

Memorandum



Date: November 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 8D1 on the November 3, 2015 Regular Meeting
Agenda of the Board of County Commissioners - Legistar 152496

This memorandum updates Attachment 1 to the Cover Memorandum for Item 8D1 (Legistar 152496) on the November 3, 2015 Board of County Commissioners (Board) meeting agenda. The item relates to the proposed issuance of not to exceed \$100 million aggregate principal amount of Miami-Dade County, Florida Solid Waste System 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 Official 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 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	\$82,665,000.00 not to exceed \$100,000,000.00	\$9,286,425.00	9.98 percent; estimated at \$8,682,754.99	\$1,710,953.32 including Underwriter's Discount	October 1, 2030
Rerun of Attachment 1 as of October 28, 2015	\$82,420,000.00	\$9,588,338.89	10.30 percent; estimated at \$8,962,150.24	\$1,506,192.61 including Underwriter's Discount	October 1, 2030

The current market update (Attachment 1 to this update memorandum) is based on expected interest rates of October 28, 2015, with the same debt structure as the initial number runs of September 30, 2015. Page six (6) of Attachment 1 provides the projected annual debt service savings results by comparing the current debt service of the bonds to be refunded to the proposed Series 2015 Revenue 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 375-1451.

Attachment

- c: Abigail Price-Williams, County Attorney
Office of the Mayor Senior Staff
Alina T. Hudak, Deputy Mayor/Director, Public Works and Waste Management Department
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, Florida
 Solid Waste System Revenue Refunding Bonds, Series 2015
 Preliminary/Subject to Change as of 10/28/2015

Dated Date 12/17/2015
 Delivery Date 12/17/2015

Sources:

Bond Proceeds:	
Par Amount	82,420,000.00
Premium	10,556,757.35
	92,976,757.35
Other Sources of Funds:	
Debt Service Fund	3,132,600.00
Debt Service Reserve Fund	3,363,361.55
	6,495,961.55
	99,472,718.90

Uses:

Refunding Escrow Deposits:	
Cash Deposit	80,776,941.67
Open Market Purchases	13,826,223.07
	94,603,164.74
Other Fund Deposits:	
Debt Service Reserve Fund	3,363,361.55
Delivery Date Expenses:	
Cost of Issuance	700,516.20
Underwriter's Discount	432,705.00
Bond Insurance	372,971.41
	1,506,192.61
	99,472,718.90

BOND SUMMARY STATISTICS

**Miami-Dade County, Florida
Solid Waste System Revenue Refunding Bonds, Series 2015
Preliminary/Subject to Change as of 10/28/2015**

Dated Date	12/17/2015
Delivery Date	12/17/2015
First Coupon	04/01/2016
Last Maturity	10/01/2030
Arbitrage Yield	2.389042%
True Interest Cost (TIC)	2.711532%
Net Interest Cost (NIC)	2.903338%
All-In TIC	2.861881%
Average Coupon	5.000000%
Average Life (years)	5.859
Duration of Issue (years)	5.157
Par Amount	82,420,000.00
Bond Proceeds	92,976,757.35
Total Interest	24,143,261.11
Net Interest	14,019,208.76
Total Debt Service	106,563,261.11
Maximum Annual Debt Service	15,800,500.00
Average Annual Debt Service	7,205,629.98
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.250000
Total Underwriter's Discount	5.250000
Bid Price	112.283490

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds	82,420,000.00	112.808	5.000%	5.859	5.185	42,162.60
	82,420,000.00			5.859		42,162.60

	TIC	All-In TIC	Arbitrage Yield
Par Value	82,420,000.00	82,420,000.00	82,420,000.00
+ Accrued Interest			
+ Premium (Discount)	10,556,757.35	10,556,757.35	10,556,757.35
- Underwriter's Discount	(432,705.00)	(432,705.00)	
- Cost of Issuance Expense		(700,516.20)	
- Other Amounts	(372,971.41)	(372,971.41)	(372,971.41)
Target Value	92,171,080.94	91,470,564.74	92,603,785.94
Target Date	12/17/2015	12/17/2015	12/17/2015
Yield	2.711532%	2.861881%	2.389042%

