



# Florida Gulf Coast University

## *Refunding Update*

June 2022

---

PFM Financial Advisors, LLC

---

11605 N. Community House  
Road, 5<sup>th</sup> Floor  
Charlotte, NC 28277

---

[pfm.com](http://pfm.com)



# Series 2013A Refunding Update



## Series 2013A Refunding Summary

- The following table shows the results of a tax-exempt current refunding and tax-exempt forward refunding of Series 2013A.
  - The current refunding assumes that the pricing and closing do not occur until October/November 2022, respectively.
  - The forward refunding assumes a pricing in August 2022 and a closing on November 3, 2022.
- Assumes a DSRF liquidation equal to 2013A funded amount and earnings at 1%.
- Cost of Issuance of \$300K and Underwriter's Discount of \$3/bond.
- Assumes matched maturities and uniform savings.

	Series 2013A Tax-Exempt Current Refunding	Series 2013A Tax-Exempt Forward Refunding
<b>Dated/Delivery Date</b>	11/3/2022	11/3/2022
<b>All-In Rate</b>	3.91%	4.08%
<b>Average Annual Debt Service</b>	1,666,632	1,690,839
<b>Refunded Par</b>	24,065,000	24,065,000
<b>Refunding Par</b>	20,345,000	20,640,000
<b>Cash Flow Savings</b>	2,864,509	2,398,653
<b>NPV Savings</b>	2,111,734	1,740,869
<b>NPV Savings % of Par</b>	8.78%	7.23%
<b>Negative Arbitrage</b>	139,052.02	151,294.38

Rates as of June 2, 2022 and assume 5% coupons.



# Series 2013A Tax-Exempt Current Refunding Results

- This scenario assumes the transaction does not occur until November 2022, when the bonds are eligible to be currently refunded.
  - The largest risk with this scenario is the uncertainty around interest rates between now and execution.
- Annual debt service schedule and cash flow savings of a current refunding of Series 2013A:

Current Refunding Sources & Uses	
<b>Sources:</b>	
Bond Proceeds:	
Par Amount	20,345,000
Net Premium	2,329,578
	<u>22,674,578</u>
Other Sources:	
DSRF Liquidation	1,951,513
Accrued Interest	273,313
	<u>2,224,826</u>
<b>Total Sources</b>	<b>24,899,404</b>
<b>Uses:</b>	
Refunding Escrow Deposits:	
Cash Deposit	0.47
SLGS Purchases	24,536,218
	<u>24,536,218</u>
Delivery Date Expenses:	
Cost of Issuance	300,000
Underwriter's Discount	61,035
	<u>361,035</u>
Other Uses of Funds:	
Additional Proceeds	2,150.65
<b>Total Uses</b>	<b>24,899,404</b>

Series 2013A TE Current Refunding			
Year	Prior Debt Service	Debt Service	Savings
2023	534,744	248,661	7,999
2024	1,909,488	1,727,250	162,722
2025	1,909,288	1,726,750	163,022
2026	1,913,338	1,734,500	159,322
2027	1,898,588	1,720,000	159,072
2028	1,882,338	1,704,250	158,572
2029	1,869,588	1,687,250	162,822
2030	1,855,088	1,674,000	161,572
2031	1,854,088	1,674,250	160,322
2032	1,851,488	1,672,250	159,722
2033	1,847,288	1,668,000	159,772
2034	1,841,488	1,661,500	160,472
2035	1,842,606	1,662,750	160,341
2036	1,841,663	1,661,250	160,897
2037	1,838,656	1,657,000	162,141
2038	1,838,588	1,660,000	159,072
2039	1,836,250	1,654,750	161,985
2040	1,819,000	1,636,500	162,985
2041	1,809,000	1,630,750	158,735
2042	1,790,750	1,611,750	159,485
2043	1,774,500		(196,528)
<b>Total</b>	<b>37,557,819</b>	<b>32,073,411</b>	<b>2,864,509</b>

Subject to interest rate risk. Assumes interest rates are the same as stated below.  
Rates as of June 2, 2022 and assume 5% coupons.



## Series 2013A Tax-Exempt Forward Refunding Results

- Annual debt service schedule and cash flow savings of a forward refunding of Series 2013A, assuming the bonds are priced in the current market for a delivery in November 2022.

