July 15, 2026

SALE DAY REPORT FOR:

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

EHLERS
PUBLIC FINANCE ADVISORS

Prepared by:

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BUILDING COMMUNITIES. IT'S WHAT WE DO.

Competitive Sale Results

PURPOSE: To provide funds for the public purpose of financing the Public Utility Commission's construction of a new generation facility that will serve the City and supply additional power for SMMP.

RATING: S&P Global Ratings "A" / Stable

NUMBER OF BIDS: 5

LOW BIDDER: Piper Sandler & Co., Minneapolis, Minnesota

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

LOW BID:* 4.1593%

HIGH BID: 4.3438%

Summary of Sale Results:	
Principal Amount*:	$16,315,000
Underwriter's Discount:	$175,515
Reoffering Premium:	$551,336
True Interest Cost:	4.1657%
Costs of Issuance:	$145,740
Yield:	2.720%-4.50%
Total Net P&I	$24,503,169

NOTES: Zions Bancorporation, National Association, Chicago, Illinois will serve as Paying Agent on the Bonds.

The Bonds maturing December 1, 2036 and thereafter are callable December 1, 2035 or any date thereafter.

* Subsequent to bid opening, the issue size was decreased to $16,315,000 from $16,955,000.

CLOSING DATE:	August 6, 2026
DESIGNATED OFFICIAL ACTION:	Award the sale of $16,315,000 Electric Revenue Bonds, Series 2026A. Adopt a resolution awarding the sale of $16,315,000 Electric Revenue Bonds, Series 2026A.

SUPPLEMENTARY ATTACHMENTS

- Bid Tabulation
- Sources and Uses of Funds
- Updated Debt Service Schedules
- Rating Report

BID TABULATION

$16,955,000* Electric Revenue Bonds, Series 2026A

City of New Prague, Minnesota

SALE: July 15, 2026

AWARD: PIPER SANDLER & CO.

Rating: S&P Global Ratings "A" / Stable

Tax Exempt - Non-Bank Qualified

NAME OF INSTITUTION	MATURITY (December 1)	COUPON RATE	REOFFERING YIELD	PRICE	TRUE INTEREST RATE
PIPER SANDLER & CO.				$17,363,731.95	4.1593%
Minneapolis, Minnesota	2028	5.000%	2.720%		
	2029	5.000%	2.820%		
	2030	5.000%	2.900%		
	2031	5.000%	3.000%		
	2032	5.000%	3.100%		
	2033	5.000%	3.190%		
	2034	5.000%	3.340%		
	2035	5.000%	3.430%		
	2036	5.000%	3.510%		
	2037	5.000%	3.600%		
	2038	5.000%	3.670%		
	2039	5.000%	3.750%		
	2040	4.000%	4.000%		
	2041	4.000%	4.050%		
	2042	4.000%	4.100%		
	2043	4.000%	4.150%		
	2044	4.125%	4.250%		
	2045	4.125%	4.300%		
	2046	4.250%	4.450%		
	2047	4.250%	4.500%		
BAIRD					4.1741%
Milwaukee, Wisconsin					

* Subsequent to bid opening the issue size was decreased to $16,315,000.
Adjusted Price: $16,690,820.46 Adjusted Net Interest Cost: $9,653,248.55 Adjusted TIC: 4.1657%

NAME OF INSTITUTION	TRUE INTEREST RATE
KEYBANC CAPITAL MARKETS INCORPORATED Cleveland, Ohio	4.2460%
HILLTOPSECURITIES Dallas, Texas	4.2572%
R. SEELAUS & COMPANY, INC. Summit, New Jersey	4.3438%

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

Sources & Uses

Dated 08/06/2026 | Delivered 08/06/2026

Sources Of Funds

Par Amount of Bonds	$16,315,000.00
Reoffering Premium	551,335.65
Total Sources	**$16,866,335.65**

Uses Of Funds

Total Underwriter's Discount (1.076%)	175,515.19
Costs of Issuance	145,740.00
Deposit to Debt Service Reserve Fund (DSRF)	1,544,603.39
Deposit to Project Construction Fund	15,000,477.07
Total Uses	**$16,866,335.65**

