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MERIDIAN 223
District Debt Overview and Financing Scenarios

Robert Lewis
Senior Vice President, Managing Director
Public Finance Team | PMA Securities, LLC

Michael Wolski
Quantitative Analyst
Public Finance Team | PMA Securities, LLC

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OVERVIEW OF ILLINOIS SCHOOL DISTRICT MUNICIPAL BOND FINANCE

SCHOOL BORROWING OPTIONS

- The IL School Code prescribes very specific methods for school districts to issue municipal bonds which are as follows:
- Types of General Obligation (GO) School Bonds
  - GO School Building Bonds
    - Authorized via referendum
  - Non-referendum GO Bonds
    - Described in more detail on subsequent slides
- Other borrowing mechanisms are available, but they are repaid entirely from operating funds

NON-REFERENDUM GO BONDS

- The following are types of non-referendum GO bonds:
  - Working Cash (for capital projects or operating capital)
    - If for capital, funds are abated (permanent transfer) to the O&M fund and then transferred to the capital projects fund
    - Maximum principal limited by a separate working cash formula
  - **Life Safety (in evidence of life safety approvals)**
  - Funding (pays off a claim or liability)
- **All of these require a Bond Issue Notification Act (BINA) hearing**
- Working Cash Bonds and Funding Bonds also require a back door referendum which is a 30-day petition process (10% of registered voters)

