



CITY OF CORCORAN  
Council Work Session Agenda  
August 12, 2021 - 5:30 pm

1. Call to Order / Roll Call
2. Draft 2022 Budget and Financial Management Plan\*
3. Unscheduled Items
4. Adjournment

**Meeting Held Via Telephone/Other Electronic Means Call-in Instructions**

**Meeting Via Telephone/Other Electronic Means**

**Call-in Instructions:**

+1 312 626 6799 US

**Enter Meeting ID: 895 2697 1728**

Press \*9 to speak during the Public Comment Sections in the meeting.

**Video Link and Instructions:**

<https://us02web.zoom.us/j/89526971728>

visit <http://www.zoom.us> and enter

**Meeting ID: 895 2697 1728**

Participants can utilize the Raise Hand function to be recognized to speak during the Public Comment sections in the meeting. Participant video feeds will be muted. **In-person comments will be received first, with the hybrid electronic means option following.**

For more information on options to provide public comment visit:

[www.corcoranmn.gov](http://www.corcoranmn.gov)

**\*Includes Materials** - Materials relating to these agenda items can be found in the Council Chambers Agenda Packet book located by the entrance. The complete Council Agenda Packet is available electronically on the City website at [www.corcoranmn.gov](http://www.corcoranmn.gov).



# CITY OF CORCORAN

8200 County Road 116 • Corcoran, MN 55340  
763-420-2288 • www.ci.corcoran.mn.us

## MEMO

Meeting Date: August 12, 2021  
To: City Council  
From: Brad Martens, City Administrator  
Re: Draft 2022 Budget and Financial Management Plan

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Staff has completed the first draft of the 2022 budget for review by the City Council. The draft includes the funds needed for the continuation of services provided, with additional recommendations to meet the increased needs of the organization.

Direction for staff was to draft a budget that does not raise the tax rate. It is estimated that the tax levy can increase by \$727,948 and maintain the existing tax rate of 43.522%. The first draft of the 2022 budget has a tax levy increase of \$774,595 which is \$46,647 over that amount. Staff will continue to refine the budget to achieve that goal of no increase in tax rate. The budget is presented as is to receive initial feedback from the City Council prior to that refinement taking place.

The following outlines some of the larger changes in expenditures to the budget from 2021. The attached draft budget includes many other changes on various line items.

### Staffing:

The largest increase to the draft 2022 budget is staffing. The City has seen significant increases in new home construction with a major uptick beginning in 2019. The projected new homes constructed between 2019-2021 is 646 units. This non-incremental increase in new homes requires the same non-incremental increase in staffing to ensure basic services can continue to be provided. In order to achieve this, the following additional positions are included in the 2022 budget as compared to the 2021 budget. In addition to the added positions, a 3% increase in wages is assumed as well as a 10% increase in insurance costs split 70/30 by the employer/employee.

### Administration:

- Full year of finance manager position (hired mid-way through 2021)
- Intern position
- Part-time Administrative Assistant for Planning

- Part-time Program Coordinator for recreation

#### Public Works:

- Development Superintendent (partially paid by development)
- Operations Superintendent
- Administrative Assistant/Permit Tech

#### Public Safety

- Sergeant
- Administrative Assistant increase from .75 FTE to 1 FTE
- Additional Community Service Officer hours
- Increase in part-time police wages

In addition to the staffing increases, the following outlines some of the larger non-staffing expenditure increases included in the draft budget.

- Elections: \$15,600
  - Need for the 2022 general election
- Information technology: \$29,500
  - Increased monthly hours and added costs for additional staff needs
- Engineering: \$15,000
  - Increased demand. This would be higher if not for the investment in staffing
- Fire: \$28,900
  - Assuming 7.5% increase
- Building inspections
  - Assuming 230 new homes; this line item only covers direct costs paid and does not include city staff or other direct or indirect costs included in other budget categories
  - Revenues are also increased significantly to help offset costs
- Budget transfers: \$125,000
  - Increase in CIP, stormwater fund, and facility fund contributions
- Dust control revenue: \$37,500
  - No billing of dust control planned in 2022

The City Council should provide direction on changes to be made prior to bringing another draft back for review. A preliminary levy must be adopted by September 30<sup>th</sup> and tax impact statements will be mailed to all properties in November based upon that adopted preliminary levy. The Council may wish to schedule an additional work session if significant conversation is required.

In addition to the draft 2022 budget, the draft Financial Management Plan is attached. This important document includes all city funds and provides guidance for decision making moving forward.

One specific area of discussion in the financial management plan is the proposed water improvements project outlined in the CIP and Debt section and the Water Fund section. The proposed \$14,250,000 project is financially feasible based upon the growth assumptions used in the report between trunk fees and water users. The assumptions

used include continued pace of development with over 200 new homes per year through 2024 and pace slowing thereafter. This is a conservative projection based upon the growth the city is seeing. The assumptions also include a multi-family housing project taking place which is the proposed St. Therese campus. Staff will be looking for direction on whether or not to proceed with the water improvements projects based upon the finances projected.

Attachments:

1. Rev. 1 – Draft 2022 Budget
2. Draft Financial Management Plan

1	<b>CITY OF CORCORAN</b>										Draft August 12, 2021	
2	2021										Rev 1	
3	OSA	LINE ITEM CODE	DESCRIPTION OF EXPENDITURE	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 Budget	BUDGET DIFFERENCE 2021/2022	
4	<b>CITY HALL DEPARTMENTS</b>										COMMENTS	
5	<b>City Council</b>											
6	41100-100	Wages & Salaries		6,600	19,260	19,260	19,260	19,260	19,260	19,260	\$ -	
7	41100-122	FICA / SS		409	1,195	1,195	1,195	1,195	1,195	1,195	\$ -	
8	41100-126	Medicare		96	280	280	280	280	280	280	\$ -	
9	41100-208	Training		1,000	2,500	1,000	1,500	5,000	6,500	6,500	\$ -	
10	41100-210	Operating Expense		-	3,000	3,000	1,500	1,500	3,000	3,000	\$ -	Electronic Device Stipend
11	41100-364	Workers' Compensation		75	95	70	74	71			\$ -	
12	<b>Total City Council</b>			<b>8,180</b>	<b>26,330</b>	<b>24,805</b>	<b>23,809</b>	<b>27,306</b>	<b>30,235</b>	<b>30,235</b>	\$ -	
13	<b>News Letter/Website</b>											
14	<b>News Letter/Website</b>										\$ -	
15	41130-351	News letter, Misc. literature		6,000	6,500	8,000	8,500	9,000	9,500	10,000	\$ 500	
17	41130-354	Website		1,500	2,000	2,000	5,500	4,500	5,000	5,000	\$ -	
18	<b>Total Newsletter &amp; Web</b>			<b>7,500</b>	<b>8,500</b>	<b>10,000</b>	<b>14,000</b>	<b>13,500</b>	<b>14,500</b>	<b>15,000</b>	\$ 500	
19	<b>Elections</b>										\$ -	
20	<b>Elections</b>										\$ -	
21	41410-210	Operating Supplies		7,000	1,600	8,500	1,700	14,000	2,400	18,000	\$ 15,600	
22	<b>Total Elections</b>			<b>7,000</b>	<b>1,600</b>	<b>8,500</b>	<b>1,700</b>	<b>14,000</b>	<b>2,400</b>	<b>18,000</b>	\$ 15,600	
23	<b>Auditor</b>										\$ -	
24	<b>Auditor</b>										\$ -	
25	41540-300	Professional Services		20,000	23,000	23,000	24,000	24,500	25,000	28,000	\$ 3,000	Abdo, Eick & Meyers - Additional Federal Review with ARPA
26		Financial Services		6,000	7,500	7,500	8,000	8,000	12,000	15,000	\$ 3,000	Accounting/Audit Prep & OPEB actuarial from Gallagher
29	<b>Total Auditor</b>			<b>26,000</b>	<b>30,500</b>	<b>30,500</b>	<b>32,000</b>	<b>32,500</b>	<b>37,000</b>	<b>43,000</b>	\$ 6,000	
30	<b>Assessor</b>										\$ -	
31	<b>Assessor</b>										\$ -	
32	41550-210	Operating Supplies		1,000	1,000	1,000	1,000	1,000	1,000	1,000	\$ -	
33	41550-300	Professional Services		59,000	57,000	59,250	65,500	66,700	94,000	101,000	\$ 7,000	Assessing agreement with Hennepin County
34	<b>Total Assessor</b>			<b>60,000</b>	<b>58,000</b>	<b>60,250</b>	<b>66,500</b>	<b>67,700</b>	<b>95,000</b>	<b>102,000</b>	\$ 7,000	
35	<b>Attorney</b>										\$ -	
36	<b>Attorney</b>										\$ -	
37	41600-300	Professional Services		31,000	27,000	29,000	31,000	32,000	34,000	38,000	\$ 4,000	
38	<b>Total City Attorney</b>			<b>31,000</b>	<b>27,000</b>	<b>29,000</b>	<b>31,000</b>	<b>32,000</b>	<b>34,000</b>	<b>38,000</b>	\$ 4,000	
39	<b>City Charter</b>										\$ -	
40	<b>City Charter</b>										\$ -	
41	41000-210	Operating Supplies									\$ -	
42	41000-300	Professional Services									\$ -	
43	<b>Total City Charter</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	\$ -	
44	<b>Other General Government</b>										\$ -	
45	<b>Other General Government</b>										\$ -	
49	41900-210	Operating Supplies		4,600	4,000	4,000	6,000	7,500	8,000	8,500	\$ 500	
50	41900-300	Professional Svcs		5,000	8,000	10,000	12,000	12,500	10,500	11,500	\$ 1,000	mental health policy costs (\$5,500)
51	41900-321	Telephone		-							\$ -	
52	41900-360	Insurance		68,000	65,000	61,000	68,000	71,050	80,000	88,000	\$ 8,000	
53	41900-430	Misc. Banking Charges		-							\$ -	
54	41900-433	Dues & Memberships		27,000	27,000	27,000	27,000	25,000	25,000	25,000	\$ -	
64	41900-810	Refunds/Reimbursements									\$ -	
65	<b>Total Other Government</b>			<b>104,600</b>	<b>104,000</b>	<b>102,000</b>	<b>113,000</b>	<b>116,050</b>	<b>123,500</b>	<b>133,000</b>	\$ 9,500	
66	<b>City Hall Operating Expenses</b>										\$ -	
67	<b>City Hall Operating Expenses</b>										\$ -	
68	41941-200	Office/Computer Supplies		6,000	3,500	3,500	3,500	3,750	4,500	4,750	\$ 250	
69	41941-201	Postage/Shipping		3,000	3,250	3,500	3,500	3,750	3,750	4,000	\$ 250	
70	41941-207	Computer / Copier Supplies		-	-	-	-	-	-	-	\$ -	
71	41941-210	Operating Supplies		17,000	17,000	17,500	19,000	19,000	19,500	20,000	\$ 500	Cintas, Zep, Adam's Pest Control, Hearing Notices.
72	41941-300	Professional Services		9,000	12,000	12,000	12,500	15,500	15,500	16,000	\$ 500	Admin Fees (ADP), Ordinance Codification.
73	41941-321	Telephone		2,500	2,500	2,500	2,500	2,500	2,500	2,500	\$ -	
74	41941-352	Gen. Notices Public Hearing information		-	-	-	-	-	-	-	\$ -	
75	41941-364	Workers Comp Insur. ( Misc. Vol. Commissioners Staff)		25	25	25	26	-			\$ -	
76	41941-380	Utilities / Outside Services		15,500	16,000	15,000	15,000	15,000	16,000	16,000	\$ -	Center Point, Randy's, Wright Henn Elec, Wright Henn Security.
77	41941-400	Repairs /Maintenance Bldg.		12,000	12,000	12,000	16,500	16,500	19,500	19,500	\$ -	
78	41941-430	Misc. Banking Charge		-	300	300	300	300	400	400	\$ -	
79	41941-432	Credit Card Fees		-	-	-	750	3,750	7,000	8,000	\$ 1,000	Increased use of credit cards
80	41941-520	Buildings & Structures		5,000	8,000	8,000	8,000	6,000	6,000	6,000	\$ -	
81	41941-810	Refunds/Reimbursements		-	-	-	-	-	-	-	\$ -	
82	<b>Total City Hall Operating</b>			<b>70,025</b>	<b>74,575</b>	<b>74,325</b>	<b>81,576</b>	<b>86,050</b>	<b>94,650</b>	<b>97,150</b>	\$ 2,500	
83	<b>IT Technology</b>										\$ -	
84	<b>IT Technology</b>										\$ -	
85	41951-201	Postage Shipping									\$ -	
86	41951-207	Computer / Supplies		25,550	27,500	28,500	24,500	28,000	35,000	45,500	\$ 10,500	Annual License Renewals; Watchguard

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3	OSA	LINE ITEM CODE	DESCRIPTION OF EXPENDITURE	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 Budget	BUDGET DIFFERENCE 2021/2022	
87		41951-210	Operating Supplies	1,500	9,725	10,000	10,000	11,000	15,000	16,000	\$ 1,000	Additional copier lease
88		41951-300	Professional Supplies	21,500	26,200	30,000	52,500	75,000	85,000	95,000	\$ 10,000	Managed Services; \$5,000 increase for Watchguard (body cameras)
89		41951-530	Facility Assets	6,500	11,500	8,000	9,000	9,000	12,000	20,000	\$ 8,000	Additional computers for new staff
90			<b>Total IT Technology</b>	<b>55,050</b>	<b>74,925</b>	<b>76,500</b>	<b>96,000</b>	<b>123,000</b>	<b>147,000</b>	<b>176,500</b>	<b>\$ 29,500</b>	
91												
92			<b>Engineering</b>								\$ -	
93		43170-260	Comprehensive Plan								\$ -	
94											\$ -	
95		43170-299	Watershed LGU	-	-	-	10,000	7,500	10,000	10,000	\$ -	LGU wetland services.
96		43170-300	Professional Services	47,500	31,250	22,500	22,500	25,000	35,000	50,000	\$ 15,000	Increased demand from projects
97			<b>Total Engineering</b>	<b>47,500</b>	<b>31,250</b>	<b>22,500</b>	<b>32,500</b>	<b>32,500</b>	<b>45,000</b>	<b>60,000</b>	<b>\$ 15,000</b>	
98												
99			<b>Fire</b>								\$ -	
100		42200-300	Professional Services	281,000	298,700	328,113	348,500	367,000	383,100	412,000	\$ 28,900	Contract Increases (projected 7.5% increase)
101		42200-550	Motor Vehicles	-	-	-	-	-	-	-	\$ -	
102		42200-580	Safety Inspections	-	-	-	-	-	10,000	10,000	\$ -	New education/inspection program
103			<b>Total Fire Services</b>	<b>281,000</b>	<b>298,700</b>	<b>328,113</b>	<b>348,500</b>	<b>367,000</b>	<b>393,100</b>	<b>422,000</b>	<b>\$ 28,900</b>	
104												
105			<b>Building Inspections</b>								\$ -	
106		42400-300	Professional Services	74,000	110,000	117,000	157,250	166,500	402,000	470,000	\$ 68,000	230 new home permits - Metro West only
107		42400-437	Surcharges	11,000	12,500	13,000	12,750	13,500	24,500	39,000	\$ 14,500	State of MN only
108			<b>Total Building Inspections</b>	<b>85,000</b>	<b>122,500</b>	<b>130,000</b>	<b>170,000</b>	<b>180,000</b>	<b>426,500</b>	<b>509,000</b>	<b>\$ 82,500</b>	
109												
110			<b>Recycling</b>								\$ -	
111		43232-210	Operating Supplies	-	3,000	3,000	4,000	3,500	3,500	3,500	\$ -	
112		43232-300	Professional Services	6,000	6,000	6,000	6,300	8,300	9,000	10,000	\$ 1,000	Provider to Managing Billing/Balance City Subsidy.
113			<b>Total Recycling</b>	<b>6,000</b>	<b>9,000</b>	<b>9,000</b>	<b>10,300</b>	<b>11,800</b>	<b>12,500</b>	<b>13,500</b>	<b>\$ 1,000</b>	
114												
115			<b>TOTAL CITY HALL</b>	<b>788,855</b>	<b>866,880</b>	<b>905,493</b>	<b>1,020,885</b>	<b>1,103,406</b>	<b>1,455,385</b>	<b>1,657,385</b>	<b>\$ 202,000</b>	
116												
117			<b>City Administrator</b>								\$ -	
118		41300-100	Wages & Salaries	99,757	102,658	109,990	\$112,195	\$128,752	\$134,888	\$138,944	\$ 4,056	
119		41300-121	PERA	7,482	7,699	8,249	8,415	9,656	10,117	10,421	\$ 304	
120		41300-122	FICA / SS	6,185	6,365	6,819	6,956	7,983	8,363	8,615	\$ 252	
121		41300-126	Medicare	1,446	1,489	1,595	1,627	1,867	1,956	2,015	\$ 59	
122		41300-130	Employer Paid FSA	-	-	-	-	-	-	-	\$ -	
123		41300-131	Employer Paid Health	17,643	15,409	15,983	16,721	19,487	20,407	22,448	\$ 2,041	Life, A/D, LTD, STD, FSA/HSA, Health
124		41300-132	Medical Cafeteria Plan								\$ -	
125		41300-133	Employer Paid HSA								\$ -	
126		41300-140	Unemployment Compensation								\$ -	
127		41300-208	Training	4,000	4,350	4,500	5,000	5,000	5,500	5,500	\$ -	
128	\$	725	MCMA Conference								\$ -	
129	\$	1,900	ICMA Conference								\$ -	
130	\$	375	LMC Conference								\$ -	
131	\$	800	Leadership Growth Group								\$ -	
132	\$	200	MAMA								\$ -	
133		41300-210	Operating Supplies	700	800	1,000	1,000	1,000	1,000	1,200	\$ 200	
134		41300-300	Professional Services								\$ -	
135		41300-364	Workers' Compensation	600	570	510	536	771	810	750	\$ (60)	
136		41300-433	Dues & Memberships	1,000	1,000	1,300	1,300	1,300	1,400	1,400	\$ -	
137	\$	111	MN City/County Managers								\$ -	
138	\$	738	ICMA								\$ -	
139			<b>Total City Administrator</b>	<b>138,813</b>	<b>140,340</b>	<b>149,946</b>	<b>153,750</b>	<b>175,816</b>	<b>184,441</b>	<b>\$191,293</b>	<b>\$ 6,852</b>	
140												
141			<b>Administrative Staff</b>								\$ -	
142		41400-100	Wages & Salaries	168,640	174,918	192,055	221,689	260,181	273,442	401,643	\$ 128,201	Full year of finance manager, new HR/Communications, new intern
143		41400-110	Overtime	1,000	200	500	-	2,500	5,000	-	\$ (5,000)	
144		41400-121	PERA	12,723	13,134	13,710	16,627	19,515	20,508	30,123	\$ 9,615	
145		41400-122	FICA / SS	10,518	10,857	11,938	13,745	16,132	16,953	24,902	\$ 7,949	
146		41400-126	Medicare	2,460	2,539	2,792	3,214	3,773	3,965	5,824	\$ 1,859	
147		41400-130	Employer Paid FSA								\$ -	
148		41400-131	Employer Paid Health	52,928	46,228	50,707	53,196	64,369	75,479	115,007	\$ 39,528	Life, A/D, LTD, STD, FSA/HSA, Health
149		41400-132	Medical Cafeteria								\$ -	
150		41400-133	Employer Paid H S A								\$ -	
151		41400-140	Unemployment Compensation								\$ -	
152		41400-208	Training	4,000	4,000	4,500	5,500	11,550	12,000	11,000	\$ (1,000)	
153		41400-210	Operating Supplies	750	750	1,650	1,750	1,750	1,750	2,250	\$ 500	Mileage, BYOD Policy.
154		41400-300	Professional Services						75,000	-	\$ (75,000)	Full year of finance manager, new HR/Communications, new intern
155		41400-364	Workers' Compensation Insurance	1,400	2,275	1,600	1,680	2,071	2,205	2,205	\$ -	

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2	2021									Rev 1	
3	OSA	LINE ITEM CODE	DESCRIPTION OF EXPENDITURE	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 Budget	BUDGET DIFFERENCE 2021/2022
156		41400-433	Dues & Memberships	500	500	1,000	1,050	1,150	1,250	1,750	\$ 500
157			<b>Total Administrative Staff</b>	<b>254,919</b>	<b>255,401</b>	<b>280,452</b>	<b>318,451</b>	<b>382,991</b>	<b>487,552</b>	<b>594,704</b>	\$ 107,152
158											
159			<b>Planning &amp; Zoning</b>								\$ -
160		41910-100	Wages & Salaries	-	-	-	-	37,662	71,240	98,859	\$ 27,619
		41910-121	PERA					2,825	5,343	7,414	\$ 2,071
161		41910-122	FICA / SS	-	-	-	-	2,335	4,417	6,129	\$ 1,712
162		41910-126	Medicare	-	-	-	-	546	1,033	1,433	\$ 400
		41910-131	Employer Paid Health					11,367	8,884	8,884	\$ -
163		41910-208	Training	-	-	-	-	500	1,500	1,500	\$ -
164		41910-210	Operating Supplies	1,000	2,000	2,250	2,250	500	1,000	1,000	\$ -
165		41910-300	Professional Services	65,200	65,000	65,000	63,000	57,000	45,000	50,000	\$ 5,000
166		41910-364	Workers' Compensation	-	-	-	-	129	370	407	\$ 37
167			<b>Total Planning &amp; Zoning</b>	<b>66,200</b>	<b>67,000</b>	<b>67,250</b>	<b>65,250</b>	<b>112,864</b>	<b>138,787</b>	<b>175,626</b>	\$ 36,839
168											
169			<b>Code Enforcement</b>								\$ -
170		41920-100	Wages & Salaries	59,550	62,975	82,955	68,286	70,346	-	-	\$ -
171		41920-110	Overtime	1,000	500	1,000	1,000	250	-	-	\$ -
172		41920-121	PERA	4,541	4,761	5,097	5,196	5,351	-	-	\$ -
173		41920-122	FICA / SS	3,754	3,935	4,213	4,296	4,423	-	-	\$ -
174		41920-126	Medicare	878	920	985	1,005	1,035	-	-	\$ -
175		41920-130	FSA Employer								\$ -
176		41920-131	Health Insurance	17,643	15,409	15,983	7,754	8,474	-	-	\$ -
177		41920-140	Unemployment Compensation								\$ -
178		41920-208	Training	750	1,250	3,250	2,850	750	-	-	\$ -
179		41920-210	Operating Supplies	1,000	1,000	1,500	1,000	1,000	-	-	\$ -
180		41920-300	Professional Svcs	-	-	-	45,500	30,000	30,000	20,000	\$ (10,000)
181		41920-331	Vehicle Expense								\$ -
182		41920-344	Public Hearing Notices								\$ -
183		41920-364	Workers' Compensation	417	570	520	546	513	-	-	\$ -
184		41920-417	Uniform	250	250	250	250	250	-	-	\$ -
185		41920-433	Dues & Membership	100	250	250	250	150	-	-	\$ -
186			<b>Total Code Enforcement</b>	<b>89,883</b>	<b>91,820</b>	<b>116,003</b>	<b>137,933</b>	<b>122,542</b>	<b>30,000</b>	<b>20,000</b>	\$ (10,000)
187											
188			<b>Employee Benefit Charges</b>								\$ -
189		43190-300	Professional Services								\$ -
190			<b>Total Employee Benefit Chgs</b>								\$ -
191											
192			<b>Transfers to/from Other Funds</b>								\$ -
193		41900-700	Transfer to other funds								\$ -
194		49360-720	Operating Transfers								\$ -
195		41900-700	Transfer to other funds	50,000	75,000	100,000	125,000	150,000	200,000	300,000	\$ 100,000
196		41900-700	Transfer to other funds	10,000	60,000	90,000	120,000	125,000	20,000	-	\$ (20,000)
197		41900-700	Transfer to other funds	-	-	-	15,000	-	15,000	35,000	\$ 20,000
198		41900-700	Transfer to other funds	-	-	-	-	62,000	-	25,000	\$ 25,000
199			<b>Total Transfers to/from other funds</b>	<b>60,000</b>	<b>135,000</b>	<b>190,000</b>	<b>260,000</b>	<b>337,000</b>	<b>235,000</b>	<b>360,000</b>	\$ 125,000
200	19		<b>Total Administration</b>	<b>1,398,670</b>	<b>1,556,441</b>	<b>1,709,144</b>	<b>1,956,268</b>	<b>2,234,619</b>	<b>2,531,165</b>	<b>2,999,008</b>	\$ 467,843
201											
202			<b>PUBLIC WORKS</b>								
203			<b>PERSONNEL SERVICES</b>								
204		43100-100	Full-time - Regular	305,571	396,986	483,299	482,973	500,476	620,191	920,398	\$ 300,207
205		43100-110	Full-time - Overtime	20,000	24,000	23,000	28,000	30,000	39,000	50,000	\$ 11,000
206		43100-121	PERA	24,418	31,574	38,047	38,323	39,786	49,439	72,780	\$ 23,341
207		43100-122	FICA / SS	20,185	26,101	31,453	31,680	32,890	40,870	60,165	\$ 19,295
208		43100-126	Medicare	4,721	6,104	7,356	7,409	7,692	9,558	14,071	\$ 4,513
209		43100-130	Employer Paid FSA								\$ -
210		43100-131	Employer Paid Health	88,213	97,592	118,776	117,785	122,829	147,536	223,434	\$ 75,898
211		43100-132	Medical Cafeteria								\$ -
212		43100-133	Employer Paid H S A								\$ -
213		43100-134	Employer Paid HRA								\$ -
214		43100-140	Unemployment Compensation	-	-	-	-	-	-	-	\$ -
215		43100-364	Workers' Compensation Insurance	19,000	17,100	16,000	18,000	7,476	8,700	9,200	\$ 500
216		43100-417	Uniforms	7,000	8,500	8,500	9,000	10,000	11,250	12,500	\$ 1,250
217	21		<b>Total Public Works Personnel</b>	<b>489,108</b>	<b>607,957</b>	<b>726,431</b>	<b>733,170</b>	<b>751,149</b>	<b>926,544</b>	<b>1,362,548</b>	\$ 436,004
218											
219			<b>OPERATING EXPENSE</b>								
220		43100-200	Office Supplies						1,000	1,000	\$ -

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OSA	LINE ITEM CODE	DESCRIPTION OF EXPENDITURE	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 Budget	BUDGET DIFFERENCE 2021/2022	
221	43100-208	Training and Instruction	4,000	6,000	8,000	6,000	4,500	7,250	7,500	\$ 250	Grader training classes; addition of Permit Technician to PW
222	43100-210	Operating Supplies	25,000	27,500	28,100	28,100	30,000	30,000	37,500	\$ 7,500	3 year average
223	43100-212	Motor Fuels	38,000	33,000	26,000	28,000	29,000	35,000	40,000	\$ 5,000	3 year average
224	43100-220	Repair/ Main. Supplies	25,000	25,000	30,000	31,000	33,000	42,000	50,000	\$ 8,000	3 year average
225	43100-223	Building Repair	6,500	8,000	8,000	10,000	15,000	15,000	15,000	\$ -	Maintenance service contracts, building maintenance costs.
226	43100-300	Professional Services	2,100	2,100	2,100	2,100	2,100	2,100	2,100	\$ -	Snow removal (Maple Grove)
227	43100-321	Telephone	8,000	11,500	11,500	11,500	11,500	11,500	11,500	\$ -	
228	43100-360	Insurance	-	-	-	-	-	-	-	\$ -	
229	43100-380	Utility services	28,000	14,500	15,000	19,000	20,000	20,000	21,000	\$ 1,000	
230	43100-810	Refunds/Reimbursements	-	-	-	-	-	-	-	\$ -	
231	43100-810	Refunds/Reimbursements	-	-	-	-	-	-	-	\$ -	
232	21	<b>Total Public Works Operating Expense</b>	<b>136,600</b>	<b>127,600</b>	<b>128,700</b>	<b>135,700</b>	<b>145,100</b>	<b>163,850</b>	<b>185,600</b>	<b>\$ 21,750</b>	
233											
234		<b>CITY OPERATING SERVICES</b>									
235	43100-222	Seal Coating	60,000	60,000	60,000	67,500	67,500	69,000	72,500	\$ 3,500	
236	43100-225	Land Scape/Ditch Maintenance	10,000	10,000	10,000	12,500	15,000	17,500	22,500	\$ 5,000	
237	43100-226	Sign Repair Material	6,000	6,100	6,100	6,100	6,500	7,000	7,500	\$ 500	
238	43100-227	Crack Filling	10,000	10,000	10,000	10,000	10,000	10,000	10,000	\$ -	
239	43100-228	Dust Control	115,000	100,000	100,000	95,000	100,000	110,000	125,000	\$ 15,000	Price increase
240	43100-229	Culverts	10,000	10,000	10,000	10,000	12,000	15,000	17,500	\$ 2,500	2022 project needs
241	43100-230	MSA Expense								\$ -	
242	43100-231	Drain Tile								\$ -	
243	43100-232	Gravel	130,000	140,000	140,000	147,500	147,500	152,500	172,500	\$ 20,000	Price increase
244	43100-233	Asphalt/Maintenance patching	150,000	165,000	170,000	170,000	170,000	175,000	185,000	\$ 10,000	
245	43100-381	Signal Lights/street lights	4,000	4,000	4,000	4,000	10,000	10,000	10,000	\$ -	
246	21	<b>Total Public Works City Operating Services</b>	<b>495,000</b>	<b>505,100</b>	<b>510,100</b>	<b>522,600</b>	<b>538,500</b>	<b>566,000</b>	<b>622,500</b>	<b>\$ 56,500</b>	
247											
248		<b>PARKS PERSONNEL SERVICES</b>									
249	45200-100	Wages and Salaries	40,182	41,096	41,790	55,404	93,122	103,052	119,426	\$ 16,374	New PT Program Coordinator
250	45200-110	Overtime	-	-	-	-	-	-	-	\$ -	
251	45200-121	PERA	-	-	-	2,106	3,787	4,494	4,912	\$ 418	
252	45200-122	FICA / SS	2,491	2,548	2,591	3,435	5,774	6,389	7,404	\$ 1,015	
253	45200-126	Medicare	583	596	606	803	1,350	1,494	1,732	\$ 238	
254	45200-130	Employer Paid FSA								\$ -	
255	45200-131	Employer Paid Health					15,511	17,332	19,065	\$ 1,733	
256	45200-208	Training				325	325	350	400	\$ 50	MRPA Conference, other trainings
257	45200-433	Dues and Memberships				380	380	400	500	\$ 100	MRPA/NRPA
258	45200-364	Workers' Compensation Insurance	2,250	5,671	5,000	3,000	9,719	10,200	10,500	\$ 300	
259		<b>Total Parks Personnel</b>	<b>45,506</b>	<b>49,911</b>	<b>49,987</b>	<b>65,453</b>	<b>129,968</b>	<b>143,711</b>	<b>163,939</b>	<b>\$ 20,228</b>	
260											
261		<b>PARKS OPERATING EXPENSES</b>									
262	45200-210	Operating Supplies	15,500	16,500	16,500	47,000	22,125	25,000	27,500	\$ 2,500	
263	45200-220	Repair/ Main. Supplies	-	-	-	-	-	-	-	\$ -	
264	45200-221	Maintenance Project	15,000	15,000	15,000	15,000	15,000	20,000	30,000	\$ 10,000	
265	45200-300	Professional Services	-	-	5,000	2,500	2,500	2,500	2,500	\$ -	
266	45200-261	Recreation Programming	-	-	-	-	26,000	25,500	40,400	\$ 14,900	Replacement equipment, increased supply costs
267	45200-321	Telephone	700	700	700	700	700	750	800	\$ 50	
268	45200-380	Utility services	7,000	5,500	5,500	5,500	5,500	5,500	5,500	\$ -	
269	45200-530	Improvements Other than Bldg.	37,302	37,000	35,000	35,000	35,000	40,000	40,000	\$ -	NW Trails Snowmobile Expense Pass Through Funds Only 100-45200-33422.
270	45200-810	Refunds/Reimbursements								\$ -	
271	45200-810	Refunds/Reimbursements								\$ -	
272		<b>Total Parks Operating Expense</b>	<b>75,502</b>	<b>74,700</b>	<b>77,700</b>	<b>105,700</b>	<b>106,825</b>	<b>119,250</b>	<b>146,700</b>	<b>\$ 27,450</b>	
273											
274	25	<b>Total Parks</b>	<b>121,008</b>	<b>124,611</b>	<b>127,687</b>	<b>171,153</b>	<b>236,793</b>	<b>262,961</b>	<b>310,639</b>	<b>\$ 47,678</b>	
275											
276		<b>Ice &amp; Snow Removal</b>									
277	43125-210	Snow and Ice Removal	30,000	30,000	30,000	36,000	40,500	50,500	53,000	\$ 2,500	Salt and Sand - price increase in state contract and additional streets.
278	21	<b>Total Snow &amp; Ice</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>36,000</b>	<b>40,500</b>	<b>50,500</b>	<b>53,000</b>	<b>\$ 2,500</b>	
279											
280		<b>TOTAL PUBLIC WORKS &amp; PARKS</b>	<b>1,271,716</b>	<b>1,395,268</b>	<b>1,522,918</b>	<b>1,598,623</b>	<b>1,712,042</b>	<b>1,969,855</b>	<b>2,534,287</b>	<b>\$ 564,432</b>	
281											
282		<b>POLICE</b>									
283		<b>PERSONNEL SERVICES</b>									
284		<b>POLICE</b>									
285	42100-100	Wages and Salaries	552,886	603,583	662,825	736,880	\$760,846	\$866,731	\$959,398	\$ 92,667	Sergeant added; FT Admin. Asst.
286	42100-110	Overtime	10,450	11,400	14,400	20,000	23,000	26,286	29,572	\$ 3,286	
287	42100-111	Overtime Events	12,000	12,000	12,000	12,000	12,000	12,000		\$ (12,000)	Pass Through Funds only 100-42100-34201/33620.



