School District of Broward County, Florida

Financial Advisory Committee Meeting

May 16, 2025

PFM Financial Advisors LLC

200 S. Orange Avenue
Suite 760
Orlando, FL 32801

407.406.2208
pfm.com

Agenda

I. Market Update

II. Tax Anticipation Notes, Series 2025

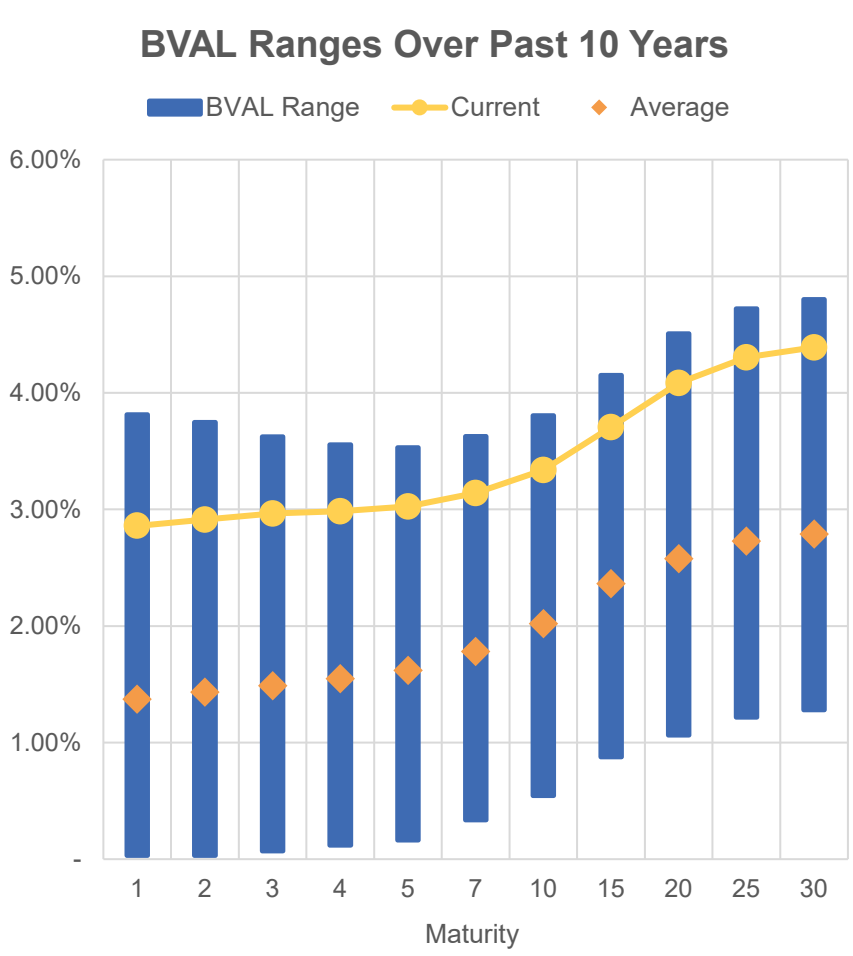
III. Master Equipment Lease

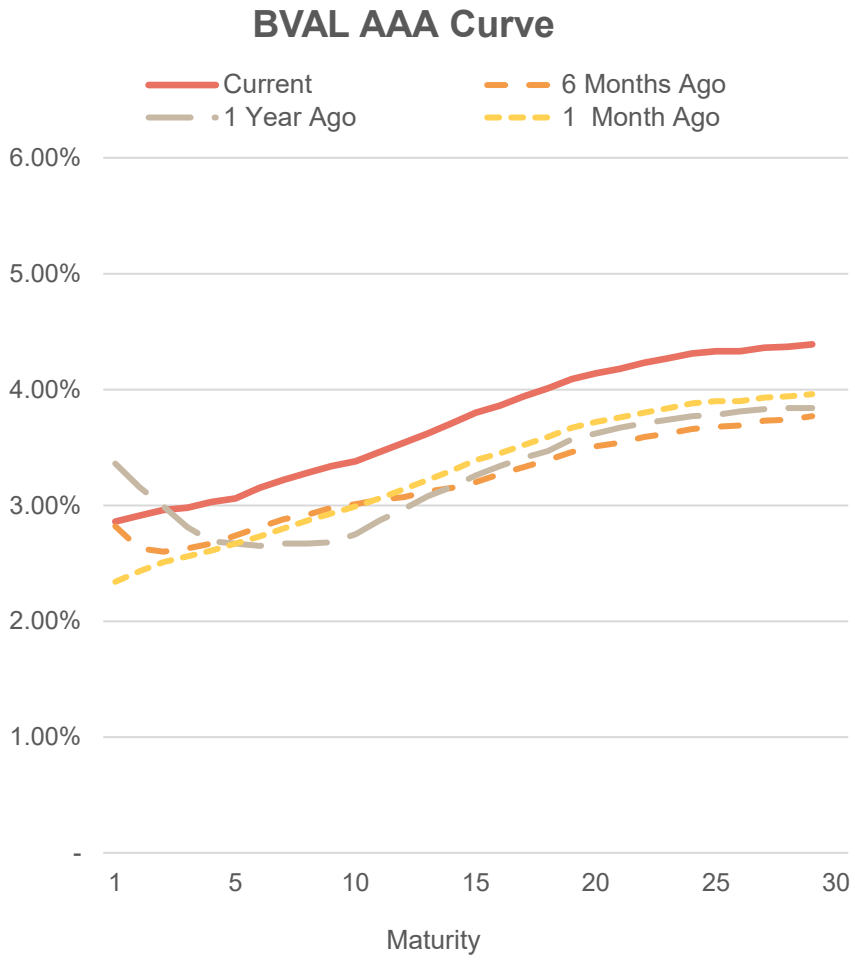
IV. Refunding Opportunities Update

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I. Market Update

