March 24, 2025

SALE DAY REPORT FOR:

Independent School District No. 272 (Eden Prairie Schools), Minnesota

$9,610,000 General Obligation Facilities Maintenance Bonds, Series 2025A

Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, MN 55113

Jodie Zesbaugh,
Senior Municipal Advisor

Matthew Hammer,
Senior Municipal Advisor

Aaron Bushberger,
Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

Competitive Sale Results

PURPOSE: To finance facility maintenance projects included in the District's ten-year facilities plan approved by the Commissioner of Education.

RATING: **MN Credit Enhancement Rating:** Moody's Investor's Service "Aa1"
Underlying Rating: Moody's Investor's Service "Aa2"

NUMBER OF BIDS: 14

LOW BIDDER: Huntington Securities, Inc, Chicago, Illinois

COMPARISON FROM LOWEST TO HIGHEST BID:
(TIC as bid)

LOW BID:* 3.1563%

HIGH BID: 3.3040%

Summary of Sale Results:	
Principal Amount:	$9,610,000
Underwriter's Discount:	$31,233
Reoffering Premium:	$994,289
True Interest Cost*:	3.1446%
Capitalized Interest:	$379,061
Costs of Issuance:	$83,425
Yield:	2.68%-3.23%
Total Net P&I:	$12,148,500

* *Following receipt of the bids, some of the maturities were adjusted. This caused a slight change in the True Interest Cost.*

NOTES: The True Interest Cost of 3.14% is less than the 3.84% estimated in the Pre-Sale Report presented to the School Board on January 27, 2025.

The Bonds maturing February 1, 2034 and thereafter are callable February 1, 2033 or any date thereafter.

CLOSING DATE: April 17, 2025

SCHOOL BOARD ACTION:	Adopt the Resolution Awarding the Sale of $9,610,000 General Obligation Facilities Maintenance Bonds, Series 2025A.

SUPPLEMENTARY ATTACHMENTS

- Bid Tabulation
- Updated Sources and Uses of Funds
- Updated Debt Service Schedule
- Updated Long-Term Financing Plan for Debt and Capital Payments and Levies
- Rating Reports
- Bond Resolution (Distributed Separately)

BID TABULATION

$9,610,000 General Obligation Facilities Maintenance Bonds, Series 2025A

Independent School District No. 272 (Eden Prairie Schools), Minnesota

SALE: March 24, 2025

AWARD: HUNTINGTON SECURITIES, INC

MN Credit Enhancement Rating: Moody's Investor's Service "Aa1"
Underlying Rating: Moody's Investor's Service "Aa2"

Tax Exempt - Non-Bank Qualified

NAME OF BIDDER	MATURITY (February 1)	COUPON RATE	REOFFERING YIELD	PRICE	TRUE INTEREST RATE
HUNTINGTON SECURITIES, INC				$10,575,769.60	3.1563%
Chicago, Illinois	2027	5.000%	2.680%		
	2028	5.000%	2.720%		
	2029	5.000%	2.780%		
	2030	5.000%	2.860%		
	2031	5.000%	2.910%		
	2032	5.000%	2.960%		
	2033	5.000%	3.040%		
	2034	5.000%	3.150%		
	2035	5.000%	3.230%		
UMB BANK, N.A. Kansas City, Missouri					3.1668%
UBS FINANCIAL SERVICES INC. New York, New York					3.1673%
FIFTH THIRD SECURITIES, INC. Cincinnati, Ohio					3.1795%
PIPER SANDLER & CO. Minneapolis, Minnesota					3.1892%

* Subsequent to bid opening the individual maturity amounts were adjusted.
Adjusted Price: $10,573,056.05 Adjusted Net Interest Cost: $1,954,505.06 Adjusted TIC: 3.1446%

NAME OF BIDDER	TRUE INTEREST RATE
BOK FINANCIAL SECURITIES, INC. Milwaukee, Wisconsin	3.1989%
LOOP CAPITAL MARKETS Chicago, Illinois	3.1992%
NORTHLAND SECURITIES, INC. Minneapolis, Minnesota	3.2048%
HILLTOPSECURITIES Dallas, Texas	3.2085%
FHN FINANCIAL CAPITAL MARKETS Memphis, Tennessee	3.2113%
TD SECURITIES (USA) LLC New York, New York	3.2245%
BANCROFT CAPITAL, LLC Fort Washington, Pennsylvania	3.2433%
BAIRD Milwaukee, Wisconsin	3.2661%
BROWNSTONE INVESTMENT GROUP, LLC New York, New York	3.3040%

RESULTS OF BOND SALE

Eden Prairie Schools ISD No. 272

March 24, 2025

Estimated Sources and Uses of Funds
General Obligation Facilities Maintenance Bonds

Authorized Bond Amount	$9,610,000
Closing/Dated	**4/17/2025**
Sources of Funds	
Par Amount	$9,610,000
Reoffering Premium [1]	994,289
Investment Earnings [2]	101,106
Total Sources	$10,705,394
Uses of Funds	
Underwriter's Discount [3]	$31,233
Capitalized Interest [4]	379,061
Legal and Fiscal Costs [5]	83,425
Net Available for Project Costs	**10,211,676**
Total Uses	$10,705,394
Initial Deposit to Construction Fund	**$10,110,570**

1 The underwriter of the bonds received a reoffering premium in the sale of the bonds. They will retain a portion of the premium as their compensation, or underwriter's discount. The remainder of the premium will be deposited in the construction fund and used to fund a portion of the project costs.

