



# School District of Broward County, Florida

## Financial Advisory Committee Meeting

September 6, 2024

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PFM Financial Advisors LLC

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## Agenda

- I. Market Update
- II. Tax Anticipation Notes, Series 2024
- III. Master Energy Lease

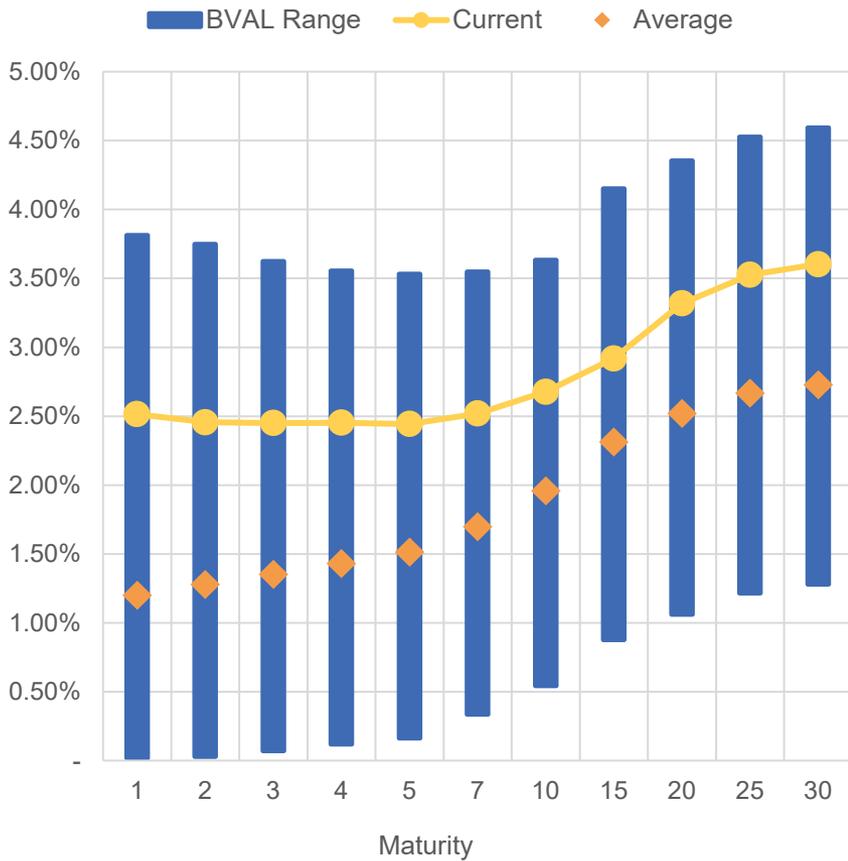


# I. Market Update

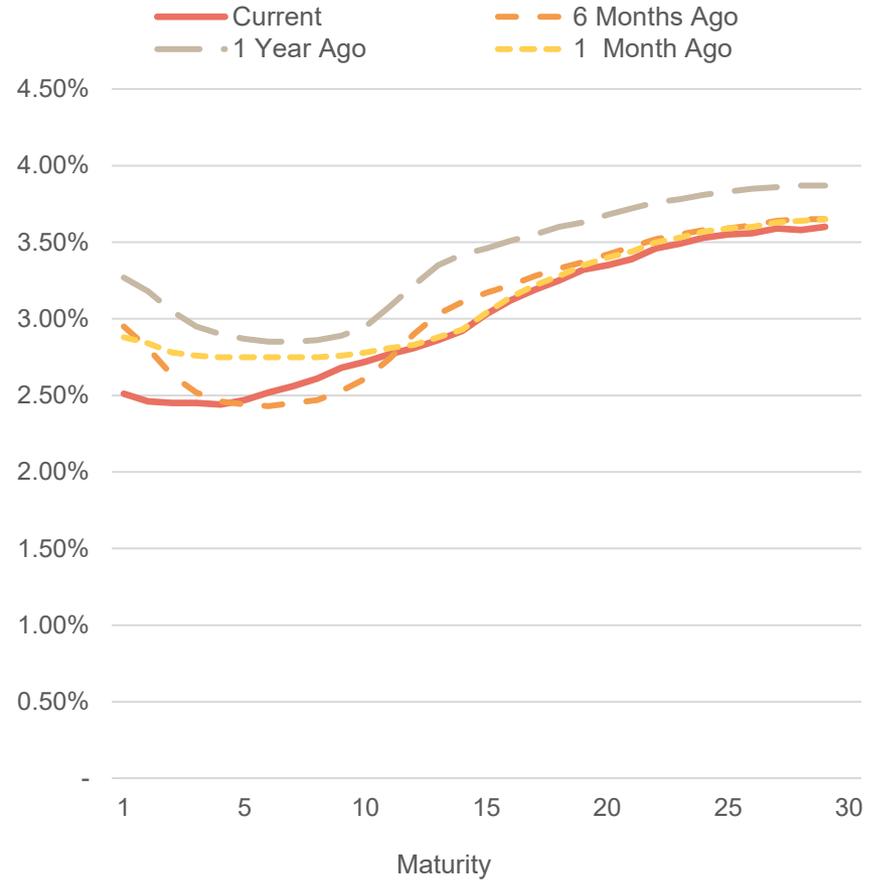


# Tax-Exempt Interest Rates

## BVAL Ranges Over Past 10 Years



## BVAL AAA Curve



Rates as of August 27, 2024



# Market Conditions

### 10-Year & 30-Year UST vs. AAA BVAL Rates (Last 3 Years)





## **II. Tax Anticipation Notes, Series 2024**



## Tax Anticipation Notes, Series 2024 – Results

- \$269,295,000 Tax Anticipation Notes, Series 2024 (the “2024 Notes”) were issued on July 25, 2024, to provide funds to pay for operational expenditures of the District during the 2024-2025 fiscal year, pending the collection of ad valorem taxes and certain state funds, and to pay costs of issuance
- The 2024 Notes were sold via a competitive sale on July 9, 2024, and awarded to J.P. Morgan Securities LLC with the lowest NIC of 3.38%. A total of seven (7) bids were received from the firms listed below:

Firm	Bid Amount	NIC	PV Difference*
J.P. Morgan Securities LLC	270,000,000	3.381739%	-
Jefferies LLC	270,000,000	3.458261%	103,034.96
