

*Investments
Asset / Liability
Risk Management*



**Comprehensive Approach to
Balance Sheet Management**

The Murray Bank

July 2023

Agenda

- Introductions
- Recap last conversation
- Overall balance sheet observations
- Review ALCO packet – compare to Taylor Advisor process
- Deeper dive into Taylor Advisors Investment Management process
- Next steps

Recap of Our Last Conversation

- **Increased Strategy in ALCO & Investments** – you desire to see more strategies developed and implemented in your ALCO & Investment meetings. Our entire balance sheet management & investment processes are built around developing proactive strategies with the bank to improve NIM and manage risk.
- **Liquidity Management** – managing liquidity during the current economic and rate climate is paramount, especially for meeting the bank’s robust loan demand. We’ll leverage our expertise, strategies, and propriety tools to maximize efficiency in this key area.
- **Additional Perspective** - by facilitating 400+ ALCOs per year with 130+ community banks, we have a unique perspective allowing us to bring you actionable strategies to improve NIM and manage risk.
- **Education & Training** – there is a need for education & training for incoming executives. We’ll fill this gap for the new executives through one-on-one coaching and frequent intra-quarter communication. This will maximize the bank’s human capital.
- **Valuable Resources** – we can become the equivalent of 3 or 4 part-time FTEs to help support your executive team such as:
 - ALM Manager
 - Assistant Treasurer
 - Investment Analyst
 - Balance Sheet Consultant

Starting with the end in mind

Our Typical Client:

- Is a community or regional bank
- Improves their net interest margin by 16 basis points after the first year of our partnership and/or
- Improves the yield on their investment portfolio by 23 basis points after the first year of our partnership
- Started with a high level of skepticism (appropriate for bankers who are and should be risk-averse)

Earning Asset Size	Net Interest Income Change in thousands of dollars (due to Yield change in basis points)		
	10	16	25
(in \$000)			
400,000	400	640	1,000
430,000	430	688	1,075
460,000	460	736	1,150
Investments	10	23	50
105,000	105	242	525
125,000	125	288	625
145,000	145	334	725

HUB | Taylor Advisors at a Glance

- Founded in 2002 & Acquired by HUB in 2022
- 130+ Balance Sheet Management (ALCO) Clients
 - Capital, Interest Rate Risk, Liquidity, Funding, Investments, etc.
 - ***\$91.2 billion consolidated total assets***
- 140+ Investment Advisory/Consulting Clients
 - Investment Advisors: Discretionary, Non-Discretionary, and Co-Managerial
 - Taylor Advisors is not a broker/dealer, Bank does not give up control
 - ***\$18.3 billion assets under management***
 - \$6.6 billion in municipal bonds (taxable & tax-free)
 - \$11.8 billion in non-municipal bonds (agency, mbs, cmo, cmbs, sba, etc.)
- ***\$50 Billion Investment Fund Consultant***
 - United States Department of Energy

Taylor Advisors Providing Education to the Industry



Publications

Reprioritizing the Margin: How to reinvent the ALCO meeting – May 2022

Deposit Diaries – Managing Funding Costs Amid Excess Liquidity and Rising Rates – March 2022

Bond Price Volatility: Keep Calm and “Carry” On – Apr. 2020

Balance Sheet Opportunities: Create a Path to Outperformance – Dec. 2020

Assessing Balance Sheet Opportunities and Risks – July 2020

Gaining Confidence Through Stress-testing and Planning – May 2020

Loan Pricing: Avoiding Costly Mistakes – Feb. 2020

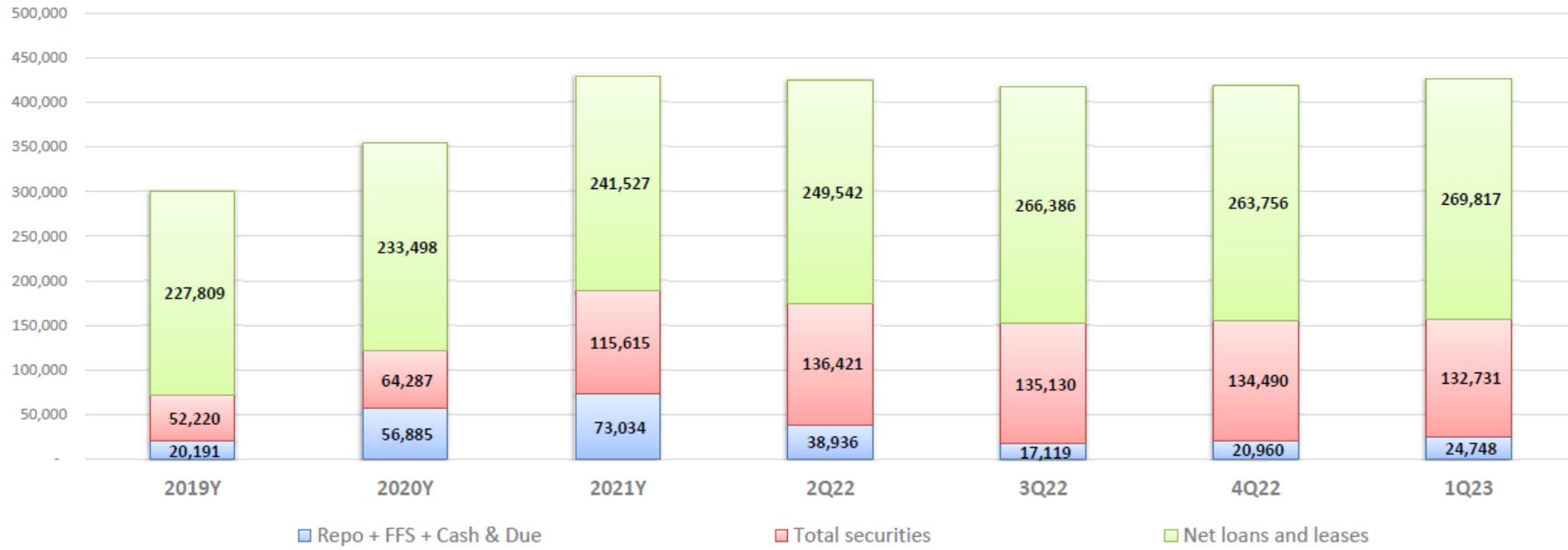
Funding Costs Still on the Rise: Betas Hit the Accelerator – Aug. 2019



CONFIDENTIAL

Balance Sheet Mix Analysis

	2019Y	2020Y	2021Y	2022Q2	2022Q3	2022Q4	2023Q1
Cash & due from depository institutions	20,185	56,879	73,034	38,174	15,259	14,986	14,107
Federal funds sold and Repos	6	6	-	762	1,860	5,974	10,641
Total securities	52,220	64,287	115,615	136,421	135,130	134,490	132,731
Net loans and leases	227,809	233,498	241,527	249,542	266,386	263,756	269,817
Bank premises and fixed assets	4,440	4,333	4,162	4,014	3,960	4,082	4,027
Intangibles	-	-	-	-	-	-	-
All other assets	9,131	8,814	9,556	10,126	10,630	9,984	9,862
Total assets	313,791	367,817	443,894	439,039	433,225	433,272	441,185



Challenges Managing a Bank's Balance Sheet

- **Philosophy**
 - Lack of Balance Sheet Strategies – creative ideas to improve profitability and/or manage risk
 - Reactive Decision Making Process (Need to continue to be proactive)

- **Earnings and NIM**
 - Low Earning Asset Yields – mix, selection, pricing
 - High Cost of Funds – accelerating funding costs and/or deposit pricing frustrations

- **Interest Rate Risk – Regulatory Appeasement**
 - Lacking confidence in the tools to measure, monitor, and control interest rate risk
 - Little to no documentation of various parts of the ALM process (i.e. assumptions)
 - Regulators are critical of the ALCO process or IRR measurement tool

- **Capital**
 - Understanding capital's impact on Interest Rate Risk, liquidity, and returns
 - Capital management and monitoring process needs enhancement, including stress testing and dynamic forecasting
 - Lack of comprehensive policy/plan including capital contingency planning

- **Liquidity – Profit Improvement**
 - Difficulty with liquidity assessment, management, and monitoring risks, tools, policy, and strategies.
 - Contingent liquidity planning MUST include scenario stress-testing with triggers (a.k.a., Dynamic Cash Flow Testing).

- **Education/Training**
 - Needing a succession plan for ALCO/balance sheet management
 - Executives may lack either time, technology, or expertise in balance sheet management
 - Little to no board oversight/education relating to asset liability management (training to executive management/board)
 - No independent analysis of the balance sheet, liquidity or investment portfolio

UBPR – Net Interest Margin for The Murray Bank



FDIC Certificate # 35161
OCC Charter # 715834
Public Report

FRB District/ID_RSSD 8 / 2819242
County: CALLOWAY

MURRAY BANK, THE; MURRAY, KY
One Quarter Annualized Income Analysis--Page 12

Income Statement 1-Qtr-Ann
06/28/2023 10:22:19 AM

Earnings and Profitability
Margin Analysis:
Int Inc (TE) to Avg Earn Assets
Int Expense to Avg Earn Assets
Net Int Inc-TE to Avg Earn Assets

03/31/2023			03/31/2022		
BANK	PG 102	PCT	BANK	PG 102	PCT
3.90	4.13	41	2.92	3.21	29
1.04	1.01	55	0.38	0.30	72
2.86	3.12	36	2.54	2.89	25

-26
bps

-35
bps

(above/below peer)

FDIC Certificate # 14735
OCC Charter # 0
Public Report

FRB District/ID_RSSD 8 / 837149
County: HICKMAN

FIRST COMMUNITY BANK OF THE HEARTLAND, INC.; CLINTON, KY
One Quarter Annualized Income Analysis--Page 12

Income Statement 1-Qtr-Ann
07/05/2023 9:28:19 AM

Earnings and Profitability
Margin Analysis:
Int Inc (TE) to Avg Earn Assets
Int Expense to Avg Earn Assets
Net Int Inc-TE to Avg Earn Assets

03/31/2023			03/31/2022		
BANK	PG 5	PCT	BANK	PG 5	PCT
5.06	4.54	77	4.33	3.42	90
1.47	0.99	81	0.36	0.25	77
3.58	3.54	53	3.98	3.16	90

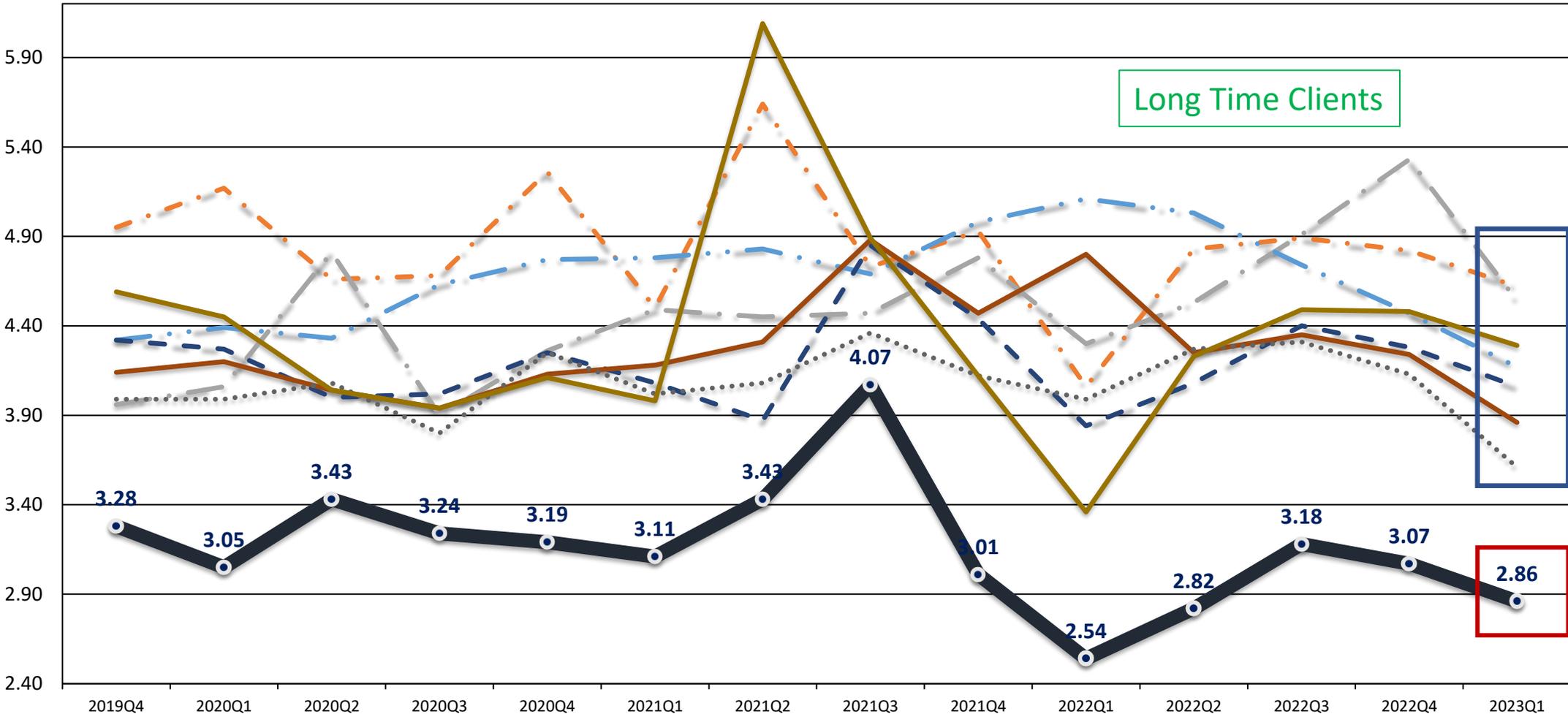
+4
bps

+82
bps

(above/below peer)

Source: UBPR

Comparative Peer Net Interest Margin Trend Analysis



Taylor Advisors – Net Interest Margin Performance for Banks

Taylor Advisors Performance
Net Interest Margin - Fully Taxable Equivalent



Net Interest Margin Performance Balance Sheet Management Clients

Time Period	New Clients	Tenured Clients	Non-Clients	Taylor Advisors Outperformance (Tenured Clients)
T12M	3.35	3.55	3.42	+0.13
2022	3.25	3.47	3.33	+0.14
2021	3.46	3.43	3.28	+0.15
2020	3.61	3.62	3.49	+0.13
2019	3.76	3.84	3.78	+0.06
2018	3.69	3.90	3.80	+0.10
2017	3.96	3.96	3.76	+0.20
2016	3.80	3.86	3.70	+0.16

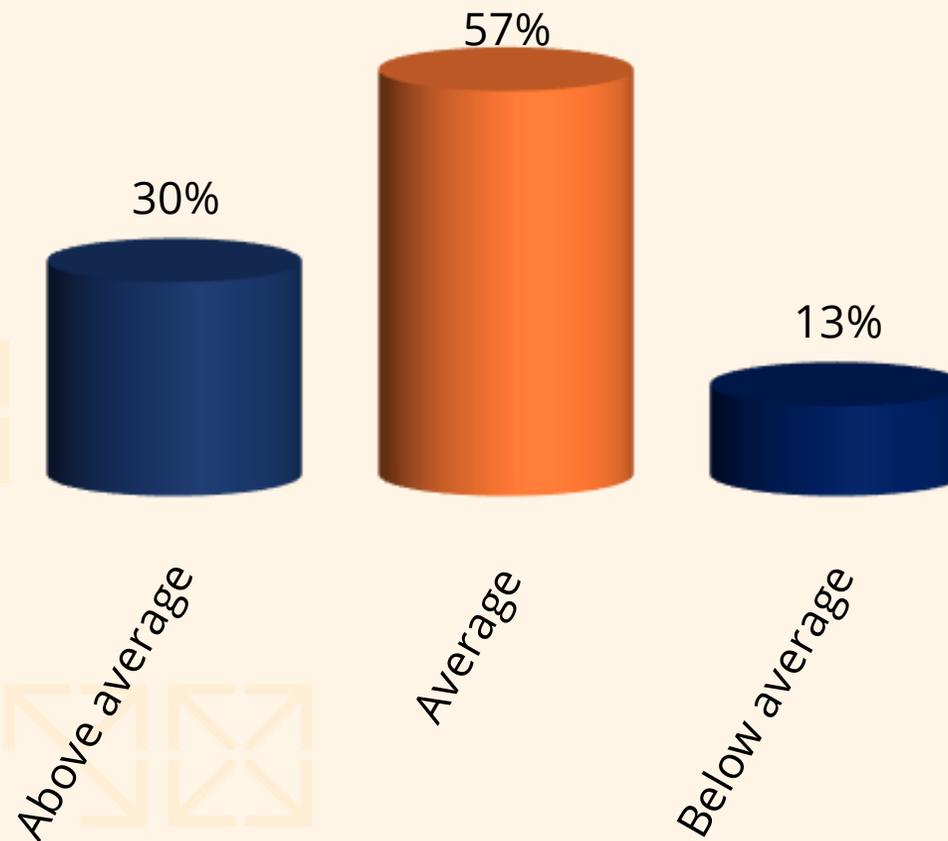
The Murray Bank’s T12M Net Interest Margin is 2.98%.

