

July 8, 2024

PRE-SALE REPORT FOR

## City of Grand Rapids, Minnesota

**\$8,380,000 General Obligation Refunding Bonds,  
Series 2024A**



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**Prepared by:**

Ehlers  
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**Advisors:**

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# EXECUTIVE SUMMARY OF PROPOSED DEBT

## Proposed Issue:

\$8,380,000 General Obligation Refunding Bonds, Series 2024A

## Purposes:

The proposed issue includes tax-exempt financing to current refund the City's Taxable General Obligation Bonds, Series 2022A, and provide permanent financing for the Civic Center improvement project. The Series 2022A Bonds provided temporary financing to facilitate improvements to the project, which allowed time to finalize project costs and secure all of the funding resources.

This refunding is considered to be a Current Refunding as the obligations being refunded are either callable (pre-payable) now or will be within 90 days of the date of issue of the new Bonds.

The Bonds include the following purposes:

- Sales Tax authorized by Minnesota Session Laws 2021, 1st Special Session, Chapter 14, Article 8, Section 7. On November 8, 2022, the voters approved a local option sales tax that allows revenues to finance up to \$5,980,000 for reconstruction, remodeling, and upgrades to the Grand Rapids IRA Civic Center. Authorized costs include design, construction, reconstruction, mechanical upgrades, and engineering costs, as well as the associated bond costs. Debt service will be paid from sales tax revenues.
- Equipment - Ice Arena. The City will be updating the Arena's equipment to replace the R-22 refrigeration system with current technology. Debt service will be paid from a tax levy.
- Equipment. The City will be replacing and updating equipment in the Civic Arena, including but not limited to, security cameras and monitors, dasher boards and glass, HVAC systems, bleacher heaters, and other equipment and furnishings. Debt service will be paid from a tax levy.
- Tax Abatement. The balance of project costs will be paid through tax abatement revenues. The City held the public hearing on November 14, 2022. Debt service will be paid from tax abatement revenues (a tax levy).

## Authority:

The Bonds are being issued pursuant to Minnesota Statutes, Chapters:

- 475 - General Bonding Authority
- Minnesota Session Laws 2021, 1<sup>st</sup> Special Session, Chapter 14, Article 8, Section 7. Special Legislation. Allows the City of Grand Rapids to impose a sales and use tax of one-half of one percent to finance up to \$5,980,000 for reconstruction, remodeling,

and upgrades to the Grand Rapids IRA Civic Center. Authorized costs include design, construction, reconstruction, mechanical upgrades, and engineering costs, as well as the associated bond costs.

- 410 – Equipment Bonding Authority. Allows cities to issue debt without a public hearing or referendum if the amount of equipment certificates issued is less than .25% of the estimated market value of taxable property in the City.
- 469 – Tax Abatement Bonding Authority. Allows cities to issue debt after a public hearing if the total amount of property taxes abated in any year for the Bonds, together with any outstanding annual abatements, does not exceed 10% of the City’s net tax capacity or \$200,000, whichever is greater.

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

The City anticipates certain contractual obligations for private use of the facility by a 501(c)(3) entity. Federal tax code and associated regulations require that a public hearing be held for any tax-exempt financing that will be used to finance a facility with a qualifying private use. The public hearing will be held July 8, 2024.

Federal tax code also requires that the costs of issuance, including any underwriter’s discount, for a qualified 501(c)(3) financing cannot exceed 2.0% of the principal amount of the Bonds.

### **Term/Call Feature:**

The Bonds are being issued for a term of 18 years. Principal on the Bonds will be due on February 1 in the years 2026 through 2042. Interest will be due every six months beginning August 1, 2025.

The Bonds will be subject to prepayment at the discretion of the City on February 1, 2034, or any date thereafter.

### **Bank Qualification:**

Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Bonds as “bank qualified” obligations. Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.

### **Rating:**

The City’s most recent bond issues were rated by S&P Global Ratings. The current rating on those bonds is “AA-”. The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City’s bond rating in the event that the bond rating of the insurer is higher than that of the City.

## **Basis for Recommendation:**

Based on your objectives, financial situation and need, risk tolerance, liquidity needs, experience with the issuance of Bonds and long-term financial capacity, as well as the tax status considerations related to the Bonds and the structure, timing and other similar matters related to the Bonds, we are recommending the issuance of Bonds as a suitable option.

