



Council Workshop Agenda

**Monday, July 20, 2014
City Council Chambers**

6:30 p.m.

NOTE: City Council Regular Meeting at 7:00 p.m.

- 1. Call to Order**
- 2. Long-term CIP Presentation by ABDO**
- 3. Adjournment**

City of Albertville Long Range Plan

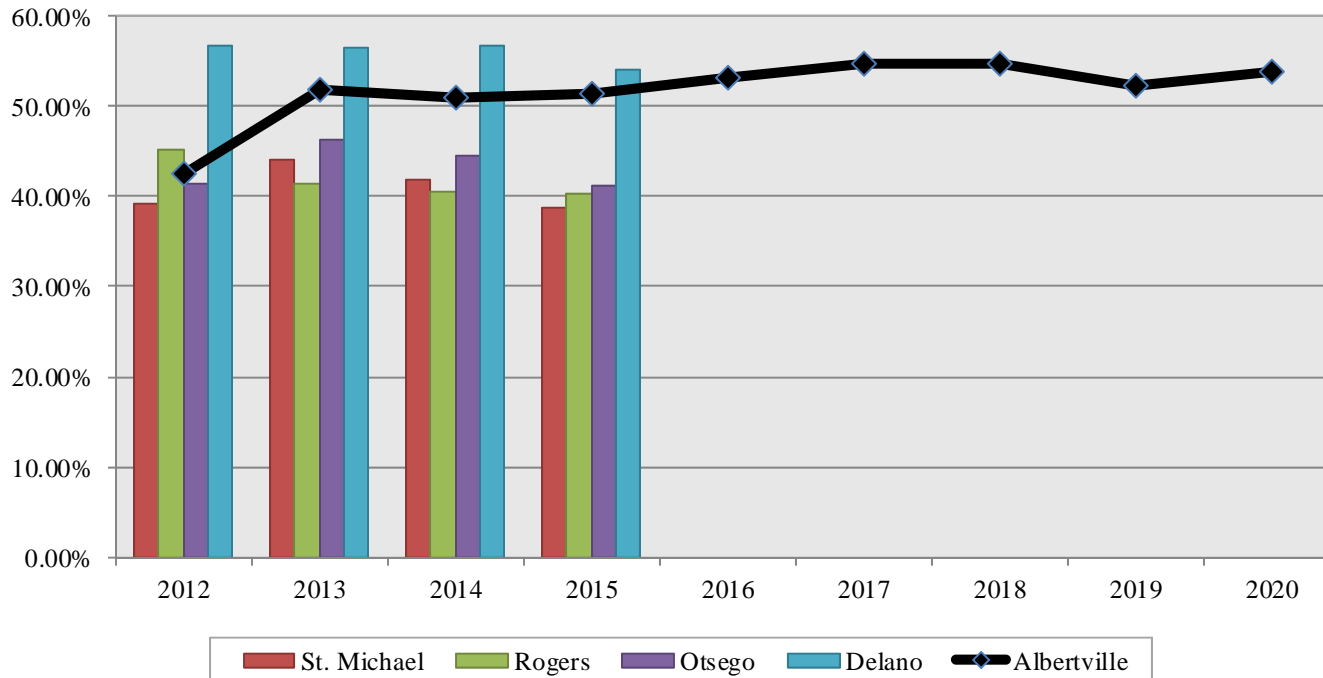
Abdo, Eick & Meyers, LLP

Presented by Kevin C. Knopik, CPA

Long Range Plan - Assumptions

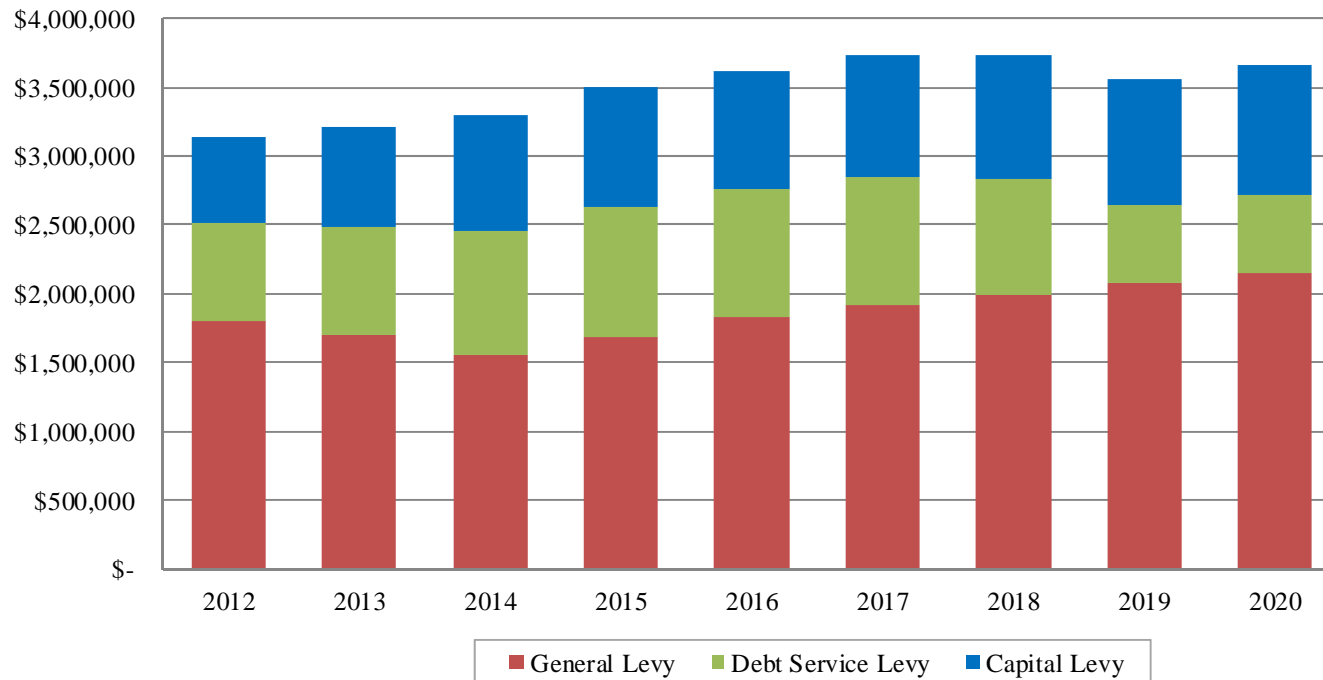
- No growth in population
- No increase or decrease in tax capacity
- General fund balance goal at 50%
- Debt – \$235k of MN PFA monies in 2015, with no future draws (was authorized for \$600k of additional monies)
- .75% rate of return on investments
- 2.00% increase in capital levy per year
- Revenues other than levy 1.25-1.50% increase
- Expenditures 3.00-3.50% increase
- Capital Outlay from CIP
- Enterprise revenues/expenses 1% and 3% increase, respectively

