



Historical, current and future debt for the City of Marshall

May 19, 2021

Debt Work Session

Long Term Plan 2018

- Long Term Plan was preformed by AEM and presented to Council on December 7, 2018
- Assumptions used;
 - Inflation Rate:
 - Governmental Funds 3%
 - Enterprise Funds: 5%
 - Library & EDA: 3%
- Pool & Splash Pad Bond built into model for 6.6 million
- Transfer of \$1 million to start the Street Capital Fund
 - Levy started in 2020 and grows at 25,000 each year
- Establish a Facilities Capital Fund
 - Transfer \$250,000 to start fund
 - Levy started in 2020 of 250,000
 - Debt issuance in 2022 for City Hall Capital Project
- Wastewater debt issuance of \$8 million for plan upgrades
- Tax Capacity growth rate of 3%

Debt Analysis 2018

- Debt Study was preformed by AEM and presented to Council on December 7, 2018
- Analysis was conducted to ensure the tax levy necessary to fund the future debt service obligation.
- Did not indicate high or low debt level for the City

Levy % Comparison

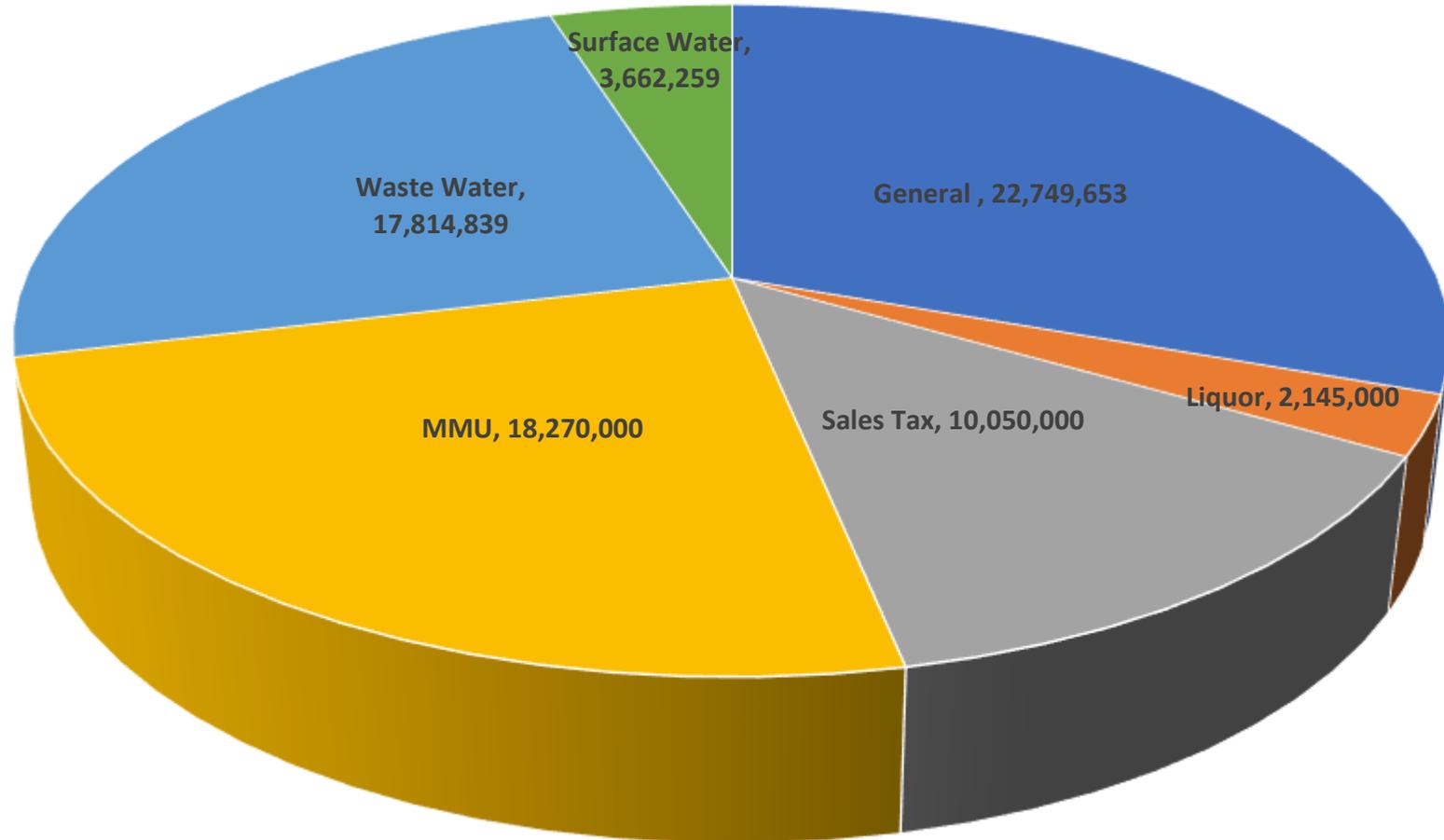
	2019	2020	2021	2022	2023
AEM's Levy % Increase	6.43%	9.97%	5.27%	9.51%	11.01%
Actual Levy % Increase	6.43%	3.99%	2.80%	NA	NA



