

Meeting Date
4/19/16



ADD ON	
AGENDA	
Section	New Business
Item No.	VI E 1

**AGENDA REPORT**  
*BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS*

SUBJECT:	AUTHORIZE COUNTY STAFF AND FINANCING TEAM TO UNDERTAKE A REQUEST FOR PROPOSALS TO IDENTIFY A FINANCIAL INSTITUTION(S) WILLING TO PROVIDE LOANS TO REFUND THE OUTSTANDING NORTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS, SERIES 2007; LIMITED AD VALOREM TAX BONDS (Merritt Island Recreation Municipal Service Taxing Unit), SERIES 2007; AND SOUTH BREVARD RECREATION SPECIAL DISTRICT LIMITED AD VALOREM TAX BONDS, SERIES 2007 FOR DEBT SERVICE SAVINGS
DEPT/OFFICE:	COUNTY MANAGERS OFFICE

Requested Action:

It is requested that the Board authorize County Staff and the County's financing team (Public Financial Management – Financial Advisor and Nabors, Giblin & Nickerson – Bond Counsel) to undertake a request for proposals to identify a financial institution(s) that is willing to provide loans to refund outstanding Recreation Special District and Recreation Municipal Service Taxing Unit Bonds, Series 2007 for debt service savings. Following completion of the RFP, the results along with Bond Resolutions will be brought back to the Board for consideration at a future meeting.

Summary Explanation & Background:

Due to the low interest rate environment, there currently exists an opportunity to refund the above referenced Parks and Recreation debt to achieve a significant present value debt service savings which would reduce the annual debt payments on the bonds. The refundable bonds are outstanding as follows.

Bonds	Par Amount	Interest Rate	Final Maturity
North Brevard Recreation Special District	\$7,055,000	4.00%-4.375%	7-1-26
Merritt Island Recreation MSTU	\$5,555,000	4.00%-4.50%	7-1-26
South Brevard Recreation Special District	\$25,760,000	4.00%-5.00%	7-1-26

Due to amount of debt service millage generated within each District, the County will need to supplement the pledged revenues with a covenant to budget and appropriate from legally available non ad valorem revenues. There would be no extension of maturity and no new money proceeds generated by the refunding. Assuming favorable proposals are received, the financing team will prepare all financing documents, including Bond Resolutions, for consideration at a future meeting.

**Fiscal Impact:**  
 The North Brevard Recreation Special District refunding is expected to generate \$623,000 of net present value debt service savings or 8.84% of the refunded bonds par amount. This equates to approximately \$65,000 annually through 2026. The Merritt Island Recreation MSTU refunding is expected to generate \$506,000 of net present value debt service savings or 9.11% of the refunded bonds par amount. This equates to approximately \$55,000 annually through 2026. The South Brevard Recreation Special District refunding is expected to generate \$3,100,000 of net present value debt service savings or 12.15% of the refunded bonds par amount. This equates to approximately \$350,000 annually through 2026. These level of savings are well in excess of the minimum target set in the Board's Budget & Financial Policy for refundings which is savings in excess of 3.0% of the refunded bonds par amount.

Clerk to the Board instruction:

Exhibits Attached:

Contract /Agreement (If attached):	Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
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County Manager	Assistant County Manager	Department Director / Extension
Stockton Whitten	Assistant County Manager	



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April 20, 2016

**M E M O R A N D U M**

**TO:** Stockton Whitten, County Manager

**RE:** Item VI.E.1., Authorize County Staff and Financing Team to Undertake a Request for Proposals (RFP) Identifying a Financial Institution(s) Willing to Provide Loans to Refund the Outstanding North Brevard Recreation Special District Limited Ad Valorem Tax Bonds, Series 2007; Limited Ad Valorem Tax Bonds (Merritt Island Recreation Municipal Service Taxing Unit), Series 2007; and South Brevard Recreation Special District Limited Ad Valorem Tax Bonds, Series 2007 for Debt Service Savings

The Board of County Commissioners, in regular session on April 19, 2016, authorized staff and Financing Team (Public Financial Management – Financial Advisor and Nabors, Giblin & Nickerson – Bond Counsel) to undertake a RFP to identify a financial institution(s) that is willing to provide loans to refund the outstanding Recreation Special District and Recreation Municipal Service Taxing Unit Bonds, Series 2007 for debt service savings; and upon completion of RFP, the results along with Bond resolutions will be brought back to the Board for its consideration at a future meeting.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

/ds

cc: Finance  
Budget