

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 12, 2023

**NEW ISSUE
NOT BANK QUALIFIED**

**BOOK ENTRY ONLY
STANDARD & POOR'S RATING "AAA"
MOODY'S RATING "Aaa"**

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code), and is included in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions. See "Tax Considerations" herein.

**OLMSTED COUNTY, MINNESOTA
\$19,735,000*
General Obligation Bonds, Series 2023A**

Dated Date: Date of Delivery (Estimated to be October 18, 2023)

**Interest Due: Each February 1 and August 1
Commencing August 1, 2024**

<u>Maturity*</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Maturity*</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>
2/1/2025	\$1,295,000	_____%	_____%	_____	2/1/2035	\$875,000	_____%	_____%	_____
2/1/2026	1,285,000	_____	_____	_____	2/1/2036	875,000	_____	_____	_____
2/1/2027	1,280,000	_____	_____	_____	2/1/2037	875,000	_____	_____	_____
2/1/2028	1,280,000	_____	_____	_____	2/1/2038	875,000	_____	_____	_____
2/1/2029	1,280,000	_____	_____	_____	2/1/2039	875,000	_____	_____	_____
2/1/2030	1,020,000	_____	_____	_____	2/1/2040	770,000	_____	_____	_____
2/1/2031	1,020,000	_____	_____	_____	2/1/2041	770,000	_____	_____	_____
2/1/2032	1,020,000	_____	_____	_____	2/1/2042	770,000	_____	_____	_____
2/1/2033	1,015,000	_____	_____	_____	2/1/2043	770,000	_____	_____	_____
2/1/2034	1,015,000	_____	_____	_____	2/1/2044	770,000	_____	_____	_____

The General Obligation Bonds, Series 2023A (the "Bonds" or the "Issue") are being issued by the Olmsted County, Minnesota (the "County" or the "Issuer") pursuant to Minnesota Statutes, Chapters 475 and Sections 373.40 and 400.101, as amended. Proceeds of the Bonds will be used to finance the solid waste facility improvements and the 2023 Capital Improvement Plan Projects and to pay costs associated with issuance of the Bonds. See *Authority and Purpose* herein for additional information.

The Bonds are valid and binding general obligations of the County and are payable from ad valorem taxes and net revenues of the County's waste management enterprises. The full faith and credit of the County is also pledged to their payment. In the event of any deficiency in the debt service account established for this Issue, the County has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the County, without limitation of amount. See *Security/Sources and Uses of Funds* herein for additional information.

The Bonds maturing on February 1, 2032 and thereafter are subject to redemption, in whole or in part, on February 1, 2031 and on any date thereafter at a price of par plus accrued interest.

Principal due with respect to the Bonds is payable annually on February 1, commencing February 1, 2025. Interest due with respect to the Bonds is payable semiannually on February 1 and August 1, commencing August 1, 2024. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof. Purchasers will not receive physical delivery of Bonds. See "Book-Entry System" in *Description of the Bonds* herein for additional information. The Paying Agent/Registrar will be Computershare Trust Co., National Association, Minneapolis, Minnesota.

Proposals: Tuesday, September 19, 2023 10:00 A.M., Central Time

Award: Tuesday, September 19, 2023 6:00 P.M., Central Time

Bids may contain a maturity schedule providing for any combination of serial or term bonds. All term bonds shall be subject to mandatory sinking fund redemption and must conform to the maturity schedule set forth above at a price of par plus accrued interest. Bids must be for not less than \$19,626,457.50 (99.45%) and accrued interest on the total principal amount of the Bonds. **Bids will not be subject to cancellation – see "Establishment of Issue Price" in the Notice of Sale herein for additional details.** *The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity.* A Good Faith Deposit (the "Deposit") in the amount of \$394,700, in the form of a federal wire transfer payable to the order of the County, will only be required from the apparent winning bidder, and must be received within two hours after the receipt of bids. See Notice of Sale for additional details. Award of the Bonds will be on the basis of True Interest Cost (TIC).

* Preliminary, subject to change.



TABLE OF CONTENTS

	<u>Page</u>
SUMMARY OF OFFERING.....	2
PRINCIPAL COUNTY OFFICIALS.....	3
NOTICE OF SALE	4
AUTHORITY AND PURPOSE.....	14
SECURITY/SOURCES AND USES OF FUNDS	14
BONDHOLDERS' RISKS.....	14
DESCRIPTION OF THE BONDS.....	16
FULL CONTINUING DISCLOSURE	19
UNDERWRITER.....	19
MUNICIPAL ADVISOR.....	19
FUTURE FINANCING.....	19
BOND RATINGS	19
LITIGATION	20
CERTIFICATION.....	20
LEGALITY	20
TAX CONSIDERATIONS	20
GENERAL INFORMATION	24
MINNESOTA VALUATIONS; PROPERTY TAX CLASSIFICATIONS.....	30
ECONOMIC AND FINANCIAL INFORMATION.....	34
SUMMARY OF DEBT AND DEBT STATISTICS.....	36
APPENDIX A – FORM OF LEGAL OPINION	
APPENDIX B – CONTINUING DISCLOSURE UNDERTAKING	
APPENDIX C – COUNTY’S FINANCIAL STATEMENT	

THE BONDS ARE OFFERED, SUBJECT TO PRIOR SALE, WHEN, AS AND IF ACCEPTED BY THE UNDERWRITER(S) NAMED ON THE FRONT COVER OF THIS OFFICIAL STATEMENT AND SUBJECT TO AN OPINION AS TO VALIDITY OF THE BONDS BY BOND COUNSEL. SUBJECT TO APPLICABLE SECURITIES LAWS AND PREVAILING MARKET CONDITIONS, THE UNDERWRITER(S) INTENDS, BUT IS NOT OBLIGATED, TO EFFECT SECONDARY MARKET TRADING FOR THE BONDS. CLOSING DATE IS ESTIMATED TO BE OCTOBER 18, 2023.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERS MADE HEREBY, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COUNTY OR THE UNDERWRITER(S). NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COUNTY SINCE THE DATE HEREOF. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE COUNTY AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY, THE UNDERWRITER(S).

WITHIN THE MEANING OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12, THE INFORMATION INCLUDED IN THE PRELIMINARY OFFICIAL STATEMENT IS DEEMED FINAL BY THE ISSUER AS OF ITS DATE AND IS ACCURATE AND COMPLETE IN ALL MATERIAL RESPECTS, EXCEPT FOR THE OMISSION OF THE OFFERING PRICE(S), INTEREST RATE(S), SELLING COMPENSATION, AGGREGATE PRINCIPAL AMOUNT, PRINCIPAL AMOUNT PER MATURITY, DELIVERY DATE, RATING(S), OTHER TERMS OF THE ISSUE DEPENDING ON SUCH MATTERS, AND THE IDENTITY OF THE UNDERWRITER(S).

SUMMARY OF OFFERING

Olmsted County, Minnesota
\$19,735,000 *
General Obligation Bonds, Series 2023A
(Book-Entry Only)

AMOUNT -	\$19,735,000																																								
ISSUER -	Olmsted County, Minnesota (the “County” or the “Issuer”)																																								
AWARD DATE -	September 19, 2023																																								
MUNICIPAL ADVISOR -	Northland Securities, Inc. (the “Municipal Advisor”), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402, telephone: 612-851-5900 or 800-851-2920																																								
TYPE OF ISSUE -	General Obligation Bonds, Series 2023A (the “Bonds” or the “Issue”)																																								
AUTHORITY, PURPOSE & SECURITY -	The General Obligation Bonds, Series 2023A (the “Bonds”) are being issued by the Olmsted County, Minnesota (the “County”) pursuant to Minnesota Statutes, Chapters 475 and Sections 373.40 and 400.101, as amended. Proceeds of the Bonds will be used to finance the solid waste facility improvements and the 2023 Capital Improvement Plan Projects and to pay costs associated with issuance of the Bonds. The Bonds are valid and binding general obligations of the County and are payable from ad valorem taxes and net revenues of the County's waste management enterprises. The full faith and credit of the County is also pledged to their payment. In the event of any deficiency in the debt service account established for this Issue, the County has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the County, without limitation of amount. See <i>Authority and Purpose</i> as well as <i>Security/Sources and Uses of Funds</i> herein for additional information.																																								
DATE OF ISSUE -	Date of Delivery (Estimated to be October 18, 2023)																																								
INTEREST PAID -	Semiannually on each February 1 and August 1, commencing August 1, 2024, to registered owners of the Bonds appearing of record in the bond register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date (the “Record Date”).																																								
MATURITIES* -																																									
	<table><tr><td>2/1/2025</td><td>\$1,295,000</td><td>2/1/2030</td><td>\$ 1,020,000</td><td>2/1/2035</td><td>\$875,000</td><td>2/1/2040</td><td>\$770,000</td></tr><tr><td>2/1/2026</td><td>1,285,000</td><td>2/1/2031</td><td>1,020,000</td><td>2/1/2036</td><td>875,000</td><td>2/1/2041</td><td>770,000</td></tr><tr><td>2/1/2027</td><td>1,280,000</td><td>2/1/2032</td><td>1,020,000</td><td>2/1/2037</td><td>875,000</td><td>2/1/2042</td><td>770,000</td></tr><tr><td>2/1/2028</td><td>1,280,000</td><td>2/1/2033</td><td>1,015,000</td><td>2/1/2038</td><td>875,000</td><td>2/1/2043</td><td>770,000</td></tr><tr><td>2/1/2029</td><td>1,280,000</td><td>2/1/2034</td><td>1,015,000</td><td>2/1/2039</td><td>875,000</td><td>2/1/2044</td><td>770,000</td></tr></table>	2/1/2025	\$1,295,000	2/1/2030	\$ 1,020,000	2/1/2035	\$875,000	2/1/2040	\$770,000	2/1/2026	1,285,000	2/1/2031	1,020,000	2/1/2036	875,000	2/1/2041	770,000	2/1/2027	1,280,000	2/1/2032	1,020,000	2/1/2037	875,000	2/1/2042	770,000	2/1/2028	1,280,000	2/1/2033	1,015,000	2/1/2038	875,000	2/1/2043	770,000	2/1/2029	1,280,000	2/1/2034	1,015,000	2/1/2039	875,000	2/1/2044	770,000
2/1/2025	\$1,295,000	2/1/2030	\$ 1,020,000	2/1/2035	\$875,000	2/1/2040	\$770,000																																		
2/1/2026	1,285,000	2/1/2031	1,020,000	2/1/2036	875,000	2/1/2041	770,000																																		
2/1/2027	1,280,000	2/1/2032	1,020,000	2/1/2037	875,000	2/1/2042	770,000																																		
2/1/2028	1,280,000	2/1/2033	1,015,000	2/1/2038	875,000	2/1/2043	770,000																																		
2/1/2029	1,280,000	2/1/2034	1,015,000	2/1/2039	875,000	2/1/2044	770,000																																		
REDEMPTION -	The Bonds maturing on February 1, 2032 and thereafter are subject to redemption, in whole or in part, on February 1, 2031 and on any date thereafter at a price of par plus accrued interest. See <i>Description of the Bonds</i> herein for additional information.																																								
BOOK-ENTRY -	The Bonds will be issued as fully registered and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, to which principal and interest payments will be made. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof. Purchasers will not receive physical delivery of the Bonds.																																								
PAYING AGENT/REGISTRAR -	Computershare Trust Co., National Association, Minneapolis, Minnesota																																								
TAX DESIGNATIONS -	<u>NOT Private Activity Bonds</u> - The Bonds are not “private activity bonds” as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”). <u>Not Bank Qualified Tax-Exempt Obligations</u> - The County will not designate the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.																																								
LEGAL OPINION -	Dorsey & Whitney LLP, Minneapolis, Minnesota (“Bond Counsel”)																																								
BOND RATING -	The County received an underlying rating of “AAA” from S&P Global Ratings (“S&P”) and “Aaa” from Moody’s Investor Services (“Moody’s”). See <i>Bond Rating</i> herein for additional information.																																								
CLOSING -	Estimated to be October 18, 2023																																								
PRIMARY CONTACTS -	Wilfredo Roman Catala, Chief Financial Officer, Olmsted County, Minnesota 507-328-7499 George Eilertson, Managing Director, Northland Securities, Inc., 612-851-5906 Tammy Omdal, Managing Director, Northland Securities, Inc., 612-851-4964																																								

* Preliminary, subject to change.

