



PERSONNEL / BUDGET COMMITTEE MEETING STAFF REPORT

Meeting Date: January 13, 2025

Agenda Item: 2017A GO Tax Abatement (Enterprise Drive) Note Pay Off

Subject | Summary: This is the GO Tax Abatement Note for Enterprise Drive. The debt is paid with levy, small city aid, and Enterprise Drive Lot sales. The fund balance was sufficient enough that this bond was not included in the 2024 or 2025 levy. To align with our goal of providing a consistent tax rate, the recommendation is to pay this note effective 02/01/2025, which is three years earlier than the scheduled final bond payment.

Agenda Category:

Submitted By: Michele Peterson

Recommended Motion: Provide recommendation to the City Council to approve the pay off of 2017A GO Tax Abatement note effective February 1, 2025

Community Engagement and Outreach:

FISCAL IMPACT:

Amount: \$202,850.00

Ongoing Cost : \$0

One-Time Cost : \$202,850.00

Included in Current Budget?: No principal or interest payment was budgeted for 2025, as the discussions during budgeting sessions were to pay this off in 2024, however the bond pay off schedule allows for pay off annually on February 1st.

FISCAL DETAILS:

Fund Name(s) (Operations | Capital):

Account Code: 338 2017A - Principal - 338-47000-601 \$200,000
338 2017A - Interest - 338-47000-611 \$2,850

Background: No principal or interest payment was budgeted for 2025, as the discussions during budgeting sessions were to pay this off in 2024, however the bond pay off schedule allows for pay off annually on February 1st.

Current Debt Service Funds available = \$168,835 | Enterprise Drive Rebate Reserve Funds proposed \$34,015 (still leaves a Enterprise Drive Reserve Fund Balance of ~\$26,000)

Attachments:

[2017A GO Tax Abatement Note Pay Off.pdf](#)

[2024 1217 2017A Bond Pay Off Estimate for Feb 2025 Call.pdf](#)