BofA Securities	270,000,000	3.497391%	155,722.53
Wells Fargo Bank, National Association	270,000,000	3.527022%	195,619.93
Raymond James & Associates, Inc.	270,000,000	3.595217%	287,442.79
RBC Capital Markets	270,000,000	3.641957%	350,377.03
Morgan Stanley & Co, LLC	270,000,000	3.661739%	377,013.00

*\*The present value difference is valued at \$13,465 per basis point using the final amortization schedule*

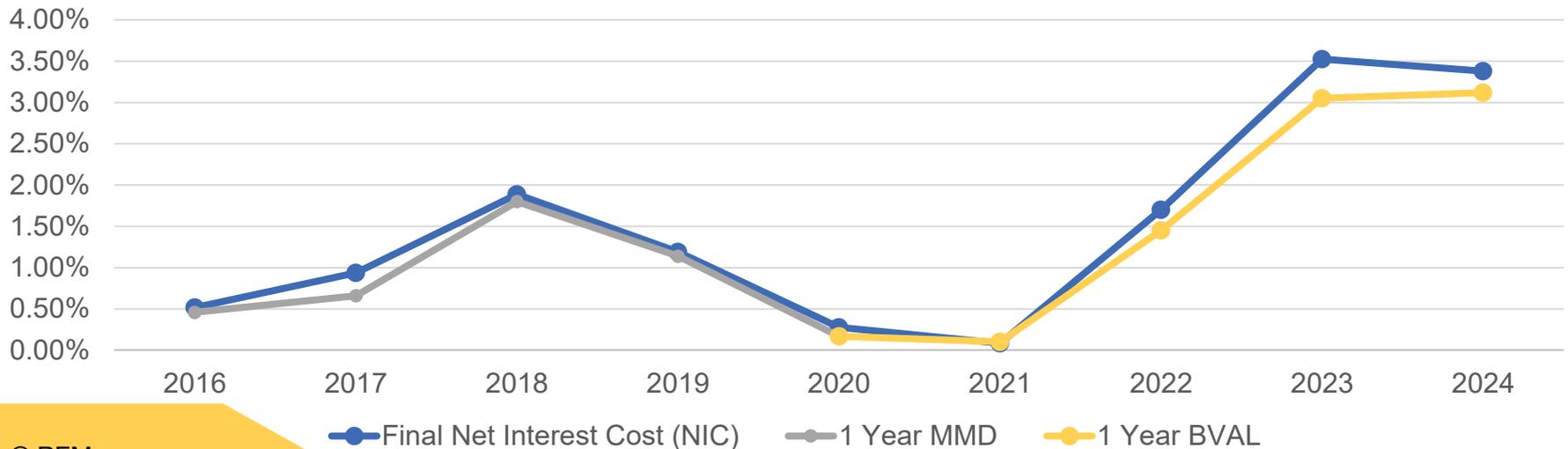
- The 2024 Notes will mature on January 29, 2025, at which point the interest and principal will be due



## Historical TAN Results

Series	Principal Bid Amount	Winning Bidder	Final Net Interest Cost (NIC)
2016 TAN	\$125,000,000	PNC Capital Markets	0.52%
2017 TAN	\$125,000,000	Bank of America Merrill Lynch	0.94%
2018 TAN	\$125,000,000	Bank of America Merrill Lynch	1.89%
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%

Historical TAN Results





## **III. Master Energy Lease**



## Master Energy Lease – Schedule No. 4

- The District extended its current Master Energy Lease Schedule with Bank of America Public Capital Corp to allow for up to an additional \$70,000,000 of borrowing in the coming years.
- On July 25, 2024, the District closed on its Master Energy Schedule No. 4 to fund lighting and plumbing upgrades
  - Lender: Bank of America Public Capital Corp
  - Project Fund: \$16,962,273
  - Interest Rate: 4.44%
  - Final Maturity: 7/1/2040