SUMMARY OF BONDS REFUNDED

Miami-Dade County, Florida
 Solid Waste System Revenue Refunding Bonds, Series 2015
 Preliminary/Subject to Change as of 10/28/2015

Bond	Maturity Date	Interest Rate	Par Amount	Value on Dec 17, 2015	Call Date	Call Price	
Series 1998, 1998:							
TERM18	10/01/2016	4.750%	4,100,000.00	4,100,000.00	01/16/2016	100.000	
	10/01/2017	4.750%	4,295,000.00	4,295,000.00	01/16/2016	100.000	
	10/01/2018	4.750%	4,500,000.00	4,500,000.00	01/16/2016	100.000	
				<u>12,895,000.00</u>	<u>12,895,000.00</u>		
Series 2001, 2001:							
SERIAL	10/01/2016	5.500%	3,105,000.00	3,105,000.00	01/16/2016	100.000	
	10/01/2017	5.500%	3,275,000.00	3,275,000.00	01/16/2016	100.000	
	10/01/2018	5.000%	3,455,000.00	3,455,000.00	01/16/2016	100.000	
	10/01/2019	5.000%	8,345,000.00	8,345,000.00	01/16/2016	100.000	
	10/01/2020	5.000%	8,760,000.00	8,760,000.00	01/16/2016	100.000	
			<u>26,940,000.00</u>	<u>26,940,000.00</u>			
Series 2005, 2005:							
SERIAL	10/01/2018	4.250%	200,000.00	200,000.00	01/16/2016	100.000	
	10/01/2018	5.000%	2,000,000.00	2,000,000.00	01/16/2016	100.000	
	10/01/2019	5.000%	2,235,000.00	2,235,000.00	01/16/2016	100.000	
	10/01/2020	5.250%	2,350,000.00	2,350,000.00	01/16/2016	100.000	
	10/01/2021	5.250%	2,475,000.00	2,475,000.00	01/16/2016	100.000	
	10/01/2022	5.250%	2,610,000.00	2,610,000.00	01/16/2016	100.000	
	10/01/2023	5.250%	2,750,000.00	2,750,000.00	01/16/2016	100.000	
	10/01/2024	5.250%	2,900,000.00	2,900,000.00	01/16/2016	100.000	
	10/01/2025	5.250%	3,055,000.00	3,055,000.00	01/16/2016	100.000	
	10/01/2026	5.250%	3,220,000.00	3,220,000.00	01/16/2016	100.000	
	TERM30	10/01/2027	5.250%	3,395,000.00	3,395,000.00	01/16/2016	100.000
		10/01/2028	5.250%	3,575,000.00	3,575,000.00	01/16/2016	100.000
		10/01/2029	5.250%	3,770,000.00	3,770,000.00	01/16/2016	100.000
CAB	10/01/2030	5.250%	3,975,000.00	3,975,000.00	01/16/2016	100.000	
	10/01/2016	4.690%	4,465,045.20	7,317,367.20			
	10/01/2017	4.760%	4,232,212.00	6,986,604.00			
			<u>47,207,257.20</u>	<u>52,813,971.20</u>			
			87,042,257.20	92,648,971.20			

SUMMARY OF REFUNDING RESULTS

**Miami-Dade County, Florida
Solid Waste System Revenue Refunding Bonds, Series 2015
Preliminary/Subject to Change as of 10/28/2015**

Dated Date	12/17/2015
Delivery Date	12/17/2015
Arbitrage yield	2.389042%
Escrow yield	0.538263%
Value of Negative Arbitrage	331,280.03
Bond Par Amount	82,420,000.00
True Interest Cost	2.711532%
Net Interest Cost	2.903338%
All-In TIC	2.861881%
Average Coupon	5.000000%
Average Life	5.859
Par amount of refunded bonds	87,042,257.20
Average coupon of refunded bonds	5.168281%
Average life of refunded bonds	5.653
PV of prior debt to 12/17/2015 @ 2.861881%	103,565,314.98
Net PV Savings	8,962,150.24
Percentage savings of refunded bonds	10.296321%

