



# MEMO

## Finance

To: Common Council  
From: Finance Director  
Date: 9/5/2023  
Re: Municipal Pool/Aquatic Center Project

With the final cost now locked in for the pool we are preparing for the bonding that will be necessary to finance the Aquatic Center project. The original estimate for the project had a requested \$4.5 million bond amount. The City will need to increase the bond amount to \$5.3 million to cashflow the project.

Of the \$7.3 million dollar project amount, the City currently has \$1.8 million of cash on hand to work with. The plan is to issue a five-year Bond anticipation note for the \$5.3 million. The City will then pay interest only on this note while the pool is being constructed, campaign pledges are collected and the establishment and incremental generation of the TIF district that supports the project's amenities.

By 2028 the city will then pay down the bond and refinance the remaining amount of roughly \$3.5 million. The following page has a few tables showing the project cost and cashflows mentioned in the above memorandum.

I am requesting permission to proceed with the bonding process for the increased amount of \$5.3 million with an intended sale date of October 3, 2023.

# Municipal Aquatic Center Project

## Project Details

Amount	
Total Project Cost	\$7,300,000
Pool Amenities	\$1,085,435
Campaign	\$1,000,000
<b>Total cost to Tax Payers</b>	<b>\$5,214,565</b>

## Cashflow

Amount	
Cash On Hand	\$1,588,000
Campaign Cash To Date	\$315,000
Total Cash on Hand	\$2,000,000
<b>Bonding Need</b>	<b>\$5,300,000</b>

## TIF Funded Amenities

## Final Bond in 2028

Splash pad equipment	\$465,220
Aquatic Play Structure	\$103,780
Climbing Wall	\$61,315
Basketball Hoop	\$4,155
Waterslide	\$450,965
Mini Golf	\$0
<b>Total</b>	<b>\$1,085,435</b>

Original Bond Anticipation Note	\$5,300,000
Campaign Cash Collected	\$685,000
Pool Amenities Funds from TIF	\$1,085,435
<b>Refinancing Bond Amount</b>	<b>\$3,529,565</b>

## Pool Project Effect on Tax Payer

Total Amount	\$5,214,565
Rate	5.50%
Term	20 Years
Total	\$8,662,751
Average Payoff Each year	\$433,138
<b>Per \$1,000 assessed value</b>	<b>\$0.37</b>

Example Value	Per Year	Total Over 20 Yrs.
\$150,000 Value	\$55.50	\$1,110.00
\$200,000 Value	\$74.00	\$1,480.00
\$300,000 Value	\$111.00	\$2,220.00
\$500,000 Value	\$185.00	\$3,700.00