PARK SYSTEM IMPROVEMENT PLAN FINANCING ADVISORY COMMITTEE

October 26, 2021
6:00 PM
Fridley City Hall, 7071 University Avenue N.E.

AGENDA

Call to Order

Old Business

1. Proposed 2021–2032 Financial Plan Alternatives Information

New Business

2. Draft Final Report and Recommendations

Administrative Matters

Open Forum (15 minutes total, three minutes per person)

Adjourn

AGENDA REPORT

Meeting Date: October 26, 2021 **Meeting Type:** Public Finance Advisory Committee

Submitted By: Daniel Tienter, Director of Finance/City Treasurer

Title

Proposed 2021–2032 Financial Plan Alternatives Information

Background

On June 14, 2021, the City Council (Council) formed the Public Finance Advisory Committee (Committee) to further consider and recommend an appropriate financing method for the pending Park System Improvement Plan (Plan) (Resolution No. 2021-51). As part of that action, the Council also directed the Plan not to exceed of $30 million or a 10-year timeline.

To facilitate this process, and at the request of the Committee, staff prepared five potential financing alternatives for the Plan (Exhibit A), along with a preliminary bond issue analysis (Exhibit B) and a map of the potential property tax abatements (Exhibit C) if the Committee opted for such a strategy. The Committee discussed each scenario, along with their associated property tax impacts (Exhibit D), at their meetings on September 14 and September 28, 2021.

During that discussion, the Committee inquired as the applicability and potential use of other funding sources, specifically a local sales tax and/or franchise fee(s) for certain utility providers. After reviewing the requirements for a local sales tax, staff determined the improvements as currently proposed by the Plan would likely not pass the statutory "regional significance" test. Additionally, the process for implementing a local sales tax through the Minnesota State Legislature may delay Plan implementation. Given these issues, staff did not further analyze a local sales tax.

In addition to the sales tax review, staff, at the request of the Committee, prepared an analysis of potential electric and gas utility franchises (Exhibit E). Generally, staff designed the potential franchises to provide sufficient revenue to support debt service for an approximately $25,540,000 bond. Since the City lacked certain data for the analysis, the estimates relied upon a series of assumptions developed through a comparative review of other municipalities. Per Chapter No. 7 of the Fridley City Charter, the City Council must submit such a proposal to a referendum at a municipal election.

The Committee will again review the alternatives mentioned above along with the potential franchise analysis in greater detail at their meeting on October 26, 2021.

Discussion

Staff request that Committee Members review the attached information and consider possible recommendations to the City Council.

Focus on Fridley Strategic Alignment

X Vibrant Neighborhoods & Places
____ Community Identity & Relationship Building
X Financial Stability & Commercial Prosperity
____ Public Safety & Environmental Stewardship
____ Organizational Excellence

Attachments and Other Resources

- Exhibit A: 2021–2032 Financial Plan Alternatives
- Exhibit B: Preliminary Bond Issues and Property Tax Abatement Analysis
- Exhibit C: Potential Property Tax Abatement Map
- Exhibit D: Property Tax Analysis, 20-Year Term and 15-Year Term
- Exhibit E: Potential Franchise Fee Analysis

Public Finance Advisory Committee
October 26, 2021

Park System Improvement Plan, Alternative No. 1 ($15M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Expenditures (1) (2)													
Craig Park	245,000												**245,000**
Miscellaneous		150,000											**150,000**
Moore Lake Park			5,782,100										**5,782,100**
Madsen Park				2,763,100									**2,763,100**
Skyline Park					312,600								**312,600**
Edgewater Gardens Park					587,400								**587,400**
Common Park						5,742,100							**5,742,100**
Creekview Park						240,900							**240,900**
Ed Wilmes Park						114,000							**114,000**
Flanery Park							1,223,600						**1,223,600**
Jubilee Park							100,600						**100,600**
Logan Park							292,400						**292,400**
Plymouth Square Park								239,500					**239,500**
Riverview Heights Park								1,763,200					**1,763,200**
Plaza Park								102,400					**102,400**
Summit Square Park								185,400					**185,400**
Terrace Park								171,600					**171,600**
Community Park									2,912,900				**2,912,900**
Altura Park									75,900				**75,900**
Ray Thompson Park									60,200				**60,200**
Oak Hill Park									92,900				**92,900**
Springbrook/Glenbrook Parks									87,100				**87,100**
Ruth Circle Park										2,053,400			**2,053,400**
Farr Lake Park										195,700			**195,700**
Glencoe Park										126,000			**126,000**
Hackmann Park										195,100			**195,100**
Harris Lake Park										211,700			**211,700**
Innsbruck Nature Center											1,467,500		**1,467,500**
Briardale Park											459,800		**459,800**
West Moore Lake Park											656,600		**656,600**
Sylvan Hills Park											296,400		**296,400**
Meadowlands Park											474,000		**474,000**
Creekridge Park												319,200	**319,200**
Jay Park												128,900	**128,900**
Locke Park												170,800	**170,800**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**

Public Finance Advisory Committee
October 26, 2021

Park System Improvement Plan, Alternative No. 1 ($15M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Funding Sources													
Internal Funds													
Building Capital Projects Fund			200,000			200,000			200,000				**600,000**
Community Investment Fund			2,000,000	700,000	620,000	2,000,000	800,000	780,000	2,000,000	700,000	700,000	338,900	**10,638,900**
Equipment Capital Projects Fund													**-**
Parks Capital Projects Fund	115,000	150,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	**2,765,000**
Storm Water Utility Fund	130,000		60,000	30,000	30,000	50,000	30,000	30,000	50,000	30,000	30,000	30,000	**500,000**
Subtotal	245,000	150,000	2,510,000	980,000	900,000	2,500,000	1,080,000	1,060,000	2,500,000	980,000	980,000	618,900	**14,503,900**
External Funds													
Use of Bond Proceeds			3,172,100	1,783,100		3,397,000	536,600	1,402,100	629,000	1,801,900	2,374,300		**15,096,100**
Donations, Gifts and Sponsorship Proceeds			100,000			100,000			100,000				**300,000**
Strategic Partnerships						100,000							**100,000**
Grant Proceeds													**-**
Subtotal	-	-	3,272,100	1,783,100	-	3,597,000	536,600	1,402,100	729,000	1,801,900	2,374,300	-	**15,496,100**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-

Park System Improvement Plan, Alternative No. 1 ($15M Bond), Fund Balances, Selected (3)													
Category	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Building Capital Projects Fund													
Revenues	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	**984,000**
Fund Expenditures	250,000	110,000	45,000	70,000	20,000	70,000	63,000	63,000	63,000	63,000	63,000	63,000	**943,000**
Plan Expenditures	-	-	200,000	-	-	200,000	-	-	200,000	-	-	-	**600,000**
Fund Balance	1,868,200	1,840,200	1,677,200	1,689,200	1,751,200	1,563,200	1,582,200	1,601,200	1,420,200	1,439,200	1,458,200	1,477,200	
Community Investment Fund													
Revenues	4,821,678	547,590	551,990	535,800	554,700	701,284	705,484	724,084	878,561	868,861	870,961	872,961	**12,633,954**
Fund Expenditures	100,000	100,000	-	-	1,125,000	-	-	1,200,000	-	-	-	-	**2,525,000**
Plan Expenditures	-	-	2,000,000	700,000	620,000	2,000,000	800,000	780,000	2,000,000	700,000	700,000	338,900	**10,638,900**
Cash Balance	10,457,078	10,904,668	9,456,657	9,292,457	8,102,157	6,803,442	6,708,926	5,453,010	4,331,571	4,500,432	4,671,393	5,205,454	
Equipment Capital Projects Fund													
Revenues	753,500	1,059,900	1,015,400	1,169,000	1,223,100	1,151,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	**13,115,500**
Fund Expenditures	697,100	1,582,400	693,300	1,245,400	1,068,500	1,623,100	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	**14,364,800**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,033,800	511,300	833,400	757,000	911,600	440,300	321,600	202,900	84,200	(34,500)	(153,200)	(271,900)	
Parks Capital Projects Fund													
Revenues	495,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	**3,740,000**
Fund Expenditures	787,000	240,000	60,000	50,000	75,000	50,000	125,000	125,000	125,000	125,000	125,000	125,000	**2,012,000**
Plan Expenditures	115,000	150,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	**2,765,000**
Fund Balance	1,348,700	1,253,700	1,238,700	1,233,700	1,203,700	1,198,700	1,118,700	1,038,700	958,700	878,700	798,700	718,700	
Storm Water Utility Fund													
Revenues	1,542,600	1,718,800	1,887,400	2,072,800	2,276,700	2,501,000	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	**24,547,100**
Fund Expenses	2,402,260	1,771,300	2,392,800	1,274,700	1,927,200	1,915,200	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	**25,053,860**
Plan Expenses	130,000	-	60,000	30,000	30,000	50,000	30,000	30,000	50,000	30,000	30,000	30,000	**500,000**
Cash Balance	1,148,040	1,095,540	530,140	1,298,240	1,617,740	2,153,540	1,986,440	1,819,340	1,632,240	1,465,140	1,298,040	1,130,940	

Notes

(1) Based on the capital project priority level as assigned by the pending Park System Improvement Plan; capital project order subject to change.

(2) Capital project amounts based on estimates prepared by WSB Engineering and adjusted uniformly to City Council requirements.

(3) Fund balances estimated as of December 31, 2020 and the Proposed 2022-2026 Capital Investment Program; amount between 2027 and 2031 are based on average expenditures by fund.

