



**General Information, GO Bonds,  
Project of 2008, Series B (2023)  
and Market Update**

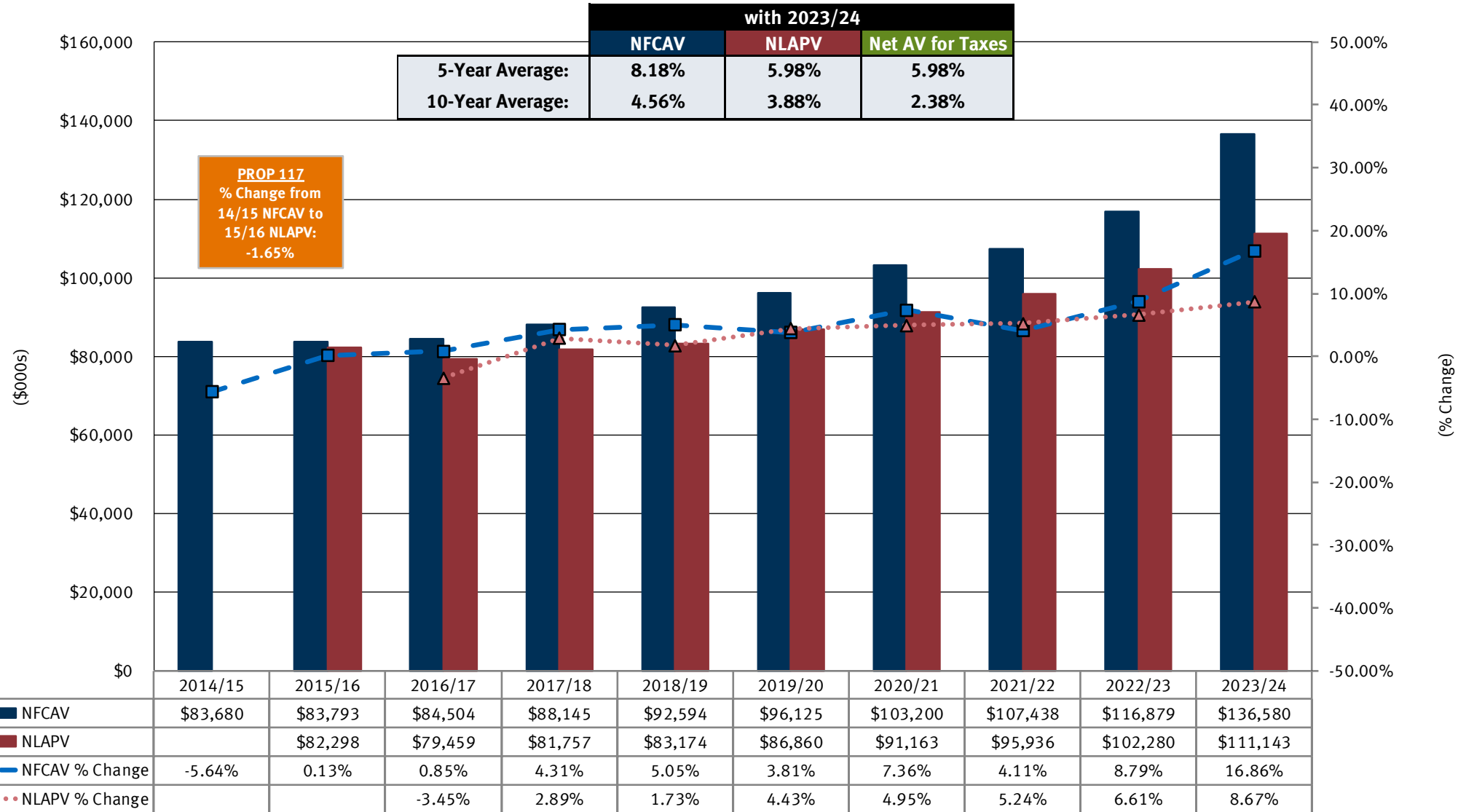
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*August 2023*