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288		42100-121	PERA	89,568	99,627	104,607	126,833	\$136,552	\$155,811	\$172,757	\$ 16,946	
289		42100-122	FICA / SS						-	-	\$ -	
290		42100-126	Medicare	8,168	8,917	9,363	10,850	\$11,366	\$12,949	\$14,345	\$ 1,396	
291		42100-130	Employer Paid FSA								\$ -	
292		42100-131	Employer Paid Health	123,498	123,276	136,501	151,227	\$154,105	\$185,621	\$235,249	\$ 49,628	Additional staff; \$12,000 PERA Disability Requirement
293		42100-132	Medical Cafeteria								\$ -	
294		42100-133	Employer Paid H S A								\$ -	
295		42100-134	Employer Paid HRA								\$ -	
296		42100-364	Workers' Compensation	25,000	32,712	28,000	32,000	45,414	47,600	48,000	\$ 400	
297		<b>Total Police Personnel Services</b>		<b>821,570</b>	<b>891,515</b>	<b>967,696</b>	<b>1,089,790</b>	<b>1,143,283</b>	<b>1,306,998</b>	<b>\$1,459,321</b>	<b>\$ 152,323</b>	
298												
299		<b>PART TIME</b>										
300		42101-100	Wages and Salaries	61,000	53,560	40,602	41,969	50,003	85,011	119,020	\$ 34,009	Increased PT officer wage, increased CSO hours
301		42101-110	Overtime			-					\$ -	
302		42101-111	Overtime Events	5,000	5,000	5,000	5,000	5,000	5,000	5,000	\$ -	Pass Through Funds Only 100-42100-34201
303		42101-121	PERA	1,100	6,074	7,779	4,979	8,289	11,955	21,067	\$ 9,112	
304		42101-122	FICA / SS	3,000	996	1,276	2,169	3,100	5,271	4,483	\$ (788)	
305		42101-126	Medicare	890	777	995	\$1,015	\$725	\$1,233	\$1,726	\$ 493	
306		42101-140	Unemployment Comp								\$ -	
307		<b>Total Part Time</b>		<b>70,990</b>	<b>66,407</b>	<b>55,652</b>	<b>55,132</b>	<b>67,118</b>	<b>108,470</b>	<b>151,296</b>	<b>\$ 42,826</b>	
308												
309		<b>POLICE ADMINISTRATION</b>										
310		42102-100	Wages and Salaries	50,237	61,583	77,501	79,040	86,928	93,854	121,389	\$ 27,535	Increase PT position to full-time
311		42102-110	Overtime	500	500	500	500	500	500	500	\$ -	
312		42102-121	PERA	3,805	4,656	5,850	5,966	6,557	7,077	9,142	\$ 2,065	
313		42102-122	FICA / SS	3,146	3,849	4,836	4,931	5,421	5,850	7,557	\$ 1,707	
314		42102-126	Medicare	736	900	1,131	1,153	1,268	1,368	1,767	\$ 399	
315		42102-130	Employer Paid FSA								\$ -	
316		42102-131	Employer Paid Health	17,643	15,409	15,983	16,721	16,921	18,613	38,131	\$ 19,518	
317		42102-132	Medical Cafeteria								\$ -	
318		<b>Total Police Administration</b>		<b>76,067</b>	<b>86,897</b>	<b>105,801</b>	<b>108,311</b>	<b>117,595</b>	<b>127,262</b>	<b>178,486</b>	<b>\$ 51,224</b>	
319												
320		<b>SUPPLIES</b>										
321		42100-200	Office Supplies	5,000	3,600	3,600	3,600	3,600	3,600	3,600	\$ -	
322		42100-201	Postage	250	250	250	250	250	250	250	\$ -	
323		42100-208	Training Classes and Supplies	16,800	16,800	23,400	22,000	24,900	26,400	28,900	\$ 2,500	Lexipol, Driving School, Training Mandates.
324		42100-209	Police Reserves Equipment	3,500	3,500	3,500	3,500	3,500	3,500	3,500	\$ -	
325		42100-210	Operating Supplies	9,000	9,000	10,000	12,500	18,000	18,000	18,000	\$ -	
326		42100-212	Motor Fuels	32,000	25,000	21,000	22,000	22,000	22,000	22,000	\$ -	
327		42100-218	Investigations	350	5,350	500	1,000	1,000	1,000	1,000	\$ -	
328		42100-417	Clothing and Uniforms	11,000	11,000	11,000	12,000	12,000	14,000	19,000	\$ 5,000	Additional officers
329		42100-433	Dues and Memberships	1,500	1,600	1,600	1,800	1,800	2,300	2,800	\$ 500	
330		42100-810	Refunds/Reimbursements	-	-	-	-	-	-	-	\$ -	
331		<b>Total Police Supplies</b>		<b>79,400</b>	<b>76,100</b>	<b>74,850</b>	<b>78,650</b>	<b>87,050</b>	<b>91,050</b>	<b>99,050</b>	<b>\$ 8,000</b>	
332												
333		<b>CONTRACTUAL SERVICES</b>										
334		42100-220	Maintenance - Motor Vehicle	8,000	8,000	8,000	9,500	9,500	12,500	15,700	\$ 3,200	CSO fleet addition
335		42100-223	Building Maintenance and Repairs	3,500	3,500	3,500	3,500	3,500	6,500	7,500	\$ 1,000	Increased repairs needed
336		42100-300	Professional Services	1,500	1,500	3,000	3,000	3,000	6,200	20,400	\$ 14,200	Leads online; DeleteMe Online Protection; annual audits; embedded social worker
337		42100-301	Prisoner - Professional Fees	8,000	8,000	8,000	8,000	8,000	8,000	6,000	\$ (2,000)	
338		42100-304	Legal Services	27,500	27,500	27,500	27,500	27,500	27,500	25,500	\$ (2,000)	
339		42100-321	Telephone	7,200	7,200	7,700	9,500	9,500	9,500	9,500	\$ -	
340		42100-323	Radio Units	16,900	16,900	17,500	17,500	18,500	20,000	21,500	\$ 1,500	
341		42100-380	Utility Services / Civil Defense/Emergency Management	4,000	4,000	9,000	8,000	9,500	9,500	9,500	\$ -	Siren Maintenance, Emergency Management, Code Red, EM Training & Equip.
342		<b>Total Contractual Services</b>		<b>76,600</b>	<b>76,600</b>	<b>84,200</b>	<b>86,500</b>	<b>89,000</b>	<b>99,700</b>	<b>115,600</b>	<b>\$ 15,900</b>	
343												
344	20	<b>TOTAL POLICE</b>		<b>1,124,627</b>	<b>1,197,519</b>	<b>1,288,199</b>	<b>1,418,383</b>	<b>1,504,046</b>	<b>1,733,480</b>	<b>2,003,753</b>	<b>\$ 270,273</b>	
345												
346												
347		<b>COMBINED DEPARTMENT TOTAL EXPENDITURES</b>		<b>3,795,013</b>	<b>4,149,228</b>	<b>4,520,261</b>	<b>4,973,274</b>	<b>5,450,706</b>	<b>6,234,500</b>	<b>7,537,048</b>	<b>\$ 1,302,548</b>	
348												
349		<b>Debt Service</b>										
350		<b>Equipment Certificate Fund</b>										
351												
352												
353		<b>Disbursements</b>										

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354			Equipment Certificate									
355			Fiscal Agent Fees / Issuing Fees									
356			Principal									
357			Principal & Interest-2008	99,614	104,882	-	-	-	-		\$ -	
358			Principal & Interest-2010	61,460	62,812	191,549	-	-	-		\$ -	
359			Principal & Interest-2012	44,035	45,964	45,438	44,914	44,389	48,904	48,077	\$ (827)	Pay as Cash
360			Principal & Interest-2014	50,601	53,419	52,647	52,916	52,878			\$ -	Council direction to call bonds early and pay off in 2020
361			Principal & Interest-2016 Equip		37,590	36,960	36,330	36,015	35,385	39,690	\$ 4,305	
362			Principal & Interest-2018 Equip				81,900	80,010	79,065	81,323	\$ 2,258	
363			Principal & Interest-2018 Debt Service				39,454	37,406	36,304	32,996	\$ (3,308)	
364			Principal & Interest-2018 Abatement				68,250	73,500	73,500	78,750	\$ 5,250	
			Principal & Interest-2020 Equip						100,905	104,475	\$ 3,570	
365			Total Principal & Interest	255,710	304,667	326,594	323,764	324,198	374,063	385,311	\$ 11,248	
366			Required 5% overage	12,786	-							
367			<b>Total</b>	<b>268,496</b>	<b>304,667</b>	<b>326,594</b>	<b>323,764</b>	<b>324,198</b>	<b>374,063</b>	<b>385,311</b>	<b>\$ 11,248</b>	
368												
369			<b>Revenues</b>									
370			CIP Debt Levy									
371			Interest									
372			Sales of Assets									
373			Bond Proceeds									
374			<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
375												
376			<b>Facility Expansion (PD) #307 &amp; #407</b>									
377			Project Costs									
378			Principal									
379			Principal & Interest	-								
380			Required 5% Overage	-								
381			<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
382												
383			<b>Facility Expansion (Public Works) 2012B</b>									
384			Principal & Interest	137,688	185,312	168,039	229,044	231,617	223,523	222,485	\$ (1,039)	
385			Required 5% Overage	6,884	-						\$ -	
386			<b>Total</b>	<b>144,572</b>	<b>185,312</b>	<b>168,039</b>	<b>229,044</b>	<b>231,617</b>	<b>223,523</b>	<b>222,485</b>	<b>\$ (1,039)</b>	
387												
388			<b>Equipment Certificate Fund # 309 &amp; 416</b>									
389			<b>2012 Certificates</b>									
390			Principal & Interest	-	-	-	-	-	-	-		
391			Required 5% overage	-	-	-	-	-	-	-		
392			<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
393												
394			<b>COMBINED DEBT SERVICE EXPENDITURES</b>	<b>413,068</b>	<b>489,979</b>	<b>494,633</b>	<b>552,808</b>	<b>555,815</b>	<b>597,586</b>	<b>607,795</b>	<b>\$ 10,210</b>	
395												
396			<b>REVENUES</b>	<b>2016 BUDGET</b>	<b>2017 BUDGET</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET</b>	<b>2020 BUDGET</b>	<b>2021 BUDGET</b>	<b>2022 BUDGET</b>		
397			<b>GENERAL FUND REVENUE</b>									
398												
399			<b>GENERAL GOVERNMENT</b>									
400	3	41900-31810	Cable Franchise Fee	40,000	43,000	45,000	53,000	53,000	53,000	53,000	\$ -	
401	5	41900-32110	Liquor Licenses Fees	18,250	18,250	18,375	18,375	18,375	19,000	16,000	\$ (3,000)	One Less Licensee
402		41900-33402	Homestead Credit	-	-	-	-	-	-	-	\$ -	
403		41900-33403	Mobile Homestead Credit	-	-	-	-	-	-	-	\$ -	
404	7	41900-33420	AG Preserve Credit	5,000	5,000	5,000	12,000	12,000	10,000	10,000	\$ -	
405	7	41900-33421	PERA State Aid	1,845	1,845	1,845	1,845	1,845	1,845	1,845	\$ -	
406	7	41900-33422	Other Grants and Aid					3,000	-		\$ -	Election aid.
407		41900-34000	Charges for Services					-			\$ -	
408	10	41900-34103	Zoning / Subdivision Fees	12,000	25,000	25,000	35,000	45,000	45,000	45,000	\$ -	
409	10	41900-34105	Copies / Maps	150	150	150	150	150	100	100	\$ -	
410	10	41900-34107	Assessment Search	50	50	50	50	50	50	50	\$ -	
411	10	41900-34108	TIF Administrative Fees	8,000	-	-	-	-	-	-	\$ -	
412		41900-34110	Escrow Administrative Fees	-	-	-	-	-	-	-	\$ -	
413	10	41900-34405	Clean up day Income	675	1,500	1,500	3,000	3,000	3,000	3,250	\$ 250	
414	13	41900-36200	Miscellaneous Revenue	2,500	2,500	2,500	2,500	2,500	2,500	2,500	\$ -	
415	12	41900-36210	Interest Earnings	2,000	1,000	1,500	15,000	16,500	16,500	8,000	\$ (8,500)	
416	13	41900-36217	Sale of Assets	-	-	-	-	-	-	-	\$ -	
417	13	41900-36220	Rents / Royalties	9,840	10,800	10,800	11,620	11,620	7,000	7,000	\$ -	Crop Rentals
418	13	41900-36230	Donations	1,000	1,000	1,000	1,000				\$ -	
419		41900-36233	Refunds/Reimbursements								\$ -	

1	<b>CITY OF CORCORAN</b>										<i>Draft August 12, 2021</i>	
2	2021										Rev 1	
3	OSA	LINE ITEM CODE	DESCRIPTION OF EXPENDITURE	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 Budget	BUDGET DIFFERENCE 2021/2022	
420		<b>CITY PLANNER</b>										
421	10	41910-36200	Miscellaneous Revenue	-	-	-	-	9,750	16,250	16,250	\$ -	Billable hours from city planner (5 hours per week * 50 weeks * \$65.00 per hour)
422		<b>CODE ENFORCEMENT</b>										
423		41920-32100	Business/License Fee	-	-	-	-	-	-	-	\$ -	
424		41920-34000	Charges for Services	-	-	-	-	-	-	-	\$ -	
425		<b>CITY HALL OPERATIONS</b>										
426		41941-34100	General Government	-	-	-	-	-	-	-	\$ -	
427	10	41941-34101	Facility Rental	6,000	6,000	6,000	6,500	-	-	-	\$ -	No Longer Renting Due to Remodel
428	13	41941-36200	Miscellaneous Revenue	1,000	1,000	4,500	1,000	1,500	1,500	1,500	\$ -	
429		<b>PUBLIC SAFETY</b>										
430		42100-32240	Animal Licenses	-	-	-	-	-	-	-	\$ -	
431	9	42100-33423	Police Town Aid	45,000	50,000	55,000	60,000	69,000	71,000	71,000	\$ -	
432	9	42100-33424	Police Training & POST	3,700	3,700	10,300	10,300	10,300	11,900	12,500	\$ 600	
433	9	42100-33620	Other Grants and Aid/Safe & Sober	10,000	10,000	10,000	10,000	10,000	10,000	10,000	\$ -	Pass Through Only - Area Traffic Project (42100-111 & 42101-111).
434	5	42100-34200	Police Permits	2,000	2,000	2,000	2,000	4,000	4,000	4,000	\$ -	
435	10	42100-34201	Police Service Charge	7,500	7,500	7,500	7,500	7,500	5,000	5,000	\$ -	Pass Through Only - Contractual Events (42100-111 & 42101-111).
436	10	42100-34202	Police Reports / Misc. Fees	1,000	1,000	1,000	1,000	1,000	400	400	\$ -	
437		42100-34204	Police Training	-	-	-	-	-	-	-	\$ -	
438	11	42100-35101	Fines	45,000	45,000	45,000	50,000	60,000	45,000	40,000	\$ (5,000)	Reduced fines anticipated
439		42100-36200	Miscellaneous Revenue	-	-	-	-	-	-	-	\$ -	
440		42100-36230	Donations	-	-	-	-	-	-	-	\$ -	
441		42100-36233	Refunds/Reimbursements	-	-	-	-	-	-	-	\$ -	
442		<b>BUILDING INSPECTION</b>										
443	5	42400-32210	Building Permit Fees	190,000	275,000	325,000	425,000	450,000	815,000	1,335,000	\$ 520,000	230 new home permits
444		<b>PUBLIC WORKS</b>										
445	8	43100-33418	MSA Road Maint. Fund	120,000	124,000	124,000	135,000	135,000	170,000	150,000	\$ (20,000)	Revised MSA routes
446	10	43100-34300	Public Works Permits / Fees	3,000	3,000	3,000	3,000	4,000	5,500	5,000	\$ (500)	Revised with three-year average
447	10	43100-34301	Dust Control	57,500	47,500	37,500	37,500	37,500	37,500	-	\$ (37,500)	No billing in 2022
448		43100-36100	Special Assessments	-	-	-	-	-	-	-	\$ -	
449	10	43100-36200	Miscellaneous Revenue	-	8,125	25,000	34,600	40,500	42,000	42,000	\$ -	Billable Hours for Public Works Director
450		43100-36233	Refunds/Reimbursements	-	-	-	-	-	-	-	\$ -	
451		<b>ICE &amp; SNOW REMOVAL</b>										
452	13	43125-36200	Miscellaneous Revenue	8,000	8,000	6,000	6,000	6,000	6,000	6,000	\$ -	
453		<b>Engineering</b>										
454		43170-32290	Watershed LGU Revenue	-	-	-	-	-	-	-	\$ -	
455		<b>RECYCLING</b>										
456	9	43232-33610	County Recycling Grant	14,500	14,500	14,500	16,000	16,000	14,000	14,000	\$ -	
457	10	43232-34400	Recycling Income	-	2,500	2,500	2,500	3,500	5,000	5,000	\$ -	Provider Managing Billing.
458		43232-36200	Miscellaneous Revenue	-	-	-	-	-	-	-	\$ -	
459		<b>PARKS</b>										
460	9	45200-33422	Other State Grant	37,302	37,000	35,000	35,000	35,000	40,000	40,000	\$ -	Pass Through Only - Snowmobile Trail Grant.
461	10	45200-34101	Facility Rental	6,000	5,000	3,000	3,000	3,000	1,500	1,500	\$ -	
462	10	45200-36199	Recreation Programming	-	-	-	-	56,000	58,000	59,300	\$ 1,300	Revenue from Recreation Programming.
463	13	45200-36200	Miscellaneous Revenue	-	-	8,000	58,000	500	-	-	\$ -	Revenue from Recreation Programming moved into separate revenue account
464		45200-36230	Donations	-	-	-	-	-	-	-	\$ -	
465		45200-36233	Refunds/Reimbursements	-	-	-	-	-	-	-	\$ -	
466		<b>TRANSFERS TO/FROM OTHER FUNDS</b>										
467	17	49360-39200	Transfer from Other Fund	61,901	162,122	192,871	205,830	218,872	269,164	359,677	\$ 90,513	Utility funds
468												
469			<b>TOTAL OTHER REVENUES</b>	<b>720,713</b>	<b>923,042</b>	<b>1,030,391</b>	<b>1,263,270</b>	<b>1,345,962</b>	<b>1,786,709</b>	<b>2,324,872</b>	\$ 538,163	
470												
471		41900-31020	Delinquent Property Taxes	-	-	-	-	-	-	-	\$ -	
472		41900-31040	Fiscal Disparities	-	-	-	-	-	-	-	\$ -	
473		41900-33422	Local Government Aid	-	-	-	-	-	-	-	\$ -	
474		41900-31100	General Property Taxes	3,074,300	3,226,186	3,489,870	3,710,129	4,104,744	4,447,791	5,212,176	\$ 764,385	
475												
476	1		<b>TOTAL PROPERTY TAX REVENUE</b>	<b>3,074,300</b>	<b>3,226,186</b>	<b>3,489,870</b>	<b>3,710,129</b>	<b>4,104,744</b>	<b>4,447,791</b>	<b>5,212,176</b>	\$ 764,385	17.19%
477												
478			<b>TOTAL GENERAL FUND REVENUE</b>	<b>3,795,013</b>	<b>4,149,228</b>	<b>4,520,261</b>	<b>4,973,399</b>	<b>5,450,706</b>	<b>6,234,500</b>	<b>7,537,048</b>	\$ 1,302,548	
479												
480	30		<b>TOTAL DEBT SERVICE TAX LEVY</b>	<b>413,068</b>	<b>489,979</b>	<b>494,633</b>	<b>552,808</b>	<b>555,815</b>	<b>597,586</b>	<b>607,795</b>	\$ 10,210	
481												
482			<b>TOTAL ALL REVENUES</b>	<b>4,208,081</b>	<b>4,639,207</b>	<b>5,014,894</b>	<b>5,526,207</b>	<b>6,006,521</b>	<b>6,832,086</b>	<b>8,144,843</b>	\$ 1,312,758	
483												
484			<b>TOTAL ALL EXPENSES</b>	<b>4,208,080</b>	<b>4,639,207</b>	<b>5,014,894</b>	<b>5,526,082</b>	<b>6,006,521</b>	<b>6,832,086</b>	<b>8,144,843</b>	\$ 1,312,758	
485												
486												
487			<b>REVENUE - EXPENSE</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>125</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	\$ -	
488												

1	<b>CITY OF CORCORAN</b>										<i>Draft August 12, 2021</i>	
2	2021										Rev 1	
3	OSA	LINE ITEM CODE	DESCRIPTION OF EXPENDITURE	2016 BUDGET	2017 BUDGET	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 Budget	BUDGET DIFFERENCE 2021/2022	
489												
490												
491												
492												
493	40		TOTAL CERTIFIED LEVY (INCLUDES DEBT SERVICE)	3,487,368	3,716,165	3,984,503	4,262,937	4,660,559	5,045,377	5,819,971	\$ 774,595	15.35%
494												
495			TOTAL PROPERTY TAX LEVY	3,074,300	3,226,186	3,489,870	3,710,129	4,104,744	4,447,791	5,212,176	\$ 764,385	
496												
497			TOTAL PROPERTY TAX COLLECTED	-	-	-	-	-	-		\$ -	



# 2021 Financial Management Plan

Preliminary Draft In-Progress as of August 12, 2021



Northland Securities, Inc.  
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Minneapolis, MN 55402  
(800) 851-2920  
Member FINRA and SIPC  
Registered with SEC and MSRB

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August 12, 2021

Brad Martens  
City Administrator  
City of Corcoran, MN  
8200 Co. Rd. 116  
Corcoran, MN 55340

**RE: Preliminary Draft 2021 Financial Management Plan**

Dear Brad:

Northland Securities is pleased to present the City of Corcoran with an update to the City's Financial Management Plan (the "Plan"). Northland has completed a study of the City's historical and planned revenues and expenses. Updated financial plans have been prepared for the City's funds. As requested, we expanded the study related to the Water Fund and the Sanitary Sewer Fund and additional information is included in the Plan.

We appreciate the opportunity to work with the City on its financial management planning.

Sincerely,

NORTHLAND SECURITIES, INC.

A handwritten signature in black ink that reads "Tammy Omdal". The signature is written in a cursive, flowing style.

Tammy Omdal  
Managing Director

---

### INTRODUCTION AND SUMMARY

The Financial Management Plan (the “Plan”) is intended to serve as a guide for the on-going financial management of the City of Corcoran (the “City”). The Plan was first prepared in year 2012 and is updated annually.

The Plan contains proposed strategies and identification of key factors and objectives to monitor with respect to future financial performance.

The Plan includes information on projected property tax levies and fees and charges to fund city services, capital improvement plans, and debt service.

The objectives of the study for the Plan are as follows:

- **Revenue Sufficiency** - develop and populate a forecasting model that will determine the level of revenue needed to satisfy general government and utility enterprises operations, capital improvements, and debt service while maintaining adequate reserves for future service and capital needs of the City.
- **Rate Calculations** - Model projected future tax capacity tax rates for the City and proposed rates and structure for billing water and sanitary sewer services (the “Utilities”) to meet revenue sufficiency objectives.

The Plan includes anticipated capital improvement for years 2022-2026 (the “CIP”). Estimates were made by the City as to cost and timing of projects. The actual timing for future capital improvements will depend in part on the population growth rate of the City.

While the specific timing of future improvements is uncertain, awareness of the needed funding for projects is important when considering tax levies, rates for fees and charges, and level of reserves for future capital.

Future development will provide increased revenue to the City from charges for services and tax revenue. This will include increased revenue to the Utilities, with revenue from both development fees and usage fees. It will also provide additional property value to the City and potential for collecting additional property tax revenue to pay for services.

The rate of future development and addition of customers has been and continues to be a significant variable for the Plan and the projections within. The City should continue to monitor actual development that occurs against the anticipated rate of development assumed in the Plan. The rate of development will impact the projected revenues included in the Plan. Detailed information on projected housing units is included later in the Plan.

### Study Approach

The following steps were taken as part of the Study:

- City provided historical financial data along with current budget plans and capital improvement plans.
- City provided the assumptions for future residential units to be constructed in the City and connected to the Utilities.
- Information provided by the City was organized, analyzed, and used to support the development of the Plan.

- The prior year data included in the Plan is reconciled with the City's annual audited financial statements.
- City staff offered input and feedback on the assumptions, different options for levies and rates and desired outcomes for the Plan.
- The study did not include a review and comparison of the City's tax rate and fees and charges to other cities.

### Revenue Sufficiency

The Study evaluated the sufficiency of revenues to meet current and projected financial requirements for the City Funds, including the Utilities over the next five years (with a longer planning period for the Utilities). The Plan determines the tax levies and rates necessary in each year of the projection period to provide revenue sufficiency.

Moody's Investor Service recently upgraded (May 2018) the City's bond rating to 'Aa3' from 'A1'. In doing so the rating agency recognized the City's credit strength and strong financial operations resulting in growing reserves. The maintenance and continued relative growth of reserves through revenue sufficiency remains an important credit factor for the City.

The City should continue to actively manage its funds to achieve its policy goals and to maintain sufficient balances within the funds to meet City needs including the need for reserves.

The City has an adopted policy to maintain a minimum balance in the General Fund equivalent to 35% of annual expenditures. The goal of the Plan is to identify revenue sufficient to meet closer to 50% of annual

expenditures, recognizing the need for the City to cash flow its expenditures between the semi-annual tax disbursements it receives from the County, among other needs for cash balance.

The City evaluates ending fund balances at year-end and makes decisions on the level of funds that is needed and appropriate. While the Plan provides for the General Fund to be at the 50% level, the City should continue to consider its needs annually.

Future growth in tax capacity from new development should provide revenue sufficiency for the City to maintain a constant tax rate. Future projected tax levy in the General Fund includes revenue to support transfers to the Capital Project Funds, while maintaining ending fund balance in the General Fund in the approximate 40-50% range of current year expenditures. The City may adjust planned staffing additions and transfers to the Capital Projects Fund as needed based on actual tax base growth and other needs that may arise in the General Fund.

For purposes of the Plan, the revenue objective for the Water Fund and the Sewer Fund focused on providing revenue sufficient to achieve projected year-end cash balance to cover the following purposes:

- Three-months of operating expense
- Following-year debt service payments
- Following year capital acquisition (planned to be paid from cash)
- Reserves for future capital improvements and other reserve purposes

---

The graphics and tables that follow in the Introduction and Summary section of the Plan provide a summary of key financial information for the City Funds.

The funding of depreciation, or setting aside of funds to replace depreciated infrastructure, is an important element for establishment of sufficient rates for the Utilities. The Study focused on the City's asset management practices to maintain and expand infrastructure at future estimated costs.

Rather than focus on "funding depreciation" it is better to gain a strong understanding of the expected future costs and, maybe more importantly, their timing, and plan for replacement of infrastructure and facilities. Using a planned schedule for capital improvements and the incorporation of those plans into the Study does that. Capital improvement plans combined with financial management targets are critical element that allows for the setting of rates that meet City goals.

Financial management targets begin with criteria for evaluating overall financial condition. For instance, do projections show sufficient revenues to cover planned operating and capital improvement expenses? The Utilities must do better than break even, but by how much?

The Plan helps to answer these question by allocating projected year-end cash balance to defined purposes. One of the purposes is for planned capital acquisition and reserves for future capital.

The Plan provides a second criteria to evaluate revenue sufficiency for the Utilities. The Plan sets a target (a floor) to maintain an unrestricted net position in the Water Fund and the Sewer Fund no lower than 50% of the subsequent year's estimated expenditures.

The majority of revenue in the Utilities comes from user charges, maintaining an unrestricted net position that is equal to at least 50% of expenditures will help to ensure that sufficient resources are available to fund basic functions between receipts of user charges.

The target (or floor) for ending unrestricted net position is meant to be an equivalent of the target for an unrestricted fund balance for the City's General Fund. Equity is reported as a fund balance in the General Fund and as a net asset within the Water Fund and the Sewer Fund. Fund balance and net assets are the difference between fund assets and liabilities reflected on the balance sheet or statement of net assets.