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DEBT OVERVIEW

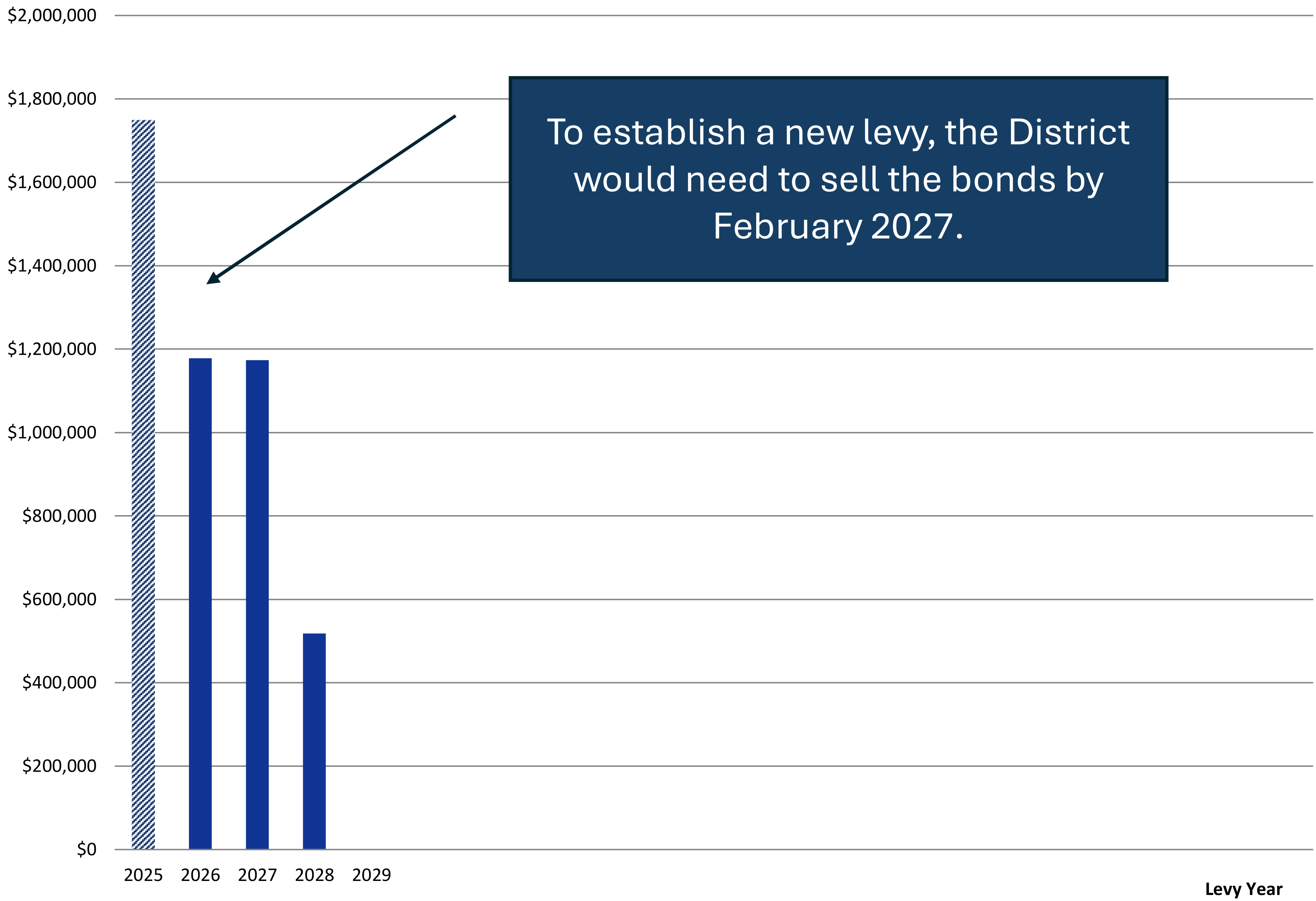
CALCULATION OF LEGAL DEBT MARGIN

- 6.9% of EAV for K-8 and 9-12 districts, 13.8% of EAV for unit districts
- Less: outstanding principal
- Exemptions exist for some bonds like alternate revenue bonds
- Working cash bonds and funding bonds are exempted at the time of issuance but count after issuance
- The District's working cash bond authority is currently estimated at $13.6 million

Levy Year	2025	2026	2027
Collection Year	2026	2027	2028
Fiscal Year Ending 6/30	2027	2028	2029
Direct Debt, Beginning of Period (1)	$ 4,400,000	$ 2,760,000	$ 1,650,000
Principal Paydown, Series 2016A (2)	(1,205,000)	(1,110,000)	(1,140,000)
Principal Paydown, Series 2026 (2)	(435,000)	-	-
Direct Debt, End of Period (1)	$ 2,760,000	$ 1,650,000	$ 510,000
Equalized Assessed Valuation (3)	$ 289,530,609	$ 289,530,609	$ 289,530,609
Assumed EAV Increase		0.00%	0.00%
Statutory Debt Limit @ 13.80%	$ 39,955,224	$ 39,955,224	$ 39,955,224
Direct Debt, End of Period as % of EAV	0.95%	0.57%	0.18%
Statutory Debt Margin at End of Period (1)	$ 37,195,224	$ 38,305,224	$ 39,445,224

(1) Assumes that the principal due in the current year is paid or that the funds are set aside for payment. Does not include leases.
(2) Principal paid on December 1 of the fiscal year.
(3) Uses total EAV including the EAV located in TIF districts.

EXISTING DEBT SERVICE



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FINANCING SCENARIOS

KEY ASSUMPTIONS

- Current market rates plus 0.50%
- Bonds are issued December 2, 2026 prior to the deadline to establish a new B&I levy
  - The first sale covers Category A and B life safety items
  - The second sale in 2031 covers the Category C items
  - See next slide for a description of Category A, B and C items
- EAV growth of 3% through LY 2033 and 2% thereafter
- Each scenario maintains the B&I tax rate

LIFE SAFETY AMENDMENT PRIORITIZATION

- **“A” Items**

  Urgent: to be corrected within one year from final submission

- **“B” Items**

  Required: to be corrected within five years from final submission

- **“C” Items**

  Recommended: to be corrected by code, can only be completed once all “A” and “B”; items are completed