TA Tenured Clients T12M median is 3.55%, 57 bps higher than The Murray Bank.

SHESHUNOFF CEO AFFILIATION 3/8/2023:

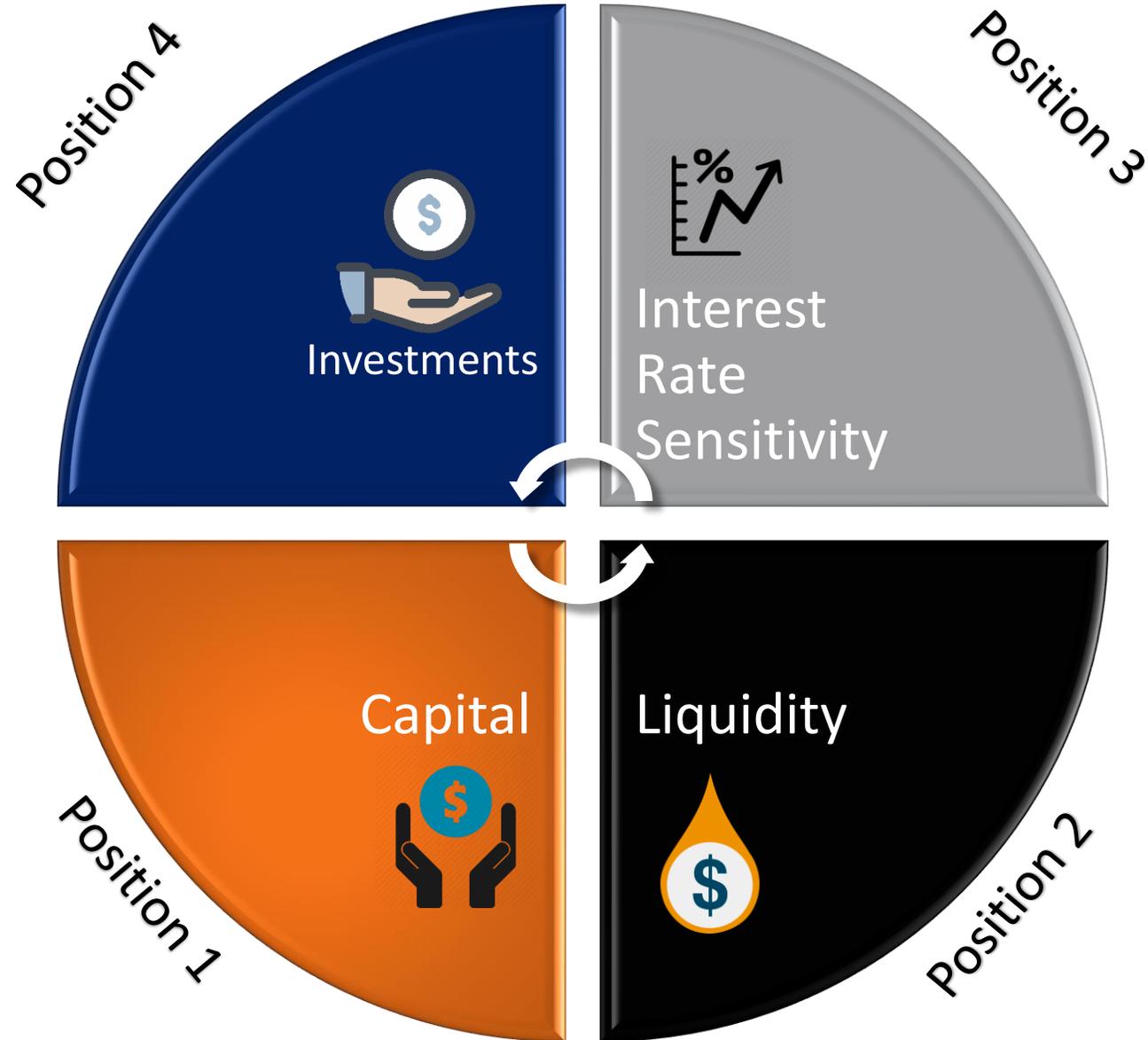
HOW WOULD YOU RATE YOUR ALCO PROCESS WHEN IT COMES TO DRIVING PROFITABILITY AND STRATEGIES?

- A. Above Average
- B. Average
- C. Below Average



“What should an ALCO and Investment process look like?”

ALCO Best Practices



Balance Sheet Strategies



Taylor Advisors Services



- Operational Kick-Off meeting
- Customized ALCO Presentation/Packet
- Co-Facilitate Quarterly ALCO (Education & NIM Management)
- ALM Policy and IRR Assumptions Review/Recommendations
- Detailed review of various Interest Rate Reports
- Deposit Beta and Decay assumptions memo/analysis and/or stress testing
- Liquidity Assessment/Management/Policy Review
- Liquidity Analysis Worksheet & Contingency Funding Scenarios
- Deposit Benchmarking/Funding Analysis
- Perform Quarterly Capital Stress Tests (Growth and Credit)
- Review/Develop Capital Policy (includes Capital Contingencies)
- Balance Sheet Monitor Report (trends/observations/peer analysis)
- Investment Sector Recommendations with Product Examples
- Quarterly Investment Analytics (Cash Flow, Stress Testing, etc.)
- Balance Sheet Strategies for Profit Improvement/Risk Management
- Executive Summary Notes documenting Balance Sheet Strategies
- Weekly Commercial Loan Pricing Matrix Distribution
- Assist in Resolving Examiner Criticisms Associated w/ ALM Issues

Planning-Based Balance Sheet Management Process

■ **Kickoff/Operational Meeting (Road Map)**

- Review engagement objectives and set deadlines i.e., policy reviews
- Balance Sheet Phases: Liquidity, Capital, and IRR Management
 - Prioritization process – Interest Rate Risk vs. Liquidity
- Policy limit appropriateness given new/tougher regulatory & economic environment

■ **Taylor Advisors Co-Facilitates the Formal ALCO, Management ALCO, Executive ALCO Working Group**

- External ALM Analyst (Ideas, Opinions, and Analysis)
- Action / Pending items for Taylor Advisors and/or your institution

■ **Balance Sheet Analysis and Strategy Discussion**

- Balance Sheet Monitor (Macro) – Trends & Observations
- ALCO Reports (Micro) – GAP, NIM Simulation, and EVE
- Other Internal Reports (CD maturities, rate sheets, wholesale funding, etc.)

■ **Frequent Communication**

- Intra-quarter Communication (phone, e-mail, group conference calls, meetings)
 - Policy updates, NIM protection strategies, deposit products, whole-sale funding, etc.

The Murray Bank ALCO Packet

Review of Minutes/Agenda

- No Reports Seen

Balance Sheet/Income Statement

- Covered in ALCO Materials

Loan and Deposit Pricing/Mix

- Covered in ALCO Materials

Interest Rate Risk

- Covered in ALCO Materials

Liquidity/Funds Management

- Covered in ALCO Materials

Capital Management

- Covered in ALCO Materials

Investments

- Covered in ALCO Materials

Economic/Rate Discussion

- Covered in ALCO Materials

Performance/Peer Comparison

- No Reports Seen

Strategy Discussion

- Covered in ALCO Materials

Taylor Advisor ALCO Packet

- Economic Update
- Shape of Yield Curve and Rate Climate
- **Balance Sheet Discussions**
 - Peers, NIMs, Trends, etc.
 - Loan Pricing Strategies
- **Capital Planning & Policy (P1)**
 - Loss Severity Analysis
 - Stressed growth/credit scenarios
- **Liquidity Assessment & Mgmt. (P2)**
 - Stress-Testing
 - Deposits & Funding Strategies
- **Interest Rate Risk Management (P3)**
 - IRR Report
 - Beta/Decay Assumption Review
 - Risk Scorecard/Policy Compliance
- **Investment Holding Review (P4)**
 - Analytics, products and compliance

Loan Discussion and Pricing

Loan Mix Trend Analysis

March 31, 2023

Comparative Peer Loan Yield Analysis (MRQ)

March 31, 2023

Peer Loan Repricing Analysis

March 31, 2023

WHAT GOES INTO PRICING A LOAN?

LOAN PRICING FOR MORTGAGES

COMMERCIAL LOAN PRICING MATRIX

Profit

Capital



Show data

- (1) Mortgage
- Senior Mortgage
- Property
- Multifamily
- Multifamily
- Retail - M
- Retail - C
- Retail - S
- Industrial
- Office - C
- Office - S
- Lodging -
- Lodging -
- (1) Assu
- (5) Assu

Taylor Advisors
Commercial Loan Pricing Matrix
3/30/2022

Loan Credit Spectrum & Implied Fixed Loan Rates Based on Current Swap Curve

	-100	-75	-50	-25	0	50	75	100	125	150	175	200	300
Current Prime/ Floating Rate	5.25%	5.50%	5.75%	6.00%	6.25%	6.75%	7.00%	7.25%	7.50%	7.75%	8.00%	8.25%	9.25%
Current Prime Swap Rates													
1 1YEAR	6.46%	6.71%	6.96%	7.21%	7.46%	7.96%	8.21%	8.46%	8.71%	8.96%	9.21%	9.46%	10.46%
2 2YEAR	6.40%	6.65%	6.90%	7.15%	7.40%	7.90%	8.15%	8.40%	8.65%	8.90%	9.15%	9.40%	10.40%
3 3YEAR	6.19%	6.44%	6.69%	6.94%	7.19%	7.69%	7.94%	8.19%	8.44%	8.69%	8.94%	9.19%	10.19%
4 4YEAR	6.04%	6.29%	6.54%	6.79%	7.04%	7.54%	7.79%	8.04%	8.29%	8.54%	8.79%	9.04%	10.04%
5 5YEAR	5.93%	6.18%	6.43%	6.68%	6.93%	7.43%	7.68%	7.93%	8.18%	8.43%	8.68%	8.93%	9.93%
7 7YEAR	5.78%	6.03%	6.28%	6.53%	6.78%	7.28%	7.53%	7.78%	8.03%	8.28%	8.53%	8.78%	9.78%
10 10YEAR	5.66%	5.91%	6.16%	6.41%	6.66%	7.16%	7.41%	7.66%	7.91%	8.16%	8.41%	8.66%	9.66%

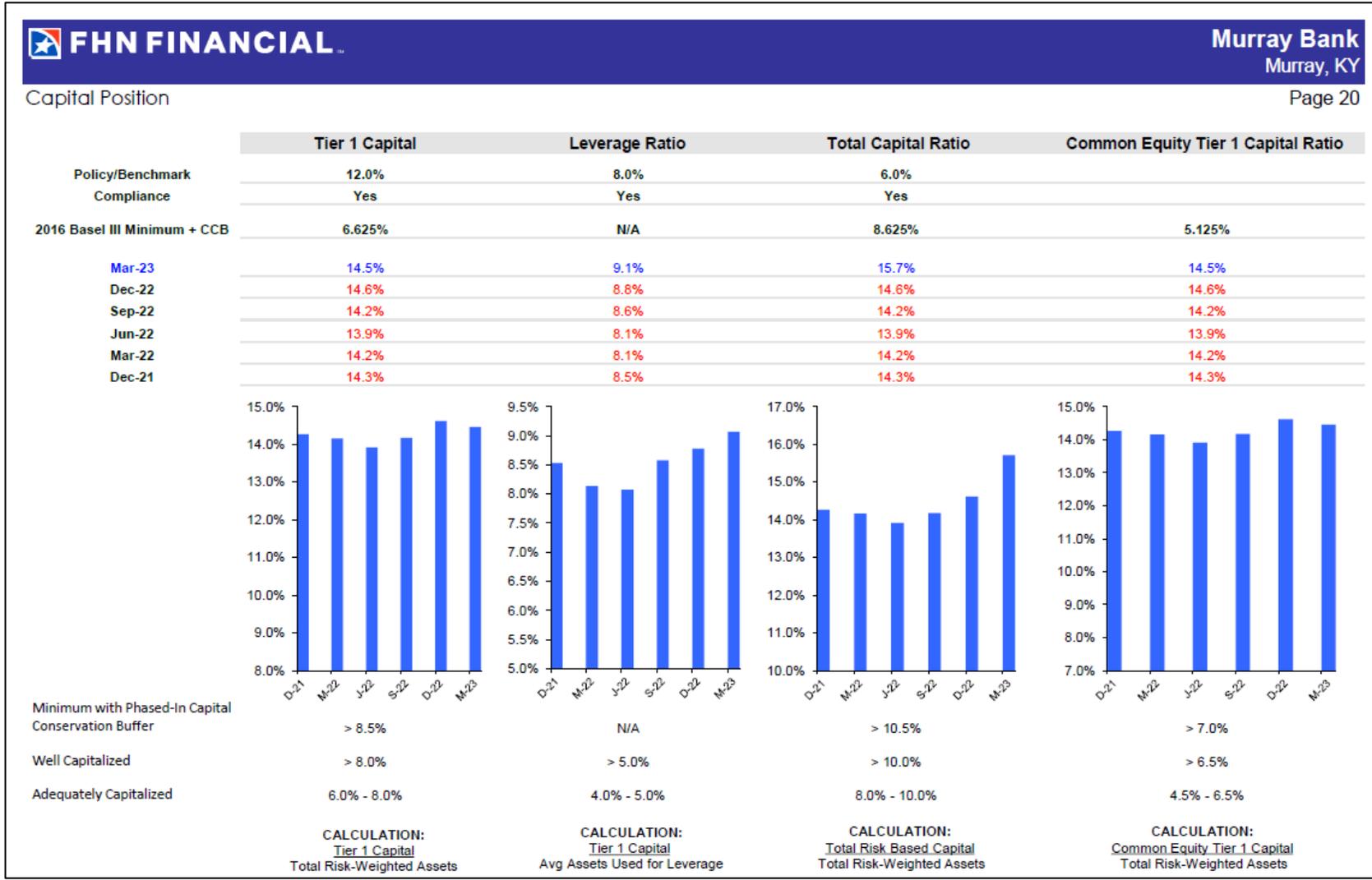
BALLOON / RESET	AMORTIZATION	AVG LIFE	RATE
3.00	3.00	1.60	7.42%
3.00	10.00	2.65	7.26%
3.00	15.00	2.80	7.23%
3.00	20.00	2.85	7.22%
3.00	25.00	2.90	7.21%
3.00	30.00	2.95	7.20%
5.00	5.00	2.65	7.26%
5.00	10.00	3.95	7.05%
5.00	15.00	4.40	7.00%
5.00	20.00	4.60	6.97%
5.00	25.00	4.70	6.96%
5.00	30.00	4.80	6.95%
7.00	7.00	3.70	7.09%
7.00	10.00	4.85	6.95%
7.00	15.00	5.70	6.88%
7.00	20.00	6.15	6.84%
7.00	25.00	6.40	6.83%
7.00	30.00	6.55	6.81%
10.00	10.00	5.40	6.90%
10.00	15.00	7.25	6.77%
10.00	20.00	8.15	6.73%
10.00	25.00	8.70	6.71%
10.00	30.00	9.05	6.70%
15.00	15.00	8.30	6.73%
15.00	25.00	12.60	6.56%
15.00	30.00	15.01	6.46%