### Rate Calculations

The Study focused on preparing projections for future annual tax capacity rates for the City, and reviewing the rates for the fees and charges of the Utilities. The Study did not include a review and analysis of other City fees and charges, only the fees of the Utilities was included.

#### City Tax Rate

Future tax levies increases are projected to be necessary to fund planned expenditures and to maintain adequate cash balances across all City funds.

A summary of the projected City tax levy amounts is shown in the Figure 1 that follows on the next page, along with the corresponding estimated City tax rate.

Future annual City tax rates are estimated based on assumptions in the Plan for changes to the City's tax capacity from growth in the market value of property within the City. The Plan is prepared to result in a constant tax rate over the next five years. The Plan anticipates an increase in the City's tax capacity for tax

collection year 2024 from a new multi-family building, which along with tax base growth from new single family housing units is projected to help the City achieve a constant tax rate.

**Figure 1.**

Tax Collection Year	City Tax Levy	% Change in Tax Levy	Tax Rate	% Change in Tax Rate
2020 Certified	\$4,660,559	9.3%	0.4501	-0.3%
2021 Certified	\$5,045,377	8.3%	0.4352	-3.3%
2022	\$5,773,324	14.4%	0.4352	0.0%
2023	\$6,432,744	11.4%	0.4352	0.0%
2024	\$7,335,469	14.0%	0.4352	0.0%
2025	\$7,967,522	8.6%	0.4352	0.0%
2026	\$8,585,273	7.8%	0.4352	0.0%

The key assumptions used for the Study that impact future City tax rates includes the following:

- Taxable market value within the City is projected to increase by approximately 4.0% from 2021 to 2022, and by 3.0% annually between 2023-2026.
- Fiscal disparities contribution and corresponding distribution of tax revenue are estimated to remain constant (at current amounts) over the planning period. The actual impact of the metro-wide fiscal disparities program varies from year to year.
- City will increase the tax levy to support additional planned spending in the General Fund related to growth of the community. Details on the specific items, which includes staff positions, is included in

the Finance Plan section for the General Fund and in the Appendix.

- General fund non-tax revenue is estimated to increase by 1.5% and current expenditures by 3.0%. There are no assumed major changes to non-tax revenue.
- City estimates it will average 202 new housing units (constructed) annually over the next decade between 2021-2030. The Plan assumes more rapid growth over the near term. For purposes of estimating market value of property in the City, the average home price is estimated at \$490,000, inflated 3.0% annually.
- The Plan assumes new taxable market value from the construction of new commercial property in the City. New commercial value of \$1.0 million per year is assumed, beginning with taxes payable in 2023 (first project to be constructed in 2021).
- The construction of new multi-family housing units in southeast Corcoran is anticipated at 266 units in 2022, with first taxes payable year 2024.
- For planning purposes, it is assumed the City will issue bonds to finance a new municipal building in 2026 with an estimated \$10 million project cost. The Plan anticipates that debt service will be paid from taxes (80%), water revenues (10%) and sewer revenues (10%). The final allocation of costs will require further review. The increase to the City's tax levy in year 2025 is approximately \$605,000 for payment of debt service for the project.

The table and graphics that follow provide historical and projected City property tax levies and tax rates along with tax capacity. A detailed break down of the debt service levy by bond series is provided in Appendix.

### Utility Rates

The City currently has a two-part rate structure for charging fees for water and sewer services, comprised of both a fixed and variable charges. This two-part structure is recommended by generally accepted practices and is a practice followed by most cities within the Twin Cities metropolitan area. This structure recovers a portion of system costs in a fixed charge, recognizing that the Utilities have certain fixed costs and customer service costs that are incurred year-round. These fixed costs are incurred regardless of the level of water usage.

Over the next five years it is projected that approximately 45% of the Water Fund expenses, including depreciation, will be fixed and for the Sewer Fund it is approximately 30%. The percentages vary somewhat from year to year. Fixed expenses as a percent of total expenses is projected to decrease somewhat over time as the number of customers increase and volume of water usage grows.

For usage or metered volume-based rates, based on the results of the Study, there are no recommended changes in the structure. As the number of customers increases potential changes to the structure may be needed. Potential future proposed changes may include the following, for example:

- Establish an inclining block sanitary sewer rate structure, to match the total of four tiers for Wa-

ter, and set the volume for each tier to reflect sewer customers' usage profiles and local data.

The Plan anticipates the City adopts planned increases to rates for water and sanitary sewer services as proposed in the Plan. This includes increasing the base fee for water services from \$20.00 to \$20.60 (from year 2021 to 2022) and increasing all other water fees by 3.0% annually.

For the trunk line availability charges (TLAC) the following is planned:

- For northeast Corcoran, the plan is to increase the fee from \$16,789 in 2021 to \$17,293 in 2022, adjusted by 3% annually.
- For southeast Corcoran, the plan is to increase the fee from \$7,475 in 2021 to \$8,596 in 2021, with annual increases of 15% from 2022-2027, and then 3.0% annual increases.
- For sewer, the plan is to increase TLAC fee by 3.0% annually.

The Appendix includes details on fee amounts by year for both water and sewer services

The planned TLAC fees, and annual adjustments, are needed for the City to fund improvements in northeast and southeast Corcoran. The improvements include trunk watermain, booster stations, and a water tower in northeast Corcoran estimated in total to cost between \$14.25 million.

While not anticipated, if growth from residential development does not occur as projected, and development fees to support the Utilities are not collected as anticipated, the City may need to levy property taxes to pay debt service on bonds issued to finance utility

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system infrastructure. At time of issuance of the bonds, the City projected revenue from future development would be sufficient to repay the general obligation revenue bonds (proprietary debt) issued without the need for a tax levy. As projected in the Plan, revenue within the Water Fund and the Sewer Fund is projected to be sufficient to meet all current and future debt obligations.

The City should annually review its utility rates and the block rate structure to ensure that rates and structure provide adequate revenues and cash flow based on actual customers and volume activity.

Future rates should be set based on actual data and performance, which will include impact of future development within the City. Efforts by customers to conserve and reduce water consumption will have a direct impact on revenues.

### Organization of Plan

The Plan is organized into seven sections:

1. Introduction and Summary provides information on the Study Approach, Revenue Sufficiency, and Rate Calculations.
2. Background provides historical and statistical context for the Utilities.
3. CIP and Debt provides information on the City's plans for equipment, facilities, and maintaining and expanding the water and sanitary sewer systems. This includes estimates on project costs, timing, and sources of funds. The time horizon for the capital plan is years 2022-2026. Information on outstanding debt obligation and debt service of the City is included.

4. Financial Plans provides the financial plans (pro forma) for the City Funds, including the Water Fund and the Sewer Fund. The financial plans include historical, current, and projected revenues and expenses and estimated ending cash balances. Financial plans take into account capital improvement plans, both existing and planned debt issuance, and proposed rates.
5. Appendix provides additional data and graphics.

**TABLE 1**  
**City of Corcoran**  
**Summary of Property Tax Levy, Tax Capacity, and Tax Rate**

	Certified		Projected				
	2020	2021	2022	2023	2024	2025	2026
<b>Property Tax Levy by Payable Year</b>							
General Fund	4,104,744	4,447,791	5,165,529	5,678,729	6,569,293	6,962,171	7,198,714
Debt Service Equipment	213,292	264,259	273,565	420,257	427,745	662,458	617,785
Debt Service Facilities	342,523	333,327	334,231	333,758	338,431	342,893	768,773
<b>Total Property Tax Levy</b>	<b>4,660,559</b>	<b>5,045,377</b>	<b>5,773,324</b>	<b>6,432,744</b>	<b>7,335,469</b>	<b>7,967,522</b>	<b>8,585,273</b>
Less Fiscal Disparities Distribution	282,107	288,761	288,761	288,761	288,761	288,761	288,761
<b>Net Spread Levy</b>	<b>4,378,452</b>	<b>4,756,616</b>	<b>5,484,563</b>	<b>6,143,983</b>	<b>7,046,708</b>	<b>7,678,761</b>	<b>8,296,512</b>
<b>Tax Capacity (TC)</b>							
Gross Tax Capacity (TC) Real Property	9,766,694	10,907,850	12,580,483	14,095,657	16,169,882	17,622,174	19,041,604
Gross Tax Capacity (TC) Personal Property	445,736	540,846	540,846	540,846	540,846	540,846	540,846
Total Gross TC	10,212,430	11,448,696	13,121,329	14,636,503	16,710,728	18,163,020	19,582,450
Less Tran Line TC	2,416	2,567	2,567	2,567	2,567	2,567	2,567
Less Fiscal Disparities TC	482,546	516,672	516,672	516,672	516,672	516,672	516,672
<b>Net Tax Capacity</b>	<b>9,727,468</b>	<b>10,929,457</b>	<b>12,602,090</b>	<b>14,117,264</b>	<b>16,191,489</b>	<b>17,643,781</b>	<b>19,063,211</b>
<b>City Tax Rate</b>	0.4501	0.4352	0.4352	0.4352	0.4352	0.4352	0.4352
Total Property Tax Levy Annual % Change	9.3%	8.3%	14.4%	11.4%	14.0%	8.6%	7.8%
Net Tax Capacity Annual % Change	9.2%	12.4%	15.3%	12.0%	14.7%	9.0%	8.0%
City Tax Rate Annual % Change	-0.3%	-3.3%	0.0%	0.0%	0.0%	0.0%	0.0%

Note: Projected year 2022 Gross Tax Capacity (TC) Real Property is from Hennepin County report dated July 8, 2021. All other TC amounts for 2022 and future years are estimated.



**TABLE 2  
City of Corcoran  
Projected City Taxes Payable for Example Properties**

		<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Valuation</b>	Residential	\$300,000	\$312,000	\$321,360	\$331,001	\$340,931	\$351,159
	Residential	\$475,000	\$494,000	\$508,820	\$524,085	\$539,807	\$556,001
	Residential	\$600,000	\$624,000	\$642,720	\$662,002	\$681,862	\$702,317
	Residential	\$800,000	\$832,000	\$856,960	\$882,669	\$909,149	\$936,423
	Commercial	\$1,000,000	\$1,040,000	\$1,071,200	\$1,103,336	\$1,136,436	\$1,170,529
		<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>City Tax Payable</b>	Residential \$300,000	\$1,261	\$1,318	\$1,362	\$1,408	\$1,455	\$1,504
	Residential \$475,000	\$2,067	\$2,150	\$2,224	\$2,307	\$2,393	\$2,481
	Residential \$600,000	\$2,720	\$2,851	\$2,952	\$3,057	\$3,165	\$3,277
	Residential \$800,000	\$3,808	\$3,982	\$4,118	\$4,258	\$4,402	\$4,550
	Commercial \$1,000,000	\$8,704	\$9,052	\$9,324	\$9,604	\$9,892	\$10,189
		<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	
<b>Annual Dollar Change in Total City Tax Payable</b>	Residential \$300,000	56.93	44.40	45.73	47.11	48.52	
	Residential \$475,000	82.69	74.09	83.04	85.53	88.10	
	Residential \$600,000	130.56	101.84	104.89	108.04	111.28	
	Residential \$800,000	174.08	135.79	139.86	144.06	148.38	
	Commercial \$1,000,000	348.17	271.57	279.72	288.11	296.75	

CHART 1  
Change in Property Tax Levy and Property Tax Rate  
Year 2020-2021 is Actual, Year 2022-2026 is Projected

**Projected Tax Levy increases after year 2023 are projected to be at a level that is within the projected growth in Tax Capacity resulting in a constant tax rate for the City**

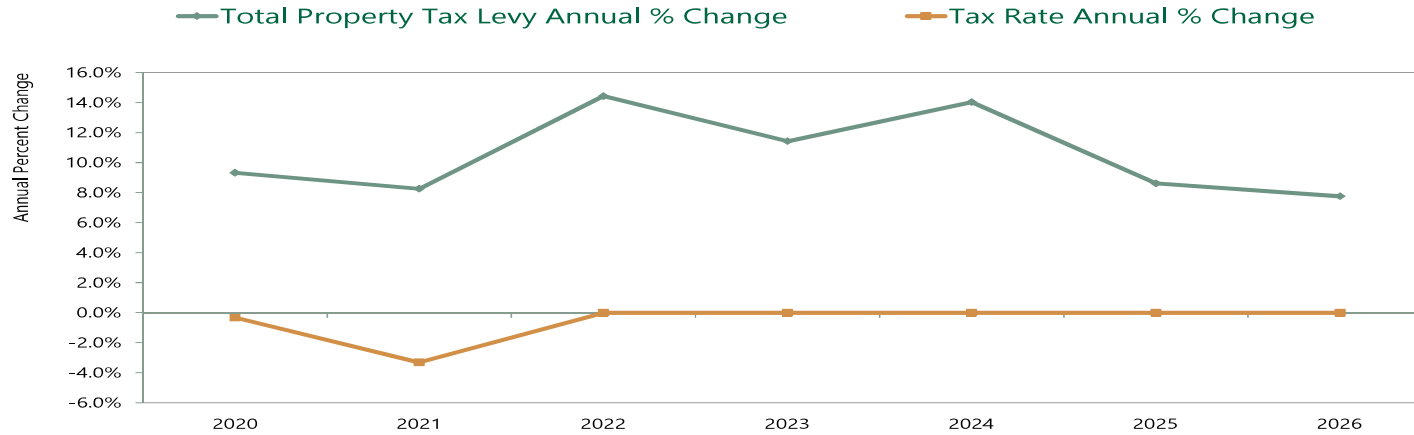


CHART 2  
City Tax Capacity (Tax Base)  
Year 2020-2021 is Actual, Year 2022-2026 is Projected

**City Total Tax Capacity is projected to increase driven by new construction and projected valuation increases for property**

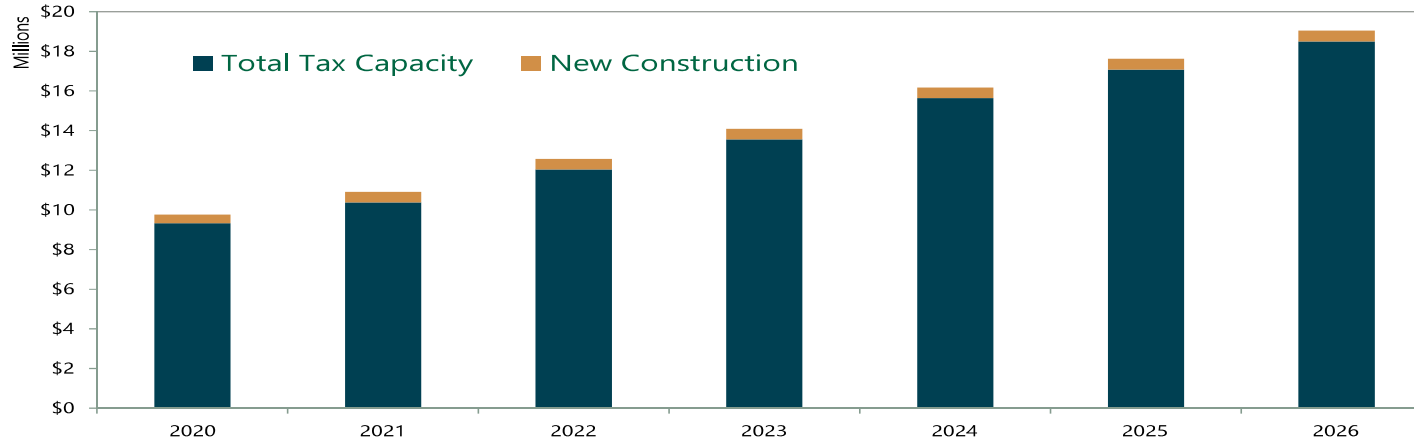


CHART 3  
General Fund  
Year-End Fund Balance

**Fund Balance is projected to continue to meet City policy to maintain a minimum balance in the General Fund equivalent to 35% of annual expenditures**

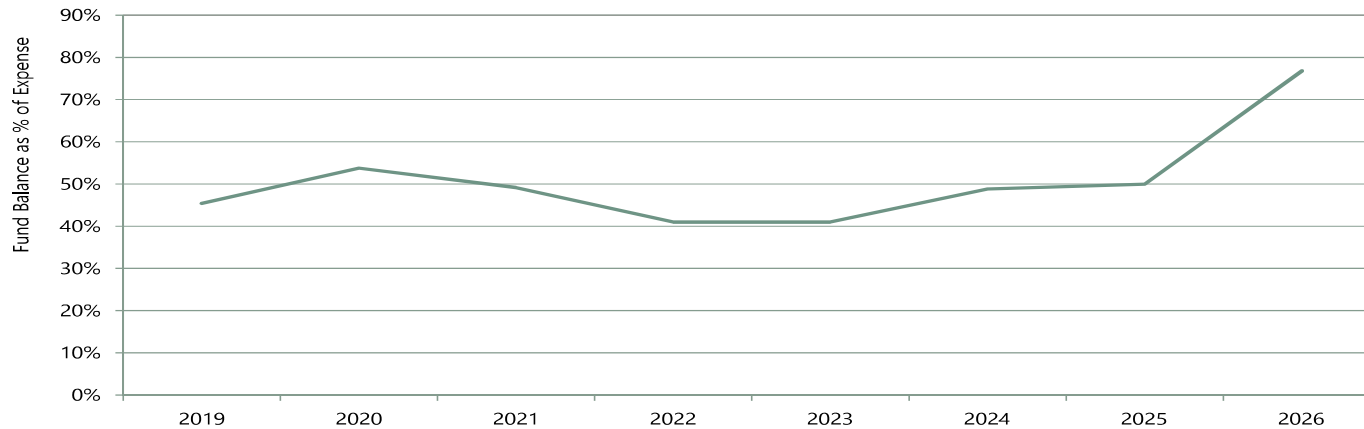
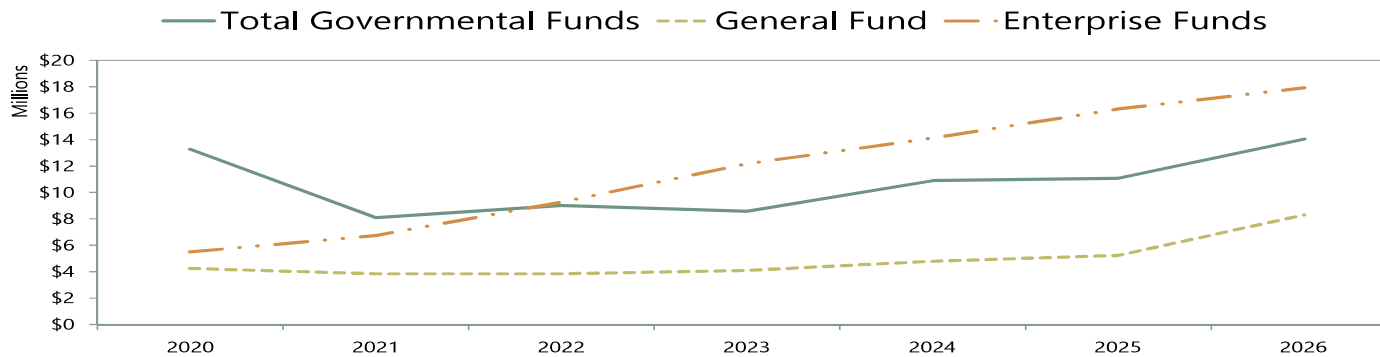


CHART 4  
Cash Balance at Year-End

**Cash balances are projected to remain stable and be at levels sufficient to meet City objectives**



Cash balances vary due to timing of capital projects and debt service and timing of receipt of funds, including bond proceeds. The decrease in Total Governmental Funds cash from 2020 to 2021 is due in large part to the \$3.37 million current refunding of the 2012B Bonds from bonds issued in 2020 for February 1, 2021 call, among other capital spending.

## Introduction and Summary

CHART 5  
Water Fund Year-End Cash Balance

**Cash balance increase comes from collection of development related revenue which will be spent down to pay for projects not yet programmed in the Plan**

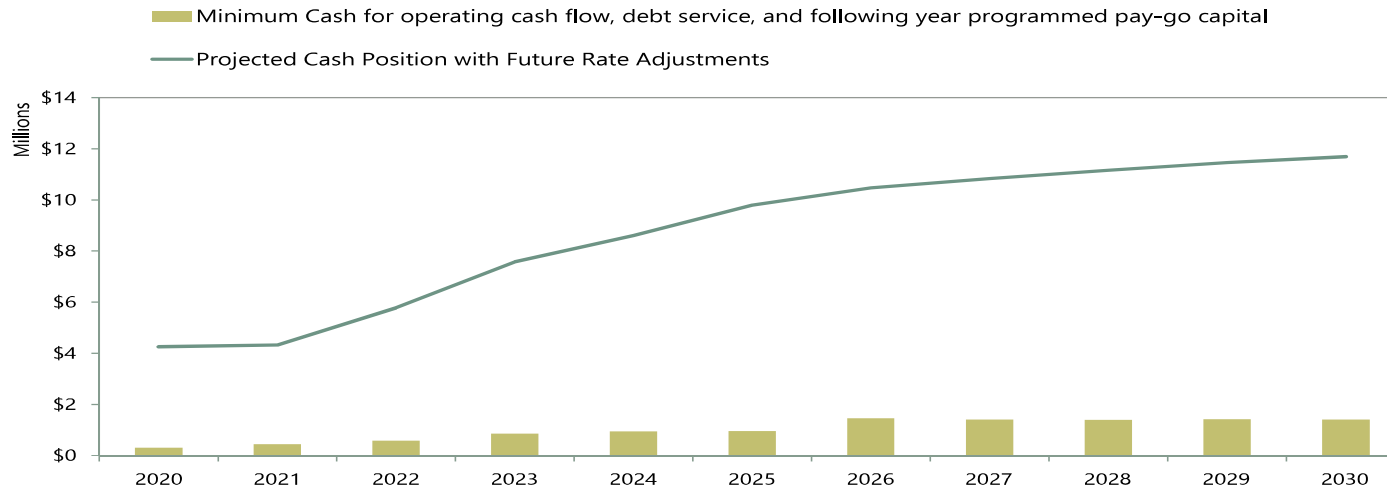
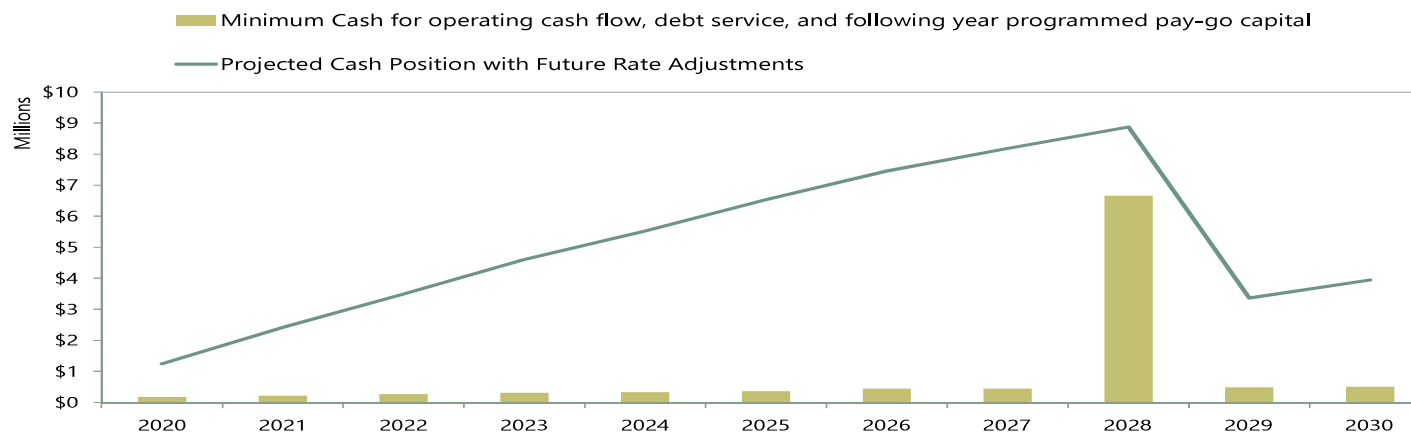


CHART 6  
Sewer Fund Year-End Cash Balance

**Cash balance increase comes from collection of development related revenue which will be spent down to pay for projects not yet programmed in the Plan**



Note: The minimum cash position increases in 2028 due to planned expenditure in 2029 for North Sewer Connection Project. The plan is to use cash to pay for this project.

The increase in the Water Fund and Sewer Fund Year-End Cash Balance is planned.

The difference between Projected Cash Position and Minimum Cash Position represents the net amount of cash projected to be available as reserves for future capital improvements. The City collects development fees at time of platting and building permit, use of the funds collected occurs over time to pay for financing of projects.

The TLAC and Connection charges the City will collect as development occurs is needed to pay for future capital improvements that are not yet programmed in the CIP.

The improvements that have been identified, but not yet programmed, include trunk watermain, booster stations, and a water tower in southeast Corcoran estimated to cost between \$12 and \$15 million.

CHART 7  
Tax Levy and Tax Base

**Cummulative increase in Tax Levy is projected to be equal to the cumulative increase in Net Tax Capacity from 2021 to 2026, resulting in a constant tax rate**

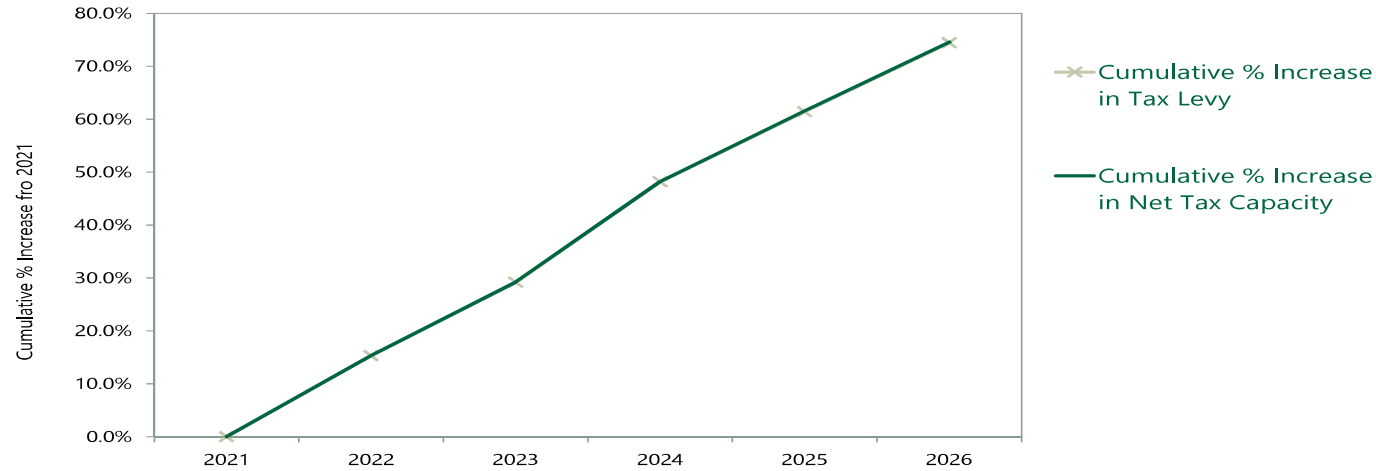
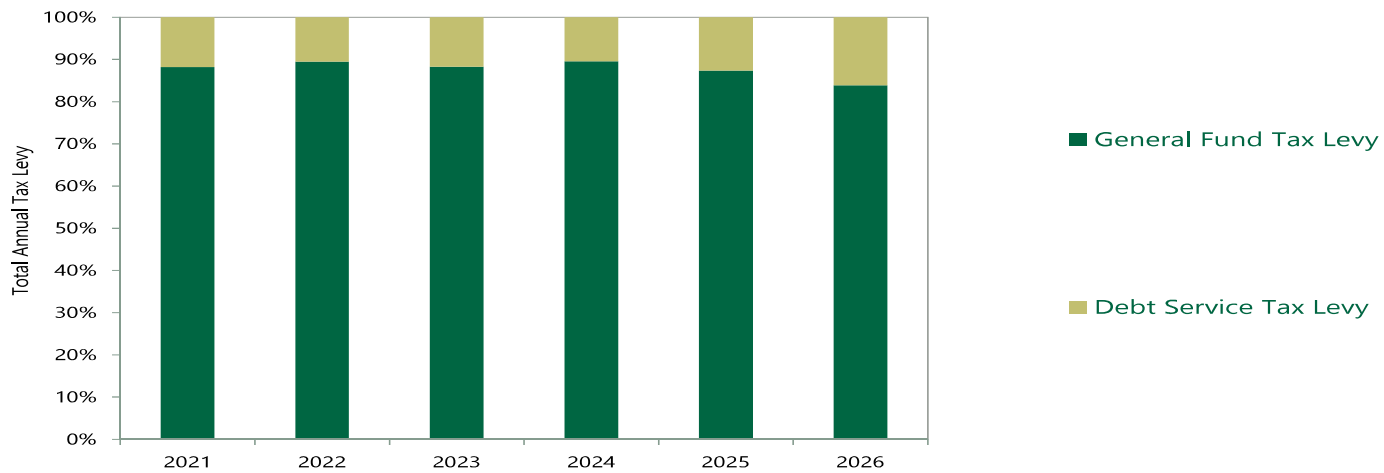


CHART 8  
Tax Levy by Purpose

**Tax Levy for Debt Service is projected to remain around 10% of the Total Annual Tax Levy**



### BACKGROUND

The City of Corcoran is located on the western edge of the Twin Cities Metropolitan area in Hennepin County. The City estimates its population at approximately 6,400 residents as of 2020. Population will continue to increase due to development of residential property within the City. The land area for the City encompasses just under 36 square miles and includes area for future residential development.

Commercial and industrial development in the City has been limited, primarily due to the lack of municipal water and sewer services and the absence of major transport corridors. In 2012 the City successfully financed and implemented a major improvement project to first bring and then expand municipal water and sanitary sewer services to the City. The project provided for connection to the metropolitan disposal system. The City forecasts continued development of both residential and commercial property.

The City's development plan for its downtown area provides an opportunity for additional economic development. In recent years the City completed construction of street improvements and utility infrastructure in the downtown area.

The table that follows provides the estimated number of housing units along with municipal utility connections units for commercial property in the downtown area the City projects to be added over the next twenty-years. The assumptions on units is an important input to the Plan and is updated on annual basis by the City.

The City is in the process of planning for water service to serve the northeast area of the City. The access to water purchased from Maple Grove is limited. The City is planning on investments for a water treatment plant and water tower in the near term.

