FLORIDA PORTS FINANCING COMMISSION

Canaveral Port Authority · Port Everglades · Port of Fort Pierce ·
Jacksonville Port Authority · Manatee County Port Authority · PortMiami · Port of Palm Beach ·
Panama City Port Authority · Port of Pensacola · Tampa Port Authority

January 17, 2020

10:00 A.M.

Teleconference

Call-in Number: 605-475-2874

Meeting ID: 934 8585

502 East Jefferson Street, Tallahassee, Florida 32301
Phone: (850) 222-8028 · Fax: (850) 222-7552
Email: info@flaports.org

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AGENDA

1. Call to Order
2. Roll Call
3. Approval of September 24, 2019 Florida Ports Financing Commission (FPFC) Meeting Summary
4. Administrative Report
5. Other Issues
6. Adjournment

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TAB 1
Call to Order

TAB 2
Roll Call

FLORIDA PORTS FINANCING COMMISSION

ROLL CALL

MEMBER	PORT REPRESENTATIVE
PORT CANAVERAL	Mike Poole Pat Poston
PORT EVERGLADES	David Anderton
PORT OF FT. PIERCE	Kevin Lindgren
PORT OF JACKSONVILLE	Beth McCague
PORT MANATEE	Denise Stufflebeam
PORTMIAMI	Becky Hope
PORT OF PALM BEACH	Manuel Almira
PORT PANAMA CITY	John Miller
PORT OF PENSACOLA	Amy Miller
PORT TAMPA BAY	Ram Kancharla

TAB 3
Approval of September 24, 2019 Florida Ports Financing Commission (FPFC) Meeting Summary

September 24, 2019
10:00 A.M.
Teleconference

The Florida Ports Financing Commission was called to order at 10:00 a.m. by Chairman Mike Poole. Members and guests attending included:

Mike Poole, Canaveral (Chair)
Pat Poston, Canaveral
Glenn Wiltshire, Everglades
Laura DiBella, Fernandina
Beth McCague, JAXPORT
Susan Stewart, JAXPORT
Fred Wong, JAXPORT
Eric Green, JAXPORT
Denise Stufflebeam, Manatee
John Miller, Panama City
Dave Wirth, St. Pete
Doug Wheeler, Florida Ports Council
Mike Rubin, Florida Ports Council
Casey Grigsby, Florida Ports Council

A quorum was present.

Tab 3, Approval of the June 27, 2019 FPFC Meeting Summary: A motion was made to approve the June 27, 2019 Florida Ports Financing Commission (FPFC) Meeting Summary by Denise Stufflebeam; this was seconded by Pat Poston. The motion passed without dissent.

Tab 4, Administrative Report: Casey Grigsby provided members with an update on the financial standing of the committee. The next meeting will be in January and another meeting following the completion of the audit by Carr Riggs Ingraham.

Tab 5, Approval of the FPFC FY 19 Budget: Staff reviewed the FY 19 Budget of the Florida Ports Financing Commission. A motion was made to approve FY19 Budget of the Florida Ports Financing Commission by Laura DiBella; this was seconded by Amy Miller. The motion passed without dissent.

Tab 6, Election of Officers Recommended by the Nominating Committee: Chair Poole asked staff to provide context for actions required by the committee and Grigsby stated that the committee is charged with presenting a slate of recommended officers for Chair, Vice-Chair and Secretary/Treasurer to the Board for approval. Due to term limits, Poole will be rolling off the committee as Chair. Poole then asked Grigsby to provide information on discussions she had held with members of the nominating committee who had expressed a continuing interest/willingness to serve. Grigsby noted she had discussions with Vice-Chair Pat Poston (Canaveral) and Secretary/ Treasurer Denise Stufflebeam (Manatee) and all had acknowledged their willingness to serve a second term. After discussion by the committee, it was recommended that Denise Stufflebeam move to serve as Chair, Pat Poston remain as Vice Chair, and John Miller from the Port of Panama City be recommended for the position of Secretary/Treasurer. A motion was made to approve the slate of officers recommended for the Florida Ports Financing Commission. The motion was made by Amy Miller this was seconded by Fred Wong. The motion passed without dissent.

Tab 7, Other Issues: No other issues were raised by the FPFC members.

Tab 8, Adjournment: The meeting was adjourned at 10:16 p.m.

TAB 4
Administrative Report

2019 FPFC Fitch Rating Update

06 Nov 2019 | New Issue

Fitch Affirms Florida Ports Financing Commission Revs and Seaport Investment Program Revs at 'AA+'

Fitch Ratings-New York-06 November 2019: Fitch Ratings has affirmed the 'AA+' rating on the following outstanding revenue bonds of the Florida Ports Financing Commission:

--$6.4 million refunding revenue bonds (state transportation trust fund) series 2011A (non-AMT);
--$85.3 million refunding revenue bonds (state transportation trust fund) series 2011B (AMT);
--$49.2 million refunding revenue bonds (state transportation trust fund-intermodal program) series 2011A (non-AMT);
--$34.8 million refunding revenue bonds (state transportation trust fund-intermodal program) series 2011B (AMT).

In addition, Fitch has affirmed the 'AA+' rating on $120.1 million of outstanding Seaport Investment Program revenue bonds, series 2013 of the Florida Department of Transportation (DOT) issued by the state of Florida.

The Rating Outlook is Stable.

SECURITY

The Ports Financing Commission revenue bonds are payable from basic payments made by the state's ports under respective loan agreements to the bond trustee, for the account of the commission. The basic payments, which are equal to debt service in the aggregate, are paid by the state's ports solely from revenue derived from motor vehicle (MV) license taxes deposited into the state transportation trust fund (STTF) pursuant to Section 320.20, Florida Statutes, subject to annual appropriation by the state. The statutory distribution of revenue to the state ports from the STTF totals $15 million and it is subordinate to the formulaic distribution of funds for state education capital outlay and a flat $25 million allocation for general transportation purposes.

The DOT revenue bonds are paid from a first lien on the annual allocation to the Seaport Investment Program (SIP) pursuant to Section 39.0801(1) Florida Statutes, subject to annual appropriation by the state, consisting of the first $10 million of up to a maximum of $200 million each year of MV title fee revenues deposited into the STTF.

ANALYTICAL CONCLUSION
For the Florida Port Financing Commission Revenue Bonds and Seaport Investment Program Bonds:

The 'AA+' ratings for both the Florida Port Financing Commission revenue bonds and the seaport investment program bonds are based on Fitch's dedicated tax analysis. The ratings on the bonds are limited to one notch below the state's IDR, as the allocation of pledged revenues to the STTF is subject to appropriation by the state. The limited leveraging of the revenue stream results in a structure that is highly resilient to volatility in pledged revenues.

KEY RATING DRIVERS
For the Florida Port Financing Commission Revenue Bonds: Resilient Structure: Fitch estimates the structure can tolerate a 98% decline in MV license tax revenue before coverage of MADS on the bonds reaches 1.0x. The coverage cushion is exceptional relative to the worst cumulative historical revenue decline and relative to the expected revenue loss in a moderate economic downturn. Debt service is limited to the current $15 million STTF allocation to the state's ports, which is very low in relation to the roughly $637 million in MV license tax revenue deposited to the STTF in fiscal 2019 after prior obligation to school capital outlay and general transportation purposes.

Solid Growth Expectations: MV license tax revenues have increased 3.3% on a compound annual basis over the 10-year period ending fiscal 2019. Expectations for continued solid revenue growth are underpinned by the state's favorable in-migration record and prospects for ongoing economic expansion.

For the Seaport Investment Program Revenue Bonds: Resilient Structure: A portion of the MV title fee ($47) is deposited in the STTF up to a maximum of $200 million in any fiscal year. The $47 portion of the MV title fee generated $245.5 million in fiscal 2019, after prior obligation to school capital outlay and general transportation purposes. Fitch estimates the structure can tolerate a 97% decline in MV title fee revenue before coverage of MADS on the bonds reaches 1.0x. The coverage cushion is exceptional relative to the worst cumulative revenue decline and expected revenue loss in a moderate economic downturn. Debt service is limited to the current $10 million STTF allocation to the SIP.

Solid Growth Expectations: The MV title fee revenue growth has been slow over the 10-year period ending fiscal 2019. Recent revenue performance has improved and Fitch expects a solid pace of revenue growth over time based on the continued expansion in Florida's economy and population.

RATING SENSITIVITIES

The ratings for both dedicated tax bonds are sensitive to shifts in performance expectations for the pledged revenues that would affect the debt service coverage cushion on the bonds. Given the exceptional coverage cushion and low risk to additional leverage Fitch considers this scenario as unlikely to occur. The rating is also sensitive to changes in the general credit quality of the state of Florida (IDR AAA) because of the requirement for legislative appropriation.