OLMSTED COUNTY, MINNESOTA

PRINCIPAL COUNTY OFFICIALS

Elected Officials

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Gregg Wright	Chair	12/31/26
Mark Thein	Vice Chair	12/31/24
Laurel Podulke-Smith	Commissioner	12/31/26
Brian Mueller	Commissioner	12/31/26
Sheila Kiscaden	Commissioner	12/31/26
Michelle Rossman	Commissioner	12/31/26
David Senjem	Commissioner	12/31/26

County Board of Commissioners

Primary Contacts

Heidi Welsch	Clerk/Administrator	Appointed
Wilfredo Román Cátala	Chief Financial Officer	Appointed
Mark A. Ostrem	County Attorney	01/08/26
Julian Currie	HR Director	Appointed
David Dunn	OCHRA Director	Appointed

BOND COUNSEL

Dorsey & Whitney LLP
Minneapolis, Minnesota

MUNICIPAL ADVISOR

Northland Securities, Inc.
Minneapolis, Minnesota

NOTICE OF SALE

\$19,735,000*
GENERAL OBLIGATION BONDS, SERIES 2023A

OLMSTED COUNTY, MINNESOTA
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Bonds will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals (also referred to herein as “bids”) will be opened by the County’s Chief Financial Officer, or designee, on Tuesday, September 19, 2023, at 10:00 A.M., CT, at the offices of Northland Securities, Inc. (the County’s “Municipal Advisor”), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the County Board at its meeting at the County Offices beginning Tuesday, September 19, 2023 at 6:00 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) faxed to Northland Securities, Inc. at 612-851-5918,
- c) emailed to PublicSale@northlandsecurities.com
- d) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-5915, or
- e) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:00 A.M., CT, on Tuesday, September 19, 2023. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:00 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the County nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the County to purchase the Bonds regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Bonds.

* The County reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

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 County through Computershare Trust Company, N.A., Minneapolis, Minnesota (the “Paying Agent/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 successful bidder, as a condition of delivery of the Bonds, will be required to deposit the bond certificates with DTC. The County will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF BONDS

Date of Delivery (Estimated to be October 18, 2023)

AUTHORITY/PURPOSE/SECURITY

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Sections 373.40 and 400.101, as amended. Proceeds will be used to finance solid waste facility improvements and various capital improvement projects within the County as described in the County’s 2023 Capital Improvement Plan. The Bonds are payable from ad valorem taxes on all taxable property within the County and net revenues of the County’s waste management enterprise operations. The full faith and credit of the County is pledged to their payment and the County has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each February 1 and August 1, commencing August 1, 2024, to registered owners of the Bonds appearing of record in the Bond Register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date.

MATURITIES

Principal is due annually on February 1, inclusive, in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2025	\$1,295,000	2032	\$1,020,000	2039	\$875,000
2026	1,285,000	2033	1,015,000	2040	770,000
2027	1,280,000	2034	1,015,000	2041	770,000
2028	1,280,000	2035	875,000	2042	770,000
2029	1,280,000	2036	875,000	2043	770,000
2030	1,020,000	2037	875,000	2044	770,000
2031	1,020,000	2038	875,000		

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. *The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity.* All Bonds of the same maturity must bear a single uniform rate from date of issue to maturity.

**ESTABLISHMENT OF ISSUE PRICE
(HOLD-THE-OFFERING-PRICE RULE MAY APPLY – BIDS NOT CANCELLABLE)**

In order to establish the issue price of the Bonds for federal income tax purposes, the Issuer requires bidders to agree to the following, and by submitting a bid, each bidder agrees to the following.

If a bid is submitted by a potential underwriter, the bidder confirms that (i) the underwriters have offered or reasonably expect to offer the Bonds to the public on or before the date of the award at the offering price (the “initial offering price”) for each maturity as set forth in the bid and (ii) the bidder, if it is the winning bidder, shall require any agreement among underwriters, selling group agreement, retail distribution agreement or other agreement relating to the initial sale of the Bonds to the public to which it is a party to include provisions requiring compliance by all parties to such agreements with the provisions contained herein. For purposes hereof, Bonds with a separate CUSIP number constitute a separate “maturity,” and the public does not include underwriters of the Bonds (including members of a selling group or retail distribution group) or persons related to underwriters of the Bonds.

If, however, a bid is submitted for the bidder’s own account in a capacity other than as an underwriter of the Bonds, and the bidder has no current intention to sell, reoffer, or otherwise dispose of the Bonds, the bidder shall notify the Issuer to that effect at the time it submits its bid and shall provide a certificate to that effect in place of the certificate otherwise required below.

If the winning bidder intends to act as an underwriter, the Issuer shall advise the winning bidder at or prior to the time of award whether (i) the competitive sale rule or (ii) the “hold-the-offering price” rule applies, as described in the following paragraph.

If the Issuer advises the winning bidder that the requirements for a competitive sale have not been satisfied and that the hold-the-offering price rule applies, the winning bidder shall (1) upon the request of the Issuer confirm that the underwriters did not offer or sell any maturity of the Bonds to any person at a price higher than the initial offering price of that maturity during the period starting on the award date and ending on the earlier of (a) the close of the fifth business day after the sale date or (b) the date on which the underwriters have sold at least 10% of that maturity to the public at or below the initial offering price; and (2) at or prior to closing, deliver to the Issuer a certification substantially in the form attached hereto as Exhibit A, together with a copy of the pricing wire.

If the Issuer advises the winning bidder that the requirements for a competitive sale have been satisfied and that the competitive sale rule applies, the winning bidder will be required to deliver to the Issuer at or prior to closing a certification, substantially in the form attached hereto as Exhibit B, as to the reasonably expected initial offering price as of the award date.

Any action to be taken or documentation to be received by the Issuer pursuant hereto may be taken or received on behalf of the Issuer by the Municipal Advisor.

Bidders should prepare their bids on the assumption that the Bonds will be subject to the “hold-the-offering-price” rule. Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, and bids submitted will not be subject to cancellation or withdrawal.

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The County reserves the right to increase or decrease the principal amount of the Bonds. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the County and shall be at the sole discretion of the County. The successful bidder may not withdraw or modify its Proposal once submitted to the County for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Bonds maturing on February 1, 2032 through 2044 are subject to redemption and prepayment at the option of the County on February 1, 2031 and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the County and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Bonds in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Bonds will be within thirty days after award, subject to an approving legal opinion by Dorsey & Whitney LLP, Bond Counsel. The legal opinion will be paid by the County and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$19,626,457.50 (99.45%) and accrued interest on the principal sum of \$19,735,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Bonds should be delivered to Northland Securities, Inc. and addressed to:

Wilfredo Roman Catala, Chief Financial Officer
Olmsted County Government Center
151 4th St. SE
Rochester, Minnesota 55904

A good faith deposit (the "Deposit") in the amount of \$394,700 in the form of a federal wire transfer (payable to the order of the County) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the County may choose to reject their Proposal and then proceed to offer the Bonds to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The County will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the County. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the County scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The County's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The County 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 which the County determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Bonds to any underwriter or underwriting syndicate submitting a Proposal therefor, the County agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Bonds are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

FULL CONTINUING DISCLOSURE UNDERTAKING

The County will covenant in the resolution awarding the sale of the Bonds and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual financial information, including audited financial statements of the County, and notices of certain material events, as required by SEC Rule 15c2-12.

NOT BANK QUALIFIED

The County will not designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Bonds. Any increase in the costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the County has requested and received a rating on the Bonds from a rating agency, the County will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Bonds.

The County reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: August 15, 2023

BY ORDER OF THE OLMSTED COUNTY BOARD,
MINNESOTA

/s/ Wilfredo Roman Catala
Chief Financial Officer

Additional information may be obtained from:

Northland Securities, Inc.

150 South 5th Street, Suite 3300

Minneapolis, Minnesota 55402

Telephone No.: 612-851-5900

EXHIBIT A

ISSUE PRICE CERTIFICATE – COMPETITIVE SALES WITH AT LEAST THREE BIDS FROM ESTABLISHED UNDERWRITERS

**[\$[PRINCIPAL AMOUNT]
[BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.*** For purposes of this Issue Price Certificate:

(a) *Issuer* means [DESCRIBE ISSUER].

(b) *Maturity* means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Member of the Distribution Group* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(d) *Public* means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(e) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was [DATE].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and BORROWER (the "Borrower")] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by [BOND COUNSEL] in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer[and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER]

By: _____
Name: _____

Dated: [ISSUE DATE]

**ISSUE PRICE CERTIFICATE – COMPETITIVE SALES WITH FEWER THAN THREE BIDS
FROM ESTABLISHED UNDERWRITERS**

**[\$[PRINCIPAL AMOUNT]
[BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] ([“[SHORT NAME OF UNDERWRITER]”])[the “Representative”][, on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”),] hereby certifies as set forth below with respect to the sale of the obligations named above (the “Bonds”).

1. **Initial Offering Price of the Bonds.** [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Bonds to the Public for purchase at the specified initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire for the Bonds is attached to this certificate as Schedule B.

2. **Hold the Offering Price Rule.** [SHORT NAME OF UNDERWRITER][Each member of the Underwriting Group] has agreed in writing that, (i) for each Maturity, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any agreement among underwriters, selling group agreement, or third-party distribution agreement contains the agreement of each underwriter, dealer, or broker-dealer who is a party to such agreement to comply with the Hold-the-Offering-Price Rule. Based on the [Representative][SHORT NAME OF UNDERWRITER]’s own knowledge and, in the case of sales by other Members of the Distribution Group, representations obtained from the other Members of the Distribution Group, no Member of the Distribution Group has offered or sold any such Maturity at a price that is higher than the respective Initial Offering Price during the respective Holding Period.

3. **Defined Terms.** For purposes of this Issue Price Certificate:

(a) **Holding Period** means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which Members of the Distribution Group have sold at least 10% of such Maturity to the Public at one or more prices, none of which is higher than the Initial Offering Price for such Maturity.

(b) **Issuer** means [DESCRIBE ISSUER].

(c) **Maturity** means Bonds with the same credit and payment terms. Any Bonds with different maturity dates, or with the same maturity date but different stated interest rates, are treated as separate Maturities.

(d) **Member of the Distribution Group** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(e) **Public** means any person (*i.e.*, an individual, trust, estate, partnership, association, company, or corporation) other than a Member of the Distribution Group or a related party to a Member of the Distribution Group. A person is a “related party” to a Member of the Distribution Group if the Member of the Distribution Group and that person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership

of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of the respective Maturity. The Sale Date of each Maturity was [DATE].

