



July 22, 2021

Pinellas County Educational Facilities Authority
Request to Issue Revenue Bonds
Athenian Academy Inc.

Athenian Academy Inc. Team

School Team

Alex Veloudos
CEO

Choice Charter School Services
Clearwater, FL

Angela Combs
COO

Choice Charter School Services
Clearwater, FL

June Roper
Principal

Athenian Academy Charter School
Clearwater, FL

Sheri Masters
Vice Principal

Athenian Academy Charter School
Clearwater, FL

John Pantazes
Board President

Athenian Academy Charter School
Clearwater, FL

Banking Team

Ike Papadopoulos
Senior Managing Director

Hilltop Securities Inc.
Naples, FL

Sandy Matthews
Vice President

Hilltop Securities Inc.
New York, NY

Sophie Jean
Vice President

Hilltop Securities Inc.
New York, NY

In Attendance

Not in Attendance

Athenian Academy Charter School Overview

The Borrower: Athenian Academy, Inc. (the “Borrower” or “Athenian Academy”)

- The Athenian Academy, Inc., a Florida not for profit corporation operates the Athenian Academy Charter Schools, which are public charter schools located in Clearwater, FL and Ft. Myers, FL. ***This financing is for the Clearwater, FL location only.***

The Charter School: Athenian Academy Charter School in Clearwater, FL (the “School”)

- The School’s current facility is located at 2289 North Hercules Avenue, Clearwater, FL 33763.
- Athenian Academy Charter School was founded in 2000 as the First Greek Immersion Charter School in the United States. Today, the School is a dual language immersion school (Greek and Spanish) and serves over 450 students in grades K-8.
- Choice Charter School Services has managed the School since 2018, providing services in the areas of Finance, Board of Directors, Grant Solicitation, Annual Reporting, School Board Representation and Facility Identification, Expansion, Design and Development.
- The School has a two-year charter expiring on June 20, 2022. The School intends to begin renewal discussions closer to the renewal date and anticipates a renewal term of at least five years. The previous Charter was in place for 10 years. The School’s charter history is shown below.
 - Original charter in 2000 (3-year term)
 - 1st Renewal in 2003 (2-year term)
 - 2nd Renewal in 2005 (5-year term)
 - 3rd Renewal in 2010 (10-year term)
 - 4th Renewal in 2020 (2-year term)

Athenian Academy Charter School Facility

- The School's facility is currently owned by Building Hope Hercules, Inc ("Building Hope"), a 501(c)3.
 - Building Hope wishes to sell the building.
- LAI Construction designed and built the School's two-story, 30,000 sq. ft. 27-classroom building and renovated an existing one-story church and Sunday school building on a 2.5-acre lot, which now includes an auditorium, a cafeteria and additional classrooms. Combined, the two buildings are approximately 40,000 sq. ft.



Historical & Current Enrollment

- The School currently enrolls 454 students. See below for a breakdown of historical and current enrollment.

Historical Enrollment

Athenian Academy Charter School Historical Enrollment						
Grade Level	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
KG	70	72	55	58	53	59
1	67	68	70	55	58	52
2	53	72	74	70	56	66
3	53	51	67	68	63	68
4	49	53	50	49	59	63
5	41	43	49	52	44	69
6	42	45	37	41	53	50
7	43	40	45	32	35	56
8	39	43	34	41	33	43
Total	457	487	481	466	454	526

Projected Enrollment

Athenian Academy Charter School Projected Enrollment			
2021-22*	2022-23	2023-24	2024-25
526	511	534	550

* Projected enrollment as of July 8, 2021

School Improvement Plan

- In 2019, the School missed maintaining the school grade of "B" by less than two points (1.66).

Athenian Academy Charter School Grades												
Year	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Grade	C	B	C	B	B	A	B	A	C	A	B	B

- For the 2019-20 school year, the School has taken the following actions to improve academics:
 - A new more rigorous 2020 math curriculum was adopted by the School that is more in line with the State of Florida standards
 - An ELA Dept. Chair was established to ensure ELA standards are being met
 - Restructured the School to include separate blocks for reading, math and writing
 - Mandatory staff training to meet increasing ELL population needs
 - Hired specialists to concentrate on students' affairs including discipline, attendance and behavior issues
 - Increased salary scale to be more competitive within the state
- In addition, the School had made additional changes that it believes will have a positive impact on enrollment:
 - Replaced its previous principal with June Roper
 - Put in place additional resources to support teacher training and student learning outcomes including additional staff, changes to the math curriculum and added a specialist to improve the academics.
 - Adding a STEAM program since it is of great interest to families. Athenian will be the only STEAM school in the area and there is significant demand for the STEAM program.
 - Gifted/talented program and honors classes

