



**CITY OF BELLE ISLE, FLORIDA  
CITY COUNCIL AGENDA ITEM COVER SHEET**

**Meeting Date:** October 6, 2020

**To:** Honorable Mayor and City Council Members

**From:** B. Francis, City Manager

**Subject:** Cornerstone Charter Academy (CCA) Debt Refinancing

**Background:** The City Council directed the City Manager to continue to negotiate with CCA on refinancing the 2012 Bond Issue for CCA. The City's Financial Advisors, the City Manager and CCA's Financial Team met via conference call on September 23, 2020 to go over options for the refinancing. After discussions, it was recommended and agreed to by both parties to recommend to their governing boards to move forward with the refinancing due to the substantial savings provided for the refinancing the debt and also it would remove the 2012 debt from the City. Even though the City is not responsible to pay any of the debt, removing the debt from the City's books is considered a good action by the City's team. The next step is to draft a new lease between the City and CCA.

**Staff Recommendation:** To approve the 2012 bond refinancing with CCA and to move forward with drafting a new lease.

**Suggested Motion:** I move we approve moving forward with the refinancing of the 2012 bond issue and direct the City Manager to work with CCA in drafting a new lease.

**Alternatives:** Don't approve the refinancing.

**Fiscal Impact:** Approximately \$269,000 in Annual Cash Flow Savings for CCA; removal of \$9 million debt from the City.

**Attachments:** Letter from Investment Banker  
Refinancing Proposal



# Ziegler

CAPITAL :: INVESTMENTS :: ADVICE

Ziegler Investment Banking  
1605 Main Street  
Suite 1020  
Sarasota, FL 34236

September 19, 2020

Mr. Bill Brooks  
Board Chairman  
Cornerstone Charter Academy  
5903 Randolph Avenue  
Orlando, FL 32809

Cc: Mr. Richard Moreno  
President  
Building Hope Services  
1225 SE 2nd Ave  
Fort Lauderdale, FL

In furtherance of our engagement by Cornerstone Charter Academy (“the School” or “Cornerstone”) for the potential debt refinancing and new issuance of debt for Cornerstone’s masterplan expansion, it is our pleasure to present to you our proposal in connection with your anticipated financing.

Interest rates in the Municipal Bond Market have been steadily declining this year. The benchmark 30-year MMD index rate closed yesterday at 1.58%, not far off from the all-time low of 1.56% that occurred on August 28, 2020.

After completing our preliminary credit analysis, we expect Cornerstone to be in the ‘Baa3’ (BBB-) rating category because of favorable enrollment, liquidity, and debt service coverage trends. Assuming this rating, Ziegler’s investment banking team has provided estimates of debt service and interest rates for the Series 2020 Debt, which refinances the prior 2012 bonds and funds construction projects, a debt service reserve fund, and costs of issuance. Assumptions for each of our proposed options are as follows:

#### OPTION 1 (HYBRID):

- Cinderella structure: taxable loan that converts to tax-exempt (in year 2022 once the Series 2012 Bonds are called) on the bank loan
  - 21-year amortization (final maturity matches that of the Series 2012 bonds)
  - Taxable interest rate of 4.75% (until year 2022)
  - Tax-exempt interest rate of 3.75% effective year 2022

- ‘Baa3’ (BBB-) rated, publically offered bond issue to finance \$12 million in new money projects
  - 35-year level debt service assuming a 7-year par call option
  - Debt service on new money portion “wrapped around” refunding portion to create overall level debt service

**OPTION 2 (PUBLIC BOND OFFERING):**

- Cinderella structure: taxable bond that converts to tax-exempt (in year 2022 once the Series 2012 Bonds are called)
  - 35-year final maturity and amortization
  - Taxable interest rate of 5.00% (until year 2022)
  - Tax-exempt interest rate of 4.00% effective year 2022
- ‘Baa3’ (BBB-) rated, publically offered bond issue to finance \$12 million in new money projects
  - 35-year level debt service assuming a 7-year par call option
  - Debt service on new money portion “wrapped around” refunding portion to create overall level debt service

Preliminary debt service and statistics are included in the table below. Our estimates of interest rates are based on market conditions on September 18, 2020. Please note that structure and debt service are preliminary and subject to change.

