

**Mauricio Melinu**

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**From:** Rafael Casals  
**Sent:** Monday, February 05, 2018 6:19 PM  
**To:** Debra Eastman  
**Cc:** Haydee Sera; Robert Daddario  
**Subject:** Town's Borrowing Capacity

Debbie:

During the January 31<sup>st</sup> Charter Review Committee meeting, a question was asked regarding the Town's borrowing capacity.

Please find below a detailed explanation, provided by Robert Daddario – Finance Director:

As of today, there is approx. \$57.8 million of borrowing capacity, as follows:

<b>Certified value, 7/1/2017</b>		<b>2,371,190,614</b>
		<b>3%</b>
		<hr/>
<b>Gross Debt Cap</b>		<b>71,135,718</b>
<b>Less currently outstanding debt within the meaning of the Debt Cap:</b>		
QNIP Bonds	2,133,640	
2012 Bonds	1,617,239	
2015A Note	5,003,931	
2015B Note	<u>4,559,766</u>	
		<u>(13,314,576)</u>
<b>Additional Borrowing Capacity</b>		<u><b>57,821,142</b></u>

The Debt Cap Requirement is as follows: The total Debt of the Town, including amounts authorized but still not drawn down under existing loan agreements and other contractual arrangements with banks and other financial institutions, underwriters, brokers and/or intermediaries, shall not exceed **the greater of** (i) three percent (3%) of the total assessed value of all property within the Town, as certified by the Miami-Dade County Property Appraiser for the current fiscal year, or (ii) that amount which would cause annual debt service to equal fifteen percent (15%) of general fund expenditures for the previous fiscal year.

Pursuant to the Debt Cap Requirement, the Outstanding Debt cannot exceed the greater of (a) the Assessed Value Limitation or (b) the amount of Debt that would cause the Maximum Annual Debt Service to exceed the General Fund Expenditure Limitation. The amount in (a) is the higher number.

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