## **G** General Information

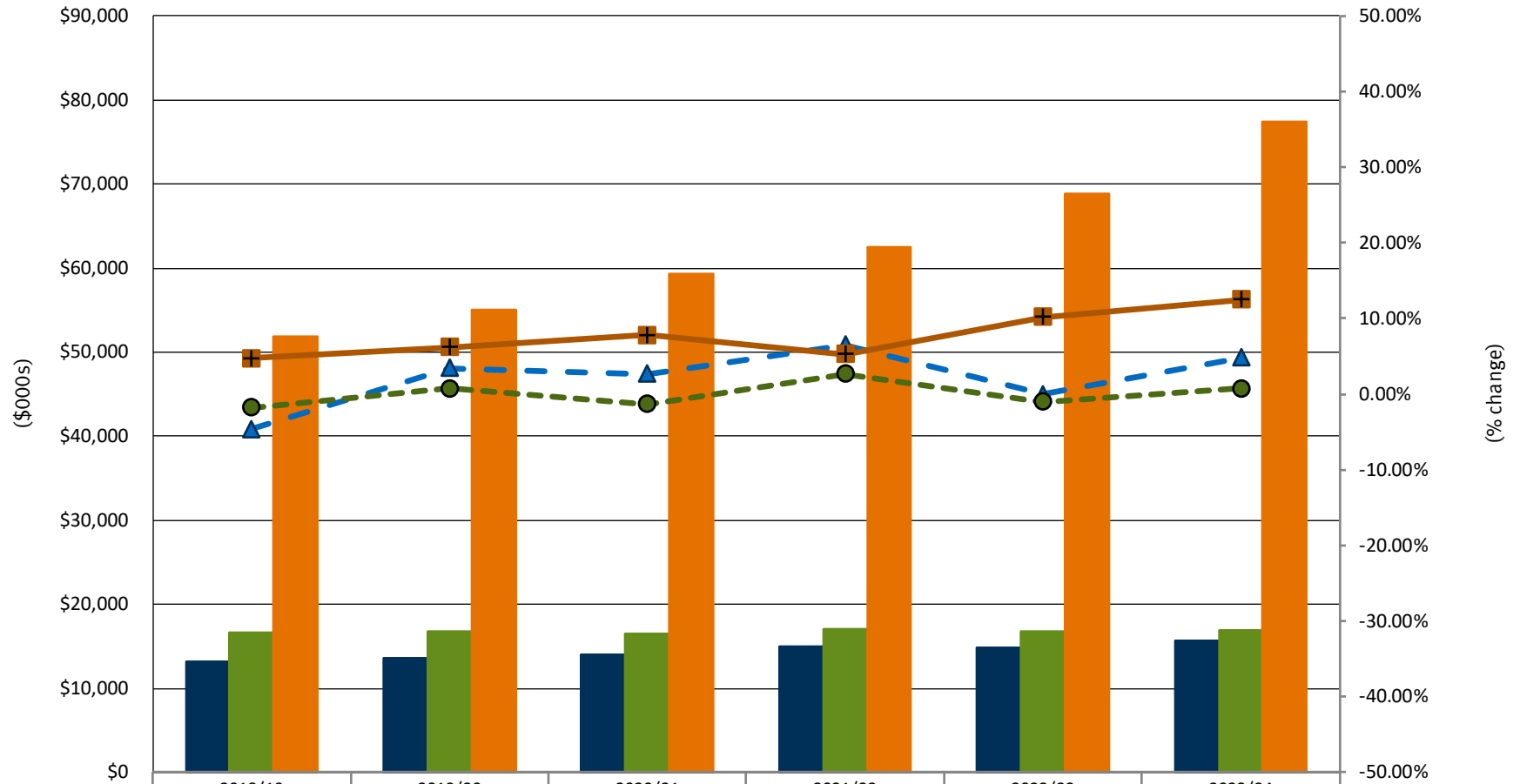
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# Assessed Valuation (\$000s)



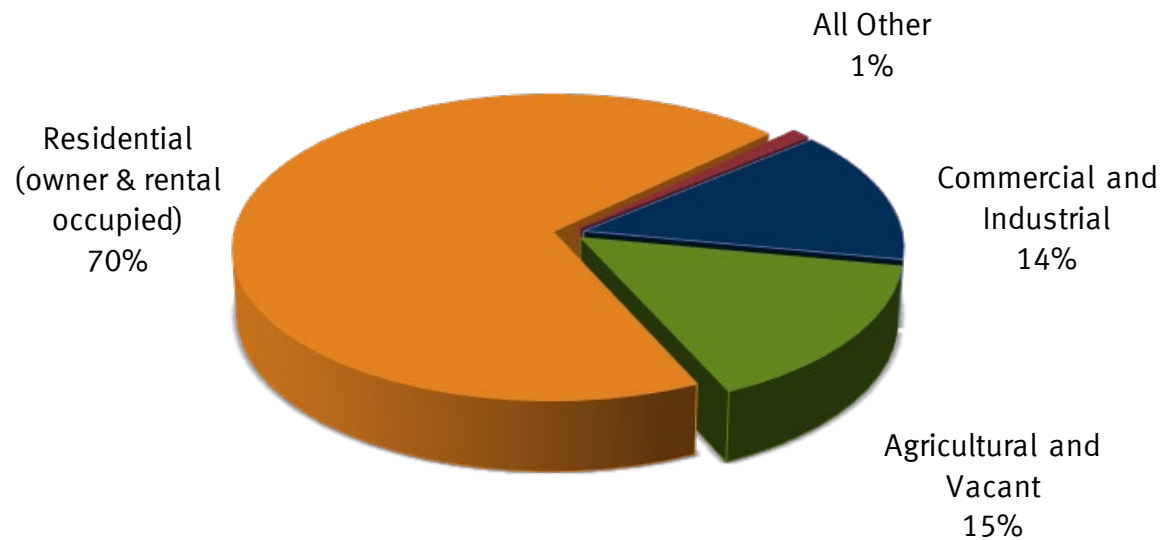
NFCAV = Net Full Cash Assessed Value  
 NLAPV = Net Limited Assessed Property Value (To Calculate Capacity and Taxes)  
 Net AV = Net Assessed Property Value for Secondary Tax Purposes

