This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 2, 2021

In the opinion of Taft Stettinius & Hollister LLP, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings and decisions, at the time of the issuance of the Bonds, the interest on the Bonds is excluded from gross income for federal income tax purposes and is excluded, to the same extent, from both gross income and taxable net income for State of Minnesota income tax purposes (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions). Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or for purposes of the Minnesota alternative minimum tax applicable to individuals, estates or trusts. No opinion will be expressed by Bond Counsel regarding other state or federal tax consequences. See "TAX EXEMPTION" herein.

The Town will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

New Issue **Rating Application Made: S&P Global Ratings**

TOWN OF WATAB, MINNESOTA
(Benton County)

$3,395,000* GENERAL OBLIGATION STREET RECONSTRUCTION PLAN BONDS, SERIES 2021A

PROPOSAL OPENING: September 14, 2021, 11:00 A.M., C.T.
CONSIDERATION: September 14, 2021, 7:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The $3,395,000* General Obligation Street Reconstruction Plan Bonds, Series 2021A (the "Bonds") are being issued pursuant to Minnesota Statutes, Chapter 475 and Section 475.58, by the Town of Watab, Minnesota (the "Town") to finance the reconstruction and reclamation of various streets in the Township described in the 5-Year Street Reconstruction Plan dated July 13, 2021. The Bonds will be general obligations of the Town for which its full faith, credit and taxing powers are pledged. Delivery is subject to receipt of an approving legal opinion of Taft Stettinius & Hollister LLP, Minneapolis, Minnesota.

DATE OF BONDS: September 30, 2021

MATURITY: February 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2023	$195,000	2028	$220,000	2033	$235,000
2024	215,000	2029	220,000	2034	240,000
2025	215,000	2030	225,000	2035	240,000
2026	215,000	2031	230,000	2036	245,000
2027	220,000	2032	230,000	2037	250,000

MATURITY ADJUSTMENTS: * The Town reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of $5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per $1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: August 1, 2022 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on February 1, 2031 and thereafter are subject to call for prior optional redemption on February 1, 2030 and any date thereafter, at a price of par plus accrued interest.

MINIMUM PROPOSAL: $3,354,260.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of $67,900 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation

BOND COUNSEL: Taft Stettinius & Hollister LLP

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the Town to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Town. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the Town and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the Town, is contingent upon the delivery of the Bonds.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over $1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the Town for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over $1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the Town is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Bonds; (3) a certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Bonds, (b) neither the corporate existence or boundaries of the Town nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the Town which indicates that the Town does not expect to use the proceeds of the Bonds in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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TOWN OF WATAB
TOWN BOARD

		Term Expires
Julie Johnson	Chairperson	January 2025
Bill Little	Supervisor	January 2024
Steve Wollak	Supervisor	January 2023

ADMINISTRATION

Kathy Sauer, Town Clerk
Deborah O'Keefe, Town Treasurer

PROFESSIONAL SERVICES

Taft Stettinius & Hollister LLP, Bond Counsel, Minneapolis, Minnesota

Ehlers and Associates, Inc., Municipal Advisors, Roseville, Minnesota
(*Other offices located in Waukesha, Wisconsin and Denver, Colorado*)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the Town of Watab, Minnesota (the "Town") and the issuance of its $3,395,000* General Obligation Street Reconstruction Plan Bonds, Series 2021A (the "Bonds"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution authorizing the issuance and sale of the Bonds ("Award Resolution") to be adopted by the Board of Supervisors on September 14, 2021.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Roseville, Minnesota, (651) 697-8500, the Town's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of $5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of September 30, 2021. The Bonds will mature on February 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on February 1 and August 1 of each year, commencing August 1, 2022, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2023 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Bonds shall be payable as provided in the Award Resolution.

The Town has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The Town will pay the charges for Paying Agent services. The Town reserves the right to remove the Paying Agent and to appoint a successor.

*Preliminary, subject to change.

OPTIONAL REDEMPTION

At the option of the Town, the Bonds maturing on or after February 1, 2031 shall be subject to optional redemption prior to maturity on February 1, 2030 or 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 selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Town. If only part of the Bonds having a common maturity date are called for redemption, then the Town or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Section 475.58, by the Town, to finance the reconstruction and reclamation of various streets in the Township described in the 5-Year Street Reconstruction Plan dated July 13, 2021.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	$3,395,000	
Total Sources		**$3,395,000**
Uses		
Total Underwriter's Discount (1.200%)	$40,740	
Costs of Issuance	52,000	
Deposit to Project Construction Fund	3,300,344	
Rounding Amount	1,916	
Total Uses		**$3,395,000**

*Preliminary, subject to change.

SECURITY

The Bonds are general obligations of the Town for which its full faith, credit and taxing powers are pledged without limitation as to rate or amount. The Town anticipates that the debt service will be paid from ad valorem property taxes. Collection of ad valorem taxes will be sufficient to provide not less than 105% of principal and interest on the Bonds as required by Minnesota law.

RATING

General obligation debt of the Town, with the exception of any outstanding credit enhanced issues, is currently rated "AA-" by S&P Global Ratings.

The Town has requested a rating on the Bonds from S&P Global Ratings, and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from S&P Global Ratings. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading “CONTINUING DISCLOSURE” neither the Town nor the underwriter undertake responsibility to bring to the attention of the owner of the Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Town shall agree to provide certain information to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA) system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events.

On the date of issue and delivery, the Town shall execute and deliver a Continuing Disclosure Certificate, under which the Town will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the Town are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the Town to comply with any Disclosure Undertaking will not constitute an event of default on the Bonds . However, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Prior continuing disclosure undertakings entered into by the Town included language stating that an Annual Report including the Town’s audited financial statements would be filed “as soon as available.” Although the Town did not always comply with this requirement, the Annual Reports were timely filed within the required twelve (12) month timeframe as provided for in each undertaking. Except to the extent that the preceding is deemed to be material, the Town believes it has not failed to comply in the previous five years in all material respects with its prior undertakings under the Rule. The Town has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the Town.

LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from taxation of the interest thereon will be furnished by Taft Stettinius & Hollister LLP, Minneapolis, Minnesota, Bond Counsel to the Town, and will be available at the time of delivery of the Bonds. The legal opinion will state that the Bonds are valid and binding general obligations of the Town; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). See "FORM OF LEGAL OPINION" found in Appendix B.

TAX EXEMPTION

On the date of issuance of the Bonds, Taft Stettinius & Hollister LLP, Bond Counsel, will render an opinion, that, based on present federal and Minnesota laws, regulations, rulings and decisions, at the time of the issuance of the Bonds, the interest on the Bonds is excluded from gross income for federal income tax purposes and is excluded, to the same extent, from both gross income and taxable net income for State of Minnesota income tax purposes (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions). Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or for purposes of the Minnesota alternative minimum tax applicable to individuals, estates or trusts. The opinions are subject to the condition that the Town complies with all applicable federal tax requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income and taxable net income, retroactive to their date of issuance. No opinion will be expressed by Bond Counsel regarding other state or federal tax consequences.

Other Federal and State Tax Considerations

Other Tax Considerations

Though excluded from gross income, interest on the Bonds is subject to federal income taxation for certain types of taxpayers and certain income taxes, including without implied limitation, taxation to the extent it is included as part of (a) the adjusted current earnings of a corporation for purposes of the alternative minimum tax, (b) effectively connected earnings and profits of a foreign corporation for purposes of the branch profits tax on dividend equivalent amounts, (c) excess net passive income of an S Corporation which has Subchapter C earnings and profits, or (d) minimum effectively connected net investment income of a foreign insurance company. Interest on the Bonds is also taken into account in other ways for federal income tax purposes, including without implied limitation, (a) reducing loss reserve deductions of property and casualty insurance companies, (b) reducing interest expense deductions of financial institutions, and (c) causing certain taxpayers to include in gross income a portion of social security benefits and railroad retirement benefits. Ownership of the Bonds may result in other collateral federal income tax consequences to certain taxpayers. Bond Counsel expresses no opinion as to any of such consequences, and prospective purchasers who may be subject to such collateral consequences should consult their tax advisers.

Original Issue Discount

Some of the Bonds ("the OID Bonds) may be sold at initial public offering prices which are less than the principal amounts payable at maturity. For each maturity of OID Bonds, original issue discount is the excess of the stated redemption price at maturity of such Bonds over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Bonds are sold. The appropriate portion of such original issue discount allocable to the original and each subsequent holder will be treated as interest and excluded from gross income for federal income tax purposes and will increase a holders' tax basis in such Bonds for purposes of determining gain or loss upon sale, exchange, redemption, or payment at maturity. Owners of such Bonds should consult their own tax advisors with respect to the computation and determination of the portion of original issue discount which will be treated as interest and added to a holder's tax basis during the period such Bonds are held.

Original Issue Premium

Some of the Bonds may be sold at initial public offering prices which are greater than the principal amounts payable at maturity. Bondholders who acquire Bonds at a premium should consult their tax advisors concerning the calculation of bond premium and the timing and rate of premium amortization, as well as the federal, state and local tax consequences of owning and selling Bonds acquired at a premium.