Public Finance Advisory Committee

October 26, 2021

Park System Improvement Plan, Alternative No. 2 ($20M Bond)													
Category	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Expenditures (1) (2)													
Craig Park	245,000												**245,000**
Miscellaneous		150,000											**150,000**
Moore Lake Park			5,782,100										**5,782,100**
Madsen Park				2,763,100									**2,763,100**
Skyline Park					312,600								**312,600**
Edgewater Gardens Park					587,400								**587,400**
Common Park						5,742,100							**5,742,100**
Creekview Park						240,900							**240,900**
Ed Wilmes Park						114,000							**114,000**
Flanery Park							1,223,600						**1,223,600**
Jubilee Park							100,600						**100,600**
Logan Park							292,400						**292,400**
Plymouth Square Park								239,500					**239,500**
Riverview Heights Park								1,763,200					**1,763,200**
Plaza Park								102,400					**102,400**
Summit Square Park								185,400					**185,400**
Terrace Park								171,600					**171,600**
Community Park									2,912,900				**2,912,900**
Altura Park									75,900				**75,900**
Ray Thompson Park									60,200				**60,200**
Oak Hill Park									92,900				**92,900**
Springbrook/Glenbrook Parks									87,100				**87,100**
Ruth Circle Park										2,053,400			**2,053,400**
Farr Lake Park										195,700			**195,700**
Glencoe Park										126,000			**126,000**
Hackmann Park										195,100			**195,100**
Harris Lake Park										211,700			**211,700**
Innsbruck Nature Center											1,467,500		**1,467,500**
Briardale Park											459,800		**459,800**
West Moore Lake Park											656,600		**656,600**
Sylvan Hills Park											296,400		**296,400**
Meadowlands Park											474,000		**474,000**
Creekridge Park												319,200	**319,200**
Jay Park												128,900	**128,900**
Locke Park												170,800	**170,800**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**

Park System Improvement Plan, Alternative No. 2 ($20M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Funding Sources													
Internal Funds													
Building Capital Projects Fund			200,000			200,000			200,000				**600,000**
Community Investment Fund			1,000,000	400,000	400,000	1,000,000	400,000	400,000	1,000,000	400,000	400,000	338,900	**5,738,900**
Equipment Capital Projects Fund													**-**
Parks Capital Projects Fund	115,000	150,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	**2,765,000**
Storm Water Utility Fund	130,000		60,000	30,000	30,000	50,000	30,000	30,000	50,000	30,000	30,000	30,000	**500,000**
Subtotal	245,000	150,000	1,510,000	680,000	680,000	1,500,000	680,000	680,000	1,500,000	680,000	680,000	618,900	**9,603,900**
External Funds													
Use of Bond Proceeds			4,172,100	2,083,100	220,000	4,397,000	936,600	1,782,100	1,629,000	2,101,900	2,674,300		**19,996,100**
Donations, Gifts and Sponsorship Proceeds			100,000			100,000			100,000				**300,000**
Strategic Partnerships						100,000							**100,000**
Grant Proceeds													**-**
Subtotal	-	-	4,272,100	2,083,100	220,000	4,597,000	936,600	1,782,100	1,729,000	2,101,900	2,674,300	-	**20,396,100**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-

Park System Improvement Plan, Alternative No. 2 ($20M Bond), Fund Balances, Selected (3)													
Category	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Building Capital Projects Fund													
Revenues	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	**984,000**
Fund Expenditures	250,000	110,000	45,000	70,000	20,000	70,000	63,000	63,000	63,000	63,000	63,000	63,000	**943,000**
Plan Expenditures	-	-	200,000	-	-	200,000	-	-	200,000	-	-	-	**600,000**
Fund Balance	1,868,200	1,840,200	1,677,200	1,689,200	1,751,200	1,563,200	1,582,200	1,601,200	1,420,200	1,439,200	1,458,200	1,477,200	
Community Investment Fund													
Revenues	4,821,678	547,590	551,990	535,800	554,700	701,284	705,484	724,084	878,561	868,861	870,961	872,961	**12,633,954**
Fund Expenditures	100,000	100,000	-	-	1,125,000	-	-	1,200,000	-	-	-	-	**2,525,000**
Plan Expenditures	-	-	1,000,000	400,000	400,000	1,000,000	400,000	400,000	1,000,000	400,000	400,000	338,900	**5,738,900**
Cash Balance	10,457,078	10,904,668	10,456,657	10,592,457	9,622,157	9,323,442	9,628,926	8,753,010	8,631,571	9,100,432	9,571,393	10,105,454	
Equipment Capital Projects Fund													
Revenues	753,500	1,059,900	1,015,400	1,169,000	1,223,100	1,151,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	**13,115,500**
Fund Expenditures	697,100	1,582,400	693,300	1,245,400	1,068,500	1,623,100	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	**14,364,800**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,033,800	511,300	833,400	757,000	911,600	440,300	321,600	202,900	84,200	(34,500)	(153,200)	(271,900)	
Parks Capital Projects Fund													
Revenues	495,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	**3,740,000**
Fund Expenditures	787,000	240,000	60,000	50,000	75,000	50,000	125,000	125,000	125,000	125,000	125,000	125,000	**2,012,000**
Plan Expenditures	115,000	150,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	**2,765,000**
Fund Balance	1,348,700	1,253,700	1,238,700	1,233,700	1,203,700	1,198,700	1,118,700	1,038,700	958,700	878,700	798,700	718,700	
Storm Water Utility Fund													
Revenues	1,542,600	1,718,800	1,887,400	2,072,800	2,276,700	2,501,000	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	**24,547,100**
Fund Expenses	2,402,260	1,771,300	2,392,800	1,274,700	1,927,200	1,915,200	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	**25,053,860**
Plan Expenses	130,000	-	60,000	30,000	30,000	50,000	30,000	30,000	50,000	30,000	30,000	30,000	**500,000**
Cash Balance	1,148,040	1,095,540	530,140	1,298,240	1,617,740	2,153,540	1,986,440	1,819,340	1,632,240	1,465,140	1,298,040	1,130,940	

Notes

(1) Based on the capital project priority level as assigned by the pending Park System Improvement Plan; capital project order subject to change.

(2) Capital project amounts based on estimates prepared by WSB Engineering and adjusted uniformly to City Council requirements.

(3) Fund balances estimated as of December 31, 2020 and the Proposed 2022-2026 Capital Investment Program; amount between 2027 and 2031 are based on average expenditures by fund.

Public Finance Advisory Committee

October 26, 2021

Category	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Park System Improvement Plan, Alternative No. 3 ($20M Bond "Front")													
Expenditures (1) (2)													
Craig Park	245,000												**245,000**
Miscellaneous		150,000											**150,000**
Moore Lake Park			5,782,100										**5,782,100**
Madsen Park				2,763,100									**2,763,100**
Skyline Park					312,600								**312,600**
Edgewater Gardens Park					587,400								**587,400**
Common Park						5,742,100							**5,742,100**
Creekview Park			240,900										**240,900**
Ed Wilmes Park			114,000										**114,000**
Flanery Park					1,223,600								**1,223,600**
Jubilee Park			100,600										**100,600**
Logan Park			292,400										**292,400**
Plymouth Square Park					239,500								**239,500**
Riverview Heights Park							1,763,200						**1,763,200**
Plaza Park					102,400								**102,400**
Summit Square Park				185,400									**185,400**
Terrace Park				171,600									**171,600**
Community Park								2,912,900					**2,912,900**
Altura Park						75,900							**75,900**
Ray Thompson Park						60,200							**60,200**
Oak Hill Park						92,900							**92,900**
Springbrook/Glenbrook Parks						87,100							**87,100**
Ruth Circle Park									2,053,400				**2,053,400**
Farr Lake Park							195,700						**195,700**
Glencoe Park							126,000						**126,000**
Hackmann Park							195,100						**195,100**
Harris Lake Park							211,700						**211,700**
Innsbruck Nature Center					1,467,500								**1,467,500**
Briardale Park								459,800					**459,800**
West Moore Lake Park			656,600										**656,600**
Sylvan Hills Park								296,400					**296,400**
Meadowlands Park								474,000					**474,000**
Creekridge Park				319,200									**319,200**
Jay Park				128,900									**128,900**
Locke Park				170,800									**170,800**
Total	**245,000**	**150,000**	**7,186,600**	**3,739,000**	**3,933,000**	**6,058,200**	**2,491,700**	**4,143,100**	**2,053,400**	**-**	**-**	**-**	**30,000,000**

Park System Improvement Plan, Alternative No. 3 ($20M Bond "Front")													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Funding Sources													
Internal Funds													
Building Capital Projects Fund			200,000			200,000		200,000					**600,000**
Community Investment Fund			1,000,000	600,000	600,000	1,000,000	738,900	400,000	1,400,000				**5,738,900**
Equipment Capital Projects Fund													**-**
Parks Capital Projects Fund	115,000	150,000	250,000	500,000	500,000	250,000	100,000	250,000	603,400				**2,718,400**
Storm Water Utility Fund	130,000		70,000	50,000	50,000	50,000	50,000	50,000	50,000				**500,000**
Subtotal	245,000	150,000	1,520,000	1,150,000	1,150,000	1,500,000	888,900	900,000	2,053,400	-	-	-	**9,557,300**
External Funds													
Use of Bond Proceeds			5,566,600	2,589,000	2,783,000	4,358,200	1,602,800	3,143,100					**20,042,700**
Donations, Gifts and Sponsorship Proceeds			100,000			100,000		100,000					**300,000**
Strategic Partnerships						100,000							**100,000**
Grant Proceeds													**-**
Subtotal	-	-	5,666,600	2,589,000	2,783,000	4,558,200	1,602,800	3,243,100	-	-	-	-	**20,442,700**
Total	**245,000**	**150,000**	**7,186,600**	**3,739,000**	**3,933,000**	**6,058,200**	**2,491,700**	**4,143,100**	**2,053,400**	**-**	**-**	**-**	**30,000,000**
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-