	OPTION 1	OPTION 2
Total Par Amount	\$20,590,130	\$20,490,000
Final Maturity	10/1/2055	10/1/2055
True Interest Cost	4.334%	4.048%
Average Annual Debt Service <sup>(1)</sup>	\$1,193,922	\$1,146,333
Maximum Annual Debt Service <sup>(1)</sup>	\$1,196,151	\$1,149,000
Series 2012 Prior Debt Service	\$696,373	\$696,373
Average Annual Cash Flow Savings (until 2042) <sup>(1,2)</sup>	\$104,225	\$268,488
Net Present Value Savings <sup>(1,2)</sup>	\$680,221	\$1,062,677
Percentage Savings of Refunded Bonds <sup>(1,2)</sup>	7.923%	12.378%

(1) Excludes the release of the DSRF in the final year of maturity.

(2) Savings exclude Series 2020 debt service on new money portion for comparative purposes.

The first option capitalizes on Ziegler’s strengths as both placement agent and underwriter. As placement agent, Ziegler offers bank solicitation services and is able to obtain attractive bank commitment terms from multiple providers. As underwriter, Ziegler engages its account relationships in the public markets with well over 300 institutional investors, including short-term money market funds, intermediate funds (duration three to ten years), state specialty funds, long-term funds, high-yield funds, and closed-end bond funds.

The second option offers more simplicity and lower costs of issuance. While this option removes the benefits of a bank financing, Cornerstone will have many potential lenders as Ziegler will make a concerted effort to search out and work with second, third, and fourth tier purchasers, many of whom are often overlooked by competitors but have an appetite for bonds at a slightly lower yield.

With either option, Ziegler will invest the necessary time and effort to engage our relationships fully and apply our expertise in Florida charter school financing. Our bankers assigned to Cornerstone have a strong track record with either option, having served as underwriter or placement agent on a number of Florida charter school financings, including River City Science Academy (Jacksonville), Global Outreach Charter Academy (Jacksonville), Learning Gate Community School (Lutz), Pinellas Prep Academy (Pinellas), Pepin Academies (New Port Richey and Hillsborough), Odyssey Charter Schools, Inc (Palm Bay), Cornerstone Charter Academy (Orange), Els School of Excellence (Jupiter) and South Florida Autism Charter Schools (Hialeah), just to name a few.

We encourage you to call upon us if there are any other questions we can answer or assistance we can provide.

Sincerely,

A handwritten signature in black ink that reads "Wes Bradish". The signature is written in a cursive, flowing style.

Wes Bradish  
Managing Director  
Ziegler Investment Banking

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(Cornerstone Academy Project)  
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## SOURCES AND USES OF FUNDS

 Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Sources:	Cinderella Bond	Public Bond Offering	Total
<b>Bond Proceeds:</b>			
Par Amount	9,080,000.00	11,410,000.00	20,490,000.00
Premium		915,903.00	915,903.00
	<u>9,080,000.00</u>	<u>12,325,903.00</u>	<u>21,405,903.00</u>
<b>Other Sources of Funds:</b>			
Series 2012 Debt Service Reserve Fund	698,525.00		698,525.00
	<u>9,778,525.00</u>	<u>12,325,903.00</u>	<u>22,104,428.00</u>
<b>Uses:</b>			
<b>Project Fund Deposits:</b>			
Middle School Expansion		3,500,000.00	3,500,000.00
Classroom Expansion		5,000,000.00	5,000,000.00
Administrative Building		2,000,000.00	2,000,000.00
Concession Building, Bridge, Parking, Misc.		1,500,000.00	1,500,000.00
		<u>12,000,000.00</u>	<u>12,000,000.00</u>
<b>Refunding Escrow Deposits:</b>			
Cash Deposit	225.00		225.00
Open Market Purchases	9,516,020.55		9,516,020.55
	<u>9,516,245.55</u>		<u>9,516,245.55</u>
<b>Delivery Date Expenses:</b>			
Cost of Issuance	262,279.45	325,903.00	588,182.45
	<u>9,778,525.00</u>	<u>12,325,903.00</u>	<u>22,104,428.00</u>

