



Methacton School District

Refunding Analysis

March 13, 2024

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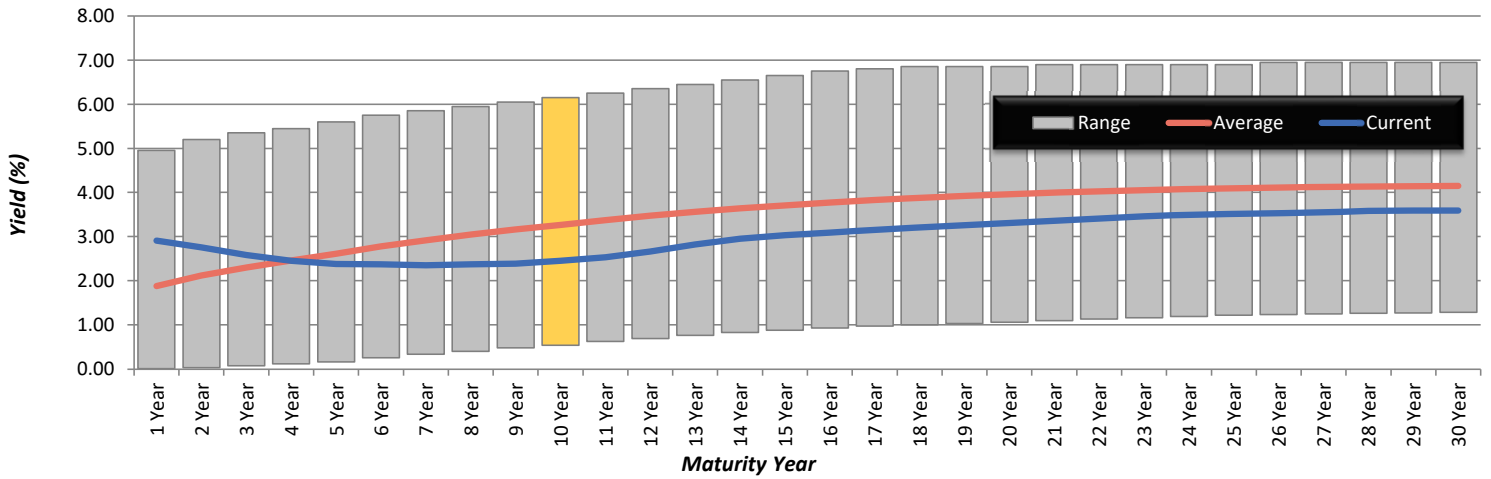
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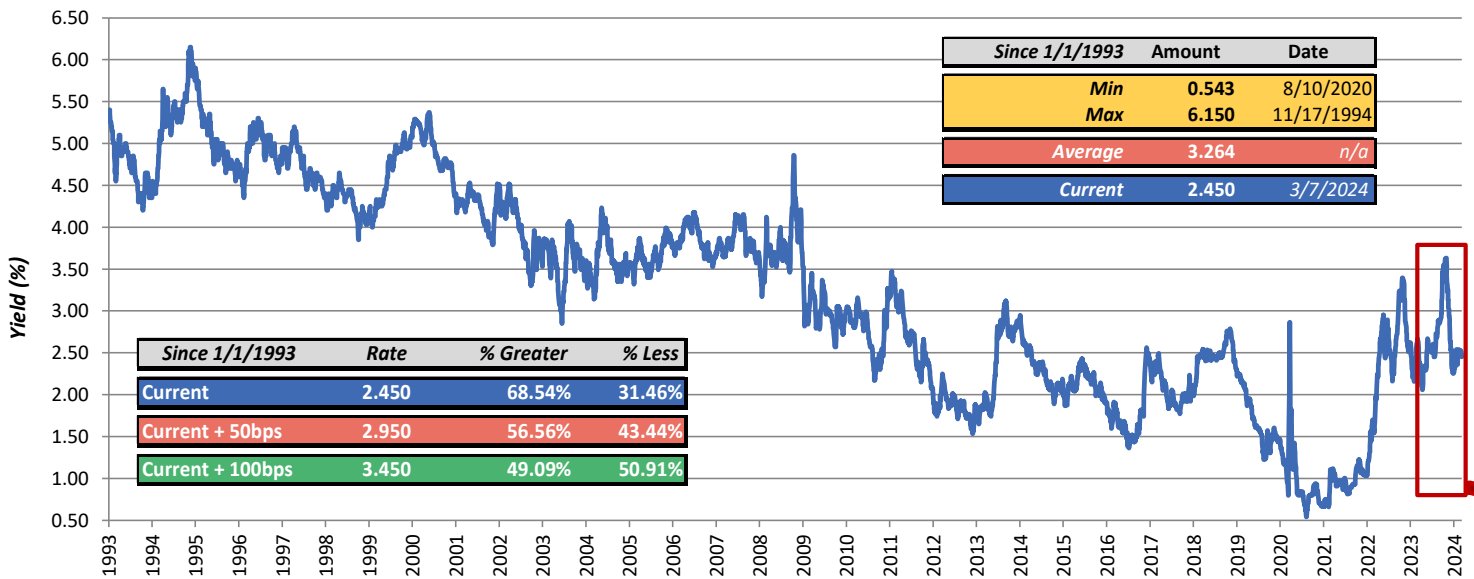
MUNICIPAL MARKET UPDATE