**TABLE 3**  
*Page 1 of 3 for Table 3*  
**City of Corcoran**

**Projected Residential Equivalent Units, Volume of Water Billed, and Acres Platted**

		2021	2022	2023	2024	2025	2026
<b>PROJECTED UNITS - BASED ON YEAR OF BUILDING PERMIT</b>							
Residential (Ravinia)	SE District	90	45	9			
Residential (Bass Lake Crossing)	SE District	20	2				
Residential (Bass Lake Crossing South)	SE District	14	4				
Commercial	SE District	1	1	1	1	1	1
Residential (Tavera)	SE District	3	25	40	50	50	50
Residential (Rush Creek Reserve)	SE District	10	30	30	30	30	30
Residential (Ghost project)	SE District	10	30	30	30	30	30
Residential (Bellweather)	NE District	85	60	60	48		
Residential (Other)	NE District	-	-	40	40	40	40
Multi-Family		-	266				
Residential (Greater Corcoran)		5	5	5	5	5	5
<b>Total Annual Units Constructed (Year of Building Permit)</b>		238	468	215	204	156	156
<b>ESTIMATED UNITS FOR FINANCIAL PLANNING PURPOSES (PLAN ASSUMES UNITS ADDED AS UTILITY CUSTOMER IN YEAR AFTER BUILDING PERMIT ISSUED)</b>							
Residential (Ravinia)	SE District	85	90	45	9	-	-
Residential (Bass Lake Crossing)	SE District	31	20	2	-	-	-
Residential (Bass Lake Crossing South)	SE District	24	14	4	-	-	-
Commercial	SE District	1	1	1	1	1	1
Residential (Tavera)	SE District	-	3	25	40	50	50
Residential (Rush Creek Reserve)	SE District	-	10	30	30	30	30
Residential (Ghost project)	SE District	-	10	30	30	30	30
Residential (Bellweather)	NE District	91	85	60	60	48	-
Residential (Other)	NE District	-	-	-	40	40	40
Multi-Family		-	-	266	-	-	-
Residential (Greater Corcoran)		7	5	5	5	5	5
<b>Total Utility Billing Customer Units Added</b>		239	238	468	215	204	156
<b>Acres Platted</b>							
Northeast Corcoran		62	51	20	20	20	20
Southeast Corcroan		70	70	65	65	65	65

**TABLE 3**  
*Page 2 of 3 for Table 3*  
**City of Corcoran**

**Projected Residential Equivalent Units, Volume of Water Billed, and Acres Platted**

	2021	2022	2023	2024	2025	2026
<b>SUMMARY OF PROJECTED CUSTOMER UNITS AND VOLUME USED FOR PLAN</b>						
<b>CUSTOMER UNITS</b>						
<b>Customer Units Added Per Year by Type and Area</b>						
Residential SE District	140	147	136	109	110	110
Residential NE District	91	85	60	100	88	40
Greater Corcoran	7	5	5	5	5	5
Subtotal Residential	238	237	201	214	203	155
Commercial SE District	1	1	1	1	1	1
Multi-Family	0	0	266	0	0	0
<b>Total Units Added</b>	239	238	468	215	204	156
<b>Total Customer Units by Type</b>						
Residential SE District	554	701	837	946	1,056	1,166
Residential NE District	204	289	349	449	537	577
Greater Corcoran	7	12	17	22	27	32
Subtotal Residential	765	1,002	1,203	1,417	1,620	1,775
Commercial SE District	29	30	31	32	33	34
Multi-Family	0	0	266	266	266	266
<b>Grand Total Units</b>	794	1,032	1,500	1,715	1,919	2,075
<b>CUSTOMER WATER VOLUMES</b>						
<b>Average Estimated Annual Volume Per Customer</b>						
Residential average gallons per year per REU	105	105	105	105	105	105
Multi-Family average gallons per year per REU	75	75	75	75	75	75
Commercial average gallons per year per REU	70	70	70	70	70	70
<b>Total Purchased Water Volume (1,000 Gal)</b>						
Residential SE District	58,170	73,605	87,885	99,330	110,880	122,430
Residential NE District	21,420					
Greater Corcoran	735	1,260	1,785	2,310	2,835	3,360
Subtotal Residential	80,325	74,865	89,670	101,640	113,715	125,790
Commercial SE District	2,030	2,100	2,170	2,240	2,310	2,380
Multi-Family	-	-	19,950	19,950	19,950	19,950
Municipal Water Usage (15% of total)	24,402	22,775	30,219	33,821	37,454	41,087
<b>Total Purchased Water Volume (1,000 Gal)</b>	26,432	24,875	52,339	56,011	59,714	63,417
<b>Total City Water Produced Volume (1,000 Gal)</b>						
Residential SE District						
Residential NE District		30,345	36,645	47,145	56,385	60,585
Greater Corcoran						
Subtotal Residential	-	30,345	36,645	47,145	56,385	60,585
Commercial SE District						
Multi-Family						
Municipal Water Usage (15% of total)						
<b>Total City Water Produced Volume (1,000 Gal)</b>	-	30,345	36,645	47,145	56,385	60,585



**TABLE 3**  
*Page 3 of 3 for Table 3*  
**City of Corcoran**

**Projected Residential Equivalent Units, Volume of Water Billed, and Acres Platted**

	2021	2022	2023	2024	2025	2026
<b>Total Water Billed to Customers (1,000 Gal)</b>						
Residential SE District	58,170	73,605	87,885	99,330	110,880	122,430
Residential NE District	21,420	30,345	36,645	47,145	56,385	60,585
Greater Corcoran	735	1,260	1,785	2,310	2,835	3,360
Subtotal Residential	80,325	105,210	126,315	148,785	170,100	186,375
Commercial SE District	2,030	2,100	2,170	2,240	2,310	2,380
Multi-Family	-	-	19,950	19,950	19,950	19,950
Municipal Water Usage (15% of total)						
<b>Total Water Volume Billed (1,000 Gal)</b>	82,355	107,310	148,435	170,975	192,360	208,705

**Notes to Table 2:**

- The Plan assumes the following volume of water sold by billing tier, as shown below. As volumes sold increase, this assumption will need to be modified.
 

Tier 1: Water usage 0 to 4,999 gallons	49%	Tier 2: Water usage 5,000 to 8,999 gallons	21%
Tier 3: Water usage 9,000 to 19,999 gallons	30%		
- NE District is projected to be served by a City water system beginning in year in 2022. Prior to year 2022, property in the NE District will be served by water purchased from Maple Grove.
- Table 3 does not include customer units in greater Corcoran that are not sewered.

CHART 9  
New Construction and Connections to Municipal Utilities  
Residential Equivalent Units

**Long-term projections for future growth drive the revenue estimates included in the Plan and impacts projected tax rates and utility rates**

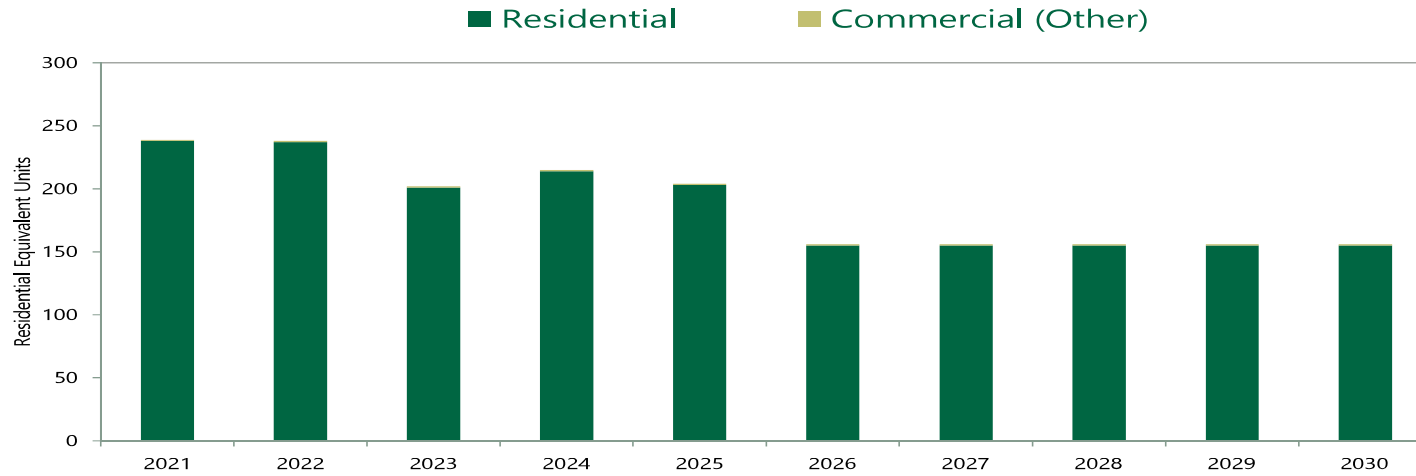
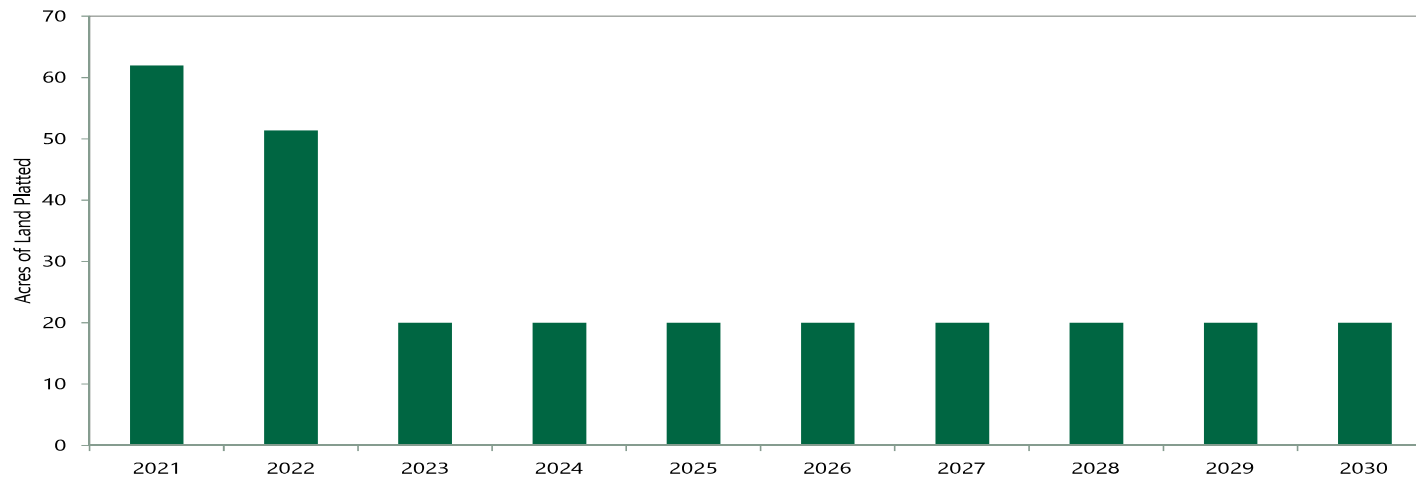


CHART 10  
Acres of Land Platted for Development

**Projections for future acres of land platted for development impacts the revenue estimates included in the Plan and impacts projected tax rates and utility rates**



## **CAPITAL IMPROVEMENT PLAN (CIP) AND DEBT**

The City annually reviews its plans for capital acquisition and improvements and updates its multi-year plan. The CIP in the Plan provides details on costs by year and proposed funding sources. The debt service study, included in the Plan, provides information on current debt service and estimated future debt.

The CIP provides an important input into preparing the financial plans for the City funds. The fund level reports in the Financial Plans section are inclusive of all sources and uses of funds, both operating and non-operating, which includes capital expense. The table that follows on page 19 provides details by project of the City's capital acquisition and improvement plans.

### **Equipment and Vehicles**

Over the next five years the City anticipates spending an average of approximately \$950,000 per year on equipment and vehicles capital needs. The Plan includes anticipated bonding in year 2022 and 2024 for equipment and vehicles.

The City has been incrementally increasing tax levy in the General Fund to support a transfer to the Equipment Fund, but the rate of increase in planned spending has outpaced the planned annual tax levy support therefore bonding will be needed to provide proceeds for the planned purchases. Annual sale of capital assets is estimated to provide approximately \$75,000 for new equipment and vehicles.

### **Water Improvements**

Water improvements are included in the CIP for the implementation of a water system for the northeast area of the City estimated at \$14,250,000.

The Plan anticipates the southeast area of the City will continue to be served under terms of an agreement with Maple Grove for purchase of municipal water until demand passes capacity. Future improvements in southeast Corcoran will need to be undertaken at some point in the future.

The CIP does not include water improvement projects that are anticipated to be constructed and financed by private development and contributed to the City. These projects will be paid entirely by private funds with infrastructure then contributed to the City.

### **Sewer Improvements**

The Plan does not include any planned capital spending for sewer improvements within the next five years (2022-2026).

### **Street Improvements**

The CIP includes street improvements for Hackamore Road (CR116/CSAH101). The City's share of the Hackamore Road improvements (project is a cooperative project with other jurisdictions) will be funded from a payment from the benefiting residential developer and special assessments to other benefiting properties. The CIP does not anticipate any property tax levy support for this project or other street improvement projects in the CIP. The project is anticipated to commence in 2022 with completion in 2023.

### Improvement to Gravel Roads

Council has discussed a need to establish a plan to begin paving gravel roads. A dedicated revenue source is likely needed for this to take place and should be discussed and included in future Plans.

### Facility and Parks

A future municipal building or expansion of the existing building is planned for approximately \$10 million in year 2026; this is a “placeholder” year. The Plan anticipates that the debt on the municipal building will be paid 80% from tax levy and 20% from water and sewer revenues. The annual debt service expense is included in the financial plans for the Debt Service Fund, including the transfers in of revenues from the Water Fund and Sewer Fund, respectively. The annual debt service is estimated at approximately \$630,000 for a \$10.425 million bond issuance, which includes \$10.0 million for the project construction and funds for cost of issuance and capitalized interest fund. The annual tax levy for debt service, beginning in year 2026 is estimated at approximately \$430,000.

### Future Park Improvements

The City is planning for various park improvements including City Park as well as other park planning as outlined in the 2040 Comprehensive Plan. These improvements will be paid with park dedication funds and completed as funds allow. The City has not yet programmed but anticipates the following projects:

- Town Center Park and Linear Park
- Phase 1 of the City Park Improvement Project
- Open space park near Ravinia Development

- Open space park near Bellwether Development
- Neighborhood park near Bellwether Development
- County Road trail improvements

### Bond Issuance

The City’s outstanding general obligation bonds are rated as ‘Aa3’ by Moody’s Investors Service. The positive credit strengths include strong financial operations resulting in growing reserves. The strong bond rating means a lower cost of borrowing for the City.

The City anticipates the issuance of bonds to finance certain capital improvements. The tables and graphics that follows provide a summary of existing and future estimated debt service payments (principal and interest) and funding sources, along with a summary of debt outstanding by year.

The annual debt service on future “new” bonds to be issued is also included in the financial plans for the Debt Service Fund, Water Fund, and the Sewer Fund. The preliminary estimates for debt service are based on the following estimated new bond issues:

- Year 2022, G.O. Bonds, \$1,520,000 to finance equipment and vehicle acquisition over a 10 year term payable from tax levy.
- Year 2022, G.O. Bonds, \$14,300,000 to finance water system improvements over a 25 year term payable from net revenues of the Water Fund.
- Year 2022, G.O. Bonds, \$1,105,000 to finance street improvements over a 4 year term payable from special assessments levied against benefiting property.

- Year 2024, G.O. Bonds, \$1,820,000 to finance equipment and vehicle acquisition over a 10 year term payable from tax levy.
- Year 2026, G.O. Bonds \$10,425,000 to finance municipal buildings over a 25 year term payable from tax levy and net revenues of the Water Fund and the Sewer Fund. The estimated split is 80% payable from tax levy and 20% payable from the utility revenues.

### Bond Terms

The final sizing, structuring, and interest rates will depend on project specifics and market conditions at time of issuance. The amounts shown in the Plan are preliminary and for planning purposes only. The bond issuance sizes include capital acquisition and construction costs, cost of issuance of bonds, and capitalized interest funds. The debt service for the new bonds is based on the terms stated above and a conservatively estimated 3.5% interest rate on the bonds.

**TABLE 4**  
**Page 1 of 2 of Table 4**  
**City of Corcoran**  
**Capital Improvement Plan**

	2022	2023	2024	2025	2026	Total
<b>Equipment and Vehicles</b>						
<b>Use of Funds</b>						
Public Safety	150,000	161,000	200,000	200,000	200,000	991,000
Public Works	775,000	775,000	600,000	600,000	600,000	3,750,000
Administration	100,000	100,000	100,000	100,000	100,000	510,000
Total	1,025,000	1,036,000	900,000	900,000	900,000	5,251,000
<b>Source of Funds</b>						
Bond proceeds	1,500,000		1,800,000			3,300,000
Sale of assets	75,000	75,000	75,000	75,000	75,000	425,000
Cash from fund	(550,000)	961,000	(975,000)	825,000	825,000	1,526,000
Total	1,025,000	1,036,000	900,000	900,000	900,000	5,251,000
-						
<b>Water Improvements</b>						
<b>Use of Funds</b>						
Preliminary planning for water system						100,000
Water system	14,250,000					14,250,000
Total	14,250,000	-	-	-	-	14,350,000
<b>Source of Funds</b>						
Bond proceeds	14,250,000	-	-	-		14,250,000
Cash from fund						100,000
Total	14,250,000	-	-	-	-	14,350,000
<b>Street Improvements</b>						
<b>Use of Funds</b>						
Hackamore Road, CR 116, CSAH 101	1,140,000	1,060,000				2,200,000
Total	1,140,000	1,060,000	-	-	-	2,200,000
-						
<b>Source of Funds</b>						
Bond proceeds		1,060,000	-	-		1,060,000
Developer Escrow/Prepayments	362,821					362,821
Cash from fund	777,179					777,179
Total	1,140,000	1,060,000	-	-	-	2,200,000

**TABLE 4**  
**Page 2 of 2 of Table 4**  
**City of Corcoran**  
**Capital Improvement Plan**

	2022	2023	2024	2025	2026	Total
<b>Facility and Parks</b>						
<b>Use of Funds</b>						
Municipal building improvements					10,000,000	10,000,000
Park facilities						-
Total	-	-	-	-	10,000,000	10,000,000
<b>Source of Funds</b>						
Bond proceeds					10,000,000	10,000,000
Cash from fund	-	-	-	-		-
Total	-	-	-	-	10,000,000	10,000,000
<b>Total Capital Improvement Plan</b>						
<b>Total Use of Funds</b>						
Equipment and Vehicles	1,025,000	1,036,000	900,000	900,000	900,000	5,251,000
Water Improvements	14,250,000	-	-	-	-	14,350,000
Street Improvements	1,140,000	1,060,000	-	-	-	2,200,000
Facility and Parks	-	-	-	-	10,000,000	10,000,000
Total Use of Funds	16,415,000	2,096,000	900,000	900,000	10,900,000	31,801,000
<b>Total Source of Funds</b>						
Bond proceeds	15,750,000	1,060,000	1,800,000	-	10,000,000	28,610,000
Sale of assets	75,000	75,000	75,000	75,000	75,000	425,000
Developer Escrow/Prepayments	362,821	-	-	-	-	362,821
Cash from fund	227,179	961,000	(975,000)	825,000	825,000	2,403,179
Total Source of Funds	16,415,000	2,096,000	900,000	900,000	10,900,000	31,801,000

Notes:

1. The Hackamore St. project will be paid from developer contribution and special assessments. Bonding to finance the portion funded from special assessments, with assessments to be collected over 4 years.
2. Project costs and bond proceeds shown in this table do not include cost of issuance of the bonds.

**TABLE 5**  
**City of Corcoran**  
**Debt Service (Principal and Interest Payments) and Source of Funds**

	2020	2021	2022	2023	2024	2025	2026	2027
<b>GOVERNMENTAL DEBT</b>								
<b>Debt Service</b>								
G.O. 2012A Certificates (Equipment)	42,275	46,575	45,788	-	-	-	-	-
G.O. 2012B CIP Bonds (Public Works Bldg)	220,588	3,564,644	-	-	-	-	-	-
G.O. 2014A Bonds (Equipment)	49,679	-	-	-	-	-	-	-
G.O. 2016A Bonds (DT Project, and Equipment)	301,930	296,830	296,680	301,380	300,930	295,430	294,880	259,580
G.O. 2018A Bonds (Park, and Equipment)	178,700	179,875	180,900	181,775	177,575	178,300	178,875	174,375
G.O. 2020A Bonds (Equipment)	-	17,129	95,300	98,650	96,950	100,200	98,400	96,600
G.O. 2020B Bonds (Refund 2012B)	-	40,484	198,340	210,290	212,040	218,640	220,090	221,440
PROJECTED G.O. 2022A Bonds (Equipment)	-	-	-	49,363	188,085	189,510	190,821	187,076
PROJECTED G.O. 2023A Bonds (Streets)	-	-	-	-	45,121	299,038	299,588	294,875
PROJECTED G.O. 2024A Bonds (Equipment)	-	-	-	-	-	59,171	224,668	225,412
PROJECTED G.O. 2026A Bonds (Facilities)	-	-	-	-	-	-	-	686,050
<b>Total</b>	<b>793,172</b>	<b>4,145,536</b>	<b>817,008</b>	<b>841,458</b>	<b>1,020,701</b>	<b>1,340,289</b>	<b>1,507,322</b>	<b>2,145,408</b>
<b>Source of Funds</b>								
Tax levy <sup>1</sup>	555,815	597,586	607,795	754,015	766,176	1,005,351	1,386,559	1,501,871
Special assessments (collected in current year)	109,922	104,006	104,006	104,006	422,865	423,626	418,770	309,724
Transfer in from Water Fund <sup>3</sup>	25,640	63,655	63,255	62,855	62,455	62,055	130,260	85,819
Transfer in from Sewer Fund <sup>4</sup>	39,440	50,947	55,347	54,747	54,097	53,397	121,302	103,069
Investment income	1,157	2,000	2,232	2,388	4,024	6,914	-	-
Capitalized interest funds (from bond proceeds)	-	-	-	27,073	-	-	-	-
Debt service funds draw (increase) in fund balance	61,198	3,327,342	(15,628)	(163,626)	(288,916)	(211,054)	(549,568)	144,925
<b>Total Governmental Debt</b>	<b>793,172</b>	<b>4,145,536</b>	<b>817,008</b>	<b>841,458</b>	<b>1,020,701</b>	<b>1,340,289</b>	<b>1,507,322</b>	<b>2,145,408</b>
<b>PROPRIETARY DEBT</b>								
<b>Debt Service</b>								
G.O. 2014B Bonds	222,050	218,550	219,275	214,925	220,425	220,700	220,825	215,875
G.O. 2020A Bonds (Water Portion)	-	24,363	126,850	124,750	127,600	125,400	128,150	125,850
PROJECTED G.O. 2022A Bonds (Water)	-	-	121,977	347,580	397,048	396,234	818,270	817,944
<b>Subtotal</b>	<b>222,050</b>	<b>242,913</b>	<b>468,102</b>	<b>687,255</b>	<b>745,073</b>	<b>742,334</b>	<b>1,167,245</b>	<b>1,159,669</b>
Note Payable to Maple Grove, 2014	39,790	39,403	39,403	39,403	39,403	39,403	39,403	20,223
Note Payable to Maple Grove, 2016	11,779	11,779	11,779	11,779	11,779	11,779	11,779	11,779
<b>Subtotal</b>	<b>51,569</b>	<b>51,182</b>	<b>51,182</b>	<b>51,182</b>	<b>51,182</b>	<b>51,182</b>	<b>51,182</b>	<b>32,002</b>
<b>Total</b>	<b>273,619</b>	<b>294,095</b>	<b>519,284</b>	<b>738,437</b>	<b>796,255</b>	<b>793,516</b>	<b>1,218,427</b>	<b>1,191,671</b>
<b>Source of Funds</b>								
Water Fund	158,532	177,956	402,448	623,741	678,472	675,257	1,099,767	1,075,446
Sewer Fund	115,087	116,139	116,836	114,696	117,783	118,258	118,660	116,225
<b>Total Proprietary Debt</b>	<b>273,619</b>	<b>294,095</b>	<b>519,284</b>	<b>738,437</b>	<b>796,255</b>	<b>793,516</b>	<b>1,218,427</b>	<b>1,191,671</b>

Notes:

1. Collection of the tax levy is in the calendar year prior to the payment of debt service. This results in draws and (increases) in fund balance of the debt.
2. Difference is due to timing of collection of tax levies and assessments and debt payment dates. Tax levies and assessments are collected in year prior to
3. Transfers from Water/Sanitary Sewer pay a pro-rata share of Governmental Debt that benefits the utility services. This includes 2016A Bonds and 2025A
4. Year 2021 includes current call of the 2012B Bonds with proceeds from the 2020B Refunding Bonds.



**TABLE 6**  
**City of Corcoran**  
**Debt Outstanding**

	Original Par Amount of Bonds	2020	2021	2022	2023	2024	2025	2026
<b>GOVERNMENTAL DEBT</b>								
<b>Debt Service</b>								
G.O. 2012A Certificates (Equipment)	410,000	90,000	45,000	-	-	-	-	-
G.O. 2012B CIP Bonds (Public Works Bldg) <sup>1</sup>	4,000,000	3,520,000	-	-	-	-	-	-
G.O. 2014A Bonds (Equipment)	442,000	-	-	-	-	-	-	-
G.O. 2016A Bonds (DT Project, and Equipment)	2,915,000	2,160,000	1,905,000	1,645,000	1,375,000	1,100,000	825,000	545,000
G.O. 2018A Bonds (Park, and Equipment)	1,835,000	1,710,000	1,580,000	1,445,000	1,305,000	1,165,000	1,020,000	870,000
G.O. 2020A Bonds (Equipment)	805,000	805,000	805,000	725,000	640,000	555,000	465,000	375,000
G.O. 2020B Bonds (Refund 2012B)	3,365,000	3,365,000	3,365,000	3,220,000	3,060,000	2,895,000	2,720,000	2,540,000
PROJECTED G.O. 2022A Bonds (Equipment)	1,520,000	-	-	1,520,000	1,535,000	1,380,000	1,220,000	1,055,000
PROJECTED G.O. 2023A Bonds (Streets)	1,105,000	-	-	-	1,105,000	1,105,000	840,000	565,000
PROJECTED G.O. 2024A Bonds (Equipment)	1,820,000	-	-	-	-	1,820,000	1,840,000	1,655,000
PROJECTED G.O. 2026A Bonds (Facilities)	10,425,000	-	-	-	-	-	-	10,425,000
<b>Total</b>		<b>11,650,000</b>	<b>7,700,000</b>	<b>8,555,000</b>	<b>9,020,000</b>	<b>10,020,000</b>	<b>8,930,000</b>	<b>18,030,000</b>
<b>PROPRIETARY DEBT</b>								
<b>Debt Service</b>								
G.O. 2014B Bonds	3,130,000	2,500,000	2,360,000	2,215,000	2,070,000	1,915,000	1,755,000	1,590,000
G.O. 2020A Bonds (Water Portion)	1,145,000	1,145,000	1,145,000	1,040,000	935,000	825,000	715,000	600,000
PROJECTED G.O. 2022A Bonds (Water)	14,300,000	-	-	14,300,000	14,245,000	14,140,000	14,035,000	13,505,000
<b>Subtotal</b>		<b>3,645,000</b>	<b>3,505,000</b>	<b>17,555,000</b>	<b>17,250,000</b>	<b>16,880,000</b>	<b>16,505,000</b>	<b>15,695,000</b>
Note Payable to Maple Grove, 2014	300,000	203,147	176,254	147,881	117,948	86,368	53,051	17,903
Note Payable to Maple Grove, 2016	117,790	106,011	94,232	82,453	70,674	58,895	47,116	35,337
<b>Subtotal</b>		<b>309,158</b>	<b>270,486</b>	<b>230,334</b>	<b>188,622</b>	<b>145,263</b>	<b>100,167</b>	<b>53,240</b>
<b>Total</b>		<b>3,954,158</b>	<b>3,775,486</b>	<b>17,785,334</b>	<b>17,438,622</b>	<b>17,025,263</b>	<b>16,605,167</b>	<b>15,748,240</b>

Note:

1/ The 2012B Bonds were refunded with proceeds from the 2020B Bonds. The balance included in this report for the 2012B Bonds, includes \$3,370,000 of refunded bonds that were called in 2021.

CHART 11  
Capital Improvement Plan  
Use of Funds

**With the exception of equipment and vehicles, annual spending on capital improvements is projected to vary from year to year**

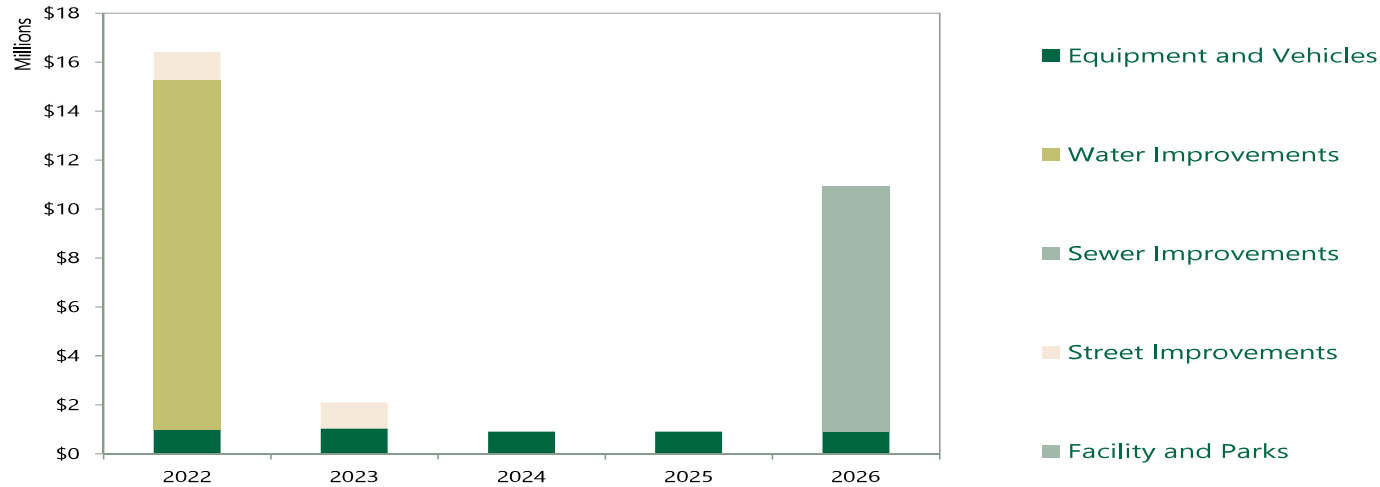
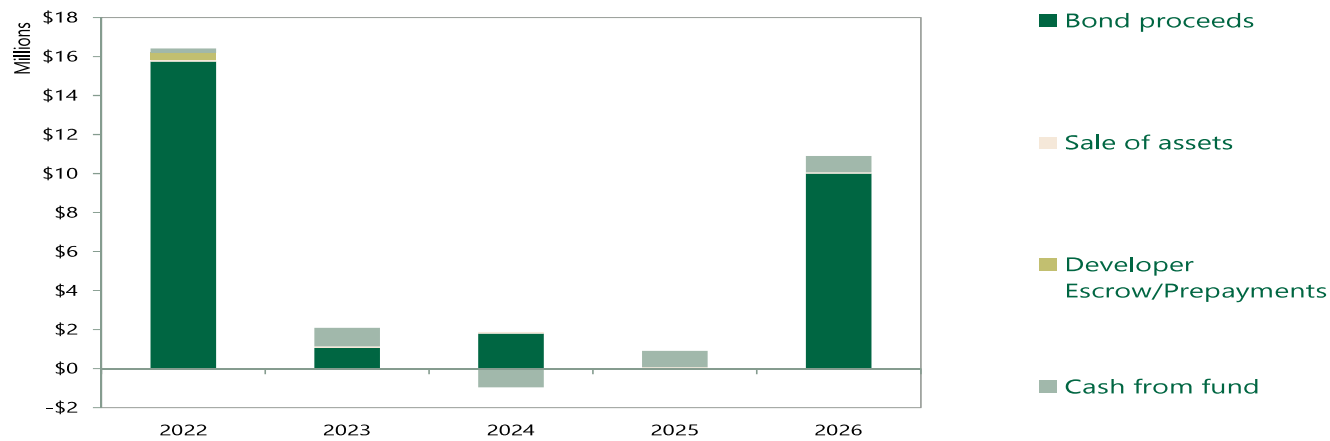


CHART 12  
Capital Improvement Plan  
Source of Funds

**Bonding to finance capital improvements is anticipated**



The negative cash from funds in year 2024 represents an increase in fund balance (cash) which is used in the subsequent year to pay for equipment and vehicle acquisition.

