



INVER GROVE HEIGHTS CITY COUNCIL AGENDA

Monday, May 23, 2016
8150 BARBARA AVENUE
7:00 P.M.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PRESENTATIONS**
4. **CONSENT AGENDA** – All items on the Consent Agenda are considered routine and have been made available to the City Council at least two days prior to the meeting; the items will be enacted in one motion. There will be no separate discussion of these items unless a Council member or citizen so requests, in which event the item will be removed from this Agenda and considered in normal sequence.
 - A. i. Minutes of April 25, 2016 Council Meeting
 - ii. Minutes of May 2, 2016 Work Session Meeting
 - B. Resolution Approving Disbursements for Period Ending May 18, 2016
 - C. Consider Approval of Subscription Transfer Consent of Pine Island Community Solar Garden Subscription Agreements with SolarStone Community LLC to Pine Island Holdco LLC
 - D. Consider Approval of Canada Geese Management
 - E. JIM DEANOVIC (BLACKSTONE HIGHLANDS); Approve a Resolution providing a credit against Northwest Area connection fees for the plat of Blackstone Highlands.
 - F. Establish a Special Session between City of Inver Grove Heights and School District 199 on July 12, 2016
 - G. Accept and Adopt the Joint Powers Agreement between Dakota County and cities in Dakota County
 - H. Receive Proposals and Accept Quote for Fire Hydrant Reconditioning
 - I. Consider Resolution Accepting the MS4 Annual Report for 2015
 - J. Accept Proposal for Professional Services for Design and Construction Administration and Observation for Replacement of Water Treatment Plant Filter Room HVAC System
 - K. Consider Resolution Accepting Proposal for Engineering Services from SRF Consulting Group, Inc. (SRF) for Preparation of the Feasibility Report and Other Engineering Services for City Project No. 2010-09F – Upper 55th Street (T.H. 3 to Babcock Trail) Street and Utility Improvements
 - L. Consider a Resolution Receiving the Petition, Ordering a Feasibility Study, Ordering an Assessment Benefit Analysis, and Ordering a Geotechnical Investigation for City Project No. 2017-09E – 93rd Street/Abigail Court Area Reconstruction
 - M. Personnel Actions
5. **PUBLIC COMMENT:** Public comment provides an opportunity for the public to address the Council on items that are not on the Agenda. Comments will be limited to three (3) minutes per person
6. **PUBLIC HEARINGS:**
7. **REGULAR AGENDA:**
 - I. **PARKS AND RECREATION:**

A. Consider Approval of North/South Valley Park Master Plan Process

II. FINANCE:

B. Consider Accepting and Approving the Comprehensive Annual Financial Report for the Year Ended December 31, 2015, Management Letter and Other Required Report

C. Resolution Authorizing Transfers Relating to the Financing of Projects and Payment of Debt Service in the Northwest Area (NWA)

III. COMMUNITY DEVELOPMENT:

D. ALFRED WILLENBRING; Consider the following actions for property located at 1185 80TH Street:

a) an Ordinance Amendment to add “contractor’s yard with outdoor storage” in the A, Agricultural Zoning District as an Interim Use.

b) a Resolution relating to an Interim Use Permit to allow a contractor’s yard with outdoor storage.

E. RUSS GOHL; Consider a Resolution relating to a Variance to allow the construction of a garage 22 feet from the front property line for property located at 5935 Babcock Trail

F. CITY OF INVER GROVE HEIGHTS; Consider the Third Reading of an Ordinance relating to parking of recreational vehicles in the front yard in single family zoning districts.

8. MAYOR & COUNCIL COMMENTS:

9. EXECUTIVE SESSION:

A. Condemnation and Acquisition of Flannery Property, 1466 70th Street W and Glen Sachs Property, 1400 70th Street W. Pursuant to Minn. Stat. §13D.05, Subd. 3 (c)(3).

B. Frank Rauschnot, 6840 Dixie Avenue Property Information. Pursuant to Minn. Stat. §13D.05, Subd. 3 (c)(3).

C. Becky Austing, 6900 Dixie Avenue Property Information. Pursuant to Minn. Stat. §13D.05, Subd. 3 (c)(3).

10. ADJOURN:

This document is available upon 3 business day request in alternate formats such as Braille, large print, audio recording, etc. Please contact Michelle Tesser at 651.450.2513 or mtesser@invergroveheights.org

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, APRIL 25, 2016 - 8150 BARBARA AVENUE**

1. CALL TO ORDER and 2. ROLL CALL

The City Council of Inver Grove Heights met in regular session on Monday, April 25, 2016, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:00 p.m. Present were Council members Bartholomew, Hark, Mueller and Piekarski Krech; City Administrator Lynch, City Attorney Kuntz, Community Development Director Link, City Clerk Tesser, Parks and Recreation Director Carlson, Finance Director Smith, Public Works Director Thureen and Fire Chief Thill.

3. PRESENTATIONS: None.

4. CONSENT AGENDA:

- A. i. Minutes of April 4, 2016 Work Session Meeting Minutes
- ii. Minutes of April 11, 2016 Special Meeting Minutes
- iii. Minutes for March 14, 2016 Performance Review Meeting Minutes
- iv. Minutes for April 11, 2016 Council Meeting Minutes
- B. Resolution 16-68** Approving Disbursements for Period Ending April 20, 2016
- C.** Consider Amendment to the Contract with Duinink Golf for the 2016 Inver Wood Golf Course Improvement Project
- D.** Approve Interim Appointment and Pay Differential of Police Chief
- E.** Approve 2016 Polling Place Location Change **Resolution 16-69**
- F.** Designation of 2016 Election Polling Locations for State Primary and General Election **Resolution 16-70**
- G.** Approve Custom Grading Agreement, Stormwater Facilities Maintenance Agreement, Permanent drainage and Stormwater Ponding Easement, Agreement Relating to Landowner Improvements, and Release and Indemnification Agreement Relating to Lot 4, Block 1, Wild Ridge Estates
- H. Resolution 16-71** Receiving Bids and Awarding Contract for the 2016 Pavement Management Program, City Project No. 2016-09A – Crackseal
- I. Resolution 16-72** Receiving Bids and Awarding Contract for the 2016 Pavement Management Program, City Project No. 2016-09B – Sealcoat
- J.** Joint Powers Agreement with Bureau of Criminal Apprehension and City of Inver Grove Heights **Resolution 16-73**
- K.** Amendment No. 1 to Agreement Relating to Adjustment of Sanitary Sewer Dept for Plat of Blackstone Ridge **Resolution 16-74**
- L.** Approve the Property Disposal Policy **Resolution 16-75**
- M.** Personnel Actions

Motion by Bartholomew, second by Hark, to approve the Consent Agenda 4.Ai- 4.M. 4Aii, 4C and 4L were pulled.

Ayes: 5

Nays: 0 Motion carried.

Councilmember Piekarski Krech pulled items 4Aii and 4C. Councilmember Mueller pulled item 4L.

In regards to item 4Aii, Councilmember Piekarski Krech asked that the attendees of the meeting minutes be revised.

Motion by Piekarski Krech, second by Bartholomew, to approve 4Aii Council meeting minutes of April 11, 2016 with changes to attendees.

Ayes: 5

Nays: 0 Motion carried.

In regards to item 4C, Councilmember Piekarski Krech discussed the proposed amendment contract approved at the last council meeting. Councilmember Piekarski Krech stated that although monies have been budgeted we should consider not using the entire budgeted amount. She stated that \$50,000 is a lot of money and can be put those funds towards another fee.

Mayor Tourville stated that the golfers are paying for the changes to the Golf Course.

Councilmember Piekarski Krech replied that the golfers are not paying for the monies at this time. It would be \$50,000 less than the golfers would to pay. She stated the monies could go towards another project.

Eric Carlson, Parks and Recreation Director stated that the proposed contract was shown as a reduction of costs for the storm water prevention plan and answers were finalized on the work that is being done around the pond. He stated staff believes the cost of the project would be \$10,000. Because \$50,000 is not being spent, staff is asking Council to move forward with plans on the bunkers or the greens on the driving range.

Councilmember Bartholomew asked what are the revenue projections if this piece of the project is completed. Mr. Carlson commented that there is no cost saving projections but believes these improvements would help with the ball flight to the center of the driving range for improved safety and decrease lost of golf balls. The target of the range would improve.

Mayor Tourville asked if this project would make a better golf course. Mr. Carlson responded affirmatively.

Councilmember Hark revealed he supported Councilmember Piekarski Krech's opinion on the importance of saving money. However, it is users that are paying for the improvements. This improvement will create a better product. Users are footing the bill. Therefore, he supported the Mayor's position.

Councilmember Piekarski Krech stated long-term she can see the value, but people of the community could use that \$50,000. She asserted that just because we budget doesn't mean you have to spend everything in your budget. She affirmed that her loyalty is to the residents not to the golf course. The residents of the community are more important than a golfers' experience.

Councilmember Mueller voiced that if we need the money let's keep it.

Councilmember Bartholomew articulated that we are financing the money from the golf fund. We have challenged the golf course to make money and pay for expensive. This is \$50,000, it's a lot of money but it adds to the golf course's value. The golf course has to recover the expenses. The golf course has to pay for itself. He declared he was in support of the improvements.

Mayor Tourville announced that the city in the last five years has not spent the entire budget for the year. He stated we don't spend to spend. He remarked that we look at it the product over a period of time and that it will create a better product. He stated at first the project had this improvement. It's a better product to save money.

Councilmember Bartholomew stated that this piece was intentionally cut to help with financing but the change in cost would mean there's funds available.

Councilmember Mueller declared to staff that there's no more funds available if you go over budget.

Motion by Bartholomew, second by Hark, to approve item 4C.

Ayes: 3 (Bartholomew, Hark and Tourville)

Nays: 2 (Piekarski Krech and Mueller)

Motion carried.

In regards to 4L, Councilmember Mueller wants to look into the property map more. He wants to visit the sites.

Councilmember Hark asked if Mueller agreed with the policy. Councilmember Mueller remarked affirmatively.

Councilmember Hark asked to revisit this in one month. Councilmember Mueller agreed.

Motion by Piekarski Krech, second by Mueller, to approve item 4L specifically the policy but the map will come back to the council for approval on the May 23, 2016 meeting.

Ayes: 5

Nays: 0 Motion carried.

5. PUBLIC COMMENT:

Harry Beckland, 3662 Conroy Court. The resident discussed the ordinance amendment of trailers and boats and asked for parking regulations to be 72 hours or ability to request special permission. He went further and discussed hardships.

Councilmember Hark stated he did go to the neighborhood. He spoke on the uniqueness of the neighborhood and the sizes of the boats.

Mayor Tourville asked for a petition signed by residents. Tourville stated he has heard comments from the neighborhood on both sides of the issue.

Doug Alred, 3796 Conroy Trail. The resident discussed the ordinance amendment of trailers and boats. He discussed the private pad and denial of parking for his boat. He discussed hardships and asked to suspend the 20 hours limit. He will craft a letter with the requests.

6. PUBLIC HEARINGS:

7. REGULAR AGENDA:

COMMUNITY DEVELOPMENT:

A. CASTAWAYS MARINA AND CITY OF INVER GROVE HEIGHTS; Consider the Following For Property Located at 6140 Doffing Avenue:

- a) A Resolution 16-76 Relating to a Conditional Use Permit Amendment for Castaways Marina to Add a New Storage Building.**
- b) A Variance to Allow the Storage Building with a Five Foot Setback Whereas 40 feet is Required. Resolution 16-77**
- c) A Variance for the City of Inver Grove Heights to Create a New Lot Less than the Minimum Lot Size and Width Standards. Resolution 16-78**

Mr. Link, Community Development Director introduced the item. The City Council approved a purchase agreement to purchase the house and accessory garage with the intent to remove it from the floodplain. It removes the public safety concerns. The variance is request because of the requirement as the lot would be less than minimum standards in the I-1 district.

Mr. Link stated that Castaways Marina is also requesting an amendment to replace that house and garage. They are asking to amend their conditional use permit to a two- level building to be used for storage for their members and meeting room with future bathrooms. He commented that a variance from setbacks by the newly credits lot is also required. They request that the building have a five foot setback in which 40 feet is required. Mr. Link informed the council that the practical difficulties with this is that the city is purchasing the land to require the buildings to be removed from the flood plain. The second is the duration of the lot creates a difficulty. He added that the city doesn't have a major need to provide for a larger set back in that discussed location.

The applicant, John Remington, President of the Marina was present. He stated this request arises from the selling of the lot to the City for the floodplain. He commented that technically they are a private marina but classified as commercial which requires the 40 foot setback.

Motion by Bartholomew second Piekarski Krech to approve the CUP, Variance to allow the storage building with a five foot setback 40 feet is required. A variance for the City of Inver Grove Heights to Create a New lot less than the minimum lot size and width standards.

Ayes: 5

Nays: 0 Motion carried.

B. CITY OF INVER GROVE HEIGHTS; Consider the First Reading of an Ordinance Relating to Parking of Recreational Vehicles in the Front Yard in Single Family Zoning Districts.

Mr. Hunting, City Planner introduced the item. He discussed the front yard in single family zoning districts. He had the council look at the aerial view of the city. There are a number of lots with single car garages. He presented the ordinance amendments. He commented that this amendment is not prohibiting recreational vehicles because they are still able to park in the side and back yard. Mr. Hunting remarked that this amendment is only restricting recreational vehicles parking in the front yard.

Mr. Hunting recapped that the Planning Commission took testimony at the last meeting from residents. Three persons spoke. The commissions concern was single car garages and single car driveways may be too restrictive on lots. The Planning Commission's recommendation is to make exceptions to the rule for those specific lots. Mr. Hunting summarized that the first reading of the ordinance is in front of the Council for approval. Staff is asking for further direction from council.

Councilmember Bartholomew requested a recap of the exception concern.

Mr. Hunting responded that the Planning Commission is looking at existing lots with a single car garage with single wide driveway that those limitations not apply to those properties. Mr. Hunting gave an example, those with single car garages and driveways would be able to park an RV on a parking pad. Mr. Hunting discussed the difference between a parking pad and a driveway. Mr. Hunting stated a driveway leads to the street that leads to the garage.

Mayor Tourville asked it can't be parked on the grass but has to be on a hard surface. Mr. Hunting stated it could be a parking pad. Councilmember Piekarski Krech commented that if a parking pad widens out then it's considered a driveway.

