School District of Broward County, Florida

Financial Advisory Committee Meeting

February 21, 2025

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Agenda

I. Market Update

II. Long-Term Debt Overview

III. Debt Management Policy

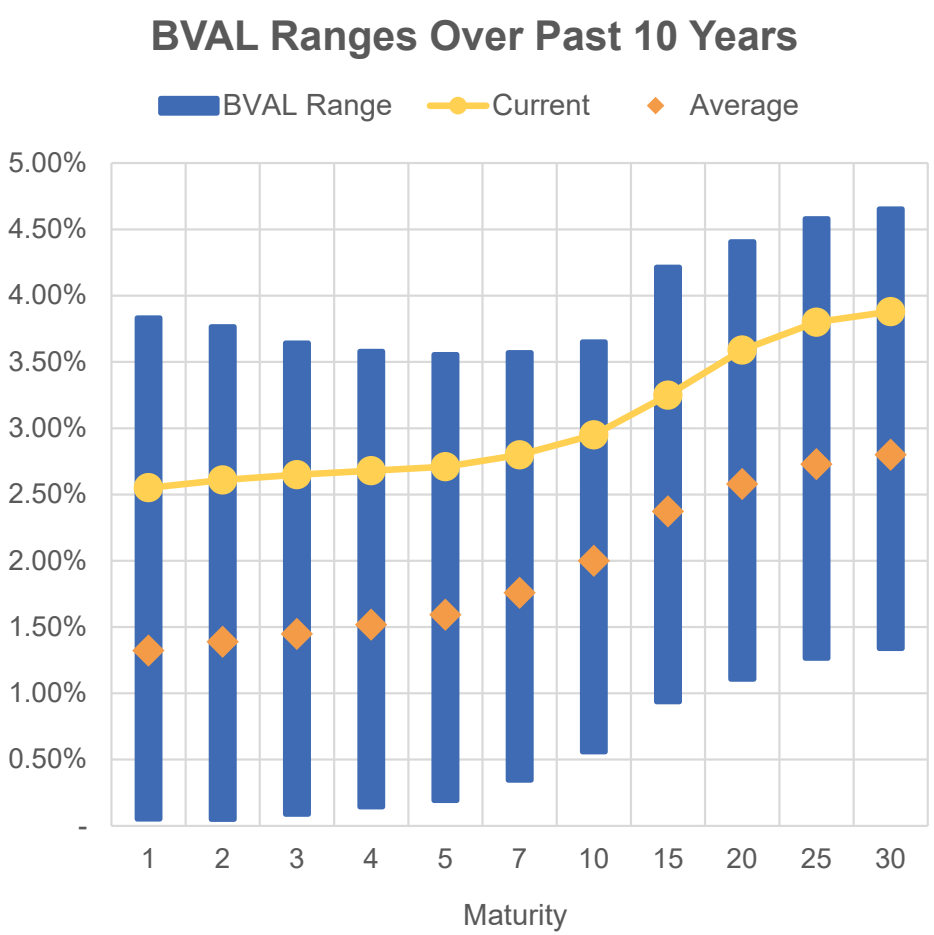
IV. Refunding Opportunities

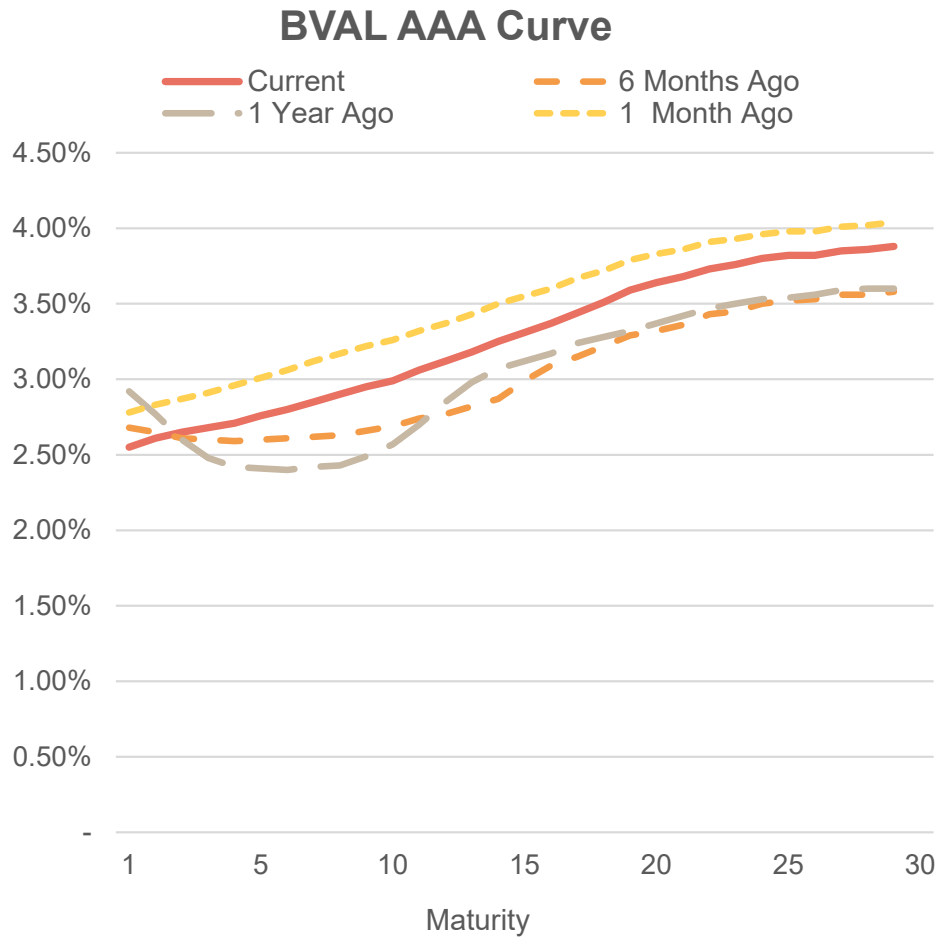
V. Recommendations

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I. Market Update

Tax-Exempt Interest Rates



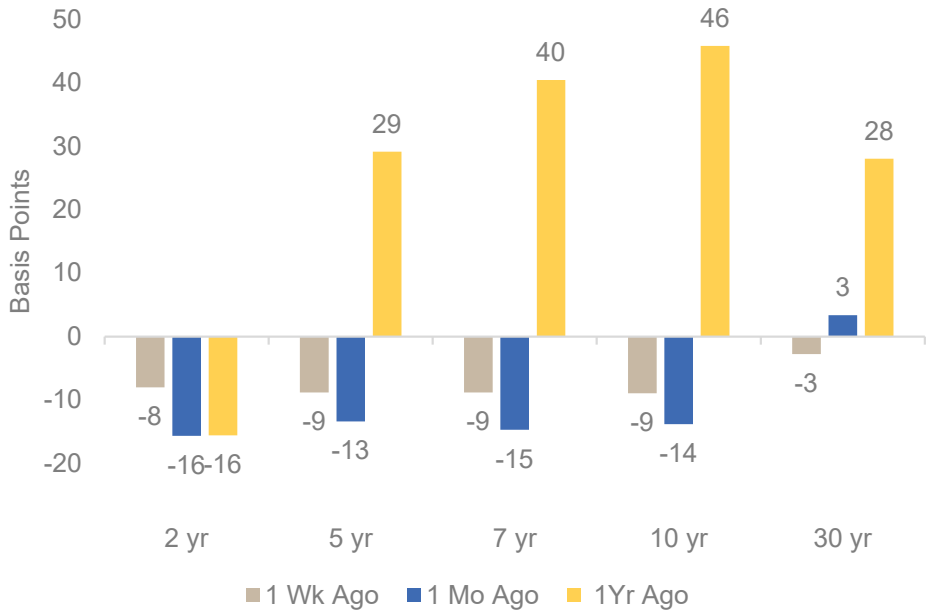


Rates as of February 10, 2025