# Assessed Valuation by Property Classification (\$000s)

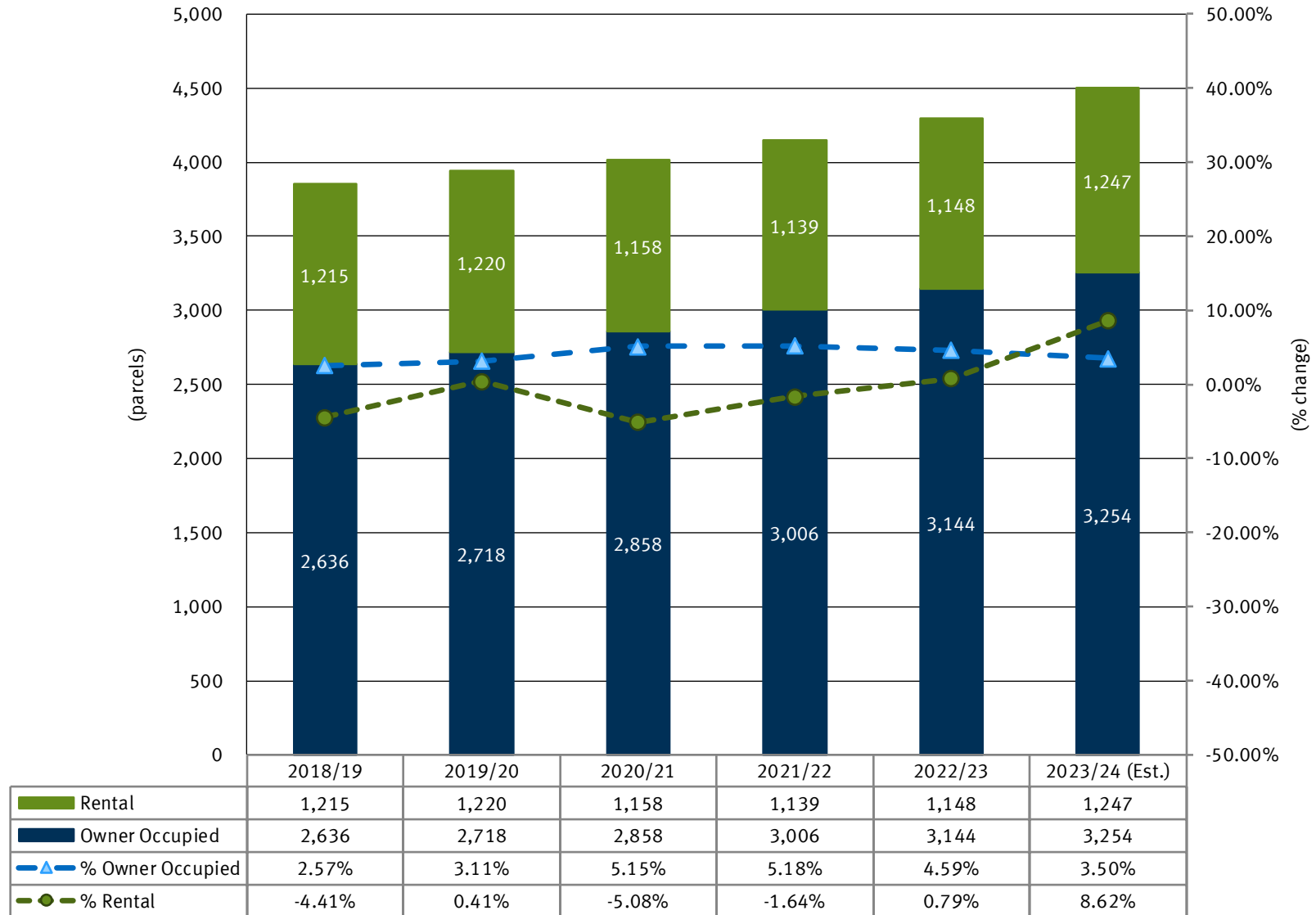


Commercial and Industrial	\$13,177	\$13,632	\$13,995	\$14,909	\$14,901	\$15,618
Agricultural and Vacant	\$16,649	\$16,775	\$16,550	\$16,996	\$16,829	\$16,957
Residential (owner & rental occupied)	\$51,831	\$55,045	\$59,338	\$62,453	\$68,819	\$77,405
% Commercial and Industrial	-4.61%	3.46%	2.66%	6.53%	-0.05%	4.81%
% Agricultural and Vacant	-1.75%	0.76%	-1.34%	2.69%	-0.98%	0.76%
% Residential	4.70%	6.20%	7.80%	5.25%	10.19%	12.48%

