



*Robert J. Harvie, Chairman  
David E. Landau, Esq.  
Anand D. Solanki  
David A. Nasatir, Esq.  
Gregory C. McCarthy, Esq.*

## **DELAWARE VALLEY REGIONAL FINANCE AUTHORITY**

### **Minutes of the Agenda Meeting on December 8, 2025**

On December 8, 2025, at 1811 Bethlehem Pike, Flourtown Commons, Suite C350, Flourtown, Pennsylvania 19031, the Agenda Meeting of the Board of Directors of the Delaware Valley Regional Finance Authority was conducted as advertised.

Robert J. Harvie called the meeting to order and called the roll. The following members were also present: David E. Landau, Anand D. Solanki, David A. Nasatir, and Gregory C. McCarthy. Jeffrey T. Calhoun from Calhoun Baker Inc., the Administrator, and Carmen P. Belefonte, Esq., the Authority Solicitor, were also in attendance.

The Administrator discussed the Administrator's report and briefed the Board on the agenda for the public meeting.

No action was taken on the Requisitions or Resolutions.

A handwritten signature in blue ink that reads "Anand D. Solanki". The signature is written in a cursive, flowing style.

ANAND D. SOLANKI  
Secretary  
Delaware Valley Regional Finance Authority



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## **DELAWARE VALLEY REGIONAL FINANCE AUTHORITY**

### **Agenda Meeting December 8, 2025**

#### **Call to Order and Roll Call**

#### **Requisitions to be considered:**

- a) **Requisition 25-46:** TD Wealth Operations, \$12,500.00, annual trustee fee of the Local Government Revenue Bonds, 2020 Series D.
- b) **Requisition 25-47:** Chapman and Cutler LLP, \$5,000.00, bank counsel fees for the Second Amendment of the Reimbursement Agreement securing the Local Government Revenue Bonds, 2020 Series D.
- c) **Requisition 25-48:** TD Bank, N.A., \$180.00, bank fee to amend the Reimbursement Agreement securing the Local Government Revenue Bonds, 2020 Series D.
- d) **Requisition 25-49:** Bank of America, N.A., \$16,657.51 facility fee for the Letter-of-Credit securing the Local Government Revenue Bonds, 2025 Series B and \$250 draw fee.
- e) **Requisition 25-50:** Reimbursement to Calhoun Baker Inc., \$2,000 for the 2026 sponsorship of the Chester County Association of Township Officials.
- f) **Requisition 25-51:** Annual membership dues, \$11,458 for the International Swaps and Derivatives Association.

#### **Resolutions to be considered:**

- a) **Resolution 25-28:** Authorization to amend the Master Interest Rate Swap Agreement with The Toronto-Dominion Bank.
- b) **Resolution 25-29:** Authorization to prepare an RFQ for Solicitor.
- c) **Resolution 25-30:** Commendation for Gregory C. McCarthy, Esq.
- d) **Resolution 25-31:** Authorization to make the rebate payment for the Local Government Revenue Bonds, 2020 Series B, C, and D.

#### **Program Administrator's Report:**

- a) Loan portfolio
- b) Market conditions
- c) Swap transactions and market values
- d) Rebate calculations for the 2021 A Series and the 2020 B, C, and D Series
- e) Marketing plan
- f) 2025 A and B Series



*Robert J. Harvie, Chairman  
David E. Landau, Esq.  
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**DELAWARE VALLEY REGIONAL FINANCE AUTHORITY  
MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS ON DECEMBER 8, 2025**

The Board of Directors of the Delaware Valley Regional Finance Authority, as duly advertised, held a public meeting, on December 8, 2025, at 1811 Bethlehem Pike, Flourtown Commons, Suite C350, Flourtown, Pennsylvania 19031.

Robert J. Harvie called the meeting to order and called the roll. The following members were also present: David E. Landau, Anand D. Solanki, David A. Nasatir, and Gregory C. McCarthy. Jeffrey T. Calhoun from Calhoun Baker Inc., the Administrator, and Carmen P. Belefonte, Esq., the Authority Solicitor, were also in attendance.

The Pledge of Allegiance was recited by all present.

Upon a motion of Mr. Solanki, seconded by Mr. Landau, the Board unanimously approved the Minutes of the Meeting of November 10, 2025.

Jeffrey Calhoun reviewed payments of the Requisitions previously approved by the Board for rating fees, remarketing fees, and Letter-of-Credit fees.

Upon a motion of Mr. Landau, seconded by Mr. McCarthy, the Board approved the payment of **Requisitions 25-46**, by a vote of 4-0; Mr. Nasatir abstained.

**Requisition 25-46:** TD Wealth Operations, \$12,500.00, annual trustee fee of the Local Government Revenue Bonds, 2020 Series D.

Upon a motion of Mr. Nasatir, seconded by Mr. Solanki, the Board unanimously approved the payment of **Requisition 25-47**, as described below.

**Requisition 25-47:** Chapman and Cutler LLP, \$5,000.00, bank counsel fees for the Second Amendment of the Reimbursement Agreement securing the Local Government Revenue Bonds, 2020 Series D.

Upon a motion of Mr. McCarthy, seconded by Mr. Landau, the Board approved the payment of **Requisitions 25-48**, by a vote of 4-0; Mr. Nasatir abstained.

**Requisition 25-48:** TD Bank, N.A., \$180.00, bank fee to amend the Reimbursement Agreement securing the Local Government Revenue Bonds, 2020 Series D.

Upon a motion of Mr. Solanki, seconded by Mr. McCarthy, the Board unanimously approved the payment of **Requisition 25-49**, as described below.

**Requisition 25-49:** Bank of America, N.A., \$16,657.51 facility fee for the Letter-of-Credit securing the Local Government Revenue Bonds, 2025 Series B and \$250 draw fee.

