

## ***CMA's Third ARPA Webinar a Success***

As the American Rescue Plan Act's (ARPA) April 30<sup>th</sup> filing deadline for Non-Entitlement Units' initial Project and Expenditure Report approaches, CMA co-hosted its third ARPA webinar on March 30<sup>th</sup>. Experts from CMA and PKF O'Connor Davies presented and answered questions posed by an audience of over 100 attendees. Important takeaways from the webinar included (i) the opportunity to elect the \$10 million revenue loss "standard allowance", (ii) the ability to calculate revenue loss either on a calendar or fiscal year basis and (iii) the need for Non-Entitlement Units to set up accounts on the Treasury Portal long before April 30<sup>th</sup> to designate their Account Administrator, Point of Contact for Reporting, and Authorized Contact for Reporting. Failure to properly spend, track and report on how ARPA funds are used could potentially result in the claw back of those funds by the Federal government. For assistance with ARPA reporting, contact CMA.

## ***Moody's Upgrade of Bond Insurer Assured Guaranty Triggers Event Notice***

On March 18, 2022, Moody's Investors Service upgraded to A1 from A2 the insurance financial strength ratings of Assured Guaranty Municipal Corp. (AGM), the leading municipal bond insurer in the U.S.

Bonds that are insured by a municipal bond insurer carry the rating of their insurer. As a result of this upgrade, bonds insured by AGM issued by jurisdictions that have an underlying credit rating below A1 have had their rating increased, triggering the need to file an Event Notice on EMMA within 10 business days of the occurrence of this event. In accordance with its clients' Continuing Disclosure obligations, CMA prepared and filed event notices for all its clients affected by the AGM upgrade. S&P rates AGM "AA".

## ***Interest Rates Continue Their Meteoric Climb***

As reflected in the tables below, tax-exempt interest rates have risen dramatically over the past three months with some weekly increases exceeding 25 basis points. One-year note rates for double-A rated credits, which were below 20 bps in January, have gone up tenfold as evidenced by bids over 2.00% received at competitive sales during the last week of March.

### **MMD GENERAL OBLIGATION INTEREST RATES**

Term	Today - April 1, 2022					1 Month Ago - March 1, 2022					1 Year Ago - April 1, 2021				
	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa
1 yr.	1.57%	1.70%	1.79%	1.80%	2.00%	0.81%	0.87%	0.96%	0.97%	1.17%	0.07%	0.11%	0.16%	0.17%	0.44%
5	1.98	2.16	2.24	2.29	2.54	1.30	1.39	1.47	1.52	1.77	0.50	0.57	0.69	0.77	1.09
10	2.18	2.43	2.54	2.61	2.98	1.53	1.69	1.80	1.87	2.24	1.08	1.23	1.33	1.40	1.83
15	2.32	2.61	2.69	2.80	3.14	1.67	1.87	1.95	2.06	2.40	1.29	1.47	1.55	1.67	2.04
20	2.40	2.73	2.82	2.92	3.26	1.77	2.01	2.10	2.20	2.54	1.49	1.68	1.76	1.87	2.24

### **RECENT CMA CLIENT SALE RESULTS**

<b>Issuer</b>	<b>Issue Type</b>	<b>Par Amount</b>	<b>Sale Date</b>	<b>Term</b>	<b>Rate</b>	<b>Purchaser</b>
Lewisboro Town (AA)	BAN	\$ 3,381,100	31-Mar	12 mos.	1.63%	J.P. Morgan Chase Bank, N.A.
Evans-Brant CSD (A1)	Ref. Bonds	\$ 4,340,000	22-Mar	5 yrs.	2.17%	Roosevelt & Cross, Inc.
Rye City (Aaa)	Bonds	\$ 14,640,000	17-Mar	25 yrs.	3.02%	Morgan Stanley & Co. LLC
Chautauqua Lake CSD (A+)	BAN	\$ 325,000	16-Mar	3 mos.	1.52%	Greene County Commercial Bank
Seaford UFSD (Aa2)	Ref. Bonds	\$ 2,685,000	15-Mar	12 yrs.	2.22%	Greene County Commercial Bank
Yonkers City (A3/A)	Bonds	\$ 55,990,000	Negot.	15 yrs.	2.75%	FHN; D.A. Davidson; Loop