



**CITY OF SHOREVIEW
AGENDA
CITY COUNCIL WORKSHOP
Monday November 18, 2024
5:00 PM**

1. **GENERAL BUSINESS**
 - 1.a Review of the 2025 budget and tax levy, capital improvement plan and utility rates.
 - 1.b 2025 City Council Strategic Visioning Workshop
2. **OTHER ISSUES & LIAISON UPDATES**
3. **ADJOURNMENT**

Memorandum

TO: City Council Workshop
FROM: Fred Espe , Finance Director
DATE: November 18, 2024
SUBJECT: Review of the 2025 budget and tax levy, capital improvement plan and utility rates.
ITEM NUMBER: 1.a
SECTION: GENERAL BUSINESS

REQUESTED MOTION

INTRODUCTION

Staff reports on the budget and tax levy, capital improvement plan and utility rates are attached to this council item and will serve as documentation for council discussion.

DISCUSSION

Staff is requesting feedback from council on the city's budget and tax levy, capital improvement plan and utility rates in order to prepare information for the city's truth-in-taxation hearing on December 2, 2024.

RECOMMENDATION

Provide staff direction regarding the city's budget and tax levy, capital improvement plan and utility rates in order to prepare information for the city's truth-in-taxation hearing on December 2, 2024.

ATTACHMENTS

[Nov 18 Workshop Budget amendment.pdf](#)

[Util Rate increase memo 2025.pdf](#)

[2025 CIP Report.pdf](#)

[Review of 2024-2029 Capital Improvement Program memo.pdf](#)

TO: Mayor and City Council

FROM: Brad Martens, City Manager
Fred Espe, Finance Director

DATE: November 18, 2024

RE: 2025 Budget and Tax Levy

Preliminary Property Tax Levy

The table below provides a comparison of the 2024 adopted levy, the 2025 levy as originally planned in the biennial budget, and the revised city manager's recommended levy. The adopted biennial budget estimated a 6.02% increase in the city's property tax levy in 2025. Changes made during this year's budget review have resulted in a total proposed levy increase of 6.50%, which is a 0.44% increase from the original estimate. When reviewing the areas impacting the total levy (as shown in the column at the far right-hand side of the table), the portion of the levy supporting city services (including the tax supported share of staff costs) causes a 6.88% increase in the tax levy. The offsetting .38% decrease in the levy is the result of debt, capital replacement funds, capital improvement funds, the EDA, the HRA, and the Edison tax abatement levy. The 2025 recommended levy as shown below is \$15,035 less than the preliminary levy certified to the county in September.

Description	2024 Adopted Levy	2025 Original Levy	2025 Recommended Levy	Change from 2024 Adopted to 2025 Preliminary Levy		Impact on Total Levy *
				Dollars	Percent	
General Fund	\$ 11,512,747	\$ 12,296,240	\$ 12,617,128	\$ 1,104,381	9.59%	6.88%
EDA	240,000	265,000	265,000	25,000	10.42%	0.16%
Debt (including Cent Garage)	1,155,000	1,155,000	1,155,000	-	0.00%	0.00%
Street Renewal Fund	1,080,000	1,130,000	980,000	(100,000)	-9.26%	-0.62%
Capital Asset Replacement Fund	1,945,000	2,040,000	1,945,000	-	0.00%	0.00%
Capital Acquisition Fund (IT)	50,000	50,000	50,000	-	0.00%	0.00%
Edison Tax Abatement	43,000	60,500	60,500	17,500	40.70%	0.11%
Total City Levy	\$ 16,025,747	\$ 16,996,740	\$ 17,072,628	\$ 1,046,881	6.53%	6.53%
HRA tax levy	\$ 310,000	\$ 325,000	\$ 325,000	\$ 15,000	4.84%	
Total Levy (City and HRA)	\$ 16,335,747	\$ 17,321,740	\$ 17,397,628	1,061,881	6.50%	
Taxable value (estim for 2024)	\$ 47,073,634		\$ 48,264,061	\$ 1,190,427	2.53%	
City tax rate (estim for 2024)	31.432%		32.376%		3.00%	
HRA tax rate (estim for 2024)	0.607%		0.615%		1.32%	
Fiscal disparity City (estim for 2024)	\$ 1,229,343		\$ 1,446,664	\$ 217,321	17.68%	
Net tax paid by property owners	\$ 14,796,404		\$ 15,625,964	\$ 829,560	5.61%	
Change in Tax Paid by Prop Owners	7.33%		5.61%			
* Percent change in this column is computed as the impact on the "Total City Levy"						

The proposed 2025 preliminary tax levy that was adopted in September included an estimated 20% and 5% rate increase for health and dental insurance rates respectively. The actual rate increases for health insurance was 9.9% for both single and family coverage. The actual rate increases for dental insurance ranged from 2% for single coverage to 2.8% for family coverage.

A listing of specific items impacting the preliminary tax levy is shown on the following page.

The first section of the box shows changes resulting from a reevaluation of all general fund revenues to reflect current development activity, preliminary capital projects, and transfers from utility funds. All revenue changes combined account for a 0.57% decrease in the total tax levy.

The second section of the box shows changes in general fund expenditures. These items account for 7.45% of the increase in the total proposed tax levy.

The net impact of general fund changes is a 6.88% increase in the total tax levy.

The EDA, debt funds, capital funds and Edison tax abatement levy account for a .35% decrease in the tax levy for a combined change in the city levy of 6.53% (6.88% - .35%).

Note: (brackets) indicate a decrease in the tax levy	2025	
	Increase (Decrease)	% Impact on Total Levy
General Fund Revenue Changes		
Capital project administrative charges	86,800	
Other revenues	(2,400)	
Transfer from Utility Funds (PILOT)	(6,000)	
Plan check fees	(10,000)	
State fire aid	(30,000)	
Administrative charges to other funds	\$ (61,460)	
Non-business license & permits	(67,200)	
General Fund Revenue Changes	(90,260)	-0.57%
General Fund Expenditure Changes		
Personal services:		
Wages full time employees	387,136	
Wages full time employees - overtime	2,500	
Wages part-time employees regular	(34,745)	
Wages associate employees - regular	50,982	
Wages associate employees - overtime	1,500	
PERA	27,012	
FICA/Medicare	31,320	
Group insurance	45,897	
Workers' compensation	(18,559)	
Police	324,902	
Fire	239,690	
Supplies:		
Forestry	46,000	
Park maintenance	26,900	
All other departments	19,883	
Contractual:		
Human resources	(52,940)	
Elections	(33,052)	
Streets	50,284	
Building inspection	28,928	
All other departments	51,003	
Transfers out		
Community Center	-	
Recreation Programs	-	
Slice of Shoreview	-	
General Fund Expenditure Changes	1,194,641	7.45%
Total General Fund changes	1,104,381	6.88%
Levy Changes in All Other Funds		
EDA Levy	25,000	
Debt (Debt & Central Garage funds)	-	
Street Renewal fund	(100,000)	
Capital Asset fund	-	
Information Technology fund	-	
Edison tax abatement levy	17,500	
Levy Changes in All Other Funds	(57,500)	-0.35%
Total Change in City Levy	1,046,881	6.53%
HRA Levy	15,000	4.84%
Total Levy	\$ 1,061,881	6.50%

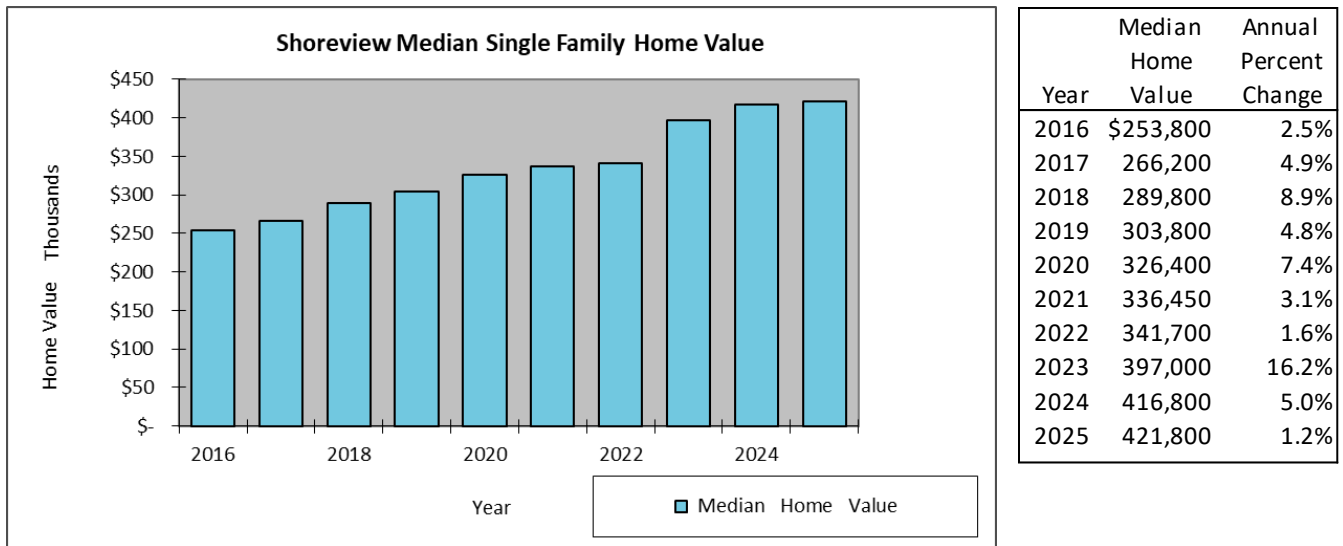
Below is a brief listing of specific items having an impact on the 2025 tax levy:

- Revenue decreases resulting in an increase in the levy include administrative fees charged to capital project funds as a result of decreased public works construction activity in 2025 (\$86,800). Revenue increases resulting in a decrease in the levy include other miscellaneous revenues (\$2,400), transfers from utility funds in conjunction with the target of no more than 1% of asset value as a payment in lieu of property taxes (\$6,000), plan check fees due to building activity, (\$10,000). state fire aid which will result in a corresponding increase in the fire contract cost, the city is a pass-through agency for this aid (\$30,000), administrative charges due to a decrease in the general fund percentage of expenditures in relation to all other funds included in the administrative charge formula (\$61,460), and higher permit-related revenues (\$67,200).
- Wage and benefit costs include a 3.0% wage adjustment, a \$150 per month increase in the City contribution for health insurance which maintains the 75% employer 25% employee split on employees choosing family coverage, contributions to PERA and social security, and step increases for employees not yet at the top step for their positions. It also includes the addition of two new associate positions including a communication specialist – social media (\$47,000), administrative intern (\$25,260) and an increase in wages for the natural resource interns in the amount of \$10,140. Additionally, wages increased approximately 6% due to a wage study that resulted in many employees who were at the top step now being back in the step system.
- Workers' compensation costs decreased by \$18,559 due the City switching providers from the League of Minnesota Cities Insurance Trust to SFM, resulting in lower rates.
- Police costs are increasing \$324,902 or 9.41%. Cost drivers include anticipated wage increases with new labor contracts that will go into effect in January 2025, increased costs related to establishing enhanced liability insurance as required by Ramsey County and increased internal service fees.
- Fire service costs are increasing \$239,690 or 9.79%. Cost drivers include wage increases for full-time and part-time firefighters, workers compensation increases for additional full-time staff, and new contracted human resource services.
- Supply costs are increasing \$92,783 for all departments, significant increases include the forestry department as a result of emerald ash borer disease (46,000), park maintenance for ground materials (\$26,900) and all other departments combined (\$19,883).
- Contractual costs decreased in the human resources department as a result of the 2024 wage study not being repeated in 2025 (\$50,000) and as a result of reduced election costs in 2025 due to the off-election year (\$33,052). Contractual costs increased in the streets department due to central garage equipment charges (\$50,284), in the building inspection department due to contracted electrical inspections (\$28,928) and in all other departments combined (\$51,003).
- Transfers out due to the general fund contributions to the community center, recreation program and Slice of Shoreview funds remained unchanged from 2024.
- The EDA levy increases \$25,000.
- The HRA levy increases \$15,000.

- Combined debt levies remain unchanged.
- The street renewal levy decreases \$100,000.
- The levy for the capital asset replacement fund remains unchanged
- The information technology fund levy remains unchanged.
- The Edison tax abatement levy increases \$17,500.

Residential Property Values

According to information provided by the Ramsey County assessor, the median single-family home value in Shoreview will increase from \$416,800 for 2024 taxes, to \$421,800 for 2025 taxes (a 1.2% increase in value). The table and graph below show the change in Shoreview’s median single-family home value since 2016.



Impact on Residential Property Taxes

The most recent legislative session adopted the following changes to the homestead market value exclusion calculation, the exclusion is equal to 40% of the 1st \$95,000 (was \$76,000) minus 9% of the value between \$95,000 to \$517,200 (was \$76,000 to \$413,800). For a homestead valued at \$517,200 or more (was \$413,800) there is no value exclusion.

The table below provides estimated changes in the city and HRA share of the property tax bill (using the assumptions on page 2 of this report) for a median value home. No information is available yet about the tax levies of other jurisdictions. To put this table into perspective, Shoreview is typically between 20% and 25% of the total tax bill.

Market Value		Value Change		City Portion of Property Tax		Change in City Property Tax		HRA Portion of Property Tax		Change in HRA Property Tax	
Before MVE	2025	Before MVE	After MVE	2024	2025	Dollars	Percent	2024	2025	Dollars	Percent
\$351,500	\$421,800	20.0%	19.5%	\$1,087.23	\$1,337.78	\$ 250.55	23.0%	\$ 21.01	\$ 25.41	\$ 4.40	20.9%
\$383,500	\$421,800	10.0%	8.5%	\$1,196.93	\$1,337.78	\$ 140.85	11.8%	\$ 23.13	\$ 25.41	\$ 2.28	9.9%
\$416,800	\$421,800	1.2%	-0.9%	\$1,310.09	\$1,337.78	\$ 27.69	2.1%	\$ 25.31	\$ 25.41	\$ 0.10	0.4%
\$421,800	\$421,800	0.0%	-2.0%	\$1,325.80	\$1,337.78	\$ 11.98	0.9%	\$ 25.62	\$ 25.41	\$ (0.21)	-0.8%
\$444,000	\$421,800	-5.0%	-6.9%	\$1,395.58	\$1,337.78	\$ (57.80)	-4.1%	\$ 26.97	\$ 25.41	\$ (1.56)	-5.8%
\$468,500	\$421,800	-10.0%	-11.8%	\$1,472.59	\$1,337.78	\$ (134.81)	-9.2%	\$ 28.45	\$ 25.41	\$ (3.04)	-10.7%

A description of the change in tax for a median home under each assumption is as follows.

- 20% increase in value – city taxes increase \$250.55 and HRA taxes increase \$4.40 for the year
- 10% increase in value – city taxes increase \$140.85 and HRA taxes increase \$2.28 for the year
- 1.2% increase in value – city taxes increase \$27.69 and HRA taxes increase \$0.10 for the year
- No change in value – city taxes increase \$11.98 and HRA taxes decrease \$.21 for the year
- 5% decrease in value – city taxes decrease \$57.80 and HRA taxes decrease \$1.56 for the year
- 10% decrease in value – city taxes decrease \$134.81 and HRA taxes decrease \$3.04 for the year

The next table provides the estimated change in the city share of the tax bill for home values ranging from \$100,000 to \$900,000, assuming a 1.2 percent increase in value. The change in Shoreview’s share of the property tax bill ranges from a 8.7 percent decrease for a home valued at \$100,000, to a 4.5 percent increase for a home valued at \$600,000.

Market Value				City Portion of Property Tax		Change in City Property Tax		HRA Portion of Property Tax		Change in HRA Property Tax	
Before MVE		Value Change									
2024	2025	Before MVE	After MVE	2024	2025	Dollars	Percent	2024	2025	Dollars	Percent
\$ 98,800	\$ 100,000	1.2%	-11.3%	\$ 221.60	\$ 202.35	\$ (19.25)	-8.7%	\$ 4.28	\$ 3.84	\$ (0.44)	-10.3%
\$ 148,200	\$ 150,000	1.2%	-5.9%	\$ 390.70	\$ 378.80	\$ (11.90)	-3.0%	\$ 7.55	\$ 7.20	\$ (0.35)	-4.6%
\$ 197,600	\$ 200,000	1.2%	-3.7%	\$ 559.80	\$ 555.25	\$ (4.55)	-0.8%	\$ 10.82	\$ 10.55	\$ (0.27)	-2.5%
\$ 395,300	\$ 400,000	1.2%	-1.0%	\$ 1,237.16	\$ 1,261.05	\$ 23.89	1.9%	\$ 23.91	\$ 23.95	\$ 0.04	0.2%
\$ 416,800	\$ 421,800	1.2%	-1.0%	\$ 1,310.09	\$ 1,337.78	\$ 27.69	2.1%	\$ 25.31	\$ 25.41	\$ 0.10	0.4%
\$ 494,000	\$ 500,000	1.2%	0.9%	\$ 1,552.74	\$ 1,613.94	\$ 61.20	3.9%	\$ 30.00	\$ 30.66	\$ 0.66	2.2%
\$ 592,900	\$ 600,000	1.2%	1.2%	\$ 1,936.53	\$ 2,023.50	\$ 86.97	4.5%	\$ 37.42	\$ 38.44	\$ 1.02	2.7%
\$ 691,700	\$ 700,000	1.2%	1.2%	\$ 2,324.71	\$ 2,428.20	\$ 103.49	4.5%	\$ 44.92	\$ 46.13	\$ 1.21	2.7%
\$ 790,500	\$ 800,000	1.2%	1.2%	\$ 2,712.90	\$ 2,832.90	\$ 120.00	4.4%	\$ 52.42	\$ 53.81	\$ 1.39	2.7%
\$ 889,300	\$ 900,000	1.2%	1.2%	\$ 3,101.08	\$ 3,237.60	\$ 136.52	4.4%	\$ 59.92	\$ 61.50	\$ 1.58	2.6%

Operating Budget

The 2025 budget is the second year of the biennial budget. This means that the city will formally amend the second year of the biennial budget and no new formal budget document will be prepared. Instead, the city council will authorize amendments to the budget and CIP, and will pass resolutions setting the funding level and documenting the changes. This section of the memo provides a summary of budget changes for each operating fund, along with general discussion about the changes to each budget. The following schedules assume a 3.0% COLA increase and a \$150 increase in the city contribution to health insurance.

General Fund budget revenue changes include increases to property taxes, permit revenue and intergovernmental revenue. A significant portion of expense increases are related to personal services (\$493,043) and contractual services (\$608,815). Public safety contractual cost increases are related to the police contract (\$324,902) and fire contract (\$239,690).

