

Bond Sale Summary

City of Princeton, Minnesota

\$866,000

**General Obligation Improvement Bond,
Series 2023A**

August 24, 2023



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Minneapolis, MN 55402

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PURPOSE: Finance infrastructure improvements to the Princeton Business Park and to pay the costs associated with the issuance of the Bond.

FINANCE PLAN: The Bond has been structured to result in relatively level annual debt service payments over the 10-year life of the Bond. Available local revenue will be used to pay the costs associated with electric, gas and trail improvements within the project area. Lot sale revenue of approximately \$974,244 is expected to be available prior to the bond sale. In addition, the City is contributing \$177,805 in cash. The lot sale revenue and the cash contribution will be used to downsize the bond issue.

RESULTS: Bond was purchased by Bremer Bank, Princeton, MN.

	Final Results on
	<u>08/17/23</u>
Par Amount	\$ 866,000
Average Coupon	5.415%
True Interest Cost (TIC)	5.407%



EXHIBIT A - SOURCES AND USES

Sources Of Funds

Cash Contribution From Lot Sale Proceeds	974,244.40
Par Amount of Bonds	\$866,000.00
City Cash Contribution	177,805.00

Total Sources **\$2,018,049.40**

Uses Of Funds

Deposit to Project Construction Fund	2,002,229.90
Costs of Issuance	15,500.00
Rounding Amount	319.50

Total Uses **\$2,018,049.40**



EXHIBIT C -DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
09/20/2023	-	-	-	-	-
08/01/2024	-	-	40,511.12	40,511.12	-
02/01/2025	53,000.00	5.415%	23,446.95	76,446.95	116,958.07
08/01/2025	-	-	22,011.98	22,011.98	-
02/01/2026	72,000.00	5.415%	22,011.98	94,011.98	116,023.96
08/01/2026	-	-	20,062.58	20,062.58	-
02/01/2027	76,000.00	5.415%	20,062.58	96,062.58	116,125.16
08/01/2027	-	-	18,004.88	18,004.88	-
02/01/2028	81,000.00	5.415%	18,004.88	99,004.88	117,009.76
08/01/2028	-	-	15,811.80	15,811.80	-
02/01/2029	85,000.00	5.415%	15,811.80	100,811.80	116,623.60
08/01/2029	-	-	13,510.43	13,510.43	-
02/01/2030	90,000.00	5.415%	13,510.43	103,510.43	117,020.86
08/01/2030	-	-	11,073.68	11,073.68	-
02/01/2031	94,000.00	5.415%	11,073.68	105,073.68	116,147.36
08/01/2031	-	-	8,528.63	8,528.63	-
02/01/2032	99,000.00	5.415%	8,528.63	107,528.63	116,057.26
08/01/2032	-	-	5,848.20	5,848.20	-
02/01/2033	105,000.00	5.415%	5,848.20	110,848.20	116,696.40
08/01/2033	-	-	3,005.33	3,005.33	-
02/01/2034	111,000.00	5.415%	3,005.33	114,005.33	117,010.66
Total	\$866,000.00	-	\$299,673.09	\$1,165,673.09	-

Yield Statistics

Bond Year Dollars	\$5,534.13
Average Life	6.390 Years
Average Coupon	5.4150013%
Net Interest Cost (NIC)	5.4150013%
True Interest Cost (TIC)	5.4065623%
Bond Yield for Arbitrage Purposes	5.4065623%
All Inclusive Cost (AIC)	5.7548357%

IRS Form 8038

Net Interest Cost	5.4150013%
Weighted Average Maturity	6.390 Years

Optional Redemption

Any Date	@ 100.000%
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