ECONOMIC RESOURCE BASE

The Florida economy is characterized by sustained growth and in-migration, which have been supported by its depth of natural amenities, temperate climate, relatively low cost of living, and proximity to Latin American and Caribbean nations. Tourism activity, buoyed by the state's abundance of tidal shoreline, theme parks, convention venues, and major cruise ship ports is a key driver of the state's economic performance along with construction and real estate-related financial activities.

DEDICATED TAX CREDIT PROFILE

For the Florida Ports Financing Commission Revenue Bonds

The commission was created as part of the state's economic development plans to provide financial assistance to the state's deep water ports in an effort to improve their economic competitiveness and value. The commission issued two series of revenue bonds as matching funds for several of the state's ports in 1996 and 1999, which have since been refunded by the bonds currently outstanding. The commission loaned the proceeds of the bonds to the ports pursuant to separate loan agreements, with the loans to be repaid only from appropriated MV license tax revenues. The participating ports have assigned their right, title, and interest in their allocation of the appropriated MV license tax revenues to the trustee for their respective shares of debt service.

The State Department of Highway Safety and Motor Vehicles (DMV) levies an annual license tax for the operation of motor vehicles upon the registration or re-registration of automobiles, motorcycles, motor trucks and all other power-propelled vehicles operated over the public highways and streets of Florida.

The state's favorable in-migration record and prospects for ongoing economic expansion support Fitch's view of revenue performance above the rate of inflation over time. The amount of MV license tax revenues available for appropriation to the ports for basic payments, after prior payments for school capital outlay and general transportation purposes, totaled $636.7 million in fiscal 2019. Revenues increased 3.1% in fiscal 2019, 3.9% in fiscal 2018, 7.3% in fiscal 2017, and 1.8% in fiscal 2016. The 10-year revenue CAGR through fiscal 2019 was 3.3%.

Maximum annual debt service (MADS) on the STTF bonds is $14.99 million - effectively a 1.0x coverage ratio from the $15 million statutory allocation of MV license tax revenue to the STTF for the ports transportation and economic development program. No additional borrowing is planned and bond issuance is limited to the amount of debt that can be serviced by the $15 million annual appropriation to the ports from the STTF.

The STTF structure provides the bonds with exceptional resilience relative to potential cyclicality under both scenarios review by Fitch. MV license tax revenues available for appropriation to the STTF can decline by 98% before reaching 1.0x MADS. The largest cumulative decline in the revenue history reviewed by Fitch was an 11% decline in fiscal 2015 and the Fitch Analytical Stress Test (FAST) model produces a 5.1% decline under the baseline -1% U.S. GDP scenario.

For the Seaport Investment Program Revenue Bonds
The Florida Department of Highway Safety and Motor Vehicles (DMV) collects title fees upon the issuance of each original or duplicate certificate of title on all motor vehicles in the state. Motor vehicles include automobiles, mobile homes, motorcycles, trucks, trailers, semitrailers, truck tractor, recreational vehicles and all other power-propelled vehicles operated on the roads of the state.

The current fee is $77.25 for each certificate of title, except for motor vehicles for hire, including rental cars and taxi cabs. From each $77.25 title fee collected, $47 is deposited in the STTF up to a maximum of $200 million in any fiscal year. The current allocation to the SIP is $10 million annually, which is the amount pledged to bondholders. The annual allocation can be increased by the state legislature, to create additional bonding capacity, but there are no plans to do so at this time.

All MV title fee revenues are either collected by the state DMV or by county tax collectors within the state, deposited into the state treasury no later than five business days after collection, and remitted to the Florida Department of Transportation for deposit into the debt service account.

The $47 portion of MV title fees, based on the actual number of title fee transactions recorded within the state, has increased at a 10-year CAGR of 2.2% through fiscal 2019. MV title fee revenues have historically exhibited a high level of volatility, declining by 28% in aggregate from fiscal 2007-2010. Fitch views this revenue loss as considerably steeper than what would be expected based on a moderate recession scenario alone.

Consistent with Fitch's view MV license tax revenues dedicated to the Florida Ports Commission revenue bonds, discussed above, the MV title fee revenues dedicated to the Seaport Investment Program revenue bonds benefit from the state's favorable in-migration trends and ongoing economic expansion. Collections following the Great Recession rebounded strongly thru fiscal 2016 but have slowed in recent years with growth registering about 2.5% in total from fiscal 2017-2019. Florida's July 2019 Economic Estimating Conference attributes the shift to a retrenchment in new light vehicle sales, and the state is forecasting continued slow growth due to a combination of rising economic uncertainty and lower demand from consumers who have already replaced their older vehicles.

For the Seaport Investment Program revenue bonds, the structure provides exceptional resilience relative to potential cyclicality. The $47 portion of the transaction fee generated $245.5 million in fiscal 2019 compared to the $8.6 million in MADS that was structured within the $10 million annual allocation to SIP from the STTF. Assuming full leverage to the $10 million statutory allowance, MV title fee revenues could withstand a 97% decline before coverage declines to 1.0x. The coverage cushion is evaluated in the context of the 28% cumulative decline in revenue recorded from fiscal 2006-2010, and against the results of the FAST model under the baseline -1% U.S. GDP scenario, which produces a stress of -6.4%. Even with these declines, the coverage cushion provided exceptional resilience, with multiples of coverage of expected debt service.

No additional borrowing is planned and bond issuance is limited to the amount of debt that can be serviced by the fixed annual appropriation and compliance with an additional bonds test (ABT) which requires the $47 portion of title fees in the prior year provide 1.5x coverage of maximum annual debt service. While the structure can support sizeable additional borrowing while maintaining coverage and resiliency consistent with the current rating, Fitch assumes the state will not leverage up to ABT.

Contact:

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Refundıng/New Money Analysis Wells Fargo as of October 2019

