



STAFF REPORT

DATE: July 9, 2024

WORKSHOP

AGENDA ITEM: City Debt Discussion
FROM: Clarissa Hadler, Finance Director
REVIEWED BY: Nicole Miller, City Administrator

BACKGROUND:

The City currently issues debt for the majority of large street and infrastructure projects. The discussion below will outline existing and projected future debt and levies and provide a comparison to an alternate funding structure. This alternate is provided as a comparison only; the possibilities are many and funding structures would be determined annually based on the projects, financial status of the city, interest rates, etc.

ISSUE BEFORE THE CITY COUNCIL:

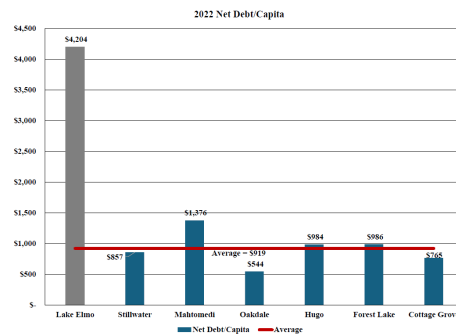
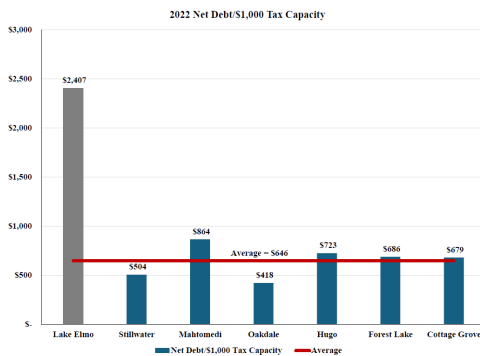
- 1) Should the city contemplate changes to its project funding practices?

DISCUSSION:

The charts on later pages provide insight into the City's existing and projected debt.

The City currently funds the majority of large projects via debt through the issuance of bonds. Our average since 2010 is approximately \$7 million per year, which includes the City Hall project, which accounted for about \$10 million in debt in 2021. Current debt load sits at just under \$60 million.

The City's debt load is high in comparison to some of our neighboring cities, as evidenced by some of the comparisons charts at the end of this report, a couple of which are shown here.



This is not inherently bad, per se, from a policy/practice standpoint, as we are still viewed as having a strong financial status by our auditors and by Moody's. However, it does leave us highly leveraged, which does impact our bond rating in that category; A, instead of Aa or Aaa, as we have in other categories. (See chart on later pages.) It also requires that we hold more cash to maintain our Liquidity Ratio in our rating "scorecard". And it makes us less resilient to economic or environmental upheaval, and begs the question of how sustainable our financial position is long-term.

Staff projections for this discussion are based on the most recent updates to the streets and infrastructure CIP, provided by City Engineer Jack Griffin in June 2024. These are early projections and models and should be reviewed as such. Funding sources and need can change year-to-year. Projects are budgeted in 2024 dollars, so inflation will also affect future projections. For simplicity’s sake in developing the model, the following assumptions were made for new debt; interest rate: 4%, term: 15 years, and flat-line payment schedule. Projects beyond the 10-year CIP are estimated at an average of \$7.5 million per year, based very roughly on the draft CIP averages.

[Please refer to charts to review projected debt at this time.] Based on the above, I estimate that our debt level will continue to hold at the \$50-\$60 million level for the next 20 years and beyond without a change in practice.

The alternative model I reviewed assumes instead that we move to “35% Cash” model; aiming to provide a minimum of 35% cash funding to all projects by 2034, starting at 3% in 2025 and increasing steadily from there. I used this particular model because I like the balance of using “past, present, and future” dollars to fund projects. So, a street project in 2034 may be funded as follows;

<i>Past Dollars</i>	<i>Present Dollars</i>	<i>Future Dollars</i>
Prior Year Infrastructure Levies (35%)	Special Assessments (30%)	Future Debt Levies (35%)

Again, actual funding of any individual project will vary greatly depending on a number of factors and this model is simply for discussion and comparison purposes.

In looking at projected debt balances using the above model, I estimate we would level out at closer to \$30 to \$40 million in debt. This is, of course, approximately 2/3 of what we would have in the “all debt” model, given that we would be funding roughly 1/3 of all projects with cash.

To start funding projects with cash *without* decreasing our current cash (and therefore our Liquidity Ratio), one option would be to implement a separate Infrastructure Levy for street improvements. We currently have a General Fund Levy and Debt Service Levy. A specific levy would set the funds aside for that purpose and provide transparency regarding the use of those funds. Money could not be transferred to other funds without a resolution of Council. This is similar to what we do with the Vehicle Fund, the new Street Maintenance Fund (used for smaller street projects), and the proposed Fire Equipment & Project Fund, but we implement those with transfers out of the General Fund Budget. This method also provides clear intent for those funds to rating agencies and bond purchasers.

Incorporating a comparison of the projected Levy and Tax Rate over time is a bit more complicated because of all of the variables and additional assumptions about growth. Instead, it may be helpful to think of it as follows. The current portion of the tax rate associated with the Debt Service Levy is 8.5% (the total tax rate is 24.55%).

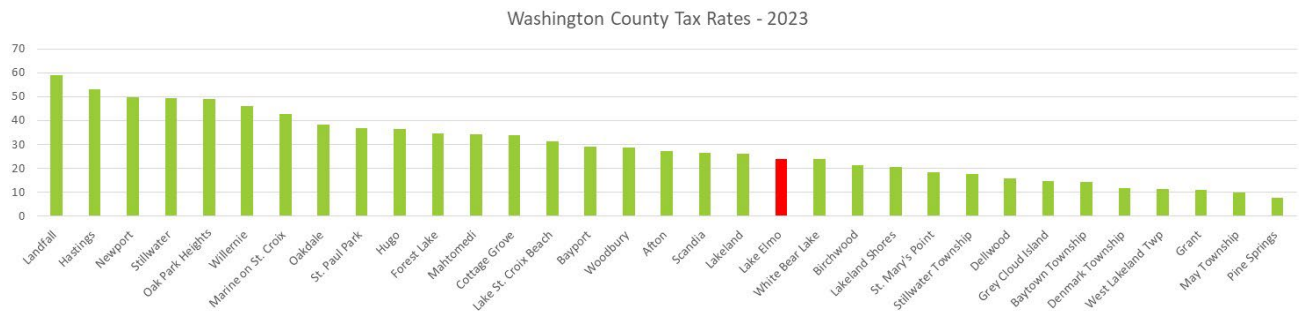
That debt service tax rate is expected to grow in the coming years in the no-cash model, possibly even surpassing 14% in the next decade. The “debt service PLUS infrastructure levy” tax rate may increase slightly faster, but then is expected to decrease over time as the fund grows and debt service shrinks. In comparison, the no-cash model would likely level out at a higher rate and would be subject to more fluctuations depending on interest rates.

Below is what the levy might look like for next year if we started to incorporate an Infrastructure Levy.

	2024		2025 (example)	
	Levy \$	Tax Rate*	Levy \$	Tax Rate*
General Fund Levy	5,998,212	17.26%	6,250,000	17.36%
Debt Service Levy	2,923,830	8.41%	3,000,000	8.33%
Infrastructure Levy	n/a	n/a	500,000	1.39%
Total	8,922,042	25.67%	9,750,000	27.08%
<i>* Tax Rate prior to Fiscal Disparity distribution.</i>				
<i>Effective Tax Rate after Fiscal Disp.</i>		24.547%	<i>FD est. \$400,000</i>	26.92%
<i>Tax Capacity</i>	\$ 34,758,875		\$ 36,050,449	

It is unlikely that we would be able to incorporate this strategy to any effect within the parameters of Council’s earlier “2% over prior year” tax rate goal. Early estimates from the county and long-term financial plan projections from last fall suggest the possibility that the current operations and debt service would fall in line with that goal, though it is too early to say with any certainty. Any additional infrastructure levy should be contemplated as being in addition to that earlier goal.

That said, our tax rate is lower than many Washington County communities. The rate in 2014 was 27.761%, jumped in 2022 to 30%, but is now down to 24.55%. Also, a brief review of that rate shows that the tax rate associated with operations has decreased; due largely to increased revenues from development offsetting increasing expenses as the organization has grown.



The last few of paragraphs deal mostly with street projects, which are funded via the property tax levy. There are also utility projects, funded via the Water, Sewer, and Stormwater Funds. The effects on these funds would be similar, except that the additional cash would need to be raised via User Fees. Staff will begin updating the Utility Long-term Financial Plan this summer, and if Council directs, can incorporate more cash funding of projects in that modeling, as well.