CHART 13  
Annual Debt Service (Principal and Interest) Payments  
Existing and Planned Debt

**Increase in debt service payments is anticipated over the next 5-6 years as the City undertakes planned improvements to facilities finance in part by bond proceeds**

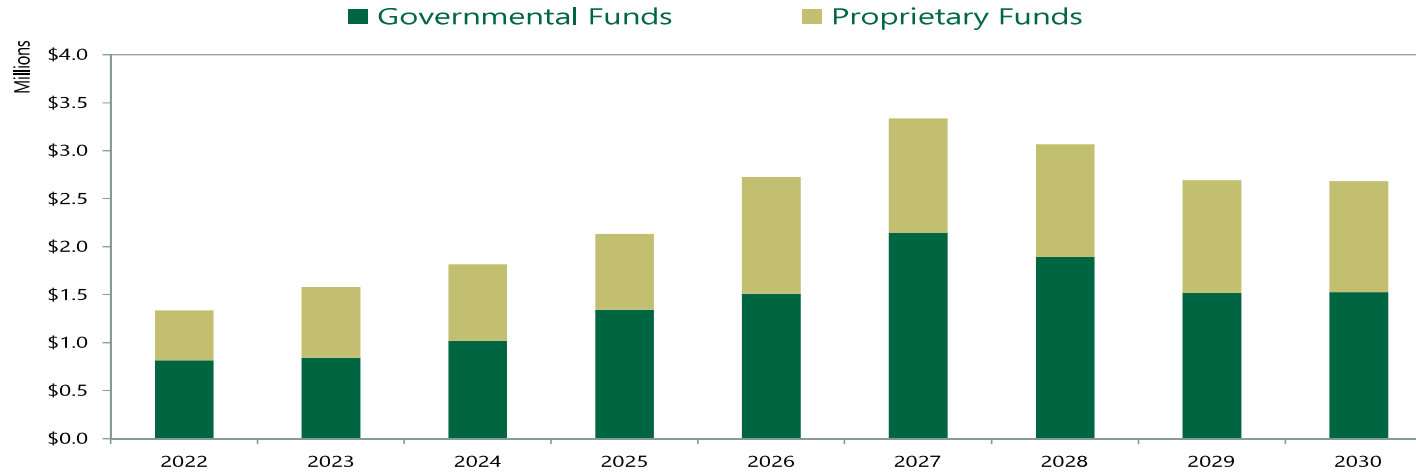
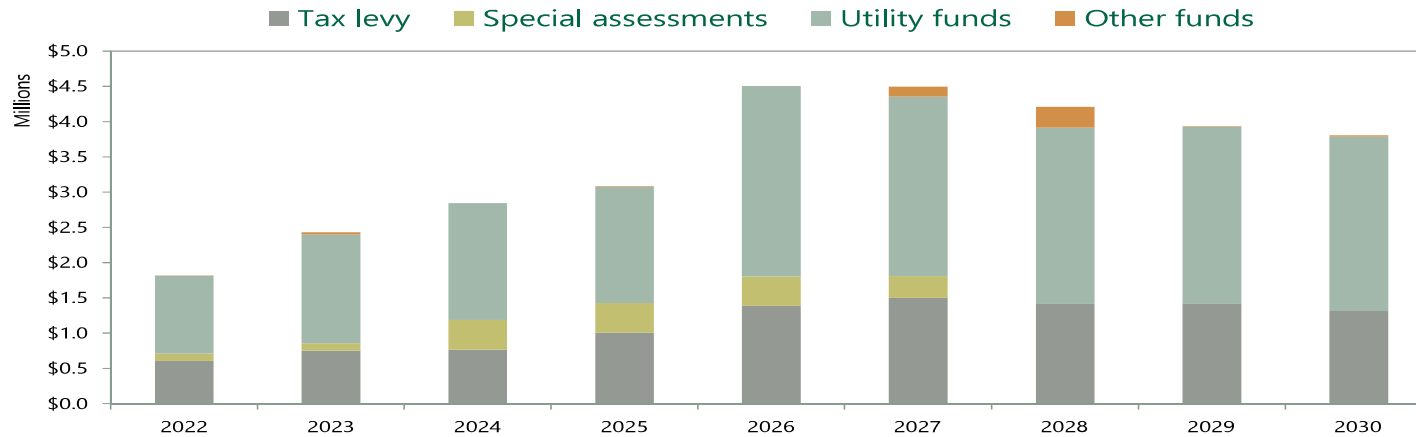


CHART 14  
Source of Revenue for Annual Debt Service (Principal and Interest) Payments  
Existing and Planned Debt

**About half of City debt is payable or supported by net revenue from the City's utility funds**



Other funds includes interest income, capitalized interest funds, and use of fund balance. Debt payable from Utility funds includes debt paid directly by the utility funds and debt supported through transfers from the Utility funds.

CHART 15  
Debt Outstanding by Type of Fund  
Existing and Planned Debt

**City debt outstanding both for governmental and proprietary (utilities) is planned to increase with construction of facilities and other improvements as the City grows**

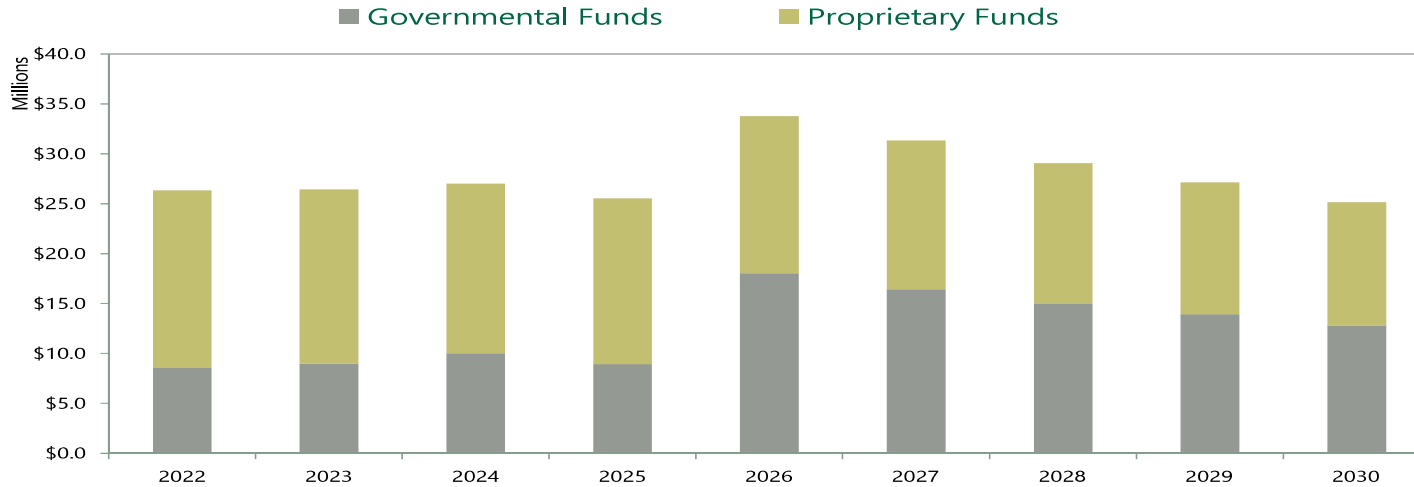
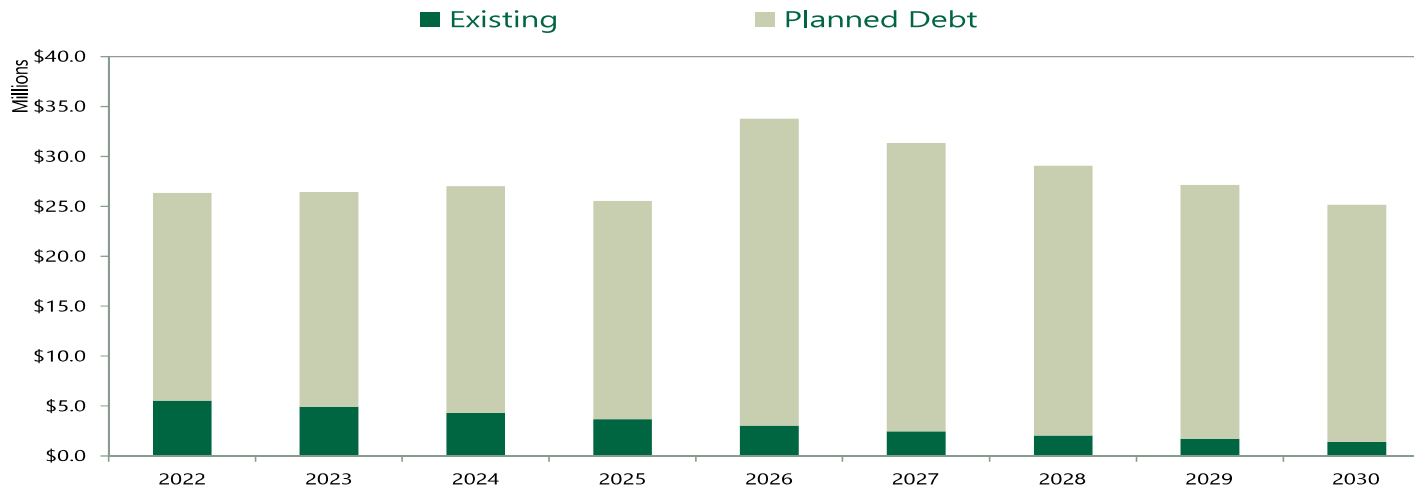


CHART 16  
Debt Outstanding by Existing and Planned Debt

**City debt outstanding is planned to increase with construction of facilities and other improvements as the City grows**



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## FINANCIAL PLANS

### Background

Financial plans have been prepared for each of the following type of funds:

#### Governmental Funds

- General Fund
- Debt Service Funds
- Special Revenue Funds
- Capital Projects Funds

#### Proprietary Funds

- Water Fund
- Sewer Fund

Governmental Funds are used to account for most typical municipal functions of the City. The acquisition, use, and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in Proprietary Funds), are accounted for through the Governmental Funds.

Proprietary Funds are used to account for the City's ongoing municipal utility operations that are similar to businesses found in the private sector. These funds are considered self-supporting in that the services rendered by them are financed through user charges. The financial plans, for the Proprietary Funds, include assets and liabilities in addition to the revenues and expenditures. The Proprietary Funds are presented on an accrual basis. There is a recognition of expenditures when incurred and the subsequent amortization of

the deferred outflows. Revenues are recognized when earned. There is a capitalization of certain expenses and the subsequent depreciation of the capitalized costs. For the Proprietary Funds there is accruals of revenues earned and expenses incurred.

### Summary of Key Factors and Assumptions

The key factors or assumptions used to develop the financial plans are as follows:

- General Fund expense budget for year 2022 and future years are projected to be set at levels, when combined with the debt service levies, will achieve an estimated constant City tax rate equivalent to the City's tax rate for tax year 2021.
- 3.0% annual increase in operating expense for the Governmental Funds.
- 1.5% annual increase in non-property tax revenue for the Governmental Funds.
- Annual projected increase in property tax levies to be set at a level sufficient to fund cash flow requirements and to maintain sufficient fund balance levels per City.
- Fiscal disparities distribution of property taxes and contribution of property tax capacity is assumed to be at the same levels as estimated for Pay 2021. The actual amounts will vary by year and will impact the projections shown in the Plan.
- Maintain a minimum balance in the General Fund equal to approximately 50% of current expenditures (which is greater than the 35% minimum per policy), recognizing the need for cash flow and contingency.

- 3.0% average annual rate increase for water services (base and usage fees, and connection charge), with the exception of TLAC for southeast Corcoran, which is planned at 15.0% average annual rate increase between years 2022-2027. The annual rate increases is approximate and reflects the anticipated cost increases for the Water Fund. The higher increase for the water TLAC (for property in southeast Corcoran) reflects the cost of providing the needed infrastructure to this area over time, distributed across property that will be developed in this area.
- 2.0% and 3.0% average annual increase in sanitary sewer fees for connection and TLAC, respectively.
- 1.0% annual investment income rate for all City Funds.
- Maintain cash in the Water Fund and Sewer Fund sufficient to achieve projected year-end cash balance to cover the following purposes:
  - Three-months of operating expense
  - Following-year debt service payments
  - Following year capital acquisition (planned to be paid from cash)
  - Reserves for future capital improvements and other reserve purposes
- Maintain positive balances in all other City funds and amounts sufficient to meet specific cash flow requirements of the funds.

## **TOTAL GOVERNMENTAL FUNDS COMBINED**

The table that follows provides total sources and uses of funds for the following Governmental Funds combined. Individual financial plans are then provided for each of the following five funds:

- General Fund
- Debt Service Funds
- Special Revenue Funds
- Capital Projects Fund
- Capital Equipment Fund

The City's annual financial statements includes a break-down of individual funds for the Debt Service Fund, Special Revenue Fund, and Capital Projects Fund. For example, the City maintains separate debt service funds for each bond series issued. For capital projects, the City establishes a specific "Capital Projects Fund" for each individual project. For purposes of the Plan, this level of detail is not included.

### **Revenue**

Annual source of funds from non-property tax levy sources has been stable for the City and is expected to remain so in the future. The City did not receive local government aid (LGA) from the State in 2021 and does not anticipate receipt in 2022 or future years.

Property tax levy increases will be needed to pay for increased operating costs and debt service related to planned capital improvements.

### **Expense**

Personnel and other operating costs overall have been and are projected to remain stable in the near term with planned increases in the future to address the demands of a growing community.

The financial plans anticipate includes projected staffing increases in the General Fund. These increases are detailed in the General Fund financial plan that follows and in the Appendix. A total of 32.05 new FTEs are planned to be added between years 2022-2026.

### **Transfers To and From Other Funds**

Transfers between funds for future years include the following:

- Transfers from the Water Fund and Sewer Fund to the General Fund to pay an allocated share of operating costs.
- Transfer from the Water Fund and Sewer Fund to the Debt Service Fund to pay an allocated share of the debt services for the 2016A Bonds and the bonds anticipated to be issued in 2025 to pay for municipal building improvements.
- The Plan includes annual transfers of cash (tax levy) from the General Fund to the Equipment Fund, Facilities Fund, and Storm Water Fund for capital projects. The annual transfer amount may be adjusted as needed to achieve the planned constant tax rate. The actual annual future increases in the City's tax capacity will drive what amount may be available for transfer, among other factors such as other operational pressures (or need for tax levy).

CHART 17  
Total Combined Governmental Funds  
Source and Use of Funds

**Minimum fund balance policy objectives of the City are projected to be met with source of funds sufficient to cover use of funds and provide sufficient reserves**

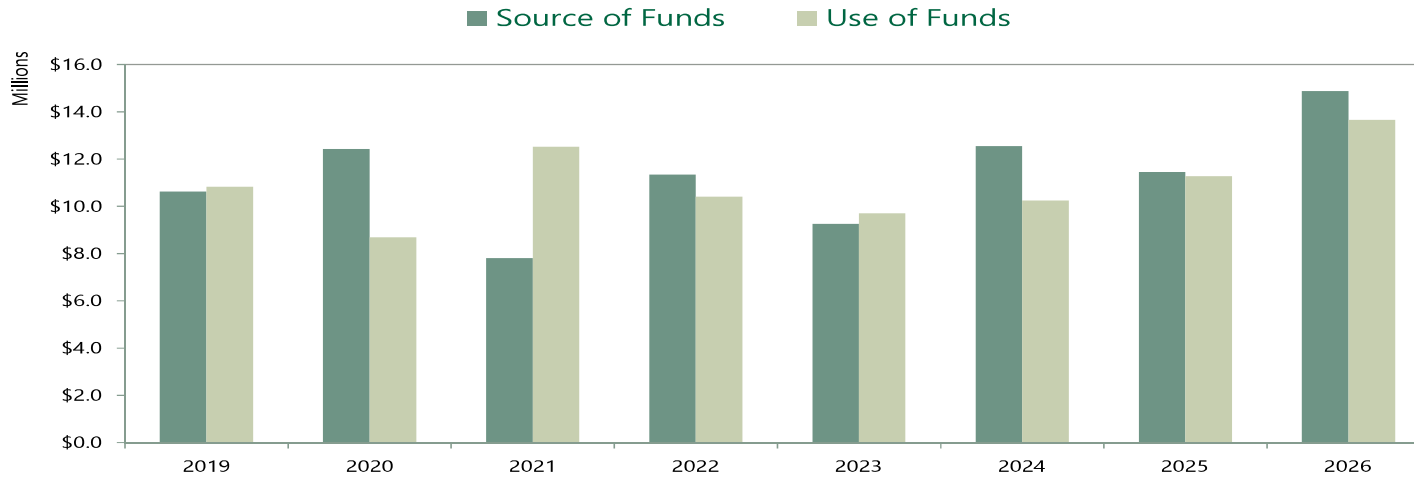
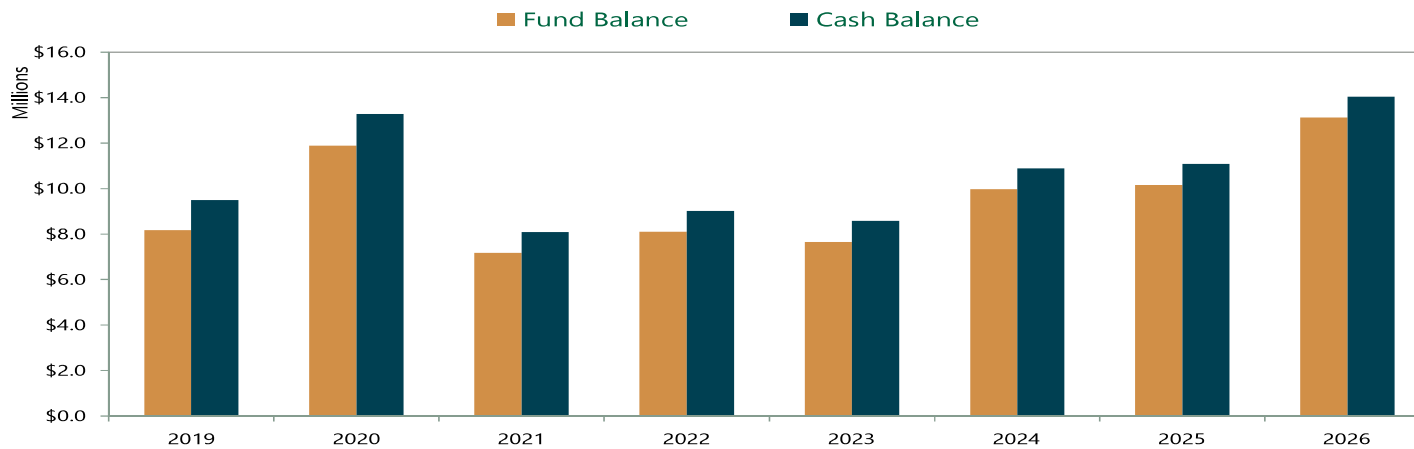


CHART 18  
Total Combined Governmental Funds

**Future years do not include any significant accounts receivable or payables (and timing difference between source and use of funds)**



The Plan anticipates an increase in funds available in the Capital Projects Fund for future capital improvements that have not yet been programmed in the City's Capital Improvement Plan (CIP).



**TABLE 7**  
**City of Corcoran**  
**Total Governmental Funds Combined**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service	410,235	249,889	249,192	213,190	216,388	219,634	222,928	226,272
Assessments	131,406	114,386	104,006	104,006	104,006	422,865	423,626	418,770
Licenses and permits	931,047	1,245,432	838,000	1,355,000	1,388,875	1,423,597	1,459,187	1,495,666
Intergovernmental	344,734	748,951	328,745	309,345	317,079	325,006	333,131	341,459
Investment Income	147,319	59,504	73,296	50,500	59,901	53,021	69,176	57,667
Fines and forfeitures	51,505	18,829	45,000	40,000	41,000	42,025	43,076	44,153
Cable franchise fees	47,583	50,059	53,000	53,000	54,325	55,683	57,075	58,502
Misc - Other	3,370,419	298,631	57,588	58,197	59,240	60,302	61,386	62,489
Transfer in from Utility Funds	271,910	283,952	383,766	478,279	484,473	490,760	497,144	640,888
Transfer in from Capital Proj Fund	16,549	-	-	-	-	-	-	-
Subtotal Non Property Tax Funds	6,417,707	7,776,633	2,765,414	5,571,516	2,827,358	5,217,893	3,491,728	13,670,867
Property tax levy	4,210,153	4,643,582	5,045,377	5,773,324	6,432,744	7,335,469	7,967,522	8,585,273
Total Source of Funds	10,627,860	12,420,215	7,810,790	11,344,841	9,260,102	12,553,361	11,459,250	22,256,139
<b>Expense</b>								
Current expenditures	5,069,626	5,452,211	5,964,412	6,558,337	6,722,194	6,890,145	7,062,293	7,238,742
Future staff and operating expenditures	-	-	-	586,000	1,044,552	1,075,889	1,608,543	1,933,763
Capital outlay	4,369,537	1,638,834	2,187,419	2,141,375	1,093,784	959,229	960,710	10,962,227
Transfer out to Equip Fund	125,000	150,000	200,000	250,000	-	250,000	250,000	250,000
Transfer out to Storm Water Fund	-	-	15,000	35,000	-	45,000	50,000	55,000
Transfer out to Capital Projects Fund	66,549	200,000	-	-	-	-	-	-
Transfer out to Facilities Fund	520,000	187,000	20,000	25,000	-	-	-	-
Total Use of Funds	10,828,995	8,699,343	12,532,368	10,412,719	9,701,988	10,240,964	11,271,834	21,947,054
Net Change in fund balance	(201,135)	3,720,872	(4,721,577)	932,121	(441,886)	2,312,398	187,416	309,085
<b>Ending Fund Balance</b>	<b>8,169,102</b>	<b>11,889,974</b>	<b>7,168,397</b>	<b>8,100,518</b>	<b>7,658,632</b>	<b>9,971,030</b>	<b>10,158,445</b>	<b>10,467,530</b>
<b>Ending Cash Balance</b>	<b>9,498,943</b>	<b>13,274,213</b>	<b>8,090,016</b>	<b>9,022,137</b>	<b>8,580,251</b>	<b>10,892,649</b>	<b>11,080,065</b>	<b>11,389,150</b>

## GENERAL FUND

The General Fund is the primary fund used by the City. This fund is used to record all resource inflows and outflows that are not associated with special-purpose funds. The activities being paid for through the General Fund constitute the core administrative and operational tasks of the City.

### Revenue

Annual source of non-tax revenue for the General Fund has been stable and is projected to remain stable. Intergovernmental revenue payments for municipal state aid for street maintenance provides the single largest source of non-tax revenue to the General Fund.

The City does not receive local government aid (LGA) from the State. The second largest source of non-tax revenue is charges for services and the next largest is fines and forfeitures.

#### Tax Levy Revenue

Property tax levy revenue is estimated to increase each year. In addition to funding general city operations, transfers to other funds for facility, equipment, and other capital improvements, property tax levy provides revenue to meet fund balance goals for contingency.

Figure 2 provides the projected General Fund property tax levy by year, along with the annual percent increase.

**Figure 2.**

Tax Collection Year	General Fund Tax Levy	% Change in Tax Levy
2020	\$4,104,744	10.6%
2021	\$4,447,791	8.4%
2022	\$5,165,529	16.1%
2023	\$5,678,729	9.9%
2024	\$6,569,293	15.7%
2025	\$6,962,171	6.0%
2026	\$7,198,714	3.4%
2027	\$9,409,773	30.7%

### Non-Tax Revenue

Non-tax revenue includes charges for service, license and permits, intergovernmental, transfers in from the utility funds, among other sources of non-tax revenue.

The financial plan for the General Fund is based on the following key assumptions for non-tax revenues:

- Non-tax revenues increase of 1.5% annually.
- Annual investment income rate of 1.0%.

The City reported an increase in Intergovernmental Revenue in 2020 due to receipt of \$445,428 of Coronavirus Aid, Relieve, and Economic Security Funds (CARES). Future federal funding related to Coronavirus aid is not programmed in the City budget or included in the Plan.

### Expense

The General Fund is used to account for the expense of providing general government services for the City.

The largest use of funds in current expenditures is for the cost of personnel, including salary and wages, and

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benefits. Other costs including operating materials and supplies, equipment, and other professional services.

The financial plan for the General Fund is based on the following key assumptions:

- Current expenditures (includes personnel costs) increase by 3.0% annually for inflation.
- Increase in staff (FTE) and position changes are planned (see Appendix for further details by position), with a portion of the costs to be allocated to the Water and Sewer Funds for certain positions. The FTEs that may be paid either in full or part from the General Fund, depending on available revenues, are listed below. The dollar amount show below is equal to the estimated portion of the cost of the FTEs to be paid from the General Fund.
  - 6.3 FTE, \$586,000 in 2022
  - 8.0 FTE, \$771,000 in 2023
  - 5.0 FTE, \$540,000 in 2024
  - 6.25 FTE, \$645,000 in 2025
  - 3.5 FTE, \$375,000 in 2026
- Increase in transfer out to the Storm Water Fund to begin to build a balance of funds for project costs.
- Plan anticipates beginning to transfer out funds from the General Fund to the Capital Projects Funds, including the Facilities Fund, to the extent annual revenue is available in excess of annual expenditures, after first maintaining a minimum fund balance in the General Fund equal to 40-50% of current expenditures.

### Fund Balance

The maintenance of the City's reserves, including growing fund balance (reserves), is important to the maintaining the City's credit rating on its outstanding bonds.

Fund balance for the General Fund is projected to remain at approximately 40-50% of expenditures. City policy requires a minimum of 35%. Fund balance in excess of the minimum is a credit positive with respect to maintaining the City's credit rating from Moody's.

### Transfers To and From Other Funds

The Water Fund and the Sewer Fund transfer revenue in to the General Fund to pay an allocated share of operating costs. This transfer is projected to continue with annual inflationary adjustments.

Transfers out to other funds includes the following:

- Increase in transfer out to the Equipment Fund to pay for a portion of planned equipment and vehicle acquisitions as included in the CIP.

CHART 19  
General Fund  
Cash Balance and Fund Balance

**Fund Balance is projected to remain above City policy for minimum Fund Balance**

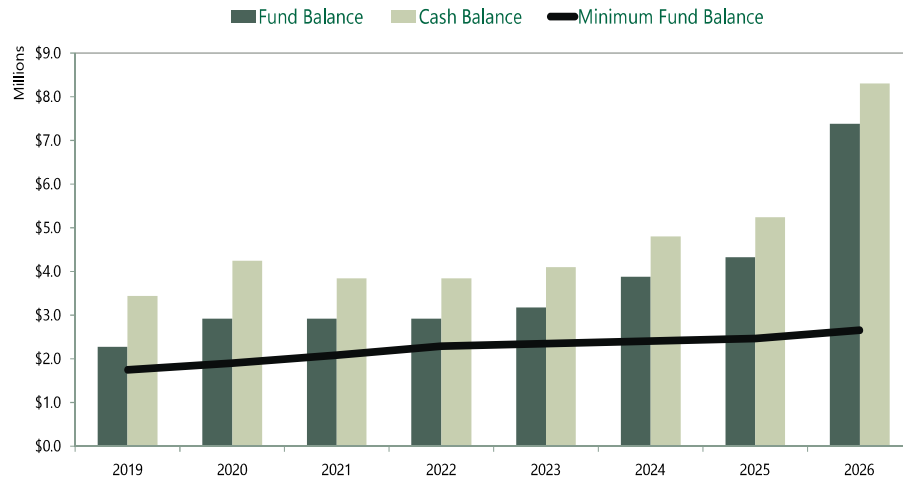


CHART 20  
General Fund  
Source and Use of Funds

**Property tax revenue provides the majority of source of funds for the General Fund**

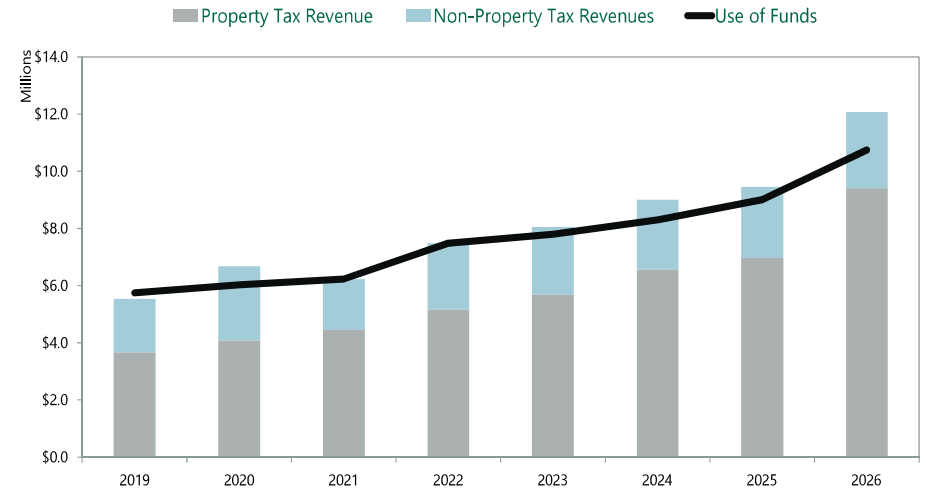
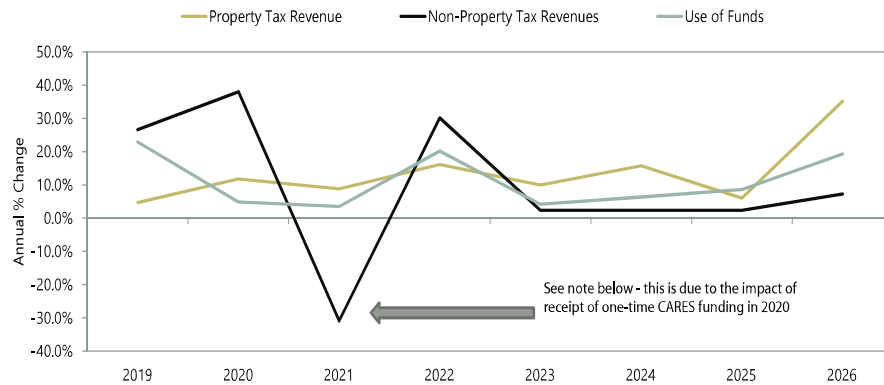


CHART 21  
General Fund  
Annual Percent Change in Source and Use of Funds

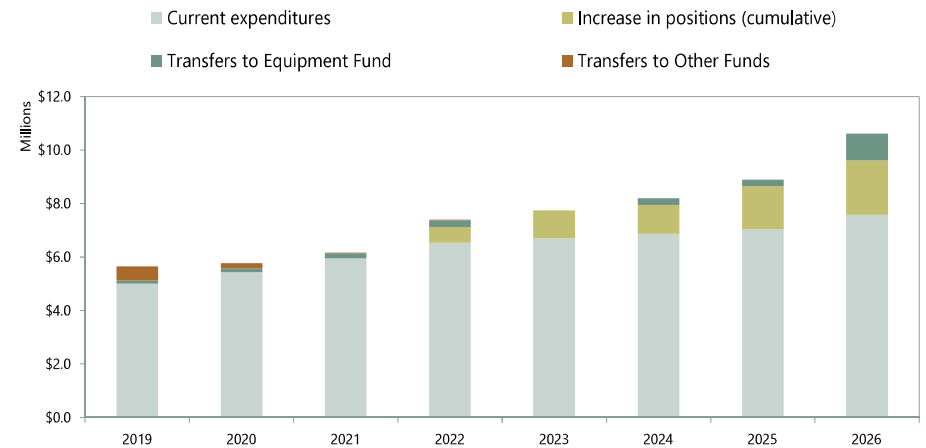
**Non-Property Tax Revenues fluctuate mostly due to Intergovernmental Revenues and Licenses and Permits Revenue related to Projects, both City and Private Construction**



Intergovernmental revenue and licenses and permits revenue is driving the change in Non-Property Tax Revenues from 2020 to 2021. The City received one-time funds of \$445,428 of Federal CARES funding in 2020. Adjusting for the CARES funding, Non-Property Tax Revenues is projected to increase from 2020 to 2021.