Florida Ports Financing Commission

Preliminary & Subject to Change

Preliminary Refunding & New Money Analysis

2020 Issuance - Combined Taxable Advance Refunding of Outstanding Series 2011A&B (Restructuring) & New Money

Assuming Current Interest Rates as of 11/8/2019

Scenario	Existing Debt (STTF & STTF-Interm.)	5-Year Extension Beyond Current Term (Taxable Refunding | Tax-Exempt New Money)			10-Year Extension Beyond Current Term (Taxable Refunding | Tax-Exempt New Money)			20-Year Extension Beyond Current Term (Taxable Refunding | Tax-Exempt New Money)		
Refunded Bonds	n/a	**STTF ($15mm)**	**STTF-Intermodal ($10mm)**	**Combined**	**STTF ($15mm)**	**STTF-Intermodal ($10mm)**	**Combined**	**STTF ($15mm)**	**STTF-Intermodal ($10mm)**	**Combined**
New Issue Summary										
Assumed Issuance Date	$169,880,000	6/1/2020	6/1/2020	--	6/1/2020	6/1/2020	--	6/1/2020	6/1/2020	--
Par Amount	outstanding after	$137,340,000	$116,350,000	$253,690,000	$175,380,000	$138,420,000	$313,800,000	$229,095,000	$168,975,000	$398,070,000
All-In True Interest Cost	10/1/2019	2.39%	2.71%	--	2.83%	3.06%	--	3.46%	3.56%	--
New Money Portion Summary										
Project Fund Deposit		$65,184,480	$41,484,234	$106,668,715	$111,600,549	$68,038,935	$179,639,484	$173,527,438	$103,134,750	$276,662,188
Maturity of New Money Bonds		6/1/2032	10/1/2034	--	6/1/2037	10/1/2039	--	6/1/2047	10/1/2049	--
Refunding Portion Summary										
Par Amount Refunded (Series 2011A&B)		$81,305,000	$78,165,000	$159,470,000	$81,305,000	$78,165,000	$159,470,000	$81,305,000	$78,165,000	$159,470,000
Maturity of Refunded Bonds		**6/1/2027**	**10/1/2029**	--	**6/1/2027**	**10/1/2029**	--	**6/1/2027**	**10/1/2029**	--
Maturity of Refunding Bonds		**6/1/2028**	**10/1/2031**	--	**6/1/2030**	**10/1/2033**	--	**6/1/2034**	**10/1/2038**	--
Call Date/Price		6/1/2021 @ 100%	10/1/2021 @ 100%	--	6/1/2021 @ 100%	10/1/2021 @ 100%	--	6/1/2021 @ 100%	10/1/2021 @ 100%	--
Present Value Savings ($)		$4,698,945	$5,847,822	$10,546,767	$4,674,655	$5,653,953	$10,328,608	$5,296,599	$5,367,969	$10,664,568
Present Value Savings (%)		5.78%	7.48%	6.61%	5.75%	7.23%	6.48%	6.51%	6.87%	6.69%
Annual Debt Service										
6/30/2020	$24,989,369	$0	$0	$0	$0	$0	$0	$0	$0	$0
6/30/2021	24,984,744	14,997,473	9,999,864	24,997,336	14,998,716	9,996,615	24,995,331	14,998,708	9,998,692	24,997,400
6/30/2022	24,982,806	14,999,979	9,997,190	24,997,168	14,998,352	9,998,877	24,997,229	14,997,112	9,995,825	24,992,937
6/30/2023	24,986,231	14,998,372	9,995,158	24,993,530	14,995,635	9,995,423	24,991,058	14,995,655	9,997,236	24,992,890
6/30/2024	24,984,581	14,995,172	9,996,564	24,991,736	14,998,535	9,996,641	24,995,176	14,997,955	9,995,108	24,993,063
6/30/2025	24,982,984	14,997,097	9,997,907	24,995,004	14,995,186	9,999,644	24,994,830	14,999,448	9,997,559	24,997,006
6/30/2026	24,987,619	14,997,521	9,997,652	24,995,173	14,998,546	9,998,195	24,996,741	14,997,024	9,998,715	24,995,739
6/30/2027	17,485,513	14,997,479	9,999,017	24,996,496	14,996,163	9,995,904	24,992,067	14,995,917	9,997,653	24,993,570
6/30/2028	9,990,919	14,998,789	9,996,317	24,995,106	14,998,697	9,997,160	24,995,856	14,999,775	9,998,982	24,998,757
6/30/2029	9,995,847	14,995,500	9,997,159	24,992,659	14,997,157	9,999,028	24,996,185	14,999,223	9,999,092	24,998,315
6/30/2030	9,991,122	14,998,250	9,995,858	24,994,108	14,998,853	9,996,016	24,994,869	14,997,514	9,997,657	24,995,170
6/30/2031		14,999,250	9,997,952	24,997,202	14,997,500	9,998,569	24,996,069	14,997,495	9,999,947	24,997,441
6/30/2032		7,497,000	9,997,251	17,494,251	14,996,250	9,996,104	24,992,354	14,995,145	9,995,622	24,990,767
6/30/2033			9,997,375	9,997,375	14,997,750	9,996,355	24,994,105	14,994,790	9,998,154	24,992,944
6/30/2034			9,999,750	9,999,750	14,995,500	9,997,529	24,993,029	14,995,574	9,996,991	24,992,565
6/30/2035			9,998,875	9,998,875	14,998,250	9,996,875	24,995,125	14,995,000	9,997,860	24,992,860
6/30/2036				0	14,999,250	9,997,375	24,996,625	14,997,500	9,996,546	24,994,046
6/30/2037				0	7,497,000	9,997,875	17,494,875	14,999,500	9,994,943	24,994,443
6/30/2038				0		9,997,375	9,997,375	14,995,000	9,998,415	24,993,415
6/30/2039				0		9,999,750	9,999,750	14,998,250	9,999,374	24,997,624
6/30/2040				0		9,998,875	9,998,875	14,997,750	9,997,375	24,995,125
6/30/2041				0			0	14,997,500	9,999,000	24,996,500
6/30/2042				0			0	14,996,250	9,995,125	24,991,375
6/30/2043				0			0	14,997,750	9,999,875	24,997,625
6/30/2044				0			0	14,995,500	9,997,375	24,992,875
6/30/2045				0			0	14,998,250	9,996,875	24,995,125
6/30/2046				0			0	14,999,250	9,997,375	24,996,625
6/30/2047				0			0	7,497,000	9,997,875	17,494,875
6/30/2048				0			0		9,997,375	9,997,375
6/30/2049				0			0		9,999,750	9,999,750
6/30/2050				0			0		9,998,875	9,998,875
Total	$222,361,734	$172,471,881	$149,963,886	$322,435,767	$247,457,339	$199,950,182	$447,407,521	$397,425,830	$299,931,244	$697,357,073

-Analysis is preliminary and subject to change.

-Assumes uninsured 'Aa3/AA+/AA+' rated interest rates as of 11/8/2019 with 10-year par call.

-Present value savings calculated using all-in true interest cost of issue.

-Refunding of exising bonds includes refunding of both callable and non-callable bonds, restructuring and extension of final maturity, and use of taxable refunding bonds.

-New money bonds assumed to be tax-exempt (AMT), and wrapped around refunding bonds.

HilltopSecurities
A Hilltop Holdings Company.

Refunding/New Money Analysis
Hilltop Securities as of November 2019

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MEMORANDUM

To:	Mike Poole Florida Ports Financing Commission	Doug Wheeler Florida Ports Council
Date:	October 21, 2019	
Re:	Refunding Opportunity	

Today's near record low interest rate environment presents an opportunity for the Florida Ports Financing Commission (the "Commission") to refund certain bonds to generate significant savings. Our preliminary analyses indicate savings under current market conditions of as much as $14.6 million or 10.8% of refunded par. On behalf of Wells Fargo Securities, we are pleased to share the attached refinancing analysis which details two alternative refinancing structures – a taxable advance refunding through the public market and a tax-exempt, delayed delivery direct purchase loan from Wells Fargo Bank, N.A. ("WFBNA").(2)

Global bond rates, fueled by the actions of concerned central banks, have been sinking rapidly, with the market concerned that trade wars will stall global growth. The benchmark 10-year US Treasury yield is currently 1.77%, while tax-exempt rates have dipped significantly as well: 10-year MMD has dropped 86 basis points since the beginning of the year to 1.41%.(1) The low interest rate environment makes for an advantageous market in which to issue bonds. It has also created an opportunity for municipal bond issuers, such as the Commission, to refinance outstanding bonds for debt service savings purposes. Given the proximity of the call date on the Commission's outstanding bonds, a forward tax-exempt direct purchase, through WFBNA, may provide a compelling alternative to a public market taxable refunding.(2)

Refunding Opportunity

Despite recent volatility, today's near record low interest rate environment presents an opportunity for the Commission to **refund ~$135.9 million of the Commission's Revenue Bonds (State Transportation Trust Fund) Series 2011A (Non-AMT) and Series 2011B (AMT), and Revenue Bonds (State Transportation Trust Fund – Intermodal Program) Series 2011A (Non-AMT) and Series 2011B (AMT).** These bonds are callable beginning on June 1, 2021 and October 1, 2021 but the Commission could execute a taxable refunding or a forward refunding of them today to generate debt service savings. We have included several scenarios with different interest rates in order to provide the Commission with a range of the potential savings. This range of savings is produced using an interest rate scale range that is bounded by yield curves that are 10bps above and 10bps below our estimated current market rates.

A summary detailing the potential range of savings available to the Commission is provided below. Assuming today's rates and a delivery date in December 2019, **the Commission could refund these bonds on a taxable basis and generate net present value savings ranging between $10.4 million and $11.6 million.** Assuming today's rates and delivery dates 90 days prior to the respective call dates, **the Commission could refund these bonds on a forward basis through a** tax-exempt, delayed delivery direct purchase loan from WFBNA **and generate aggregate net present value savings ranging between $14.0 million and $15.2 million.**(2)

Refunded Bonds by Series

Series	Maturities	Coupon Range	Call Date	Ref'd Par
2011A	6/1/2022-6/1/2027	4.000-4.625	6/1/2021	4,845,000
2011B	6/1/2022-6/1/2027	5.000-5.125	6/1/2021	65,450,000
			Total	**70,385,000**

Refunded Bonds by Series – Intermodal Program

Series	Maturities	Coupon Range	Call Date	Ref'd Par
2011A (Intermodal Program)	10/1/2022-10/1/2029	5.000	10/1/2021	38,375,000
2011B (Intermodal Program)	10/1/2022-10/1/2029	5.000-5.375	10/1/2021	27,925,000
			Total	**65,540,000**

1 Sources: U.S. Treasury, Thomson Reuters TM3 as of October 15, 2019.

2 Subject to credit approval by WBFNA, including negotiation of terms and conditions. WFBNA would be willing to present a summary of terms if the Commission wished to evaluate this alternative further. At this time, this discussion does not constitute an offer or commitment to lend by WFBNA to the Commission.

WELLS FARGO Securities

Taxable Advance Refunding Scenario[3]

Refunding Statistics	Market Rates +10bps	Market Rates	Market Rates -10bps
Delivery Date	12/1/2019	12/1/2019	12/1/2019
Arbitrage Yield*(%)	2.37	2.27	2.17
Escrow Yield (%)	1.67	1.57	1.47
Bond Par Amount ($)	145,500,000	145,730,000	145,960,000
All-In TIC (%)	2.57	2.47	2.37
Average Life	5.65yrs	5.64yrs	5.63yrs
Par Amt of Ref'd Bonds ($)	135,925,000	135,925,000	135,925,000
Negative Arbitrage	1,607,468	1,610,013	1,612,581
NPV Savings ($)	**10,488,635**	**11,043,926**	**11,603,884**
NPV Savings (%)	**7.72**	**8.13**	**8.54**

Forward DP Refunding Scenario[2],[4]

Refunding Statistics	Market Rates +10bps	Market Rates	Market Rates -10bps
Delivery Dates	3/3/2021, 7/3/2021	3/3/2021, 7/3/2021	3/3/2021, 7/3/2021
Arbitrage Yield*(%)	2.17	2.07	1.98
Escrow Yield (%)	0.00	0.00	0.00
Bond Par Amount ($)	139,675,000	139,675,000	139,675,000
All-In TIC (%)	2.23	2.13	2.04
Average Life	4.22yrs	4.22yrs	4.21yrs
Par Amt of Ref'd Bonds ($)	135,925,000	135,925,000	135,925,000
Negative Arbitrage	-	-	-
NPV Savings ($)	**14,042,251**	**14,620,100**	**15,202,010**
NPV Savings (%)	**10.33**	**10.76**	**11.18**

Thank you for the opportunity to submit our unsolicited proposal to the Commission. We will be in contact to schedule a meeting to review this opportunity in detail. In the interim, please let us know if we can answer any question or furnish additional information.

