

NOTICE TO BIDDERS

\$3,675,000*
City of Jordan, Minnesota
General Obligation Bonds, Series 2020A
(Book Entry Only)

IMPORTANT CHANGES TO THE PRELIMINARY OFFICIAL STATEMENT FOR THE ABOVE-REFERENCED BONDS ARE AS FOLLOWS:

- The par amount has changed from \$3,525,000 to \$3,675,000.
- The minimum bid amount, good faith amount, and maturity amounts have changed to reflect the new par amount.
- The sections titled “Sources and Uses of Funds” and “City Indebtedness” have been updated to reflect the new par amount.

The Cover Page, Terms of Proposal, pages 4, 10, 11, 12, 13, and 14, and the Proposal Form included in the Preliminary Official Statement dated December 31, 2019 have been revised to reflect these changes and are attached hereto.

January 9, 2020

* *Preliminary; subject to change.*

PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER 31, 2019

NEW ISSUE
BANK QUALIFIED

S&P Rating: Requested

In the opinion of Kennedy & Graven, Chartered, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings and decisions (which excludes any pending legislation which may have a retroactive effect) and, assuming compliance with certain covenants, interest to be paid on the Bonds is excluded from gross income for federal income tax purposes and, to the same extent, is excluded from taxable net income of individuals, estates, or trusts for Minnesota income tax purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. Such interest is subject to Minnesota franchise taxes on certain corporations (including financial institutions) measured by income. No opinion will be expressed by Bond Counsel regarding the other state or federal tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds. See "TAX EXEMPTION" herein.

\$3,675,000*

City of Jordan, Minnesota
General Obligation Bonds, Series 2020A
(the "Bonds")

(Book Entry Only)

Dated Date: Date of Delivery

Interest Due: Each February 1 and August 1, commencing February 1, 2021

The Bonds will mature February 1 in the years and amounts* as follows:

2021	\$ 95,000	2025	\$295,000	2028	\$205,000	2031	\$220,000	2034	\$235,000
2022	\$285,000	2026	\$195,000	2029	\$210,000	2032	\$225,000	2035	\$240,000
2023	\$290,000	2027	\$200,000	2030	\$215,000	2033	\$230,000	2036	\$245,000
2024	\$290,000								

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above.

The City may elect on February 1, 2028, and on any day thereafter, to redeem Bonds due on or after February 1, 2029 at a price of par plus accrued interest.

The Bonds are general obligations of the City for which the City pledges its full faith and credit and power to levy direct general ad valorem taxes. In addition, the City will pledge net revenues of the City's water, sewer, and storm sewer funds for repayment of a portion of the Bonds. The proceeds of the Bonds will be used to finance the acquisition of various capital equipment and various sewer improvements.

Proposals shall be for not less than \$3,630,900 plus accrued interest, if any, on the total principal amount of the Bonds. Proposals shall specify rates in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. Following receipt of proposals, a good faith deposit will be required to be delivered to the City by the lowest bidder as described in the "Terms of Proposal" herein. Award of the Bonds will be made on the basis of True Interest Cost (TIC).

The City will designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases may be made in book entry form only, in the principal amount of \$5,000 and integral multiples thereof. Investors will not receive physical certificates representing their interest in the Bonds purchased. (See "Book Entry System" herein.) U.S. Bank National Association, Saint Paul, Minnesota will serve as registrar (the "Registrar") for the Bonds. The Bonds will be available for delivery at DTC on or about February 20, 2020.

PROPOSALS RECEIVED: Tuesday, January 21, 2020 until 10:00 A.M., Central Time
CONSIDERATION OF AWARD: Council meeting commencing at 6:30 P.M., Central Time on Tuesday, January 21, 2020



Further information may be obtained from Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101-2887 (651) 223-3000.

* Preliminary; subject to change.