Councilmember Bartholomew expressed concern regarding the horseshoe driveway. Mr. Hunting stated that the council needs to discuss all the difference scenarios.

Councilmember Hark presented illustrations of driveways to the Council. Councilmember Hark stated based on his driving around the city he came up with the illustrations. He saw driveways that are not centered but are relevant to the garage. He stipulated that the only place they could park is parallel to the garage.

Mr. Hunting stated you bring up a good point. I don't have an answer. Councilmember Hark stated this example exists and the situation is not unusual. He described different alternatives of driveways and his perspective of acceptable parking.

City Attorney, Tim Kuntz and the Council discussed other possible options at length and possible ordinance language that would comply to the situation.

Councilmember Bartholomew suggested discussing a driveway that is in front of the driveway but nothing towards the house. It would be a mistake to confine it to the parallel of the garage.

Mayor Tourville stated there are hundreds that don't add up to the confines of the garage.

City Attorney, Kuntz described the definition of wall extension. He stated in looking at a variety and aerials that the code specialist put together. There is a lot of creativity in the community. Many times it comes from an extension of the pad and then sometimes it veers out. Some of which can end up in front of the house. He further indicated if they want it in front of the house then we can't count the driveway as veering out. He stated that is where the definition arose.

Councilmember Mueller discussed parking pads at length.

Councilmember Hark commented on not allowing parking on grass and parking pad areas in the ordinance.

Mayor Tourville discussed the option of the side of the garage and his issue with the parking in the house.

Councilmember Bartholomew summarized the intent of the ordinance takes into consider on the impervious surface. He discussed an example and stated it would be a mistake to confine a vehicle to the walls off the garage for those horseshoe examples.

Mr. Hunting showed additional illustrations and clarified what is defined as in front of the house.

Mayor Tourville directed Mr. Kuntz to get together with Mr. Hunting to discuss the changes Council discussed.

Mr. Kuntz asked for a summary from the council. He stated the first direction is to address by language to park on the parking pad adjoining the garage from the driveway that is closes to the set back. He asked if there was direction on the horseshoe driveway. Mayor Tourville replied that it's allowed. Councilmember Mueller discussed a specific address with a horseshoe driveway. He asked if they would be exceptions to this address. Mr. Hunting stated horseshoe driveways would be allowed to park parallel to the driveway but not in front of the house. In other cases no parking pad can be in front of the driveway.

Councilmember Bartholomew asked the cut is allowed. Mr. Hunting replied that the maximum feet is 30 at the property line. After that point, the driveway can veer within the impervious surface limit. The council discussed curb line. Mr. Hunting stated typically it is 12 feet from the property line to the driveway.

Resident Tim Willent, 4511 August Way, discussed a single care garage with a tuck under garages and a double car driveway. .

City Attorney, Tim Kuntz explained that with a traditional driveway the idea is that you can have the pad on that side of the driveway of the shortest dimension of the lot line. He discussed a potential example and issues with the horseshoe.

Mayor Tourville directed that the item be returned to the next meeting.

Motion by Piekarski Krech second Hark to approve the first reading of the ordinance with changes.

Ayes: 5

Nays: 0

Motion carried.

C. CITY OF INVER GROVE HEIGHTS; Consider 1) Approval of the Draft Request for Proposal (RFP) for the Comprehensive Plan Update and 2) Direction to Staff to Distribute the RFP.

Mr. Hunting recapped that staff is asking for the final action of this item. He stated that staff is adding the wording to address the NW area analysis. We break it out but it's combined with the Request for Proposal (RFP). The consultants listed are proposed. Staff asked the Council to approve the RFP to put out to the consultants at the end of the week.

Councilmember Mueller asked about Concord Street in 2012 program.

Mr. Link, Community Development Director stated the concord neighborhood plan adopted in 2012. It's a 20 year plan that identifies priority sites and different options. It's been adopted already but folded into the plan. Councilmember Mueller asked about the past presentation on the development. Mr. Link stated he doesn't anticipate changes to the plan, that analysis was connected to the development.

Councilmember Bartholomew stated the study showed the contrast of industrial vs. high intensity development and the best economic sense.

Councilmember Mueller asked about Akron Ave. Mr. Link stated that the study with the city and the county will put forward whatever the results of the approval will be. Mr. Link stated the consultants will be advised of the situation.

Mayor Tourville directed staff to condense neighborhood group sizes at potential meetings.

Mr. Link addressed the council stated that the ultimate decision on what they would like to do with the public is the Councils. He mentioned it's driven by funding and time factor.

Councilmember Mueller asked to consolidate the council with the commissions. Mr. Link responded in the affirmative.

Motion by Mueller second Bartholomew to approve the draft request of the RFP.

Ayes: 5

Nays: 0

Motion carried.

PUBLIC WORKS:

D. Update Concerning Discussion with Low Bidder to Identify Potential Quantity Reductions for the Purpose of Reducing the Cost for City Project No. 2016-09D – 60th Street Area Reconstruction, 2016-10 – 60th Street Area Utility Improvements and City Project No. 2015-12 (Phase 1) - NWA Trunk Watermain Improvements - 65th Street Loop (Argenta Trail to Babcock Trail).

Mr. Thureen, Public Works Director introduced the item. Staff has directed to meet with the second lowest bidder on the project. We reviewed the quantity reduction and the unit price to see if staff can meet the financing restrictions. Staff felt we can reduce quantities where we could fund the project for the bases of the \$2,100,000 scheduled for May 9th. Briefly, he stated we found several line items that could reduce the quantities. The constructor has agreed with these quantities. At the next meeting, he declared would be the assessment hearing. Based on the city staff review of the project and costs, we believe we can meet the financing requirements.

Mr. Thureen stated that the critical item is the boulevard improvements, irrigation systems, pet control fence and landscaping. In the past few years we have included the costs of the items in the contract. Right now, we can't identify those costs of the projects. We are recommending that those be a home owner cost. They reviewed other cities policies and the spectrum is wide. This recommendation and issues moving forward we hope to adopt this policy. He continued, those notifications of property owners if they have them in the right away they have time to move those things. We will try to minimize issues but irrigation will be difficult to preserve especially with curb line improvements.

Staff believes we can put forward the construction contingency is reduction of the 6% but with the indirect costs and monitored much more closely then the past we feel we can proceed. He declared in my perspective the funding and objections of the assessment, staff would withdrawal the project. We will be very conservative of objections because we would lose the funding. There is a neighborhood meeting on Thursday at the Training (EOC) Room. At the City Council meeting on May 9, 2016 we will have the assessment and improvements award.

Mr. Thureen discussed the below ground features such as irrigation systems, invisible fence and those other examples that created obstructions in the right of way such as boulders. Councilmember Bartholomew asked how do we memorialize this policy going forward? Mr. Thureen, replied in the future I suggest we bring this forward and memorialized this policy change. He stated we need to move forward reasonably to reduce our costs. He asserted the boulevard is city property. The boulevard is maintained by the owner but the city can't continue to pay for repayment costs.

Councilmember Mueller asked how many homes does this policy affect regarding below ground features. Tom Kaldunski, City Engineering, stated we don't have a firm count. There was a survey received but he didn't have the information present. He proposed to send out a similar request to have a better idea in the future.

Mr. Kaldunski stated it's hard to predict, in the past some neighborhoods have 100% percent. He stated maybe 30-40% have an irrigation system. He stated people should be locating their sprinkler heads and fence.

Mayor Tourville requested the policy piece be returned for future conversation, further if we have objections and can't meet the 20% requirement than we won't be able to complete the project.

Councilmember Piekarski Krech asserted she doesn't like the idea of eliminating rain garden removal with its assistance in keeping our waters clean and reducing storm water and allowance for storm water quantities. We are changing are curb/gutter quantities with rain gardens.

Mr. Thureen stated that storm water quality is still in the project. A treatment basin is proposed for discharge to go to a wetland. The production of storm sewer was recommended for better control. The

biggest thing is the numbers you are seeing we are retaining all the drain tile. It will get the water out of the sub drain. He asserted, this is simply an update and not an action.

Kelly Kaiser 1953 59th Court East, asked for clarification in regards to the sprinkler change after the project. She asked do residents need to use their own provider to locate. Mr. Thureen stated there is no estimate of costs because each system is different. Ms. Kaiser stated do they need to research this themselves. Mr. Thureen replied in the affirmative. Ms. Kaiser stated 70% is accurate of those that have in ground sprinklers on 59th Court. Ms. Kaiser stated that the objections of the 20%, are you recommending that if you have any rejections than we won't be completing the project. Ms. Kaiser stated the last question is about definitions of decorative driveways. She asked what is that exactly. He replied anything other than a standard concrete or bituminous, stained or pavers will not be fixed. He declared we need to minimize the costs. Historically driveways would be cut for the right of way and we would incur the additional costs. He stated we are going to adhere to where the work is going to be limited too. Traffic control within the project, Mr. Thureen stated affirmatively.

Mayor Tourville stated irrigation systems have a provider because the pieces fit with the maintenance. Mayor Tourville asked about concrete and bituminous driveways, Mr. Thureen stated what will be done is the minimum necessary for the concrete and bituminous.

Mr. Kuntz discussed timing of the reinstallation of irrigation, grounds etc. and the timeline of those actions. Mr. Thureen stated staff will discuss this with residents at the next meeting.

8. MAYOR & COUNCIL COMMENTS

Mr. Lynch stated we are looking for a joint meeting with School District 199. May 12th 2016 or May 18th 2016. A presentation from Mr. Kelly Harder with Dakota County regarding his poverty presentation that he has made to several groups. Then both groups will present to each other. NDC4 will record the meeting.

Mr. Hark stated that the City Pages named South Valley Park as the Best Twin Cities Public Park. He stated Gertens also was the best garden center.

Mayor Tourville discussed that B52 won the best burger in the Best Hamburger in the area again.

On the May 2nd 2016 work session the time will remain at 6pm. The school district will discuss payment in lieu of taxes. Mr. Kuntz stated the proposed applicant will ask the council if an expectation of the payment is in lieu of taxes.

The council discussed resident complaints received at length.

9. EXECUTIVE SESSION

Frank Rauschnot, 6840 Dixie Avenue Property Information. Pursuant to Minn. Stat. §13D.05, Subd. 3(c)(3) this statute allows the council to exercise this practice for discussions regarding property. It is not a public matter.

Motion by Piekarski Krech second Hark to approve to go into an executive session.

Ayes: 5

Nays: 0 Motion carried.

10. ADJOURN: Motion by Mueller, second by Piekarski Krech to adjourn. The meeting was adjourned by a unanimous vote at 9:47p.m.

**INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, MAY 2, 2016 - 8150 BARBARA AVENUE**

A. CALL TO ORDER/ROLL CALL: The City Council of Inver Grove Heights met in work session on Monday, May 2, 2016, in the City Council Chambers. Mayor Tourville called the meeting to order at 6:00 p.m. Present were Council members Bartholomew, Hark, Mueller and Piekarski Krech; City Administrator Lynch, Community Development Director Link, Finance Director Kristi Smith, Public Works Director Thureen and Parks and Recreation Director Carlson.

1. 2015 CAFR

Matt Voss from Abdo, Eick & Meyers, LLP (AEM) reported on financial operations for the year ending December 31, 2015. A PowerPoint presentation was reviewed and followed the Management Letter. Mr. Vos indicated AEM will issue an unqualified (clean) opinion on the City's financial statements. He indicated there were no issues of compliance, the prior year finding was resolved, no difficulties were encountered and there are no uncorrected misstatements.

Mr. Vos indicated the General Fund ended the year with revenues over expenditures of \$735,503. He further reviewed significant differences between budget and actual that created the excess. He provided comparison of fund balances from 2014 to 2015 for all special revenue, capital project and debt service funds. Internal service funds were reported as having sufficient receipts to cover disbursements for each of the past four years. He reported on the Water, Sewer and Golf enterprise funds were reviewed for receipts over disbursements and changes in cash balances. It was noted that the Golf Course net cash from operations in 2015 was \$358,438.

City Administrator Lynch reiterated the excess of revenues over expenditures in the General Fund of \$735,503 and the increase in cash of \$358,438 at the Golf Course.

Finance Director Smith indicated that the 2015 Comprehensive Annual Report, Management Letter and Other Required Report would be on the May 23rd council agenda for acceptance and approval.

2. HUNTING

City Administrator, Mr. Lynch presented information on the current Bow Hunting map and reviewed the results of the survey taken on the Website about knowledge of hunting regulations in the City. A majority of those responding replied that they believed hunting should be allowed to continue. Lynch reviewed the existing Bow Hunting Map and demonstrated what little are there is available to hunt given the current parameters of not allowing hunting within 300 feet of a structure, 200 feet of a driveway or 200 feet of a public road. In addition to the small amount of land left to be able to be hunted upon, Lynch pointed out the change in population, number of households and growth areas of the City. Staff recommended the No Bow Hunting be allowed in the City. Council discussed the

survey results, the map and their intended direction. They would like to see the Bow hunting allowed to continue and staff to figure out how to make that happen. Lynch also reviewed the Goose hunting and recommended prohibition of goose hunting in the city because it did not accomplish what was intended and we continue to hear about complaints on the gun noise from surrounding property owners on other communities. The City has reduced the area to two specific locations and it does not continue to make sense to allow it. Council asked questions about the timing of the hunt and when decisions needed to be made in order to notify those involved of any changes. Council directed staff to inquire of other nearby cities, particularly Woodbury, about their hunting regulations, and return with information about the bow hunting proficiency requirements and how that might work with the current bow hunting regulations.

3. VMCC LEASE

Parks and Recreation Director, Mr. Carlson informed the Council that the VMCC opened in 1996 and that the lease has expired. The City and District sign a 2 year addendum that is set to expire at the end of 2016. Payments made to the City under the VMCC Lease go to support the VMCC/Grove Operating Budget. The Grove Aquatic & Fitness Center opened in 2001 and the lease with the School District will expire in 2021. Payments made to the City under the Grove Lease go to retire the debt which was financed with TIF Bonds. The debt on the VMCC and Grove will be retired at the end of 2016 and staff from the District and City have been meeting to negotiate a new Use Agreement that would provide facilities to the District for its programs. Under the Use Agreement any revenue received by the City would be used to offset operations. The Council was generally comfortable with the new Use Agreement and was supportive of all revenues being used to support operations. The School District would be meeting to review the Use Agreement in the near future and staff would place the item on a future City Council agenda for approval.