Credit Positives & Considerations

Credit Positives

- ▲ A long and distinguished operating history within the community it serves
 - Attractive dual language immersion program (Greek and Spanish)
- ▲ Stable financial performance
- ▲ Very limited debt load
- ▲ A seasoned management team and a diverse board
- ▲ Significant COVID-19 relief provided by ESSER Funds
 - Allows for additional financial flexibility and will assist the School in building out its STEAM, honors and gifted/talented programs

Credit Considerations

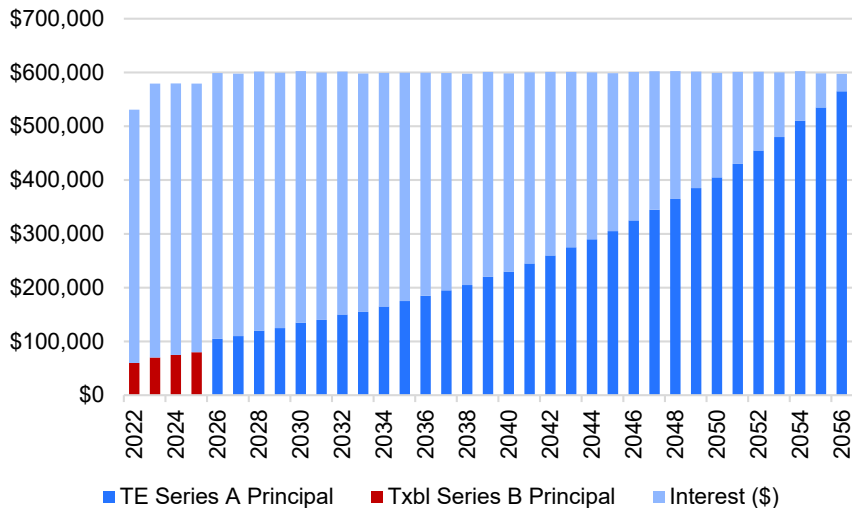
- ▼ Limited balance sheet resources with some softening in enrollment
- ▼ The current “C” rating grade (though the School only missed a “B” rating by 2 points)

Financing Overview¹

Sources and Uses of Funds

	TE Series A	Txbl Series B	Total
Sources			
Par Amount	\$8,590,000	\$285,000	\$8,875,000
Original Issue Discount	(515,400)	(5,700)	(521,100)
Total	\$8,074,600	\$279,300	\$8,353,900
Uses			
Purchase Facility & Pay off Loan	\$7,900,000	\$-	\$7,900,000
Cost of Issuance	171,800	278,888	450,689
Additional Proceeds	2,800	412	3,212
Total	\$8,074,600	\$279,300	\$8,353,900

Bond Debt Service Chart



¹ Preliminary and subject to change

Bond Debt Service Schedule

Fiscal Year	Tax-Exempt Series A		Taxable Series B		Aggregate Debt Service (\$)
	Principal (\$)	Interest (\$)	Principal (\$)	Interest (\$)	
2022	\$-	\$470,726	\$60,000	\$0	\$530,726
2023	-	\$467,475	\$70,000	\$0	\$537,475
2024	-	\$459,713	\$75,000	\$0	\$534,713
2025	-	\$451,663	\$80,000	\$0	\$531,663
2026	\$105,000	\$443,038	\$80,000	\$0	\$628,038
2027	\$110,000	\$434,125	\$80,000	\$0	\$624,125
2028	\$120,000	\$424,638	\$80,000	\$0	\$624,638
2029	\$125,000	\$414,575	\$80,000	\$0	\$620,575
2030	\$135,000	\$403,938	\$80,000	\$0	\$618,938
2031	\$140,000	\$392,725	\$80,000	\$0	\$612,725
2032	\$150,000	\$380,938	\$80,000	\$0	\$610,938
2033	\$155,000	\$368,288	\$80,000	\$0	\$603,288
2034	\$165,000	\$355,063	\$80,000	\$0	\$600,063
2035	\$175,000	\$340,975	\$80,000	\$0	\$595,975
2036	\$185,000	\$326,025	\$80,000	\$0	\$591,025
2037	\$195,000	\$310,213	\$80,000	\$0	\$585,213
2038	\$205,000	\$293,538	\$80,000	\$0	\$578,538
2039	\$220,000	\$276,000	\$80,000	\$0	\$576,000
2040	\$230,000	\$257,313	\$80,000	\$0	\$567,313
2041	\$245,000	\$237,475	\$80,000	\$0	\$562,475
2042	\$260,000	\$216,488	\$80,000	\$0	\$556,488
2043	\$275,000	\$194,350	\$80,000	\$0	\$550,350
2044	\$290,000	\$171,063	\$80,000	\$0	\$541,063
2045	\$305,000	\$146,338	\$80,000	\$0	\$531,338
2046	\$325,000	\$120,175	\$80,000	\$0	\$525,175
2047	\$345,000	\$92,575	\$80,000	\$0	\$517,575
2048	\$365,000	\$63,250	\$80,000	\$0	\$508,250
2049	\$385,000	\$32,488	\$80,000	\$0	\$500,488
2050	\$405,000	\$0	\$80,000	\$0	\$485,000
2051	\$430,000	\$0	\$80,000	\$0	\$510,000
2052	\$455,000	\$0	\$80,000	\$0	\$535,000
2053	\$480,000	\$0	\$80,000	\$0	\$565,000
2054	\$510,000	\$0	\$80,000	\$0	\$598,000
2055	\$535,000	\$0	\$80,000	\$0	\$615,000
2056	\$565,000	\$0	\$80,000	\$0	\$645,000
Total	\$8,590,000	\$11,996,601	\$285,000	\$0	\$20,871,601