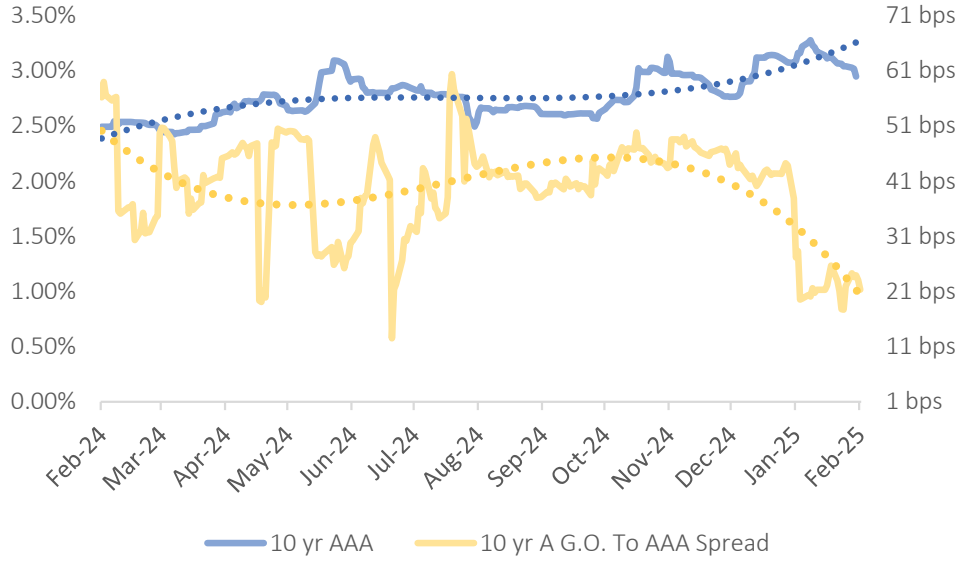
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Municipal Interest Rate Movements

BVAL AAA G.O. Yield Curve Changes



Rate and Spread Movement (10-Year Maturity)



II. Long-Term Debt Overview

Long-Term Debt by Series
(Excluding Capital Leases)

General Obligation Bonds (Aa2 (negative outlook) / AA- / AA- (negative outlook))

Series Name	Issue Size	Purpose	Final Maturity	Outstanding Par	Next Call Date	Refunding Status		
				As of 7/1/2024		Forward	Current	Non-Callable
Series 2015	$ 155,055,000	New Money	7/1/2040	$117,320,000	7/1/2025	$ -	$ 111,980,000	$ 10,425,000
Series 2019	174,750,000	New Money	7/1/2047	157,200,000	7/1/2028	140,840,000	-	19,975,000
Series 2021	207,465,000	New Money	7/1/2050	196,975,000	7/1/2031	165,595,000	-	35,050,000
Series 2022	262,730,000	New Money	7/1/2051	255,535,000	7/1/2032	210,900,000	-	49,085,000
Total	$ 800,000,000			$727,030,000		$ 517,335,000	$ 111,980,000	$ 114,535,000

Certificates of Participation (Aa3 (negative outlook) / A+ / A+ (negative outlook))

