



City Council Agenda

Monday, August 17, 2015

6:00 p.m.

City Council Chambers

(Times are Approximate – please note that items may be earlier or later than listed on the agenda)

- | | |
|-----------|--|
| 6:00 p.m. | 1. Roll Call
Voting & Seating Order: Willmus, Laliberte, Etten
McGehee, Roe |
| 6:02 p.m. | 2. Pledge of Allegiance |
| 6:04 p.m. | 3. Approve Agenda |
| 6:05 p.m. | 4. Public Comment |
| 6:10 p.m. | 5. Council Communications, Reports and Announcements |
| | 6. Recognitions, Donations and Communications |
| | 7. Approve Minutes |
| | 8. Approve Consent Agenda |
| | 9. Consider Items Removed from Consent |
| | 10. General Ordinances for Adoption |
| | 11. Presentations |
| 6:15 p.m. | a. Award the Sale of the City's 2015 TIF Bonds |
| 6:30 p.m. | b. Joint Meeting with Finance |
| | 12. Public Hearings |
| | 13. Budget Items |
| 7:15 p.m. | a. Review the 2016-2035 Capital Improvement Plan &
Funding Strategies |
| | 14. Business Items (Action Items) |
| | 15. Business Items – Presentations/Discussions |
| 8:00 p.m. | a. Fire Department Staffing Program Update & Discussion |
| 8:30 p.m. | b. Fairview Fire Station Discussion |
| 9:00 p.m. | c. Dale St. Development Update |
| 9:15 p.m. | d. Discuss Policy Priority Planning Document |
| 9:35 p.m. | 16. City Manager Future Agenda Review |

9:45 p.m. **17. Councilmember Initiated Items for Future Meetings**

10:00 p.m. **18. Adjourn**

Some Upcoming Public Meetings.....

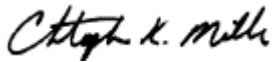
Tuesday	Aug 18	6:00 p.m.	Housing & Redevelopment Authority
Wednesday	Aug 19	6:00 p.m.	Human Rights Commission
Monday	Aug 24	6:00 p.m.	City Council Meeting
Tuesday	Aug 25	6:30 p.m.	Public Works, Environment & Transportation Commission
September			
Tuesday	Sep 1	5:30 p.m.	Parks & Recreation Commission Meeting & Tour
Wednesday	Sep 2	5:45 p.m.	Planning Commission
<i>Monday</i>	<i>Sep 7</i>		<i>City Offices Closed – Labor Day</i>
Tuesday	Sep 8	6:30 p.m.	Finance Commission
Thursday	Sep 10	6:30 p.m.	Community Engagement Commission

All meetings at Roseville City Hall, 2660 Civic Center Drive, Roseville, MN unless otherwise noted.

REQUEST FOR COUNCIL ACTION

Date: 08/17/15
Item No.: 11.a

Department Approval



City Manager Approval



Item Description: Award the Sale of the City's 2015 TIF Bonds

BACKGROUND

On July 20, 2015 the City Council established a date of sale of the City's 2015 Tax Increment Financing (TIF) Bonds. Bids on these bonds will be received on the morning of August 17, 2015, with an award taking place later that evening at the City Council meeting.

The purpose of the bonds is to provide financing for the eventual construction of Phase III of Twin Lakes Parkway, a signalized intersection at I35W and Cleveland, and other related improvements. A map detailing the proposed improvements is included in *Attachment B*. The bonds also create an on-going TIF District obligation which will allow the City to continue capturing increment for future economic development needs in Twin Lakes.

The closing (receipt) on the bond proceeds would take place on September 3, 2015.

The City's Bond Counsel Briggs & Morgan has drafted the attached resolution (*Attachment A*) awarding the sale of \$3,270,000 in TIF Bonds.

POLICY OBJECTIVE

Not applicable.

FINANCIAL IMPACTS

Not applicable.

STAFF RECOMMENDATION

The Council is asked to consider the attached resolution awarding the sale of the City's 2015 TIF Bonds.

REQUESTED COUNCIL ACTION

Motion to approve the attached resolution awarding the sale of the City's 2015 TIF Bonds.

Prepared by: Chris Miller, Finance Director
Attachments: A: Resolution Awarding the Sale of the City's 2015 TIF Bonds.
B: Map of Proposed Improvements

EXTRACT OF MINUTES OF A MEETING OF THE
CITY COUNCIL OF THE
CITY OF ROSEVILLE, MINNESOTA

HELD: August 17, 2015

Pursuant to due call and notice thereof, a regular or special meeting of the City Council of the City of Roseville, Ramsey County, Minnesota, was duly held at the City Hall on August 17, 2015, at 6:00 P.M., for the purpose, in part, of considering proposals and awarding the sale of \$3,270,000 General Obligation Tax Increment Revenue Bonds, Series 2015A.

The following members were present:

and the following were absent:

In accordance with the resolution adopted by the City Council on July 20, 2015, the Manager presented proposals on \$3,270,000 General Obligation Tax Increment Revenue Bonds, Series 2015A, which proposals were received and tabulated at 11:00 A.M., at the offices of Springsted Incorporated, on this same day:

Bidder

Interest Rate

Net Interest Cost

(See attached)

The Council then proceeded to consider and discuss the proposals, after which member _____ introduced the following resolution and moved its adoption:

RESOLUTION ACCEPTING PROPOSAL ON THE COMPETITIVE NEGOTIATED SALE OF \$3,270,000 GENERAL OBLIGATION TAX INCREMENT REVENUE BONDS, SERIES 2015A, AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, the City Council of the City of Roseville, Minnesota (the "City"), has heretofore established Municipal Development District No. 1 (the "Development District") pursuant to the provisions of Minnesota Statutes, Sections 469.124 through 469.133, and has approved a Development Program (the "Program") with respect to the Development District; and

B. WHEREAS, the Council has also heretofore established Tax Increment Financing District No. 17 as a redevelopment district within the Development District (the "Tax Increment District") under the provisions of Minnesota Statutes, Sections 469.174 through 469.179 and has approved a tax increment financing plan (the "Plan") with respect to the Tax Increment District; and

C. WHEREAS, pursuant to the provisions of the Program and Plan, funds are to be expended within the Development District to provide funds to finance certain capital and administration costs, consisting of public improvements within the Tax Increment District as set forth in the Plan (the "Project"); and

D. WHEREAS, the City Council has heretofore determined that it is necessary and expedient to issue \$3,270,000 General Obligation Tax Increment Revenue Bonds, Series 2015A (the "Bonds" or individually, a "Bond"), pursuant to Minnesota Statutes, Chapters 469 and 475, to finance the Project; and

E. WHEREAS, the City has retained Springsted Incorporated, in St. Paul, Minnesota ("Springsted"), as its independent financial advisor for the sale of the Bonds and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9) and proposals to purchase the Bonds have been solicited by Springsted; and

F. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Roseville, Minnesota, as follows:

1. Acceptance of Proposal. The proposal of _____ (the "Purchaser"), to purchase the Bonds in accordance with the terms established therefor and at the rates of interest hereinafter set forth, and to pay therefor the sum of \$_____, plus interest accrued to settlement, is hereby accepted and the Bonds are hereby awarded to the Purchaser. The Manager is directed to retain the deposit of the Purchaser and to forthwith return to the unsuccessful bidders their good faith checks or drafts.

2. Bond Terms.

(a) Title; Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated September 3, 2015, as the date of original issue and shall be issued forthwith on or after such date in fully registered form. The Bonds shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations"). The Bonds shall mature on March 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2017	\$	2025	\$
2018		2026	
2019		2027	
2020		2028	
2021		2029	
2022		2030	
2023		2031	
2024		2032	

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the foregoing principal repayment schedule and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the City nor the Bond Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting

the immediately preceding sentence, neither the City, nor the Bond Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Bond Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Bond Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to the Holder or the Holders of the Bonds as shown on the bond register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Bond Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Bond Registrar may establish a special record date for such consent or other action. The City or the Bond Registrar shall, to the extent possible, give the Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Bond Registrar in its written acceptance of its duties under this Resolution and any paying agency/bond registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bond if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bond that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10.

(d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and if and to the extent any

such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose. The Bonds shall provide funds to finance the Project. Pursuant to the Plan, tax increments derived from the Tax Increment District (the "Tax Increments") established pursuant to the Plan, have been pledged to the payment of the Bonds and interest thereon. The estimated collection of Tax Increments exceeds twenty percent of the cost of the Project. The total cost of the Project, which shall include all costs enumerated in Minnesota Statutes, Section 475.65, is estimated to be at least equal to the amount of the Bonds. Proceeds of the Bonds shall be expended on costs or uses permitted by Minnesota Statutes, Sections 469.174 through 469.179, including particularly Section 469.176, Subdivision 4, and shall not be expended on any costs or devoted to any other uses.

4. Interest. The Bonds shall bear interest payable semiannually on March 1 and September 1 of each year (each, an "Interest Payment Date"), commencing September 1, 2016, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2017		2025	
2018		2026	
2019		2027	
2020		2028	
2021		2029	
2022		2030	
2023		2031	
2024		2032	

5. Redemption. Bonds maturing on March 1, 2025, and thereafter shall be subject to redemption and prepayment at the option of the City on March 1, 2024 and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date and interest thereon shall cease to accrue from and after the redemption date. Notice of redemption shall be given by registered or certified mail at least thirty days prior to the date fixed for redemption to the paying agent and to each affected registered holder of the Bonds at the address shown on the registration books.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for

each number, shall equal the principal amount of the Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the City and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. The Finance Director of the City is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
RAMSEY COUNTY
CITY OF ROSEVILLE

R-_____

\$_____

GENERAL OBLIGATION TAX INCREMENT BOND, SERIES 2015A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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%

March 1, _____

September 3, 2015

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Roseville, Ramsey County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on March 1 and September 1 of each year (each, an "Interest Payment Date"), commencing September 1, 2016, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the office of Finance Director, City of Roseville, Minnesota, in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month of such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Redemption. All Bonds of this issue (the "Bonds") maturing on March 1, 2025 and thereafter are subject to redemption and prepayment at the option of the Issuer on March 1, 2024, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Notice of redemption shall be given by registered or certified mail at least thirty days prior to the date fixed for redemption to the paying agent and to each affected registered holder of the Bonds at the address shown on the registration books.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of the Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$3,270,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on August 17, 2015 (the "Resolution"), for the purpose of providing funds to finance certain capital and administration costs consisting of public improvements within Municipal Development District No. 1 and Tax Increment Financing District No. 17 of the Issuer. This Bond is payable out of the General Obligation Tax Increment Revenue Bonds, Series 2015A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the

principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

Qualified Tax-Exempt Obligation. This Bond has been designated by the Issuer as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of Roseville, Ramsey County, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of its Mayor and its Manager, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: FINANCE DIRECTOR, CITY OF
ROSEVILLE, MINNESOTA

Payable at: OFFICE OF FINANCE DIRECTOR
CITY OF ROSEVILLE, MINNESOTA

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

This Bond is one of the
Bonds described in the
Resolution mentioned
within.

CITY OF ROSEVILLE
RAMSEY COUNTY, MINNESOTA

Finance Director
Roseville, Minnesota
Bond Registrar

/s/ Facsimile
Mayor

/s/ Facsimile
Manager

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - _____ as custodian for _____

(Cust)

(Minor)

under the Uniform Transfers to Minors Act

(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the Bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Notice:

The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges or any other "Eligible Guarantor Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners if the Bond is held by joint account.)

PREPAYMENT SCHEDULE

This Bond has been prepaid in part on the date(s) and in the amount(s) as follows:

[illegible]

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Manger and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on the Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided, the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue, which date is September 3, 2015. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the Holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly canceled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the Holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates. The Manager is hereby authorized to negotiate and execute the terms of said agreement.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the fifteenth day of the calendar month of such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Manager to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby created a special fund to be designated the "General Obligation Tax Increment Revenue Bonds, Series 2015A Fund" (the "Fund") to be administered and maintained by the Manager as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be

maintained in the manner herein specified until all of the Bonds and any other General Obligation Tax Increment Revenue Bonds hereafter made payable from the Fund and issued for the Project, including any modifications or additions thereto, and the interest thereon have been fully paid. There shall be maintained in the Fund the following separate accounts to be designated the "Construction Account" and "Debt Service Account", respectively.

(a) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Bonds, and less any amount paid for the Bonds in excess of the minimum bid. From the Construction Account there shall be paid all costs and expenses of the Project, including the cost of any construction contracts heretofore let and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65. Moneys in the Construction Account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of the taxes herein levied or the receipt of Tax Increments.

(b) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) Tax Increments, in an amount sufficient, together with other sums herein pledged, to pay the annual principal and interest payments on the Bonds; (ii) any amount paid for the Bonds in excess of the minimum bid; (iii) any collections of all taxes herein or hereafter levied for the payment of the Bonds and interest thereon; (vi) all funds remaining in the Construction Account after completion of the Project and payment of the costs thereof; (vii) all investment earnings on funds held in the Debt Service Account; and (viii) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Construction Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then-applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Original Net Tax Capacity; Tax Increments; Use of Tax Increments. The County Auditor of Ramsey County has certified the original net tax capacity of property in the Tax Increment District. The County Auditor shall determine in each year if the then current net tax capacity of property in the Tax Increment District exceeds the original net tax capacity, and shall calculate, in the manner provided in Minnesota Statutes, Section 469.177, Subdivision 3, the captured net tax capacity (as defined therein) attributable to the Tax Increment District. The City hereby determines to retain 100% of the captured tax capacity for purposes of tax increment financing. The County Auditor shall, in each such year, compute the local tax rate to be extended against the captured net tax capacity in the manner provided in Minnesota Statutes, Section 469.177, Subdivision 3, and the tax generated thereby shall constitute the Tax Increments for the year in which it is received. The County Auditor will remit to the City the Tax Increments so received. The City hereby appropriates the Tax Increments to the Debt Service Account, which appropriation shall continue until all of the Bonds and any additional bonds payable from the Debt Service Account, are paid or discharged.

17. Reservation of Rights. Notwithstanding any provisions herein to the contrary, the City reserves the right to terminate, reduce, or apply to other lawful purposes the Tax Increments herein pledged to the payment of the Bonds and interest thereon to the extent and in the manner permitted by law.

18. Coverage Test. The Tax Increments are such that if collected in full they, together with estimated collections of other revenues herein pledged for the payment of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds.

19. Future Tax Levies. In the event that it is anticipated that the aggregate of Tax Increments and any other funds appropriated to and then held in the Debt Service Account and the estimated collections of Tax Increments to be received in the next succeeding year will not be sufficient to pay the principal and interest on the Bonds to become due in the first calendar year thereafter and the first six months of the succeeding calendar year, the City Council shall pass a resolution requesting the County Auditor of Ramsey County to levy an ad valorem tax in an amount as is necessary, together with the aforementioned funds then held in the Tax Increment Debt Service Account and said estimated collections of Tax Increments to pay the principal and interest on the Bonds to become due during said period.

20. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or

hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

21. Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

- (a) Not later than 60 days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or Program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed 20% of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or 5% of the proceeds of the Bonds.
- (b) Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.
- (c) The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

- (d) Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within 30 days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

22. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

- (a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at www.emma.msrb.org in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

- (b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.

- (c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such occurrence.

- (d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Manager of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

23. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City shall be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency shall be promptly paid out of any other funds of the City which are available for such purpose, and such other funds may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein.

24. Certificate of Registration. The Manager is hereby directed to file a certified copy of this resolution with the County Auditor of Ramsey County, Minnesota, together with such other information as the County Auditor shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register and that the tax levy required by law has been made.

25. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

26. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to enter into any assessment agreements with respect to the Tax Increment District or enter into any tax increment shortfall agreements with respect to the Tax Increment District or to use the proceeds of the Bonds or to use the Project, or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

27. Tax-Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (i) requirements relating to temporary periods for investments, (ii) limitations on amounts invested at a yield greater than the yield on the Bonds, and (iii) the rebate of excess investment earnings to the United States, if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small-issuer exception amount of \$5,000,000. For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, the City hereby finds, determines and declares that:

- (a) the Bonds are issued by a governmental unit with general taxing powers;
- (b) no Bond is a private activity bond;
- (c) ninety-five percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); and
- (d) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities thereof, and all entities treated as one issuer with the City) during the calendar year in which the Bonds are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

28. Designation of Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City hereby makes the following factual statements and representations:

- (a) the Bonds are issued after August 7, 1986;
- (b) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (c) the City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;
- (d) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2015 will not exceed \$10,000,000; and
- (e) not more than \$10,000,000 of obligations issued by the City during this calendar year 2015 have been designated for purposes of Section 265(b)(3) of the Code.
- (f) The aggregate face amount of the Bonds does not exceed \$10,000,000.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

29. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

30. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA
COUNTY OF RAMSEY
CITY OF ROSEVILLE

I, the undersigned, being the duly qualified and acting Manager of the City of Roseville, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly held on the date therein indicated, insofar as the minutes relate to awarding the sale of \$3,270,000 General Obligation Tax Increment Revenue Bonds, Series 2015A.

WITNESS my hand on August 17, 2015.

Manager

STATE OF MINNESOTA

COUNTY AUDITOR'S CERTIFICATE

COUNTY OF RAMSEY

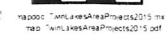
AS TO REGISTRATION

I, the undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, DO HEREBY CERTIFY that on the date hereof there was filed in my office a certified copy of a resolution adopted on August 17, 2015, by the City Council of the City of Roseville, Minnesota, authorizing the issuance of \$3,270,000 General Obligation Tax Increment Revenue Bonds, Series 2015A (the "Bonds"), and the Bonds have been entered in my Bond Register.

WITNESS my hand and the seal of the County on _____, 2015.

County Auditor

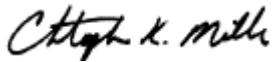
(SEAL)



REQUEST FOR COUNCIL ACTION

Date: 08/17/15
Item No.: 11.b

Department Approval



City Manager Approval



Item Description: Joint Meeting with the Finance Commission

BACKGROUND

Earlier this year, the City established a joint meeting between the City Council and Finance Commission to review the Commission's activities during the past year, to receive any Commission guidance or recommendations, and to discuss the Commission's Work Plan for the next 12 months. The Chair & Vice-Chair of the Finance Commission are Robin Schroeder and Justin Rohloff respectively.

In determining where to focus its efforts, the Commission began its work over a year ago by reviewing their duties and responsibilities as outlined in City Code Chapter 207. The Council may recall that the prescribed duties were quite broad and diverse and included: reviewing policies associated with budgeting and financial planning, developing funding strategies, and recommending budgetary goals including those associated with enterprise funds.

With this in mind, the Finance Commission performed the following activities during the past year:

- ☐ Discussed alternative budget and financial reporting formats
- ☐ Assessed the value in establishing a peer group(s) for financial or operational comparisons
- ☐ Considered the merits of improved citizen engagement in the budget process
- ☐ Reviewed the 2014 Community Survey
- ☐ Briefly considered the 2015 Budget & tax levy
- ☐ Reviewed City financial policies & recommended revised Cash Reserve Policy
- ☐ Discussed and reviewed the financial activities of the Golf Course and OVAL and recommended that the City conduct an analysis of their long-term financial viability
- ☐ Evaluated the 20-Year Capital Improvement Plan (CIP) & recommended long-term funding strategies
- ☐ Reviewed the 2016 City Manager Recommended Budget
- ☐ Evaluated the Water & Sewer rate structure

There were a number of other discussions throughout the year, including several that were tabled for further consideration at a later date.

In recent months, the Commission has been focusing on financial policies, the CIP, and the Water & Sewer rate structure for the purposes of offering the Council some guidance on future decision making. The Commission submits the following guidance/recommendations for Council consideration:

- ☐ Revised financial policies excluding Cash Reserve Policy (*Attachment A*)
- ☐ CIP Funding Strategies (*Attachment B*)
- ☐ Park Dedication (*Attachment C*)
- ☐ Water & Sewer rates (*Attachment D*)

Commission members will be in attendance to address these recommendations.

The Finance Commission also has a number of potential Work Plan items that are tentatively scheduled for discussion in the coming months. They include, but are not limited to:

- ☐ Review Police Forfeiture Fund utilization
- ☐ Continue annual reviews of the budget, CIP, and water & sewer rates

The Commission is open to any other work direction the Council may want to suggest.

POLICY OBJECTIVE

Not applicable.

FINANCIAL IMPACTS

Not applicable.

STAFF RECOMMENDATION

Not applicable.

REQUESTED COUNCIL ACTION

For information purposes only. No formal Council action is required.

Prepared by: Chris Miller, Finance Director
Attachments: A: Finance Commission Recommended Financial Policies
B: Finance Commission Recommended CIP Funding Strategies
C: Finance Commission Recommended Use of Park Dedication Funds
D: Finance Commission Recommendations on Water & Sewer rate structure

Debt Policy

Purpose

- ❖ To define the role of debt in the City's total financial strategy so as to avoid using debt in a manner that weakens the City's overall financial condition.
- ❖ To establish limits on the amount of City debt which will allow for manageable debt service costs.
- ❖ To maintain the best possible Moody's and Standard and Poor's credit rating

Policy

- ❖ The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. The City shall not use debt for the purchase of vehicles and other rolling stock
- ❖ When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project
- ❖ The City will try to keep the average maturity of general obligation bonds at or below ten years
- ❖ As published in the Annual Budget document, the City will strive to keep the direct debt per capita and direct debt as a percent of estimated market value at or below the median set out by the credit rating agencies
- ❖ Total general obligation debt shall not exceed two percent of the market value of taxable property as required by State law
- ❖ The City shall not use debt for current operations
- ❖ The City will maintain good communications about its financial condition with credit rating agencies
- ❖ The City will follow a policy of full disclosure on every financial report and bond prospectus
- ❖ Refinancing or bond refunding will only be undertaken when there is significant economic advantage to the City, and when it does not conflict with other fiscal or credit policies
- ❖ The maintenance of the best possible credit rating shall be a major factor in all financial decisions. For the purposes of issuing debt, bond rating categories shall be used as a means of assessing the City's financial condition.

Implementation

The debt management section of this approved Budget and Capital Improvement Program demonstrate compliance toward achieving the city's debt policy.

Operating Budget Policy

Purpose

The purpose of the City's Operating Budget Policy is to ensure that the City's annual operating expenditures are based on a stable stream of revenues. The policies are designed to encourage a long-term perspective to avoid pursuing short-term benefits at the expense of future impacts. The intent of this policy is to enable a sustainable level of services, expenditures, ~~and~~ property tax levies, and other revenue sources including fee revenue.

Scope

This policy applies most critically to those programs funded through the property tax, as fluctuations in this revenue source can have substantial impacts.

Policy

- ❖ The City will pay for all current expenditures with current revenues. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses. Specifically, accruing future year's revenues shall be prohibited. Practices to be avoided include postponing expenditures, rolling over short-term debt, and drawing down reserves beyond targeted levels ~~using reserves to~~ balance the operating budget.
- ❖ The operating budget will provide for adequate maintenance and periodic replacement of capital ~~plant and equipment, and for their orderly replacement.~~
- ❖ A proportionate share of the administrative and general government costs incurred by the general operating fund of the City shall be borne by all funds as is practicable. Such administrative charges shall be predetermined and budgeted annually
- ❖ New programs or proposals shall be reviewed in detail by City staff and both a policy and fiscal analysis shall be prepared prior to budgetary inclusion, and provided to the City Council for review
- ❖ A request for a program or service expansion or reduction must be supported by an analysis of public policy implications of the change
- ❖ A request for new personnel must be supported by an analysis demonstrating the need for the position based on workload measures, comparative staffing levels, and City and department priorities
- ❖ A request for purchase of new (additional) capital equipment must be supported by an analysis demonstrating that the value of the benefits of the equipment is greater than the cost of the equipment over its expected life
- ❖ As specified under City Code section 103.05 all general purchases and/or contracts in excess of \$5,000 must be separately approved by the Council

In recognition of industry-recommended budgeting practices, the City has established the following budget controls:

- ❖ The City will maintain a budgetary control system to ensure adherence to the budget
- ❖ The Finance Department will prepare regular reports comparing actual expenditures to budgeted amounts as part of the budgetary control system. These reports shall be distributed to the City Council on a periodic basis.
- ❖ Department heads shall be primarily responsible for maintaining expenditures within approved budget guidelines that are consistent with approved financial policies

Implementation

The budget as approved meets the above criteria and as a result, the above policies are considered to be implemented

Revenue Policy

Purpose

- ❖ To provide a diversified and strong set of revenues to ensure a stable revenue system for City programs and services
- ❖ To match revenues with similar uses to ensure adequate funding for the various City services and programs over the long-term

Policy

- ❖ The City will try to maintain a diversified and stable revenue system and to shelter it from short run fluctuations in any one revenue source
- ❖ Absent any outside legal restrictions, all Federal, State, County, or other governmental financial aids, should be formally designated, by resolution, towards a specific program or service. General purpose aids shall only be used for capital or non-recurring expenditures and not for on-going operations.
- ❖ Each year the City will recalculate the full costs of activities supported by user fees, to identify the impact of inflation and other cost changes ~~increases~~, and will set those fees as appropriate. Fees will be established and adopted annually on the Fee Schedule.
- ❖ The City will set fees and user charges for each enterprise fund, such as water and sewer, at a level that fully supports the total direct and indirect cost of the activity. Indirect costs include the estimated replacement cost of ~~annual straight life depreciation~~ of capital assets and each fund's share of the administrative and general government costs incurred by the general operating fund
- ❖ Absent public policy reasons to the contrary, the City will set fees and user charges for non-enterprise funds, at a level that fully supports the total direct and indirect cost of the activity. Indirect costs include the cost of annual straight life depreciation of capital assets

Implementation

The Budget accurately allocates the revenues and expenditures of City programs and services.

Accounting & Auditing Policy

Purpose

To ensure accurate and consistent accounting practices that conform to generally accepted accounting principles to ensure public confidence in and ensure the integrity of the City's financial system.

Policy

- ❖ The City will establish and maintain a high standard of accounting practices.
- ❖ The Accounting system will maintain records on a basis consistent with accepted standards for local government accounting as established by State law and GAAFR.
- ❖ Regular ~~monthly and~~ annual financial reports will present a summary of financial activity by major types of funds.
- ❖ As needed ~~Where possible~~, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.
- ❖ An Independent public accounting firm shall be engaged to perform an annual audit of all accounts, funds, and activities, and will publicly issue a financial opinion.
- ❖ Independent accounting firms shall be engaged for a period of not more than three years, selected through an open request for proposal process, and shall ~~not~~ be allowed to renew the City's account for up to more than three additional years.

Implementation

The City has earned the GFOA Excellence in Financial Reporting award each year since 1979.

Investment Policy

Purpose

The purpose of the Investment Policy is to ensure the most efficient use of the City's idle funds, and to ensure the best return on these funds while making only those investments allowed by law.

Policy

- ❖ The City will make a cash flow analysis of all funds on a regular basis. Disbursement, collection, and deposit of all funds will be scheduled to ensure maximum cash availability.
- ❖ When permitted by law, the City will pool cash from several different funds for investment purposes.
- ❖ The City will invest 99 percent of its idle cash on a continual basis.
- ❖ The City will obtain the best possible return on all cash investments. Such investments will only be those legally permissible under Minnesota law.
- ❖ The accounting system will provide regular information concerning cash position and investment performance.
- ❖ The City will make arrangements for banking services on a contractual basis for a specified period of three years, with specified fees for each service rendered.
- ❖ The City includes interest earnings and investment summaries as part of the Comprehensive Annual Financial Report (CAFR).

Implementation

See Investment and Portfolio procedures.

Investment and Portfolio Procedures

Scope

These investment and portfolio procedures apply to the activities of the City with regard to investing the financial assets of all funds, including the following:

- ❖ General Fund
- ❖ Special Revenue Funds
- ❖ Capital Project Funds
- ❖ Debt Service Funds
- ❖ Special Service Funds
- ❖ Internal Service Funds
- ❖ Trust and Agency Funds

Objectives

Funds of the City will be invested in accordance with Minnesota Statutes, Council-approved fiscal policies and these administrative procedures. The City's investment portfolio shall be managed in a manner to attain a market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio.

The market rate of return shall be to the same rate as the target portfolio. Investments shall be made based on statutory and policy constraints. Funds held for future capital projects (i.e. bond proceeds) shall be invested to produce enough income to offset increases in construction costs due to inflation. Where possible, prepayment funds for long-term debt service shall be invested to ensure a rate of return at least equal to the interest being paid on the bonds.

Delegation of Authority

The Finance Director is designated as investment officer of the City and is responsible for investment decisions and activities, under the direction of the City Manager.

Prudence

The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule. This rule states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

Monitoring and Adjusting the Portfolio

The investment officer will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments and will adjust the portfolio accordingly.

Internal Controls

The Finance Director shall establish a system of internal controls, which shall be reviewed annually by an independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. Investments shall be done on a pooled funds basis with interest allocated on a cash balance method. Those internal controls shall consist of competitive bids on investments, and division of duties among the staff including:

- ❖ Investments made by the investment officer
- ❖ Records maintenance by a finance staff member other than the investment officer
- ❖ Review and reconciliation by the assistant finance director

Portfolio Management

Under the Council-adopted Fiscal Policies, it shall be the City's procedure to restrict investments to only Repurchase Agreements with national or state chartered banks, U.S. Treasury and U.S. Government Agencies, Guaranteed Investment Contracts, and Bankers Acceptances. All investments shall carry a minimum credit rating of 'AA'. An exception to these restrictions is permitted with regard to the investment of proceeds received from the 2011 and 2012 bonds due to extenuating economic circumstances and their effect on financial institutions. Repurchase Agreements associated with the bonds can be placed with any bank, bank holding company, savings and loan association, trust company or other financial institution including the trustee or any of its affiliates. The financial institution shall carry a credit rating of 'A' or better, and is required to pledge collateral from national or state chartered banks.

The procedures shall consist of yield curve analysis and implemented with the appropriate purchase of the above investments.

Maturity scheduling shall be within those investments and in a manner that will maximize yield and liquidity and minimize interest rate risk.

Competitive Selection of Investment Instruments

Before the City invests any surplus funds, a competitive "bid" process shall be conducted. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, bids will be requested for instruments that meet the maturity requirement. If no specific maturity is required, a market trend (yield curve) analysis will be conducted to determine which maturities would be most advantageous. Bids will be requested from financial institutions for various options with regards to term and instrument. The City will accept the bid that provides the highest rate of return within the maturity required and within the parameters of these procedures.

Bids for purchases through the treasury auctions are not required.

Records will be kept of the bids offered, the bids accepted and a brief explanation of the decision that was made regarding the investment.

Settlement

All settlements of investments shall be on a "Delivery vs. Payment" (DVP) basis. Physical delivery shall be avoided if at all possible, with book entry being the preferred method of safekeeping.

Safekeeping and Collateralization

All investment securities purchased by the City shall be held in third-party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information.

Reporting Requirements

The investment officer shall generate daily and monthly reports for management purposes. The annual investment report shall be completed on a time weighted basis and shall be included as

part of the Comprehensive Annual Financial Report to the City Council. The target portfolio shall be the U.S. Government Bond Yield Index for the comparable period.

Capital Improvement Policy

Purpose

~~The purpose of the City's Capital Improvement Policy is to ensure that capital expenditures are well planned and enable the city to replace capital items when needed, without requiring significant fluctuations in the property tax levy.~~

Scope

~~All departments and City funds are included in the 20-Year Capital Improvement Program (CIP). The CIP identifies the timing and financing of all capital items.~~

Policy

- ~~❖ All capital improvements shall be made in accordance with an adopted Capital Improvement Program~~
- ~~❖ The City will develop a 20-year Plan for capital improvements and update it no less than bi-annually~~
- ~~❖ The City will coordinate development of the capital improvement budget with development of the operating budget. Future operational costs associated with new capital improvements will be projected and included in operating budget forecasts~~
- ~~❖ The City will provide ongoing preventative maintenance and upkeep on all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs~~
- ~~❖ The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval~~
- ~~❖ The City will determine the least costly financing method for all new projects~~
- ~~❖ For future development or redevelopment proposals that require public infrastructure and/or public financing assistance and/or City support services; a fiscal analysis shall be prepared identifying the project sources and uses. The analysis should also demonstrate the costs and benefits of the project. The cost of this analysis shall be borne by the developer.~~

Implementation

~~The Capital Improvement Program has been updated to reflect capital expenditures through the next 20 years.~~

Capital Replacement Policy

Purpose

~~The Roseville City Council has set in place a stable funding mechanism for much of the city's infrastructure. The intent of the Council in having Replacement Policies is to provide for easing the burden on both present and future taxpayers and to assure the replacement of the city's infrastructure in a manner that is both fiscally and operationally prudent.~~

~~The primary purpose of this policy is to have specific resources set aside on a periodic basis, to create funding for the major equipment and infrastructure needs of the community, without encountering major tax increases for maintenance and replacement.~~

~~It is not the intent of the City Council to fund major new facilities, which have not had the original funding established either through tax increment, general taxes or other such sources. The replacement funds are expected to be only for replacement purposes. (See the Implementation section below)~~

Policy

- ~~❖ The City will establish departmental Vehicle Replacement Funds. The City will appropriate monies to them annually to provide for timely replacement of vehicles. The amount will be maintained at an amount equal to the accumulated depreciation including annual fund interest earnings to provide for vehicle replacement~~
- ~~❖ The City will establish a General Plant Replacement Fund to provide for non-vehicular equipment replacement; i.e., mowers, tools, etc. Funding should equal the amount of accumulated depreciation recorded on all general governmental equipment including annual fund interest earnings~~
- ~~❖ The City will establish a Building Replacement Fund, and will appropriate funds to it annually to provide for timely maintenance of all buildings and plants supported by general governmental funding. Maintenance includes major items such as roof repair and HVAC replacement.~~
- ~~❖ The City shall establish a Street Infrastructure Replacement Fund to provide for the general replacement of streets and related infrastructure throughout the community. The funding should equal the amount of accumulated depreciation recorded on all general governmental streets and related structures including annual fund interest earnings. The annual MSA capital allocation, will be included as part of the source of funds for computing the adequacy of this fund. This Fund has been formally categorized by the Council as a permanent fund, whereby only the interest proceeds are used each year for the stated purpose. The original principal amount remains intact~~
- ~~❖ The City shall establish a Park Improvement Fund to provide for the general replacement of parks and related infrastructure throughout the community. The funding~~

~~should equal the amount of accumulated depreciation recorded on all park system assets.~~

- ~~❖ Within each enterprise fund, the City shall establish a funding mechanism to provide for the general replacement of related infrastructure throughout the community. The funding should equal the amount of accumulated depreciation recorded on all enterprise fund system assets.~~
- ~~❖ From time to time the City Council shall establish additional replacement funds as the need and funding ability becomes available~~
- ~~❖ The City should periodically review and follow industry recommended replacement schedules for all City capital assets.~~

Implementation

~~The City shall use replacement funds to assist in the replacement of equipment, vehicles, and building maintenance. New equipment or buildings are to be funded from new dollars, unless they are designated to replace currently depreciated assets. Funds from the replacement funds may be used up to the amount available from depreciation of the replaced asset. Any additional funding shall be from new sources.~~

Capital Investment Policy (New)

The purpose of the City's Capital Investment Policy is to ensure future capital improvements, maintenance, and replacements are made when needed, in a manner which is both fiscally and operationally prudent. The goal of this policy is to provide a stable funding mechanism for the City's infrastructure by setting aside specific resources on a periodic basis. This will ease the burden on present and future taxpayers, without significant fluctuations in annual property tax levies.

It is not the intent of the City Council to fund major new facilities, which have not had the original funding established either through tax increment, general taxes, bonding or other such sources. The replacement funds and corresponding fund interest earnings are expected to be only for replacement purposes.

Scope

All departments and City funds are included in the 20-Year Capital Improvement Plan (CIP). The CIP identifies the timing and financing of all capital items.

Policy

- ❖ The City will develop a 20-year Plan for capital investments and update it no less than bi-annually.
- ❖ All call capital investments shall be made in accordance with an adopted Capital Improvement Plan
- ❖ All capital investments shall be made in accordance with an adopted Capital Improvement Plan.
- ❖ The City will coordinate development of the capital improvement budget with development of the operating budget. Future operational costs associated with new capital improvements will be projected and included in operating budget forecasts.
- ❖ The City will provide ongoing preventative maintenance and upkeep on all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The City should periodically review and follow industry-recommended replacement schedules for all City capital assets.
- ❖ The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval.
- ❖ The City will determine the least costly financing and acquisition method for all new projects.
- ❖ For future development or redevelopment proposals that require public infrastructure and/or public financing assistance and/or City support services, a fiscal analysis shall be prepared identifying the project sources and uses. The analysis should also demonstrate the costs and benefits of the project. The cost of this analysis shall be borne by the developer.

- ❖ The City will establish departmental Vehicle and Equipment Replacement Funds. The City will appropriate monies to them annually to provide for timely replacement of vehicles and equipment. The amount will be maintained at an amount equal to the proportion of useful life expired multiplied by estimated replacement cost.
- ❖ The City will establish a Building Capital Maintenance Fund, and will appropriate funds to it annually to provide for timely maintenance of all buildings supported by general governmental funding. Only maintenance which meets the capitalization threshold shall be paid for out of this fund. Maintenance includes major items such as roof repair and HVAC replacement.
- ❖ The City shall establish a Street Infrastructure Replacement Fund to provide for the general replacement of streets and related infrastructure throughout the community. The annual MSA capital allocation, will be included as a part of the source of funds for computing the adequacy of this fund. This fund has been formally categorized by the Council as a permanent fund, whereby the interest proceeds are only used for the stated purpose. The cash reserve amount should remain between \$8-12 million.
- ❖ The City shall establish a Park Capital Maintenance Fund to provide for the general replacement of parks and related infrastructure throughout the community. The funding should equal the proportion of useful life expired multiplied by estimated replacement cost for all park system assets.
- ❖ Within each enterprise fund, the City shall establish a funding mechanism to provide for the general replacement of related infrastructure throughout the community. The funding should equal the amount of accumulated depreciation recorded on all enterprise fund system assets.
- ❖ From time to time the City Council shall establish additional replacement funds as the need becomes apparent.
- ❖ The Finance Commission will annually oversee and report to the City Council a review and analysis of planned capital investments and related reserve balances. The purpose of such analysis will be to gauge the health and sustainability of City reserves related to capital investments for the short (1-3 year), medium (4-9 years), and long term (10+ years). It will also take into account related borrowing and repayment costs.

Definitions

Capital assets – Assets which cost \$5,000 or more and have a useful life of two or more years.

Capital Improvement Plan – A comprehensive 20 year outlook itemizing all capital assets and their replacement funding requirements. The plan will take into account useful asset lives and salvage values.

Replacement Cost– In today's dollars, the cost to replace the asset. If it is expected the retired asset will have a salvage value, the estimated salvage value should be deducted from the expected replacement cost.

Asset Life – The number of years which is the asset is in use, also known as the useful life of a capital asset.

Bonding – The amount of debt incurred to obtain capital assets.

Capital Asset Maintenance – Expenditures which protect the City's investment in capital assets and provide for ongoing upkeep.

Equipment – A tangible capital asset which does not qualify as a vehicle, building, street, or park asset. Examples are mowers, tools, etc.

MSA Capital Allocation – Municipal State Aid is money the City receives from the State to help pay for maintenance of MSA-designated streets. MSA streets are collector or arterial streets that interconnect to other cities or major thoroughfares.

Enterprise Fund – A separate accounting and financial reporting mechanism for municipal services for which is 100% fee supported. Examples are Water, Sewer, and Golf Course.

General Governmental Fund – A separate accounting and financial reporting mechanism for spending in which a property tax is generally levied. Examples are police, fire, streets, parks and recreation.

Enterprise Fund System Asset – Assets which support enterprise services such as water, sewer, and golf course.

Park System Asset – All assets within city parks excluding buildings. Examples would be trails, equipment, and courts.

Implementation

The City shall use replacement funds to assist in the replacement of equipment, vehicles, and capital building maintenance. New equipment or buildings are to be funded from new dollars, unless they are designated to replace currently owned assets. Funds may be used up to the

amount of the replacement funds set aside for that particular asset. Any additional funding shall be from new sources.

Current "Revised" Plan - Summary of Levy Levels - Pavement Mgmt, General Facilities, & PIP Capital Improvement Plans

Year	<u>Pavement Mgmt Program</u>		<u>General Facilities</u>		<u>Parks Improvement Program</u>		<u>TOTAL</u>	
	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy	Total Levy
2015	-	160,000	-	135,000	-	40,000	-	335,000
2016	150,000	310,000	50,000	185,000	160,000	200,000	360,000	695,000 *
2017	160,000	470,000	-	185,000	-	200,000	160,000	855,000
2018	160,000	630,000	335,000	520,000	-	200,000	495,000	1,350,000 **
2019	200,000	830,000	-	520,000	-	200,000	200,000	1,550,000
2020	-	830,000	-	520,000	650,000	850,000	650,000	2,200,000 ***
2021	-	830,000	-	520,000	-	850,000	-	2,200,000
2022	-	830,000	-	520,000	-	850,000	-	2,200,000
2023	-	830,000	-	520,000	-	850,000	-	2,200,000
2024	-	830,000	-	520,000	-	850,000	-	2,200,000
2025	-	830,000	-	520,000	-	850,000	-	2,200,000
2026	-	830,000	-	520,000	-	850,000	-	2,200,000
2027	-	830,000	-	520,000	-	850,000	-	2,200,000
2028	-	830,000	-	520,000	-	850,000	-	2,200,000
2029	-	830,000	-	520,000	-	850,000	-	2,200,000
2030	-	830,000	-	520,000	-	850,000	-	2,200,000
2031	-	830,000	-	520,000	-	850,000	-	2,200,000
2032	-	830,000	-	520,000	-	850,000	-	2,200,000
2033	-	830,000	-	520,000	-	850,000	-	2,200,000
2034	-	830,000	-	520,000	-	850,000	-	2,200,000
2035	-	830,000	-	520,000	-	850,000	-	2,200,000
2036	-	830,000	-	520,000	-	850,000	-	2,200,000

RESULTS:

20 year gap of (\$5.25M). Also eliminates Pavement Management Program Endowment fund.

Provides funding for 94.1% of \$88.9M in CIP expenditures

To fix, would need 2016 Levy Increase of \$263K in 2016 and keep for next 20 years to fully fund.

Then would need \$1.1M increase in 2037 to continue Pavement Management Program since Endowment would be depleted.

Finance Commission Supported Plan - Summary of Levy Levels - Pavement Mgmt, General Facilities, & PIP Capital Improvement Plans

Year	<u>Pavement Mgmt Program</u>		<u>General Facilities</u>		<u>Parks Improvement Program</u>		<u>TOTAL</u>	
	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^
2015	-	160,000	-	135,000	-	40,000	-	335,000
2016	150,000	310,000	50,000	185,000	160,000	200,000	360,000	695,000 *
2017	160,000	470,000	-	185,000	50,000	250,000	210,000	905,000
2018	160,000	630,000	335,000	520,000	50,000	300,000	545,000	1,450,000 **
2019	200,000	830,000	-	520,000	50,000	350,000	250,000	1,700,000
2020	110,000	940,000	-	520,000	650,000	1,000,000	760,000	2,460,000 ***
2021	110,000	1,050,000	-	520,000	50,000	1,050,000	160,000	2,620,000
2022	110,000	1,160,000	-	520,000	-	1,050,000	110,000	2,730,000
2023	23,200	1,183,200	-	520,000	-	1,050,000	23,200	2,753,200
2024	23,664	1,206,864	-	520,000	-	1,050,000	23,664	2,776,864
2025	24,137	1,231,001	-	520,000	-	1,050,000	24,137	2,801,001
2026	24,620	1,255,621	-	520,000	-	1,050,000	24,620	2,825,621
2027	25,112	1,280,734	-	520,000	-	1,050,000	25,112	2,850,734
2028	25,615	1,306,348	-	520,000	-	1,050,000	25,615	2,876,348
2029	26,127	1,332,475	-	520,000	-	1,050,000	26,127	2,902,475
2030	26,650	1,359,125	-	520,000	-	1,050,000	26,650	2,929,125
2031	27,182	1,386,307	-	520,000	-	1,050,000	27,182	2,956,307
2032	27,726	1,414,034	-	520,000	-	1,050,000	27,726	2,984,034
2033	28,281	1,442,314	-	520,000	-	1,050,000	28,281	3,012,314
2034	28,846	1,471,160	-	520,000	-	1,050,000	28,846	3,041,160
2035	29,423	1,500,584	-	520,000	-	1,050,000	29,423	3,070,584
2036	30,012	1,530,595	-	520,000	-	1,050,000	30,012	3,100,595

RESULTS:

No funding gap. Also preserves Pavement Management Program Endowment fund at \$10M into perpetuity.

Provides funding for 100% of 85.9M in CIP expenditures

By preserving PMP Endowment, we are able to reduce levy by \$300K annually into perpetuity

* 2015 Pavement Mgmt Program \$150K Levy increase was levy repurpose

** 2018 General Facilities \$335K Levy increase was levy repurpose

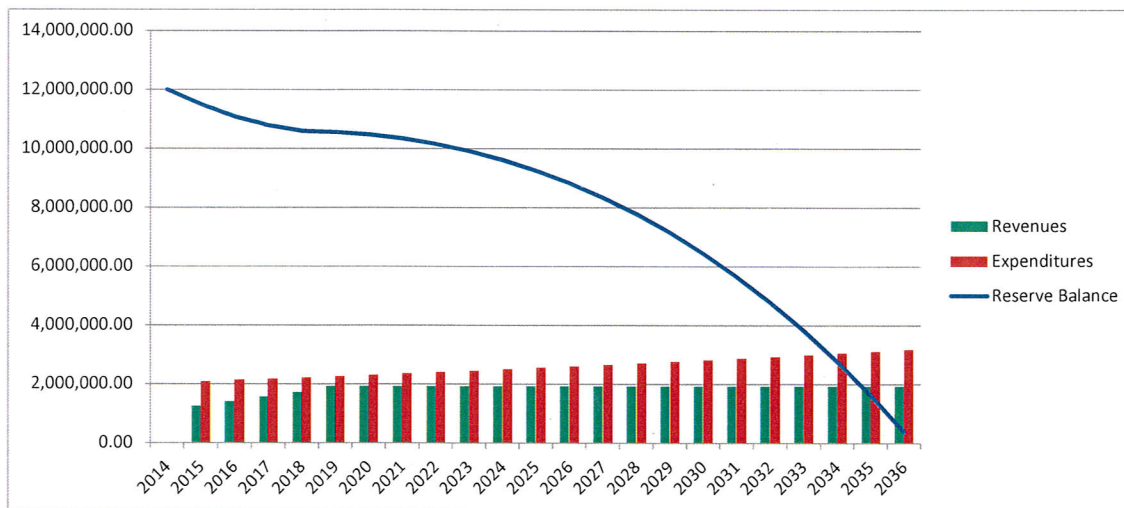
*** 2020 Parks Improvement Program \$650K Levy increase was levy repurpose

^ Dedicated Revenue Stream Needed, including levy and other sources

Pavement Management Program

Scenario 1 - Short-term levy increases with 3% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	334,800.00	11,494,800.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	322,884.00	11,085,684.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	314,125.32	10,784,969.32	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	308,592.98	10,595,025.50	28.3%
2019	200,000.00	830,000.00	1,930,000.00	2,273,107.54	343,107.54	307,557.54	10,559,475.50	36.5%
2020		830,000.00	1,930,000.00	2,318,569.69	388,569.69	305,127.17	10,476,032.99	35.8%
2021		830,000.00	1,930,000.00	2,364,941.08	434,941.08	301,232.76	10,342,324.66	35.1%
2022		830,000.00	1,930,000.00	2,412,239.90	482,239.90	295,802.54	10,155,887.30	34.4%
2023		830,000.00	1,930,000.00	2,460,484.70	530,484.70	288,762.08	9,914,164.68	33.7%
2024		830,000.00	1,930,000.00	2,509,694.39	579,694.39	280,034.11	9,614,504.40	33.1%
2025		830,000.00	1,930,000.00	2,559,888.28	629,888.28	269,538.48	9,254,154.60	32.4%
2026		830,000.00	1,930,000.00	2,611,086.05	681,086.05	257,192.06	8,830,260.61	31.8%
2027		830,000.00	1,930,000.00	2,663,307.77	733,307.77	242,908.59	8,339,861.42	31.2%
2028		830,000.00	1,930,000.00	2,716,573.92	786,573.92	226,598.62	7,779,886.12	30.6%
2029		830,000.00	1,930,000.00	2,770,905.40	840,905.40	208,169.42	7,147,150.14	30.0%
2030		830,000.00	1,930,000.00	2,826,323.51	896,323.51	187,524.80	6,438,351.43	29.4%
2031		830,000.00	1,930,000.00	2,882,849.98	952,849.98	164,565.04	5,650,066.49	28.8%
2032		830,000.00	1,930,000.00	2,940,506.98	1,010,506.98	139,186.79	4,778,746.30	28.2%
2033		830,000.00	1,930,000.00	2,999,317.12	1,069,317.12	111,282.88	3,820,712.05	27.7%
2034		830,000.00	1,930,000.00	3,059,303.46	1,129,303.46	80,742.26	2,772,150.85	27.1%
2035		830,000.00	1,930,000.00	3,120,489.53	1,190,489.53	47,449.84	1,629,111.16	26.6%
2036		830,000.00	1,930,000.00	3,182,899.32	1,252,899.32	11,286.36	387,498.19	26.1%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 3%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

Results: Will need a 1,252,899.32 levy increase plus inflation starting in 2037 to continue Pavement Mgmt Program

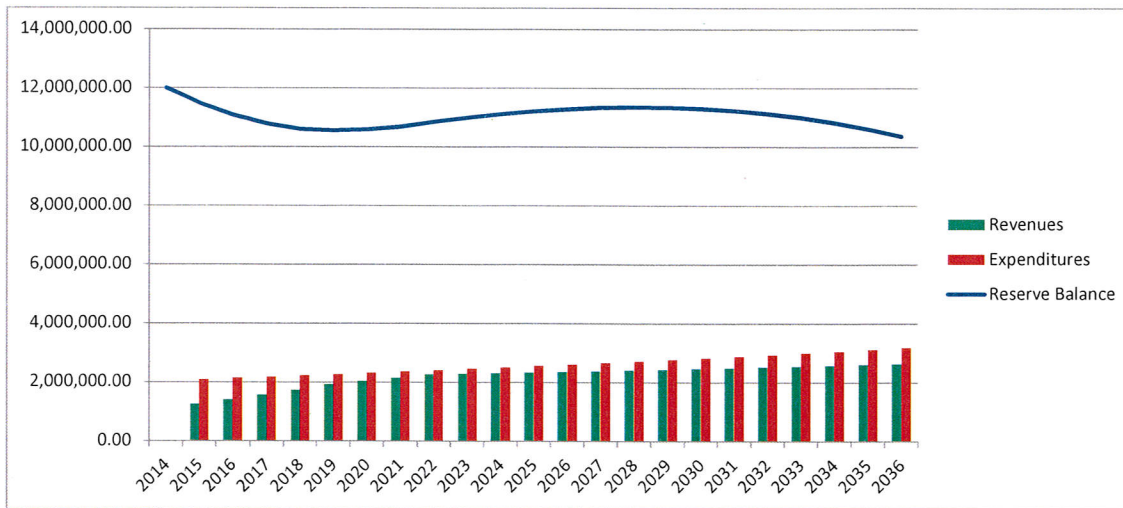
No endowment remaining, loss of interest earnings of \$335K annually

22 year interest earnings of: 5,005,363.62

Pavement Management Program

Scenario 7 - Preservation of \$10M endowment with 3% interest

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	334,800.00	11,494,800.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	322,884.00	11,085,684.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	314,125.32	10,784,969.32	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	308,592.98	10,595,025.50	28.3%
2019	200,000.00	830,000.00	1,930,000.00	2,273,107.54	343,107.54	307,557.54	10,559,475.50	36.5%
2020	110,000.00	940,000.00	2,040,000.00	2,318,569.69	278,569.69	308,427.17	10,589,332.99	40.5%
2021	110,000.00	1,050,000.00	2,150,000.00	2,364,941.08	214,941.08	311,231.76	10,685,623.66	44.4%
2022	110,000.00	1,160,000.00	2,260,000.00	2,412,239.90	152,239.90	316,001.51	10,849,385.27	48.1%
2023	23,200.00	1,183,200.00	2,283,200.00	2,460,484.70	177,284.70	320,163.02	10,992,263.59	48.1%
2024	23,664.00	1,206,864.00	2,306,864.00	2,509,694.39	202,830.39	323,683.00	11,113,116.19	48.1%
2025	24,137.28	1,231,001.28	2,331,001.28	2,559,888.28	228,887.00	326,526.88	11,210,756.07	48.1%
2026	24,620.03	1,255,621.31	2,355,621.31	2,611,086.05	255,464.74	328,658.74	11,283,950.06	48.1%
2027	25,112.43	1,280,733.73	2,380,733.73	2,663,307.77	282,574.04	330,041.28	11,331,417.31	48.1%
2028	25,614.67	1,306,348.41	2,406,348.41	2,716,573.92	310,225.52	330,635.75	11,351,827.54	48.1%
2029	26,126.97	1,332,475.37	2,432,475.37	2,770,905.40	338,430.03	330,401.93	11,343,799.44	48.1%
2030	26,649.51	1,359,124.88	2,459,124.88	2,826,323.51	367,198.63	329,298.02	11,305,898.84	48.1%
2031	27,182.50	1,386,307.38	2,486,307.38	2,882,849.98	396,542.60	327,280.69	11,236,636.92	48.1%
2032	27,726.15	1,414,033.53	2,514,033.53	2,940,506.98	426,473.45	324,304.90	11,134,468.37	48.1%
2033	28,280.67	1,442,314.20	2,542,314.20	2,999,317.12	457,002.92	320,323.96	10,997,789.42	48.1%
2034	28,846.28	1,471,160.48	2,571,160.48	3,059,303.46	488,142.98	315,289.39	10,824,935.83	48.1%
2035	29,423.21	1,500,583.69	2,600,583.69	3,120,489.53	519,905.84	309,150.90	10,614,180.89	48.1%
2036	30,011.67	1,530,595.37	2,630,595.37	3,182,899.32	552,303.96	301,856.31	10,363,733.24	48.1%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 3%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

Results:

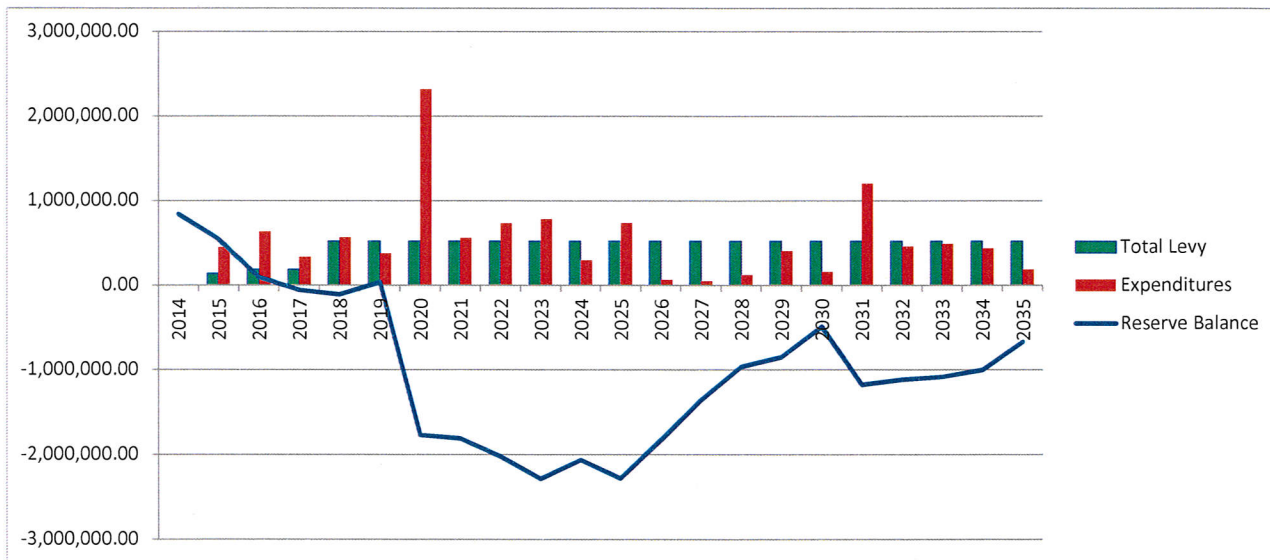
22 year interest earnings of: 7,041,235.05

Interest earnings of \$300K every year into perpetuity

General Facilities CIP

Scenario 1 - Current "Revised" Plan

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	-	185,000.00	337,700.00	92,701.03		(59,998.97)	54.8%
2018	335,000.00	520,000.00	569,000.00			(108,998.97)	91.4%
2019	-	520,000.00	378,800.00		966.03	33,167.06	137.3%
2020	-	520,000.00	2,322,000.00	33,167.06		(1,768,832.94)	22.4%
2021	-	520,000.00	560,000.00			(1,808,832.94)	92.9%
2022	-	520,000.00	734,200.00			(2,023,032.94)	70.8%
2023	-	520,000.00	782,900.00			(2,285,932.94)	66.4%
2024	-	520,000.00	298,400.00			(2,064,332.94)	174.3%
2025	-	520,000.00	738,500.00			(2,282,832.94)	70.4%
2026	-	520,000.00	67,000.00			(1,829,832.94)	776.1%
2027	-	520,000.00	48,600.00			(1,358,432.94)	1070.0%
2028	-	520,000.00	125,000.00			(963,432.94)	416.0%
2029	-	520,000.00	405,900.00			(849,332.94)	128.1%
2030	-	520,000.00	160,300.00			(489,632.94)	324.4%
2031	-	520,000.00	1,206,400.00			(1,176,032.94)	43.1%
2032	-	520,000.00	459,000.00			(1,115,032.94)	113.3%
2033	-	520,000.00	489,000.00			(1,084,032.94)	106.3%
2034	-	520,000.00	439,500.00			(1,003,532.94)	118.3%
2035	-	520,000.00	187,500.00			(671,032.94)	277.3%



Assumptions: Reserve Earnings of 3%

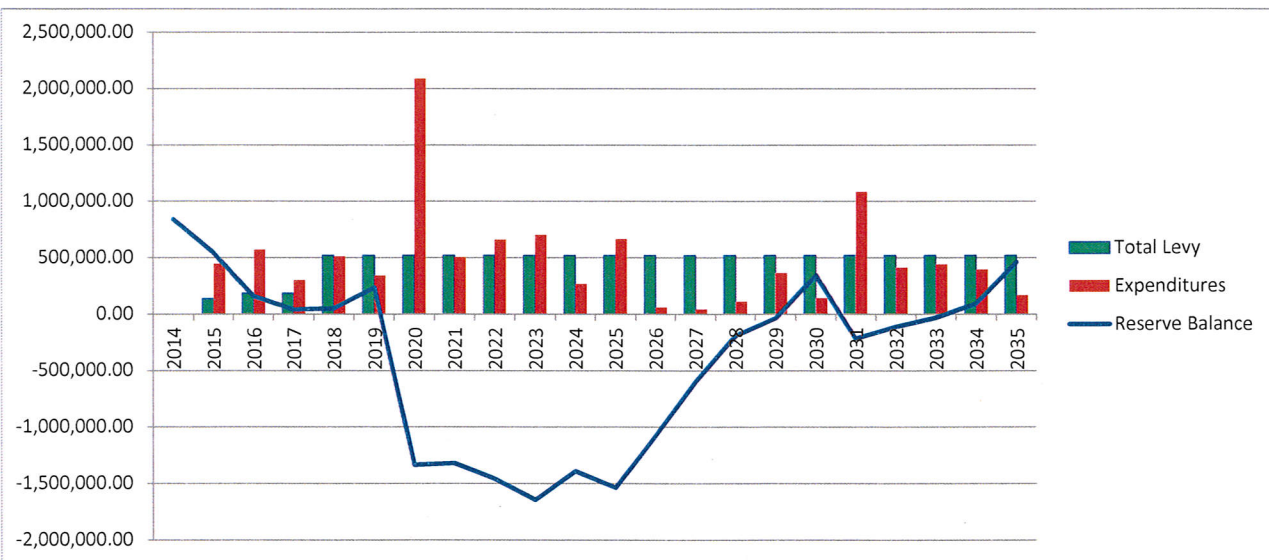
2016 Levy increase is tax increase

2018 Levy increase is repurpose of bond issuance

General Facilities CIP

Scenario 7 - All expenditures at 90%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	573,750.00	388,750.00	4,612.53	158,363.53	32.2%
2017	-	185,000.00	303,930.00	118,930.00	1,183.01	40,616.54	60.9%
2018	335,000.00	520,000.00	512,100.00		1,455.50	49,972.03	101.5%
2019	-	520,000.00	340,920.00		6,871.56	235,923.59	152.5%
2020	-	520,000.00	2,089,800.00	235,923.59		(1,333,876.41)	24.9%
2021	-	520,000.00	504,000.00			(1,317,876.41)	103.2%
2022	-	520,000.00	660,780.00			(1,458,656.41)	78.7%
2023	-	520,000.00	704,610.00			(1,643,266.41)	73.8%
2024	-	520,000.00	268,560.00			(1,391,826.41)	193.6%
2025	-	520,000.00	664,650.00			(1,536,476.41)	78.2%
2026	-	520,000.00	60,300.00			(1,076,776.41)	862.4%
2027	-	520,000.00	43,740.00			(600,516.41)	1188.8%
2028	-	520,000.00	112,500.00			(193,016.41)	462.2%
2029	-	520,000.00	365,310.00			(38,326.41)	142.3%
2030	-	520,000.00	144,270.00		10,122.11	347,525.70	360.4%
2031	-	520,000.00	1,085,760.00	347,525.70		(218,234.30)	47.9%
2032	-	520,000.00	413,100.00			(111,334.30)	125.9%
2033	-	520,000.00	440,100.00			(31,434.30)	118.2%
2034	-	520,000.00	395,550.00		2,790.47	95,806.17	131.5%
2035	-	520,000.00	168,750.00		13,411.69	460,467.86	308.1%



Assumptions: Reserve Earnings of 3%

2016 Levy increase is tax increase

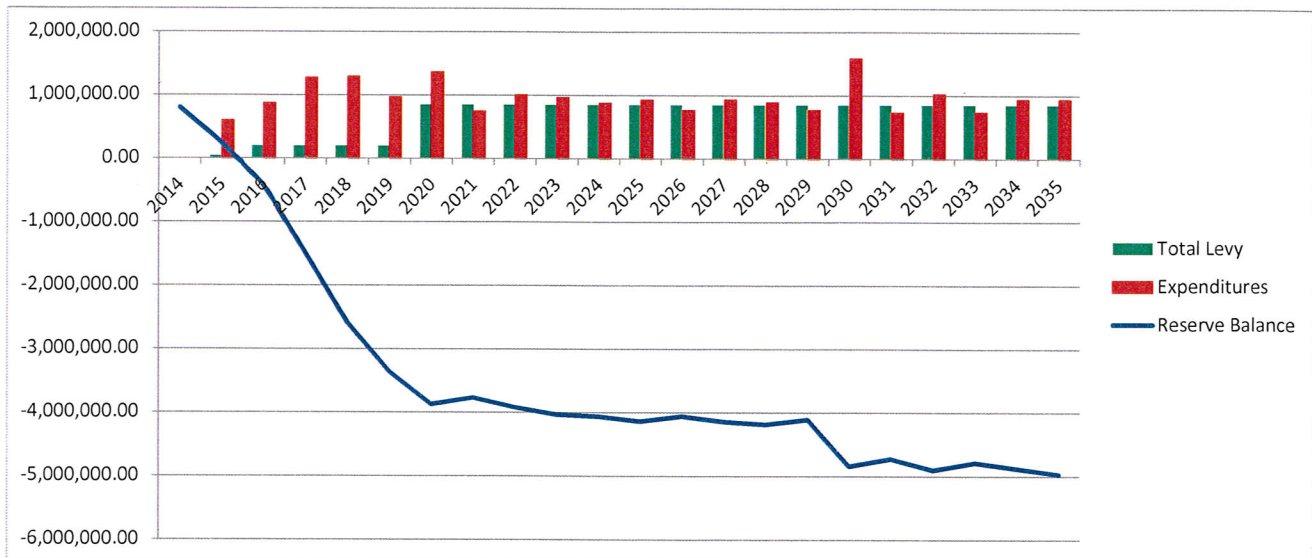
2018 Levy increase is repurpose of bond issuance

All expenditures are at 90% of existing CIP

Parks Improvement Program

Scenario 1 - Current "Revised" Plan

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	873,170.00	246,170.00		(427,000.00)	22.9%
2017		200,000.00	1,273,620.00			(1,500,620.00)	15.7%
2018		200,000.00	1,289,300.00			(2,589,920.00)	15.5%
2019		200,000.00	971,290.00			(3,361,210.00)	20.6%
2020	650,000.00	850,000.00	1,360,500.00			(3,871,710.00)	62.5%
2021		850,000.00	745,000.00			(3,766,710.00)	114.1%
2022		850,000.00	1,004,250.00			(3,920,960.00)	84.6%
2023		850,000.00	961,500.00			(4,032,460.00)	88.4%
2024		850,000.00	880,000.00			(4,062,460.00)	96.6%
2025		850,000.00	927,570.00			(4,140,030.00)	91.6%
2026		850,000.00	768,000.00			(4,058,030.00)	110.7%
2027		850,000.00	935,000.00			(4,143,030.00)	90.9%
2028		850,000.00	891,500.00			(4,184,530.00)	95.3%
2029		850,000.00	772,500.00			(4,107,030.00)	110.0%
2030		850,000.00	1,586,750.00			(4,843,780.00)	53.6%
2031		850,000.00	731,670.00			(4,725,450.00)	116.2%
2032		850,000.00	1,028,000.00			(4,903,450.00)	82.7%
2033		850,000.00	735,000.00			(4,788,450.00)	115.6%
2034		850,000.00	939,000.00			(4,877,450.00)	90.5%
2035		850,000.00	939,000.00			(4,966,450.00)	90.5%



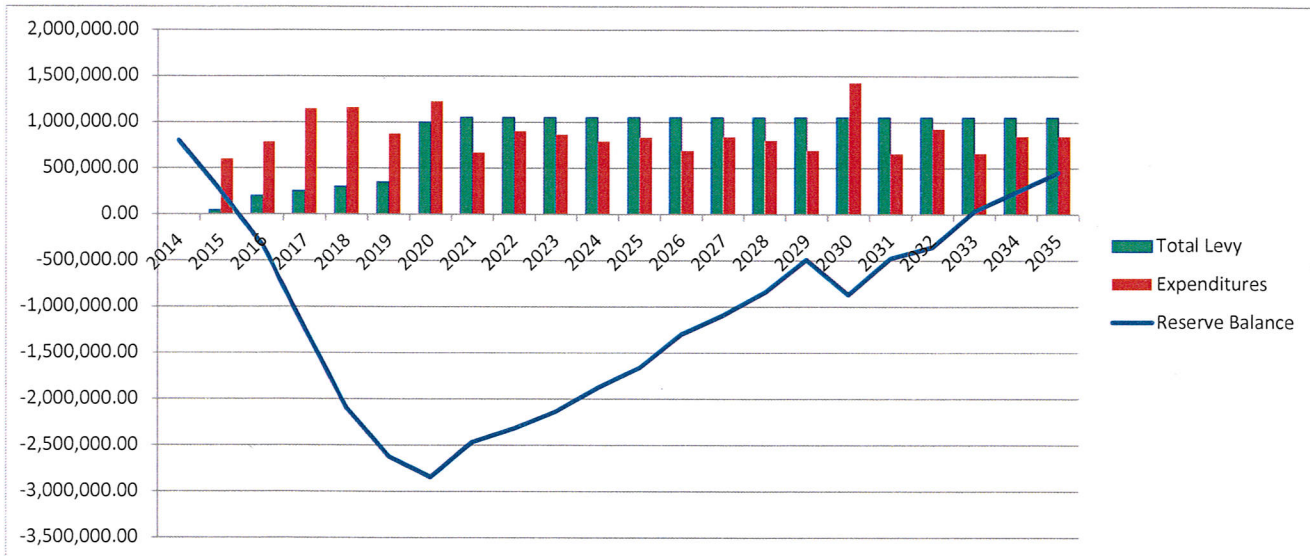
Assumptions: 2016 levy increase is a tax increase

2020 levy increase is a repurpose of bond issuance #27

Parks Improvement Program

Scenario 6 - Expenditures at 90% with several smaller levy increases

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	785,853.00	246,170.00		(339,683.00)	25.5%
2017	50,000.00	250,000.00	1,146,258.00			(1,235,941.00)	21.8%
2018	50,000.00	300,000.00	1,160,370.00			(2,096,311.00)	25.9%
2019	50,000.00	350,000.00	874,161.00			(2,620,472.00)	40.0%
2020	650,000.00	1,000,000.00	1,224,450.00			(2,844,922.00)	81.7%
2021	50,000.00	1,050,000.00	670,500.00			(2,465,422.00)	156.6%
2022		1,050,000.00	903,825.00			(2,319,247.00)	116.2%
2023		1,050,000.00	865,350.00			(2,134,597.00)	121.3%
2024		1,050,000.00	792,000.00			(1,876,597.00)	132.6%
2025		1,050,000.00	834,813.00			(1,661,410.00)	125.8%
2026		1,050,000.00	691,200.00			(1,302,610.00)	151.9%
2027		1,050,000.00	841,500.00			(1,094,110.00)	124.8%
2028		1,050,000.00	802,350.00			(846,460.00)	130.9%
2029		1,050,000.00	695,250.00			(491,710.00)	151.0%
2030		1,050,000.00	1,428,075.00			(869,785.00)	73.5%
2031		1,050,000.00	658,503.00			(478,288.00)	159.5%
2032		1,050,000.00	925,200.00			(353,488.00)	113.5%
2033		1,050,000.00	661,500.00			35,012.00	158.7%
2034		1,050,000.00	845,100.00		1,050.36	240,962.36	124.2%
2035		1,050,000.00	845,100.00		7,228.87	453,091.23	124.2%



Assumptions: 2016, 2017, 2018, 2019, & 2021 levy increases are a tax increase
 2020 levy increase is a repurpose of bond issuance #27

Current "Revised" Plan - Summary of Levy Levels - Pavement Mgmt, General Facilities, & PIP Capital Improvement Plans

Year	<u>Pavement Mgmt Program</u>		<u>General Facilities</u>		<u>Parks Improvement Program</u>		<u>TOTAL</u>	
	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy	Total Levy
2015	-	160,000	-	135,000	-	40,000	-	335,000
2016	150,000	310,000	50,000	185,000	160,000	200,000	360,000	695,000 *
2017	160,000	470,000	-	185,000	-	200,000	160,000	855,000
2018	160,000	630,000	335,000	520,000	-	200,000	495,000	1,350,000 **
2019	200,000	830,000	-	520,000	-	200,000	200,000	1,550,000
2020	-	830,000	-	520,000	650,000	850,000	650,000	2,200,000 ***
2021	-	830,000	-	520,000	-	850,000	-	2,200,000
2022	-	830,000	-	520,000	-	850,000	-	2,200,000
2023	-	830,000	-	520,000	-	850,000	-	2,200,000
2024	-	830,000	-	520,000	-	850,000	-	2,200,000
2025	-	830,000	-	520,000	-	850,000	-	2,200,000
2026	-	830,000	-	520,000	-	850,000	-	2,200,000
2027	-	830,000	-	520,000	-	850,000	-	2,200,000
2028	-	830,000	-	520,000	-	850,000	-	2,200,000
2029	-	830,000	-	520,000	-	850,000	-	2,200,000
2030	-	830,000	-	520,000	-	850,000	-	2,200,000
2031	-	830,000	-	520,000	-	850,000	-	2,200,000
2032	-	830,000	-	520,000	-	850,000	-	2,200,000
2033	-	830,000	-	520,000	-	850,000	-	2,200,000
2034	-	830,000	-	520,000	-	850,000	-	2,200,000
2035	-	830,000	-	520,000	-	850,000	-	2,200,000
2036	-	830,000	-	520,000	-	850,000	-	2,200,000

RESULTS:

20 year gap of (\$5.25M). Also eliminates Pavement Management Program Endowment fund.

Provides funding for 94.1% of \$88.9M in CIP expenditures

To fix, would need 2016 Levy Increase of \$263K in 2016 and keep for next 20 years to fully fund.

Then would need \$1.1M increase in 2037 to continue Pavement Management Program since Endowment would be depleted.

Finance Commission Supported Plan - Summary of Levy Levels - Pavement Mgmt, General Facilities, & PIP Capital Improvement Plans

Year	<u>Pavement Mgmt Program</u>		<u>General Facilities</u>		<u>Parks Improvement Program</u>		<u>TOTAL</u>	
	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^	Add'l Levy^	Total Levy^
2015	-	160,000	-	135,000	-	40,000	-	335,000
2016	150,000	310,000	50,000	185,000	160,000	200,000	360,000	695,000 *
2017	160,000	470,000	-	185,000	50,000	250,000	210,000	905,000
2018	160,000	630,000	335,000	520,000	50,000	300,000	545,000	1,450,000 **
2019	200,000	830,000	-	520,000	50,000	350,000	250,000	1,700,000
2020	110,000	940,000	-	520,000	650,000	1,000,000	760,000	2,460,000 ***
2021	110,000	1,050,000	-	520,000	50,000	1,050,000	160,000	2,620,000
2022	110,000	1,160,000	-	520,000	-	1,050,000	110,000	2,730,000
2023	23,200	1,183,200	-	520,000	-	1,050,000	23,200	2,753,200
2024	23,664	1,206,864	-	520,000	-	1,050,000	23,664	2,776,864
2025	24,137	1,231,001	-	520,000	-	1,050,000	24,137	2,801,001
2026	24,620	1,255,621	-	520,000	-	1,050,000	24,620	2,825,621
2027	25,112	1,280,734	-	520,000	-	1,050,000	25,112	2,850,734
2028	25,615	1,306,348	-	520,000	-	1,050,000	25,615	2,876,348
2029	26,127	1,332,475	-	520,000	-	1,050,000	26,127	2,902,475
2030	26,650	1,359,125	-	520,000	-	1,050,000	26,650	2,929,125
2031	27,182	1,386,307	-	520,000	-	1,050,000	27,182	2,956,307
2032	27,726	1,414,034	-	520,000	-	1,050,000	27,726	2,984,034
2033	28,281	1,442,314	-	520,000	-	1,050,000	28,281	3,012,314
2034	28,846	1,471,160	-	520,000	-	1,050,000	28,846	3,041,160
2035	29,423	1,500,584	-	520,000	-	1,050,000	29,423	3,070,584
2036	30,012	1,530,595	-	520,000	-	1,050,000	30,012	3,100,595

RESULTS:

No funding gap. Also preserves Pavement Management Program Endowment fund at \$10M into perpetuity.

Provides funding for 100% of 85.9M in CIP expenditures

By preserving PMP Endowment, we are able to reduce levy by \$300K annually into perpetuity

* 2015 Pavement Mgmt Program \$150K Levy increase was levy repurpose

** 2018 General Facilities \$335K Levy increase was levy repurpose

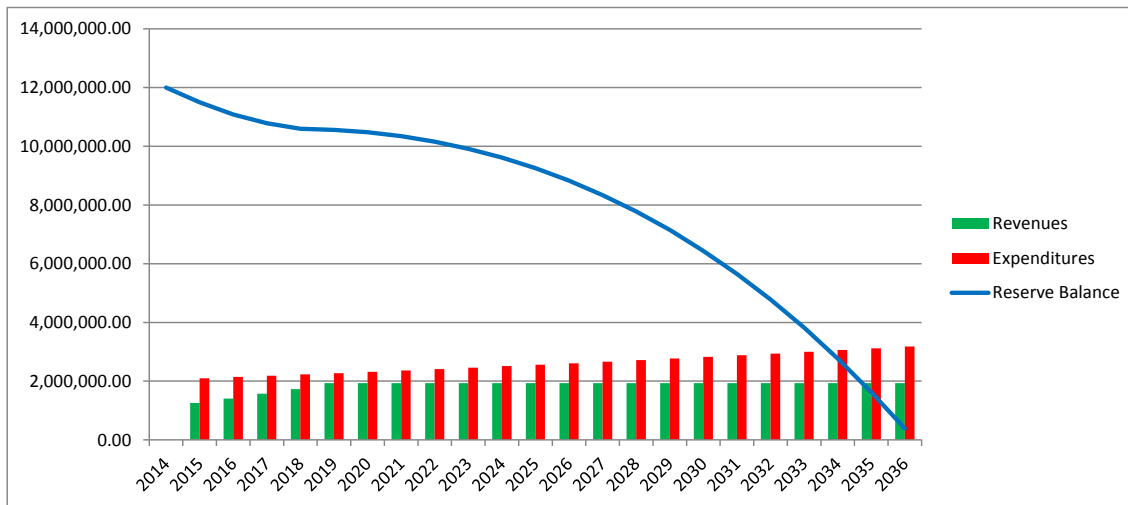
*** 2020 Parks Improvement Program \$650K Levy increase was levy repurpose

^ Dedicated Revenue Stream Needed, including levy and other sources

Pavement Management Program

Scenario 1 - Short-term levy increases with 3% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	334,800.00	11,494,800.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	322,884.00	11,085,684.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	314,125.32	10,784,969.32	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	308,592.98	10,595,025.50	28.3%
2019	200,000.00	830,000.00	1,930,000.00	2,273,107.54	343,107.54	307,557.54	10,559,475.50	36.5%
2020		830,000.00	1,930,000.00	2,318,569.69	388,569.69	305,127.17	10,476,032.99	35.8%
2021		830,000.00	1,930,000.00	2,364,941.08	434,941.08	301,232.76	10,342,324.66	35.1%
2022		830,000.00	1,930,000.00	2,412,239.90	482,239.90	295,802.54	10,155,887.30	34.4%
2023		830,000.00	1,930,000.00	2,460,484.70	530,484.70	288,762.08	9,914,164.68	33.7%
2024		830,000.00	1,930,000.00	2,509,694.39	579,694.39	280,034.11	9,614,504.40	33.1%
2025		830,000.00	1,930,000.00	2,559,888.28	629,888.28	269,538.48	9,254,154.60	32.4%
2026		830,000.00	1,930,000.00	2,611,086.05	681,086.05	257,192.06	8,830,260.61	31.8%
2027		830,000.00	1,930,000.00	2,663,307.77	733,307.77	242,908.59	8,339,861.42	31.2%
2028		830,000.00	1,930,000.00	2,716,573.92	786,573.92	226,598.62	7,779,886.12	30.6%
2029		830,000.00	1,930,000.00	2,770,905.40	840,905.40	208,169.42	7,147,150.14	30.0%
2030		830,000.00	1,930,000.00	2,826,323.51	896,323.51	187,524.80	6,438,351.43	29.4%
2031		830,000.00	1,930,000.00	2,882,849.98	952,849.98	164,565.04	5,650,066.49	28.8%
2032		830,000.00	1,930,000.00	2,940,506.98	1,010,506.98	139,186.79	4,778,746.30	28.2%
2033		830,000.00	1,930,000.00	2,999,317.12	1,069,317.12	111,282.88	3,820,712.05	27.7%
2034		830,000.00	1,930,000.00	3,059,303.46	1,129,303.46	80,742.26	2,772,150.85	27.1%
2035		830,000.00	1,930,000.00	3,120,489.53	1,190,489.53	47,449.84	1,629,111.16	26.6%
2036		830,000.00	1,930,000.00	3,182,899.32	1,252,899.32	11,286.36	387,498.19	26.1%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 3%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

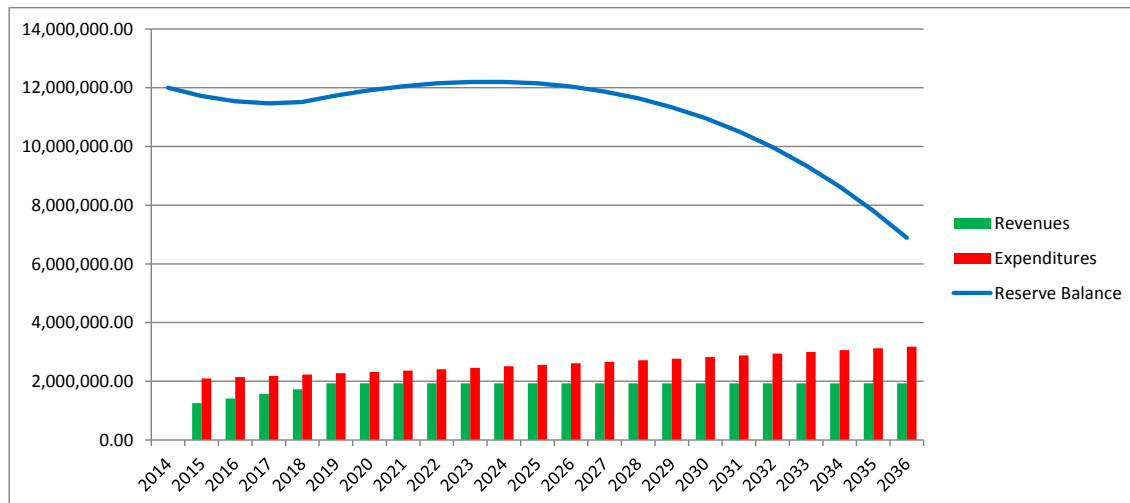
Results: Will need a 1,252,899.32 levy increase plus inflation starting in 2037 to continue Pavement Mgmt Program

No endowment remaining, loss of interest earnings of \$335K annually

22 year interest earnings of: 5,005,363.62

Scenario 2 - Short-term levy increases with 5% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	558,000.00	11,718,000.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	549,300.00	11,535,300.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	546,023.00	11,466,483.00	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	548,397.31	11,516,343.51	28.3%
2019	200,000.00	830,000.00	1,930,000.00	2,273,107.54	343,107.54	558,661.80	11,731,897.77	36.5%
2020		830,000.00	1,930,000.00	2,318,569.69	388,569.69	567,166.40	11,910,494.49	35.8%
2021		830,000.00	1,930,000.00	2,364,941.08	434,941.08	573,777.67	12,049,331.08	35.1%
2022		830,000.00	1,930,000.00	2,412,239.90	482,239.90	578,354.56	12,145,445.74	34.4%
2023		830,000.00	1,930,000.00	2,460,484.70	530,484.70	580,748.05	12,195,709.09	33.7%
2024		830,000.00	1,930,000.00	2,509,694.39	579,694.39	580,800.73	12,196,815.43	33.1%
2025		830,000.00	1,930,000.00	2,559,888.28	629,888.28	578,346.36	12,145,273.50	32.4%
2026		830,000.00	1,930,000.00	2,611,086.05	681,086.05	573,209.37	12,037,396.83	31.8%
2027		830,000.00	1,930,000.00	2,663,307.77	733,307.77	565,204.45	11,869,293.51	31.2%
2028		830,000.00	1,930,000.00	2,716,573.92	786,573.92	554,135.98	11,636,855.57	30.6%
2029		830,000.00	1,930,000.00	2,770,905.40	840,905.40	539,797.51	11,335,747.68	30.0%
2030		830,000.00	1,930,000.00	2,826,323.51	896,323.51	521,971.21	10,961,395.37	29.4%
2031		830,000.00	1,930,000.00	2,882,849.98	952,849.98	500,427.27	10,508,972.66	28.8%
2032		830,000.00	1,930,000.00	2,940,506.98	1,010,506.98	474,923.28	9,973,388.97	28.2%
2033		830,000.00	1,930,000.00	2,999,317.12	1,069,317.12	445,203.59	9,349,275.44	27.7%
2034		830,000.00	1,930,000.00	3,059,303.46	1,129,303.46	410,998.60	8,630,970.58	27.1%
2035		830,000.00	1,930,000.00	3,120,489.53	1,190,489.53	372,024.05	7,812,505.10	26.6%
2036		830,000.00	1,930,000.00	3,182,899.32	1,252,899.32	327,980.29	6,887,586.06	26.1%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 5%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

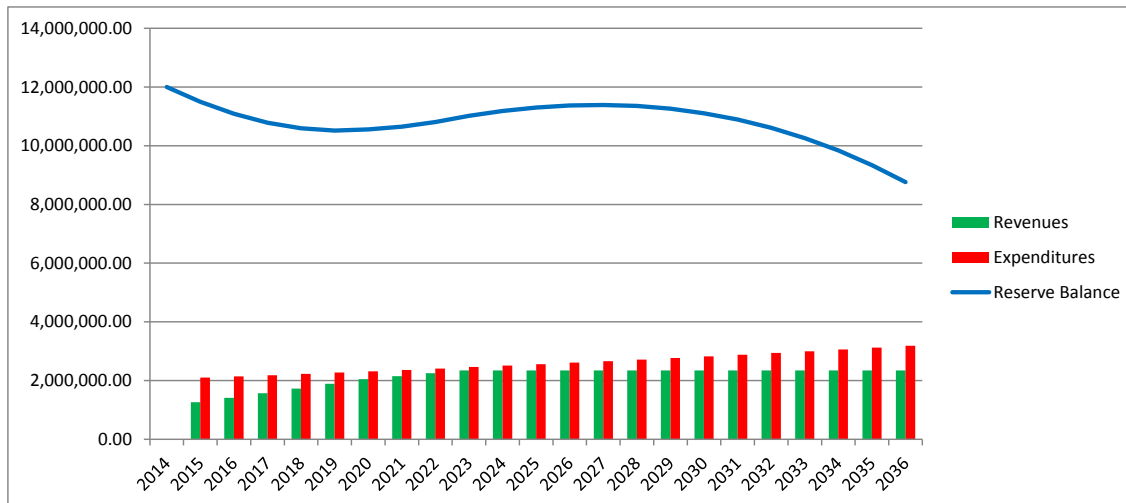
Results: \$6.9M endowment remaining, providing \$328K per year in interest earnings

At this pace, endowment would run out in 2041 and require a \$1.4M levy increase to continue Pavement Mgmt Program

22 year interest earnings of: 11,505,451.49

Scenario 3 - Medium-term levy increases with 3% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	334,800.00	11,494,800.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	322,884.00	11,085,684.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	314,125.32	10,784,969.32	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	308,592.98	10,595,025.50	28.3%
2019	160,000.00	790,000.00	1,890,000.00	2,273,107.54	383,107.54	306,357.54	10,518,275.50	34.8%
2020	160,000.00	950,000.00	2,050,000.00	2,318,569.69	268,569.69	307,491.17	10,557,196.99	41.0%
2021	100,000.00	1,050,000.00	2,150,000.00	2,364,941.08	214,941.08	310,267.68	10,652,523.58	44.4%
2022	100,000.00	1,150,000.00	2,250,000.00	2,412,239.90	162,239.90	314,708.51	10,804,992.19	47.7%
2023	100,000.00	1,250,000.00	2,350,000.00	2,460,484.70	110,484.70	320,835.22	11,015,342.72	50.8%
2024		1,250,000.00	2,350,000.00	2,509,694.39	159,694.39	325,669.45	11,181,317.77	49.8%
2025		1,250,000.00	2,350,000.00	2,559,888.28	209,888.28	329,142.88	11,300,572.37	48.8%
2026		1,250,000.00	2,350,000.00	2,611,086.05	261,086.05	331,184.59	11,370,670.92	47.9%
2027		1,250,000.00	2,350,000.00	2,663,307.77	313,307.77	331,720.89	11,389,084.04	46.9%
2028		1,250,000.00	2,350,000.00	2,716,573.92	366,573.92	330,675.30	11,353,185.42	46.0%
2029		1,250,000.00	2,350,000.00	2,770,905.40	420,905.40	327,968.40	11,260,248.42	45.1%
2030		1,250,000.00	2,350,000.00	2,826,323.51	476,323.51	323,517.75	11,107,442.66	44.2%
2031		1,250,000.00	2,350,000.00	2,882,849.98	532,849.98	317,237.78	10,891,830.46	43.4%
2032		1,250,000.00	2,350,000.00	2,940,506.98	590,506.98	309,039.70	10,610,363.18	42.5%
2033		1,250,000.00	2,350,000.00	2,999,317.12	649,317.12	298,831.38	10,259,877.44	41.7%
2034		1,250,000.00	2,350,000.00	3,059,303.46	709,303.46	286,517.22	9,837,091.20	40.9%
2035		1,250,000.00	2,350,000.00	3,120,489.53	770,489.53	271,998.05	9,338,599.72	40.1%
2036		1,250,000.00	2,350,000.00	3,182,899.32	832,899.32	255,171.01	8,760,871.41	39.3%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 3%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

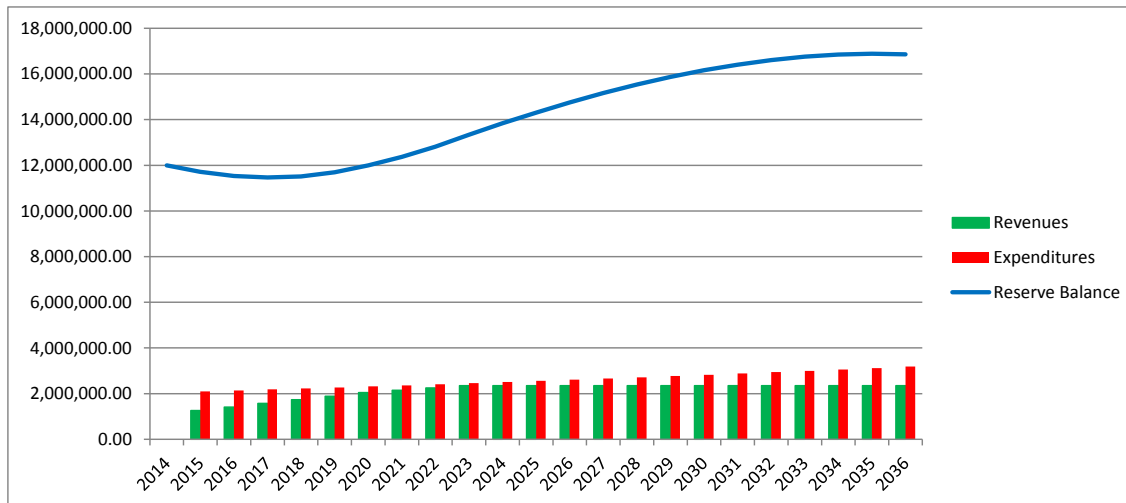
The rest of levy increases are additional tax levy

Results:

22 year interest earnings of: 6,878,736.84

Scenario 4 - Medium-term levy increases with 5% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	558,000.00	11,718,000.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	549,300.00	11,535,300.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	546,023.00	11,466,483.00	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	548,397.31	11,516,343.51	28.3%
2019	160,000.00	790,000.00	1,890,000.00	2,273,107.54	383,107.54	556,661.80	11,689,897.77	34.8%
2020	160,000.00	950,000.00	2,050,000.00	2,318,569.69	268,569.69	571,066.40	11,992,394.49	41.0%
2021	100,000.00	1,050,000.00	2,150,000.00	2,364,941.08	214,941.08	588,872.67	12,366,326.08	44.4%
2022	100,000.00	1,150,000.00	2,250,000.00	2,412,239.90	162,239.90	610,204.31	12,814,290.49	47.7%
2023	100,000.00	1,250,000.00	2,350,000.00	2,460,484.70	110,484.70	635,190.29	13,338,996.08	50.8%
2024		1,250,000.00	2,350,000.00	2,509,694.39	159,694.39	658,965.08	13,838,266.77	49.8%
2025		1,250,000.00	2,350,000.00	2,559,888.28	209,888.28	681,418.92	14,309,797.41	48.8%
2026		1,250,000.00	2,350,000.00	2,611,086.05	261,086.05	702,435.57	14,751,146.93	47.9%
2027		1,250,000.00	2,350,000.00	2,663,307.77	313,307.77	721,891.96	15,159,731.12	46.9%
2028		1,250,000.00	2,350,000.00	2,716,573.92	366,573.92	739,657.86	15,532,815.05	46.0%
2029		1,250,000.00	2,350,000.00	2,770,905.40	420,905.40	755,595.48	15,867,505.13	45.1%
2030		1,250,000.00	2,350,000.00	2,826,323.51	476,323.51	769,559.08	16,160,740.71	44.2%
2031		1,250,000.00	2,350,000.00	2,882,849.98	532,849.98	781,394.54	16,409,285.26	43.4%
2032		1,250,000.00	2,350,000.00	2,940,506.98	590,506.98	790,938.91	16,609,717.19	42.5%
2033		1,250,000.00	2,350,000.00	2,999,317.12	649,317.12	798,020.00	16,758,420.08	41.7%
2034		1,250,000.00	2,350,000.00	3,059,303.46	709,303.46	802,455.83	16,851,572.45	40.9%
2035		1,250,000.00	2,350,000.00	3,120,489.53	770,489.53	804,054.15	16,885,137.06	40.1%
2036		1,250,000.00	2,350,000.00	3,182,899.32	832,899.32	802,611.89	16,854,849.63	39.3%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 5%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

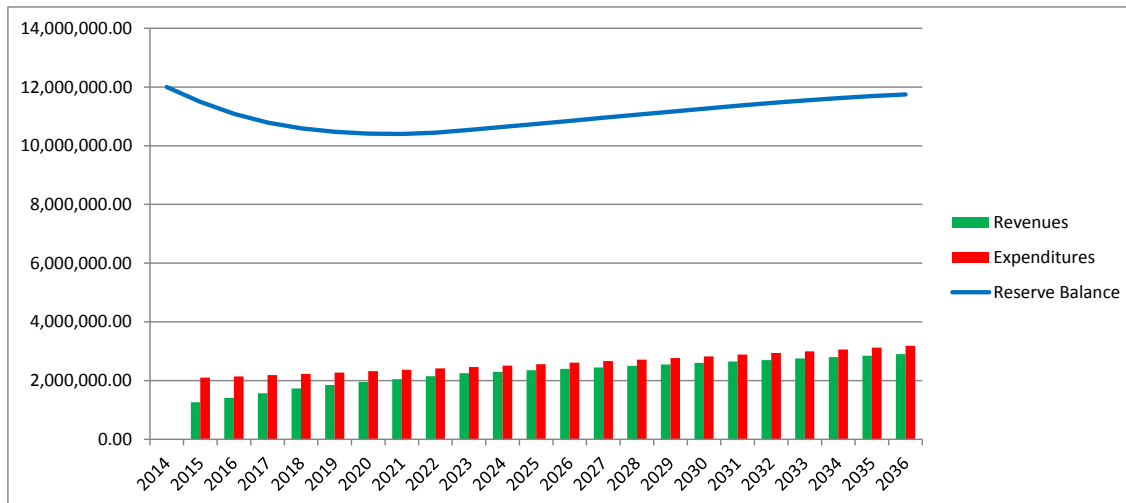
Results:

22 year interest earnings of: 14,972,715.06

Endowment continues growing

Scenario 5 - Long-term levy increases with 3% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	334,800.00	11,494,800.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	322,884.00	11,085,684.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	314,125.32	10,784,969.32	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	308,592.98	10,595,025.50	28.3%
2019	120,000.00	750,000.00	1,850,000.00	2,273,107.54	423,107.54	305,157.54	10,477,075.50	33.0%
2020	100,000.00	850,000.00	1,950,000.00	2,318,569.69	368,569.69	303,255.17	10,411,760.99	36.7%
2021	100,000.00	950,000.00	2,050,000.00	2,364,941.08	314,941.08	302,904.60	10,399,724.50	40.2%
2022	100,000.00	1,050,000.00	2,150,000.00	2,412,239.90	262,239.90	304,124.54	10,441,609.14	43.5%
2023	100,000.00	1,150,000.00	2,250,000.00	2,460,484.70	210,484.70	306,933.73	10,538,058.17	46.7%
2024	50,000.00	1,200,000.00	2,300,000.00	2,509,694.39	209,694.39	309,850.91	10,638,214.69	47.8%
2025	50,000.00	1,250,000.00	2,350,000.00	2,559,888.28	209,888.28	312,849.79	10,741,176.20	48.8%
2026	50,000.00	1,300,000.00	2,400,000.00	2,611,086.05	211,086.05	315,902.70	10,845,992.86	49.8%
2027	50,000.00	1,350,000.00	2,450,000.00	2,663,307.77	213,307.77	318,980.55	10,951,665.64	50.7%
2028	50,000.00	1,400,000.00	2,500,000.00	2,716,573.92	216,573.92	322,052.75	11,057,144.47	51.5%
2029	50,000.00	1,450,000.00	2,550,000.00	2,770,905.40	220,905.40	325,087.17	11,161,326.24	52.3%
2030	50,000.00	1,500,000.00	2,600,000.00	2,826,323.51	226,323.51	328,050.08	11,263,052.81	53.1%
2031	50,000.00	1,550,000.00	2,650,000.00	2,882,849.98	232,849.98	330,906.08	11,361,108.92	53.8%
2032	50,000.00	1,600,000.00	2,700,000.00	2,940,506.98	240,506.98	333,618.06	11,454,219.99	54.4%
2033	50,000.00	1,650,000.00	2,750,000.00	2,999,317.12	249,317.12	336,147.09	11,541,049.96	55.0%
2034	50,000.00	1,700,000.00	2,800,000.00	3,059,303.46	259,303.46	338,452.39	11,620,198.89	55.6%
2035	50,000.00	1,750,000.00	2,850,000.00	3,120,489.53	270,489.53	340,491.28	11,690,200.64	56.1%
2036	50,000.00	1,800,000.00	2,900,000.00	3,182,899.32	282,899.32	342,219.04	11,749,520.36	56.6%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 3%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

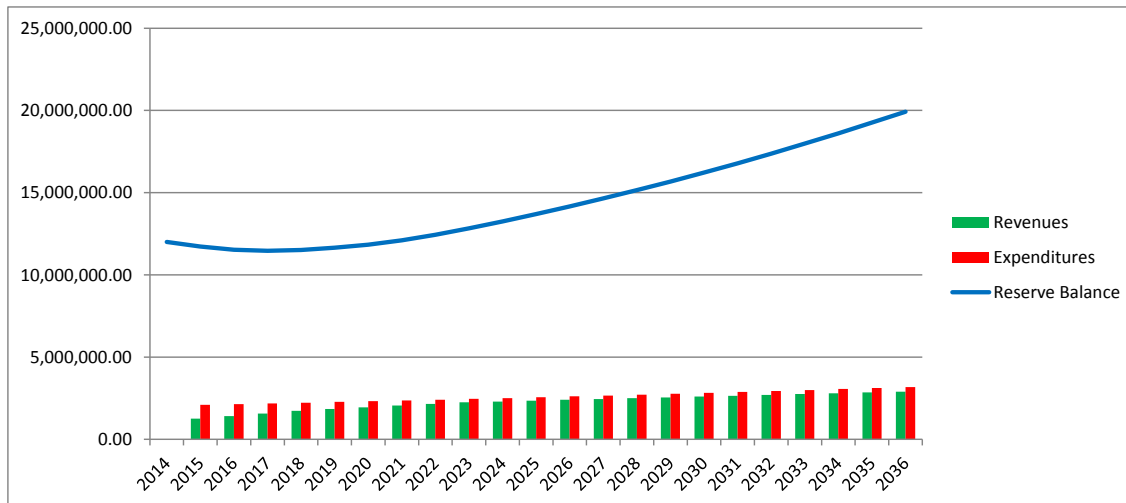
Results:

22 year interest earnings of: 7,057,385.79

Endowment preserved at \$12M

Scenario 6 - Long-term levy increases with 5% interest earnings

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	558,000.00	11,718,000.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	549,300.00	11,535,300.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	546,023.00	11,466,483.00	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	548,397.31	11,516,343.51	28.3%
2019	120,000.00	750,000.00	1,850,000.00	2,273,107.54	423,107.54	554,661.80	11,647,897.77	33.0%
2020	100,000.00	850,000.00	1,950,000.00	2,318,569.69	368,569.69	563,966.40	11,843,294.49	36.7%
2021	100,000.00	950,000.00	2,050,000.00	2,364,941.08	314,941.08	576,417.67	12,104,771.08	40.2%
2022	100,000.00	1,050,000.00	2,150,000.00	2,412,239.90	262,239.90	592,126.56	12,434,657.74	43.5%
2023	100,000.00	1,150,000.00	2,250,000.00	2,460,484.70	210,484.70	611,208.65	12,835,381.69	46.7%
2024	50,000.00	1,200,000.00	2,300,000.00	2,509,694.39	209,694.39	631,284.36	13,256,971.66	47.8%
2025	50,000.00	1,250,000.00	2,350,000.00	2,559,888.28	209,888.28	652,354.17	13,699,437.55	48.8%
2026	50,000.00	1,300,000.00	2,400,000.00	2,611,086.05	211,086.05	674,417.57	14,162,769.07	49.8%
2027	50,000.00	1,350,000.00	2,450,000.00	2,663,307.77	213,307.77	697,473.07	14,646,934.37	50.7%
2028	50,000.00	1,400,000.00	2,500,000.00	2,716,573.92	216,573.92	721,518.02	15,151,878.47	51.5%
2029	50,000.00	1,450,000.00	2,550,000.00	2,770,905.40	220,905.40	746,548.65	15,677,521.72	52.3%
2030	50,000.00	1,500,000.00	2,600,000.00	2,826,323.51	226,323.51	772,559.91	16,223,758.12	53.1%
2031	50,000.00	1,550,000.00	2,650,000.00	2,882,849.98	232,849.98	799,545.41	16,790,453.55	53.8%
2032	50,000.00	1,600,000.00	2,700,000.00	2,940,506.98	240,506.98	827,497.33	17,377,443.89	54.4%
2033	50,000.00	1,650,000.00	2,750,000.00	2,999,317.12	249,317.12	856,406.34	17,984,533.11	55.0%
2034	50,000.00	1,700,000.00	2,800,000.00	3,059,303.46	259,303.46	886,261.48	18,611,491.13	55.6%
2035	50,000.00	1,750,000.00	2,850,000.00	3,120,489.53	270,489.53	917,050.08	19,258,051.68	56.1%
2036	50,000.00	1,800,000.00	2,900,000.00	3,182,899.32	282,899.32	948,757.62	19,923,909.98	56.6%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 5%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

Results:

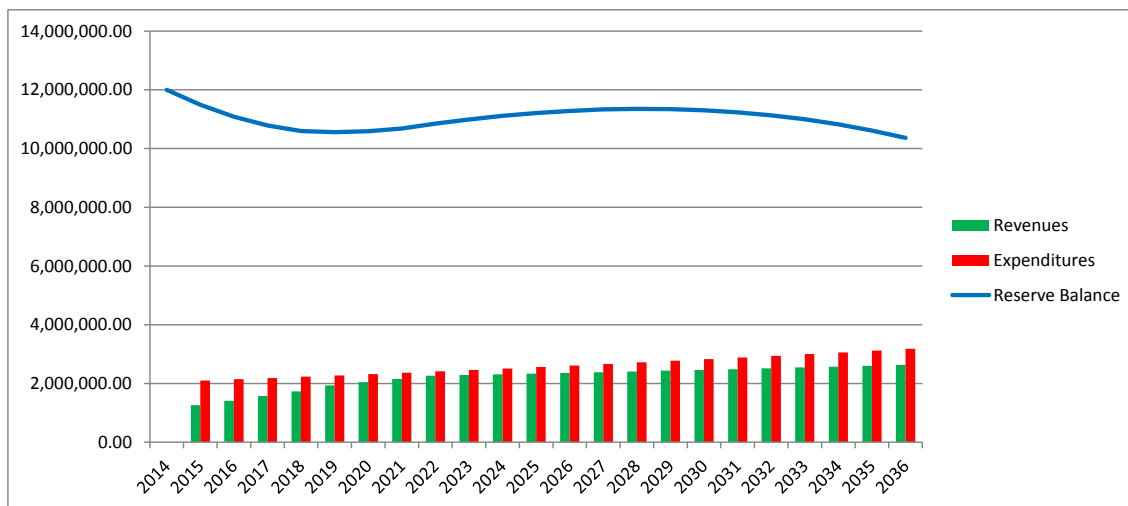
22 year interest earnings of: 14,283,017.79

Endowment continues growing

Pavement Management Program

Scenario 7 - Preservation of \$10M endowment with 3% interest

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	334,800.00	11,494,800.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	322,884.00	11,085,684.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	314,125.32	10,784,969.32	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	308,592.98	10,595,025.50	28.3%
2019	200,000.00	830,000.00	1,930,000.00	2,273,107.54	343,107.54	307,557.54	10,559,475.50	36.5%
2020	110,000.00	940,000.00	2,040,000.00	2,318,569.69	278,569.69	308,427.17	10,589,332.99	40.5%
2021	110,000.00	1,050,000.00	2,150,000.00	2,364,941.08	214,941.08	311,231.76	10,685,623.66	44.4%
2022	110,000.00	1,160,000.00	2,260,000.00	2,412,239.90	152,239.90	316,001.51	10,849,385.27	48.1%
2023	23,200.00	1,183,200.00	2,283,200.00	2,460,484.70	177,284.70	320,163.02	10,992,263.59	48.1%
2024	23,664.00	1,206,864.00	2,306,864.00	2,509,694.39	202,830.39	323,683.00	11,113,116.19	48.1%
2025	24,137.28	1,231,001.28	2,331,001.28	2,559,888.28	228,887.00	326,526.88	11,210,756.07	48.1%
2026	24,620.03	1,255,621.31	2,355,621.31	2,611,086.05	255,464.74	328,658.74	11,283,950.06	48.1%
2027	25,112.43	1,280,733.73	2,380,733.73	2,663,307.77	282,574.04	330,041.28	11,331,417.31	48.1%
2028	25,614.67	1,306,348.41	2,406,348.41	2,716,573.92	310,225.52	330,635.75	11,351,827.54	48.1%
2029	26,126.97	1,332,475.37	2,432,475.37	2,770,905.40	338,430.03	330,401.93	11,343,799.44	48.1%
2030	26,649.51	1,359,124.88	2,459,124.88	2,826,323.51	367,198.63	329,298.02	11,305,898.84	48.1%
2031	27,182.50	1,386,307.38	2,486,307.38	2,882,849.98	396,542.60	327,280.69	11,236,636.92	48.1%
2032	27,726.15	1,414,033.53	2,514,033.53	2,940,506.98	426,473.45	324,304.90	11,134,468.37	48.1%
2033	28,280.67	1,442,314.20	2,542,314.20	2,999,317.12	457,002.92	320,323.96	10,997,789.42	48.1%
2034	28,846.28	1,471,160.48	2,571,160.48	3,059,303.46	488,142.98	315,289.39	10,824,935.83	48.1%
2035	29,423.21	1,500,583.69	2,600,583.69	3,120,489.53	519,905.84	309,150.90	10,614,180.89	48.1%
2036	30,011.67	1,530,595.37	2,630,595.37	3,182,899.32	552,303.96	301,856.31	10,363,733.24	48.1%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 3%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

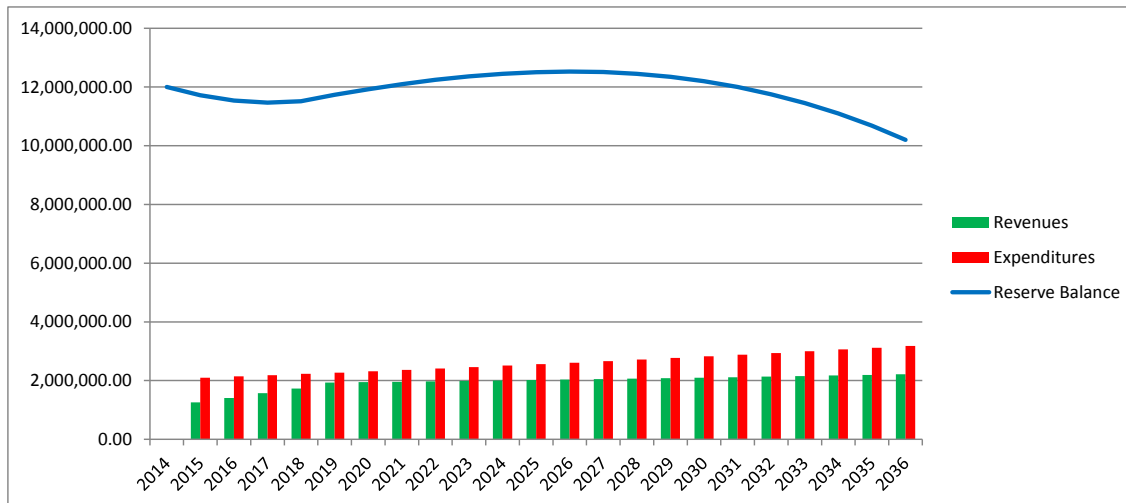
Results:

22 year interest earnings of: 7,041,235.05

Interest earnings of \$300K every year into perpetuity

Scenario 8 - Preservation of \$10M endowment with 5% interest

Year	Add'l Levy	Total Levy	Revenues	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014							12,000,000.00	
2015		160,000.00	1,260,000.00	2,100,000.00	840,000.00	558,000.00	11,718,000.00	7.6%
2016	150,000.00	310,000.00	1,410,000.00	2,142,000.00	732,000.00	549,300.00	11,535,300.00	14.5%
2017	160,000.00	470,000.00	1,570,000.00	2,184,840.00	614,840.00	546,023.00	11,466,483.00	21.5%
2018	160,000.00	630,000.00	1,730,000.00	2,228,536.80	498,536.80	548,397.31	11,516,343.51	28.3%
2019	200,000.00	830,000.00	1,930,000.00	2,273,107.54	343,107.54	558,661.80	11,731,897.77	36.5%
2020	15,000.00	845,000.00	1,945,000.00	2,318,569.69	373,569.69	567,916.40	11,926,244.49	36.4%
2021	15,000.00	860,000.00	1,960,000.00	2,364,941.08	404,941.08	576,065.17	12,097,368.58	36.4%
2022	15,000.00	875,000.00	1,975,000.00	2,412,239.90	437,239.90	583,006.43	12,243,135.11	36.3%
2023	15,000.00	890,000.00	1,990,000.00	2,460,484.70	470,484.70	588,632.52	12,361,282.93	36.2%
2024	15,000.00	905,000.00	2,005,000.00	2,509,694.39	504,694.39	592,829.43	12,449,417.97	36.1%
2025	15,000.00	920,000.00	2,020,000.00	2,559,888.28	539,888.28	595,476.48	12,505,006.17	35.9%
2026	15,000.00	935,000.00	2,035,000.00	2,611,086.05	576,086.05	596,446.01	12,525,366.13	35.8%
2027	15,000.00	950,000.00	2,050,000.00	2,663,307.77	613,307.77	595,602.92	12,507,661.28	35.7%
2028	15,000.00	965,000.00	2,065,000.00	2,716,573.92	651,573.92	592,804.37	12,448,891.72	35.5%
2029	15,000.00	980,000.00	2,080,000.00	2,770,905.40	690,905.40	587,899.32	12,345,885.63	35.4%
2030	15,000.00	995,000.00	2,095,000.00	2,826,323.51	731,323.51	580,728.11	12,195,290.23	35.2%
2031	20,000.00	1,015,000.00	2,115,000.00	2,882,849.98	767,849.98	571,372.01	11,998,812.26	35.2%
2032	20,000.00	1,035,000.00	2,135,000.00	2,940,506.98	805,506.98	559,665.26	11,752,970.54	35.2%
2033	20,000.00	1,055,000.00	2,155,000.00	2,999,317.12	844,317.12	545,432.67	11,454,086.09	35.2%
2034	20,000.00	1,075,000.00	2,175,000.00	3,059,303.46	884,303.46	528,489.13	11,098,271.76	35.1%
2035	20,000.00	1,095,000.00	2,195,000.00	3,120,489.53	925,489.53	508,639.11	10,681,421.34	35.1%
2036	20,000.00	1,115,000.00	2,215,000.00	3,182,899.32	967,899.32	485,676.10	10,199,198.12	35.0%



Assumptions: MSA funds of \$1.1M received every year

Expenditures increase at 2% per year

Reserve Earnings of 5%

\$160K in 2015 is repurpose of Street Bond Issue #25

\$150K in 2016 is repurpose of Street Bond Issue #23

The rest of levy increases are additional tax levy

Results:

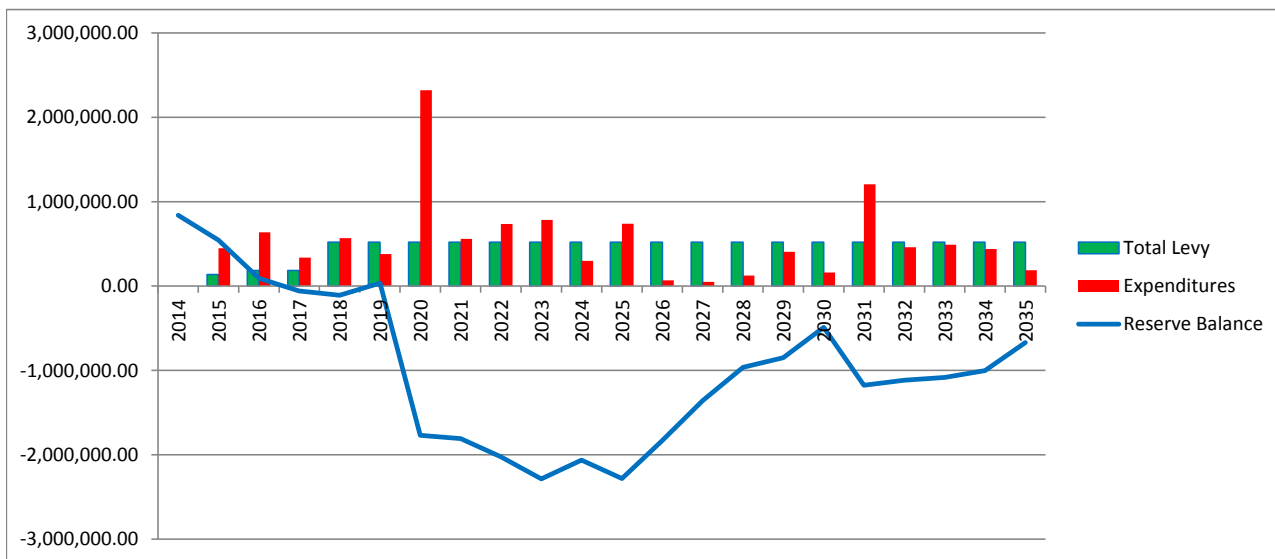
22 year interest earnings of: 12,417,063.55

Interest earning of \$486K every year into perpetuity

General Facilities CIP

Scenario 1 - Current "Revised" Plan

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	-	185,000.00	337,700.00	92,701.03		(59,998.97)	54.8%
2018	335,000.00	520,000.00	569,000.00			(108,998.97)	91.4%
2019	-	520,000.00	378,800.00		966.03	33,167.06	137.3%
2020	-	520,000.00	2,322,000.00	33,167.06		(1,768,832.94)	22.4%
2021	-	520,000.00	560,000.00			(1,808,832.94)	92.9%
2022	-	520,000.00	734,200.00			(2,023,032.94)	70.8%
2023	-	520,000.00	782,900.00			(2,285,932.94)	66.4%
2024	-	520,000.00	298,400.00			(2,064,332.94)	174.3%
2025	-	520,000.00	738,500.00			(2,282,832.94)	70.4%
2026	-	520,000.00	67,000.00			(1,829,832.94)	776.1%
2027	-	520,000.00	48,600.00			(1,358,432.94)	1070.0%
2028	-	520,000.00	125,000.00			(963,432.94)	416.0%
2029	-	520,000.00	405,900.00			(849,332.94)	128.1%
2030	-	520,000.00	160,300.00			(489,632.94)	324.4%
2031	-	520,000.00	1,206,400.00			(1,176,032.94)	43.1%
2032	-	520,000.00	459,000.00			(1,115,032.94)	113.3%
2033	-	520,000.00	489,000.00			(1,084,032.94)	106.3%
2034	-	520,000.00	439,500.00			(1,003,532.94)	118.3%
2035	-	520,000.00	187,500.00			(671,032.94)	277.3%



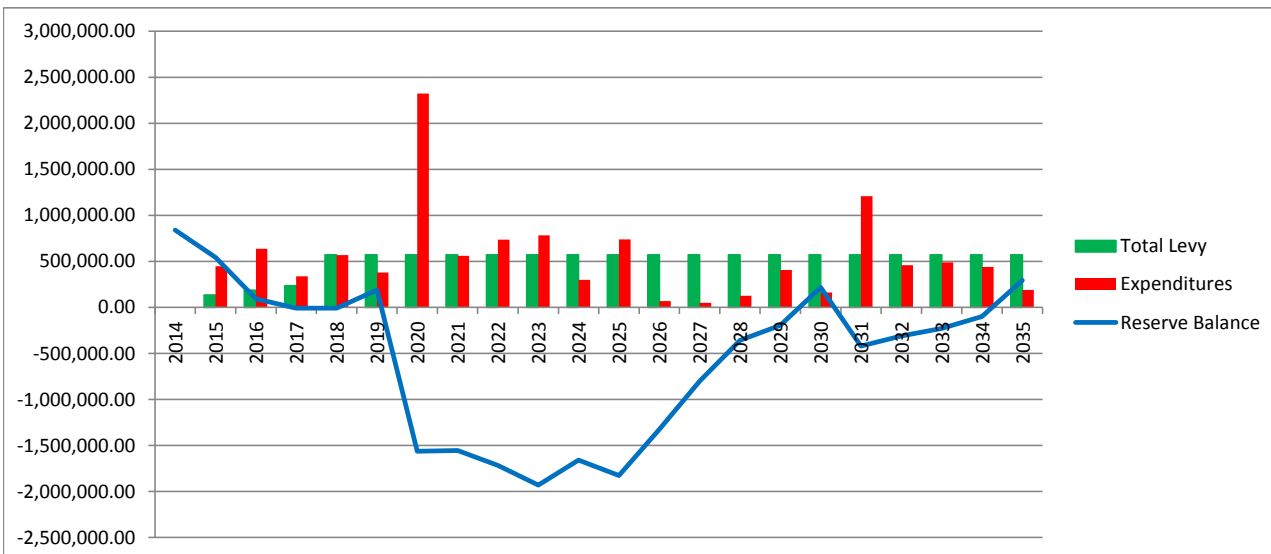
Assumptions: Reserve Earnings of 3%

2016 Levy increase is tax increase

2018 Levy increase is repurpose of bond issuance

Scenario 2 - Additional 50K increase in 2017

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	50,000.00	235,000.00	337,700.00	92,701.03		(9,998.97)	69.6%
2018	335,000.00	570,000.00	569,000.00			(8,998.97)	100.2%
2019	-	570,000.00	378,800.00		5,466.03	187,667.06	150.5%
2020	-	570,000.00	2,322,000.00	187,667.06		(1,564,332.94)	24.5%
2021	-	570,000.00	560,000.00			(1,554,332.94)	101.8%
2022	-	570,000.00	734,200.00			(1,718,532.94)	77.6%
2023	-	570,000.00	782,900.00			(1,931,432.94)	72.8%
2024	-	570,000.00	298,400.00			(1,659,832.94)	191.0%
2025	-	570,000.00	738,500.00			(1,828,332.94)	77.2%
2026	-	570,000.00	67,000.00			(1,325,332.94)	850.7%
2027	-	570,000.00	48,600.00			(803,932.94)	1172.8%
2028	-	570,000.00	125,000.00			(358,932.94)	456.0%
2029	-	570,000.00	405,900.00			(194,832.94)	140.4%
2030	-	570,000.00	160,300.00			214,867.06	355.6%
2031	-	570,000.00	1,206,400.00			(421,532.94)	47.2%
2032	-	570,000.00	459,000.00			(310,532.94)	124.2%
2033	-	570,000.00	489,000.00			(229,532.94)	116.6%
2034	-	570,000.00	439,500.00			(99,032.94)	129.7%
2035	-	570,000.00	187,500.00		8,504.01	291,971.07	304.0%



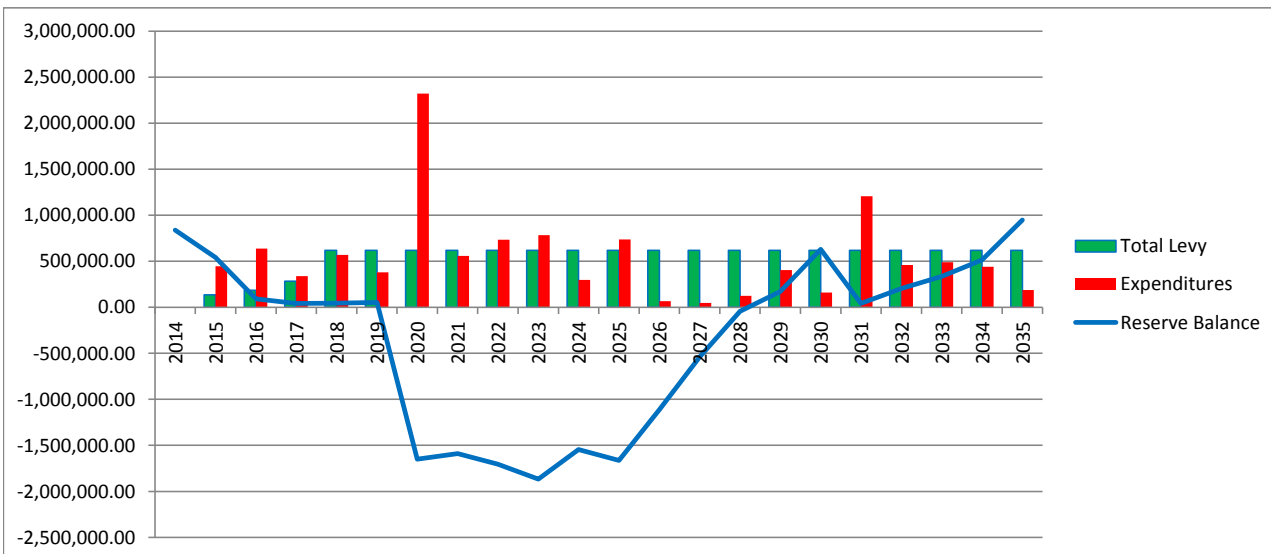
Assumptions: Reserve Earnings of 3%

2016 & 2017 Levy increase is tax increase

2018 Levy increase is repurpose of bond issuance

Scenario 3 - Additional 100K increase in 2017

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	100,000.00	285,000.00	337,700.00	52,700.00	1,200.03	41,201.06	84.4%
2018	335,000.00	620,000.00	569,000.00		2,766.03	43,967.09	109.0%
2019	-	620,000.00	378,800.00		8,555.01	52,522.11	163.7%
2020	-	620,000.00	2,322,000.00	52,522.11		(1,649,477.89)	26.7%
2021	-	620,000.00	560,000.00			(1,589,477.89)	110.7%
2022	-	620,000.00	734,200.00			(1,703,677.89)	84.4%
2023	-	620,000.00	782,900.00			(1,866,577.89)	79.2%
2024	-	620,000.00	298,400.00			(1,544,977.89)	207.8%
2025	-	620,000.00	738,500.00			(1,663,477.89)	84.0%
2026	-	620,000.00	67,000.00			(1,110,477.89)	925.4%
2027	-	620,000.00	48,600.00			(539,077.89)	1275.7%
2028	-	620,000.00	125,000.00			(44,077.89)	496.0%
2029	-	620,000.00	405,900.00			170,022.11	152.7%
2030	-	620,000.00	160,300.00			629,722.11	386.8%
2031	-	620,000.00	1,206,400.00			43,322.11	51.4%
2032	-	620,000.00	459,000.00			204,322.11	135.1%
2033	-	620,000.00	489,000.00			335,322.11	126.8%
2034	-	620,000.00	439,500.00			515,822.11	141.1%
2035	-	620,000.00	187,500.00			948,322.11	330.7%



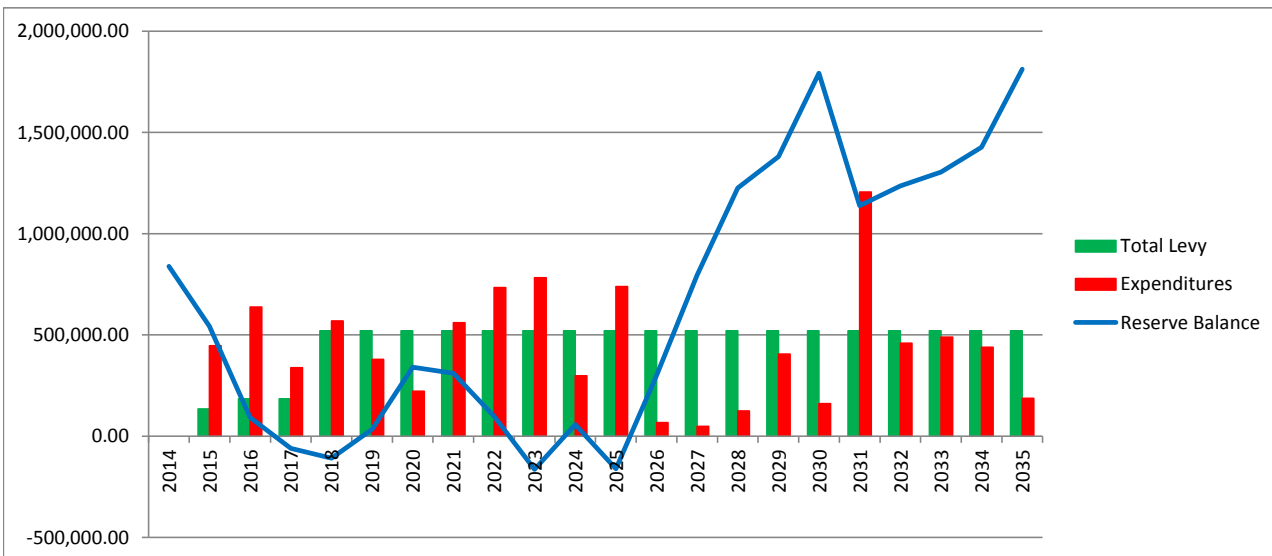
Assumptions: Reserve Earnings of 3%

2016 & 2017 Levy increase is tax increase

2018 Levy increase is repurpose of bond issuance

Scenario 4 - No Oval Expenditure

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	-	185,000.00	337,700.00	92,701.03		(59,998.97)	54.8%
2018	335,000.00	520,000.00	569,000.00			(108,998.97)	91.4%
2019	-	520,000.00	378,800.00		966.03	33,167.06	137.3%
2020	-	520,000.00	222,000.00		9,935.01	341,102.07	234.2%
2021	-	520,000.00	560,000.00	40,000.00	9,033.06	310,135.13	92.9%
2022	-	520,000.00	734,200.00	214,200.00	2,878.05	98,813.19	70.8%
2023	-	520,000.00	782,900.00	98,813.19		(164,086.81)	66.4%
2024	-	520,000.00	298,400.00			57,513.19	174.3%
2025	-	520,000.00	738,500.00			(160,986.81)	70.4%
2026	-	520,000.00	67,000.00		8,760.40	300,773.58	776.1%
2027	-	520,000.00	48,600.00		23,165.21	795,338.79	1070.0%
2028	-	520,000.00	125,000.00		35,710.16	1,226,048.96	416.0%
2029	-	520,000.00	405,900.00		40,204.47	1,380,353.42	128.1%
2030	-	520,000.00	160,300.00		52,201.60	1,792,255.03	324.4%
2031	-	520,000.00	1,206,400.00	686,400.00	33,175.65	1,139,030.68	43.1%
2032	-	520,000.00	459,000.00		36,000.92	1,236,031.60	113.3%
2033	-	520,000.00	489,000.00		38,010.95	1,305,042.55	106.3%
2034	-	520,000.00	439,500.00		41,566.28	1,427,108.82	118.3%
2035	-	520,000.00	187,500.00		52,788.26	1,812,397.09	277.3%



Assumptions: Reserve Earnings of 3%

2016 Levy increase is tax increase

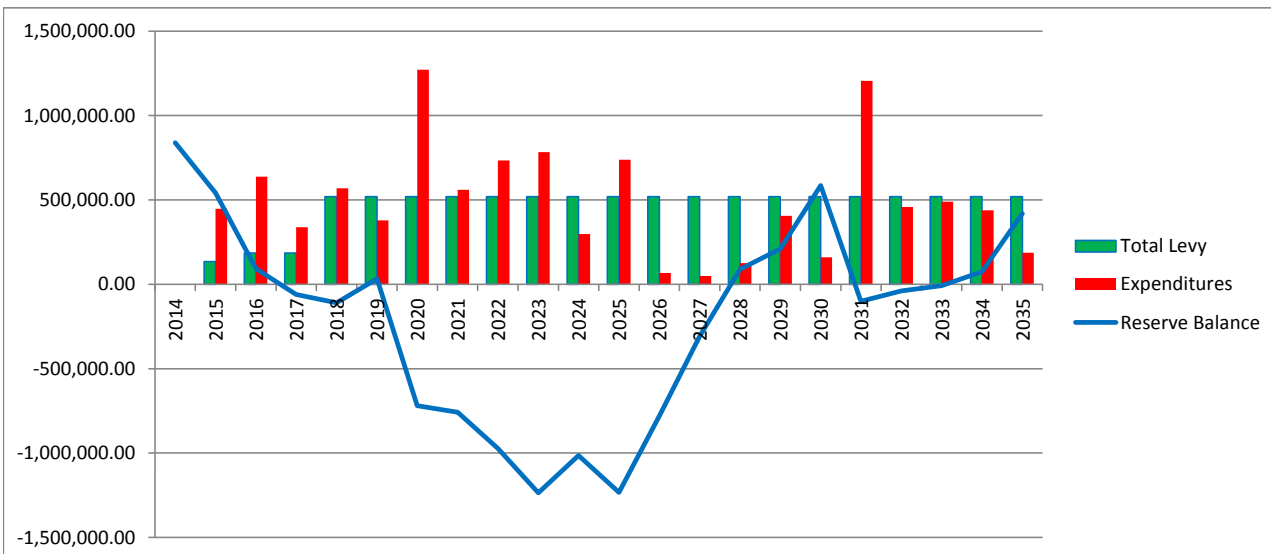
2018 Levy increase is repurpose of bond issuance

No \$2.1M Oval Expenditure in 2020

Reserve earnings of \$403K in 20 years

Scenario 5 - Oval Expenditure at 50%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	-	185,000.00	337,700.00	92,701.03		(59,998.97)	54.8%
2018	335,000.00	520,000.00	569,000.00			(108,998.97)	91.4%
2019	-	520,000.00	378,800.00		966.03	33,167.06	137.3%
2020	-	520,000.00	1,272,000.00			(718,832.94)	40.9%
2021	-	520,000.00	560,000.00			(758,832.94)	92.9%
2022	-	520,000.00	734,200.00			(973,032.94)	70.8%
2023	-	520,000.00	782,900.00			(1,235,932.94)	66.4%
2024	-	520,000.00	298,400.00			(1,014,332.94)	174.3%
2025	-	520,000.00	738,500.00			(1,232,832.94)	70.4%
2026	-	520,000.00	67,000.00			(779,832.94)	776.1%
2027	-	520,000.00	48,600.00			(308,432.94)	1070.0%
2028	-	520,000.00	125,000.00		2,597.01	89,164.07	416.0%
2029	-	520,000.00	405,900.00		6,097.92	209,361.99	128.1%
2030	-	520,000.00	160,300.00		17,071.86	586,133.85	324.4%
2031	-	520,000.00	1,206,400.00	586,133.85		(100,266.15)	43.1%
2032	-	520,000.00	459,000.00			(39,266.15)	113.3%
2033	-	520,000.00	489,000.00			(8,266.15)	106.3%
2034	-	520,000.00	439,500.00		2,167.02	74,400.87	118.3%
2035	-	520,000.00	187,500.00		12,207.03	419,107.90	277.3%



Assumptions: Reserve Earnings of 3%

2016 Levy increase is tax increase

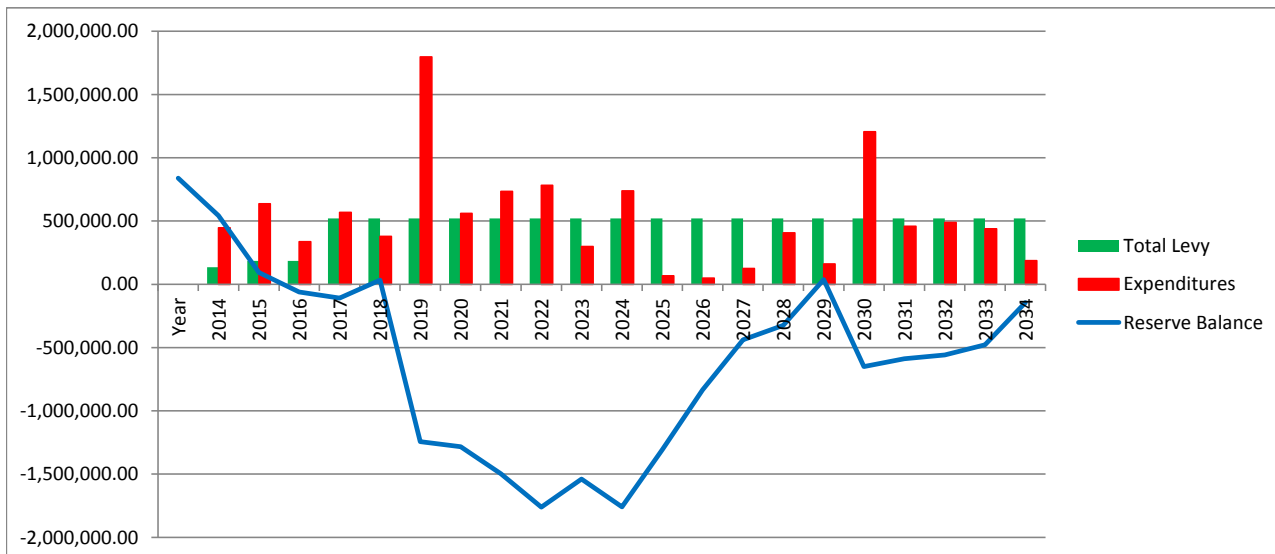
2018 Levy increase is repurpose of bond issuance

Pay 50% of \$2.1M Oval Expenditure in 2020

Reserve earnings of \$60K in 20 years

Scenario 6 - Oval Expenditure at 75%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	637,500.00	452,500.00	2,700.03	92,701.03	29.0%
2017	-	185,000.00	337,700.00	92,701.03		(59,998.97)	54.8%
2018	335,000.00	520,000.00	569,000.00			(108,998.97)	91.4%
2019	-	520,000.00	378,800.00		966.03	33,167.06	137.3%
2020	-	520,000.00	1,797,000.00			(1,243,832.94)	28.9%
2021	-	520,000.00	560,000.00			(1,283,832.94)	92.9%
2022	-	520,000.00	734,200.00			(1,498,032.94)	70.8%
2023	-	520,000.00	782,900.00			(1,760,932.94)	66.4%
2024	-	520,000.00	298,400.00			(1,539,332.94)	174.3%
2025	-	520,000.00	738,500.00			(1,757,832.94)	70.4%
2026	-	520,000.00	67,000.00			(1,304,832.94)	776.1%
2027	-	520,000.00	48,600.00			(833,432.94)	1070.0%
2028	-	520,000.00	125,000.00			(438,432.94)	416.0%
2029	-	520,000.00	405,900.00			(324,332.94)	128.1%
2030	-	520,000.00	160,300.00		1,061.01	36,428.07	324.4%
2031	-	520,000.00	1,206,400.00	36,428.07		(649,971.93)	43.1%
2032	-	520,000.00	459,000.00			(588,971.93)	113.3%
2033	-	520,000.00	489,000.00			(557,971.93)	106.3%
2034	-	520,000.00	439,500.00			(477,471.93)	118.3%
2035	-	520,000.00	187,500.00			(144,971.93)	277.3%



Assumptions: Reserve Earnings of 3%

2016 Levy increase is tax increase

2018 Levy increase is repurpose of bond issuance

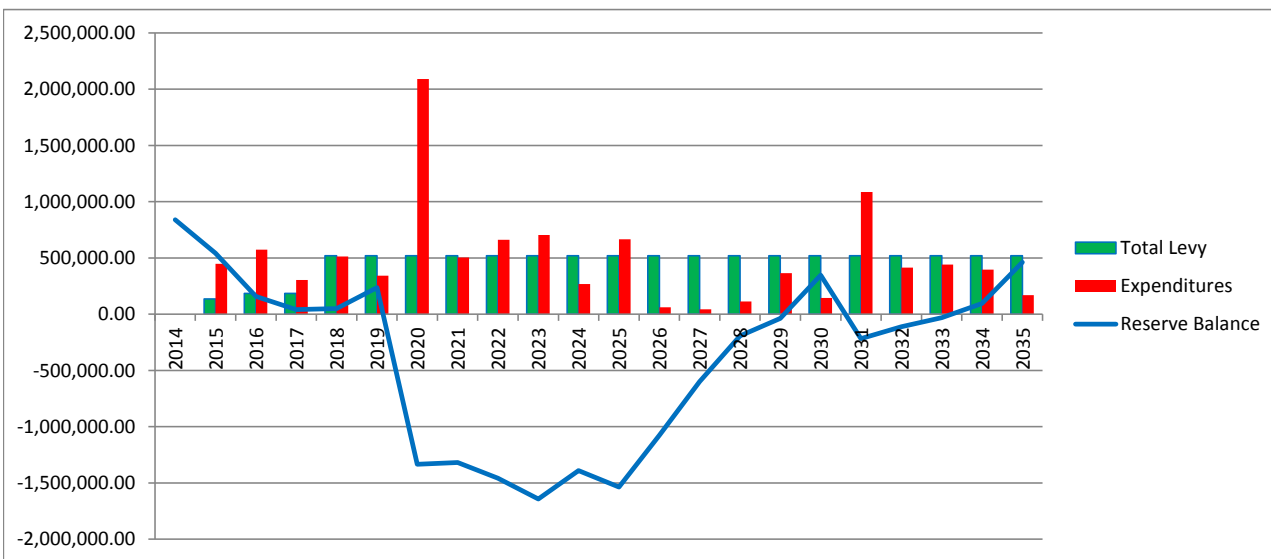
Pay 75% of \$2.1M Oval Expenditure in 2020

Reserve earnings of \$60K in 20 years

General Facilities CIP

Scenario 7 - All expenditures at 90%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	573,750.00	388,750.00	4,612.53	158,363.53	32.2%
2017	-	185,000.00	303,930.00	118,930.00	1,183.01	40,616.54	60.9%
2018	335,000.00	520,000.00	512,100.00		1,455.50	49,972.03	101.5%
2019	-	520,000.00	340,920.00		6,871.56	235,923.59	152.5%
2020	-	520,000.00	2,089,800.00	235,923.59		(1,333,876.41)	24.9%
2021	-	520,000.00	504,000.00			(1,317,876.41)	103.2%
2022	-	520,000.00	660,780.00			(1,458,656.41)	78.7%
2023	-	520,000.00	704,610.00			(1,643,266.41)	73.8%
2024	-	520,000.00	268,560.00			(1,391,826.41)	193.6%
2025	-	520,000.00	664,650.00			(1,536,476.41)	78.2%
2026	-	520,000.00	60,300.00			(1,076,776.41)	862.4%
2027	-	520,000.00	43,740.00			(600,516.41)	1188.8%
2028	-	520,000.00	112,500.00			(193,016.41)	462.2%
2029	-	520,000.00	365,310.00			(38,326.41)	142.3%
2030	-	520,000.00	144,270.00		10,122.11	347,525.70	360.4%
2031	-	520,000.00	1,085,760.00	347,525.70		(218,234.30)	47.9%
2032	-	520,000.00	413,100.00			(111,334.30)	125.9%
2033	-	520,000.00	440,100.00			(31,434.30)	118.2%
2034	-	520,000.00	395,550.00		2,790.47	95,806.17	131.5%
2035	-	520,000.00	168,750.00		13,411.69	460,467.86	308.1%



Assumptions: Reserve Earnings of 3%

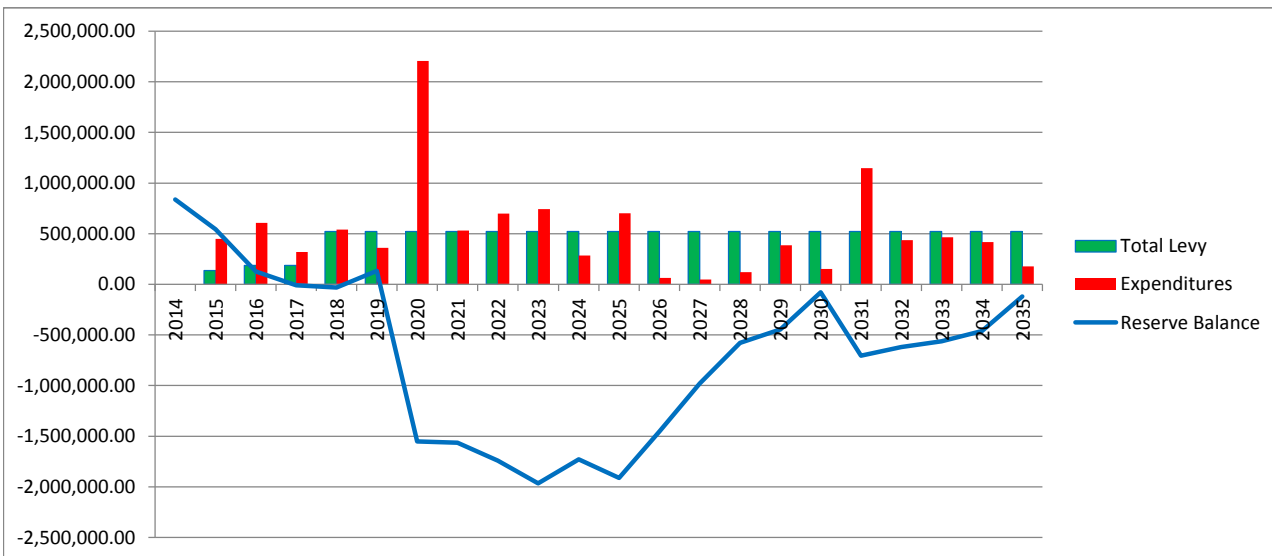
2016 Levy increase is tax increase

2018 Levy increase is repurpose of bond issuance

All expenditures are at 90% of existing CIP

Scenario 8 - All expenditures at 95%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						839,000.00	
2015		135,000.00	447,300.00	312,300.00	15,801.00	542,501.00	30.2%
2016	50,000.00	185,000.00	605,625.00	420,625.00	3,656.28	125,532.28	30.5%
2017	-	185,000.00	320,815.00	125,532.28		(10,282.72)	57.7%
2018	335,000.00	520,000.00	540,550.00			(30,832.72)	96.2%
2019	-	520,000.00	359,860.00		3,879.22	133,186.50	144.5%
2020	-	520,000.00	2,205,900.00	133,186.50		(1,552,713.50)	23.6%
2021	-	520,000.00	532,000.00			(1,564,713.50)	97.7%
2022	-	520,000.00	697,490.00			(1,742,203.50)	74.6%
2023	-	520,000.00	743,755.00			(1,965,958.50)	69.9%
2024	-	520,000.00	283,480.00			(1,729,438.50)	183.4%
2025	-	520,000.00	701,575.00			(1,911,013.50)	74.1%
2026	-	520,000.00	63,650.00			(1,454,663.50)	817.0%
2027	-	520,000.00	46,170.00			(980,833.50)	1126.3%
2028	-	520,000.00	118,750.00			(579,583.50)	437.9%
2029	-	520,000.00	385,605.00			(445,188.50)	134.9%
2030	-	520,000.00	152,285.00			(77,473.50)	341.5%
2031	-	520,000.00	1,146,080.00			(703,553.50)	45.4%
2032	-	520,000.00	436,050.00			(619,603.50)	119.3%
2033	-	520,000.00	464,550.00			(564,153.50)	111.9%
2034	-	520,000.00	417,525.00			(461,678.50)	124.5%
2035	-	520,000.00	178,125.00			(119,803.50)	291.9%



Assumptions: Reserve Earnings of 3%

2016 Levy increase is tax increase

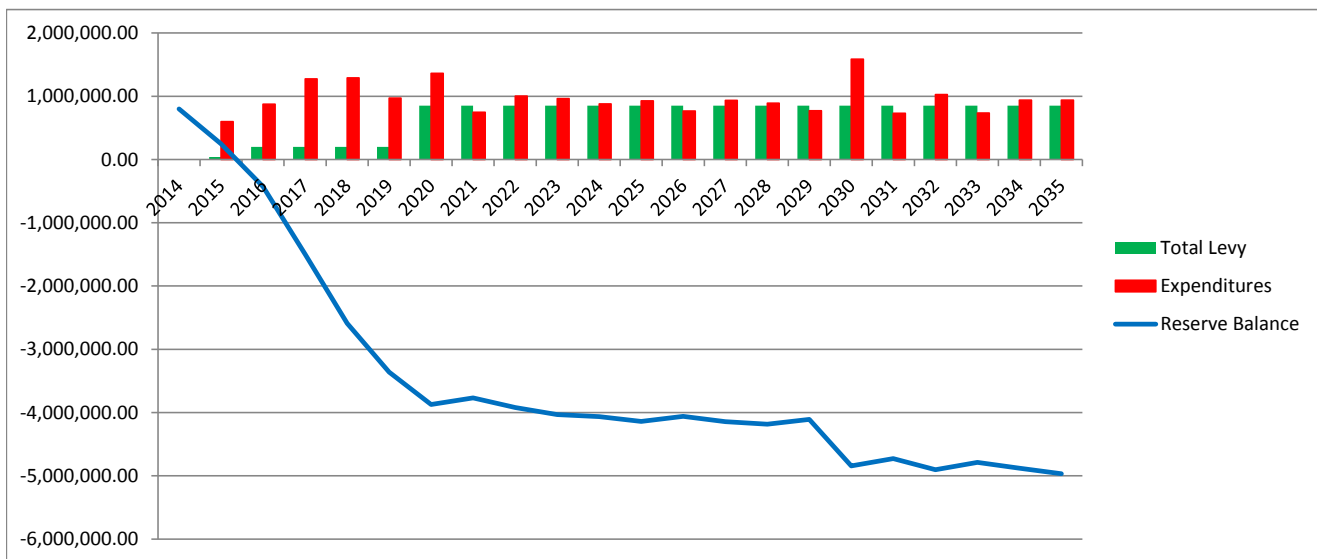
2018 Levy increase is repurpose of bond issuance

All expenditures are at 90% of existing CIP

Parks Improvement Program

Scenario 1 - Current "Revised" Plan

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	873,170.00	246,170.00		(427,000.00)	22.9%
2017		200,000.00	1,273,620.00			(1,500,620.00)	15.7%
2018		200,000.00	1,289,300.00			(2,589,920.00)	15.5%
2019		200,000.00	971,290.00			(3,361,210.00)	20.6%
2020	650,000.00	850,000.00	1,360,500.00			(3,871,710.00)	62.5%
2021		850,000.00	745,000.00			(3,766,710.00)	114.1%
2022		850,000.00	1,004,250.00			(3,920,960.00)	84.6%
2023		850,000.00	961,500.00			(4,032,460.00)	88.4%
2024		850,000.00	880,000.00			(4,062,460.00)	96.6%
2025		850,000.00	927,570.00			(4,140,030.00)	91.6%
2026		850,000.00	768,000.00			(4,058,030.00)	110.7%
2027		850,000.00	935,000.00			(4,143,030.00)	90.9%
2028		850,000.00	891,500.00			(4,184,530.00)	95.3%
2029		850,000.00	772,500.00			(4,107,030.00)	110.0%
2030		850,000.00	1,586,750.00			(4,843,780.00)	53.6%
2031		850,000.00	731,670.00			(4,725,450.00)	116.2%
2032		850,000.00	1,028,000.00			(4,903,450.00)	82.7%
2033		850,000.00	735,000.00			(4,788,450.00)	115.6%
2034		850,000.00	939,000.00			(4,877,450.00)	90.5%
2035		850,000.00	939,000.00			(4,966,450.00)	90.5%

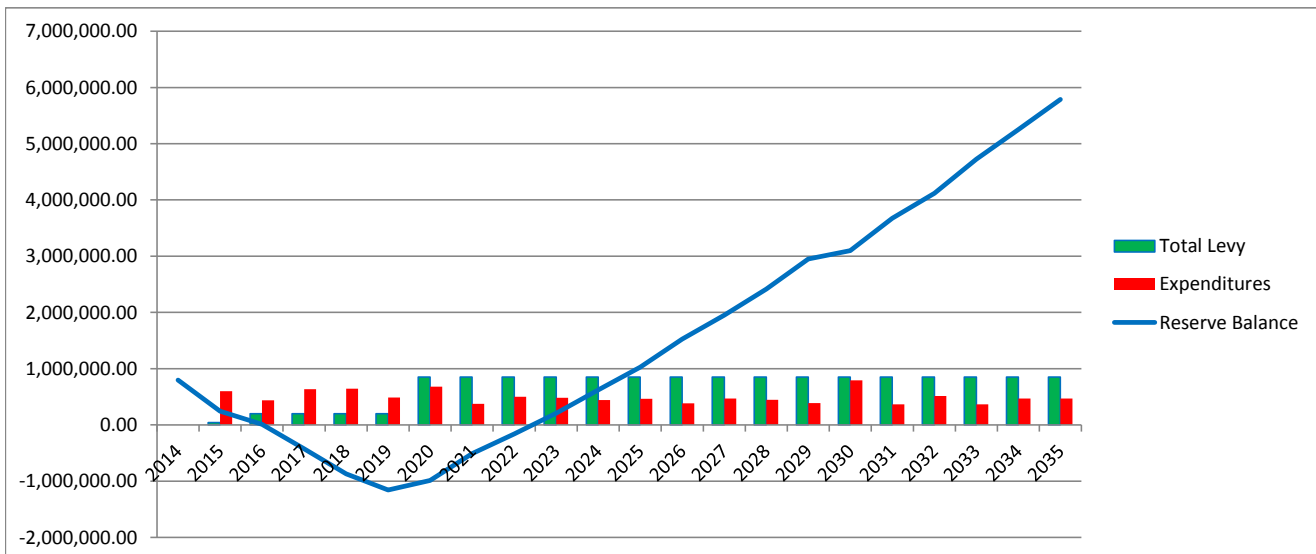


Assumptions: 2016 levy increase is a tax increase

2020 levy increase is a repurpose of bond issuance #27

Scenario 2 - Expenditures at 50%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	436,585.00	236,585.00	287.55	9,872.55	45.8%
2017		200,000.00	636,810.00	9,872.55		(426,937.45)	31.4%
2018		200,000.00	644,650.00			(871,587.45)	31.0%
2019		200,000.00	485,645.00			(1,157,232.45)	41.2%
2020	650,000.00	850,000.00	680,250.00			(987,482.45)	125.0%
2021		850,000.00	372,500.00			(509,982.45)	228.2%
2022		850,000.00	502,125.00			(162,107.45)	169.3%
2023		850,000.00	480,750.00			207,142.55	176.8%
2024		850,000.00	440,000.00		6,214.28	623,356.83	193.2%
2025		850,000.00	463,785.00		18,700.70	1,028,272.53	183.3%
2026		850,000.00	384,000.00		30,848.18	1,525,120.71	221.4%
2027		850,000.00	467,500.00		45,753.62	1,953,374.33	181.8%
2028		850,000.00	445,750.00		58,601.23	2,416,225.56	190.7%
2029		850,000.00	386,250.00		72,486.77	2,952,462.33	220.1%
2030		850,000.00	793,375.00		88,573.87	3,097,661.19	107.1%
2031		850,000.00	365,835.00		92,929.84	3,674,756.03	232.3%
2032		850,000.00	514,000.00		110,242.68	4,120,998.71	165.4%
2033		850,000.00	367,500.00		123,629.96	4,727,128.67	231.3%
2034		850,000.00	469,500.00		141,813.86	5,249,442.53	181.0%
2035		850,000.00	469,500.00		157,483.28	5,787,425.81	181.0%



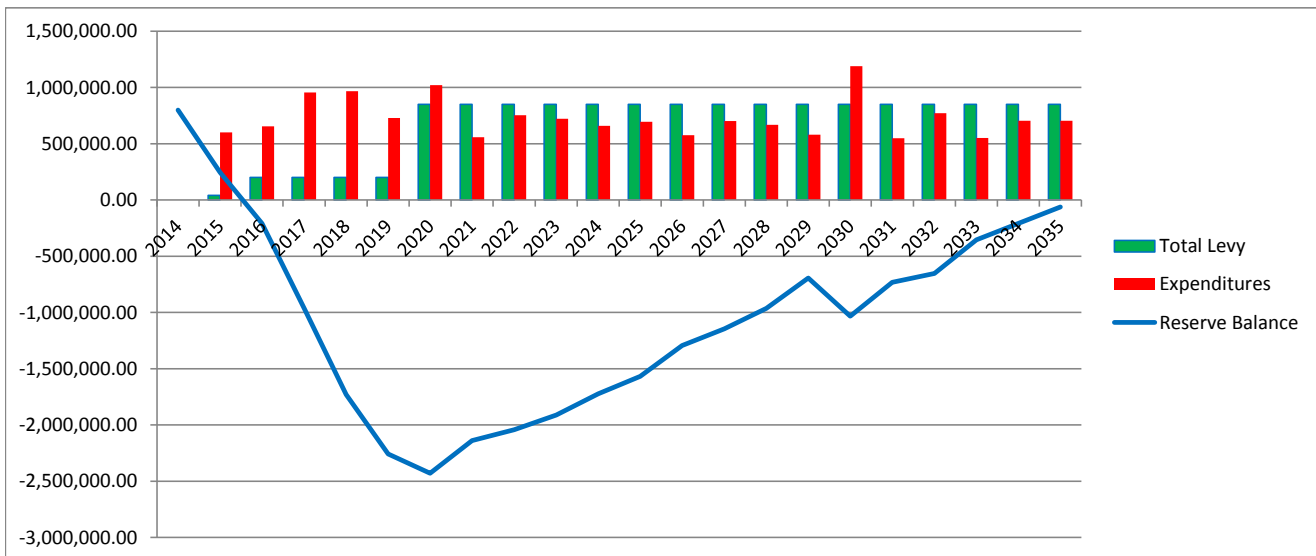
Assumptions: 2016 levy increase is a tax increase

2020 levy increase is a repurpose of bond issuance #27

Results: After temporary deficit, will accumulate \$951K in reserve earnings in next 20 years

Scenario 3 - Expenditures at 75%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	654,877.50	246,170.00		(208,707.50)	30.5%
2017		200,000.00	955,215.00			(963,922.50)	20.9%
2018		200,000.00	966,975.00			(1,730,897.50)	20.7%
2019		200,000.00	728,467.50			(2,259,365.00)	27.5%
2020	650,000.00	850,000.00	1,020,375.00			(2,429,740.00)	83.3%
2021		850,000.00	558,750.00			(2,138,490.00)	152.1%
2022		850,000.00	753,187.50			(2,041,677.50)	112.9%
2023		850,000.00	721,125.00			(1,912,802.50)	117.9%
2024		850,000.00	660,000.00			(1,722,802.50)	128.8%
2025		850,000.00	695,677.50			(1,568,480.00)	122.2%
2026		850,000.00	576,000.00			(1,294,480.00)	147.6%
2027		850,000.00	701,250.00			(1,145,730.00)	121.2%
2028		850,000.00	668,625.00			(964,355.00)	127.1%
2029		850,000.00	579,375.00			(693,730.00)	146.7%
2030		850,000.00	1,190,062.50			(1,033,792.50)	71.4%
2031		850,000.00	548,752.50			(732,545.00)	154.9%
2032		850,000.00	771,000.00			(653,545.00)	110.2%
2033		850,000.00	551,250.00			(354,795.00)	154.2%
2034		850,000.00	704,250.00			(209,045.00)	120.7%
2035		850,000.00	704,250.00			(63,295.00)	120.7%



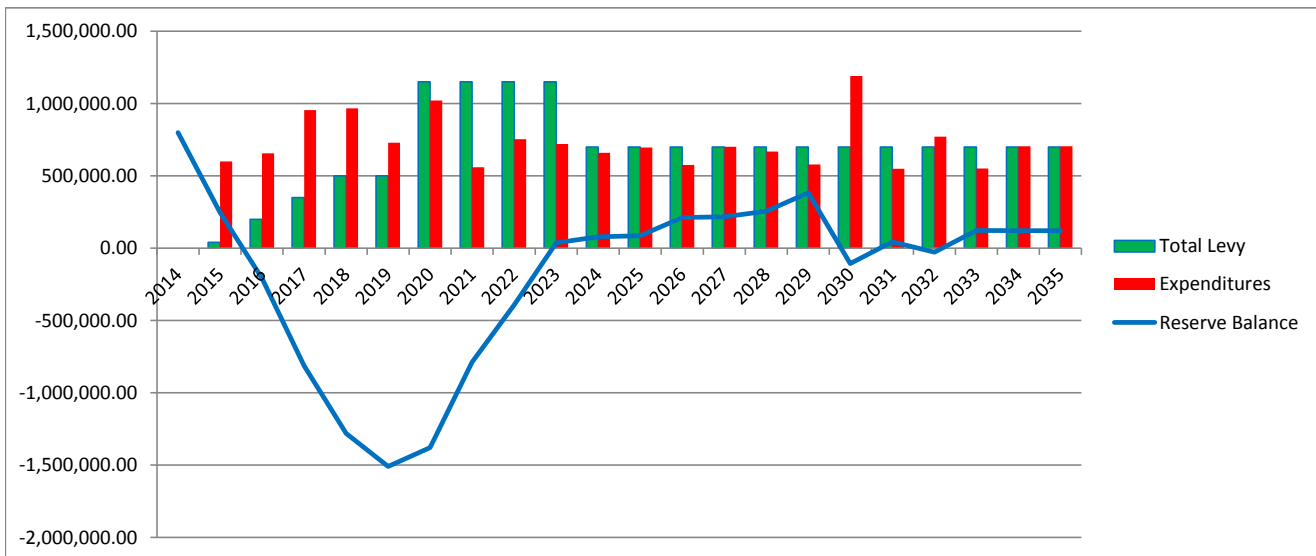
Assumptions: 2016 levy increase is a tax increase

2020 levy increase is a repurpose of bond issuance #27

Results: Solves itself over 20 years, CIP shortfall during middle years

Scenario 4 - Expenditures at 75%, cash flow smoothing

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	654,877.50	246,170.00		(208,707.50)	30.5%
2017	150,000.00	350,000.00	955,215.00			(813,922.50)	36.6%
2018	150,000.00	500,000.00	966,975.00			(1,280,897.50)	51.7%
2019		500,000.00	728,467.50			(1,509,365.00)	68.6%
2020	650,000.00	1,150,000.00	1,020,375.00			(1,379,740.00)	112.7%
2021		1,150,000.00	558,750.00			(788,490.00)	205.8%
2022		1,150,000.00	753,187.50			(391,677.50)	152.7%
2023		1,150,000.00	721,125.00			37,197.50	159.5%
2024	(450,000.00)	700,000.00	660,000.00		1,115.93	78,313.43	106.1%
2025		700,000.00	695,677.50		2,349.40	84,985.33	100.6%
2026		700,000.00	576,000.00		2,549.56	211,534.89	121.5%
2027		700,000.00	701,250.00		6,346.05	216,630.93	99.8%
2028		700,000.00	668,625.00		6,498.93	254,504.86	104.7%
2029		700,000.00	579,375.00		7,635.15	382,765.01	120.8%
2030		700,000.00	1,190,062.50	382,765.01		(107,297.49)	58.8%
2031		700,000.00	548,752.50			43,950.01	127.6%
2032		700,000.00	771,000.00	43,950.01		(27,049.99)	90.8%
2033		700,000.00	551,250.00			121,700.01	127.0%
2034		700,000.00	704,250.00		3,651.00	121,101.01	99.4%
2035		700,000.00	704,250.00		3,633.03	120,484.04	99.4%



Assumptions: 2016, 2017, & 2018 levy increases are a tax increase

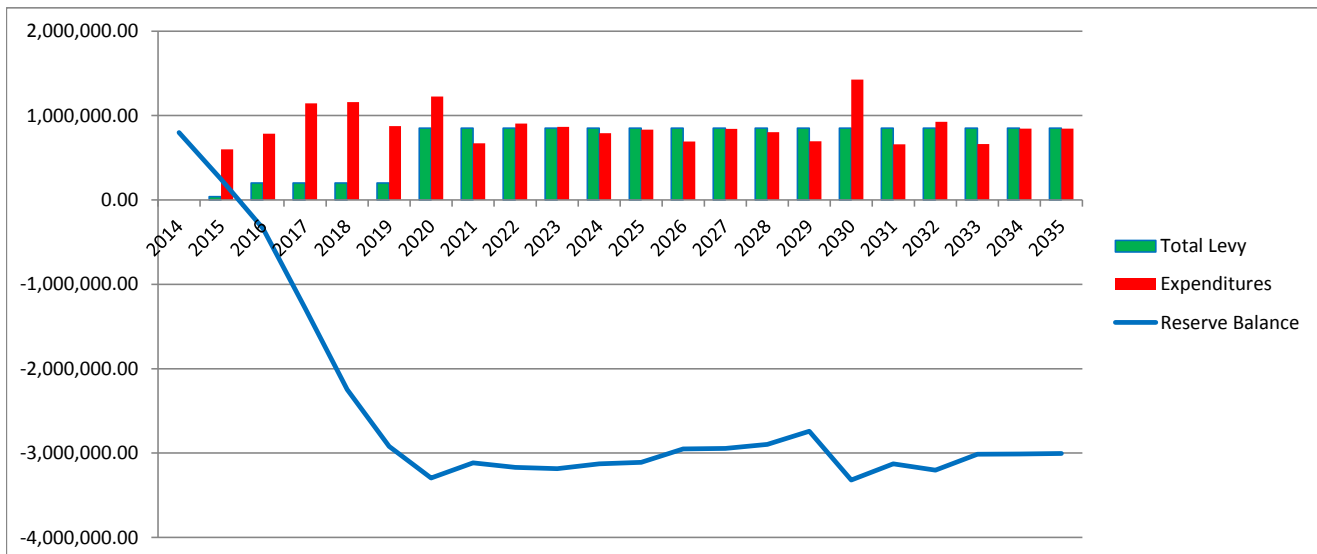
2020 levy increase is a repurpose of bond issuance #27

2024 tax levy decrease

\$41K in reserve earnings over 20 years

Scenario 5 - Expenditures at 90%

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	785,853.00	246,170.00		(339,683.00)	25.5%
2017		200,000.00	1,146,258.00			(1,285,941.00)	17.4%
2018		200,000.00	1,160,370.00			(2,246,311.00)	17.2%
2019		200,000.00	874,161.00			(2,920,472.00)	22.9%
2020	650,000.00	850,000.00	1,224,450.00			(3,294,922.00)	69.4%
2021		850,000.00	670,500.00			(3,115,422.00)	126.8%
2022		850,000.00	903,825.00			(3,169,247.00)	94.0%
2023		850,000.00	865,350.00			(3,184,597.00)	98.2%
2024		850,000.00	792,000.00			(3,126,597.00)	107.3%
2025		850,000.00	834,813.00			(3,111,410.00)	101.8%
2026		850,000.00	691,200.00			(2,952,610.00)	123.0%
2027		850,000.00	841,500.00			(2,944,110.00)	101.0%
2028		850,000.00	802,350.00			(2,896,460.00)	105.9%
2029		850,000.00	695,250.00			(2,741,710.00)	122.3%
2030		850,000.00	1,428,075.00			(3,319,785.00)	59.5%
2031		850,000.00	658,503.00			(3,128,288.00)	129.1%
2032		850,000.00	925,200.00			(3,203,488.00)	91.9%
2033		850,000.00	661,500.00			(3,014,988.00)	128.5%
2034		850,000.00	845,100.00			(3,010,088.00)	100.6%
2035		850,000.00	845,100.00			(3,005,188.00)	100.6%