4. NWA FEES (UTILITY)

Steve Apfelbacher from Ehlers reported on recommendations regarding the financial impact of the Northwest Area (NWA) utility extensions. Mr. Apfelbacher presented nine recommendations. Council member Piekarski-Krech commented on not reducing fees if it impacted the financial viability of the City. Staff clarified recommendation #6. The increase proposed is in addition to the annual recommended operating increase of 3.5%. Additional discussion will be necessary on recommendation #7. General discussion did occur on some of the recommendations. Mayor Tourville requested staff provide a summary of next steps.

5. AIRPORT RELATIONS COMMISSION CONSOLIDATION

City Administrator, Mr. Lynch reviewed the attendance and lack of agenda items for discussion for this group to the council. Staff recommended that the group be folded into the Planning commission. Council discussed folding it into the Environmental Commission and creating a somewhat larger organization that would review airport issues twice annually. Staff was directed to prepare to make changes to the Environmental Commission group through changes in Ordinance or by Resolution and to notify those members of the ARC

about this possible change to determine who among them would like to continue with the new group. Council noted that this should be done in short order because the annual Commission appointment was coming up quickly.

B. ADJOURN: Motion by Hark, seconded by Bartholomew to adjourn the meeting. Motion was carried unanimously. Meeting adjourned at 8:08pm.

DRAFT

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: May 23, 2016
 Item Type: Consent
 Contact: Kristi Smith 651-450-2521
 Prepared by: Bill Schroepfer, Accountant
 Reviewed by: N/A

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other

PURPOSE/ACTION REQUESTED

Approve the attached resolution approving disbursements for the period of May 5, 2016 to May 18, 2016.

SUMMARY

Shown below is a listing of the disbursements for the various funds for the period ending May 18, 2016. The detail of these disbursements is attached to this memo.

General & Special Revenue	\$631,126.65
Debt Service & Capital Projects	2,568,491.96
Enterprise & Internal Service	498,610.42
Escrows	14,649.59
	14,649.59
Grand Total for All Funds	\$3,712,878.62

If you have any questions about any of the disbursements on the list, please call Kristi Smith, Finance Director at 651-450-2521.

Attached to this summary for your action is a resolution approving the disbursements for the period May 5, 2016 to May 18, 2016 and the listing of disbursements requested for approval.

DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION APPROVING DISBURSEMENTS FOR THE
PERIOD ENDING May 18, 2016**

WHEREAS, a list of disbursements for the period ending May 18, 2016 was presented to the City Council for approval;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS: that payment of the list of disbursements of the following funds is approved:

General & Special Revenue	\$631,126.65
Debt Service & Capital Projects	2,568,491.96
Enterprise & Internal Service	498,610.42
Escrows	14,649.59
Grand Total for All Funds	<u><u>\$3,712,878.62</u></u>

Adopted by the City Council of Inver Grove Heights this 23rd day of May, 2016.

Ayes:

Nays:

George Tourville, Mayor

ATTEST:

Michelle Tesser, City Clerk



Expense Approval Report

By Fund

Payment Dates 5/5/2016 - 5/18/2016

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
AFSCME COUNCIL 5	INV0051772	04/15/2016	UNION DUES (AFSCME FAIR SHARE)	101.203.2031000	47.55
AFSCME COUNCIL 5	INV0051773	04/15/2016	UNION DUES (AFSCME FULL SHARE)	101.203.2031000	750.08
AFSCME COUNCIL 5	INV0051774	04/15/2016	UNION DUES (AFSCME FULL SHARE-F	101.203.2031000	87.90
AFSCME COUNCIL 5	INV0052524	05/13/2016	UNION DUES (AFSCME FAIR SHARE)	101.203.2031000	47.55
AFSCME COUNCIL 5	INV0052525	05/13/2016	UNION DUES (AFSCME FULL SHARE)	101.203.2031000	796.96
AFSCME COUNCIL 5	INV0052526	05/13/2016	UNION DUES (AFSCME FULL SHARE-F	101.203.2031000	87.90
CA DEPT OF CHILD SUPPORT SERVICES	INV0052527	05/13/2016	MIGUEL GUADALAJARA FEIN/TAXPAYI	101.203.2032100	440.76
CITY OF MINNEAPOLIS RECEIVABLES	400413006952	05/11/2016	612005356	101.42.4000.421.30700	1,518.30
CITY OF MINNEAPOLIS RECEIVABLES	400413007012	05/18/2016	612005356	101.42.4000.421.30700	3,271.50
COMCAST	5/5/16 8772 10 591 0359526	05/18/2016	8772 10 591 0359526	101.42.4200.423.30700	21.06
COORDINATED BUSINESS SYSTEMS	ARIN115861	05/18/2016	4511146	101.42.4200.423.40044	194.00
COORDINATED BUSINESS SYSTEMS	SDIN050708	05/18/2016	4555082	101.42.4200.423.40044	247.50
CULLIGAN	4/30/16 157-98459100-6	05/11/2016	157-98459100-6	101.42.4200.423.60065	63.65
CUMMINS NPOWER LLC	100-96516	05/11/2016	220960	101.42.4200.423.40042	335.18
DAKOTA COMMUNICATIONS CENTER	IG2016-06	05/11/2016	JUNE 2016	101.42.4000.421.70502	44,178.40
DAKOTA COMMUNICATIONS CENTER	IG2016-06	05/11/2016	JUNE 2016	101.42.4200.423.70502	5,961.60
DAKOTA CTY FINANCIAL SVCS	00020518	05/18/2016	P0001753	101.42.4000.421.70501	3,126.22
DAKOTA CTY FINANCIAL SVCS	00020558	05/18/2016	P0001753	101.43.5400.445.40020	494.91
DAKOTA CTY TECH COLLEGE	00135190	05/11/2016	00092312	101.42.4000.421.50080	450.00
DAKOTA ELECTRIC ASSN	246837-9 5/16	05/18/2016	Electric	101.44.6000.451.40020	1,782.16
DAKOTA ELECTRIC ASSN	250165-8 5/16	05/18/2016	Electric	101.44.6000.451.40020	102.24
DAKOTA ELECTRIC ASSN	393563-2 5/16	05/18/2016	Electric	101.44.6000.451.40020	168.91
DAKOTA ELECTRIC ASSN	426713-4 5/16	05/18/2016	Electric	101.43.5400.445.40020	45.72
DAKOTA ELECTRIC ASSN	443054-2 5/16	05/18/2016	Electric	101.44.6000.451.40020	14.00
DAKOTA ELECTRIC ASSN	109394-7 5/16	05/18/2016	Electric	101.43.5400.445.40020	1,198.24
DANNER INC	75355	05/18/2016	IGH010	101.43.5200.443.60016	50.00
DANNER INC	75459	05/18/2016	IGH010	101.43.5200.443.60016	96.19
DANNER LANDSCAPING	12601	05/18/2016	4/30/16	101.43.5200.443.60016	420.00
EFTPS	INV0052263	04/29/2016	FEDERAL WITHHOLDING	101.203.2030200	43,756.59
EFTPS	INV0052265	04/29/2016	MEDICARE WITHHOLDING	101.203.2030500	11,523.62
EFTPS	INV0052266	04/29/2016	SOCIAL SECURITY WITHHOLDING	101.203.2030400	34,382.20
EFTPS	INV0052548	05/13/2016	FEDERAL WITHHOLDING	101.203.2030200	46,252.39
EFTPS	INV0052550	05/13/2016	MEDICARE WITHHOLDING	101.203.2030500	12,032.78
EFTPS	INV0052551	05/13/2016	SOCIAL SECURITY WITHHOLDING	101.203.2030400	34,858.80
ENNIS TRAFFIC SAFETY SOLUTIONS	303995	05/18/2016	21032	101.43.5200.443.60016	800.00
EYEMED	778716	05/11/2016	5/9/16	101.203.2032700	219.17
FIRST IMPRESSION GROUP, THE	66915	05/11/2016	3/30/16	101.44.6000.451.50025	505.00
FIRST IMPRESSION GROUP, THE	67943	05/18/2016	4363	101.41.1100.413.50032	2,935.00
FIRSTSCRIBE	2469498	05/18/2016	5/1/16	101.43.5100.442.40044	250.00
GENESIS EMPLOYEE BENEFITS ACH ONLY	INV0052247	04/29/2016	HSA ELECTION-FAMILY	101.203.2032500	2,654.74
GENESIS EMPLOYEE BENEFITS ACH ONLY	INV0052248	04/29/2016	HSA ELECTION-SINGLE	101.203.2032500	2,802.21
GENESIS EMPLOYEE BENEFITS ACH ONLY	INV0052530	05/13/2016	HSA ELECTION-FAMILY	101.203.2032500	2,654.74
GENESIS EMPLOYEE BENEFITS ACH ONLY	INV0052531	05/13/2016	HSA ELECTION-SINGLE	101.203.2032500	2,802.21
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.41.1100.413.30550	31.76
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.41.2000.415.30550	72.17
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.42.4000.421.30550	224.70
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.42.4200.423.30550	21.50
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.43.5000.441.30550	15.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.43.5100.442.30550	37.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.43.5200.443.30550	39.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.44.6000.451.30550	41.03
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.45.3000.419.30550	18.92
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.45.3200.419.30550	16.15
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	101.45.3300.419.30550	22.00
GENESIS EMPLOYEE BENEFITS, INC	IN787710	05/18/2016	3/1/16-3/31/16	101.42.4000.421.30550	40.00
GENESIS EMPLOYEE BENEFITS, INC	IN788168	05/18/2016	4/1/16-4/30/16	101.42.4000.421.30550	120.00
GENESIS EMPLOYEE BENEFITS, INC	IN788168	05/18/2016	4/1/16-4/30/16	101.45.3300.419.30550	20.00
HILDI INC	7420	05/18/2016	5/3/16	101.41.2000.415.30700	500.00
ICMA RETIREMENT TRUST - 457	INV0052249	04/29/2016	ICMA-AGE <49 %	101.203.2031400	4,465.79
ICMA RETIREMENT TRUST - 457	INV0052250	04/29/2016	ICMA-AGE <49	101.203.2031400	4,352.30
ICMA RETIREMENT TRUST - 457	INV0052251	04/29/2016	ICMA-AGE 50+ %	101.203.2031400	1,558.16
ICMA RETIREMENT TRUST - 457	INV0052252	04/29/2016	ICMA-AGE 50+	101.203.2031400	4,744.36
ICMA RETIREMENT TRUST - 457	INV0052253	04/29/2016	ICMA (EMPLOYER SHARE ADMIN)	101.203.2031400	78.92
ICMA RETIREMENT TRUST - 457	INV0052261	04/29/2016	ROTH IRA (AGE 49 & UNDER)	101.203.2032400	924.24
ICMA RETIREMENT TRUST - 457	INV0052262	04/29/2016	ROTH IRA (AGE 50 & OVER)	101.203.2032400	200.00
ICMA RETIREMENT TRUST - 457	INV0052532	05/13/2016	ICMA-AGE <49 %	101.203.2031400	4,980.19
ICMA RETIREMENT TRUST - 457	INV0052533	05/13/2016	ICMA-AGE <49	101.203.2031400	4,452.30
ICMA RETIREMENT TRUST - 457	INV0052534	05/13/2016	ICMA-AGE 50+ %	101.203.2031400	1,435.33
ICMA RETIREMENT TRUST - 457	INV0052535	05/13/2016	ICMA-AGE 50+	101.203.2031400	4,744.36
ICMA RETIREMENT TRUST - 457	INV0052536	05/13/2016	ICMA (EMPLOYER SHARE ADMIN)	101.203.2031400	78.92
ICMA RETIREMENT TRUST - 457	INV0052545	05/13/2016	ROTH IRA (AGE 49 & UNDER)	101.203.2032400	924.24
ICMA RETIREMENT TRUST - 457	INV0052546	05/13/2016	ROTH IRA (AGE 50 & OVER)	101.203.2032400	200.00
IUOE	INV0052537	05/13/2016	UNION DUES IUOE	101.203.2031000	1,178.32
KENISON, TERRI	APRIL 2016	05/11/2016	APRIL 2016	101.42.4200.423.30700	850.00
LANGUAGE LINE SERVICES	3828704	05/18/2016	160509030.3	101.42.4000.421.50020	162.13
LELS	INV0052538	05/13/2016	UNION DUES (LELS)	101.203.2031000	1,458.00
LELS SERGEANTS	INV0052547	05/13/2016	UNION DUES (LELS SGT)	101.203.2031000	245.00
LEVANDER, GILLEN & MILLER P.A.	4/30/16 92000E	05/11/2016	92000E	101.42.4000.421.30410	14,782.68
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Community Development	05/18/2016	Legal	101.45.3000.419.30420	749.50
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Council Meetings	05/18/2016	Legal	101.41.1000.413.30401	360.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Engineering	05/18/2016	Legal	101.43.5100.442.30420	1,674.80
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Mayor/CC	05/18/2016	Legal	101.41.1000.413.30420	5,642.20
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Parks	05/18/2016	Legal	101.44.6000.451.30420	2,985.40
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Planning	05/18/2016	Legal	101.45.3200.419.30420	2,306.40
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Police-Forfeiture	05/18/2016	Legal	101.42.4000.421.30420	1,018.85
MADISON NATIONAL LIFE INSURANCE COMP/	1209275	05/11/2016	MAY 2016	101.203.2031700	2,645.46
MERCURY ELECTRIC CORPORATION	6737	05/11/2016	5/5/16	101.42.4200.423.40040	1,025.25
METROPOLITAN COUNCIL	APRIL 2016	05/18/2016	APRIL 2016	101.41.0000.3414000	(546.70)
MINNEAPOLIS OXYGEN CO.	171144326	05/11/2016	113504	101.42.4200.423.40042	54.56
MINNEAPOLIS OXYGEN CO.	171148666	05/11/2016	113504	101.42.4200.423.40042	57.97
MINNEAPOLIS OXYGEN CO.	171150754	05/11/2016	113504	101.42.4200.423.40042	56.10
MINNEAPOLIS OXYGEN CO.	171150755	05/11/2016	113504	101.42.4200.423.40042	56.10
MINNESOTA DEPARTMENT OF HUMAN SERVI	INV0052528	05/13/2016	JOEL JACKSON FEIN/TAXPAYER ID: 4	101.203.2032100	428.80
MINNESOTA DEPARTMENT OF HUMAN SERVI	INV0052529	05/13/2016	JUSTIN PARRANTO FEIN/TAXPAYER II	101.203.2032100	226.58
MINNESOTA/WISCONSIN PLAYGROUND	2016064	05/18/2016	4/19/16	101.44.6000.451.60065	2,040.00
MN CITY/COUNTY MANAGEMENT ASSOC	5/1/16-4/30/17	05/18/2016	5/1/16-4/30/17	101.41.1100.413.50070	166.80
MN DEPT OF REVENUE	INV0052264	04/29/2016	STATE WITHHOLDING	101.203.2030300	17,441.98
MN DEPT OF REVENUE	INV0052549	05/13/2016	STATE WITHHOLDING	101.203.2030300	18,371.97
MN DEPT OF REVENUE	APRIL 2016	05/16/2016	APRIL 2016	101.207.2070100	3,675.80
MN DEPT OF REVENUE	APRIL 2016	05/16/2016	APRIL 2016	101.41.0000.3414000	(73.52)
MN STATE FIRE MARSHAL DIVISION	2016-69	05/11/2016	REGISTRATION	101.42.4200.423.50080	135.00
MORSE, BRAD	5/16/16	05/18/2016	MAILBOX REPAIR	101.43.5200.443.60016	78.35
MSANI	2016 CONFERENCE	05/18/2016	5/25/16-5/27/16	101.42.4000.421.50080	150.00
OXYGEN SERVICE COMPANY, INC	03340841	05/18/2016	04394	101.42.4000.421.60065	26.40
PERA	INV0052255	04/29/2016	PERA COORDINATED PLAN	101.203.2030600	33,116.06
PERA	INV0052256	04/29/2016	EMPLOYER SHARE (EXTRA PERA)	101.203.2030600	2,547.35
PERA	INV0052257	04/29/2016	PERA DEFINED PLAN	101.203.2030600	69.23
PERA	INV0052258	04/29/2016	EMPLOYER SHARE (PERA DEFINED PI	101.203.2030600	69.23
PERA	INV0052259	04/29/2016	PERA POLICE & FIRE PLAN	101.203.2030600	12,886.16
PERA	INV0052260	04/29/2016	EMPLOYER SHARE (POLICE & FIRE PL	101.203.2030600	19,329.27
PERA	INV0052539	05/13/2016	PERA COORDINATED PLAN	101.203.2030600	33,425.86
PERA	INV0052540	05/13/2016	EMPLOYER SHARE (EXTRA PERA)	101.203.2030600	2,571.14
PERA	INV0052541	05/13/2016	PERA DEFINED PLAN	101.203.2030600	69.23
PERA	INV0052542	05/13/2016	EMPLOYER SHARE (PERA DEFINED PI	101.203.2030600	69.23
PERA	INV0052543	05/13/2016	PERA POLICE & FIRE PLAN	101.203.2030600	14,446.78
PERA	INV0052544	05/13/2016	EMPLOYER SHARE (POLICE & FIRE PL	101.203.2030600	21,670.13
PETTY CASH-WF PURCHASE CARD FEES	ALLISON ANDERSON WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.42.4000.421.60045	437.90
PETTY CASH-WF PURCHASE CARD FEES	CARRIE ISAACSON WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1000.413.50065	49.14
PETTY CASH-WF PURCHASE CARD FEES	JACOB FLIEHR WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.42.4000.421.60045	578.75
PETTY CASH-WF PURCHASE CARD FEES	JOHNNY DANIELS WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.42.4000.421.60045	437.90
PETTY CASH-WF PURCHASE CARD FEES	KIM FOX WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1000.413.50075	152.07
PETTY CASH-WF PURCHASE CARD FEES	SHELLEY CALVERT WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1100.413.50020	40.00
PETTY CASH-WF PURCHASE CARD FEES	SHELLEY CALVERT WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1100.413.50065	18.36
PETTY CASH-WF PURCHASE CARD FEES	SHELLEY CALVERT WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1100.413.50065	6.48
PETTY CASH-WF PURCHASE CARD FEES	SHELLEY CALVERT WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1100.413.50065	7.02
PETTY CASH-WF PURCHASE CARD FEES	SHELLEY CALVERT WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.1100.413.50065	6.48
PETTY CASH-WF PURCHASE CARD FEES	STEVE HER WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.42.4000.421.50075	28.79
PETTY CASH-WF PURCHASE CARD FEES	STEVE HER WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.42.4000.421.60045	437.90
PETTY CASH-WF PURCHASE CARD FEES	WILLIAM SCHROEPFER WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburse	101.41.2000.415.50065	28.08
PETTY CASH-WF PURCHASE CARD FEES	5/11/16	05/11/2016	5/11/16	101.41.2000.415.70440	160.09
PINE BEND PAVING, INC.	16-170	05/18/2016	4/19/16	101.43.5200.443.60016	522.53
PINE BEND PAVING, INC.	16-194	05/18/2016	4/29/16	101.43.5200.443.60016	289.58
SENSIBLE LAND USE COALITION	5/25/16	05/11/2016	5/25/16 REGISTRATION	101.45.3200.419.50080	80.00
SOLBERG AGGREGATE CO	15533	05/18/2016	4/12/16	101.43.5200.443.60016	465.45
SOUTH ST PAUL, CITY OF	1/4/16-4/1/16	05/18/2016	005346	101.207.2070900	34.32
THOMSON REUTERS - WEST	833909434	05/18/2016	4/1/16-4/30/16	101.42.4000.421.30700	181.00
TOTAL CONSTRUCTION & EQUIP.	67391	05/18/2016	CIT001	101.43.5200.443.40042	709.20
TYLER TECHNOLOGIES, INC	025-155788	05/18/2016	160509027.3	101.41.2000.415.40044	458.26
TYLER TECHNOLOGIES, INC	025-157110	05/18/2016	41443	101.41.2000.415.40044	438.00
UNIFIRST CORPORATION	090 0303001	05/18/2016	1051948	101.43.5200.443.60045	31.39
UNIFIRST CORPORATION	090 0303001	05/18/2016	1051948	101.44.6000.451.60045	29.52
WAGNER'S SOD CO, INC	2016-0602	05/18/2016	5/3/16	101.43.5200.443.60016	33.48
WAGNER'S SOD CO, INC	2016-0618	05/18/2016	5/3/16	101.43.5200.443.60016	22.32
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60011	103.32
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	85.53
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	58.80
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	152.44
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60040	68.53
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40040	25.14
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	65.27
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	35.09
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	10.68
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	7.44
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60065	64.21
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60040	83.45
WELLS FARGO CREDIT CARD ACH	Bca Training Education WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50080	130.00
WELLS FARGO CREDIT CARD ACH	Dickcys Mn-321 Olo WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	98.98
WELLS FARGO CREDIT CARD ACH	Jimmy Johns 1436 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1100.413.50075	135.51
WELLS FARGO CREDIT CARD ACH	Best Western Hotels - WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	200.02
WELLS FARGO CREDIT CARD ACH	Best Western Hotels - WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	200.02
WELLS FARGO CREDIT CARD ACH	Centurylink WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.50020	95.70
WELLS FARGO CREDIT CARD ACH	Centurylink WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.50020	82.93
WELLS FARGO CREDIT CARD ACH	Centurylink WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.50020	72.94
WELLS FARGO CREDIT CARD ACH	Mn St lap Adm Pmd Park WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.50065	8.00
WELLS FARGO CREDIT CARD ACH	Mn St lap Adm Pmd Park WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.50065	8.00
WELLS FARGO CREDIT CARD ACH	Officemax/Officedepot6 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1000.413.50075	28.91
WELLS FARGO CREDIT CARD ACH	Officemax/Officedepot6 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60010	29.98
WELLS FARGO CREDIT CARD ACH	Mercury Technologies M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40025	255.62
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	51.79

