

Proposed Literary Fund Loan Interest Rate Schedule for Board of Education 2024-2026 Literary Fund Guidelines to Implement Chapter 2 Budget Directive in Item 125, Paragraph C.13.b.3)

Example market index rate per BOE Guidelines (i.e., 20-year BVAL Callable Municipal Curve Rate): **3.25%**

Proposed "Discount Rate" (before multiplier applied): **0.05%**

Proposed geometric factor to successively increase multiplier for four lowest LCI tiers: **2**

Locality Composite Index Tier:	Multiplier Applied to Discount Rate:	Multiplied Discount Rate:	Market Interest Rate Less Multiplied Disc. Rate:	Eligible Loan Interest Rate:	
Composite Index between 0.0000 and 0.2999	16	0.80%	2.45%	Lesser of market interest rate less multiplied discount rate or 2.00% =	2.00%
Composite Index between 0.3000 and 0.3999	8	0.40%	2.85%	Lesser of market interest rate less multiplied discount rate or 3.00% =	2.85%
Composite Index between 0.4000 and 0.4999	4	0.20%	3.05%	Lesser of market interest rate less multiplied discount rate or 4.00% =	3.05%
Composite Index between 0.5000 and 0.5999	2	0.10%	3.15%	Lesser of market interest rate less multiplied discount rate or 5.00% =	3.15%
Composite Index between 0.6000 and 0.8000	1	0.05%	3.20%	Lesser of market interest rate less multiplied discount rate or 6.00% =	3.20%