Upon a motion of Mr. Nasatir, seconded by Mr. McCarthy, the Board unanimously approved the payment of **Requisition 25-50**, as described below.

**Requisition 25-50:** Reimbursement to Calhoun Baker Inc., \$2,000 for the 2026 sponsorship of the Chester County Association of Township Officials.

Upon a motion of Mr. Landau, seconded by Mr. McCarthy, the Board unanimously approved the payment of **Requisition 25-51**, as described below.

**Requisition 25-51:** Annual membership dues, \$11,458 for the International Swaps and Derivatives Association.

Upon a motion of Mr. McCarthy, seconded by Mr. Solanki, the Board adopted the resolution below, by a vote of 4-0; Mr. Nasatir abstained.

**Resolution 25-28:** RESOLVED, the Board of Directors of the Delaware Valley Regional Finance Authority hereby authorizes and directs the amendment of the Master Interest Rate Swap Agreement with The Toronto-Dominion Bank.

Upon a motion of Mr. Nasatir, seconded by Mr. Landau, the Board unanimously adopted the resolution below.

**Resolution 25-29:** RESOLVED, the Board of Directors of the Delaware Valley Regional Finance Authority hereby authorizes the Administrator to prepare an RFQ for Solicitor to the Authority.

Upon a motion of Mr. Harvie, seconded by Mr. Landau, the Board unanimously adopted the resolution below.

**Resolution 25-30:** RESOLVED, the Board of Directors of the Delaware Valley Regional Finance Authority hereby commends and congratulates **Gregory C. McCarthy, Esq.** for his excellent record of service as a member of the Board of Directors on behalf of the citizens of Bucks, Chester, Delaware and Montgomery Counties. We extend our sincere best wishes to him for continued success in his future endeavors.

Upon a motion of Mr. Solanki, seconded by Mr. McCarthy, the Board unanimously adopted the resolution below.

**Resolution 25-26:** RESOLVED, the Board of Directors of the Delaware Valley Regional Finance Authority hereby authorizes and approves the amendment to the By-Laws to change the legal address of DelVal.

Upon a motion of Mr. Solanki, seconded by Mr. Landau, the Board unanimously adopted the resolution below.

**Resolution 25-31:** RESOLVED, the Board of Directors hereby authorizes and directs the Administrator to make the rebate payment due for the Local Government Revenue Bonds, 2020 Series B, C, and D.

Jeffrey Calhoun presented the monthly Administrator's Report. Mr. Calhoun discussed the trend of interest rates, recent bonds issued in the Market Area, the composition of the Loan portfolio, compliance with the Covenant Agreement, and the market values of DelVal's swap transactions. He also discussed the status of the extension of the rebate calculations of the 2021 A Series and 2020 B, C, and D Series, the status of the new 2025 A and B Series, and the marketing plan.

Upon a motion of Mr. Nasatir, seconded by Mr. Landau, the Board unanimously approved adjourning the Public Meeting.



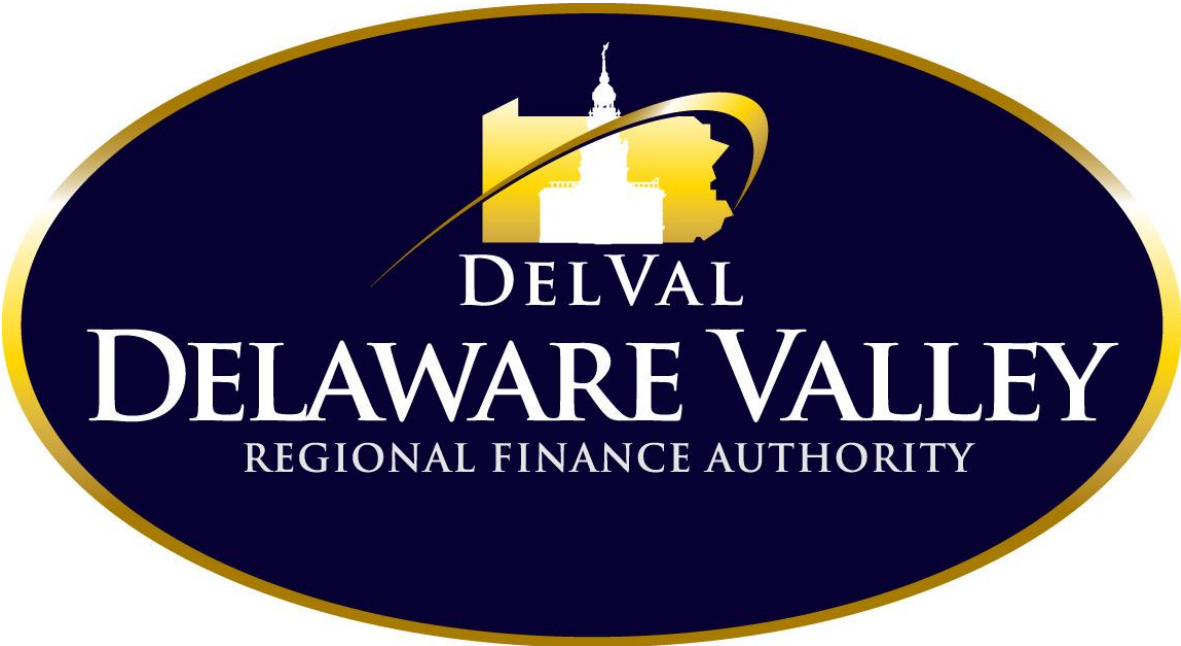
ANAND D. SOLANKI  
Secretary  
Delaware Valley Regional Finance Authority