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/06/2026	-	-	-	-	-
06/01/2027	-	-	603,515.71	603,515.71	-
12/01/2027	-	-	368,246.88	368,246.88	971,762.59
06/01/2028	-	-	368,246.88	368,246.88	-
12/01/2028	455,000.00	5.000%	368,246.88	823,246.88	1,191,493.76
06/01/2029	-	-	356,871.88	356,871.88	-
12/01/2029	475,000.00	5.000%	356,871.88	831,871.88	1,188,743.76
06/01/2030	-	-	344,996.88	344,996.88	-
12/01/2030	500,000.00	5.000%	344,996.88	844,996.88	1,189,993.76
06/01/2031	-	-	332,496.88	332,496.88	-
12/01/2031	525,000.00	5.000%	332,496.88	857,496.88	1,189,993.76
06/01/2032	-	-	319,371.88	319,371.88	-
12/01/2032	555,000.00	5.000%	319,371.88	874,371.88	1,193,743.76
06/01/2033	-	-	305,496.88	305,496.88	-
12/01/2033	580,000.00	5.000%	305,496.88	885,496.88	1,190,993.76
06/01/2034	-	-	290,996.88	290,996.88	-
12/01/2034	610,000.00	5.000%	290,996.88	900,996.88	1,191,993.76
06/01/2035	-	-	275,746.88	275,746.88	-
12/01/2035	640,000.00	5.000%	275,746.88	915,746.88	1,191,493.76
06/01/2036	-	-	259,746.88	259,746.88	-
12/01/2036	670,000.00	5.000%	259,746.88	929,746.88	1,189,493.76
06/01/2037	-	-	242,996.88	242,996.88	-
12/01/2037	705,000.00	5.000%	242,996.88	947,996.88	1,190,993.76
06/01/2038	-	-	225,371.88	225,371.88	-
12/01/2038	740,000.00	5.000%	225,371.88	965,371.88	1,190,743.76
06/01/2039	-	-	206,871.88	206,871.88	-
12/01/2039	775,000.00	5.000%	206,871.88	981,871.88	1,188,743.76
06/01/2040	-	-	187,496.88	187,496.88	-
12/01/2040	815,000.00	4.000%	187,496.88	1,002,496.88	1,189,993.76
06/01/2041	-	-	171,196.88	171,196.88	-
12/01/2041	850,000.00	4.000%	171,196.88	1,021,196.88	1,192,393.76
06/01/2042	-	-	154,196.88	154,196.88	-
12/01/2042	885,000.00	4.000%	154,196.88	1,039,196.88	1,193,393.76
06/01/2043	-	-	136,496.88	136,496.88	-
12/01/2043	920,000.00	4.000%	136,496.88	1,056,496.88	1,192,993.76
06/01/2044	-	-	118,096.88	118,096.88	-
12/01/2044	955,000.00	4.125%	118,096.88	1,073,096.88	1,191,193.76
06/01/2045	-	-	98,400.00	98,400.00	-
12/01/2045	1,000,000.00	4.125%	98,400.00	1,098,400.00	1,196,800.00
06/01/2046	-	-	77,775.00	77,775.00	-
12/01/2046	1,035,000.00	4.250%	77,775.00	1,112,775.00	1,190,550.00
06/01/2047	-	-	55,781.25	55,781.25	-
12/01/2047	2,625,000.00	4.250%	55,781.25	2,680,781.25	2,736,562.50
Total	**$16,315,000.00**	**-**	**$10,029,069.01**	**$26,344,069.01**	**-**

Yield Statistics

Bond Year Dollars	$229,586.74
Average Life	14.072 Years
Average Coupon	4.3683138%
Net Interest Cost (NIC)	4.2046194%
True Interest Cost (TIC)	4.1657887%
Bond Yield for Arbitrage Purposes	4.0349244%
All Inclusive Cost (AIC)	4.2663796%

