



Updated Draft Financing Analysis

Raymond James Public Finance

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ASSESSED VALUATION, STATE AID AND MILL LEVY HISTORY

Assessed valuation & state aid history

average annual growth rate:

Last 20 Years **5.16%**

Last 15 Years **2.90%**

Last 10 Years **-2.48%**

Last 5 Years **1.93%**

Last 3 Years **5.53%**

year	assessed valuation		state aid percentages		
	total assessed valuation	percentage change	pre-2015	2015-2022	after-2022
1988/89	6,241,022	----			
1989/90	6,497,613	4.11%			
1990/91	6,431,844	-1.01%			
1991/92	6,466,282	0.54%			
1992/93	6,798,758	5.14%			
1993/94	6,551,443	-3.64%			
1994/95	6,391,671	-2.44%			
1995/96	17,258,752	170.02%			
1996/97	17,733,790	2.75%			
1997/98	17,983,831	1.41%			
1998/99	18,922,333	5.22%			
1999/00	16,944,832	-10.45%			
2000/01	18,179,549	22.20%	0%		
2001/02	19,927,692	9.62%	2%		
2002/03	17,617,803	-11.59%	1%		
2003/04	18,792,500	6.67%	3%		
2004/05	20,785,333	10.60%	0%		
2005/06	28,678,702	37.98%	0%		
2006/07	39,089,675	36.30%	0%		
2007/08	34,134,896	-12.68%	0%		
2008/09	40,282,877	18.01%	0%		
2009/10	32,243,708	-19.96%	0%		
2010/11	38,511,541	19.44%	0%		
2011/12	42,991,417	11.63%	0%		
2012/13	49,022,088	14.03%	0%		
2013/14	56,381,309	15.01%	0%		
2014/15	60,990,736	8.18%	0%		
2015/16	40,726,255	-33.23%	0%	0%	
2016/17	39,796,592	-2.28%	0%	0%	
2017/18	38,198,588	-4.02%	0%	0%	
2018/19	40,900,010	7.07%	0%	0%	
2019/20	40,067,738	-2.03%	0%	0%	
2020/21	34,908,916	-12.88%	0%	0%	
2021/22	36,988,634	5.96%	0%	0%	
2022/23	44,368,378	19.95%	0%	0%	0%
2023/24	46,573,449	4.97%	0%	0%	0%
2024/25	42,693,029	-8.33%	0%	0%	0%

Mill levy history

By the numbers:

34.130 lowest (2007/08)

47.236 highest (2023/24)

46.229 current

Year	General	Local Option Budget	Capital Outlay	Bond & Interest	Other	District Levy
2004/05	20.000	7.580	3.990	4.830	0.000	36.400
2005/06	20.000	6.850	3.980	3.420	0.000	34.250
2006/07	20.000	7.800	4.000	2.110	2.520	36.430
2007/08	20.000	10.200	3.930	0.000	0.000	34.130
2008/09	20.000	11.810	4.000	0.000	0.000	35.810
2009/10	20.000	14.340	4.000	0.000	0.000	38.340
2010/11	20.000	12.960	3.940	0.000	0.000	36.900
2011/12	20.000	14.217	4.553	0.000	0.000	38.770
2012/13	20.000	12.452	5.355	0.000	0.000	37.807
2013/14	20.000	12.093	5.800	0.000	0.000	37.893
2014/15	20.000	12.974	5.809	0.000	0.000	38.783
2015/16	20.000	12.693	7.891	0.000	0.000	40.584
2016/17	20.000	15.112	8.000	0.000	0.000	43.112
2017/18	20.000	15.113	8.000	0.000	0.000	43.113
2018/19	20.000	17.164	8.000	0.000	0.000	45.164
2019/20	20.000	19.145	8.000	0.000	0.000	47.145
2020/21	20.000	18.998	7.998	0.000	0.000	46.996
2021/22	20.000	18.527	7.994	0.000	0.000	46.521
2022/23	20.000	16.478	8.000	0.000	0.000	44.478
2023/24	20.000	19.242	7.994	0.000	0.000	47.236
2024/25	20.000	18.229	8.000	0.000	0.000	46.229

MILL LEVY AND DRAFT FINANCING ANALYSIS –
\$24 MILLION PROJECT FUND // 25-YEAR REPAYMENT

Mill levy analysis – \$24 million project fund

State Aid Percentages:	
Pre-2015 State Aid Percentage	0%
2015-2022 State Aid Percentage	0%
Post-2022 State Aid Percentage	0%
State Aid Assumptions:	
Pre-2015 State Aid annual change	0.00%
2015-2022 State Aid annual change	0.00%
Post-2022 State Aid annual change	0.00%

Assessed Valuation Growth Rate Assumptions:	
Annual % change:	2.00%
Total Assessed Valuation Excludes Motor Vehicle Valuation	
Mill Levy Collections	
Tax Collection Rate:	98%

Unified School District No. 303, Ness County, Kansas (Ness City) Calculation of Mill Levy - Minimum Mill Levy Required for \$24 Million GO Bonds, 25 Year Term

