AGENDA
CITY COUNCIL WORK SESSION

December 9, 2024 - 6:00 PM

Lakeville City Hall, Marion Conference Room

Members of the public can participate in person at Lakeville City Hall, Marion Conference Room. Members of the public may join the meeting via Teams Meeting, **Meeting ID: 276 485 596 886 or by calling Toll Number 1-323-433-2142; Conference ID: 432 130 403#.** The mayor will allow for public comments and questions at the appropriate time.

The City Council is provided background information for agenda items in advance by staff and appointed commissions, committees, and boards. Decisions are based on this information, as well as City policy, practices, input from constituents, and a council member's personal judgment.

1. Call to order, moment of silence and flag pledge
2. Citizen Comments
3. Discussion Items

45 minutes	a.	County Road 5/50 and Interstate 35 Interchange Update	Zach Johnson
45 minutes	b.	Cherryview Park\Fire Station Proposal	Michael Meyer, Joseph Masiarchin
15 minutes	c.	2024 Financial Metrics Report	Julie Stahl

4. Items for Future Discussion
5. Committee/ City Administrator Updates
6. Adjourn

Date: 12/9/2024

County Road 5/50 and Interstate 35 Interchange Update

Proposed Action

Staff recommends adoption of the following motion: **No action required. Discussion only.**

Overview

The County Road 5/50 and Interstate 35 Bridge Interchange Improvement project is programmed in the respective City of Lakeville and Dakota County adopted 5-year Capital Improvement Plans and is identified as a legislative priority for each. City and County staff continue to partner in efforts to advance the project. City and County staff will share a progress update on active project elements, including:

- Interchange design alternatives
- Project schedule/milestone dates
- Public communications
- Planned funding applications

Supporting Information

1. 2024.12.09 Work Session PPT

Financial Impact: $ **Budgeted:** No **Source:**
Envision Lakeville Community Values: Design that Connects the Community
Report Completed by: Zach Johnson, City Engineer

Project Update: Needs and Alternatives for County Road 50/5 Interchange with I-35 in Lakeville

Lakeville City Council Work Session

December 9, 2024

Presentation Outline

- Background (ref. 2004 concept/mapping)
- Mobility and Safety, 2050 Traffic
- Interchange Design Alternatives Considered
- Two Current Alternatives
- Schedule Objectives
- Public and Business Engagement
- Next Steps & Discussion

Project Background

Dakota COUNTY

2004 Interchange Concept

Lakeville Official Map (2004-Current)

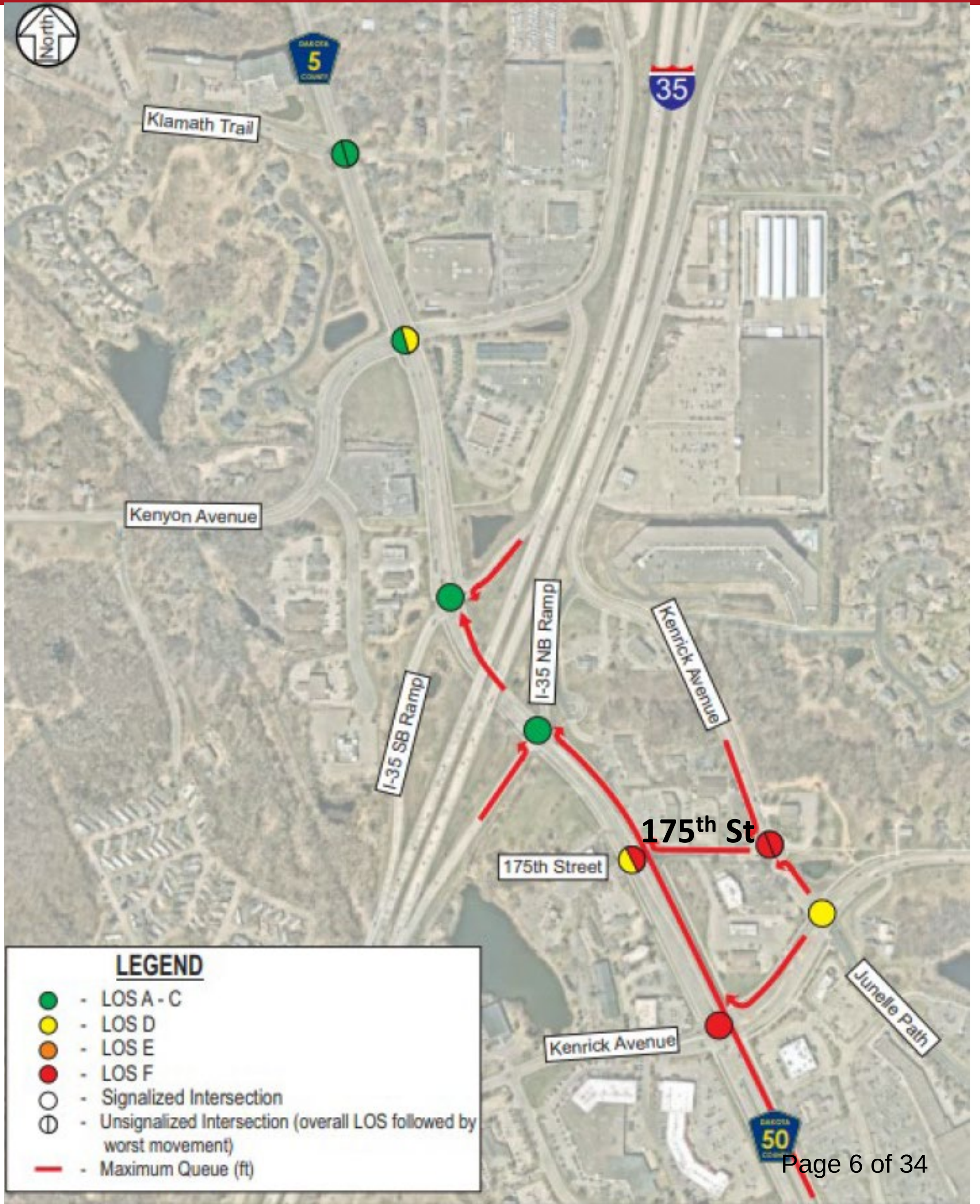
Mobility and Safety Problems

Morning peak traffic by 2050

- Long cues and congested local intersections
- Significant delays on 175th Street, Co 50 northbound, and Kenrick Ave