2 Estimated investment earnings are based on an average interest rate of 1.00% and an average life for investments of 12 months.

3 The underwriter's discount is an estimate of the compensation taken by the underwriter who provides the lowest true interest cost as part of the competitive bidding process and purchases the bonds. Ehlers provides independent municipal advisory services as part of the bond sale process and is not an underwriting firm.

4 Due to the timing of the levy process, the District would not be able to make a levy for the interest payment due on the bonds in fiscal year 2025-26, so that payment will be made from bond proceeds.

5 Includes fees for municipal advisor, bond counsel, rating agency, and paying agent.

RESULTS OF BOND SALE

Eden Prairie School District No. 272

$9,610,000 General Obligation Facilities Maintenance Bonds, Series 2025A
Dated: April 17, 2025

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
04/17/2025	-	-	-	-	-	-	-
02/01/2026	-	-	379,061.11	379,061.11	(379,061.11)	-	-
08/01/2026	-	-	240,250.00	240,250.00	-	240,250.00	-
02/01/2027	660,000.00	5.000%	240,250.00	900,250.00	-	900,250.00	1,140,500.00
08/01/2027	-	-	223,750.00	223,750.00	-	223,750.00	-
02/01/2028	1,005,000.00	5.000%	223,750.00	1,228,750.00	-	1,228,750.00	1,452,500.00
08/01/2028	-	-	198,625.00	198,625.00	-	198,625.00	-
02/01/2029	1,035,000.00	5.000%	198,625.00	1,233,625.00	-	1,233,625.00	1,432,250.00
08/01/2029	-	-	172,750.00	172,750.00	-	172,750.00	-
02/01/2030	1,085,000.00	5.000%	172,750.00	1,257,750.00	-	1,257,750.00	1,430,500.00
08/01/2030	-	-	145,625.00	145,625.00	-	145,625.00	-
02/01/2031	1,120,000.00	5.000%	145,625.00	1,265,625.00	-	1,265,625.00	1,411,250.00
08/01/2031	-	-	117,625.00	117,625.00	-	117,625.00	-
02/01/2032	1,220,000.00	5.000%	117,625.00	1,337,625.00	-	1,337,625.00	1,455,250.00
08/01/2032	-	-	87,125.00	87,125.00	-	87,125.00	-
02/01/2033	1,195,000.00	5.000%	87,125.00	1,282,125.00	-	1,282,125.00	1,369,250.00
08/01/2033	-	-	57,250.00	57,250.00	-	57,250.00	-
02/01/2034	1,240,000.00	5.000%	57,250.00	1,297,250.00	-	1,297,250.00	1,354,500.00
08/01/2034	-	-	26,250.00	26,250.00	-	26,250.00	-
02/01/2035	1,050,000.00	5.000%	26,250.00	1,076,250.00	-	1,076,250.00	1,102,500.00
Total	**$9,610,000.00**	**-**	**$2,917,561.11**	**$12,527,561.11**	**(379,061.11)**	**$12,148,500.00**	**-**

Yield Statistics

Bond Year Dollars	$58,351.22
Average Life	6.072 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	3.3495529%
True Interest Cost (TIC)	3.1446491%
All Inclusive Cost (AIC)	3.2958264%
Bond Yield for Arbitrage Purposes	2.9964077%

IRS Form 8038

Net Interest Cost	2.9586561%
Weighted Average Maturity	6.130 Years

Eden Prairie Schools, ISD 272

Preliminary Financing Plan for Future Projects

5 Future Facilities Maintenance Bond Issues ($5M to $16M)
Wrapped Around Existing Debt
LTFM Project Costs: $7 to $16 Million thru FY 2034

March 24, 2025

Future Bond Issues

Type of Bond	Amount	Dated	Int. Rate
Facilities Maintenance	$9,610,000	04/17/25	3.14%
Facilities Maintenance	$5,260,000	03/01/27	4.50%
Facilities Maintenance	$8,920,000	03/01/29	4.50%
Facilities Maintenance	$6,490,000	03/01/31	4.50%
Facilities Maintenance	$7,705,000	03/01/33	4.50%
Facilities Maintenance	$15,605,000	03/01/35	4.50%