CHART 22  
General Fund  
Use of Funds

**City is planning to add positions over the next several years in response to growth in the community and service demands**



**TABLE 8**  
**City of Corcoran**  
**General Fund**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service	104,395	220,439	219,300	182,850	185,593	188,377	191,202	194,070
Licenses and permits	931,047	1,245,432	838,000	1,355,000	1,388,875	1,423,597	1,459,187	1,495,666
Intergovernmental	344,734	748,951	328,745	309,345	317,079	325,006	333,131	341,459
Investment Income	45,935	16,945	16,500	8,000	8,080	8,161	8,242	8,325
Fines and forfeitures	51,505	18,118	45,000	40,000	41,000	42,025	43,076	44,153
Cable franchise fees	47,583	50,059	53,000	53,000	54,325	55,683	57,075	58,502
Misc - Other	143,858	68,307	17,000	17,000	17,425	17,861	18,307	18,765
Transfer in from Utility Funds	205,830	218,872	269,164	359,677	366,871	374,208	381,692	389,326
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	1,874,887	2,587,123	1,786,709	2,324,872	2,379,247	2,434,917	2,491,912	2,550,266
Property tax levy	3,657,345	4,087,767	4,447,791	5,165,529	5,678,729	6,569,293	6,962,171	7,198,714
<b>Total Source of Funds</b>	<b>5,532,232</b>	<b>6,674,890</b>	<b>6,234,500</b>	<b>7,490,401</b>	<b>8,057,976</b>	<b>9,004,210</b>	<b>9,454,083</b>	<b>9,748,980</b>
<b>Expense</b>								
Current expenditures	5,001,811	5,432,689	5,944,500	6,538,026	6,701,477	6,869,014	7,040,739	7,216,757
Current expenditures for future staff				586,000	1,044,552	1,075,889	1,608,543	1,933,763
Capital outlay	51,665	54,731	55,000	56,375	57,784	59,229	60,710	62,227
Transfer out to Equip Fund	125,000	150,000	200,000	250,000	-	250,000	250,000	250,000
Transfer out to Storm Water Fund			15,000	35,000		45,000	50,000	55,000
Transfer out to Capital Projects Fund	50,000	200,000						
Transfer out to Facilities Fund	520,000	187,000	20,000	25,000	-	-	-	
<b>Total Use of Funds</b>	<b>5,748,476</b>	<b>6,024,420</b>	<b>6,234,500</b>	<b>7,490,401</b>	<b>7,803,813</b>	<b>8,299,131</b>	<b>9,009,991</b>	<b>9,517,747</b>
Net Change in fund balance	(216,244)	650,470	-	-	254,163	705,079	444,092	231,232
<b>Ending Fund Balance</b>	<b>2,271,010</b>	<b>2,921,480</b>	<b>2,921,480</b>	<b>2,921,480</b>	<b>3,175,643</b>	<b>3,880,721</b>	<b>4,324,813</b>	<b>4,556,046</b>
<b>Ending Cash Balance</b>	<b>3,440,307</b>	<b>4,244,063</b>	<b>3,840,063</b>	<b>3,840,063</b>	<b>4,094,226</b>	<b>4,799,304</b>	<b>5,243,396</b>	<b>5,474,629</b>
Fund Balance Minimum per Policy (35%)	1,750,634	1,901,441	2,080,575	2,288,309	2,345,517	2,404,155	2,464,259	2,525,865
Fund Balance in Excess (Shortfall)	520,376	1,020,039	840,905	633,171	830,126	1,476,566	1,860,554	2,030,180
Fund Balance as % of Current Expenditures	45%	54%	49%	41%	41%	49%	50%	50%

## **DEBT SERVICE FUND**

The Debt Service Fund includes the combined funds used to account for all of the City's governmental debt service.

At the end of 2020, the City reported total general obligation bonds payable (reported as Governmental Debt) of \$11,650,000. The Water Fund and the Sewer Fund also report debt outstanding, which is accounted for separately as a liability for Proprietary Funds. At the end of 2020, the City reported total general obligation bonds payable in the proprietary funds of \$3,645,000.

In addition to bonds outstanding, the Water Fund reported \$309,158 in outstanding notes payable to Maple Grove for connections to the water system.

The year-end cash balance in the Debt Service Funds fluctuates due to the timing of collection of revenue, for example tax levy, in the year prior to debt service payments coming due.

The City is required to have cash available in the respective debt service funds equal to 105% of the debt service payments coming due for a specific bond series. For example, the year-end cash balance includes cash from collection of special assessments and tax levy in current year to pay the following February 1st debt payments. The City receives a tax settlement from the County in June and December of each year. The first half tax settlement is available to cover the August 1st debt payments and the second tax settlement is available to cover the February 1st payments.

### **Revenue**

The Debt Service Funds include the following source of funds: special assessments, interest income, transfers in from other funds, property tax levy, and bond proceeds for any capitalized interest funds.

General obligation equipment certificates will be repaid from property tax levy. Prior year and future projected tax levy amounts for repayment of equipment certificates are included in the Plan.

The Plan anticipates the issuance of general obligation bonds in 2022, 2024, and 2026 that will be accounted for in the Debt Service Funds. Future debt will be supported by a combination of tax levy, special assessments, and transfers in of revenue from the Water Fund and the Sewer Fund.

### **Expense**

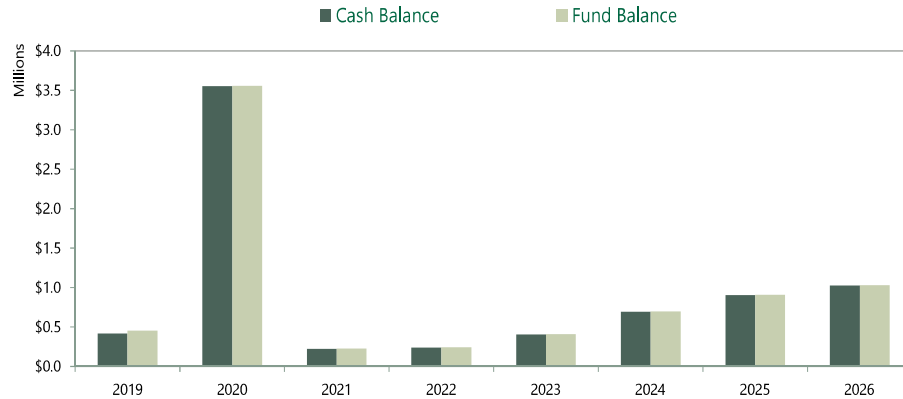
The use of funds is for the payment of debt, including principal and interest payments.

### **Transfers From Other Funds**

The City records special assessment revenue collected on the downtown improvement project, financed with the issuance of the 2016A Bonds, directly into the debt service fund. Special assessment revenue from assessments levied to finance connection and TLAC for water and sanitary sewer services is to be deposited directly in the Water and the Sewer Fund, respectively. The Water and Sanitary Sewer Funds transfer revenue to the debt service fund for the 2016A Bonds to cover the utility portion of the 2016A Bonds. The special assessment revenue deposited into the debt service funds is pledged to the payment of the 2016A Bonds.

CHART 23  
Debt Service Funds  
Cash Balance and Fund Balance

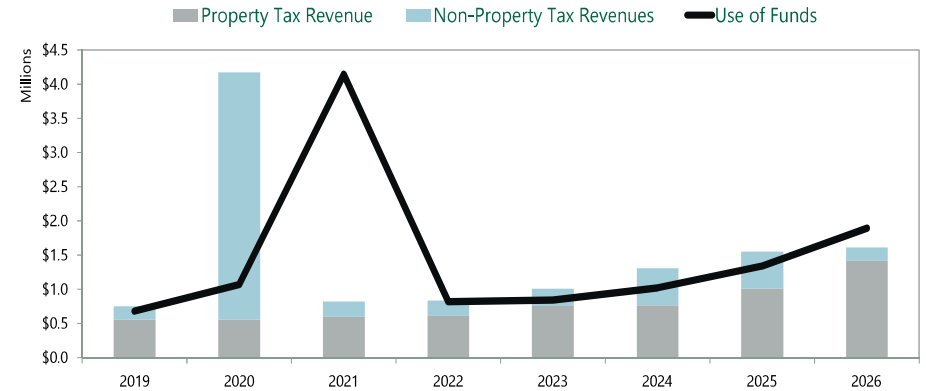
**Fund Balance and Cash Balance is projected to be sufficient to cover all debt service payments due**



Fund balance and cash balance fluctuates due to timing of collection of revenue and when payments are due, balances also fluctuate due to amortization of existing debt and issuance of new debt. The 2020 balances include bond proceeds used to refund the 2012B Bonds in year 2021.

CHART 24  
Debt Service Funds  
Source and Use of Funds

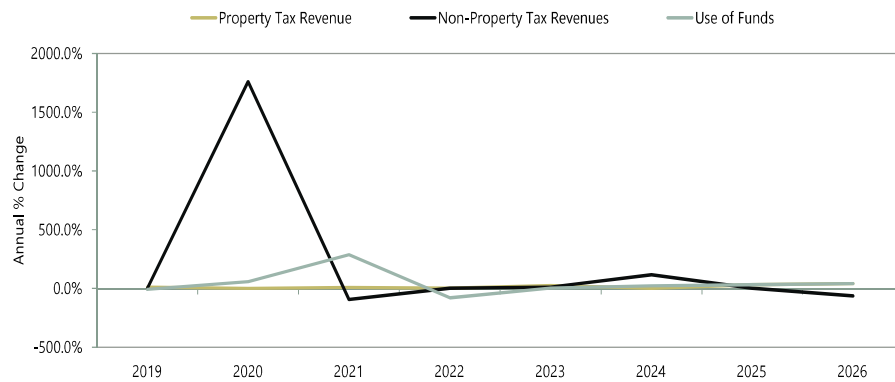
**City is planning to issue new debt in 2022, 2024, and 2026**



Difference between revenues and use of funds (for debt service) fluctuates due to timing of collection of revenue and when payments are due, use of funds also fluctuates due to amortization of existing debt and issuance of new debt. Year 2020 includes bond proceeds for the refunding of the 2012B Bonds.

CHART 25  
Debt Service Funds  
Annual Percent Change in Source and Use of Funds

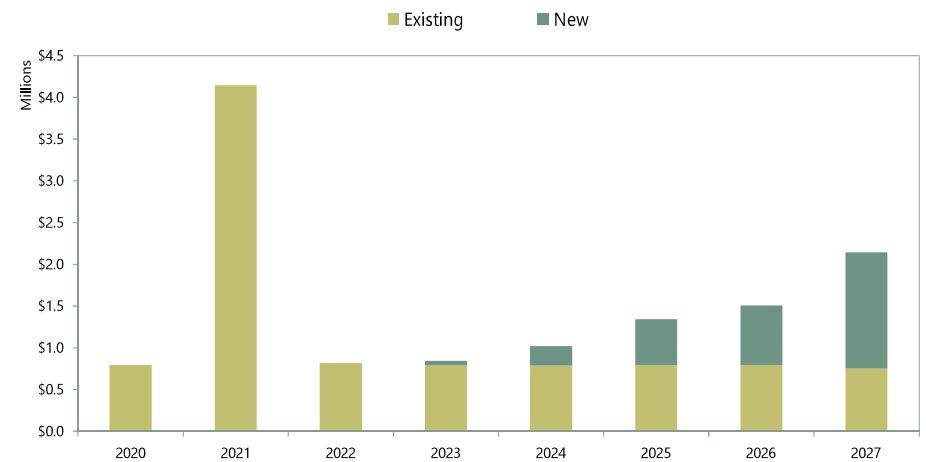
**Non-Property Tax Revenues fluctuate due to collection of special assessments; Property Tax revenue increase in 2026 is to support the planned bond issuance in 2025 for facilities**



The non-property tax revenue in 2020 is from bond proceeds deposited to the Debt Service Funds for the refunding of the 2012B Bonds in 2021.

CHART 26  
Debt Service Fund  
Use of Funds (Annual Debt Service Payments)

**City is planning to issue new debt for equipment, streets, and facilities over the next several years in response to growth in the community and service demands**



**TABLE 9**  
**City of Corcoran**  
**Debt Service Funds**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service Assessments	127,943	109,922	104,006	104,006	104,006	422,865	423,626	418,770
Intergovernmental Investment Income	642	1,157	2,000	2,232	2,388	4,024	6,914	
Developer payment								
Miscellaneous		77,382						
Bond proceeds		3,365,000			27,073			-
Sale of capital assets								
Transfer in from General Fund								
Transfer in from Utility Funds	66,080	65,080	114,602	118,602	117,602	116,552	115,452	251,562
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	194,665	3,618,541	220,608	224,840	251,069	543,441	545,992	670,332
Property tax levy	552,808	555,815	597,586	607,795	754,015	766,176	1,005,351	1,386,559
<b>Total Source of Funds</b>	<b>747,473</b>	<b>4,174,356</b>	<b>818,194</b>	<b>832,635</b>	<b>1,005,084</b>	<b>1,309,617</b>	<b>1,551,342</b>	<b>2,056,890</b>
<b>Expense</b>								
Debt service	678,283	1,071,298	4,145,536	817,008	841,458	1,020,701	1,340,289	1,507,322
Transfer out to Storm Water Fund								
Transfer out to Water Fund								
Transfer out to Capital Projects Fund								
Transfer out to Facilities Fund								
<b>Total Use of Funds</b>	<b>678,283</b>	<b>1,071,298</b>	<b>4,145,536</b>	<b>817,008</b>	<b>841,458</b>	<b>1,020,701</b>	<b>1,340,289</b>	<b>1,507,322</b>
Net Change in fund balance	69,190	3,103,058	(3,327,342)	15,628	163,626	288,916	211,054	549,568
<b>Ending Fund Balance</b>	<b>451,731</b>	<b>3,554,789</b>	<b>227,447</b>	<b>243,074</b>	<b>406,700</b>	<b>695,615</b>	<b>906,669</b>	<b>1,456,237</b>
<b>Ending Cash Balance</b>	<b>415,709</b>	<b>3,550,535</b>	<b>223,193</b>	<b>238,820</b>	<b>402,446</b>	<b>691,361</b>	<b>902,415</b>	<b>1,451,983</b>



## **SPECIAL REVENUE FUNDS**

The financial plan for the Special Revenue Funds as included in the Plan provides sources and uses of funds on a combined basis for the following special revenue funds. The funds included are as follows:

- Fund 201 Reserve Donation
- Fund 202 Police Donation
- Fund 204 Firearms Safety
- Fund 205 DWI Forfeiture
- Fund 206 Drug Forfeiture
- Fund 207 Truck Safety
- Fund 208 Lawful Gambling
- Fund 209 Emergency Sirens

### **Revenue**

The source of funds for the special revenue funds come from donations, charges for services, and other miscellaneous revenue sources which are generally restricted for the purpose they were collected. There is no property tax levy that is recorded to the special revenue funds.

### **Expense**

The use of funds is restricted for the purpose of the funds collected.

### **Transfers To and From Other Funds**

There are no transfers.

**TABLE 10**  
**City of Corcoran**  
**Special Revenue Funds**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service Assessments	31,195	29,450	29,892	30,340	30,795	31,257	31,726	32,202
Licenses and permits								
Intergovernmental								
Investment Income	2,836	1,481	2,374	2,903	3,445	3,998	4,564	5,142
Fines and forfeitures		711						
Cable franchise fees								
Misc - Other	65,061	39,988	40,588	41,197	41,815	42,442	43,078	43,725
Transfer in from Utility Funds								
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	99,092	71,630	72,854	74,440	76,055	77,697	79,368	81,068
Property tax levy								
Total Source of Funds	99,092	71,630	72,854	74,440	76,055	77,697	79,368	81,068
<b>Expense</b>								
Current expenditures	67,815	19,522	19,912	20,311	20,717	21,131	21,554	21,985
Future staff and operating expenditures								
Capital outlay	-	-	-	-	-	-	-	-
Transfer out to Equip Fund								
Transfer out to Storm Water Fund								
Transfer out to Capital Projects Fund								
Transfer out to Facilities Fund								
Total Use of Funds	67,815	19,522	19,912	20,311	20,717	21,131	21,554	21,985
Net Change in fund balance	31,277	52,108	52,941	54,130	55,338	56,566	57,814	59,083
<b>Ending Fund Balance</b>	<b>184,982</b>	<b>237,090</b>	<b>290,031</b>	<b>344,161</b>	<b>399,498</b>	<b>456,064</b>	<b>513,878</b>	<b>572,962</b>
<b>Ending Cash Balance</b>	<b>179,773</b>	<b>237,402</b>	<b>290,343</b>	<b>344,473</b>	<b>399,810</b>	<b>456,376</b>	<b>514,190</b>	<b>573,274</b>

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## **CAPITAL PROJECTS FUNDS**

The financial plan for the Capital Projects Funds, as included in the Plan, provides sources and uses of funds on a combined basis for the following City's capital projects funds. The funds included are as follows:

- Fund 305 Asphalt Maintenance
- Fund 411 Public Works Facility
- Fund 415 Park Capital
- Fund 419 Hackamore Upgrade
- Fund 420 Wetland Restoration
- Fund 422 Downtown Improvements
- Fund 425 Bellwether
- Fund 427 Gleason/66th Parkway

For purposes of the Plan, the Capital Equipment Fund and the new Facilities Fund the City plans to establish, are not included as part of the financial plan for the Capital Projects Funds. Separate financial plans are provided.

### **Revenue**

The majority of the source of funds comes from charges for service, special assessments, investment income, intergovernmental, and bond proceeds.

Year 2020 included collection of the remaining revenue from developer payment for Hackamore Road improvements. Hackamore Road will be funded from a combination of developer payments in the total estimated amount of \$1.14 million collected over multiple years, and bond proceeds supported by special assess-

ments to other benefiting properties. The issuance of bonds for Hackamore Road is shown in year 2023, to be supported 100% by special assessments payable over the planned 4 year term of the bonds.

### **Expense**

The projected use of funds is for capital projects as included in the CIP. This includes construction of street and facility improvements.

### **Transfers To and From Other Funds**

The financial plan does not include annual transfers to and from other funds for the Capital Projects Funds (which as included in the Plan does not include the Facility Fund and the Equipment Fund, which are shown separately in the Plan). The City Council may approve annual budget transfers to and from the Capital Projects Funds based on available resources..

**TABLE 11**  
**City of Corcoran**  
**Capital Projects Funds (not including Facilities Improvement Fund (400) and Equipment-Cert Fund 416)**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service	274,645							
Assessments	3,463	4,464						
Licenses and permits								
Intergovernmental								
Investment Income	96,989	35,306	42,016	34,664	35,011	35,361	35,715	36,072
Fines and forfeitures								
Cable franchise fees								
Developer payment		-	362,821					
Misc - Other	3,161,500	55,353						
Bond proceeds			-	1,060,000	-	-	-	
Sale of capital assets								
Transfer in from General Fund	50,000	200,000	-	-	-	-	-	-
Transfer in from Utility Funds		-	-	-	-	-	-	-
Transfer in from Capital Proj Fund	16,549							
Subtotal Non Property Tax Funds	3,603,146	295,123	404,837	1,094,664	35,011	35,361	35,715	36,072
Property tax levy								
<b>Total Source of Funds</b>	<b>3,603,146</b>	<b>295,123</b>	<b>404,837</b>	<b>1,094,664</b>	<b>35,011</b>	<b>35,361</b>	<b>35,715</b>	<b>36,072</b>
<b>Expense</b>								
Current expenditures								
Future staff and operating expenditures								
Capital outlay	3,994,918	793,864	1,140,000	1,060,000	-	-	-	
Debt service								
Transfer out to Equip Fund								
Transfer out to Storm Water Fund								
Transfer out to Water Fund								
Transfer out to Capital Projects Fund	16,549							
Transfer out to Facilities Fund								
<b>Total Use of Funds</b>	<b>4,011,467</b>	<b>793,864</b>	<b>1,140,000</b>	<b>1,060,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in fund balance	(408,321)	(498,741)	(735,163)	34,664	35,011	35,361	35,715	36,072
<b>Ending Fund Balance</b>	<b>4,696,210</b>	<b>4,197,469</b>	<b>3,462,306</b>	<b>3,496,970</b>	<b>3,531,981</b>	<b>3,567,342</b>	<b>3,603,057</b>	<b>3,639,129</b>
<b>Ending Cash Balance</b>	<b>4,897,985</b>	<b>4,201,596</b>	<b>3,466,433</b>	<b>3,501,097</b>	<b>3,536,108</b>	<b>3,571,469</b>	<b>3,607,184</b>	<b>3,643,256</b>

## **CAPITAL EQUIPMENT FUND (416)**

The City uses the Capital Equipment Fund to record all revenue and expense related to the acquisition of equipment and vehicles.

### **Revenue**

The source of revenue has historically come from the issuance of bonds. Beginning in year 2015, the City implemented a plan to begin to transition to fund equipment and vehicle acquisition on a pay-go basis to eliminate the need to borrow (issue bonds) and incur interest expense.

The Plan assumes the City will continue to transfer cash (approximately \$250,000) from the General Fund to the Equipment Fund to allow the City to limit issuance of debt for these types of purchases.

Other sources of funds includes sale of capital assets, estimated at \$75,000 annually and investment income.

The Plan anticipates issuance of general obligation bonds (equipment certificates) for equipment and vehicle acquisitions in years 2022 and 2024.

### **Expense**

The projected use of funds will be for capital projects as included in the CIP.

### **Transfers To and From Other Funds**

The transfer in shown in the financial plan comes from the transfer of cash (tax levy) from the General Fund.

**TABLE 12**  
**City of Corcoran**  
**Equipment Fund (416)**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service								
Assessments								
Licenses and permits								
Intergovernmental								
Investment Income	917	1,154	5,049	2,700	10,727	1,224	13,486	7,871
Fines and forfeitures								
Cable franchise fees								
Developer payment								
Misc - Other		57,601						
Bond proceeds		805,000	-	1,500,000	-	1,800,000	-	-
Sale of capital assets			50,000	75,000	75,000	75,000	75,000	75,000
Transfer in from General Fund	125,000	150,000	200,000	250,000	-	250,000	250,000	250,000
Transfer in from Utility Funds								
Transfer in from Capital Proj Fund								
Subtotal Non Property Tax Funds	125,917	1,013,755	255,049	1,827,700	85,727	2,126,224	338,486	332,871
Property tax levy								
Total Source of Funds	125,917	1,013,755	255,049	1,827,700	85,727	2,126,224	338,486	332,871
<b>Expense</b>								
Current expenditures								
Future staff and operating expenditures								
Capital outlay	285,879	593,915	490,000	1,025,000	1,036,000	900,000	900,000	900,000
Debt service								
Transfer out to Equip Fund								
Transfer out to Storm Water Fund								
Transfer out to Water Fund								
Transfer out to Capital Projects Fund								
Transfer out to Facilities Fund								
Total Use of Funds	285,879	593,915	490,000	1,025,000	1,036,000	900,000	900,000	900,000
Net Change in fund balance	(159,962)	419,840	(234,951)	802,700	(950,273)	1,226,224	(561,514)	(567,129)
<b>Ending Fund Balance</b>	<b>82,244</b>	<b>502,084</b>	<b>267,133</b>	<b>1,069,833</b>	<b>119,560</b>	<b>1,345,784</b>	<b>784,270</b>	<b>217,142</b>
<b>Ending Cash Balance</b>	<b>82,244</b>	<b>504,935</b>	<b>269,984</b>	<b>1,072,684</b>	<b>122,411</b>	<b>1,348,635</b>	<b>787,121</b>	<b>219,993</b>

## **FACILITIES (CITY HALL) FUND (400)**

The City established this fund to record transactions related to improvements to City Hall in 2020 and a new municipal building or significant expansion in 2026.

### **Revenue**

The source of revenue is anticipated to come from a combination of transfer in of cash from other City funds and a current tax levy. After completion of the projects, the current tax levy in the Facilities Fund will discontinue and be used to pay for anticipated debt service expense on bonds to be issued for the new municipal building or significant expansion of the existing building.

Bond proceeds are anticipated in 2026 to pay for the new municipal building or expansion. The placeholder amount included in the Plan is \$10.0 million.

### **Expense**

The projected use of funds will be to pay for capital project spending, including planning for the improvements.

### **Transfers To and From Other Funds**

Transfer in of cash has come from the General Fund and other funds to pay for facility improvement costs.

**TABLE 13**  
**City of Corcoran**  
**Facilities (City Hall) Improvement Fund (Fund 400)**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>Revenue</b>								
Charges for service								
Assessments								
Licenses and permits								
Intergovernmental								
Investment Income	-	3,461	5,357	-	250	253	255	258
Fines and forfeitures								
Cable franchise fees								
Developer payment								
Misc - Other								
Bond proceeds		-	-	-	-	-	-	10,000,000
Sale of capital assets								
Transfer in from General Fund	520,000	187,000	20,000	25,000	-	-	-	-
Transfer in from Utility Funds	-	-	-	-	-	-	-	-
Transfer in from Capital Proj Fund	-	-	-	-	-	-	-	-
Subtotal Non Property Tax Funds	520,000	190,461	25,357	25,000	250	253	255	10,000,258
Property tax levy								
Total Source of Funds	520,000	190,461	25,357	25,000	250	253	255	10,000,258
<b>Expense</b>								
Current expenditures								
Future staff and operating expenditures								
Capital outlay	37,075	196,324	502,419	-	-	-	-	10,000,000
Debt service								
Transfer out to Equip Fund								
Transfer out to Storm Water Fund								
Transfer out to Water Fund								
Transfer out to Capital Projects Fund								
Transfer out to Facilities Fund								
Total Use of Funds	37,075	196,324	502,419	-	-	-	-	10,000,000
Net Change in fund balance	482,925	(5,863)	(477,062)	25,000	250	253	255	258
<b>Ending Fund Balance</b>	<b>482,925</b>	<b>477,062</b>	<b>(0)</b>	<b>25,000</b>	<b>25,250</b>	<b>25,502</b>	<b>25,757</b>	<b>26,015</b>
<b>Ending Cash Balance</b>	<b>482,925</b>	<b>535,682</b>	<b>-</b>	<b>25,000</b>	<b>25,250</b>	<b>25,503</b>	<b>25,758</b>	<b>26,015</b>



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## **WATER FUND**

The Water Fund was established as a Proprietary Fund for the accounting for costs of providing municipal water services to residents and businesses.

The Water Fund is considered self-supporting in that the services rendered are financed through user charges.

The financial plan includes assets and liabilities in addition to the revenues and expenditures. The Water Fund is presented on an accrual basis. There is a recognition of expenditures when incurred and the subsequent amortization of the deferred outflows. Revenues are recognized when earned. There is a capitalization of certain expenses and the subsequent depreciation of the capitalized costs. There is accruals of revenues earned and expenses incurred.

### **Revenue**

The source of funds are charges for services, special assessments, developer fees and payments, and bond proceeds.

The schedule of planned fees and charges is included in the Appendix.

Future growth from development, which impacts the projection of operating and non-operating revenue for the Water Fund, is assumed to be the following over the next decade:

- Nearly 600 acres platted between 2021-2026
- 1,520 new customer units to be added between 2021-2026

Details on the estimated acres platted per year and customer units added is shown in Table 2. The projected development will provide increasing revenue to the Water Fund.

The Plan estimates annual rate adjustments of 3.0%. The actual increase that may be needed in the future will depend on growth in customers. The rate increase for TLAC for property located in southeast Corcoran is estimated at 15.0% annually between years 2022-2027. This is due to projected cost of build-out of infrastructure in this area of the City.

At the estimated level of rate increases outlined above, the Water Fund is projected to maintain adequate cash balance over the planning period. For purposes of the Plan, the revenue objective focused on providing revenue sufficient to achieve projected year-end cash balance to cover the following purposes:

- Three-months of operating expense
- Following-year debt service payments
- Following year capital acquisition (planned to be paid from cash)
- Reserves for future capital improvements and other reserve purposes

The CIP anticipates the issuance bonds in 2022 to finance water system improvements in the northeast area of the City.

### **Expense**

The use of funds is to pay for the operation and capital improvements, and related debt service, for providing municipal water services, including depreciation of capital assets.

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The City has an agreement with the City of Maple Grove which provides for payment to Maple Grove for water connections and distribution.

Approximately half of the Water Fund expenses are estimated to be fixed costs, this amount fluctuates somewhat from year to year.

The City anticipates the addition of 12 FTE over the next five years paid entirely or in part by the Water Fund. The cost of the FTE's is included in the financial plan.