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Capital

The Murray Bank Capital Reports



Balance Sheet Management – Capital (P1)

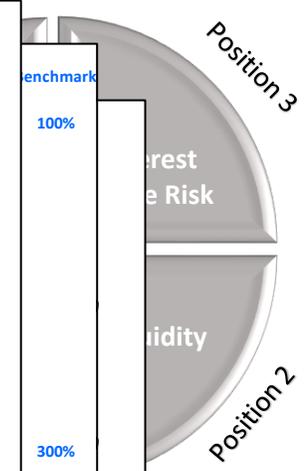
Equity Capital to Assets Ranking			Loan Sector			Benchmark Period		
Ratio	Ranking	Value	2001Y - 2004Y	Scenario 5 vs. Benchmark	Scenario 6 vs. Benchmark	2001Y - 2004Y	Scenario 5 vs. Benchmark	Scenario 6 vs. Benchmark
10.73	7	10.59	2,778	9.18	17.65	Average 2 Year Net Charge-Off (NCO)	2,778	9.18
10.65	8	10.57	5,867	6.68	11.27	Average Balance Non-Performing Asset (NPA)	5,867	6.68
16.80	5		32,388	4.08	3.61	Average Total Risk Based Capital (RBC)	32,388	4.08
16.80	5		47%	0.81	1.25	NCO / NPA	47%	0.81
16.80	5		18%	1.64	3.12	NPA / RBC	18%	1.64

Scenario	5% Growth Rate & Minor Recession	15% Growth Rate & Major Recession
2.5% of loans go bad	55% Coverage	75% Coverage

Capital Tool, Policy, and Strategies

- Deliverable: Enhance or Change Capital Policy and/or Plan**
- Deliverable: Loan Sector Concentration Detail and Loss Severity Analysis (see example)**
- Deliverable: Various Capital Stress Tests**
 - Stressed growth scenarios
 - Stressed credit scenarios (See sample)
 - Compare capital position to regulatory limits

Ratio	Scenario 5	Scenario 6
Common Equity Tier 1	10.73%	10.81%
Tier 1 Leverage	9.06%	9.13%
Tier 1 Risk-Based Capital	10.73%	10.81%
Total Risk-Based Capital	11.78%	12.06%



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Liquidity and Funding

Balance Sheet Management – Liquidity (P2)

Sources and Uses Worksheet													
12-MONTH SOURCES AND USES OF FUNDS													
5/31/2019													
Note that this is for FSB only and does not include any FSB subsidiaries (FSI or SIFC), as their liquidity is determined to be self-sustaining at this time, plus excludes Managed Trading Account since those funds are managed separately.													
(In Thousands)													
	06/30/19	07/31/19	08/31/19	09/30/19	10/31/19	11/30/19	12/31/19	01/31/20	02/29/20	03/31/20	04/30/20	05/31/20	
Beginning Cash Position													72.9
Funding Needs													1
Net Loan Growth													
Security Purchases													
BOLI Purchases													
Premises & Equip													
Non-Time Deposit													
Retail Time Depos													
Outgoing Public F													
Maturing FHLB Ad													
Repayment of FHL													
Repayment of Fed													
Maturing Repurcha													
Maturing Brokered													
Maturing Internet													
FSFG Deposits O													
Other Outflows													
Total Projected Fu													43.4
Funding Sources													1
Security Cashflow													
Non-Brokered Dep													
Incoming Public F													
FHLB Advances													
Increase of FHLB													
Increase of Fed Fu													
Repurchase Agreee													
Brokered CDs													
Internet CDs													
FSFG Deposits In													
Proceeds on SBA													
Other Inflows													
Total Projected Funding Sources	54,888	80,307	37,473	65,535	66,958	30,725	45,535	70,225	65,535	70,575	75,535	50,535	36.4
Projected Net Cashflow	-	-	-	-	-	-	-	-	-	-	-	-	1
Cumulative Net Cashflow	-	-	-	-	-	-	-	-	-	-	-	-	69.2
Ending Cash Position	33,149	33,149	33,149	33,149	33,149	33,149	33,149	33,149	33,149	33,149	33,149	33,149	3
Cumulative FHLB Advances Balance	180,000	185,000	185,000	185,000	150,000	180,000	170,000	180,000	190,000	190,000	200,000	185,000	5.8
Cumulative FHLB LOC Balance	-	4,772	6,710	836	12,257	12,447	7,487	11,452	6,142	10,882	5,372	5,082	5
Cumulative Brokered CDs Balance	158,647	153,565	156,317	167,231	175,500	170,000	170,000	180,000	180,000	180,000	180,000	180,000	

- Strategic Liquidity (tools, policy, strategies)
 - Deliverable: Review Peer Data
 - How can we improve our process? Why are we different?
 - Deliverable: Liquidity Policy and Limits
 - Expanded Contingency Funding Plan Language
 - Deliverable: Liquidity Analysis Worksheets(s)
 - Measure and monitor asset AND liability liquidity
 - Deliverable: Pro forma Cash Flow Scenario/Analysis Worksheet(s)
 - Stressed liquidity measured & contingent liquidity availability
 - Deliverable: Sources and Uses and Early Warning Triggers

Deposit Discussion and Pricing

Liability Mix Trend Analysis

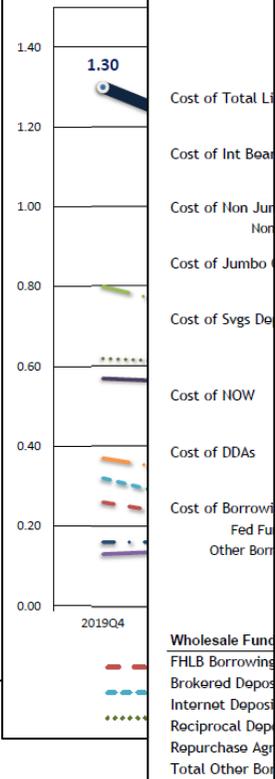
March 31, 2023

Comparative Peer COF Trend Analysis

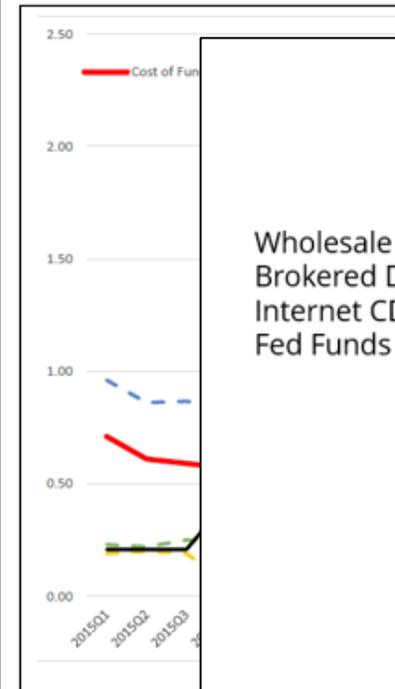
March 31, 2023

Comparative Peer Funding Cost Analysis (MRQ)

March 31, 2023



Historical COF Analysis in Rising Rate Environment



UNDERSTANDING THE DEPOSIT BASE

Wholesale
Brokered D
Internet CD
Fed Funds



DEPOSIT BENCHMARKING MATRIX

Term	Treasury Rate	FDIC National Average	FDIC Rate Cap	SOFR Swap	FHLB Index ¹	Brokered Deposit ²	National Market Deposits ³
1 month	2.79	0.07	3.63	2.79	3.29	3.15	3.10
3 month	3.33	0.15	4.30	3.35	3.76	3.35	3.25
6 month	3.92	0.34	4.73	3.89	4.28	3.90	3.95
1 year	4.05	0.60	4.95	3.98	4.42	4.15	4.00
2 year	4.22	0.64	4.89	4.07	4.44	4.35	4.10
3 year	4.25	0.66	4.90	4.06	4.43	4.40	4.30
4 year	4.16	0.63	1.38	3.93	4.34	4.45	4.30
5 year	4.06	0.74	4.71	3.85	4.22	4.45	4.35
10 year	3.83			3.63	4.47	4.85	

¹ Bloomberg FHLB Index. FHLB Index rates will differ slightly from various regional FHLB member banks.

² Brokered Deposit rates represent estimates based on a review of suggested 'All-In' rates

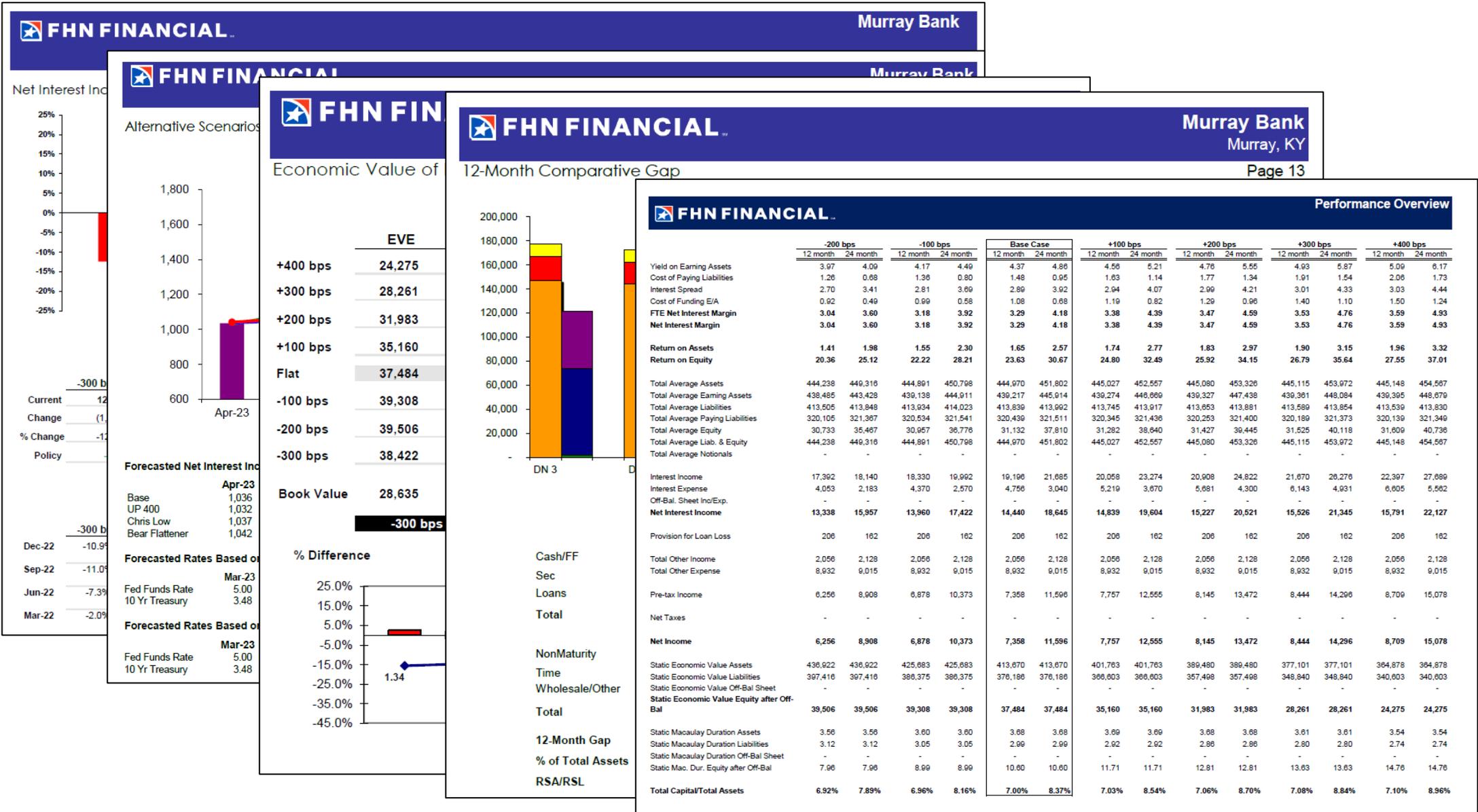
³ National Market Deposit rates based on estimates of expectations for clearing levels on various platforms

Taylor Advisors has prepared this report based on information that it believes to be reliable, but in no way guarantees its accuracy or completeness. Taylor Advisors makes no representations as to the accuracy.



Interest Rate Risk

The Murray Bank Interest Rate Risk Reports



Balance Sheet Management – Interest Rate Risk (P3)

Falling vs Rising Rate Cycle & Deposit Betas

2019-2020 Falling Rate Cycle

Change in FF Target Rate (bps)

Static IRR Profile

What-If Analysis

Non-Parallel Net Interest Inc

Risk Scorecard

1st Quarter

2nd Quarter

3rd Quarter

4th Quarter

Falling vs Rising Rate Cycle & Deposit Betas

Interest Rate Risk Calendar

- Manage IRR exposure and earnings volatility in different rate environments
 - Complete policy review – set appropriate policy limits
 - Review assumptions (input)
 - Deliverable: Annual Assumptions Memo
 - Deliverable: Deposit Beta assumptions review
 - Bank deposit Analysis and/or stress testing
 - Deliverable: Deposit Decay assumptions review
 - Bank deposit Analysis and/or stress testing
 - Review Asset Liability reports (output)
 - Deliverable: Inclusion/Review of select IRR pages in B.S. Management presentations
 - Deliverable: Review and/or recommend Periodic “What-if” analysis
 - Deliverable: Annual Back Testing