# Delaware Valley Regional Finance Authority

*Program Administrator's Report*

*December 8, 2025*

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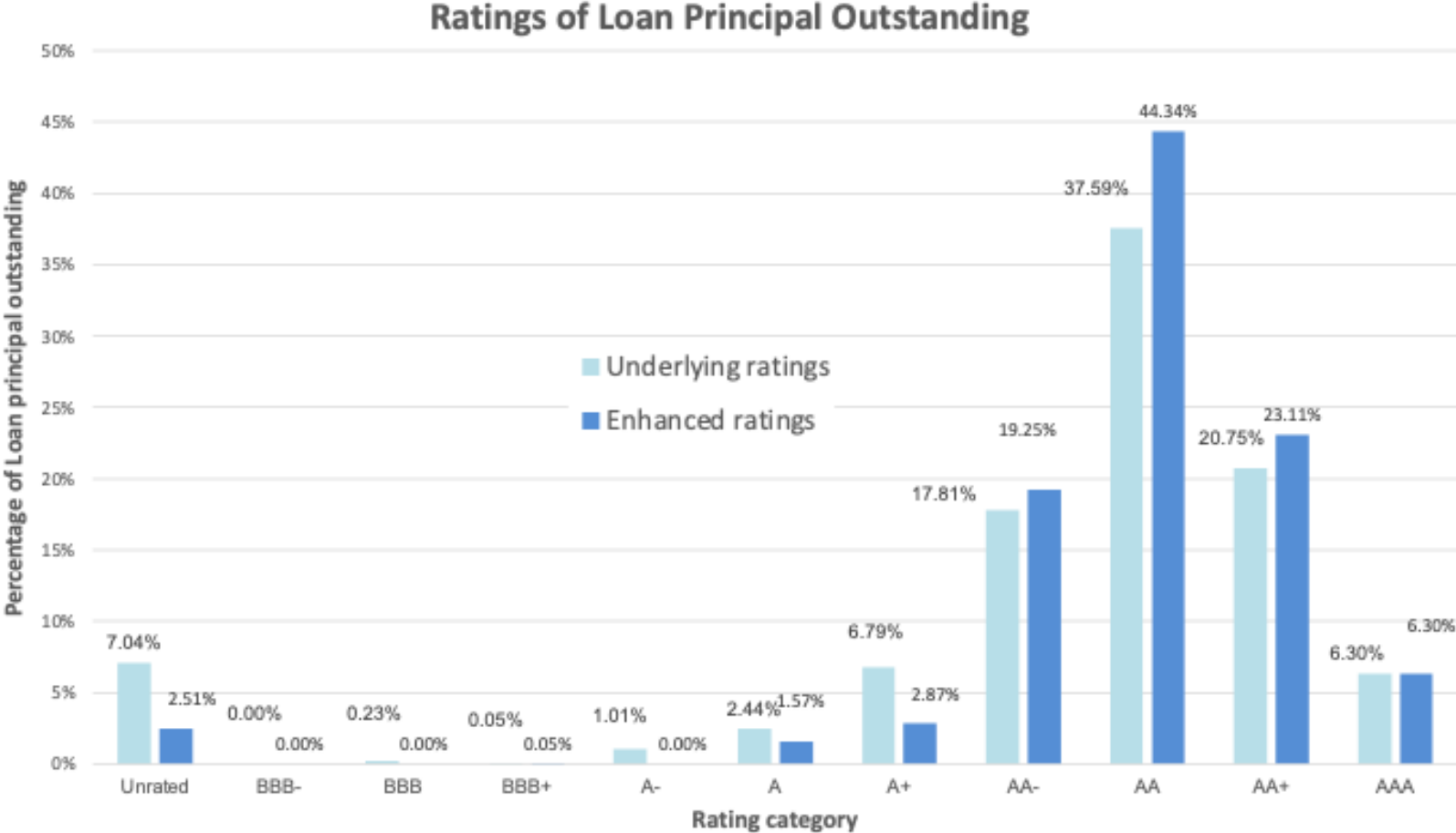


# Discussion Points

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- Loan portfolio
- Market conditions
- Swap transactions and market values
- Issuance of 2025 A and B Series
- Master Interest Rate Swap Agreement amendment with Toronto-Dominion Bank
- RFQ for Solicitor
- Rebate payment for 2020 BCD Series
- Rebate payment calculation for 2021 A Series
- Marketing plan