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDERWRITING FIRM][the Representative's] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and BORROWER (the "Borrower")] with respect to certain of the representations set forth in the [Tax Certificate][Tax Exemption Agreement] and with respect to compliance with the federal income tax rules affecting the Bonds, and by [BOND COUNSEL] in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer[and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____

Name: _____

Dated: [ISSUE DATE]

AUTHORITY AND PURPOSE

The General Obligation Bonds, Series 2023A (the “Bonds” or the “Issue”) are being issued by the Olmsted County, Minnesota (the “County”) pursuant to Minnesota Statutes, Chapters 475 and Sections 373.40 and 400.101, as amended. Proceeds from issuance of the Bonds will be used to finance the solid waste facility improvements and the 2023 Capital Improvement Plan Projects and to pay costs associated with issuance of the Bonds.

SECURITY/SOURCES AND USES OF FUNDS

Security

The Bonds are valid and binding general obligations of the County and are payable from ad valorem taxes and net revenues of the County's waste management enterprises. The full faith and credit of the County is also pledged to their payment. In the event of any deficiency in the Debt Service Account established for this Issue, the County has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the County, without limitation of amount.

Sources and Uses of Funds

Following are the sources and uses of funds in connection with the issuance of the Bonds.

Sources of Funds

Par Amount of Bonds	<u>\$ 19,375,000*</u>
Total Sources of Funds:	<u>\$ 19,375,000</u>

Uses of Funds

Deposit to Project Fund	\$ 19,498,791
Costs of Issuance/Underwriter’s Discount	234,287
Rounding Amount	<u>1,922</u>
Total Uses of Funds:	<u>\$ 19,735,000</u>

BONDHOLDERS’ RISKS

An investment in the Bonds involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the appendices hereto) in order to make a judgment as to whether the Bonds are an appropriate investment.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, any secondary marketing practices in connection with a particular bond issue are suspended or terminated. Additionally, prices of bond issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

Ratings Loss

S&P Global Ratings has assigned a rating of “AAA” to the Bonds and Moody’s Investor Services (“Moody’s”) has assigned a rating of “Aaa” to the Bonds. Generally, a rating agency bases its rating on the information and materials

* Preliminary, subject to change.

furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of S&P or Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Additional regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Bonds.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Bonds.

Tax Exemption and Loss of Tax Exemption

If the federal government or the State of Minnesota taxes all or a portion of the interest on municipal obligations, directly or indirectly, or if there is a change in federal or state tax policy, the value of the Bonds may fall for purposes of resale. Noncompliance following the issuance of the Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code") and post-issuance tax covenants of the Issuer may result in the inclusion of interest on the Bonds in gross income of the recipient for federal income tax purposes or in taxable net income of individuals, estates or trusts for State of Minnesota income tax purposes. No provision has been made for redemption of the Bonds, or for an increase in the interest rate on the Bonds, in the event that interest on the Bonds becomes subject to federal or State of Minnesota income taxation, retroactive to the date of issuance.

It is also possible that actions of the Issuer after the closing of the Bonds will alter the tax status of the Bonds, and, in the extreme, remove the tax exempt status from the Bonds. In that instance, the Bonds are not subject to mandatory prepayment, and the interest rate on the Bonds does not increase or otherwise reset.

Pending Federal and State Tax Legislation

From time to time, there is State legislation proposed, as well as Presidential proposals, proposals of various federal committees, and legislative proposals pending in Congress that could, if enacted, alter or amend one or more of the federal or state tax matters described herein in certain respects or would adversely affect the market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Tax Levy Procedures

The Bonds are general obligations of the Issuer, payable from and secured by a continuing ad valorem tax levied against all of the property valuation within the Issuer. A failure on the part of the Issuer to make a timely levy request or a levy request by the Issuer that is inaccurate or is insufficient to make full payments of the debt service of the Bonds for a particular fiscal year may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. In the event of a default in the payment of principal of or interest on

the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the resolution for the Bonds) may have to be enforced from year to year.

Factors Beyond Issuer's Control

A combination of epidemic, pandemic, economic, climatic, political or civil disruptions outside of the control of the Issuer, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local governments. Real or perceived threats to the financial stability of the Issuer may have an adverse effect on the value of the Bonds in the secondary market. State of Minnesota cash flow problems could also affect local governments, including reductions in, or delayed payments of, local government state aid (LGA) and possibly increase Issuer property taxes.

Cybersecurity

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

DESCRIPTION OF THE BONDS

Details of Certain Terms

The Bonds will be dated, as originally issued, as of the date of delivery (estimated to be October 18, 2023), and will be issued as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. Principal, including mandatory redemptions on the Bonds, if applicable, will be payable annually February 1, commencing February 1, 2025. Interest on the Bonds will be payable semiannually on each February 1 and August 1, commencing August 1, 2024. The Bonds when issued, will be registered in the name of Cede & Co. (the "Registered Holder"), as nominee of The Depository Trust Company, New York, New York ("DTC"), the initial custodian for the Bonds, to which principal and interest payments on the Bonds will be made so long as Cede & Co. is the Registered Holder of the Bonds. See "Book-Entry System" in *Description of the Bonds* herein for additional information. So long as the Book-Entry Only System is used, individual purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof ("Authorized Denominations"). Individual purchasers ("Beneficial Owners") of the Bonds will not receive physical delivery of bond certificates, and registration, exchange, transfer, tender and redemption of the Bonds with respect to Beneficial Owners shall be governed by the Book-Entry Only System.

So long as the Book-Entry Only System is used, payments from Cede & Co., as the Registered Holder, to the Beneficial Owners shall be governed by the Book-Entry Only System. If the Book-Entry Only System is discontinued, the principal of and premium, if any, on the Bonds will be payable upon presentation and surrender at the offices of the Paying Agent and Bond Registrar or a duly appointed successor. Interest on the Bonds will be paid by check or draft mailed by the Bond Registrar to the registered holders thereof as such appear on the registration books maintained by the Bond Registrar as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date (the “Record Date”).

Registration, Transfer and Exchange

So long as the Book-Entry Only System is used, payments from Cede & Co., as the Registered Holder, to the Beneficial Owners shall be governed by the Book-Entry Only System. If the Book-Entry Only System is discontinued, the Bonds may be transferred upon surrender of the Bonds at the principal office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing. The Bonds, upon surrender thereof at the principal office of the Bond Registrar, may also be exchanged for other Bonds of the same series, of any authorized denominations having the same form, terms, interest rates and maturities as the Bonds being exchanged. The Bond Registrar will require the payment by the Bond holder requesting such exchange or transfer of any tax or governmental charge required to be paid with respect to such exchange or transfer. The Bond Registrar is not required to (i) issue, transfer or exchange any Bond during a period beginning at the opening of business fifteen days before any selection of Bonds of a particular stated maturity for redemption in accordance with the provisions of the Bond resolution and ending on the day of the first mailing of the relevant notice of redemption or (ii) to transfer any Bonds or portion thereof selected for redemption.

Optional Redemption

The Bonds maturing on February 1, 2032 and thereafter are subject to redemption, in whole or in part, on February 1, 2031 and on any date thereafter at a price of par plus accrued interest. If redemption is in part, the selection of the amounts and maturities of the Bonds to be prepaid shall be at the discretion of the County. Notice of redemption shall be given by written notice to the registered owner of the Bonds not less than 30 days prior to such redemption date.

Book-Entry System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds (the “Bonds”). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect

Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtcc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bonds (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the County or Agent, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or Agent, 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 the County or Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Bonds are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Bonds 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 County believes to be reliable, but the Olmsted County takes no responsibility for the accuracy thereof.

FULL CONTINUING DISCLOSURE

In order to assist the Underwriter(s) in complying with SEC Rule 15c2-12 (the “Rule”), pursuant to a resolution awarding the Issue, the County has and will covenant for the benefit of holders of the Bonds to annually provide certain financial and operating data, relating to the County to the Municipal Securities Rulemaking Board (“MSRB”) in an electronic format prescribed by the MSRB, and to provide notices of the occurrence of certain events enumerated in the Rule to the MSRB (the “Undertaking”). The specific nature of the Undertaking, as well as the information to be contained in the annual report or the notices of material events is set forth in the Continuing Disclosure Undertaking in substantially the form attached hereto as Appendix B.

To the best of its knowledge, the County has never failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of material events within the past five years. A failure by the County to comply with the Certificate will not constitute an event of default on the Bonds (although holders will have an enforceable right to specific performance). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price. Please see *Appendix B – Continuing Disclosure Undertaking* herein for additional information.

The County has implemented disclosure policies and procedures to be followed by the County in relation to the financial disclosures and reportable events for which the County must provide notice to the MSRB’s Electronic Municipal Market Access system. The County has retained a Dissemination Agent for its continuing disclosure filings.

UNDERWRITER

The Bonds are being purchased by _____ (the “Underwriter”) at a purchase price of \$ _____, which is the par amount of the Bonds of \$ _____ less the Underwriter’s discount of \$ _____, plus the original issue premium of \$ _____.

MUNICIPAL ADVISOR

The County has retained Northland Securities, Inc. as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. Northland Securities, Inc. is registered as a municipal advisor with both the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources that have access to relevant data to provide accurate information for the Official Statement, and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the County to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

On May 1, 2023, First National Nebraska, Inc. (“FNNI”), acquired Northland Capital Holdings, Inc., parent company of Northland Securities, Inc. (“NSI”) and its subsidiaries. As a result of such common control, FNNI, First National Capital Markets, First National Bank of Omaha and NSI are now affiliated.

FUTURE FINANCING

The County does not anticipate the need to issue any additional general obligation debt within the next three months.

BOND RATINGS

The County received an underlying rating of “AAA” from S&P Global Ratings (“S&P”) and “Aaa” from Moody’s Investor Services (“Moody’s”). No application was made to any other rating agency for the purpose of obtaining

an additional rating on the Bonds. These ratings reflect only the opinions of S&P and Moody's any explanation of the significance of these ratings may be obtained only from S&P and Moody's. There is no assurance that a rating will continue for any given period of time, or that such rating will not be revised or withdrawn, if in the judgment of S&P and Moody's, circumstances so warrant. A revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds. This rating is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by the rating agency.

LITIGATION

As of the date of this Official Statement, the County is not aware of any threatened or pending litigation that questions the organization or boundaries of the County or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Bonds or otherwise questioning the validity of the Bonds.

CERTIFICATION

The County will furnish a statement to the effect that this Official Statement to the best of its knowledge and belief, as of the date of sale and the date of delivery, is true and correct in all material respects, and does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The County has always promptly met all payments of principal and interest on its indebtedness when due.

LEGALITY

Legal matters incident to the authorization and issuance of the Bonds are subject to the approving opinion of Dorsey & Whitney LLP, Minneapolis, Minnesota ("Bond Counsel") as to validity and tax exemption. A copy of such opinion will be available at the time of the delivery of the Bonds. See *Appendix A – Form of Legal Opinion*.

Bond Counsel has not participated in the preparation of this Official Statement and is not passing upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine, or verify, any of the financial or statistical statements or data contained in this Official Statement, and will express no opinion with respect thereto.

TAX CONSIDERATIONS

The following is a summary of certain U.S. federal and Minnesota income tax considerations relating to the purchase, ownership, and disposition of the Bonds. This summary is based on the U.S. Internal Revenue Code of 1986 (the "Code") and the Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the "IRS"), all as of the date hereof and all of which are subject to change, possibly with retroactive effect. Any such change could adversely affect the matters discussed below, including the tax exemption of interest on the Bonds. The County has not sought and will not seek any rulings from the IRS regarding the matters discussed below, and there can be no assurance the IRS or a court will not take a contrary position regarding these matters.