**2023/24 Net Limited Assessed Property Value  
by Property Classification**  
**\$111,143,455**

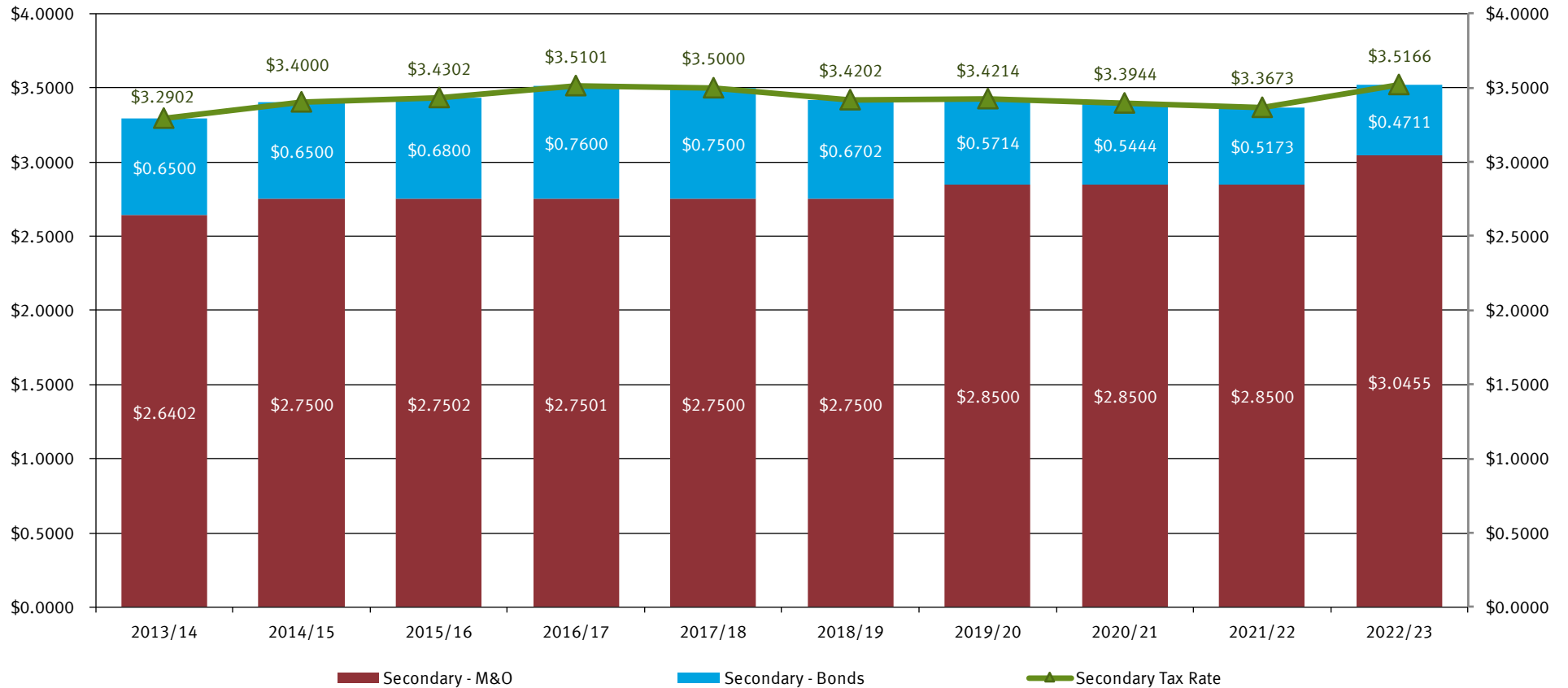


# Residential Parcels



Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

# Tax Rates



Five Year Average Tax Rate	
Secondary - M&O	\$2.8691
Secondary - Bonds	\$0.5549
Secondary Tax Rate	\$3.4240

History of Bond and Override Elections			
Date	Type		% Pass
November 4, 2008	Bond	\$15MM	57.9%

# Principal Amount of General Obligation Bonds Outstanding (\$000s)

Fiscal Year Ending (July 1)	\$3,861.800 General Obligation Refunding Bonds Series 2019 Dated: 6/13/19		
	Principal	Coupon	Total
2024	\$429	2.360%	\$429
2025	439	2.360%	439
2026	449	2.360%	449
2027	460	2.360%	460
2028	471	2.360%	471
	<u>\$2,248</u>		<u>\$2,248</u>

Call Features: 7/1/20 and After  
Callable Any Date  
@ par

Insurer: None

Purpose: Current Refunding

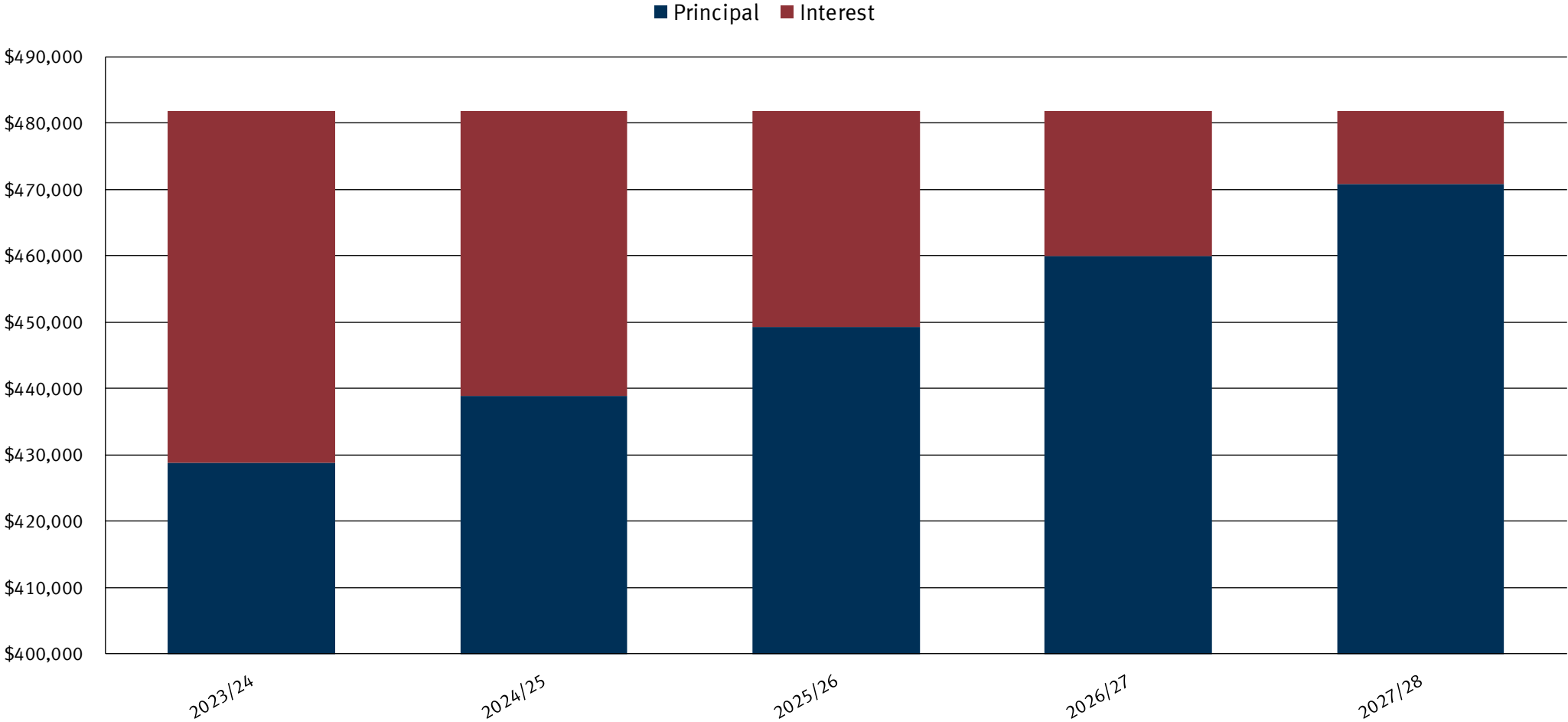
Rating(s) at Issuance: None

Remaining Authorization: 11/4/08 - \$8,205

\$2,248 = Callable bonds



# Outstanding Debt Service Requirements



## GO Bonding Capacity / Statutory Debt Limitations

- GO bonding authorization does not expire
- Capacity can grow as NLAPV increases and as GO principal is retired