Year	Total Assessed Valuation	Annual Growth Rate	Proposed Debt Service:		Total Debt Service	Less: State Aid Post-2022	Debt Service Net of State Aid & Subsidy	Less: Portion Paid From Motor Vehicle Revenue	Net Debt Service Paid From Local Property Tax	Code 62 Cash Basis Reserve Unencumbered Fund Balance	Bond & Interest Fund Mill Levy Rate
			Principal	Interest							
2021	\$34,908,916	-12.88%									0.00
2022	36,988,634	5.96%									0.00
2023	44,368,378	19.95%									0.00
2024	46,573,449	4.97%									0.00
2025	42,693,029	-8.33%								\$0	0.00
2026	43,546,890	2.00%	\$0	\$1,176,125	\$1,176,125	\$0	\$1,176,125	\$49,836	\$1,126,290	111,313	29.00
2027	44,417,827	2.00%	-	1,008,108	1,008,108	-	1,008,108	71,165	936,942	436,725	29.00
2028	45,306,184	2.00%	360,000	1,008,108	1,368,108	-	1,368,108	82,958	1,285,149	439,177	29.00
2029	46,212,308	2.00%	405,000	997,308	1,402,308	-	1,402,308	89,906	1,312,402	440,130	29.00
2030	47,136,554	2.00%	445,000	985,158	1,430,158	-	1,430,158	91,704	1,338,453	441,297	29.00
2031	48,079,285	2.00%	490,000	970,695	1,460,695	-	1,460,695	93,538	1,367,157	440,554	29.00
2032	49,040,871	2.00%	540,000	953,545	1,493,545	-	1,493,545	95,409	1,398,136	436,159	29.00
2033	50,021,688	2.00%	585,000	934,645	1,519,645	-	1,519,645	97,317	1,422,328	435,447	29.00
2034	51,022,122	2.00%	640,000	914,170	1,554,170	-	1,554,170	99,263	1,454,907	430,590	29.00
2035	52,042,564	2.00%	695,000	890,170	1,585,170	-	1,585,170	101,249	1,483,921	425,718	29.00
2036	53,083,415	2.00%	755,000	864,108	1,619,108	-	1,619,108	103,274	1,515,834	418,515	29.00
2037	54,145,084	2.00%	815,000	835,795	1,650,795	-	1,650,795	105,339	1,545,456	411,862	29.00
2038	55,227,985	2.00%	880,000	803,195	1,683,195	-	1,683,195	107,446	1,575,749	405,693	29.00
2039	56,332,545	2.00%	950,000	767,995	1,717,995	-	1,717,995	109,595	1,608,400	398,263	29.00
2040	57,459,196	2.00%	1,025,000	729,995	1,754,995	-	1,754,995	111,787	1,643,208	388,045	29.00
2041	58,608,380	2.00%	1,105,000	688,995	1,793,995	-	1,793,995	114,022	1,679,973	373,723	29.00
2042	59,780,548	2.00%	1,185,000	644,795	1,829,795	-	1,829,795	116,303	1,713,492	359,194	29.00
2043	60,976,158	2.00%	1,270,000	594,433	1,864,433	-	1,864,433	118,629	1,745,804	346,333	29.00
2044	62,195,682	2.00%	1,365,000	540,458	1,905,458	-	1,905,458	121,002	1,784,456	329,478	29.00
2045	63,439,595	2.00%	1,460,000	481,080	1,941,080	-	1,941,079	123,422	1,817,657	314,774	29.00
2046	64,708,387	2.00%	1,570,000	415,380	1,985,380	-	1,985,378	125,890	1,859,488	294,299	29.00
2047	66,002,555	2.00%	1,680,000	343,160	2,023,160	-	2,023,157	128,408	1,894,749	275,342	29.00
2048	67,322,606	2.00%	1,800,000	265,880	2,065,880	-	2,065,876	130,976	1,934,900	253,751	29.00
2049	68,669,058	2.00%	1,925,000	183,080	2,108,080	-	2,108,075	133,596	1,974,479	230,846	29.00
2050	70,042,439	2.00%	2,055,000	94,530	2,149,530	-	2,149,524	136,267	2,013,257	208,195	29.00
Total			\$ 24,000,000	\$ 18,090,908	\$ 42,090,908	\$ -	\$ 42,090,887	\$ 2,658,300	\$ 39,432,587		

Draft financing analysis - \$24 million project fund

SOURCES AND USES OF FUNDS

Unified School District No. 303 Ness County (Ness City)
 General Obligation Bonds, Series 2025
 Estimated Market Rates as of January 29, 2025 Assumes 'A' Rating
 (GO Bond Amount = \$24 Million, Term = 25 Years)

Dated Date	07/01/2025
Delivery Date	07/01/2025

Sources:

Bond Proceeds:

Par Amount	24,000,000.00
Premium	242,138.65

24,242,138.65

Uses:

Project Fund Deposits:

Project Fund	23,890,000.00
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Cost of Issuance:

Other Cost of Issuance	110,000.00
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Delivery Date Expenses:

Underwriter's Discount	242,138.65
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24,242,138.65

Draft financing analysis - \$24 million project fund

BOND DEBT SERVICE

Unified School District No. 303 Ness County (Ness City)
 General Obligation Bonds, Series 2025
 Estimated Market Rates as of January 29, 2025 Assumes 'A' Rating
 (GO Bond Amount = \$24 Million, Term = 25 Years)

Dated Date 07/01/2025
 Delivery Date 07/01/2025

Period Ending	Principal	Coupon	Interest	Debt Service	Bond Balance	Total Bond Value
09/01/2025					24,000,000	24,000,000
09/01/2026			1,176,125.42	1,176,125.42	24,000,000	24,000,000
09/01/2027			1,008,107.50	1,008,107.50	24,000,000	24,000,000
09/01/2028	360,000	3.000%	1,008,107.50	1,368,107.50	23,640,000	23,640,000
09/01/2029	405,000	3.000%	997,307.50	1,402,307.50	23,235,000	23,235,000
09/01/2030	445,000	3.250%	985,157.50	1,430,157.50	22,790,000	22,790,000
09/01/2031	490,000	3.500%	970,695.00	1,460,695.00	22,300,000	22,300,000
09/01/2032	540,000	3.500%	953,545.00	1,493,545.00	21,760,000	21,760,000
09/01/2033	585,000	3.500%	934,645.00	1,519,645.00	21,175,000	21,175,000
09/01/2034	640,000	3.750%	914,170.00	1,554,170.00	20,535,000	20,535,000
09/01/2035	695,000	3.750%	890,170.00	1,585,170.00	19,840,000	19,840,000
09/01/2036	755,000	3.750%	864,107.50	1,619,107.50	19,085,000	19,085,000
09/01/2037	815,000	4.000%	835,795.00	1,650,795.00	18,270,000	18,270,000
09/01/2038	880,000	4.000%	803,195.00	1,683,195.00	17,390,000	17,390,000
09/01/2039	950,000	4.000%	767,995.00	1,717,995.00	16,440,000	16,440,000
09/01/2040	1,025,000	4.000%	729,995.00	1,754,995.00	15,415,000	15,415,000
09/01/2041	1,105,000	4.000%	688,995.00	1,793,995.00	14,310,000	14,310,000
09/01/2042	1,185,000	4.250%	644,795.00	1,829,795.00	13,125,000	13,125,000
09/01/2043	1,270,000	4.250%	594,432.50	1,864,432.50	11,855,000	11,855,000
09/01/2044	1,365,000	4.350%	540,457.50	1,905,457.50	10,490,000	10,490,000
09/01/2045	1,460,000	4.500%	481,080.00	1,941,080.00	9,030,000	9,030,000
09/01/2046	1,570,000	4.600%	415,380.00	1,985,380.00	7,460,000	7,460,000
09/01/2047	1,680,000	4.600%	343,160.00	2,023,160.00	5,780,000	5,780,000
09/01/2048	1,800,000	4.600%	265,880.00	2,065,880.00	3,980,000	3,980,000
09/01/2049	1,925,000	4.600%	183,080.00	2,108,080.00	2,055,000	2,055,000
09/01/2050	2,055,000	4.600%	94,530.00	2,149,530.00		
	24,000,000		18,090,907.92	42,090,907.92		