Update Risk ScoreCard

Policy Review

Position 3

Interest Rate Risk

Position 2

Liquidity

Nil Chg (Before) -29.44%

Nil Chg (Before) 6.40%

25.69%

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Investments

The Murray Bank Investment Reports

Portfolio 111631 Curr. 05/01/23 The Murray Bank		AL Detail	As of 03/31/23	FHN FINANCIAL			Murray Bank Mar-23	
Type3	Acct	De	Investments					
3130AERV4	FIXED AGENCY	AFS	Beginning Balance	Beginning Yield	Key Rate	Key Rate Value	New Pricing Spread	New Pricing Rate
3130AJP60	FIXED AGENCY	AFS						
3130ALBC7	FIXED AGENCY	AFS						
3130ALND2	FIXED AGENCY	AFS						
3130ALZZ0	FIXED AGENCY	AFS						
3130ARJ51	FIXED AGENCY	AFS						
3130ASG52	FIXED AGENCY	AFS						
313373KN1	FIXED AGENCY	AFS						
3133EAN79	FIXED AGENCY	AFS						
3133EESU5	FIXED AGENCY	AFS						
3133ELHN7	FIXED AGENCY	AFS						
3133ENC40	FIXED AGENCY	AFS						
3135G05Y5	FIXED AGENCY	AFS						
	FIXED AGENCY	AFS						
3136AKV67	FIXED CMO	AFS						
3137AWEC5	FIXED CMO	AFS						
3137BJWJ8	FIXED CMO	AFS						
3137FPJ55	FIXED CMO	AFS						
38379KTV0	FIXED CMO	AFS						
	FIXED CMO	AFS						
3128MBVP9	FIXED MBS	AFS						
3128PVCT5	FIXED MBS	AFS						
3132D57H9	FIXED MBS	AFS						
3132XGMF0	FIXED MBS	AFS						
3133G9HQ5	FIXED MBS	AFS						
3133KYR84	FIXED MBS	AFS						
3138EJSQ7	FIXED MBS	AFS						
3140LEHX8	FIXED MBS	AFS						
3140QFJ9	FIXED MBS	AFS						
3140QGLA3	FIXED MBS	AFS						
31418D5B4	FIXED MBS	AFS						
31418DX72	FIXED MBS	AFS						
36198VKR7	FIXED MBS	AFS						
	FIXED MBS	AFS						
83162CN25	FIXED SBA	AFS						
83162CZA4	FIXED SBA	AFS						
831641FB6	FIXED SBA	AFS						
831641FC4	FIXED SBA	AFS						
831641FC4	FIXED SBA	AFS						
831641FH3	FIXED SBA	AFS						
831641FJ9	FIXED SBA	AFS						
831641FP5	FIXED SBA	AFS						
	FIXED SBA	AFS						
3133EM7G1	FLOATING AGE	AFS						
	FLOATING AGE	AFS						
3136B4KR8	FLOATING CMO	AFS						
3137FVNC2	FLOATING CMO	AFS						
	FLOATING CMO	AFS						
3140JBTY2	FLOATING MBS	AFS						
3140M7RB9	FLOATING MBS	AFS						
3140MFWX7	FLOATING MBS	AFS						
3142BAGN6	FLOATING MBS	AFS						
	FLOATING MBS	AFS						
Other Investments			INTEREST BEARING DEPOSITS					
Fed Funds Sold			-	4.85	FED FUNDS	5.00	(0.10)	4.90
Balancing Account			10,641.00	-	FED FUNDS	5.00	0.10	5.10
Other Equity (Fed Stock)			-	-	FED FUNDS	5.00	0.10	5.10
			433.90	6.00	3M T-BILL	4.85	1.15	6.00
Securities			Government HTM-total					
Fixed Rate Agency HTM			3,217.33	1.16	2yr CMT	4.06	(0.42)	3.64
Floating Rate Agency HTM			6,343.18	1.54	5yr CMT	3.60	0.60	4.20
Fixed Rate MBS-HTM			-	-	1yr CMT	4.64	(4.64)	-
Floating Rate MBS-HTM			35,500.51	1.82	10yr CMT	3.48	1.02	4.50
Fixed Rate CMO-HTM			-	-	1yr CMT	4.64	(4.64)	-
Floating Rate CMO-HTM			15,748.83	2.14	10yr CMT	3.48	0.88	4.36
Muni HTM-total			-	-	1yr CMT	4.64	(4.64)	-
Fixed Rate Other HTM			10,458.56	1.82	MUNI 120	3.48	0.10	3.58
Floating Rate Other HTM			3,627.49	1.55	3yr CMT	3.81	0.61	4.42
Governments AFS total			-	-	1yr CMT	4.64	(4.64)	-
Fixed Rate Agency AFS			10,509.61	1.38	2yr CMT	4.06	(0.17)	3.89
Floating Rate Agency AFS			14,535.63	2.00	5yr CMT	3.60	0.60	4.20
Fixed Rate MBS-AFS			1,012.47	-	1yr CMT	4.64	0.80	5.44
Floating Rate MBS-AFS			11,639.08	1.72	10yr CMT	3.48	0.81	4.29
Fixed Rate CMO-AFS			8,312.39	3.70	1yr CMT	4.64	0.49	5.13
Floating Rate CMO-AFS			7,485.44	2.35	10yr CMT	3.48	1.25	4.73
Muni AFS			1,619.51	5.31	1yr CMT	4.64	0.94	5.58
Fixed Rate Other AFS			11,616.38	1.51	MUNI 120	3.48	(0.58)	2.90
Floating Rate Other AFS			2,742.69	1.71	3yr CMT	3.81	0.64	4.45
CD Investment			-	-	1yr CMT			
			6,200.00	-	PRIME	8.00	(4.50)	3.50
FASB 115 Adjustment			(4,997.31)					
Securities Variance			0.00					
SECURITIES			146,005.70					

Balance Sheet Management – Investments (P4)

Yield on Securities TEY (%)	2.19	2.89	4.13	3.23	2.47	2.99	2.14	2.40	3.47
Ranking	8	5	1	3	6	4	9	7	2

Yield on Securities (%)	2.12	2.89	4.11
Ranking	9	4	1

MBS (\$000)		2,026	
% of Portfolio	0%	28%	0%
CMBS (\$000)			
% of Portfolio	0%	0%	0%
CMO		486	
% of Portfolio	0%	7%	0%
Municipal (\$000)	15,102	2,262	917

Sector	-100 bp	Year 1 Base	+200 bp	-100 bp	Year 1 Bas
Government	13,614	2,414	446	1,576	
Corporate	-	-	-	-	
Municipal	2,051	2,051	1,371	828	
Securitized	20,074	15,492	12,755	19,105	15
Other	-	-	-	-	
Total	35,739	19,957	14,572	21,509	16
Runoff Bk Yld	2.64	2.80	2.75	2.42	

Sector	-100 bp	Year 3 Base	+200 bp	-100 bp	Year 3 Bas
Government	58	382	446	58	1
Corporate	-	-	-	-	
Municipal	536	536	536	435	
Securitized	14,033	14,156	12,345	10,996	11
Other	-	-	-	-	
Total	14,627	15,074	13,327	11,489	13
Runoff Bk Yld	2.46	2.59	2.64	2.48	

Sector	-150 bps	-100 bps
Government	1.87	1.26
Corporate	-	-
Municipal	6.60	4.47
Securitized	4.79	3.20
Other	-	-
Total	5.61	3.78

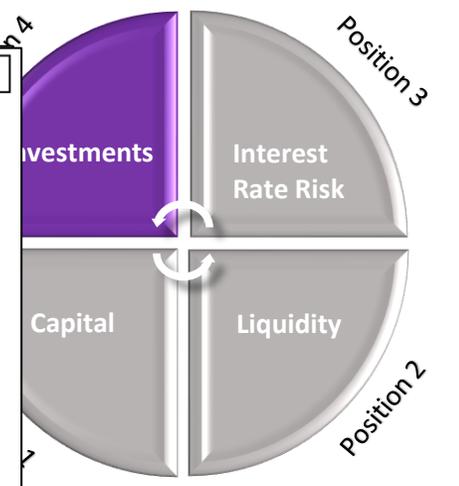
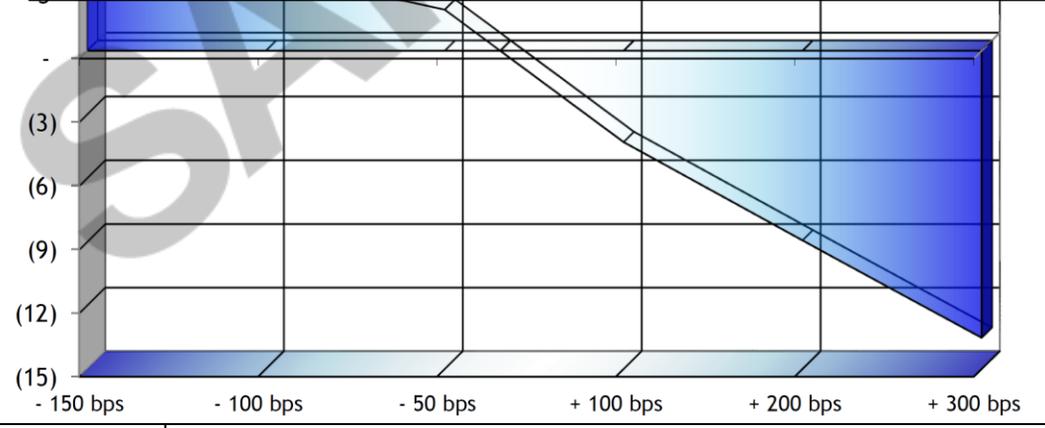
Benchmarks	-150 bps	-100 bps
3 Yr Treasury	4.48	2.96
5 Yr Treasury	7.34	4.83
7 Yr Treasury	10.18	6.66
10 Yr Treasury	14.18	9.22
15 Yr Treasury	23.10	14.73

Sector	- 150 bps	- 100 bps	- 50 bps	+ 100 bps	+ 200 bps	+ 300 bps
Government	1.87	1.26	0.63	(1.23)	(2.43)	(3.61)
Corporate	-	-	-	-	-	-
Municipal	6.60	4.47	2.29	(5.03)	(10.36)	(15.68)
Securitized	4.79	3.20	1.64	(3.79)	(8.04)	(12.34)
Other	-	-	-	-	-	-
Total						(13.52)

Benchmarks	- 150 bps	- 100 bps
3 Yr Treasury		(8.29)
5 Yr Treasury		(13.05)
7 Yr Treasury	1	(17.35)
10 Yr Treasury	1	(22.80)
15 Yr Treasury	2	(31.94)

Strategic Investments (tools, policy, strategies)

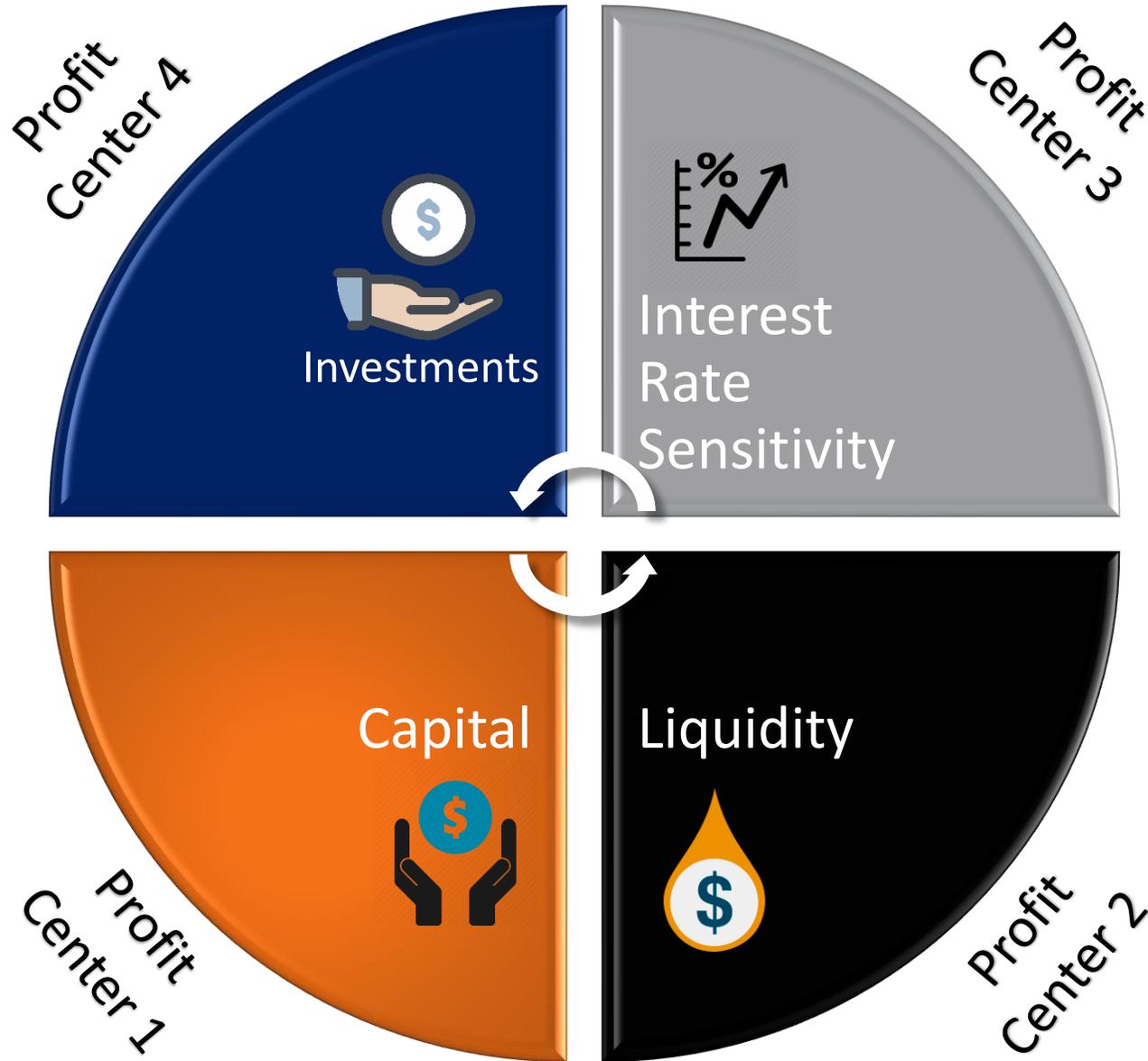
- **Deliverable: Investment Report**
- Bondedge™ Analytics
- **Deliverable: Activity Monitor**
- **Deliverable: Sector Analysis**



Taylor Advisors Summary Notes

- Summary Notes are sent to clients after each quarterly meeting, summarizing discussions, action items, and strategies for the following areas:
 - Balance Sheet Review
 - Net Interest Margin and Peer Analysis
 - Capital Adequacy
 - Interest Rate Risk
 - Liquidity Management
 - Deposit Pricing and Funding Mix
 - Investment Portfolio