# Loan Portfolio – Ratings of Borrowers

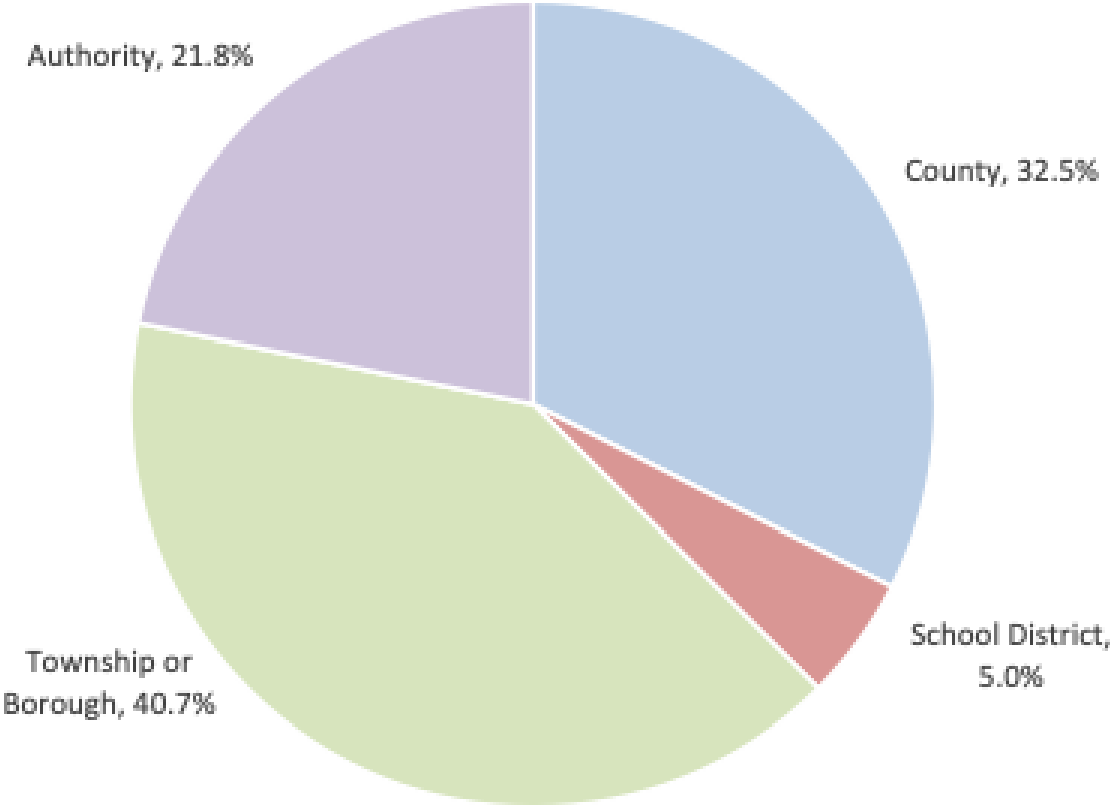


- Assured Guaranty and Build America Mutual insure 14.01% of the outstanding Loans.
- The weighted average underlying and enhanced rating of borrowers in the DeVal Loan Program is “AA”.

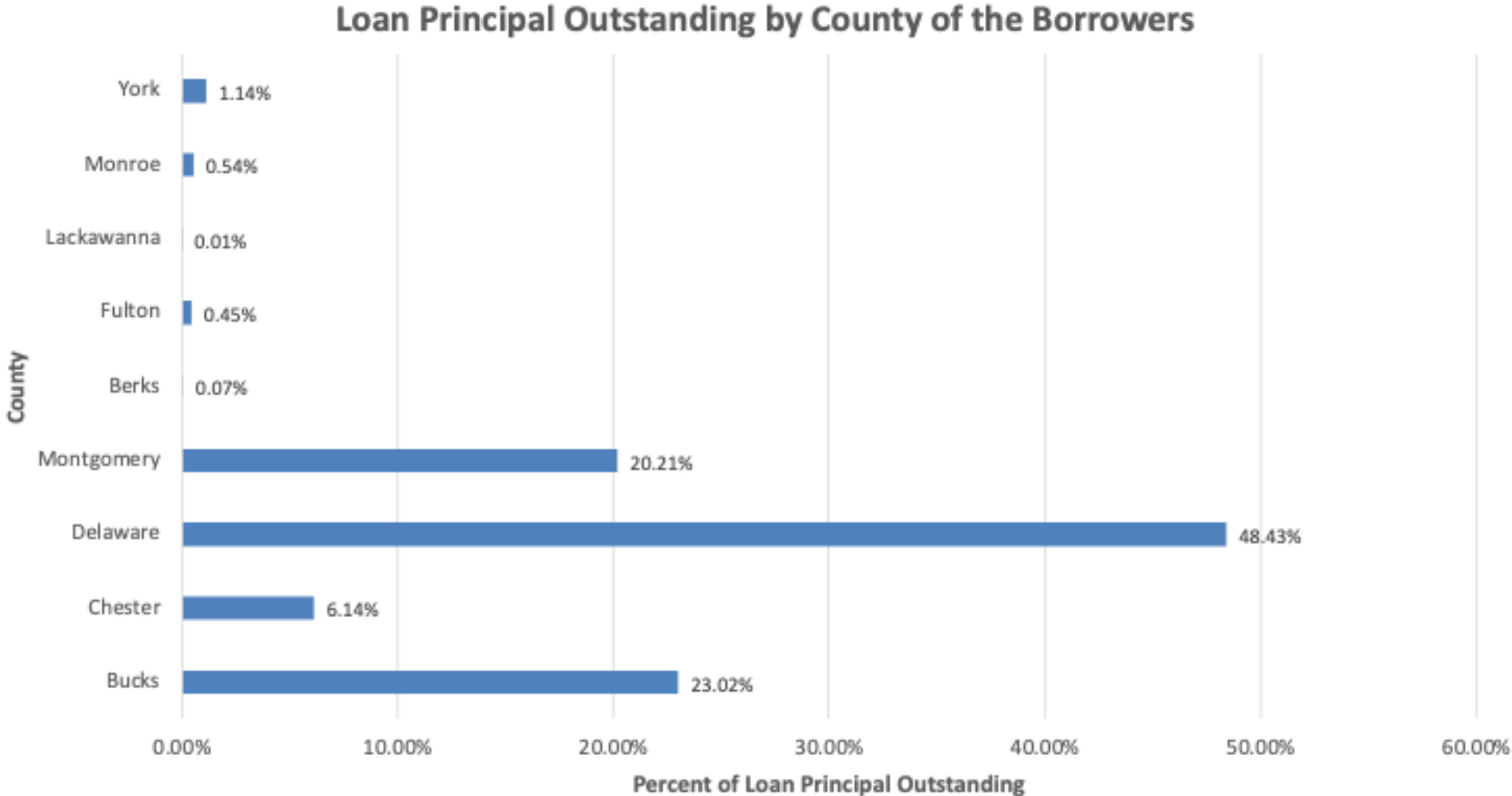
# Loan Portfolio – Type of Borrowers

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Loan Principal Outstanding by Type of Borrower



# Loan Portfolio - County of Borrower



97.8% of Loans are to borrowers in Bucks, Chester, Delaware, and Montgomery Counties, the wealthiest, most diversified, and most stable region in the Commonwealth.