Sincerely,

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cc: Todd Morley, Wells Fargo Bank, N.A.
Oscar Hernandez Lugo, Wells Fargo Bank, N.A.

[3] Market rates as of October 15, 2019. Assumptions: Aa3/AA+/AA+ Ratings, SLGS escrow, 1% of par costs of issuance, level annual debt service savings, arbitrage yield as the discount rate, non-callable.

[4] Preliminary, for discussion purposes only. Market rates as of October 15, 2019. Assumptions: Aa3/AA+/AA+ Ratings, SLGS escrow, $300K costs of issuance, level annual debt service savings, arbitrage yield as the discount rate, non-callable.

WELLS FARGO Securities

These Materials are being provided to you for the purpose of working with you as an underwriter or placement agent (collectively, “underwriter”) and/or derivatives provider on the transaction(s) described in the Materials. As part of its services as underwriter, WFS may provide information concerning the structure, timing, terms, and other similar matters concerning 7the issue of municipal securities that WFS proposes to underwrite as described in the Materials. The Materials may also contain such information. Any such information has been, and would be, provided by WFS in the context of serving as an underwriter and not as your municipal or financial advisor. Additionally, WFBNA, as derivatives provider, and WFS, as underwriter, have financial and other interests that differ from your interests (or those of the issuer). In its capacity as underwriter, WFS’ primary role would be to purchase securities from you (or the issuer in the case of a conduit transaction) for resale to investors, or arrange for the placement of securities with investors on your behalf. Wells Fargo will not have any duties or liability to any person or entity in connection with the information being provided in the Materials.

The information provided herein is not intended to be and should not be construed as advice within the meaning of Section 15B of the Securities Exchange Act of 1934, and Wells Fargo will not be acting as your municipal advisor under the municipal advisor rules (“Muni Advisor Rules”) of the Securities and Exchange Commission (“SEC”) and the SEC’s guidance in its Registration of Municipal Advisors Frequently Asked Questions dated May 19, 2014, as supplemented (collectively, “Muni Advisor Rules”).

Please be advised that any information in the Materials regarding municipal derivatives is being provided by WFBNA as a swap dealer and that any swap offered or recommended in the Materials is being offered or recommended by WFBNA as a swap dealer. No part of the Materials is intended to be and should not be construed as an offer or recommendation of a municipal derivatives service or product by WFS, as underwriter, for purposes of Municipal Securities Rulemaking Board Rule G-17, or otherwise. You should consult with your own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent you deem appropriate. If you would like a municipal advisor that has legal fiduciary duties to you, you are certainly free to engage a municipal advisor to serve in that capacity.

Transactions referenced in the Materials which are attributed to Wells Fargo or to WFS may include transactions executed by a Wachovia Corporation or Wells Fargo & Company broker-dealer affiliate or by other municipal securities dealers and/or broker-dealers which were acquired by Wachovia Corporation or WFC.

WFS distributes municipal securities to institutional investors primarily through Wells Fargo Bank, N.A. Municipal Products Group (“WFBNA MPG”) and Wells Fargo Securities, LLC (“WFSLLC”). Distribution to middle market clients is provided primarily through WFSLLC. Retail distribution is primarily provided by Wells Fargo Advisors, which is the trade name used by Wells Fargo Clearing Services, LLC (“WFCS”) and Wells Fargo Advisors Financial Network, LLC (“WFAFN”), two non-bank separate registered broker-dealers (members FINRA and SIPC). WFSLLC, WFBNA MPG, WFCS, and WFAFN are affiliates and are each wholly owned subsidiaries of WFC.

Any municipal underwriting, commercial paper and remarketing rankings referenced herein represent combined totals for WFBNA MPG and WFSLLC. Non-municipal underwriting, commercial paper and remarketing rankings referenced herein represent totals for WFSLLC only. Source information for any ranking information not otherwise provided herein is available on request. Any rankings referencing competitive municipal new issues for time periods prior to 2011 include issues underwritten by WFCS. Underwriting activities of WFCS are not managed or otherwise controlled by WFBNA MPG or WFSLLC.

If the Materials are being provided to you under any of the following events, the information contained in the Materials and any subsequent discussions between us, including any and all information, advice, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the Swap Dealer, Bank, RFP, IRMA exemptions and underwriter exclusion, as applicable, provided under the Muni Advisor Rules. In the event the Swap Dealer, Bank, RFP, IRMA exemptions, or underwriter exclusion do not apply, the information included in the Materials are provided in reliance on the general information exclusion to advice under the Muni Advisor Rules.

In the event that you have provided us with your written representation in form and substance acceptable to WFBNA that you are represented by a “qualified independent representative” as defined in the Commodity Exchange Act (“CEA”) with respect to any municipal derivative or trading strategy involving municipal derivatives described in the Materials, we have provided you with our written disclosure that we are not acting as an advisor to you with respect to the municipal derivative or trading strategy pursuant to Section 4s(h)(4) of the CEA and the rules and regulations thereunder, and have taken certain other steps to establish the “Swap Dealer exemption” under the Muni Advisor Rules.

Any information related to a bank-purchased bond transaction (“Direct Purchase”) included in the Materials is a product offering of WFBNA or a subsidiary thereof (“Purchaser”) as purchaser / investor. WFS will not participate in any manner in any Direct Purchase transaction between you and Purchaser, and Wells Fargo employees involved with a Direct Purchase transaction are not acting on behalf of or as representatives of WFS. The information contained herein regarding Purchaser’s Direct Purchase is being provided to you by WFS only for purposes of providing financing alternatives that may be available to you from WFC and its affiliates. Information contained in this document regarding Direct Purchase is for discussion purposes only in anticipation of engaging in arm’s length commercial transactions with you in which Purchaser would be acting solely as a principal to purchase securities from you or a conduit issuer, and not as a municipal advisor, financial advisor or fiduciary to you or any other person or entity regardless of whether Purchaser, or an affiliate has or is currently acting as such on a separate transaction. Additionally, Purchaser has financial and other interests that differ from your interests. Purchaser’s sole role would be to purchase securities from you (or the conduit issuer). Any information relating to a Direct Purchase is being provided to you pursuant to and in reliance on the “Bank exemption” under the Muni Advisor Rules and the general information exclusion to advice under the Muni Advisor Rules.

In the event the Materials are being provided in connection with a RFP, the SEC exempts from the definition of municipal advisor “any person providing a response in writing or orally to a request for proposals or qualifications from a municipal entity or obligated person for services in connection with a municipal financial product or the issuance of municipal securities; provided however, that such person does not receive separate direct or indirect compensation for advice provided as part of such response” (“RFP exemption”). In such event, we have relied upon the RFP exemption, and on your distribution and execution of this RFP through a competitive process. In the event WFBNA MPG is the party providing the

Materials responses to all questions, certifications, attestations, information requests, and similar in the RFP or RFQ to which this response relates are specifically limited to, in context of, and as applied to, WFBNA MPG in its capacity as a separately identifiable department of a national bank that is registered as a municipal securities dealer with the Securities and Exchange Commission, Office of the Comptroller of the Currency, and Municipal Securities Rulemaking Board; and not on behalf of Wells Fargo Bank, N.A., unless specified otherwise in our response.

In the event that you have provided us with your written representation that you are represented by an independent registered municipal advisor (an "IRMA") within the meaning of the Muni Advisor Rules, with respect to the transaction(s) described in the Materials we have provided you with our written disclosure that we are not a municipal advisor to you and are not subject to the fiduciary duty under the Muni Advisor Rules, if applicable, and have taken certain other steps to establish the "IRMA exemption" under the Muni Advisor Rules.

In the event that you have engaged us to serve as an underwriter with respect to the municipal securities issuance described in the Materials we have provided you with our written disclosure regarding our role as an underwriter, that we are not a municipal advisor to you and are not subject to the fiduciary duty under the Muni Advisor Rules, if applicable.

If savings threshold level information is contained herein, please be advised that WFS is not recommending nor providing advice regarding which maturities should be refunded by you.

