

Farmington Municipal School District No. 5

\$7,500,000

General Obligation Bonds, Series 2026

Pricing Book

April 7, 2026

STRICTLY PRIVATE AND CONFIDENTIAL



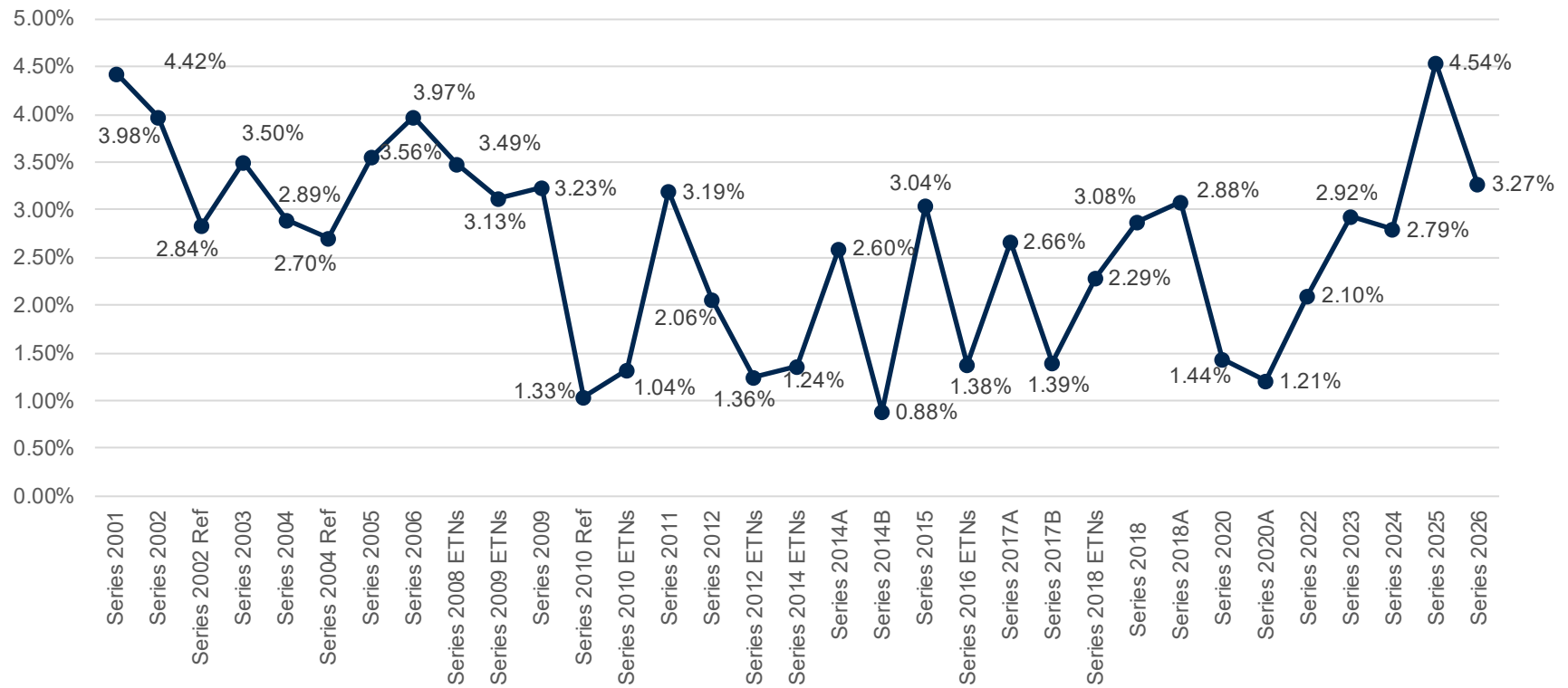
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Issue Summary

Issue Size:		\$7,500,000
Rate Set Date:		04/07/2026
Closing Date:		05/08/2026
Maturity		2026 - 2040
Optional Call Date		05/08/2036
True Interest Cost		3.271%
Total Interest		\$1,360,887
Total Debt Service		\$8,860,887

Transaction Participants	
Issuer	Farmington Municipal School District No. 5
Financial Advisor	RBC Capital Markets
Purchaser	New Mexico Finance Authority
Bond Counsel	Modrall Sperling

History of TIC (True Interest Cost) of Past Bond Sales



Series 2026 GO Bonds Semi-Annual Debt Service Schedule

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2026	\$2,250,000	1.630%	\$62,573.12	\$2,312,573.12	\$2,312,573.12
03/01/2027			81,336.50	81,336.50	
09/01/2027	380,000	2.500%	81,336.50	461,336.50	542,673.00
03/01/2028			76,586.50	76,586.50	
09/01/2028	380,000	2.580%	76,586.50	456,586.50	533,173.00
03/01/2029			71,684.50	71,684.50	
09/01/2029	380,000	2.630%	71,684.50	451,684.50	523,369.00
03/01/2030			66,687.50	66,687.50	
09/01/2030	380,000	2.720%	66,687.50	446,687.50	513,375.00
03/01/2031			61,519.50	61,519.50	
09/01/2031	380,000	2.830%	61,519.50	441,519.50	503,039.00
03/01/2032			56,142.50	56,142.50	
09/01/2032	380,000	2.900%	56,142.50	436,142.50	492,285.00
03/01/2033			50,632.50	50,632.50	
09/01/2033	380,000	2.960%	50,632.50	430,632.50	481,265.00
03/01/2034			45,008.50	45,008.50	
09/01/2034	380,000	3.060%	45,008.50	425,008.50	470,017.00
03/01/2035			39,194.50	39,194.50	
09/01/2035	380,000	3.130%	39,194.50	419,194.50	458,389.00
03/01/2036			33,247.50	33,247.50	
09/01/2036	380,000	3.260%	33,247.50	413,247.50	446,495.00
03/01/2037			27,053.50	27,053.50	
09/01/2037	380,000	3.480%	27,053.50	407,053.50	434,107.00
03/01/2038			20,441.50	20,441.50	
09/01/2038	380,000	3.670%	20,441.50	400,441.50	420,883.00
03/01/2039			13,468.50	13,468.50	
09/01/2039	380,000	3.850%	13,468.50	393,468.50	406,937.00
03/01/2040			6,153.50	6,153.50	
09/01/2040	310,000	3.970%	6,153.50	316,153.50	322,307.00
	\$7,500,000		\$1,360,887.12	\$8,860,887.12	\$8,860,887.12

Market Update



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Macroeconomic Commentary

Economic Commentary

- The three major equity indices closed last week mixed following continued geopolitical uncertainty and stronger than expected employment data
 - The Dow closed down ~0.1% while the S&P and Nasdaq closed up ~0.1% and ~0.2%, respectively
- The U.S.-Iran war enters its second month with little clarity on a path to a United States exit
 - President Trump addressed the nation last Wednesday, reinforcing prior statements from the White House that the US is seeking a diplomatic end to the conflict over the near-term
 - However, as of now strikes continue and the Strait of Hormuz remains closed
- On the economic data front, the unemployment rate beat expectations last week, decreasing from 4.4% to 4.3% in March alongside strong Nonfarm payrolls data
 - March figures showed ~178k jobs were added, significantly higher than the 65k consensus estimate
- Fed Chair Powell indicated the oil-price shock on inflation can be temporary, which Fed Funds Futures traders have interpreted as dovish and are now currently pricing in a 25 bp cut by year-end
- WTI crude climbed over 10% last week, passing the \$110/bbl mark for the first time since 2022