Proposed Changes in Federal and State Tax Law

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or 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. No prediction is made whether such provisions will be enacted as proposed or concerning other future legislation affecting the tax treatment of interest on the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is 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.

The above is not a comprehensive list of all federal tax consequences that may arise from the receipt of interest on the Bonds. The receipt of interest on the Bonds may otherwise affect the federal or State of Minnesota income tax liability of the recipient based on the particular taxes to which the recipient is subject and the particular tax status of other items or deductions. Bond Counsel expresses no opinion regarding any such consequences. All prospective purchasers of the Bonds are advised to consult their own tax advisors as to the tax consequences of, or tax considerations for, purchasing or holding the Bonds.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Town will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Town in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

Bond Trust Services Corporation ("BTSC") and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the Town, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the Town under an agreement separate from Ehlers.

RISK FACTORS

Following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

Taxes: The Bonds are general obligations of the Town, the ultimate payment of which rests in the Town's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the Town in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the Town, the taxable value of property within the Town, and the ability of the Town to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the Town and to the Bonds. The Town can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the Town or the taxing authority of the Town.

Ratings; Interest Rates: In the future, the Town's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Bonds for resale prior to maturity.

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 Code and covenants of the Award Resolution may result in the inclusion of interest on the Bonds in gross income of the recipient for United States 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.

Continuing Disclosure: A failure by the Town to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such 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. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

State Economy; State Aids: State of Minnesota cash flow problems could affect local governments and possibly increase property taxes.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the Town to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Bonds.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the Town, 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 government. Real or perceived threats to the financial stability of the Town may have an adverse effect on the value of the Bonds in the secondary market.

Secondary Market for the Bonds: No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified.

Cybersecurity: The Town is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the Town will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

Impact of the Spread of COVID-19: In late 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. COVID-19 has spread throughout the world, including to the United States, resulting in the World Health Organization proclaiming COVID-19 to be a pandemic and the declaration of a national emergency. In response to the spread of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions in an effort to limit the spread of COVID-19. The effects of the spread of COVID-19 and the government and private responses to the spread continue to rapidly evolve. COVID-19 has caused significant disruptions to the global, national and State economy. The extent to which the coronavirus impacts the Town and its financial condition will depend on future developments, which are highly uncertain and cannot be predicted by the Town, including the duration of the outbreak and measures taken to address the outbreak.

On March 13, 2020, Minnesota Governor Tim Walz signed Emergency Executive Order 20-01 and declared a peacetime emergency. In subsequent executive orders, the Governor extended the peacetime emergency by 30 days. On May 14, 2021, the Governor signed Executive Order 21-23 to end the statewide mask requirement and align with new Centers for Disease Control and Prevention (CDC) guidance on face coverings. The Minnesota Legislature ended the peacetime emergency declaration on July 1, 2021.

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides for federal payments from the Coronavirus Relief Fund to the State for the discrete purpose of covering expenses directly incurred as a result of COVID-19 between March 1 and December 30, 2020. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021, which provides local governments an additional $130.2 billion through the Coronavirus Local Fiscal Recovery Fund. These funds can be used to mitigate increased expenditures, lost revenue and economic hardship related to the COVID-19 pandemic.

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 be thoroughly familiar with this entire Preliminary Official Statement and the Appendices hereto.

VALUATIONS

OVERVIEW

All non-exempt property is subject to taxation by local taxing districts. Exempt real property includes Indian lands, public property, and educational, religious and charitable institutions. Most personal property is exempt from taxation (except investor-owned utility mains, generating plants, etc.).

The valuation of property in Minnesota consists of three elements. (1) The estimated market value is set by city or county assessors. Not less than 20% of all real properties are to be appraised by local assessors each year. (2) The taxable market value is the estimated market value adjusted by all legislative exclusions. (3) The tax capacity (taxable) value of property is determined by class rates set by the State Legislature. The tax capacity rate varies according to the classification of the property. Tax capacity represents a percent of taxable market value.

The property tax rate for a local taxing jurisdiction is determined by dividing the total tax capacity or market value of property within the jurisdiction into the dollars to be raised from the levy. State law determines whether a levy is spread on tax capacity or market value. Major classifications and the percentages by which tax capacity is determined are:

Type of Property	2018/19	2019/20	2020/21
Residential homestead[1]	First $500,000 - 1.00% Over $500,000 - 1.25%	First $500,000 - 1.00% Over $500,000 - 1.25%	First $500,000 - 1.00% Over $500,000 - 1.25%
Agricultural homestead[1]	First $500,000 HGA - 1.00% Over $500,000 HGA - 1.25% First $1,940,000 - 0.50% [2] Over $1,940,000 - 1.00% [2]	First $500,000 HGA - 1.00% Over $500,000 HGA - 1.25% First $1,880,000 - 0.50% [2] Over $1,880,000 - 1.00% [2]	First $500,000 HGA - 1.00% Over $500,000 HGA - 1.25% First $1,900,000 - 0.50% [2] Over $1,900,000 - 1.00% [2]
Agricultural non-homestead	Land - 1.00% [2]	Land - 1.00% [2]	Land - 1.00% [2]
Seasonal recreational residential	First $500,000 - 1.00% [3] Over $500,000 - 1.25% [3]	First $500,000 - 1.00% [3] Over $500,000 - 1.25% [3]	First $500,000 - 1.00% [3] Over $500,000 - 1.25% [3]
Residential non-homestead:	1 unit - 1st $500,000 - 1.00% Over $500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City [4] - 1.25% Affordable Rental: First $139,000 - .75% Over $139,000 - .25%	1 unit - 1st $500,000 - 1.00% Over $500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City [4] - 1.25% Affordable Rental: First $150,000 - .75% Over $150,000 - .25%	1 unit - 1st $500,000 - 1.00% Over $500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City [4] - 1.25% Affordable Rental: First $162,000 - .75% Over $162,000 - .25%
Industrial/Commercial/Utility[5]	First $150,000 - 1.50% Over $150,000 - 2.00%	First $150,000 - 1.50% Over $150,000 - 2.00%	First $150,000 - 1.50% Over $150,000 - 2.00%

[1] A residential property qualifies as "homestead" if it is occupied by the owner or a relative of the owner on the assessment date.

[2] Applies to land and buildings. Exempt from referendum market value tax.

[3] Exempt from referendum market value tax.

[4] Cities of 5,000 population or less and located entirely outside the seven-county metropolitan area and the adjacent nine-county area and whose boundaries are 15 miles or more from the boundaries of a Minnesota city with a population of over 5,000.

[5] The estimated market value of utility property is determined by the Minnesota Department of Revenue.

CURRENT PROPERTY VALUATIONS

2020/21 Economic Market Value	$401,131,564[1]

	2020/21 Assessor's Estimated Market Value	2020/21 Net Tax Capacity
Real Estate	$366,931,000	$ 3,513,994
Personal Property	2,467,000	49,340
Total Valuation	$369,398,000	$ 3,563,334

2020/21 NET TAX CAPACITY BY CLASSIFICATION

	2020/21 Net Tax Capacity	Percent of Total Net Tax Capacity
Residential homestead	$ 2,444,345	68.60%
Agricultural	327,344	9.19%
Commercial/industrial	210,401	5.90%
Railroad operating property	83,086	2.33%
Non-homestead residential	290,783	8.16%
Commercial & residential seasonal/rec.	158,035	4.44%
Personal property	49,340	1.38%
Total	$ 3,563,334	100.00%

[1] According to the Minnesota Department of Revenue, the Assessor's Estimated Market Value (the "AEMV") for the Town is about 92.18% of the actual selling prices of property most recently sold in the Town. The sales ratio was calculated by comparing the selling prices with the AEMV. Dividing the AEMV of real estate by the sales ratio and adding the AEMV of personal property and utility, railroads and minerals, if any, results in an Economic Market Value ("EMV") for the Town of $401,131,564.

TREND OF VALUATIONS

Levy Year	Assessor's Estimated Market Value	Assessor's Taxable Market Value	Net Tax Capacity[1]	Taxable Net Tax Capacity[2]	Percent +/- in Estimated Market Value
2016/17	$299,909,700	$270,817,500	$ 2,808,707	$ 2,808,707	+3.54%
2017/18	314,871,100	285,859,200	2,968,587	2,968,587	+4.99%
2018/19	332,983,900	304,744,300	3,155,031	3,155,031	+5.75%
2019/20	356,231,300	328,984,800	3,408,939	3,408,939	+6.98%
2020/21	369,398,000	342,612,400	3,563,334	3,563,334	+3.70%

LARGER TAXPAYERS

Taxpayer	Type of Property	2020/21 Net Tax Capacity	Percent of City's Total Net Tax Capacity
BNSF Railway Company	Railroad	$ 83,086	2.33%
Xcel Energy	Utility	49,340	1.38%
Phase 2, LLC	Residential	29,852	0.84%
Individual	Residential	21,484	0.60%
Rice Park, LLC	Mobile Home Park	18,960	0.53%
Cove Development Company	Residential	18,807	0.53%
Prairie Farm Company, Inc.	Agricultural	17,903	0.50%
Benton Development, LLC	Agricultural	17,697	0.50%
LBR Land Management & Development, LLC	Residential	14,553	0.41%
Gold'N Plump Farms Limited Partnership	Agricultural	14,351	0.40%
Total		$286,033	8.03%

Town's Total 2020/21 Net Tax Capacity	$3,563,334

Source: Current Property Valuations, Net Tax Capacity by Classification, Trend of Valuations and Larger Taxpayers have been furnished by Benton County.