Important Information
The Materials are provided for general information about the transactions described herein. The Materials do not constitute an offer to sell or a solicitation of an offer to buy, or a recommendation or commitment for any transaction involving the securities or financial products named or described herein, and are not intended as investment advice or as a confirmation of any transaction. Assumptions stated herein may or may not be valid. Externally sourced information contained in the Materials has been obtained or derived from sources we reasonably believe to be reliable, but Wells Fargo Securities and WFBNA make no representation or warranty, express or implied, with respect thereto, and do not represent or guarantee that such information is accurate or complete. Wells Fargo Securities and WFBNA do not assume or accept any liability for any loss which may result from reliance thereon. Wells Fargo Securities and/or one or more of its affiliates may provide advice or may from time to time have proprietary positions in, or trade as principal in, any securities or other financial products that may be mentioned in the Materials, or in derivatives related thereto. Terms, rates, prices and structure in the Materials are indicative only, and should not be relied upon as the terms, rates, prices or structure on which we or anyone else would be willing to enter into, terminate or transfer any transaction with you, including without limit, the swap, bond or loan, letter of credit and/or remarketing agreement (if applicable), or relied upon for any other purpose. Actual rates and prices may be higher or lower depending on market conditions at the time of execution, and are subject to market conditions at deal time, final credit approval, agreement on deal terms and compliance to our satisfaction with all applicable legal and regulatory requirements, including without limit, onboarding, swap/securities trading relationship and transaction documentation. Any historical information provided in the Materials is for information only, and past performance may not be relied upon as a guarantee of future results. Examples in the Materials are hypothetical only and are not a prediction of future results. There are frequently sharp differences between projections or forecasts and the actual results achieved.

Arm's Length Relationship
All transactions described in the Materials are arm's length transactions to be negotiated by each party acting in its own best interests. The price and other terms of any transaction will be individually negotiated, and there is no assurance that they will represent the best price or terms available to you from us or other sources. Whether they are executable, indicative or illustrative, you should assume that any price we offer, quote or otherwise provide to you for entering into, transferring or terminating a transaction with WFBNA is strictly a WFBNA price and should not be considered a "market price" offered by anyone else in the relevant market. In this regard, please note that when we offer you an executable price for a swap with WFBNA, CFTC Rule §23.431 requires that we also disclose to you the "mid-market mark" of the swap in order for you to assess the material incentives and conflicts of interest we may have in connection with the swap. Information about the mid-market mark and other material disclosures regarding swaps can be found at www.wellsfargo.com/swapdisclosures. The decision whether you should enter into any transaction upon mutually agreed terms rests solely with you. Before entering into any transaction described in the Materials, you should consider whether it is appropriate for you in light of your objectives, experience, financial and operational resources, legal capacity and authority, and other relevant circumstances, and you should conduct a thorough and independent evaluation of the financial, tax, accounting, legal and regulatory characteristics, consequences, costs and risks of the transaction in light of your particular circumstances, based upon the advice of your own financial, legal, tax, accounting, and other professional advisors. Neither we nor any of our affiliates will be providing any such advice in connection with any such transaction, and neither we nor they will be acting as your agent, broker, financial advisor, municipal advisor, or fiduciary in connection with any such transaction, whether or not we or they may otherwise be engaged to act in such capacity in connection with other products or services.

LIBOR Discontinuation Risk
On July 27, 2017, the Chief Executive of the United Kingdom Financial Conduct Authority, which regulates the London Interbank Offered Rate ("LIBOR"), announced that it intends to stop persuading or compelling banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. It is impossible to predict whether and to what extent banks will continue to provide LIBOR submissions to the administrator of LIBOR or whether any additional reforms to LIBOR may be enacted in the United Kingdom or elsewhere. While global regulators and financial services industry market participants, including the Alternative Reference Rates Committee in the United States, have been working on developing alternative reference rates ("ARR") for LIBOR and other interbank offered rates, there is no guarantee that ARRs will be developed or widely used by market participants by the end of 2021, that any ARRs developed will be suitable for each transaction as a substitute or successor for LIBOR, that the composition or characteristics of ARRs will be similar to those of LIBOR, or that ARRs will be the economic equivalent of the rate used in your LIBOR-based swap or

financing transactions. Therefore, if LIBOR is discontinued during the term of your swap, your payments would be calculated differently and could be higher or more volatile than expected. These risks and others are discussed in greater detail at the IBOR Alternative Reference Rates disclosure at: www.wellsfargo.com/swapdisclosures.

Risks to Consider

While certain transactions described in the Materials may be used for hedging purposes to reduce or eliminate certain risks associated with your assets or liabilities, the effectiveness of hedging may depend upon holding these transactions to maturity and not reducing or disposing of all or any portion of the asset or liability during the term of the hedge. If a swap transaction is terminated early, or if you reduce or dispose of all or a portion of the underlying asset or liability before the transaction matures (such as prepaying a floating rate loan you hedge with a swap), then depending on the nature of the transaction, its characteristics and your position in it (e.g., buyer, seller, counterparty, etc.), you may incur a substantial loss or you may receive little or no hedging benefit from any upfront or periodic payments or exchanges or any other costs incurred in purchasing, selling, acquiring, maintaining or disposing of the transaction. You may also incur a substantial loss if you enter into a swap transaction in anticipation of hedging an asset or liability that does not materialize. You should understand that significant potential amounts could become payable by you for modifying a swap transaction, terminating it early or transferring your position in the transaction to another person or entity, or in connection with the exercise of any option or other rights under the transaction or governing documents, depending upon then existing market conditions. You should also consider that prepaying your loan or disposing of an asset or other liability does not relieve you of your obligations under a swap transaction, which may be terminated early only in accordance with the terms of the swap trading relationship documentation (such as an ISDA Master Agreement) or other transaction documents, or otherwise by mutual agreement. Such termination may require payment by you of an early termination amount, which amount may be substantial. Whether you use a swap transaction for hedging or another purpose, you should satisfy yourself that you understand these and other risks relative to the benefits you are seeking to achieve and that the transaction and risks are suitable for you. These risks are discussed in greater detail in disclosures provided to you through the following website: **www.wellsfargo.com/swapdisclosures**

Independent Obligation

To the extent any swap transaction described in the Materials may be used to hedge against increases in the interest expense of a loan or other financing, the swap transaction would be a separate and independent obligation and would not be contingent on whether or not any loan or other financing closes, is outstanding, or is repaid, in whole or in part, at any time, subject to any contractual requirement to terminate and settle the transaction early upon prepayment of the loan or financing or for other financing-related events. In addition, if you provide any existing or future collateral or other credit support to secure the transaction and any loan or other financing, then you would be entitled to the release of such collateral or credit support only if certain conditions contained in the related collateral agreement or credit support document are completely satisfied for both the transaction and any such loan or financing, or we otherwise reach agreement with you on alternative collateral, credit support or other arrangements.

Unmatched Terms & Conventions

If the principal amount or duration of a loan or financing differs from that of a transaction used to hedge such loan or financing, you may be exposed to risk of loss from such over-hedging or under-hedging. If any other economic terms or characteristics of a loan or financing differ from those of the related hedge, then in addition to any losses that you could incur from such differences, the hedge may create unanticipated accounting exposure or tax liability for you. To the extent fair value accounting applies to the hedge, you may have to reflect unrealized gains and losses (i.e., the so-called “mark-to-market” value of the hedge) over the life of the hedge on your balance sheet and/or income statement. If hedge accounting applies, any ineffectiveness in the hedge resulting from such differences may likewise need to be taken into account and reflected in your financial results. These swap valuation considerations may also be important to you for tax purposes, including any tax laws that may require unrealized gains or losses on swaps to be taken into account in determining your income tax liability.

Conventions used in the loan or other financing and swap markets may differ, and we are under no obligation to ensure that any swap we offer is a perfect hedge for your financing even if we provide you with both products. For example, if the method for determining a loan’s floating rate differs from that for a swap’s floating rate, the loan floating rate payments could diverge from those of the swap. Such divergence may occur by convention or as the result of contractual differences, such as in the definition of or the reset timing (e.g., 1-month or 3-month) for the London Interbank Offered Rate (LIBOR), the dates or times at which LIBOR is set, the number of days in the payment periods, any applicable fallback floating rate, or the floating rate rounding convention.

Negative Interest Rates

Express wording in swap transactions is required to place a 0% floor on LIBOR or other floating benchmark rate of the swap transaction, and no such 0% floor is included in an interest rate swap or other swap transaction unless mutually agreed between the parties as reflected in the swap confirmation. Absent such floor, if a Floating Amount is negative under an interest rate swap, the Floating Rate Payer does not make such payment. Instead, the Fixed Rate Payer pays the absolute value of the negative Floating Amount in addition to the Fixed Amount. See §6.4 of the 2006 ISDA Definitions, as amended. If you wish to acquire a swap with a 0% floor, this may increase the price of your swap as reflected in a higher Fixed Rate. For further information on negative interest rates, including their effect on swaps and the loans they are hedging, see Negative Interest Rates at: www.wellsfargo.com/swapdisclosures.