## **Method of Sale/Placement:**

We are recommending the Bonds be issued as municipal securities and offered through a competitive underwriting process. You will solicit competitive bids, which we will compile on your behalf, for the purchase of the Bonds from underwriters and banks.

An allowance for discount bidding will be incorporated in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

## **Premium Pricing:**

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City. The amount of the premium varies, but it is not uncommon to see premiums for new issues in the range of 2.00% to 10.00% of the face amount of the issue. This means that an issuer with a \$2,000,000 offering may receive bids that result in proceeds of \$2,040,000 to \$2,200,000.

For this issue of Bonds we have been directed to use the net premium to reduce the size of the issue. The resulting adjustments may slightly change the true interest cost of the issue, either up or down.

The amount of premium can be restricted in the bid specifications. Restrictions on premium may result in fewer bids but may also eliminate large adjustments on the day of sale and unintended impacts with respect to debt service payment. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City’s objectives for this financing.

## **Review of Existing Debt:**

We have reviewed all outstanding indebtedness for the City and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.

## Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

## Arbitrage Monitoring:

The City must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Bonds. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The City's specific arbitrage responsibilities will be detailed in the Tax Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Bonds may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitations, 6) investments yield restrictions, 7) de minimis rules, or; 8) borrower limited requirements.

An Ehlers arbitrage expert will contact the City within 30 days after the sale date to review the City's specific responsibilities for the Bonds. The City is currently receiving arbitrage services from Ehlers in relation to the Bonds.

## Investment of Bond Proceeds:

Ehlers can assist the City in developing a strategy to invest your Bond proceeds until the funds are needed to redeem the refunded obligations.

## Risk Factors:

**Sales Tax Revenue:** A portion of the debt is being paid with sales tax revenue. It should be noted that the amount of revenue is estimated at this time and the actual amount of sales tax revenue that will be available in the future is subject to legislative changes, economic conditions, commercial/retail businesses subject to the tax and actual annual sales subject to the sales tax. If sales tax revenue is inadequate and other funding sources are not available, the City may have to levy taxes to pay debt service on the bonds or appropriate sufficient funds from other sources.]

**Current Refunding:** The Bonds are being issued to finance a current refunding of prior City debt obligations. Those prior debt obligations are callable on or after December 1, 2023. The new Bonds will not be pre-payable until February 1, 2034.

This refunding is being undertaken based in part on an assumption that the City does not expect to pre-pay off this debt prior to the new call date and that market conditions warrant the refunding at this time.

**Other Service Providers:**

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services, please contact us.

**Bond Counsel:** Kennedy & Graven, Chartered

**Paying Agent:** US Bank

**Rating Agency:** S&P Global Ratings (S&P)

**Summary:**

The decisions to be made by the City Council are as follows:

- Accept or modify the finance assumptions described in this report.
- Adopt the resolution attached to this report.

**PROPOSED DEBT ISSUANCE SCHEDULE**

Pre-Sale Review by City Council:	July 8, 2024
Due Diligence Call to Review Official Statement:	Week of July 29, 2024
Conference with Rating Agency:	Week of July 29, 2024
Distribute Official Statement:	August 1, 2024
City Council Meeting to Award Sale of the Bonds:	August 12, 2024
Estimated Closing Date:	September 5, 2024
Redemption Date for the Obligations Being Refunded:	September 25, 2024

**Attachments**

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule
- Estimated Debt Service Comparison
- Resolution Authorizing Ehlers to Proceed with Bond Sale (Provided by Kennedy & Graven)

**EHLERS' CONTACTS**

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# City of Grand Rapids, Minnesota

\$8,380,000 General Obligation Refunding Bonds, Series 2024A  
 Issue Summary - Proposed Current Refunding Tax GO Temp Bonds 2022A  
 Assumes Current Market BQ AA- Rates plus 50bps - 501(c)(3)