Draft financing analysis - \$24 million project fund

BOND PRICING

Unified School District No. 303 Ness County (Ness City)
 General Obligation Bonds, Series 2025
 Estimated Market Rates as of January 29, 2025 Assumes 'A' Rating
 (GO Bond Amount = \$24 Million, Term = 25 Years)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
	09/01/2028	360,000	3.000%	2.820%	100.539				1,940.40
	09/01/2029	405,000	3.000%	2.840%	100.622				2,519.10
	09/01/2030	445,000	3.250%	3.140%	100.518				2,305.10
	09/01/2031	490,000	3.500%	3.240%	101.439				7,051.10
	09/01/2032	540,000	3.500%	3.350%	100.945				5,103.00
	09/01/2033	585,000	3.500%	3.480%	100.137				801.45
	09/01/2034	640,000	3.750%	3.560%	101.471				9,414.40
	09/01/2035	695,000	3.750%	3.620%	101.002	C 3.631%	09/01/2034	100.000	6,963.90
	09/01/2036	755,000	3.750%	3.730%	100.150	C 3.733%	09/01/2034	100.000	1,132.50
	09/01/2037	815,000	4.000%	3.780%	101.686	C 3.825%	09/01/2034	100.000	13,740.90
	09/01/2038	880,000	4.000%	3.820%	101.376	C 3.865%	09/01/2034	100.000	12,108.80
	09/01/2039	950,000	4.000%	3.850%	101.145	C 3.894%	09/01/2034	100.000	10,877.50
	09/01/2040	1,025,000	4.000%	3.890%	100.837	C 3.926%	09/01/2034	100.000	8,579.25
	09/01/2041	1,105,000	4.000%	3.990%	100.071	C 3.994%	09/01/2034	100.000	784.55
	09/01/2042	1,185,000	4.250%	4.090%	101.208	C 4.151%	09/01/2034	100.000	14,314.80
	09/01/2043	1,270,000	4.250%	4.180%	100.523	C 4.208%	09/01/2034	100.000	6,642.10
	09/01/2044	1,365,000	4.350%	4.220%	100.974	C 4.275%	09/01/2034	100.000	13,295.10
	09/01/2045	1,460,000	4.500%	4.280%	101.648	C 4.376%	09/01/2034	100.000	24,060.80
		<u>14,970,000</u>							<u>141,634.75</u>
2050 Term Bonds:									
	09/01/2046	1,570,000	4.600%	4.450%	101.113	C 4.525%	09/01/2034	100.000	17,474.10
	09/01/2047	1,680,000	4.600%	4.450%	101.113	C 4.525%	09/01/2034	100.000	18,698.40
	09/01/2048	1,800,000	4.600%	4.450%	101.113	C 4.525%	09/01/2034	100.000	20,034.00
	09/01/2049	1,925,000	4.600%	4.450%	101.113	C 4.525%	09/01/2034	100.000	21,425.25
	09/01/2050	<u>2,055,000</u>	4.600%	4.450%	101.113	C 4.525%	09/01/2034	100.000	<u>22,872.15</u>
		<u>9,030,000</u>							<u>100,503.90</u>
		<u>24,000,000</u>							<u>242,138.65</u>

Dated Date	07/01/2025
Delivery Date	07/01/2025
First Coupon	03/01/2026
Par Amount	24,000,000.00
Premium	242,138.65
Production	24,242,138.65
Underwriter's Discount	-242,138.65
Purchase Price	24,000,000.00
Accrued Interest	100.000000%
Net Proceeds	24,000,000.00

Draft financing analysis - \$24 million project fund

BOND SUMMARY STATISTICS

Unified School District No. 303 Ness County (Ness City)
 General Obligation Bonds, Series 2025
 Estimated Market Rates as of January 29, 2025 Assumes 'A' Rating
 (GO Bond Amount = \$24 Million, Term = 25 Years)

Dated Date	07/01/2025
Delivery Date	07/01/2025
Last Maturity	09/01/2050
Arbitrage Yield	4.231343%
True Interest Cost (TIC)	4.316251%
Net Interest Cost (NIC)	4.349194%
All-In TIC	4.355219%
Average Coupon	4.349194%
Average Life (years)	17.332
Duration of Issue (years)	12.054
Par Amount	24,000,000.00
Bond Proceeds	24,242,138.65
Total Interest	18,090,907.92
Net Interest	18,090,907.92
Total Debt Service	42,090,907.92
Maximum Annual Debt Service	2,149,530.00
Average Annual Debt Service	1,672,486.41
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.089110
Total Underwriter's Discount	10.089110
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds	14,970,000.00	100.946	4.09245824%	13.731
2050 Term Bonds	9,030,000.00	101.113	4.60000000%	23.301
	24,000,000.00			17.332

	TIC	All-In TIC	Arbitrage Yield
Par Value	24,000,000.00	24,000,000.00	24,000,000.00
+ Accrued Interest			
+ Premium (Discount)	242,138.65	242,138.65	242,138.65
- Underwriter's Discount	-242,138.65	-242,138.65	
- Cost of Issuance Expense		-110,000.00	
- Other Amounts			
Target Value	24,000,000.00	23,890,000.00	24,242,138.65
Target Date	07/01/2025	07/01/2025	07/01/2025
Yield	4.316251%	4.355219%	4.231343%

TAXPAYER COST ANALYSIS

Taxpayer cost analysis – residential property

Unified School District No. 303		
Ness County, Kansas (Ness City)		
Calculation of Mill Levy - Taxpayer Cost Analysis - Residential Property		
Annual Property Tax		Cost to Homeowner Based on Mill Levy Increase of:
Appraised Value (1)	Assessed Value (11.5%)	
\$250,000	\$28,750	\$833.75
\$150,000	\$17,250	\$500.25
\$100,000	\$11,500	\$333.50
\$85,400	\$9,821	\$284.81
\$50,000	\$5,750	\$166.75
Monthly Property Tax		
Appraised Value (1)	Assessed Value (11.5%)	
\$250,000	\$28,750	\$69.48
\$150,000	\$17,250	\$41.69
\$100,000	\$11,500	\$27.79
\$85,400	\$9,821	\$23.73
\$50,000	\$5,750	\$13.90
Daily Property Tax		
Appraised Value (1)	Assessed Value (11.5%)	
\$250,000	\$28,750	\$2.28
\$150,000	\$17,250	\$1.37
\$100,000	\$11,500	\$0.91
\$85,400	\$9,821	\$0.78
\$50,000	\$5,750	\$0.46

(1) The median value of owner-occupied homes in Ness County, Kansas was \$85,400 according to the latest U.S. Census.

