

City of Shoreview, Minnesota

Amended Biennial Operating Budget 2015
Amended Capital Improvement Program 2014-2019

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City of Shoreview, Minnesota

Amended 2015 Operating Budget (Second Year of 2014-2015 Biennial Budget)

and Amended Capital Improvement Program 2014-2019

Principal City Officials

| City Council | Name | Term Expires |
|----------------|---------------|-------------------|
| Mayor | Sandy Martin | December 31, 2016 |
| Council member | Emy Johnson | December 31, 2016 |
| Council member | Terry Quigley | December 31, 2018 |
| Council member | Ady Wickstrom | December 31, 2016 |
| Council member | Ben Withhart | December 31, 2014 |

| Administrative Staff | Name | Date of Hire |
|---|--------------------|-------------------|
| City Manager | Terry Schwerm | June 16, 1993 |
| Assistant City Manager/ Community Development Director | Thomas C. Simonson | February 19, 1985 |
| Finance Director/Treasurer | Fred Espe | October 27, 1998 |
| Public Works Director | Mark J. Maloney | September 6, 1994 |

Prepared by the Finance Department

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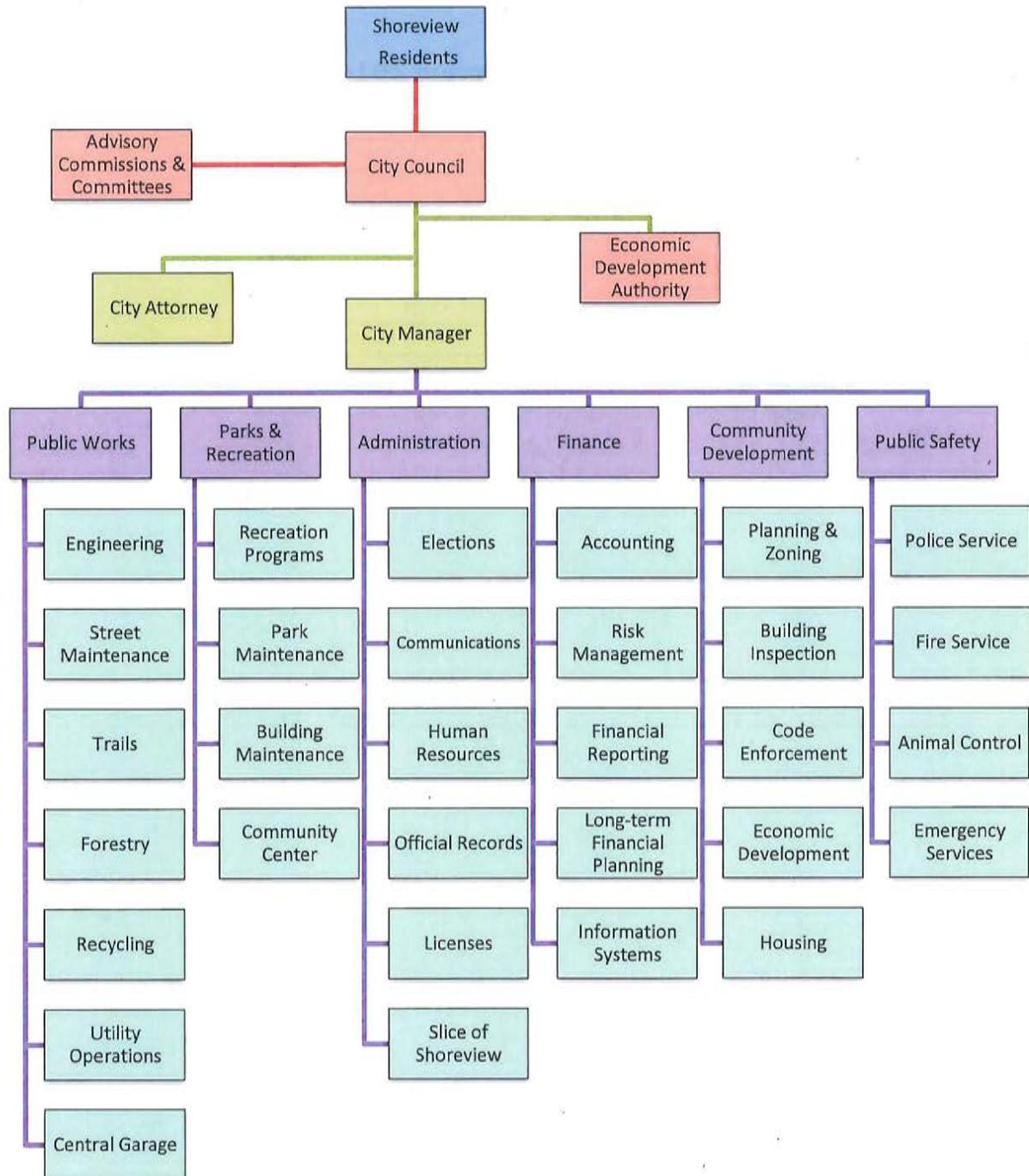
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Organization Structure

Shoreview operates under the Minnesota Statutory Plan B (Council – Manager) form of government. Policy-making and legislative authority are vested in a City Council consisting of the Mayor and four Council members, all elected on a non-partisan basis. The City Council appoints the City Manager, who in turn appoints directors of the various departments. Council members serve four-year terms, with two members elected every two years. The mayor is elected for a two-year term. Functional areas of city operations are shown in the organizational chart below.



Mayor and City Council and Citizens of Shoreview

Budget Process

Shoreview prepares and adopts a biennial budget during odd-numbered years, and considers potential budget amendments for the second year of the biennial budget during even-numbered years. The budget process begins in May and continues through adoption in December. Finance staff members coordinate budget preparation, provide analytical support to City Administration, evaluate budget requests in relation to resource limitations, and analyze any new program or service level changes along with any corresponding impact on revenue sources. The City Manager meets with Department Directors over a number of formal and informal meetings (during the summer and fall) to discuss issues impacting budget requests and potential budget revisions. Changes resulting from department meetings are incorporated into the budget prior to Council review. City Council work sessions begin in late summer and continue until the budget hearing (routinely held at the first regular Council meeting in December) and adoption in December. State law requires adoption and certification of a preliminary tax levy by September 30, and certification of the final tax levy and budget by December 29.

Budget Objectives

Primary objectives for City budget preparation are to provide an operational plan for the effective delivery of City services to residents and businesses, and to ensure protection of the City's financial strength and flexibility through a revenue structure and long-term planning efforts that are consistent with financial policies, Council goals, and the working capital targets established in the City's FYOP. Specific goals that guide budget development include: maintain existing services and programs; protect and maintain parks, lakes and open space areas; improve communications with residents and businesses; encourage maintenance and reinvestment in neighborhoods; explore targeted development and redevelopment to ensure a diverse tax base, quality housing, jobs, and a good mix of commercial services for residents; provide for future housing and capital improvement initiatives; and address economic challenges.

Service efficiency is measured by comparing Shoreview's taxing levels, revenue by source, and expense by function to cities of similar size. Data obtained from the Office of State Auditor and the League of Minnesota Cities is used to prepare benchmark comparisons for 28 metro-area cities closest to Shoreview in population (selecting 14 larger and 14 smaller). The most recent revenue and expense data available from the Office of State Auditor (for the year 2012) and the most recent property tax data (for the year 2014) show that Shoreview's:

- City share of the property tax bill (on a median valued home value of \$224,500) is 6th lowest among comparison cities (\$778 in Shoreview compared to \$963 on average).
- City tax rate is 6th lowest among comparison cities (18 percent below average).
- Special assessment revenue per capita is 2nd lowest of comparison cities, due to Shoreview's capital policy which limits the use of special assessments to the cost of new improvements.
- Charges for service revenues are 6th highest per capita, due to memberships and daily admission revenue for the community center as well as recreation program fees.

- Public safety spending per capita is third lowest among comparison cities (41% below average) due to efficiencies gained through contracts with other local agencies.
- Total spending per capita is 5th lowest among comparison cities (26 percent below average).

Funding strategies are designed to balance revenue from diversified sources such as taxes, utility rates and user fees, as well as the use of current resources versus debt issuance. The overall revenue structure is established with a long-term view, and is designed to protect service delivery, ensure adequate resources in support of operations, protect asset function and condition by providing sufficient funding for repair and replacement costs when needed, and provide long-term stability and sustainability.

Financial planning, and the policies that support decision-making, are critical to achieving and sustaining financial strength and flexibility. These efforts provide short and long-term operating and capital projections, as well as integrated financial strategies for the future. The City’s financial policies for fund equity levels, infrastructure replacement, and debt issuance; the City’s efforts in long-term financial planning through the budget, CIP, FYOP and CHIRP; and established fund goals and targets (in the FYOP), support one another to protect the financial health of the City and to ensure:

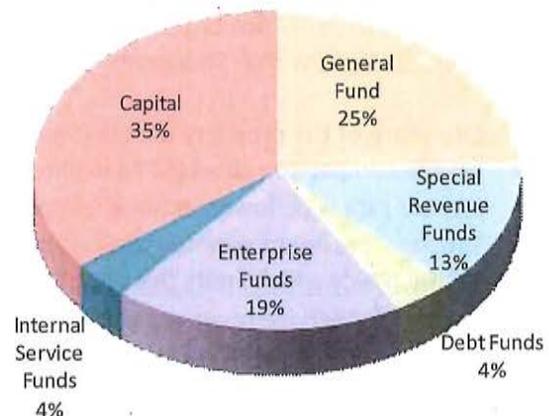
- Decision-making considers a long-term view of community needs.
- Practices prevent the use of one-time revenues to support ongoing operating expenses.
- Analysis considers long-term maintenance and operating costs when planning and evaluating capital projects.
- Commitment to balanced operations where revenues support operating costs.

Financial strength and flexibility is measured by how well the City is able to adapt to changing conditions, avoid temporary solutions that cannot be sustained, respond to unanticipated events and challenges, support operations with limited new development, ensure continuation of essential services, protect asset condition, navigate economic cycles, secure and maintain a high bond rating (reducing borrowing costs), prepare for the future, moderate changes in tax levies, utility rates and user fees whenever possible, and avoid short-term borrowing to support operations.

Since November of 2010 Standard and Poor’s has assigned a AAA bond rating to Shoreview’s general obligation debt, the highest bond rating awarded, due in part to the City’s commitment to sustainable long-term financial practices and planning.

Budget Overview

Municipalities account for operations through the use of separate “funds” that account for services and associated revenue sources. Each fund can be thought of as a separate business entity that is created for a specific purpose. Not only does each fund have its own purpose, but each fund has different constraints on its resources.



Total Operating Budget – The total amended 2015 budget for operating funds is summarized in the table below (excluding planned capital projects). Budgeted expense is \$25,371,949, an increase of \$735,003 over the 2014 budget (3.0 percent). Major areas of increase include public safety; community center expense, which is covered by memberships and admissions; and increased utility fund expense due to sewer infiltration mitigation costs, workers' compensation expense and depreciation.

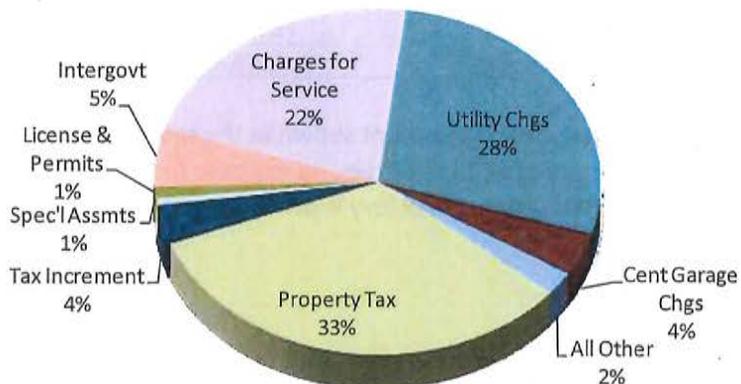
| | 2012 | 2013 | 2014 | 2014 | 2015 | 2015 |
|-----------------------------|---------------|---------------|---------------|------------------|----------------|----------------|
| | Actual | Actual | Budget | Revised Estimate | Budget | Revised Budget |
| Revenue | | | | | | |
| Property Taxes | \$ 7,147,896 | \$ 7,439,259 | \$ 7,739,154 | \$ 7,739,154 | \$ 8,117,671 | \$ 7,960,335 |
| Special Assessments | 174,842 | 122,226 | 100,850 | 100,850 | 199,945 | 199,945 |
| Licenses and Permits | 540,755 | 648,306 | 324,500 | 533,935 | 308,300 | 330,100 |
| Intergovernmental | 376,158 | 568,629 | 365,392 | 727,674 | 361,152 | 529,052 |
| Charges for Services | 5,689,999 | 6,178,809 | 6,037,173 | 6,057,956 | 6,190,130 | 6,099,728 |
| Fines and Forfeits | 67,000 | 52,440 | 52,800 | 47,271 | 52,800 | 48,800 |
| Utility Charges | 8,086,327 | 8,161,186 | 8,294,577 | 8,298,839 | 8,663,303 | 8,748,257 |
| Central Garage Charges | 1,143,847 | 1,207,379 | 1,242,855 | 1,242,855 | 1,256,090 | 1,256,090 |
| Interest Earnings | 185,417 | (553,847) | 153,000 | 153,000 | 160,070 | 160,070 |
| Other Revenues | 174,000 | 125,913 | 102,808 | 104,027 | 102,427 | 102,427 |
| Total Revenue | \$ 23,586,241 | \$ 23,950,300 | \$ 24,413,109 | \$ 25,005,561 | \$ 25,411,888 | \$ 25,434,804 |
| Expense | | | | | | |
| General Government | \$ 2,243,504 | \$ 2,446,016 | \$ 2,442,375 | \$ 2,386,770 | \$ 2,515,522 | \$ 2,492,726 |
| Public Safety | 2,706,424 | 3,069,177 | 3,000,223 | 3,329,274 | 3,144,020 | 3,424,835 |
| Public Works | 1,864,122 | 1,934,892 | 2,086,295 | 2,072,444 | 2,150,401 | 2,117,650 |
| Parks and Recreation | 5,282,365 | 5,388,707 | 5,759,484 | 5,659,566 | 6,116,013 | 5,867,782 |
| Community Development | 612,405 | 687,099 | 742,615 | 762,489 | 780,031 | 788,169 |
| Enterprise Operations | 5,244,732 | 5,378,371 | 5,817,212 | 5,763,534 | 6,015,448 | 5,961,999 |
| Central Garage | 550,659 | 568,179 | 599,799 | 617,185 | 617,652 | 621,453 |
| Miscellaneous | 67,522 | 24,290 | 40,000 | 84,000 | 40,000 | 40,000 |
| Debt Service | 2,331,187 | 2,486,746 | 2,213,943 | 2,331,008 | 2,096,139 | 2,066,335 |
| Depreciation | 1,813,983 | 1,863,625 | 1,935,000 | 1,935,000 | 1,991,000 | 1,991,000 |
| Total Expense | \$ 22,716,903 | \$ 23,847,102 | \$ 24,636,946 | \$ 24,941,270 | \$ 25,466,226 | \$ 25,371,949 |
| Other Sources (Uses) | | | | | | |
| Sale of Asset-Gain | 26,311 | 56,763 | 29,000 | 29,000 | - | - |
| Debt Proceeds | - | 2,653,739 | - | 105,822 | 10,000 | 10,000 |
| Debt Refunding | - | (135,000) | (860,000) | (860,000) | (1,385,000) | (1,490,000) |
| Contributed Capital Assets | 194,313 | 791,470 | - | - | - | - |
| Transfers In | 2,063,714 | 2,280,009 | 2,070,010 | 2,070,010 | 2,130,321 | 2,130,321 |
| Transfers Out | (1,374,262) | (1,691,230) | (1,347,010) | (1,347,010) | (1,829,400) | (1,429,400) |
| Net Change | \$ 1,779,414 | \$ 4,058,949 | \$ (331,837) | \$ 62,113 | \$ (1,128,417) | \$ (716,224) |

The property tax amount shown in the table above does not include tax levies for capital funds. A summary of 2015 revenue and expense for all funds is presented on the next page, and a discussion of the total property tax levy is presented later in this document.

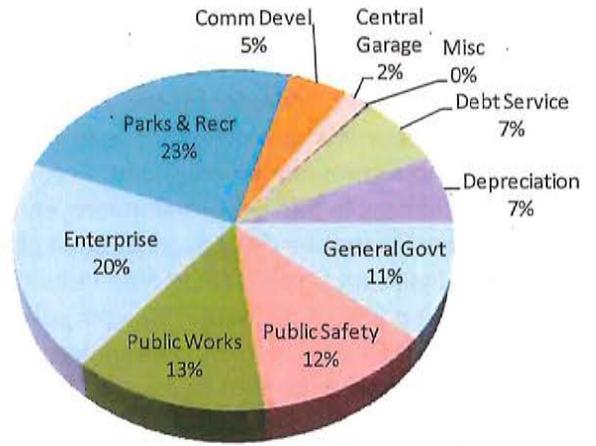
Combined Revenue and Expense in 2015 for all funds, including capital projects, is provided in the table below (by type of fund). Total estimated expense is \$29,963,812 for the year (\$25,371,949 in operating funds plus \$4,591,863 in capital funds). An additional \$9,150,700 of capital project costs will be capitalized and depreciated in Utility and Central Garage funds (for a combined 2015 CIP estimate of \$13,237,440).

| | Operating Funds | | | | | Capital Funds | Total All Funds |
|-----------------------------|------------------|-------------------|----------------------|-------------------|-------------------|-------------------|--------------------|
| | General | Special Revenue | Debt | Utility | Internal Service | | |
| Revenue | | | | | | | |
| Property Taxes | \$7,023,335 | \$ 185,000 | \$ 544,000 | \$ - | \$ 208,000 | \$ 2,402,583 | \$10,362,918 |
| Tax Increment | - | - | - | - | - | 1,149,577 | 1,149,577 |
| Special Assessments | - | - | 199,945 | - | - | 12,821 | 212,766 |
| Licenses and Permits | 330,100 | - | - | - | - | - | 330,100 |
| Intergovernmental | 455,032 | 65,000 | 580 | 2,030 | 6,410 | 1,184,580 | 1,713,632 |
| Charges for Services | 1,303,810 | 4,787,418 | - | 1,000 | 7,500 | 804,000 | 6,903,728 |
| Fines and Forfeits | 48,800 | - | - | - | - | - | 48,800 |
| Utility Charges | - | - | - | 8,748,257 | - | - | 8,748,257 |
| Central Garage Charges | - | - | - | - | 1,256,090 | - | 1,256,090 |
| Interest Earnings | 50,000 | 8,700 | 11,670 | 76,500 | 13,200 | 58,800 | 218,870 |
| Other Revenues | 26,227 | 45,700 | - | 500 | 30,000 | 343,908 | 446,335 |
| Total Revenue | 9,237,304 | 5,091,818 | 756,195 | 8,828,287 | 1,521,200 | 5,956,269 | 31,391,073 |
| Expense | | | | | | | |
| General Government | 2,232,248 | 260,478 | - | - | - | 819,600 | 3,312,326 |
| Public Safety | 3,424,835 | - | - | - | - | 152,840 | 3,577,675 |
| Public Works | 1,573,363 | 544,287 | - | - | - | 1,794,800 | 3,912,450 |
| Parks and Recreation | 1,760,187 | 4,107,595 | - | - | - | 1,194,500 | 7,062,282 |
| Community Development | 616,671 | 171,498 | - | - | - | 630,123 | 1,418,292 |
| Enterprise Operations | - | - | - | 5,961,999 | - | - | 5,961,999 |
| Central Garage | - | - | - | - | 621,453 | - | 621,453 |
| Miscellaneous | - | - | - | - | 40,000 | - | 40,000 |
| Debt Service | - | - | 1,596,417 | 267,507 | 202,411 | - | 2,066,335 |
| Depreciation | - | - | - | 1,331,000 | 660,000 | - | 1,991,000 |
| Total Expense | 9,607,304 | 5,083,858 | 1,596,417 | 7,560,506 | 1,523,864 | 4,591,863 | 29,963,812 |
| Other Sources (Uses) | | | | | | | |
| Debt Proceeds | - | - | 10,000 | - | - | 149,200 | 10,000 |
| Debt Refunded | - | - | (1,490,000) | - | - | - | (1,490,000) |
| Transfers In | 748,000 | 448,000 | 814,921 | - | 119,400 | 980,600 | 3,110,921 |
| Transfers Out | (378,000) | (287,000) | (50,000) | (700,400) | (14,000) | (1,681,521) | (3,110,921) |
| Net Change | \$ - | \$ 168,960 | \$(1,555,301) | \$ 567,381 | \$ 102,736 | \$ 812,685 | \$ (52,739) |

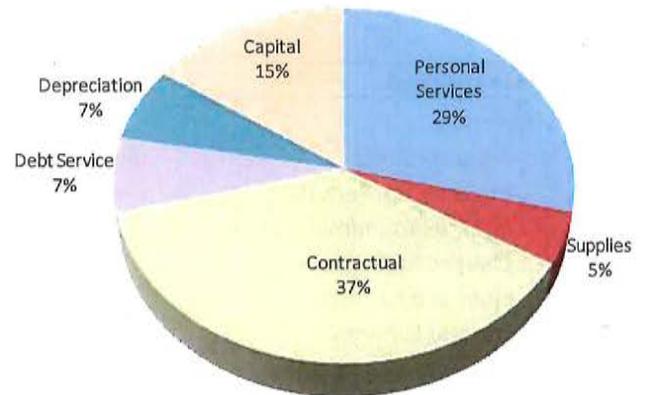
Revenue by Source – Revenue (for combined operating and capital funds) is derived from a combination of sources including: property tax, utility charges, charges for service, intergovernmental revenue, central garage charges, license and permit revenue and other miscellaneous sources. More information is provided on property tax levies and utility rates later in this document.



Total Expense by Function –Public works accounts for 33 percent of total expense (13 percent for engineering, street and trail maintenance, and forestry; plus 20 percent for enterprise operations). Parks and recreation operations account for 23 percent. Public safety accounts for 12 percent (police, fire, animal control, and emergency services). General government accounts for 11 percent, followed by debt service and depreciation at 7 percent (for utility system and central garage assets), community development and central garage operations account for 5 and 2 percent of total spending respectively.



Total Expense by Class – Contractual costs account for the largest share of total spending (37 percent), and include: sewage treatment; contracted police, fire and recycling; inter-fund charges; and repair and maintenance. Personal services accounts for 29 percent, and includes: wages, health insurance, required contributions to social security, medicare and PERA, and workers compensation insurance. Capital costs account for 15 percent of total operating spending followed by debt payments and depreciation expense at 7 percent (for the depreciation of utility system and central garage assets) and supplies at 5%.



In recent years the City has held the cost of health insurance premiums down through use of a high-deductible plan. Premiums are significantly lower than the Ramsey County plan (the City’s former health insurance provider).

Net Change – The General Fund budget, as shown on the previous page, is designed to balance each year because all revenue received during the budget year is available to support expense. Budgets in other funds are designed to accomplish a variety of long-term objectives and therefore the net difference between revenue and expense may result in an increase or a decrease in fund equity during any given budget year. For instance:

- Revenue in Debt Funds is legally restricted for debt payments and must be held until the related debt is paid in full. For 2015 the budget assumes a large decrease in accumulated fund balances because of debt refunding transactions where new debt was issued in prior years for repayment of the old debt on the call date in 2015.
- Expense totals in Utility Funds do not include planned capital costs because these funds must be reported using full accrual accounting (recording depreciation of assets over their useful life). For a relatively new fund with modest cash balances, such as the Street Lighting Fund, capital costs can have a dramatic impact on cash balances and cash flow, which means that an operating surplus (where revenue is greater than expense) is necessary to support planned capital costs.

A discussion of budget amendments for each operating fund budget is presented on the next several pages.

General Fund – The General Fund budget includes revenue and expense associated with a wide range of services, accounts for the largest share of the budget, and receives the largest share of the property tax levy. Major functions include general government, public safety, public works, parks and recreation and community development. Revenue changes include modifications to license and permit revenue, changes to intergovernmental revenue due to state fire and MSA street maintenance aid, a decrease in administrative charges, increase in plan check fees, and a reduction in administrative citations. A significant portion of expense reductions are related to health insurance savings and the delay of filling the park and recreation director position. The increase in public safety is offset in part by \$219,410 of State Fire Aid revenue. Community development changes are the result of increases in contracted electrical inspection fees.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------|----------------|--------------|---------------------|--------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| General Fund | | | | | | |
| Revenue | | | | | | |
| Property Taxes | \$ 6,623,723 | \$ 6,837,154 | \$ 6,837,154 | \$ 7,180,671 | \$ (157,336) | 7,023,335 |
| Licenses and Permits | 648,306 | 324,500 | 533,935 | 308,300 | 21,800 | 330,100 |
| Intergovernmental | 395,433 | 188,622 | 558,990 | 188,622 | 266,410 | 455,032 |
| Charges for Services | 1,619,489 | 1,303,110 | 1,348,631 | 1,302,400 | 1,410 | 1,303,810 |
| Fines and Forfeits | 52,440 | 52,800 | 47,271 | 52,800 | (4,000) | 48,800 |
| Interest Earnings | (118,405) | 45,000 | 45,000 | 50,000 | - | 50,000 |
| Other Revenues | 31,532 | 26,108 | 26,124 | 26,227 | - | 26,227 |
| Total Revenue | 9,252,518 | 8,777,294 | 9,397,105 | 9,109,020 | 128,284 | 9,237,304 |
| Expense | | | | | | |
| General Government | \$ 2,112,852 | \$ 2,227,053 | \$ 2,169,444 | \$ 2,269,274 | \$ (37,026) | \$ 2,232,248 |
| Public Safety | 3,069,177 | 3,000,223 | 3,329,274 | 3,144,020 | 280,815 | 3,424,835 |
| Public Works | 1,437,557 | 1,556,726 | 1,532,727 | 1,603,772 | (30,409) | 1,573,363 |
| Parks and Recreation | 1,576,576 | 1,726,055 | 1,707,630 | 1,850,037 | (89,850) | 1,760,187 |
| Community Development | 577,796 | 590,237 | 604,691 | 611,917 | 4,754 | 616,671 |
| Total Expense | 8,773,958 | \$ 9,100,294 | \$ 9,343,766 | \$ 9,479,020 | \$ 128,284 | \$ 9,607,304 |
| Other Sources (Uses) | | | | | | |
| Transfers In | 519,000 | 692,000 | 692,000 | 748,000 | - | 748,000 |
| Transfers Out | (829,963) | (369,000) | (369,000) | (378,000) | - | (378,000) |
| Net Increase (Decrease) | 167,597 | - | 376,339 | - | - | - |
| Fund Equity, beginning | 4,136,009 | 4,257,497 | 4,303,606 | 4,679,945 | | 4,679,945 |
| Fund Equity, ending | \$ 4,303,606 | \$ 4,257,497 | \$ 4,679,945 | \$ 4,679,945 | | \$ 4,679,945 |

Special Revenue Funds are used to account for revenue that is dedicated by State statute, local ordinance, resolution, or practice to support specific operations or expenses. Establishment of these funds enables the City to closely monitor both revenue and expense associated with a given program.

Recycling Fund – Accounts for the operation and promotion of the City’s curbside recycling program through a joint powers agreement with Ramsey County. The program also provides two clean-up day events (in the spring and fall) in conjunction with the City of Arden Hills. Revenue is derived from grant funding and user fees. Revenue changes are the result of discontinuing free spring and fall clean-up events. Expense changes are the net result of lower personal service costs, increases in supplies for spring and fall clean-up events and lower administrative fees.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------|----------------|------------|---------------------|------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Recycling Fund | | | | | | |
| Revenue | | | | | | |
| Intergovernmental | \$ 68,210 | \$ 66,000 | \$ 66,000 | \$ 65,000 | \$ - | 65,000 |
| Charges for Services | 475,716 | 493,500 | 499,520 | 515,500 | 11,500 | 527,000 |
| Interest Earnings | (3,790) | - | - | - | - | - |
| Total Revenue | 540,136 | 559,500 | 565,520 | 580,500 | 11,500 | 592,000 |
| Expense | | | | | | |
| Public Works | \$ 497,335 | \$ 529,569 | \$ 539,717 | \$ 546,629 | \$ (2,342) | \$ 544,287 |
| Net Increase (Decrease) | 42,801 | 29,931 | 25,803 | 33,871 | 13,842 | 47,713 |
| Fund Equity, beginning | 162,182 | 204,983 | 204,983 | 230,786 | | 230,786 |
| Fund Equity, ending | \$ 204,983 | \$ 234,914 | \$ 230,786 | \$ 264,657 | | \$ 278,499 |

Community Center Fund – Accounts for revenue and expense associated with the operation and maintenance of the fitness center and studios, the Tropics Indoor Water Park, Tropical Adventure indoor play area, banquet and meeting rooms, birthday party rooms, gymnasium, locker facilities, picnic pavilion, and the Wave Café. Revenue changes include the reduction of annual memberships and an increase in seasonal memberships. Expense changes are the net result of reduced personal services, increases in workers’ compensation costs and electrical utilities. The transfer out has been eliminated due to the delay in the Community Center expansion project.

| | 2013 Actual | 2014 | | 2015 | | |
|------------------------------|----------------|--------------|---------------------|--------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Community Center Fund | | | | | | |
| Revenue | | | | | | |
| Charges for Services | \$ 2,351,488 | \$ 2,431,850 | \$ 2,417,750 | \$ 2,470,330 | \$ (26,500) | \$ 2,443,830 |
| Interest Earnings | (42,835) | 8,000 | 8,000 | 5,000 | - | 5,000 |
| Other Revenues | 14,750 | 13,000 | 13,000 | 12,500 | - | 12,500 |
| Total Revenue | 2,323,403 | 2,452,850 | 2,438,750 | 2,487,830 | (26,500) | 2,461,330 |
| Expense | | | | | | |
| Parks and Recreation | 2,576,200 | 2,667,676 | 2,673,426 | 2,792,201 | (28,790) | 2,763,411 |
| Other Sources (Uses) | | | | | | |
| Transfers In | 312,000 | 339,000 | 339,000 | 366,000 | - | 366,000 |
| Transfers Out | - | - | - | (200,000) | 200,000 | - |
| Net Increase (Decrease) | 59,203 | 124,174 | 104,324 | (138,371) | 202,290 | 63,919 |
| Fund Equity, beginning | 989,336 | 1,048,539 | 1,048,539 | 1,152,863 | | 1,152,863 |
| Fund Equity, ending | \$ 1,048,539 | \$ 1,172,713 | \$ 1,152,863 | \$ 1,014,492 | | \$ 1,216,782 |

Recreation Programs Fund – Accounts for a variety of recreational and social programs offered on a fee basis. Revenue is generated through user fees and an inter-fund transfer from the General Fund to assist in supporting programs that provide overall community benefit (drop-in child care, preschool, youth/teen and community programs). Revenue changes are the result of revised participation estimates. Expense changes are the net result of reduced personal services and increases in workers' compensation costs. The transfer out has been eliminated due to the delay in the Community Center expansion project.

| | 2013 Actual | 2014 | | 2015 | | |
|---------------------------------|----------------|--------------|---------------------|--------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Recreation Programs Fund | | | | | | |
| Revenue | | | | | | |
| Charges for Services | \$ 1,385,140 | \$ 1,460,213 | \$ 1,443,555 | \$ 1,548,900 | \$ (76,812) | \$ 1,472,088 |
| Interest Earnings | (26,234) | 4,200 | 4,200 | 2,000 | - | 2,000 |
| Other Revenues | 121 | - | 48 | - | - | - |
| Total Revenue | 1,359,027 | 1,464,413 | 1,447,803 | 1,550,900 | (76,812) | 1,474,088 |
| Expense | | | | | | |
| Parks and Recreation | \$ 1,235,931 | \$ 1,365,753 | \$ 1,278,510 | \$ 1,473,775 | \$ (129,591) | \$ 1,344,184 |
| Other Sources (Uses) | | | | | | |
| Transfers In | 70,000 | 70,000 | 70,000 | 72,000 | - | 72,000 |
| Transfers Out | (80,000) | (100,000) | (100,000) | (320,000) | 200,000 | (120,000) |
| Net Increase (Decrease) | 113,096 | 68,660 | 139,293 | (170,875) | 252,779 | 81,904 |
| Fund Equity, beginning | 648,639 | 761,735 | 761,735 | 901,028 | | 901,028 |
| Fund Equity, ending | \$ 761,735 | \$ 830,395 | \$ 901,028 | \$ 730,153 | | \$ 982,932 |

Cable Television Fund – Accounts for the receipt of cable franchise fees (from the cable provider) designated for communications and cable television uses. Costs supported by the fund include operation and promotion of cable communications, staff costs for communication activities, partial support for publication and distribution of the *ShoreViews* city newsletter, and funding for operating and capital costs associated with broadcasting public meetings. Expense changes include increased administrative charges, and reductions in personal services.

| | 2013 Actual | 2014 | | 2015 | | |
|------------------------------|----------------|------------|---------------------|------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Cable Television Fund | | | | | | |
| Revenue | | | | | | |
| Charges for Services | \$ 313,361 | \$ 314,000 | \$ 314,000 | \$ 318,000 | \$ - | \$ 318,000 |
| Interest Earnings | (5,218) | 1,600 | 1,600 | 1,700 | - | 1,700 |
| Other Revenues | 2,174 | 1,200 | 1,200 | 1,200 | - | 1,200 |
| Total Revenue | 310,317 | 316,800 | 316,800 | 320,900 | - | 320,900 |
| Expense | | | | | | |
| General Government | \$ 265,821 | \$ 149,587 | \$ 149,454 | \$ 178,763 | \$ 14,230 | \$ 192,993 |
| Other Sources (Uses) | | | | | | |
| Transfers Out | (116,941) | (160,000) | (160,000) | (167,000) | - | (167,000) |
| Net Increase (Decrease) | (72,445) | 7,213 | 7,346 | (24,863) | (14,230) | (39,093) |
| Fund Equity, beginning | 250,624 | 178,179 | 178,179 | 185,525 | | 185,525 |
| Fund Equity, ending | \$ 178,179 | \$ 185,392 | \$ 185,525 | \$ 160,662 | | \$ 146,432 |

Economic Development Authority Fund – Accounts for revenue dedicated to support activities of the EDA, including retention and expansion of local business, targeted redevelopment areas, providing employment opportunities and to strengthen and diversify the City’s tax base. Expense changes include reductions in personal services and supply costs, increases in worker’s compensation, and printing and training costs.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------|----------------|------------|---------------------|------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| EDA Fund | | | | | | |
| Revenue | | | | | | |
| Property Taxes | \$ 59,653 | \$ 80,000 | \$ 80,000 | \$ 90,000 | \$ - | \$ 90,000 |
| Interest Earnings | (6,377) | - | - | - | - | - |
| Total Revenue | 53,276 | 80,000 | 80,000 | 90,000 | - | 90,000 |
| Expense | | | | | | |
| Community Development | \$ 48,797 | \$ 71,007 | \$ 75,925 | \$ 82,629 | \$ 3,251 | \$ 85,880 |
| Other Sources (Uses) | | | | | | |
| Transfers In | - | - | - | - | - | - |
| Net Increase (Decrease) | 4,479 | 8,993 | 4,075 | 7,371 | (3,251) | 4,120 |
| Fund Equity, beginning | 190,484 | 194,963 | 194,963 | 199,038 | | 199,038 |
| Fund Equity, ending | \$ 194,963 | \$ 203,956 | \$ 199,038 | \$ 206,409 | | \$ 203,158 |

Housing and Redevelopment Authority Fund – Accounts for revenue dedicated to support the housing-related activities of Shoreview’s EDA, including the development of affordable housing, protection of property values and neighborhoods by promoting reinvestment and home improvements. Expense changes are due to reductions in personal services and increased workers’ compensation costs.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------|----------------|-----------|---------------------|-----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| HRA Fund | | | | | | |
| Revenue | | | | | | |
| Property Taxes | \$ 74,513 | \$ 90,000 | \$ 90,000 | \$ 95,000 | \$ - | \$ 95,000 |
| Interest Earnings | (1,980) | - | - | - | - | - |
| Total Revenue | 72,533 | 90,000 | 90,000 | 95,000 | - | 95,000 |
| Expense | | | | | | |
| Community Development | \$ 60,506 | \$ 81,371 | \$ 81,873 | \$ 85,485 | \$ 133 | \$ 85,618 |
| Other Sources (Uses) | | | | | | |
| Transfers In | - | - | - | - | - | - |
| Net Increase (Decrease) | 12,027 | 8,629 | 8,127 | 9,515 | (133) | 9,382 |
| Fund Equity, beginning | 62,170 | 74,197 | 74,197 | 82,324 | | 82,324 |
| Fund Equity, ending | \$ 74,197 | \$ 82,826 | \$ 82,324 | \$ 91,839 | | \$ 91,706 |

Slice of Shoreview Fund – Accounts for revenue and expense associated with a three-day community festival held in July at Island Lake Park. Revenue is derived from donations, event charges, and a \$10,000 inter-fund transfer from the General Fund. There were no amendments to the 2015 budget.

| | 2013 Actual | 2014 | | 2015 | | |
|--------------------------------|----------------|-----------|---------------------|-----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Slice of Shoreview Fund | | | | | | |
| Revenue | | | | | | |
| Charges for Services | \$ 25,397 | \$ 26,000 | \$ 26,000 | \$ 26,500 | \$ - | \$ 26,500 |
| Interest Earnings | (2,537) | - | - | - | - | - |
| Other Revenues | 38,190 | 32,000 | 33,155 | 32,000 | - | 32,000 |
| Total Revenue | 61,050 | 58,000 | 59,155 | 58,500 | - | 58,500 |
| Expense | | | | | | |
| General Government | \$ 67,343 | \$ 65,735 | \$ 67,872 | \$ 67,485 | \$ - | \$ 67,485 |
| Other Sources (Uses) | | | | | | |
| Transfers In | 10,000 | 10,000 | 10,000 | 10,000 | - | 10,000 |
| Net Increase (Decrease) | 3,707 | 2,265 | 1,283 | 1,015 | - | 1,015 |
| Fund Equity, beginning | 62,110 | 65,817 | 65,817 | 67,100 | | 67,100 |
| Fund Equity, ending | \$ 65,817 | \$ 68,082 | \$ 67,100 | \$ 68,115 | | \$ 68,115 |

Debt Funds account for payment of debt obligations not already accounted for in Enterprise (utility) or Internal Service (central garage) funds. Separate Debt Service funds are maintained for each debt issue because tax levies and special assessment collections are legally restricted to the payment of specific debt issues. Changes are a result of the 2014 debt refunding.

| | 2013 Actual | 2014 | | 2015 | | |
|---------------------------|----------------|--------------|---------------------|--------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Debt Service Funds | | | | | | |
| Revenue | | | | | | |
| Property Taxes | \$ 498,259 | \$ 548,000 | \$ 548,000 | \$ 544,000 | \$ - | \$ 544,000 |
| Special Assessments | 115,885 | 100,850 | 100,850 | 199,945 | - | 199,945 |
| Intergovernmental | 1,256 | 1,270 | 1,180 | 1,210 | (630) | 580 |
| Interest Earnings | (66,683) | 13,950 | 13,950 | 11,670 | - | 11,670 |
| Total Revenue | 548,717 | 664,070 | 663,980 | 756,825 | (630) | 756,195 |
| Expense | | | | | | |
| Debt Service | \$ 1,851,794 | \$ 1,674,973 | \$ 1,682,573 | \$ 1,587,156 | \$ 9,261 | \$ 1,596,417 |
| Other Sources (Uses) | | | | | | |
| Debt Proceeds | 2,653,739 | - | 105,822 | 10,000 | - | 10,000 |
| Debt Refunded | (135,000) | (860,000) | (860,000) | (1,385,000) | (105,000) | (1,490,000) |
| Transfers In | 1,168,109 | 839,610 | 839,610 | 814,921 | - | 814,921 |
| Transfers Out | (50,000) | (66,610) | (66,610) | (50,000) | - | (50,000) |
| Net Increase (Decrease) | 2,333,771 | (1,097,903) | (999,771) | (1,440,410) | (114,891) | (1,555,301) |
| Fund Equity, beginning | 2,179,756 | 4,513,527 | 4,513,527 | 3,513,756 | | 3,513,756 |
| Fund Equity, ending | \$ 4,513,527 | \$ 3,415,624 | \$ 3,513,756 | \$ 2,073,346 | | \$ 1,958,455 |

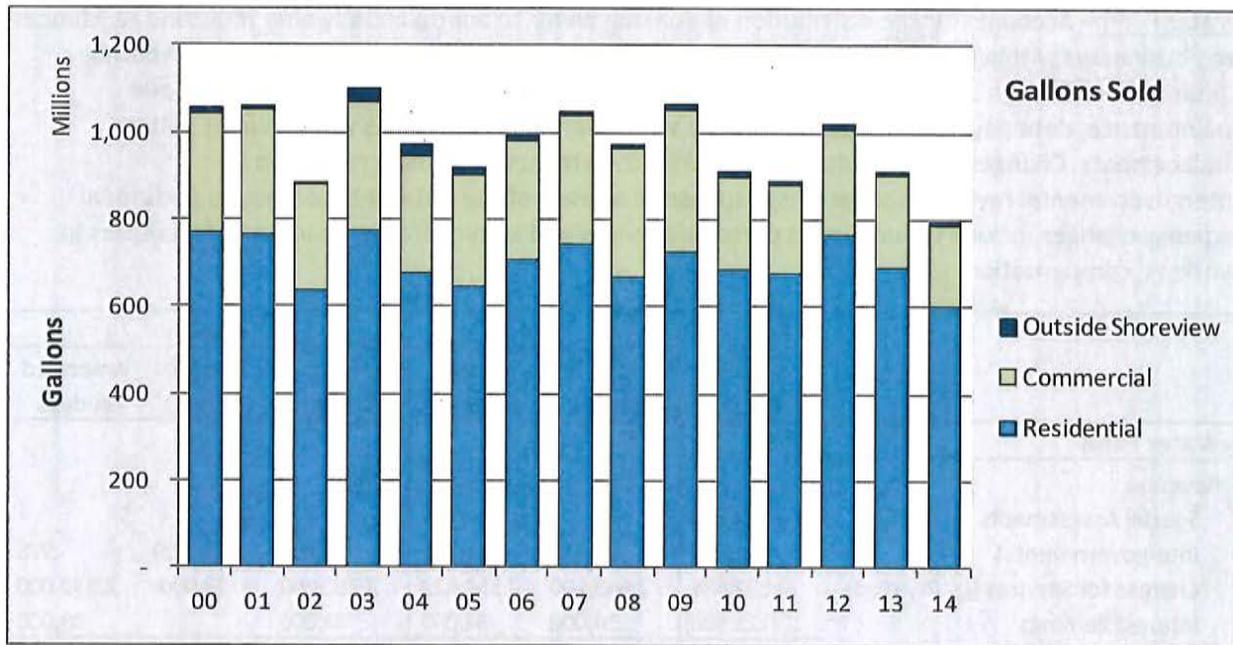
Enterprise Funds are used to account for self-supporting utility operations that are managed similar to private business enterprises. Customer charges provide the sole support for operating costs, capital needs and debt service payments. Debt issued to finance utility infrastructure is accounted for within these funds.

Water Fund – Accounts for the distribution of drinking water to approximately nine thousand residences and businesses within City limits, and provides limited service at higher billing rates to neighboring communities through service agreements. Utility rates are designed to support operations and maintenance, debt payments, expansion of the system when necessary, as well as water system replacements. Changes are a result of a revised utility rate increase, and a reduction in intergovernmental revenue and interest expense as a result of the 2014 debt refunding. Additional expense changes include reductions in personal services and administrative charges and increases in workers' compensation.

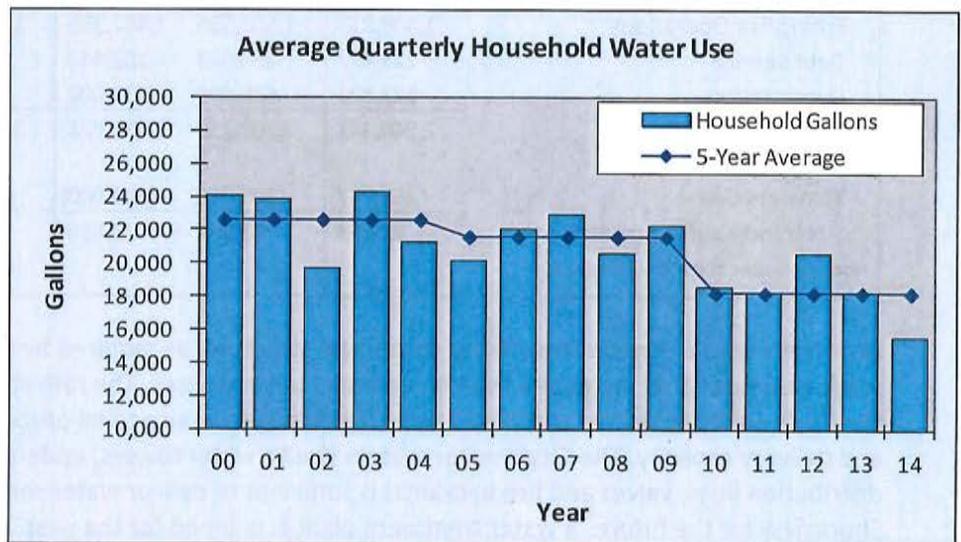
| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------------------|----------------|-----------|---------------------|-----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Water Fund | | | | | | |
| Revenue | | | | | | |
| Special Assessments | \$ 2,275 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 11,992 | 12,620 | 11,700 | 12,200 | (11,225) | 975 |
| Charges for Services (utility chgs) | 2,692,684 | 2,653,500 | 2,551,928 | 2,760,000 | 73,000 | 2,833,000 |
| Interest Earnings | (121,490) | 34,000 | 34,000 | 38,000 | - | 38,000 |
| Total Revenue | 2,585,461 | 2,700,120 | 2,597,628 | 2,810,200 | 61,775 | 2,871,975 |
| Expense | | | | | | |
| Enterprise Operations | 1,403,838 | 1,503,536 | 1,467,336 | 1,565,163 | (27,136) | 1,538,027 |
| Debt Service | 213,477 | 160,623 | 182,442 | 148,243 | (5,340) | 142,903 |
| Depreciation | 622,826 | 639,000 | 639,000 | 651,000 | - | 651,000 |
| Total Expense | 2,240,141 | 2,303,159 | 2,288,778 | 2,364,406 | (32,476) | 2,331,930 |
| Other Sources (Uses) | | | | | | |
| Transfers Out | (263,057) | (303,000) | (303,000) | (345,000) | - | (345,000) |
| Net Increase (Decrease) | 82,263 | 93,961 | 5,850 | 100,794 | 94,251 | 195,045 |
| Note: Excludes contributed assets | | | | | | |

Shoreview uses a conservation based water rate structure, as required by Minnesota law, with graduated rates that increase as customer water use increases. The rate structure is designed to protect the City's ability to deliver consistent and reliable water service to all properties at current water storage and delivery capacity. The City's water system (wells, water towers, underground water reservoir, distribution lines, valves and fire hydrants) is sufficient to deliver water service to all properties in Shoreview for the future. A water treatment plant is planned for the year 2015 to address concerns about iron and manganese levels in the water supply.

Water use over the last 15 years is shown in the table below. Fluctuations in water consumption are expected from year to year, and are due primarily to weather patterns each growing season. Frequent rainfall during summer months can lead to lower water consumption just as periods of drought can lead to higher water consumption.



Other factors that reduce household water use include water conservation efforts, an aging population, more efficient plumbing fixtures, an increase in landscape sprinkler systems, and fewer people per household. The graph at right shows the change in average quarterly household water consumption over the last 15 years.



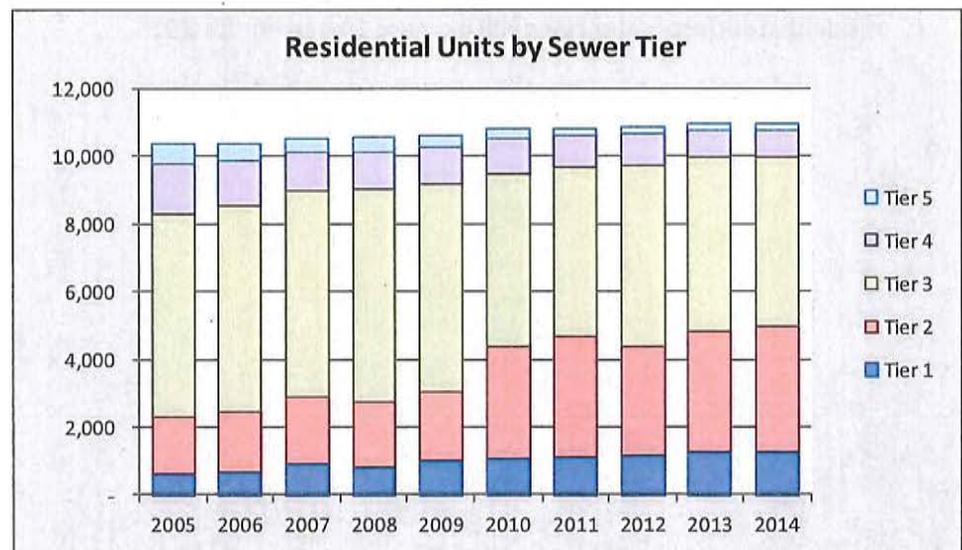
As water consumption drops, it becomes necessary to revise water rates to generate sufficient income to support operating, maintenance, debt service and replacement costs. Water rates will increase 7 percent for 2015, and are expected to generate income sufficient to cover all operating and debt costs, as well as transfers out.

Sewer Fund – Accounts for the collection and treatment of wastewater (sewage) from residences and businesses throughout Shoreview. Sewage is routed to facilities owned and operated by Metropolitan Council Environmental Services (MCES), and Shoreview is billed for its prorated share of overall sewage flow. For 2015, sewage treatment costs account for 52 percent of operating expense, and decrease 6 percent over 2014. Revenue changes include a 3 percent sewer rate adjustment for 2015. Expense changes include reductions of personal services and interest expense; increases include supplies, workers' compensation and infiltration mitigation contractual charges.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------------------|----------------|-----------|---------------------|-----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Sewer Fund | | | | | | |
| Revenue | | | | | | |
| Special Assessments | \$ 3,196 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 9,555 | 10,050 | 9,315 | 9,720 | (8,945) | 775 |
| Charges for Services (misc) | 703 | 1,000 | 1,000 | 1,000 | - | 1,000 |
| Charges for Services (utility chgs) | 3,773,453 | 3,822,500 | 3,901,485 | 3,936,500 | 9,000 | 3,945,500 |
| Interest Earnings | (68,517) | 24,000 | 24,000 | 27,000 | - | 27,000 |
| Total Revenue | 3,718,390 | 3,857,550 | 3,935,800 | 3,974,220 | 55 | 3,974,275 |
| Expense | | | | | | |
| Enterprise Operations | 3,100,871 | 3,219,590 | 3,194,611 | 3,308,671 | (9,577) | 3,299,094 |
| Debt Service | 73,840 | 58,177 | 69,502 | 54,309 | (1,452) | 52,857 |
| Depreciation | 326,338 | 330,000 | 330,000 | 348,000 | - | 348,000 |
| Total Expense | 3,501,049 | 3,607,767 | 3,594,113 | 3,710,980 | (11,029) | 3,699,951 |
| Other Sources (Uses) | | | | | | |
| Transfers Out | (200,567) | (181,000) | (181,000) | (181,000) | - | (181,000) |
| Net Increase (Decrease) | 16,774 | 68,783 | 160,687 | 82,240 | 11,084 | 93,324 |
| Note: Excludes contributed assets | | | | | | |

Sewer rates are designed to charge high volume customers more because they contribute more flow to the system than low volume customers. In recent years the City completed a city-wide inspection program to eliminate the discharge of storm water (from roof systems or ground water) into the City's sewer system. This effort is an important part of keeping sewage treatment costs down by reducing sewage flow and by removing a \$136,950 surcharge on the City's sewage treatment bill.

The graph at right illustrates the shifts in residential sewer tiers. Shifts in units between tier 2 and 3 since 2010 are the result of changes in winter water consumption for residential, apartment and condominium units. Staff will continue to monitor shifts in sewer tiers as part of the annual rate setting process.



Surface Water Fund – Accounts for operation, maintenance, replacement and improvement of the City’s storm water system. The surface water management program is designed to preserve and use natural water storage and retention systems as much as is practical to reduce the amount of public capital expense necessary to control excessive volumes and runoff rates, improve water quality, prevent flooding and erosion from surface water flows, promote ground water recharge, and protect and enhance fish and wildlife habitat and water recreational facilities (lakes etc.). Surface water charges are established by property type and the amount of impervious surface area.

Revenue changes include an increase in interest earnings. Reductions in intergovernmental revenue (BAB reimbursement) and interest expense are a result of the 2014 debt refunding. Expense changes include reductions in administrative charges and increases include workers’ compensation costs.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------------------|----------------|-----------|---------------------|-----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Surface Water Fund | | | | | | |
| Revenue | | | | | | |
| Special Assessments | \$ 662 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 3,472 | 3,660 | 3,390 | 3,550 | (3,270) | 280 |
| Charges for Services (utility chgs) | 1,220,385 | 1,325,577 | 1,352,426 | 1,453,803 | 2,954 | 1,456,757 |
| Interest Earnings | (36,414) | 8,000 | 8,000 | 9,000 | - | 9,000 |
| Total Revenue | 1,188,105 | 1,337,237 | 1,363,816 | 1,466,353 | (316) | 1,466,037 |
| Expense | | | | | | |
| Enterprise Operations | 621,960 | 826,595 | 837,309 | 865,205 | (12,069) | 853,136 |
| Debt Service | 104,508 | 82,116 | 86,004 | 72,244 | (497) | 71,747 |
| Depreciation | 228,865 | 248,000 | 248,000 | 266,000 | - | 266,000 |
| Total Expense | 955,333 | 1,156,711 | 1,171,313 | 1,203,449 | (12,566) | 1,190,883 |
| Other Sources (Uses) | | | | | | |
| Transfers Out | (126,900) | (147,000) | (147,000) | (152,000) | - | (152,000) |
| Net Increase (Decrease) | 105,872 | 33,526 | 45,503 | 110,904 | 12,250 | 123,154 |
| Note: Excludes contributed assets | | | | | | |

Total Surface Water expense is projected to increase 4.8 percent for 2015. Planned capital costs over the next few years due to street reconstruction projects and the addition of storm water facilities (primarily pretreatment ponds) continue to place pressure on the surface water rates. As a result, residential surface water rates will increase 10 percent for 2015.

Street Lighting Fund – Accounts for the operation, maintenance and replacement of the street lighting system throughout the community, in support of safe vehicle and pedestrian traffic. The City’s street light system includes lighting owned by the City as well as lights leased from Xcel Energy. Street light replacement costs over the next two years address a growing trend of street light outages. Lights will be replaced on a neighborhood basis as repairs become less effective. Expense changes result from lower personal costs and administrative charges.

| | 2013 Actual | 2014 | | 2015 | | |
|-------------------------------------|----------------|----------|---------------------|----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Street Lighting Fund | | | | | | |
| Revenue | | | | | | |
| Special Assessments | \$ 208 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Charges for Services (utility chgs) | 474,664 | 493,000 | 493,000 | 513,000 | - | 513,000 |
| Interest Earnings | (8,726) | 2,200 | 2,200 | 2,500 | - | 2,500 |
| Other Revenues | | 500 | 500 | 500 | - | 500 |
| Total Revenue | 466,146 | 495,700 | 495,700 | 516,000 | - | 516,000 |
| Expense | | | | | | |
| Enterprise Operations | 251,702 | 267,491 | 264,278 | 276,409 | (4,667) | 271,742 |
| Depreciation | 44,484 | 58,000 | 58,000 | 66,000 | - | 66,000 |
| Total Expense | 296,186 | 325,491 | 322,278 | 342,409 | (4,667) | 337,742 |
| Other Sources (Uses) | | | | | | |
| Transfers Out | (19,000) | (20,400) | (20,400) | (22,400) | - | (22,400) |
| Net Increase (Decrease) | 150,960 | 149,809 | 153,022 | 151,191 | 4,667 | 155,858 |
| Note: Excludes contributed assets | | | | | | |

Impact on Total Utility Bill – The quarterly utility bill for an average home (quarterly water use of 17,500 gallons, and winter water use of 12,000 gallons) is expected to increase \$8.38 per quarter. The largest share of the increase is for water service.

| Average User | | | |
|-----------------|-----------|-----------|---------|
| | 2014 | 2015 | Change |
| Water | \$ 47.49 | \$ 50.87 | \$ 3.38 |
| Sewer | 82.61 | 85.09 | 2.48 |
| Surface water | 21.26 | 23.39 | 2.13 |
| Street lighting | 9.85 | 10.24 | 0.39 |
| State fee | 1.59 | 1.59 | - |
| Total | \$ 162.80 | \$ 171.18 | \$ 8.38 |

The table at right provides the estimated change in the total utility bill at 6 different usage levels. Depending on the amount of water consumed the increase in the quarterly utility bill ranges from \$5.57 to \$26.13.

| Use Level | % of Homes | Water Gallons | Sewer Gallons | Total Utility Bill | | Change in Quarterly Bill |
|-----------|------------|---------------|---------------|--------------------|-----------|--------------------------|
| | | | | 2014 | 2015 | |
| Very low | 10% | 5,000 | 4,000 | \$ 107.86 | \$ 113.43 | \$ 5.57 |
| Low | 22% | 10,000 | 8,000 | \$ 128.82 | \$ 135.39 | \$ 6.57 |
| Average | 42% | 17,500 | 12,000 | \$ 162.80 | \$ 171.18 | \$ 8.38 |
| Above avg | 19% | 25,000 | 22,000 | \$ 197.31 | \$ 207.51 | \$ 10.20 |
| High | 5% | 55,000 | 26,000 | \$ 313.11 | \$ 331.46 | \$ 18.35 |
| Very high | 2% | 80,000 | 34,000 | \$ 434.08 | \$ 460.21 | \$ 26.13 |

Internal Service Funds are used to account for services that are provided by one department to another on a cost-reimbursement basis.

Central Garage Fund – Accounts for operation, maintenance and replacement of the maintenance center building, vehicles, heavy equipment and other miscellaneous equipment owned by the fund and used in service delivery to the public. Operating funds, which use vehicles and equipment to provide services, pay inter-fund charges to the Central Garage Fund. This fund also accounts for debt issued to finance the maintenance center renovation. Debt payments are supported by a combination of tax levies, intergovernmental revenue (for federal interest credits associated with the Build America Bond program) and inter-fund transfers from utility funds. Revenue changes result from higher interest earnings and a reduction of intergovernmental revenue (BAB reimbursement) as a result of the 2014 debt refunding. Expense changes result from increased fuel and electric costs.

| | 2013 Actual | 2014 | | 2015 | | |
|-----------------------------------|----------------|-------------|---------------------|-------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Central Garage Fund | | | | | | |
| Revenue | | | | | | |
| Property Taxes | \$ 183,111 | \$ 184,000 | \$ 184,000 | \$ 208,000 | \$ - | \$ 208,000 |
| Intergovernmental | 78,711 | 83,170 | 77,099 | 80,850 | (74,440) | 6,410 |
| Central Garage Charges | 1,207,379 | 1,242,855 | 1,242,855 | 1,256,090 | - | 1,256,090 |
| Interest Earnings | (35,588) | 9,500 | 9,500 | 10,500 | - | 10,500 |
| Other Revenues | 6,068 | - | - | - | - | - |
| Total Revenue | 1,439,681 | 1,519,525 | 1,513,454 | 1,555,440 | (74,440) | 1,481,000 |
| Expense | | | | | | |
| Central Garage Operations | 568,179 | 599,799 | 617,185 | 617,652 | 3,801 | 621,453 |
| Debt Service | 243,127 | 238,054 | 310,487 | 234,187 | (31,776) | 202,411 |
| Depreciation | 641,112 | 660,000 | 660,000 | 660,000 | - | 660,000 |
| Total Expense | 1,452,418 | 1,497,853 | 1,587,672 | 1,511,839 | (27,975) | 1,483,864 |
| Other Sources (Uses) | | | | | | |
| Sale of Asset-Gain | 56,763 | 29,000 | 29,000 | - | - | - |
| Transfers In | 200,900 | 119,400 | 119,400 | 119,400 | - | 119,400 |
| Transfers Out | (4,802) | - | - | (14,000) | - | (14,000) |
| Net Increase (Decrease) | 240,124 | 170,072 | 74,182 | 149,001 | (46,465) | 102,536 |
| Contributed Capital Assets | - | - | - | - | - | - |
| Fund Equity, beginning | 3,963,820 | 4,203,944 | 4,203,944 | 4,278,126 | | 4,278,126 |
| Fund Equity, ending | \$4,203,944 | \$4,374,016 | \$4,278,126 | \$4,427,127 | | \$4,380,662 |
| Note: Excludes contributed assets | | | | | | |

Short-term Disability Fund – Accounts for city-paid premiums for regular employees and disability payments to employees on a self-insured basis. Annual losses are monitored closely for the purpose of establishing appropriate disability premiums and retaining sufficient fund balances. There were no amendments to the 2015 budget.

| | 2013 Actual | 2014 | | 2015 | | |
|-----------------------------------|----------------|-----------|---------------------|-----------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Short-term Disability Fund | | | | | | |
| Revenue | | | | | | |
| Charges for Services (misc) | \$ 7,540 | \$ 7,500 | \$ 7,500 | \$ 7,500 | \$ - | \$ 7,500 |
| Interest Earnings | (1,471) | 450 | 450 | 500 | - | 500 |
| Total Revenue | 6,069 | 7,950 | 7,950 | 8,000 | - | 8,000 |
| Expense | | | | | | |
| Miscellaneous | 4,416 | 8,000 | 12,000 | 8,000 | - | 8,000 |
| Total Expense | 4,416 | 8,000 | 12,000 | 8,000 | - | 8,000 |
| Net Increase (Decrease) | 1,653 | (50) | (4,050) | - | - | - |
| Fund Equity, beginning | 39,604 | 41,257 | 41,257 | 37,207 | | 37,207 |
| Fund Equity, ending | \$ 41,257 | \$ 41,207 | \$ 37,207 | \$ 37,207 | | \$ 37,207 |

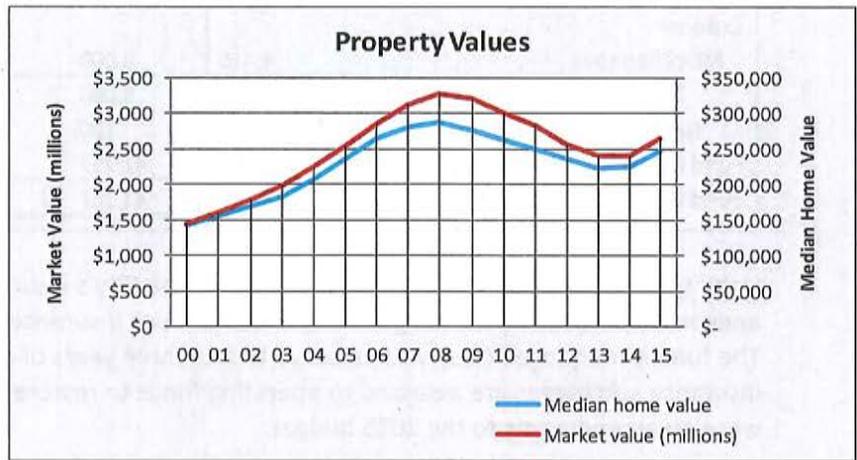
Liability Claims Fund – Accounts for losses below the City's insurance deductible and the receipt of annual dividends from the League of Minnesota Cities Insurance Trust (the City's insurance provider). The fund is monitored closely to preserve two to three years of average annual loss coverage. Periodic insurance surcharges are assessed to operating funds to restore fund balances when necessary. There were no amendments to the 2015 budget.

| | 2013 Actual | 2014 | | 2015 | | |
|------------------------------|----------------|------------|---------------------|------------|-------------------|-------------------|
| | | Budget | Revised Estimate | Budget | Budget Changes | Amended Budget |
| Liability Claims Fund | | | | | | |
| Revenue | | | | | | |
| Interest Earnings | \$ (7,582) | \$ 2,100 | \$ 2,100 | \$ 2,200 | \$ - | \$ 2,200 |
| Other Revenues | 33,053 | 30,000 | 30,000 | 30,000 | - | 30,000 |
| Total Revenue | 25,471 | 32,100 | 32,100 | 32,200 | - | 32,200 |
| Expense | | | | | | |
| Miscellaneous | 19,874 | 32,000 | 72,000 | 32,000 | - | 32,000 |
| Total Expense | 19,874 | 32,000 | 72,000 | 32,000 | - | 32,000 |
| Net Increase (Decrease) | 5,597 | 100 | (39,900) | 200 | - | 200 |
| Fund Equity, beginning | 222,282 | 227,879 | 227,879 | 187,979 | | 187,979 |
| Fund Equity, ending | \$ 227,879 | \$ 227,979 | \$ 187,979 | \$ 188,179 | | \$ 188,179 |

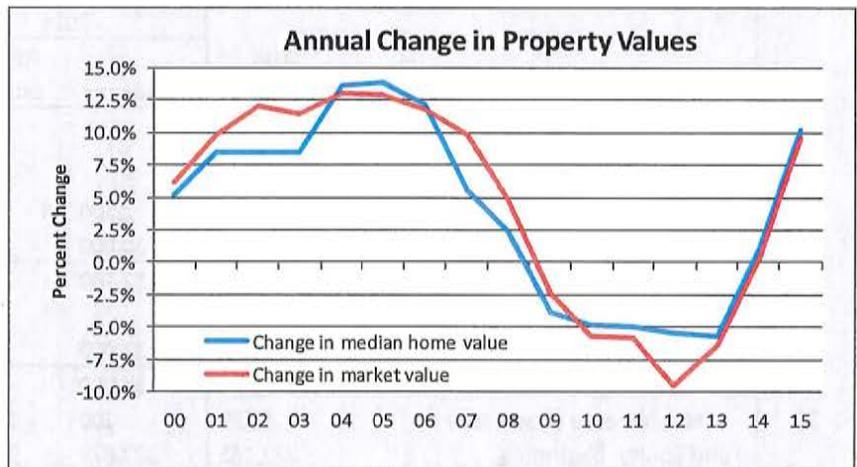
Economy – Although the City can influence property value growth through new development approvals and economic development efforts, the City has limited ability to offset the effects of the real estate market correction because less than 5 percent of property in Shoreview is considered undeveloped. As Shoreview continues to near full development, opportunities for tax base growth from new construction diminish. This means that existing property must support operating cost changes because little if any new value is available to offset a portion of rising costs. Despite the dramatic decline in new development throughout the metro area, Shoreview has had some recent success in achieving new development and redevelopment through several development and redevelopment projects.

Because the City has budgeted conservatively for permit revenue, the decline in building permit activity is having little effect on the City’s budget or tax levy. Shoreview has anticipated and planned for a decline in permit revenue for a decade or more.

Market Value – Total market value is expected to increase 9.5 percent for 2015 taxes. Shoreview’s values grew an average of 9.9 percent per year from 1999 to 2008, followed by an average decline of 2.9 percent per year since 2008. Total market values and median home values are shown in the first table at right. The second table shows the percent change in total market value and median home value over the same period.



Median Home Value – According to the Ramsey County Assessor, Shoreview’s median home value will increase from \$224,500 in 2014 to \$247,500 in 2015, an increase of 10.2 percent (including the effect of the Homestead Market Value Exclusion program).



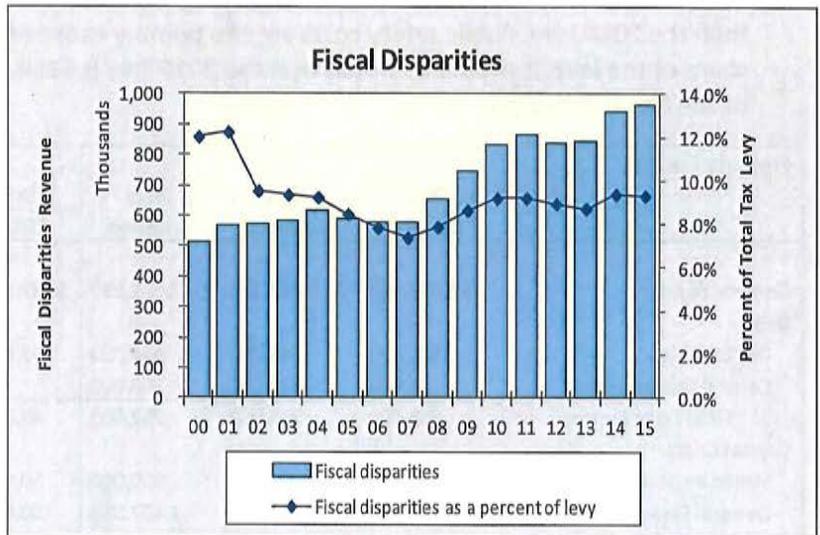
Property Taxes – The 2015 property tax levy, as shown in the table below, is 3.53 percent higher than the 2014 levy. Public safety costs are the primary cause of the levy increase for the General Fund share of the levy. It should be noted that the 2015 levy is \$154,753 lower than originally planned as part of the biennial budget.

| Property Tax Levy | 2013 Adopted | 2014 Adopted | 2015 Adopted | Dollar Change | | Percent Change | | Percent Impact on Total Levy | |
|-----------------------------|--------------------|---------------------|---------------------|------------------|------------------|----------------|--------------|---------------------------------|--------------|
| | | | | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 |
| General Fund | \$ 6,639,567 | \$ 6,837,154 | \$ 7,023,335 | \$ 197,587 | \$ 186,181 | 2.98% | 2.72% | 2.04% | 1.86% |
| Debt | | | | | | | | | |
| Debt Funds | 501,000 | 548,000 | 544,000 | 47,000 | (4,000) | 9.38% | -0.73% | 0.49% | -0.04% |
| Central Garage Fund | 184,000 | 184,000 | 208,000 | - | 24,000 | 0.00% | 13.04% | 0.00% | 0.24% |
| Total Debt Funds | 685,000 | 732,000 | 752,000 | 47,000 | 20,000 | 6.86% | 2.73% | 0.49% | 0.20% |
| Capital Costs | | | | | | | | | |
| Street Renewal Fund | 850,000 | 900,000 | 950,000 | 50,000 | 50,000 | 5.88% | 5.56% | 0.52% | 0.50% |
| General Fixed Asset Fund | 1,250,000 | 1,350,000 | 1,427,583 | 100,000 | 77,583 | 8.00% | 5.75% | 1.03% | 0.78% |
| Information Technology Fund | - | 20,000 | 25,000 | 20,000 | 5,000 | 100.00% | 25.00% | 0.21% | 0.05% |
| Capital Impr. Fund | 120,000 | - | - | (120,000) | - | -100.00% | | -1.24% | 0.00% |
| Total Capital Funds | 2,220,000 | 2,270,000 | 2,402,583 | 50,000 | 132,583 | 2.25% | 5.84% | 0.52% | 1.32% |
| EDA | | | | | | | | | |
| EDA Fund | 60,000 | 80,000 | 90,000 | 20,000 | 10,000 | 33.33% | 12.50% | 0.21% | 0.10% |
| HRA Fund | 75,000 | 90,000 | 95,000 | 15,000 | 5,000 | 20.00% | 5.56% | 0.15% | 0.05% |
| Total EDA Funds | 135,000 | 170,000 | 185,000 | 35,000 | 15,000 | 25.93% | 8.82% | 0.36% | 0.15% |
| Total Levy | \$9,679,567 | \$10,009,154 | \$10,362,918 | \$329,587 | \$353,764 | 3.40% | 3.53% | 3.40% | 3.53% |

Tax Rates – Shoreview’s tax rate will decrease to 34.823 for 2015, due to the combined impact of the levy increase and increases in taxable value. The table below provides a comparison of preliminary 2015 tax rates to three previous years. Shoreview accounts for about 23 percent of the total tax bill once market value based taxes are included (for voter approved school district levies).

| | Tax Rates | | | | Percent Change | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Payable 2012 | Payable 2013 | Payable 2014 | Payable 2015 | Payable 2013 | Payable 2014 | Payable 2015 |
| Tax Rates | | | | | | | |
| City of Shoreview | 33.252% | 36.970% | 37.490% | 34.823% | 11.2% | 1.4% | -7.1% |
| Shoreview HRA | 0.254% | 0.289% | 0.345% | 0.322% | 13.8% | 19.4% | -6.7% |
| Ramsey County | 61.316% | 65.240% | 63.735% | 58.777% | 6.4% | -2.3% | -7.8% |
| School district 621 | 29.044% | 29.444% | 29.734% | 27.275% | 1.4% | 1.0% | -8.3% |
| School district 623 | 17.065% | 15.464% | 16.251% | 17.145% | -9.4% | 5.1% | 5.5% |
| All other [1] | 9.956% | 10.199% | 9.826% | 9.154% | 2.4% | -3.7% | -6.8% |
| Total-621 Schools | 133.822% | 142.142% | 141.130% | 130.351% | 6.2% | -0.7% | -7.6% |
| Total-623 Schools | 121.843% | 128.162% | 127.647% | 120.221% | 5.2% | -0.4% | -5.8% |
| [1] Regional rail, Met Council, Mosquito Control and Rice Creek Watershed combined. | | | | | | | |
| Market Value Rates | | | | | | | |
| School district 621 | 0.21242% | 0.22834% | 0.21069% | 0.21864% | 7.5% | -7.7% | 3.8% |
| School district 623 | 0.19591% | 0.24553% | 0.25826% | 0.25915% | 25.3% | 5.2% | 0.3% |

Fiscal disparities – The fiscal disparities program is a mechanism established by the State to provide a sharing of property tax revenues generated by commercial and industrial (C/I) growth since 1971. The program pools 40 percent of C/I value since the program began and redistributes the value to each community based on a formula. The result is either a net gain or a net loss in tax dollars from the pool. The table at right shows the amount of Shoreview’s annual levy has been paid by fiscal disparities and as a percent of the total levy.



Tax on Median Home – The estimated change in property tax for a median valued home (using preliminary tax rates for each jurisdiction as provided by Ramsey County), is shown in the table at right. Shoreview’s share of the tax bill will increase an estimated 4.1 percent (\$31.71 per year), and the combined tax for all other taxing jurisdictions (including the HRA) will increase approximately \$138.62 per year, for a total increase of 5 percent.

| Mounds View Schools & Rice Creek Watershed | Payable 2014 | Payable 2015 | Dollar Change | Percent Change |
|--|-------------------|-------------------|------------------|----------------|
| Home value | \$ 224,500 | \$ 247,500 | \$ 23,000 | 10.2% |
| HMVE home value | \$ 207,500 | \$ 232,500 | \$ 25,000 | 12.0% |
| Taxable value | \$ 2,075 | \$ 2,325 | \$ 250 | 12.0% |
| Property Tax: | | | | |
| City | \$ 777.92 | \$ 809.63 | \$ 31.71 | 4.1% |
| HRA | 7.16 | 7.49 | 0.33 | 4.6% |
| All other jurisdictions | 2,616.38 | 2,754.67 | 138.29 | 5.3% |
| Total Property Tax | \$3,401.46 | \$3,571.79 | \$ 170.33 | 5.0% |

Since the change in home value will vary from property to property, which in turn influences the change in property tax (even if preliminary levies remain the same); the estimated change in the City portion of property taxes is presented in the table below using 7 different assumptions about value changes. The City portion of the 2015 tax bill for a median home value (\$247,500) under each assumption is \$809.63; however, the change in the City share of the property tax varies depending on the change in value from the previous year. As shown, the change in City tax for a median value home ranges from a 16.4% decrease to a 16.1% increase because of how state statutes allocate property taxes based on value.

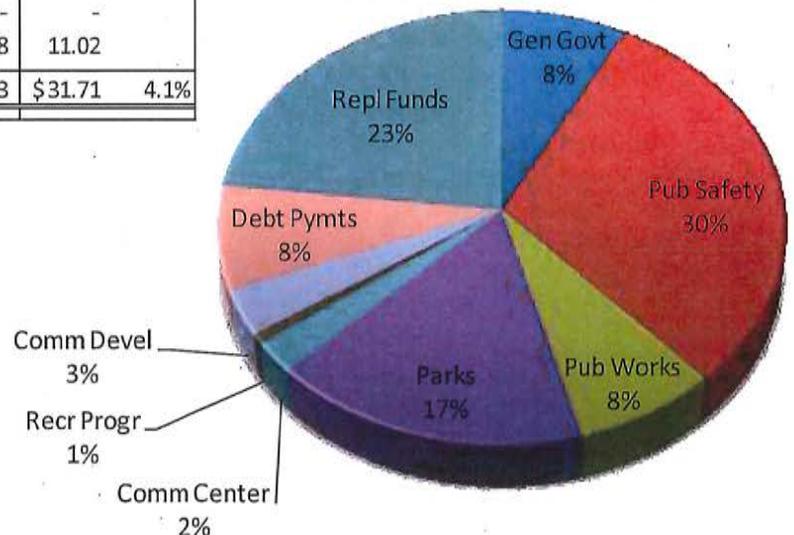
| Market Value Before MVE | | | Market Value After MVE | | | Taxable Value | | City Portion of Property Tax | | Change in City Property Tax | |
|-------------------------|------------|--------------|------------------------|------------|--------------|---------------|----------|------------------------------|-----------|-----------------------------|---------|
| 2014 | 2015 | Value Change | 2014 | 2015 | Value Change | 2014 | 2015 | 2014 | 2015 | Dollars | Percent |
| \$ 204,800 | \$ 247,500 | 20.8% | \$ 186,000 | \$ 232,500 | 25.0% | \$ 1,860 | \$ 2,325 | \$ 697.31 | \$ 809.63 | \$ 112.32 | 16.1% |
| \$ 219,600 | \$ 247,500 | 12.7% | \$ 202,100 | \$ 232,500 | 15.0% | \$ 2,021 | \$ 2,325 | \$ 757.67 | \$ 809.63 | \$ 51.96 | 6.9% |
| \$ 228,000 | \$ 247,500 | 8.6% | \$ 211,300 | \$ 232,500 | 10.0% | \$ 2,113 | \$ 2,325 | \$ 792.16 | \$ 809.63 | \$ 17.47 | 2.2% |
| \$ 224,500 | \$ 247,500 | 10.2% | \$ 207,500 | \$ 232,500 | 12.0% | \$ 2,075 | \$ 2,325 | \$ 777.92 | \$ 809.63 | \$ 31.71 | 4.1% |
| \$ 237,250 | \$ 247,500 | 4.3% | \$ 221,400 | \$ 232,500 | 5.0% | \$ 2,214 | \$ 2,325 | \$ 830.03 | \$ 809.63 | \$ (20.40) | -2.5% |
| \$ 258,700 | \$ 247,500 | -4.3% | \$ 244,700 | \$ 232,500 | -5.0% | \$ 2,447 | \$ 2,325 | \$ 917.38 | \$ 809.63 | \$ (107.75) | -11.7% |
| \$ 271,000 | \$ 247,500 | -8.7% | \$ 258,200 | \$ 232,500 | -10.0% | \$ 2,582 | \$ 2,325 | \$ 967.99 | \$ 809.63 | \$ (158.36) | -16.4% |

The next table provides the estimated change in the City portion of the tax bill for home values ranging from \$100,000 to \$900,000 for 2015, and each line assumes a 10.2 percent decrease in value. The change in Shoreview's portion of the property tax bill varies from a 2.4 percent increase for a home valued at \$500,000, to a 8.3 percent increase for a home valued at \$100,000.

| Market Value Before MVE | | | Market Value After MVE | | | Taxable Value | | City Portion of Property Tax | | Change in City Property Tax | |
|-------------------------|------------|--------------|------------------------|------------|--------------|---------------|-----------|------------------------------|-------------|-----------------------------|---------|
| 2014 | 2015 | Value Change | 2014 | 2015 | Value Change | 2014 | 2015 | 2014 | 2015 | Dollars | Percent |
| \$ 90,745 | \$ 100,000 | 10.2% | \$ 61,600 | \$ 71,800 | 16.6% | \$ 616 | \$ 718 | \$ 230.94 | \$ 250.03 | \$ 19.09 | 8.3% |
| \$ 136,115 | \$ 150,000 | 10.2% | \$ 111,100 | \$ 126,300 | 13.7% | \$ 1,111 | \$ 1,263 | \$ 416.51 | \$ 439.81 | \$ 23.30 | 5.6% |
| \$ 181,490 | \$ 200,000 | 10.2% | \$ 160,600 | \$ 180,800 | 12.6% | \$ 1,606 | \$ 1,808 | \$ 602.09 | \$ 629.60 | \$ 27.51 | 4.6% |
| \$ 224,500 | \$ 247,500 | 10.2% | \$ 207,500 | \$ 232,500 | 12.0% | \$ 2,075 | \$ 2,325 | \$ 777.92 | \$ 809.63 | \$ 31.71 | 4.1% |
| \$ 226,860 | \$ 250,000 | 10.2% | \$ 210,100 | \$ 235,300 | 12.0% | \$ 2,101 | \$ 2,353 | \$ 787.66 | \$ 819.39 | \$ 31.73 | 4.0% |
| \$ 272,230 | \$ 300,000 | 10.2% | \$ 259,500 | \$ 289,800 | 11.7% | \$ 2,595 | \$ 2,898 | \$ 972.87 | \$ 1,009.17 | \$ 36.30 | 3.7% |
| \$ 317,600 | \$ 350,000 | 10.2% | \$ 308,900 | \$ 344,300 | 11.5% | \$ 3,089 | \$ 3,443 | \$ 1,158.07 | \$ 1,198.96 | \$ 40.89 | 3.5% |
| \$ 453,720 | \$ 500,000 | 10.2% | \$ 453,700 | \$ 500,000 | 10.2% | \$ 4,537 | \$ 5,000 | \$ 1,700.92 | \$ 1,741.15 | \$ 40.23 | 2.4% |
| \$ 635,210 | \$ 700,000 | 10.2% | \$ 635,200 | \$ 700,000 | 10.2% | \$ 6,690 | \$ 7,500 | \$ 2,508.08 | \$ 2,611.73 | \$ 103.65 | 4.1% |
| \$ 816,700 | \$ 900,000 | 10.2% | \$ 816,700 | \$ 900,000 | 10.2% | \$ 8,959 | \$ 10,000 | \$ 3,358.73 | \$ 3,482.30 | \$ 123.57 | 3.7% |

| Program | 2014 | 2015 | Change | |
|----------------------------|------------------|------------------|-----------------|-------------|
| | City Tax | City Tax | \$ | % |
| value before MVE-> | \$ 224,500 | \$ 247,500 | | |
| value after MVE-> | \$ 207,500 | \$ 207,500 | | |
| Home | Home | | | |
| General Government | \$ 66.54 | \$ 62.84 | \$ (3.70) | |
| Public Safety | 228.78 | 246.28 | 17.50 | |
| Public Works | 62.81 | 61.40 | (1.41) | |
| Parks and Recreation: | | | | |
| Park Admin and Maint | 132.36 | 135.92 | 3.56 | |
| Community Center Operation | 18.75 | 19.40 | 0.65 | |
| Recreation Programs | 5.49 | 5.68 | 0.19 | |
| Community Development | 25.40 | 27.38 | 1.98 | |
| Debt Service | 61.33 | 63.25 | 1.92 | |
| Capital Improvement Fund | - | - | - | |
| Replacement Funds | 176.46 | 187.48 | 11.02 | |
| Total City Taxes | \$ 777.92 | \$ 809.63 | \$ 31.71 | 4.1% |

Property Taxes per Function – As discussed previously in this document, Shoreview's annual share of the property tax bill on a median home (after HMVE) is \$809.63. To illustrate how property taxes support a variety of City programs and services, the table to the left and the graph below show the breakdown of property tax by program.



Inter-fund Transfers – Transfers between funds are used when resources are accumulated in one fund and will be used to support costs in another fund. Planned transfers for the year 2015 are shown in the table below.

- General Fund transfers to the Community Center Fund offset the room rental subsidy for community-oriented use of the building; to the Recreation Programs Fund cover a portion of playground and general program costs; to the Slice of Shoreview Fund support event costs; to the Refunding COP debt fund assist in paying community center debt payments
- Recreation Program transfers to the Community Center Fund pay for use of the building
- Cable TV transfers to the General Fund support a portion of communication costs
- Closed Bond Fund transfer to the Refunding COP debt fund provides funding for debt payments in an effort to reduce the portion of the tax levy dedicated to debt payment
- TIF #2 transfers to the 2007 debt fund covers tax increment debt payments
- Community Investment transfer to the Refunding COP debt fund assist in paying the community center debt payments
- Street Renewal transfers cover planned street rehabilitation costs
- GFA Replacement transfers cover planned capital costs and support for community center debt payments
- Utility Fund transfers (from Water, Sewer, Surface Water and Street Lighting Funds) to the General Fund are for payments in lieu of taxes (and represent no more than one percent of asset value); and to the Central Garage fund represent a prorated share of debt payments (maintenance center renovation)
- Central Garage transfer to the Capital Acquisition I/S fund covers planned capital technology costs.

| From Fund | To Fund | 2015 Transfers |
|------------------------|------------------------|--------------------|
| General Fund | Community Center | \$ 246,000 |
| General Fund | Recreation Programs | 72,000 |
| General Fund | Slice of Shoreview | 10,000 |
| General Fund | Refunding COPs (debt) | 50,000 |
| Recreation Programs | Community Center | 120,000 |
| Cable TV | General Fund | 167,000 |
| Closed Bond | Refunding COPs (debt) | 50,000 |
| TIF #2 City Center | 2007 G.O. TIF Bonds | 359,921 |
| Community Investment | Refunding COPs (debt) | 175,000 |
| Street Renewal | Turtle Lane Nbr | 745,600 |
| GFA Replacement | Capital Acquisition/IS | 221,000 |
| GFA Replacement | Refunding COPs (debt) | 180,000 |
| Water | General Fund | 302,000 |
| Water | Central Garage | 43,000 |
| Sewer | General Fund | 138,000 |
| Sewer | Central Garage | 43,000 |
| Surface Water | General Fund | 121,000 |
| Surface Water | Central Garage | 31,000 |
| Street Lighting | General Fund | 20,000 |
| Street Lighting | Central Garage | 2,400 |
| Central Garage | Capital Acquisition/IS | 14,000 |
| Total Transfers | | \$3,110,921 |
| From Operating Funds | | \$ 1,429,400 |
| From Capital Funds | | 1,681,521 |
| Total Transfers | | 3,110,921 |
| To Operating Funds | | \$ 2,130,321 |
| To Capital Funds | | 980,600 |
| Total Transfers | | \$3,110,921 |

Full-time Equivalents (FTE) for all staff positions, including temporary staff, are shown in the table below.

| Description | 2012 Budget | 2013 Budget | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------|----------------|----------------|----------------|------------------|----------------|
| Full-time | | | | | |
| General Fund | 39.77 | 39.08 | 41.52 | 41.02 | 40.53 |
| Recycling | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 |
| Community Center Operations | 14.05 | 13.65 | 14.51 | 14.39 | 14.20 |
| Recreation Programs | 3.75 | 3.97 | 5.21 | 5.05 | 4.90 |
| Cable Television | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |
| Economic Development Authority | 0.15 | 0.29 | 0.40 | 0.40 | 0.45 |
| HRA Programs of EDA | 0.16 | 0.30 | 0.60 | 0.60 | 0.60 |
| Water Enterprise Fund | 7.75 | 7.37 | 7.75 | 7.71 | 7.75 |
| Sewer Enterprise Fund | 6.76 | 6.50 | 6.76 | 6.72 | 6.76 |
| Surface Water Mgmt Utility | 3.41 | 3.32 | 3.41 | 3.37 | 3.61 |
| Street Light Utility | 0.20 | 0.18 | 0.20 | 0.20 | 0.20 |
| Central Garage | 2.40 | 2.38 | 2.40 | 2.40 | 2.40 |
| Total Full-time | 79.00 | 77.64 | 83.36 | 82.46 | 82.00 |
| Part-time | | | | | |
| General Fund | 0.80 | 0.80 | 0.22 | 0.52 | 0.54 |
| Community Center Operations | - | - | 0.06 | 0.21 | 0.23 |
| Recreation Programs | 0.75 | - | 0.06 | 0.21 | 0.23 |
| Water Enterprise Fund | - | - | 0.04 | 0.04 | 0.05 |
| Sewer Enterprise Fund | - | - | 0.04 | 0.04 | 0.05 |
| Total Part-time | 1.55 | 0.80 | 0.42 | 1.02 | 1.10 |
| Associate | | | | | |
| General Fund | 3.84 | 3.29 | 3.96 | 4.42 | 3.99 |
| Community Center Operations | 22.39 | 25.21 | 23.87 | 23.06 | 24.09 |
| Recreation Programs | 24.63 | 25.83 | 27.46 | 25.97 | 26.39 |
| Cable Television | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 |
| Economic Development Authority | - | 0.08 | - | - | - |
| HRA Programs of EDA | - | 0.10 | - | - | - |
| Water Enterprise Fund | 0.65 | 0.32 | 0.62 | 0.39 | 0.48 |
| Sewer Enterprise Fund | 0.65 | 0.32 | 0.64 | 0.39 | 0.49 |
| Surface Water Mgmt Utility | 0.14 | 0.11 | 0.26 | 0.22 | 0.13 |
| Street Light Utility | - | - | 0.08 | - | - |
| Total Associate | 52.40 | 55.36 | 56.99 | 54.55 | 55.67 |
| Total FTEs | 132.95 | 133.80 | 140.77 | 138.03 | 138.77 |

Reductions in full-time FTEs include the delay in replacement of the park and recreation director position until 2016 (.36), and the reclassification of a park and recreation full-time position to part-time (1.0). Part-time FTE increases include the reclassification of the park and recreation full-time position to part-time .60, an increase for an administrative tech in human resources .08. Associate FTE decreases include: temporary position to help with elections (.15), finance accounting assistance (.24), emergency services coordinator (.08), lifeguards (.38), concessions (.01), guest services (.15), elimination of an unfilled GIS position (.50), recreation programs (1.07) and increases include: park and recreation office assistant .50, manager on duty .18, pool coordinator .04 and service desk .54.

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Capital Improvement Program Summary

Introduction

The Administration and Finance departments are pleased to present the amended Capital Improvement Program (CIP) for the years 2015 through 2019 (including revised estimates for 2014). 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 five-year 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:

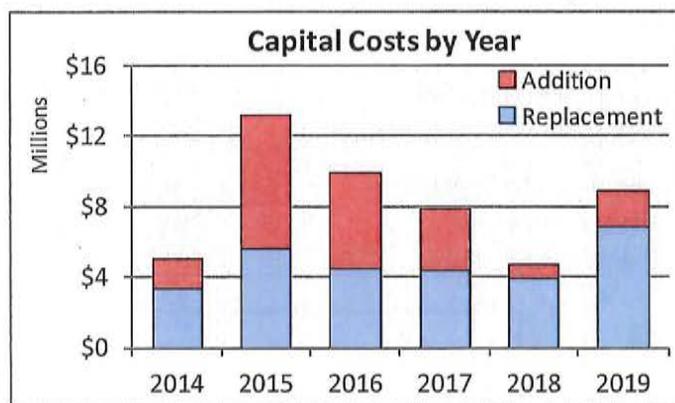
1. Contribute to the public health and welfare
2. Maintain an existing system
3. Improve efficiency of an existing system
4. Expand or add a system or service
5. Expand, renovate or add public facilities/parks

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, excluding the \$11 million water treatment facility in 2014-2016, approximately 74 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 avoid 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

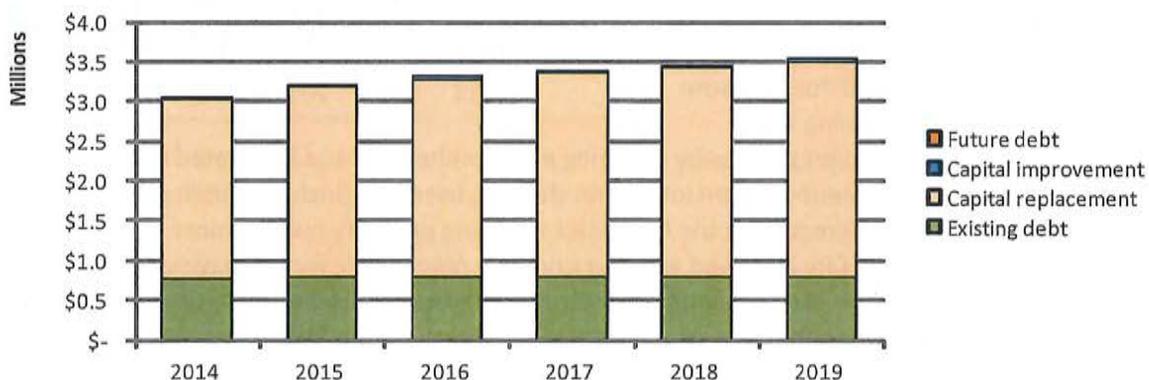
Proposed debt issuance (excluding refunding issues) over the next six years is \$20.7 million, in comparison to project costs of \$49.8 million (42 percent of project costs). If the water treatment plant is excluded from the totals (because of the cost and one-time nature of the project), approximately 20 percent of costs are supported by debt issuance. 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 the majority of debt issuance is for utility systems, and therefore does not impact tax levies.

| Description | 2015 | 2017 | 2018 |
|------------------------------------|----------------------|---------------------|---------------------|
| GO Improvement Bonds (assmts) | \$ 303,600 | \$ 320,700 | \$ 434,720 |
| GO Water Bonds | 12,140,000 | 854,000 | 831,500 |
| GO Sewer Bonds | 1,527,500 | 459,000 | 1,480,000 |
| GO Surface Water Bonds | 939,300 | 499,900 | 907,080 |
| Estimated Total Debt Issued | \$ 14,910,400 | \$ 2,133,600 | \$ 3,653,300 |

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 .8 percent on the total tax levy. The City has maintained this low level through setting aside General Fund operating surpluses in recent years. These surpluses are being used to buy down the annual debt levy, in an effort to smooth out temporary fluctuations in the tax levy and ease the impact on property owners.

| Description | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Capital Repl-Street Renewal | \$ 900,000 | \$ 950,000 | \$ 1,000,000 | \$ 1,060,000 | \$ 1,124,000 | \$ 1,191,000 |
| Capital Repl-Gen Fixed Asset Repl. | 1,350,000 | 1,427,583 | 1,475,000 | 1,495,000 | 1,505,000 | 1,515,000 |
| Capital Acquisition (IT) | 20,000 | 25,000 | 30,000 | 35,000 | 40,000 | 40,000 |
| Existing Debt-Central Garage | 184,000 | 208,000 | 208,000 | 200,000 | 200,000 | 200,000 |
| Existing Debt-Debt funds | 548,000 | 544,000 | 545,000 | 551,000 | 542,000 | 536,000 |
| Existing Debt-General fund contrib | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Capital and Debt Levies | \$3,052,000 | \$3,204,583 | \$3,308,000 | \$3,391,000 | \$3,461,000 | \$3,532,000 |
| Change in Debt Levy | \$ (3,000) | \$ 20,000 | \$ 1,000 | \$ (2,000) | \$ (9,000) | \$ (6,000) |
| Change in Capital Levy | \$ 50,000 | \$ 132,583 | \$ 102,417 | \$ 85,000 | \$ 79,000 | \$ 77,000 |



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 4 projects that use MSA funding over the next five years.

- Lexington Avenue drainage improvements between County Road F and I-694 are planned for 2015
- Rehabilitation of selected MSA routes is planned for 2016 (Gramsie Road and Victoria Street)
- Rice Street/I-694 Interchange and rehabilitation of Highway 49 between Highway 96 and Gramsie Road are planned for 2017
- Reconstruction of Owasso Boulevard North is planned for 2019

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 seal coating and full depth reclamation. After the \$2.4 million street rehabilitation bond sold last year, the next street bond is planned for 2022. The following street reconstruction projects are planned over the next five years.

- Hanson, Oakridge Neighborhood (2014) – This area has no curb and gutter, some cast iron water main, no storm drainage system, and the pavement life is less than five years
- Railroad crossing quiet zone improvements (2015) – Signals at Jerrold Avenue and North Owasso Blvd.
- Turtle Lane Neighborhood (2015) – This area has no curb and gutter, cast iron water main, limited storm sewer, and the pavement life is less than five years
- Windward Heights Neighborhood (2016 and 2017) – This area has no curb and gutter and limited storm sewer
- Bridge/Lion Neighborhood (2018) – Complete reconstruction of streets, addition of curb and gutter, installation of water main and storm water systems
- Wabasso Neighborhood (2019) – Complete reconstruction of streets; the installation of curb and gutter, storm water systems, and street lights; and repairs of water mains and sewer lines

Park Improvements

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

Community Investment Fund supported:

- 795 Highway 96 – \$275,000 in 2014 for the purchase of property for expansion of the Shoreview Commons area
- Wading pool – \$450,000 in 2015 for replacement of the outdoor wading pool. Support will also be provided by the Community Center Fund in the amount of \$100,000, for a total cost of \$550,000.

- Commons Park – \$30,000 in 2015 to expand the irrigation system
- Allowances – \$17,500 in 2014 and 2015 each for park signs
- Wilson Park – \$40,000 in 2015 for the addition of a picnic shelter
- McCullough Park – \$700,000 in 2017 for renovation of the park
- Bucher Park – \$65,000 in 2018 for a Rocks-N-Ropes playground
- Shamrock Park – \$750,000 in 2019 for renovation of the park

General Fixed Asset Replacement Fund supported:

- Wilson Park – \$120,000 in 2015 for the relocation of the playground
- Rice Creek – \$50,000 in 2017 for replacement of the scoreboard
- McCullough Park – \$100,000 in 2017 for playground equipment replacement
- Commons Park – \$90,000 in 2018 for playground equipment replacement
- Rice Creek – \$65,000 in 2018 for playground equipment replacement
- Ponds Park – \$40,000 in 2018 for playground equipment replacement
- Shamrock Park – \$120,000 in 2019 for playground equipment replacement

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 segments in 2014 include Lexington Avenue from Royal Oaks Drive north to Hamline Avenue and from Pond View Drive north to Rice Creek, and a segment at Shamrock Park. Trail rehabilitation in 2014 includes segments along County Road I including the boardwalk, as well as a segment in Theisen Park. Funding for the 2014 rehabilitation and extensions will be provided by the Community Investment Fund (\$201,500) and General Fixed Asset Fund (\$133,500).

Municipal Buildings

Most of the building projects include repair/replacement items for the community center/city hall, and fire stations. Major items include:

- Annual Community Investment Fund allowance of \$50,000 per year for improvements to the Community Center facility
- Replace upper level lobby, hallway, meeting rooms and Shoreview room carpeting in 2014 (\$80,000)
- Replace/repair movable walls in the Wedell Community Room and meeting rooms in 2014 (\$51,000)
- Replace gymnasium roof in 2014 (\$200,000)
- Refurbish/replace modular office furniture in 2015 (\$70,000)
- Remodel/add family locker rooms in 2015 (\$400,000)
- Replace running track surface in 2016 (\$60,000)
- Repaint the pool ceiling in 2019 (\$75,000)
- Replace banquet room chairs in 2017 (\$102,000)
- Community Center Addition in 2017 at an estimated cost of \$2-4 million – Construction of a building addition consistent with the 2014 expansion and remodeling study. Support will be

provided by the Community Investment fund (\$1.5-3.5 million), as well as the Community Center and Recreation Programs Funds (\$250,000 from each).

- Replace three main boilers in 2019 (\$180,000)

Utility Improvements

There are several planned improvements to the City's utility systems in the next five years. The most significant project is a planned water treatment plant in 2015 at an estimated cost of \$11 million (with costs spread over three years). The treatment plant is necessary to address growing concerns about iron and manganese in the City's water supply. Other major water system improvements include:

- Replace cast iron watermain on Lexington Avenue (\$350,000) in 2015
- A natural gas backup generator (\$100,000) for well #6 in 2016
- Renovations to well #7 in 2019 (\$125,000)
- Sanitary sewer rehabilitation (including pipe relining) in 2015 and 2019
- Annual sanitary sewer lift stations repairs and the construction of a lift station and forcemain on Hwy 96 east of Dale Street in 2015 (\$290,000)
- Storm water pretreatment structures on the east shore of Lake Shoreview in 2015
- Allowance for a second structure in 2018 at a location to be determined in the future
- Street Light replacements increase over the next five years to address a growing number of street light outages occurring with lighting that was originally installed in the 1970s and early 1980s.

Major Equipment

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

- Fire engine replacement in 2017, and the fire department's self-contained breathing apparatus (SCBA) in 2014 (covered primarily by a grant)
- 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 (assuming no future advance encumbrances from the State) will be sufficient to cover project costs through the year 2018, but will not be sufficient to support the Owasso Boulevard North Reconstruction project in 2019 unless the City's MSA allocation increases more rapidly. Based on the City's current MSA allocation, the fund would have sufficient fund balance in 2021 to finance cost associated with the Owasso Boulevard North project.

| MSA Fund Capital Projections | Estimated 2014 | Projected 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 |
|---------------------------------------|-------------------|-------------------|---------------------|-------------------|-------------------|---------------------|
| Revenue | | | | | | |
| Intergovt (MSA allocation) | \$ 652,354 | \$ 652,354 | \$ 652,354 | \$ 652,354 | \$ 652,354 | \$ 652,354 |
| Investment interest | 600 | 2,300 | 4,300 | 2,100 | 2,200 | 4,200 |
| Other | | | | | | |
| Total Revenues | \$ 652,954 | \$ 654,654 | \$ 656,654 | \$ 654,454 | \$ 654,554 | \$ 656,554 |
| Expense | | | | | | |
| MSA Street Rehabilitation | 3,700 | - | 1,550,000 | - | - | - |
| County Rd D & Cottage Pl Neighbr | 55,422 | - | - | - | - | - |
| Red Fox Road Reconstruction | 27,637 | - | - | - | - | - |
| Rice Street/I-694 Interchange | - | - | - | 420,000 | - | - |
| Highway 49/Hodgson (96-Gramsie) | - | - | - | 218,000 | - | - |
| Bridge, Lion Neighborhood | - | - | - | - | 150,000 | - |
| Owasso Blvd N Reconstruction | - | - | - | - | - | 2,570,000 |
| Total Expense | \$ 86,759 | \$ - | \$ 1,550,000 | \$ 638,000 | \$ 150,000 | \$ 2,570,000 |
| Net change | 566,195 | 654,654 | (893,346) | 16,454 | 504,554 | (1,913,446) |
| Fund equity, beginning | 209,978 | 776,173 | 1,430,827 | 537,481 | 553,935 | 1,058,489 |
| Fund equity, ending | \$ 776,173 | \$ 1,430,827 | \$ 537,481 | \$ 553,935 | \$ 1,058,489 | \$ (854,957) |
| Fund equity percent of avg expense | 84.2% | 155.2% | 58.3% | 60.1% | 114.8% | -92.8% |
| Months capital coverage (avg expense) | 10.1 | 18.6 | 7.0 | 7.2 | 13.8 | (11.1) |
| Fund equity - from 2014 CHIRP | 169,222 | 851,270 | (2,877) | 53,350 | 623,319 | (814,200) |
| Variance over (under) 2014 CHIRP | 606,951 | 579,557 | 540,358 | 500,585 | 435,170 | (40,757) |

Street Renewal Fund

The summary of Street Renewal Fund activity provided in the table below shows that planned increases in the tax levy are sufficient to support planned projects over the next six years while maintaining the minimum \$2 million fund balance. It is important to note that in 2013 the General Fund surplus (\$417,963) was transferred into the Street Renewal Fund in order to maintain the \$2 million minimum fund balance and construct planned future improvements.

| Street Renewal Fund Capital Projections | Actual 2013 | Estimated 2014 | Projected 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 |
|---|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | | |
| Property taxes | \$ 845,322 | \$ 900,000 | \$ 950,000 | \$ 1,000,000 | \$ 1,060,000 | \$ 1,124,000 | \$ 1,191,000 |
| Assessments | 32,830 | 12,821 | 12,821 | 12,821 | 12,821 | 12,821 | 6,200 |
| Investment interest | (78,378) | 22,200 | 27,600 | 28,100 | 33,900 | 35,800 | 41,400 |
| Other | 6,720 | - | - | - | - | - | - |
| Total Revenues | \$ 806,494 | \$ 935,021 | \$ 990,421 | \$ 1,040,921 | \$ 1,106,721 | \$ 1,172,621 | \$ 1,238,600 |
| Expense | | | | | | | |
| Street condition survey | 7,745 | 6,500 | 7,500 | 7,500 | 7,500 | 8,500 | 8,500 |
| Sealcoat and crack fill | 270,628 | 314,200 | 317,500 | 325,400 | 336,700 | 339,700 | 346,000 |
| Street rehabilitation current projects: | | | | | | | |
| Hanson Oakridge neighborhood | - | 661,500 | - | - | - | - | - |
| Turtle Lane neighborhood | - | - | 745,600 | - | - | - | - |
| Windward Heights neighborhood | - | - | - | 627,200 | 627,200 | - | - |
| Bridge/Lion neighborhood | - | - | - | - | - | 899,700 | - |
| Wabasso neighborhood | - | - | - | - | - | - | 766,000 |
| Prior years | 718,508 | 131,000 | - | - | - | - | - |
| Total Expense | \$ 996,881 | \$ 1,113,200 | \$ 1,070,600 | \$ 960,100 | \$ 971,400 | \$ 1,247,900 | \$ 1,120,500 |
| Other Sources (Uses) | | | | | | | |
| Transfers in/General fund | 417,963 | - | - | - | - | - | - |
| Total Other Sources (Uses) | \$ 417,963 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Net change | 227,576 | (178,179) | (80,179) | 80,821 | 135,321 | (75,279) | 118,100 |
| Fund equity, beginning | 2,235,008 | 2,462,584 | 2,284,405 | 2,204,226 | 2,285,047 | 2,420,368 | 2,345,089 |
| Fund equity, ending | \$ 2,462,584 | \$ 2,284,405 | \$ 2,204,226 | \$ 2,285,047 | \$ 2,420,368 | \$ 2,345,089 | \$ 2,463,189 |
| Years of capital coverage (avg expense) | 2.7 | 2.5 | 2.4 | 2.5 | 2.7 | 2.6 | 2.7 |
| Tax levy percent change | 7.3% | 6.5% | 5.6% | 5.3% | 6.0% | 6.0% | 6.0% |
| Average annual percent change (taxes) 2013- | | | | | 6.2% | 6.1% | 6.1% |

Community Investment Fund

The summary of Community Investment Fund activity provided below shows that projected revenue is sufficient to support planned building, park and trail projects providing community-wide benefit thru 2016. Any increases in cost associated with the planned Community Center expansion in 2017 would cause the fund to have a negative fund balance. The City would either have to delay the expansion project or consider other financing options such as bonding for a portion of the project in order to maintain a positive fund balance and meet the minimum fund balance requirement.

| Community Investment Fund | Estimated | Projected | Projected | Projected | Projected | Projected |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Capital Projections | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| Revenue | | | | | | |
| Franchise fees | \$ 804,000 | \$ 804,000 | \$ 804,000 | \$ 804,000 | \$ 804,000 | \$ 804,000 |
| PCS Antenna rentals | 280,227 | 292,408 | 305,175 | 318,556 | 332,581 | 347,281 |
| Billboard fees | 50,000 | 51,500 | 53,045 | 54,636 | 56,275 | 57,964 |
| Investment interest | 4,700 | 10,900 | 12,300 | - | - | - |
| Total Revenues | \$ 1,138,927 | \$ 1,158,808 | \$ 1,174,520 | \$ 1,177,192 | \$ 1,192,856 | \$ 1,209,245 |
| Expense | | | | | | |
| Community Center improvements | 31,250 | 320,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Community Center addition | 6,000 | - | - | 1,500,000 | - | - |
| Wading pool/splash pool | - | 450,000 | - | - | - | - |
| Park facilities improvements | 17,500 | 87,500 | - | 700,000 | 65,000 | 750,000 |
| Trails and pathways | 201,500 | - | - | 94,000 | - | - |
| Property acquisition | 275,000 | - | - | - | - | - |
| Total Expense | \$ 531,250 | \$ 857,500 | \$ 50,000 | \$ 2,344,000 | \$ 115,000 | \$ 800,000 |
| Other Sources (Uses) | | | | | | |
| Transfers in/Capital Imprv Fund | - | - | - | - | - | - |
| Transfers out/debt service funds | (175,000) | (175,000) | (175,000) | (175,000) | (175,000) | (180,000) |
| Total Other Sources (Uses) | \$ (175,000) | \$ (180,000) |
| Net change | 432,677 | 126,308 | 949,520 | (1,341,808) | 902,856 | 229,245 |
| Fund equity, beginning | 557,471 | 990,148 | 1,116,456 | 2,065,976 | 724,168 | 1,627,024 |
| Fund equity, ending | \$ 990,148 | \$ 1,116,456 | \$ 2,065,976 | \$ 724,168 | \$ 1,627,024 | \$ 1,856,269 |
| Months of capital coverage (avg exp) | 15.2 | 17.1 | 31.7 | 11.1 | 24.9 | 28.5 |
| Minimum fund balance | \$ 170,134 | \$ 342,320 | \$ 516,653 | \$ 693,232 | \$ 872,160 | \$ 1,114,009 |
| Fund balance in excess of minimum | \$ 820,014 | \$ 774,136 | \$ 1,549,323 | \$ 30,936 | \$ 754,864 | \$ 742,260 |

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 dedicates 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 last two lines of the table above (highlighted in blue) show the growth in minimum fund balance, and available funds balances over the next 5 years.

Information Technology Fund

The summary of Capital Acquisition Fund activity shown below, for the planned replacement and/or improvement of 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 improvements that cannot be funded through replacement funds, and includes expansion of the security camera system, adding a second GIS license, added parks software functionality, expanded laserfiche capability, improvements to the network backup system, expanded wireless capability and pc additions.

| Information Technology Fund Capital Projections | Estimated 2014 | Projected 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | |
| Property taxes | \$ 20,000 | \$ 25,000 | \$ 30,000 | \$ 35,000 | \$ 40,000 | \$ 40,000 |
| Investment interest | 200 | 100 | 400 | 400 | 1,100 | 1,600 |
| Total Revenues | \$ 20,200 | \$ 25,100 | \$ 30,400 | \$ 35,400 | \$ 41,100 | \$ 41,600 |
| Expense | | | | | | |
| Computer equipment/software | 168,950 | 240,600 | 138,800 | 157,100 | 567,300 | 213,100 |
| Total Expense | \$ 168,950 | \$ 240,600 | \$ 138,800 | \$ 157,100 | \$ 567,300 | \$ 213,100 |
| Other Sources (Uses) | | | | | | |
| Transfers in/Gen Fixed Asset Fund | 118,871 | 221,000 | 138,000 | 119,500 | 559,000 | 199,000 |
| Transfers in/Water Fund | - | 800 | - | 3,800 | - | 800 |
| Transfers in/Sewer Fund | - | 800 | - | 3,800 | - | 800 |
| Transfers in/Central Garage Fund | - | 14,000 | - | - | - | - |
| Total Other Sources (Uses) | \$ 118,871 | \$ 236,600 | \$ 138,000 | \$ 127,100 | \$ 559,000 | \$ 200,600 |
| Net change | (29,879) | 21,100 | 29,600 | 5,400 | 32,800 | 29,100 |
| Fund equity, beginning | 43,267 | 13,388 | 34,488 | 64,088 | 69,488 | 102,288 |
| Fund equity, ending | \$ 13,388 | \$ 34,488 | \$ 64,088 | \$ 69,488 | \$ 102,288 | \$ 131,388 |
| Months of capital coverage (avg exp) | 0.7 | 1.8 | 3.4 | 3.7 | 5.4 | 6.9 |

General Fixed Asset Replacement Fund

The brief summary of General Fixed Asset Replacement Fund activity provided below indicates that fund balance increases significantly in 2016 and fluctuates slightly in future years depending on the level of capital expenditures. A major cost in 2018 includes replacement of financial software (the system is more than 24 years old).

| General Fixed Asset Fund Capital Projections | Estimated 2014 | Projected 2015 | Projected 2016 | Projected 2017 | Projected 2018 | Projected 2019 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | | |
| Property taxes | \$ 1,350,000 | \$ 1,427,583 | \$ 1,475,000 | \$ 1,495,000 | \$ 1,505,000 | \$ 1,515,000 |
| Investment interest | 4,000 | 4,000 | 6,000 | 10,000 | 10,000 | 11,000 |
| Other | - | 32,226 | - | - | 7,860 | - |
| Total Revenues | \$ 1,354,000 | \$ 1,463,809 | \$ 1,481,000 | \$ 1,505,000 | \$ 1,522,860 | \$ 1,526,000 |
| Expense | | | | | | |
| Fire stations & equipment | 156,835 | 134,840 | 110,915 | 562,110 | 77,490 | 2,768 |
| Warning sirens | - | 18,000 | - | 27,000 | - | 27,000 |
| Municipal buildings | 596,505 | 579,000 | 105,000 | 335,000 | 210,400 | 315,000 |
| Park facilities | 107,525 | 337,000 | 208,000 | 242,400 | 405,000 | 223,200 |
| Trails | 133,500 | 75,000 | 122,000 | 127,000 | 80,000 | 80,000 |
| Total Expense | \$ 994,365 | \$ 1,143,840 | \$ 545,915 | \$ 1,293,510 | \$ 772,890 | \$ 647,968 |
| Other Sources (Uses) | | | | | | |
| Transfers out/Capital Imprv (IT) fund | (118,871) | (221,000) | (138,000) | (119,500) | (559,000) | (199,000) |
| Transfers out/debt funds | (180,000) | (180,000) | (180,000) | (180,000) | (180,000) | (180,000) |
| Total Other Sources (Uses) | \$ (298,871) | \$ (401,000) | \$ (318,000) | \$ (299,500) | \$ (739,000) | \$ (379,000) |
| Net change | 60,764 | (81,031) | 617,085 | (88,010) | 10,970 | 499,032 |
| Fund equity, beginning | 481,565 | 542,329 | 461,298 | 1,078,383 | 990,373 | 1,001,343 |
| Fund equity, ending | \$ 542,329 | \$ 461,298 | \$ 1,078,383 | \$ 990,373 | \$ 1,001,343 | \$ 1,500,375 |
| Months of average capital coverage | 5.8 | 4.9 | 11.5 | 10.6 | 10.7 | 16.0 |
| Tax levy percent change | 8.6% | 5.7% | 3.3% | 1.4% | 0.7% | 0.7% |

Summary

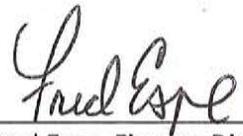
This document is intended to be used in conjunction with the 2014-2015 Biennial Budget, in that it describes amendments to the 2015 Budget, and conveys the City's amended Capital Improvement Plan for the years 2015-2019. The remainder of this document provides information about the specific capital projects, including resources and capital costs. We sincerely hope that regular users and other interested parties will find these documents to be an interesting and useful resource for the evaluation of City programs and services.

We express our appreciation to all City staff for their contributions to the budget, and to the City Council for the guidance and direction provided during the budget process. It is an honor to service the citizens of Shoreview.

Respectfully submitted,



Terry Schwerm, City Manager

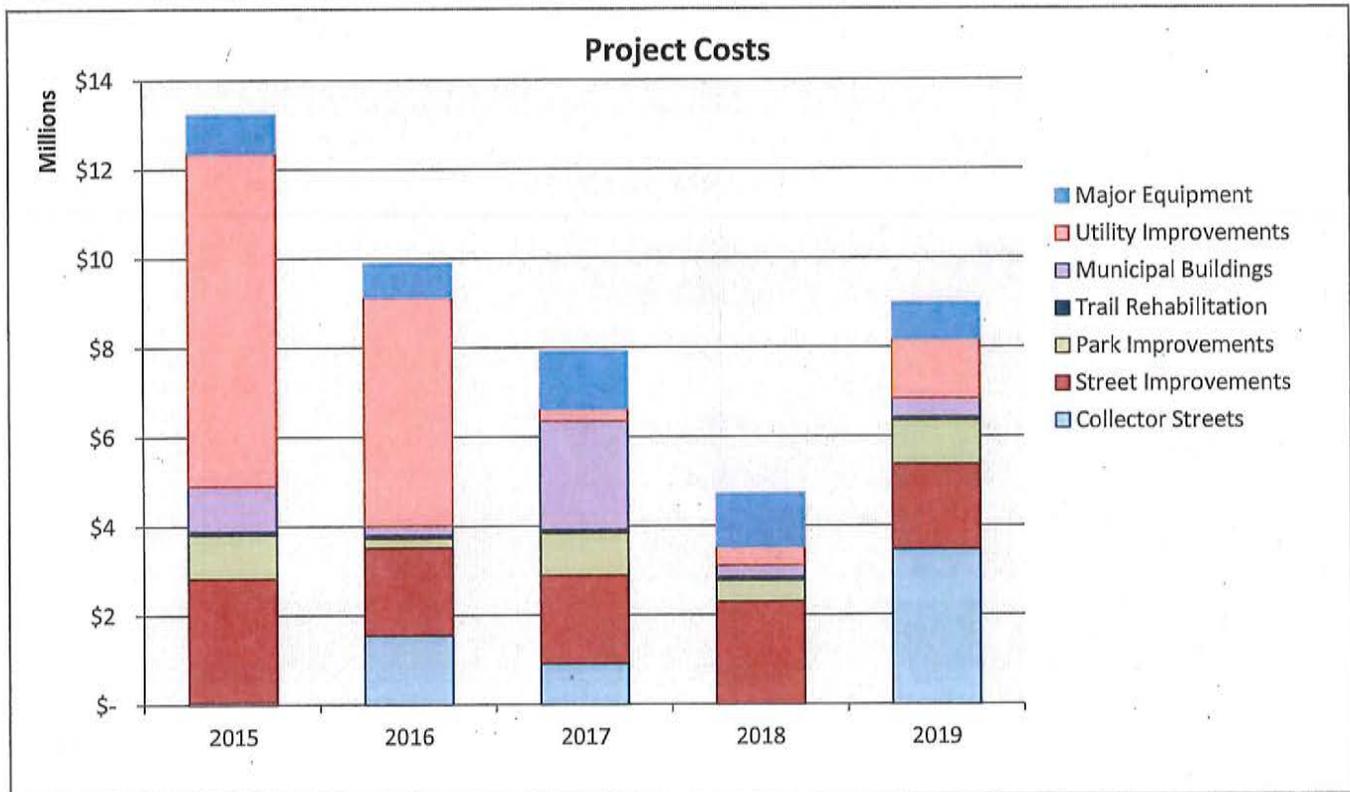


Fred Espe, Finance Director

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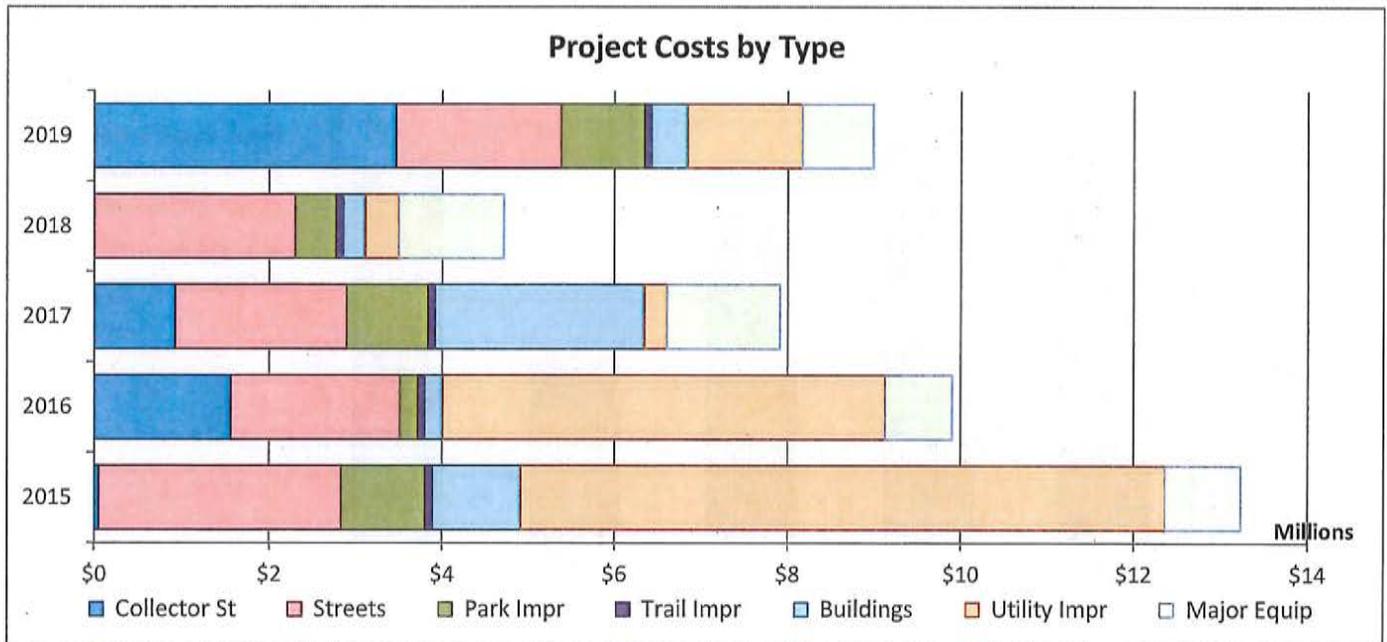
Capital Improvement Program

| Description | Year 2014 | Year 2015 | Year 2016 | Year 2017 | Year 2018 | Year 2019 |
|----------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| Resources | | | | | | |
| Debt Issuance | \$ 1,608,500 | \$ 8,501,900 | \$ 5,852,800 | \$ 1,080,800 | \$ 933,300 | \$ 2,720,000 |
| Intergovernmental | - | 500,000 | 1,550,000 | 638,000 | 150,000 | 2,570,000 |
| Internal Funds | 3,437,501 | 4,235,540 | 2,492,815 | 6,191,010 | 3,631,310 | 3,694,798 |
| Total Resources | \$ 5,046,001 | \$ 13,237,440 | \$ 9,895,615 | \$ 7,909,810 | \$ 4,714,610 | \$ 8,984,798 |
| Project Costs | | | | | | |
| Collector Streets | \$ - | \$ 50,000 | \$ 1,550,000 | \$ 917,000 | \$ - | \$ 3,470,000 |
| Street Improvements | 2,105,700 | 2,787,500 | 1,969,900 | 1,981,200 | 2,303,200 | 1,905,500 |
| Park Improvements | 400,025 | 974,500 | 208,000 | 942,400 | 470,000 | 973,200 |
| Trail Rehabilitation | 335,000 | 75,000 | 75,000 | 80,000 | 80,000 | 80,000 |
| Municipal Buildings | 633,755 | 1,022,216 | 198,050 | 2,423,130 | 260,400 | 415,000 |
| Utility Improvements | 710,000 | 7,455,000 | 5,125,000 | 265,000 | 391,220 | 1,322,230 |
| Major Equipment | 861,521 | 873,224 | 769,665 | 1,301,080 | 1,209,790 | 818,868 |
| Total Project Costs | \$ 5,046,001 | \$ 13,237,440 | \$ 9,895,615 | \$ 7,909,810 | \$ 4,714,610 | \$ 8,984,798 |



Project Resources

| Description | Year 2014 | Year 2015 | Year 2016 | Year 2017 | Year 2018 | Year 2019 |
|--------------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| Debt | | | | | | |
| Improvement Bonds (assmts) | \$ 154,400 | \$ 149,200 | \$ 122,850 | \$ 197,850 | \$ 184,720 | \$ 250,000 |
| Water Revenue Bonds | 930,000 | 6,410,000 | 5,250,000 | 404,000 | 61,500 | 770,000 |
| Sewer Revenue Bonds | 182,500 | 1,345,000 | 230,000 | 229,000 | 230,000 | 1,250,000 |
| Surface Water Revenue Bonds | 341,600 | 597,700 | 249,950 | 249,950 | 457,080 | 450,000 |
| Total Debt | 1,608,500 | 8,501,900 | 5,852,800 | 1,080,800 | 933,300 | 2,720,000 |
| Intergovernmental | | | | | | |
| State of MN - MNDOT | - | 500,000 | - | - | - | - |
| MSA | - | - | 1,550,000 | 638,000 | 150,000 | 2,570,000 |
| Total Intergovernmental | - | 500,000 | 1,550,000 | 638,000 | 150,000 | 2,570,000 |
| Internal Funds | | | | | | |
| Community Center Fund | - | 100,000 | - | 250,000 | - | - |
| Recreation Programs Fund | - | - | - | 250,000 | - | - |
| Cable Television Fund | - | 25,000 | - | - | - | 50,000 |
| Street Renewal Fund | 982,200 | 1,070,600 | 960,100 | 971,400 | 1,247,900 | 1,120,500 |
| General Fixed Asset Fund | 1,113,236 | 1,364,840 | 683,915 | 1,413,010 | 1,331,890 | 846,968 |
| Capital Acquisition Fund (IT) | 50,079 | 4,000 | 800 | 30,000 | 8,300 | 12,500 |
| Community Investment Fund | 531,250 | 857,500 | 50,000 | 2,344,000 | 115,000 | 800,000 |
| Water Fund | 15,000 | 15,800 | 15,000 | 18,800 | 15,000 | 15,800 |
| Sewer Fund | 10,000 | 10,800 | 10,000 | 13,800 | 10,000 | 10,800 |
| Street Lighting Fund | 225,000 | 220,000 | 235,000 | 332,000 | 363,220 | 287,230 |
| Central Garage Fund | 510,736 | 567,000 | 538,000 | 568,000 | 540,000 | 551,000 |
| Total Internal Funds | 3,437,501 | 4,235,540 | 2,492,815 | 6,191,010 | 3,631,310 | 3,694,798 |
| Total Resources | \$ 5,046,001 | \$ 13,237,440 | \$ 9,895,615 | \$ 7,909,810 | \$ 4,714,610 | \$ 8,984,798 |



Project Costs

| Description | Year 2014 | Year 2015 | Year 2016 | Year 2017 | Year 2018 | Year 2019 |
|--|--------------|---------------|--------------|--------------|--------------|--------------|
| Collector Streets | | | | | | |
| Street Rehabilitation | \$ - | \$ - | \$ 1,550,000 | \$ - | \$ - | \$ - |
| Lexington Ave Reconstruction | - | 50,000 | - | - | - | - |
| Rice Street/I-694 Interchange | - | - | - | 420,000 | - | - |
| Highway 49/Hodgson (H96-Gramsie) | - | - | - | 497,000 | - | - |
| Owasso Boulevard N Reconstruction | - | - | - | - | - | 3,470,000 |
| Total Collector Streets | - | 50,000 | 1,550,000 | 917,000 | - | 3,470,000 |
| Street Improvements | | | | | | |
| Sealcoat Streets | 320,700 | 325,000 | 332,900 | 344,200 | 348,200 | 354,500 |
| Railroad Crossing Quiet Zones | - | 500,000 | - | - | - | - |
| Hanson, Oakridge Neighborhood | 1,785,000 | - | - | - | - | - |
| Turtle Lane Neighborhood | - | 1,962,500 | - | - | - | - |
| Windward Heights Neighborhood | - | - | 1,637,000 | 1,637,000 | - | - |
| Bridge, Lion Neighborhood | - | - | - | - | 1,955,000 | - |
| Wabasso Neighborhood | - | - | - | - | - | 1,551,000 |
| Total Street Improvements | 2,105,700 | 2,787,500 | 1,969,900 | 1,981,200 | 2,303,200 | 1,905,500 |
| Park Improvements | | | | | | |
| Park Facility Replacements | 20,000 | 160,000 | 40,000 | 170,000 | 223,000 | 164,000 |
| Park Facility Improvements | 17,500 | 87,500 | - | 700,000 | 65,000 | 750,000 |
| Parking & Driveways | - | 77,000 | 78,000 | 72,400 | 82,000 | 4,200 |
| Tennis & Basketball Court Pavement | 87,525 | 35,000 | 40,000 | - | 40,000 | 40,000 |
| Park Building Rehabilitation | - | 65,000 | 50,000 | - | 60,000 | 15,000 |
| Commons Property Acquisition | 275,000 | - | - | - | - | - |
| Wading Pool Replacement | - | 550,000 | - | - | - | - |
| Total Park Improvements | 400,025 | 974,500 | 208,000 | 942,400 | 470,000 | 973,200 |
| Trail Rehabilitation and Extensions | 335,000 | 75,000 | 75,000 | 80,000 | 80,000 | 80,000 |
| Municipal Buildings | | | | | | |
| Fire Stations | - | 98,216 | 43,050 | 38,130 | - | - |
| General Government Buildings | 56,000 | 25,000 | - | - | - | 50,000 |
| Community Center Rehabilitation | 320,710 | 216,000 | 60,000 | 133,000 | 52,000 | 180,000 |
| Banquet Facility | 91,000 | 60,000 | 15,000 | 117,000 | 55,000 | 20,000 |
| Pool & Locker Room Areas | 61,850 | 436,000 | - | 20,000 | 63,400 | 95,000 |
| Furniture & Equipment | 66,945 | 137,000 | 30,000 | 65,000 | 40,000 | 20,000 |
| Community Center Improvements | 31,250 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Community Center Addition | 6,000 | - | - | 2,000,000 | - | - |
| Total Municipal Buildings | 633,755 | 1,022,216 | 198,050 | 2,423,130 | 260,400 | 415,000 |
| Utility Improvements | | | | | | |
| Water Systems | 40,000 | 350,000 | 100,000 | - | - | 125,000 |
| Water Treatment Plant | 500,000 | 5,700,000 | 4,800,000 | - | - | - |
| Sanitary Sewer Rehabilitation | - | 800,000 | - | - | - | 950,000 |
| Sewer Lift Stations | 20,000 | 335,000 | 75,000 | 30,000 | 30,000 | - |
| Pretreatment Structures | - | 120,000 | - | - | 120,000 | - |
| Residential Street Lights | 150,000 | 150,000 | 150,000 | 235,000 | 241,220 | 247,230 |
| Total Utility Improvements | 710,000 | 7,455,000 | 5,125,000 | 265,000 | 391,220 | 1,322,230 |
| Major Equipment | | | | | | |
| Fire Equipment | 156,835 | 36,624 | 67,865 | 523,980 | 77,490 | 2,768 |
| Warning Sirens | - | 18,000 | - | 27,000 | - | 27,000 |
| Computer Systems | 168,950 | 240,600 | 138,800 | 157,100 | 567,300 | 213,100 |
| Central Garage Equipment | 535,736 | 578,000 | 563,000 | 593,000 | 565,000 | 576,000 |
| Total Major Equipment | 861,521 | 873,224 | 769,665 | 1,301,080 | 1,209,790 | 818,868 |
| Total Capital Projects | \$ 5,046,001 | \$ 13,237,440 | \$ 9,895,615 | \$ 7,909,810 | \$ 4,714,610 | \$ 8,984,798 |

Street Rehabilitation

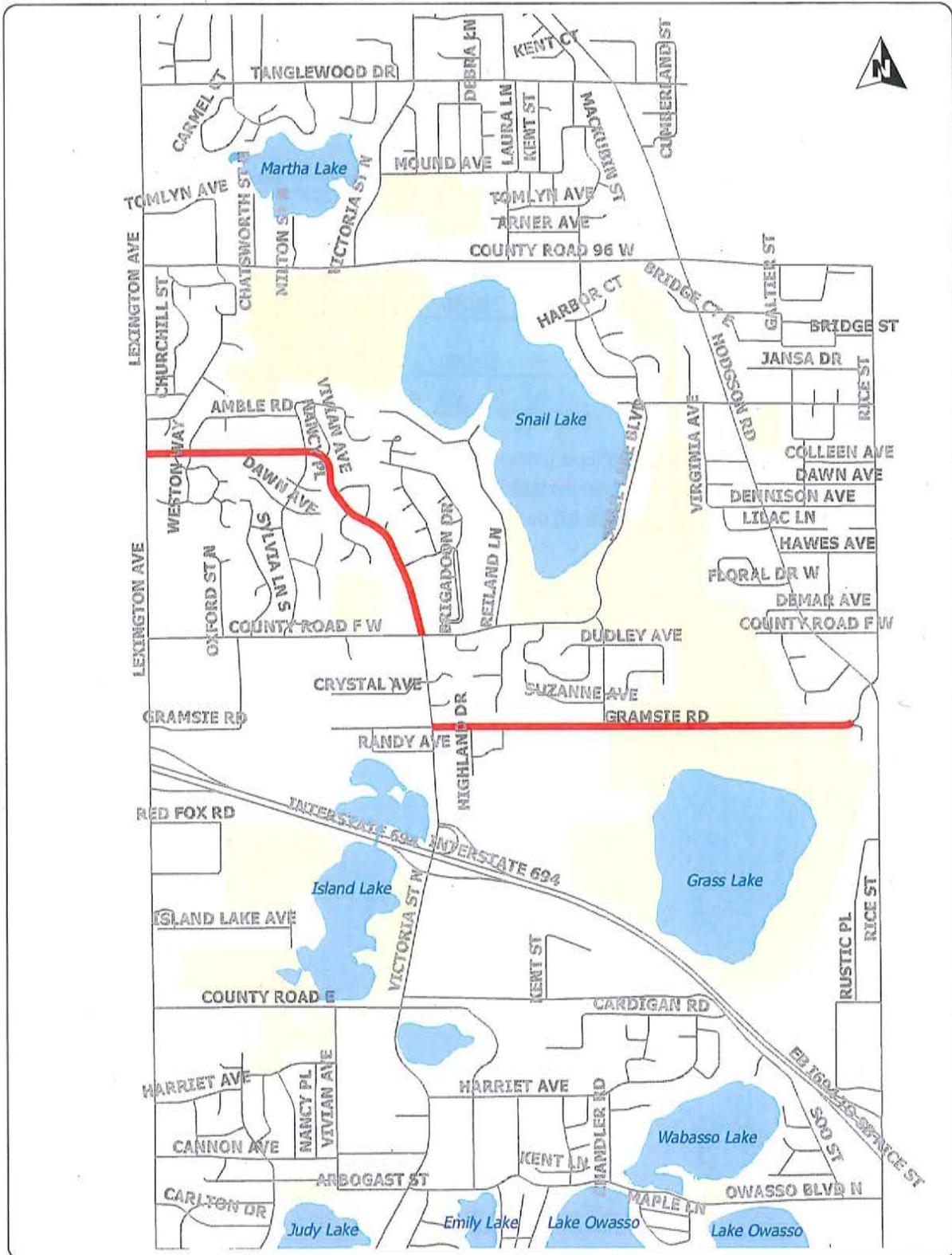
PWA 4

Rehabilitation of street segments throughout the City:

- 2016 includes rehabilitation of the Municipal Aid Street segments Victoria Street (Lexington Avenue to County Road F) and Gramsie (Victoria Street to Gramsie Court).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| MSA | | | \$ 1,550,000 | | | |
| Total Sources of Funds | \$ - | \$ - | \$ 1,550,000 | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Street | | | \$ 1,550,000 | | | |
| Total Uses of Funds | \$ - | \$ - | \$ 1,550,000 | \$ - | \$ - | \$ - |

This project will be modeled after Shoreview's 2006-2008 Street Rehabilitation initiative, and address resurfacing needs at various locations in the City.



Street Rehabilitation

PWA 00004

Lexington Avenue Reconstruction

PWA 10

City participation in Ramsey County's reconstruction of Lexington Avenue from County Road F to Red Fox Road. The proposed project would consist of improvements to Lexington Avenue and associated intersections to address traffic congestion issues. The project would also include drainage improvements.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|----------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Debt-Surface Water Revenue | | \$ 50,000 | | | | |
| Total Sources of Funds | \$ - | \$ 50,000 | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Storm Sewer | | \$ 50,000 | | | | |
| Total Uses of Funds | \$ - | \$ 50,000 | \$ - | \$ - | \$ - | \$ - |

Per Ramsey County's State Aid Highway (CSAH) cost participation policy and practices, the City will be required to fund portions of the costs related to the project. An understanding of the extent of the improvements and funding requirements of the City is being developed through participation in the planning process.



Lexington Avenue Reconstruction

PWA 00010

Rice Street/I-694 Interchange

PWA 11

City participation in Ramsey County's reconstruction of the Rice Street (County Highway 49) and I-694 interchange. The proposed project would consist of the replacement of the existing Rice Street Bridge over I-694 and the associated access ramps.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| MSA | | | | \$ 420,000 | | |
| Total Sources of Funds | \$ - | \$ - | \$ - | \$ 420,000 | \$ - | \$ - |
| Uses | | | | | | |
| Street | | | | \$ 420,000 | | |
| Total Uses of Funds | \$ - | \$ - | \$ - | \$ 420,000 | \$ - | \$ - |

Per Ramsey County's County State Aid Highway (CSAH) cost participation policy and practices, corresponding to Minnesota Trunk Highway Turnback funding, the City will be required to fund portions of the costs related to the project. An understanding of the extent of the improvements and funding requirements of the City is being developed through participation in the planning process.



Rice Street/I - 694 Interchange

PWA 00011

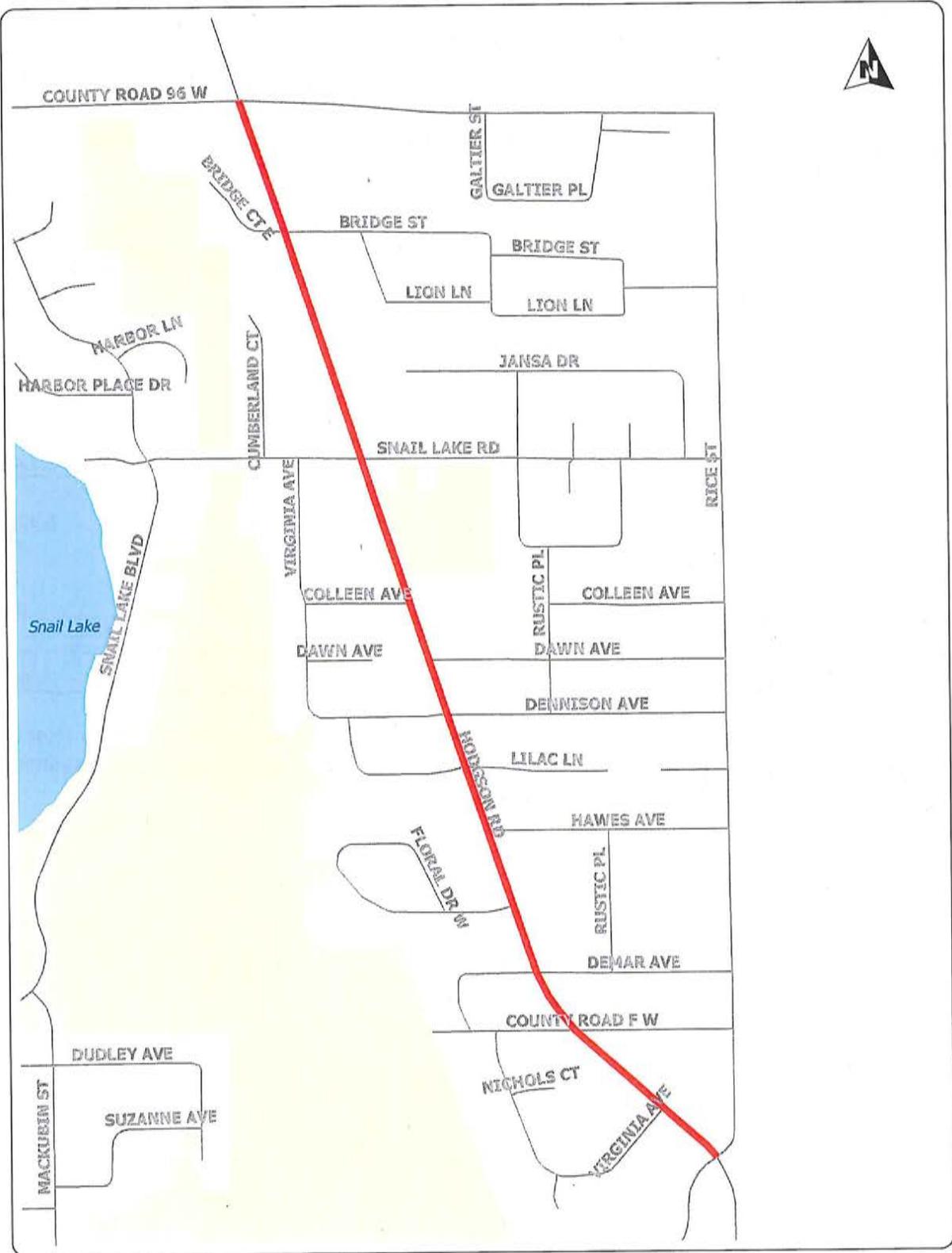
Highway 49/Hodgson (H96-Gramsie)

PWA 12

City participation in Ramsey County's reconstruction of Highway 49, from Gramsie Road to Highway 96. The proposed project would consist of road construction to modern suburban standards, and potentially include the installation of concrete curb and gutter, drainage improvements, sidewalks/trails, additional through and turn lanes, and relocation or rehabilitation of City-owned water main and sanitary sewers. The project would also include geometric revisions and permanent signalization of the Snail Lake Road intersection. Assessments for the project totaling \$75,000 are for storm sewer.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-----------------|-----------------|
| Resources | | | | | | |
| MSA | | | | \$ 218,000 | | |
| Street Lighting Fund | | | | 12,000 | | |
| Community Investment | | | | 94,000 | | |
| Debt-Special Assessments | | | | 75,000 | | |
| Debt-Water Revenue | | | | 54,000 | | |
| Debt-Sewer Revenue | | | | 44,000 | | |
| Total Sources of Funds | \$ - | \$ - | \$ - | \$ 497,000 | \$ - | \$ - |
| Uses | | | | | | |
| Traffic Signal | | | | \$ 158,000 | | |
| Trail | | | | 94,000 | | |
| Water Main | | | | 54,000 | | |
| Sanitary Sewer | | | | 44,000 | | |
| Storm Sewer | | | | 107,000 | | |
| Street Lighting | | | | 40,000 | | |
| Total Uses of Funds | \$ - | \$ - | \$ - | \$ 497,000 | \$ - | \$ - |

Per Ramsey County's County State Aid Highway (CSAH) cost participation policy and practices, corresponding to Minnesota Trunk Highway Turnback funding, 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. An understanding of the extent of the improvements and funding requirements of the City is being developed through participation in a corridor planning process that is expected to identify Highway 49 priorities.



Highway 49/Hodgson (Highway 96 to Gramsie)

PWA 00012

Owasso Boulevard N Reconstruction

PWA 25

Complete reconstruction of the road surface and upgrade of Owasso Boulevard North (from Owasso Boulevard West to Soo Street) and Arbogast Street (from Victoria Avenue to Owasso Boulevard West). The project would also include the addition of concrete curb and gutter, replacement of watermain, repairs to sanitary sewer piping, and the addition of storm water collection and treatment systems. Assessments for the project, totalling \$130,000 are for storm (\$50,000) and street (\$80,000).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|---------------------|
| Resources | | | | | | |
| Debt-Special Assessments | | | | | | \$ 130,000 |
| MSA | | | | | | 2,570,000 |
| Debt-Water Revenue | | | | | | 570,000 |
| Debt-Sewer Revenue | | | | | | 200,000 |
| Total Sources of Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,470,000 |
| Uses | | | | | | |
| Street | | | | | | \$ 1,900,000 |
| Water Main | | | | | | 570,000 |
| Sanitary Sewer | | | | | | 200,000 |
| Storm Sewer | | | | | | 650,000 |
| Street Lighting | | | | | | 150,000 |
| Total Uses of Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,470,000 |

These improvements would be consistent with the City's street/infrastructure efforts in recent years and in accordance with the City's street renewal assessment policies. The streets in these areas do not have concrete curb and gutter and have minimal storm water collection and treatment systems.



Owasso Boulevard N Reconstruction

PWA 00025

Sealcoat Streets

PWA 1

Street sealcoating and crackfilling are performed annually throughout the City, per the recommendation of the City's Pavement Management Program. The work involves sealcoating and crackfilling one seventh of city streets each year (approximately 12.9 miles) with support from the Street Renewal Fund.

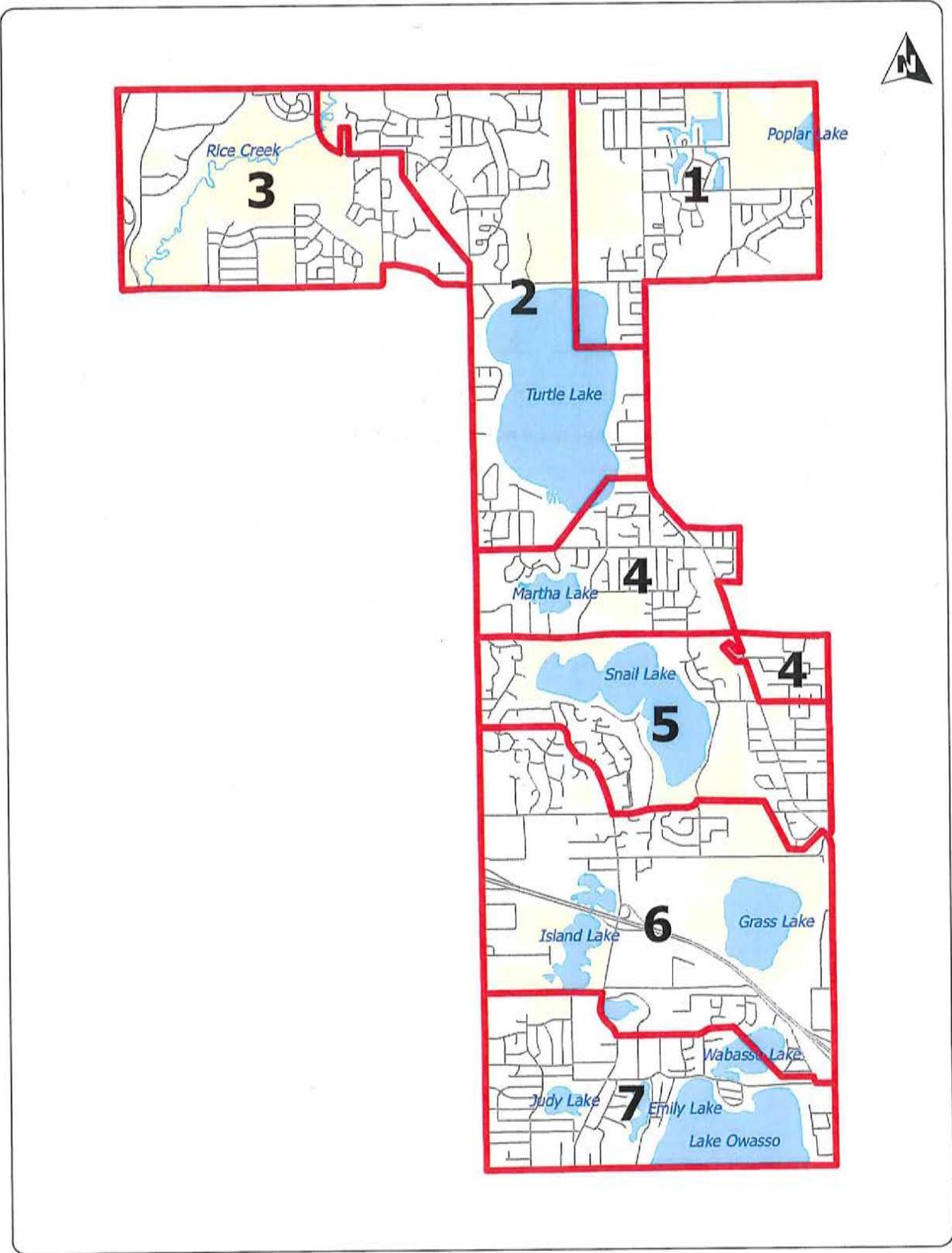
Planned street zones include:

- 2014 - zone 7 streets (210,503 SY)
- 2015 - zone 1 streets (210,299 SY)
- 2016 - zone 2 streets (210,133 SY)
- 2017 - zone 3 streets (211,595 SY)
- 2018 - zone 4 streets (205,519 SY)
- 2019 - zone 5 streets (205,688 SY)

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Resources | | | | | | |
| Street Renewal Fund | \$ 320,700 | \$ 325,000 | \$ 332,900 | \$ 344,200 | \$ 348,200 | \$ 354,500 |
| Total Sources of Funds | \$ 320,700 | \$ 325,000 | \$ 332,900 | \$ 344,200 | \$ 348,200 | \$ 354,500 |
| Uses | | | | | | |
| Crack Fill Streets | \$ 19,000 | \$ 21,000 | \$ 21,000 | \$ 21,000 | \$ 23,000 | \$ 23,000 |
| Sealcoat Streets | 295,200 | 296,500 | 304,400 | 315,700 | 316,700 | 323,000 |
| Street Condition Survey | 6,500 | 7,500 | 7,500 | 7,500 | 8,500 | 8,500 |
| Total Uses of Funds | \$ 320,700 | \$ 325,000 | \$ 332,900 | \$ 344,200 | \$ 348,200 | \$ 354,500 |

Street condition surveys (data collection measures used to evaluate street condition as part of the Pavement Management Program) are performed over 1/3 of city streets each year.

Sealcoating and crackfilling are two maintenance strategies used to prolong the useful life of streets. The Pavement Management Program estimates the future funding necessary for cost-effective management of streets and protection of street condition.



Sealcoat Streets

PWA 00001

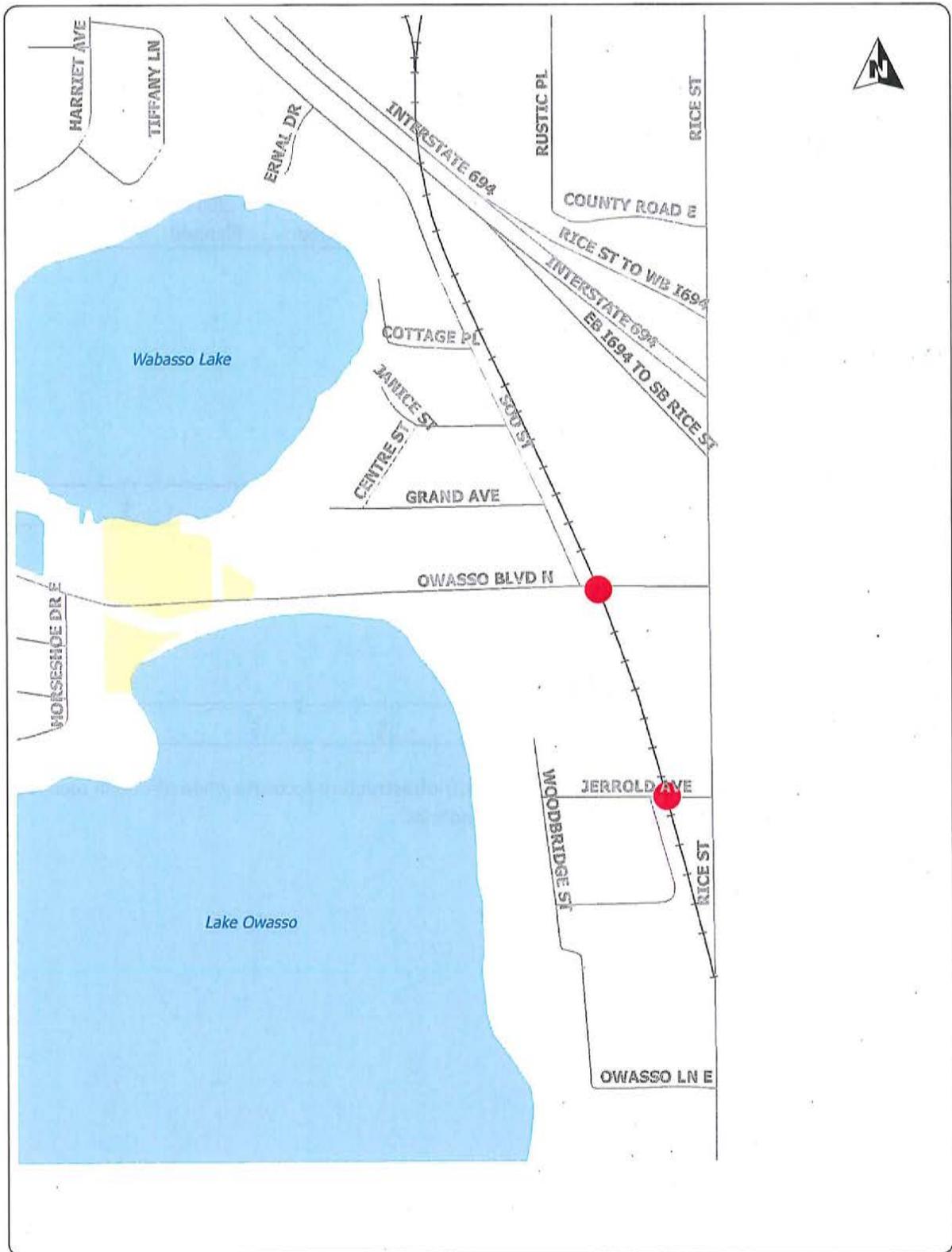
Railroad Crossing Quiet Zone Improvement

PWA 19

Upgrade railroad crossing signals at Jerrold Avenue and North Owasso Blvd.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Grant | | \$ 500,000 | | | | |
| Total Sources of Funds | \$ - | \$ 500,000 | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Street | | \$ 500,000 | | | | |
| Total Uses of Funds | \$ - | \$ 500,000 | \$ - | \$ - | \$ - | \$ - |

Upgraded crossing signals will allow quiet zones to be established at crossings.



Jerrold Avenue and North Owasso Blvd. Rail Crossing Upgrade

PWA 00019

Hanson, Oakridge Neighborhood

PWA 14

Complete reconstruction of the road surface and upgrades of Hanson Road, Oakridge Avenue, and the north half of Nottingham Place. The project would also include the addition of curb and gutter, replacement of cast iron water main, and the addition of storm sewer improvements. Assessments for the project, totaling \$154,400, are for storm (\$60,900) and street (\$93,500).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Street Renewal Fund | \$ 661,500 | | | | | |
| Street Lighting Fund | 75,000 | | | | | |
| Debt-Special Assessments | 154,400 | | | | | |
| Debt-Water Revenue | 390,000 | | | | | |
| Debt-Sewer Revenue | 162,500 | | | | | |
| Debt-Surface Water Revenue | 341,600 | | | | | |
| Total Sources of Funds | \$ 1,785,000 | \$ - |
| Uses | | | | | | |
| Street | \$ 755,000 | | | | | |
| Water Main | 390,000 | | | | | |
| Sanitary Sewer | 162,500 | | | | | |
| Storm Sewer | 402,500 | | | | | |
| Street Lighting | 75,000 | | | | | |
| Total Uses of Funds | \$ 1,785,000 | \$ - |

The improvements would be consistent with the City's street/infrastructure reconstruction efforts in recent years, and in accordance with the City's street renewal and assessment policies.



Handon, Oakridge Neighborhood

PWA 00014

Turtle Lane Neighborhood

PWA 15

Complete reconstruction of the road surfaces and upgrade of Johns Road, Turtle Lane (East and West), Schifsky Road, and the addition of storm water improvements. Assessments for the project, totaling \$149,200, are for storm (\$44,800) and street (\$104,400).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|---------------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Street Renewal Fund | | \$ 745,600 | | | | |
| Street Lighting Fund | | 70,000 | | | | |
| Debt-Special Assessments | | 149,200 | | | | |
| Debt-Water Revenue | | 360,000 | | | | |
| Debt-Sewer Revenue | | 210,000 | | | | |
| Debt-Surface Water Revenue | | 427,700 | | | | |
| Total Sources of Funds | \$ - | \$ 1,962,500 | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Street | | \$ 850,000 | | | | |
| Water Main | | 360,000 | | | | |
| Sanitary Sewer | | 210,000 | | | | |
| Storm Sewer | | 472,500 | | | | |
| Street Lighting | | 70,000 | | | | |
| Total Uses of Funds | \$ - | \$ 1,962,500 | \$ - | \$ - | \$ - | \$ - |

The improvements would be consistent with the City's street/infrastructure reconstruction efforts in recent years, and in accordance with the City's street renewal and assessment policies.



Turtle Lane Neighborhood

PWA 00015

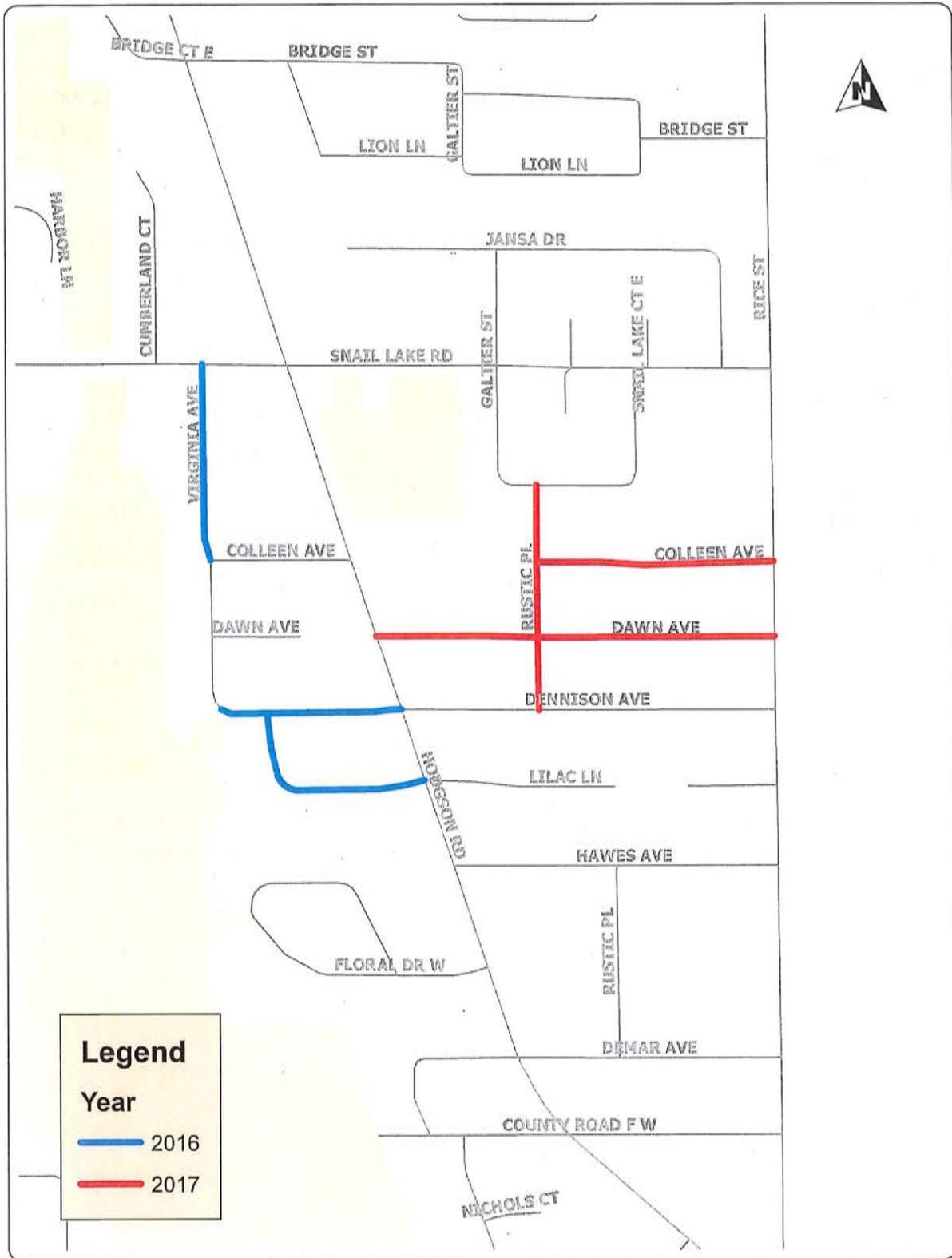
Windward Heights Neighborhood

PWA 16

Complete reconstruction and upgrade of road surfaces on Dawn Avenue, Rustic Place, and Colleen Avenue on the east side of Highway 49; and Dennison Avenue, Lilac Lane and Virginia Avenue on the west side of Highway 49. The project would also include storm drainage improvements as well as replacement of cast iron water main and any necessary sanitary sewer repairs. Assessments for the project, totaling \$245,700, are for storm (\$100,100) and street (\$145,600).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|---------------------|---------------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | | | \$ 47,000 | \$ 47,000 | | |
| Street Renewal Fund | | | 627,200 | 627,200 | | |
| Street Lighting Fund | | | 85,000 | 85,000 | | |
| Debt-Special Assessments | | | 122,850 | 122,850 | | |
| Debt-Water Revenue | | | 350,000 | 350,000 | | |
| Debt-Sewer Revenue | | | 155,000 | 155,000 | | |
| Debt-Surface Water Revenue | | | 249,950 | 249,950 | | |
| Total Sources of Funds | \$ - | \$ - | \$ 1,637,000 | \$ 1,637,000 | \$ - | \$ - |
| Uses | | | | | | |
| Street | | | \$ 700,000 | \$ 700,000 | | |
| Trail | | | 47,000 | 47,000 | | |
| Water Main | | | 350,000 | 350,000 | | |
| Sanitary Sewer | | | 155,000 | 155,000 | | |
| Storm Sewer | | | 300,000 | 300,000 | | |
| Street Lighting | | | 85,000 | 85,000 | | |
| Total Uses of Funds | \$ - | \$ - | \$ 1,637,000 | \$ 1,637,000 | \$ - | \$ - |

These improvements would be consistent with the City's street/infrastructure efforts in recent years, and in accordance with the City's street renewal and assessment policies. The streets in this neighborhood do not currently have curb and gutter:



Windward Heights Neighborhood

PWA 00016

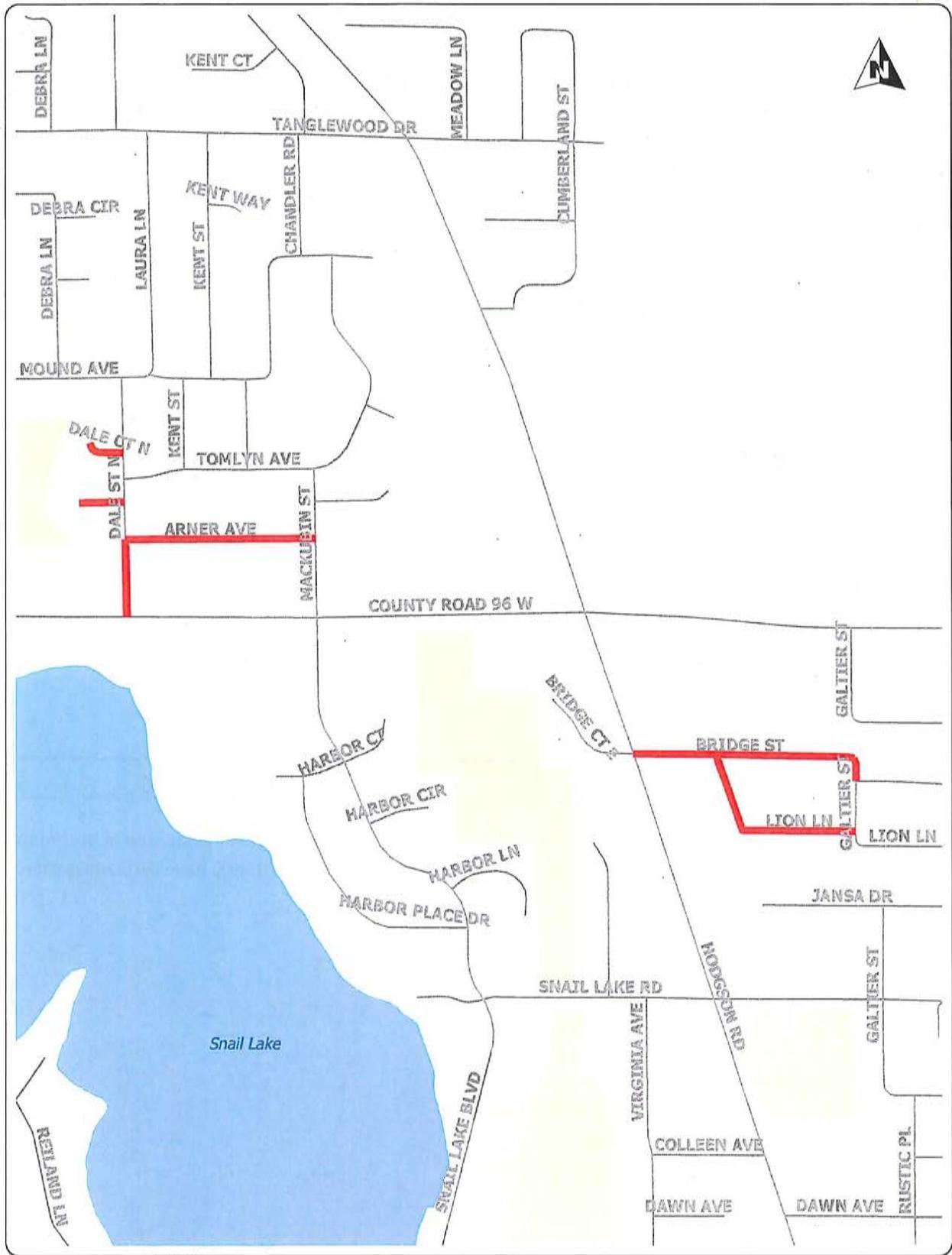
Bridge, Lion Neighborhood

PWA 26

Complete reconstruction of the road surfaces of Arner Avenue (Dale St to Mackubin St), Dale Street (96-Arner Ave), Dale Court N & S, Bridge Street (Hodgson Rd to Galtier St), and Lion Lane (Bridge St to Galtier St). The project would also include the addition of concrete curb and gutter, installation of watermain and services to Dale Court N & S, and installation of storm water collection and treatment systems. Assessments for the project, totalling \$184,720 are for storm (\$45,920), street (\$100,300) and water (\$38,500).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|---------------------|-----------------|
| Resources | | | | | | |
| Debt-Special Assessments | | | | | \$ 184,720 | |
| MSA | | | | | 150,000 | |
| Debt-Water Revenue | | | | | 61,500 | |
| Debt-Sewer Revenue | | | | | 200,000 | |
| Debt-Surface Water Revenue | | | | | 337,080 | |
| Street Lighting Fund | | | | | 122,000 | |
| Street Renewal Fund | | | | | 899,700 | |
| Total Sources of Funds | \$ - | \$ - | \$ - | \$ - | \$ 1,955,000 | \$ - |
| Uses | | | | | | |
| Street | | | | | \$ 1,100,000 | |
| Street Lighting | | | | | 130,000 | |
| Water Main | | | | | 100,000 | |
| Sanitary Sewer | | | | | 200,000 | |
| Storm Sewer | | | | | 425,000 | |
| Total Uses of Funds | \$ - | \$ - | \$ - | \$ - | \$ 1,955,000 | \$ - |

The improvements are consistent with the City's street/infrastructure efforts in recent years and in accordance with the City's street renewal and assessment policies. The streets in these areas do not have curb and gutter.



Bridge, Lion Neighborhood

PWA 00026

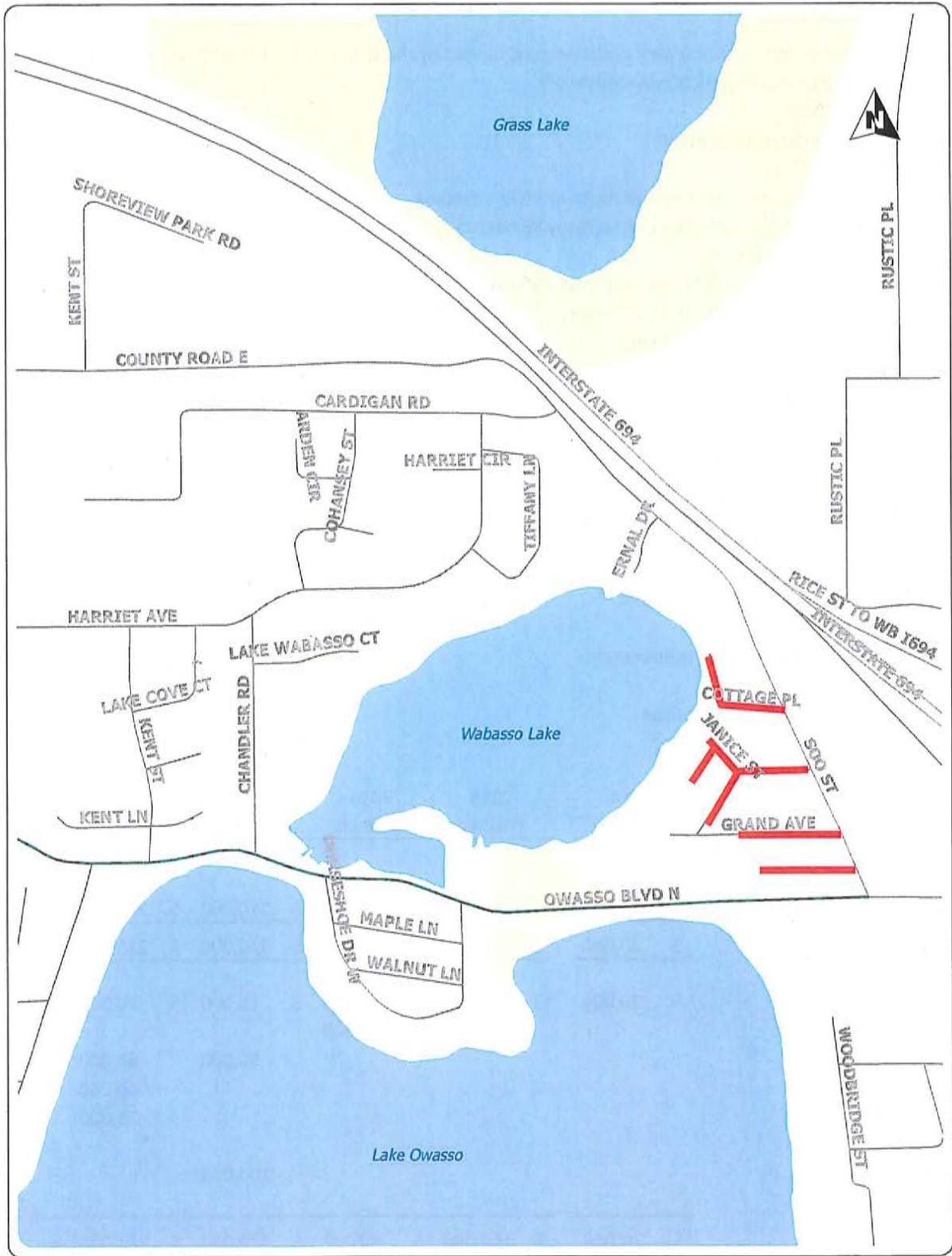
Wabasso Neighborhood

PWA 8

Complete reconstruction of the road surface of streets located on the east side of Lake Wabasso with access off Soo Street. This area includes Cottage Place, Janice Street, Wabasso Avenue, Centre Street, Grand Avenue, and the alley south of Grand. The project would also include the addition of concrete curb and gutter, water main repair, sanitary sewer repair and replacement of services, installation of a storm water collection and treatment system, installation of street lights, and extending Grand Avenue to the alley south of Grand. Assessments for the project, totaling \$120,000, are for storm (\$50,000) and street (\$70,000).

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|---------------------|
| Resources | | | | | | |
| Street Renewal Fund | | | | | | \$ 766,000 |
| Street Lighting Fund | | | | | | 40,000 |
| Debt-Special Assessments | | | | | | 120,000 |
| Debt-Water Revenue | | | | | | 75,000 |
| Debt-Sewer Revenue | | | | | | 100,000 |
| Debt-Surface Water Revenue | | | | | | 450,000 |
| Total Sources of Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,551,000 |
| Uses | | | | | | |
| Street | | | | | | \$ 836,000 |
| Water Main | | | | | | 75,000 |
| Sanitary Sewer | | | | | | 100,000 |
| Storm Sewer | | | | | | 500,000 |
| Street Lighting | | | | | | 40,000 |
| Total Uses of Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,551,000 |

These improvements are consistent with the City's street/infrastructure efforts in recent years, and in accordance with the City's street renewal and assessment policies. The streets in these areas do not currently have curb and gutter.



Wabasso Neighborhood

PWA 00008

Park Facility Replacements

PKA 1

This project provides an allowance for park replacements, funded by the General Fixed Asset Replacement Fund. A description of planned costs by park is provided below.

Bucher Park costs include:

- 2019 - \$44,000 fencing replacement

Commons Park costs include:

- 2014 - \$ 20,000 Commons Park area and Highway 96 landscaping
- 2015 - \$ 20,000 Commons Park area and Highway 96 landscaping
- 2015 - \$ 20,000 outfield fencing
- 2016 - \$ 20,000 Commons Park area and Highway 96 landscaping
- 2017 - \$ 20,000 Commons Park area and Highway 96 landscaping
- 2018 - \$ 90,000 playground replacement

McCullough Park costs include:

- 2017 - \$100,000 playground replacement

Ponds Park costs include:

- 2018 - \$40,000 playground replacement

Rice Creek Park costs include:

- 2017 - \$ 50,000 scoreboard replacement
- 2018 - \$ 65,000 playground replacement

Shamrock Park costs include:

- 2019 - \$120,000 playground replacement

Theisen Park costs include:

- 2018 - \$ 28,000 building lighting replacement

Wilson Park costs include:

- 2015 - \$120,000 playground relocation
- 2016 - \$ 20,000 fencing replacement

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-------------------|------------------|-------------------|-------------------|-------------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 20,000 | \$ 160,000 | \$ 40,000 | \$ 170,000 | \$ 223,000 | \$ 164,000 |
| Total Sources of Funds | \$ 20,000 | \$ 160,000 | \$ 40,000 | \$ 170,000 | \$ 223,000 | \$ 164,000 |
| Uses | | | | | | |
| Commons Park | \$ 20,000 | \$ 40,000 | \$ 20,000 | \$ 20,000 | \$ 90,000 | |
| Wilson Park | | 120,000 | 20,000 | | | |
| Rice Creek Park | | | | 50,000 | 65,000 | |
| Ponds Park | | | | | 40,000 | |
| Theisen Park | | | | | 28,000 | |
| Bucher Park | | | | | | \$ 44,000 |
| McCullough Park | | | | 100,000 | | |
| Shamrock Park | | | | | | 120,000 |
| Total Uses of Funds | \$ 20,000 | \$ 160,000 | \$ 40,000 | \$ 170,000 | \$ 223,000 | \$ 164,000 |

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

Park improvements planned throughout the community, and supported by the Capital Improvement Fund, include:

Bucher Park:

- 2018 - \$ 65,000 Rocks-N-Ropes course

Commons Park:

- 2015 - \$ 30,000 expand irrigation

McCullough Park:

- 2017 - \$700,000 refurbish park

Shamrock Park:

- 2019 - \$750,000 refurbish park

Wilson Park:

- 2015 - \$ 40,000 add picnic shelter

Allowances:

- 2014 - \$ 17,500 park signs
- 2015 - \$ 17,500 park signs

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Community Investment | \$ 17,500 | \$ 87,500 | | \$ 700,000 | \$ 65,000 | \$ 750,000 |
| Total Sources of Funds | \$ 17,500 | \$ 87,500 | \$ - | \$ 700,000 | \$ 65,000 | \$ 750,000 |
| Uses | | | | | | |
| Bucher Park | | | | | \$ 65,000 | |
| Commons Park | | \$ 30,000 | | | | |
| McCullough Park | | | | \$ 700,000 | | |
| Shamrock Park | | | | | | \$ 750,000 |
| Wilson Park | | 40,000 | | | | |
| Repair/Replacement Allowance | \$ 17,500 | 17,500 | | | | |
| Total Uses of Funds | \$ 17,500 | \$ 87,500 | \$ - | \$ 700,000 | \$ 65,000 | \$ 750,000 |

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

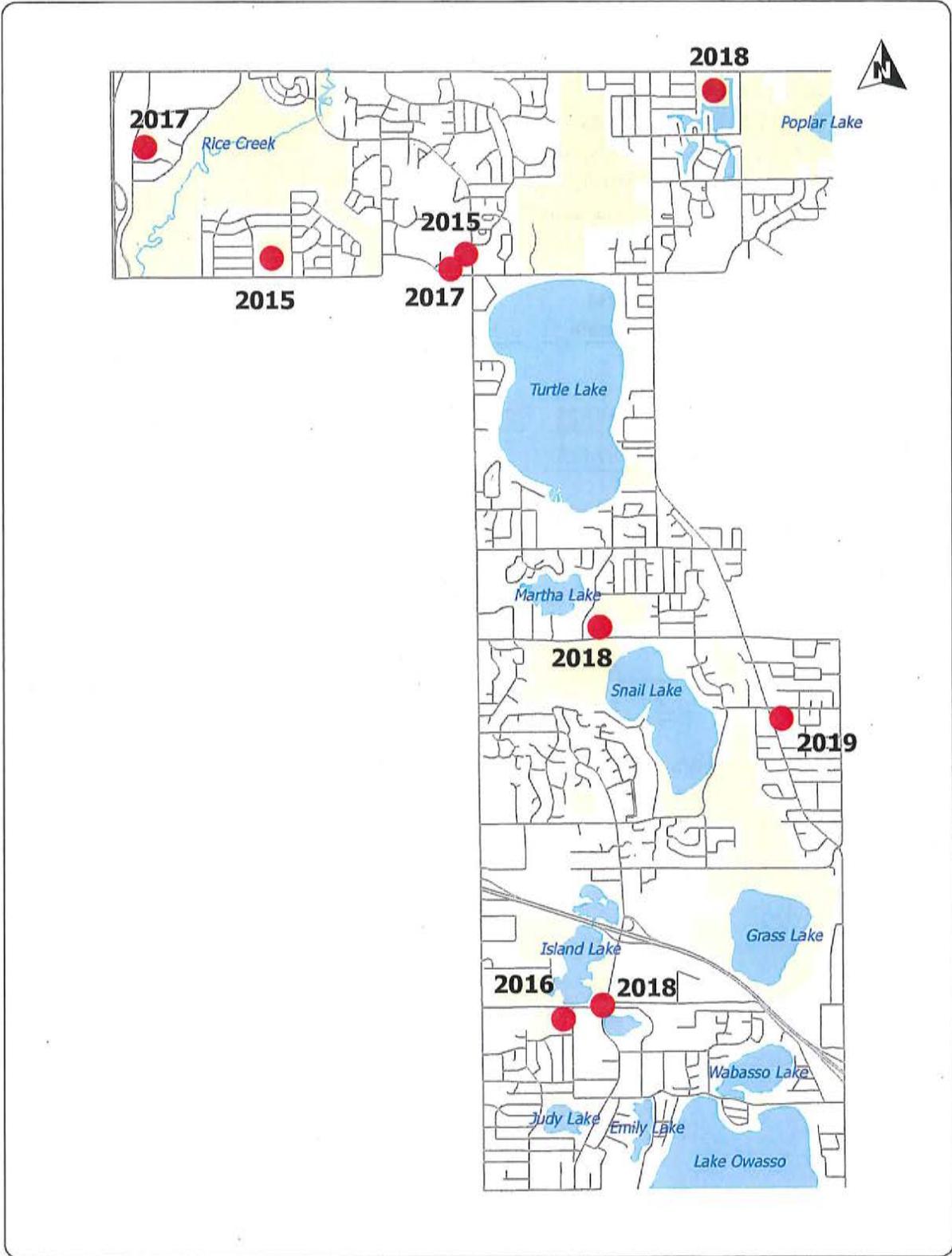
PWA 30

Sealcoating, rehabilitation or replacement of parking lots and driveways at City-owned facilities, including: City hall, Community Center, and City parks. Sealcoating of parking lots is completed in conjunction with the City's street sealcoating program. Planned costs include:

- 2015 - \$77,000 Shamrock Park pavement rehabilitation
- 2016 - \$78,000 Theisen Park pavement rehabilitation
- 2017 - \$ 8,000 Rice Creek Park sealcoat parking lot
- 2017 - \$ 1,400 Larson house sealcoat parking lot
- 2017 - \$63,000 Bucher Park parking lot replacement
- 2018 - \$82,000 Community Center parking lot replacement
- 2019 - \$ 4,200 Sitzer Park sealcoat parking lot

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | | \$ 77,000 | \$ 78,000 | \$ 72,400 | \$ 82,000 | \$ 4,200 |
| Total Sources of Funds | \$ - | \$ 77,000 | \$ 78,000 | \$ 72,400 | \$ 82,000 | \$ 4,200 |
| Uses | | | | | | |
| Shamrock Park | | \$ 77,000 | | | | |
| Theisen Park | | | \$ 78,000 | | | |
| Rice Creek Park | | | | \$ 8,000 | | |
| Bucher Park | | | | 63,000 | | |
| Larson House/Resource Center | | | | 1,400 | | |
| City Hall/Community Ctr | | | | | \$ 82,000 | |
| Sitzer Park | | | | | | \$ 4,200 |
| Total Uses of Funds | \$ - | \$ 77,000 | \$ 78,000 | \$ 72,400 | \$ 82,000 | \$ 4,200 |

Sealcoating and crack filling are pavement management strategies that prolong the useful life of pavement. Shoreview's comprehensive infrastructure replacement plan, which is updated annually, provides for the replacement and maintenance of these areas.



Parking and Driveway - City-owned Facilities

PWA 00030

Tennis & Basketball Court Pavement

PKA 6

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

- 2014 - \$26,575 Bucher Park court resurfacing
- 2014 - \$60,950 Theisen Park change courts to pickleball
- 2015 - \$35,000 McCullough Park court resurfacing
- 2016 - \$40,000 Shamrock Park court resurfacing
- 2018 - \$40,000 Commons Park court resurfacing
- 2019 - \$40,000 Sitzer Park court resurfacing

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|--------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 87,525 | \$ 35,000 | \$ 40,000 | | \$ 40,000 | \$ 40,000 |
| Total Sources of Funds | \$ 87,525 | \$ 35,000 | \$ 40,000 | \$ - | \$ 40,000 | \$ 40,000 |
| Uses | | | | | | |
| Bucher Park | \$ 26,575 | | | | | |
| Commons Park | | | | | \$ 40,000 | |
| McCullough Park | | \$ 35,000 | | | | |
| Shamrock Park | | | \$ 40,000 | | | |
| Sitzer Park | | | | | | \$ 40,000 |
| Theisen Park | 60,950 | | | | | |
| Total Uses of Funds | \$ 87,525 | \$ 35,000 | \$ 40,000 | \$ - | \$ 40,000 | \$ 40,000 |

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

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

Bucher Park:

- 2018 - \$60,000 convert park building roof to metal

Commons Park:

- 2015 - \$30,000 picnic shelter replacement

Lake Judy Park:

- 2015 - \$ 5,000 picnic shelter roof replacement

Shamrock Park:

- 2015 - \$15,000 reroof park building

Sitzer Park:

- 2016 - \$50,000 convert park building roof to metal

Rice Creek Park:

- 2015 - \$15,000 replace cedar trim and staining of all cedar on buildings

Replacement Allowance

- 2019 - \$15,000 miscellaneous park building repairs

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|------------------|------------------|-----------------|------------------|------------------|
| Resources | | | | | | |
| General Fixed Asset Fund | | \$ 65,000 | \$ 50,000 | | \$ 60,000 | \$ 15,000 |
| Total Sources of Funds | \$ - | \$ 65,000 | \$ 50,000 | \$ - | \$ 60,000 | \$ 15,000 |
| Uses | | | | | | |
| Bucher Park | | | | | \$ 60,000 | |
| Commons Park | | \$ 30,000 | | | | |
| Lake Judy Park | | 5,000 | | | | |
| Rice Creek Park | | 15,000 | | | | |
| Shamrock Park | | 15,000 | | | | |
| Sitzer Park | | | \$ 50,000 | | | |
| Repair/Replacement Allowance | | | | | | \$ 15,000 |
| Total Uses of Funds | \$ - | \$ 65,000 | \$ 50,000 | \$ - | \$ 60,000 | \$ 15,000 |

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.

Purchase of property at 795 Highway 96

ADM 5

The City has reached a tentative agreement, pending City Council action, to purchase property at 795 Highway 96 West. The property is adjacent to the Shoreview Commons area and would be incorporated into the civic campus to be used for the planned expansion of the Shoreview Library by Ramsey County. The City has been working closely with officials from Ramsey County on the project that is planned to start in 2015, with options being considered for either expanding the existing facility or constructing a new building closer to Highway 96.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Community Investment | \$ 275,000 | | | | | |
| Total Sources of Funds | \$ 275,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Buildings-Proprietary | \$ 275,000 | | | | | |
| Total Uses of Funds | \$ 275,000 | \$ - | \$ - | \$ - | \$ - | \$ - |

The County Library Board recently closed on the acquisition of a single-family residential property at 805 Highway 96 West, just adjacent to the library property. The County has asked the City to take the lead on exploring the purchase of another residential property at 795 Highway 96 West, which would provide greater flexibility in the site layout and design of an expanded library. City staff has been communicating with the property owners of 795 Highway 96, and recently reached a tentative purchase agreement of the property pending City Council approval.

The two residential parcels of 795 and 805 Highway 96 are surrounded by the County Library and Shoreview Community Center property within the Shoreview Commons area. These properties have been identified in the Comprehensive Plan as 'in-holding' properties adjacent to City parks, where public acquisition is considered when properties become available for purchase if there are identified benefits to expanding recreational or other public uses.

Wading Pool Replacement

PKA 5

Renovation and updating of the outdoor wading pool with a shallow water splash pool and mid-size interactive water play feature.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Community Center Fund | | \$ 100,000 | | | | |
| Community Investment | | 450,000 | | | | |
| Total Sources of Funds | \$ - | \$ 550,000 | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Pool/Whirlpool | | \$ 550,000 | | | | |
| Total Uses of Funds | \$ - | \$ 550,000 | \$ - | \$ - | \$ - | \$ - |

This project will increase Community Center revenues by an estimated \$25,000 per year and add a new attraction to the water park that would attract groups, youth and families during the summer months.

Trail Rehabilitation and Extension

PWA 20

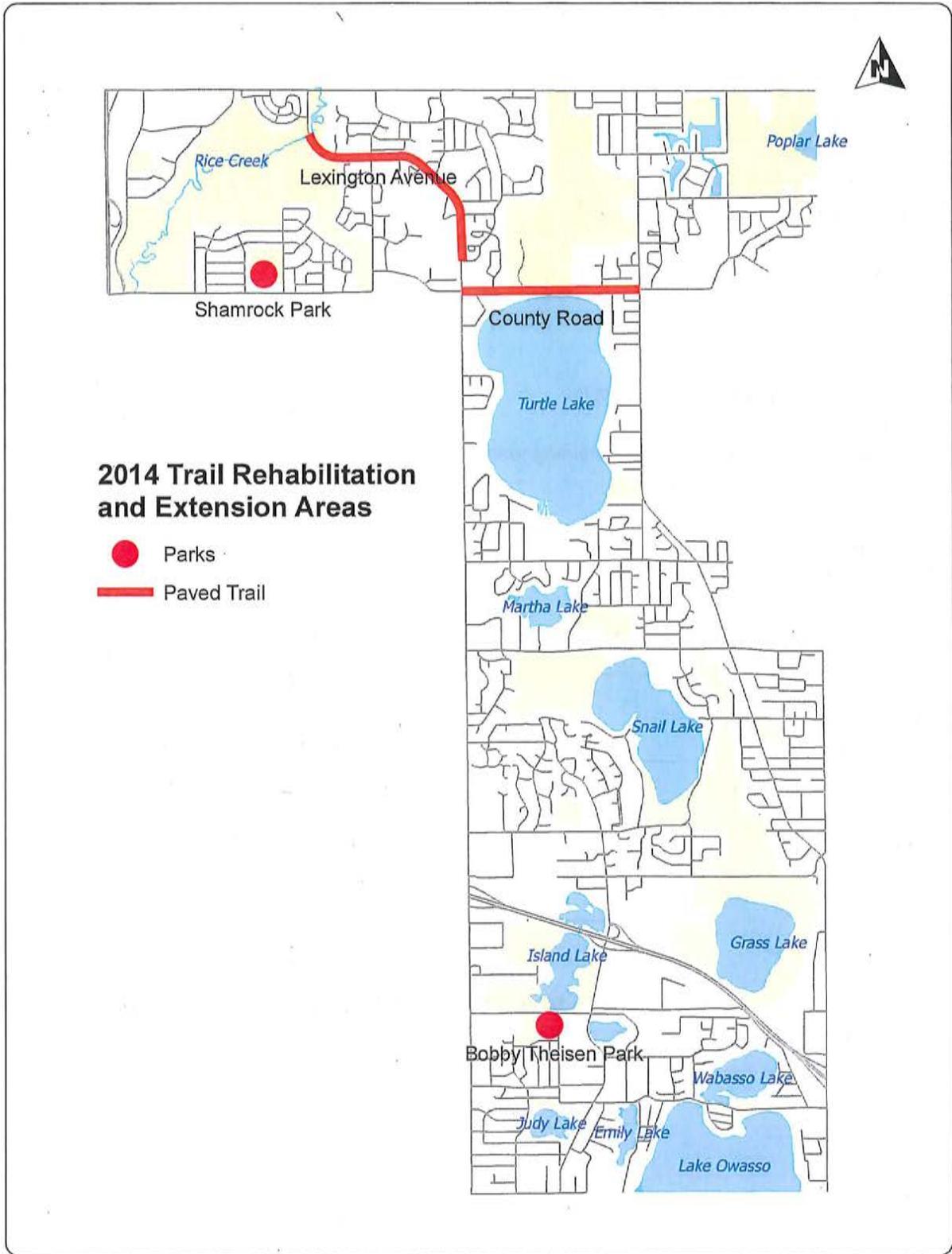
Rehabilitation of the pavement surface on paved trails throughout the City. This project may consist of replacement of the pavement surface, or providing a protective coating, such as a sealcoat, to extend the life of the trail segments. Scheduled rehabilitation of paths located in these areas:

- 2014 - Theisen Park and along County Rd I, including replacement of the boardwalk at County Rd I
- 2014 - Construct new trail along east side of Lexington Avenue from Royal Oaks Drive north to Hamline Avenue and from Pond View Drive north to the existing trail at Rice Creek. A trail segment will also be constructed at Shamrock Park.
- 2015 - throughout the center section of the City's trail system
- 2016 - for trail segments to be determined in the future
- 2017 - for trail segments to be determined in the future
- 2018 - for trail segments to be determined in the future
- 2019 - for trail segments to be determined in the future

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 133,500 | \$ 75,000 | \$ 75,000 | \$ 80,000 | \$ 80,000 | \$ 80,000 |
| Community Investment | 201,500 | | | | | |
| Total Sources of Funds | \$ 335,000 | \$ 75,000 | \$ 75,000 | \$ 80,000 | \$ 80,000 | \$ 80,000 |
| Uses | | | | | | |
| Trail | \$ 335,000 | \$ 75,000 | \$ 75,000 | \$ 80,000 | \$ 80,000 | \$ 80,000 |
| Total Uses of Funds | \$ 335,000 | \$ 75,000 | \$ 75,000 | \$ 80,000 | \$ 80,000 | \$ 80,000 |

To preserve the integrity and extend the life of bituminous trails and concrete sidewalks 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 annually.

With the addition of segments on Lexington Avenue the trail along the east side of Lexington Avenue will be complete from Co. Rd. J to Co. Rd. D. The segment at Shamrock Park will connect the ballfields on the south end of the park to the pavilion and play area on the north side.



Fire Stations

ADM 1

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 (61.5%). Specific items planned for each station are listed below.

Station #2 costs include:

- 2015 - \$ 8,610 paint bay ceilings/walls
- 2015 - \$ 2,460 replace recliners
- 2015 - \$ 3,075 south side sidewalk
- 2015 - \$ 431 picnic table
- 2017 - \$ 7,380 replace furnace

Station #3 costs include:

- 2015 - \$ 9,225 replace carpet
- 2015 - \$ 50,430 replace driveway/parking lot
- 2016 - \$ 23,370 resurface bay floors
- 2016 - \$ 19,680 audio/visual equipment training room
- 2017 - \$ 30,750 replace roof over bays

Station #4 costs include:

- 2015 - \$ 21,525 emergency backup generator
- 2015 - \$ 2,460 replace recliners

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|--------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | | \$ 98,216 | \$ 43,050 | \$ 38,130 | | |
| Total Sources of Funds | \$ - | \$ 98,216 | \$ 43,050 | \$ 38,130 | \$ - | \$ - |
| Uses | | | | | | |
| Fire Station #2 | | \$ 14,576 | | \$ 7,380 | | |
| Fire Station #3 | | 59,655 | \$ 43,050 | 30,750 | | |
| Fire Station #4 | | 23,985 | | | | |
| Total Uses of Funds | \$ - | \$ 98,216 | \$ 43,050 | \$ 38,130 | \$ - | \$ - |

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:

- 2014 - \$ 56,000 election equipment replacement (voting machines)
- 2015 - \$ 25,000 council chamber lighting
- 2019 - \$ 50,000 council chamber cameras

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|------------------|-----------------|-----------------|-----------------|------------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 56,000 | | | | | |
| Cable Television Fund | | \$ 25,000 | | | | \$ 50,000 |
| Total Sources of Funds | \$ 56,000 | \$ 25,000 | \$ - | \$ - | \$ - | \$ 50,000 |
| Uses | | | | | | |
| Equipment-General | \$ 56,000 | \$ 25,000 | | | | \$ 50,000 |
| Total Uses of Funds | \$ 56,000 | \$ 25,000 | \$ - | \$ - | \$ - | \$ 50,000 |

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

Election equipment replacements are coordinated with Ramsey County (the cost shown is Shoreview's share of election equipment).

Community Center Rehabilitation

CC 1

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

Building costs include:

- 2014 - \$ 26,000 replace lower entrance doors
- 2014 - \$ 6,660 replace tree on patio in pool
- 2014 - \$200,000 replace shingles on sloped gym roof
- 2015 - \$ 40,000 replace upper entrance doors
- 2015 - \$ 50,000 hot water tank
- 2015 - \$ 55,000 replace parks front counter, strip wallpaper and repaint walls in office areas.
- 2015 - \$ 25,000 replace building paging system

Carpet/flooring costs include:

- 2014 - \$ 80,000 replace upper level carpeting (lobby and hall areas)
- 2015 - \$ 25,000 replace rubber floor in Beachcomber Bay room
- 2016 - \$ 60,000 replace track running surface
- 2017 - \$ 48,000 replace lower level carpet
- 2017 - \$ 30,000 replace rubber floor in fitness studio #3
- 2017 - \$ 55,000 pool deck rehabilitation
- 2018 - \$ 52,000 replace carpet in Council Chambers

Mechanical System costs include:

- 2014 - \$ 8,050 replace wave café prep area exhaust fan
- 2019 - \$180,000 replace three main boilers in mechanical room

Gymnasium costs include:

- 2015 - \$ 21,000 repair gym ceiling and track

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|--------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 320,710 | \$ 216,000 | \$ 60,000 | \$ 133,000 | \$ 52,000 | \$ 180,000 |
| Total Sources of Funds | \$ 320,710 | \$ 216,000 | \$ 60,000 | \$ 133,000 | \$ 52,000 | \$ 180,000 |
| Uses | | | | | | |
| Municipal Buildings | \$ 232,660 | \$ 170,000 | | | | |
| Carpet/flooring | 80,000 | 25,000 | \$ 60,000 | \$ 133,000 | \$ 52,000 | |
| Mechanical Systems | 8,050 | | | | | \$ 180,000 |
| Gymnasium | | 21,000 | | | | |
| Total Uses of Funds | \$ 320,710 | \$ 216,000 | \$ 60,000 | \$ 133,000 | \$ 52,000 | \$ 180,000 |

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 allowance for the banquet room facilities and furnishings. Planned costs are listed below.

Furniture costs include:

- 2015 - \$ 15,000 replace meeting room chairs
- 2017 - \$102,000 replace banquet chairs

Banquet room repairs include:

- 2014 - \$ 51,000 movable walls for banquet and meeting rooms
- 2015 - \$ 45,000 replace AV system in Shoreview Room
- 2016 - \$ 15,000 miscellaneous repairs
- 2017 - \$ 15,000 miscellaneous repairs
- 2018 - \$ 20,000 miscellaneous repairs
- 2019 - \$ 20,000 miscellaneous repairs

Carpet replacement includes:

- 2014 - \$ 40,000 Shoreview Room carpet
- 2018 - \$ 35,000 Community Room carpet

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|--------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 91,000 | \$ 60,000 | \$ 15,000 | \$ 117,000 | \$ 55,000 | \$ 20,000 |
| Total Sources of Funds | \$ 91,000 | \$ 60,000 | \$ 15,000 | \$ 117,000 | \$ 55,000 | \$ 20,000 |
| Uses | | | | | | |
| Furniture | | \$ 15,000 | | \$ 102,000 | | |
| Equipment-General | | 45,000 | | | | |
| Banquet Room Repairs | \$ 51,000 | | \$ 15,000 | 15,000 | \$ 20,000 | \$ 20,000 |
| Carpet/flooring | 40,000 | | | | 35,000 | |
| Total Uses of Funds | \$ 91,000 | \$ 60,000 | \$ 15,000 | \$ 117,000 | \$ 55,000 | \$ 20,000 |

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:

- 2015 - \$ 16,000 replace slide of beached boat slide
- 2017 - \$ 20,000 miscellaneous pool items
- 2018 - \$ 23,400 water treatment
- 2019 - \$ 20,000 miscellaneous pool items

Locker room replacement includes:

- 2015 - \$400,000 remodel to add family locker rooms

Water slide repair/replacements include:

- 2018 - \$ 40,000 water slide refurbish

Repair and replacement allowances include:

- 2014 - \$ 20,000 water-walk exit and land pad replacement
- 2014 - \$ 8,000 repair leak & refurbish rock waterfall
- 2014 - \$ 16,495 replace pool deck furniture
- 2014 - \$ 17,355 repair broken pipes under pool deck & mens shower
- 2015 - \$ 20,000 replace zero-beach railings
- 2019 - \$ 75,000 pool ceiling repainting

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-------------------|-----------------|------------------|------------------|------------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 61,850 | \$ 166,000 | | \$ 20,000 | \$ 63,400 | \$ 95,000 |
| Community Investment | | 270,000 | | | | |
| Total Sources of Funds | \$ 61,850 | \$ 436,000 | \$ - | \$ 20,000 | \$ 63,400 | \$ 95,000 |
| Uses | | | | | | |
| Pool/Whirlpool | | \$ 16,000 | | \$ 20,000 | \$ 23,400 | \$ 20,000 |
| Locker Rooms | | 400,000 | | | | |
| Water Slide | | | | | 40,000 | |
| Repair/Replacement Allowance | \$ 61,850 | 20,000 | | | | 75,000 |
| Total Uses of Funds | \$ 61,850 | \$ 436,000 | \$ - | \$ 20,000 | \$ 63,400 | \$ 95,000 |

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.

The 2015 remodel to add family locker rooms is necessary due to the volume of users requiring the use of the family locker room space which has increased over the past few years. Remodeling the current space to increase from two to six changing rooms would help to retain current customers who have requested additional family locker rooms, as well as attract new participants.

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:

- 2014 - \$45,000 including strength equipment
- 2015 - \$50,000 including revving bikes
- 2016 - \$30,000
- 2017 - \$65,000
- 2018 - \$20,000
- 2019 - \$20,000

Furniture replacement costs include:

- 2014 - \$10,150 replace Wave Cafe seating area chairs
- 2014 - \$11,795 replace lower level plaza site furnishings
- 2015 - \$70,000 refurbish modular office furniture (city hall & parks & rec)
- 2018 - \$20,000 miscellaneous furniture repairs/replacement

Equipment Community Center costs include:

- 2015 - \$17,000 replace walk behind auto scrubber

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|----------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 66,945 | \$ 137,000 | \$ 30,000 | \$ 65,000 | \$ 40,000 | \$ 20,000 |
| Total Sources of Funds | \$ 66,945 | \$ 137,000 | \$ 30,000 | \$ 65,000 | \$ 40,000 | \$ 20,000 |
| Uses | | | | | | |
| Equipment-Fitness | \$ 45,000 | \$ 50,000 | \$ 30,000 | \$ 65,000 | \$ 20,000 | \$ 20,000 |
| Furniture | 21,945 | 70,000 | | | 20,000 | |
| Equipment-Community Center | | 17,000 | | | | |
| Total Uses of Funds | \$ 66,945 | \$ 137,000 | \$ 30,000 | \$ 65,000 | \$ 40,000 | \$ 20,000 |

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

CC 10

Planned community center improvements and allowances for improvements to be determined in the future are listed below.

Building costs include:

- 2014 - \$ 7,950 install UV system on whirlpool filtering
- 2014 - \$ 7,768 install toddler unit in playground

Improvement allowances include:

- 2014 - \$15,532 for items to be determined later
- 2015 - \$50,000 for items to be determined later
- 2016 - \$50,000 for items to be determined later
- 2017 - \$50,000 for items to be determined later
- 2018 - \$50,000 for items to be determined later
- 2019 - \$50,000 for items to be determined later

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Community Investment | \$ 31,250 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Total Sources of Funds | \$ 31,250 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Uses | | | | | | |
| Municipal Buildings | \$ 15,718 | | | | | |
| Improvement Allowance | 15,532 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Total Uses of Funds | \$ 31,250 | \$ 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.

Community Center Addition

CC 12

Construction of a community center addition is planned, to expand fitness and gymnasium activity areas. Support from the Community Center and Recreation Program Funds will be provided through a combination of lump-sum transfers in 2015, and the remaining cost will be supported by the Community Investment Fund.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|---------------------|-----------------|-----------------|
| Resources | | | | | | |
| Community Center Fund | | | | \$ 250,000 | | |
| Recreation Programs Fund | | | | 250,000 | | |
| Community Investment | \$ 6,000 | | | 1,500,000 | | |
| Total Sources of Funds | \$ 6,000 | \$ - | \$ - | \$ 2,000,000 | \$ - | \$ - |
| Uses | | | | | | |
| Municipal Buildings | \$ 6,000 | | | \$ 2,000,000 | | |
| Total Uses of Funds | \$ 6,000 | \$ - | \$ - | \$ 2,000,000 | \$ - | \$ - |

The addition will create additional space for fitness equipment, fitness classes, multipurpose classroom space for Summer Discovery and other recreational programs, and will provide space for expansion of the indoor playground.

Water Systems

PWA 5

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

2014 costs include:

- \$ 40,000 - Update, upgrade and improve the SCADA system software for controlling the water system. An update/upgrade to the SCADA system is planned in accordance with the City's Comprehensive Infrastructure Replacement Plan, which is reviewed and updated annually.

2015 costs include:

- \$350,000 - Replace cast iron watermain and associated hydrants, valves and services on Lexington Ave from Gramsie Rd to 600 feet north of Co Rd F and on Co Rd F from Lexington Ave 600 feet east. The replacement would be completed in conjunction with Ramsey Countys project to rehabilitate Lexington Ave and Co. Rd. F and add additional turn lanes.

2016 costs include:

- \$100,000 - Install natural gas/alternate power backup generator for Well 6. Well 6 is a stand-alone well, meaning the water is treated and pumped directly into the water system. All of the other wells pump to the reservoir where the water is treated.

2019 costs include:

- \$125,000 - Redevelop well cavity, remove sand from Well 7.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-------------------|-------------------|-----------------|-----------------|-------------------|
| Resources | | | | | | |
| Debt-Water Revenue | \$ 40,000 | \$ 350,000 | \$ 100,000 | | | \$ 125,000 |
| Total Sources of Funds | \$ 40,000 | \$ 350,000 | \$ 100,000 | \$ - | \$ - | \$ 125,000 |
| Uses | | | | | | |
| Water Miscellaneous | | \$ 350,000 | \$ 100,000 | | | \$ 125,000 |
| Utility System Controls | \$ 40,000 | | | | | |
| Total Uses of Funds | \$ 40,000 | \$ 350,000 | \$ 100,000 | \$ - | \$ - | \$ 125,000 |

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 annually.

The existing cast iron pipe is relatively brittle and many breaks have occurred in the project area over the past few years. Disturbance of the soils related to the Ramsey County project increase the risk of water main failures after construction is completed. It has been the City's practice to upgrade cast iron water main pipe when other types of construction work will disturb the original water main installation.

Water Treatment Plant

PWA 17

The addition of a water treatment plant will address the issue of rising levels of iron and manganese in the City's wells. Water treatment will effectively remove dissolved iron and manganese from the City's water supply.

- 2014 - engineering consultant fees associated with design of the water treatment plant
- 2015 and 2016 - construction and engineering consultant fees associated with construction of the water treatment plant

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Debt-Water Revenue | \$ 500,000 | \$ 5,700,000 | \$ 4,800,000 | | | |
| Total Sources of Funds | \$ 500,000 | \$ 5,700,000 | \$ 4,800,000 | \$ - | \$ - | \$ - |
| Uses | | | | | | |
| Buildings-Proprietary | \$ 500,000 | \$ 5,700,000 | \$ 4,800,000 | | | |
| Total Uses of Funds | \$ 500,000 | \$ 5,700,000 | \$ 4,800,000 | \$ - | \$ - | \$ - |

The water in most of the City's wells has manganese levels higher than the secondary standards set by the EPA. Some wells are showing signs of high levels of iron as well. Iron and manganese, at the levels found in Shoreview's water, are not considered harmful to health, but they can cause esthetic problems as well as taste and odor issues within the water system. Increasing levels of iron and manganese is supported by the steadily growing number of customer concerns or complaints regarding the color and/or look and feel of the City's water.

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 pursuing the use of trenchless methods, and/or pipe re-lining, as an alternative to excavating in existing streets/neighborhoods.

- 2015 - \$800,000 Floral Drive and Demar Avenue west of Hodgson, the Hanson Road/Oakridge Neighborhood, the Turtle Lane Neighborhood, Schifsky Road and miscellaneous areas throughout the City including 3,000 feet of Bucher easement
- 2019 - \$950,000 Edgetown Acres/Bridge/Lion and miscellaneous areas throughout the City

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Debt-Sewer Revenue | | \$ 800,000 | | | | \$ 950,000 |
| Total Sources of Funds | \$ - | \$ 800,000 | \$ - | \$ - | \$ - | \$ 950,000 |
| Uses | | | | | | |
| Sanitary Sewer | | \$ 800,000 | | | | \$ 950,000 |
| Total Uses of Funds | \$ - | \$ 800,000 | \$ - | \$ - | \$ - | \$ 950,000 |

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.

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Sewer Lift Stations

PWA 3

Sewer lift station improvements include updates and replacement of lift station equipment as well as system controls and monitoring capability.

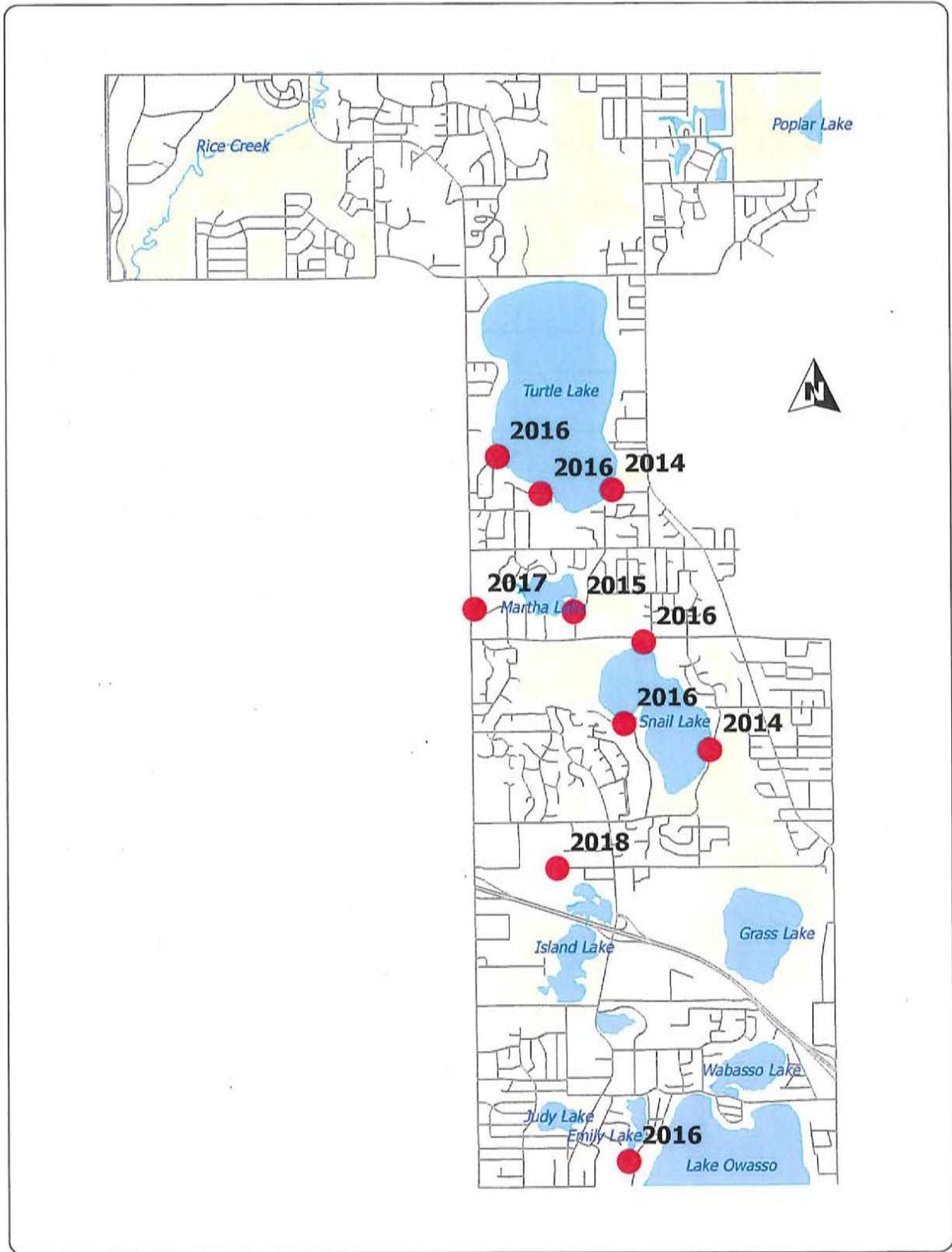
Scheduled replacements and upgrades include:

- 2014 - update and improvement of controls and pumps/components at the Schifsky lift station
- 2015 - construct lift station and forcemain on Hwy 96 east of Dale Street
- 2015 - update, upgrade, and improve the SCADA system software for controlling and monitoring sanitary sewer lift stations
- 2016 - update 5 lift stations including: South Carlson, Reiland Lane, Turtle Lake, Dale & 96, and Oakridge
- 2017 - update and improve controls and components at the North Lexington lift station
- 2018 - update and improve controls and components at the Gramsie lift station

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-------------------|------------------|------------------|------------------|-----------------|
| Resources | | | | | | |
| Debt-Sewer Revenue | \$ 20,000 | \$ 335,000 | \$ 75,000 | \$ 30,000 | \$ 30,000 | |
| Total Sources of Funds | \$ 20,000 | \$ 335,000 | \$ 75,000 | \$ 30,000 | \$ 30,000 | \$ - |
| Uses | | | | | | |
| Sewer Lift Station | \$ 20,000 | \$ 335,000 | \$ 75,000 | \$ 30,000 | \$ 30,000 | |
| Total Uses of Funds | \$ 20,000 | \$ 335,000 | \$ 75,000 | \$ 30,000 | \$ 30,000 | \$ - |

Updates and improvements are planned in accordance with the City's comprehensive infrastructure replacement plan, which is reviewed and updated annually.

Existing gravity sanitary sewer main that has settled, causing sewage to back up in the pipeline, will be replaced by the Hwy 96/Dale St lift station.



Sewer Lift Stations

PWA 00003

Pretreatment Structures

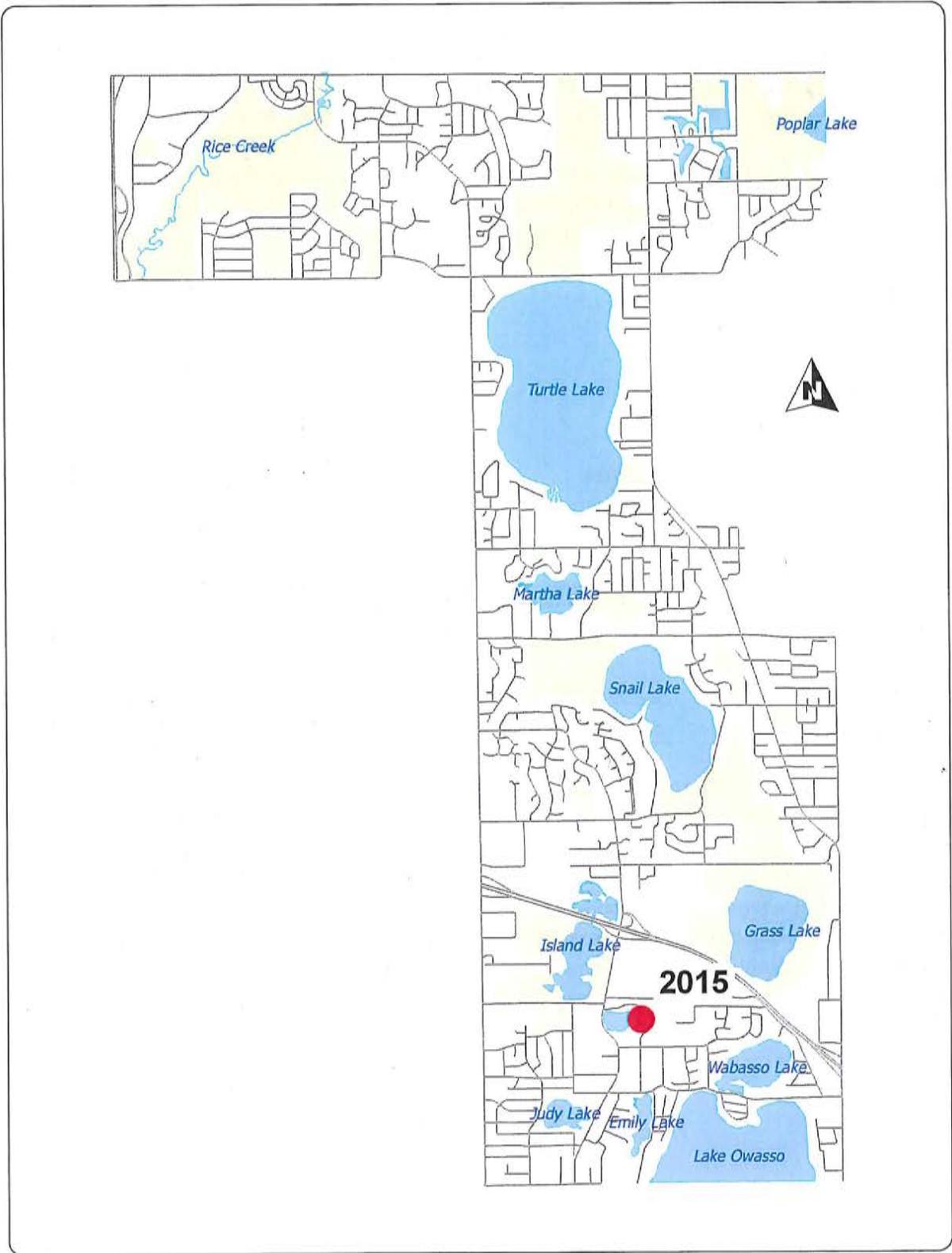
PWA 2

Construction of storm water pretreatment structures (within the road right-of-way) near the current location of storm water pipes that directly discharge run-off into lakes. The following improvements are planned:

- 2015 - east shore of Shoreview Lake, subject to potential redevelopment of the adjacent multi-unit dwellings
- 2018 - install storm water treatment structure for elimination of a direct discharge

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Debt-Surface Water Revenue | | \$ 120,000 | | | \$ 120,000 | |
| Total Sources of Funds | \$ - | \$ 120,000 | \$ - | \$ - | \$ 120,000 | \$ - |
| Uses | | | | | | |
| Storm Sewer | | \$ 120,000 | | | \$ 120,000 | |
| Total Uses of Funds | \$ - | \$ 120,000 | \$ - | \$ - | \$ 120,000 | \$ - |

Based on the City's Surface Water Management Plan, the projects have been identified to eliminate direct discharges and improve the quality of surface water run-off.



Pretreatment Structures

PWA 00002

Residential Street Lights

PWA 7

Replacement of City-owned street lighting components each year. 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.

Allowances for street light replacements are as follows:

- 2014 - 22 lights
- 2015 - 21 lights
- 2016 - 21 lights
- 2017 - 32 lights
- 2018 - 32 lights
- 2019 - 32 lights

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| Street Lighting Fund | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 235,000 | \$ 241,220 | \$ 247,230 |
| Total Sources of Funds | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 235,000 | \$ 241,220 | \$ 247,230 |
| Uses | | | | | | |
| Street Lighting | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 235,000 | \$ 241,220 | \$ 247,230 |
| Total Uses of Funds | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 235,000 | \$ 241,220 | \$ 247,230 |

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, efficient luminaries and wiring) is expected to have lower operating costs, and a service life of at least 35 years.

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Fire Equipment

ADM 2

An allowance for the replacement of fire vehicles and equipment is planned for Shoreview's share (at 61.5% of the total cost) of fire equipment, as estimated by the Lake Johanna Fire Department.

Truck replacements include:

- 2014 - \$ 77,696 utility vehicle
- 2017 - \$482,775 fire truck and Chief's vehicle
- 2018 - \$ 36,285 Chief's vehicle

Information systems estimates:

- 2014 - \$ 2,125 computer replacement
- 2014 - \$ 12,200 mobile computers for vehicles
- 2015 - \$ 2,184 computer replacement
- 2015 - \$ 9,225 mobile computers for shift trucks
- 2016 - \$ 2,214 computer replacement

Self-Contained Breathing Apparatus (SCBA) equipment includes:

- 2014 - \$39,927 SCBA equipment
- 2014 - \$22,459 breathing air compressor- station #2
- 2019 - \$ 2,768 hydro test of SCBA bottles

Rescue equipment includes:

- 2015 - \$ 2,460 Rescue Randy/training aids
- 2015 - \$ 5,535 station alerting
- 2015 - \$ 3,690 cold water rescue equipment
- 2016 - \$ 9,225 technical rescue equipment
- 2016 - \$15,221 helmets w/ integrated eye shields

Miscellaneous equipment includes:

- 2014 - \$ 2,428 replace enclosed trailer
- 2015 - \$ 6,150 tire replacement
- 2015 - \$ 7,380 supply hose/nozzle replacement
- 2016 - 2018 - \$ 41,205 each year to replace 1/3 of portable radios

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|-------------------|------------------|------------------|-------------------|------------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | \$ 156,835 | \$ 36,624 | \$ 67,865 | \$ 523,980 | \$ 77,490 | \$ 2,768 |
| Total Sources of Funds | \$ 156,835 | \$ 36,624 | \$ 67,865 | \$ 523,980 | \$ 77,490 | \$ 2,768 |
| Uses | | | | | | |
| Fire Vehicles/Equipment | \$ 77,696 | | | \$ 482,775 | \$ 36,285 | |
| Other Information Systems | 14,325 | \$ 11,409 | \$ 2,214 | | | |
| SCBA Equipment | 62,386 | | | | | \$ 2,768 |
| Equipment-Rescue | | 11,685 | 24,446 | | | |
| Equipment-Miscellaneous | 2,428 | 13,530 | 41,205 | 41,205 | 41,205 | |
| Total Uses of Funds | \$ 156,835 | \$ 36,624 | \$ 67,865 | \$ 523,980 | \$ 77,490 | \$ 2,768 |

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

Warning Sirens

ADM 3

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

- 2015 - \$18,000 Victoria St siren at the maintenance center
- 2017 - \$18,000 Victoria St. & 694 siren
- 2017 - \$ 9,000 Shoreview's share of Rice & Country Drive siren
- 2019 - \$ 9,000 Shoreview's share of Rice & Snail Lake Rd siren
- 2019 - \$18,000 Turtle Lake School siren

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|--------------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Resources | | | | | | |
| General Fixed Asset Fund | | \$ 18,000 | | \$ 27,000 | | \$ 27,000 |
| Total Sources of Funds | \$ - | \$ 18,000 | \$ - | \$ 27,000 | \$ - | \$ 27,000 |
| Uses | | | | | | |
| Public Safety | | \$ 18,000 | | \$ 27,000 | | \$ 27,000 |
| Total Uses of Funds | \$ - | \$ 18,000 | \$ - | \$ 27,000 | \$ - | \$ 27,000 |

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

Computer Systems

FINA 1

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.).

Replacement of the City's accounting software is planned for the year 2018 at an estimated cost of \$500,000.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Resources | | | | | | |
| General Fund | | | | | | |
| Cable Television Fund | | | | | | |
| Capital Improvement Fund | | | | | | |
| Capital Acquisition (IT) | \$ 50,079 | \$ 4,000 | \$ 800 | \$ 30,000 | \$ 8,300 | \$ 12,500 |
| General Fixed Asset Fund | 118,871 | 221,000 | 138,000 | 119,500 | 559,000 | 199,000 |
| Water Fund | | 800 | | 3,800 | | 800 |
| Sewer Fund | | 800 | | 3,800 | | 800 |
| Central Garage Fund | | 14,000 | | | | |
| Total Sources of Funds | \$ 168,950 | \$ 240,600 | \$ 138,800 | \$ 157,100 | \$ 567,300 | \$ 213,100 |
| Uses | | | | | | |
| Computers | \$ 13,500 | \$ 15,000 | \$ 10,000 | \$ 10,000 | \$ 13,500 | \$ 15,000 |
| Printers | 5,700 | 16,000 | 2,000 | 10,000 | 2,000 | 14,000 |
| Servers | 9,000 | 33,000 | 10,000 | 22,000 | | 33,000 |
| Security Systems | 45,600 | 23,000 | 12,000 | 40,500 | 12,000 | 12,000 |
| Recovery/Backup Systems | 12,500 | 90,000 | | | | 62,500 |
| Communication Systems | 8,500 | 16,500 | 7,000 | 2,000 | 22,000 | 2,000 |
| LAN/Network | 32,500 | 34,500 | 82,000 | 9,000 | 10,000 | 9,000 |
| Imaging/Records Storage | 15,000 | | | 5,000 | | |
| Specialized Applications | 15,650 | 5,000 | 6,000 | 47,000 | 500,000 | 55,000 |
| Other Information Systems | 11,000 | 7,600 | 9,800 | 11,600 | 7,800 | 10,600 |
| Total Uses of Funds | \$ 168,950 | \$ 240,600 | \$ 138,800 | \$ 157,100 | \$ 567,300 | \$ 213,100 |

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

PWA 18

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.

| | 2014 Estimate | 2015 Planned | 2016 Planned | 2017 Planned | 2018 Planned | 2019 Planned |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Resources | | | | | | |
| Central Garage Fund | \$ 510,736 | \$ 553,000 | \$ 538,000 | \$ 568,000 | \$ 540,000 | \$ 551,000 |
| Water Fund | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Sewer Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total Sources of Funds | \$ 535,736 | \$ 578,000 | \$ 563,000 | \$ 593,000 | \$ 565,000 | \$ 576,000 |
| Uses | | | | | | |
| Truck/s | \$ 321,831 | \$ 397,000 | \$ 260,000 | \$ 260,000 | \$ 214,000 | \$ 334,000 |
| Staff Vehicle/s | 21,785 | | | | 30,000 | |
| Tractor/Mower/Loader/Cart | 56,152 | | | | 140,000 | 45,000 |
| Field & Grounds Maint Equip | 26,744 | 41,000 | 41,000 | 41,000 | 42,000 | 18,000 |
| Chipper | | | | | | 50,000 |
| Street Repair Equipment | | 50,000 | | | | 15,000 |
| Sweeper | | | 60,000 | 200,000 | | |
| Sewer Cleaning Equipment | | | 110,000 | | | |
| Generator | | | | | 45,000 | |
| Bobcat (annual rotation) | 40,000 | 40,000 | 42,000 | 42,000 | 44,000 | 44,000 |
| Equipment-Central Garage | 69,224 | 50,000 | 50,000 | 50,000 | 50,000 | 70,000 |
| Total Uses of Funds | \$ 535,736 | \$ 578,000 | \$ 563,000 | \$ 593,000 | \$ 565,000 | \$ 576,000 |

This project provides for an annual equipment rotation for the bobcat skid steer, currently used by public works maintenance personnel in conjunction with excavating projects, pond maintenance, street patching, snow removal and tree planting/landscaping projects. The annual replacement (rotation) is cost effective because the annual cost to maintain the equipment (covering routine maintenance, tire repairs and replacements) continue to rise. The trade-in program for State and Local government agencies allows the City to trade in a piece of equipment that is 1-2 years old, and purchase a new piece of equipment using state purchasing contract pricing. The annual cost of repairs/replacements for the equipment is eliminated, and the City obtains a new bobcat skid steer for a net annual cost of approximately \$2,000. The City may elect to participate in the program each year, and is under no obligation to continue participation in the program in the future. This CIP project assumes using the annual rotation each year, and also assumes a net gain on the disposal of the equipment each year, because the trade-in value is high in the first 1-2 years.

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