



DEBT SERVICE FUNDS

2024 - 2030

General Obligation Debt Fund

Fund Description

The General Obligation Debt Funds account for the payment of general obligation bonds and improvement bonds. A separate debt service fund is established for each bond issue.

Background

General obligation bonds are secured by the full faith and credit of the City. The City has the authority to levy property taxes for repayment of these bonds.

For this plan, the amounts projected in the Capital Improvement Program (CIP) to be funded by General Obligation Improvement Bonds are assumed to be bonded. The proposed debt structure is consistent with the City's debt management policies. Interest rates are estimated conservatively.

Source of Funds

The principal sources of revenue are property taxes (debt service levies), special assessment and State Aid payments. Other sources of revenue include transfers from other funds. The chart below reflects the projected debt service levies for the next five years and takes into consideration any new debt that will be levied. Currently the City Council has directed staff to not levy for the 2018 Street project, but instead sources from the municipal state aid funds, local government aid, special assessment and transfers from the general fund. For future projects, Council will have to levy for any new debt issued.

Limitation of Levy Debt

Total net general obligation debt will not exceed the statutory limit as required by Minnesota Statute Section 475.53, which is 3% of estimated market value. In 2023, the debt market calculation was 0.05% of the market value. The City also has a self-imposed debt limit, which is the net tax-supported outstanding debt as a percentage of the total estimated market value in the City will not exceed 3.50% in any given year, and the total debt levy will not exceed 50% of the total levy in any given year. In 2024 the City's debt levy was .06% of the estimated market value and 15.65% of the total levy.

Use of Funds and Fund Balance

According to State Statute, proceeds from the debt service levies and fund balance can only be used for redemption of debt. Additional information is available in the existing and projected debt schedule presented in the Capital Improvement Plan.

Five-Year Financial Plan – Debt Service Funds

G O Debt Services Funds (not including Enterprise fund Debt)

TOTAL DEBT PAYMENT O/S

REVENUES

Description	2022 Adopted Budget	2023 Budget	2024 Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget	2028-2034 Concept Budget
Property Taxes	\$ 1,359,098	\$ 1,086,357	\$ 877,276	\$ 1,393,759	\$ 1,033,024	\$ 1,037,777	\$ 3,855,784
Tax Increment	42,000	42,000	42,000	42,000	42,000	42,000	84,000
Special Assessments	355,059	326,462	515,328	514,163	513,132	513,082	2,064,649
State Aid	151,391	152,242	152,913	152,531	153,114	152,646	305,732
Intergovernmental	47,206	46,357	45,427	49,392	48,249	48,249	50,686
Investment Interest	3,187	2,773	2,108	1,646	1,779	1,779	3,095
Total Revenues	1,957,941	1,656,191	1,635,052	2,153,491	1,791,298	1,795,533	6,363,946

EXPENDITURES

Debt Principal Payments	1,638,063	1,755,000	2,028,000	1,657,796	1,688,000	1,405,000	6,958,000
Debt Interest Payments	291,636	483,533	353,250	303,483	255,352	208,850	475,566
Other (Interfund Loans & Escrow payments)	41,641	40,116	38,963	37,913	36,733	36,733	136,135
Total Expenditures	1,971,340	2,278,649	2,420,213	1,999,192	1,980,085	1,650,583	7,569,701

OTHER USES

Transfers In	113,063	113,063	209,235	150,000	150,000		-
Transfers Out	(38,220)	(74,084)	(36,120)	(35,070)	(34,020)	(37,016)	(529,675)
Total Other Uses	74,843	38,979	173,115	114,930	115,980	(37,016)	(529,675)

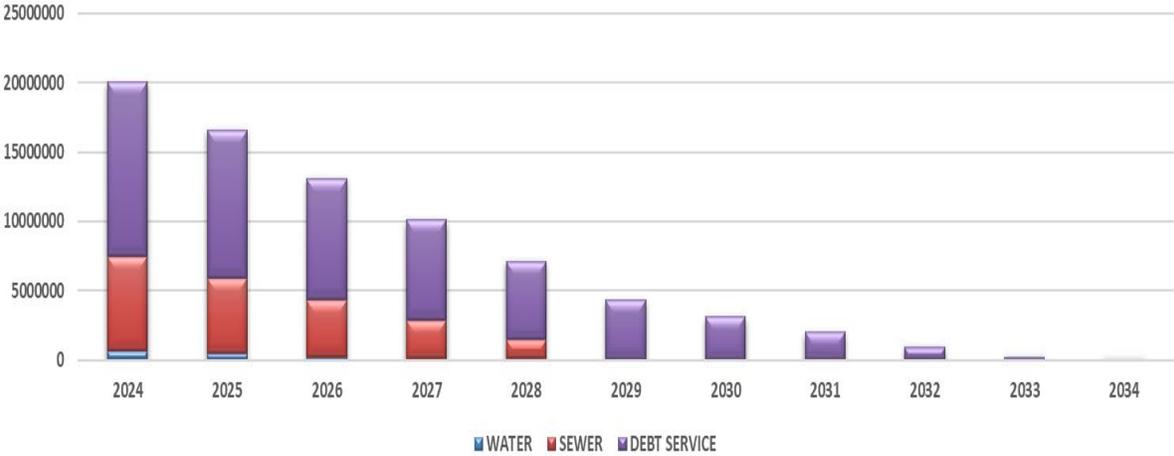
Net Change	\$ 61,444	\$ (583,479)	\$ (612,046)	\$ 269,229	\$ (72,807)	\$ 107,934	\$ (1,735,430)
Fund Equity, Beginning	2,693,698	2,755,142	2,171,663	1,559,617	1,828,846	1,756,039	1,863,973
Fund Equity, Ending	\$ 2,755,142	\$ 2,171,663	\$ 1,559,617	\$ 1,828,846	\$ 1,756,039	\$ 1,863,973	\$ 128,543