Park System Improvement Plan, Alternative No. 3 ($20M Bond "Front"), Fund Balances, Selected (3)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Building Capital Projects Fund													
Revenues	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	**984,000**
Fund Expenditures	250,000	110,000	45,000	70,000	20,000	70,000	63,000	63,000	63,000	63,000	63,000	63,000	**943,000**
Plan Expenditures	-	-	200,000	-	-	200,000	-	200,000	-	-	-	-	**600,000**
Fund Balance	1,868,200	1,840,200	1,677,200	1,689,200	1,751,200	1,563,200	1,582,200	1,401,200	1,420,200	1,439,200	1,458,200	1,477,200	
Community Investment Fund													
Revenues	4,821,678	547,590	551,990	535,800	554,700	701,284	705,484	724,084	878,561	868,861	870,961	872,961	**12,633,954**
Fund Expenditures	100,000	100,000	-	-	1,125,000	-	-	1,200,000	-	-	-	-	**2,525,000**
Plan Expenditures	-	-	1,000,000	600,000	600,000	1,000,000	738,900	400,000	1,400,000	-	-	-	**5,738,900**
Cash Balance	10,457,078	10,904,668	10,456,657	10,392,457	9,222,157	8,923,442	8,890,026	8,014,110	7,492,671	8,361,532	9,232,493	10,105,454	
Equipment Capital Projects Fund													
Revenues	753,500	1,059,900	1,015,400	1,169,000	1,223,100	1,151,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	**13,115,500**
Fund Expenditures	697,100	1,582,400	693,300	1,245,400	1,068,500	1,623,100	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	**14,364,800**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,033,800	511,300	833,400	757,000	911,600	440,300	321,600	202,900	84,200	(34,500)	(153,200)	(271,900)	
Parks Capital Projects Fund													
Revenues	495,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	**3,740,000**
Fund Expenditures	787,000	240,000	60,000	50,000	75,000	50,000	125,000	125,000	125,000	125,000	125,000	125,000	**2,012,000**
Plan Expenditures	115,000	150,000	250,000	500,000	500,000	250,000	100,000	250,000	603,400	-	-	-	**2,718,400**
Fund Balance	1,348,700	1,253,700	1,238,700	983,700	703,700	698,700	768,700	688,700	255,300	425,300	595,300	765,300	
Storm Water Utility Fund													
Revenues	1,542,600	1,718,800	1,887,400	2,072,800	2,276,700	2,501,000	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	**24,547,100**
Fund Expenses	2,402,260	1,771,300	2,392,800	1,274,700	1,927,200	1,915,200	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	**25,053,860**
Plan Expenses	130,000	-	70,000	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	**500,000**
Cash Balance	1,148,040	1,095,540	520,140	1,268,240	1,567,740	2,103,540	1,916,440	1,729,340	1,542,240	1,405,140	1,268,040	1,130,940	

Notes

(1) Based on the capital project priority level as assigned by the pending Park System Improvement Plan; capital project order subject to change.

(2) Capital project amounts based on estimates prepared by WSB Engineering and adjusted uniformly to City Council requirements.

(3) Fund balances estimated as of December 31, 2020 and the Proposed 2022-2026 Capital Investment Program; amount between 2027 and 2031 are based on average expenditures by fund.

Park System Improvement Plan, Alternative No. 4 ($25M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Expenditures (1) (2)													
Craig Park	245,000												**245,000**
Miscellaneous		150,000											**150,000**
Moore Lake Park			5,782,100										**5,782,100**
Madsen Park				2,763,100									**2,763,100**
Skyline Park					312,600								**312,600**
Edgewater Gardens Park					587,400								**587,400**
Common Park						5,742,100							**5,742,100**
Creekview Park						240,900							**240,900**
Ed Wilmes Park						114,000							**114,000**
Flanery Park							1,223,600						**1,223,600**
Jubilee Park							100,600						**100,600**
Logan Park							292,400						**292,400**
Plymouth Square Park								239,500					**239,500**
Riverview Heights Park								1,763,200					**1,763,200**
Plaza Park								102,400					**102,400**
Summit Square Park								185,400					**185,400**
Terrace Park								171,600					**171,600**
Community Park									2,912,900				**2,912,900**
Altura Park									75,900				**75,900**
Ray Thompson Park									60,200				**60,200**
Oak Hill Park									92,900				**92,900**
Springbrook/Glenbrook Parks									87,100				**87,100**
Ruth Circle Park										2,053,400			**2,053,400**
Farr Lake Park										195,700			**195,700**
Glencoe Park										126,000			**126,000**
Hackmann Park										195,100			**195,100**
Harris Lake Park										211,700			**211,700**
Innsbruck Nature Center											1,467,500		**1,467,500**
Briardale Park											459,800		**459,800**
West Moore Lake Park											656,600		**656,600**
Sylvan Hills Park											296,400		**296,400**
Meadowlands Park											474,000		**474,000**
Creekridge Park												319,200	**319,200**
Jay Park												128,900	**128,900**
Locke Park												170,800	**170,800**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**

Public Finance Advisory Committee
October 26, 2021

Park System Improvement Plan, Alternative No. 4 ($25M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Funding Sources													
Internal Funds													
Building Capital Projects Fund													**-**
Community Investment Fund			500,000	100,000	100,000	500,000	100,000	100,000	500,000	100,000	100,000	388,900	**2,488,900**
Equipment Capital Projects Fund													**-**
Parks Capital Projects Fund	115,000	150,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	**2,265,000**
Storm Water Utility Fund	130,000		60,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	**460,000**
Subtotal	245,000	150,000	760,000	330,000	330,000	730,000	330,000	330,000	730,000	330,000	330,000	618,900	**5,213,900**
External Funds													
Use of Bond Proceeds			4,922,100	2,433,100	570,000	5,167,000	1,286,600	2,132,100	2,399,000	2,451,900	3,024,300		**24,386,100**
Donations, Gifts and Sponsorship Proceeds			100,000			100,000			100,000				**300,000**
Strategic Partnerships						100,000							**100,000**
Grant Proceeds													**-**
Subtotal	-	-	5,022,100	2,433,100	570,000	5,367,000	1,286,600	2,132,100	2,499,000	2,451,900	3,024,300	-	**24,786,100**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-

Park System Improvement Plan, Alternative No. 4 ($25M Bond), Fund Balances, Selected (3)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Building Capital Projects Fund													
Revenues	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	**984,000**
Fund Expenditures	250,000	110,000	45,000	70,000	20,000	70,000	63,000	63,000	63,000	63,000	63,000	63,000	**943,000**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,868,200	1,840,200	1,877,200	1,889,200	1,951,200	1,963,200	1,982,200	2,001,200	2,020,200	2,039,200	2,058,200	2,077,200	
Community Investment Fund													
Revenues	4,821,678	547,590	551,990	535,800	554,700	701,284	705,484	724,084	878,561	868,861	870,961	872,961	**12,633,954**
Fund Expenditures	100,000	100,000	-	-	1,125,000	-	-	1,200,000	-	-	-	-	**2,525,000**
Plan Expenditures	-	-	500,000	100,000	100,000	500,000	100,000	100,000	500,000	100,000	100,000	388,900	**2,488,900**
Cash Balance	10,457,078	10,904,668	10,956,657	11,392,457	10,722,157	10,923,442	11,528,926	10,953,010	11,331,571	12,100,432	12,871,393	13,355,454	
Equipment Capital Projects Fund													
Revenues	753,500	1,059,900	1,015,400	1,169,000	1,223,100	1,151,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	**13,115,500**
Fund Expenditures	697,100	1,582,400	693,300	1,245,400	1,068,500	1,623,100	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	**14,364,800**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,033,800	511,300	833,400	757,000	911,600	440,300	321,600	202,900	84,200	(34,500)	(153,200)	(271,900)	
Parks Capital Projects Fund													
Revenues	495,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	**3,740,000**
Fund Expenditures	787,000	240,000	60,000	50,000	75,000	50,000	125,000	125,000	125,000	125,000	125,000	125,000	**2,012,000**
Plan Expenditures	115,000	150,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	**2,265,000**
Fund Balance	1,348,700	1,253,700	1,288,700	1,333,700	1,353,700	1,398,700	1,368,700	1,338,700	1,308,700	1,278,700	1,248,700	1,218,700	
Storm Water Utility Fund													
Revenues	1,542,600	1,718,800	1,887,400	2,072,800	2,276,700	2,501,000	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	**24,547,100**
Fund Expenses	2,402,260	1,771,300	2,392,800	1,274,700	1,927,200	1,915,200	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	**25,053,860**
Plan Expenses	130,000	-	60,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	**460,000**
Cash Balance	1,148,040	1,095,540	530,140	1,298,240	1,617,740	2,173,540	2,006,440	1,839,340	1,672,240	1,505,140	1,338,040	1,170,940	

Notes

(1) Based on the capital project priority level as assigned by the pending Park System Improvement Plan; capital project order subject to change.

(2) Capital project amounts based on estimates prepared by WSB Engineering and adjusted uniformly to City Council requirements.

(3) Fund balances estimated as of December 31, 2020 and the Proposed 2022-2026 Capital Investment Program; amount between 2027 and 2031 are based on average expenditures by fund.

Public Finance Advisory Committee
October 26, 2021

Park System Improvement Plan, Alternative No. 5 ($30M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Expenditures (1) (2)													
Craig Park	245,000												**245,000**
Miscellaneous		150,000											**150,000**
Moore Lake Park			5,782,100										**5,782,100**
Madsen Park				2,763,100									**2,763,100**
Skyline Park					312,600								**312,600**
Edgewater Gardens Park					587,400								**587,400**
Common Park						5,742,100							**5,742,100**
Creekview Park						240,900							**240,900**
Ed Wilmes Park						114,000							**114,000**
Flanery Park							1,223,600						**1,223,600**
Jubilee Park							100,600						**100,600**
Logan Park							292,400						**292,400**
Plymouth Square Park								239,500					**239,500**
Riverview Heights Park								1,763,200					**1,763,200**
Plaza Park								102,400					**102,400**
Summit Square Park								185,400					**185,400**
Terrace Park								171,600					**171,600**
Community Park									2,912,900				**2,912,900**
Altura Park									75,900				**75,900**
Ray Thompson Park									60,200				**60,200**
Oak Hill Park									92,900				**92,900**
Springbrook/Glenbrook Parks									87,100				**87,100**
Ruth Circle Park										2,053,400			**2,053,400**
Farr Lake Park										195,700			**195,700**
Glencoe Park										126,000			**126,000**
Hackmann Park										195,100			**195,100**
Harris Lake Park										211,700			**211,700**
Innsbruck Nature Center											1,467,500		**1,467,500**
Briardale Park											459,800		**459,800**
West Moore Lake Park											656,600		**656,600**
Sylvan Hills Park											296,400		**296,400**
Meadowlands Park											474,000		**474,000**
Creekridge Park												319,200	**319,200**
Jay Park												128,900	**128,900**
Locke Park												170,800	**170,800**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**