PRIOR BOND DEBT SERVICE

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021	185,000	5.500%	513,200	698,200	8,400,000	8,400,000
10/01/2022	195,000	5.500%	503,025	698,025	8,205,000	8,205,000
10/01/2023	205,000	6.000%	492,300	697,300	8,000,000	8,000,000
10/01/2024	215,000	6.000%	480,000	695,000	7,785,000	7,785,000
10/01/2025	230,000	6.000%	467,100	697,100	7,555,000	7,555,000
10/01/2026	245,000	6.000%	453,300	698,300	7,310,000	7,310,000
10/01/2027	255,000	6.000%	438,600	693,600	7,055,000	7,055,000
10/01/2028	275,000	6.000%	423,300	698,300	6,780,000	6,780,000
10/01/2029	290,000	6.000%	406,800	696,800	6,490,000	6,490,000
10/01/2030	305,000	6.000%	389,400	694,400	6,185,000	6,185,000
10/01/2031	325,000	6.000%	371,100	696,100	5,860,000	5,860,000
10/01/2032	345,000	6.000%	351,600	696,600	5,515,000	5,515,000
10/01/2033	365,000	6.000%	330,900	695,900	5,150,000	5,150,000
10/01/2034	385,000	6.000%	309,000	694,000	4,765,000	4,765,000
10/01/2035	410,000	6.000%	285,900	695,900	4,355,000	4,355,000
10/01/2036	435,000	6.000%	261,300	696,300	3,920,000	3,920,000
10/01/2037	460,000	6.000%	235,200	695,200	3,460,000	3,460,000
10/01/2038	490,000	6.000%	207,600	697,600	2,970,000	2,970,000
10/01/2039	520,000	6.000%	178,200	698,200	2,450,000	2,450,000
10/01/2040	550,000	6.000%	147,000	697,000	1,900,000	1,900,000
10/01/2041	580,000	6.000%	114,000	694,000	1,320,000	1,320,000
10/01/2042	1,320,000	6.000%	79,200	1,399,200		
	8,585,000		7,438,025	16,023,025		

SUMMARY OF BONDS REFUNDED

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2012 Bonds, TERM22:	10/01/2022	5.500%	380,000.00		
Series 2012 Bonds, TERM42:	10/01/2042	6.000%	8,205,000.00	10/01/2022	100.000
			8,585,000.00		



**BOND PRICING**

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price
Cinderella Bond, Cinderella:								
	10/01/2055	9,080,000		3.038%	100.000			
Public Bond Offering, Tax-Exempt:								
	10/01/2021	205,000	4.000%	2.120%	101.542			
	10/01/2022	140,000	4.000%	2.150%	103.305			
	10/01/2023	150,000	4.000%	2.190%	104.943			
	10/01/2024	155,000	4.000%	2.250%	106.390			
	10/01/2025	160,000	4.000%	2.350%	107.494			
	10/01/2026	165,000	4.000%	2.490%	108.148			
	10/01/2027	170,000	4.000%	2.660%	108.319			
	10/01/2028	180,000	4.000%	2.830%	108.165			
	10/01/2029	185,000	4.000%	2.970%	107.947			
	10/01/2030	195,000	4.000%	3.090%	107.102	3.154%	12/01/2029	100.000
		<u>1,705,000</u>						
Public Bond Offering, Tax-Exempt:								
	10/01/2040	2,545,000	5.000%	3.680%	110.035	4.246%	12/01/2029	100.000
Public Bond Offering, Tax-Exempt:								
	10/01/2050	4,170,000	5.000%	3.930%	108.045	4.507%	12/01/2029	100.000
Public Bond Offering, Tax-Exempt:								
	10/01/2055	2,990,000	5.000%	4.030%	107.261	4.581%	12/01/2029	100.000
		<u>20,490,000</u>						

Dated Date	12/01/2020	
Delivery Date	12/01/2020	
First Coupon	04/01/2021	
Par Amount	20,490,000.00	
Premium	915,903.00	
Production	21,405,903.00	104.470000%
Underwriter's Discount		
Purchase Price	21,405,903.00	104.470000%
Accrued Interest		
Net Proceeds	21,405,903.00	