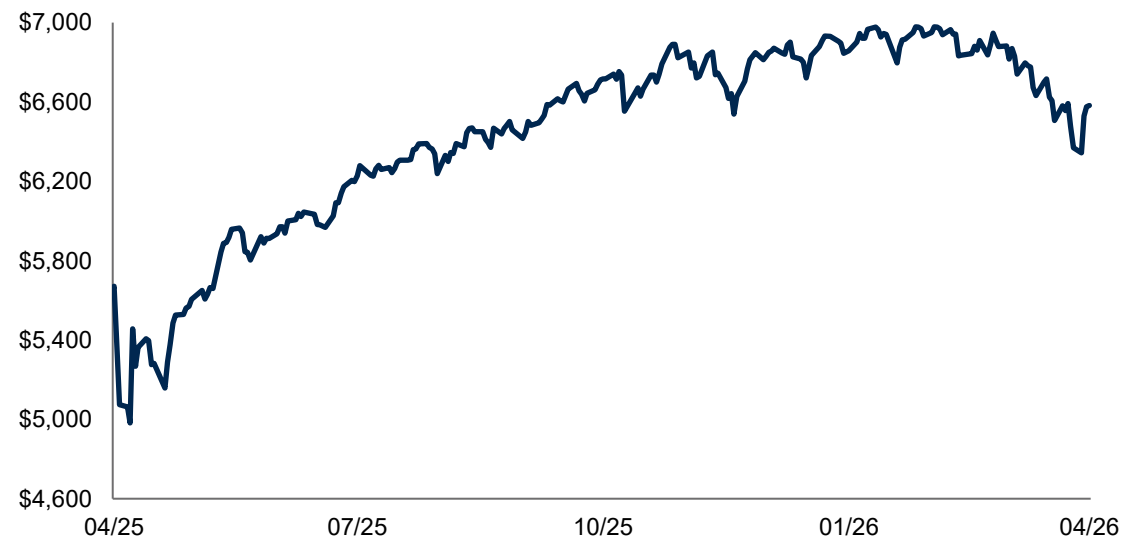
Bloomberg

Tech Stocks Climb as Traders Gauge Ceasefire Odds

(Bloomberg: April 6, 2026)

- Tech giants lifted stocks in a cautious advance as oil climbed, with investors parsing conflicting headlines about a push toward a ceasefire in the Iran war
- US allies are reportedly pressing for a last-minute deal with Iran, as President Donald Trump extended his deadline to Tuesday for Tehran to reopen the Strait of Hormuz

Stock Market Performance (S&P 500)

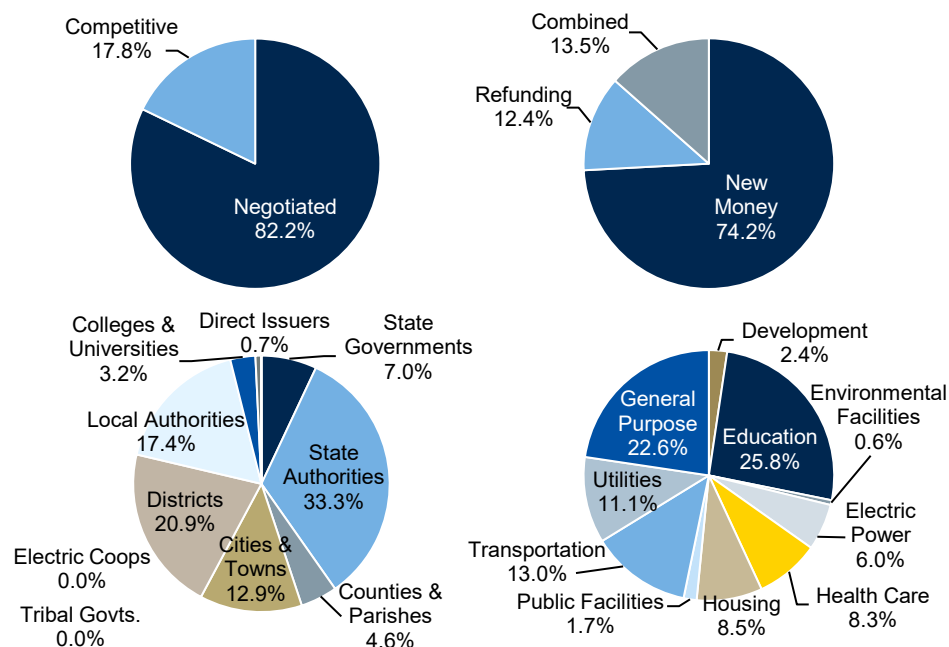


2025 in Review: Municipal Market Supply

Trends in Municipal Supply

- 2025 brought record issuance to the municipal bond market, with \$565bn of publicly-issued negotiated and competitive long-term supply as reported by Bloomberg
 - Bloomberg also recorded an additional \$8bn of private placement deals, bringing overall supply to \$573bn
 - The Bond Buyer reported total issuance of \$580bn for 2025; netting out \$10bn of private placements, issuance totaled \$570bn
 - The \$5bn variance between the Bloomberg and Bond Buyer data may be attributable to zeros/notes/BANs and other products
- In 2026, we are expecting another record year with \$600bn of municipal issuance
 - We expect 2026 volume to consist of approximately \$360bn of new money supply and \$240bn of refunding supply
 - An additional \$45bn of refunding candidates will be brought into the mix this year, comprised of bonds that are outstanding and currently callable