Tax Capacity Rates



City assumed a zero percent change in tax capacity

Tax Levy



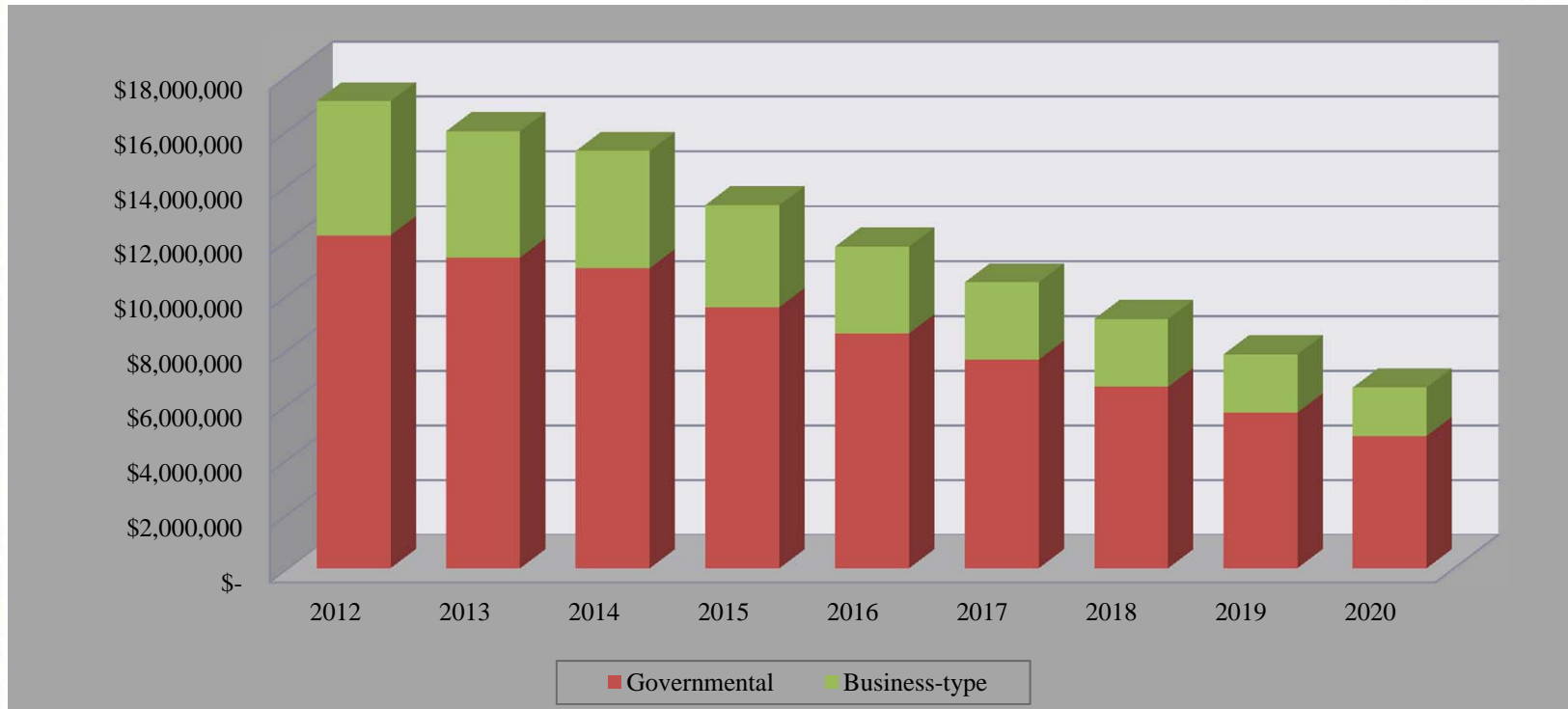
City assumed a 2% increase in the capital levy per year

2016	2017	2018	2019	2020
3.55%	2.94%	0.08%	-4.62%	2.76%

Projected Residential Taxes Payable

Market Value	2015	2016	2017	2018	2019	2020
\$ 150,000	\$ 649	\$ 672	\$ 692	\$ 692	\$ 660	\$ 678
\$ 200,000	\$ 929	\$ 962	\$ 990	\$ 991	\$ 945	\$ 971
\$ 250,000	\$ 1,209	\$ 1,252	\$ 1,289	\$ 1,290	\$ 1,230	\$ 1,264
\$ 300,000	\$ 1,489	\$ 1,542	\$ 1,587	\$ 1,589	\$ 1,515	\$ 1,557
\$ 350,000	\$ 1,769	\$ 1,832	\$ 1,886	\$ 1,887	\$ 1,800	\$ 1,850
\$ 400,000	\$ 2,049	\$ 2,122	\$ 2,185	\$ 2,186	\$ 2,085	\$ 2,143