Safety

- Increasing crash risks; poor pedestrian and bike conditions



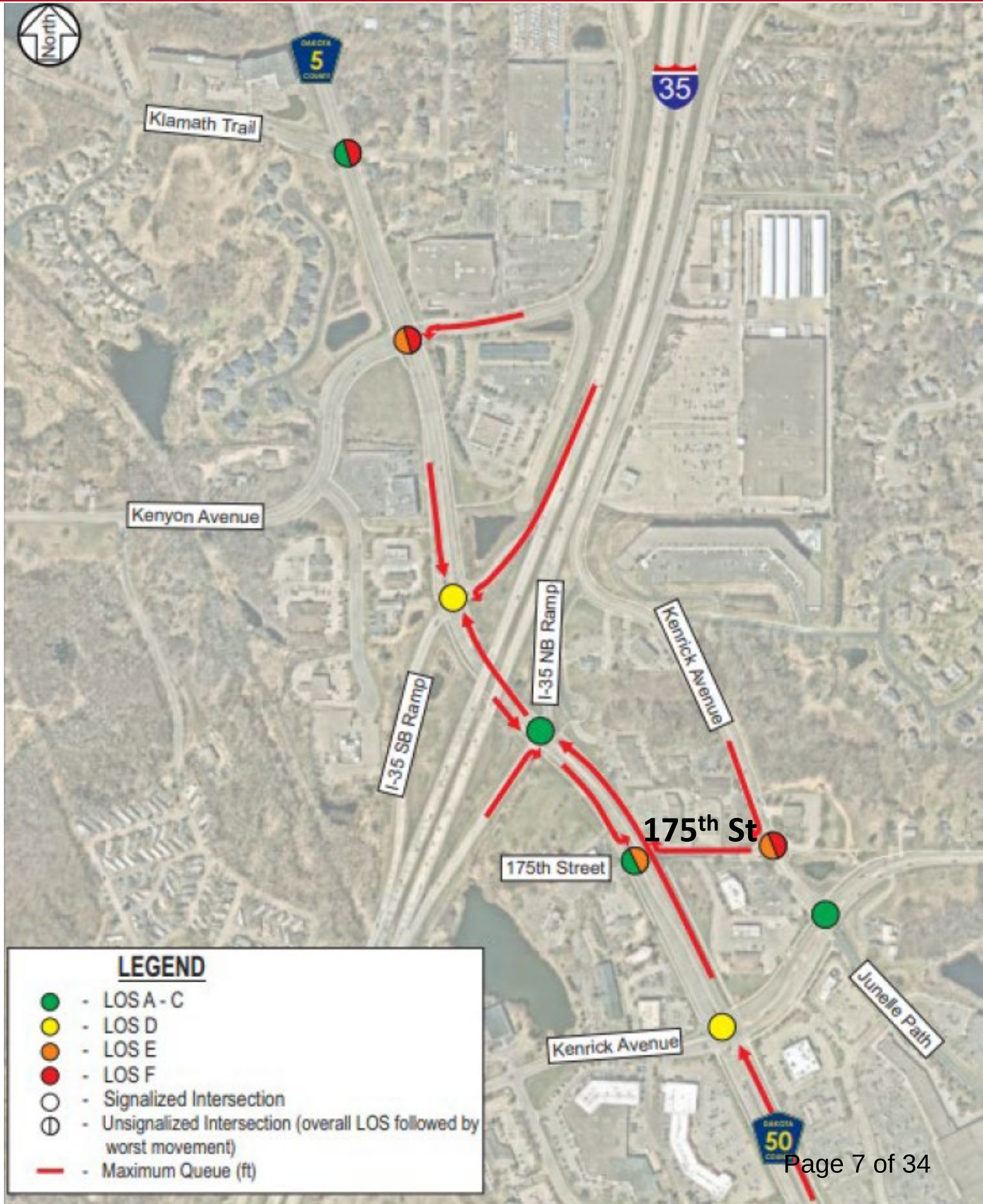
Mobility and Safety Problems

<u>*Afternoon*</u> peak traffic by 2050

- Long cues and congested local intersections
- Significant delays at 175th Street, Co 50 northbound, the I-35 exit southbound, and Kenyon Ave

Safety

- Increasing crash risks; poor pedestrian and bike conditions



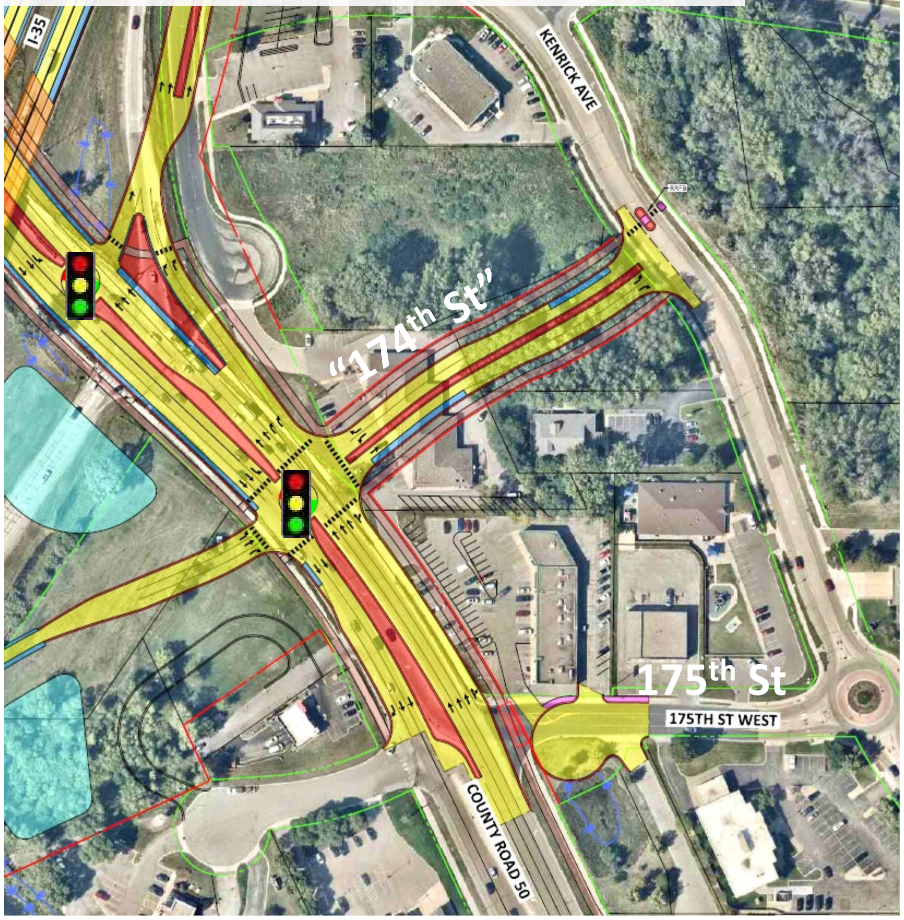
Review of Interchange Alternatives

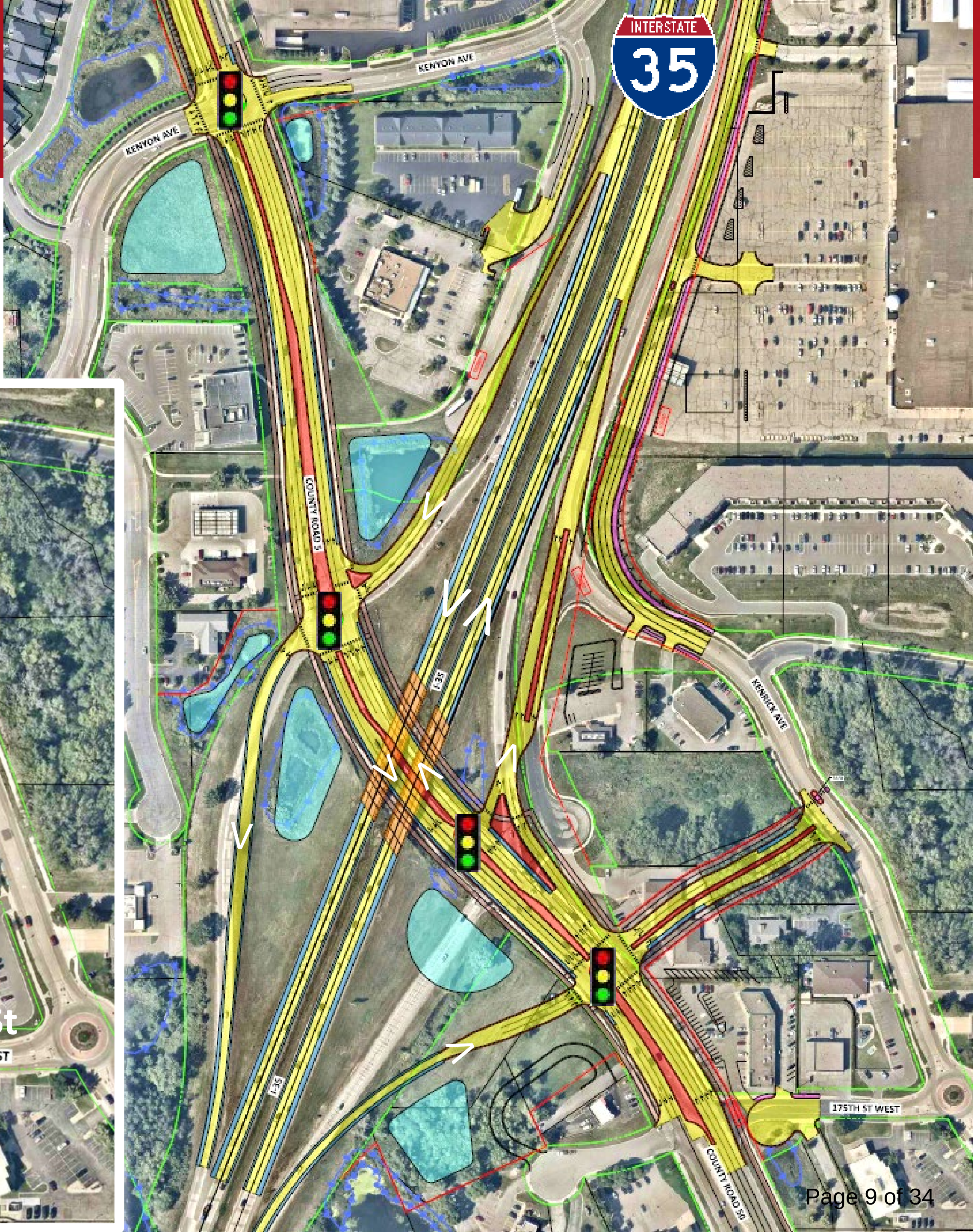
The Project Management Team identified
two interchange alternatives for final review:

Interchange Concept	Traffic Mobility	Traffic Safety	Ped/Bike Safety	Property Impacts	Construction Cost
Alt 1 -Modernized Diamond with SE Loop	▲▲	▲▲	▲▲	**19** parcels impacted **2** relocations	$$$$$
Alt 2 - Modernized Diamond	▲▲	▲▲	▲▲	**19** parcels impacted **2** relocations	$$$
Alt 3 - Diverging Diamond	▲▲▲	▲▲▲	▲▲	**19** parcels impacted **1** relocation	$$$
Alt 4 - Peanut Roundabout Diamond	▲	▲	▲▲	**20** parcels impacted **1** relocation	$$$
Alt 5 - Diamond with SW Loop	▲▲	▲▲	▲▲	**20** parcels impacted **2** relocations (highest risks)	$$$$

