

CREDIT OPINION

30 July 2020

 Rate this Research

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Columbus (City of) MN

Update to credit analysis

Summary

The city of [Columbus, MN](#) (A1) benefits from a favorable location within the Twin Cities metropolitan area, with strong wealth and income levels. Operations are small in scale, however, the city has healthy finances with very strong reserve levels and liquidity. The city's challenges include an above average debt burden and elevated fixed costs. Pension liabilities are modest.

We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety. We do not see any material immediate credit risks for Columbus. However, the situation surrounding coronavirus is rapidly evolving and the longer term impact will depend on both the severity and duration of the crisis. If our view of the credit quality of Columbus changes, we will update our opinion at that time.

Credit strengths

- » Close proximity to employment centers in the Twin Cities metropolitan area
- » Above-average wealth and income profile
- » Strong operating reserves and liquidity

Credit challenges

- » Above average debt burden and high fixed costs

Rating outlook

Moody's does not typically assign outlooks to local governments with this amount of debt.

Factors that could lead to an upgrade

- » Significant and sustained tax base growth
- » Material reduction in fixed costs, particularly debt service

Factors that could lead to a downgrade

- » Growth in debt or pension burdens

THIS REPORT WAS REPUBLISHED ON JULY 30, 2020 WITH A CORRECTION TO THE 2018 PENSION CONTRIBUTION.

- » Material decline in operating reserves and/or available liquidity
- » Sustained contraction of the city's tax base and decline in resident wealth and incomes

Key indicators

Exhibit 1

Columbus (City of) MN	2014	2015	2016	2017	2018
Economy/Tax Base					
Total Full Value (\$000)	\$459,529	\$495,523	\$528,588	\$540,875	\$588,565
Population	3,978	4,004	3,980	4,009	4,037
Full Value Per Capita	\$115,518	\$123,757	\$132,811	\$134,915	\$145,793
Median Family Income (% of US Median)	141.5%	141.5%	124.6%	130.0%	133.0%
Finances					
Operating Revenue (\$000)	\$3,415	\$3,345	\$3,656	\$3,706	\$5,322
Fund Balance (\$000)	\$3,145	\$2,841	\$3,542	\$3,849	\$4,115
Cash Balance (\$000)	\$4,094	\$3,868	\$4,581	\$4,985	\$7,522
Fund Balance as a % of Revenues	92.1%	84.9%	96.9%	103.9%	77.3%
Cash Balance as a % of Revenues	119.9%	115.6%	125.3%	134.5%	141.3%
Debt/Pensions					
Net Direct Debt (\$000)	\$13,041	\$12,064	\$11,164	\$10,164	\$10,816
3-Year Average of Moody's ANPL (\$000)	\$1,479	\$1,354	\$1,489	\$1,500	\$1,548
Net Direct Debt / Full Value (%)	2.8%	2.4%	2.1%	1.9%	1.8%
Net Direct Debt / Operating Revenues (x)	3.8x	3.6x	3.1x	2.7x	2.0x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	0.3%	0.3%	0.3%	0.3%	0.3%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	0.4x	0.4x	0.4x	0.4x	0.3x

Sources: Moody's Investors Service; Columbus' audited financial statements; US Census Bureau

Profile

The city of Columbus is located in the eastern part of [Anoka County](#) (Aa1), approximately 25 miles north of the [Minneapolis](#) (Aa1 stable) -[St. Paul](#) (Aa1 stable) metropolitan area, and covers an area of approximately 47.8 square miles. The city provides municipal services to a population of over 4,000 residents.

Detailed credit considerations

Economy and tax base: modest and growing tax base favorably located in the Twin Cities metropolitan area

The coronavirus is driving an unprecedented economic slowdown. We currently forecast US GDP to decline significantly during 2020 with a gradual recovery commencing toward the end of the year. Local governments with the highest exposure to the tourism, healthcare, retail, oil and gas and international trade sectors could suffer particularly severe impacts.

While the coronavirus will lead to some temporary disruptions, the city is favorably located within the Twin Cities metropolitan area, providing residents with a wide array of employment opportunities. This will help mitigate some of these pressures. Fully valued at \$650 million, the city's tax base has grown at an average rate 7.2% over the last five years. As of now, management reports that development is still continuing, however the coronavirus situation is rapidly evolving and the longer-term impact will depend on both the severity and duration of the crisis.

The largest employers in the region are the Independent School District 831, employing 1,050, Running Aces Harness Park, a horse racing track, with 550 employees, and Walmart with 500 employees. Taxpayer concentration is relatively diverse at 12.8% of assessed value. Median family income in the city is 133% of the US median. In May 2020, as a result of the pandemic, unemployment in Anoka County surged to 10%, still lower than the national rate at 13%.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

Financial operations and reserves: small scale of operations with very strong reserves and liquidity

We expect the city's financial position to remain healthy, due to conservative budgeting practices and strong reserve and liquidity levels. The city ended fiscal 2018 with a \$370,000 surplus in the general fund, resulting in a \$2.5 million available fund balance or 165% of revenues. Across the city's major operating funds (General, Blacktop Maintenance Special Revenue, Public Works Special Revenue, Public Safety Special Revenue, Debt Service), the available fund balance stood at \$4.1 million, representing 77% of revenues. The city has a total of \$877,000 in inter-fund receivables for advances for capital purposes to the city's EDA Quad bond reserve fund, water fund, and transportation fund. Management has put in place a plan to repay the inter-fund loans between the General Fund and the city's various funds within the next three years.

In response to the coronavirus, some employees are working remotely, however, the majority have continued to work in the city's offices. Management reports additional costs have been minimal, as have revenues losses. For fiscal 2019, unaudited results reflect a \$141,000 surplus in the general fund, driven by conservative budgeting practices. For fiscal 2020, the city's budget reflects balanced operations.

The largest revenue source for the city is property taxes, which comprised 51% of fiscal 2018 operating revenues, followed by special assessments, which accounted for 19.7%.

Liquidity

The city's available liquidity is strong. Net cash across the city's major operating funds stood at \$7.5 million, 141% of operating fund revenues at the close of fiscal 2018.

Debt and pensions: above average debt burden with high fixed costs, modest pension liabilities

The city's leverage related to long-term debt is above average, while pension liabilities are modest. Inclusive of a planned GO borrowing in August 2020, the city has \$8.6 million in outstanding debt, equal to 1.3% of full value and 1.6x operating revenue. Future borrowing plans include \$2.2 million over the next one to three years for road and infrastructure projects. The city's adjusted net pension liability (ANPL), based on a 4.14% discount rate, totals \$1.4 million while the three year average totals \$1.5 million, equal to 0.3% of full value and 0.3x operating revenue.

The city's total fixed costs, inclusive of debt service and pension contributions, were 28% of operating revenues, an elevated figure for the sector.

Legal security

The city's GO bonds are secured by the city's full faith and credit pledge and the authority to levy a dedicated property tax unlimited as to rate and amount. The security benefits from a statutory lien.

Debt structure

All of the city's outstanding debt is fixed-rate and amortizes over the long-term, with 71% of GO principal retired within ten years.

Debt-related derivatives

The city is not party to any interest rate swaps or other derivative agreements.

Pensions and OPEB

The city participates in two multiple-employer cost-sharing plans, the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF). Minnesota statutes establish local government retirement contributions as a share of annual payroll. The 2019 employer contribution rates were set at 7.5% of payroll for GERF and at 16.95% of payroll for PEPFF. The city's total fiscal 2018 pension contribution was \$38,000, or 0.7% of operating revenue.

Statutory contribution levels have historically not kept pace with growing unfunded liabilities in state-wide pension plans. Contributions to both PEPFF and GERF from all participating governments in aggregate, however, exceeded 100% of each plan's "tread water" indicator in 2019¹. The state of Minnesota approved legislation in 2018 that will modify benefits and modestly increase contributions for some pension plans. Employer contributions from cities to the police and fire plan, for example, will modestly increase to 17.7% by 2020 from the previous rate of 16.2% in 2018. Because employer contributions will not rise significantly, cities are unlikely to contend with material budget strain from the increases. The city does not offer other post-employment benefits (OPEB) to its employees.

ESG considerations

Environmental

Environmental considerations are a modest factor in the city's credit profile at this time. According to data of Moody's affiliate, Four Twenty Seven, Columbus, MN is located in an area at low risk for heat stress. The firm measures heat stress as the relative change in both the frequency and severity of hot days, as well as average temperature. The biggest impact of heat exposure for most Midwest issuers will be to agriculture based economies.

Social

We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety. Social considerations impact the city's credit profile. Columbus MN's favorable location in the Twin Cities metropolitan area bolsters its economic profile as detailed in the Economy and Tax Base section. Overall city demographics are above average, and unemployment rates are on par with the state and medians.

Governance

The city's management is strong as evidenced by healthy financial operations and conservative budgeting.

Minnesota cities have an Institutional Framework score of "Aa", which is strong. The sector has one or more major revenue sources that are not subject to any caps. Revenues tend to be predictable, as cities rely primarily on property taxes and state Local Government Aid (LGA), which is distributed based on demographic and tax base factors. Revenue-raising flexibility is moderate as cities generally benefit from unlimited levying authority, except during years in which the state has imposed limits. Levy limits are not currently in place for cities. Across the sector, fixed and mandated costs are relatively high. Expenditures mostly consist of personnel costs, which are highly predictable.

Rating methodology and scorecard factors

The US Local Government General Obligation Debt methodology includes a scorecard, a tool providing a composite score of a local government'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 local government credits.

