

William Alonso

From: Craig Dunlap <craig@dunlapandassociates.com>
Sent: Monday, July 21, 2014 9:57 AM
To: William Alonso; Justin Baumgardner
Cc: Sylvia Dunlap; jherring@bmolaw.com
Subject: RE: Financing RFP

William,

The League of Cities program does issue fixed rate debt for 20 years. Their issues are typically rated and insured transactions. They attempt to aggregate several cities together, which can be challenging, and issue in larger amounts. They try to issue at least every six months. The disadvantage of this program is that if the bonds are insured, the "insurance premium" is priced to the weakest city. The program also has a 10-12.5 basis point administrative fee which is added on to the fixed rates on each loan. If you went through this program, it would be at least 3-6 months before you would have the money to build the aquatic center. This timing issue, together with the higher cost of funds would not be something that I could recommend to the City of Miami Springs. Please let me know if you have any other questions.

Craig Dunlap

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From: William Alonso [mailto:alonsow@miamisprings-fl.gov]
Sent: Monday, July 21, 2014 9:45 AM
To: Justin Baumgardner
Cc: Craig Dunlap; Sylvia Dunlap; jherring@bmolaw.com
Subject: RE: Financing RFP

Justin, the Manager has asked me to inquire with you as to the bond program that the Florida League of Cities administers. Do you feel they could go 20 years? What would the debt service be like in comparison?? Timing is also important???

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