Taxpayer cost analysis – commercial property

Unified School District No. 303 Ness County, Kansas (Ness City) Calculation of Mill Levy - Taxpayer Cost Analysis - Commercial Property		
Annual Property Tax		Cost to Business Owner Based on Mill Levy Increase of:
Appraised Value	Assessed Value (25.0%)	29 Mills
\$250,000	\$62,500	\$1,812.50
\$100,000	\$25,000	\$725.00
\$50,000	\$12,500	\$362.50
Monthly Property Tax		
Appraised Value	Assessed Value (25.0%)	29 Mills
\$250,000	\$62,500	\$151.04
\$100,000	\$25,000	\$60.42
\$50,000	\$12,500	\$30.21
Daily Property Tax		
Appraised Value	Assessed Value (25.0%)	29 Mills
\$250,000	\$62,500	\$4.97
\$100,000	\$25,000	\$1.99
\$50,000	\$12,500	\$0.99

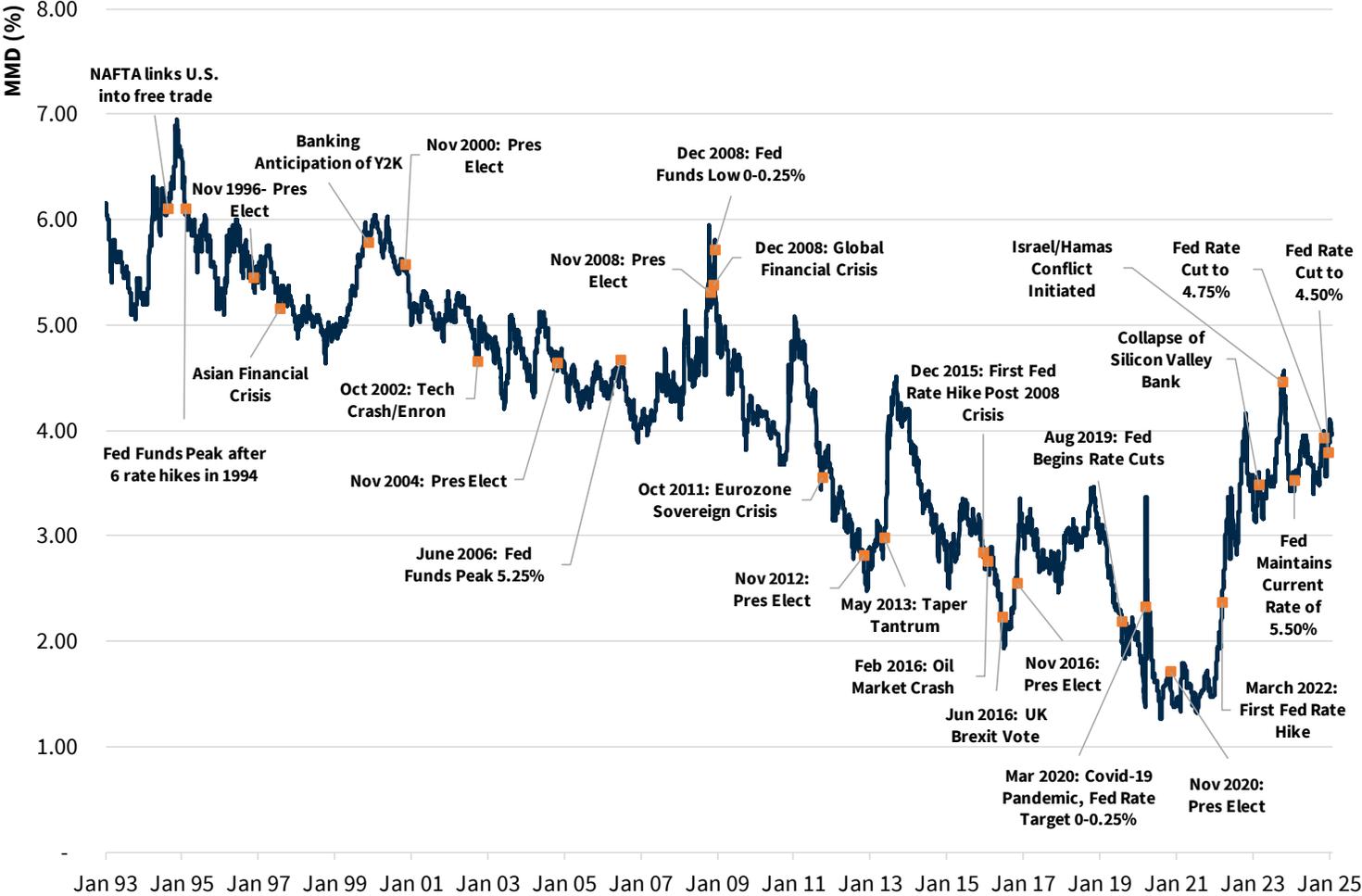
Taxpayer cost analysis – agricultural property