## Total Issue Sources And Uses

Dated 09/05/2024 | Delivered 09/05/2024

	Sales Tax	Equipment - Ice Arena	Equipment - Miscellaneous	Tax Abatement	Issue Summary
<b>Sources Of Funds</b>					
Par Amount of Bonds	\$4,245,000.00	\$2,475,000.00	\$1,045,000.00	\$615,000.00	\$8,380,000.00
Cash: Sales Tax as of 8/10/2024	1,984,447.00	-	-	-	1,984,447.00
<b>Total Sources</b>	<b>\$6,229,447.00</b>	<b>\$2,475,000.00</b>	<b>\$1,045,000.00</b>	<b>\$615,000.00</b>	<b>\$10,364,447.00</b>
<b>Uses Of Funds</b>					
Total Underwriter's Discount (1.200%)	50,940.00	29,700.00	12,540.00	7,380.00	100,560.00
Costs of Issuance	104,000.00	-	-	-	104,000.00
Deposit to Current Refunding Fund	6,069,949.17	2,446,250.42	1,035,342.50	598,874.58	10,150,416.67
Deposit to Project Fund - New Money	-	-	-	8,201.25	8,201.25
Rounding Amount	4,557.83	(950.42)	(2,882.50)	544.17	1,269.08
<b>Total Uses</b>	<b>\$6,229,447.00</b>	<b>\$2,475,000.00</b>	<b>\$1,045,000.00</b>	<b>\$615,000.00</b>	<b>\$10,364,447.00</b>





# City of Grand Rapids, Minnesota

\$8,380,000 General Obligation Refunding Bonds, Series 2024A

Issue Summary - Proposed Current Refunding Tax GO Temp Bonds 2022A

Assumes Current Market BQ AA- Rates plus 50bps - 501(c)(3)

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+	Fiscal Total
09/05/2024	-	-	-	-	-
08/01/2025	-	-	304,083.29	304,083.29	-
02/01/2026	845,000.00	4.100%	167,898.75	1,012,898.75	1,316,982.04
08/01/2026	-	-	150,576.25	150,576.25	-
02/01/2027	1,015,000.00	4.000%	150,576.25	1,165,576.25	1,316,152.50
08/01/2027	-	-	130,276.25	130,276.25	-
02/01/2028	1,055,000.00	3.900%	130,276.25	1,185,276.25	1,315,552.50
08/01/2028	-	-	109,703.75	109,703.75	-
02/01/2029	1,095,000.00	3.900%	109,703.75	1,204,703.75	1,314,407.50
08/01/2029	-	-	88,351.25	88,351.25	-
02/01/2030	1,140,000.00	3.850%	88,351.25	1,228,351.25	1,316,702.50
08/01/2030	-	-	66,406.25	66,406.25	-
02/01/2031	215,000.00	3.850%	66,406.25	281,406.25	347,812.50
08/01/2031	-	-	62,267.50	62,267.50	-
02/01/2032	225,000.00	3.850%	62,267.50	287,267.50	349,535.00
08/01/2032	-	-	57,936.25	57,936.25	-
02/01/2033	235,000.00	3.850%	57,936.25	292,936.25	350,872.50
08/01/2033	-	-	53,412.50	53,412.50	-
02/01/2034	240,000.00	3.850%	53,412.50	293,412.50	346,825.00
08/01/2034	-	-	48,792.50	48,792.50	-
02/01/2035	250,000.00	3.850%	48,792.50	298,792.50	347,585.00
08/01/2035	-	-	43,980.00	43,980.00	-
02/01/2036	260,000.00	3.850%	43,980.00	303,980.00	347,960.00
08/01/2036	-	-	38,975.00	38,975.00	-
02/01/2037	270,000.00	4.100%	38,975.00	308,975.00	347,950.00
08/01/2037	-	-	33,440.00	33,440.00	-
02/01/2038	280,000.00	4.200%	33,440.00	313,440.00	346,880.00
08/01/2038	-	-	27,560.00	27,560.00	-
02/01/2039	295,000.00	4.250%	27,560.00	322,560.00	350,120.00
08/01/2039	-	-	21,291.25	21,291.25	-
02/01/2040	305,000.00	4.350%	21,291.25	326,291.25	347,582.50
08/01/2040	-	-	14,657.50	14,657.50	-
02/01/2041	320,000.00	4.450%	14,657.50	334,657.50	349,315.00
08/01/2041	-	-	7,537.50	7,537.50	-
02/01/2042	335,000.00	4.500%	7,537.50	342,537.50	350,075.00
<b>Total</b>	<b>\$8,380,000.00</b>	<b>-</b>	<b>\$2,382,309.54</b>	<b>\$10,762,309.54</b>	<b>-</b>