Statutory GO Bonding Capacity Calculation		
	Current	9/1/23
NLAPV Growth Rate:		8.67%
District NLAPV:	\$102,279,739	\$111,143,455
Multiply by:	6%	6%
Calculation Base:	\$6,136,784	\$6,668,607
Less: Outstanding GO Bonds:	(\$2,247,642)	(\$2,247,642)
Less: Unamortized GO Original Issue Premium:	\$0	\$0
<b>Total:</b>	<b>\$3,889,142</b>	<b>\$4,420,965</b>

## **G** General Obligation Bonds

# Scenario 1 - \$3 million 2023 Sale Estimated Debt Service Requirements and Projected Impact on Secondary Bond Tax Rate\*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
Fiscal Year	Combined Valuation (a)	Estimated Net LAPV Growth	General Obligation Bonds Currently Outstanding Debt Service	Secondary Bond Tax Rate (b)	\$3,000,000 General Obligation Bonds Project of 2008 Series B (2023) Bonds Dated: 11/01/23			\$5,205,000 General Obligation Bonds Project of 2008 Series C (2029) Bonds Dated: 9/01/29			Estimated Additional Debt Service	Secondary Bond Tax Rate (b)	Estimated Combined Debt Service	Secondary Bond Tax Rate (b)	Based on Estimated NLAPV Net GO Bonding Capacity (c)
					Principal	Estimated Interest @ 4.75%	Capitalized Interest	Principal	Estimated Interest @ 5.25%						
2023/24	\$111,143,455	8.67%	\$481,850	\$0.43		\$95,000	(\$95,000)			\$0	\$0.00	\$481,850	\$0.43	\$1,420,965	
2024/25	117,325,157	6.00%	481,850	0.41		142,500				142,500	0.12	624,350	0.53	2,220,673	
2025/26	122,680,164	5.00%	481,850	0.39		142,500				142,500	0.12	624,350	0.51	2,980,898	
2026/27	127,055,669	4.00%	481,850	0.38		142,500				142,500	0.11	624,350	0.49	3,692,713	
2027/28	130,319,687	3.00%	481,850	0.37		142,500				142,500	0.11	624,350	0.48	4,348,441	
2028/29	132,926,081	2.00%			\$500,000	142,500				642,500	0.48	642,500	0.48	4,975,564	
2029/30	135,584,603	2.00%			155,000	118,750		\$155,000	\$227,719	656,469	0.48	656,469	0.48	902,777	
2030/31	138,296,295	2.00%			130,000	111,388		160,000	265,125	666,513	0.48	666,513	0.48	1,192,777	
2031/32	141,062,221	2.00%			140,000	105,213		170,000	256,725	671,938	0.48	671,938	0.48	1,358,733	
2032/33	143,883,465	2.00%			145,000	98,563		180,000	247,800	671,363	0.47	671,363	0.47	1,838,007	
2033/34	146,761,134	2.00%			150,000	91,675		190,000	238,350	670,025	0.46	670,025	0.46	2,335,668	
2034/35	149,696,357	2.00%			160,000	84,550		195,000	228,375	667,925	0.45	667,925	0.45	2,851,781	
2035/36	152,690,284	2.00%			170,000	76,950		210,000	218,138	675,088	0.44	675,088	0.44	3,386,417	
2036/37	155,744,090	2.00%			180,000	68,875		220,000	207,113	675,988	0.43	675,988	0.43	3,949,645	
2037/38	158,858,972	2.00%			185,000	60,325		230,000	195,563	670,888	0.42	670,888	0.42	4,536,538	
2038/39	162,036,151	2.00%			195,000	51,538		240,000	183,488	670,025	0.41	670,025	0.41	5,142,169	
2039/40	165,276,874	2.00%			205,000	42,275		255,000	170,888	673,163	0.41	673,163	0.41	5,771,612	
2040/41	168,582,412	2.00%			215,000	32,538		270,000	157,500	675,038	0.40	675,038	0.40	6,429,944	
2041/42	171,954,060	2.00%			230,000	22,325		285,000	143,325	680,650	0.40	680,650	0.40	7,117,243	
2042/43	175,393,141	2.00%			240,000	11,400		300,000	128,363	679,763	0.39	679,763	0.39	7,838,588	
2043/44	178,901,004	2.00%						315,000	112,613	427,613	0.24	427,613	0.24	8,589,060	
2044/45	182,479,024	2.00%						330,000	96,075	426,075	0.23	426,075	0.23	9,118,741	
2045/46	186,128,605	2.00%						345,000	78,750	423,750	0.23	423,750	0.23	9,667,716	
2046/47	189,851,177	2.00%						365,000	60,638	425,638	0.22	425,638	0.22	10,236,070	
2047/48	193,648,200	2.00%						385,000	41,475	426,475	0.22	426,475	0.22	10,828,892	
2048/49	197,521,164	2.00%						405,000	21,263	426,263	0.22	426,263	0.22	11,446,269	
			<u>\$2,409,249</u>		<u>\$3,000,000</u>			<u>\$5,205,000</u>		<u>\$13,173,144</u>					

\* Estimated, subject to change. See assumptions on next page.