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Original Budget	Budget Changes	Amended Budget
General Fund						
Revenue						
Property Taxes	\$ 10,636,888	\$ 11,512,747	\$ 11,512,747	\$ 12,296,240	\$ 320,888	\$ 12,617,128
Licenses and Permits	1,198,008	582,550	1,356,037	518,750	133,950	652,700
Intergovernmental	718,116	682,100	712,862	683,350	30,000	713,350
Charges for Services	1,845,778	1,810,650	2,057,150	1,739,200	57,810	1,797,010
Fines and Forfeits	29,589	35,500	26,000	35,500	(3,500)	32,000
Interest Earnings	291,287	80,000	80,000	80,000	-	80,000
Other Revenues	37,415	15,250	17,750	15,250	-	15,250
Total Revenue	14,757,081	14,718,797	15,762,546	15,368,290	539,148	15,907,438
Expense						
General Government	\$ 2,963,840	\$ 3,538,530	\$ 3,469,604	\$ 3,612,071	\$ 72,823	\$ 3,684,894
Public Safety	5,408,614	5,900,090	6,009,938	6,200,833	263,849	6,464,682
Public Works	2,000,431	2,138,747	2,107,134	2,286,829	41,886	2,328,715
Parks and Recreation	2,613,311	2,775,799	2,802,890	2,897,624	127,342	3,024,966
Community Development	736,943	862,631	960,056	873,933	33,248	907,181
Total Expense	\$ 13,723,139	\$ 15,215,797	\$ 15,349,622	\$ 15,871,290	\$ 539,148	\$ 16,410,438
Other Sources (Uses)						
Transfers In	945,000	1,127,000	1,127,000	1,133,000	-	1,133,000
Transfers Out	(1,465,611)	(630,000)	(1,130,000)	(630,000)	-	(630,000)
Net Increase (Decrease)	513,331	-	409,924	-	-	-
Fund Equity, beginning	6,764,623	-	7,277,954	7,687,878		7,687,878
Fund Equity, ending	\$ 7,277,954	\$ -	\$ 7,687,878	\$ 7,687,878		\$ 7,687,878

Recycling Fund Charges for services were increased due to a \$4 recycling fee increase in 2025. Intergovernmental revenue also increased due to increased SCORE grant funding. Expenditure changes are a result of increases in salaries and benefits.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Recycling Fund						
Revenue						
Intergovernmental	\$ 70,785	\$ 65,000	\$ 70,207	\$ 65,000	\$ 32,313	\$ 97,313
Charges for Services	873,819	1,250,000	1,285,970	1,300,000	35,850	1,335,850
Interest Earnings	62,229	-	-	-	-	-
Total Revenue	1,006,833	1,315,000	1,356,177	1,365,000	68,163	1,433,163
Expense						
Public Works	\$ 740,045	\$ 1,316,867	\$ 1,307,161	\$ 1,352,695	\$ 404	\$ 1,353,099
Net Increase (Decrease)	266,788	(1,867)	49,016	12,305	67,759	80,064
Fund Equity, beginning	1,312,964	1,579,752	1,579,752	1,628,768		1,628,768
Fund Equity, ending	\$1,579,752	\$1,577,885	\$ 1,628,768	\$1,641,073		\$1,708,832

Community Center Fund Expenditure changes are a result of increases to salaries and benefits.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Community Center Fund						
Revenue						
Charges for Services	\$ 3,851,058	\$ 4,022,671	\$ 4,011,235	\$ 4,143,485	\$ 48,530	\$ 4,192,015
Interest Earnings	105,868	10,000	10,000	10,000	-	10,000
Other Revenues	18,048	12,800	20,000	13,200	6,800	20,000
Total Revenue	3,974,974	4,045,471	4,041,235	4,166,685	55,330	4,222,015
Expense						
Parks and Recreation	\$ 3,924,102	\$ 4,358,300	\$ 4,304,647	\$ 4,559,904	\$ 22,871	\$ 4,582,775
Other Sources (Uses)						
Transfers In	305,000	305,000	305,000	305,000	-	305,000
Net Increase (Decrease)	355,872	(7,829)	41,588	(88,219)	32,459	(55,760)
Fund Equity, beginning	1,618,768	1,974,640	1,974,640	2,016,228		2,016,228
Fund Equity, ending	\$1,974,640	\$1,966,811	\$ 2,016,228	\$1,928,009		\$1,960,468

Recreation Programs Fund revenue changes include increases related to the recovery of program fees affected by the covid pandemic. Expenditure changes include increased contractual services and supplies.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Recreation Programs Fund						
Revenue						
Charges for Services	\$ 1,739,265	\$ 1,789,000	\$ 1,771,150	\$ 1,844,070	\$ 74,680	\$ 1,918,750
Interest Earnings	57,567	2,000	2,000	2,000	-	2,000
Total Revenue	1,796,832	1,791,000	1,773,150	1,846,070	74,680	1,920,750
Expense						
Parks and Recreation	\$ 1,926,890	\$ 2,092,675	\$ 2,017,789	\$ 2,195,466	\$ 32,094	\$ 2,227,560
Other Sources (Uses)						
Transfers In	300,000	300,000	300,000	300,000	-	300,000
Net Increase (Decrease)	169,942	(1,675)	55,361	(49,396)	42,586	(6,810)
Fund Equity, beginning	973,381	1,143,323	1,143,323	1,198,684		1,198,684
Fund Equity, ending	\$ 1,143,323	\$ 1,141,648	\$ 1,198,684	\$ 1,149,288		\$ 1,191,874

Cable Television Fund changes are the result decreased PEG access fees and contractual services.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Cable Television Fund						
Revenue						
Charges for Services	\$ 364,010	\$ 362,850	\$ 359,950	\$ 349,200	\$ (2,700)	\$ 346,500
Interest Earnings	8,135	2,000	2,000	2,000	-	2,000
Other Revenues	2,900	1,200	1,200	1,200	-	1,200
Total Revenue	375,045	366,050	363,150	352,400	(2,700)	349,700
Expense						
General Government	\$ 141,125	\$ 181,976	\$ 162,557	\$ 135,087	\$ (6,831)	\$ 128,256
Other Sources (Uses)						
Transfers Out	(150,000)	(175,000)	(175,000)	(175,000)	-	(175,000)
Net Increase (Decrease)	83,920	9,074	25,593	42,313	4,131	46,444
Fund Equity, beginning	189,157	273,077	273,077	298,670		298,670
Fund Equity, ending	\$ 273,077	\$ 282,151	\$ 298,670	\$ 340,983		\$ 345,114

The EDA Fund expense decreases are primarily related to supplies and contractual services.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
EDA Fund						
Revenue						
Property Taxes	\$ 213,656	\$ 240,000	\$ 240,000	\$ 265,000	\$ -	\$ 265,000
Intergovernmental	-	-	-	-	-	-
Interest Earnings	9,426	-	-	-	-	-
Total Revenue	223,082	240,000	240,000	265,000	-	265,000
Expense						
Community Development	\$ 264,510	\$ 243,955	\$ 246,952	\$ 248,880	\$ (10,828)	\$ 238,052
Other Sources (Uses)						
Transfers In	165,778	-	-	-	-	-
Net Increase (Decrease)	124,350	(3,955)	(6,952)	16,120	10,828	26,948
Fund Equity, beginning	69,930	194,280	194,280	187,328		187,328
Fund Equity, ending	\$ 194,280	\$ 190,325	\$ 187,328	\$ 203,448		\$ 214,276

HRA Fund revenue increases are related to a new Affordable Housing Aid and expense decreases are primarily related to contractual services.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
HRA Fund						
Revenue						
Property Taxes	\$ 293,113	\$ 310,000	\$ 310,000	\$ 325,000	\$ -	\$ 325,000
Interest Earnings	17,197	-	-	-	-	-
Intergovernmental	-	-	130,516	-	240,000	240,000
Other	10,298	100,000	110,000	110,000	10,000	120,000
Total Revenue	320,608	410,000	550,516	435,000	250,000	685,000
Expense						
Community Development	\$ 355,824	\$ 368,499	\$ 344,956	\$ 403,598	\$ (11,578)	\$ 392,020
Net Increase (Decrease)	(35,216)	41,501	205,560	31,402	261,578	292,980
Fund Equity, beginning	398,244	363,028	363,028	568,588		568,588
Fund Equity, ending	\$ 363,028	\$ 404,529	\$ 568,588	\$ 599,990		\$ 861,568

The Slice of Shoreview Fund expenditure adjustments are related to supplies and contractual services.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<u>Slice of Shoreview Fund</u>						
Revenue						
Charges for Services	\$ 30,302	\$ 28,000	\$ 25,000	\$ 29,200	\$ (3,700)	\$ 25,500
Interest Earnings	5,531	-	-	-	-	-
Other Revenues	42,414	29,000	34,500	30,580	3,920	34,500
Total Revenue	78,247	57,000	59,500	59,780	220	60,000
Expense						
General Government	\$ 79,180	\$ 80,751	\$ 84,410	\$ 85,974	\$ 2,101	\$ 88,075
Other Sources (Uses)						
Transfers In	25,000	25,000	25,000	25,000	-	25,000
Net Increase (Decrease)	24,067	1,249	90	(1,194)	(1,881)	(3,075)
Fund Equity, beginning	96,541	120,608	120,608	120,698		120,698
Fund Equity, ending	\$ 120,608	\$ 121,857	\$ 120,698	\$ 119,504		\$ 117,623

The Debt Service Fund changes are a result of changes in timing and cost of issuance of new bonds and adjustments to interest earnings.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
<u>Debt Service Funds</u>						
Revenue						
Property Taxes	\$ 964,822	\$ 971,000	\$ 971,000	\$ 971,000	\$ -	\$ 971,000
Special Assessments	230,808	196,294	196,294	178,466	-	178,466
Interest Earnings	93,117	12,930	13,580	11,460	750	12,210
Total Revenue	1,288,747	1,180,224	1,180,874	1,160,926	750	1,161,676
Expense						
Debt Service	\$ 2,212,836	\$ 1,995,628	\$ 2,000,132	\$ 2,021,222	\$ (82,432)	\$ 1,938,790
Other Sources (Uses)						
Debt Proceeds	-	80,000	84,500	-	-	-
Transfers In	630,030	572,000	572,000	765,534	(84,045)	681,489
Transfers Out	(59,934)	(50,000)	(50,000)	(80,334)	1,609	(78,725)
Net Increase (Decrease)	(353,993)	(213,404)	(212,758)	(175,096)	746	(174,350)
Fund Equity, beginning	2,510,849	2,156,856	2,156,856	1,944,098		1,944,098
Fund Equity, ending	\$ 2,156,856	\$ 1,943,452	\$ 1,944,098	\$ 1,769,002		\$ 1,769,748

Central Garage Fund changes to expenses include decreases in contractual services. The transfers out decrease is related to information system purchases.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Central Garage Fund						
Revenue						
Property Taxes	\$ 182,896	\$ 184,000	\$ 184,000	\$ 184,000	\$ -	\$ 184,000
Intergovernmental	17	-	-	-	-	-
Central Garage Charges	1,277,006	1,473,823	1,473,823	1,516,806	-	1,516,806
Interest Earnings	147,752	20,000	20,000	20,000	-	20,000
Total Revenue	1,607,671	1,677,823	1,677,823	1,720,806	-	1,720,806
Expense						
Central Garage Operations	779,003	815,361	801,502	836,822	(534)	836,288
Debt Service	57,841	50,513	50,466	42,685	(390)	42,295
Depreciation	785,898	793,942	793,942	817,561	-	817,561
Total Expense	1,622,742	1,659,816	1,645,910	1,697,068	(924)	1,696,144
Other Sources (Uses)						
Sale of Asset-Gain	6,526	45,000	45,000	50,000	-	50,000
Sale of Asset-(Loss)	(52,022)	-	-	-	-	-
Transfers In	119,400	119,400	119,400	119,400	-	119,400
Transfers Out	-	(10,000)	(10,000)	-	(2,800)	(2,800)
Net Increase (Decrease)	58,833	172,407	186,313	193,138	(1,876)	191,262
Fund Equity, beginning	6,568,514	6,627,347	6,627,347	6,813,660		6,813,660
Fund Equity, ending	\$6,627,347	\$6,799,754	\$6,813,660	\$7,006,798		\$7,004,922
Note: Excludes contributed assets						
Contributed Capital Assets	-					

The Short-term Disability Fund budget has no proposed changes for 2025.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Short-term Disability Fund						
Revenue						
Charges for Services (misc)	\$ 8,696	\$ 7,900	\$ 7,900	\$ 7,900	\$ -	\$ 7,900
Interest Earnings	848	600	600	600	-	600
Total Revenue	9,544	8,500	8,500	8,500	-	8,500
Expense						
Miscellaneous	27,518	10,000	10,000	10,000	-	10,000
Net Increase (Decrease)	(17,974)	(1,500)	(1,500)	(1,500)	-	(1,500)
Fund Equity, beginning	25,642	7,668	7,668	6,168		6,168
Fund Equity, ending	\$ 7,668	\$ 6,168	\$ 6,168	\$ 4,668		\$ 4,668

The Liability Claims Fund budget has no proposed changes for 2025.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Liability Claims Fund						
Revenue						
Interest Earnings	\$ 8,054	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
Other Revenues	12,687	15,000	15,000	15,000	-	15,000
Total Revenue	20,741	17,500	17,500	17,500	-	17,500
Expense						
Miscellaneous	25,565	32,000	32,000	32,000	-	32,000
Net Increase (Decrease)	(4,824)	(14,500)	(14,500)	(14,500)	-	(14,500)
Fund Equity, beginning	170,509	165,685	165,685	151,185		151,185
Fund Equity, ending	\$ 165,685	\$ 151,185	\$ 151,185	\$ 136,685		\$ 136,685

Summary

The proposed budget is consistent with council direction received prior to adoption of the preliminary tax levy. Staff is seeking feedback from the city council on the budget and proposed tax levy before designing the budget hearing presentation and completing budget handout materials.

TO: Mayor and City Council

FROM: Brad Martens, City Manager
Fred Espe, Finance Director

DATE: November 18, 2024

RE: Utility Rate Adjustments

INTRODUCTION

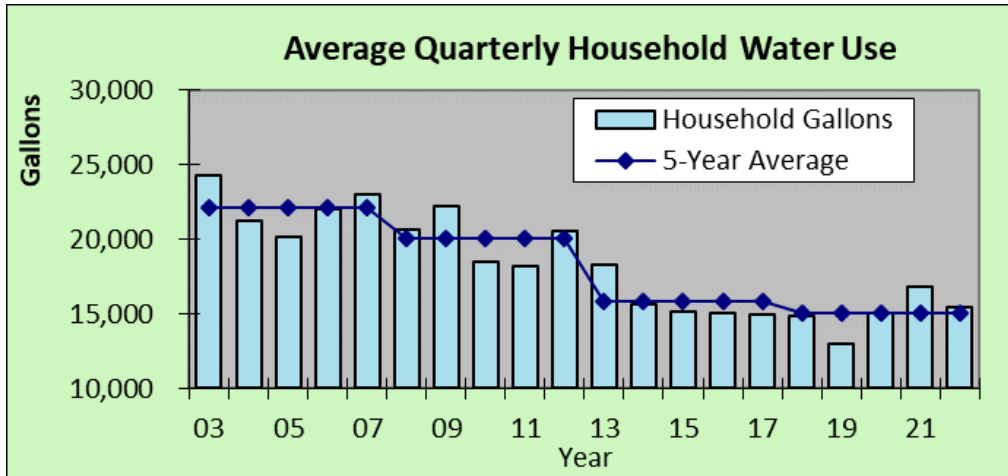
Each year a financial analysis of utility funds is conducted to consider changes in utility rates for the coming year. The analysis considers cash balances, debt levels, debt payments (current and future), operating costs, growth projections (new connections), water consumption trends, sewage flows, capital costs (additions, repairs and replacements) and maintenance strategies.

WATER OPERATIONS

In recent years it has been clear that a combination of weather (rainfall), an aging population, and changes in consumption habits have contributed to an overall decline in average water usage. Although the City expects variations in water consumption from year to year (due to rainfall fluctuations), and expects a net loss in some years and a net gain in others, the overall trend is toward reduced consumption levels. Therefore, the water rate structure has generally been designed to use periods of temporary higher profits (due to higher gallons sold) to have a modest reduction in future rates by providing funding for planned capital, operating and debt costs.

In recent years, the water fund has experienced net losses (excluding contributions). As a result of these ongoing losses, in 2019 staff recommended and council approved a change in the estimated gallons used in setting water rates as well as increasing the flat charge portion of the water bill beginning in 2020. It was noted during the issuance of the city's 2020 bond issue that the revenue in the water fund was not sufficient to pay the debt service on water debt, in order to preserve the city's AAA bond rating the city took corrective action through additional increases in the flat charge portion of the utility rate in 2020, 2021 and 2022. The water rate increases projected in the Five-Year Operating Plan will moderate beginning in 2023 to annual adjustments ranging from 3.00% to 4.00%.

Water Use Trends – As shown on the graph on the following page average quarterly water consumption by residential customers has been trending downward since the early 2000s. Average quarterly use for the years 2007 to 2011 was 20,528 gallons, and declined 17.6% to 16,915 gallons in the years 2012 to 2016. Over the last 5 years average quarterly use declined an additional 11.7% to an average of 14,933 gallons.



Unfortunately, fewer gallons sold has little impact on operating costs because the primary water cost related to gallons sold is for electricity, which represents only 8% of Water Fund operating costs. The majority of costs in the water fund are fixed and will be incurred regardless of the number of gallons sold.

Base Gallons - For over two decades the City has used a “base year” approach for estimating the gallons of water sold. The theory behind this approach is that it enables the City to set rates at levels that support operations, without allowing temporary fluctuations in gallons to change the revenue projections. The previous base gallon level of 880 million gallons resulted in the City being far below its revenue projections. In order to meet revenue projections and adequately fund water operating expenses the base gallons used was adjusted down to 800 million gallons in 2020, which better reflects current water consumption levels.

Water Rates –The City’s water rate structure has both a flat availability charge and a variable consumption charge component. The financial model used to calculate water utility rates includes assumptions related to operations, capital and debt. As stated earlier the vast majority of the Water Funds expenses are fixed costs, and will be incurred regardless of the number of gallons sold. Staff is recommending adopting a 5% increase to the availability (flat) charge and a 4% increase in the consumption (variable) portion of the water rate for 2025.

Residential					
2024 Rates		2025 Rates			Basis
Gallons	Rate	Gallons	Rate	Gallons	
Avail chg	\$ 33.99	Avail chg	\$ 35.69		Per unit
Tier 1	5,000 \$ 1.93	Tier 1	5,000 \$ 2.01		Per thousand gallons
Tier 2	5,000 \$ 3.11	Tier 2	5,000 \$ 3.23		Per thousand gallons
Tier 3	20,000 \$ 4.30	Tier 3	20,000 \$ 4.47		Per thousand gallons
Tier 4	remainder \$ 7.08	Tier 4	remainder \$ 7.36		Per thousand gallons

As shown in the previous table, for 2025 the water availability charge will increase \$1.70 per quarter, and tiered rates per thousand gallons will increase 8 cents for tier 1, 12 cents for tier 2, 17 cents for tier 3, and 28 cents for tier 4.

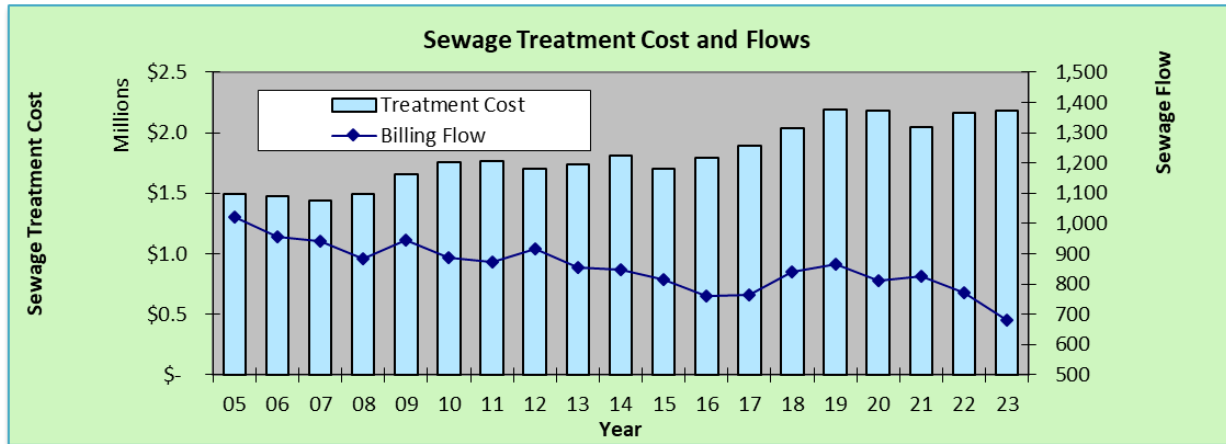
Water Projections –Under the current rate structure, the water revenues are extremely reliant on achieving the base gallons of sales that are projected. The impact of reducing the base gallons from 880 million to 800 million gallons in combination with the higher increases to the water availability charge has greatly improve the financial outlook for the water fund.

The proposed water rate changes outlined above preserve the City’s water conservation efforts and are expected to generate a net profit in 2025 consistent with the most recent Five-year Operating Plan (FYOP).

SEWER OPERATIONS

Sewage Flow - Sewage flow is metered by MCES on a quarterly basis, and is used to compute the City's sewage treatment bills in the following year. The table at right and the graph below show a history of sewage flow and treatment costs. It is important to note that sewage flow is impacted by water consumption as well as rainfall because heavy extended periods of rain can increase groundwater infiltration. For 2025, a sewage flow increase of 1.76% and a rate increase of 0.93%, results in a \$63,685 increase in 2025 sewage treatment costs (roughly a 2.71% cost increase).

Year	Billing Flow (millions)	Rate Per Million Gallons	Annual Cost (millions)
2016	762	\$ 2,348	\$ 1.789
2017	763	\$ 2,485	\$ 1.895
2018	840	\$ 2,422	\$ 2.035
2019	865	\$ 2,527	\$ 2.186
2020	812	\$ 2,681	\$ 2.177
2021	824	\$ 2,479	\$ 2.043
2022	772	\$ 2,805	\$ 2.166
2023	680	\$ 3,211	\$ 2.184
2024	680	\$ 3,461	\$ 2.352
2025	692	\$ 3,493	\$ 2.416



Sewer Rates – The Five-year Operating Plan provided for a 3% adjustment to 2025 sewer rates. As shown in the following table the sewer availability charge will increase \$1.54 per quarter, and tiered rates per quarter will increase 65 cents for tier 1, \$1.12 for tier 2, \$1.72 for tier 3, \$2.24 cents for tier 4 and \$3.04 for tier 5.