# Loan Origination

## Delaware Valley Regional Finance Authority Loans Originated for the Year Ending November 30, 2025

<u>No.</u>	<u>Loans Closed</u>	<u>County</u>	<u>Underlying or Guarantor Rating</u>			<u>Amount</u>	<u>Closing</u>
			<u>Guarantor</u>	<u>Moody's</u>	<u>S&amp;P</u>		
1	Upper Dublin Township	Montgomery	—	Aa2	—	10,000,000	8-Nov-24
2	Brookhaven Borough	Delaware	—	—	AA-	1,000,000	6-Feb-25
3	Upper Dublin Township	Montgomery	—	Aa2	—	11,400,000	11-Apr-25
4	Chadds Ford Township Sewer Authority	Delaware	Chadds Ford Township	—	—	300,000	17-Apr-25
5	Morrisville Borough	Bucks	BAM	—	AA	1,625,000	16-May-25
6	Chalfont Borough	Bucks	—	—	—	350,000	13-Jun-25
7	Marlborough Township	Montgomery	—	—	—	\$ 4,228,000	10-Nov-25
8	Aston Ambulance Authority	Delaware	Aston Township	—	AA-	2,000,000	18-Nov-25
	Total					<u>\$ 30,903,000</u>	

## Applications and Loans in Process

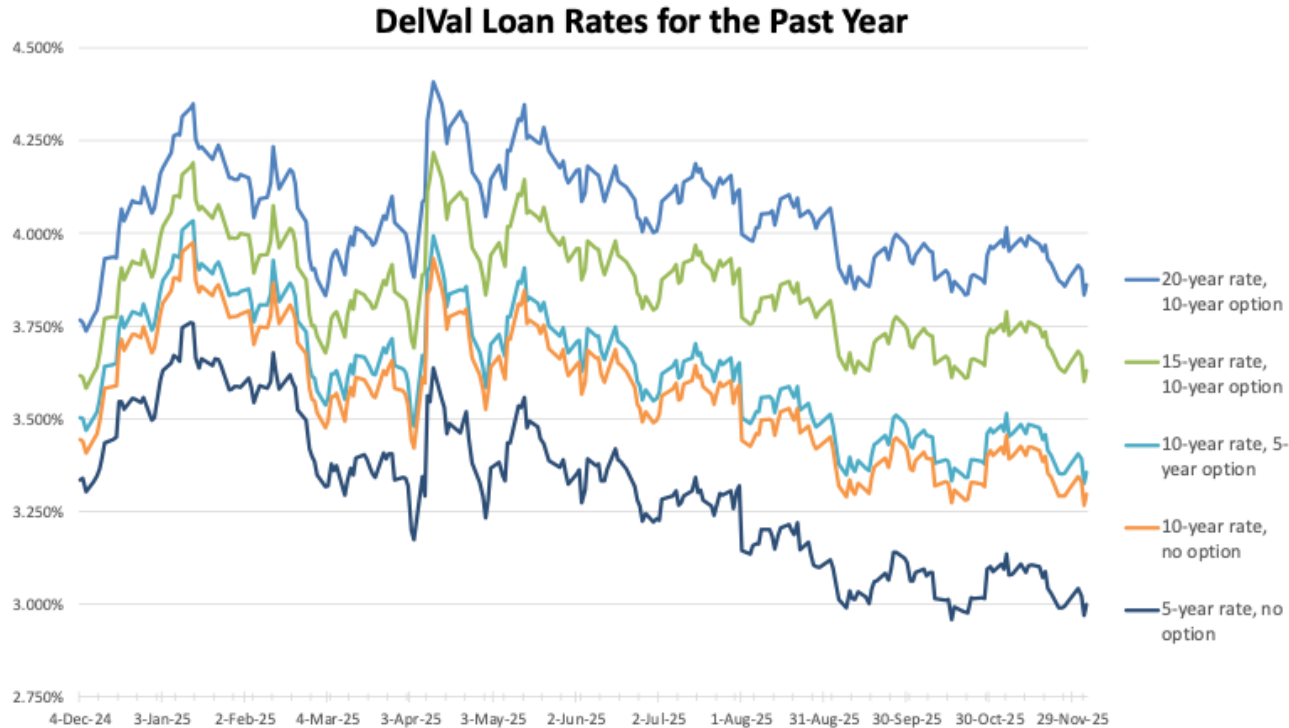
<u>No.</u>	<u>Loans in Process</u>	<u>County</u>	<u>Underlying or Guarantor Rating</u>			<u>Amount*</u>	<u>Scheduled Closing*</u>
			<u>Guarantor</u>	<u>Moody's</u>	<u>S&amp;P</u>		
1	Aston Township	Delaware	—	—	AA-	3,000,000	19-Dec-25
2	Upper Providence Township	Delaware	—	—	AA	5,000,000	13-Feb-26
	Total					<u>\$ 8,000,000</u>	

\* Preliminary, subject to change.