Forward Refunding Sources & Uses	
<b>Sources:</b>	
Bond Proceeds:	
Par Amount	20,640,000
Net Premium	2,033,435
	<u>22,673,435</u>
Other Sources:	
DSRF Liquidation	1,951,513
Accrued Interest	273,313
	<u>2,224,826</u>
<b>Total Sources</b>	<b>24,898,261</b>
<b>Uses:</b>	
Refunding Escrow Deposits:	
Cash Deposit	0.47
SLGS Purchases	24,536,218
	<u>24,536,218</u>
Delivery Date Expenses:	
Cost of Issuance	300,000
Underwriter's Discount	61,920
	<u>361,920</u>
Other Uses of Funds:	
Additional Proceeds	122.40
<b>Total Uses</b>	<b>24,898,261</b>

Series 2013A TE Forward Refunding			
Year	Prior Debt Service	Debt Service	Savings
2023	534,744	252,267	4,393
2024	1,909,488	1,752,000	137,972
2025	1,909,288	1,751,000	138,772
2026	1,913,338	1,758,250	135,572
2027	1,898,588	1,743,250	135,822
2028	1,882,338	1,727,000	135,822
2029	1,869,588	1,714,500	135,572
2030	1,855,088	1,700,500	135,072
2031	1,854,088	1,700,000	134,572
2032	1,851,488	1,697,250	134,722
2033	1,847,288	1,692,250	135,522
2034	1,841,488	1,685,000	136,972
2035	1,842,606	1,685,500	137,591
2036	1,841,663	1,688,250	133,897
2037	1,838,656	1,683,000	136,141
2038	1,838,588	1,680,000	139,072
2039	1,836,250	1,679,000	137,735
2040	1,819,000	1,664,750	134,735
2041	1,809,000	1,652,750	136,735
2042	1,790,750	1,632,750	138,485
2043	1,774,500		(196,528)
<b>Total</b>	<b>37,557,819</b>	<b>32,539,267</b>	<b>2,398,653</b>



## Invitation to Negotiate (ITN) Update

- PFM issued the ITN on behalf of the Financing Corporation on May 23, 2022; proposals will be due June 9, 2022.
- The ITN was sent to the following banks:
  1. Wells Fargo
  2. Fifth Third Bank
  3. Morgan Stanley
  4. Bank of America
  5. TD Bank
  6. Truist Bank
  7. PNC Bank
  8. Raymond James



## Timeline

Current Refunding Timeline		
Date / Week of	Day	Event
9-Jun	Thursday	Receive ITN Proposals
22-Aug	Monday	Kick Off Call
20-Sep	Tuesday	Rating Presentations
5-Oct	Wednesday	Receive Ratings
19-Oct	Wednesday	Bond Pricing
3-Nov	Saturday	Target Close Date

Forward Refunding Timeline		
Date / Week of	Day	Event
9-Jun	Thursday	Receive ITN Proposals
20-Jun	Monday	Kick Off Call
19-Jul	Tuesday	Rating Presentations
3-Aug	Wednesday	Receive Ratings
17-Aug	Wednesday	Bond Pricing
3-Nov	Thursday	Target Close Date