Description	2024	2025	Basis
Avail chg	\$ 51.46	\$ 53.00	Per quarter
Tier 1 < 5,000 gallons	\$ 21.76	\$ 22.41	Per quarter
Tier 2 From 5,000 to 10,000 gallons	\$ 37.43	\$ 38.55	Per quarter
Tier 3 From 10,000 to 20,000 gallons	\$ 57.42	\$ 59.14	Per quarter
Tier 4 From 20,000 to 30,000 gallons	\$ 78.08	\$ 80.42	Per quarter
Tier 5 More than 30,000 gallons	\$101.43	\$104.47	Per quarter

Sewer Projections - The proposed sewer rates outlined above are expected to generate a net profit in 2025 consistent with the most recent FYOP.

SURFACE WATER OPERATIONS

Surface Water Rates - Projected operating costs, debt payments, and capital costs indicate the need for a 2.0% adjustment to surface water rates for 2025. The single-family rate will increase 75 cents per quarter, the multi-family rate will increase 79 cents per quarter, and the rate for all other customers will increase \$6.25 per acre per quarter.

Description	2024	2025	Basis
Single-family	\$ 37.41	\$ 38.16	Per unit
Multi-family	\$ 39.62	\$ 40.41	Per unit
All other	\$ 312.73	\$ 318.98	Per acre

Surface Water Projections - The proposed surface water rates outlined above are expected to result in a small operating loss for the Surface Water Fund in 2025, differing from the most recent FYOP. Despite the projected loss, the Fund maintains a healthy fund balance, meeting working capital targets for the next five years.

STREET LIGHTING OPERATIONS

Street Lighting Rates - Estimated operating costs and continued capital replacement costs indicates the need for a 2% adjustment to street lighting rates for 2025. The residential rate will increase 33 cents per unit per quarter; the condominium, apartment and mobile home rate will increase 25 cents per unit per quarter; and the rate for all other customers will increase \$1.01 per acre per quarter.

Description	2024	2025	Basis
Residential	\$ 16.74	\$ 17.07	Per unit
Condo,apartment and mobile home	\$ 12.56	\$ 12.81	Per unit
All other	\$ 50.25	\$ 51.26	Per acre

Street Lighting Projections – The proposed street lighting rates outlined above are expected to generate a net profit for the Street Light Fund in 2025 consistent with the most recent FYOP.

IMPACT ON RESIDENTIAL CUSTOMERS

The change in the total utility bill will vary based on the amount of water used by each customer, and by the type of customer. To put the rate change into perspective, two tables are presented to estimate the change for single family residential customers at various water usage levels.

For the average single family residential customer (using an average of 15,000 gallons of water per quarter, and 12,000 gallons in the winter) the total utility bill will increase \$7.89 per quarter, and increase of 3.2%. The majority of the increase is for water charges.

Average User			
	2024	2025	Change
Water	\$ 80.69	\$ 84.24	\$ 3.55
Sewer	108.88	112.14	3.26
Surface water	37.41	38.16	0.75
Street lighting	16.74	17.07	0.33
State fee	2.43	2.43	-
Total	\$ 246.15	\$ 254.04	\$ 7.89

The table below shows the change in the utility bill for single family residential customers at 6 different usage levels. The second column of the table shows the percentage of single family residential customers that fall within each usage level.

Use Level	% of Homes	Water Gallons	Sewer Gallons	Total Quarterly Utility Bill		Quarterly Change	
				2024	2025	\$	%
Very low	13%	5,000	4,000	\$173.44	\$ 178.81	\$ 5.37	3.1%
Low	28%	10,000	10,000	\$201.86	\$ 211.10	\$ 9.24	4.6%
Average	40%	15,000	12,000	\$246.15	\$ 254.04	\$ 7.89	3.2%
Above avg	14%	25,000	22,000	\$309.81	\$ 320.02	\$ 10.21	3.3%
High	3%	55,000	26,000	\$508.31	\$ 526.37	\$ 18.06	3.6%
Very high	2%	80,000	34,000	\$708.66	\$ 734.42	\$ 25.76	3.6%

A summary of financial activity by fund incorporating the recommended rate increases is as follows.

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Water Fund						
Revenue						
Special Assessments	\$ 1,737	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,269	-	-	-	-	-
Charges for Services (utility chgs)	4,988,439	4,582,500	4,250,500	4,777,500	83,000	4,860,500
Interest Earnings	170,294	30,000	30,000	30,000	-	30,000
Other Revenues	1,952	-	-	-	-	-
Total Revenue	5,165,691	4,612,500	4,280,500	4,807,500	83,000	4,890,500
Expense						
Enterprise Operations	2,279,254	2,311,664	2,296,323	2,370,911	66,296	2,437,207
Debt Service	352,734	351,152	371,858	507,693	(163,640)	344,053
Depreciation	1,040,056	1,028,114	1,028,114	1,042,638	-	1,042,638
Total Expense	3,672,044	3,690,930	3,696,295	3,921,242	(97,344)	3,823,898
Other Sources (Uses)						
Sale of Asset-Gain (Loss)	(201,328)	-	-	-	-	-
Transfers Out	(443,000)	(525,250)	(525,250)	(525,000)	-	(525,000)
Net Increase (Decrease)	849,319	396,320	58,955	361,258	180,344	541,602
Note: Excludes contributed assets						
Contributed Capital Assets	-					

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Sewer Fund						
Revenue						
Special Assessments	\$ 2,302	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	54	-	-	-	-	-
Charges for Services (misc)	4,632	1,600	1,600	1,600	-	1,600
Charges for Services (utility chgs)	5,178,049	5,127,500	5,127,500	5,297,500	(58,000)	5,239,500
Interest Earnings	258,396	35,000	35,000	35,000	-	35,000
Total Revenue	5,443,433	5,164,100	5,164,100	5,334,100	(58,000)	5,276,100
Expense						
Enterprise Operations	3,951,090	4,332,273	4,259,959	4,592,646	(153,850)	4,438,796
Debt Service	130,934	115,624	114,941	130,966	(34,635)	96,331
Depreciation	401,353	356,502	356,502	368,280	-	368,280
Total Expense	4,483,377	4,804,399	4,731,402	5,091,892	(188,485)	4,903,407
Other Sources (Uses)						
Sale of Asset-Gain (Loss)	(26,799)	-	-	-	-	-
Transfers Out	(218,000)	(256,250)	(256,250)	(255,000)	-	(255,000)
Net Increase (Decrease)	715,257	103,451	176,448	(12,792)	130,485	117,693
Note: Excludes contributed assets						
Contributed Capital Assets	133,846					

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Surface Water Fund						
Revenue						
Special Assessments	\$ 759	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	15,028	-	-	-	-	-
Charges for Services (utility chgs)	2,311,719	2,351,000	2,301,000	2,396,000	(50,000)	2,346,000
Interest Earnings	139,395	15,000	15,000	15,000	-	15,000
Other Revenues	12,520	-	-	-	-	-
Total Revenue	2,479,421	2,366,000	2,316,000	2,411,000	(50,000)	2,361,000
Expense						
Enterprise Operations	1,114,872	1,311,502	1,423,112	1,556,597	96,650	1,653,247
Debt Service	105,213	99,506	112,080	129,425	(25,988)	103,437
Depreciation	416,396	433,749	433,749	445,731	-	445,731
Total Expense	1,636,481	1,844,757	1,968,941	2,131,753	70,662	2,202,415
Other Sources (Uses)						
Transfers Out	(201,000)	(241,000)	(241,000)	(246,000)	-	(246,000)
Net Increase (Decrease)	641,940	280,243	106,059	33,247	(120,662)	(87,415)
Note: Excludes contributed assets						
Contributed Capital Assets	-					

	2023 Actual	2024		2025		
		Budget	Revised Estimate	Budget	Budget Changes	Amended Budget
Street Lighting Fund						
Revenue						
Special Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services (utility chgs)	895,460	902,000	906,000	920,000	\$ 4,000	924,000
Interest Earnings	58,899	10,000	10,000	10,000	-	10,000
Other Revenues	2,498	-	-	-	-	-
Total Revenue	956,857	912,000	916,000	930,000	4,000	934,000
Expense						
Enterprise Operations	349,947	399,021	387,392	418,998	10,825	429,823
Depreciation	153,220	151,491	151,491	163,522	-	163,522
Total Expense	503,167	550,512	538,883	582,520	10,825	593,345
Other Sources (Uses)						
Transfers Out	(52,400)	(51,400)	(51,400)	(51,400)	-	(51,400)
Net Increase (Decrease)	401,290	310,088	325,717	296,080	(6,825)	289,255
Note: Excludes contributed assets						
Contributed Capital Assets	-					

Capital Improvement Program Summary

Introduction

The Administration and Finance departments are pleased to present the Capital Improvement Program (CIP) for the years 2025 through 2029 (including revised estimates for 2024). This CIP reflects the city's assessment of community needs and the ability to pay for major improvements, and is guided by the belief that reinvestment for replacement, maintenance or increased efficiency of existing systems shall have priority over expansion of existing systems or the provision of new services. All city departments have participated in the preparation of the CIP, including identifying major public improvements needed to serve existing development or to support future growth, projecting the timing of necessary replacements, establishing when replacements and improvements should be provided, and determining how to finance capital costs.

Capital spending decisions for the CIP are generally made according to the following funding priorities, and reflect the city's efforts to allocate the city's limited resources to projects:

1. Contribute to the public health and welfare
2. Maintain an existing system
3. Improve efficiency of an existing system
4. Expand or add a system or service
5. Expand, renovate or add public facilities/parks

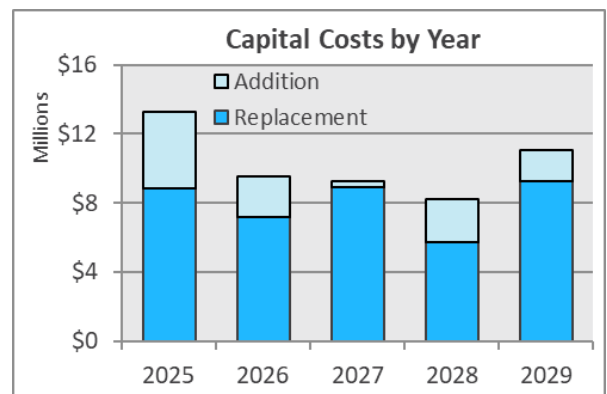
Although the CIP represents a tentative commitment to proceed with planned projects in the future, the commitment is more certain in early years and becomes increasingly more tenuous in subsequent years. Regardless, the CIP represents the city's present plan and priority for capital spending, and provides a framework for projected tax levies and utility rates.

Infrastructure Replacement Planning

Because Shoreview is more than 96 percent developed, replacement costs account for the majority of capital spending. Over the next five years, approximately 78 percent of costs are for repair, rehabilitation or reconstruction projects.

The city's comprehensive infrastructure replacement plan (CHIRP) and policy ensure that capital replacement planning is a routine part of the annual budget process by requiring a

comprehensive and integrated examination of the impact of capital replacement costs on inter-fund charges, user fees (including utility rates) and tax levies. In addition, the policy directs that the city avoids assessing property owners more than once for any given facility because the city is viewed as being primarily responsible for the payment of replacement and rehabilitation costs. The maximum cost to be assessed is limited to the cost of added improvements plus a proportionate share of project engineering and administrative costs.



Debt Issuance

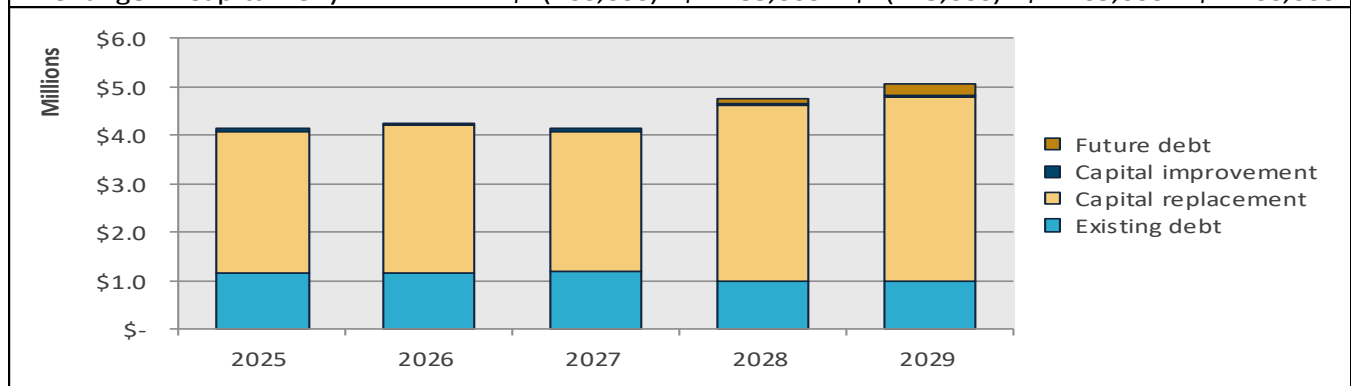
Proposed debt issuance over the next seven years is \$13.6 million, in comparison to project costs of \$51.3 million (26% of project costs). This favorable indicator is possible due to long-term financial planning efforts, described on the previous page, which require the identification of resources and funding mechanisms well in advance of capital needs. It also should be noted that a majority of new debt is for utility systems and non-tax supported debt, and therefore has a minor impact on tax levies.

Description:	2025	2026	2027	2028	2029	Total
CIP required debt resources	\$ 3,562,000	\$ 1,495,000	\$ 4,610,000	\$ 165,000	\$ 3,721,000	\$13,553,000
Debt Issues:						
GO Improvement Bonds (assmts)	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ 85,000
GO Improvement Bonds	1,600,000	-	2,500,000	-	-	4,100,000
GO Water Bonds	712,000	1,275,000	1,075,000	60,000	1,775,000	4,897,000
GO Sewer Bonds	850,000	-	95,000	20,000	926,000	1,891,000
GO Surface Water Bonds	400,000	220,000	940,000	-	1,020,000	2,580,000
Adjusted Debt issued by year	\$ 3,562,000	\$ 1,495,000	\$ 4,610,000	\$ 165,000	\$ 3,721,000	\$13,553,000
Issuance by year	\$ 1,600,000	\$ 3,457,000	\$ 4,610,000	\$ -	\$ 3,886,000	\$13,553,000

Capital and Debt Levies

Capital and debt levies necessary to support planned projects in this CIP are projected to have an average annual impact of .90 percent on the total tax levy. The City has maintained this low level through sound long-range financial planning and General Fund surplus transfers. These surpluses are being used to buy down the annual levy, in an effort to smooth out temporary fluctuations in the tax levy and ease the impact on property owners.

Description	2025	2026	2027	2028	2029
Capital Repl-Street Renewal	\$ 980,000	\$ 1,170,000	\$ 1,120,000	\$ 1,270,000	\$ 1,320,000
Capital Repl-Capital Asset Repl.	1,945,000	1,890,000	1,795,000	2,350,000	2,460,000
Capital Acquisition (IT)	50,000	50,000	50,000	50,000	50,000
Existing Debt-Central Garage	184,000	184,000	210,000	210,000	210,000
Existing Debt-Debt funds	971,000	966,000	966,000	782,000	791,000
Future Debt-Debt funds	-	-	-	102,000	225,000
Total Capital and Debt Levies	\$ 4,130,000	\$ 4,260,000	\$ 4,141,000	\$ 4,764,000	\$ 5,056,000
Change in Debt Levy	\$ -	\$ (5,000)	\$ 26,000	\$ (82,000)	\$ 132,000
Change in Capital Levy	\$ (100,000)	\$ 135,000	\$ (145,000)	\$ 705,000	\$ 160,000



Collector Streets

MSA streets are typically city streets with higher traffic volumes. The city may designate up to 20 percent of local streets as MSA routes, and the routes are subject to certain State design requirements. The CIP contains three projects that use MSA funding over the next six years.

- Reconstruction of Hamline Avenue from the north junction of County Road I to Lexington Avenue is planned for 2028, with minor costs in 2026

Street Improvements

In 2006 the city council changed the course of the city's street renewal program by utilizing street bonds for large-scale rehabilitation of city streets. This change enabled the city to simultaneously direct street renewal dollars toward reconstruction of substandard street segments (and reconstruct all substandard streets by 2021) while maintaining street condition ratings and preserving pavement condition through pavement strategies such as full depth reclamation. The city also sold street rehabilitation bond in 2013, 2018; and 2022. This CIP anticipates the issuance of \$2,500,000 of street rehabilitation bonds in 2027 to fund 2027 rehabilitation costs and replace the 2013 bond issue which matures in 2028. The 2025, 2026 and 2029 street rehabilitation projects will be financed internally with funds on hand in the Street Renewal fund. In 2017 the city discontinued sealcoating streets and redirected sealcoat funding towards the repayment of debt used for street rehabilitation. The following street reconstruction projects are planned over the next five years.

- Street Rehabilitation (2025 – 2029) – Rehabilitation of various local street segments throughout the city. Actual locations will be based on pavement conditions as determined by the City's Pavement Management Program and includes costs associated with the city's utility funds as well as trail improvements. Utility and trail costs will be financed by the utility funds and the capital asset replacement fund.

Park Improvements

Park improvements include replacement costs, renovations and facility additions/expansions. Major projects planned over the next six years include:

Community Investment Fund supported:

- Bucher Park – Install dugouts in 2026 (\$77,000), install scoreboards in 2027 (\$42,000)
- Commons Park – Gaga ball in 2025 (\$11,500), concrete cornhole in 2025 (\$9,500), security lighting for Commons playground in 2025 (\$25,000), grills at Commons playground in 2026 (\$5,000)
- McCullough Park – Splash pad in 2026 (\$650,000), park renovations in 2026 (\$995,000), install scoreboards in 2026 (\$42,000), install dugouts in 2027 (\$77,000)
- Rice Creek Fields – Install dugouts in 2026 (\$150,000)
- Shamrock Park – Park renovations in 2029 (\$995,000), install soccer scoreboards in 2029 (\$100,000), install pickleball courts in 2029 (\$460,000), install scoreboards in 2029 (\$50,000)
- Sitzer Park – Install dugouts in 2026 (\$77,000)
- Bobby Theisen Park – Park renovation in 2025 (\$2,973,000)

- Wilson Park – Install dugouts in 2026 (\$77,000), install scoreboards in 2029 (\$42,000)

Capital Asset Replacement Fund supported:

- Bucher Park – Regrade west outfield and infield in 2025 (\$79,500), replace furnace in 2027 (\$10,000), clean and reseal picnic shelters in 2029 (\$7,000)
- Commons Park – Lighting and sound improvements at the pavilion in 2025 (\$50,000), add mulch to hwy. 96 medians in 2026 (\$23,000), landscaping improvements/tree replacements for Commons Park in 2026 (\$50,000), soccer field improvements in 2026 (\$125,000), sealcoat and restripe upper lot in 2025 (\$28,000), rehabilitate lower level parking lot and service road, including ADA sidewalk upgrades in 2026 (\$450,000), court resurfacing in 2027 (\$45,000), replace furnace and A/C in 2025 (\$20,000), clean and reseal destination playground and Mounds Ave. picnic shelters in 2029 (\$10,000), clean and reseal Haffeman Pavilion in 2029 (\$45,000), trail connection from pond area to Mound Ave. playground, trail replacement from destination playground to Victoria Street in 2026 (\$62,000)
- Lake Judy Park – Replace existing trail in 2026 (\$40,000)
- McCullough Park – Regrade ballfield infields in 2025 (\$40,000), replace playground equipment and add concrete curb in 2027 (\$475,000), replace back stops, fencing and foul poles in 2028 (\$250,000), replace hockey rink , soil corrections in 2028 (\$325,000), court resurfacing in 2025 (\$45,000), replace furnace in 2026 (\$10,000), renovate warming house in 2026 (\$95,000), replace existing trails, trail connection from parking lot to ballfields in 2026 (\$42,000)
- Rice Creek Fields – Restrain/repaint building in 2027 (\$26,000), replace furnace and A/C in 2028 (\$20,000),
- Shamrock Park – Replace playground and add concrete curb in 2025 (\$460,000), regrade ballfield infields in 2026 (\$10,000), replace furnace in 2025 (\$10,000), clean and reseal picnic shelter in 2029 (\$5,000)
- Sitzer Park – Replace backstops in 2025 (\$125,000), replace scoreboards in 2025 (\$42,000), court resurfacing in 2026 (\$45,000), Clean and reseal picnic shelter in 2029 (\$5,000)
- Bobby Theisen Park – Replace hockey rink/relocate lights in 2025 (\$235,000), court replacement in 2025 (\$350,000), trail replacement in 2025 (\$77,000), adjust trail grading to be ADA compliant and improve connections in 2025 (\$60,000)
- Wilson Park – Regrade ballfield infields in 2025 (\$18,000), court resurfacing in 2026 (\$45,000), replace furnace in 2029 (\$10,000)
- All sites – 2025 costs include park signage and wayfinding (\$25,000), replace picnic tables (\$10,000), replace recycling/trash containers (\$9,000)
- Allowance – park facility replacements allowance all sites 2025 – 2029 (\$50,000 each year)
- Allowance – park building rehabilitation allowance all sites 2025 – 2029 (\$15,000 each year)
- Allowance park trail repairs and replacements 2027 – 2029 (\$40,000 each year)
- Allowance parking and driveways/city owned facilities 2026 – 2029 (\$15,000 each Year)

Trail Rehabilitation and Extension

The trail improvement program continues to use rehabilitation strategies that include replacing certain segments of trail, as well as resurfacing of trails with a slurry seal. This seal coat system has proven to be a very cost-effective method to extend the life of the trail system. Additional trail improvements in 2025 include replacement of the boardwalk along County Rd I between Lexington and Chatsworth St. (\$500,000), in 2028 the extension of the off-street trail along Victoria Street from Harriet Avenue in Shoreview to County Road C located in Roseville to be funded by the Community Investment fund (\$600,000), and allowances for trail segments to be determined in the future.