Projections, Forecasts & Other Data

Although the information contained herein is derived from a source that WFBNA considers reliable, WFBNA does not guarantee the accuracy, reliability or completeness of this information and makes no representation or warranty, express or implied, with respect thereto. This information is provided as of the date(s) indicated, is subject to change without notice, does not constitute trading or investment advice or research, and has not been prepared in accordance with any laws or regulations designed to promote the independence of research. Historical data, past trends and past performance do not reflect or guarantee future results. Financial projections and economic forecasts are based on hypothetical assumptions about uncertain future market conditions and events and therefore should not be relied upon in connection with any asset, liability, transaction or otherwise, including any decision whether or when to invest or hedge or to acquire or dispose of any asset, liability or transaction. Projections or forecasts may not materialize, and reliance thereon could result in substantial losses. It is impossible to predict whether, when or to what extent rates, values and other economic factors will rise or fall, and there could be sharp differences between projections or forecasts and actual results. WFBNA makes no representation or warranty that actual results will conform to any projection or forecast and is not responsible for any loss or damage arising out of any reliance on or use of such information.

Applicability of Certain Regulations

WFBNA is a "swap dealer" as defined in the Commodity Exchange Act ("CEA"), and one or more transactions described in the Materials are "swaps" as defined in the CEA and regulations of the Commodity Futures Trading Commission ("CFTC") or "security based swaps" as defined in the CEA and the Securities Exchange Act of 1934 and regulations of the U.S. Securities and Exchange Commission ("SEC"). From time to time, we may furnish you with certain information or request that you furnish us with certain information or representations or take other action we consider necessary or appropriate to comply with applicable legal or regulatory requirements, including the requirement that, in order to enter into a swap with us, you must be an Eligible Contract Participant (as defined in 17 C.F.R. §1.3(m)). Nothing herein or in the Materials constitutes legal advice or purports to be a complete statement of regulations applicable to swaps, matters which you should address with your own legal advisors. For purposes of CFTC Regulations 1.71 and 23.605, please note that the Materials are a "solicitation" of a swap and not a "research report" as defined therein. To the extent the Materials include a scenario analysis, such inclusion shall not supersede your right under CFTC Regulation 23.431(b) to request and consult in the design of a scenario analysis. Nothing in the Materials should be construed as a recommendation or opinion with respect to any swap or trading strategy involving a swap for purposes of CFTC Regulations Part 23 or the CEA. The Materials do not take into account your particular investment objectives, financial condition or needs and are not intended to serve as a basis for entering into a swap or to suggest, through opinion, recommendation, or otherwise, that you should enter into a particular swap or trading strategy involving a swap. You should consult with your own advisors for opinions on whether to enter into any swap or trading strategy involving a swap.

In certain cases, the transactions described in the Materials may be subject to regulations that have not yet been proposed, adopted in final form or become effective, and some or all of such regulations may have a direct or indirect impact on the substantive terms set forth hereunder. Accordingly, the parties acknowledge partial and/or incomplete information with respect to the requirements of such regulations, but acknowledge that to the extent any term contemplated hereunder is in violation of or subject to any current or future regulation, as amended from time to time, we reserve the right to amend the terms contemplated hereby or cease to offer the transaction described herein.

Wells Fargo as a Counterparty

Transactions described in the Materials are not bank deposits or FDIC insured, may expose you to the credit risk of WFBNA and therefore involve risk of loss to you apart from the market risk associated with the underlying rate, price or other economic measure on which the transaction is based. Financial information WFBNA is available at:
https://www.wellsfargo.com/invest_relations/investor_relations

Additional Information

In addition to the information furnished above, you should not enter into any swap transaction described in the Materials without reviewing and understanding our "Disclosure of Material Information for Swaps" and accompanying documents available to you at: **www.wellsfargo.com/swapdisclosures**

Updating the Materials

We reserve the right to amend, supplement or replace the Materials at any time, and your use of the Materials constitutes your agreement to update the Materials with any such amendments, supplements or replacements we furnish you.

Confidentiality

The information in the Materials is confidential and may not be disclosed by you to anyone without our written consent, other than to your advisors, and judicial or other governmental authorities or regulators having jurisdiction over you (including, without limitation, federal, state or local tax authorities). Notwithstanding anything to the contrary contained in the Materials, all persons may disclose to any and all persons, without limitations of any kind, the U.S. federal, state or local tax treatment or tax structure of any transaction, any fact that may be relevant to understanding the U.S. federal, state or local tax treatment or tax structure of any transaction, and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state or local tax treatment or tax structure, other than the name of the parties or any other person named herein, or information that would permit identification of the parties or such other persons, and any pricing terms or nonpublic business or financial information that is

WELLS FARGO Securities

unrelated to the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer and is not relevant to understanding the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer.

Limitation of Liability

In no event shall Wells Fargo be liable to you or any third party for any direct or indirect, special, incidental, or consequential damages, losses, liabilities, costs or expenses arising directly or indirectly out of or in connection with the Materials.

Wells Fargo does not provide tax advice. Any tax statement herein regarding US federal tax is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding any penalties. Any such statement herein was written to support the marketing or promotion of a transaction or matter to which the statement relates. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

If you have any questions or concerns about the disclosures presented herein, you should make those questions or concerns known immediately to Wells Fargo.

4Q19

Refundind/New Money Analysis
CitiBank as of January 2020

Taxable Advance Refunding Monitor – State Transportation Trust Fund

Under current market conditions, a taxable advance refunding would provide savings greater than 3% in all but three maturities for the FPFC's callable Refunding Revenue (State Transportation Trust Fund) Bonds.

Florida Ports Financing Commission: State Transportation Fund

Maturity-by-Maturity Analysis of Taxable Advance Refunding Candidates

Candidates						**Escrow**		**Individual Savings**		**Current Rates +25bps**		**Current Rates -25bps**	
Series	Maturity	Par	Coupon	Call Date	Call Price	Neg. Arb	Efficiency	$ PV	% PV	$ PV	% PV	$ PV	% PV
2011A	6/1/2027	480,000	4.625%	6/1/21	100	4,989	90.9%	49,708	10.4%	40,952	8.5%	58,604	12.2%
2011A	6/1/2026	950,000	4.500%	6/1/21	100	8,607	90.3%	80,377	8.5%	65,337	6.9%	95,625	10.1%
2011A	6/1/2025	905,000	4.375%	6/1/21	100	6,152	91.0%	62,561	6.9%	50,405	5.6%	74,858	8.3%
2011A	6/1/2024	870,000	4.250%	6/1/21	100	4,755	90.0%	42,637	4.9%	33,117	3.8%	52,238	6.0%
2011A	6/1/2023	835,000	4.000%	6/1/21	100	3,336	87.0%	22,308	2.7%	15,282	1.8%	29,376	3.5%
2011A	6/1/2022	805,000	4.000%	6/1/21	100	2,576	70.6%	6,198	0.8%	1,449	0.2%	10,856	1.3%
2011B	6/1/2027	6,650,000	5.125%	6/1/21	100	69,430	92.6%	867,525	13.0%	744,127	11.2%	992,899	14.9%
2011B	6/1/2026	12,975,000	5.125%	6/1/21	100	118,211	92.5%	1,466,695	11.3%	1,257,341	9.7%	1,678,920	12.9%
2011B	6/1/2025	12,340,000	5.125%	6/1/21	100	84,457	93.4%	1,195,369	9.7%	1,026,309	8.3%	1,366,367	11.1%
2011B	6/1/2024	11,740,000	5.125%	6/1/21	100	64,665	93.0%	863,694	7.4%	732,710	6.2%	995,770	8.5%
2011B	6/1/2023	11,185,000	5.000%	6/1/21	100	45,089	91.9%	510,160	4.6%	414,340	3.7%	606,550	5.4%
2011B	6/1/2022	10,650,000	5.000%	6/1/21	100	34,387	84.2%	182,755	1.7%	119,070	1.1%	245,220	2.3%
Total		**70,385,000**				**446,653**	**92.3%**	**5,349,987**	**7.6%**	**4,500,438**	**6.4%**	**6,207,283**	**8.8%**
Total		**70,385,000**				**446,653**	**92.3%**	**5,349,987**	**7.6%**	**4,500,438**	**6.4%**	**6,207,283**	**8.8%**
Total		**58,930,000**				**409,690**	**92.6%**	**5,161,034**	**8.8%**	**4,364,637**	**7.4%**	**5,951,207**	**10.1%**

Over 3% PV Savings   Positive Savings

Preliminary and subject to change. Based on DBC monitor results. Rates as of COB January 9, 2020. Assumes ratings of "Aa3 / AA+ / AA+" (M/S/F). For illustrative purposes only. Subject to market conditions. Savings present valued to the delivery date at the arbitrage yield. Assumes all in cost of issuance of $10.00 / 1,000. Assumes SLGS used to fund the Escrow.