Exhibit 2

Columbus (City of) MN		
Scorecard Factors and Subfactors	Measure	Score
Economy/Tax Base (30%) [1]		
Tax Base Size: Full Value (in 000s)	\$649,956	A
Full Value Per Capita	\$161,000	Aaa
Median Family Income (% of US Median)	133.0%	Aa
Finances (30%)		
Fund Balance as a % of Revenues	77.3%	Aaa
5-Year Dollar Change in Fund Balance as % of Revenues	-22.6%	B & Below
Cash Balance as a % of Revenues	141.3%	Aaa
5-Year Dollar Change in Cash Balance as % of Revenues	28.4%	Aaa
Notching Factors:[2]		
Outsized Enterprise or Contingent Liability Risk		Down
Other Scorecard Adjustment Related to Finances: Small scale of operations		Down
Management (20%)		
Institutional Framework	Aa	Aa
Operating History: 5-Year Average of Operating Revenues / Operating Expenditures	0.9x	Ba
Debt and Pensions (20%)		
Net Direct Debt / Full Value (%)	1.3%	Aa
Net Direct Debt / Operating Revenues (x)	1.6x	A
3-Year Average of Moody's Adjusted Net Pension Liability / Full Value (%)	0.2%	Aaa
3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues (x)	0.3x	Aaa
Notching Factors:[2]		
Other Scorecard Adjustment Related to Debt/Pensions: Elevated fixed costs		Down
Standardized Adjustments [3]: Unusually strong or weak security features: Secured by statute		Up
	Scorecard-Indicated Outcome	Aa3
	Assigned Rating	A1

[1] Economy measures are based on data from the most recent year available.

[2] Notching Factors are specifically defined in the US Local Government General Obligation Debt methodology.

[3] Standardized adjustments are outlined in the GO Methodology Scorecard Inputs publication.

Source: Moody's Investors Service; Columbus' audited financial statements; US Census Bureau

Endnotes

- Employer contributions that tread water equal the sum of current year service cost and interest on reported net pension liabilities at the start of the year, using reported assumptions. If plan assumptions are met exactly, contributions equal to the tread water indicator will prevent the reported net pension liabilities from growing

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City of Columbus, Minnesota
\$3,640,000 Taxable General Obligation Tax Abatement Refunding Bonds,
Series 2020A

Bond Sale Summary
August 6, 2020

PURPOSE: Crossover refund the City's Taxable General Obligation Tax Abatement Bonds, Series 2015A.

FINANCE PLAN: The Bonds were structured to result in relatively level annual debt service savings over the life of the Bonds, which preserves the original structure of the 2015A Bonds.

RATING: The City's rating of "A1" was affirmed by Moody's Investors Service.

RESULTS:

	Final Results on <u>08/06/20</u>	Finance Plan on <u>06/10/20</u>
Par Amount	\$ 3,640,000	\$ 3,650,000
Average Coupon	1.65%	2.21%
True Interest Cost (TIC)	1.85%	2.41%
All Inclusive Cost (AIC)	1.93%	2.51%
2015A Savings (\$)	\$ 459,523	\$ 288,003
2015A Savings (PV%)	8.79%	4.88%



EXHIBIT A - SOURCES AND USES

Sources Of Funds

Par Amount of Bonds	\$3,640,000.00
Planned Issuer Equity contribution	250,000.00

Total Sources **\$3,890,000.00**

Uses Of Funds

Total Underwriter's Discount (1.960%)	71,344.00
Costs of Issuance	26,750.00
Deposit to Crossover Escrow Fund	3,791,507.77
Rounding Amount	398.23

Total Uses **\$3,890,000.00**



EXHIBIT B -DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/16/2020	-	-	-	-	-
02/01/2021	-	-	20,131.88	20,131.88	20,131.88
08/01/2021	-	-	26,842.50	26,842.50	-
02/01/2022	-	-	26,842.50	26,842.50	53,685.00
08/01/2022	-	-	26,842.50	26,842.50	-
02/01/2023	-	-	26,842.50	26,842.50	53,685.00
08/01/2023	-	-	26,842.50	26,842.50	-
02/01/2024	195,000.00	0.500%	26,842.50	221,842.50	248,685.00
08/01/2024	-	-	26,355.00	26,355.00	-
02/01/2025	205,000.00	0.650%	26,355.00	231,355.00	257,710.00
08/01/2025	-	-	25,688.75	25,688.75	-
02/01/2026	220,000.00	0.850%	25,688.75	245,688.75	271,377.50
08/01/2026	-	-	24,753.75	24,753.75	-
02/01/2027	235,000.00	1.000%	24,753.75	259,753.75	284,507.50
08/01/2027	-	-	23,578.75	23,578.75	-
02/01/2028	250,000.00	1.150%	23,578.75	273,578.75	297,157.50
08/01/2028	-	-	22,141.25	22,141.25	-
02/01/2029	260,000.00	1.300%	22,141.25	282,141.25	304,282.50
08/01/2029	-	-	20,451.25	20,451.25	-
02/01/2030	275,000.00	1.450%	20,451.25	295,451.25	315,902.50
08/01/2030	-	-	18,457.50	18,457.50	-
02/01/2031	295,000.00	1.600%	18,457.50	313,457.50	331,915.00
08/01/2031	-	-	16,097.50	16,097.50	-
02/01/2032	305,000.00	1.700%	16,097.50	321,097.50	337,195.00
08/01/2032	-	-	13,505.00	13,505.00	-
02/01/2033	325,000.00	1.800%	13,505.00	338,505.00	352,010.00
08/01/2033	-	-	10,580.00	10,580.00	-
02/01/2034	340,000.00	1.900%	10,580.00	350,580.00	361,160.00
08/01/2034	-	-	7,350.00	7,350.00	-
02/01/2035	360,000.00	2.000%	7,350.00	367,350.00	374,700.00
08/01/2035	-	-	3,750.00	3,750.00	-
02/01/2036	375,000.00	2.000%	3,750.00	378,750.00	382,500.00
Total	\$3,640,000.00	-	\$606,604.38	\$4,246,604.38	-

Date And Term Structure

Dated	9/16/2020
Delivery Date	9/16/2020
First available call date	2/01/2028
Call Price	100.000%

Yield Statistics

Bond Year Dollars	\$36,875.00
Average Life	10.130 Years
Average Coupon	1.6450288%

Net Interest Cost (NIC)	1.8385041%
True Interest Cost (TIC)	1.8492110%
All Inclusive Cost (AIC)	1.9308925%



EXHIBIT C - PRICING SUMMARY

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2024	Serial Coupon	0.500%	0.500%	195,000.00	100.000%	195,000.00
02/01/2025	Serial Coupon	0.650%	0.650%	205,000.00	100.000%	205,000.00
02/01/2026	Serial Coupon	0.850%	0.850%	220,000.00	100.000%	220,000.00
02/01/2027	Serial Coupon	1.000%	1.000%	235,000.00	100.000%	235,000.00
02/01/2028	Serial Coupon	1.150%	1.150%	250,000.00	100.000%	250,000.00
02/01/2029	Serial Coupon	1.300%	1.300%	260,000.00	100.000%	260,000.00
02/01/2030	Serial Coupon	1.450%	1.450%	275,000.00	100.000%	275,000.00
02/01/2031	Serial Coupon	1.600%	1.600%	295,000.00	100.000%	295,000.00
02/01/2032	Serial Coupon	1.700%	1.700%	305,000.00	100.000%	305,000.00
02/01/2033	Serial Coupon	1.800%	1.800%	325,000.00	100.000%	325,000.00
02/01/2034	Serial Coupon	1.900%	1.900%	340,000.00	100.000%	340,000.00
02/01/2036	Term 1 Coupon	2.000%	2.000%	735,000.00	100.000%	735,000.00
Total	-	-	-	\$3,640,000.00	-	\$3,640,000.00

Bid Information

Par Amount of Bonds	\$3,640,000.00
Gross Production	\$3,640,000.00
Total Underwriter's Discount (1.960%)	\$(71,344.00)
Bid (98.040%)	3,568,656.00
Total Purchase Price	\$3,568,656.00



EXHIBIT D - 2015A SAVINGS

Date	Total P+I	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2021	20,131.88	(20,131.88)	189,468.75	439,070.52	189,468.75	(249,601.77)
02/01/2022	53,685.00	(53,685.00)	276,350.00	276,350.00	276,350.00	-
02/01/2023	53,685.00	(3,723,685.00)	3,958,100.00	288,100.00	288,100.00	-
02/01/2024	248,685.00	-	-	248,685.00	304,112.50	55,427.50
02/01/2025	257,710.00	-	-	257,710.00	314,162.50	56,452.50
02/01/2026	271,377.50	-	-	271,377.50	323,402.50	52,025.00
02/01/2027	284,507.50	-	-	284,507.50	336,870.00	52,362.50
02/01/2028	297,157.50	-	-	297,157.50	349,345.00	52,187.50
02/01/2029	304,282.50	-	-	304,282.50	360,885.00	56,602.50
02/01/2030	315,902.50	-	-	315,902.50	371,450.00	55,547.50
02/01/2031	331,915.00	-	-	331,915.00	386,000.00	54,085.00
02/01/2032	337,195.00	-	-	337,195.00	394,000.00	56,805.00
02/01/2033	352,010.00	-	-	352,010.00	406,200.00	54,190.00
02/01/2034	361,160.00	-	-	361,160.00	417,400.00	56,240.00
02/01/2035	374,700.00	-	-	374,700.00	427,600.00	52,900.00
02/01/2036	382,500.00	-	-	382,500.00	436,800.00	54,300.00
Total	\$4,246,604.38	(3,797,501.88)	\$4,423,918.75	\$5,122,623.02	\$5,582,146.25	\$459,523.23

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	612,248.75
Net PV Cashflow Savings @ 1.635%(Bond Yield).....	612,248.75
Total Cash contribution.....	(250,000.00)
Contingency or Rounding Amount.....	398.23
Net Present Value Benefit	\$362,646.98
Net PV Benefit / \$4,127,668.94 PV Refunded Debt Service	8.786%
Net PV Benefit / \$3,670,000 Refunded Principal...	9.881%
Net PV Benefit / \$3,640,000 Refunding Principal..	9.963%