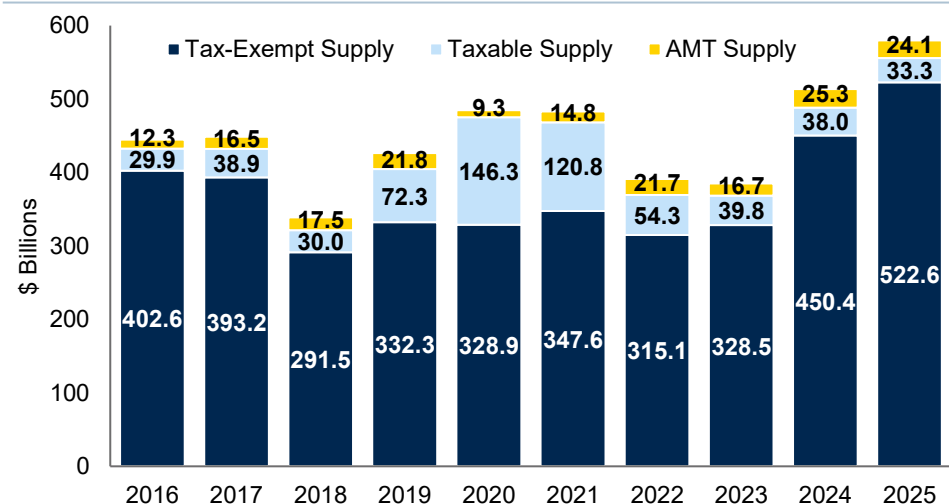
2025 Municipal Supply Breakdown



Bond Buyer Municipal Supply Statistics – Past Ten Years

Year	Total Supply excl. Privates (\$ B)	YOY Change	Average Monthly Issuance (\$ B)	Average Deal Size (\$ MM)
2025	570.3	15.0%	48.3	59.3
2024	495.8	36.4%	42.8	55.4
2023	363.4	1.0%	32.1	47.6
2022	359.8	-21.3%	32.6	42.6
2021	457.1	1.3%	40.3	36.8
2020	451.2	10.9%	40.4	36.4
2019	406.7	27.1%	35.5	36.8
2018	320.1	-21.6%	28.2	36.0
2017	408.4	-3.6%	37.4	37.2
2016	423.9		37.1	33.5

Municipal Supply by Tax Status Over Past Ten Years



Sources: Bloomberg; The Bond Buyer

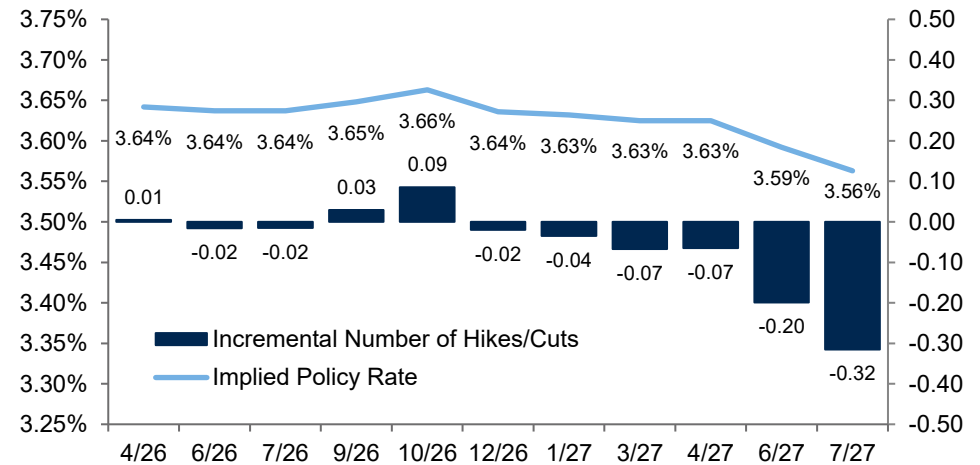
Economic Overview Reflects Monetary Policy Focus, Tariff Implications and Geopolitical Tensions

The Federal Reserve concluded its second meeting of the year by holding the federal funds rate steady in the 3.50%-3.75% range

Market Commentary – Municipal Bonds

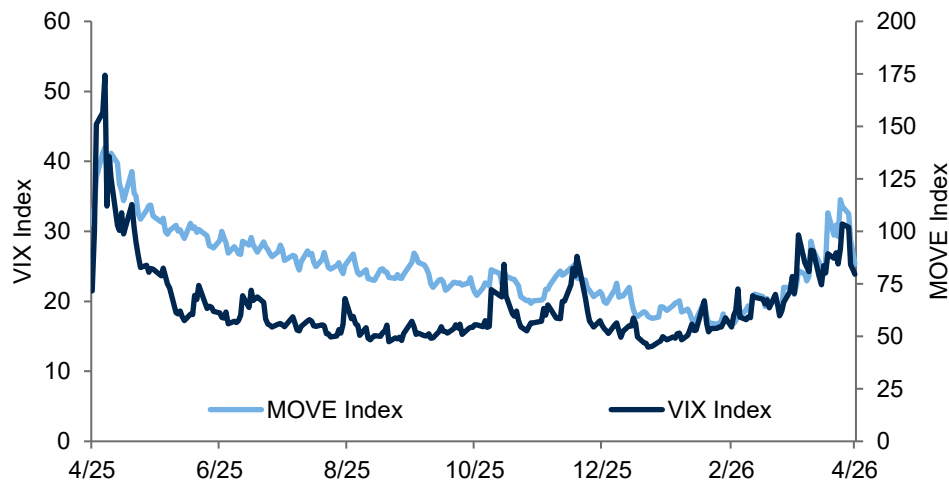
- Municipal bonds improved slightly relative to Treasuries last week, driving the MMD/UST relationship narrower by 0-1 ratios
- The market tone was constructive last week, and deals were well-received
- This week's calendar is expected to total \$8.1bn
- Municipal bond funds reported \$923mm of inflows last week
- The SIFMA index reset 5bp lower last week to 2.37%

Futures Market – Fed Funds Rate Hike/Cut Probability (Current Target Rate: 3.50% - 3.75%)



Note: 25bps equates to one hike or cut

Treasury and Equity Volatility are Elevated



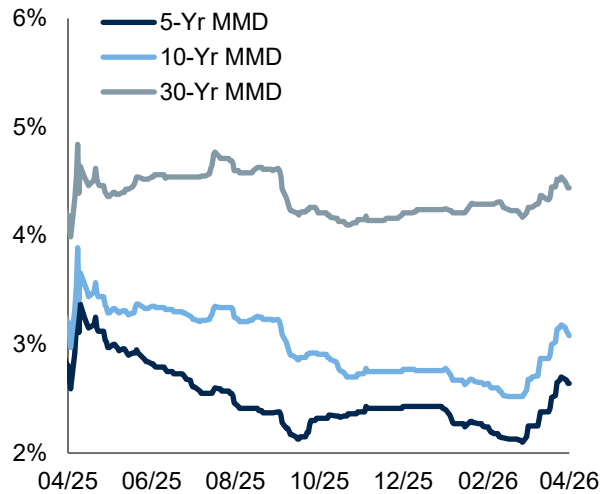
Economic Indicators

Indicator	Actual	Forecast	Prior
Inflation			
CPI YoY (January)	2.40%	2.40%	2.40%
PCE YoY (December)	2.80%	2.90%	2.90%
PPI YoY (January)	3.40%	2.90%	2.90%
Labor			
Unemployment Rate (February)	4.30%	4.00%	4.40%
Nonfarm Payrolls (February)	178K	65K	-133K
Initial Jobless Claims (wkly.)	202K	212K	211K
Production			
GDP QoQ (Q4)	0.70%	1.40%	4.40%