Taxable Advance Refunding Results – State Transportation Trust Fund

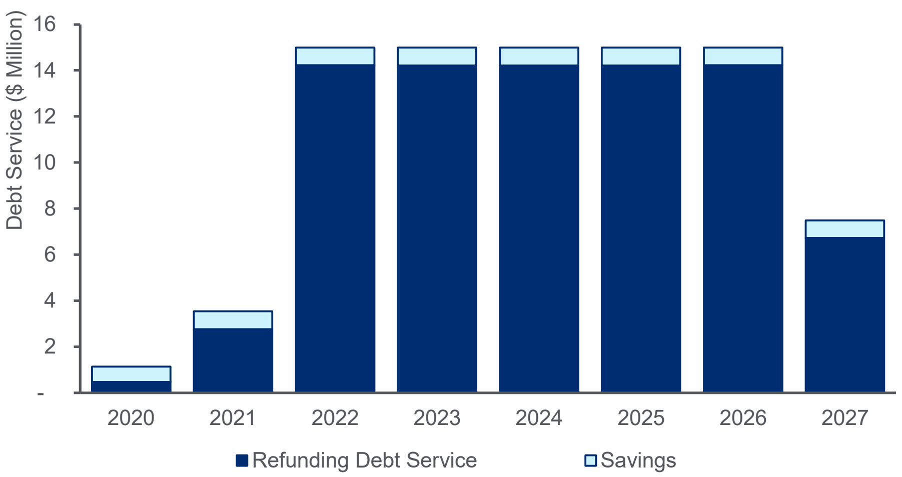
A taxable advance refunding of all of the FPFC's outstanding callable Series 2011 Refunding Revenue (State Transportation Trust Fund) Bonds produces net present value savings of $5.65 million, or 8.03% of refunded par at a strong savings efficiency ratio of 96.93%.

Refunding Results	
Delivery Date	2/5/2020
Par Amount ($)	74,080,000
Total Proceeds ($)	**74,080,000**
Refunded Amount ($)	70,385,000
Avg Interest Rate on Refunded Bonds	5.049%
Gross Savings	**6,070,165**
Net PV Savings ($)	**5,654,071**
Net PV Savings (%)	**8.03%**
All-In TIC (%)	2.29%
Arb Yield (%)	2.06%
Avg Life (yrs)	4.57
Escrow Yield	1.86%
Negative Arbitrage ($)	179,055
Savings Efficiency Ratio	96.93%

Summary of Bonds Refunded

Series Refunded	Maturities Refunded	Par Refunded	Call Date
2011A	2022-2027	4,845,000	6/1/2021
2011B	2022-2027	65,540,000	6/1/2021
Refunded Amount ($)		$70,385,000	

Year	Prior Debt Service	Refunding Debt Service	Annual Savings	Annual PV Savings
2020	1,140,264	477,114	663,150	654,641
2021	3,538,750	2,765,698	773,052	762,697
2022	14,993,750	14,223,468	770,283	744,688
2023	14,994,050	14,221,251	772,800	730,303
2024	14,991,400	14,217,235	774,166	715,066
2025	14,987,750	14,214,347	773,403	698,113
2026	14,995,731	14,223,007	772,724	681,559
2027	7,493,013	6,722,424	770,589	664,107
Total:	**87,134,708**	**81,064,542**	**6,070,165**	**5,651,175**



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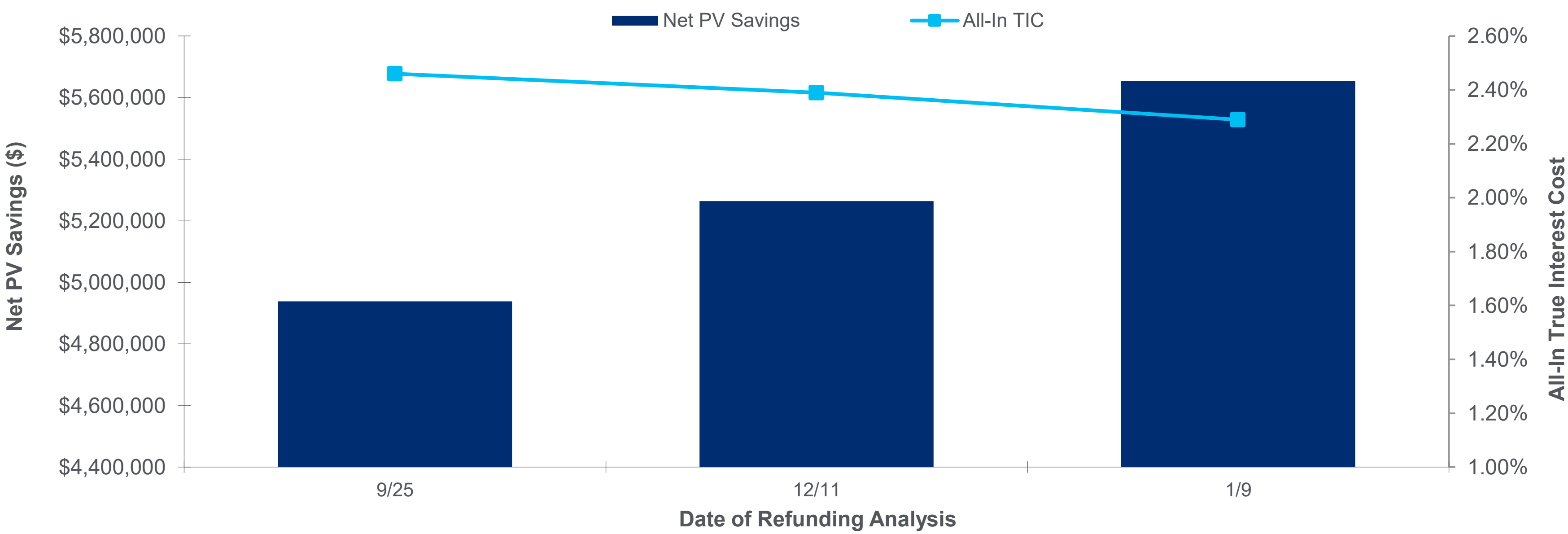
Change Since Last Analysis

Summary of Prior Refunding Analyses

Date	9/25/2019	12/11/2019	1/9/2020
Refunded Par	70,385,000	70,385,000	70,385,000
Refunding Par	74,515,000	74,160,000	74,080,000
Date / Delivery	12/1/2019	2/5/2020	2/5/2020
Avg Life (yrs)	4.72	4.57	4.57
All-In TIC (%)	2.46%	2.39%	2.29%
Gross Savings ($)	**5,370,964**	**5,666,581**	**6,070,165**
Net PV Savings ($)	**4,938,555**	**5,263,939**	**5,654,071**
Net PV Savings (%)	**7.02%**	**7.48%**	**8.03%**
Escrow Yield (%)	1.77%	1.78%	1.86%
Negative Arbitrage	501,618	341,994	179,055
Escrow Efficiency	90.78%	93.90%	96.93%

Note: Savings present valued back to the delivery of the bonds at the respective arbitrage yield.



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Taxable Advance Refunding Monitor – Intermodal Program

Under current market conditions, a taxable advance refunding would provide savings greater than 3% in all but two maturities for the FPFC's callable Refunding Revenue Bonds (Intermodal Program) Bonds.