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	14.06
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5200.443.60016	22.94
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40040	19.22
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	5.96
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	21.40
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	7.49
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	12.19
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	0.70
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	4.99
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	16.98
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	4.99
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	29.98
WELLS FARGO CREDIT CARD ACH	Hance Utility Services WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.30700	220.20
WELLS FARGO CREDIT CARD ACH	Hometown Meats WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.60065	297.50
WELLS FARGO CREDIT CARD ACH	Ltg Power Equipment WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	217.72
WELLS FARGO CREDIT CARD ACH	Midway Party Rental Vi WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1000.413.50075	144.96
WELLS FARGO CREDIT CARD ACH	Nw Lasers And Instrume WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60040	32.14
WELLS FARGO CREDIT CARD ACH	Sams Club #4738 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1000.413.50075	143.30
WELLS FARGO CREDIT CARD ACH	The Corner S WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1000.413.50075	43.92
WELLS FARGO CREDIT CARD ACH	Twin City Saw & Servic WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60045	1,113.83
WELLS FARGO CREDIT CARD ACH	Delta 0068213083287 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	60.00
WELLS FARGO CREDIT CARD ACH	Delta 0068213283405 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	60.00
WELLS FARGO CREDIT CARD ACH	Delta 0068213483462 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	60.00
WELLS FARGO CREDIT CARD ACH	#1 Dt Claddagh Indy WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	46.30
WELLS FARGO CREDIT CARD ACH	Comfort Limousine Llc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	64.00
WELLS FARGO CREDIT CARD ACH	Jet-Black.Com WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5200.443.60016	167.96
WELLS FARGO CREDIT CARD ACH	Napa Store 3279006 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60040	356.82
WELLS FARGO CREDIT CARD ACH	Tilted Kilt Pub And Ea WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	7.63
WELLS FARGO CREDIT CARD ACH	Tilted Kilt Pub And Ea WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	45.75
WELLS FARGO CREDIT CARD ACH	Becker Arena Produc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60065	180.00
WELLS FARGO CREDIT CARD ACH	Cowboy Jacks Saloon WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	33.03
WELLS FARGO CREDIT CARD ACH	Cowboy Jacks Saloon WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	16.20
WELLS FARGO CREDIT CARD ACH	Gerten'S WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	101.70
WELLS FARGO CREDIT CARD ACH	Granite City -Circle C WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	46.17
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.40040	149.97
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60040	24.86
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60040	58.79
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5200.443.60016	118.04
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5200.443.60016	131.58
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	11.28
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	40.56
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60016	36.66
WELLS FARGO CREDIT CARD ACH	Mills Fleet Farm 1400 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60045	137.14
WELLS FARGO CREDIT CARD ACH	Turittos Pizza WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1100.413.50075	354.02
WELLS FARGO CREDIT CARD ACH	Agassiz Seeds Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60016	6,592.50
WELLS FARGO CREDIT CARD ACH	Best Buy 00002451 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60065	53.55
WELLS FARGO CREDIT CARD ACH	Brigittes Cafe WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	20.46
WELLS FARGO CREDIT CARD ACH	Courtyard By Marriott WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	482.13
WELLS FARGO CREDIT CARD ACH	Courtyard By Marriott WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50075	468.63
WELLS FARGO CREDIT CARD ACH	Crown Lift Trks 739 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40040	728.80
WELLS FARGO CREDIT CARD ACH	Crown Lift Trks 739 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	1,256.49
WELLS FARGO CREDIT CARD ACH	Exxonmobil 97555627 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	26.00
WELLS FARGO CREDIT CARD ACH	Kwik Trip 77500007757 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	27.50
WELLS FARGO CREDIT CARD ACH	Minnesota Soci00 Of 00 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60065	32.25
WELLS FARGO CREDIT CARD ACH	Ram Restaurant Indy WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	45.75
WELLS FARGO CREDIT CARD ACH	Sextoncompa WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60045	126.00
WELLS FARGO CREDIT CARD ACH	Sextoncompa WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60045	68.75
WELLS FARGO CREDIT CARD ACH	Taco Bell #32129 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	40.35
WELLS FARGO CREDIT CARD ACH	In Twin Cities Founta WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	1,982.20
WELLS FARGO CREDIT CARD ACH	Kilroy'S Bar & Grill WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	9.80
WELLS FARGO CREDIT CARD ACH	Kilroy'S Bar & Grill WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	28.05
WELLS FARGO CREDIT CARD ACH	Kilroy'S Bar & Grill WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	22.87
WELLS FARGO CREDIT CARD ACH	Kimball Midwest WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	67.39
WELLS FARGO CREDIT CARD ACH	Kimball Midwest WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60016	67.38
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	(11.99)
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40040	185.41
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40040	107.12
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	34.38
WELLS FARGO CREDIT CARD ACH	Aed Superstore WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.60065	375.25
WELLS FARGO CREDIT CARD ACH	Apl Appleonlinestoreus WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60018	1,036.00
WELLS FARGO CREDIT CARD ACH	Buca Di Beppo-St Paul WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1000.413.50075	334.88
WELLS FARGO CREDIT CARD ACH	Minnesota Glove & Safe WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60045	14.95
WELLS FARGO CREDIT CARD ACH	Minnesota Glove & Safe WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60045	114.80
WELLS FARGO CREDIT CARD ACH	Minnesota Glove & Safe WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60045	634.44
WELLS FARGO CREDIT CARD ACH	Minnesota Glove & Safe WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	180.28
WELLS FARGO CREDIT CARD ACH	Minnesota Glove & Safe WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	123.98
WELLS FARGO CREDIT CARD ACH	Pen Fdic/Fire Engineer WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50080	75.00
WELLS FARGO CREDIT CARD ACH	Pen Fdic/Fire Engineer WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50080	565.00
WELLS FARGO CREDIT CARD ACH	Pen Fdic/Fire Engineer WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50080	565.00
WELLS FARGO CREDIT CARD ACH	Rock Bottom Indianapol WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	59.24
WELLS FARGO CREDIT CARD ACH	#2630 Pan Am Plaza WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	72.00
WELLS FARGO CREDIT CARD ACH	Caseys Gen Store 3238 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	16.40
WELLS FARGO CREDIT CARD ACH	Crowne Plaza Reservati WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	1,529.34
WELLS FARGO CREDIT CARD ACH	Crowne Plaza Reservati WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	1,523.34
WELLS FARGO CREDIT CARD ACH	Delta 0068213794540 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	25.00
WELLS FARGO CREDIT CARD ACH	Delta 0068213794541 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	25.00
WELLS FARGO CREDIT CARD ACH	Dino Citgo 2 Q39 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	32.00
WELLS FARGO CREDIT CARD ACH	Indy All Night WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	36.74
WELLS FARGO CREDIT CARD ACH	Maki Of Japan #F14 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	20.45