Park System Improvement Plan, Alternative No. 5 ($30M Bond)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Funding Sources													
Internal Funds													
Building Capital Projects Fund													**-**
Community Investment Fund												618,900	**618,900**
Equipment Capital Projects Fund													**-**
Parks Capital Projects Fund	115,000	150,000											**265,000**
Storm Water Utility Fund	130,000												**130,000**
Subtotal	245,000	150,000	-	-	-	-	-	-	-	-	-	618,900	**1,013,900**
External Funds													
Use of Bond Proceeds			5,682,100	2,763,100	900,000	5,897,000	1,616,600	2,462,100	3,129,000	2,781,900	3,354,300		**28,586,100**
Donations, Gifts and Sponsorship Proceeds			100,000			100,000			100,000				**300,000**
Strategic Partnerships						100,000							**100,000**
Grant Proceeds													**-**
Subtotal	-	-	5,782,100	2,763,100	900,000	6,097,000	1,616,600	2,462,100	3,229,000	2,781,900	3,354,300	-	**28,986,100**
Total	**245,000**	**150,000**	**5,782,100**	**2,763,100**	**900,000**	**6,097,000**	**1,616,600**	**2,462,100**	**3,229,000**	**2,781,900**	**3,354,300**	**618,900**	**30,000,000**
Variance	-	-	-	-	-	-	-	-	-	-	-	-	-

Park System Improvement Plan, Alternative No. 5 ($30M Bond), Fund Balances, Selected (3)													
Category	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**Total**
Building Capital Projects Fund													
Revenues	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	**984,000**
Fund Expenditures	250,000	110,000	45,000	70,000	20,000	70,000	63,000	63,000	63,000	63,000	63,000	63,000	**943,000**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,868,200	1,840,200	1,877,200	1,889,200	1,951,200	1,963,200	1,982,200	2,001,200	2,020,200	2,039,200	2,058,200	2,077,200	
Community Investment Fund													
Revenues	4,821,678	547,590	551,990	535,800	554,700	701,284	705,484	724,084	878,561	868,861	870,961	872,961	**12,633,954**
Fund Expenditures	100,000	100,000	-	-	1,125,000	-	-	1,200,000	-	-	-	-	**2,525,000**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	618,900	**618,900**
Cash Balance	10,457,078	10,904,668	11,456,657	11,992,457	11,422,157	12,123,442	12,828,926	12,353,010	13,231,571	14,100,432	14,971,393	15,225,454	
Equipment Capital Projects Fund													
Revenues	753,500	1,059,900	1,015,400	1,169,000	1,223,100	1,151,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	1,123,800	**13,115,500**
Fund Expenditures	697,100	1,582,400	693,300	1,245,400	1,068,500	1,623,100	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	1,242,500	**14,364,800**
Plan Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Fund Balance	1,033,800	511,300	833,400	757,000	911,600	440,300	321,600	202,900	84,200	(34,500)	(153,200)	(271,900)	
Parks Capital Projects Fund													
Revenues	495,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	**3,740,000**
Fund Expenditures	787,000	240,000	60,000	50,000	75,000	50,000	125,000	125,000	125,000	125,000	125,000	125,000	**2,012,000**
Plan Expenditures	115,000	150,000	-	-	-	-	-	-	-	-	-	-	**265,000**
Fund Balance	1,348,700	1,253,700	1,488,700	1,733,700	1,953,700	2,198,700	2,368,700	2,538,700	2,708,700	2,878,700	3,048,700	3,218,700	
Storm Water Utility Fund													
Revenues	1,542,600	1,718,800	1,887,400	2,072,800	2,276,700	2,501,000	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	2,091,300	**24,547,100**
Fund Expenses	2,402,260	1,771,300	2,392,800	1,274,700	1,927,200	1,915,200	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	2,228,400	**25,053,860**
Plan Expenses	130,000	-	-	-	-	-	-	-	-	-	-	-	**130,000**
Cash Balance	1,148,040	1,095,540	590,140	1,388,240	1,737,740	2,323,540	2,186,440	2,049,340	1,912,240	1,775,140	1,638,040	1,500,940	

Notes

(1) Based on the capital project priority level as assigned by the pending Park System Improvement Plan; capital project order subject to change.
(2) Capital project amounts based on estimates prepared by WSB Engineering and adjusted uniformly to City Council requirements.
(3) Fund balances estimated as of December 31, 2020 and the Proposed 2022-2026 Capital Investment Program; amount between 2027 and 2031 are based on average expenditures by fund.

City of Fridley, Minnesota

Estimated Tax Impact

September 21, 2021

General Obligation Bonds, Series 2023

BOND ISSUANCE INFORMATION	
Bond Issue Amount	$8,580,000
Number of Years	15
Average Interest Rate	2.17%
Estimated Bond Rating	Moody's Aa2
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2021	$30,941,679
Debt Levy @ 105% - Average	716,916
Estimated Tax Capacity Rate:	
Payable - 2021 Without Proposed Bonds	44.928%
Payable - 2021 With Proposed Bonds	47.245%
Estimated Tax Rate Increase	2.317%

Type of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Proposed Tax Increase*	Proposed City Tax
Residential Homestead	$ 50,000	$ 20,000	$ 30,000	$ 300	$ 134.78	**$ 6.95**	$ 141.73
	100,000	28,240	71,760	718	322.40	**16.63**	339.03
	125,000	25,990	99,010	990	444.83	**22.94**	467.77
	150,000	23,740	126,260	1,263	567.26	**29.25**	596.52
	175,000	21,490	153,510	1,535	689.69	**35.57**	725.26
	200,000	19,240	180,760	1,808	812.12	**41.88**	854.00
	225,000	16,990	208,010	2,080	934.55	**48.20**	982.74
	247,200	14,992	232,208	2,322	1,043.26	**53.80**	1,097.07
	275,000	12,490	262,510	2,625	1,179.40	**60.82**	1,240.23
	300,000	10,240	289,760	2,898	1,301.83	**67.14**	1,368.97
Commercial/Industrial	$ 100,000	$ -	$ 100,000	$ 1,495	$ 671.61	**$ 34.64**	$ 706.24
	200,000	-	200,000	3,239	1,455.15	**75.04**	1,530.19
	300,000	-	300,000	5,232	2,350.62	**121.22**	2,471.85
	400,000	-	400,000	7,225	3,246.10	**167.41**	3,413.50
	500,000	-	500,000	9,218	4,141.57	**213.59**	4,355.16
	1,000,000	-	1,000,000	19,184	8,618.95	**444.49**	9,063.44
Apartments (4 or more units)	$ 200,000	$ -	$ 200,000	$ 2,500	$ 1,123.20	**$ 57.92**	$ 1,181.12
	300,000	-	300,000	3,750	1,684.80	**86.89**	1,771.69
	500,000	-	500,000	6,250	2,808.00	**144.81**	2,952.81
Agricultural Homestead **	$ 150,000	$ 23,740	$ 126,260	$ 1,263	$ 567.26	**$ 29.25**	$ 596.52
	400,000	23,740	376,260	2,513	1,128.86	**58.22**	1,187.08
	500,000	23,740	476,260	3,013	1,353.50	**69.80**	1,423.30
	600,000	23,740	576,260	3,513	1,578.14	**81.39**	1,659.53
	800,000	23,740	776,260	4,513	2,027.42	**104.56**	2,131.98
	1,000,000	23,740	976,260	5,513	2,476.70	**127.73**	2,604.43
Agricultural Non-Homestead (dollars per acre)	$ 1,500	$ -	$ 1,500	$ 15	$ 6.74	**$ 0.35**	$ 7.09
	2,000	-	2,000	20	8.99	**0.46**	9.45
	2,500	-	2,500	25	11.23	**0.58**	11.81
Seasonal/Recreation Residential	$ 100,000	$ -	$ 100,000	$ 1,000	$ 449.28	**$ 23.17**	$ 472.45
	200,000	-	200,000	2,000	898.56	**46.34**	944.90
	300,000	-	300,000	3,000	1,347.84	**69.51**	1,417.35
	400,000	-	400,000	4,000	1,797.12	**92.68**	1,889.80

** The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.*

*** For agricultural homestead property, a value of $150,000 was assumed for the house, garage and one acre.*

Prepared by Ehlers
9/21/2021

EHLERS PUBLIC FINANCE ADVISO

City of Fridley, Minnesota

$8,580,000 General Obligation Bonds, Series 2023
Assumes Current Market BQ "Aa2" Rates +100bps
15 Years

Sources & Uses

Dated 08/01/2023 | Delivered 08/01/2023

Sources Of Funds

Par Amount of Bonds	$8,580,000.00
Total Sources	**$8,580,000.00**

Uses Of Funds

Total Underwriter's Discount (1.200%)	102,960.00
Costs of Issuance	76,000.00
Deposit to Project Construction Fund	8,400,000.00
Rounding Amount	1,040.00
Total Uses	**$8,580,000.00**

City of Fridley, Minnesota

$8,580,000 General Obligation Bonds, Series 2023
Assumes Current Market BQ "Aa2" Rates +100bps
15 Years

