City of Cannon Falls

City of Cannon Falls
Utility Rate Study

Water Fund	Actual 2015	Preliminary 2016	Budget 2017	Projected 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Proposed Rate Increase (%)		**5.00%**	**5.00%**	**5.00%**	**5.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**
Operating Revenues	716,743	747,196	753,995	795,425	839,115	851,462	862,467	873,609	884,886	896,300	907,856	919,554	922,172
Operating and Maintenance Expense	301,563	305,979	516,600	387,501	399,126	411,100	423,433	436,136	449,220	462,696	476,577	490,874	505,601
Net Before Debt Service	415,180	441,217	237,395	407,924	439,989	440,362	439,034	437,474	435,667	433,604	431,279	428,679	416,571
Existing Debt Service (P&I)	552,702	556,256	561,805	497,204	499,051	493,397	492,374	118,208	116,585	98,002	98,105	98,072	99,316
Projected Debt Service (P&I)	0	0	0	0	27,224	27,224	51,958	51,958	51,958	51,958	51,958	51,958	51,958
Total Debt Service	552,702	556,256	561,805	497,204	526,275	520,621	544,332	170,166	168,543	149,959	150,062	150,030	151,274
Net Revenues	(137,522)	(115,039)	(324,410)	(89,280)	(86,286)	(80,259)	(105,298)	267,307	267,124	283,644	281,217	278,650	265,297
Interest Income	5,133	9,174	11,460	9,398	9,953	12,616	16,045	13,980	16,597	20,124	18,671	22,299	20,145
Special Assessments	49,441	43,821	140,952	125,406	119,070	118,499	118,499	118,499	10,782	9,958	9,958	9,958	9,958
Other Non Operating Revenues/(Expenses)	(12,902)	(15,693)	(14,275)	26,300	26,300	26,300	(241,600)	8,400	8,400	8,400	8,400	8,400	8,400
Net Annual Cash Flow	(95,850)	(77,737)	(186,273)	71,824	69,037	77,155	(212,354)	408,186	302,903	322,127	318,246	319,307	303,801
Capital Projects	(57,337)	(633,302)	(20,000)	(341,250)	(55,125)	(291,722)	(58,493)	(377,162)	(126,532)	(394,780)	(136,857)	(426,994)	(148,024)
Bond Proceeds	0	510,769	0	325,000	0	275,000	0	0	0	0	0	0	0
Net Cash Flow after Capital Projects	(153,187)	(200,270)	(206,273)	55,574	13,912	60,434	(270,847)	31,024	176,371	(72,653)	181,389	(107,686)	155,777
Ending Cash Balance	**1,108,703**	**1,146,030**	**939,756**	**995,330**	**1,009,242**	**1,069,676**	**798,829**	**829,853**	**1,006,224**	**933,571**	**1,114,961**	**1,007,275**	**1,163,051**
Targeted Working Capital	1,062,747	1,075,133	1,120,504	1,095,975	1,107,413	1,148,727	792,694	809,746	810,398	830,315	850,689	871,709	894,603
Over/(Under) Target Working Capital	**45,956**	**70,897**	**(180,748)**	**(100,645)**	**(98,170)**	**(79,051)**	**6,136**	**20,107**	**195,826**	**103,256**	**264,272**	**135,565**	**268,448**

EHLERS

City of Cannon Falls

Water System Capital Improvement Plan

Project	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
R&R N. Booster Generator												
Radio Telemetry System												
North Reservoir			40,000									
Upgrade East Booster				50,000								
Water Treatment Facility												
Street Reconstruction Projects	633,302		160,000		232,000		310,000					
Pickup Truck (50%)		20,000			20,000							
Water Tower Clean			125,000									
Future Year Placeholder						50,000		100,000	300,000	100,000	300,000	100,000
Total	633,302	20,000	325,000	50,000	252,000	50,000	310,000	100,000	300,000	100,000	300,000	100,000
Total Inflated CIP Expense	633,302	20,000	341,250	55,125	291,722	58,493	377,162	126,532	394,780	136,857	426,994	148,024
Inflation Rate			5%	5%	5%	4%	4%	4%	4%	4%	4%	4%