The information contained in this Preliminary Official Statement is deemed by the City to be final as of the date hereof; however, the pricing and underwriting information is subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

THE CITY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:

TERMS OF PROPOSAL

\$3,675,000*

**CITY OF JORDAN, MINNESOTA
GENERAL OBLIGATION BONDS, SERIES 2020A**

(BOOK ENTRY ONLY)

Proposals for the above-referenced obligations (the “Bonds”) will be received by the City of Jordan, Minnesota (the “City”) on Tuesday, January 21, 2020 (the “Sale Date”) until 10:00 A.M., Central Time at the offices of Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”), 380 Jackson Street, Suite 300, Saint Paul, Minnesota, 55101, after which time proposals will be opened and tabulated. Consideration for award of the Bonds will be by the City Council at its meeting commencing at 6:30 P.M., Central Time, of the same day.

SUBMISSION OF PROPOSALS

Baker Tilly MA will assume no liability for the inability of a bidder to reach Baker Tilly MA prior to the time of sale specified above. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner in which the proposal is submitted.

(a) ***Sealed Bidding.*** Proposals may be submitted in a sealed envelope or by fax (651) 223-3046 to Baker Tilly MA. Signed proposals, without final price or coupons, may be submitted to Baker Tilly MA prior to the time of sale. The bidder shall be responsible for submitting to Baker Tilly MA the final proposal price and coupons, by telephone (651) 223-3000 or fax (651) 223-3046 for inclusion in the submitted proposal.

OR

(b) ***Electronic Bidding.*** Notice is hereby given that electronic proposals will be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all proposals submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the City, its agents, nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the City, its agents, nor PARITY® shall be responsible for a bidder’s failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The City is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Bonds, and PARITY® is not an agent of the City.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2nd Floor, New York, New York 10018
Customer Support: (212) 849-5000

* *Preliminary; subject to change.*

DETAILS OF THE BONDS

The Bonds will be dated as of the date of delivery and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 2021. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature February 1 in the years and amounts as follows:

2021	\$ 95,000	2025	\$295,000	2028	\$205,000	2031	\$220,000	2034	\$235,000
2022	\$285,000	2026	\$195,000	2029	\$210,000	2032	\$225,000	2035	\$240,000
2023	\$290,000	2027	\$200,000	2030	\$215,000	2033	\$230,000	2036	\$245,000
2024	\$290,000								

* *The City reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Bonds or the amount of any maturity or maturities in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the City for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.*

Proposals for the Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth above. In order to designate term bonds, the proposal must specify “Years of Term Maturities” in the spaces provided on the proposal form.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository for the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The lowest bidder (the “Purchaser”), as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

REGISTRAR

The City will name the registrar which shall be subject to applicable regulations of the Securities and Exchange Commission. The City will pay for the services of the registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2028, and on any day thereafter, to redeem 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 shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed. 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. All redemptions shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Bonds will be general obligations of the City for which the City will pledge its full faith and credit and power to levy direct general ad valorem taxes. In addition, the City will pledge net revenues of the City's water, sewer, and storm sewer funds for repayment of a portion of the Bonds. The proceeds of the Bonds will be used to finance the acquisition of various capital equipment and various sewer improvements.

BIDDING PARAMETERS

Proposals shall be for not less than \$3,630,900 plus accrued interest, if any, on the total principal amount of the Bonds. No proposal can be withdrawn or amended after the time set for receiving proposals on the Sale Date unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

ESTABLISHMENT OF ISSUE PRICE

In order to provide the City with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the "Code"), the Purchaser will be required to assist the City in establishing the issue price of the Bonds and shall complete, execute, and deliver to the City prior to the closing date, a written certification in a form acceptable to the Purchaser, the City, and Bond Counsel (the "Issue Price Certificate") containing the following for each maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity): (i) the interest rate; (ii) the reasonably expected initial offering price to the "public" (as said term is defined in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (iii) pricing wires or equivalent communications supporting such offering or sale price. Any action to be taken or documentation to be received by the City pursuant hereto may be taken or received on behalf of the City by Baker Tilly MA.