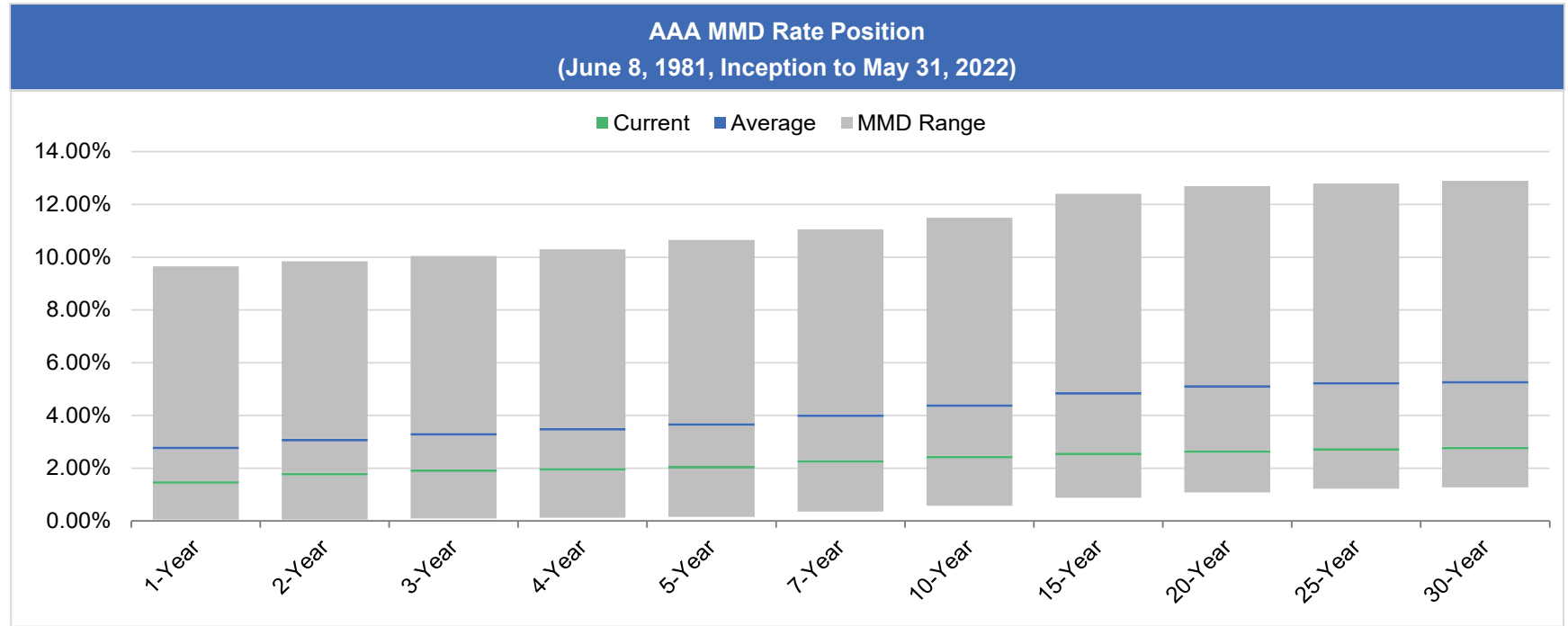


# Market Updates





# AAA MMD Position Since Inception