BOND DEBT SERVICE

Miami-Dade County, Florida
 Solid Waste System Revenue Refunding Bonds, Series 2015
 Preliminary/Subject to Change as of 10/28/2015

Period Ending	Principal	Coupon	Interest	Debt Service
10/01/2016	9,410,000	5.000%	3,251,011.11	12,661,011.11
10/01/2017	12,150,000	5.000%	3,650,500.00	15,800,500.00
10/01/2018	8,860,000	5.000%	3,043,000.00	11,903,000.00
10/01/2019	9,715,000	5.000%	2,600,000.00	12,315,000.00
10/01/2020	10,200,000	5.000%	2,114,250.00	12,314,250.00
10/01/2021	2,535,000	5.000%	1,604,250.00	4,139,250.00
10/01/2022	2,665,000	5.000%	1,477,500.00	4,142,500.00
10/01/2023	2,800,000	5.000%	1,344,250.00	4,144,250.00
10/01/2024	2,945,000	5.000%	1,204,250.00	4,149,250.00
10/01/2025	3,095,000	5.000%	1,057,000.00	4,152,000.00
10/01/2026	3,255,000	5.000%	902,250.00	4,157,250.00
10/01/2027	3,425,000	5.000%	739,500.00	4,164,500.00
10/01/2028	3,600,000	5.000%	568,250.00	4,168,250.00
10/01/2029	3,785,000	5.000%	388,250.00	4,173,250.00
10/01/2030	3,980,000	5.000%	199,000.00	4,179,000.00
	82,420,000		24,143,261.11	106,563,261.11

SAVINGS

Miami-Dade County, Florida
 Solid Waste System Revenue Refunding Bonds, Series 2015
 Preliminary/Subject to Change as of 10/28/2015

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings
10/01/2016	18,795,600.00	3,132,600.00	15,663,000.00	12,661,011.11	3,001,988.89
10/01/2017	18,805,075.00		18,805,075.00	15,800,500.00	3,004,575.00
10/01/2018	13,405,937.50		13,405,937.50	11,903,000.00	1,502,937.50
10/01/2019	13,335,937.50		13,335,937.50	12,315,000.00	1,020,937.50
10/01/2020	13,336,937.50		13,336,937.50	12,314,250.00	1,022,687.50
10/01/2021	4,140,562.50		4,140,562.50	4,139,250.00	1,312.50
10/01/2022	4,145,625.00		4,145,625.00	4,142,500.00	3,125.00
10/01/2023	4,148,600.00		4,148,600.00	4,144,250.00	4,350.00
10/01/2024	4,154,225.00		4,154,225.00	4,149,250.00	4,975.00
10/01/2025	4,156,975.00		4,156,975.00	4,152,000.00	4,975.00
10/01/2026	4,161,587.50		4,161,587.50	4,157,250.00	4,337.50
10/01/2027	4,167,537.50		4,167,537.50	4,164,500.00	3,037.50
10/01/2028	4,169,300.00		4,169,300.00	4,168,250.00	1,050.00
10/01/2029	4,176,612.50		4,176,612.50	4,173,250.00	3,362.50
10/01/2030	4,183,687.50		4,183,687.50	4,179,000.00	4,687.50
	119,284,200.00	3,132,600.00	116,151,600.00	106,563,261.11	9,588,338.89

Savings Summary

Savings PV date	12/17/2015
Savings PV rate	2.861881%
PV of savings from cash flow	8,962,150.24
Less: Prior funds on hand	(3,363,361.55)
Plus: Refunding funds on hand	3,363,361.55
Net PV Savings	8,962,150.24