The City intends that the sale of the Bonds pursuant to this Terms of Proposal shall constitute a "competitive sale" as defined in the Regulation based on the following:

- (i) the City shall cause this Terms of Proposal to be disseminated to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (ii) all bidders shall have an equal opportunity to submit a bid;
- (iii) the City reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and
- (iv) the City anticipates awarding the sale of the Bonds to the bidder who provides a proposal with the lowest true interest cost, as set forth in this Terms of Proposal (See "AWARD" herein).

Any bid submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, as specified in the proposal. The Purchaser shall constitute an "underwriter" as said term is defined in the Regulation. By submitting its proposal, the Purchaser confirms that it shall require any agreement among underwriters, a selling group agreement, or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with the provisions of the Code and the Regulation regarding the initial sale of the Bonds.

If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the Purchaser of such fact prior to the time of award of the sale of the Bonds to the Purchaser. **In such event, any proposal submitted will not be subject to cancellation or withdrawal.** Within twenty-four (24) hours of the notice of award of the sale of the Bonds, the Purchaser shall advise the City and Baker Tilly MA if 10% of any maturity of the Bonds (and, if different interest rates apply within a maturity, to each separate CUSIP

number within that maturity) has been sold to the public and the price at which it was sold. The City will treat such sale price as the “issue price” for such maturity, applied on a maturity-by-maturity basis. The City will not require the Purchaser to comply with that portion of the Regulation commonly described as the “hold-the-offering-price” requirement for the remaining maturities, but the Purchaser may elect such option. If the Purchaser exercises such option, the City will apply the initial offering price to the public provided in the proposal as the issue price for such maturities. If the Purchaser does not exercise that option, it shall thereafter promptly provide the City and Baker Tilly MA the prices at which 10% of such maturities are sold to the public; provided such determination shall be made and the City and Baker Tilly MA notified of such prices whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Bonds or until all of the Bonds of a maturity have been sold.

GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit to the City in the amount of \$36,750 (the “Deposit”) no later than 1:00 P.M., Central Time on the Sale Date. The Deposit may be delivered as described herein in the form of either (i) a certified or cashier’s check payable to the City; or (ii) a wire transfer. The Purchaser shall be solely responsible for the timely delivery of its Deposit whether by check or wire transfer. Neither the City nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the City may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

Certified or Cashier’s Check. A Deposit made by certified or cashier’s check will be considered timely delivered to the City if it is made payable to the City and delivered to Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101 by the time specified above.

Wire Transfer. A Deposit made by wire will be considered timely delivered to the City upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the City and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the City.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the City. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The City will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

The City has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder’s proposal. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the City) shall be paid by the successful bidder. Failure of the

municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Bonds.

CUSIP NUMBERS

If the Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Bonds; however, neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

SETTLEMENT

On or about February 20, 2020, the Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Bonds has been made impossible by action of the City, or its agents, the Purchaser shall be liable to the City for any loss suffered by the City by reason of the Purchaser's non-compliance with said terms for payment.

CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the City will undertake, pursuant to the resolution awarding sale of the Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The Purchaser's obligation to purchase the Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Bonds.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Bonds, and said Preliminary Official Statement has been deemed final by the City as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the City, Baker Tilly Municipal Advisors, LLC, 380 Jackson Street, Suite 300, Saint Paul, Minnesota 55101, telephone (651) 223-3000.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Bonds, together with any other information required by law. By awarding the Bonds to the Purchaser, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the Purchaser up to 25 copies of the Final Official Statement. The City designates the Purchaser as its agent for purposes of distributing copies of the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the City, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated December 16, 2019

BY ORDER OF THE CITY COUNCIL

/s/ Thomas Nikunen
City Administrator

disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to City or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

AUTHORITY AND PURPOSE

The Bonds are being issued pursuant to Minnesota Statutes, Chapters 444 and 475 and Section 412.301. The proceeds of the Bonds will be used to finance the acquisition of various capital equipment and various sewer improvements.