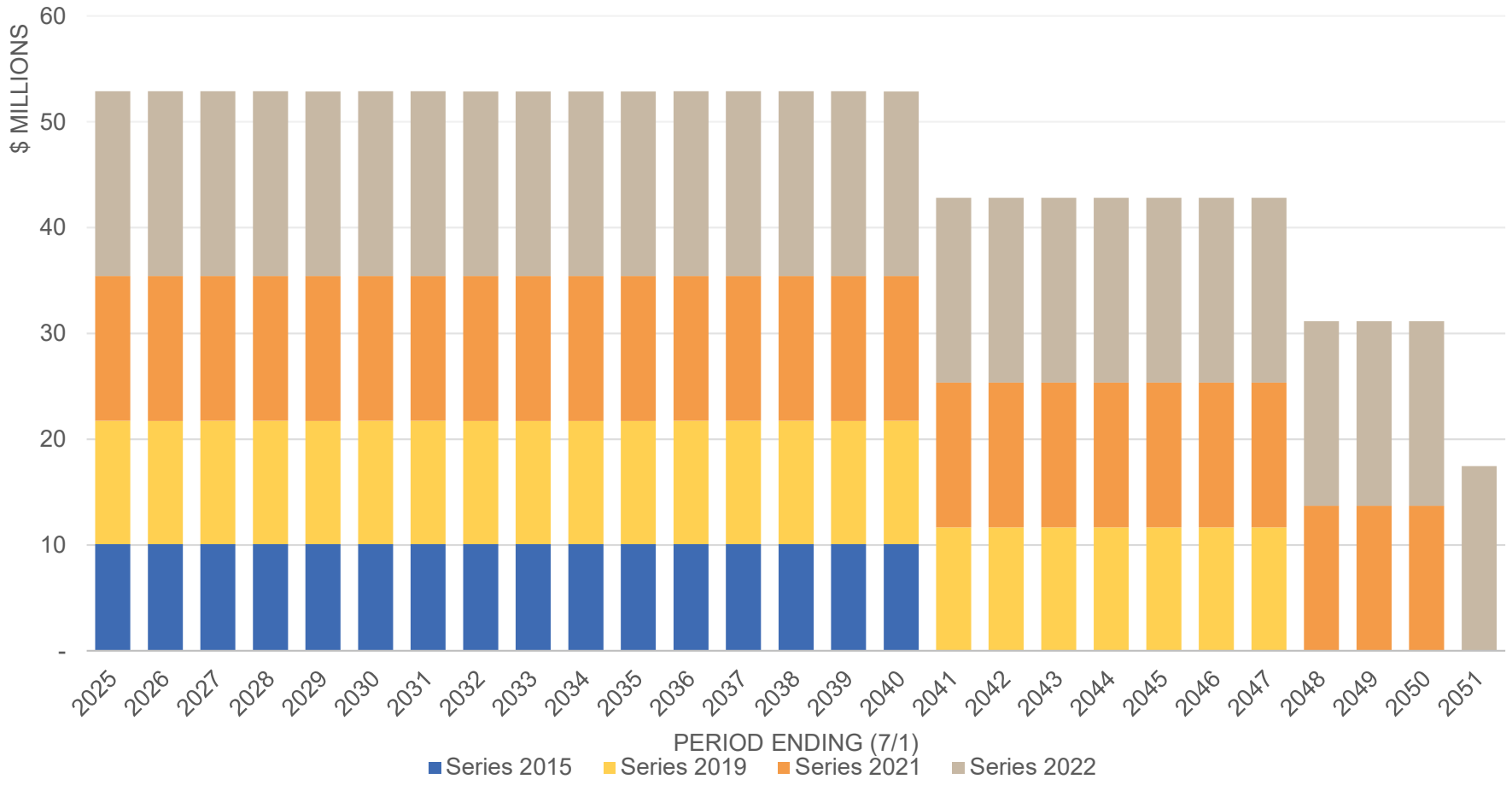
Series Name	Issue Size	Purpose	Final Maturity	Outstanding Par	Next Call Date	Refunding Status		
				As of 7/1/2024		Forward	Current	Non-Callable
Series 2010A-QSCB[(1)]	51,645,000	New Money	7/1/2027	51,645,000	-	$ -	$ 51,645,000	$ -
Series 2015A	252,360,000	Refunding	7/1/2030	143,110,000	7/1/2025	-	115,440,000	27,670,000
Series 2015B	170,805,000	Refunding	7/1/2032	114,105,000	7/1/2025	-	102,155,000	11,950,000
Series 2016A	198,205,000	Refunding	7/1/2033	135,645,000	7/1/2026	110,375,000	-	25,270,000
Series 2016B	18,735,000	Refunding	7/1/2027	18,735,000	7/1/2026	6,880,000	-	11,855,000
Series 2017B	56,300,000	Refunding	7/1/2034	56,300,000	7/1/2027	56,300,000	-	-
Series 2017C	151,230,000	Refunding	7/1/2026	63,465,000	-	-	-	63,465,000
Series 2019A	105,240,000	Refunding	7/1/2029	101,545,000	-	-	-	101,545,000
Series 2019B	65,085,000	Refunding	7/1/2029	65,085,000	-	-	-	65,085,000
Series 2020A	202,590,000	New Money	7/1/2034	202,590,000	7/1/2030	165,925,000	-	36,665,000
Series 2022A	65,765,000	Refunding	7/1/2028	45,945,000	-	-	-	45,945,000
Series 2022B	151,260,000	New Money	7/1/2036	151,260,000	7/1/2032	151,260,000	-	-
Total	$ 1,489,220,000			$1,149,430,000		$ 490,740,000	$ 51,645,000	$ 389,450,000