Prospective purchasers of Bonds should consult their own tax advisors with respect to applicable federal, state, and local tax rules, and any pending or proposed legislation or regulatory or administrative actions, relating to the Bonds based on their own particular circumstances.

This summary is for general information only and is not intended to constitute a complete analysis of all tax considerations relating to the purchase, ownership, and disposition of Bonds. It does not address the application of the alternative minimum tax imposed on noncorporate taxpayers and applicable corporations or the additional tax on net investment income, nor does it address the U.S. federal estate and gift tax or any state, local, or non-U.S. tax consequences except with respect to Minnesota income tax to the extent expressly specified herein. This summary is limited to consequences to U.S. holders that purchase the Bonds for cash at original issue and hold the Bonds as "capital assets" (generally, property held for investment).

This discussion does not address all aspects of U.S. federal income or state taxation that may be relevant to particular holders of Bonds in light of their specific circumstances or the tax considerations applicable to holders that may be subject to special income tax rules, such as: holders subject to special tax accounting rules under Section 451(b) of the Code; insurance companies; brokers, dealers, or traders in stocks, securities, or currencies or notional principal contracts; foreign corporations subject to the branch profits tax; holders receiving payments in respect of the Bonds through foreign entities; and S corporations, partnerships, or other pass-through entities or investors therein.

For purposes of this discussion, the “issue price” of a maturity of Bonds is the first price at which a substantial amount of Bonds of that maturity is sold for cash to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers.

The Bonds

Tax-Exempt Interest

In the opinion of Dorsey & Whitney LLP, Bond Counsel, based on existing law and assuming the accuracy of certain representations and compliance with certain covenants, interest on the Bonds (i) is excluded from gross income for federal income tax purposes under Section 103 of the Code, (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on noncorporate taxpayers by Section 55 of the Code, (iii) is excluded from taxable net income of individuals, estates, and trusts for Minnesota income tax purposes, and (iv) is not an item of tax preference for Minnesota alternative minimum tax purposes. Interest on the Bonds may, however, be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations (as defined in Section 59(k) of the Code), and is included, in net income for purposes of the Minnesota franchise tax imposed on corporations and financial institutions.

The Code establishes certain requirements that must be met after the issuance of the Bonds in order that interest on the Bonds be excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts. These requirements include, but are not limited to, provisions regarding the use of Bond proceeds and the facilities financed or refinanced with such proceeds and restrictions on the investment of Bond proceeds and other amounts. The County has made certain representations and has covenanted to comply with certain restrictions, conditions, and requirements designed to ensure interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or noncompliance with these covenants may cause interest on the Bonds to be included in federal gross income or in Minnesota taxable net income retroactively to their date of issue. Bond Counsel has not independently verified the accuracy of these representations and will not verify the continuing compliance with these covenants. No provision has been made for redemption of or for an increase in the interest rate on the Bonds in the event that interest on the Bonds is included in federal gross income or in Minnesota taxable net income.

Original Issue Discount

Bonds may be issued at a discount from their principal amount (any such Bonds being “Discount Bonds”). The excess of the principal amount payable on Bonds of a given maturity over their issue price constitutes “original issue discount” (“OID”). OID that accrues to a holder of a Discount Bond is excluded from federal gross income and from Minnesota taxable net income of individuals, estates, and trusts to the same extent that stated interest on such Discount Bond would be so excluded. The amount of OID that accrues on a Discount Bond is added to the holder’s federal and Minnesota tax bases. OID is taxable under the Minnesota franchise tax on corporations and financial institutions.

OID on a Discount Bond generally accrues pursuant to a constant-yield method that reflects semiannual compounding on dates that are determined by reference to the maturity date of the Discount Bond. The amount of OID that accrues for any particular semiannual accrual period generally is equal to the excess of (1) the product of (a) one-half of the yield on such Discount Bonds (adjusted as necessary for an initial short period) and (b) the adjusted issue price of such Discount Bonds, over (2) the amount of stated interest actually payable. For this purpose, the adjusted issue price is determined by adding to the issue price for such Discount Bonds the OID that

is treated as having accrued during all prior accrual periods. If a Discount Bond is sold or otherwise disposed of between compounding dates, then the original issue discount that would have accrued for that accrual period for federal income tax purposes is allocated ratably to the days in that accrual period.

If a Discount Bond is purchased for a cost that exceeds the sum of the issue price plus accrued interest and accrued OID, the amount of OID that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of the Discount Bond. If the excess is greater than the amount of remaining OID, the basis reduction rules for amortizable bond premium may result in taxable gain upon sale or other disposition of the Bonds, even if the Bonds are sold, redeemed, or retired for an amount equal to or less than their cost.

It is possible under certain state and local income tax laws that original issue discount on a Discount Bond may be taxable in the year of accrual and may be deemed to accrue differently than under federal law.

Market Discount

If a Bond is purchased for a cost that is less than the Bond's issue price (plus accrued original issue discount, if any), the purchaser will be treated as having purchased the Bond with market discount (unless a statutory de minimis rule applies). Market discount is treated as ordinary income and generally is recognized on the maturity or earlier disposition of the Bond (to the extent that the gain realized does not exceed the accrued market discount on the Bond).

Bond Premium

A holder that acquires a Bond for an amount in excess of its principal amount generally must, from time to time, reduce the holder's federal and Minnesota tax bases for the Bond. Premium generally is amortized for federal income tax purposes and Minnesota income and franchise tax purposes on the basis of a bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Accordingly, holders who acquire Bonds at a premium might recognize taxable gain upon sale of the Bonds, even if such Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal income tax purposes or for purposes of the Minnesota income tax applicable to individuals, estates, and trusts.

Related Tax Considerations

Section 86 of the Code and corresponding provisions of Minnesota law require recipients of certain social security and railroad retirement benefits to take interest on the Bonds into account in determining the taxability of such benefits.

Section 265(a) of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Bonds, and Minnesota law similarly denies a deduction for such interest in the case of individuals, estates, and trusts. In the case of a financial institution, generally no deduction is allowed under section 265(b) the Code for that portion of the holder's interest expense that is allocable to interest on tax-exempt obligations, such as the Bonds, unless the obligations are "qualified tax-exempt obligations." Indebtedness may be allocated to the Bonds for this purpose even though not directly traceable to the purchase of the Bonds.

The Bonds are not "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Income or loss on the Bonds may be taken into account in determining adjusted financial statement income for purposes of the federal alternative minimum tax imposed on applicable corporations.

The ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may affect a holder's federal, state, or local tax liability in some additional circumstances. The nature and extent of these other tax consequences depends upon the particular tax status of the holder and the holder's other items of income or deduction.

Sale or Other Disposition

A holder will generally recognize gain or loss on the sale, exchange, redemption, retirement, or other disposition of a Bond equal to the difference between (i) the amount realized less amounts attributable to any accrued but unpaid stated interest and (ii) the holder's adjusted tax basis in the Bond. The amount realized includes the cash and the fair market value of any property received by the holder in exchange for the Bond. A holder's adjusted tax basis in a Bond generally will be equal to the amount that the holder paid for the Bond, increased by any accrued original issue discount with respect to the Bond and reduced by the amount of any amortized bond premium on the Bond. Except to the extent attributable to market discount (which will be taxable as ordinary income to the extent not previously included in income), any gain or loss will be capital gain or loss and will be long-term capital gain or loss if the holder held the Bond for more than one year. Long-term capital gains recognized by certain non-corporate persons, including individuals, generally are taxable at a reduced rate. The deductibility of capital losses is subject to significant limitations.

Information Reporting and Backup Withholding

Payments of interest on the Bonds (including any allocable bond premium or accrued original issue discount) and proceeds from the sale or other disposition of the Bonds are expected to be reported to the IRS as required under applicable Treasury Regulations. Backup withholding will apply to these payments if the holder fails to provide an accurate taxpayer identification number and certification that it is not subject to backup withholding (generally on an IRS Form W-9) or otherwise fails to comply with the applicable backup withholding requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the IRS. Certain holders are exempt from information reporting. Potential holders should consult their own tax advisors regarding qualification for an exemption and the procedures for obtaining such an exemption.

(Remainder of page intentionally left blank)

OLMSTED COUNTY, MINNESOTA

GENERAL INFORMATION

Location, Access and Transportation

Olmsted County is located in southeastern Minnesota, approximately 76 miles from the Twin Cities Metropolitan Area. Rochester, the County seat, the third largest City in Minnesota, is located in the center of the County. The County is comprised of seven cities and eighteen townships. In addition five school districts are located entirely or partially within the County. Access is provided via Interstate I-35 and I-90, U.S. Highways 14, 63 and 52, State Highways 6, 30, 42. The Canadian Pacific (formerly DM&E) Railroad provides freight service and the Rochester International Airport provides charter, commercial and freight service to the County.

Area

422,400 Acres
(660 Square Miles)

Population

2000 Census	124,277	2020 Census	162,847
2010 Census	144,248	2023 Estimate	166,000

Income Data¹

Comparative income levels are listed below for the Olmsted County, the State of Minnesota and the United States.

	<u>Olmsted County</u>	<u>State of Minnesota</u>	<u>United States</u>
Median Family Income	\$109,974	\$98,356	\$85,028
Per Capita Income	48,734	41,204	37,638

Labor Force Data²

Comparative average labor force and unemployment rate figures for 2023 (through June) and year-end 2022 are listed below. Figures are not seasonally adjusted and numbers of people are estimated by place of residence.

	<u>2023 (through June)</u>		<u>2022</u>	
	<u>Civilian</u> <u>Labor Force</u>	<u>Unemployment</u> <u>Rate</u>	<u>Civilian</u> <u>Labor Force</u>	<u>Unemployment</u> <u>Rate</u>
City of Rochester	68,716	2.3%	67,849	2.2%
Olmsted County	92,309	2.4	91,063	2.2
Rochester MSA	128,277	2.7	126,562	2.3
Minnesota	3,094,716	3.2	3,077,500	2.7

County Government

Olmsted County was organized on August 5, 1855. The County has a governing body with a seven-member Commission which meets twice each month. Commissioners are elected by District and serve four-year terms. The Board elects a Chair and Vice-Chair at the annual meeting in January each year.

The County Administrator, Heidi Welsch, is appointed by the Board and is responsible for the implementation of County Board action and overall supervision of County business. The Chief Financial Officer, Wilfredo Román Cátala, is responsible for the financial affairs of the County.

¹ Source: 2017-2021 American Community Survey, U.S. Census Bureau.

² Source: Minnesota Department of Employment and Economic Development

Bargaining Units/Labor Contracts

The County's labor union/associations are shown below.