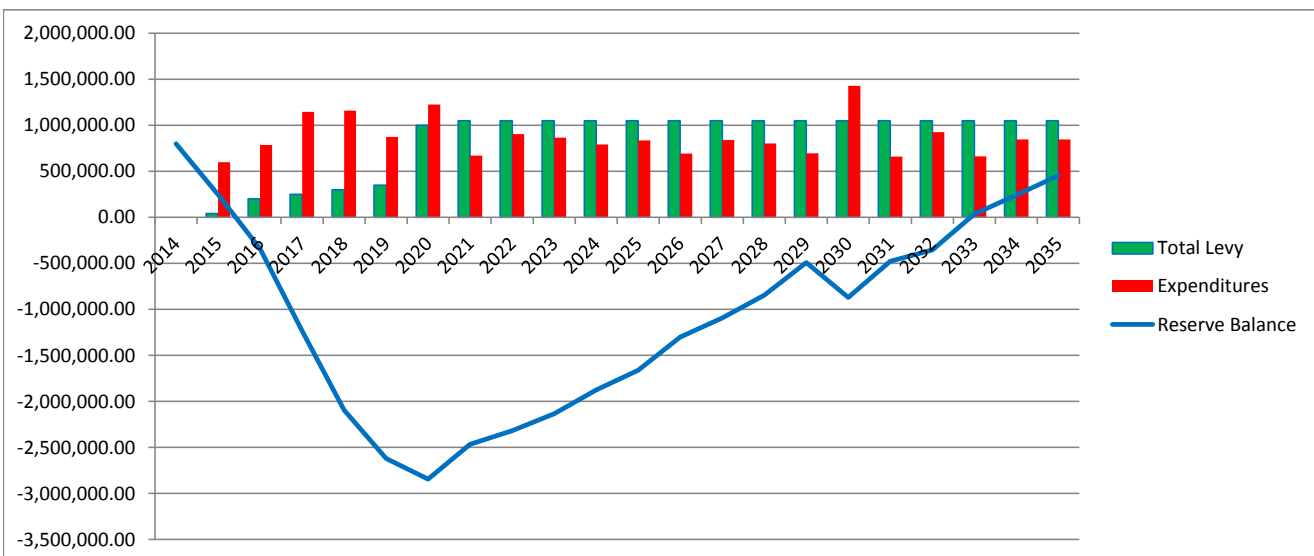
Assumptions: 2016 levy increase is a tax increase

2020 levy increase is a repurpose of bond issuance #27

Parks Improvement Program

Scenario 6 - Expenditures at 90% with several smaller levy increases

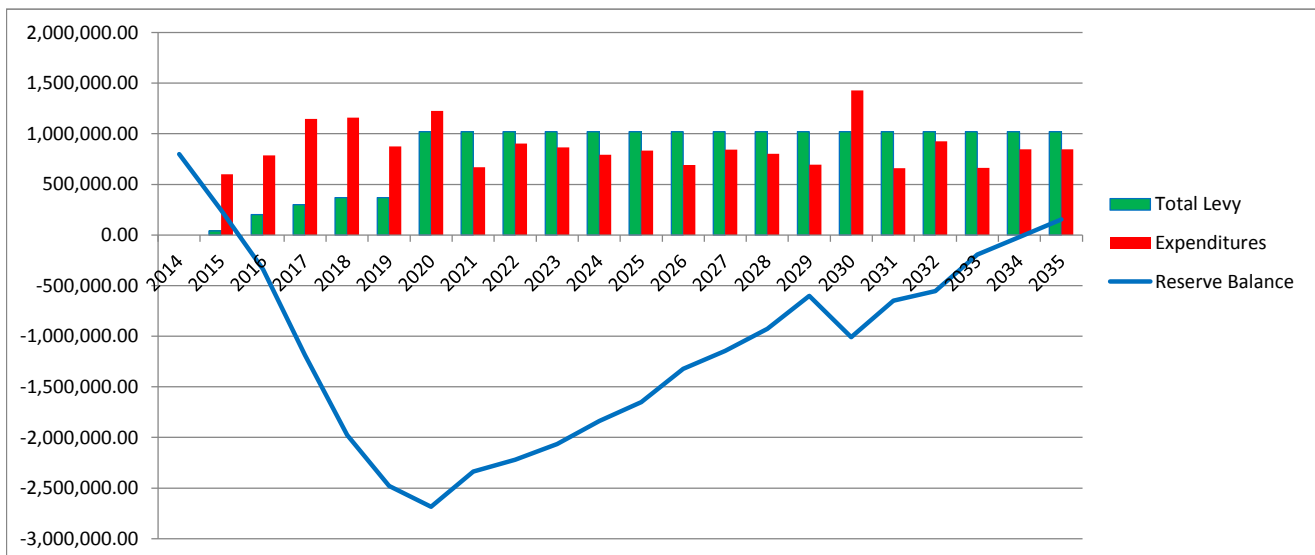
Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	785,853.00	246,170.00		(339,683.00)	25.5%
2017	50,000.00	250,000.00	1,146,258.00			(1,235,941.00)	21.8%
2018	50,000.00	300,000.00	1,160,370.00			(2,096,311.00)	25.9%
2019	50,000.00	350,000.00	874,161.00			(2,620,472.00)	40.0%
2020	650,000.00	1,000,000.00	1,224,450.00			(2,844,922.00)	81.7%
2021	50,000.00	1,050,000.00	670,500.00			(2,465,422.00)	156.6%
2022		1,050,000.00	903,825.00			(2,319,247.00)	116.2%
2023		1,050,000.00	865,350.00			(2,134,597.00)	121.3%
2024		1,050,000.00	792,000.00			(1,876,597.00)	132.6%
2025		1,050,000.00	834,813.00			(1,661,410.00)	125.8%
2026		1,050,000.00	691,200.00			(1,302,610.00)	151.9%
2027		1,050,000.00	841,500.00			(1,094,110.00)	124.8%
2028		1,050,000.00	802,350.00			(846,460.00)	130.9%
2029		1,050,000.00	695,250.00			(491,710.00)	151.0%
2030		1,050,000.00	1,428,075.00			(869,785.00)	73.5%
2031		1,050,000.00	658,503.00			(478,288.00)	159.5%
2032		1,050,000.00	925,200.00			(353,488.00)	113.5%
2033		1,050,000.00	661,500.00			35,012.00	158.7%
2034		1,050,000.00	845,100.00		1,050.36	240,962.36	124.2%
2035		1,050,000.00	845,100.00		7,228.87	453,091.23	124.2%



Assumptions: 2016, 2017, 2018, 2019, & 2021 levy increases are a tax increase
 2020 levy increase is a repurpose of bond issuance #27

Scenario 7 - Expenditures at 90% with fewer (larger) levy increases

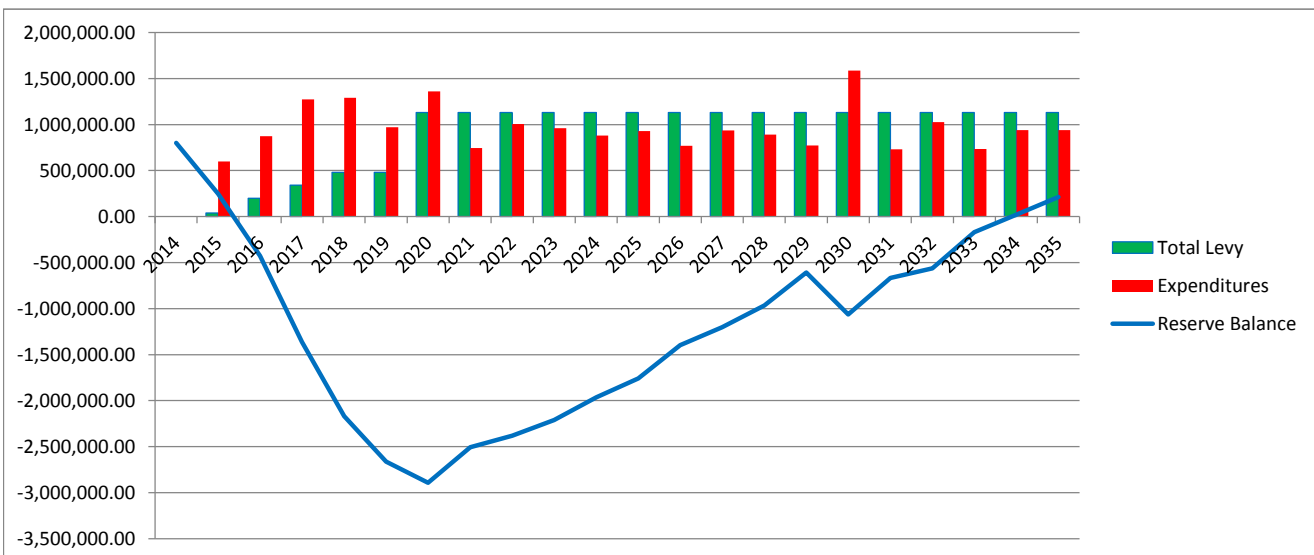
Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	785,853.00	246,170.00		(339,683.00)	25.5%
2017	100,000.00	300,000.00	1,146,258.00			(1,185,941.00)	26.2%
2018	70,000.00	370,000.00	1,160,370.00			(1,976,311.00)	31.9%
2019		370,000.00	874,161.00			(2,480,472.00)	42.3%
2020	650,000.00	1,020,000.00	1,224,450.00			(2,684,922.00)	83.3%
2021		1,020,000.00	670,500.00			(2,335,422.00)	152.1%
2022		1,020,000.00	903,825.00			(2,219,247.00)	112.9%
2023		1,020,000.00	865,350.00			(2,064,597.00)	117.9%
2024		1,020,000.00	792,000.00			(1,836,597.00)	128.8%
2025		1,020,000.00	834,813.00			(1,651,410.00)	122.2%
2026		1,020,000.00	691,200.00			(1,322,610.00)	147.6%
2027		1,020,000.00	841,500.00			(1,144,110.00)	121.2%
2028		1,020,000.00	802,350.00			(926,460.00)	127.1%
2029		1,020,000.00	695,250.00			(601,710.00)	146.7%
2030		1,020,000.00	1,428,075.00			(1,009,785.00)	71.4%
2031		1,020,000.00	658,503.00			(648,288.00)	154.9%
2032		1,020,000.00	925,200.00			(553,488.00)	110.2%
2033		1,020,000.00	661,500.00			(194,988.00)	154.2%
2034		1,020,000.00	845,100.00			(20,088.00)	120.7%
2035		1,020,000.00	845,100.00			154,812.00	120.7%



Assumptions: 2016, 2017, & 2018 levy increases are a tax increase
 2020 levy increase is a repurpose of bond issuance #27

Scenario 8 - Expenditures at 100% with levy increases

Year	Add'l Levy	Total Levy	Expenditures	Reserve Use	Reserve Earnings	Reserve Balance	Levy Expenditure Coverage %
2014						799,000.00	
2015		40,000.00	600,000.00	560,000.00	7,170.00	246,170.00	6.7%
2016	160,000.00	200,000.00	873,170.00	246,170.00		(427,000.00)	22.9%
2017	140,000.00	340,000.00	1,273,620.00			(1,360,620.00)	26.7%
2018	140,000.00	480,000.00	1,289,300.00			(2,169,920.00)	37.2%
2019		480,000.00	971,290.00			(2,661,210.00)	49.4%
2020	650,000.00	1,130,000.00	1,360,500.00			(2,891,710.00)	83.1%
2021		1,130,000.00	745,000.00			(2,506,710.00)	151.7%
2022		1,130,000.00	1,004,250.00			(2,380,960.00)	112.5%
2023		1,130,000.00	961,500.00			(2,212,460.00)	117.5%
2024		1,130,000.00	880,000.00			(1,962,460.00)	128.4%
2025		1,130,000.00	927,570.00			(1,760,030.00)	121.8%
2026		1,130,000.00	768,000.00			(1,398,030.00)	147.1%
2027		1,130,000.00	935,000.00			(1,203,030.00)	120.9%
2028		1,130,000.00	891,500.00			(964,530.00)	126.8%
2029		1,130,000.00	772,500.00			(607,030.00)	146.3%
2030		1,130,000.00	1,586,750.00			(1,063,780.00)	71.2%
2031		1,130,000.00	731,670.00			(665,450.00)	154.4%
2032		1,130,000.00	1,028,000.00			(563,450.00)	109.9%
2033		1,130,000.00	735,000.00			(168,450.00)	153.7%
2034		1,130,000.00	939,000.00			22,550.00	120.3%
2035		1,130,000.00	939,000.00			213,550.00	120.3%



Assumptions: 2016 levy increase is a tax increase

2020 levy increase is a repurpose of bond issuance #27

August 12, 2015

At the August 11, 2015 Finance Commission meeting, the Commission discussed the utilization of the City's Park Dedication Fees. The Commission concluded that in recognition of the City's broader CIP needs, including the significant funding gaps that exists within the Park Improvement Program; it is preferable that the Park Dedication fees be directed to replacing and improving existing park system assets as opposed to acquiring new ones.

The Commission further recognized that any expenditure of Park Dedication fees must comply with applicable State Laws.

City of Roseville
Finance Commission
Water & Sewer Utility Rates

I. Introduction

Based on my readings, discussions with Finance Director Miller and other Finance Commissioners, and observations of City Council meetings, there has been discussion about the appropriateness of water and sewer utility rates, as well as subsidizing residents' bills by funding capital expenditures through the tax levy.

Below I discuss my thoughts and suggestions, along with comparisons to my professional work at the Minnesota Department of Commerce (Department) as an electric and natural gas utility regulator. This is in no way intended to be comprehensive, nor a replacement for further discussion or the analysis that has been provided by the City's finance staff previously.

II. Rate Design Goals

There is not an exact formula for setting rates for utilities, but there are several important, and often times competing, objectives that must be balanced. Below are the Department's basic rate design goals for Minnesota regulated investor-owned electric and natural gas utilities (IOUs):¹

1. Rates should be designed to provide the Company a reasonable opportunity to recover all prudently incurred costs, including the cost of capital;
2. Rates should be designed to promote an efficient use of resources;
3. Rate changes should be gradual in order to limit rate shock to consumers; and
4. Rates should be understandable and easy to administer.

While there are obvious differences between the operation of electric and natural gas IOUs and a municipal water and sewer utility, I see many parallels between the two. Below I address each rate design goal as it applies to IOUs and then in context of the City of Roseville's (the City) water and sewer utility.

1. *Rates should be designed to provide the Company a reasonable opportunity to recover all prudently incurred costs, including the cost of capital.*

Electric and natural gas IOUs are a natural monopoly allowed by law. In the absence of competition, government regulation has been used to approximate the results that would be achieved in a competitive environment.² The City's water and sewer utility differs from IOUs, in that the City has alternatives to utility rates for recovery, such as the tax levy or bonding. While many cities subsidize utility rates by funding capital expenditures through their tax

¹ Page 2, Peirce Direct Testimony, filed June 5, 2014, in Xcel Electric's most recent rate case in Docket No. E002/GR-13-868.

² *Id.*

levies, the most direct mechanism for recovery of capital expenditures is through utility rates, as Roseville does currently.

2. Rates should be designed to promote an efficient use of resources.

This principle reflects the goal that rates should send an appropriate price signal to customers by reflecting the cost of serving them. Stated another way, an efficient allocation of resources takes place when the value a customer places on a product is equal to the cost of producing the product.³ This concept is generally referred to as “cost-based” rates.

There are several issues to consider, which I address separately below:

- not recovering costs incurred by each rate class from that rate class (inter-class subsidies);
- the rate design of the base charge and the variable rate; and
- recovering fixed costs through the base charge versus the tax levy.

a. Inter-class subsidies

An inter-class subsidy occurs when the revenue collected from one class of customers fails to recover the cost of serving those customers, and the difference is made up by over-recovering costs from other customer classes.⁴ To send the proper price signal, it is appropriate to minimize inter-class subsidies within a utility rate structure. However, in the interest of fairness and affordability, it is not unprecedented to have large, non-residential customer classes subsidize smaller and residential classes.

From discussions with Finance Director Miller and review of his rate analysis, it is my understanding that Roseville’s residential class water usage is subsidized by approximately seven percentage points. That is to say that the single-family residential class water usage revenues account for approximately 44 percent of total revenues collected, yet actual usage is approximately 51 percent of City-wide water usage.⁵ The situation is similar for sanitary sewer usage with a subsidy of approximately 14 percentage points.

Regarding inter-class subsidies related to base charges for water, it appears that the residential class is subsidized by approximately nine percentage points. However, the residential base charge for sanitary sewer *subsidizes* the multi-family and non-residential classes by three percentage points. When extrapolated over the actual revenue dollars, the effect is basically a net wash.⁶

For context, the current percentage shifts for water and sanitary sewer usage results in a \$2.77 per residential customer shift to multi-family and non-residential customers on a

³ *Id.* Page 3.

⁴ Page 10, Peirce Direct Testimony, filed June 5, 2014, in Xcel Electric’s most recent rate case in Docket No. E002/GR-13-868.

⁵ See attachment for calculations. These numbers are based on 2015 utility rate analysis are meant to be illustrative, as they will change from year to year.

⁶ *Id.*

monthly basis. If the shift was increased to 25 percentage points for both water and sanitary sewer usage, residential customers would save an additional \$3.87 on a monthly basis.⁷

Both strict class allocation of costs, as well as shifting the allocation based on affordability, have merit. Based on its goals, it is up to the Council to decide if, and by how much, it is comfortable with inter-class subsidies. There is almost certainly a range of reasonable answers. Based on my review, the current class allocations do not appear to be unreasonable.

b. Recovering Fixed Costs through the Base Charge

It is the goal of electric and natural gas IOUs to recover all of their fixed costs through the base charge. Currently, electric and natural gas base charges are set significantly below the cost to serve residential customers, because it was thought that higher base charges are burdensome to lower-income households. It is a common convention that lower-income households are lower-usage customers, so high base charges are unfairly discriminatory. While there is a correlation, low-income households do not always equal low-usage customers.⁸

Setting the base charge below cost means the IOUs must charge higher variable rates to recover all of their costs. So lower-income, high-usage residential customers could actually pay more than what it costs to serve them (intra-class subsidies). IOUs are moving toward higher base charges, but the increases must be modest to balance with rate design goal #3, which is to prevent rate shock.

My understanding of the current rate structure for the City's utility is that almost all of the fixed costs (infrastructure, personnel, admin) are recovered through base charges, and almost all of the variable costs are charged through the usage fees. Charging rates in this way clearly shows customers what they are paying for. The City of Roseville is already billing its costs in a manner that IOUs will take significant time to achieve. Based on my review, I believe that Roseville's method of calculating base charges is reasonable.

c. Recovering Fixed Costs through the Tax Levy

The Council has discussed the possibility of shifting the recovery of fixed infrastructure costs from base utility rates to the tax levy. This is a recovery mechanism that is not available to

⁷ *Id.*

⁸ While lower-income electric and natural gas customers may have smaller houses or make an effort to reduce their usage, these customers may not have the resources to further reduce their usage in ways higher-income households can (e.g. buying more efficient appliances, adding insulation, replacing windows, etc.). I would argue the same is probably true for water usage. Demand is elastic for higher-income amenities such as swimming pools and lawn watering. Lower-income households may not have high demand due to swimming pools or lawn-watering systems, but they may have older pipes that leak, less efficient appliances and toilets, less expensive fixtures that do not have water-saving features, etc. In addition, for both energy and water utility customers, lower-income customers may have other circumstances which increase usage (e.g. more people living in their household, or residents who disabled, unemployed, or retired who are home during the day).

electric and natural gas utilities, but I argue that the rate design goals stated above still apply.

To restate goal #2, it is important to send appropriate price signals to customers by reflecting the cost of serving them. Using the tax levy as a recovery mechanism is not optimal in relation to this rate design goal, as it would undervalue utility services on customers' bills. This situation could lead to a decrease in water conservation, since customers may perceive water as "cheap." It could also lead to customer confusion since it would be less clear as to why the City needs to significantly increase the tax levy and/or potentially issue bonds.

To compound the issue, if utility capital expenditures are funded through the tax levy, the risk is that a future Council will not fully understand the value of the City's utility in context with all of the other services funded through the tax levy. The City's levy is discretionary in a way that utility rates are not. Utility infrastructure is expensive and needs to be maintained, regardless of the tax levy set in any given year. If the levy is not set high enough to pay for the capital needs of the utility, the City could be faced with a situation where it needs to issue bonds in order to pay for the infrastructure. In that situation, customers would have the additional financial burden of paying interest on expenditures that could have been directly recovered through rates.

3. Rate changes should be gradual in order to limit rate shock to customers.

As discussed above, Roseville already charges almost all of its fixed costs through its base charge. Therefore, this is not the same risk of rate shock in increasing base charges as in electric and natural gas IOU rates. There is risk of rate shock through user fees as the cost of purchasing water increases, however those increases can be somewhat mitigated by conservation.

4. Rates should be understandable and easy to administer.

It appears to me that the City's current utility rate structure is understandable and easy to administer. Some customer education is always necessary, but the City's rates generally follow good rate design principles.

It is for this reason the recent discussions to shift funding for utility infrastructure from rates to the tax levy gives me significant pause. Collecting fixed costs through the base charge provides important transparency to all parties involved, whether they are the customer, City Finance Staff, or the Council. Shifting capital expenditure funding from utility rates to the tax levy eliminates this transparency. If utility capital expenditures are buried in the tax levy, and ultimately property taxes, customers will no longer see the full cost of providing these utility services to their point of service. As discussed previously, this greatly undervalues the utility and could put it at risk to materially under-recover its full capital costs.

If it is the Council's goal to provide relief to a certain population of residents, I suggest taking a more targeted approach. Specific programs maintain transparency in which population is

being subsidized and why, and allow for informed discussions on programs and rates going forward.

III. Conclusion

At this point, I do not have any specific recommendations regarding the 2016 rates. I think there is room for discussion on issues such as inter-class subsidies and discount programs, but it would be helpful to have additional guidance from the Council on its questions and/or goals before proceeding further. Please let me know if you have any questions or concerns; I look forward to discussing this topic with you at future Finance Commission and City Council meetings.

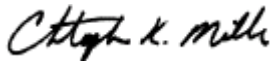
City of Roseville
Water & Sanitary Sewer Inter-Class Subsidy Analysis
2015

Base Fees (Fixed Rate)				Usage Fees (Variable Rate)			
Water				Water			
	# of Customers	% of Customers	Annual Base Revenue	% of Revenue	Annual Usage Revenue	% of Revenue	Annual Shifted to Non-Res
Single-Family Residential	7,197	70.3%	1,485,461	63.2%	\$ 1,165,914	39.9%	
Single-Family Residential: Senior	2,300	22.5%	474,720	20.2%	\$ 124,200	4.2%	
Residential Total	9,497	92.7%	1,960,181	83.4%	\$ 1,290,114	44.1%	7.3%
Multi-Family and Non-Residential							25%
5/8" Meter or 3/4" Meter	70	0.7%	14,448	0.6%	\$ 8,803	0.8%	\$ 1,886
1.0" Meter	276	2.7%	71,208	3.0%	\$ 188,416	16.9%	\$ 40,378
1.5" Meter	210	2.1%	86,520	3.7%	\$ 131,353	11.8%	\$ 28,149
2.0" Meter	144	1.4%	111,456	4.7%	\$ 98,882	8.9%	\$ 21,190
3.0" Meter	42	0.4%	65,016	2.8%	\$ 80,555	7.2%	\$ 17,263
4.0" Meter	1	0.0%	3,096	0.1%	\$ 2,648	0.2%	\$ 567
6.0" Meter	2	0.0%	37,152	1.6%	\$ 32,073	2.9%	\$ 9,320
MF and Non-Residential Total	745	7.3%	\$ 388,896	16.6%	\$ 542,730	48.6%	\$ 118,754
Total All Classes	10,242	100.0%	\$ 2,349,077	100.0%	1,116,114	100.0%	\$ 12.50
							\$ 43.03
Sanitary Sewer				Sanitary Sewer			
	# of Customers	% of Customers	Annual Base Revenue	% of Revenue	Annual Usage Revenue	% of Revenue	Annual Shifted to Non-Res
Single-Family Residential	7,197	43.1%	1,019,095	45.3%	\$ 711,639	32.6%	
Single-Family Residential: Senior	2,300	13.8%	325,680	14.5%	\$ 46,000	3.5%	
Residential Total	9,497	56.8%	\$ 1,344,775	59.8%	\$ 757,808	35.1%	14.1%
Multi-Family and Non-Residential							25%
Residential - Multi Family (b)	299	1.8%	33,842.40	1.5%	2,208	0.2%	\$ 514
Residential - Apts & Condos (c)	6,165	36.9%	595,209.60	26.5%	206,223	21.7%	\$ 339,856
5/8" Meter or 3/4" Meter	70	0.4%	7,420	0.3%	9,765	1.0%	\$ 37,595
1.0" Meter	276	1.7%	58,512	2.6%	49,738	5.2%	\$ 191,491
1.5" Meter	210	1.3%	66,780	3.0%	65,363	6.9%	\$ 261,452
2.0" Meter	144	0.9%	71,424	3.2%	85,738	9.0%	\$ 342,952
3.0" Meter	42	0.3%	43,680	1.9%	51,464	5.4%	\$ 205,856
4.0" Meter	1	0.0%	2,060	0.1%	2,648	0.3%	\$ 10,592
6.0" Meter	2	0.0%	24,600	1.1%	-	0.0%	\$ -
MF and Non-Residential Total	7,209	43.2%	\$ 903,528	40.2%	\$ 473,147	49.8%	\$ 197,015
Total All Classes	16,706	100.0%	\$ 2,248,303	100.0%	950,967	100.0%	\$ 20.74
							\$ 36.68
				Total Water/Sewer Monthly Residential \$ Shifted (Saved) \$ 2.77			
				Additional Monthly Residential \$ Shift (Saved) \$ 3.87			

REQUEST FOR COUNCIL ACTION

Date: 08/17/15
Item No.: 13.a

Department Approval



City Manager Approval



Item Description: Review the 2016-2035 Capital Improvement Plan & Funding Strategies

BACKGROUND

At the April 20, 2015 City Council meeting the Council established a 2016 Budget Calendar which outlined a series of steps to establish an eventual budget. The calendar is as follows:

2016 Budget Calendar

Departmental Budget Presentations.....	May 27, June 1, 2015
Discussion on City Council Budget Goals & Priorities.....	June 15, 2015
Present the City Manager Recommended Budget	July 13, 2015
Present the City Manager Recommended Budget to the Finance Commission	July 14, 2015
Preliminary Budget Hearing	August 10, 2015
Joint Meeting with the Finance Commission/Review CIP Funding Strategies....	August 17, 2015
Adopt the Preliminary Budget	September 14, 2015
Continue Discussions on the Budget/Review Water & Sewer Fees.....	October 19, 2015
Final Budget Hearing.....	November 30, 2015
Adopt the 2016 Water & Sewer Rates.....	December 7, 2015
Adopt the 2016 Final Budget.....	December 7, 2015

The next step in the Budget Calendar is to review the Capital Improvement Plan (CIP) and funding strategies. A brief overview of the CIP and funding strategies will be presented at the meeting and are included in *Attachment A*.

POLICY OBJECTIVE

Establishing long-term capital replacement plans is consistent with municipal best practices as well as the goals and objectives established by the City Council.

FINANCIAL IMPACTS

Not applicable.

STAFF RECOMMENDATION

Not applicable.

30 **REQUESTED COUNCIL ACTION**

31 For information purposes only. No formal Council action is required.

32

Prepared by: Chris Miller, Finance Director

Attachments: A: PowerPoint Presentation of the 2016-2035 CIP

B: 2016-2035 CIP Schedules

City of Roseville

2016-2035

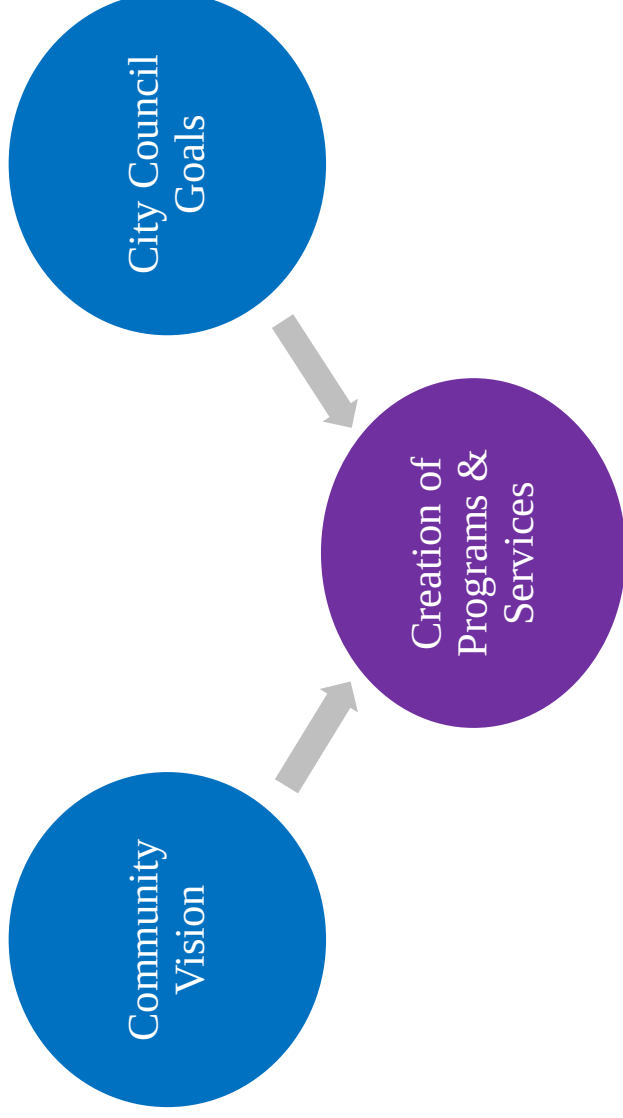
Capital Improvement Plan

Presentation Topics:

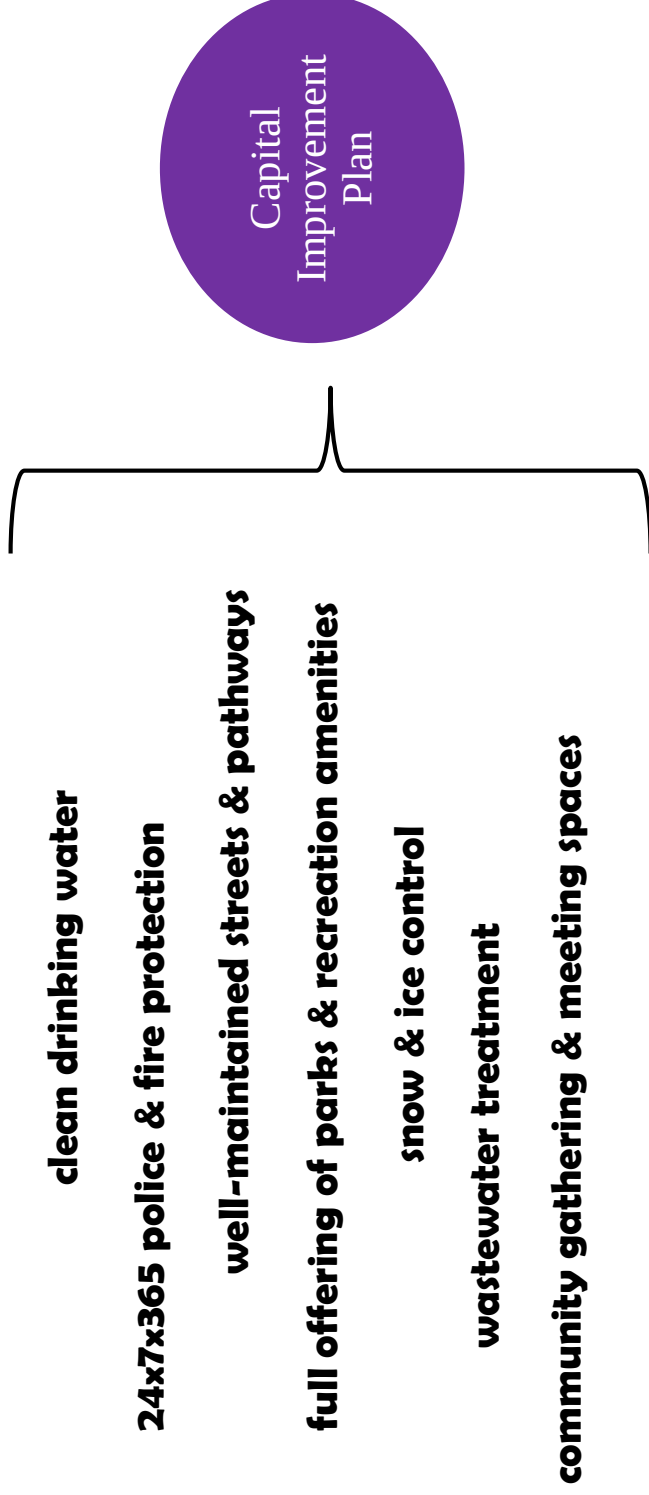
- ❑ Section 1: Overview of the 2016-2035 CIP
- ❑ Section 2: 2016 Recommended Funding Strategies
- ❑ Section 3: 2016 Financial Impacts
- ❑ Section 4: Future Funding Considerations

Section 1: Overview

- ❑ CIP reflects Community vision
- ❑ CIP reflects Council goals & aspirations



Programs & Services drive the CIP



Section 1: Overview

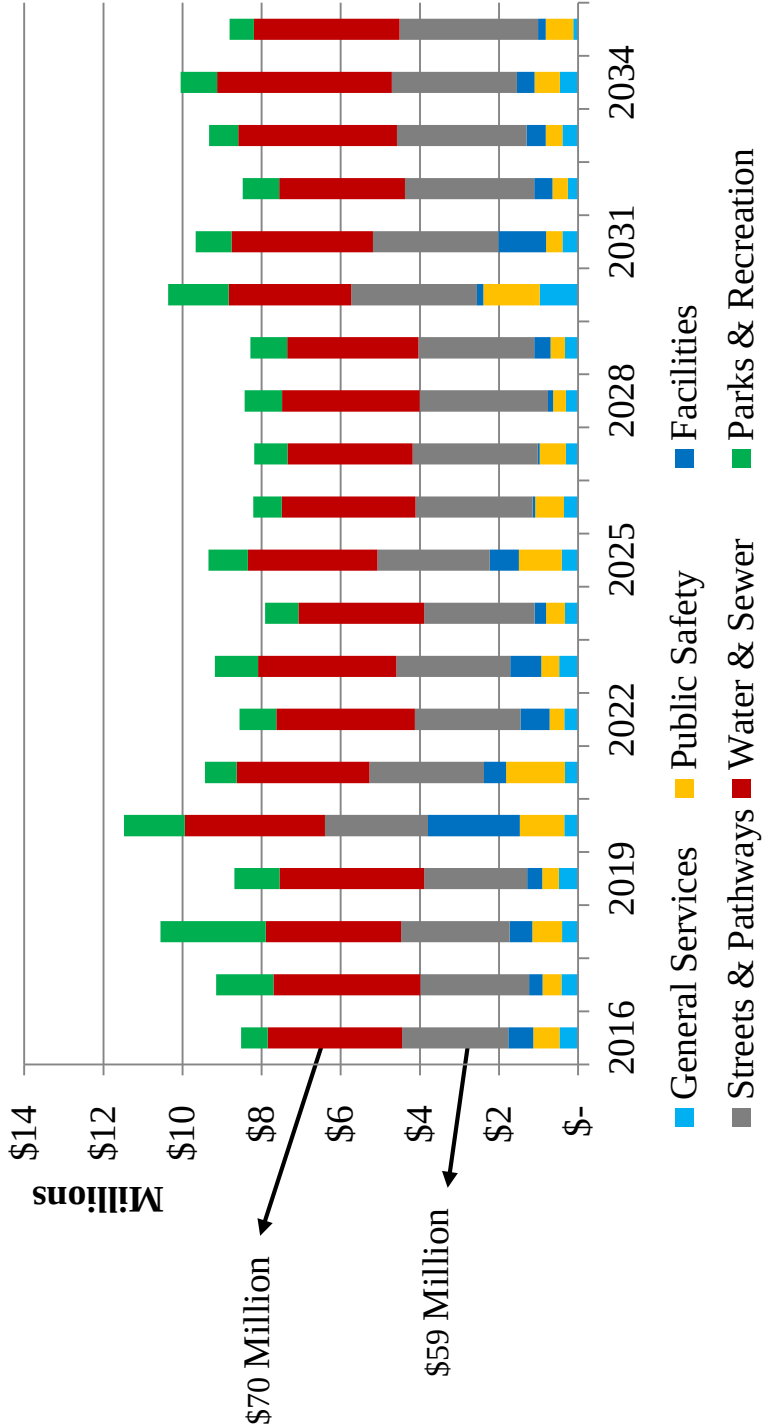
□ CIP Assumptions:

- a) Desire to maintain services at existing levels
- b) All existing assets will be replaced
- c) Assets will be replaced at the optimal time

□ Scheduled asset replacements = \$182 million

Section 1: Overview

Summary of CIP - By Function

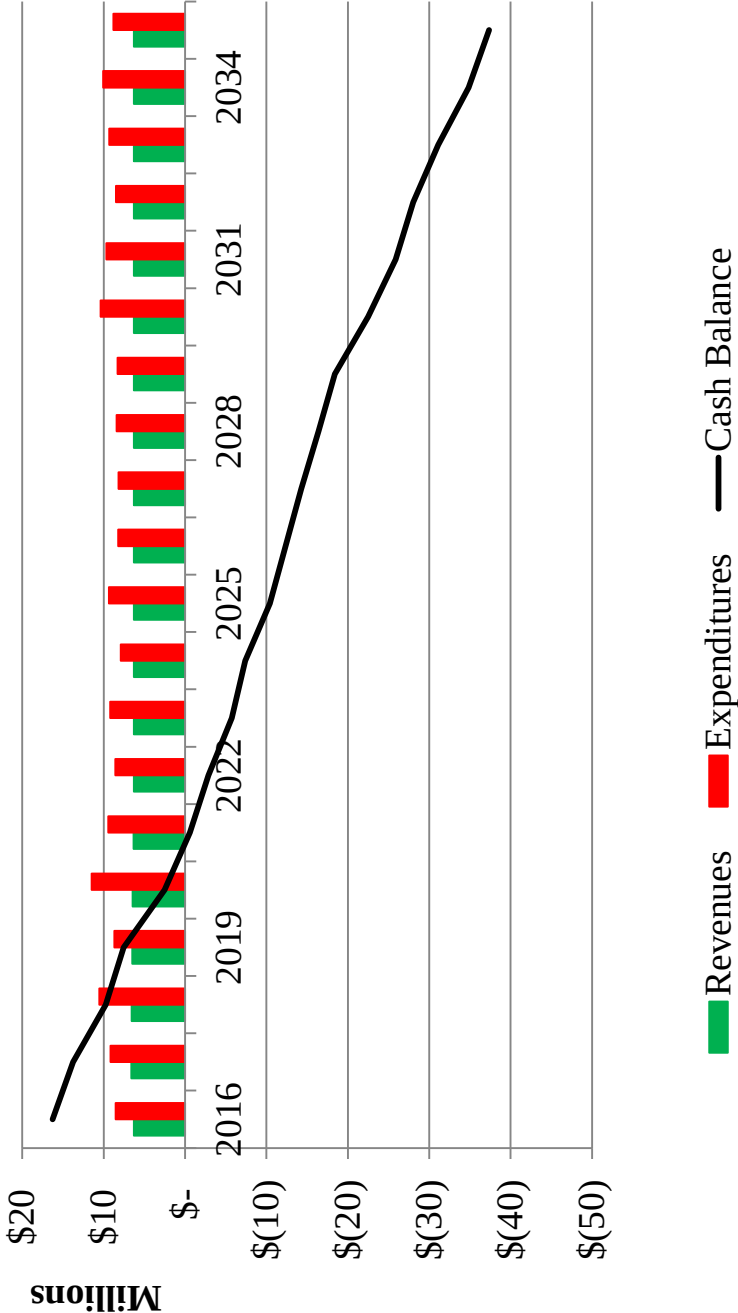


Section 1: Overview

- ❑ Scheduled asset replacements = \$182 million
- ❑ Current funding = \$143 million
- ❑ Funding gap = \$39 million (\$1.95M per year)

Section 1: Overview

Summary of CIP - Financial Projection



Section 1: Overview

- ❑ Funding gap = \$39 million
- ❑ Remember . . . programs and services drive the CIP
- ❑ Programs/services on a sustainable path include:
 - a) Police & Fire
 - b) Information Technology
 - c) Administrative & Financial Services
 - d) Communications, License Center, Community Development
 - e) Street lighting, existing pathways

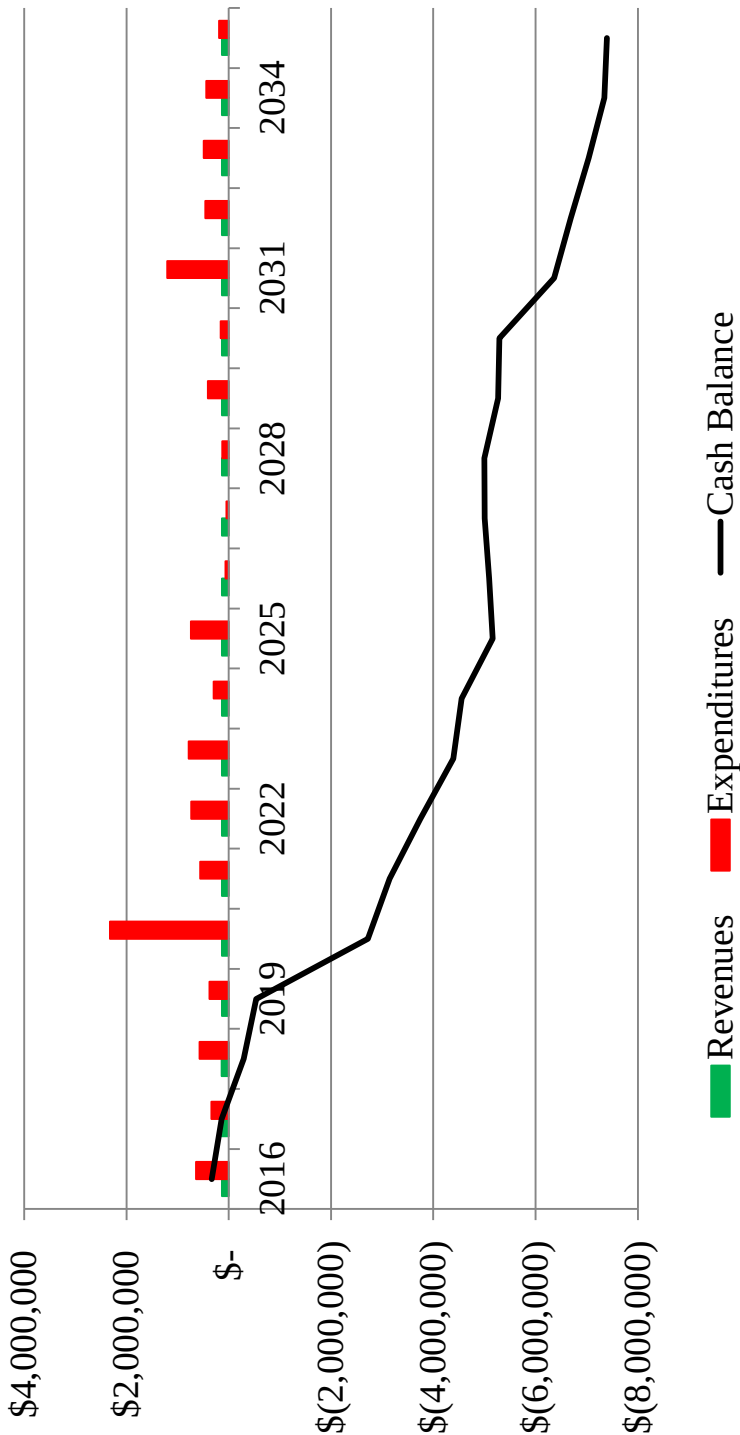
Section 1: Overview

☐ Programs/services *not* on a sustainable path include:

- a) General Facilities (City Hall, PW building, Skating Center, Fire Station, Community Gyms)
- b) Pavement Management Program
- c) Park Improvement Program
- d) Golf Course
- e) Water System

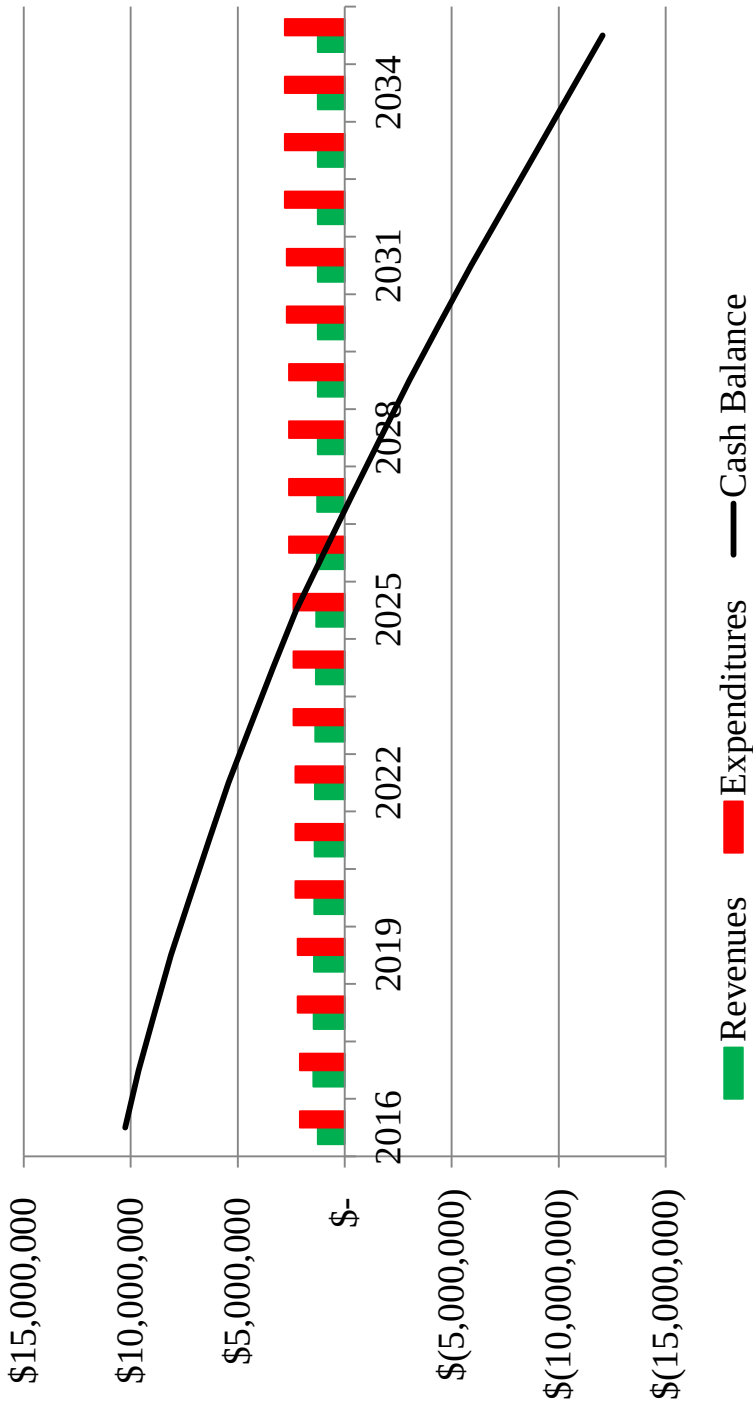
Section 1: Overview

General Facilities Replacement Fund



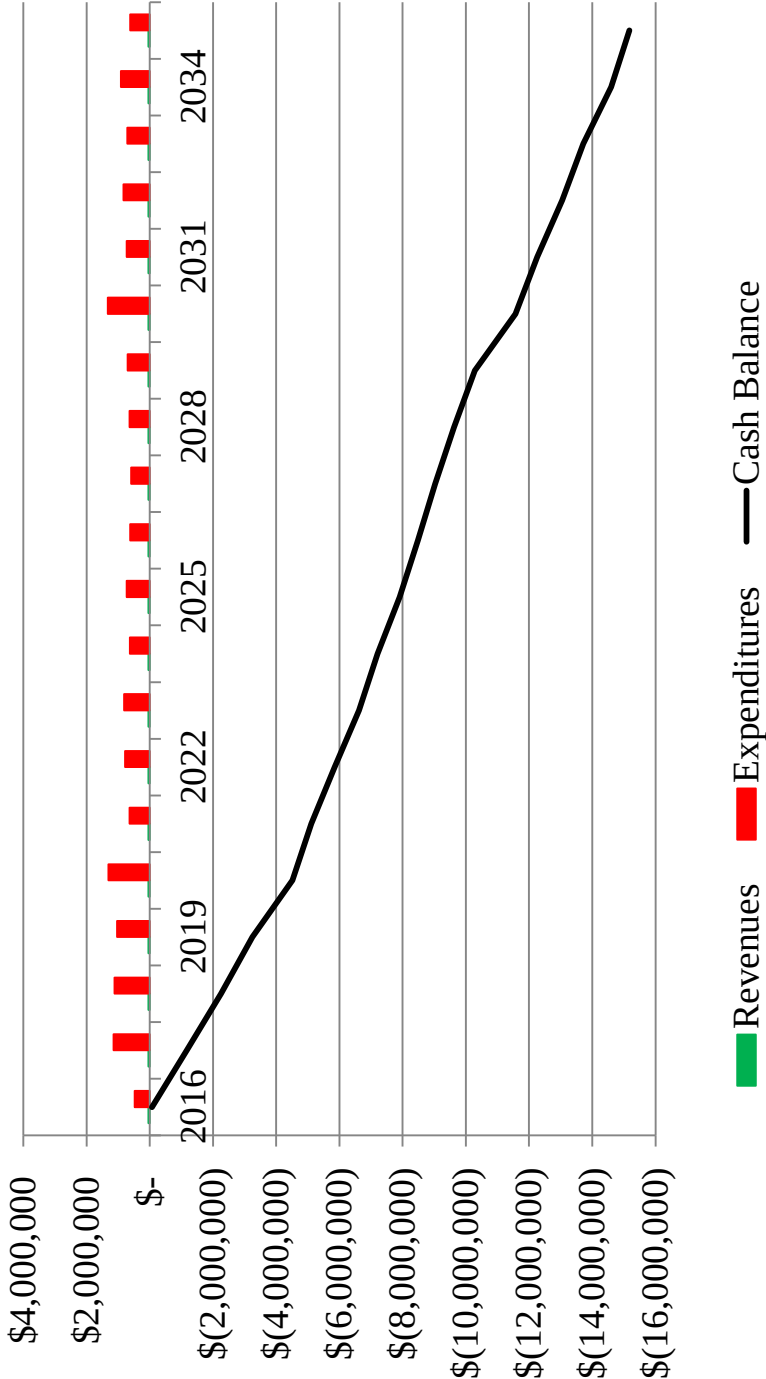
Section 1: Overview

Pavement Management Fund



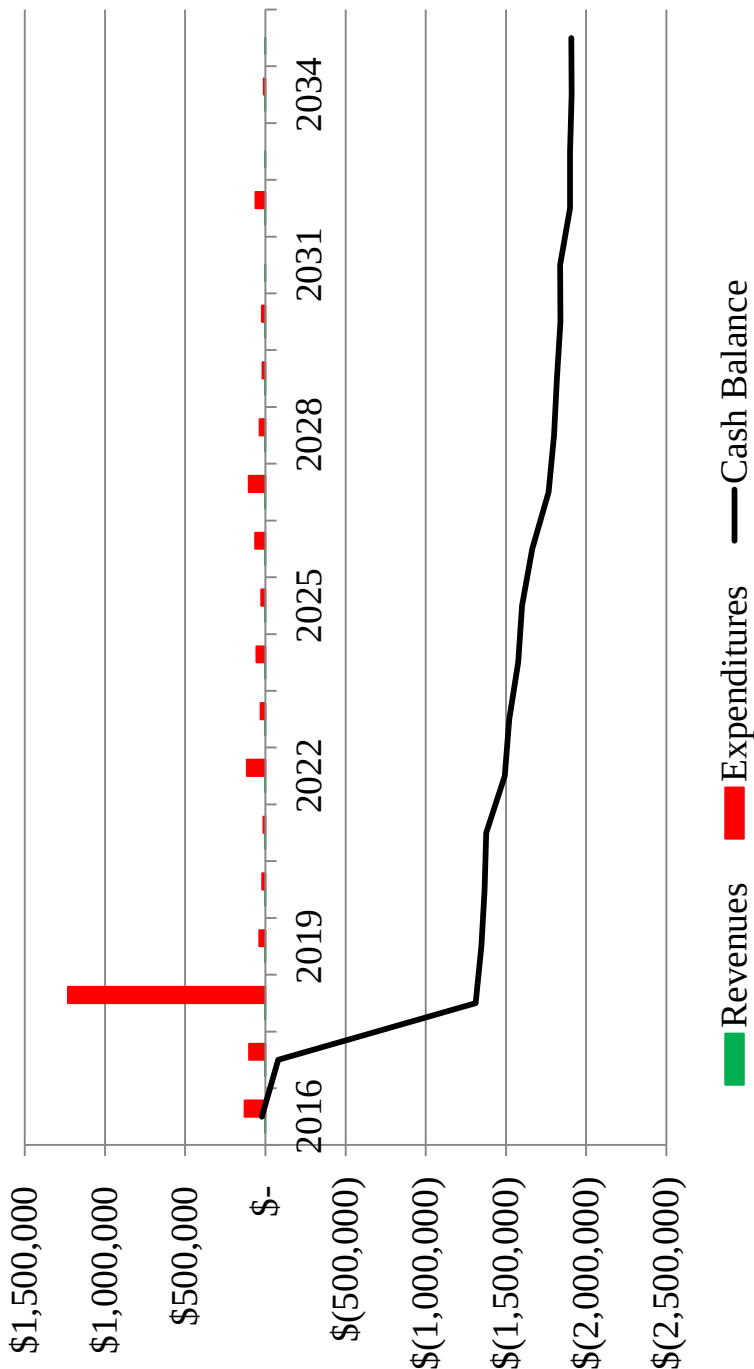
Section 1: Overview

Park Improvement Fund



Section 1: Overview

Golf Vehicle & Equipment Fund



Section 1: Overview

Water Vehicle & Equipment Fund



Section 2: 2016 Funding Strategies

- ❑ Funding gap = \$39 million
- ❑ Gap-closing strategies:
 - a) Increase taxes and fees
 - b) Eliminate/reduce programs & services
 - c) Seek non-local monies
- ❑ Absent further Council direction . . . Option A will be the primary approach

Section 2: 2016 Funding Strategies

□ 2016 City Manager Recommended Budget:

- a) Repurpose the \$150,000 levy previously dedicated for street-related debt service, towards the Pavement Management Plan*
- b) Repurpose \$38,000 existing levy for vehicles & equipment towards facilities*
- c) Increase funding for the Park Improvement Program by \$160,000*
- d) Increase funding for facilities (\$25,000) and pathways (\$25,000)*

**** Note: net funding increase for capital = \$360,000**

Section 3: 2016 Financial Impacts (Projected)

- ❑ Net tax levy increase = \$210,000
- ❑ Tax impact on SF home = \$0.59 cents per month
- ❑ Water & Sewer rate impact = \$0.12 cents per month
- ❑ Combined impact = \$0.71 cents per month or 0.6%

Section 4: Future CIP Funding Considerations:

□ CIP Funding Needs in 2017 & Beyond:

- a) Evaluate Finance Commission Recommendations
- b) Golf Course
- c) General Facilities
- d) Pavement Management Program
- e) Park Improvement Program
- f) Inflationary impacts

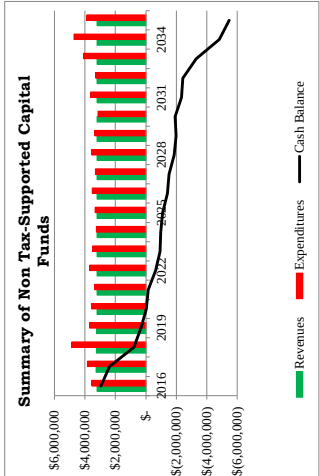
Questions?