# Scenario 1 - \$3 million 2023 Bond Sale Estimated Debt Service Requirements and Projected Impact on Secondary Bond Tax Rate\*

\* Estimated, subject to change.

- (a) Fiscal year 2023/24 is provided by the Arizona Department of Revenue and reflects 8.67% change. Subsequent fiscal years estimated as provided in column (3), per the District. Values are also adjusted to reflect the statutory assessment ratio phase down in class 1 from 17% in 2023/24 to 15% in 2027/28.
- (b) Secondary tax rates are per \$100 of assessed valuation. Subsequent projected tax rates are not adjusted for interest earnings, arbitrage rebate or delinquent tax collections (if any).
- (c) Capacity is calculated using the following assumptions: Fiscal year 2023/24 is provided by the Arizona Department of Revenue and reflects 8.67% change. Subsequent fiscal years estimated as provided in column (3), per the District.

November 4, 2008 Authorization	\$15,000,000
Already Issued	\$6,795,000
Series B (2023)*	3,000,000
Series C (2029)*	5,205,000
Total	\$15,000,000
<b>Election Authorization does not expire</b>	
<i>* Estimated future issue(s), subject to change.</i>	

**Note: The information in this analysis is not intended to be used as the primary basis for determining an issuer's bonding capacity, tax rate or ability to sell bonds. This analysis is based on assumptions provided by sources considered to be reliable, including the issuer, but is not guaranteed as to accuracy and does not purport to be complete. Any information expressed in this analysis is subject to change.**

# Scenario 2 - \$4.42 million (max capacity) 2023 Bond Sale

## Estimated Debt Service Requirements and Projected Impact on Secondary Bond Tax Rate\*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
Fiscal Year	Combined Valuation (a)	Estimated Net LAPV Growth	General Obligation Bonds Currently Outstanding Debt Service	Secondary Bond Tax Rate (b)	\$4,420,000 General Obligation Bonds Project of 2008 Series B (2023) Bonds Dated: 11/01/23			\$3,785,000 General Obligation Bonds Project of 2008 Series C (2029) Bonds Dated: 9/01/29			Estimated Additional		Estimated Combined		Based on Estimated NLAPV Net GO Bonding Capacity (c)
					Principal	Estimated Interest @ 4.75%	Capitalized Interest	Principal	Estimated Interest @ 5.25%	Debt Service	Secondary Bond Tax Rate (b)	Debt Service	Secondary Bond Tax Rate (b)		
2023/24	\$111,143,455	8.67%	\$481,850	\$0.43		\$139,967	(\$139,967)			\$0	\$0.00	\$481,850	\$0.43	\$965	
2024/25	117,325,157	6.00%	481,850	0.41		209,950				209,950	0.18	691,800	0.59	800,673	
2025/26	122,680,164	5.00%	481,850	0.39		209,950				209,950	0.17	691,800	0.56	1,560,898	
2026/27	127,055,669	4.00%	481,850	0.38		209,950				209,950	0.17	691,800	0.54	2,272,713	
2027/28	130,319,687	3.00%	481,850	0.37		209,950				209,950	0.16	691,800	0.53	2,928,441	
2028/29	132,926,081	2.00%			\$480,000	209,950				689,950	0.52	689,950	0.52	3,555,564	
2029/30	135,584,603	2.00%			155,000	187,150		\$155,000	\$198,713	695,863	0.51	695,863	0.51	882,777	
2030/31	138,296,295	2.00%			210,000	179,788		115,000	190,575	695,363	0.50	695,363	0.50	1,207,777	
2031/32	141,062,221	2.00%			220,000	169,813		120,000	184,538	694,350	0.49	694,350	0.49	1,373,733	
2032/33	143,883,465	2.00%			235,000	159,363		130,000	178,238	702,600	0.49	702,600	0.49	1,883,007	
2033/34	146,761,134	2.00%			245,000	148,200		135,000	171,413	699,613	0.48	699,613	0.48	2,420,668	
2034/35	149,696,357	2.00%			260,000	136,563		140,000	164,325	700,888	0.47	700,888	0.47	2,976,781	
2035/36	152,690,284	2.00%			270,000	124,213		150,000	156,975	701,188	0.46	701,188	0.46	3,556,417	
2036/37	155,744,090	2.00%			285,000	111,388		160,000	149,100	705,488	0.45	705,488	0.45	4,159,645	
2037/38	158,858,972	2.00%			300,000	97,850		165,000	140,700	703,550	0.44	703,550	0.44	4,791,538	
2038/39	162,036,151	2.00%			315,000	83,600		175,000	132,038	705,638	0.44	705,638	0.44	5,447,169	
2039/40	165,276,874	2.00%			335,000	68,638		185,000	122,850	711,488	0.43	711,488	0.43	6,131,612	
2040/41	168,582,412	2.00%			350,000	52,725		195,000	113,138	710,863	0.42	710,863	0.42	6,849,944	
2041/42	171,954,060	2.00%			370,000	36,100		205,000	102,900	714,000	0.42	714,000	0.42	7,597,243	
2042/43	175,393,141	2.00%			390,000	18,525		215,000	92,138	715,663	0.41	715,663	0.41	8,378,588	
2043/44	178,901,004	2.00%						225,000	80,850	305,850	0.17	305,850	0.17	9,194,060	
2044/45	182,479,024	2.00%						235,000	69,038	304,038	0.17	304,038	0.17	9,633,741	
2045/46	186,128,605	2.00%						250,000	56,700	306,700	0.16	306,700	0.16	10,087,716	
2046/47	189,851,177	2.00%						265,000	43,575	308,575	0.16	308,575	0.16	10,561,070	
2047/48	193,648,200	2.00%						275,000	29,663	304,663	0.16	304,663	0.16	11,053,892	
2048/49	197,521,164	2.00%						290,000	15,225	305,225	0.15	305,225	0.15	11,561,269	
			<u>\$2,409,249</u>		<u>\$4,420,000</u>			<u>\$3,785,000</u>		<u>\$13,221,350</u>					

\* Estimated, subject to change. See assumptions on next page.