Municipal Buildings

Municipal buildings include repair/replacement items for the community center/city hall, central garage and fire stations as well as facility additions/expansions. Major items include:

Community Investment Fund supported:

- Annual allowance of \$50,000 per year for 2025 thru 2029 for improvements to the community center facility
- City hall elevator in 2025 (\$500,000)

Debt supported:

- City hall office renovation in 2025 (\$1,050,000)
- Park and recreation office renovation in 2025 (\$550,000)

Capital Asset Replacement Fund supported:

- Fire station improvements at station #2 in 2025 include electrical in the east lounge (\$923), new fridge/freezer (\$1,107), in 2027 gear dryer (\$5,535). Improvements at station #3 in 2025 include stucco redashing (\$30,750), laundry expansion (\$3,075), in 2027 remodel administrative space to staffed station (\$153,750), gear dryer (\$5,535), in 2028 replace roof (\$184,500). Improvements at station #4 in 2025 new fridge/freezer (\$1,107)
- Refurbish movable walls in meeting rooms in 2025 (\$35,000)
- Replace movable walls in banquet room in 2025 (\$110,000)
- Update elevator control panel and hydraulic pump in 2025 (\$90,000)
- Election equipment replacement in 2025 (\$105,000)
- Replace carpet in meeting rooms and activity rooms in 2025 (\$70,000)
- Refurbish banquet chairs in 2025 (\$65,000)
- Refurbish sound & light system on water slide in 2025 (\$50,000)
- Bamboo Bay defender filter maintenance in 2025 (\$10,000)
- Bamboo Bay surge tank refurbishment in 2025 (\$30,000)
- Refurbish Bamboo Bay waterslide in 2025 (\$15,000)
- Replace fireside lounge seating area furniture in 2025 (\$15,000)
- Replace Kalwall in Tropics in 2025 (\$108,000)
- Replace Taski 1255b floor machine in 2025 (\$14,000)
- Replace community room kitchen equipment in 2025 (\$35,000)
- Engineering study for AHU #4 replacement in tropics pool area in 2025 (\$25,000)

- Replace Shoreview room deck surface in 2026 (\$40,000)
- Remodel lower level service desk in 2026 (\$65,000)
- Replace hard flooring in fitness center areas in 2026 (\$35,000)
- Replace main pool heater in 2026 (\$20,000)
- Replace Bamboo Bay pool heater in 2026 (\$15,000)
- Refurbish pool floatable in 2026 (\$15,000)
- Regrout pool and spa in 2026 (\$60,000)
- Refurbish tropics waterslide in 2026 (\$18,000)
- Replace furniture in pool areas in 2026 (\$30,000)
- Replace basketball hoop along pool edge in 2026 (\$15,000)
- Replace fireside lounge seating area furniture in 2026 (\$15,000)
- Replace wave kitchen equipment in 2026 (\$35,000)
- Replace pool floatable in 2027 (\$20,000)
- Replace activity room tables and chairs in 2027 (\$50,000)
- Replace AHU #4 for tropics pool area in 2027 (\$800,000)
- Replace/repair locker room life flooring allowance in 2028 and 2029 (\$50,000 each year)
- Refurbish bamboo bay structure in 2028 (\$25,000)
- Replace sand in tropics filter in 2028 (\$16,000)
- Replace taski 455b floor machines (2) in 2028 (\$20,000)
- Replace Community Room carpet in 2029 (\$45,000)
- Replace Shoreview Room carpet in 2029 (\$50,000)
- Re-plaster bamboo bay pool in 2029 (\$80,000)
- Replace bamboo bay yellow slides in 2029 (\$15,000)
- Replace bamboo bay shallow water play features in 2029 (\$26,000)
- Replace pirate ship slide feature in 2029 (\$120,000)
- Replace carpeting in upper level of community center in 2029 (\$100,000)
- Allowance for miscellaneous banquet room repairs for 2026, 2027, 2028 and 2029 (\$15,000 each year)
- Allowance for Community Center building rehabilitation costs for 2026, 2027, 2028 and 2029 in the amounts of \$50,000, \$50,000, \$150,000 and \$50,000 respectively
- Fitness equipment allowance for 2025, 2026, 2028 and 2029 (\$50,000 each year 2027, \$70,000)

Cable Television Fund supported:

- Ipad replacements in 2029 (\$25,000)
- Allowance for information systems equipment 2025 - 2028 \$2,500 each year

Central Garage Fund supported:

- Replace underground fuel tanks and pumping system in 2025 (\$550,000)
- Mill and resurface main garage floor in 2026 (\$200,000)

Utility Improvements

There are several planned improvements to the city's utility systems in the next five years. The most significant 2025 improvements include water system improvements (\$820,000),

sanitary sewer rehabilitation (\$760,000), sanitary sewer lift stations (\$90,000), surface water improvements (\$400,000) and residential street lights (\$566,460). Major utility system improvements include:

- Utility system controls in 2025 (\$50,000), installation of water mains to connect dead-ends between Milton Street and County Road E and North Owasso Boulevard and Woodbridge Street in 2025 (\$650,000), installation of a solar energy system at the water treatment plant in 2025 (\$120,000), rehabilitation or replacement of portions of the city's water distribution system at various locations throughout the city in 2026 (\$1,000,000), interior wet rehabilitation and surface recoating of the north tower in 2027 (\$800,000), and rehabilitation or replacement of portions of the city's water distribution system at various locations throughout the city in 2029 (\$1,500,000).
- Allowances for rehabilitation and replacement of various sanitary sewer systems throughout the city in 2025 (\$760,000), and 2029 (\$831,000). Allowances in 2025, 2027 and 2029 for lift station updates in the amount of \$90,000 and \$95,000 and 95,000 respectively.
- Rehabilitate or replace portions of the city's surface water and collection system in various locations throughout the city in 2025 (\$400,000), install new surface water treatment infrastructure and rehabilitate or replace portions of the city's surface water and collection system in various locations throughout the city in 2027 (\$720,000) and 2029 (\$800,000).
- Street Light replacements in 2025, 2027 and 2029 to address a growing number of street light outages occurring for lighting originally installed in the 1970s and early 1980s (\$566,460, \$595,140 and \$625,220) respectively.

Major Equipment

Most of the equipment costs identified in this section of the CIP are for the replacement of existing equipment. Major items include:

- Major fire department equipment replacements in 2025 include a Tahoe command vehicle (\$67,650), in 2026 include a UTV utility trailer (\$123,000), SCUBA replacement equipment (\$442,800), in 2027 include engine ladder replacement (\$710,325), Tahoe command vehicle (\$73,800), equipment for the new engine ladder (\$56,580), in 2028 include rescue replacement (\$202,950), Tahoe command vehicle (\$78,720), in 2029 tanker utility replacement (\$258,300)
- Warning siren replacements
- Computer system replacements and improvements
- Central garage equipment

Ongoing Capital Project Fund Cash Flows

Funding for capital costs is provided by operating funds, ongoing capital funds and other sources. For operating funds, planned revenue sources in the operating budget are allocated to capital costs according to the capital improvement plan as each project is approved by the city council. Because ongoing capital project funds (which also provide funding for projects) do not appear in the operating budget, cash flow projections for these funds are provided on the next few pages.

MSA Fund

The summary of MSA Fund activity provided in the table below shows that projected MSA receipts will not be sufficient to cover project costs through the year 2029 without advances of MSA state aid. The city requested and received a \$4,000,000 advance on future MSA allotments from the Minnesota Department of Transportation in 2020, and an additional \$2,270,668 advance in 2023, the projection below assumes an additional \$4,915,000 advance in 2028.

MSA Fund Capital Projections	Estimated 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028	Planned 2029
Revenue						
Intergovt (MSA allocation)	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
Intergovt advance or (repay advance)	(900,000)	(900,000)	(900,000)	(900,000)	4,015,000	(900,000)
Investment interest	10,000	10,000	10,000	10,000	10,000	10,000
Total Revenues	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 4,925,000	\$ 10,000
Expense						
Highway 49/Hodgson (96-Gramsie)	2,460,640	-	-	-	-	-
Hodgson Road/Co Road J intersection	267,330	-	-	-	-	-
Hamline Ave. Reconstruction	-	-	90,000	-	4,075,000	-
Total Expense	\$ 2,727,970	\$ -	\$ 90,000	\$ -	\$ 4,075,000	\$ -
Net change	(2,717,970)	10,000	(80,000)	10,000	850,000	10,000
Fund equity, beginning	3,483,912	765,942	775,942	695,942	705,942	1,555,942
Fund equity, ending	\$ 765,942	\$ 775,942	\$ 695,942	\$ 705,942	\$ 1,555,942	\$ 1,565,942
Fund equity percent of avg expense	66.7%	67.5%	60.6%	61.4%	135.4%	136.3%
Months capital coverage (avg expense)	8.0	8.1	7.3	7.4	16.3	16.4
MSA advance balance	2,790,836	1,890,836	990,836	90,836	4,105,836	3,205,836

Street Renewal Fund

The summary of Street Renewal Fund activity provided in the table below shows planned increases in the tax levy are sufficient to support projects through 2029 and able to maintaining the minimum \$2 million fund balance.

Street Renewal	Estimated	Planned	Planned	Planned	Planned	Planned
Capital Projections	2024	2025	2026	2027	2028	2029
Revenue						
Property taxes	\$ 1,080,000	\$ 980,000	\$ 1,170,000	\$ 1,120,000	\$ 1,270,000	\$ 1,320,000
Assessments	24,552	24,552	24,552	24,552	18,188	9,219
Intergovernmental - state	9,035	64,102	-	-	-	-
Investment interest	10,000	10,000	10,000	10,000	10,000	10,000
Total Revenues	\$ 1,123,587	\$ 1,078,654	\$ 1,204,552	\$ 1,154,552	\$ 1,298,188	\$ 1,339,219
Expense						
Street rehabilitation various segments	\$ 2,936,000	\$ 300,000	\$ 2,100,000	\$ -	\$ -	\$ 2,500,000
Total Expense	\$ 2,936,000	\$ 300,000	\$ 2,100,000	\$ -	\$ -	\$ 2,500,000
Net change	(1,812,413)	778,654	(895,448)	1,154,552	1,298,188	(1,160,781)
Fund equity, beginning	4,134,733	2,322,320	3,100,974	2,205,526	3,360,078	4,658,266
Fund equity, ending	\$ 2,322,320	\$ 3,100,974	\$ 2,205,526	\$ 3,360,078	\$ 4,658,266	\$ 3,497,485
Years of capital coverage (avg expense)	1.8	2.4	1.7	2.6	3.6	2.7
Tax levy percent change	6.0%	-9.3%	19.4%	-4.3%	13.4%	3.9%
Average annual percent change (taxes) 2024 – 2029						4.9%

Community Investment Fund

The summary of Community Investment Fund activity provided below shows projected revenues are sufficient to support planned building, park and trail projects providing community wide benefit (see comment below regarding minimum fund balance). The debt service transfers provide funding for debt payments associated with the community center expansion bond issues, and a park improvement bond in 2024.

Community Investment Fund	Estimated	Planned	Planned	Planned	Planned	Planned
Capital Projections	2024	2025	2026	2027	2028	2029
Revenue						
Franchise fees	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000
Public use dedication fees	1,700,000	-	-	-	-	-
PCS Antenna rentals	462,700	478,200	494,400	511,200	528,700	551,700
Billboard fees	93,760	75,970	78,250	80,600	83,000	85,500
Investment interest	15,000	15,000	15,000	15,000	15,000	15,000
Total Revenues	\$ 3,521,460	\$ 1,819,170	\$ 1,837,650	\$ 1,856,800	\$ 1,876,700	\$ 1,902,200
Expense						
Community Center improvements	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Municipal Buildings	-	500,000	-	-	-	-
Park facilities improvements	281,075	3,019,000	2,073,000	161,000	-	1,605,000
Trails and pathways	230,000	-	-	-	600,000	-
Total Expense	\$ 561,075	\$ 3,569,000	\$ 2,123,000	\$ 211,000	\$ 650,000	\$ 1,655,000
Other Sources (Uses)						
Transfer out/G.O. debt service	(322,000)	(376,919)	(482,412)	(495,247)	(493,972)	(492,527)
Total Other Sources (Uses)	\$ (322,000)	\$ (376,919)	\$ (482,412)	\$ (495,247)	\$ (493,972)	\$ (492,527)
Net change	2,638,385	(2,126,749)	(767,762)	1,150,553	732,728	(245,327)
Fund equity, beginning	4,477,909	7,116,294	4,989,545	4,221,783	5,372,336	6,105,064
Fund equity, ending	\$ 7,116,294	\$ 4,989,545	\$ 4,221,783	\$ 5,372,336	\$ 6,105,064	\$ 5,859,737
Months of capital coverage (avg exp)	58.4	41.0	34.7	44.1	50.1	48.1
Minimum fund balance	\$ 2,904,297	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Fund balance in excess of minimum	\$ 4,211,997	\$ 1,989,545	\$ 1,221,783	\$ 2,372,336	\$ 3,105,064	\$ 2,859,737
Debt service over (under) policy limit	\$ (399,668)	\$ (352,141)	\$ (254,308)	\$ (249,433)	\$ (260,908)	Unavailable

The adopted Community Investment Policy outlines a formula to accumulate a minimum fund balance equal to \$3 million. During the years 2014 through 2018 the policy dedicated 15% of revenue from franchise fees (electric and gas), wireless telecommunication antenna lease receipts and outdoor billboard lease receipts to the accumulation of minimum fund balance. Beginning in 2019, and until the \$3 million minimum fund balance is reached, 20% of these revenues will be dedicated to the accumulation of minimum fund balance. The first two lines of the table above, highlighted in blue, show the growth in minimum fund balance, and available fund balances over the next 5 years. The fund has met the minimum fund balance policy in all years presented.

The Community Investment Policy limits the amount of resources that can be used for the repayment of debt issued to acquire qualifying capital assets to 50% of ensuing years' available revenue, defined as, revenue derived from franchise fees (electric and gas), wireless telecommunication antenna lease receipts and outdoor billboard lease receipts, less the amount allocated to the accumulation of minimum fund balance. The third line in the table above, highlighted in blue, shows the amount of debt service exceeding or below the policy limit. The fund has met the policy relating to debt in all years presented.

Information Technology Fund

The summary of information technology fund activity shown below, for the planned improvement of the city's computer systems, shows that the small tax levy and contributions from other funds is sufficient to cover projected costs. The small tax levy is intended to assist in funding new capital asset purchases that cannot be funded by replacement funds.

Information Technology Fund	Estimated	Planned	Planned	Planned	Planned	Planned
Capital Projections	2024	2025	2026	2027	2028	2029
Revenue						
Property taxes	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Investment interest	1,600	1,600	1,600	1,600	1,600	1,600
Total Revenues	\$ 51,600	\$ 51,600	\$ 51,600	\$ 51,600	\$ 51,600	\$ 51,600
Expense						
Computer equipment/software	\$ 376,500	\$ 417,300	\$ 242,500	\$ 150,500	\$ 124,500	\$ 185,000
Total Expense	\$ 376,500	\$ 417,300	\$ 242,500	\$ 150,500	\$ 124,500	\$ 185,000
Other Sources (Uses)						
Transfers in/Capital Asset Fund	\$ 225,000	\$ 297,500	\$ 175,500	\$ 87,500	\$ 91,000	\$ 146,000
Transfers in/Water Fund	1,250	-	-	3,000	-	-
Transfers in/Sewer Fund	1,250	-	-	3,000	-	-
Transfers in/Central Garage Fund	10,000	2,800	10,000	-	-	7,000
Total Other Sources (Uses)	\$ 237,500	\$ 300,300	\$ 185,500	\$ 93,500	\$ 91,000	\$ 153,000
Net change	(87,400)	(65,400)	(5,400)	(5,400)	18,100	19,600
Fund equity, beginning	164,604	77,204	11,804	6,404	1,004	19,104
Fund equity, ending	\$ 77,204	\$ 11,804	\$ 6,404	\$ 1,004	\$ 19,104	\$ 38,704

Capital Asset Replacement Fund

The summary of Capital Asset Replacement Fund activity provided below shows projected revenues are sufficient to support replacement costs in all years. The 2024 transfer in from the general fund represents the transfer in of excess general fund balance.