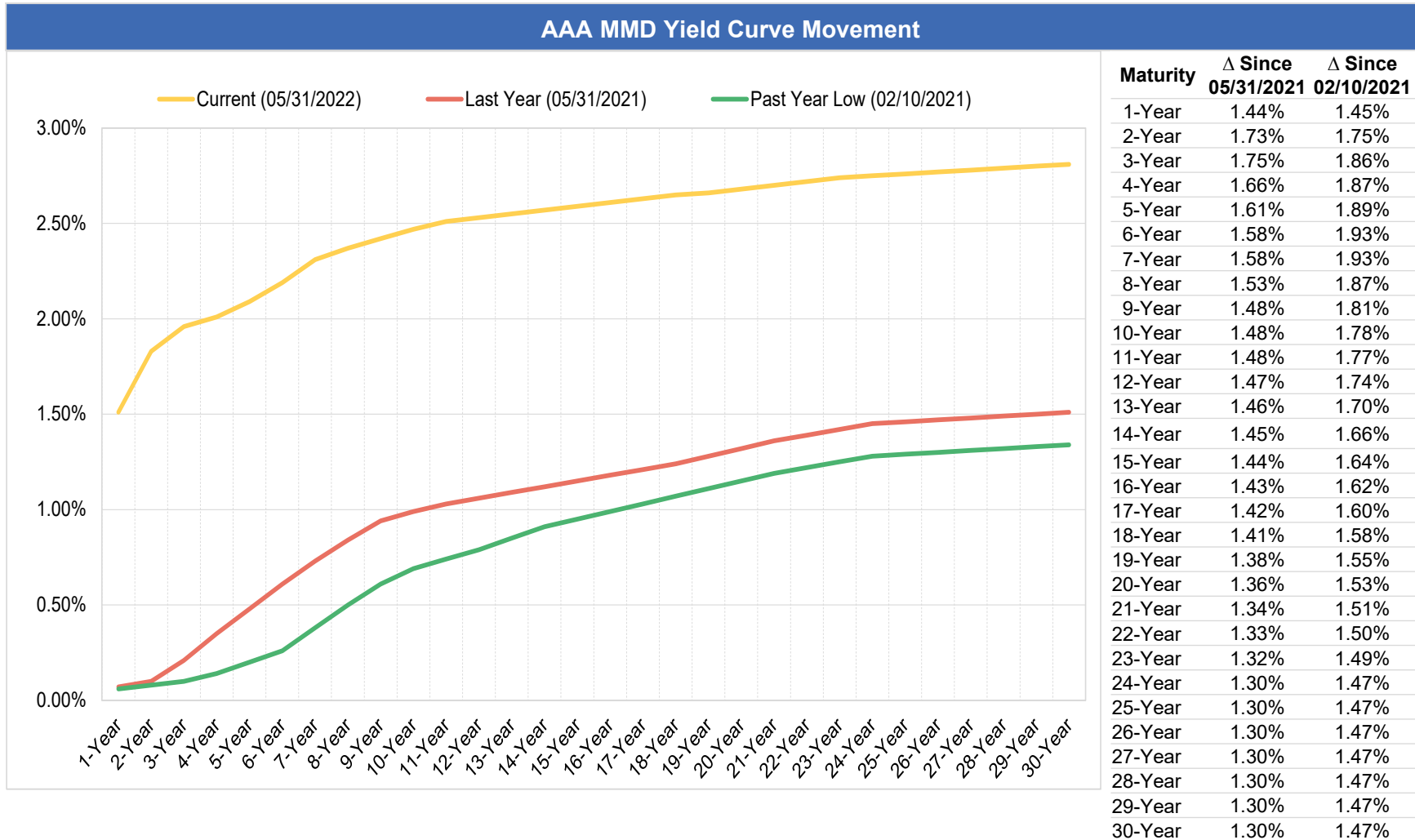
**Summary of May 31, 2022 vs. Historical (since Inception) MMD Rates**

