

MINUTES
BRAHAM CITY COUNCIL
Special Meeting
Tuesday May 18, 2021
5:00 P.M.

Mayor Carlson called the meeting to order at 5:00 pm. Members present Seth Zeltinger and Robert Knowles. Ryan Davis and Vicky Ethen arrived a few minutes late.

Staff present: Administrator Angela Grafstrom

Also Present: Tyson Hyjacek of Moore Engineering, and Jason Murray of David Drown Associates

ACCEPTING THE AGENDA

Councilor Zeltinger motioned to accept the agenda as presented. Motion seconded by Councilor Knowles and carried unanimously.

Capital Financial Plan

Before reviewing the CFP plan, Jason Murray of David Drown Associates noted that since they were reviewing our existing debt for the financing of the 2nd Street Project and some sliplining of sewer pipes, they looked at the possibility of doing a refunding bond on 2013A, 2016, 2018B, and 2019B. In reviewing, all of these have more than 4 years left on the bonds and are at about 3%. He is looking at a percentage around 1.65%. If he can get it to work, the city would take out the refunding bond, including the 2nd Street Project for \$2.5 million which would save the City approximately \$100,000. He is still working on it and will try to have it put together for the June 1, 2021 meeting.

The Capital Financial Plan has 2 parts. The first part is a comparative analysis which compares the City of Braham to other cities of similar size and the second part is Impact/Future planning. In the comparative analysis, Braham's tax capacity was somewhere in the middle. Obviously the larger, wealthier cities had a larger capacity. Braham has tax capacity tied into TIF. Braham gets a little more LGA than some and a slightly lower tax levy, but again falls primarily in the middle of the comparable cities. The 2018 household income is slightly below the comparative average. When examining the City's debt per capita, Braham is in a very good position with the debt per capita being around \$2500. When looking at options, they like to see this below \$5000/per capita. When it gets higher, the loan risk becomes higher as well. Lower is better for interest rates, etc. The City's water rates are slightly higher than the group.

In the second part, the Impact/Future Planning portion they look at proposed/planned projects and shows the City how they are positioned moving forward. Murray said the City should consider how they want to use Special Assessments for larger projects. Murray spent a few moments with council showing them the way interest rates, available funds, etc. can affect taxes, water rates, and sewer rates. Councilor Zeltinger asked when Murray would be back. Murray explained he usually meets with City's once a year in the spring as they are beginning to work on the next year's budget, or he comes when a larger project arises.

Adjourn

There being no further business of the Braham City Council, **Councilor Davis moved to adjourn the special council meeting of May 18, 2021.** Motion seconded by Councilor Zeltinger and carried unanimously. Meeting adjourned at 6:51 pm.

Adjourn

There being no further business of the Braham City Council, **Councilor _____ moved to adjourn the council meeting of May 4, 2021.** Motion seconded by Councilor _____ and carried unanimously. Meeting adjourned at 6:59 pm. The next regular meeting of the City Council will be held on June 1, 2021 at 6 pm.