Modernized Diamond

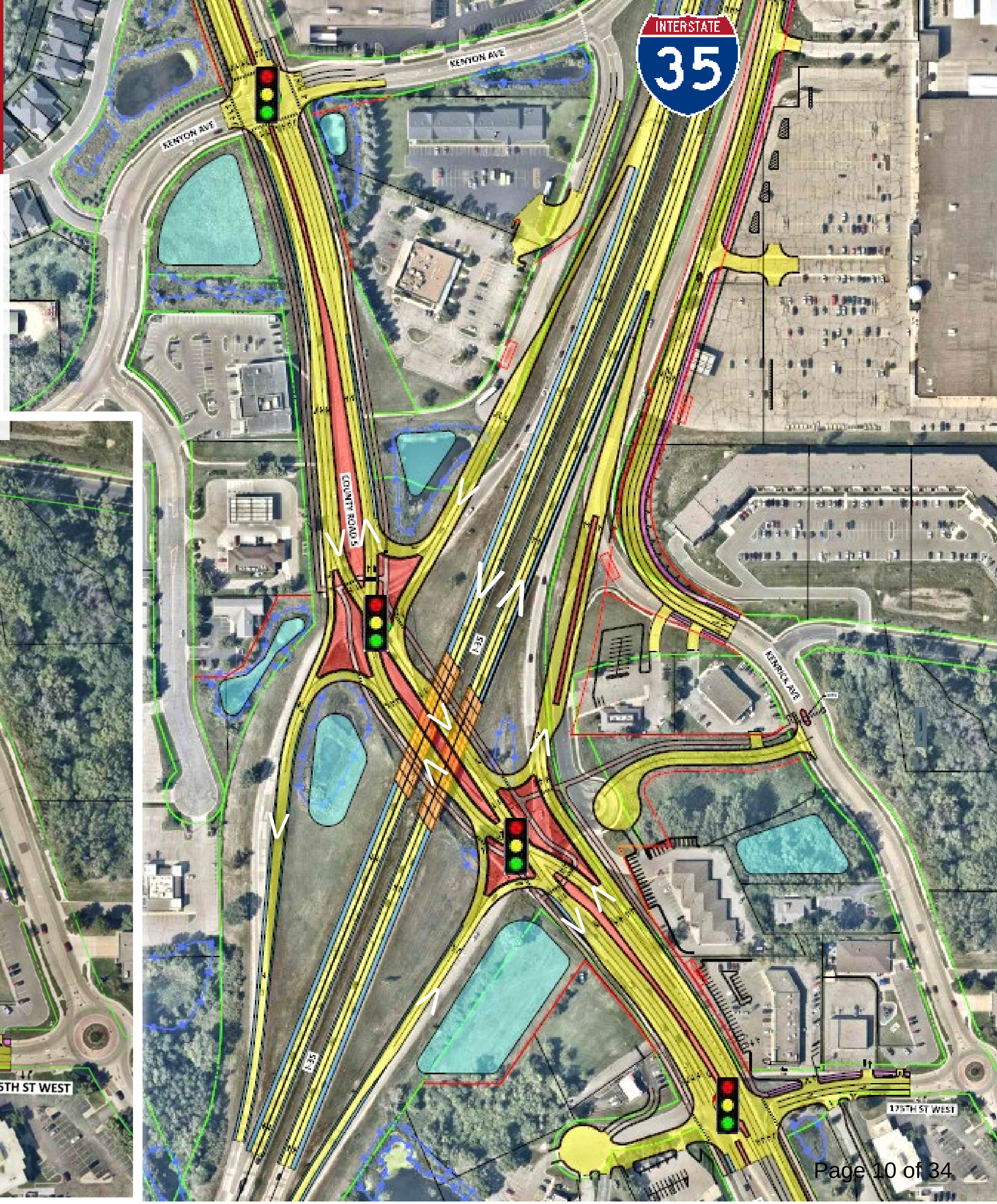
- Signalized intersections as shown
- New 174th Street connection
- Cul-de-sac on 175th Street

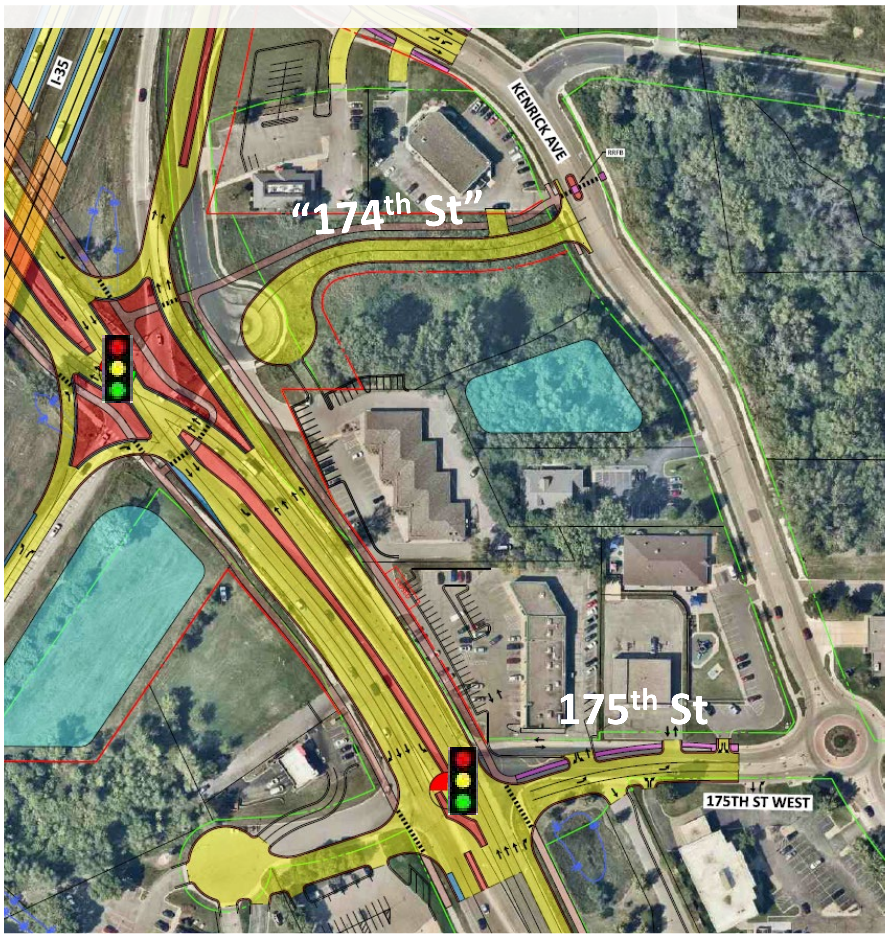




Diverging Diamond

- Unique intersections w/signals; "crossovers" help move traffic
- 175^{th} Street connection with signal added





Schedule Objectives

- **November 2024:** County, City, and MnDOT design recommendations
- **February 1, 2025:** Submit recommended design to MnDOT (***deadline*** per MN Greenhouse Gas Regulation, concerning highway expansion)
- **Longer-Term:** Funding, final design, right-of-way; 2028-2029 construction (*coordination with MnDOT, I-35 pavement and mobility project*)

2024

Preliminary Design

December 2024 to March 2025

Recommended Design (begin detailed reviews, approvals)

April through December 2025

Funding, reviews, approvals; right-of-way maps; begin final engineering

Open House 1
- Agency coordination
- Local stakeholder communications

Open House 2
- Business outreach
- Local stakeholder communications

Open House 3
- Business and stakeholder meetings

Public and Business Engagement

- First public open house held September 9, 2024; approximately 120 attended
- More recently – focused conversations with business owners
- Comments & Questions:
  - Traffic delays and safety concerns
  - Property/business impacts; access changes
  - Pedestrian and bicyclist routes/safety
  - Drainage and water quality
  - Impacts during construction (*Traffic Management Plan*)
  - Noise impacts

Next Steps and Discussion

Next Steps

- Second public open house – December 19, 2024
- Project Management Team design recommendations
- Prepare layout for MnDOT submittal, February 1, 2025
- Funding plan, applications (approx. $40M - $50M project)
- Coordination with MnDOT I-35 pavement/mobility project

Questions and Discussion

?

Date: 12/9/2024

Cherryview Park\Fire Station Proposal

Proposed Action

Staff is seeking direction from the council regarding the proposed rebuilding/remodeling of fire stations.

Overview

After evaluating multiple site locations, Cherryview Park has been identified as a suitable site for constructing a new fire station. This will involve modifications to existing park amenities to accommodate both the fire station and future park needs.

Supporting Information

1. 18698_Cherryview Park Concept_rev_112124_sm
2. Fire Station 51 - Cherryview Park

Financial Impact: $ **Budgeted:** No **Source:**
Envision Lakeville Community Values: Safety Throughout the Community
Report Completed by: Michael Meyer, Fire Chief

Cherryview Park

Schematic Layout Concept

City of Lakeville

November 21, 2024
SRF Consulting Group, Inc.
Project No. 18698

City of Lakeville
Fire Department

Memorandum

To: Mayor and City Council Members
Justin Miller, City Administrator

From: Mike Meyer, Fire Chief

Copy: Joseph Masiarchin, Park Director

Date: December 9, 2024

Subject: Cherryview Park\Fire Station Proposal

Overview:
Staff is seeking direction from the council regarding the proposed rebuilding/remodeling of fire stations. After evaluating multiple site locations, Cherryview Park has been identified as a suitable site for constructing a new fire station. This will involve modifications to existing park amenities to accommodate both the fire station and future park needs.