Statistic	1-Year	2-Year	3-Year	4-Year	5-Year	7-Year	10-Year	15-Year	20-Year	25-Year	30-Year
May 31, 2022	1.51%	1.83%	1.96%	2.01%	2.09%	2.31%	2.47%	2.59%	2.68%	2.76%	2.81%
Historical Average	2.82%	3.12%	3.34%	3.53%	3.71%	4.04%	4.42%	4.89%	5.15%	5.28%	5.31%
Spread to Average	-1.31%	-1.29%	-1.38%	-1.52%	-1.62%	-1.73%	-1.95%	-2.30%	-2.47%	-2.52%	-2.50%
Minimum	0.05%	0.05%	0.10%	0.13%	0.16%	0.36%	0.58%	0.88%	1.08%	1.22%	1.27%
Maximum	9.65%	9.85%	10.05%	10.30%	10.65%	11.05%	11.50%	12.40%	12.70%	12.80%	12.90%
% of Time Lower	35.15%	36.11%	35.22%	32.71%	31.35%	29.00%	23.47%	17.14%	13.99%	11.90%	11.77%

Source: Thomson Reuters



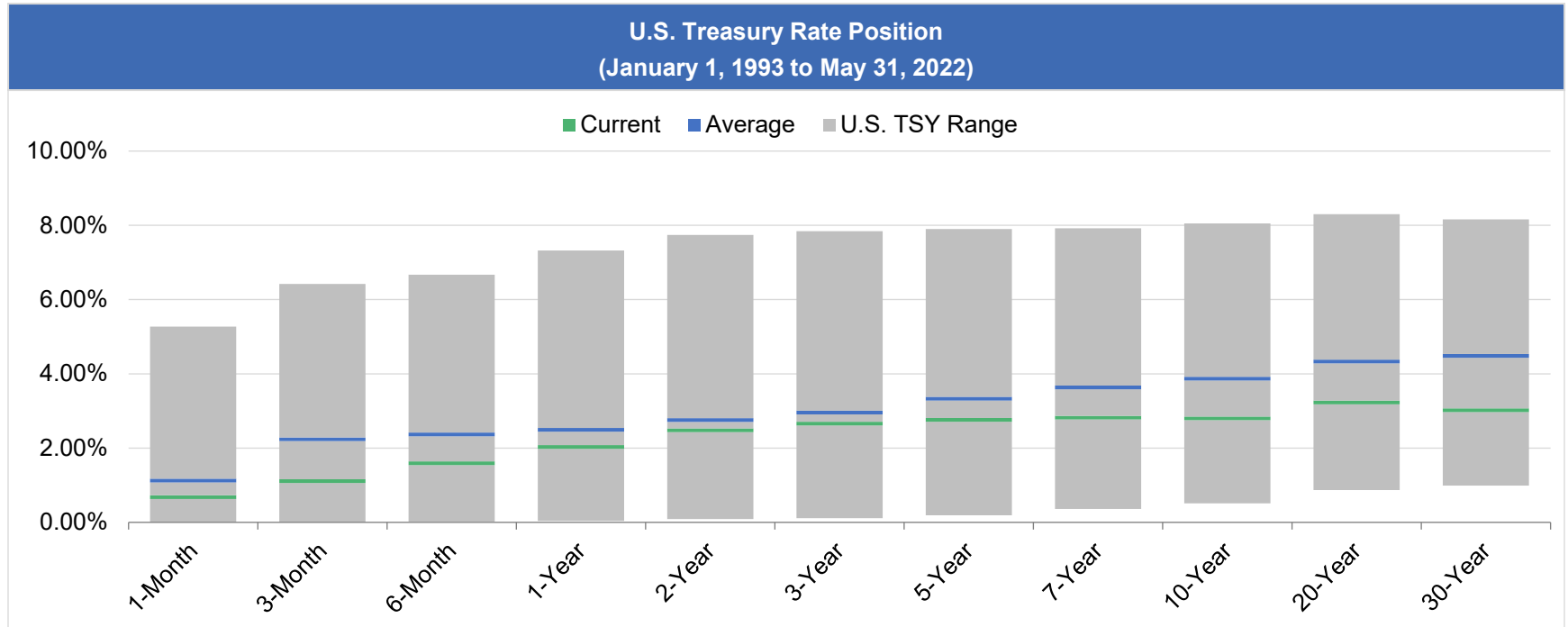
# Recent AAA MMD Yield Curve Movement



Source: Thomson Reuters



# Historical U.S. Treasury Position



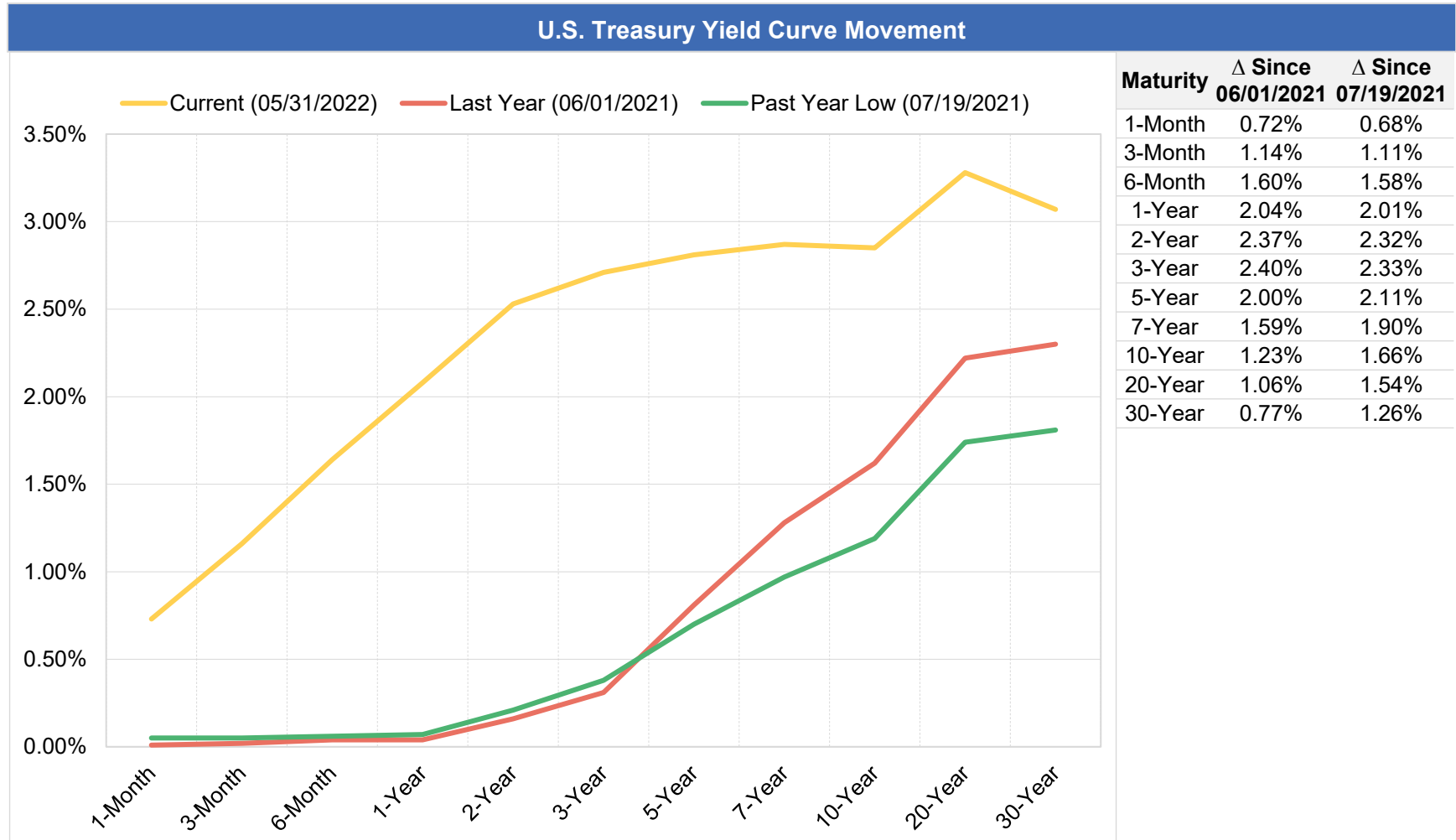
**Summary of May 31, 2022 vs. Historical U.S. TSY Rates**