Tax-Exempt Interest Rates



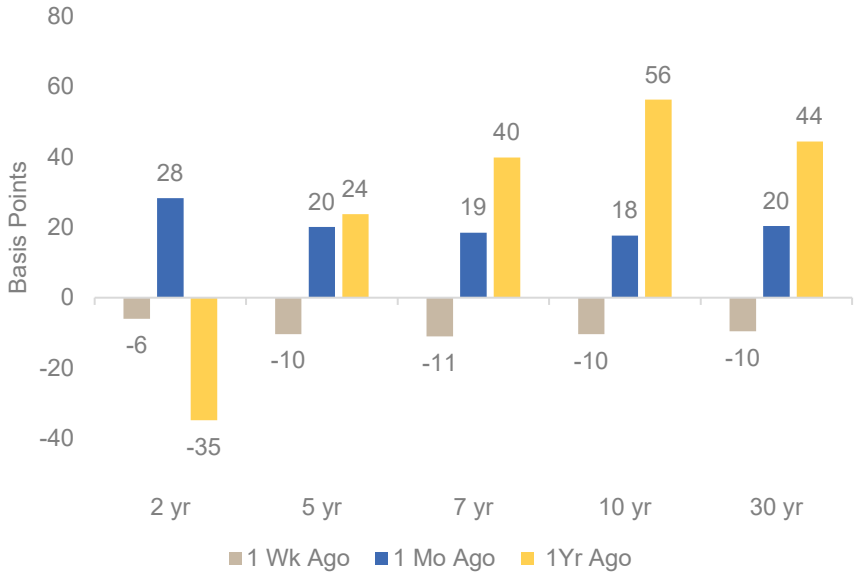


Rates as of May 6, 2025

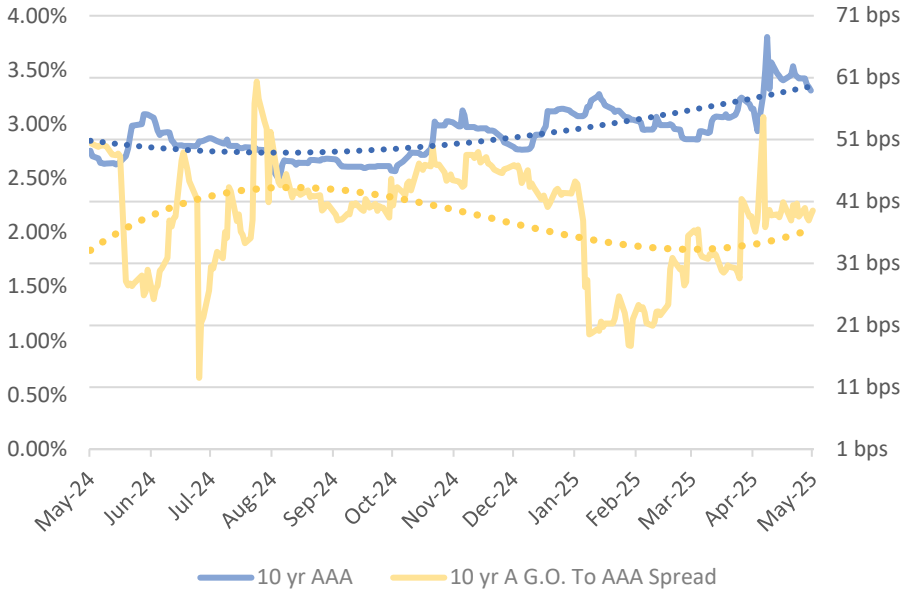
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Municipal Interest Rate Movements

BVAL AAA G.O. Yield Curve Changes



Rate and Spread Movement (10-Year Maturity)



Market Conditions



II. Tax Anticipation Notes, Series 2025

Tax Anticipation Notes, Series 2025 – Overview

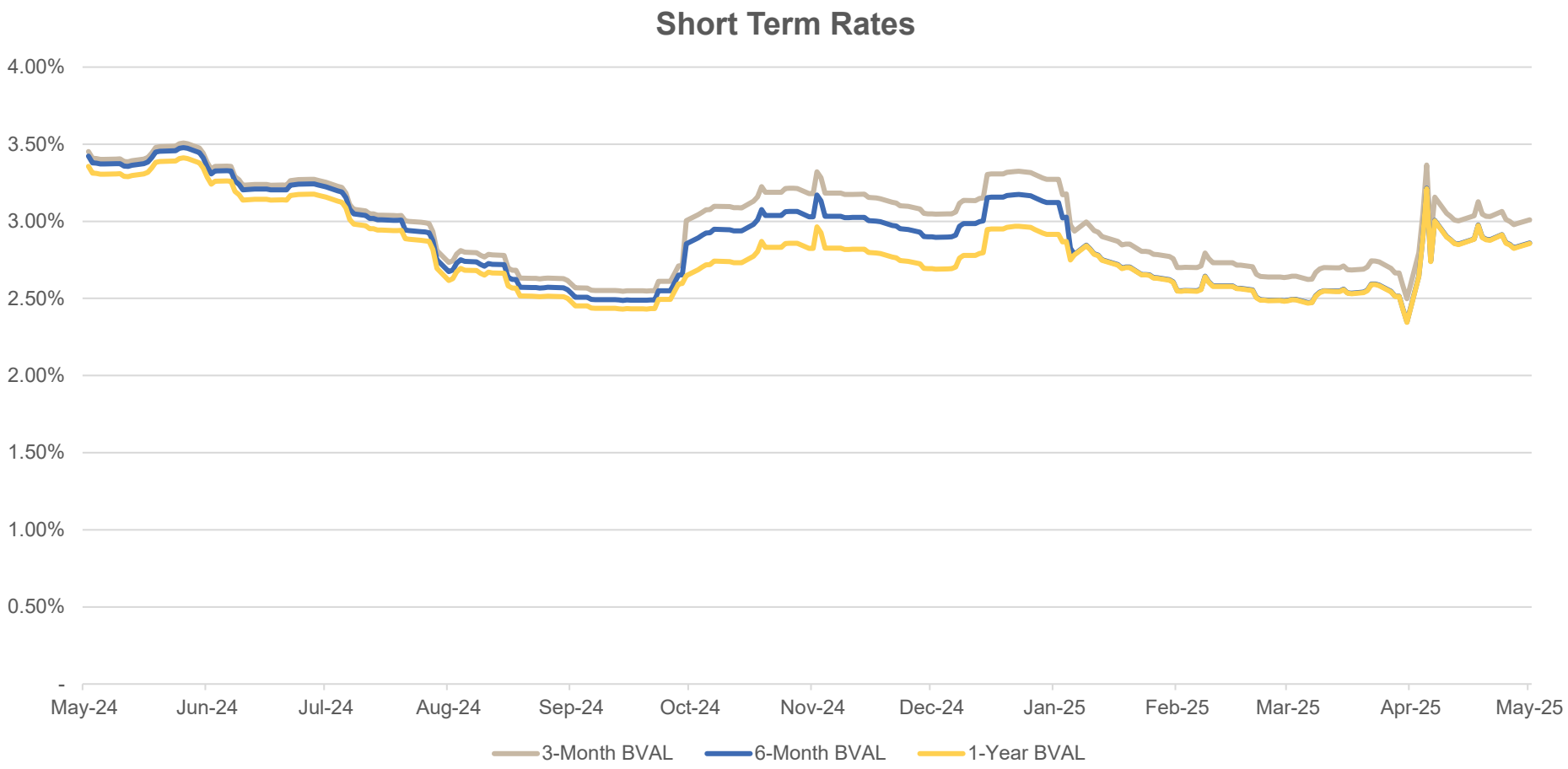
- The District anticipates issuing Tax Anticipation Notes, Series 2025 (the "2025 TAN") to provide funds for paying operational expenditures of the District during the 2025-26 fiscal year, pending the collection of ad valorem taxes and certain state funds
  - The 2025 TAN would be a short-term borrowing maturing no later than June 30, 2026
- The District has historically issued a TAN each year via a competitive sale. A summary of the bid results during the last six (6) years is provided in the table below:

Series	Principal Bid Amount	Winning Bidder	Final Net Interest Cost (NIC)
2019 TAN	$160,000,000	J.P. Morgan Securities LLC	1.19%
2020 TAN	$160,000,000	Morgan Stanley & Co, LLC	0.28%
2021 TAN	$160,000,000	J.P. Morgan Securities LLC	0.09%
2022 TAN	$160,000,000	J.P. Morgan Securities LLC	1.70%
2023 TAN	$200,000,000	J.P. Morgan Securities LLC	3.53%
2024 TAN	$270,000,000	J.P. Morgan Securities LLC	3.38%

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Short-Term Rates

- The graph below shows current values for tax-exempt short-term rates over the past year



Rates as of May 6, 2025

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Tax Anticipation Notes, Series 2025 – Schedule

- Over the next couple weeks, PFM will work with District staff in preparation for the financing, targeting specific dates for the following key events:

May						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- Prepare Draft Financing Documents
- Cash Flow Analysis

June						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

- Board Approval of Financing Documents
- Request Short-Term Rating from Moody's

July						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

- Competitive Sale
- Closing

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Tax Anticipation Notes, Series 2025 – Recommandation

- PFM recommends proceeding with a competitive sale for the Tax Anticipation Note, Series 2025 to provide funds for paying operational expenditures of the District during the 2025-26 fiscal year, pending the collection of ad valorem taxes and certain state funds

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III. Master Equipment Lease

Vehicle/Fleet Purchase Lease - Overview

- The District anticipates issuing two new 8-Year leases under the Master Equipment Lease:
  - No. 23 – To fund approximately $12 Million for Vehicle/Fleet purchases
  - No. 24 – To fund approximately $15 Million for Vehicle/Fleet purchases
- The leases will be under the existing Master Equipment Lease agreement with Bank of America

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Vehicle/Fleet Purchase Lease - Recommendation