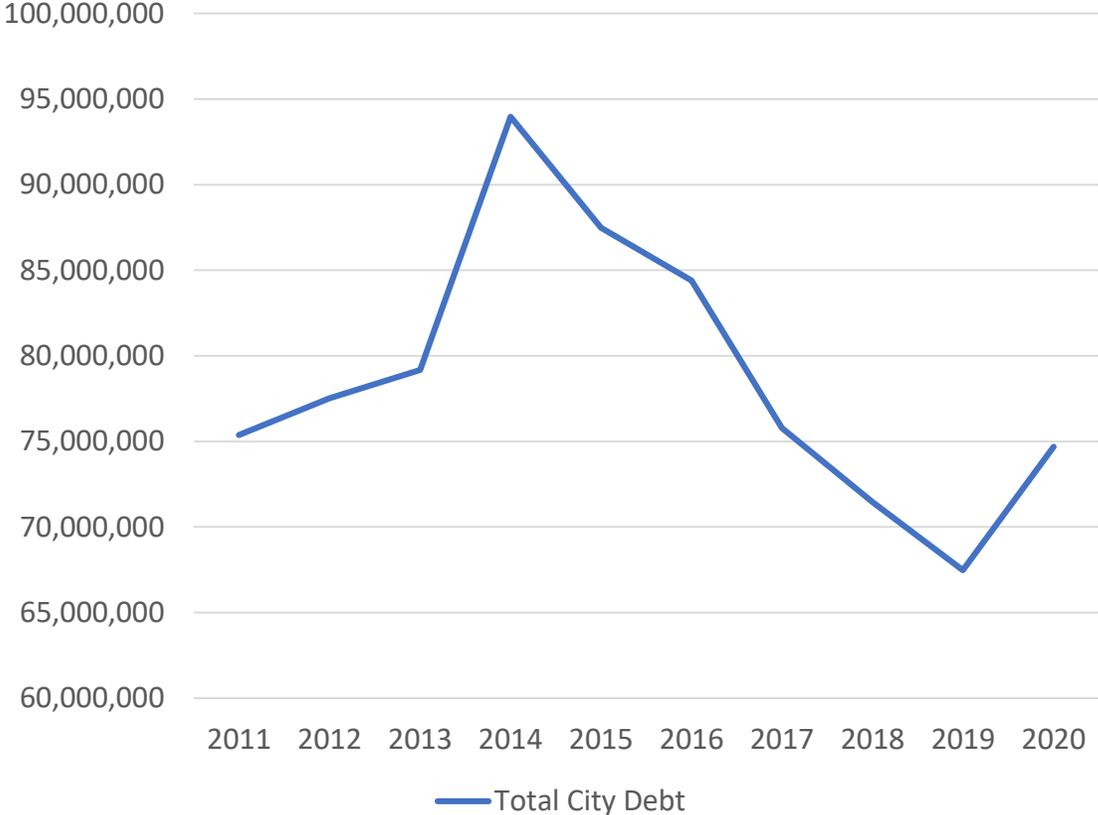
Comparable City Debt 2019

City Name	Total Debt	Government Fund Debt	Business Like Fund Debt
Albert Lea	22,122,469	20,533,700	1,588,769
Fairmont	40,257,000	13,370,000	26,887,000
Hutchinson	69,549,013	19,335,000	50,214,013
New Ulm	30,730,684	20,251,684	10,479,000
St. Peter	41,802,568	13,293,691	28,508,877
Willmar	118,307,136	54,547,232	63,759,904
Worthington	15,513,000	14,373,000	1,140,000