Cannon City of Falls

City of Cannon Falls
Utility Rate Study

Sanitary Sewer Fund	Actual 2015	Preliminary 2016	Budget 2017	Projected 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Proposed Rate Increase (%)		**5.00%**	**5.00%**	**5.00%**	**5.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**
Operating Revenues	1,347,223	1,366,672	1,389,787	1,468,077	1,550,723	1,575,564	1,597,211	1,619,138	1,641,339	1,663,822	1,686,591	1,709,648	1,732,998
Operating and Maintenance Expense	474,649	460,315	565,275	582,233	599,700	617,691	636,222	655,309	674,968	695,217	716,073	737,556	759,682
Net Before Debt Service	872,574	906,357	824,512	885,844	951,023	957,873	960,989	963,829	966,371	968,605	970,518	972,093	973,316
Existing Debt Service (P&I)	962,837	970,087	980,971	1,004,719	1,004,481	1,005,959	1,005,132	679,892	136,980	119,156	119,270	118,346	120,240
Projected Debt Service (P&I)	0	0	0	0	10,555	10,555	39,696	39,696	107,617	107,617	107,617	107,617	107,617
Total Debt Service	962,837	970,087	980,971	1,004,719	1,015,036	1,016,513	1,044,828	719,587	244,596	226,773	226,887	225,962	227,857
Net Revenues	(90,263)	(63,730)	(156,459)	(118,875)	(64,012)	(58,640)	(83,838)	244,242	721,775	741,833	743,631	746,130	745,459
Interest Income	4,150	7,059	7,746	6,816	7,058	9,738	12,893	13,970	16,311	21,967	22,759	28,761	29,130
Special Assessments	40,909	37,159	121,199	110,024	103,820	103,249	101,309	101,309	12,845	12,171	12,171	12,171	12,171
Other Non Operating Revenues/(Expenses)	19,678	37,136	(15,475)	26,300	26,300	26,300	(91,600)	(341,600)	(341,600)	(341,600)	(341,600)	(341,600)	(341,600)
Net Annual Cash Flow	(25,526)	17,624	(42,990)	24,264	73,166	80,646	(61,237)	17,921	409,331	434,370	436,960	445,462	445,160
Capital Projects	(16,562)	(454,949)	(50,000)	(126,000)	0	(324,135)	0	(705,659)	(126,532)	(394,780)	(136,857)	(426,994)	(148,024)
Bond Proceeds	0	612,923	0	126,000	0	324,000	0	705,000	0	0	0	0	0
Net Cash Flow after Capital Projects	(42,088)	175,598	(92,990)	24,264	73,166	80,511	(61,237)	17,262	282,799	39,591	300,104	18,469	297,136
Ending Cash Balance	**769,479**	**774,561**	**681,571**	**705,835**	**779,001**	**859,512**	**798,275**	**815,538**	**1,098,337**	**1,137,928**	**1,438,031**	**1,456,500**	**1,753,635**
Targeted Working Capital	1,709,960	1,726,963	1,797,357	1,831,452	1,857,422	1,910,964	1,611,707	1,163,481	1,173,224	1,201,731	1,230,052	1,260,174	1,293,095
Over/(Under) Target Working Capital	**(940,481)**	**(952,402)**	**(1,115,786)**	**(1,125,617)**	**(1,078,421)**	**(1,051,452)**	**(813,432)**	**(347,943)**	**(74,887)**	**(63,803)**	**207,979**	**196,326**	**460,540**

EHLERS

Cannon City of Falls

City of Cannon Falls

Sanitary Sewer System Capital Improvement Plan

Project	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Sewer Camera		30,000										
Sludge Dryer												
Two New Clarifiers												
Increase Size of Fine Screen							100,000					
Oxidation Ditch												
Replace Portable Generator												
Street Reconstruction Projects	454,949		120,000		260,000		480,000					
Pickup Truck (50%)		20,000			20,000							
Future Year Placeholder								100,000	300,000	100,000	300,000	100,000
Total	454,949	50,000	120,000	-	280,000	-	580,000	100,000	300,000	100,000	300,000	100,000
Total Inflated CIP Expense	454,949	50,000	126,000	-	324,135	-	705,659	126,532	394,780	136,857	426,994	148,024
Inflation Rate			5%	5%	5%	4%	4%	4%	4%	4%	4%	4%

EHLERS

Cannon City of Falls

City of Cannon Falls
Utility Rate Study

Storm Sewer Fund	Actual 2015	Preliminary 2016	Budget 2017	Projected 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Proposed Rate Increase (%)		**2.00%**	**2.00%**	**2.25%**	**2.50%**	**3.00%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**	**3.50%**
Operating Revenues	146,702	144,434	145,000	148,520	152,497	157,343	163,026	168,913	175,015	181,336	187,882	194,668	201,696
Operating and Maintenance Expense	10,009	6,118	16,725	17,227	17,744	18,276	18,824	19,389	19,971	20,570	21,187	21,822	22,477
Net Before Debt Service	136,693	138,316	128,275	131,293	134,754	139,067	144,202	149,524	155,045	160,766	166,695	172,846	179,219
Existing Debt Service (P&I)	42,144	44,371	42,578	48,543	48,290	48,617	38,984	38,674	38,377	38,628	38,869	38,495	38,694
Projected Interfund Loan Payments (P&I)	0	0	0	0	0	0	22,485	22,485	61,022	61,022	68,248	68,248	75,474
Total Debt Service	42,144	44,371	42,578	48,543	48,290	48,617	61,469	61,159	99,399	99,650	107,117	106,743	114,167
Net Revenues	94,549	93,945	85,697	82,750	86,464	90,450	82,733	88,365	55,646	61,116	59,578	66,103	65,052
Interest Income	78	610	3,141	4,030	3,007	4,878	4,435	3,423	4,015	3,943	3,943	4,112	4,014
Special Assessments	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Non Operating Revenues/(Expenses)	(1,783)	(1,116)	0	0	0	0	0	0	0	0	0	0	0
Net Annual Cash Flow	92,844	93,439	88,838	86,780	89,471	95,328	87,167	91,789	59,661	65,059	63,521	70,215	69,066
Capital Projects	0	(198,897)	0	(189,000)	0	(439,898)	(187,177)	(486,661)	(63,266)	(131,593)	(68,428)	(142,331)	(74,012)
Bond Proceeds	0	153,231	0	0	0	250,000	0	400,000	0	75,000	0	75,000	0
Net Cash Flow after Capital Projects	92,844	47,773	88,838	(102,220)	89,471	(94,570)	(100,010)	5,128	(3,605)	8,466	(4,907)	2,884	(4,946)
Ending Cash Balance	**214,677**	**314,115**	**402,953**	**300,732**	**390,204**	**295,634**	**195,624**	**200,751**	**197,146**	**205,612**	**200,705**	**203,589**	**198,643**
Targeted Working Capital	77,111	78,754	84,906	85,743	87,194	101,203	102,085	141,553	143,068	151,838	152,806	154,188	163,036
Over/(Under) Target Working Capital	**137,566**	**235,361**	**318,047**	**214,989**	**303,009**	**194,430**	**93,538**	**59,199**	**54,078**	**53,774**	**47,899**	**49,401**	**35,607**