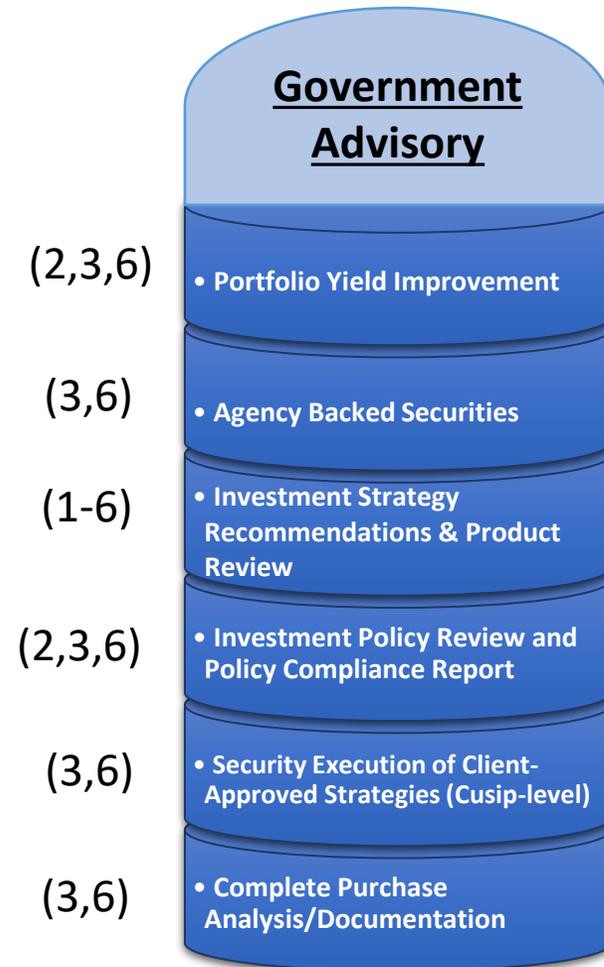
Reimagining ALCO - Impact



Strategy Assessment

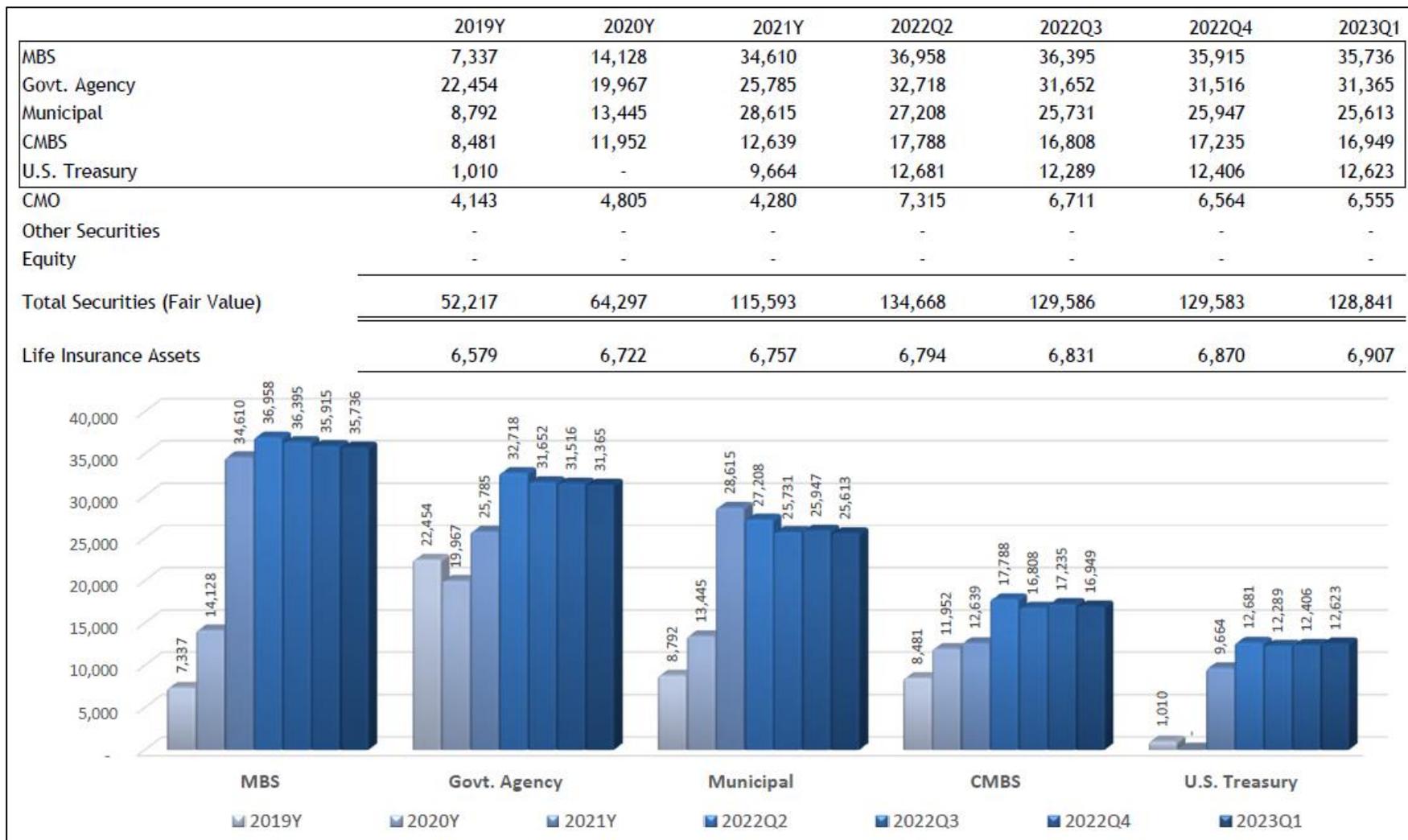
- **Loans**
 - Pricing
 - Growth
 - Risk Compensation
- **Deposits**
 - Pricing
 - Growth
 - Retention
- **Tax Minimization**
- **Hedging**
- **Capital**
- **Liquidity**
- **IRR**
- **Investment**

Taylor Advisors Services



- Investment Policy Review and Policy Compliance Report Development
- Customized Quarterly Investment Analytical Review/Report
- Investment Strategy Recommendations & Product Review
- Security Execution of Client-Approved Strategies (Cusip-level)
 - Treasuries, Agencies, MBS, CMO, SBA, CMBS
- Complete Purchase Analysis/Documentation for All Securities
- Pre-screen/Document/Update List of Approved Brokers
- Frequent Intra-quarter Communication: Monitor Cash Levels & Execute Strategies
- Education and Execution of Expanded Permissible Investment Sector Alternatives

Your Current Investment Portfolio



Challenges Managing a Bank's Investment Portfolio

- **Low or Average Portfolio Yield**
 - Probably means the investment strategy needs adjustments
 - Suboptimal investment mix & lack of relative value analysis
 - Sector concentrations in poor risk/reward securities & underperforming peers
 - Lack of ongoing investment portfolio performance measurement

- **Philosophy**
 - Ignoring investment management from a whole bank (asset/liability) perspective
 - Too much reliance on the broker/dealer community for advice
 - Right-sizing the investment portfolio for your balance sheet (size, mix, length, etc.)
 - Product selection, sector concentration, lack of diversification

- **Strategies**
 - **No independent investment discussions or 3rd party analysis and interpretation**
 - **Reactive decision making in response to broker solicitations**
 - **Not changing the portfolio as the balance sheet changes in mix, IRR, and liquidity constraints (always buying the same bonds)**
 - **Not fully optimizing investment focused tax minimization strategies**

- **Operationally**
 - Distraction from your primary responsibility of running the bank
 - Difficulty with investment portfolio monitoring (risks, tools, and policy) – effective risk management
 - Dated Investment Policy

- **Expertise**
 - **Executives may lack either time, technology, or expertise in investment management**
 - **Implementing a succession plan for investment management. Utilizing a 3rd party in advance to assist in education and strategy development can help when transferring duties.**
 - **Little to no board oversight/education relating to investments (Annual investment training to management/board)**

UBPR – Investment Yield for The Murray Bank



FDIC Certificate # 35161
OCC Charter # 715834
Public Report

FRB District/ID_RSSD 8 / 2819242
County: CALLOWAY

MURRAY BANK, THE; MURRAY, KY
One Quarter Annualized Income Analysis--Page 12

Income Statement 1-Qtr-Ann
06/28/2023 10:22:19 AM

Earnings and Profitability
Yield on or Cost of:
Total Investment Securities (TE)

03/31/2023			03/31/2022		
BANK	PG 102	PCT	BANK	PG 102	PCT
2.00	2.52	21	1.60	1.75	44

-52
bps

-15
bps

(above/below peer)

FDIC Certificate # 21247
OCC Charter # 0
Public Report

FRB District/ID_RSSD 8 / 263243
County: GRAVES

FIRST KENTUCKY BANK, INC.; MAYFIELD, KY
One Quarter Annualized Income Analysis--Page 12

Income Statement 1-Qtr-Ann
07/05/2023 9:49:50 AM

Earnings and Profitability
Yield on or Cost of:
Total Investment Securities (TE)

03/31/2023			03/31/2022		
BANK	PG 5	PCT	BANK	PG 5	PCT
2.63	2.41	65	2.66	1.78	90

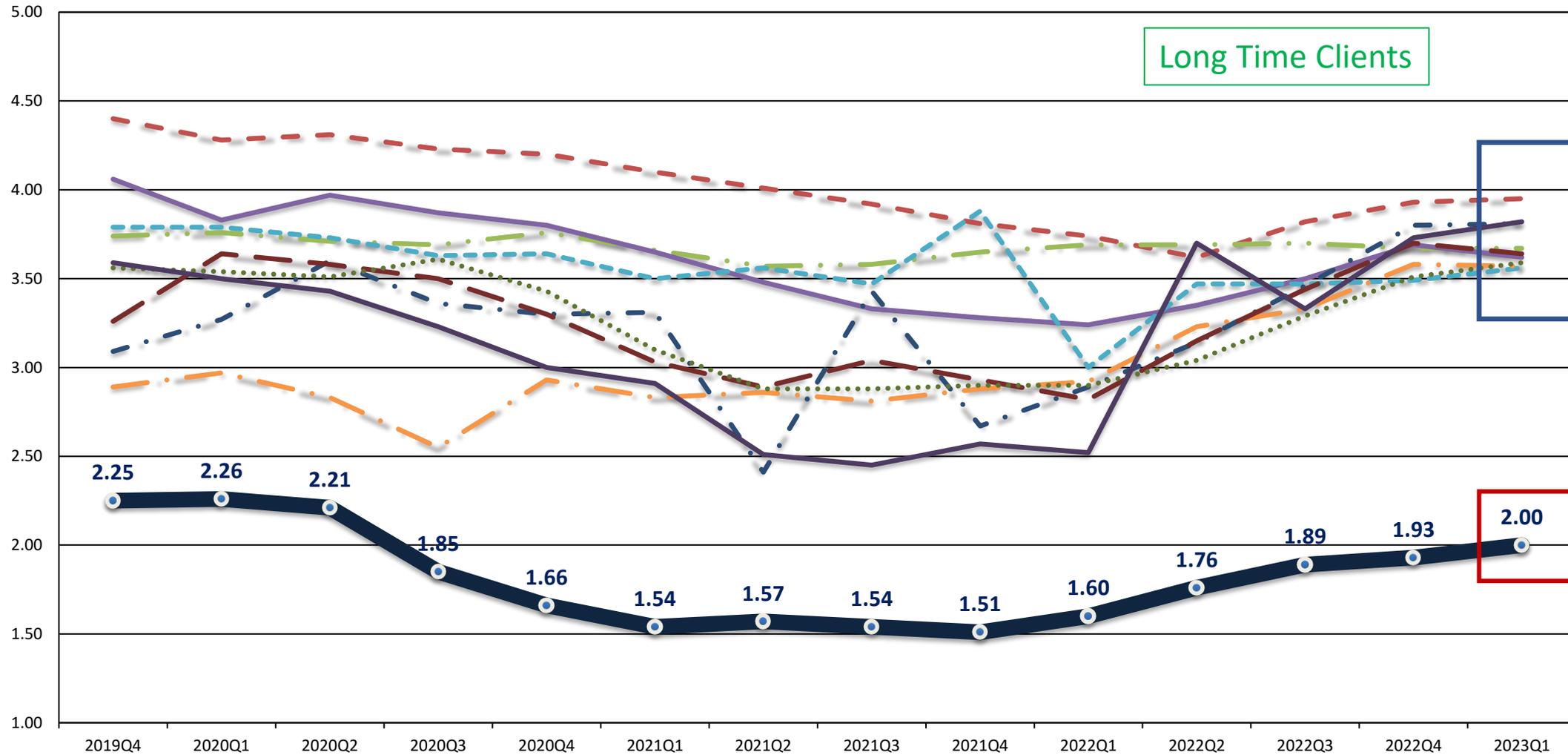
+22
bps

+88
bps

(above/below peer)

Source: UBPR

Comparative Peer Investment Yield Trend Analysis



Long Time Clients

LT Clients Avg is 169 bps higher

2.00

- First Savings Bank
- Peoples Trust and Savings Bank
- Field & Main Bank
- Springs Valley Bank & Trust Company
- Peoples Bank
- First Federal Community Bank, National Association
- Crossroads Bank
- The Harrison Building and Loan Association
- The Citizens Bank Company
- The Murray Bank

Taylor Advisors – Investment Performance for Banks With MUNI Advisory

Taylor Advisors Performance
Yield on Investment Securities (Fully Taxable Equivalent)
Municipal Advisory Clients



Investment Yield Performance Municipal Advisory Clients

Time Period	New Clients	Tenured Clients	Non-Clients	Taylor Advisors Outperformance (Tenured Clients)
MRQ	2.15	2.65	2.32	+0.33
T12M	1.93	2.58	2.12	+0.46
2022	1.84	2.42	1.99	+0.43
2021	1.62	2.24	1.74	+0.50
2020	2.26	2.93	2.27	+0.66
2019	2.55	3.28	2.61	+0.67
2018	2.79	3.10	2.46	+0.64
2017	2.57	3.41	2.41	+1.00
2016	2.63	3.44	2.35	+1.09

The Murray Bank's Q1 Investment Yield is 2.00%.

TA Tenured Clients Q1 median is 2.65%, 65 bps higher than The Murray Bank.

One Year Investment Yield Dollar Impact

BPS increase

1st 12M



Average

BPS
Behind

UPBR

Bps

Behind



Median

(in \$000)	Investment Income Change in thousands of dollars (due to Yield change in basis points)					
Investments	23	40	52	60	65	70
105,000	242	420	546	630	683	735
125,000	288	500	650	750	813	875
145,000	334	580	754	870	943	1,015

Investment Advisory Best Practices



Strategy

- Independent expert advice on portfolio strategies with regular review
 - Whole-Bank perspective approach to portfolio positioning



Investment Mix

- Diversification among investment sectors, risk/reward & relative value analysis
 - Expanded range of bank-permissible investment products



Security Selection

- Market knowledge and expertise helps optimal security selection
 - Monitor policy compliance with security purchases