				Debt Service Levies - Existing Bonds [2]					Other Levies		Facilities Maintenance Funding							Combined Totals		
Levy Pay Year	Fiscal Year	Est. Tax Capacity Value [1] ($000s)	% Chg	Building Bonds	Alt. Fac. / FM Bonds	Est. Debt Excess [3]	Net Levy	Tax Rate	Lease Levy [4]	Capital Project Levy [5]	General Fund Revenue	Principal	Interest		Addl. Debt Excess [3]	Est. LTFM Aid	Debt Levy	Total Levy	State Aid	Tax Rate
2022	2023	116,772	2.1%	2,235,975	6,380,490	(447,840)	8,168,625	7.00	-	7,904,789	4,032,169	-	-		-	-	-	20,105,583	-	17.22
2023	2024	136,996	17.3%	2,361,975	6,099,720	(466,173)	7,995,522	5.84	-	8,111,760	5,648,206	-	-		-	-	-	21,755,488	-	15.88
2024	2025	147,038	7.3%	2,406,075	6,723,158	(168,770)	8,960,463	6.09	-	9,415,721	5,466,264	-	-		-	-	-	23,842,448	-	16.22
2025	2026	146,100	-0.6%	2,434,950	7,426,868	(89,103)	9,772,715	6.69	1,118,959	10,093,029	4,393,053	-	379,061	6	-	(6,524)	-	25,371,232	-	17.37
2026	2027	147,561	1.0%	2,470,125	7,389,487	(734,995)	9,124,617	6.18	1,120,542	10,028,635	4,168,620	660,000	480,500		-	(15,334)	1,197,525	25,624,604	-	17.37
2027	2028	149,036	1.0%	2,505,825	6,096,884	(443,683)	8,159,026	5.47	1,119,830	10,128,921	5,045,314	1,005,000	664,475	6	-	(90,701)	1,525,125	25,887,516	-	17.37
2028	2029	150,527	1.0%	2,536,538	5,531,459	(387,122)	7,680,875	5.10	1,116,824	10,230,210	5,451,120	1,035,000	633,950		-	(88,029)	1,752,398	26,143,397	-	17.37
2029	2030	152,032	1.0%	2,541,263	5,457,224	(363,060)	7,635,427	5.02	1,120,022	10,332,512	5,732,390	1,085,000	950,150	6	(78,858)	(88,030)	1,671,702	26,404,023	-	17.37
2030	2031	153,552	1.0%	2,563,050	5,713,424	(359,932)	7,916,542	5.16	1,120,351	10,435,838	5,206,120	1,120,000	929,350		(75,227)	(88,030)	2,076,591	26,667,411	-	17.37
2031	2032	155,088	1.0%	1,887,690	5,593,829	(372,441)	7,109,078	4.58	1,117,812	10,540,196	6,153,932	1,220,000	1,141,063	6	(93,447)	(88,029)	2,104,571	26,937,559	-	17.37
2032	2033	156,639	1.0%	2,953,440	4,716,410	(336,668)	7,333,182	4.68	1,120,904	10,645,598	5,872,684	1,195,000	1,104,400		(94,706)	(88,028)	2,319,664	27,204,003	-	17.37
2033	2034	156,639	0.0%	2,924,880	4,335,503	(345,143)	6,915,240	4.41	1,118,388	10,752,054	6,213,120	1,240,000	1,362,481	6	(104,385)	(88,028)	2,294,498	27,205,270	-	17.37
2034	2035	156,639	0.0%	2,921,415	4,292,663	(326,717)	6,887,361	4.40	1,116,900	10,752,054	5,800,320	1,375,000	1,329,375		(103,252)	(88,028)	2,736,341	27,204,948	-	17.37
2035	2036	156,639	0.0%	3,010,560	4,027,039	(324,634)	6,712,965	4.29	1,117,750	10,752,054	5,950,320	1,485,000	1,905,956	6	(123,135)	(88,028)	2,761,477	27,206,538	-	17.37
2036	2037	156,639	0.0%	4,402,230	1,638,394	(316,692)	5,723,932	3.65	1,120,725	10,752,054	6,250,320	1,505,000	1,897,650		(124,266)	(88,028)	3,448,516	27,207,518	-	17.37
2037	2038	156,639	0.0%	4,510,958	1,535,599	(271,828)	5,774,729	3.69	1,117,113	10,752,054	6,250,320	1,555,000	1,829,925		(155,183)	(88,028)	3,398,988	27,205,175	-	17.37
2038	2039	156,639	0.0%	4,597,163	1,450,024	(272,095)	5,775,092	3.69	1,119,875	10,752,054	6,250,320	1,620,000	1,759,950		(152,954)	(88,028)	3,395,993	27,205,305	-	17.37
2039	2040	156,639	0.0%	4,482,818	1,570,354	(272,123)	5,781,049	3.69	1,120,088	10,752,054	6,250,320	1,685,000	1,687,050		(152,820)	(88,028)	3,387,833	27,203,314	-	17.37
2040	2041	156,639	0.0%	-	2,895,244	(272,393)	2,622,851	1.67	-	10,752,054	9,100,320	1,595,000	1,611,225		(152,452)	(88,028)	3,214,084	25,601,280	-	16.34
2041	2042	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	4,270,000	1,539,450		(262,662)	(88,028)	5,837,260	25,601,606	-	16.34
2042	2043	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	4,460,000	1,347,300		(262,677)	(88,028)	5,834,988	25,599,334	-	16.34
2043	2044	156,639	0.0%	-	-	-	-	-		10,752,054	9,100,320	4,660,000	1,146,600		(262,574)	(88,028)	5,834,356	25,598,701	-	16.34
2044	2045	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	4,870,000	936,900		(262,546)	(88,028)	5,834,699	25,599,044	-	16.34
2045	2046	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	5,090,000	717,750		(262,561)	(88,028)	5,835,576	25,599,921	-	16.34
2046	2047	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	5,320,000	488,700		(262,601)	(88,028)	5,836,534	25,600,880	-	16.34
2047	2048	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	5,540,000	249,300		(262,644)	(88,028)	5,816,121	25,580,466	-	16.33
2048	2049	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2049	2050	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2050	2051	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2051	2052	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2052	2053	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2053	2054	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2054	2055	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2055	2056	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
2056	2057	156,639	0.0%	-	-	-	-	-	-	10,752,054	9,100,320	-	-		-	(88,028)	-	19,764,345	-	12.62
Totals				57,939,944	104,483,200	(7,114,001)	155,309,144		16,786,081	380,828,373	259,945,788	53,590,000	26,092,561		(3,248,951)	(2,665,379)	78,114,840	888,318,846	-	