Once established at a minimum of 35% cash for all projects, we would expect to save over \$100,000 in interest for every \$350,000 that is *not* borrowed, over the life of the bond, effectively decreasing our overall infrastructure costs by 8.5%.

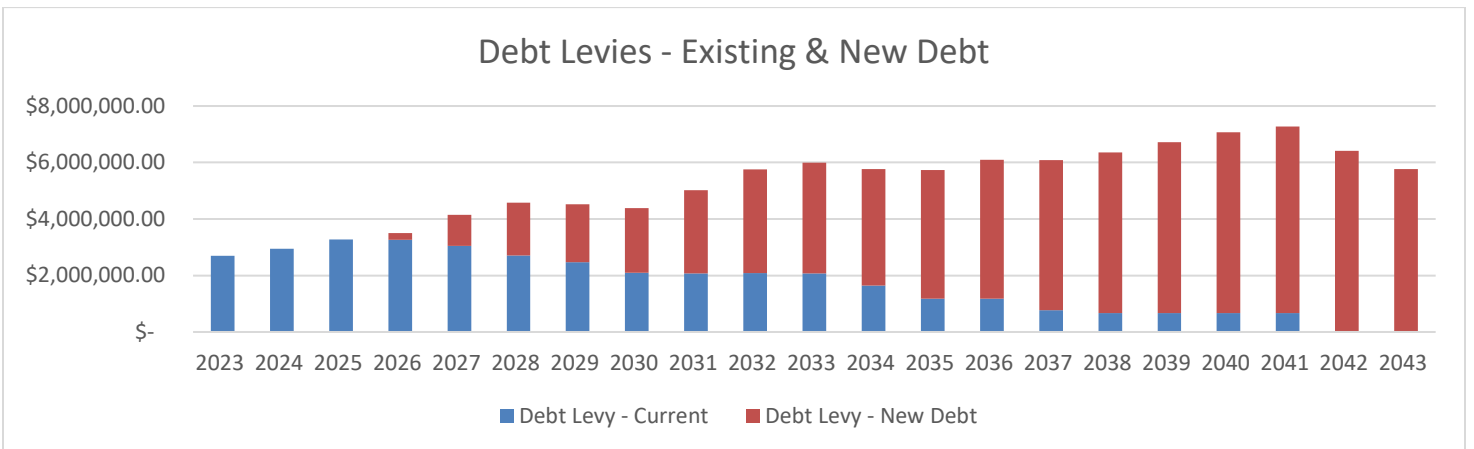
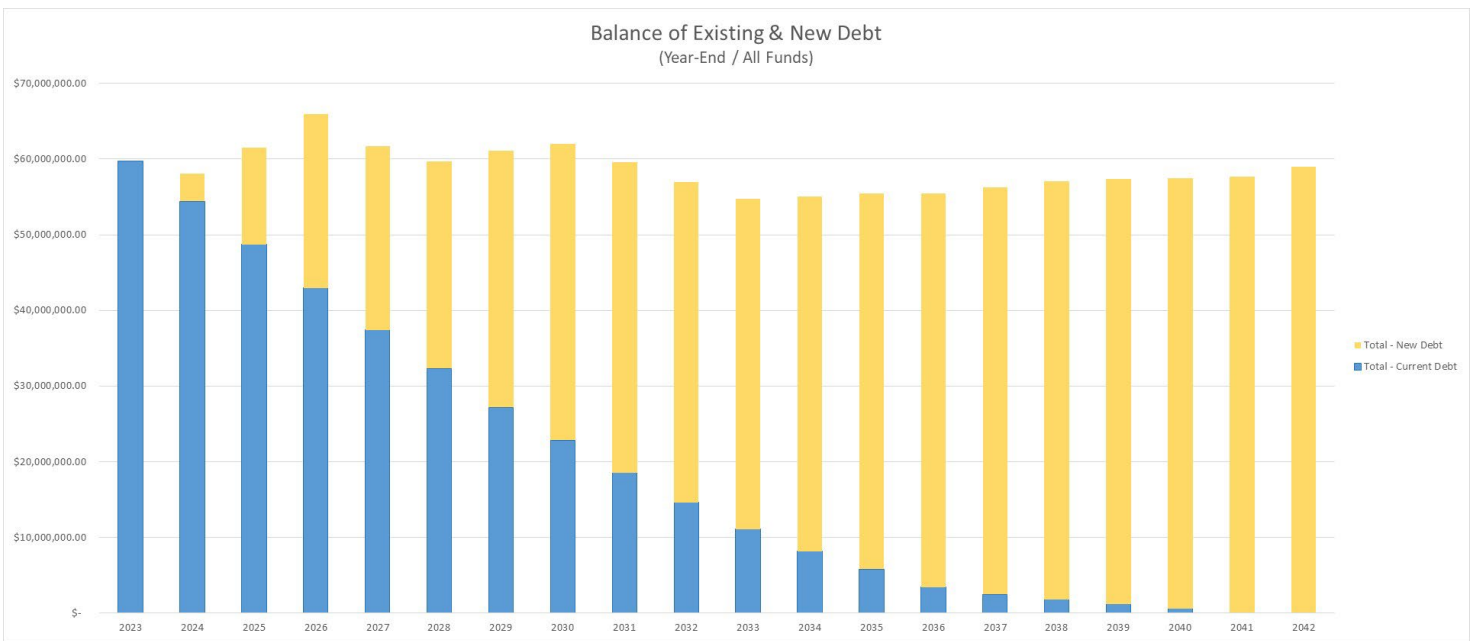
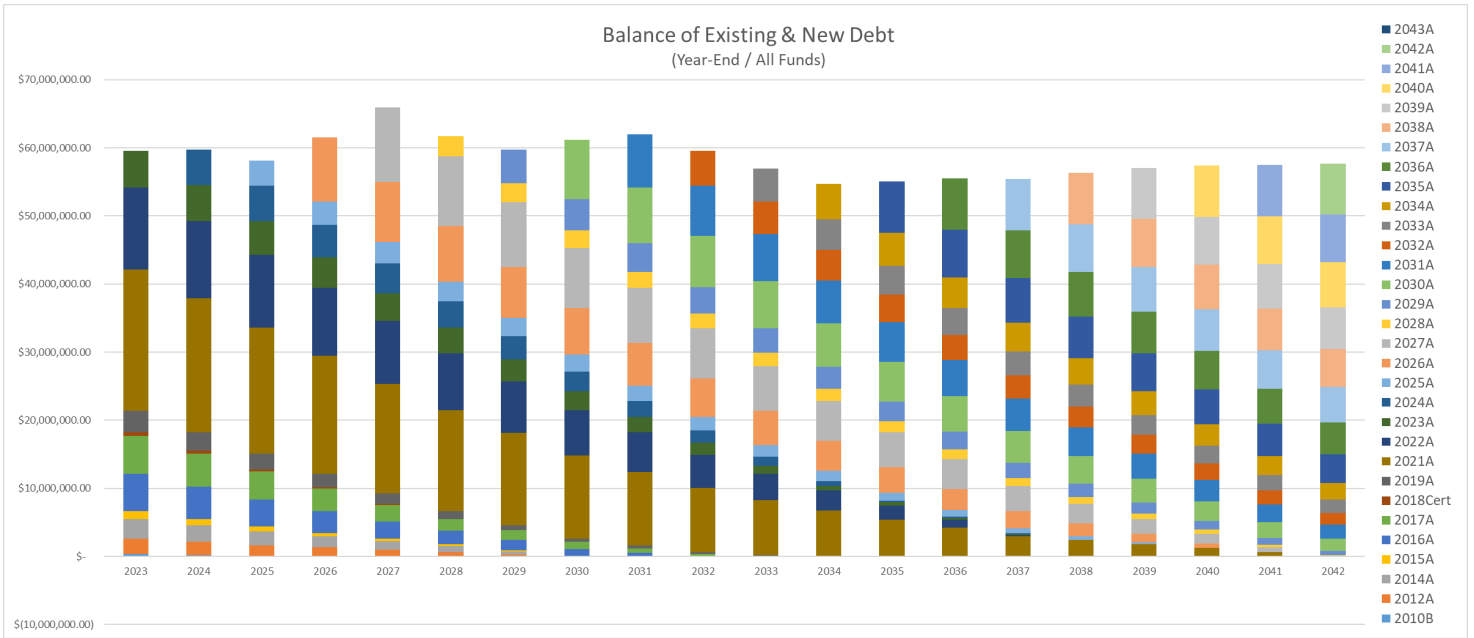
\$1,000,000 Project				
	Bond Amount	Total Interest Paid (15 yr term)	Savings	
<i>100% debt</i>	\$ 1,000,000	\$ 320,000		
<i>35% cash</i>	\$ 650,000	\$ 208,000	\$112,000	35% interest savings 8.5% overall project savings

Again, all of this is simply one of many options to contemplate in our long-term financial planning to ensure financial sustainability and resiliency, and to address some interest from councilmembers to discuss our current debt levels.

RECOMMENDATION:

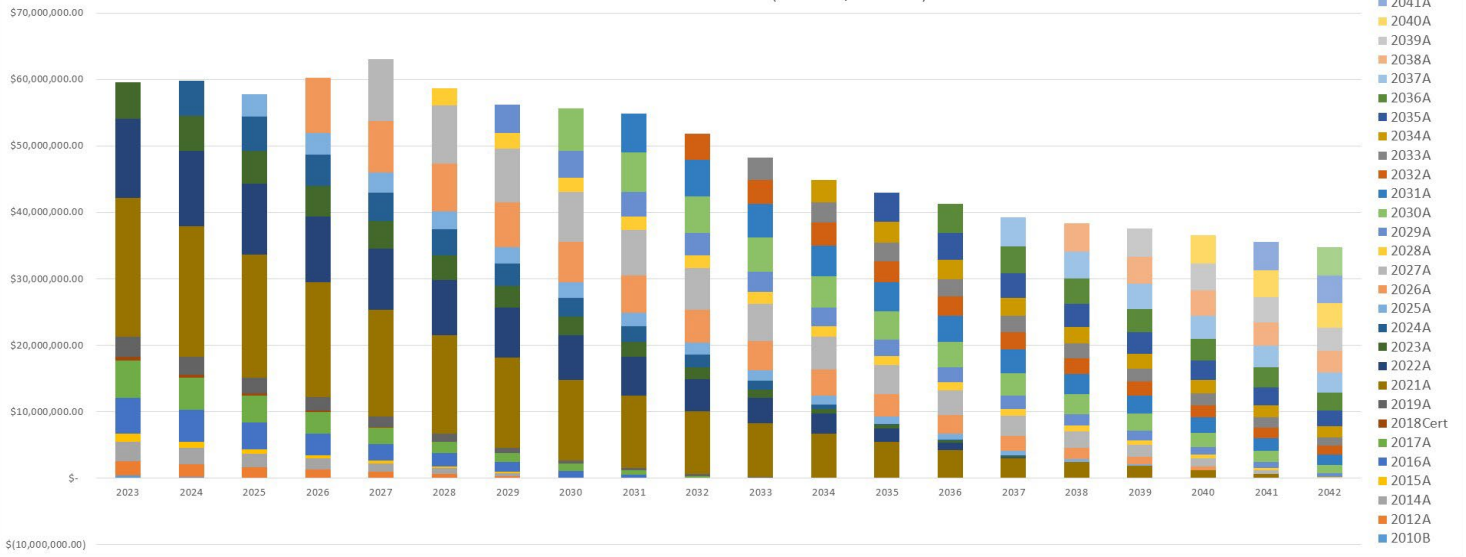
If Council is interested in moving toward a similar model to the above, staff will work that goal into our upcoming budget drafts and narratives. In that case, staff would appreciate direction at this workshop as we will be moving forward with budget preparation in the coming weeks.

Current – No Cash Model

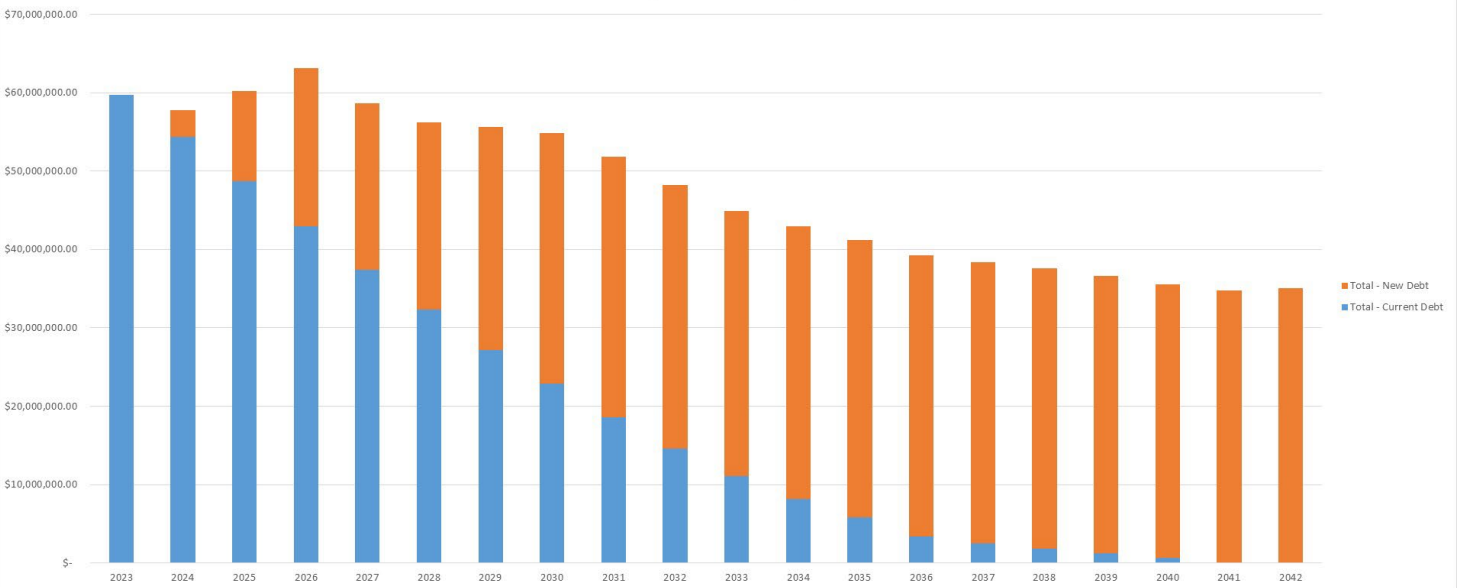


Alternative – 3% to 35% Cash Model

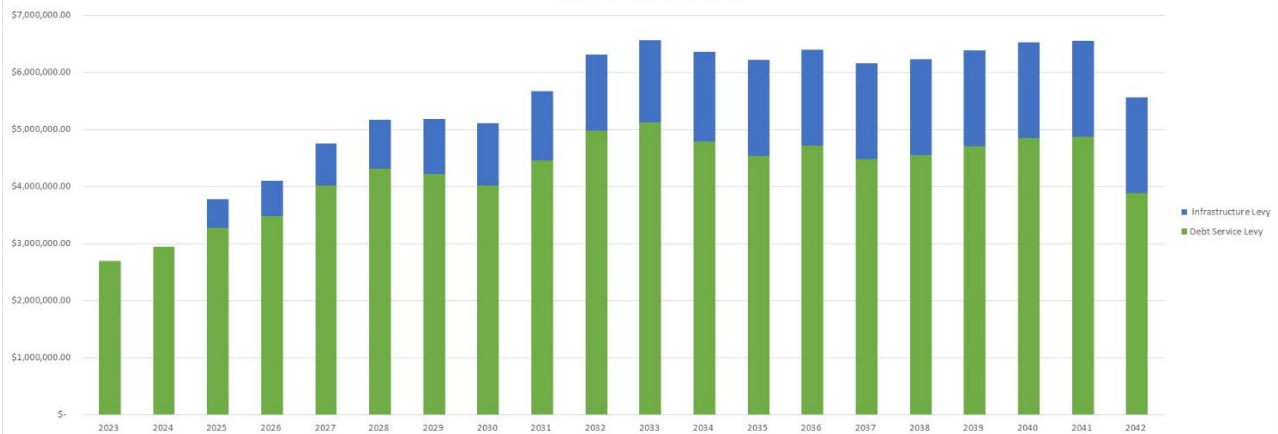
Balance of Existing & New Debt - 3 -> 35% Cash Model
(Year-End / All Funds)



Projections of Existing & New Debt
(3 - 35% cash model)



Debt and Infrastructure Levies



Rating methodology and scorecard factors

The US Cities and Counties Methodology includes a scorecard, which summarizes the rating factors generally most important to city and county credit profiles. Because the scorecard is a summary, and may not include every consideration in the credit analysis for a specific issuer, a scorecard-indicated outcome may or may not map closely to the actual rating assigned.

Exhibit 8

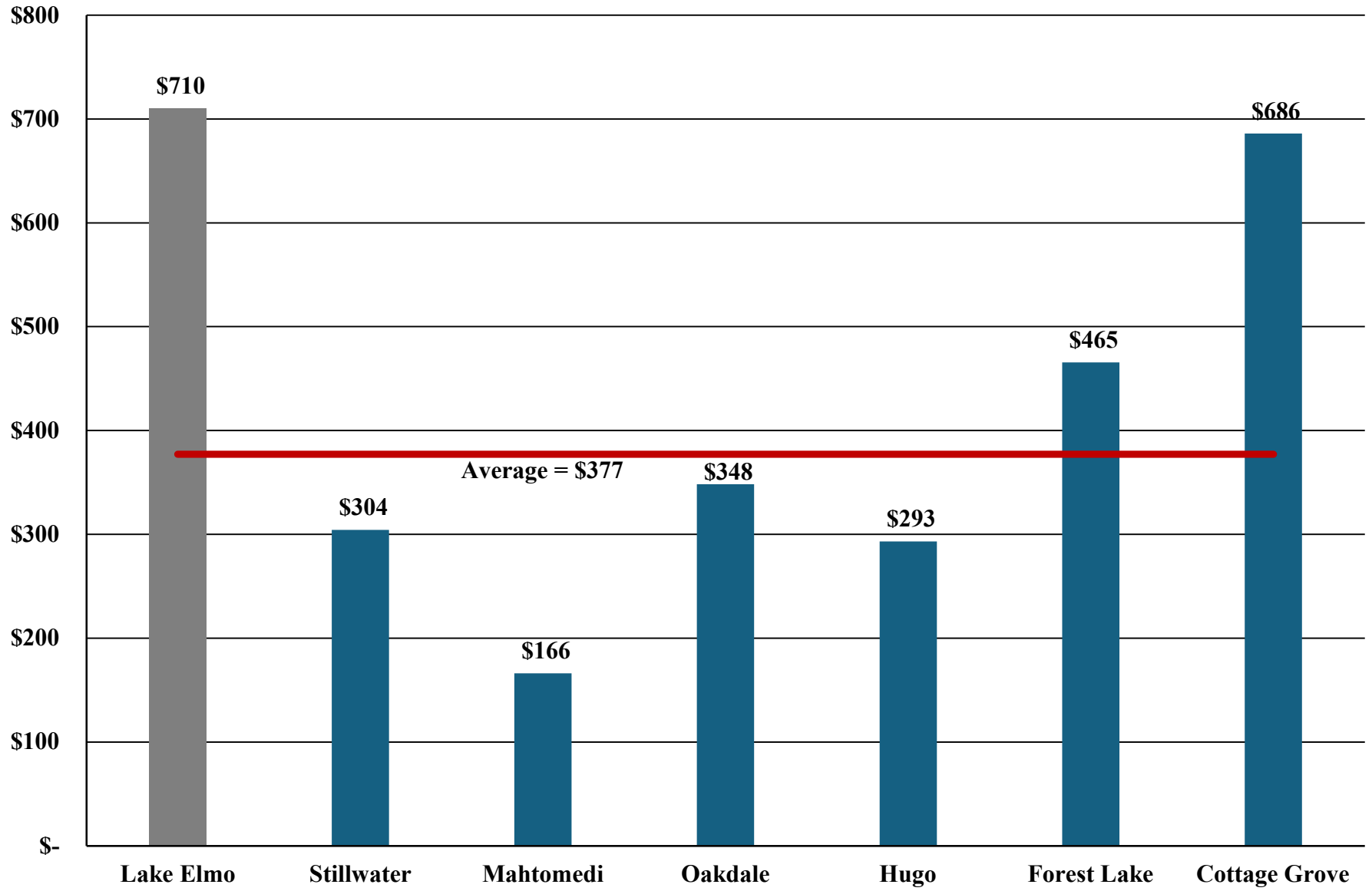
Lake Elmo (City of) MN

	Measure	Weight	Score
Economy			
Resident income ratio	204.6%	10.0%	Aaa
Full value per capita	259,114	10.0%	Aaa
Economic growth metric	-0.7%	10.0%	Aa
Financial Performance			
Available fund balance ratio	131.9%	20.0%	Aaa
Liquidity ratio	191.3%	10.0%	Aaa
Institutional Framework			
Institutional Framework	Aaa	10.0%	Aaa
Leverage			
Long-term liabilities ratio	260.3%	20.0%	A
Fixed-costs ratio	14.8%	10.0%	Aa
Notching factors			
Additional Strength in Local Resources	0.5		
Potential for significant change in leverage	0.5		
Scorecard-Indicated Outcome			Aaa
Assigned Rating			Aa1

The Economic Growth metric cited above compares the five-year CAGR of real GDP for Minneapolis-St. Paul-Bloomington, MN-WI Metropolitan Statistical Area Metropolitan Statistical Area to the five-year CAGR of real GDP for the US.

Sources: US Census Bureau, Lake Elmo (City of) MN's financial statements and Moody's Ratings

2022 Net Debt/Per Capita Income



■ Net Debt/Per Capita Income — Average

24? 30?.

49.51%

34.38%

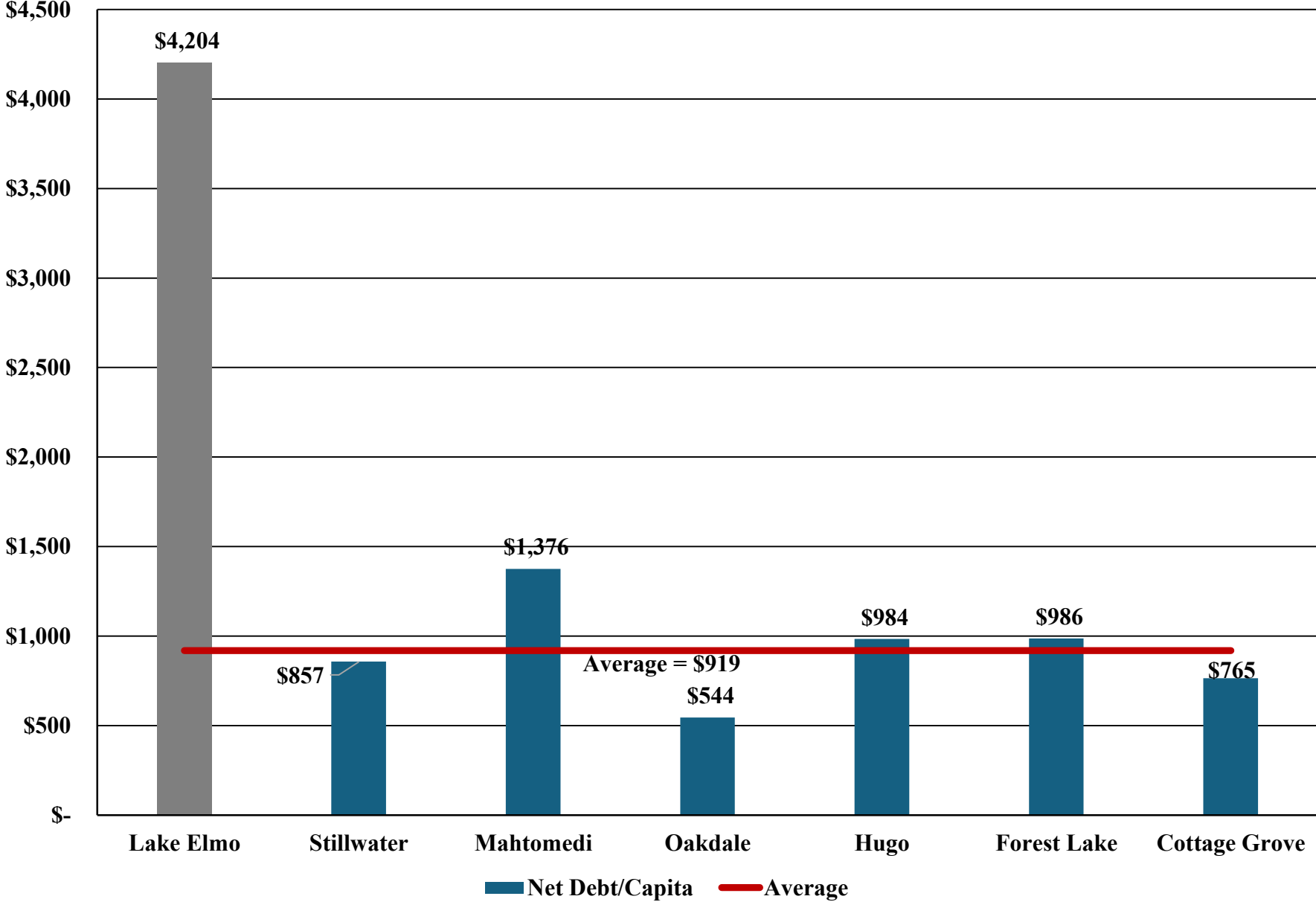
38.38%

36.27%

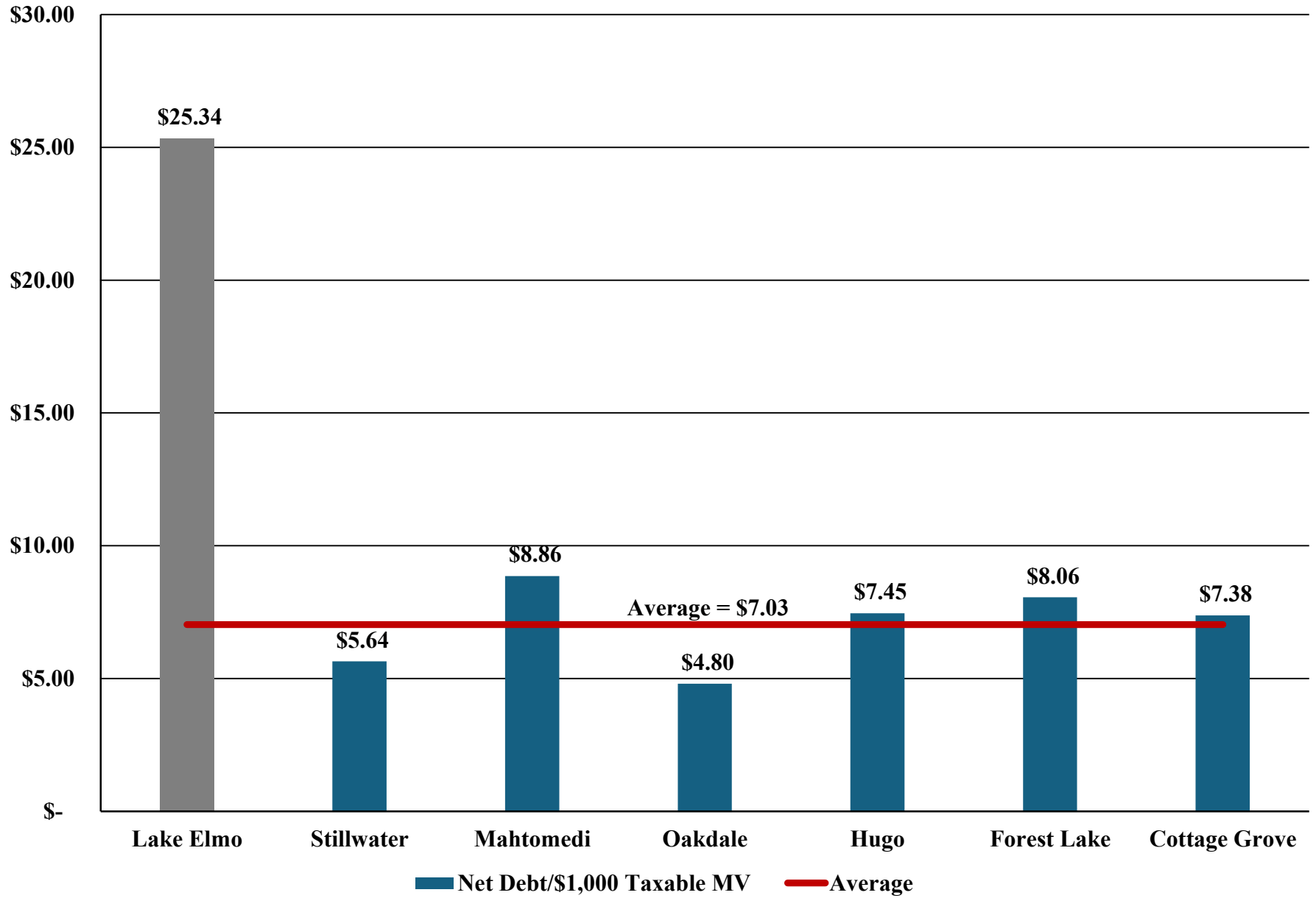
35.6%

33.74%

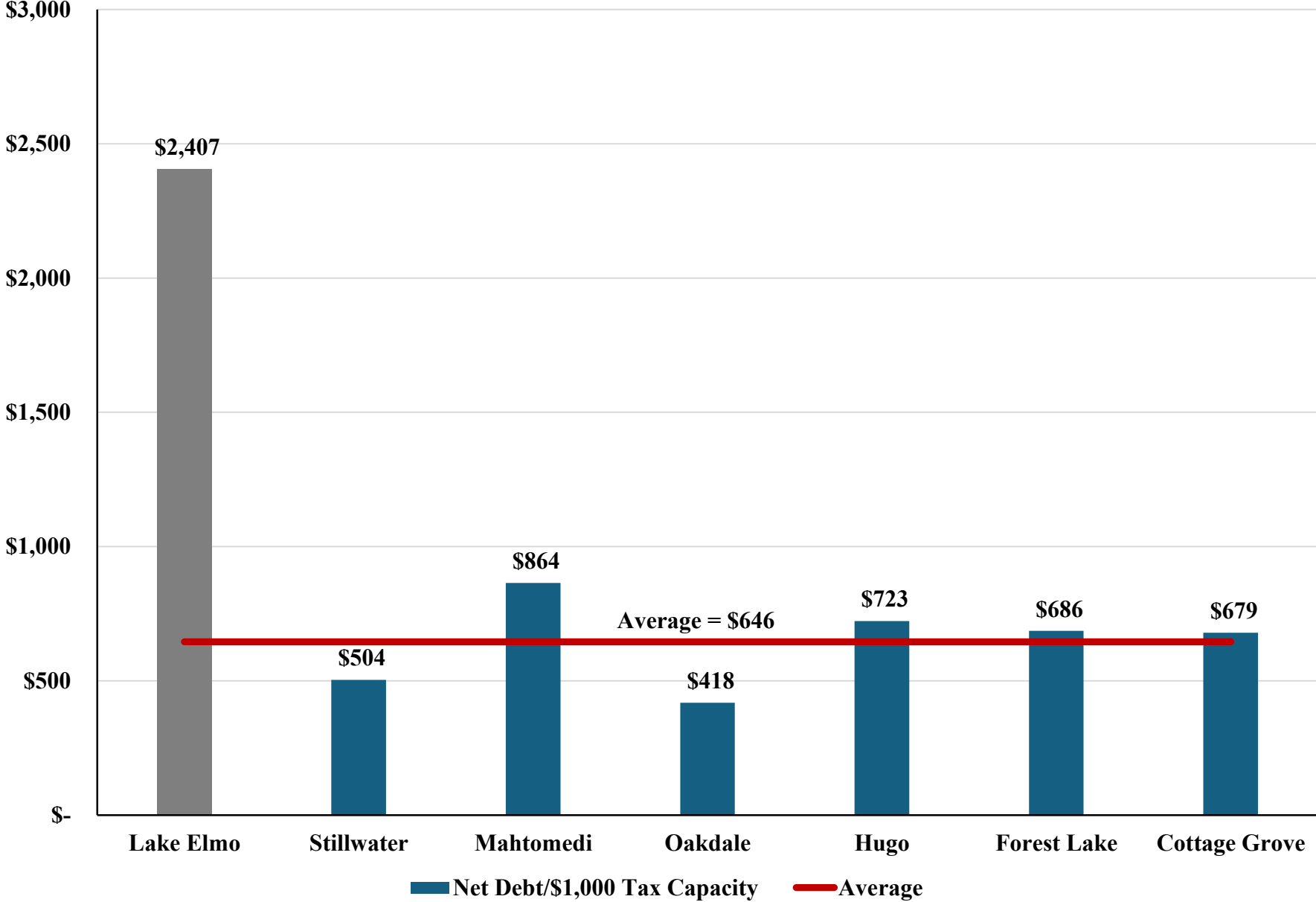
2022 Net Debt/Capita



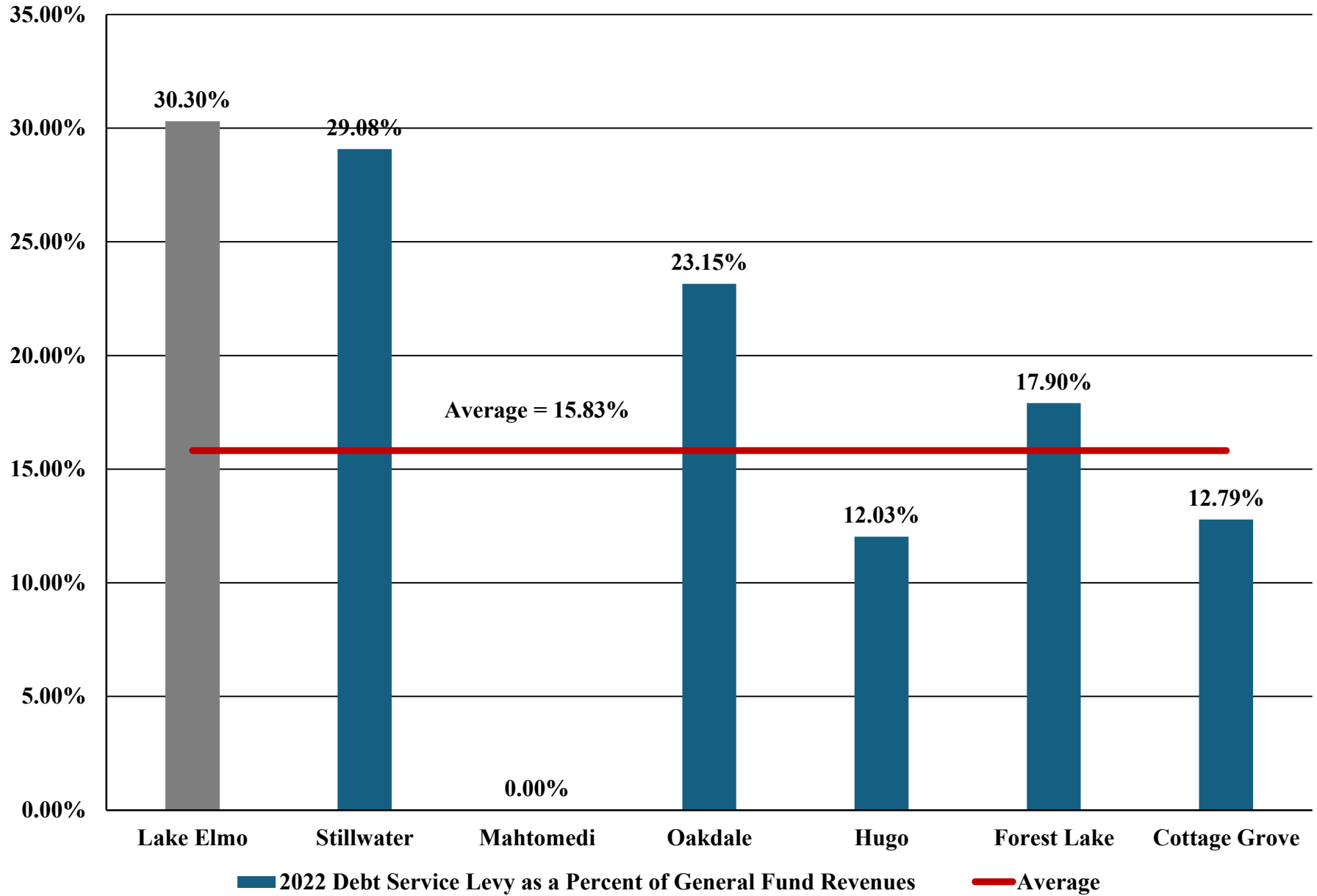
2022 Net Debt/\$1,000 Taxable MV



2022 Net Debt/\$1,000 Tax Capacity



2022 Debt Service Levy As A Percent of General Fund Revenues



CITY OF LAKE ELMO

2025-2034 CAPTIAL IMPROVEMENT PLAN

Finance Dept Columns

Incremental Increase	Cash Goal
3%	35%

from Jack 6/12/2024

RESIDENTIAL STREET IMPROVEMENTS	Grant %	Assessment funded Debt	Levy Funded Bond %	Cash %	from Jack 6/12/2024										COMMENTS																							
					2025	2026	2027	2028	2029	2030	2031	2032	2033	2034																								
3M SETTLEMENT GRANT FUNDED STREET IMPROVEMENTS																																						
3M GRANT 2025 STREET IMPROVEMENTS: Homestead	100%			\$	1,315,000	\$	1,315,000									\$	1,315,000	3M-Grant (CDWSP Approved Neighborhood)																				
3M GRANT 2026 STREET IMPROVEMENTS: Packard Park + Eden Park + 20th Street Circle	100%			\$	4,550,000		\$	4,550,000								\$	4,550,000	3M-Grant (CDWSP Approved Neighborhood)																				
3M GRANT 2027 STREET IMPROVEMENTS: Tartan Meadows + Klondike	100%			\$	3,500,000			\$	3,500,000							\$	3,500,000	3M-Grant Required: Not included in current CDWSP																				
3M GRANT 2028 STREET IMPROVEMENTS: Downs Lake Estates + Sunfish Ponds + The Forest	100%			\$	3,400,000				\$	3,400,000						\$	3,400,000	3M-Grant Required: Not included in current CDWSP																				
				\$	-													Total Grant Funds: \$12,765,000																				
ANNUAL STREET CAPITAL IMPROVEMENT PROJECTS																																						
2025 STREET AND UTILITY IMPROVEMENTS: 59th St Ct/55th St/Julep Way & 57th St/Jasper/Jerome/Irish Ct	Street	30%	62%	8%	\$	2,620,000	\$	2,620,000										\$	786,000	Assessment Revenue																		
2026 STREET AND UTILITY IMPROVEMENTS: Lake Elmo Heights + Innsdale CDS + Inwood CDS	Street	30%	59%	11%	\$	2,740,000		\$	2,740,000										\$	822,000	Assessment Revenue																	
2027 STREET IMPROVEMENTS: OACE Acres: Hidden Bay Tr/Birchwood/Cherrywood/Windbreak/Jack Pine/Deer Pond	Street	30%	56%	14%	\$	2,755,000			\$	2,755,000										\$	826,500	Assessment Revenue																
2028 STREET AND UTILITY IMPROVEMENTS: St. Croix's Sanctuary	Street	30%	53%	17%	\$	2,450,000				\$	2,450,000										\$	735,000	Assessment Revenue															
2029 STREET AND UTILITY IMPROVEMENTS: 50th Street + Hill Trail (combine with Low Pressure sewer ext. to Oakdale)	Street	30%	50%	20%	\$	2,175,000				\$	2,175,000											\$	652,500	Assessment Revenue														
2030 STREET AND UTILITY IMPROVEMENTS: Discover Crossing + Hilltop	Street	30%	47%	23%	\$	2,200,000					\$	2,200,000											\$	660,000	Assessment Revenue													
2031 STREET AND UTILITY IMPROVEMENTS: Tablyn Park	Street	30%	44%	26%	\$	2,000,000						\$	2,000,000											\$	600,000	Assessment Revenue												
2032 STREET AND UTILITY IMPROVEMENTS: Tapestry at Charlotte's Grove	Street	30%	41%	29%	\$	3,915,000							\$	3,915,000											\$	1,174,500	Assessment Revenue											
2033 STREET AND UTILITY IMPROVEMENTS: 36th & 37th Street + Irwin Ave; 47th/50th/Kimbro (Keats to Lake Elmo)	Street	30%	38%	32%	\$	3,000,000									\$	3,000,000									\$	900,000	Assessment Revenue											
2034 STREET IMPROVEMENTS: DeMontreville-Highlands	Street	30%	35%	35%	\$	3,200,000										\$	3,200,000								\$	960,000	Assessment Revenue											
				\$	-																																	
RESIDENTIAL STREET IMPROVEMENT TOTALS					\$	39,820,001	\$	3,935,000	\$	7,290,000	\$	6,255,000	\$	5,850,000	\$	2,175,000	\$	2,200,000	\$	2,000,000	\$	3,915,000	\$	3,000,000	\$	3,200,000	\$	39,820,001										
				\$	2,705,500																			\$	2,705,500		20%	\$	27,055,001									
TRANSPORTATION IMPROVEMENTS																																						
CITY STREETS/PROJECTS																																						
VILLAGE PARKWAY UP RAILROAD CROSSING & PRIVATE DRIVE CLOSURE (DOT 183913SD) & DOT 183811D UPGRADES	Street		0%	100%	\$	1,040,000	\$	1,040,000																										\$	1,040,000	New UPRR Crossing (Partial Developer XING Fees)		
HUDSON BLVD (MSA ROUTE) - GAP SEGMENT (Vahl-Hi -Bus Facility)	Street	50%		39%	\$	560,000		\$	560,000																									\$	560,000	Reconstruction (MSA Fund use eligible) - Trail Connection		
HUDSON BLVD (MSA ROUTE) - GAP SEGMENT (Keats to Kramer Lake Overlook)	Street	50%		36%	\$	2,100,000			\$	2,100,000																								\$	2,100,000	Reconstruction (MSA Fund use eligible) - Trail Connection		
SOUTH FRONTAGE ROAD (DEMONTREVILLE TRAIL TO KEATS AVENUE)	Street			74%	\$	5,760,000																												\$	5,760,000	SRF EOC -2019		
5TH STREET NORTH (KEATS AVENUE TO LAKE ELMO AVENUE)	Street	30%		47%	\$	4,600,000																												\$	4,600,000	Partial Developer Paid or Reimbursement?		
				\$	-																																	
COUNTY PROJECTS/CITY COST PARTICIPATION																																						
TH36-LAKE ELMO AVENUE (CSAH 17) INTERSECTION IMPROVEMENTS	Street		89%	11%	\$	5,000,000		\$	2,500,000	\$	2,500,000																								\$	5,000,000	Cost Share Agreement pending. 2026-2027 Construction	
SOUTH FRONTAGE ROAD (KEATS AVENUE TO LAKE ELMO AVENUE)	Street		86%	14%	\$	3,000,000		\$	1,000,000	\$	2,000,000																								\$	3,000,000	Potential MnDOT Funding TBD. 2026-2027 Construction	
MANNING AVENUE (CSAH 15)/HUDSON BOULEVARD SIGNAL IMPROVEMENTS	Street		89%	11%	\$	300,000		\$	300,000																										\$	300,000	Traffic Signal required when Hudson Boulevard Intersection realigned.	
CSAH 13 -IDEAL AVENUE IMPROVEMENTS: PHASE 3	Street		86%	14%	\$	1,000,000			\$	1,000,000																									\$	1,000,000	EOC TBD. No estimate completed. Cost share with developer needed	
CSAH 14 (KLONDIKE AVENUE TO 39TH STREET)	Street		80%	20%	\$	1,000,000					\$	1,000,000																							\$	1,000,000	Monitor County CIP status. County Planning/Design in 2027	
CSAH 17 (CSAH 14 to 43RD STREET)	Street		77%	23%	\$	1,000,000						\$	1,000,000																						\$	1,000,000	Monitor County CIP status. County Planning/Design in 2028	
LAKE ELMO AVENUE & 39TH STREET TRAFFIC SIGNAL	Street		77%	23%	\$	500,000						\$	500,000																						\$	500,000	Project timing by County	
CSAH 6 AND INWOOD TRAFFIC SIGNAL IMPROVEMENTS	Street		68%	32%	\$	500,000																													\$	500,000	Signal to replace 3-All way stop	
CENTRAL GREENWAY REGIONAL TRAIL (Hagberg; \$120 + Keats/CSAH10)	Street		100%	0%	\$	-																													\$	-	Park Dedication Funds - Timing based on County	
CSAH 15 -MANNING AVENUE IMPROVEMENTS: CSAH 14 to 10th Street	Street		65%	35%	\$	1,002,500	\$	2,500																											\$	1,002,500	2025 Construction (Rehab Project); Future 4-Lane Expansion TBD	
CSAH 15 -MANNING AVENUE IMPROVEMENTS: CSAH 14 to 58th Street	Street		65%	35%	\$	1,000,000																													\$	1,000,000	Future 4-Lane Expansion TBD	
				\$	-																																	
TRANSPORTATION IMPROVEMENT TOTALS					\$	28,362,500	\$	1,042,500	\$	4,360,000	\$	7,600,000	\$	-	\$	1,000,000	\$	6,100,000	\$	5,760,000	\$	-	\$	500,000	\$	2,000,000	\$	2,836,250	\$	28,362,500								
				\$	45,897,250	\$	2,876,500	\$	6,278,000	\$	9,528,500	\$	1,715,000	\$	2,522,500	\$	7,640,000	\$	7,160,000	\$	2,740,500	\$	2,600,000	\$	2,836,250	\$	5,541,750	\$	55,417,501									
				\$	-																															12%		
SANITARY SEWER IMPROVEMENTS																																						
3M GRANT 2028 STREET AND UTILITY IMPROVEMENTS: SANITARY SEWER: Sunfish Ponds																																						
3M GRANT 2028 STREET AND UTILITY IMPROVEMENTS: SANITARY SEWER: Sunfish Ponds		100%			\$	380,000																														\$	380,000	100% Assessment for Sewer Costs
2029 STREET AND UTILITY IMPROVEMENTS: 50th Street + Hill Trail (combine with Low Pressure sewer ext. to Oakdale)	Sewer	100%			\$	1,685,000																														\$	1,685,000	100% Assessment for Sewer Costs
2032 STREET AND UTILITY IMPROVEMENTS: Tapestry at Charlotte's Grove	Sewer	100%			\$	1,000,000																														\$	1,000,000	100% Assessment for Sewer Costs
I-94 LIFT STATION AND FORCEMAIN UPGRADE* (to be revised pending MetCo Final design)	Sewer		86%	14%	\$	900,000																														\$	900,000	Schedule pending Met Council final design: Sewer Core Fund
LAKE JANE TRAIL / JANE ROAD SANITARY SEWER EXTENSION - PHASE 1	Sewer		89%	11%	\$	-																														\$	-	Petition submitted / Scope and Cost TBD
LAKE JANE TRAIL / JANE ROAD SANITARY SEWER EXTENSION - PHASE 2	Sewer		86%	14%	\$	-																														\$	-	Petition submitted / Scope and Cost TBD
SE-5 LIFT STATION AND OVERSIZE + SE-6 LIFT STATION AND OVERSIZE	Sewer		80%	20%	\$	-																														\$	-	100% Developer Paid if < 2030 Growth Area
INWOOD AVENUE LIFT STATION AND FORCEMAIN IMPROVEMENTS	Sewer		77%	23%	\$	-																														\$	-	\$6,800,000: Alternative Sewer to Oakdale Connection
SANITARY SEWER OVERSIZING FOR SECTION 16 TRUNK SEWER EXTENSION	Sewer		0%	100%	\$	200,000																														\$	200,000	Developer driven schedule (Sewer Core Fund)
SANITARY SEWER OVERSIZING	Sewer		0%	100%	\$	386,400	\$	25,920	\$	40,000	\$	50,000	\$	38,640																								

CITY OF LAKE ELMO

2025-2034 CAPITAL IMPROVEMENT PLAN

Finance Dept Columns

Incremental	
Increase	Cash Goal
3%	35%

from Jack 6/12/2024

WATER SYSTEM IMPROVEMENTS	Assessment	Levy Funded	Grant %	funded Debt	Bond %	Cash %	2025-2034										COMMENTS			
							2025	2026	2027	2028	2029	2030	2031	2032	2033	2034				
3M GRANT 2025 STREET AND UTILITY IMPROVEMENTS: WATERMAIN: Homestead	100%						\$ 935,000	\$ 935,000										\$ 935,000	3M-Grant (CDWSP Approved Neighborhood)	
3M GRANT 2026 STREET AND UTILITY IMPROVEMENTS: WATERMAIN: Packard Park + Eden Park + 20th Street Circle	100%						\$ 2,500,000		\$ 2,500,000									\$ 2,500,000	3M-Grant (CDWSP Approved Neighborhood)	
3M GRANT 2027 STREET AND UTILITY IMPROVEMENTS: WATERMAIN: Tartan Meadows + Klondike	100%						\$ 1,900,000			\$ 1,900,000								\$ 1,900,000	3M-Grant Required: Not included in current CDWSP	
3M GRANT 2028 STREET AND UTILITY IMPROVEMENTS: WATERMAIN: Downs Lake Estates + Sunfish Ponds+The Forest	100%						\$ 2,200,000				\$ 2,200,000							\$ 2,200,000	3M-Grant Required: Not included in current CDWSP	
9757, 9759 & 9765 45TH STREET WATERMAIN EXTENSION (BLACKFORD EXTENSION)	100%						\$ 450,000				\$ 450,000							\$ 450,000	3M-Grant Required: Not included in current CDWSP	
							\$ -											\$ -	Total Grant Funds: \$7,985,000	
2025 STREET AND UTILITY IMPROVEMENTS: 59th St Ct (1500 ft 8") /55th St/Julep Way & 57th St/Jasper/Jerome/Irish Ct (620 ft 8")	Water	100%					\$ 320,000	\$ 320,000										\$ 320,000	100% Assessed	
2026 STREET AND UTILITY IMPROVEMENTS: Lake Elmo Heights + Innsdale CDS + Inwood CDS	Water			89%	11%		\$ 327,000		\$ 327,000									\$ 327,000	Water Core Fund (includes \$145,000 for PRV)	
2027 STREET IMPROVEMENTS: OACE Acres: Hidden Bay Tr/Birchwood/Cherrywood/Windbreak/Jack Pine/Deer Pond	Water			86%	14%		\$ -		\$ -									\$ -	No watermain in improvement area	
2028 STREET AND UTILITY IMPROVEMENTS: St. Croix's Sanctuary	Water			83%	17%		\$ 150,000			\$ 150,000								\$ 150,000	Water Core Fund	
2029 STREET AND UTILITY IMPROVEMENTS: 50th Street + Hill Trail (combine with Low Pressure sewer ext. to Oakdale)	Water			80%	20%		\$ -			\$ -								\$ -	No watermain in improvement area	
2030 STREET AND UTILITY IMPROVEMENTS: Discover Crossing + Hilltop	Water			77%	23%		\$ 100,000				\$ 100,000							\$ 100,000	Water Core Fund	
2031 STREET AND UTILITY IMPROVEMENTS: Tablyn Park	Water			74%	26%		\$ 130,000					\$ 130,000						\$ 130,000	Water Core Fund	
2032 STREET AND UTILITY IMPROVEMENTS: Tapestry at Charlotte's Grove	Water			71%	29%		\$ 210,000						\$ 210,000					\$ 210,000	Water Core Fund	
2033 STREET AND UTILITY IMPROVEMENTS: 36th & 37th Street + Irwin Ave; 47th/50th/Kimbrow (Keats to Lake Elmo)	Water			68%	32%		\$ 550,000							\$ 550,000				\$ 550,000	Water Core Fund	
2034 STREET IMPROVEMENTS: DeMontreville-Highlands	Water			65%	35%		\$ -								\$ -			\$ -	No watermain in improvement area	
TEMPORARY PFAS TREATMENT PLANT FOR WELL #2	Water	100%		0%	0%		\$ 2,500,000	\$ 2,500,000										\$ 2,500,000	3M Settlement Funds	
PRODUCTION WELL 6 AND SITE ACQUISITION	Water			92%	8%		\$ 750,000	\$ 750,000										\$ 750,000	Water Core Fund	
TREATMENT PLANT & RAW WATERMAIN	Grant?	100%		0%	0%		\$ 49,000,000	\$ 24,500,000	\$ 24,500,000									\$ 49,000,000	3m Settlement Funds. Improved EOC needed	
PRODUCTION WELL 7 (TEST WELL AND SITE ACQUISITION)	Water			89%	11%		\$ 750,000	\$ 750,000										\$ 750,000	Water Core Fund	
							\$ -											\$ -	Total Grant Funds: \$51,500,000	
VILLAGE EAST UPRR TRUNK WATERMAIN CROSSING + PRV	Water			100%	0%		\$ 566,000	\$ 336,000	\$ 230,000									\$ 566,000	12-inch Boring with Xing Imp / PRV with Development	
HUDSON BOULEVARD TRUNK WATERMAIN EXTENSION (Keats Avenue to Lake Elmo Avenue)	Water			86%	14%		\$ 1,800,000		\$ 1,800,000									\$ 1,800,000	Water Core Fund	
5TH STREET NORTH (KEATS AVENUE TO LAKE ELMO AVENUE)	Water			77%	23%		\$ 1,700,000				\$ 1,700,000							\$ 1,700,000	Water Core Fund	
WATERMAIN TRUNK WATERMAINS	Water			100%	0%		\$ 4,500,000			\$ 1,500,000	\$ 1,500,000		\$ 1,500,000					\$ 4,500,000	Water Core Fund	
PAINT WATER TOWER #2 (PUBLIC WORKS BUILDING)	Water			86%	14%		\$ 800,000		\$ 800,000									\$ 800,000	Water Core Fund	
PAINT WATER TOWER #4 (INWOOD)	Water			68%	32%		\$ 800,000						\$ 800,000					\$ 800,000	Water Core Fund	
DECOMMISSION WATER TOWER #1	Water			0%	100%		\$ 50,000	\$ 50,000										\$ 50,000	Water Core Fund	
WELL #5 PUMP MAINTENANCE	Water			0%	100%		\$ 50,000				\$ 50,000							\$ 50,000	Water Core Fund	
WELL #4 PUMP MAINTENANCE	Water			0%	100%		\$ 50,000					\$ 50,000						\$ 50,000	Water Core Fund	
WATERMAIN OVERSIZING	Water						\$ 470,475	\$ 150,475	\$ 130,000	\$ 190,000	\$ -	\$ -	\$ -	\$ -				\$ 470,475	Water Core Fund	
WATER SYSTEM TOTALS							\$ 73,558,475	\$ 29,541,475	\$ 28,437,000	\$ 4,690,000	\$ 4,300,000	\$ 1,500,000	\$ 1,850,000	\$ 1,680,000	\$ 210,000	\$ 1,350,000	\$ -	\$ 73,558,475		
							\$ -											\$ -		
							\$ -											\$ -		
STORMWATER MANAGEMENT / STORM SEWER SYSTEM IMPROVEMENTS							\$ 20,295	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	COMMENTS		
PHASE 2 REGIONAL DRAINAGE IMPROVEMENTS: NORTHSTAR POND OVERSIZE	Storm			0%	100%		\$ 285,405	\$ 285,405										\$ 285,405	Stormwater Enterprise Fund: Oversize Payment to Northstar 1st Addition	
PHASE 3 REGIONAL DRAINAGE IMPROVEMENTS: LIONS PARK DRAINAGE RETENTION	Storm			100%	0%		\$ 575,000		\$ 575,000									\$ 575,000	Stormwater Enterprise Fund. Potential developer cost-share	
STORMWATER REUSE IRRIGATION SYSTEMS: LIONS PARK BALLFIELDS	Storm			0%	100%		\$ 76,000		\$ 76,000									\$ 76,000	Pursue VBWD Grant / Partnership	
STORMWATER REUSE IRRIGATION SYSTEMS: FUTURE CITY BALLFIELDS	Storm			0%	100%		\$ 80,000	\$ 40,000	\$ 40,000									\$ 80,000	Pursue VBWD Grant / Partnership with BallField Construction	
STORMWATER REUSE IRRIGATION SYSTEMS: DEVELOPMENT CONVERSION (Wildflower; Legacy at North Star)	Storm			100%	0%		\$ -	TBD	TBD									\$ -	Pursue VBWD Grant / Partnership with BallField Construction	
STORM SEWER SYSTEM IMPROVEMENTS/REPAIRS/REPLACEMENTS (Future Unidentified)	Storm				100%		\$ 350,000	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000		\$ 350,000	Repair costs pending Public Works MS4 inspections	
STORMWATER SYSTEM TOTALS							\$ 285,405	\$ 40,000	\$ 741,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ 1,366,405		
TOTALS							\$ 34,830,300	\$ 40,167,000	\$ 20,436,000	\$ 10,618,640	\$ 6,448,640	\$ 10,238,640	\$ 9,528,640	\$ 5,213,640	\$ 4,938,640	\$ 5,238,640	\$ 147,658,781			
PARK IMPROVEMENTS							2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	COMMENTS			
NEW OR REFURBISHED BALLFIELDS																		\$ -	Parks Fund	
TRAIL ADDITIONS																		\$ -	Parks Fund	
CENTRAL GREENWAY REGIONAL TRAIL																		\$ -	Parks Fund	
PARK IMPROVEMENT TOTALS							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CAPITAL IMPROVEMENT TOTALS							\$ 34,830,300	\$ 40,167,000	\$ 20,436,000	\$ 10,618,640	\$ 6,448,640	\$ 10,238,640	\$ 9,528,640	\$ 5,213,640	\$ 4,938,640	\$ 5,238,640	\$ 147,658,781			
							\$ 112,500,581											\$ 147,658,781		

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