

City of Forest Lake

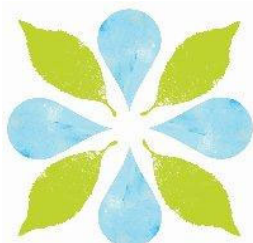
Washington County, Minnesota



FINANCIAL MANAGMENT PLAN

Prepared By: The Department of Finance and Administration

Kevin Knopik, Finance Director



Forest Lake

AS GOOD AS IT SOUNDS

**CITY OF FOREST LAKE, MINNESOTA
FINANCIAL MANAGEMENT PLAN
LONG RANGE BUDGET PROJECTIONS**

12/06/24

		Inflation Assumptions									
1	Revenues (Most Non-Property Tax)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2	LGA and Franchise Fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Expenses	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

	GENERAL FUND													
	2024 BUDGET	2025	2026	2027	2028	2029 PROJECTED					2030	2031	2032	2033
REVENUE														
4 GENERAL PROPERTY TAX	10,204,674	11,020,216	12,502,665	13,465,043	14,515,561	15,403,757	16,678,150	17,654,203	18,788,776	19,580,663				
5 LICENSES & PERMITS, FEES	556,000	558,900	570,078	581,480	593,109	604,971	617,071	629,412	642,000	654,840				
6 LOCAL GOVERNMENT AID (LGA)	57,755	-	-	-	-	-	-	-	-	-				
7 INTERGOVERNMENTAL	468,000	506,500	506,500	506,500	506,500	506,500	506,500	506,500	506,500	506,500				
8 FRANCHISE FEES	-	-	-	-	-	-	-	-	-	-				
9 CHARGES FOR SERVICES	864,871	878,039	895,600	913,512	931,782	950,418	969,426	988,815	1,008,591	1,028,763				
10 FINES & FORFEITS	71,500	81,000	82,620	84,272	85,958	87,677	89,431	91,219	93,044	94,904				
11 INTEREST EARNINGS	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000				
12 CONTRIBUTIONS AND DONATIONS	-	-	-	-	-	-	-	-	-	-				
13 OTHER MISCELLANEOUS	70,130	61,070	62,291	63,537	64,808	66,104	67,426	68,775	70,150	71,553				
14 TOTAL REVENUE	12,387,930	13,200,725	14,714,754	15,709,344	16,792,718	17,714,427	19,023,004	20,033,924	21,204,061	22,032,223				
EXPENSES														
15 STAFF ADDITIONS	-	-	740,000	1,039,600	1,556,184	1,888,431	2,583,969	2,957,327	3,464,400	3,602,976				
16 GENERAL GOVERNMENT	3,034,518	3,341,867	3,475,542	3,614,563	3,759,146	3,909,512	4,065,892	4,228,528	4,397,669	4,573,576				
17 PUBLIC SAFETY	6,863,378	7,296,132	7,587,977	7,891,496	8,207,156	8,535,442	8,876,860	9,231,935	9,601,212	9,985,260				
18 PUBLIC WORKS	1,374,941	1,377,658	1,432,764	1,490,075	1,549,678	1,611,665	1,676,132	1,743,177	1,812,904	1,885,420				
19 CULTURE & RECREATION	1,115,093	1,085,068	1,128,471	1,173,610	1,220,554	1,269,376	1,320,151	1,372,957	1,427,875	1,484,990				
20 MAINTAIN GENERAL FUND RESERVE AT ROUGHLY 50%	-	100,000	350,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000				
21 TOTAL EXPENSES	12,387,930	13,200,725	14,714,754	15,709,344	16,792,718	17,714,427	19,023,004	20,033,924	21,204,061	22,032,223				
22 REVENUE OVER (UNDER) EXPENSES	-	-	-	-	-	-	-	-	-	-				
23 Ending General Fund Balance	7,248,422	7,348,422	7,698,422	8,198,422	8,698,422	9,198,422	9,698,422	10,198,422	10,698,422	11,198,422				
24 % of FB to Following Year's Exp (basis for City Policy)	52%	50%	49%	49%	49%	48%	51%	51%	50%	51%				

CASH FLOW ANALYSIS



**CITY OF FOREST LAKE, MINNESOTA
FINANCIAL MANAGEMENT PLAN
LONG RANGE BUDGET PROJECTIONS**

12/06/24

Inflation Assumptions

1	Revenues (Most Non-Property Tax)	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2	LGA and Franchise Fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Expenses	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