Debt Obligation – Including Enterprise Funds

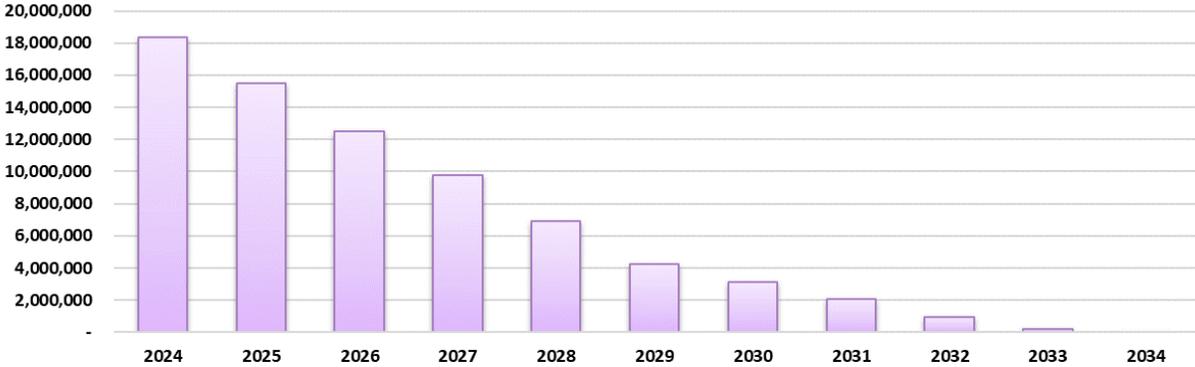
		TOTAL DEBT PAYMENT OUTSTANDING						
Fund	Series	PROJECT	2024	2025	2026	2027	2028-2034	Total O/S
301	2004 PFA Water MPFA Loan	Water Expansion	579,295	-	-	-	-	579,295
401	2009 MPFA Loan Wastewater E	Wastewater Expansion	980,791	980,272	981,270	980,737	1,961,823	5,884,893
211	2010 PFA Loan	10/25 Intersection	152,912	152,531	153,114	152,646	305,732	916,935
222	2015A GO Refunding Bonds	Street Projects	853,112	524,975	523,988	522,163	1,020,807	3,445,045
223	2016A Taxable G.O. Refunding E	TIF 1-3 & TIF 1-4 Industrial Park	309,500	193,930	199,200	198,998	378,873	1,280,501
224	2016B G.O. CIP BOND	790 Minnesota Ave	55,101	54,162	57,981	56,744	50,563	274,551
226	2016C GO Refunding Bond	Street Projects	326,100	329,800	333,300	-	-	989,200
227	2018A GO Improvement Bonds	2018 Streets Projects	194,000	194,725	195,300	195,725	1,366,432	2,146,182
228	2021A GO Improvement Bonds	2021 Street Projects	347,625	344,000	345,150	346,000	1,741,867	3,124,642
229	2022A GO Improvement Bonds	2022 Street Projects	584,900	582,600	584,600	585,800	3,509,100	5,847,000
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SUBTOTAL DEBT PAYMENTS			\$4,383,336	\$3,356,995	\$3,373,903	\$3,038,813	\$10,335,197	\$24,488,244
PORTION PAID BY ENTERPRISE FUNDS								
301	2004 PFA Water MPFA Loan	Water Expansion	579,295	-	-	-	-	579,295
401	2009 MPFA Loan Wastewater E	Wastewater Expansion	980,791	980,272	981,270	980,737	1,961,823	5,884,893
301	2015A GO Refunding Bonds	CR43 Interceptor/Well 7,Tower #4	107,079	106,186	109,449	107,512	99,481	529,707
401	2015A GO Refunding Bonds	CR 8/Utility Expansion	334,921	342,464	339,833	336,713	840,326	2,194,257
SUBTOTAL ENTERPRISE FUNDS			\$2,002,086	\$1,428,922	\$1,430,552	\$1,424,962	\$2,901,630	\$9,188,152
TOTAL PAID BY DEBT SERVICE FUND (LEVY/ASSESSMENTS/TRANSFERS)			\$2,381,250	\$1,928,073	\$1,943,351	\$1,613,851	\$7,433,567	\$15,300,092