Capital Asset Replacement Fund	Estimated	Planned	Planned	Planned	Planned	Planned
Capital Projections	2024	2025	2026	2027	2028	2029
Revenue						
Property taxes	\$ 1,945,000	\$ 1,945,000	\$ 1,890,000	\$ 1,795,000	\$ 2,350,000	\$ 2,460,000
Investment interest	1,000	1,000	1,000	1,000	1,000	1,000
Intergovernmental	-	100,000	-	-	-	-
Total Revenues	\$ 1,946,000	\$ 2,046,000	\$ 1,891,000	\$ 1,796,000	\$ 2,351,000	\$ 2,461,000
Expense						
Fire stations & equipment	\$ 1,236,223	\$ 248,170	\$ 603,535	\$ 1,088,607	\$ 507,543	\$ 392,317
Warning sirens	31,000	32,000	-	33,000	-	-
Municipal buildings	748,686	802,000	543,000	1,005,000	326,000	601,000
Park facilities	208,770	1,688,500	988,000	636,000	675,000	162,000
Trails	293,400	460,000	347,200	129,900	131,700	248,500
Total Expense	\$ 2,518,079	\$ 3,230,670	\$ 2,481,735	\$ 2,892,507	\$ 1,640,243	\$ 1,403,817
Other Sources (Uses)						
Transfers in/General fund	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out/Capital Imprv (IT) fund	(225,000)	(297,500)	(175,500)	(87,500)	(91,000)	(146,000)
Transfers out/debt funds	(200,000)	(225,844)	(322,237)	(462,978)	(471,503)	(469,448)
Total Other Sources (Uses)	\$ 75,000	\$ (523,344)	\$ (497,737)	\$ (550,478)	\$ (562,503)	\$ (615,448)
Net change	(497,079)	(1,708,014)	(1,088,472)	(1,646,985)	148,254	441,735
Fund equity, beginning	5,005,815	4,508,736	2,800,722	1,712,250	65,265	213,519
Fund equity, ending	\$ 4,508,736	\$ 2,800,722	\$ 1,712,250	\$ 65,265	\$ 213,519	\$ 655,254
Months of average capital coverage	21.4	13.3	8.1	0.3	1.0	3.1
Tax levy percent change	5.5%	0.0%	-2.8%	-5.0%	30.9%	4.7%
Average annual percent change (taxes) 2024 – 2029						5.5%

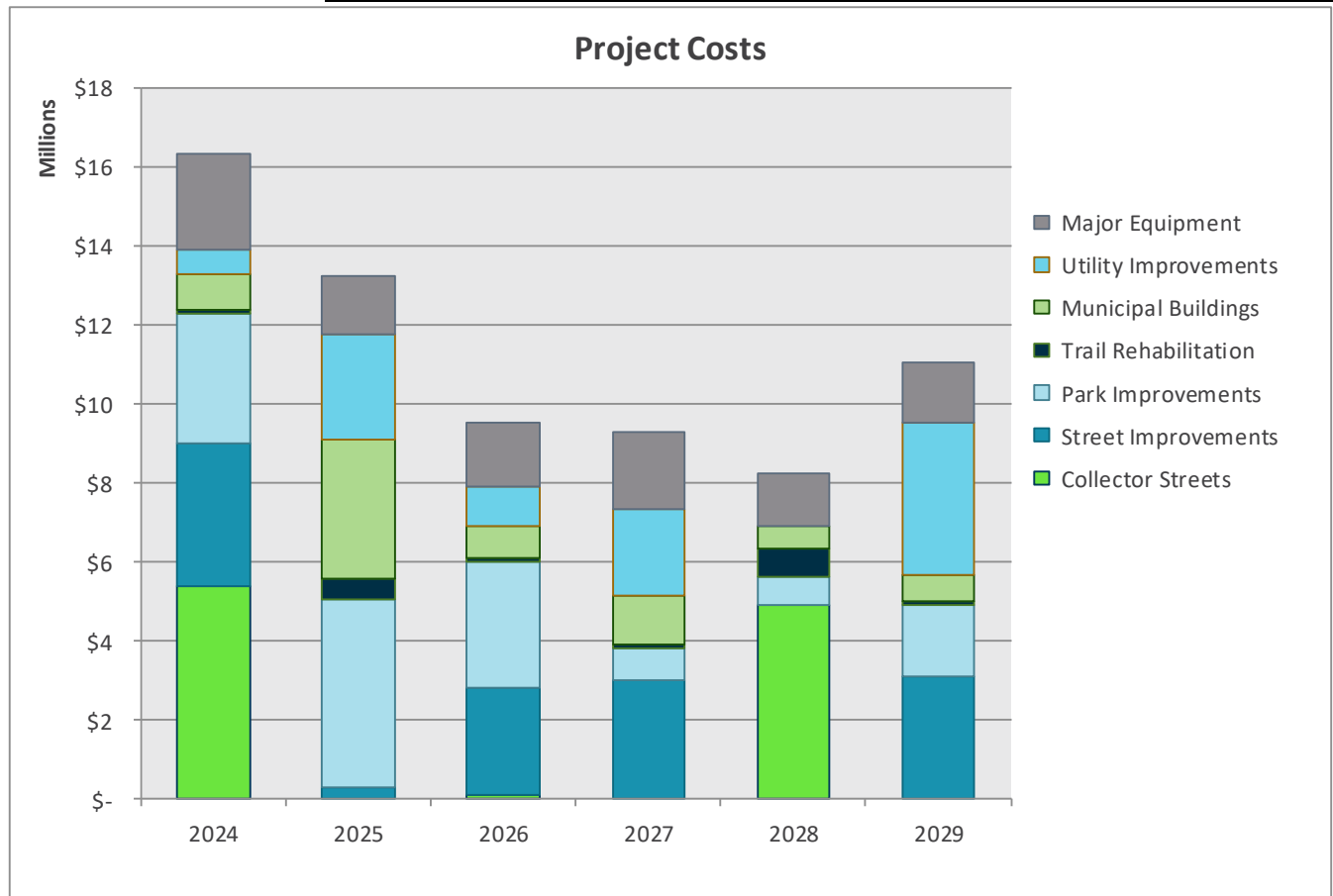
Summary

The remainder of this document provides information about the specific capital projects, including resources and capital costs.

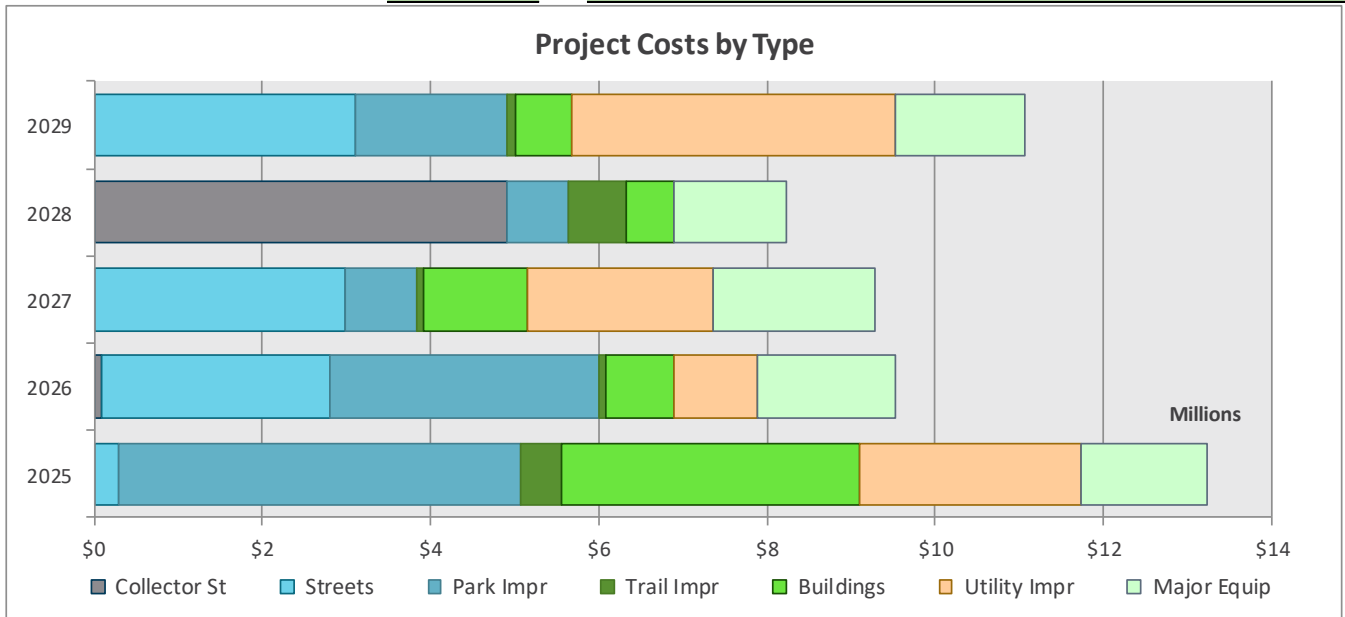
Capital Improvement Program

Description	Year 2024	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029
Resources						
Debt Issuance	\$ 6,272,300	\$ 3,562,000	\$ 1,495,000	\$ 4,610,000	\$ 165,000	\$ 3,721,000
Intergovernmental	2,727,970	208,000	90,000	-	4,755,000	-
Internal Funds	7,342,654	9,470,930	7,944,735	4,676,647	3,312,243	7,339,037
Total Resources	\$ 16,342,924	\$ 13,240,930	\$ 9,529,735	\$ 9,286,647	\$ 8,232,243	\$ 11,060,037

Project Costs						
Collector Streets	\$ 5,380,270	\$ -	\$ 90,000	\$ -	\$ 4,920,000	\$ -
Street Improvements	3,596,000	300,000	2,710,000	2,995,000	-	3,110,000
Park Improvements	3,303,345	4,767,500	3,205,000	837,000	715,000	1,807,000
Trail Rehabilitation	84,900	500,000	88,200	89,900	691,700	93,500
Municipal Buildings	911,106	3,541,462	795,500	1,222,320	563,000	676,000
Utility Improvements	635,000	2,636,460	1,000,000	2,210,140	-	3,851,220
Major Equipment	2,432,303	1,495,508	1,641,035	1,932,287	1,342,543	1,522,317
Total Project Costs	\$ 16,342,924	\$ 13,240,930	\$ 9,529,735	\$ 9,286,647	\$ 8,232,243	\$ 11,060,037



Project Resources						
Description	Year 2024	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029
Debt						
General Obligation Bonds	\$ 2,715,000	\$ 1,600,000	\$ -	\$ 2,500,000	\$ -	\$ -
Improvement Bonds (assmts)	239,060	-	-	-	85,000	-
Water Revenue Bonds	1,950,000	712,000	1,275,000	1,075,000	60,000	1,775,000
Sewer Revenue Bonds	570,000	850,000	-	95,000	20,000	926,000
Surface Water Revenue Bonds	798,240	400,000	220,000	940,000	-	1,020,000
Total Debt	6,272,300	3,562,000	1,495,000	4,610,000	165,000	3,721,000
Intergovernmental						
Federal	-	36,000	-	-	-	-
Ramsey County	-	100,000	-	-	680,000	-
Other governments	-	72,000	-	-	-	-
MSA	2,727,970	-	90,000	-	4,075,000	-
Total Intergovernmental	2,727,970	208,000	90,000	-	4,755,000	-
Internal Funds						
Cable Television Fund	30,000	2,500	2,500	2,500	2,500	25,000
Street Renewal Fund	2,936,000	300,000	2,100,000	-	-	2,500,000
Capital Asset Replacement Fund	2,743,079	3,528,170	2,657,235	2,980,007	1,731,243	1,549,817
Capital Acquisition Fund (IT)	139,000	117,000	57,000	57,000	33,500	32,000
Community Investment Fund	561,075	3,569,000	2,123,000	211,000	650,000	1,655,000
Water Fund	1,250	-	-	3,000	-	-
Sewer Fund	1,250	-	-	3,000	-	-
Street Lighting Fund	50,000	566,460	-	595,140	-	625,220
Central Garage Fund	881,000	1,387,800	1,005,000	825,000	895,000	952,000
Total Internal Funds	7,342,654	9,470,930	7,944,735	4,676,647	3,312,243	7,339,037
Total Resources	\$16,342,924	\$13,240,930	\$9,529,735	\$9,286,647	\$8,232,243	\$11,060,037



Project Costs						
Description	Year 2024	Year 2025	Year 2026	Year 2027	Year 2028	Year 2029
Collector Streets						
Highway 49/Hodgson (H96-Gramsie)	\$ 5,067,940	\$ -	\$ -	\$ -	\$ -	\$ -
Hodgson Rd/Co Rd J intersection	312,330	-	-	-	-	-
Hamline Ave Reconstruction	-	-	90,000	-	4,920,000	-
Total Collector Streets	5,380,270	-	90,000	-	4,920,000	-
Street Improvements						
Street Rehabilitation	3,596,000	300,000	2,710,000	2,995,000	-	3,110,000
Total Street Improvements	3,596,000	300,000	2,710,000	2,995,000	-	3,110,000
Park Improvements						
Park Facility Replacements	149,870	1,570,500	313,000	525,000	625,000	50,000
Park Facility Improvements	2,996,075	3,019,000	2,073,000	161,000	-	1,605,000
Parking & Driveways	7,900	28,000	465,000	15,000	15,000	15,000
Tennis & Basketball Court Pavement	34,000	45,000	90,000	45,000	-	-
Park Building Rehabilitation	17,000	45,000	120,000	51,000	35,000	97,000
Park Trail Repairs and Replacements	98,500	60,000	144,000	40,000	40,000	40,000
Total Park Improvements	3,303,345	4,767,500	3,205,000	837,000	715,000	1,807,000
Trail Rehabilitation and Extensions	84,900	500,000	88,200	89,900	691,700	93,500
Municipal Buildings						
Fire Stations	42,420	36,962	-	164,820	184,500	-
General Government Buildings	92,886	1,657,500	2,500	2,500	2,500	25,000
Community Center Rehabilitation	201,000	735,000	190,000	850,000	150,000	150,000
Banquet Facility	103,000	145,000	80,000	15,000	15,000	110,000
Pool & Locker Room Areas	316,800	213,000	173,000	20,000	91,000	291,000
Furniture & Equipment	65,000	154,000	100,000	120,000	70,000	50,000
Community Center Improvements	50,000	50,000	50,000	50,000	50,000	50,000
Central Garage Maintenance	40,000	550,000	200,000	-	-	-
Total Municipal Buildings	911,106	3,541,462	795,500	1,222,320	563,000	676,000
Utility Improvements						
Water Systems	135,000	820,000	1,000,000	800,000	-	1,500,000
Sanitary Sewer Rehabilitation	-	760,000	-	-	-	831,000
Sanitary Sewer Lift Stations	-	90,000	-	95,000	-	95,000
Surface Water Pretreatment Structures	500,000	400,000	-	720,000	-	800,000
Residential Street Lights	-	566,460	-	595,140	-	625,220
Total Utility Improvements	635,000	2,636,460	1,000,000	2,210,140	-	3,851,220
Major Equipment						
Fire Equipment	1,193,803	211,208	603,535	923,787	323,043	392,317
Warning Sirens	31,000	32,000	-	33,000	-	-
Computer Systems	376,500	417,300	242,500	150,500	124,500	185,000
Central Garage Equipment	831,000	835,000	795,000	825,000	895,000	945,000
Total Major Equipment	2,432,303	1,495,508	1,641,035	1,932,287	1,342,543	1,522,317
Total Capital Projects	\$ 16,342,924	\$ 13,240,930	\$ 9,529,735	\$ 9,286,647	\$ 8,232,243	\$ 11,060,037

Highway 49/Hodgson (H96-Gramsie) & Co Rd F

PWA 12

City participation in Ramsey County's reconstruction of Highway 49 from Gramsie Road to Highway 96, and County Rd F from Highway 49 to Rice St. The proposed project would consist of road construction to modern suburban standards, and include the installation of concrete curb and gutter, drainage improvements, sidewalks/trails, additional through and turn lanes, and relocation or replacement of City-owned water main and sanitary sewers. The project would also include geometric revisions and permanent signalization of the Snail Lake Road intersection. Estimated assessments for the project totaling \$239,060 are for street (\$177,300) and storm sewer (\$61,760).

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
MSA	\$ 2,460,640	\$ -	\$ -	\$ -	\$ -	\$ -
Community Investment	130,000	-	-	-	-	-
Debt-Special Assessments	239,060	-	-	-	-	-
Debt-Water Revenue	1,540,000	-	-	-	-	-
Debt-Sewer Revenue	550,000	-	-	-	-	-
Debt-Surface Water Revenue	98,240	-	-	-	-	-
Street Lighting Fund	50,000	-	-	-	-	-
Total Sources of Funds	\$ 5,067,940	\$ -	\$ -	\$ -	\$ -	\$ -
Uses						
Street	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -
Land Right of Way	2,237,940	-	-	-	-	-
Trail	130,000	-	-	-	-	-
Water Main	1,540,000	-	-	-	-	-
Sanitary Sewer	550,000	-	-	-	-	-
Storm Sewer	160,000	-	-	-	-	-
Street Lighting	50,000	-	-	-	-	-
Total Uses of Funds	\$ 5,067,940	\$ -	\$ -	\$ -	\$ -	\$ -

Per Ramsey County's County State Aid Highway (CSAH) cost participation policy and practices, the City will be required to fund portions of the costs related to right-of-way acquisition, parking and/or turn lanes, drainage improvements, city-owned utility upgrades or repairs and off-street pedestrian improvements.

Hodgson Road/Co Road J Intersection

PWA 31

City participation in Anoka and Ramsey Counties reconstruction of the Hodgson Road and County Road J intersection. Proposed improvements would include a roundabout, geometric improvements, city trail extension and miscellaneous utility improvements.

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Debt-Water Revenue	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
Debt-Sewer Revenue	20,000	-	-	-	-	-
MSA	267,330	-	-	-	-	-
Total Sources of Funds	\$ 312,330	\$ -	\$ -	\$ -	\$ -	\$ -
Uses						
Trail	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ -
Water Main	25,000	-	-	-	-	-
Sanitary Sewer	20,000	-	-	-	-	-
Land - Right of Way	202,330	-	-	-	-	-
Total Uses of Funds	\$ 312,330	\$ -	\$ -	\$ -	\$ -	\$ -

Per Ramsey County's cost participation policy and practices, the city will be required to fund portions of the costs related to the project. The extent of the funding requirements of the city is being developed through the planning process.

Hamline Avenue Reconstruction

PWA 29

Complete reconstruction of the road surface and subgrade of Hamline Avenue from the north junction of County Road I to Lexington Avenue. The project would include the addition of concrete curb and gutter, installation of a stormwater collection and treatment system, addition of water main, extension of sanitary sewer and installation of an off-street bituminous trail. Reconstruction of County Road I south of Hamline to include a 30mph curve and extension of the bituminous trail along County Road I east to Shamrock Park and to the west to Wood Duck Court. The county will fund the County Road I realignment, with city contribution to the right-of-way acquisition in 2026. Estimated assessments for the project, totaling \$85,000, are for streets (\$70,000), sanitary sewer (\$12,000) and storm sewer (\$3,000).

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
County	\$ -	\$ -	\$ -	\$ -	\$ 680,000	\$ -
MSA	-	-	90,000	-	4,075,000	-
Debt-Special Assessments	-	-	-	-	85,000	-
Debt-Water Revenue	-	-	-	-	60,000	-
Debt-Sewer Revenue	-	-	-	-	20,000	-
Total Sources of Funds	\$ -	\$ -	\$ 90,000	\$ -	\$ 4,920,000	\$ -
Uses						
Street	\$ -	\$ -	\$ -	\$ -	\$ 3,030,000	\$ -
Trail	-	-	-	-	680,000	-
Water Main	-	-	-	-	60,000	-
Sanitary Sewer	-	-	-	-	30,000	-
Storm Sewer	-	-	-	-	920,000	-
Street Lighting	-	-	-	-	200,000	-
Right-of-way	-	-	50,000	-	-	-
Preliminary Engineering	-	-	40,000	-	-	-
Total Uses of Funds	\$ -	\$ -	\$ 90,000	\$ -	\$ 4,920,000	\$ -

The improvements are consistent with the city's street infrastructure efforts in recent years, and in accordance with the city's street renewal policies. The street does not have concrete curb and gutter and a stormwater collection and treatment system, which will be added and partial funded by special assessment against the benefitting properties.

Street Rehabilitation

PWA1

This project includes the rehabilitation of street segments throughout the City.

2024 costs include:

- \$3,296,000 Includes the rehabilitation of street segments at various locations throughout the City. The actual locations will be based on pavement condition as determined by the City's Pavement Management Program established as part of the street rehabilitation plan and coordinated with other infrastructure installations and upgrades. Also includes the rehabilitation of catch basins and gate valves in the rehabilitation areas, \$110,000 for the replacement of trail sections at various locations throughout the city, \$100,000 for a sidewalk along Churchill Street north of Highway 96, and \$50,000 for the rehabilitation of retaining walls located in city right of way at various locations throughout the city. Actual locations for the trail replacement and retaining wall rehabilitation will be based on the condition as determined by inspection from staff.
- \$200,000 Includes the rehabilitation of permeable pavements at various locations throughout the city. Actual locations will be based on the condition as determined by inspection from city staff.
- \$100,000 Includes the rehabilitation of street signal poles at various locations throughout the city. Actual locations will be based on the condition as determined by inspection from city staff. Rehabilitation will include surface preparation and recoating.

2025 costs include:

- \$200,000 Includes the rehabilitation of permeable pavements at various locations throughout the city. Actual locations will be based on the condition as determined by inspection from city staff. Rehabilitation will include replacement of damaged areas and surface coatings.
- \$100,000 Includes the rehabilitation of street signal poles at various locations throughout the city. Actual locations will be based on the condition as determined by inspection from city staff. Rehabilitation will include surface preparation and recoating.

2026 costs include:

- \$2,710,000 Includes the rehabilitation of street segments at various locations throughout the City. The actual locations will be based on pavement condition as determined by the City's Pavement Management Program established as part of the street rehabilitation plan and coordinated with other infrastructure installations and upgrades. Also includes the rehabilitation of catch basins and gate valves in the rehabilitation areas, \$115,000 for the replacement of trail sections at various locations throughout the city, and \$100,000 for the rehabilitation of retaining walls located in city right of way at various locations throughout the city. Actual locations for the trail replacement and retaining wall rehabilitation will be based on the condition as determined by inspection from staff.

2027 costs include:

- \$2,995,000 Includes the rehabilitation of street segments at various locations throughout the City. The actual locations will be based on pavement condition as determined by the City's Pavement Management Program established as part of the street rehabilitation plan and coordinated with other infrastructure installations and upgrades. Also includes the rehabilitation of catch basins and gate valves in the rehabilitation areas.

Street Rehabilitation

2029 costs include:

PWA 1

- \$3,110,000 Includes the rehabilitation of street segments at various locations throughout the City. The actual locations will be based on pavement condition as determined by the City's Pavement Management Program established as part of the street rehabilitation plan and coordinated with other infrastructure installations and upgrades. Also includes the rehabilitation of catch basins and gate valves in the rehabilitation areas, \$115,000 for the replacement of trail sections at various locations throughout the city, and \$100,000 for the rehabilitation of retaining walls located in city right of way at various locations throughout the city. Actual locations for the trail replacement and retaining wall rehabilitation will be based on the condition as determined by inspection from staff.