# Scenario 2 - \$4.42 million (max capacity) 2023 Bond Sale Estimated Debt Service Requirements and Projected Impact on Secondary Bond Tax Rate\*

\* Estimated, subject to change.

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Already Issued	\$6,795,000
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Series C (2029)*	3,785,000
Total	\$15,000,000
<b>Election Authorization does not expire</b>	
<i>* Estimated future issue(s), subject to change.</i>	

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# Draft Financing Calendar

September 2023						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October 2023						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November 2023						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December 2023						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Date	Event
	Bond resolution and supporting documents submitted to Issuer to compile agenda item and Board packets, including draft Preliminary Official Statement (“POS”).
	<b>Board considers resolutions authorizing the issuance of General Obligation Bonds and granting authority to the Administration to approve the final terms to complete the financing.</b>
	Distribute draft POS and District financial information to Moody’s Investors Service and bond insurance companies, if applicable.
	Due diligence conference call.
	Rating agency conference call.
	Secure credit rating and receive pricing quotes from bond insurers, if applicable.
	Finalize POS and distribute electronically.
	Subject to market conditions, market and underwrite the Bonds and execute the Bond Purchase Agreement.
	Prepare final official statement and distribute to Bond investors and financing team; prepare all closing documents; secure needed signatures from Board and Administration and issue closing memorandum.
	Close the Bond issue. Net Bond proceeds available for projects.



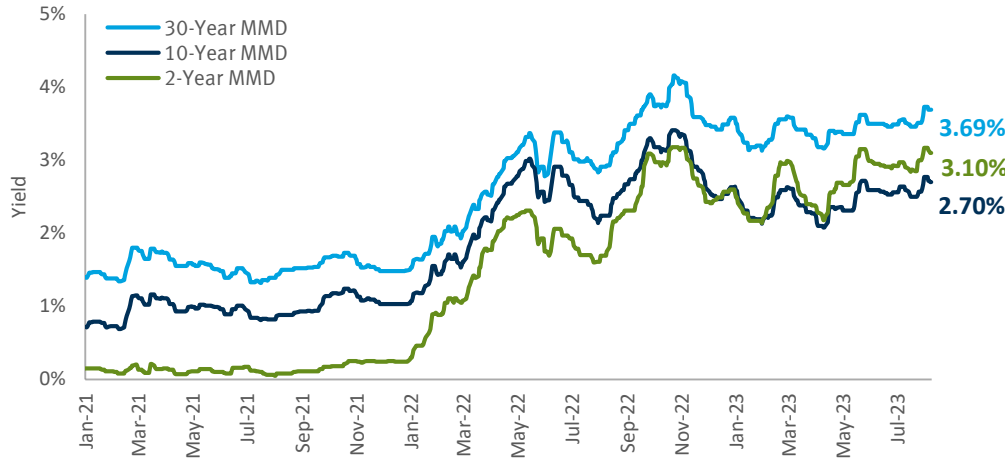
## **M**arket Update

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# Tax-Exempt Interest Rate Movement

## AAA MMD Yields Decreased in All Maturities

### AAA MMD Yields Decreased Comparing 2, 10 and 30-Year AAA MMD

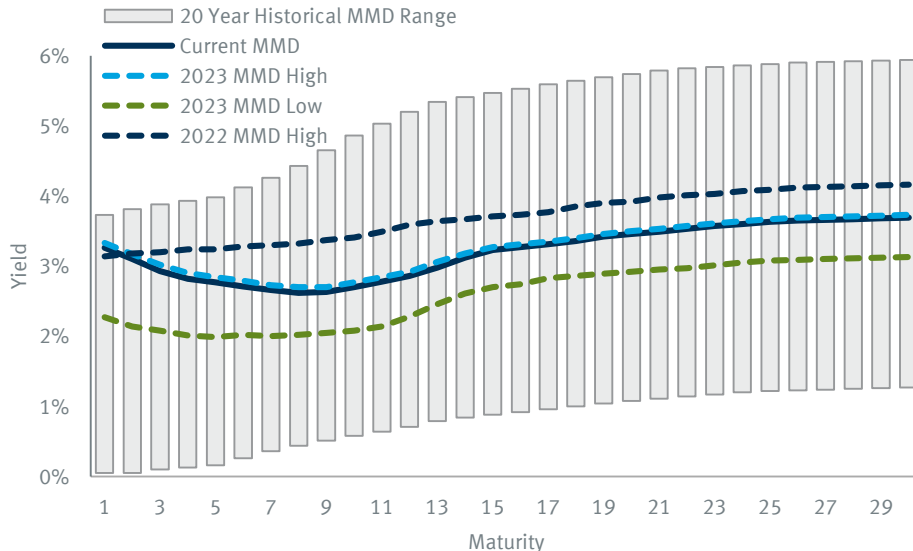


### 10-Year and 30-Year Muni to Treasury Ratios Muni to Treasury Ratios Since June 2021



## Current MMD Yields

### 20-Year Historical AAA MMD Range vs. Current AAA MMD



Sources: TM3, US Treasury. As of 8/11/2023.