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Sources & Uses

Dated 09/16/2020 | Delivered 09/16/2020

Sources Of Funds

Par Amount of Bonds	\$3,640,000.00
Planned Issuer Equity contribution	250,000.00

Total Sources **\$3,890,000.00**

Uses Of Funds

Total Underwriter's Discount (1.960%)	71,344.00
Costs of Issuance	26,750.00
Deposit to Crossover Escrow Fund	3,791,507.77
Rounding Amount	398.23

Total Uses **\$3,890,000.00**

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Debt Service Comparison

Date	Total P+I	PCF	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2021	20,131.88	(20,131.88)	189,468.75	439,070.52	189,468.75	(249,601.77)
02/01/2022	53,685.00	(53,685.00)	276,350.00	276,350.00	276,350.00	-
02/01/2023	53,685.00	(3,723,685.00)	3,958,100.00	288,100.00	288,100.00	-
02/01/2024	248,685.00	-	-	248,685.00	304,112.50	55,427.50
02/01/2025	257,710.00	-	-	257,710.00	314,162.50	56,452.50
02/01/2026	271,377.50	-	-	271,377.50	323,402.50	52,025.00
02/01/2027	284,507.50	-	-	284,507.50	336,870.00	52,362.50
02/01/2028	297,157.50	-	-	297,157.50	349,345.00	52,187.50
02/01/2029	304,282.50	-	-	304,282.50	360,885.00	56,602.50
02/01/2030	315,902.50	-	-	315,902.50	371,450.00	55,547.50
02/01/2031	331,915.00	-	-	331,915.00	386,000.00	54,085.00
02/01/2032	337,195.00	-	-	337,195.00	394,000.00	56,805.00
02/01/2033	352,010.00	-	-	352,010.00	406,200.00	54,190.00
02/01/2034	361,160.00	-	-	361,160.00	417,400.00	56,240.00
02/01/2035	374,700.00	-	-	374,700.00	427,600.00	52,900.00
02/01/2036	382,500.00	-	-	382,500.00	436,800.00	54,300.00
Total	\$4,246,604.38	(3,797,501.88)	\$4,423,918.75	\$5,122,623.02	\$5,582,146.25	\$459,523.23

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	612,248.75
Net PV Cashflow Savings @ 1.635%(Bond Yield).....	612,248.75
Total Cash contribution.....	(250,000.00)
Contingency or Rounding Amount.....	398.23
Net Present Value Benefit	\$362,646.98
Net PV Benefit / \$4,127,668.94 PV Refunded Debt Service	8.786%
Net PV Benefit / \$3,670,000 Refunded Principal...	9.881%
Net PV Benefit / \$3,640,000 Refunding Principal..	9.963%

Refunding Bond Information

Refunding Dated Date	9/16/2020
Refunding Delivery Date	9/16/2020

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/16/2020	-	-	-	-	-
02/01/2021	-	-	20,131.88	20,131.88	20,131.88
08/01/2021	-	-	26,842.50	26,842.50	-
02/01/2022	-	-	26,842.50	26,842.50	53,685.00
08/01/2022	-	-	26,842.50	26,842.50	-
02/01/2023	-	-	26,842.50	26,842.50	53,685.00
08/01/2023	-	-	26,842.50	26,842.50	-
02/01/2024	195,000.00	0.500%	26,842.50	221,842.50	248,685.00
08/01/2024	-	-	26,355.00	26,355.00	-
02/01/2025	205,000.00	0.650%	26,355.00	231,355.00	257,710.00
08/01/2025	-	-	25,688.75	25,688.75	-
02/01/2026	220,000.00	0.850%	25,688.75	245,688.75	271,377.50
08/01/2026	-	-	24,753.75	24,753.75	-
02/01/2027	235,000.00	1.000%	24,753.75	259,753.75	284,507.50
08/01/2027	-	-	23,578.75	23,578.75	-
02/01/2028	250,000.00	1.150%	23,578.75	273,578.75	297,157.50
08/01/2028	-	-	22,141.25	22,141.25	-
02/01/2029	260,000.00	1.300%	22,141.25	282,141.25	304,282.50
08/01/2029	-	-	20,451.25	20,451.25	-
02/01/2030	275,000.00	1.450%	20,451.25	295,451.25	315,902.50
08/01/2030	-	-	18,457.50	18,457.50	-
02/01/2031	295,000.00	1.600%	18,457.50	313,457.50	331,915.00
08/01/2031	-	-	16,097.50	16,097.50	-
02/01/2032	305,000.00	1.700%	16,097.50	321,097.50	337,195.00
08/01/2032	-	-	13,505.00	13,505.00	-
02/01/2033	325,000.00	1.800%	13,505.00	338,505.00	352,010.00
08/01/2033	-	-	10,580.00	10,580.00	-
02/01/2034	340,000.00	1.900%	10,580.00	350,580.00	361,160.00
08/01/2034	-	-	7,350.00	7,350.00	-
02/01/2035	360,000.00	2.000%	7,350.00	367,350.00	374,700.00
08/01/2035	-	-	3,750.00	3,750.00	-
02/01/2036	375,000.00	2.000%	3,750.00	378,750.00	382,500.00
Total	\$3,640,000.00	-	\$606,604.38	\$4,246,604.38	-

Date And Term Structure

Dated	9/16/2020
Delivery Date	9/16/2020
First available call date	2/01/2028
Call Price	100.000%

Yield Statistics

Bond Year Dollars	\$36,875.00
Average Life	10.130 Years
Average Coupon	1.6450288%

Net Interest Cost (NIC)	1.8385041%
True Interest Cost (TIC)	1.8492110%
All Inclusive Cost (AIC)	1.9308925%

IRS Form 8038

Net Interest Cost (NIC)	1.8385041%
Weighted Average Maturity	10.130 Years
Bond Yield for Arbitrage Purposes	1.6350082%

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Northland Securities, Inc.

Public Finance

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City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
02/01/2024	Serial Coupon	0.500%	0.500%	195,000.00	100.000%	195,000.00
02/01/2025	Serial Coupon	0.650%	0.650%	205,000.00	100.000%	205,000.00
02/01/2026	Serial Coupon	0.850%	0.850%	220,000.00	100.000%	220,000.00
02/01/2027	Serial Coupon	1.000%	1.000%	235,000.00	100.000%	235,000.00
02/01/2028	Serial Coupon	1.150%	1.150%	250,000.00	100.000%	250,000.00
02/01/2029	Serial Coupon	1.300%	1.300%	260,000.00	100.000%	260,000.00
02/01/2030	Serial Coupon	1.450%	1.450%	275,000.00	100.000%	275,000.00
02/01/2031	Serial Coupon	1.600%	1.600%	295,000.00	100.000%	295,000.00
02/01/2032	Serial Coupon	1.700%	1.700%	305,000.00	100.000%	305,000.00
02/01/2033	Serial Coupon	1.800%	1.800%	325,000.00	100.000%	325,000.00
02/01/2034	Serial Coupon	1.900%	1.900%	340,000.00	100.000%	340,000.00
02/01/2036	Term 1 Coupon	2.000%	2.000%	735,000.00	100.000%	735,000.00
Total	-	-	-	\$3,640,000.00	-	\$3,640,000.00

Bid Information

Par Amount of Bonds	\$3,640,000.00
Gross Production	\$3,640,000.00
Total Underwriter's Discount (1.960%)	\$(71,344.00)
Bid (98.040%)	3,568,656.00
Total Purchase Price	\$3,568,656.00
Bond Year Dollars	\$36,875.00
Average Life	10.130 Years
Average Coupon	1.6450288%
Net Interest Cost (NIC)	1.8385041%
True Interest Cost (TIC)	1.8492110%

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Proof Of Bond Yield @ 1.6350082%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
09/16/2020	-	1.0000000x	-	-
02/01/2021	20,131.88	0.9939123x	20,009.32	20,009.32
08/01/2021	26,842.50	0.9858529x	26,462.76	46,472.08
02/01/2022	26,842.50	0.9778588x	26,248.18	72,720.25
08/01/2022	26,842.50	0.9699296x	26,035.34	98,755.59
02/01/2023	26,842.50	0.9620647x	25,824.22	124,579.81
08/01/2023	26,842.50	0.9542635x	25,614.82	150,194.63
02/01/2024	221,842.50	0.9465257x	209,979.62	360,174.25
08/01/2024	26,355.00	0.9388505x	24,743.41	384,917.65
02/01/2025	231,355.00	0.9312376x	215,446.48	600,364.13
08/01/2025	25,688.75	0.9236864x	23,728.35	624,092.48
02/01/2026	245,688.75	0.9161965x	225,099.17	849,191.66
08/01/2026	24,753.75	0.9087673x	22,495.40	871,687.05
02/01/2027	259,753.75	0.9013983x	234,141.59	1,105,828.65
08/01/2027	23,578.75	0.8940891x	21,081.50	1,126,910.15
02/01/2028	273,578.75	0.8868392x	242,620.35	1,369,530.50
08/01/2028	22,141.25	0.8796480x	19,476.51	1,389,007.00
02/01/2029	282,141.25	0.8725152x	246,172.52	1,635,179.52
08/01/2029	20,451.25	0.8654401x	17,699.33	1,652,878.85
02/01/2030	295,451.25	0.8584225x	253,622.00	1,906,500.85
08/01/2030	18,457.50	0.8514618x	15,715.86	1,922,216.71
02/01/2031	313,457.50	0.8445575x	264,732.87	2,186,949.58
08/01/2031	16,097.50	0.8377092x	13,485.02	2,200,434.61
02/01/2032	321,097.50	0.8309164x	266,805.18	2,467,239.78
08/01/2032	13,505.00	0.8241787x	11,130.53	2,478,370.32
02/01/2033	338,505.00	0.8174956x	276,726.36	2,755,096.68
08/01/2033	10,580.00	0.8108668x	8,578.97	2,763,675.65
02/01/2034	350,580.00	0.8042917x	281,968.57	3,045,644.21
08/01/2034	7,350.00	0.7977698x	5,863.61	3,051,507.82
02/01/2035	367,350.00	0.7913009x	290,684.40	3,342,192.22
08/01/2035	3,750.00	0.7848845x	2,943.32	3,345,135.54
02/01/2036	378,750.00	0.7785200x	294,864.46	3,640,000.00
Total	\$4,246,604.38	-	\$3,640,000.00	-