Unified School District No. 303 Ness County, Kansas (Ness City) <i>Calculation of Mill Levy - Taxpayer Cost Analysis - Agricultural Property</i>					
NATIVE GRASS	Cost to Agricultural Property Owner Based on Mill Levy Increase of:	DRY CROP LAND	Cost to Agricultural Property Owner Based on Mill Levy Increase of:	IRRIGATED CROP LAND	Cost to Agricultural Property Owner Based on Mill Levy Increase of:
Annual Property Tax		Annual Property Tax		Annual Property Tax	
Median Use Value Acreage (\$51/ac)	29 Mills	Median Use Value Acreage (\$156/ac)	29 Mills	Median Use Value Acreage (\$562/ac)	29 Mills
1,000 \$15,300	\$443.70	1,000 \$46,800	\$1,357.20	1,000 \$168,600	\$4,889.40
400 \$6,120	\$177.48	400 \$18,720	\$542.88	400 \$67,440	\$1,955.76
160 \$2,448	\$70.99	160 \$7,488	\$217.15	160 \$26,976	\$782.30
100 \$1,530	\$44.37	100 \$4,680	\$135.72	100 \$16,860	\$488.94
Monthly Property Tax		Monthly Property Tax		Monthly Property Tax	
Median Use Value Acreage (\$51/ac)	29 Mills	Median Use Value Acreage (\$156/ac)	29 Mills	Median Use Value Acreage (\$562/ac)	29 Mills
1,000 \$15,300	\$36.98	1,000 \$46,800	\$113.10	1,000 \$168,600	\$407.45
400 \$6,120	\$14.79	400 \$18,720	\$45.24	400 \$67,440	\$162.98
160 \$2,448	\$5.92	160 \$7,488	\$18.10	160 \$26,976	\$65.19
100 \$1,530	\$3.70	100 \$4,680	\$11.31	100 \$16,860	\$40.75
Daily Property Tax		Daily Property Tax		Daily Property Tax	
Median Use Value Acreage (\$51/ac)	29 Mills	Median Use Value Acreage (\$156/ac)	29 Mills	Median Use Value Acreage (\$562/ac)	29 Mills
1,000 \$15,300	\$1.22	1,000 \$46,800	\$3.72	1,000 \$168,600	\$13.40
400 \$6,120	\$0.49	400 \$18,720	\$1.49	400 \$67,440	\$5.36
160 \$2,448	\$0.19	160 \$7,488	\$0.59	160 \$26,976	\$2.14
100 \$1,530	\$0.12	100 \$4,680	\$0.37	100 \$16,860	\$1.34

BOND MARKET INFORMATION

30YR AAA MMD rate history

30YR MMD since 1993



Historical AAA-rated general obligation tax-exempt rates

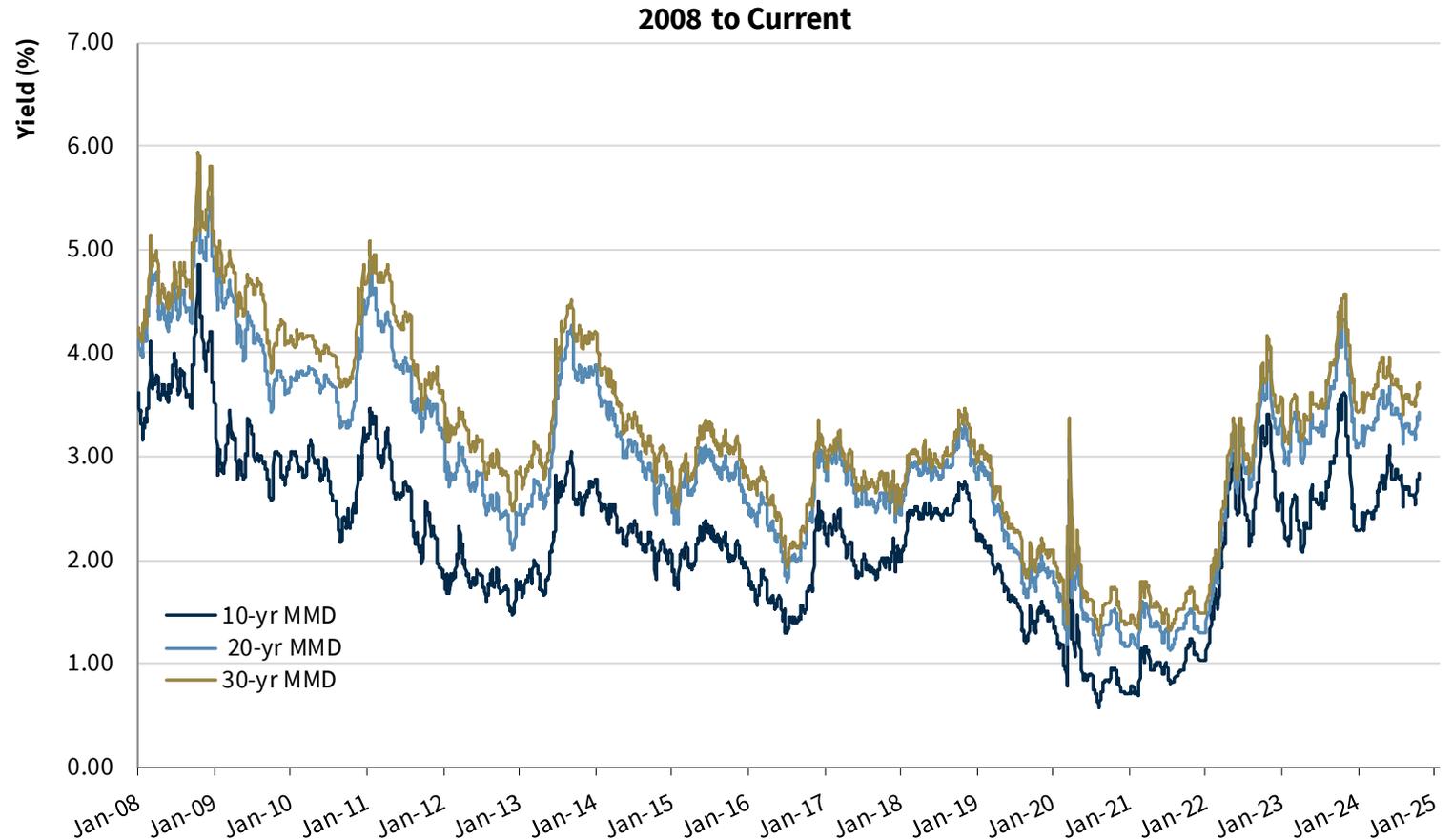
In August 2020, the municipal market hit all-time record lows throughout the curve in the wake of the pandemic.

2022 saw MMD steadily increase due to a series of Fed Rate hikes starting in March that finally began to reverse course due to the softening of inflation levels in late 2022 and early 2023.

The market in 2023 was volatile between the banking and debt ceiling crises as well as conflicts in the Middle East. MMD had increased during 2023 with Fed rate hikes in May and July.

In 2024, MMD has decreased as the markets are now expecting the Fed rate cuts to continue into 2025.