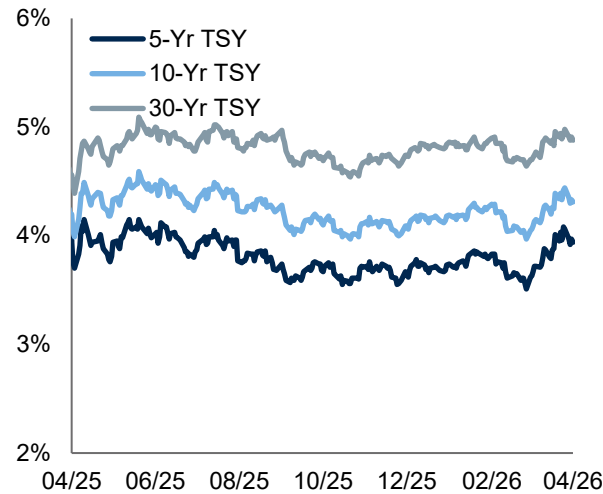
Tax-Exempt and Taxable Rate Environment

MMD/UST ratios have tightened in recent months, particularly inside 10 years

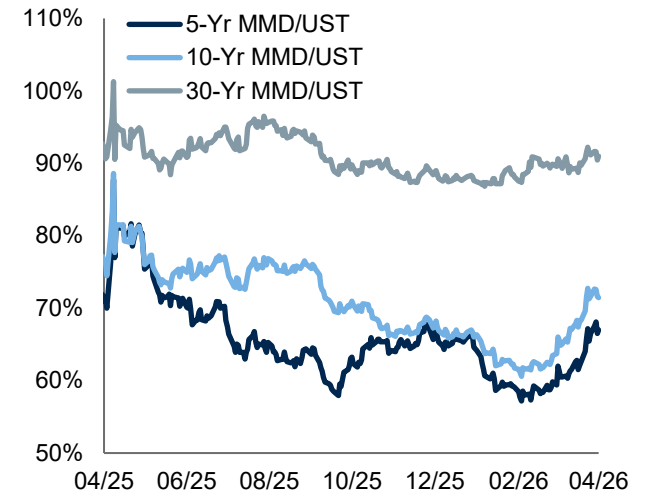
5, 10, and 30-Year MMD Yields



5, 10, and 30-Year UST Yields



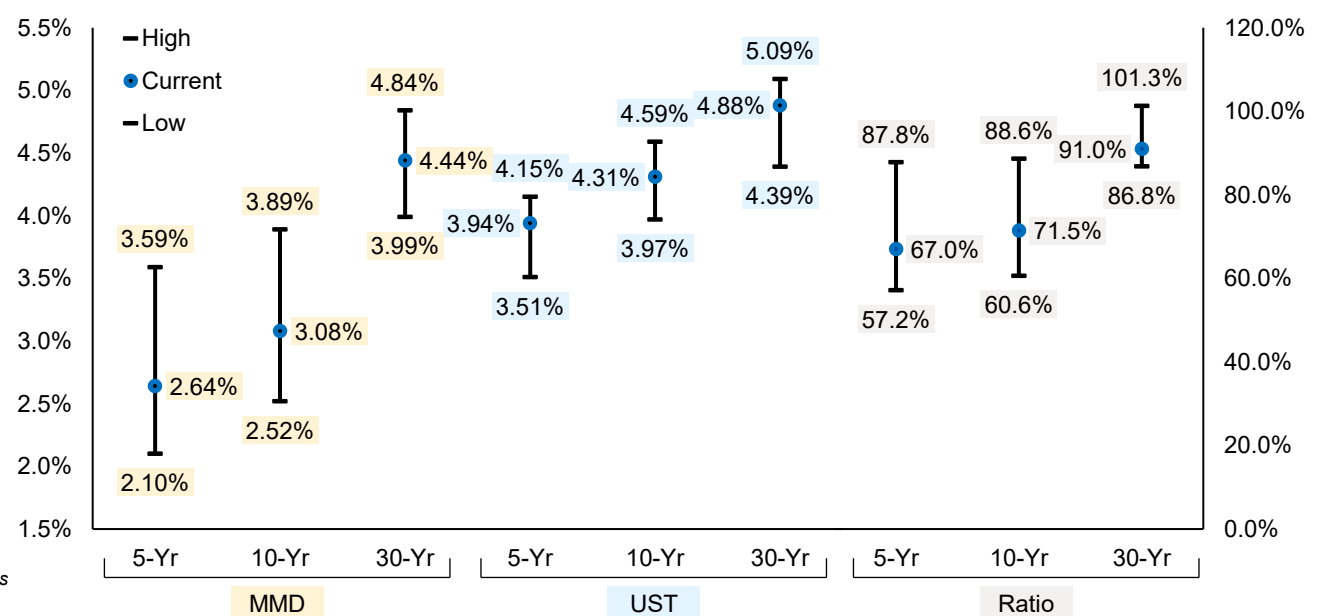
5, 10, and 30-Year MMD/UST Ratios



Historical Movement – Change in bps

	Current	WoW Change	YTD Change	LTM High Change
MMD				
5-Yr	2.64%	-3	24	-95
10-Yr	3.08%	-7	30	-81
30-Yr	4.44%	-7	19	-40
UST				
5-Yr	3.94%	-14	20	-21
10-Yr	4.31%	-11	12	-28
30-Yr	4.88%	-5	2	-21
Ratios				
5-Yr	67.0%	1.6%	2.8%	-20.8%
10-Yr	71.5%	0.2%	5.1%	-17.1%
30-Yr	91.0%	-0.5%	3.5%	-10.3%