Summary by Function

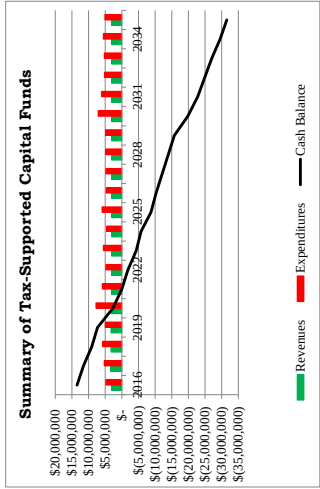
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Tax Levy: Current	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 39,120,000
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fees, Licenses, Permits, MSA	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	4,307,000	86,140,000
Sale of Assets	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	490,000
Interest Earnings	328,636	328,636	279,038	196,819	152,272	55,022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,011,787
Revenues	\$ 6,287,500	\$ 6,616,136	\$ 6,566,538	\$ 6,484,319	\$ 6,430,772	\$ 6,342,522	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 6,287,500	\$ 126,761,787
Administration	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	-	-	\$ 40,000	-	-	\$ 5,000	-	-	-	-	\$ -	-	-	-	\$ 220,000
Finance	20,000	-	-	50,000	-	-	-	-	50,000	-	-	-	-	-	-	-	-	-	50,000	-	240,000
Central Services	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	1,556,800
Police	285,285	375,485	345,115	274,810	468,185	300,915	310,250	411,615	317,425	396,045	327,175	292,365	318,480	351,280	460,660	332,285	345,640	300,795	284,490	451,295	6,949,595
Fire	373,000	101,000	413,500	148,900	652,500	1,190,000	65,000	43,400	157,000	688,500	398,000	369,400	8,000	20,000	964,500	80,900	41,500	120,000	358,000	250,000	6,443,100
Public Works	367,500	456,800	330,500	216,000	65,000	406,000	180,000	261,000	194,000	250,500	122,500	372,100	452,000	116,000	277,500	273,000	235,000	275,000	170,300	464,500	5,485,200
Parks & Recreation	68,000	194,000	310,000	65,000	215,000	155,000	38,000	38,000	155,000	240,000	35,000	153,000	270,000	220,000	183,000	168,000	29,000	25,000	5,000	-	2,786,000
General Facility Improvements	637,500	337,700	524,000	378,800	2,222,000	460,000	734,200	782,900	228,400	738,500	67,000	48,600	125,000	405,900	75,300	1,206,400	459,000	489,000	438,500	187,500	10,547,200
Information Technology	293,795	294,680	273,930	314,870	233,425	228,085	163,300	309,000	123,500	298,770	186,700	187,600	204,545	178,500	871,125	265,605	135,700	187,200	281,825	32,000	5,063,655
Park Improvements	371,500	1,148,620	1,123,470	1,111,290	1,304,000	615,000	779,250	806,500	630,000	732,570	618,000	585,000	641,500	697,500	1,325,250	731,670	828,000	710,000	914,000	619,000	16,282,120
Street Improvements	2,100,000	2,100,000	2,200,000	2,200,000	2,300,000	2,300,000	2,300,000	2,400,000	2,400,000	2,400,000	2,600,000	2,600,000	2,600,000	2,600,000	2,700,000	2,700,000	2,800,000	2,800,000	2,800,000	2,800,000	48,700,000
Street Lighting	35,000	-	40,000	-	-	-	-	25,000	-	-	50,000	-	-	-	-	-	40,000	-	-	-	295,000
Pathways (Existing)	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	200,000	200,000	200,000	200,000	200,000	200,000	3,720,000
Communications	14,500	10,000	10,000	10,000	10,000	11,500	95,000	10,000	11,500	11,500	10,000	10,000	11,500	11,500	10,000	10,000	11,500	10,000	10,000	-	286,000
License Center	22,500	13,500	11,100	5,500	25,500	3,600	1,000	4,800	1,000	3,800	22,500	6,500	9,100	5,500	2,500	3,800	1,000	4,800	1,000	3,800	131,600
Community Development	26,300	22,500	28,000	24,300	24,300	45,500	9,000	5,300	27,300	27,300	33,000	29,300	5,300	4,500	9,000	32,300	33,300	33,500	38,000	5,300	426,500
Water	930,000	1,130,000	1,054,000	1,030,000	1,034,000	1,047,000	1,077,000	1,050,000	1,045,000	1,160,000	1,105,000	1,120,000	1,100,000	1,075,000	1,100,000	1,057,000	1,100,000	1,300,000	2,200,000	1,500,000	23,414,000
Sanitary Sewer	1,565,000	1,335,000	1,500,000	1,500,000	1,405,000	1,389,000	1,425,000	1,260,000	1,000,000	1,075,000	1,005,000	1,085,000	1,400,000	1,115,000	1,000,000	1,035,000	1,000,000	1,340,000	1,050,000	1,145,000	25,029,000
Storm Sewer	860,000	1,012,000	1,025,000	1,087,000	1,065,000	875,000	960,000	1,144,000	1,100,000	1,038,000	1,275,000	903,000	980,000	1,124,000	1,000,000	1,285,000	1,077,000	1,195,000	1,410,000	1,214,000	21,688,800
Golf Course	129,000	102,000	1,231,000	37,000	20,000	11,000	116,000	29,000	55,500	25,000	64,000	103,000	35,000	16,800	22,500	-	62,000	-	10,000	-	-
Expenditures	\$ 8,362,720	\$ 9,096,025	\$ 10,677,455	\$ 8,711,710	\$ 11,331,250	\$ 9,259,640	\$ 6,510,840	\$ 9,128,355	\$ 7,793,465	\$ 9,333,525	\$ 8,201,715	\$ 8,180,105	\$ 8,418,265	\$ 8,274,720	\$ 10,279,175	\$ 9,663,800	\$ 8,475,980	\$ 9,349,635	\$ 10,300,355	\$ 8,990,235	\$ 182,340,570
Beginning Cash Balance	\$ 18,507,000	\$ 16,431,780	\$ 13,951,891	\$ 9,840,973	\$ 7,613,583	\$ 2,722,105	\$ (195,013)	\$ (2,418,353)	\$ (5,260,208)	\$ (6,766,173)	\$ (9,812,198)	\$ (11,726,413)	\$ (13,619,018)	\$ (15,749,783)	\$ (17,737,003)	\$ (21,728,678)	\$ (25,104,978)	\$ (27,293,458)	\$ (30,355,593)	\$ (34,368,048)	\$ 70,007,120
Annual Surplus (deficit)	(2,075,220)	(2,479,889)	(4,110,917)	(2,227,391)	(4,891,478)	(2,917,118)	(2,223,340)	(2,841,855)	(3,046,025)	(3,046,025)	(1,914,215)	(1,892,605)	(2,130,765)	(1,967,220)	(3,591,675)	(3,376,300)	(2,188,480)	(3,062,135)	(4,013,455)	(2,702,735)	-
Cash Balance	\$ 16,431,780	\$ 13,951,891	\$ 9,840,973	\$ 7,613,583	\$ 2,722,105	\$ (195,013)	\$ (2,418,353)	\$ (5,260,208)	\$ (6,766,173)	\$ (9,812,198)	\$ (11,726,413)	\$ (13,619,018)	\$ (15,749,783)	\$ (17,737,003)	\$ (21,728,678)	\$ (25,104,978)	\$ (27,293,458)	\$ (30,355,593)	\$ (34,368,048)	\$ (37,071,783)	-

City of Roseville
Capital Improvement Plan: **Summary of Non Tax-Supported Capital Funds**
2016-2035

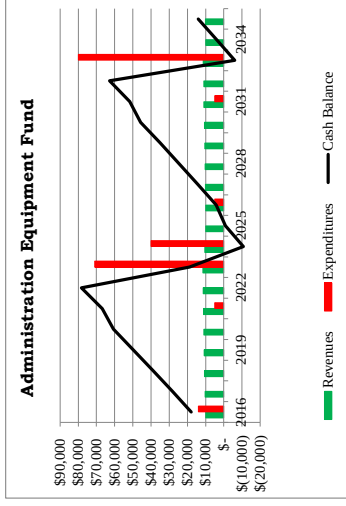
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Levy: Add/Sub	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000	3,207,000
Fees, Licenses, Permits, MSA	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	59,164	47,899	47,899	15,825	6,408	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues	\$ 3,207,500	\$3,266,664	\$3,255,399	\$3,223,325	\$3,213,908	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 3,207,500	\$ 64,279,296
Communications	\$ 14,500	\$ 10,000	\$ 10,000	\$ 10,000	\$ 11,500	\$ 11,500	\$ 11,500	\$ 10,000	\$ 11,500	\$ 11,500	\$ 11,500	\$ 10,000	\$ 11,500	\$ 11,500	\$ 10,000	\$ 10,000	\$ 11,500	\$ 11,500	\$ 10,000	\$ -
License Center	22,500	13,500	11,100	5,900	2,500	3,800	1,000	4,800	1,000	3,800	2,500	6,900	9,100	5,900	2,500	3,800	1,000	4,800	1,000	3,800
Community Development	28,300	22,500	28,000	24,300	25,300	4,500	9,000	5,300	27,300	27,500	33,000	29,300	5,300	4,500	9,000	32,300	33,300	33,500	39,000	5,300
Water	930,000	1,130,000	1,054,000	1,030,000	1,034,000	1,047,000	1,077,000	1,050,000	1,045,000	1,160,000	1,105,000	1,120,000	1,100,000	1,075,000	1,100,000	1,057,000	1,100,000	1,500,000	2,200,000	1,500,000
Sanitary Sewer	1,565,000	1,535,000	1,500,000	1,500,000	1,485,000	1,389,000	1,077,000	1,260,000	1,000,000	1,075,000	1,005,000	1,085,000	1,400,000	1,115,000	1,000,000	1,235,000	1,000,000	1,340,000	1,050,000	1,145,000
Storm Sewer	860,000	1,012,000	1,025,000	1,087,000	1,065,000	875,000	960,000	1,144,000	1,100,000	1,038,000	1,275,000	960,000	980,000	1,124,000	1,000,000	1,285,000	1,077,000	1,195,000	1,410,000	1,214,000
Golf Course	129,000	102,000	1,231,000	37,000	20,000	11,000	116,000	29,000	55,500	25,000	64,000	103,000	35,000	16,800	22,500	-	62,000	-	10,000	-
Expenditures	\$ 3,549,300	\$3,829,900	\$4,859,100	\$3,694,200	\$ 3,563,300	\$ 3,341,800	\$ 3,683,000	\$ 3,503,100	\$ 3,240,300	\$ 3,340,800	\$ 3,514,500	\$ 3,314,200	\$ 3,540,900	\$ 3,352,700	\$ 3,144,000	\$ 3,623,100	\$ 3,284,800	\$ 4,084,800	\$ 4,720,000	\$ 3,868,100
Beginning Cash Balance	\$ 3,300,000	\$2,958,200	\$2,394,964	\$ 791,263	\$ 320,389	\$ (29,004)	\$ (163,304)	\$ (638,804)	\$ (934,404)	\$ (967,204)	\$ (1,100,304)	\$ (1,407,504)	\$ (1,514,204)	\$ (1,847,604)	\$ (1,992,804)	\$ (1,929,304)	\$ (2,344,904)	\$ (2,422,204)	\$ (3,299,504)	\$ (4,812,004)
Annual Surplus (deficit)	(341,800)	(563,286)	(1,603,701)	(470,875)	(349,352)	(134,300)	(475,500)	(235,600)	(32,800)	(133,300)	(307,000)	(106,700)	(333,400)	(145,200)	63,500	(415,600)	(77,500)	(877,300)	(1,512,500)	(660,600)
Cash Balance	\$ 2,958,200	\$2,394,964	\$ 791,263	\$ 320,389	\$ (29,004)	\$ (163,304)	\$ (638,804)	\$ (934,404)	\$ (967,204)	\$ (1,100,504)	\$ (1,407,304)	\$ (1,514,204)	\$ (1,847,604)	\$ (1,992,804)	\$ (1,929,304)	\$ (2,344,904)	\$ (2,422,204)	\$ (3,299,504)	\$ (4,812,004)	\$ (5,472,604)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000	\$ 1,956,000
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (MSA, Assessments)	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Sale of Assets	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Interest Earnings	-	269,472	231,139	180,994	145,864	55,022	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues	\$ 3,080,000	\$ 3,349,472	\$ 3,331,139	\$ 3,260,994	\$ 3,225,864	\$ 3,135,022	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 3,080,000	\$ 62,482,490
Administration	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Finance	20,000	-	-	50,000	-	-	-	-	50,000	-	20,000	-	-	50,000	-	-	-	80,000	50,000	-
Central Services	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840
Police	285,285	375,485	345,115	274,810	468,185	300,915	310,250	411,615	317,425	396,045	327,175	292,365	318,480	351,280	460,660	332,285	345,640	300,795	284,490	451,295
Fire	373,000	101,000	413,500	148,900	652,500	1,190,000	65,000	43,400	157,000	688,500	398,000	369,400	8,000	20,000	964,500	80,900	41,500	120,000	358,000	250,000
Public Works	367,500	456,800	330,500	216,000	65,000	406,000	180,000	261,000	194,000	250,500	122,500	372,100	452,000	116,000	277,500	273,000	235,000	275,000	170,300	464,500
Parks & Recreation	68,000	194,000	310,000	65,000	215,000	155,000	38,000	298,000	155,000	240,000	35,000	153,000	270,000	220,000	183,000	168,000	29,000	25,000	5,000	-
General Facility Improvements	637,500	337,700	524,000	378,800	2,222,000	460,000	734,500	782,900	228,400	738,500	67,000	48,600	125,000	405,500	75,300	1,206,400	459,000	489,000	439,500	187,500
Information Technology	293,795	294,680	273,930	314,870	233,425	228,085	163,300	309,000	123,500	288,770	186,700	187,600	204,545	178,500	871,125	265,605	135,200	187,200	281,825	32,000
Park Improvements	371,500	1,148,630	1,123,470	1,111,290	1,304,000	615,000	779,750	806,500	630,000	732,570	618,000	585,000	641,500	697,500	1,325,250	731,670	838,000	710,000	914,000	619,000
Street Lighting	2,100,000	2,100,000	2,200,000	2,200,000	2,300,000	2,300,000	2,300,000	2,400,000	2,400,000	2,400,000	2,600,000	2,600,000	2,600,000	2,600,000	2,700,000	2,700,000	2,800,000	2,800,000	2,800,000	2,800,000
Pathways (Existing)	180,000	180,000	180,000	180,000	180,000	180,000	180,000	25,000	-	-	50,000	-	-	25,000	-	-	40,000	-	200,000	40,000
Expenditures	\$ 4,813,420	\$ 5,266,125	\$ 5,818,355	\$ 5,017,510	\$ 7,767,950	\$ 5,917,840	\$ 4,827,840	\$ 5,626,255	\$ 4,553,165	\$ 5,992,725	\$ 4,687,215	\$ 4,865,905	\$ 4,877,365	\$ 4,922,020	\$ 7,135,175	\$ 6,040,790	\$ 5,191,180	\$ 5,264,835	\$ 5,580,955	\$ 5,122,135
Beginning Cash Balance	\$15,207,000	\$13,473,580	\$11,556,927	\$9,049,710	\$7,293,194	\$2,751,108	\$ -	\$ (31,710)	\$ (1,779,550)	\$ (4,325,805)	\$ (5,798,970)	\$ (8,711,695)	\$ (10,318,910)	\$ (12,104,815)	\$ (13,902,180)	\$ (15,744,200)	\$ (19,799,375)	\$ (22,760,075)	\$ (24,871,255)	\$ (27,056,090)
Annual Surplus (deficit)	(1,733,420)	(1,916,653)	(2,507,216)	(1,756,516)	(4,542,086)	(2,782,818)	(1,747,840)	(2,546,255)	(1,473,165)	(2,912,725)	(1,607,215)	(1,785,905)	(1,797,365)	(1,842,020)	(4,055,175)	(2,960,700)	(2,111,180)	(2,184,835)	(2,500,955)	(2,042,135)
Cash Balance	\$13,473,580	\$11,556,927	\$9,049,710	\$7,293,194	\$2,751,108	\$ -	\$ (31,710)	\$ (1,779,550)	\$ (4,325,805)	\$ (5,798,970)	\$ (8,711,695)	\$ (10,318,910)	\$ (12,104,815)	\$ (13,902,180)	\$ (15,744,200)	\$ (19,799,375)	\$ (22,760,075)	\$ (24,871,255)	\$ (27,056,090)	\$ (29,557,045)



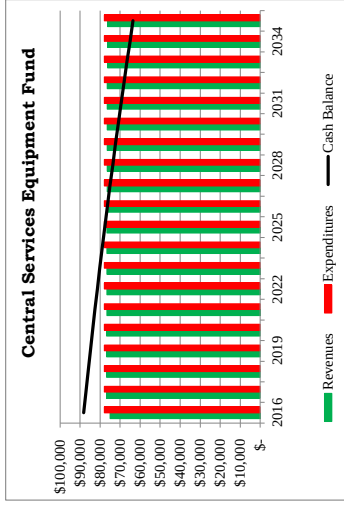
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	\$ 10,000	\$ 10,360	\$ 10,567	\$ 10,779	\$ 10,994	\$ 11,214	\$ 11,338	\$ 11,565	\$ 10,376	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,701	\$ 10,915	\$ 11,033	\$ 11,254	\$ 10,000	\$ 10,000
Tax Levy: Current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	360	567	779	994	1,214	1,338	1,565	376	-	-	84	286	491	701	915	1,033	1,254	-	79
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues	\$ 10,000	\$ 10,360	\$ 10,567	\$ 10,779	\$ 10,994	\$ 11,214	\$ 11,338	\$ 11,565	\$ 10,376	\$ 10,000	\$ 10,000	\$ 10,084	\$ 10,286	\$ 10,491	\$ 10,701	\$ 10,915	\$ 11,033	\$ 11,254	\$ 10,000	\$ 10,079
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	9,000	-	-	-	-	-	-	71,000	40,000	-	-	-	-	-	-	-	-	80,000	-	-
Furniture & Fixtures	5,000	-	-	-	-	5,000	-	-	-	5,000	-	-	-	-	-	5,000	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 71,000	\$ 40,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 80,000	\$ -	\$ 220,000
Beginning Cash Balance	\$ 22,000	\$ 18,000	\$ 28,360	\$ 38,927	\$ 49,706	\$ 60,700	\$ 66,914	\$ 78,252	\$ 18,817	\$ (10,806)	\$ (806)	\$ 4,194	\$ 14,277	\$ 24,563	\$ 35,054	\$ 45,755	\$ 51,670	\$ 62,704	\$ (6,042)	\$ 3,958
Annual Surplus (deficit)	(4,000)	10,360	10,567	10,779	10,994	11,338	11,338	(59,435)	(29,624)	10,000	5,000	10,084	10,286	10,491	10,701	10,915	11,033	(68,746)	10,000	10,079
Cash Balance	\$ 18,000	\$ 28,360	\$ 38,927	\$ 49,706	\$ 60,700	\$ 66,914	\$ 78,252	\$ 18,817	\$ (10,806)	\$ (806)	\$ 4,194	\$ 14,277	\$ 24,563	\$ 35,054	\$ 45,755	\$ 51,670	\$ 62,704	\$ (6,042)	\$ 3,958	\$ 14,037



Expenditure Detail

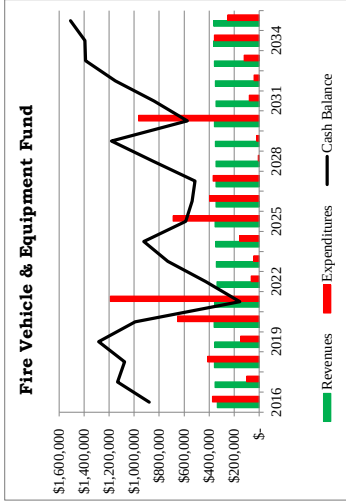
Key	Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
E	Voting Equipment	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ -	\$ -
E	HR Software package	-	-	-	-	-	-	-	-	40,000	-	-	-	-	-	-	-	-	-	40,000	-
F	Administration Office Furniture	5,000	-	-	-	-	5,000	-	-	-	-	5,000	-	-	-	-	5,000	-	-	20,000	-
		\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 71,000	\$ 40,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 80,000	\$ -	\$ 220,000

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Tax Levy: Ad/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	1,763	1,742	1,720	1,697	1,674	1,651	1,627	1,603	1,578	1,553	1,527	1,501	1,474	1,447	1,419	1,391	1,362	1,332	1,302
Revenues	\$ 75,000	\$ 76,763	\$ 76,742	\$ 76,720	\$ 76,697	\$ 76,674	\$ 76,651	\$ 76,627	\$ 76,603	\$ 76,578	\$ 76,553	\$ 76,527	\$ 76,501	\$ 76,474	\$ 76,447	\$ 76,419	\$ 76,391	\$ 76,362	\$ 76,332	\$ 76,302
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840	77,840
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840	\$ 77,840
Beginning Cash Balance	\$ 91,000	\$ 88,160	\$ 87,083	\$ 85,985	\$ 84,865	\$ 83,722	\$ 82,556	\$ 81,367	\$ 80,155	\$ 78,918	\$ 77,656	\$ 76,369	\$ 75,057	\$ 73,718	\$ 72,352	\$ 70,959	\$ 69,538	\$ 68,089	\$ 66,611	\$ 65,103
Annual Surplus (deficit)	(2,840)	(1,077)	(1,098)	(1,120)	(1,143)	(1,166)	(1,189)	(1,213)	(1,237)	(1,262)	(1,287)	(1,313)	(1,339)	(1,366)	(1,393)	(1,421)	(1,449)	(1,478)	(1,508)	(1,538)
Cash Balance	\$ 88,160	\$ 87,083	\$ 85,985	\$ 84,865	\$ 83,722	\$ 82,556	\$ 81,367	\$ 80,155	\$ 78,918	\$ 77,656	\$ 76,369	\$ 75,057	\$ 73,718	\$ 72,352	\$ 70,959	\$ 69,538	\$ 68,089	\$ 66,611	\$ 65,103	\$ 63,565



Expenditure Detail

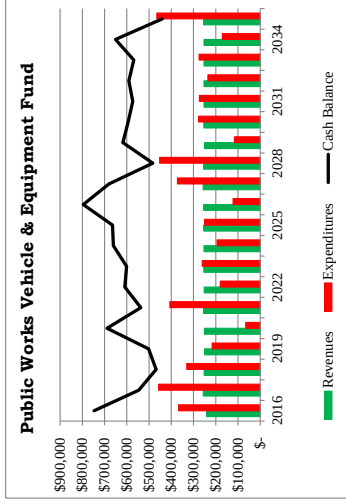
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City of Roseville
Capital Improvement Plan: **Fire Vehicle & Equipment Fund (401)**
2016-2035

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
E Reporting software	-	-	-	-	-	-	-	-	20,000	-	-	-	-	-	20,000	-	-	-	-	-	60,000
E Nozzles	-	-	20,000	-	-	-	-	-	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000
F Fire admin- office furniture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	-	20,000
F Training room tables & chairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000
F Conf room Furniture	-	-	-	-	-	-	-	-	-	2,000	-	-	-	-	-	-	-	-	-	-	2,000
F Kitchen appliances	-	-	-	-	-	-	-	1,000	-	-	-	-	-	-	-	3,000	-	-	-	-	4,000
F Kitchen table & chairs	-	-	-	-	1,500	-	-	-	-	1,500	-	-	-	-	-	-	-	-	-	-	4,500
F Day room chairs	-	-	-	-	-	-	-	8,000	-	-	-	-	-	-	-	8,000	-	-	-	-	16,000
F Second floor washer & dryer	-	-	-	1,400	-	-	-	1,400	-	-	-	1,400	-	-	-	1,400	-	-	-	-	5,600
	\$ 373,000	\$ 101,000	\$ 413,500	\$ 148,900	\$ 652,500	\$ 1,190,000	\$ 65,000	\$ 43,400	\$ 157,000	\$ 688,500	\$ 398,000	\$ 369,400	\$ 8,000	\$ 20,000	\$ 964,500	\$ 80,900	\$ 41,500	\$ 120,000	\$ 358,000	\$ 250,000	\$6,443,100

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	14,950	10,933	9,362	10,049	13,770	10,745	12,180	12,024	13,204	13,278	15,914	13,610	9,662	12,356	11,873	11,470	11,820	11,376	13,018
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues	\$ 241,000	\$ 255,950	\$ 251,933	\$ 250,362	\$ 251,049	\$ 254,770	\$ 251,745	\$ 253,180	\$ 253,024	\$ 254,204	\$ 254,278	\$ 256,914	\$ 254,610	\$ 250,662	\$ 253,356	\$ 252,873	\$ 252,470	\$ 252,820	\$ 252,376	\$ 254,018
Vehicles	\$ 362,500	\$ 355,000	\$ 298,000	\$ 190,000	\$ 36,000	\$ 275,000	\$ 180,000	\$ 205,000	\$ 74,000	\$ 192,000	\$ 14,000	\$ 305,000	\$ 412,500	\$ 80,000	\$ 268,000	\$ 247,000	\$ 180,000	\$ 194,000	\$ 120,000	\$ 366,000
Equipment	-	101,800	32,500	26,000	4,000	131,000	-	51,000	120,000	48,500	83,500	67,100	39,500	36,000	4,500	26,000	55,000	81,000	50,300	98,500
Furniture & Fixtures	5,000	-	-	-	-	-	-	5,000	-	10,000	-	-	-	-	5,000	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	25,000	-	-	-	-	-	25,000	-	-	-	-	-	-	-	-	-
Expenditures	\$ 367,500	\$ 456,800	\$ 330,500	\$ 216,000	\$ 65,000	\$ 406,000	\$ 180,000	\$ 261,000	\$ 194,000	\$ 250,500	\$ 122,500	\$ 372,100	\$ 452,000	\$ 116,000	\$ 277,500	\$ 273,000	\$ 235,000	\$ 275,000	\$ 170,300	\$ 464,500
Beginning Cash Balance	\$ 874,000	\$ 747,500	\$ 546,650	\$ 468,083	\$ 502,445	\$ 688,494	\$ 537,263	\$ 609,009	\$ 601,189	\$ 660,213	\$ 663,917	\$ 795,695	\$ 680,509	\$ 483,119	\$ 617,782	\$ 593,637	\$ 573,510	\$ 590,980	\$ 568,800	\$ 650,876
Annual Surplus (deficit)	(126,500)	(200,850)	(78,567)	(34,362)	186,049	(151,230)	71,745	(7,820)	59,024	3,704	131,778	(115,186)	(197,390)	134,662	(24,144)	(20,127)	17,470	(22,180)	82,076	(210,482)
Cash Balance	\$ 747,500	\$ 546,650	\$ 468,083	\$ 502,445	\$ 688,494	\$ 537,263	\$ 609,009	\$ 601,189	\$ 660,213	\$ 663,917	\$ 795,695	\$ 680,509	\$ 483,119	\$ 617,782	\$ 593,637	\$ 573,510	\$ 590,980	\$ 568,800	\$ 650,876	\$ 440,393



Expenditure Detail

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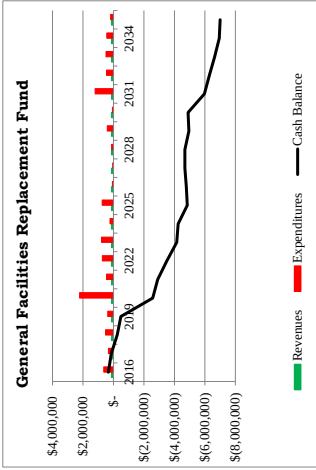
City of Roseville
Capital Improvement Plan: **Public Works Vehicle & Equipment Fund (403)**
2016-2035

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
V #151 1-Ton Dump									40,000						210,000					40,000	80,000
V #152 Int'l boom truck			210,000																		420,000
V #155 Sterling 3-ton w/ plow									28,000				180,000								180,000
V #156 3/4 ton pickup 2wd w/ lift			40,000																	28,000	56,000
V #157 Ingersoll 5-ton roller																				40,000	40,000
V #159 Craico Router										12,000										12,000	24,000
V #163 Electronic message board (1/2					14,000																28,000
V #166 Cinline Melter		40,000						30,000						40,000							80,000
E Eng. Survey equipment																					60,000
E Eng. Plotter																					-
E Eng. Large format scanner/copier				10,000						10,000						10,000					30,000
E #108 Hydro Seeder		30,000																			30,000
E #111 Bobcat Forks																				1,100	1,100
E #111 Bobcat sweeper broom			8,000								8,000	1,100							8,000		24,000
E #111 Bobcat 2 1/2 slot mill									10,000										10,000		20,000
E #113 Tree chipper		55,000											55,000								110,000
E Spray Injection Patcher											65,000										65,000
E #142 Replace plate compactor											3,000	10,000									3,000
E #153 Trailer Felling																					10,000
E Street Signs																					10,000
E Mower/Snow Blower Combo (1/2 w						30,000							30,000								90,000
E Office equipment								20,000												30,000	20,000
E Sign equipment/plotter cutter/signs																					30,000
E #129 Sullair Compressor										30,000											30,000
E Tractor/snowblower (1/2 storm)																					35,000
E 1600 Gal Anti-Icing Hook Setup									20,000										20,000		40,000
E Fuel Mgmt system and pumps									60,000						4,500						120,000
E Band saw			4,500																		9,000
E Tire changer				15,000						5,000						15,000					30,000
E Tire Balancer										2,500											10,000
E Drill Press																					5,000
E Lubrication filling heads, reels, hose																					6,500
E Lubrication tank pumps (3)																					3,000
E Air compressor		1,000		1,000	4,000	1,000		1,000		1,000		1,000		1,000		1,000		1,000	4,000		8,000
E Vehicle analyzer update																					10,000
E Jib crane (overhead motor & trolly)		7,500									7,500						5,000				15,000
E Drive-on hoist rehab			20,000																		25,000
E Brake lube		8,300																	8,300		16,600
E Column Lifts rehab/replace						100,000															100,000
F Garage Office furniture								5,000		10,000											10,000
F Office furniture	5,000														5,000						15,000
I Pedestrian light @ Nature Ctr					25,000																25,000
I Pedestrian light @ Central Prk											25,000										25,000
	\$ 367,500	\$ 456,800	\$ 330,500	\$ 216,000	\$ 65,000	\$ 406,000	\$ 180,000	\$ 261,000	\$ 194,000	\$ 250,500	\$ 122,500	\$ 372,100	\$ 452,000	\$ 116,000	\$ 277,500	\$ 273,000	\$ 235,000	\$ 275,000	\$ 170,300	\$ 464,500	\$5,485,200

Engineering
Streets
Garage

[illegible]

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	6,730	2,811	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues	\$ 135,000	\$ 141,730	\$ 137,811	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	637,500	337,700	524,000	378,800	2,222,000	460,000	734,200	782,900	228,400	738,500	67,000	48,600	125,000	405,900	75,300	1,206,400	459,000	489,000	439,500	187,500
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 637,500	\$ 337,700	\$ 524,000	\$ 378,800	\$ 2,222,000	\$ 460,000	\$ 734,200	\$ 782,900	\$ 228,400	\$ 738,500	\$ 67,000	\$ 48,600	\$ 125,000	\$ 405,900	\$ 75,300	\$ 1,206,400	\$ 459,000	\$ 489,000	\$ 439,500	\$ 187,500
Beginning Cash Balance	\$ 839,000	\$ 336,500	\$ 140,530	\$ (245,659)	\$ (489,459)	\$ (2,576,459)	\$ (2,901,459)	\$ (3,500,659)	\$ (4,148,559)	\$ (4,241,959)	\$ (4,845,459)	\$ (4,777,459)	\$ (4,681,059)	\$ (4,881,059)	\$ (4,951,959)	\$ (4,882,259)	\$ (5,963,659)	\$ (6,287,659)	\$ (6,641,659)	\$ (6,946,159)
Annual Surplus (deficit)	(502,500)	(195,970)	(386,189)	(243,800)	(2,087,000)	(325,000)	(599,200)	(647,900)	(93,400)	(603,500)	68,000	86,400	10,000	(270,900)	59,700	(1,071,400)	(324,000)	(354,000)	(304,500)	(52,500)
Cash Balance	\$ 336,500	\$ 140,530	\$ (245,659)	\$ (489,459)	\$ (2,576,459)	\$ (2,901,459)	\$ (3,500,659)	\$ (4,148,559)	\$ (4,241,959)	\$ (4,845,459)	\$ (4,777,459)	\$ (4,681,059)	\$ (4,881,059)	\$ (4,951,959)	\$ (4,882,259)	\$ (5,963,659)	\$ (6,287,659)	\$ (6,641,659)	\$ (6,946,159)	\$ (6,998,659)



Key	Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
B	Replace Roofing Heat/A/C	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 290,000	\$ -	\$ -	\$ 585,000
B	Replace garage Co Ro Vac Heaters	60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60,000	-	-
B	Door Card Reader	10,000	-	-	-	-	-	-	-	70,000	-	-	-	-	-	-	25,000	-	-	-	-
B	Heating boilers Police	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,500	-	-	-	-
B	Liabert condensing unit (JT Server)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Liabert AHU (JT Server Room)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Make Up Air Units Maintenance (	-	-	-	90,000	-	-	35,000	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Circulating pumps	-	-	-	-	-	15,000	-	-	-	-	-	-	-	35,000	15,500	-	-	-	-	-
B	Water heater	-	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Replace boiler City Hall	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Police & PW garage Co2/N2 detectors	-	9,200	-	-	-	-	9,200	-	-	-	-	9,200	-	-	-	-	-	-	25,000	60,000
B	Exhaust fans (10)	-	-	-	-	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-	9,500	-
B	Fire Station 2 roof	-	-	-	-	-	100,000	-	-	-	-	-	-	-	-	-	25,000	-	-	-	-
B	Unit heaters (4)	-	-	6,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	WAV's heat/cool	-	-	-	-	-	10,000	-	-	-	-	25,000	-	-	6,500	-	-	-	-	-	-
B	WAV's cool	-	-	-	-	-	10,000	-	-	-	-	25,000	-	-	-	-	-	-	-	-	-
B	Update Flooring CH/PPD	75,000	75,000	-	-	-	-	-	-	15,000	-	-	-	-	100,000	-	50,000	-	-	-	-
B	Update Restrooms CH	-	-	10,000	-	-	10,000	-	-	-	10,000	-	-	-	-	12,000	-	-	-	-	-
B	Plumbing replacements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000	-	-	-	-	-
B	Overhead door replacement	-	20,000	-	-	-	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-
B	Roof Rehab/Replace Park Maintenance	-	-	-	-	-	-	350,000	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Rehab of north roof PW building	15,000	-	-	120,000	-	20,000	-	-	-	-	-	-	-	-	25,000	-	-	-	25,000	-
B	City Hall Entrance Walkway Impa	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120,000	-
B	Card access system replacement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Replace new Roof City Hall	-	-	-	-	-	-	-	-	-	90,000	-	-	-	225,000	-	-	-	-	-	-
B	Emergency generator	-	-	-	-	-	-	-	-	-	-	-	30,000	-	-	-	-	-	-	-	-
B	Tables and chairs City Hall	-	60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Fuel system tank replacement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	Paint walls city hall	-	-	190,000	-	-	-	-	-	-	15,000	-	-	-	-	25,000	20,000	-	-	20,000	-
B	LED conversion CH	-	15,000	-	-	-	-	25,000													

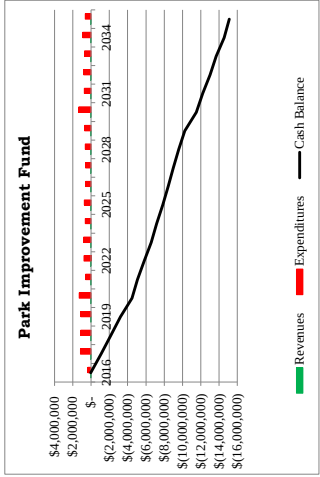
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City of Roseville
Capital Improvement Plan: **General Facilities Replacement Fund (410)**
2016-2035

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
B Laundry room Wrecker & dryer				1,400				1,400				1,400					1,400				5,600
B Station Roof																			150,000		150,000
B Hoses replacement										5,000											5,000
B Hot water heaters																			10,000		10,000
B Generator																					-
B Fire Station access control										12,000								14,000			26,000
B Security system					8,000							8,000									16,000
B Station Alerting system																	8,000				8,000
	\$ 637,500	\$ 337,700	\$ 524,000	\$ 378,800	\$ 2,222,000	\$ 460,000	\$ 734,200	\$ 782,900	\$ 228,400	\$ 738,500	\$ 67,000	\$ 48,600	\$ 125,000	\$ 405,900	\$ 75,300	\$ 1,206,400	\$ 459,000	\$ 489,000	\$ 439,500	\$ 187,500	\$10,547,200

City Hall & PW Building, Community Gyms
Skating Center
Fire Station

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 40,000	\$ 40,770	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Tax Levy: Add/Sub																				
Other																				
Sale of Assets																				
Interest Earnings		770																		
Revenues	\$ 40,000	\$ 40,770	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	371,500	1,148,620	1,123,470	1,111,290	1,304,000	615,000	779,250	806,500	630,000	732,570	618,000	595,000	641,500	697,500	1,325,250	721,670	828,000	710,000	914,000	619,000
Expenditures	\$ 371,500	\$ 1,148,620	\$ 1,123,470	\$ 1,111,290	\$ 1,304,000	\$ 615,000	\$ 779,250	\$ 806,500	\$ 630,000	\$ 732,570	\$ 618,000	\$ 595,000	\$ 641,500	\$ 697,500	\$ 1,325,250	\$ 721,670	\$ 828,000	\$ 710,000	\$ 914,000	\$ 619,000
Beginning Cash Balance	\$ 38,500	\$ 1,069,350	\$ 2,152,820	\$ 3,224,110	\$ 4,488,110	\$ 5,063,110	\$ 5,802,360	\$ 6,568,860	\$ 7,158,860	\$ 7,851,430	\$ 8,429,430	\$ 9,074,430	\$ 9,575,930	\$ 10,233,430	\$ 11,518,680	\$ 12,210,330	\$ 12,998,350	\$ 13,668,350	\$ 14,542,350	\$ 15,121,350
Annual Surplus (deficit)	(331,500)	(1,107,850)	(1,083,470)	(1,071,290)	(1,264,000)	(575,000)	(739,250)	(766,500)	(590,000)	(692,570)	(578,000)	(601,500)	(657,500)	(1,285,250)	(691,670)	(788,000)	(670,000)	(670,000)	(670,000)	(579,000)
Cash Balance	\$ 38,500	\$ 1,069,350	\$ 2,152,820	\$ 3,224,110	\$ 4,488,110	\$ 5,063,110	\$ 5,802,360	\$ 6,568,860	\$ 7,158,860	\$ 7,851,430	\$ 8,429,430	\$ 9,074,430	\$ 9,575,930	\$ 10,233,430	\$ 11,518,680	\$ 12,210,350	\$ 12,998,350	\$ 13,668,350	\$ 14,542,350	\$ 15,121,350



Expenditure Breakdown

Key	Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
I	Tennis & Basketball Courts	\$ 10,000	\$ -	\$ 135,000	\$ 200,000	\$ 125,000	\$ 60,000	\$ 75,000	\$ 85,000	\$ 185,000	\$ 200,000	\$ 170,000	\$ 130,000	\$ 155,000	\$ 155,000	\$ 180,000	\$ 200,000	\$ 125,000	\$ 60,000	\$ 75,000	\$ 85,000	
I	Shelters & Structures	51,500	7,500	-	59,000	-	1,250	-	-	-	52,570	-	-	-	-	4,000	50,250	5,000	30,000	19,000	9,000	
I	Playground Areas	-	605,000	150,000	350,000	-	75,000	-	225,000	-	-	-	-	-	-	-	75,000	125,000	200,000	275,000	2,905,000	
I	Volleyball & Bocce Ball Courts	15,000	15,000	-	25,000	-	-	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
I	Athletic Fields	20,000	85,000	155,000	100,000	270,000	130,000	203,000	146,500	95,000	130,000	73,000	105,000	136,500	35,000	245,000	30,000	188,000	70,000	60,000	110,000	
I	Irrigation Systems	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
I	Bridges & Boardwalks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	
I	Other Capital Items	25,000	86,120	333,470	111,290	100,000	-	25,000	-	-	-	25,000	-	-	-	500,000	40,000	-	-	40,000	40,000	
I	Natural Resources	50,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	2,900,000	
I	P/P/CIP Category	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	4,000,000
		\$ 371,500	\$ 1,148,620	\$ 1,123,470	\$ 1,111,290	\$ 1,304,000	\$ 615,000	\$ 779,250	\$ 806,500	\$ 630,000	\$ 732,570	\$ 618,000	\$ 585,000	\$ 641,500	\$ 697,500	\$ 1,325,250	\$ 731,670	\$ 828,000	\$ 710,000	\$ 914,000	\$ 619,000	\$16,292,120

Expenditure Detail

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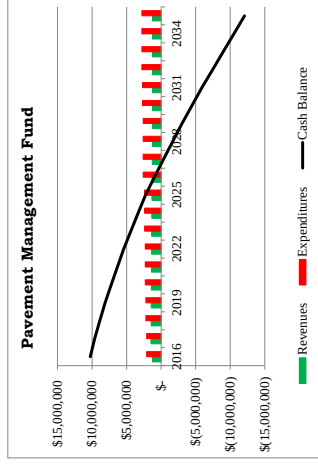
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	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	
Other Capital Items																					
Brimhall School: Divider Door	-	-	-	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75,000
Brimhall School: BB Standards	-	-	-	4,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,620
Brimhall School: Scoreboard	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,300
Brimhall School: VB Standards	-	6,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,500
Brimhall School: Other	-	-	-	-	-	-	-	-	-	-	-	-	-	6,500	-	-	-	-	-	-	6,500
CP School: Gym	-	4,620	-	-	-	-	-	-	-	-	-	-	-	-	-	6,670	-	-	75,000	-	86,290
CP School: Scoreboard	-	-	-	4,170	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,170
CP School: VB Standards	-	-	-	6,670	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,670
CP Lexington Marquee Sign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000
Gymnastics Center Flooring	-	-	-	300,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	-	40,000
Park Buildings: Patio Furniture	-	-	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Park Buildings: Tables & Chairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Park Pathway Lighting: General	-	-	-	25,000	-	-	25,000	-	-	-	-	-	-	-	-	25,000	-	-	-	-	25,000
VPW Restroom re-roof	25,000	75,000	-	-	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	125,000
Adj to Balance Original Submittal	-	-	-	5,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,000)	-	-	-	-	-	-	5,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,000)
PIP Items																					
General Items (see below)	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	4,000,000
Natural Resources																					
General Items (see below)	50,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	2,900,000
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 371,500	\$ 1,148,620	\$ 1,123,470	\$ 1,111,290	\$ 1,304,000	\$ 615,000	\$ 779,250	\$ 806,500	\$ 630,000	\$ 732,570	\$ 618,000	\$ 585,000	\$ 641,500	\$ 697,500	\$ 1,325,250	\$ 731,670	\$ 828,000	\$ 710,000	\$ 914,000	\$ 619,000	\$16,292,120

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 160,000
Tax Levy: Add/Sub																				
Other - MSA Assessments	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	205,200	192,504	177,554	162,305	144,751	126,846	108,583	87,955	66,914	45,452	19,561	-	-	-	-	-	-	-	-
Revenues	\$ 1,260,000	\$ 1,465,200	\$ 1,462,504	\$ 1,437,554	\$ 1,422,305	\$ 1,404,751	\$ 1,386,846	\$ 1,368,583	\$ 1,347,955	\$ 1,326,914	\$ 1,305,452	\$ 1,279,561	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 2,100,000	\$ 2,100,000	\$ 2,200,000	\$ 2,200,000	\$ 2,300,000	\$ 2,300,000	\$ 2,300,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,700,000	\$ 2,700,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
Beginning Cash Balance	\$11,100,000	\$10,260,000	\$9,625,200	\$8,877,704	\$8,115,258	\$7,237,563	\$6,342,315	\$5,429,161	\$4,397,744	\$3,345,699	\$2,272,613	\$978,065	\$ (342,374)	\$ (1,682,374)	\$ (3,022,374)	\$ (4,462,374)	\$ (5,902,374)	\$ (7,442,374)	\$ (8,982,374)	\$ (10,522,374)
Annual Surplus (deficit)	(840,000)	(634,800)	(747,496)	(762,446)	(877,695)	(895,249)	(913,154)	(1,031,417)	(1,052,045)	(1,073,086)	(1,294,548)	(1,320,439)	(1,340,000)	(1,340,000)	(1,440,000)	(1,440,000)	(1,540,000)	(1,540,000)	(1,540,000)	(1,540,000)
Cash Balance	\$10,260,000	\$9,625,200	\$8,877,704	\$8,115,258	\$7,237,563	\$6,342,315	\$5,429,161	\$4,397,744	\$3,345,699	\$2,272,613	\$978,065	\$ (342,374)	\$ (1,682,374)	\$ (3,022,374)	\$ (4,462,374)	\$ (5,902,374)	\$ (7,442,374)	\$ (8,982,374)	\$ (10,522,374)	\$ (12,062,374)

Fund 530	\$ 9,900,000
** Fund 590	<u>1,200,000</u>
	11,100,000

** \$500K was left for up-front financing



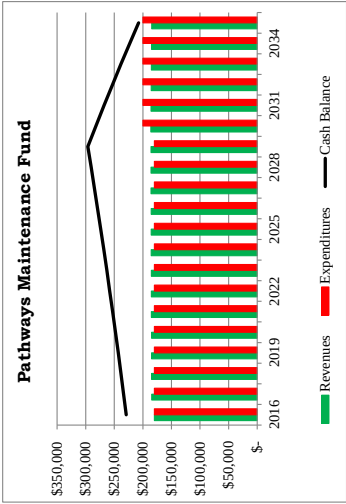
Expenditure Detail

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City of Roseville
Capital Improvement Plan: Pathways Maintenance Fund (408)
2016-2035

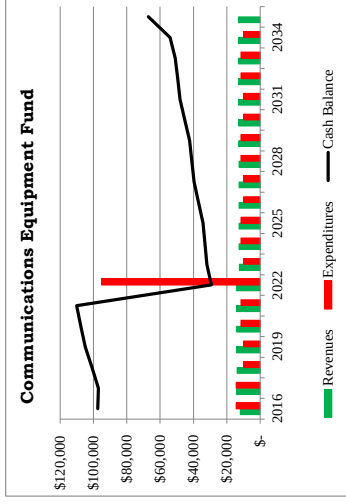
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: Current	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	4,580	4,672	4,765	4,860	4,958	5,057	5,158	5,261	5,366	5,474	5,583	5,695	5,809	5,925	6,043	6,161	6,280	6,400	6,520
Interest Earnings	\$ 180,000	\$ 184,580	\$ 184,672	\$ 184,765	\$ 184,860	\$ 184,958	\$ 185,057	\$ 185,158	\$ 185,261	\$ 185,366	\$ 185,474	\$ 185,583	\$ 185,695	\$ 185,809	\$ 185,925	\$ 186,043	\$ 186,161	\$ 186,280	\$ 186,400	\$ 186,520
Revenues	\$ 180,000	\$ 184,580	\$ 184,672	\$ 184,765	\$ 184,860	\$ 184,958	\$ 185,057	\$ 185,158	\$ 185,261	\$ 185,366	\$ 185,474	\$ 185,583	\$ 185,695	\$ 185,809	\$ 185,925	\$ 186,043	\$ 186,161	\$ 186,280	\$ 186,400	\$ 186,520
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Beginning Cash Balance	\$ 229,000	\$ 229,000	\$ 233,580	\$ 238,252	\$ 243,017	\$ 247,877	\$ 252,835	\$ 257,891	\$ 263,049	\$ 268,310	\$ 273,676	\$ 279,150	\$ 284,733	\$ 290,427	\$ 296,236	\$ 202,161	\$ 267,804	\$ 253,160	\$ 238,223	\$ 222,988
Annual Surplus (deficit)	-	-	4,580	4,672	4,765	4,958	5,057	5,158	5,261	5,366	5,474	5,583	5,695	5,809	(14,075)	(14,357)	(14,644)	(15,236)	(15,540)	(15,540)
Cash Balance	\$ 229,000	\$ 233,580	\$ 238,252	\$ 243,017	\$ 247,877	\$ 252,835	\$ 257,891	\$ 263,049	\$ 268,310	\$ 273,676	\$ 279,150	\$ 284,733	\$ 290,427	\$ 296,236	\$ 282,161	\$ 267,804	\$ 253,160	\$ 238,223	\$ 222,988	\$ 207,447



Expenditure Detail

Key	Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
I	Pathway maintenance	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
I	Pathway construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
		\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000

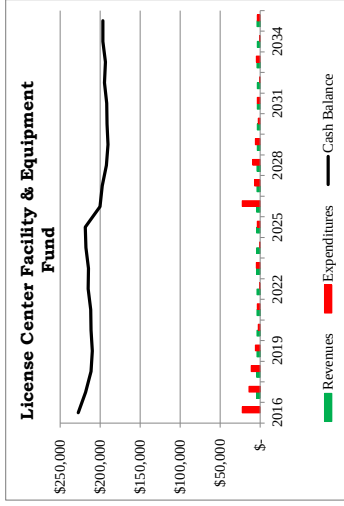
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: current																				
Tax Levy: Add/Sub																				
Fees, Licenses, & Permits	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	1,950	1,939	2,018	2,098	2,150	2,203	587	639	662	685	739	793	819	846	903	961	990	1,020	1,080
Revenues	\$ 12,000	\$ 13,950	\$ 13,939	\$ 14,018	\$ 14,098	\$ 14,150	\$ 14,203	\$ 12,587	\$ 12,639	\$ 12,662	\$ 12,685	\$ 12,739	\$ 12,793	\$ 12,819	\$ 12,846	\$ 12,903	\$ 12,961	\$ 12,990	\$ 13,020	\$ 13,080
Vehicles																				
Equipment	14,500	14,500	10,000	10,000	11,500	11,500	95,000	10,000	11,500	11,500	10,000	10,000	11,500	11,500	10,000	10,000	11,500	11,500	10,000	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 14,500	\$ 14,500	\$ 10,000	\$ 10,000	\$ 11,500	\$ 11,500	\$ 95,000	\$ 10,000	\$ 11,500	\$ 11,500	\$ 10,000	\$ 10,000	\$ 11,500	\$ 11,500	\$ 10,000	\$ 10,000	\$ 11,500	\$ 11,500	\$ 10,000	\$ -
Beginning Cash Balance	\$ 100,000	\$ 97,500	\$ 96,950	\$ 100,889	\$ 104,907	\$ 107,505	\$ 110,155	\$ 29,358	\$ 31,945	\$ 33,084	\$ 34,246	\$ 36,931	\$ 39,669	\$ 40,963	\$ 42,282	\$ 45,128	\$ 48,030	\$ 49,491	\$ 50,381	\$ 54,000
Annual Surplus (deficit)	(2,500)	(550)	3,939	4,018	2,598	2,650	(80,797)	2,587	1,139	1,162	2,685	2,739	1,293	1,319	2,846	2,903	1,461	1,490	3,020	13,080
Cash Balance	\$ 97,500	\$ 96,950	\$ 100,889	\$ 104,907	\$ 107,505	\$ 110,155	\$ 29,358	\$ 31,945	\$ 33,084	\$ 34,246	\$ 36,931	\$ 39,669	\$ 40,963	\$ 42,282	\$ 45,128	\$ 48,030	\$ 49,491	\$ 50,981	\$ 54,000	\$ 67,080



Expenditure Detail

[illegible]

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: current	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Tax Levy: Add/Sub	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fees, Licenses, & Permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	4,550	4,363	4,228	4,195	4,229	4,237	4,302	4,292	4,358	4,369	4,006	3,949	3,846	3,804	3,831	3,831	3,888	3,870	3,927
Revenues	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Vehicles	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Equipment	1,000	4,800	2,000	3,800	1,000	3,800	1,000	4,800	1,000	3,800	1,000	4,800	2,000	3,800	1,000	3,800	1,000	4,800	1,000	3,800
Furniture & Fixtures	-	-	4,100	2,100	-	-	-	-	-	-	-	-	2,100	2,100	-	-	-	-	-	-
Buildings	21,500	9,100	5,000	2,100	1,500	-	-	-	-	21,500	-	-	5,000	2,100	1,500	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Beginning Cash Balance	\$ 250,000	\$ 227,500	\$ 218,150	\$ 211,413	\$ 209,741	\$ 211,456	\$ 211,865	\$ 215,102	\$ 214,604	\$ 217,896	\$ 218,454	\$ 200,323	\$ 197,430	\$ 192,278	\$ 190,224	\$ 191,528	\$ 191,559	\$ 194,390	\$ 193,478	\$ 196,347
Annual Surplus (deficit)	(22,500)	(6,350)	(6,737)	(1,695)	429	3,237	(498)	(498)	3,292	558	(18,131)	(2,894)	(5,151)	(2,054)	1,304	31	2,831	(912)	2,870	127
Cash Balance	\$ 227,500	\$ 218,150	\$ 211,413	\$ 209,741	\$ 211,436	\$ 211,865	\$ 215,102	\$ 214,604	\$ 217,896	\$ 218,454	\$ 200,323	\$ 197,430	\$ 192,278	\$ 190,224	\$ 191,528	\$ 191,559	\$ 194,390	\$ 193,478	\$ 196,347	\$ 196,474