10YR, 20YR & 30YR AAA MMD



Current market update

This week's calendar:

\$5.01B negotiated

\$2.38B competitive

\$7.4B 30-Day Visible Supply

Key interest rates and prices

	This Week 1/31/2025	Last Week 1/24/2025	Last Month 1/2/2025	Last Year 1/31/2024
Federal Funds Rate	4.50	4.50	4.50	5.50
Prime Rate	7.50	7.50	7.50	8.50
Treasury - 2 yr	4.20	4.27	4.24	4.21
Treasury - 10 yr	4.54	4.62	4.56	3.91
SOFR	4.38	4.34	4.40	5.32
SIFMA	2.25	2.96	2.72	3.74
SIFMA/SOFR %	51.4	68.2	61.8	70.3
B.B. 20 Bond Index ¹	4.13	4.19	4.06	3.43
B.B. Rev. Index ²	4.42	4.48	4.35	3.71
30-Day Visible Supply ³	7.4 B	8.9 B	6.2 B	5.7 B
10-Year AAA MMD ⁴	2.97	3.07	3.06	2.38
10-Year AAA MMD Ratio to Treasury %	65.4	66.4	67.1	60.8
30-Year Treasury	4.79	4.85	4.78	4.17
30-Year AAA MMD ⁴	3.97	4.02	3.89	3.52

¹ Represents an estimation of the yield on a portfolio of 20 general obligation bonds that matures in 20 years with a composite AA rating.

² Represents an estimation of the yield that would be offered on 30-yr revenue bonds. The index is comprised of 25 issuers that cover a broad range of type of issues and vary in ratings.

³ The total dollar volume of municipal securities expected to be offered over the next 30 days.

⁴ Represents the benchmark yield for high grade municipal issues, based on a natural "AAA" rated general obligation bond issue. "AAA" MMD is the benchmark for pricing of all tax-exempt municipal issues.

Municipal long-term issuance

2024 YTD issuance volume is \$507.59B and redemption volume is \$362.5B

Long-term municipal new issue volume was up 34% in 2024 vs. 2023

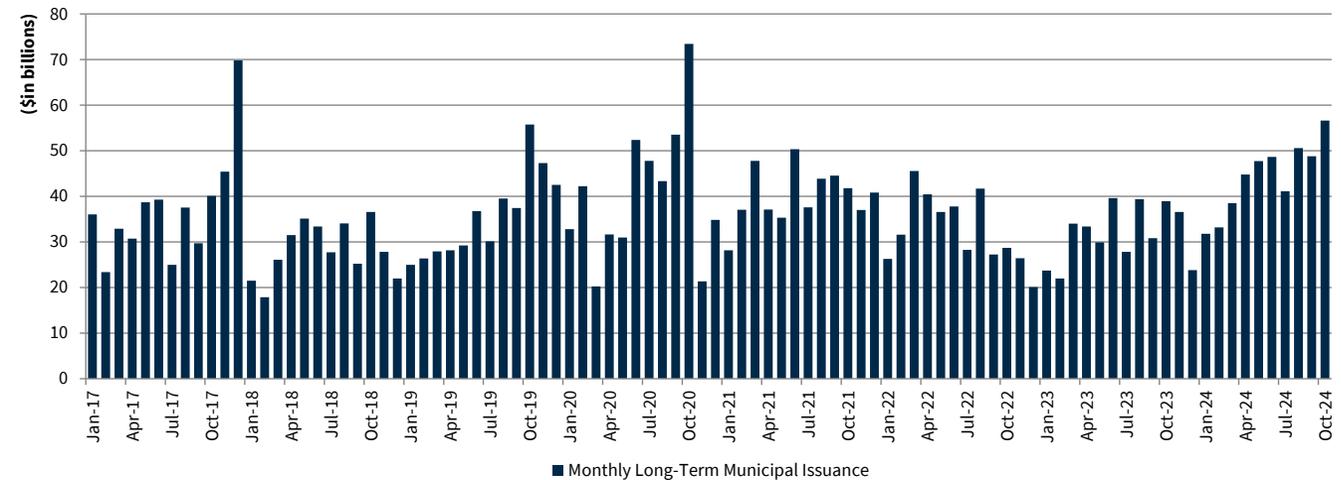
Long-term municipal new issue volume was down 3% in 2023 vs. 2022

Long-term municipal new issue volume was down 19% in 2022 vs. 2021

Long-term municipal new issuance was down 0.6% in 2021 vs. 2020

Monthly issuance

Municipal Long-Term Issuance										
\$ in billions	2017	2018	2019	2020	2021	2022	2023	2024	YoY %	
January	\$36.048	\$21.506	\$24.968	\$32.793	\$28.182	\$26.293	\$23.733	\$31.769		34%
February	23.385	17.895	26.375	42.229	37.052	31.602	22.011	33.168		51%
March	32.894	26.084	27.949	20.262	47.763	45.555	34.008	38.517		13%
April	30.711	31.516	28.154	31.650	37.105	40.423	33.377	44.800		34%
May	38.710	35.147	29.212	30.991	35.342	36.583	29.889	47.713		60%
June	39.301	33.388	36.747	52.390	50.364	37.775	39.601	48.666		23%
July	24.973	27.740	30.158	47.782	37.601	28.258	27.843	41.193		48%
August	37.541	34.042	39.522	43.362	43.885	41.716	39.369	50.653		29%
September	29.696	25.220	37.435	53.513	44.563	27.251	30.822	48.802		58%
October	40.099	36.585	55.775	73.448	41.811	28.724	38.923	65.799		69%
November	45.430	27.846	47.312	21.359	37.000	26.415	36.574	24.861		-32%
December	69.827	21.965	42.517	34.822	40.840	20.121	23.842	31.646		33%
Total	\$448.614	\$338.933	\$426.123	\$484.601	\$481.508	\$390.715	\$379.992	\$507.585		36%