Trade Execution

- Poor trade execution can impact investment returns
 - Fiduciary vs. Broker

Taylor Advisors Portfolio Analytics – Sector Analysis

Sector	% of Port.	Mkt Value	G/L	Bk Px	Cpn	TEY	Mk Yld	G-Spr	OAS	Conv	Eff Dur	WAL	WAM	Lots
1-3 Yr Treasury Bullet	5.1%	6,144	(435)	101.3	1.90	1.40	4.29	(7)	(6)	0.0	2.3	2.4	2.4	6
4-6 Yr Treasury Bullet	5.2%	6,354	(785)	102.3	1.68	1.27	3.83	(1)	(1)	0.1	4.5	4.8	4.8	6
1-3 Yr Agency Bullet	1.8%	2,120	(157)	106.2	3.68	1.30	4.29	6	7	0.0	2.4	2.5	2.6	4
4-6 Yr Agency Bullet	4.4%	5,369	(600)	107.5	2.88	1.49	3.98	10	11	0.1	4.2	4.6	4.7	6
7+ Yr Agency Bullet	3.9%	4,775	(567)	100.7	2.69	2.57	5.30	147	115	0.1	3.2	5.4	8.0	4
1-3 Yr Callable Agency	1.9%	2,302	(163)	98.6	1.75	2.22	4.54	50	49	(0.0)	2.8	3.1	3.1	2
4-6 Yr Callable Agency	5.9%	7,153	(829)	99.8	1.99	2.01	4.40	59	49	(0.1)	4.3	5.3	5.3	8
7+ Yr Callable Agency	1.3%	1,544	(495)	102.0	2.13	1.00	4.66	100	95	0.2	9.3	11.8	11.8	1
5 Yr BQ Munis	6.0%	7,304	(573)	105.2	2.79	2.05	4.89	61	59	0.0	3.7	4.2	4.2	26
10 Yr BQ Munis	3.0%	3,684	(456)	104.0	2.55	2.34	4.97	82	68	(0.2)	6.5	8.3	9.5	11
15 Yr BQ Munis	1.6%	1,969	(188)	110.5	4.17	1.97	4.83	53	33	(0.3)	5.8	6.9	15.0	5
20 Yr BQ Munis	1.1%	1,358	(378)	109.5	3.00	2.01	5.94	102	96	0.3	11.6	17.1	18.0	3
10 Yr GM Munis	0.7%	837	(98)	124.7	5.00	2.20	4.63	63	56	0.0	6.8	7.7	12.1	1
15 Yr GM Munis	1.5%	1,813	(229)	116.7	4.29	1.73	5.01	84	50	(0.4)	7.0	5.8	14.6	3
20 Yr GM Munis	2.1%	2,556	(460)	120.9	4.52	2.23	5.71	108	83	(0.2)	9.6	13.2	19.5	4
5 Yr Taxable Munis	4.6%	5,525	(830)	110.8	3.51	1.62	4.46	66	66	0.1	4.8	5.5	5.5	9
10 Yr MBS (New)	1.0%	1,271	(258)	101.9	1.92	1.64	4.48	78	79	0.2	6.4	7.1	7.0	1
10 Yr MBS (Seasoned)	1.1%	1,344	(171)	101.0	2.82	2.68	4.70	97	98	0.2	5.9	6.7	6.6	1
15 Yr MBS (New)	5.7%	6,892	(1,236)	99.5	1.40	1.50	4.82	102	101	0.2	4.9	5.7	12.7	7
20 Yr MBS (New)	12.8%	15,500	(3,020)	100.8	2.00	1.84	5.26	151	145	0.2	4.8	6.1	17.8	17
30 Yr MBS (New)	3.7%	4,464	(1,121)	99.7	1.86	1.89	4.98	136	110	0.2	6.4	9.1	27.9	5
30 Yr MBS (Seasoned)	3.4%	4,133	(1,015)	101.4	1.96	1.72	5.61	185	175	0.2	4.9	6.4	19.0	5
Hybrid ARM	4.1%	4,905	(437)	99.8	2.46	3.77	5.55	181	81	0.0	5.9	6.5	28.6	4
4-6 Yr Agency CMO	1.9%	2,273	(312)	100.6	2.48	2.35	4.89	113	92	0.0	4.8	6.0	24.4	2
7+ Agency CMO	2.9%	3,508	(732)	100.7	1.92	1.80	5.04	133	107	0.1	5.6	6.9	26.8	3
1-3 Yr Agency CMBS	2.0%	2,423	(64)	97.8	2.60	3.43	4.47	28	23	0.0	2.5	2.6	3.7	2
4-6 Yr Agency CMBS	2.1%	2,593	(363)	98.5	1.61	1.88	4.48	68	64	0.1	5.1	5.4	5.4	2
7+ Yr Agency CMBS	1.1%	1,391	(86)	100.1	5.33	5.51	6.60	289	119	(0.2)	0.0	7.0	7.7	2
Variable Rate SBA	2.3%	2,799	(20)	102.6	6.62	5.76	6.06	222	72	0.0	0.3	6.0	16.6	8
Fixed Rate SBA	3.1%	3,770	(584)	100.6	2.12	2.08	3.71	8	(11)	0.5	8.4	10.4	19.2	4
Totals	100.0%	121,092	(16,991)	102.9	2.49	2.05	4.83	92	75	0.1	4.8	6.1	12.4	172
Sectors with a portfolio weighting less than 1% were hidden. Total portfolio value of these rows total \$3MM														
*The below securities are not currently available in our analytical software.														
Sector	% of Port.	Mkt Value	G/L	Bk Px	Cpn	TEY	Lots							
10 Yr MBS	99.32%	3,506	(235)	100.19	1.95	1.86	3							
Fixed Rate SBA	0.68%	24	(1)	100.07	0.02	2.90	1							
Totals	100%	3,530	(236)	100.19	1.94	1.87	4							

Investment Strategy

I. Investment Strategy – Enhanced Cash Strategy

The investment manager will focus on ...

II. Strategic Objectives and Balance Sheet Considerations

- A. Improve net income, ROA, and ROE by deploying available liquidity into investments
- B. Achieve asset diversification by increasing allocation to call-protected securities
- C. ...
- D. ...

III. Tactical Objectives

- A. Manage excess liquidity and reinvest cash flow
 - 1. Maintain target liquidity position
- B. Increase portfolio return and current yield
- C. ...
- D. ...

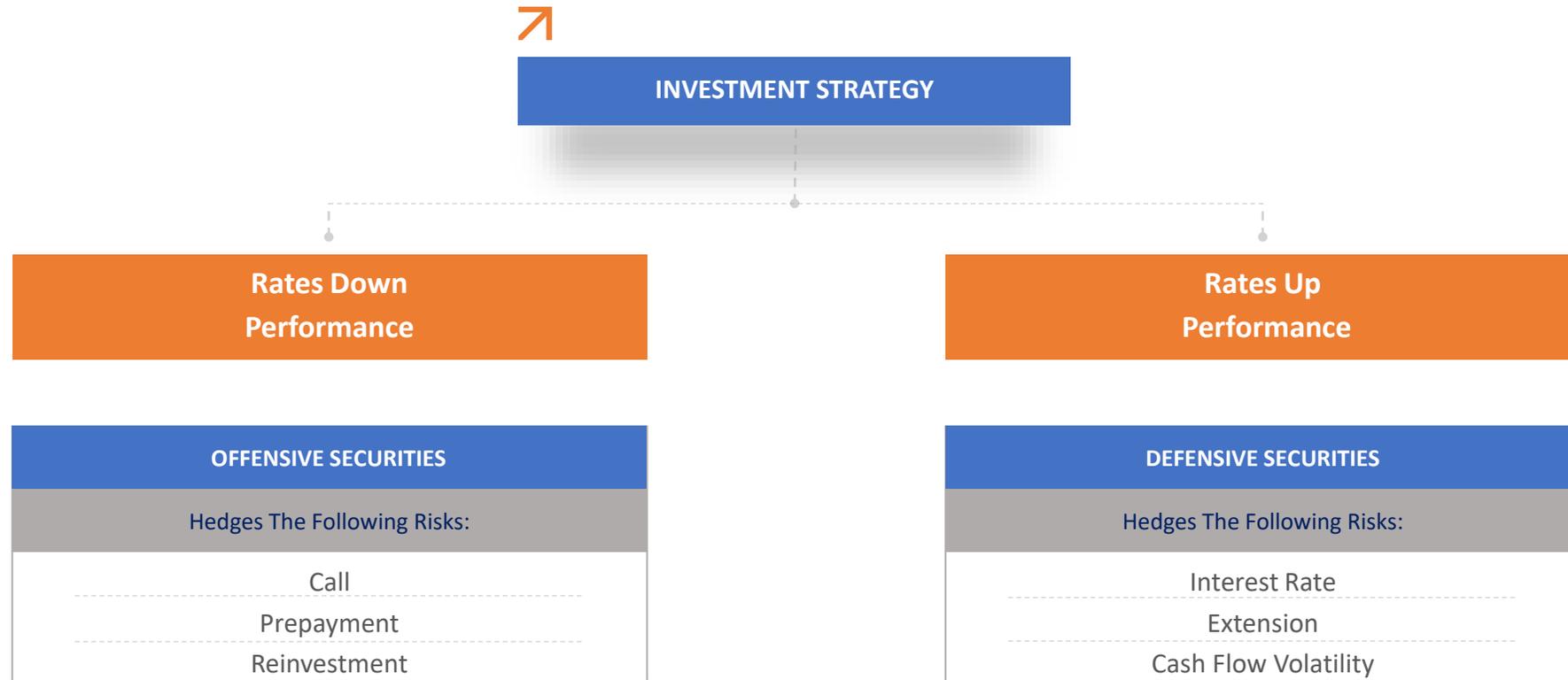
IV. Operational Items

- A. Review Investment Policy and make recommendations
- B. Bank to send TA trade delivery instructions including Tax-ID
- C. ...
- D. ...

V. Sector Recommendations

- A. Product A
- B. Product B
- C. Product C

Investment Strategy Formation

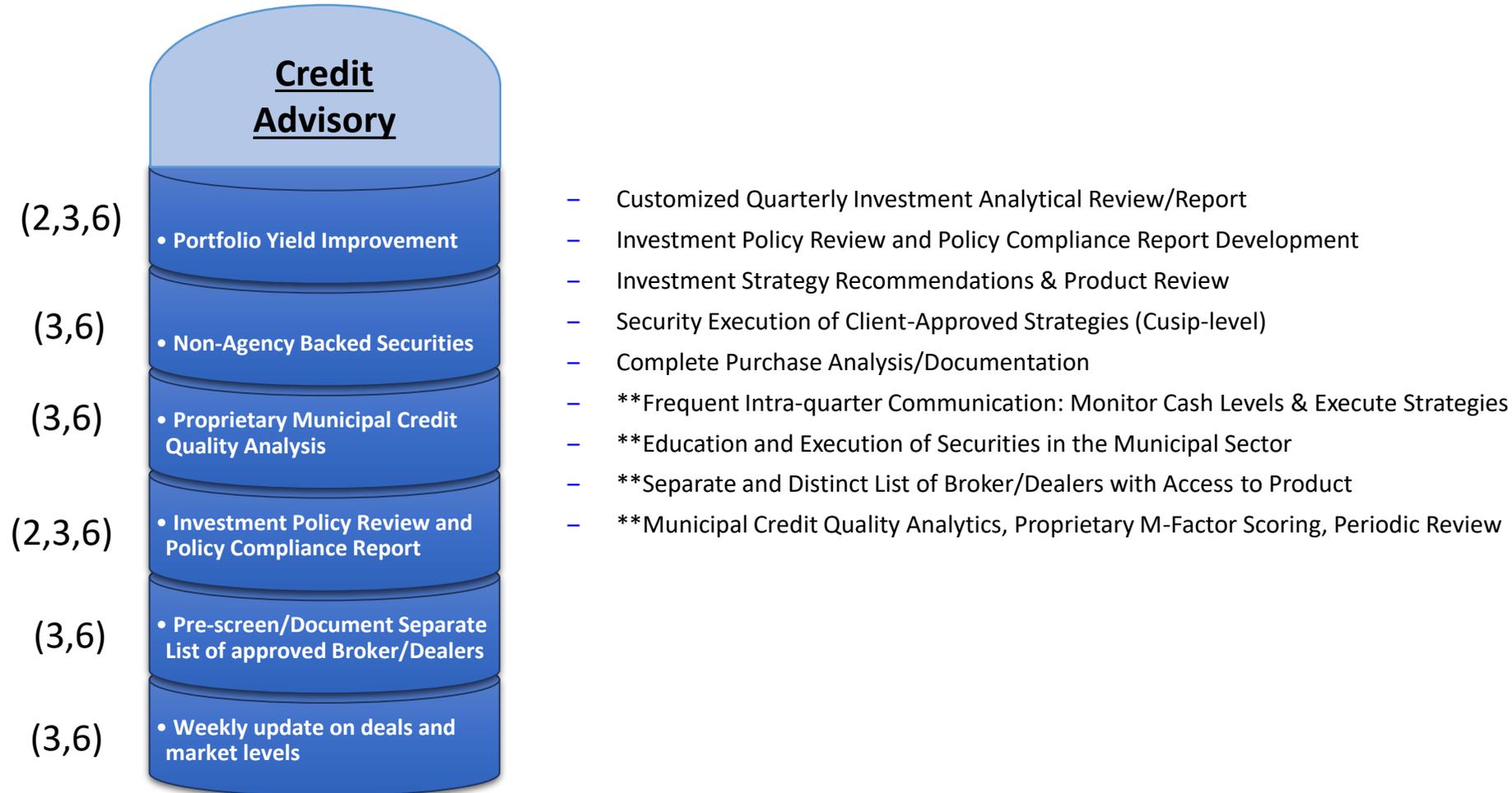


Pre-Purchase Analysis

TAYLORADVISORS		TRADE TICKET - Mortgages / ABS	
Transaction Type	Purchase	Trader	Kim Ward
Security Subtype	Agency MBS	Recommended by	Todd Taylor
Portfolio	Vinton County National Bank	Authority	Non-Discretionary
Cusip Number	3128MEXK2	FASB 115	Held to Maturity
Issuer	Freddie Mac	Tax	Held for Sale
Guarantor: FG G15882			
Ratings:	Fitch AAA	S & P AA+	Moody's AAA
Credit Enhancement	FGCI 2 M (2.59)	Call Date	n/a
Dated Date	8/1/2016	Pool Number	G15882
Trade Date	6/7/2017	Factor Date	Jun17
Settlement Date	6/19/2017	Factor	0.869324980
Maturity Date	6/1/2029	Payment Delay	14 DAYS
Next Payment	7/15/2017	Rate Scenario	Base Case
Payment Frequency	Monthly	Prepay Speed	PSA
Coupon	2.000%	WAL	4.068
Yield	1.910%	Spread to WAL	+25
Original Par/Face	\$ 3,600,000.00	Write-Off Speed	n/a
Current Par	\$ 3,129,569.93	Write-Off Date	n/a
Dollar Price	100.34250000	Form of Delivery	Fed
Principal	\$ 3,139,349.83	Checklist	
Accrued Interest	\$ 3,129.57	BXT	YT
Total Cost	\$ 3,142,479.40	WALG	DES
Dealer	Fifth Third Securities	CPH	CFT
Custody/Safekeeping	Other	CFG	TRA
Broker Offerings:	CLIENT DIRECTED	Authorizations:	1
			2

CONFIDENTIAL

Taylor Advisors Services



Municipal Credit Review

-REVENUE BONDS



Cusip: 128887HB5

Coupon: 4.00%

Maturity Date: 4/1/2027

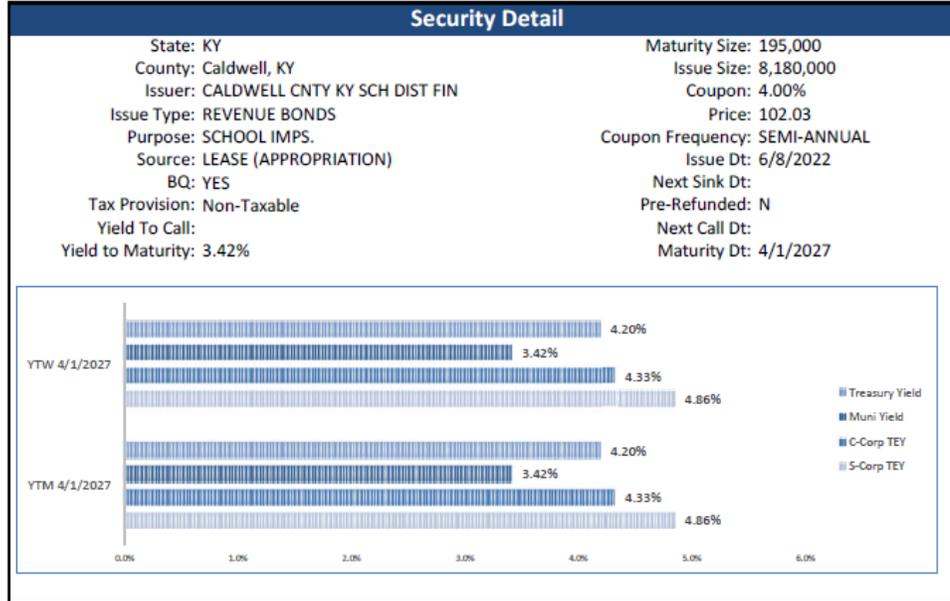
Date: 6/28/2023

Issuer: CALDWELL CNTY KY SCH DIST FIN

State: KY

Call Date:

Par: 195,000

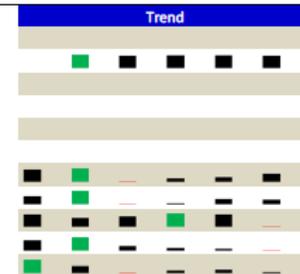


Municipal Score Card

Municipal Factors	Moody's	S&P	Fitch	Weight
Domicile State Rating	Aa3	A	-	14%
Final Rating	A1	-	-	
Underlying Rating	A2	-	-	
Credit Enhancement	ST INTERCEPT			34%
Timeliness of Financial Reporting	6/30/2022			
State Unemployment Rate	3.80			
County Unemployment Rate	3.90			27%
State Population 4YR CAGR	0.2%			
County Population 4YR CAGR	0.2%			
Cost to insure state debt (bps)	99			25%
Spread to AAA muni index (bps)	77			
Percentage of Treasuries	81%			
GO Debt / Assessed Valuation	--			25%
(assessed value ratio) Top 10 taxpayers/Total	--			
General Fund 5YR CAGR	5.7%			
Pension Funding Ratio	--			25%
Principal Debt Per Capita	--			
Fund Balance / Revenues	29.46%			
Revenues/Total Operating Expenses	1.14			25%
GO Debt Service / Property Tax Collections	--			
M Factor	4.49			
Confidence Score	74%			

Caldwell County School District Finance Corporation is a non-profit, non-stock corporation of the Caldwell County Board of Education in the State of Kentucky. The Finance Corporation serves to finance necessary school building facilities for and on behalf of the Caldwell County School District. The members of the Board of Education also comprise the Corporation's Board of Directors.