March 7, 2024

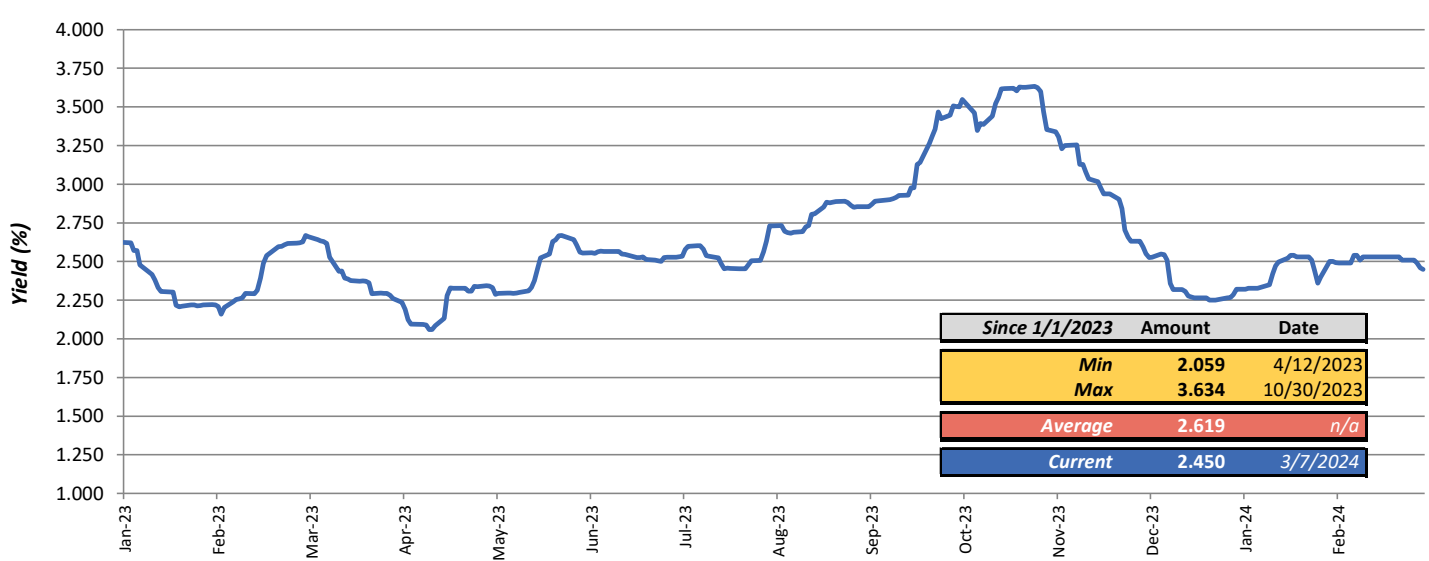
HISTORICAL BVAL CURVE ILLUSTRATION - SINCE JANUARY 1, 1993 [1]



SPOT ANALYSIS - 10 YEAR BVAL - SINCE JANUARY 1, 1993 [1]



SPOT ANALYSIS - 10 YEAR BVAL - SINCE JANUARY 1, 2023



[1] Datapoints prior to January 4, 2010 are provided by MMD, datapoints after January 4, 2010 are provided by BVAL.

Methacton School District
Topics of Discussion
March 13, 2024

2024 Refinancing Opportunity

- 1) The District has a number of bond issues that can be potentially be refinanced in calendar year 2024 (see table below).
- 2) The District can set up a max parameters resolution(s) in the coming weeks that will include all the bonds below. This will allow the District to be in a position to take advantage of debt service savings if interest rates continue to drop.

	<u>Series B of 2017</u>	<u>Series of 2018</u>	<u>Series A of 2018</u>	<u>Series of 2019</u>	<u>Series A of 2019</u>
Outstanding Par:	\$8,410,000	\$4,410,000	\$5,280,000	\$4,455,000	\$4,000,000
Call Date:	Anytime	Anytime	Anytime	9/15/2024	3/1/2025
Rate Range:	2.15 - 3.00%	2.30 - 4.00%	3.00 - 4.00%	2.00 - 4.00%	2.00 - 4.00%

- 3) It is anticipated that only a portion of the above bond issues will be included in a potential refinancing – the team will only refinance maturities that produce net savings for the District.
- 4) Based on today's interest rates, the refinancing scenario included in this handout produces approximately \$160,000 of net savings to the District.