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2023	-	-	-	-	-
08/01/2024	-	-	168,147.50	168,147.50	-
02/01/2025	430,000.00	1.200%	84,073.75	514,073.75	682,221.25
08/01/2025	-	-	81,493.75	81,493.75	-
02/01/2026	520,000.00	1.300%	81,493.75	601,493.75	682,987.50
08/01/2026	-	-	78,113.75	78,113.75	-
02/01/2027	525,000.00	1.350%	78,113.75	603,113.75	681,227.50
08/01/2027	-	-	74,570.00	74,570.00	-
02/01/2028	535,000.00	1.500%	74,570.00	609,570.00	684,140.00
08/01/2028	-	-	70,557.50	70,557.50	-
02/01/2029	540,000.00	1.600%	70,557.50	610,557.50	681,115.00
08/01/2029	-	-	66,237.50	66,237.50	-
02/01/2030	550,000.00	1.700%	66,237.50	616,237.50	682,475.00
08/01/2030	-	-	61,562.50	61,562.50	-
02/01/2031	560,000.00	1.800%	61,562.50	621,562.50	683,125.00
08/01/2031	-	-	56,522.50	56,522.50	-
02/01/2032	570,000.00	2.000%	56,522.50	626,522.50	683,045.00
08/01/2032	-	-	50,822.50	50,822.50	-
02/01/2033	580,000.00	2.050%	50,822.50	630,822.50	681,645.00
08/01/2033	-	-	44,877.50	44,877.50	-
02/01/2034	595,000.00	2.150%	44,877.50	639,877.50	684,755.00
08/01/2034	-	-	38,481.25	38,481.25	-
02/01/2035	605,000.00	2.250%	38,481.25	643,481.25	681,962.50
08/01/2035	-	-	31,675.00	31,675.00	-
02/01/2036	620,000.00	2.350%	31,675.00	651,675.00	683,350.00
08/01/2036	-	-	24,390.00	24,390.00	-
02/01/2037	635,000.00	2.400%	24,390.00	659,390.00	683,780.00
08/01/2037	-	-	16,770.00	16,770.00	-
02/01/2038	650,000.00	2.500%	16,770.00	666,770.00	683,540.00
08/01/2038	-	-	8,645.00	8,645.00	-
02/01/2039	665,000.00	2.600%	8,645.00	673,645.00	682,290.00
Total	**$8,580,000.00**	**-**	**$1,661,658.75**	**$10,241,658.75**	**-**

Yield Statistics

Bond Year Dollars	$76,550.00
Average Life	8.922 Years
Average Coupon	2.1706842%
Net Interest Cost (NIC)	2.3051845%
True Interest Cost (TIC)	2.3073750%
Bond Yield for Arbitrage Purposes	2.1555572%
All Inclusive Cost (AIC)	2.4210500%

IRS Form 8038

Net Interest Cost	2.1706842%
Weighted Average Maturity	8.922 Years

City of Fridley, Minnesota

$8,580,000 General Obligation Bonds, Series 2023
Assumes Current Market BQ "Aa2" Rates +100bps
15 Years

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2024	-	-	-	-	-
02/01/2025	430,000.00	1.200%	252,221.25	682,221.25	716,332.31
02/01/2026	520,000.00	1.300%	162,987.50	682,987.50	717,136.88
02/01/2027	525,000.00	1.350%	156,227.50	681,227.50	715,288.88
02/01/2028	535,000.00	1.500%	149,140.00	684,140.00	718,347.00
02/01/2029	540,000.00	1.600%	141,115.00	681,115.00	715,170.75
02/01/2030	550,000.00	1.700%	132,475.00	682,475.00	716,598.75
02/01/2031	560,000.00	1.800%	123,125.00	683,125.00	717,281.25
02/01/2032	570,000.00	2.000%	113,045.00	683,045.00	717,197.25
02/01/2033	580,000.00	2.050%	101,645.00	681,645.00	715,727.25
02/01/2034	595,000.00	2.150%	89,755.00	684,755.00	718,992.75
02/01/2035	605,000.00	2.250%	76,962.50	681,962.50	716,060.63
02/01/2036	620,000.00	2.350%	63,350.00	683,350.00	717,517.50
02/01/2037	635,000.00	2.400%	48,780.00	683,780.00	717,969.00
02/01/2038	650,000.00	2.500%	33,540.00	683,540.00	717,717.00
02/01/2039	665,000.00	2.600%	17,290.00	682,290.00	716,404.50
Total	**$8,580,000.00**	**-**	**$1,661,658.75**	**$10,241,658.75**	**$10,753,741.69**

Significant Dates

Dated	8/01/2023
First Coupon Date	8/01/2024

Yield Statistics

Bond Year Dollars	$76,550.00
Average Life	8.922 Years
Average Coupon	2.1706842%
Net Interest Cost (NIC)	2.3051845%
True Interest Cost (TIC)	2.3073750%
Bond Yield for Arbitrage Purposes	2.1555572%
All Inclusive Cost (AIC)	2.4210500%

IRS Form 8038

Net Interest Cost	2.1706842%
Weighted Average Maturity	8.922 Years

City of Fridley, Minnesota

Estimated Tax Impact

September 21, 2021

General Obligation Bonds, Series 2026

BOND ISSUANCE INFORMATION	
Bond Issue Amount	**$8,480,000**
Number of Years	**15**
Average Interest Rate	**2.68%**
Estimated Bond Rating	**Moody's Aa2**
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2021	**$30,941,679**
Debt Levy @ 105% - Average	**737,003**
Estimated Tax Capacity Rate:	
Payable - 2021 Without Proposed Bonds	**44.928%**
Payable - 2021 With Proposed Bonds	**47.310%**
Estimated Tax Rate Increase	**2.382%**

TAX IMPACT ANALYSIS

Type of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Proposed Tax Increase*	Proposed City Tax
Residential Homestead	$ 50,000	$ 20,000	$ 30,000	$ 300	$ 134.78	**$ 7.15**	$ 141.93
	100,000	28,240	71,760	718	322.40	**17.09**	339.50
	125,000	25,990	99,010	990	444.83	**23.58**	468.42
	150,000	23,740	126,260	1,263	567.26	**30.07**	597.33
	175,000	21,490	153,510	1,535	689.69	**36.56**	726.25
	200,000	19,240	180,760	1,808	812.12	**43.06**	855.17
	225,000	16,990	208,010	2,080	934.55	**49.55**	984.09
	247,200	14,992	232,208	2,322	1,043.26	**55.31**	1,098.57
	275,000	12,490	262,510	2,625	1,179.40	**62.53**	1,241.93
	300,000	10,240	289,760	2,898	1,301.83	**69.02**	1,370.85
Commercial/Industrial	$ 100,000	$ -	$ 100,000	$ 1,495	$ 671.61	**$ 35.61**	$ 707.21
	200,000	-	200,000	3,239	1,455.15	**77.15**	1,532.29
	300,000	-	300,000	5,232	2,350.62	**124.62**	2,475.24
	400,000	-	400,000	7,225	3,246.10	**172.10**	3,418.19
	500,000	-	500,000	9,218	4,141.57	**219.57**	4,361.14
	1,000,000	-	1,000,000	19,184	8,618.95	**456.94**	9,075.89
Apartments (4 or more units)	$ 200,000	$ -	$ 200,000	$ 2,500	$ 1,123.20	**$ 59.55**	$ 1,182.75
	300,000	-	300,000	3,750	1,684.80	**89.32**	1,774.12
	500,000	-	500,000	6,250	2,808.00	**148.87**	2,956.87
Agricultural Homestead **	$ 150,000	$ 23,740	$ 126,260	$ 1,263	$ 567.26	**$ 30.07**	$ 597.33
	400,000	23,740	376,260	2,513	1,128.86	**59.85**	1,188.71
	500,000	23,740	476,260	3,013	1,353.50	**71.76**	1,425.26
	600,000	23,740	576,260	3,513	1,578.14	**83.67**	1,661.81
	800,000	23,740	776,260	4,513	2,027.42	**107.49**	2,134.91
	1,000,000	23,740	976,260	5,513	2,476.70	**131.31**	2,608.01
Agricultural Non-Homestead (dollars per acre)	$ 1,500	$ -	$ 1,500	$ 15	$ 6.74	**$ 0.36**	$ 7.10
	2,000	-	2,000	20	8.99	**0.48**	9.46
	2,500	-	2,500	25	11.23	**0.60**	11.83
Seasonal/Recreation Residential	$ 100,000	$ -	$ 100,000	$ 1,000	$ 449.28	**$ 23.82**	$ 473.10
	200,000	-	200,000	2,000	898.56	**47.64**	946.20
	300,000	-	300,000	3,000	1,347.84	**71.46**	1,419.30
	400,000	-	400,000	4,000	1,797.12	**95.28**	1,892.40

** The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.*

*** For agricultural homestead property, a value of $150,000 was assumed for the house, garage and one acre.*

City of Fridley, Minnesota

$8,480,000 General Obligation Bonds, Series 2026
Assumes Current Market BQ "Aa2" Rates +150bps
15 Years

Sources & Uses

Dated 08/01/2026 | Delivered 08/01/2026

Sources Of Funds

Par Amount of Bonds	$8,480,000.00
Total Sources	**$8,480,000.00**

Uses Of Funds

Total Underwriter's Discount (1.200%)	101,760.00
Costs of Issuance	76,000.00
Deposit to Project Construction Fund	8,300,000.00
Rounding Amount	2,240.00
Total Uses	**$8,480,000.00**

City of Fridley, Minnesota

$8,480,000 General Obligation Bonds, Series 2026
Assumes Current Market BQ "Aa2" Rates +150bps
15 Years

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2026	-	-	-	-	-
08/01/2027	-	-	209,475.00	209,475.00	-
02/01/2028	390,000.00	1.700%	104,737.50	494,737.50	704,212.50
08/01/2028	-	-	101,422.50	101,422.50	-
02/01/2029	500,000.00	1.800%	101,422.50	601,422.50	702,845.00
08/01/2029	-	-	96,922.50	96,922.50	-
02/01/2030	510,000.00	1.850%	96,922.50	606,922.50	703,845.00
08/01/2030	-	-	92,205.00	92,205.00	-
02/01/2031	515,000.00	2.000%	92,205.00	607,205.00	699,410.00
08/01/2031	-	-	87,055.00	87,055.00	-
02/01/2032	530,000.00	2.100%	87,055.00	617,055.00	704,110.00
08/01/2032	-	-	81,490.00	81,490.00	-
02/01/2033	540,000.00	2.200%	81,490.00	621,490.00	702,980.00
08/01/2033	-	-	75,550.00	75,550.00	-
02/01/2034	550,000.00	2.300%	75,550.00	625,550.00	701,100.00
08/01/2034	-	-	69,225.00	69,225.00	-
02/01/2035	565,000.00	2.500%	69,225.00	634,225.00	703,450.00
08/01/2035	-	-	62,162.50	62,162.50	-
02/01/2036	575,000.00	2.550%	62,162.50	637,162.50	699,325.00
08/01/2036	-	-	54,831.25	54,831.25	-
02/01/2037	590,000.00	2.650%	54,831.25	644,831.25	699,662.50
08/01/2037	-	-	47,013.75	47,013.75	-
02/01/2038	610,000.00	2.750%	47,013.75	657,013.75	704,027.50
08/01/2038	-	-	38,626.25	38,626.25	-
02/01/2039	625,000.00	2.850%	38,626.25	663,626.25	702,252.50
08/01/2039	-	-	29,720.00	29,720.00	-
02/01/2040	640,000.00	2.900%	29,720.00	669,720.00	699,440.00
08/01/2040	-	-	20,440.00	20,440.00	-
02/01/2041	660,000.00	3.000%	20,440.00	680,440.00	700,880.00
08/01/2041	-	-	10,540.00	10,540.00	-
02/01/2042	680,000.00	3.100%	10,540.00	690,540.00	701,080.00
Total	**$8,480,000.00**	**-**	**$2,048,620.00**	**$10,528,620.00**	**-**