GENERAL FUND		2024 BUDGET	2025	2026	2027	2028	2029 PROJECTED	2030	2031	2032	2033
25	GENERAL FUND OPERATING TAX LEVY	10,204,674	11,020,216	12,502,665	13,465,043	14,515,561	15,403,757	16,678,150	17,654,203	18,788,776	19,580,663
ANNUAL DEBT LEVIES BY BOND ISSUE											
26	Debt Service YMCA (Series 2014A)	628,530	628,753	632,822	630,039	632,218	632,691	632,691	632,218	631,273	628,425
27	Debt Service City Center Refunding (Series 2019A)	1,415,100	1,414,100	1,415,850	1,415,100	1,416,850	1,415,850	1,417,100	1,417,700	1,416,300	1,416,250
28	Debt Service Road Bond (Series 2019A)	344,865	332,063	331,538	330,488	328,913	332,063	329,175	333,795	332,535	328,650
29	Debt Service Equipment Certs (Series 2024A) - Estimated	105,000	298,849	299,208	300,458	295,208	300,195	299,145	297,570	295,470	295,470
OTHER SPECIAL TAX LEVIES											
30	Economic Development	157,460	203,989	212,149	220,635	229,460	238,638	248,184	258,111	268,436	279,173
31	Capital Equipment Replacement (401)	950,000	935,000	1,120,000	1,205,000	1,290,000	1,375,000	1,460,000	1,545,000	1,630,000	1,715,000
32	Capital Improvement (211)	997,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000
33	Park Dedication / Capital (203)	100,000	350,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
34	Building Maintenance Fund	50,000	100,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
35	TOTAL DEBT & SPECIAL LEVIES	4,747,955	5,407,754	5,906,566	5,996,719	6,087,649	6,189,436	6,281,294	6,379,394	6,469,014	6,557,968
36	EXISTING TAX LEVY	14,952,629	16,427,970	18,409,231	19,461,763	20,603,209	21,593,193	22,959,445	24,033,598	25,257,790	26,138,631
37	POTENTIAL ADDITIONAL DEBT LEVY (CIP PROJECTS)	-	-	431,925	453,999	1,329,622	1,888,844	2,543,721	2,646,736	3,102,942	3,139,733
38	ADJUSTMENT FOR FISCAL DISPARITIES DISTRIBUTION	(1,233,055)	(1,473,915)	(1,433,665)	(1,604,692)	(1,623,065)	(1,730,986)	(1,782,525)	(1,869,169)	(1,879,905)	(1,929,243)
39	NET LEVY TO TAXPAYERS	13,719,574	14,954,055	17,407,491	18,311,070	20,309,767	21,751,050	23,720,641	24,811,165	26,480,827	27,349,121
40	TOTAL LEVY INCREASE PERCENTAGE		9.0%	16.4%	5.2%	10.9%	7.1%	9.1%	4.6%	6.7%	3.3%
41	EXISTING TAX BASE	36,472,880	36,507,265	37,602,483	39,106,582	40,670,846	42,297,679	43,989,587	45,749,170	47,579,137	49,482,302
42	NEW TAX CAPACITY	-	-	365,073	379,676	394,863	410,657	427,083	444,167	461,933	480,411
43	TOTAL TAX CAPACITY	36,472,880	36,507,265	37,967,556	39,486,258	41,065,708	42,708,336	44,416,670	46,193,337	48,041,070	49,962,713
44											
45	TAX RATE ON TAX CAPACITY	37.616%	40.962%	45.848%	46.373%	49.457%	50.929%	53.405%	53.712%	55.121%	54.739%
46	TAX RATE % CHANGE		8.9%	11.9%	1.1%	6.6%	3.0%	4.9%	0.6%	2.6%	-0.7%
47											
48	City Property Tax for Average Home (\$375,000 in 2024)	1,397	1,572	1,818	1,899	2,088	2,214	2,391	2,477	2,618	2,678
48	\$ tax increase for average home		175	246	81	189	127	177	86	141	60
49	% tax increase for average home		12.5%	15.6%	4.5%	9.9%	6.1%	8.0%	3.6%	5.7%	2.3%
50	Existing Tax Base Inflation/Deflation		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
51	Total Tax Base Increase		0.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
52	% from New Growth		0.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