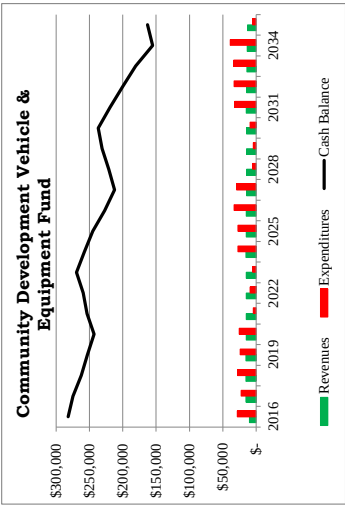


Expenditure Detail

[illegible]

City of Roseville
Capital Improvement Plan: Community Development Vehicle & Equipment Fund (260)
2016-2035

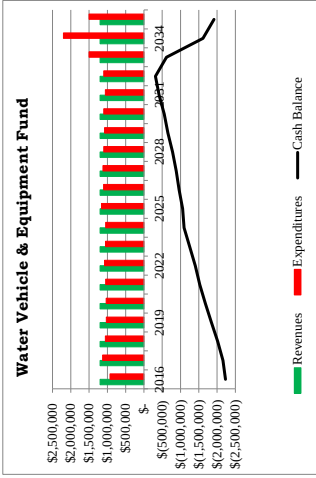
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Levy: Add/Sub	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Fees, Licenses, & Permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	5,634	5,497	5,247	5,066	4,861	5,068	5,189	5,387	5,149	4,902	4,540	4,245	4,424	4,622	4,735	4,383	4,005	3,615	3,107
Interest Earnings	\$ 10,000	\$ 15,634	\$ 15,497	\$ 15,247	\$ 15,066	\$ 14,861	\$ 15,068	\$ 15,189	\$ 15,387	\$ 15,149	\$ 14,902	\$ 14,540	\$ 14,245	\$ 14,424	\$ 14,622	\$ 14,735	\$ 14,383	\$ 14,005	\$ 13,615	\$ 13,107
Revenues	\$ 10,000	\$ 15,634	\$ 15,497	\$ 15,247	\$ 15,066	\$ 14,861	\$ 15,068	\$ 15,189	\$ 15,387	\$ 15,149	\$ 14,902	\$ 14,540	\$ 14,245	\$ 14,424	\$ 14,622	\$ 14,735	\$ 14,383	\$ 14,005	\$ 13,615	\$ 13,107
Vehicles	\$ -	\$ 18,000	\$ 19,000	\$ 19,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 22,000	\$ 23,000	\$ 24,000	\$ 24,000	\$ -	\$ -	\$ -	\$ 27,000	\$ 28,000	\$ 29,000	\$ 30,000	\$ -
Equipment	27,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300
Furniture & Fixtures	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 28,300	\$ 22,500	\$ 28,000	\$ 24,300	\$ 25,300	\$ 4,500	\$ 9,000	\$ 5,300	\$ 27,300	\$ 27,500	\$ 33,000	\$ 29,300	\$ 5,300	\$ 4,500	\$ 9,000	\$ 32,300	\$ 33,300	\$ 33,500	\$ 39,000	\$ 426,500
Beginning Cash Balance	\$ 300,000	\$ 281,700	\$ 274,834	\$ 262,331	\$ 253,277	\$ 243,043	\$ 253,404	\$ 259,472	\$ 269,361	\$ 257,448	\$ 245,097	\$ 226,999	\$ 212,239	\$ 221,184	\$ 231,108	\$ 236,730	\$ 219,165	\$ 200,248	\$ 180,753	\$ 155,368
Annual Surplus (deficit)	(18,300)	(6,866)	(12,503)	(9,053)	(10,234)	10,361	6,068	9,889	(11,913)	(12,351)	(18,098)	(14,760)	8,945	9,924	5,622	(17,565)	(18,917)	(19,495)	(25,385)	7,807
Cash Balance	\$ 281,700	\$ 274,834	\$ 262,331	\$ 253,277	\$ 243,043	\$ 253,404	\$ 259,472	\$ 269,361	\$ 257,448	\$ 245,097	\$ 226,999	\$ 212,239	\$ 221,184	\$ 231,108	\$ 236,730	\$ 219,165	\$ 200,248	\$ 180,753	\$ 155,368	\$ 163,175



Expenditure Detail

Key	Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
V	Inspection vehicles	\$ -	\$ 18,000	\$ 19,000	\$ 19,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 22,000	\$ 23,000	\$ 24,000	\$ 24,000	\$ -	\$ -	\$ 27,000	\$ 27,000	\$ 28,000	\$ 29,000	\$ 30,000	\$ -
E	Computers	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300	4,300	3,500	8,000	4,300
E	Permit Database conversion	3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E	Online Permit/Schedul. Software	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
F	Office furniture	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
		\$ 28,300	\$ 22,500	\$ 28,000	\$ 24,300	\$ 25,300	\$ 4,500	\$ 9,000	\$ 5,300	\$ 27,300	\$ 27,500	\$ 33,000	\$ 29,300	\$ 5,300	\$ 4,500	\$ 9,000	\$ 32,300	\$ 33,300	\$ 33,500	\$ 39,000	\$ 426,500

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Tax Levy: current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Levy: Add/Sub	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Fees, Licenses, & Permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Vehicles	\$ -	\$ 70,000	\$ -	\$ 25,000	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	30,000	-	54,000	5,000	34,000	12,000	17,000	50,000	45,000	110,000	105,000	100,000	100,000	50,000	50,000	57,000	100,000	500,000	500,000	500,000
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	900,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures	\$ 930,000	\$ 1,130,000	\$ 1,054,000	\$ 1,030,000	\$ 1,034,000	\$ 1,047,000	\$ 1,077,000	\$ 1,050,000	\$ 1,045,000	\$ 1,160,000	\$ 1,105,000	\$ 1,130,000	\$ 1,100,000	\$ 1,075,000	\$ 1,100,000	\$ 1,057,000	\$ 1,100,000	\$ 1,500,000	\$ 2,200,000	\$ 1,500,000
Beginning Cash Balance	\$2,500,000	\$2,230,000	\$2,160,000	\$2,014,000	\$1,844,000	\$1,678,000	\$1,525,000	\$1,402,000	\$1,252,000	\$1,097,000	\$1,057,000	\$962,000	\$882,000	\$792,000	\$657,000	\$557,000	\$414,000	\$314,000	\$614,000	\$1,614,000
Annual Surplus (deficit)	270,000	70,000	146,000	170,000	166,000	153,000	123,000	150,000	155,000	40,000	95,000	80,000	100,000	125,000	100,000	145,000	100,000	(300,000)	(1,000,000)	(300,000)
Cash Balance	\$2,770,000	\$2,160,000	\$2,014,000	\$1,844,000	\$1,678,000	\$1,525,000	\$1,402,000	\$1,252,000	\$1,097,000	\$1,057,000	\$962,000	\$882,000	\$792,000	\$657,000	\$557,000	\$414,000	\$314,000	\$614,000	\$1,614,000	\$1,914,000



Expenditure Detail

Key	Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
V #207 Pickup		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
V #208 Meter van			25,000																		\$ 35,000
V #210 4x4 pickup			25,000													25,000					\$ 50,000
V #211 350 Backhoe (3-way split)																					\$ 50,000
V #220 Ford 1/2-ton			20,000					60,000					20,000								\$ 60,000
V #234 4x4 Pickup					25,000											25,000					\$ 40,000
E VFD's, HE Motor's, & Pump Seals,										25,000											\$ 50,000
E Water AMR meter system replacen									50,000									50,000			\$ 125,000
E Replace Upgrade SCADA system (										20,000											\$ 21,000
E GPS Unit (1/3 share)						4,000															\$ 20,000
E Field Computer Replacement/add				5,000				5,000													\$ 4,000
E Replace Air Compressor																					\$ 22,000
E #236 Trailer					5,000						10,000						7,000				\$ 10,000
E #237 Wacker Compacter				24,000																	\$ 5,000
E Compactor for 360 Backhoe (1/3)																					\$ 24,000
E Replace VFD's & HE motor for Pu						30,000															\$ 30,000
E Replace VFD for Pump 4							12,000														\$ 12,000
E Replace VFD for Pump 3									12,000												\$ 25,000
E Replace Veaurie Meier				25,000																	\$ 30,000
E Replace Trench Box		30,000																			\$ 700,000
B Elevated storage tank repainting																					\$ 90,000
B Booster station building maintenance											50,000										-
B Booster station Electric MCC replac																					-
B Replace genset & inst switch @ bc																					-
B Replace Water Tower Fence																					-
I Water main replacement		900,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,045,000	1,160,000	1,105,000	1,120,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
		\$ 930,000	\$ 1,130,000	\$ 1,054,000	\$ 1,030,000	\$ 1,034,000	\$ 1,047,000	\$ 1,077,000	\$ 1,050,000	\$ 1,045,000	\$ 1,160,000	\$ 1,105,000	\$ 1,120,000	\$ 1,000,000	\$ 1,075,000	\$ 1,100,000	\$ 1,057,000	\$ 1,000,000	\$ 1,500,000	\$ 2,200,000	\$ 3,414,000

[illegible]

[illegible]

City of Roseville
Capital Improvement Plan: Storm Sewer Vehicle & Equipment Fund (640)
2016-2035

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
E Anna Storm Station Upgrades	-	-	-	-	-	-	-	-	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000
E Millwood Storm Station Upgrades	-	-	-	-	-	-	-	-	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000
E Owasso Hills Storm Station Upgrad	-	-	-	-	-	-	-	-	-	-	100,000	-	-	-	-	-	-	-	-	-	100,000
E Walsh Storm station Upgrades	-	300,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000
E Replace/Upgrade SCADA (1/3)	-	-	-	-	-	-	-	-	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000
E Backhoe Compactor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000
I Pond improvements/infiltration	300,000	300,000	350,000	350,000	350,000	350,000	400,000	400,000	400,000	400,000	450,000	450,000	450,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	8,450,000
I Storm sewer replacement/rehabilitat	400,000	400,000	400,000	450,000	450,000	450,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	9,550,000
I Regenerative air sweeper (vacuum)	-	-	-	-	-	-	-	240,000	-	-	-	-	-	-	-	-	-	-	-	-	240,000
I Leaf site water quality improvement	-	-	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75,000
I Update stormwater mgmt plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150,000	-	-	150,000
	\$ 860,000	\$1,012,000	\$1,025,000	\$1,087,000	\$1,065,000	\$ 875,000	\$ 960,000	\$1,144,000	\$1,100,000	\$1,038,000	\$1,275,000	\$ 960,000	\$ 980,000	\$1,124,000	\$1,000,000	\$1,285,000	\$1,077,000	\$1,195,000	\$1,410,000	\$1,214,000	\$21,686,000

REQUEST FOR COUNCIL ACTION

Date: 8/17/2015
Item No.: 15.a

Department Approval

Timothy O'Neill

City Manager Approval

Sam J. Trueman

Item Description: Fire Department Staffing Program Update & Discussion

BACKGROUND

Throughout 2014 the Fire Department provided education and communication to the City Council regarding the concept of transitioning the Fire Department from a primarily part-time staffing model to a model utilizing more full-time firefighters and full-time supervision over a period of time.

As part of the 2015 budget City Council approved the first step of the Fire Department's transition plan, which was the hiring of six full-time firefighters. The new six full-time firefighters started their career March 3, 2015.

While still early into the new program things have transitioned very well. The firefighters and department are adjusting to the new changes.

The next step of the transition plan involved the single most important step of the plan, the transition to 24/7 full-time supervision. As part of this transition step the Fire Department has developed a reorganization plan which meets the goal of full-time supervision and is budget neutral.

The reorganization plan will be presented in detail as part of tonight's presentation, but in summary it includes the reestablishment of the Assistant Chief position, moving the three Battalion Chief positions to on-duty supervisor working 24/7/365, and bringing a more manageable work schedule to the current part-time staff.

Prepared by: Timothy O'Neill, Fire Chief



Fire Department Budget Discussion/ Transition Process Update

Phase I- Six Full-time Firefighters

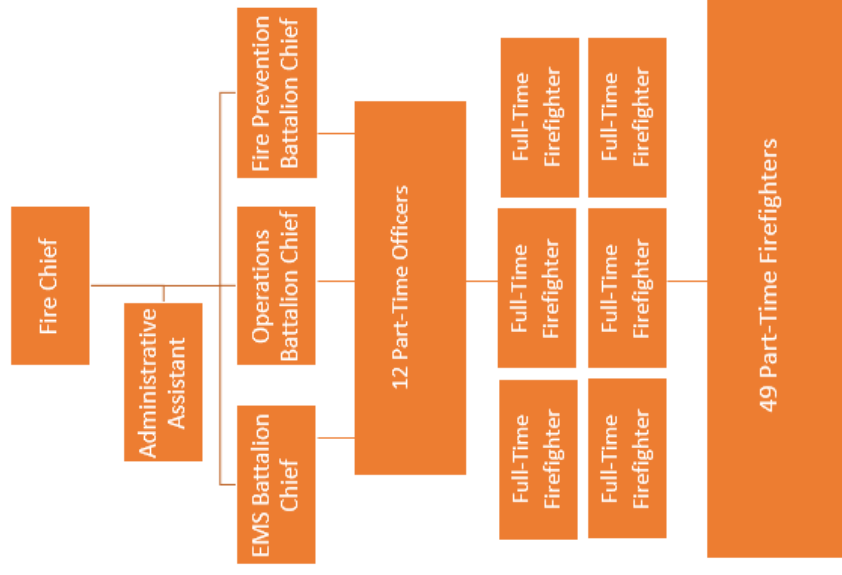
- ▶ Step one of the plan was the stabilization of the Fire Department's shift program.
- ▶ Step one of the plan, the hiring of six full-time launched in March 2015.
- ▶ Step one of the plan is working very well. The department is adjusting well to the new changes.

Phase II- Supervision

- ▶ Step two of the plan for the 2016 budget year will focus on full-time supervision
- ▶ Today's model:
 - ▶ 2 Battalion Chiefs work Sunday-Friday 0600-1800 covering 43% of shift schedule
 - ▶ Part-time officers are scheduled to work Saturday day and all night shifts covering 57% of shift schedule
- ▶ Fire Department's supervision structure:
 - ▶ Fire Chief
 - ▶ 3 Battalion Chiefs
 - ▶ 12 part-time officers

Phase II- Supervision

Current organizational chart:



Phase II- Supervision

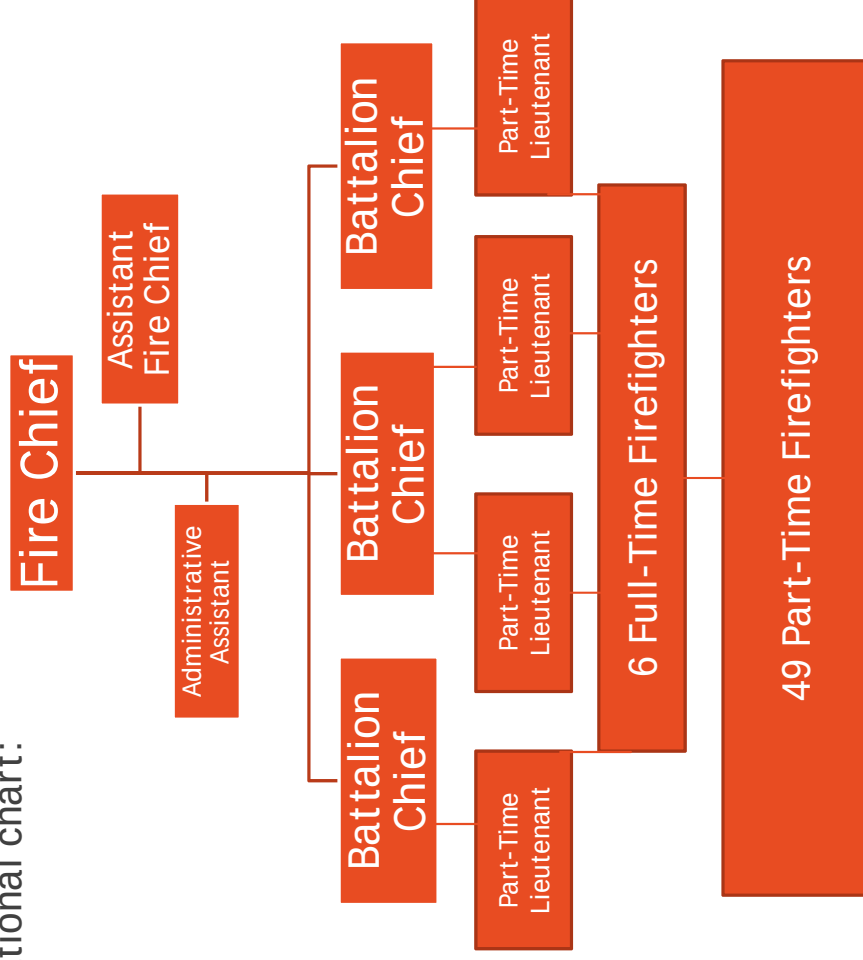
- ▶ Proposed 2016 reorganizational and supervision plan
- ▶ Why? After much consideration the reorganization plan provided the best financial approach to addressing our organizational needs, while providing for a budget neutral approach.
- ▶ **Reestablish the position of Assistant Fire Chief**
- ▶ **Repurpose Battalion Chief's position**
- ▶ Currently-
 - ▶ Two of the Battalion Chiefs duties are split between administrative duties and shift supervision
 - ▶ One of the Battalion Chiefs is primarily administrative only

Phase II- Supervision

- ▶ Proposed -
 - ▶ Reestablished Assistant Fire Chief position assumes most of the current administrative duties from Battalion Chiefs, including the duties of Emergency Manager and the responsibilities of City wide Safety and Risk Management.
 - ▶ Battalion Chiefs become operational centered with minimal administrative duties (similar duties as Police Sergeant's), work 24 hours shifts as on-duty shift supervisor.
 - ▶ Current part-time officers group is reduced from current levels to 4 part-time Lieutenants for call-back only purposes.
 - ▶ Current part-time officers can apply for one of the 4 lieutenant positions
 - ▶ Part-time firefighters will sign up for shifts monthly rather than annual shift schedule
 - ▶ Part-time firefighters will be responsible for less time and commitment

Step Two- Supervision

Proposed organizational chart:



What We Plan to Accomplish

- ▶ Step two of the fire department transition plan- transition plan progression
- ▶ Dramatic improvement in department level of supervision
- ▶ Dramatic improvement in firefighter training
- ▶ Dramatic improvement in level of service to the community
- ▶ Consistency from shift to shift
- ▶ Dramatic improvement in accountability and performance
- ▶ Balanced approach to supervision, administrative duties, chain of command, and ability for succession planning
- ▶ Continued relief of time and responsibility for our struggling part-time staff

The Why's

- ▶ **Full-time supervision is the single most important item/need for the department.**
- ▶ **The reorganization as outlined for step two of the transition is budget neutral- No additional funding is required as part of the 2016 budget**
- ▶ **New Battalion Chief duties very similar to Police Sergeant positions.**
- ▶ New Assistant Fire Chief position will assume large part of current Battalion Chief administrative duties such as:
 - ▶ Develop and maintain works schedules-responsible for department training program both Fire & EMS-Responsible for community interaction programs- Over site for inspections program, plan review, & community outreach- City wide Emergency Manager- City wide Safety and Risk Manager- Department apparatus and equipment programs
- ▶ The reorganization allows us to accomplish full-time supervision, without a budget increase while allowing for sustained work flow for duties and responsibilities. Multiple birds with one stone
- ▶ Allows for continued opportunity for part-time firefighters, while allowing for a much more manageable work load, and level of expectation

The Why's

- ▶ Assist in building a cohesive leadership team
- ▶ Ability to provide for same message, communication throughout the department
- ▶ Allows for stability of skills, experience, management experience, fire ground skills, and incident command abilities
- ▶ Allows for full-time supervisors to supervise full-time firefighters rather than part-time supervisors supervising full-time firefighters
- ▶ Brings consistency with other city departments for level of supervision
- ▶ Allows for a much more flexible work schedule for part-time firefighters
- ▶ Continues to set the foundation for the future steps of the transition plan

Recent Discussion Areas

- ▶ Full-time Firefighter union discussions (recent)
 - Wage structure within anticipated range
 - Submitted budget will support anticipated wage
 - While the contract is still in negotiation stage, there are no surprises
- ▶ Battalion Chief union discussions (recent)
 - We anticipate Battalion Chiefs will unionize under new structure
 - New structure involves work schedule of 2912 Vs. 2080
 - City policy/handbook does not make allowances for varied schedules and hours
 - Restructure aside the Battalion Chief position is ripe for the possibility of unionization

Recent Discussion Areas

- ▶ Continue Battalion Chiefs in current role and look for the possibility of the full-time firefighters supervising the shifts
 - Band-Aid approach rather than a **long term solution** to departmental supervision issues.
 - High potential for contract issues
 - Inconsistent with City policy
 - Inconsistent with other city department supervision structures
 - Employees were hired as Firefighters not Supervisors.
 - Unfair approach- many not ready or prepared for the responsibilities of supervision long term.

2016 Budget Math

- ▶ Fire Department 2016 zero increase budget is based on the following assumptions:
 - ▶ Savings from Battalion Chiefs working shifts as supervisors rather than adding an additional layer of supervision as previously presented. (**Savings area #1**)
 - ▶ *They already work as supervisors 43% of the time*
 - ▶ Current and potential union wages built into 2016 budget
 - ▶ Savings from part-time supervisors (**Savings area #2**)
 - ▶ *Current part-time supervisors wage \$6 more than firefighters. Eliminating the part-time supervisor position results in over-all savings*
 - ▶ Staffing model consists of:
 - ▶ 1- Full-time Battalion Chief- (supervisor)
 - ▶ 2- Full-time Firefighters
 - ▶ 2- Part-time Firefighters
 - ▶ Savings from reduction of one part-time position working shift (**Savings area #3**)
 - ▶ *Maintaining staffing level of 5 per shift.*
 - ▶ *Reduction of a part-time position equal to 57% of the time compared to current structure*
 - ▶ Savings from all three areas allow for:
 - ▶ Full-time 24/7 supervision
 - ▶ Union contract adjustments (both firefighters and Battalion chiefs)
 - ▶ Implementation of Full-time Assistant Fire Chief position
 - ▶ Over all Zero increase budget

What if?

- ▶ What if we did nothing different in 2016 from 2015 budget?
- ▶ The savings identified by the reorganization will be eliminated if we maintain the current structure.
- ▶ As a result, the Fire Department budget will need to receive a significant increase in funding as part of the 2016 budget to cover the costs due to the unionization of the firefighters and other personnel costs.
- ▶ The Fire Department will not have enough part-time supervisors to fill all of the supervisor slots, meaning full-time firefighters will receive out of class rate of pay.
- ▶ The Fire Department will continue to struggle filling less popular shifts (daytimes-weekends-holidays) resulting in the need to hire additional part-time or full-time firefighters.
- ▶ Result-Fire Department 2016 Budget would need significant increase to sustain current nonfunctional and less efficient structure.

Summary

- ▶ The reorganization allows us to accomplish full-time supervision, without a budget increases while allowing for sustained work flow for duties and responsibilities.
- ▶ Allowing us to build our future, improve services, improve firefighter safety for no additional funding.



Questions

REQUEST FOR COUNCIL ACTION

Date: August 17, 2015
Item No.: 15.b

Department Approval

City Manager Approval



Item Description: Discuss the Use of the Former Fairview Ave. Fire Station

BACKGROUND

The former Fairview Ave. Fire Station, located at 2501 Fairview Ave., is currently used by the City for storage of material and equipment. In addition, the Roseville Historical Society uses the facility for storage of their historical materials. A small office space within the building is also used by the Roseville Fire Relief Association for file storage. A larger open area is used occasionally for Park and Recreation staff as a work space to prepare for events. Police officers also occasionally use the building as a place to take a lunch break.

The building itself has a footprint of about 6,000 square feet and was constructed in 1966 but has not been used as a fire station for many years. The overall parcel is 1.73 acres. However the rear of the parcel contains the City water tower. The site also has substantial public and private infrastructure easements south of the building. Factoring out the area need for the water tower, there is approximately 0.85 acres of remaining land.

Options for consideration

The City Council has recently expressed an interest in talking about the future use of the Fairview Fire Station property. Staff has identified several options for the City Council to consider regarding the future use of the property.

- 1) Put the property on the market for sale for redevelopment into a business/commercial use.
- 2) Repurpose the building/property for another municipal use (e.g. license center, new city storage facility, green space).
- 3) Repurpose the building/property for use by the Roseville Historical Society
- 4) Keep the building and property as is.

At the meeting, staff will discuss each option in greater detail and will be looking for direction from the City Council on how to proceed.

Repurposing the building as described in options 1-3, will necessitate a discussion about where to store the equipment and material currently stored in the building. This thought coincides well with recent the staff discussion of finding centralized permanent storage space for City departments. With the upcoming construction of Twin Lakes Parkway and the subsequent teardown of the storage garage within the right-of-way, the City will need to find a new storage site. Public Works and Parks and Recreation currently use that building for storage. In addition, the Roseville Historical Society currently offices out the same building.

In regards to the Roseville Historical Society, staff has been working with the board to relocate them into a park building in Evergreen Park. Unfortunately, building code requirements require substantial upgrades to the building (nearly \$300,000) for them to locate in Evergreen Park. Given that fact, staff has been looking at potentially including office space (and maybe display space) in any new storage building the City would utilize. Similarly, the Roseville Fire Relief Association will be looking for office space and could be included in a new storage building.

Staff has done some preliminary work on identifying properties that would be able to meet our storage needs (approximately 15,000 -20,000 square feet) and accommodate users such as the Roseville Historical Society and Roseville Fire Relief Association. At the meeting, staff will present information about potential properties to consider.

FINANCIAL IMPACTS

While the Fairview Fire Station property is currently assessed at \$1,738,700 (\$904,800 for land, \$833,900 for the building) by Ramsey County, staff is doubtful that the property can be sold for that amount. In addition, only about half the property would be sold due the City retaining the area around the water tower. Nevertheless, the funds from the sale of the property to private party could be used to help fund a solution for the storage and space needs of the City and affiliated organizations.

STAFF RECOMMENDATION

Staff recommends that the Fairview Fire Station property be put on the market for sale for a future business/commercial use. However, prior to advertising the property for sale, the City will need to have a solution for the City storage and space needs in place. To that end, staff first recommends that the City Council direct staff to identify properties and/or buildings that can be used as permanent centralized storage and fill the space needs for the City and affiliated organizations and return to a future meeting with options for the City Council to consider.

REQUESTED COUNCIL ACTION

Will be based on discussion.

Prepared by: Patrick Trudgeon, City Manager (651) 792-7021 pat.trudgeon@cityofroseville.com

Attachments: A: Aerial Map of 2501 Fairview Ave. (Fairview Fire Station)

Fairview Fire Station



Foundation Size:
~6,000 sq. ft

1.73 AC.



Prepared by:
Community Development Department
Printed: August 12, 2015



Site Location

Data Sources

- * Ramsey County GIS Base Map (6/29/2015)
- * Aerial Data: MriGeo (4/2012)

For further information regarding the contents of this map contact:
City of Roseville, Community Development Department,
2660 Civic Center Drive, Roseville MN

Disclaimer

This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. The City does not warrant that the Geographic Information System (GIS) Data used to prepare this map is accurate, complete, current, or free of errors. The City is not responsible for any errors or omissions, or for any consequences arising from the use of this map. The City shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the City from any and all claims brought by User, its employees or agents, or third parties which arise out of the user's access or use of data provided.

REQUEST FOR COUNCIL ACTION

Date: August 17, 2015
Item No.: 15.c

Department Approval



City Manager Approval



Item Description: Dale Street Development update

PROJECT TIMELINE

On April 6, 2015, the City of Roseville entered into a purchase agreement with the Roseville Housing and Redevelopment Authority in order to purchase the HRA's land that is contained in the Dale Street redevelopment project area that called for a closing by June 30, 2015.

On May 11, 2015, the City of Roseville entered into a predevelopment agreement with the Greater Metropolitan Housing Corporation (GMHC) so that GMHC can purchase and develop the property.

The City of Roseville contracted with an environmental firm to perform a Phase 1 environmental analysis and the report has been reviewed by GMHC, Western Bank, City Staff and the City Attorney and been deemed to be sufficient for waiving the City's environmental contingency in the purchase agreement with the HRA.

The City of Roseville has obtained updated title for the property that the City Attorney has deemed to be sufficient to waive the City's title contingency in the purchase agreement with the HRA.

GMHC has received a written commitment from Western Bank for project financing. The financing commitment is a readvancing line of credit draw note in the amount of \$1,461,000 with a maturity of 36 months. The commitment covers all 18 townhome units. The value of the units that are proposed was confirmed by the bank's appraiser and therefore it is comfortable funding the project. The initial 6 units will be funded without a presale requirement and then each of the additional two phases of 6 units will have a 50% presale requirement, which is a standard condition for townhome project financing. The bank has indicated that if presales go faster than anticipated, the bank will increase the amount available to the project so that it can move forward in a timely fashion and improve economies of scale.

The initial pro forma and commitment were reviewed by the City's housing finance consulting firm, Ehlers and Associates.

On June 22, 2015, the City Council approved an Interfund Loan Resolution to advance TIF funds for the closing on the HRA property in advance of the formal modifications of the TIF districts funding the development (TIF Districts 10 and 12).

On June 24, 2015, the City closed on the property owned by the HRA.

On July 20, 2015, the City Council set the date for the TIF public hearing and approved the preliminary plat for the development.

On August 24, 2015, the City Council is scheduled to take action on the development agreement, the modifications to TIF Districts 10/12 and the Final Plat.

BACKGROUND

The predevelopment activities for the Dale Street development are coming to a close. A series of final approvals are scheduled to occur at the City Council's August 24, 2015 meeting. Following the August 24th meeting, the focus will quickly move towards setting up the closing on the property with the developer and the initiation of construction.

The City's TIF Attorney has prepared the attached draft development agreement (Attachment A). It is currently scheduled that this agreement will come back for approval on the August 24th meeting.

Staff is bringing some of the key items forward in this work session to answer questions or identify issues the City Council may have early on so they may be resolved prior to presenting the cases for formal approval on August 24th.

The developer has received a commitment for financing of the entire project (Attachment B). The bank's appraisal came through positively as well on the proposed units. As is common in this sort of a project, the bank's commitment is in a revolving loan format where additional funds are provided for future buildings as sales occur. The bank is confident enough in the project that it is not requiring a presale requirement for the first six units and it has indicated that if sales occur faster than projected, the bank will increase the amount of funds available to the project to accommodate a faster construction schedule.

Staff has also negotiated provisions to benefit the City if unanticipated changes occur in the project both in the positive and negative direction. If the project should go into default, there are provisions for the City to obtain title to the property again. The City's interest would be subordinate to the bank's financial interest (which is a common condition for developments), but the City would have a process available to it to eliminate the developer's ownership interest in the event of a default and reclaim title to the property.

If the project should succeed beyond projections, there is a provision for the City to share the extra profits, thereby reducing the initial land and demolition TIF subsidy.

Proposed draft elevations are also attached (Attachment C). The developer is working with the City Planner to develop the final elevations. Some of the final modifications that the developer is having prepared right now include the following:

- Working with a designer to create cohesive color schemes for the project. The developer wants each unit to have some individuality but tie into the larger development as well.
- Architectural styles and color schemes for each building will be made consistent along all four sides. For example, if a front porch design has shakes or boards and batten, these materials will be carried around the sides and back as well.
- Homeowners will have a variety of front door styles to choose from but they will all tie into the overall theme.
- Muntins will be added to the windows for architectural interest.
- Garage door styles will be tied into the styles for windows and doors.

The developer has provided some sample photos of the types of product style/quality that they are seeking for this development (Attachment D).

74 If all proceeds according to the current schedule, it is anticipated that a property closing would
75 occur shortly after the developer is able to record the final plat.

76 **POLICY OBJECTIVE**

77 The Dale Street redevelopment project is a priority redevelopment area for the City of Roseville.

78 **BUDGET IMPLICATIONS**

79 This project is being funded with TIF funding and will impact the balances of TIF Districts 10
80 and 12. The project is not receiving any general levy funding.

81 **STAFF RECOMMENDATION**

82 Staff will be available to receive comment or answer questions about this project.

83 **REQUESTED COUNCIL ACTION**

Provide input on the development agreement or any other aspects of the Dale Street project.

Prepared by: Paul Bilotta, Community Development Director
Attachments: A: Draft Development Agreement
B: Western Bank Commitment
C: Elevations
D: Sample photos
E: Preliminary Plat

PURCHASE AND REDEVELOPMENT CONTRACT

By and Between

THE CITY OF ROSEVILLE

and

DALE STREET STATION, LLC

Dated as of: _____, 2015

This document was drafted by:

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PURCHASE AND REDEVELOPMENT CONTRACT

THIS AGREEMENT, made as of the __ day of _____, 2015, by and between the City of Roseville (the "City"), a Minnesota municipal corporation, and Dale Street Station, LLC (the "Redeveloper"), a Minnesota limited liability company.

WITNESSETH:

WHEREAS, the Housing and Redevelopment Authority in and for the City of Roseville (the "Authority") and the Redeveloper had begun work on a redevelopment project to be constructed on certain land located in the City, a portion of which was owned by the Authority and a portion by the City, such property (the "Redevelopment Property") legally described on Schedule A;

WHEREAS, the City determined that the redevelopment project could be more effectively and efficiently undertaken by the City directly under its authority pursuant to the Development Act as hereinafter defined;

WHEREAS, the Authority has subsequently conveyed its portion of the Redevelopment Property it owned to the City and consequently the City now owns the entire Redevelopment Property;

WHEREAS, the City has heretofore created Development District No. 1 (hereinafter referred to as the "Development District"), pursuant to the Development Act and the Redevelopment Property is located therein.

WHEREAS, the City has authority to convey the Redevelopment Property for redevelopment purposes and has selected the Redeveloper for the development of the Minimum Improvements (as hereinafter defined);

WHEREAS, the City has further determined that the redevelopment will require financial assistance as provided in this Agreement to be financial feasible and to allow the creation of the quality of housing at the prices desired by the City;

WHEREAS, the City believes that the redevelopment of the Redevelopment Property pursuant to this Agreement, and fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the Project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Definitions

Section 1.1. Definitions. In this Agreement, unless a different meaning clearly appears from the context:

"Affiliate" means with respect to any entity (a) any corporation, partnership, limited liability company or other business entity or person controlling, controlled by or under common control with the entity, and (b) any successor to such party by merger, acquisition, reorganization or similar transaction involving all or substantially all of the assets of such party (or such Affiliate). For the purpose hereof the words "controlling", "controlled by" and "under common control with" shall mean, with respect to any corporation, partnership, limited liability company or other business entity, the ownership of fifty percent or more of the voting interests in such entity or possession, directly or indirectly, of the power to direct or cause the direction of management policies of such entity, whether through ownership of voting securities or by contract or otherwise.

"Agreement" means this Agreement, as the same may be from time to time modified, amended, or supplemented.

"Authority" means the Housing and Redevelopment Authority in and for the City of Roseville.

"Business Day" means any day except a Saturday, Sunday, legal holiday, a day on which the City is closed for business, or a day on which banking institutions in the City are authorized by law or executive order to close.

"Business Subsidy Act" means Minnesota Statutes, Sections 116J.993 to 116J.995, as amended.

"Certificate of Completion" means the certification provided to the Redeveloper pursuant to Section 4.4 of this Agreement.

"City Representative" means the City Manager of the City, or any person designated by the City Manager to act as the City Representative for the purposes of this Agreement.

"City" means the City of Roseville, Minnesota.

"Construction Plans" means the plans, specifications, drawings and related documents on the construction work to be performed by the Redeveloper on the Redevelopment Property which (a) shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the appropriate building officials of the City, and (b) shall include at least the following for each building: (1) site plan; (2) foundation plan; (3) underground parking plans; (4) floor plan for each floor; (5) cross sections of each (length and width); (6) elevations (all sides); (7) landscape plan; and (8) such other plans or supplements to the foregoing plans as the Authority may reasonably request to allow it to ascertain the nature and quality of the proposed construction work.

"County" means the County of Ramsey, Minnesota.

"Development Act" means Minnesota Statutes, Sections 469.124 to 469.133, as amended.

"Development District" means Development District No. 1 and the area within such district.

"Development Program" means the Development Program for the Project.

"Environmental Costs" has the meaning provided in Section 3.3(a) hereof.

"Escrow Agreement" means the Escrow Agreement attached hereto as Exhibit E.

"Event of Default" means an action by the Redeveloper listed in Article IX of this Agreement.

"Holder" means the owner of a Mortgage.

"Minimum Improvements" means construction on the Redevelopment Property of approximately 18 units of owner-occupied housing, and associated surface and garage parking, along with all associated infrastructure, sidewalks, and landscaping.

"Mortgage" means any mortgage made by the Redeveloper that is secured, in whole or in part, with the Redevelopment Property and that is a permitted encumbrance pursuant to the provisions of Article VIII of this Agreement.

"Parcel" means any parcel of the Redevelopment Property.

"Pooled Tax Increment" means tax increments received by the City from the TIF Districts and authorized to be used for Public Redevelopment Costs pursuant to the Tax Increment Plans for the TIF Districts.

"Pro Forma" means the financial pro forma for the Minimum Improvements attached hereto as Schedule F.

"Public Redevelopment Costs" means those costs identified in Section 3.2, 3.6 and 3.7.

"Redeveloper" means Dale Street Station, LLC, a Minnesota limited liability company, or its permitted successors and assigns.

"Redevelopment Property" means the real property described in Schedule A of this Agreement.

"State" means the state of Minnesota.

"Tax Increment Act" or "TIF Act" means the Tax Increment Financing Act, Minnesota Statutes Sections 469.174 to 469.1794, as amended.

"Tax Increment Plans" or "TIF Plans" means the Tax Increment Financing Plans for the TIF Districts, as amended by the City Council from time to time.

"Tax Official" means any County assessor, County auditor, County or State board of equalization, the commissioner of revenue of the State, or any State or federal district court, the tax court of the State, or the State Supreme Court.

"Termination Date" means the earlier of the date of termination of this Agreement pursuant to an uncured Event of Default under Article IX hereof, or the date of final reimbursement under the Escrow Agreement.

"TIF Districts" mean the City's TIF Districts No. 10 and 12, from which Pooled Tax Increment will be used to finance the Public Redevelopment Costs.

"Transfer" has the meaning set forth in Section 8.2(a) hereof.

"Unavoidable Delays" means delays beyond the reasonable control of the party seeking to be excused as a result thereof which are the result of strikes, lockouts or other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, acts of terrorism, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the City in exercising its rights under this Agreement), including without limitation condemnation or threat of condemnation of any portion of the Redevelopment Property, and other similar events, beyond the reasonable control of the party seeking to be excused. Unavoidable Delays shall include delays experienced by the Redeveloper in obtaining permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under Section 4.3 of this Agreement, so long as the Construction Plans have been approved in accordance with Section 4.2 hereof and the permits and approvals have been applied for in a timely fashion.

"Unit" means an individual lot or house in the Project.

(The remainder of this page is intentionally left blank.)

ARTICLE II

Representations and Warranties

Section 2.1. Representations by the City.

(a) The City is a statutory city duly organized and existing under the laws of the State. Under the provisions of the TIF Act and the Development Act, the City has the power to enter into this Agreement and carry out its obligations hereunder.

(b) The City will use its best efforts to facilitate development of the Minimum Improvements, including but not limited to cooperating with the Redeveloper in obtaining necessary administrative and land use approvals and construction financing pursuant to Section 7.1 hereof.

(c) The City will finance the Public Redevelopment Costs, subject to all the terms and conditions of this Agreement.

(d) The activities of the City are undertaken for the purpose of fostering the redevelopment of certain real property that is occupied by substandard and obsolete buildings, which will revitalize this portion of the Development District, increase tax base, and increase housing opportunities.

(e) The City has received no written notice or other written communication from any local, state or federal official that any prior actions or existing situations on the Redevelopment Property are in violation of any environmental law or regulation. The City has caused a phase one study of the Redevelopment Property to be prepared and has provided such study to the Redeveloper.

Section 2.2. Representations and Warranties by the Redeveloper. The Redeveloper represents and warrants that:

(a) The Redeveloper is a limited liability company, duly incorporated and in good standing under the laws of the State of Minnesota, is not in violation of any provisions of its articles of organization or operating agreement, is duly qualified as a limited liability company and authorized to transact business within the State, has power to enter into this Agreement and has duly authorized the execution, delivery, and performance of this Agreement by proper action of its members.

(b) If the Redeveloper acquires the Redevelopment Property in accordance with this Agreement, the Redeveloper will construct, operate and maintain the Minimum Improvements in accordance with the terms of this Agreement, the Development Program and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code, energy-conservation and public health laws and regulations).

(c) The Redeveloper will use reasonable efforts to secure all permits, licenses and approvals necessary for construction of the Minimum Improvements.

(d) The Redeveloper has received no written notice or other written communication from any local, state or federal official that the activities of the Redeveloper or the City in the Development District may be or will be in violation of any environmental law or regulation (other than those notices or communications of which the City is aware). The Redeveloper is aware of no facts the existence of which would cause it to be in violation of or give any person a valid claim under any local, state or federal environmental law, regulation or review procedure.

(e) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any corporate restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which the Redeveloper is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The proposed development by the Redeveloper hereunder would not occur but for the tax increment financing assistance and other public assistance being provided by the City. hereunder.

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ARTICLE III

Property Acquisition

Section 3.1. Conveyance of the Property. (a) The City will convey title to and possession of the Redevelopment Property to the Redeveloper at a Closing (as defined in Section 3.3(b) hereof), subject to all the terms and conditions of this Agreement.

(b) On or before the Closing, the Redeveloper shall prepare and obtain City approval of a plat of the Redevelopment Property (the "Redevelopment Plat") at Redeveloper's cost and subject to all City ordinances and procedures. Nothing in this Agreement is intended to limit the City's authority in reviewing the preliminary plat, or to preclude revisions requested or required by the City.

Section 3.2. Purchase Price; Provisions for Payment. The purchase price to be paid to the City by the Redeveloper in exchange for the conveyance of the Redevelopment Property shall be \$1,120,017.42, payable at the Closing. At closing upon payment of the purchase price of \$1,120,017.42 by the Developer the City shall reimburse the Developer for the purchase price from Pooled Tax Increments.

Section 3.3. Conditions of Conveyance. (a) The City shall convey title to and possession of the Redevelopment Property to the Redeveloper by quit claim deed substantially in the form set forth on Schedule B to this Agreement (the "Deed"). The City's obligation to convey the Redevelopment Property to the Redeveloper is subject to satisfaction of the following terms and conditions:

- (1) The City having approved permanent financing for construction of a portion of the Minimum Improvements related to the first phase in accordance with Article VII hereof, and the Redeveloper having closed on such permanent financing related to such phase at or before Closing on transfer of title to the Redevelopment Property to the Redeveloper.
- (2) The City having approved the Redevelopment Plat in accordance with Section 3.1, and the Redeveloper having recorded the Redevelopment Plat at or before the Closing.
- (3) The City having approved all necessary zoning approvals, including any variances, for the Project on the Redevelopment Property in accordance with Section 3.1.
- (4) The City having approved Construction Plans for the Minimum Improvements in accordance with Section 4.3.
- (5) The Redeveloper having reviewed and approved (or waived objections to) title to the Redevelopment Property as set forth in Section 3.5.
- (6) There being no uncured Event of Default under this Agreement.

Conditions (1), (4) and (6) are solely for the benefit of the City, and may be waived by the City. Condition (5) is solely for the benefit of the Redeveloper, and may be waived by the Redeveloper. Conditions (2) and (3) are for the benefit of both parties and may be waived by either party.

(b) The closing on conveyance of the Redevelopment Property from the City to the Redeveloper ("Closing") shall occur upon satisfaction of the conditions specified in this Section, but the first Closing no later than September 30, 2015; subject to the provisions of Section 3.5.

Section 3.4. Place of Document Execution, Delivery and Recording. (a) Unless otherwise mutually agreed by the City and the Redeveloper, the execution and delivery of the deed, documents and the payment of the purchase price shall be made at the offices of the City or such other location to which the parties may agree.

(b) The Deed shall be in recordable form and shall be promptly recorded in the proper office for the recordation of deeds and other instruments pertaining to the Redevelopment Property. At closing, the Redeveloper shall pay: all recording costs, including state deed tax, in connection with the conveyance of a portion of the Redevelopment Property; title insurance commitment fees and premiums, if any; and title company closing fees, if any. The City shall pay costs of recording any instruments used to clear title encumbrances; and any special assessments outstanding or levied against a portion of the Redevelopment Property as of the Closing date. The parties agree and understand that the Redevelopment Property is exempt from property taxes for taxes payable in 2015.

Section 3.5. Title. (a) As soon as practicable after the date of this Agreement, the Redeveloper, at Redeveloper's sole expense, shall obtain a commitment for the issuance of a policy of title for the Redevelopment Property. The Redeveloper shall have twenty (20) days from the date of its receipt of such commitment to review the state of title to the Redevelopment Property and to provide the City with a list of written objections to such title. Upon receipt of the Redeveloper's list of written objections, the City shall proceed in good faith and with all due diligence to attempt to cure the objections made by the Redeveloper. In the event that the City has failed to cure objections within sixty (60) days after its receipt of the Redeveloper's list of such objections, the Redeveloper may by the giving of written notice to the City (i) terminate this Agreement, upon the receipt of which this Agreement shall be null and void and neither party shall have any liability hereunder, other than Redeveloper's obligations under Section 3.09 hereof; or (ii) waive the objections and proceed to Closing. The City shall have no obligation to take any action to clear defects in the title to the Redevelopment Property, other than the good faith efforts described above, except that the obligation to clear any title defects that can be resolved by the payment of money shall be absolute.

(b) The City shall take no actions to encumber title to the Redevelopment Property between the date of this Agreement and the time the Deed is delivered to the Redeveloper.

(c) The Redeveloper shall take no actions to encumber title to the Redevelopment Property between the date of this Agreement and the time the Deed is delivered to the Redeveloper. The Redeveloper expressly agrees that it will not cause or permit the attachment of any mechanics, attorneys, or other liens to the Redevelopment Property prior to the Closing. Notwithstanding termination of this Agreement prior to the Closing, Redeveloper is obligated to

pay all costs to discharge any encumbrances to the Redevelopment Property attributable to actions of Redeveloper, its employees, officers, agents or consultants, including without limitation the Architect, Contractor and Redeveloper's Engineer.

Section 3.6. Environmental Conditions. (a) The Redeveloper acknowledges that the City makes no representations or warranties as to the condition of the soils on the Redevelopment Property or the fitness of the Redevelopment Property for construction of the Minimum Improvements or any other purpose for which the Redeveloper may make use of such property, and that the assistance provided to the Redeveloper under this Agreement neither implies any responsibility by the City or the City for any contamination of the Redevelopment Property nor imposes any obligation on such parties to participate in any cleanup of the Redevelopment Property. Provided, if any need for remediation arises on the Redevelopment Property, the City agrees to cooperate with Redeveloper in use of the Minnesota Pollution Control Agency (MPCA) Voluntary Investigation and Clean-up (VIC) or Petroleum Brownfields (PB) programs to accomplish the remediation, and further agrees to use its best efforts to obtain funding for the remediation from any available County, Metropolitan Council or State funds. Costs of the VIC and PB programs shall be Public Redevelopment Costs and shall be reimbursed one-half from Pooled Tax Increment not to exceed \$50,000.

(b) Without limiting its obligations under Section 8.3 of this Agreement, the Redeveloper further agrees that it will indemnify, defend, and hold harmless the City, and its governing body members, officers, and employees, from any claims or actions arising out of the presence, if any, of hazardous wastes or pollutants existing on or in the Redevelopment Property, unless and to the extent that such hazardous wastes or pollutants are present as a result of the actions or omissions of the indemnitees or were present on the Redevelopment Property prior to the Closing. Nothing in this section will be construed to limit or affect any limitations on liability of the City or City under State or federal law, including without limitation Minnesota Statutes Sections 466.04 and 604.02.

Section 3.7. Reimbursement for Demolition. The City has agreed to reimburse the Redeveloper for the cost of demolishing the existing fire station on the Redevelopment Property, not to exceed \$65,000, as a Public Redevelopment Cost payable from Pooled Tax Increment. The Redeveloper shall complete the demolition in accordance with applicable law and provide the City evidence of the demolition and invoices for the work. Within twenty (20) days after receipt of documentation reasonably acceptable to the City, the City shall pay the Redeveloper the cost of the demolition, not to exceed \$65,000 from Pooled Tax Increment.

Section 3.8. TIF Lookback. (a) *Generally.* The financial assistance to the Redeveloper under this Agreement is based on certain assumptions regarding likely costs and expenses associated with constructing the Minimum Improvements and proceeds to be derived by the Redeveloper from the sale of Units of the Minimum Improvements. Specifically, the amount of reimbursement of Public Redevelopment Costs has been determined based on the amount of assistance needed to provide the Redeveloper a developer's fee of 8% of the total development cost of the project (the "Development Fee"), as shown in the current pro forma attached as Schedule F. The City and the Redeveloper agree that those assumptions will be reviewed at the times described in this Section, and that the amount of tax increment assistance provided under Sections 3.2, 3.6 and 3.7 will be adjusted as follows: In the event the aggregate development sale proceeds would

allow a Development Fee exceeding 8%, any such amount shall be paid one-half (1/2) to the City and one-half (1/2) to the Redeveloper. The Development Fee shall be paid to the Redeveloper upon completion of the Minimum Improvements.

(b) *Pro Forma Review.* Before commencement of construction, the City and the Redeveloper shall mutually agree in writing on a final development pro forma allowing for 8 percent net profit to the Redeveloper (the "Pro Forma") based on total development costs, including the net effective cost of the Redevelopment Property at \$1.00 and excluding any Development Fee. The Pro Forma must be in substantially the form of the preliminary pro forma attached as Schedule F, and net profit will be calculated substantially as described in that schedule. Within 60 days after substantial completion of the Minimum Improvements, the Redeveloper shall submit cost and revenue analysis prepared by an accountant to the City's financial advisor in the form of the final Pro Forma and prepared in accordance with generally accepted accounting principles. The Redeveloper agrees to provide to the City's consultant any background documentation related to the financial data, upon request. If the City has reason to believe that the cost and revenue analysis is inaccurate, the City may retain an accountant to audit the submitted Pro Forma. In the event the audit demonstrates a discrepancy of more than 3%, the cost of the audit shall be paid by the Redeveloper and shall not be a cost of the Redevelopment subtracted when computing the Redeveloper's Development Fee.

Section 3.9. Business Subsidy. The parties agree and understand that the financial assistance described in this Agreement does not constitute a business subsidy within the meaning of the Business Subsidy Act, because the assistance provided is for housing. The Redeveloper releases and waives any claim against the City, and the governing body members, officers, agents, servants and employees thereof arising from application of the Business Subsidy Act to this Agreement, including without limitation any claim that the City failed to comply with the Business Subsidy Act with respect to this Agreement.

Section 3.10. Payment of Administrative Costs. The Redeveloper agrees that it will pay, within 15 days after written notice from the City, the reasonable costs of consultants and attorneys retained by the City in connection with the negotiation in preparation of this Agreement and the implementation of this Agreement and other incidental agreements and documents related to the development contemplated hereunder, which cost shall be included in the total development costs for purposes of determination of the amount of the Redeveloper's Development Fee. The City will provide written reports describing the costs accrued under this Section upon request from the Redeveloper, but not more often than intervals of 45 days. Any amount deposited by the Redeveloper upon filing its application for tax increment financing with the City will be credited to the Redeveloper's obligation under this Section. Upon termination of this Agreement in accordance with its terms, the Redeveloper remains obligated under this section for costs incurred through the Termination Date.

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ARTICLE IV

Construction of Minimum Improvements

Section 4.1. Construction of Improvements. The Redeveloper agrees that it will construct or cause construction of the Minimum Improvements on the Redevelopment Property in accordance with the approved Construction Plans and that it will, during any period while the Redeveloper retains ownership of any portion of the Minimum Improvements, operate and maintain, preserve and keep the Minimum Improvements or cause the Minimum Improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

Section 4.2. Construction Plans. (a) Before commencing construction of the Minimum Improvements, the Redeveloper shall submit to the City Construction Plans for the Minimum Improvements. The Construction Plans shall provide for the construction of the Minimum Improvements and shall be in conformity with this Agreement, the Development Program and all applicable State and local laws and regulations. The City will approve the Construction Plans in writing if (i) the Construction Plans conform to all terms and conditions of this Agreement; (ii) the Construction Plans conform to the goals and objectives of the Development Program; (iii) the Construction Plans conform to all applicable federal, state and local laws, ordinances, rules and regulations; (iv) the Construction Plans are adequate to provide for construction of the Minimum Improvements; (v) the Construction Plans do not provide for expenditures in excess of the funds available to the Redeveloper for construction of the Minimum Improvements; and (vi) no Event of Default has occurred. No approval by the City shall relieve the Redeveloper of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements in accordance therewith. No approval by the City shall constitute a waiver of an Event of Default. If approval of the Construction Plans is requested by the Redeveloper in writing at the time of submission, such Construction Plans shall be deemed approved unless rejected in writing by the City, in whole or in part. Such rejections shall set forth in detail the reasons therefor based upon the criteria set forth in (i) through (vi) above, and shall be made within 20 days after the date of receipt of final plans from the Redeveloper. If the City rejects any Construction Plans in whole or in part, the Redeveloper shall submit new or corrected Construction Plans within twenty (20) days after written notification to the Redeveloper of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the City. The City's approval shall not be unreasonably withheld. Said approval shall constitute a conclusive determination that the Construction Plans (and the Minimum Improvements, constructed in accordance with said plans) comply to the City's satisfaction with the provisions of this Agreement relating thereto.

The Redeveloper hereby waives any and all claims and causes of action whatsoever resulting from the review of the Construction Plans by the City and/or any changes in the Construction Plans requested by the City. Neither the City, the City, nor any employee or official of the City or City shall be responsible in any manner whatsoever for any defect in the Construction Plans or in any work done pursuant to the Construction Plans, including changes requested by the City.