SUMMARY OF OPTIONS

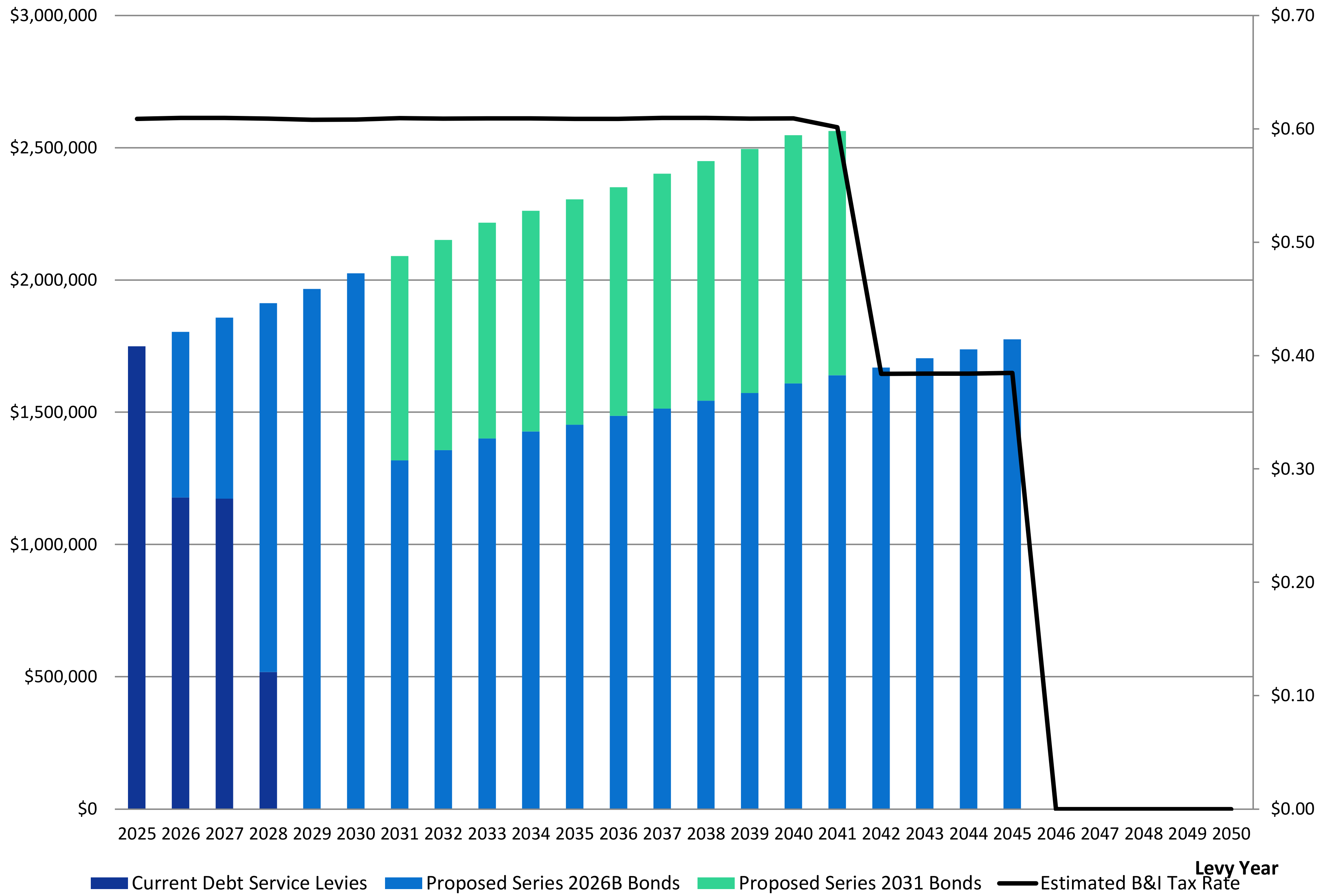
	2026 and 2031 Life Safety Scenarios	
	Scenario 1: Series 2031 Maintains B&I Tax Rate	Scenario 2: Series 2031 Matches Term of 2026 Bonds
Total Proceeds	**$ 25,330,125**	**$ 25,330,125**
December 2026	$18,176,706	$18,176,706
July 2031	$7,153,419	$7,153,419
Estimated Total Change in Debt Service	**$ 39,421,730**	**$ 40,539,830**
Levy Year of Final Payment-2026 Bonds	2045	2045
Levy Year of Final Payment-2031 Bonds	2041	2045
Estimated B&I Tax Rate in LY26	0.610	0.610
Estimated B&I Tax Rate in LY31	0.610	0.560
Estimated Change in Bond Payment LY26 (2)	$14	$14

(1) Rates based upon market conditions as of June 5, 2026 and recent bond sales which PMA believes to be accurate and reliable, plus 0.25% for the Series 2026 Bonds, and plus 0.50% for the Series 2031 Bonds.