Key Metrics	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
GO Debt / Assessed Valuation	--	--	--	--	--	--
Property Tax Collections as a % of the Levy	--	95%	86%	89%	89%	88%
GO Debt Service / Property Tax Collections	--	--	--	--	--	--
Principal Debt Per Capita	--	--	--	--	--	--
Pension Funding Ratio	--	--	--	--	--	--
(assessed value ratio) Top 10 taxpayers/Total	--	--	--	--	--	--
Fund Balance/Revenues	29%	30%	25%	26%	27%	28%
Revenues/Total Operating Expenses	1.14	1.18	1.09	1.09	1.12	1.11
Revenues	16.23	15.77	15.94	16.37	16.22	14.59
Property Tax	2.06	2.18	1.84	1.78	1.76	1.68
Fund Balance	5.39	4.72	3.97	4.27	4.30	4.09
GO Total Debt Outstanding	--	--	--	--	--	--



M FACTOR SCORING RANGE

- 5-6 = Investment Grade -Highest
- 4-5 = Investment Grade -High
- 3-4 = Investment Grade -Medium
- 2-3 = Investment Grade -Marginal
- 1-2 = Non Investment Grade -Weak
- 0-1 = Non Investment Grade -Doubtful



Enhanced Municipal Credit Quality Review

Cusip	Par Value	Description	State	CPN	TEY	Maturity	Settle Date	As of Date	Financial Dt	M-Factor	Conf	As of Date	Financial Dt	M-Factor	Conf
005518VG7	500,000	ADAMS & WELD CNTYS COLO SCH	CO	4.00	3.80	12/1/31	12/17/15	3/18/19	6/30/18	5.03	86%	6/22/18	6/30/17	4.65	86%
283461G21	600,000	EL PASO CNTY COLO SCH DIST	CO	4.00	3.94	12/15/32	1/24/17	3/18/19	6/30/18	5.03	86%	6/22/18	6/30/17	4.97	86%
365892MP0	1,000,000	GARFIELD PITKIN & EAGLE CNT	CO	4.00	3.55	12/15/32	2/25/16	3/18/19	6/30/18	4.88	80%	6/22/18	6/30/17	4.73	80%
14052TDM3	1,964,828	CAPITAL TR AGY FLA MULTIFAM	FL	2.90	3.75	1/1/30	1/8/18	3/18/19	9/30/16	5.42	72%	1/4/18	9/30/16	4.53	72%
500296HZ4	1,500,000	KOKOMO-CENTER IND SCH BLDG	IN	3.50	3.55	7/15/32	7/14/16	6/22/18	n/a	5.06	54%	6/22/18	n/a	5.06	54%
658207WE1	1,000,000	NORTH CAROLINA HSG FIN AGY	NC	4.00	5.07	7/1/38	11/14/18	11/2/18	6/30/18	4.79	90%				
647201EP3	500,000	NEW MEXICO MTG FIN AUTH SIN	NM	3.45	4.37	7/1/34	2/21/19	3/18/19	9/30/18	3.75	97%	1/18/19	9/30/17	4.63	96%
118295DD3	500,000	BUCKEYE VALLEY OH LOCAL SCH	OH	4.00	3.75	12/1/33	3/1/16	3/18/19	6/30/18	5.49	84%	6/22/18	6/30/17	5.33	86%
593881LF0	500,000	MIAMISBURG OHIO CITY SCH DI	OH	4.00	4.09	12/1/32	1/7/16	6/22/18	6/30/17	4.62	92%	12/22/15	6/30/14	4.46	99%
011415QS8	1,000,000	ALAMO TEX CMNTY COLLEGE DIS	TX	3.50	3.51	2/15/33	6/22/16	6/22/18	8/31/17	5.42	92%	6/2/16	8/31/15	5.26	99%
014393WR9	1,000,000	ALDINE TEX INDPT SCH DIST U	TX	4.00	4.30	2/15/33	2/23/17	3/18/19	6/30/18	4.96	91%	6/22/18	6/30/17	4.63	93%
232769ET2	500,000	CYPRESS-FAIRBANKS TEX INDPT	TX	4.00	4.24	2/15/31	2/30/19	1/18/19	6/30/18	5.48	85%				
265138KN6	1,000,000	DUNCANVILLE TEX INDPT SCH D	TX	4.00	3.87	2/15/32	12/30/15	3/18/19	6/30/18	5.19	93%	6/22/18	6/30/17	5.23	87%
283734B67	1,500,000	EL PASO TEX GO REF BDS 2016	TX	3.50	3.62	8/15/33	6/15/16	3/18/19	8/31/18	5.11	91%	6/22/18	8/31/17	4.93	99%
463813ZS7	1,000,000	IRVING TEX INDPT SCH DIST U	TX	4.00	3.87	2/15/30	11/18/15	3/18/19	8/31/18	5.19	86%	6/22/18	8/31/17	5.28	86%
463813ZT5	1,000,000	IRVING TEX INDPT SCH DIST U	TX	4.00	3.99	2/15/31	11/18/15	3/18/19	8/31/18	5.19	86%	6/22/18	8/31/17	5.28	86%
4941347F0	635,000	KILLEEN TEX GO REF BDS 2016	TX	4.00	3.50	8/1/34	5/24/16	6/22/18	9/30/17	5.10	92%	6/22/18	9/30/17	5.10	92%
767057QD7	1,545,000	RIO GRANDE CITY TEX CONS IN	TX	4.00	4.02	8/15/30	12/8/15	3/18/19	8/31/18	4.59	85%	6/22/18	8/31/17	4.28	85%
7742853B4	870,000	ROCKWALL TEX INDPT SCH DIST	TX	4.00	3.93	2/15/31	11/20/15	3/18/19	6/30/18	5.23	93%	6/22/18	6/30/17	4.96	93%
806640YU6	1,000,000	SCHERTZ-CIBOLO-UNVL CITY TE	TX	4.00	3.60	2/1/33	2/25/16	3/18/19	8/31/18	4.98	85%	6/22/18	8/31/17	5.04	87%
678340DK3	605,000	OKANOGAN & DOUGLAS CNTYS WA	WA	4.00	3.46	12/1/34	6/15/16	6/22/18	8/31/17	4.92	80%	6/22/18	8/31/17	4.92	80%

Assessing Your Investment Process and Portfolio Performance: Broker vs. Advisor Approach

10/28/2020 | 8 MIN READ

Investment portfolios and overnight cash positions have grown significantly at many financial institutions due to a recent surge in deposits and slower portfolio loan demand. With record low interest rates, carrying excess cash on the balance sheet has been costly. These factors are forcing executive teams to re-focus on the investment portfolio to help relieve net interest margin pressure from declining earning asset yields.

In general, financial institutions have two options for managing the investment portfolio. We will refer to these as the Broker and the Advisor approach.

The Broker Approach

An institution's financial executive (CFO, President, Portfolio Manager, etc.) has the option of working directly with a variety of brokers/brokerage firms to make investments for the portfolio. Usually, brokers will present different products for consideration often via...

[Read Full Article](#)

If you are considering a change from a broker approach to an advisor approach or switching advisors, below we discuss seven benefits and/or best practices of working with an investment advisor to improve portfolio and balance sheet performance:

1. Investment Management from a Whole Balance Sheet Perspective
2. Accountability & Transparency
3. Strategy and Relative Value Analysis
4. **Exclusive Product Access**
5. Staying in Control
6. **Reducing Transaction Costs and Improving Execution**
7. Redirected Productivity

Separation of Broker Dealer Lists

Municipal Market Underwriters/Dealers

- Sr. Deal Manager 1
- Sr. Deal Manager 2
- Sr. Deal Manager 3
- Sr. Deal Manager 4
- .
- .
- .
- .
- .
- .
- .
- Sr. Deal Manager 30

- Taylor Advisors manages the broker list at the subsidiary level. A separate and expansive list of broker/dealers will improve pricing and availability while saving executives time and resources.

Brokers for Taxable Investment

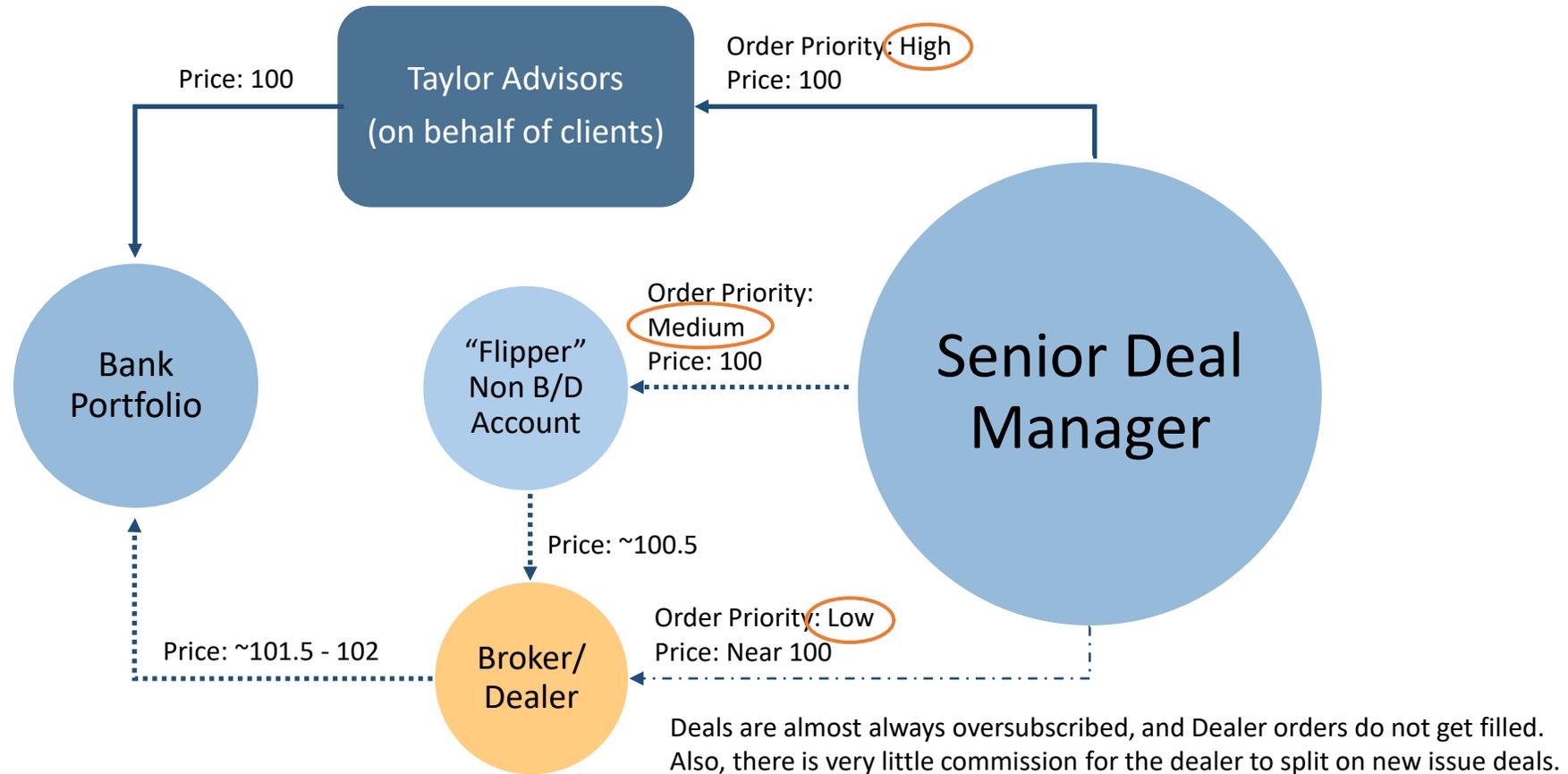
**RAYMOND
JAMES**



The
BakerGroup

- Bank portfolio managers typically have a broker/dealer list that generally traffics in US Government guaranteed taxable securities.

Comparison of Investment Advisor vs. Broker / Dealer



Q: WHAT DO BOND MARK-UPS REALLY COST COMMUNITY FINANCIAL INSTITUTIONS?



WRITTEN BY

Dr. Edmond J. Seifried

Professor Emeritus of Economics and Business at Lafayette College

Dean of the West Virginia Banking School and the Virginia School of Banking

Executive Director of the Sheshunoff Affiliation Program

The ANSWER is a very well-kept secret. Institutional investors do not know how much they are being charged to buy and sell bonds.

Industry Analysis: Hidden Mark-Ups

- “We estimate that investors were charged \$10.58 Billion in municipal bond markups between 2005 and 2013 in our sample - \$6.38 Billion in trades on which excessive markups appear to have been charged”
- The Securities Litigation & Consulting Group
- “The clients never saw the actual transaction costs and assumed, inappropriately, that they were getting that service fee for free.”