12-Month Lookback | MMD, UST and Ratio Ranges Across the Curve

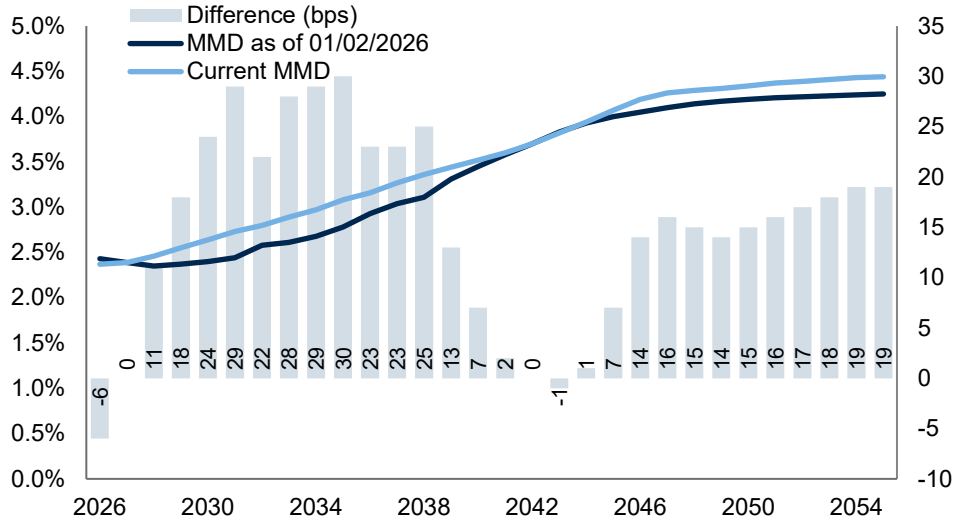


Note: Rate changes are shown in bps and ratio changes are shown in percents

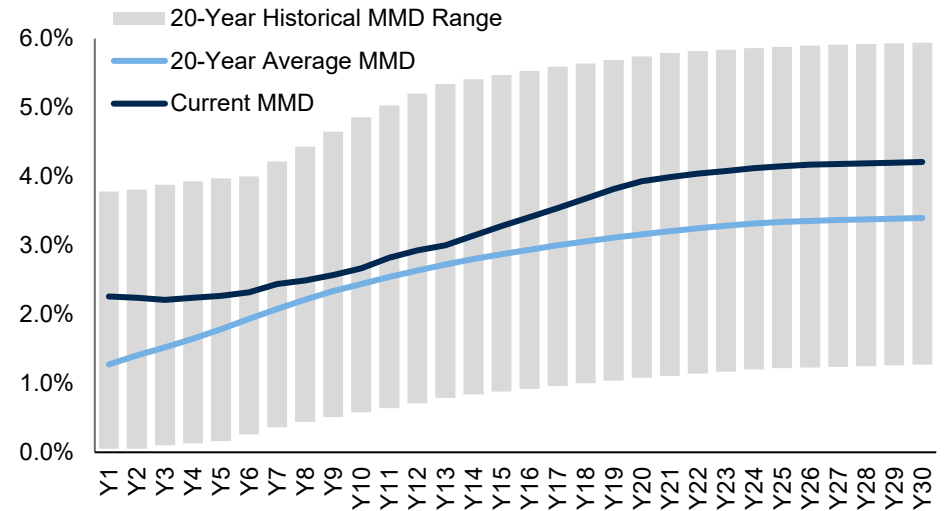
Sources: Bloomberg; Thomson Financial Municipal Market Monitor (TM3); RBC Capital Markets as of COB April 2, 2026

Relative Value Along the Yield Curve

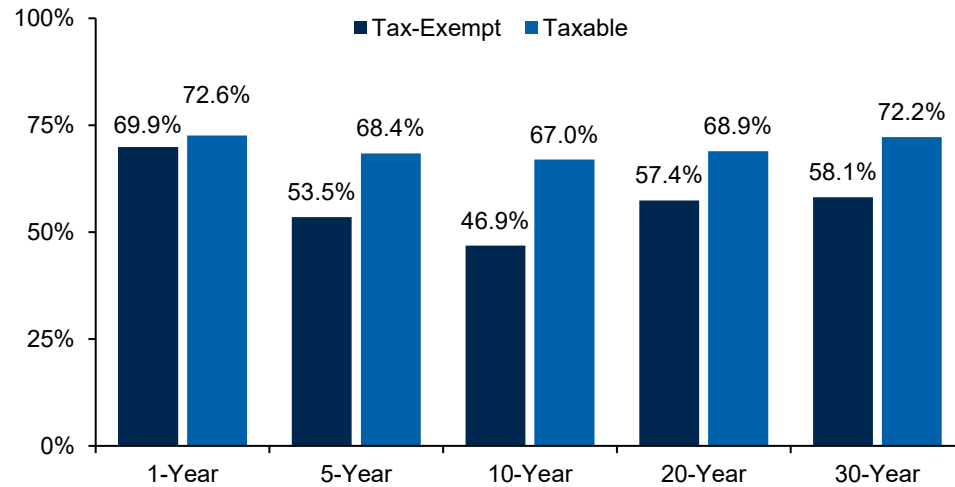
Yield Curve Comparison | Current vs. Beginning of 2026



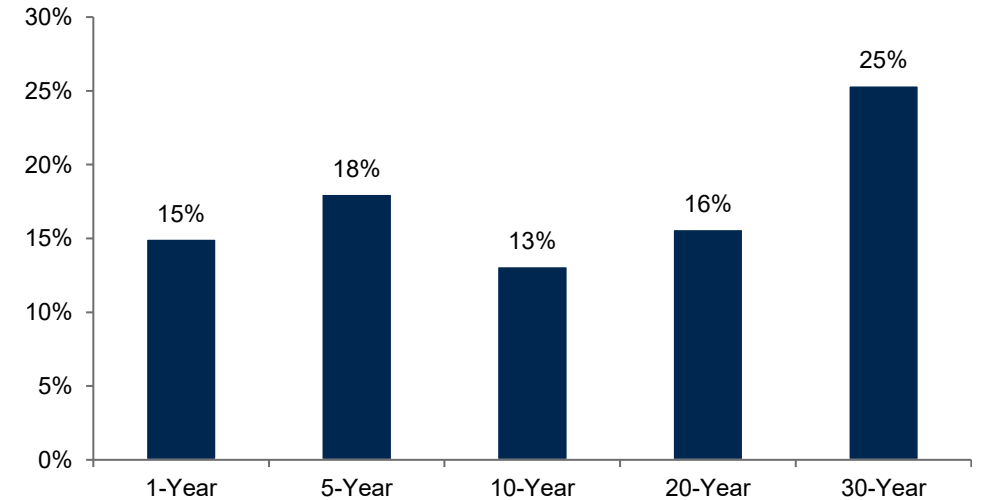
MMD Curves | 20-Year Historical Range



% of Time Nominal Rates Have Been Lower Since 2000



% of Time MMD/UST Ratios Have Been Lower Since 2000

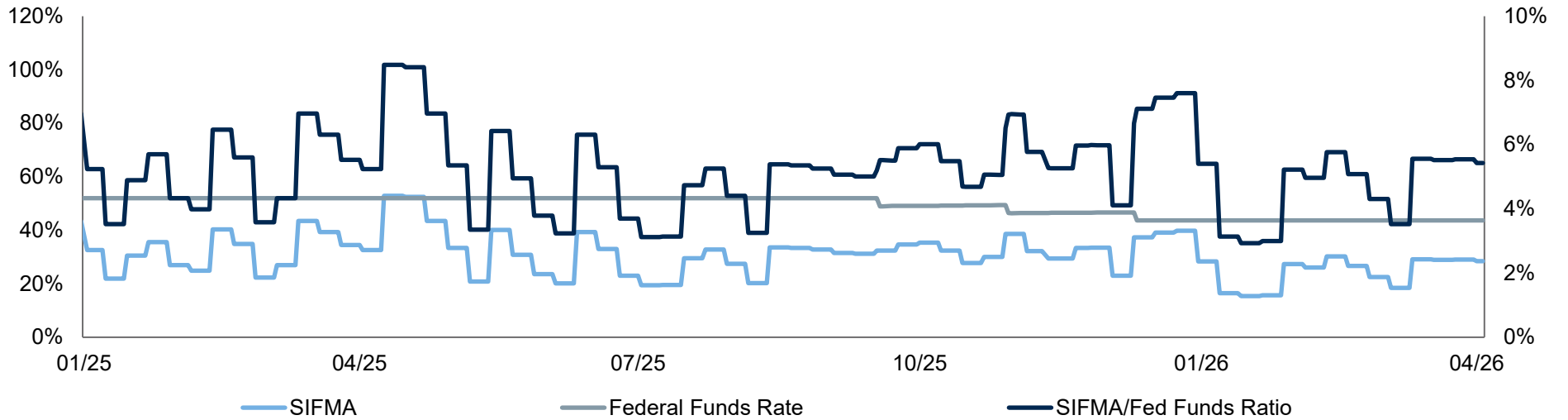


Sources: Bloomberg; Thomson Financial Municipal Market Monitor (TM3); RBC Capital Markets as of COB April 4, 2026

