



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
CONFERENCE MEETING**

**#20-0183**

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**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Chris Lagerbloom, ICMA-CM, City Manager

**DATE:** March 3, 2020

**TITLE:** Refunding Opportunity - Special Obligation Bonds, Series 2012 (Pension  
Obligation) – **(Commission Districts 1, 2, 3 and 4)**

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**Background**

On February 12, 2020, the City closed on two General Obligation (GO) Bond Issues. The Series 2020A Parks and Recreation Bond closed with a True Interest Cost (TIC) of 2.417618%. The Series 2020B Police and Public Safety Bond closed with a TIC of 2.456829%.

Staff and the City's financial advisor, PFM Financial Advisors (PFM), have been discussing a refunding opportunity for the Series 2012 Pension Obligation Bonds. Since the initial discussions in October, rates have improved fairly significantly, making the refunding economics even more compelling. Preliminary numbers provided by PFM with current market conditions (attached) show net present value savings of \$11.4 million, or 7.6%., resulting in cash flow savings of approximately \$1 million each year through 2032. Couple the favorable economics with the fact that the City has recently gone through a GO sale, has updated disclosure documents related to the General Fund, and has been through the credit rating process; we should be able to move fairly seamlessly to the offering documents.

The proposed financing schedule will attempt to take advantage of recent rating review and current market conditions:

March 13	Publish Summary Notice of Sale (*note the [non-binding] SNOS is ahead of the Commission approval in order to accelerate timing*)
March 17	Commission agenda – document approval
March 18	Post Preliminary Official Statement and Official Notice of Sale
March 24	Competitive Sale
April 6 & 7	Pre-closing and Closing

**Strategic Connections**

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

**Attachments**

Exhibit 1 – Preliminary Numbers – Advance Refunding of 2012 Special Obligation Bonds

Exhibit 2 – Plan of Finance Memo

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Prepared by: Susan Grant, Finance

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