

2016 Bond Issuance

October 20, 2016

Summary

- * School District issuing GO bonds in the amount of \$821,745,000 and Lease revenue refunding Bonds in the amount of \$570,010,000 to:
 - * Generate \$250 million in proceeds to fund the Capital Improvement Program
 - * Refund over \$1.15 billion in existing debt and achieve savings of over \$140 million

New Debt

- * \$92,345,000 GO Bonds, Series D of 2016 (new debt)
- * \$147,245,000 GO QSCB, Series E of 2016 (new debt)
- * Series D and E will result in \$250 million in available funds for the District's Capital Improvement Program

Refunding Debt

- * \$582,155,000 GO Series E of 2016 (refunding debt)
- * \$570,010,000 Series A of 2016 Lease Revenue refunding Bonds
- * Refunded \$1,152,165,000 of existing debt, reducing Debt service over the next seventeen years by over \$140 million (NPV - \$94 million).
- * The NPV savings represents just over a 10% level of savings, far in excess of the debt policy threshold of 3%.

Reestablish Credit Profile

- * Met with Moody's and Fitch to explain our debt repayment structure and improved financial data.
 - * Resulted in a positive change in our ratings Outlook, with both agencies increasing the outlook to "Stable"
 - * First positive movement in ratings in 6 years.
- * Investor forums in Boston and Philadelphia as well as numerous one-on-one discussions with investors.
- * These efforts, and strong work of our Underwriters resulted in over \$3.1B in orders for the \$1.4B in available bonds.