Key Discussion Points:

1. **Baseball Diamond:**
   The current 300’ outfield will be reduced to 250’ due to space limitations. Staff has reviewed program requirements, and the reduced size will not impact current activities at Cherryview.
2. **Parking:**
   Parking capacity will increase to 66 spots, providing improved access for both park and fire station users.
3. **Public Access to Fire Station:**
   Staff has highlighted the need to ensure a reasonable distance between the parking lot and the fire station's public entrance. This will be addressed in the final layout.
4. **Trail Realignment:**
   Several trails will be relocated and realigned to optimize flow, especially near the tunnel under 175th Street. The proposed new trail layout takes existing grades into account and enhances usability.
5. **Basketball Court:**
   The basketball court will be relocated within the park to accommodate the station and other amenities. Consider some screening/landscaping.
6. **Playground:**
   The playground will be replaced and relocated to better fit the revised park layout.

7. **Pleasure Skating Rink and Lights:**
   The skating rink will be moved to a new location, with updated and upgraded lighting to enhance user experience.
8. **Warming House and Restrooms:**
   The warming house will undergo significant upgrades, including the addition of two unisex restrooms. This provides an opportunity to enhance park facilities cost-effectively, meeting local demand without the expense of full-sized restrooms seen at other locations.

Attachments: 18698_Cherryview Park Concept

Year	Estimated Cost	
2024	220,000 (Act)	**Temp Renovation of Station 4**
		Complete in early 2024 and hire 6 FT staff by March 2024.
2024	$180,000	**Temp Renovation Station 1**
		Complete in December 2024 and hire 15 FT staff by 2nd Quarter 2025.(SAFER Grant)
2025	$26 million	**Station 5 (Combined Station)**
		Build new fire station at new location. Eliminate stations 2 and 4. Property acquisition/plans/specs/bid in 2024/2025. Begin construction in Fall 2025.
2027	$16-18 Million	**Full Renovation of Station 3**
		Build new fire station at existing location with land acquisition.
2028	$16-20 million	**Full Renovation of Station 1**
		Plans/specs/bid in 2027 for completion by December 2028.

Date: 12/9/2024

2024 Financial Metrics Report

Proposed Action
Review and Acknowledge the 2024 Financial Metrics Report

Overview
The City's Financial Sustainability and Resiliency Policy established strategic financial sustainability and resiliency principles, including pay-as-you-go goals for different asset classifications. The Fund Balance Policy established financial management targets. City Staff and the Finance Committee believe that it is important for the City Council to monitor some of these metrics and goals on a regular basis to determine how they could impact the development of the annual budget and long-term financial plans, as well as the City's Aaa bond rating.

A draft of the Financial Metrics report was presented to the Finance Committee at their November 13, 2024 meeting. Committee members provided feedback on the report. City staff made updates to the report based on this feedback.

Supporting Information
1. 2024 Financial Metrics Report_Final

Financial Impact: $0 **Budgeted:** Yes **Source:** Taxes **Envision Lakeville Community Values:** Good Value for Public Service **Report Completed by:** Julie Stahl, Finance Director

CITY OF LAKEVILLE

FINANCIAL PERFORMANCE METRICS

December 9, 2024

EXECUTIVE SUMMARY

The purpose of this report is to provide the Council with an update on the City's progress towards goals identified in City policy and highlight strengths, weaknesses, and potential challenges to our Aaa rating as noted by the City's credit rating agency, Moody's Investors Services.

The City of Lakeville, Minnesota, adopted the Financial Sustainability and Resiliency Policy in January 2020. The purpose of the policy is to establish strategic financial sustainability and resiliency principles for the City of Lakeville, which may be used when developing the annual budget, long-term financial plans, and when making critical financial, economic development and community development decisions.

The City recently updated its Fund Balance Policy to reflect financial management targets in all of its Enterprise Funds (utility funds and liquor fund), language supporting pay-as-you-go goals for its capital project funds and funding the compensated leave fund.

The City strives to maintain a strong Aaa Credit Rating. Additional factors that are important to be aware of and understand include the factors identified by Moody's in their May 2024 Credit Opinion. These factors are identified as items that could result in a credit downgrade if they occur. There are no factors that are identified which could result in a credit upgrade, as the City holds the highest credit rating available.

The factors identified by Moody's that could lead to a downgrade include:

- Deterioration of available fund balance ratio below 50% (this includes Enterprise funds from Moody's perspective, not just General fund)
- Growth in long-term liabilities ratio above 300%

The following charts show some metrics that the Finance Committee believes are important for the City Council to monitor on a regular basis. They include some independently calculated key local government indicators that Moody's considers when assigning a credit rating.

ECONOMY/TAX BASE

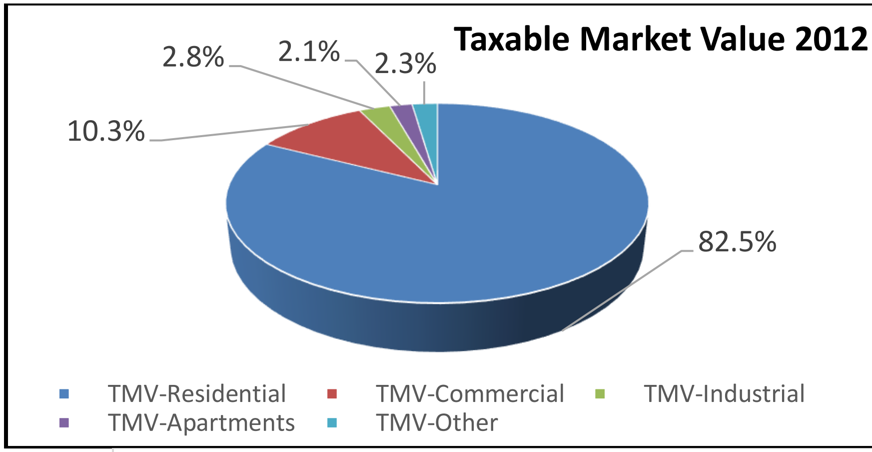
Moody's Investors Services - Credit Opinion – Economy – May 31, 2024

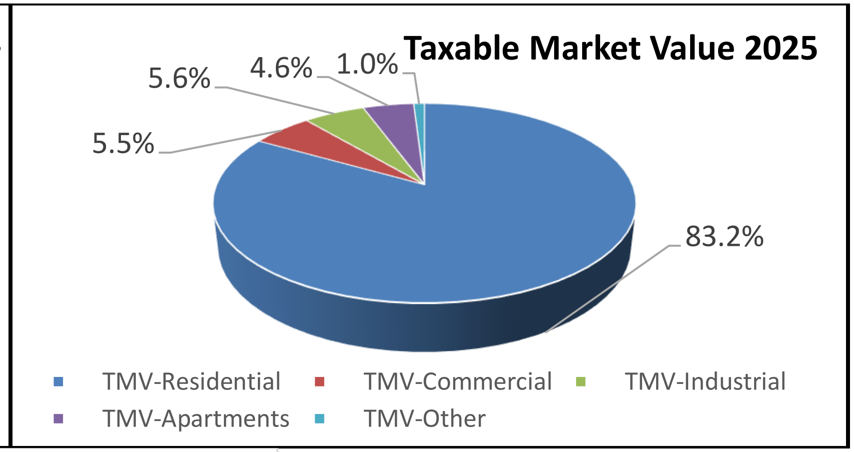
	2019	2020	2021	2022	Aaa Medians
Economy					
Resident income ratio (%)	170.5%	168.1%	167.9%	166.8%	170.6%
Full Value ($000)	$8,160,104	$8,909,956	$9,573,907	$10,848,514	$8,680,662
Population	63,915	65,710	69,026	70,696	36,119
Full value per capita ($)	$127,671	$135,595	$138,700	$153,453	N/A
Annual Growth in Real GDP	1.5%	-3.1%	4.8%	1.4%	4.9%

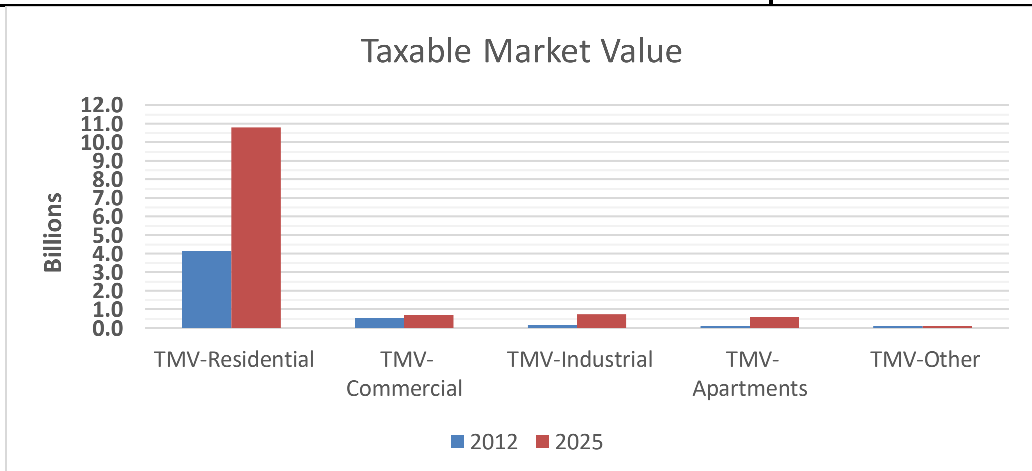
Lakeville experienced a 22.0% growth in market value in 2023 of which 17.9% was an increase in valuation for existing properties and 4.1% was from new construction. Market valuations in 2024 and preliminary 2025 have stabilized.

