

Public Service Tax Receipts



MIAMI-DADE COUNTY, FLORIDA
Public Service Tax Bonds

SECURITY FOR THE BONDS

PLEDGED FUNDS

Payment of the principal of, redemption premium, if any, and interest on the Public Service Tax Bonds (the "Bonds"), and all Reserve Fund and other payments required to be made under Ordinance No. 96-168 (the "Ordinance"), are secured equally and ratably by a first lien on the Pledged Funds which consist of Designated Revenues and all funds including accrued interest, held in trust by the County under the Ordinance for the benefit of the Bondholder other than funds in the Rebate Fund. Designated Revenues means the Public Service Tax levied by the County in the unincorporated areas of the County upon purchase of electricity, gas, coal, fuel oil, water service, and telecommunications pursuant to the Constitution, County Code and Chapter 166, Florida Statutes. The County has estimated that the Pledged Funds will be sufficient to pay the principal of and interest on the Bonds as they become due and to make all other payments required to be made under the Ordinance.

The County has covenanted in the Ordinance that, until all of the Bonds have been paid or provision has been made for their payment, the County will diligently enforce its right to receive the Designated Revenues and will not take any action which will impair or adversely affect its pledge of the Pledged Funds or the rights of the Bondholders. The County is unconditionally and irrevocably obligated, as long as any of the Bonds are outstanding and unpaid, to take all lawful action necessary or required to continue to entitle the County to receive the Designated Revenues in the same or greater amounts and at the same or greater rates as now provided by law to pay the principal of and interest on the Bonds and to make the other payments provided in the Ordinance, including, without limitation, levying and collecting the Public Service Tax at a rate up to the maximum rate permitted by law. However, nothing in the Ordinance should be construed to prevent revisions of the rates of the Public Service Tax as long as the amount of the Pledged Funds in each year will be at least equal to 120% of the Maximum Annual Bond Service Requirement for any ensuing Bond Year.

LIMITED OBLIGATION

The Bonds are special and limited obligations of the County, payable solely from and secured by the Pledged Funds. The Bonds do not constitute general obligations or indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, and the County is not directly, indirectly or contingently obligated to levy any ad valorem taxes or to make any appropriation for the payment of the Bonds, except from the Pledged Funds. Neither the full faith and credit nor the taxing power of the County, the State of Florida or any political subdivision of either of them is pledged to the payment of the Bonds.

THE PUBLIC SERVICE TAX

GENERAL

Section 166.231, Florida Statutes, as amended, authorizes any State of Florida municipality to levy a public service tax on the purchase within such municipality of electricity, metered and bottled gas (natural liquefied petroleum gas or manufactured), water, telephone, telegraph service, coal and fuel oil, as well as any services competitive with those specifically enumerated. This tax may not exceed 10% of the payments received by the sellers of such public services from purchasers (except in the case of fuel oil, for which the maximum tax is four cents per gallon). The purchase of natural gas or the purchase of fuel oil by a public or private utility for resale or for use as a fuel in the generation of electricity or kerosene for use in aircraft or internal combustion engines is exempt from the levy of such tax.

HISTORICAL COLLECTION AND DEBT SERVICE COVERAGE

The following table summarizes the amount of Public Service Tax that has been collected for the past five Fiscal Years and the Debt service coverage in those years based on the Maximum Annual Debt Service Requirement:

Public Service Tax Collections, Historical Coverage of Debt Service (000's omitted)

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Public Service Tax: | | | | | |
| Electricity | \$76,203 | \$78,897 | \$81,356 | \$85,190 | \$84,831 |
| Water | 10,039 | 10,967 | 11,141 | 11,278 | 12,043 |
| Gas | 2,136 | 2,114 | 2,131 | 2,469 | 2,412 |
| Local Communications Services Tax ⁽¹⁾ | <u>33,935</u> | <u>30,840</u> | <u>31,263</u> | <u>29,874</u> | <u>24,970</u> |
| Total Designated Revenues ⁽²⁾ | <u>\$122,313</u> | <u>\$122,818</u> | <u>\$125,891</u> | <u>\$128,810</u> | <u>\$124,255</u> |
| Maximum Annual Bond Debt Service Requirement ⁽³⁾ | \$12,463 | \$9,524 | \$8,454 | \$8,446 | \$8,446 |
| Debt Service Coverage | 9.81x | 12.90x | 14.89x | 15.25x | 14.71x |

Source: Miami-Dade County Finance Department

⁽¹⁾ Authorization to levy effective October 1, 2001 and includes the services previously covered by the Telephone and Telegraph fees, the Telecommunications Excise Tax and the Cable Television Franchise Fee. The Cable Television Franchise Fee was not part of the Public Service previously pledged to the Bonds.

⁽²⁾ Shows actual Public Service Tax and Local Communications Services Tax collections for Fiscal Years 2015 through 2019.

⁽³⁾ The aggregate Maximum Annual Debt Service Requirement occurs in 2024.

\$86,890,000
Miami-Dade County, Florida
Public Service Tax Revenue Refunding Bonds
(UMSA Public Improvements)
Series 2011

Dated: September 28, 2011

Final Maturity: April 1, 2027

Purpose:

The Series 2011 Bonds were issued pursuant to Ordinance Nos. 96-108, and 02-82 and Resolution No. R-662-07 to refund the Miami-Dade County, Florida Public Service Tax Revenue Bonds, Series 1999, Miami-Dade County, Florida Public Service Tax Revenue Bonds, Series 2002 and pay the cost of issuance of the Series 2011 Bonds, including the premium for an insurance policy.