Yield Statistics

Bond Year Dollars	$76,525.00
Average Life	9.024 Years
Average Coupon	2.6770598%
Net Interest Cost (NIC)	2.8100359%
True Interest Cost (TIC)	2.8126182%
Bond Yield for Arbitrage Purposes	2.6583061%
All Inclusive Cost (AIC)	2.9295431%

IRS Form 8038

Net Interest Cost	2.6770598%
Weighted Average Maturity	9.024 Years

City of Fridley, Minnesota

$8,480,000 General Obligation Bonds, Series 2026
Assumes Current Market BQ "Aa2" Rates +150bps
15 Years

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2027	-	-	-	-	-
02/01/2028	390,000.00	1.700%	314,212.50	704,212.50	739,423.13
02/01/2029	500,000.00	1.800%	202,845.00	702,845.00	737,987.25
02/01/2030	510,000.00	1.850%	193,845.00	703,845.00	739,037.25
02/01/2031	515,000.00	2.000%	184,410.00	699,410.00	734,380.50
02/01/2032	530,000.00	2.100%	174,110.00	704,110.00	739,315.50
02/01/2033	540,000.00	2.200%	162,980.00	702,980.00	738,129.00
02/01/2034	550,000.00	2.300%	151,100.00	701,100.00	736,155.00
02/01/2035	565,000.00	2.500%	138,450.00	703,450.00	738,622.50
02/01/2036	575,000.00	2.550%	124,325.00	699,325.00	734,291.25
02/01/2037	590,000.00	2.650%	109,662.50	699,662.50	734,645.63
02/01/2038	610,000.00	2.750%	94,027.50	704,027.50	739,228.88
02/01/2039	625,000.00	2.850%	77,252.50	702,252.50	737,365.13
02/01/2040	640,000.00	2.900%	59,440.00	699,440.00	734,412.00
02/01/2041	660,000.00	3.000%	40,880.00	700,880.00	735,924.00
02/01/2042	680,000.00	3.100%	21,080.00	701,080.00	736,134.00
Total	**$8,480,000.00**	**-**	**$2,048,620.00**	**$10,528,620.00**	**$11,055,051.00**

Significant Dates

Dated	8/01/2026
First Coupon Date	8/01/2027

Yield Statistics

Bond Year Dollars	$76,525.00
Average Life	9.024 Years
Average Coupon	2.6770598%
Net Interest Cost (NIC)	2.8100359%
True Interest Cost (TIC)	2.8126182%
Bond Yield for Arbitrage Purposes	2.6583061%
All Inclusive Cost (AIC)	2.9295431%

IRS Form 8038

Net Interest Cost	2.6770598%
Weighted Average Maturity	9.024 Years

City of Fridley, Minnesota

Estimated Tax Impact

September 21, 2021

General Obligation Bonds, Series 2029

BOND ISSUANCE INFORMATION	
Bond Issue Amount	**$8,480,000**
Number of Years	**15**
Average Interest Rate	**2.93%**
Estimated Bond Rating	**Moody's Aa2**
PROPERTY TAX INFORMATION	
Actual Net Tax Capacity - Payable 2021	**$30,941,679**
Debt Levy @ 105% - Average	**751,674**
Estimated Tax Capacity Rate:	
Payable - 2021 Without Proposed Bonds	**44.928%**
Payable - 2021 With Proposed Bonds	**47.357%**
Estimated Tax Rate Increase	**2.429%**

TAX IMPACT ANALYSIS

Type of Property	Estimated Market Value	Market Value Exclusion	Taxable Market Value	Net Tax Capacity	Current City Tax	Proposed Tax Increase*	Proposed City Tax
Residential Homestead	$ 50,000	$ 20,000	$ 30,000	$ 300	$ 134.78	**$ 7.29**	$ 142.07
	100,000	28,240	71,760	718	322.40	**17.43**	339.84
	125,000	25,990	99,010	990	444.83	**24.05**	468.88
	150,000	23,740	126,260	1,263	567.26	**30.67**	597.93
	175,000	21,490	153,510	1,535	689.69	**37.29**	726.98
	200,000	19,240	180,760	1,808	812.12	**43.91**	856.03
	225,000	16,990	208,010	2,080	934.55	**50.53**	985.08
	247,200	14,992	232,208	2,322	1,043.26	**56.41**	1,099.67
	275,000	12,490	262,510	2,625	1,179.40	**63.77**	1,243.18
	300,000	10,240	289,760	2,898	1,301.83	**70.39**	1,372.23
Commercial/Industrial	$ 100,000	$ -	$ 100,000	$ 1,495	$ 671.61	**$ 36.31**	$ 707.92
	200,000	-	200,000	3,239	1,455.15	**78.68**	1,533.83
	300,000	-	300,000	5,232	2,350.62	**127.10**	2,477.72
	400,000	-	400,000	7,225	3,246.10	**175.52**	3,421.62
	500,000	-	500,000	9,218	4,141.57	**223.94**	4,365.51
	1,000,000	-	1,000,000	19,184	8,618.95	**466.04**	9,084.99
Apartments (4 or more units)	$ 200,000	$ -	$ 200,000	$ 2,500	$ 1,123.20	**$ 60.73**	$ 1,183.93
	300,000	-	300,000	3,750	1,684.80	**91.10**	1,775.90
	500,000	-	500,000	6,250	2,808.00	**151.83**	2,959.83
Agricultural Homestead **	$ 150,000	$ 23,740	$ 126,260	$ 1,263	$ 567.26	**$ 30.67**	$ 597.93
	400,000	23,740	376,260	2,513	1,128.86	**61.04**	1,189.90
	500,000	23,740	476,260	3,013	1,353.50	**73.19**	1,426.69
	600,000	23,740	576,260	3,513	1,578.14	**85.33**	1,663.47
	800,000	23,740	776,260	4,513	2,027.42	**109.63**	2,137.05
	1,000,000	23,740	976,260	5,513	2,476.70	**133.92**	2,610.62
Agricultural Non-Homestead (dollars per acre)	$ 1,500	$ -	$ 1,500	$ 15	$ 6.74	**$ 0.36**	$ 7.10
	2,000	-	2,000	20	8.99	**0.49**	9.47
	2,500	-	2,500	25	11.23	**0.61**	11.84
Seasonal/Recreation Residential	$ 100,000	$ -	$ 100,000	$ 1,000	$ 449.28	**$ 24.29**	$ 473.57
	200,000	-	200,000	2,000	898.56	**48.59**	947.15
	300,000	-	300,000	3,000	1,347.84	**72.88**	1,420.72
	400,000	-	400,000	4,000	1,797.12	**97.17**	1,894.29

** The figures in the table are based on taxes for new bonded debt only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the state Property Tax Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net tax effect of the bond issue for many property owners.*

*** For agricultural homestead property, a value of $150,000 was assumed for the house, garage and one acre.*

Prepared by Ehlers
9/21/2021

EHLERS
PUBLIC FINANCE ADVISO

City of Fridley, Minnesota

$8,480,000 General Obligation Bonds, Series 2029
Assumes Current Market BQ "Aa2" Rates +175bps
15 Years

Sources & Uses

Dated 08/01/2029 | Delivered 08/01/2029

Sources Of Funds

Par Amount of Bonds	$8,480,000.00
Total Sources	**$8,480,000.00**

Uses Of Funds

Total Underwriter's Discount (1.200%)	101,760.00
Costs of Issuance	76,000.00
Deposit to Project Construction Fund	8,300,000.00
Rounding Amount	2,240.00
Total Uses	**$8,480,000.00**

City of Fridley, Minnesota

$8,480,000 General Obligation Bonds, Series 2029
Assumes Current Market BQ "Aa2" Rates +175bps
15 Years

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2029	-	-	-	-	-
08/01/2030	-	-	231,212.50	231,212.50	-
02/01/2031	370,000.00	1.950%	115,606.25	485,606.25	716,818.75
08/01/2031	-	-	111,998.75	111,998.75	-
02/01/2032	490,000.00	2.050%	111,998.75	601,998.75	713,997.50
08/01/2032	-	-	106,976.25	106,976.25	-
02/01/2033	500,000.00	2.100%	106,976.25	606,976.25	713,952.50
08/01/2033	-	-	101,726.25	101,726.25	-
02/01/2034	515,000.00	2.250%	101,726.25	616,726.25	718,452.50
08/01/2034	-	-	95,932.50	95,932.50	-
02/01/2035	525,000.00	2.350%	95,932.50	620,932.50	716,865.00
08/01/2035	-	-	89,763.75	89,763.75	-
02/01/2036	535,000.00	2.450%	89,763.75	624,763.75	714,527.50
08/01/2036	-	-	83,210.00	83,210.00	-
02/01/2037	550,000.00	2.550%	83,210.00	633,210.00	716,420.00
08/01/2037	-	-	76,197.50	76,197.50	-
02/01/2038	565,000.00	2.750%	76,197.50	641,197.50	717,395.00
08/01/2038	-	-	68,428.75	68,428.75	-
02/01/2039	580,000.00	2.800%	68,428.75	648,428.75	716,857.50
08/01/2039	-	-	60,308.75	60,308.75	-
02/01/2040	595,000.00	2.900%	60,308.75	655,308.75	715,617.50
08/01/2040	-	-	51,681.25	51,681.25	-
02/01/2041	610,000.00	3.000%	51,681.25	661,681.25	713,362.50
08/01/2041	-	-	42,531.25	42,531.25	-
02/01/2042	630,000.00	3.100%	42,531.25	672,531.25	715,062.50
08/01/2042	-	-	32,766.25	32,766.25	-
02/01/2043	650,000.00	3.150%	32,766.25	682,766.25	715,532.50
08/01/2043	-	-	22,528.75	22,528.75	-
02/01/2044	670,000.00	3.250%	22,528.75	692,528.75	715,057.50
08/01/2044	-	-	11,641.25	11,641.25	-
02/01/2045	695,000.00	3.350%	11,641.25	706,641.25	718,282.50
Total	**$8,480,000.00**	**-**	**$2,258,201.25**	**$10,738,201.25**	**-**

