



City of Madison, WI

Water Revenue Bonds/Refunding Update:

\$_____Water Utility Revenue Refunding Bonds, Series 2026 (“2026 Bonds”)

Summary for Water Utility Board
November 24, 2025



TRANSACTION SUMMARY

Bonds Being Considered for Refunding – 2016 Bonds

Refunding Candidates					
Series Name	Maturity	Par Amount	Coupon	Call Date	Call Price
2016	1/1/2027	2,685,000	5.000	1/1/2026	100
2016	1/1/2028	2,815,000	5.000	1/1/2026	100
2016	1/1/2029	1,250,000	5.000	1/1/2026	100
2016	1/1/2030	1,310,000	4.000	1/1/2026	100
2016	1/1/2031	1,365,000	4.000	1/1/2026	100
2016	1/1/2032	1,420,000	4.000	1/1/2026	100
2016	1/1/2033	1,475,000	4.000	1/1/2026	100
2016	1/1/2034	1,535,000	4.000	1/1/2026	100
2016	1/1/2035	1,595,000	4.000	1/1/2026	100
2016	1/1/2036	1,660,000	4.000	1/1/2026	100
2016	1/1/2037	1,725,000	4.000	1/1/2026	100

Summary Info

Issuer	City of Madison
Indenture	Water Revenue
Rating	Aa1 / -- / --
Tax Status	Tax-Exempt
Dated Date	1/7/2026
Bank Qualified	No
Credit Enhanced	No

Refunding Summary by Savings Level

NPV Savings Criteria

All Maturities

Positive Savings

5% or Greater

10% or Greater

Note – projected net present value debt service savings as percentage of refunded bonds.

MARKET UPDATE (TM3.COM)

Closing Comment: Wednesday, November 20, 2025

Munis opened this morning with a mostly steady tone as investors digested yesterday's new issuance and prepared for another slate of deals coming today. However, as the trading day progressed, some softer activity started to surface in the last 10-15yrs of the curve that suggested a slight adjustment to our MMD AAA scale was needed. Elsewhere, treasury yields were a touch firmer first thing compared to where they were at 3pm yesterday, however yields pared back that strength early and backed up a touch since. Stocks, meanwhile, saw positive futures first thing and opened in positive territory, though they have turned mixed as we approach the end of the trading day.

On Wednesday, the MMD AAA scale was left unchanged 2026-2040 and cut 1bp 2041-2055. At 3pm when MMD set its scales, the US TSY 2yr was at 3.594%, 1bp weaker than yesterday at 3pm, the 10yr was at 4.127%, unchanged from yesterday, and the 30yr yield was at 4.750%, 1bp behind where they were at 3pm yesterday.

Final MMD Read (5% Coupon):

2026-2040: Unchanged

2041-2055: 1bp cut

Municipal / US Treasury Ratio (at 3:00pm)