<u>Bargaining Unit</u>	<u>Contract Expiration</u>	<u>Number of Employees</u>
Olmsted County Employees Association	December 31, 2025	714
International Union of Operating Engineers, Local 49 (highway division)	December 31, 2025	40
International Union of Operating Engineers, Local 49 (waste to energy division)	December 31, 2025	43
Olmsted County Deputy Sheriff's Association – Essential LEC	December 31, 2025	61
Olmsted County Deputy Sheriff's Association – Essential ADC	December 31, 2025	84
Olmsted County Deputy Sheriff's Association – Non essential Support	December 31, 2025	13
Law Enforcement Labor Services, Inc. (Local 330 – Detention Sergeants)	December 31, 2025	8
Law Enforcement Labor Services, Inc. (Local 260 – Licensed Captains)	December 31, 2025	5
Law Enforcement Labor Services, Inc. (Local 483 – Unlicensed Captains)	December 31, 2025	3
Law Enforcement Labor Services, Inc. (Local 380 – Licensed Sergeants)	December 31, 2025	11
American Federation of State, County and municipal Employees – Council 65 (County Attorneys)	December 31, 2025	21
Total Union Employees		1,003

County Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Olmsted County for the quality of the reporting in its comprehensive annual financial report for the fiscal years ended December 31, 1985 through 2021. The Certificate is a highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report.

Capital Improvement Program

Olmsted County annually reviews and updates its five-year Capital Improvement Program. Capital Improvements are defined as a major expenditure for physical facilities such as construction of buildings, highways, bridges, flood control structures, parks, purchase of vehicles and equipment, land acquisition and similar expenditures. The Capital Improvement Program decision-making process integrates specific goals and policies with project scheduling and financial planning. The Capital Improvement Program is reviewed in concert with the annual operating budget.

Employee Pension Programs

For 2022, the County budgeted for and employs approximately 1,291 Full Time Equivalents including 1,232 full-time, 64 part-time, and 66 on-call or temporary employees. The pension plan currently covers 94.3% or 1,284 of the County's 1,362 active employees.

The County participates in contributory pension plans through the Public Employees Retirement Association (PERA) under Minnesota Statutes, Chapters 353 and 356, which cover all full-time and certain part-time employees. PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost sharing, multiple-employer retirement plans. Benefits are established by State Statute. State Statute requires the County to fund current service pension cost as it accrues. Defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF (formerly "PERF"). That report may be obtained at www.mnpera.org, or by writing to PERA at 60 Empire Drive, #200, St. Paul, MN 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

The County makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Coordinated Plan members were required to contribute 6.50% of their annual covered salary in 2022. PEPFF members were required to 11.80% of their annual covered salary in 2022. Public Employees Correctional Fund (PECF) members are required to contribute 5.83% of their annual covered salary. The County is currently required to contribute 7.50% for Coordinated Plan member, 17.70% for PEPFF members and 8.75% for PECF members. County contributions to PERF, PEPFF and PECF for the past five years have been as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2022	\$8,328,198	2019	\$7,617,887
2021	8,002,624	2018	6,981,474
2020	7,770,894		

The contribution amounts are equal to the contractually required contributions for each year as set by state statute.

Other Postemployment Benefits (OPEB)

Plan Description

The County operates a single-employer retiree benefit plan which provides medical benefits for retirees and their spouses. There are 1,247 active and 45 former employees in the plan. Retirees are required to 100% of the total group rate.

Changes in Total OPEB Liability

	Total OPEB <u>Liability</u>
Total OPEB Liability beginning of fiscal year 2022	<u>\$ 10,459,289</u>
Changes for the year:	
Service Cost	\$ 801,962
Interest	220,309
Changes in assumptions	(167,747)
Difference between expected and actual experience	(549,962)
Benefit payments	<u>(493,947)</u>
Net Changes	<u>(189,385)</u>
Total OPEB liability end of fiscal year 2022	<u>\$ 10,269,904</u>

Additional information regarding the County’s OPEB obligations is provided in the County’s Annual Financial Report, excerpts of which are provided in Appendix C of this Official Statement, with particular reference to Note 11.

Cash and Investment Balances as of June 30, 2023 (unaudited)

<u>Fund</u>	
General	\$ 148,663,064
Infrastructure	13,713,980
Health and Human Services	(6,045,031)
Waste Management	28,732,058
Self-Insurance	27,358,016
Compensated Absences	14,748,481
Building Operations	22,852,598
Motor Pool	728,955
HHHS Internal Service Fund	4,636,157
Finance (& Information Technology Services)	1,801,930
Capital and Debt Service	<u>24,456,156</u>
Total Cash and Investment Balances	\$281,646,364

General Fund Budget Summary (in thousands)

	<u>2022 Budget</u>	<u>2023 Budget</u>
Revenues:		
Property Taxes	\$65,907	\$68,686
Licenses and Permits	1,326	1,239
Intergovernmental Revenue	11,017	10,518
Charges for Services	17,773	20,894
Fines and Forfeits	0	0
Miscellaneous	3,631	4,495
Transfers In	0	358
Total Revenues	\$99,654	\$106,190
Expenditures:		
General Government	\$31,468	\$47,427
Community Development	329	85
Public Safety	60,296	50,792
Recreation	3,881	5,291
Conservation	1,446	1,523
Other	4,242	1,498
Transfers Out	1,488	2,798
Total Expenditures	\$103,150	\$109,414
Revenues Over (Under) Expenditures	(3,496)	(3,224)
Beginning Fund Balance (January 1)	\$92,299	\$88,803
Ending Fund Balance (December 31)	<u><u>\$88,803</u></u>	<u><u>\$85,579</u></u>

Building Permits¹

Building permits issued in the City of Rochester have been as follows:

<u>Year</u>	<u>No.</u>	<u>Residential Value</u>	<u>Multiple Dwellings</u>	<u>Commercial/Industrial</u>	<u>All Other</u>	<u>Permits</u>	<u>Total Value</u>
2023	107	\$42,043,905	\$74,795,029	\$35,058,200	\$91,045,020	1,113	\$242,942,154
2022	231	87,997,215	98,231,858	139,624,753	236,526,067	2,205	562,379,893
2021	213	58,099,034	14,811,040	83,242,161	102,365,778	1,367	290,452,548
2020	386	81,895,044	18,000,720	71,070,962	163,110,385	1,970	366,671,424
2019	385	81,974,389	63,607,137	57,700,467	251,107,159	2,270	483,458,201
2018	428	99,701,249	184,059,564	35,024,302	235,028,786	2,305	587,794,238
2017	539	120,537,984	86,666,434	114,540,532	150,064,957	2,665	524,691,279
2016	490	102,463,682	129,591,460	34,573,239	138,296,109	2,429	442,846,498
2015	466	88,265,986	143,522,595	44,009,413	186,282,134	2,383	484,095,237
2014	428	86,257,232	21,748,186	73,921,925	215,845,260	2,358	397,772,603

¹ Building Permits, as of June 30, 2023, were obtained from the City of Rochester, Minnesota website.

Financial Institutions¹

The following banks/financial institutions serve Olmsted County.

<u>Bank Name</u>	<u>Bank Name</u>
Affinity Plus Federal Credit Union	Manufacturers Bank & Trust Company
Altra Federal Credit Union	Merchants Bank, N.A.
Associated Bank, N.A.	Minnesota First Credit and Savings
Bremer Bank	Minnwest Bank Metro
Coulee Bank	Olmsted National Bank
F & M Community Bank, N.A.	Premier Bank Rochester
First Alliance Credit Union	Sterling State Bank
First Farmers & Merchants State Bank	Think Mutual Bank
First Security Bank	U.S. Bank National Association
Foresight Bank	Wells Fargo Bank
Home Federal Savings Bank	West Bank
Mayo Employees Federal Credit Union	

Education

The County is primarily served by five independent school districts: ISD No. 531, Byron; ISD No. 533, Dover-Eyota; ISD No. 534, Stewartville; ISD 535, Rochester; and ISD 227, Chatfield.

Major/Leading Employers

Rochester is the third largest city in Minnesota, with a population of about 113,000 and comprising an area of approximately 55 square miles. Following are some of the principal employers in the City of Rochester within the County:

<u>Name</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Mayo Medical Center	Medical	42,000
Rochester School District 535	Education	2,872
IBM Corporation	Computers	2,791
Olmsted County	County Government	1,371
Olmsted Medical Center	Medical Services	1,321
City of Rochester	City Government	1,166
Spectrum (formerly Charter Communications)	Cable Television and Internet	672
Benchmark Electronics	Electronics Manufacturing	625
Federal Medical Center	Correctional Institution	452
Geotek	Fiberglass Building Materials	417

Source: RAEDI (Rochester Area Economic Development, Inc.) website.

Olmsted County has a diverse economy built around health care, high technology and agriculture. Major employers include the Mayo Medical Center, IBM-Rochester, Olmsted Medical Center and Spectrum. The City of Rochester and Olmsted County are the regional center (metropolitan statistical area) for industry and commerce in southeastern Minnesota and northeastern Iowa.

The world-renowned Mayo clinic, the largest medical center in the world, is headquartered in Rochester with additional Clinic facilities in Scottsdale, Arizona and Jacksonville, Florida. The Clinic also administers St. Mary’s Hospital and Rochester Methodist Hospital, both in Rochester. With a local workforce of over 42,000, it is by far the County’s largest employer.

¹ Source: Federal Deposit Insurance Corporation (FDIC) and National Credit Union Administration website.

IBM-Rochester is the area’s third largest employer. IBM-Rochester is a manufacturing facility and laboratory that produces and develops mid-sized computers, direct access storage equipment, and systems software.

Largest Taxpayers¹

Following are ten of the largest taxpayers within the County:

<u>Name</u>	<u>Classification</u>	<u>2022/2023 Tax Capacity</u>	<u>Percent of Total Tax Capacity (\$285,925,544)²</u>
Mayo Properties	Commercial/Residential	\$16,041,750	5.61%
Minnesota Energy Resources	Utility	2,116,597	0.74
Knickerbocker Berkman LLC	Commercial	1,591,532	0.56
Apache Mall LLC	Commercial	948,388	0.33
Legacy Fund I LLC	Commercial	819,746	0.28
THF-G Rochester Joint Venture	Commercial	739,902	0.26
Olmsted Medical Center	Commercial	670,948	0.23
City of Rochester	Commercial	598,210	0.21
KAH 20 2 nd Avenue LLC	Commercial	539,590	0.19
Rochester West Campus LLC	Industrial	<u>505,039</u>	<u>0.18</u>
		<u>\$24,571,702</u>	<u>8.59%</u>

(Remainder of page intentionally left blank)

¹ As reported by Olmsted County.

² Before tax increment adjustment.

MINNESOTA VALUATIONS; PROPERTY TAX CLASSIFICATIONS

Market Value

State Law defines the “market value” of real property as the usual selling price at the place where the property to which the term is applied shall be at the time of assessment; being the price which could be obtained at a private sale or an auction sale, if it is determined by the assessor that the price from the auction sale represents an arm's-length transaction. The assessor uses sales and market value income trends to estimate the value of property in an open market transaction. This value is also called “estimated market value”. This value is set on January 2 of each year. Property taxes levied each year are based on the value of property on January 2 of the preceding year. According to Minnesota Statutes, Chapter 273, all real property subject to taxation is to be appraised at maximum intervals of five years.

Taxable Market Value

The “taxable market value” is the amount used for calculating property taxes. The taxable market value may differ from the estimated market value due to the application of special programs that exclude value from taxation. These programs currently include, but are not limited to, Homestead Market Value Exclusion and Green Acres.

Market Value Exclusion

In 2011, the State Legislature eliminated the Homestead Market Value Credit. The Credit was an amount paid by the State to local taxing jurisdictions to reduce taxes paid by homesteaded property. The Credit has been replaced by a Homestead Market Value Exclusion. The Exclusion reduces the taxable market value (beginning with taxes payable 2012) of a jurisdiction by excluding a portion of the value of homesteaded property from taxation. For a homestead valued at \$76,000 or less, the exclusion is 40 percent of market value, yielding a maximum exclusion of \$30,400 at \$76,000 of market value. For a homestead valued between \$76,000 and \$413,800, the exclusion is \$30,400 minus nine percent of the valuation over \$76,000. For a homestead valued at \$413,800 or more, there is no valuation exclusion.