Loan origination has declined in 2025 due to:

- Higher project costs due to inflation, supply chain issues, and labor shortages,
- Higher interest rates that increase debt service burdens and reduce refunding opportunities, and
- CARES and ARPA grants that displaced financings

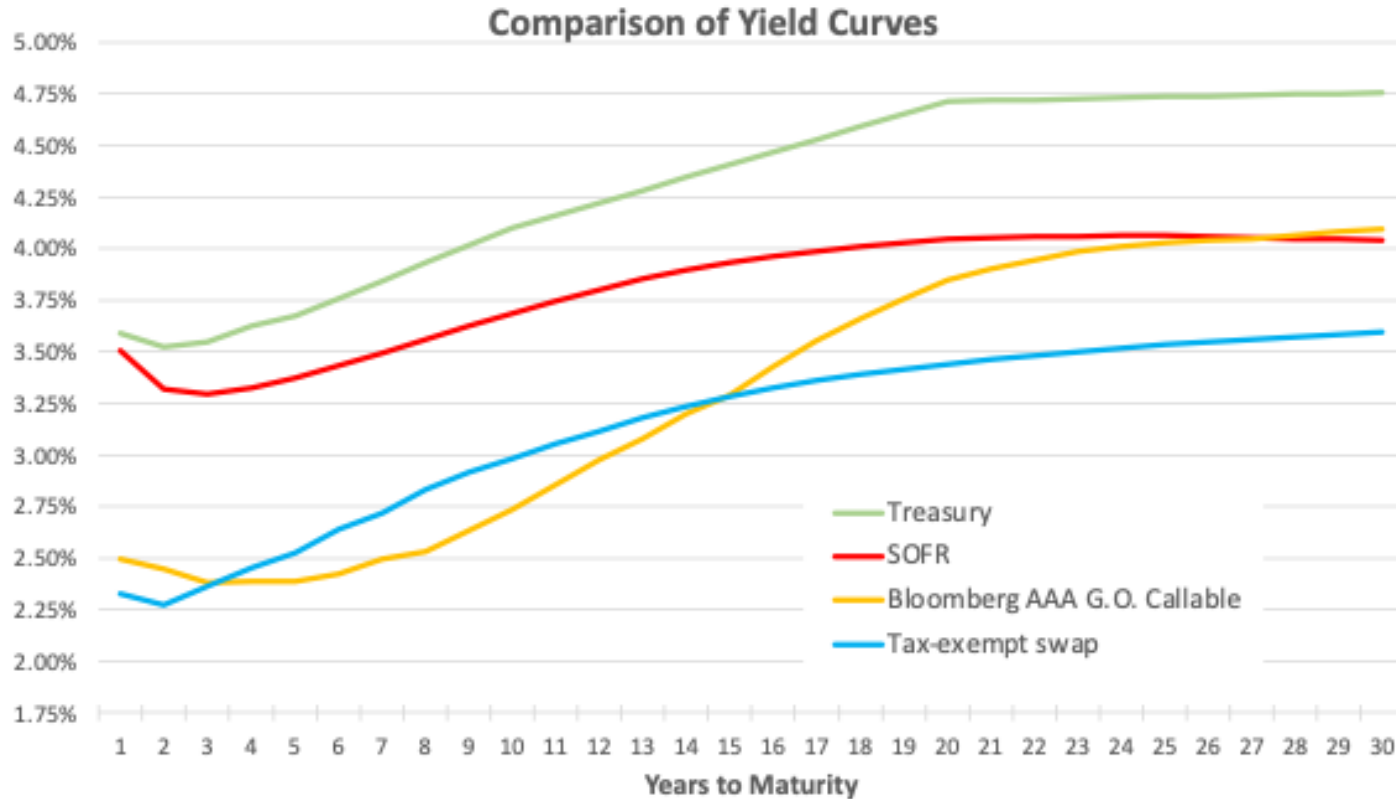
# DeVal Loan Rates



<u>Loan Option</u>	<u>Average Loan Rate</u>			<u>Rate as of 4-Dec-25</u>
	<u>Past Year</u>	<u>Past 6-Months</u>	<u>Past 3-Months</u>	
20-year rate, 10-year option	4.05%	3.97%	3.86%	3.86%
15-year rate, 10-year option	3.85%	3.75%	3.63%	3.63%
10-year rate, 5-year option	3.63%	3.48%	3.36%	3.36%
10-year rate, no option	3.57%	3.42%	3.30%	3.30%
5-year rate, no option	3.31%	3.12%	3.00%	3.00%