Benefits of Ownership

- Benefits of the proposed financing for Athenian Academy are:
 1. Athenian Academy will own its current facility which is under an amended lease effective August 2017;
 2. It allows the current landlord, Building Hope, a 501(c)(3) organization located in the District of Columbia, to exit as it desires to recycle its capital into building additional charter schools within its footprint; and
 3. Reduces Athenian Academy's annual facility costs, as the current lease payment has an annual built-in escalator of 5% from 2021 to 2025 and 2% thereafter up to 2035. A comparison of lease payments to proposed debt service in years 2022 through 2035 (total estimated savings of over \$3.5 million) is shown below.

Projected Lease Payments Vs. Proposed Debt Service ^{1,2}			
Fiscal Year	Projected Lease Payments	Proposed Debt Service ^{1,2}	Cash Flow Benefit ¹
2022	\$661,500	\$505,162	\$156,338
2023	\$694,575	\$551,506	\$143,069
2024	\$729,304	\$551,694	\$177,610
2025	\$765,769	\$551,538	\$214,231
2026	\$781,084	\$566,038	\$215,047
2027	\$796,706	\$565,288	\$231,419
2028	\$812,640	\$564,250	\$248,390
2029	\$828,893	\$567,925	\$260,968
2030	\$845,471	\$566,025	\$279,446
2031	\$862,380	\$563,838	\$298,543
2032	\$879,628	\$566,363	\$313,265
2033	\$897,220	\$568,313	\$328,908
2034	\$915,165	\$564,688	\$350,477
2035	\$933,468	\$565,775	\$367,693

1 Preliminary and subject to change

2 Excludes the unsecured loan payoff

Preliminary Term Sheet

- Athenian Academy received a preliminary term sheet from a sophisticated investor willing to finance the entire proposed debt. The investor is well known in the charter school space.

Athenian Academy Inc. Preliminary Term Sheet ¹	
Borrower:	Athenian Academy, Inc.
Amount:	Approx. Up to \$9,000,000
Purpose:	Proceeds will be used to (i) fund the acquisition, equipping and undertaking improvements to an existing charter school facility to accommodate up to 600 students in grades kindergarten through eighth grade located at 2289 North Hercules Avenue, Clearwater, FL 33763, (ii) repay an unsecured loan, the proceeds of which were used to fund improvements to the Clearwater location facilities, and (iii) pay for costs of issuance.
Type of Debt:	Tax-Exempt and Taxable (to cover COI overage) Revenue Bonds
Interest Rate:	Fixed Rate
Final Maturity:	35 Years
Underlying Ratings:	Not Rated
Security:	Gross revenues pledge and a first mortgage lien on the clearwater campus
Debt Service Reserve Fund:	None
Financial/Operating Covenants:	To be determined, may include a coverage covenant of 1.15x annual debt service, a liquidity covenant (min DCOH), enrollment covenant, and academic covenant (min "C" grade)
Optional redemption:	6/15/2029 at 104%, 6/15/2030 at 102% and 6/15/2031 at par
Closing Date:	September 2021
Placement Agent:	Hilltop Securities

¹ Preliminary and subject to change