[(1)]Prepayment subject to a Make-Whole premium

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Annual Debt Service on General Obligation School Bonds by Series

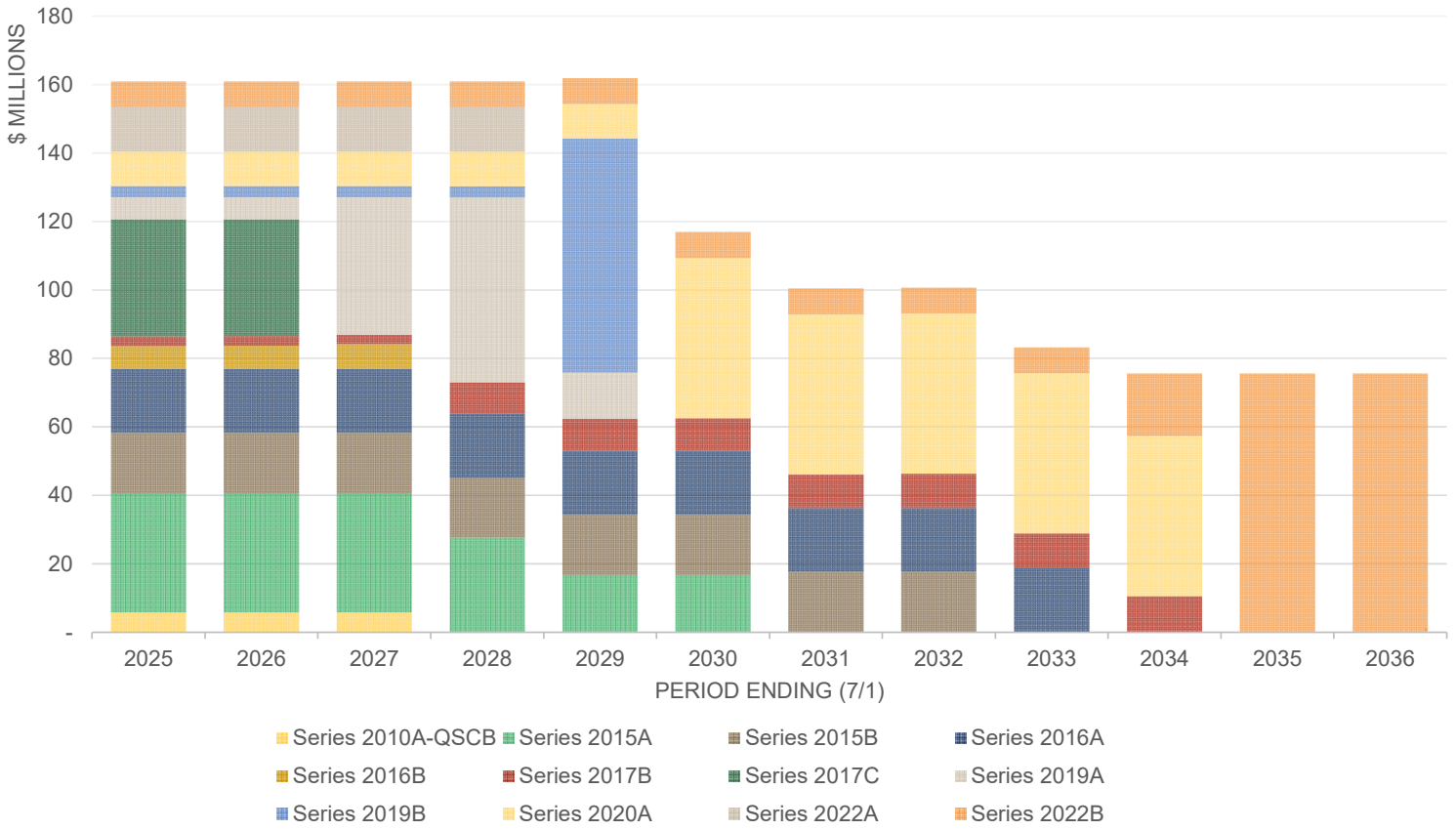
- The graph below reflects the District's aggregate annual debt service requirements on all outstanding General Obligation (GO) School Bonds