**BOND DEBT SERVICE**

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021	305,000	4.000%	839,541.66	1,144,541.66	20,185,000	20,185,000
10/01/2022	175,000	4.000%	970,802.22	1,145,802.22	20,010,000	20,010,000
10/01/2023	250,000	4.000%	897,450.00	1,147,450.00	19,760,000	19,760,000
10/01/2024	260,000	4.000%	887,450.00	1,147,450.00	19,500,000	19,500,000
10/01/2025	270,000	4.000%	877,050.00	1,147,050.00	19,230,000	19,230,000
10/01/2026	280,000	4.000%	866,250.00	1,146,250.00	18,950,000	18,950,000
10/01/2027	290,000	4.000%	855,050.00	1,145,050.00	18,660,000	18,660,000
10/01/2028	305,000	4.000%	843,450.00	1,148,450.00	18,355,000	18,355,000
10/01/2029	315,000	4.000%	831,250.00	1,146,250.00	18,040,000	18,040,000
10/01/2030	330,000	4.000%	818,650.00	1,148,650.00	17,710,000	17,710,000
10/01/2031	340,000	5.000%	805,450.00	1,145,450.00	17,370,000	17,370,000
10/01/2032	355,000	5.000%	789,850.00	1,144,850.00	17,015,000	17,015,000
10/01/2033	375,000	5.000%	773,550.00	1,148,550.00	16,640,000	16,640,000
10/01/2034	390,000	5.000%	756,300.00	1,146,300.00	16,250,000	16,250,000
10/01/2035	410,000	5.000%	738,350.00	1,148,350.00	15,840,000	15,840,000
10/01/2036	425,000	5.000%	719,450.00	1,144,450.00	15,415,000	15,415,000
10/01/2037	445,000	5.000%	699,900.00	1,144,900.00	14,970,000	14,970,000
10/01/2038	465,000	5.000%	679,400.00	1,144,400.00	14,505,000	14,505,000
10/01/2039	490,000	5.000%	657,950.00	1,147,950.00	14,015,000	14,015,000
10/01/2040	510,000	5.000%	635,350.00	1,145,350.00	13,505,000	13,505,000
10/01/2041	535,000	5.000%	611,800.00	1,146,800.00	12,970,000	12,970,000
10/01/2042	560,000	5.000%	587,100.00	1,147,100.00	12,410,000	12,410,000
10/01/2043	820,000	5.000%	324,000.00	1,144,000.00	11,590,000	11,590,000
10/01/2044	840,000	5.000%	306,000.00	1,146,000.00	10,750,000	10,750,000
10/01/2045	860,000	5.000%	287,000.00	1,147,000.00	9,890,000	9,890,000
10/01/2046	880,000	5.000%	266,750.00	1,146,750.00	9,010,000	9,010,000
10/01/2047	900,000	5.000%	245,500.00	1,145,500.00	8,110,000	8,110,000
10/01/2048	925,000	5.000%	223,250.00	1,148,250.00	7,185,000	7,185,000
10/01/2049	945,000	5.000%	199,750.00	1,144,750.00	6,240,000	6,240,000
10/01/2050	970,000	5.000%	175,250.00	1,145,250.00	5,270,000	5,270,000
10/01/2051	995,000	5.000%	149,500.00	1,144,500.00	4,275,000	4,275,000
10/01/2052	1,025,000	5.000%	122,500.00	1,147,500.00	3,250,000	3,250,000
10/01/2053	1,055,000	5.000%	94,000.00	1,149,000.00	2,195,000	2,195,000
10/01/2054	1,080,000	5.000%	64,000.00	1,144,000.00	1,115,000	1,115,000
10/01/2055	1,115,000	5.000%	32,750.00	1,147,750.00		
	20,490,000		19,631,643.88	40,121,643.88		