[1] Net Tax Capacity includes tax increment values, if any.

[2] Taxable Net Tax Capacity does not include tax increment values, if any.

DEBT

DIRECT DEBT[1]

General Obligation Debt (see schedules following)

Total G.O. debt secured by taxes (includes the Bonds)*	$3,690,000

*Preliminary, subject to change.

[1] Outstanding debt is as of the dated date of the Bonds.

Town of Watab, Minnesota
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 09/30/2021)

	Refunding Bonds Series 2013A		Street Reconstruction Plan Bonds Series 2021A							
Dated	04/11/2013		09/30/2021							
Amount	$800,000		$3,395,000*							
Maturity	02/01		02/01							
Calendar Year Ending	**Principal**	**Interest**	**Principal**	**Estimated Interest**	**Total Principal**	**Total Interest**	**Total P & I**	**Principal Outstanding**	**% Paid**	**Calendar Year Ending**
2022	50,000	6,203	0	36,118	50,000	42,320	92,320	3,640,000	1.36%	**2022**
2023	55,000	5,123	195,000	42,710	250,000	47,833	297,833	3,390,000	8.13%	**2023**
2024	55,000	3,913	215,000	41,524	270,000	45,436	315,436	3,120,000	15.45%	**2024**
2025	55,000	2,634	215,000	40,073	270,000	42,706	312,706	2,850,000	22.76%	**2025**
2026	55,000	1,286	215,000	38,406	270,000	39,693	309,693	2,580,000	30.08%	**2026**
2027	25,000	306	220,000	36,393	245,000	36,699	281,699	2,335,000	36.72%	**2027**
2028			220,000	34,138	220,000	34,138	254,138	2,115,000	42.68%	**2028**
2029			220,000	31,718	220,000	31,718	251,718	1,895,000	48.64%	**2029**
2030			225,000	29,046	225,000	29,046	254,046	1,670,000	54.74%	**2030**
2031			230,000	26,088	230,000	26,088	256,088	1,440,000	60.98%	**2031**
2032			230,000	22,810	230,000	22,810	252,810	1,210,000	67.21%	**2032**
2033			235,000	19,264	235,000	19,264	254,264	975,000	73.58%	**2033**
2034			240,000	15,463	240,000	15,463	255,463	735,000	80.08%	**2034**
2035			240,000	11,383	240,000	11,383	251,383	495,000	86.59%	**2035**
2036			245,000	7,016	245,000	7,016	252,016	250,000	93.22%	**2036**
2037			250,000	2,375	250,000	2,375	252,375	0	100.00%	**2037**
	295,000	19,464	3,395,000	434,522	3,690,000	453,985	4,143,985			

* Preliminary, subject to change.

DEBT LIMIT

The statutory limit on debt of Minnesota municipalities other than school districts or cities of the first class (Minnesota Statutes, Section 475.53, subd. 1) is 3% of the Assessor's Estimated Market Value of all taxable property within its boundaries. "Net debt" (Minnesota Statutes, Section 475.51, subd. 4) is the amount remaining after deducting from gross debt the amount of current revenues which are applicable within the current fiscal year to the payment of any debt and the aggregate principal of the following: (1) obligations payable wholly or partly from special assessments levied against benefitted property; (2) warrants or orders having no definite or fixed maturity; (3) obligations payable wholly from the income of revenue producing conveniences; (4) obligations issued to create or maintain a permanent improvement revolving fund; (5) obligations issued to finance any public revenue producing convenience; (6) funds held as sinking funds for payment of principal and interest on debt other than those deductible under Minnesota Statutes, Section 475.51, subd. 4; (7) obligations issued to pay judgments against the Town; and (8) other obligations which are not to be included in computing the net debt of a municipality under the provisions of the law authorizing their issuance.

2020/21 Assessor's Estimated Market Value	$369,398,000
Multiply by 3%	0.03
Statutory Debt Limit	$ 11,081,940
Less: Long-Term Debt Outstanding Being Paid Solely from Taxes (includes the Bonds)*	(3,690,000)
Unused Debt Limit*	$ 7,391,940

*Preliminary, subject to change.

OVERLAPPING DEBT[1]

Taxing District	2020/21 Taxable Net Tax Capacity	% In Town	Total G.O. Debt[2]	Town's Proportionate Share
Benton County	$36,624,701	9.7334%	$ 3,765,000	$ 366,463
I.S.D. No. 47 (Sauk Rapids-Rice)	22,607,694	15.7683%	62,305,000 [3]	9,824,439
Town's Share of Total Overlapping Debt				$10,190,902

[1] Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section. Does ***not*** include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

[2] Outstanding debt is based on information in Official Statements obtained on EMMA and the Municipal Advisor's records.

[3] Currently, the State of Minnesota is paying approximately 3.7% of the principal and interest on the ISD_Name School District's general obligation bonds. Assuming this percentage continues for the life of the bonds, the State's proportionate share of principal is $2,305,285. Based upon the long term facilities maintenance revenue formula and current statistics, the District anticipates a portion of this debt will be paid by the State of Minnesota.

DEBT RATIOS

	G.O. Debt	Debt/Economic Market Value ($401,131,564)	Debt/ Current Population Estimate (3,199)
Direct G.O. Debt Secured By:			
Taxes*	$ 3,690,000		
Tax Supported General Obligation Debt*	$ 3,690,000	0.92%	$1,153.49
Town's Share of Total Overlapping Debt[1]	$10,190,902	2.54%	$3,185.65
Total*	$13,880,902	3.46%	$4,339.14

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

The Town has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

The Town plans to issue approximately $800,000 General Obligation Improvement Bonds, for the Lake Andrew Reconstruction Project, in the next 12 months.

[1] After deducting the Town's proportionate share of the agricultural land valuation applicable to the overlapping school districts of $363,504.24, the Town's net overlapping debt is $9,826,587.76, which results in a net overlapping debt/market value ratio of 2.45% and net overlapping debt/current population estimate ratio of $3,071.77.

TAX RATES, LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Net Tax Levy[1]	Total Collected Following Year	Collected to Date[2]	% Collected
2016/17	$ 476,550	$470,590	$476,373	99.96%
2017/18	484,867	470,416	482,091	99.43%
2018/19	619,110	605,787	615,046	99.34%
2019/20	625,860	617,116	620,451	99.14%
2020/21	366,339	In process of collection		

Property taxes are collected in two installments in Minnesota--the first by May 15 and the second by October 15.[3] Mobile home taxes are collectible in full by August 31. Minnesota Statutes require that levies (taxes and special assessments) for debt service be at least 105% of the actual debt service requirements to allow for delinquencies.

The spread of COVID-19 and responses taken by the United States government, state governments, local governments and private industries have caused significant disruptions to the national and State economy. See "RISK FACTORS - Impact of the Spread of COVID-19" herein. Certain states have announced extended deadlines for payment of property taxes, although as of this date Minnesota has not taken such measures. The Town cannot predict whether and how much payment of property taxes will be impacted. Any delays or reduction in the receipt of property taxes may materially adversely impact the Town's finances and payment of debt obligations, including the Bonds.

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[1] This reflects the Final Levy Certification of the City after all adjustments have been made.

[2] Collections are through July 6, 2021.

[3] Second half tax payments on agricultural property are due on November 15th of each year.

TAX CAPACITY RATES[1]

	2016/17	2017/18	2018/19	2019/20	2020/21
Benton County	66.010%	64.362%	61.499%	58.455%	55.208%
Town of Watab	17.052%	16.896%	20.127%	18.701%	18.654%
I.S.D. No. 47 (Sauk Rapids-Rice)	34.712%	34.356%	32.648%	35.425%	32.875%
Watab Township Fire District 1 (Rice)	5.102%	6.226%	6.286%	5.187%	4.039%
Watab Township Fire District 2 (Sauk Rapids)	1.678%	1.979%	2.648%	2.661%	2.244%
Referendum Market Value Rates:					
I.S.D. No. 47 (Sauk Rapids-Rice)	0.15920%	0.16216%	0.15225%	0.15135%	0.15623%

Source: Tax Levies and Collections and Tax Capacity Rates have been furnished by Benton County.

LEVY LIMITS

The State Legislature has periodically imposed limitations on the ability of municipalities to levy property taxes. For taxes levied in 2013, payable in 2014, only, the Legislature imposed a one year levy limit on all counties with a population greater than 5,000, and all cities with a population greater than 2,500. While these limitations have expired, the potential exists for future legislation to limit the ability of local governments to levy property taxes. All previous limitations have not limited the ability to levy for the payment of debt service on bonded indebtedness. For more detailed information about Minnesota levy limits, contact the Minnesota Department of Revenue or Ehlers and Associates.

[1] After reduction for state aids. Does not include the statewide general property tax against commercial/industrial, non-homestead resorts and seasonal recreational residential property.