4

The following charts show the distribution of the taxable market values in 2012 and preliminary 2025.







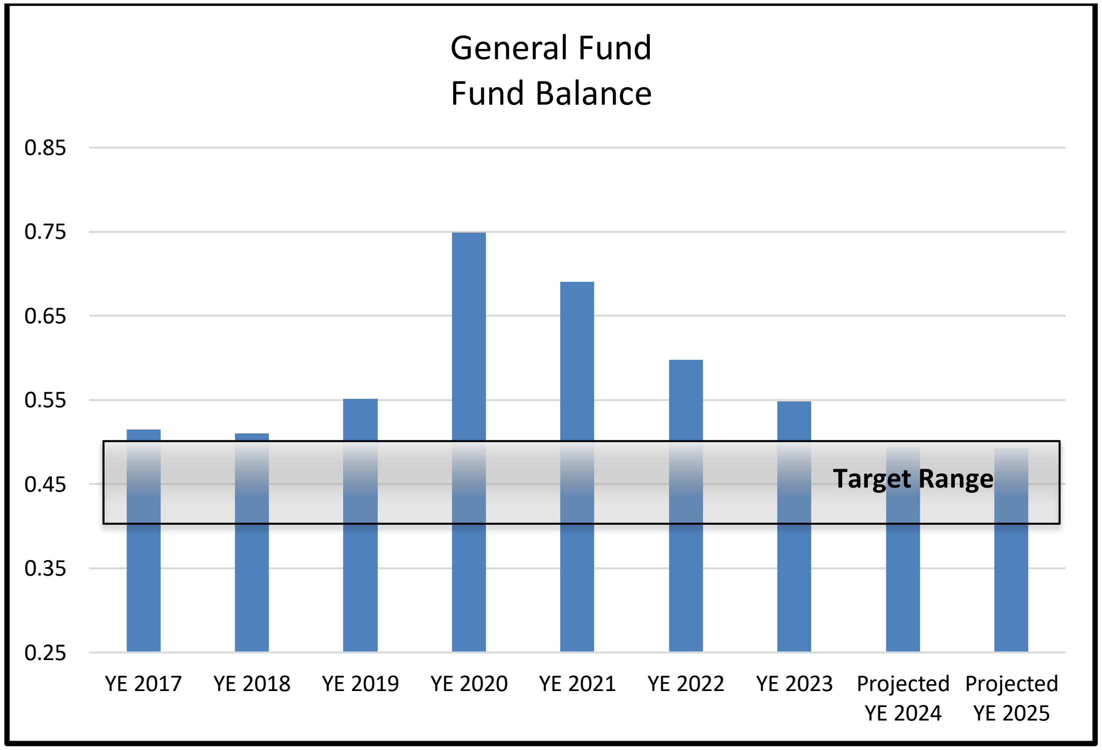
Taxable Market Value	2012	Preliminary 2025
TMV-Residential	4,150,860,458	10,794,032,112
TMV-Commercial	517,526,200	719,394,600
TMV-Industrial	142,391,700	726,595,800
TMV-Apartments	103,163,200	600,782,400
TMV-Other	116,061,606	127,775,082
	5,030,003,164	**12,968,579,994**

Residential properties still comprise about 83% of the City's tax base despite the $7.9 billion increase.
Commercial properties decreased their percent share. Industrial properties and apartments increased their percent share.

Does the City Council have preferences on the types of development they'd like to encourage or to discourage?

FUND BALANCE RATIO – GENERAL FUND

The City will endeavor to maintain an unrestricted (committed, assigned and unassigned) fund balance in the General Fund of an amount between 40% and 50% of the next year's budgeted expenditures of the General Fund, exclusive of federal or state government transfers. This will assist in maintaining an adequate level of fund balance to provide for infrastructure or staffing adjustments, cash flow requirements and contingency needs. In addition, the City will consider the quantitative impact on the credit rating when establishing the level of fund balance recognizing that a higher level of fund balance (as a ratio) and increasing fund balance is a credit positive.



2020: Included federal grant revenues (CARES Act) and higher than forecasted building permit revenues.

2021: Included grant revenues and higher than forecasted development and building permit revenues.

2022: Included federal grant revenues (American Rescue Plan Act) of $5.1 million.

DEBT LIMITATIONS AND GOALS

Growth in long-term liabilities ratio above 300% could lead to a downgrade in the credit rating by Moody's Investors Service.

Moody's Investors Services – Credit Opinion - Leverage – May 31, 2024

Lakeville (City of) MN

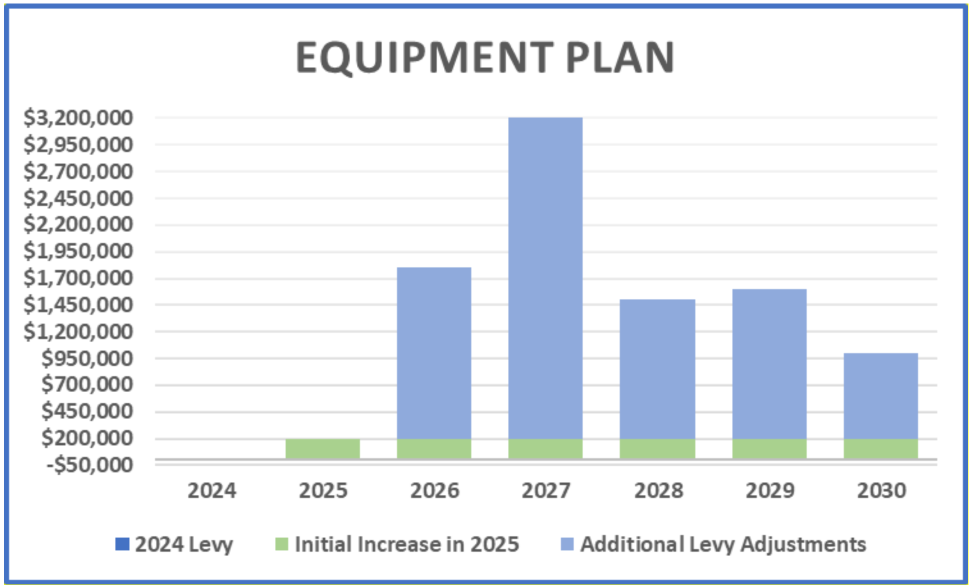
	2019	2020	2021	2022	Aaa Medians
Leverage					
Debt ($000)	$123,022	$141,648	$155,759	$176,563	$68,781
Adjusted net pension liabilities ($000)	$76,217	$97,259	$85,076	$69,111	$105,726
Adjusted net OPEB liabilities ($000)	$1,183	$1,355	$1,025	$1,053	$11,674
Other long-term liabilities ($000)	$3,427	$3,779	$4,069	$4,131	$3,903
Long-term liabilities ratio (%)	207.1%	218.6%	231.9%	209.2%	258.2%

It is appropriate for the City to invest in new infrastructure assets that are paid for by both current and future tax and rate payers. The level of borrowings should be consistent with the City's Debt Policy. The City supports funding one hundred percent (100%) of depreciation of Pay-As-You-Go Strategy achieved per the following asset classification chart:

Asset Classification	Threshold	Goal	Completed?
Vehicles & Equipment	Useful life < 13 years; or Cost < $500,000	Within the next five to seven years (2025-2027)	See chart below for funding requirements
Building Major Repair and Maintenance	Replace major building components	Within the next five to seven years (2025-2027)	See chart below for funding requirements
Street Infrastructure	City's share of mill and overlay and reconstruction	Within the next twenty years (2040)	
Water Infrastructure	Infrastructure Replacement*	Within three years (2022)	Completed! No Debt issued in 2022
Sewer Infrastructure	Infrastructure Replacement*	Current	