## DETAILED BOND DEBT SERVICE

Refund

Cinderella

Period Ending	Principal	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021	100,000	378,333.33	478,333.33	8,980,000	8,980,000
10/01/2022	35,000	425,552.22	460,552.22	8,945,000	8,945,000
10/01/2023	100,000	357,800.00	457,800.00	8,845,000	8,845,000
10/01/2024	105,000	353,800.00	458,800.00	8,740,000	8,740,000
10/01/2025	110,000	349,600.00	459,600.00	8,630,000	8,630,000
10/01/2026	115,000	345,200.00	460,200.00	8,515,000	8,515,000
10/01/2027	120,000	340,600.00	460,600.00	8,395,000	8,395,000
10/01/2028	125,000	335,800.00	460,800.00	8,270,000	8,270,000
10/01/2029	130,000	330,800.00	460,800.00	8,140,000	8,140,000
10/01/2030	135,000	325,600.00	460,600.00	8,005,000	8,005,000
10/01/2031	140,000	320,200.00	460,200.00	7,865,000	7,865,000
10/01/2032	145,000	314,600.00	459,600.00	7,720,000	7,720,000
10/01/2033	150,000	308,800.00	458,800.00	7,570,000	7,570,000
10/01/2034	155,000	302,800.00	457,800.00	7,415,000	7,415,000
10/01/2035	160,000	296,600.00	456,600.00	7,255,000	7,255,000
10/01/2036	170,000	290,200.00	460,200.00	7,085,000	7,085,000
10/01/2037	175,000	283,400.00	458,400.00	6,910,000	6,910,000
10/01/2038	180,000	276,400.00	456,400.00	6,730,000	6,730,000
10/01/2039	190,000	269,200.00	459,200.00	6,540,000	6,540,000
10/01/2040	195,000	261,600.00	456,600.00	6,345,000	6,345,000
10/01/2041	205,000	253,800.00	458,800.00	6,140,000	6,140,000
10/01/2042	210,000	245,600.00	455,600.00	5,930,000	5,930,000
10/01/2043	460,000		460,000.00	5,470,000	5,470,000
10/01/2044	460,000		460,000.00	5,010,000	5,010,000
10/01/2045	455,000		455,000.00	4,555,000	4,555,000
10/01/2046	455,000		455,000.00	4,100,000	4,100,000
10/01/2047	455,000		455,000.00	3,645,000	3,645,000
10/01/2048	455,000		455,000.00	3,190,000	3,190,000
10/01/2049	455,000		455,000.00	2,735,000	2,735,000
10/01/2050	455,000		455,000.00	2,280,000	2,280,000
10/01/2051	455,000		455,000.00	1,825,000	1,825,000
10/01/2052	455,000		455,000.00	1,370,000	1,370,000
10/01/2053	455,000		455,000.00	915,000	915,000
10/01/2054	455,000		455,000.00	460,000	460,000
10/01/2055	460,000		460,000.00		
	9,080,000	6,966,285.55	16,046,285.55		

Bond Variable Rate Table

Begin Date	End Date	Interest Rate
12/01/2020	07/01/2022	5.000%
07/02/2022	10/01/2042	4.000%

## DETAILED BOND DEBT SERVICE

New Money

Tax-Exempt

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021	205,000	4.000%	56,833.33	261,833.33	1,500,000	1,500,000
10/01/2022	140,000	4.000%	60,000.00	200,000.00	1,360,000	1,360,000
10/01/2023	150,000	4.000%	54,400.00	204,400.00	1,210,000	1,210,000
10/01/2024	155,000	4.000%	48,400.00	203,400.00	1,055,000	1,055,000
10/01/2025	160,000	4.000%	42,200.00	202,200.00	895,000	895,000
10/01/2026	165,000	4.000%	35,800.00	200,800.00	730,000	730,000
10/01/2027	170,000	4.000%	29,200.00	199,200.00	560,000	560,000
10/01/2028	180,000	4.000%	22,400.00	202,400.00	380,000	380,000
10/01/2029	185,000	4.000%	15,200.00	200,200.00	195,000	195,000
10/01/2030	195,000	4.000%	7,800.00	202,800.00		
	1,705,000		372,233.33	2,077,233.33		

## DETAILED BOND DEBT SERVICE

New Money

Tax-Exempt

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021			106,041.67	106,041.67	2,545,000	2,545,000
10/01/2022			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2023			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2024			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2025			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2026			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2027			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2028			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2029			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2030			127,250.00	127,250.00	2,545,000	2,545,000
10/01/2031	200,000	5.000%	127,250.00	327,250.00	2,345,000	2,345,000
10/01/2032	210,000	5.000%	117,250.00	327,250.00	2,135,000	2,135,000
10/01/2033	225,000	5.000%	106,750.00	331,750.00	1,910,000	1,910,000
10/01/2034	235,000	5.000%	95,500.00	330,500.00	1,675,000	1,675,000
10/01/2035	250,000	5.000%	83,750.00	333,750.00	1,425,000	1,425,000
10/01/2036	255,000	5.000%	71,250.00	326,250.00	1,170,000	1,170,000
10/01/2037	270,000	5.000%	58,500.00	328,500.00	900,000	900,000
10/01/2038	285,000	5.000%	45,000.00	330,000.00	615,000	615,000
10/01/2039	300,000	5.000%	30,750.00	330,750.00	315,000	315,000
10/01/2040	315,000	5.000%	15,750.00	330,750.00		
	2,545,000		2,003,041.67	4,548,041.67		