SOURCES AND USES OF FUNDS

For purposes of this Official Statement, the composition of the Bonds has been broken out by the source of payment for each portion of the Bonds. The Bonds consist of:

- the portion of the Bonds secured by net revenues from the City’s water, sewer, and storm sewer Funds (the “Utility Portion of the Bonds”); and
- the portion of the Bonds secured solely by taxes (the “Equipment Portion of the Bonds”).

The composition of the Bonds is estimated to be as follows:

	<u>Utility Portion</u>	<u>Equipment Portion</u>	<u>Total</u>
Sources of Funds:			
Principal Amount	<u>\$3,180,000</u>	<u>\$495,000</u>	<u>\$3,675,000</u>
Total Sources of Funds	\$3,180,000	\$495,000	\$3,675,000
Uses of Funds:			
Deposit to Project Fund	\$3,092,135	\$479,838	\$3,571,973
Costs of Issuance	49,705	9,222	58,927
Allowance for Discount Bidding	<u>38,160</u>	<u>5,940</u>	<u>44,100</u>
Total Uses of Funds	\$3,180,000	\$495,000	\$3,675,000

Ten of the Largest Taxpayers in the City

<u>Taxpayer</u>	<u>Type of Property</u>	<u>2017/18 Net Tax Capacity</u>
Oak Terrace Senior Housing LLC	Senior Housing	\$ 103,410
Minnesota Valley Electric Co-op	Electric Utility	97,915
Xcel Energy	Utility	86,121
RJA Holdings LLC	Commercial/Industrial	59,842
Triple J's Properties LLP	Commercial/Industrial	54,304
Centerpoint Energy Resource	Commercial	53,704
Minger Properties LLC	Commercial	51,060
Individual	Commercial	49,674
Valley Green MHC LLC	Manufactured Home Park	42,026
J&G Engel LLC	Industrial	<u>41,250</u>
Total		\$639,306*

* Represents 10.8% of the City's 2018/19 adjusted taxable net tax capacity.

CITY INDEBTEDNESS

Legal Debt Limit and Debt Margin*

Legal Debt Limit (3% of 2018/19 Estimated Market Value)	\$14,863,272
Less: Outstanding Debt Subject to Limit	<u>(6,700,000)</u>
Legal Debt Margin as of February 20, 2020	\$ 8,163,272

* The legal debt margin is referred to statutorily as the "Net Debt Limit" and may be increased by debt service funds and current revenues which are applicable to the payment of debt in the current fiscal year.

NOTE: Certain types of debt are not subject to the legal debt limit. See Appendix III – Debt Limitations.

General Obligation Debt Supported Solely by Taxes*

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 2-20-20</u>
7-1-13	\$1,410,000	Street Reconstruction Improvements	2-1-2029	\$ 905,000
7-7-16	1,885,000	Street Reconstruction	2-1-2032	1,545,000
10-20-16	1,340,000	Capital and Street Reconstruction	2-1-2029	1,155,000
5-31-17	1,920,000	Street Reconstruction	2-1-2038	1,775,000
8-16-18	895,000	Street Reconstruction	2-1-2029	825,000
2-20-20	495,000	Equipment Certificates (the Equipment Portion of the Bonds)	2-1-2025	<u>495,000</u>
Total				\$6,700,000

* These issues are subject to the legal debt limit.

General Obligation Special Assessment Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 2-20-20</u>
6-17-15	\$1,165,000	Improvements	2-1-2031	\$ 880,000
10-20-16	455,000	Improvements Refunding	2-1-2024	<u>310,000</u>
Total				\$1,190,000

General Obligation Utility Revenue Debt

<u>Date of Issue</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Est. Principal Outstanding As of 2-20-20</u>
5-30-00	\$6,850,120	PFA Loan	8-20-2021	\$ 844,000
6-30-03	1,052,939	PFA Loan	8-20-2023	261,000
3-7-13	640,000	Water Revenue	2-1-2021	95,000
3-7-13	4,320,000	Utility Revenue	2-1-2023	2,215,000
6-17-15	295,000	Utility Revenue	2-1-2031	240,000
7-7-16	1,310,000	Utility Revenue	2-1-2032	1,075,000
10-20-16	370,000	Utility Revenue Refunding	2-1-2024	245,000
5-31-17	4,915,000	Utility Revenue	2-1-2038	4,545,000
2-20-20	3,180,000	Utility Revenue (the Utility Portion of the Bonds)	2-1-2036	<u>3,180,000</u>
Total				\$12,700,000