Security:

The Series 2011 Bonds are secured by (i) a first lien on the Public Service Tax, authorized by Section 166.231, Florida Statutes, as amended, to be levied on the purchase of any electricity, telegraph service, coal and fuel oil, as well as any services competitive with any of the previously mentioned, (ii) the Local Communications Services Tax, authorized by Section 202.19, Florida Statutes, as amended, to be levied on communication services, and (iii) the moneys held in funds and accounts established by the Ordinance.

Form:

The Series 2011 Bonds were issued as fully registered bonds in denominations of \$5,000 or any integral multiples of \$5,000. The Series 2011 Bonds are in book-entry only form and are registered initially to The Depository Trust Company, New York, New York. Interest is payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2012. The principal is payable on April 1 and October 1 for each maturity, commencing April 1, 2012 to October 1, 2023, then every April 1 thereon after.

Agents:

| | |
|---------------------|--|
| Registrar: | The Bank of New York Mellon, New York, New York |
| Paying Agent: | The Bank of New York Mellon, New York, New York |
| Bond Counsel: | Hogan Lovells US LLP, Miami, Florida |
| | Law Offices of Steve E. Bullock, P.A., Miami, Florida |
| Disclosure Counsel: | Edwards Angell Palmer & Dodge LLP, West Palm Beach, Florida |
| | Rasco Klock Reininger Perez Esquenazi Vigil & Nieto, Coral Gables, Florida |
| | Law Offices Jose A. Villalobos, P.A., Miami, Florida |
| Insurance Provider: | Assured Guaranty Municipal Corp. |

Original Insured Ratings:

| | |
|---------|-----|
| Moody's | Aa3 |
|---------|-----|

Current Underlying Ratings:

| | |
|---------|-----|
| Moody's | Aa3 |
| Fitch: | AA+ |

Optional Redemption:

The Series 2011 Bonds maturing on or prior to April 1, 2021 are not subject to optional redemption. The Series 2011 Bonds maturing on or after October 1, 2021 are subject to redemption prior to maturity, at the option of the County in whole or in part on any date, on or after April 2021, and if part, from such maturities and in such amount as the County in its discretion shall select and by lot within a maturity, and if less than all, from moneys that may be legally available for such purpose and deposited with the Paying Agent on or

before the date fixed for redemption, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

Mandatory Redemption:

The Series 2011 Bonds are not subject to mandatory redemption.

Projects Funded with Proceeds:

The original proceeds from the Series 1999 Bonds were used to fund the Series 1999 Project which consisted of certain capital projects including the construction of new sidewalks, Safe Route to School projects; park development, the development and equipping of new parks and the renovation and equipping of existing parks; beautification of neighborhoods, road resurfacing; and the completion of construction of the Carol City Police Station and its attendant building and facilities, including a vehicle fueling station.

The original proceeds from the Series 2002 Bonds were used to fund the Series 2002 Project which consisted of certain capital projects including improvements to the stormwater drainage system; the construction of new sidewalks and the repair and/or renovations of existing sidewalks; park development, including the development and equipping of new parks and the renovation and equipping of existing parks; the beautification of neighborhoods, including road surfacing and traffic calming projects.

Refunded Bonds:

Miami-Dade County, Florida Public Service Tax Revenue Bonds, Series 1999 and Miami-Dade County, Florida Public Service Tax Revenue Bonds, Series 2002.

Refunded Bonds Call Date:

The Series 1999 Bonds were called on November 3, 2011 and the Series 2002 Bonds were called on April 1, 2012.

\$86,890,000
Miami-Dade County, Florida
Public Service Tax Revenue Refunding Bonds (UMSA Public Improvements)
Series 2011
Debt Service Schedule

| Fiscal Year Ending Sept. 30, | Type | CUSIP Number | Interest Rate | Principal | Interest | Total Debt Service |
|---|-------------|-------------------------|--------------------------|----------------------|---------------------|-------------------------------|
| 2020(*) | Serial | 59334CEQ5 | 4.000% | \$ 3,940,000 | \$ 1,883,300 | \$ 8,433,300 |
| | | 59334CER3 | 4.000 | 2,610,000 | | |
| 2021(*) | Serial | 59334CES1 | 4.000 | 4,100,000 | 1,618,100 | 8,428,100 |
| | | 59334CET9 | 4.000 | 2,710,000 | | |
| 2022(*) | Serial | 59334CEU6 | 4.000 | 4,270,000 | 1,342,300 | 8,437,300 |
| | | 59334CEV4 | 4.000 | 2,825,000 | | |
| 2023(*) | Serial | 59334CEW2 | 4.000 | 4,440,000 | 1,055,100 | 8,440,100 |
| | | 59334CEX0 | 4.000 | 2,945,000 | | |
| 2024(*) | Serial | 59334CEY8 | 4.000 | 4,625,000 | 756,000 | 8,446,000 |
| | | 59334CEZ5 | 5.000 | 3,065,000 | | |
| 2025 | Serial | 59334CFA9 | 5.000 | 3,230,000 | 510,250 | 3,740,250 |
| 2026 | Serial | 59334CFB7 | 5.000 | 3,400,000 | 348,750 | 3,748,750 |
| 2027 | Serial | 59334CFC5 | 5.000 | 3,575,000 | 178,750 | 3,753,750 |
| | | | | <u>\$ 45,735,000</u> | <u>\$ 7,692,550</u> | <u>\$ 53,427,550</u> |

(*) Principal is paid semi-annually on October and April of each year



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