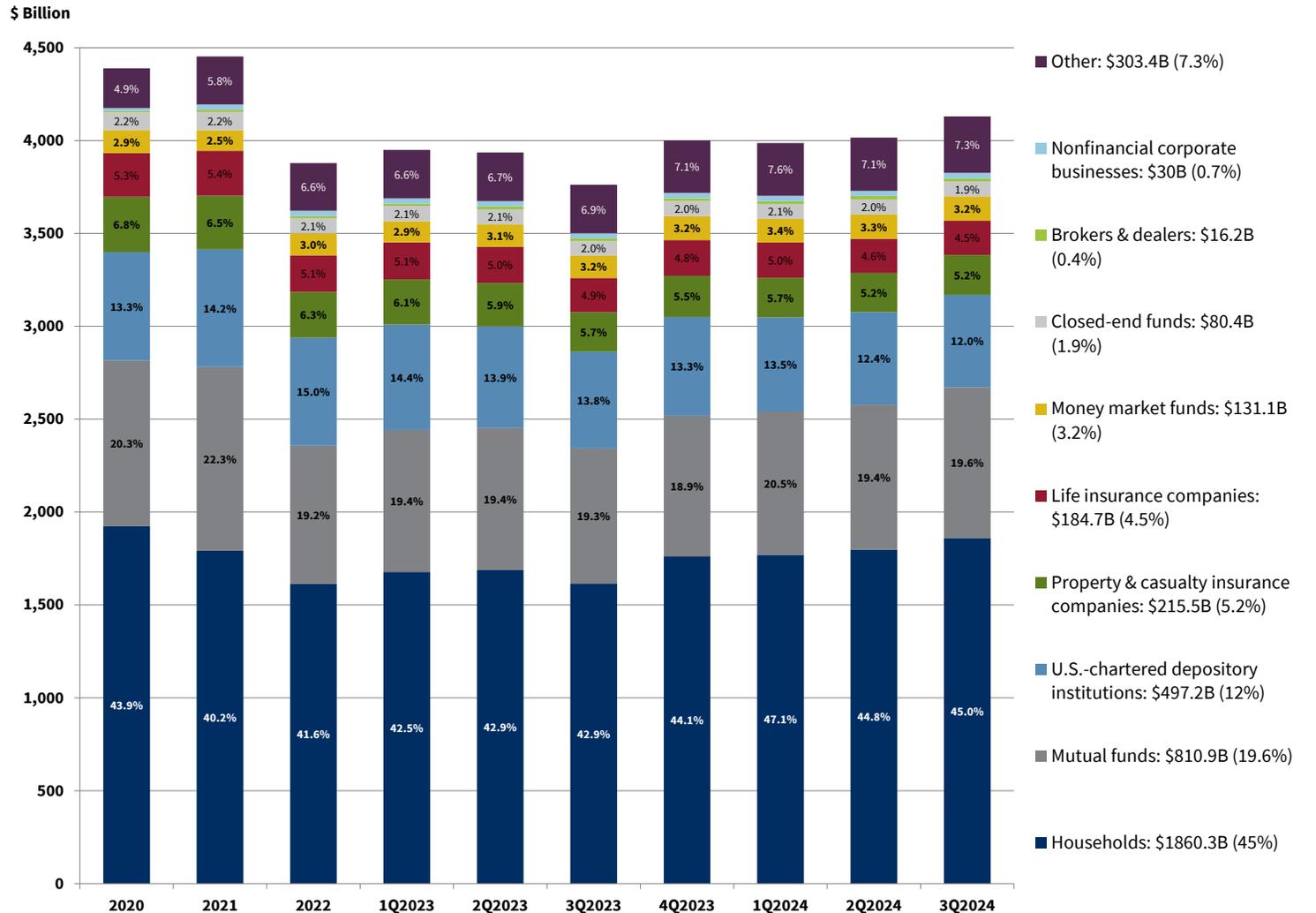
Holders of municipal bonds

Households have remained at the top as the largest holders of municipal bonds, peaking at a 47.1% share in Q1 2024. Currently, households have 45% of municipal bonds and more than double any other category of bondholder.

Mutual funds remained the second largest holder of municipal bonds. Since 2020, mutual funds have fluctuated their share of municipal debt around 20%.

The third largest holders of municipal bonds are U.S Chartered Depository Institutions. Rounding out the top 5 municipal bond holders are Property & Casualty Insurance Companies (4th largest holder) and Life Insurance Companies (5th largest holder).

Holders of municipal debt



Rate forecast

Even after 3 rate cuts amounting to 100 bps, the Bloomberg consensus of economists predicts that rates will continue to steadily fall in 2025.

Economist Consensus

US Treasury	Current Rate	2025				2026				2027		Change from Current Rate to 2027 Q1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
2 Year	4.14%	4.14%	4.01%	3.89%	3.82%	3.73%	3.66%	3.60%	3.58%	3.52%	3.53%	-0.62%
Economists Surveyed		45	45	45	46	39	38	36	36	0.26	0.25	
10 Year	4.47%	4.47%	4.42%	4.36%	4.34%	4.27%	4.22%	4.20%	4.17%	4.13%	4.12%	-0.34%
Economists Surveyed		53	53	53	55	44	42	40	39	0.29	0.28	
30 Year	4.75%	4.68%	4.65%	4.60%	4.57%	4.50%	4.49%	4.45%	4.45%	4.38%	4.37%	-0.37%
Economists Surveyed		38	38	38	38	33	33	31	31	22	22	

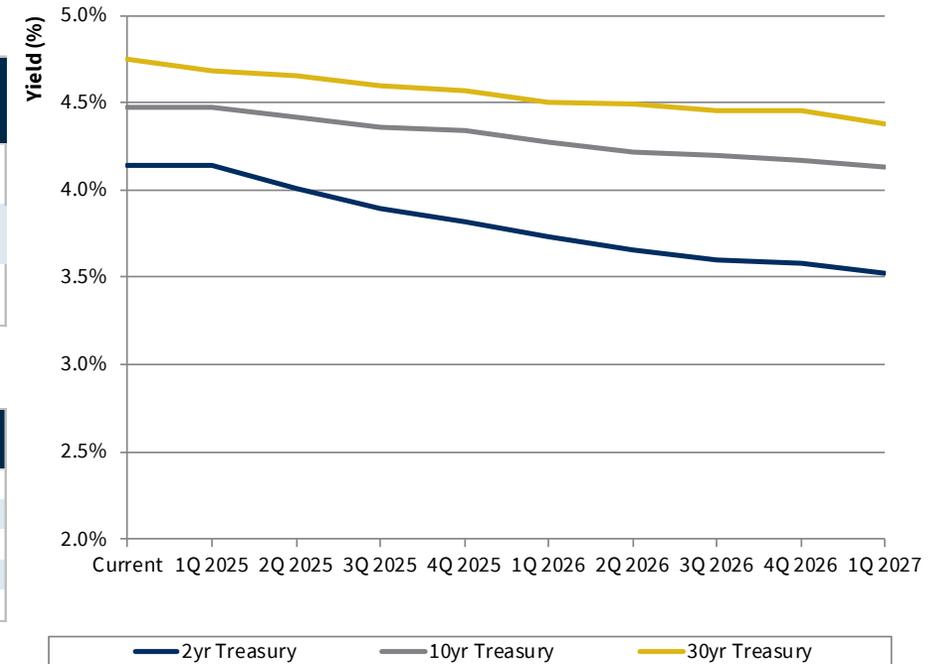
*Source: Bloomberg as of February 3, 2025.