THE ISSUER

TOWN GOVERNMENT

The Town was organized as a municipality in 1858. The Town government consists of a three-member Town Board of which the Chair is a voting member. The Clerk and Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS; UNIONS

The Town currently does not have employees. All full-time and certain part-time employees of the Town are covered by defined benefit pension plans administered by the Public Employee Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF) which are cost-sharing multiple-employer retirement plans. PERA members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security. See the Notes to Financial Statements in Appendix A for a detailed description of the Plans.

Recognized and Certified Bargaining Units

The Town does not have recognized and certified bargaining units.

POST EMPLOYMENT BENEFITS

The Town has not done an actuarial study at this time.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the Town 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.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Minnesota Statutes, 471.831, authorizes municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code. A municipality is defined in United States Code, title 11, section 101, as amended through December 31, 1996, but limited to a county, statutory or home rule charter city, or town; or a housing and redevelopment authority, economic development authority, or rural development financing authority established under Chapter 469, a home rule charter or special law.

FUNDS ON HAND (As of July 30, 2021)

Fund	**Total Cash and Investments**
General	$ 136,724
Road and Bridge	316,414
Debt Service	50,340
Fire District No. 1	104,451
Fire District No. 2	38,950
Town Hall Savings	5,129
Road and Bridge Savings	256,392
Total Funds on Hand	$ 908,400

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the Town's General Fund. These summaries are not purported to be the complete financial statements of the Town, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the Town. Copies of the complete statements are available upon request. Appendix A includes the Town's 2020 financial statements.

	FISCAL YEAR ENDING DECEMBER 31				
COMBINED STATEMENT	**2017 Report**	**2018 Report**	**2019 Report**	**2020 Report**	**2021 Adopted Budget 1)**
Revenues					
General taxes	$89,870	$85,766	$120,680	$96,902	$96,000
Licenses and permits	76,929	75,920	58,945	105,473	112,010
Intergovernmental revenues	3,338	3,482	4,100	2,166	0
Charges for services	2,939	2,201	2,578	2,445	100
Inteerest earnings	0	0	0	0	300
Miscellaneous	2,596	307	1,074	3,761	25
Total Revenues	$175,672	$167,675	187,377	$210,747	$208,435
Expenditures					
Current:					
General government	$111,107	$118,570	$118,722	$123,454	$197,850
Public safety	66,858	66,293	52,104	85,722	1,750
Public works	126	0	937	0	1,750
Culture and recreation	1,000	4,000	5,500	0	4,000
Economic development	0	0	0	0	3,000
Conservation of natural resources	5,316	9,312	8,370	5,955	0
Miscellaneous	0	0	0	210	200
Debt service	750	0	0	0	0
Total Expenditures	$185,157	$198,174	185,634	$215,341	$208,550
Excess of revenues over (under) expenditures	($9,485)	($30,499)	$1,744	($4,594)	($115)
Other Financing Sources (Uses)					
Operating transfers in	$0	$0	$0	$0	0
Operating transfers out	0	0	0	0	0
Total Other Financing Sources (Uses)	$0	$0	$0	$0	$0
Net changes in Fund Balances	($9,485)	($30,499)	1,744	($4,594)	($115)
General Fund Balance January 1 2)	189,278	179,793	149,294	151,041	
Prior Period Adjustment	0	0	0	0	
Residual Equity Transfer in (out)	0	0	0	0	
General Fund Balance December 31	$179,793	$149,294	$151,038	$146,447	

1) The 2021 budget was adopted on March 9, 2021.

2) The 2020 General Fund Balance is restated.

GENERAL INFORMATION

LOCATION

The Town, with a 2010 U.S. Census population of 3,093 and a current population estimate of 3,199, and comprising an area of 22.4 square miles, is located approximately 70 miles northwest of the Minneapolis-St. Paul metropolitan area

LARGER EMPLOYERS[1]

The Town is primarily a residential community. Employment opportunities in the neighboring city of Sartell include the following:

Firm	Type of Business/Product	Estimated No. of Employees
I.S.D. No. 748 (Sartell-St. Stephen)	Elementary and secondary education	600 [2]
Country Manor Campus	Assisted living and nursing facility	500
DeZURIK	Industrial valve manufacturer	401
Corborn's and Holiday Station	Grocery store and gas station	360
Alltran	Billing and collection agency	300
Walmart Supercenter	Retail department store	300
Merrill Corporation	Information and document service provider	212 [3]
St. Cloud Orthopedics	Orthopedic physicians	150
House of Pizza	Restaurant	80
City of Sartell	Municipal government and services	75

Source*: Data Axle Reference Solution*, *written and telephone survey (August 2021), and the Minnesota Department of Employment and Economic Development.*

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[1] This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data. Estimates provided are accurate as of the date noted and may not reflect changes in the number of employees resulting from the current COVID-19 pandemic. (See "Risk Factors - Impact of the Spread of COVID-19").

[2] Reflects employees of entire district, including those outside City limits.

[3] Employee count is from last survey response in January 2019. Employer has not responded to current requests.

BUILDING PERMITS

	2017	2018	2019	2020	2021[1]
New Single Family Homes					
No. of building permits	15	15	10	14	6
Valuation	$4,568,000	$4,828,000	$326,000	$5,035,000	$2,431,000
New Commercial/Industrial					
No. of building permits	5	4	3	6	0
Valuation	$478,000	$760,000	$435,000	$10,736,033	$0
All Building Permits *(including additions and remodelings)*					
No. of building permits	61	47	118	81	65
Valuation	$6,439,400	$64,325,000	$5,514,000	$8,267,200	$3,482,600

Source: The Town.

[1] As of July 30, 2021.

U.S. CENSUS DATA

Population Trend: The Town

2000 U.S. Census population		2,920
2010 U.S. Census population		3,093
2019 State Demographer's Estimate		3,199
Percent of Change 2000 - 2010	+	5.92%

Income and Age Statistics

	The Town	Benton County	State of Minnesota	United States
2019 per capita income	$32,845	$29,831	$37,625	$34,103
2019 median household income	$77,440	$57,715	$71,306	$62,843
2019 median family income	$50,604	$71,793	$89,842	$77,263
2019 median gross rent	$1,043	$760	$977	$1,062
2019 median value owner occupied units	$203,700	$174,900	$223,900	$217,500
2019 median age	41.00 yrs.	36.0 yrs.	38.0 yrs.	38.1 yrs.

	State of Minnesota	United States
Town % of 2019 per capita income	87.30%	96.31%
Town % of 2019 median family income	56.33%	65.50%

Housing Statistics

	The Town		
	2010	2019	Percent of Change
All Housing Units	1,088	1,239	13.88%

Source: *2000 and 2010 Census of Population and Housing, and 2019 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (https://data.census.gov/cedsci).*

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities within counties.

	Average Employment	Average Unemployment	
Year	Benton County	Benton County	State of Minnesota
2017	20,866	4.0%	3.4%
2018	20,909	3.5%	3.0%
2019	21,354	3.9%	3.2%
2020	20,915	6.1%	6.2%
2021, July	21,430	3.9%	3.4%

Source: *Minnesota Department of Employment and Economic Development.*

APPENDIX A

FINANCIAL STATEMENTS

Copies of the complete financial statements for the past three years and the current budget are available upon request from Ehlers.

Treasurer's Year-End Financial Report for Watab Township 2020

Fund	Balance 1/1/2020	Receipts	Transfers In	Transfers Out	Purchase of Investments	Disbursements	Ending Balance	Investment Balance	Total Balance 12/31/2020
General Fund	$ 151,041.18	$ 210,747.42				$ 215,341.20	$ 146,447.40		$ 146,447.40
Road & Bridge	$ (16,283.20)	$ 539,603.55	$ 26,668.80		$ 1,020.98	$ 451,845.67	$ 97,122.50	$ 255,796.73	$ 352,919.23
Other Federal Programs		$ 81,900.00				$ 81,900.00	$ -		$ -
Fire District 1-Rice	$ 71,639.05	$ 66,364.65				$ 45,076.74	$ 92,926.96		$ 92,926.96
Fire District 2-SR	$ 37,309.13	$ 64,504.71				$ 48,157.00	$ 53,656.84		$ 53,656.84
Debt Service for Road Projects	$ 95,781.63	$ 62,353.13		$ 26,191.48		$ 58,477.50	$ 73,465.78		$ 73,465.78
Cornor Stone Storage LLC		$ 20,594.17			$ -				$ -
Jannew Properties LLC		$ 2,500.00					$ 20,594.17		$ 20,594.17
Totals	$ 339,487.79	$ 1,048,567.63	$ 26,668.80	$ 26,191.48	$ 1,020.98	$ 900,798.11	$ 2,500.00		$ 2,500.00
							$ 486,713.65	$ 225,796.73	$ 742,510.38

Checking Account Balance	$ 437,524.56
Money Market Balance	$ 255,796.73
Cash Balance	$ 49,389.09
Add: Deposits In Transit	$ -
Less: Checks Outsnding	$ 200.00
Corrections/Adjust	$ -
Balance per Books	$ 742,710.38

Checks Outstanding:

7679	$ 200.00
	$ 200.00

Statement of Indebtedness: General Refunding Bond for Town Hall & Road Projects at 1.9% interest.
Paid on Principal in 2018: $ 7($ 50,000.00 Remaining Balance $ 345,000.00