1 Tax capacity values are actual for taxes payable in 2020 through 2025. Estimated percentage changes for later years are shown above.
2 Initial debt service levies are set at 105 percent of the principal and interest payments during the next fiscal year.
3 Debt excess adjustments for taxes payable in 2022 thru 2025 are actual amounts and for taxes payable in 2026 is based on the audited debt service fund balance as of June 30, 2024. Estimates for future years are based on 4.5% of the prior year's total debt service levy.
4 Lease levy amounts are for the District's capital leases only.
5 Assumes that the current Capital Project Levy would be renewed at the same tax rate prior to expiring.
6 For each of the future Facilities Maintenance bond issues, interest payments due during the first year would be paid from bond proceeds.

EHLERS
PUBLIC FINANCE ADVISORS

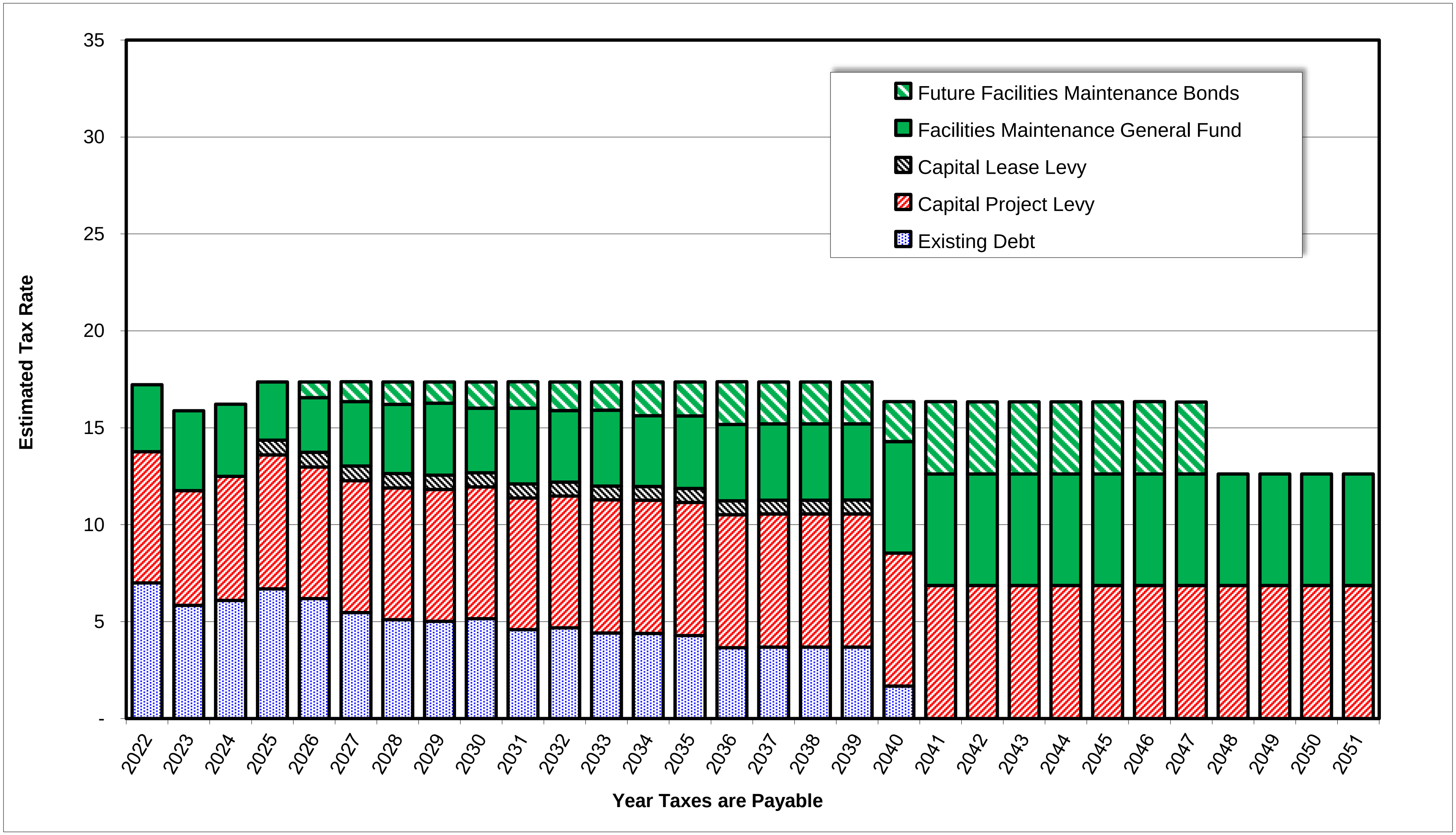
RESULTS OF BOND SALE

Eden Prairie Schools, ISD 272

Estimated Tax Rates for Capital and Debt Service Levies

5 Future Facilities Maintenance Bond Issues ($5M to $16M)
Wrapped Around Existing Debt
LTFM Project Costs: $7 to $16 Million thru FY 2034