Bloomberg Consensus

	Current Rate	2025				2026		Change from Current Rate to 2026 Q2
		Q1	Q2	Q3	Q4	Q1	Q2	
Real GDP	2.30%	2.10%	2.00%	2.01%	2.00%	2.00%	2.00%	-0.30%
Consumer Price Index	2.90%	2.58%	2.50%	2.70%	2.60%	2.50%	2.50%	-0.40%
Unemployment	4.10%	4.20%	4.25%	4.20%	4.20%	4.20%	4.19%	0.09%
Fed Funds Target	4.50%	4.35%	4.20%	4.05%	3.95%	3.80%	3.75%	-0.75%
3-month SOFR	4.30%	4.23%	4.04%	3.87%	3.70%	3.59%	3.53%	-0.77%

*Source: Bloomberg as of February 3, 2025.

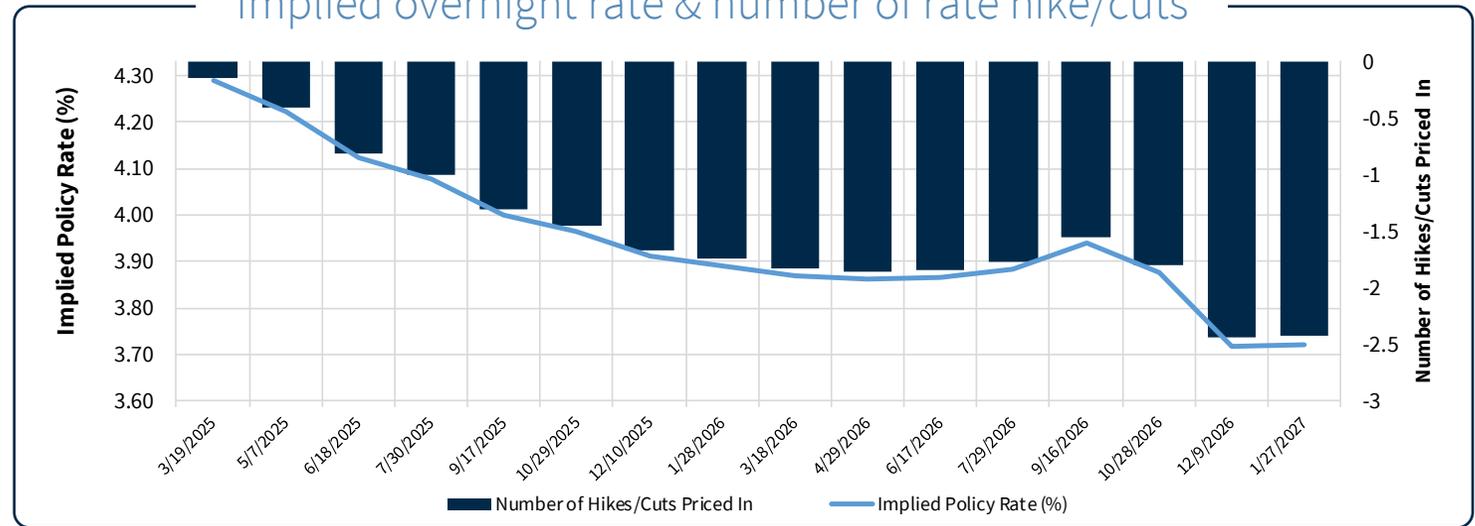
Treasury Rate Forecasts



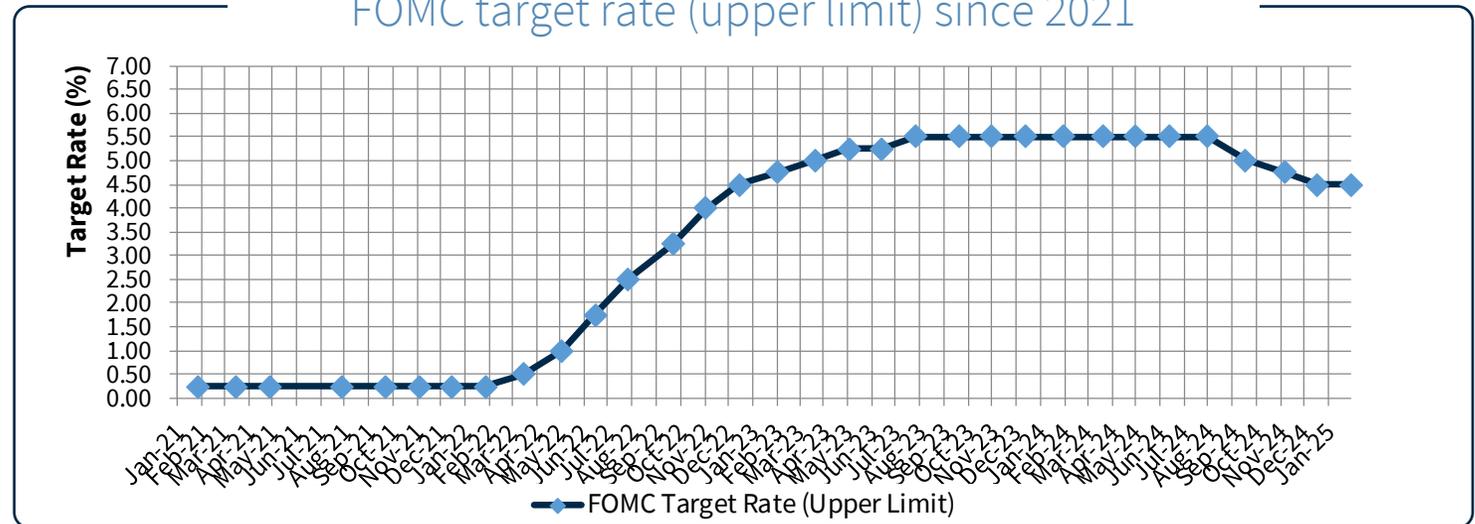
FED Funds Rate

For the remainder of 2024 and into 2025, the FOMC has indicated that there will be a change in policy that could lead to additional rate cuts. The September 18th FOMC meeting announced a 50bps cut and the November 7th and December 18th FOMC meetings instituted additional 25bps cut, each. In 2025, there is a possibility of an additional 1-2 cuts amounting to 25-50bps.

Implied overnight rate & number of rate hike/cuts



FOMC target rate (upper limit) since 2021



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