Annual debt service payments on bonds issued to finance water improvements are supported by net revenues of the Water Fund. The Water Fund pays a portion of the debt on the 2014B Bonds. The portion of the 2014B Bonds payable from water revenues is reported as a liability of the Water Fund. As payments on the debt are made the liability in the Water Fund is reduced. Interest is recorded as an expense.

In addition to this liability, the Water Fund transfers revenue to the Governmental Debt Service Funds to pay a portion of the 2016A Bonds. Beginning in year 2026, the Sewer Fund is also projected to begin transferring funds to pay a portion of the debt on the planned bonds for municipal facilities improvements.

The Water Fund reports a debt obligation for the Notes payable to the City of Maple Grove for water connection charges. As payment is made on the Notes the liability in the Water Fund is reduced. The interest expense on the Note issued in 2014 is recorded as an expense in the Water Fund. There is no interest payable on the Note issued in 2016.

Depreciation is reported as an expense and is adjusted for anticipated annual depreciable capital acquisitions.

New capital is depreciated over a 55 year term in the Plan.

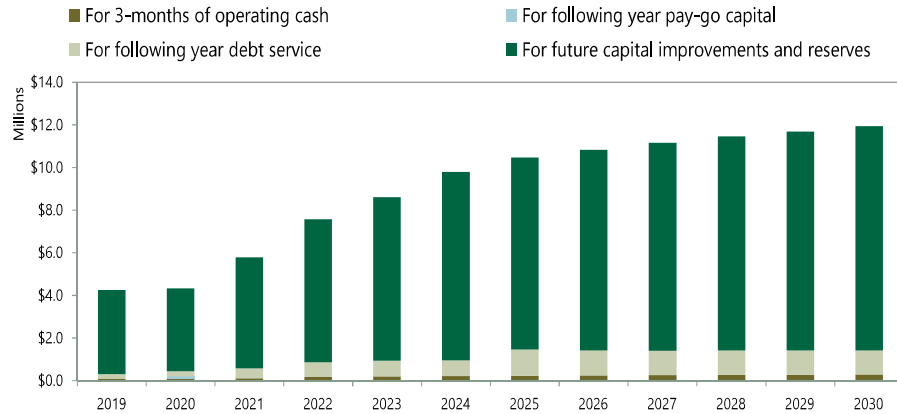
### Transfers To and From Other Funds

The Water Fund transfers funds annually to the General Fund to pay for operational support.

Special assessment revenue from assessments levied to finance connection fees and TLAC for water services are deposited directly in the Water Fund. As noted above, the Water Fund transfers revenue to the City's Governmental Debt Service Funds for the 2016A Bonds to cover the water utility portion of the 2016A Bonds. The Plan anticipates the Water Fund will pay 10% of the debt service on planned bonds to be issued in 2026 for municipal facilities improvements.

CHART 27  
Water Fund  
Cash Balance by Purpose

Cash Balance is projected to decline in the future as the City spends down development fees (reserves) collected to service debt issued to finance water improvement projects to support development



Cash balance is projected to increase as existing debt is paid off. Future cash will be needed to support future capital improvement projects (and potential related to debt) that are not yet programmed in the CIP.

CHART 29  
Water Fund  
Revenue and Expense

Over the next decade it is projected that the Water Fund Expense (which includes depreciation) will exceed Revenues, as debt is retired the Fund should begin to accumulate cash as projected Revenue begins to exceed Expense

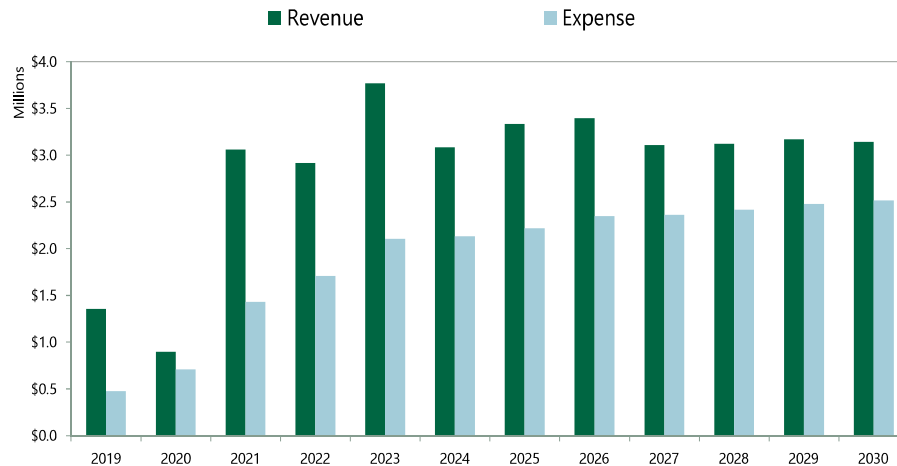


CHART 28  
Water Fund  
Ending Unrestricted Net Position

Over the next decade it is projected that the Water Fund will spend down accumulated cash on future projects to be programmed, reducing the ending unrestricted net position from what it shown here

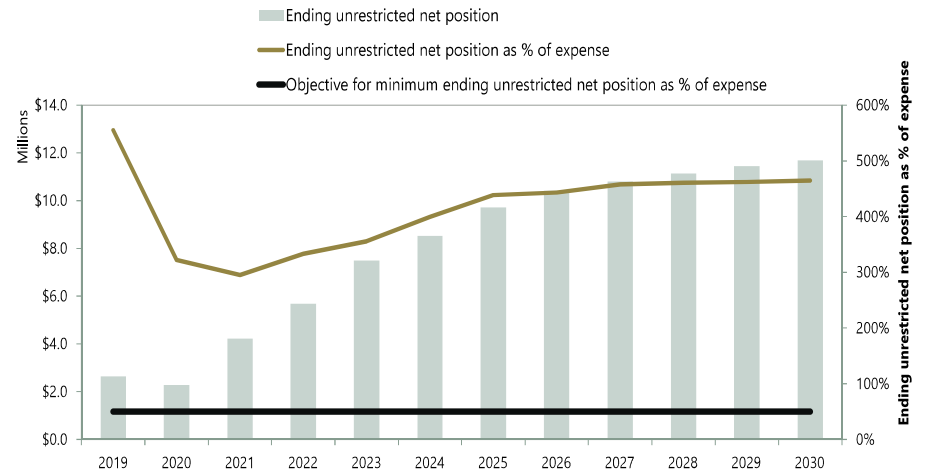
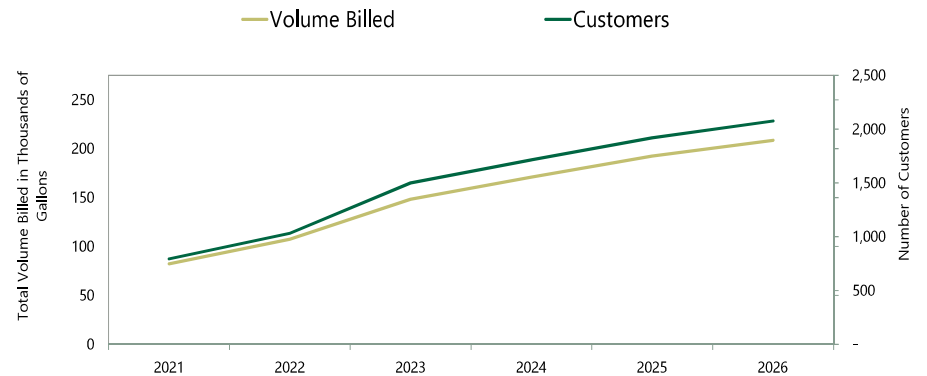


CHART 30  
Water Fund  
Customers and Annual Water Volume Billed

New customers to be added between 2021-2026 is estimated at 1,520



The Plan estimates water consumption at 8,750 gallons per month for a resident and 5,000 gallons per month for commercial property.

**TABLE 14**  
Page 1 of 2  
**City of Corcoran**  
**Water Fund**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>REVENUE</b>								
Charges for services	162,948	287,892	497,553	636,403	803,414	952,609	1,093,062	1,195,586
Special assessments								
Developer contributions (trunk line)			1,564,168	1,487,488	998,801	1,105,875	1,227,728	1,366,537
Connection fees	1,146,857	584,599	282,808	292,555	1,470,716	576,961	542,442	339,532
Connection fees payable to MG			671,840	456,661	438,612	371,525	385,736	397,304
Connection fees payable to MCEs								
Other revenues			-	-	-	-	-	-
Investment income	45,592	24,849	42,546	43,197	57,736	75,738	86,002	97,914
Transfer in from General Fund								
<b>Total Revenue</b>	<b>1,355,397</b>	<b>897,340</b>	<b>3,058,914</b>	<b>2,916,304</b>	<b>3,769,279</b>	<b>3,082,708</b>	<b>3,334,969</b>	<b>3,396,873</b>
<b>EXPENSES</b>								
<b>Variable</b>								
Current oper expenses for SE Dist	109,291	244,362	114,500	155,435	305,098	341,751	375,004	396,254
Current oper expenses for NE Dist			94,554	133,952	161,762	208,112	248,900	267,440
Purchased water (from Maple Grove)	36,201	36,201	53,921	53,231	117,763	132,185	148,089	164,883
Water meters	21,907	80,000	88,767	77,542	85,034	83,083	65,341	67,301
Capital maintenance	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747
Connections paid to Maple Grove	-	-	671,840	456,661	438,612	371,525	385,736	397,304
<i>Subtotal Variable Expenses</i>	<i>192,399</i>	<i>386,313</i>	<i>1,050,105</i>	<i>904,139</i>	<i>1,136,406</i>	<i>1,165,638</i>	<i>1,252,921</i>	<i>1,323,928</i>
<b>Fixed</b>								
Transfer to General Fund	102,614	109,436	134,582	179,839	183,435	187,104	190,846	194,663
Transfer to Debt Service Funds	26,341	25,640	63,655	63,255	62,855	62,455	62,055	130,260
Interest and fiscal exp bonds	38,826	67,764	64,274	181,566	347,859	342,890	337,475	329,785
Interest exp notes payable to MG	12,509	11,030	12,509	11,030	9,470	7,823	6,086	4,254
Depreciation	102,641	106,461	108,279	367,370	367,370	367,370	367,370	367,370
<i>Subtotal Fixed Expenses</i>	<i>282,931</i>	<i>320,331</i>	<i>383,300</i>	<i>803,060</i>	<i>970,989</i>	<i>967,642</i>	<i>963,833</i>	<i>1,026,332</i>
<b>Total Expense</b>	<b>475,330</b>	<b>706,644</b>	<b>1,433,405</b>	<b>1,707,199</b>	<b>2,107,395</b>	<b>2,133,280</b>	<b>2,216,754</b>	<b>2,350,260</b>
<b>CHANGE IN NET POSITION</b>	<b>880,067</b>	<b>190,696</b>	<b>1,625,510</b>	<b>1,209,105</b>	<b>1,661,884</b>	<b>949,428</b>	<b>1,118,215</b>	<b>1,046,613</b>
Net Position, January 1	3,757,834	4,637,901	4,251,080	5,876,590	7,085,695	8,747,579	9,697,007	10,815,223
Prior Period Adjustment		(577,517)						
Net Position, December 31	4,637,901	4,251,080	5,876,590	7,085,695	8,747,579	9,697,007	10,815,223	11,861,836

**TABLE 14**  
 Page 2 of 2  
**City of Corcoran**  
**Water Fund**  
**Financial Plan**

	Prior Year Actuals		Current Year	Projected				
	2019	2020	2021	2022	2023	2024	2025	2026
<b>ASSETS</b>								
Cash	3,049,736	4,254,564	4,319,711	5,773,650	7,573,807	8,600,162	9,791,367	10,471,550
Accounts receivable	10,586	16,623	20,000	20,000	20,000	20,000	20,000	20,000
Special assessments receivable	269,579	222,703	184,688	146,673	108,658	70,643	32,628	
Other current assets	14	2,396	2,000	2,000	2,000	2,000	2,000	2,000
Capital assets	3,313,578	4,454,478	4,554,478	18,804,478	18,804,478	18,804,478	18,804,478	18,804,478
Less accumulated depreciation	(415,836)	(522,297)	(630,576)	(997,946)	(1,365,316)	(1,732,686)	(2,100,057)	(2,467,427)
<b>Total Assets</b>	<b>6,227,657</b>	<b>8,428,467</b>	<b>8,450,301</b>	<b>23,748,855</b>	<b>25,143,627</b>	<b>25,764,596</b>	<b>26,550,416</b>	<b>26,830,601</b>
<b>LIABILITIES</b>								
Accounts payable	23,202	1,501,115	10,000	10,000	10,000	10,000	10,000	10,000
Other liabilities	35,150	25,688	15,000	15,000	15,000	15,000	15,000	15,000
Bond premium amortized	10,988	85,326	84,626	83,926	83,226	82,526	81,826	81,126
Notes payable to Maple Grove	346,816	309,158	270,486	230,334	188,622	145,263	100,167	53,240
Bonds payable, net of premiums	1,173,600	2,256,100	2,193,600	16,323,900	16,099,200	15,814,800	15,528,200	14,809,400
<b>Total Liabilities</b>	<b>1,589,756</b>	<b>4,177,387</b>	<b>2,573,712</b>	<b>16,663,160</b>	<b>16,396,048</b>	<b>16,067,589</b>	<b>15,735,193</b>	<b>14,968,766</b>
Net investment in capital assets	1,998,467	1,974,737	1,645,676	1,398,706	1,256,736	1,174,466	1,094,395	1,446,525
Unrestricted net assets	2,639,434	2,276,343	4,230,914	5,686,989	7,490,843	8,522,542	9,720,827	10,415,310
<b>Total Net Position</b>	<b>4,637,901</b>	<b>4,251,080</b>	<b>5,876,590</b>	<b>7,085,695</b>	<b>8,747,579</b>	<b>9,697,007</b>	<b>10,815,223</b>	<b>11,861,836</b>
<b>Total Liabilities and Net Position</b>	<b>6,227,657</b>	<b>8,428,467</b>	<b>8,450,301</b>	<b>23,748,855</b>	<b>25,143,627</b>	<b>25,764,596</b>	<b>26,550,416</b>	<b>26,830,601</b>

**TABLE 15**  
Page 1 of 3  
**City of Corcoran**  
**Projected Water Revenues**

	2020	2021	2022	2023	2024	2025	2026
<b>WATER CHARGES FOR SERVICE (REVENUE)</b>							
<b>Residential</b>							
Water Base Charge	\$101,184	\$183,600	\$247,694	\$306,332	\$371,707	\$437,789	\$494,160
Usage Charges:							
Tier 1: Water usage 0 to 4,999 gallons	\$55,313	\$84,229	\$113,416	\$140,500	\$170,597	\$200,871	\$226,483
Tier 2: Water usage 5,000 to 8,999 gallons	\$28,470	\$43,351	\$58,549	\$72,416	\$87,798	\$103,234	\$116,633
Tier 3: Water usage 9,000 to 19,999 gallon:	\$50,798	\$77,353	\$104,474	\$129,220	\$156,671	\$184,729	\$208,554
Tier 4: Water usage 20,000 gallons over	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Volume Billed	\$134,580	\$204,933	\$276,439	\$342,137	\$415,066	\$488,833	\$551,670
<b>Multi-Family</b>							
Water Base Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Usage Charges:							
Tier 1: Water usage 0 to 4,999 gallons	\$0	\$0	\$0	\$22,190	\$22,875	\$23,559	\$24,243
Tier 2: Water usage 5,000 to 8,999 gallons	\$0	\$0	\$0	\$11,437	\$11,772	\$12,108	\$12,485
Tier 3: Water usage 9,000 to 19,999 gallon:	\$0	\$0	\$0	\$20,409	\$21,007	\$21,666	\$22,324
Tier 4: Water usage 20,000 gallons over	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Volume Billed	\$0	\$0	\$0	\$54,037	\$55,655	\$57,332	\$59,052
<b>Commercial</b>							
Water Base Charge	\$5,376	\$8,603	\$9,166	\$9,754	\$10,372	\$11,017	\$11,689
Usage Charges:							
Tier 1: Water usage 1,000 gallons +	\$4,802	\$5,217	\$5,460	\$5,859	\$6,272	\$6,699	\$7,140
Water Volume Billed	\$4,802	\$5,217	\$5,460	\$5,859	\$6,272	\$6,699	\$7,140
<b>Other Charges</b>							
Meter Charges	\$95,200	\$95,200	\$97,644	\$85,296	\$93,537	\$91,391	\$71,875
<b>Total Charges for Services</b>	<b>\$341,142</b>	<b>\$497,553</b>	<b>\$636,403</b>	<b>\$803,414</b>	<b>\$952,609</b>	<b>\$1,093,062</b>	<b>\$1,195,586</b>

**TABLE 15**  
Page 2 of 3  
**City of Corcoran**  
**Projected Water Revenues**

	2020	2021	2022	2023	2024	2025	2026
<b>WATER NON-OPERATING (DEVELOPMENT) REVENUES</b>							
<b>Northeast Water Connection Charges (paid with building permit on per unit basis)</b>							
Single Family Residential	\$108,745	\$110,929	\$106,726	\$250,734	\$430,430	\$390,139	\$182,656
Multi-Family Residential	\$0	\$0	\$0	\$1,042,800	\$0	\$0	\$0
Commercial/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maple Grove Connection - Residential	\$235,781	\$247,520	\$0	\$0	\$0	\$0	\$0
Maple Grove Connection - Commercial/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Southeast Water Connection Charges (paid with building permit on per unit basis)</b>							
Single Family Residential	\$167,300	\$170,660	\$184,573	\$175,889	\$145,199	\$150,931	\$155,463
Multi-Family Residential	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial/Other	\$0	\$1,219	\$1,256	\$1,293	\$1,332	\$1,372	\$1,413
Maple Grove Connection - Residential	\$362,740	\$380,800	\$411,835	\$392,442	\$323,970	\$336,754	\$346,852
Maple Grove Connection - Commercial/Other	\$0	\$43,520	\$44,826	\$46,170	\$47,556	\$48,982	\$50,452
<b>Trunk Line Availability Charges (paid at time of development on per acre basis)</b>							
Northeast Corcoran	\$312,300	\$1,040,918	\$888,326	\$356,230	\$366,916	\$377,924	\$389,262
Southeast Corcoran	\$187,380	\$523,250	\$599,162	\$642,571	\$738,959	\$849,804	\$977,275
<b>Total Non-Operating Revenues</b>	<b>\$1,374,246</b>	<b>\$2,518,816</b>	<b>\$2,236,704</b>	<b>\$2,908,128</b>	<b>\$2,054,361</b>	<b>\$2,155,906</b>	<b>\$2,103,373</b>

**TABLE 15**  
 Page 3 of 3  
**City of Corcoran**  
**Projected Water Revenues**

	2020	2021	2022	2023	2024	2025	2026
<b>SUMMARY OF REVENUE BY TYPE AND CUSTOMER CLASSIFICATION</b>							
Charges for water usage	\$139,382	\$210,150	\$281,899	\$402,032	\$476,992	\$552,865	\$617,862
Base service charges	\$106,560	\$192,203	\$256,860	\$316,086	\$382,079	\$448,806	\$505,849
Charge for meter	\$95,200	\$95,200	\$97,644	\$85,296	\$93,537	\$91,391	\$71,875
Total Charges for Services	\$341,142	\$497,553	\$636,403	\$803,414	\$952,609	\$1,093,062	\$1,195,586
Water connection charges (City)	\$276,045	\$282,808	\$292,555	\$1,470,716	\$576,961	\$542,442	\$339,532
Water connection charges (Maple Grove)	\$598,521	\$671,840	\$456,661	\$438,612	\$371,525	\$385,736	\$397,304
Total Connection Fees	\$874,566	\$954,648	\$749,216	\$1,909,328	\$948,486	\$928,179	\$736,836
Water trunk line availability charges (City)	\$499,680	\$1,564,168	\$1,487,488	\$998,801	\$1,105,875	\$1,227,728	\$1,366,537
<b>Grand Total</b>	<b>\$1,715,388</b>	<b>\$3,016,369</b>	<b>\$2,873,107</b>	<b>\$3,711,543</b>	<b>\$3,006,970</b>	<b>\$3,248,968</b>	<b>\$3,298,959</b>



**Table 16**  
Page 1 of 1  
**Water Fund**

**Projected Year End Cash Balance**

	Actual 2020	Projected					
		2021	2022	2023	2024	2025	2026
<b>Use of Cash:</b>							
Operations & Maintenance	386,313	378,265	447,478	697,794	794,112	867,185	926,624
Capital Improvements	1,140,900	100,000	14,250,000	-	-	-	-
Interfund Transfers (not incl for debt)	109,436	134,582	179,839	183,435	187,104	190,846	194,663
Debt Service (incl transfers for debt)	204,592	241,611	465,703	686,596	740,927	737,312	1,230,027
<b>Total Use of Cash</b>	<b>1,841,241</b>	<b>854,458</b>	<b>15,343,020</b>	<b>1,567,825</b>	<b>1,722,143</b>	<b>1,795,343</b>	<b>2,351,314</b>
<b>Source of Cash:</b>							
Charges for services and other operating revenue	312,741	540,098	679,600	861,151	1,028,347	1,179,063	1,293,500
Development related fees	7,082	1,846,976	1,780,043	2,469,516	1,682,836	1,770,170	1,706,069
Bond Proceeds	1,145,000	-	14,300,000	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
<b>Total Source of Cash</b>	<b>1,464,823</b>	<b>2,387,074</b>	<b>16,759,643</b>	<b>3,330,667</b>	<b>2,711,183</b>	<b>2,949,233</b>	<b>2,999,569</b>
Net Change in Other Assets and Liabilities Contributing (Reducing) Cash	1,581,246	(1,467,469)	37,315	37,315	37,315	37,315	31,928
<b>Beginning Cash Balance</b>	3,049,736	4,254,564	4,319,711	5,773,650	7,573,807	8,600,162	9,791,367
<b>Change in Cash Balance</b>	1,204,828	65,147	1,453,938	1,800,157	1,026,355	1,191,205	680,183
<b>Ending Cash and Investments</b>	<b>4,254,564</b>	<b>4,319,711</b>	<b>5,773,650</b>	<b>7,573,807</b>	<b>8,600,162</b>	<b>9,791,367</b>	<b>10,471,550</b>
<b>Ending Cash by Purpose</b>							
For future capital / trunk fee reserve	3,953,395	3,883,534	5,196,077	6,712,763	7,660,707	8,837,258	9,009,867
For following year pay-go capital	-	100,000	-	-	-	-	-
For 3-months of operating cash	96,578	94,566	111,870	174,449	198,528	216,796	231,656
For following year debt service	204,592	241,611	465,703	686,596	740,927	737,312	1,230,027
<b>Ending Cash and Investments</b>	<b>4,254,564</b>	<b>4,319,711</b>	<b>5,773,650</b>	<b>7,573,807</b>	<b>8,600,162</b>	<b>9,791,367</b>	<b>10,471,550</b>

## SEWER FUND

The Sewer Fund was established as a Proprietary Fund for the accounting for costs of providing municipal water services to residents and businesses.

The Sewer Fund is considered self-supporting in that the services rendered are financed through user charges.

The financial plan includes assets and liabilities in addition to the revenues and expenditures. The Sewer Fund is presented on an accrual basis. There is a recognition of expenditures when incurred and the subsequent amortization of the deferred outflows. Revenues are recognized when earned. There is a capitalization of certain expenses and the subsequent depreciation of the capitalized costs. There is accruals of revenues earned and expenses incurred.

### Source of Funds

The source of funds is charges for services, special assessments, developer fees and payments, and bond proceeds.

The schedule of planned fees and charges is included in the Appendix.

Future growth from development, which impacts the projection of operating and non-operating revenue for the Water Fund, is assumed to be the following over the next decade:

- Nearly 600 acres platted between 2021-2026
- 1,520 new customer units to be added between 2021-2026

Details on the estimated acres platted per year and customer units added is shown in Table 2. The projected development will provide increasing revenue to the Water Fund.

The Plan estimates annual rate adjustments of 2.0% for both base and usage fees and connection fees. The sewer TLAC is estimated to increase by 3.0% annually.

At the estimated level of rate increases outlined above, the Sewer Fund is projected to maintain adequate cash balance over the planning period. For purposes of the Plan, the revenue objective for the Sewer Fund focused on providing revenue sufficient to achieve projected year-end cash balance to cover the following purposes:

- Three-months of operating expense
- Following-year debt service payments
- Following year capital acquisition (planned to be paid from cash)
- Reserves for future capital improvements and other reserve purposes

There is no anticipated future bonding for sanitary improvements at this time.

### Use of Funds

The use of funds is to pay for the operation and capital improvements, and related debt service, for providing municipal sewer services, including depreciation of capital assets.

Approximately 40% of the Sewer Fund expenses are estimated to be fixed costs, this amount fluctuates somewhat from year to year.

The Metropolitan Council (MC) charges the City a fee

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for the regional collection and treatment of wastewater (disposal charges). The City does not have any control over this operating expense. Future charges payable to the MC are projected based on total estimated sanitary sewer volume reported to the MCES with an inflationary adjustment.

The City anticipates the addition of 12 FTE over the next five years paid entirely or in part by the Water Fund. The cost of the FTE's is included in the financial plan.

Annual debt service payments on bonds issued to finance sewer related improvements are supported by net revenues of the Sewer Fund. The Sewer Fund pays a portion of the debt on the 2014B Bonds. The portion of the 2014B Bonds payable from sewer revenues is reported as a liability of the Sewer Fund. In addition to this liability, the Sewer Fund transfers revenue to the Governmental Debt Service Funds to pay a portion of the 2016A Bonds. Beginning in year 2026, the Sewer Fund is also projected to begin transferring funds to pay a portion of the debt on the planned bonds for municipal facilities improvements.

Depreciation is reported as an expense and is adjusted for anticipated annual depreciable capital acquisitions. New capital is depreciated over a 55 year term in the Plan.

The City is planning for capital acquisition of \$6.2 million in 2029 for North Sewer Connection Project. The plan is to use cash to pay for this project.

### Transfers To and From Other Funds

The Sewer Fund transfers funds annually to the General Fund to pay for operational support.

Special assessment revenue from assessments levied to finance connection fees and TLAC for sewer services are deposited directly in the Sewer Fund. The Sewer Fund transfers revenue to the City's Governmental Debt Service Funds for the 2016A Bonds to cover the sewer utility portion of the 2016A Bonds. The Plan anticipates the Sewer Fund will pay 10% of the debt service on planned bonds to be issued in 2026 for municipal facilities improvements.

# Financial Plans

CHART 31  
Sewer Fund  
Cash Balance by Purpose

Cash Balance will be used in the future as the City spends down development fees (reserves) collected to service debt issued to finance water improvement projects to support development

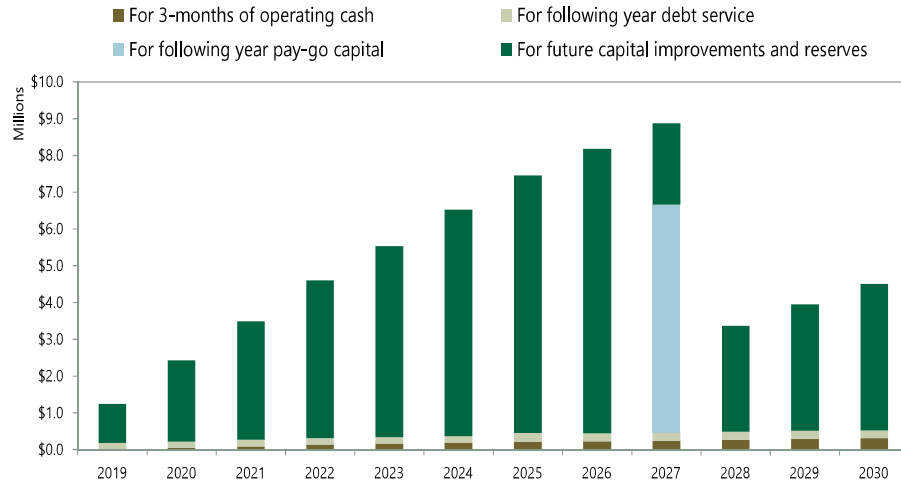


CHART 32  
Sewer Fund  
Ending Unrestricted Net Position

Over the next decade it is projected that the Sewer Fund will spend down accumulated cash and the unrestricted net position of the Fund will decline but will not be below 50% target

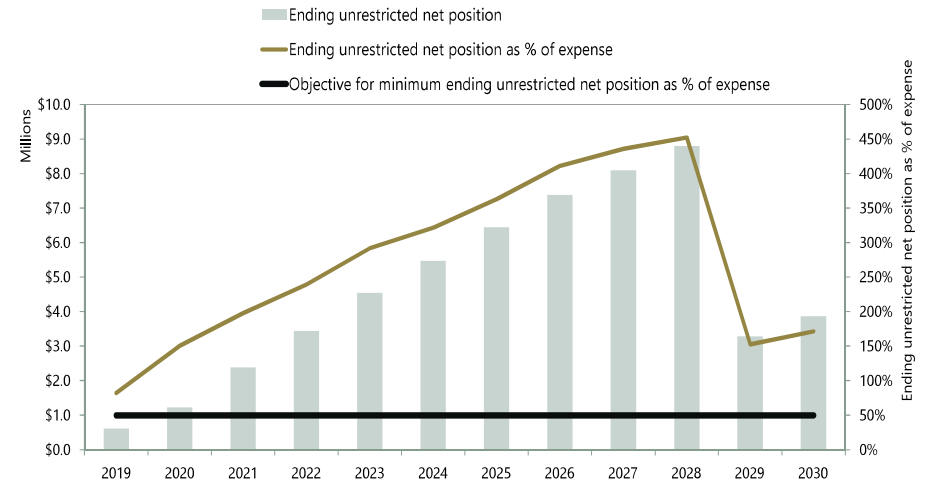


CHART 33  
Sewer Fund  
Revenue and Expense

Revenue is projected to expenses (which includes depreciation), as debt is retired the Fund should begin to accumulate cash for future capital projects

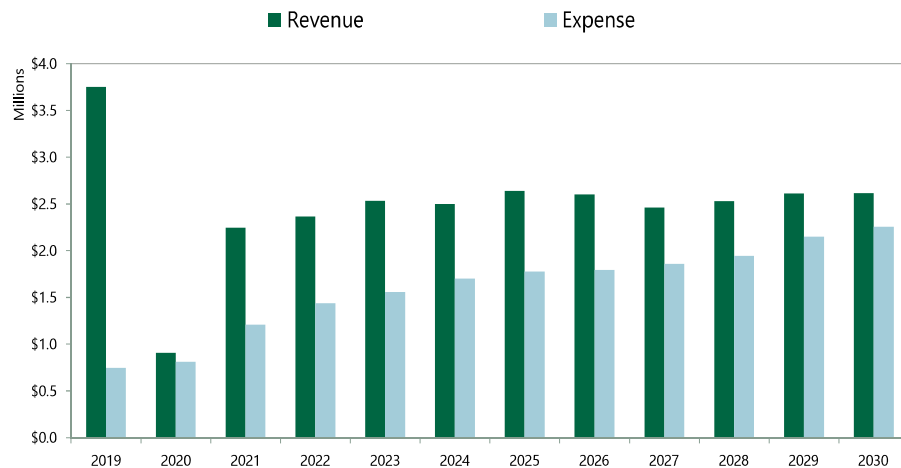
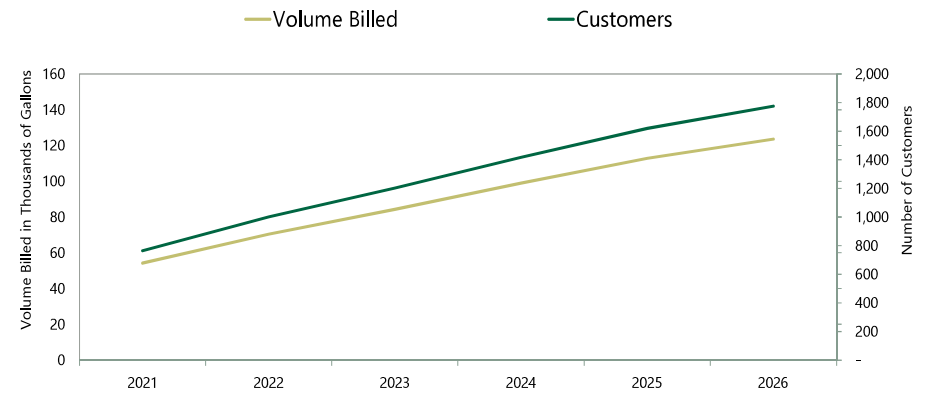


CHART 34  
Sewer Fund  
Customers and Annual Water Volume Billed

New customers to be added between 2021-2026 is estimate at 1,520



The Plan estimates sewer consumption at 5,688 gallons per month on average for the year (sewer lock results in approximately 65% of annual water consumption being billed for sewer) for a resident and 5,000 gallons per month for commercial property.