Yield Statistics

Bond Year Dollars	$77,050.00
Average Life	9.086 Years
Average Coupon	2.9308258%
Net Interest Cost (NIC)	3.0628958%
True Interest Cost (TIC)	3.0656725%
Bond Yield for Arbitrage Purposes	2.9102630%
All Inclusive Cost (AIC)	3.1834335%

IRS Form 8038

Net Interest Cost	2.9308258%
Weighted Average Maturity	9.086 Years

City of Fridley, Minnesota

$8,480,000 General Obligation Bonds, Series 2029
Assumes Current Market BQ "Aa2" Rates +175bps
15 Years

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2030	-	-	-	-	-
02/01/2031	370,000.00	1.950%	346,818.75	716,818.75	752,659.69
02/01/2032	490,000.00	2.050%	223,997.50	713,997.50	749,697.38
02/01/2033	500,000.00	2.100%	213,952.50	713,952.50	749,650.13
02/01/2034	515,000.00	2.250%	203,452.50	718,452.50	754,375.13
02/01/2035	525,000.00	2.350%	191,865.00	716,865.00	752,708.25
02/01/2036	535,000.00	2.450%	179,527.50	714,527.50	750,253.88
02/01/2037	550,000.00	2.550%	166,420.00	716,420.00	752,241.00
02/01/2038	565,000.00	2.750%	152,395.00	717,395.00	753,264.75
02/01/2039	580,000.00	2.800%	136,857.50	716,857.50	752,700.38
02/01/2040	595,000.00	2.900%	120,617.50	715,617.50	751,398.38
02/01/2041	610,000.00	3.000%	103,362.50	713,362.50	749,030.63
02/01/2042	630,000.00	3.100%	85,062.50	715,062.50	750,815.63
02/01/2043	650,000.00	3.150%	65,532.50	715,532.50	751,309.13
02/01/2044	670,000.00	3.250%	45,057.50	715,057.50	750,810.38
02/01/2045	695,000.00	3.350%	23,282.50	718,282.50	754,196.63
Total	**$8,480,000.00**	**-**	**$2,258,201.25**	**$10,738,201.25**	**$11,275,111.31**

Significant Dates

Dated	8/01/2029
First Coupon Date	8/01/2030

Yield Statistics

Bond Year Dollars	$77,050.00
Average Life	9.086 Years
Average Coupon	2.9308258%
Net Interest Cost (NIC)	3.0628958%
True Interest Cost (TIC)	3.0656725%
Bond Yield for Arbitrage Purposes	2.9102630%
All Inclusive Cost (AIC)	3.1834335%

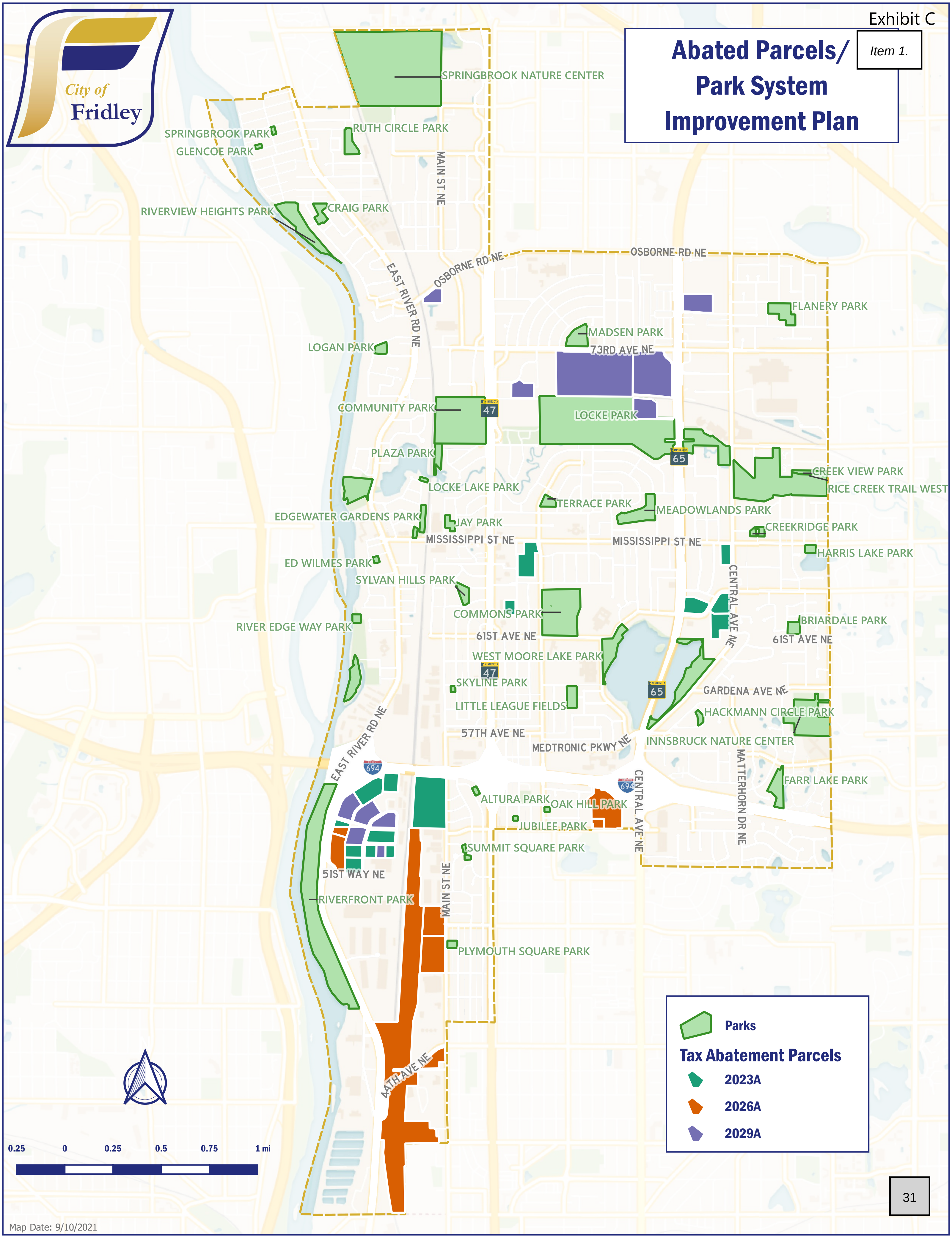
IRS Form 8038

Net Interest Cost	2.9308258%
Weighted Average Maturity	9.086 Years

Exhibit C

Item 1.

Abated Parcels/ Park System Improvement Plan



Public Finance Advisory Committee

October 26, 2021

Option No. 1: $25 Million Bond with 20-Year Term

Property Tax Comparison									
Rank (Old, City)	Rank (Old, Total)	City	County Rate	City Rate	School Rate	Special Rate	Total Rate	Rank (New, City)	Rank (New, Total)
1	2	Columbia Heights	29.65%	69.18%	28.77%	6.87%	134.47%	2	6
2	1	Brooklyn Center	38.21%	64.74%	30.01%	10.00%	142.97%	1	1
3	3	Richfield	38.21%	54.08%	30.52%	9.71%	132.51%	4	3
4	5	Golden Valley	38.21%	52.44%	26.07%	8.77%	125.49%	3	4
5	10	Inver Grove Heights	22.72%	50.74%	22.54%	3.43%	99.43%	5	10
6	**6**	**Fridley**	**31.47%**	**50.43%**	**37.11%**	**5.78%**	**124.78%**	**6**	**6**
7	8	Savage	31.02%	42.25%	26.85%	5.22%	105.34%	8	8
8	4	Maplewood	47.76%	41.95%	31.86%	8.92%	130.49%	7	2
9	9	Oakdale	27.44%	38.82%	31.81%	6.90%	104.97%	10	9
10	11	Coon Rapids	31.47%	38.55%	16.15%	4.96%	91.14%	9	11
11	7	New Brighton	47.76%	34.59%	24.36%	7.82%	114.54%	11	7

Source: Minnesota Department of Revenue, 2021 Property Tax Report (thru the League of Minnesota Cities)

Bond Issue Comparison				
Issue Amount	Property Tax Rate Change	Total Additional Annual Tax	Total Additional Monthly Tax	Total Interest Payments
$15,000,000	3.3%	$80	$7	$5,283,984
20,000,000	4.4%	107	9	7,045,312
25,000,000	**5.5%**	**133**	**11**	**8,806,640**
30,000,000	6.6%	160	13	10,567,968

Source: Extrapolated from information provided by Ehlers Public Finance Advisors.