Tax-Exempt and Taxable Short-Term Benchmark Rate Movements and Fund Flows

The SIFMA index decreased by 5 bps last week, resetting at 2.37%

Historical SIFMA and Fed Funds Rates



Money Market Fund Flows Week Over Week Change – Tax-Exempt and Taxable Assets (\$ billions)



Sources: SIFMA Bloomberg as of April 6, 2026; EFR & SOFR Federal Reserve Bank of New York as of April 6, 2026; MMFF Bloomberg as of April 6, 2026

Forward Calendar

Select Transactions Pricing the Week of 04/06/26

Largest Transactions in the Market

Pricing Date	Issuer	State	Deal Size (\$)	Sale Type	Tax Status	Ratings	Senior Manager
04/06/2026	Town of Hempstead	NY	107,395,000	Negotiated	Non AMT	BBB+	HilltopSecurities
04/06/2026	New York City Municipal Water Finance Authority	NY	101,915,000	Negotiated	Non AMT	Aa1/ AA+/ AA+	Morgan Stanley & Jefferies
04/07/2026	The Health and Educ. Facilities Board of the Metropolitan Government of Nashville and Davidson County	TN	1,257,950,000	Negotiated	Non AMT	A/ A	RBC Capital Markets
04/07/2026	City of Palm Coast	FL	309,760,000	Negotiated	Non AMT	AA-/ AA	Raymond James
04/07/2026	Boulder Valley School District No. RE-2	CO	341,555,000	Competitive	Non AMT	AA+	
04/07/2026	Illinois Housing Development Authority	IL	170,000,000	Negotiated	Non AMT	Aaa/ NR/ NR	Jefferies
04/07/2026	City of Lawrence	KS	158,000,000	Competitive	Non AMT	AA+	
04/07/2026	Tucson Unified School District No. 1	AZ	136,700,000	Negotiated	Non AMT	Aa3/ AA	RBC Capital Markets
04/07/2026	West Linn-Wilsonville School District No. 3JT	OR	129,999,426	Negotiated	Non AMT	Aa1	Piper Sandler
04/07/2026	Bexar County Hospital District	TX	119,555,000	Negotiated	Non AMT	Aa1/ AA+	Siebert Williams Shank & Co.
04/07/2026	Cedar Rapids Community School District	IA	118,590,000	Negotiated	Non AMT	NR/ AA/ NR	J.P. Morgan
04/07/2026	Maine State Housing Authority	ME	106,915,000	Negotiated	Non AMT	Aa1/ AA+/ NR	Barclays
04/08/2026	City of Rochester	MN	507,240,000	Negotiated	Non AMT	Aa2/ AA	BofA Securities
04/08/2026	State of California	CA	740,385,000	Competitive	Taxable	AA+	
04/08/2026	New York City Housing Development Corporation	NY	254,765,000	Negotiated	Non AMT	Aa2/ AA+/ NR	Morgan Stanley
04/08/2026	State of Rhode Island	RI	149,060,000	Negotiated	Non AMT	Aa2/ AA/ AA+	Cabrera Capital Markets
04/08/2026	Metropolitan Atlanta Rapid Transit Authority	GA	107,000,000	Negotiated	Non AMT	NR/ AAA/ NR	Jefferies
04/09/2026	Los Angeles County Metropolitan Transportation Auth.	CA	842,230,000	Negotiated	Non AMT	Aa1/ AAA/ NR	Morgan Stanley
04/09/2026	California Municipal Finance Authority	CA	742,615,000	Negotiated	Non AMT	A2	Wells Fargo
04/09/2026	Anne Arundel County	MD	295,665,000	Competitive	Non AMT	AA+	
04/09/2026	Ohlone Community College District	CA	134,915,000	Negotiated	Non AMT	Aa1	Piper Sandler
04/09/2026	City of Durham	NC	124,695,000	Negotiated	Non AMT/Taxable	Aa1/ AA+/ AA+	PNC Capital Markets
DTD	Pennsylvania Economic Development Financing Auth.	PA	121,090,000	Negotiated	Non AMT	A2/ A/ A	J.P. Morgan
Total			\$7,077,994,426				

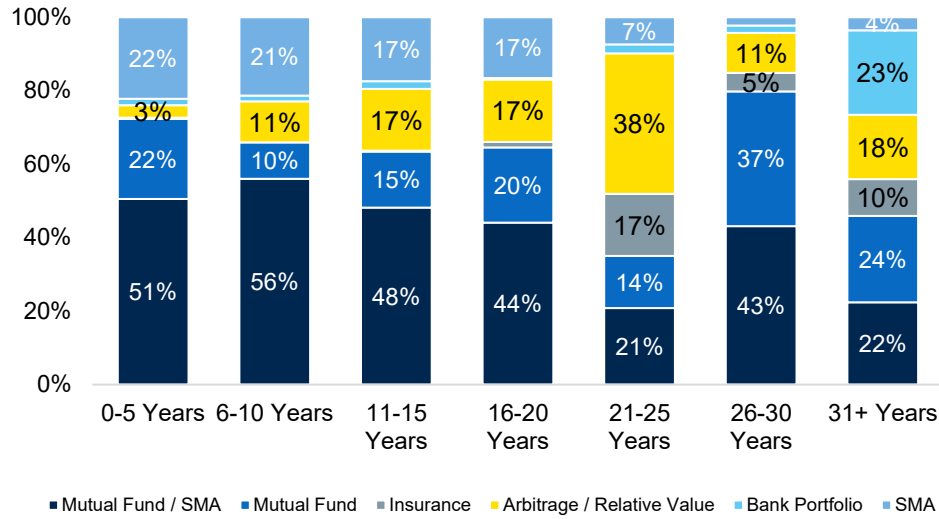
Economic Data Release Calendar – Week of April 6th

	Monday	Tuesday	Wednesday	Thursday	Friday
Bond Buyer Visible Supply	6	7	8	9	10
Par Amount					
Negotiated:	\$9.0 Bn				
Competitive:	\$3.6 Bn				
Total:	\$12.6 Bn				
	10:00 AM ET ISM Services	8:15 AM ET ADP Employment Change 8:30 AM ET Durable Goods 12:35 PM ET Austan Goolsbee Speaks 3:00 PM ET Consumer Credit 5:50 PM ET Phillip Jefferson Speaks	10:30 AM ET Crude Oil Inventories 1:05 PM ET Mary Daly Speaks 2:00 PM ET FOMC Meeting Minutes	8:30 AM ET Personal Income & Spending 8:30 AM ET PCE 8:30 AM ET GDP 8:30 AM ET Jobless Claims 10:00 AM ET Wholesale Inventories	8:30 AM ET CPI 10:00 AM ET Factory Orders 10:00 AM ET Consumer Sentiment