IRS Form 8038

Net Interest Cost	4.0791097%
Weighted Average Maturity	13.776 Years

City of New Prague, Minnesota

$16,315,000 Electric Revenue Bonds, Series 2026A

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Trustee Fee	DSR	Net New D/S	Fiscal Total
08/06/2026	-	-	-	-	-	-	-	-
12/01/2026	-	-	-	-	1,500.00	(4,929.71)	(3,429.71)	(3,429.71)
06/01/2027	-	-	603,515.71	603,515.71	-	(7,723.02)	595,792.69	-
12/01/2027	-	-	368,246.88	368,246.88	1,500.00	(7,723.02)	362,023.86	957,816.55
06/01/2028	-	-	368,246.88	368,246.88	-	(7,723.02)	360,523.86	-
12/01/2028	455,000.00	5.000%	368,246.88	823,246.88	1,500.00	(7,723.02)	817,023.86	1,177,547.72
06/01/2029	-	-	356,871.88	356,871.88	-	(7,723.02)	349,148.86	-
12/01/2029	475,000.00	5.000%	356,871.88	831,871.88	1,500.00	(7,723.02)	825,648.86	1,174,797.72
06/01/2030	-	-	344,996.88	344,996.88	-	(7,723.02)	337,273.86	-
12/01/2030	500,000.00	5.000%	344,996.88	844,996.88	1,500.00	(7,723.02)	838,773.86	1,176,047.72
06/01/2031	-	-	332,496.88	332,496.88	-	(7,723.02)	324,773.86	-
12/01/2031	525,000.00	5.000%	332,496.88	857,496.88	1,500.00	(7,723.02)	851,273.86	1,176,047.72
06/01/2032	-	-	319,371.88	319,371.88	-	(7,723.02)	311,648.86	-
12/01/2032	555,000.00	5.000%	319,371.88	874,371.88	1,500.00	(7,723.02)	868,148.86	1,179,797.72
06/01/2033	-	-	305,496.88	305,496.88	-	(7,723.02)	297,773.86	-
12/01/2033	580,000.00	5.000%	305,496.88	885,496.88	1,500.00	(7,723.02)	879,273.86	1,177,047.72
06/01/2034	-	-	290,996.88	290,996.88	-	(7,723.02)	283,273.86	-
12/01/2034	610,000.00	5.000%	290,996.88	900,996.88	1,500.00	(7,723.02)	894,773.86	1,178,047.72
06/01/2035	-	-	275,746.88	275,746.88	-	(7,723.02)	268,023.86	-
12/01/2035	640,000.00	5.000%	275,746.88	915,746.88	1,500.00	(7,723.02)	909,523.86	1,177,547.72
06/01/2036	-	-	259,746.88	259,746.88	-	(7,723.02)	252,023.86	-
12/01/2036	670,000.00	5.000%	259,746.88	929,746.88	1,500.00	(7,723.02)	923,523.86	1,175,547.72
06/01/2037	-	-	242,996.88	242,996.88	-	(7,723.02)	235,273.86	-
12/01/2037	705,000.00	5.000%	242,996.88	947,996.88	1,500.00	(7,723.02)	941,773.86	1,177,047.72
06/01/2038	-	-	225,371.88	225,371.88	-	(7,723.02)	217,648.86	-
12/01/2038	740,000.00	5.000%	225,371.88	965,371.88	1,500.00	(7,723.02)	959,148.86	1,176,797.72
06/01/2039	-	-	206,871.88	206,871.88	-	(7,723.02)	199,148.86	-
12/01/2039	775,000.00	5.000%	206,871.88	981,871.88	1,500.00	(7,723.02)	975,648.86	1,174,797.72
06/01/2040	-	-	187,496.88	187,496.88	-	(7,723.02)	179,773.86	-
12/01/2040	815,000.00	4.000%	187,496.88	1,002,496.88	1,500.00	(7,723.02)	996,273.86	1,176,047.72
06/01/2041	-	-	171,196.88	171,196.88	-	(7,723.02)	163,473.86	-
12/01/2041	850,000.00	4.000%	171,196.88	1,021,196.88	1,500.00	(7,723.02)	1,014,973.86	1,178,447.72
06/01/2042	-	-	154,196.88	154,196.88	-	(7,723.02)	146,473.86	-
12/01/2042	885,000.00	4.000%	154,196.88	1,039,196.88	1,500.00	(7,723.02)	1,032,973.86	1,179,447.72
06/01/2043	-	-	136,496.88	136,496.88	-	(7,723.02)	128,773.86	-
12/01/2043	920,000.00	4.000%	136,496.88	1,056,496.88	1,500.00	(7,723.02)	1,050,273.86	1,179,047.72
06/01/2044	-	-	118,096.88	118,096.88	-	(7,723.02)	110,373.86	-
12/01/2044	955,000.00	4.125%	118,096.88	1,073,096.88	1,500.00	(7,723.02)	1,066,873.86	1,177,247.72
06/01/2045	-	-	98,400.00	98,400.00	-	(7,723.02)	90,676.98	-
12/01/2045	1,000,000.00	4.125%	98,400.00	1,098,400.00	1,500.00	(7,723.02)	1,092,176.98	1,182,853.96
06/01/2046	-	-	77,775.00	77,775.00	-	(7,723.02)	70,051.98	-
12/01/2046	1,035,000.00	4.250%	77,775.00	1,112,775.00	1,500.00	(7,723.02)	1,106,551.98	1,176,603.96
06/01/2047	-	-	55,781.25	55,781.25	-	(7,723.02)	48,058.23	-
12/01/2047	2,625,000.00	4.250%	55,781.25	2,680,781.25	1,500.00	(1,552,326.41)	1,129,954.84	1,178,013.07
Total	**$16,315,000.00**	**-**	**$10,029,069.01**	**$26,344,069.01**	**$33,000.00**	**(1,873,899.94)**	**$24,503,169.07**	**-**