Derivation Of Target Amount

Par Amount of Bonds	\$3,640,000.00
Original Issue Proceeds	\$3,640,000.00

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance Price	Exponent	Bond Years
09/16/2020	-	-	-	-	-
02/01/2024	195,000.00	100.000%	195,000.00	3.3750000x	658,125.00
02/01/2025	205,000.00	100.000%	205,000.00	4.3750000x	896,875.00
02/01/2026	220,000.00	100.000%	220,000.00	5.3750000x	1,182,500.00
02/01/2027	235,000.00	100.000%	235,000.00	6.3750000x	1,498,125.00
02/01/2028	250,000.00	100.000%	250,000.00	7.3750000x	1,843,750.00
02/01/2029	260,000.00	100.000%	260,000.00	8.3750000x	2,177,500.00
02/01/2030	275,000.00	100.000%	275,000.00	9.3750000x	2,578,125.00
02/01/2031	295,000.00	100.000%	295,000.00	10.3750000x	3,060,625.00
02/01/2032	305,000.00	100.000%	305,000.00	11.3750000x	3,469,375.00
02/01/2033	325,000.00	100.000%	325,000.00	12.3750000x	4,021,875.00
02/01/2034	340,000.00	100.000%	340,000.00	13.3750000x	4,547,500.00
02/01/2035	360,000.00	100.000%	360,000.00	14.3750000x	5,175,000.00
02/01/2036	375,000.00	100.000%	375,000.00	15.3750000x	5,765,625.00
Total	\$3,640,000.00	-	\$3,640,000.00	-	\$36,875,000.00

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	10.130 Years
Total Interest from Debt Service	606,604.38
Total Interest	606,604.38
NIC = Interest / (Issue Price * Average Maturity)	1.6450288%
Bond Yield for Arbitrage Purposes	1.6350082%

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Detail Costs Of Issuance

Dated 09/16/2020 | Delivered 09/16/2020

COSTS OF ISSUANCE DETAIL

Bond Counsel	\$8,000.00
Rating Agency Fee	\$13,000.00
CPA Verification	\$2,000.00
Escrow Agent	\$2,500.00
Paying Agent	\$850.00
Miscellaneous	\$400.00
TOTAL	\$26,750.00

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Crossover Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance	Fiscal Total
09/16/2020	-	-	-	701.88	-	701.88	-
01/19/2021	-	-	42,560.00	42,560.00	-	43,261.88	-
02/01/2021	-	-	-	-	20,131.88	23,130.00	20,131.88
07/19/2021	-	-	42,560.00	42,560.00	-	65,690.00	-
08/01/2021	-	-	-	-	26,842.50	38,847.50	-
01/19/2022	-	-	42,560.00	42,560.00	-	81,407.50	-
02/01/2022	-	-	-	-	26,842.50	54,565.00	53,685.00
07/19/2022	-	-	42,560.00	42,560.00	-	97,125.00	-
08/01/2022	-	-	-	-	26,842.50	70,282.50	-
01/19/2023	3,584,000.00	2.375%	42,560.00	3,626,560.00	-	3,696,842.50	-
02/01/2023	-	-	-	-	3,696,842.50	-	3,723,685.00
Total	\$3,584,000.00	-	\$212,800.00	\$3,797,501.88	\$3,797,501.88	-	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	701.88
Cost of Investments Purchased with Bond Proceeds	3,790,805.89
Total Cost of Investments	\$3,791,507.77
Target Cost of Investments at bond yield	\$3,655,357.24
Actual positive or (negative) arbitrage	(136,150.53)
Yield to Receipt	0.0691395%
Yield for Arbitrage Purposes	1.6350082%

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Crossover Escrow Summary Cost

Maturity	Type	Coupon	Yield	\$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Crossover Escrow								
01/19/2023	FNMA	2.375%	0.069%	105.3942120%	3,584,000	3,777,328.56	13,477.33	3,790,805.89
Subtotal		-	-	-	\$3,584,000	\$3,777,328.56	\$13,477.33	\$3,790,805.89
Total		-	-	-	\$3,584,000	\$3,777,328.56	\$13,477.33	\$3,790,805.89

Crossover Escrow

Cash Deposit	701.88
Cost of Investments Purchased with Bond Proceeds	3,790,805.89
Total Cost of Investments	\$3,791,507.77

Delivery Date 9/16/2020

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Primary Purpose Fund Proof Of Yield @ 0.0691395%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
09/16/2020	-	1.0000000x	-	-
01/19/2021	42,560.00	0.9997638x	42,549.95	42,549.95
07/19/2021	42,560.00	0.9994183x	42,535.24	85,085.19
01/19/2022	42,560.00	0.9990730x	42,520.55	127,605.74
07/19/2022	42,560.00	0.9987277x	42,505.85	170,111.59
01/19/2023	3,626,560.00	0.9983826x	3,620,694.30	3,790,805.89
Total	\$3,796,800.00	-	\$3,790,805.89	-

Composition Of Initial Deposit

Cost of Investments Purchased with Bond Proceeds	3,790,805.89
Adjusted Cost of Investments	3,790,805.89

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Primary Purpose Fund Optimized Dedicated Portfolio

Maturity	Type	Coupon	Yield	\$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
01/19/2023	FNMA	2.375%	0.069%	105.3942120%	3,584,000	3,777,328.56	13,477.33	3,790,805.89
-	-	-	-	-	\$3,584,000	\$3,777,328.56	\$13,477.33	\$3,790,805.89

Composition Of Initial Deposit

Cash Deposit	701.88
Cost of Investments Purchased with Bond Proceeds	3,790,805.89
Total Cost of Investments	\$3,791,507.77

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

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Detailed Cash Flow Analysis

Event Date	Event	Type	Maturity	Principal	Coupon	Interest	Cash Flow	Balance
09/16/2020	Transfer	CASH	-	-	-	-	701.88	701.88
01/19/2021	Receipt	FNMA	01/19/2023	-	2.375%	42,560.00	42,560.00	43,261.88
02/01/2021	Disburse	-	-	-	-	-	(20,131.88)	23,130.00
07/19/2021	Receipt	FNMA	01/19/2023	-	2.375%	42,560.00	42,560.00	65,690.00
08/01/2021	Disburse	-	-	-	-	-	(26,842.50)	38,847.50
01/19/2022	Receipt	FNMA	01/19/2023	-	2.375%	42,560.00	42,560.00	81,407.50
02/01/2022	Disburse	-	-	-	-	-	(26,842.50)	54,565.00
07/19/2022	Receipt	FNMA	01/19/2023	-	2.375%	42,560.00	42,560.00	97,125.00
08/01/2022	Disburse	-	-	-	-	-	(26,842.50)	70,282.50
01/19/2023	Receipt	FNMA	01/19/2023	3,584,000.00	2.375%	42,560.00	3,626,560.00	3,696,842.50
02/01/2023	Disburse	-	-	-	-	-	(3,696,842.50)	-
Total	-	-	-	\$3,584,000.00	-	\$212,800.00	-	-

Date And Term Structure

Dated	9/16/2020
Delivery Date	9/16/2020

City of Columbus, Minnesota

Taxable General Obligation Tax Abatement Bonds, Series 2015A

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
02/01/2021	-	69,556.25	69,556.25	-	2.250%	69,556.25	69,556.25	69,556.25
08/01/2021	-	69,556.25	69,556.25	-	-	69,556.25	69,556.25	-
02/01/2022	-	69,556.25	69,556.25	-	2.500%	69,556.25	69,556.25	139,112.50
08/01/2022	-	69,556.25	69,556.25	-	-	69,556.25	69,556.25	-
02/01/2023	3,670,000.00	69,556.25	3,739,556.25	-	2.750%	69,556.25	69,556.25	139,112.50
08/01/2023	-	-	-	-	-	69,556.25	69,556.25	-
02/01/2024	-	-	-	165,000.00	3.000%	69,556.25	234,556.25	304,112.50
08/01/2024	-	-	-	-	-	67,081.25	67,081.25	-
02/01/2025	-	-	-	180,000.00	3.200%	67,081.25	247,081.25	314,162.50
08/01/2025	-	-	-	-	-	64,201.25	64,201.25	-
02/01/2026	-	-	-	195,000.00	3.350%	64,201.25	259,201.25	323,402.50
08/01/2026	-	-	-	-	-	60,935.00	60,935.00	-
02/01/2027	-	-	-	215,000.00	3.500%	60,935.00	275,935.00	336,870.00
08/01/2027	-	-	-	-	-	57,172.50	57,172.50	-
02/01/2028	-	-	-	235,000.00	3.600%	57,172.50	292,172.50	349,345.00
08/01/2028	-	-	-	-	-	52,942.50	52,942.50	-
02/01/2029	-	-	-	255,000.00	3.700%	52,942.50	307,942.50	360,885.00
08/01/2029	-	-	-	-	-	48,225.00	48,225.00	-
02/01/2030	-	-	-	275,000.00	3.800%	48,225.00	323,225.00	371,450.00
08/01/2030	-	-	-	-	-	43,000.00	43,000.00	-
02/01/2031	-	-	-	300,000.00	4.000%	43,000.00	343,000.00	386,000.00
08/01/2031	-	-	-	-	-	37,000.00	37,000.00	-
02/01/2032	-	-	-	320,000.00	4.000%	37,000.00	357,000.00	394,000.00
08/01/2032	-	-	-	-	-	30,600.00	30,600.00	-
02/01/2033	-	-	-	345,000.00	4.000%	30,600.00	375,600.00	406,200.00
08/01/2033	-	-	-	-	-	23,700.00	23,700.00	-
02/01/2034	-	-	-	370,000.00	4.000%	23,700.00	393,700.00	417,400.00
08/01/2034	-	-	-	-	-	16,300.00	16,300.00	-
02/01/2035	-	-	-	395,000.00	4.000%	16,300.00	411,300.00	427,600.00
08/01/2035	-	-	-	-	-	8,400.00	8,400.00	-
02/01/2036	-	-	-	420,000.00	4.000%	8,400.00	428,400.00	436,800.00
Total	\$3,670,000.00	\$347,781.25	\$4,017,781.25	\$3,670,000.00	-	\$1,506,008.75	\$5,176,008.75	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	9/16/2020
Average Life	10.440 Years
Average Coupon	3.8850871%
Weighted Average Maturity (Par Basis)	10.440 Years
Weighted Average Maturity (Original Price Basis)	10.440 Years