Estimated Calendar Year Debt Service Payments Including the Bonds

<u>Year</u>	<u>G.O. Debt Supported Solely by Taxes</u>		<u>G.O. Special Assessment Debt</u>	
	<u>Principal</u>	<u>Principal & Interest^(a)</u>	<u>Principal</u>	<u>Principal & Interest</u>
2020 (at 2-20)	(Paid)	\$ 78,037	(Paid)	\$ 14,463
2021	\$ 580,000	741,583	\$ 145,000	172,563
2022	610,000	754,605	145,000	169,750
2023	625,000	755,869	155,000	176,750
2024	640,000	756,616	155,000	173,613
2025	620,000	721,926	75,000	91,238
2026	535,000	622,954	80,000	94,250
2027	540,000	614,476	80,000	91,850
2028	555,000	615,613	85,000	94,375
2029	570,000	616,284	85,000	91,825
2030	240,000	276,021	90,000	94,200
2031	240,000	269,996	95,000	96,425
2032	250,000	273,699		
2033	110,000	128,869		
2034	110,000	125,706		
2035	115,000	127,472		
2036	115,000	124,166		
2037	120,000	125,788		
2038	<u>125,000</u>	<u>127,031</u>		
Total	\$6,700,000^(b)	\$7,856,711	\$1,190,000^(c)	\$1,361,302

(a) Includes the Equipment Portion of the Bonds at an assumed average annual interest rate of 1.69%.

(b) 82.3% of this debt will be retired within ten years.

(c) 92.0% of this debt will be retired within ten years.

Estimated Calendar Year Debt Service Payments Including the Bonds (continued)

<u>Year</u>	<u>G.O. Utility Revenue Debt</u>	
	<u>Principal</u>	<u>Principal & Interest^(a)</u>
2019 (at 2-20)	(Paid)	(Paid)
2020	\$ 482,000	\$ 615,094
2021	1,644,000	1,959,772
2022	1,356,000	1,604,824
2023	1,398,000	1,616,513
2024	575,000	770,097
2025	520,000	702,481
2026	530,000	700,036
2027	545,000	702,126
2028	555,000	698,841
2029	580,000	709,863
2030	590,000	705,081
2031	605,000	704,661
2032	590,000	674,077
2033	505,000	574,586
2034	515,000	570,853
2035	535,000	576,589
2036	550,000	576,719
2037	310,000	324,694
2038	<u>315,000</u>	<u>320,119</u>
Total	\$12,700,000 ^(b)	\$15,107,026

(a) Includes the Utility Portion of the Bonds at an assumed average annual interest rate of 2.31%.

(b) 64.4% of this debt will be retired within ten years.

Other Debt Obligations

Library Note

The City entered into a \$1,000,000 loan agreement with Scott County, Minnesota in May of 2012, for the purpose of constructing a library which is attached to a multi-family rental housing facility for seniors. This loan carries an interest rate of 3.07% and will mature February 1, 2032. As of December 31, 2018 the outstanding principal and interest on this loan is approximately \$754,000.

Overlapping Debt

Taxing Unit ^(a)	2018/19 Adjusted Taxable Net Tax Capacity	Est. G.O. Debt As of 2-20-20 ^(b)	Debt Applicable to Tax Capacity in City	
			Percent	Amount
Scott County	\$ 201,485,950	\$ 112,490,000	2.9%	\$ 3,262,210
I.S.D. No. 717 (Jordan)	13,731,004	34,755,000	43.3	15,048,915
Metropolitan Council	4,281,620,797	5,735,000 ^(c)	0.1	5,735
Metropolitan Transit	3,433,535,041	255,485,000	0.2	510,970
Total				\$18,827,830

(a) Only those units with outstanding general obligation debt are shown here.

