



# Broward County

## Legislation Text

File #: 20-1985, Version: 1

### **Broward County Commission Regular Meeting**

**Director's Name:** Mark Gale

**Department:** Aviation

**Division:** Finance

### Information

#### Requested Action

MOTION TO ADOPT budget Resolution No. 2020-641 within the Aviation Revenue Bonds Fund to transfer funds in the amount of \$915,728 from existing reserves for the purpose of increasing the 2019 series Bond Issuance costs budget in the Broward County Aviation Department from \$5,236,944 to actual expenditures of \$6,152,672.

#### Why Action is Necessary

Broward County Board of County Commissioners ("Board") approval is required to transfer funds from reserves.

#### What Action Accomplishes

Allows the transfer of funds within the Aviation Revenue Bonds Fund.

#### Is this Action Goal Related

No

#### Previous Action Taken

None.

#### Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTION.

This action allows the transfer of funds within the Aviation Revenue Bonds Fund from existing reserves for the purpose of increasing the 2019 series Bond Issuance costs budget in the Broward County Aviation Department ("BCAD").

During the Fiscal Year 2020 budget development process, BCAD was provided with a bond issuance cost estimate summary for the 2019 series issuance from Bank of America Securities. The originally budgeted bond issuance costs related to the anticipated 2019 series was \$5,236,944.

Subsequent to the completion of Fiscal Year 2020 budget process, and as a result of favorable prevailing bond market interest rates, BCAD decided to pursue a taxable advance refunding as part of the 2019 series issuance. The inclusion of the additional series resulted in the introduction of unbudgeted issuance costs.

Since the total bond issuance costs amount for BCAD in Fiscal Year 2020 is \$6,152,672 and the total

available budgeted amount for bond issuance costs was \$5,236,944, this action effectuates a budget transfer within the Aviation Revenue Bonds Fund in order to reconcile the \$915,728 difference.

**Source of Additional Information**

Mark E. Gale, A. A. E., CEO/Director of Aviation, (954) 359-6199

**Fiscal Impact**

**Fiscal Impact/Cost Summary**

These funds will be transferred from the existing reserves to the Aviation Revenue Bonds Fund.