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Debt-Surface Water Revenue	\$ 200,000	\$ -	\$ 220,000	\$ 220,000	\$ -	\$ 220,000
Debt-Property Taxes	-	-	-	2,500,000	-	-
Street Renewal Fund	2,936,000	300,000	2,100,000	-	-	2,500,000
Debt-Water Revenue	250,000	-	275,000	275,000	-	275,000
Capital Asset Replacement	110,000	-	115,000	-	-	115,000
Community Investment	100,000	-	-	-	-	-
Total Sources of Funds	\$3,596,000	\$ 300,000	\$2,710,000	\$ 2,995,000	\$ -	\$ 3,110,000
Uses						
Street	\$2,936,000	\$ 300,000	\$2,100,000	\$ 2,500,000	\$ -	\$ 2,500,000
Storm Sewer	200,000	-	220,000	220,000	-	220,000
Water Main	250,000	-	275,000	275,000	-	275,000
Trail	210,000	-	115,000	-	-	115,000
Total Uses of Funds	\$3,596,000	\$ 300,000	\$2,710,000	\$ 2,995,000	\$ -	\$ 3,110,000

The 2024, 2026, 2027 and 2029 projects will address street segment resurfacing needs to extend the overall life of the pavement.

Rehabilitation of pervious pavement will include replacement of damaged areas or surface coatings to extend the overall life of the pavement.

Retaining wall rehabilitation will include the replacement or repair of retaining walls that are damaged or have significant structural issues.

Park Facility Replacements

PKA1

Description:

This project provides an allowance for park replacements, funded by the capital asset replacement fund. A description of planned costs by park is provided below.

Bucher Park costs include:

- 2025 \$79,500 Regrade west outfield and infield

Commons Park costs include:

- 2025 \$50,000 lighting and sound improvements at the Pavilion
- 2026 \$23,000 add mulch to the hwy 96 medians
- 2026 \$50,00 landscape improvements/tree replacements for Commons
- 2026 \$125,000 Soccer field improvements

McCullough Park costs include;

- 2025 \$40,000 regrade ballfield infields
- 2027 \$475,000 replace playground equipment and add concrete curb
- 2028 \$250,000 Replace back stops, fencing, foulpoles
- 2028 \$325,000 replace hockey rink, soil corrections

Rice Creek Fields costs include:

- 2024 \$21,000 regrade ballfield infields

Shamrock Park costs include:

- 2025 \$460,000 replace playground and add concrete curb
- 2026 \$10,000 regrade ballfield infields

Sitzer Park costs include:

- 2025 \$125,000 replace backstops
- 2025 \$42,000 Scoreboard replacements

Bobby Theisen Park costs include:

- 2025 \$235,000 replace hockey rink/relocate lights
- 2025 \$350,000 court replacement
- 2025 \$77,000 trail replacement

Wilson Park costs include:

- 2025 \$18,000 regrade ballfield infields

All park sites include:

- 2024 \$9,884 Replace picnic tables
- 2024 \$7,686 Replace trash/recycling units
- 2024 \$12,800 Park Signage and wayfinding
- 2024 \$98,500 Trail replacement and repairs at Shamrock and Bucher
- 2025 \$25,000 Park Signage and wayfinding
- 2025 \$9,000 Replace trash/recycling units
- 2025 \$10,000 Replace picnic tables
- 2025 \$50,000 various sites
- 2026 \$50,000 Various sites
- 2027 \$50,000 Various Sites
- 2028 \$50,000 Various Sites
- 2029 \$50,000 Various Sites

Park Facility Replacements						
	2024	2025	2026	2027	2028	PKA1 2029
	Estimate	Planned	Planned	Planned	Planned	Planned
Resources						
Capital Asset Replacement	\$ 149,870	\$ 1,570,500	\$ 313,000	\$ 525,000	\$ 625,000	\$ 50,000
Total Sources of Funds	\$ 149,870	\$ 1,570,500	\$ 313,000	\$ 525,000	\$ 625,000	\$ 50,000
Uses						
Bucher Park	\$ -	\$ 79,500	\$ -	\$ -	\$ -	\$ -
Commons Park	-	50,000	253,000	-	-	-
McCullough Park	-	40,000	-	475,000	575,000	-
Rice Creek Fields	21,000	-	-	-	-	-
Shamrock Park	-	460,000	10,000	-	-	-
Sitzer Park	-	167,000	-	-	-	-
Bobby Theisen Park	-	662,000	-	-	-	-
Wilson Park	-	18,000	-	-	-	-
All park sites	128,870	94,000	50,000	50,000	50,000	50,000
Total Uses of Funds	\$ 149,870	\$ 1,570,500	\$ 313,000	\$ 525,000	\$ 625,000	\$ 50,000

An allowance is included in the City's infrastructure replacement plan for routine repair and replacement of amenities in City parks. Periodic replacement of park improvements is necessary to maintain the appearance and condition of the parks, and to remain in compliance with legal standards.

Park Facility Improvements

PKA 2

Description:

Park improvements planned throughout the community, and supported by the Community Investment Fund, include:

Commons Park:

- 2025 \$11,500 Gaga ball (1)
- 2025 \$9,500 Concrete cornhole (3)
- 2025 \$25,000 Security Lighting for Commons Playground
- 2026 \$5,000 Grills at Commons Playground

McCullough Park :

- 2026 \$650,000 Splash pad
- 2026 \$995,000 park renovations
- 2026 \$42,000 Install scoreboards
- 2027 \$77,000 install dugouts

Wilson Park:

- 2026 \$77,000 install dugouts
- 2029 \$42,000 Install Scoreboards

Rice Creek Fields:

- 2026 \$150,000 install dugouts

Shamrock Park :

- 2029 \$995,000 park renovations
- 2029 \$100,000 Install soccer scoreboards
- 2029 \$460,000 Install pickleball courts
- 2029 \$50,000 Install scoreboards

Bucher Park:

- 2026 \$77,000 install dugouts
- 2027 \$42,000 Install scoreboards

Sitzer Park:

- 2026 \$77,000 install dugouts

Bobby Theisen Park:

- 2024 \$268,000 Associated Cost and Professional design/consultation
- 2025 \$518,000 Associated Cost and Professional design/consultation
- 2025 \$350,000 install new playground, security lighting
- 2025 \$145,000 Parking lot expansion and lights
- 2025 \$175,000 Install mini soccer fields
- 2025 \$285,000 Site preparation
- 2025 \$68,000 Picnic tables, Benches, Signs, etc.
- 2025 \$800,000 install new courts
- 2025 \$167,000 Landscape/Restoration
- 2025 \$45,000 Stormwater and utilities
- 2025 \$25,000 Additional irrigation
- 2025 \$35,000 Trail extension/connection
- 2025 \$35,000 Park monument sign
- 2025 \$325,000 General Construction Cost

Allowances:

- 2024 \$2,715,000 park building replacement bond
- 2024 \$13,075 Park Light study

Park Facility Improvements

	2024	2025	2026	2027	2028	PKA 2 2029
	Estimate	Planned	Planned	Planned	Planned	Planned
Resources						
Community Investment	\$ 281,075	\$3,019,000	\$2,073,000	\$ 161,000	\$ -	\$ 1,605,000
Debt-Property Taxes	2,715,000	-	-	-	-	-
Total Sources of Funds	\$2,996,075	\$3,019,000	\$2,073,000	\$ 161,000	\$ -	\$ 1,605,000
Uses						
Commons Park	\$ -	\$ 46,000	\$ 5,000	\$ -	\$ -	\$ -
McCullough Park	-	-	1,687,000	77,000	-	-
Sitzer Park	-	-	77,000	-	-	-
Wilson Park	-	-	77,000	42,000	-	-
Shamrock Park	-	-	-	-	-	1,605,000
Bucher Park	-	-	77,000	42,000	-	-
Bobby Theisen Park	268,000	2,973,000	-	-	-	-
Rice Creek Fields	-	-	150,000	-	-	-
Allowance	2,728,075	-	-	-	-	-
Total Uses of Funds	\$2,996,075	\$3,019,000	\$2,073,000	\$ 161,000	\$ -	\$ 1,605,000

Periodic improvements to park facilities are necessary to keep the parks in good condition and an asset to the neighborhoods.

Parking & Driveways/City-Owned Facilities

PWA 30

Rehabilitation or replacement of parking lots and driveways at fire stations and City-owned facilities, including: City hall, Community Center and City parks. Planned costs include:

- 2024 - \$7,900 Shoreview Commons park crack fill upper lot and drive lane
- 2025 - \$28,000 Shoreview Commons park sealcoat and restripe upper lot
- 2026 - \$450,000 Lower level City Hall and Community Center parking lot and service road rehabilitation and additional parking areas, ADA sidewalk upgrades.
- 2026 - \$15,000 allowance for Parks parking lot crack filling/seal coating/improvements
- 2027 - \$15,000 allowance for Parks parking lot crack filling/seal coating/improvements
- 2028 - \$15,000 allowance for Parks parking lot crack filling/seal coating/improvements
- 2029 - \$15,000 allowance for Parks parking lot crack filling/seal coating/improvements

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 7,900	\$ 28,000	\$ 465,000	\$ 15,000	\$ 15,000	\$ 15,000
Total Sources of Funds	\$ 7,900	\$ 28,000	\$ 465,000	\$ 15,000	\$ 15,000	\$ 15,000
Uses						
City Hall/Community Ctr Allowance	\$ 7,900	\$ 28,000	\$ 450,000	\$ -	\$ -	\$ -
	-	-	15,000	15,000	15,000	15,000
Total Uses of Funds	\$ 7,900	\$ 28,000	\$ 465,000	\$ 15,000	\$ 15,000	\$ 15,000

Shoreview's comprehensive infrastructure replacement plan, which is updated biennially, provides for the replacement and maintenance of these areas.

Tennis & Basketball Court Pavement

PKA 6

Description:

Periodic sealcoat and/or color coat of tennis and basketball courts in city parks. Planned costs include:

- 2024 \$4,000 Lake Judy Park court resurfacing
- 2024 \$30,000 Shamrock Park court resurfacing
- 2025 \$45,000 McCullough Park court resurfacing
- 2026 \$45,000 Sitzer Park court resurfacing
- 2026 \$45,000 Wilson Park court resurfacing
- 2027 \$45,000 Commons Park court resurfacing

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 34,000	\$ 45,000	\$ 90,000	\$ 45,000	\$ -	\$ -
Total Sources of Funds	\$ 34,000	\$ 45,000	\$ 90,000	\$ 45,000	\$ -	\$ -
Uses						
Commons Park	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ -
McCullough Park	-	45,000	-	-	-	-
Lake Judy Park	4,000	-	-	-	-	-
Shamrock Park	30,000	-	-	-	-	-
Sitzer Park	-	-	45,000	-	-	-
Wilson Park	-	-	45,000	-	-	-
Total Uses of Funds	\$ 34,000	\$ 45,000	\$ 90,000	\$ 45,000	\$ -	\$ -

An allowance is included in the City's comprehensive infrastructure replacement plan for routine repair and replacement of park amenities. Routine replacement of court surfaces is necessary to maintain the appearance and condition, as well as to preserve the use for residents.

Park Building Rehabilitation

PKA 7

Description:

Provide an allowance for park building replacements. Planned costs include:

Rice Creek Fields:

- 2027 \$26,000 restrain/paint building
- 2028 \$20,000 replace furnace and A/C

Sitzer Park

- 2029 \$5,000 clean and reseal picnic shelter

Shamrock Park

- 2025 \$10,000 replace furnace
- 2029 \$5,000 clean and reseal picnic shelter

Commons Park

- 2025 \$20,000 replace furnace and A/C
- 2029 \$10,000 clean and reseal destination playground and Mounds Ave. picnic shelters
- 2029 \$45,000 clean and reseal Haffeman Pavilion

Bucher Park

- 2027 \$10,000 replace furnace
- 2029 \$7,000 clean and reseal picnic shelters

McCullough Park

- 2026 \$10,000 replace furnace
- 2026 \$95,000 renovate warming house

Wilson Park:

- 2024 \$2,000 misc building repairs
- 2029 \$10,000 replace Furnace

Allowance:

- 2024 \$15,000 park building/picnic shelter repairs
- 2025 \$15,000 park building/picnic shelter repairs
- 2026 \$15,000 park building/picnic shelter repairs
- 2027 \$15,000 park building/picnic shelter repairs
- 2028 \$15,000 park building/picnic shelter repairs
- 2029 \$15,000 park building/picnic shelter repairs

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 17,000	\$ 45,000	\$ 120,000	\$ 51,000	\$ 35,000	\$ 97,000
Total Sources of Funds	\$ 17,000	\$ 45,000	\$ 120,000	\$ 51,000	\$ 35,000	\$ 97,000
Uses						
Rice Creek Fields	\$ -	\$ -	\$ -	\$ 26,000	\$ 20,000	\$ -
Sitzer Park	-	-	-	-	-	5,000
Shamrock Park	-	10,000	-	-	-	5,000
Commons Park	-	20,000	-	-	-	55,000
Bucher Park	-	-	-	10,000	-	7,000
McCullough Park	-	-	105,000	-	-	-
Wilson Park	2,000	-	-	-	-	10,000
Allowance	15,000	15,000	15,000	15,000	15,000	15,000
Total Uses of Funds	\$ 17,000	\$ 45,000	\$ 120,000	\$ 51,000	\$ 35,000	\$ 97,000

An allowance for park building repairs and replacements is included in the City's comprehensive infrastructure replacement plan. Periodic repair and replacement is necessary to maintain the condition of park buildings.

Park Trail Repairs/Replacements

PKA 8

Description:

Provide an allowance for park trail repair and replacements. Planned costs include:

Shamrock Park costs include:

- 2024 \$75,000 trail replacement and drainage improvements

Bucher Park costs include:

- 2024 \$23,500 trail repair and drainage improvements

Bobby Theisen Park costs include:

- 2025 \$60,000 adjust grading to be ADA compliant and improve connections

Lake Judy Park Costs include:

- 2026 \$40,000 replace existing trail

Shoreview Commons Park Costs include:

- 2026 \$62,000 trail connection from pond area to Mound Ave playground: trail replacement from destination playground to Victoria Street

McCullough Park costs include:

- 2026 \$42,000 replace existing trails, trail connection from parking lot to ballfields

All park sites include:

- 2027 \$40,000 Various Sites
- 2028 \$40,000 Various Sites
- 2029 \$40,000 Various Sites

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 98,500	\$ 60,000	\$ 144,000	\$ 40,000	\$ 40,000	\$ 40,000
Total Sources of Funds	\$ 98,500	\$ 60,000	\$ 144,000	\$ 40,000	\$ 40,000	\$ 40,000
Uses						
Bobby Theisen Park	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -
Lake Judy Park	-	-	40,000	-	-	-
Shamrock Park	75,000	-	-	-	-	-
Commons Park	-	-	62,000	-	-	-
Bucher Park	23,500	-	-	-	-	-
McCullough Park	-	-	42,000	-	-	-
Allowance	-	-	-	40,000	40,000	40,000
Total Uses of Funds	\$ 98,500	\$ 60,000	\$ 144,000	\$ 40,000	\$ 40,000	\$ 40,000

An allowance for park trail repairs and replacements is included in the City's comprehensive infrastructure replacement plan. Periodic repair and replacement is necessary to maintain the condition of park trails.

Trail Rehabilitation and Extension

PWA 20

Rehabilitation of paved and boardwalk trails throughout the City. This project may consist of replacement of the pavement surface, or providing a protective coating, such as a sealcoat, to extend the life of the trail segments.

Scheduled rehabilitation of paths located in these areas:

- 2024 for trail segments to be determined in the future
- 2025 for trail segments to be determined in the future
- 2025 - \$500,000 Replace boardwalk along County Rd I between Lexington & Chatsworth St and extend boardwalk South of Sherwood Rd to McCullough Park
- 2026 for trail segments to be determined in the future
- 2027 for trail segments to be determined in the future
- 2028 for trail segments to be determined in the future
- 2028 - \$600,000 The extension of the off-street trail along Victoria Street from Harriet Avenue in Shoreview to County Road C located in Roseville will provide a connection between the existing trail system in Shoreview with the existing trail system in Roseville and provide a link between residential areas and local schools. Per Ramsey County's cost share policy, the Cities of Shoreview and Roseville will be required to fund a portion of the cost for the project.
- 2029 for trail segments to be determined in the future

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 84,900	\$ 400,000	\$ 88,200	\$ 89,900	\$ 91,700	\$ 93,500
Community Investment Fund	-	-	-	-	600,000	-
Ramsey Co grant	-	100,000	-	-	-	-
Total Sources of Funds	\$ 84,900	\$ 500,000	\$ 88,200	\$ 89,900	\$ 691,700	\$ 93,500
Uses						
Trail	\$ 84,900	\$ 500,000	\$ 88,200	\$ 89,900	\$ 691,700	\$ 93,500
Total Uses of Funds	\$ 84,900	\$ 500,000	\$ 88,200	\$ 89,900	\$ 691,700	\$ 93,500

To preserve the integrity and extend the life of trails, concrete sidewalks and boardwalks throughout the city's trail system. Replacement or rehabilitation of trail assets are planned in accordance with the city's comprehensive infrastructure replacement plan, updated biennially.

Fire Stations

ADM1

A repair and replacement allowance for fire stations, intended to cover equipment, furnishings and minor maintenance items. The cost shown in the table below represents Shoreview's share of costs (61.3% in 2024 and 61.5% in 2025 - 2029). Specific items planned for each station are listed below.

Station #2 costs include:

- 2024 - \$12,260 gutters and gutter guards - NE corner
- 2024 - \$1,532 bottle filler drinking fountain
- 2025 - \$923 electrical in the east lounge
- 2025 - \$1,107 new fridge/freezer
- 2027 - \$5,535 gear dryer

Station #3 costs include:

- 2024 - \$24,520 upgrade space for firefighting staff step #1
- 2024 - \$1,839 bottle filler drinking fountain
- 2024 - \$736 conference room A/V upgrade
- 2025 - \$30,750 stucco redashing
- 2025 - \$3,075 laundry expansion
- 2027 - \$153,750 remodel admin space to staffed station
- 2027 - \$5,535 gear dryer
- 2028 - \$184,500 replace roof

Station #4 costs include:

- 2024 - \$ 1,533 bottle filler drinking fountain
- 2025 - \$1,107 new fridge/freezer

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 42,420	\$ 36,962	\$ -	\$164,820	\$184,500	\$ -
Total Sources of Funds	\$ 42,420	\$ 36,962	\$ -	\$164,820	\$184,500	\$ -
Uses						
Fire Station #2	\$ 13,792	\$ 2,030	\$ -	\$ 5,535	\$ -	\$ -
Fire Station #3	27,095	33,825	-	159,285	184,500	-
Fire Station #4	1,533	1,107	-	-	-	-
Total Uses of Funds	\$ 42,420	\$ 36,962	\$ -	\$164,820	\$184,500	\$ -

Routine repairs and replacements are necessary to maintain the condition and appearance of the buildings, and to protect the investment in the buildings. In addition, there is a need for replacement of equipment and furnishings within the fire stations.

General Government Buildings

ADM 6

Replacements, rehabilitation and improvements to municipal buildings, including the council chambers, and general government equipment.

Equipment includes:

- 2024 - \$25,000 ipad replacement
- 2024 - \$59,750 city hall office renovations design
- 2024 - \$8,136 conference room updates
- 2025 - \$1,050,000 city hall office renovations
- 2025 - \$105,000 election equipment replacement
- 2025 - \$500,000 city hall elevator
- 2029 - \$25,000 ipad replacement
- Allowance for information systems equipment 2025 - 2028 \$2,500 each year

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 62,886	\$ 105,000	\$ -	\$ -	\$ -	\$ -
GO Capital Improvement Bonds	-	1,050,000	-	-	-	-
Cable Television Fund	30,000	2,500	2,500	2,500	2,500	25,000
Community Investment Fund	-	500,000	-	-	-	-
Total Sources of Funds	\$ 92,886	\$ 1,657,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 25,000
Uses						
Equipment-General	\$ -	\$ 105,000	\$ -	\$ -	\$ -	\$ -
Municipal Buildings	67,886	1,550,000	-	-	-	-
Equipment-Information Systems	25,000	2,500	2,500	2,500	2,500	25,000
Total Uses of Funds	\$ 92,886	\$ 1,657,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 25,000

Periodic replacement of camera and sound equipment is necessary to maintain functionality for broadcasting public meetings.

Community Center Rehabilitation

CC1

A repair/replacement allowance for mechanical systems and other building replacements provides for the following costs;

Building Costs include:

- 2024 - \$16,000 add storage cabinets to activity room 3&4 storage room
- 2024 - \$10,000 add sink to activity room 3
- 2025 - \$90,000 Upgrade elevator control panel and hydraulic pump
- 2025 - \$550,000 park and rec office/front desk remodel
- 2026 - \$40,000 replace Shoreview room deck surface
- 2026 - \$65,000 lower level service desk remodel
- 2026 - \$50,000 allowance for projects to be determined
- 2027 - \$50,000 allowance for projects to be determined
- 2028 - \$150,000 allowance for projects to be determined
- 2029 - \$50,000 allowance for projects to be determined

Carpet/Flooring costs include

- 2025 - \$ 70,000 replace carpet in meeting rooms and activity rooms
- 2026 - \$35,000 replace hard flooring in fitness center areas
- 2029 - \$100,000 replace carpeting in upper level of community center

Mechanical system costs include:

- 2024 - \$175,000 replace 2nd floor mechanical room boiler and hot water heating systems
- 2025 - \$25,000 engineering study for AHU #4 replacement in tropics pool area
- 2027 - \$800,000 replace AHU #4 for tropics pool area

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 201,000	\$ 185,000	\$ 190,000	\$ 850,000	\$ 150,000	\$ 150,000
GO Capital Improvement Bonds	-	550,000	-	-	-	-
Total Sources of Funds	\$ 201,000	\$ 735,000	\$ 190,000	\$ 850,000	\$ 150,000	\$ 150,000
Uses						
Municipal Buildings	\$ 26,000	\$ 640,000	\$ 155,000	\$ 50,000	\$ 150,000	\$ 50,000
Carpet/flooring	-	70,000	35,000	-	-	100,000
Mechanical Systems	175,000	25,000	-	800,000	-	-
Total Uses of Funds	\$ 201,000	\$ 735,000	\$ 190,000	\$ 850,000	\$ 150,000	\$ 150,000

The age of mechanical systems and volume of use at the Community Center increase the need for mechanical system repairs and other building replacements. Completion of these repairs in a timely manner is necessary to maintain the appearance of the building, to protect the investment in the building, and to retain customers. An allowance is included in the City's infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

Banquet Facility

CC 2

A repair and replacement allowances for the banquet facilities and furnishings.

Planned costs are listed below.

Furniture costs include

- 2024 - \$15,000 banquet meeting room chair and table replacement
- 2025 - \$65,000 banquet chair refurbish

Banquet room repairs costs include:

- 2025 - \$35,000 refurbish movable walls in meeting rooms
- 2025 - \$110,000 replace movable walls in banquet room
- 2026 - \$15,000 miscellaneous repairs
- 2027 - \$15,000 miscellaneous repairs
- 2028 - \$15,000 miscellaneous repairs
- 2029 - \$15,000 miscellaneous repairs

Carpet replacement includes:

- 2024 - \$48,000 replace Shoreview room carpet/hard floor
- 2024 - \$40,000 replace carpet/hard floor in community room A&B
- 2029 - \$45,000 replace Community Room carpet
- 2029 - \$50,000 replace Shoreview room carpet

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$103,000	\$145,000	\$80,000	\$15,000	\$15,000	\$110,000
Total Sources of Funds	\$103,000	\$145,000	\$80,000	\$15,000	\$15,000	\$110,000
Uses						
Furniture	\$15,000	\$-	\$65,000	\$-	\$-	\$-
Banquet Room Repairs	-	145,000	15,000	15,000	15,000	15,000
Carpet/flooring	88,000	-	-	-	-	95,000
Total Uses of Funds	\$103,000	\$145,000	\$80,000	\$15,000	\$15,000	\$110,000

The volume of banquet room use, for weddings, receptions, Summer Discovery, and other activities causes wear and tear on the facility. Completion of these repairs in a timely manner is necessary to maintain the appearance of the facility, to protect the investment in the building and to retain customers. An allowance is included in the City's comprehensive infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

Pool & Locker Room Areas

CC 3

A repair and replacement allowance for the pool and locker room areas at the Community Center.

Planned costs are listed below.

Pool/Whirlpool replacement costs include:

- 2024 - \$14,800 replace sand in tropics pool filters
- 2025 - \$10,000 bamboo bay defender filter maintenance
- 2025 - \$30,000 Bamboo bay surge tank refurbishment
- 2026 - \$20,000 replace main pool heater
- 2026 - \$15,000 replace Bamboo Bay pool heater
- 2026- \$ 15,000 refurbish pool floatable
- 2026 - \$60,000 regrout pool and spa
- 2027- \$ 20,000 replace pool floatable
- 2028- \$ 16,000 replace sand in tropics filters
- 2029- \$ 80,000 re-plaster bamboo bay pool

Locker room replacements include:

- 2024 - \$ 247,000 replace lockers in pool locker rooms
- 2028 - \$50,000 replace/repair life flooring allowance
- 2029 - \$50,000 replace/repair life flooring allowance

Waterslide repair/replacement costs include:

- 2025 - \$ 15,000 refurbish Bamboo Bay waterslide
- 2026 - \$18,000 refurbish Tropics waterslide
- 2028 - \$25,000 refurbish bamboo bay structure
- 2029 - \$15,000 replace bamboo bay yellow slides

Repair/Replacement costs include:

- 2024 - \$26,000 bamboo bay replacement shallow water play features
- 2024 - \$29,000 replace sprinkler heads in tropic pool area (per inspection - due to visual corrosion)
- 2025 - \$ 108,000 replace Kalwall in Tropics
- 2025 - \$50,000 refurbish sound & light system on water slide
- 2026 - \$30,000 replace furniture in pool areas
- 2026 - \$15,000 replace basketball hoop along pool edge
- 2029 - \$120,000 replace pirate ship slide feature
- 2029 - \$26,000 bamboo bay replacement shallow water play features

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 316,800	\$ 213,000	\$ 173,000	\$20,000	\$ 91,000	\$ 291,000
Total Sources of Funds	\$ 316,800	\$ 213,000	\$ 173,000	\$20,000	\$ 91,000	\$ 291,000
Uses						
Pool/Whirlpool	\$ 14,800	\$ 40,000	\$ 110,000	\$20,000	\$ 16,000	\$ 80,000
Locker Rooms	247,000	-	-	-	50,000	50,000
Water Slide	-	15,000	18,000	-	25,000	15,000
Repair/Replacement Allowance	55,000	158,000	45,000	-	-	146,000
Total Uses of Funds	\$ 316,800	\$ 213,000	\$ 173,000	\$20,000	\$ 91,000	\$ 291,000

The volume of use of pool and locker room facilities throughout the year causes wear and tear on the facility. Completion of these repairs in a timely manner is necessary to maintain the appearance of the facility, to protect the investment in the building and to retain customers. An allowance is included in the City's comprehensive infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

Furniture & Equipment

CC 4

A repair and replacement allowance for Community Center furniture and equipment.

Planned costs are listed below.

Fitness equipment replacement allowances include:

- 2024 - \$50,000
- 2025 - \$50,000
- 2026 - \$50,000
- 2027 - \$70,000
- 2028 - \$50,000
- 2029 - \$50,000

Furniture Replacement costs include:

- 2024 - \$15,000 replace furniture in activity room hallway
- 2025 - \$15,000 furniture replacement allowance for fireside lounge seating area
- 2026 - \$15,000 furniture replacement allowance for fireside lounge seating area
- 2027 - \$50,000 replace activity room tables and chairs

Equipment costs:

- 2024 - \$40,000 replace kitchen equipment in Shoreview room kitchen
- 2025 - \$14,000 replace Taski 1255b floor machine
- 2025 - \$35,000 replace community room kitchen equipment
- 2026 - \$35,000 replace wave kitchen equipment
- 2028 - \$20,000 replace taski 455b floor machines (2)

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 65,000	\$154,000	\$ 100,000	\$120,000	\$70,000	\$ 50,000
Total Sources of Funds	\$ 65,000	\$154,000	\$ 100,000	\$120,000	\$70,000	\$ 50,000
Uses						
Equipment-Fitness	\$ 50,000	\$ 50,000	\$ 50,000	\$ 70,000	\$50,000	\$ 50,000
Furniture	15,000	15,000	15,000	50,000	-	-
Equipment-Community Center	-	89,000	35,000	-	20,000	-
Total Uses of Funds	\$ 65,000	\$154,000	\$ 100,000	\$120,000	\$70,000	\$ 50,000

The volume of use of the community center facility throughout the year causes wear and tear on furniture and equipment. Completion of these repair/replacements in a timely manner is necessary to maintain the appearance of the facility, to protect the investment in the building and to retain customers. An allowance is included in the City's comprehensive infrastructure replacement plan so that routine and periodic repairs can be made without impacting the Community Center operating budget.

Community Center Improvements

CC10

Planned Community Center improvements and allowances for improvements to be determined in the future are listed below.

Improvement allowances include:

- 2024 - \$50,000 for items to be determined
- 2025 - \$50,000 for items to be determined
- 2026 - \$50,000 for items to be determined
- 2027 - \$50,000 for items to be determined
- 2028 - \$50,000 for items to be determined
- 2029 - \$50,000 for items to be determined

	2024	2025	2026	2027	2028	2029
	Estimate	Planned	Planned	Planned	Planned	Planned
Resources						
Community Investment fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Sources of Funds	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Uses						
Improvement Allowance	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Uses of Funds	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000

To preserve the vitality of the Community Center and continue to generate income in support of operating costs, it is important to offer new experiences to customers through periodic changes to the community center facility.

Central Garage Maintenance

PWA 33

- 2024 Replace roof on salt storage shed
- 2025 Replace underground fuel tanks and pumping system
- 2026 Mill and resurface main garage floor

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Central Garage Fund	\$ 40,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ -
Total Sources of Funds	\$ 40,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ -
Uses						
Municipal Buildings	\$ 40,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ -
Total Uses of Funds	\$ 40,000	\$ 550,000	\$ 200,000	\$ -	\$ -	\$ -

The salt storage building was installed in 2010 as part of the maintenance center remodel and was covered with a fabric roof. The roof is nearing the end of its useful life and is in need of replacement.

The underground fuel tanks and pumping system were installed in 1985 and are reaching the end of their useful life. The new underground tank and fuel pumping system will meet all current standards and significantly reduce the chance of fuel spills or contamination.

The maintenance center facility was remodeled in 2010, the improvements didn't include rehabilitating the main garage area. The concrete floor in that area is now over 40 years old and is in need of resurfacing. All maintenance equipment is parked in the garage and drives the throughway at least five days a week. Resurfacing the floor at this time will preserve the floor so it will not need to be fully removed and replaced.

Water Systems

PWA 5

This project includes improvements to the City's water system.

2024 costs include:

- \$135,000 For VFD replacement and upgrades in the booster station and wells

2025 costs include:

- \$650,000 Installation of water mains to connect dead-ends between Milton Street and Target Lane, North Owasso Boulevard and Woodbridge Street and Sherwood St.
- Replace SCADA panel south water tower
- \$120,000 Installation of solar energy system at water treatment plant

2026 costs include:

- \$1,000,000 Rehabilitate or replace portions of the city's water distribution system in various locations throughout the city.

2027 costs include:

- \$800,000 North Tower interior wet rehabilitation and surface recoating

2029 costs include:

- \$1,500,000 Rehabilitate or replace portions of the city's water distribution system in various locations throughout the city.

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Debt-Water Revenue	\$ 135,000	\$ 712,000	\$ 1,000,000	\$ 800,000	\$ -	\$ 1,500,000
MN Commerce Dept Grant	-	72,000	-	-	-	-
Federal Tax Credit	-	36,000	-	-	-	-
Total Sources of Funds	\$ 135,000	\$ 820,000	\$ 1,000,000	\$ 800,000	\$ -	\$ 1,500,000
Uses						
Water Tower	\$ -	\$ -	\$ -	\$ 800,000	\$ -	\$ -
Utility System Controls	135,000	50,000	-	-	-	-
Water Main	-	650,000	1,000,000	-	-	1,500,000
Solar Energy System WTP	-	120,000	-	-	-	-
Total Uses of Funds	\$ 135,000	\$ 820,000	\$ 1,000,000	\$ 800,000	\$ -	\$ 1,500,000

Improvements, rehabilitation, cleaning and inspection of the City's water system are planned in accordance with the City's Comprehensive Infrastructure Replacement Plan, which is reviewed and updated biennially.

Installation of the solar energy system at the water treatment plant will provide a portion of the electrical demands of the plant, reducing the overall electrical costs and carbon footprint.

Upgrades to well motors and electrical panels are required in order to meet the City's water demand. The SCADA panel in the south tower is reaching the end of its useful life and is in need of replacement.

Extend water mains to areas currently not serviced by City water and create loops in the system by correcting dead-ends in various areas throughout the City, to improve the overall performance of the system and provide redundancy for emergencies.

Sanitary Sewer Rehabilitation

PWA 6

The repair or rehabilitation of high-maintenance or defective sanitary sewer segments located within the city through technology or construction techniques which are unavailable to city maintenance crews. For instance, the city is actively using trenchless methods, and/or pipe re-lining, as an alternative to excavating in existing streets/neighborhoods.

- 2025 - \$760,000 miscellaneous areas throughout the city identified as highly susceptible to infiltration.
- 2029 - \$831,000 miscellaneous areas throughout the city identified as highly susceptible to infiltration.

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Debt-Sewer Revenue	\$ -	\$ 760,000	\$ -	\$ -	\$ -	\$ 831,000
Total Sources of Funds	\$ -	\$ 760,000	\$ -	\$ -	\$ -	\$ 831,000
Uses						
Sanitary Sewer	\$ -	\$ 760,000	\$ -	\$ -	\$ -	\$ 831,000
Total Uses of Funds	\$ -	\$ 760,000	\$ -	\$ -	\$ -	\$ 831,000

Various sections of the city's sanitary sewer system are in need of repair or rehabilitation. Often, leaky and/or broken pipes and manholes are responsible for groundwater infiltration into the sewage system, resulting in higher sewage treatment costs for the city. The pipes and manholes in need of repair are also more likely to fail, resulting in sewage back-ups and resulting damage claims.

Sanitary Sewer Lift Stations

PWA 3

Sanitary Sewer lift station improvements include updates and replacement of lift station pumps & piping as well as system controls and monitoring capability.

Scheduled replacements and upgrades include:

- 2025 - update 3 lift stations including: Chatsworth, Cohansey & Lake Beach
- 2027 - update 3 lift stations including: Rice & Bridge, North Carlson & Woodbridge
- 2029 - update 3 lift stations including: Snail Lake Blvd, Schifsky and Snail Lake Road

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Debt-Sewer Revenue	\$ -	\$ 90,000	\$ -	\$ 95,000	\$ -	\$ 95,000
Total Sources of Funds	\$ -	\$ 90,000	\$ -	\$ 95,000	\$ -	\$ 95,000
Uses						
Sewer Lift Station	\$ -	\$ 90,000	\$ -	\$ 95,000	\$ -	\$ 95,000
Total Uses of Funds	\$ -	\$ 90,000	\$ -	\$ 95,000	\$ -	\$ 95,000

Updates and improvements are planned in accordance with the City's comprehensive infrastructure replacement plan, which is reviewed and updated biennially. Improvements include replacing transducers, floats, controls and pumps as necessary.

Surface Water Collection/Treatment/Reuse

PWA 2

Includes improvements to the City's surface water collection and treatment system. The following improvements are planned:

- 2024 \$500,000 Removing accumulated sediment from areas of the Kerry Ponds storm treatment system to improve the overall performance of the system.
- 2025 \$400,000 rehabilitate or replace portions of the city's surface water and collection system in various locations throughout the city.
- 2027 \$720,000 install new surface water treatment infrastructure and rehabilitate or replace portions of the city's surface water and collection system in various locations
- 2029 \$800,000 install new surface water treatment infrastructure and rehabilitate or replace portions of the city's surface water and collection system in various locations

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Debt-Surface Water Revenue	\$ 500,000	\$ 400,000	\$ -	\$ 720,000	\$ -	\$ 800,000
Total Sources of Funds	\$ 500,000	\$ 400,000	\$ -	\$ 720,000	\$ -	\$ 800,000
Uses						
Storm Sewer	\$ 500,000	\$ 400,000	\$ -	\$ 720,000	\$ -	\$ 800,000
Total Uses of Funds	\$ 500,000	\$ 400,000	\$ -	\$ 720,000	\$ -	\$ 800,000

Remove phosphorus and other nutrients from storm water run-off to meet waste load allocation targets required as part of the city's 2021 NPDES MS4 general permit.

Improvements, rehabilitation, cleaning and inspection of the City's surface water collection and treatment system are planned in accordance with the city's Comprehensive Infrastructure Replacement Plan, which is reviewed and updated biennially.

Residential Street Lights

PWA 7

Replacement of City-owned street lighting components. This work typically includes poles, luminaries, power sources, wiring, etc. in residential neighborhoods. Based on factors including age, material types, and reliability, the City will identify high priority areas and work with a lighting contractor on the selection and installation of the components.

Replacement allowances reflect conversion of City-owned street lights to more efficient LED fixtures and the gradual replacement and transfer of ownership from Xcel Energy lights to City-owned lights.

Painting of ornamental city owned street lights in various locations throughout the city.

Allowances for street light replacements are as follows:

- 2025 52 lights
- 2027 52 lights
- 2029 52 lights

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Street Lighting Fund	\$ -	\$ 566,460	\$ -	\$ 595,140	\$ -	\$ 625,220
Total Sources of Funds	\$ -	\$ 566,460	\$ -	\$ 595,140	\$ -	\$ 625,220
Uses						
Street Lighting	\$ -	\$ 566,460	\$ -	\$ 595,140	\$ -	\$ 625,220
Total Uses of Funds	\$ -	\$ 566,460	\$ -	\$ 595,140	\$ -	\$ 625,220

To address the growing trend and costs associated with street lighting outages and repairs in residential neighborhoods. This project proposes to address street lighting needs on a neighborhood basis, as opposed to responding to customer complaints.

A substantial amount of residential development occurred in the 1970's and the 1980's, and the components typically used for street lighting in those neighborhoods are reaching the end of their useful life. For instance, hollow wood poles are subject to rotting and bird/insect damage, and direct-buried wiring (as opposed to wiring in conduit) causes increased lighting outages. The upgraded system (with metal or fiberglass poles, LED luminaries and wiring) is expected to have lower operating costs, and a service life of at least 35 years. Rehabilitation of ornamental street lights will include surface preparation and painting to extend the service life of the pole.

Fire Equipment

ADM 2

An allowance for the replacement of fire vehicles and equipment is planned for Shoreviews share (61.3% in 2024 and 61.5% in 2025 - 2029) of fire equipment, as estimated by the Lake Johanna Fire Department.

Truck replacements include:

- 2024 - \$1,130,372 engine/ladder replacement
- 2024 - \$4,904 tire replacement
- 2025 - \$67,650 Tahoe command replacement
- 2025 - \$5,228 tire replacement
- 2026 - \$123,000 UTV/Trailer/Utility
- 2026 - \$5,211 tire replacement
- 2027 - \$710,325 engine/ladder replacement
- 2027 - \$73,800 Tahoe/comm. replacement
- 2027 - \$5,535 tire replacement
- 2028 - \$202,950 rescue replacement
- 2028 - \$78,720 Tahoe command replacement
- 2028 - \$5,535 tire replacement
- 2029 - \$258,300 tanker/utility replacement
- 2029 - \$5,843 tire replacement

Information systems estimates:

- 2024 - \$35,860 mobile tablet replacements
- 2025 - \$6,396 computer replacement
- 2025 - \$1,476 network access devices (all stations)
- 2025 - \$4,041 network access devices (all stations)
- 2026 - \$4,243 radio programing/repair
- 2027 - \$2,614 computer replacement
- 2027 - \$4,904 network devices (all stations)
- 2027 - \$4,454 radio programing/repair
- 2028 - \$4,678 radio programing/repair
- 2029 - \$49,938 mobile tablet replacements
- 2029 - \$4,911 radio programing/repair
- 2029 - \$1,046 mobile tablet replacements

Self-Contained Breathing Apparatus (SCBA) equipment includes:

- 2024 - \$3,372 hydro test of SCBA bottles
- 2026 - \$442,800 SCBA replacement

Rescue equipment includes:

- 2024 - \$4,291 portable monitor/nozzle
- 2025 - \$2,034 gas monitors (CO)
- 2025 - \$26,445 new ladder equipment
- 2025 - \$10,455 engine equipment
- 2025 - \$9,995 boat equipment
- 2025 - \$1,845 utility center console
- 2027 - \$56,580 new engine equipment

Fire Equipment

ADM 2

Equipment miscellaneous includes:

- 2024 - \$15,004 Lexipol policy manual
- 2025 - \$14,182 Lexipol policy manual
- 2025 - \$26,918 new hire turnout gear
- 2025 - \$32,546 replacement turnout gear
- 2025 - \$1,845 training manikins
- 2025 - \$2,153 Set of irons
- 2026 - \$28,264 new hire turnout gear
- 2027 - \$29,677 new hire turnout gear
- 2027 - \$35,882 replacement turnout gear
- 2028 - \$31,161 new hire turnout gear
- 2029 - \$32,719 new hire turnout gear
- 2029 - \$39,560 replacement turnout gear

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 1,193,803	\$ 211,208	\$ 603,535	\$ 923,787	\$ 323,043	\$ 392,317
Total Sources of Funds	\$ 1,193,803	\$ 211,208	\$ 603,535	\$ 923,787	\$ 323,043	\$ 392,317
Uses						
Fire Vehicles/Equipment	\$ 1,135,276	\$ 72,878	\$ 128,228	\$ 789,660	\$ 287,205	\$ 264,143
Other Information Systems	35,860	11,913	4,243	11,988	4,677	55,895
SCBA Equipment	3,372	-	442,800	-	-	-
Equipment-Rescue	4,291	48,774	-	56,580	-	-
Equipment-Miscellaneous	15,004	77,643	28,264	65,559	31,161	72,279
Total Uses of Funds	\$ 1,193,803	\$ 211,208	\$ 603,535	\$ 923,787	\$ 323,043	\$ 392,317

Replacement of fire apparatus, rescue equipment and other equipment for the Fire Department is important to providing quality fire and rescue services to the community.

Warning Sirens

ADM 3

An allowance for the replacement/repair of warning sirens for each year is provided

- 2024 - \$31,000 Well #6 siren replacement
- 2025 - \$32,000 Shamrock Park siren #8 replacement
- 2027 - \$33,000 Parkview Drive siren #7 replacement

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Asset Replacement	\$ 31,000	\$ 32,000	\$ -	\$ 33,000	\$ -	\$ -
Total Sources of Funds	\$ 31,000	\$ 32,000	\$ -	\$ 33,000	\$ -	\$ -
Uses						
Public Safety	\$ 31,000	\$ 32,000	\$ -	\$ 33,000	\$ -	\$ -
Total Uses of Funds	\$ 31,000	\$ 32,000	\$ -	\$ 33,000	\$ -	\$ -

Regular maintenance/replacement of sirens is necessary to maintain the effectiveness of the warning system.

Computer Systems

FINA1

An allowance for periodic upgrades and replacements to the City's information systems (hardware and software) is planned to ensure the continued effectiveness of the network. The five-year information systems plan has expanded in recent years to address system-wide technology needs, in part due to the increased integration between systems. As such, the plan provides for personal computers, printers (member card, desktop, multi-function, high-speed, CAD plotter/scanner), file servers, miscellaneous hardware/systems (card access, security cameras, image scanners, card scanners, mobile devices, building monitors, phone system, wireless capability), network storage, LAN infrastructure, LAN software (backup protection, server virtualization, email, calendar, etc.), and periodic upgrades and enhancements to specialized software (accounting, recreation, CAD, GIS, office, permits, etc.).

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Capital Acquisition (IT)	\$ 139,000	\$ 117,000	\$ 57,000	\$ 57,000	\$ 33,500	\$ 32,000
Capital Asset Replacement	225,000	297,500	175,500	87,500	91,000	146,000
Water Fund	1,250	-	-	3,000	-	-
Sewer Fund	1,250	-	-	3,000	-	-
Central Garage Fund	10,000	2,800	10,000	-	-	7,000
Total Sources of Funds	\$ 376,500	\$ 417,300	\$242,500	\$150,500	\$ 124,500	\$ 185,000
Uses						
Computers	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000
Printers	12,500	12,300	27,500	7,500	3,000	7,000
Servers	80,000	-	80,000	-	-	-
Security Systems	126,000	146,000	46,000	26,000	26,000	46,000
Communication Systems	4,000	54,000	4,000	2,500	4,000	2,500
LAN/Network	40,000	55,000	5,000	5,000	5,000	95,000
Specialized Applications	17,000	18,000	-	-	-	-
Other Information Systems	78,000	113,000	61,000	90,500	67,500	15,500
Total Uses of Funds	\$ 376,500	\$ 417,300	\$242,500	\$150,500	\$ 124,500	\$ 185,000

The City's computer systems are used extensively by staff, and the range and amount of use is continuing to expand. Timely replacements are necessary to maintain the productivity of the network, to protect the various systems, to provide adequate redundancy in the event of an emergency, and to keep pace with technology. Personal computers are replaced every 4 to 6 years, depending on the level of use. Other hardware is replaced as necessary for the productivity of the applicable system.

Central Garage Equipment

PWA18

Central Garage equipment is scheduled for replacement based on an evaluation of equipment condition, repair records, incidence of breakdowns, and changing operational needs. The cost of operation and replacement of all Central Garage equipment is recovered through annual rent charges (paid by funds and activities that use the equipment throughout the year). Maintaining an efficient and effective fleet of equipment is essential to consistent service delivery.

	2024 Estimate	2025 Planned	2026 Planned	2027 Planned	2028 Planned	2029 Planned
Resources						
Central Garage Fund	\$ 831,000	\$ 835,000	\$ 795,000	\$ 825,000	\$ 895,000	\$ 945,000
Total Sources of Funds	\$ 831,000	\$ 835,000	\$ 795,000	\$ 825,000	\$ 895,000	\$ 945,000
Uses						
Truck/s	\$ 400,000	\$ 415,000	\$ 345,000	\$ 370,000	\$ 705,000	\$ 505,000
Staff Vehicle/s	60,000		-	-	-	60,000
Tractor/Mower/Loader/Cart	221,000	275,000	365,000	110,000	30,000	225,000
Street Repair Equipment	-	55,000		-	-	25,000
Sweeper	-	-	-	260,000	-	-
Sewer Inspecting Equipment	-			-	75,000	-
Generator	45,000	-		-	-	45,000
Equipment-Central Garage	105,000	90,000	85,000	85,000	85,000	85,000
Total Uses of Funds	\$ 831,000	\$ 835,000	\$ 795,000	\$ 825,000	\$ 895,000	\$ 945,000

TO: MAYOR AND COUNCILMEMBERS

**FROM: BRAD MARTENS, CITY MANAGER
FRED ESPE, FINANCE DIRECTOR**

DATE: November 12, 2024

**SUBJECT: REVIEW OF THE 2024-2029 CAPITAL IMPROVEMENT
PROGRAM**

INTRODUCTION

Enclosed is a copy of the updated 2024-2029 Capital Improvement Program (CIP). The CIP will be adopted as part of the 2025 budget process, the city council typically reviews it separately at a council workshop meeting each year. This CIP reflects the city's current plan for capital spending over the next five years. This memo will highlight the major projects within each category of improvement and also discuss some of the key policy issues that the council should consider as part of its review of the CIP.

COLLECTOR STREETS

The city's municipal state aid (MSA) streets are generally considered collector streets that carry higher traffic volumes than standard residential streets. Cities may designate up to 20 percent of its streets as part of the MSA system and receive state gas tax dollars to support the construction and maintenance of the system. These collector MSA streets need to be constructed to certain design standards established by the state. Cities can also use MSA revenues on county or state roadway improvements. The CIP includes three projects that use MSA funding during the next five years including:

- Reconstruction of Hamline Avenue between Lexington Avenue and County Road I is planned in 2028, with preliminary costs in 2026. The project will include reconstruction of the road with concrete curb and gutter, installation of a stormwater collection and treatment system, water and sanitary sewer main extensions, installation of area trail connections, and street light replacements.

The city requested and received a \$4,000,000 advance on future MSA allotments from the Minnesota Department of Transportation in 2020, and an additional \$2,270,668 advance in 2023, the MSA projection on page 8 of the CIP includes these advances plus an additional advance of \$4,915,000 in 2028.

STREET IMPROVEMENTS

In 2021 the city completed the reconstruction of all substandard residential streets throughout the city. The residential street reconstruction program that began in the mid-1980's and was designed to bring all of the residential streets in the city to modern standards, including concrete curb and gutter and modern storm drainage systems. The city's street renewal fund is projected to exceed the minimum \$2,000,000 fund balance in all years presented in the capital improvement program. In future years the city will move to a street rehabilitation strategy using the "full depth reclamation" model that has been a very effective street maintenance strategy.

A significant policy change that began several years ago was discontinuing the seal coating program as a maintenance strategy for city streets. Prior to 2017, the city spent more than \$300,000 annually to crack fill and seal coat city streets. The public works director and city engineer recommended that the city use these dollars to do a third street rehabilitation bond issue to resurface streets using the full depth reclamation approach. A \$3.0 million bond was issued in 2018 that funded significant street rehabilitation work throughout Shoreview in both 2018 and 2019. Another \$2.4 million street rehabilitation bond was issued in 2022, which corresponded to the time frame when the initial street rehabilitation bonds (issued in 2006) were retiring. The current CIP anticipates the issuance of another \$2.5 million street rehabilitation bond in 2027, which corresponded to the time frame when the 2013 street reconstruction bonds will retire. The city will move to a street rehabilitation strategy that plans major street rehabilitation projects of slightly more than \$2.0 million approximately every two years (2026 and 2029) using Street Renewal Fund revenues.

PARK IMPROVEMENTS

There are four major park renovations currently included in the CIP, Bobby Theisen Park (\$3,241,000) in 2024 and 2025, McCullough Park-(\$1,764,000) in 2026 and 2027 and Shamrock Park-(\$1,605,000) in 2029. The CIP also includes an allowance of \$2,715,000 for the replacement of a park building at Bobby Theisen Park and the construction of a new park building at Commons Park in 2024 and 2025. These replacement park buildings will be financed by a bond issue. The issuance of these bonds corresponds to the maturity of the first community center expansion certificate of participation (COP) debt. The bonds will be repaid by transfers from the community investment fund and capital asset replacement fund that were previously used to repay the COP's.

The other park projects are generally replacement projects including court resurfacing, fence replacement, playground updates, landscaping replacement, irrigation system improvements and repairs, and miscellaneous building repairs that are generally funded by the capital asset replacement fund. Additional park replacement costs will occur at Commons Park in 2026, (\$253,000), McCullough Park in 2027 (\$475,000) and 2028 (\$575,000), Shamrock Park in 2025 (\$460,000), Sitzler Park in 2025 (\$167,000), and Bobby Theisen Park in 2025 (\$662,000).

TRAIL REHABILITATION AND EXTENSIONS

A trail segments is planned as part of the Hamline Avenue street reconstruction projects in 2028 (\$680,000). The boardwalk along County Road I between Lexington and Chatsworth is scheduled to be replaced in 2025 (\$500,000), (city share \$400,000). The extension of the off-street trail along Victoria Street from Harriet Avenue in Shoreview to County Road C located in Roseville will provide a connection between the existing trail system in Shoreview with the existing trail system in Roseville and provide a link between residential areas and local schools (\$600,000), and various trail segments in 2026 as part of the street rehabilitation project (\$115,000). Trail rehabilitations (seal coating) continues to be scheduled annually.

MUNICIPAL BUILDINGS

Most of the Community Center building improvements planned in 2025 and future years are replacement/repair of various items in the building including carpeting and flooring, moveable walls, banquet chairs, kitchen equipment, lockers, fitness equipment, and mechanical systems. The air handling unit in the main pool area was rehabilitated in 2022 resulting in a significant savings to the Capital Asset Replacement Fund and delaying the replacement until 2027 (\$800,000). The park and recreation office area and city hall office areas

are to be remodeled in 2025 (\$1,600,000) and will be financed by a general obligation capital improvement bond, the Kalwall is scheduled to be replaced in the tropics in 2025 (\$108,000), the pirate ship is scheduled to be replaced in 2029 (\$120,000) and will be funded by the capital asset replacement fund. An elevator at city hall is proposed to be funded by the community investment fund in 2025 (\$500,000).

The Lake Johanna Fire Department has completed a long range planning study that identified the need to replace fire station 140 located at the intersection of Victoria Street and County Road E with a much larger station that would better serve their current organizational structure and current operations. During 2020, the city contributed about \$800,000 toward the purchase of a 4 acre parcel on Pine Tree Drive in Arden Hills as the future site of a new station. The funding of the station construction has been included in the permanent capital fund cash flow projections in the CIP. Shoreview's share of the estimated cost of the new station is likely in the \$10.6 million range. In 2023, the State Legislature allocated \$6,370,000 for a public safety facility to house the Lake Johanna Fire Department.

UTILITY SYSTEM IMPROVEMENTS

There are several significant utility system projects that are planned over the five-year CIP. Major utility system improvements include:

- Water System – installation of water mains to connect dead-ends between Milton Street and County Road E and North Owasso Boulevard and Woodbridge Street (\$650,000), and installation of a solar energy system at the water treatment plant (\$120,000) in 2025, rehabilitation or replacement of portions of the city's water distribution system at various locations throughout the city in 2026 (\$1,000,000), interior wet rehabilitation and surface recoating of the north tower in 2027 (\$800,000), and rehabilitation or replacement of portions of the city's water distribution system at various locations throughout the city in 2029 (\$1,500,000).
- Sanitary Sewer System – allowances for rehabilitation and replacement of various sanitary sewer systems throughout the city in 2025 (\$760,000), and 2029 (\$831,000). Allowances in 2025, 2027 and 2029 for lift station updates in the amount of \$90,000 and \$95,000 and 95,000 respectively.
- Surface Water Collection Systems – Rehabilitate or replace portions of the city's surface water and collection system in various locations throughout the city in 2025 (\$400,000). Install new surface water treatment infrastructure and rehabilitate or replace portions of the city's surface water and collection system in various locations throughout the

city in 2027 and 2029 in the amount of \$720,000 and 800,000 respectively.

- Street Light System – the CIP includes allowances for replacing lights in the years 2025, 2027, and 2029 at a cost of \$566,460, \$595,140 and \$625,220 respectively.

MAJOR EQUIPMENT

Major equipment is funded both through the central garage account and the city's capital asset replacement fund (CARF). The central garage account generally includes the cost for replacement of vehicles and equipment that are used by the street, utility and park maintenance divisions. The city's share (approximately 61.5%) of fire apparatus and other fire equipment are funded through the Capital Asset Replacement Fund. Upcoming major expenditures for the Lake Johanna Fire Department include an engine ladder replacement in 2027 (\$710,325), a rescue replacement in 2028 (\$202,950), and a tanker utility replacement in 2029 (258,300).

The Central Garage account funds most of the City's vehicle and equipment replacement for public works and parks operations. The fund includes annual vehicle and equipment replacements ranging in cost between about \$795,000 and \$945,000 each year of the capital improvement program.

SUMMARY

The CIP is designed to first maintain existing systems and city assets, and then reflects new items that are consistent with the city council goals that have been identified.

Memorandum

TO: City Council Workshop
FROM: Brad Martens , City Manager
DATE: November 18, 2024
SUBJECT: 2025 City Council Strategic Visioning Workshop
ITEM NUMBER: 1.b
SECTION: GENERAL BUSINESS

REQUESTED MOTION

INTRODUCTION

The City Council is being asked to provide direction on scheduling a special workshop in 2025 for the purpose of strategic visioning.

DISCUSSION

The City Council from has traditionally scheduled a special workshop following each election for the new city council to establish their priorities for the coming years. The workshop is facilitated by an outside consultant and involves the city council, city manager, and department heads. The most recent example of this took place in 2023, following the 2022 election and resulted in the attached 2023-2024 Strategic Goals document. This was a slightly modified version of a similar document adopted in 2021.

It is recommended that the city council again schedule a similar workshop in early 2025. Staff recommendation is to consider Dave Webb as the facilitator as he has been involved with internal staff development and has successfully facilitated strategic visioning sessions with dozens of organizations. Dave has a strong understanding of the Shoreview organization and also happens to be a Shoreview resident.

The proposed work scope is as follows:

- Overview of the Homerun Leadership IROD decision making process
- Discover your leadership team types
- Review of mission, vision, and values
- Strategic visioning
- Action strategy development based off the strategic visioning

The recommended date and time for the special workshop is Monday, February 10th from 4:30 pm - 8:30 pm. Funds are allocated in the 2025 budget to cover the costs of facilitation.

RECOMMENDATION

Provide staff direction related to a strategic visioning session in 2025.

ATTACHMENTS



2023 – 2024 STRATEGIC GOALS

Financial stability

Maintain and further improve the city’s financial stability. The city’s commitment to long-term financial planning has been critical to achieving its financial strength. Maintaining a solid financial position allows the city to fund essential municipal services, maintain our infrastructure, and make key investments in many projects and activities that enhance the community’s quality of life.

- Continue an institutional commitment to five-year operating plan, two-year budget cycles, and long range infrastructure planning.
- Maintain the city’s AAA bond rating
- Maintain Shoreview’s current tax levy ranking among peer communities.
 - Investigate opportunities to increase non-tax revenue to reduce property tax impacts

Organizational excellence

Ensure Shoreview’s culture and values continue as key staff and council leaders retire. Attracting and retaining a high quality, skilled workforce as an employer of choice is important to the city’s future.

- Clearly articulate Shoreview’s work culture, mission, vision, and values:
 - Review Shoreview’s values for council approval
 - Enhance the onboarding and mentoring program for staff and new city council members
 - Maintain the city’s high community satisfaction rates
- Continue to encourage and support staff development
 - Host staff academy for current and new employees
- Strengthen and enhance communication between departments
- Be an employer of choice in Twin Cities region by maintaining a competitive wage and benefit structure and a quality work environment
 - Coordinate annual employee survey to measure employee engagement and culture
- Evaluate staffing needs to maintain Shoreview’s high standards of service delivery
 - Establish a five-year organizational staffing plan



Community and economic development

Community development

Continue to enhance the quality of life in Shoreview through the development and upgrading of city parks and provision of comprehensive recreation program offerings that meet the evolving needs of the community. In addition, it is critical that the city continue to provide a well maintained and safe transportation network of roads and trails throughout the city.

- Enhance and upgrade our park and recreation infrastructure
 - Implement the park system master plan
- Maintain and improve transportation infrastructure
 - Partner with Ramsey County to facilitate Lexington Avenue and Hodgson Road reconstruction projects
 - Develop and implement strategies for residential street maintenance following the end of our street reconstruction program
 - Continue to construct trail segments to better connect the community (including Hodgson Road and Victoria Street corridors)

Housing and economic development

Continue to prioritize high quality development and targeted redevelopment opportunities to provide diverse housing choices, maintain and create jobs, increase retail options, and further diversify the city's tax base.

- Continue to support the economic development authority's programs and initiatives
 - Review housing loan programs to provide opportunities for first-time home buyers and home improvements
 - Adopt a comprehensive housing approach that addresses housing choices, affordability levels, home ownership opportunities, and maintenance of existing housing
- Continue to monitor and explore potential business redevelopment opportunities at the former Deluxe Corporation site, Rice Street Crossing, Shoreview Village Mall and older industrial sites
 - Review the Town Center plan
- Continue to monitor and explore potential housing redevelopment opportunities at the Gospel Mission site, Shoreview Hills, the intersection of Hodgson Road and County Road J, and the intersection of Hodgson and Gramsie Roads
- Evaluate code enforcement program and recommend adjustments to increase code compliance



Environmental initiatives

Continue to be a leader in sustainable practices and policies.

- Continue participation in GreenStep Cities
- Focus on maintaining sound environmental practices
 - Create a climate action statement and plan
 - Review recommendations from environmental quality committee

Inclusion and Engagement

Strengthen commitment to fostering inclusion and incorporate strategies across all city functions while expanding communications and engagement within the community.

- Use committees and commissions for engagement and cultivation of future leaders
- Provide a variety of outreach and engagement opportunities that meet the needs of Shoreview's changing demographics
 - Host a citizens' leadership academy in 2023
 - Develop a youth citizens' leadership academy
 - Coordinate a community survey in 2025
 - Develop strategies and events to reach residents in multi-family units
 - Develop strategies to leverage outreach at Night to Unite
- Increase information transparency for greater resident confidence and understanding
- Develop and implement a plan to incorporate racial equity into our decision making