Date Prepared: March 24, 2025



EHLERS PUBLIC FINANCE ADVISORS

Debt Plan Results 2025A Eden Prairie

MOODY'S
RATINGS

Rating Action: Moody's Ratings assigns Aa2 UND & Aa1 ENH to Eden Prairie ISD 272, MN's GOULT bonds

19 Mar 2025

New York, March 19, 2025 -- Moody's Ratings (Moody's) has assigned a Aa2 underlying rating and Aa1 enhanced rating to Eden Prairie Independent School District 272, MN's General Obligation Facilities Maintenance Bonds, Series 2025A, which have a proposed par amount of $9.6 million. We maintain the district's Aa2 issuer rating, Aa2 rating on the district's outstanding general obligation unlimited tax (GOULT) debt, and Aa3 rating on the district's outstanding certificates of participation (COPs). Following the sale, the district will have about $101 million of GOULT debt outstanding.

RATINGS RATIONALE

The Aa2 issuer rating reflects the district's affluent economic base near the Twin Cities metropolitan area and solid financial position that slightly trails similarly rated peers. The available fund balance ratio will likely decline closer to 15% of revenue because of a modest deficit in fiscal 2025 (year-end June 30) to support operations and capital improvements. Despite planned reserve draws over the next several years to support operations, reserves will likely remain solid supported by revenue from a recently renewed operating levy and prudent expenditure management.

The strong economic base benefits from above average resident income and full value per capita at around 155% of the US and above $235,000 respectively. Enrollment has recently grown with the three-year CAGR of 1.4%, but is projected to modestly decline over the next several years mainly because of declining birthrates. Overall leverage will remain moderate at just above 210% of revenue following the issuance of the Series 2025A bonds.

The Aa2 GOULT rating is equivalent to the Aa2 issuer rating based on the district's general obligation full faith and credit pledge and authority to levy an unlimited property tax dedicated to debt service.

The Aa1 enhanced rating assigned to the Series 2025A bonds reflects the additional security provided by the State of Minnesota's School District Credit Enhancement Program. The Aa1 enhanced programmatic rating is notched once from the State of Minnesota's Aaa Issuer Rating. The enhanced rating reflects sound program mechanics and the state's pledge of an unlimited appropriation from its General Fund should the district be unable to meet debt service requirements. The program mechanics include a provision for third-party notification of pending deficiency. If the school district does not transfer funds necessary to pay debt to the paying agent at least three days prior to the payment due date, the state will appropriate the payment to the paying agent directly. We have received a copy of the signed program applications.

RATING OUTLOOK

We do not assign outlooks to local government issuers with this amount of debt.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- An available fund balance ratio consistently closer to 30% of revenue

- Moderation in long-term liabilities to levels well below 200% of revenue

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- An available fund balance ratio below 15% of revenue

- Substantial growth in long-term liabilities to levels exceeding 350% of revenue

- Downgrade of the State of Minnesota's Issuer Rating (enhanced)

- Weakening of the credit enhancement program mechanics (enhanced)

LEGAL SECURITY

The Series 2025A bonds are supported by the district's full faith and credit pledge and the authority to levy a dedicated property tax unlimited as to rate and amount. The bonds are also secured by statute.

The GOULT bonds are also supported by the State of Minnesota's School District Credit Enhancement Program which provides for an unlimited advance from the state's general fund should the district be unable to meet debt service requirements.

USE OF PROCEEDS

The Series 2025A bonds will be used to finance various facility maintenance projects in the district's ten-year facility plan.

PROFILE

Eden Prairie Independent School District 272, MN is situated in Hennepin County (Aaa stable), about 20 miles southwest of the City of Minneapolis (Aaa stable) in the Twin Cities metropolitan area. The district currently provides kindergarten to twelfth grade education to around 9,000 students.

METHODOLOGY

The principal methodology used in the underlying rating was US K-12 Public School Districts published in July 2024 and available at https://ratings.moodys.com/rmc-documents/425431. The principal methodology used in the enhanced rating was US State Aid Intercept Programs and Financings published in February 2024 and available at https://ratings.moodys.com/rmc-documents/415020 . Alternatively, please see the Rating Methodologies page on https://ratings.moodys.com for a copy of these methodologies.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on https://ratings.moodys.com/rating-definitions .

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see https://ratings.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on https://ratings.moodys.com for additional regulatory disclosures for each credit rating.

