

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Budget Workshop

MEETING DATE: October 17, 2017 (immediately after Council meeting)

BACKGROUND

Council discussed the 2018 budget on August 15 and adopted the preliminary budget/levy on September 19 with the plan of having at least one workshop meeting prior to final adoption in December.

Council will need to discuss the following items prior to adoption of the final budget:

- Fair Board request for additional funding
- Shepherd's Center request for additional funding
- Cannon Valley Trail request for capital funding
- EDA purchased park land- request for city to reimburse (see memo attached)
- Alexander Court financing (info to be provided prior to workshop)
- Limestone Road (include with another project?)- is included in the budget presented by using state transportation grant funds
- COLA for '18
- Health insurance- current policy expires 11/30- should move forward with it to allow for enrollment process. Can look at other options again, perhaps including HSA's or HRA's prior to '19 renewal

Other items on the horizon that won't affect the 2018 levy but would affect future levies:

- Major street improvement project
- Fire truck levy
- Swimming pool?
- Other?

I am including a bond schedule for reference.

REQUESTED COUNCIL ACTION

Discuss 2018 budget/levy.

Attachment(s): Memo from Dave Maroney; Bond Schedule

Dave Maroney

From: Dave Maroney
Sent: Wednesday, August 16, 2017 11:34 AM
To: Ron Johnson
Cc: Lanell Endres; Robby Robinson
Subject: Cannon River Winery/2018 Budget

Categories: Red Category

Ron,

Starting to look at the proposed expansion plan for the Winery. Although I have not confirmed with Ron Stowell, it appears to me that his concept plan does not encroach upon the west 30-feet of the former Lee Chev property. In 2013 the EDA purchased the west 30-feet from the Maloney's to accommodate the planned extension of the trail from the Gazebo north to Mill Street. At that time, Aaron agreed that the property would become "City owned park land" and that the EDA would be reimbursed costs incurred to purchase the property. In anticipation that the transaction would be completed as planned, Attorney Burkhardt prepared and recorded the deed for the west 30-feet in the name of Cannon Falls (PID 52.100.4161), not the EDA.

The EDA spent \$57,943.45 to acquire the west 30-feet. At this point it seems prudent to request reimbursement approval by the City Council as they deliberate the 2018 Budget? In the event of any questions, I have documentation to support this request.

Thank you!

Dave

A. Settlement Statement

U.S. Department of Housing
and Urban Development

OMB No. 2502-0265

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv. Unins	6. File Number	7. Loan Number	8. Mortgage Insurance Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				

This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for information purposes and are not included in the totals.

D. Name and Address of Borrower Cannon Falls Economic Development Authority 918 River Road, Cannon Falls, MN 55009	E. Name and Address of Seller JDP Properties, LLC 5888 Burke Trail, Inver Grove Heights, MN 55076	F. Name and Address of Lender n/a
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G. Property of Location XXX Mill Street, Cannon Falls, MN 55009	H. Settlement Agent James M. Burkhardt Place of Settlement 215 Fourth Street North Cannon Falls, MN 55009	I. Settlement Date 5/31/2013
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J. Summary of Borrower's Transactions

100. Gross Amount Due from Borrower	
101. Contract sales price	\$56,000.00
102. Personal Property	
103. Settlement Charges to Borrower (line 1400)	\$1,943.45
104.	
105.	
Adjustments for items paid by seller in advance	
106. City/town taxes to	
107. County taxes to	
108. Assessments to	
109.	
110.	
111.	
112.	

120. Gross Amount Due From Borrower	\$57,943.45
200. Amount Paid By or in Behalf of Borrower	
201. Deposit or earnest money	\$56,000.00
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
Adjustments for items unpaid by seller	
210. City/town taxes to	
211. County taxes to	
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	

220. Total Paid By/For Borrower	\$56,000.00
300. Cash At Settlement From/To Borrower	
301. Gross Amount due from borrower (line 120)	\$57,943.45
302. Less amounts paid by/for borrower (Line 220)	\$56,000.00
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$1,943.45

K. Summary of Seller's Transaction

400. Gross Amount Due to Seller	
401. Contract Sale Price	\$56,000.00
402. Personal Property	
403.	
404.	
405.	
Adjustments for items paid by seller in advance	
406. City/town taxes to	
407. County taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
420. Gross Amount Due to Seller	\$56,000.00
500. Reductions in Amount Due To Seller	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	\$0.00
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508.	
509.	
Adjustments for items unpaid by seller	
510. City/town taxes to	
511. County taxes to 2nd 1/2 to Goodhue Co.	\$3,378.00
512. Assessments to	
513.	
514.	
515.	
516.	
517.	
518.	
519.	

520. Total Reduction Amount Due Seller	\$3,378.00
600. Cash At Settlement To/From Seller	
601. Gross amount due to Seller (420)	\$56,000.00
602. Less reductions in amt. due seller (line 520)	\$3,378.00
603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	\$52,622.00