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD ACH	Petro #382 Remingto WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	40.81
WELLS FARGO CREDIT CARD ACH	Shell Oil 57445974108 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50065	31.50
WELLS FARGO CREDIT CARD ACH	Crowne Plaza Ind Airpo WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50075	212.94
WELLS FARGO CREDIT CARD ACH	Tractor-Supply-Co #019 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	232.96
WELLS FARGO CREDIT CARD ACH	Tractor-Supply-Co #019 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5200.443.60045	156.92
WELLS FARGO CREDIT CARD ACH	Tractor-Supply-Co #019 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	185.92
WELLS FARGO CREDIT CARD ACH	Iaai WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.50070	100.00
WELLS FARGO CREDIT CARD ACH	So St.Paul Steel Suppl WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.40047	79.50
WELLS FARGO CREDIT CARD ACH	Target 00020461 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60040	50.31
WELLS FARGO CREDIT CARD ACH	At&T Bill Payment WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1000.413.50020	91.12
WELLS FARGO CREDIT CARD ACH	At&T Bill Payment WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.50020	32.64
WELLS FARGO CREDIT CARD ACH	Red Wing Shoe #728 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	160.00
WELLS FARGO CREDIT CARD ACH	Red Wing Shoe #728 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	160.00
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60012	(3.74)
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	101.44.6000.451.60065	(12.15)
WELLS FARGO CREDIT CARD ACH	Su Zs Embroidery Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	8.00
WELLS FARGO CREDIT CARD ACH	Su Zs Embroidery Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	64.00
WELLS FARGO CREDIT CARD ACH	Su Zs Embroidery Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	40.00
WELLS FARGO CREDIT CARD ACH	Su Zs Embroidery Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.45.3300.419.60045	8.00
WELLS FARGO CREDIT CARD ACH	Dakota Awards And Engr WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.60065	242.00
WELLS FARGO CREDIT CARD ACH	Fun Jumps Entertainmen WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4200.423.30700	200.00
WELLS FARGO CREDIT CARD ACH	Minnesota Chiefs Of Po WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50080	525.00
WELLS FARGO CREDIT CARD ACH	Sams Membership WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1100.413.50070	45.00
WELLS FARGO CREDIT CARD ACH	Scsu Continuing Educat WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.41.1100.413.50080	410.00
WELLS FARGO CREDIT CARD ACH	Act Atom Training WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50080	475.00
WELLS FARGO CREDIT CARD ACH	In Under-Wraps WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.60065	301.77
WELLS FARGO CREDIT CARD ACH	Usps 26880105433489519 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.50035	2.74
WELLS FARGO CREDIT CARD ACH	Wal-Mart #5089 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.42.4000.421.60065	10.97
WELLS FARGO CREDIT CARD ACH	American Public Works WF 4/16	05/18/2016	Wells Fargo Purchase Cards	101.43.5100.442.50080	873.00
XCEL ENERGY	500804888	05/18/2016	Gas & Electric	101.44.6000.451.40010	260.26
XCEL ENERGY	500804888	05/18/2016	Gas & Electric	101.44.6000.451.40020	723.57
XCEL ENERGY	499887741	05/18/2016	Gas & Electric	101.43.5200.443.40020	595.62
XCEL ENERGY	499887741	05/18/2016	Gas & Electric	101.43.5400.445.40020	9,592.46
XCEL ENERGY	499907276	05/18/2016	Gas & Electric	101.42.4200.423.40010	496.09
XCEL ENERGY	499907276	05/18/2016	Gas & Electric	101.42.4200.423.40020	1,106.90
XCEL ENERGY	499913137	05/18/2016	Gas & Electric	101.43.5400.445.40020	757.35
XCEL ENERGY	500620314	05/18/2016	Gas & Electric	101.42.4000.421.40042	44.05

Fund: 101 - GENERAL FUND

569,132.73

PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	0.54
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	0.54
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	3.24
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	14.04
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	4.32
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	0.54
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	2.70
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	18.36
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50065	3.24
PETTY CASH-WF PURCHASE CARD FEES	TRACY SHIMEK WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	201.44.1600.465.50075	20.98
RIVER HEIGHTS CHAMBER OF COMMERCE	6951	05/18/2016	APRIL 2016	201.44.1600.465.30700	2,924.71
RIVER HEIGHTS CHAMBER OF COMMERCE	6951	05/18/2016	APRIL 2016	201.44.1600.465.40065	250.00

Fund: 201 - C.V.B. FUND

3,243.21

ELDRIDGE, AMY	4/26/16	05/11/2016	CANCELLED LACROSSE LOW ENROLL	204.44.0000.3470000	180.00
FIRST IMPRESSION GROUP, THE	66915	05/11/2016	3/30/16	204.44.6100.452.50030	4,355.62
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	204.44.6100.452.30550	13.98
IGH SENIOR CLUB	5/3/16	05/11/2016	SENIOR CLUB LUNCH/MEMBERSHIPS	204.227.2271000	203.00
IGH/SSP COMMUNITY EDUCATION	5/3/16	05/11/2016	SENIOR TRIP	204.227.2271000	1,880.00
WELLS FARGO CREDIT CARD ACH	Target 00006197 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	204.44.6100.452.60040	9.62
WELLS FARGO CREDIT CARD ACH	Sams Membership WF 4/16	05/18/2016	Wells Fargo Purchase Cards	204.44.6100.452.50070	145.00
WELLS FARGO CREDIT CARD ACH	Wal-Mart #5089 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	204.44.6100.452.60009	67.20

Fund: 204 - RECREATION FUND

6,854.42

BOLER, SIMONA	5/16/16	05/18/2016	096010415	205.44.6200.453.10300	15.88
ELROY'S ELECTRIC SERVICE	4899	05/11/2016	4/27/16	205.44.6200.453.40040	109.94
FIRST IMPRESSION GROUP, THE	66915	05/11/2016	3/30/16	205.44.6200.453.50030	4,734.38
FIRST IMPRESSION GROUP, THE	66915	05/11/2016	3/30/16	205.44.6200.453.50035	20.61
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	205.44.6200.453.30550	11.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	205.44.6200.453.30550	12.50
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	205.44.6200.453.30550	3.50
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	205.44.6200.453.30550	26.64
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	205.44.6200.453.30550	12.50
HUEBSCH SERVICES	3653889 B	05/18/2016	92965	205.44.6200.453.40040	204.79
HUEBSCH SERVICES	3653889	05/11/2016	92965	205.44.6200.453.40040	56.47
LISA LYNN CONSULTING	IGH:1:16	05/11/2016	COACHING SERVICES	205.44.6200.453.50080	350.00
OLD WORLD PIZZA	5/4/16	05/11/2016	5/4/16	205.44.6200.453.76050	247.50
OLD WORLD PIZZA	5/4/16	05/11/2016	5/4/16	205.44.6200.453.76050	109.00
PETTY CASH-WF PURCHASE CARD FEES	AMY CRARY WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	205.44.6200.453.50065	9.94
PETTY CASH-WF PURCHASE CARD FEES	AMY CRARY WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	205.44.6200.453.50065	18.90
PETTY CASH-WF PURCHASE CARD FEES	AMY CRARY WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	205.44.6200.453.50065	9.00
PETTY CASH-WF PURCHASE CARD FEES	AMY CRARY WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	205.44.6200.453.60040	50.00
PETTY CASH-WF PURCHASE CARD FEES	AMY CRARY WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	205.44.6200.453.60065	140.00
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	15.77
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	21.04
WELLS FARGO CREDIT CARD ACH	Adobe Id Creative Cld WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50070	128.49
WELLS FARGO CREDIT CARD ACH	Facebook Hzmnd9eh2 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50025	10.00
WELLS FARGO CREDIT CARD ACH	Paypal Miama WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50080	80.00
WELLS FARGO CREDIT CARD ACH	Trx Training WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60018	119.95
WELLS FARGO CREDIT CARD ACH	Wal-Mart #1472 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	6.38

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
WELLS FARGO CREDIT CARD ACH	Big Lots Stores - #458 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	21.00
WELLS FARGO CREDIT CARD ACH	Menards Burnsville Mn WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	99.76
WELLS FARGO CREDIT CARD ACH	Minvalco Inc - Mnpls WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40040	308.00
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	8.49
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	9.99
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	9.99
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	11.94
WELLS FARGO CREDIT CARD ACH	Gopher Sport WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	476.06
WELLS FARGO CREDIT CARD ACH	Nac Mechanical WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40040	4,784.50
WELLS FARGO CREDIT CARD ACH	Park Supply Of America WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40040	77.12
WELLS FARGO CREDIT CARD ACH	Target 00025197 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	32.96
WELLS FARGO CREDIT CARD ACH	Gartner Refrigeration WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40040	119.40
WELLS FARGO CREDIT CARD ACH	Art.Com/Allposters.Com WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	(30.44)
WELLS FARGO CREDIT CARD ACH	Art.Com/Allposters.Com WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	(72.28)
WELLS FARGO CREDIT CARD ACH	Michaels Stores 9841 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	19.99
WELLS FARGO CREDIT CARD ACH	Sams Club #4787 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	219.78
WELLS FARGO CREDIT CARD ACH	Sams Internet WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	56.75
WELLS FARGO CREDIT CARD ACH	Samsclub #4736 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	51.66
WELLS FARGO CREDIT CARD ACH	Batteries Plus #30 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	77.70
WELLS FARGO CREDIT CARD ACH	Becker Arena Produc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40040	478.56
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40042	7.65
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	61.98
WELLS FARGO CREDIT CARD ACH	R&R Specialties Of Wis WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40042	54.00
WELLS FARGO CREDIT CARD ACH	R&R Specialties Of Wis WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40042	54.00
WELLS FARGO CREDIT CARD ACH	Taho Sportswear - Frid WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60045	87.60
WELLS FARGO CREDIT CARD ACH	Vp Culligan Water Cond WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	48.58
WELLS FARGO CREDIT CARD ACH	Vp Culligan Water Cond WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	194.32
WELLS FARGO CREDIT CARD ACH	Electronic Communicati WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50055	174.00
WELLS FARGO CREDIT CARD ACH	Electronic Communicati WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50055	174.00
WELLS FARGO CREDIT CARD ACH	Hillyard Inc Minneapolis WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	1,106.88
WELLS FARGO CREDIT CARD ACH	Hillyard Inc Minneapolis WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	784.33
WELLS FARGO CREDIT CARD ACH	Hillyard Inc Minneapolis WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	1,106.87
WELLS FARGO CREDIT CARD ACH	Hillyard Inc Minneapolis WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	784.34
WELLS FARGO CREDIT CARD ACH	Premier Electrical Cor WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40040	374.00
WELLS FARGO CREDIT CARD ACH	Riedell Skates WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	31.44
WELLS FARGO CREDIT CARD ACH	Arc Services/Training WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60018	110.00
WELLS FARGO CREDIT CARD ACH	Archetype Signmakers I WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	83.00
WELLS FARGO CREDIT CARD ACH	Archetype Signmakers I WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	83.00
WELLS FARGO CREDIT CARD ACH	Stantec Consulting Svc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.80200	2,080.27
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	310.95
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	310.95
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	188.22
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	77.82
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	230.45
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	144.56
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	248.35
WELLS FARGO CREDIT CARD ACH	Ww Grainger WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	31.65
WELLS FARGO CREDIT CARD ACH	Zumba Fitness WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50070	30.00
WELLS FARGO CREDIT CARD ACH	Gotprint.Com WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50030	55.42
WELLS FARGO CREDIT CARD ACH	Gotprint.Com WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50030	165.26
WELLS FARGO CREDIT CARD ACH	Gotprint.Com WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50030	51.36
WELLS FARGO CREDIT CARD ACH	Samsclub #4738 WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60065	(52.98)
WELLS FARGO CREDIT CARD ACH	Whentowork Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50070	16.00
WELLS FARGO CREDIT CARD ACH	Art.Com/Allposters.Com WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	94.38
WELLS FARGO CREDIT CARD ACH	Baltimore Aircoil Comp WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.40042	115.70
WELLS FARGO CREDIT CARD ACH	Mn Recreation And Park WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50025	100.00
WELLS FARGO CREDIT CARD ACH	Mn Recreation And Park WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50080	90.00
WELLS FARGO CREDIT CARD ACH	Science Museum Of Mn WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50080	159.00
WELLS FARGO CREDIT CARD ACH	Sams Membership WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50070	225.00
WELLS FARGO CREDIT CARD ACH	Samsclub #4738 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60016	30.05
WELLS FARGO CREDIT CARD ACH	Wal-Mart #5089 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60011	8.31
WELLS FARGO CREDIT CARD ACH	Cdw Government WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60040	423.53
WELLS FARGO CREDIT CARD ACH	Comcast Cable Comm WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.50070	191.14
WELLS FARGO CREDIT CARD ACH	Walgreens #4882 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	205.44.6200.453.60045	7.50
XCEL ENERGY	500804888	05/18/2016	Gas & Electric	205.44.6200.453.40010	4,809.76
XCEL ENERGY	500804888	05/18/2016	Gas & Electric	205.44.6200.453.40010	1,221.72
XCEL ENERGY	500804888	05/18/2016	Gas & Electric	205.44.6200.453.40020	8,949.82
XCEL ENERGY	500804888	05/18/2016	Gas & Electric	205.44.6200.453.40020	12,842.67
Fund: 205 - COMMUNITY CENTER					51,761.96
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	290.45.3000.419.30550	1.33
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Austing	05/18/2016	Legal	290.45.3000.419.30420	66.50
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Rauschnot	05/18/2016	Legal	290.45.3000.419.30420	66.50
Fund: 290 - EDA					134.33
EHLERS AND ASSOCIATES, INC.	70347	05/11/2016	5/5/16	359.57.9000.570.30150	1,656.74
Fund: 359 - G.O. WATER REV REF 2012A					1,656.74
EHLERS AND ASSOCIATES, INC.	70347	05/11/2016	5/5/16	360.57.9000.570.30150	276.71
Fund: 360 - G.O. STORM WATER REFUNDING 2012A					276.71
EHLERS AND ASSOCIATES, INC.	70347	05/11/2016	5/5/16	361.57.9000.570.30150	2,066.55
Fund: 361 - WATER REV REF 2012A					2,066.55
METROPOLITAN COUNCIL	APRIL 2016	05/18/2016	APRIL 2016	404.217.2170000	54,670.00
Fund: 404 - SEWER CONNECTION FUND					54,670.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
KIMLEY-HORN & ASSOCIATES, INC.	7593532	05/18/2016	160509030.3	436.73.5900.736.30300	4,482.46
KIMLEY-HORN & ASSOCIATES, INC.	7715623	05/18/2016	160509027.3	436.73.5900.736.30300	2,671.55
KIMLEY-HORN & ASSOCIATES, INC.	7715625	05/18/2016	160509030.3	436.73.5900.736.30300	2,122.65
Fund: 436 - 2016 IMPROVEMENT FUND					9,276.66
KIMLEY-HORN & ASSOCIATES, INC.	7715623	05/18/2016	160509027.3	440.74.5900.740.30300	27,012.36
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 #1509E Impr Project	05/18/2016	Legal	440.74.5900.740.30420	68.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 #1609D-Impr Prj 60th St Recon	05/18/2016	Legal	440.74.5900.740.30420	2,034.50
Fund: 440 - PAVEMENT MANAGEMENT PROJ					29,114.86
SOUTH ST PAUL, CITY OF	1/4/16-4/1/16	05/18/2016	005346	441.207.2070800	60.66
Fund: 441 - STORM WATER MANAGEMENT					60.66
BARR ENGINEERING COMPANY	23190328.15-14	05/18/2016	2015 PROJECT REVIEWS AND STUDIE	446.74.5900.746.30300	178.00
DAKOTA COUNTY	FLANNERY PARCEL 2	05/11/2016	FLANNERY PARCEL 2	446.74.5900.746.80100	20,900.00
EVERGREEN LAND SERVICES	00-11504	05/18/2016	2015-12	446.74.5900.746.30700	2,330.18
EVERGREEN LAND SERVICES	00-11505	05/18/2016	2015-12	446.74.5900.746.30700	560.00
EVERGREEN LAND SERVICES	00-11588	05/18/2016	2015-12	446.74.5900.746.30700	640.00
GLENLIN PROPERTIES LLC AND LEONARD, O	CITY PROJECT 2015-13	05/11/2016	CITY PROJECT NO. 2015-13	446.74.5900.746.80100	130,750.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 #1411-Impr Prj Argenta Trl	05/18/2016	Legal	446.74.5900.746.30420	1,093.50
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 #1413-NWA Utility Ext-Argenta Trl Ali	05/18/2016	Legal	446.74.5900.746.30420	27.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 #1512-Impr Project	05/18/2016	Legal	446.74.5900.746.30420	1,300.50
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 #1513-Impr Project	05/18/2016	Legal	446.74.5900.746.30420	2,544.60
NORTH AMERICAN TITLE COMPANY	5/17/16	05/17/2016	BLACKSTONE RIDGE OUTLOTS ABCD	446.74.5900.746.80100	2,311,046.00
Fund: 446 - NW AREA					2,471,369.78
ACTIVAR INDUSTRIAL PLASTICS GROUP	SI-0197100	05/11/2016	200728	501.50.7100.512.40040	184.23
CITY OF BLOOMINGTON	4/1/16-4/30/16	05/11/2016	4/1/16-4/30/16	501.50.7100.512.30700	420.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	501.50.7100.512.30550	43.78
GLENN LAWN CARE	337	05/11/2016	0002	501.50.7100.512.30700	1,040.00
GOPHER STATE ONE-CALL	6040453	05/11/2016	MN00435	501.50.7100.512.30700	820.70
GRAINGER	9108441834	05/18/2016	806460150	501.50.7100.512.60016	55.37
MN PIPE & EQUIPMENT	0354489	05/11/2016	2195	501.50.7100.512.60016	1,097.34
MN PIPE & EQUIPMENT	0354905	05/18/2016	2195	501.50.7100.512.60016	1,771.86
MN PIPE & EQUIPMENT	0354948	05/18/2016	2195	501.50.7100.512.40043	4,162.60
MN PIPE & EQUIPMENT	0354906	05/11/2016	2195	501.50.7100.512.60016	967.36
SOUTH ST PAUL STEEL SUPPLY CO	01140524	05/18/2016	0100202	501.50.7100.512.60016	130.00
SOUTH ST PAUL, CITY OF	1/4/16-4/1/16	05/18/2016	005346	501.50.7100.512.40005	245.03
STROLE & COMPANY LLC	WELL HOUSE 3	05/18/2016	WELL HOUSE 3	501.50.7100.512.40043	4,780.00
TKDA	002016001104	05/11/2016	0015781.001	501.50.7100.512.30700	1,527.22
TOTAL CONSTRUCTION & EQUIP.	67388	05/11/2016	CIT001	501.50.7100.512.40040	345.80
TOTAL CONSTRUCTION & EQUIP.	67389	05/11/2016	CIT001	501.50.7100.512.40040	98.80
WALKER LAWN CARE, INC.	6725	05/11/2016	4/29/16	501.50.7100.512.40046	1,046.86
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60016	90.48
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60040	19.25
WELLS FARGO CREDIT CARD ACH	The Home Depot #2843 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60040	101.75
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60011	10.94
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60016	21.40
WELLS FARGO CREDIT CARD ACH	Cdw Government WF 4/16 CR	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60016	(423.53)
WELLS FARGO CREDIT CARD ACH	Barneys Pumps Lakeland WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.40040	1,394.80
WELLS FARGO CREDIT CARD ACH	Cdw Government WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60016	423.53
WELLS FARGO CREDIT CARD ACH	Cdw Government WF 4/16	05/18/2016	Wells Fargo Purchase Cards	501.50.7100.512.60065	423.53
XCEL ENERGY	499908347	05/18/2016	Gas & Electric	501.50.7100.512.40010	758.33
XCEL ENERGY	499908347	05/18/2016	Gas & Electric	501.50.7100.512.40020	19,094.53
Fund: 501 - WATER UTILITY FUND					40,651.96
DAKOTA CTY TREASURER	APRIL 2016	05/18/2016	APRIL 2016	502.207.2070100	86.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	502.51.7200.514.30550	23.23
METROPOLITAN COUNCIL	0001054996	05/18/2016	5084	502.51.7200.514.40015	145,904.71
SOUTH ST PAUL, CITY OF	1/4/16-4/1/16	05/18/2016	005346	502.51.7200.514.40015	502.10
XCEL ENERGY	499908347	05/18/2016	Gas & Electric	502.51.7200.514.40010	120.63
XCEL ENERGY	499908347	05/18/2016	Gas & Electric	502.51.7200.514.40020	1,218.97
Fund: 502 - SEWER UTILITY FUND					147,855.64
ALL TEST & INSPECTIONS INC	CR16-12027	05/18/2016	4/26/16	503.52.8600.527.40040	486.80
ARAMARK REFRESHMENT SERVICES	9019785	05/18/2016	48128X	503.52.8300.524.40042	85.69
ARAMARK UNIFORM SERVICES	1718454869 B	05/11/2016	792502342	503.52.8600.527.60045	35.36
BLACK CLOVER ENTERPRISES, LLC	57810-1	05/11/2016	4/25/16	503.52.8200.523.76200	54.23
BREAKTHRU BEVERAGE MINNESOTA WINE & 1080471413		05/18/2016	102294	503.52.8300.524.76150	312.09
BREAKTHRU BEVERAGE MINNESOTA WINE & 1090561627		05/18/2016	102294	503.52.8300.524.76150	142.00
BREAKTHRU BEVERAGE MINNESOTA WINE & 1080468304		05/11/2016	102294	503.52.8300.524.76150	112.82
BREAKTHRU BEVERAGE MINNESOTA WINE & 1090558835		05/18/2016	102294	503.52.8300.524.76150	142.00
CLEVELAND GOLF/SRIXON	4684989	05/18/2016	10971	503.52.8200.523.76250	74.97
COCA COLA BOTTLING COMPANY	0178456209	05/18/2016	5/11/16	503.52.8300.524.76100	659.88
COLLEGE CITY BEVERAGE	370901	05/11/2016	3592	503.52.8300.524.76150	468.20
COVERALL OF THE TWIN CITIES INC	7070224530	05/18/2016	707-2469	503.52.8500.526.40040	1,124.81
DAKOTA ELECTRIC ASSN	201360-5 5/16	05/18/2016	Electric	503.52.8600.527.40020	224.32
DENNY'S 5TH AVENUE BAKERY	608624	05/18/2016	IW185	503.52.8300.524.76050	43.91
DENNY'S 5TH AVENUE BAKERY	609468	05/18/2016	IW185	503.52.8300.524.76050	64.14
DENNY'S 5TH AVENUE BAKERY	607711	05/11/2016	IW185	503.52.8300.524.76050	46.80
DENNY'S 5TH AVENUE BAKERY	608302	05/18/2016	IW185	503.52.8300.524.76050	52.58
DRAFT TECHNOLOGIES	05091605	05/18/2016	5/9/16	503.52.8300.524.40042	50.00
FIRST IMPRESSION GROUP, THE	66915	05/11/2016	3/30/16	503.52.8500.526.50025	505.00
FRANDRUP MASONRY INC.	4/26/16	05/11/2016	4/26/16	503.52.8600.527.80300	8,585.00
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	503.52.8000.521.30550	3.50
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	503.52.8500.526.30550	12.65
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	503.52.8600.527.30550	18.00
GRAINGER	9095119997	05/11/2016	855256939	503.52.8600.527.40040	391.92
HEGGIES PIZZA	1195003	05/11/2016	1708	503.52.8300.524.76050	117.30
JJ TAYLOR DIST. COMPANY OF MN	2495210	05/11/2016	00834	503.52.8300.524.76150	(30.00)

