CITY OF SHOREVIEW
AGENDA
REGULAR CITY COUNCIL MEETING
DECEMBER 19, 2011
7:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF AGENDA

PROCLAMATIONS AND RECOGNITIONS

--Recognition of Retiring Parks and Recreation Director Jerry Haffeman

CITIZENS COMMENTS - *Individuals may address the City Council about any item not included on the regular agenda. Specific procedures that are used for Citizens Comments are available on notecards located in the rack near the entrance to the Council Chambers. Speakers are requested to come to the podium, state their name and address for the clerk's record, and limit their remarks to three minutes. Generally, the City Council will not take official action on items discussed at this time, but may typically refer the matter to staff for a future report or direct that the matter be scheduled on an upcoming agenda.*

COUNCIL COMMENTS

CONSENT AGENDA - *These items are considered routine and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*

1. December 5, 2011 City Council Meeting Minutes

2. Receipt of Committee/Commission Minutes
   --Planning Commission, October 25, 2011

3. Monthly Reports
   --Administration
   --Community Development
   --Finance
   --Public Works
   --Park and Recreation

4. Verified Claims

5. Purchases

6. License Applications

7. Developer Escrow Reduction

8. Adoption of Working Capital Targets and Receipt of 2012 to 2016 Five-Year Plan

9. Designation of Official Depositories for 2012

10. Certification of Delinquent Utility Accounts

11. Certification of Delinquent Tree Removal

12. Establishing a Budget Policy

13. Amendment to Planned Unit Development/Site Development Agreements—Southview Senior Living LLC (Cascades)

PUBLIC HEARING

14. Public Hearing—Modification of Municipal Development District No. 2, Establishment of Tax Increment Financing District No. 7 (Economic Development District) and Adoption of Tax Increment Financing Plan for Shoreview Senior Living (Cascades) Senior Housing Project

GENERAL BUSINESS

15. Items Related to the Budget and 2012 Tax Levy
    A. Amend 2012 Debt Levies
    B. Adopt 2012 Tax Levy (City, HRA and EDA)
    C. Adopt 2012-2013 Biennial Budget
    D. Adopt Capital Improvement Program for 2012 through 2016
    E. Employee Wage and Benefit Adjustment

16. Adopt Ordinance Establishing 2012 Utility Rates

17. Abatement of Public Nuisance—1648 Lois Drive

STAFF AND CONSULTANT REPORTS AND RECOMMENDATIONS

SPECIAL ORDER OF BUSINESS

ADJOURNMENT

CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
December 5, 2011

CALL TO ORDER

Pursuant to due call and notice thereof, a regular meeting of the Shoreview City Council was called to order by Mayor Martin on December 5, 2011, at 7:00 p.m.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the flag.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Quigley, Wickstrom and Withhart.

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the December 5, 2011 agenda as submitted.

ROLL CALL: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

There were none.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

This is the last week of the Gallery 96 art show at the Ramsey County Shoreview Library. The show will be on display until December 9, 2011.

The Shoreview Northern Lights Variety Band concert will be held on Saturday evening, December 10, at 7:00 p.m., at Bethel Great Hall on the campus of Bethel University. Tickets are available at the door or at a discount at City Hall.

The Shoreview Community Foundation had their annual dinner last Thursday, December 1, 2011. The event was a great success and well attended.

Councilmember Huffman:

Noted the "Welcome Home Warrior" event in Arden Hills on Saturday, December 3, 2011, for the 407th Battalion. It was a good experience and welcome back to those soldiers.

Mayor Martin added that Governor Dayton and Secretary of State Ritchie both attended.

CONSENT AGENDA

The City Council minutes of November 7, 2011 and November 21, 2011 were pulled for a separate vote.

In regard to No. 9, the City's SCORE Grant application and recycling fee, Councilmember Wickstrom requested that the City look into recycling of plastics not in categories #1 and #2, such as yogurt containers. Mr. Schwerm responded that those plastics will be accepted after the first of the year. That information is in the most recent ShoreViews newsletter.

MOTION: by Councilmember Quigley, seconded by Councilmember Huffman to adopt the items listed on the consent agenda of December 5, 2011, with the exclusion of item Nos. 1, 3 and 4, approving the necessary motions and resolutions:

2. November 14, 2011 City Council Workshop Meeting Minutes
5. Receipt of Committee/Commission Minutes:
   - Bikeways & Trails Committee, September 1, 2011
   - Human Rights Commission, October 26, 2011
   - Bikeways & Trails Committee, November 3, 2011
   - Environmental Quality Committee, November 28, 2011
6. Verified Claims in the Amount of $427,456.12
7. Developer Escrow Reduction
8. MnDOT Agency Agreement
9. Establish City Recycling Fee and Approve SCORE Grant Application
10. Approval of Application for Exempt Permit - Pinnacle Athletic Club
11. Renewal of Lease Agreement - Fitness Center Equipment
12. Approval of Agreements - Community Center Exclusive Alcoholic Beverage Providers

VOTE: Ayes - 5 Nays - 0

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to approve the November 7, 2011 City Council Meeting Minutes.

VOTE: Ayes - 3 Nays - 0 Abstain - 2 (Huffman, Withhart)

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to approve the November 21, 2011 City Council Meeting Minutes and the November 21, 2011 City Council Workshop Meeting Minutes.

VOTE: Ayes - 4 Nays - 0 Abstain - 1 (Martin)

PUBLIC HEARING

BUDGET HEARING - REVIEW OF 2012 BUDGET AND TAX LEVY

Presentation by Finance Director Jeanne Haapala and City Manager Terry Schwerm

The final City budget and Capital Improvement Program (CIP) will be posted on the City's website and will be available at the library in early January. Other documents also available on the website include: 1) Utility Operations; 2) Community Benchmarks--comparisons of Shoreview to other cities; and 3) Five-year Operating Plan.

There are several objectives of the City budget:

- First, is to adopt a balanced fund budget.
- Maintain existing programs and services.
- Fund infrastructure replacement--this is a long-term plan to replace streets and major assets of infrastructure in a timely manner.
- Continue a 5-year operating plan
- Meet debt obligations
- Maintain the City's AAA bond rating, which was achieved approximately one year ago. This rating is not earned easily and indicates that the City's finances are in good shape.
- This year a two-year budget was prepared with expanded budget content to include goals and objectives of the Council, new performance measures with respect to the budget, and use of community survey data from 2010.
- Protect parks, lakes and open space, which the community survey indicated is a key value of residents in the City that helps maintain property values.
- Position the City to address future challenges and opportunities by pursuing ways to maintain and revitalize neighborhoods, encourage business expansion and reinvestment, assist with redevelopment opportunities through the creation of the Economic Development Authority (EDA) and utilize technology to improve services and communications.

Proposed Tax Levy and Estimated Tax Rate

Several funds are part of the tax levy. The General Fund has decreased almost $229,000 this year. The EDA and HRA levies are increasing a total of $40,000. The EDA works on both housing and economic development goals of the City. Debt service funds are increasing by approximately $33,000. Capital replacement fund for the Street Renewal Fund and Fixed Asset Revolving Fund are increasing a total of $100,000 to support infrastructure replacement

costs. The Capital Improvement Fund is increasing by $10,000 to fund new initiatives. Overall, the levy is approximately 0.5% below 2011, from approximately $9.4 million to $9,360,000.

Taxable Value

This is the primary factor that results in increasing tax rates in the City. The taxable values of all property in the City are decreasing approximately 8%. One reason is declining home values. Also, the new program enacted by the legislature, Market Value Homestead Exclusion, is further decreasing property values. This means the tax rate is going up approximately 8.4%, even though the tax levy is decreasing. This is because the tax rate is spread across lower taxable values in the City.

Fiscal disparities is a metro wide tax sharing program. The City's allocation from that is decreasing from $866,000 to $838,000, which is part of the City's levy calculation.

Reductions of $202,000 have already been made to the initial budget proposed in August.

Impacts on the Tax Levy

The Market Value Homestead Credit program has ceased. Previously, it worked as a credit to homeowners, and cities and counties were supposed to be reimbursed for their share of that credit program. For the last several years, the state has not reimbursed the City. Therefore, in order to cover operating costs, the City was forced to levy for that loss. Levying for that loss is not necessary this year because of the new Market Value Exclusion program and is the primary reason why the tax levy is decreasing. Rather than giving homeowners a credit the City never receives, the state is now providing a similar tax credit to residents living in low and moderate value homes.

Another factor that increases the tax levy is public safety costs, which includes deputies in the City, animal control and expenses for the consolidated dispatch service provided by the County.

The Lake Johanna Fire Department costs are increasing because of the implementation of duty crews. Stations are being staffed additional hour every year as part of a six-year plan to eventually staff all stations 24/7. The benefits of this program are faster response times to fire emergencies and improved response to medical emergencies. All firefighters are now trained to the EMT level and able to administer a high level of medical aid.

Other factors driving the levy are the Capital replacement funds which have increased by $100,000; EDA and HRA levies which have increased $40,000; debt payments, an increase of $33,026; capital improvement increase of $10,000 and personnel costs that are increasing $3,806. Combined, the City's tax levy is decreasing approximately $45,000 or about 0.5%.

Budget Reduction and Efficiency Strategies

The City has implemented the following strategies to keep the tax levy as low as possible:

- If the City did not contract with Ramsey County for police protection, public safety costs would be two to three times higher.
- Use of correctional crews which are cost effective for custodial and outside work projects.
- This year a department director position was eliminated as a result of a retirement.
- Access Shoreview articles have been discontinued.
- No contingency allowance is planned for 2012.
- The long-term approach to replacing streets and other fixed assets provides for more orderly levy increases so there are not significant jumps in replacement costs. The City proposes a Comprehensive Replacement Plan that looks at all City assets for the next 40 to 50 years.
- Some street renewal projects have been delayed.
- The staff wage adjustment has been limited to 1% next year.

How Changes in Value Impact Property Taxes

Each year, the City receives information from Ramsey County on property value changes. In 2012, the majority of property values are decreasing. Approximately 23% of homes will maintain the same value, and approximately 140 (0.5%) will increase in value. The most common question is, "How can my home value go down and my taxes go up?" With the elimination of the Market Value Homestead Credit program, which provided a tax credit to all homeowners with reimbursement to local government. Shoreview collected this full credit in only one year. By last year, the City was experiencing a $350,000 loss in tax credits not reimbursed. The Homestead Value Exclusion program now replaces Market Value Homestead Credit, which only applies to property valued at $413,000 or less. The amount changes based on the value of the property, so that the home valued at $76,000 receives the largest market value exclusion. The exclusion decreases as the property value increases.

The biggest impact is that it reduces taxable value. The change from a credit to an exclusion results in a tax rate increase on most properties, including apartments and businesses. A credit is a reduced amount of taxes due. An exclusion is reduced value for tax purposes. The exclusion reduces the total taxable value. Collection of the same tax amount as other years requires a higher tax rate. The burden of taxes is shifted to other property types and higher valued homes. The tax benefits from a credit or exclusion are not equal for every property, and there are wide differences in tax bills.

In looking at a median home in Shoreview for 2012, valued at $235,700 (which is a drop in value from $249,000 in 2011), when Homestead Value Exclusion is applied, the value drops further to $219,673. This results in an increase in the City portion of the tax bill from approximately $726 to approximately $730 per year. This assumes the City levy stays the same and all total market value stays the same. The illustrated table shows that although

everything remains the same, the City tax changes with different values because changes in value cause the distribution in taxes to occur differently. The levy in the current year is distributed across the value in the current year. A home maintaining the same value can see taxes go up, or a higher valued home can see taxes go down.

The next table shows different valued properties from $150,000 to $1 million with a median value change of 5.5% over the last year. When the exclusion is also applied, the range of difference in City taxes for different values is from a drop of $8.00 per year to an increase of $58.00 per year with higher valued homes paying more.

Once all taxing jurisdictions (county, school district, Metropolitan Council, mosquito control) are factored in, total tax increases range from a $157 increase for a $150,000 home to $1,562 increase for a $900,000 home. This assumes home values staying the same from one year to the next and the preliminary levy submitted in September stays the same. Even though 23% of Shoreview home values are staying the same and the City levy is going down 0.5%, the taxes on those properties are going up because the tax rate went up because values are dropping. Of the total tax bill, 21.3% goes to the City. The rest goes to the county, school district, regional rail, Metropolitan Council, mosquito control, Rice Creek Watershed (those located in that district) and HRA.

It is very difficult for the City to have a significant impact on the tax bill because the City's share is relatively small.

Community Benchmarks

This information shows how Shoreview compares to 28 other similar sized communities in the metropolitan area. The most recent data shows that regarding the City portion of the tax bill on a median valued home, Shoreview is fifth lowest and 22% below the average. For the total tax bill on a median valued home, Shoreview is approximately 3.5% above the average.

Final action on the budget, Capital Improvement Program, tax levy, utility rates and working capital targets for operating funds will be taken at the City Council meeting on December 19, 2011. City Manager Schwerm stated that while not required, the City did publish notice of this public hearing in the legal newspaper. Hearing information was also sent out by Ramsey County to property owners.

Mayor Martin opened the public hearing at 7:48 pm.

Mr. Jay Reede, 5804 Prairie Ridge Drive, stated that his City tax increase went from $465.41 in 2011 to $709.08 in 2012, a 52% increase. His total tax assessment went from $2,144 to $3,336 for a total of over 55%. No matter the formula, a 52% increase should receive a lot of scrutiny. He lives on the south side of Prairie Ridge, a neighborhood of retirees living on fixed incomes. On the north side of Prairie Ridge, taxes were reduced. County Commissioner Tony Bennett's City assessment went from $464 to $466. His total tax increased 3.8%. That is representative of the north side of Prairie Ridge. He is unsure of what can be done, but this is off the wall.

Ms. Joyce Thompson, 4746 Victoria, asked if changes are made after public hearings, if the Council listens. She looked on the website and found that in 2009, Shoreview had 130.5 FTEs (full-time equivalent employees); in 2010, 130.24; and in 2011, 131.19. One person retired whose position was eliminated. One full-time person is going to half time. Then one position is requested, which will bring the total to 130.69. There have been no decreases in FTEs since 2009. She does not know any business that has not cut FTEs. Among the big budget line items, street replacement was $650,000; in 2010, it went up $50,000; in 2011, it went up another $50,000; in 2012, it will go up another $50,000. Replacement funds for 2009 are $1,050,000; and $50,000 added in 2010, 2011 and 2012. Capital improvements show $80,000 in 2009. In 2010, 2011 and 2012, $10,000 was added each year. The Economic Development Authority started in 2010 at $50,000. In 2011, it is up to $85,000; in 2012, it is $125,000. When these big items are added, it is a total of $455,000 since 2009, which is astronomical.

In the last year, there are new signs with lights and a marquis. These are the most expensive signs that can be purchased. This summer there was poured cement landscape edging, the most expensive type available. There is a camera installed by the library. Was the replacement on Victoria the most expensive? Also, the Maintenance Center was a very expensive endeavor.

Saving dollars because of low interest rates does not make sense if payments are too big and the result is debt that cannot be paid. The City should not be putting itself in debt. She believes the budget is being very inflated very fast.

Mr. Jim Steiner, 584 Kent Circle, stated that in comparison to other cities, everyone is trying to keep up with the other, such as glamorous fire stations that are appealing to the eye but unaffordable. There is a lot of unnecessary glamour. The bar is set too high. The idea that Shoreview cannot impact his tax bill too much, he would ask what happened to the idea of setting an example. Rather than being in the middle, Shoreview should be so far on the bottom and not on the radar. He knows that it takes a lot for the City to reduce his taxes $50, but if done, he would go to a local restaurant, which would give someone else a job. The City should not skirt the issue by saying the City is not that big a portion of the tax bill. Last year there were residents who stated that they had lost their jobs or taken a 25% cut in pay. Revenue is shrinking, but the requirement on the City end is always going up.

Mr. Al Dubiak, 4050 Crestview Lane, stated that he would like the FTEs reported in the budget as a point of information to know how many people work for the City. He would also like to see the percentage change for all increases for context, even though overall expenses are decreasing.

There is a budget for 2013, but he is more interested what is happening from 2011 to 2012.

Last year, there was discussion about the Community Center running at a deficit. Is there some way to tell residents what the trend is? Is part of the levy to subsidize the Community Center? Debt service is up $275,000, and is that a timing issue? General government is up 9%, but he does not know what general government means. That is a big increase. Increases of 5.5% for public safety and 6.1% for public works are also large increases.

Representative Linda Runbeck, Chair of Tax Division in the State House of Representatives, stated that the goal has been to take a look at the state aids program. Approximately $3 billion out of $34 billion is spent on tax aids. According to many tax experts, it is a general purpose aid and money is not very accountable. Many are concerned that the money is not tracked or known exactly what it pays for. Sometimes increased activity cannot be achieved without pressure from lack of revenue. There are exciting changes in cities and counties that are working very hard and not working on the assumption that budgets will always increase. She is encouraging cities to reduce budgets. With a 17% decline in value over the last few years in Ramsey County, no wonder it is difficult to get taxes paid. She stated that compared to other cities Shoreview spends a low per capita amount.

Ramsey County Assessor Stephen Baker stated that he has held his position for 11 or 12 years. He would wish that there were stable values over time, but in mass appraisals with such a dynamic market, each property is not inspected each year. Approximately one-fifth of the properties are looked at each year. Prairie Ridge properties that increased are primarily those that back to the open space on the south side. It was determined that values were lagging and a change had to be made. There is not a direct mechanism to limit increases over time. There was a limited market value in Minnesota for almost 20 years that did not work out well. Ramsey County lost approximately $2 billion in market value from Market Value Exclusion. When limited value was at its peak and growth in value was limited, the county had approximately $4.4 billion. It created inequity and was very difficult for taxpayers to understand. He noted the tax refund program in Minnesota that establishes eligibility for a tax refund based on a schedule that relates property tax to income. The legislature has put more revenue in that program, so that higher incomes are eligible. Part 2 of the program allows a refund of 60% of the increase in taxes year to year as long as the property is homesteaded each year that exceeds 12%, that falls within $100 to $1,000. He has worked with one individual on Prairie Ridge who is eligible for a $675 refund in 2012, if the form is filled out correctly. Only approximately 60% to 65% of eligible taxpayers who are eligible use this program. When the valuations come in March, that is the time to appeal. After the tax court review in June, nothing further can be done. An attorney is not necessary. An appeal is filed and individuals work with one of the appraisers. He encouraged residents to look at the possibility of a tax refund each year.

Councilmember Huffman asked how residents not present at the meeting can get this information. **Mr. Baker** responded that generally the forms are at libraries, or they can be downloaded from the state's website at www.taxes.state.mn.us. People can also call 1-800-657-3676. Ramsey County also has forms at its location in downtown St. Paul.

One person in the audience asked if there is a way to change value in a fairer way, rather than coming around every five years and raising the value a big jump. **Mr. Baker** stated that properties are reviewed every year through their mass appraisal system. The year they physically visit the property is to make sure the data on the property is what is actually there. One of the growing difficulties of a declining market, increases were tempered. Some properties need to increase. An undervalued property means that someone else is paying taxes that should be paid by that property. That is not fair.

Councilmember Wickstrom asked how sales in a neighborhood impact property values. **Mr. Baker** stated that the system uses seven comparables. The model is weighted by location, style and size. The system adjusts for comparables in different neighborhoods. Foreclosures are looked at in terms of frequency. Adjustments are made to areas more affected by foreclosures than others. Additional ways are being explored to develop techniques to factor foreclosures in the models.

Mayor Martin responded to the replacement costs raised by Ms. Thompson. The City has had a replacement philosophy for all capital equipment and infrastructure. The plan is unique nationwide in that the City can forecast 40-50 years out what replacements will be needed with approximate costs with inflation and where funds come from. They come from designated funds. In order for those improvements 15 or 30 years in the future, money has to be put in those funds to cover the cost. Cities that do not do that run into problems of millions of dollars of repairs not anticipated. The $50,000 for street repair maintains the minimum fund balance for the future. That is a philosophy that sets Shoreview apart. That is part of the reason for the AAA bond rating, one of 21 cities in the state.

The Council has reviewed the budget since August and has cut $202,000, which were difficult cuts. Those cuts were made before the public hearing. Some cities leave items in to cut until after the hearing. Shoreview is more authentic than that. It may appear that this hearing does not bring about change. The decision is not made until the next meeting in case changes need to be made. On the other hand, the Council may listen and not agree.

Councilmember Wickstrom stated that in regard to street renewal, the City has a unique policy in that certain improvements are only assessed one time. The next time a street needs curb and gutter replacement or repair, it is not assessed. It is paid for with the funds that are saved every year. Residents in Shoreview will not have huge assessments for streets that are experienced in other cities.

City Manager Schwerm stated resurfacing of Victoria Street and Tanglewood Drive that was recently done would have been assessed in many cities. Because of Shoreview's policy, it resulted in no assessments for residents. That speaks to the City's long-range planning. A practice called full-depth reclamation technique was used on Victoria that is anticipated to hold up longer. In fact, other cities are calling Public Works Director Maloney to get information on this practice.

The City's number of FTEs has remained fairly level over the last five years. A reduction was done in the early 2000s with a cut of three to five employees. There are 79 FTEs, but there are fluctuations with part-time associate employees. The year 2012 is up 1.25 because all the election judges count as associate employees. Also, Community Center and recreation program employees fluctuate. Those programs are primarily self-supported through user fees. A growth in employees may mean new classes or programs offered. The cameras in the parking lot area are for security. Often the car can be identified with a license plate number when car thefts occur. The crosswalks in the Commons area are highlighted with a paver

design because of the high amount of pedestrian traffic. This design is supposed to last eight years and will be evaluated.

Mayor Martin added that it is easier for larger cities to make employee cuts. In Shoreview, there is one code enforcement person. That position or others where there is one person in a department cannot be cut without a significant impact on service.

Councilmember Huffman responded to the question about the EDA levy. There are no new dollars or program expenses by the EDA. What is happening is the movement of existing staff being budgeted to the EDA for EDA activities of preventing foreclosures, addressing blight, playing a part in the market, when banks are not, are all having a direct impact on property values. As an example, a property that has been a blight for years with 100s of code issues and neighborhood complaints will soon be purchased by the City. The house will be razed and sell the property back to the private market.

Councilmember Quigley added that the community is 95% developed. The challenge is redevelopment. The EDA uses authority and resources that can only be used by the EDA to address redevelopment issues as the community continues to fill up and age.

Mayor Martin noted that the Council and staff use the community survey heavily, which supports many of the things that are being done. The electronic sign for the Community Center is a business decision. It provides a service and possible revenue increase. It is important to the Council that Shoreview is fifth lowest of all the communities in the benchmark comparison. Staff has been requested to keep Shoreview in that lower quadrant. Mr. Schwerm added that the brick treatment at the fire stations and at the Maintenance Center were low cost treatments for appearance. However, inside the buildings are very functional and utilitarian with concrete block walls.

Councilmember Wickstrom asked Mr. Steiner's question of what it would take to lower City taxes by $50. Mr. Schwerm estimated a cut of approximately $900,000 on a median valued home. That would mean dramatic decreases in the Sheriff's service, fire department service, and snow plowing. What has been indicated in the community surveys is that most people do not want decreased service levels.

City Manager Schwerm stated that in response to questions about the percent increase in certain budgets, the Fire Department is increasing approximately 9%. There are inflationary increases, but the majority of the increase is Shoreview's larger share of the formula cost among North Oaks, Arden Hills and Shoreview. Also, the Department is in the third year of a six-year phase-in of staffing fire stations with duty crews of paid on-call firefighters. It is anticipated this process will be completed in 2016, and will provide full 24-hour coverage at the fire stations. This is based on a new model being used by fire departments around the metropolitan area and country. Other cities that have implemented this staffing are Roseville, Maplewood, and Minnetonka. It is a great model to improve response time and provide service to medical calls as well. It is a much more sustainable model in the future for recruiting firefighters rather than being required to respond to a set percentage of all calls.

Councilmember Withhart added that responding to calls is becoming more and more difficult as people work outside the City. It is a way to have reliable fire protection, which is also reflected in homeowner's insurance. Councilmember Huffman added that Chief Boehlke has reported that this system has saved lives with the faster response times.

City Manager Schwerm stated that the increase with the Sheriff's Department is approximately 4%. This includes a 2% increase for patrol investigations. Dispatch services are increasing. A number of years ago, Ramsey County centralized dispatch services into one center and since then, the City's cost has risen from $60,000 to $97,000 in 2012. Also, the Sheriff's Department will take over animal control. The increase for that cost is approximately $10,000, but it is one-time costs for equipment and should go down in 2013. Staff believes the City will receive a better more coordinated animal control service for residents. The Community Center was running at a deficit four or five years ago. There have been several changes and over the last three years, the Community Center has done well with its budget. It was never designed to break even. The City contributes approximately $225,000. A 3% growth in contribution was expected, but that has not been necessary the past two years, as the Community Center has been in a better financial position.

Councilmember Withhart stated that the philosophy of the Council since the Community Center was built has been for use by the community. Homeowner associations, scout troops, the band, all meet there. The building is heavy in demand and a great asset to the community. Realtors will say that the Community Center makes Shoreview one of the premier communities in the metropolitan area.

Regarding debt increase, Finance Director Haapala explained that in 2010, the City planned on refinancing debt at lower interest rates. That refinancing was to be in place by the end of December 2010. However, the City was unable to go forward with that refinancing in December, but early in 2011, the City was able to save $167,000 in interest. However, this caused the City to have to pay the first half of the year under the old rates and the second half of the year under the new schedule. It is really a timing issue. The increase in 2012 is due to new debt issued.

City Manager Schwerm responded to general government increases. In 2012, $30,000 is needed to handle the election. All communication activities have been transferred to general government, which used to be under Cable television. It is funded by a transfer from Cable TV but appears as an increase in spending to the general government portion of the budget.

Councilmember Wickstrom noted the change to a two-year budget will bring savings in staff time. City Manager Schwerm stated that the state and county do two-year budgets. It is a trend. All budget hearings will be held, and review of expenditures will be done by the Council. Changes can be made through budget amendments. It will be a more streamlined process for staff and the Council.

Mayor Martin stated the goals of the Council are to keep the quality of life in Shoreview as high as possible and keep taxes as low as possible.

MOTION: by Councilmember Quigley, seconded by Councilmember Huffman to close the public hearing at 9:10 p.m.

VOTE: Ayes - 5 Nays - 0

CLEAR CHANNEL,INC. DYNAMIC DIGITAL BILLBOARD, 4XX COUNTY ROAD E

Presentation by City Planner Kathleen Nordine

The proposal is to construct a single-sided dynamic display billboard on City property adjacent to I-694. The proposed site is property used for storm water ponding. The billboard would be located in the northeast portion of the property. The proposed site lease agreement would be for a term of 20 years and stipulates the northeast corner of the subject property with access and utility easements. The initial payment to the City would be $8,500. Annual rent would be $40,000, to be paid monthly. An annual escalator of the rent would be 3% that would begin in 2015. Access would be from County Road E at 455 County Road E. An access easement of approximately 20 feet wide was negotiated with Deburring at a cost of $16,855. Clear Channel would pay $8,500.

Staff is recommending approval of the site lease agreement and the access easement agreement.

Councilmember Withhart asked if this billboard is the one near Target. Ms. Nordine answered that this is a new billboard. The billboard near Target is part of the Stonehenge development to be relocated further east. A sign permit for that billboard has not yet been issued.

Councilmember Huffman asked if the two should be linked. City Manager Schwerm responded that the City does not own the existing billboard that is part of Stonehenge but is part of the negotiations in that the new sign ordinance allows both billboards.

Mr. Tom McCarver, Clear Channel Representative, stated that Clear Channel is waiting for Stonehenge to close on the property before moving that billboard. The goal at this meeting is to be able to obtain permits to complete construction of this proposal by the end of the year.

MOTION: by Councilmember Quigley, seconded by Councilmember Huffman to approve the Site Lease Agreement with Clear Channel, Inc. for City property (PID No. 25-30-23-34-0004), the Operating Agreement with Clear Channel, Inc. for a Dynamic Digital Display, and to adopt Resolution 11-89 approving acquisition of an access and utility easement at 445 County Road E, and to authorize execution of these Agreements all related to the construction of the billboard.

ROLL CALL: Ayes: Huffman, Quigley, Wickstrom, Withhart, Martin
Nays: None

ADJOURNMENT

MOTION: by Councilmember Withhart, seconded by Councilmember Huffman to adjourn the meeting at 9:20 p.m.

ROLL CALL: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE ____ DAY OF _____ 2011.

_____
Terry C. Schwerm
City Manager

SHOREVIEW PLANNING COMMISSION
MEETING MINUTES

October 25, 2011

CALL TO ORDER

Chair Feldsien called the meeting of the October 25, 2011 Shoreview Planning Commission meeting to order at 7:00 p.m.

ROLL CALL

The following members were present: Chair Feldsien; Commissioners Ferrington, Mons, Proud, Schumer, Solomonson and Wenner.

APPROVAL OF AGENDA

MOTION: by Commissioner Mons, seconded by Commissioner Wenner to approve the agenda as submitted.

VOTE: Ayes - 7 Nays - 0

APPROVAL OF MINUTES

Page 13: Commissioner Ferrington noted that Mr. Jay Scott spoke before the public hearing was closed. His comment should be moved to reflect that.

MOTION: by Commissioner Schumer, seconded Commissioner Proud to approve the September 27, 2011 Planning Commission minutes as amended.

Ayes - 7 Nays - 0

REPORT ON CITY COUNCIL ACTIONS

City Planner Kathleen Nordine reported that the Planned Unit Development/Development Stage/Rezoning/Preliminary Plat/Comprehensive Sign Review submitted by Stonehenge USA for development on Red Fox Road was approved by the City Council. An additional 10 feet of right-of-way was requested in the final plan to address traffic concerns. Mn/DOT and the Rice Creek Watershed District have given approval. The Council believes it is reasonable for signage along I-694. The Final Plat and building plans were approved at the Council's October 17th meeting.

The minor subdivisions for Tor Unstad at 5108 Lexington and Sarah Sampson and Jereen Rasmussen at 4877 Nottingham Place were approved as recommended by the Planning

Commission.

NEW BUSINESS

MINOR SUBDIVISION

FILE NO.: 2431-11-24
APPLICANT: ROBIN MORSE
LOCATION: 5036 LEXINGTON AVENUE/5017 TURTLE LANE WEST

Presentation by Senior Planner Rob Warwick

The applicant owns both properties. The application is for an adjustment of the common rear lot line to increase the rear yard of the property on Turtle Lane. No site alterations are proposed. The boundary adjustment will affect a 55- by 100-foot area. The properties are zoned R1, Detached Residential and comply with all District standards, including setbacks. The resulting lot on Turtle Lane will have an odd shape, but there is a similar shaped lot immediately to the south at 5011 Turtle Lane.

A 16.5-foot easement will be conveyed for additional right-of-way along Lexington Avenue, which reduces the front setback of the house to 39.7 feet. This is less than the required 40-foot minimum. However City Code includes a provision to allow future expansion of the house at the setback of 39.7 feet without a variance because of the right-of-way conveyance.

Notice of the proposed subdivision was mailed to property owners within 350 feet. One comment was received in support of the application. The Rice Creek Watershed District has no requirements. Ramsey County states the 16.5-foot right-of-way easement is satisfactory. The City's Public Works Director finds that front, rear and side drainage utility easements are not necessary with the property line adjustment.

Staff finds that the application is in compliance with City Code and recommends forwarding this application to the City Council for approval.

Commissioner Solomonson asked the reason for this subdivision. **Mr. Robin Morse**, Applicant, explained that the reason is to give the property he lives at, 5017 Turtle Lane, more yard space.

MOTION: by Commissioner Mons, seconded by Commissioner Schumer to recommend the City Council approve the minor subdivision for 5036 Lexington Avenue, to increase the size of the property at 5017 Turtle Lane West, subject to the following conditions:

1. The minor subdivision shall be in accordance with the plans submitted, dated July 22, 2010.
2. The applicant shall convey an easement for right-of-way over the west 16.5 feet of 5036 Lexington Avenue to Ramsey County prior to the City endorsing deeds for recording with

Ramsey County.

3. The non-conforming 10- by 16-foot shed located in the northwest corner of the existing property at 5017 Turtle Lane West shall be removed prior to the City endorsing deeds for recording with Ramsey County.
4. This approval shall expire after one year if the subdivision has not been recorded with Ramsey County.
5. The 55- by 100-foot parcel resulting from this approval shall be combined with Lot 11, Block 6 LEXICON PLAT 2 (commonly known as 5017 Turtle Lane West).

This approval is based on the following findings:

1. The subdivision is consistent with the policies of the Comprehensive Plan and in compliance with the regulations of the Development Code.
2. Once the resulting piece has been combined with the property at 5017 Turtle Lane West, both the proposed lots will conform to the adopted City standards for the R1 District.

VOTE: Ayes - 7 Nays - 0

RESIDENTIAL DESIGN REVIEW

FILE NO.: 2432-11-25
APPLICANT: MEZCO, INC./MICHAEL GATZLAFF
LOCATION: 5230 OXFORD STREET

Presentation by Senior Planner Rob Warwick

This application proposes construction of a new house on a vacant substandard riparian lot on the west side of Turtle Lake. The lot is substandard with a width of 75 feet. The depth is 290 feet with an area of 27,016 square feet. The new house would be 1.5 stories with a lower walk-out level and three-car attached garage. The property is zoned R1 and is in the Shoreland Overlay District.

The new house would use existing grade elevations from the demolished house. The living area foundation is approximately 2170 square feet; the attached garage would be 930 square feet. Three trees would be removed, including one landmark tree. Two replacement trees will be required. The proposed house would comply with all design standards for substandard riparian lots.

Two shoreland mitigation practices are required. The applicant has chosen architectural mass to screen and reduce visibility from the lake. A second practice will be identified.

Neighboring property owners were notified of the proposal. One comment was received expressing concern about site drainage. The driveway runoff flows directly south to a swale, which satisfied this neighbor's concern. Staff is recommending approval.

Commissioner Wenner asked if the footprint for the new house uses the same one as old house. Mr. Warwick stated that the footprint is similar but with an increased setback from the lake for the walkout lower level. Also, the side lot line is increased to 10 feet.

Chair Feldsien asked if the second shoreland mitigation practice would be completed before a building permit is issued. Mr. Warwick answered that the applicant has a year from the date of approval to complete shoreland mitigation. The two practices required will be identified prior to issuance of a building permit.

Commissioner Ferrington noted that condition No. 4 in the motion requires only one replacement tree for removal of the landmark tree. The motion should be amended to two replacement trees.

MOTION: by Commissioner Schumer, seconded by Commissioner Proud to approve residential design review application submitted by Mezco Inc. for 5230 Oxford Street, subject to the following conditions, and amendment of condition No. 4 to require two replacement trees:

1. The project must be completed in accordance with the plans submitted as part of the Residential Design Review application. Any significant changes to these plans, as determined by the City Planner, will require review and approval by the Planning Commission.
2. This approval will expire after one year if a building permit has not been issued and work has not begun on the project.
3. Impervious surface coverage shall not exceed 30% of the total lot area as a result of this project. Foundation area shall not exceed 18%.
4. Two landmark trees will be removed as a result of the development, and two replacement trees are required. A cash surety to guarantee the replacement tree shall be submitted prior to issuance of a building permit.
5. A tree protection plan shall be submitted prior to issuance of a demolition permit. The approved plan shall be implemented prior to the commencement of work on the property and maintained during the period of construction. The protection plan shall include wood chips and protective fencing at the drip line of the retained trees.
6. A final site grading plan and an erosion control plan shall be submitted with the building permit application and implemented during construction of the new residence.
7. A Mitigation Affidavit shall be executed prior to the issuance of a building permit for the new residence.
8. A building permit must be obtained before any construction activity begins.
9. This approval is subject to a 5-day appeal period.

The approval is based on the following finding:

1. The proposal complies with the adopted standards for construction on a substandard riparian lot.

VOTE: Ayes - 7 Nays - 0

PUBLIC HEARING

City Attorney Filla stated that all required public notices have been given, and the public hearing is in order at this time.

COMPREHENSIVE GUIDE PLAN AMENDMENT

FILE NO.: 2421-11-14
APPLICATION: CITY OF SHOREVIEW
LOCATION: CITY WIDE

Presentation by City Planner Kathleen Nordine

This amendment to the Comprehensive Guide Plan is for Chapter 5, Transportation; and Chapter 10, Parks and Open Space. The amendment is in response to the revised 2030 Transportation and Regional Parks Plans recently adopted by the Metropolitan Council.

The two highways in Shoreview impacted by the amended Transportation Plan are I-694 and I-35W. The Park Plan will impact Trout Brook Regional Trail Extension segment that is in Shoreview. A trail connection for Lake McCarron in Roseville to Sucker Lake in Lake Vadnais Regional Park is planned, which goes through Shoreview. References to this trail are found in the Pedestrian and Bike Facilities and Active Living sections of Chapter 5 and also in Chapter 10.

The Transportation Plan calls for expansion to I-694 with bridges, frontage road, general purpose lane and a managed lane system. A managed lane system is also planned for I-35W. I-35W has been designated a transit way corridor and express bus corridor.

The improvement plan for the Anoka County Airport has also been added to the Aviation section of the Comprehensive Plan in Chapter 5.

The amendments are consistent with the Metropolitan Council's actions and do not negatively impact local systems. Staff is recommending the amendments be forwarded to the City Council for approval.

Commissioner Proud asked to what extent these amendments affect the possibility of a Vikings Stadium in Arden Hills and whether further action might be needed, if a stadium is approved.

Ms. Nordine responded that these actions were taken by the Metropolitan Council in June 2010. These amendments do not address a potential stadium.

Commissioner Ferrington verified that any recommendations by the Bikeways and Trails Committee, which meets November 3, 2011, can be incorporated prior to approval by the City Council.

Commissioner Mons urged staff to have continued conversations with MTC regarding transportation from the Shoreview Community Center to the Rosedale hub, rather than considering the Little Canada hub as the one to be used by Shoreview.

Commissioners noted that the search area on the map is not specific as to which streets would be impacted for a trail connection. Commissioner Mons suggested that Dale and Western would be better choices than Rice Street because of the traffic, but the map is not specific enough to know which streets might be used.

Chair Feldsien opened the public hearing. There were no comments or questions.

MOTION: by Commissioner Mons, seconded by Commissioner Proud to close the public hearing.

VOTE: Ayes - 7 Nays - 0

MOTION: by Commissioner Proud, seconded by Commissioner Schumer to recommend the City Council approve the amendments to the 2008 Comprehensive Plan, Chapter 5, Transportation and Chapter 10, Parks and Open Space. The amendments will not negatively impact Shoreview's local systems. The amendments are consistent with the updated 2030 Transportation and Parks Policy Plans adopted by the Metropolitan Council. Approval is subject to:

1. Review and approval by the Metropolitan Council.

Discussion:

Commissioner Solomonson expressed some concern about the Rice Street new bridge over I-694 with partial cloverleaf access and how a trail could be worked into such a plan. Ms. Nordine stated that the plan for that bridge is not complete or finalized.

VOTE: Ayes - 7 Nays - 0

MISCELLANEOUS

DISCUSSION, DRAFT TEXT AMENDMENT - SETBACKS

Ms. Nordine reviewed the proposed three amendments to the zoning code that would provide flexibility for structure setbacks:

1. Reduce the minimum front yard setback from 30 feet to 25 feet as measured from the front property line. This flexibility was used in Snail Lake Landing and Whispering Pines. There are also older developments that use the 25-foot standard. This would especially address split level homes designed with small entryways that homeowners desire to enlarge.

Commissioner Ferrington stated that she supports this added flexibility for homeowners to reinvest in their properties that in turn increases property value.

Commissioners raised a number of issues and concerns:

- Careful wording to address instances when the front property line is the center line of the roadway.
- Larger homes constructed on corner lots that could be a safety issue for the intersection or curved roadway.
- Discomfort with calculating front setbacks using only one house on either side. Instead, use of three or four houses on either side would be fairer.
- Perhaps reducing the front yard setback to 25 feet only in certain areas.
- No more than 25% of the house structure be allowed to encroach into the 30-foot front setback.

2. Right-of-way width--reducing the required minimum setback to a minimum of 25 feet from the front property line also requires that the principal structure must maintain a minimum 30 feet from an improved road surface. Commissioners reviewed the definitions of arterial, collector and local roads.

- Sometimes the road right-of-way is more than needed. Either the excess should be vacated or taken into account with setbacks. If the right-of-way is too narrow, granting a smaller setback seems inconsistent with the needs of the City.
- Roadway not centered on the right-of-way could impact setbacks.
- Retaining right-of-way for trails brings homes closer to trails, although trails are typically planned on arterial and collector streets.
- Clearer definitions of major collector, minor collector and local streets

Commissioner Solomonson stated that he agrees in general with the reduced setback provision and the way the draft amendment is written, even though there are a few exceptions.

- A house (living space) that has a side yard setback less than the minimum 10 feet, a building addition could be done, provided the existing structure setback is maintained. The added structure could 5 feet from the lot line if it is no more than one story in height.
- A house that is 5 feet from the lot line can be expanded using a 5-foot setback. However, if the original setback is 12 feet, an addition cannot be built using a 5-foot setback, even though the neighbor who is 5 feet from the lot line could build an addition with a 5-foot setback added longitudinally.
- Suggested a 50% encroachment, if the side setback is 10 feet or greater.
- Encroachment could be allowed for non-living space.
- Problem if neighbor has been granted a 3-foot setback.
- Suggested overlay districts that would allow deviations in certain neighborhoods.
- Clear definition of one story.
- A tear-down that is 5 feet on a riparian lot could only support a one story rebuild.

Commissioner Ferrington agreed with efforts to address infill and redevelopment issues, but she would prefer to keep these proposed amendments to existing homes and not new development. Commissioner Solomonson agreed.

It was the consensus of the Commission for staff to make further revisions to the proposed amendments for review at the Commission's upcoming workshop, after which a public hearing can be held. Publication of the public hearing needs to include examples of how these changes would impact redevelopment.

Ms. Nordine noted that state law has changed regarding nonconformities. Staff will be bringing a text amendment to the Commission to comply with state law.

City Council Assignments

Commissioners Wenner and Proud will respectively attend the November 7th and 21st City Council meetings.

Commissioners Solomonson and Mons will respectively attend the December 5th and 19th City Council meetings.

Next Planning Commission Meeting Date

It was the consensus of the Commission to combine the November and December meetings into one meeting that will be held on December 6, 2011. An email will be sent to Commissioners regarding whether there will be sufficient time at the workshop following the regular meeting to reconsider the text amendments discussed at this meeting.

ADJOURNMENT

MOTION: by Commissioner Mons, seconded by Commissioner Solomonson to adjourn the October 25, 2011, Planning Commission meeting at 8:52 p.m.

ROLL CALL: Ayes - 7 Nays - 0

ATTEST:

_____

Kathleen Nordine
City Planner

Memorandum

To: Mayor and City Council Members
City Manager

From: Tom Simonson
Assistant City Manager and Community Development Director

Date: December 16, 2011

Re: Monthly Reports
— Administration Department
— Community Development Department

Red Fox Road Retail Project Update

The retail development company Stonehenge USA has submitted building plans for permit approval of the first phase retail center. Stonehenge hopes to begin construction of the retail center in the next several weeks with a planned opening expected by summer of 2012. The closing on the property acquisition by the developer from the City and County Credit Union had been delayed since the City approvals of the project due to working out lease agreements with tenants that will locate in the development. The retail center will have a mix of restaurants and retail services, with Chipotle and Leeann Chin being publicly announced as tenants. The developer continues to make progress towards securing an anchor tenant for the planned specialty market building pad planned for the second phase.

Midland Terrace Redevelopment

The City was informed this week that we have been awarded a grant through the Livable Communities Demonstration Account (LCDA) from the Metropolitan Council for the redevelopment project that will create a new higher end apartment building in the Midland Terrace complex. The Metropolitan Council is awarding the full requested amount of LCDA grant funding of $655,000. The funds will assist with the public improvements to support the project and allow for additional financial resources be redirected towards other project enhancements. The project will included the creation of a new tax increment financing district to serve as the primary funding source for the public improvements and other eligible development costs to benefit the project.

The developer has assembled their project development team and expects to submit applications for concept review and tax increment financing in January. A concept schedule developed calls for the public road improvements to be undertaken and completed by the City in 2012, with private construction of the new apartment building starting in 2013 and completion by 2014.

Shoreview Senior Living Project Update

Shoreview Senior Living, LLC, the developer of the Cascades senior housing project is preparing to move forward with construction of the building previously approved, and is seeking tax increment financing assistance from the City. The Economic Development Authority has reviewed the proposed financing agreements and the City Council is expected to approve the Tax Increment Financing Plan for the creation of a new Tax Increment District No. 7 and a Tax Increment Development Agreement to be executed by the developer and City at a public hearing on December 19th.

The City previously approved the senior housing project in 2008, but construction was delayed due to the unsettled housing market and tighter financing restrictions of multi-family housing including the Federal HUD program. The project will total 105 units, with 30 independent care units, 43 assisted living units, and 32 memory care units.

Housing and Code Enforcement Activity

Rental Housing Licensing. Community Development Department staff is in the renewal process for the 2012 annual rental license applications. First and second notices have been mailed to license holders of both Multi-Family Unit Dwellings (MFU) and General Dwelling (GDU) properties. Approximately 297 GDU license applications and 6 MFU renewal license applications have been received for the 2012 calendar year. These applications are being processed and reviewed for compliance with the City's Rental License regulations. Staff will continue to follow-up with those 2011 license holders who have not submitted a license for the 2012 calendar year. Inspections of licensed General Dwelling Units continues to take place in accordance with the licensing regulations.

Code Enforcement. Code Enforcement complaints have experienced the seasonal slow-down, with 6 new cases in the past month. The following table summarizes the code enforcement activity to date:

Total Cases	Cases Open	Cases Closed
200	35	165

Outdoor storage/refuse issues remain the most common conditions generating the complaints. Staff also continues to work on a significant case pertaining to cleanliness/sanitation and hoarding.

Miscellaneous

- Included is the monthly summary from the Housing Resource Center (HRC) showing services provided to Shoreview residents through November, 2011. The HRC has now closed on 10 loans through the Shoreview Home Energy Improvement Loan Fund.
- Attached is the monthly report on building permit activity from the Building Official through November, 2011.
- Staff continues to work on draft text amendments to the Development Ordinance for Planning Commission review in January including an amendment updating language pertaining to nonconformities to be consistent with State Law. Other revisions being reviewed include providing flexibility from the minimum front and side setback for

residential properties, updating regulations regarding tree diseases and tree preservation requirements, grading and restoration, landscaping and illicit discharge.

- Community Development staff continues to work with representatives of Clear Channel for the construction of two off-premise advertising signs along Interstate 694. Staff expects construction to commence on both sites late this month or in early January. Both signs are expected to be operational in early 2012.
- The City will be hosting a Landlord/Tenant Law Training Session presented by HomeLine. HomeLine is a non-profit tenant advocacy organization. Staff provided information to all licensed rental property owners regarding this session with their renewal information. In addition, the communities of Arden Hills, New Brighton and Roseville have also been invited to participate. This session will be held on January 12th.
- The primary contractor continues work on the Guerin Gas Station project and anticipates the structure to be completed in early 2012. The window specialist is still in the process of restoring the windows and will ship them to the contractor for painting and installation.
- The City Council and Economic Development Commission hosted a very successful special social hour Business Exchange event last week at the Hilton Garden Inn. Over 30 persons attended with approximately 20 businesses represented.

CITY OF SHOREVIEW
BUILDING INSPECTOR MONTHLY REPORT
COMPARISON OF YEAR 2011 WITH 2010

	NOVEMBER PERMITS	2011 VALUATION	TO DATE PERMITS	2011 VALUATION	NOVEMBER PERMITS	2010 VALUATION	TO DATE PERMITS	2010 VALUATION
DWELLINGS	2	$690,000	11	$3,889,000			9	$3,030,000
TOWNHOMES			0	$0			0	$0
ADDITIONS	6	$456,000	25	$1,532,500	1	$20,000	18	$1,979,500
GARAGES	1	$14,000	6	$77,500	1	$12,000	6	$66,000
MISCELLANEOUS	41	$305,080	801	$4,952,970	92	$559,215	899	$5,512,435
APARTMENTS			0	$0			0	$0
OFFICES			0	$0			0	$0
RETAIL			0	$0			0	$0
INDUSTRIAL/WAREHOUSE			0	$0			0	$0
PUBLIC BUILDINGS			0	$0			0	$0
COMMERCIAL ADDITIONS			0	$0	1	$200,000	4	$22,815,000
COMMERCIAL ALTER	8	$407,290	48	$9,940,248	6	$41,665	70	$8,372,810
TOTAL	58	$1,872,370	891	$20,392,218	101	$832,880	1006	$41,775,745

CC: CITY MANAGER
DIR. COMMUNITY DEV
MAYOR

Housing*Resource* Center - NorthMetro
City of Shoreview Monthly Status Report
July 1, 2001 - November 30, 2011

	July-Dec '01	Jan-Dec '02	Jan-Dec '03	Jan-Dec '04	Jan-Dec '05	Jan-Dec '06	Jan-Dec '07	Jan-Dec '08	Jan-Dec '09	Jan-Dec '10	Jan '11	Feb '11	Mar '11	Apr '11	May '11	Jun '11	Jul '11	Aug '11	Sep '11	Oct '11	Nov '11	Dec '11	Yr-to-Date	TOTAL
Home Buyer Information	6	10	13	10	13	13	9	10	6	3	1	0	0	0	0	1	0	0	0	0	0	0	2	95
Refinance/Satisfactions/Subordinat	0	0	2	0	1	4	5	4	4	1	0	0	0	0	0	0	0	0	0	0	1	0	1	22
Energy Assistance (1)	0	1	1	1	1	1	1	2	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0	12
Mortgage Foreclosure Prevention	0	1	0	2	2	0	5	5	3	1	0	0	1	0	0	0	3	0	1	0	1	0	6	25
Home Improvement Information (2	37	184	544	148	143	204	239	136	110	256	4	15	12	13	19	16	9	10	12	10	5	0	125	2,126
Rental/Emergency Housing Issues	0	1	4	5	8	18	13	9	4	8	1	0	0	1	0	0	0	0	0	0	0	0	2	72
Other	0	11	25	2	2	0	3	5	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	49
MHFA Fix Up Fund/Rehab/Rental																								
Loan Applications Rec'd	0	6	1	8	6	6	5	3	3	5	0	0	0	0	0	0	0	0	0	0	0	0	0	43
Loans Closed	0	5	1	5	3	0	3	2	1	5	0	0	0	0	0	0	0	0	0	0	0	0	0	25
Shoreview Home Energy Loan																								
Loan Applications Rec'd						Loan not available				6	0	1	0	0	1	1	1	0	0	1	0	0	5	11
Loans Closed						Loan not available				5	0	1	0	0	0	2	0	1	0	0	0	0	4	9
Ramsey County Deferred Loan																								
Loan Applications Rec'd	0	0	3	3	2	0	2	3	1	5	0	0	0	0	0	0	0	0	1	0	0	0	1	20
Loans Closed	0	0	2	0	0	1	1	1	1	2	0	1	1	1	0	0	0	1	0	0	0	0	4	12
Construction Consultation Report																								
Consultation Phone or Walk-in	5	37	14	57	69	72	123	108	71	108	19	7	4	3	3	6	4	6	2	3	5	0	62	726
Site Visits	0	25	31	51	31	58	88	67	43	78	8	4	1	5	3	7	4	4	3	4	3	0	46	518
Scopes & Inspections	5	31	57	8	0	2	2	2	3	3	0	0	0	0	0	0	0	0	0	0	0	0	0	113
TOTAL *SERVICES* PROVIDEI	53	312	698	300	281	379	499	357	253	488	33	29	19	23	26	33	21	22	19	18	15	0	258	3,878
TOTAL *CLIENTS* SERVED	21	199	235	162	173	229	258	165	126	261	6	15	13	14	18	16	12	10	12	10	7	0	133	1,962

NOTE: These numbers reflect the number of CLIENTS serviced. In many instances a client will receive more than one service.

(1) ENERGY ASSISTANCE DENOTES REFERRALS TO SOCIAL SERVICE AGENCIES THAT PROVIDE MONETARY ASSISTANCE FOR ENERGY EXPENSES.
(2) HOME IMPROVEMENTS INCLUDES REFERRALS TO MHFA, PRIVATE LENDERS OR OTHERS FOR FINANCIAL INFORMATION ON HOME IMPROVEMENTS
(3) RENTAL/EMERGENCY HOUSING ISSUES IS A NEW CATEGORY AND WAS COMBINED WITH OTHER IN PREVIOUS YEARS.

TO: Terry Schwerm, City Manager

FROM: Jeanne A. Haapala, Finance Director

DATE: December 13, 2011

RE: Monthly Finance Report

TAX COLLECTIONS

The table below provides a summary of total 2011 property tax collections, followed by a summary of tax increment (TIF) receipts. Despite the economic challenges facing many cities, Shoreview has a strong property tax collection rate (98.1% for current year levies). Delinquent collections are shown as a negative due to refunds issued to property owners during the year (by Ramsey County).

	2011 Tax Collections							Percent Collected	
Fund Description	Current	Delinquent	Mobile Home	Fiscal Disparity	MVHC	Total Collections	Adopted Levy *	Current	Total
General	$5,621,613	$ (29,725)	$ 1,679	$ 603,347	$ -	$ 6,196,914	$ 6,345,734	98.1%	97.7%
MVHC	-	-	-	-	1,135	1,135	350,000	0.3%	0.3%
EDA	22,153		12	2,378		24,543	25,000	98.1%	98.2%
2004 CIB Bonds	128,489	(699)	37	13,790		141,617	145,000	98.1%	97.7%
2006 Street Bonds	205,583	(1,092)	61	22,065		226,617	232,000	98.1%	97.7%
1995 Impr Bonds	44,307	(363)	7	4,755		48,706	50,000	98.1%	97.4%
2001 Impr Bonds	57,599	(309)	17	6,182		63,489	65,000	98.1%	97.7%
2002 Impr Bonds	22,153	(176)	4	2,378		24,359	25,000	98.1%	97.4%
2006 Impr Bonds	8,861	-	5	951		9,817	10,000	98.1%	98.2%
Central Garage (de	86,841	-	49	9,320		96,210	98,000	98.1%	98.2%
Street Renewal	664,600	(3,289)	210	71,329		732,850	750,000	98.1%	97.7%
GFA Revolving	1,019,053	(5,216)	313	109,371		1,123,521	1,150,000	98.1%	97.7%
Capital Impr	88,613	(433)	28	9,511		97,719	100,000	98.1%	97.7%
Total City	$7,969,865	$ (41,302)	$ 2,422	$ 855,377	$ 1,135	$ 8,787,497	$ 9,345,734	94.4%	94.0%
HRA	$ 51,411	$ 102	$ 10	$ 5,230	$ -	$ 56,753	$ 60,000	94.4%	94.6%

* Due to State cuts to the MVHC program, the City did not anticipate collecting MVHC in 2011.

2011 TIF Collections					
	Current	MVHC	Total TIF Collections	Expected Collections	Percent Collected
TIF #1-Deluxe	$ 644,682	$ -	$ 644,682	$ 644,682	100.0%
TIF #1-Non-Deluxe	439,488	-	439,488	424,779	103.5%
TIF #2-City Center	460,232	-	460,232	460,652	99.9%
TIF #3-TSI	167,364	-	167,364	167,365	100.0%
TIF #4-Scandia Shores	42,980	-	42,980	85,961	50.0%
TIF #5-Shvw Mall	207,370	-	207,370	207,371	100.0%
TIF #6-Gateway	103,815	-	103,815	106,374	97.6%
Total TIF Revenue	$ 2,065,931	$ -	$ 2,065,931	$ 2,097,184	98.5%

The collection rate for tax increment receipts is 97% or higher for all districts except in TIF #4 (where the payment was temporarily lost in the mail).

PERMIT REVENUE

The table below provides a summary of permit revenues through November of 2011 in comparison to revenue received through November in four previous years. Total permit revenue to date in 2011 is $138,047 higher than budget allowances.

	2007	2008	2009	2010	2011
Revenue Received					
Building permits	$ 452,052	$ 335,790	$ 190,892	$ 269,671	$226,559
Plan check	45,850	48,464	40,162	100,123	60,838
Heating/electric/plumbing	95,169	90,222	79,661	94,412	91,650
Total Revenue	$ 593,071	$ 474,476	$ 310,715	$ 464,206	$379,047
Percent of budget allowance	168.0%	152.1%	100.9%	185.7%	157.3%
Percent of final permit revenue	94.0%	92.5%	96.1%	89.1%	
Budget allowance:					
Building permits	$ 215,000	$ 180,000	$ 185,000	$ 150,000	$149,000
Plan check	60,000	50,000	50,000	40,000	35,000
Heating/electric/plumbing	78,000	82,000	73,000	60,000	57,000
Total Budget	$ 353,000	$ 312,000	$ 308,000	$ 250,000	$241,000

MONTHLY REPORT

Attached is the monthly report for November. Because property tax revenue for the second half of 2011 was received in December, property tax revenue on this report does not agree to the property tax summary on the previous page (because the table on the previous page includes December collections).

General Fund

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Property Taxes	6,345,734	3,317,570	3,028,164	52.28	51.04
Licenses & Permits	281,150	389,349	-108,199	138.48	152.92
Intergovernmental	175,602	168,307	7,295	95.85	92.16
Charges for Services	1,132,240	1,038,968	93,272	91.76	88.19
Fines & Forfeits	42,500	22,545	19,955	53.05	59.01
Interest Earnings	50,000		50,000		
Miscellaneous	26,442	38,671	-12,229	146.25	83.51
TOTAL REVENUES	8,053,668	4,975,411	3,078,257	61.78	60.44
EXPENDITURES					
General Government					
Administration	484,347	422,332	62,015	87.20	82.00
Communications	146,405	114,158	32,247	77.97	57.37
Council & commiss	144,144	126,325	17,819	87.64	82.80
Elections	3,100	2,983	117	96.22	50.38
Finance/accounting	537,718	463,092	74,626	86.12	86.28
Human Resources	237,953	190,846	47,107	80.20	
Information systems	279,182	231,372	47,811	82.87	88.79
Legal	107,000	64,439	42,561	60.22	80.58
Total General Government	1,939,849	1,615,546	324,303	83.28	83.87
Public Safety					
Emergency services	7,135	10,514	-3,379	147.35	55.66
Fire	790,290	789,710	580	99.93	99.65
Police	1,776,522	1,579,062	197,460	88.89	89.67
Total Public Safety	2,573,947	2,379,286	194,661	92.44	92.59
Public Works					
Forestry/nursery	86,712	41,758	44,954	48.16	80.34
Pub Works Adm/Engin	418,097	369,478	48,619	88.37	79.54
Streets	757,376	696,219	61,157	91.93	87.57
Trail mgmt	113,852	77,436	36,416	68.01	88.63
Total Public Works	1,376,037	1,184,891	191,146	86.11	85.60
Parks and Recreation					
Municipal buildings	123,777	118,057	5,720	95.38	89.23
Park Maintenance	1,098,200	1,008,354	89,846	91.82	88.68
Park/Recreation Adm	459,495	430,161	29,334	93.62	83.99
Total Parks and Recreation	1,681,472	1,556,572	124,900	92.57	87.29
Community Develop					
Building inspection	148,810	133,851	14,959	89.95	85.48
Planning/zoning adm	377,994	324,081	53,913	85.74	86.31
Total Community Develop	526,804	457,932	68,872	86.93	86.06

General Fund
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
TOTAL EXPENDITURES	8,098,109	7,194,227	903,882	88.84	88.15
OTHER					
Transfers In	476,451	397,017	79,434	83.33	
Transfers out	-432,010	-391,623	-40,387	90.65	93.14
TOTAL OTHER	44,441	5,394	39,047	12.14	93.14
Net change in fund equity		-2,213,422	2,294,196		
Fund equity, beginning		3,921,134			
Fund equity, ending		1,707,712			
Less invested in capital assets					
Net available fund equity		1,707,712			

Recycling

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Intergovernmental	60,000	70,844	-10,844	118.07	91.56
Charges for Services	403,500	231,043	172,457	57.26	52.41
TOTAL REVENUES	463,500	301,887	161,613	65.13	57.74
EXPENDITURES					
Public Works					
Recycling	443,173	392,229	50,944	88.50	85.71
Total Public Works	443,173	392,229	50,944	88.50	85.71
TOTAL EXPENDITURES	443,173	392,229	50,944	88.50	85.71
Net change in fund equity	20,327	-90,342	110,669		
Fund equity, beginning		59,671			
Fund equity, ending		-30,671			
Less invested in capital assets					
Net available fund equity		-30,671			

STD Self Insurance

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Charges for Services	7,500	6,827	673	91.03	94.43
Interest Earnings	1,000		1,000		
TOTAL REVENUES	8,500	6,827	1,673	80.32	76.79
EXPENDITURES					
Miscellaneous					
Stort term disab	8,000	11,753	-3,753	146.92	96.69
Total Miscellaneous	8,000	11,753	-3,753	146.92	96.69
TOTAL EXPENDITURES	8,000	11,753	-3,753	146.92	96.69
Net change in fund equity	500	-4,926	5,426		
Fund equity, beginning		45,189			
Fund equity, ending		40,263			
Less invested in capital assets					
Net available fund equity		40,263			

Community Center
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Charges for Services	2,209,820	1,999,890	209,930	90.50	86.39
Interest Earnings	12,900		12,900		
Miscellaneous		758	-758		
TOTAL REVENUES	2,222,720	2,000,648	222,072	90.01	85.87
EXPENDITURES					
Parks and Recreation					
Community center	2,373,809	2,067,822	305,987	87.11	81.74
Total Parks and Recreation	2,373,809	2,067,822	305,987	87.11	81.74
TOTAL EXPENDITURES	2,373,809	2,067,822	305,987	87.11	81.74
OTHER					
Transfers In	297,000	272,250	24,750	91.67	
Transfers out	-100,000		-100,000		
TOTAL OTHER	197,000	272,250	-75,250	138.20	
Net change in fund equity	45,911	205,076	40,835		
Fund equity, beginning		600,652			
Fund equity, ending		805,728			
Less invested in capital assets					
Net available fund equity		805,728			

Recreation Programs
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Charges for Services	1,228,001	1,187,459	40,542	96.70	104.83
Interest Earnings	5,000		5,000		
Miscellaneous		60	-60		
TOTAL REVENUES	1,233,001	1,187,519	45,482	96.31	104.08
EXPENDITURES					
Parks and Recreation					
Adult & youth sports	108,397	98,585	9,812	90.95	82.77
Aquatics	128,340	111,441	16,899	86.83	134.38
Community programs	109,178	72,021	37,157	65.97	88.30
Drop-in child care	51,872	56,059	-4,187	108.07	91.82
Fitness programs	182,950	166,981	15,969	91.27	107.91
Park/Recreation Adm	305,147	226,880	78,267	74.35	82.83
Preschool programs	75,247	64,857	10,390	86.19	109.83
Summer Discovery	165,382	163,526	1,856	98.88	85.44
Youth/teen	69,290	62,185	7,105	89.75	102.86
Total Parks and Recreation	1,195,803	1,022,535	173,268	85.51	95.45
TOTAL EXPENDITURES	1,195,803	1,022,535	173,268	85.51	95.45
OTHER					
Transfers In	65,000	65,000		100.00	
Transfers out	-70,000	-74,167	4,167	105.95	91.67
TOTAL OTHER	-5,000	-9,167	4,167	183.33	91.67
Net change in fund equity	32,198	155,818	-131,953		
Fund equity, beginning		407,898			
Fund equity, ending		563,716			
Less invested in capital assets					
Net available fund equity		563,716			

Cable Television

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Charges for Services	270,000	214,491	55,509	79.44	78.08
Interest Earnings	3,000		3,000		
Miscellaneous	2,000	1,100	900	55.00	91.67
TOTAL REVENUES	275,000	215,591	59,409	78.40	77.29
EXPENDITURES					
General Government					
Cable television	149,760	136,261	13,499	90.99	118.73
Total General Government	149,760	136,261	13,499	90.99	118.73
TOTAL EXPENDITURES	149,760	136,261	13,499	90.99	118.73
OTHER					
Transfers out	-155,451	-46,017	-109,434	29.60	
TOTAL OTHER	-155,451	-46,017	-109,434	29.60	
Net change in fund equity	-30,211	33,313	155,344		
Fund equity, beginning		219,077			
Fund equity, ending		252,390			
Less invested in capital assets					
Net available fund equity		252,390			

Econ Devel Auth/EDA
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Property Taxes	25,000	13,168	11,832	52.67	
TOTAL REVENUES	25,000	13,168	11,832	52.67	
EXPENDITURES					
Community Develop					
Econ Development-HRA	48,250	41,246	7,004	85.48	62.22
Total Community Develop	48,250	41,246	7,004	85.48	62.22
TOTAL EXPENDITURES	48,250	41,246	7,004	85.48	62.22
OTHER					
Transfers In	30,010	8,539	21,471	28.46	
TOTAL OTHER	30,010	8,539	21,471	28.46	
Net change in fund equity	6,760	-19,539	26,299		
Fund equity, beginning		174,651			
Fund equity, ending		155,112			
Less invested in capital assets					
Net available fund equity		155,112			

HRA Programs of EDA
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Property Taxes	60,000	30,554	29,446	50.92	48.09
TOTAL REVENUES	60,000	30,554	29,446	50.92	48.09
EXPENDITURES					
Community Develop					
Housing Programs-HRA	50,211	43,353	6,858	86.34	55.75
Total Community Develop	50,211	43,353	6,858	86.34	55.75
TOTAL EXPENDITURES	50,211	43,353	6,858	86.34	55.75
Net change in fund equity	9,789	-12,799	22,588		
Fund equity, beginning		13,968			
Fund equity, ending		1,169			
Less invested in capital assets					
Net available fund equity		1,169			

Liability Claims

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Interest Earnings	2,800		2,800		
Miscellaneous	20,000	4,587	15,414	22.93	4.88
TOTAL REVENUES	22,800	4,587	18,214	20.12	4.24
EXPENDITURES					
Miscellaneous					
Insurance Claims	30,000	26,990	3,010	89.97	25.27
Total Miscellaneous	30,000	26,990	3,010	89.97	25.27
TOTAL EXPENDITURES	30,000	26,990	3,010	89.97	25.27
Net change in fund equity	-7,200	-22,404	15,204		
Fund equity, beginning		175,040			
Fund equity, ending		152,636			
Less invested in capital assets					
Net available fund equity		152,636			

Slice SV Event
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Charges for Services	20,000	24,818	-4,818	124.09	174.28
Miscellaneous	24,000	37,834	-13,834	157.64	221.11
TOTAL REVENUES	44,000	62,652	-18,652	142.39	197.69
EXPENDITURES					
General Government					
Slice of Shoreview	50,000	56,390	-6,390	112.78	121.20
Total General Government	50,000	56,390	-6,390	112.78	121.20
TOTAL EXPENDITURES	50,000	56,390	-6,390	112.78	121.20
OTHER					
Transfers In	10,000	10,000		100.00	
TOTAL OTHER	10,000	10,000		100.00	
Net change in fund equity	4,000	16,262	-12,262		
Fund equity, beginning		35,347			
Fund equity, ending		51,609			
Less invested in capital assets					
Net available fund equity		51,609			

Water Fund

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Special Assessments		1,334	-1,334		
Intergovernmental		8,354	-8,354		
Utility Charges	2,254,500	1,866,137	388,363	82.77	83.03
Late fees		32,669	-32,669		
Water meters	3,500	6,042	-2,542	172.62	73.26
Other prop charges	7,500	10,537	-3,037	140.50	124.60
Interest Earnings	62,100		62,100		
Miscellaneous		210	-210		
TOTAL REVENUES	2,327,600	1,925,282	402,318	82.72	79.51
EXPENDITURES					
Proprietary					
Water operations	1,410,212	1,238,749	171,463	87.84	86.57
Total Proprietary	1,410,212	1,238,749	171,463	87.84	86.57
TOTAL EXPENDITURES	1,410,212	1,238,749	171,463	87.84	86.57
OTHER					
Depreciation	-605,200	-554,767	-50,433	91.67	91.67
Transfers out	-228,800	-225,000	-3,800	98.34	100.00
GO Revenue bonds	-191,700	-194,953	3,253	101.70	93.94
TOTAL OTHER	-1,025,700	-974,719	-50,981	95.03	93.49
Net change in fund equity	-108,312	-288,186	281,835		
Fund equity, beginning		12,678,909			
Fund equity, ending		12,390,723			
Less invested in capital assets		9,427,325			
Net available fund equity		2,963,398			

Sewer Fund

For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Special Assessments		859	-859		
Intergovernmental		6,655	-6,655		
Charges for Services	200	156	44	78.05	472.93
Utility Charges	3,530,000	3,093,440	436,560	87.63	
Late fees		65,056	-65,056		
Facility/area chgs	3,000	2,475	525	82.50	47.14
Other prop charges	2,500	13,847	-11,347	553.88	883.32
Interest Earnings	36,000		36,000		
TOTAL REVENUES	3,571,700	3,182,489	389,211	89.10	38.09
EXPENDITURES					
Proprietary					
Sewer operations	3,001,558	2,861,867	139,691	95.35	91.33
Total Proprietary	3,001,558	2,861,867	139,691	95.35	91.33
TOTAL EXPENDITURES	3,001,558	2,861,867	139,691	95.35	91.33
OTHER					
Contributed Assets		1,548	-1,548		
Depreciation	-305,000	-279,583	-25,417	91.67	91.67
Transfers out	-190,800	-187,000	-3,800	98.01	100.00
GO Revenue bonds	-64,950	-65,837	887	101.37	81.75
TOTAL OTHER	-560,750	-530,873	-29,877	94.67	92.56
Net change in fund equity	9,392	-210,251	276,302		
Fund equity, beginning		7,178,611			
Fund equity, ending		6,968,360			
Less invested in capital assets		4,725,848			
Net available fund equity		2,242,512			

Surface Water Mgmt
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Special Assessments		179	-179		
Intergovernmental		2,414	-2,414		
Utility Charges	960,600	846,926	113,674	88.17	
Late fees		14,590	-14,590		
Lake Impr Dist chgs	47,700	55,188	-7,488	115.70	19.24
Other prop charges	5,000	6,760	-1,760	135.20	128.80
Interest Earnings	24,000		24,000		
TOTAL REVENUES	1,037,300	926,058	111,242	89.28	19.58
EXPENDITURES					
Proprietary					
Snail lake aug.	32,053	5,773	26,280	18.01	56.30
Surface water oper	642,938	631,512	11,426	98.22	85.49
Total Proprietary	674,991	637,285	37,706	94.41	84.29
TOTAL EXPENDITURES	674,991	637,285	37,706	94.41	84.29
OTHER					
Depreciation	-208,000	-190,667	-17,333	91.67	91.67
Transfers out	-97,000	-97,000		100.00	100.00
GO Revenue bonds	-91,700	-89,724	-1,976	97.84	65.17
TOTAL OTHER	-396,700	-377,390	-19,310	95.13	83.32
Net change in fund equity	-34,391	-88,617	92,846		
Fund equity, beginning		7,406,507			
Fund equity, ending		7,317,890			
Less invested in capital assets		6,135,855			
Net available fund equity		1,182,035			

Street Light Utility
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Special Assessments		79	-79		
Utility Charges	363,000	322,510	40,490	88.85	
Late fees		6,173	-6,173		
Interest Earnings	3,000		3,000		
Miscellaneous	500		500		
TOTAL REVENUES	366,500	328,763	37,737	89.70	17.72
EXPENDITURES					
Proprietary					
Street lighting	241,923	248,633	-6,710	102.77	91.04
Total Proprietary	241,923	248,633	-6,710	102.77	91.04
Capital Outlay					
Street lighting		61,035	-61,035		92.49
Total Capital Outlay		61,035	-61,035		92.49
Capital Outlay					
Capital projects		2,006	-2,006		
Total Capital Outlay		2,006	-2,006		
TOTAL EXPENDITURES	241,923	311,674	-69,751	128.83	91.33
OTHER					
Depreciation	-46,000	-42,167	-3,833	91.67	91.67
Transfers out	-12,600	-12,600		100.00	100.00
TOTAL OTHER	-58,600	-54,767	-3,833	93.46	92.86
Net change in fund equity	65,977	-37,678	111,322		
Fund equity, beginning		711,201			
Fund equity, ending		673,523			
Less invested in capital assets		432,561			
Net available fund equity		240,962			

Central Garage Fund
For Year 2011 Through The Month Of November

	Budget	Actual	Variance	Percent YTD This Yr	Percent YTD Last Yr
REVENUES					
Property Taxes	98,000	51,617	46,383	52.67	
Intergovernmental		120,715	-120,715		
Cent Garage chgs	1,109,816	1,095,346	14,470	98.70	100.13
Interest Earnings	16,000		16,000		
TOTAL REVENUES	1,223,816	1,267,677	-43,861	103.58	98.70
EXPENDITURES					
Proprietary					
Central garage oper	562,782	454,819	107,963	80.82	74.59
Total Proprietary	562,782	454,819	107,963	80.82	74.59
Capital Outlay					
Central garage oper		303,119	-303,119		314.15
Total Capital Outlay		303,119	-303,119		314.15
TOTAL EXPENDITURES	562,782	757,938	-195,156	134.68	104.39
OTHER					
Sale of Asset	30,000	85,039	-55,039	283.46	97.79
Transfers In	180,600	180,600		100.00	
Depreciation	-646,000	-592,167	-53,833	91.67	91.67
Transfers out	-14,500		-14,500		
GO CIP bonds	-248,335	-345,325	96,990	139.06	
TOTAL OTHER	-698,235	-671,852	-26,383	96.22	89.07
Net change in fund equity	-37,201	-162,113	67,598		
Fund equity, beginning		3,428,865			
Fund equity, ending		3,266,752			
Less invested in capital assets		3,228,575			
Net available fund equity		38,177			

INVESTMENT SCHEDULE BY SECURITY TYPE
AS OF 11-30-11

Seq#	Institution	Type	Term	Purchased	Matures	Principal	Yield
CERTIFICATE DEPOSIT							
1,040	Dain Rauscher Investment Services	CD	1,095	12-12-08	12-12-11	99,000.00	4.200000
1,111	Morgan Stanley Smith Barney LLC	CD	363	12-16-10	12-14-11	248,000.00	.450000
1,113	Morgan Stanley Smith Barney LLC	CD	364	12-22-10	12-21-11	249,000.00	.350000
1,114	Morgan Stanley Smith Barney LLC	CD	364	12-22-10	12-21-11	249,000.00	.350000
1,112	Morgan Stanley Smith Barney LLC	CD	365	12-22-10	12-22-11	249,000.00	.400000
1,115	Morgan Stanley Smith Barney LLC	CD	365	12-22-10	12-22-11	248,000.00	.450000
1,116	Morgan Stanley Smith Barney LLC	CD	365	12-23-10	12-23-11	248,000.00	.500000
1,118	Morgan Stanley Smith Barney LLC	CD	365	12-29-10	12-29-11	248,000.00	.350000
1,060	Morgan Stanley Smith Barney LLC	CD	1,097	02-25-09	02-27-12	96,000.00	2.994500
1,061	Morgan Stanley Smith Barney LLC	CD	1,097	02-25-09	02-27-12	96,000.00	2.994500
1,062	Morgan Stanley Smith Barney LLC	CD	1,097	02-25-09	02-27-12	96,000.00	2.994500
1,063	Morgan Stanley Smith Barney LLC	CD	1,097	02-25-09	02-27-12	96,000.00	3.044400
1,064	Morgan Stanley Smith Barney LLC	CD	1,095	02-27-09	02-27-12	96,000.00	3.050000
1,075	Morgan Stanley Smith Barney LLC	CD	1,097	07-22-09	07-23-12	150,000.00	2.445500
1,076	Morgan Stanley Smith Barney LLC	CD	1,097	07-22-09	07-23-12	150,000.00	2.395600
1,077	Morgan Stanley Smith Barney LLC	CD	1,097	07-22-09	07-23-12	245,000.00	2.395600
Total Number Of Investments: 16						2,863,000.00	
FEDERAL HOME LN BK							
1,128	Morgan Stanley Smith Barney LLC	FH	3,653	08-25-11	08-25-2021	550,000.00	3.547100
1,133	Morgan Stanley Smith Barney LLC	FH	3,653	10-12-11	10-12-2021	600,000.00	2.997500
Total Number Of Investments: 2						1,150,000.00	
FEDERAL NATL MTG							
1,109	Dain Rauscher Investment Services	FN	3,653	12-09-10	12-09-11	600,000.00	2.000000
1,067	Morgan Stanley Smith Barney LLC	FN	1,826	05-01-09	05-01-14	700,000.00	2.948400
1,098	Wells Fargo Brokerage Services	FN	1,826	08-10-10	08-10-15	500,000.00	1.998900
1,122	Wells Fargo Brokerage Services	FN	1,607	03-17-11	08-10-15	462,000.00	2.044200
1,102	Dain Rauscher Investment Services	FN	32,63	08-25-10	07-27-2020	611,358.07	3.474700
1,106	Morgan Stanley Smith Barney LLC	FN	32,66	10-28-10	10-28-2020	500,000.00	3.597000
1,105	Dain Rauscher Investment Services	FN	5,465	10-13-10	09-29-2025	661,980.00	4.174300
1,123	Dain Rauscher Investment Services	FN	-31,0	06-30-11	06-30-2026	1,000,000.00	4.829800
1,124	Dain Rauscher Investment Services	FN	5,479	06-30-11	06-30-2026	219,000.00	4.829800
1,129	Dain Rauscher Investment Services	FN	-31,0	09-21-11	09-21-2026	600,000.00	5.079600
1,130	Dain Rauscher Investment Services	FN	5,479	09-30-11	09-30-2026	500,000.00	4.663300
1,131	Dain Rauscher Investment Services	FN	5,479	09-30-11	09-30-2026	180,000.00	4.663300

INVESTMENT SCHEDULE BY SECURITY TYPE
AS OF 11-30-11

Seq#	Institution	Type	Term	Purchased	Matures	Principal	Yield
1,134	Dain Rauscher Investment Services	FN	5,479	10-27-11	10-27-2026	1,000,000.00	4.163600
1,135	Dain Rauscher Investment Services	FN	5,479	10-27-11	10-27-2026	600,000.00	4.796500
1,066	Dain Rauscher Investment Services	FN	-29,8	04-20-09	06-15-2027	549,528.74	6.434800
Total Number Of Investments: 15						8,683,866.81	

FED HM MORTG POOL

1,127	Dain Rauscher Investment Services	HP	3,653	07-29-11	07-29-2021	500,000.00	3.996700
1,132	Morgan Stanley Smith Barney LLC	HP	3,653	09-30-11	09-30-2021	500,000.00	3.197400
1,136	Morgan Stanley Smith Barney LLC	HP	3,653	11-09-11	11-09-2021	600,000.00	3.097500
1,137	Morgan Stanley Smith Barney LLC	HP	32,66	11-17-11	11-17-2021	550,000.00	3.197400
1,065	Dain Rauscher Investment Services	HP	4,743	03-27-09	03-22-2022	1,017,349.36	5.502400
1,096	Dain Rauscher Investment Services	HP	-32,1	07-27-10	07-27-2022	500,000.00	4.496900
1,110	Dain Rauscher Investment Services	HP	4,247	12-10-10	07-27-2022	602,400.00	4.640900
Total Number Of Investments: 7						4,269,749.36	

Sub-Total Of Investments:	16,966,616.17
4M Municipal Money Mkt Fund	5,619,134.30
2011 COP Debt Service Reserve	4,620.11
GMHC Savings Acct USBank	57,434.95
4M Fund - Hockey Escrow	5,008.48
Western Asset Govt MM Fund	461,361.46
GRAND TOTAL OF CASH & INVESTMENTS:	23,114,175.47

TO: MAYOR, CITY COUNCIL AND CITY MANAGER

FROM: MARK J. MALONEY, PUBLIC WORKS DIRECTOR

DATE: DECEMBER 19, 2011

SUBJ: PUBLIC WORKS MONTHLY REPORT

MAINTENANCE ACTIVITIES

Public Works Winter Maintenance-

To date this season we have only had one full crew plowing event. It was necessary to come in on three other occasions and provide ice control by spreading salt or pre-treating the streets. All equipment is cleaned, inspected and repaired after each snow event.

Utilities Maintenance –

Utility Crews continue daily inspections of all the wells, lift stations and towers and the booster station. They also respond daily to location requests and meter appointments. Water samples are collected and analyzed according to Minnesota Department of Health (MDH) requirements. Crews have been inspecting manholes and flushing the sanitary sewer system. They have also been repairing fire hydrants and replacing broken hydrant flags. They completed a sanitary sewer service repair off of Kent. St.

Street Maintenance –

Street Crews continue to sweep streets and trails as the weather allows. General sign repairs and replacement is on-going. Crews have been repairing catch basins and trimming and cleaning around storm ponds. After the first plowing event there were seven manholes that were discovered to be too high and could cause damage to plows. Those manholes and some gate valves were lowered. Crews also worked on trimming trees along trails.

Five of our street crew members and one utility crew member attended a one day "Safe/Defensive Driving for Snow Plow Drivers" course through the Dakota County Technical Institute.

DOC Crews –

Crews spend time each day cleaning the Maintenance Facility. They have been working with the Park Department trimming trees and painting hockey boards in parks.

PROJECT UPDATES

MSA Street Rehabilitation, Project 11-08

Pavement markings have been completed. Several minor punch list items remain.

Buffalo Lane Reconstruction, Project 11-09

The project has been completed with several minor punch list items remaining.

Sanitary Sewer and Storm Sewer Rehabilitation Project 10-02

The proposed work includes updates and upgrades to six sanitary sewer and two storm drainage lift stations. The panels for the lift stations are complete and ready to be installed. Concrete pads for the panels at the stations are being prepared. The construction activities are not expected to have any impact on adjacent residential properties.

County Road F, Demar Floral Neighborhood Reconstruction, Project 12-01

The first informational meeting for the residents located within the project area was held on December 15th. City staff presented an overview of the proposed project, potential assessments, and schedule. A second informational meeting will be held in mid-January. It is expected the feasibility report will be completed by February.

TO: MAYOR AND COUNCILMEMBERS

FROM: JERRY HAFFEMAN, PARKS & RECREATION DIRECTOR

DATE: DECEMBER 13, 2011

RE: MONTHLY REPORT

DEPARTMENT ACTIVITY

It's been a busy 40 years. Happy trails!

MAINTENANCE

It has been another busy month for the parks maintenance crew. The holiday lights have been put up at the Community Center. Each year it takes longer to install the lights because the trees have grown and it takes more lights to create the same effect. The crew takes pride in how the trees look when they are lighted.

We have begun flooding the skating rinks. Flooding was started early this year because the ground was extremely dry. The snow was packed down and a layer of water put over it which will help seal the ground and create a base for the ice. Unfortunately, the unseasonably warm weather this week has set us back. The crew finished the netting on Commons rink so broomball can be played there. All the boards for the rinks were leveled and straightened before we began flooding. The broken boards at Bucher, McCullough and Wilson Parks have been replaced and the rubber matting outside of all of the buildings has been put out. The rubber matting allows people to skate on the rinks even if the buildings are not open yet. All the nets and gate planks have been delivered to the parks and each of the buildings have been cleaned and are ready for the skating season.

Prior to the first snowfall the crew finished up a few small projects which were started earlier this fall. The warning tracks at McCullough Park were cut out as well as the edges of the infields and the infield dirt was replenished. The infields at Rice Creek Fields have also had several loads of dirt brought in to replenish them. A contractor working on Highway 96 damaged the irrigation system and after it was repaired the hole was filled in and the area dormant seeded. There were some holes left on the corner of Highway 96 and Victoria Street from an irrigation repair earlier this summer and the crew filled them in and covered them with mulch. Vandals tipped over all the trash receptacles and removed the furnace chimney cap at Wilson Park which has all been repaired. The umbrellas from the Community Center lower plaza were brought in for the winter.

The crew finished the seasonal equipment change over. All the summer equipment has been put into storage and the winter equipment is ready to go. Twice the crew has cleaned snow from the sidewalks and the parking lots at the Community Center, library, fire stations and the Lepak/Larson House. A contractor checked and cleaned all of the furnaces at each of the parks and the Larson House. The crew continues to pick up trash on a daily basis at the Community Center, library and parks. The trash receptacles are dumped on an as needed basis.

COMMUNITY CENTER/CITY HALL MAINTENANCE ACTIVITIES

The crew has been busy trying to keep the building on it cleaning schedule. They have also been cleaning dust off the ductwork and pipes above the gym activity room. The carpet was cleaned the Wave Café lobby area and a few of the carpet tiles that would not come clean were replaced. The number of work orders keeps rising every year. We surpassed last year's total on December 1st and it is becoming a bigger challenge to keep up with them each year.

The contractor began the chiller replacement project. The new one is in the service alley of the Community Center. There are a few more things that will be done this winter and in the spring it will be started and completely tested. The warranty period will cover all of next year.

RECREATION PROGRAMS

Winter program registration is now open for all registrations. Fitness classes tend to be the most popular, followed by swim lessons. More than 60 percent of our customers are taking advantage of on-line registration.

The Dive In Movie was held on November 25th with the blockbuster hit, *The Lion King*. Dive In Movies are free for Community Center Members and open to the public when they purchase a daily pass. There were approximately 125 people in attendance for the movie. We sold glow in the dark necklaces, which are always a hit with the kids! Overall the movie went well and we are looking forward to the next Dive In Movie on January 13th.

On December 20th fifty Shoreliners members will board a luxury coach from the Shoreview Community Center to the Bungalow Restaurant in Lakeland to celebrate the holidays. They will enjoy a delicious lunch, socialize, and exchange gifts. At this event the Shoreliners will also collect food for donation to the Ralph Reeder Food Shelf.

One of the biggest events of the year, the Family New Year's Eve Party, will be held from 6:00-9:00 p.m. on Saturday, December 31st. This year's theme is "Let's Rock" and everyone will be treated like a ROCK STAR. In addition to the pool and playground, there will be Rock Star face & nail painting, Rock Star hairdos, crafts, carnival games, bingo, karaoke, inflatables, and a special toddler play area. Fee is $9 per child, $7 per adult. Registration in advance is recommended. This is, by far, ***our*** favorite event of the year.

Ice rink attendants have been hired and trained. They are now anxiously waiting for the rinks to open. We are hoping the rinks will be open before the end of the year. The schedule for warming house hours is posted on our website and in the ShoreViews. We hope this weather turns around so the community can enjoy some outdoor winter recreation.

Beginning January 2nd, Kids Care drop-in child care will implement some fundamental changes. During the past 6 months, staff have been visiting other drop-in child care centers and reading up on laws and regulations to see if we are operating in the best manner. As a result of this research, Kids Care will be available to customers who remain in the building and the Out

and About program will be discontinued. In addition, children will be taken on a first-come, first-served basis where previously reservations were encouraged. We are currently communicating these changes to our customers and answering any questions they have.

COMMUNITY CENTER

The Community Center was a popular destination for many visitors this month. Even though the weather in November was milder than last year, daily pass sales increased 14% and playground only passes increased 21% compared to last year. Daily admission revenue is 10% higher than it was at the same time last year. The number of total users visiting the facility increased nearly 10% this month compared to last November and 5% compared to last month. Nearly 600 coupons were redeemed from coupon books and 51 "buy one get one free" passes were redeemed from the Press Publications promotion.

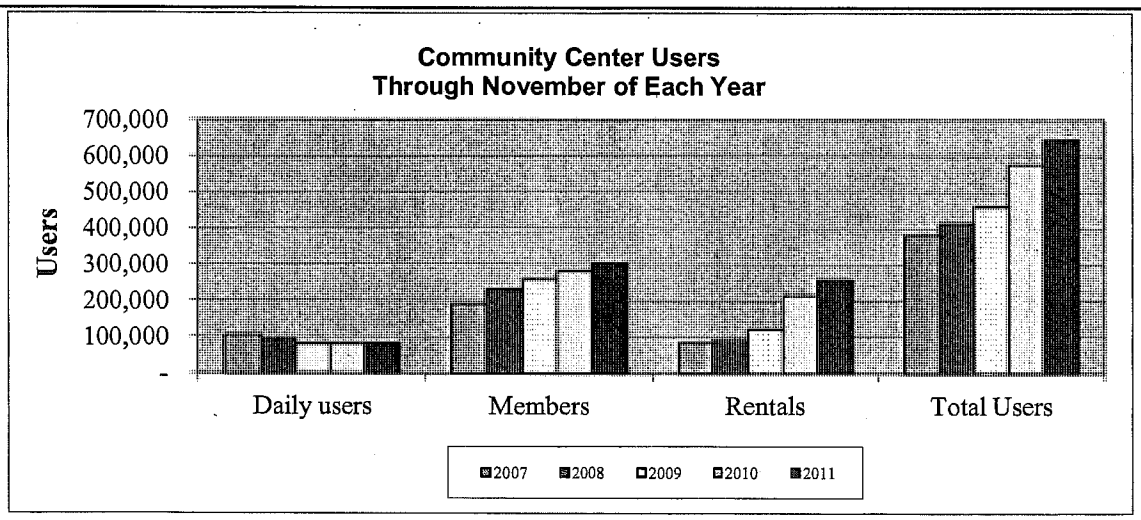
There was a significant increase in cardio equipment usage in the fitness center, especially during the week of Thanksgiving. Many college and high school students kept both the cardio and strength training equipment in use during the holiday break. Three new Life Fitness treadmills replaced our older Life Fitness treadmills. There were 75 personal training sessions scheduled and 28 new member orientations this month.

Staff is working on new rental contracts, policies, and procedures. Marketing efforts for rentals include the new wedding handbook on our web site and more opportunities to receive rental information on-line and by e-mail. All marketing brochures have been updated with an emphasis on flexible opportunities for group outings, corporate and banquet facilities, and different birthday party packages. There was a 10% increase in birthday parties hosted this month compared to last November and to date, nearly 20% more birthday parties compared to last year.

The Silver Sneakers program has processed 175 memberships and there continues to be interest after the Silver Sneaker informational open house. Annual membership sales this November were consistent with last year selling 315 annual memberships. As usual the most popular membership category is the family pass. There are 6,300 active members at the Community Center compared to 6,100 at this time last year. Nearly 65% of these members are family pass members. There are a total of 2,517 memberships compared to 2,396 last year, with 40% being family membership passes. Member retention has remained at a favorable 90%.

Community Center Activity Year-to-date
Through November Each Year

	2007	2008	2009	2010	2011	
Number of Users:						
Daily users	106,149	92,820	80,812	80,810	82,731	
Members	190,822	231,756	258,946	281,709	303,367	
Rentals	83,956	90,276	121,563	214,332	258,926	*
Total Users	380,927	414,852	461,321	576,851	645,024	
Revenue:						
Admissions	$ 431,718	$ 451,535	$ 500,926	$ 474,877	$ 533,539	
Memberships-annual	389,941	470,699	610,488	752,903	821,982	
Memberships-seasonal	170,236	125,689	100,128	90,377	86,783	
Room rentals	183,549	194,674	197,725	208,103	227,192	
Wave Café	142,997	138,958	150,162	162,823	181,350	
Commissions	14,713	11,544	9,149	9,634	13,925	
Locker/vending/video	37,901	29,720	27,662	24,597	24,609	
Merchandise	6,099	7,061	9,041	9,864	13,092	
Other miscellaneous	2,444	1,577	827	1,204	1,196	
Building charge	87,000	88,000	94,000	93,000	97,000	
Transfers in	146,667	174,163	281,600	284,174	272,25[illegible]	
Total Revenue	1,613,265	1,693,620	1,981,708	2,111,556	2,272,91[illegible]	
Expenditures:						
Personal services	1,081,344	1,090,982	1,121,331	1,147,730	1,167,092	
Supplies	316,828	349,157	329,356	336,204	396,022	
Contractual	406,890	425,804	444,881	449,645	504,710	
Total Expenditures	1,805,062	1,865,943	1,895,568	1,933,579	2,067,824	
Rev less Exp Year-to-date	$ (191,797)	$ (172,323)	$ 86,140	$ 177,977	$ 205,094	



* Rental users in 2010 and later years include Summer Discovery Prgm

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Community Center Monthly Activity
For the Year 2011

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Number of Users:													
Daily users	9,573	8,554	12,733	7,331	6,918	8,510	9,591	7,473	2,375	2,799	6,874	-	82,731
Members	33,665	30,575	34,019	29,225	25,468	24,211	24,352	23,544	23,660	26,968	27,680	-	303,367
Rentals	16,013	14,571	17,692	15,947	17,757	40,042	34,573	51,667	16,013	18,620	16,031	-	258,926
Total Users	59,251	53,700	64,444	52,503	50,143	72,763	68,516	82,684	42,048	48,387	50,585	-	645,024
Revenue:													
Admissions	$ 54,768	$ 50,219	$ 82,024	$ 37,760	$ 32,531	$ 48,104	$ 57,434	$ 41,854	$ 19,315	$ 26,708	$ 35,198	$ -	485,915
Indoor playground	6,646	4,955	8,340	4,691	3,281	4,545	3,033	2,183	2,178	2,986	4,786	-	47,624
Memberships	134,134	82,408	85,134	64,611	61,088	69,882	64,747	69,299	77,050	85,320	115,092	-	908,765
Room rentals	22,729	19,569	29,892	16,023	24,736	20,859	19,322	18,740	22,956	21,955	10,411	-	227,192
Wave Café	20,526	18,871	25,987	17,064	15,650	15,441	16,165	14,920	10,577	13,462	12,687	-	181,350
Commissions	-	143	850	-	1,366	698	2,561	1,153	3,393	1,817	1,944	-	13,925
Locker/vending/video	(1,194)	3,591	2,745	3,128	2,566	3,560	3,243	883	1,842	2,649	1,596	-	24,609
Merchandise	1,006	1,018	1,492	1,340	948	1,826	1,546	1,204	1,014	819	879	-	13,092
Other miscellaneous	(80)	75	27	32	757	39	83	50	5	143	65	-	1,196
Building charge	-	-	-	-	-	97,000	-	-	-	-	-	-	97,000
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	-	272,250
Total Revenue	263,285	205,599	261,241	169,399	167,673	286,704	192,884	175,036	163,080	180,609	207,408	-	2,272,918
Expenditures:													
Personal services	84,388	104,891	105,118	99,020	100,804	107,397	156,509	108,982	96,532	99,084	104,367	-	1,167,092
Supplies	30,153	36,056	44,170	42,162	34,276	33,351	29,123	27,161	39,147	44,125	36,298	-	396,022
Contractual	21,270	31,672	36,485	42,242	48,682	54,629	63,436	44,224	56,475	65,557	40,038	-	504,710
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	135,811	172,619	185,773	183,424	183,762	195,377	249,068	180,367	192,154	208,766	180,703	-	2,067,824
Rev less Exp (monthly)	$ 127,474	$ 32,980	$ 75,468	$ (14,025)	$ (16,089)	$ 91,327	$ (56,184)	$ (5,331)	$ (29,074)	$ (28,157)	$ 26,705	$ -	$ 205,094
Rev less Exp (ytd)	$ 127,474	$ 160,454	$ 235,922	$ 221,897	$ 205,808	$ 297,135	$ 240,951	$ 235,620	$ 206,546	$ 178,389	$ 205,094	$ 205,094	

Community Center Monthly Activity
For the Year 2010

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Number of Users:													
Daily users	12,396	8,244	10,145	5,086	6,293	7,811	8,478	7,899	2,600	5,189	6,669	7,974	88,784
Members	32,569	30,039	30,018	24,351	22,682	23,343	23,406	24,567	20,281	23,593	26,860	26,695	308,404
Rentals	16,552	14,271	16,027	14,710	16,223	30,877	29,480	32,456	14,120	16,373	13,243	16,302	230,634
Total Users	61,517	52,554	56,190	44,147	45,198	62,031	61,364	64,922	37,001	45,155	46,772	50,971	627,822
Revenue:													
Admissions	$ 55,503	$ 47,668	$ 54,719	$ 31,183	$ 35,032	$ 40,977	$ 50,122	$ 38,742	$ 18,995	$ 25,431	$ 33,763	$ 42,844	474,979
Indoor playground	7,028	6,623	6,012	2,611	2,846	4,446	2,790	3,305	620	2,541	3,920	4,650	47,392
Memberships	111,690	75,142	68,524	57,725	61,958	61,663	64,227	66,374	78,838	75,158	121,981	197,214	1,040,494
Room rentals	18,519	27,898	14,573	19,724	22,695	16,744	18,713	12,615	23,057	16,713	16,852	12,561	220,664
Wave Café	18,052	17,720	18,813	14,915	13,174	15,261	14,708	15,272	9,617	11,457	13,834	13,993	176,816
Commissions	870	1,051	-	658	-	1,375	1,367	763	1,967	1,356	227	993	10,627
Locker/vending/video	1,317	2,387	4,880	4,296	1,239	2,101	2,802	1,361	4	3,262	948	4,873	29,470
Merchandise	730	932	903	1,147	790	1,043	1,400	1,181	312	711	715	792	10,656
Other miscellaneous	(90)	67	25	(790)	1,025	30	414	171	89	80	183	733	1,937
Building charge	-	-	-	-	-	93,000	-	-	-	-	-	1,415	94,415
Interest	-	-	-	-	-	-	-	-	-	-	-	8,017	8,017
Transfers in	25,834	25,834	25,834	25,834	25,834	25,834	25,834	25,834	25,834	25,834	25,834	25,826	310,000
Total Revenue	239,453	205,322	194,283	157,303	164,593	262,474	182,377	165,618	159,333	162,543	218,257	313,911	2,425,467
Expenditures:													
Personal services	87,881	107,137	99,770	97,359	97,921	97,380	157,769	105,178	95,479	100,266	101,590	171,533	1,319,263
Supplies	13,838	38,074	39,579	27,156	36,732	32,132	30,501	29,798	35,361	28,190	24,843	69,341	405,545
Contractual	5,022	26,404	63,856	28,989	51,368	39,593	36,322	58,235	48,831	60,881	30,144	95,219	544,864
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	106,741	171,615	203,205	153,504	186,021	169,105	224,592	193,211	179,671	189,337	156,577	336,093	2,269,672
Rev less Exp (monthly)	$ 132,712	$ 33,707	$ (8,922)	$ 3,799	$ (21,428)	$ 93,369	$ (42,215)	$ (27,593)	$ (20,338)	$ (26,794)	$ 61,680	$ (22,182)	$ 155,795
Rev less Exp (ytd)	$ 132,712	$ 166,419	$ 157,497	$ 161,296	$ 139,868	$ 233,237	$ 191,022	$ 163,429	$ 143,091	$ 116,297	$ 177,977	$ 155,795	

Community Center Monthly Activity
For the Year 2009

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Number of Users:													
Daily users	9,610	7,464	9,165	7,017	5,860	7,901	9,881	9,159	3,577	5,279	5,899	7,507	88,319
Members	27,501	27,501	26,804	23,626	21,709	22,735	21,940	21,629	18,469	22,758	24,274	25,438	284,384
Rentals	6,099	8,602	8,090	9,163	12,256	16,147	12,461	17,140	9,416	11,801	10,388	13,685	135,248
Total Users	43,210	43,567	44,059	39,806	39,825	46,783	44,282	47,928	31,462	39,838	40,561	46,630	507,951
Revenue:													
Admissions	$ 52,646	$ 47,894	$ 66,746	$ 39,178	$ 32,471	$ 56,406	$ 56,411	$ 57,481	$ 18,269	$ 30,717	$ 42,707	$ 47,506	548,432
Memberships	100,818	58,678	52,866	52,060	47,969	57,264	49,603	56,493	58,716	74,398	101,751	188,793	899,409
Room rentals	22,190	14,814	19,403	18,799	13,811	16,577	11,802	21,001	19,810	20,122	19,396	21,327	219,052
Wave Café	15,222	14,660	17,049	11,631	11,207	15,565	15,578	15,168	8,545	11,673	13,864	12,924	163,086
Commissions	-	-	-	-	-	-	3,132	-	2,442	3,362	213	-	9,149
Locker/vending/video	1,254	2,191	4,324	4,092	651	2,852	2,397	2,122	2,997	3,424	1,358	4,796	32,458
Merchandise	671	307	471	1,066	974	1,174	1,439	1,145	398	530	866	536	9,577
Other miscellaneous	17	(35)	257	34	(92)	226	(235)	249	124	193	89	517	1,344
Building charge	-	-	-	-	-	94,000	-	-	-	-	-	(4,118)	89,882
Interest	-	-	-	-	-	-	-	-	-	-	-	8,171	8,171
Transfers in	25,600	25,600	25,600	25,600	25,600	25,600	25,600	25,600	25,600	25,600	25,600	28,400	310,000
Total Revenue	218,418	164,109	186,716	152,460	132,591	269,664	165,727	179,259	136,901	170,019	205,844	308,852	2,290,560
Expenditures:													
Personal services	90,601	98,542	99,397	95,421	97,379	105,606	145,931	104,061	90,329	100,844	93,220	166,583	1,287,914
Supplies	1,012	51,523	40,949	36,563	32,550	22,016	31,924	30,610	26,441	23,121	32,647	62,683	392,039
Contractual	657	34,418	45,178	37,487	34,181	56,791	59,585	44,305	41,912	48,526	41,841	62,162	507,043
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	92,270	184,483	185,524	169,471	164,110	184,413	237,440	178,976	158,682	172,491	167,708	291,428	2,186,996
Rev less Exp (monthly)	$ 126,148	$ (20,374)	$ 1,192	$ (17,011)	$ (31,519)	$ 85,251	$ (71,713)	$ 283	$ (21,781)	$ (2,472)	$ 38,136	$ 17,424	$ 103,564
Rev less Exp (ytd)	$ 126,148	$ 105,774	$ 106,966	$ 89,955	$ 58,436	$ 143,687	$ 71,974	$ 72,257	$ 50,476	$ 48,004	$ 86,140	$ 103,564	

MOTION SHEET

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To approve the following payment of bills as presented by the finance department.

Date	Description						Amount
12/5/2011	Accounts payable					$	22,677.18
12/8/2011	Accounts payable					$	204,384.26
12/12/2011	Accounts payable					$	195,923.76
12/12/2011	Accounts payable					$	1,999.61
12/12/2011	Accounts payable					$	654,015.90
12/15/2011	Accounts payable					$	161,219.82
12/19/2011	Accounts payable					$	245,907.51
	Sub-total Accounts Payable					**$**	**1,486,128.04**
12/16/2011	Payroll	123576	to	123614	954831 to 955008		$156,322.18
	Sub-total Payroll					**$**	**156,322.18**
	TOTAL					**$**	**1,642,450.22**

ROLL CALL:	AYES	NAYS
Huffman		
Quigley		
Wickstrom		
Withhart		
Martin		

12/19/2011

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
ARDEN HILLS PARK & RECREATION	HALLOWEEN HOOPLA SUPPLIES	225	43580	2172			$119.00	$304.52
		225	43580	3172			$185.52	
BOYER TRUCK PARTS INC.	INSURANCE CLAIM: UNIT 306 DAMAGE	260	47400	4340			$486.66	
BOYER TRUCK PARTS INC.	INSURANCE CLAIM: UNIT 306 DAMAGE	260	47400	4340			$185.28	$185.28
ELLINGSON DRAINAGE INC	PROJECT #11-05 PAYMENT #2	442	47000	5900			$18,294.30	$18,294.30
GOPHER	DODGEBALLS (FALL LEAGUE)	225	43510	2170			$181.72	$181.72
MOMS CLUB OF WHITE BEAR AREA	PRESCHOOL FAIR REGISTRATION	225	43555	2170			$30.00	$30.00
PARALLEL TECHNOLOGIES, INC.	INSURANCE CLAIM: CAMERA MAINTENANCE CTR	260	47400	4340			$472.50	$472.50
THE SNELLING COMPANY	PERMIT REFUND 2011-00030 4180 VICTORIA	101	32540				$35.00	$40.00
		101	20802				$5.00	
U S BANK	VISA SERVICE AWARD CARDS	101	40200	4890			$1,235.55	$1,235.55
XCEL ENERGY	ELECTRIC/GAS: PARKS	101	43710	3610			$668.72	
		101	43710	2140			$234.90	$903.62
XCEL ENERGY	ELECTRIC: LIFT STATIONS	602	45550	3610			$543.03	
							Total of all invoices:	$22,677.18

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
ACE SOLID WASTE	MAINT CENTER SOLID WASTE PICKUP	701	46500	3640			$226.58	
ACE SOLID WASTE	DUMPSTER SERVICE CC AND PARKS	101	43710	3950			$13.92	$1,099.95
		220	43800	3640			$1,086.03	
AMERICAN ENGINEERING TESTING,	NOV MAINT FAC RENOVATION PROJECT	434	47000	5900			$325.00	
AMERICAN MESSAGING	LOCKBOX PMT 12/12/31/11	101	40210	3190			$4.26	$4.26
AUSTINSON, JOHN	BASKETBALL REF NOV 28 & DEC 5	225	43510	3190			$138.00	$138.00
BEITLER BUILDING SYSTEMS	EROSION REDUCTION 948 CO RD I RES 11-90	101	22030				$500.00	$500.00
BIRMANIS, KIRA	AQUATICS - LEVEL 1	220	22040				$10.00	$10.00
CAPITAL FUNDING GROUP	FITNESS EQUIPMENT LEASE - DEC, 2011	220	43800	3960			$1,151.33	$1,151.33
CERTIFIED LABORATORIES	REPAIR SUPPLIES CC	220	43800	2240			$983.24	$983.24
COLE, JUDITH	CPR AED & FA	220	22040				$12.00	$12.00
CONSTRUCTIVE BUILDERS	EROSION RED 3205 OWASSO BLVD W RES 11-90	101	22030				$1,000.00	$1,000.00
CUB FOODS	PRESCHOOL SUPPLIES	225	43555	2170			$159.72	$159.72
DEAN, GORDON	PASS REFUND	220	22040				$220.00	$220.00
DOUGHMAN, SHEILA	REFUND OVRPYMT AT CLOSING-1021 EDGEWATER	601	36190				$5.12	$5.12
DRIER, DAN	STAR FISH 1	220	22040				$140.00	$140.00
DUNHAM ASSOCIATES, INC.	NOVEMBER MAINT FAC RENO PROJECT 2011	434	47000	5900			$406.00	$406.00
DYNAMEX DELIVERS NOW/ROADRUNNE	UTIL BILL DELIVERY TO EAGAN PO-10/31/11	601	45050	3220			$19.73	$39.46
		602	45550	3220			$19.73	
EDS BUILDERS, INC	NOV MAINT FAC RENOVATION PROJECT 2011	434	47000	5900			$200.00	
EICHER, ELIZABETH	PASS REFUND	220	22040				$20.00	$20.00
GENESIS EMPLOYEE BENEFITS, INC	ADMINISTRATION FEE: NOVEMBER 2011	101	20416				$351.55	$351.55
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 12-02-11	101	20432				$168.66	$168.66
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 12-09-11	101	20431				$340.68	$627.01
		101	20432				$286.33	
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.50	$19.50
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.50	$19.50
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.12	$16.12
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.17	$16.17
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.52	$19.52
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.52	$19.52
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.52	$19.52
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
HANNON, TIM	FACILITY REFUND	220	22040				$50.00	$50.00
HAWKINS, INC.	POOL CHEMICALS	220	43800	2160			$440.55	$440.55
HEIDERSCHEID, ANGELA	VOLLEYBALL GRADE 6-8	220	22040				$42.00	$42.00
I-STATE TRUCK CENTER	CAB AND CHASSIS NEW UNIT 209	701	46500	5400			$78,272.86	$78,272.86
INDIANHEAD GLASS, INC	NOV MAINT. FAC RENOVATION PROJECT 2011	434	47000	5900			$520.00	$520.00
INDUSTRIAL TOOL & SUPPLY, INC.	EMERGENCY REPAIRS TO WATER SLIDE STAIRS	220	43800	3810			$1,758.63	$1,758.63
LEY, TIM	EROSION RED 668 HIGHWAY 96 RES 11-90	101	22030				$1,000.00	$1,000.00
LOGAN, JOHN	BASKETBALL REF NOV 28 & DEC 5	225	43510	3190			$184.00	$184.00
MAJKOZAK, MICHELLE	EXPENSE REIMBURSEMENT	220	43800	2180			$10.71	$10.71
MARAVELAS, ANNA	PT JENNT 3 SESSIONS	220	22040				$169.00	$169.00
MCGOUGH	EROS & LANDSCAPE 1803 PARKVIEW RES11-90	101	22030				$8,700.00	$10,750.00
		101	22020				$2,050.00	
MINNESOTA DEPT LABOR AND INDUS	BUILDING SURCHARGE REPORT: NOVEMBER 2011	101	20802				$2,528.90	$2,478.32
		101	34060				-$50.58	
MOSLEY, ZEBBIE	BASKETBALL REF NOV 28	225	43510	3190			$92.00	
NATIONAL HOSPITALITY SUPPLY	PORTABLE MESSAGE SIGN FOR CC	220	43800	2180			$109.93	$109.93
NOYES, BRIAN	BASKETBALL REF NOV 28 & DEC 5	225	43510	3190			$161.00	$161.00
OPTIMUM MECHANICAL SYSTEMS, IN	NOVEMBER MAINT FAC. RENOVATION 2011	434	47000	5900			$5,664.40	$5,664.40

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
OTTESON, DEAN	EROSION RED 3330 VICTORIA ST N RES 11-90	101	22030				$1,000.00	$1,000.00
PMI HOMES INC	EROSION RED 3288 OWASSO HTS RES 11-90	101	22030				$2,000.00	$2,000.00
PMI HOMES INC	EROSION RED 3294 OWASSO HTS RES 11-90	101	22030				$1,000.00	$1,000.00
PREINER, CONRAD	PASS REFUND	220	22040				$190.00	$190.00
RAMGREN, ROBERT	PASS REFUND	220	22040				$66.38	$66.38
RAMSEY COUNTY TREASURER	LIFE INSURANCE:DECEMBER 2011	101	20414				$2,392.29	$2,592.29
		101	20417				$200.00	
ROTO-ROOTER	TRAIL REPAIR 5995 HODGSON RD RES 11-90	101	22020				$1,000.00	
SCHROEDER, GRETCHEN	CPR AED & FA	220	22040				$12.00	$12.00
SORENSON, MATTHEW	BASKETBALL REF DEC 5	225	43510	3190			$69.00	$69.00
SOUTHVIEW DESIGN	EROSION RED 3135 PARK OVERLOOK RES 11-90	101	22030				$500.00	$500.00
SWENSON, JUDY	KETTLEBELL	220	22040				$71.00	$71.00
T-MOBILE	MONTHLY CHARGES - 10/27-11/26/11	601	45050	3190			$62.94	$62.94
TARGET COMMERCIAL INVOICE	MEETING ROOM SUPPLIES	101	40200	2010			$40.69	$40.69
THOMAZIN, ELISA	PASS REFUND	220	22040				$20.00	$20.00
TOWMASTER	BOX, PLOW AND EQUIPMENT NEW UNIT 209	701	46500	5400			$82,366.43	$82,366.43
TRUSKINOVSKY, TAKAKO	FACILITY REFUND	220	22040				$100.00	$100.00
TWIN CITIES PUBLIC TELEVISION	SLICE OF SHOREVIEW	270	40250	4890			$250.00	$250.00
UNIVERSITY OF MINNESOTA	CITY ENGINEERS ANNUAL CONFERENCE 2011	101	42050	4500			$300.00	$300.00
VALENCOUR, BRANDON	REFUND CLOSING OVRPYMT-5943 FERNWOOD ST	601	36190				$179.99	$179.99
VALLEY NATIONAL GASES WV LLC	CO2 FOR WHIRL POOL	220	43800	2160			$83.48	$83.48
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590			$1,029.54	$1,029.54
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590			$11.75	$11.75
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590			$208.10	$286.65
		101	40800	2180			$78.55	
WERMEGER, GORDON	DEFENSIVE DRIVING 4	220	22040				$11.00	$11.00
WINCO LANDSCAPE	EROSION RED 3288 OWASSO HTS RES 11-90	101	22030				$1,000.00	$1,000.00
WINCO LANDSCAPE	EROSION RED 3294 OWASSO HTS RES 11-90	101	22030				$500.00	$500.00
							Total of all invoices:	$204,384.26

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
AARP - DENNIS HEINZE	28 FOR 4 HOUR PM DEF DRIVING COURSE	225	43590	3174			$350.00	$350.00
COCA COLA REFRESHMENTS	WAVE CAFE BEVERAGE FOR RESALE	220	43800	2590			$342.60	$342.60
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.14	$16.14
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.14	$16.14
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.16	$16.16
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.12	$16.12
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.45	$19.45
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$19.45	$19.45
GRANDMA'S BAKERY	BAKERY FOR RESALE - WAVE CAFE	220	43800	2590			$16.14	$16.14
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
GRANDMA'S BAKERY	BIRTHDAY CAKES FOR RESALE	220	43800	2591			$19.99	$19.99
KILLMER ELECTRIC COMPANY, INC	FIRST PAYMENT LIFT STATION PROJECT 10-02	441	47000	5900			$160,075.00	$160,075.00
MCCAREN DESIGNS INC	DECEMBER HORTICULTURE SERVICES POOL	220	43800	3190			$1,278.23	$1,278.23
METROPOLITAN COUNCIL ENVIRONME	SAC CHARGES FOR NOVEMBER 2011	602	20840				$4,460.00	$4,415.40
		602	34060				-$44.60	
MINNESOTA DEPARTMENT OF AGRICU	2012 MN GROWN LICENSE	225	43590	2174			$60.00	$60.00
MINNESOTA DEPARTMENT OF AGRICU	PESTICIDE APPLICATOR LICENSE RENEWAL	101	43710	4500			$45.00	
NORTHWEST ASPHALT INC.	TANGLEWOOD/VICTORIA CP11-08 PYMNT #2	569	47000	5900			$25,118.81	$25,118.81
PHILIP, JAMI	MILEAGE REIMBURSEMENT	101	40500	4500			$46.41	$46.41
PRESS PUBLICATIONS	AD FOR ALF	225	43590	3174			$195.60	$195.60
PRESS PUBLICATIONS	MARKETING FOR COMMUNITY CENTER	459	43800	3190			$756.63	$756.63
QUALITY FLOW SYSTEMS INC	RENTAL OF MOTOR NORTH CARLSON	602	45550	3190			$427.50	$427.50
TOKLE INSPECTIONS INC	INSPECTION SERVICES DEC 2011	101	44300	3090			$1,555.60	$1,555.60
WATSON COMPANY	WAVE CAFE FOOD FOR RESALE	220	43800	2590			$977.46	$977.46
							Total of all invoices:	$195,923.76

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
FUN SERVICES	KIDS HOLIDAY SHOPPING SPREE	225	43580	3170			$1,999.61	$1,999.61
							Total of all invoices:	$1,999.61

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
DELUXE CORPORATION	TIF NOTE PAYMENT	415	48600	6020			$388,163.52	
		415	48600	6120			$49,588.00	
LEXINGTON SHORES LLC	TIF NOTE PAYMENT/PER CONTRACT	417	48600	6020			$9,405.05	$49,331.21
		417	48600	6120			$39,926.16	
TSI INCORPORATED	PAYMENT ON TIF NOTE/PER CONTRACT	306	48600	6020			$166,933.17	$166,933.17
							Total of all invoices:	$654,015.90

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
ALLIED WASTE SERVICES #899	NOVEMBER ALLIED WASTE SERVICES	210	42750	3190			$41.00	$41.00
BEITLER BUILDING SYSTEMS	EROS,LAND,SURVEY 948 CO RD I RES 11-85	101	22030				$2,000.00	$5,000.00
		101	22025				$1,000.00	
		101	22020				$2,000.00	
COMMISSIONER OF REVENUE- WH TA	WITHHOLDING TAX - PAYDATE 12-16-11	101	21720				$8,880.29	$8,880.29
COMMUNITY HEALTH CHARITIES - M	EMPLOYEE CONTRIBUTIONS: 12-16-11	101	20420				$153.00	$153.00
FRONTIER PRECISION, INC	ANTENNA FOR GPS UNIT	601	16500				$667.97	$667.97
GENESIS EMPLOYEE BENEFITS, INC	VEBA CONTRIBUTIONS:12-16-11	101	20418				$5,610.00	$5,610.00
GENESIS EMPLOYEE BENEFITS, INC	FLEX - MED/DEPENDENT CARE 12-16-11	101	20431				$524.04	$1,086.54
		101	20432				$562.50	
HOFFARD, THERESA	MILEAGE REIMBURSEMENT	101	40200	3270			$26.64	$26.64
HOME DEPOT, THE	TOOLS	601	45050	2400			$76.92	$76.92
ICMA/VANTAGEPOINT TRANSFER-300	EMPLOYEE CONTRIBUTIONS PAYDATE:12-16-11	101	21750				$5,445.11	$5,445.11
ICMA/VANTAGEPOINT TRANSFER-705	ROTH CONTRIBUTIONS:12-16-11	101	20430				$398.00	$398.00
KANES CATERING	EMPLOYEE SERVICE AWARD EVENT	101	40200	4890			$1,929.52	$1,929.52
KUSCHEL, JODEE	MILEAGE REIMBURSEMENT: APA MTG/DEC	101	40500	4500			$18.18	
L'ALLIER CONCRETE, INC	LAKE AVE CURB REPLACEMENT	101	42200	3190			$3,350.00	$3,350.00
MAKHSSOUS, FARVEH	EXPENSE REIMBURSEMENT	101	40200	4890			$19.18	$19.18
MINNESOTA CHILD SUPPORT PAYMEN	PAYDATE: 12-16-11	101	20435				$209.00	$209.00
MINNESOTA DEPARTMENT OF REV -	ON ROAD DIESEL FUEL TAX: NOVEMBER 2011	701	46500	2120			$268.80	$268.80
MINNESOTA DEPARTMENT OF REVENU	SALES USE TAX: NOVEMBER 2011	220	21810				$17,075.00	$28,404.00
		220	21810				-$5,495.00	
		701	46500	2120			$60.00	
		601	21810				$913.00	
		101	40210	4890			$9.62	
		101	40550	2010			$1.67	
		101	40550	2180			$23.37	
		101	40550	3860			$21.90	
		101	40550	4350			$.62	
		101	44100	2010			$1.51	
		220	43800	2180			$79.12	
		220	43800	2200			$11.89	
		220	43800	2240			$42.01	
		220	43800	3960			$152.44	
		225	43530	2170			$22.00	
		225	43535	2170			$241.00	
		225	43560	2170			$3.14	
		225	43580	2170			$8.90	
		225	43580	2172			$9.44	
		405	43800	2180			$1,195.84	
		422	40550	5800			$667.43	
		701	46500	5800			-$240.90	
		220	21810				$13,600.00	
MINNESOTA ENVIRONMENTAL FUND	MN ENVIRONMENTAL EMPL CONTRIB: 12-16-11	101	20420				$15.00	$15.00
MOUNDS VIEW PUBLIC SCHOOLS	BUILDING SUPERVISOR- WRESTLING IL & TL	225	43510	3190			$108.00	
NORDINE, KATHLEEN	EXPENSE REIMBURSEMENT	101	40200	4890			$17.25	$17.25
PACK #8, CUB SCOUT	FACILITY REFUND	220	22040				$100.00	$100.00
PAULNO, TIM	EXPENSE REIMBURSEMENT	601	45050	4500			$23.00	$23.00
PELTON, JULIE	MILEAGE & SUPPLIES	101	40210	3270			$36.08	$43.08
		101	40200	2180			$7.00	
PUBLIC EMPLOYEES RETIREMENT AS	EMPL/EMPLOYER CONTRIBUTIONS: 12-16-11	101	21740				$28,465.30	$28,465.30

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
PUBLIC EMPLOYEES RETIREMENT AS	PERA DEFINED CONTRIBUTIONS: 12-16-11	101	21740				$243.50	$243.50
RICOH AMERICAS CORPORATION	MAINTENANCE: COPIES FOR PARKS/MT CENTER	101	40200	3850			$408.27	
RICOH AMERICAS CORPORATION	LEASE CITY HALL COPIERS	101	40200	3930			$2,199.88	$2,199.88
SAM'S CLUB DIRECT	EMPLOYEE SERVICE AWARDS EVENT SUPPLIES	101	40800	2180			$14.48	$137.90
		101	40200	4890			$123.42	
THOMPSON, SCOTT	BROOMBALL COREC D	220	22040				$330.00	$330.00
TREASURY, DEPARTMENT OF	FEDERAL WITHHOLDING TAX: 12-16-11	101	21710				$21,106.10	
		101	21730				$21,093.23	
		101	21735				$6,413.28	$48,612.61
TROOP #494, BOY SCOUT	FACILITY REFUND	220	22040				$100.00	$100.00
UNITED WAY - GREATER TWIN CITI	EMPLOYEE CONTRIBUTIONS: 12-16-11	101	20420				$74.00	
XCEL ENERGY	ELECTRIC: SURFACE WATER	603	45900	3610			$42.32	$42.32
XCEL ENERGY	ELECTRIC: SURFACE WATER	603	45900	3610			$36.16	$36.16
XCEL ENERGY	ELECTRIC: SIGNAL SHARED W/NORTH OAKS	101	42200	3610			$40.33	$40.33
XCEL ENERGY	ELECTRIC: STREET LIGHTS	604	42600	3610			$14,434.49	$14,434.49
XCEL ENERGY	ELECTRIC/GAS: MAINTENANCE CENTER	701	46500	3610			$1,696.99	$3,978.90
		701	46500	2140			$2,281.91	
XCEL ENERGY	ELECTRIC: TRAFFIC SIGNALS	101	42200	3610			$34.37	
XCEL ENERGY	ELECTRIC: SIRENS	101	41500	3610			$59.68	$59.68
XCEL ENERGY	ELECTRIC: STORM SEWER LIFT STATIONS	603	45850	4890			$131.63	$131.63
							Total of all invoices:	$161,219.82

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
ALLEN, DEANNE	MINUTES - 11/14 CC, 11/21 CC	101	40200	3190			$400.00	$400.00
AMERI PRIDE LINEN & APPAREL SE	UNIFORM RENTALS - MAINTENANCE CENTER	101	42200	3970			$42.39	$169.55
		601	45050	3970			$42.39	
		602	45550	3970			$42.39	
		603	45850	3970			$21.19	
		701	46500	3970			$21.19	
AMERI PRIDE LINEN & APPAREL SE	PARK MAINTENANCE UNIFORM RENTAL	101	43710	3970			$59.35	$59.35
AMERI PRIDE LINEN & APPAREL SE	COMM CNTR UNIFORM RENTAL	220	43800	3970			$45.68	$45.68
AMERI PRIDE LINEN & APPAREL SE	UNIFORM RENTALS-MAINTENANCE CTR/LSS CRDT	101	42200	3970			$42.39	$169.55
		601	45050	3970			$42.39	
		602	45550	3970			$42.39	
		603	45850	3970			$21.19	
		701	46500	3970			$21.19	
AMERI PRIDE LINEN & APPAREL SE	PARK MAINT UNIFORM RENTAL	101	43710	3970			$59.35	$59.35
AMERI PRIDE LINEN & APPAREL SE	COMM CNTR MAINT UNIFORM RENTAL	220	43800	3970			$45.68	$45.68
AMERI PRIDE LINEN & APPAREL SE	UNIFORM RENTALS - MAINTENANCE CENTER	101	42200	3970			$42.39	$169.55
		601	45050	3970			$42.39	
		602	45550	3970			$42.39	
		603	45850	3970			$21.19	
		701	46500	3970			$21.19	
AMERICAN ENGINEERING TESTING,	DEMAR/FLORAL,CP#12-01,SOIL BORRINGS	570	47000	5910			$3,627.00	$3,627.00
ANIMAL CONTROL SERVICES	PATROL HOURS - 10/24 - 11/27/11	101	41100	3199			$1,702.00	$1,702.00
ARMOUR, CINDY	FACE PAINTERS NEW YEAR'S EVE EVENT (3)	225	43580	3172			$435.00	$435.00
BDI	SNOW BLOWER PARTS	701	46500	2180			$49.87	
BEISSWENGERS HARDWARE	TAPE TO HOLD TREE WRAP	101	43710	2240			$18.79	$18.79
BEISSWENGERS HARDWARE	TOOLS	101	42200	2400			$126.42	$265.51
		603	45850	2400			$139.09	
BEISSWENGERS HARDWARE	REPAIR SUPPLIES CC	220	43800	2240			$22.32	$22.32
BEISSWENGERS HARDWARE	REPAIR SUPPLIES CC	220	43800	2240			$59.57	$59.57
BEISSWENGERS HARDWARE	BATTERIES	101	43710	2240			$3.62	$3.62
BEISSWENGERS HARDWARE	SCOOP SHOVELS	101	43710	2400			$132.06	$132.06
BETHEL CLARION	FALL BULLET JOBS LIST	101	40210	3360			$129.00	$129.00
BOYER TRUCK PARTS INC.	WORK ON UNIT 208	701	46500	2180			$775.45	$775.45
C & E HARDWARE	SIGN SUPPLIES	101	42200	2180			$18.56	$18.56
C & E HARDWARE	GLUE STICKS	701	46500	2180			$4.60	$4.60
C & E HARDWARE	TRAP FOR WELLS	601	45050	2280			$3.74	$3.74
CATCO PARTS SERVICE	PARTS FOR UNIT 209	701	46500	2180			$28.71	$28.71
CATCO PARTS SERVICE	PARTS FOR 209	701	46500	2180			$144.05	$144.05
CATCO PARTS SERVICE	PARTS FOR UNIT 607	701	46500	2180			$15.75	$15.75
CATCO PARTS SERVICE	PARTS FOR UNIT 608	701	46500	2180			$22.51	$22.51
CDW GOVERNMENT	WORK SURFACE: PELTON	101	40200	2010			$105.65	
CDW GOVERNMENT, INC	WIRELESS MOUSE/KEYBOARD	101	40550	2180			$99.35	
COMPLETE HEALTH, ENVIRONMENTAL	NOVEMBER MTCE PLAN	101	40210	3190			$610.00	$610.00
CONTINENTAL RESEARCH CORPORATI	SCREWDRIVER	601	45050	2400			$87.72	$87.72
DAKOTA UNLIMITED INC.	INSTALL BOLLARDS FOR NEW CHILLER	405	40800	3810			$1,790.00	$1,790.00
DUSTY'S DRAIN CLEAINING	VIDEO OF 435 GRAMSIE	602	45550	3190			$200.00	$200.00
ELECTRIC MOTOR REPAIR, INC.	REPAIR OF BOAT SLIDE MOTOR	220	43800	3810			$389.97	$389.97
EMERGENCY AUTOMOTIVE	COMPUTER STAND FOR 201	101	42200	2180			$330.85	$330.85
FACTORY MOTOR PARTS COMPANY	BATTERY FOR STOCK	701	46500	2180			$93.01	$93.01
FACTORY MOTOR PARTS COMPANY	BATTERIES	701	46500	2180			$214.74	$214.74
FACTORY MOTOR PARTS COMPANY	BATTERIES	701	46500	2180			$47.20	$47.20

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
FRONTIER PRECISION, INC.	REPLACEMENT CRADLE FOR TRIMBLE GPS	101	40550	2180			$163.52	$163.52
GOODPOINTE TECHNOLOGY INC	ICON SUPPORT AGREEMENT 2012	404	42200	3190			$4,230.00	$4,230.00
GOPHER	GROUPFITNESS EXERCISE MATS FOR GYMACTRM	225	43530	2170			$791.64	$791.64
GOPHER STATE ONE-CALL	GOPHER ONE LOCATE CHARGE	601	45050	3190			$79.90	$319.60
		602	45550	3190			$79.90	
		603	45850	3190			$79.90	
		604	42600	3190			$79.90	
GRAINGER, INC.	REPAIR SUPPLIES CC	220	43800	2240			$109.26	
GRAINGER, INC.	REPAIR SUPPLIES CC	220	43800	2240			$68.24	$68.24
GRAINGER, INC.	REPAIR SUPPLIES CC/LESS CREDIT	220	43800	2240			$82.92	$82.92
GRAINGER, INC.	LIGHT BULBS FOR PARKING LOTS	101	43710	2240			$59.15	$59.15
GRAINGER, INC.	BATTERIES AND SHOVELS	601	45050	2280			$181.17	$181.17
GREENHAVEN PRINTING	WINTER SHOREVIEWS	101	40400	3220			$2,971.52	$19,575.62
		230	40900	3390			$16,604.10	
GYM WORKS, INC	REPAIRS TO FITNESS EQUIPMENT CC	220	43800	3890			$337.20	$337.20
HALDEMAN-HOMME, INC.	REPLACEMENT BACKBOARD CC	220	43800	3810			$2,058.00	$2,058.00
HEWLETT-PACKARD COMPANY	PC REPLACEMENTS	422	40550	5800			$456.35	
HEWLETT-PACKARD COMPANY	PC REPLACEMENTS	422	40550	5800			$456.35	$456.35
I-STATE TRUCK CENTER	PARTS FOR UNIT 203	701	46500	2220			$130.67	$130.67
INSTRUMENTAL RESEARCH INC	SAMPLES	601	45050	3190			$240.00	$240.00
MAILE ENTERPRISES, INC	HYDRANT FLAGS	601	45050	2280			$637.09	$637.09
MENARDS CASHWAY LUMBER **FRIDL	WELL SUPPLIES	601	45050	2280			$35.43	$35.43
MENARDS CASHWAY LUMBER **FRIDL	BOARDS TO MAKE HOCKEY GATE PLANKS	101	43710	2240			$39.20	$39.20
MENARDS CASHWAY LUMBER **FRIDL	BROOMS FOR PARK BUILDINGS	101	43710	2110			$42.58	$42.58
MENARDS CASHWAY LUMBER *MAPLEW	SMALL TOOLS	701	46500	2400			$87.34	$87.34
MENARDS CASHWAY LUMBER *MAPLEW	SMALL TOOLS	101	42200	2400			$8.49	$8.49
MTI DISTRIBUTING, INC	IRRIGATION BOXES AND COVERS	101	43710	2240			$121.50	$121.50
MTI DISTRIBUTING, INC	PARTS FOR 580D	701	46500	2220			$146.49	$146.49
MTI DISTRIBUTING, INC	PARTS FOR 580D	701	46500	2180			$86.55	$86.55
MTI DISTRIBUTING, INC	PARTS FOR TORO 1	701	46500	2180			$92.65	$92.65
MULTICARE ASSOCIATES TWIN CITI	PRE EMPLOMENT EXAM & ASSOC. VACCINATION	101	40210	3190			$131.00	$131.00
NAPA AUTO PARTS	WAX	701	46500	2180			$38.54	$38.54
NAPA AUTO PARTS	BRINE TANK PARTS	701	46500	2180			$2.45	$2.45
NAPA AUTO PARTS	PARTS FOR TOOL-CAT	701	46500	2180			$17.64	$17.64
NAPA AUTO PARTS	SHOP SUPPLIES	701	46500	2180			$8.02	$8.02
NAPA AUTO PARTS	PARTS FOR UNIT 304	701	46500	2180			$58.46	$58.46
NAPA AUTO PARTS	PARTS FOR UNIT 304	701	46500	2180			$4.81	$4.81
NAPA AUTO PARTS	PARTS FOR UNIT 608	701	46500	2180			$40.69	$40.69
NEWMAN SIGNS	SIGN POSTS	101	42200	2180			$447.95	$447.95
OFFICE DEPOT	GENERAL OFFICE SUPPLIES	101	40200	2010			$59.73	$59.73
OPTUMHEALTH FINANCIAL SERVICES	NOV COBRA/RETIREE/GEN NOTICE	101	40210	3190			$57.20	$57.20
ORIENTAL TRADING COMPANY	NEW YEARS EVE EVENT SUPPLIES	225	43580	2172			$691.15	$691.15
OXYGEN SERVICE COMPANY	WELDING SUPPLIES	701	46500	2180			$144.66	$144.66
PARALLEL TECHNOLOGIES, INC.	2011 ST REHAB/CP#11-08/REPAIR FIBER OPT	569	47000	5900			$7,504.99	$7,504.99
PIONEER RIM & WHEEL CO.	PARTS FOR 302	701	46500	2180			$139.07	$139.07
PLUMBMASTER, INC	REPAIR SUPPLIES CC	220	43800	2240			$203.05	$203.05
PRESS PUBLICATIONS	LEGAL NOTICE	101	40200	3360			$67.28	$67.28
PRESS PUBLICATIONS	WINTER JOBS BULLET LIST	101	40210	3360			$520.00	$520.00
PRESS PUBLICATIONS	ACCESS SHOREVIEW - OCTOBER	101	40400	3390			$270.30	$270.30
PUMP & METER SERVICE INC.	PARTS FOR FUEL PUMPS	701	46500	3196			$173.68	$173.68
RAMSEY COUNTY	911 SERVICES - NOVEMBER 2011	101	41100	3198			$6,937.86	$6,937.86

COUNCIL REPORT

Vendor Name	Description	FF	GG	OO	AA	CC	Line Amount	Invoice Amt
RAMSEY COUNTY	FLEET SUPPORT FEE - NOVEMBER 2011	101	41500	3890			$35.84	$35.84
RAMSEY COUNTY	LAW ENFORCEMENT - DECEMBER 2011	101	41100	3190			$147,459.66	$147,459.66
RAMSEY COUNTY PROPERTY RECORDS	WATER PATROL FOR 2011	101	41100	3990			$7,872.00	$7,872.00
RAMSEY COUNTY PROPERTY RECORDS	EMERGENCY COMMUNICATION RADIO USER FEE	701	46500	4330			$192.64	$192.64
SAM'S CLUB DIRECT	KIDS HOLIDAY SS/SENIOR PROGRAMS	225	43580	2172			$144.37	$170.39
		225	43590	2174			$26.02	
SCHREIBER MULLANEY CONSTRCT CO	PORTABLE TOILET ENCLOSURES VARIOUS SITES	459	43710	5300			$24,490.00	$24,490.00
SIRENCODER LLC	REPAIR OF SIREN NO. 2	101	41500	3890			$283.14	$283.14
SOLBREKK	OCTOBER EMAIL FILTERING	101	40550	3860			$117.00	$117.00
SOLBREKK	DECEMBER EMAIL FILTERING	101	40550	3860			$117.00	$117.00
SOLBREKK	CANON LASERFICHE SCANNER	422	40550	5800			$3,613.33	$3,613.33
TARGET COMMERCIAL INVOICE	KIDS HOLIDAY SHOPPING/ICE SKATING SUPP	225	43580	2171			$14.48	
		225	43580	2172			$54.12	$68.60
TOUSLEY FORD, INC.	PARTS FOR 608	701	46500	2180			$155.33	$155.33
TRI STATE BOBCAT, INC.	PARTS MANUAL	701	46500	2180			$102.24	$102.24
TWIN CITIES NO. CHAMBER OF COM	MEMBERSHIP DUES - 12/11 - 11/30/12	101	40100	4330			$485.00	$485.00
ZACKS INC.	SHOP SUPPLIES	701	46500	2180			$124.49	$124.49
							Total of all invoices:	$245,907.51

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	24,998 Council approved 4-18-11
Vendor number	00290 1 2011
Vendor name	I-STATE TRUCK CENTER
Address	2845 LONG LAKE ROAD ROSEVILLE, MN 55113

Date	Comment line on check	Invoice number	Amount
12-07-11	CAB AND CHASSIS NEW UNIT 209	V242003869	$78,272.86

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[X] Purchase was made through the state's cooperative purchasing venture.

[ ] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[ ] Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
701 46500 5400	$78,272.86

Is sales tax included on invoice?	Included
If no, amount subject to sales use tax	$

Reviewed by:
(signature required) Dan Curley

Approved by:
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	24,944	Council approved 4/18/11
Vendor number	01991 1	2011
Vendor name	TOWMASTER	
Address	61381 US HWY 12 LITCHFIELD, MN 55355	

Date	Comment line on check	Invoice number	Amount
11-30-11	BOX, PLOW AND EQUIPMENT NEW UNIT 209	334671	$82,366.43

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[X] Purchase was made through the state's cooperative purchasing venture.

[ ] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[ ] Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
701 46500 5400	$82,366.43

Is sales tax included on invoice?	Included
If no, amount subject to sales use tax	$

Reviewed by:
(signature required) Dan Curley

Approved by:
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	24,781
Vendor number	00300 1 2011
Vendor name	KILLMER ELECTRIC COMPANY, INC
Address	5141 LAKELAND AVENUE N CRYSTAL, MN 55429

Date	Comment line on check	Invoice number	Amount
11-17-11	FIRST PAYMENT LIFT STATION PROJECT 10-02	18331 -1	$160,075.00

Process Early *

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[ ] Purchase was made through the state's cooperative purchasing venture.

[ ] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[X] Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
441 47000 5900	$160,075.00

Is sales tax included on invoice?	Included
If no, amount subject to sales use tax	$

Reviewed by:
(signature required) Dan Curley

Approved by:
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	25,007	Please return check to Glen
Vendor number	02012 1	2011
Vendor name	NORTHWEST ASPHALT INC.	
Address	1451 STAGECOACH ROAD SHAKOPEE, MN 55379-2797	

Date	Comment line on check	Invoice number	Amount
12-09-11	TANGLEWOOD/VICTORIA CP11-08 PYMNT #2	0	$25,118.81

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	Glen

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[ ] Purchase was made through the state's cooperative purchasing venture.

[X] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[ ] Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
569 47000 5900	$25,118.81

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	$

Reviewed by: Glen M. Hoffard
(signature required) Glen Hoffard

Approved by: [signature]
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	24,939
Vendor number	00179 1 2011
Vendor name	DELUXE CORPORATION
Address	3680 VICTORIA STREET N SHOREVIEW MN 55126

Date	Comment line on check	Invoice number	Amount
12-19-11	TIF NOTE PAYMENT	TIF DISTRICT #1	$437,751.52

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[ ] Purchase was made through the state's cooperative purchasing venture.

[ ] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[X] Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
415 48600 6020	$388,163.52
415 48600 6120	$49,588.00

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	$

Reviewed by: D. Maloney
(signature required) Debbie Maloney

Approved by: T. S.
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	24,783
Vendor number	00328 1 2011
Vendor name	LEXINGTON SHORES LLC
Address	ATTN: MR. LARRY KELLY 1525 SOUTH 4TH STREET MINNEAPOLIS, MN 55454

Date	Comment line on check	Invoice number	Amount
12-19-11	TIF NOTE PAYMENT/PER CONTRACT	TIF DIST #6	$49,331.21

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[ ] Purchase was made through the state's cooperative purchasing venture.

[ ] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[X] Cooperative purchasing venture consideration requirement does

Account Coding	Amount
417 48600 6020	$9,405.05
417 48600 6120	$39,926.16

Approved by:
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	
Quote 2	
Explanation if no quote received	

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Vendor name	TSI INCORPORATED
Address	500 CARDIGAN ROAD ST PAUL, MN 55164-3903

Date	Comment line on check	Invoice number	Amount
12-19-11	PAYMENT ON TIF NOTE/PER CONTRACT	TIF DISTRICT #3	$166,933.17

THIS IS AN EARLY CHECK, PLACE VOUCHER IN EARLY CHECK FILE

Return to:	

This Purchase Voucher is more than $25,000.00; was the state's cooperative venture considered before purchasing through another source?

[ ] Purchase was made through the state's cooperative purchasing venture.

[ ] Purchase was made through another source. The state's cooperative purchasing venture was considered.

[X] Cooperative purchasing venture consideration requirement does not apply.

Account Coding	Amount
306 48600 6020	$166,933.17

Is sales tax included on invoice?	Not Taxable
If no, amount subject to sales use tax	$

Purchase Voucher

City of Shoreview
4600 Victoria Street North
Shoreview MN 55126

Voucher Number	24,758
Vendor number	01579 1 2011
Vendor name	SCHREIBER MULLANEY CONSTRCT CO INC
Address	1286 HUDSON RD ST PAUL MN 55106

Date	Comment line on check	Invoice number	Amount
11-30-11	PORTABLE TOILET ENCLOSURES VARIOUS SITES	1491-11-01	$24,490.00

Account Coding	Amount
459 43710 5300	$24,490.00

Is sales tax included on invoice?	Included
If no, amount subject to sales use tax	$

Reviewed by:
(signature required) Gary Chapman

Approved by:
(signature required) Terry Schwerm

Two quotes must be attached to purchase voucher for all purchases between $10,000 and $50,000. If no quote is received, explain below:

Quote 1	SCHREIBER MULLANEY $24,490.00
Quote 2	PARKOS CONST. $34,200.00
Explanation if no quote received	

LICENSE APPLICATIONS

Moved by Councilmember

_____

Seconded by Councilmember

_____

To approve the License Applications as listed on the attached report dated December 19, 2011.

ROLL CALL:	AYES	NAYS
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

December 19, 2011
Regular Council Meeting

CITY OF SHOREVIEW - LICENSE APPLICATIONS
December 19, 2011

LICENSE #	BUSINESS NAME	TYPE
12-00002	St Croix Tree Service	Tree License
12-00003	Terra's Canopies Tree Service	Tree License
12-00001	Croix Convenience Rice Creek #71	Filling Station License
12-00002	Quick Stop	Filling Station License
12-00003	Shoreview Diagnostic Center	Filling Station License
12-00004	North Suburban BP	Filling Station License
12-00005	Shoreview BP	Filling Station License
12-00006	Automotive Ventures Group	Filling Station License
12-00007	Kath Fuel Gas Plus 11	Filling Station License
12-00008	Kath Fuel Gas Plus 16	Filling Station License
12-00009	Gramsie Corner Mart	Filling Station License
12-00010	Freedom Valu Center #76	Filling Station License

The above licenses are recommended for approval: _____

License/Permit Clerk

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

to approve Resolution No. 11-105 reducing the following escrows:

Erosion Control and Development Cash Deposits for the following properties in the amounts listed:

1803 Parkview Dr	McGough Construction	$ 2,000.00
3720 Lexington Ave	John Koppi Electric	$ 500.00
Heineman Addition	Masterpiece Homes	$ 1,750.00

ROLL CALL:	**AYES**	**NAYS**
HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

REGULAR COUNCIL MEETING
DECEMBER 19, 2011

t:\development\erosion_general\erosion121911

TO: MAYOR, CITY COUNCIL, CITY MANAGER

FROM: THOMAS L. HAMMITT
SENIOR ENGINEERING TECHNICIAN

DATE: DECEMBER 15, 2011

SUBJECT: DEVELOPER ESCROW REDUCTIONS

INTRODUCTION

The following escrow reductions have been prepared and are presented to the City Council for approval.

BACKGROUND

The property owners/builders listed below have completed all or portions of the erosion control and turf establishment, landscaping or other construction in the right of way as required in the development contracts or building permits.

1803 Parkview Dr	As-built Survey completed
3720 Lexington Ave	Erosion Control completed
Heineman Addition	Landscaping completed

RECOMMENDATION

It is recommended that the City Council approve releasing all or portions of the escrows for the following properties in the amounts listed below:

1803 Parkview Dr	McGough Construction	$ 2,000.00
3720 Lexington Ave	John Koppi Electric	$ 500.00
Heineman Addition	Masterpiece Homes	$ 1,750.00

PROPOSED

EXTRACT OF MINUTES OF MEETING OF THE

CITY COUNCIL OF SHOREVIEW, MINNESOTA

HELD DECEMBER 19, 2011

* * * * * * * * * * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City on December 19, 2011 at 7:00 p.m. The following members were present:

and the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 11-105

RESOLUTION ORDERING ESCROW REDUCTIONS
AT VARIOUS LOCATIONS IN THE CITY

WHEREAS, various builders and developers have submitted cash escrows for erosion control, grading certificates, landscaping and other improvements, and

WHEREAS, City staff have reviewed the sites and developments and is recommending the escrows be returned.

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

The Shoreview Finance Department is authorized to reduce the cash deposit in the amounts listed below:

1803 Parkview Dr	McGough Construction	$ 2,000.00
3720 Lexington Ave	John Koppi Electric	$ 500.00
Heineman Addition	Masterpiece Homes	$ 1,750.00

The motion for the adoption of the foregoing resolution was duly seconded by Member and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted this 19th day of December, 2011.

STATE OF MINNESOTA)
)
COUNTY OF RAMSEY)
)
CITY OF SHOREVIEW)

I, the undersigned, being the duly qualified and acting Manager of the City of Shoreview of Ramsey County, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City Council held on the 19th day of December, 2011 with the original thereof on file in my office and the same is a full, true and complete transcript therefrom insofar as the same relates reducing various escrows.

WITNESS MY HAND officially as such Manager and the corporate seal of the City of Shoreview, Minnesota, this 20th day of December, 2011.

_____
Terry C. Schwerm
City Manager

SEAL

PROPOSED MOTION

Moved by Council member _____

Seconded by Council member _____

To adopt resolution number 11-94 establishing working capital targets as outlined in the Five-Year Operating Plan and acknowledging receipt of the Five-Year Operating Plan for the years 2012 through 2016.

ROLL CALL:	AYES___	NAYS___
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Jeanne A. Haapala
Finance Director
December 19, 2011
Council meeting

TO: Terry Schwerm, City Manager
Mayor and City Council

FROM: Jeanne A. Haapala, Finance Director

DATE: December 13, 2011

RE: Five-Year Operating Plan

BACKGROUND

Following the workshop review of the Five-Year Operating Plan (FYOP) the proposed resolution formally accepts the FYOP and adopts the working capital targets outlined on page 11.

The first 11 pages of the report provide an overall summary, tax levy and value projections, as well as planned debt issuance for the next 5 years. This is the City's third year producing the FYOP, which provides a plan for operating costs on a multi-year basis.

WORKING CAPITAL TARGETS

Working capital targets for each operating fund are established and used to evaluate and establish tax levies and user fees during the City's budget process, and to assist the City in determining how one-time revenues may serve the City to improve fund balances, or support one-time capital costs in an effort to reduce demands on permanent capital project funds.

Depending on the timing of receipts for each fund, and the impact of debt payments and capital cost on cash flow, working capital targets generally fall into 4 different levels: governmental funds maintain 5 to 6 months coverage if revenue is receive semi-annually, and 3 months if revenue is received monthly or quarterly; enterprise and internal service funds maintain 6 to 8 months coverage, and 2 to 3 years if the primary expense for the fund results from insurance claim losses.

RECOMMENDATION

Staff recommends adoption of the proposed resolution.

T/data/word/budget/LT Proj/council report LT Plan

EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD DECEMBER 19, 2011

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota, was duly called and held at the Shoreview City Hall in said City on December 19, 2011 at 7:00 p.m. The following members were present: ___;

and the following members were absent: ___.

Council member ___ introduced the following resolution and moved for its adoption.

RESOLUTION NUMBER 11-94
ESTABLISHING WORKING CAPITAL TARGETS FOR
OPERATING FUNDS AS OUTLINED IN THE
FIVE-YEAR OPERATING PLAN FOR THE YEARS 2012-2016

WHEREAS, it is a sound financial practice to plan for operating revenue, expense and fund balance levels beyond the typical budget cycle, and

WHEREAS, preparation of the Five-Year Operating Plan is an important step in protecting the financial flexibility and health of the City, and

WHEREAS, success is evaluated in 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, thereby reducing borrowing costs
- Prepare for the future
- Moderate changes in tax levies and user fees
- Avoid short-term borrowing to support operations

WHEREAS, fund balance goals are established considering the unique circumstances of each fund, and are designed to:

- Provide working capital for operations and capital costs
- Develop financial flexibility
- Preserve flexibility for unanticipated events

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Shoreview, Ramsey County, Minnesota that working capital targets are established in the table below for all operating funds, and

Fund	Target	12/31/2008 Actual	12/31/2009 Actual	12/31/2010 Estimated	12/31/2011 Projected
General	5.0	5.5	5.7	5.6	5.3
Recycling	6.0	1.0	1.2	1.7	2.2
Community Center	3.0	1.9	2.3	3.1	3.2
Recreation Programs	3.0	2.4	2.8	3.0	3.2
Cable TV	3.0	11.5	9.2	7.5	6.4
EDA	3.0	21.9	16.0	4.0	3.9
HRA	3.0	-	-	0.3	2.4
Slice of Shoreview	6.0	0.8	4.0	10.3	11.1
Debt funds (combined)	6.0	10.5	10.8	10.6	9.8
Water	8.0	13.7	14.7	13.5	11.8
Sewer	6.0	7.3	5.9	7.1	6.0
Surface Water	5.0	5.9	10.4	11.7	7.9
Street Lighting	4.0	5.0	4.6	5.1	5.5
Central Garage	4.0	3.0	4.6	5.0	4.6
Short-term Disability *	3.0	6.6	6.8	6.9	7.0
Liability Claims *	2.0	2.6	2.9	2.5	2.4

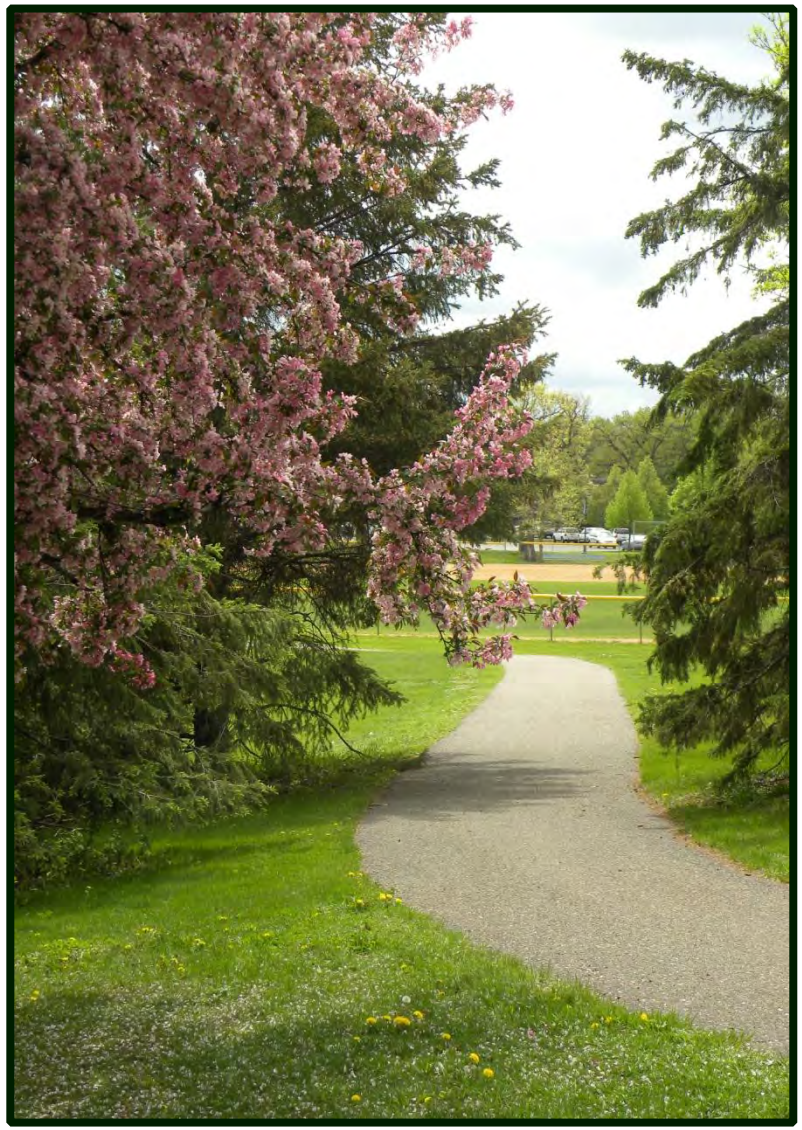
Note: Targets are stated in months (or stated in years when noted by *)

That receipt of the Five-Year Operating Plan for the years 2012 through 2016 is acknowledged.

The motion for the adoption of the foregoing resolution was duly supported by Council member ___ and upon vote being taken thereon, the following voted in favor thereof: ___;

and the following voted against same: ___.

WHEREUPON, said resolution was declared duly passed and adopted this 19th day of December 2011.



Five-year Operating Plan

Including fund-specific
working capital targets

City of Shoreview, Minnesota

December 2011

Prepared by Department of Finance

Shoreview

EXECUTIVE SUMMARY

Introduction

Long-term financial planning has been a part of the normal business process in Shoreview for more than two decades. It started in the late 1980s with a street replacement plan, and expanded into a comprehensive infrastructure replacement policy by 1992. Through the City's annual Comprehensive Infrastructure Replacement Plan (CHIRP) the City routinely updates capital replacement estimates for a minimum of 40 years; identifies revenue sources to support capital costs; and evaluates the impact of capital costs on inter-fund charges, property tax levies and user fees. The CHIRP policy ensures that capital replacement planning remains a vital and ongoing effort.

Beginning in 2009 Shoreview expanded its long-term financial planning efforts to include a Five-year Operating Plan (FYOP), and will adopt its first biennial budget in December of 2012 (for calendar years 2012 and 2013).

This Five-year Operating Plan (FYOP) document contains 3 years of history for each fund, a revised estimate for the current year (2011) and projections for the next 5 years (2012 through 2016). The document also:

- Provides a comprehensive summary and strategy for each fund
- Serves as a supplement to the Biennial Budget, Capital Improvement Program (CIP), and CHIRP
- Estimates potential debt issuance
- Determines necessary tax levy support
- Evaluates future changes in user fees
- Measures the impact of capital projects on operating budgets
- Outlines fund balance goals (an important component of financial stability)
- Predicts fund performance
- Analyzes working capital levels (fund balances) and establishes working capital targets

These long-term financial planning efforts are important steps in protecting the financial flexibility and health of the City through policies that support decision-making, practices that prevent the use of one-time revenues to support ongoing operating expenses, analysis that considers long-term maintenance and operating costs when planning and evaluating capital projects, and document how the City implements its commitment to balanced operations where revenues support operating costs.

Whether these efforts are successful is reflected in how well the City:

- Adapts to changing conditions
- Avoids temporary solutions that cannot be sustained
- Responds to unanticipated events and challenges
- Supports operations with limited new development
- Ensures continuation of essential services
- Protects asset condition
- Navigates economic cycles
- Secures and maintains a high bond rating, thereby reducing borrowing costs
- Prepares for the future
- Moderates changes in tax levies and user fees
- Avoids short-term borrowing to support operations

Fund Balances

Management of fund balance levels is an important part of long-range financial planning, therefore a basic understanding about what fund balances are is helpful in order to understand fund goals. From an accounting perspective, fund balances are simply the difference between assets and liabilities. In general, fund balances give an indication of financial resources available to support ongoing operations. Historically, many terms have been used to describe fund balance, and Governmental Accounting Standards prescribe the use of different terms within the annual financial report. In addition, the terms are changing as financial reporting standards evolve. Some of the terms used now or in the past include: net assets, fund equity, and fund balance; and terms used to describe specific components may include designated, assigned, reserved, committed etc.

Regardless of the terms used, determining adequate fund balance levels can be a challenging task for both policy makers and management professionals.

Shoreview's fund balance goals are established considering the unique circumstances of each fund, with the goal of protecting the provision of City services to the public. Fund balance goals are stated as working capital targets, and are designed to:

1. Provide working capital for operations and capital costs
2. Develop financial flexibility
3. Preserve flexibility for unanticipated events

Working capital needs create special circumstances in some operating funds. For instance, property tax receipts in the General Fund provide 78% of total revenue, and are received twice per year (in July and December). Consequently, the General Fund supports ongoing operations for nearly 6 months of the year before the first receipt of its largest revenue source. In this case, fund balances provide necessary working capital to avoid cash deficits and short-term borrowing. For the purpose of measuring working capital in this document, fund balances are evaluated by the number of months or years of operating coverage. This calculation includes operating and debt service costs, and may also include capital outlay and transfers to other funds if they have a significant impact on the fund.

Financial flexibility provides benefits such as financing a portion of capital costs without borrowing, providing interest income for operating and capital funds, and insulating the City from temporary revenue shortfalls or unexpected one-time costs. These benefits help the City moderate changes in levies and user fees over time, and protect service levels from cuts dictated by one-time events.

Unanticipated events or emergencies can create temporary cash flow challenges for a City. Recent examples for Shoreview include state aid cuts, emergency utility system repairs, community-wide cleanup associated with storm damage, extended periods of drought, sustained periods of heavy rainfall, and economic conditions/pressures.

Operating Assumptions

As stated earlier, the process of determining appropriate fund balances involves an examination of past performance as well as future operating projections. By understanding the challenges of the past and future, coupled with potential opportunities, a strong set of operating goals and objectives can emerge and guide decision-making.

Since any set of projections also employs the use of assumptions, it is important to note that projections were based on several key factors. These include actual contribution rates where known, industry estimates, anticipated contract changes, capital projections, expected debt issuance and inflationary factors. In general, costs were inflated between 0% and 10%. Some of the key assumptions used to assemble these projections include:

- No new development is projected in the next 5 years
- Population remains stable, with slight declines due to a reduction in residents per household
- Full-time wage adjustments are limited to 1% for 2012, 2% for 2013 and 2014, and a tentative estimate of 3% is used for 2015 and beyond
- Health insurance costs rise between 6.5 and 7% per year, and account for 20% to 30% of the rise in personal services annually
- Liability and workers compensation insurance premiums rise an average of 7% per year
- Most contractual costs are expected to rise between 0% and 3% per year, while police and fire contracts, central garage charges, fuel and utility costs are expected to rise between 3% and 8% per year
- Property values are projected to drop 4.6% for 2012, 2% for 2013, and hold steady for 2014 and 2015
- Modest property value increases of 2% per year are projected beginning in 2016

The format of this document includes a discussion for each fund, including a set of projections (in table form), graphs to help illustrate operating results, a brief narrative examination of past performance, and specific goals/targets tailored for the fund.

Levy, Value and Tax Rate Projections

A number of factors determine the final property tax bill, including the tax levies for each local jurisdiction, state aids and credits, levy limits, special levies, property values, metro-wide pooling of commercial/industrial values (known as fiscal disparities), and tax rates. This section provides a brief overview of these factors.

Property tax levies provide support for General Fund operations, general obligation debt, and capital funds. The table on the next page provides a four-year historical review of levy and value changes as well as consolidated predictions based on individual fund projections included in this document.

Homestead Market Value Exclusion (HMVE)—Beginning in 2012 the State of Minnesota replaced the Market Value Homestead Credit (MVHC) program with a Homestead Market Value Exclusion (HMVE) program, which excludes a portion of homestead property value from property taxes. The amount of excluded value is equal to 40% of the first $76,000 in home value, less 9% of the value over $76,000 but less than $413,800. No exclusion is given for homes above $413,800.

Home Value	Excluded Value	Percent of Value Excluded
$ 76,000	$ 30,400	40.0%
$ 100,000	$ 28,240	28.2%
$ 150,000	$ 23,740	15.8%
$ 200,000	$ 19,240	9.6%
$ 235,700	$ 16,027	6.8%
$ 250,000	$ 14,740	5.9%
$ 300,000	$ 10,240	3.4%
$ 350,000	$ 5,740	1.6%
$ 400,000	$ 1,240	0.3%
$ 413,800	$ -	0.0%

Levy Limits—During some years State statutes place restrictions on local government levies through levy limits. Although the City is not subject to a levy limit for 2012, it is important to note that Shoreview has levied below the maximum allowed levy in recent years. Shoreview's levy was $211,327 below the maximum for 2010 and $364,703 below the maximum for 2011.

Tax Levy—Even though the largest share of the tax levy is allocated to the General fund, over the last 8 years (since 2004) the General Fund share of the tax levy has declined from a high of 77% in 2004 to a low of 69% for 2012, while the combined debt service and capital share of the tax levy has risen from 23% in 2004 to 31% for 2012. This trend is expected to continue in the future due to increased repair and replacement costs.

Declining Values—Between 2004 and 2008, both market values and taxable values increased an average of 9.9% per year. Since 2008 the economic climate has resulted in declining property values, and further reductions are expected to continue through 2013. Preliminary information from the county assessor indicates that property values for 2012 taxes are expected to decline about 4.6%. The projections in this document assume that values will drop another 2% for 2013, hold constant for 2 years, followed by modest increases of about 2% per year.

Fiscal Disparities—The fiscal disparities formula, provided in State Statutes, takes 40% of the value of new commercial and industrial development in the metro area and redistributes the value back to each community based on a formula. The result is either a net gain or net loss in tax dollars from the pool.

Shoreview's share of the metro-wide fiscal disparities pool decreased in 2005 and 2006, most likely due to new construction at the Rice Creek Corporate Park. Shoreview's share of the pool has increased between .6% and 13.9% per year since 2006, and will decrease over the next two years.

Tax Rates—The tax rate measures the combined change in levies and values. Because values generally grew faster than the tax levy from 2005 to 2008, the tax rate dropped. Since values have dropped and levies have grown since then, the tax rate has risen each year since 2008. For the future, the expected decline in market values and the projected rise in the City's levy, result in higher tax rates. As market values begin to recover, the growth in the tax rate is expected to slow by the year 2016.

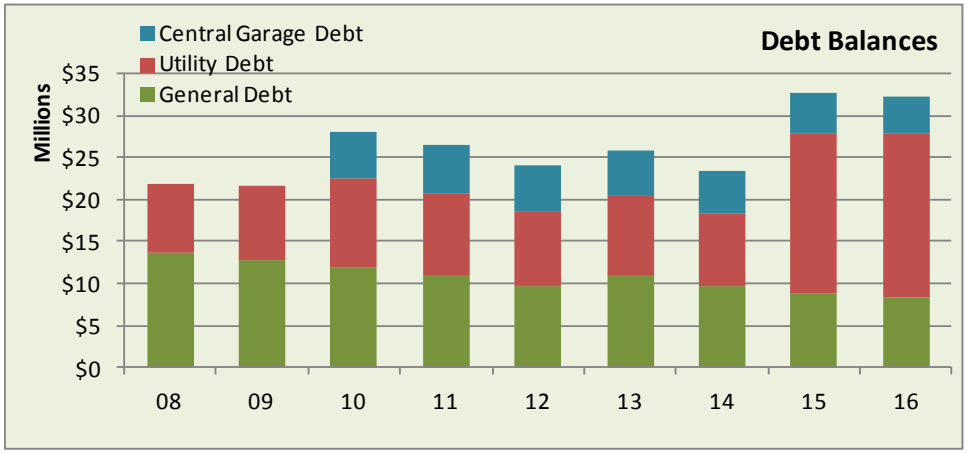
Levy and Value Projections	2008 Adopted	2009 Adopted	2010 Adopted	2011 Adopted	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Tax Levy									
General fund (net of lost MVHC)	$ 5,864,176	$ 6,017,590	$ 6,228,739	$ 6,345,734	$ 6,467,060	$ 6,717,037	$ 7,045,956	$ 7,348,064	$ 7,667,957
EDA	-	-	-	25,000	55,000	60,000	50,000	55,000	60,000
HRA	-	-	50,000	60,000	70,000	75,000	80,000	85,000	90,000
Debt-All Debt Funds (combined)	600,000	553,000	565,000	527,000	442,026	501,000	531,000	537,000	557,000
Debt-Central Garage Fund	-	-	-	98,000	216,000	184,000	184,000	208,000	208,000
Capital project-Street Renewal Fund	600,000	650,000	700,000	750,000	800,000	850,000	900,000	950,000	1,000,000
Capital project-General Fixed Asset Fund	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000
Capital project-Capital Impr. Fund	120,000	80,000	90,000	100,000	110,000	120,000	130,000	145,000	160,000
Total Levy (net of MVHC loss)	$ 8,184,176	$ 8,350,590	$ 8,733,739	$ 9,055,734	$ 9,360,086	$ 9,757,037	$ 10,220,956	$ 10,678,064	$ 11,142,957
Market Value (millions)	$ 3,276.2	$ 3,198.3	$ 3,015.6	$ 2,838.6	$ 2,708.5	$ 2,650.0	$ 2,650.0	$ 2,650.0	$ 2,703.0
Taxable Value (millions)	$ 32.6	$ 31.4	$ 29.6	$ 27.6	$ 25.4	$ 24.9	$ 24.9	$ 24.9	$ 25.5
Fiscal Disparities/City	$ 655,967	$ 747,308	$ 832,802	$ 866,880	$ 838,214	$ 828,324	$ 885,364	$ 925,551	$ 988,865
Fiscal Disparities/HRA	$ -	$ -	$ -	$ 5,304	$ 5,407	$ 5,400	$ 5,400	$ 5,400	$ 5,400
Tax Rate/City	23.532	25.129	27.569	30.671	33.226	35.514	37.126	38.779	39.467
Tax Rate/HRA	-	-	0.169	0.198	0.254	0.279	0.299	0.319	0.332
Annual Change in City Tax Levy									
General fund (net of MVHC loss)	$ 94,572	$ 153,414	$ 211,149	$ 116,995	$ 121,326	$ 249,977	$ 328,919	$ 302,108	$ 319,893
EDA and HRA (combined)	-	-	50,000	35,000	40,000	10,000	(5,000)	10,000	10,000
Debt (all funds combined)	18,000	(47,000)	12,000	60,000	33,026	26,974	30,000	30,000	20,000
Capital project funds-replacements	200,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Capital project funds-improvements	40,000	(40,000)	10,000	10,000	10,000	10,000	10,000	15,000	15,000
Total Change in Tax Levy	$ 352,572	$ 166,414	$ 383,149	$ 321,995	$ 304,352	$ 396,951	$ 463,919	$ 457,108	$ 464,893
Percent Change/Tax Data									
Market Value	4.84%	-2.38%	-5.71%	-5.87%	-4.58%	-2.16%	0.00%	0.00%	2.00%
Taxable Value	4.67%	-3.56%	-5.67%	-6.74%	-8.07%	-1.90%	0.00%	0.00%	2.29%
Fiscal Disparities	13.31%	13.92%	11.44%	4.09%	-3.31%	-1.18%	6.89%	4.54%	6.84%
City Tax Levy (net of MVHC cuts)	4.50%	2.03%	4.59%	3.69%	3.36%	4.24%	4.75%	4.47%	4.35%
City Tax Rate	1.00%	6.79%	9.71%	11.25%	8.33%	6.89%	4.54%	4.45%	1.77%
HRA Tax Levy (net of MCHC cuts)				20.18%	21.25%	7.14%	6.67%	6.25%	5.88%
HRA Tax Rate				17.16%	28.28%	9.84%	7.17%	6.69%	4.08%

Combined Debt Projections

Balancing the use of current resources and bonded debt for financing capital projects is an important aspect of capital project and debt management. Maintaining stable revenue sources and sufficient fund balances allows the City to finance some projects internally, and therefore promotes flexibility.

Debt Balances—The graph below, and the table on the next page provides a consolidated summary of outstanding debt as of December 31, 2011:

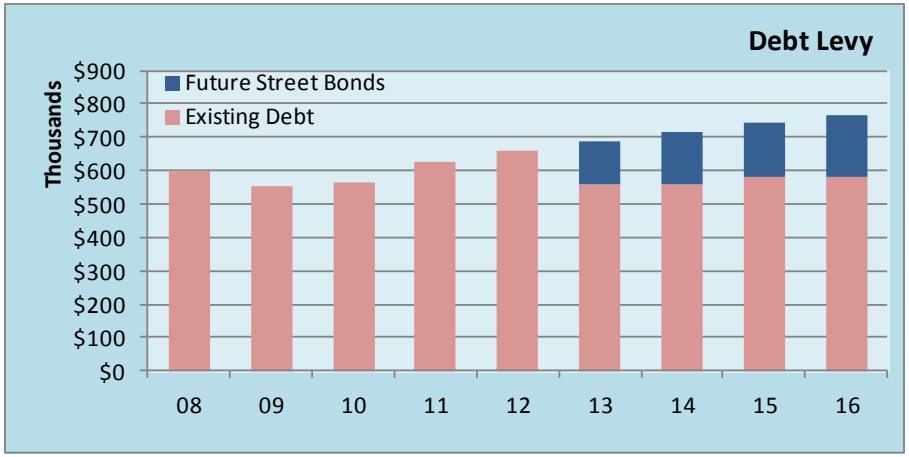
G.O. Improvement Bonds (assessments)	$ 1,350,000
G.O. Tax Increment Bonds	1,830,000
G.O. Capital Plan Bonds (fire stations)	1,075,000
G.O. Street Improvement Bonds (streets)	2,015,000
Certificates of Participation (comm. center)	4,620,000
G.O. Capital Plan Bonds (maint. center)	5,615,000
G.O. Revenue Bonds (utility systems)	9,935,000
Total Existing Debt	$26,440,000



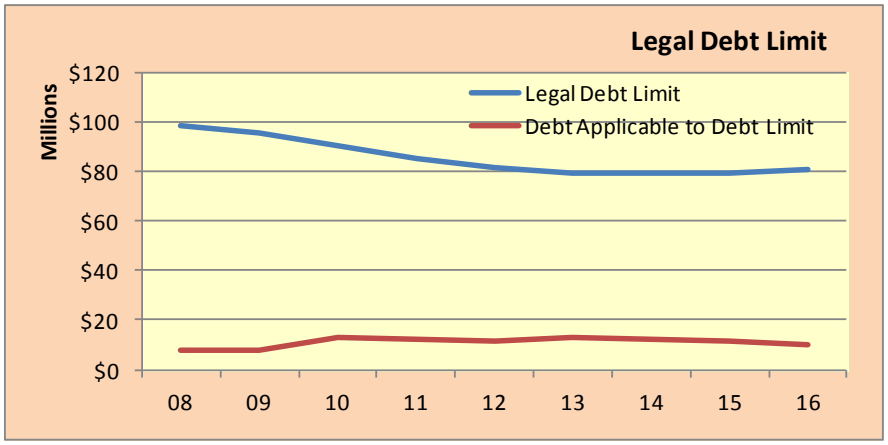
Projected debt issuance over the next 5 years includes:

G.O. Improvement Bonds (assessments)	$ 1,110,000
G.O. Street Improvement Bonds (streets)	2,500,000
G.O. Revenue Bonds (water treatment plant)	9,000,000
G.O. Revenue Bonds (utility systems)	5,130,000
Total Planned Debt	$17,740,000

Debt Levy—The debt portion of the tax levy supports principal and interest payments on general obligation bonds, including: fire station bonds, street bonds, and the tax-supported share of the maintenance center bonds. As shown in the graph below, the only planned increase in the debt levy is for future street bonds.



Debt Limit—Minnesota statutes limit the amount of debt a City may issue for general obligation purposes. Shoreview's current debt is 14% of the debt limit, leaving 86% available. Planned issuance of street bonds in 2012 will decrease the available margin to 83%, and as debt payments occur the margin will gradually increase. The stability of this favorable measure, even with projected debt issuance, provides an indication of Shoreview's financial flexibility (historically using debt to finance a relatively small share of the costs planned as part of the annual CIP).



Debt Related Projections	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Debt Balances									
General Obligation Bonds									
Improvement	$ 1,835,000	$ 1,765,000	$ 1,610,000	$ 1,350,000	$ 1,065,000	$ 1,215,000	$ 1,040,000	$ 1,210,000	$ 1,530,000
Tax Increment	2,845,000	2,510,000	2,180,000	1,830,000	1,320,000	690,000	350,000	-	-
Fire Stations *	1,360,000	1,270,000	1,175,000	1,075,000	975,000	870,000	760,000	645,000	525,000
Street Improvements *	2,435,000	2,300,000	2,160,000	2,015,000	1,865,000	4,210,000	3,925,000	3,630,000	3,320,000
Total General Bonds	8,475,000	7,845,000	7,125,000	6,270,000	5,225,000	6,985,000	6,075,000	5,485,000	5,375,000
General Obligation Bonds									
Maintenance Center *	-	-	5,615,000	5,615,000	5,515,000	5,270,000	5,025,000	4,775,000	4,520,000
General Obligation Revenue Bonds									
Water Improvement	5,210,000	4,895,000	5,710,000	5,250,000	4,700,000	5,125,000	4,710,000	14,095,000	13,860,000
Sewer Improvement	1,370,000	1,315,000	2,220,000	2,130,000	1,985,000	1,830,000	1,670,000	2,225,000	2,215,000
Surface Water Improvement	1,485,000	2,555,000	2,780,000	2,555,000	2,300,000	2,550,000	2,265,000	2,820,000	3,360,000
Total Utility Bonds	8,065,000	8,765,000	10,710,000	9,935,000	8,985,000	9,505,000	8,645,000	19,140,000	19,435,000
Total Bonded Debt	16,540,000	16,610,000	23,450,000	21,820,000	19,725,000	21,760,000	19,745,000	29,400,000	29,330,000
Community Center Expansion *	5,190,000	4,940,000	4,680,000	4,620,000	4,330,000	3,985,000	3,635,000	3,275,000	2,910,000
Total Combined Debt	$21,730,000	$21,550,000	$28,130,000	$26,440,000	$24,055,000	$25,745,000	$23,380,000	$32,675,000	$32,240,000
Debt Limit Information									
Market value in ensuing year (millions)	$ 3,276.2	$ 3,198.3	$ 3,015.6	$ 2,838.6	$ 2,708.5	$ 2,650.0	$ 2,650.0	$ 2,650.0	$ 2,703.0
Debt Limit Rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Debt Limit	$98,286,960	$95,948,310	$90,467,340	$85,157,310	$81,253,800	$79,500,000	$79,500,000	$79,500,000	$81,090,000
Debt Applicable to Debt Limit	$ 8,075,009	$ 7,611,185	$12,747,163	$12,450,595	$11,805,924	$13,211,099	$12,194,758	$11,201,807	$10,139,808
Debt Margin Available	$90,211,951	$88,337,125	$77,720,177	$72,706,715	$69,447,876	$66,288,901	$67,305,242	$68,298,193	$70,950,192
Percent Debt Margin Used	8.2%	7.9%	14.1%	14.6%	14.5%	16.6%	15.3%	14.1%	12.5%
Percent Debt Margin Available	91.8%	92.1%	85.9%	85.4%	85.5%	83.4%	84.7%	85.9%	87.5%
Debt Levy by Type of Debt									
Improvement -existing	$ 230,000	$ 198,000	$ 188,000	$ 150,000	$ 67,026	$ -	$ -	$ -	$ -
Fire Station-existing	145,000	145,000	145,000	145,000	143,000	143,000	143,000	143,000	143,000
Street Improvements-existing	225,000	210,000	232,000	232,000	232,000	232,000	232,000	232,000	232,000
Maintenance Center-existing	-	-	-	98,000	216,000	184,000	184,000	208,000	208,000
Sub-total Levies for Existing Debt	600,000	553,000	565,000	625,000	658,026	559,000	559,000	583,000	583,000
Street Improvements-future	-	-	-	-	-	126,000	156,000	162,000	182,000
Total Debt Levies	$ 600,000	$ 553,000	$ 565,000	$ 625,000	$ 658,026	$ 685,000	$ 715,000	$ 745,000	$ 765,000
Change in Debt Levies	$ 18,000	$ (47,000)	$ 12,000	$ 60,000	$ 33,026	$ 26,974	$ 30,000	$ 30,000	$ 20,000

Combined Debt Service Funds

Debt Service funds account for revenue dedicated for payment of debt as well as principal and interest payments (excluding debt accounted for in utility or internal service funds).

Impacts

- Revenue in support of debt payments for 2012 is derived from transfers in (64%), property taxes (28%), special assessments (7%) and interest earnings (1%)
- Transfers for debt payments are from the General Fund ($100,000), TIF #2/City Center Fund ($573,000), General Fixed Asset Replacement Fund ($180,000) and the Capital Improvement Fund ($165,000)
- Transfers to or from the Closed Debt Fund are intended to close out balances for retired debt ($1,490)

Performance/History

- Operating coverage equal to 10 to 14 months
- Advance refunding of the 2002 Certificates of Participation in 2011, saving more than $200,000 in interest costs on a net present value basis

Fund Goals/Targets

- Preserve a minimum of 6 months of operating coverage
- Hold General fund support for debt payments to $100,000 per year until retirement of the community center expansion debt, then reduce General fund support to zero

Debt Policy

Outstanding debt and the annual principal and interest payments are important long-term obligations that must be managed within available resources. This includes balancing debt levels, determining the timing for debt issuance, and managing the resources dedicated to debt payment.

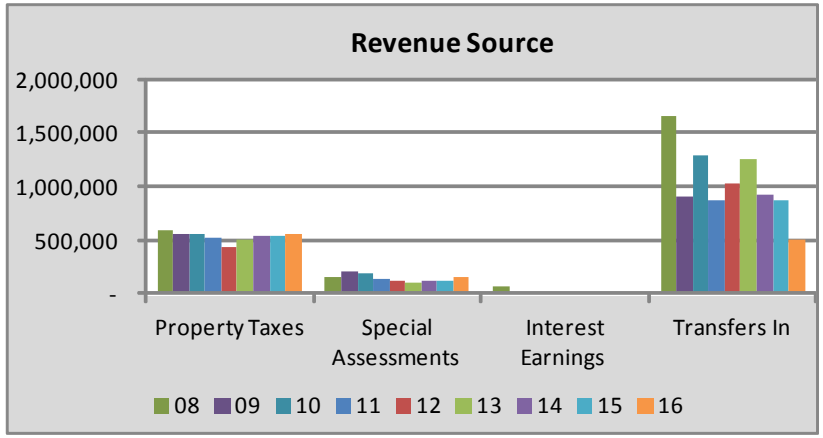
The issuance of debt is an important tool in financing large capital costs, and enables the City to balance the present need for capital spending with the benefit provided to existing and future citizens. If all capital costs were financed only through current revenue sources, the cost to current residents would represent an unnecessarily high burden, because assets that will serve the community well into the future would be paid for with fees and levies collected in the current year. Conversely, if all capital costs were supported exclusively by the issuance of debt, then debt balances rise to much higher levels, and interest costs take up a larger share of the operating budget. Therefore, balancing current resources and long-term financing is an important aspect of debt management.

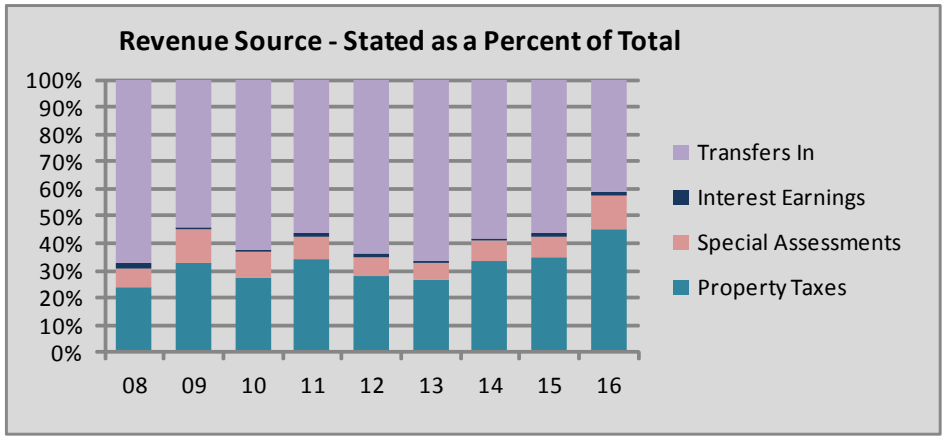
Shoreview's debt policy states that the City will:

- Remain in compliance with statutory debt limits
- Plan and direct use of debt so that payments are manageable
- Seek to maintain the highest possible credit rating without compromising the delivery of essential services
- Prepare long-term financial planning
- Take advantage of lower interest rates through debt restructuring when appropriate
- Provide developer assistance through the use of "pay as you go financing" in the form of tax increment financing (TIF) notes, and that TIF debt will be issued only for the construction of City assets and where a consistent and reliable revenue stream is identified in advance

The debt policy also addresses debt structure, professional advisors, and debt management practices (investment of proceeds, financial disclosure, arbitrage rebate and monitoring).

Debt Funds	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Property Taxes	$ 589,147	$ 547,952	$ 559,630	$ 527,000	$ 442,026	$ 501,000	$ 531,000	$ 537,000	$ 557,000
Special Assessments	157,872	206,003	198,783	132,222	115,865	107,971	116,129	118,931	158,933
Interest Earnings	60,424	18,869	6,503	17,800	17,850	19,050	17,850	17,105	15,750
Total Revenue	807,443	772,824	764,916	677,022	575,741	628,021	664,979	673,036	731,683
Expense									
Debt Service	2,321,827	1,650,527	1,632,081	1,796,164	1,743,547	1,718,741	1,641,448	1,611,889	1,266,396
Total Expense	2,321,827	1,650,527	1,632,081	1,796,164	1,743,547	1,718,741	1,641,448	1,611,889	1,266,396
Other Sources (Uses)									
Debt Proceeds	19,225	2,819	-	4,620,000	-	20,000	-	10,000	-
Debt Refunded	(1,085,000)	-	-	(4,410,000)	-	-	-	-	-
Transfers In	1,650,496	901,872	1,287,109	872,850	1,019,490	1,247,286	923,617	874,042	510,854
Transfers Out	-	(2,872)	(288)	(2,850)	(1,490)	(126,000)	(100,617)	(54,000)	(55,854)
Net Change	(929,663)	24,116	419,656	(39,142)	(149,806)	50,566	(153,469)	(108,811)	(79,713)
Fund Equity, beginning	2,373,964	1,444,301	1,468,417	1,888,073	1,848,931	1,699,125	1,749,691	1,596,222	1,487,411
Fund Equity, ending	$ 1,444,301	$ 1,468,417	$ 1,888,073	$ 1,848,931	$ 1,699,125	$ 1,749,691	$ 1,596,222	$ 1,487,411	$ 1,407,698
Fund equity percent of expense	87.5%	90.0%	105.1%	106.0%	98.9%	106.6%	99.0%	117.5%	110.4%
Months of operating coverage	10.5	10.8	12.6	12.7	11.9	12.8	11.9	14.1	13.2
Expense percent change	3.9%	-28.9%	-1.1%	10.1%	-2.9%	-1.4%	-4.5%	-1.8%	-21.4%
Average annual percent change				-3.4%					-6.4%
Tax Levy percent change	1.3%	-7.0%	2.1%	-5.8%	-16.1%	13.3%	6.0%	1.1%	3.7%
Average annual percent change				11.1%					1.6%



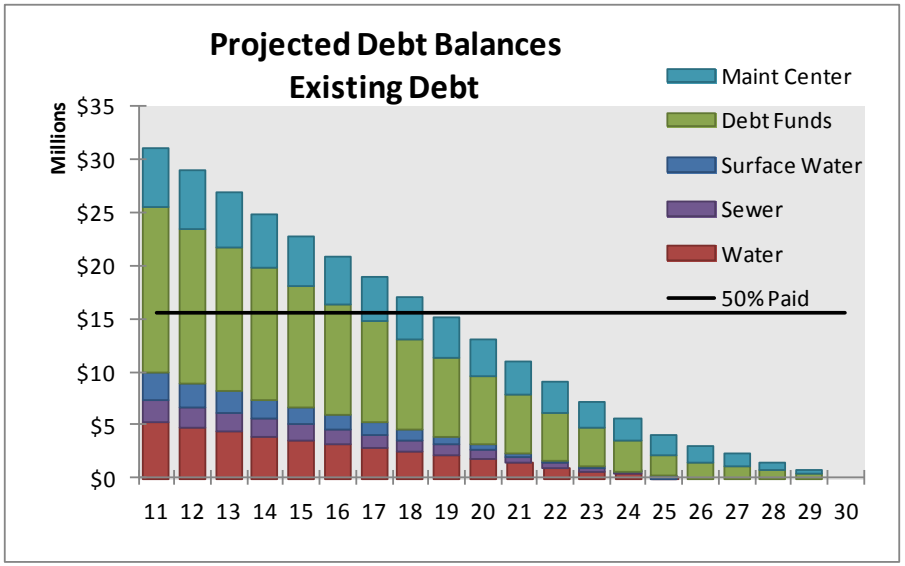


Debt Balance Projections

Over the next 6 years (by the end of 2017) approximately 40% of the City's current outstanding debt will be retired, and more than 65% will be retired within 10 years. This is considered a very favorable indicator by bond rating agencies.

General Obligation debt is retired at a slightly faster rate with 57% retired over the next 5 years and 90% retired within 10 years.

Enterprise (utility funds) and Internal Service (maintenance center) debt is retired over a slightly longer period due to the long-term nature of utility systems, and new debt issued in 2010 for maintenance center renovations.



	Debt Balances as of Year End						
Year	G.O. Water	G.O. Sewer	G.O. Surface Water	G.O. Maint Center	Debt Funds	Total All Debt	Percent Paid
2011	$5,250,000	$2,130,000	$2,555,000	$5,615,000	$15,550,000	$31,100,000	
2012	4,700,000	1,985,000	2,300,000	5,515,000	14,500,000	29,000,000	6.8%
2013	4,335,000	1,830,000	2,040,000	5,270,000	13,475,000	26,950,000	13.3%
2014	3,960,000	1,670,000	1,775,000	5,025,000	12,430,000	24,860,000	20.1%
2015	3,605,000	1,505,000	1,545,000	4,775,000	11,430,000	22,860,000	26.5%
2016	3,260,000	1,335,000	1,310,000	4,520,000	10,425,000	20,850,000	33.0%
2017	2,920,000	1,200,000	1,120,000	4,255,000	9,495,000	18,990,000	38.9%
2018	2,570,000	1,060,000	925,000	3,985,000	8,540,000	17,080,000	45.1%
2019	2,210,000	915,000	725,000	3,705,000	7,555,000	15,110,000	51.4%
2020	1,830,000	770,000	520,000	3,420,000	6,540,000	13,080,000	57.9%
2021	1,435,000	620,000	305,000	3,125,000	5,485,000	10,970,000	64.7%
2022	1,030,000	460,000	215,000	2,820,000	4,525,000	9,050,000	70.9%
2023	680,000	320,000	120,000	2,505,000	3,625,000	7,250,000	76.7%
2024	395,000	200,000	75,000	2,180,000	2,850,000	5,700,000	81.7%
2025	95,000	75,000	30,000	1,845,000	2,045,000	4,090,000	86.8%
2026	-	-	-	1,500,000	1,500,000	3,000,000	90.4%
2027	-	-	-	1,145,000	1,145,000	2,290,000	92.6%
2028	-	-	-	775,000	775,000	1,550,000	95.0%
2029	-	-	-	395,000	395,000	790,000	97.5%
2030	-	-	-	-	-	-	100.0%

Summary of Working Capital Targets

Depending on the timing of receipts for each fund, and the impact of debt payments and capital costs on cash flow, working capital targets generally fall into 4 different targeted levels. Governmental Funds maintain 5 to 6 months coverage if revenue is received semi-annually, and 3 months if revenue is received monthly or quarterly. Enterprise and Internal Service Funds maintain 6 to 8 months coverage, and 2 to 3 years if the primary expense for the fund results from insurance claims.

Fund targets are used when establishing tax levies and user fees during the budget process, and assist the City in determining how one-time revenues may serve the City to improve fund balances, or support one-time capital costs in an effort to reduce demands on permanent capital project funds. A more detailed description of the targets for each fund is provided along with the discussion of each fund, and a summary of working capital targets is provided in the table below.

			Actual			Estim.	Budget	
Fund	Basis	Target	2008	2009	2010	2011	2012	2013
General Fund	months	5.0	5.5	5.5	5.6	5.6	5.4	5.2
Special Revenue Funds								
Recycling	months	5.0	1.0	1.2	1.6	2.3	3.0	3.7
Community Center	months	3.0	1.9	2.4	3.0	3.6	4.0	3.8
Recreation Programs	months	3.0	2.4	2.9	3.9	4.3	4.5	3.8
Cable TV	months	3.0	11.5	9.6	8.2	7.6	7.9	7.8
EDA	months	5.0	21.9	8.7	2.2	3.8	4.8	6.4
HRA	months	5.0	n/a	n/a	2.7	5.0	7.8	10.3
Slice of Shoreview	months	6.0	0.8	3.3	7.4	7.4	7.2	6.8
Debt Funds (combined)	months	6.0	10.5	10.8	12.6	12.7	11.9	12.8
Enterprise Funds								
Water	months	8.0	13.7	14.7	14.0	11.7	10.4	13.4
Sewer	months	6.0	7.3	6.2	7.2	6.6	6.7	6.6
Surface Water	months	6.0	5.9	9.8	9.4	5.7	*2.6	5.1
Street Lighting	months	6.0	5.0	4.8	5.0	4.6	4.5	4.8
Internal Service Funds								
Central Garage	months	6.0	3.0	*0.9	6.6	7.2	9.0	9.7
Short-term Disability	years	3.0	6.4	6.6	6.5	6.5	6.5	6.5
Liability Claims	years	2.0	3.7	4.1	3.9	3.8	3.5	3.5

* Temporary decrease due to timing differences between debt proceeds and capital costs.

Summary

The remainder of this document contains 5-year projections for each operating fund. These estimates inform and help formulate the City's long-term strategies and influence development of the City's Biennial Budget (for 2012 and 2013). The financial planning strategies are intended to further develop and preserve Shoreview's financial resiliency, particularly during the current challenging economic climate, exert greater control over outcomes through each Biennial Budget, and will serve to:

- Deliver a consistent program of public services
- Maintain the trust and confidence of the citizens and business owners throughout Shoreview
- Preserve favorable comparisons to surrounding communities

The FYOP is reviewed by the City Council as part of the budget process. Formal acceptance of the plan and adoption of the working capital targets occurs in December.

We thank all departments and the Shoreview City Council for their diligence and commitment to long-term planning.

Jeanne Haapala, Finance Director
Terry Schwerm, City Manager

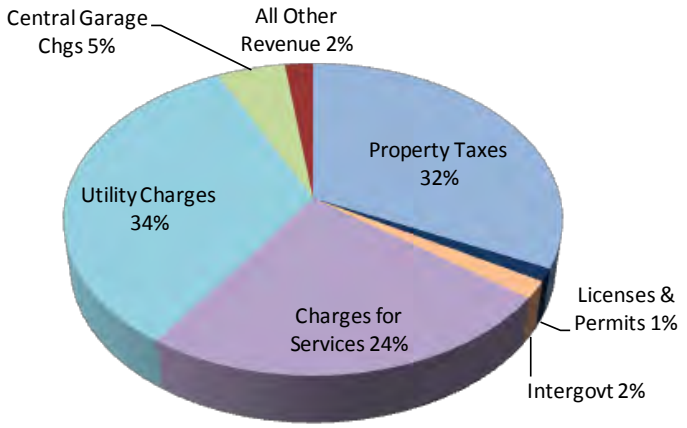
Total Operating Funds

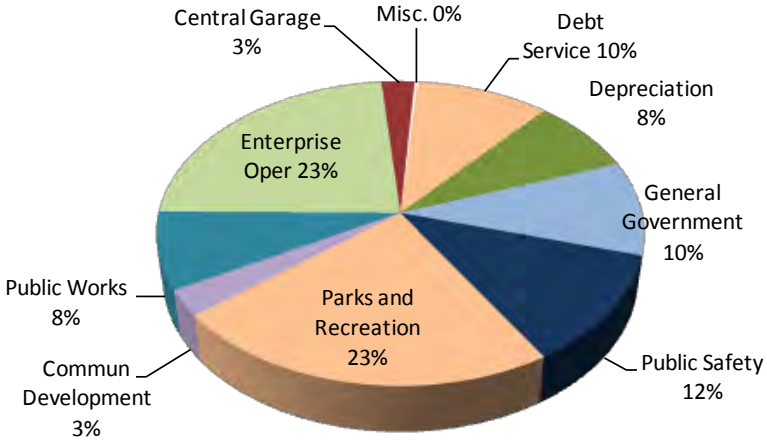
Combined revenue and expense for all operating funds is presented in the table below. Total expense (excluding capital project funds and transfers between funds) is projected to rise 3.9% over the 2011 revised estimate, and will rise between 2.5% and 3.8% from 2013 through 2016 (including increased debt service costs for the maintenance center addition and the proposed 2013 street bonds). It should be noted that the property tax totals in the table below do not contain tax levies for capital funds. For instance, the 2012 levy below $7,250,086 plus capital fund levies of $2,110,000 equal a total levy of $9,360,086.

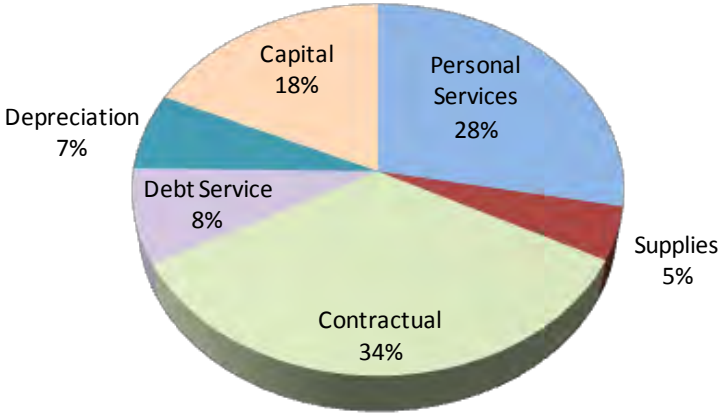
Revenue for 2012 (shown in the top pie chart at right) is derived from a combination of sources including: 34% from utility charges, 32% from property taxes, 24% from charges for service (including inter-fund charges), 5% from central garage charges, 2% from intergovernmental revenue, 1% from licenses and permits, and 2% for all other sources combined.

Expense for 2012 (shown in the middle pie chart at right) shows that public works accounts for largest share at 31% (enterprise 23% and other public works functions 8%). Parks and recreation operations accounts for 23%, and includes maintenance of parks and park buildings, park administration, community center operations and recreation programs. Public safety accounts for 12% (police, fire, animal control and emergency services). General government and debt service each account for 10%, followed by depreciation at 8%, and central garage and community development at 3% each.

Total 2012 costs by classification are shown in the bottom chart at right. Unlike the two previous pie charts, this chart presents total costs, including planned capital project spending. The largest class of expense is for contractual services at 34%. The most significant contractual costs include police and fire contracts, sewage treatment, central garage charges, administrative charges, recycling, electric and insurance. Personal services accounts for 28% of total expense, compared to 18% for capital costs, 8% for debt service, 7% for depreciation of utility and central garage assets, and 5% for supplies.







General Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Property Taxes	$5,619,188	$5,963,199	$6,170,162	$6,345,734	$6,467,060	$6,717,037	$7,045,956	$7,348,064	$7,667,957
Licenses & Permits	531,895	368,878	501,198	307,010	292,750	279,750	277,300	272,100	266,100
Intergovernmental	200,602	181,321	187,717	181,502	183,002	184,302	184,202	184,202	184,102
Charges for Services	1,163,897	1,257,045	1,226,101	1,152,240	1,164,450	1,205,680	1,221,460	1,243,840	1,260,960
Fines & Forfeits	55,814	55,582	32,813	61,480	62,000	62,500	62,500	62,500	62,500
Interest Earnings	126,932	47,381	38,330	40,000	45,000	45,000	50,000	50,000	55,000
Other Revenues	35,524	27,289	33,400	39,580	35,160	25,600	25,900	26,200	26,400
Total Revenue	7,733,852	7,900,695	8,189,721	8,127,546	8,249,422	8,519,869	8,867,318	9,186,906	9,523,019
Expense									
General Government	1,670,182	1,646,587	1,696,835	1,905,043	2,085,610	2,107,075	2,183,755	2,231,901	2,316,142
Public Safety	2,256,534	2,383,720	2,448,406	2,579,250	2,721,227	2,884,628	3,066,719	3,251,531	3,436,522
Public Works	1,276,321	1,296,285	1,284,791	1,318,191	1,400,009	1,461,077	1,514,801	1,565,624	1,596,776
Parks and Recreation	1,579,862	1,613,084	1,665,045	1,687,095	1,588,453	1,625,645	1,669,617	1,722,112	1,777,812
Community Development	592,246	558,629	554,739	517,983	534,323	547,944	564,426	580,738	596,467
Total Expense	7,375,145	7,498,305	7,649,816	8,007,562	8,329,622	8,626,369	8,999,318	9,351,906	9,723,719
Other Sources (Uses)									
Transfers In	240,000	273,000	312,000	476,451	481,000	519,000	552,000	595,000	643,500
Transfers Out	(437,000)	(415,344)	(793,418)	(442,400)	(400,800)	(412,500)	(420,000)	(430,000)	(442,800)
Net Change	161,707	260,046	58,487	154,035	-	-	-	-	-
Fund Equity, beginning	3,440,895	3,602,602	3,862,648	3,921,135	4,075,170	4,075,170	4,075,170	4,075,170	4,075,170
Fund Equity, ending	$3,602,602	$3,862,648	$3,921,135	$4,075,170	$4,075,170	$4,075,170	$4,075,170	$4,075,170	$4,075,170
Fund equity percent of expense	49.8%	50.9%	49.9%	48.9%	47.2%	45.3%	43.6%	41.9%	40.7%
Months of operating coverage	5.5	5.5	5.6	5.6	5.4	5.2	5.0	4.8	4.7
Expense percent change	5.5%	1.7%	2.0%	4.7%	4.0%	3.6%	4.3%	3.9%	4.0%
Average annual percent change				3.5%					4.0%
Tax Levy percent change	1.9%	6.1%	3.5%	2.8%	1.9%	3.9%	4.9%	4.3%	4.4%
Average annual percent change				3.6%					3.9%
Percent revenue/internal decision:	86.7%	92.3%	90.8%	93.4%	93.8%	94.3%	94.5%	94.8%	95.0%
Percent revenue/external decision	13.3%	7.7%	9.2%	6.6%	6.2%	5.7%	5.5%	5.2%	5.0%

General Fund Operations

The General Fund is the primary operating fund of the City, accounting for all operations not otherwise accounted for in separate funds. In 2012, property taxes provide 78.4% of revenues for the fund (excluding transfers from other funds).

The City's fund balance policy addresses General Fund cash flow needs by designating 50% of the ensuing year tax levy as a minimum fund balance and by designating up to 10% of the ensuing year budgeted expense to provide additional protection against unanticipated events.

Impacts

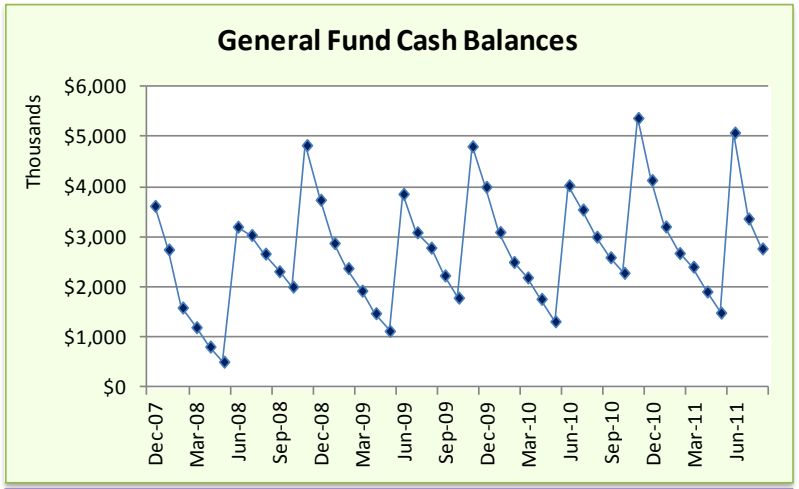
- Shoreview receives less aid than cities of similar size, making it more challenging to maintain competitive property tax levels
- The market value homestead credit program has been eliminated and is replaced by a market value exclusion program, therefore Shoreview will begin collecting the full tax levy in 2012
- Property taxes are increasing as a percent of total General Fund revenue, providing 78.4% of total revenue in 2012 and 80.5% in 2016
- Property tax collections occur in July and December, creating cash flow challenges for the fund

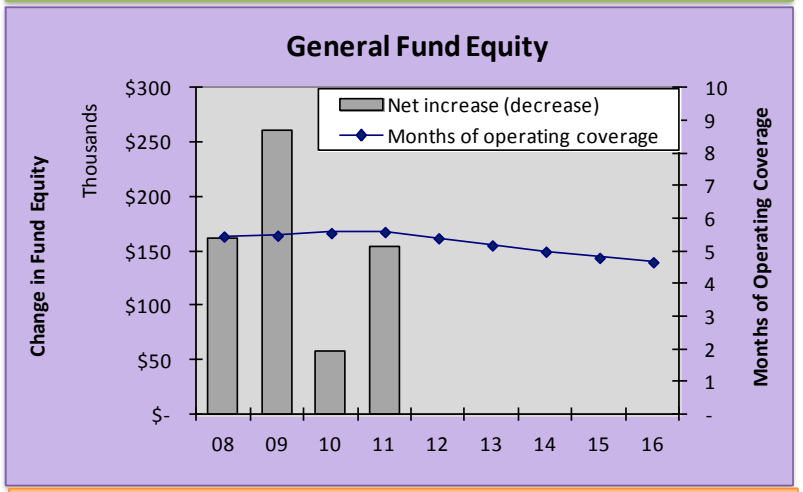
Performance/History

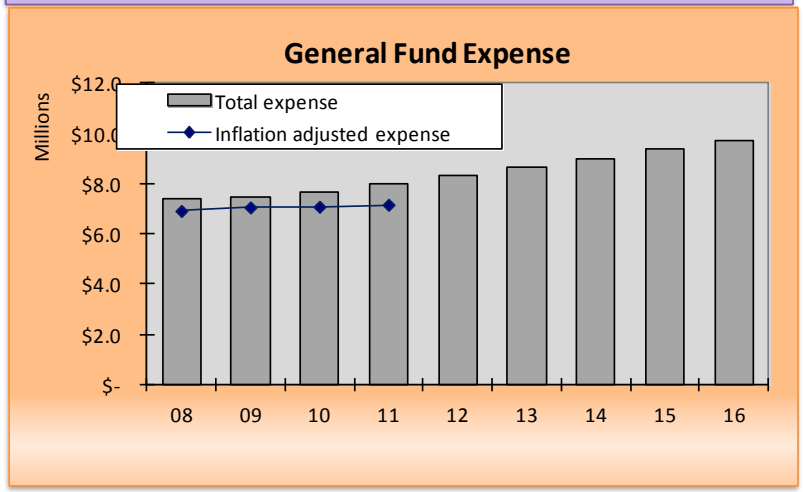
- Strong fund balances between 48% and 51% of current expense
- Operating coverage greater than 5 months in most years
- Internal decisions account for 90% of revenue sources

Fund Goals/Targets

- To manage cash flow needs, preserve working capital allocation equal to 50% of the ensuing year levy (minimum fund equity per City policy)
- To provide flexibility in addressing future budget challenges, preserve the unanticipated event allocation equal to 10% of the ensuing year budget where possible (per City policy)
- Maintain operating coverage equal to 5 months through retention of future operating surplus when available and through levy adjustments when necessary to meet working capital targets







General Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Property Taxes	$5,619,188	$5,963,199	$6,170,162	$6,345,734	$6,467,060	$6,717,037	$7,045,956	$7,348,064	$7,667,957
Licenses & Permits	531,895	368,878	501,198	307,010	292,750	279,750	277,300	272,100	266,100
Intergovernmental	200,602	181,321	187,717	181,502	183,002	184,302	184,202	184,202	184,102
Charges for Services	1,163,897	1,257,045	1,226,101	1,152,240	1,164,450	1,205,680	1,221,460	1,243,840	1,260,960
Fines & Forfeits	55,814	55,582	32,813	61,480	62,000	62,500	62,500	62,500	62,500
Interest Earnings	126,932	47,381	38,330	40,000	45,000	45,000	50,000	50,000	55,000
Other Revenues	35,524	27,289	33,400	39,580	35,160	25,600	25,900	26,200	26,400
Total Revenue	7,733,852	7,900,695	8,189,721	8,127,546	8,249,422	8,519,869	8,867,318	9,186,906	9,523,019
Expense									
General Government	1,670,182	1,646,587	1,696,835	1,905,043	2,085,610	2,107,075	2,183,755	2,231,901	2,316,142
Public Safety	2,256,534	2,383,720	2,448,406	2,579,250	2,721,227	2,884,628	3,066,719	3,251,531	3,436,522
Public Works	1,276,321	1,296,285	1,284,791	1,318,191	1,400,009	1,461,077	1,514,801	1,565,624	1,596,776
Parks and Recreation	1,579,862	1,613,084	1,665,045	1,687,095	1,588,453	1,625,645	1,669,617	1,722,112	1,777,812
Community Development	592,246	558,629	554,739	517,983	534,323	547,944	564,426	580,738	596,467
Total Expense	7,375,145	7,498,305	7,649,816	8,007,562	8,329,622	8,626,369	8,999,318	9,351,906	9,723,719
Other Sources (Uses)									
Transfers In	240,000	273,000	312,000	476,451	481,000	519,000	552,000	595,000	643,500
Transfers Out	(437,000)	(415,344)	(793,418)	(442,400)	(400,800)	(412,500)	(420,000)	(430,000)	(442,800)
Net Change	161,707	260,046	58,487	154,035	-	-	-	-	-
Fund Equity, beginning	3,440,895	3,602,602	3,862,648	3,921,135	4,075,170	4,075,170	4,075,170	4,075,170	4,075,170
Fund Equity, ending	$3,602,602	$3,862,648	$3,921,135	$4,075,170	$4,075,170	$4,075,170	$4,075,170	$4,075,170	$4,075,170
Fund equity percent of expense	49.8%	50.9%	49.9%	48.9%	47.2%	45.3%	43.6%	41.9%	40.7%
Months of operating coverage	5.5	5.5	5.6	5.6	5.4	5.2	5.0	4.8	4.7
Expense percent change	5.5%	1.7%	2.0%	4.7%	4.0%	3.6%	4.3%	3.9%	4.0%
Average annual percent change			3.4%						4.1%
Tax Levy percent change	1.9%	6.1%	3.5%	2.8%	1.9%	3.9%	4.9%	4.3%	4.4%
Percent of revenue from Gen Fund			5.1%						3.7%
Percent revenue/internal decisions	86.7%	92.3%	90.8%	93.4%	93.8%	94.3%	94.5%	94.8%	95.0%
Percent revenue/external decision	13.3%	7.7%	9.2%	6.6%	6.2%	5.7%	5.5%	5.2%	5.0%

Recycling Fund Operations

The Recycling Fund accounts for the City's curbside recycling program, through a joint powers agreement with Ramsey County. User fees are collected with property tax payments in July and December.

Impacts

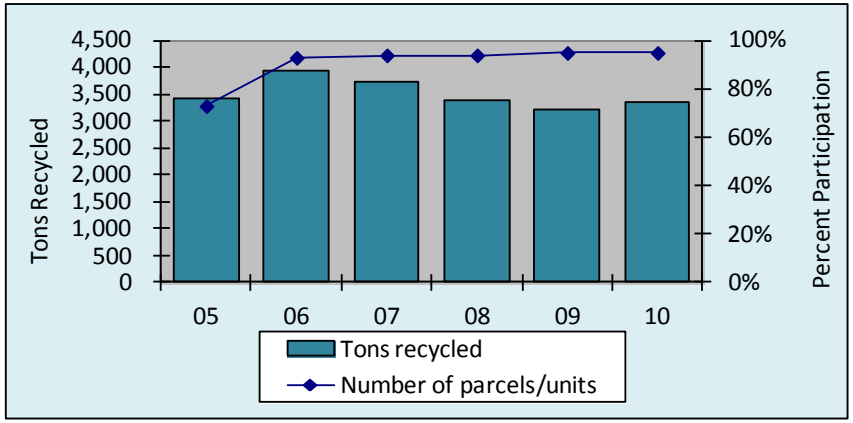
- SCORE grant funding has grown at a slower pace than program costs, and provides between 10% and 12% of revenue
- Reductions in newspaper circulation have significantly reduced the tons of materials recycled in recent years
- Participation rates are the highest in 6 years (95%)
- User fees provide between 85% and 88% of revenue, and are received in July and December, creating cash flow challenges for the fund

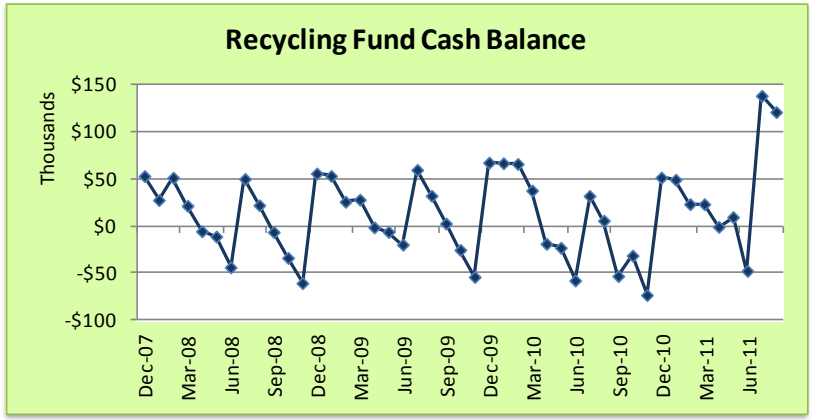
Performance/History

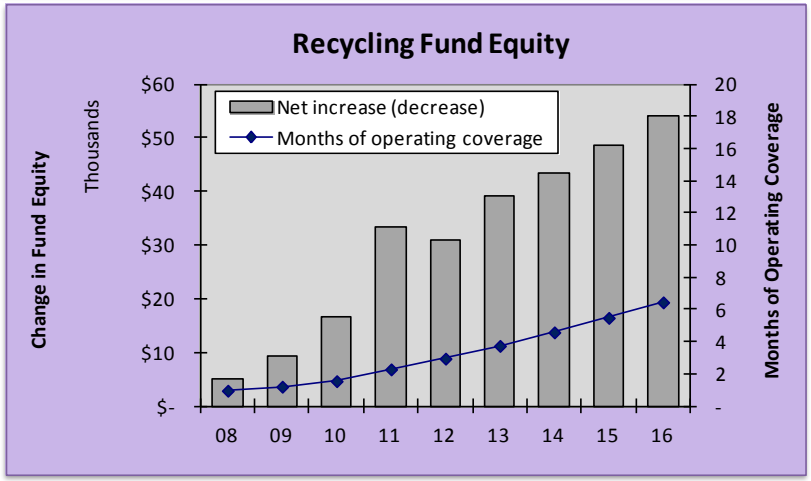
- Operating coverage of less than 1 month in 4 of the last 5 years
- Periodic negative cash balances due to the timing of revenue from user fees

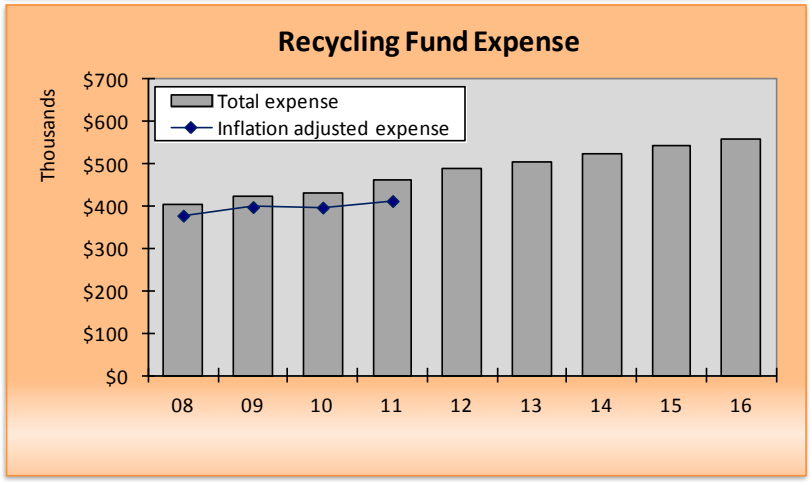
Fund Goals/Targets

- Gradually build fund balance and improve cash flow performance
- Establish recycling fees sufficient to generate operating coverage of 5 months within 5 years, and pay interest to the investment pool for temporary negative cash balances throughout the year









Recycling Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Intergovernmental									
SCORE Grant	$ 53,490	$ 53,359	$ 54,023	$ 53,240	$ 54,000	$ 55,000	$ 56,000	$ 57,000	$ 58,000
Other Local Governments	3,892	6,189	5,118	17,500	15,000	15,000	15,000	15,000	15,000
Charges for Services									
Recycling Charges	339,332	360,382	375,660	402,000	429,000	450,000	431,000	433,000	435,000
Cleanup Day Charges	11,353	12,715	10,888	22,270	22,300	23,300	64,300	84,300	104,300
Interest Earnings	360	269	62	-	-	-	-	-	-
Total Revenue	408,427	432,914	445,751	495,010	520,300	543,300	566,300	589,300	612,300
Expense									
Public Works									
Personal Services	29,626	29,828	30,207	15,737	27,004	28,610	30,217	32,328	34,063
Supplies	990	3,530	-	1,200	1,200	1,200	1,200	1,200	1,200
Contractual Services	372,803	390,185	399,053	444,610	461,270	474,430	491,330	507,340	522,830
Total Expense	403,419	423,543	429,260	461,547	489,474	504,240	522,747	540,868	558,093
Net Change	5,008	9,371	16,491	33,463	30,826	39,060	43,553	48,432	54,207
Fund Equity, beginning	28,801	33,809	43,180	59,671	93,134	123,960	163,020	206,573	255,005
Fund Equity, ending	$ 33,809	$ 43,180	$ 59,671	$ 93,134	$ 123,960	$ 163,020	$ 206,573	$ 255,005	$ 309,212
Fund equity percent of expense	8.0%	10.1%	12.9%	19.0%	24.6%	31.2%	38.2%	45.7%	53.7%
Months of operating coverage	1.0	1.2	1.6	2.3	3.0	3.7	4.6	5.5	6.4
Expense percent change	5.5%	5.0%	1.3%	7.5%	6.1%	3.0%	3.7%	3.5%	3.2%
Average annual percent change				4.5%					3.9%
Annual charge per parcel/unit	$ 31.50	$ 33.50	$ 35.00	$ 37.50	$ 40.00	$ 42.00	$ 44.00	$ 46.00	$ 48.00
Change in rate	$ 0.80	$ 2.00	$ 1.50	$ 2.50	$ 2.50	$ 2.00	$ 2.00	$ 2.00	$ 2.00
Percent change in rate	2.6%	6.3%	4.5%	7.1%	6.7%	5.0%	4.8%	4.5%	4.3%
Average annual percent change				4.0%					5.1%
Cost per collection	$ 1.21	$ 1.29	$ 1.35	$ 1.44	$ 1.54	$ 1.62	$ 1.69	$ 1.77	$ 1.85
Participation rate	94.0%	95.0%	95.0%						
Tons recycled	3,385	3,204	3,342						
Number of parcels/units	10,772	10,758	10,719	10,719	10,720	10,720	10,720	10,720	10,720

Community Center Fund Operations

The Community Center Fund accounts for 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 concessions.

Impacts

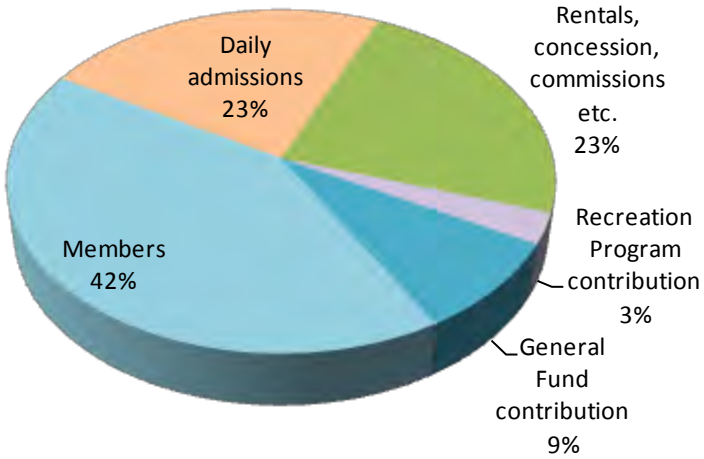
- User fees provide 88% of revenue (memberships, admissions and room rentals)
- General Fund provides $225,000 in support of operations for 2012 through an inter-fund transfer
- Recreation programs Fund provides $75,000 in support for use of the facility
- Planned $300,000 transfer in 2014 as a contribution for a building addition

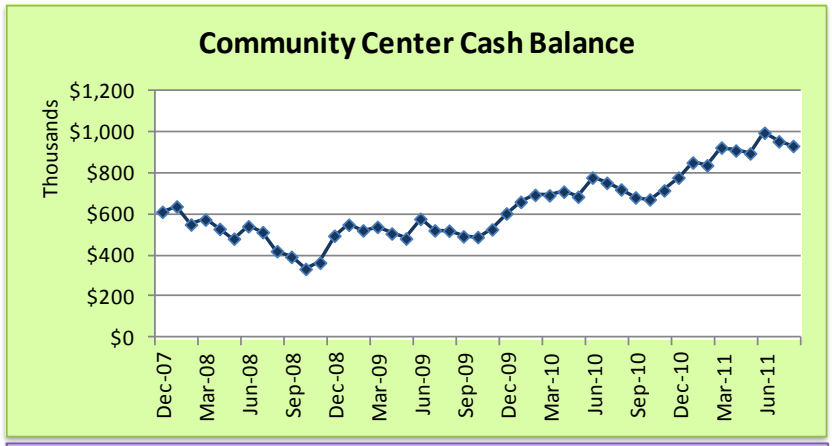
Performance/History

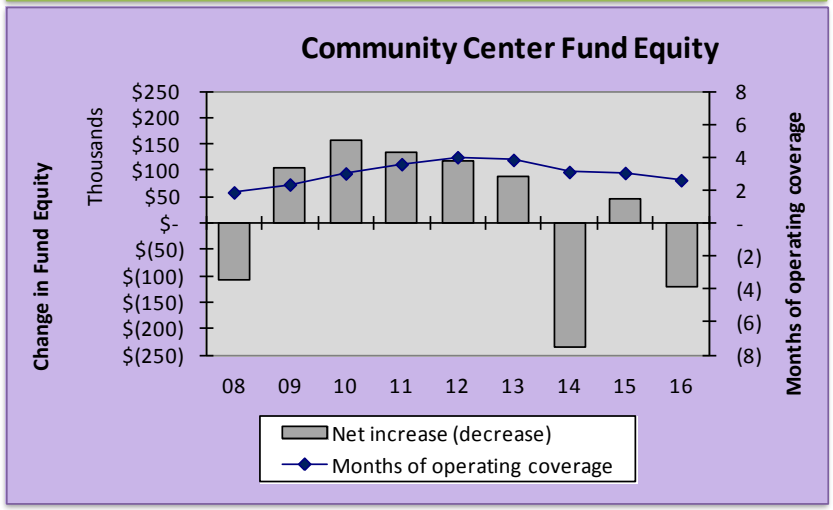
- Enrollment in automatic monthly billing by members continues to rise, providing greater cash flow stability
- Insurance incentive credits increased from $25,575 in 2008 to an estimated $62,000 in 2011
- Working capital coverage equal to 2 to 3 months in most years
- Positive cash flows

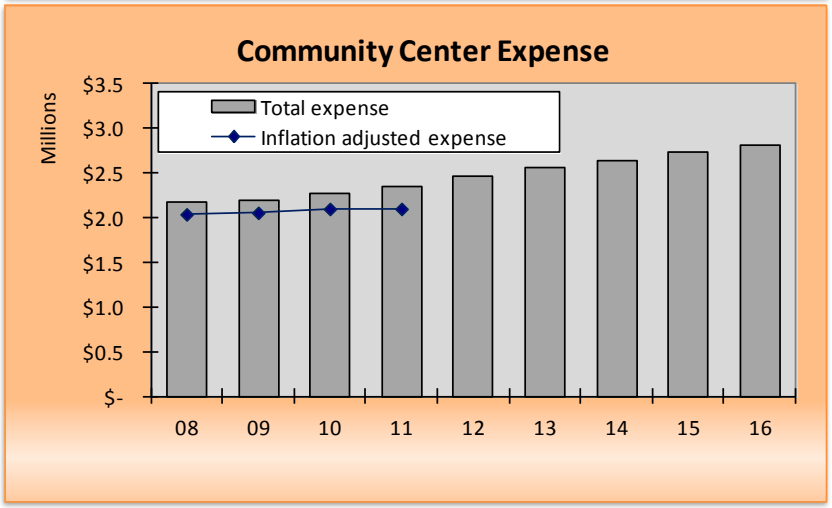
Fund Goals/Targets

- Adjust rates and operating expense to maintain operating coverage of 3 months
- Increase General Fund support approximately 3% per year
- Commit fund equity in excess of 3 months working capital to community center building improvements









Community Center Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Charges for Services									
Memberships	$ 790,448	$ 899,409	$ 1,040,491	$ 1,056,545	$ 1,077,390	$ 1,096,100	$ 1,115,700	$ 1,136,230	$ 1,160,700
Daily Admissions	494,723	548,429	522,366	584,000	596,920	610,080	623,460	637,090	650,960
Room Rentals	213,668	219,043	220,656	233,520	240,675	247,965	255,450	263,100	270,950
Concessions & Commissions	170,242	181,806	198,094	211,000	221,950	232,910	242,400	252,900	263,630
All Other Charges	130,639	123,702	125,135	129,000	133,050	136,700	141,350	146,000	149,650
Interest Earnings	18,693	8,171	8,017	8,000	8,000	9,000	10,000	12,000	14,000
Other Revenues	-	-	715	-	-	-	-	-	-
Total Revenue	1,818,413	1,980,560	2,115,474	2,222,065	2,277,985	2,332,755	2,388,360	2,447,320	2,509,890
Expense									
Parks and Recreation									
Personal Services	1,243,857	1,287,910	1,319,270	1,358,209	1,415,659	1,456,934	1,500,453	1,548,325	1,591,996
Supplies	429,071	392,043	405,540	443,500	461,760	481,115	501,370	515,280	534,440
Contractual	503,359	507,042	544,863	548,280	568,570	604,850	627,930	650,400	673,785
Capital Outlay	-	-	-	-	12,930	13,000	13,000	13,000	13,000
Total Expense	2,176,287	2,186,995	2,269,673	2,349,989	2,458,919	2,555,899	2,642,753	2,727,005	2,813,221
Other Sources (Uses)									
Sale of Asset-Gain	-	-	-	-	-	-	-	-	-
Transfers In	250,000	310,000	310,000	297,000	300,000	312,000	319,000	326,000	334,000
Transfers Out	-	-	-	(35,000)	-	-	(300,000)	-	(150,000)
Net Change	(107,874)	103,565	155,801	134,076	119,066	88,856	(235,393)	46,315	(119,331)
Fund Equity, beginning	449,160	341,286	444,851	600,652	734,728	853,794	942,650	707,257	753,572
Fund Equity, ending	$ 341,286	$ 444,851	$ 600,652	$ 734,728	$ 853,794	$ 942,650	$ 707,257	$ 753,572	$ 634,241
Fund equity committed to building impro	-	-	33,234	119,998	214,819	281,962	25,506	50,267	-
Fund equity percent of expense	15.6%	19.6%	25.2%	29.9%	33.4%	32.0%	25.9%	25.4%	21.8%
Months of operating coverage	1.9	2.4	3.0	3.6	4.0	3.8	3.1	3.1	2.6
Tax support as percent of expense	8.7%	10.5%	10.1%	9.7%	9.2%	9.1%	9.0%	9.0%	9.0%
Expense percent change	4.3%	0.5%	3.8%	3.5%	4.6%	3.9%	3.4%	3.2%	3.2%
Average annual percent change/exp				1.8%					3.7%
Insurance credits (memberships)	$ 111,800	$ 159,000	$ 178,500	$ 171,000					
Annual membership rev billed monthly	$ 123,628	$ 241,728	$ 352,441	$ 390,000					
Rate change, daily admissions	6.5%	7.0%	3.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rate change, memberships	6.5%	3-5%	2-4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Recreation Program Fund Operations

The Recreation Programs Fund accounts for a variety of recreational and social programs offered throughout the City on a fee basis. Financial support, through an inter-fund transfer, is provided to the Community Center fund to partially cover use of the facility.

Impacts

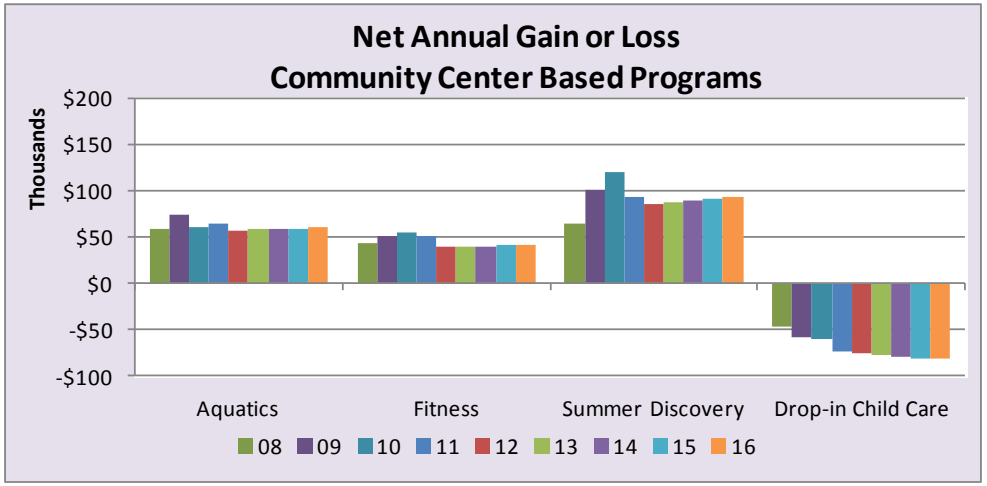
- User fees provide 95% of revenue
- General Fund provides support for community-oriented programs through an annual transfer
- Planned $300,000 transfer in 2014 as a contribution for a building addition

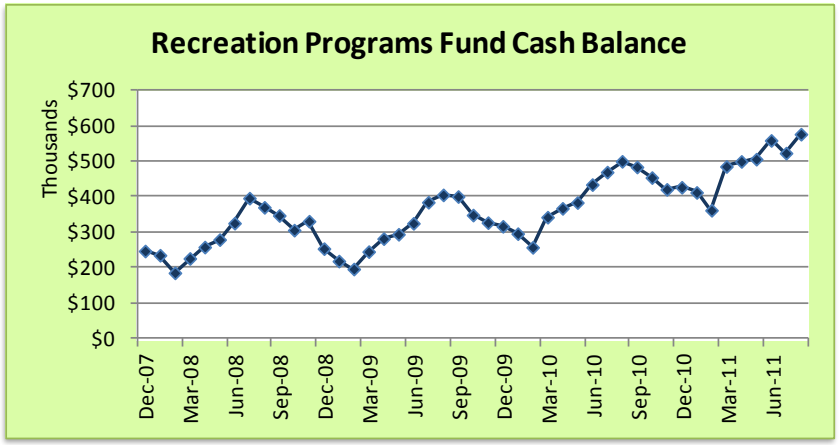
Performance/History

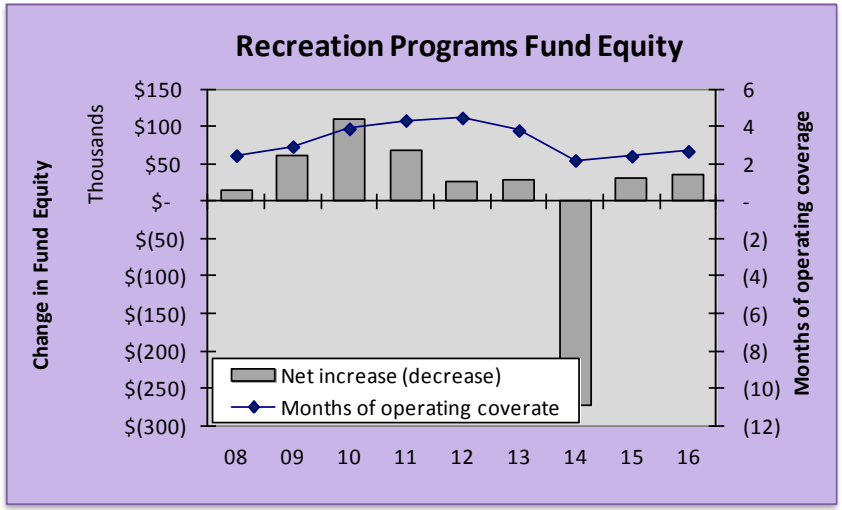
- Operating coverage equal to 2 to 4 months
- Positive cash flows

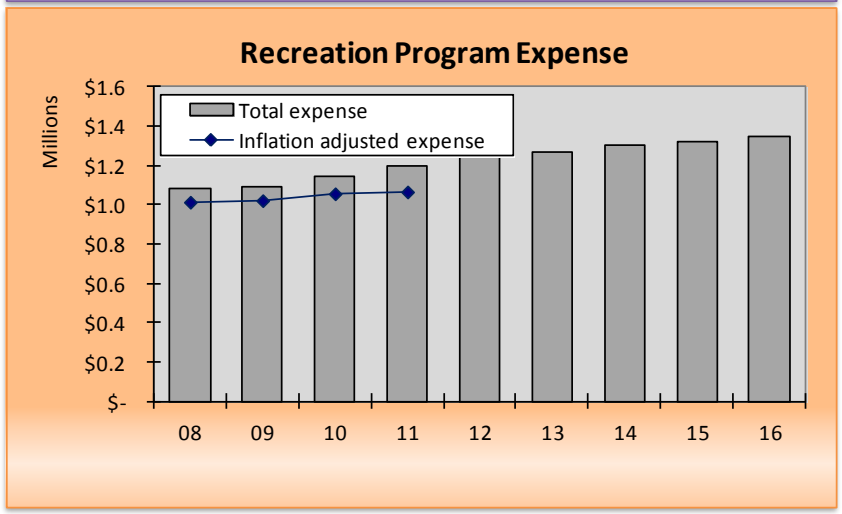
Fund Goals/Targets

- Preserve 3 months operating coverage through user fee adjustments
- Hold General Fund support to the rate of inflation or less
- Cover cost increases through operating efficiencies where possible/practical
- Commit fund equity in excess of 3 months working capital to community center building improvements

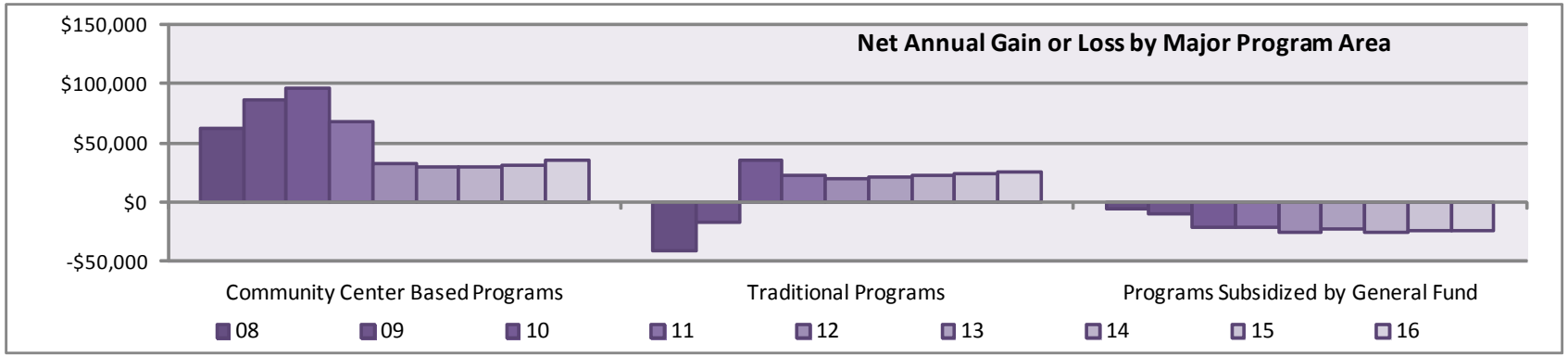








Recreation Programs Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Charges for Services	$1,072,244	$1,159,143	$1,266,929	$1,261,360	$1,277,740	$1,303,300	$1,329,360	$1,356,950	$1,383,070
Interest Earnings	11,252	4,925	4,623	4,600	4,600	4,800	5,000	5,000	5,000
Other Revenues	50	559	489	-	-	-	-	-	-
Total Revenue	1,083,546	1,164,627	1,272,041	1,265,960	1,282,340	1,308,100	1,334,360	1,361,950	1,388,070
Expense									
Parks and Recreation									
Parks Administration	274,867	294,157	305,513	298,569	331,258	345,238	361,398	376,331	389,104
Program Costs	807,187	792,391	836,617	894,155	915,544	925,381	936,219	946,485	956,969
Total Expense	1,082,054	1,086,548	1,142,130	1,192,724	1,246,802	1,270,619	1,297,617	1,322,816	1,346,073
Other Sources (Uses)									
Transfers In	73,000	62,000	60,000	65,000	65,000	70,000	70,000	72,000	74,000
Transfers Out	(60,000)	(80,000)	(80,000)	(70,000)	(75,000)	(80,000)	(380,000)	(80,000)	(80,000)
Net Change	14,492	60,079	109,911	68,236	25,538	27,481	(273,257)	31,134	35,997
Fund Equity, beginning	223,416	237,908	297,987	407,898	476,134	501,672	529,153	255,896	287,030
Fund Equity, ending	$ 237,908	$ 297,987	$ 407,898	$ 476,134	$ 501,672	$ 529,153	$ 255,896	$ 287,030	$ 323,027
Fund equity committed to bldg impr			$ 109,717	$ 164,434	$ 184,017	$ 204,749	$ -	$ -	$ -
Fund equity percent of expense	20.4%	24.4%	32.3%	36.0%	37.1%	31.5%	18.2%	20.1%	22.3%
Months of operating coverage	2.4	2.9	3.9	4.3	4.5	3.8	2.2	2.4	2.7
Revenue percent change	7.6%	7.5%	9.2%	-0.5%	1.3%	2.0%	2.0%	2.1%	1.9%
Average annual percent change				4.9%					1.9%
Expense percent change	7.0%	0.4%	5.1%	4.4%	4.5%	1.9%	2.1%	1.9%	1.8%
Average annual percent change				4.1%					2.5%
Percent of revenue from user fees	92.7%	94.5%	95.1%	94.8%	94.8%	94.6%	94.7%	94.6%	94.6%
Percent of revenue from Gen Fund	6.3%	5.1%	4.5%	4.9%	4.8%	5.1%	5.0%	5.0%	5.1%



Cable TV Fund Operations

The Cable TV Fund accounts for the operation and promotion of cable communications, provides partial support for newsletter costs, and provides funding for equipment necessary for broadcasting public meetings.

Impacts

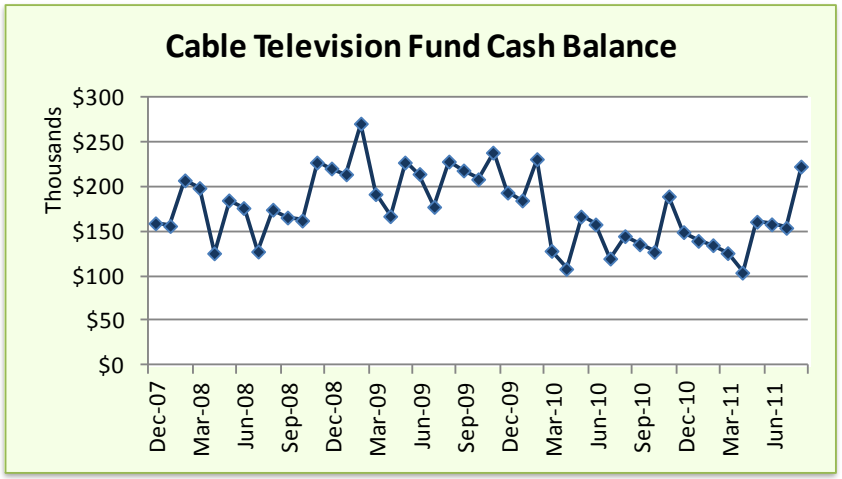
- Cable franchise fees provide more than 98% of revenue
- Future use of franchise fees could be impacted by changes in State law which could limit the franchising authority of cities as well as franchise fee revenue
- Transfers to the General Fund provide support for communication activities

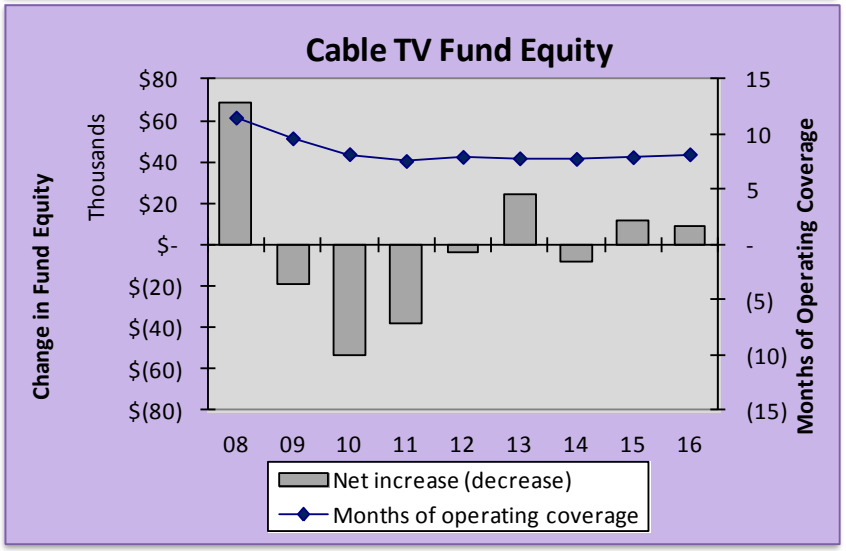
Performance/History

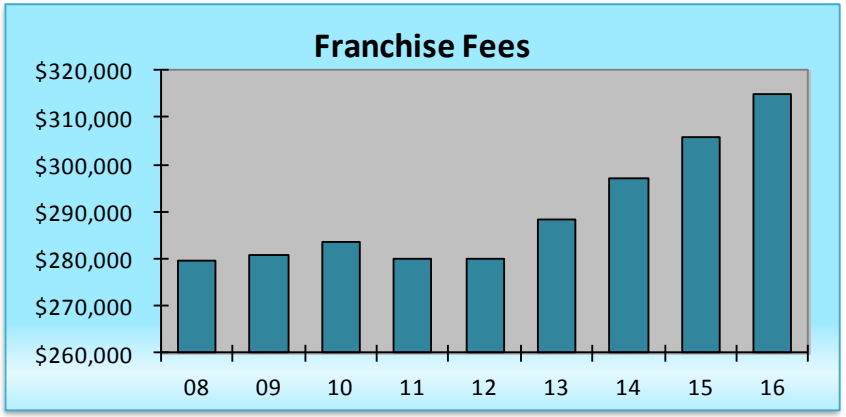
- Operating coverage equal to 7 to 12 months
- Positive cash flows

Fund Goals/Targets

- Preserve minimum operating coverage of 3 and up to 6 months when anticipated capital costs dictate higher balances
- Monitor fund balance changes







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Cable Television Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Charges for Services	$279,794	$280,737	$283,394	$280,000	$280,000	$288,400	$297,000	$306,000	$315,000
Interest Earnings	6,834	3,411	1,822	1,800	1,800	1,800	1,800	2,000	2,000
Other Revenues	2,700	1,200	1,100	1,200	1,200	1,200	1,200	1,200	1,200
Total Revenue	289,328	285,348	286,316	283,000	283,000	291,400	300,000	309,200	318,200
Expense									
General Government									
Personal Services	87,588	105,963	109,354	32,404	32,985	33,688	34,404	35,409	36,433
Supplies	-	10,075	58,894	500	500	500	500	500	500
Contractual	120,904	154,297	158,429	113,380	131,610	118,310	137,130	126,560	131,040
Total Expense	208,492	270,335	326,677	146,284	165,095	152,498	172,034	162,469	167,973
Other Sources (Uses)									
Transfers Out	(12,166)	(33,998)	(13,250)	(174,679)	(121,950)	(115,000)	(136,500)	(135,000)	(141,500)
Net Change	68,670	(18,985)	(53,611)	(37,963)	(4,045)	23,902	(8,534)	11,731	8,727
Fund Equity, beginning	223,003	291,673	272,688	219,077	181,114	177,069	200,971	192,437	204,168
Fund Equity, ending	$291,673	$272,688	$219,077	$181,114	$177,069	$200,971	$192,437	$204,168	$212,895
Fund equity percent of expense	95.8%	80.2%	68.3%	63.1%	66.2%	65.1%	64.7%	66.0%	68.1%
Months of operating coverage	11.5	9.6	8.2	7.6	7.9	7.8	7.8	7.9	8.2
Franchise fee percent change	7.9%	0.3%	0.9%	-1.2%	0.0%	3.0%	3.0%	3.0%	2.9%
Average annual percent change				4.0%					2.4%

Economic Development Authority Fund Operations

The Economic Development Authority (EDA) was created in 2008 with an initial $50,000 transfer from the General Fund and $2,025 from the former Economic Development Fund. The City's previous deposit in the Twin Cities Community Capital Fund was returned to the City in 2010 ($165,777). Because the funds are legally restricted to economic development and business assistance (as governed by Minnesota statutes), the EDA is exploring other options for a business loan program. The funds will be invested until a loan program is selected or developed.

Impacts

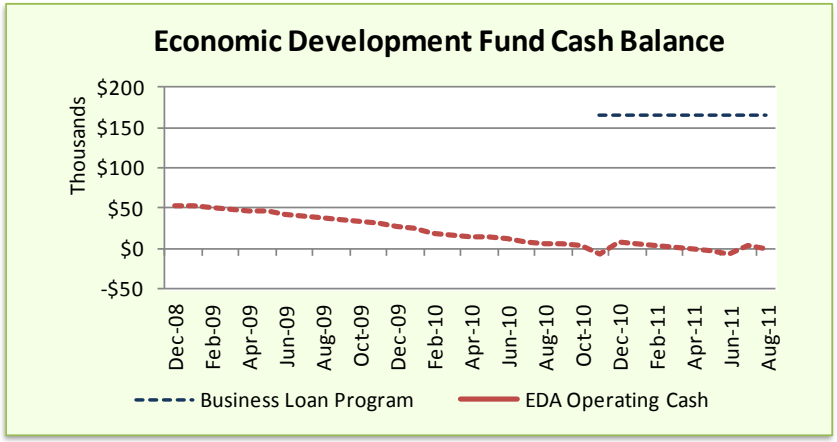
- First tax levy in 2011
- Levy authority is within the City's levy limit, when levy limits are in effect
- Property tax collections occur in July and December, creating cash flow challenges for the fund

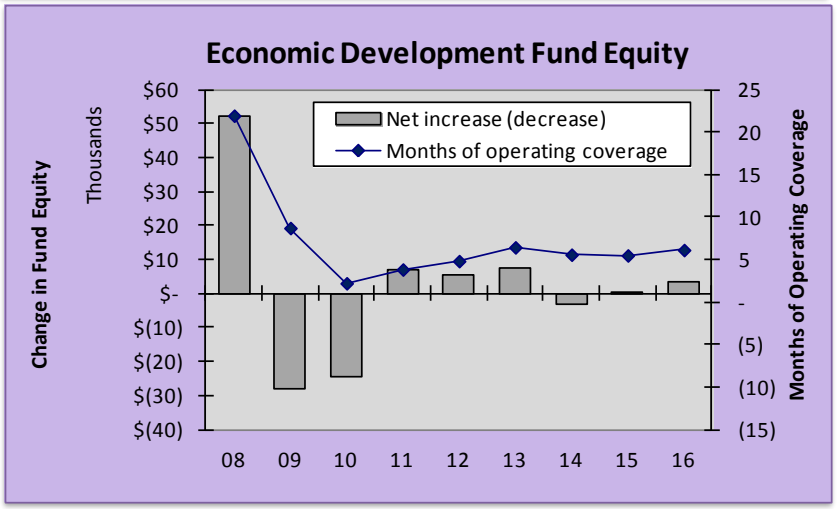
Performance/History

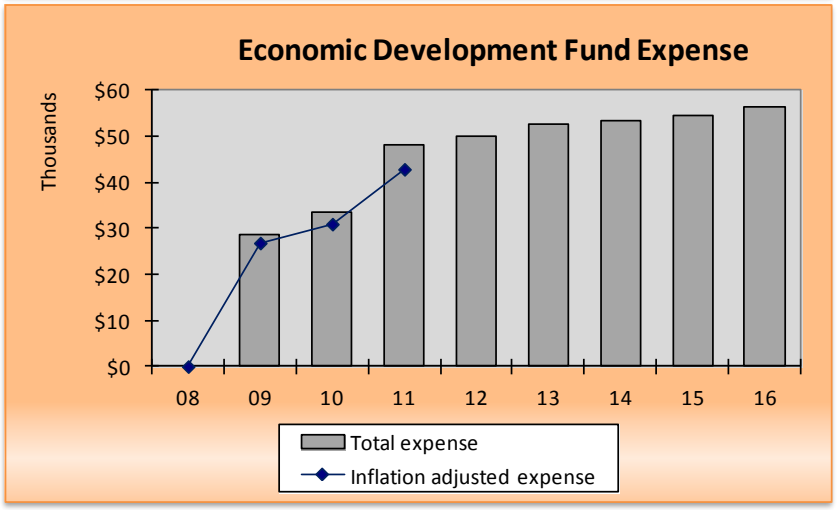
- Operating coverage dropped significantly in 2009 and 2010 due to the lack of revenue

Fund Goals/Targets

- Establish and maintain 5 months of operating coverage
- Monitor fund balance changes







Economic Development Authority Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Property Taxes	$ -	$ -	$ -	$ 25,000	$ 55,000	$ 60,000	$ 50,000	$ 55,000	$ 60,000
Interest Earnings	150	672	436	-	-	-	-	-	-
Total Revenue	150	672	436	25,000	55,000	60,000	50,000	55,000	60,000
Expense									
Community Development									
Personal Services	-	3,655	6,920	23,555	22,243	22,807	23,394	24,205	25,025
Supplies	-	-	-	1,700	2,000	2,000	2,000	2,100	2,100
Contractual Services	-	24,883	26,529	22,690	25,540	27,740	27,840	28,200	29,350
Total Expense	-	28,538	33,449	47,945	49,783	52,547	53,234	54,505	56,475
Other Sources (Uses)									
Transfers In									
From General Fund	50,000	-	8,354	30,010	-	-	-	-	-
From former Economic Development Fund	2,025	-	-	-	-	-	-	-	-
From closed Business Loan Program	175,000	-	-	-	-	-	-	-	-
Net Change	227,175	(27,866)	(24,659)	7,065	5,217	7,453	(3,234)	495	3,525
Fund Equity, beginning	-	227,175	199,309	174,650	181,715	186,932	194,385	191,151	191,646
Fund Equity, ending	$ 227,175	$ 199,309	$ 174,650	$ 181,715	$ 186,932	$ 194,385	$ 191,151	$ 191,646	$ 195,171
Fund Equity Breakdown									
Loan program fund balance	$ 175,000	$ 175,000	$ 165,777	$ 165,777	$ 165,777	$ 165,777	$ 165,777	$ 165,777	$ 165,777
Non loan program fund balance	$ 52,175	$ 24,309	$ 8,873	$ 15,938	$ 21,155	$ 28,608	$ 25,374	$ 25,869	$ 29,394
Months of operating coverage (excluding balances restricted for a business loan progr)	21.9	8.7	2.2	3.8	4.8	6.4	5.6	5.5	6.1
Tax levy percent change					120.0%	9.1%	-16.7%	10.0%	9.1%
Annual average percent change									26.3%

Housing Redevelopment Authority Fund Operations

The Housing Redevelopment Authority (HRA) was created in 2009 to account for housing-related activities of the EDA, with the first year of operation in 2010.

Impacts

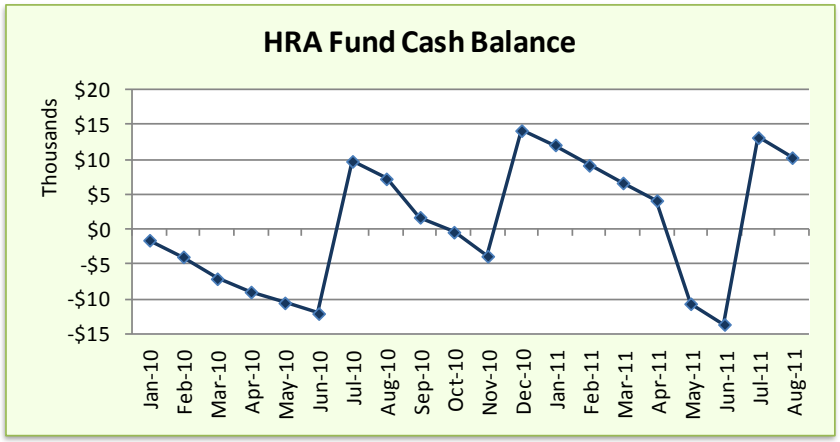
- First tax levy in 2010
- MVHC loss of $1,965 for 2010 and estimated 2011 loss of $2,141
- Levy authority for the HRA is outside the City's levy limit

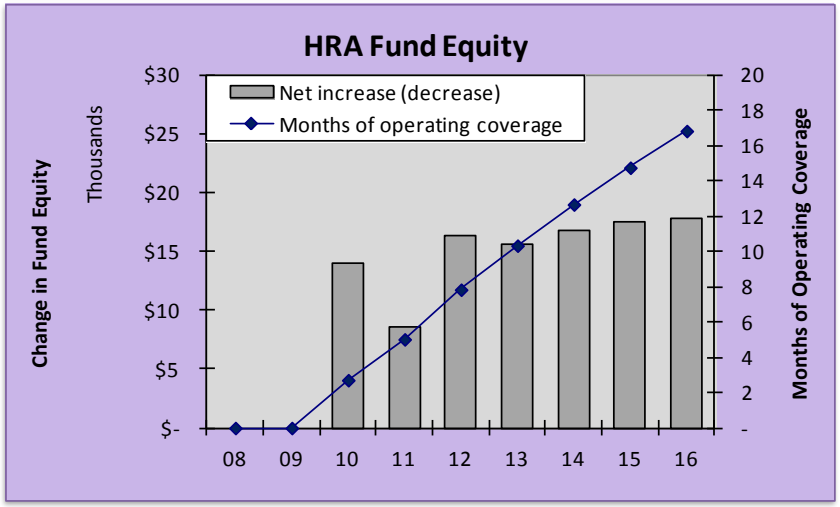
Performance/History

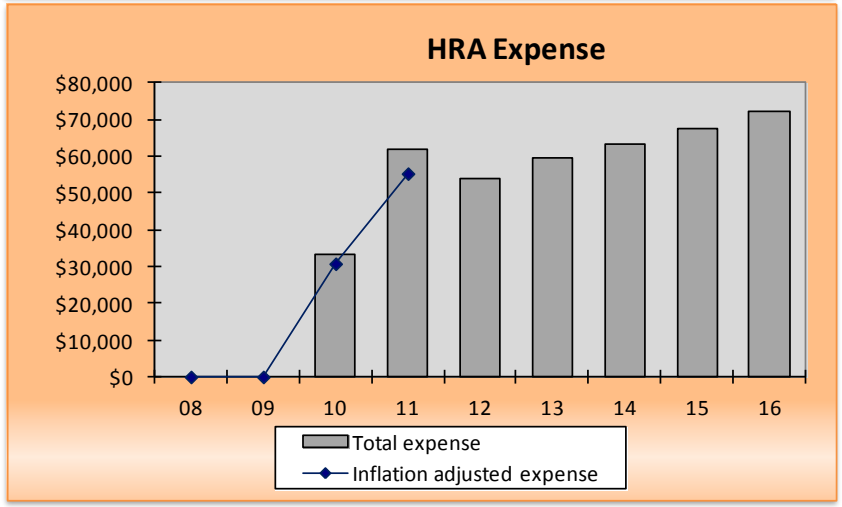
- No significant history to report

Fund Goals/Targets

- Establish and maintain 5 months of operating coverage
- Monitor fund balance changes







Housing Redevelopment Authority	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Property Taxes	$ -	$ -	$ 47,248	$ 60,000	$ 70,000	$ 75,000	$ 80,000	$ 85,000	$ 90,000
Total Revenue	-	-	47,248	60,000	70,000	75,000	80,000	85,000	90,000
Expense									
Community Development									
Personal Services	-	-	28,415	31,885	23,726	27,368	31,192	35,499	39,205
Contractual Services	-	-	4,852	30,000	30,000	32,000	32,000	32,000	33,000
Debt Service	-	-	14	-	-	-	-	-	-
Total Expense	-	-	33,281	61,885	53,726	59,368	63,192	67,499	72,205
Other Sources (Uses)									
Transfers In	-	-	-	10,390	-	-	-	-	-
Net Change	-	-	13,967	8,505	16,274	15,632	16,808	17,501	17,795
Fund Equity, beginning	-	-	-	13,967	22,472	38,746	54,378	71,186	88,687
Fund Equity, ending	$ -	$ -	$ 13,967	$ 22,472	$ 38,746	$ 54,378	$ 71,186	$ 88,687	$ 106,482
Fund equity percent of expense			22.6%	41.8%	65.3%	86.1%	105.5%	122.8%	140.1%
Months of operating coverage			2.7	5.0	7.8	10.3	12.7	14.7	16.8
Taxable Value (millions)			$ 29.6	$ 27.6	$ 25.4	$ 24.9	$ 24.9	$ 24.9	$ 25.5
Tax Rate (HRA)			0.169%	0.198%	0.254%	0.279%	0.299%	0.319%	0.332%
Change in tax rate				17.2%	28.3%	9.8%	7.2%	6.7%	4.1%
Average annual percent change									
Expense percent change				85.9%	-13.2%	10.5%	6.4%	6.8%	7.0%
Average annual percent change									
Market value homestead credit loss			$ 1,965	$ 2,141	$ -	$ -	$ -	$ -	$ -

Slice of Shoreview Fund Operations

The Slice of Shoreview Fund accounts for costs, donations, sponsorships and vendor fees associated with the Slice of Shoreview event.

Impacts

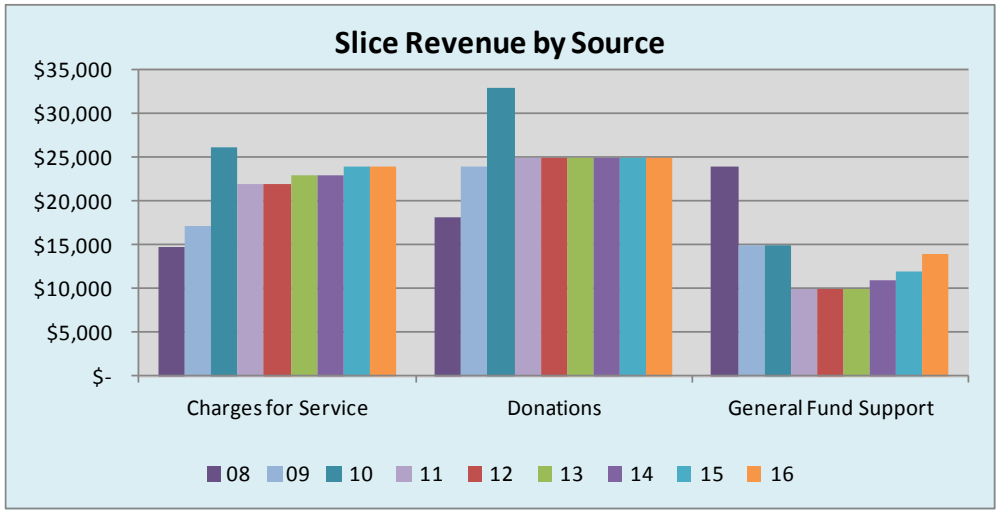
- For 2012, support for the event is provided by donations (44%), fees (39%), and General Fund support (17%)

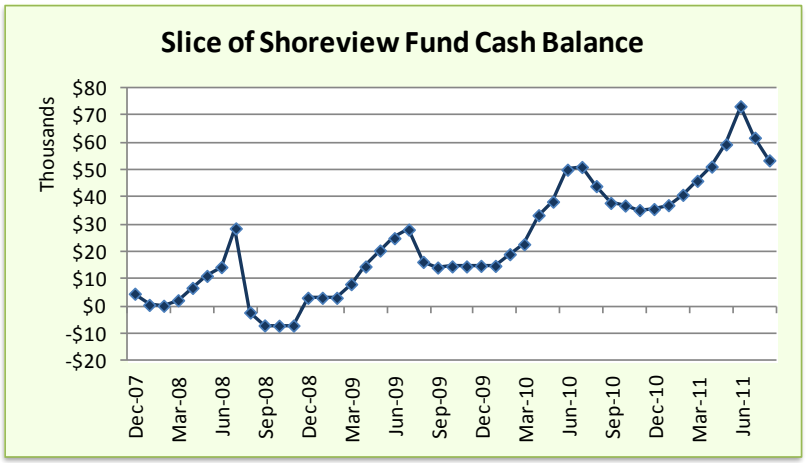
Performance/History

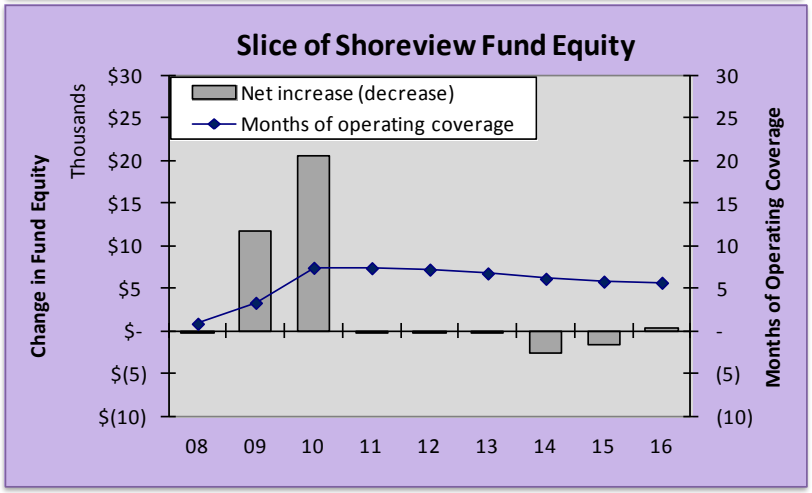
- Temporary periods of cash deficits in 2008 (shown in graph at right)
- Improved operating performance in the last 3 years
- Operating coverage between 1 to 7 months

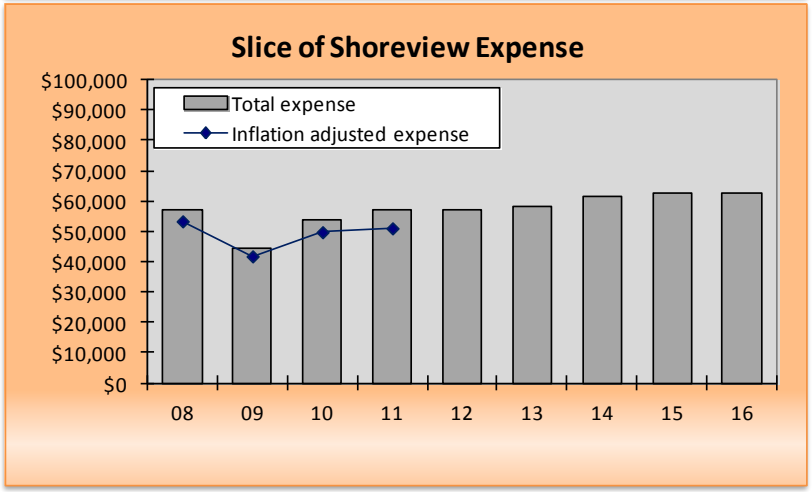
Fund Goals/Targets

- Preserve 6 to 12 months of operating coverage to ensure adequate coverage of event costs in the event of a decline in donations
- Hold General Fund support to the rate of inflation or less









Slice of Shoreview Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Charges for Services	$ 14,649	$ 17,137	$ 26,142	$ 22,000	$ 22,000	$ 23,000	$ 23,000	$ 24,000	$ 24,000
Interest Earnings	144	222	388	-	-	-	-	-	-
Other Revenues (donations)	18,112	23,874	32,866	25,000	25,000	25,000	25,000	25,000	25,000
Total Revenue	32,905	41,233	59,396	47,000	47,000	48,000	48,000	49,000	49,000
Expense									
General Government	57,024	44,537	53,879	57,200	57,200	58,200	61,700	62,750	62,750
Total Expense	57,024	44,537	53,879	57,200	57,200	58,200	61,700	62,750	62,750
Other Sources (Uses)									
Transfers In	24,000	15,000	15,000	10,000	10,000	10,000	11,000	12,000	14,000
Net Change	(119)	11,696	20,517	(200)	(200)	(200)	(2,700)	(1,750)	250
Fund Equity, beginning	3,253	3,134	14,830	35,347	35,147	34,947	34,747	32,047	30,297
Fund Equity, ending	$ 3,134	$ 14,830	$ 35,347	$ 35,147	$ 34,947	$ 34,747	$ 32,047	$ 30,297	$ 30,547
Fund equity percent of expense	7.0%	27.5%	61.8%	61.4%	60.0%	56.3%	51.1%	48.3%	47.2%
Months of operating coverage	0.8	3.3	7.4	7.4	7.2	6.8	6.1	5.8	5.7
Expense percent change	-1.1%	-21.9%	21.0%	6.2%	0.0%	1.7%	6.0%	1.7%	0.0%
Annual average percent change				1.0%					1.9%

Water Fund Operations

The Water Fund accounts for the distribution of water to residences and businesses, and operation and maintenance of the water system. Fluctuations in water consumption and revenue are expected from year to year, therefore projections use a "base year" approach to estimate gallons sold. Rates are set to support operating costs in a typical "base year", removing the impact of drought or high rainfall years.

Impacts

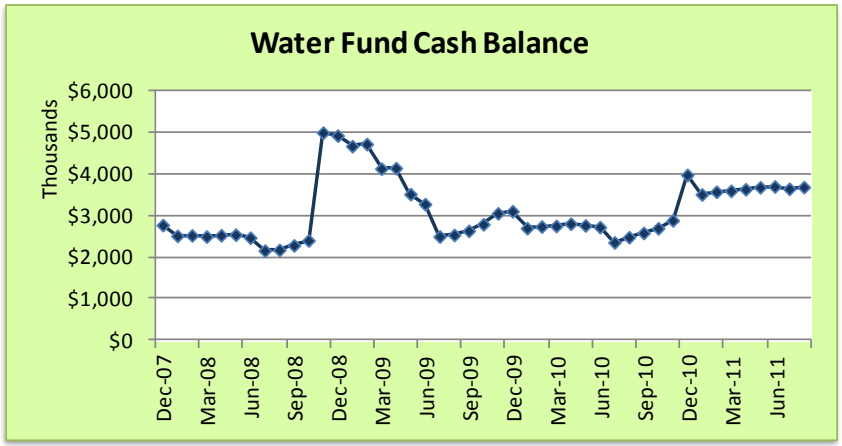
- Average household water consumption continues to decline
- Average winter household consumption in the last 5 years is about 6% lower than the previous 5-year period
- Water use fluctuates significantly based on rainfall during the growing season
- Contributions for maintenance center debt payments began in 2011

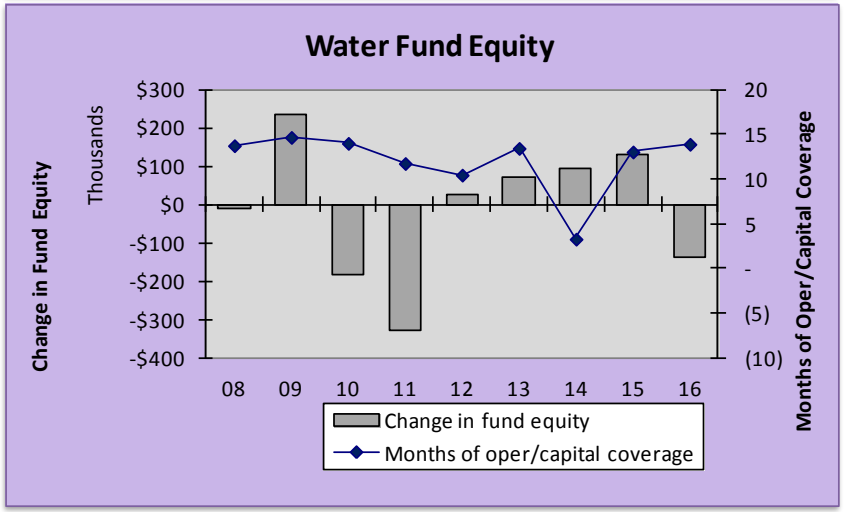
Performance/History

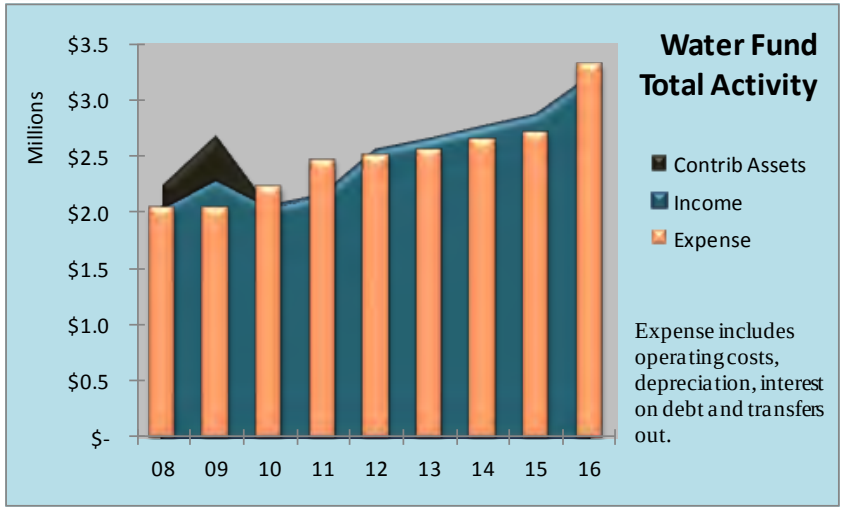
- Operating coverage equal to 11 to 14 months of operating and capital costs
- Stable cash balances (apart from spending down of bond proceeds)
- Operating income generated each year, yet the fund experiences an overall decrease in net assets in 2010 and is expected for 2011
- Projected base gallons reduced from 950 million gallons in the last FYOP to 875 million gallons

Fund Goals/Targets

- Preserve a minimum of 8 months of operating coverage (exempt of anticipated water treatment plant costs, which cause a temporary drop in this indicator for 2014)
- Increase water rates to achieve overall gain for 2012 (at revised base gallons)
- Begin adjusting water rates two years before the scheduled addition of a water treatment plant in 2015







Water Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Special Assessments	$ 1,317	$ 1,650	$ 1,113	$ -	$ -	$ -	$ -	$ -	$ -
Utility Charges	1,846,575	2,108,805	1,901,006	2,070,000	2,460,000	2,555,000	2,660,000	2,765,000	3,095,000
Late Fees/Utility Charges	36,808	41,370	42,255	-	-	-	-	-	-
Water Facility Charges	13,750	4,400	6,168	4,000	4,000	4,000	4,000	4,000	4,000
Other Charges	17,510	55,197	13,913	4,500	4,800	5,000	5,000	5,000	5,000
Other Revenues	4,400	14,408	44,846	-	-	-	-	-	-
Total Revenue	1,920,360	2,225,830	2,009,301	2,078,500	2,468,800	2,564,000	2,669,000	2,774,000	3,104,000
Expense									
Enterprise Operations	1,329,618	1,245,066	1,339,306	1,432,867	1,455,461	1,488,456	1,539,744	1,585,505	1,581,652
Miscellaneous	362	-	-	-	-	-	-	-	-
Depreciation	465,963	476,849	543,688	605,000	630,000	637,000	644,000	650,000	800,000
Total Expense	1,795,943	1,721,915	1,882,994	2,037,867	2,085,461	2,125,456	2,183,744	2,235,505	2,381,652
Operating Income (Loss)	124,417	503,915	126,307	40,633	383,339	438,544	485,256	538,495	722,348
Other Sources (Uses)									
Interest Earnings	112,657	56,635	32,722	50,000	55,000	55,000	60,000	60,000	65,000
Contributed Capital Assets	212,000	396,278	7,246	-	-	-	-	-	-
Intergovernmental	-	-	557	13,370	13,200	12,940	12,620	12,200	11,630
Debt Service	(126,890)	(197,535)	(192,894)	(205,944)	(184,287)	(171,435)	(185,837)	(173,162)	(599,619)
Transfers Out	(120,000)	(130,000)	(151,037)	(225,000)	(240,000)	(262,500)	(277,500)	(307,500)	(337,500)
Net Change	202,184	629,293	(177,099)	(326,941)	27,252	72,549	94,539	130,033	(138,141)
Fund Equity, beginning	12,024,530	12,226,714	12,856,007	12,678,908	12,351,967	12,379,219	12,451,768	12,546,307	12,676,340
Fund Equity, ending	$12,226,714	$12,856,007	$12,678,908	$12,351,967	$12,379,219	$12,451,768	$12,546,307	$12,676,340	$12,538,199
Months of oper/cap coverage	13.7	14.7	14.0	11.7	10.4	13.4	3.3	13.0	13.9
Cash balance	$ 4,923,229	$ 3,103,590	$ 3,977,866	$ 2,862,641	$ 2,546,198	$ 3,310,546	$ 3,317,491	$ 4,113,743	$ 4,065,646
Capital costs	$ 326,278	$ 2,253,239	$ 314,400	$ 942,900	$ 416,000	$ 365,500	$ 311,500	$ 9,363,800	$ 470,000
Unspent bond proceeds	$ 2,116,195	$ -	$ 939,784	$ -					
General transfer percent of assets	0.57%	0.55%	0.60%	0.64%	0.68%	0.73%	0.78%	0.66%	0.73%
	weighted	weighted		blended	blended				
Rate Increase (middle tier)	8.0%	12.0%	5.0%	10.0%	15.0%	4.1%	4.1%	4.1%	12.0%
Change in utility charge revenue	2.8%	14.2%	-9.9%	8.9%	18.8%	3.9%	4.1%	3.9%	11.9%
Debt issued	$ 2,365,000	$ -	$ 1,240,000	$ -	$ -	$ 790,000	$ -	$ 9,780,000	$ 480,000
Debt payments (principal)	$ 275,000	$ 315,000	$ 425,000	$ 460,000	$ 550,000	$ 365,000	$ 415,000	$ 395,000	$ 715,000
Debt balance (year end)	$ 5,210,000	$ 4,895,000	$ 5,710,000	$ 5,250,000	$ 4,700,000	$ 5,125,000	$ 4,710,000	$14,095,000	$13,860,000
Gallons of water sold (000)	973,106	1,066,008	910,803	881,146	875,156	875,000	875,000	875,000	875,000
Quarterly residential gallons (avg)	20,650	22,263	18,536	17,500					
Quarterly multi-family gallons (avg)	8,776	8,687	9,405	9,168					

Sewer Fund Operations

The Sewer Fund accounts for the collection and treatment of wastewater (sewage) from homes and businesses throughout the City. Sewage is routed or pumped into facilities owned and operated by Metropolitan Council Environmental Services. Because sewage treatment costs are more than half of operating costs, rates are designed to charge high volume customers more because they contribute more flow to the system.

Impacts

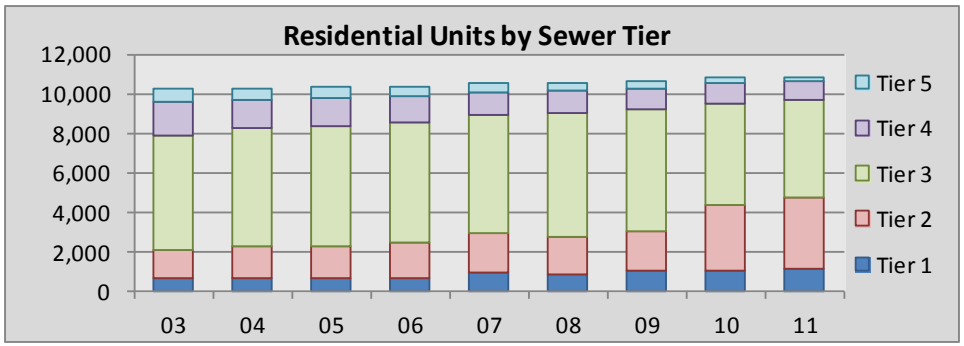
- Residential sewer bills are based on winter water consumption
- Average winter household consumption in the last 5 years is approximately 6% lower than the previous 5-year period
- Residential customers billed in the 3 lowest tiers are growing while customers billed in the 2 highest tiers are declining
- Inflow and infiltration elimination project completed in 2009 allows the City to avoid an annual sewage treatment surcharge
- Contributions for maintenance center debt payments began in 2011
- Sewage treatment costs decline for 2012, allowing the City to hold sewer rates constant and mitigate the impact of higher water rates

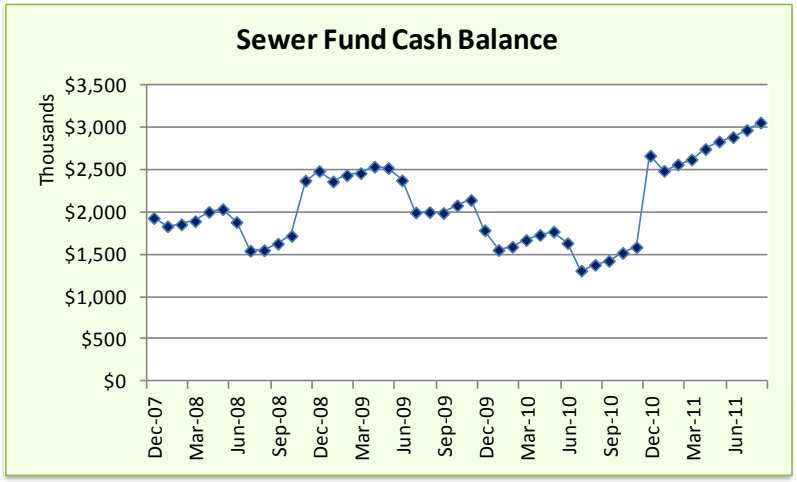
Performance/History

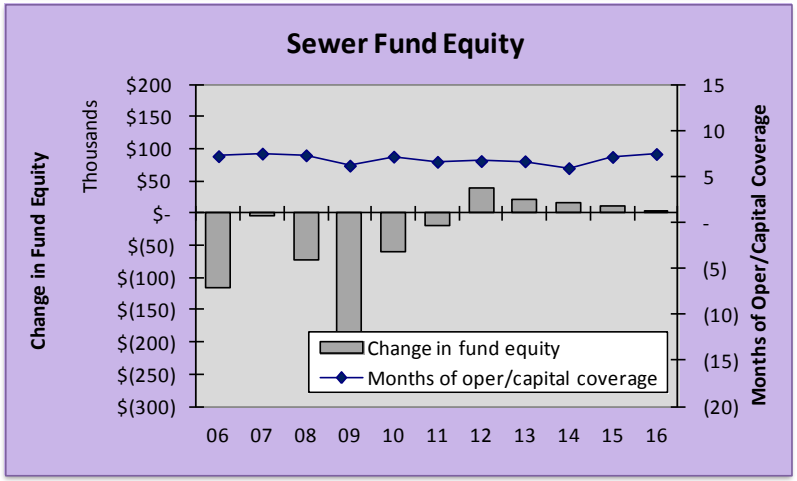
- Operating coverage equal to 6 to 7 months
- Stable cash balances (apart from spending down of bond proceeds)
- Operating losses in 1 of the last 4 years
- Decrease in overall net assets in 3 of the last 4 years

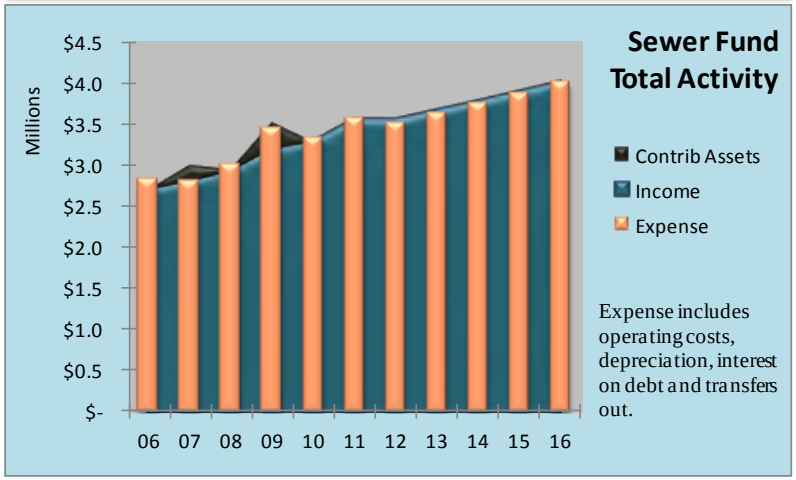
Fund Goals/Targets

- Preserve 6 months operating and capital coverage









Sewer Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Special Assessments	$ 1,434	$ 1,863	$ 1,092	$ -	$ -	$ -	$ -	$ -	$ -
Charges for Services	511	180	2,365	200	200	200	200	200	200
Utility Charges	2,791,838	3,054,922	3,158,442	3,500,000	3,500,000	3,605,000	3,711,000	3,822,000	3,936,000
Late Fees/Utility Charges	49,240	62,070	69,985	-	-	-	-	-	-
Sewer Facility Charges	4,125	2,475	1,650	3,000	4,000	4,000	4,000	4,000	4,000
Other Charges	1,852	29,957	20,665	6,500	2,500	2,500	2,500	2,500	2,500
Other Revenues	-	138	-	-	-	-	-	-	-
Total Revenue	2,849,000	3,151,605	3,254,199	3,509,700	3,506,700	3,611,700	3,717,700	3,828,700	3,942,700
Expense									
Enterprise Operations	2,590,220	3,013,765	2,869,607	2,996,432	2,942,296	3,055,226	3,170,977	3,287,821	3,390,850
Miscellaneous	362	-	-	-	-	-	-	-	-
Depreciation	251,630	265,557	279,711	305,000	300,000	310,000	315,000	320,000	320,000
Total Expense	2,842,212	3,279,322	3,149,318	3,301,432	3,242,296	3,365,226	3,485,977	3,607,821	3,710,850
Operating Income (Loss)	6,788	(127,717)	104,881	208,268	264,404	246,474	231,723	220,879	231,850
Other Sources (Uses)									
Interest Earnings	74,581	35,907	19,357	25,000	25,000	30,000	35,000	40,000	45,000
Contributed Capital Assets	24,000	318,200	-	-	-	-	-	-	-
Intergovernmental	-	-	444	10,650	10,515	10,310	10,050	9,720	9,290
Debt Service	(34,913)	(50,950)	(57,495)	(77,228)	(72,843)	(68,884)	(64,018)	(60,138)	(83,867)
Transfers Out	(120,000)	(120,000)	(127,037)	(187,000)	(188,000)	(196,500)	(197,500)	(198,500)	(199,500)
Net Change	(49,544)	55,440	(59,850)	(20,310)	39,076	21,400	15,255	11,961	2,773
Fund Equity, beginning	7,232,566	7,183,022	7,238,462	7,178,612	7,158,302	7,197,378	7,218,778	7,234,033	7,245,994
Fund Equity, ending	$7,183,022	$7,238,462	$7,178,612	$7,158,302	$7,197,378	$7,218,778	$7,234,033	$7,245,994	$7,248,767
Months of oper/cap coverage	7.3	6.2	7.2	6.6	6.7	6.6	5.9	7.1	7.4
Cash balance	$2,483,341	$1,784,149	$2,664,496	$1,963,697	$2,082,738	$2,141,965	$2,191,617	$2,486,235	$2,599,741
Capital costs	$ 96,295	$ 633,862	$ 134,201	$ 905,800	$ 74,000	$ 115,500	$ 118,750	$ 590,300	$ 197,000
Unspent bond proceeds	$ 509,212	$ -	$ 874,325	$ -					
General transfer percent of assets	1.08%	0.99%	1.04%	1.42%	1.41%	1.46%	1.45%	1.40%	1.39%
Rate Increase (middle tier)	6.2%	10.0%	6.0%	10.0%	0.0%	3.0%	3.0%	3.0%	3.0%
Change in utility charge revenue	5.5%	9.4%	3.4%	10.8%	0.0%	3.0%	2.9%	3.0%	3.0%
Debt issued	$ 580,000	$ -	$ 985,000	$ -	$ -	$ -	$ -	$ 720,000	$ 200,000
Debt payments (principal)	$ 45,000	$ 55,000	$ 80,000	$ 90,000	$ 145,000	$ 155,000	$ 160,000	$ 165,000	$ 210,000
Debt balance (year end)	$1,370,000	$1,315,000	$2,220,000	$2,130,000	$1,985,000	$1,830,000	$1,670,000	$2,225,000	$2,215,000
Commercial gallons (000)	92,068	89,834	89,289	86,500	86,500	86,500	86,500	86,500	86,500
Winter gallons-residential (avg)	13,438	14,837	13,432	12,931					
Winter gallons-multi-family (avg)			8,756	8,426					

Surface Water Management Fund Operations

The Surface Water Management Fund accounts for the City's storm sewers and surface water ponds. The storm system collects and directs surface water runoff and provides protections for ground water quality.

Impacts

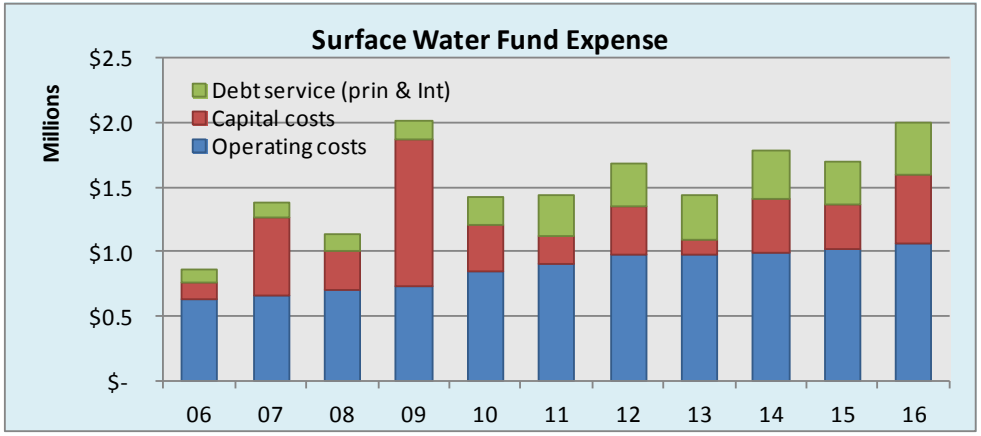
- Contributions for maintenance center debt payments began in 2011

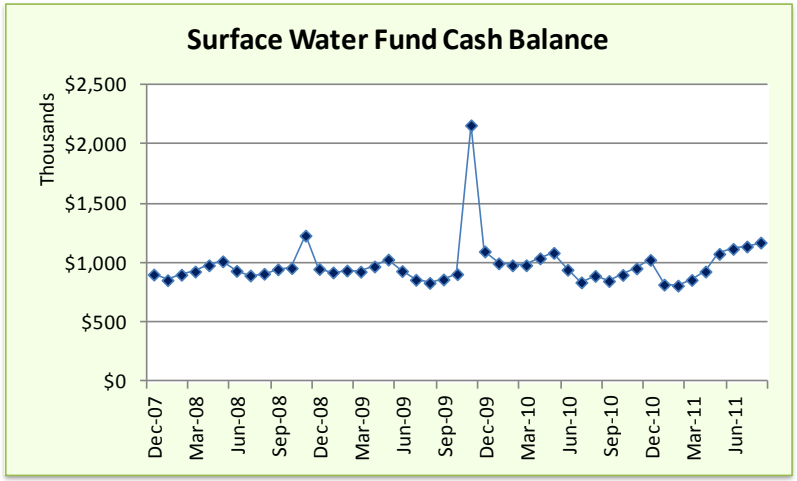
Performance/History

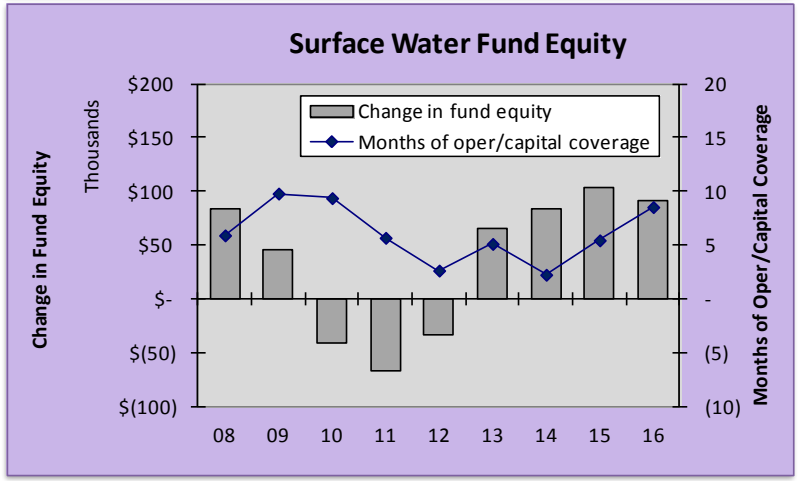
- Operating coverage equal to 5 to 9 months
- Stable cash balances
- Operating increase in each of the last 4 years
- Decrease in overall net assets in 1 of the last 4 years

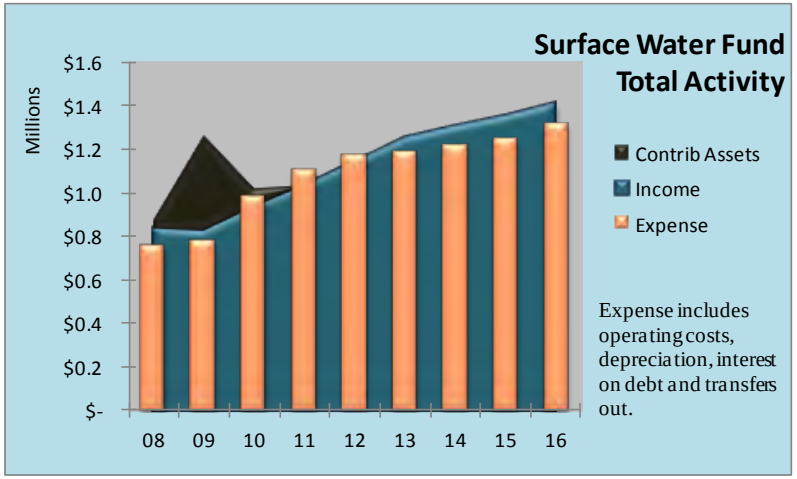
Fund Goals/Targets

- Establish and preserve 6 months operating and capital coverage (excluding timing differences for project costs and debt issuance)
- Expected operating gain in each of the next 5 years, and an overall loss in net assets for 2011 and 2012
- Monitor cash and equity balances closely
- Increase rates to achieve overall gain within 2 years









Surface Water Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Special Assessments	$ 859	$ 937	$ 534	$ -	$ -	$ -	$ -	$ -	$ -
Utility Charges	712,915	784,162	865,432	960,600	1,056,000	1,162,000	1,212,000	1,264,000	1,318,000
Late Fees/Utility Charges	11,051	13,379	14,913	-	-	-	-	-	-
Snail Lake Augmentation Chgs	12,885	10,635	38,835	46,109	48,462	48,101	47,643	48,885	48,463
Other Charges	12,258	-	6,440	5,000	5,000	5,000	5,000	5,000	5,000
Other Revenues	-	-	-	-	-	-	-	-	-
Total Revenue	749,968	809,113	926,154	1,011,709	1,109,462	1,215,101	1,264,643	1,317,885	1,371,463
Expense									
Enterprise Operations	545,758	565,252	656,073	702,138	760,233	756,856	763,550	788,684	819,580
Miscellaneous	362	-	-	-	-	-	-	-	-
Depreciation	159,159	169,816	192,558	208,000	218,000	223,000	228,000	235,000	240,000
Total Expense	705,279	735,068	848,631	910,138	978,233	979,856	991,550	1,023,684	1,059,580
Operating Income (Loss)	44,689	74,045	77,523	101,571	131,229	235,245	273,093	294,201	311,883
Other Sources (Uses)									
Interest Earnings	37,161	17,425	11,235	16,000	24,000	28,000	31,000	25,000	30,000
Contributed Capital Assets	37,063	430,543	79,589	-	-	-	-	-	-
Intergovernmental	50,000	-	161	3,860	3,815	3,750	3,660	3,550	3,400
Debt Service	(48,344)	(26,179)	(90,408)	(92,047)	(85,602)	(75,594)	(88,060)	(77,089)	(101,728)
Transfers Out	-	(20,000)	(40,000)	(97,000)	(107,000)	(126,900)	(136,900)	(141,900)	(151,900)
Net Change	120,569	475,834	38,100	(67,616)	(33,558)	64,501	82,793	103,762	91,655
Fund Equity, beginning	6,772,004	6,892,573	7,368,407	7,406,507	7,338,891	7,305,333	7,369,834	7,452,627	7,556,389
Fund Equity, ending	$6,892,573	$7,368,407	$ 7,406,507	$7,338,891	$7,305,333	$7,369,834	$7,452,627	$7,556,389	$7,648,044
Months of oper/capital coverage	5.9	9.8	9.4	5.7	2.6	5.1	2.2	5.4	8.5
Cash balance	$ 946,904	$1,095,093	$ 1,023,689	$ 728,612	$ 285,988	$ 698,691	$ 296,842	$ 841,623	$1,168,159
Capital costs	$ 309,673	$1,142,600	$ 362,410	$ 211,667	$ 369,000	$ 121,400	$ 424,100	$ 345,900	$ 541,900
Unspent bond proceeds	$ 8,977	$ 55,314	$ -						
General transfer percent of assets		0.20%	0.38%	0.46%	0.53%	0.64%	0.69%	0.71%	0.73%
Rate Increase (homes)	10.1%	10.0%	10.0%	10.0%	10.0%	10.0%	4.3%	4.3%	4.3%
Change in utility charge revenue	10.2%	10.0%	10.4%	11.0%	9.9%	10.0%	4.3%	4.3%	4.3%
Debt issued	$ 230,000	$1,180,000	$ 355,000	$ -	$ -	$ 510,000	$ -	$ 810,000	$ 840,000
Debt payments (principal)	$ 80,000	$ 110,000	$ 130,000	$ 225,000	$ 255,000	$ 260,000	$ 285,000	$ 255,000	$ 300,000
Debt balance (year end)	$1,485,000	$2,555,000	$ 2,780,000	$2,555,000	$2,300,000	$2,550,000	$2,265,000	$2,820,000	$3,360,000

Street Lighting Fund Operations

The Street Lighting Fund accounts for street light operations in support of safe vehicle and pedestrian traffic throughout the community. The system includes lights owned by Xcel Energy and the City.

Impacts

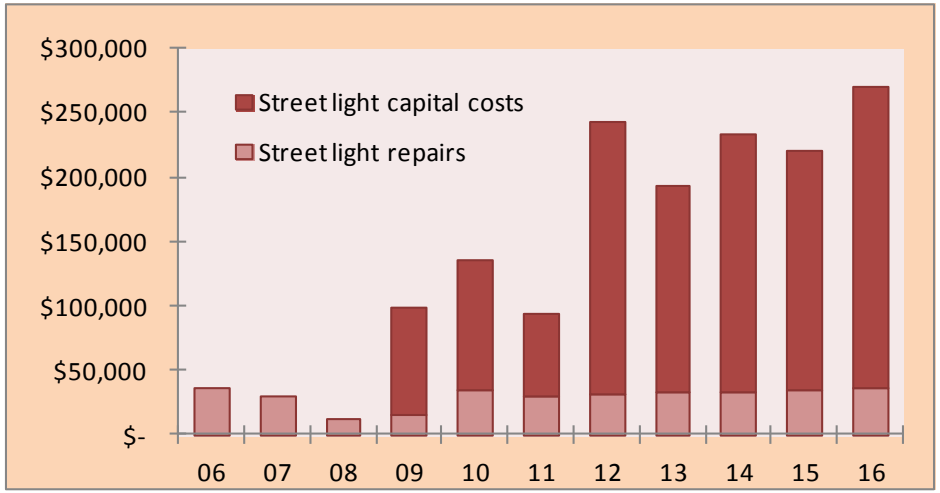
- Street light repair and replacement costs place increasing demands on street light fees, largely due to the scheduled replacement of about 30 street lights per year
- Contributions for maintenance center debt repayment began in 2011

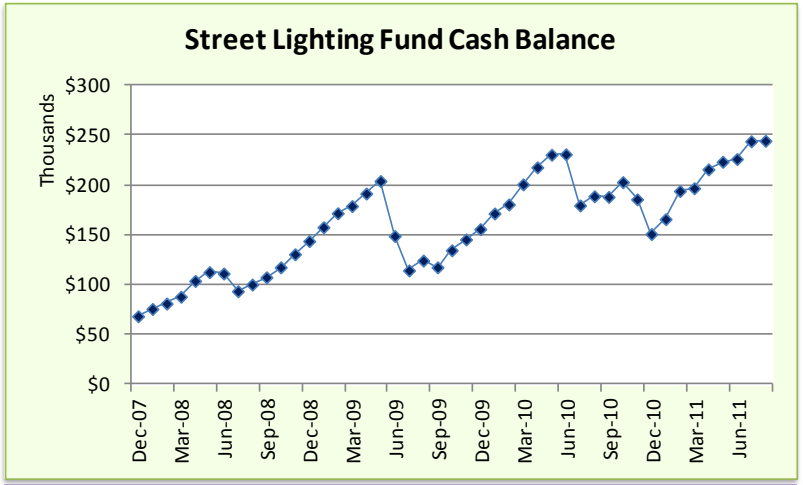
Performance/History

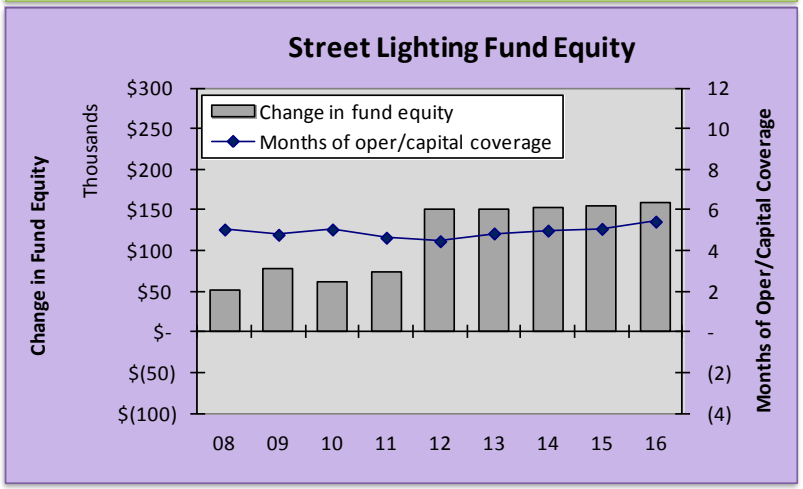
- Fund was created in 2004
- Operating coverage equal to 4 to 5 months
- Operating gain and an increase in net assets in each of the last 4 years

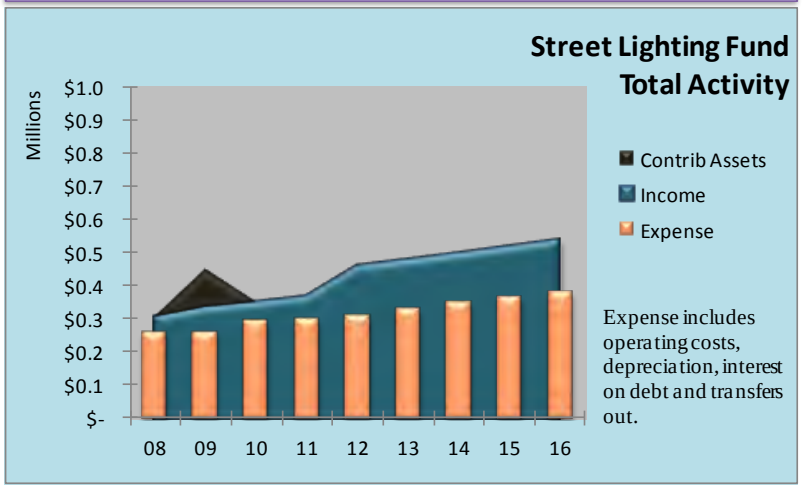
Fund Goals/Targets

- Establish and preserve 6 months operating and capital coverage
- Expected operating and overall gain in each of the next 5 years, which is needed to offset anticipated capital costs (street light replacements)









Street Lighting Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Special Assessments	$ 86	$ 144	$ 92	$ -	$ -	$ -	$ -	$ -	$ -
Utility Charges	297,759	327,978	341,265	365,000	456,000	474,000	493,000	513,000	533,000
Late Fees/Utility Charges	4,841	5,925	6,955	-	-	-	-	-	-
Other Revenues	1,011	-	466	500	500	500	500	500	500
Total Revenue	303,697	334,047	348,778	365,500	456,500	474,500	493,500	513,500	533,500
Expense									
Enterprise Operations	218,276	217,103	245,207	242,099	251,740	259,451	267,096	276,186	285,166
Miscellaneous	-	-	26	-	-	-	-	-	-
Depreciation	38,825	38,353	37,911	40,000	40,000	48,000	55,000	60,600	65,000
Total Expense	257,101	255,456	283,144	282,099	291,740	307,451	322,096	336,786	350,166
Operating Income (Loss)	46,596	78,591	65,634	83,401	164,760	167,049	171,404	176,714	183,334
Other Sources (Uses)									
Interest Earnings	3,982	2,445	2,221	2,500	2,500	2,700	2,700	3,000	3,000
Contributed Capital Assets	-	110,000	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-
Transfers Out	-	(3,000)	(6,000)	(12,600)	(15,600)	(19,000)	(22,000)	(24,000)	(26,500)
Net Change	50,578	188,036	61,855	73,301	151,660	150,749	152,104	155,714	159,834
Fund Equity, beginning	410,732	461,310	649,346	711,201	784,502	936,162	1,086,911	1,239,015	1,394,729
Fund Equity, ending	$ 461,310	$ 649,346	$ 711,201	$ 784,502	$ 936,162	$ 1,086,911	$ 1,239,015	$ 1,394,729	$ 1,554,563
Months of oper/capital coverage	5.0	4.8	5.0	4.6	4.5	4.8	5.0	5.1	5.4
Cash balance	$ 143,557	$ 155,535	$ 150,597	$ 200,484	$ 181,144	$ 219,893	$ 226,997	$ 258,311	$ 249,145
Capital costs	$ -	$ 82,981	$ 100,799	$ 63,450	$ 211,000	$ 160,000	$ 200,000	$ 185,000	$ 234,000
General transfer percent of assets	0.00%	0.22%	0.41%	0.60%	0.70%	0.76%	0.83%	0.85%	0.83%
Rate Increase	30.0%	10.1%	4.0%	5.0%	25.0%	4.0%	4.0%	4.0%	4.0%

Central Garage Fund Operations

The Central Garage Fund accounts for the operation, replacement and maintenance of the central garage facility (maintenance center) and all equipment. City services supported by the facility pay inter-fund charges that are designed to recover operating costs and provide for future replacements.

Impacts

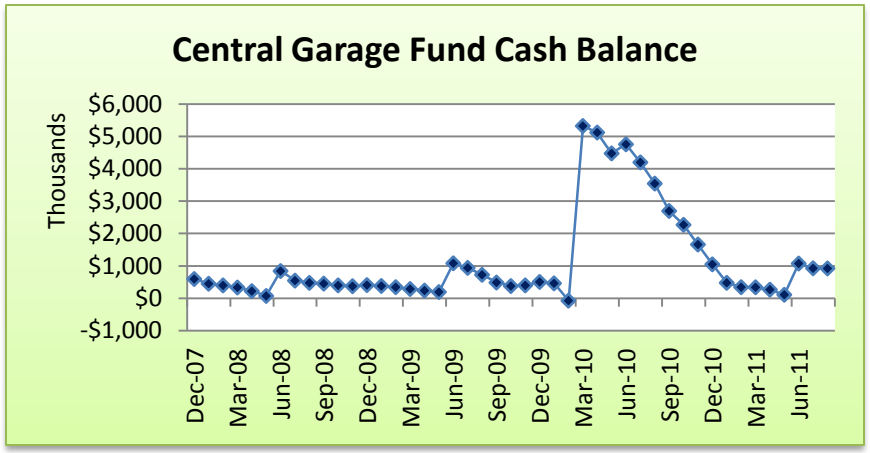
- Capital costs place increasing demands on inter-fund charges
- Fuel costs doubled from 2005 to 2009, declined sharply in 2010, and are expected to rise between 2% and 4% in the future
- Maintenance center renovation completed in 2010 (bond proceeds received in March of 2010)
- Debt payments for maintenance center debt began in 2011

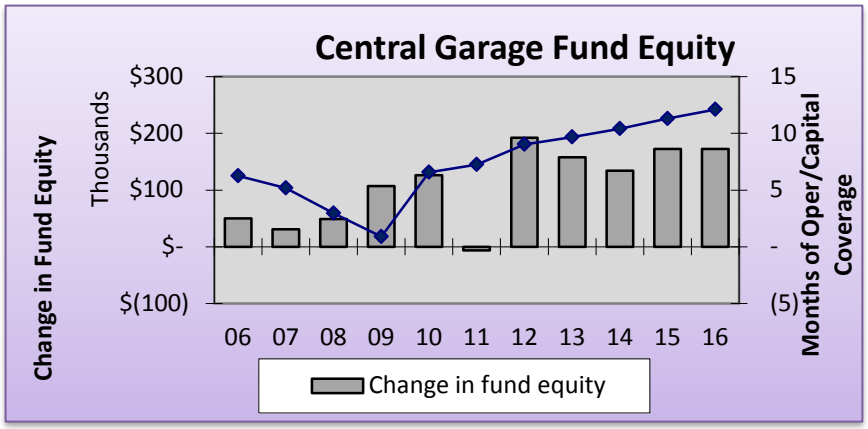
Performance/History

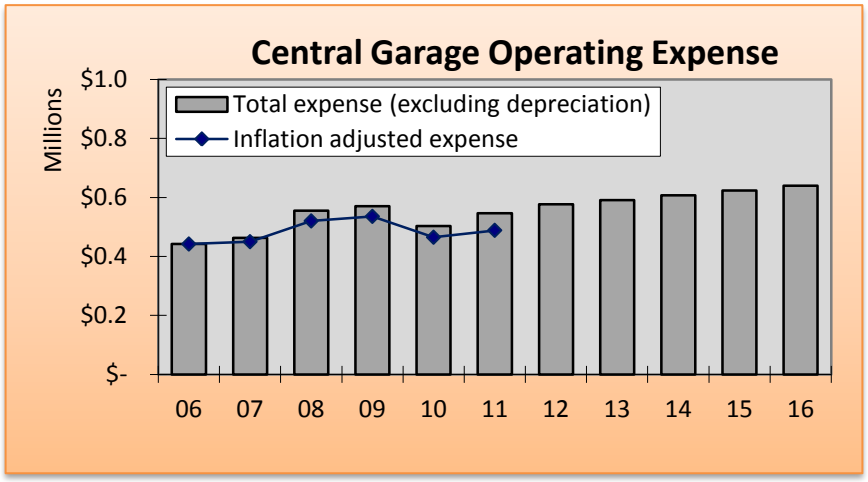
- Operating coverage equal to 3 to 7 months (excluding capital costs for the maintenance center addition)
- Temporary periods of cash decline due to the timing of inter-fund charges and capital costs
- Operating and overall gain in each of the last 4 years

Fund Goals/Targets

- Preserve 6 to 12 months of operating and capital coverage
- Establish inter-fund charges sufficient to generate an operating gain in each of the next 5 years
- Maintain sufficient cash balance to support debt payments prior to receipt of the federal interest credit (the credit is used for a subsequent debt payment)







Central Garage Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Property Taxes	$ -	$ -	$ -	$ 98,000	$ 216,000	$ 184,000	$ 184,000	$ 208,000	$ 208,000
Central Garage Charges	903,653	939,716	1,043,775	1,109,080	1,137,680	1,153,020	1,181,090	1,192,490	1,192,790
Total Revenue	903,653	939,716	1,043,775	1,207,080	1,353,680	1,337,020	1,365,090	1,400,490	1,400,790
Expense									
Central Garage	555,396	569,884	502,790	546,685	576,564	590,407	607,605	623,481	639,873
Depreciation	321,691	334,057	343,307	646,000	673,000	696,000	716,000	715,000	720,000
Total Expense	877,087	903,941	846,097	1,192,685	1,249,564	1,286,407	1,323,605	1,338,481	1,359,873
Operating Income (Loss)	26,566	35,775	197,678	14,395	104,116	50,613	41,485	62,009	40,917
Other Sources (Uses)									
Interest Earnings	16,679	8,532	32,238	25,000	22,000	22,000	22,000	26,000	28,000
Other Revenues	-	2,881	945	-	-	-	-	-	5,000
Sale of Asset-Gain (Loss)	5,483	59,686	914	37,000	12,000	41,000	22,000	34,000	51,000
Contributed Capital Assets	-	-	20,750	-	-	-	-	-	-
Intergovernmental	-	-	94,406	-	120,715	86,530	85,570	83,920	81,840
Debt Service	-	-	(199,899)	(250,112)	(247,157)	(243,128)	(238,054)	(234,187)	(223,862)
Transfers In	-	-	-	180,600	180,600	200,900	200,900	200,900	200,900
Transfers Out	-	-	-	(13,000)	-	-	-	-	(11,000)
Net Change	48,728	106,874	147,032	(6,117)	192,274	157,915	133,901	172,642	172,795
Fund Equity, beginning	3,173,196	3,221,924	3,328,798	3,475,830	3,469,713	3,661,987	3,819,902	3,953,803	4,126,445
Fund Equity, ending	$3,221,924	$3,328,798	$3,475,830	$3,469,713	$3,661,987	$3,819,902	$3,953,803	$4,126,445	$4,299,240
Months of oper/cap coverage [1]	3.0	0.9	6.6	7.2	9.0	9.7	10.4	11.3	12.1
Cash balance	$ 407,962	$ 505,373	$1,049,876	$1,212,962	$1,540,885	$1,666,564	$1,795,696	$1,977,292	$2,133,967
Capital costs	$ 503,511	$ 751,727	$5,775,049	$ 462,798	$ 511,500	$ 518,000	$ 505,000	$ 497,000	$ 506,000
Interfund charges percent change	19.3%	4.0%	11.1%	6.3%	2.6%	1.3%	2.4%	1.0%	0.0%
Average annual percent change				9.1%					1.2%
Debt issued	$ -	$ -	$5,615,000	$ -	$ -	$ -	$ -	$ -	$ -
Debt payments (principal)	$ -	$ -	$ -	$ -	$ 100,000	$ 245,000	$ 245,000	$ 250,000	$ 255,000
Debt balance (year end)	$ -	$ -	$5,615,000	$5,615,000	$5,515,000	$5,270,000	$5,025,000	$4,775,000	$4,520,000

[1] Excluding maintenance center expansion project

Short-term Disability Fund Operations

The Short-term Disability Fund accounts for premiums received and losses incurred in providing short-term disability insurance benefits to regular employees on a self-insured basis. Monthly premiums are paid by employees through payroll deduction.

Impacts

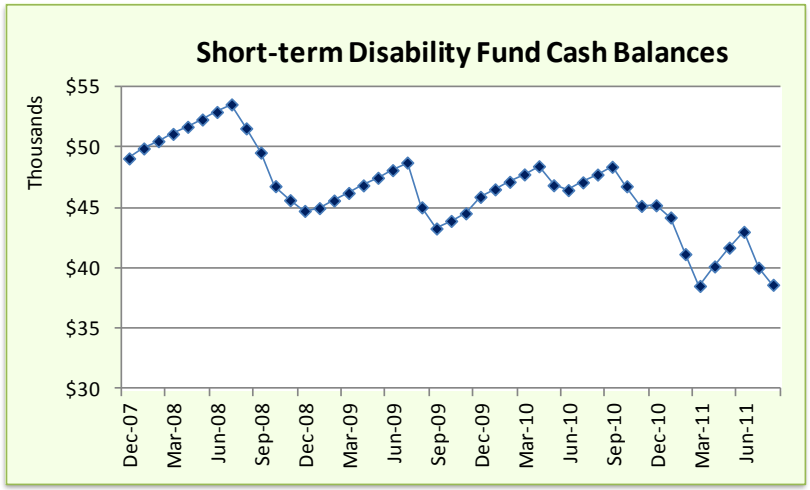
- Losses vary greatly between fiscal years, due to the number and length of employee absences resulting from temporary disabilities
- Monthly premiums have remained at $8 per employee per month since 1999

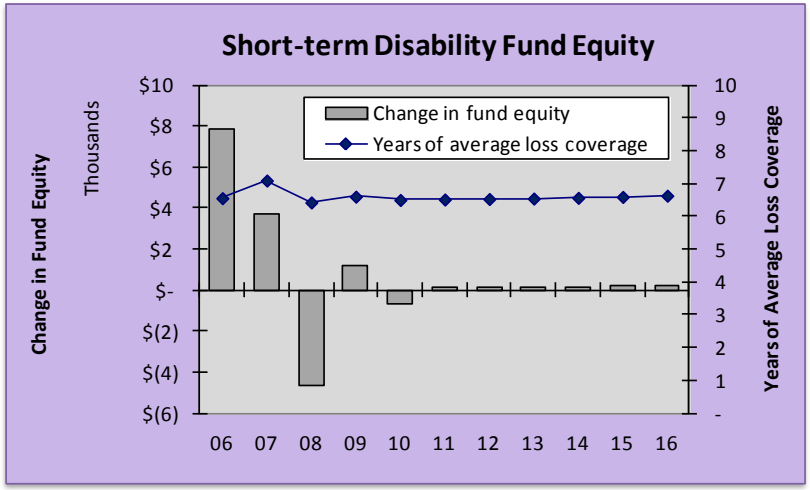
Performance/History

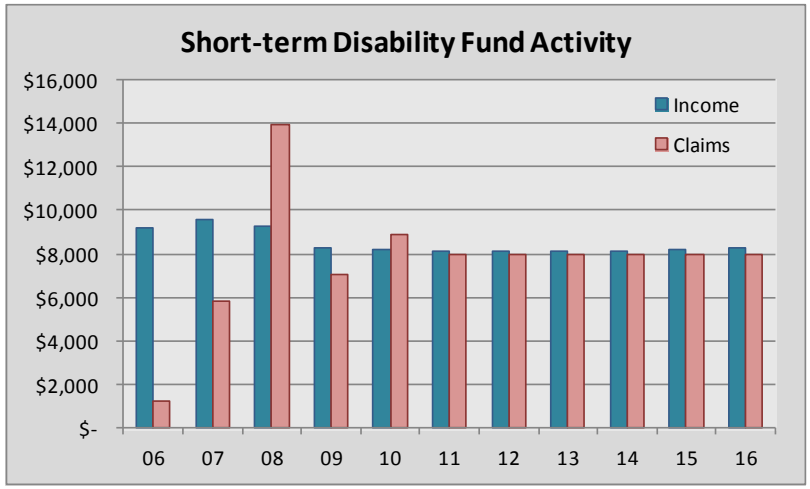
- Net assets provide approximately 6 years of average loss coverage
- Premiums and fund balances have been sufficient to offset historical losses

Fund Goals/Targets

- Monitor and evaluate claims and net asset balances for potential premium adjustments (reductions or increases) in the future
- Preserve a minimum of 3 to 4 years average loss coverage







Short-term Disability Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Charges for Services	$ 7,352	$ 7,530	$ 7,612	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Interest Earnings	1,942	733	545	600	600	600	650	700	750
Total Revenue	9,294	8,263	8,157	8,100	8,100	8,100	8,150	8,200	8,250
Expense									
Miscellaneous									
Personal Services (claims)	13,935	7,039	8,857	8,000	8,000	8,000	8,000	8,000	8,000
Total Expense	13,935	7,039	8,857	8,000	8,000	8,000	8,000	8,000	8,000
Net Change	(4,641)	1,224	(700)	100	100	100	150	200	250
Fund Equity, beginning	49,306	44,665	45,889	45,189	45,289	45,389	45,489	45,639	45,839
Fund Equity, ending	$ 44,665	$ 45,889	$ 45,189	$ 45,289	$ 45,389	$ 45,489	$ 45,639	$ 45,839	$ 46,089
Years of average loss coverage [1]	6.4	6.6	6.5	6.5	6.5	6.5	6.6	6.6	6.6
[1] Using inflation adjusted average annual claims									
Monthly premium	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00	$ 8.00
Participants (annual average)	76.6	78.4	79.3	78.1	78.1	78.1	78.1	78.1	78.1

Liability Claims Fund Operations

The Liability Claims Fund accounts for losses not covered by insurance deductibles. Dividends received annually from the League of Minnesota Cities Insurance Trust are deposited into this fund to cover future losses.

Impacts

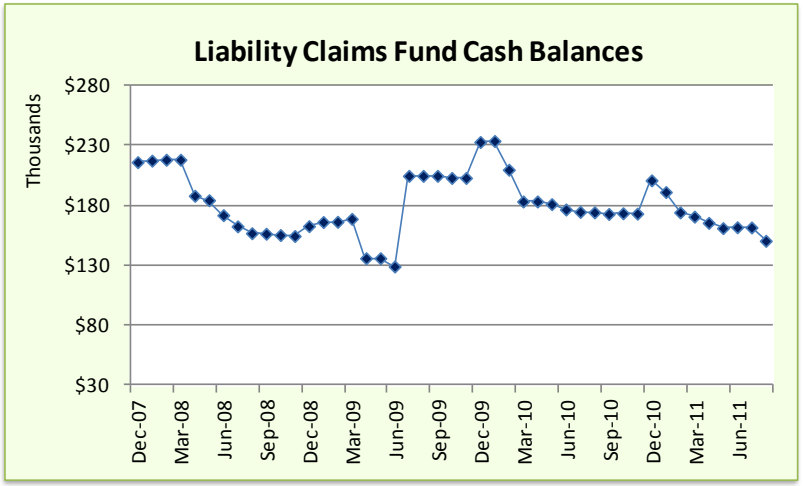
- Losses from internal and outside claims vary between fiscal years due to the number and type of claims

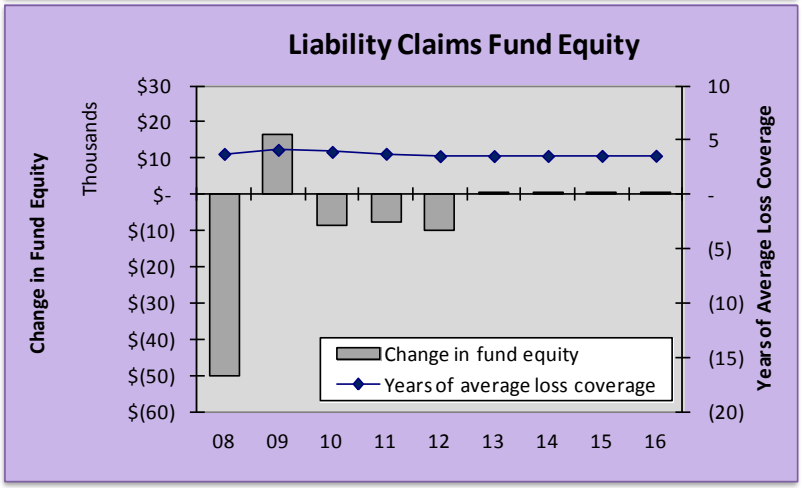
Performance/History

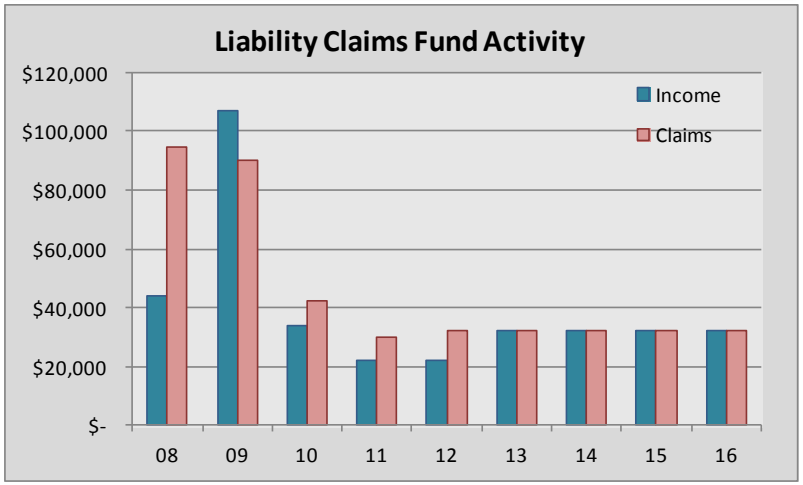
- Higher than normal losses in 2008 and 2009
- Insurance claims surcharge assessed to operating funds in 2009 to restore fund equity
- Net assets provide 3 to 4 years of average annual loss coverage

Fund Goals/Targets

- Monitor and evaluate claims and net asset balances for periodic claims surcharge
- Preserve a minimum of 2 years average annual loss coverage







Liability Claims Fund	2008 Actual	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Projected	2015 Projected	2016 Projected
Revenue									
Charges for Services	$ -	$ 70,114	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Earnings	7,064	2,853	2,211	2,200	2,200	2,400	2,400	2,400	2,400
Other Revenues	37,064	33,865	31,760	20,000	20,000	30,000	30,000	30,000	30,000
Total Revenue	44,128	106,832	33,971	22,200	22,200	32,400	32,400	32,400	32,400
Expense									
Miscellaneous	94,513	90,112	42,392	30,000	32,000	32,000	32,000	32,000	32,000
Total Expense	94,513	90,112	42,392	30,000	32,000	32,000	32,000	32,000	32,000
Other Sources (Uses)									
Net Change	(50,385)	16,720	(8,421)	(7,800)	(9,800)	400	400	400	400
Fund Equity, beginning	217,126	166,741	183,461	175,040	167,240	157,440	157,840	158,240	158,640
Fund Equity, ending	$166,741	$183,461	$175,040	$167,240	$157,440	$157,840	$158,240	$158,640	$159,040
Years of average loss coverage	3.7	4.1	3.9	3.8	3.5	3.5	3.5	3.6	3.6

[1] Using inflation adjusted average annual claims

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Shoreview

City Council

Sandy Martin, Mayor..... 651-490-4618
sandymartin444@gmail.com

Blake Huffman 651-484-6703
blakehuffman@comcast.net

Terry Quigley 651-484-5418
tquigley@q.com

Ady Wickstrom 651-780-5245
ady@adywickstrom.com

Ben Withhart 651-481-1040
benwithhart@yahoo.com

City Staff

Terry Schwerm, City Manager
tschwerm@shoreviewmn.gov..... 651-490-4611

Jeanne Haapala, Finance Director
jhaapala@shoreviewmn.gov..... 651-490-4621

Tom Simonson, Assistant City Manager/Community Development Director
tsimonson@shoreviewmn.gov..... 651-490-4612

Mark Maloney, Public Works Director
mmaloney@shoreviewmn.gov..... 651-490-4651

Public Safety

In an emergency .....Dial 911
Ramsey County Sheriff, non-emergency.....651-484-3366

Lake Johanna Fire Dept, non-emergency.....651-481-7024

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To adopt resolution 11-100 designating official depositories for Shoreview City funds for the year 2012.

ROLL CALL:	AYES	NAYS
HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

REGULAR COUNCIL MEETING
DECEMBER 19, 2011

TO: City Manager, Terry Schwerm
Mayor and City Council

FROM: Fred W. Espe, Assistant Finance Director

DATE: December 14, 2011

SUBJECT: 2012 Official Depositories

INTRODUCTION

According to state law, cities must designate the official depositories for city funds each year. Our official depository for daily banking services is US Bank Shoreview. On a daily basis, excess funds are swept from our checking account at US Bank into the 4M fund and invested in allowable investments. This enables the City to earn a higher rate of interest on its daily cash balance.

DISCUSSION

During the year, additional investments are made with RBC Capital Markets, Incorporated; Wells Fargo Securities, LLC; Wells Fargo Bank; Sterne Agee & Leach, Inc.; and Morgan Stanley Smith Barney, LLC. All of the City's investments are in accordance with Minnesota statutes and the City's investment policy adopted by the City Council on January 4, 1999.

RECOMMENDATION

Staff recommends approval of resolution 11-100 designating official depositories for Shoreview City funds for the year 2012.

EXTRACT OF MINUTES OF MEETING OF THE CITY COUNCIL OF SHOREVIEW, MINNESOTA HELD DECEMBER 19, 2011

* * * * * *

Pursuant to due call and notice thereof, a Regular meeting of the City Council of the City of Shoreview, Minnesota, was duly called and held at the Shoreview City Hall in said City on December 19, 2011 at 7:00 P.M. The following members were present: _____.

and the following members were absent: _____.

Councilmember _____ introduced the following resolution and moved its adoption.

RESOLUTION 11-100

RESOLUTION DESIGNATING OFFICIAL DEPOSITORIES FOR SHOREVIEW CITY FUNDS FOR THE YEAR 2012 AND PROVIDING FOR AN INVESTMENT PROGRAM FOR IDLE FUNDS

WHEREAS, Minnesota Statutes, section 427.01 requires that the City Council of any city designate a depository for city funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Shoreview that the below listed nine (9) institutions be and hereby are designated as the official depositories for the City of Shoreview, Minnesota, demand and time deposit funds for the year 2012.

1. RBC Capital Markets, Incorporated
2. Voyageur Asset Management Inc / PMA Financial Network, Inc. (4M Fund)
3. Wells Fargo Securities, LLC
4. Wells Fargo Bank
5. Morgan Stanley Smith Barney, LLC
6. US Bancorp
7. US Bank Corporate Trust Services
8. US Bank Shoreview
9. Sterne Agee & Leach

BE IT FURTHER RESOLVED that the City Treasurer is directed to invest City funds in those approved securities or deposits in other permitted financial institutions as authorized by Minnesota Statutes Chapter 118A and other statutory authority in order to provide the City with a flexible, sound investment program, and to authorize the Finance Director/Treasurer to substitute acceptable forms of collateral as needed at US Bank - Shoreview.

The motion for the adoption of the foregoing resolution was duly supported by Councilmember _____ and upon vote being taken thereon, the following voted in favor thereof: _____.

and the following voted against same: _____.

WHEREUPON, said resolution was declared duly passed and adopted this 19th day of December 2011.

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SUPPORTED BY COUNCILMEMBER _____

to adopt resolution 11-93 directing the County Auditor to certify delinquent sewer, water, surface water and street light utility accounts for collection with property taxes payable in 2012 as indicated by the attached listing.

ROLL CALL:	AYES	NAYS
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting
December 19, 2011

TO: Terry Schwerm, City Manager
Mayor and City Council

FROM: Terese Roesler, Accounting Clerk

DATE: December 13, 2011

SUBJECT: Certification of Delinquent Utility Accounts

In October, a notice was sent to all utility customers with a delinquent balance greater than $100 and over 90 days past due (three months overdue). The notice informed the customer that the past due amount would be certified to their 2012 property tax bill if payment was not received by December 2, 2011.

Attached is a list of utility accounts that remained delinquent as of December 12, 2011.

The table below provides a listing of amounts certified annually for the past five years, in comparison to 2011 delinquent accounts.

Year	Number of Accounts	Amount Certified
2006	151	$ 73,249.05
2007	190	98,226.83
2008	208	111,412.56
2009	214	129,402.46
2010	213	148,420.47
2011	227	164,252.19

Staff recommends adoption of Resolution 11-93 certifying delinquent utility accounts to the County Auditor.

EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD DECEMBER 19, 2011

* * * * * *

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Shoreview, Minnesota, was duly called and held at the Shoreview City Hall in said City on December 19, 2011 at 7:00 P.M. The following members were present: _____

_____

And the following members were absent: _____

Councilmember _____ introduced the following resolution and moved its adoption.

RESOLUTION NO. 11-93

RESOLUTION AUTHORIZING THE COLLECTION OF DELINQUENT UTILITY ACCOUNTS

WHEREAS, certain utility charges are now, and have been delinquent and are owed to the City of Shoreview, and

WHEREAS, due and proper notice has been given, and

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized and directed to certify to the County Auditor the amount of these delinquent accounts, together with a legal description of the premises served.

IT IS FURTHER RESOLVED, that the County Auditor is hereby requested to enter the amount of such delinquent accounts as part of the tax levy on the premises served to be collected during the ensuing year.

The motion for the adoption of the foregoing resolution was duly supported by Councilmember _____ and upon vote being taken thereon, the following voted in favor thereof: _____

_____

And the following voted against: _____

WHEREUPON, said resolution was declared duly passed and adopted.

See the attached 10 pages.

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
124370	1	PIN: 013023220013	549 DORIS AVENUE	807.70
124743	1	PIN: 023023110098	5902 CARLSON STREET	278.92
124925	1	PIN: 013023210015	492 COUNTY ROAD J W	934.10
125542	1	PIN: 023023110061	5903 HODGSON ROAD	1,328.97
126334	1	PIN: 023023110069	5890 ST ALBANS STREET N	798.91
126862	1	PIN: 023023110010	655 EMIL AVENUE	1,863.46
127076	1	PIN: 013023220053	542 EMIL AVENUE	1,540.86
128744	1	PIN: 043023430068	1733 PINEWOOD DRIVE	968.45
128876	1	PIN: 043023410034	1698 LOIS DRIVE	683.20
128991	1	PIN: 043023430091	5573 FAIRVIEW AVENUE N	195.68
129148	1	PIN: 043023410065	1684 HILLVIEW ROAD	979.00
129817	1	PIN: 043023420018	1779 LOIS DRIVE	805.81
130179	1	PIN: 043023420010	1763 LOIS DRIVE	1,019.48
130229	1	PIN: 043023420009	1755 LOIS DRIVE	505.79
130484	1	PIN: 043023430052	1724 TERRACE DRIVE	639.94
130567	1	PIN: 043023430080	1754 PINEWOOD DRIVE	687.67
130583	1	PIN: 043023430003	1716 HILLVIEW ROAD	1,081.17
130880	1	PIN: 043023430025	1704 OAKWOOD DRIVE	1,153.87
130963	1	PIN: 043023440023	5628 ALDINE STREET	996.90
136192	1	PIN: 013023220002	512 COUNTY ROAD J W	908.88
141754	1	PIN: 033023120023	1295 ROYAL OAKS DRIVE W	1,330.95
143966	1	PIN: 013023430002	5630 TURTLE LAKE ROAD	700.42
148486	1	PIN: 023023110052	675 EMIL AVENUE	556.46
154369	1	PIN: 023023240229	851 SHERWOOD ROAD	586.09
154500	1	PIN: 023023240118	930 LAWNVIEW AVENUE	145.05

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
154872	1	PIN: 033023340033	5535 KNOLL DRIVE	853.07
155069	1	PIN: 013023220081	585 BUCHER AVENUE	1,393.50
155754	1	PIN: 023023240051	826 SHERWOOD ROAD	457.96
156059	1	PIN: 023023240064	852 SHERWOOD ROAD	613.28
156067	1	PIN: 023023240213	854 SHERWOOD ROAD	1,000.63
156075	1	PIN: 023023240214	856 SHERWOOD ROAD	422.76
156281	1	PIN: 033023340073	1414 KNOLL DRIVE	629.36
156372	1	PIN: 033023340039	5565 KNOLL DRIVE	897.91
156885	1	PIN: 033023340027	5544 KNOLL DRIVE	165.00
157180	1	PIN: 013023330154	5590 DONEGAL DRIVE	163.12
157248	1	PIN: 013023330164	5570 DONEGAL DRIVE	787.62
157644	1	PIN: 013023210025	5888 STEPHEN CIRCLE	1,054.81
157909	1	PIN: 033023320003	1507 SHERWOOD ROAD	292.52
157982	1	PIN: 033023340028	5540 KNOLL DRIVE	623.76
158386	1	PIN: 013023330185	550 DONEGAL CIRCLE	315.91
158634	1	PIN: 023023220007	5886 OXFORD STREET	599.67
158790	1	PIN: 033023340080	1360 KNOLL DRIVE	117.66
158840	1	PIN: 033023340066	5590 ALBERT STREET	167.41
158881	1	PIN: 033023340023	1331 KNOLL DRIVE	1,015.00
159376	1	PIN: 033023310016	1406 WILLOW CREEK LANE	2,052.23
159566	1	PIN: 033023310025	1370 WILLOW CREEK LANE	210.64
160325	1	PIN: 023023110047	715 EMIL AVENUE	1,245.39
160358	1	PIN: 033023330087	1515 PINEWOOD DRIVE	1,146.88
161570	1	PIN: 033023320061	1570 HILLVIEW ROAD	989.05
161737	1	PIN: 033023330059	1518 OAKWOOD TERRACE	898.20

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
162297	1	PIN: 023023320214	998 HILL COURT	739.91
163410	1	PIN: 023023120019	5979 PHEASANT DRIVE	608.44
163782	1	PIN: 023023320230	1011 HILL COURT	143.87
163873	1	PIN: 013023240004	412 BUCHER AVENUE	1,690.66
163956	1	PIN: 023023410010	5753 HODGSON ROAD	185.56
164640	1	PIN: 033023110099	1172 WOODCREST AVENUE	857.89
165316	1	PIN: 043023440042	1615 COUNTY ROAD I W	209.37
165548	1	PIN: 033023320065	1520 OAKWOOD DRIVE	634.13
166942	1	PIN: 013023420085	5695 DEER TRAIL W	382.66
167189	1	PIN: 013023210003	400 COUNTY ROAD J W	778.00
167353	1	PIN: 023023320042	5653 CHATSWORTH STREET N	730.98
167650	1	PIN: 023023210049	5985 ROBIN OAK COURT	2,376.32
167676	1	PIN: 023023110048	705 EMIL AVENUE	914.80
169185	1	PIN: 013023430011	335 OAKWOOD DRIVE	1,005.38
169607	1	PIN: 023023240087	936 SHERWOOD ROAD	316.00
169870	1	PIN: 033023240062	5869 RIDGE CREEK ROAD	372.22
172221	1	PIN: 013023420008	344 SHERWOOD ROAD	1,123.83
172395	1	PIN: 033023240019	5765 RIDGE CREEK ROAD	1,021.55
172965	1	PIN: 033023440010	1181 LEPAK COURT	756.72
173161	1	PIN: 033023420226	1302 SUNVIEW COURT	636.49
173955	1	PIN: 023023330083	5597 CHATSWORTH STREET	854.42
174292	1	PIN: 013023430040	269 LONG LAKE COURT	1,060.44
175653	1	PIN: 033023120012	1304 ROYAL OAKS DRIVE W	2,326.80
178574	1	PIN: 013023310085	5699 TURTLE LAKE ROAD	118.49
179119	1	PIN: 013023410098	5672 ERIK LANE	895.88

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
180299	1	PIN: 033023210071	5983 RIDGE CREEK ROAD	155.04
180349	1	PIN: 033023210100	5931 LEXINGTON AVENUE N	735.65
182527	1	PIN: 033023430056	5627 DUNLAP AVENUE N	268.70
183178	1	PIN: 013023330123	5647 HEATHER RIDGE COURT	934.71
206417	1	PIN: 233023310095	4266 SYLVIA LANE N	161.07
212365	1	PIN: 233023410021	4260 REILAND LANE	951.28
212910	1	PIN: 113023440011	644 BIRCH LANE N	1,409.85
213033	1	PIN: 133023330073	565 HWY 96 W	922.53
213322	1	PIN: 143023140090	4863 HODGSON CONNECTION	116.72
213447	1	PIN: 143023220034	4969 TURTLE LANE W	766.96
214510	1	PIN: 113023440019	5091 ALAMEDA STREET	545.84
214866	1	PIN: 133023320105	600 TANGLEWOOD DRIVE	147.05
215301	1	PIN: 133023230046	4830 HODGSON CONNECTION	259.35
216010	1	PIN: 143023220062	4984 TURTLE LANE W	570.31
216580	1	PIN: 113023440007	627 BIRCH LANE N	1,409.99
216903	1	PIN: 143023440011	675 HWY 96 W	174.84
217125	1	PIN: 233023440036	4094 BRIGADOON DRIVE	291.38
217315	1	PIN: 143023220059	4954 TURTLE LANE W	271.00
217802	1	PIN: 233023220040	4504 LEXINGTON AVENUE N	212.86
220384	1	PIN: 233023340291	4192 NANCY PLACE	768.63
221259	1	PIN: 233023340013	4189 SHIRLEE LANE N	712.52
221796	1	PIN: 233023310157	4204 NANCY PLACE	911.81
223206	1	PIN: 233023340212	4168 SHIRLEE LANE S	466.68
223396	1	PIN: 143023320058	1030 CARMEL COURT	512.50
223461	1	PIN: 143023320177	993 CARMEL COURT	616.65

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
223735	1	PIN: 233023340246	4140 NANCY PLACE	1,411.59
223867	1	PIN: 143023320119	959 CARMEL COURT	300.41
224287	1	PIN: 143023320132	978 CARMEL COURT	566.92
225219	1	PIN: 143023310258	956 CARMEL COURT	479.23
225987	1	PIN: 113023120007	814 COUNTY ROAD I W	1,176.71
226530	1	PIN: 233023340236	892 NANCY CIRCLE	1,568.43
226563	1	PIN: 233023340233	884 NANCY CIRCLE	1,215.13
226761	1	PIN: 113023220044	5486 LAKE AVENUE	136.71
227520	1	PIN: 113023410014	5205 HODGSON ROAD	437.02
227579	1	PIN: 233023310107	4238 SYLVIA LANE N	628.32
227983	1	PIN: 113023220040	5432 LAKE AVENUE	1,287.23
228338	1	PIN: 133023230045	4822 HODGSON CONNECTION	133.19
231910	1	PIN: 233023130068	4326 HIGHLAND DRIVE	333.19
232819	1	PIN: 143023410016	4780 VICTORIA STREET N	675.34
233072	1	PIN: 143023310182	891 MONTEREY DRIVE	273.19
233106	1	PIN: 143023310180	885 MONTEREY DRIVE	346.05
233593	1	PIN: 143023230033	1079 CHURCHILL CIRCLE	581.08
234278	1	PIN: 143023310179	881 MONTEREY DRIVE	332.70
234328	1	PIN: 143023310191	907 MONTEREY DRIVE	1,474.28
234948	1	PIN: 143023230089	4846 CHURCHILL STREET	770.19
234997	1	PIN: 143023230034	1082 CHURCHILL CIRCLE	482.89
235382	1	PIN: 143023410085	4762 DEBRA CIRCLE	963.26
235812	1	PIN: 143023310136	866 MONTEREY DRIVE	531.21
236018	1	PIN: 113023110024	5510 CARLSON ROAD	1,072.83
236943	1	PIN: 143023410080	4745 DEBRA LANE	732.09

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
237289	1	PIN: 143023310144	882 MONTEREY DRIVE	293.68
237917	1	PIN: 133023310028	428 TANGLEWOOD DRIVE	1,268.93
238428	1	PIN: 143023310141	872 MONTEREY DRIVE	362.32
239731	1	PIN: 233023220135	4474 CHURCHILL STREET	158.48
239814	1	PIN: 143023140057	687 MAPLE POND COURT	698.82
240234	1	PIN: 143023410084	4766 DEBRA CIRCLE	859.83
240960	1	PIN: 143023310241	958 MONTEREY COURT S	1,470.63
241364	1	PIN: 233023220149	4432 CHURCHILL STREET	109.94
243683	1	PIN: 133023320026	4724 CHANDLER ROAD	348.69
244707	1	PIN: 133023320095	4711 LAURA LANE	455.95
245696	1	PIN: 233023420088	4237 VICTORIA STREET N	346.58
246314	1	PIN: 233023230043	1094 CHURCHILL PLACE	360.28
246561	1	PIN: 233023340192	4125 SYLVIA LANE S	670.77
246769	1	PIN: 233023340177	4157 SYLVIA COURT	535.19
247056	1	PIN: 233023340145	4140 SYLVIA LANE S	605.13
247122	1	PIN: 233023340140	4154 SYLVIA LANE S	258.40
248054	1	PIN: 233023230228	4364 CHATSWORTH STREET N	793.38
248567	1	PIN: 233023230198	4345 CHATSWORTH CIRCLE	563.91
248708	1	PIN: 233023230212	4478 VICTORIA STREET N	641.89
249177	1	PIN: 233023220028	4470 CHATSWORTH ST N	1,770.09
250431	1	PIN: 133023330023	4644 KENT STREET	769.30
252486	1	PIN: 133023340007	4664 MACKUBIN COURT	954.73
252767	1	PIN: 143023420071	848 MARTHA LAKE COURT	110.18
253443	1	PIN: 233023340050	4195 SYLVIA LANE S	103.52
254078	1	PIN: 143023420093	4770 ANDERSON LANE	342.93

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
255026	1	PIN: 233023310124	4214 SYLVIA LANE S	555.42
256594	1	PIN: 133023320057	4794 KENT STREET	1,185.00
270421	1	PIN: 113023110051	710 COUNTY ROAD I W	857.09
271585	1	PIN: 113023140014	628 LAKE PINE DRIVE	858.80
282913	1	PIN: 113023220017	5475 LAKE AVENUE	1,253.34
300038	1	PIN: 353023330060	1016 GLENHILL ROAD	703.98
300319	1	PIN: 263023330011	1065 ISLAND LAKE AVENUE	790.79
300806	1	PIN: 353023420012	753 TIMBER LANE	643.79
301341	1	PIN: 353023320096	1062 COBB ROAD	638.38
301473	1	PIN: 353023110019	3486 VICTORIA STREET N	363.38
301853	1	PIN: 363023140009	3457 SOO STREET	230.00
301861	1	PIN: 363023410037	256 OWASSO BOULEVARD N	957.04
302398	1	PIN: 363023110006	3547 RICE STREET N	814.78
302521	1	PIN: 353023320051	1047 INGERSON ROAD	1,027.38
302745	1	PIN: 363023410039	229 OWASSO BOULEVARD N	1,858.01
303032	1	PIN: 353023330027	1056 EDGEWATER AVENUE	675.10
303594	1	PIN: 363023410040	225 OWASSO BOULEVARD N	1,489.00
303834	1	PIN: 353023440031	3191 W OWASSO BLVD	847.09
304105	1	PIN: 353023140047	3418 VICTORIA STREET N	113.74
304436	1	PIN: 353023230063	1000 CANNON AVENUE	383.37
304535	1	PIN: 253023440019	181 ST MARIE ST	823.64
304675	1	PIN: 353023140009	3417 DALE STREET N	1,620.14
304766	1	PIN: 363023140012	3455 SOO STREET	781.52
304956	1	PIN: 353023420031	3339 VICTORIA STREET N	1,182.00
305508	1	PIN: 363023440005	3232 WOODBRIDGE STREET	323.86

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
305565	1	PIN: 363023140039	3365 SOO STREET	690.12
305912	1	PIN: 353023410046	3261 OWASSO HEIGHTS ROAD	327.96
306456	1	PIN: 363023440031	168 OWASSO LANE E	333.79
307405	1	PIN: 353023310057	932 COBB ROAD	348.31
307447	1	PIN: 353023320001	979 TILLER LANE	965.84
307488	1	PIN: 353023320109	1066 CARLTON DRIVE	258.44
308312	1	PIN: 243023120060	4442 HODGSON ROAD	915.00
308353	1	PIN: 243023440074	148 DEMAR AVENUE	400.09
308650	1	PIN: 353023440039	3220 OWASSO BOULEVARD W	618.97
308833	1	PIN: 243023440079	179 COUNTY ROAD F W	259.62
308999	1	PIN: 243023440039	184 HAWES AVENUE	813.92
309278	1	PIN: 243023440025	4161 RUSTIC PLACE	791.23
309542	1	PIN: 243023120045	4462 HODGSON ROAD	576.66
309674	1	PIN: 243023440005	177 HAWES AVENUE	1,047.97
309732	1	PIN: 243023130026	4429 HODGSON ROAD	1,279.57
309765	1	PIN: 243023140004	227 JANSA DRIVE	488.22
309781	1	PIN: 243023140003	235 JANSA DRIVE	1,244.35
309831	1	PIN: 243023410033	163 DAWN AVENUE	970.71
310128	1	PIN: 243023140028	4414 GALTIER STREET	821.32
312223	1	PIN: 243023140010	175 JANSA DRIVE	607.50
313718	1	PIN: 243023130047	4355 HODGSON ROAD	400.78
315523	1	PIN: 353023140057	3464 OWASSO STREET	573.42
317651	1	PIN: 243023440045	4161 RICE STREET N	859.45
318196	1	PIN: 263023110080	3970 VICTORIA STREET N	712.63
320606	1	PIN: 353023320082	1001 COBB ROAD	781.31

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
324087	1	PIN: 243023130014	287 SNAIL LAKE ROAD	814.37
328070	1	PIN: 353023240002	3469 VIVIAN AVENUE	1,699.76
331801	1	PIN: 243023140070	4341 RUSTIC PLACE	275.00
332262	1	PIN: 353023210040	3506 MILTON STREET N	185.28
335075	1	PIN: 363023230248	3456 DALE STREET N	942.43
335190	1	PIN: 243023410011	4309 RUSTIC PLACE	436.99
340521	1	PIN: 363023230042	508 LAKE COVE COURT	1,151.08
341115	1	PIN: 243023410050	217 DENNISON AVENUE	831.67
341305	1	PIN: 253023110107	3975 VIRGINIA CIRCLE	619.21
342535	1	PIN: 263023140051	3900 VICTORIA STREET N	212.79
342931	1	PIN: 363023230033	3420 - 3430 KENT STREET	1,073.21
343038	1	PIN: 363023210094	489 HARRIET AVENUE	192.98
346064	1	PIN: 363023310041	441 MAPLE LANE	885.10
346668	1	PIN: 243023110094	169 BRIDGE STREET	1,349.75
348318	1	PIN: 363023210002	404 CARDIGAN ROAD	469.78
349522	1	PIN: 253023210040	445 DUDLEY AVENUE	885.27
351023	1	PIN: 363023130015	3375 CENTRE STREET	432.47
355313	1	PIN: 243023110082	222 GALTIER PLACE	327.12
363390	1	PIN: 243023110127	222 LION LANE	1,010.98
363747	1	PIN: 363023210049	405 HARRIET CIRCLE	808.11
376301	1	PIN: 363023210096	390 CARDIGAN ROAD	902.12
376319	1	PIN: 363023210095	392 CARDIGAN ROAD	220.07
378406	1	PIN: 353023440037	3203 OWASSO BOULEVARD W	549.97
378760	1	PIN: 353023430064	3149 CHRISTOPHER LANE	150.42
380568	1	PIN: 363026440059	3133 RICE STREET	203.06

UTILITY SYSTEM
COUNCIL CERTIFICATION REGISTER

Acct#	Res	PIN	Service Address	Total
388215	1	PIN: 253023220061	584 LAKE RIDGE DRIVE	1,564.68
388462	1	PIN: 243023410105	162 DAWN AVENUE	586.16

Total Delinquent Accounts: 227 Total Crt: 164,252.19

PROPOSED MOTION

MOVED BY _____

SECONDED BY _____

To adopt Resolution 11-99 directing the County Auditor to extend the amount of delinquent tree removal charges to be collected with property taxes payable in 2012 as indicated on the attached listing.

Roll Call:	AYES	NAYS
HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

Regular Council Meeting
December 19, 2011

TO: TERRY SCHWERM, CITY MANAGER,
MAYOR, AND COUNCIL

FROM: DEBORAH MALONEY
ACCOUNTANT

DATE: DECEMBER 12, 2011

SUBJECT: DELINQUENT TREE REMOVAL

In October, a notice was sent to all properties with a tree removal account 120 days past due. The notice informed all properties the past due amount would be certified on their 2012 property taxes, if payment was not received by December 2, 2011.

Attached is a listing of delinquent tree removal charges to be certified to the County Auditor for property taxes payable in 2012. This list represents outstanding accounts as of December 12, 2011. The amount to be certified is $1,225.51.

Staff recommends adoption of resolution 11-99 certifying delinquent tree removal charges to the County Auditor.

EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF SHOREVIEW, MINNESOTA
HELD DECEMBER 19, 2011

* * * * * *

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Shoreview, Minnesota, was duly called and held at the Shoreview City Hall in said City on December 19, 2011 at 7:00 P.M. The following members were present:_____

And the following members were absent: _____
Councilmember _____ introduced the following resolution and moved its adoption.

RESOLUTION NO. 11-99

RESOLUTION AUTHORIZING THE COLLECTION OF DELINQUENT
TREE REMOVAL BILLS

WHEREAS, certain Tree Removal charges are now, and have been delinquent and are owing to the City of Shoreview, and

WHEREAS, due and proper notice has been given, and

NOW, THEREFORE, BE IT RESOLVED that the City Manager is hereby authorized and directed to certify to the County Auditor the amount of these delinquent accounts, together with a legal description of the premises served.

IT IS FURTHER RESOLVED, that the County Auditor is hereby requested to enter the amount of such delinquent accounts as part of the tax levy on the premises served to be collected during the ensuing year.

The motion for the adoption of the foregoing resolution was duly supported by Councilmember _____ and upon vote being taken thereon, the following voted in favor thereof: _____

And the following voted against same: _____.

WHEREUPON, said resolution was declared duly passed and adopted.

See the attached list.

CITY OF SHOREVIEW

DELINQUENT TREE REMOVAL CHARGES

PIN #	ADDRESS	AMOUNT
14.30.23.22.0034	641 Dale Ct. S.	$ 1,225.51
	TOTAL	**$1,225.51**

PROPOSED MOTION

Moved by Council member _____

Seconded by Council member _____

To adopt proposed resolution number 11-101 establishing a budget policy.

ROLL CALL	Ayes	Nays
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular Council Meeting
December 19, 2011

TO: Terry Schwerm, City Manager
Mayor and City Council

FROM: Fred Espe, Assistant Finance Director

DATE: December 14, 2011

RE: Budget Policy

Bond-rating agencies and auditors generally prefer formal budget policies. The City's recent decision to adopt a biennial budget process further suggests that a formal budget policy would be beneficial. The policy addresses budget preparation, timeframes, content, and management of the City's biennial operating budget and capital improvement plan, and provides guidance for the City's five year operating plan. In addition to the adoption of this policy, it is important to note that State statutes also provide guidance and procedures for the City's biennial operating budget.

Many governments have moved to multiyear budgets. Some of the major advantages of a two-year budget include:

- Reduces staff time devoted to budget development
- Improves the long-term planning and priority setting process
- Enhanced management of financial resources
- Encourages a more policy and goal oriented budget process

The City will develop a two-year spending document (biennial budget) for all operating funds every two years. Even though the appropriations are made for two individual years, the City will consider the tax levy on an annual basis. The City will only have the authority to expend the appropriations for the first year of the biennial budget. The second year of the biennial budget becomes spendable once it is reaffirmed or amended through Council resolution. At the end of the first year, a mid-cycle review is required. During the review period, budget amendments and adjustments may be made to reflect changes in financial conditions, programs and/or authorizing laws that affect ongoing expenditures. Following this review, the second year appropriations will be formally reaffirmed or amended through Council resolution along with the second year tax levy.

Summary

Staff recommends adoption of the proposed resolution establishing a budget policy.

File: t\data\word\policies\budget policy memo

Budget Policy,
City of Shoreview, Minnesota
Effective December 19, 2011

Policy Statement

The City of Shoreview recognizes the important of long-range financial planning to ensure the provision of quality services and programs to residents, as well as to plan for the timely construction and replacement of the City's infrastructure. The City also recognizes that proactive financial planning covering a minimum of 5 years will assist the City Council in implementation of their goals and objectives and in achieving their future vision for the City. This policy outlines how Shoreview will formally document its financial plans and goals for the future through a biennial budget and multi-year plans. Formal documents associated with this policy include the City's Biennial Operating Budget and Capital Improvement Plan and, Five-year Operating Plan.

Purpose

The primary objective of this budget policy is to establish minimum requirements for budget preparation and timeframes, content, and management. Policy guidelines relating to each formal budget document will be addressed separately within this policy.

Policy Guidelines

Biennial Operating Budget

- **Budget Preparation and Timeframes -**
  - City Budget Process. Effective with the 2012/2013 biennial budget and thereafter, the annual budget process shall be replaced by a biennial budget process.
  - Odd Years. In each odd-numbered calendar year, starting in 2011, the Council shall adopt a budget for the following year in accordance with state statutes, and endorse a budget for the next ensuing odd-numbered year.
  - Even Years. In each even-numbered calendar year, starting in 2012, the Council shall, with the advice and assistance of the City Manager and Finance Director, review and formally reaffirm or revise the previously endorsed budget the a new budget resolution for the ensuing year in accordance with state statutes.
  - Strategic Plan. The City Council will provide direction at the start of each budget cycle to ensure consistency with City Council Goals and Objectives.
  - Budget Information. Department Directors have primary responsibility for formulating budget proposals that support the priorities and direction provided by the City Council, and for implementing them once they are approved.
  - Document Analysis. The Finance Department is responsible for coordinating the overall preparation and administration of the City's budget, as well as assisting departments in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.

- **Budget Content –**
  - Goals and Objectives. The biennial operating budget provides the Council with a means to address budgetary planning over a longer time frame than the traditional annual budget process. This approach permits the Council to focus on longer term policy issues and goals, while staff manages any near term financial uncertainties.
  - Funds included. Operating budgets are formally adopted through the budget document for the General, Special Revenue, Debt Service, Utility, and Internal Service Funds, and are legally adopted for the General and Special Revenue Funds by resolution.
  - Basis of accounting. Budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America.

- **Budget Management –**
  - Budget Monitoring. The Finance Department will maintain a system for monitoring the City's budget performance. This system will provide the City Council and Department Directors with monthly presentations regarding fund level revenues and department level expenditures. The Department Directors have primary responsibility for monitoring and managing their annual adopted budget, and have daily access to resource and expenditure activity, and budget to actual comparisons through the City's accounting system.
  - Re-appropriating Prior Year Funds. All appropriations lapse at the end of any fiscal year. Amounts authorized during the fiscal year to pay for goods and services not received or completed by the end of the fiscal year may be re-appropriated to the next year by resolution.
  - Amending the Budget. City Council approval by resolution is required to adjust appropriations between departments or between funds, and to authorize budget additions and deletions. The City Manager is authorized to transfer appropriations within any department budget.
  - Coding. Revenues and expenditures shall be coded to the appropriate account code and not to an account where an excess or deficiency of funds may exist.

Five Year Operating Plan

- **Budget Preparation and Timeframes –**
  - City Budget Process. To prepare a five year operating plan for each of the City's biennial budget years, and to update those plans at least biennially.
  - Timing of budget process. The five year operating plan will be prepared and updated in conjunction with the City's biennial budget schedule.
  - Budget Information and Document Analysis. The responsibility for budget information and document analysis is the same as that of the biennial budget.

- **Budget Content –**
  - Goals and Objectives. The City of Shoreview must forecast its financial needs in order to avoid serious deficiencies or over-commitments to programs and projects. Establishing a long-range financial plan and minimum reserve levels will assist in accomplishing the City's goals and objectives and provide for orderly delivery of services to the citizens of Shoreview.
  - Funds included. Five Year Operating Plans are adopted for the General, Special Revenue, Debt Service, Utility, and Internal Service Funds.
  - Fund goals/targets. The five year operating plan will establish fund goals and targets that are specific and meaningful to each individual fund.
  - Basis of accounting. Budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America.

- **Budget Management –**
  - Future appropriations. When approval of additional appropriations is requested of Council the effect on the long-range financial plan should be considered. Appropriations that would cause a fund to fall outside of established goals/targets will require a plan to be submitted with a reasonable time frame to reestablish the fiscal stability of the fund's financial position.
  - Compliance. When a fund fails to meet its goals/targets the City shall establish a plan with a reasonable time frame to bring the fund into compliance.

Capital Improvement Plan (CIP)

- **Budget Preparation and Timeframes –**
  - City Budget Process. To prepare a five year CIP for each of the City's biennial budget years, and to update those plans at least biennially.
  - Timing of budget process. The five year CIP will be prepared and updated in conjunction with the City's biennial budget schedule. Future expenditures associated with new capital improvements will be projected and included in the biennial and five year operating plan budgets.
  - Budget Information and Document Analysis. The responsibility for budget information and document analysis is the same as that of the biennial budget.

- **Budget Content –**
  - Goals and Objectives. The 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 provisions of new services.
  - Funds included. The CIP will include all capital costs incurred in Capital Project, Enterprise, and Internal Service Funds.

- **Budget Management –**
  - Planning. The CIP represents a tentative commitment to proceed with planned future projects, the commitment is more certain in early years and becomes increasingly more tenuous in subsequent years. Regardless, the CIP represents the City's plan and priority for capital spending, and provides a framework for projected tax levies and utility rates.

PROPOSED MOTION

MOTION BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To approve the amendments to the Master Planned Unit Development Agreement and Site Development Agreement for Southview Senior Living, LLC. The revisions are minor, reflect changes that have occurred since the Agreements were approved in 2008 and are consistent with the other agreements associated with this development, including the TIF Development Agreement.

ROLL CALL:	**AYES**	**NAYS**
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular City Council Meeting – December 19, 2011

t:\ccreports\2332-08-29southviewn

TO: Mayor, City Council and City Manager

FROM: Kathleen Nordine, City Planner

DATE: December 16, 2011

SUBJECT: File No. 2332-08-29; Final Planned Unite Development - Southview Senior Living/Cascade Partners, LLC – Hodgson Road

INTRODUCTION

At the August 2, 2010 City Council meeting, the Council granted a two year extension for the Southview Senior Living/Cascades planned unit development located at 4710/4684 Hodgson Road. This mixed-use project consists of an office building, approximately 6,000 square feet in size and a senior residential facility that will provide a mix of independent living, assisted living and memory care units. The project is now moving forward and the Developer, Southview Senior Living, LLC has stated that site work will begin at the end of the month. Amendments are needed to the Master Planned Unit Development Agreement and Site Development to reflect changes that has occurred since the original approvals.

AMENDED DEVELOPMENT AGREEMENTS

The Master Planned Unit Development Agreement addresses covenants, easements, and the preparation of the site for development including phasing, demolition, grading, stormwater management and utilities. The Site Development Agreement for the senior housing addresses development items related to the senior housing building. The following revisions are needed to the agreements:

Master Planned Unit Development Agreement

Section IV A – Interior changes to the building have resulted in an additional unit and a change in the mix of units; 105 units – 30 independent living units, 43 assisted living units and 32 memory care units.

Section IV C – Revised phasing plan, since the project has been delayed:

Phase 1. December 2011 to February 2012. Removal of Schneider residence. Preparation of the planned unit development site for development. Work includes tree removal and protection; Erosion Protection and preparation for underground utilities, existing driveways and driveway aprons. Installation of storm sewer, sanitary sewer and water infrastructure.

Phase 2. February 2012 to April 2012. Continued Excavation and Footing Foundation and Precast Plank installation for senior building.

Phase 3. April 2012–June 2012. Wood Framing Structure of senior building. Curb and street repairs; continued grading, erosion control and site restoration.

Phase 4 Finish work on Interior and Exterior of building with Parking lot and Landscaping installed fall of 2012. Occupancy of and Completion Cascades Senior Building in the early 2013, with minor landscaping completed in the spring. All streets, parking, sidewalks, hard-scape, landscape, retention ponds and utilities will be maintained to perpetuity.

Phase 5 Development of Lot 2 which has been planned as a multi-tenant retail building or Senior Service commercial building shall continue to be part of the master plan, but must meet market demands prior to final form taking place.

Site Development Agreement – Southview Senior Living, LLC

Section IV A – Refers to the number of units and will be changed to reflect language in Section IVA of the Master Planned Unit Development Agreement as stated above.

RECOMMENDATION

Staff is recommending the City Council approve the amendments to the Master Planned Unit Development Agreement and Site Development Agreement for Southview Senior Living, LLC. The revisions are minor and reflect changes that have occurred since the Agreements were approved in 2008. Furthermore, said changes are consistent with the other agreements associated with this development, including the TIF Development Agreement.

kaas wilson architects

December13, 2011

Kathleen Nordine
City Planner
City of Shoreview
4600 Victoria Street North
Shoreview, MN 55126

Re: Southview Shoreview, Phasing Schedule

Dear Ms. Nordine:

We are very close to a construction start on this project. What follows is our proposed construction schedule.

Overall Project Schedule and Phasing

1. Phase 1. December 2011 to February 2012. Removal of Schneider residence. Preparation of the planned unit development site for development. Work includes tree removal and protection; Erosion Protection and preparation for underground utilities, existing driveways and driveway aprons. Installation of storm sewer, sanitary sewer and water infrastructure. Work to include excavation.
2. Phase 2. February 2012 to April 2012. Continued Excavation and Footing Foundation and Precast Plank installation for senior building
3. Phase 3. April 2012–June 2012. Wood Framing Structure of senior building. Curb and street repairs; continued grading, erosion control and site restoration.
4. Phase 4 Finish work on Interior and Exterior of building with Parking lot and Landscaping installed fall of 2012. Occupancy of and Completion Cascades Senior Building in the spring of 2013. All streets, parking, sidewalks, hard-scape, landscape, retention ponds and utilities will be maintained to perpetuity.
5. Phase 5 Development of Lot 2 which has been planned as a multi-tenant retail building or Senior Service commercial building shall continue to be part of the master plan, but must meet market demands prior to final form taking place.

We hope that this schedule is acceptable to you and your staff. We look forward to our continuing work together on this project.

Sincerest Regards,

Link Wilson, AIA, CSI, LEED AP
Kaas Wilson Architects

Tel: 612.879.6000 308 E. 18th Street, Suite 301, Minneapolis, MN 55404 www.kaaswilson.com

Warren E. Peterson
Jerome P. Filla
Daniel Witt Fram
Glenn A. Bergman
John Michael Miller
Michael T. Oberle
Steven H. Bruns*
Paul W. Fahning*
Sonja R. Ortiz
Ben I. Rust
Jonathan R. Cuskey
Tracy J. Halliday
Jared M. Goerlitz
Dan M. Duffek*

PETERSON, FRAM & BERGMAN
PROFESSIONAL ASSOCIATION

Suite 800
55 East Fifth Street
St. Paul, MN 55101-1718
(651) 291-8955
(651) 228-1753 facsimile
www.pfb-pa.com

(651)290-6907
jfilla@pfb-pa.com

December 16, 2011

Kathleen Nordine
City Planner
City of Shoreview
4600 Victoria Street
Shoreview, MN 55126

VIA EMAIL

Re: City of Shoreview
Development Agreements

Kathleen:

Attached are the following documents:

1. Amendment No. 1 to the Site Development Agreement for Southview Senior Living, LLC; and

2. Amendment No. 1 to the Site Development Agreement for the Planned Unit Development and Plat for Shoreview Senior Living, LLC.

The Amendments are necessary in order to coordinate the terms of the Agreements with the terms of the proposed TIF Agreement; and to update the phasing schedule for the Senior Housing Development.

Both documents require three (3) affirmative City Council votes for approval.

If you have any questions, please contact me.

Very truly yours,

Jerome P. Filla

JPF/jmt
Attachment

*ALSO ADMITTED IN WISCONSIN

SITE DEVELOPMENT AGREEMENT
SOUTHVIEW SHOREVIEW
PLANNED UNIT DEVELOPMENT & PLAT
SHOREVIEW SENIOR LIVING, LLC
AMENDMENT NO. 1

This Agreement is made and entered into by and between the City of Shoreview, a municipal corporation and political subdivision of the State of Minnesota (herein the "City") and Shoreview Senior Living, LLC, their successors and assigns (hereinafter the "Developer").

1. Section IV, subdivision A (ii), of that certain Planned Unit Development and Plat dated September 2, 2008, is amended to read as follows:

   ii. Lot 2: Senior residential building with 105 residential units consisting of congregate assisted living and memory care housing together with incidental and related improvements, in accordance with the approved construction plans.

2. Section IV, subdivision C and its subdivisions of that certain Planned Unit Development and Plat dated September 2, 2008, are amended to read as follows:

   C. Phasing Schedule and Plan. The PUD will be developed in five (5) phases in accordance with the plans submitted and approved by the City Council on September 2, 2008. This plan consists of the following:

      i. Phase 1. December, 2011 to February, 2012. Removal of Schneider residence. Preparation of the planned unit development site for development. Work includes tree removal and protection; Erosion Protection and preparation for underground utilities; and existing driveways and driveway aprons. Installation of storm sewer and water infrastructure.

      ii. Phase 2. February, 2012 to April, 2012, continued Excavation and Footing Foundation and Precast Plank installation for senior building.

iii. Phase 3. April 2012 –June 2012. Wood Framing Structure of senior building. Curb and street repairs; continued grading; erosion control; and site restoration.

iv. Phase 4. Finish work on Interior and Exterior of building with Parking lot and Landscaping installed Fall of 2012. Occupancy of and Completion Cascades Senior Building in early 2012, with minor landscaping completed in the Spring. All streets, parking, sidewalks, hard-scape, landscape, retention ponds and utilities will be maintained to perpetuity.

v. Phase 5. Development of Lot 2 which has been planned as a multi-tenant retail building or Senior Service commercial building, shall continue to be part of the master plan, but must meet market demands prior to final form taking place.

IN WITNESS WHEREOF, the City and the Developer have executed this Site Development Agreement.

Approved by the City Council of the City of Shoreview, Minnesota this December 19, 2011.

SHOREVIEW SENIOR LIVING, LLC

By: _____

Its: _____

CITY OF SHOREVIEW

_____

Sandra Martin

_____

Terry Schwerm, City Manager

SITE DEVELOPMENT AGREEMENT
SOUTHVIEW SHOREVIEW
SOUTHVIEW SENIOR LIVING, LLC
AMENDMENT NO. 1

This Agreement is made and entered into by and between the City of Shoreview, a municipal corporation and political subdivision of the State of Minnesota (herein the "City") and Shoreview Senior Living, LLC, their successors and assigns (hereinafter the "Developer").

1. Section IV, subdivision A, of that certain Site Development Agreement dated September 2, 2008, is amended to read as follows:

   A. Improvements. All improvements shall be constructed in accordance with the approval of the City Council, the City's ordinances and regulations, and pursuant to the approved plans and specifications. The improvements shall consist of 105 units of congregate assisted living and memory care housing, together with incidental and related improvements in accordance with the approved construction plans. All requirements attached to said project by the City Council on September 2, 2008, as conditions of the planned unit development approval, are to be satisfied whether or not identified in this document.

2. All other provisions of the Site Development Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City and the Developer have executed this Amendment No. 1 to the Site Development Agreement.

Approved by the City Council of the City of Shoreview, Minnesota this December 19, 2011.

SOUTHVIEW SENIOR LIVING, LLC

By: _____

Its: _____

CITY OF SHOREVIEW

_____
Sandra Martin

_____
Terry Schwerm, City Manager

Proposed Motion

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To close the public hearing in consideration of the establishment of Tax Increment District No. 7 relating to the Shoreview Senior Living, LLC – Cascades Senior Housing Project.

VOTE:	AYES: _____	NAYS: _____
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

City Council Meeting
December 19, 2011

Proposed Motion

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

To adopt Resolution No. 11-103, approving the Tax Increment Financing Plan for the creation of a new Tax Increment District No. 7 and Resolution No. 11-103, approving and authorizing the execution of a Tax Increment Financing Development Agreement for the Shoreview Senior Living, LLC/Cascades Senior Housing Project.

VOTE:	AYES: _____	NAYS: _____
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

City Council Meeting
December 19, 2011

To: Mayor and City Council Members

From: Tom Simonson
Assistant City Manager and Community Development Director

Date: December 14, 2011

Re: Approval of Tax Increment Financing Plan for Establishment of Tax Increment Financing District No. 7 and Tax Increment Financing Development Agreement for Shoreview Senior Living (Cascades) Senior Housing Project

---

Introduction

Shoreview Senior Living, LLC, the developer of the Cascades senior housing project is preparing to move forward with construction of the building previously approved, and is seeking tax increment financing assistance from the City. The Economic Development Authority has reviewed the proposed financing agreements and is forwarding a recommendation to the whole City Council for approval of a Tax Increment Financing Plan for the creation of a new Tax Increment District No. 7 and a Tax Increment Development Agreement to be executed by the developer and City. The City Council is scheduled to hold a public hearing in consideration of the tax increment financing on December 19th.

Background

The City approved the senior housing project in 2008, but construction has been delayed due to the unsettled housing market and tighter financing restrictions of multi-family housing including the Federal HUD program. The Commission may recall that the project, located along the east side of Hodgson Road between Highway 96 and Tanglewood Drive, included a mixed-care facility of 104 total apartment units with 55 independent care living units, 33 assisted living units and 16 memory care units. The project also included a building pad for a future small-scale office building.

However, since the original approvals, the developer has revised the breakout of the mixed-care units to reflect the results of the market study and expected demand in the community. The project now will total 105 units, with 30 independent care units, 43 assisted living units, and 32 memory care units.

The developer is requesting $750,000 in tax increment financing assistance to help with the high cost of acquiring the site from the previous developer, tighter financing alternatives including the Federal HUD program, recent acquisition of the adjacent Schneider residential property, and a desire to upgrade some of the amenities for building. The City has provided similar tax increment financing support for other senior housing developments in the community.

If approved, the financial assistance would be funded through the establishment of a new Economic Development Tax Increment Financing District, with the developer receiving reimbursement payments for eligible and agreed upon costs from future tax increment proceeds derived from the project. Through the temporary authority granted to cities by the State Legislature to support construction and job creation, Economic Development Districts can be created to assist with market rate housing projects so long as construction activity commences prior to January 1, 2012. Since the Cascades project has received all necessary planning approvals, and a building permit application has been submitted, it should be possible for site work to begin before the end of this year to meet the legislative deadline.

The Cascades - A Southview Senior Living Community
Shoreview, MN

TIF Plan and Development Agreement

City staff, development consultant, and development attorney have prepared the supporting documents necessary for providing the financial assistance. Included with this report is a draft Tax Increment Financing Plan for the creation of a new Tax Increment District No. 7 and a Tax Increment Development Agreement. The TIF Plan is a necessary requirement that defines the type (economic development district) and use of the tax increment district to be created for providing the financial assistance. The TIF Development Agreement is the specific contract between the City and developer that sets forth the terms and conditions of the tax increment financing to support the project.

The proposed TIF District No. 7 encompasses the four parcels included in the planned unit development that was approved for the Shoreview

Senior Living/Cascades project including the property for the senior housing project and land proposed as future small-scale office use.

The following is a summary of the general scope and terms of the project as outlined in the proposed TIF Development Agreement:

Project Scope:

- Develop a 105-unit senior housing facility with congregate, assisted living and memory care.
- Project construction to begin December 2011 and completion estimated for December 2012.
- The total project cost is estimated at $15,250,000.
- 12 units are allocated for residents eligible for the Elderly Waiver Program for 15 years (beyond the 9-year life of the TIF District).

TIF Financing:

- Nine years of increment estimated at $1,215,000.
- Developer to receive $750,000 plus 6.75% interest.
- Pay-as-you-go revenue note effective only after project is constructed and documentation is submitted for TIF eligible costs.
- Payment on the note begins after the developer has paid the first real estate tax statement.
- Developer to receive up to 90% of the TIF or the $750,000 plus interest, whichever is less.
- If not enough tax increment is generate to cover the principal and interest on the note, the developer receives 90% of the TIF generated; the City is not responsible for any shortfall.

Elderly Waiver Program

In lieu of creating a 25-year housing tax increment district that requires a large number of units be dedicated for affordable housing, making this project financially infeasible, the developer instead will be providing 12 apartment units for residents eligible through the Elderly Waiver program.

The Elderly Waiver (EW) program funds home and community-based services for people age 65 and older who are eligible for Medical Assistance and require a level of medical care provided in a nursing home, but choose to reside in other housing in the community such as a senior apartment complex. The Minnesota Department of Human Services operates the EW program under a federal waiver to Minnesota's Medicaid State Plan, and the program is administered by Counties. Covered services through the EW program include visits by a skilled nurse, home health aide, homemaker, personal care assistant and other similar care and living services.

The original proposal from the developer was to provide at least 12 units for EW program eligible residents for a period of 9 years, which is the life of the proposed TIF District. However,

the Economic Development Authority, in their recommendation of financing approval, requested consideration of extending the agreement to provide EW units for up to 20 years.

After additional discussions with the developer and his legal and financial advisors, the City has reached a compromise agreement with Shoreview Senior Living to maintain the elderly waiver program for a 15-year period. An issue raised by the developer's financing advisor from Piper Jaffray concerns subordination of the elderly waiver provision to the mortgage, in the event the developer's lender were to foreclose or acquire title of the property. The City has consented to the subordination position regarding the Elderly Waiver requirements, and the TIF Development Agreement has been revised to state the developer now agrees that for a period of 15 years it will reserve and dedicate at least 12 housing units for occupancy by City residents in the Elderly Waiver program.

Recommendation

The Economic Development Authority unanimously recommends approval of the Tax Increment Financing Plan for the creation of a new Tax Increment District No. 7 and a Tax Increment Development Agreement for the Shoreview Senior Living, LLC/Cascades Senior Housing Project. Attached for consideration and adoption are Resolution Nos. 11-102 and 11-103, approving the TIF District and authorizing the execution of a TIF Development Agreement. A public hearing is required prior to taking action.

CITY OF SHOREVIEW
RAMSEY COUNTY
STATE OF MINNESOTA

Council member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 11-102

RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. 2; AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT #7 THEREIN AND ADOPTING A TAX INCREMENT FINANCING PLAN THEREFOR.

BE IT RESOLVED by the City Council of the City of Shoreview, Minnesota, as follows:

Section 1. Recitals.

1.01. The City Council (the "Council") of the City of Shoreview (the "City") has heretofore established Municipal Development District No. 2 and adopted the Development Program therefor. It has been proposed that the City adopt a Modification to the Development Program (the "Development Program Modification") for Municipal Development District No. 2 (the "Project Area") and establish Tax Increment Financing District #7 (the "District") therein and adopt a Tax Increment Financing Plan (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program Modification and TIF Plan"); all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.134 and Sections 469.174 to 469.1799, all inclusive, as amended, (the "Act") all as reflected in the Program Modification and TIF Plan, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Program Modification and TIF Plan and has caused the Program Modification and TIF Plan to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the establishment of the District and the adoption and approval of the proposed Program Modification and TIF Plan, including, but not limited to, notification of Ramsey County and Independent School District No. 621 having taxing jurisdiction over the property to be included in the District, a review of and written comment on the Program Modification and TIF Plan by the City Planning Commission, and the holding of a public hearing upon published notice as required by law.

1.04. Certain written reports (the "Reports") relating to the Program Modification and TIF Plan and to the activities contemplated therein have heretofore been prepared by staff and

consultants and submitted to the Council and/or made a part of the City files and proceedings on the Program Modification and TIF Plan. The Reports include data, information and/or substantiation constituting or relating to the basis for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies and adopts the Reports, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

Section 2. Findings for the Adoption and Approval of the Program Modification and TIF Plan.

2.01. The Council hereby finds that the Program Modification and TIF Plan are intended and, in the judgment of this Council, the effect of such actions will be, to provide an impetus for development in the public purpose and accomplish certain objectives as specified in the Program Modification and TIF Plan, which are hereby incorporated herein.

Section 3. Findings for the Establishment of Tax Increment Financing District #7.

3.01. The Council hereby finds that the District is in the public interest and is an "economic development district" under Minnesota Statutes, Section 469.174, Subd. 12 of the Act.

3.02. The Council further finds that the proposed development would not occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the Tax Increment Financing Plan, that the Program Modification and TIF Plan conform to the general plan for the development or redevelopment of the City as a whole; and that the Program Modification and TIF Plan will afford maximum opportunity consistent with the sound needs of the City as a whole, for the redevelopment or development of the District by private enterprise.

3.03. The Council further finds, declares and determines that the City made the above findings stated in this Section and has set forth the reasons and supporting facts for each determination in writing, attached hereto as Exhibit A.

Section 4. Public Purpose.

4.01. The adoption of the Program Modification and TIF Plan conforms in all respects to the requirements of the Act and will help discourage commerce, industry, or manufacturing from moving their operations to another state or municipality, will result in increased employment in the state, and will result in preservation and enhancement of the tax base of the State and thereby serves a public purpose. For the reasons described in Exhibit A, the City

believes these benefits directly derive from the tax increment assistance provided under the TIF Plan. A private developer will receive only the assistance needed to make this development financially feasible. As such, any private benefits received by a developer are incidental and do not outweigh the primary public benefits.

Section 5. Approval and Adoption of the Program Modification and TIF Plan.

5.01. The Program Modification and TIF Plan, as presented to the Council on this date, including without limitation the findings and statements of objectives contained therein, are hereby approved, ratified, established, and adopted and shall be placed on file in the office of the City Manager.

5.02. The staff of the City, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Program Modification and TIF Plan and to negotiate, draft, prepare and present to this Council for its consideration all further plans, resolutions, documents and contracts necessary for this purpose.

5.03 The Auditor of Ramsey County is requested to certify the original net tax capacity of the District, as described in the Program Modification and TIF Plan, and to certify in each year thereafter the amount by which the original net tax capacity has increased or decreased; and the City is authorized and directed to forthwith transmit this request to the County Auditor in such form and content as the Auditor may specify, together with a list of all properties within the District, for which building permits have been issued during the 18 months immediately preceding the adoption of this resolution.

5.04. The City Manager is further authorized and directed to file a copy of the Program Modification and TIF Plan with the Commissioner of Revenue and the Office of the State Auditor pursuant to Minnesota Statutes 469.175, Subd. 4a.

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

and the following voted against the same:

Dated: December 19, 2011

(Seal)

ATTEST:

_____	_____
Sandy Martin, Mayor	Terry Schwerm, City Manager

EXHIBIT A

RESOLUTION NO. 11-102

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan for Tax Increment Financing District #7 as required pursuant to *M.S., Section 469.175, Subd. 3* are as follows:

1. *Finding that the Tax Increment Financing District #7 is an economic development district as defined in M.S., Section 469.174, Subd. 12.*

   Tax Increment Financing District #7 is a contiguous geographic area within the City's Municipal Development District No. 2, delineated in the TIF Plan, for the purpose of financing economic development in the City through the use of tax increment. The District is in the public interest because it will facilitate the development of a 105 unit congregate care, assisted living and memory care facility located on Hodgson Road; it will increase employment in the state, and preserve and enhance the tax base of the state.

   In addition, pursuant to *M.S., Section 469.176, Subd.4c(d),* the City finds that the private development contemplated by and to be assisted pursuant to the TIF Plan will create or retain jobs in the state, including construction jobs, that construction of the development will occur before January 1, 2012, and that the construction of the development would not have commenced before January 1, 2012, without the tax increment financing assistance to be provided pursuant to the TIF Plan.

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of Tax Increment Financing District No. 7 permitted by the TIF Plan.*

   The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the development proposed in this plan is senior housing and incorporated services which meet the City's objectives for economic development. The demolition of the single family home, associated public improvements, high cost of project financing including equity requirements and a 1.32 debt coverage ratio, plus a commitment to sponsoring the elderly waiver program for at a minimum 12 of the units makes development of the project infeasible without City assistance. The developer indicated that it would not have gone forward if the above mentioned financial burdens were required to be paid solely by the developer and that if it were required to pay such costs would make the project infeasible. The City, without tax increment assistance, would not have the resources to make the project financially feasible.

The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan: The City supported this finding on the grounds that the cost of demolition of the site, public improvements, elderly waiver program and high cost of financing add to the total development cost if paid by the developer. The City reasonably determines that no other development of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Therefore, the City concludes as follows:

a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is $0.
b. If the proposed development occurs, the total increase in market value will be $9,076,800 (see Appendix D and E of the TIF Plan)
c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be $903,009 (see Appendix D and E of the TIF Plan).
d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than $8,173,791 (the amount in clause b less the amount in clause c) without tax increment assistance.

3. *Finding that the TIF Plan for Tax Increment Financing District No. 7 conforms to the general plan for the development or redevelopment of the municipality as a whole.* The Planning Commission reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the Tax Increment Financing Plan for Tax Increment Financing District #7 will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of Municipal Development District No. 2 by private enterprise.* The project to be assisted by the District will result in increased employment in the City and the State of Minnesota, increased tax base of the State, and add a high quality development to the City.

CITY OF SHOREVIEW, MINNESOTA

RESOLUTION NO. 11-103

RESOLUTION AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT WITH SHOREVIEW SENIOR LIVING, LLC, AND THE EXECUTION OF A TAX INCREMENT REVENUE NOTE IN CONNECTION THEREWITH

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHOREVIEW (the "City") AS FOLLOWS:

WHEREAS, the City of Shoreview, Minnesota (the "City") has approved the establishment of Tax Increment Financing District No. 7 (the "District"), an economic development district, pursuant to the Minnesota Tax Increment Financing Law, Minnesota Statutes, sections 469.174-469.1799 (the "Tax Increment Act"); and

WHEREAS, section 469.176, subd. 4c, of the Tax Increment Act provides that tax increment authorities may use tax increments from an economic development tax increment district to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if doing so will create or retain jobs in the State, including construction jobs, if the construction commences before July 1, 2012, and would not have commenced before that date without the assistance, and if the request for certification of the district is made no later than June 30, 2012; and

WHEREAS, the Tax Increment Act further provides that in the case of a housing development, the construction must commence by December 31, 2011; and

WHEREAS, the City has received a proposal from Shoreview Senior Living, LLC (the "Developer") pursuant to which the Developer would construct a rental housing development (the "Improvements") on certain land in the City; and

WHEREAS, the Developer has also proposed that the City provide financial assistance to the Developer using tax increment revenues from the District; and

WHEREAS, the City has determined that construction of the Improvements is in the best interests of the City and the state of Minnesota, will create or retain construction jobs in the state, will create long term employment opportunities in the Improvements, will result in the construction of necessary public improvements in the City, will facilitate the development of land that is currently underutilized, and would not commence prior to January 1, 2012, without the tax increment assistance requested by the Developer; and

WHEREAS, there has been presented to the City Council of the City a proposed Development Agreement (the "Contract") between the City and the Developer setting forth the terms of the City's provision of financial assistance to the Developer in connection with the construction of the Improvements.

NOW, THEREFORE, be it hereby resolved by the City Council of the City as follows:

1.02. Execution of Contract and Issuance of the Note. The appropriate officers of the City are hereby authorized to execute the Contract in substantially the form presented to the City Council, subject to such changes as may be approved by the City Manager and the City's legal counsel, to execute the Note at the time stated in the Contract and to issue and deliver the Note described therein at the time provided in the Contract.

Section 2. Form of Note. The Note shall be substantially in the form contained in the Contract, with the blanks properly filled in.

Section 3. Terms, Execution and Delivery.

3.01. Dates; Interest Payment Dates. The Note shall be dated as of the date it is issued. Principal of and interest on the Note shall be payable to the owner of record thereof as of the close of business on the fifteenth day of the month preceding each Scheduled Payment Date, whether or not such day is a business day.

3.02. Registration. The City appoints the City Treasurer and Finance Director as Note Registrar. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at his/her principal office a Note register in which the Registrar shall provide for the registration of ownership of the Note and the registration of transfers or exchanges of the Note.

(b) Transfer of Note. Upon surrender for transfer of the Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, a new Note of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date. The Note shall not be transferred to any person other than an affiliate or other related entity of the Developer, unless the City has been provided with an opinion of counsel, acceptable to the City, that such transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws.

(c) Cancellation. The Note surrendered upon any transfer shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

(d) Improper or Unauthorized Transfer. When the Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on the Note or separate instrument of transfer is valid and genuine and the requested transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(e) Persons Deemed Owners. The City and the Registrar may treat the person in whose name the Note is at any time registered in the Note register as the absolute owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of or interest on the Note and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon the Note to the extent of the sum or sums so paid.

(f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange and reasonable legal fees and other costs incurred in connection therewith.

(g) Mutilated, Lost, Stolen or Destroyed Note. In case the Note shall become mutilated or be lost, stolen, or destroyed, the Registrar shall deliver a new Note of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of such mutilated Note or in lieu of and in substitution for such Note lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Note lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Note was lost, stolen or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate indemnity in form, substance, and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. Any Note so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

3.03. Preparation and Delivery. The Note shall be prepared under the direction of the City Manager of the City and shall be executed on behalf of the City by the manual signatures of its Mayor and the City Manager. In case any officer whose signature, or a facsimile of whose signature, shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, the Note shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Note has been duly executed by the manual signature of an authorized representative of the Registrar. The executed certificate of authentication on the Note shall be conclusive evidence it has been authenticated and delivered under this resolution. When the Note have been so executed and authenticated, it shall be delivered by the City Manager to the Developer.

Section 4. Pledge of Available Tax Increment. The City hereby pledges to the payment of the principal of and interest on the Note Available Tax Increment, as defined in the Contract.

Section 5. County Auditor Registration; Certification of Proceedings.

5.01 County Auditor Registration. The City Manager is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor of Ramsey County, together with such other information as such County Auditor shall require, and to obtain from said County Auditor a certificate that the Note has been entered on his/her bond register.

5.02. Certification of Proceedings. The officers of the City are hereby authorized and directed to prepare and furnish to the purchaser of the Note certified copies of all proceedings and records of the City, and such other affidavits, certificates, and information as may be required to show the facts relating to the legality and marketability of the Note as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Adopted this 19th day of December, 2011.

_____
Mayor

Attest:

_____

Development Program
for Municipal Development District No. 2

and the

Tax Increment Financing Plan
for the establishment of

Tax Increment Financing District No. 7
Southview Senior Living
(an economic development district)

within
Municipal Development District No. 2

Shoreview

City of Shoreview
Ramsey County
State of Minnesota

Draft: November 15, 2011

Public Hearing: December 19, 2011

Adopted:

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Section 1 - Development Program for Municipal Development District No. 2

Foreword

The following text represents a Modification to the Development Program for Municipal Development District No. 2. This modification represents a continuation of the goals and objectives set forth in the Development Program for Municipal Development District No. 2. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 7. (As Modified December 19, 2011)

Tax Increment District No. 7 was created to assist with the development of 105 congregate, assisted and memory care housing units locate at the 4600 block of Hodgson Road. The project will be owned and operated by Southview Senior Living Communities. Assistance for the project will include the demolition of a single family home currently located on site, utility and site preparation work, parking and other TIF eligible activities.

Definitions

The terms defined below shall, for purposes of the Development Program, have the meanings herein specified, unless the context otherwise specifically required:

"City" means the City of Shoreview, a municipal corporation and political subdivision of the State of Minnesota.

"Comprehensive Plan" means the documents which contain the objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and water within the City.

"Council" means the City Council of the City of Shoreview, also referred to as the governing body. (See "Governing Body" below).

"County" means the County of Ramsey, Minnesota.

"County Board" means the Board of Commissioners for Ramsey County.

"Development District Act" means the statutory provisions of Minnesota Statutes, Sections 469.124 to 469.134 as amended and supplemented.

"Development District" means Municipal Development District No. 2 in the City, which was created and established pursuant to and in accordance with the Development District Act, and is geographically described in Section 1, Subsection 10 of the Development Program.

"Development Program" means this Development Program for Municipal Development District No. 2, initially adopted by the Council on February 14, 1984, and as it shall be modified. As defined in Minnesota Statutes, Section 469.125, Subdivision 5, a development program is a statement of objectives of the City for improvement of a development district which contains a complete statement as to the public facilities to be constructed within the district, the open space to be created, the environmental controls to be applied, the proposed reuse of private property and the proposed operations of the district after the capital improvements within the district have been completed.

"Governing Body" means the duly elected Council.

"Municipal Industrial Development Act" means the statutory provisions of Minnesota Statutes, Sections 469.152 to 469.165, as amended.

"Municipality" means any city, however organized as defined in Minnesota Statutes, Section 469.125, Subdivision 2.

"Project Area" means the Development District as geographically described in Subsection K of the Development Program.

"State" means the State of Minnesota.

"Tax Increment Bonds" means any general obligation or revenue tax increment bonds issued and to be issued by the City To finance the public costs associated with Municipal Development District No. 2, as stated in the Development Program and in the Tax Increment Financing Plans for the Tax Increment Financing Districts within Municipal Development District No. 2. The term "Tax Increment Bonds" shall also include any obligations issued to refund the Tax Increment Bonds.

"Tax Increment Financing District" means any tax increment financing district presently established or to be established in the future in Municipal Development District No. 2.

"Tax Increment Financing Act" means the statutory provisions of Minnesota Statutes, Sections 469.174 to 469.1799, inclusive, as amended.

SUBSECTION 1.1.

STATEMENT AND FINDING OF PUBLIC PURPOSE

The City Council (the "Council') of the City of Shoreview (the "City") determines that there is a need for development and redevelopment within the corporate limits of the City in the Development District to provide employment opportunities, to improve the tax base, maintain and renovate housing stock and to improve the general economy of the State. It is found that the area within the Development District is potentially more useful and valuable than is being realized under existing development, is less productive than is possible under this program and, therefore, is not contributing to the tax base to its full potential.

Therefore, the City has determined to exercise its authority to develop a modified program for improving Development District No. 2 of the City to provide impetus for private development, to maintain and increase employment, maintain and renovate housing stock, to utilize existing potential and to provide other facilities as are outlined in the Development Program adopted by the City.

The Council finds that the welfare of the City as well as the State of Minnesota requires active promotion, attraction, encouragement and development of economically sound industry, commerce and housing activities to carry out its stated public purpose objectives.

SUBSECTION 1.2.

STATUTORY AUTHORITY

The Council determines that it is desirable and in the public interest to modify, develop and administer a Development Program for Development District No. 2 (the "Development District") in the City to

implement its Development District Plan, pursuant to the provisions of Sections 469.124 to 469.134, as amended, of Minnesota Statutes (the "Development District Act").

Funding of the necessary activities and improvements in the Development District shall be accomplished through tax increment financing in accordance with Minnesota Statutes, Sections 469.174 through 469.179, inclusive (the "Tax Increment Act") and through the use of industrial revenue bonds pursuant to the provisions of Chapter 469.152 to 469.165, as amended, of Minnesota Statutes (the "Municipal Industrial Development Act").

The City has designated the corporate limits (Modification No.4, 4/19/2010) of the City as Development District No. 2 as authorized by Minnesota Statutes, Section 469.126 of the Development District Act. Within the Development District, the City plans to undertake tax increment financing pursuant to Minnesota Statutes, Section 469.174, Subd. 10, 10(A), 11 and 12 of the Tax Increment Financing Act.

SUBSECTION 1.3.

STATEMENT OF OBJECTIVES

The Council determines that the modification of the Development District will provide the City with the ability to achieve certain public purpose goals not otherwise obtainable in the foreseeable future without City intervention in the normal development process. The public purpose goals include: restore and improve the tax base and tax revenue generating capacity of the Development District; increase employment opportunities; realize comprehensive planning goals; remove blighted conditions; revitalize the property within the Development District to create an attractive, comfortable, convenient, and efficient area for industrial, residential, commercial, governmental, convention, and related uses.

The City and Council seek to achieve the following Development District program objectives:

1. Promote and secure the prompt development of certain property in the Development District, which property is not now in productive use or in its highest and best use, in a manner consistent with the City's Comprehensive Plan and with a minimum adverse impact on the environment, and thereby promote and secure the development of other land in the City.

2. Promote and secure additional employment opportunities within the Development District and the City for residents of the City and the surrounding area, thereby improving living standards, reducing unemployment and the loss of skilled and unskilled labor and other human resources in the City.

3. Secure the increase of commercial property subject to taxation by the City, Independent School Districts, Ramsey County, and other taxing jurisdictions in order to better enable such entities to pay for governmental services and programs required to be provided by them.

4. Provide for the financing and construction of public improvements in and adjacent to the Development District, necessary for the orderly and beneficial development of the Development District and adjacent areas of the City.

5. Promote the concentration of commercial, office, and other appropriate development in the Development District so as to maintain the area in a manner compatible with its accessibility and prominence in the City.

6. Encourage local business expansion, improvement, and development, whenever possible.

7. Create a desirable and unique character within the Development District through quality land use alternatives and design quality in new and redeveloped buildings.

8. Encourage and provide maximum opportunity for private redevelopment of existing areas and structures which are compatible with the Development Program.

9. Specific objectives include:

   a. Acquire land or space which is vacant, unused, underused or inappropriately used for new or expanding uses as well as supportive parking.

   b. Encourage the renovation and expansion of existing businesses.

   c. Acquire property containing structurally substandard buildings and remove structurally substandard buildings for which rehabilitation is not feasible.

   d. Provide park improvements to compliment private development.

   e. Eliminate blighting influences which impede potential development.

   f. Acquisition of property to support park improvements and proposed development.

   g. Provide opportunities for market rate and affordable housing development.

   h. Fund and operate loan programs for housing improvement activities.
   (Modification No.4, 4/19/2010)

SUBSECTION 1.4.

ESTIMATED PUBLIC COSTS AND SUPPORTIVE DATA

The estimated costs of the public improvements to be made within the Development District and financed by tax increments will be derived from the tax increment financing districts within Development District No. 2. (See Appendix "D" of Tax Increment Plan)

SUBSECTION 1.5.

ENVIRONMENTAL CONTROLS

The proposed development activities in the Development District do not present significant environmental concerns. All municipal actions, public improvements and private development shall be carried out in a manner consistent with existing environmental standards.

SUBSECTION 1.6.

PROPOSED REUSE OF PROPERTY

The public improvements needed to bring about the redevelopment of property may include acquisition of buildings, demolition and removal, site improvements, and general improvements. The estimated public improvement costs will be summarized in each of the applicable tax increment financing plans.

The Development Program does contemplate the acquisition of private property at such time as a private developer presents an economically feasible program for the reuse of that property. Proposals, in order to be considered, must be within the framework of the above cited goals and objectives, and must clearly demonstrate feasibility as a public program. Prior to formal consideration of the acquisition of any property, the City Council will require a binding contract, performance bond, and/or other evidence or guarantees that a supporting tax increment or other funds will be available to repay the public cost associated with the proposed acquisition. It shall be the intent of the City to negotiate the acquisition of property whenever necessary. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any land sale contract or development agreement to which the City is a part.

SUBSECTION 1.7.

ADMINISTRATION AND MAINTENANCE OF DEVELOPMENT DISTRICT

Maintenance and operation of the public improvements will be the responsibility of the Manager of the City who shall serve as Administrator of the Development District. Each year the Administrator will submit to the Council the maintenance and operation budget for the following year.

The Administrator will administer the Development District pursuant to the provisions of Minnesota Statutes, Section 469.131 of the Development District Act; provided, however, that such powers may only be exercised at the direction of the Council. No action taken by the Administrator pursuant to the above mentioned powers shall be effective without authorization by the Council.

SUBSECTION 1.8.

REHABILITATION

Owners of properties within the Development District will be encouraged to rehabilitate their properties to conform with the applicable state and local codes and ordinances, as well as any design standards. Owners of properties who purchase property or receive assistance within the Development District from the City may be required to rehabilitate their properties as a condition

of sale of land. The City will provide such rehabilitation assistance as may be available from federal, state or local sources.

SUBSECTION 1.9.

RELOCATION

The City accepts its responsibility for providing for relocation pursuant to Minnesota Statutes, Section 469.133 of the Development District Act, if applicable.

SUBSECTION 1.10.

BOUNDARY OF DEVELOPMENT DISTRICT
(Modification No. 4, 4/19/2010)

MDD #1 (Removed 5/15/95)

MDD#2 (Modification No.4, 4/19/2010)

The boundary of MDD #2 will include **all** of the following **Sections**:

Sections 2, 3, 4, 11, 14, 23, 24, 25, 26, 35, 36

The boundary of MDD#2 will include **partial** of the following **Sections**:

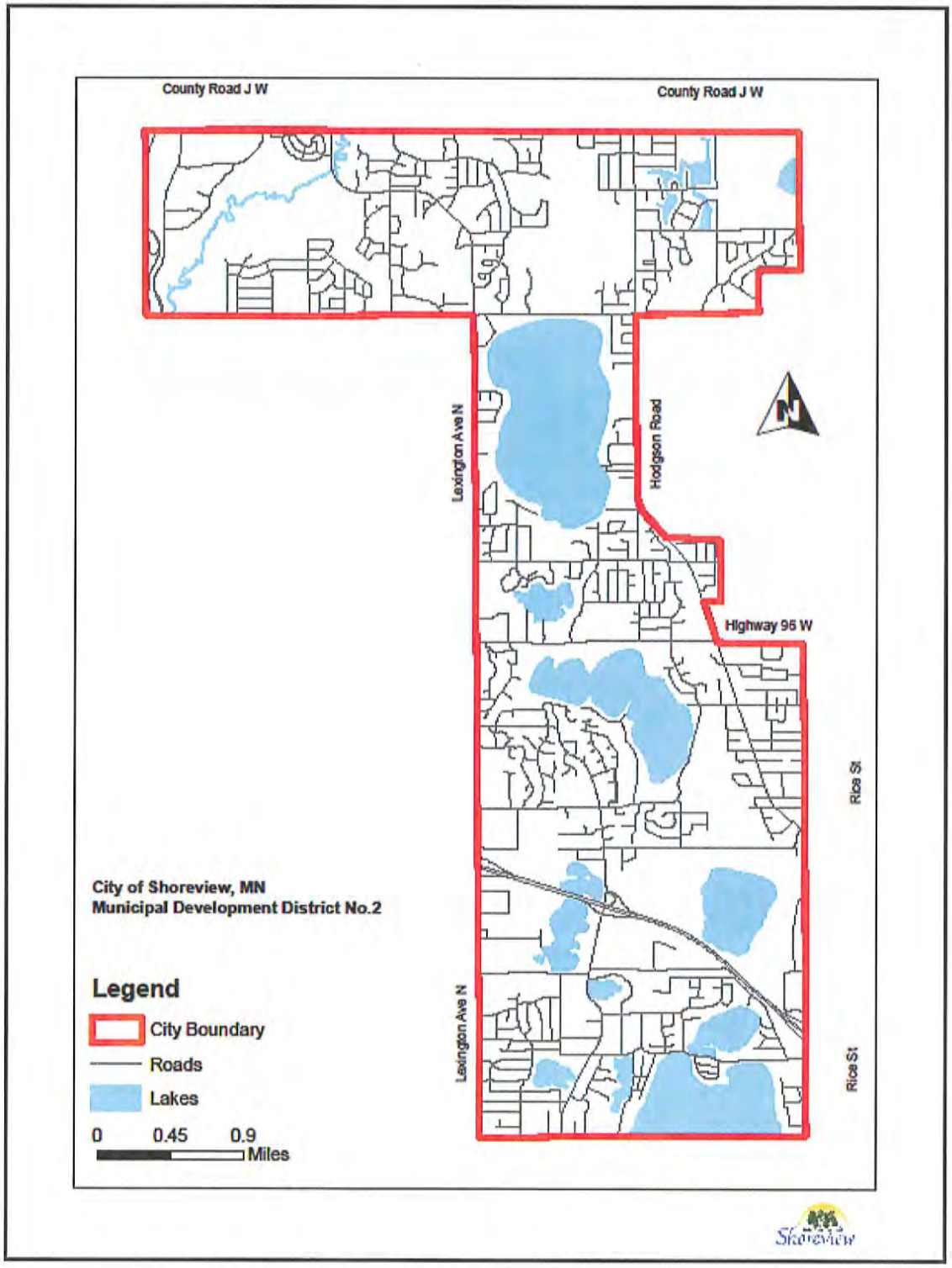
Section 1: Includes the portion containing the corporate limits of the City of Shoreview and excluding the portion of the Section residing in the corporate limits of the City of North Oaks.

Section 13: Includes the portion containing the corporate limits of the City of Shoreview and excluding the portion of the Section residing in the corporate limits of the City of North Oaks.

(AS MODIFIED DECEMBER 19, 2011)

The boundaries of Municipal Development District No. 2 are not being changed as part of the modification to Municipal Development District No. 2

SEE MAP ON FOLLOWING PAGE


County Road J W
County Road J W
Lexington Ave N
Hodgson Road
Highway 96 W
Rice St
Rice St
Lexington Ave N
City of Shoreview, MN
Municipal Development District No.2
Legend
City Boundary
Roads
Lakes
0
0.45
0.9
Miles
Shoreview

Subsection 2-1. Foreword

The City of Shoreview (the "City"), staff and consultants have prepared the following information to expedite the establishment of Tax Increment Financing District No. 7 (the "District"), an economic development tax increment financing district, located in Municipal Development District No. 2.

Subsection 2-2. Statutory Authority

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.124 to 469.134*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1799*, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This District is being created pursuant to 2010 Laws of Minnesota, Chapter 216, H.F. No. 2695, Section 31, which amended *M.S., Section 469.176, Subd. 4c* by adding clause (d).

This plan constitutes the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Municipal Development District No. 2.

Subsection 2-3. Statement of Objectives

The District currently consists of four parcels of land and adjacent and internal rights-of-way. The District is being created to assist the developer with demolition and site preparation and improvements to construct a 105 unit congregate, assisted living and memory care facility. Please see Appendix A for further District information. The City has not entered into an agreement at the time of preparation of this TIF Plan, but development is likely to begin by January 1, 2012. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Municipal Development District No. 2.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Municipal Development District No. 2 and the District.

Subsection 2-4. Development Program Overview

1. Property to be Acquired - Selected property located within the District may be acquired by the City and is further described in this TIF Plan.

2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.

3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.

4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

5. The City proposes both public and private infrastructure within the District. The proposed reuse of private property within the District will be for 105 unit congregate, assisted living and memory care facility and there will be continued operation of Municipal Development District No. 2 after the capital improvements within Development District No. 2 have been completed.

Subsection 2-5. Description of Property in the District and Property To Be Acquired

The District encompasses all property and adjacent and internal rights-of-way identified by the parcels listed in Appendix C of this TIF Plan. Please also see the map in Appendix B for further information on the location of the District.

The City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

Subsection 2-6. Classification of the District

The City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1799*, as amended, inclusive, finds that the District, to be established, is an economic development district pursuant to *M.S., Section 469.174, Subd. 12* as defined below:

> *"Economic development district" means a type of tax increment financing district which consists of any project, or portions of a project, which the authority finds to be in the public interest because:*
>
> *(1) it will discourage commerce, industry, or manufacturing from moving their operations to another state or municipality; or*
>
> *(2) it will result in increased employment in the state; or*
>
> *(3) it will result in preservation and enhancement of the tax base of the state.*

The District is in the public interest because it will meet the statutory requirement from clause 1, 2, and 3.

Pursuant to *M.S., Section 469.176, Subd. 4c*, revenue derived from tax increment from an economic development district may not be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if more than 15 percent of the buildings and facilities (determined on the basis of square footage) are used for a purpose other than:

(1) The manufacturing or production of tangible personal property, including processing resulting in the change in condition of the property;

(2) Warehousing, storage, and distribution of tangible personal property, excluding retail sales;

(3) Research and development related to the activities listed in items (1) or (2);

(4) Telemarketing if that activity is the exclusive use of the property;

(5) Tourism facilities; or

(6) Qualified border retail facilities;

(7) Space necessary for and related to the activities listed in items (1) to (6)

For Districts which the request for certification was made after June 30, 2009 and no later than June 30, 2012, the City can find that the District to be established, is an economic development district pursuant to *M.S., Section 469.176, Subd. 4c(d)* as defined below:

Notwithstanding the requirements of paragraph (a) and the finding requirements of section *469.174, subdivision 12*, tax increments from an economic development district may be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if all the following conditions are met:

(1) the municipality finds that the project will create or retain jobs in this state, including construction jobs, and that construction of the project would not have commenced before July 1, 2012, without the authority providing assistance under the provisions of this paragraph;

(2) construction of the project begins no later than July 1, 2012;

(3) the request for certification of the district is made no later than June 30, 2012; and

(4) for development of housing under this paragraph, the construction must begin before January 1, 2012.

The provisions of this paragraph may not be used to assist housing that is developed to qualify under section *469.1761, subdivision 2 or 3*, or similar requirements of other law, if construction of the project begins later than July 1, 2011.

The City's findings in creating the District are pursuant to *M.S. Sections 469.176, Subd. 4c(d)* in order to assist in the construction of the Southview Senior Living facility. If construction does not commence by January 1, 2012, the proposed facility will need to meet the criteria in M.S., Section 469.176, Subd. 4c(a).

Pursuant to M.S., Section 469.176, Subd. 7, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111 or 273.112 or Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

Subsection 2-7. Duration and First Year of Tax Increment of the District

Pursuant to *M.S., Section 469.175, Subd. 1, and M.S., Section 469.176, Subd. 1*, the duration of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 8 years after receipt of the first increment by the City. The date of receipt by the City of the

first tax increment is expected to be 2014. Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2022, or when the TIF Plan is satisfied. If increment is received in 2015, the term of the District will be 2023. The City reserves the right to decertify the District prior to the legally required date.

Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2011 for taxes payable 2012.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2013) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District will be the local tax rate for taxes payable 2012, assuming the request for certification is made after June 30, 2011 and before June 30, 2012. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. , and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Municipal Development District No. 2, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2013. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Estimated Tax Capacity upon Completion (PTC)	$131,250	
Original Estimated Net Tax Capacity (ONTC)	$117,828	
Estimated Captured Tax Capacity (CTC)	$113,423	
Original Local Tax Rate	119.475%	Pay 2011
Estimated Annual Tax Increment (CTC x Local Tax Rate)	$135,512	
Percent Retained by the City	100%	

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and has determined that no building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City

Subsection 2-9. Sources of Revenue/Bonds to be Issued

Public Improvement costs, acquisition, relocation, utilities, street and sidewalks, and site preparation costs and other costs outline in the Use of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to use other sources of revenue legally applicable to the City and the Plan, including but not limited to, special assessments, general property taxes, state aid for road maintenance and construction, proceeds from the sale of land, other contributions from the developer and investment income, to pay for the estimated public costs.

The City reserves the right to incur bonded indebtedness or other indebtedness as a result of the Plan. As presently proposed, the project will be financed by a pay-as-you-go note. Additional indebtedness may be required to finance other authorized activities. The total amount of bonded indebtedness or other indebtedness related to the use of tax increment financing will not exceed $900,000 without a modification to the Plan Pursuant to applicable statutory requirements.

This provision does not obligate the City to incur debt. The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City. The City may also finance the activities to be undertaken pursuant to the TIF Plan through loans from funds of the City or to reimburse the developer on a "pay-as-you-go" basis for eligible costs paid for by a developer.

The total estimated tax increment revenues for the District are expected to be approximately $1,250,000 as shown in the table below:

SOURCES OF FUNDS	TOTAL
Tax Increment	$1,215,000

The City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of $900,000. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or inter fund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

Subsection 2-10. Uses of Funds

Currently under consideration for the District is a proposal to facilitate the construction of a 105 unit Housing facility that offers congregate, assisted living and memory care services. The City has determined that it will be necessary to provide assistance to the project(s) for certain District costs, as described. The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES OF TAX INCREMENT FUNDS	TOTAL
Demolition	$ 12,000
Site Utilities	$118,000
Site Improvements	$365,000
Footings and Foundation	$300,000
Administrative Costs (up to 10%)	$120,000
PROJECT COST TOTAL	$915,000
Interest	$ 300,000
PROJECT AND INTEREST COSTS TOTAL	**$1,215,000**

For purposes of OSA reporting forms, uses of funds include inter fund loans, bond principal, TIF Note principal, and transfers, all in the principal amount of up to $900,000. These amounts are not cumulative, but represent the various forms of "bonds" included within the concept of bonded indebtedness under the TIF Act.

The total project cost, including financing costs (interest) listed in the table on the previous page does not exceed the total projected tax increments for the District as shown in Appendix D.

Estimated capital and administrative costs listed above are subject to change among categories by modification of the TIF Plan without hearings and notices as required for approval of the initial TIF Plan, so long as the total capital and administrative costs combined do not exceed the total listed on the previous page.

Further, the City may spend up to 20 percent of the tax increments from the District for activities (described in the table on the previous page) located outside the boundaries of the District but within the boundaries of the Project (including administrative costs, which are considered to be spend outside the District), subject to all other terms and conditions of this TIF Plan.

Appendix C

Description of Property to be Included in the District

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed below.

PARCEL NUMBERS	OWNER
31.3023.31.0104	Cascade Partners LP
13.30.23.31.0105	Southview Senior Living, LLC
13.30.23.31.0106	Cascade Partners LP
13.30.23.31.0058	Southview Senior Living, LLC

APPENDIX D

SOUTHVIEW SENIOR LIVING

City of Shoreview

Economic Development District - Temporary Authority

T.I.F. CASH FLOW ASSUMPTIONS		
District	**EXISTING Redevelopment District**	
Inflation Rate - Every _ Years	0.00%	
Pay-As-You-Go Interest Rate:	6.75%	
Note Issued Date (Present Value Date):	01-Aug-12	
Local Tax Rate - Frozen	119.4750%	**Pay 2011**
Fiscal Disparities Election (A - inside or B outside)	N/A	
Year District was certified	**Pay 2012**	
Assumes First Tax Increment For District	2014	
Years of Tax Increment	9	
Assumes Last Year of Tax Increment	2022	
Fiscal Disparities Ratio	N/A	
Fiscal Disparities Metro Wide Tax Rate	N/A	
Local Tax Rate - Current	119.4750%	
State Wide Property Tax Rate (Used for total taxes)	N/A	
Market Value Tax Rate (used for total taxes)	N/A	
Commercial Industrial Class Rate	1.5%-2.0%	
First 150,000	1.50%	
Over 150,000	2.00%	
Rental Class Rate	1.25%	**Pay 2011**
Residential Class Rate - Under $500,000	1.00%	
Over $500,000	1.25%	

BASE VALUE INFORMATION (Original Tax Capacity)								
PID	Land Market Value	Building Market Value	Total Original Market Value	Tax Year Original Market Value	Property Tax Class Rate	Original Tax Capacity	Tax rate After Conversion	After Conversion Orig. Tax Cap.
)104	213,700	0	213,700	2012	Rental	2,671	Rental	2,671
)105	997,000	0	997,000	2012	Rental	12,463	Rental	12,463
)106	55,700	0	55,700	2012	Rental	696	Rental	696
)058	104,800	55,000	159,800	2012	Res. Homestead	1,598	Rental	1,998
tals			1,426,200			17,428		17,828

PROJECT INFORMATION						
Use	Total Sq. Ft./Units	Est. Market Value Per Unit	Total Estimated Market Value	Property Tax Class Rate	Project Tax Capacity	Percentage Completed 2012
Southview Sr. Living	105	100,000	10,500,000	Rental	131,250	100%
TOTAL						

Note:

1. Market Value is based on comporable market values on similar projects owned by Developer

TAX CALCULATIONS						
Use	Total Tax Capacity	Local Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes
Southview Sr. Living	131,250	156,811	0	0	0	156,811
TOTAL	131,250	156,811	0	0	0	156,811

Note:

SOUTHVIEW SENIOR LIVING

CITY OF SHOREVIEW

ECONOMIC DEVELOPMENT DISTRICT - TEMPORARY AUTHORITY

TAX INCREMENT CASH FLOW					
Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10.00%	Semi-Ar Net T Increm
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
1.194750%	135,512	67,756	244	6,751	60,76
		67,756	244	6,751	60,76
		1,219,604	4,391	121,521	1,093,6
		903,009	3,251	89,976	809,7

ease over term of district

crement is paid in 2014.

s rates, construction schedule and inflation on Market Value.

es

PROPOSED MOTION

MOVED BY COUNCILMEMBER _____

SECONDED BY COUNCILMEMBER _____

to approve a 1.0% wage adjustment for all regular employees, to increase the City contribution for employee health insurance to $710 per month, to maintain the VEBA contribution amount at its current level, and to adopt the attached Job Classification System and Pay Plan effective December 24, 2011.

ROLL CALL: AYES_____ NAYS_____

HUFFMAN	_____	_____
QUIGLEY	_____	_____
WICKSTROM	_____	_____
WITHHART	_____	_____
MARTIN	_____	_____

Regular Council Meeting
December 19, 2011

v:\word\wage\2012WageAdjust

Memorandum

To: Mayor and City Council

From: Laurie D. Elliott, Human Resources Manager L. Elliott

Date: December 14, 2011

Re: 2012 Employee Compensation and Insurance Contribution

Introduction and Background

The City Council annually considers a wage adjustment to the City's job classification system and pay plan, as well as adjustments to the City's insurance contribution. These changes are included in the proposed 2012 budget, which is scheduled as a separate item on the Council agenda.

Insurance & VEBA Contribution

Insurance Premiums: In 2005 the City changed to a high deductible health insurance plan and implemented a VEBA (health reimbursement account) program. The City is currently insured by HealthPartners. Our rates are increasing next year by 15% due to a premium/claim loss ratio of 103%. (Claims were 103% of premiums collected.) This is a $131/month increase for family coverage and a $55/month increase for single coverage. While this is a large increase, we still have low claims and premiums overall when compared with the 23 other public sector organizations that work with our consultant. Ramsey County, who does not have a high deductible plan, has family premiums that are $763 per month higher and single premiums that are $319 higher than our new rates.

We experienced a 3.5% increase in our dental premiums for 2012, which equates to a $4 increase for family coverage and a $1 per month increase for singles.

City Insurance Contribution: Due to the significant increase in the health premium and the modest increase to the dental insurance premium, staff is recommending a $50 increase to the City insurance contribution level for 2012. This is less than half of the overall increase employees with family health and dental insurance will experience. This is included in the 2012 Budget and was previously discussed at budget workshop meetings.

VEBA: No changes are recommended for the 2012 VEBA contributions.

Wage Adjustment

A 1.0% wage adjustment was included in the proposed 2012 budget for all regular employees. We have been monitoring the wage changes being made by other cities. There is a wide range of adjustments from 0% up to 2.5% increases with most in the 1 - 2% range. This change was included in the proposed 2012 budget and discussed at a workshop meeting.

The proposed motion makes the wage increase effective on December 24, 2011 in conjunction with the start of a new pay period. This date is used because this is the pay period

the 2012 insurance premium amounts will be deducted from an employee's pay. The attached Job Classification and Pay Plan reflects this change.

Job Classification Plan Changes

One position has been eliminated for 2012, two positions are being added, two positions are being recommended for pay grade adjustments, and five job title changes are being recommended.

Position Eliminated: The Parks & Recreation Director is retiring at the end of this year and the position will not be filled. It is being eliminated as a cost saving measure. The duties from this position have been distributed primarily to the City Manager.

Positions Added: The Community Center is adding an entry-level position to coordinate and supervise the day-to-day activities in the Community Center. This position will allow a reduction in the number of associate employees and be funded through Community Center revenues, therefore it does not impact the general fund/tax levy.

The Administration Department is adding a Communications Coordinator position to further develop and implement City web-based communications, City website, *ShoreViews* City newsletter, and press releases. This position is funded through the general fund.

Pay Grade Adjustments: Staff has had an opportunity to review two positions and their pay grades this year. The first position is the Environmental Officer. The former Environmental Officer retired after over 30 years of experience with the City. Staff evaluated the City's current environmental needs and the skills required to meet those needs. It is recommended that the position be reclassified from Grade P16 to Grade P13. This position was filled earlier this year at this new pay grade.

The second position is the Asst. City Engineer. Over the past year this position has taken on the added responsibilities of managing the entire street renewal program, performing municipal state aid reporting, and supervising the Environmental Officer. Further, this individual has a PE license (Professional Engineer) and is able to certify plans and specifications. In addition, external market data from comparable cities and positions was reviewed. Based on this information it is recommended that the City Engineer position be reclassified from Grade P23 to Grade P24.

Job Title Changes: As explained above, the Asst. City Engineer position has had a number of changes to the position responsibilities. To better reflect the job responsibilities, the position in the organization, and the title that is typically used in the industry for this type of work, it is recommended that the Asst. City Engineer job title be changed to City Engineer.

The second job title change relates to a position that is being added. We currently have a Community Center Coordinator position that we would like to re-title Sr. Community Center Coordinator, so the new position described above can use the Community Center Coordinator job title. The Sr. Community Center coordinator has broader responsibilities than the new

position including managing the Wave Café concessions, hiring and training staff, managing inventory, etc.

The Human Resources Manager position is responsible for all human resources functions in the organization. The term Manager frequently indicates responsibility for a single human resources function (such as benefits or recruiting). For this reason it is recommended that the job title be changed to Human Resources Director to more accurately describe the breadth of the job duties.

The Community Center Guest Services Manager is responsible for the overall operation of the Community Center and its staff. It is recommended that the title be changed to Community Center General Manager. This title is more consistent with the position responsibilities and is the standard title in the fitness industry.

The last job title change being recommended is the Community Development Program Assistant. As this position has evolved over the years, including the SHINE program and rental housing inspections, the primary role has developed into housing and code inspections. For this reason it is recommended that the job title be changed to Housing & Code Enforcement Officer. This is the commonly used title for this type of work in local government.

The attached Job Classification and Pay Plan includes all of the above changes.

Recommendation

Based on the foregoing information it is recommended that the City Council approve the 1% wage adjustment to the Job Classification System, the $50/month increase in the City insurance contribution level, and the attached Job Classification and Pay Plan with the changes noted above, all effective December 24, 2011.

v:\word\wage\2010WageAdjust

City of Shoreview

2012 JOB CLASSIFICATION AND PAY PLAN

Effective December 24, 2011

		2011 Salary Range			2012 Salary Range		
Grade	Job Class	Step 1 (Start)	Step 6	Merit Max*	Step 1 (Start)	Step 6	Merit Max*
P16	Accountant	$ 49,223	$ 57,636	$ 63,543	$ 49,715	$ 58,212	$ 64,178
P11	Accounting Clerk I	38,737	45,359	50,007	39,124	45,813	50,507
P13	Accounting Clerk II	42,660	49,951	55,072	43,087	50,451	55,623
P13	Administrative Services Coord	42,660	49,951	55,072	43,087	50,451	55,623
P16	Associate Planner	49,223	57,636	63,543	49,715	58,212	64,178
P26	Asst. City Manager/Comm Dev Dir	92,589	111,589	122,747	93,515	112,705	123,974
P15	Asst. Community Center Manager	46,868	54,876	60,497	47,337	55,425	61,102
P05	Asst. Customer Service Rep	25,339	29,667	32,634	25,592	29,964	32,960
P23	Asst. Finance Director	71,394	86,046	94,649	72,108	86,906	95,595
P13	Asst. Mechanic	42,660	49,951	55,072	43,087	50,451	55,623
P19	Asst. to the City Manager	58,705	68,735	75,782	59,292	69,422	76,540
P11	Aquatics Coordinator	38,737	45,359	50,007	39,124	45,813	50,507
P15	Aquatics Supervisor	46,868	54,876	60,497	47,337	55,425	61,102
P22	Buildings & Grounds Supt	66,932	80,666	88,734	67,601	81,473	89,621
P14	Building Maintenance Technician	44,977	52,662	58,058	45,427	53,189	58,639
P21	Building Official	64,357	75,357	83,077	65,001	76,111	83,908
P24	City Engineer	76,970	92,768	102,044	77,740	93,696	103,064
P27	City Manager	113,705	-	137,537	114,842	-	138,912
P23	City Planner	71,394	86,046	94,649	72,108	86,906	95,595
P15	Communications Coordinator	46,868	54,876	60,497	47,337	55,425	61,102
P06	Communty Center Coord	27,746	32,485	35,734	28,023	32,810	36,091
P20	Comm Ctr General Manager	61,332	71,811	79,174	61,945	72,529	79,966
P14	Housing & Code Enf Officer	44,977	52,662	58,058	45,427	53,189	58,639
P08	Custodian	32,556	38,120	42,025	32,882	38,501	42,445
P07	Customer Service Representative	30,151	35,302	38,833	30,453	35,655	39,221
P13	Environmental Officer	42,660	49,951	55,072	43,087	50,451	55,623
P14	Exec. Secretary/Deputy Clerk	44,977	52,662	58,058	45,427	53,189	58,639
P26	Finance Director	92,589	111,589	122,747	93,515	112,705	123,974
	Heavy Equipment Operator	Pay is $1 per hour over the Maintenance Worker rate.					
P25	Human Resources Director	82,546	99,489	109,438	83,371	100,484	110,532
P15	Information Systems Analyst	46,868	54,876	60,497	47,337	55,425	61,102
P23	Information Systems Manager	71,394	86,046	94,649	72,108	86,906	95,595
P13	Lead Custodian	42,660	49,951	55,072	43,087	50,451	55,623
P20	Maintenance Supervisor	61,332	71,811	79,174	61,945	72,529	79,966
M05	Maintenance Worker	38,563	49,951	55,072	38,949	50,451	55,623
P15	Management Assistant	46,868	54,876	60,497	47,337	55,425	61,102
P14	Mechanic	44,977	52,662	58,058	45,427	53,189	58,639
P10	Office Technician	37,066	43,397	47,849	37,437	43,831	48,327
P26	Public Works Director	92,589	111,589	122,747	93,515	112,705	123,974
P23	Public Works Superintendent	71,394	86,046	94,649	72,108	86,906	95,595
P13	Recreation Program Coordinator	42,660	49,951	55,072	43,087	50,451	55,623
P20	Recreation Program Manager	61,332	71,811	79,174	61,945	72,529	79,966
P15	Recreation Program Supervisor	46,868	54,876	60,497	47,337	55,425	61,102
P11	Recreation Programmer	38,737	45,359	50,007	39,124	45,813	50,507
P10	Rental Coordinator	37,066	43,397	47,849	37,437	43,831	48,327
P11	Sr. Community Center Coord	38,737	45,359	50,007	39,124	45,813	50,507
P18	Senior Planner	55,522	65,009	71,675	56,077	65,659	72,392
P17	Senior Engineering Technician	52,899	61,941	68,286	53,428	62,560	68,969
P18	Senior IS Analyst	55,522	65,009	71,675	56,077	65,659	72,392

* Employees reach Step 6 after four years of service. The Merit Max column is 10% above the step 6 wage. In order to be eligible for Merit Pay, an employee must be at Step 6 for one year, have at least two years of total experience with the City, and a consistent performance rating of "exceeds expectations" or "distinguished performer." Merit can be awarded in increments of 1-5%.

h:\excel\JobClassification2012

PROPOSED MOTION

Moved by Council member _____

Seconded by Council member _____

To adopt the attached ordinance number 887 establishing a utility fee schedule effective January 1, 2012.

ROLL CALL:	AYES	NAYS
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Jeanne A. Haapala
Finance Director
December 19, 2011
Regular Council Meeting

TO: Terry Schwerm, City Manager
Mayor and City Council

FROM: Jeanne A. Haapala, Finance Director

DATE: December 5, 2011

RE: Utility Rate Adjustment

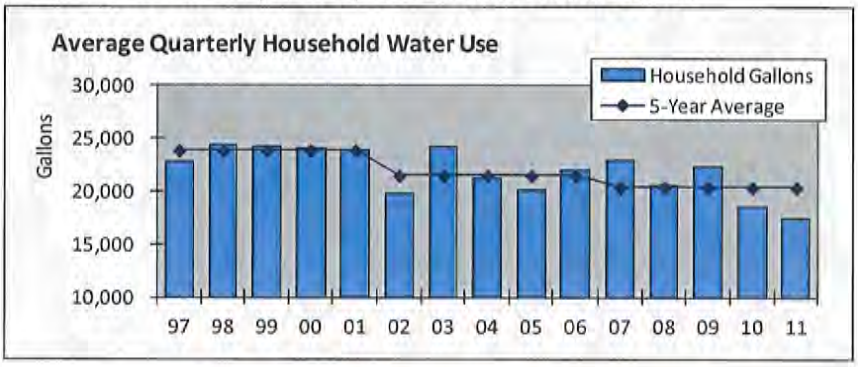
INTRODUCTION

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

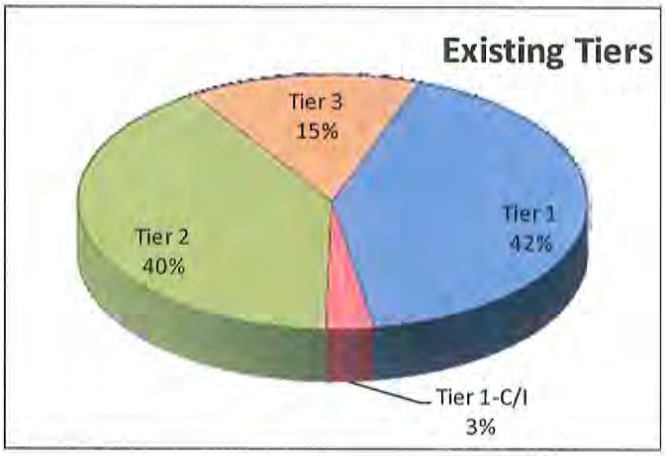
WATER OPERATIONS

In recent years it has become increasingly clear that a combination of weather (rainfall), an aging population, and changes in consumption habits have contributed to an overall decline in average water usage. Although the City expects variations in water consumption from year to year (due to rainfall fluctuations), the overall trend is toward reduced consumption levels.

Water Use Trends - Average quarterly water consumption by residential customers has been in a downward trend since the late 1990s. Average quarterly use for the years 1997 to 2001 was 23,842 gallons, and declined to 21,490 gallons (10% lower) in the years 2002 to 2006. In the last 5 years average quarterly use declined an additional 5% to 20,477 gallons.



Unfortunately, fewer gallons sold has little impact on operating costs because the primary water cost related to gallons sold is for electricity, which represents only 9% of Water Fund operating costs.



Gallons Billed by Tier - An examination of gallons billed by tier shows that 42% of water is billed at the lowest residential water tier. This makes it challenging to generate enough water revenue to cover operating costs.

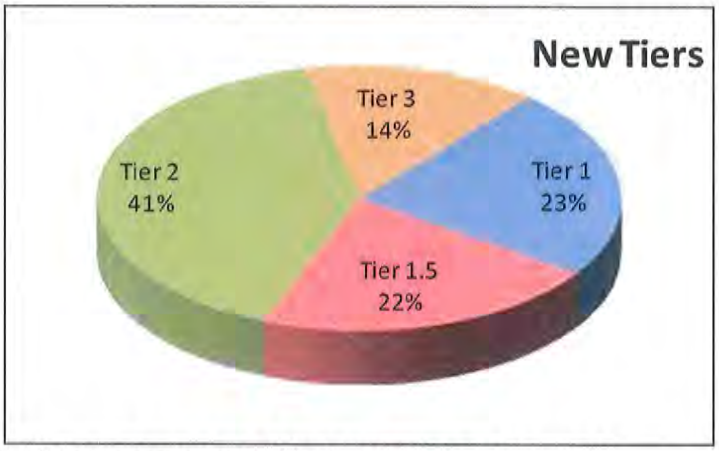
Water Rates - Despite a 7.5% water rate increase in 2010, and a 10% increase for 2011, water revenue has not caught up to operating costs and is expected to fall 8% below budgeted revenue. As a result, staff recommends a more aggressive change for 2012, to finally close the gap between water revenue and expense.

- Increase the water availability charge from $11 per quarter to $13 per quarter. This change will add a little certainty back into the water rate structure by generating an additional $85,000 of revenue that is not tied to water use.
- Decrease the gallons billed in tier 1 to 5 thousand gallons, and increase the tier 1 water rate by 3-cents per thousand gallons.
- Add a new water tier between the old residential tier 1 and 2, and bill the second 5 thousand gallons at $1.69 per thousand gallons (the same rate as the C/I tier 1 rate). This change shifts about 158,000 gallons from tier 1 to the new tier 2.
- Increase the old tier 2 rate (which now becomes tier 3) by 29-cents per thousand gallons.
- Increase the old tier 3 rate (which now becomes tier 4) by 59-cents per thousand gallons.

Residential						
2011 Rates			2012 Rates			
	Gallons	Rate		Gallons	Rate	Basis
Avail chg		$ 11.00	Avail chg		$ 13.00	Per unit
Tier 1	10,000	$ 1.01	Tier 1	5,000	$ 1.04	Per thousand gallons
	-		Tier 2	5,000	$ 1.69	Per thousand gallons
Tier 2	20,000	$ 2.05	Tier 3	20,000	$ 2.34	Per thousand gallons
Tier 3	remainder	$ 3.25	Tier 4	remainder	$ 3.84	Per thousand gallons

Commercial/Industrial						
2011 Rates			2012 Rates			
	Gallons	Rate		Gallons	Rate	Basis
Avail chg		$ 11.00	Avail chg		$ 13.00	Per unit
Tier 1	50,000	$ 1.54	Tier 1	50,000	$ 1.69	Per thousand gallons
Tier 2	1,150,000	$ 2.05	Tier 2	1,150,000	$ 2.34	Per thousand gallons
Tier 3	remainder	$ 3.25	Tier 3	remainder	$ 3.84	Per thousand gallons

The pie chart at right shows how gallons are redistributed in the proposed new tiers.



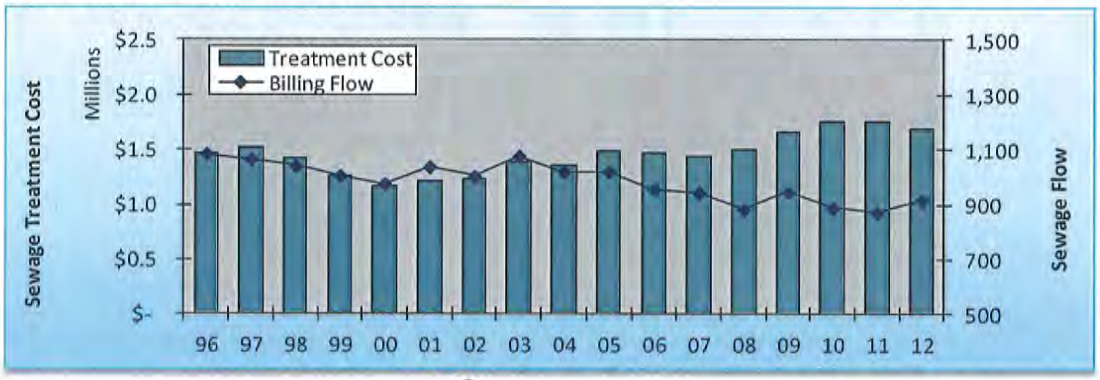
Base Gallons - For two decades the City has used a "base year" approach for estimating the gallons of water sold. The theory behind this approach is that it enables the City to set rates at levels that support operations, without allowing temporary fluctuations in revenue to increase the gallon projections. Unfortunately, declining water use (partly due to weather and partly due to changing consumption patterns) has become a trend rather than a temporary fluctuation. Even though the City has reduced base year gallon estimates in each of the last 3 years, water consumption has declined faster. For 2012 Water Fund projections assume another 8% drop in base year gallons (the gallons used to compute revenue estimates).

Water Projections - The water rates outlined on the previous page should sufficiently cover water costs next year at the new base gallon level, and are projected to generate a slight net profit for the year.

SEWER OPERATIONS

Sewage Flow - Sewage flow is metered by MCES on a quarterly basis, and is used to compute the City's sewage treatment bills in the following year. The table at right and the graph below show a history of sewage flow and treatment cost. It is important to note that sewage flow is impacted by water consumption as well as rainfall, because heavy extended periods of rain can increase groundwater infiltration. For 2012, a sewage flow decrease of 5% and a rate decrease of 8.5%, results in nearly a $65,000 reduction in sewage treatment costs for 2012.

Year	Billing Flow (millions)	Rate Per Million Gallons	Annual Cost (millions)
2005	1,019	$ 1,465	$ 1.492
2006	955	$ 1,543	$ 1.472
2007	943	$ 1,527	$ 1.438
2008	883	$ 1,697	$ 1.497
2009	945	$ 1,754	$ 1.657
2010	888	$ 1,981	$ 1.758
2011	871	$ 2,026	$ 1.764
2012	917	$ 1,854	$ 1.699



Sewer Rates - The reduction in sewage treatment costs means the City can hold sewer rates the same for 2012, which will help mitigate the impact of higher water rates. Recommended residential quarterly sewer rates are as follows (the same as in 2011):

Description		Avail Chg	Use Chg	Total Chg
Tier 1	< 5,000 gallons	$ 35.76	$ 15.11	$ 50.87
Tier 2	From 5,000 to 10,000 gallons	$ 35.76	$ 26.02	$ 61.78
Tier 3	From 10,000 to 20,000 gallons	$ 35.76	$ 39.90	$ 75.66
Tier 4	From 20,000 to 30,000 gallons	$ 35.76	$ 54.26	$ 90.02
Tier 5	More than 30,000 gallons	$ 35.76	$ 70.50	$ 106.26

Sewer Projections - The proposed sewer rates outlined above are projected to be sufficient to cover 2012 estimated operating costs, and generate a slight net profit for the year.

SURFACE WATER OPERATIONS

Surface Water Rates - Projected operating costs, debt payments, and capital costs indicate the need for a 10% adjustment to surface water rates for 2012. The single-family rate will increase $1.60 per quarter, the multi-family rate will increase $1.69 per quarter, and the rate for all other customers will increase $13.36 per acre per quarter.

Description	2011	2012	Basis
Single-family	$ 15.97	$ 17.57	Per unit
Multi-family	$ 16.92	$ 18.61	Per unit
All other	$ 133.58	$ 146.94	Per acre

Surface Water Projections - Despite the proposed surface water rates outlined above, projections indicate the Surface Water Fund will likely experience a slight loss for 2012, and are expected to generate a profit by 2013. Surface Water Fund cash balances are sufficient to offset the loss for one year.

STREET LIGHTING OPERATIONS

Street Lighting Rates - Estimated operating costs, substantially higher capital costs and low cash balances indicate the need for a larger adjustment to street lighting rates for 2012. The residential rate will increase $1.82 per unit quarter; the condominium, apartment and mobile home rate will increase $1.37 per unit per quarter; and the rate for all other customers will increase $5.47 per acre per quarter.

Description	2011	2012	Basis
Residential	$ 7.29	$ 9.11	Per unit
Condo,apartment and mobile home	$ 5.46	$ 6.83	Per unit
All other	$ 21.86	$ 27.33	Per acre

Street Lighting Projections – Despite the projected operating surplus for 2012, the Street Lighting Fund will likely experience a drop in cash balances for 2012 due to planned capital costs of $211,000.

IMPACT ON RESIDENTIAL CUSTOMERS

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

For the average residential customer (using an average of 17,500 gallons of water per quarter, and 12,000 gallons of in the winter) the total utility bill will increase $11.14 per quarter. The majority of the increase is for water charges.

Average User	2011	2012	Change
Water	$ 36.48	$ 44.20	$ 7.72
Sewer	75.66	75.66	-
Surface water	15.97	17.57	1.60
Street lighting	7.29	9.11	1.82
State fee	1.59	1.59	-
Total	$ 136.99	$ 148.13	$ 11.14

The next table shows the change in the utility bill for residential customers at 6 different usage levels. Customers with the lowest usage receive a smaller increase in cost than customers with higher usage levels. The second column of the table shows the percentage of residential customers that fall within each usage level.

Use Level	% of Homes	Water Gallons	Sewer Gallons	Total Utility Bill 2011	Total Utility Bill 2012	Change in Quarterly Bill	Percent Change
Very low	10%	5,000	4,000	$ 91.77	$ 97.34	$ 5.57	6.1%
Low	22%	10,000	8,000	$ 107.73	$ 116.70	$ 8.97	8.3%
Average	42%	17,500	12,000	$ 136.99	$ 148.13	$ 11.14	8.1%
Above avg	19%	25,000	22,000	$ 166.72	$ 180.04	$ 13.32	8.0%
High	5%	55,000	26,000	$ 258.22	$ 287.74	$ 29.52	11.4%
Very high	2%	80,000	34,000	$ 355.71	$ 399.98	$ 44.27	12.4%

SUMMARY

The operating projections contained in the Five Year Operating Plan (FYOP), also presented to the City Council with this agenda, were prepared based on the rate increases recommended in this memo. Staff recommends adoption of the attached proposed ordinance providing for increases in utility rates effective January 1, 2012. The ordinance will be published after adoption.

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CITY OF SHOREVIEW

ORDINANCE NO. 887

AN ORDINANCE DETERMINING A UTILITY FEE SCHEDULE FOR
THE CITY OF SHOREVIEW, EFFECTIVE JANUARY 1, 2012
OF THE CODE OF THE CITY OF SHOREVIEW

THE COUNCIL OF THE CITY OF SHOREVIEW ORDAINS:

Section 1. Pursuant to Minnesota Law, and the Shoreview City Code, and upon review and analysis of City Enterprise Funds, a fee schedule for City Utility Services is hereby adopted.

2012 Utility Fee Schedule

(a) The Code of the City of Shoreview establishes that certain fees be set from time to time by the Shoreview City Council.

(b) City staff has reviewed the current Utility Fee Schedule for the City of Shoreview and is hereby recommending that the 2012 Utility Fee Schedule, hereto attached as Exhibit A, be adopted.

(c) Upon consideration and review of the Shoreview City Council, the 2012 Utility Fee Schedule, hereto attached as Exhibit A, is hereby adopted and becomes effective January 1, 2012.

Section 2: This ordinance shall become effective one day after publication.

_____
Sandra C. Martin, Mayor

Adopted December 19, 2011
Published _____
Effective _____

EXHIBIT A
2012 UTILITY FEE SCHEDULE
QUARTERLY UTILITY RATES
CITY OF SHOREVIEW, MINNESOTA

Water Charges:

Single, multi-family, town home, condo, apartment, mobile home		
Water availability charge	$ 13.00	per unit
Water usage charge:		
Tier 1 - 5,000 gallons of water per unit	$ 1.04	per 1,000 gallons
Tier 2 - 5,000 gallons of water per unit	$ 1.69	per 1,000 gallons
Tier 3 - 20,000 gallons of water per unit	$ 2.34	per 1,000 gallons
Tier 4 - All remaining water	$ 3.84	per 1,000 gallons
Water standby - service available but not in use		
Water availability charge	$ 13.00	per unit
Lino Lakes, residential		
Markup above residential rates (per 1981 contract)	20.0%	accounts specified in contract
Water availability charge	$ 15.60	per unit
Water usage charge:		
Tier 1 - 5,000 gallons of water per unit	$ 1.25	per 1,000 gallons
Tier 2 - 5,000 gallons of water per unit	$ 2.12	per 1,000 gallons
Tier 3 - 20,000 gallons of water per unit	$ 2.81	per 1,000 gallons
Tier 4 - All remaining water	$ 4.61	per 1,000 gallons
Lino Lakes, residential		
Markup above residential rates (per 2002 contract)	25.0%	accounts specified in contract
Water availability charge	$ 16.25	per unit
Water usage charge:		
Tier 1 - 5,000 gallons of water per unit	$ 1.30	per 1,000 gallons
Tier 2 - 5,000 gallons of water per unit	$ 2.21	per 1,000 gallons
Tier 3 - 20,000 gallons of water per unit	$ 2.93	per 1,000 gallons
Tier 4 - All remaining water	$ 4.80	per 1,000 gallons
Commercial, industrial, hotel, motel, public institution, religious/charitable, residential irrigation-only accounts		
Water availability charge	$ 13.00	per account
Water usage charge:		
Tier 1 - First 50,000 gallons of water	$ 1.69	per 1,000 gallons
Tier 2 - Next 1,150,000 gallons of water	$ 2.34	per 1,000 gallons
Tier 3 - All remaining water	$ 3.84	per 1,000 gallons
North Oaks, commercial, public institution, religious/charitable		
Markup above commercial rates (per 1991 contract)	25.0%	North Oaks commercial center
Water availability charge	$ 16.25	per account
Water usage charge:		
Tier 1 - First 50,000 gallons of water	$ 2.11	per 1,000 gallons
Tier 2 - Next 1,150,000 gallons of water	$ 2.93	per 1,000 gallons
Tier 3 - All remaining water	$ 4.80	per 1,000 gallons
Automatic sprinkler system inspection charge		
Fireline	$ 6.00	per account

Sewer Charges:

Single, multi-family, town home, condo, apartment		
Sewer availability charge	$ 35.76	per unit
Sewer usage charge (based on winter water consumption per unit):		
Tier 1 - Up to 5 thousand gallons per unit	$ 15.11	per unit
Tier 2 - Between 5,001 and 10,000 gallons per unit	$ 26.02	per unit
Tier 3 - Between 10,001 and 20,000 gallons per unit	$ 39.90	per unit
Tier 4 - Between 20,001 and 30,000 gallons per unit	$ 54.26	per unit
Tier 5 - More than 30,000 gallons per unit	$ 70.50	per unit
Note: Winter readings are billed in February, March and April. Winter consumption is divided by units for multiple-unit buildings.		
Sewer standby - service available but not in use		
Sewer availability charge per unit	$ 35.76	per unit
Sewer only single-family and mobile home (availability and use charge combined)		
Sewer usage charge (middle residential tier)	$ 75.66	per unit
Lino Lakes, residential		
Markup above residential rates (per 1981 contract)	20.0%	accounts specified in contract
Sewer availability charge	$ 42.91	per unit
Sewer usage charge (based on per unit winter water consumption):		
Tier 1 - Up to 5 thousand gallons per unit	$ 18.13	per unit
Tier 2 - Between 5,001 and 10,000 gallons per unit	$ 31.22	per unit
Tier 3 - Between 10,001 and 20,000 gallons per unit	$ 47.88	per unit
Tier 4 - Between 20,001 and 30,000 gallons per unit	$ 65.11	per unit
Tier 5 - More than 30,000 gallons per unit	$ 84.60	per unit
Commercial, industrial, hotel, motel, public institution, religious/charitable		
Sewer availability charge	$ 35.76	per account
Sewer usage charge (based on current water consumption):		
All remaining water consumed	$ 3.82	per 1,000 gallons
Lino Lakes, commercial		
Markup above commercial rates (per 1981 contract)	20.0%	accounts specified in contract
Sewer availability charge	$ 42.91	per account
Sewer usage charge (based on current water consumption):		
All remaining water consumed	$ 4.58	per 1,000 gallons

Surface Water Management Charges:

Single-family		
Surface water charge:	$ 17.57	per unit
Multi family, town home		
Surface water charge:	$ 18.61	per unit
Condominium, apartment, mobile home, hotel, motel, commercial, industrial, public institution, religious/charitable		
Surface water charge:	$ 146.94	per acre
Parks		
Surface water charge:	$ -	per acre

Street Lighting System Charges:

Single, multi-family, town home		
Street lighting system charge	$ 9.11	per unit
Condominium, apartment, mobile home		
Street lighting system charge	$ 6.83	per unit
Hotel, motel, commercial, industrial, public institution, religious/charitable		
Street lighting system charge	$ 27.33	per acre
Parks		
Street lighting system charge	$ -	per acre

PROPOSED MOTION

MOVED BY COUNCIL MEMBER: _____

SECONDED BY COUNCIL MEMBER :_____

To adopt Resolution 11-104 ordering the abatement of an illegal accessory structure on Michael Morse's property at 1648 Lois Drive. The illegal accessory structure constitutes a public nuisance based on the following findings:

1. A building permit was not issued by the City authorizing the construction of the structure on the property as required per Section 212, Building and Fire Code, of the Development Code and Minnesota State Statutes Chapter 16B.59 to 16B.75.
2. The structure is not constructed with the minimum fire-resistance rating in accordance with the Building Code Section R302, Exterior Wall Location.
3. The unfinished condition of the structure violates Section 211.060 (A) Section 211.070 (C)(1)(4) of the Development Code.
4. The structure exceeds the maximum area permitted as stated in Section 205.082 (D)(5)(a)(ii) and Section 205.082 (D)(5)(a)(iii) of the Development Code.
5. The 2.3-foot side yard setback of the structure encroaches upon the minimum 5-foot side yard setback permitted as stated in Section 205.082 (D)(5)(b)(i) of the Development Code.
6. The exterior design and construction of the structure is in violation of Section 205.082 (D)(5)(e)(i)(ii)(iii) of the Development Code.

ROLL CALL:	**AYES** _____	**NAYS** _____
Huffman	_____	_____
Quigley	_____	_____
Wickstrom	_____	_____
Withhart	_____	_____
Martin	_____	_____

Regular City Council Meeting
December 19, 2011

*t:\2011/pcf/2424-11-17/12-19-11m*otion

TO: Mayor, City Council and City Manager

FROM: Kathleen Nordine, City Planner

DATE: December 15, 2011

SUBJECT: File No. 2424-11-17; Morse, 1648 Lois Drive – Nuisance Abatement Hearing – Illegal Accessory Structure

BACKGROUND

This past summer, the City became aware of a detached accessory structure being constructed on the property at 1648 Lois Drive without a Building Permit. A stop work order was issued on July 8, 2011 and the property owner, Michael Morse was notified of the City's requirements regarding building and land use permits. Upon further review, the City determined that the structure did not comply with the City's Development regulations for detached accessory structures on property zoned R-1, Detached Residential. In response, Mr. Morse submitted a variance application requesting variances from the City standards pertaining to the area, height and side yard structure setback requirements

The Planning Commission considered the variances at their July 26th and August 23rd meetings. The requests were denied with a 4 to 1 vote based on concerns regarding the area and height of the structure and setback to the western side property line. The decision was appealed to the City Council who held a hearing on September 19, 2011. The Council reviewed the appeal, upheld the Planning Commission's decision, thereby denying the appeal based on a determination that practical difficulty was not present. The Council made the following findings:

1. The request does not comply with the spirit and intent of the City's Development Code and Comprehensive Plan. The residential dwelling unit is no longer the dominant use or feature of the property because of the proposed size and height of the accessory structure.
2. Reasonable Manner. The proposed size and side yard setback of the garage is not reasonable for the property due to the lot characteristics and size of the home. The proposed 1,100 square foot structure has an area that is 91% larger than the maximum 576 square feet permitted.
3. Unique Circumstances. The unique circumstances are due to the applicant's personal storage needs and not a unique characteristic of the property. While the home is small and has limited expansion potential, a detached garage 576 square feet in size and small storage shed can be constructed on the property. The structure can be setback 5-feet from the side lot line in accordance with the Development Code.
4. Character of Neighborhood. The proposed structure dominates the property and detracts from the residential character of the property and neighborhood. The visual impact of the structure from the west side property line cannot be mitigated due to the 2.3-foot setback proposed.

File No 2424-11-17
1648 Lois Drive
Michael Morse

Mr. Morse was informed by letter dated September 21, 2011, that the property needed to be brought into compliance with the City's Development Code by November 1, 2011. An inspection on November 1 found that the structure remained. The structure has been modified, without obtaining the required permits, through the removal of the roof trusses, placement a blue tarps over the structure, and the installation of a garage door. A notice was subsequently mailed to Mr. Morse on November 2, 2011 informing him that the structure represents a public nuisance and if the structure was not removed by November 10, 2011, the City Council would hold a hearing on November 21st and consider an order to abate the nuisance conditions. This hearing was continued at Mr. Morse's request to December 19th City Council meeting. The structure remains on the property and is in violation of the City's ordinances.

PUBLIC NUISANCE

The illegal accessory structure constitutes a public nuisance due to the following:

1. A building permit was not issued by the City authorizing the construction of the structure on the property as required per Section 212, Building and Fire Code, of the Development Code and Minnesota State Statutes Chapter 16B.59 to 16B.75.
2. The structure is not constructed with the minimum fire-resistance rating in accordance with the Building Code Section R302, Exterior Wall Location.
3. The unfinished condition of the structure violates Section 211.060 (A) Section 211.070 (C)(1)(4) of the Development Code.
4. The structure exceeds the maximum area permitted as stated in Section 205.082 (D)(5)(a)(ii) and Section 205.082 (D)(5)(a)(iii) of the Development Code.
5. The 2.3-foot side yard setback of the structure encroaches upon the minimum 5-foot side yard setback permitted as stated in Section 205.082 (D)(5)(b)(i) of the Development Code.
6. The exterior design and construction of the structure is in violation of Section 205.082 (D)(5)(e)(i)(ii)(iii) of the Development Code.

ABATEMENT ORDER

Staff has prepared Resolution 11-104 ordering abatement of the hazardous structure for consideration by the City Council. The Order requires that the owner bring the property into compliance by removing or altering the structure and restoring the site in accordance with the City's Development Code no later than January 15, 2012.

If the corrections are not made within the time frame specified in the Order, staff will file a motion for summary enforcement with District Court, thereby authorizing the City to correct the conditions through the removal of the structure. The summary judgement will also seek to have the cost of correcting the nuisance condition be recovered by special assessment.

File No 2424-11-17
1648 Lois Drive
Michael Morse

STAFF RECOMMENDATION

The property owner has been notified and did not remedy the nuisance conditions. The owner was also informed that the City Council will hold this hearing at the December 19th Council meeting. Staff has inspected the property and observed that the illegal accessory structure remains and constitutes a public nuisance.

Staff recommends that Council hold the hearing, and adopt resolution 11-104 ordering abatement of the nuisance conditions. The Order specifies the corrections required to bring the property into compliance with the City's Development Code, as required by State Statute, and in accordance with the time prescribed by the City Council.

Attachments:

1) Motion
2) Location Map
3) Site Plan
4) Photos
5) Correspondence to property owner: September 21, 2011; November 2, 2011 and November 22, 2011
6) Resolution 11-104

T:/2011pccasefiles/2424-11-16 1648 Lois DriveMorse

EXTRACT OF MINUTES OF MEETING OF THE CITY COUNCIL OF SHOREVIEW, MINNESOTA HELD DECEMBER 19, 2011

* * * * * * * * * * * * *

Pursuant to due call and notice thereof, a meeting of the City Council of the City of Shoreview, Minnesota was duly called and held at the Shoreview City Hall in said City at 7:00 PM.

The following members were present:

And the following members were absent:

Member introduced the following resolution and moved its adoption.

RESOLUTION NO. 11-104
AN ORDER TO ABATE A PUBLIC NUISANCE

WHEREAS, Michael Morse is the owner of the following described property:

Lot 10, Block 5, subj to drainage easement, Edgetown Acres Plat, Ramsey County, Minnesota

(Commonly known as 1648 Lois Drive)

WHEREAS, the property owner of 1648 Lois Drive constructed a detached accessory structure without receiving the proper building and land use permits from the City of Shoreview; and

WHEREAS, the City notified the property owner by letter dated November 2, 2011 that the illegal accessory structure constitutes a public nuisance and does not comply with the regulations as stated in the City's Development Code, Chapter 200; and

WHEREAS, the property owner has not corrected the nuisance conditions as required; and

WHEREAS, the Shoreview City Council held a hearing on December 19, 2011. All persons present at said meeting were given an opportunity to be heard and present written statements. The Council also considered the recommendation of the City Staff that this order be issued; and

WHEREAS, this order was initiated pursuant to the City of Shoreview Municipal Code, Chapter 200, Development Regulations; and

WHEREAS, the City Council has found that the illegal accessory structure constitutes a public nuisance due to the following;

1. A building permit was not issued by the City authorizing the construction of the structure on the property as required per Section 212, Building and Fire Code, of the Development Code and Minnesota State Statutes Chapter 16B.59 to 16B.75.
2. The structure is not constructed with the minimum fire-resistance rating in accordance with the Building Code Section R302, Exterior Wall Location.
3. The unfinished condition of the structure violates Section 211.060 (A) Section 211.070 (C)(1)(4) of the Development Code.
4. The structure exceeds the maximum area permitted as stated in Section 205.082 (D)(5)(a)(ii) and Section 205.082 (D)(5)(a)(iii) of the Development Code.
5. The 2.3-foot side yard setback of the structure encroaches upon the minimum 5-foot side yard setback permitted as stated in Section 205.082 (D)(5)(b)(i) of the Development Code.
6. The exterior design and construction of the structure is in violation of Section 205.082 (D)(5)(e)(i)(ii)(iii) of the Development Code

NOW, THEREFORE, BE IT RESOLVED THAT THE SHOREVIEW CITY COUNCIL hereby adopts Resolution 11-104 to order the owner of the property at 1648 Lois Drive to abate the public nuisance conditions that now exist on the property, and to bring the property into compliance with the regulations of the City's Development Code, Chapter 200. The illegal accessory structure must be removed and the site restored or altered in accordance with the City's Development Code regulations, including Building Code requirements. Prior to the alteration or demolition of the structure, the property owner is required to obtain a building permit. Said costs to abate the structure will be assessed to the property.

IT IS FURTHER RESOLVED THAT in the interest of public health and safety, the corrections to the nuisance conditions shall be completed by January 15, 2012. Building Permits for the demolition or alteration of said structure must be obtained. The property must be brought into compliance with the Chapter 200 of the City's Development Code shall by January 15, 2012 as stated in this Order.

IT IS ALSO RESOLVED THAT this Order shall be served upon the property owner and posted on the property; and

THAT should the property owner fail to perform the work in accordance with the time schedule specified in this Order, the City may file with the District Court a motion for a summary enforcement of this Order.

The motion was duly seconded by Member and upon a vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Adopted this 19th day of December, 2011.

Sandra C. Martin, Mayor
Shoreview City Council

ATTEST:

Terry Schwerm, City Manager

SEAL
T:/2011pcf/2424-11-171648loisdrmorse

DISCLAIMER: This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only.

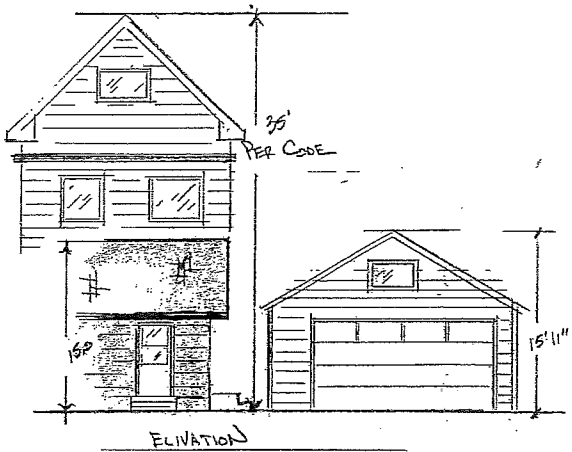
SOURCES: Ramsey County (July 5, 2011), The Lawrence Group;July 5, 2011 for County parcel and property records data; July 2011 for commercial and residential data; April 2009 for color aerial imagery; All other

MICHAEL MORSE - 1648 LOIS DRIVE - SHOREVIEW

8-29-11

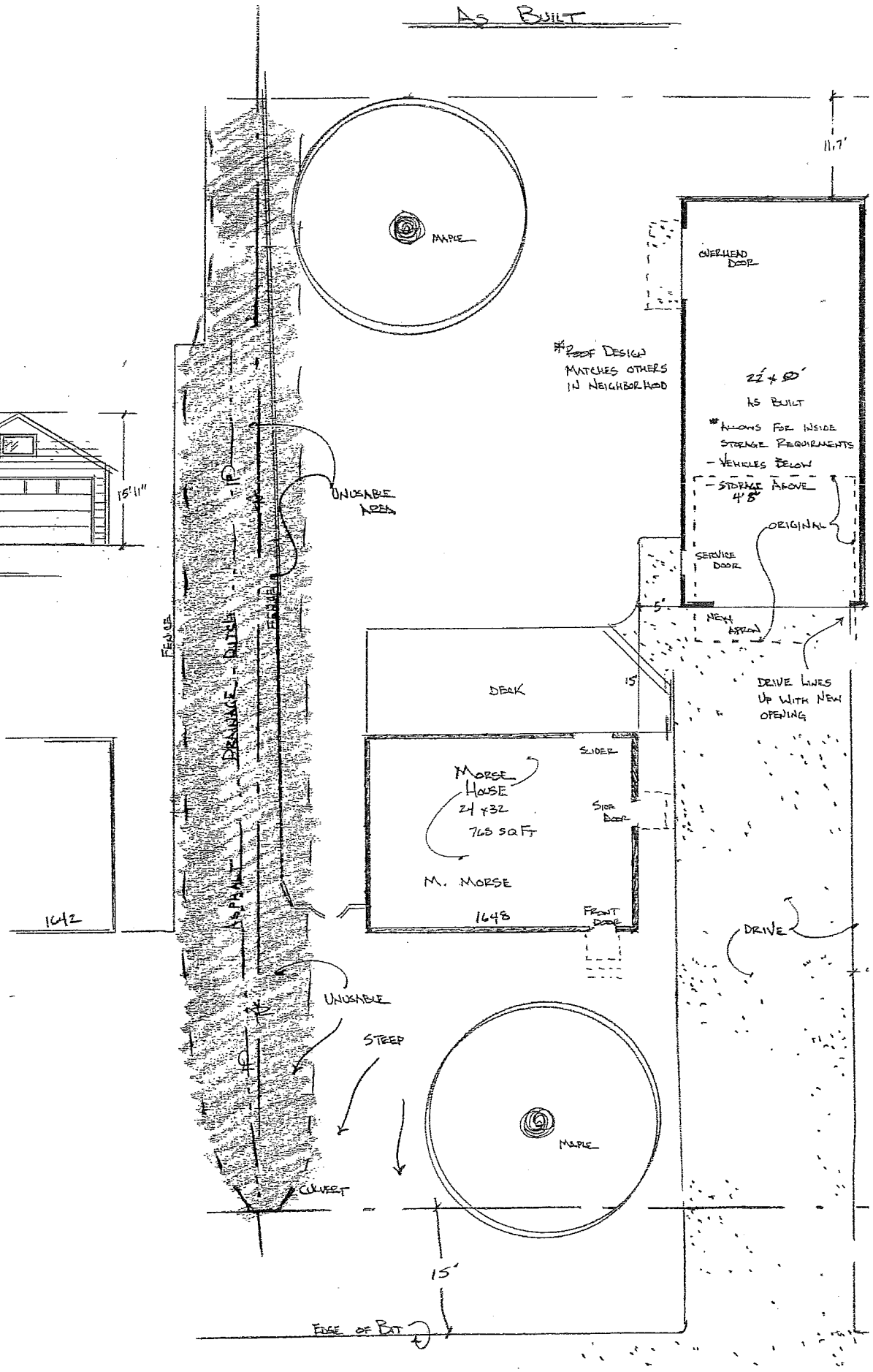
1/8" = 1'-0"

AS BUILT



ELEVATION

1/8" = 1'-0"



ACE

ACE

City Council:
Sandy Martin, *Mayor*
Blake Huffman
Terry Quigley
Ady Wickstrom
Ben Withhart

Shoreview

City of Shoreview
4600 Victoria Street North
Shoreview, MN 55126
651-490-4600 phone
651-490-4699 fax
www.shoreviewmn.gov

September 21, 2011

Mr. Michael Morse
1648 Lois Drive
Shoreview, MN 55126

Re: City Council Action - File No. 2424-11-17, Appeal - Variance – 1648 Lois Drive

Dear Mr. Morse:

At their September 19th meeting, the City Council reviewed your appeal to the Planning Commission's decision denying the following variances associated with the construction of a detached garage on your property, 1648 Lois Drive:

1. To exceed the maximum area permitted (75% of the dwelling unit foundation area or 750 square feet whichever is more restrictive) – The area of the structure is 1,100 square feet exceeding the maximum of 576 square feet permitted.
2. To exceed the combined area of all accessory structures on the property (90% of the dwelling unit foundation area or 1,200 square feet whichever is more restrictive) – The combined area of all accessory structures is 1,100 square feet exceeding the 691 square feet permitted.
3. To exceed the maximum 15-foot height permitted – height of 15'11" is proposed.
4. To reduce the required 5-foot setback from a side property line to 2.3 feet.

The Council considered the appeal and concluded the Planning Commission did not err in their decision denying the variances. The Council determined practical difficulty is not present based on the following findings:

1. The request does not comply with the spirit and intent of the City's Development Code and Comprehensive Plan. The residential dwelling unit is no longer the dominant use or feature of the property because of the proposed size and height of the accessory structure.
2. Reasonable Manner. The proposed size and side yard setback of the garage is not reasonable for the property due to the lot characteristics and size of the home. The proposed 1,100 square foot structure has an area that is 91% larger than the maximum 576 square feet permitted.
3. Unique Circumstances. The unique circumstances are due to the applicant's personal storage needs and not a unique characteristic of the property. While the home is small and has limited expansion potential, a detached garage 576 square feet in size and small storage shed can be constructed on the property. The structure can be setback 5-feet from the side lot line in accordance with the Development Code.
4. Character of Neighborhood. The proposed structure dominates the property and detracts from the residential character of the property and neighborhood. The visual impact of the structure from the west side property line cannot be mitigated due to the 2.3-foot setback proposed.

Please note that the stop work order for your project remains in effect. The structure must be removed or altered to bring the property into compliance with the City's Development Code. Any alteration or removal does require a building permit (see attached). The property must be brought into compliance by **November 1, 2011**, otherwise the City may seek legal remedies to resolve this matter. Please contact me at 651-490-4682 or knordine@shoreviewmn.gov if you have any questions regarding this matter.

Sincerely,

Kathleen Nordine
City Planner

Enc. Building Permit application

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City Council:
Sandy Martin, *Mayor*
Blake Huffman
Terry Quigley
Ady Wickstrom
Ben Withhart

Shoreview

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November 2, 2011

Mr. Michael Morse
1648 Lois Drive
Shoreview, MN 55126

Re: Illegal Accessory Structure, 1648 Lois Drive

Dear Mr. Morse:

In accordance with my previous letter to you dated September 21, 2011, you were required to remove or alter the illegal accessory structure on your property at 1648 Lois Drive and bring your property into compliance with the City's Development Code by November 1, 2011. An inspection found that this illegal accessory structure still remains on the property and has been altered by removing the roof trusses without receiving the proper City permits. In addition, a blue tarp has been placed over the structure and a garage door installed. This letter serves as notice that this illegal accessory structure represents a public nuisance; provides a time frame to correct the conditions; and identifies City actions that will result if the required corrections are not made.

Background

The City became aware of a detached accessory structure being constructed on the property without a Building Permit. A stop work order was issued on July 8, 2011. Upon further review, the City determined that the structure did not comply with the City's Development regulations pertaining to detached accessory structures on property zoned R-1, Detached Residential. In response, you submitted a variance application requesting variances from the City's standards pertaining to the maximum area and height permitted and minimum side yard structure setback required.

The Planning Commission considered the variances at their July 26th and August 23rd meetings. The request was denied with a 4 to 1 vote based on concerns regarding the area and height of the structure and setback to the western side property line. Denial was based on the following findings:

1. The request does not comply with the spirit and intent of the City's Development Code and Comprehensive Plan. The residential dwelling unit is no longer the dominant use or feature of the property because of the proposed size and height of the accessory structure.
2. Reasonable Manner. The proposed size and side yard setback of the garage is not reasonable for the property due to the lot characteristics and size of the home A one-story detached accessory structure with a maximum area of 576 square feet and a small storage shed could be constructed on the property at the required 5-foot setback.
3. Unique Circumstances. The unique circumstances are due to the applicant's personal storage needs and not a unique characteristic of the property. While the home is small and has limited expansion potential, a detached garage 576 square feet in size and small storage shed can be

constructed on the property. The structure can be setback 5-feet from the side lot line in accordance with the Development Code.

4. Character of Neighborhood. The structure dominates the property and detracts from the residential character of the property and neighborhood. The visual impact of the structure from the west side property line cannot be mitigated due to the 2.3-foot setback proposed.

You appealed this decision to the City Council who held a hearing on September 19, 2011. The Council reviewed your request, upheld the Planning Commission's decision thereby dening the appeal based on a determination that practical difficulty was not present. The Council made the following findings:

1. The request does not comply with the spirit and intent of the City's Development Code and Comprehensive Plan. The residential dwelling unit is no longer the dominant use or feature of the property because of the proposed size and height of the accessory structure.
2. Reasonable Manner. The proposed size and side yard setback of the garage is not reasonable for the property due to the lot characteristics and size of the home. The proposed 1,100 square foot structure has an area that is 91% larger than the maximum 576 square feet permitted.
3. Unique Circumstances. The unique circumstances are due to the applicant's personal storage needs and not a unique characteristic of the property. While the home is small and has limited expansion potential, a detached garage 576 square feet in size and small storage shed can be constructed on the property. The structure can be setback 5-feet from the side lot line in accordance with the Development Code.
4. Character of Neighborhood. The proposed structure dominates the property and detracts from the residential character of the property and neighborhood. The visual impact of the structure from the west side property line cannot be mitigated due to the 2.3-foot setback proposed.

In accordance with my letter to you dated September 21, 2011, you were required to bring your property into compliance with the City's Development Code by November 1, 2011. The structure remains on the property and is in violation of the City's ordinances.

Public Nuisance

The illegal accessory structure constitutes a public nuisance due to the following:

1. A building permit was not issued by the City authorizing the construction of the structure on the property as required per Section 212, Building and Fire Code, of the Development Code.
2. The structure is not constructed with the minimum fire-resistance rating in accordance with the Building Code Section R302, Exterior Wall Location.
3. The unfinished condition of the structure violates Section 211.060 (A) Section 211.070 (C)(1)(4) of the Development Code.
4. The structure exceeds the maximum area permitted as stated in Section 205.082 (D)(5)(a)(ii) and Section 205.082 (D)(5)(a)(iii) of the Development Code.
5. The 2.3-foot side yard setback of the structure encroaches upon the minimum 5-foot side yard setback permitted as stated in Section 205.082 (D)(5)(b)(i) of the Development Code.
6. The exterior design and construction of the structure is in violation of Section 205.082 (D)(5)(e)(i)(ii)(iii) of the Development Code.

This letter serves as notice that the structure constitute a public nuisance. The nuisance must be abated by removing the structure or altering the structure to bring the property into compliance with the provisions of the Development Code. All work to remove or alter the nuisance is subject to the permitting requirements of the City. The nuisance conditions identified must be corrected by **November 10, 2011**. Failure to abate the nuisance will result in abatement proceedings by the City.

Process

If this public nuisance has not been abated and the property brought into compliance with the City's Development Code by November 10, 2011, the City Council will hold a hearing on November 21, 2011 at 7.00 PM to consider an order to abate these nuisance conditions pursuant to Section 210.020 of the Municipal Code.

The hearing will be held in the City Council Chambers, City Hall, 4600 Victoria Street N., Shoreview. You have the right to attend and give testimony at this hearing. Be advised that the Council has the authority to order the structure's alteration or removal, with the costs of the abatement assessed to the property.

The City reserves its rights to pursue any and all remedies under law, including criminal and civil proceedings, to enforce regulations pertaining to building, housing, property maintenance, nuisance conditions and erosion and sediment control.

Your anticipated cooperation and prompt attention to this matter is appreciated. Contact me at 651-490-4682 if you have any questions.

Sincerely,

Kathleen Nordine
City Planner

c. Jerry Filla, City Attorney
Enc. Excerpts from the Development Code

Mailed Via USPS mail, Certified Mail (to address above); Emailed (crazymike01@hotmail.com) and posted on the property

Excerpts from the Development Code

205 Development Districts

205.082 Detached Residential District (R1)

(D) Required Conditions. In addition to the conditions of Section 205.080(D) (Residential Overview), the following conditions apply:

(5) Accessory Structures.

(a) Maximum Area.

(ii) Detached Accessory Structure:
a. Area shall not exceed the 75% foundation area of the dwelling unit or 750 square feet whichever is more restrictive.

(iii) The combined area of all accessory structures shall not exceed 90% of the dwelling unit foundation area or 1,200 square feet whichever is more restrictive.

(b) Minimum Setbacks

ii. Detached Accessory Structure

a. Side yard: 5 feet

(c) Exterior Design and Construction

(i) The exterior design and materials shall be compatible with the dwelling unit and be similar in appearance from an aesthetic, building material and architectural standpoint.
(ii) Unfinished metal building exteriors, including corrugated metal siding, untreated non-decay resistant wood, concrete block, cloth, plastic sheeting and other materials that are not compatible with residential neighborhoods are prohibited.
(iii) All accessory buildings shall maintain a high standard of architectural and aesthetic compatibility with surrounding properties to ensure that they will not adversely impact the surrounding properties and neighborhood.

211 Property Maintenance

211.060 General Property Maintenance.

(A) All structures, buildings, fences and landscaping shall be maintained so as to prevent unsightliness, health hazards, or unsafe conditions.

211.070 Housing Code

(C) Exterior Structures. The exterior of residential dwellings and accessory structures in the City shall comply with the following standards:

(1) Foundations, Walls and Roofs. Every foundation, exterior wall, roof and all other exterior surfaces shall be maintained in a workmanlike state of maintenance and repair:

(a) The foundation elements shall adequately support the building at all points.
(b) Exterior walls shall be free of holes, breaks, loose or rotting boards or timbers, falling or loose stucco or brick, substantial amounts of peeling paint and any conditions which might admit moisture, rodents and pests to the interior portions of the walls or to the interior spaces of the structure.
(c) The roof structure and all of its components shall be tight and have no defects which admit water. Roof drainage shall be adequate to prevent water from causing dampness or deterioration in the walls or interior portion of the structure. Roof materials shall be compatible in color and style.
(d) Non-decay resistant wood shall be finished with an approved protective coating.

(4) General. The exterior of all residential dwellings and accessory structures shall be maintained in good repair, structurally sound and sanitary so as not to pose a threat to the public health, safety or welfare. All exterior surfaces, including, but not limited to, siding, doors, door and window frames, porches, trim, soffits and fascia, eaves and gutters, balconies, decks and fences shall be maintained in good condition.

212 Building and Fire Code

212.010 Building Code.

(A) Adoption of Minnesota State Building Code. The Minnesota State Building Code, as adopted by the Minnesota Commissioner of Administration, pursuant to Minnesota Statutes Chapter 16B.59 to 16B.75 including any optional chapter hereinafter specifically adopted; and including all amendments, rules and regulations established, adopted and published from time to time by the Minnesota Commissioner of Administrator through its Building Codes and Standards Division is hereby adopted by reference and incorporated as if fully set forth herein, and shall be known as the Shoreview Building Code.

210 Nuisance

210.010 Nuisance.

(A) Public Nuisance Prohibition. A person must not act, or fail to act, in a manner that is or causes a public nuisance. For purpose of this ordinance, a person that does any of the following is guilty of maintaining a public nuisance:

(1) Annoys, offends, injures, or endangers the health, comfort, repose, morals, decency, peace, or safety of any considerable number of members of the public; or

(2) Unlawfully interferes with, obstructs, or renders dangerous for passage a public waterway, park, square, street, alley, highway, or any other public property or right of way; or

(3) Depreciates the value of the property of a considerable number of members of the public; or

(4) Is declared to be a nuisance by any provision of this code, any statute, or regulation.

(B) The following are hereby declared to be public nuisances affecting health and safety:

(1) Certain ponds, pools and accumulation of stagnant water.

(2) Accumulation of refuse or debris.

(3) The pollution or contamination of any well or cistern, stream, lake, canal, or body of water by sewage, or industrial waste or other substance.

(4) Of noxious weeds as defined in Minnesota Rules, parts 1505.0730, 1505.0732, and 1505.0740.

(5) Accumulation in the open of discarded or disused machinery, household appliances, and furnishings, automobile bodies, or other material, in a manner conducive to the harboring of rats, mice, snakes or vermin, or the rank growth of vegetation among the items so accumulated, or in a manner creating fire, health or safety hazards from such accumulations.

(6) All dangerous unguarded machinery, in any public place, or so situated or operated on private property as to attract the public.

(7) Ice, snow, or rainwater to fall from any building or structure upon any public street or sidewalk, or to direct any rainwater or water from ice melt or snow melt so as to flow across any public sidewalk.

(8) Any well, hole or excavation left uncovered or in such other condition as to constitute a hazard to a child or other person, being or coming upon the premises where the same is located.

(9) Hazardous buildings, subject to the provision of State Statute 463.16.

(10) Privy vaults and garbage cans which are not rodent-free or fly tight, or which are so maintained as to constitute a health hazard or to emit foul and disagreeable odors.

(11) Dense smoke, noxious fumes, gas, soot or cinders in unreasonable quantities.

(12) Any offensive trade or business as defined by statute not operating under local license.

(13) All trees, hedges, billboards, or other obstructions, which prevent people from having a clear view of all traffic approaching an intersection.

(14) All wires and limbs of trees, or other objects that are so close to the surface of a sidewalk, trail or street as to constitute a danger to pedestrians or vehicles.

(15) Obstructions and excavations affecting the ordinary public use of streets, alleys, sidewalks, trails or public grounds, except under conditions permitted by this ordinance or other applicable law.

(16) Any barbed wire fence located less than six (6) feet above the ground and within three (3) feet of a public sidewalk or way.

(17) Wastewater cast upon or permitted to flow upon streets or other public property.

(18) Obstruction to the free flow of water in a natural waterway or public stormwater system, gutter or ditch with trash or other materials.

(19) The depositing of garbage or refuse on a public right-of-way or on adjacent private property.

(20) Any other health or safety nuisance as declared by the City Council.

(C) Enforcement. The provisions of this regulation shall be enforced by the City's law enforcement agency or by such other officers, employees, or agents as designated by the City Council. Such officers, employees, or agents shall have the power to inspect private premises in accordance with law, and take all reasonable precautions to prevent the commission or maintenance of public nuisances. The provisions of this regulation for the abatement of nuisances shall be in addition to any other penalty or remedy provided by this code, by county ordinance, or by state statute or regulation.

210.020 Abatement Procedure.

(A) Procedure. Except as otherwise provided in Section 210.020 (C) or 210.020 (D), whenever the officer charged with enforcement determines a public nuisance is being maintained or exists on a premise in the City, the officer shall notify in writing the owner of record or occupant of the premises of such fact and order that the nuisance be terminated and abated. The notice of violation shall specify the steps to be taken to abate the nuisance and the time within which the nuisance is to be abated. If the notice of violation is not complied with within the specified time, the official shall report that fact to the City Council. Thereafter, the City Council may, after notice to the owner or occupant and an opportunity to be heard, determine that the condition identified in the notice of violation is a nuisance and order that if the nuisance is not abated within the time prescribed by the City Council, the City may seek injunctive relief by serving a copy of the Council Order and a Notice of Motion for Summary Enforcement or, obtain an administrative search warrant for access to the premises or property has been denied, and abate the nuisance. In those cases where the nuisance has been recurring and can be abated by reasonable maintenance procedures, the City Council's order to abate shall be effective for up to two (2) years.

(B) Notice. Written notice of the violation, notice of the time, date, place and subject of any hearing before the City Council; notice of the City Council Order; and Notice of Motion for Summary Enforcement hearing shall be served by a peace officer or a designated official on the owner of record or occupant of the premises, either in person or by certified or registered mail. If the premise is not occupied, the owner of record is unknown, or if the owner of record or occupant refuses to accept notice, notice of the violation shall be served by posting it on the premises.

(C) Emergency Procedure/Summary Enforcement. In cases of an emergency where delay will permit a continuing nuisance to unreasonably endanger public health, safety or welfare, the City may order summary enforcement and abate the nuisance.

To proceed with summary enforcement, the officer or designated official shall determine that a public nuisance exists or is being maintained on the premise in the City and that the delay in abatement will unreasonable endanger public health, safety or welfare. The officer or designated official shall make a reasonable attempt to notify in writing the occupant or owner of the premises of the nature of the nuisance, whether public health, safety or welfare will be unreasonably endangered by delay in abatement required to complete the procedures set forth in subdivision 210.020(A) and may order that the nuisance be immediately terminated or abated. If the nuisance is not immediately terminated or abated, the City may order summary enforcement and abate the nuisance.

(D) Immediate Abatement. Nothing in this section shall prevent the City, without notice or other process, from immediately abating any condition that poses an imminent and serious hazard to human life or safety.

(E) Judicial Remedy. Nothing in this section shall prevent the City from seeking a judicial remedy when no other adequate administrative remedy exists.

210.030 Recovery of Cost.

(A) Record of Abatement Cost. The City Manager or his/her designee shall keep a record of the costs of abatements, including administrative costs, done under this ordinance and shall report monthly all work done to the appropriate officer for which assessments are to be made, stating and certifying the description of the land, lots, parcels involved and the amount assessable to each.

(B) Personal Liability. The owner of premises on which a nuisance has been abated by the City, or a person who has caused a public nuisance on property not owned by that person shall be personally liable for the cost of the abatement, including administrative costs. As soon as the work has been completed and the cost determined, the City Clerk or other City official shall prepare a bill for the cost and mail it to the owner. Thereupon, the amount shall be immediately due and payable at the City's administrative office.

(C) Assessment. After notice and hearing as provided in Minnesota Statutes Section 429.061, as it may be amended from time to time, if a nuisance is a public health or safety hazard on private or public the City Clerk shall, on or before September 1 next following abatement of the nuisance, list the total unpaid charges along with all other such charges as well as other charges for current services to be assessed under Minnesota Statutes, Section 429.101 against each separate lot or parcel to which the charges are attributable. The City Council may then spread the charges against the property under the provisions of Minnesota statutes Section 429 and any other pertinent Statutes for certification to the County Auditor and collection along with current taxes the following year or in annual installments, not exceeding ten, as the City Council may determine in each case.

City Council:
Sandy Martin, *Mayor*
Blake Huffman
Terry Quigley
Ady Wickstrom
Ben Withhart

Shoreview

City of Shoreview
4600 Victoria Street North
Shoreview, MN 55126
651-490-4600 phone
651-490-4699 fax
www.shoreviewmn.gov

November 22, 2011

Mr. Michael Morse
1648 Lois Drive
Shoreview, MN 55126

Re: City Council Action - File No. 2424-11-17, Abatement of a Public Nuisance

Dear Mr. Morse:

At their November 21st meeting, the City Council continued the nuisance abatement hearing to their **December 19, 2011** meeting at your request. At this meeting, the City Council will hold the hearing at **7:00 pm** to consider an order to abate the nuisance conditions pertaining to the illegal detached accessory structure on your property at 1648 Lois Drive. Attached you will find a copy of my November 2, 2011 correspondence to you regarding this matter.

The hearing will be held in the City Council Chambers, City Hall, 4600 Victoria Street N., Shoreview. You have the right to attend and give testimony at this hearing. Be advised that the Council has the authority to order the structure's alteration or removal, with the costs of the abatement assessed to the property.

Please know that the City still reserves its rights to pursue any and all remedies under law, including criminal and civil proceedings, to enforce regulations pertaining to building, housing, property maintenance, nuisance conditions and erosion and sediment control.

You may contact me at 651-490-4682 or via email at knordine@shoreviewmn.gov if you have any questions.

Sincerely,

Kathleen Nordine
City Planner

c. Jerry Filla, City Attorney

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