Option No. 2: $25 Million Bond with 15-Year Term

Property Tax Comparison									
Rank (Old, City)	Rank (Old, Total)	City	County Rate	City Rate	School Rate	Special Rate	Total Rate	Rank (New, City)	Rank (New, Total)
1	2	Columbia Heights	29.65%	69.18%	28.77%	6.87%	134.47%	1	2
2	1	Brooklyn Center	38.21%	64.74%	30.01%	10.00%	142.97%	2	1
3	3	Richfield	38.21%	54.08%	30.52%	9.71%	132.51%	3	3
4	5	Golden Valley	38.21%	52.44%	26.07%	8.77%	125.49%	4	6
6	**6**	**Fridley**	**31.47%**	**51.68%**	**37.11%**	**5.78%**	**126.03%**	**5**	**5**
5	10	Inver Grove Heights	22.72%	50.74%	22.54%	3.43%	99.43%	6	10
7	8	Savage	31.02%	42.25%	26.85%	5.22%	105.34%	7	8
8	4	Maplewood	47.76%	41.95%	31.86%	8.92%	130.49%	8	4
9	9	Oakdale	27.44%	38.82%	31.81%	6.90%	104.97%	9	9
10	11	Coon Rapids	31.47%	38.55%	16.15%	4.96%	91.14%	10	11
11	7	New Brighton	47.76%	34.59%	24.36%	7.82%	114.54%	11	7

Source: Minnesota Department of Revenue, 2021 Property Tax Report (thru the League of Minnesota Cities)

Bond Issue Comparison				
Issue Amount	Property Tax Rate Change	Total Additional Annual Tax	Total Additional Monthly Tax	Total Interest Payments
$15,000,000	4.05%	$97	$8	$3,505,372
20,000,000	5.40%	130	11	4,673,829
25,000,000	**6.75%**	**162**	**14**	**5,842,287**
30,000,000	8.10%	194	16	7,010,744

Source: Extrapolated from information provided by Ehlers Public Finance Advisors.

Public Finance Advisory Committee
October 26, 2021

Type	Classification (1) (2) (3)	Units	Monthly Rate	Monthly Revenue	Annually Rate	Annually Revenue
Gas	Residential	7869	$ 5.50	$ 43,279.50	$ 66.00	$ 519,354.00
	Commercial	512	63.00	32,256.00	756.00	387,072.00
Electric	Residential	7869	5.50	43,279.50	66.00	519,354.00
	Commercial	512	63.00	32,256.00	756.00	387,072.00
Total	Residential	7869	11.00	86,559.00	132.00	1,038,708.00
	Commercial	512	126.00	64,512.00	1,512.00	774,144.00
	Grand Total			**$ 151,071.00**		**$ 1,812,852.00**

Notes

(1) The residential classification includes residential, multiple family, and manufactured home properties.

(2) The commercial classification includes commercial/industrial property, municipal and non-profit properties.

(3) The commercial classification averages the various costs and types of charges for different property types.

AGENDA REPORT

Meeting Date: October 26, 2021 **Meeting Type:** Public Finance Advisory Committee

Submitted By: Daniel Tienter, Director of Finance/City Treasurer

Title

Draft Final Report and Recommendations

Background

On June 14, 2021, the City Council (Council) formed the Public Finance Advisory Committee (Committee) to further consider and recommend an appropriate financing method for the pending Park System Improvement Plan (Plan) (Resolution No. 2021-51). As part of that action, the Council also directed the Plan not to exceed of $30 million or a 10-year timeline.

Over the course of the four previous meetings, the Committee discussed various financial considerations related to the Plan, most notably the size and structure of a potential bond issue(s). As a result of these discussions, staff prepared a Draft Final Report and Recommendations (Final Report) on behalf of the Committee (Exhibit A). As noted in the Draft Final Report, certain sections require additional guidance from the Committee, primarily as it relates to the type of the potential bond issue. Additionally, the Committee may alter any other sections of the Final Report.

Upon consensus of the Committee, staff will finalize the Final Report and present it for Council consideration at a future Conference Meeting. As mentioned at a previous meeting, Committee Members are welcome to attend that meeting.

Discussion

Staff request that Committee Members review the attached information and consider finalizing their recommendations to the Council.

Focus on Fridley Strategic Alignment

X Vibrant Neighborhoods & Places

X Financial Stability & Commercial Prosperity

____ Organizational Excellence

____ Community Identity & Relationship Building

____ Public Safety & Environmental Stewardship

Attachments and Other Resources

- Exhibit A: Draft Final Report and Recommendations of the Committee

Vision Statement

We believe Fridley will be a safe, vibrant, friendly and stable home for families and businesses.

DRAFT
Final Report and Recommendations
of the
Public Finance Advisory Committee
for the
Park System Improvement Plan

October 26, 2021

City of Fridley

Public Finance Advisory Committee Members

The City Council appointed the following residents to form a recommendation regarding the appropriate financing method(s) to implement the Park System Improvement Plan.

- Ron Ackerman
- Scott Brinkhaus
- Walter Smith
- Steve Schmit
- Rachel Schwankl
- Alesia Thompson
- Lee Pao Xiong

A special thanks to Ehlers and Associates, Inc. for preparing additional analysis and exhibits for the consideration of the Public Finance Advisory Committee.

City of Fridley
Friendly, Responsive & Driven

Department of Finance
7071 University Avenue Northeast
Fridley, MN 55432
FridleyMN.gov

Introduction and Background

In 2019, the City of Fridley (City) began a comprehensive park system planning effort known as "Finding Your Fun In Fridley." After nearly two years of community engagement and more than 1,000 comments from residents and other stakeholders, the City developed the Draft Park System Improvement Plan (Plan). Generally, the Plan envisioned a park system responsive to the shifts in both the demographics and recreation trends of the Fridley community. It also proposed to address significant deferred maintenance and make an approximately $50.8 million investment in park system.

Upon review of Plan and following additional feedback from the Fridley community at the Annual Town Hall Meeting, the City Council (Council) resolved to implement it at a cost not to exceed $30 million or a 10-year timeline (Resolution No. 2021-51). Generally, these parameters recognized the financial limits of the City and the desire of the community to realize affordable park system improvement as soon as possible. However, even at this reduced cost, the Council also recognized the need to use debt (i.e., borrow money) to accomplish the Plan.

On June 28, 2021, the Council appointed two advisory committees, comprised of residents and business owners, to provide additional community input regarding Plan implementation. The refinements group would work to moderate the Plan and its costs, while the Public Finance Advisory Committee (Committee) would recommend the appropriate financing method(s) for the Plan (Appendix A); both groups operated within the parameter set by the Council. This report outlines the efforts and recommendations of the Committee.

Under this Council guidance, and on schedule determined by the City Manager and agreed to by the group, the Committee met five times over a three-month period to review the financial options available to the City, including the use of debt or similar instruments, the use of City fund balances and potential donation or fundraising programs. Upon the request of the Committee, the City also prepared five different financial plans, two preliminary series of bond issues, identified possible property tax abatement parcels, developed a potential franchise fee program and conducted property tax impact analysis for the various alternatives. As a result, this analysis and their discussions, the Committee formed the recommendations found in the following section.

Recommendations

Through their deliberations, the Committee ultimately recommended a Financial Plan (Appendix B [pending recommended financial plan]) and a several ancillary recommendations to support Plan implementation. These recommendations reflected the consensus of the Committee.

Financial Plan

Generally, the Committee recommended a Financial Plan at a cost not exceed $30 million to support Plan implementation over a 10-year period beginning in 2023. The Committee also recommended the Financial Plan include the use of debt, but such debt should not exceed a net amount of [$18 million/$20 million] with the balance of the cost supported by the use of fund balance from applicable funds.

[Insert discussion regarding the use of a bond referendum or tax abatement bonds]

The Committee also recommended the Council issue each bond series with a term not to exceed [15/20] years.

[Insert property tax analysis depending upon bond issue sizing].

Other Recommendations

During their discussions, the Committee also identified several other practices and strategies to support Plan implementation and defray costs for the City. The Committee did not prioritize these recommendations.

1. Encourage the formation of non-profit organization (e.g., Friends of Fridley Parks) to support the park system, similar to the successful Springbrook Nature Center Foundation model.
2. Consider alternative funding mechanisms, including, but not limited to:
    a. Implementation of franchise fees on electric and gas utilities;
    b. Development of a Payments in Lieu of Taxes (PILT) program to allow exempt parcels an opportunity to support Plan improvements.
    c. Creation of easy-to-administer donation programs, such as through Fridley Liquor or utility billing system (e.g., “rounding up your bill”).
3. Create an internship program to research, draft and submit grant applications for applicable park system improvements.
4. Hire a civil engineer or project manager to reduce design, engineering and administrative costs associated with certain Plan improvements.
5. Consider regular and ongoing operating budget changes upon completion of Plan improvements to protect the substantial investment made by the City.

In the spirit of these recommendations, the Committee also encouraged the City to be entrepreneurial and innovative as it attempts to finance and support the Plan.

Conclusion

The Committee recognized the need for a significant investment in the park system. Through these recommendations, the Committee, in its opinion, balanced the financial impact for property owners with the need to invest in the future of the Fridley community. The Financial Plan, as recommended, also protected the financial position of the City while delivering the Plan on a reasonable timeline.

Committee Charter
Public Finance Advisory Committee

Mission
Pursuant to Resolution No. 2021–51 and Resolution No. 2021–55, the City Council (Council) authorized and created a Public Finance Advisory Committee (Committee) of interested residents to advise and recommend to the Council an appropriate financing method(s) to support implementation of the Park System Improvement Plan (Plan).

Framework
Under the guidance of this mission, the Committee shall:
- Consist of up to eight residents, interested in the Plan and Park System, and able to attend duly scheduled meetings;
- Consider and recommend an appropriate financial plan for the Plan, which may not exceed $30 million or a 10–year timeline;
- Promote further public participation and input in the Plan development process; and
- Receive facilitation and support from City staff, primarily through the Director of Finance/City Treasurer/City Clerk.

Meetings
To accomplish both this mission and framework, the Committee shall meet approximately five times to discuss various topics applicable to the public finance of a park system. Additionally, the meetings shall be:
- Open to the public, with public notice provided at least five calendar days prior to any meeting;
- Recorded, with meeting agendas, materials and minutes available through the City website; and
- Held at dates and times convenient for public participation, primarily on Tuesdays on or after 6:00 p.m., depending upon the availability of Committee members, in the Council Chambers.

Committee members may also be asked to attend additional meetings as needed (e.g., City Council, Parks and Recreation Commission, Stakeholder Meetings).

Role
The Committee serves in an advisory capacity to the Council and provides recommendations to further inform Council decisions. However, the Committee does not formally approve or authorize any Plan actions.

The Committee shall primarily focus on the financial consideration of the Plan and not otherwise consider Plan elements beyond their financial impact or related strategy. Consistent with the aforementioned resolutions, the Council also created a Plan Refinement Advisory Committee to further evaluate Plan concepts.