## DETAILED BOND DEBT SERVICE

New Money

Tax-Exempt

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021			173,750	173,750	4,170,000	4,170,000
10/01/2022			208,500	208,500	4,170,000	4,170,000
10/01/2023			208,500	208,500	4,170,000	4,170,000
10/01/2024			208,500	208,500	4,170,000	4,170,000
10/01/2025			208,500	208,500	4,170,000	4,170,000
10/01/2026			208,500	208,500	4,170,000	4,170,000
10/01/2027			208,500	208,500	4,170,000	4,170,000
10/01/2028			208,500	208,500	4,170,000	4,170,000
10/01/2029			208,500	208,500	4,170,000	4,170,000
10/01/2030			208,500	208,500	4,170,000	4,170,000
10/01/2031			208,500	208,500	4,170,000	4,170,000
10/01/2032			208,500	208,500	4,170,000	4,170,000
10/01/2033			208,500	208,500	4,170,000	4,170,000
10/01/2034			208,500	208,500	4,170,000	4,170,000
10/01/2035			208,500	208,500	4,170,000	4,170,000
10/01/2036			208,500	208,500	4,170,000	4,170,000
10/01/2037			208,500	208,500	4,170,000	4,170,000
10/01/2038			208,500	208,500	4,170,000	4,170,000
10/01/2039			208,500	208,500	4,170,000	4,170,000
10/01/2040			208,500	208,500	4,170,000	4,170,000
10/01/2041	330,000	5.000%	208,500	538,500	3,840,000	3,840,000
10/01/2042	350,000	5.000%	192,000	542,000	3,490,000	3,490,000
10/01/2043	360,000	5.000%	174,500	534,500	3,130,000	3,130,000
10/01/2044	380,000	5.000%	156,500	536,500	2,750,000	2,750,000
10/01/2045	405,000	5.000%	137,500	542,500	2,345,000	2,345,000
10/01/2046	425,000	5.000%	117,250	542,250	1,920,000	1,920,000
10/01/2047	445,000	5.000%	96,000	541,000	1,475,000	1,475,000
10/01/2048	470,000	5.000%	73,750	543,750	1,005,000	1,005,000
10/01/2049	490,000	5.000%	50,250	540,250	515,000	515,000
10/01/2050	515,000	5.000%	25,750	540,750		
	4,170,000		5,367,250	9,537,250		

## DETAILED BOND DEBT SERVICE

New Money

Tax-Exempt

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
10/01/2021			124,583.33	124,583.33	2,990,000	2,990,000
10/01/2022			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2023			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2024			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2025			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2026			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2027			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2028			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2029			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2030			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2031			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2032			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2033			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2034			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2035			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2036			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2037			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2038			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2039			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2040			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2041			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2042			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2043			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2044			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2045			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2046			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2047			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2048			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2049			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2050			149,500.00	149,500.00	2,990,000	2,990,000
10/01/2051	540,000	5.000%	149,500.00	689,500.00	2,450,000	2,450,000
10/01/2052	570,000	5.000%	122,500.00	692,500.00	1,880,000	1,880,000
10/01/2053	600,000	5.000%	94,000.00	694,000.00	1,280,000	1,280,000
10/01/2054	625,000	5.000%	64,000.00	689,000.00	655,000	655,000
10/01/2055	655,000	5.000%	32,750.00	687,750.00		
	2,990,000		4,922,833.33	7,912,833.33		