Marshall	67,473,864	29,458,608	38,015,256

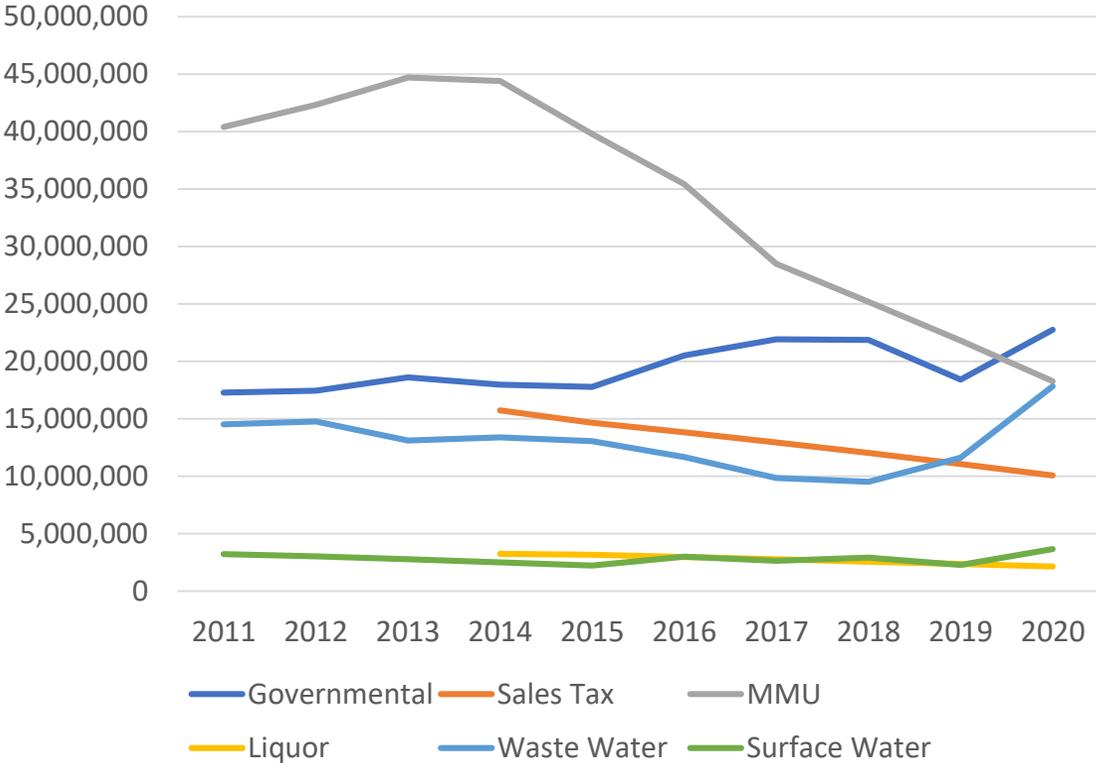
Current City Debt by Type
As of 12/31/2020



Historical Total City Debt



Historical Total City Debt By Fund



Long-Term Planning

- How does the Council define a “healthily” debt amount
- Planning future levy increase – what is realistic for staff to present
- Unified approach for future city finances
- Future Liquor Store Profits
- TIF payment from County