(b) If the Redeveloper desires to make any material change in the Construction Plans or any component thereof after their approval by the City, the Redeveloper shall submit the proposed change to the City for its approval. For the purpose of this section, the term "material" means changes that increase or decrease construction costs by \$500,000 or more. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section 4.2 of this Agreement with respect to such previously approved Construction Plans, the City shall approve the proposed change and notify the Redeveloper in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved by the City unless rejected, in whole or in part, by written notice by the City to the Redeveloper, setting forth in detail the reasons therefor. Such rejection shall be made within 10 days after receipt of the notice of such change. The City's approval of any such change in the Construction Plans will not be unreasonably withheld.

Section 4.3. Commencement and Completion of Construction. (a) Subject to Unavoidable Delays, the Redeveloper shall commence construction of the Minimum Improvements within 30 days after the Closing on the Redevelopment Property related to such phase. Subject to Unavoidable Delays, the Redeveloper shall complete the construction of the Minimum Improvements in phases by:

- Six (6) Units, September 30, 2016
- Six (6) additional Units, September 30, 2017
- Six (6) additional Units, September 30, 2018

All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans as submitted by the Redeveloper and approved by the City.

(b) The Redeveloper agrees for itself, its successors, and assigns, and every successor in interest to the Redevelopment Property, or any part thereof, that the Redeveloper, and such successors and assigns, shall promptly begin and diligently prosecute to completion the development of the Redevelopment Property through the construction of the Minimum Improvements thereon, and that such construction shall in any event be commenced and completed within the period specified in this Section 4.3 of this Agreement. After the date of this Agreement and until the Minimum Improvements have been sold, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by the City, but no more than monthly, as to the actual progress of the Redeveloper with respect to such construction and sales.

Section 4.4. Certificate of Completion. (a) Promptly after completion of each phase of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Minimum Improvements (including the dates for beginning and completion thereof, the City Representative shall deliver to the Redeveloper a Certificate in substantially the form shown as Schedule D, in recordable form and executed by the City.

(b) If the City Representative shall refuse or fail to provide any certification in accordance with the provisions of this Section 4.4 of this Agreement, the City Representative shall,

within thirty (30) days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the relevant phase of the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the City , for the Redeveloper to take or perform in order for the City to issue the Certificate of Completion.

(c) The construction of each phase of the Minimum Improvements shall be deemed to be substantially complete upon issuance of a certificate of occupancy for the phase, and upon determination by the City Representative that all related site improvements on the Redevelopment Property have been substantially completed in accordance with approved Construction Plans, subject to landscaping that cannot be completed until seasonal conditions permit.

Section 4.5. Records. The City through any authorized representatives, shall have the right at all reasonable times after reasonable notice to inspect, examine and copy all books and records of Redeveloper relating to the Minimum Improvements. Such records shall be kept and maintained by Redeveloper through the Termination Date.

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ARTICLE V

Insurance

Section 5.1. Insurance. (a) The Redeveloper will provide and maintain at all times during the process of constructing the Minimum Improvements an All Risk Broad Form Basis Insurance Policy and, from time to time during that period, at the request of the City, furnish the City with proof of payment of premiums on policies covering the following:

(i) Builder's risk insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to 100% of the principal amount of the Note, and with coverage available in no reporting form on the so-called "all risk" form of policy. The interests of the City and City shall be protected in accordance with a clause in form and content satisfactory to the City;

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) together with an Owner's Protective Liability Policy with limits against bodily injury and property damage of not less than \$2,000,000 combined limit and \$1,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used). The City shall be listed as additional insured on the policy; and

(iii) Workers' compensation insurance, with statutory coverage, provided that the Redeveloper may be self-insured with respect to all or any part of its liability for workers' compensation.

(b) Upon completion of construction of the Minimum Improvements and prior to the sale of the final Unit, the Redeveloper shall maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the City shall furnish proof of the payment of premiums on, insurance as follows:

(i) Insurance against loss and/or damage to all unsold Units of the Minimum Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses.

(ii) Comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount of \$2,000,000 aggregate and \$1,000,000 for each occurrence, and shall be endorsed to show the City as additional insured.

(iii) Such other insurance, including workers' compensation insurance respecting all employees of the Redeveloper, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Redeveloper may be self-insured with respect to all or any part of its liability for workers' compensation.

(c) All insurance required in Article V of this Agreement shall be taken out and maintained in responsible insurance companies selected by the Redeveloper that are authorized under the laws of the State to assume the risks covered thereby. Upon request, the Redeveloper will deposit annually with the City policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article V of this Agreement each policy shall contain a provision that the insurer shall not cancel nor modify it in such a way as to reduce the coverage provided below the amounts required herein without giving written notice to the Redeveloper and the City at least 30 days before the cancellation or modification becomes effective. In lieu of separate policies, the Redeveloper may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Redeveloper shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

(d) The Redeveloper agrees to notify the City immediately in the case of damage exceeding \$100,000 in amount to, or destruction of, any unsold Unit of the Minimum Improvements or any portion thereof resulting from fire or other casualty. In such event the Redeveloper will forthwith repair, reconstruct, and restore such Unit of the Minimum Improvements to substantially the same or an improved condition or value as it existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction, and restoration, the Redeveloper will apply the net proceeds of any insurance relating to such damage received by the Redeveloper to the payment or reimbursement of the costs thereof.

The Redeveloper shall complete the repair, reconstruction and restoration of such Unit of the Minimum Improvements, regardless of whether the net proceeds of insurance received by the Redeveloper for such purposes are sufficient to pay for the same. Any net proceeds remaining after completion of such repairs, construction, and restoration shall be the property of the Redeveloper.

(e) The Redeveloper and the City agree that all of the insurance provisions set forth in this Article V shall terminate upon the termination of this Agreement.

Section 5.2. Subordination. Notwithstanding anything to the contrary herein, the rights of the City with respect to the receipt and application of any insurance proceeds shall, in all respects, be subordinate and subject to the rights of any Holder under a Mortgage allowed pursuant to Article VII of this Agreement.

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ARTICLE VI

Tax Increment; Taxes

Section 6.1. Right to Collect Delinquent Taxes. The Redeveloper acknowledges that the City is providing substantial aid and assistance in furtherance of the development through reimbursement of the Public Redevelopment Costs. To that end, the Redeveloper agrees for itself, its successors and assigns, that in addition to the obligation pursuant to statute to pay real estate taxes, it is also obligated by reason of this Agreement to pay before delinquency during any time that the Redeveloper owns the Redevelopment Property all real estate taxes assessed against the Redevelopment Property and the Minimum Improvements. The Redeveloper acknowledges that this obligation creates a contractual right on behalf of the City to sue the Redeveloper or its successors and assigns to collect delinquent real estate taxes and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such suit, the City shall also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 6.2. Review of Taxes. The Redeveloper agrees that prior to the Termination Date it will not cause a reduction in the real property taxes paid in respect of the Redevelopment Property through: (A) willful destruction of the Redevelopment Property or any part thereof; or (B) willful refusal to reconstruct damaged or destroyed property pursuant to Section 5.1 of this Agreement. The Redeveloper also agrees that it will not, prior to the Termination Date, seek exemption from property tax for the Redevelopment Property or any portion thereof or transfer or permit the transfer of the Redevelopment Property to any entity that is exempt from real property taxes and state law (other than any portion thereof dedicated or conveyed to the City in accordance with platting of the Redevelopment Property), or apply for a deferral of property tax on the Redevelopment Property pursuant to any law.

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ARTICLE VII

Other Financing

Section 7.1. Generally. Before Closing, the Redeveloper shall submit to the City or provide access thereto for review by City staff, consultants and agents, evidence reasonably satisfactory to the City that Redeveloper has available funds, or commitments to obtain funds, whether in the nature of mortgage financing, equity, grants, loans, or other sources sufficient for paying the cost of the construction of the Minimum Improvements, provided that any lender or grantor commitments shall be subject only to such conditions as are normal and customary in the commercial lending industry.

Section 7.2. City's Option to Cure Default on Mortgage. In the event that any portion of the Redeveloper's funds is provided through mortgage financing, and there occurs a default under any Mortgage authorized pursuant to Article VII of this Agreement, the Redeveloper shall cause the City to receive copies of any notice of default received by the Redeveloper from the holder of such Mortgage. Thereafter, the City shall have the right, but not the obligation, to cure any such default on behalf of the Redeveloper within such cure periods as are available to the Redeveloper under the Mortgage documents.

Section 7.3. Modification; Subordination. The City agrees to subordinate its rights under this Agreement to the Holder of any Mortgage securing construction or permanent financing, in accordance with the terms of a subordination agreement substantially in the form attached as Schedule E, or such other form as the City approves.

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ARTICLE VIII

Prohibitions Against Assignment and Transfer; Indemnification

Section 8.1. Representation as to Development. The Redeveloper represents and agrees that its purchase of the Redevelopment Property, and its other undertakings pursuant to the Agreement, are, and will be used, for the purpose of development of the Redevelopment Property and not for speculation in land holding.

Section 8.2. Prohibition Against Redeveloper's Transfer of Property and Assignment of Agreement. The Redeveloper represents and agrees that prior to issuance of a Certificate of Completion for each Unit of the Minimum Improvements:

(a) Except only by way of security for, and only for, the purpose of obtaining financing necessary to enable the Redeveloper or any successor in interest to the Redevelopment Property, or any part thereof, to perform its obligations with respect to undertaking the redevelopment contemplated under this Agreement, and any other purpose authorized by this Agreement, the Redeveloper has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Redevelopment Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity whether or not related in any way to the Redeveloper (collectively, a "Transfer"), without the prior written approval of the City (whose approval will not be unreasonably withheld, subject to the standards described in paragraph (b) of this Section) unless the Redeveloper remains liable and bound by this Redevelopment Agreement in which event the City's approval is not required. Any such Transfer shall be subject to the provisions of this Agreement. For the purposes of this Agreement, the term Transfer does not include (i) acquisition of a controlling interest in Redeveloper by another entity or merger of Redeveloper with another entity; or (ii) any sale, conveyance, or transfer in any form to any Affiliate.

(b) In the event the Redeveloper, upon Transfer of the Redevelopment Property or any portion thereof either before or after issuance of the Certificate of Completion, seeks to be released from its obligations under this Redevelopment Agreement as to the portion of the Redevelopment Property that is transferred, the City shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such release that:

(i) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper as to the portion of the Redevelopment Property to be transferred.

(ii) Any proposed transferee, by instrument in writing satisfactory to the City and in form recordable in the public land records of Ramsey County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Redeveloper under this Agreement as to the portion of the Redevelopment Property to be transferred and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject as to such portion;

provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Redevelopment Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) deprive the City of any rights or remedies or controls with respect to the Redevelopment Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Redevelopment Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the City of or with respect to any rights or remedies on controls provided in or resulting from this Agreement with respect to the Redevelopment Property that the City would have had, had there been no such transfer or change. In the absence of specific written agreement by the City to the contrary, no such transfer or approval by the City thereof shall be deemed to relieve the Redeveloper, or any other party bound in any way by this Agreement or otherwise with respect to the Redevelopment Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Redevelopment Property governed by this Article VIII, shall be in a form reasonably satisfactory to the City.

(iv) At the written request of Redeveloper, the City shall execute and deliver to Redeveloper and the proposed transferee an estoppel certificate containing commercially customary and reasonable certifications.

In the event the foregoing conditions are satisfied then the Redeveloper shall be released from its obligation under this Agreement, as to the portion of the Redevelopment Property that is transferred, assigned, or otherwise conveyed.

(c) Nothing in this Article VIII will be construed to require, as a condition for release of the Redeveloper hereunder or otherwise, that purchasers of any Unit assume any obligations of the Redeveloper. Upon sale of any Unit to an initial owner, the City will provide to Redeveloper or the buyer the Certificate of Completion for that Unit in recordable form releasing the Unit from all encumbrances of this Agreement.

Section 8.3. Release and Indemnification Covenants. (a) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties as hereinafter defined, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Redeveloper releases from and covenants and agrees that the City, and the governing body members, officers, agents, servants, and employees thereof (the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Redevelopment Property or the Minimum Improvements.

(b) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Redeveloper agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action, or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, maintenance, and operation of the Redevelopment Property.

(c) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties as hereinafter defined, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Redeveloper or its officers, agents, servants, or employees or any other person who may be about the Redevelopment Property or Minimum Improvements.

(d) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of such entities and not of any governing body member, officer, agent, servant, or employee of such entities in the individual capacity thereof.

(The remainder of this page is intentionally left blank.)

ARTICLE IX

Events of Default

Section 9.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events, after the non-defaulting party provides thirty (30) days written notice to the defaulting party of the event, but only if the event has not been cured within said thirty (30) days or, if the event is by its nature incurable within thirty (30) days, the defaulting party does not, within such thirty (30) day period, provide assurances reasonably satisfactory to the party providing notice of default that the event will be cured and will be cured as soon as reasonably possible:

(a) Failure by the Redeveloper or City to observe or perform any covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement.

(b) If, before issuance of the Certificate of Completion for all the Minimum Improvements, the Redeveloper shall

(i) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act or under any similar federal or State law, which action is not dismissed within sixty (60) days after filing; or

(ii) make an assignment for benefit of its creditors; or

(iii) admit in writing its inability to pay its debts generally as they become due;
or

(iv) be adjudicated a bankrupt or insolvent.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 of this Agreement occurs, the non-defaulting party may:

(a) Suspend its performance under this Agreement until it receives assurances that the defaulting party will cure its default and continue its performance under the Agreement.

(b) Upon a default by the Redeveloper under this Agreement, the City may terminate the Escrow Agreement and this Agreement.

(c) Take whatever action, including legal, equitable, or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

Section 9.3. Revesting Title in City Upon Happening of Event Subsequent to Conveyance to Redeveloper. In the event that subsequent to conveyance of the Redevelopment Property to Redeveloper and prior to completion of construction of the Minimum Improvements (evidenced by a Certificate of Completion described in Section 4.4):

(a) Redeveloper, subject to Unavoidable Delays, shall fail to begin construction of the Minimum Improvements in conformity with this Agreement and such failure to begin construction is not cured within 90 days after written notice from the City to Redeveloper to do so; or

(b) Redeveloper fails to pay real estate taxes or assessments on the parcel or any part thereof when due, or creates, suffers, assumes, or agrees to any encumbrance or lien on the parcel (except to the extent permitted by this Agreement), or shall suffer any levy or attachment to be made, or any materialmen's or mechanics' lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the City made for such payment, removal, or discharge, within thirty (30) days after written demand by the City to do so; provided, that if Redeveloper first notifies the City of its intention to do so, it may in good faith contest any mechanics' or other lien filed or established and in such event the City shall permit such mechanics' or other lien to remain undischarged and unsatisfied during the period of such contest and any appeal and during the course of such contest Redeveloper shall keep the City informed respecting the status of such defense; or

(c) there is, in violation of the Agreement, any Transfer of the parcel in violation of the terms of Section 8.2, and such violation is not cured within sixty (60) days after written demand by the City to Redeveloper, or if the event is by its nature incurable within 30 days, Redeveloper does not, within such 30-day period, provide assurances reasonably satisfactory to the City that the event will be cured as soon as reasonably possible; or

(d) Redeveloper fails to comply with any of its other covenants under this Agreement related to the Minimum Improvements and fails to cure any such noncompliance or breach within thirty (30) days after written demand from the City to Redeveloper to do so, or if the event is by its nature incurable within 30 days, Redeveloper does not, within such 30-day period, provide assurances reasonably satisfactory to the City that the event will be cured as soon as reasonably possible; or

(e) the Holder of any Mortgage secured by the subject property exercises any remedy provided by the Mortgage documents or exercises any remedy provided by law or equity in the event of a default in any of the terms or conditions of the Mortgage, in either case which would materially adversely affect the rights and obligations of the City hereunder;

Then the City shall have the right to re-enter and take possession of the parcel to which the default relates and to terminate (and revert in the City) the estate conveyed by the deed to Redeveloper as to that parcel, subject to all intervening matters, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the parcel to Redeveloper shall be made upon, and that the deed shall contain a condition subsequent to the effect that in the event of any default on the part of Redeveloper and failure on the part of Redeveloper to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the City at its option may declare a termination in favor of the City of the title, and of all the rights and interests in and to the parcel conveyed to Redeveloper, and that such title and all rights and interests of Redeveloper, and any assigns or successors in interest to and in the parcel, shall revert to the City, but only if the events stated in Section 9.3(a)-(e) have not been cured within the time periods provided above. Notwithstanding anything to the contrary herein, in

the event the Redevelopment Property have been replatted as part of other parcels as of the date of the City's exercise of its rights under this Section, Redeveloper will cooperate with the City in obtaining any subdivision necessary to revest in the City title to the applicable City Parcel.

Section 9.4. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the City of title to and/or possession of the parcel or any part thereof as provided in Section 9.3, the City shall, pursuant to its responsibilities under law, use its best efforts to sell the parcel or part thereof as soon and in such manner as the City shall find feasible and consistent with the objectives of such law and of the Development Program and TIF Plan to a qualified and responsible party or parties (as determined by the City) who will assume the obligation of making or completing the Minimum Improvements as shall be satisfactory to the City in accordance with the uses specified for such parcel or part thereof in the Development Program and TIF Plan. During any time while the City has title to and/or possession of a parcel obtained by reverter, the City will not disturb the rights of any tenants under any leases encumbering such parcel. Upon resale of the parcel, the proceeds thereof shall be applied:

(a) First, to reimburse the City for all costs and expenses incurred by them, including but not limited to salaries of personnel, in connection with the recapture, management, and resale of the parcel (but less any income derived by the City from the property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the parcel or part thereof (or, in the event the parcel is exempt from taxation or assessment or such charge during the period of ownership thereof by the City , an amount, if paid, equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the parcel were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the parcel or part thereof at the time of revesting of title thereto in the City or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Redeveloper, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the subject improvements or any part thereof on the parcel or part thereof; and any amounts otherwise owing the City by Redeveloper and its successor or transferee; and

(b) Second, to reimburse Redeveloper, its successor or transferee, up to the amount equal to the amount actually invested by Redeveloper in making any of the subject improvements on the parcel or part thereof.

Any balance remaining after such reimbursements shall be retained by the City as its property.

Section 9.5. No Remedy Exclusive. No remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the City to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article IX.

Section 9.6. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.7. Attorney Fees. Whenever any Event of Default occurs and if the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party under this Agreement, the defaulting party shall, within ten (10) days of written demand by the non-defaulting party, pay to the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

(The remainder of this page is intentionally left blank.)

ARTICLE X

Additional Provisions

Section 10.1. Conflict of Interests; Representatives Not Individually Liable. The City, the City and the Redeveloper, to the best of their respective knowledge, represent and agree that no member, official, or employee of the City or City shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement that affects his personal interests or the interests of any corporation, partnership, or association in which he, directly or indirectly, is interested. No member, official, or employee of the City or City shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the City or for any amount that may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement.

Section 10.2. Equal Employment Opportunity. The Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Minimum Improvements provided for in the Agreement it will comply with all applicable federal, state, and local equal employment and non-discrimination laws and regulations.

Section 10.3. Restrictions on Use. The Redeveloper agrees that until the Termination Date, the Redeveloper, and such successors and assigns, shall devote the Redevelopment Property to the operation of the Minimum Improvements as described in Section 4.1 hereof, and shall not discriminate upon the basis of race, color, creed, sex or national origin in the sale, lease, or rental or in the use or occupancy of the Redevelopment Property or any improvements erected or to be erected thereon, or any part thereof. Redeveloper agrees that no portion of the Redevelopment Property will be used for a sexually-oriented business, a pawnshop, a check-cashing business, a tattoo business, or a gun business.

Section 10.4. Provisions Not Merged With Deed. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring any interest in the Redevelopment Property and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 10.5. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10.6. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the following addresses (or to such other addresses as either party may notify the other):

To Redeveloper: Dale Street Station, LLC
c/o Greater Metropolitan Housing Corporation
Attn: Executive Director/President
15 South Fifth Street, Suite 710
Minneapolis, MN 55402
Attn: Carolyn Olson

To City: City of Roseville
Attn: City Manager
2660 Civic Center Drive
Roseville, Minnesota 55113

Section 10.7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.8. Recording. The City may record this Agreement and any amendments thereto with the Ramsey County recorder. The Redeveloper shall pay all costs for recording. The Redeveloper's obligations under this Agreement are covenants running with the land for the term of this Agreement, enforceable by the City against the Redeveloper, its successor and assigns, and every successor in interest to the Redevelopment Property, or any part thereof or any interest therein.

Section 10.9. Amendment. This Agreement may be amended only by written agreement approved by the City and the Redeveloper.

Section 10.10. City Approvals. Unless otherwise specified, any approval required by the City under this Agreement may be given by the City Representative.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the City and Redeveloper have caused this Agreement to be duly executed by their duly authorized representatives as of the date first above written.

CITY OF ROSEVILLE

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__
by _____ and _____ the Mayor and City Manager of the City of
Roseville, on behalf of the City.

Notary Public

DALE STREET STATION, LLC

By _____
Its _____

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this _____ day of _____, 2015,
by _____, the _____ of Dale Street Station, LLC, a
Minnesota limited liability company, on behalf of the company.

Notary Public

SCHEDULE A
REDEVELOPMENT PROPERTY

Lots 18, 19, 20, 21, and 22, Block 1, O'Neil's Addition, according to the recorded plat thereof, County of Ramsey, State of Minnesota.

And

Copes Subdivision of LOT 1 of Cope's Subdivision of the SE $\frac{1}{4}$ of Section 11, Township Subject to Road; Then 134 FT of E 247 FT & N 131 FT of W 78 FT of E 325 FT of LOT 12

SCHEDULE B

FORM OF QUIT CLAIM DEED

THIS INDENTURE, between the City of Roseville, a public body corporate and politic (the "Grantor"), and Dale Street Station, LLC, a Minnesota limited liability company (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of \$_____ and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Ramsey and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded herewith entered into between the Grantor, the City of Roseville, Minnesota, and Grantee on the _____ day of _____, 2015, identified as "Purchase and Redevelopment Contract" (hereafter referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record. This provision, however, shall in no way prevent the Grantee from mortgaging this Property in order to obtain funds for the purchase of the Property hereby conveyed or for erecting the Minimum Improvements thereon (as defined in the Agreement) in conformity with the Agreement, any applicable development program and applicable provisions of the zoning ordinance of the City of Roseville, Minnesota, or for the refinancing of the same.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the development of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certifications and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a

mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder and/or Registrar of Titles, Ramsey County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Section 9.3 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement. Notwithstanding the foregoing, this right shall terminate as to any portion of the Property upon its sale to a new buyer after improvement by a portion of the Minimum Improvements on which a Certificate of Completion has been issued, or following sale by a Holder approved by the City, each of the above terms, as defined in the Agreement

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with all provisions of the Agreement that relate to the Property or use thereof for the periods specified in the Agreement, including without limitation the covenant set forth in Section 10.3 thereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or

is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed on grounds of Grantee's failure to comply with its obligations under this Section 3.

SECTION 4.

This Deed is also given subject to:

(a) Provision of the ordinances, building and zoning laws of the City of Roseville, and state and federal laws and regulations in so far as they affect this real estate.

(b) [Others]

Grantor certifies that it does not know of any wells on the Property.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its President and Executive Director this _____ day of _____, 20__.

CITY OF ROSEVILLE

By _____
Its Mayor

By _____
Its City Manager

[illegible]

On this ____ day of _____, 20__, before me, a notary public within and for Ramsey County, personally appeared _____ and _____ to me personally known who by me duly sworn, did say that they are the Mayor and City Manager of the City of Roseville (the "City"), a Minnesota municipal corporation, named in the foregoing instrument; that said instrument was signed on behalf of said City pursuant to a resolution of its governing body; and _____ and _____ acknowledged said instrument to be the free act and deed of said City .

Notary

This instrument was drafted by:

SCHEDULE C
FORM OF ESCROW AGREEMENT

SCHEDULE D

CERTIFICATE OF COMPLETION

WHEREAS, the City of Roseville, Minnesota, a Minnesota municipal Corporation and Dale Street Station, LLC ("Redeveloper") entered into a certain Purchase and Redevelopment Contract dated _____, 2015 ("Contract"), filed as Document No. _____ at the office of the County Registrar of Titles; and

WHEREAS, the Contract contains certain covenants and restrictions set forth in Articles III and IV thereof related to completing certain Minimum Improvements; and

WHEREAS, the Redeveloper has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the City to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all construction and other physical improvements related to the respective phase of the Minimum Improvements specified to be done and made by the Redeveloper have been completed and the agreements and covenants in Articles III and IV of the Contract have been performed by the Redeveloper, and this Certificate is intended to be a conclusive determination of the satisfactory termination of the covenants and conditions of Articles III and IV of the Contract related to completion of the respective phase of the Minimum Improvements, but any other covenants in the Contract shall remain in full force and effect.

Dated: _____, 20__.

CITY OF ROSEVILLE

By _____
City Representative

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

 The foregoing instrument was acknowledged before me this ____ day of _____, 20__
by _____, the City Manager of the City of Roseville, a Minnesota municipal
corporation, on behalf of the City.

Notary Public

This document drafted by:

SCHEDULE E

Form of Subordination Agreement

THIS SUBORDINATION AGREEMENT (this "Agreement") is made as of this ____ day of _____, 20__, between _____ ("Lender"), whose address is at _____, and the CITY OF ROSEVILLE, a municipal corporation ("City").

RECITALS

A. Dale Street Station, LLC, a Minnesota limited liability company ("Redeveloper"), is the owner of certain real property situated in Ramsey County, Minnesota and legally described in Exhibit A attached hereto and incorporated herein (the "Property").

B. Lender has made a mortgage loan to Redeveloper in the original principal amount of \$_____ (the "Loan"). The Loan is evidenced and secured by the following documents:

(i) a certain promissory note (the "Note") made by Redeveloper dated _____, 200_, in the amount of \$_____; and

(ii) a certain mortgage, security agreement and fixture financing statement (the "Mortgage") made by Redeveloper dated _____, 200_, filed _____, 200_, as Ramsey County Recorder/Registrar of Titles Doc. No. _____ encumbering the Property; and

(iii) a certain assignment of leases and rents (the "Assignment") made by Redeveloper dated _____, 20__, filed _____, 20__, as Ramsey County Recorder/Registrar of Titles Doc. No. _____ encumbering the Property.

The Note, the Mortgage, the Assignment, and all other documents and instruments evidencing, securing and executed in connection with the Loan, are hereinafter collectively referred to as the "Loan Documents."

C. City is the owner and holder of certain rights under a certain Purchase and Redevelopment Contract (the "Contract") by and between Redeveloper, the City of Roseville, Minnesota, and City dated _____, 20__ and filed _____, 20__, as Ramsey County Recorder/Registrar of Titles Doc. No. _____ encumbering the Property, which includes a right of reverter in the City.

NOW, THEREFORE, in consideration of the foregoing and as an inducement to Lender to make the Loan, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto represent, warrant and agree as follows:

1. Subordination. The City hereby agrees that the rights of the City with respect to City's right of reverter under Section 9.3 of the Contract are and shall remain subordinate and subject to liens, rights and security interests created by the Loan Documents and to any and all

amendments, modifications, extensions, replacements or renewals of the Loan Documents; provided, however, that nothing herein shall be construed as subordinating the requirement contained in the Contract that the Property be used in accordance with the provisions of Section 10.3 of the Contract.

2. Notice to City. Lender agrees to use commercially reasonable efforts to notify City of the occurrence of any Event of Default given to Redeveloper under the Loan Documents, in accordance with Section 7.2 of the Contract. The Lender shall not be bound by the other requirements in Section 7.2 of the Contract.

3. Statutory Exception. Nothing in this Agreement shall alter, remove or affect Lender's obligation under Minnesota Statutes, § 469.029 to use the Property in conformity to Section 10.3 of the Contract.

4. No Assumption. The City acknowledges that the Lender is not a party to the Contract and by executing this Agreement does not become a party to the Contract, and specifically does not assume and shall not be bound by any obligations of the Redeveloper to the City under the Contract, and that the Lender shall incur no obligations whatsoever to the City except as expressly provided herein. Lender will want to get subsidy if takes the Property back. .

5. Notice from City. So long as the Contract remains in effect, the City agrees to give to the Lender copies of notices of any Event of Default given to Redeveloper under the Contract.

6. Governing Law. This Agreement is made in and shall be construed in accordance with the laws of the State of Minnesota.

7. Successors. This Agreement and each and every covenant, agreement and other provision hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including any person who acquires title to the Property through the Lender of a foreclosure of the Mortgage.

8. Severability. The unenforceability or invalidity of any provision hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

9. Notice. Any notices and other communications permitted or required by the provisions of this Agreement shall be in writing and shall be deemed to have been properly given or served by depositing the same with the United States Postal Service, or any official successor thereto, designated as registered or certified mail, return receipt requested, bearing adequate postage, or delivery by reputable private carrier and addresses as set forth above.

10. Transfer of Title to Lender. The City agrees that in the event the Lender, a transferee of Lender, or a purchaser at foreclosure sale, acquires title to the Property pursuant to a foreclosure, or a deed in lieu thereof, the Lender, transferee, or purchaser shall not be bound by the terms and conditions of the Contract except as expressly herein provided. Further the City agrees that in the event the Lender, a transferee of Lender, or a purchaser at foreclosure sale acquires title to the Property pursuant to a foreclosure sale or a deed in lieu thereof, then the Lender, transferee, or purchaser shall be entitled to all rights conferred upon the Redeveloper under the Contract,

provided that no condition of default exists and remains uncured beyond applicable cure periods in the obligations of the Redeveloper under the Contract.

11. Estoppel. The City hereby represents and warrants to Lender, for the purpose of inducing Lender to make advances to Redeveloper under the Loan Documents that:

- (a) No default or event of default by Redeveloper exists under the terms of the Contract on the date hereof;
- (b) The Contract has not been amended or modified in any respect, nor has any material provision thereof been waived by either the City or the Redeveloper, and the Contract is in full force and effect;
- (c) Such other reasonable certifications as the Lender may request.

12. Amendments. The City hereby represents and warrants to Lender for the purpose of inducing Lender to make advances to Redeveloper under the Loan Documents that City will not agree to any amendment or modification to the Contract that materially affects the Property without the Lender's written consent.

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the day and year first written above.

CITY OF ROSEVILLE

By _____
Its Mayor

By _____
Its City Manager

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this _____ day of _____, by _____ and _____ the Mayor and City Manager, respectively, of the City of Roseville, a municipal corporation, on behalf of such municipal corporation.

Notary Public

By: _____
Its _____

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

 The foregoing instrument was acknowledged before me this _____ day of _____, 2015,
by _____, the _____ of _____, a
_____, on behalf of the _____.

Notary Public

SCHEDULE F

PRO FORMA

SCHEDULE G

SITE PLAN



COMMITMENT LETTER

June 2, 2015

Carolyn E. Olson
President
Greater Metropolitan Housing Corporation
15 South 5th Street -- Suite 710
Minneapolis, MN 55042

Dear Carolyn,

I am happy to inform you that your loan application for a \$1,461,000 first mortgage revolving draw note to assist with the development and construction of the 18 unit Dale Garden Station project has been approved under the following terms:

BORROWER: GMHC Dale Station, LLC.
AMOUNT: \$1,461,000
NOTE TYPE: Re-advancing line of credit draw note
PURPOSE: Development and construction of 18 townhome units in Roseville, MN.
MATURITY: 36 Months from closing.
AMORTIZATION: Interest only monthly payments
RATE: Prime +.50% with a floor of 4.0%
ORIGINATION FEE: \$32,000
PREPAYMENT PENALTY: There will be no prepayment penalty associated with this note.

ASSUMABILITY: The loan is not assumable nor can you transfer any portion of your interest in the real estate without the written consent of the Bank.

LATE FEE: In the event a monthly payment on this loan is made more than 10 days after its due date, a late fee of 5% of the monthly payment will be charged.

This commitment is subject to the following:

1. **APPLICATION AND PURCHASE AGREEMENT:** Your application documents and the purchase agreement, if any, pertaining to this transaction along with acceptance of the Development Agreement between you and the City of Roseville.

2. **SOURCES AND USES:** The sources and uses shall be as follows:

<u>Sources</u>		<u>Uses</u>	
WB Loan	\$1,461,000	Hard Constructon Costs	1,327,585
Prepaid Dev. Costs	\$196,400	Site Costs	\$161,453
<u>Borrower Cas</u>	<u>\$167,688</u>	Architect / Engineering	\$160,000
		Hard Site Contingency	\$66,379
		Title/Bank/Survey	\$59,200
		<u>Carrying Costs</u>	<u>\$50,501</u>
TOTALS:	\$1,825,118		\$1,825,118

3. **HAZARD INSURANCE:** Coverage in the amount of at least \$1,162,408 with Western Bank named as mortgagee, and including a clause that the insurance company will give us at least 30 days notice of cancellation or non-renewal. Evidence of insurance on an Accord Form #27 "Evidence of Property Insurance" must be delivered to us on or prior to closing.
4. **TITLE INSURANCE:** Commitment from a firm acceptable to WB showing title free and clear of any encumbrances, easements, encroachments or restrictions not acceptable to us.
5. **FLOOD HAZARD ZONE:** If property is located within a Flood Hazard Zone, Borrower will be required to purchase flood hazard insurance for the term of the loan with Western Bank named as Mortgagee.

6. **BORROWING AUTHORITY:** Borrower must provide us with LLC Documents including a Certificate of Good Standing, copy of Articles of Organization, Operating Agreement and Control Agreement. The Promissory Note ("Note") and other documents shall be executed by the individuals so authorized.
7. **GUARANTY:** The loan, as well as the performance and provisions of the mortgage and other loan documents, will be corporately guaranteed by Greater Metropolitan Housing Corporation.
8. **DOCUMENTATION:** Borrower agrees to execute all documents as the Bank/Bank's legal counsel may reasonably require. The documents may include but are not limited to: Promissory Note, a combination mortgage security agreement or a mortgage and fixture financing statement (Mortgage), the Guarantee(s), borrowing resolution, and Loan Agreement. Borrower shall also execute and deliver all documents required by the title insurance company in order to close the loan.
9. **LOAN AGREEMENT:** Borrower will execute a Loan Agreement at closing specifying release prices of units and pay-down schedule on revolving line of credit.
10. **DEPOSIT ACCOUNT:** Borrower shall establish and maintain an operating account with the bank during the construction period until the note is fully retired.
11. **ENVIRONMENTAL HAZARDS:** Provide evidence satisfactory to Western Bank that there are no environmental hazards. Borrower further agrees to indemnify Western Bank from any loss whatsoever arising by reason of the presence of hazardous waste or toxic substances in or on the property. This indemnity and hold harmless shall survive the payment of the note.
12. **COSTS:** Whether or not the loan is originated in accordance with this commitment, the Borrower shall pay, upon request of the Bank, all of the legal, title, environmental assessment, survey and any other out of pocket charges incurred by the Bank in connection with the drafting of this commitment and/or the Loan Documents and any other documents referred to in this commitment. Additional costs incurred for the closing of this loan include but are not limited to: Mortgage Registration Tax, and recording fees.
13. **DELIVERY AND ACCEPTANCE OF COMMITMENT:** This commitment must be signed and returned to the Bank.

In the event that there is any material adverse change in your financial condition or obligations prior to the closing, the bank may, at its sole and complete discretion, terminate this commitment.

We may, at our option, waive any time limitations or conditions herein.

WESTERN BANK

By:

A handwritten signature in blue ink, appearing to read "Richard J. McManis", is written over a horizontal line.

Its:

Vice President

ACCEPTANCE

I (we) hereby accept the terms of the above commitment

Date: June 9, 2015

By: Carolyn E. Olson

Carolyn Olson, Managing Partner

GMHC Dale Station, LLC

Guarantor: Greater Metropolitan Housing Corporation

By: Carolyn E. Olson

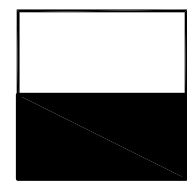
Carolyn E. Olson, President

Western Bank acknowledges receipt of this commitment letter.

By: Richard J. McNamara

Richard J. McNamara

Its: Vice President



I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly registered Architect under the laws of the State of Minnesota.

Signed

DATE	06/19/2015
REG. NO.	22055

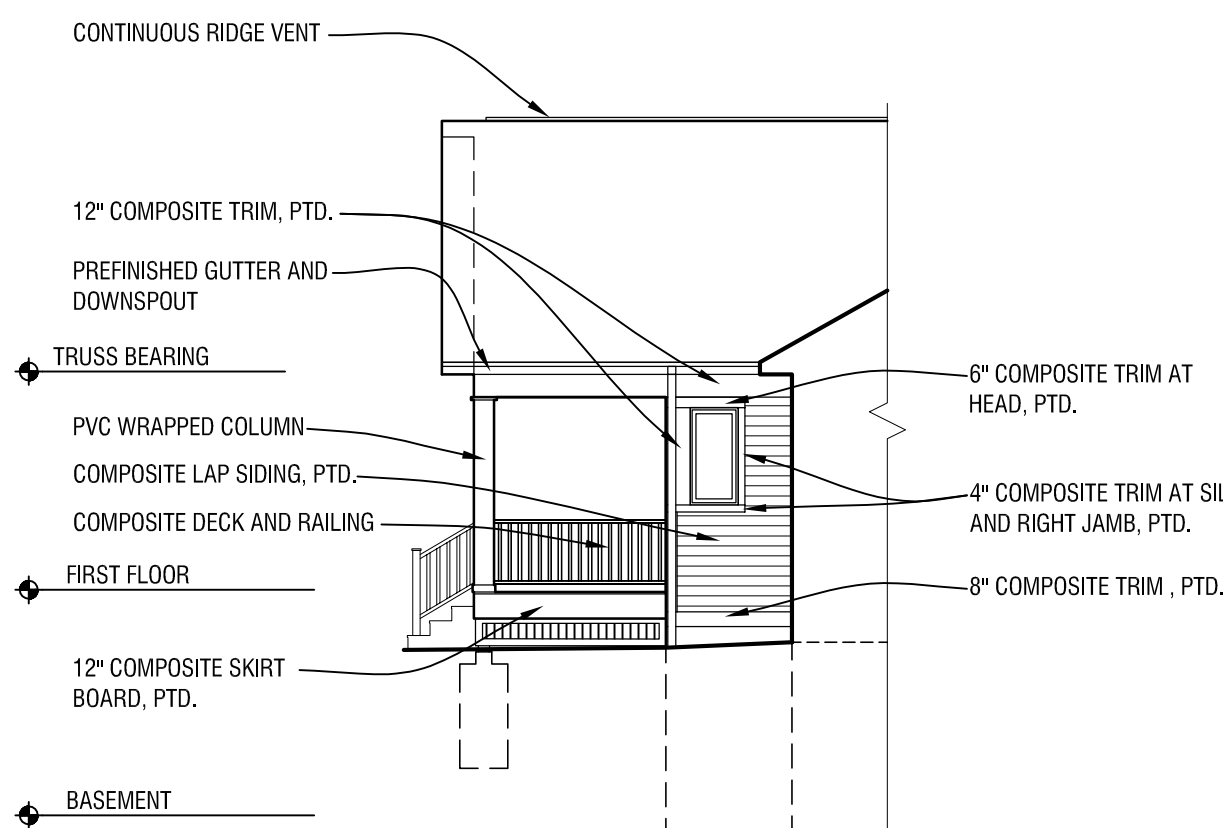
GMHC
The Greater
Metropolitan Housing Corp.

EXTERIOR ELEVATIONS
ROSEVILLE GARDEN STATION: TOWNHOMES - REDESIGN
GREATER METROPOLITAN HOUSING CORPORATION
15 SOUTH 5TH STREET SUITE 710
MINNEAPOLIS, MINNESOTA

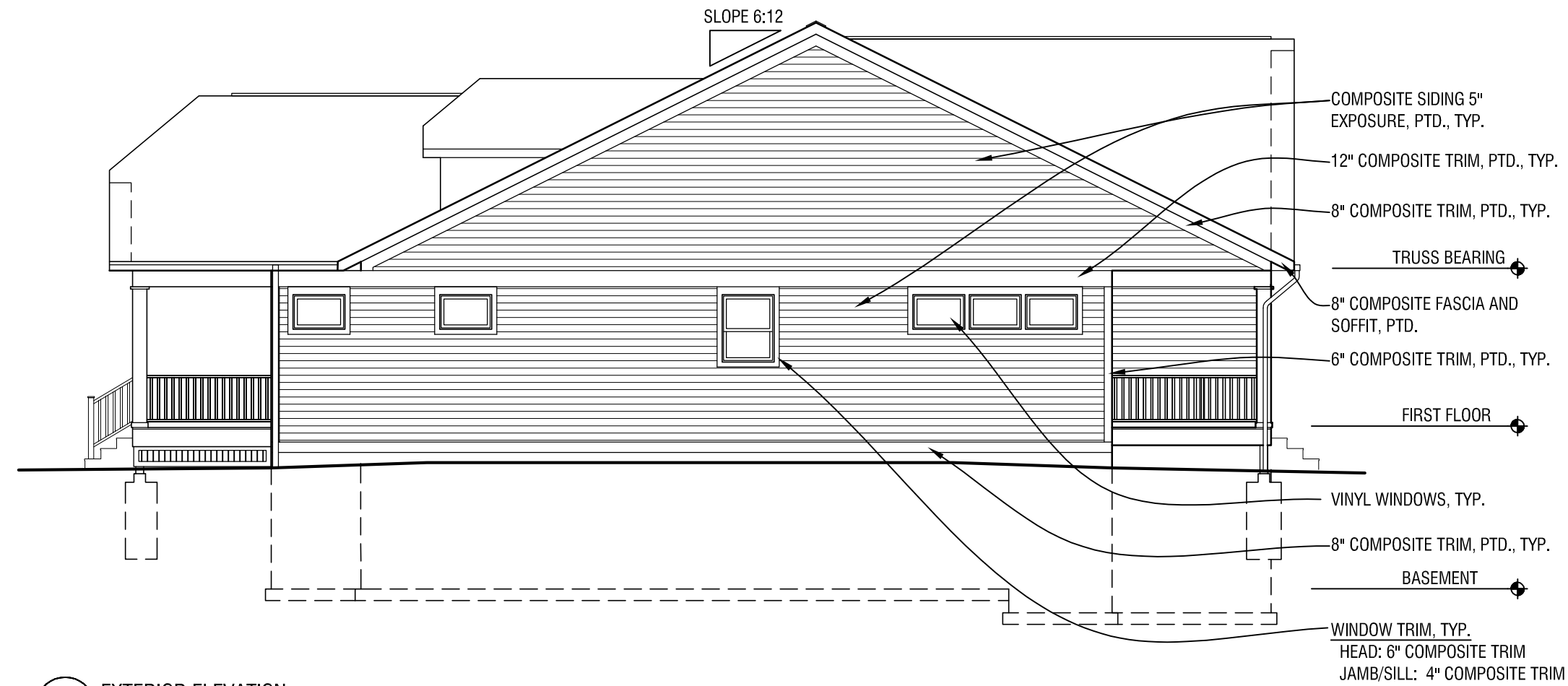
REVISIONS

DATE ISSUED	06/19/2015
JOB NO.	1327
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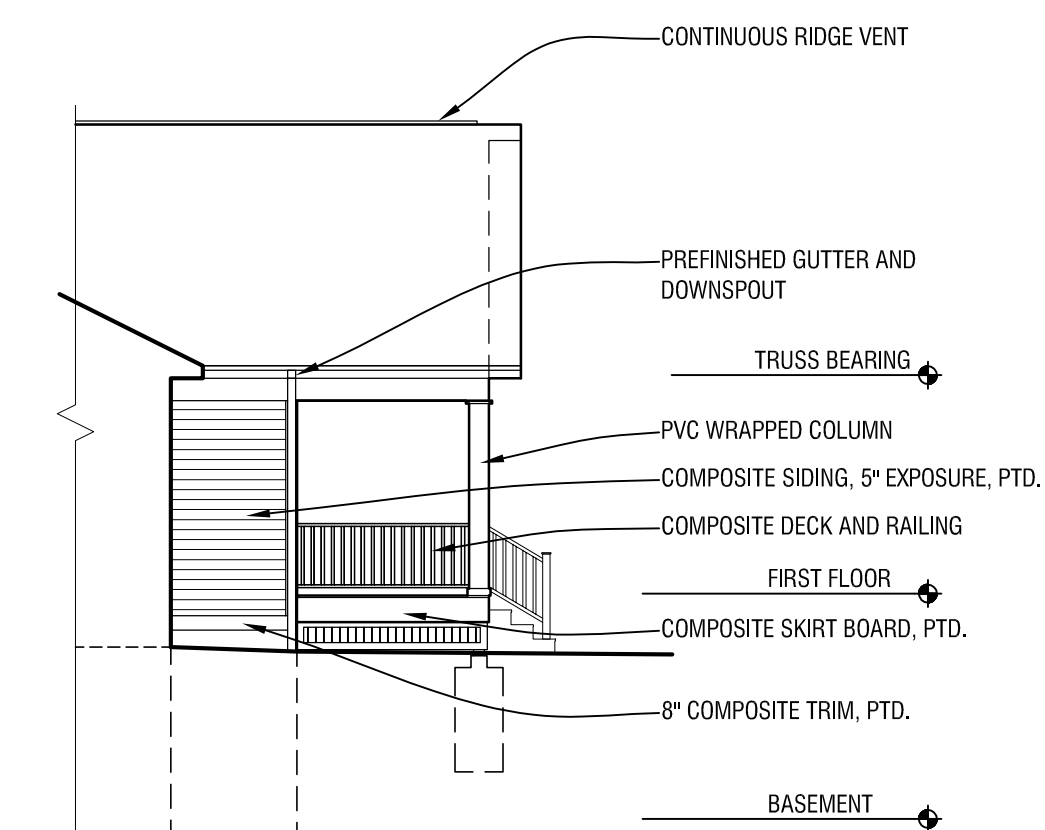
A4.1



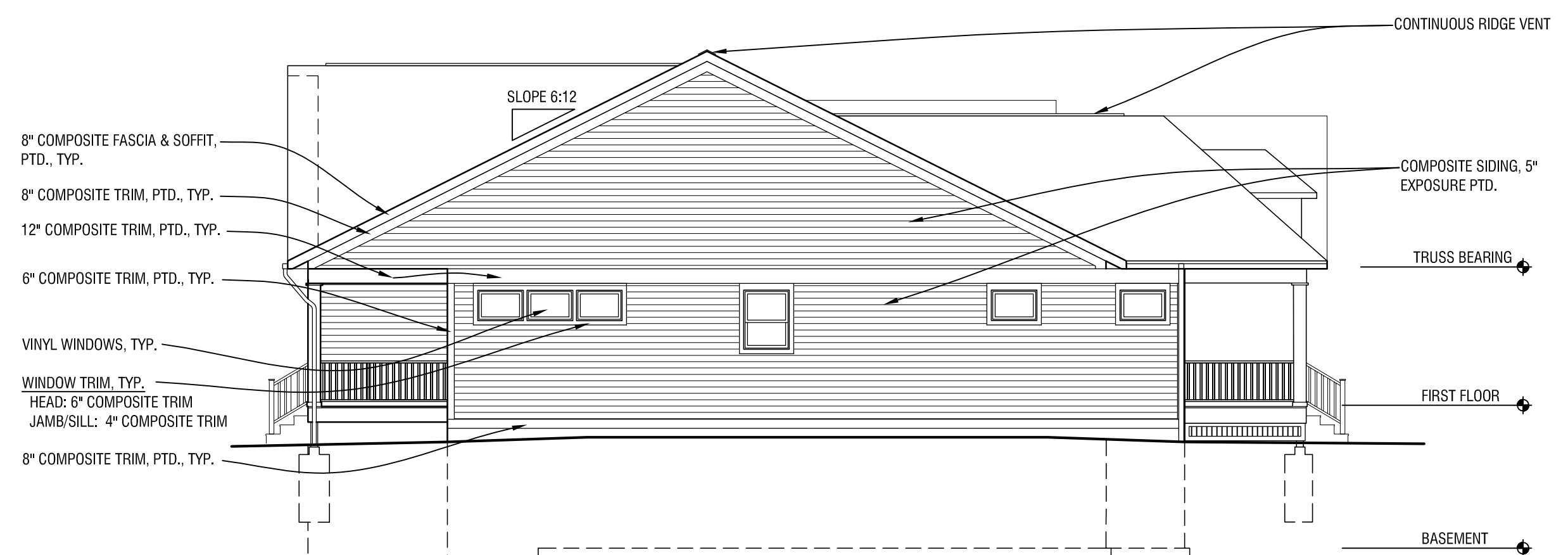
6 PARTIAL EXTERIOR ELEVATION
1/8" = 1'-0"



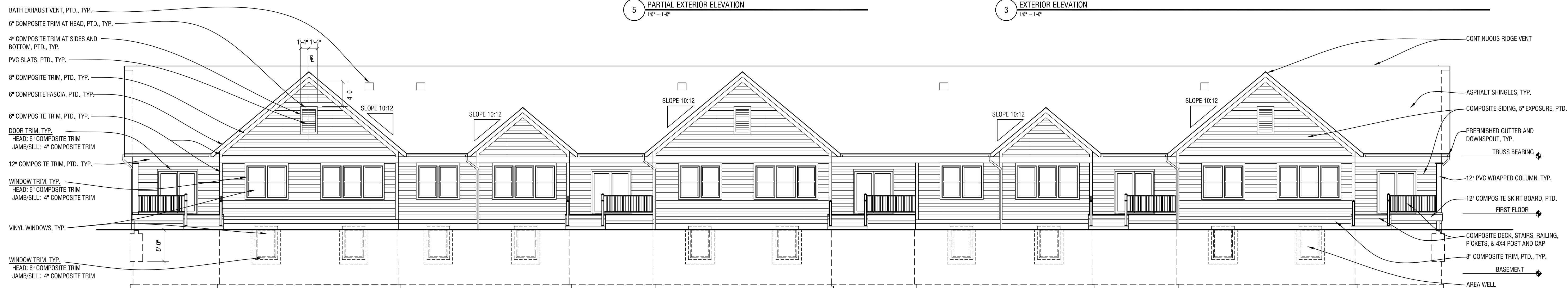
4 EXTERIOR ELEVATION
1/8" = 1'-0"



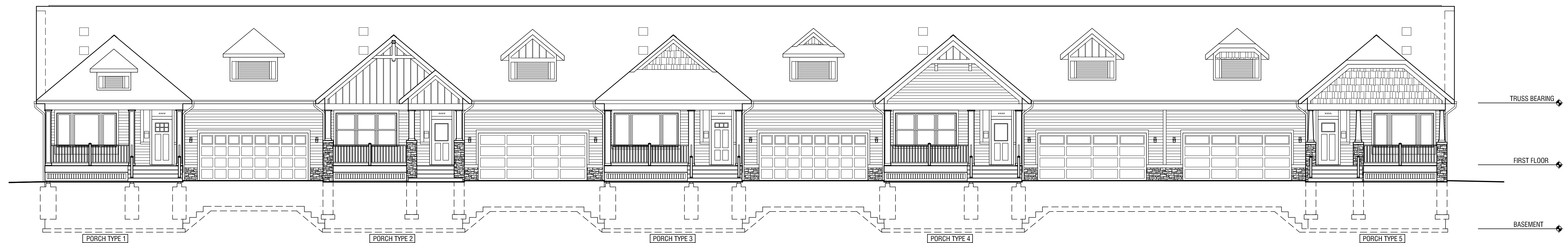
5 PARTIAL EXTERIOR ELEVATION
1/8" = 1'-0"



3 EXTERIOR ELEVATION
1/8" = 1'-0"



2 EXTERIOR REAR ELEVATION - 5 UNIT BUILDING
1/8" = 1'-0"



1 EXTERIOR FRONT ELEVATION - 5 UNIT BUILDING
1/8" = 1'-0"

NOTE: SEE SHEETS A4.3, A4.4 FOR ENLARGED ELEVATIONS OF PORCH TYPES

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly registered Architect under the laws of the State of Minnesota.

Signed


DATE 06/19/2015
REG. NO. 22055

GMHC
The Greater
Metropolitan Housing Corp.