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Annual Debt Service on Certificates of Participation by Series

- The graph below reflects the District's aggregate annual debt service requirements on all outstanding Certificates of Participation (COP)



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III. Debt Management Policy

Debt Management Policy 3120

- The School Board established Policy 3120 to provide parameters and guiding principles for governing the issuance, management, continuing evaluation of, and reporting on all debt obligations issued by the School Board.
- Regarding Refundings:
  - The SBBC will monitor outstanding debt in relation to existing conditions in the debt market and may refund any outstanding debt when sufficient cost savings can be realized. Outstanding debt may be refunded as long as the net present value savings between the refunded bonds and the refunding bonds is equal to or greater than 3% without extending the maturity of the debt being refunded. The SBBC may also refund existing debt for the purpose of revising existing bond covenants to meet particular organizational and/or strategic needs of the SBBC when it is advantageous to do so.

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III. Refunding Opportunities

Refunding Candidates:
Certificates of Participation, Series 2015A
Certificates of Participation, Series 2015B
General Obligation School Bonds, Series 2015

Summary of Refunding Assumptions & Preliminary Results

Refunded Bonds:

		Certificates of Participation, Series 2015A	Certificates of Participation, Series 2015B	General Obligation School Bonds, Series 2015
Refunding Assumptions	Refunding Delivery Date	4/17/2025	4/17/2025	4/17/2025
	Interest Rate Assumptions	AAA BVAL + Current Spreads as of 2/4/25	AAA BVAL + Current Spreads as of 2/4/25	AAA BVAL + Current Spreads as of 2/4/25
	True Interest Cost (TIC)	3.16%	3.23%	3.60%
	Call Date for Refunding Bonds	Non-Callable	Non-Callable	7/1/2035
	Redemption Date for Refunded Bonds	7/1/2025	7/1/2025	7/1/2025
	Cost of Issuance	$3.50/bond	$3.50/bond	$3.50/bond
	Underwriters' Discount	$3.00/bond	$3.00/bond	$3.00/bond
Summary of Preliminary Results	Par Amount Refunded	$115,440,000	$102,155,000	$111,980,000
	Maturities Refunded	7/1/2026 - 7/1/2030	7/1/2026 - 7/1/2032	7/1/2026 - 7/1/2040
	Gross Cash Flow Savings	$4,602,347	$6,478,575	$4,025,000
	Average Annual Cash Flow Savings	$1,125,000	$1,095,000	$265,000
	Net Present Value Savings	$5,685,000	$7,740,000	$3,060,000
	Net Present Value Savings as a % Refunded Par	4.65%	7.10%	2.70%

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Refunding Candidates:
Certificates of Participation, Series 2015A
Certificates of Participation, Series 2015B

Maturity-by-Maturity Analysis

Refunded Bonds: Certificates of Participation, Series 2015A

Tax-Exempt Current Refunding						
Maturity	Outstanding Par	Coupon	Call Date	Refunding Delivery Date	PV Savings	
					Dollars	Percent
7/1/2026	29,055,000	5.000%	7/1/2025	4/17/2025	494,605	1.70%
7/1/2027	30,505,000	5.000%	7/1/2025	4/17/2025	1,072,143	3.52%
7/1/2028	24,815,000	5.000%	7/1/2025	4/17/2025	1,286,673	5.19%
7/1/2029	15,155,000	5.000%	7/1/2025	4/17/2025	1,014,279	6.69%
7/1/2030	15,910,000	5.000%	7/1/2025	4/17/2025	1,287,677	8.09%
Total	**115,440,000**				**5,155,377**	**4.46%**