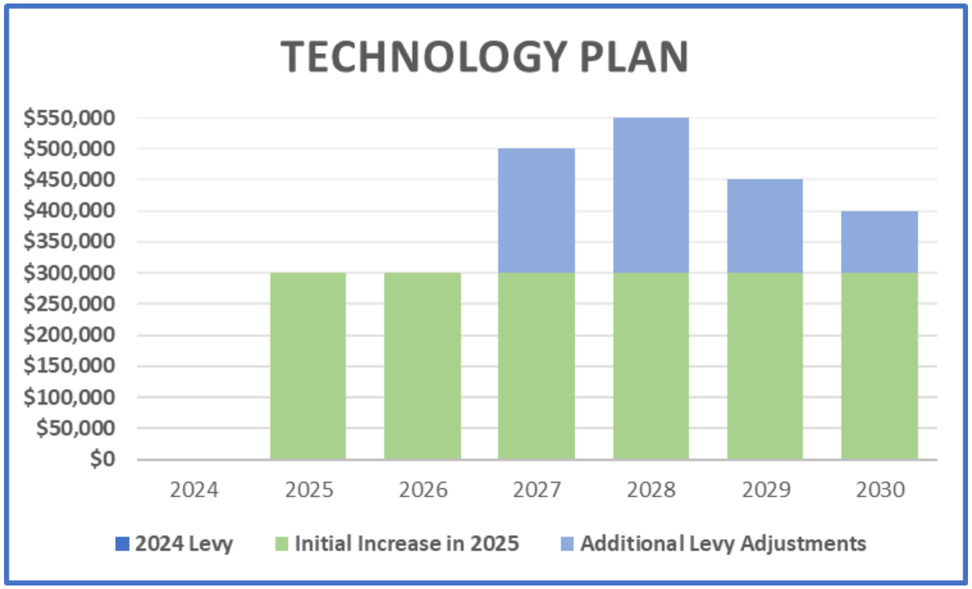
*See individual plans for further description

The following charts shows the current (2024) tax levy plus adjustments through 2030 to be funding 100% of depreciation. For information on years 2031-2034 for these Plans, please see the 2025-2029 Capital Improvement Plan document. Significant increases in the tax levy will be needed for the Equipment Plan; smaller increases will be needed for the Facilities Plan; and moderate increases are needed for the Technology Plan.



The Equipment Plan, as adopted, included no contributions from General Fund in 2024 or 2025, and $500k contributions from the Liquor Fund in 2025, $650k in 2026 & 2027, and $780k/year thereafter. Staff's review of the Liquor funds' reserves suggested that these contributions could easily be increased to $900k in 2025, $850k in both 2026 & 2027, $980k in 2028 and $780k thereafter – and the $200k levy in 2025 could be removed. The proposed 2025 levy excludes this $200k.

The Facilities Plan, as adopted, included no contribution from the General Fund in 2024 or years thereafter, and annual levy appropriations of $100k-$400k in years 2025-2030. Upon further review by staff, the $100k levy for 2025 was determined unnecessary and is currently not included in the 2025 proposed levy.

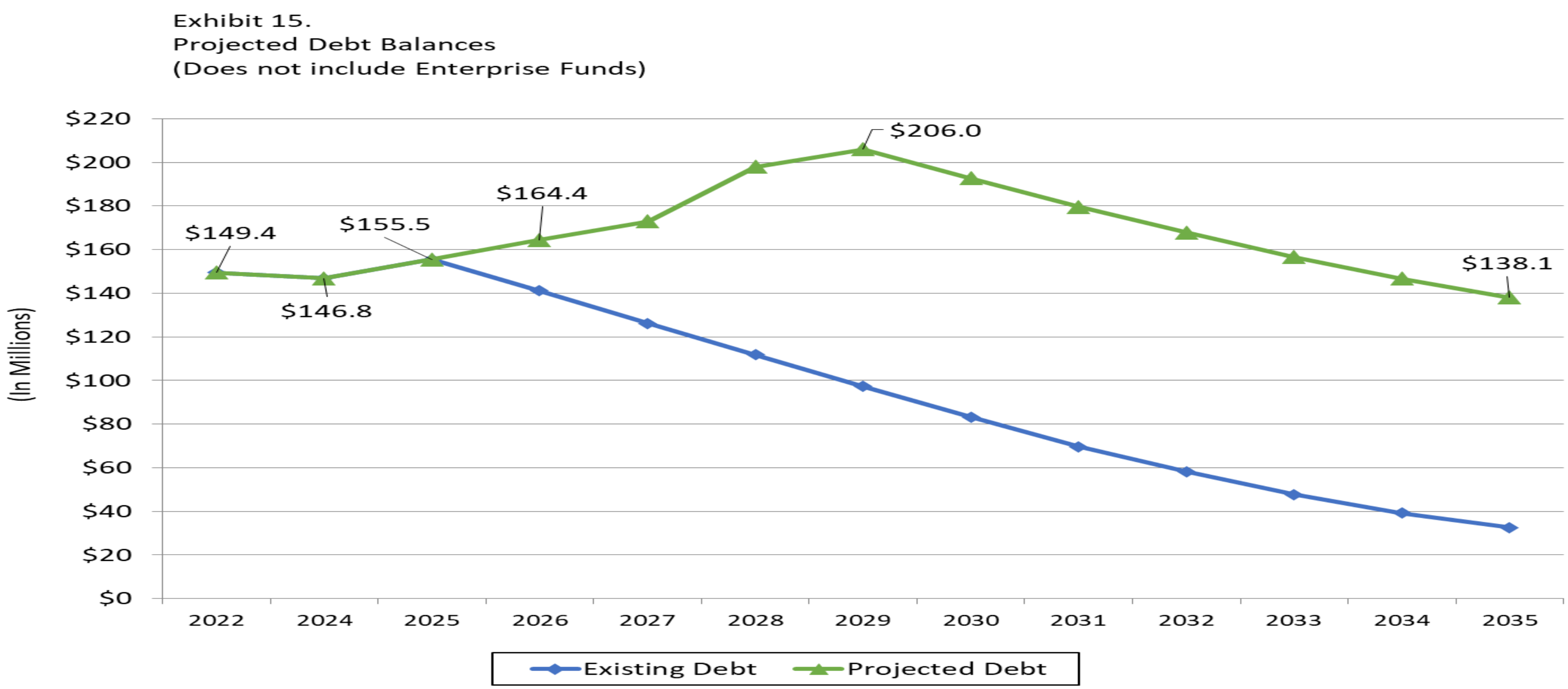


The Technology Plan, as adopted, included a $215k contribution from the General Fund in 2024 and no contributions in the subsequent years. Annual levy appropriations of $300k-$550k beginning in 2025 are necessary to meet our pay-as-you-go strategy. A summary of tax levy projections and impacts based on growth assumptions, debt issuance projections, and a pay-as-you-go strategy for vehicles and equipment and building major repair and maintenance is shown in Appendix 1.

The 2025-2029 Capital Improvement Plan (CIP) included approximately $115 million of debt. If the City establishes franchise fees beginning in 2025 to cover the principal and interest of the Public Safety facilities bond issuances, the tax levy will not be impacted. The following chart is the summary of the projects planned to be financed with bonds as included in the CIP (street reconstruction, utility, facilities, etc.):

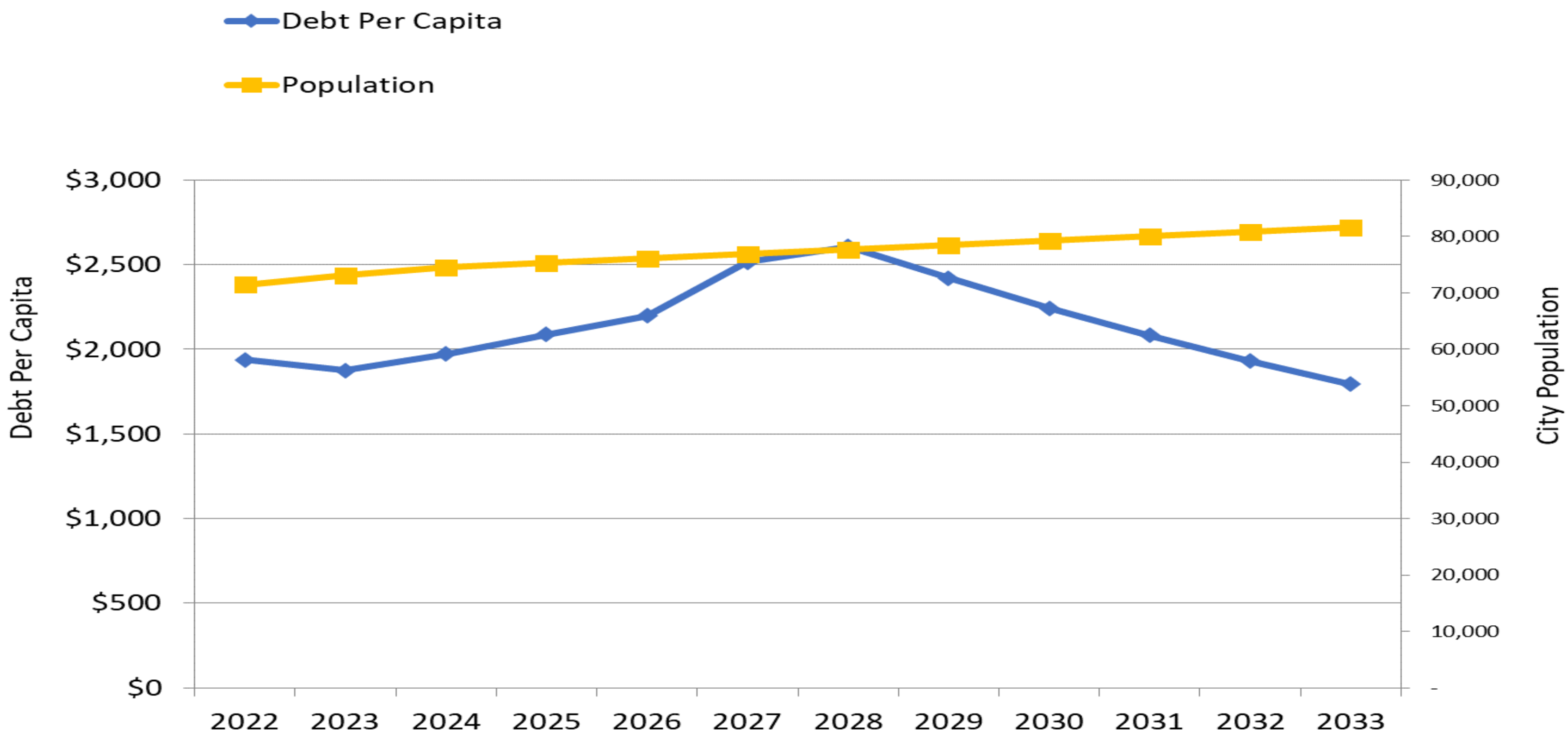
Bond Issuance Year	2025	2026	2027	2028	2029	2025-2029
Improvement Construction	4,828,245	3,915,707	6,630,000	7,253,425	4,634,719	27,262,096
Facilities (Public Safety)	17,792,608	15,761,750	15,328,816	16,643,613	-	65,526,787
Building Fund (CMF)			17,000,000	-		17,000,000
Water Treatment Facility			5,000,000	-		5,000,000
	22,620,853	19,677,457	43,958,816	23,897,038	4,634,719	114,788,883