(2) Actual tax rates and payments may vary based on EAV growth, State Law changes, property tax rate initiatives and other factors. The analysis assumes a median home value of $217,500 and assumes home values increase at the same rate as EAV. Includes $6,000 homeowner exemption. Assumes the home value increases at the EAV growth rate.

NOTE: Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.

SCENARIO 1



$3,000,000
$2,500,000
$2,000,000
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$1,000,000
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$0.60
$0.50
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$0.20
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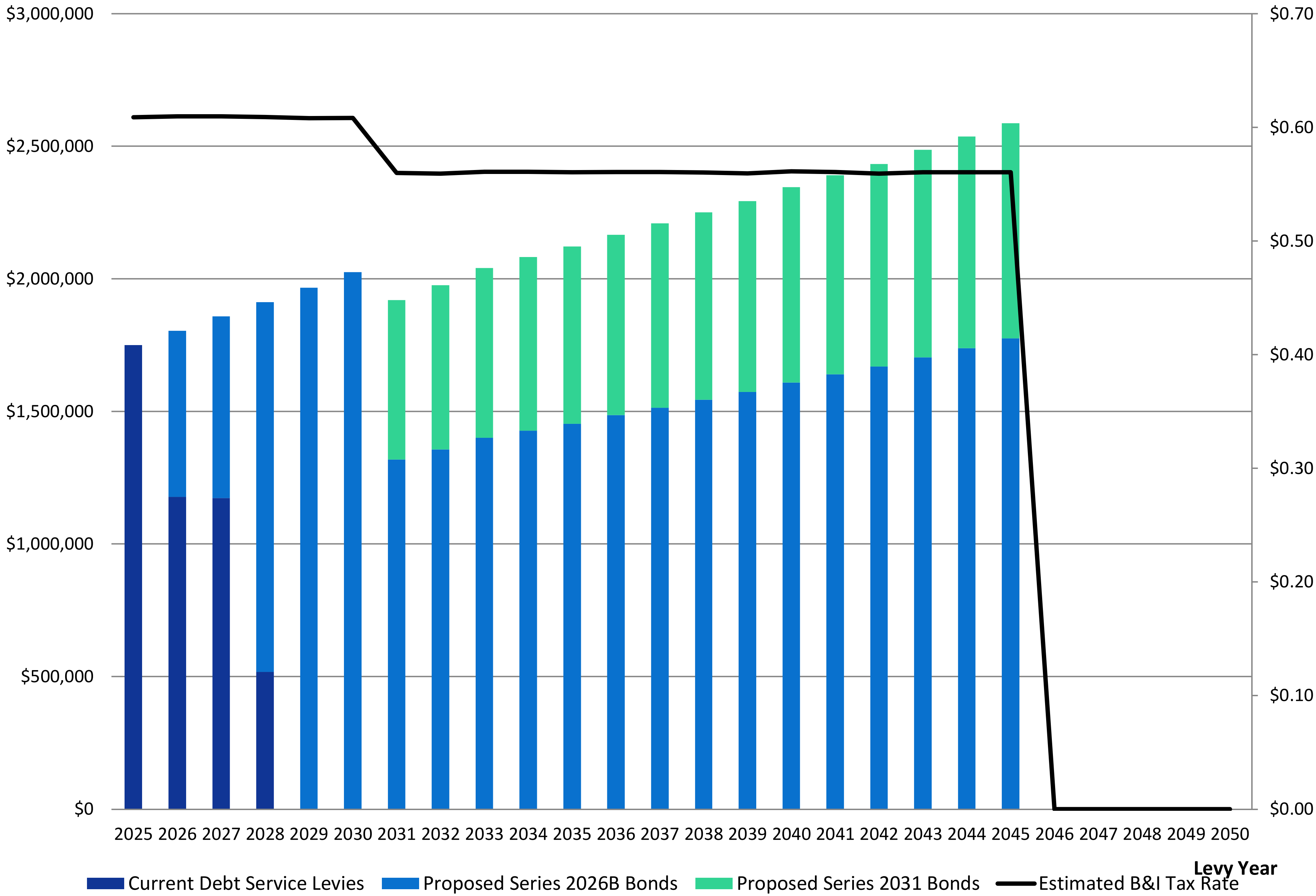
2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050
Levy Year
Current Debt Service Levies
Proposed Series 2026B Bonds
Proposed Series 2031 Bonds
Estimated B&I Tax Rate

