

The School Board of Broward County, Florida  
**FINANCIAL ADVISORY COMMITTEE**

MINUTES OF THE FINANCIAL ADVISORY COMMITTEE MEETING

May 20, 2022

Mr. Raymond Monteleone, Chair, called the Financial Advisory Committee Meeting to order at approximately 10:00 A.M. The meeting was held in the KCW Board room with the Committee members physically present. Roll call was done and a quorum was determined to be physically present. The Chair then asked if there was anyone from the public physically present or on the phone.

**Those in Attendance:**

Committee Members

Ray Monteleone - Chair, Community  
Dane Sheldon – Community (Via Phone)  
Ian Thomas – Community  
Ivan Perrone – District Staff  
Shelley Meloni – District Staff

Public

Felipe Debarros – Public

Invited Guests

Steven Alexander – Asset Manager, PFM-AM (Via Phone)  
Scott Sweeten - Asset Manager, PFM-AM (Via Phone)  
Laura Howe - Financial Advisor, PFM-FM  
Mara Lugo – Financial Advisor, PFM-FM

For more details regarding this Financial Advisory Committee meeting, please refer to <https://www.browardschools.com/Page/35396>.

**The purpose of the meeting:**

- Approve Minutes of the prior meeting held on April 8, 2022
- Old Business
  - Investment Advisor – PFM Asset Management (AM)
    - AM – Market Update
    - AM – Summary of the Quarterly Investment Report
  - Financial Advisor – PFM Financial Management (FM)
    - FM – Market Update
    - FM – Overview of General Obligation Bonds, Series 2022
    - FM – Overview of Certificates of Participation, Series 2022B
    - FM – Overview of Tax Anticipation Notes, Series 2022
    - FM – Equipment Leases
- New Business
  - Other Matters that May Come Before the Committee
  - Public Questions/Comments

The first item of business on the agenda was the approval of minutes from the April 8, 2022 meeting. A motion was made, seconded and passed unanimously.

The second item of business on the agenda was presented by Mr. Scott Sweeten, Investment Advisor with PFM. He provided a thorough market update and quarterly investment report reviewing the District's portfolio performance, trade summary, compliance and asset allocation. The Chair, Mr. Monteleone, made a formal request for PFM to consider all of the factors that are affecting inflation, not just primarily the war in Ukraine, for example, the policies of the current administration and fossil fuel prices, at the next Financial Advisory Meeting.

The next item on the agenda was presented by Ms. Mara Lugo, Financial Advisor with PFM. She presented a brief market update, reviewing tax-exempt interest rates and market conditions over the last 3 years. Next, Ms. Lugo presented an overview of General Obligation (GO) Bonds, Series 2022, which will be the final tranche of GO Bonds issued under the 2014 voter referendum (SMART Program) and Master Resolution that authorized the District to issue up to \$800 million in aggregate principal for new projects. On May 18, 2022, \$262,730,000 was issued to finance improvements to school buildings and grounds, including safety

enhancements, instructional technology and to pay the costs of issuance. A total of (6) bids were received. The 2022 Bonds were sold via a competitive sale on May 3, 2022 with Bank of America Securities, Inc. as the winning bidder.

Next, Ms. Howe, Financial Advisor with PFM presented an overview of the Certificates of Participation (COPs), Series 2022B. On May 25, 2022, \$151,260,000 will be issued to finance the costs of acquisition, construction and installation of Series 2022B facilities and to pay the costs of issuance. The 2022 Bonds were sold via a negotiated sale on May 10, 2022 with Morgan Stanley & Co. LLC serving as the senior managing underwriter. The 2022 Certificates were structured to take advantage of the material decline in the District's COP debt service, which enhances future financing capacity.

Next, Ms. Howe presented an overview of the Tax Anticipation Notes (TANs), Series 2022. The District anticipates issuing the "2022 TAN" to provide funds for paying operational expenditures during the 2022-2023 fiscal year, pending the collection of ad valorem taxes and certain state funds. The 2022 TAN would be a short-term borrowing maturing no later than June 30, 2023. The District has historically issued a TAN each year via a competitive sale. After a thorough review and discussion, a motion was made to move forward with the issuance of the TAN 2022, it was seconded and passed unanimously.

Then, Ms. Howe presented an overview of the Master Equipment Lease Program. The District recently received authorization to finance an additional \$225,000,000 under the existing Master Lease agreement with Bank of America. The District anticipates issuing (2) two additional leases under the Master Equipment Lease: No. 25 – To fund approximately \$16,000,000 for Vehicle/Fleet Replacement and No. 26 – To fund approximately \$16,000,000 for Technology.

Lastly, comments and/or questions from the public.

Being no further business, the Chair adjourned the meeting at approximately at 12:00PM.