Refunding Bond Information

Refunding Dated Date	9/16/2020
Refunding Delivery Date	9/16/2020

City of Columbus, Minnesota

\$3,640,000 Taxable G.O. Tax Abatement Refunding Bonds, Series 2020A

FINAL

105% Levy

Date	Total P+I	Escrow Fund	105% Abatement Levy	Levy Year	Collection Year
02/01/2021	20,131.88	(20,131.88)	-	-	-
02/01/2022	53,685.00	(53,685.00)	-	-	-
02/01/2023	53,685.00	(53,685.00)	-	-	-
02/01/2024	248,685.00	-	261,119.25	2022	2023
02/01/2025	257,710.00	-	270,595.50	2023	2024
02/01/2026	271,377.50	-	284,946.38	2024	2025
02/01/2027	284,507.50	-	298,732.88	2025	2026
02/01/2028	297,157.50	-	312,015.38	2026	2027
02/01/2029	304,282.50	-	319,496.63	2027	2028
02/01/2030	315,902.50	-	331,697.63	2028	2029
02/01/2031	331,915.00	-	348,510.75	2029	2030
02/01/2032	337,195.00	-	354,054.75	2030	2031
02/01/2033	352,010.00	-	369,610.50	2031	2032
02/01/2034	361,160.00	-	379,218.00	2032	2033
02/01/2035	374,700.00	-	393,435.00	2033	2034
02/01/2036	382,500.00	-	401,625.00	2034	2035
Total	\$4,246,604.38		\$4,325,057.63		

Extract of Minutes of Meeting
of the City Council of the City of
Columbus, Anoka County, Minnesota

Pursuant to due call and notice thereof a regular meeting of the City Council of the City of Columbus, Minnesota, was held by telephone or other electronic means on Wednesday, August 12, 2020, commencing at 7:00 P.M. The teleconference was held in accordance with Minnesota Statutes, Section 13D.021 and pursuant to [Resolution No. ____ adopted on _____, 2020] [a declaration by the _____ on _____, 2020].

The following members were present:

and the following were absent:

The Mayor announced that the next order of business was consideration of a proposal which had been received for the purchase of the City's Taxable General Obligation Tax Abatement Refunding Bonds, Series 2020A, to be issued in the original aggregate principal amount of \$3,640,000.

The City Administrator presented the proposal from Northland Securities, Inc.

After due consideration of the proposals, Member _____ then introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION AWARDING THE SALE OF TAXABLE GENERAL OBLIGATION TAX ABATEMENT REFUNDING BONDS, SERIES 2020A, IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$3,640,000; FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; PROVIDING FOR THEIR PAYMENT; PROVIDING FOR THE ESCROWING AND INVESTMENT OF THE PROCEEDS THEREOF; AND PROVIDING FOR THE REDEMPTION OF BONDS REFUNDED THEREBY

BE IT RESOLVED By the City Council (the “City Council”) of the City of Columbus, Anoka County, Minnesota (the “City”) as follows:

Section 1. Sale of Bonds.

1.01. Background; Abatement Resolution.

(a) On February 18, 2015, pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the “Abatement Act”), the City Council adopted a resolution (the “Abatement Resolution”) approving a property tax abatement (the “Abatements”) for a period of up to twenty (20) years, with the Abatements payable in semiannual installments each August 1 and February 1, commencing August 1, 2016 and continuing through August 1, 2035.

(b) On April 1, 2015, the City issued its Taxable General Obligation Tax Abatement Bonds, Series 2015A (the “Refunded Bonds”), in the original aggregate principal amount of \$4,380,000, currently outstanding in the principal amount of \$4,060,000, of which \$3,670,000 in principal amount is subject to optional redemption on or after February 1, 2023. The Refunded Bonds were issued pursuant to the Abatement Act and Minnesota Statutes, Chapter 475, as amended (together, the “Act”), and the terms of the Abatement Resolution. The City applied the proceeds of the Refunded Bonds to prepay lease payments and acquire property within the City located at the interchange of Interstate Highway 35 and State Trunk Highway 97 through the defeasance, redemption, and prepayment of the Taxable Lease Revenue Bonds, Series 2010, issued by the Columbus Economic Development Authority on November 17, 2010.

(c) The City is authorized by Section 475.67, subdivision 13 of the Act to issue and sell its general obligation bonds to refund outstanding bonds when determined by the City Council to be necessary and desirable.

(d) It is necessary and desirable for the reduction of debt service costs to the City to issue its Taxable General Obligation Tax Abatement Refunding Bonds, Series 2020A (the “Bonds”), in the original aggregate principal amount of \$3,640,000, pursuant to the Act, specifically Section 475.67, subdivision 13, to achieve the crossover refunding of the Refunded Bonds by refunding in advance of maturity the 2024 through 2036 maturities of the Refunded Bonds on February 1, 2023.

(e) The City desires to proceed with the sale of the Bonds by direct negotiation with Northland Securities, Inc., Minneapolis, Minnesota (the “Purchaser”). The Purchaser will purchase the Bonds in an arm’s-length commercial transaction with the City.

(f) The City is authorized by Section 475.60, subdivision 2(6) of the Act to negotiate the sale of the Bonds, it being determined, on the advice of bond counsel, that interest on the Bonds cannot be represented to be excluded from gross income for purposes of federal income taxation.

(g) The City hereby amends the Abatement Resolution to extend the final Abatement installment to February 1, 2036 (which is within the original twenty years of abatement).

1.02. Award to the Purchaser and Interest Rates. The proposal of the Purchaser to purchase the Bonds is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of \$3,568,656 (par amount of \$3,640,000, less underwriter's discount of \$71,344), plus accrued interest, if any, to date of delivery for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2024	0.500%	2030	1.450%
2025	0.650	2031	1.600
2026	0.850	2032	1.700
2027	1.000	2033	1.800
2028	1.150	2034	1.900
2029	1.300	2036*	2.000

* *Term Bond*

1.03. Purchase Contract. The execution by the Mayor and the City Administrator of a purchase contract with the Purchaser is hereby confirmed and ratified.

1.04. Terms and Principal Amounts of Bonds. The City will forthwith issue and sell the Bonds to the Purchaser pursuant to the Act, specifically Section 475.67, subdivision 13, in the total principal amount of \$3,640,000. The Bonds will be originally dated September 16, 2020, issued in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1 upward, bearing interest as above set forth and maturing serially on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$195,000	2030	\$275,000
2025	205,000	2031	295,000
2026	220,000	2032	305,000
2027	235,000	2033	325,000
2028	250,000	2034	340,000
2029	260,000	2036*	735,000

1.05. Combined Maturities. For the purposes of complying with Section 475.54, subdivisions 1 and 2 of the Act, the City hereby combines the maturities of the Bonds (including mandatory sinking fund installments, if any) with the Refunded Bonds.

1.06. Optional Redemption. The City may elect on February 1, 2028, and on any day thereafter to prepay Bonds due on or after February 1, 2029. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of

such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

1.07. Mandatory Redemption; Term Bond. The Bonds maturing on February 1, 2036 shall hereinafter be referred to collectively as the "Term Bond." The principal amount of the Term Bond subject to mandatory sinking fund redemption on any date may be reduced through earlier optional redemptions, with any partial redemptions of the Term Bond credited against future mandatory sinking fund redemptions of such Term Bond in such order as the City shall determine. The Term Bond is subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on February 1 of the following years and in the principal amounts as follows:

Sinking Fund Installment Date

<u>February 1, 2036 Term Bond</u>	<u>Principal Amount</u>
2035	\$360,000
2036*	375,000

* *Maturity*

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of a Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2021, to the registered owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of the Bonds and the registration of transfers of the Bonds entitled to be registered or transferred.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, a new Bond of a like principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any

transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. The Bond surrendered upon transfer will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name the Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes and payments so made to the registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer of the Bond, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer.

(h) Mutilated, Lost, Stolen or Destroyed Bond. If the Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for a Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. The Bond so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

2.04. Appointment of Initial Registrar. The City Council appoints U.S. Bank National Association, Saint Paul, Minnesota, as the initial Registrar. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the

successor Registrar. On or before each principal or interest due date, without further order of the City Council, the City Administrator or a designee must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Administrator and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that those signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of a Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so prepared, executed and authenticated, the City Administrator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form as attached hereto as EXHIBIT A.

3.02. Approving Legal Opinion. The City Administrator is directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, and to cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01. Debt Service Fund. For the convenience and proper administration of the moneys to be borrowed and repaid on the Bonds, and to provide adequate and specific security for the Purchaser and holders from time to time of the Bonds, there is hereby created a special fund to be designated the Taxable General Obligation Tax Abatement Refunding Bonds, Series 2020A Debt Service Fund (the "Debt Service Fund") to be administered and maintained by the City Administrator as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Debt Service Fund will be maintained in the manner herein specified until all of the Refunded Bonds have been paid and until all of the Bonds and the interest thereon have been fully paid. To the Debt Service Fund, there is hereby pledged and irrevocably appropriated and there will be credited: (i) following the redemption of the Refunded Bonds on February 1, 2023 (the "Redemption Date"), the Abatements for the abatement parcels pledged to the payment of the Refunded Bonds pursuant to the Abatement Resolution, as amended by this resolution, and the resolution adopted by the City Council authorizing the issuance and sale of the Refunded Bonds (the "Prior Resolution"); (ii) any balance remitted to the City upon the termination of the Escrow Agreement (hereinafter defined); (iii) all investment earnings on funds in the Debt Service Fund; (iv) amounts over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof; and (v) all other moneys which are properly available and are appropriated by the City Council to the Debt Service Fund.