Board of Audit Date: 01/25/2021

Audit Members:

Julie Johnson

Steve Wollak

Bill Little

City/Town Financial Reporting Form

Cash Basis Of Accounting

Watab Township

Year Ending 12/31/2020

SECTION I : REVENUES

TAXES

1	Property Taxes (include Tax Forfeited Property)	1	$755,792.23
2	Tax Increments (TIF)	2	$0.00
3	Franchise Taxes - (fee from private sector only) e.g. Cable TV	3	$14,271.88
4	Local Sales Taxes	4	$0.00
5	Hotel/Motel Taxes	5	$0.00
6	Gambling Tax	6	$0.00
7	Gravel Tax	7	$2,944.69
8	Wheelage Tax	8	$0.00
10	Special Assessments (include delinquent charges)	10	$354.05
11	LICENSES AND PERMITS	11	$105,472.96

INTERGOVERNMENTAL REVENUES

12	FEDERAL-Community Development Block Grants (CDBG, including Entitlements CFDA #14.218 and 14.228)	12	$0.00
14	-Transportation	14	$0.00
16	-Emergency Management Aid	16	$0.00
17	-Other Federal Grants	17	$81,900.00
18	STATE-Local Government Aid (LGA)	18	$0.00
20	-Agricultural Market Value Credit	20	$1,632.26
21	-Taconite Homestead Credit	21	$0.00
22	-Taconite Aids	22	$0.00
23	-PERA Aid	23	$0.00
24	-Transportation/Highway User Tax/Gasoline Tax/Road Allotment	24	$37,986.13
25	-Disparity Reduction Aid (DRA)	25	$0.00
26	-Police and Fire Aid	26	$3,823.65
27	-Town Aid	27	$534.00
30	-Other State Grants and Aids (payments in lieu of taxes)	30	$0.00
31	COUNTY-Highways	31	$0.00
32	-Other County Grants	32	$0.00
33	LOCAL UNITS-IRRRB Grants	33	$0.00
34	-Other Local Unit Grants	34	$0.00
35	TOTAL INTERGOVERNMENTAL REVENUES (add lines 12 - 34)	35	$125,876.04

CHARGES FOR SERVICES

36	General Government (include auto registration, filing fees, city hall rent)	36	$25,471.00
37	Police and Fire Contracts	37	$0.00
38	Other Public Safety (include ambulance)	38	$12,855.87
39	Streets and Highways	39	$0.00
40	Garbage, Recycling and Other Refuse (enterprise fund accounting preferred)	40	$0.00
41	Libraries	41	$0.00
42	Parks and Recreation (include hall rent, community center, park dedication fees)	42	$0.00

43	Airports (include hangar rent)	43	$0.00
44	Transit	44	$0.00
45	Cemetery (include plot sales)	45	$0.00
46	Other Service Charges (include SAC, rents)	46	$63.53
47	TOTAL CHARGES FOR SERVICES (add lines 36 through 46)	47	$38,390.40
48	FINES AND FORFEITS (35000)	48	$217.00
49	ADMINISTRATIVE FINES (per MS 169999 total collected, not net) (35000)	49	$0.00

MISCELLANEOUS REVENUES

50	Investment Earnings (checking, savings, interest and investments)	50	$1,585.58
51	All Other Revenue	51	$4,140.12
52	TOTAL REVENUES (should equal total on financial statement)	52	$1,049,044.95

OTHER FINANCING SOURCES

53	Investments Sold or matured (CDs, savings withdrawals, etc)	53	$0.00
54	Borrowing-Bonds Issued (net proceeds) (Include bond premiums and discounts)	54	$0.00
55	-Other Long-Term Debt (Include capital leases)	55	$0.00
56	-Short-Term Debt	56	$0.00
57	Other Financing Sources (Include Interfund Debt, Sales of Fixed Assets)	57	$0.00
58	Transfers from Enterprise Funds and Internal Service Funds	58	$0.00
59	Transfers from Governmental Funds	59	$26,668.80
60	TOTAL REVENUES AND OTHER FINANCING SOURCES	60	$1,075,713.75

SECTION II: EXPENDITURES

GENERAL GOVERNMENT

1	Governing Board	1 $37,133.41
2	Administration and Finance (clerk/treasurer, deputy clerk, etc.)	2 $45,110.97
3	Other General Government (elections, assessing, audit, legal, etc.)	3 $123,158.89
4	General Government - Capital Outlay	4 $0.00

PUBLIC SAFETY

5	Police/Sheriff-Current Expenditures (include police relief, forfeiture fund)	5 $0.00
6	-Capital Outlay	6 $0.00
7	Corrections-Current Expenditures	7 $0.00
8	-Capital Outlay	8 $0.00
9	Ambulance-Current Expenditures (include rescue squad, 1st responders)	9 $0.00
10	-Capital Outlay	10 $0.00
11	Fire-Current Expenditures (include fire relief)	11 $93,179.74
12	-Capital Outlay	12 $0.00
13	Other Protection-Current Expenditures (include building inspection, flood control)	13 $85,721.96
14	-Capital Outlay	14 $0.00

STREETS AND HIGHWAYS (Roads and Bridges)

16	Street Maintenance and Storm Sewers (include street cleaning)	16 $369,740.75
17	Snow and Ice Removal	17 $62,653.34
19	Street Lighting	19 $0.00
20	Street Construction - Capital Outlay (include bridges, sidewalks and storm sewers)	20 $0.00
21	Street - Other Capital Outlay (buildings and equipment)	21 $0.00

SANITATION (EXCLUDE SEWER)

22	Garbage and Other Refuse Collection and Disposal (enterprise fund accounting preferred)	22 $12,238.26
23	Other Sanitation - Current Expenditures (weed & pest control, recycling)	23 $7,163.94
24	Sanitation - Capital Outlay	24 $0.00

HEALTH AND WELFARE

25	Current Expenditures	25 $0.00
26	Capital Outlay	26 $0.00

CULTURE AND RECREATION

33	Libraries - Current Expenditures	33 $0.00
34	-Capital Outlay	34 $0.00
35	Parks and Recreation (include community center/hall, Cable TV)	35 $0.00
36	-Capital Outlay	36 $0.00

HOUSING AND ECONOMIC DEVELOPMENT

37	Housing and Urban Redevelopment - Current Expenditures	37 $0.00
38	-Capital Outlay	38 $0.00

39	Economic Development - Current Expenditures (include business loans)	$0.00
40	-Capital Outlay	$0.00

CONSERVATION OF NATURAL RESOURCES

41	Current Expenditures	$5,955.00
42	Capital Outlay	$0.00

MISCELLANEOUS EXPENDITURES

43	Airports - Current Expenditures	$0.00
44	-Capital Outlay	$0.00
45	Transit - Current Expenditures	$0.00
46	-Capital Outlay	$0.00
47	Cemetery - Current Expenditures	$0.00
48	-Capital Outlay	$0.00
49	All Other - Current Expenditures	$264.35
50	All Other - Capital Outlay (ONLY items not classified elsewhere)	$0.00
52	TOTAL CURRENT EXPENDITURES	$842,320.61
53	TOTAL CAPITAL OUTLAY	$0.00

DEBT SERVICE

54	Principal Payments on Bonds	$50,000.00
55	Principal Payments on Other Long-term Debt and Short-term Debt	$0.00
56	Interest and Fiscal Charges (Bond Issuance Costs)	$8,477.50
57	TOTAL EXPENDITURES (should equal total on financial statement)	$900,798.11

OTHER FINANCING USES

58	Investments - Purchased (CDs., savings deposits, etc.)	$1,020.98
59	Principal Payments - Refunded Bond (payment to escrow agent)	$0.00
60	Other Financing Uses (Include Interfund Debt)	$0.00
61	Transfers to Enterprise and Internal Service Funds	$0.00
62	Transfers to Governmental Funds	$26,668.80
63	TOTAL EXPENDITURES AND OTHER FINANCING USES	$928,487.89

SECTION III: ENTERPRISE FUNDS

nclude operations of all enterprise funds and related component units. Only 600 Fund Numbers

SECTION IV: DEBT STATEMENT- ALL FUNDS

TYPE OF BONDS	BEGINNING OF THE YEAR (a)	ISSUED DURING THE YEAR (b)	PAID DURING THE YEAR (c)	END OF YEAR
1 General Obligation	$395,000.00	$0.00	$50,000.00	$345,000.00
2 Tax Increment Bonds	$0.00	$0.00	$0.00	$0.00
3 Revenue Tax Increment				
4 Special Assessment Bonds	$0.00	$0.00	$0.00	$0.00
5 General Obligation Revenue Bonds	$0.00	$0.00	$0.00	$0.00
6 Revenue Bonds	$0.00	$0.00	$0.00	$0.00
7 Other (MSAH, etc.)				
8 TOTAL BONDED DEBT	$395,000.00	$0.00	$50,000.00	$345,000.00
9 Refunding Bonds (Included in debt statements - lines 1-7)				
OTHER LONG TERM DEBT				
10 Installment Purchase Contracts				
11 Certificates of Indebtedness				
12 Notes (PFA)				
13 Other Long-Term Debt	$0.00	$0.00	$0.00	$0.00
14 TOTAL OTHER LONG-TERM DEBT	$0.00	$0.00	$0.00	$0.00
15 Short Term Debt	$0.00	$0.00	$0.00	$0.00