L. Settlement Charges				Miller/Davis Co. © St. Paul, MN 651-642-1988	
700. Total Sales/Broker's Commission based on Price			@	% =	
Division of Commission (line 700) as follows:					
701. to					Paid From Borrower's Funds at Settlement
702. to					Paid From Seller's Funds at Settlement
703. Commission paid at Settlement					
704.					
800. Items Payable in Connection With Loan					
801. Loan Origination Fee					
802. Loan Discount					
803. Appraisal Fee to					
804. Credit Report to					
805. Lender's Inspection fee					
806. Mortgage Insurance Application Fee to					
807. Assumption Fee					
808.					
809.					
810.					
811.					
812.					
813.					
814.					
815.					
900. Items Required By Lender To Be Paid in Advance					
901. Interest from to			@	/day	
902. Mortgage Insurance Premium for months to					
903. Hazard Insurance Premium for years to					
904. years to					
905.					
1000. Reserves Deposited With Lender					
1001. Hazard Insurance months @				per month	
1002. Mortgage Insurance months @				per month	
1003. City property taxes months @				per month	
1004. County property taxes months @				per month	
1005. Annual Assessments months @				per month	
1006. months @				per month	
1007. months @				per month	
1008. Aggregate Account Adjustment					
1100. Title Charges					
1101. Settlement or closing fee to James M. Burkhardt					\$250.00
1102. Abstract or title search to					
1103. Title examination to					
1104. Title Insurance binder to					
1105. Document preparation to James M. Burkhardt					\$750.00
1106. Notary fees to					
1107. Attorney's fees to					
(includes above items numbers:)					
1108. Title Insurance to					
(includes above items numbers:)					
1109. Lender's coverage					
1110. Owner's coverage					
1111.					
1112.					
1113.					
1200. Government Recording and Transfer Charges					
1201. Recording fees: Deed \$92.00 ; Mortgage \$0.00			Releases \$0.00		\$86.00 \$0.00
1202. City/county tax/stamps: Deed ; Mortgage					
1203. State tax/stamps: Deed \$184.80 ; Mortgage \$0.00					\$184.80 \$0.00
1204. Quit Claim Deed recording fee \$46 and deed tax \$1.65					\$47.65
1205.					
1300. Additional Settlement Charges					
1301. Survey to Samuelson Survey					\$625.00
1302. Pest Inspection to					
1303.					
1304.					
1305.					
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)					\$1,943.45 \$0.00

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of HUD-1 Settlement Statement

Donna Murray
Cannon Falls Economic Development Authority

John R. M. Long
JDP Properties, LLC
Sellers

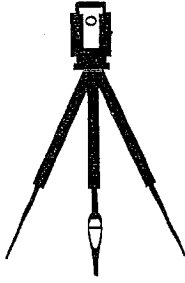
Borrowers

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent: James M. Burkhardt

Date: May 31, 2013

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.



INVOICE

SAMUELSON SURVEYING INC.

1103 West Main
Cannon Falls, MN 55009

V. Richard (Rick) Samuelson
Professional Land Surveyor

PHONE (507) 263-3274 • email: rssurvey@frontiernet.net

May 24 2013

City of Cannon Falls
Attn: Dave Maroney
918 River Rd.
Cannon Falls, Mn. 55009

ALL INVOICES ARE DUE IN FULL 30 DAYS FROM THE DATE OF THE INVOICE. IF NOT PAID, 1% FINANCE CHARGE
(12% ANNUAL PERCENTAGE RATE) WILL BE ADDED ON THE FIRST DAY OF THE NEXT MONTH.

Boundary survey of parcel for bike
trail in part of Mill Block 3, Orig.
plat of Cannon Falls.

BALANCE

625.00

Thank You

5-28-13 to Michelle

Bond Debt Detail								
Principal & Interest Payments:								
	Fd 524	Fd 526	Fd 528	Fd 529	Fd 530	Fd 601	Fd 602	
Year	2011A	2012A	2012B	2013A	2016A	2010A	2001 PFAs	Totals
2018	\$ 228,668	\$ 79,501	\$ 316,315	\$ 202,700	\$ 184,288	\$ 378,723	\$ 865,028	\$ 2,255,223
2019	\$ 230,318	\$ 79,141	\$ 313,315	\$ 200,000	\$ 181,688	\$ 379,845	\$ 864,775	\$ 2,249,082
2020	\$ 226,705	\$ 79,605	\$ 320,033	\$ 207,019	\$ 179,088	\$ 374,150	\$ 864,874	\$ 2,251,474
2021	\$ 232,768	\$ 79,874	\$ 187,080	\$ 203,575	\$ 176,488	\$ 372,600	\$ 864,296	\$ 2,116,681
2022	\$ 233,430	\$ 78,975	\$ 189,563	\$ 199,769	\$ 178,838		\$ 540,950	\$ 1,421,525
2023	\$ 228,805		\$ 191,568	\$ 200,713	\$ 176,138			\$ 797,224
2024	\$ 233,812			\$ 201,325	\$ 173,438			\$ 608,575
2025	\$ 228,205			\$ 201,600	\$ 175,688			\$ 605,493
2026	\$ 232,205			\$ 201,313	\$ 172,888			\$ 606,406
2027	\$ 235,905			\$ 205,363	\$ 175,038			\$ 616,306
2028	\$ 111,065			\$ 203,925	\$ 172,138			\$ 487,128
2029	\$ 112,750			\$ 197,175	\$ 174,000			\$ 483,925
2030	\$ 114,265			\$ 77,500	\$ 175,569			\$ 367,334
2031	\$ 115,610			\$ 74,900	\$ 171,888			\$ 362,398
2032	\$ 111,870			\$ 77,200	\$ 172,950			\$ 362,020
2033				\$ 74,400	\$ 79,900			\$ 154,300
2034				\$ 76,500	\$ 77,800			\$ 154,300
2035					\$ 80,625			\$ 80,625
2036					\$ 78,375			\$ 78,375
2037					\$ 76,125			\$ 76,125
	\$ 2,876,381	\$ 397,096	\$ 1,517,874	\$ 2,804,977	\$ 3,032,950	\$ 1,505,318	\$ 3,999,923	\$ 16,134,519
	Imp Bd	Imp Bd	Ref Bds	Imp Bd	Imp Bd	Ref Bd	Imp Bd	
	West Side 1	Library	2006A &	East Side 1	West Side 2	Water Imp	Sewer Imp	
			2006B	& So of School		So. Annex	& WWTP	
						(Ref PFA)		