PROPERTY TAX LEVY AND TAX IMPACT



**CITY OF FOREST LAKE, MINNESOTA
FINANCIAL MANAGEMENT PLAN**

DRAFT 12/06/24

**Park Capital Fund
Fund 203**

Inflation Assumptions

1 Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Interest Earnings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3 Expenses	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
4 Capital Outlay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	Budget	Projected									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
PARK CAPITAL FUND											
REVENUE											
5 Taxes	100,000	350,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	
6 Intergovernmental	-	550,000	1,050,000	-	-	-	-	-	-	-	
7 Park Dedication Fees	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
8 Charges for Services	8,000	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	
9 Interest Income	11,846	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
10 Miscellaneous / Donations	2,000	52,000	252,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
11 TOTAL REVENUE	146,846	995,500	1,945,500	645,500	645,500	645,500	645,500	645,500	645,500	645,500	
EXPENSES											
13 Operating Expenses	-	2,000	2,050	2,101	2,154	2,208	2,263	2,319	2,377	2,437	
14 Capital Outlay	900,000	1,355,000	3,453,155	450,000	3,000,000	2,150,000	2,250,000	-	300,000	2,400,000	
15 TOTAL EXPENSES	900,000	1,357,000	3,455,205	452,101	3,002,154	2,152,208	2,252,263	2,319	302,377	2,402,437	
16 Revenues Over / (Under) Expenses	(753,154)	(361,500)	(1,509,705)	193,399	(2,356,654)	(1,506,708)	(1,606,763)	643,181	343,123	(1,756,937)	
OTHER FINANCING SOURCES / (USES)											
17 Bond Proceeds	-	-	1,400,000	-	5,250,000	-	-	-	-	2,000,000	
18 Transfers In	-	-	-	-	-	-	-	-	-	-	
19 Transfers Out	-	-	-	-	-	-	-	-	-	-	
20 TOTAL OTHER SOURCES / (USES)	-	-	1,400,000	-	5,250,000	-	-	-	-	2,000,000	
21 FUND BALANCE	784,383	422,883	313,178	506,577	3,399,923	1,893,215	286,453	929,633	1,272,756	1,515,819	

CASH FLOW ANALYSIS

CITY OF FOREST LAKE, MINNESOTA
FINANCIAL MANAGEMENT PLAN
Capital Improvements Fund
Fund 211

DRAFT 12/06/24

Inflation Assumptions

1 Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2 Interest Earnings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3 Expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4 Capital Outlay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	Budget	Projected									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
CAPITAL IMPROVEMENTS FUND											
REVENUE											
5 Taxes	997,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000	1,145,000
6 Franchise Fees	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000	770,000
7 Special Assessments	-	-	-	-	-	-	-	-	-	-	-
8 State Aid	5,005,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
9 Federal Aid	-	-	-	-	-	-	-	-	-	-	-
10 State Street Maintenance Aid	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000	335,000
11 Intergovernmental	-	-	4,030,000	4,000,000	-	-	-	-	-	-	-
12 Charges for Services	-	-	-	-	-	-	-	-	-	-	-
13 Interest Income	26,854	26,854	26,854	26,854	26,854	26,854	26,854	26,854	26,854	26,854	26,854
14 Other Miscellaneous	38,518	38,518	38,518	38,518	20,000	20,000	20,000	20,000	20,000	20,000	20,000
15 TOTAL REVENUE	7,172,372	3,315,372	7,345,372	7,315,372	3,296,854	3,296,854	3,296,854	3,296,854	3,296,854	3,296,854	3,296,854
EXPENSES											
16 Operating Expenses	-	-	-	-	-	-	-	-	-	-	-
17 Capital Outlay	8,117,000	9,045,000	8,075,000	18,055,000	12,055,000	12,055,000	4,410,000	9,210,000	3,510,000	3,010,000	-
18 TOTAL EXPENSES	8,117,000	9,045,000	8,075,000	18,055,000	12,055,000	12,055,000	4,410,000	9,210,000	3,510,000	3,010,000	-
19 Revenues Over / (Under) Expenses	(944,628)	(5,729,628)	(729,628)	(10,739,628)	(8,758,146)	(8,758,146)	(1,113,146)	(5,913,146)	(213,146)	286,854	-
OTHER FINANCING SOURCES / (USES)											
20 Bond Proceeds	-	5,870,000	300,000	11,900,000	7,600,000	8,900,000	1,400,000	6,200,000	500,000	-	-
21 Transfer In - General Fund	-	-	-	-	-	-	-	-	-	-	-
22 Transfer In - Surface Water Management Fund	25,000	-	-	-	-	-	-	-	-	-	-
23 Transfer In - Water Fund	25,000	-	-	-	-	-	-	-	-	-	-
24 Transfer In - Sewer Fund	25,000	-	-	-	-	-	-	-	-	-	-
25 Transfers Out - Headwaters - Fenway Impr.	-	-	-	-	-	-	-	-	-	-	-
26 Transfers In - Other (TIF IFL)	-	-	-	-	-	-	-	-	-	-	-
27 TOTAL OTHER SOURCES / (USES)	75,000	5,870,000	300,000	11,900,000	7,600,000	8,900,000	1,400,000	6,200,000	500,000	-	-
28 Net Change in Cash Balance	(869,628)	140,372	(429,628)	1,160,372	(1,158,146)	141,854	286,854	286,854	286,854	286,854	286,854
29 ENDING CASH BALANCE	299,524	439,896	10,268	1,170,640	12,494	154,348	441,202	728,056	1,014,910	1,301,764	-