Significant Dates

Dated	8/06/2026
First available call date	12/01/2035

S&P Global Ratings

RatingsDirect®

Research Update:

New Prague, MN Series 2026A Electric Revenue Bonds Assigned 'A' Rating; Outlook Stable

July 9, 2026

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Overview

- S&P Global Ratings assigned its ‘A’ long-term rating to **New Prague** (New Prague or the utility), Minnesota’s $16.955 million series 2026A electric revenue bonds.
- The outlook is stable.

Rationale

Security

Net revenues of New Prague’s electric utility are pledged to the repayment of the bonds. Bond provisions include a rate covenant to produce net revenues at 150% of maximum annual debt service and an additional bonds test of 125%. The electric utility did not have any debt outstanding as of fiscal year-end 2025. No additional electric revenue debt is planned.

The bonds are issued for the buildout of an approximately 12 megawatt (MW) diesel peaking station, slated for commercial operation in early 2028. The capacity and energy will be made available exclusively to New Prague’s wholesale energy provider, Southern Minnesota Municipal Power Agency (SMMPA). under a separate contract that extends through the life of the bonds with opportunity for additional extension. Under the agreement, SMMPA’s annual capacity and energy repayments to New Prague closely follow the annual debt service of the bonds.

Credit highlights

The rating reflects our opinion of management practices that we believe are credit supportive and will contribute to robust coverage throughout the repayment of the debt service. The utility produces annual budgets and reviews budget to actual results monthly, which assists in mitigating sudden unbudgeted expenses. Additionally, the utility produces five-year rate studies and long-range capital plans that assist in long-term financial continuity.

While New Prague will be the owner of the diesel peaker and bear the cost of standard system maintenance, SMMPA will pay capacity and energy charges in step with the debt service schedule. New Prague is exposed to stranded asset risk, considering that SMMPA is not obligated to make capacity payments until the plant is operational and receives its capacity accreditation. If capacity is materially diminished or unavailable for prolonged periods of time, SMMPA can compel an adjustment to lower its payment obligations to New Prague. Despite the potential for lower revenue from SMMPA, our calculations show that New Prague could fully cover debt service with native revenues if SMMPA's contracted payments are decreased or eliminated. Our opinion of execution and stranded asset risk is alleviated somewhat by New Prague maintaining several insurance policies for the build, which it will maintain once the plant is operational. Most critical equipment has already been secured under vendor contracts, somewhat alleviating the risk of cost overruns.