4.02. Escrow Fund. Proceeds of the Bonds in the amount of \$3,568,257.77 and available funds of the City in the amount of \$250,000.00 will be deposited in a separate fund (the "Escrow Fund") maintained

by U.S. Bank National Association, in Saint Paul, Minnesota, acting as escrow agent (the “Escrow Agent”). Such funds will be received by the Escrow Agent and applied to fund the Escrow Fund or to pay costs of issuing the Bonds. Proceeds of the Bonds not used to pay costs of issuance on the Bonds are hereby irrevocably pledged and appropriated to the Escrow Fund, together with all investment earnings thereon. The Escrow Fund will be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as will be required to provide sufficient funds, together with any cash or other funds retained in the Escrow Fund, to (i) pay when due the interest to accrue on the Bonds to and including the Redemption Date; and (ii) pay on the Redemption Date the principal amount of the Refunded Bonds then outstanding. Other than moneys in the Escrow Fund used to pay costs of issuance of the Bonds, the Escrow Fund will be irrevocably appropriated to the payment of the principal of and interest on the Refunded Bonds until the proceeds of the Bonds therein are applied to prepayment of the Refunded Bonds. The moneys in the Escrow Fund will be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Fund may be remitted to the City, all in accordance with the Escrow Agreement between the City and the Escrow Agent. Any moneys remitted to the City upon termination of the Escrow Agreement will be deposited to the Debt Service Fund.

4.03. Prior Debt Service Fund. The debt service fund heretofore established for the Refunded Bonds pursuant to the Prior Resolution shall be terminated on the Redemption Date and all monies therein are hereby transferred to the Debt Service Fund herein created.

4.04. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Escrow Fund or Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Escrow Fund or Debt Service Fund when a sufficient balance is available therein.

4.05. Debt Service Coverage. It is hereby determined that the estimated collection of Abatements for the payment of principal of and interest on the Bonds will produce at least five percent (5%) in excess of the amount needed to meet, when due, the principal and interest payments on the Bonds and that no tax levy is needed at this time.

4.06. Filing of Resolution. The City Administrator is authorized and directed to file a certified copy of this resolution with the Manager of Property Records and Taxation of Anoka County, Minnesota and to obtain the certificate required by Section 475.63 of the Act.

Section 5. Refunding; Findings; Redemption of Refunded Bonds.

5.01. Purpose of Refunding. The 2024 through 2036 maturities of the Refunded Bonds will be called for redemption on the Redemption Date in the principal amount of \$3,670,000. It is hereby found and determined that based upon information presently available from Northland Securities, Inc., the issuance of the Bonds, a portion of which will be used to redeem and prepay the Refunded Bonds, is consistent with covenants made with the holders of the Refunded Bonds.

5.02. Findings. It is hereby found and determined that based upon information presently available from the Municipal Advisor the issuance of the Bonds will result in a reduction of debt service cost to the City on the Refunded Bonds, such that the reduction is at least three percent (3%) of the debt service on the Refunded Bonds, as required by the Act. The reduction, after the inclusion of all authorized expenses of refunding in the computation of the effective interest rate on the Bonds, is adequate to authorize the issuance of the Bonds as provided by Section 475.67, subdivisions 12 and 13 of the Act.

5.03. Proceeds Pledged to the Escrow Fund. As of the date of delivery of and payment for the Bonds, proceeds of the Bonds in the amount of \$3,541,507.77 and available funds of the City in the amount of \$250,000.00 will be deposited in the Escrow Fund for the purpose of redeeming on the Redemption Date the principal amount of the Refunded Bonds then outstanding. Proceeds of the Bonds in the amount of \$26,750.00 will also be deposited in the Escrow Fund to pay the costs of issuance of the Bonds.

5.04. Securities to Fund Escrow Fund. Securities purchased, if any, from the moneys in the Escrow Fund will be limited to securities specified in Section 475.67, subdivision 8 of the Act. Northland Securities, Inc. and/or U.S. Bank National Association, as agent for the City, is hereby authorized and directed to purchase for and on behalf of the City and in its name, appropriate securities to fund the Escrow Fund. Upon the issuance and delivery of the Bonds, the securities so purchased will be deposited with the Escrow Agent and held pursuant to the terms of the Escrow Agreement and this resolution.

5.05. Notice of Call for Redemption. The Refunded Bonds maturing on February 1, 2024 and thereafter will be redeemed and prepaid on the Redemption Date in accordance with their terms and in accordance with the terms and conditions set forth in the form of Notice of Call for Redemption attached hereto as EXHIBIT B, which terms and conditions are hereby approved and incorporated herein by reference. The registrar for the Refunded Bonds is authorized and directed to send a copy of the Notice of Call for Redemption to each registered holder of the Refunded Bonds.

5.06. Escrow Agreement. On or prior to the delivery of the Bonds, the Mayor and the City Administrator are hereby authorized and directed to execute on behalf of the City an escrow agreement (the "Escrow Agreement") with the Escrow Agent in substantially the form now on file with the City Administrator. All essential terms and conditions of the Escrow Agreement including payment by the City of reasonable charges for the services of the Escrow Agent, are hereby approved and adopted and made a part of this resolution, and the City covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent.

Section 6. Authentication of Transcript.

6.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

6.02. Certification as to Official Statement. The Mayor and the City Administrator are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

6.03. Other Certificates. The Mayor and the City Administrator are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor and the City Administrator shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the City Administrator shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

6.04. Electronic Signatures. The electronic signature of the Mayor and/or the City Administrator to this resolution, the Escrow Agreement, and any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the City thereto. For purposes hereof, (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

6.05. Payment of Costs of Issuance. Costs of issuance of the Bonds will be paid by the Escrow Agent pursuant to the Escrow Agreement.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of the Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this Section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of the Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Registrar and the Paying Agent may treat and consider the person in whose name the Bonds are registered in the registration books kept by the Registrar as the holder and absolute owner of the Bonds for the purpose of payment of principal, premium, if any, and interest with respect to such Bonds, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of the Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.” will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which will govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action

necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds will be made and given, respectively, in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and the City Administrator and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

8.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section.

Section 9. Defeasance. When all Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

EXHIBIT A
FORM OF BOND

No. R-____ \$ _____

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF COLUMBUS

TAXABLE GENERAL OBLIGATION TAX ABATEMENT REFUNDING BOND
SERIES 2020A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20__	September 16, 2020	

Registered Owner: Cede & Co.

The City of Columbus, Minnesota, a duly organized and existing body politic and corporate and political subdivision of the State of Minnesota (the “City”), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$ _____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360 day year of twelve 30 day months), payable February 1 and August 1 in each year, commencing February 1, 2021, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by U.S. Bank National Association, Saint Paul, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 2028, and on any day thereafter to prepay Bonds due on or after February 1, 2029. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company (“DTC”) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

The Bonds maturing on February 1, 2036 shall hereinafter be referred to collectively as the “Term Bond.” The principal amount of the Term Bond subject to mandatory sinking fund redemption on any date may be reduced through earlier optional redemptions, with any partial redemptions of the Term Bond credited against future mandatory sinking fund redemptions of such Term Bond in such order as the City shall determine. The Term Bond is subject to mandatory sinking fund redemption and shall be redeemed in part at par plus accrued interest on February 1 of the following years and in the principal amounts as follows:

Sinking Fund Installment Date

<u>February 1, 2036 Term Bond</u>	<u>Principal Amount</u>
2035	\$360,000
2036*	375,000

* Maturity

This Bond is one of an issue in the aggregate principal amount of \$3,640,000 all of like original issue date and tenor, except as to number, maturity date, interest rate, and redemption privilege, all issued pursuant to a resolution adopted by the City Council of the City (the “City Council”) on August 12, 2020 (the “Resolution”), for the purpose of providing money to refund in advance of maturity and on their redemption date certain outstanding obligations certain outstanding general obligations of the City, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475, as amended, specifically Section 475.67, subdivision 13, and Minnesota Statutes, Sections 469.1812 through 469.1815, as amended. A portion of the interest hereon will be payable from an escrow fund established in the name of the City. The principal hereof and remaining interest hereon are payable from abatements collected from certain property in the City, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy ad valorem taxes on all taxable property in the City in the event of any deficiency in abatements pledged, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner’s attorney. Upon such transfer the City will cause a new Bond to be issued in the name of the transferee or registered owner, of the same principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota, to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Columbus, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and the City Administrator and has caused this Bond to be dated as of the date set forth below.

Dated: September 16, 2020

CITY OF COLUMBUS, MINNESOTA

(Facsimile)
Mayor

(Facsimile)
City Administrator

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

U.S. BANK NATIONAL ASSOCIATION

By _____
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT

Custodian _____
(Cust) (Minor)

TEN ENT -- as tenants by entireties

under Uniform Gifts or Transfers to Minors Act, State of _____

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Officer of Registrar</u>
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Cede & Co.
Federal ID #13-2555119

EXHIBIT B

NOTICE OF CALL FOR REDEMPTION

\$4,380,000
CITY OF COLUMBUS, MINNESOTA
TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS
SERIES 2015A

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Columbus, Minnesota (the “City”), there have been called for redemption and prepayment on

February 1, 2023

all outstanding bonds of the City designated as Taxable General Obligation Tax Abatement Bonds, Series 2015A, dated April 1, 2015, having stated maturity dates of February 1 in the years 2024 through 2036, both inclusive, totaling \$3,670,000 in principal amount, and with the following CUSIP numbers:

<u>Year of Maturity</u>	<u>Amount</u>	<u>CUSIP Number</u>
2024	\$ 165,000	199339 EC2
2025	180,000	199339 ED0
2026	195,000	199339 EE8
2027	215,000	199339 EF5
2028	235,000	199339 EG3
2029	255,000	199339 EH1
2030	275,000	199339 EJ7
2036	2,150,000	199339 EK4

The bonds are being called at a price of par plus accrued interest to February 1, 2023, on which date all interest on said bonds will cease to accrue. Holders of the Bonds hereby called for redemption are requested to present their bonds for payment at the office of U.S. Bank National Association, as registrar and paying agent, in the City of Saint Paul, Minnesota, on or before February 1, 2023:

U.S. Bank National Association
Corporate Trust Services
111 Fillmore Avenue East
St. Paul, MN 55107

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2003, the paying agent is required to withhold a specified percentage of the principal amount of the redemption price payable to the holder of any bonds subject to redemption and prepayment on the redemption date, unless the paying agent is provided with the Social Security Number or Federal Employer Identification Number of the holder, properly certified. Submission of a fully executed Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. December 2014), will satisfy the requirements of this paragraph.

