Recent Market Conditions

- Financial markets are volatile, and struggle with uncertainty
- Investors are purchasing US Treasuries (“flight to quality”) but little else
- This drives US Treasury yields down, but can increase rates on other debt
- Some new municipal bond issues are being sold, but if issuers can wait, they are
- Historically, even in 2008, unsettled markets have returned to orderly functioning in weeks to months
- High-quality credits, like the District, are often the first to have efficient market access

**What Does this Mean for the District Near-Term?**
- Responsive Plan of Finance adjustments
- Flexible market access and liquidity preservation are high priority
- *Proceed with Plan of Finance to preserve liquidity and achieve savings, when available, but delay retirement of $85 million of higher rate bonds until a later date*
**Proposed**

Timeline to Pursue Debt Optimization

- **Dec**
  - **BOARD ACTION**: Adopted Reimbursement Resolution

- **Mar 16**
  - **BOARD INPUT**: Receive market update, discuss next steps

- **Today**
  - **DECISION POINT TO PRESERVE LIQUIDITY AND FLEXIBILITY**
  - **BOARD ACTION**: Consider adopting Bond Issuance Resolution – 3/30
    (authorizes, but does not require issuance**)
  - **BOARD INPUT**: Review District offering documents – 3/26 – 4/6

- **Apr**
  - Publish offering documents with 2019 financials – 4/10*
  - Price and sell refinancing and new bonds – 4/21*
  - **BOARD ACTION**: Sign closing documents – 4/27*

- **May**
  - Staff completes closing and delivers bonds – 5/1*

*Tentative, subject to market conditions

**If issuance, retire certain bonds at later date**