**BOND SUMMARY STATISTICS**

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Dated Date	12/01/2020
Delivery Date	12/01/2020
Last Maturity	10/01/2055
Arbitrage Yield	3.690197%
True Interest Cost (TIC)	4.048164%
Net Interest Cost (NIC)	4.005423%
All-In TIC	4.257122%
Average Coupon	4.201439%
Average Life (years)	22.804
Duration of Issue (years)	13.706
Par Amount	20,490,000.00
Bond Proceeds	21,405,903.00
Total Interest	19,631,643.88
Net Interest	18,715,740.88
Total Debt Service	40,121,643.88
Maximum Annual Debt Service	1,149,000.00
Average Annual Debt Service	1,151,817.53
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	104.470000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Tax-Exempt	1,705,000.00	106.330	4.000%	5.458	857.95
Tax-Exempt	2,545,000.00	110.035	5.000%	15.741	2,061.45
Cinderella	9,080,000.00	100.000	3.285%	23.358	16,525.60
Tax-Exempt	4,170,000.00	108.045	5.000%	25.742	3,294.30
Tax-Exempt	2,990,000.00	107.261	5.000%	32.929	2,332.20
	20,490,000.00			22.804	25,071.50



**BOND SUMMARY STATISTICS**

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

	TIC	All-In TIC	Arbitrage Yield
Par Value	20,490,000.00	20,490,000.00	20,490,000.00
+ Accrued Interest			
+ Premium (Discount)	915,903.00	915,903.00	915,903.00
- Underwriter's Discount			
- Cost of Issuance Expense		-588,182.45	
- Other Amounts			
Target Value	21,405,903.00	20,817,720.55	21,405,903.00
Target Date	12/01/2020	12/01/2020	12/01/2020
Yield	4.048164%	4.257122%	3.690197%

SAVINGS

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 12/01/2020 @ 3.6901973%
10/01/2021	698,200.00	478,333.33	219,866.67	215,152.06
10/01/2022	698,025.00	460,552.22	237,472.78	222,541.27
10/01/2023	697,300.00	457,800.00	239,500.00	217,047.94
10/01/2024	695,000.00	458,800.00	236,200.00	206,319.83
10/01/2025	697,100.00	459,600.00	237,500.00	199,934.01
10/01/2026	698,300.00	460,200.00	238,100.00	193,170.03
10/01/2027	693,600.00	460,600.00	233,000.00	182,189.22
10/01/2028	698,300.00	460,800.00	237,500.00	178,954.16
10/01/2029	696,800.00	460,800.00	236,000.00	171,366.00
10/01/2030	694,400.00	460,600.00	233,800.00	163,598.95
10/01/2031	696,100.00	460,200.00	235,900.00	159,057.94
10/01/2032	696,600.00	459,600.00	237,000.00	153,977.38
10/01/2033	695,900.00	458,800.00	237,100.00	148,425.35
10/01/2034	694,000.00	457,800.00	236,200.00	142,464.95
10/01/2035	695,900.00	456,600.00	239,300.00	139,061.28
10/01/2036	696,300.00	460,200.00	236,100.00	132,180.60
10/01/2037	695,200.00	458,400.00	236,800.00	127,716.67
10/01/2038	697,600.00	456,400.00	241,200.00	125,324.18
10/01/2039	698,200.00	459,200.00	239,000.00	119,616.57
10/01/2040	697,000.00	456,600.00	240,400.00	115,894.19
10/01/2041	694,000.00	458,800.00	235,200.00	109,196.93
10/01/2042	1,399,200.00	455,600.00	943,600.00	423,995.91
10/01/2043		460,000.00	-460,000.00	-199,599.03
10/01/2044		460,000.00	-460,000.00	-192,432.38
10/01/2045		455,000.00	-455,000.00	-183,506.50
10/01/2046		455,000.00	-455,000.00	-176,917.66
10/01/2047		455,000.00	-455,000.00	-170,565.39
10/01/2048		455,000.00	-455,000.00	-164,441.21
10/01/2049		455,000.00	-455,000.00	-158,536.91
10/01/2050		455,000.00	-455,000.00	-152,844.61
10/01/2051		455,000.00	-455,000.00	-147,356.69
10/01/2052		455,000.00	-455,000.00	-142,065.82
10/01/2053		455,000.00	-455,000.00	-136,964.91
10/01/2054		455,000.00	-455,000.00	-132,047.16
10/01/2055		460,000.00	-460,000.00	-128,704.94
	16,023,025.00	16,046,285.55	-23,260.55	1,761,202.23

Savings Summary

PV of savings from cash flow	1,761,202.23
Less: Prior funds on hand	-698,525.00
Net PV Savings	1,062,677.23