SECTION V: CASH AND INVESTMENTS - ALL FUNDS

	General Fund	Special Revenue Funds	Total All Funds
1. Clerk's Cash Balance - End of Year (exclude investments)	$146,447.40	$243,706.30	$486,713.65
3. Investments (Savings, CDs, etc.)	$0.00	$255,796.73	$255,796.73
4. Total Cash and Investments	$146,447.40	$499,503.03	$742,510.38

Watab Townsl

Statement of Receipts, Disbur ents and Balances (Schedule 1)

2/12/2021

As on 12/31/2020

Fund	Beginning Balance	Receipts	Sale of Investments	Transfers In	Disbursements	Purchase of Investments	Transfers Out	Ending Balance	Investment Balance	Total Balance
General Fund	151,041.18	210,747.42	0.00	0.00	215,341.20	0.00	0.00	146,447.40	0.00	146,447.40
Road and Bridge	(16,283.20)	539,603.55	0.00	26,668.80	451,845.67	1,020.98	0.00	97,122.50	255,796.73	352,919.23
Other Federal Programs	0.00	81,900.00	0.00	0.00	81,900.00	0.00	0.00	0.00	0.00	0.00
Fire District 1	71,639.05	66,364.65	0.00	0.00	45,076.74	0.00	0.00	92,926.96	0.00	92,926.96
Fire District 2	37,309.13	64,504.71	0.00	0.00	48,157.00	0.00	0.00	53,656.84	0.00	53,656.84
General Debt Service (Identify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service for Roads	95,781.63	62,353.13	0.00	0.00	58,477.50	0.00	26,191.48	73,465.78	0.00	73,465.78
Cornerstone Storage LLC	0.00	20,594.17	0.00	0.00	0.00	0.00	0.00	20,594.17	0.00	20,594.17
JANNEW Properties LLC	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	2,500.00	0.00	2,500.00
Total:	**339,487.79**	**1,048,567.63**	**0.00**	**26,668.80**	**900,798.11**	**1,020.98**	**26,191.48**	**486,713.65**	**255,796.73**	**742,510.38**

SCHEDULE 2

As Of: 12/31/2020

100. General Fund

Receipts:

Taxes		
Current Ad Valorem Taxes	80,480.12	
Franchise Taxes	14,271.88	
Penalties and Interest on Ad valorem Taxes	2,150.48	
Total		96,902.48
Licenses and Permits		
Building Permits (Excludes surcharge)	55,198.70	
Building Permit Surcharge	5,467.96	
Plan Review Fee	34,408.30	
Gas Installation Permits	2,638.00	
Plumbing Connection Permits	3,310.00	
Right of Entry Permits	250.00	
Driveway Permits	200.00	
Land Disturbance Permits	4,000.00	
Total		105,472.96
Intergovernmental Revenues (IGR)		
Agricultural Market Value Credit	1,632.26	
Town Aid	534.00	
Total		2,166.26
Charges for Services		
City/Town Hall Rent	525.00	
Recording of Legal Instruments	6.00	
Zoning and Subdivision Fees	1,200.00	
Assessment Searches	650.00	
OTHER CHARGES	63.53	
Total		2,444.53
Miscellaneous		
MISCELLANEOUS REVENUES	24.42	
Interest Earning	313.01	
Refunds and Reimbursements	3,423.76	
Total		3,761.19
Total Receipts		**210,747.42**

Other Financing Sources:

Disbursements:

General Government		
Council/Town Board- Current	23,292.41	
Supervisors- Current	12,701.76	
Ordinances and Proceedings- Current	842.17	
Elections- Current	9,009.76	
Clerk- Current	17,302.73	
Treasurer- Current	18,048.48	
Financial Administration- Current	750.00	

SCHEDULE 2

As Of: 12/31/2020

100 General Fund (Continued)

Disbursements: (Continued)

General Government (Continued)		
Legal Services- Current	6,897.50	
Planning and Zoning- Current	1,115.00	
Other General Government- Current	5,815.07	
General Government Buildings and Plant- Current	10,475.01	
Assessing- Current	17,204.00	
Total		123,453.89
Public Safety		
Building Inspections Administration- Current	75,425.63	
Plumbing Inspections- Current	2,657.80	
Electrical Inspections- Current	610.20	
Gas Inspections- Current	1,730.70	
Septic Connection Inspections- Current	660.00	
Building Inspection Surcharge- Current	2,678.91	
Civil Defense Expenditures- Current	1,176.00	
Animal Control Expenditures- Current	782.72	
Total		85,721.96
Conservation of Natural Resources		
Water Resources- Current	5,955.00	
Total		5,955.00
Miscellaneous Expenditures		
Collection Commissions- Current	210.35	
Total		210.35
Total Disbursements		**215,341.20**

Other Financing Uses:

SCHEDULE 2

As Of: 12/31/2020

2... Road and Bridge

Receipts:		
Taxes		
Current Ad Valorem Taxes	492,883.35	
Gravel Tax	2,944.69	
Total		495,828.04
Intergovernmental Revenues (IGR)		
Municipal State Aid for Streets - Maintenance (Gas Tax, Road Allotment)	37,986.13	
BCA Fine Share	3,823.65	
Total		41,809.78
Fines and Forfeits		
Court Fines	217.00	
Total		217.00
Miscellaneous		
Interest Earning	1,060.73	
Contributions and Donations from Private Sources	688.00	
Total		1,748.73
Total Receipts		**539,603.55**
Other Financing Sources:		
Transfers from other Funds	26,668.80	
Disbursements:		
General Government		
Other General Government- Current	49.38	
Total		49.38
Public Works		
Highways, Streets & Roadways- Current	293,188.43	
Paved Streets- Current	60,805.44	
Unpaved Streets- Current	2,806.00	
Ice and Snow Removal- Current	62,653.34	
Bridges, Viaducts and Grade Separations- Current	6,790.88	
Street Cleaning- Current	6,150.00	
Waste (Refuse) Collection- Current	12,238.26	
Weed Control- Current	7,163.94	
Total		451,796.29
Total Disbursements		**451,845.67**
Other Financing Uses:		
Purchase of Investments	1,020.98	

SCHEDULE 2

As Of: 12/31/2020

20.. Other Federal Programs

Receipts:

Intergovernmental Revenues (IGR)		
Federal Grants	81,900.00	
Total		81,900.00
Total Receipts		**81,900.00**

Other Financing Sources:

Disbursements:

General Government		
Council/Town Board- Current	297.07	
General Government Buildings and Plant- Current	180.71	
CARES- Current	81,422.22	
Total		81,900.00
Total Disbursements		**81,900.00**

Other Financing Uses:

SCHEDULE 2

As Of: 12/31/2020

220. Fire District 1

Receipts:

Taxes		
Current Ad Valorem Taxes	55,628.97	
Principal on Special Assessments	290.06	
Penalties and Interest on Special Assessments	63.99	
Total		55,983.02
Charges for Services		
Special Fire Protection Services	10,261.48	
Total		10,261.48
Miscellaneous		
MISCELLANEOUS REVENUES	3.94	
Interest Earning	116.21	
Total		120.15
Total Receipts		**66,364.65**

Other Financing Sources:

Disbursements:

Public Safety		
Fire Administration- Current	24,476.74	
Fire Fighting- Current	2,100.00	
Medical Services- Current	14,650.00	
Rescue Services- Current	3,850.00	
Total		45,076.74
Total Disbursements		**45,076.74**

Other Financing Uses:

SCHEDULE 2

As Of: 12/31/2020

220. Fire District 2

Receipts:		
Taxes		
Current Ad Valorem Taxes	61,859.35	
Total		61,859.35
Charges for Services		
Special Fire Protection Services	2,594.39	
Total		2,594.39
Miscellaneous		
Interest Earning	50.97	
Total		50.97
Total Receipts		**64,504.71**
Other Financing Sources:		
Disbursements:		
Public Safety		
Fire Administration- Current	42,983.00	
Fire Fighting- Current	3,295.00	
Rescue Services- Current	1,825.00	
Total		48,103.00
Miscellaneous Expenditures		
Collection Commissions- Current	54.00	
Total		54.00
Total Disbursements		**48,157.00**
Other Financing Uses:		

Statements of Receipts and Disbursements

SCHEDULE 2

2/12/2021

As Of: 12/31/2020

300 General Debt Service (Identify)

Receipts:

Total Receipts

Other Financing Sources: **0.00**

Disbursements:

Total Disbursements

Other Financing Uses: **0.00**

SCHEDULE 2

As Of: 12/31/2020

351. Debt Service for Roads

Receipts:

Taxes		
Current Ad Valorem Taxes		
Total	62,312.64	
		62,312.64
Miscellaneous		
Interest Earning		
Total	40.49	
		40.49
Total Receipts		**62,353.13**

Other Financing Sources:

Disbursements:

Debt Service		
Bond Principal- Current		
Other Debt Principal- Current	50,000.00	
Interest - Bonds- Current	475.00	
Total	8,002.50	
		58,477.50
Total Disbursements		**58,477.50**

Other Financing Uses:

Transfers to other Funds	
	26,191.48

SCHEDULE 2

As Of: 12/31/2020

901: Cornerstone Storage LLC

Receipts:		
Charges for Services		
Zoning and Subdivision Fees		
Total	20,590.00	
		20,590.00
Miscellaneous		
Interest Earning		
Total	4.17	
		4.17
Total Receipts		**20,594.17**
Other Financing Sources:		
Disbursements:		
Total Disbursements		**0.00**
Other Financing Uses:		

Statements of Receipts and Disbursements

2/12/2021

SCHEDULE 2

As Of: 12/31/2020

902. JANNEW Properties LLC

Receipts:		
Charges for Services		
Zoning and Subdivision Fees		
Total	2,500.00	
Total Receipts		2,500.00
Other Financing Sources:		**2,500.00**
Disbursements:		
Total Disbursements		
Other Financing Uses:		**0.00**

Watab Township

Indebtedness Activity Report

1/1/2020 To 12/31/2020

Bonded Indebtedness	Outstanding Beginning of Period	Issued	Date Paid	Amount Paid	Outstanding End of Period
General Obligation					
Construction loan for road projects	$0.00	$0.00		0.00	
Refunding of town hall and road bonds	$395,000.00	$0.00	01/07/2020	$50,000.00	
				50,000.00	$345,000.00
Tax Increment Bonds					
Special Assessment Bonds					
General Obligation Revenue Bonds					
General Obligation Capital Improvement Plan Bonds	$0.00	$0.00		0.00	
Revenue Bonds				0.00	$0.00
Total Bonded Indebtedness	$395,000.00	$0.00		$50,000.00	$345,000.00
Other Long Term Debt					
Short Term Debt					
Total Indebtedness	$395,000.00	$0.00		$50,000.00	$345,000.00

Watab Township

STATEMENT OF INDEBTEDNESS

For The Year Ended December 31, 2020

SCHEDULE 6

Bonded Indebtedness	Interest Rate	Issue Date	Final Maturity Date	Outstanding Jan 1, 2020	Issued in 2020	Paid in 2020	Outstanding Dec 31, 2020
General Obligation*							
Construction loan for road projects	4.50	10/09/2009	10/09/2019	$0.00	$0.00	$0.00	0.00
Refunding of town hall and road bonds	1.90	04/11/2013	02/01/2027	$395,000.00	$0.00	$50,000.00	345,000.00
TotalGeneral Obligation*				$395,000.00	$0.00	$50,000.00	345,000.00
Tax Increment Bonds							
TotalTax Increment Bonds				$0.00	$0.00	$0.00	0.00
Special Assessment Bonds				$0.00	$0.00	$0.00	0.00
TotalSpecial Assessment Bonds				$0.00	$0.00	$0.00	0.00
General Obligation Revenue Bonds							
General Obligation Capital Improvement Plan Bonds	4.00	11/02/2006	02/01/2019	$0.00	$0.00	$0.00	0.00
TotalGeneral Obligation Revenue Bonds				$0.00	$0.00	$0.00	0.00
Revenue Bonds							
TotalRevenue Bonds				$0.00	$0.00	$0.00	0.00
Total Bonded Indebtedness				$0.00	$0.00	$0.00	0.00
Other Long Term Debt				**$395,000.00**	**$0.00**	**$50,000.00**	**345,000.00**
TotalOther Long Term Debt				$0.00	$0.00	$0.00	0.00
Short Term Debt							
TotalShort Term Debt				$0.00	$0.00	$0.00	0.00

Note:

[*] Special Assessment Bonds and Revenue Bonds with General Obligation backing should not be classified as General Obligation Bonds

[a] The Jan, 1 balance should agree with the Dec. 31 balance of the prior year.

[b] Amounts paid should agree with the amounts shown as principal paid on Schedule 2 and 4.

[c] Bonds Maturing January 1, which are paid on or before December 31, should not be included in the balance outstanding at December 31

Watab Township

STATEMENT OF INDEBTEDNESS

For The Year Ended December 31, 2020

SCHEDULE 6

Bonded Indebtedness	Interest Rate	Issue Date	Final Maturity Date	Outstanding Jan 1, 2020	Issued in 2020	Paid in 2020	Outstanding Dec 31, 2020
Total City Indebtedness				$395,000.00 [a]	$0.00	$50,000.00 [b]	345,000.00 [c]

Note:

[*] Special Assessment Bonds and Revenue Bonds with General Obligation backing should not be classified as General Obligation Bonds

[a] The Jan, 1 balance should agree with the Dec. 31 balance of the prior year.

[b] Amounts paid should agree with the amounts shown as principal paid on Schedule 2 and 4.

[c] Bonds Maturing January 1, which are paid on or before December 31, should not be included in the balance outstanding at December 31

Schedule 8 restment Activity

For the period : 1/1/2020 To 12/31/2020

Investment Type	Description	Beginning Balance	Date	Deposits	Withdrawals	Ending Balance
Money Market	Falcon Money Market Savings Account	254,775.75	01/01/2020			
			01/31/2020	86.32		254,862.07
			02/29/2020	80.78		254,942.85
			03/31/2020	86.37		255,029.22
			04/30/2020	83.62		255,112.84
			05/30/2020	86.43		255,199.27
			06/30/2020	83.67		255,282.94
			07/31/2020	86.49		255,369.43
			08/31/2020	86.52		255,455.95
			09/30/2020	83.76		255,539.71
			10/31/2020	86.58		255,626.29
			11/30/2020	83.81		255,710.10
			12/31/2020	86.63		255,796.73
Total				**1,020.98**	**0.00**	**255,796.73**
Total All Investments				**1,020.98**	**0.00**	**255,796.73**

APPENDIX B

FORM OF LEGAL OPINION

(See following pages)

PROPOSED FORM OF LEGAL OPINION

$_____
GENERAL OBLIGATION STREET RECONSTRUCTION PLAN BONDS, SERIES 2021A
TOWN OF WATAB
BENTON COUNTY
MINNESOTA

We have acted as bond counsel in connection with the issuance by the Town of Watab, Benton County, Minnesota (the "Issuer"), of its $_____ General Obligation Street Reconstruction Plan Bonds, Series 2021A, bearing a date of original issue of September 30, 2021 (the "Bonds"). We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Bonds, and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon such examinations, and assuming the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such documents, and the accuracy of the statements of fact contained in such documents, and based upon present Minnesota and federal laws (which excludes any pending legislation which may have a retroactive effect on or before the date hereof), regulations, rulings and decisions, it is our opinion that:

(1) The proceedings show lawful authority for the issuance of the Bonds according to their terms under the Constitution and laws of the State of Minnesota now in force.

(2) The Bonds are valid and binding general obligations of the Issuer and all of the taxable property within the Issuer's jurisdiction is subject to the levy of an ad valorem tax to pay the same without limitation as to rate or amount; provided that the enforceability (but not the validity) of the Bonds and the pledge of taxes for the payment of the principal and interest thereon is subject to the exercise of judicial discretion in accordance with general principles of equity, to the constitutional powers of the United States of America and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

(3) At the time of the issuance and delivery of the Bonds to the original purchaser, the interest on the Bonds is excluded from gross income for United States income tax purposes and is excluded, to the same extent, from both gross income and taxable net income for State of Minnesota income tax purposes (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or the Minnesota alternative minimum tax applicable to individuals, estates or trusts. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes and from both gross income and taxable net income for State of Minnesota income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income and taxable net income retroactive to the date of issuance of the Bonds.

We express no opinion regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds.

TAFT STETTINIUS & HOLLISTER LLP

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities 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 Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. 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 3.5 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.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities 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 Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities 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.

5. 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. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

6. Redemption notices shall be sent to DTC. If less than all of the Securities 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.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Town 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 Town 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 securities 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 Town, 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 Town 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.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.

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

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

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

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

[Appendix ____ to Official Statement]

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking") is executed and delivered by the Town of Watab, Minnesota (the "Issuer"), in connection with the issuance of its $_____ General Obligation Street Reconstruction Plan Bonds, Series 2021A (the "Bonds"). The Bonds are being issued pursuant to a Resolution adopted on September 14, 2021 (the "Resolution"). Pursuant to the Resolution and this Disclosure Undertaking, the Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Issuer for the benefit of the Owners and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any annual financial information provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

"Financial Statements" shall mean the annual unaudited financial statements of the Issuer, prepared in accordance with generally accepted accounting principles as prescribed by Government Accounting Standards Board or as otherwise required by Minnesota law for the preceding Fiscal Year, including a balance sheet and statement of revenues, expenditures and changes in fund balances.

"Dissemination Agent" shall mean such party from time to time designated in writing by the Issuer to act as information dissemination agent and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). This term shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall be the fiscal year of the Issuer.

"Governing Body" shall, with respect to the Bonds, have the meaning given that term in Minnesota Statutes, Section 475.51, Subdivision 9.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Occurrence(s)" shall mean any of the events listed in Section 4 of this Disclosure Undertaking.