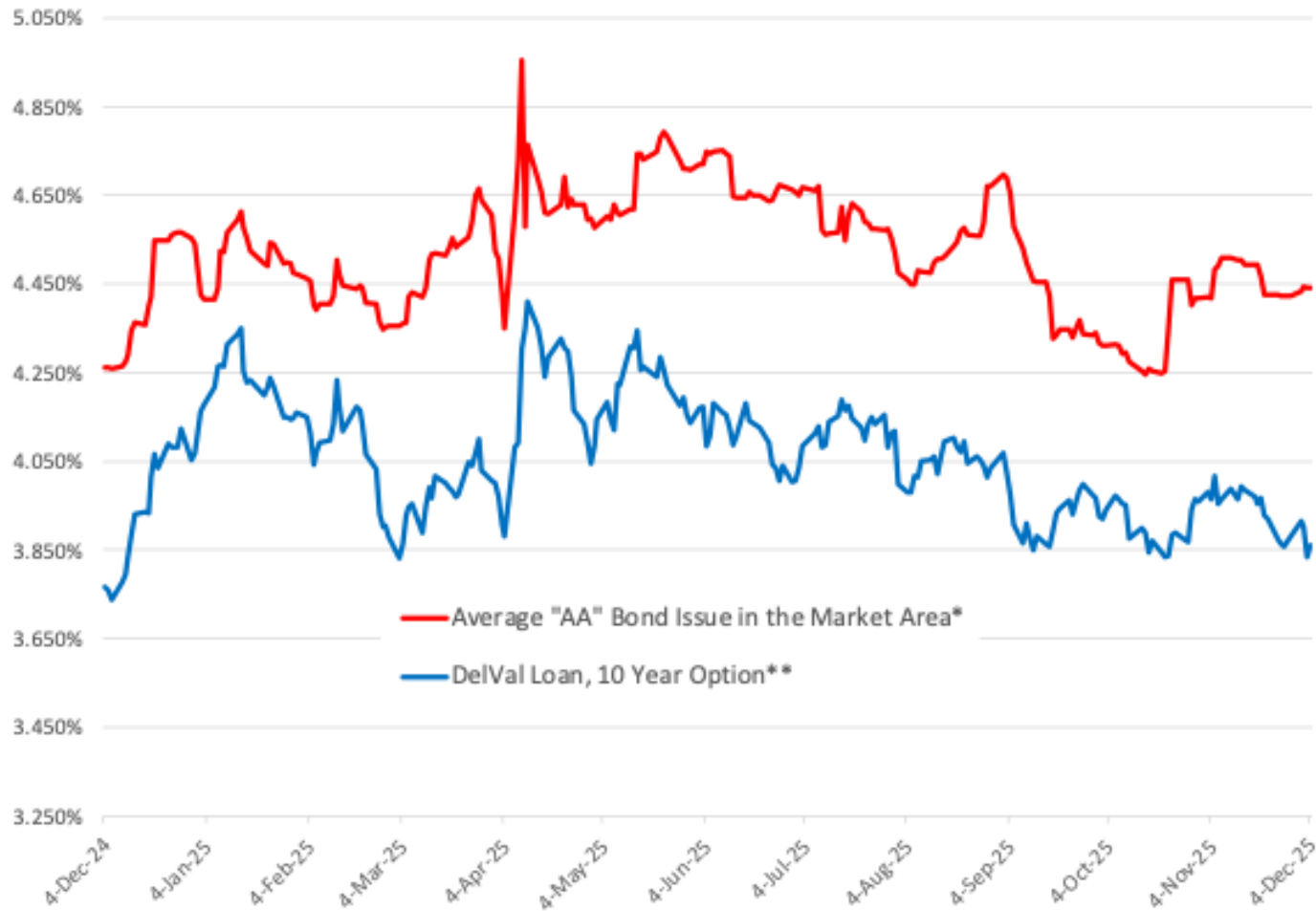
- Interest rates have remained largely rangebound as the market waits for more economic data that show the effects of the uncertainty surrounding tariffs, fiscal deficits, and the Federal Reserve Bank’s monetary policy. The market has needed to rely mostly on the lagged BLS economic data from September that is currently being released.
- Rates have decreased most recently due to a Fed Governor making a dovish speech prior to the Fed’s blackout period in the weeks leading up to the December FOMC meeting. This speech singlehandedly flipped the market’s expectation that the Fed will not cut to the Fed will cut the Fed Funds Rate by 0.25% at the December meeting.
- The FOMC will continue to be cautious with future rate cuts, even if cost inflation remains modest. While the issue does not earn many headlines, asset inflation has been a major concern of the FOMC since 2008, and particularly since 2020, following the bail-out of the repo and corporate debt market. The interest rate reductions encourage riskier investments, greater leverage, and expanding asset bubbles.

# Comparison of Yield Curves



- The Treasury rates remain inverted due to the interest rate that the Federal Reserve Bank pays banks for their reserves and the Treasury's continuation of the funding the US Federal Government with T-Bills. This effectively sets a floor for the rates of short-term Treasury Bills. The Treasury yield curve has become steeper after the 2-year maturity due to the uncertainty of future FOMC policy and the perceived inability to address multi-trillion Federal deficits. Demand for the 30-year maturity has become thin.
- The other yield curves are derivatives of the Treasury yields. The SOFR curve reflects a more jaundiced view of future Federal deficits and economic growth. The Bloomberg AAA General Obligation Index is not a par yield, and it is not strictly comparable to the other curves. The Bloomberg Index is based on a 5% coupon, and the yield curve underestimates the cash flow for interest payments.

# Market Update: Cost-effectiveness of DeVal Loans



\*Based on actual weighted average spreads to "AAA" indices and actual issuance costs.

\*\*Based on actual rates and issuance costs.

**Past results are not a predictor of future spreads and costs.**

- Bond Issuers have consistently paid a higher cost of financing than they would have with a comparable DeVal Loan.
- This comparison ignores the additional costs of issuance that the Bond Issuer would pay to refund the Bond Issue. DeVal assesses no fees to exercise an option and reset the rate.
- As a result, Bond Issuers pay more in debt service (higher All-In True Interest Costs) and will pay avoidable future costs of issuance for refundings.

## Bond Issues in the Market Area

### "AA" Bond Issues in DeVal's Market Area\*

<u>Bond issues in the Market Area*</u>	<i>Bonds in the "AA" Rating Category Sold in the Quarter Ended</i>				<i>Annual Total</i>
	<u>28-Feb-25</u>	<u>31-May-25</u>	<u>31-Aug-25</u>	<u>30-Nov-25</u>	
Number of issues	26	32	22	33	113
Average par amount	\$ 25,800,769	\$ 21,303,281	\$ 17,528,409	\$ 22,844,545	\$ 22,053,274
Weighted average rating	AA	AA	AA	AA	AA
Weighted average maturity (years)	15.50	15.88	17.91	13.04	15.23
Weighted costs of issuance (% of par amount)					
Bond issues in Market Area	1.547%	1.759%	1.600%	1.352%	1.554%
Less Comparable DeVal Loans**	<u>0.568%</u>	<u>0.679%</u>	<u>0.601%</u>	<u>0.608%</u>	<u>0.616%</u>
Savings from comparable DeVal Loan	0.979%	1.081%	0.999%	0.743%	0.939%
Weighted average All-In True Interest Cost					
Bond issues in Market Area	4.439%	4.718%	4.936%	4.418%	4.604%
Less Comparable DeVal Loans**	<u>4.338%</u>	<u>4.396%</u>	<u>4.531%</u>	<u>4.185%</u>	<u>4.352%</u>
Savings from comparable DeVal Loan	0.101%	0.322%	0.405%	0.233%	0.252%
Average debt service costs					
Bond issues in Market Area	\$ 44,471,517	\$ 38,043,558	\$ 33,381,792	\$ 36,358,035	\$ 38,122,725
Less Comparable DeVal Loans**	<u>43,679,931</u>	<u>36,599,740</u>	<u>31,728,014</u>	<u>35,079,257</u>	<u>36,836,298</u>
Savings from comparable DeVal Loan	<u>\$ 791,586</u>	<u>\$ 1,443,818</u>	<u>\$ 1,653,778</u>	<u>\$ 1,278,778</u>	<u>\$ 1,286,426</u>

\* Preliminary, some official statements may not have been posted yet or may have been missed inadvertently.