## SUMMARY OF REFUNDING RESULTS

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Dated Date	12/01/2020
Delivery Date	12/01/2020
Arbitrage yield	3.690197%
Escrow yield	0.609329%
Value of Negative Arbitrage	410,779.18
Bond Par Amount	9,080,000.00
True Interest Cost	3.629244%
Net Interest Cost	3.284564%
Average Coupon	3.284564%
Average Life	23.358
Par amount of refunded bonds	8,585,000.00
Average coupon of refunded bonds	5.997913%
Average life of refunded bonds	14.279
PV of prior debt to 12/01/2020 @ 3.690197%	10,765,363.53
Net PV Savings	1,062,677.23
Percentage savings of refunded bonds	12.378302%
Percentage savings of refunding bonds	11.703494%

ESCROW REQUIREMENTS

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Period Ending	Principal	Interest	Principal Redeemed	Total
04/01/2021		256,600.00		256,600.00
10/01/2021	185,000.00	256,600.00		441,600.00
04/01/2022		251,512.50		251,512.50
10/01/2022	195,000.00	251,512.50	8,205,000.00	8,651,512.50
	380,000.00	1,016,225.00	8,205,000.00	9,601,225.00

## ESCROW DESCRIPTIONS

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Type of Security	CUSIP or ID	Maturity Date	Par Amount	Rate	Yield	Price	Interest Class	Interest Frequency	Interest Day Basis
Dec 1, 2020:									
TSTRIP-I	912834TK4	03/15/2021	257,000		0.176%	99.949	Zero Coupon	Semiannual	ACT/ACT
TSTRIP-I	912834TX6	09/15/2021	693,000		0.874%	99.316	Zero Coupon	Semiannual	ACT/ACT
TSTRIP-I	912834UT3	06/15/2022	8,651,000		0.606%	99.074	Zero Coupon	Semiannual	ACT/ACT
			9,601,000						

ESCROW COST

Florida Development Finance Corporation  
Refunding Bonds, Series 2020  
(Cornerstone Academy Project)  
Preliminary | Subject to Change

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Total Cost
TSTRIP-I	03/15/2021	257,000		0.176%	99.949	256,868.93	256,868.93
TSTRIP-I	09/15/2021	693,000		0.874%	99.316	688,259.88	688,259.88
TSTRIP-I	06/15/2022	8,651,000		0.606%	99.074	8,570,891.74	8,570,891.74
		9,601,000				9,516,020.55	9,516,020.55

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
12/01/2020	9,516,020.55	225.00	9,516,245.55
	9,516,020.55	225.00	9,516,245.55

ESCROW CASH FLOW

Florida Development Finance Corporation  
Refunding Bonds, Series 2020  
(Cornerstone Academy Project)  
Preliminary | Subject to Change

Date	Principal	Net Escrow Receipts
03/15/2021	257,000.00	257,000.00
09/15/2021	693,000.00	693,000.00
06/15/2022	8,651,000.00	8,651,000.00
	9,601,000.00	9,601,000.00

Escrow Cost Summary

Purchase date	12/01/2020
Purchase cost of securities	9,516,020.55

## ESCROW SUFFICIENCY

Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
12/01/2020		225.00	225.00	225.00
03/15/2021		257,000.00	257,000.00	257,225.00
04/01/2021	256,600.00		-256,600.00	625.00
09/15/2021		693,000.00	693,000.00	693,625.00
10/01/2021	441,600.00		-441,600.00	252,025.00
04/01/2022	251,512.50		-251,512.50	512.50
06/15/2022		8,651,000.00	8,651,000.00	8,651,512.50
10/01/2022	8,651,512.50		-8,651,512.50	
	9,601,225.00	9,601,225.00	0.00	



## ESCROW STATISTICS

 Florida Development Finance Corporation  
 Refunding Bonds, Series 2020  
 (Cornerstone Academy Project)  
 Preliminary | Subject to Change

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
<b>Cinderella Bond:</b>							
DSRF	698,525.00	0.603	0.749745%	0.695228%	685,168.06	12,167.43	1,189.51
FILL	8,817,720.55	1.513	0.609329%	0.508231%	8,326,767.65	398,611.75	92,341.15
	9,516,245.55				9,011,935.71	410,779.18	93,530.66

 Delivery date 12/01/2020  
 Arbitrage yield 3.690197%