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
JJ TAYLOR DIST. COMPANY OF MN	2528484	05/18/2016	00834	503.52.8300.524.76150	367.00
JJ TAYLOR DIST. COMPANY OF MN	2490547	05/11/2016	00834	503.52.8300.524.76150	230.80
LEITNER COMPANY	215693	05/18/2016	INVERW	503.52.8600.527.60020	587.74
LITIN	459575	05/11/2016	INV0200	503.52.8600.527.60020	187.44
LITIN	459575A	05/11/2016	INV0200	503.52.8600.527.60020	281.15
M. AMUNDSON LLP	215156 B	05/11/2016	902858	503.52.8300.524.76050	3.00
M. AMUNDSON LLP	216485	05/18/2016	902858	503.52.8300.524.76050	136.54
M. AMUNDSON LLP	216013	05/11/2016	902858	503.52.8300.524.76050	195.08
MINNESOTA MEDICAL TRAINING SERVICE	5/27/16	05/18/2016	CPR	503.52.8600.527.60065	349.13
NAPA OF INVER GROVE HEIGHTS	457528	05/11/2016	4165	503.52.8600.527.40042	22.62
NAPA OF INVER GROVE HEIGHTS	458534	05/11/2016	4165	503.52.8600.527.40042	30.81
NATURE CALLS, INC.	24605	05/18/2016	4/30/16	503.52.8600.527.40065	124.27
PIONEER PRESS	0416520544	05/18/2016	520544	503.52.8500.526.50025	100.00
REINDERS, INC.	3037202-00	05/11/2016	402307	503.52.8600.527.60020	49.16
SAVATREE	3931429	05/11/2016	1084219	503.52.8600.527.60020	2,709.67
SAVATREE	3931432	05/11/2016	1084219	503.52.8600.527.60020	391.01
SAVATREE	3954918	05/11/2016	1084219	503.52.8600.527.60020	642.75
SHAMROCK GROUP	1998028	05/11/2016	07176	503.52.8300.524.76100	205.00
SOUTH BAY DESIGN	5/2/16	05/18/2016	INVERWOOD	503.52.8500.526.50025	75.00
SUMMIT FOOD EQUIPMENT SERVICE, INC.	108956	05/18/2016	827	503.52.8300.524.40042	428.89
SUPERIOR TURF SERVICES INC	12343	05/11/2016	5/4/16	503.52.8600.527.60035	464.36
TDS METROCOM	5/13/16 651 457 3667	05/18/2016	651 457 3667	503.52.8500.526.50020	258.07
TITLEIST	902526602	05/18/2016	3012060501	503.52.8200.523.76200	375.40
TITLEIST	902550687	05/18/2016	3011416275	503.52.8200.523.76350	3,098.70
TOLL GAS & WELDING SUPPLY	10134480	05/18/2016	160509030.3	503.52.8600.527.60012	65.34
TWIN CITY SAW	A21990	05/11/2016	4/25/16	503.52.8600.527.60040	1,039.98
US FOODSERVICE	4069243	05/18/2016	03805983	503.52.8300.524.76050	966.64
US FOODSERVICE	4081216	05/18/2016	03805983	503.52.8300.524.76050	64.21
US FOODSERVICE	3934487	05/11/2016	03805983	503.52.8300.524.76050	715.90
WELLS FARGO CREDIT CARD ACH	Mgcsa WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8600.527.50070	275.00
WELLS FARGO CREDIT CARD ACH	Cub Foods #1639 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8300.524.76050	3.19
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8300.524.40042	22.46
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8500.526.60065	2.13
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8600.527.60020	19.27
WELLS FARGO CREDIT CARD ACH	Wal-Mart #1786 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8300.524.76050	10.20
WELLS FARGO CREDIT CARD ACH	Wal-Mart #1786 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8300.524.76050	13.66
WELLS FARGO CREDIT CARD ACH	Illetschkos Meats & Sm WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8600.527.60030	72.00
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8600.527.60020	197.32
WELLS FARGO CREDIT CARD ACH	Menards West St Paul M WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8600.527.60020	55.64
WELLS FARGO CREDIT CARD ACH	Batteries Plus #02 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	503.52.8400.525.40041	160.53
WESTERN PETROLEUM COMPANY	97393310-41801	05/11/2016	112743	503.52.8600.527.60022	1,345.79
WINFIELD SOLUTIONS, LLC	000060781700	05/11/2016	156650	503.52.8600.527.60035	(574.87)
WINFIELD SOLUTIONS, LLC	000060814294	05/18/2016	156650	503.52.8600.527.60030	3,968.70
WINFIELD SOLUTIONS, LLC	000060814297	05/18/2016	156650	503.52.8600.527.60035	2,223.07
XCEL ENERGY	499546534	05/18/2016	Gas & Electric	503.52.8500.526.40010	58.95
XCEL ENERGY	499546534	05/18/2016	Gas & Electric	503.52.8500.526.40020	1,134.73
XCEL ENERGY	499546534	05/18/2016	Gas & Electric	503.52.8600.527.40010	133.96
XCEL ENERGY	499546534	05/18/2016	Gas & Electric	503.52.8600.527.40020	1,047.88
YAMAHA GOLF & UTILITY, INC.	01-152978	05/18/2016	4/21/16	503.52.8400.525.40041	32.85
YAMAHA GOLF & UTILITY, INC.	01-153057	05/18/2016	4/26/16	503.52.8400.525.40041	91.23
Fund: 503 - INVER WOOD GOLF COURSE					38,243.32
EHLERS AND ASSOCIATES, INC.	70405	05/18/2016	5/10/16	511.50.7100.512.30150	2,486.88
Fund: 511 - NWA - WATER					2,486.88
EHLERS AND ASSOCIATES, INC.	70405	05/18/2016	5/10/16	512.51.7200.514.30150	2,486.87
Fund: 512 - NWA - SEWER					2,486.87
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	602.00.2100.415.30550	1.66
LEAGUE OF MN CITIES INS TRUST	32089	05/11/2016	9/1/15-9/1/16	602.00.2100.415.50009	102,350.50
Fund: 602 - RISK MANAGEMENT					102,352.16
FACTORY MOTOR PARTS COMPANY	1-4977133	05/18/2016	10799	603.140.1450050	242.40
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	603.00.5300.444.30550	9.24
HOTSY EQUIPMENT OF MINNESOTA	51830	05/18/2016	IG07557	603.00.5300.444.40040	62.27
INDUSTRIAL SAFETY CO.	43866	05/18/2016	5/5/16	603.00.5300.444.80700	1,842.95
INDUSTRIAL SAFETY CO.	43866	05/18/2016	5/5/16	603.00.5300.444.80700	1,842.95
INVER GROVE FORD	5207147	05/18/2016	4/28/16	603.00.5300.444.40041	57.47
INVER GROVE FORD	5207691	05/18/2016	5/6/16	603.00.5300.444.40041	24.80
MACQUEEN EQUIPMENT INC	2163009	05/18/2016	4/28/16	603.00.5300.444.40041	833.10
MACQUEEN EQUIPMENT INC	2163011	05/18/2016	4/28/16	603.00.5300.444.40041	363.62
MANSFIELD OIL COMPANY	372626	05/18/2016	23866-02-372626	603.140.1450060	8,285.81
MANSFIELD OIL COMPANY	372628	05/18/2016	23866-01-372628	603.140.1450060	3,997.76
MASTER TRANSMISSION	220634	05/18/2016	3177	603.00.5300.444.40041	300.25
MASTER TRANSMISSION	220646	05/18/2016	3177	603.00.5300.444.40041	285.90
METRO JANITORIAL SUPPLY INC	11013951	05/18/2016	3/24/16	603.00.5300.444.60012	321.90
MID CITY SERVICES, INC.	41369	05/18/2016	4/27/16	603.00.5300.444.40065	42.75
MIDWAY FORD	107810	05/18/2016	5/5/16	603.00.5300.444.80700	25,479.24
MOORE MEDICAL LLC	99050163 I	05/18/2016	21185816	603.00.5300.444.80700	644.63
NELSON AUTO CENTER	F 6816	05/18/2016	1FMK8AR2GGC91884	603.00.5300.444.80700	27,594.95
NELSON AUTO CENTER	F 6817	05/18/2016	1FM5K8AR4GGC91885	603.00.5300.444.80700	27,594.95
NORTH AMERICAN TRAILER SALES	0304110392	05/18/2016	10095	603.00.5300.444.40041	96.98
NORTH AMERICAN TRAILER SALES	CM0001053	06/23/2015	10095	603.00.5300.444.40041	(24.40)
O' REILLY AUTO PARTS	1767-202013	05/11/2016	1578028	603.00.5300.444.40041	29.99
O' REILLY AUTO PARTS	1767-202673	05/11/2016	1578028	603.00.5300.444.40041	3.45
O' REILLY AUTO PARTS	1767-202691	05/11/2016	1578028	603.00.5300.444.40041	177.23
O' REILLY AUTO PARTS	1767-202829	05/11/2016	1578028	603.00.5300.444.40041	27.28
O' REILLY AUTO PARTS	1767-202830	05/11/2016	1578028	603.00.5300.444.40041	11.15
O' REILLY AUTO PARTS	1767-202832	05/11/2016	1578028	603.00.5300.444.40041	3.86
O' REILLY AUTO PARTS	1767-202833	05/11/2016	1578028	603.00.5300.444.40041	16.73

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
O' REILLY AUTO PARTS	1767-202920	05/11/2016	1578028	603.00.5300.444.40041	24.76
O' REILLY AUTO PARTS	1767-202937	05/11/2016	1578028	603.00.5300.444.40041	(16.73)
O' REILLY AUTO PARTS	1767-282831	05/11/2016	1578028	603.00.5300.444.40041	38.39
O' REILLY AUTO PARTS	1767-203013	05/11/2016	1578028	603.00.5300.444.40041	5.69
O' REILLY AUTO PARTS	1767-203014	05/11/2016	1578028	603.00.5300.444.40041	11.33
O' REILLY AUTO PARTS	1767-203024	05/11/2016	1578028	603.00.5300.444.60012	14.49
O' REILLY AUTO PARTS	1767-203025	05/11/2016	1578028	603.00.5300.444.60012	9.98
O' REILLY AUTO PARTS	1767-203149	05/11/2016	1578028	603.140.1450050	22.92
O' REILLY AUTO PARTS	1767-203155	05/11/2016	1578028	603.00.5300.444.40041	23.88
O' REILLY AUTO PARTS	1767-203182	05/11/2016	1578028	603.140.1450050	22.95
O' REILLY AUTO PARTS	1767-203875	05/11/2016	1578028	603.00.5300.444.60012	4.99
O' REILLY AUTO PARTS	1767-203988	05/18/2016	1578028	603.00.5300.444.40041	47.54
O' REILLY AUTO PARTS	1767-203992	05/18/2016	1578028	603.00.5300.444.40041	17.98
O' REILLY AUTO PARTS	1767-203997	05/18/2016	1578028	603.00.5300.444.40041	15.75
O' REILLY AUTO PARTS	1767-204020	05/18/2016	1578028	603.00.5300.444.40041	78.98
O' REILLY AUTO PARTS	1767-204387	05/18/2016	1578028	603.140.1450050	8.18
O' REILLY AUTO PARTS	1767-204430	05/18/2016	1578028	603.00.5300.444.40041	27.28
POMP'S TIRE SERVICE, INC.	980027605	05/18/2016	4502557	603.00.5300.444.40041	155.00
POMP'S TIRE SERVICE, INC.	980027818	05/18/2016	4502557	603.00.5300.444.40041	118.00
PUMP AND METER SERVICE INC	70789	05/18/2016	494500	603.00.5300.444.40040	191.00
SWEEPER SERVICES	16092	05/18/2016	4/4/16	603.00.5300.444.40041	687.65
TITAN MACHINERY	155078	05/18/2016	5/3/16	603.00.5300.444.80800	6,894.68
TOWMASTER TRAILERS INC	380178	05/18/2016	2946	603.00.5300.444.40041	2,500.00
UNIFIRST CORPORATION	090 0303001	05/18/2016	1051948	603.00.5300.444.40065	136.78
UNIFIRST CORPORATION	090 0303001	05/18/2016	1051948	603.00.5300.444.60045	31.49
WELLS FARGO CREDIT CARD ACH	Ace Hardware & Paint WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.60012	10.78
WELLS FARGO CREDIT CARD ACH	The Corner S WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.60021	29.52
WELLS FARGO CREDIT CARD ACH	Wpsg. Inc 800-852-6088 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.80700	837.49
WELLS FARGO CREDIT CARD ACH	Apl Appleonlinestoreus WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.80700	518.00
WELLS FARGO CREDIT CARD ACH	Tractor-Supply-Co #019 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.40041	15.72
WELLS FARGO CREDIT CARD ACH	Tractor-Supply-Co #019 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.60012	13.50
WELLS FARGO CREDIT CARD ACH	Art.Com/Allposters.Com WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.40040	91.00
WELLS FARGO CREDIT CARD ACH	Cdw Government WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.40040	495.04
WELLS FARGO CREDIT CARD ACH	Cdw Government WF 4/16	05/18/2016	Wells Fargo Purchase Cards	603.00.5300.444.40040	495.04
WESTERN PETROLEUM COMPANY	97396887-41801	05/18/2016	112741	603.00.5300.444.40041	127.05
XCEL ENERGY	499887741	05/18/2016	Gas & Electric	603.00.5300.444.40010	276.34
XCEL ENERGY	499887741	05/18/2016	Gas & Electric	603.00.5300.444.40020	1,461.39

Fund: 603 - CENTRAL EQUIPMENT 115,613.04

COORDINATED BUSINESS SYSTEMS	CNIN208663	05/11/2016	4502512	604.00.2200.416.40050	2,392.19
WELLS FARGO CREDIT CARD ACH	Samsclub #4736 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	604.00.2200.416.60010	36.60

Fund: 604 - CENTRAL STORES 2,428.79

CULLIGAN	3/31/16 157-98503022-8	05/11/2016	157-98503022-8	605.00.7500.460.60011	59.50
CULLIGAN	4/30/16 157-98503022-8	05/18/2016	157-98503022-8	605.00.7500.460.60011	69.03
GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	605.00.7500.460.30550	3.50
HUEBSCH SERVICES	3653888	05/11/2016	100075	605.00.7500.460.40065	113.54
LONE OAK COMPANIES	71054	05/18/2016	UTILITY BILLING	605.00.7500.460.50035	451.62
LONE OAK COMPANIES	5/16/15	05/18/2016	UTILITY POSTAGE	605.00.7500.460.50035	1,481.20
OVERHEAD DOOR CO OF THE NORTHLAND	94271	05/18/2016	4/26/16	605.00.7500.460.40040	427.00
WELLS FARGO CREDIT CARD ACH	Mills Fleet Farm 2700 WF 4/16	05/18/2016	Wells Fargo Purchase Cards	605.00.7500.460.60016	9.09
WELLS FARGO CREDIT CARD ACH	Minnesota Elevator Inc WF 4/16	05/18/2016	Wells Fargo Purchase Cards	605.00.7500.460.40040	246.40
WELLS FARGO CREDIT CARD ACH	Heart Smart Technology WF 4/16	05/18/2016	Wells Fargo Purchase Cards	605.00.7500.460.40042	134.00
XCEL ENERGY	499887741	05/18/2016	Gas & Electric	605.00.7500.460.40020	7,036.39

Fund: 605 - CITY FACILITIES 10,031.27

GENESIS EMPLOYEE BENEFITS, INC	IN788636	05/18/2016	Payroll	606.00.1400.413.30550	16.76
IDEAL SYSTEM SOLUTIONS, INC.	54143	05/11/2016	ISSQ21315	606.00.1400.413.30700	7,326.00
INTEGRA TELECOM	13806508	05/11/2016	645862	606.00.1400.413.50020	1,006.24
INTEGRA TELECOM	13820181 B	05/18/2016	887115	606.00.1400.413.50020	18.17
INTEGRA TELECOM	13820181	05/11/2016	887115	606.00.1400.413.50020	1,225.51
INTEGRA TELECOM	120376101	05/11/2016	002129	606.00.1400.413.50020	150.00
PETTY CASH-WF PURCHASE CARD FEES	PATRICK MYLAN WF OOP 4/16	05/18/2016	Wells Fargo Out of Pocket Reimburseme	606.00.1400.413.80610	32.12
US INTERNET	110-080034-0031	05/11/2016	110-080034	606.00.1400.413.30700	220.00
WELLS FARGO CREDIT CARD ACH	Solarwinds WF 4/16	05/18/2016	Wells Fargo Purchase Cards	606.00.1400.413.50070	1,287.00
WELLS FARGO CREDIT CARD ACH	At&T Bill Payment WF 4/16	05/18/2016	Wells Fargo Purchase Cards	606.00.1400.413.50020	54.08
WORKS COMPUTING, INC.	25577	05/11/2016	INVER	606.00.1400.413.80610	1,180.61
WORKS COMPUTING, INC.	25709	05/11/2016	INVER	606.00.1400.413.30700	3,779.10
WORKS COMPUTING, INC.	25711	05/11/2016	INVER	606.00.1400.413.30700	160.00
WORKS COMPUTING, INC.	25714	05/11/2016	INVER	606.00.1400.413.30700	510.00
WORKS COMPUTING, INC.	25787	05/11/2016	INVER	606.00.1400.413.80610	19,494.90

Fund: 606 - TECHNOLOGY FUND 36,460.49

BARR ENGINEERING COMPANY	23190328.15-14	05/18/2016	2015 PROJECT REVIEWS AND STUDIE	702.229.2288802	211.50
BARR ENGINEERING COMPANY	23190328.15-14	05/18/2016	2015 PROJECT REVIEWS AND STUDIE	702.229.2294602	2,471.50
BARR ENGINEERING COMPANY	23190328.15-14	05/18/2016	2015 PROJECT REVIEWS AND STUDIE	702.229.2296102	1,333.00
CULLIGAN	4/30/16 157-98473242-8	05/18/2016	157-98473242-8	702.229.2286300	48.05
KIMLEY-HORN & ASSOCIATES, INC.	7218812D	05/18/2016	10/31/15	702.229.2305801	715.50
LAWMAN BADGE COMPANY	2270	05/11/2016	5/6/16	702.229.2302400	154.40
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Blackstone Highlands	05/18/2016	Legal	702.229.2294102	492.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Blackstone Ponds	05/18/2016	Legal	702.229.2283502	88.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Blackstone Ridges	05/18/2016	Legal	702.229.2289802	5,607.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Crosby Heights	05/18/2016	Legal	702.229.2284002	595.24
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Fofeiture-Emiliano Hernandez	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Daniel Scott Smith	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Don A. Johnson	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Jason Dziewic	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Krech	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Richard A Rooney	05/18/2016	Legal	702.229.2291000	160.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Rishkesh Motilall	05/18/2016	Legal	702.229.2291000	8.00

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Ruiz	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Tara M. Bixby	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Tara M. Johnson	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Taylor M. Wohlwend	05/18/2016	Legal	702.229.2291000	8.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Forfeiture-Tressie M Bilbro	05/18/2016	Legal	702.229.2291000	16.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Gerten's Growng Field Expansion	05/18/2016	Legal	702.229.2294602	165.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 IHCC Bldg Addition	05/18/2016	Legal	702.229.2294002	266.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Larson CGA 1643 86th Ct E	05/18/2016	Legal	702.229.2298002	88.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Luther Nissan Kia	05/18/2016	Legal	702.229.2282402	252.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Mihm Development	05/18/2016	Legal	702.229.2296002	296.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Police-Forfeiture	05/18/2016	Legal	702.229.2291000	121.40
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 River Heights Lawn & Landscape	05/18/2016	Legal	702.229.2296202	546.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Tenney CGA 9480 Old Concord Blvd	05/18/2016	Legal	702.229.2284902	88.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Wakota Storage	05/18/2016	Legal	702.229.2288601	705.00
LEVANDER, GILLEN & MILLER P.A.	81000E 4/16 Xcel/Wescott Storage Building	05/18/2016	Legal	702.229.2295802	150.00
Fund: 702 - ESCROW FUND					14,649.59
Grand Total					3,712,878.62

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Subscription Transfer Consent of Pine Island Community Solar Garden Subscription Agreements with SolarStone Community LLC to Pine Island Holdco LLC

Meeting Date: May 23, 2016
 Item Type: Consent Agenda
 Contact: Eric Carlson 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by: Eric Carlson

Fiscal/FTE Impact:

<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Pursuant to Section 12.1 of the Community Solar Garden Subscription Agreement with SolarStone Community LLC, the Council is asked to provide its approval of the City’s subscription transfer consent of our Pine Island Community Solar Garden Subscription Agreements with SolarStone Community LLC to Pine Island Holdco LLC.