SCENARIO 2



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Levy Year
Current Debt Service Levies
Proposed Series 2026B Bonds
Proposed Series 2031 Bonds
Estimated B&I Tax Rate

SAMPLE TIMELINE OF KEY EVENTS

August 12	President signs an order calling for BINA hearing
~August 19	Order is published in paper
September 2	BINA Hearing
October 7	Board approves parameter resolution authorizing the sale **(Review and approval needs to be completed by ISBE)**
October 19	District receives credit rating
November 2	Bonds sold; delegates approve final results
December 2	Bonds close
Start to End	Document drafting including Official Statements etc.

DISCLOSURE

The information contained herein is solely intended to suggest/discuss potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

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APPENDIX A: DETAILED SCHEDULES

SCENARIO 1 (DETAILED)

General Obligation Debt Service

Levy Year	Fiscal Year	$11,095,000 GO School Bonds, Series 2016A	$435,000 GO Refunding School Bonds, Series 2026	PROPOSED: GO School Bonds, Series 2026B (1)	PROPOSED: GO School Bonds, Series 2031 (2)	Total	Rate Setting EAV	Growth Rate	B&I Tax Rate
2023	2025	~~$ 1,648,869~~	~~$ -~~	~~$ -~~	~~$ -~~	~~$ 1,648,869~~	~~$ 243,244,295~~	~~8.45%~~	~~0.678~~
2024	2026	~~1,648,669~~	~~-~~	~~-~~	~~-~~	~~1,648,669~~	~~269,951,453~~	~~10.98%~~	~~0.611~~
2025	2027	1,307,938	441,199	-	-	1,749,136	287,285,553	6.42%	0.609
2026	2028	1,178,213	-	625,909	-	1,804,121	295,904,120	3.00%	0.610
2027	2029	1,173,750	-	684,440	-	1,858,190	304,781,243	3.00%	0.610
2028	2030	517,969	-	1,394,288	-	1,912,256	313,924,680	3.00%	0.609
2029	2031	-	-	1,966,538	-	1,966,538	323,342,421	3.00%	0.608
2030	2032	-	-	2,025,663	-	2,025,663	333,042,694	3.00%	0.608
2031	2033	-	-	1,318,538	601,975	1,920,513	343,033,974	3.00%	0.560
2032	2034	-	-	1,356,413	619,725	1,976,138	353,324,994	3.00%	0.559
2033	2035	-	-	1,400,788	640,850	2,041,638	363,924,743	3.00%	0.561
2034	2036	-	-	1,426,788	655,350	2,082,138	371,203,238	2.00%	0.561
2035	2037	-	-	1,453,694	668,350	2,122,044	378,627,303	2.00%	0.560
2036	2038	-	-	1,486,038	679,850	2,165,888	386,199,849	2.00%	0.561
2037	2039	-	-	1,514,444	694,725	2,209,169	393,923,846	2.00%	0.561
2038	2040	-	-	1,543,781	707,850	2,251,631	401,802,323	2.00%	0.560
2039	2041	-	-	1,573,788	719,225	2,293,013	409,838,369	2.00%	0.559
2040	2042	-	-	1,609,069	737,263	2,346,331	418,035,137	2.00%	0.561
2041	2043	-	-	1,639,363	751,600	2,390,963	426,395,840	2.00%	0.561
2042	2044	-	-	1,669,538	763,463	2,433,000	434,923,756	2.00%	0.559
2043	2045	-	-	1,704,200	782,575	2,486,775	443,622,231	2.00%	0.561
2044	2046	-	-	1,737,956	798,663	2,536,619	452,494,676	2.00%	0.561
2045	2047	-	-	1,775,413	811,725	2,587,138	461,544,570	2.00%	0.561
2046	2048	-	-	-	-	-	470,775,461	2.00%	0.000
2047	2049	-	-	-	-	-	480,190,970	2.00%	0.000
2048	2050	-	-	-	-	-	489,794,790	2.00%	0.000
2049	2051	-	-	-	-	-	499,590,685	2.00%	0.000
2050	2052	-	-	-	-	-	509,582,499	2.00%	0.000
Total DS From Current FY:		$ 4,177,869	$ 441,199	$ 29,906,643	$ 10,633,188	$ 45,158,898			
			Est. Proceeds:	**$ 18,176,706**	**$ 7,153,419**				