"Official Statement" shall be the Official Statement dated _____, 2021, prepared in connection with the Bonds.

"Owners" shall mean the registered holders and, if not the same, the beneficial owners of any Bonds.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Resolution" shall mean the resolution or resolutions adopted by the Governing Body of the Issuer providing for, and authorizing the issuance of, the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time or interpreted by the Securities and Exchange Commission.

SECTION 3. Provision of Annual Reports.

A. Beginning in connection with the Fiscal Year ending on December 31, 2021, the Issuer shall, or shall cause the Dissemination Agent to provide, at least annually to the MSRB, by filing at www.emma.msrb.org, together with such identifying information as prescribed by the MSRB, its Financial Statements for the most recent Fiscal Year, which is the only financial information or operating data which is customarily prepared by the Issuer and publicly available, by not later than December 31, 2022, and by December 31 of each year thereafter.

B. If the Issuer is unable to provide to the MSRB its Financial Statements by the date required in subsection A, the Issuer shall send a notice of such delay and estimated date of delivery to the MSRB.

SECTION 4. Reporting of Significant Events. This Section 4 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds:

(1) Principal and interest payment delinquencies;
(2) Non-payment related defaults, if material;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties;
(4) Unscheduled draws on credit enhancements reflecting financial difficulties;
(5) Substitution of credit or liquidity providers, or their failure to perform;
(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(7) Modifications to rights of security holders, if material;
(8) Bond calls, if material, and tender offers;
(9) Defeasances;
(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
(11) Rating changes;
(12) Bankruptcy, insolvency, receivership or similar event of the Issuer;
(13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive

agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and,

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

Whenever an event listed above has occurred, the Issuer shall promptly, which may not be in excess of the ten (10) business days after the Occurrence, file a notice of such Occurrence with the MSRB, by filing at www.emma.msrb.org, together with such identifying information as prescribed by the MSRB.

SECTION 5. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 6. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, if (a) a change in law or change in the ordinary business or operation of the Issuer has occurred, (b) such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, and (c) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially impair the interests of Owners.

SECTION 8. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of an Occurrence, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of an Occurrence in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of an Occurrence.

SECTION 9. Default. In the event of a failure of the Issuer to provide information required by this Disclosure Undertaking, any Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations to provide information under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 10. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriters and Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 11. Reserved Rights. The Issuer reserves the right to discontinue providing any information required under the Rule if a final determination should be made by a court of competent jurisdiction that the Rule is invalid or otherwise unlawful or, subject to the provisions of Section 7 hereof, to modify the undertaking under this Disclosure Undertaking if the Issuer determines that such modification is required by the Rule or by a court of competent jurisdiction.

Dated: September 30, 2021.

TOWN OF WATAB, MINNESOTA

By _____
Its Board Chairperson

By _____
Its Clerk

APPENDIX E

TERMS OF PROPOSAL

$3,395,000* GENERAL OBLIGATION STREET RECONSTRUCTION PLAN BONDS, SERIES 2021A TOWN OF WATAB, MINNESOTA

Proposals for the purchase of $3,395,000* General Obligation Street Reconstruction Plan Bonds, Series 2021A (the "Bonds") of the Town of Watab, Minnesota (the "Town") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Town, until 11:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 11:00 A.M. Central Time, on September 14, 2021, at which time they will be opened, read and tabulated. The proposals will be presented to the Board of Supervisors for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The proposal offering to purchase the Bonds upon the terms specified herein and most favorable to the Town will be accepted unless all proposals are rejected.

PURPOSE

The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Section 475.58, by the Town to finance the reconstruction and reclamation of various streets in the Township described in the 5-Year Street Reconstruction Plan dated July 13, 2021. The Bonds will be general obligations of the Township for which its full faith, credit and taxing powers are pledged.

DATES AND MATURITIES

The Bonds will be dated September 30, 2021, will be issued as fully registered Bonds in the denomination of $5,000 each, or any integral multiple thereof, and will mature on February 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2023	$195,000	2028	$220,000	2033	$235,000
2024	215,000	2029	220,000	2034	240,000
2025	215,000	2030	225,000	2035	240,000
2026	215,000	2031	230,000	2036	245,000
2027	220,000	2032	230,000	2037	250,000

ADJUSTMENT OPTION

* The Town reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of $5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per $1,000.

TERM BOND OPTION

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. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on February 1 and August 1 of each year, commencing August 1, 2022, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2023 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The Town has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The Town will pay the charges for Paying Agent services. The Town reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Town, the Bonds maturing on or after February 1, 2031 shall be subject to optional redemption prior to maturity on February 1, 2030 or 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 selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Town. If only part of the Bonds having a common maturity date are called for redemption, then the Town or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

DELIVERY

On or about September 30, 2021, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Town will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the Town, threatened. Payment for the Bonds must be received by the Town at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from taxation of the interest thereon will be furnished by Taft Stettinius & Hollister LLP, Minneapolis, Minnesota, Bond Counsel to the Town, and will be available at the time of delivery of the Bonds. The legal opinion will state that the Bonds are valid and binding general obligations of the Town; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). See "FORM OF LEGAL OPINION" found in Appendix B.

SUBMISSION OF PROPOSALS

Proposals must not be for less than $3,354,260 plus accrued interest on the principal sum of $3,395,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of proposals, interested parties may submit a proposal as follows:

1) Electronically to bondsale@ehlers-inc.com; or

2) Electronically via **PARITY** in accordance with this Terms of Proposal until 11:00 A.M. Central Time, 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** conflict with this Terms of Proposal, the terms of this Terms of Proposal shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Proposals must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of proposals. Each proposal must be unconditional except as to legality. Neither the Town nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of $67,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the proposal opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of proposals. The Town reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Town may award the Bonds to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the Town as liquidated damages if the proposal is accepted and the Purchaser fails to comply therewith.

The Town and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the proposal is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the proposal is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to $250,000 per bidder.

No proposal can be withdrawn after the time set for receiving proposals unless the meeting of the Town 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 to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Town'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 Town reserves the right to reject any and all proposals and to waive any informality in any proposal.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Town requested and received a rating on the Bonds from a rating agency, the Town will pay that rating fee. Any rating agency fees not requested by the Town are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The Town will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Town will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Town will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Preliminary Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Town in establishing the issue price of the Bonds and shall execute and deliver to the Town at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the Town under this Terms of Proposal to establish the issue price of the Bonds may be taken on behalf of the Town by the Town's municipal advisor identified herein and any notice or report to be provided to the Town may be provided to the Town's municipal advisor.

(b) The Town intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(1) The Town shall disseminate this Terms of Proposal to potential underwriters in a manner that is reasonably designed to reach potential investors;

(2) all bidders shall have an equal opportunity to bid;

(3) the Town may receive proposals from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the Town anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Terms of Proposal.

Any proposal submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, as specified in this proposal.

(c) If all of the requirements of a "competitive sale" are not satisfied, the Town shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any proposal submitted will not be subject to cancellation or withdrawal and the Town agrees to use the rule selected by the winning bidder on its proposal form to determine the issue price for the Bonds. On its proposal form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the proposal submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Town promptly after the close of the fifth (5^{th}) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Town acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Town further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the Town, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Town or bond counsel.

(f) By submitting a proposal, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Town or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Terms of Proposal. Further, for purposes of this Terms of Proposal:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Town (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 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), (B) 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 (C) 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), and

(iv) "sale date" means the date that the Bonds are awarded by the Town to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the proposal opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the proposal acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of $10.00 per copy.

Information for bidders and proposal forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Board of Supervisors

Town of Watab, Minnesota

PROPOSAL FORM

The Board of Supervisors
Town of Watab, Minnesota

September 14, 2021

RE: $3,395,000* General Obligation Street Reconstruction Plan Bonds, Series 2021A (the "Bonds")
DATED: September 30, 2021

For all or none of the above Bonds, in accordance with the Terms of Proposal and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you $_____ (not less than $3,354,260) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____	% due	2023	_____	% due	2028	_____	% due	2033
_____	% due	2024	_____	% due	2029	_____	% due	2034
_____	% due	2025	_____	% due	2030	_____	% due	2035
_____	% due	2026	_____	% due	2031	_____	% due	2036
_____	% due	2027	_____	% due	2032	_____	% due	2037

* The Town reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of $5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per $1,000.

The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2021 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.) All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of $67,900 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the proposal opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of proposals. The Town reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Town may award the Bonds to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the Town as liquidated damages if the proposal is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Terms of Proposal. This proposal is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Terms of Proposal. Delivery is anticipated to be on or about September 30, 2021.

This proposal is subject to the Town's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the Town with the reoffering price of the Bonds within 24 hours of the proposal acceptance.

This proposal is a firm offer for the purchase of the Bonds identified in the Terms of Proposal, on the terms set forth in this proposal form and the Terms of Proposal, and is not subject to any conditions, except as permitted by the Terms of Proposal.

By submitting this proposal, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: ____ NO: ____.

If the competitive sale requirements are not met, we elect to use either the: _____10% test, or the _____hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from September 30, 2021 of the above proposal is $_____and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Board of Supervisors of the Town of Watab, Minnesota, on September 14, 2021.

By: _____ By: _____

Title: _____ Title: _____