## Yield Statistics

Bond Year Dollars	\$58,183.56
Average Life	6.943 Years
Average Coupon	4.0944723%
Net Interest Cost (NIC)	4.2673046%
True Interest Cost (TIC)	4.2836312%
Bond Yield for Arbitrage Purposes	4.0701902%
All Inclusive Cost (AIC)	4.5089587%

## IRS Form 8038

Net Interest Cost	4.0944723%
Weighted Average Maturity	6.943 Years

# City of Grand Rapids, Minnesota

\$8,380,000 General Obligation Refunding Bonds, Series 2024A

Issue Summary - Proposed Current Refunding Tax GO Temp Bonds 2022A

Assumes Current Market BQ AA- Rates plus 50bps - 501(c)(3)

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2025	-	-	-	-	-
02/01/2026	845,000.00	4.100%	471,982.04	1,316,982.04	1,382,831.14
02/01/2027	1,015,000.00	4.000%	301,152.50	1,316,152.50	1,381,960.13
02/01/2028	1,055,000.00	3.900%	260,552.50	1,315,552.50	1,381,330.13
02/01/2029	1,095,000.00	3.900%	219,407.50	1,314,407.50	1,380,127.88
02/01/2030	1,140,000.00	3.850%	176,702.50	1,316,702.50	1,382,537.63
02/01/2031	215,000.00	3.850%	132,812.50	347,812.50	365,203.13
02/01/2032	225,000.00	3.850%	124,535.00	349,535.00	367,011.75
02/01/2033	235,000.00	3.850%	115,872.50	350,872.50	368,416.13
02/01/2034	240,000.00	3.850%	106,825.00	346,825.00	364,166.25
02/01/2035	250,000.00	3.850%	97,585.00	347,585.00	364,964.25
02/01/2036	260,000.00	3.850%	87,960.00	347,960.00	365,358.00
02/01/2037	270,000.00	4.100%	77,950.00	347,950.00	365,347.50
02/01/2038	280,000.00	4.200%	66,880.00	346,880.00	364,224.00
02/01/2039	295,000.00	4.250%	55,120.00	350,120.00	367,626.00
02/01/2040	305,000.00	4.350%	42,582.50	347,582.50	364,961.63
02/01/2041	320,000.00	4.450%	29,315.00	349,315.00	366,780.75
02/01/2042	335,000.00	4.500%	15,075.00	350,075.00	367,578.75
<b>Total</b>	<b>\$8,380,000.00</b>	<b>-</b>	<b>\$2,382,309.54</b>	<b>\$10,762,309.54</b>	<b>\$11,300,425.02</b>

## Significant Dates

Dated	9/05/2024
First Coupon Date	8/01/2025

## Yield Statistics

Bond Year Dollars	\$58,183.56
Average Life	6.943 Years
Average Coupon	4.0944723%
Net Interest Cost (NIC)	4.2673046%
True Interest Cost (TIC)	4.2836312%
Bond Yield for Arbitrage Purposes	4.0701902%
All Inclusive Cost (AIC)	4.5089587%

## IRS Form 8038

Net Interest Cost	4.0944723%
Weighted Average Maturity	6.943 Years

# City of Grand Rapids, Minnesota

\$4,245,000 General Obligation Refunding Bonds, Series 2024A

Sales Tax

Proposed Current Refunding Tax GO Temp Bonds 2022A

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2025	-	-	-	-	-
02/01/2026	730,000.00	4.100%	235,261.89	965,261.89	1,013,524.98
02/01/2027	830,000.00	4.000%	137,450.00	967,450.00	1,015,822.50
02/01/2028	860,000.00	3.900%	104,250.00	964,250.00	1,012,462.50
02/01/2029	895,000.00	3.900%	70,710.00	965,710.00	1,013,995.50
02/01/2030	930,000.00	3.850%	35,805.00	965,805.00	1,014,095.25
<b>Total</b>	<b>\$4,245,000.00</b>	<b>-</b>	<b>\$583,476.89</b>	<b>\$4,828,476.89</b>	<b>\$5,069,900.73</b>