Dated: _____, 20__.

**BY ORDER OF THE CITY COUNCIL OF
THE CITY OF COLUMBUS, MINNESOTA**

By: /s/ Elizabeth Mursko
City Administrator
City of Columbus, Minnesota

STATE OF MINNESOTA)
)
COUNTY OF ANOKA) SS.
)
CITY OF COLUMBUS)

I, the undersigned, being the duly qualified and acting City Administrator of the City of Columbus, Minnesota (the “City”), certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on August 12, 2020, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City’s Taxable General Obligation Tax Abatement Refunding Bonds, Series 2020A, in the original aggregate principal amount of \$3,640,000.

WITNESS My hand officially as such City Administrator and the corporate seal of the City this _____ day of _____, 2020.

(SEAL)

City Administrator
City of Columbus, Minnesota

STATE OF MINNESOTA
COUNTY OF ANOKA

CERTIFICATE OF MANAGER OF
PROPERTY RECORDS AND TAXATION
AS TO REGISTRATION WHERE
NO AD VALOREM TAX LEVY

I, the undersigned Manager of Property Records and Taxation of Anoka County, Minnesota, hereby certify that a certified copy of a resolution adopted by the governing body of the City of Columbus, Minnesota (the "City"), on August 12, 2020, relating to the City's Taxable General Obligation Tax Abatement Refunding Bonds, Series 2020A (the "Bonds"), in the original aggregate principal amount of \$3,640,000, dated September 16, 2020, has been filed in my office and said Bonds have been entered on the register of obligations in my office.

WITNESS My hand and official seal this ____ day of _____, 2020.

**MANAGER OF PROPERTY RECORDS
AND TAXATION,
ANOKA COUNTY, MINNESOTA**

By _____

Its _____

(SEAL)

CROSSOVER REFUNDING ESCROW AGREEMENT

Relating to:

\$4,380,000

City of Columbus, Minnesota

Taxable General Obligation Tax Abatement Bonds

Series 2015A

THIS CROSSOVER REFUNDING ESCROW AGREEMENT, dated September 16, 2020 (the “Agreement”), is made pursuant to Minnesota Statutes, Section 475.67, subdivision 13 (the “Act”) and executed by and between the City of Columbus, Minnesota (the “City”), and U.S. Bank National Association, Saint Paul, Minnesota, a national banking corporation (the “Escrow Agent”):

WITNESSETH: That the parties hereto recite and, in consideration of the mutual covenants contained herein, covenant and agree as follows:

1. The City previously issued its Taxable General Obligation Tax Abatement Bonds, Series 2015A (the “Refunded Bonds”), dated April 1, 2015, in the original aggregate principal amount of \$4,380,000, which are currently outstanding in the aggregate principal amount of \$4,060,000, of which \$3,670,000 in principal amount is subject to redemption on or after February 1, 2023. Pursuant to a resolution adopted by the City Council of the City on August 12, 2020 (the “Resolution”), the City has provided for the issuance of its Taxable General Obligation Tax Abatement Refunding Bonds, Series 2020A (the “Refunding Bonds”), in the original aggregate principal amount of \$3,640,000. On the date hereof, a portion of the proceeds of the Refunding Bonds will be deposited with the Escrow Agent to be used to redeem and prepay the 2024 through 2036 maturities of the Refunded Bonds on February 1, 2023 (the “Redemption Date”) and pay the interest due on the Refunding Bonds to and including the Redemption Date.

2. The City, in accordance with the Resolution, issued and sold the Refunding Bonds in the principal amount of \$3,640,000.00, and has received proceeds of the Refunding Bonds in the amount of \$3,568,656.00 (par amount of the Refunding Bonds of \$3,640,000.00, less underwriter’s discount of \$71,344.00). The City has deposited proceeds of the Refunding Bonds in the amount of \$3,568,257.77 and available funds of the City in the amount of \$250,000.00 to the Escrow Account (as defined herein), to be allocated as follows: (i) the amount of \$3,790,805.89 shall be invested in securities which are general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States (the “Federal Securities”), as described in the schedule which is attached hereto, marked EXHIBIT A and made a part hereof; (ii) the amount of \$701.88 shall be an initial cash deposit in the Escrow Account and shall remain uninvested; and (iii) the amount of \$26,750.00 shall be applied by the Escrow Agent to payment of costs of issuance as specified in paragraph 3 hereof. The purchased securities and initial cash deposit will be irrevocably deposited with the Escrow Agent on the date of this Agreement. It is understood and agreed that the dates and amounts of payments of principal and interest due on the securities so deposited are as indicated in EXHIBIT B, and that the principal and interest payments due on such securities together with the initial cash deposit are such as to provide the funds required to pay the interest payable on the Refunding Bonds to the date on which any of the Refunded Bonds have been directed to be prepaid, as stated in the Resolution, and to pay the outstanding principal amount of the Refunded Bonds on such date.

3. The Escrow Agent acknowledges receipt of the securities described in paragraph 2 hereof and agrees that it will hold such securities in a special escrow account (the “Escrow Account”) created by the Resolution in the name of the City, and will collect and receive on behalf of the City all payments of principal of and interest on such securities and will remit from the Escrow Account (i) to the paying agent for the Refunding Bonds the funds required to pay the interest due on the Refunding Bonds through the Redemption Date; and (ii) to the paying agent for the Refunded Bonds the funds needed for the redemption and prepayment of the outstanding principal amount of the Refunded Bonds on the Redemption Date. After provision for payment of the principal of all remaining Refunded Bonds, the Escrow Agent will remit any remaining funds in the Escrow Account to the City. Of the amounts deposited with the Escrow Agent, the sum of \$26,750 shall be used by the Escrow Agent for payment and disbursement of the costs of issuance of the Refunding Bonds as set forth in EXHIBIT C attached hereto.

4. The Escrow Agent expressly waives any lien upon or claim against the moneys and investments in the Escrow Account.

5. If at any time it shall appear to the Escrow Agent that the money in the Escrow Account allocable for such use hereunder will not be sufficient to make any interest payment due to the holders of any of the Refunding Bonds, or principal payment due to the holders of any of the Refunded Bonds, the Escrow Agent shall immediately notify the City. The City thereupon shall forthwith deposit in the Escrow Account from funds on hand and legally available to it such additional funds as may be required to meet fully the amount to become due and payable. The City acknowledges its obligation to levy ad valorem taxes on all taxable property in the City to the extent required to produce moneys necessary for this purpose. The City and Escrow Agent acknowledge receipt of a verification report from Robert Thomas CPA, LLC, Minneapolis, Minnesota, certified public accountants, of even date herewith, to the effect that such cash and securities are sufficient to comply with the requirements of the Act.

6. The City will not repeal or amend the Resolution which calls the Refunded Bonds for redemption on the Redemption Date. The Escrow Agent shall cause the Notice of Call for Redemption attached hereto as EXHIBIT D to be mailed not less than sixty (60) days prior to the Redemption Date of the Refunded Bonds to the paying agent for the Refunded Bonds for the purpose of giving notice not less than thirty (30) days prior to the Redemption Date to the registered owners of the Refunded Bonds to be redeemed, at their addresses appearing in the bond register and also to the bank at which the principal of and interest on the Refunded Bonds are then payable.

7. The Escrow Agent shall cause the Notice of Defeasance attached hereto as EXHIBIT E to be filed with the Municipal Securities Rulemaking Board within ten (10) business days of the issuance of the Refunding Bonds.

8. Within thirty (30) days of December 31, 2020, and each December 31 thereafter until termination of the Escrow Account, the Escrow Agent shall submit to the City a report covering all money it shall have received and all payments it shall have made or caused to be made hereunder during the preceding twelve months. Such report shall also list all obligations held in the Escrow Account and the amount of money on hand in the Escrow Account on the last day of December of each year.

9. It is recognized that title to the Federal Securities and money held in the Escrow Account from time to time shall remain vested in the City but subject always to the prior charge and lien thereon of this Agreement and the use thereof required to be made by the provisions of this Agreement. The Escrow Agent shall hold all such money and obligations in a separate special escrow account wholly segregated from all other funds and securities of the Escrow Agent, and shall never commingle such money or

securities with other money or securities. It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the funds and securities deposited with it in said escrow account, the collection of and accounting for the principal and interest payable with respect thereto, the reinvestment of certain funds in United States Treasury Obligations, State and Local Government Series with zero interest which are not being held as uninvested cash and the remittance of the funds to the paying agent as provided in this Agreement.

10. This Agreement is made by the City for the benefit of the holders of the Refunded Bonds, and is not revocable by the City, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment of the callable principal amount of the Refunded Bonds on the Redemption Date and the interest on the Refunding Bonds to and including the Redemption Date in accordance with this Agreement.

11. This Agreement shall be binding upon and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third-party beneficiary contract for the benefit of the holders of the Refunded Bonds and said third-party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third-party beneficiaries were parties hereto. Any bank into which the Escrow Agent may be merged or with which it may be consolidated or any bank resulting from any merger or consolidation to which it shall be a party or any bank to which it may sell or transfer all or substantially all of its corporate trust business shall, if the City approves, be the successor agent without the execution of any document or the performance of any further act.