EHLERS

City of Cannon Falls

Storm Sewer System Capital Improvement Plan

Project	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
318th St./CSAH 24 storm work												
4th & Mill St. storm					40,000							
Amsbury pond improvements												
Interchange storm share												
Equipment - Sweeper						160,000						
Street Reconstruction Projects	198,897		180,000		340,000		400,000					
Future Year Placeholder								50,000	100,000	50,000	100,000	50,000
Total	198,897	-	180,000	-	380,000	160,000	400,000	50,000	100,000	50,000	100,000	50,000
Total Inflated CIP Expense	198,897	-	189,000	-	439,898	187,177	486,661	63,266	131,593	68,428	142,331	74,012
Inflation Rate			5%	5%	5%	4%	4%	4%	4%	4%	4%	4%

CITY OF CANNON FALLS

Growth Projections

Inflation Assumptions			2%	2%	2%	1%	1%	1%	1%	1%	1%	1%
			Built in 2016	Built in 2017	Built in 2018	Built in 2019	Built in 2020	Built in 2021	Built in 2022	Built in 2023	Built in 2024	Built in 2025
Residential Growth	**Unit Value**	**Total Units**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Single Family Homes	250,000	36	5	5	5	3	3	3	3	3	3	3
Multi-Family Homes	150,000	0	0	0	0	0	0	0	0	0	0	0
Apartments	75,000	0	0	0	0	0	0	0	0	0	0	0
Total Residential Units		36	5	5	5	3	3	3	3	3	3	3
Total Homestead Market Value			1,275,000	1,300,500	1,326,510	803,865	811,904	820,023	828,223	836,505	844,870	853,319
Total Residential Market Value			1,275,000	1,300,500	1,326,510	803,865	811,904	820,023	828,223	836,505	844,870	853,319
Homestead Tax Capacity			12,036	12,313	12,597	7,645	7,733	7,821	7,910	8,001	8,092	8,184
Total Residential Tax Capacity			12,036	12,313	12,597	7,645	7,733	7,821	7,910	8,001	8,092	8,184
			Built in 2016	Built in 2017	Built in 2018	Built in 2019	Built in 2020	Built in 2021	Built in 2022	Built in 2023	Built in 2024	Built in 2025
Commercial Growth	**Unit Value**	**Total Units**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**
Commercial	500,000	23	3	3	3	2	2	2	2	2	2	2
Industrial	750,000	0	0	0	0	0	0	0	0	0	0	0
Total Commercial Units		23	3	3	3	2	2	2	2	2	2	2
Total Commercial Market Value			1,530,000	1,560,600	1,591,812	1,071,820	1,082,538	1,093,364	1,104,297	1,115,340	1,126,494	1,137,759
Total Commercial Tax Capacity			28,350	28,962	29,586	19,936	20,151	20,367	20,586	20,807	21,030	21,255
NEW MARKET VALUE			**2,805,000**	**2,861,100**	**2,918,322**	**1,875,685**	**1,894,442**	**1,913,386**	**1,932,520**	**1,951,845**	**1,971,364**	**1,991,078**
NEW TAX CAPACITY			40,386	41,275	42,183	27,581	27,884	28,188	28,496	28,808	29,122	29,439
Less: NEW FISCAL DISP. CONT. TAX CAPACITY			0	0	0	0	0	0	0	0	0	0
TOTAL NEW LOCAL TAX CAPACITY			40,386	41,275	42,183	27,581	27,884	28,188	28,496	28,808	29,122	29,439
Expired TIF District	Decert Date											
NEW TAX CAPACITY INCLUDING EXPIRED TIF DISTRICTS (TO PAGE 2)			**40,386**	**41,275**	**42,183**	**27,581**	**27,884**	**28,188**	**28,496**	**28,808**	**29,122**	**29,439**