The following charts reflect projected debt balances, debt per capita and debt per households based on the adopted 2025-2029 CIP. Disclaimer- years 2030 forward do not necessarily include all new capital projects.



10

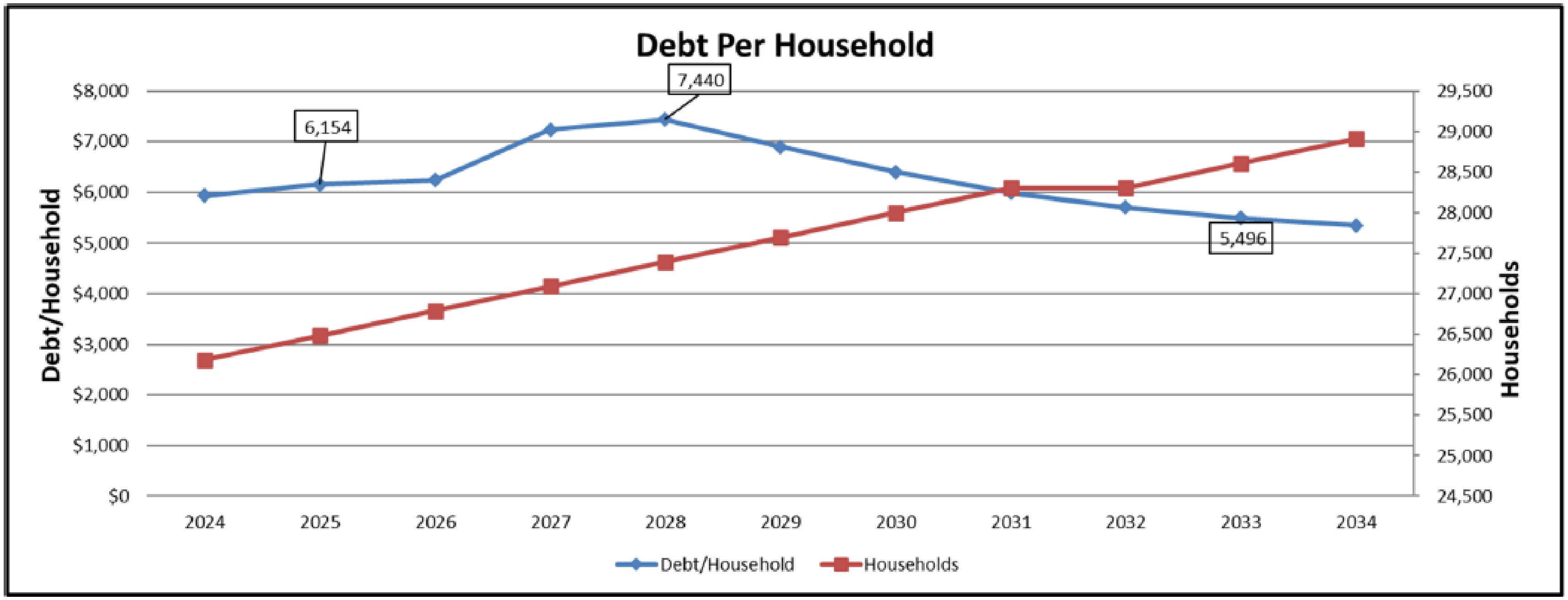
Exhibit 18.
Debt Per Capita for Existing and Planned New Debt
(Does not include Enterprise Funds)



As of June 12, 2023, Moody's Investors Services reflects a median 2021 debt per capita of $2,197 for US cities with populations over 50,000 and a Aaa rating using the following calculation:

Debt / Population = Debt Per Capita
$230,847,000 / 105,087 = $2,197

As of October 16, 2024, Moody's has not released a more updated Cities and Counties Medians report. As shown in the chart above, the City of Lakeville 2022 debt per capita is lower than the median debt per capita for US cities with populations over 50,000 and a Aaa rating.



Debt Per Household
Debt/Household
Households
$8,000
$7,000
$6,000
$5,000
$4,000
$3,000
$2,000
$1,000
$0
29,500
29,000
28,500
28,000
27,500
27,000
26,500
26,000
25,500
25,000
24,500
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
6,154
7,440
5,496
Debt/Household
Households

12

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

Environmental, Social, and Governance (ESG) considerations are becoming more important and prominent in the analysis of the financial health of governmental entities. This is shown by the recent inclusion of ESG consideration discussions in credit rating reports and in investor publications.

Here is what Moody's says about Lakeville in the May 31, 2024 credit opinion:

Lakeville's ESG Credit Impact Score is positive (CIS-1), reflecting a strong governance profile, positive social attributes, and neutral-to-low exposure to environmental risks.

Environmental

The city's E Issuer Profile Score is (E-2), reflecting neutral-to-low exposure to all environmental risks categories, including physical climate risk, carbon transition, water management, natural capital and waste and pollution.

Social

The city's S issuer profile score is positive (S-1), reflecting population growth, a diverse labor market, and solid educational attainment. Residents have easy access to basic services and the city scores favorably in health and safety.

Governance

The city's G issuer profile score is positive (G-1), reflecting strong institutional structure and an established history of prudent budget management to maintain operating reserves in compliance with its formal fund balance policy, which provides a high degree of policy credibility and effectiveness. Its revenue-raising flexibility is strong as cities generally benefit from unlimited levying authority, except during years in which the state has imposed limits. Levy limits are not currently in place for cities.

The following appendices are included as part of this report:

Appendix 1 – Long-Term Financial Plan (Presented to City Council on September 23, 2024)