Conclusion

- “Our Analysis finds that community financial institutions are financially impacted by significant hidden mark-ups in their investment portfolios; mark-ups that reduce ROI, ROA and financial institution capital”

Poor Trade Execution: Lower Liquidity

Trade Aggregate		Price			Dealer to Client Volume(M)			D+D	
Days	Volume (M)*	Trds	High	Low	Avg	Dlr Buy	Dlr Sell	Net	Vol(M)
2	3,520	4	101.148	99.450	100.339	880	880	0	1,760

Charts		Price			Dealer to Client Volume(M)			D+D	
Date	Vol(M)*	Trds	High	Low	Avg	Dlr Buy	Dlr Sell	Net	Vol(M)
101) 03/23/22	880	1	101.148	101.148	101.148	0	880	-880	0
102) 03/22/22	2,640	3	100.410	99.450	100.070	880	0	880	1,760

*Volumes of MM+ are considered 5MM until the actual volume is disclosed.
Australia 61 2 9777 8600 Brazil 55 11 2395 9000 Europe 44 20 7330 7500 Germany 49 69 8204 1210 Hong Kong 852 2977 6000
 Japan 81 3 4665 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2023 Bloomberg Finance L.P.
 SN 3218024 ED1 GMT-4:00 6683-1107-173 29-Jun-2023 13:57:57

Transaction Details

101.148 Client Px
 - 99.450 Broker Px
 = **1.698 High Mark-Up**

x 880,000 PAR
\$14,942 Broker Commission

x 10 million PAR
\$169,800 Broker Commission



Taylor Advisors Value Added – Adams & Weld Schools, CO vs. River Valley Schools, PA

Bank Purchase (TXBL)

Trade Date 3/23/2022

Adams & Weld Schools, CO

YTW = 2.73% 

Difference

YTW = 50 bps

Taylor Advisors Purchase (TXBL)

Trade Date 3/21/2022

River Valley Schools, PA

 YTW = 3.23%

005518WK Muni		Report	Alert	Settings	Page 1/12	Security Description: Muni
ADAMS & WELD CNTYS CO SCH DIST #27J BRIGHTON						
TXBL-REF-SER B						
Ticker ADASCD		Cpr 2.950	Maturity 12/01/2027	Dated 11/03/2016 State CO		
CUSIP 005518WK7						
25) Municipal Bond						
20) Series						
27) Issuer Description						
28) Insights						
Pages						
11) Bond Info						
12) Addtl Info						
13) Involved Parties						
14) Adj Cpn Info						
15) Credit Enhance						
16) Credit Ratings						
17) Call Sched & ERP						
18) Put Schedule						
19) Sink & Est Sink						
20) Refunding Info						
21) DES Notes						
22) Impact						
Quick Links						
31) TDH MSRB Trade						
32) CACS Material Evt						
33) CF Filings						
34) CN Sec News						
35) HDS Holders						
60) Send Bond						
Australia 61 2 9777 8600 Brazil 5511 2595 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000						
Japan 81 3 4565 8900 Singapore 65 6212 1000 U.S. 1 212 518 2000 Copyright 2023 Bloomberg Finance L.P.						
SN 3218024 EDT GMT+1:00 6693-1107-173 29-Jun-2023 13:58:22						

Secondary Purchase @ 2.73% YTW

768505AU Muni		Report	Alert	Settings	Page 1/12	Security Description: Muni
RIVER VALLEY PA SCH DIST						
TXBL-REF-SER B						
Ticker BRVSCD		Cpr 3.230	Maturity 03/15/2027	Dated 04/21/2022 State PA		
CUSIP 768505AU3						
25) Municipal Bond						
20) Series						
27) Issuer Description						
28) Insights						
Pages						
11) Bond Info						
12) Addtl Info						
13) Involved Parties						
14) Adj Cpn Info						
15) Credit Enhance						
16) Credit Ratings						
17) Call Sched & ERP						
18) Put Schedule						
19) Sink & Est Sink						
20) Refunding Info						
21) DES Notes						
22) Impact						
Quick Links						
31) TDH MSRB Trade						
32) CACS Material Evt						
33) CF Filings						
34) CN Sec News						
35) HDS Holders						
60) Send Bond						
Australia 61 2 9777 8600 Brazil 5511 2595 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000						
Japan 81 3 4565 8900 Singapore 65 6212 1000 U.S. 1 212 518 2000 Copyright 2023 Bloomberg Finance L.P.						
SN 3218024 EDT GMT+1:00 6693-1107-173 29-Jun-2023 13:59:32						

Bought at New Issue

Taylor Advisors Investing Process

1. Establish Investment Constraints

- a) Type
- b) Size
- c) States
- d) Maturity
- e) Call Features
- f) Credit
- g) Enhancement
- h) Tax Payers
- i) Etc.

Investments, Inc. Municipal Bonds Purchasing Filters

December 2016

The purpose of this document is to outline procurement requirements for purchase of General Market Municipals.

The goal of this document is to streamline the use quantitative factors when deciding which General Market Municipals to purchase for the company.

- 1) General Market bonds preferred to Bank Qualified bonds based on pricing.
- 2) General Obligation bonds or high-quality Essential Service Revenue bonds.
- 3) \$1 million to \$3 million target allocations per CUSIP.
- 4) Non Approved States: California, Illinois, Kentucky, Connecticut, Pennsylvania, New Jersey, Michigan, Washington D.C., Puerto Rico, Guam or Virgin Islands bonds.
- 5) Piper Jaffray Quarterly State of the States Report – Do not purchase bonds from States listed in the bottom ten ranking.
- 6) FINAL Maturity = 12 to 18 years
- 7) Call features on bonds with stated maturities greater than 8-10 years.
- 8) Minimum Underlying Credit Rating A by one of the following rating agencies
Fitch/Moody's/S&P.
- 9) Minimum M-Factor = 4.25
- 10) Minimum Confidence Score = 80%
- 11) Texas PSF bonds – very high credit quality with low oil-related company taxpayer concentration per municipality
- 12) Top Ten Taxpayer Percentage – low concentration in oil-related companies (<10%)

Weekly Email - New Issue Municipal Deals Coming to Market

2. Preview of New Issues coming to market that fit the client parameters

Client identifies which issuer they would like to pursue the following week

Good afternoon. I wanted to let you know about the new issue municipal deals that we are seeing for next week.

There are 107 negotiated deals and 16 competitive deals totaling approx. \$11.4 Billion expected to be issued. The table below details the 9 deals (including 3 housing deals) we have identified that would potentially fit our investment criteria:

Negotiated Deals - w/o December 18, 2017								
Amt (\$000's)	Issuer	State	Preliminary M-Factor	Preliminary Confidence	Top Ten Taxpayer	Taxpayer Concentraion - Oil-Related	Description	
69,460	Forsyth County	GA	5.64	92%	2.7%	<1%	General Obligation Refunding Bonds	
60,920	St. Louis Public Schools (MO)	MO	5.36	86%	5.0%	<1%	General Obligation Refunding Bonds	
28,555	Board of Ed Winton Woods Sch Dist	OH	5.25	82%	11.2%	4.4%	Classroom Facilities General Oblig	
18,600	Board of Ed Wyoming Sch Dist	OH	4.57	84%	2.8%	1.3%	School Improvement General Oblig	
47,545	Harrisburg School District No 41-2	SD	4.89	90%	4.0%	<1%	General Obligation Refunding Bonds	
45,000	College Station Independent Sch Dist	TX	5.05	87%	6.2%	<1%	Refunding Bonds, Series 2017	
325,000	Georgia Housing and Finance Auth	GA	4.29	91%	n/a	n/a	Single Family Mortgage Bonds	
448,055	Nebraska Investment Finance Auth	NE	4.54	82%	n/a	n/a	Single Family Housing Revenue Bonds	
104,985	New York State Mortgage Agency	NY	4.57	90%	n/a	n/a	Homeowner Mortgage Revenue Bonds	



KEEFE, BRUYETTE & WOODS
Specialists in Financial Services

A Stifel Company

Banks | SMIDs

North America Equity Research

April 23, 2017

Analysis of Sales/Earnings | Estimates Change

Park National Corporation (PRK) | Market Perform

*Provision Helps Drive 1Q Beat, but Lower Fee Income
Outlook Takes Numbers Lower*

Summary

ROCK:[\$1.31, \$1.31, \$1.33, \$1.26] PRK topped our estimate, but fell short of Street expectations as it posted earnings of \$1.31/sh. As compared to our model, a lower provision helped drive the majority of the beat as weaker fee income was nearly offset by better spread income. Factoring in a lower run rate on noninterest income, we lower our estimates for 2017, 2018 and 2019, but maintain our \$104 target. We reiterate our Market Perform rating.

Variance to our model – \$0.05/sh positive variance reflects a lower provision (+\$0.06/sh) and better fee income (+\$0.03/sh), which were somewhat offset by lower fee income (-\$0.04/sh)

Recap. Better than expected earnings reflect a lower provision and better spread income, while fee income was lower than expected. Margin expanded to 3.49% from last quarter's core of 3.42%, exceeding our 3.43% forecast as average earning assets were both slightly higher and a better mix as PRK added some higher yield municipal securities to the books. Credit trends remained strong, leading to lower NPAs and NCOs, and thus, a lower provision for the quarter. Please see more quarterly details on Page 2.

R \$1.31 O \$1.31 C \$1.33 K \$1.26
eported perating onsensus BW

Damon DelMonte

860 722 5908

ddelmonte@kbw.com

Changes	Current	Previous
Rating	Market Perform	–
Target Price	\$104.00	–

Market Data

Market Price:	\$105.99
Target Price:	\$104.00
Proj. Total Return:	1.7%
52-Week Range	\$122.88-\$85.44
Dividend (Ann) Yield	\$3.76 3.55%
BV Tang. BV	\$48.64 \$43.92
Shr.O/S-Diluted (mm):	15.4
Insider Ownership:	4.1%
Market Cap:	1.6Bn

	2016A	2017E	2018E	2019E
ROA (%)	1.22	1.14	1.18	1.23
NIM	3.50%	3.53%	3.62%	3.66%
NCOs/Avg. Loans	0.02%	0.11%	0.10%	0.16%
TBV/Share	43.67	45.77	48.20	50.11
ROTCE	13.6%	12.9%	13.2%	13.6%
ROE (%)	12.3	11.7	12.0	12.4
Efficiency Ratio	59.7%	57.9%	56.4%	55.0%

Taylor Advisors Services - Impact



Balance Sheet Strategies



Other Consultants vs. Taylor Advisors

Services	Other Consultants	Brokers	Software Providers	Taylor Advisors
SEC Registered Investment Advisors				+
Bond Sales Broker		+		
Balance Sheet Management	+			+
Software Provider	+	+	+	+
Municipal Credit Review		+		+
Custom ALCO Analysis	+	+	+	+
ALCO Minutes				+
Custom Policy Reviews/Process	?			+
Documented Strategies	+	+		+
Executable Strategies Accountability	+			+
Rotating Consultants (All CFA Charter Holders)				+
Weekly Loan Pricing Matrix				+
Weekly Deposit Benchmarking Matrix				+

Bringing it full circle

Our Typical Client:

- Is a community or regional bank
- Improves their net interest margin by 16 basis points after the first year of our partnership and/or
- Improves the yield on their investment portfolio by 23 basis points after the first year of our partnership
- Started with a high level of skepticism (appropriate for bankers who are and should be risk-averse)

Earning Asset Size	Net Interest Income Change in thousands of dollars (due to Yield change in basis points)		
	10	16	25
(in \$000)			
400,000	400	640	1,000
430,000	430	688	1,075
460,000	460	736	1,150
Investments	10	23	50
105,000	105	242	525
125,000	125	288	625
145,000	145	334	725

BALANCE SHEET MANAGEMENT



Where you're always First

THE BANK:

Taylor Advisors began working with First Savings Bank (Clarksville, IN) in the 1st quarter of 2004.

THE CHALLENGE:

First Savings Bank needed assistance in the areas of balance sheet management and investment advisory.

THE SOLUTION:

Since the start of the engagement, Taylor Advisors has been providing advice in the areas of capital, liquidity, funding, interest rate risk, investments, deposit and loan pricing. First Savings Bank and its subsidiaries have also been utilizing Taylor Advisors for investment advisory services. Goals were established regarding the credit quality of investments, duration of the portfolio, maximum allocation for various sectors of the fixed income market, and procedures for security execution.



AT A GLANCE:

- \$1.76 Billion - Assets as of 2021
- 3.82% - Net Interest Margin (FTE) as of 2021
- 3.81% - Investment yield (FTE) as of 2021
- 98th Percentile – Investment yield rank among peers as of 2021
- 729% - Stock price increase (unadjusted) from IPO on October 6, 2008 – March 10th, 2022

*Investments
Asset / Liability
Risk Management*



**Taylor Advisors
Services and Pricing**

The Murray Bank

July 2023



Taylor Advisors' Services and Pricing: Stand-Alone Services

<u>Service</u>	<u>Quarterly Fee</u>	<u>Annual Fee</u>
Balance Sheet Management*	\$11,000	\$44,000

OR

<u>Service</u>	<u>Annual Fee (BPS)</u>	<u>Annual Fee (\$)</u>
Investment Advisory – Legacy Portfolio**	0.03% (3 bps)	\$39,600
Government Advisory Assets – New Portfolio (Purchases)***	0.07% (7 bps)	-
Credit Advisory Assets – New Portfolio (Purchases)****	0.20% (20 bps)	-

All advisory fees are paid quarterly based on the fair market value of the securities. Dollar amounts are shown for illustration purposes and are subject to change based on the fair market value of the securities. Government Advisory Assets and Credit Advisory Assets apply to all assets acquired on or after the signing of the HUB | Taylor Advisor agreement.

*Balance Sheet Management does not include Taylor Advisors' Interest Rate Risk Tool.

** Investment Advisory – Legacy Portfolio is based on a portfolio size of \$132 Million as of 03/31/2023.

***Government Advisory Assets do not apply to the legacy portfolio and include the following assets: Government-Backed Assets, Treasuries, Agencies, MBS, CMO, SBA, and CMBS.

****Credit Advisory Assets do not apply to the legacy portfolio and include the following assets: Municipals (Taxable and Tax-Free), Corporates, Non-Agencies, and Whole Loans.

Portfolio Management & Analytics Services

- Investment Policy Review
- Policy Compliance Report Development
- Customized Quarterly Investment Analytical Review/Report & Meeting
- Balance Sheet Management Review
 - Capital, Liquidity, Interest Rate Risk
- Investment Strategy Recommendations & Product Review & Education
- Municipal Credit Quality Analytics, Proprietary M-Factor Scoring, Periodic Review
- **63 Existing Munis**

Taylor Advisors' Services and Pricing: "Bundled" Services

<u>Service</u>	<u>Quarterly Fee</u>	<u>Annual Fee</u>
Balance Sheet Management*	\$9,500 (14% discount)	\$38,000 (14% discount)

AND

<u>Service</u>	<u>Annual Fee (BPS)</u>	<u>Annual Fee (\$)</u>
Investment Advisory – Legacy Portfolio**	0.01% (1 bps) (67% discount)	\$13,200 (67% discount)
Government Advisory Assets – New Portfolio (Purchases)***	0.05% (5 bps) (29% discount)	-
Credit Advisory Assets – New Portfolio (Purchases)****	0.15% (15 bps) (25% discount)	-

All advisory fees are paid quarterly based on the fair market value of the securities. Dollar amounts are shown for illustration purposes and are subject to change based on the fair market value of the securities. Government Advisory Assets and Credit Advisory Assets apply to all assets acquired on or after the signing of the HUB | Taylor Advisor agreement.

*Balance Sheet Management does not include Taylor Advisors' Interest Rate Risk Tool.

** Investment Advisory – Legacy Portfolio is based on a portfolio size of \$132 Million as of 03/31/2023.

***Government Advisory Assets do not apply to the legacy portfolio and include the following assets: Government-Backed Assets, Treasuries, Agencies, MBS, CMO, SBA, and CMBS.

****Credit Advisory Assets do not apply to the legacy portfolio and include the following assets: Municipals (Taxable and Tax-Free), Corporates, Non-Agencies, and Whole Loans.

Taylor Advisors' **Bundled** Services: Sample Cost Benefit Analysis

Projection

Partner	Cost \$	Cost %	Bank NIM	NIM (\$)	Service Provided
		0.000%	2.86%	\$12,298,000	-
	\$ 51,200	0.012%	2.96%	\$12,728,000	Quarterly IRR Report Review, Quarterly Liquidity & Stress Testing, Capital & Stress Testing, Funding & Strategies, Quarterly Meeting Minutes, Quarterly Investment Analysis, Investment Advisory, and more.
Difference	\$ 51,200	0.012%	0.10%	\$ 430,000	Quarterly IRR Report Review, Quarterly Liquidity & Stress Testing, Capital & Stress Testing, Funding & Strategies, Quarterly Meeting Minutes, Quarterly Investment Analysis, Investment Advisory, and more.

**Net Interest Income in Dollars
for Every 10 Basis Points**

0.100% \$ 430,000

Taylor Advisors primary business is driving safe
and sound financial outperformance
(5 CFAs & 2 CPAs)

Breakeven in Basis Points/Dollars

0.012% \$ 51,200

**Cost Benefit for
First 10 Basis Points**

0.088% \$ 378,800

**+ Comprehensive ALCO Process, Profit Driven
ALCO Strategies**

*Cost is calculated as the advisory fee ("Bundled" balance sheet management, investment advisory, and municipal advisory) as a percent of average earning assets of approximately \$430 Million as of 03/31/23.