Statistic	1-Month	3-Month	6-Month	1-Year	2-Year	3-Year	5-Year	7-Year	10-Year	20-Year	30-Year
May 31, 2022	0.73%	1.16%	1.64%	2.08%	2.53%	2.71%	2.81%	2.87%	2.85%	3.28%	3.07%
Historical Average	1.17%	2.29%	2.42%	2.54%	2.81%	3.01%	3.38%	3.68%	3.92%	4.38%	4.53%
Spread to Average	-0.44%	-1.13%	-0.78%	-0.46%	-0.28%	-0.30%	-0.57%	-0.81%	-1.07%	-1.10%	-1.46%
Minimum	0.00%	0.00%	0.02%	0.04%	0.09%	0.11%	0.19%	0.36%	0.51%	0.87%	0.99%
Maximum	5.27%	6.42%	6.67%	7.32%	7.74%	7.84%	7.90%	7.92%	8.05%	8.30%	8.16%
% of Time Lower	36.57%	42.55%	46.85%	50.45%	52.24%	52.24%	46.49%	40.72%	35.27%	33.93%	26.32%

Source: Thomson Reuters



# Recent U.S. Treasury Yield Curve Movement

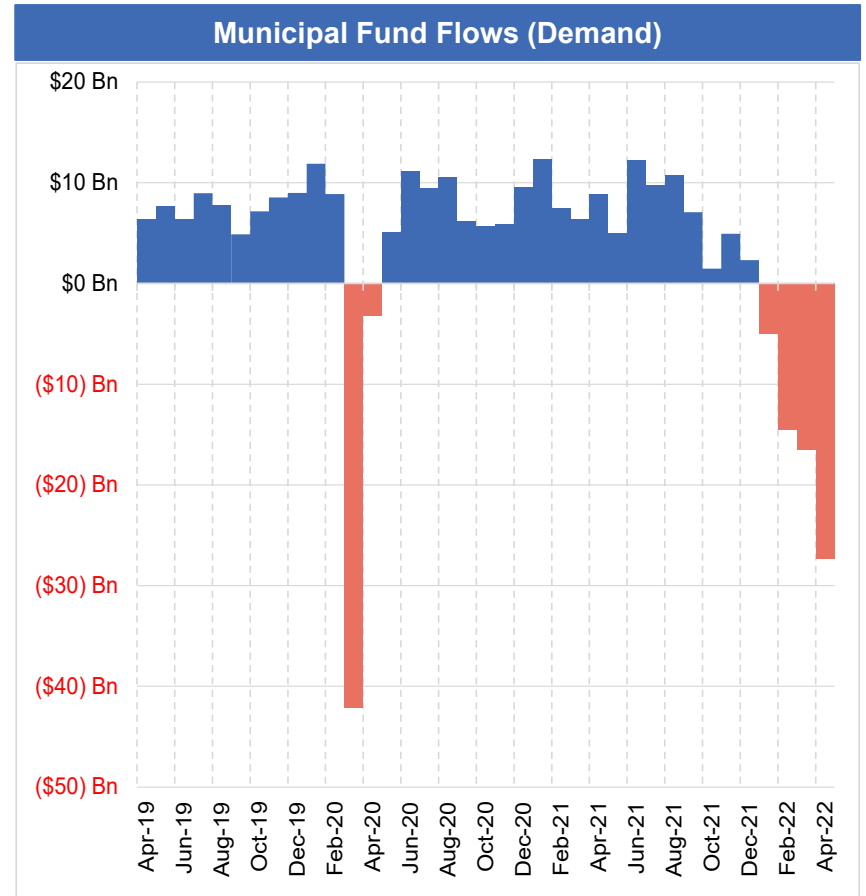
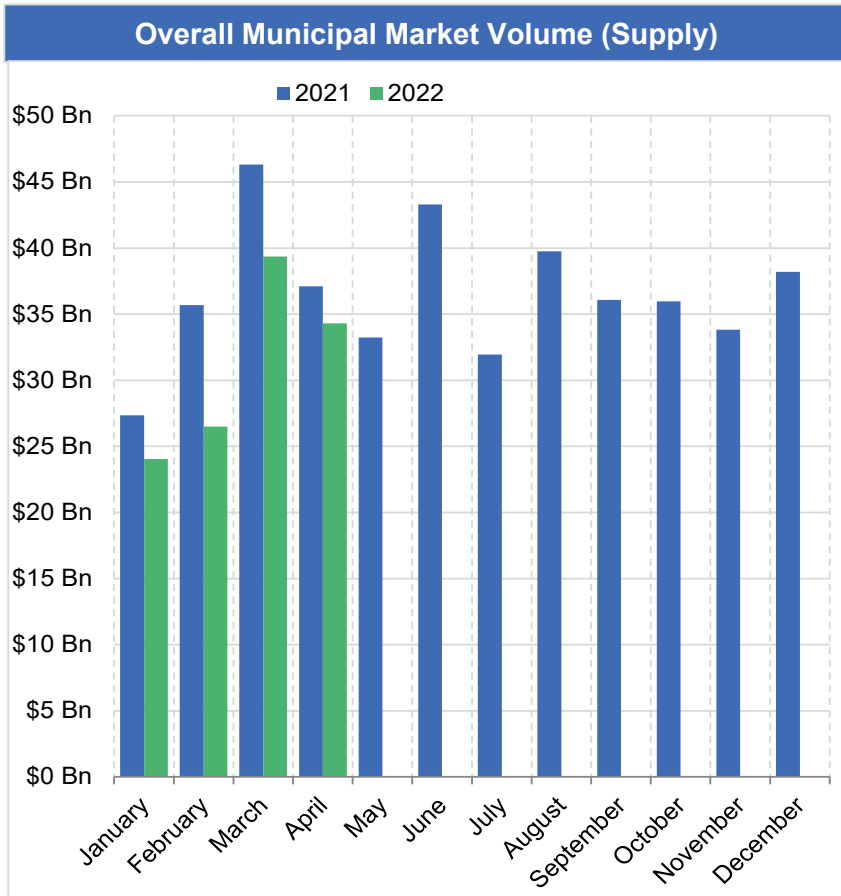


Source: Thomson Reuters



# Municipal Market Supply & Demand

- New issuance volume was down by 8% year-over-year in April, year-to-date new issuance volume was 15% lower than 2021 issuance through April.



Source: Bond Buyer, Investment Company Institute



## DISCLOSURES

### ABOUT PFM

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC and Public Financial Management, Inc. Both are registered municipal advisors with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010. Investment advisory services are provided by PFM Asset Management LLC which is registered with the SEC under the Investment Advisers Act of 1940. Swap advisory services are provided by PFM Swap Advisors LLC which is registered as a municipal advisor with both the MSRB and SEC under the Dodd-Frank Act of 2010, and as a commodity trading advisor with the Commodity Futures Trading Commission. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. Institutional purchasing card services are provided through PFM Financial Services LLC. PFM's financial modeling platform for strategic forecasting is provided through PFM Solutions LLC.

For more information regarding PFM's services or entities, please visit [www.pfm.com](http://www.pfm.com).



pfm