While New Prague has not provided a financial forecast for the repayment of the bonds, our internal calculations--which conservatively assume no revenue growth from audited 2025--show our fixed charge coverage (FCC), which treats some fixed charges as debt-like, should remain well above 1.5x through 2030. This is further supported by the bond covenant requirement to produce debt service coverage above 1.5x, which we consider robust.

Because of the high unpredictability of federal policy--along with the economy's stressors and the associated financial pressures consumers are facing--we are monitoring the strength and stability of utilities' revenue streams for evidence of delinquent payments or other revenue erosion. (See "Economic Outlook U.S. Q3 2026: Resilient to Layered Supply Shocks," June 24, 2026.)

The rating further reflects our view of the utility's:

- Modestly growing yet relatively small customer base (approximately 2% annual demand growth) with robust median household incomes that were 124% of the national average in 2024;
- Delinquencies are manageable at 4% of accounts, and annual bad debt expense is negligible, indicating the customer base is able to pay bills;
- Almost all the power lines are underground, mitigating physical environmental risk of asset damage or prolonged outages due to storms or winter conditions; and
- Full requirements contract with SMMPA through 2050 that alleviates the need for New Prague to procure energy directly.

Partially offsetting the above strengths, in our view, are the following factors:

- We consider weighted rates elevated at 118% of that of the state. This might challenge the utility's ability to pass large rate increases. Historically, the utility has maintained robust FCC with minimal rate increases of 2% annually.
- The utility lacks financial forecasts that could better inform anticipated coverage and lacks established liquidity targets.
- There is no codified liquidity target, but management does not anticipate major cash draws to current liquidity.
- SMMPA is in the midst of a power portfolio transition in anticipation of the retirement of its largest baseload energy asset and coinciding exit of SMMPA's largest member in 2030. These changes could cause SMMPA to make large rate increases that New Prague could be challenged in passing on to its customer base.

Outlook

The stable outlook reflects our opinion that New Prague will continue to raise rates as needed to produce healthy FCC and that SMMPA will continue to make capacity payments once the generating unit is operational.

Downside scenario

We could lower the rating if certain contract conditions allow SMMPA to pay less than anticipated capacity and energy charges, resulting in consistently weaker FCC.

Upside scenario

Given the elevated construction risk that the electric utility is exposed to through the buildout of the project, we are unlikely to consider a rating upgrade until the project is fully commercial. The limited size of the service economy and SMMPA's anticipated decarbonization efforts could pressure financial metrics.

New Prague Electric Utility, Minnesota--key credit metrics

	--Fiscal year ended Dec. 31--		
	2025	**2024**	**2023**
Operational metrics			
Electric customer accounts	3,766	3,726	3,757
% of electric retail revenues from residential customers	N.A.	N.A.	N.A.
Top 10 electric customers' revenues as % of total electric operating revenue	30	N.A.	N.A.
Service area median household effective buying income as % of U.S.	N.A.	124	127
Weighted average retail electric rate as % of state	N.A.	118	N.A.
Financial metrics			
Gross revenues ($000s)	11,223	10,890	10,369
Total operating expenses less depreciation and amortization ($000s)	8,974	8,968	8,706
Debt service ($000s)	3	9	5
Debt service coverage (x)	749.7	213.6	332.6
Fixed-charge coverage (x)	2.1	2.0	1.8
Total available liquidity ($000s)*	5,350	4,930	3,611
Days' liquidity	217	200	151
Total on-balance-sheet debt ($000s)	0	0	0
Debt-to-capitalization (%)	0	0	0

*Total available liquidity includes available committed credit line balances, where applicable. Debt service coverage--Revenues minus expenses divided by debt service. Fixed-charge coverage--Sum of revenues minus expenses minus total net transfers out plus capacity payments (or their proxy), divided by the sum of debt service plus capacity payments (or their proxy). N.A.--Not available.

Ratings List	
New Issue Ratings	
US$16,955,000 City of New Prague, Minnesota, Electric Revenue Bonds, Series 2026A, dated: Date of Delivery, due: December 1, 2047	
Long Term Rating	A/Stable
New Rating	
Public Power	
New Prague, MN Retail Electric System Revenues	A/Stable

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.