PMA™ SECURITIES

June 2025

ISD 77
Mankato Area Public Schools

LTFM Planning

G.O. Facilities Maintenance Bonds, Series 2025A

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LTFM Planning

- Two Mechanisms for Funding
  - Pay as you go for projects via General Fund
  - Issue LTFM Bonds and pay back over time

- Considerations for which option to use:
  - Project size
  - Tax Impact
  - Useful life of project
  - Project Timelines

General Fund LTFM Revenue

Health and Safety + Paygo Deferred Maint. = Total General Fund LTFM Revenue

Health and Safety	Paygo Deferred Maint.	Total General Fund LTFM Revenue
	FY 2026	
$640,000	$3,073,000	$3,713,000
	FY 2027 Proposed	
$640,000	$3,673,000	$4,313,000

G.O. Facilities Maintenance Bonds, Series 2025A

Purpose:

- Finance facilities maintenance projects at Bridges, Kennedy, Eagle Lake and Hoover Elementary
- Estimated project costs $37,588,717

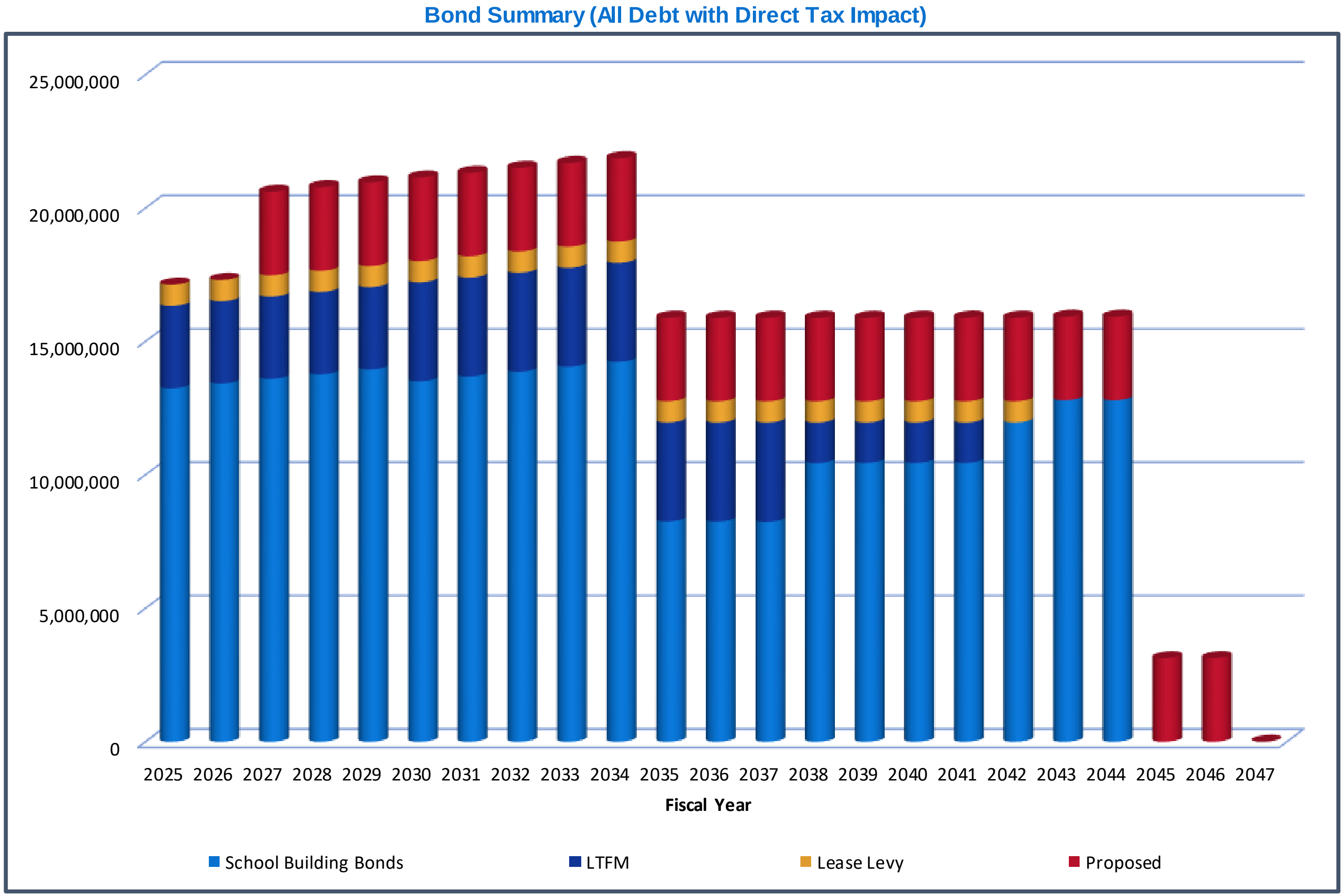
Mechanism

- General Obligation Facilities Maintenance Bonds

Authority

- MN Statute Chapter 475 and Section 123B.595

Bond Structure



Tax Impact

	2025A LTFM Bonds	Paygo LTFM
Project Amount	$37,588,714	
Revenue		$600,000
Term of Bond	20	
FY 2027 Payment	$2,975,991	
Levy Increase at 105%	$3,124,790	
District NTC Value (Pay 25)	106,549,001	106,549,001
Additional NTC Tax Rate	2.93%	0.56%

Property Type	Est. Market Value	Estimated Tax Increase				Combined Tax Increase	
		Annual	Monthly	Annual	Monthly	Annual	Monthly
Residential Homestead	$150,000	$34	$3	$7	$0.55	$41	$3
	200,000	50	4	10	$0.80	60	5
	250,000	66	6	13	$1.06	79	7
	300,000	82	7	16	$1.32	98	8
	400,000	114	10	22	$1.83	136	11
	500,000	146	12	28	$2.34	174	15
	600,000	183	15	35	$2.93	218	18
Commercial - Industrial	$250,000	$125	$10	$24	$2	$149	$12
	500,000	271	23	52	4	323	27
	750,000	418	35	80	7	498	42
	1,000,000	565	47	108	9	673	56

- Assumes tax-exempt interest rates as of June 16, 2025 plus 0.50%.
- No growth assumed in District net tax capacity.

Bond Process Calendar

July 2025						
S	M	T	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September 2025						
S	M	T	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October 2025						
S	M	T	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November 2025						
S	M	T	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Board Action Dates | Est. Bond Pricing Date | Bond Closing

Date	Action Item
July 21, 2025	Board Considers Approval of LTFM Plan and Parameters Resolution
July 2025	LTFM plan submitted to MDE and notice published in newspaper
September 2025	Receive MDE approval of projects
Week of September 22, 2025	Rating Call
October 3, 2025	Rating Received & POS released to Market
October 15, 2025	Bond Pricing (Interest Rates Locked)
October 20, 2025	Board Considers Ratifying Resolution
November 6, 2025	Bond Closing

Board Resolution – July 21, 2025

- Approval of FY 2027 LTFM Plan
- Approval of proceeding with the bond sale subject to certain parameters
- Allows the submission of the State Credit Enhancement Application
- Allows for reimbursement of any project expenses

Bond Parameters:

- Authority given to the Superintendent or Director of Business Services AND a School Board Officer to execute the documents to complete the bond sale if:
  - Establishes a maximum true interest cost of 5.50%
  - Establishes a maximum par amount of $37,800,000
  - Expires on December 31, 2025
- Full Board ratifies the sale at its next Board Meeting

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