Total Bonds Outstanding



- As part of the City's financing plan for the construction of the I-94 ramp project, \$235,000 was drawn in 2015 on the MN PFA, with the draws being less than originally planned with the project not requiring the full amount

Debt Service Funds – Cash Balances

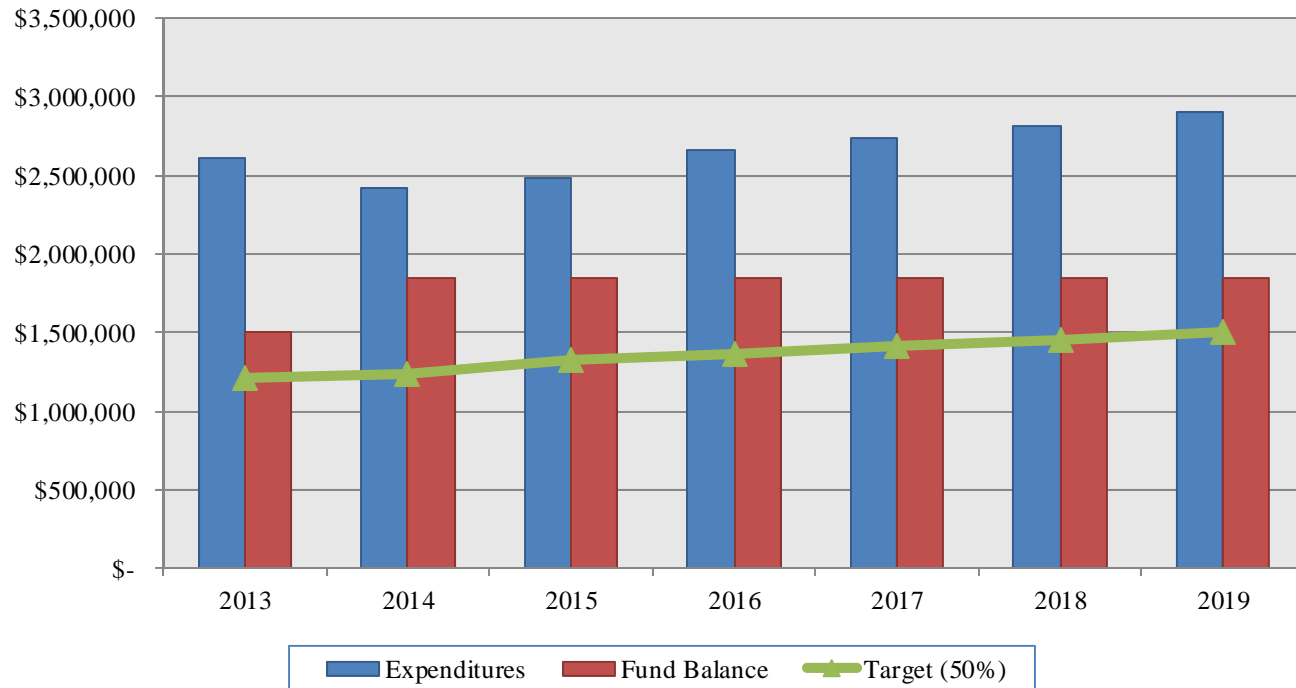
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
G.O., Series 2008	\$ 35,357	\$ 49,333	\$ 63,315	\$ 2,770	\$ 2,791	\$ 2,812
G.O., Series 2011B	(554,440)	(344,397)	(129,268)	80,543	19,113	19,113
G.O., Series 2011C	650,795	596,465	546,852	491,652	440,977	384,522
Lease Revenue, Series 2005	13,003	13,390	13,680	13,853	14,137	14,501
G.O., Series 2012A - CSAH 19	854,386	767,099	679,919	583,836	488,164	387,957
G.O., Series 2012A - Lachman	143,230	132,797	122,641	110,588	103,868	92,534
G.O., Series 2012A - Industrial	93,646	94,431	96,017	91,574	83,191	70,938
Interstate 94 Project Bond	<u>266,758</u>	<u>281,825</u>	<u>294,702</u>	<u>305,396</u>	<u>313,918</u>	<u>329,241</u>
Total	<u><u>\$ 1,502,735</u></u>	<u><u>\$ 1,590,944</u></u>	<u><u>\$ 1,687,859</u></u>	<u><u>\$ 1,680,212</u></u>	<u><u>\$ 1,466,158</u></u>	<u><u>\$ 1,301,617</u></u>