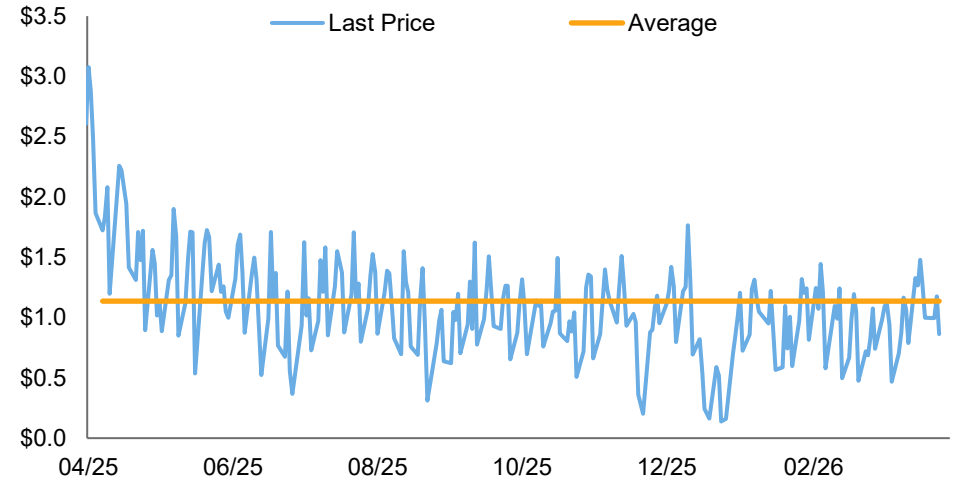
Sources: RBC Capital Markets, MarketWatch, Trading Economics, Bloomberg, Bond Buyer

RBCCM DCM Investor Activity Monitor – 3 Month Lookback

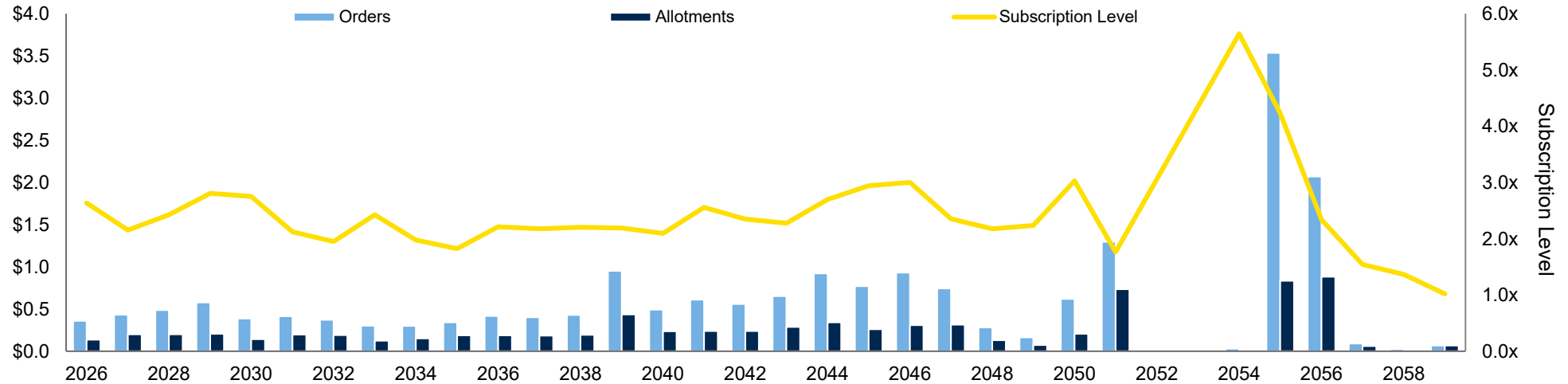
3 Month Look Back at RBC Led TE Non-AMT Orders



Municipal Bid-Wanted (\$ billions)



Federally Tax-Exempt Primary Order and Allotment Activity for RBC Led Deals Over the Last 3 Months (\$ billions)

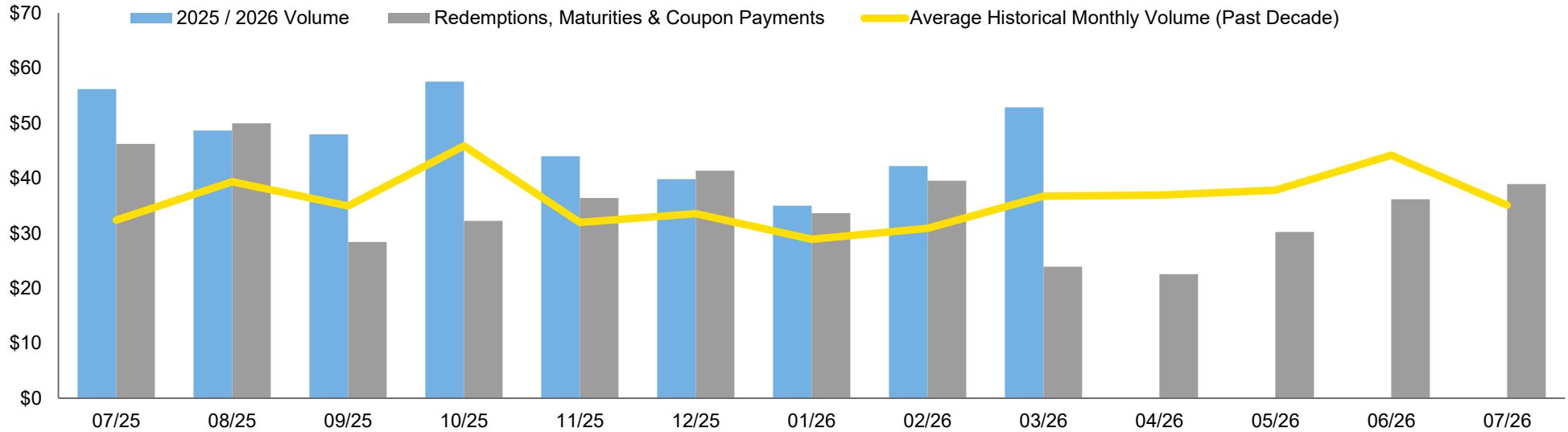


Source: RBC Capital Markets, Bloomberg

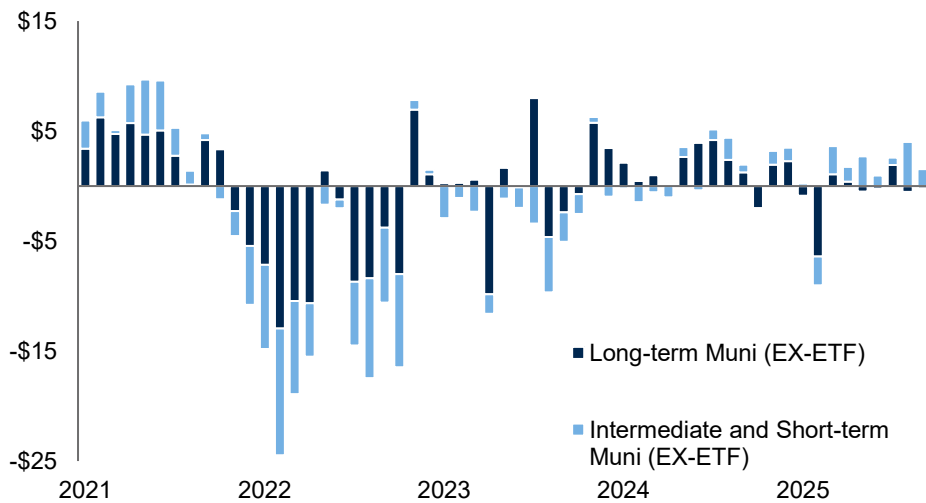
Monthly Reinvestment Cash and Municipal Market Bond Fund Flows

