275552%
Average Coupon	5.000000%
Average Life	15.641
Par amount of refunded bonds	44,605,000.00
Average coupon of refunded bonds	4.961864%
Average life of refunded bonds	15.614
PV of prior debt to 10/06/2015 @ 3.522106%	52,228,477.47
Net PV Savings	4,703,918.35
Percentage savings of refunded bonds	10.545720%
Percentage savings of refunding bonds	11.633284%

## SUMMARY OF BONDS REFUNDED

Miami-Dade County, Florida  
 Series 2015 Courthouse Refunding of Series 2003A

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 Preliminary Numbers

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2003A:					
TERM27	04/01/2026	4.625%	3,145,000.00	11/05/2015	100.000
	04/01/2027	4.625%	3,295,000.00	11/05/2015	100.000
TERM32	04/01/2028	5.000%	3,690,000.00	11/05/2015	100.000
	04/01/2029	5.000%	3,875,000.00	11/05/2015	100.000
	04/01/2030	5.000%	4,065,000.00	11/05/2015	100.000
	04/01/2031	5.000%	4,270,000.00	11/05/2015	100.000
	04/01/2032	5.000%	1,000,000.00	11/05/2015	100.000
TERM35	04/01/2032	5.000%	3,935,000.00	11/05/2015	100.000
	04/01/2033	5.000%	5,500,000.00	11/05/2015	100.000
	04/01/2034	5.000%	5,770,000.00	11/05/2015	100.000
	04/01/2035	5.000%	6,060,000.00	11/05/2015	100.000
			44,605,000.00		

## SAVINGS

Miami-Dade County, Florida  
Series 2015 Courthouse Refunding of Series 2003A

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Preliminary Numbers

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 10/06/2015 @ 3.5221064%
04/01/2016	1,103,050.00	982,795.14	120,254.86	118,231.08
04/01/2017	2,206,100.00	2,021,750.00	184,350.00	176,569.75
04/01/2018	2,206,100.00	2,021,750.00	184,350.00	170,511.28
04/01/2019	2,206,100.00	2,021,750.00	184,350.00	164,660.69
04/01/2020	2,206,100.00	2,021,750.00	184,350.00	159,010.84
04/01/2021	2,206,100.00	2,021,750.00	184,350.00	153,554.86
04/01/2022	2,206,100.00	2,021,750.00	184,350.00	148,286.08
04/01/2023	2,206,100.00	2,021,750.00	184,350.00	143,198.08
04/01/2024	2,206,100.00	2,021,750.00	184,350.00	138,284.66
04/01/2025	2,206,100.00	2,021,750.00	184,350.00	133,539.83
04/01/2026	5,351,100.00	4,816,750.00	534,350.00	371,655.24
04/01/2027	5,355,643.76	4,822,000.00	533,643.76	358,396.42
04/01/2028	5,598,250.00	5,060,000.00	538,250.00	349,047.03
04/01/2029	5,598,750.00	5,063,750.00	535,000.00	334,940.66
04/01/2030	5,595,000.00	5,059,000.00	536,000.00	323,950.31
04/01/2031	5,596,750.00	5,060,750.00	536,000.00	312,732.35
04/01/2032	6,048,250.00	5,513,250.00	535,000.00	301,335.52
04/01/2033	6,366,500.00	5,828,500.00	538,000.00	292,520.08
04/01/2034	6,361,500.00	5,826,750.00	534,750.00	280,671.34
04/01/2035	6,363,000.00	5,827,500.00	535,500.00	271,312.63
	79,192,693.76	72,056,795.14	7,135,898.62	4,702,408.72

Savings Summary

PV of savings from cash flow	4,702,408.72
Plus: Refunding funds on hand	1,509.63
Net PV Savings	4,703,918.35

## BOND DEBT SERVICE

Miami-Dade County, Florida  
 Series 2015 Courthouse Refunding of Series 2003A

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 Preliminary Numbers

Period Ending	Principal	Coupon	Interest	Debt Service
04/01/2016			982,795.14	982,795.14
04/01/2017			2,021,750.00	2,021,750.00
04/01/2018			2,021,750.00	2,021,750.00
04/01/2019			2,021,750.00	2,021,750.00
04/01/2020			2,021,750.00	2,021,750.00
04/01/2021			2,021,750.00	2,021,750.00
04/01/2022			2,021,750.00	2,021,750.00
04/01/2023			2,021,750.00	2,021,750.00
04/01/2024			2,021,750.00	2,021,750.00
04/01/2025			2,021,750.00	2,021,750.00
04/01/2026	2,795,000	5.000%	2,021,750.00	4,816,750.00
04/01/2027	2,940,000	5.000%	1,882,000.00	4,822,000.00
04/01/2028	3,325,000	5.000%	1,735,000.00	5,060,000.00
04/01/2029	3,495,000	5.000%	1,568,750.00	5,063,750.00
04/01/2030	3,665,000	5.000%	1,394,000.00	5,059,000.00
04/01/2031	3,850,000	5.000%	1,210,750.00	5,060,750.00
04/01/2032	4,495,000	5.000%	1,018,250.00	5,513,250.00
04/01/2033	5,035,000	5.000%	793,500.00	5,828,500.00
04/01/2034	5,285,000	5.000%	541,750.00	5,826,750.00
04/01/2035	5,550,000	5.000%	277,500.00	5,827,500.00
	40,435,000		31,621,795.14	72,056,795.14