- PFM recommends proceeding with Banc of America Public Capital Corp (“Bank of America”) as the provider for the energy lease
- If the Committee approves, below are key dates for next steps:
  - June – Bond Counsel to Provide Draft Documents
  - July 22 or August 19 – School Board Meeting for Approval
  - July 24 or August 21 - Closing

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IV. Refunding Opportunities Update

Refunding Update

- The District previously approved the following current refundings:
  - Certificates of Participation, Series 2015A
  - Certificates of Participation, Series 2015B
  - General Obligation School Bonds, Series 2015
- Due to market conditions, PFM recommended the District postpone the sale scheduled the week of April 7, 2025

AAA BVAL Rate Movement for the Past 3 Months

AAA Tenor	Date & Weekday																					Total Δ	4/17 Rate
	1/17	1/24	1/31	2/7	2/14	2/21	2/28	3/7	3/14	3/21	3/28	4/4	4/7	4/8	4/9	4/10	4/11	4/14	4/15	4/16	4/17		
	Fri	Fri	Fri	Fri	Fri	Fri	Fri	Fri	Fri	Fri	Fri	F	M	T	W	T	F	M	T	W	T		
1	2.75	-5	-7	-8	3	-2	-7	0	6	-2	5	-24	30	26	31	-47	26	-10	-2	-2	-1	10	2.85
2	2.81	-5	-7	-7	3	-3	-7	1	6	-2	8	-25	30	25	31	-47	25	-10	-2	-3	0	11	2.92
3	2.86	-5	-7	-9	4	-3	-7	3	6	-1	10	-26	30	25	31	-48	25	-10	-2	-3	0	13	2.99
4	2.89	-5	-7	-9	4	-3	-9	4	9	-2	12	-27	31	25	30	-49	25	-10	-2	-3	0	14	3.03
5	2.93	-6	-7	-9	4	-4	-9	6	9	-1	13	-28	32	25	30	-49	25	-10	-2	-3	-1	15	3.08
6	2.98	-6	-7	-9	4	-4	-10	7	9	0	14	-29	33	25	29	-48	24	-10	-2	-3	-1	16	3.14
7	3.03	-6	-8	-9	4	-3	-10	7	10	0	15	-30	34	24	32	-49	25	-10	-2	-3	-1	20	3.23
8	3.08	-6	-8	-9	4	-3	-10	8	11	-1	16	-30	34	24	31	-48	25	-10	-3	-3	-1	21	3.29
9	3.13	-5	-9	-8	3	-3	-9	7	13	-2	17	-30	34	24	30	-48	25	-10	-3	-2	-2	22	3.35
10	3.17	-5	-8	-9	4	-3	-10	8	13	-1	17	-30	34	23	30	-48	25	-10	-3	-2	-2	23	3.40
11	3.22	-5	-9	-9	4	-3	-10	8	14	-1	17	-29	34	22	30	-48	25	-10	-3	-3	-1	23	3.45
12	3.27	-4	-9	-8	4	-2	-10	8	14	-2	18	-30	35	21	30	-48	25	-10	-3	-2	-1	26	3.53
13	3.32	-4	-9	-7	4	-2	-9	8	14	-1	18	-30	35	21	29	-47	24	-10	-2	-3	-1	28	3.60
14	3.38	-4	-9	-7	4	-1	-9	8	15	-1	18	-30	35	20	29	-47	25	-10	-3	-3	0	30	3.68
15	3.44	-3	-9	-7	4	-1	-9	7	17	-2	19	-30	35	20	29	-47	24	-10	-2	-3	-1	31	3.75

- PFM closely monitored market conditions for the right opportunity to price the refundings
- Constant communication between the District, PFM and the Senior Underwriter, identified the week of May 12, 2025 as the right time to price the refundings, based on market conditions and savings goals

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Certificates of Participation, Series 2025A Pricing Results