Sales Ratio

The Minnesota Department of Revenue conducts the Assessment Sales Ratio Study to compare real estate sales prices to local assessor valuations. The State uses the study results to ensure consistency in property assessments across the state. There are three different sales ratio studies that cover three distinct time periods. The 12-month study includes sales that occur from October 1st of a given year to September 30th of the following year and are compared to market values used for property taxation. The median ratio from the 12-month study is the sales ratio used to calculate indicated and economic market values.

Economic and Indicated Market Value

“Economic market value” and “indicated market value” reflect adjustments made to account for the effects of the sales ratio. The economic market value is determined by dividing the estimated market value of the jurisdiction by the sales ratio. Economic market value provides an estimation of the full value of property if it were valued at 100% of its value in the marketplace (prior to the application of legislatively mandated exclusions). The indicated market value is determined by dividing the taxable market value of the jurisdiction by the sales ratio. This value represents an estimation of the “full value” of property for taxation, after the deduction of legislative exclusions.

Net Tax Capacity

Property taxes are calculated on the basis of the “net tax capacity value”. Net tax capacity is calculated by multiplying the taxable market value of a parcel by the statutory class rate for the use classification of the property. These class rates are subject to revisions by the State Legislature. The table following this section contains current and historical class rates for primary property classifications.

Tax Cycle

Minnesota local government ad valorem property taxes are extended and collected by the various counties within the state. The process begins in the fall of every year with the certification, to the county auditor, of all local taxing districts' property tax levies. Local tax rates are calculated by dividing each taxing district's levy by its net tax capacity. One percentage point of local tax rate represents one dollar of tax per \$100 net tax capacity. A list of taxes due is then prepared by the county auditor and turned over to the county treasurer on or before the first Monday in January.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements (excluding manufactured homes) are to be mailed out no later than March 31, and manufactured home property tax statements no later than July 15. The due dates for payment of real and personal property taxes (excluding manufactured homes) are one-half on or before May 15 (May 31 for resorts) and one-half on or before October 15 (November 15 for farm property). Personal property taxes for manufactured homes become due one-half on or before August 31 and one-half on or before November 15. Delinquent property taxes are penalized at various rates depending on the type of property and the length of delinquency.

Tax Levies for General Obligation Bonds (Minnesota Statutes, Section 475.61)

State Law requires the governing body of any municipality issuing general obligations, prior to delivery of the obligations, to levy by resolution a direct general ad valorem tax upon all taxable property in the municipality to be spread upon the tax rolls for each year of the term of the obligations. The tax levies for all years shall be specified and such that if collected in full will, together with estimated collections of special assessments and other revenues pledged for the payment of said obligations, produce at least five percent in excess of the amount needed to meet the principal and interest payments on the obligations when due.

Such resolution shall irrevocably appropriate the taxes so levied and any special assessments or other revenues so pledged to the municipality's debt service fund or a special debt service fund or account created for the payment of one or more issues of obligations.

The governing body may, at its discretion, at any time after the obligations have been authorized, adopt a resolution levying only a portion of such taxes, to be filed, assessed, extended, collected and remitted, and the amount therein levied shall be credited against the tax required to be levied prior to delivery of the obligations.

The recording officer of the municipality shall file in the office of the county auditor of each county in which any part of the municipality is located a certified copy of the resolution, together with full information regarding the obligations for which the tax is levied. No further action by the municipality is required to authorize the extension, assessment and collection of the tax, but the municipality's liability on the obligations is not limited thereto and its governing body shall levy and cause to be extended, assessed and collected any additional taxes found necessary for full payment of the principal and interest. The auditor shall annually assess and extend upon the tax rolls the amount specified for such year in the resolution, unless the amount has been reduced as authorized below or, if the municipality is located in more than one county, the portion thereof that bears the same ratio to the whole amount as the tax capacity value of taxable property in that part of the municipality located in the county bears to the tax capacity value of all taxable property in the municipality.

Tax levies so made and filed shall be irrevocable, except that if the governing body in any year makes an irrevocable appropriation to the debt service fund of moneys actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

All such taxes shall be collected and remitted to the municipality by the county treasurer as other taxes are collected and remitted, and shall be used only for payment of the obligations on account of that levied or to repay advances from other funds used for such payments, except that any surplus remaining in the debt service fund when the obligations and interest thereon are paid may be appropriated to any other general purpose by the municipality.

Levy Limits

The State Legislature periodically enacts limitations on the ability of cities and counties to levy property taxes. Levy limits were reenacted in 2013 and applied to all counties with a population over 5,000 and all cities with a population over 2,500 for taxes payable in 2014 only. Levies “to pay the costs of the principal and interest on bonded indebtedness” and “to provide for the bonded indebtedness portion of payments made to another political subdivision of the State of Minnesota” are designated special levies and can be levied in addition to the amount allowed by levy limitations.

(Remainder of page intentionally left blank)

The following is a partial summary of these factors:

Property Tax Classifications

<u>Class</u>	<u>Type of Property</u>	<u>Class Rate Schedule</u>		
		<u>2020/ 2021</u>	<u>2021/ 2022</u>	<u>2022/ 2023</u>
1a	<u>Residential Homestead</u> : First \$500,000 Over \$500,000	1.00% 1.25	1.00% 1.25	1.00% 1.25
1c	<u>Commercial seasonal-residential recreational-</u> under 250 days and includes homestead			
	First \$600,000	.50	.50	.50
	\$600,001-2,300,000	1.00	1.00	1.00
	Over \$2,300,000 [†]	1.25	1.25	1.25
2a	<u>Agricultural Homestead – House, Garage, One Acre:</u>			
	First \$500,000	1.00	1.00	1.00
	Over \$500,000	1.25	1.25	1.25
	Remainder of Farm* –			
	First \$1,880,000			
	Over \$1,880,000			
	First \$1,890,000		0.50	0.50
	Over \$1,890,000		1.00	1.00
	First \$1,900,000	0.50		
	Over \$1,900,000	1.00		
	<u>Agricultural Homestead Land</u> ¹	1.00	1.00	1.00
2a	<u>Non-Homestead Agricultural Productive Land</u> [*]	1.00	1.00	1.00
2b	<u>Non-Homestead Rural Vacant Land</u> ²	1.00	1.00	1.00
3a	<u>Commercial/Industrial and Public Utility</u>			
	First \$150,000 [†]	1.50	1.50	1.50
	Over \$150,000 [†]	2.00	2.00	2.00
4a	<u>Apartment</u> (4+ units, incl. private for-profit hospitals)	1.25	1.25	1.25
	<u>Residential Non-Homestead</u> (Single Unit)			
4bb(1)	First \$500,000	1.00	1.00	1.00
	Over \$500,000	1.25	1.25	1.25
4c(1)	<u>Seasonal Residential Recreational/Commercial</u> [†] (Resort): First \$500,000 Over \$500,000	1.00 1.25	1.00 1.25	1.00 1.25
4c(12)	<u>Seasonal Residential Recreational</u> [†] Non-Commercial (Cabin): First \$500,000* Over \$500,000*	1.00 1.25	1.00 1.25	1.00 1.25
4d	<u>Qualifying Low-Income Rental Housing</u>			
	First \$100,000			.75
	Over \$100,000			.25
	First \$162,000	.75		
	Over \$162,000	.25		
	First \$174,000		.75	
	Over \$174,000		.25	

[†] Subject to the state general property tax.

* Exempt from referendum market value-based taxes.

¹ Homestead remainder & non-homestead; includes structures.

² Homestead remainder & non-homestead; includes minor ancillary structures.

OLMSTED COUNTY, MINNESOTA

ECONOMIC AND FINANCIAL INFORMATION¹

Valuations

	<i>Estimated Market Value 2022/2023</i>	<i>Net Tax Capacity 2022/2023</i>
Real Property	\$ 24,984,729,100	\$ 281,180,911
Personal Property	243,684,000	4,744,633
Less Tax Increment Deduction	---	(9,556,029)
Less 200KV Powerlines	---	(35,893)
Total Adjusted Valuation	<u>\$ 25,228,413,100</u>	<u>\$ 276,330,625</u>

Valuation Trends (Real and Personal Property)

<i>Levy Year/ Collection Year</i>	<i>Economic Market Value</i>	<i>Sales Ratio</i>	<i>Estimated Market Value</i>	<i>Taxable Market Value</i>	<i>Tax Capacity Before Tax Increments</i>	<i>Tax Capacity After Tax Increments</i>
2022/2023	\$28,096,372,472	89.92%	\$25,228,413,100	\$24,585,631,900	\$285,925,544	\$276,330,625
2021/2022	24,937,745,073	87.52	21,792,944,600	21,023,189,700	245,854,272	238,444,754
2020/2021	22,212,797,245	93.94	20,818,304,900	20,008,219,800	235,635,210	229,030,604
2019/2020	21,344,883,345	91.79	19,573,629,400	18,717,082,800	218,331,097	213,938,348
2018/2019	19,681,004,065	92.55	18,207,181,800	17,309,473,300	201,654,070	198,907,036

Breakdown of Valuations

2022/2023 Tax Capacity, Real and Personal Property (before tax increment and powerlines adjustments):

Residential Homestead	\$ 135,729,388	47.47%
Agricultural	21,248,403	7.43
Commercial & Industrial	76,097,774	26.61
Public Utility	674,518	0.24
Railroad	178,248	0.06
Residential Non-Homestead	46,677,920	16.33
Seasonal/Recreational	574,660	0.20
Personal Property	<u>4,744,633</u>	<u>1.66</u>
Totals:	<u>\$ 285,925,544</u>	<u>100.00%</u>

¹ Property valuations, tax rates, and tax levies and collections are provided by Olmsted County. Economic market value and sales ratio are provided by the Minnesota Department of Revenue.

Tax Capacity Rates

Tax capacity rates for a County resident within the City of Rochester, for the past five-assessable/collection years have been as follows:

<i>Levy Year/ Collection Year</i>	<i>2018/19 Tax Capacity Rates</i>	<i>2019/20 Tax Capacity Rates</i>	<i>2020/21 Tax Capacity Rates</i>	<i>2021/22 Tax Capacity Rates</i>	<i>2022/23 Tax Capacity Rates</i>
Olmsted County	53.562%	52.017%	46.961%	49.008%	44.671%
City of Rochester	52.723	51.847	48.242	49.624	46.406
ISD No. 535, Rochester	<u>15.684</u>	<u>19.772</u>	<u>20.375</u>	<u>20.387</u>	<u>18.104</u>
Totals:	<u>121.969%</u>	<u>123.636%</u>	<u>115.578%</u>	<u>119.019%</u>	<u>109.181%</u>
<i>Market Value Rates:</i>	<i>2018/2019</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>
ISD No. 535 (Rochester)	0.21949%	0.20601%	0.19043%	0.17744%	0.16756%

Tax Levies and Collections¹

<u>Levy/Collect</u>	<u>Net Levy</u>	<u>Collected During Collection Year</u>		<u>Collected and/or Abated as of 5/19/23</u>	
		<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
2022/2023	\$119,246,665		In Process of Collection		
2021/2022	112,520,262	\$111,843,820	99.40%	\$112,353,433	99.85%
2020/2021	107,156,724	106,095,717	99.01	107,033,707	99.89
2019/2020	107,058,150	105,344,420	98.40	106,692,420	99.66
2018/2019	102,783,692	101,854,147	99.18	102,780,258	99.99

¹ 2022/2023 property taxes are currently in the process of collection/reporting and updated figures are not yet available from Olmsted County.