Debt Service Outstanding Balance – Including Enterprise Funds

Outstanding Debt - Principal and Interest

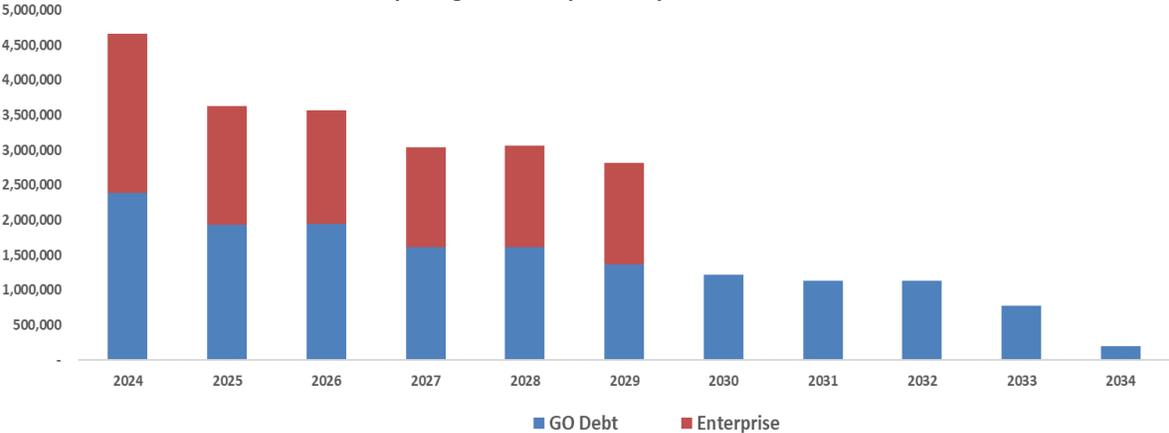


Outstanding Debt - Principal Only



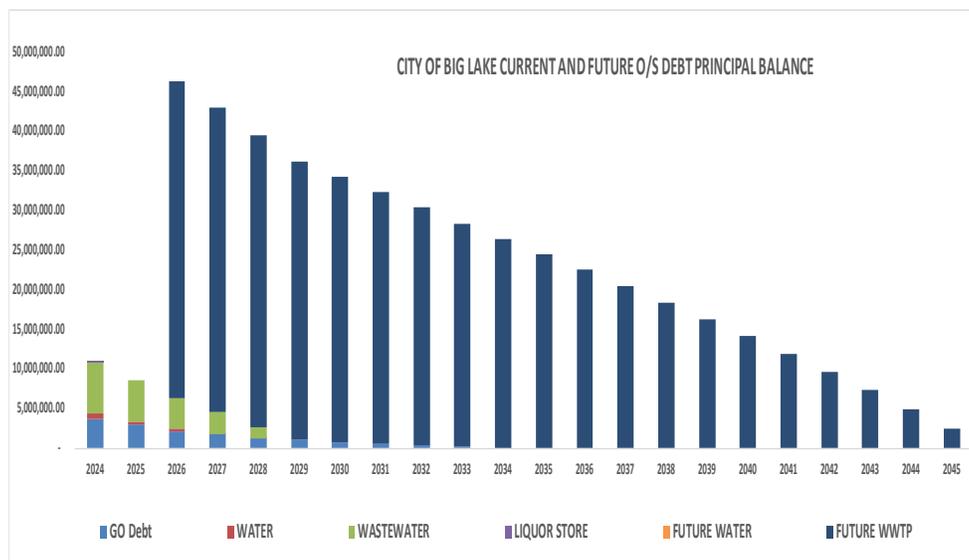
Debt Service Yearly Payments – Including Enterprise Funds