## AAA MMD Summary Statistics

	5-Year	10-Year	30-Year
Current	2.77%	2.70%	3.69%
Weekly Change	-7 bps	-7 bps	-4 bps

### 2023 Year-to-Date

YTD Change	+25 bps	+7 bps	+11 bps
High	2.84%	2.77%	3.73%
Low	1.99%	2.08%	3.13%
Average	2.44%	2.44%	3.42%
Year Ending 2022	2.52%	2.63%	3.58%

### Since January 1, 2018

High	3.24%	3.41%	4.16%
Low	0.16%	0.58%	1.27%
Average	1.45%	1.80%	2.46%

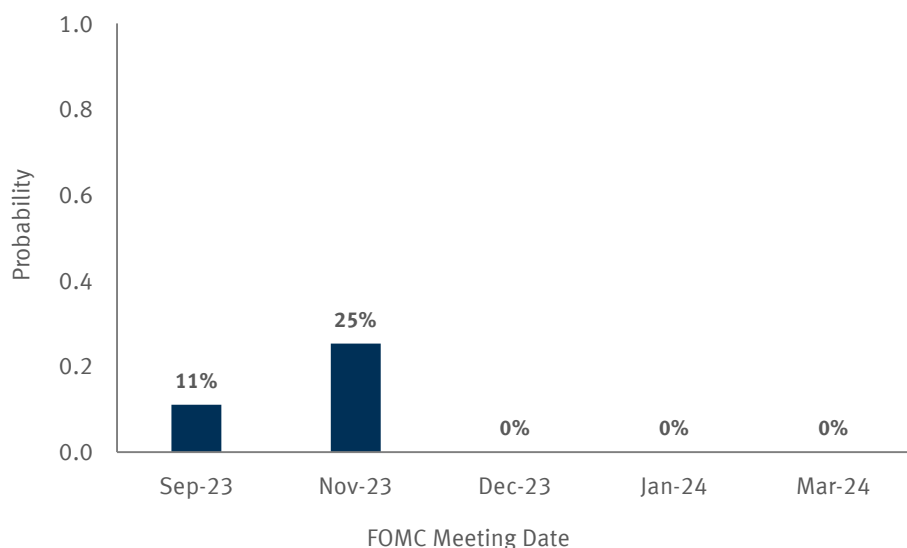
## Interest Rate Forecast

- CPI rose 0.2% in July flowing a 0.2% gain in June. Year-over-year, consumer prices rose 3.2%. PPI rose 0.3% in July, more than the 0.2% rise expected and following a 0.0% reading the month prior.
- The rise in both CPI and PPI deflated the market’s earlier optimism that the FOMC will opt for a pause in rate hikes at their September meeting. Following the CPI report, the probability of a September hike fell to less than 10%. Following the PPI report, the market upped its prediction to 11.5%.
- While investors may be skeptical that the Fed will continue to hike rates after already 525 basis points of tightening, some Fed official shave been adamant that the committee is not through with its higher rate campaign.

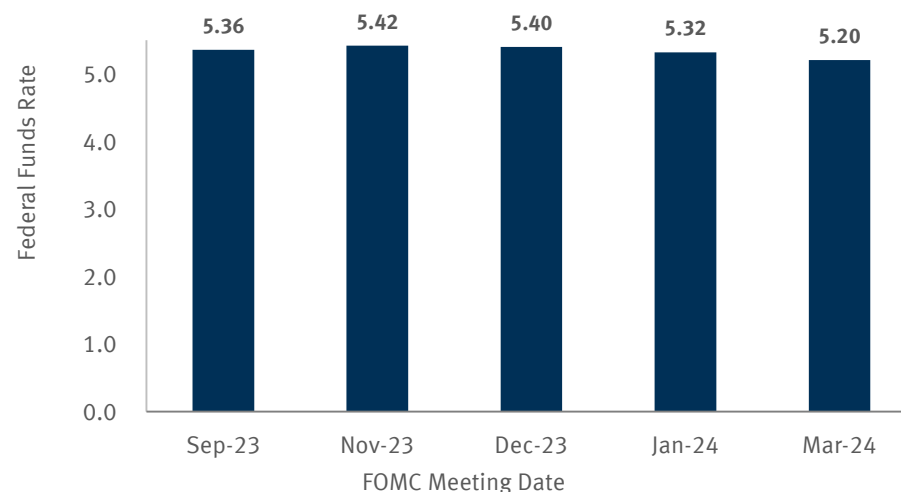
### Bloomberg Consensus Yield Curve Projections (%)

Market Consensus Yield Curve Projections (%)					
	Current	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Fed Funds	5.50	5.50	5.50	5.30	4.85
2-Yr UST	4.89	4.65	4.43	4.07	3.80
10-Yr UST	4.16	3.75	3.64	3.54	3.48
30-Yr UST	4.27	3.91	3.84	3.78	3.73

### Market Consensus Probability of a Rate Hike at Upcoming Fed Meetings Calculated Using Fed Funds Futures. (Values > 100% indicate a greater than 25 bp hike)



### Market Consensus Implied Overnight Effective Rate After Each Fed Meeting



Sources: Stifel Fixed Income Strategy Department, US Treasury, Bloomberg, Thomson Reuters. As of 8/11/2023.

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Ongoing Annual Debt  
Matters

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First to Underwrite 1,000 Negotiated  
Municipal Bond Sales in a Single Year

— Source: Thomson Reuters - SDC

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