

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: Sep. 13, 2011 [X] Consent [] Regular [] Public Hearing

Department: Office of Financial Management & Budget

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

- A)** Budget Amendment of \$71,755,137 in the \$62.775M Public Improvement Revenue Refunding Bonds, Series 2011 (Convention Center Project) debt service fund to budget bond proceeds, costs of issuance, payment to refunding bond escrow agent and the transfer to Series 2011 Refunding Bonds debt service reserve fund to set up the debt service reserve on the bonds.
- B)** Budget Amendment of \$5,701,875 in the \$62.775M Public Improvement Revenue Refunding Bonds, Series 2011 (Convention Center Project) debt service reserve fund to record the transfer from the Series 2011 Refunding Bonds debt service fund setting up the debt service reserve.

Summary: On July 19, 2011, the Board authorized the issuance of the Series 2011 Refunding Bonds for a current refunding of a portion of the County's Public Improvement Revenue Refunding Bonds, Series 2004 (Convention Center Project) and authorized the County Administrator to publish through electronic means a summary Notice of Sale, receive bids pursuant to a competitive sale of the bonds and award the sale of the bonds to the responsible bidder offering the lowest true interest costs to the County. The County received the bids on August 18 and awarded the sale of the Series 2011 Refunding Bonds to J. P. Morgan Securities LLC at a true interest cost of 3.5456%. These budget amendments set up the sale of the 2011 Refunding Bonds, costs of issuance, payment to escrow agent and the debt service reserve. **Countywide (PFK)**

Background and Justification: Under the terms of the Series 2004 Refunding Bonds, the term bonds (those Bonds maturing on November 1, 2011) are subject to mandatory redemption by the County. On June 22, 2011, the County Finance Committee recommended that the County issue fixed rate revenue bonds through a competitive sale. The Bonds are secured by a covenant to budget and appropriate legally available non-ad valorem revenues with the source of payment being the 4th Cent Bed Tax.

Attachments:

- 1. Budget Amendments

Recommended by: Elizabeth Bloesch 8/30/11
Department Director Date

Approved By: [Signature] 9/6/11
County Administration Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Bond Proceeds	(62,775,000)	_____	_____	_____	_____
Premiums on Bonds	(8,980,137)	_____	_____	_____	_____
Issue Costs	448,137	_____	_____	_____	_____
Payment to Escrow Ag.	65,605,125	_____	_____	_____	_____
Debt Service Reserve	5,701,875	_____	_____	_____	_____
Debt Service Payments	_____	2,101,219	3,138,750	3,138,750	3,138,750
Program Income (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	-0-	2,101,219	3,138,750	3,138,750	3,138,750
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No X
 Budget Account No.: Fund _____ Department _____ Unit _____
 Object _____ Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

The debt service payments are secured by a pledge to non-ad valorem revenues. Annual debt service payments are made from bed taxes, primarily the 4th cent bed tax.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

<p><u>8/30/11</u> <u>8/30/11</u> <u>8/30/11</u> OFMB <u>8/30/11</u> <u>8/30/11</u> [Signatures]</p>	<p><u>N/A</u> Contract Dev. and Control</p>
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B. Legal Sufficiency:

Paul F. [Signature] 9/6/11
 Assistant County Attorney

C. Other Department Review:

 Department Director

2011 - 1062

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

FUND 2526 - 62.775M CONVENTION CENTER REFUNDING BONDS, DEBT SERVICE

BGRV 083111 X 0599
BGEX 083111 X 2070

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 08/25/2011	REMAINING BALANCE
Revenues							
810-4100-8501 Proceeds From Refunding Bonds	0	0	62,775,000	0	62,775,000		
810-4100-8511 Refunding Premium/Discount Revenue	0	0	8,980,137	0	8,980,137		
TOTAL RECEIPTS & BALANCES	0	0	71,755,137	0	71,755,137		
Expenditures							
810-7191-7305 Issue Costs	0	0	448,137	0	448,137	0	448,137
810-7191-9450 Payment-Refund Bond Escrow Agent	0	0	65,605,125	0	65,605,125	0	65,605,125
810-7191-9708 Tr To 62.755M ConvCtr Refund Bonds DSR 2527	0	0	5,701,875	0	5,701,875	0	5,701,875
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	71,755,137	0	71,755,137		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval

John A. Pomy 8/30/11
R. Diaz 8/31/11
R. Diaz 8/31/11

AT MEETING OF
9/13/11
Deputy Clerk to the
Board of County Commissioners

OK 8/27/11

2011 - 1063

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

FUND 2527 - 62.775M CONVENTION CENTER REFUNDING BONDS, DEBT SERVICE RESERVE

BGRV 083111 * 0598
BGEX 083111 * 2069

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 08/25/2011	REMAINING BALANCE
<u>Revenues</u>							
810-4100-8707 Tr Fr 62.775 ConvCtr Refund Bonds DS 2526	0	0	5,701,875	0	5,701,875		
TOTAL RECEIPTS & BALANCES	0	0	5,701,875	0	5,701,875		
<u>Expenditures</u>							
810-9971-9911 Reserve-Future Debt Service Payments	0	0	5,701,875	0	5,701,875	0	5,701,875
TOTAL APPROPRIATIONS & EXPENDITURES	0	0	5,701,875	0	5,701,875		

Office of Financial Management and Budget

Signatures & Dates

BY BOARD OF COUNTY COMMISSIONERS

INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval

John B. Love 8/30/11
[Signature] 8/30/11

AT MEETING OF
9/13/11
Deputy Clerk to the
Board of County Commissioners