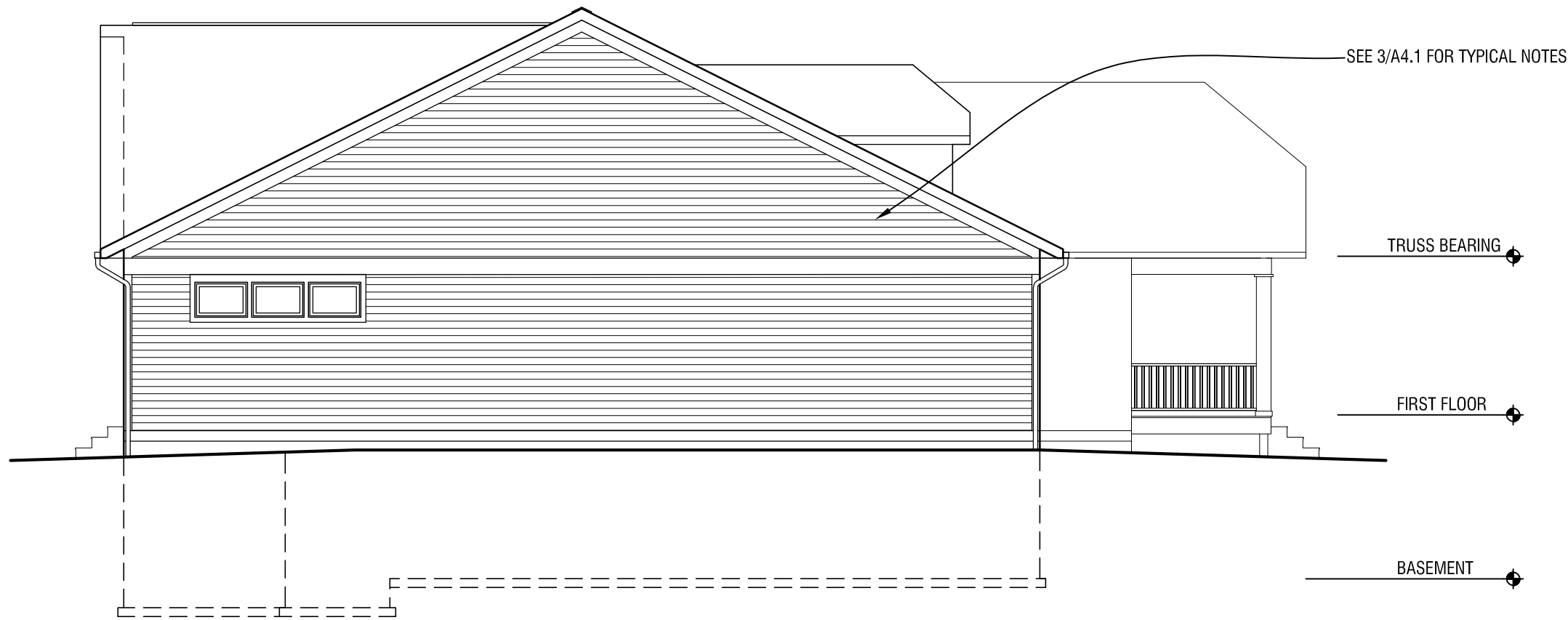
EXTERIOR ELEVATIONS
ROSEVILLE GARDEN STATION: TOWNHOMES - REDESIGN
GREATER METROPOLITAN HOUSING CORPORATION
15 SOUTH 5TH STREET SUITE 710
MINNEAPOLIS, MINNESOTA

REVISIONS

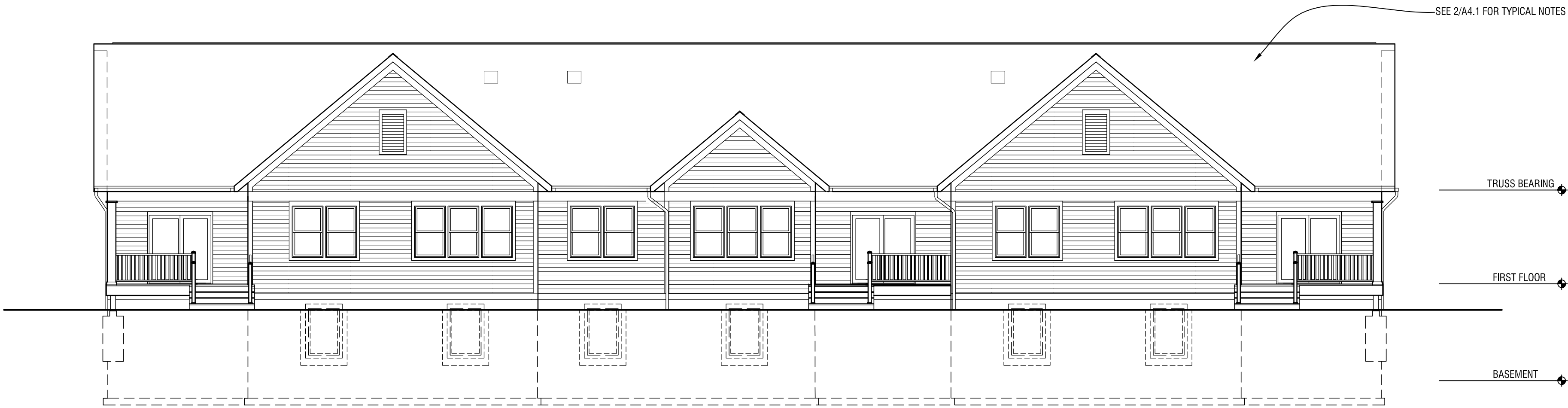
DATE ISSUED 06/19/2015
JOB NO. 1327
FILE NAME 1327STH-A4.X.dwg

A4.2

GENERAL NOTE: ALL COMPOSITE TRIM IS 5/8" THICKNESS.



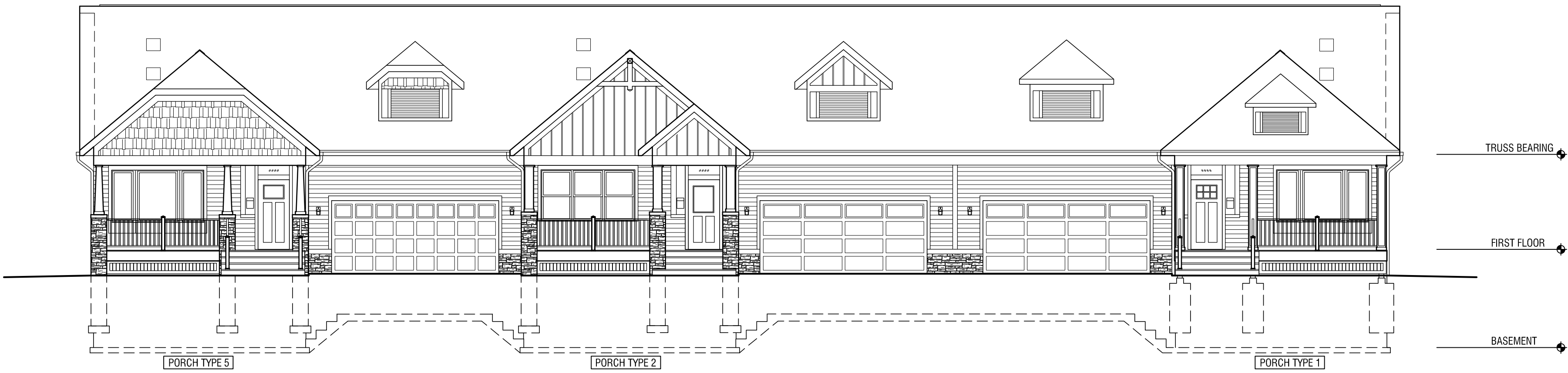
6 EXTERIOR WEST ELEVATION - SINGLE FAMILY HOME
1/8" = 1'-0"



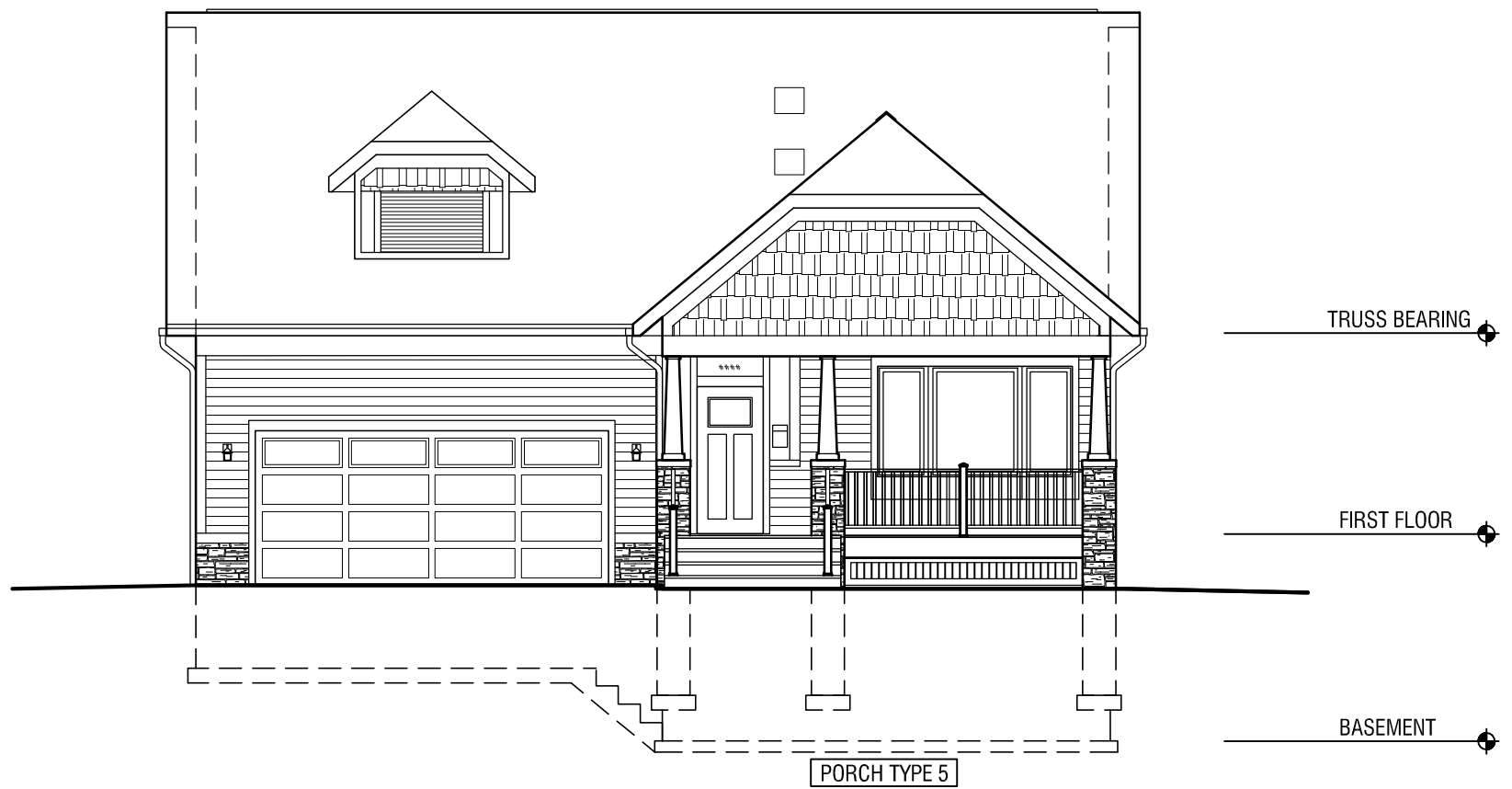
3 EXTERIOR REAR ELEVATION - 3 UNIT BUILDING TYPICAL
1/8" = 1'-0"



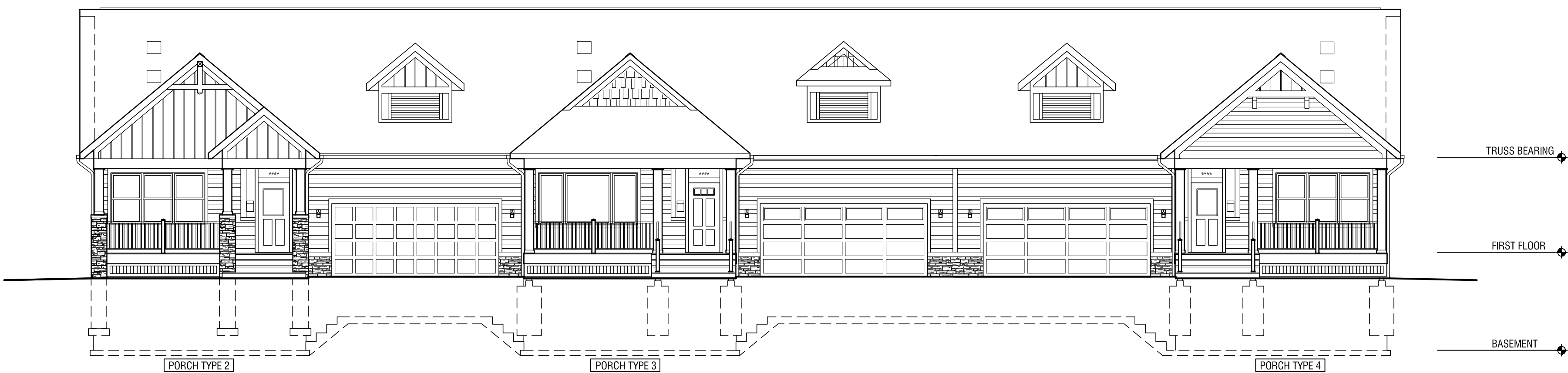
5 EXTERIOR REAR ELEVATION - SINGLE FAMILY HOME
1/8" = 1'-0"



2 EXTERIOR FRONT ELEVATION - 3 UNIT BUILDING B
1/8" = 1'-0"



4 EXTERIOR FRONT ELEVATION - SINGLE FAMILY HOME
1/8" = 1'-0"



1 EXTERIOR FRONT ELEVATION - 3 UNIT BUILDING A
1/8" = 1'-0"

Signed	
	
DATE	06/19/2015
REG. NO.	22055

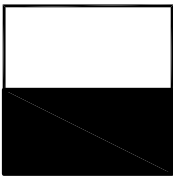
EXTERIOR ELEVATIONS

ROSEVILLE GARDEN STATION: TOWNHOMES - REDESIGN

GREATER METROPOLITAN HOUSING CORPORATION
15 SOUTH 5TH STREET, SUITE 710
MINNEAPOLIS, MINNESOTA

A4.3





CERMAK RHOADES
ARCHITECTS
275 East Hennepin Avenue, Suite 100
Minneapolis, MN 55401
Phone: 612.225.8623
Fax: 612.225.8720
www.cermakrhoades.com

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly registered Architect under the laws of the State of Minnesota.

Signed

[Signature]

DATE 06/19/2015

REG. NO. 22055

GMHC
The Greater
Metropolitan Housing Corp.

EXTERIOR ELEVATIONS
ROSEVILLE GARDEN STATION: TOWNHOMES - REDESIGN
GREATER METROPOLITAN HOUSING CORPORATION
15 SOUTH 5TH STREET SUITE 710
MINNEAPOLIS, MINNESOTA

REVISIONS

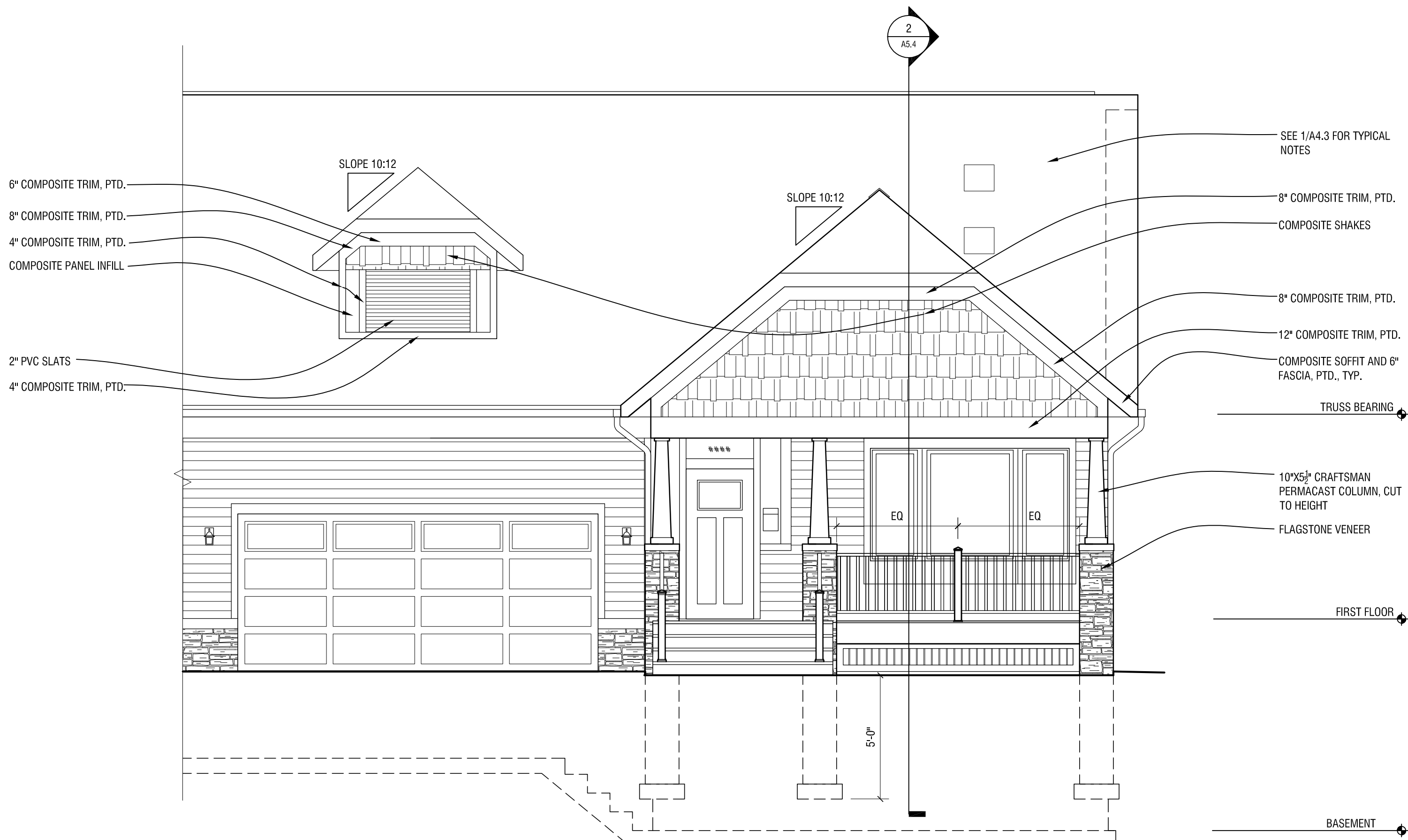
DATE ISSUED 06/19/2015

JOB NO. 1327

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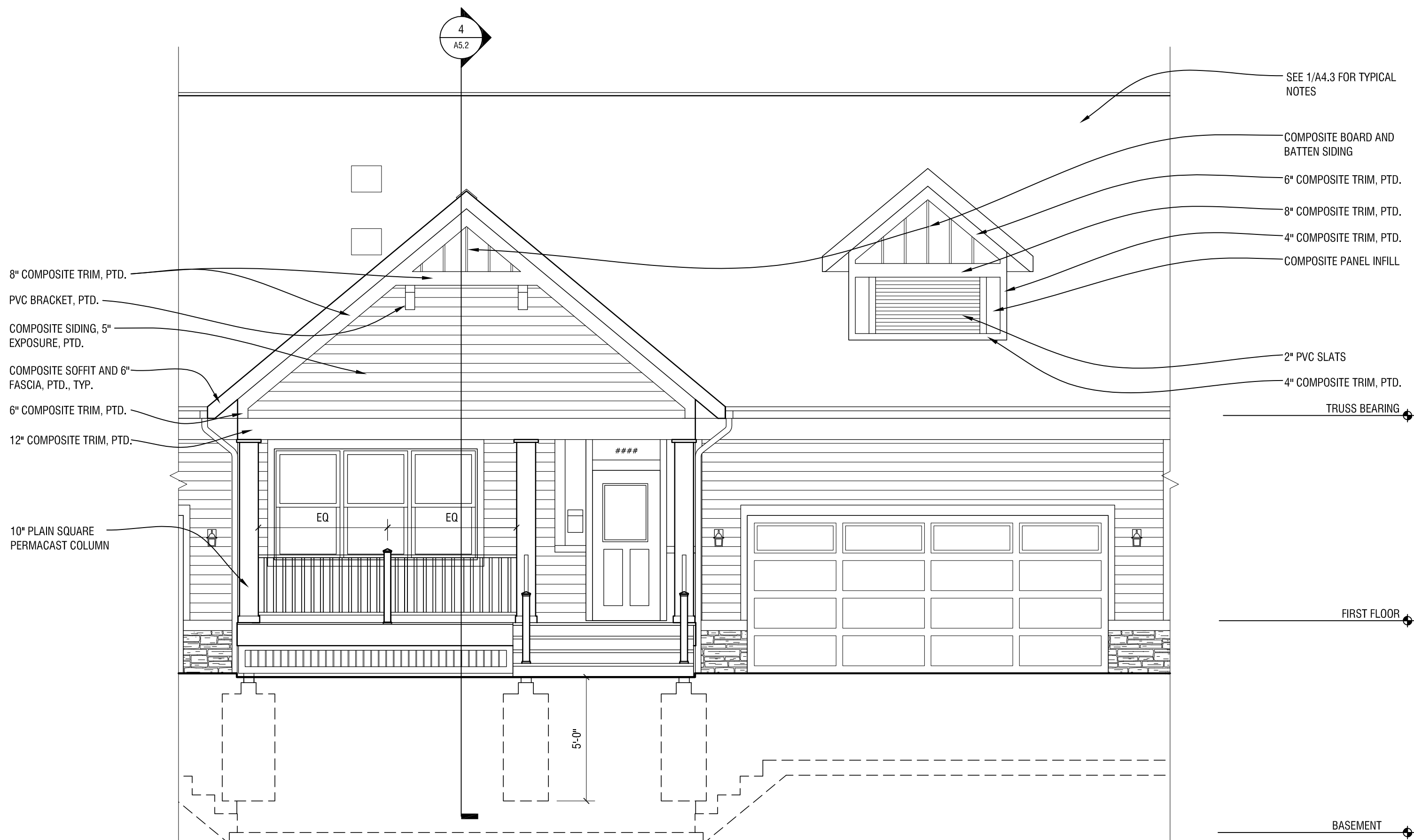
A4.4

GENERAL NOTE: ALL COMPOSITE TRIM IS 5/8" THICKNESS.



3 PARTIAL EXTERIOR FRONT ELEVATION - PORCH TYPE 5

1/4" = 1'-0"



1 PARTIAL EXTERIOR FRONT ELEVATION - PORCH TYPE 4

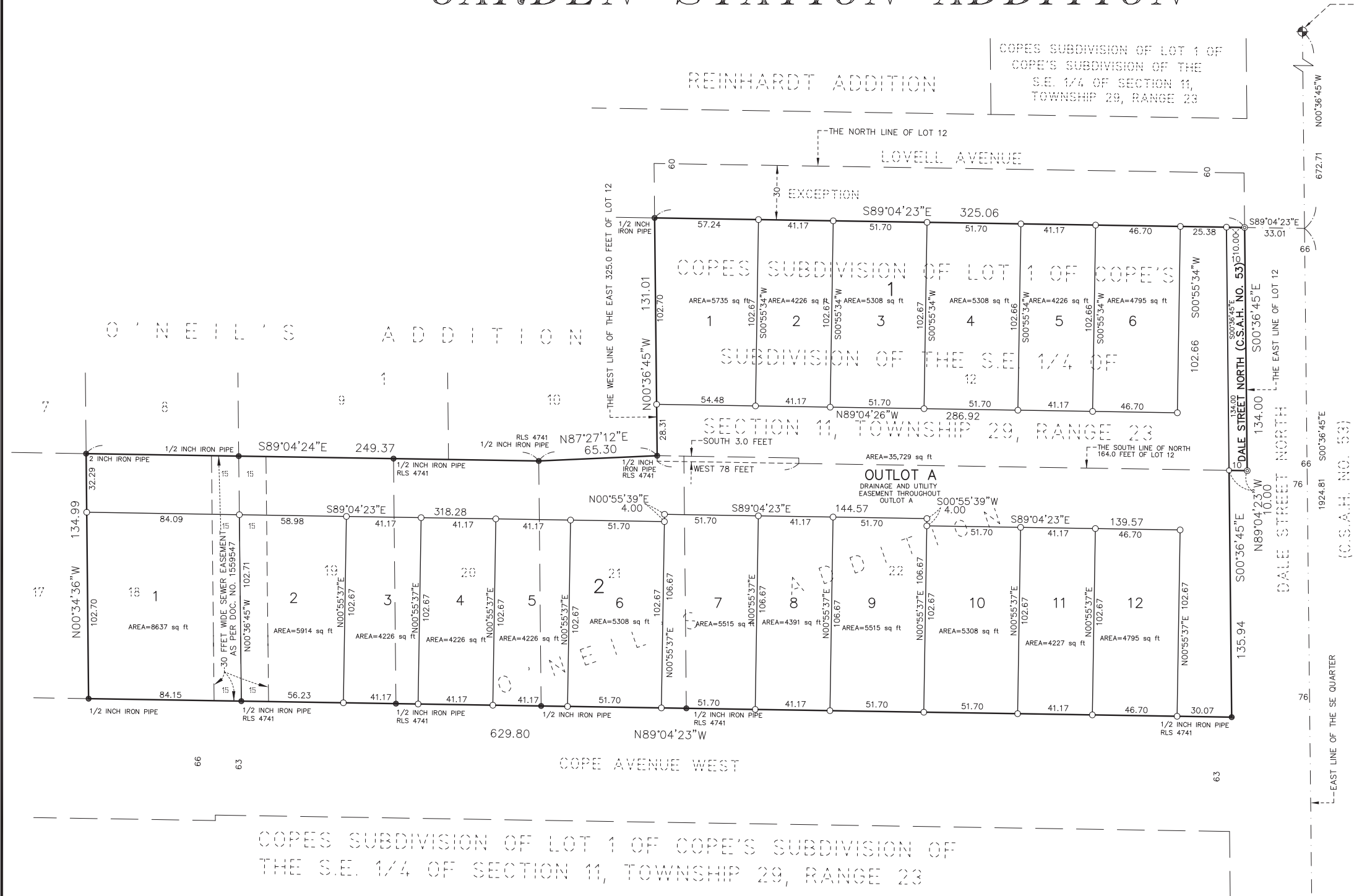
1/4" = 1'-0"





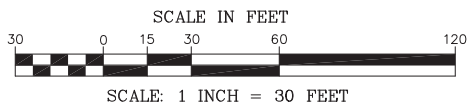
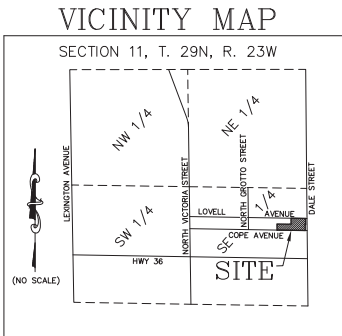


GARDEN STATION ADDITION



CAST IRON MONUMENT
EAST QUARTER CORNER
SECTION 11, TOWNSHIP 29, RANGE 23
RAMSEY COUNTY, MINNESOTA
N 181142.752
E 566493.505

CONCORDIA
MEADOWS



Legend

- Denotes 12 inch long Common Spike with washer stamped R.L.S. 16464 Monument set.
- ⊙ Denotes PK Nail, with stainless steel marker, Monument set, and stamped R.L.S. 16464.
- Denotes Iron found, size, type, and R.L.S. as noted.
- ⬢ Denotes Ramsey County Cast Iron Monument.

CAST IRON MONUMENT -
NORTH WITNESS MONUMENT TO THE SOUTHEAST CORNER
SECTION 11, TOWNSHIP 29, RANGE 23
RAMSEY COUNTY, MINNESOTA
N 178545.381
E 566521.277

BASIS OF BEARINGS: RAMSEY COUNTY COORDINATE SYSTEM, NAD83,
1986 ADJUSTMENT.
COORDINATES SHOWN ARE RAMSEY COUNTY COORDINATES, NAD83,
1986 ADJUSTMENT.

Any required monument location on this plat with no monument symbol shown,
indicates a plat monument that will be set, and which shall be in place within one
year after the recording of this plat. These monuments will be 12 inch long Common
Spike Monuments set & capped R.L.S. 16464.

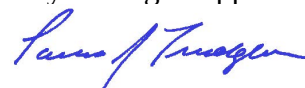
LAKE & LAND SURVEYING, INC.
1200 CENTRE POINTE CURVE, SUITE 275
MENDOTA HEIGHTS, MINNESOTA, 55120
PHONE: 651-776-6211

REQUEST FOR COUNCIL ACTION

Date: August 17, 2015
Item No.: 15.d

Department Approval

City Manager Approval



Item Description: Discussion of 2015-2017 Policy Priority Planning Document

BACKGROUND

At the June 22 City Council meeting, the City Council adopted the Policy Priority Planning document that identified two strategic priorities to be focused on over the next 18 months. The two priorities were Housing and Redevelopment and Infrastructure Sustainability. The City Council instructed staff to bring back the document for further discussion and decisions on identifying targets and initiatives for the identified priorities. Attachment A includes the approved document. The City Manager has included the previously identified targets and initiatives in the table for information purposes.

POLICY OBJECTIVE

Adopting strategic priorities will provide the City Council and staff direction in providing City services and programs in a planned and targeted way.

FINANCIAL IMPACTS

There are not any costs for further discussion of the Policy Priority Planning document. As the priorities are executed, any new costs will need be included in future budgets.

STAFF RECOMMENDATION

The City Council should discuss and decide on possible targets and initiatives that will implement the identified strategic priorities.

REQUESTED COUNCIL ACTION

The City Council should discuss and decide on possible targets and initiatives that will implement the identified strategic priorities.

Prepared by: Patrick Trudgeon, City Manager (651) 792-7021

Attachments: A: Policy Priority Planning Summary Document
B: June 22, 2015 City Council minutes

City Council Priority Plan – 2015-2016

Strategic Priority	Key Outcome Indicator (KOI)	Target*	Strategic Initiatives*	Responsible Staff/Commission
Housing and Redevelopment	SE Roseville	Increase in comm. MV Increase in resid. MV	Create Southeast Roseville Redevelopment Plan	
	Twin Lakes	50 Increase in living wage jobs	Formalize Southeast Roseville Working Group	
	Move-up housing	20 Increase units \$350k/ >	Establish Twin Lakes Economic Development Program	
	Residential hsg value	10% chng. Owner-occupied value-2015-20 10% chng. Rental value-2015-20	Establish Move-Up Housing Program	
	Capital improvement funding	Adopted comprehensive infrastructure plan & funding strategy	Establish Housing Value Support Program	
Infrastructure Sustainability	Infrastructure Condition	Adopted standards for each asset category	Establish enterprise-wide consistency for asset management plan implementation	
			Establish measure of effectiveness for each infrastructure asset	

**These columns need further discussion and revision by the City Council. Previous thoughts on the contents of these columns are shown in italics for reference purposes.*

Guiding Principles of City Council Priority Plan Educational Outreach, Process, Policy, and Transparency

Regular City Council Meeting
Monday, June 22, 2015
Page 14

12. Public Hearings

13. Budget Items

14. Business Items (Action Items)

a. Consider Policy Priority Planning Document

As Councilmember Laliberte had been unable to attend the initial discussion of Councilmembers in May when this document was discussed, Mayor Roe invited her to share her feedback at this time.

At the request of Councilmember Laliberte, the “City of Roseville-Strategic Plan Summary for 2015-17 (part of Attachment C, page 3) was displayed for reference during her comments. In general, and as she previously shared with her colleagues and City Manager Trudgeon, Councilmember Laliberte stated she was not in favor of adopting the strategic initiatives as presented. Councilmember Laliberte reviewed each of the five strategic priorities listed and provided her comments specific to each.

Civic Engagement

Councilmember Laliberte questioned how or whether to include this as part of the strategic plan, especially her differing view of proposed strategic initiatives laid out by staff. Recognizing that increased engagement was an overarching priority of this City Council, and recent creation of the new Community Engagement Commission (CEC), and regular requests of and a desire by staff and the community to improve those engagement efforts, Councilmember Laliberte questioned the need to included it as part of the strategic plan when it was already a given.

Councilmember Laliberte opined that the use of “civic” and “community” engagement meant different things, and while the City Council values that area of focus, she found a gap in understanding how best to achieve it. Until that became a common understanding among all stakeholders, Councilmember Laliberte suggested it not be included as a new goal; and not be a checklist, but an ongoing process and culture shift that the City Council and staff had already made a commitment to.

Councilmember Laliberte expressed her confidence in allowing the newly-formed CEC, and her expectations of staff to engage the community, would suffice without defining additional strategic initiatives. In consideration of those initiatives proposed by staff, Councilmember Laliberte noted the Key Outcome Indicator (KOI) for community satisfaction was already being addressed in surveys with commitment by the City Council to perform them every other year.

Regular City Council Meeting
Monday, June 22, 2015
Page 15

Regarding the KOI to increase volunteer opportunities, Councilmember Laliberte opined that the target goal to simply increase volunteer opportunities by 5% didn't necessarily translate into engagement.

Councilmember Laliberte opined that the KOI of improving participation by under-represented populations in Roseville and target of engaging three new segments of the community, while appreciated, also did not mean engagement. Councilmember Laliberte questioned if any of the targets or strategic initiatives as proposed actually got at what was needed or what the City Council hoped to accomplish.

Housing and Redevelopment

Councilmember Laliberte opined that this section needed more work by the City Council as a group, since it involved bigger issues and involved multiple departments, commissions, community stakeholders and others.

Councilmember Laliberte opined that the KOI of SE Roseville should be a priority for everyone, but suggested more progress could be made if that priority remained open, and the who, what and when was better defined.

Regarding Twin Lakes, Councilmember Laliberte opined that there remained more work to do, and a clear priority should be for the City to define that work, the steps and processes to achieve it, and goals at the end of the process.

Regarding move-up-housing, Councilmember Laliberte agreed that it could be an initiative, but since the City didn't own the land, further discussion was needed about what was possible, what the City Council needed from staff and advisory commissions, and then set targets that could be realistically achieved.

Regarding the value of residential housing, Councilmember Laliberte suggested more discussion about the specifics of that section and proposed targets as currently outlined.

Effective Governance

Councilmember Laliberte suggested striking this strategic priority completely, opining that it involved individual leadership and actions speaking louder than words from each person. Councilmember Laliberte opined that the proposed targets and strategic initiatives didn't serve to resolve any particular item; and recognized that involving the community may mean issues take longer to bring to fruition. As far as the process transparency KOI, Councilmember Laliberte agreed with the concept, but since staff and the CEC had already been tasked to pursue that continuum, no new document was needed.

Specific to the KOI of respectful interaction of the leadership team, Councilmember Laliberte further opined that this was up to each individual and that there was

Regular City Council Meeting**Monday, June 22, 2015****Page 16**

no meaningful way to measure it or change it, and therefore there was no need for it to be addressed on staff's radar. Councilmember Laliberte opined that, if residents didn't believe Councilmembers were being respectful of each other or them, they would address that during the next election cycle.

Organizational Effectiveness

Councilmember Laliberte also suggested striking this section entirely. While the community and staff cared, Councilmember Laliberte noted the City Manager was hired and had expressed confidence that he could lead the organization in the most effective way possible. Therefore, Councilmember Laliberte clarified that the community, City Council and staff either believed that or didn't, and it would become self-evident in other ways.

Regarding the KOI of employee satisfaction, Councilmember Laliberte opined there was no need to hire another consultant, but under the City Manager's leadership and during employee reviews or exit interviews, part of the discussion should be why people stayed or didn't stay. Councilmember Laliberte further noted that employee turnover could serve as another tracking measure.

Specific to the KOI for resource allocation, Councilmember Laliberte noted this was already under review by the City Manager and his management staff, and would be further reviewed annually by the City Council during the budget process.

Councilmember Laliberte suggested that the proposed strategic initiative suggesting an annual review of organizational interdependencies and collaboration opportunities was another aspect of why the City Manager was hired and part of what he was already doing. If he had concerns or opportunities that should be brought to the attention of the City Council, Councilmember Laliberte opined that he could do so, but there was no need for any additional tracking.

Infrastructure Sustainability

Without focused work from this group or a lack of funds for improvements, Councilmember Laliberte opined there was a need for the City Council to focus on the CIP as part of the KOI for capital improvement funding should be incorporated in the budget process sooner rather than later. Councilmember Laliberte noted the pending nature of the asset management software program across the organization and the City Council's desire to see that completed, opining that urgency should be monitored moving forward.

Regarding the infrastructure condition KOI, Councilmember Laliberte suggested this should already be part of the City Manager's work and area of focus for each department as they worked around industry standards.

General Comments

Regular City Council Meeting
Monday, June 22, 2015
Page 17

Regarding the actual document itself, Councilmember Laliberte expressed her concerns about cost, proposed timeframes, and staffing limitations.

Councilmember Laliberte opined that the City had done a disservice to the community with this proposed plan as currently drafted, suggesting it proceed cautiously about which portions it ultimately adopted. Councilmember Laliberte noted the need to knowingly agree among Councilmembers the staff time and resources being expended.

Councilmember Laliberte noted her initial hope that the Retreat exercises would allow the City Council and staff to come away with broad goals for the Mayor and City Council to address for one year, in addition to the ongoing work of the body. Since it's now the middle of the one year, with the original proposal for a three year plan, Councilmember Laliberte noted that only two of those years remained, part of which could realistically be under the direction of a new City Council. Councilmember Laliberte stated her unwillingness to obligate a future City Council to this sitting City Council's priorities.

Councilmember Laliberte noted that considerable staff time had already been spent on this project, and given their time constraints, the City Council needed to decide if this was how they wanted their staff to spend their time. Councilmember Laliberte recognized the City Council's commitment to measurable results and delivery of quality services in Roseville, and questioned if this plan allowed the City to make progress on specific issues in a timely manner.

Instead, Councilmember Laliberte suggested moving forward in the remainder of 2015 with only two to three short-term, big picture items that the City Council and staff could realistically work toward. In defining those 2-3 strategic priorities, Councilmember Laliberte suggested making those a standing agenda item for each subsequent City Council meeting or at least on a monthly basis for an update or discussion publically to review continuing progress, allowing all stakeholders access to the same information at the same time. Councilmember Laliberte opined that this would provide the public with the benefit of and assurance that behind-the-scenes work was being performed (e.g. SE Roseville working group or Twin Lakes community meetings).

Additional Strategic Priority or Goal

Councilmember Laliberte suggested the addition of one additional new item for discussion by the body, and as part of the short-term priority list specifically addressing the consistency of direction given by the City Council to its advisory commissions. As those groups work on their own, Councilmember Laliberte questioned if the City Council touched base with them as often as it should whether through the joint meetings or in other ways.

SWOT Analysis

Regular City Council Meeting
Monday, June 22, 2015
Page 18

Councilmember Laliberte opined that the SWOT analysis provided good information, much of which didn't rise to the final document, but worth reviewing, and recommended that should be done on an annual basis moving forward. Councilmember Laliberte suggested a swift review of the SWOT document be performed each January as part of the organizational meeting.

Councilmember Comments/Feedback

Councilmember McGehee

In response to Councilmember Laliberte, Councilmember McGehee agreed with her comments regarding civic engagement and effective governance, and emphasized her concurrence that both are cultural and under individual control. In terms of transparency, Councilmember McGehee suggested the development of policies addressing a known and clear process inviting specific elements of a neighborhood or other or civic participation opportunity. If those policies are not built into programming, Councilmember McGehee opined it would continue to be inconsistent on only complaint-driven.

Regarding move-up housing, Councilmember McGehee opined a good discussion had been held at the Retreat about that, and when she considers the twenty new units and their price point as part of the revised Dale Street Project, she thought that could be removed from the list once they're constructed.

Councilmember McGehee agreed that she didn't like the checklist approach either, and while agreeing this had been a good exercise, some things had come out of the Retreat that did not become part of the final report, nor had they been discussed in any meaningful way even though she found the overall discussion to be good.

Councilmember McGehee agreed with the need to shine a light on the asset management program for continue monitoring and subsequent completion.

In terms of civic engagement, Councilmember McGehee opined that the City Council and City still had a long way to go, but the checklist would not get anyone there, and required a cultural shift. Agreeing that outreach was a fine initiative, Councilmember McGehee opined that it needed to be to everyone, not only targeting a specific group, but across the board.

Whether or not an employee survey is done, Councilmember McGehee opined that it was important for the City Council to understand staff jobs. Councilmember Member McGehee suggested that may be accomplished through the City Manager proposing a policy for consistent exit interviews; and how to provide enough steps within each department to satisfy employees as they grow in their career. Councilmember McGehee stated she would defer to the City Manager on this topic, and if he felt a survey was needed he could provide information going forward to establish a policy.

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Councilmember McGehee suggested a project template going forward, with minimal tweaking and similar to the Dale Street process, that would go a long way toward civic engagement and organizational effectiveness. While understanding the need to do so as part of the budget process and allowing Department Heads to know City Council expectations for major focus items, Councilmember McGehee noted there were other policy issues for departments.

Councilmember Etten

Councilmember Etten expressed appreciation of many of the ideas expressed in Councilmember Laliberte's "white paper," and suggested taking items and making revisions that would essentially prioritize those priorities. Councilmember Etten stated that he really liked Councilmember Laliberte's idea of having fewer priorities and monthly updates, even perhaps some quarterly as applicable, but keeping them in front of the City. Councilmember Etten clarified that the purpose is not meant to direct all city operations and services, but those few areas the City Council wanted to specifically focus on.

Councilmember Etten opined that housing and redevelopment was important for Roseville as the market continued to improve and the City to transition. Councilmember Etten also spoke in support of the need to look at how to task advisory commissions and boards with meaningful activities. Specific to housing and redevelopment efforts, Councilmember Etten opined that this was largely up to the HRA and City Council working together to flesh out the targets and strategic initiatives currently listed on the right side of the document; with continual adjustment over time as citizens and advisory commissions bring new information forward for the City Council's and HRA's attention.

Specific to civic engagement, Councilmember Etten suggested changing the strategic priority to "Community Outreach." Councilmember Etten noted that the CEC had already been tasked with many of these items, and had asked to be given the opportunity to address them in this important role. While supporting volunteer opportunities, Councilmember Etten noted the need for more public input about how to get more new people involved.

Noting his total support of participation by underrepresented groups in the community, Councilmember Etten noted the need to continually and further address immigrant populations and apartment dwellers as part of that process and as a vital part of the community. Councilmember Etten opined that those initiatives could be addressed as part of the role of advisory boards and commissions.

Regarding infrastructure sustainability, Councilmember Etten opined that it fell into so many departments, and under the adopted CIP. Councilmember Etten opined that from his perspective, updating the CIP and adopting those updates in 2016 from the original 2012 document was a necessary step and would provide a more accurate document with those updates four years after inception.

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Councilmember Etten agreed that individuals could work on respectful interaction on their own, but opined that things were in a better spot than in the past.

Councilmember Etten suggested moving the community survey into the Organizational Effectiveness priority.

Regarding resolving items as introduced, Councilmember Etten agreed that sometimes items may need deferral to receive additional information or for a recommendation or clarification from a citizen advisory commission, but suggested that simply could involve providing additional information in packet materials for follow-through.

Councilmember Etten supported retaining the process transparency KOI as being vitally important.

Councilmember Etten recognized his appreciation of Councilmember Laliberte's idea to work with boards and staff assigned to those boards by providing clear direction allowing them to be more productive and positively engaged. Councilmember Etten opined that this was a good goal to retain, as he had heard comments from a number of advisory commissions that the City Council had not helped as much as they could have.

Under a new document title of "City Council Priority Plan – 2015/2016," Councilmember Etten suggested revising the goals to focus on just a few things that would end before a new City Council is seated and as follows:

- 1) Housing and Redevelopment;
- 2) Community Outreach/Communication (formerly civic engagement);
- 3) Infrastructure Sustainability; and
- 4) Effective Governance/Organizational Effectiveness

Councilmember Willmus

Councilmember Willmus thanked Councilmember Laliberte for providing her perspective; and offered his agreement with much that she had stated and the input from Councilmember McGehee. While appreciating the ranking or prioritization suggested by Councilmember Etten, Councilmember Willmus was unable to fully support that, and agreed that "Effective Governance" and "Organizational Effectiveness" could fall off.

In reviewing strategic priorities and tasking citizen advisory commissions, Councilmember Willmus opined that civic engagement specifically could fall within the role of the CEC. When starting this process, Councilmember Willmus noted his understanding that this would identify several areas of focus for the City Council over the next two years.

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Regarding infrastructure and housing, Councilmember Willmus noted the need for them to remain, but suggested more focus of the City Council and their citizen advisory commissions in order to attain the direction being sought.

One area of disagreement Councilmember Willmus noted as addressed by Councilmember McGehee included targets being static, but from his perspective they should be continually moving. As an example, when the new housing units come online as part of the Dale Street project, Councilmember Willmus opined the need remained to continue evaluating housing needs.

Councilmember McGehee clarified that was not the intent of her comments, and agreed with Councilmember Willmus' perspective that they continued to move; and would constantly be in flux.

Mayor Roe

While in agreement with a lot of things already discussed and the common viewpoints expressed, Mayor Roe questioned the need to rank the priorities by number, but to simply recognize them as THE priorities with no one more important than another. Mayor Roe spoke in support of streamlining and reducing the document.

Specific to organizational effectiveness, Mayor Roe agreed this was more internal, even though the goal was to have the City Manager more involved, it may be of lower priority for the City Council and therefore removed as part of this document.

Mayor Roe suggested combining organizational effectiveness with civic engagement re-titled as "Community Outreach/Engagement," and then have two other categories and priorities identified as "Housing and Redevelopment," and "Infrastructure Sustainability."

Related to community outreach, Mayor Roe agreed with Councilmember Laliberte that since a survey was already being done periodically, there was no need to stress it as part of this document.

Regarding volunteer opportunities, Mayor Roe noted the target to increase volunteer engagement or teams, for him the strategic initiative was to figure out those strategies, as well as engaging underrepresented populations, which the CEC was already looking at and how best to measure that.

Specific to move-up housing, Mayor Roe reminded his colleagues that the number of 20 additional units was a starting point for discussions at the Retreat, and initiatives may be to pursue applicable initiatives versus an actual program.

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Regarding residential housing values, Mayor Roe again questioned whether a program was needed rather than looking at initiatives to incentivize property values (e.g. code enforcement, building standards, etc.) and involved staff, the HRA and the Planning Commission among others.

Regarding effective governance, if combined with civic engagement, Mayor Roe opined that only the area of process transparency be retained and development of ways to improve it and hold the City Council and staff accountable to ongoing improvement.

Mayor Roe agreed with Councilmember Etten's comments regarding updating the CIP.

Mayor Roe expressed his agreement in only going through 2016 from the point of view that 2015 is already half over, and if pursuing a similar exercise as this in 2016 it only be done with the purpose to further tweak this document.

When talking about strategic planning, and in response to the public and citizen advisory commissions, Mayor Roe opined that the City Council reworded it to reflect the intent as a priority planning exercise, and not an exercise to develop a new *Imagine Roseville 2025* community document. Mayor Roe clarified that such a community visioning process would be the focus in a few years, and the perception of this process became much larger than originally intended. However, Mayor Roe expressed his appreciation to his colleagues that the original intent was being refocused, which should make the public more comfortable with the outcome. Mayor Roe reiterated that the purpose of this exercise and subsequent document was not replacing the CEC discussion and larger community vision; and also emphasized that the *Imagine Roseville 2025* community visioning process would need to be revisited in the near future, and would be an entirely separate process than this.

Councilmember Laliberte Responses

Councilmember Laliberte stated that, if organizational effectiveness was eliminated from the document, she was fine with that.

As for effective governance, if to remain or be disseminated, Councilmember Laliberte suggested it be discussed further at a future City Council Worksession.

Regarding renaming community outreach, Councilmember Laliberte opined that some still didn't serve to measure engagement. If better direction is needed for citizen advisory commission, Councilmember Laliberte suggested the CEC provide recommendation to the City Council but not include it in this document for eventual adoption.

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Specific to housing and redevelopment priorities, Councilmember Laliberte noted the many entities working on those items, including the Planning Commission, HRA, Community Development Department and CEC.

Councilmember Laliberte spoke in support of retaining the priority for infrastructure sustainability.

Councilmember McGehee asked that her four overarching focus areas be incorporated into each and every goal as finalized, and including: educational outreach, transparency, formulation of policy, and process.

Public Comment

Lisa McCormick, 2950 Wheeler Street North

Ms. McCormick expressed appreciation for the thoughtful contributions provided by Councilmember Laliberte as well as the points brought out by individual council members tonight.

Under effective governance, Ms. McCormick expressed her total agreement, noting culture references by several Councilmembers. As a member of the community, Ms. McCormick expressed her frustration at times to fully understand community and civic engagement, opining that sometimes they appeared to be at odds.

Without going into too much detail, Ms. McCormick referenced a personal incident this week causing her to pause and consider the current Ethics Code, and lack of mention in the Mission Statement about a code of professional conduct. Ms. McCormick opined that this involved not only involved interpersonal interaction between Councilmembers, boards and citizen advisory commissions, but also should include those parties and their interaction with the public. Ms. McCormick opined that it was important to her to be assured as a citizen if she interacts with a board member or commissioner, she would receive courteous treatment.

While appreciating the transparency efforts, and in her personal review of staff reports and staff presentations, Ms. McCormick noted the need to provide a review of financial implications as part of that information, especially impacts to infrastructure and CIP, both important aspects.

Ms. McCormick expressed appreciation for tonight's discussion, opining things were moving in the right direction. However, regarding accountability being addressed at the next election as suggested by Councilmember Laliberte, Ms. McCormick stated she would prefer not to wait until then and as with conduct, people be held accountable as part of being challenged to be better.

Kathleen Erickson, 1790 Centennial Drive

Ms. Erickson expressed concern, specific to community engagement efforts, that often it seems like the only time the City was interested in that involvement was

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when seeking help clearing Buckthorn or building a playground, or serving on a task force or commission. Ms. Erickson opined that it needed to start in the community and not just be a City Hall culture, but a recognition that each neighborhood had its own culture as well; and encouraged the City Council and staff to make themselves aware of the flavor of each neighborhood. While not necessarily perfect, Ms. Erickson opined that people lived where they did for a reason, but often when speaking to the City Council at a public meeting such as this, it felt like the City Council and staff were light years away from understanding what the neighborhood valued and what they didn't want to lose. Ms. Erickson asked that community engagement not be thought of as "drive-through government" cruising through their neighborhood, but by expending effort to find out who they were. As a result of recent neighborhood issues, Ms. Erickson noted she had found out she lives in a great neighborhood, and asked that the City Council and staff also look beyond the obvious perception of community engagement.

Mayor Roe thanked the public for their verbal and written comments throughout this discussion process.

Laliberte moved, Willmus seconded, renaming the document to "City Council Priority Plan – 2015-2016," finishing out this year and tweaking it as needed in 2016; and adopt only two strategic priorities or goals entitled "Housing and Redevelopment," and "Infrastructure Sustainability."

At the request of Mayor Roe, Councilmembers Laliberte and Willmus confirmed that this would retain key outcome indicators as currently written.

Councilmember McGehee offered an amendment to incorporate her four goals as previously mentioned.

Councilmember Laliberte opined that those would come into the targets and initiatives yet to be rewritten or refined.

Councilmember McGehee noted the public comment reference and upcoming training sponsored by the Human Rights Commission for community training addressing ethics and professional conduct.

Mayor Roe suggested that as an additional item, at the discretion of the body, following this discussion.

Councilmember McGehee reiterated the importance of ethics as an important part of civic engagement when citizens bring things forward and the City Council's current response is only "thank you."

As part of this overall process, Councilmember Etten stated his enjoyment of the robust discussion resulting in the community and among Councilmembers, as

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well as tonight's discussion. However, Councilmember Etten opined that he was still not ready to let go of the third piece of the document; and therefore offered a friendly amendment to include a strategic priority for "cultural change" and how best to communicate and provide information as a City.

Etten moved, Roe seconded, an amendment to include a third category entitled "Community Outreach/Communication," and including process discussion from the current "Effective Governance" priority for process transparency and other indicators (KOI's) involving participation of other areas from the current "Civic Engagement" category; and those areas that fall into the CEC realm for further refinement.

To clarify the amendment, Mayor Roe reworded it as intended to add a third priority entitled, "Community Outreach/Communication," incorporating the process transparency KOI category from "Effective Governance," and participation by underrepresented populations KOI category as part of "Civic Engagement" at a minimum.

Councilmember Laliberte expressed her interest in working more closely with citizen advisory commissions on guiding principles to use in working on priorities, not as a checklist but guiding those things not being tasked to advisory commissions.

Councilmember McGehee spoke in opposition to the amendment, agreeing with Councilmember Laliberte that the original motion presented a more manageable and cleaner approach, while still allowing inclusion of those other items as addressed by Councilmember Laliberte. Councilmember McGehee expressed her preference for a clean, comprehensive document.

Councilmember Etten stated his rationale for including the amendment was based on the reasons outlined by Councilmember McGehee; opining that it included in the document it allowed for regular updates and tracking versus a checklist.

Councilmember Willmus stated his concern was even in providing charges to citizen advisory commissions, as a body the CEC incorporated a good group of people that he would like to allow an opportunity to take this document and see what they returned with versus the City Council now establishing its own KOI and targets. Councilmember Willmus suggested allowing the CEC to bring it back; and therefore would not support the friendly amendment at this time; concurring with the two items in the original motion as moved by Councilmembers Laliberte and McGehee, and including the four goals stated by Councilmember McGehee and embedded in each goal.

Mayor Roe spoke in support of the amendment, stating that the priority of this City Council is to improve communications through the process of transparency,

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and nothing talked about the targets in the original, thus the added third category included. As noted by Councilmember Etten, if additional KOI are received from the CEC or others, they can be added in, but this amendment to the motion reflected the February Retreat and subsequent discussions, and needed to be amended to the original motion to adequately address the priorities of this City Council and the City organization.

Councilmember Laliberte stated she would not support the amendment for the main reason that this direction had already been given and requests that these things happen outside of this document.

Roll Call (Amendment)

Ayes: Etten and Roe.

Nays: Willmus, McGehee, Laliberte.

Motion fails.

Roll Call (Original Motion)

Ayes: McGehee, Willmus, Laliberte, Etten, and Roe.

Nays: None.

As a follow-up to staff, without objection Mayor Roe directed that the “Rapp” document be identified as reference material only, and not the official document until this new revision was created as a separate document.

For clarification, City Manager Trudgeon reviewed that staff would create a similar one-page document listing the two priorities as adopted and KOI as part of that revised and separate document; with the “Rapp” report serving as reference material, and including the SWOT analysis.

At the request of City Manager Trudgeon as to whether to include Councilmember McGehee’s four goals, Mayor Roe clarified that they were not yet an official action of the City Council at this time.

Regarding targets and strategic initiatives to support what has now been adopted by the City Council, Councilmember Laliberte asked that at a future work session, they discuss those further, at which time citizen advisory commission, staff and other feedback could be engaged providing a much broader group than just the City Council.

Personally, Mayor Roe opined the City Council needed to decide how to move on from here as a body.

Councilmember Laliberte opined those groups be involved a City Council work session.

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Mayor Roe asked if this only got us back to the same current issue if citizen advisory commissions were part of that discussion, questioning if the City Council needed to figure it out now or have it as part of the next step in the conversation.

Next Steps

Councilmember McGehee yielded to Councilmember Laliberte on the work session, taking those two main items and KOI, with each individual coming up with a list of what they would like to see for the direction from input received from citizen advisory commissions and sending that input to the City Manager for dissemination, with the subsequent meeting to determine consensus. After that, Councilmember McGehee suggested that document be forwarded to commissions for their feedback and responses to the City Council as to how they envision implementing it.

Councilmember Willmus agreed with that concept, recognizing the timing of the next HRA meeting and upcoming City Council work session, allowing the benefit of their background discussions at that time.

Councilmember Laliberte suggested the work session allow for a review of targets to determine which should be kept or tweaked; and then publicize who should be involved and how involved, with the public and commissioners – as private citizens – all having time to speak.

Mayor Roe noted this would serve in identifying targets as well as stakeholders.

Councilmember Laliberte clarified this was not to say it would remain static but would start with an initial group and add to it moving forward.

Councilmember McGehee opined that she didn't see it as limiting if specific targets were identified, with the potential for short-term task forces and specific direction to interested community members.

Mayor Roe noted the City Council anticipated staff input as well during their review of the document, and as part of the public and City Council discussions at that July 13, 2015 Worksession.

McGehee moved to keep her four goals in mind as guiding principles: educational outreach, process, policy and transparency as part of this activity.

Mayor Roe directed staff to include that list on the bottom of the document; and was approved without objection.

b. Authorize Interfund Transfer – Dale Street Development

As detailed in the RCA, Community Development Director Paul Bilotta summarized this request.