**TABLE 17**  
**Page 1 of 2**  
**City of Corcoran**  
**Sewer Fund**  
**Financial Plan**

	Prior Year Actuals				Current Year	Projected				
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>REVENUE</b>										
Charges for services	57,943	75,436	118,341	206,037	431,794	572,529	833,490	974,373	1,113,941	1,229,695
Special assessments	2,289									
Developer contributions (trunk line charges)		-			948,948	896,487	648,278	667,726	687,761	708,390
Connection fees	207,106	440,547	371,936	336,117	282,808	289,712	519,749	271,677	262,600	203,246
Connection fees payable to Met Council	86,975	223,874	369,868	334,276	574,035	588,050	506,738	551,154	532,580	411,540
Other revenues		3,704		24,608		-	-	-	-	-
Investment income	1,107	2,822	15,914	7,496	9,329	18,174	26,181	34,550	41,470	48,987
Capital contribution from other City funds	615,042	2,502	2,875,554							
Total Revenue	970,462	748,885	3,751,613	908,534	2,246,914	2,364,953	2,534,437	2,499,480	2,638,352	2,601,858
<b>EXPENSES</b>										
<b>Variable</b>										
Current operating expenses	15,867	34,488	48,066	28,926	125,212	166,468	316,462	353,456	387,060	398,672
Disposal charges (\$2.48 for future years inflated)	5,317	13,560	25,981	46,594	74,556	202,360	254,042	313,195	375,133	431,050
Connections paid to Met Council	86,975	223,874	369,868	334,276	574,035	588,050	506,738	551,154	532,580	411,540
<i>Subtotal Variable Expenses</i>	<i>108,159</i>	<i>271,922</i>	<i>443,915</i>	<i>409,796</i>	<i>773,803</i>	<i>956,879</i>	<i>1,077,243</i>	<i>1,217,805</i>	<i>1,294,773</i>	<i>1,241,261</i>
<b>Fixed</b>										
Transfer to General Fund	81,061	96,436	91,408	109,436	134,582	179,839	183,435	187,104	190,846	194,663
Transfer to Debt Service Funds	13,675	40,640	51,547	39,440	50,947	55,347	54,747	54,097	53,397	121,302
Interest expense on bonds	48,942	41,868	45,919	44,373	38,639	36,536	34,396	32,183	29,858	27,460
Depreciation	70,873	112,985	113,100	208,951	208,951	208,951	208,951	208,951	208,951	208,951
<i>Subtotal Fixed Expenses</i>	<i>214,551</i>	<i>291,929</i>	<i>301,974</i>	<i>402,200</i>	<i>433,119</i>	<i>480,672</i>	<i>481,529</i>	<i>482,335</i>	<i>483,052</i>	<i>552,376</i>
Total Expense	322,710	563,851	745,889	811,996	1,206,922	1,437,552	1,558,773	1,700,140	1,777,826	1,793,638
<b>CHANGE IN NET POSITION</b>	647,752	185,034	3,005,724	96,538	1,039,992	927,401	975,664	799,340	860,527	808,220
Net Position, January 1	1,583,919	2,231,671	2,416,705	5,422,429	5,518,967	6,558,959	7,486,360	8,462,024	9,261,364	10,121,891
Net Position, December 31	2,231,671	2,416,705	5,422,429	5,518,967	6,558,959	7,486,360	8,462,024	9,261,364	10,121,891	10,930,111

**TABLE 17**  
**Page 2 of 2**  
**City of Corcoran**  
**Sewer Fund**  
**Financial Plan**

	Prior Year Actuals				Current Year	Projected				
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>ASSETS</b>										
Cash	426,133	751,144	986,646	1,243,873	2,423,257	3,490,816	4,606,638	5,529,329	6,531,562	7,457,533
Accounts receivable	5,857	26,136	16,580	25,194	20,000	20,000	20,000	20,000	20,000	20,000
Special assessments receivable	84,437	76,030	67,395	55,676	44,169	32,662	21,155	21,155		
Other current assets	-	760	4	599	2,000	2,000	2,000	2,000	2,000	2,000
Capital assets	3,517,104	3,519,604	6,395,158	6,395,158	6,395,158	6,395,158	6,395,158	6,395,158	6,395,158	6,395,158
Less accumulated depreciation	(265,240)	(378,223)	(491,323)	(700,274)	(909,225)	(1,118,176)	(1,327,127)	(1,536,078)	(1,745,029)	(1,953,980)
Total Assets	3,768,291	3,995,451	6,974,460	7,020,226	7,975,359	8,822,460	9,717,824	10,431,564	11,203,691	11,920,711
<b>LIABILITIES</b>										
Accounts payable	39,815	8,411	57,597	85,554	85,000	85,000	85,000	85,000	85,000	85,000
Other liabilities	20,568	19,945	19,325	18,677	20,000	20,000	20,000	20,000	20,000	20,000
Bond premium amortized	9,837	161,490	8,709	8,128						
Bonds payable, net of premiums	1,466,400	1,388,900	1,466,400	1,388,900	1,311,400	1,231,100	1,150,800	1,065,200	976,800	885,600
Total Liabilities	1,536,620	1,578,746	1,552,031	1,501,259	1,416,400	1,336,100	1,255,800	1,170,200	1,081,800	990,600
Net investment in capital assets	2,008,058	1,972,822	4,810,557	4,297,856	4,174,533	4,045,882	3,917,231	3,793,880	3,673,329	3,555,578
Unrestricted net assets	223,613	443,883	611,872	1,221,111	2,384,426	3,440,478	4,544,793	5,467,484	6,448,562	7,374,533
Total Net Position	2,231,671	2,416,705	5,422,429	5,518,967	6,558,959	7,486,360	8,462,024	9,261,364	10,121,891	10,930,111
Total Liabilities and Net Position	3,768,291	3,995,451	6,974,460	7,020,226	7,975,359	8,822,460	9,717,824	10,431,564	11,203,691	11,920,711

**Table 18**  
**Page 1 of 2**  
**City of Corcoran**  
**Projected Sewer Revenues**

	2020	2021	2022	2023	2024	2025	2026
<b>SEWER CHARGES FOR SERVICES</b>							
<b>Residential</b>							
Sewer Base Charge	\$179,665	\$266,036	\$355,425	\$435,257	\$522,938	\$609,811	\$681,520
Usage Charges:							
Tier 1: Sewer volume	\$101,069	\$149,846	\$200,372	\$245,493	\$294,966	\$343,857	\$384,026
<b>Multi-Family</b>							
Sewer Base Charge	\$0	\$0	\$0	\$96,241	\$98,166	\$100,129	\$102,132
Usage Charges:							
Tier 1: Sewer volume	\$0	\$0	\$0	\$38,773	\$39,551	\$40,329	\$41,107
Sewer Volume Billed	\$0	\$0	\$0	\$38,773	\$39,551	\$40,329	\$41,107
<b>Commercial</b>							
Sewer Base Charge	\$9,546	\$10,085	\$10,642	\$11,216	\$11,808	\$12,423	\$13,056
Usage Charges:							
Tier 1: Water usage 1,000 gallons +	\$5,508	\$5,826	\$6,090	\$6,510	\$6,944	\$7,392	\$7,854
<b>Total Charges for Services</b>	<b>\$295,788</b>	<b>\$431,794</b>	<b>\$572,529</b>	<b>\$833,490</b>	<b>\$974,373</b>	<b>\$1,113,941</b>	<b>\$1,229,695</b>
<b>SEWER NON-OPERATING (DEVELOPMENT) REVENUES</b>							
<b>Northeast Sewer Connection Charges (paid with building permit on per unit basis)</b>							
Single Family Residential	\$108,745	\$110,929	\$105,689	\$76,098	\$129,370	\$116,125	\$53,840
Multi-Family Residential	\$0	\$0	\$0	\$269,894	\$0	\$0	\$0
Commercial/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MCES connection charge (per unit)	\$226,135	\$226,135	\$215,450	\$155,124	\$263,710	\$236,702	\$109,744
<b>Southeast Sewer Connection Charges (paid with building permit on per unit basis)</b>							
Single Family Residential	\$167,300	\$170,660	\$182,780	\$172,489	\$141,013	\$145,156	\$148,060
Multi-Family Residential	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial/Other	\$0	\$1,219	\$1,243	\$1,268	\$1,294	\$1,320	\$1,346
MCES connection charge (per unit)	\$347,900	\$347,900	\$372,601	\$351,614	\$287,444	\$295,878	\$301,796
<b>Trunk Line Availability Charges (paid at time of development on per acre basis)</b>							
Corcoran (NE and SE)	\$323,440	\$948,948	\$896,487	\$648,278	\$667,726	\$687,761	\$708,390
<b>Total Non-Operating Revenues</b>	<b>\$1,173,520</b>	<b>\$1,805,791</b>	<b>\$1,774,250</b>	<b>\$1,674,766</b>	<b>\$1,490,557</b>	<b>\$1,482,941</b>	<b>\$1,323,176</b>

**Table 18**  
**Page 2 of 2**  
**City of Corcoran**  
**Projected Sewer Revenues**

	2020	2021	2022	2023	2024	2025	2026
<b>SUMMARY OF REVENUE BY TYPE AND CUSTOMER CLASSIFICATION</b>							
Charges for sewer volume	\$106,577	\$155,672	\$206,462	\$290,776	\$341,461	\$391,578	\$432,987
Base service charges	\$189,211	\$276,121	\$366,066	\$542,714	\$632,912	\$722,363	\$796,708
<b>Total Charges for Services</b>	<b>\$295,788</b>	<b>\$431,794</b>	<b>\$572,529</b>	<b>\$833,490</b>	<b>\$974,373</b>	<b>\$1,113,941</b>	<b>\$1,229,695</b>
Sewer connection charges (City)	\$276,045	\$282,808	\$289,712	\$519,749	\$271,677	\$262,600	\$203,246
Sewer connection charges (MCES)	\$574,035	\$574,035	\$588,050	\$506,738	\$551,154	\$532,580	\$411,540
<b>Total Connection Charges</b>	<b>\$850,080</b>	<b>\$856,843</b>	<b>\$877,763</b>	<b>\$1,026,488</b>	<b>\$822,831</b>	<b>\$795,181</b>	<b>\$614,786</b>
Sewer trunk line availability charges	\$323,440	\$948,948	\$896,487	\$648,278	\$667,726	\$687,761	\$708,390
<b>Grand Total</b>	<b>\$895,273</b>	<b>\$1,663,550</b>	<b>\$1,758,728</b>	<b>\$2,001,517</b>	<b>\$1,913,776</b>	<b>\$2,064,302</b>	<b>\$2,141,331</b>
Residential usage and base charges	\$280,734	\$415,883	\$555,797	\$680,750	\$817,904	\$953,668	\$1,065,546
Multi-Family usage and base charges	\$0	\$0	\$0	\$135,014	\$137,717	\$140,458	\$143,239
Commercial usage and base charges	\$15,053	\$15,911	\$16,732	\$17,726	\$18,752	\$19,815	\$20,910
<b>Total Charges for Services</b>	<b>\$295,788</b>	<b>\$431,794</b>	<b>\$572,529</b>	<b>\$833,490</b>	<b>\$974,373</b>	<b>\$1,113,941</b>	<b>\$1,229,695</b>



**Table 19**  
Page 1 of 1  
**Sewer Fund**

**Projected Year End Cash Balance**

	Actual 2020	Projected					
		2021	2022	2023	2024	2025	2026
<b>Use of Cash:</b>							
Operations & Maintenance	75,520	199,768	368,829	570,505	666,651	762,193	829,721
Capital Improvements	-	-	-	-	-	-	-
Interfund Transfers (not incl for debt)	109,436	134,582	179,839	183,435	187,104	190,846	194,663
Debt Service (incl transfers for debt)	161,313	167,086	172,183	169,443	171,880	171,655	239,962
<b>Total Use of Cash</b>	<b>346,269</b>	<b>501,436</b>	<b>720,850</b>	<b>923,383</b>	<b>1,025,635</b>	<b>1,124,694</b>	<b>1,264,347</b>
<b>Source of Cash:</b>							
Charges for services and other operating revenue	238,141	441,123	590,703	859,671	1,008,923	1,155,411	1,278,682
Development related fees	336,117	1,231,756	1,186,199	1,168,027	939,403	950,361	911,636
Bond Proceeds	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
<b>Total Source of Cash</b>	<b>574,258</b>	<b>1,672,879</b>	<b>1,776,902</b>	<b>2,027,698</b>	<b>1,948,326</b>	<b>2,105,772</b>	<b>2,190,318</b>
Net Change in Other Assets and Liabilities Increasing/(Reducing) Cash	29,238	7,941	11,507	11,507	-	21,155	-
<b>Beginning Cash Balance</b>	986,646	1,243,873	2,423,257	3,490,816	4,606,638	5,529,329	6,531,562
<b>Change in Cash Balance</b>	257,227	1,179,384	1,067,559	1,115,822	922,691	1,002,233	925,971
<b>Ending Cash and Investments</b>	<b>1,243,873</b>	<b>2,423,257</b>	<b>3,490,816</b>	<b>4,606,638</b>	<b>5,529,329</b>	<b>6,531,562</b>	<b>7,457,533</b>
<b>Ending Cash by Purpose</b>							
For future capital / trunk fee reserve	1,063,680	2,206,229	3,226,426	4,294,569	5,190,787	6,169,358	7,010,140
For following year pay-go capital	-	-	-	-	-	-	-
For 3-months of operating cash	18,880	49,942	92,207	142,626	166,663	190,548	207,430
For following year debt service	161,313	167,086	172,183	169,443	171,880	171,655	239,962
<b>Ending Cash and Investments</b>	<b>1,243,873</b>	<b>2,423,257</b>	<b>3,490,816</b>	<b>4,606,638</b>	<b>5,529,329</b>	<b>6,531,562</b>	<b>7,457,533</b>

**Appendix  
Table A  
Page 1 of 2  
City of Corcoran  
Utility Fee Schedule**

	2020	2021	2022	2023	2024	2025	2026
Annual % adjustment to base and usage Water Fees:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to base and usage Sewer Fees:			2.0%	2.0%	2.0%	2.0%	2.0%
Annual % adjustment to Water connection fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Sewer connection fee:			2.0%	2.0%	2.0%	2.0%	2.0%
Annual % adjustment to Southeast Water TLAC fee:			15.0%	15.0%	15.0%	15.0%	15.0%
Annual % adjustment to Northeast Water TLAC fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Annual % adjustment to Sewer TLAC fee:			3.0%	3.0%	3.0%	3.0%	3.0%
Customer Units Added Southeast Corcoran	140	141	148	137	110	111	111
Customer Units Added Northeast Corcoran	91	91	85	60	100	88	40
Customer Units Added Greater Corcoran	7	7	5	5	5	5	5
Customer Units Added Multi-Family	-	-	-	266	-	-	-
Total Projected Acres Platted Southeast Corcoran	30	70	70	65	65	65	65
Total Projected Acres Platted Northeast Corcoran	50	62	51	20	20	20	20

**RESIDENTIAL AND MULTI-FAMILY USAGE FEES**

Water Base Charge	\$16.00	\$20.00	\$20.60	\$21.22	\$21.86	\$22.52	\$23.20
Sewer Base Charge	\$28.41	\$28.98	\$29.56	\$30.15	\$30.75	\$31.37	\$32.00
Usage Charges							
Tier 1: Water usage 0 to 4,999 gallons	\$2.04	\$2.14	\$2.20	\$2.27	\$2.34	\$2.41	\$2.48
Tier 2: Water usage 5,000 to 8,999 gallons	\$2.45	\$2.57	\$2.65	\$2.73	\$2.81	\$2.89	\$2.98
Tier 3: Water usage 9,000 to 19,999 gallons	\$3.06	\$3.21	\$3.31	\$3.41	\$3.51	\$3.62	\$3.73
Tier 4: Water usage 20,000 gallons over	\$4.08	\$4.28	\$4.41	\$4.54	\$4.68	\$4.82	\$4.96
Sewer (sewer based on winter water usage) per 1,000 gallo	\$2.81	\$2.87	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17

**COMMERCIAL USAGE FEES**

Water Base Charge	\$16.00	\$24.72	\$25.46	\$26.22	\$27.01	\$27.82	\$28.65
Sewer Base Charge	\$28.41	\$28.98	\$29.56	\$30.15	\$30.75	\$31.37	\$32.00
Usage Charges							
Tier 1: Water usage 1,000 gallons +	\$2.45	\$2.57	\$2.60	\$2.70	\$2.80	\$2.90	\$3.00
Sewer (based on 90% of res rate) per 1,000 gallons	\$2.81	\$2.87	\$2.90	\$3.00	\$3.10	\$3.20	\$3.30

**OTHER FEES**

Maple Grove Water Usage Charge per 1,000 gallons	\$1.92	\$2.04	\$2.14	\$2.25	\$2.36	\$2.48	\$2.60
Meter Charge	\$400	\$400	\$412	\$424	\$437	\$450	\$464

**Appendix  
Table A  
Page 2 of 2  
City of Corcoran  
Utility Fee Schedule**

	2020	2021	2022	2023	2024	2025	2026
<b>CONNECTION CHARGES (PAID WITH BUILDING PERMIT ON PER UNIT BASIS)</b>							
<b>Sewer Connection Charges</b>							
Single Family Residential	\$1,195	\$1,219	\$1,243	\$1,268	\$1,294	\$1,320	\$1,346
Multi-Family Residential	\$955	\$975	\$995	\$1,015	\$1,035	\$1,056	\$1,077
Commercial/Other	\$1,195	\$1,219	\$1,243	\$1,268	\$1,294	\$1,320	\$1,346
MCES connection charge (per unit)	\$2,485	\$2,485	\$2,535	\$2,585	\$2,637	\$2,690	\$2,744
<b>Water Connection Charges</b>							
<b>Northeast Corcoran</b>							
Single Family Residential Connection	\$1,195	\$1,219	\$1,256	\$4,179	\$4,304	\$4,433	\$4,566
Multi-Family Residential Connection	\$955	\$975	\$1,004	\$3,920	\$4,038	\$4,159	\$4,284
Commercial/Other Connection	\$1,195	\$1,219	\$1,256	\$12,836	\$13,221	\$13,618	\$14,026
Maple Grove Residential Connection	\$2,591	\$2,720	\$2,802				
Maple Grove Commercial/Other Connection	\$10,364	\$10,880	\$11,206				
<b>Southeast Corcoran</b>							
Single Family Residential Connection	\$1,195	\$1,219	\$1,256	\$1,293	\$1,332	\$1,372	\$1,413
Multi-Family Residential Connection	\$955	\$975	\$1,004	\$1,035	\$1,066	\$1,098	\$1,131
Commercial/Other Connection	\$1,195	\$1,219	\$1,256	\$1,293	\$1,332	\$1,372	\$1,413
Maple Grove Residential Connection	\$2,591	\$2,720	\$2,802	\$2,886	\$2,972	\$3,061	\$3,153
Maple Grove Commercial/Other Connection	\$10,364	\$10,880	\$11,206	\$11,543	\$11,889	\$12,246	\$12,613
<b>TRUNK LINE AVAILABILITY CHARGES (paid at time of development on per acre basis)</b>							
Sewer availability charge per acre of land	\$4,043	\$7,189	\$7,405	\$7,627	\$7,856	\$8,091	\$8,334
<b>Northeast Corcoran</b>							
Water availability charge per acre of land	\$6,246	\$16,789	\$17,293	\$17,812	\$18,346	\$18,896	\$19,463
<b>Southeast Corcoran</b>							
Water availability charge per acre of land	\$6,246	\$7,475	\$8,596	\$9,886	\$11,369	\$13,074	\$15,035

Notes to Table A:

1. Fee schedule is based on Corcoran constructing its own water system to serve northeast Corcoran beginning in year 2022. Changes to northeast water connection charges in year 2021 are based on this assumption.
2. After year 2028, for purposes of preparing financial plans, it is assumed that rates continue to be adjusted by the same percentage changes shown in year 2023.

**Appendix  
Table B  
City of Corcoran  
Property Tax Levy Planned for Debt Service**

Levy Collection Year	Debt Service Levy for Equipment							Debt Service Levy for Facilities Debt (Includes Tax Abatement Levy)				Combined Total
	EXISTING G.O. 2012A Certificates	EXISTING 2016A Bonds - Equipment	EXISTING 2018A Bonds - Equipment Portion	EXISTING 2020 Bonds - Equipment	NEW 2022 Bonds - Equipment	NEW 2024 Bonds - Equipment	Subtotal	EXISTING G.O. 2012B CIP Bonds, Refunded with 2020B	EXISTING 2018A Bonds - Abatement (Parks)	NEW 2026A Bonds for Municipal Building	Subtotal	Total Estimated Levy (with coverage) <sup>2</sup>
2021	48,904	35,385	79,065	100,905	-	-	264,259	223,523	109,804	-	333,327	597,586
2022	48,077	39,690	81,323	104,475	-	-	273,565	222,485	111,746	-	334,231	607,795
2023		38,955	79,275	102,690	199,337	-	420,257	224,375	109,384	-	333,758	754,015
2024		38,220	82,478	106,155	200,892	-	427,745	231,410	107,021	-	338,431	766,176
2025		37,485	80,273	104,265	202,329	238,106	662,458	232,985	109,909	-	342,893	1,005,351
2026		-	78,068	102,375	198,396	238,947	617,785	234,455	107,389	426,930	768,773	1,386,559
2027			81,113	105,735	199,713	239,668	626,229	235,820	110,119	529,704	875,642	1,501,871
2028				103,740	200,911	240,270	544,922	231,830	107,441	530,019	869,290	1,414,211
2029				101,745	201,990	240,753	544,489	238,340	110,014	530,040	878,393	1,422,882
2030				-	197,700	241,117	438,817	241,490	107,084	529,767	878,341	1,317,158
2031				-	198,659	241,362	440,021	244,157	109,405	529,200	882,761	1,322,783
2032				-	-	241,487	241,487	246,761	111,563	532,539	890,862	1,132,349
2033				-	-	236,244	236,244	249,076	108,281	531,237	888,594	1,124,838
2034				-	-	-	-	246,073	-	529,641	775,714	775,714
2035				-	-	-	-	247,858	-	531,951	779,809	779,809
2036				-	-	-	-	254,814	-	529,620	784,434	784,434
2037				-	-	-	-	261,366	-	531,195	792,561	792,561
2038				-	-	-	-	-	-	532,329	532,329	532,329
2039				-	-	-	-	-	-	533,022	533,022	533,022
2040				-	-	-	-	-	-	533,274	533,274	533,274
2041				-	-	-	-	-	-	533,085	533,085	533,085
2042				-	-	-	-	-	-	532,455	532,455	532,455
2043				-	-	-	-	-	-	531,384	531,384	531,384
2044				-	-	-	-	-	-	534,072	534,072	534,072
2045				-	-	-	-	-	-	531,972	531,972	531,972
2046				-	-	-	-	-	-	533,631	533,631	533,631
2047				-	-	-	-	-	-	534,702	534,702	534,702
2048				-	-	-	-	-	-	535,185	535,185	535,185
2049				-	-	-	-	-	-	535,080	535,080	535,080
2050				-	-	-	-	-	-	525,987	525,987	525,987
<b>Total</b>	<b>186,283</b>	<b>262,080</b>	<b>723,503</b>	<b>932,085</b>	<b>#####</b>	<b>2,157,956</b>	<b>#####</b>	<b>4,527,472</b>	<b>1,637,769</b>	<b>13,188,021</b>	<b>#####</b>	<b>25,520,890</b>

Notes:

1/ The tax levy amounts above include the 5% overlevy (for delinquent property taxes).

2/ The 2018A Bonds includes tax abatement levy.

**APPENDIX  
TABLE C  
Planned Staffing Additions and Changes**

YEAR	DESCRIPTION	FTE	AMOUNT	GENERAL FUND	WATER FUND	SEWER FUND
2022	HR Coord/Communications	1.00	\$100,000	\$95,000	\$2,500	\$2,500
2022	Recreation Supervisor (enhanced role)		\$5,000	\$5,000	\$0	\$0
2022	PT Recreation Programmer	0.25	\$10,000	\$10,000	\$0	\$0
2022	Intern	0.30	\$10,000	\$10,000	\$0	\$0
2022	PT Utility Billing	0.50	\$30,000	\$0	\$15,000	\$15,000
2022	Planning Admin. Asst.	0.50	\$30,000	\$30,000	\$0	\$0
2022	Public Works Director (enhanced role)		\$5,000	\$5,000	\$0	\$0
2022	PW Development Supt. (offset by rev.)	1.00	\$56,000	\$56,000	\$0	\$0
2022	PW Operations Supt.	1.00	\$140,000	\$100,000	\$20,000	\$20,000
2022	PW Admin. Asst./Building Permits	1.00	\$85,000	\$85,000	\$0	\$0
2022	Police Commander (enhanced role)		\$5,000	\$5,000	\$0	\$0
2022	Patrol Sergeant	1.00	\$128,000	\$128,000	\$0	\$0
2022	Office Manager (enhanced role)		\$13,000	\$13,000	\$0	\$0
2022	Admin. Asst. (move from PT to FT)	0.25	\$44,000	\$44,000	\$0	\$0
<b>2022 Total</b>		<b>6.80</b>	<b>\$661,000</b>	<b>\$586,000</b>	<b>\$37,500</b>	<b>\$37,500</b>
2023	City Clerk	1.00	\$110,000	\$100,000	\$5,000	\$5,000
2023	IT Manager (increase from existing costs)	1.00	\$40,000	\$35,000	\$2,500	\$2,500
2023	PT Utility Billing (increased to .75 FTE)	0.25	\$15,000	\$0	\$7,500	\$7,500
2023	PT Rec. Prog. (increase to .5 FTE)	0.25	\$15,000	\$15,000	\$0	\$0
2023	Planner 2	1.00	\$110,000	\$110,000	\$0	\$0
2023	Planning Admin. Asst. (move to FT)	0.50	\$55,000	\$55,000	\$0	\$0
2023	PW Utility Supt.	1.00	\$130,000	\$0	\$65,000	\$65,000
2023	PW Water Treatment Operator	1.00	\$110,000	\$0	\$55,000	\$55,000
2023	PW Maintenance Worker	1.00	\$100,000	\$80,000	\$10,000	\$10,000
2023	Police Officer	1.00	\$113,000	\$113,000	\$0	\$0
2023	Police Officer	1.00	\$113,000	\$113,000	\$0	\$0
2023	PT CSO (increase to 1.25 FTE)	0.25	\$15,000	\$15,000	\$0	\$0
2023	Fire Commander	1.00	\$135,000	\$135,000	\$0	\$0
<b>2023 Total</b>		<b>10.25</b>	<b>\$1,061,000</b>	<b>\$771,000</b>	<b>\$145,000</b>	<b>\$145,000</b>
2024	Human Resource Manager	1.00	\$110,000	\$100,000	\$5,000	\$5,000
2024	Utility Billing (increase to FT)	0.25	\$45,000	\$0	\$22,500	\$22,500
2024	Rec. Prog. (increase to FT)	0.50	\$60,000	\$60,000	\$0	\$0
2024	Senior Planner	1.00	\$130,000	\$130,000	\$0	\$0
2024	PW Parks Supervisor	1.00	\$120,000	\$120,000	\$0	\$0
2024	PT PD Records Tech	0.50	\$30,000	\$30,000	\$0	\$0
2024	Fire Inspector	1.00	\$100,000	\$100,000	\$0	\$0
<b>2024 Total</b>		<b>5.25</b>	<b>\$595,000</b>	<b>\$540,000</b>	<b>\$27,500</b>	<b>\$27,500</b>
2025	Finance Director (enhanced role)		\$20,000	\$14,000	\$3,000	\$3,000
2025	Accountant	1.00	\$95,000	\$65,000	\$15,000	\$15,000
2025	PW Mechanic	1.00	\$110,000	\$100,000	\$5,000	\$5,000
2025	CSO (change to FT with PT)	0.25	\$50,000	\$50,000	\$0	\$0
2025	PT Fire Duty Crew	2.00	\$190,000	\$190,000	\$0	\$0
2025	Police Officer	1.00	\$113,000	\$113,000	\$0	\$0
2025	Police Officer	1.00	\$113,000	\$113,000	\$0	\$0
<b>2025 Total</b>		<b>6.25</b>	<b>\$691,000</b>	<b>\$645,000</b>	<b>\$23,000</b>	<b>\$23,000</b>
2026	PW Maintenance Worker	1.00	\$100,000	\$80,000	\$10,000	\$10,000
2026	Police Lieutenant	1.00	\$130,000	\$130,000	\$0	\$0
2026	Drug Task Force	1.00	\$115,000	\$115,000	\$0	\$0
2026	PD Records Tech (move to FT)	0.50	\$50,000	\$50,000	\$0	\$0
<b>2026 Total</b>		<b>3.50</b>	<b>\$395,000</b>	<b>\$375,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Grand Total</b>		<b>32.05</b>	<b>\$3,403,000</b>	<b>\$2,917,000</b>	<b>\$243,000</b>	<b>\$243,000</b>

Note: The Plan does not anticipate that all of these positions will be added in the year shown. This is a listing of all identified positions and changes that will need to be managed within the available resources.



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