Appendix 2 – Outstanding Debt

Appendix 3 – Definitions

APPENDIX 1 – Long-Term Financial Plan

City of Lakeville

PROPERTY TAX LEVY, TAX CAPACITY, AND TAX RATE

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
TAX LEVY										
General Fund	29,509,650	32,976,999	33,716,752	35,046,789	37,243,680	38,349,048	40,124,569	41,651,977	43,233,068	44,069,697
Debt Service Funds	11,537,150	12,773,050	12,799,409	13,431,240	15,791,366	15,586,722	14,755,729	13,550,294	12,998,414	12,854,130
Building Fund	-	100,000	200,000	250,000	300,000	350,000	400,000	-	-	-
Equipment Fund	-	-	1,800,000	3,200,000	1,500,000	1,600,000	1,000,000	2,000,000	1,600,000	1,000,000
Communications Fund	-	-	200,000	250,000	300,000	300,000	350,000	425,000	450,000	450,000
Trail Improvement Fund	400,000	550,000	750,000	2,150,000	650,000	650,000	650,000	650,000	650,000	650,000
Park Improvement Fund	350,000	450,000	1,025,000	675,000	950,000	675,000	675,000	675,000	675,000	675,000
Technology Fund	-	300,000	300,000	500,000	550,000	450,000	400,000	400,000	400,000	400,000
Pavement Management Fund	1,800,000	1,800,000	2,100,000	2,300,000	2,300,000	2,400,000	2,500,000	2,600,000	2,700,000	2,700,000
Improvement Construction Fund	-	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000
TAX LEVY	**43,596,800**	**49,105,049**	**53,046,161**	**57,958,029**	**59,740,047**	**60,515,770**	**61,010,298**	**62,107,271**	**62,861,482**	**62,953,828**
Less Fiscal Disparities Distribution	3,521,814	3,928,377	4,006,945	4,087,083	4,168,825	4,252,202	4,337,246	4,423,991	4,512,470	4,602,720
Net Spread Levy	40,074,986	45,176,672	49,039,216	53,870,946	55,571,222	56,263,569	56,673,052	57,683,280	58,349,011	58,351,108
Annual % Change	*11.08%*	*12.73%*	*8.55%*	*9.85%*	*3.16%*	*1.25%*	*0.73%*	*1.78%*	*1.15%*	*0.00%*
TAX CAPACITY										
Tax Capacity before New Construction	137,773,924	144,115,010	151,531,936	156,728,494	162,921,849	169,001,536	174,483,091	180,121,385	185,922,969	191,891,314
Tax Capacity from New Construction	4,592,748	4,445,712	2,123,450	2,998,809	2,765,931	2,060,319	2,106,502	2,156,035	2,205,770	2,259,651
Total Tax Capacity	142,366,672	148,560,722	153,655,386	159,727,303	165,687,780	171,061,854	176,589,594	182,277,420	188,128,739	194,150,965
Less Fiscal Disparities TC Contribution	8,872,467	10,309,804	10,516,000	10,726,320	10,940,846	11,159,663	11,382,857	11,610,514	11,842,724	12,079,579
Less TIF Captured Tax Capacity	854,791	843,321	860,187	877,391	628,440	515,351	405,497	413,607	421,879	430,316
NET TAX CAPACITY	**132,639,414**	**137,407,597**	**142,279,199**	**148,123,592**	**154,118,493**	**159,386,840**	**164,801,240**	**170,253,300**	**175,864,136**	**181,641,070**
Annual % Change	*9.10%*	*3.59%*	*3.55%*	*4.11%*	*4.05%*	*3.42%*	*3.40%*	*3.31%*	*3.30%*	*3.28%*
TAX CAPACITY TAX RATE	**0.3021**	**0.3288**	**0.3447**	**0.3637**	**0.3606**	**0.3530**	**0.3439**	**0.3388**	**0.3318**	**0.3212**
Annual % Change	*1.81%*	*8.82%*	*4.83%*	*5.52%*	*-0.86%*	*-2.10%*	*-2.58%*	*-1.48%*	*-2.07%*	*-3.18%*

Presented to the City Council on September 23, 2024.
Projections do not reflect the tax impacts of a full-time fire department.

APPENDIX 2 – Outstanding Debt

CITY OF LAKEVILLE
OUTSTANDING DEBT

APPENDIX 2 - OUTSTANDING DEBT

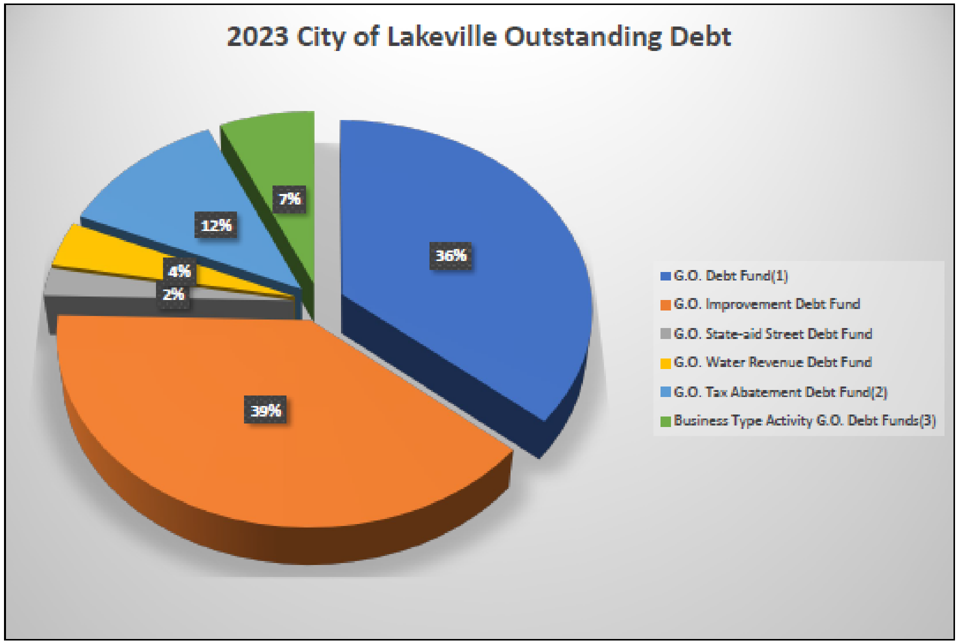
Issued Bonds Outstanding at Year End	2023
G.O. Debt Fund[1]	53,025,000
G.O. Improvement Debt Fund	57,630,000
G.O. State-aid Street Debt Fund	3,470,000
G.O. Water Revenue Debt Fund	5,590,000
G.O. Tax Abatement Debt Fund[2]	17,310,000
Business Type Activity G.O. Debt Funds[3]	9,735,000
	146,760,000

G.O. Debt Fund[1]	36%
G.O. Improvement Debt Fund	39%
G.O. State-aid Street Debt Fund	2%
G.O. Water Revenue Debt Fund	4%
G.O. Tax Abatement Debt Fund[2]	12%
Business Type Activity G.O. Debt Funds[3]	7%
	100%

(1) G.O. Debt		Maturity
2014B (07D) - Police Station	7,380,000	2032
2014B REF (05A)	560,000	
2022A REF (12B CIP-CMF)	6,610,000	2030
2022A REF (12B ST RECON)	2,575,000	
2022B TAXABLE (Hasse New Rink)	4,845,000	2043
2022C PARK REF	13,735,000	
2017A REF (07H)	875,000	
2018B REF (09A)	1,970,000	
2021C ST RECON	5,255,000	
2023A PARK REF	4,345,000	
2023A ST RECON	4,875,000	
Totals	53,025,000	-

(2) G.O. Tax Abatement Debt		
2020A G.O. Bonds	520,000	
2021A G.O. Bonds - Arenas - Energy Improvements	7,140,000	2041
2021B G.O. Bonds - Keokuk Liquor Store	5,415,000	2042
2022B G.O. Taxable (Ref HRA2016A-Hasse Arena)	4,235,000	2032
Totals	17,310,000	-

(3) Business Type Activity G.O. Debt Funds		
2017 Liquor Lease Revenue - Galaxie Liquor Store	1,075,000	2027
Water	8,380,000	
Sewer	135,000	
Streetlight	145,000	
Totals	9,735,000	



Current Bond Term Structure Used:
Street Bonds - 10 years
Park Referendum Bonds - 20 years
Facility Bonds - 20 years

APPENDIX 3 – Definitions of the terms used by Moody's Investors Services:

	Definition	Typical Source*
Economy		
Resident income ratio	Median Household Income (MHI) for the city or county, adjusted for Regional Price Parity (RPP), as a % of the US MHI	MHI: US Census Bureau - American Community Survey 5-Year Estimates RPP: US Bureau of Economic Analysis
Full value	Estimated market value of taxable property in the city or county	State repositories; audited financial statements; continuing disclosures
Population	Population of the city or county	US Census Bureau - American Community Survey 5-Year Estimates
Full value per capita	Full value / population	
Economic growth metric	Five year CAGR of real GDP for Metropolitan Statistical Area or county minus the five-year CAGR of real GDP for the US	Real GDP: US Bureau of Economic Analysis
Financial performance		
Revenue	Sum of revenue from total governmental funds, operating and non-operating revenue from total business-type activities, and non-operating revenue from internal services funds, excluding transfers and one-time revenue, e.g., bond proceeds or capital contributions	Audited financial statements
Available fund balance	Sum of all fund balances that are classified as unassigned, assigned or committed in the total governmental funds, plus unrestricted current assets minus current liabilities from the city's or county's business-type activities and internal services funds	Audited financial statements
Net unrestricted cash	Sum of unrestricted cash in governmental activities, business type activities and internal services fund, net of short-term debt	Audited financial statements
Available fund balance ratio	Available fund balance (including net current assets from business-type activities and internal services funds) / Revenue	
Liquidity ratio	Net unrestricted cash / Revenue	
Leverage		
Debt	Outstanding long-term bonds and all other forms of long-term debt across the governmental and business-type activities, including debt of another entity for which it has provided a guarantee disclosed in its financial statements	Audited financial statements; official statements
Adjusted net pension liabilities (ANPL)	Total primary government's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Investors Service
Adjusted net OPEB liabilities (ANOL)	Total primary government's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Investors Service
Other long-term liabilities (OLTL)	Miscellaneous long-term liabilities reported under the governmental and business-type activities entries	Audited financial statements
Long-term liabilities ratio	Debt + ANPL + ANOL + OLTL / Revenue	