\*\*DeVal Loan rates are based on actual end of day rates and include a comparable option and rating agency or insurance fees.

**Past results are not a predictor of future spreads and costs.**

# Bond Issue Comparison

**Upper Merion Township  
General Obligation Bonds, 2025 Series  
Comparison with De/Val Loan Rates on the Sale Date  
November 17, 2025**

	<i>Actual</i>	<i>De/Val Loan*</i>
<b>Sources of Funds</b>		
Par Amount of Bonds	\$ 9,360,000.00	\$ 9,904,000.00
Original Issue Premium (Discount)	637,693.90	-
Total sources	<u>\$ 9,997,693.90</u>	<u>\$ 9,904,000.00</u>
<b>Uses of Funds</b>		
Project Costs	\$ 9,852,793.90	\$ 9,852,793.90
Underwriting Fees	70,200.00	49,520.00
Other Issuance Costs	74,700.00	1,686.10
Total uses	<u>\$ 9,997,693.90</u>	<u>\$ 9,904,000.00</u>
<i>Total debt service</i>	\$ 15,276,700.00	\$ 14,927,217.99
<b>De/Val debt service savings (costs)</b>		<b>\$ 349,482.01</b>
<i>All-In True Interest Cost (All-In TIC)</i>	4.432%	4.205%
<b>De/Val All-In TIC savings (costs)</b>		<b>0.226%</b>
<i>Weighted Average Maturity (years)</i>	12.643	12.331
<b>Costs of Issuance</b>		
Underwriters' Fees	0.702%	
Other Costs	0.747%	
Total	1.449%	
<i>Type of Sale:</i>	Negotiated	
<i>Underwriter:</i>	Stifel	
<b>Moody's Rating:</b>	<b>Aaa</b>	

- The Township **will pay \$350 thousand more debt service on its bonds** than a comparably structured De/Val Loan, assuming the issue is not refunded.
- Issue was structured as a level debt, 19-year maturity, with a 5% coupon, and a 5-year option. With the 5% coupon, a refunding will almost certainly be economic on the option date, even if interest rates have risen.
- The Township will pay a 20-year rate for a 5-year bond issue and incur a new round of issuance costs for the refunding.
- With a De/Val Loan, the rate can be reset on the option date with no costs of issuance. A refunding would not be required.
- The School District **would have avoided \$1.0 million with an optimized De/Val Loan.**

# Market Value of Interest Rate Swap Transactions

## Market Value of Interest Rate Swaps

	<i>Rating</i>		<i>Notional Amount</i>	<i>Market Value 28-Nov-25</i>
	<i>Moody's</i>	<i>S&amp;P</i>		
<i>Bond Swaps</i>				
1997 Series	A1	***	\$ 6,550,000	\$ 306,203
1998 Series	A1	***	139,800,000	10,353,717
2002 Series	A1	A+	125,000,000	14,591,021
Master Series	A1	A+	585,150,000	145,308
Total Bond Swaps			<u>856,500,000</u>	<u>25,396,249</u>
<i>Loan swaps</i>				
1997 Series	A1	***	1,547,000	6,871
1998 Series	A1	***	70,577,000	842,617
2002 Series	A1	A+	99,803,000	1,596,096
Master Series	A1	A+	690,137,700	48,694,845
Total Loan Swaps			<u>862,064,700</u>	<u>51,140,429</u>
<i>Investment swaps</i>			<u>21,700,000</u>	<u>(211,406)</u>
TOTAL			<u>\$ 1,740,264,700</u>	<u>\$ 76,325,271</u>

## Market Value of Interest Rate Swaps

	<i>Rating</i>		<i>Notional Amount</i>	<i>Market Value 28-Nov-25</i>
	<i>Moody's</i>	<i>S&amp;P</i>		
<i>Counterparty</i>				
Bank of America	Aa1	A+	\$ 881,250,000	\$ 54,124,223
Barclays Bank PLC	A1	A+	17,465,000	648,713
Citibank	Aa3	A+	110,050,000	954,566
PNC Bank	A1	A	340,594,000	12,062,467
Royal Bank of Canada	Aa1	AA-	384,535,700	8,566,218
Toronto-Dominion Bank	Aa2	A+	6,370,000	(30,915)
TOTAL			<u>\$ 1,740,264,700</u>	<u>\$ 76,325,271</u>

## Rebate Calculations

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2021 A Series rebate calculations as of October 1, 2025, have been completed. DeVal has no rebate or yield reduction payment obligation.

2020 B, C, and D Series rebate calculations as of November 1, 2025, show a rebate liability of approximately \$72,000. The filing and payment to the Treasury Department will be sent before the end of December.

## **Issuance of the \$200 million 2025 A and B Series**

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We were successful in securing attractive cost of funding levels that will allow DeVal to continue to be the lowest cost financing option available to municipalities, school districts, and authorities in the Commonwealth.

The sale of \$60 million of the fixed rate 2025 A Series was completed on December 4.

The sale of \$140 million of the weekly variable rate demand bond 2025 B Series will occur on December 16.

Closing is scheduled for December 17.