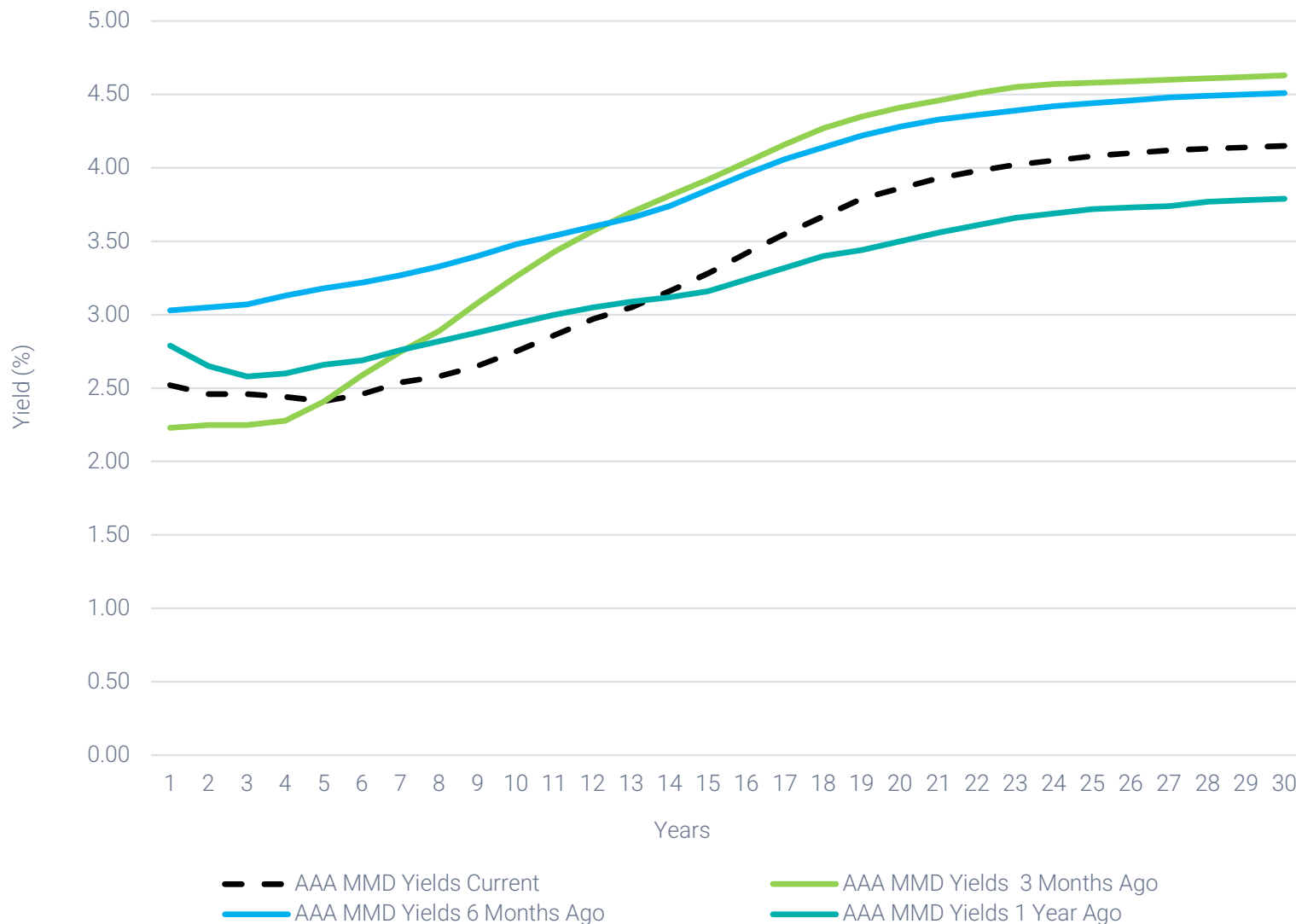
US TSY 5yr: 65% (Treasury yield of 3.703%)

US TSY 10yr: 67% (Treasury yield of 4.127%)

US TSY 30yr: 87% (Treasury yield of 4.750%)

MARKET UPDATE

Current and Historical Tax-Exempt Yield Curve



TRANSACTION SUMMARY

Parameters* – 2026 Bonds

Issue Title	Water Utility Revenue Refunding Bonds
Series:	Series 2026
Par Amount:	\$_____
Final Maturity:	January 1, 2037
Purchase Price:	Not less than 98.5% of the principal amount of the 2026 Bonds
Basis of Award:	Lowest True Interest Cost ("TIC") rate not exceeding 5.00%
Time Bids Due:	10:30 AM (CT Time) – December 16, 2025
Optional Redemption:	The Bonds maturing on or after January 1, 2037 are subject to redemption at the option of the City on any date on or after January 1, 2036, at a redemption price equal to 100% of the principal amount redeemed
All-Or-None Bids Only:	Bidders may bid only to purchase all Bond maturities
Denominations:	\$5,000 or any integral multiple thereof

* Preliminary; subject to change. Delegation to Authorized Officer to complete the sale and issuance of the 2026 Bonds pursuant to provisions and parameters in the authorizing resolution.

TRANSACTION SUMMARY

Financing Schedule – 2026 Bonds

Financing Timetable	
Event	Date
Rating Meeting	November 25, 2025
Finance Committee Consideration	December 1, 2025
Receive Rating	December 9, 2025
Common Council Authorization	December 9, 2025
Post POS	December 10, 2025
Sale Day	December 16, 2025
Closing of Bonds	January 7, 2026
Redemption of Refunded Bonds	February 6, 2026

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