Next Steps

- 5) The financing team (PFM Financial Advisors, Raymond James, Eckert Seamans and your solicitor) will prepare a maximum parameters debt resolution(s) that can be approved at a future board meeting. This will set up the District in the most flexible position to react to falling interest rates in the future.
- 6) The financing team will also prepare the documents and prepare for a potential credit rating interview. Once these are completed, the District will be ready to act on any potential savings.
- 7) The District should plan to set a minimum net savings threshold – between \$150,000 and \$200,000.
- 8) PFM and the financing team will continue to monitor the opportunity and will keep the administration updated.

METHACTON SCHOOL DISTRICT
SUMMARY OF OUTSTANDING INDEBTEDNESS

Debt Service Requirements

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Fiscal Year Ended	G.O. Bonds Series of 2016	G.O. Bonds Series A of 2017	G.O. Bonds Series B of 2017	G.O. Bonds Series of 2018	G.O. Bonds Series A of 2018	G.O. Bonds Series of 2019	G.O. Bonds Series A of 2019	G.O. Bonds Series AA of 2019	G.O. Bonds Series of 2020	G.O. Notes Series of 2020	G.O. Bonds Series A of 2020	G.O. Bonds Series of 2021	Total Debt Service
6/30/2024	4,410,000	1,128,300	244,428	984,244	273,093	175,073	146,865	1,178,300	92,763	93,519	633,300	528,650	9,888,532
6/30/2025			269,055	181,259	4,614,975	174,991	146,789	2,641,800	162,163	93,519	633,250	528,600	9,446,400
6/30/2026			639,379	1,783,400	776,475	184,800	285,300	1,600,500	2,208,300	93,519	633,200	528,550	8,733,422
6/30/2027			951,813	1,771,700		499,625	331,900			3,874,756	633,138	528,500	8,591,431
6/30/2028			967,125	1,091,400		593,000	451,750			1,402,997	633,063	528,438	5,667,772
6/30/2029			1,151,025			685,400	606,275				1,235,625	1,101,600	4,779,925
6/30/2030			1,148,275			687,900	608,900				1,235,325	1,097,600	4,778,000
6/30/2031			1,154,625			679,600	608,300				1,235,713	1,102,600	4,780,838
6/30/2032			1,167,900			729,500	611,800				1,240,000	1,032,900	4,782,100
6/30/2033			1,179,825			717,600	609,400				1,241,400	1,033,600	4,781,825
6/30/2034			1,180,550			612,000	714,000				1,241,600	1,033,300	4,781,450
6/30/2035			106,575								1,230,800	885,000	2,222,375
6/30/2036											1,224,100	991,600	2,215,700
6/30/2037											1,221,300	995,000	2,216,300
6/30/2038											1,222,200	997,200	2,219,400
6/30/2039											1,221,700	998,200	2,219,900
6/30/2040											1,224,700	993,100	2,217,800
6/30/2041											1,221,200	996,800	2,218,000
6/30/2042											1,221,200	999,100	2,220,300
6/30/2043											1,224,500	995,100	2,219,600
6/30/2044											1,221,100	999,700	2,220,800
6/30/2045											1,221,000	997,800	2,218,800
6/30/2046											1,224,000	994,500	2,218,500
6/30/2047													
6/30/2048													
6/30/2049													
6/30/2050													
TOTAL	4,410,000	1,128,300	10,160,574	5,812,003	5,664,543	5,739,489	5,121,279	5,420,600	2,463,225	5,558,308	25,273,413	20,887,438	97,639,170

