

Review of Fire Station No. 1 Program

PRELIMINARY

Outline for Meeting

- | <u>Topics to be Covered/Outcomes</u> | <u>Estimated Timeline</u> |
|--|---------------------------|
| • Overview of status of Fire Station Design Program | 5:30 – 5:45 |
| • Discussion from Council on Option 1 and Option 2 | 5:45 – 6:45 |
| • Council to determine identified option | 6:45 – 7:00 |
| • Council to review and discuss proposed funding scenarios | 7:00 – 8:00 |

Questions from Last Meeting

- **Question on 2 elements in estimate:**
 - Low voltage allowance for conduit data connection between buildings
 - Wood ceiling is for wood patio cover over outdoor patio
- **Question on By Owner elements:**
 - Those are costs that have been removed or would be funded through a future annual budget process i.e. generator fencing, dumpster, microwave
- **Question on operating expenses:**
 - There are no major operational costs associated with station, staffing and equipment are budgeted as needed through the annual budget process
- **Additional Cost to move to Mid site:**
 - The estimate to move south is app \$300,000 for earthwork and concrete
- **Drainage:**
 - Drainage will be handled with design – meeting to be held w/Domain residents to review drainage, landscaping

Construction Decision

- Council discussed 2 construction options and 2 site options
- Next Steps - Decision on construction option and site option

Construction Options

- North site w/hardened bunker
OR
 - North site w/hardened conference area
- Elements:**
- Uses access from Lakeridge
 - More cost effective
 - More site efficient



Construction Options

- Mid site w/hardened bunker
OR
- Mid site w/hardened conference
- Elements:
 - Uses access from Hwy 5
 - More expense
 - Less site efficient



**Cost Alternatives and Related
Debt Impacts**

Payment Alternatives and Related Debt Impacts

	<u>30-Yr</u>	<u>20-Yr</u>
• <u>Project Cost</u>	\$XX	\$XX
• Subtract:		
• Use of Town Reserve Fund Balance	\$XX	\$XX
• Use of CDC/EDC Reserve Fund Balance	\$XX	\$XX
• <u>Total Amount of Bond Issuance</u>	\$XX	\$XX
• Annual Debt Service of Bond Issuance	\$XX	\$XX
• Sources of Annual Debt Service Payments:		
• General and Utility Fund Adjustments	\$XX	\$XX
• CDC/EDC Funds	\$XX	\$XX
• Tax Increment Financing (TIF) Funds	\$XX	\$XX
• Goal: Bond issued and paid with NO Property Tax Increase		

Cost Alternatives and Debt Impacts

	<u>North site w/hardened bunker</u>	<u>North site w/hardened conference</u>	<u>Mid site w/hardened bunker</u>	<u>Mid site w/hardened conference</u>	Compare 20 Yr debt - high @ <u>4.18%</u>	Compare 20 Yr debt – low @ <u>4.18%</u>
Total Project Cost	\$8,500,000	\$8,700,000	\$8,800,000	\$9,000,000	\$9,000,000	\$8,500,000
Subtract:						
Use of CDC Reserve Fund Balance	-\$300,000	-\$300,000	-\$300,000	-\$300,000	-\$300,000	-\$300,000
Use of Town Reserve Fund Balance	-\$900,000	-\$900,000	-\$900,000	-\$900,000	-\$900,000	-\$900,000
Total Amount of Bond Issuance	\$7,300,000	\$7,500,000	\$7,600,000	\$7,800,000	\$7,800,000	\$7,300,000
Annual Debt Service of Bond Issuance - 30 year debt including iss. Costs @ effective interest rate of 4.5%	\$447,000	\$459,000	\$465,000	\$478,000	\$577,000	\$540,000

Cost Alternatives and Debt Impacts

	North site w/hardened <u>bunker</u>	North site w/hardened <u>conference</u>	Mid site w/hardened <u>bunker</u>	Mid site w/hardened <u>conference</u>	Compare 20 Yr debt - <u>high</u>	Compare 20 Yr debt <u>- low</u>
Annual Debt Service of Bond Issuance - 30 year debt including iss. Costs @ effective interest rate of 4.5%	\$447,000	\$459,000	\$465,000	\$478,000	\$577,000	\$540,000
Sources of Annual Debt Payments:						
CDC Funds	-\$100,000	-\$100,000	-\$100,000	-\$100,000	-\$100,000	-\$100,000
Tax Increment Financing (TIF) Funds	-\$75,000	-\$75,000	-\$75,000	-\$75,000	-\$75,000	-\$75,000
Remaining Debt Service Balance	\$272,000	\$284,000	\$290,000	\$303,000	\$402,000	\$365,000
General Fund Adjustments :						
Shift to Utility Fund	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000	-\$200,000
Deduction of Building Rental	-\$44,000	-\$44,000	-\$44,000	-\$44,000	-\$44,000	-\$44,000
Use of GF operating budget	\$28,000	\$40,000	\$46,000	\$59,000	\$158,000	\$121,000
OR						
Tax Increase (1 cent = app \$185,000)	\$0.0015	\$0.0022	\$0.0025	\$0.0032	\$0.0085	\$0.0065

Impacts to General Fund Reserves

\$9,437,332	Projected FY18-19 Expenses
\$4,354,739	Projected FY18-19 Fund Balance
\$2,359,333	Minimum Fund Balance 25% of annual expenditures established by policy
\$3,303,066	Recommended to maintain 35% working balance and to preserve bond rating
\$900,000	Proposed Use of Fund Balance
\$3,454,739	Fund Balance Remaining

Impacts to CDC Budget

\$795,000	Projected FY18-19 Revenues
\$742,841	Projected FY18-19 Expenses (including 380 payment)
\$1,202,827	Projected FY18-19 Fund Balance
\$300,000	Proposed Use of Fund Balance
\$902,827	Fund Balance Remaining

Impacts to CDC Operating Budget

\$100,000	Proposed Use of CDC Operating Funds
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Impacts to Tax Increment (TIF) Budget

\$269,500

Projected FY18-19 Revenues

\$0

Projected FY18-19 Expenses

\$451,740

Projected FY18-19 Fund Balance

History of TIF Fund:

\$44,387

FY 16-17 Revenues

\$137,853

FY17-18 Revenues

\$269,500

Projected FY18-19 Revenues

-\$75,000

Proposed Annual Use of TIF Funds for Debt Service

\$194,500

Annual Remaining Revenues at Current Levels

Impacts to Tax Increment (TIF) Budget

Planned growth within the TIF -

Wooded Creek

Apple Crossing

\$61,330,000

Anticipated New Residential Value

\$8,000,000

24 Hour, New Strip Center, Sleep Number, Racetrack

\$69,330,000

Total Anticipated New Value

\$194,500

Annual Revenues at Current Levels

\$118,255

Anticipated Planned Growth Revenue

\$312,755

Anticipated Annual TIF Revenue