- The Certificates of Participation, Series 2025A priced on May 12, 2025
  - The refunding resulted in 4.95% net present value savings and over $12M of cash flow savings
- Closing is scheduled to occur on June 9, 2025
- Summary of Delegated Parameters:

Summary of Delegated Parameters Certificates of Participation, Series 2025A		
Statistic	***Parameter***	***Sale Result***
Principal Amount	Not to exceed $225,000,000	$207,420,000
Purchase Price	No less than 100% of par	105.35%
Final Maturity	No later than July 1, 2032	July 1, 2032
Optional Prepayment	Shall not be subject to optional prepayment prior to maturity	No Call
Present Value Savings	At least 3.00% of the aggregate principal amount of the Refunded Certificates	4.95%

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Certificates of Participation, Series 2025A Pricing Results

- Savings by Maturity:

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%	7/9/2025	6/9/2025	406,166	1.40%
7/1/2027	30,505,000	5.000%	7/9/2025	6/9/2025	928,847	3.04%
7/1/2028	24,815,000	5.000%	7/9/2025	6/9/2025	1,146,377	4.62%
7/1/2029	15,155,000	5.000%	7/9/2025	6/9/2025	944,862	6.23%
7/1/2030	15,910,000	5.000%	7/9/2025	6/9/2025	1,176,907	7.40%
Total	**115,440,000**				**4,603,158**	**3.99%**

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%	7/9/2025	6/9/2025	171,345	1.37%
7/1/2027	13,175,000	5.000%	7/9/2025	6/9/2025	406,508	3.09%
7/1/2028	13,830,000	5.000%	7/9/2025	6/9/2025	646,888	4.68%
7/1/2029	14,525,000	5.000%	7/9/2025	6/9/2025	900,753	6.20%
7/1/2030	15,250,000	5.000%	7/9/2025	6/9/2025	1,122,894	7.36%
7/1/2031	16,010,000	5.000%	7/9/2025	6/9/2025	1,354,480	8.46%
7/1/2032	16,815,000	5.000%	7/9/2025	6/9/2025	1,561,561	9.29%
Total	**102,155,000**				**6,164,430**	**6.03%**

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General Obligation School Bonds, Series 2025 Pricing Results

- The General Obligation Schools Bonds, Series 2025 priced on May 12, 2025
  - The refunding resulted in 2.68% net present savings and almost $2.5M of cash flow savings
- Closing is scheduled to occur on June 9, 2025
- Summary of Delegated Parameters:

Summary of Delegated Parameters General Obligation School Refunding Bonds, Series 2025		
Statistic	***Parameter***	***Sale Result***
Principal Amount	Not to exceed $115,000,000	$69,455,000
Final Maturity	No later than July 1, 2040	July 1, 2036
Present Value Savings	At least 1.50% of the aggregate principal amount of the Refunded Certificates	2.68%

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General Obligation School Bonds, Series 2025 Pricing Results

- Savings by Maturity:

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%	9/5/2025	6/9/2025	2,150	0.04%
7/1/2027	5,805,000	4.000%	9/5/2025	6/9/2025	77,982	1.34%
7/1/2028	6,035,000	4.250%	9/5/2025	6/9/2025	166,386	2.76%
7/1/2029	6,290,000	4.000%	9/5/2025	6/9/2025	175,726	2.79%
7/1/2030	6,545,000	4.000%	9/5/2025	6/9/2025	215,077	32.86%
7/1/2031	6,805,000	4.000%	9/5/2025	6/9/2025	249,550	3.67%
7/1/2032	7,075,000	4.000%	9/5/2025	6/9/2025	264,876	3.74%
7/1/2033	7,360,000	4.000%	9/5/2025	6/9/2025	279,046	3.79%
7/1/2034	7,655,000	4.000%	9/5/2025	6/9/2025	253,874	3.32%
7/1/2035	7,960,000	4.000%	9/5/2025	6/9/2025	230,220	2.89%
7/1/2036	8,280,000	4.000%	9/5/2025	6/9/2025	106,853	1.29%
Total	**75,415,000**				**2,021,740**	**2.68%**

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