Refunded Bonds: Certificates of Participation, Series 2015B

Tax-Exempt Current Refunding						
Maturity	Outstanding Par	Coupon	Call Date	Refunding Delivery Date	PV Savings	
					Dollars	Percent
7/1/2026	12,550,000	5.000%	7/1/2025	4/17/2025	211,450	1.69%
7/1/2027	13,175,000	5.000%	7/1/2025	4/17/2025	460,821	3.50%
7/1/2028	13,830,000	5.000%	7/1/2025	4/17/2025	716,157	5.18%
7/1/2029	14,525,000	5.000%	7/1/2025	4/17/2025	972,728	6.70%
7/1/2030	15,250,000	5.000%	7/1/2025	4/17/2025	1,235,565	8.10%
7/1/2031	16,010,000	5.000%	7/1/2025	4/17/2025	1,491,076	9.31%
7/1/2032	16,815,000	5.000%	7/1/2025	4/17/2025	1,733,173	10.31%
Total	**102,155,000**				**6,820,970**	**6.67%**

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Refunding Candidate:
General Obligation School Bonds, Series 2015

Maturity-by-Maturity Analysis

Refunded Bonds: General Obligation School Bonds, Series 2015

Tax-Exempt Current Refunding						
Maturity	Outstanding Par	Coupon	Call Date	Refunding Delivery Date	PV Savings	
					Dollars	Percent
7/1/2026	5,605,000	3.500%	7/1/2025	4/17/2025	10,186	0.18%
7/1/2027	5,805,000	4.000%	7/1/2025	4/17/2025	93,670	1.61%
7/1/2028	6,035,000	4.250%	7/1/2025	4/17/2025	191,387	3.17%
7/1/2029	6,290,000	4.000%	7/1/2025	4/17/2025	199,972	3.18%
7/1/2030	6,545,000	4.000%	7/1/2025	4/17/2025	249,791	3.82%
7/1/2031	6,805,000	4.000%	7/1/2025	4/17/2025	293,512	4.31%
7/1/2032	7,075,000	4.000%	7/1/2025	4/17/2025	326,500	4.62%
7/1/2033	7,360,000	4.000%	7/1/2025	4/17/2025	352,325	4.79%
7/1/2034	7,655,000	4.000%	7/1/2025	4/17/2025	368,761	4.82%
7/1/2035	7,960,000	4.000%	7/1/2025	4/17/2025	376,058	4.72%
7/1/2036	8,280,000	4.000%	7/1/2025	4/17/2025	297,565	3.59%
7/1/2037	8,610,000	4.000%	7/1/2025	4/17/2025	219,666	2.55%
7/1/2038	8,955,000	4.000%	7/1/2025	4/17/2025	128,283	1.43%
7/1/2039	9,315,000	4.000%	7/1/2025	4/17/2025	29,844	0.32%
7/1/2040	9,685,000	4.000%	7/1/2025	4/17/2025	(75,566)	(0.78%)
Total	**111,980,000**				**2,213,588**	**2.73%**

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IV. Recommendations

Recommendations

- Refunding of Certificates of Participation, Series 2015A and Series 2015B
  - PFM recommends that the District move forward with document approval for the current refunding the Series 2015A and 2015B COPs
    - Recommended threshold is a minimum net present value savings of at least 3%
    - Final maturity will not be extended beyond the current final maturity of July 1, 2030 and July 1, 2032 for the Series 2015A and Series 2015B COPs, respectively
- Refunding of General Obligation School Bonds, Series 2015
  - PFM recommends that the District move forward with document approval for the current refunding of the Series 2015 GO Bonds
    - Recommended threshold is a minimum net present value savings of at least 1.5%
    - Final maturity will not be extended beyond the current final maturity of July 1, 2040 for the Series 2015 GO Bonds

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