Karen Liu
Lead Analyst

Gera McGuire
Additional Contact

Releasing Office:
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS (“ASSESSMENTS”), AND OTHER OPINIONS INCLUDED IN MOODY’S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY’S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY’S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY’S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND

MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY’S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided “AS IS” without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY’S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.

To the extent permitted by law, MOODY’S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY’S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY’S.

To the extent permitted by law, MOODY’S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY’S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY’S IN ANY FORM OR MANNER WHATSOEVER.

Moody’s Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody’s Corporation (“MCO”), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moodys.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Calificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating

Business”, and are not subject to the regulations applicable to “Credit Rating Business” under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, “PRC” refers to the mainland of the People’s Republic of China, excluding Hong Kong, Macau and Taiwan.

CREDIT OPINION
20 March 2025

Send Your Feedback

Contacts

Karen Liu +1.312.706.9984
Associate Lead Analyst
karen.liu@moodys.com

Gera M. McGuire +1.214.979.6850
Associate Managing Director
gera.mcguire@moodys.com

Eden Prairie Independent School District 272, MN

Update to credit analysis

Summary

Eden Prairie ISD 272, MN (Aa2) has an affluent local economy near the Twin Cities and a stable financial position though the available fund balance slightly trails Aa2 rated peers. Enrollment has been growing but is expected to modestly decline over the next several years, while overall leverage will increase slightly following an upcoming issuance.

Credit strengths

» Affluent economic base near the Twin Cities metropolitan area

» Recent increase of operating levy and renewal of capital project levy will provide financial stability

Credit challenges

» The available fund balance ratio slightly trails Aa2 medians

» Moderate leverage with outstanding capital needs

Rating outlook

We do not assign outlooks to local government issuers with this amount of debt.

Factors that could lead to an upgrade

» An available fund balance ratio consistently closer to 30% of revenue

» Moderation in long-term liabilities to levels well below 200% of revenue

Factors that could lead to a downgrade

» An available fund balance ratio below 15% of revenue

» Substantial growth in long-term liabilities to levels exceeding 350% of revenue

Key indicators

Exhibit 1
Eden Prairie I.S.D. 272, MN

	2021	2022	2023	2024	Aa Medians
Economy					
Resident income	168.4%	168.4%	155.7%	N/A	118.5%
Full value ($000)	$11,505,960	$12,097,585	$13,699,386	$14,142,431	$4,184,901
Population	60,555	60,276	59,802	N/A	32,217
Full value per capita	$190,008	$200,703	$229,079	N/A	$123,578
Enrollment	8,606	8,861	8,939	8,963	4,143
Enrollment trend	-1.0%	-0.1%	0.4%	1.4%	-1.0%
Financial performance					
Operating revenue ($000)	$144,095	$145,269	$152,154	$170,332	$76,434
Available fund balance ($000)	$31,533	$29,620	$28,534	$30,414	$21,177
Net cash ($000)	$51,709	$51,553	$49,433	$52,282	$26,035
Available fund balance ratio	21.9%	20.4%	18.8%	17.9%	29.2%
Net cash ratio	35.9%	35.5%	32.5%	30.7%	35.9%
Leverage					
Debt ($000)	$105,194	$101,822	$110,276	$117,934	$52,318
ANPL ($000)	$416,532	$347,730	$272,132	$246,243	$107,625
OPEB ($000)	-$9,552	-$5,232	-$5,212	-$5,619	$8,874
Long-term liabilities ratio	355.4%	305.9%	247.9%	210.5%	301.4%
Implied debt service ($000)	$7,301	$7,378	$7,111	$7,660	$3,696
Pension tread water ($000)	$8,454	$6,126	$9,872	$9,620	$1,705
OPEB contributions ($000)	$0	$0	$0	$338	$363
Fixed-costs ratio	10.9%	9.3%	11.2%	10.3%	9.8%

For definitions of the metrics in the table above please refer to the US K-12 Public School Districts Methodology or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published K12 Median Report.
Sources: US Census Bureau, Eden Prairie I.S.D. 272, MN's financial statements and Moody's Ratings

Profile

Eden Prairie Independent School District 272, MN is situated in Hennepin County, about 20 miles southwest of the City of Minneapolis (Aaa stable) in the Twin Cities metropolitan area. The district currently provides kindergarten to twelfth grade education to around 9,000 students.