Local Effort Requirements

15	16	17	18	19	20	21	22	23	24	25	26	27	28
Fiscal Year Ended	G.O. Bonds Series of 2016	G.O. Bonds Series A of 2017	G.O. Bonds Series B of 2017	G.O. Bonds Series of 2018	G.O. Bonds Series A of 2018	G.O. Bonds Series of 2019	G.O. Bonds Series A of 2019	G.O. Bonds Series AA of 2019	G.O. Bonds Series of 2020	G.O. Notes Series of 2020	G.O. Bonds Series A of 2020	G.O. Bonds Series of 2021	Total Local Effort
6/30/2024	4,038,318	1,109,079	244,428	984,244	259,056	175,073	146,865	1,109,425	88,509	86,537	633,300	528,650	9,403,484
6/30/2025			269,055	181,259	4,377,780	174,991	146,789	2,487,380	154,726	86,537	633,250	528,600	9,040,368
6/30/2026			639,379	1,783,400	736,567	184,800	285,300	1,506,947	2,107,030	86,537	633,200	528,550	8,491,709
6/30/2027			951,813	1,771,700		499,625	331,900			3,585,501	633,138	528,500	8,302,176
6/30/2028			967,125	1,091,400		593,000	451,750			1,298,261	633,063	528,438	5,563,036
6/30/2029			1,151,025			685,400	606,275				1,235,625	1,101,600	4,779,925
6/30/2030			1,148,275			687,900	608,900				1,235,325	1,097,600	4,778,000
6/30/2031			1,154,625			679,600	608,300				1,235,713	1,102,600	4,780,838
6/30/2032			1,167,900			729,500	611,800				1,240,000	1,032,900	4,782,100
6/30/2033			1,179,825			717,600	609,400				1,241,400	1,033,600	4,781,825
6/30/2034			1,180,550			612,000	714,000				1,241,600	1,033,300	4,781,450
6/30/2035			106,575								1,230,800	885,000	2,222,375
6/30/2036											1,224,100	991,600	2,215,700
6/30/2037											1,221,300	995,000	2,216,300
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6/30/2044											1,221,100	999,700	2,220,800
6/30/2045											1,221,000	997,800	2,218,800
6/30/2046											1,224,000	994,500	2,218,500
6/30/2047													
6/30/2048													
6/30/2049													
6/30/2050													
TOTAL	4,038,318	1,109,079	10,160,574	5,812,003	5,373,403	5,739,489	5,121,279	5,103,752	2,350,264	5,143,373	25,273,413	20,887,438	96,112,385

Principal ⁽¹⁾ :	4,200,000	0	8,410,000	4,410,000	5,280,000	4,455,000	4,000,000	4,115,000	2,240,000	5,205,000	15,805,000	13,105,000	71,225,000
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PE%:	40.52%	8.19%	0.00%	0.00%	24.71%	0.00%	0.00%	28.10%	22.05%	35.89%	0.00%	0.00%	
PE% Status:	Permanent	Permanent	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	
CARF	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	20.80%	
Call Date:	NonCallable	NonCallable	3/15/2023	9/15/2023	9/15/2023	9/15/2024	3/1/2025	Non-Callable	Non-Callable	Non-Callable	9/15/2028	7/15/2029	
Purpose:	Adv Ref 09	Cur Ref 2011	New Money	Cur Ref 2011A & 2015	Cur Ref 2013 Notes	New Money	New Money	Cur Ref 2012A & 2013	Cur Ref 2013A	Adv Ref Portion of 2016	New Money	New Money	
BQ Status:	Non-BQ	BQ	BQ	Non-BQ	Non-BQ	BQ	BQ	BQ	Non-BQ	Non-BQ	Non-BQ	Non-BQ	
Average Rate:	3.89%	2.92%	2.58%	3.35%	2.07%	2.95%	2.68%	3.25%	1.82%	1.82%	3.26%	3.23%	

⁽¹⁾ Outstanding as of March 1, 2024

METHACTON SCHOOL DISTRICT
Summary of Proposed Refinancing

**ESTIMATED - For
Illustrative Purposes
Only**

		1		
		Series of 2024		
Settlement		December 2024		
Principal		\$9,995,000		
Net Local Effort Savings		\$160,702		
2	3	4		5
Fiscal Year Ending	Existing Local Effort	Estimated Net Local Effort Savings ^[1]		Estimated Overall Local Effort
6/30/2024	9,403,484			9,403,484
6/30/2025	9,040,368	59,102		8,981,265
6/30/2026	8,491,709	77,800		8,413,909
6/30/2027	8,302,176	2,700		8,299,476
6/30/2028	5,563,036	4,000		5,559,036
6/30/2029	4,779,925	3,600		4,776,325
6/30/2030	4,778,000	2,700		4,775,300
6/30/2031	4,780,838	5,100		4,775,738
6/30/2032	4,782,100	3,700		4,778,400
6/30/2033	4,781,825	2,000		4,779,825
6/30/2034	4,781,450			4,781,450
6/30/2035	2,222,375			2,222,375
6/30/2036	2,215,700			2,215,700
6/30/2037	2,216,300			2,216,300
6/30/2038	2,219,400			2,219,400
6/30/2039	2,219,900			2,219,900
6/30/2040	2,217,800			2,217,800
6/30/2041	2,218,000			2,218,000
6/30/2042	2,220,300			2,220,300
6/30/2043	2,219,600			2,219,600
6/30/2044	2,220,800			2,220,800
6/30/2045	2,218,800			2,218,800
6/30/2046	2,218,500			2,218,500
6/30/2047				
TOTAL	93,893,885	160,702		93,733,182

Notes:

[1] Estimated rates based on current market conditions. Actual rates to be determined at time of pricing.



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