The market saw record volume in 2025

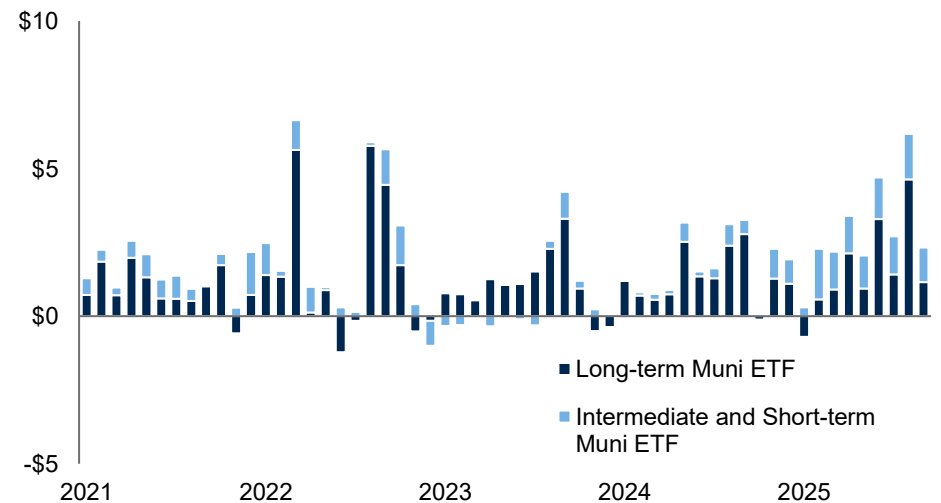
Monthly Reinvestment Cash Versus Volume (\$ billions)



Monthly Municipal Fund Flows - Excluding ETFs (\$ billions)



Monthly Municipal ETF Flows (\$ billions)

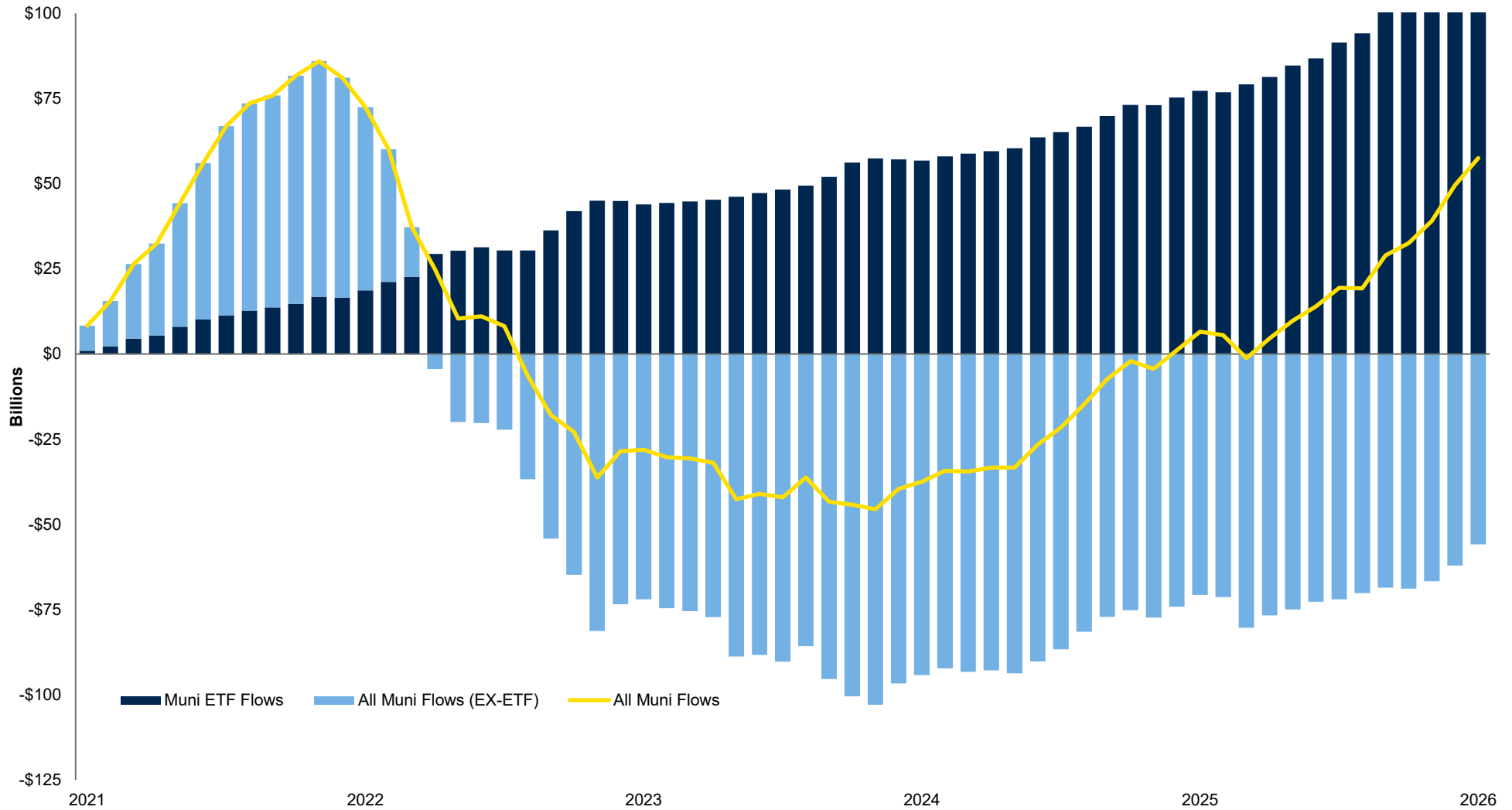


Sources: Bloomberg; Refinitiv; RBC Capital Markets as of April 6, 2026

Cumulative Monthly Municipal Bond Fund Flows Since February 2021

SMA and ETFs have been asset accumulators at the expense of traditional open-end funds which have lost assets overall

Monthly Municipal Bond Fund Flows (\$ billions)



ETFs purchase maturities with par amounts at least \$25 million in size

Sources: Bloomberg; Refinitiv; RBC Capital Markets as of April 6, 2026

Disclaimer

Sources include: https://www.rbccm.com/assets/rbccm/docs/uploads/2017/RBCCM_Muni_Markets_Weekly_Newsletter.pdf, <http://www.rbc.com/economics/>, RBC Capital Markets.

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