Detailed credit considerations

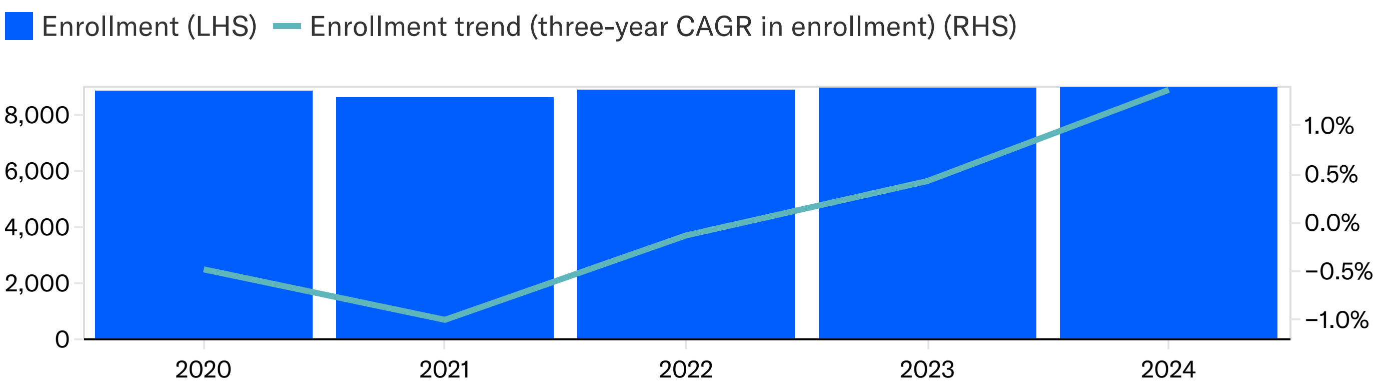
Eden Prairie ISD 272 has a stable financial position though the available fund balance ratio slightly trails peers. Voters approved an increase in the district's operating levy and renewal of the capital project levy for 10 years in 2022. The operating levy was increased by $260 per pupil and generates nearly $22 million in annual revenue, which will grow with inflation going forward. The district's affluent economic base benefits from its proximity to the Twin Cities metropolitan area, with modest commercial and various residential developments underway. Continued residential development within the district will be relatively limited because the district is mostly built out.

Enrollment has slightly rebounded to nearly 9,000 students following a long-term decline from its peak of about 10,400 students in the early 2000s. Recent improvements have been attributed to the district's online K-12 program as an alternate learning option for students from other districts. Management conservatively projects modest enrollment declines over the next several years driven by declining birthrates in Hennepin County, though it will be partially offset by the district's consistent open enrollment gains.

Fiscal 2025 (year-end June 30) is on track to close with a nearly $1.3 million decline across the district's operating funds, mainly because of growing expenses and capital improvements. Though the district's five-year forecast projects that unassigned reserves will moderately decline closer to its formal reserve target of 8% of expenditures by fiscal 2028, operating reserves will likely remain solid because of growing property tax revenue and conservative expenditure management. The district is in the process of issuing $9.6 million to finance facility maintenance projects in its ten-year facility plan, modestly raising leverage to above 210% of revenue. The district plans to issue an additional $5 million in 2027 to finance projects included its ten-year facility maintenance plan.

Economy

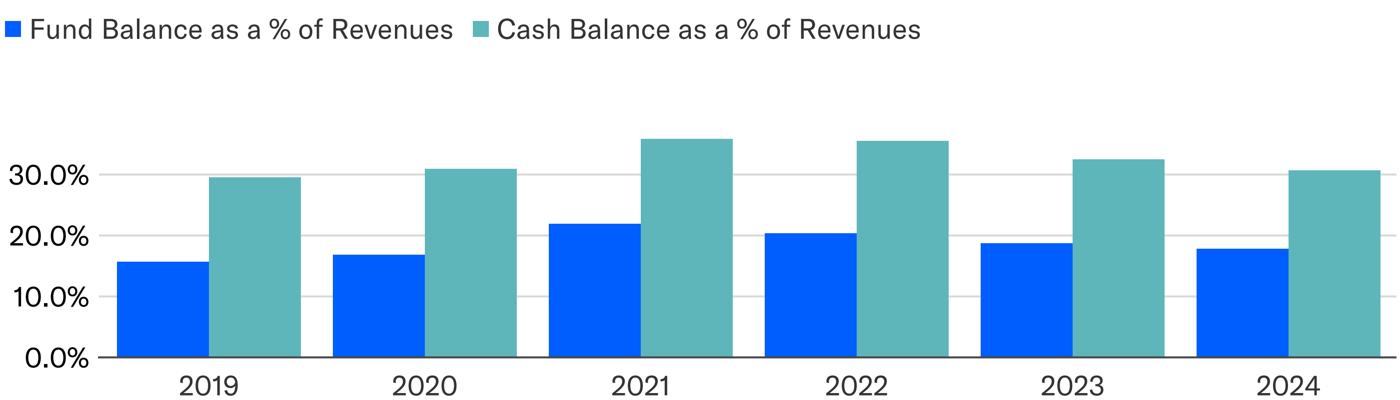
Exhibit 2
After reaching its peak, enrollment is projected to modestly decline over the next several years



Source: Moody's Ratings

Financial operations

Exhibit 3
Operating reserves projected to modestly decline over the next several years



Sources: Eden Prairie I.S.D. 272, MN's financial statements and Moody's Ratings

Leverage

Minnesota school districts' ANPLs are primarily attributable to their participation in the Teachers Retirement Association of Minnesota (TRA). Based on TRA's reporting, we expect Minnesota school districts' ANPLs to decline by about 8% in fiscal 2024. While results will vary across US public pension systems, we generally expect local governments' fiscal year 2025 ANPLs to fall by another 20% based on our aggregate estimates, due to rising interest rates and above-target investment returns in 2024. As of the TRA's fiscal 2023 reporting, government contributions in aggregate amounted to almost 10% of payroll, below our tread water indicator, which amounted to around 13% of payroll.