Florida Ports Financing Commission: State Transportation Fund - Intermodal Program
Maturity-by-Maturity Analysis of Taxable Advance Refunding Candidates

Candidates						Escrow		Individual Savings		Current Rates +25bps		Current Rates -25bps	
Series	Maturity	Par	Coupon	Call Date	Call Price	Neg. Arb	Efficiency	$ PV	% PV	$ PV	% PV	$ PV	% PV
2011A	10/1/2029	5,675,000	5.000%	10/1/21	100	89,236	90.3%	830,874	14.6%	695,268	12.3%	969,340	17.1%
2011A	10/1/2028	5,400,000	5.000%	10/1/21	100	80,440	89.8%	706,979	13.1%	590,517	10.9%	825,688	15.3%
2011A	10/1/2027	5,135,000	5.000%	10/1/21	100	65,411	90.4%	616,812	12.0%	517,659	10.1%	717,655	14.0%
2011A	10/1/2026	4,885,000	5.000%	10/1/21	100	54,099	90.4%	509,284	10.4%	426,593	8.7%	593,158	12.1%
2011A	10/1/2025	4,645,000	5.000%	10/1/21	100	38,264	91.6%	417,624	9.0%	350,182	7.5%	485,893	10.5%
2011A	10/1/2024	4,425,000	5.000%	10/1/21	100	29,047	91.2%	301,999	6.8%	248,923	5.6%	355,580	8.0%
2011A	10/1/2023	4,210,000	5.000%	10/1/21	100	19,871	90.4%	186,764	4.4%	147,033	3.5%	226,753	5.4%
2011A	10/1/2022	4,000,000	5.000%	10/1/21	100	14,852	81.4%	65,199	1.6%	37,804	0.9%	90,674	2.3%
2011B	10/1/2025	3,280,000	5.375%	10/1/21	100	27,125	92.6%	339,993	10.4%	291,879	8.9%	388,696	11.9%
2011B	10/1/2024	3,105,000	5.375%	10/1/21	100	20,462	92.3%	244,301	7.9%	206,731	6.7%	282,228	9.1%
2011B	10/1/2023	2,945,000	5.000%	10/1/21	100	13,900	90.4%	130,646	4.4%	102,853	3.5%	158,620	5.4%
2011B	10/1/2022	2,805,000	5.000%	10/1/21	100	10,415	81.4%	45,721	1.6%	26,510	0.9%	63,585	2.3%
Total		**65,540,000**				**670,087**	**90.8%**	**6,619,866**	**10.1%**	**5,551,881**	**8.5%**	**7,701,031**	**11.8%**
Total		**65,540,000**				**670,087**	**90.8%**	**6,619,866**	**10.1%**	**5,551,881**	**8.5%**	**7,701,031**	**11.8%**
Total		**58,735,000**				**644,820**	**91.0%**	**6,508,947**	**11.1%**	**5,487,567**	**9.3%**	**7,546,772**	**12.8%**

Over 3% PV Savings

Positive Savings

Preliminary and subject to change. Based on DBC monitor results. Rates as of COB January 9, 2020. Assumes ratings of "Aa3 / AA+ / AA+" (M/S/F). For illustrative purposes only. Subject to market conditions. Savings present valued to the delivery date at the arbitrage yield. Assumes all in cost of issuance of $10.00 / 1,000. Assumes SLGS used to fund the Escrow.

Taxable Advance Refunding Results – Intermodal Program

A taxable advance refunding of all of the FPFC's outstanding callable Series 2011 Refunding Revenue (State Transportation Trust Fund – Intermodal Program) Bonds produces net present value savings of $6.88 million, or 10.49% of refunded par at a strong savings efficiency ratio of 92.13%.

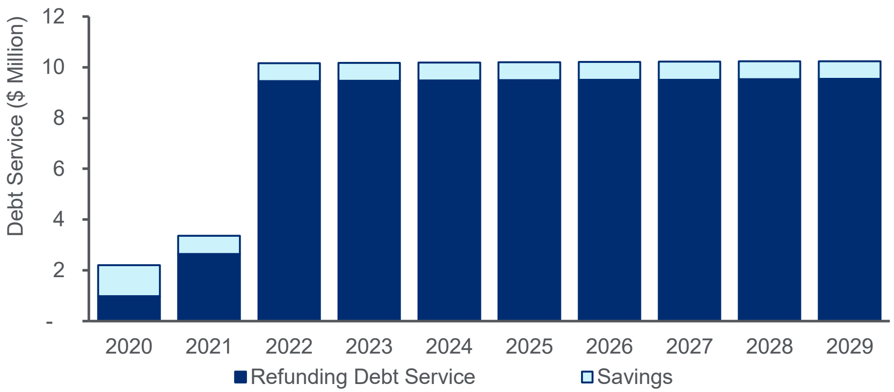
Refunding Results

Delivery Date	2/5/2020
Par Amount ($)	69,890,000
Total Proceeds ($)	**69,890,000**
Refunded Amount ($)	65,540,000
Avg Interest Rate on Refunded Bonds	5.139%
Gross Savings	**7,579,090**
Net PV Savings ($)	**6,875,588**
Net PV Savings (%)	**10.49%**
All-In TIC (%)	2.41%
Arb Yield (%)	2.24%
Avg Life (yrs)	6.19
Escrow Yield	1.70%
Negative Arbitrage ($)	587,632
Savings Efficiency Ratio	92.13%

Summary of Bonds Refunded

Series Refunded	Maturities Refunded	Par Refunded	Call Date
2011A	2022-2029	38,375,000	10/1/2021
2011B	2022-2029	27,165,000	10/1/2021
Refunded Amount ($)		$65,540,000	

Year	Prior Debt Service	Refunding Debt Service	Annual Savings	Annual PV Savings
2020	2,200,901	982,623	1,218,277	1,199,827
2021	3,357,306	2,648,917	708,389	692,788
2022	10,162,306	9,454,022	708,284	677,549
2023	10,172,056	9,467,067	704,989	658,579
2024	10,189,306	9,482,475	706,831	644,698
2025	10,196,163	9,490,723	705,440	628,168
2026	10,207,613	9,502,190	705,423	613,196
2027	10,217,388	9,510,160	707,228	600,101
2028	10,234,450	9,524,840	709,610	587,719
2029	10,242,244	9,537,625	704,619	569,609
Total:	**87,179,732**	**79,600,642**	**7,579,090**	**6,872,236**



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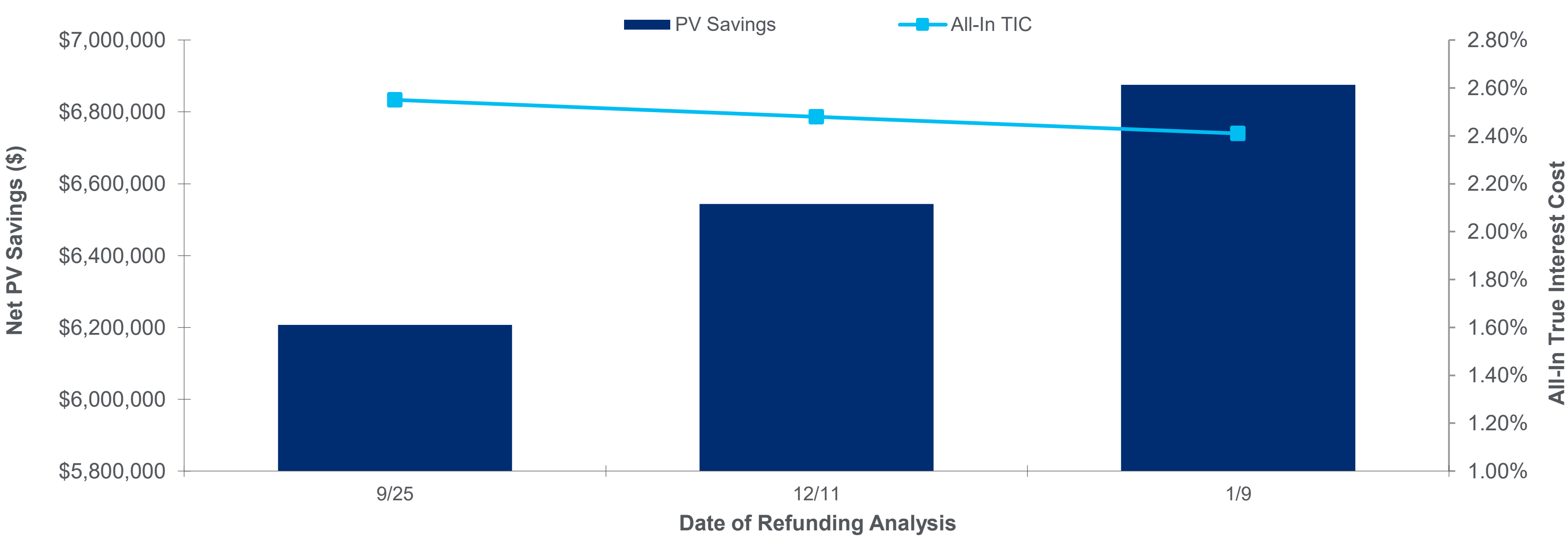
Change Since Last Analysis

Summary of Prior Refunding Analyses

Date	9/25/2019	12/11/2019	1/9/2020
Refunded Par	65,540,000	65,540,000	65,540,000
Refunding Par	70,820,000	69,920,000	69,890,000
Date / Delivery	12/1/2019	2/5/2020	2/5/2020
Avg Life (yrs)	6.28	6.20	6.19
All-In TIC (%)	2.55%	2.48%	2.41%
Gross Savings ($)	**6,958,719**	**7,232,339**	**7,579,090**
Net PV Savings ($)	**6,207,032**	**6,543,480**	**6,875,588**
Net PV Savings (%)	**9.47%**	**9.98%**	**10.49%**
Escrow Yield (%)	1.72%	1.67%	1.70%
Negative Arbitrage	791,865	694,613	587,632
Escrow Efficiency	88.69%	90.40%	92.13%

Note: Savings present valued back to the delivery of the bonds at the respective arbitrage yield.



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TAB 5
Other Issues

TAB 6
Adjournment