(b) Excludes general obligation tax and aid anticipation certificates and revenue-supported debt.

(c) Excludes general obligation debt supported by wastewater revenues and housing rental payments. Includes certificates of participation.

Debt Ratios*

	G.O. Direct Debt	G.O. Direct & Overlapping Debt
To 2018/19 Estimated Market Value (\$495,442,400)	1.59%	5.39%
Per Capita (6,276 – U.S. Census Bureau Estimate)	\$1,257	\$4,257

* Excludes general obligation utility revenue debt and other debt obligations.

CITY TAX RATES, LEVIES AND COLLECTIONS

Tax Capacity Rates for a City Resident in Independent School District No. 717 (Jordan)

	2014/15	2015/16	2016/17	2017/18	2018/19	
					Total	For Debt Only
Scott County	36.638%	36.175%	35.896%	35.114%	33.841%	3.213%
City of Jordan	63.967	68.426	71.240	71.622	72.768	14.530
I.S.D. No. 717 (Jordan) ^(a)	33.609	38.415	33.805	34.432	30.610	24.020
Special Districts ^(b)	<u>5.722</u>	<u>5.793</u>	<u>6.107</u>	<u>5.660</u>	<u>5.362</u>	<u>0.120</u>
Total	139.936%	148.809%	147.048%	146.828%	142.581%	41.883%

(a) Independent School District No. 717 (Jordan) also has a 2018/19 tax rate of 0.132% spread on the market value of property in support of an excess operating levy.

(b) Special districts include the Metropolitan Council, Mosquito Control District, the Scott County Community Development Agency, the City of Jordan Economic Development Authority, and the Scott County Water Management Organization.

NOTE: This table includes only net tax capacity-based rates. Certain other tax rates are based on market value. See Appendix III.

City of Jordan, Minnesota
\$3,675,000* General Obligation Bonds, Series 2020A

For the Bonds of this Issue which shall mature and bear interest at the respective annual rates, as follow, we offer a price of \$_____ (which may not be less than \$3,630,900) plus accrued interest, if any, to the date of delivery.

<u>Year</u>	<u>Interest Rate (%)</u>	<u>Yield (%)</u>	<u>Dollar Price</u>	<u>Year</u>	<u>Interest Rate (%)</u>	<u>Yield (%)</u>	<u>Dollar Price</u>
2021	_____ %	_____ %	_____ %	2029	_____ %	_____ %	_____ %
2022	_____ %	_____ %	_____ %	2030	_____ %	_____ %	_____ %
2023	_____ %	_____ %	_____ %	2031	_____ %	_____ %	_____ %
2024	_____ %	_____ %	_____ %	2032	_____ %	_____ %	_____ %
2025	_____ %	_____ %	_____ %	2033	_____ %	_____ %	_____ %
2026	_____ %	_____ %	_____ %	2034	_____ %	_____ %	_____ %
2027	_____ %	_____ %	_____ %	2035	_____ %	_____ %	_____ %
2028	_____ %	_____ %	_____ %	2036	_____ %	_____ %	_____ %

Designation of Term Maturities

Years of Term Maturities _____

In making this offer on the sale date of January 21, 2020 we accept all of the terms and conditions of the Terms of Proposal published in the Preliminary Official Statement dated December 31, 2019, as amended and supplemented on January 9, 2020, including the City’s right to modify the principal amount of the Bonds. (See “Terms of Proposal” herein.) In the event of failure to deliver these Bonds in accordance with said Terms of Proposal, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

By submitting this proposal, we confirm that we have an established industry reputation for underwriting municipal bonds such as the Bonds.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST: \$ _____

TRUE INTEREST RATE: _____ %

The Bidder will not will purchase municipal bond insurance from _____.

Account Members

Account Manager

By: _____

Phone: _____

.....
The foregoing proposal has been accepted by the City.

Attest: _____

Date: _____

* Preliminary; subject to change.