- The City has adjusted debt service tax levies to ensure that each debt fund will have sufficient cash to meet debt service requirements through the life of the bond. By 2018, each fund is projected to have positive cash balance.
- Currently, there is land held for resale for the G.O. Series 2011B and G.O. Series 2012A – Industrial portion. Once sold, the proceeds will be used for debt service payments. The City assumed this land will not be sold in this projection.

General Fund

People
+ Process

Going
Beyond the
Numbers



Schedule of Capital Outlay

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+ Process

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	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	117,500	17,500	17,500	17,500	885,500	20,500
Public works						
Equipment	-	129,000	-	36,500	-	261,000
Infrastructure	881,000	642,000	806,000	3,270,000	280,000	300,000
Culture and recreation	15,000	71,000	15,000	15,000	15,000	277,000
Economic development	-	-	-	-	-	-
Total	<u>\$ 1,013,500</u>	<u>\$ 859,500</u>	<u>\$ 838,500</u>	<u>\$ 3,339,000</u>	<u>\$ 1,180,500</u>	<u>\$ 858,500</u>

Capital Project Funds – Cash Balance

	2015	2016	2017	2018	2019	2020
Capital Outlay	\$ 4,195,360	\$ 4,580,290	\$ 5,160,407	\$ 5,716,019	\$ 5,452,297	\$ 5,526,956
Park Dedication	187,986	189,396	190,816	192,247	193,689	195,142
Sewer Access	3,084,576	2,553,794	2,247,261	1,940,705	1,626,361	1,314,730
Water Access	739,526	733,966	728,716	720,107	709,789	697,827
Closed Capital Projects	-	-	-	-	-	-
TIF 7 - Senior Housing	46,277	49,266	52,279	55,314	58,371	61,452
TIF 14 - Frasier Steel	(138,976)	(107,194)	(74,646)	(41,324)	(7,221)	27,670
CSAH 19 Ramps/I-94 Project	266,758	281,825	294,702	305,396	313,918	329,241
Prairie Run	(707,251)	(663,251)	(619,251)	(575,251)	(531,251)	(487,251)
Need funding source identified	-	(392,000)	(938,000)	(3,938,000)	(3,938,000)	(3,938,000)
Total	\$ 7,674,256	\$ 7,226,093	\$ 7,042,284	\$ 4,375,214	\$ 3,877,954	\$ 3,727,766

- The following projects need funding sources identified:
 - Barthel Street from 55th – 59th and the Barthel railroad crossing (total \$392,000 in 2016)
 - 57th Street from Karston to CR19 (\$450,000) and Main Avenue railroad crossing (\$96,000), both in 2017
 - CSAH 19 from 67th to 70th Street (\$3,000,000 in 2018)

Enterprise Funds

- **Sewer Fund**
 - Cash balance projected to increase through 2020 ending at \$5,849,922
- **Water Fund**
 - Cash balance projected to decrease through 2020 ending at a deficit of \$86,798
- **Storm Water Fund**
 - Significant capital outlay in 2015 and 2016. Cash balance projected at \$1,121,866 in 2020
- **Recycling Fund**
 - Cash balance projected to increase through 2020 ending at \$63,336
- **Consider full utility rate studies**



Thank you!

- Any questions?

People
+ Process

Going
Beyond^{the}
Numbers



**ABDO
EICK &
MEYERS_{LLP}**
Certified Public Accountants & Consultants