(1) Rates based upon market conditions as of June 5, 2026 and recent bond sales which PMA believes to be accurate and reliable, plus 0.25%. Estimated TIC = 4.53%.

(2) Rates based upon market conditions as of June 5, 2026 and recent bond sales which PMA believes to be accurate and reliable, plus 0.50%. Estimated TIC = 4.43%.

NOTE: Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.

SCENARIO 2 (DETAILED)

General Obligation Debt Service

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2025	2027	1,307,938	441,199	-	-	1,749,136	287,285,553	6.42%	0.609
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2029	2031	-	-	1,966,538	-	1,966,538	323,342,421	3.00%	0.608
2030	2032	-	-	2,025,663	-	2,025,663	333,042,694	3.00%	0.608
2031	2033	-	-	1,318,538	772,450	2,090,988	343,033,974	3.00%	0.610
2032	2034	-	-	1,356,413	795,575	2,151,988	353,324,994	3.00%	0.609
2033	2035	-	-	1,400,788	816,450	2,217,238	363,924,743	3.00%	0.609
2034	2036	-	-	1,426,788	835,075	2,261,863	371,203,238	2.00%	0.609
2035	2037	-	-	1,453,694	851,450	2,305,144	378,627,303	2.00%	0.609
2036	2038	-	-	1,486,038	865,575	2,351,613	386,199,849	2.00%	0.609
2037	2039	-	-	1,514,444	887,200	2,401,644	393,923,846	2.00%	0.610
2038	2040	-	-	1,543,781	906,075	2,449,856	401,802,323	2.00%	0.610
2039	2041	-	-	1,573,788	922,200	2,495,988	409,838,369	2.00%	0.609
2040	2042	-	-	1,609,069	938,288	2,547,356	418,035,137	2.00%	0.609
2041	2043	-	-	1,639,363	924,750	2,564,113	426,395,840	2.00%	0.601
2042	2044	-	-	1,669,538	-	1,669,538	434,923,756	2.00%	0.384
2043	2045	-	-	1,704,200	-	1,704,200	443,622,231	2.00%	0.384
2044	2046	-	-	1,737,956	-	1,737,956	452,494,676	2.00%	0.384
2045	2047	-	-	1,775,413	-	1,775,413	461,544,570	2.00%	0.385
2046	2048	-	-	-	-	-	470,775,461	2.00%	0.000
2047	2049	-	-	-	-	-	480,190,970	2.00%	0.000
2048	2050	-	-	-	-	-	489,794,790	2.00%	0.000
2049	2051	-	-	-	-	-	499,590,685	2.00%	0.000
2050	2052	-	-	-	-	-	509,582,499	2.00%	0.000
Total DS From Current FY:		$ 4,177,869	$ 441,199	$ 29,906,643	$ 9,515,088	$ 44,040,798			
			Est. Proceeds:	**$ 18,176,706**	**$ 7,153,419**				

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(2) Rates based upon market conditions as of June 5, 2026 and recent bond sales which PMA believes to be accurate and reliable, plus 0.50%. Estimated TIC = 4.09%.

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