12. The Escrow Agent hereby certifies that it is a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation and whose capital and surplus is not less than \$500,000.

13. The Escrow Agent may at any time resign and be discharged of its obligations hereunder by giving to the City Administrator of the City written notice of such resignation not less than sixty (60) days before the date when the same is to take effect, provided that the Escrow Agent shall return to the City the pro rata portion of its fee which is allocable to the period of time commencing on the effective date of such resignation. Such resignation shall take effect upon the date specified in the notice, or upon the appointment and qualification of a successor prior to that date. In the event of such resignation, a successor shall promptly be appointed by the City, and the City Administrator shall immediately give written notice thereof to the predecessor escrow agent and publish the notice in the manner described in this paragraph 13. If, in a proper case, no appointment of a successor agent is made within forty-five (45) days after the receipt by the City of notice of such resignation, the Escrow Agent or the holder of any Refunded Bond may apply to any court of competent jurisdiction to appoint a successor escrow agent, which appointment may be made by the Court after such notice, if any, as the Court may prescribe. Any successor escrow agent appointed hereunder shall execute, acknowledge and deliver to its predecessor escrow agent and to the City a written acceptance of such appointment, and shall thereupon without any further act, deed or conveyance become fully vested with all moneys, properties, duties and obligations of its predecessor, but the predecessor shall nevertheless pay over, transfer, assign and deliver all moneys, securities or other property held by it to the successor escrow agent, shall execute, acknowledge and deliver such instruments of conveyance and do such other things as may reasonably be required to vest and confirm more fully and certainly in the successor escrow agent all right, title and interest in and to any property held by it hereunder. Any bank into which the Escrow Agent may be merged or with which it may be consolidated or any bank resulting from any merger or consolidation to which it shall be a party

or any bank to which it may sell or transfer all or substantially all of its corporate trust business shall, if the City approves, be the successor escrow agent without the execution of any document or the performance of any further act.

14. The Escrow Agent acknowledges receipt of the sum of \$2,500 as its full compensation for its services to be performed under this Agreement.

15. The duties and obligations of the Escrow Agent shall be as prescribed by the provisions of this Agreement and the Escrow Agent shall not be liable hereunder except for failure to perform its duties and obligations as specifically set forth herein or to act in good faith in the performance thereof and no implied duties or obligations shall be incurred by the Escrow Agent other than those specified herein.

16. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed:

If to the City: City of Columbus
 16319 Kettle River Boulevard
 Columbus, MN 55025
 Attention: City Administrator

If to the Escrow Agent: U.S. Bank National Association
 60 Livingston Avenue
 EP-MN-WS3C
 St. Paul, MN 55107-2292
 Attention: Corporate Trust Services

17. The exhibits which are a part of this Agreement are as follows:

EXHIBIT A	Federal Securities
EXHIBIT B	Principal and Interest Payments on Federal Securities
EXHIBIT C	Costs of Issuance
EXHIBIT D	Notice of Call for Redemption
EXHIBIT E	Notice of Defeasance

IN WITNESS WHEREOF the parties hereto have caused this Crossover Refunding Escrow Agreement to be duly executed by their duly authorized officers, in counterparts, each of which is deemed to be an original agreement, as of the date and year first written above.

CITY OF COLUMBUS, MINNESOTA

By _____
Its Mayor

(SEAL)

By _____
Its City Administrator

Security Advice Waiver:

The City acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the City the right to receive brokerage confirmations of the security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Agent will furnish the City with period cash transaction statements that include the detail for all investment transactions made by the Escrow Agent for all current and future accounts.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

(Signature page of the City to the Crossover Refunding Escrow Agreement
related to the Taxable General Obligation Tax Abatement Bonds, Series 2015A, issued by the City of
Columbus, Minnesota)

Execution page of the Escrow Agent to the Crossover Refunding Escrow Agreement, dated as of the date and year first written above.

U.S. BANK NATIONAL ASSOCIATION

By _____
Its Vice President

(Signature page of the Escrow Agent to the Crossover Refunding Escrow Agreement related to the Taxable General Obligation Tax Abatement Bonds, Series 2015A, issued by the City of Columbus, Minnesota)

EXHIBIT A
FEDERAL SECURITIES

Crossover Escrow Summary Cost

Maturity	Type	Coupon	Yield	S Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Crossover Escrow								
01/19/2023	FNMA	2.375%	0.069%	105.3942120%	3,584,000	3,777,328.56	13,477.33	3,790,805.89
Subtotal		-	-	-	\$3,584,000	\$3,777,328.56	\$13,477.33	\$3,790,805.89
Total		-	-	-	\$3,584,000	\$3,777,328.56	\$13,477.33	\$3,790,805.89

Crossover Escrow

Cash Deposit	701.88
Cost of Investments Purchased with Bond Proceeds	3,790,805.89
Total Cost of Investments	\$3,791,507.77

Delivery Date 9/16/2020

EXHIBIT B

PRINCIPAL AND INTEREST PAYMENTS ON FEDERAL SECURITIES

Crossover Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance	Fiscal Total
09/16/2020	-	-	-	701.88	-	701.88	-
01/19/2021	-	-	42,560.00	42,560.00	-	43,261.88	-
02/01/2021	-	-	-	-	20,131.88	23,130.00	20,131.88
07/19/2021	-	-	42,560.00	42,560.00	-	65,690.00	-
08/01/2021	-	-	-	-	26,842.50	38,847.50	-
01/19/2022	-	-	42,560.00	42,560.00	-	81,407.50	-
02/01/2022	-	-	-	-	26,842.50	54,565.00	53,685.00
07/19/2022	-	-	42,560.00	42,560.00	-	97,125.00	-
08/01/2022	-	-	-	-	26,842.50	70,282.50	-
01/19/2023	3,584,000.00	2.375%	42,560.00	3,626,560.00	-	3,696,842.50	-
02/01/2023	-	-	-	-	3,696,842.50	-	3,723,685.00
Total	\$3,584,000.00	-	\$212,800.00	\$3,797,501.88	\$3,797,501.88	-	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	701.88
Cost of Investments Purchased with Bond Proceeds	3,790,805.89
Total Cost of Investments	\$3,791,507.77
Target Cost of Investments at bond yield	\$3,655,357.24
Actual positive or (negative) arbitrage	(136,150.53)
Yield to Receipt	0.0691395%
Yield for Arbitrage Purposes	1.6350082%

EXHIBIT C

COSTS OF ISSUANCE

Rating Agency	\$13,000
Bond Counsel	8,000
Escrow Agent	2,500
CPA/Verification Report	2,000
Paying Agent	850
Miscellaneous	<u>400</u>
TOTAL	<u>\$26,750</u>

EXHIBIT D

NOTICE OF CALL FOR REDEMPTION

\$4,380,000
CITY OF COLUMBUS, MINNESOTA
TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS
SERIES 2015A

NOTICE IS HEREBY GIVEN that, by order of the City Council of the City of Columbus, Minnesota (the “City”), there have been called for redemption and prepayment on

February 1, 2023

all outstanding bonds of the City designated as Taxable General Obligation Tax Abatement Bonds, Series 2015A, dated April 1, 2015, having stated maturity dates of February 1 in the years 2024 through 2036, both inclusive, totaling \$3,6700,000 in principal amount, and with the following CUSIP numbers:

<u>Year of Maturity</u>	<u>Amount</u>	<u>CUSIP Number</u>
2024	\$ 165,000	199339 EC2
2025	180,000	199339 ED0
2026	195,000	199339 EE8
2027	215,000	199339 EF5
2028	235,000	199339 EG3
2029	255,000	199339 EH1
2030	275,000	199339 EJ7
2036	2,150,000	199339 EK4

The bonds are being called at a price of par plus accrued interest to February 1, 2023, on which date all interest on said bonds will cease to accrue. Holders of the Bonds hereby called for redemption are requested to present their bonds for payment at the office of U.S. Bank National Association, as registrar and paying agent, in the City of Saint Paul, Minnesota, on or before February 1, 2023:

U.S. Bank National Association
Corporate Trust Services
111 Fillmore Avenue East
St. Paul, MN 55107

Important Notice: In compliance with the Economic Growth and Tax Relief Reconciliation Act of 2003, the paying agent is required to withhold a specified percentage of the principal amount of the redemption price payable to the holder of any bonds subject to redemption and prepayment on the redemption date, unless the paying agent is provided with the Social Security Number or Federal Employer Identification Number of the holder, properly certified. Submission of a fully executed Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. December 2014), will satisfy the requirements of this paragraph.

Dated: _____, 20__.

**BY ORDER OF THE CITY COUNCIL OF
THE CITY OF COLUMBUS, MINNESOTA**

By: /s/ Elizabeth Mursko
City Administrator
City of Columbus, Minnesota

EXHIBIT E

NOTICE OF DEFEASANCE

\$4,380,000
CITY OF COLUMBUS, MINNESOTA
TAXABLE GENERAL OBLIGATION TAX ABATEMENT BONDS
SERIES 2015A

NOTICE IS HEREBY GIVEN to the holders of the above-described bonds (the “Bonds”), dated April 1, 2015, and maturing on February 1 of the years and amounts shown below, that U.S. Government Securities have been deposited with U.S. Bank National Association, Saint Paul, Minnesota (the “Escrow Agent”), in an amount sufficient to defease the 2024 through 2036 maturities of such Bonds. Interest on the Bonds will continue to be paid by the City of Columbus, Minnesota, from cash on hand. The outstanding Bonds will be redeemed and prepaid in full on February 1, 2023, and are identified below by CUSIP number:

<u>Year of Maturity</u>	<u>Amount</u>	<u>CUSIP Number</u>
2024	\$ 165,000	199339 EC2
2025	180,000	199339 ED0
2026	195,000	199339 EE8
2027	215,000	199339 EF5
2028	235,000	199339 EG3
2029	255,000	199339 EH1
2030	275,000	199339 EJ7
2036	2,150,000	199339 EK4

Dated: _____, 20__

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent