

An aerial photograph of a city street scene. In the foreground, a blue and white tram is visible on a track. Behind it, several multi-story brick buildings with many windows line the street. A parking lot with several cars is visible in the middle ground. The background shows more city buildings under a clear sky.

Office of Financial Services

Presentation of 2026 Budget Proposal to City Council



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Photo courtesy of

Agenda

- Executive Summary
- 2025 Budget Recap
- Updates on Recent Initiatives
- 2026 Proposed Changes
- Budget History
- Spending Summary
- FTEs Summary
- Unfilled Positions
- ARPA Projects Update
- Revenue Changes and Outlook
- Questions & Discussion





Executive Summary

Mission: Champion the financial health of the City and its residents while facilitating organizational effectiveness.

2026 Goals and Priorities

- Prioritize staff development, succession planning, and hiring goals.
- Advance innovation and efficiency with a Citywide Finance Manual, ACFR timeliness, electronic payments, and process/policy documentation.
- Support long-term planning by departments for grant-funded projects.
- Shift to priority-based budgeting.

Changes from 2025

- General Fund increase: \$34,257
 - Reducing 1 FTE, shifting 1.5 FTE to special funds.
 - Inflationary increases for salaries, adjustments to services and attrition.



2025 Budget Recap

- Accountant V shifted from special to General Fund, supports Citywide grants, staffed.
- Financial Capability Program Manager shifted from grant to General Fund, staffed (OFE).
- Events and Festivals Grant program added \$90,000 for a program total of \$155,000 General Fund, which is unspent.
- Attrition budget increased by \$96,469, totaling \$307,643.
- Climate Initiatives: funded with new franchise fee revenue in special fund, supporting 1 FTE Climate Action Coordinator and Power of Home program.
- OFS is overseeing the Citywide efforts to limit spending for the remainder of 2025 in response to immense fiscal pressures this year.



Updates on Recent Initiatives

- Grants Division
 - 4 FTEs added in 2024 and 2025 budgets; fully staffed
 - Supported \$27.5M in department-led grant submissions and \$73.1M in Federal earmark submissions in 2025.
 - Delivered \$1.1M in 2025 General Fund relief through cross-departmental grant spenddown planning.
 - Led immediate response to Federal funding freeze and conducted contingency planning with departments on Federal funding scenarios.
 - Maintained Federal compliance and met reporting deadlines amid cyber incident.
- Electronic Payments Project Achievements
 - Implemented PaymentWorks, onboarded 1,753 vendors to system, of which 80% receive electronic payments.



2026 Proposed Changes

General Fund	Amount	FTE	Frequency
Current service level adjustments	327,209	-	Ongoing
Remove attrition adjustment	113,036	-	Ongoing
Shift Fleet Manager and Business Support Manager to Special Funds	(299,828)	(1.5)	Ongoing shift
State of MN Paid Leave	16,194	-	Ongoing
Remove vacant Accounting Clerk I	(72,354)	(1.0)	Ongoing
Reduce general professional services	(50,000)	-	Ongoing
Total	34,257	(2.50)	Ongoing



2026 Proposed Changes

Fund 710 Central Service	Amount	Frequency
Grants Management Software	\$115,000	Ongoing
Priority-Based Budgeting Consultant	\$100,000	One-time
Facilities Management Study	\$100,000	One-time
Total	\$315,000	



History of Budget to Actual – General Fund

<u>Year</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance (\$)</u>	<u>Variance (%)</u>
2021	5,143,422	4,744,729	(398,693)	-8%
2022*	23,734,957	22,940,075	(794,882)	-3%
2023	4,072,461	3,725,423	(347,038)	-9%
2024	4,826,594	4,073,723	(752,871)	-18%
2025 (as of 10/20)	5,086,220	3,513,078	(1,573,142)	-45%

* One-time funds budgeted in OFS to transfer to Debt Fund for debt defeasance.

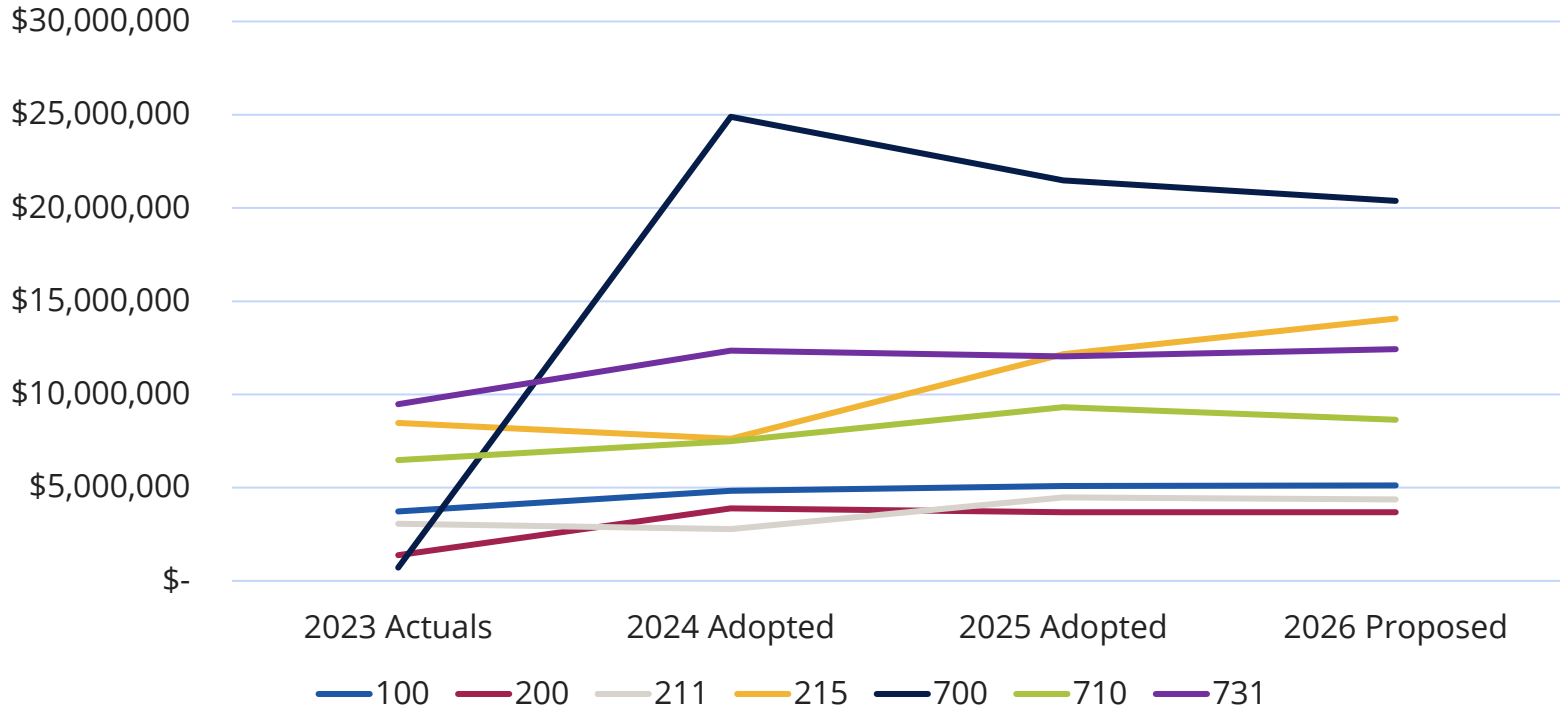


Budget Summary by Fund

	2023 Actuals	2024 Adopted	2025 Adopted	2026 Proposed	Change from 2025 (\$)	Change from 2025 (%)
100	3,725,423	4,826,594	5,086,220	5,120,477	34,257	1%
200	1,381,366	3,889,812	3,684,524	3,684,524	0	0%
211	3,070,741	2,779,561	4,477,874	4,377,729	(100,145)	-2%
215	8,471,806	7,624,165	12,160,479	14,066,981	1,906,502	16%
700	714,381	24,888,374	21,475,065	20,375,065	(1,100,000)	-5%
710	6,479,331	7,492,826	9,317,305	8,634,477	(682,828)	-7%
731	9,477,688	12,355,961	12,034,093	12,427,765	393,672	3%
TOTAL	33,320,735	63,857,293	68,235,560	68,687,018	451,458	1%



Budget Summary by Fund





FTEs Summary

<u>Fund</u>	<u>2022 Adopted</u>	<u>2023 Adopted</u>	<u>2024 Adopted</u>	<u>2025 Adopted</u>	<u>2026 Proposed</u>	<u>Change from 2025</u>
100	28.75	27.95	30.95	33.30	30.80	(2.50)
200	1.00	1.00	3.00	1.50	2.00	0.50
211	-	-	-	1.00	1.00	0.00
710	20.25	21.25	24.25	24.25	24.25	0.00
731	32.00	32.00	32.30	32.20	33.70	1.50
Total	82.00	82.20	90.50	92.25	91.75	(0.50)

OFS also has 2.45 FTEs in the Debt Service Fund and 1 FTE in GGA that appear separately in the budget. This totals 95.2 FTEs.



FTEs – Unfilled Positions

Position	FTE	Approx. Date	Current Status
Accounting Clerk I	1.00	2/15/25	Reduced in the 2026 Proposed Budget
OFS Director	1.00	5/16/25	Interim Director filling role until posted/hired
Management Assistant IV	1.00	3/5/24	Vacant while Interim Director in place
Program Administrator	1.00	6/6/25	Reduced in OFS budget in 2026, budget reallocated for Data Practices FTEs in CAO



Update on ARPA Funded Projects and Activities

- Electronic Payments
 - Budget: \$1,061,300; Obligated: \$650,188
 - Purpose: supports consulting and implementation for PaymentWorks, electronic payment option with US Bank, Merchant Card RFP, and PCI Qualified Security Assessor.
- Grant Matching
 - Budget: \$360,000; Obligated: \$85,000
 - Purpose: supports matching requirements for grants the City receives. Remaining funds support Public Works grant matching requirements for the CMAQ grant supporting EV Spot Network, and will be fully spent.
- City Payroll
 - Budget: \$846,748; Obligated: \$653,300
 - Purpose: supports increased grant management, payroll, reporting, and legal needs with pandemic-era Federal aid, and has phased off over time. Remaining funds support grant administration, payroll, and annual financial reporting, and will be fully spent.



Revenue Trends, Changes, and Outlook

Special Fund Revenues

- 215: Assessments
 - Revenue generated by special assessments varies based on projects; recent increases for ash tree removal and transfer for LOST projects.
- 700: Internal Borrowing
 - Revenue comes from loan repayment and varies based on need/usage of internal borrowing.
- 710: Central Service
 - Charges to City funds (General and Special funds) for internal services including Finance and Technology costs, varies depending on service costs.
- 731: OFS Fleet
 - Revenue is generated from fees charged to Parks and Public Works for use of Fleet Services, steady for several years.



Questions & Discussion



Appendix



Responsibilities and Performance Measurement

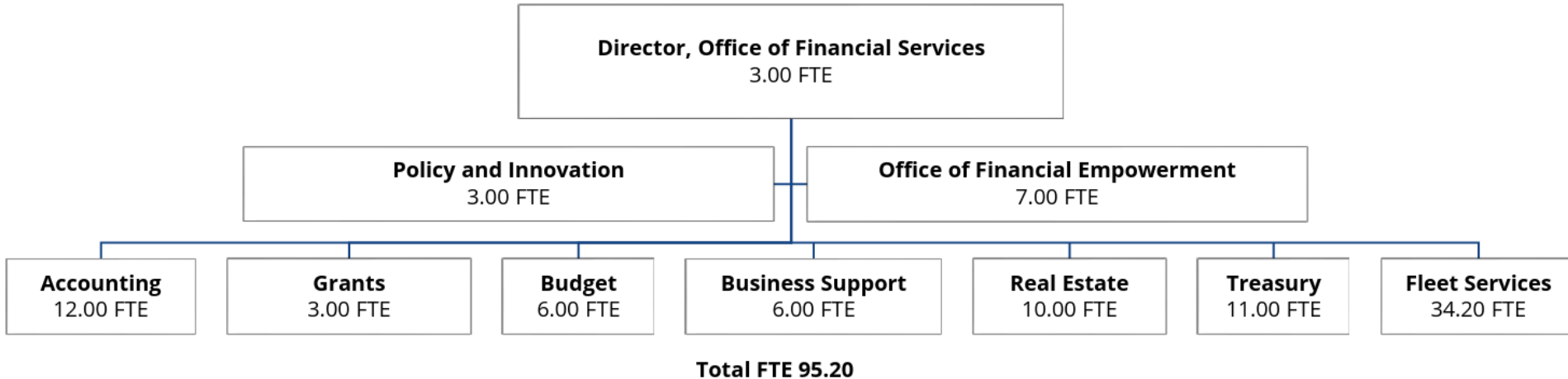
OFS manages the core financial functions and physical assets for the City through our teams:

- Accounting
- Budget
- Business Support
- Fleet
- Grants
- Office of Financial Empowerment
- Real Estate
- Treasury

Outputs and outcomes measured in various ways, including outside professional reviews (ex: AAA rating, GFOA Certificate of Achievement in Annual Financial Reporting), average days to respond to Business Support tickets, and successful grant applications and spending.



Org Chart





Personnel Budget, General Fund

Expenses	2025 Adopted	2026 Proposed	\$ Change	% Change
Salaries and Wages	3,446,256	3,510,035	63,779	2%
FICA Medicare	261,918	266,989	5,071	2%
Pension	256,969	261,754	4,785	2%
Active Employee Insurance	546,302	524,988	-21,314	-4%
Other Benefits	149,691	182,861	33,170	22%



Services Budget, General Funds

Expenses	2025 Adopted	2026 Proposed	\$ Change	% Change
General Professional Services	240,962	190,962	(50,000)	-21%
Delivery Services	16,453	16,453	-	0%
Data Print Services	5,718	5,718	-	0%
Internal Charges	3,465	2,231	(1,234)	-36%
Mileage and Parking	3,112	3,112	-	0%
Machinery and Equipment Repair	5,533	5,533	-	0%
Travel and Training	34,121	34,121	-	0%
Communications Services	133	133	-	0%



Materials & Supplies Budget, General Funds

Expenses	2025 Adopted	2026 Proposed	\$ Change	% Change
Computer Material and Supplies	76,192	76,192	-	0%
Paper and Forms	918	918	-	0%
Office Equipment and Furniture	5,000	5,000	-	0%
General Office Supplies	15,199	15,199	-	0%
Building Repair Supplies	17,778	17,778	-	0%
Gen Materials and Supplies	500	500	-	0%

Capital Improvement Budget (CIB) Agenda

Overview / Executive Summary

- Capital Improvement Budget and Committee
- Budget Process
- Major Revenue Sources

2026 Proposed Budget

- Department Process Year
- CIB Bond Recommendations
- CDBG Recommendations

Current and Upcoming Processes

- 2025 Capital Maintenance Process
- 2026 Community Proposal Process





Capital Improvement Budget

Capital Improvement Budget

How the City funds the construction and maintenance of infrastructure

- Physical improvements to facilities and infrastructure, adopted annually, funding decisions on two-year cycle
- \$30-70 million annually

Primarily funds projects in:

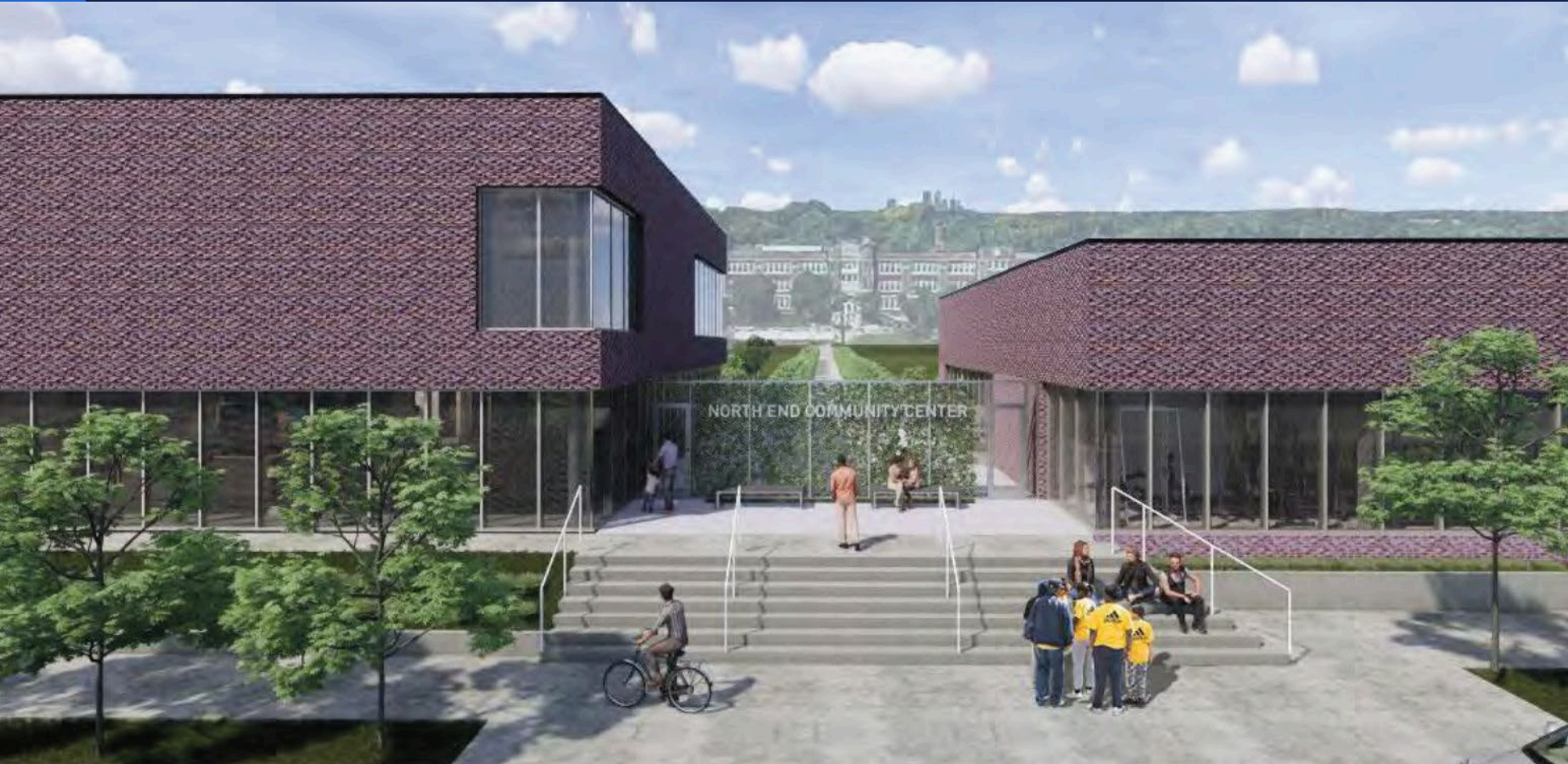
- Public Works
- Parks
- PED
- Libraries
- Public Safety

Available at stpaul.gov/budget
or Saint Paul Open Budget Site





North End Community Center Roof Raising







Fire Station 7 Groundbreaking



GLEN STUBBE, STAR TRIBUNE





Capital Improvement Budget Committee

Capital Improvement Budget Committee

Advisory committee established in State Law, City Charter and Administrative Code

- 18 members, Appointed by Mayor
- Appointed based on Senate District, 3-year appointments
- Always seeking new members

Funding Processes

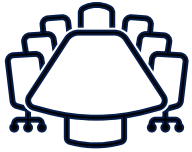
- Budget Amendments
- City-Wide Long-Term Capital Maintenance
- CIB Bond Project Ranking
 - Community Projects
 - Department Projects
- CDBG Project Review





CIB Budget Process

Annual Budget Process



January – June: Capital Improvement Budget Committee

The CIB Committee reviews and recommends budgets for the following two fiscal years. The committee recommendation letter is submitted to the Mayor annually by June 30th.



August: Mayor's Proposed Budget

The Mayor proposes capital (and operating) budgets to the City Council and residents annually by August 15th.



December: Adopted Budget

During the fall, the City Council reviews the Mayor's proposed budgets and holds public hearings. In mid-December, the Council adopts a final capital improvement budget for the next fiscal year and approves a tentative budget for the year after.



CIB Budget Process

Capital Improvement Bonds

Year One: City Department Projects

In the spring of the odd-numbered years: a working group composed of representatives from City departments and the CIB Committee begin to review project proposals and 5-year plans submitted by City departments. As part their review, the working group shares the list of potential projects with the community for input. When project review is completed, the working group forwards their project and plan recommendations to the CIB Committee. The Committee reviews, discusses, and holds a public meeting on the recommended plans.

Year Two: Community Proposed Projects

During even-numbered years, the process begins with the Mayor announcing City priorities for the coming budget year. The City and CIB Committee begin recruiting applications from the community. In the spring of the even-numbered year, the working group screens submitted applications for eligibility. All eligible proposals present to the CIB Committee. Online polling provides additional data that the CIB Committee may use while considering which projects to recommend.



CIB Committee: Additional Funding Review Processes

Capital Maintenance

In the fall of the odd-numbered years: a working group composed of representatives from City departments and the CIB Committee review proposals submitted by departments for Capital Maintenance projects. Funded by Capital Improvement Bonds.

Community Development Block Grant

During the spring of odd-numbered years, the CIB Committee reviews proposals for CDBG funding. These proposal are submitted by community groups and City departments. Project review and funding recommendations are completed by the committee, CDBG funds are managed by PED, and community groups work with PED after funding is awarded.



Capital Improvement Budget

Major Revenue Sources

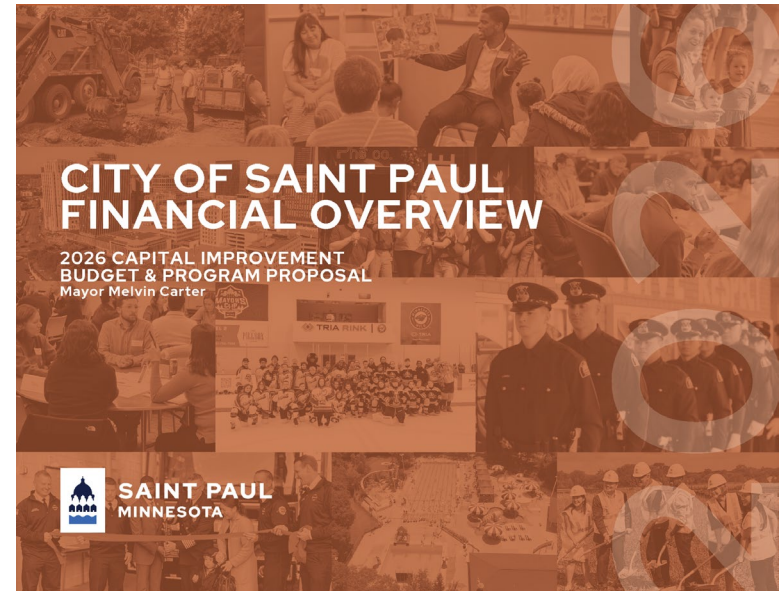
Local General Obligation Bonds

Capital Improvement, Public Safety, Library and Street Reconstruction Bonds.

- **City general obligation debt:** backed by the government's taxing ability, ex. property taxes
- **Capital projects on city property, with a useful life of at least 10 years**

Municipal State Aid (MSA)

- **Saint Paul's share of the state gas tax,** for maintenance, and/or reconstruction of roads
- **Can only be used on designated MSA routes:** About 20% of the streets within the city limits of Saint Paul are designated as MSA routes and most are major arterials.





Capital Improvement Budget

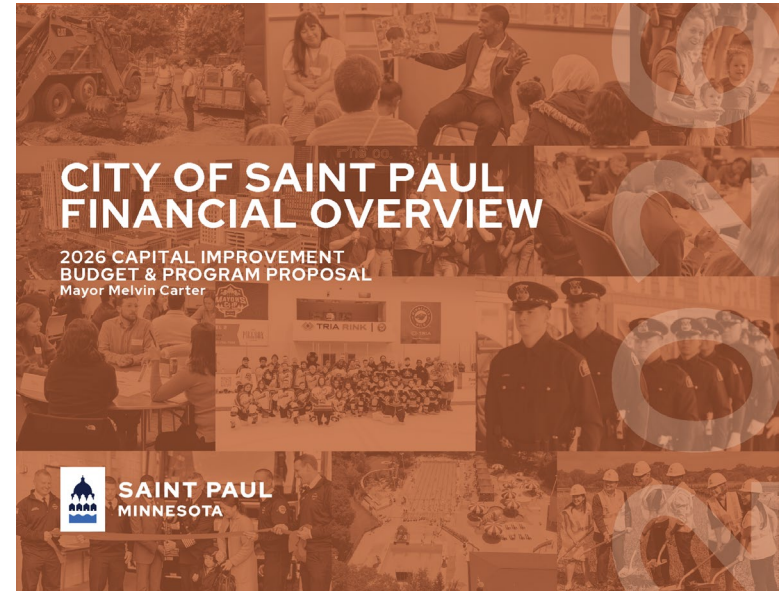
Major Revenue Sources

Saint Paul Streets Program

- Funded through bonds plus assessments to owners of benefiting property: Street Improvement Bonds (SIB) or Street Reconstruction Bonds
- Residential and arterial streets

Other

- Sales Tax
- State aid (in addition to MSA)
- Federal grants (in addition to CDBG)
- Other City financing tools
- Special revenue bonds, library bonds, capital notes, public safety bonds, city sales tax revenue, private donations, and other flexible city funding





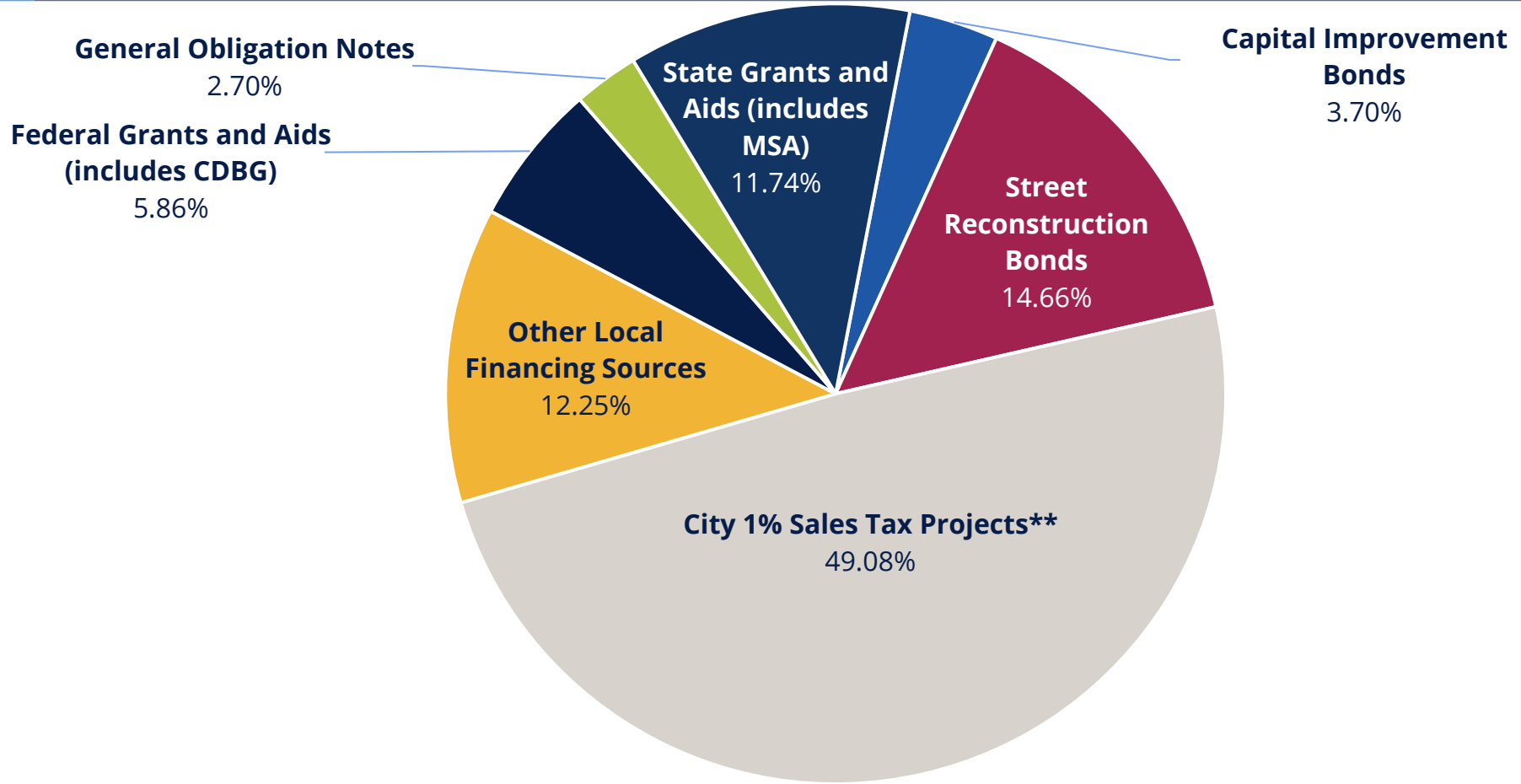
Capital Improvement Budget

Major Revenue Sources- Project Budgets

	2025 ADOPTED	2026 PROPOSED	% of CIB Budget
Local Financing Sources			82.40%
Capital Improvement Bonds	4,147,000	3,916,000	3.70%
Street Reconstruction Bonds	22,350,000	15,500,000	14.66%
City 1% Sales Tax Projects	55,259,625	51,900,000	49.08%
Other Local Financing Sources	13,716,319	15,812,919	14.95%
State and Federal Grants and Aids			17.60%
Municipal State Aid	11,354,000	10,976,000	10.38%
Community Development Block Grant	4,000,000	4,000,000	3.78%
Other State and Federal Grants and Aids	7,978,000	3,639,400	3.44%



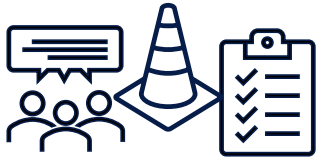
2026 Proposed Project Revenue Sources





CIB Budget Process

Capital Improvement Budget Year One: City Department Projects



City Departments draft 5 – year capital plans



Capital Workgroup uses data and engagement to create Citywide 5-Year Plan



Capital Improvement Budget Committee holds a public hearing, and recommends project priorities for 2-year funding cycle by June 30th



Mayor's Proposed Budget is submitted by mid-August,
Council Adopted Budget by December 31st



5-Year CIB Budget: 2022-2026

	2022 Amended	2023 Adopted	2024 Adopted	2025 Adopted	2026 Proposed	Total
Capital Improvement Bonds	11,852,000	22,369,000	4,546,000	4,147,000	3,916,000	46,830,000
Annual Programs*	3,916,000	3,916,000	3,916,000	4,147,000	3,656,000	19,551,000
Additional Deferred Maintenance	6,147,000	17,853,000	-	-	-	24,000,000
Parks Department Projects	640,000					640,000
Public Works Department Projects	1,149,000	600,000	630,000		260,000	2,639,000
Additional Department Projects (Bond Type)						
Hamline Midway Library (Library Bonds)	1,000,000	7,169,000	-	-	-	8,169,000
North End Community Center (Sales Tax Bonds)	5,000,000	13,100,000	-	-	-	18,100,000
Fire Station 7 (Sales Tax Bonds)	1,147,000	6,853,000	-	-	-	8,000,000
TOTAL CIB, LIBRARY, AND SALES TAX BONDS	18,999,000	49,491,000	4,546,000	4,147,000	3,916,000	81,099,000

2021 Department Process: 5-Year Plan

- “Front-loaded” budgets to fund highest priority projects in the first two of five-year period
- No department project review process in 2023
- Annual Programming in 2025 and 2026 updated from original plan established in 2021



2026 Proposed Budget Process

City Department Projects and Capital Improvement Plan

Proposals

All proposals available on stpaul.gov/CIB. Requests fell into 3 categories:

- **Annual Programs:** Programs which receive funding annually, not proposals for a specific location, but are instead, programs which are critical to department mission.
- **2027 Department Projects:** Individual and one-time projects proposed by departments for the 2027 budget year
- **2028 – 2031 Capital Improvement Plan Projects:** projects proposed by departments for funding years 2028 – 2031, these proposals will create the tentative 5-year Capital Improvement Plan and will be further reviewed as part of the process set to occur in 2027.

CIB Recommendations / Priorities

CIB Recommendation letter to the Mayor available on the CIB process page.

- Annual Programs prioritized but changed from previous years- scheduled when used, rather than budgeting same amount each year to build up funds for high-cost programs.
- Existing projects and facilities prioritized in this process



Capital Improvement Bonds

Annual Programs	2025 Adopted	2026 Proposed	2027 Tentative
Asphalt Restoration and Replacement Program	250,000	250,000	250,000
Children's Play Area Improvements	231,000	-	251,000
CIB Bond Sale Costs	130,000	130,000	130,000
CIB Contingency	150,000	150,000	150,000
Citywide Long-Term Capital Maintenance Program	1,500,000	1,500,000	1,500,000
Citywide Stairway Repair and Replacement Program	250,000	-	-
Citywide Tree Planting Program	330,000	330,000	300,000
Community Proposals	500,000	500,000	500,000
Outdoor Court Restoration Program	236,000	236,000	250,000
Park and Library Capital Asset Revitalization	200,000	200,000	200,000
Parks Grant Prep/Preliminary Design Program	20,000	20,000	20,000
Pedestrian and Traffic Safety Program	225,000	225,000	250,000
Railroad Crossing Safety Improvements Program	10,000	-	-
Signalized Intersection Safety Improvements Program	115,000	115,000	125,000



Capital Improvement Budget Committee

Transforming Libraries

Hayden Heights - \$3,550,000

sppl.org/transforming-libraries/hayden-heights/

Riverview- \$784,000

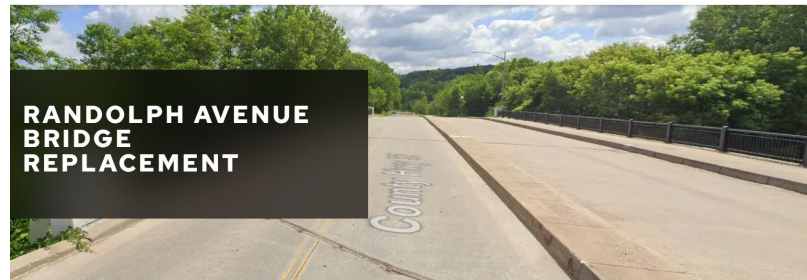
sppl.org/transforming-libraries/riverview/



Randolph Bridge- \$3,000,000

stpaul.gov/projects/public-works/pw2022randolphbridge

- Originally funded in 2021
- Remaining funding to complete project.





2026 Proposed Budget Process

Capital Improvement Committee Funding Recommendations

Community Development Block Grant (CDBG)

A federal program that provides grants to states and local governments for community and economic development activities that benefit low- and moderate-income persons. These funds are used for a wide range of activities, including housing rehabilitation, public services, economic development, and slum or blight elimination.

Proposals reviewed and funding recommended for 2026 – 2027 funding years.



Community Development Block Grant (CDBG)

Project Name	Ward	Organization	2026 Proposed	2027 Tentative
Community Organizations				
10 Home Restorations in St Paul	Citywide	Hearts and Hammers	10,000	10,000
Business Investment Fund	6	East Side NDC	250,000	250,000
East Side Home Improvement Revolving Loan Fund	2, 5, 6, 7	Dayton's Bluff Neighborhood Housing Services	500,000	500,000
East Side Homeownership Initiative	2, 5, 6, 7		480,000	480,000
Hmong Community Center	1	Hmong 18 Council	100,000	-
Saint Paul Home Repair Loan Fund	Citywide	NeighborWorks	85,000	185,000
City Department Projects				
Baker Park Play Area	2	Parks	-	650,000
Citywide 30% AMI Housing Program	Citywide	PED	300,000	300,000
Conway Park Play Area	7	Parks	650,000	-
Housing Real Estate Multi-Unit Development Fund	Citywide	PED	500,000	500,000
Ryan Park Play Area	1	Parks	650,000	-
Acquisition Fund for Community Investments	Citywide	PED	300,000	300,000
Vacant & Hazardous Building Demolition	Citywide	DSI	175,000	175,000
West Minnehaha Play Area	1	Parks	-	650,000



CIB Budget Process

Current and Future Processes

Current: 2026 – 2027 Capital Maintenance

The Capital Planning Team is currently meeting and will bring forward their recommendations to the CIB Committee by the end of this year. The recommendations of the CIB Committee will then go to the Mayor and City Council.

Capital Maintenance Status Updates provided in separate document.

Next: 2026 – 2028 Community Proposed Projects

The next process to occur will be the 2026 Community Proposal Process, with applications due in March of 2026. The process is being built based on audit committee findings and CIB Committee priorities and will be sent to Council and District Council offices when finalized.



CIB Resources

Overview and Process Detail Links

- [2026 Proposed Capital Improvement Budget](#)
- [2026 – 2027 Department Process Overview](#) (all proposals)
- [2026 CIB Recommendation Letter to the Mayor](#)
- [Community Proposal Process Overview](#)

Supplemental Update Documents (following presentation)

- 2025 Capital Project Status Update Report and Summary
- 2025 Capital Maintenance Status Update Report and Summary

Questions?



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Debt

- Debt Outstanding
- Debt Model
- Upcoming Sales
- Potential Refundings





Bonding & Debt

- Essentially, an IOU
 - Bond issuer agrees to repay the principal—the original amount borrowed—along with interest to investors
 - Issued by states, cities, counties and other governmental entities
- General Obligation Bonds and Notes
 - Repaid by the property tax debt levy (CIB, Saint Paul Streets and M&O program)
- Revenue Bonds and Notes (Sales Tax, Parking, Sewer, Water, Recycling and Solid Waste Funds)
 - Utility fund revenues



Outstanding Debt Portfolio

(as of August 2025)

City Debt Summary Table

General Obligation Bonds

General Obligation Tax Levy	\$ 191,465,000
General Obligation Levy (Library)	6,730,000
General Obligation Special Assessment	49,890,000
General Obligation Tax Increment	2,295,000
Subtotal	<u>\$ 250,380,000</u>

Revenue Bonds

Lease Payments	\$ 2,067,000
Special Assessment Revenue	6,172,000
Water Revenue	185,866,000
Sewer Revenue	94,495,000
Sales Tax	92,045,000
Subtotal	<u>\$ 380,645,000</u>

Total	<u><u>\$ 631,025,000</u></u>
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Debt Model

Spending	2026	2027	2028	2029	2030
Fund 300 Total Existing Debt Service	35,370,099	34,117,709	31,485,659	28,809,439	26,850,240
Future Debt Service on Planned issuance	958,300	3,286,370	6,155,507	9,024,644	11,893,781
Authorized, Unissued Future Debt Service	1,954,007	1,954,007	1,954,007	1,954,007	1,954,007
Total Debt Service (Existing + Future)	38,282,405	39,358,085	39,595,172	39,788,090	40,698,028
Administration	986,552	1,004,215	1,022,321	1,040,879	1,059,901
Total Subsequent Year Debt service	18,760,760	19,554,614	19,317,175	19,158,557	18,843,866
Total Expenditures	58,029,717	59,916,914	59,934,668	59,987,525	60,601,794
Financing					
Property Tax Budget	25,715,868	27,215,868	28,715,868	30,215,868	31,715,868
Other Revenue	13,553,089	13,146,432	11,901,625	10,613,100	10,042,060
Use of Fund Balance - Subsequent Year	18,760,760	19,554,614	19,317,175	19,158,557	18,843,866
Total Financing	58,029,717	59,916,914	59,934,668	59,987,525	60,601,794
<i>Property Tax Budget</i>	25,715,868	27,215,868	28,715,868	30,215,868	31,715,868
Property Tax Proposed Budget Increase	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000



Ongoing Debt Levy Need

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Debt Levy Increase	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0
Total Debt Levy	\$25,715,868	\$27,215,868	\$28,715,868	\$30,215,868	\$31,715,868	\$33,215,868	\$34,215,868	\$35,215,868	\$36,215,868	\$36,215,868



2025 Debt Issuance

Issued

- \$17,640,000 G.O Various Purpose Bonds
- \$35,475,000 G.O. Street Reconstruction and Refunding Bonds
- \$10,500,000 Sewer Revenue Bonds

In Progress

- \$28,000,000 PFA Note (McCarron's Water Treatment Plant) - Closing end of December
- \$7,500,000 PFA Note (Lead Service Line Replacement Project) – Closing end of October



2026 Proposed Debt Issuance

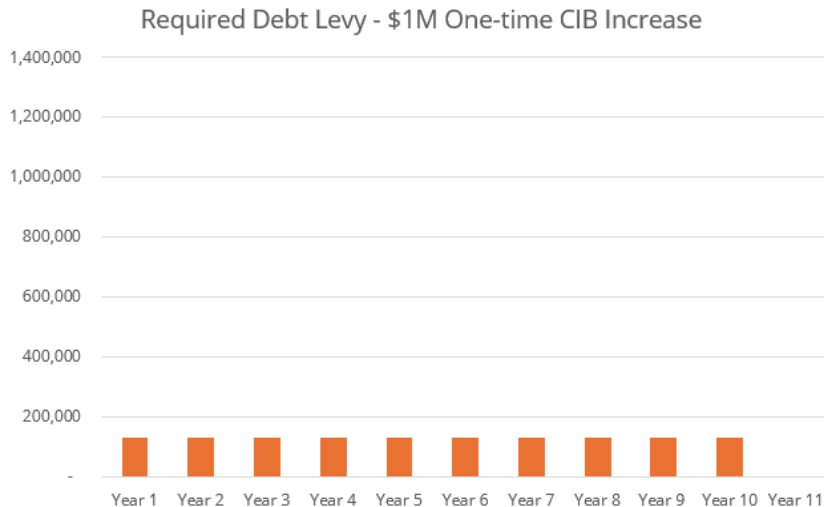
- \$10,710,000* G.O. Capital Improvement Bonds (routine annual issuance and unissued)
- \$2,000,000* G.O. Capital Notes (routine annual issuance)
- \$15,500,000* G.O. Street Reconstruction Bonds (routine annual issuance and unissued, now includes \$3,500,000 Mill and Overlay)
- \$6,955,000* Sewer Revenue Bonds
- \$4,500,000* PFA Note (McCarron's Water Treatment Plant)
- \$7,500,000* PFA Note (Lead Service Line Replacement)

*Preliminary, subject to change

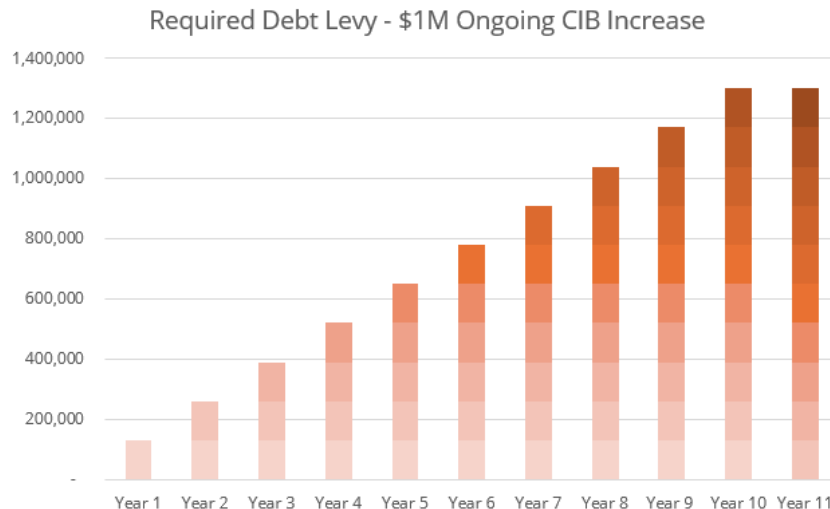


CIB Bonding Increases

- \$1 million one-time: \$130,000 increase to the debt levy (for 10 years)



- \$1 million ongoing: \$1.3 million increase to the debt levy (after fully phased in at year 10)





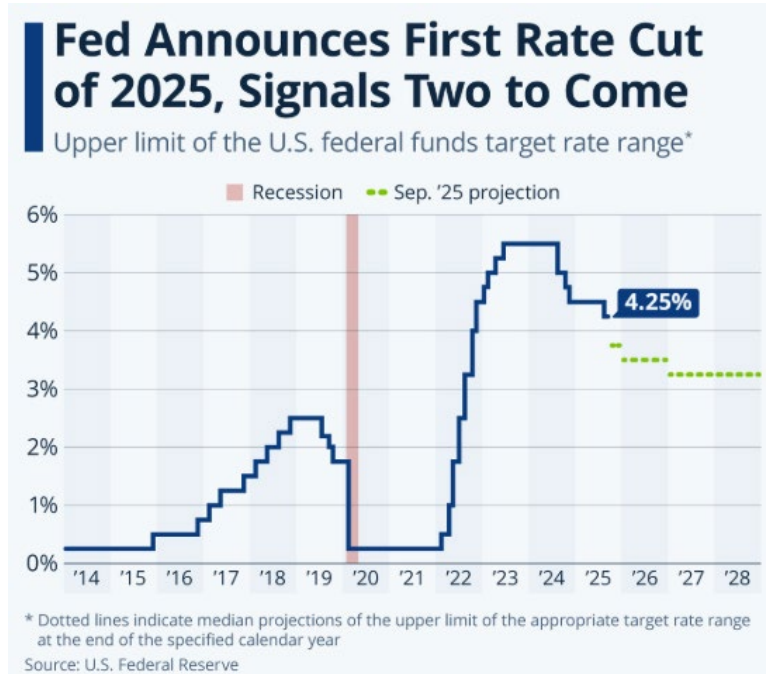
Bond Refunding

- Like refinancing a mortgage, we refund bonds when advantageous
- Reasons to refund:
 - Lower interest rate
 - Restructuring debt
 - Removing onerous reserve requirements or covenants

Example: Financing a \$250,000 home with a 30-year term and 7.00% interest rate. Refinancing at 6.00% could provide >\$59K in interest costs over the life.

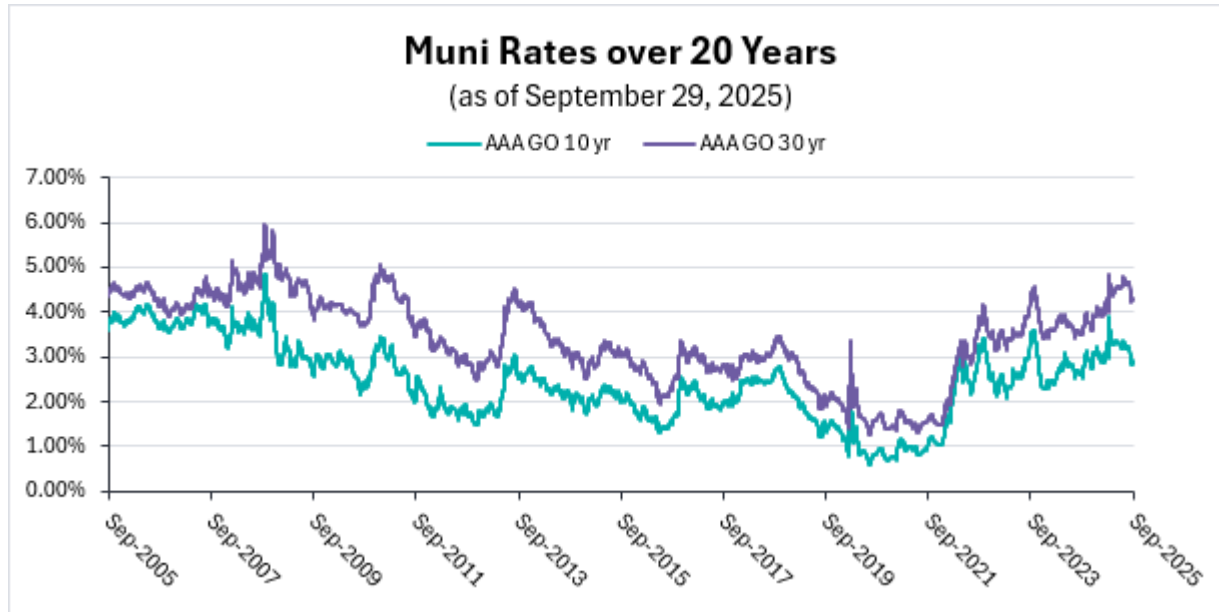


Interest Rate Environment





Municipal Market Data Curve





Refunding Opportunities

Issue	Issue Name	Redemption Date	Callable Principal Outstanding
2014B	GO Street Bonds	11/1/2023	\$7,085,000
2014C	GO Library Bonds	3/1/2024	\$2,965,000
2014E	Sewer Revenue Bonds	12/1/2022	\$3,985,000
2015B	Sewer Revenue Bonds	12/1/2023	\$4,635,000
2016B	Sewer Revenue Bonds	12/1/2024	\$4,665,000
2016D	Sewer Revenue Bonds	12/1/2024	\$4,570,000
2016E	GO Various Purpose Bonds	12/1/2024	\$2,480,000
2016F	GO Street Bonds	5/1/2025	\$4,900,000
2017A	GO Cap Imp Bonds	3/1/2025	\$1,205,000
2017B	GO Public Safety Bonds	12/1/2026	\$14,910,000
2017C	Sewer Revenue Bonds	12/1/2025	\$4,850,000
2018A	GO Various Purpose Bonds	9/1/2025	\$3,570,000
2018C	GO TIF Ref Bonds	2/1/2025	\$1,165,000
2019E	GO Public Safety	12/1/2026	\$5,765,000



Resources

- GFOA Best Practice
- Investor Relations
- 5-Year Bond Cancellation Policy
- Post-Issuance Compliance Procedure and Policy
- Debt Book

Questions?



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