## Significant Dates

Dated	9/05/2024
First Coupon Date	8/01/2025

## Yield Statistics

Bond Year Dollars	\$14,921.58
Average Life	3.515 Years
Average Coupon	3.9102881%
Net Interest Cost (NIC)	4.2516727%
True Interest Cost (TIC)	4.2781175%
Bond Yield for Arbitrage Purposes	4.0701902%
All Inclusive Cost (AIC)	5.0625430%

## IRS Form 8038

Net Interest Cost	3.9102881%
Weighted Average Maturity	3.515 Years

# City of Grand Rapids, Minnesota

\$2,475,000 General Obligation Refunding Bonds, Series 2024A

Equipment - Ice Arena

Proposed Current Refunding Tax GO Temp Bonds 2022A

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2025	-	-	-	-	-
02/01/2026	70,000.00	4.100%	141,687.03	211,687.03	222,271.38
02/01/2027	110,000.00	4.000%	97,935.00	207,935.00	218,331.75
02/01/2028	115,000.00	3.900%	93,535.00	208,535.00	218,961.75
02/01/2029	120,000.00	3.900%	89,050.00	209,050.00	219,502.50
02/01/2030	125,000.00	3.850%	84,370.00	209,370.00	219,838.50
02/01/2031	130,000.00	3.850%	79,557.50	209,557.50	220,035.38
02/01/2032	135,000.00	3.850%	74,552.50	209,552.50	220,030.13
02/01/2033	140,000.00	3.850%	69,355.00	209,355.00	219,822.75
02/01/2034	145,000.00	3.850%	63,965.00	208,965.00	219,413.25
02/01/2035	150,000.00	3.850%	58,382.50	208,382.50	218,801.63
02/01/2036	155,000.00	3.850%	52,607.50	207,607.50	217,987.88
02/01/2037	160,000.00	4.100%	46,640.00	206,640.00	216,972.00
02/01/2038	170,000.00	4.200%	40,080.00	210,080.00	220,584.00
02/01/2039	175,000.00	4.250%	32,940.00	207,940.00	218,337.00
02/01/2040	185,000.00	4.350%	25,502.50	210,502.50	221,027.63
02/01/2041	190,000.00	4.450%	17,455.00	207,455.00	217,827.75
02/01/2042	200,000.00	4.500%	9,000.00	209,000.00	219,450.00
<b>Total</b>	<b>\$2,475,000.00</b>	<b>-</b>	<b>\$1,076,614.53</b>	<b>\$3,551,614.53</b>	<b>\$3,729,195.26</b>

## Significant Dates

Dated	9/05/2024
First Coupon Date	8/01/2025

## Yield Statistics

Bond Year Dollars	\$25,893.75
Average Life	10.462 Years
Average Coupon	4.1578162%
Net Interest Cost (NIC)	4.2725157%
True Interest Cost (TIC)	4.2857036%
Bond Yield for Arbitrage Purposes	4.0701902%
All Inclusive Cost (AIC)	4.2857036%