SUMMARY OF DEBT AND DEBT STATISTICS

Statutory Debt Limit¹

Minnesota Statutes, Section 475.53 states that a city or county may not incur or be subject to a net debt in excess of three percent (3%) of its estimated market value. Net debt is, with limited exceptions, debt paid solely from ad valorem taxes.

Computation of Legal Debt Margin as of September 2, 2023:

2022/2023 Estimated Market Value	\$ 25,228,413,100
Multiplied by 3%	<u> x .03</u>
Statutory Debt Limit	<u>\$ 756,852,393</u>

Less outstanding debt applicable to debt limit:

G.O. Bonds, Series 2015A	\$ 3,595,000
G.O. Crossover Refunding Bonds, Series 2016A	10,080,000
G.O. Bonds, Series 2019A	16,240,000
G.O. Bonds, Series 2020A	7,250,000
Taxable G.O. Crossover Refunding Bonds, Series 2021A	5,520,000
Lease Revenue Refunding Bonds, Series 2021A	3,260,000
Taxable G.O. Crossover Refunding Bonds, Series 2022A	26,520,000
G.O. Bonds, Series 2022B	15,970,000
G.O. Bonds, Series 2023A (Portion of this Issue)	<u>17,760,000</u>
Total Debt Applicable to Debt Limit:	<u>106,195,000</u>
Legal debt margin	<u>\$ 650,657,393</u>

¹ Effective June 2, 1997 and pursuant to Minnesota Statutes 465.71, any lease revenue or public project revenue bond issues/agreements of \$1,000,000 or more are subject to the statutory debt limit. Lease revenue or public project revenue bond issues/agreements less than \$1,000,000 are not subject to the statutory debt limit.

OLMSTED COUNTY, MINNESOTA
GENERAL OBLIGATION DEBT PAYABLE FROM TAXES
(As of September 2, 2023, Plus a Portion of This Issue)

Purpose:	G.O.				
	G.O. Bonds, Series 2015A	Crossover Refunding Bonds, Series 2016A	G.O. Bonds, Series 2019A	G.O. Bonds, Series 2020A	
Dated:	08/01/15	08/01/16	11/12/19	11/17/20	
Original Amount:	\$39,150,000	\$15,550,000	\$19,175,000	\$8,315,000	
Maturity:	1-Feb	1-Feb	1-Feb	1-Feb	
Interest Rates:	3.00-4.00%	1.50-5.00%	2.25-3.00%	1.00-3.00%	
2023	\$0	\$0	\$0	\$0	2023
2024	1,760,000	1,340,000	1,070,000	575,000	2024
2025	1,835,000	1,425,000	975,000	590,000	2025
2026	0	1,475,000	1,005,000	615,000	2026
2027	0	1,515,000	1,035,000	545,000	2027
2028	0	1,570,000	1,065,000	565,000	2028
2029	0	1,625,000	1,100,000	575,000	2029
2030	0	555,000	1,010,000	585,000	2030
2031	0	575,000	915,000	600,000	2031
2032	0	0	925,000	245,000	2032
2033	0	0	950,000	250,000	2033
2034	0	0	975,000	255,000	2034
2035	0	0	1,000,000	260,000	2035
2036	0	0	800,000	265,000	2036
2037	0	0	820,000	255,000	2037
2038	0	0	840,000	260,000	2038
2039	0	0	865,000	265,000	2039
2040	0	0	890,000	270,000	2040
2041	0	0	0	275,000	2041
2042	0	0	0	0	2042
2043	0	0	0	0	2043
2044	0	0	0	0	2044
	\$3,595,000	\$10,080,000	\$16,240,000	\$7,250,000	
		(1)		(2)	

GENERAL OBLIGATION DEBT PAYABLE FROM TAXES CONTINUED

Purpose:	Portion of This Issue				TOTAL PRINCIPAL:	TOTAL PRIN & INT:	
	Taxable G.O. Crossover Refunding Bonds, Series 2021A	Taxable G.O. Crossover Refunding Bonds, Series 2022A	G.O. Bonds, Series 2022B	G.O. Bonds, Series 2023A			
Dated:	04/07/21	03/03/22	03/16/22	10/18/23			
Original Amount:	\$6,880,000	\$26,520,000	\$15,970,000	\$17,760,000			
Maturity:	1-Feb	1-Feb	1-Feb	1-Feb			
Interest Rates:	0.25-1.05%	2.00-3.00%	2.125-4.000%				
2023	\$0	\$0	\$0	\$0	\$0	\$0	2023
2024	1,365,000	0	1,105,000	0	7,215,000	10,142,889	2024
2025	1,375,000	0	1,145,000	1,130,000	8,475,000	11,089,194	2025
2026	1,385,000	2,135,000	1,185,000	1,120,000	8,920,000	11,099,945	2026
2027	1,395,000	2,200,000	1,240,000	1,120,000	9,050,000	10,994,954	2027
2028	0	2,270,000	1,285,000	1,120,000	7,875,000	9,602,000	2028
2029	0	2,310,000	915,000	1,120,000	7,645,000	9,175,525	2029
2030	0	2,355,000	950,000	860,000	6,315,000	7,667,888	2030
2031	0	2,400,000	985,000	860,000	6,335,000	7,530,954	2031
2032	0	2,455,000	1,030,000	860,000	5,515,000	6,565,268	2032
2033	0	2,515,000	1,060,000	860,000	5,635,000	6,551,689	2033
2034	0	2,565,000	470,000	860,000	5,125,000	5,911,784	2034
2035	0	2,625,000	480,000	800,000	5,165,000	5,822,164	2035
2036	0	2,690,000	490,000	800,000	5,045,000	5,569,441	2036
2037	0	0	500,000	800,000	2,375,000	2,798,853	2037
2038	0	0	510,000	800,000	2,410,000	2,764,725	2038
2039	0	0	495,000	800,000	2,425,000	2,708,003	2039
2040	0	0	510,000	770,000	2,440,000	2,649,770	2040
2041	0	0	525,000	770,000	1,570,000	1,717,718	2041
2042	0	0	535,000	770,000	1,305,000	1,404,877	2042
2043	0	0	555,000	770,000	1,325,000	1,378,986	2043
2044	0	0	0	770,000	770,000	785,400	2044
	\$5,520,000	\$26,520,000	\$15,970,000	\$17,760,000	\$102,935,000	\$123,932,025	
	(3) (4)	(5)	(6)	(7)			

NOTE: 65% OF GENERAL OBLIGATION DEBT PAYABLE FROM TAXES WILL BE RETIRED WITHIN TEN YEARS.

- (1) These Bonds crossover refunded \$10,545,000 of the \$14,060,000 General Obligation Taxable Capital Improvement Plan Bonds, Series 2009A (Build America Bonds). Maturities 2018 through 2029, inclusive, were called for redemption on February 1, 2017, at a price of par plus accrued interest. These bonds also crossover refunded \$5,535,000 of the \$8,645,000 General Obligation Capital Improvement Plan Bonds, Series 2011B, dated June 1, 2011. Maturities 2021 through 2031, inclusive, were called for redemption on February 1, 2020, at a price of par plus accrued interest.
- (2) This schedule represents a portion of the \$18,655,000 General Obligation Bonds, Series 2020A, dated November 17, 2020, consisting of \$10,340,000 backed by net revenues of the County's solid waste management system and \$8,315,000 backed by ad valorem taxes.
- (3) This schedule represents a portion of the \$31,025,000 Taxable General Obligation Crossover Refunding Bonds, Series 2021A, dated April 7, 2021, consisting of \$24,145,000 backed by net revenues of the County's solid waste management system and \$6,880,000 backed by ad valorem taxes.
- (4) These bonds crossover refunded \$30,710,000 of the General Obligation Crossover Refunding Bonds, Series 2012A. Maturities 2023 through 2027, inclusive, were called for redemption on February 1, 2022, at a price of par plus accrued interest.
- (5) These bonds crossover refunded \$25,715,000 of the General Obligation Bonds, Series 2015A. Maturities 2026 through 2036, inclusive, will be called for redemption on February 1, 2025, at a price of par plus accrued interest.
- (6) This schedule represents a portion of the \$18,905,000 General Obligation Bonds, Series 2022B, dated March 16, 2022, consisting of \$2,935,000 backed by net revenues of the County's solid waste management system and \$15,970,000 backed by ad valorem taxes.
- (7) This schedule represents a portion of the \$19,735,000 General Obligation Bonds, Series 2023A, dated October 18, 2023, consisting of \$1,975,000 backed by net revenues of the County's solid waste management system and \$17,760,000 backed by ad valorem taxes.

OLMSTED COUNTY, MINNESOTA
GENERAL OBLIGATION DEBT PAYABLE FROM REVENUES
(As of September 2, 2023, Plus a Portion of This Issue)

Purpose:	G.O. Crossover Refunding Bonds, Series 2012B	G.O. Crossover Refunding Bonds, Series 2016A	G.O. Bonds, Series 2020A	Taxable G.O. Crossover Refunding Bonds, Series 2021A	
Dated:	02/28/12	08/01/16	11/17/20	04/07/21	
Original Amount:	\$3,365,000	\$10,020,000	\$10,340,000	\$24,145,000	
Maturity:	1-Feb	1-Feb	1-Feb	1-Feb	
Interest Rates:	2.00-3.00%	1.50-5.00%	1.00-3.00%	0.25-1.05%	
2023	\$0	\$0	\$0	\$0	2023
2024	345,000	860,000	555,000	4,800,000	2024
2025	350,000	920,000	570,000	4,815,000	2025
2026	0	960,000	585,000	4,850,000	2026
2027	0	995,000	605,000	4,890,000	2027
2028	0	1,035,000	615,000	0	2028
2029	0	1,085,000	625,000	0	2029
2030	0	0	645,000	0	2030
2031	0	0	650,000	0	2031
2032	0	0	410,000	0	2032
2033	0	0	415,000	0	2033
2034	0	0	425,000	0	2034
2035	0	0	435,000	0	2035
2036	0	0	440,000	0	2036
2037	0	0	450,000	0	2037
2038	0	0	460,000	0	2038
2039	0	0	470,000	0	2039
2040	0	0	480,000	0	2040
2041	0	0	490,000	0	2041
2042	0	0	0	0	2042
2043	0	0	0	0	2043
2044	0	0	0	0	2044
	\$695,000	\$5,855,000	\$9,325,000	\$19,355,000	
	(2) (3)	(1) (4)	(1) (5) (6)	(1) (7) (8)	

GENERAL OBLIGATION DEBT PAYABLE FROM REVENUES CONTINUED

Purpose:	Portion of This Issue				
	G.O. Bonds, Series 2022B	G.O. Bonds, Series 2023A	TOTAL PRINCIPAL:	TOTAL PRIN & INT:	
Dated:	03/16/22	10/18/23			
Original Amount:	\$2,935,000	\$1,975,000			
Maturity:	1-Feb	1-Feb			
Interest Rates:	2.125-4.000%				
2023	\$0	\$0	\$0	\$0	2023
2024	105,000	0	6,665,000	7,260,470	2024
2025	110,000	165,000	6,930,000	7,450,434	2025
2026	115,000	165,000	6,675,000	7,111,848	2026
2027	120,000	160,000	6,770,000	7,114,989	2027
2028	120,000	160,000	1,930,000	2,207,626	2028
2029	125,000	160,000	1,995,000	2,229,676	2029
2030	130,000	160,000	935,000	1,135,114	2030
2031	135,000	160,000	945,000	1,125,255	2031
2032	145,000	160,000	715,000	876,941	2032
2033	145,000	155,000	715,000	861,333	2033
2034	150,000	155,000	730,000	860,646	2034
2035	155,000	75,000	665,000	780,163	2035
2036	155,000	75,000	670,000	770,316	2036
2037	160,000	75,000	685,000	769,706	2037
2038	165,000	75,000	700,000	768,209	2038
2039	170,000	75,000	715,000	766,088	2039
2040	175,000	0	655,000	689,563	2040
2041	180,000	0	670,000	688,769	2041
2042	185,000	0	185,000	193,122	2042
2043	190,000	0	190,000	192,731	2043
	\$2,935,000	\$1,975,000	\$40,140,000	\$43,852,997	
	(1) (9)	(1) (10)			

NOTE: 84% OF GENERAL OBLIGATION DEBT PAYABLE FROM REVENUES WILL BE RETIRED WITHIN TEN YEARS.