ESG considerations

Environmental

Environmental risks are factored into our assessment of the district's credit quality, but are not major drivers at this time.

Social

Social considerations such as wealth, income, and enrollment, are factors in the district's credit quality and are discussed in the detailed credit considerations.

Governance

Governance is a credit consideration for all local government issuers. The district has a formal fund balance policy of maintaining at least 8% of budgeted expenditures as unassigned general fund balance, which the district has exceeded. Transparency and disclosure practices are solid given the timely filing of audited financial statements and budgets. Additionally, district officials conduct financial variance reporting on a monthly basis.

Minnesota school districts have an Institutional Framework score [1] of A. The state controls the bulk of school district revenue through a per-pupil funding formula. The state has provided for regular annual increases in the funding formula for several years but has occasionally delayed disbursements. Districts can generate a moderate amount of additional locally determined revenue and can go to voters for additional revenue up to the standard referendum cap.

Rating methodology and scorecard factors

The US K-12 Public School Districts Methodology includes a scorecard, a tool providing a composite score of a school district's credit profile based on the weighted factors we consider most important, universal and measurable, as well as possible notching factors dependent on individual credit strengths and weaknesses. Its purpose is not to determine the final rating, but rather to provide a standard platform from which to analyze and compare school district credits.

Exhibit 4

Eden Prairie I.S.D. 272, MN

	Measure	Weight	Score
Economy			
Resident Income (MHI Adjusted for RPP / US MHI)	155.7%	10.0%	Aaa
Full value per capita (full valuation of the tax base / population)	236,488	10.0%	Aaa
Enrollment trend (three-year CAGR in enrollment)	1.4%	10.0%	Aa
Financial performance			
Available fund balance ratio (available fund balance / operating revenue)	17.9%	20.0%	Aa
Net cash ratio (net cash / operating revenue)	30.7%	10.0%	Aaa
Institutional framework			
Institutional Framework	A	10.0%	A
Leverage			
Long-term liabilities ratio ((debt + ANPL + adjusted net OPEB) / operating revenue)	212.9%	20.0%	Aa
Fixed-costs ratio (adjusted fixed costs / operating revenue)	10.3%	10.0%	Aaa
Notching factors			
No notchings applied			
Scorecard-Indicated Outcome			Aa2
Assigned Rating			**Aa2**

The complete list of outstanding ratings assigned to the Eden Prairie I.S.D. 272, MN is available on their issuer page. Details on the current ESG scores assigned to the Eden Prairie I.S.D. 272, MN are available on their ESGView page.

Sources: US Census Bureau, Eden Prairie I.S.D. 272, MN's financial statements and Moody's Ratings

Appendix

Exhibit 5
Key Indicators Glossary

	Definition	Typical Source*
Economy		
Resident income	Median Household Income (MHI), adjusted for Regional Price Parity (RPP), as a % of the US	MHI: American Community Survey (US Census Bureau) RPP: US Bureau of Economic Analysis
Full value ($000)	Estimated market value of taxable property accessible to the district	State repositories, district's audited financial reports, offering documents or continuing disclosure
Population	Population of school district	American Community Survey (US Census Bureau)
Full value per capita	Full value / population of school district	
Enrollment	Student enrollment of school district	State data publications
Enrollment trend	3-year Compound Annual Growth Rate (CAGR) of Enrollment	State data publications; Moody's Ratings
Financial performance		
Operating revenue ($000)	Total annual operating revenue in what we consider to be the district's operating funds	Audited financial statements
Available fund balance ($000)	Committed, assigned and unassigned fund balances in what we consider to be the district's operating funds	Audited financial statements
Net cash ($000)	Net cash (cash and liquid investments minus short-term debt) in what we consider to be the district's operating funds	Audited financial statements
Available fund balance ratio	Available fund balance / Operating Revenue	Audited financial statements
Net cash ratio	Net Cash / Operating Revenue	Audited financial statements
Leverage		
Debt ($000)	District's direct gross debt outstanding	Audited financial statements; official statements
ANPL ($000)	District's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
OPEB ($000)	District's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Long-term liabilities ratio	Debt, ANPL and OPEB liabilities as % of operating revenue	Audited financial statements, official statements; Moody's Ratings
Implied debt service ($000)	Annual cost to amortize district's long-term debt over 20 years with level payments	Audited financial statements; official statements; Moody's Ratings
Pension tread water ($000)	Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met	Audited financial statements; Moody's Ratings
OPEB contributions ($000s)	District's actual contribution in a given period, typically the fiscal year	Audited financial statements; official statements
Fixed-costs ratio	Implied debt service, pension tread water and OPEB contributions as % of operating revenue	Audited financial statements, official statements, pension system financial statements

*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the US K-12 Public School Districts Methodology.
Source: Moody's Ratings

Endnotes

1 The institutional framework score categorically assesses whether a district has the legal ability to raise the bulk of its operating revenue at the local level or if the state determines the bulk of its operating revenue. Beyond the local versus state categorization, the strength of the institutional framework score is a measure of the district's flexibility in raising additional locally determined operating revenue. See US K-12 Public School Districts Methodology for more details.

REPORT NUMBER 1441804

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454