## IRS Form 8038

Net Interest Cost	4.1578162%
Weighted Average Maturity	10.462 Years

# City of Grand Rapids, Minnesota

\$1,045,000 General Obligation Refunding Bonds, Series 2024A

Equipment - Miscellaneous

Proposed Current Refunding Tax GO Temp Bonds 2022A

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2025	-	-	-	-	-
02/01/2026	30,000.00	4.100%	59,809.90	89,809.90	94,300.40
02/01/2027	45,000.00	4.000%	41,322.50	86,322.50	90,638.63
02/01/2028	50,000.00	3.900%	39,522.50	89,522.50	93,998.63
02/01/2029	50,000.00	3.900%	37,572.50	87,572.50	91,951.13
02/01/2030	55,000.00	3.850%	35,622.50	90,622.50	95,153.63
02/01/2031	55,000.00	3.850%	33,505.00	88,505.00	92,930.25
02/01/2032	55,000.00	3.850%	31,387.50	86,387.50	90,706.88
02/01/2033	60,000.00	3.850%	29,270.00	89,270.00	93,733.50
02/01/2034	60,000.00	3.850%	26,960.00	86,960.00	91,308.00
02/01/2035	65,000.00	3.850%	24,650.00	89,650.00	94,132.50
02/01/2036	65,000.00	3.850%	22,147.50	87,147.50	91,504.88
02/01/2037	70,000.00	4.100%	19,645.00	89,645.00	94,127.25
02/01/2038	70,000.00	4.200%	16,775.00	86,775.00	91,113.75
02/01/2039	75,000.00	4.250%	13,835.00	88,835.00	93,276.75
02/01/2040	75,000.00	4.350%	10,647.50	85,647.50	89,929.88
02/01/2041	80,000.00	4.450%	7,385.00	87,385.00	91,754.25
02/01/2042	85,000.00	4.500%	3,825.00	88,825.00	93,266.25
<b>Total</b>	<b>\$1,045,000.00</b>	<b>-</b>	<b>\$453,882.40</b>	<b>\$1,498,882.40</b>	<b>\$1,573,826.52</b>

## Significant Dates

Dated	9/05/2024
First Coupon Date	8/01/2025

## Yield Statistics

Bond Year Dollars	\$10,918.81
Average Life	10.449 Years
Average Coupon	4.1568869%
Net Interest Cost (NIC)	4.2717346%
True Interest Cost (TIC)	4.2849057%
Bond Yield for Arbitrage Purposes	4.0701902%
All Inclusive Cost (AIC)	4.2849057%

## IRS Form 8038

Net Interest Cost	4.1568869%
Weighted Average Maturity	10.449 Years

# City of Grand Rapids, Minnesota

\$615,000 General Obligation Refunding Bonds, Series 2024A

Tax Abatement

Proposed Current Refunding Tax GO Temp Bonds 2022A

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2025	-	-	-	-	-
02/01/2026	15,000.00	4.100%	35,223.22	50,223.22	52,734.38
02/01/2027	30,000.00	4.000%	24,445.00	54,445.00	57,167.25
02/01/2028	30,000.00	3.900%	23,245.00	53,245.00	55,907.25
02/01/2029	30,000.00	3.900%	22,075.00	52,075.00	54,678.75
02/01/2030	30,000.00	3.850%	20,905.00	50,905.00	53,450.25
02/01/2031	30,000.00	3.850%	19,750.00	49,750.00	52,237.50
02/01/2032	35,000.00	3.850%	18,595.00	53,595.00	56,274.75
02/01/2033	35,000.00	3.850%	17,247.50	52,247.50	54,859.88
02/01/2034	35,000.00	3.850%	15,900.00	50,900.00	53,445.00
02/01/2035	35,000.00	3.850%	14,552.50	49,552.50	52,030.13
02/01/2036	40,000.00	3.850%	13,205.00	53,205.00	55,865.25
02/01/2037	40,000.00	4.100%	11,665.00	51,665.00	54,248.25
02/01/2038	40,000.00	4.200%	10,025.00	50,025.00	52,526.25
02/01/2039	45,000.00	4.250%	8,345.00	53,345.00	56,012.25
02/01/2040	45,000.00	4.350%	6,432.50	51,432.50	54,004.13
02/01/2041	50,000.00	4.450%	4,475.00	54,475.00	57,198.75
02/01/2042	50,000.00	4.500%	2,250.00	52,250.00	54,862.50
<b>Total</b>	<b>\$615,000.00</b>	<b>-</b>	<b>\$268,335.72</b>	<b>\$883,335.72</b>	<b>\$927,502.51</b>

## Significant Dates

Dated	9/05/2024
First Coupon Date	8/01/2025

## Yield Statistics

Bond Year Dollars	\$6,449.42
Average Life	10.487 Years
Average Coupon	4.1606200%
Net Interest Cost (NIC)	4.2750490%
True Interest Cost (TIC)	4.2881934%
Bond Yield for Arbitrage Purposes	4.0701902%
All Inclusive Cost (AIC)	4.2881934%

## IRS Form 8038

Net Interest Cost	\$4.16
Weighted Average Maturity	10.487 Years