- (1) These bonds are payable primarily from net revenues of the County's solid waste management system. Fees are charged for disposal of solid waste as well as from the sale of steam and electricity. The bonds are additionally secured by ad valorem taxes on all taxable property within the County and without limitation of amount.
- (2) These bonds are payable primarily from operating revenues of the Ice Arena. The bonds are additionally secured by ad valorem taxes on all taxable property within the County and without limitation of amount. The bonds are not subject to statutory debt limit since revenue sources will be applied for the payment of principal and/or interest.
- (3) These bonds crossover refunded \$3,435,000 of the \$4,950,000 General Obligation Capital Improvement Plan Bonds, Series 2006A, dated December 1, 2006. Maturities 2015 through 2025, inclusive, were called for redemption on February 1, 2014, at a price of par plus accrued interest.
- (4) These bonds crossover refunded \$10,620,000 of the \$14,690,000 General Obligation Taxable Resource Recovery Revenue Bonds, Series 2009B (Build America Bonds). Maturities 2018 through 2029, inclusive, were called for redemption on February 1, 2017, at a price of par plus accrued interest.
- (5) This schedule represents a portion of the \$18,655,000 General Obligation Bonds, Series 2020A, dated November 17, 2020, consisting of \$10,340,000 backed by net revenues of the County's solid waste management system and \$8,315,000 backed by ad valorem taxes.
- (6) These bonds current refunded \$2,405,000 of the \$4,070,000 General Obligation Resource Recovery Revenue Bonds, Series 2011A. Maturities 2022 through 2031, inclusive, were called for redemption on February 1, 2021, at a price of par plus accrued interest.
- (7) This schedule represents a portion of the \$31,025,000 Taxable General Obligation Crossover Refunding Bonds, Series 2021A, dated April 7, 2021, consisting of \$24,145,000 backed by net revenues of the County's solid waste management system and \$6,880,000 backed by ad valorem taxes.
- (8) These bonds crossover refunded \$30,710,000 of the General Obligation Crossover Refunding Bonds, Series 2012A. Maturities 2023 through 2027, inclusive, were called for redemption on February 1, 2022, at a price of par plus accrued interest.
- (9) This schedule represents a portion of the \$18,905,000 General Obligation Bonds, Series 2022B, dated March 16, 2022, consisting of \$2,935,000 backed by net revenues of the County's solid waste management system and \$15,970,000 backed by ad valorem taxes.
- (10) This schedule represents a portion of the \$19,735,000 General Obligation Bonds, Series 2023A, dated October 18, 2023, consisting of \$1,975,000 backed by net revenues of the County's solid waste management system and \$17,760,000 backed by ad valorem taxes.

OLMSTED COUNTY HOUSING AND REDEVELOPMENT AUTHORITY, MINNESOTA
OLMSTED COUNTY LEASE OBLIGATIONS
(As of September 2, 2023)

Purpose:	Lease Revenue Refunding Bonds, Series 2021A			
Dated:	11/23/21			
Original Amount:	\$3,865,000			
Maturity:	1-Apr	TOTAL	TOTAL	
Interest Rates:	2.00-3.00%	PRINCIPAL:	PRIN & INT:	
2023	\$0	\$0	\$14,419	2023
2024	315,000	315,000	343,286	2024
2025	315,000	315,000	342,026	2025
2026	320,000	320,000	345,438	2026
2027	320,000	320,000	343,518	2027
2028	320,000	320,000	341,198	2028
2029	325,000	325,000	343,374	2029
2030	330,000	330,000	345,015	2030
2031	335,000	335,000	346,190	2031
2032	340,000	340,000	346,970	2032
2033	340,000	340,000	342,380	2033
	\$3,260,000	\$3,260,000	\$3,453,813	
	(1)			

NOTE: 90% OF HRA SPECIAL OBLIGATION DEBT WILL BE RETIRED WITHIN TEN YEARS.

(1) These bonds are special, limited obligations of the HRA and payable solely from revenues to be received from the County pursuant to a Lease Agreement (appropriations) between the County and HRA. The full faith and credit of the County is not pledged for the payment of principal of and interest on the bonds. These bonds current refunded \$3,800,000 of the \$5,845,000 Lease Revenue Bonds, Series 2013A, dated April 1, 2013. Maturities 2022 through 2033 were called for redemption on November 23, 2021 at a price of par plus accrued interest.

OLMSTED COUNTY HOUSING AND REDEVELOPMENT AUTHORITY, MINNESOTA
SPECIAL OBLIGATION DEBT
(As of September 2, 2023)

Purpose:	G.O. Governmental Housing Re- funding Bonds, Series 2010A			
Dated:	06/01/10			
Original Amount:	\$1,475,000			
Maturity:	1-Jan			
Interest Rates:	2.00-3.70%			
		TOTAL PRINCIPAL:	TOTAL PRIN & INT:	
2023	\$0	\$0	\$0	2023
2024	105,000	105,000	115,053	2024
2025	110,000	110,000	116,235	2025
2026	115,000	115,000	117,128	2026
	\$330,000	\$330,000	\$348,415	
	(1) (2)			

NOTE: 100% OF HRA SPECIAL OBLIGATION DEBT WILL BE RETIRED WITHIN TEN YEARS.

- (1) These bonds are payable primarily from net revenues of the 39-unit multi-family housing project in the City of Rochester, Minnesota. The full faith and credit of the County IS pledged for the payment of principal of and interest on the bonds if net revenues should be insufficient.
- (2) These bonds net advance refunded and escrowed to maturity \$1,630,000 of the \$1,935,000 General Obligation Governmental Housing Bonds, Series 2002C, dated May 1, 2002. Maturities 2013 through 2030, inclusive, in aggregate of \$1,530,000 were called for redemption on January 1, 2012, at a price of par plus accrued interest. In addition, Maturities 2011 through 2012, inclusive, in aggregate of \$100,000 were fully defeased and were redeemed with funds from the escrow account on their respective maturity dates.

Indirect Debt*

<i>Issuer</i>	<i>2022/2023 Net Tax Capacity Value⁽¹⁾</i>	<i>2022/2023 Net Tax Capacity Value in County⁽¹⁾</i>	<i>Percentage Applicable in County</i>	<i>Net Debt⁽²⁾</i>	<i>Taxpayers' Share of Debt</i>
City of Byron	\$ 8,847,001	\$ 8,847,001	100.00%	\$ 7,918,000	\$ 7,918,000
City of Chatfield	2,713,846	1,095,473	40.37	6,879,000 ⁽³⁾	2,777,052
City of Eyota	1,906,043	1,906,043	100.00	5,130,000 ⁽⁴⁾	5,130,000
City of Pine Island	4,288,415	1,089,499	25.41	7,855,000 ⁽⁵⁾	1,995,956
City of Rochester	195,926,445	195,926,445	100.00	47,075,000 ⁽⁶⁾	47,075,000
City of Stewartville	6,551,539	6,551,539	100.00	1,620,000 ⁽⁷⁾	1,620,000
ISD 531, Byron	15,663,847	15,434,072	98.53	85,590,000	84,331,827
ISD 227, Chatfield	8,169,209	4,521,188	55.34	27,080,000	14,986,072
ISD 533, Dover-Eyota	8,056,479	8,056,479	100.00	32,293,000	32,293,000
ISD 203, Hayfield	12,258,804	722,845	5.90	18,293,359	1,079,308
ISD 204, Kasson-Mantorville	15,148,174	224,852	1.48	49,360,000	730,528
ISD 255, Pine Island	11,460,624	5,246,581	45.78	39,105,000	17,902,269
ISD 2899, P.E.M.	14,829,633	2,142,480	14.45	18,510,000	2,674,695
ISD 535, Rochester	227,206,146	226,665,534	99.76	309,130,000	308,388,088
ISD 858, St. Charles	8,070,021	1,021,700	12.66	26,450,000	3,348,570
ISD 534, Stewartville	15,809,782	12,281,022	77.68	33,850,000	26,294,680
ISD 2805, Zumbrota-Mazeppa	13,025,214	13,872	0.11	45,805,000	50,386
					<u>\$558,595,430</u>

(Remainder of page intentionally left blank)

* Only those taxing jurisdictions with general obligation debt outstanding are included. Debt figures do not include non-general obligation debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

(1) Net tax capacity values are after tax increment adjustments.

(2) As of September 2, 2023.

(3) The City of Chatfield has general obligation indebtedness of \$12,632,000. This does not include \$5,753,000 revenue-supported general obligation debt.

(4) The City of Eyota has general obligation indebtedness of \$6,218,000. This does not include \$1,088,000 revenue-supported general obligation debt.

(5) The City of Pine Island has general obligation indebtedness of \$12,210,000. This does not include \$4,355,000 revenue-supported general obligation.

(6) The City of Rochester has general obligation indebtedness of \$105,315,000. This does not include \$58,240,000 revenue-supported general obligation debt.

(7) The City of Stewartville has general obligation indebtedness of \$2,180,000. This does not include \$560,000 revenue-supported general obligation debt.

General Obligation Debt

Bonds secured by tax levies (includes a portion of this issue)	\$ 102,935,000
Bonds secured by solid waste and Ice Arena revenues (includes a portion of this issue)	<u>40,140,000</u>
Subtotal	\$ 143,075,000
Less bonds secured by solid waste and Ice Arena revenues	(<u>40,140,000</u>)
<i>Direct General Obligation Debt</i>	102,935,000
Add taxpayers' share of indirect debt	<u>558,595,430</u>
<i>Direct and Indirect Debt</i>	<u>\$ 661,530,430</u>

Special Obligation Debt of the HRA

\$1,475,000 G.O. Governmental Housing Refunding Bonds, Series 2010A	\$ 330,000
---	------------

Lease Obligation Debt of the HRA

\$3,865,000 Lease Revenue Refunding Bonds, Series 2021A	\$ 3,260,000
---	--------------

Facts for Ratio Computations

2022/2023 Economic Market Value (real and personal property)	\$28,096,372,472
Population (2023 estimate)	166,000

Debt Ratios Excluding Revenue-Supported Debt

	<i>Direct Debt</i>	<i>Indirect Debt</i>	<i>Direct and Indirect Debt</i>
To Economic Market Value	0.37%	1.99%	2.36%
Per Capita	\$620	\$3,365	\$3,985