City of Big Lake Yearly Debt Payments



Debt Service Projections with Future Projects – Including Enterprise Funds

TOTAL DEBT PAYMENT O/S PLUS FUTURE PROJECTS PAID WITH DEBT															
Fund	Series	PROJECT	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035 beyond	Total O/S
301	2004 PFA Water MPFA Loan	Water Expansion	579,235	-	-	-	-	-	-	-	-	-	-	-	579,235
401	2009 MPFA Loan Wastewater Expansion	Wastewater Expansion	980,791	980,272	981,270	980,737	980,697	981,126	-	-	-	-	-	-	5,884,893
211	2010 PFA Loan	10/25 Intersection	152,912	152,531	153,114	152,646	153,143	152,589	-	-	-	-	-	-	916,935
214	2011A G.O. Improvement Refunding Bonds	Street Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
216	2011B G.O. Improvement Refunding Bonds	Street Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
217	2012A G.O. Refunding Bonds	Fire Hall/Street Projects	-	-	-	-	-	-	-	-	-	-	-	-	-
221	2014A GO Tax Abatement Bonds	Liquor Store	-	-	-	-	-	-	-	-	-	-	-	-	-
222	2015A GO Refunding Bonds	Street Projects	853,112	524,975	523,988	522,163	549,413	471,394	-	-	-	-	-	-	3,445,045
223	2016A Taxable G.O. Refunding Bonds	TIF 1-3 & TIF 1-4 Industrial Park	309,500	193,990	199,200	198,998	198,370	89,108	91,395	-	-	-	-	-	1,280,501
224	2016B G.O. CIP BOND	790 Minnesota Ave	55,101	54,162	57,981	56,744	50,563	-	-	-	-	-	-	-	274,551
226	2016C GO Refunding Bond	Street Projects	326,100	329,800	333,300	-	-	-	-	-	-	-	-	-	989,200
227	2018A GO Improvement Bonds	2018 Streets Reconstruction	194,000	194,725	195,300	195,725	196,000	196,125	196,015	195,668	195,166	194,323	193,135	-	2,146,182
228	2021A GO Improvement Bonds	2021 Streets Reconstruction	347,625	344,000	345,150	346,000	346,550	346,800	350,065	351,296	347,156	-	-	-	3,124,643
229	2022A GO Improvement Bonds	2022 Streets Reconstruction	584,900	582,600	584,600	585,800	581,300	581,100	585,000	588,600	587,300	585,800	-	-	5,847,000
401	2025 GO Revenue Bonds	WWTP Expansion	-	-	2,565,000	2,565,875	2,565,750	2,564,625	2,567,500	2,564,250	2,565,000	2,564,625	2,568,125	28,228,000	51,318,750
SUBTOTAL DEBT SERVICE FUNDS			\$ 4,383,276	\$ 3,356,995	\$ 3,938,903	\$ 3,604,688	\$ 3,621,786	\$ 3,382,867	\$ 3,789,975	\$ 3,699,814	\$ 3,694,622	\$ 3,344,748	\$ 2,761,260	\$ 28,228,000	\$ 75,806,935
PORTION PAID BY ENTERPRISE FUNDS															
301	2004 PFA Water MPFA Loan	Water Expansion	579,235	-	-	-	-	-	-	-	-	-	-	-	579,235
401	2009 MPFA Loan Wastewater Expansion	Wastewater Expansion	980,791	980,272	981,270	980,737	980,697	981,126	-	-	-	-	-	-	5,884,893
301	2012A G.O. Refunding Bonds	197/166 Utility	-	-	-	-	-	-	-	-	-	-	-	-	-
401	2012A G.O. Refunding Bonds	197/166 Utility	-	-	-	-	-	-	-	-	-	-	-	-	-
501	2014A GO Tax Abatement Bonds	Liquor Store	-	-	-	-	-	-	-	-	-	-	-	-	-
301	2015A GO Refunding Bonds	CR43 Interceptor/Well 7,Tower #4	107,079	107,079	107,079	107,079	107,079	107,079	107,079	107,079	107,079	107,079	-	-	1,070,790
401	2015A GO Refunding Bonds	CR 8/Utility Expansion	334,921	334,921	334,921	334,921	334,921	334,921	334,921	334,921	334,921	334,921	-	-	3,349,210
401	2024 GO Revenue Bonds - ESTIMATE	WWTP Expansion	-	-	2,565,000	2,565,875	2,565,750	2,564,625	2,567,500	2,564,250	2,565,000	2,564,625	2,568,125	28,228,000	51,318,750
SUBTOTAL ENTERPRISE FUNDS			\$ 2,002,026	\$ 1,422,272	\$ 3,988,270	\$ 3,988,612	\$ 3,988,447	\$ 3,987,751	\$ 3,009,500	\$ 3,006,250	\$ 3,007,000	\$ 3,006,625	\$ 2,568,125	\$ 28,228,000	\$ 62,202,878
TOTAL PAID BY DEBT SERVICE FUND (LEVY/ASSESSMENTS/TRANSFERS)			\$ 2,381,250	\$ 1,934,723	\$ 1,950,633	\$ 1,616,076	\$ 1,633,339	\$ 1,395,116	\$ 780,475	\$ 693,564	\$ 687,622	\$ 338,123	\$ 193,135	\$ -	\$ 13,604,057



This chart indicates future projects that could be funded by debt. These are not guaranteed debt, just used for future financial planning.