CASH FLOW ANALYSIS



CITY OF FOREST LAKE, MINNESOTA
FINANCIAL MANAGEMENT PLAN
Capital Equipment Replacement Fund
Fund 401

DRAFT 12/06/24

		\$ 1,035,000	\$ 1,120,000	\$ 1,205,000	\$ 1,290,000	\$ 1,375,000	\$ 1,460,000	\$ 1,545,000	\$ 1,630,000	\$ 1,715,000
	<u>Inflation Assumptions</u>									
1	Charges for Services	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
2	Interest Earnings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Capital Outlay	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	Budget	Projected									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
CAPITAL EQUIPMENT REPLACEMENT FUND											
REVENUE											
5	Taxes	950,000	935,000	1,120,000	1,205,000	1,290,000	1,375,000	1,460,000	1,545,000	1,630,000	1,715,000
6	Intergovernmental	-	-	-	-	-	-	-	-	-	-
7	Charges for Services	27,000	47,409	48,831	50,296	51,805	53,359	54,960	56,609	58,307	60,056
8	Interest Income	722	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557	10,557
9	Sale of Capital Assets	193,250	219,000	147,000	182,200	248,000	69,700	368,000	349,200	169,000	198,200
10	Columbus Contributions	217,284	51,737	17,872	16,373	67,900	63,850	3,900	603,950	4,000	4,050
11	TOTAL REVENUE	1,388,256	1,263,703	1,344,260	1,464,426	1,668,262	1,572,466	1,897,417	2,565,316	1,871,864	1,987,863
EXPENSES											
12	Operating Expenses	-	-	-	-	-	-	-	-	-	-
13	Capital Outlay	2,945,361	1,445,685	1,031,500	974,000	1,547,600	1,755,350	1,849,600	4,396,350	1,244,600	1,594,850
14	TOTAL EXPENSES	2,945,361	1,445,685	1,031,500	974,000	1,547,600	1,755,350	1,849,600	4,396,350	1,244,600	1,594,850
15	Revenues Over / (Under) Expenses	(1,557,105)	(181,982)	312,760	490,426	120,662	(182,884)	47,817	(1,831,034)	627,264	393,013
OTHER FINANCING SOURCES / (USES)											
16	Equipment Certificates	2,300,000	-	-	-	-	-	-	-	-	-
17	Lease Proceeds	-	-	-	-	-	-	-	-	-	-
18	Transfers In - General Fund	-	-	-	-	-	-	-	-	-	-
19	Transfers In - Public Safety Aid	-	100,000	-	-	-	-	-	-	-	-
20	Transfers Out	-	-	-	-	-	-	-	-	-	-
21	TOTAL OTHER SOURCES / (USES)	2,300,000	100,000	-	-	-	-	-	-	-	-
22	FUND BALANCE	1,055,740	973,758	1,286,518	1,776,944	1,897,607	1,714,723	1,762,540	(68,494)	558,770	951,783

CASH FLOW ANALYSIS