SUMMARY

On March 28, 2016, the City Council entered in to ten (10) Community Solar Garden Contracts with SolarStone Community LLC that were offered to the City through a collaborative Request for Proposal (RFP) process organized by the Metropolitan Council. The ten contracts the City entered into include the following:

	Location	Met Council Ticket	Randomized Selection
1	Northfield Unit 1	1	137
2	Webster Unit 4	2	138
3	Webster Unit 5	3	140
4*	Pine Island Unit 3	5	141
5	Northfield Unit 2	6	142
6*	Pine Island Unit 3	7	143
7	Webster Unit 3	8	144
8	Webster Unit 2	9	145
9*	Pine Island Unit 2	10	146
10	Webster Unit 1	11	147

Pursuant to Section 12.1 of the contract(s), SolarStone Community LLC is seeking the City’s consent to transfer the three contracts located at Pine Island (identified with a “*”) to Pine Island Holdco LLC. Under the terms of the contract the City can not unreasonable withhold our consent. The City Attorney’s office advises that consent should be provided.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of Canada Geese Management

Meeting Date: May 23, 2016
 Item Type: Consent Agenda
 Contact: Eric Carlson – 651.45.2587
 Prepared by: Eric Carlson
 Reviewed by: Brian Swoboda – Parks

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| <input type="checkbox"/> | None |
| <input checked="" type="checkbox"/> | Amount included in current budget |
| <input type="checkbox"/> | Budget amendment requested |
| <input type="checkbox"/> | FTE included in current complement |
| <input type="checkbox"/> | New FTE requested – N/A |
| <input type="checkbox"/> | Other |

PURPOSE/ACTION REQUESTED

Approve trapping and removal of Canada geese, from City Campus ponds and Simley Lake. Removals done by Tom Keefe of Canada Goose Management Inc., for a sum not to exceed \$5,000 taken from Park operating budget.

SUMMARY

The Canada goose population at the two sites is a growing nuisance. Goose droppings make sites unsanitary and increasingly unusable and turf condition and shoreline plantings are deteriorating. Aggressive bird behavior threatens small children at Smiley Island and the Community Center playground.

The Canada goose population is becoming an increasing problem at these two high activity park sites. We receive many complaints throughout the summer about unsanitary conditions due to goose droppings, quality of turf and landscape plants, and aggressive geese. The ideal goose habitat at these two sites has created a Canada goose population that is not sustainable and is leading to natural resource degradation.

The Canada Goose Program run by Dr. James A. Cooper, the metro area’s preeminent authority on Canada geese, has been in existence for 31 years. Tom Keefe is continuing the program due to Dr. Cooper’s retirement.

A DNR permit has been acquired which allows the City to undertake this action. Trapping would be done through July 31 when 95% of the birds are flightless. Many metro communities utilize the program to trap and remove Canada geese from parks and area ponds and lakes.

Approve expenditure of \$5,000 from Park operating budget to contract with Tom Keefe of Canada Goose Management, Inc. to trap and remove Canada geese from Simley Island Park and City Campus ponds.

The City will need to create an approved Canada Goose Management Plan by April 30, 2017 before we will be authorized to remove geese in subsequent years. The plan must include the following:

- Goose population estimate
- Goose population goal
- A public involvement process to allow citizen discussion/input
- A written plan to achieve and maintain the population goal which includes information on non-lethal damage abatement techniques.

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

JIM DEANOVIC – Blackstone Highlands

Meeting Date: May 23, 2016
 Item Type: Consent Agenda
 Contact: Allan Hunting 651.450.2554
 Prepared by: Allan Hunting, City Planner
 Reviewed by:

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other

PURPOSE/ACTION REQUESTED

Consider a Resolution providing a credit against Northwest Area connection fees for the plat of Blackstone Highlands.

- Requires 3/5th's vote.
- 60-day deadline: N/A

SUMMARY

The applicant is requesting Council allow the credit excess calculated in Resolution 14-193 to be applied to the future plat of Blackstone Highlands.

Council approved Resolution 14-193 on November 10, 2014 which authorized the application of credits for Blackstone Vista, Blackstone Ponds and Blackstone Ridge to be used for the shortage of density and payment of northwest area utility connection fees. The resolution established criteria to calculate credits for the approximate \$601,000 shortage in fees.

With the density approved in Blackstone Highlands, there is a shortage in connection fees of \$312,738. On September 28, 2015 Council approved a resolution that allowed any extra credit over and above the \$601,000 to be used towards a shortfall in Blackstone Highlands.

Staff has determined there are special circumstances in the construction of city projects in Blackstone Ridge, that some additional credits are warranted to be used for Blackstone Highlands. The attached resolution identifies four costs that could be used for credits. Two costs relate to construction of truck sewer to Blackstone Ridge through Blackstone Highlands and the other relate to the construction of storm ponds in Blackstone Ridge now that will address future needs for Argenta Trail. The other two items include excess credit from the Blackstone plats and some engineering escrow that would be used for reviewing city/private work in and around the sewer project.

The four credits cover costs up to \$44,802. The balance of \$44,802 would be included in the development agreement of Blackstone Highlands and paid at that time.

RECOMMENDATION

Planning Staff: Recommends approval of the attached resolution.

Attachments: Resolution authorizing application of credits for Blackstone Highlands

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE APPLICATION OF CREDITS FOR THE
PLAT OF BLACKSTONE HIGHLANDS RELATING TO THE DENSITY
SHORTAGE FOR THE UTILITY CONNECTION FEES**

WHEREAS, the plat of Blackstone Highlands has received preliminary plat approval and is in the process of being reviewed for final plat approval.

WHEREAS, the plat of Blackstone Highlands has a comprehensive plan and zoning designation that requires that within the planned unit development contract the following provisions must exist:

1. The property must be zoned, platted and developed as a PUD within an approved PUD contract and approved PUD plans;
2. At the time the plat is recorded, the landowner/developer by written agreement with the City must pay the City the difference between (a) the Northwest Area utility connection fees (including those usually payable at time of plat as well as building permit issuance) and the hook-up fees (including the water connection fee and sewer connection fee) that would have been payable for the densities shown for the subject property in the city's financial and connection fee information prepared by Ehlers & Associates (as amended from time to time) for the Northwest Area and (b) the Northwest Area utility connection fees and hook-up fees that will be collected for the subject property per the actual densities at which the subject property develops.

WHEREAS, there will be a difference (the Shortage Amount) between (a) the Northwest Area utility connection fees (including those usually payable at time of plat as well as building permit issuance) and the hook-up fees (including the water

connection fee and sewer connection fee) that would have been payable for the densities shown for the subject property in the city's financial and connection fee information prepared by Ehlers & Associates (as amended from time to time) for the Northwest Area and (b) the Northwest Area utility connection fees and hook-up fees that will be collected for the subject property per the actual densities at which the subject property will develop.

WHEREAS, the Shortage Amount for the plat of Blackstone Highlands has been determined and calculated to be the sum of \$312,738.

WHEREAS, on November 10, 2014, the City Council adopted Resolution No. 14-193 relating to the computation of the shortage of the connection fees and hook-up fees (Shortage Amount) for the three plats of Blackstone Vista, Blackstone Ponds 1st Addition and Blackstone Ridge due to the reduced density of the three plats in relationship to the density that was originally projected for the three plats. Resolution No. 14-193 also related to computation of the credits that the City would allow to be applied against the Shortage Amount.

WHEREAS, after review and calculation of credits for the three plats of Blackstone Vista, Blackstone Ponds 1st Addition and Blackstone Ridge, the computed credits exceed the projected Shortage Amount for the three plats.

WHEREAS, the developer of the proposed Blackstone Highlands was instrumental and integral in organizing and structuring the development of the three plats. CalAtlantic Homes is now developing Blackstone Vista and Blackstone Ponds 1st Addition. U.S. Home Corporation is now developing Blackstone Ridge.

WHEREAS, the developer of the proposed Blackstone Highlands has requested that credits from Blackstone Vista, Blackstone Ponds 1st Addition and Blackstone Ridge in excess of the Shortage Amount for Blackstone Vista, Blackstone Ponds 1st Addition and Blackstone Ridge as determined pursuant to Resolution 14-193 be applied to the Shortage Amount in Blackstone Highlands.

WHEREAS, the developer of Blackstone Highlands has also requested additional credits as an offset to the Shortage Amount in Blackstone Highlands due to certain benefits provided to the City by the developer for a public improvement project currently being constructed by the City (City Project No. 2015-16) and for a future public improvement project (realignment of Argenta Trail).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS AS FOLLOWS:

1. **Initial Determination of Shortage Amount.** The initial determination of the Shortage Amount for Blackstone Highlands is \$312,738.
2. **Authorization for Credits.** There shall be applied against the Shortage Amount the following credits and the recitation of the credits shall occur within the Development Contract for Blackstone Highlands.
3. **Application of Excess Credits from Blackstone Ridge.** The City Council determines that the Development Contract for Blackstone Highlands shall have a provision whereby the unused excess credits calculated for the three plats of Blackstone Vista, Blackstone Ponds 1st Addition and Blackstone Ridge pursuant to Resolution No. 14-193 in the amount of \$48,156 shall be applied to the calculated Shortage Amount in Blackstone Highlands.
4. **Application of \$101,860 Credit Relating to Project No. 2015-16.** City Project 2015-16 contains, among other things, directional boring to construct a trunk watermain. The developer of Blackstone Highlands has caused the developer of Blackstone Ridge to pay the City \$101,860 for additional directional boring in substitution for the more conventional ditch type excavation. The payment of the \$101,860 to the City as part of Project No. 2015-16 benefits the City. The City Council hereby determines that the \$101,860 shall be a credit against the density shortage for Blackstone Highlands.
5. **Application of \$95,920 Credit Relating to Realigned Argenta Trail Stormwater Needs.** The City and Dakota County have acquired and paid for land in Blackstone Ridge for realigned Argenta Trail. The City and County have also acquired and paid for a drainage and utility and stormwater easement to accept the potential stormwater runoff from realigned Argenta Trail. In addition to and separate from these acquisitions, the developer of Blackstone Highlands caused the developer of Blackstone Ridge to agree to enhance and deepen the stormwater pond/basin within the stormwater easement to meet the expected stormwater storage capacity requirements for the runoff from realigned Argenta Trail. The cost to construct the stormwater improvements for the capacity needs of realigned Argenta Trail is \$95,920. The developer of Blackstone Ridge will bear the cost of \$95,920. The City Council hereby determines that the \$95,920 shall be a credit against the density shortage for Blackstone Highlands.
6. **Application of \$22,000 Credit Relating to Inspection Fees for Blackstone Highlands.** The developer of Blackstone Highlands will be conducting a number

of public improvements throughout the plat of Blackstone Highlands. The City will also be constructing Project No. 2015-13 within Blackstone Highlands. The City has calculated that the engineering inspection fees payable by the developer of Blackstone Highlands is the amount of \$80,000. There is the possibility that some of the inspection time spent by the City engineering and inspection personnel for the developer installed improvements could arise due to the proximity and existence of the City installed improvements. To remove potential disagreements about whether the need for inspection was caused by the developer installed improvements or by the City installed improvements, the Council directs that the engineering inspection escrow for the plat of Blackstone Highlands shall specify that the developer shall pay the full \$80,000 for inspection fees but, there shall be a \$22,000 credit against the Shortage Amount for Blackstone Highlands.

7. **No Credits for Actual Connection Fees.** The credits authorized by this Resolution for Blackstone Highlands shall not be applied to the connection fees and hook-up fees owed by the developer/owner of Blackstone Highlands for the actual densities and buildings being developed on the plat of Blackstone Highlands or to any other fees that are owed by the developer/owner for development of the plat of Blackstone Highlands. If the applied credits exceed the shortage for Blackstone Highlands, the unused credits shall have no application to any other fees owed by the developer/owner and the unused credits shall have no application to any other plat.
8. **Net Shortage Amount.** After application of credits, the net amount to be paid by the developer of Blackstone Highlands for the Shortage Amount is \$44,802. The Development Contract for Blackstone Highlands shall require such payment.
9. **Summary.** In summary, the Development Contract for the plat of Blackstone Highlands shall reflect the following calculation:
 - \$312,738: Initial Shortage Amount
 - \$48,156: Credit from Blackstone Ridge
 - \$101,860: Credit for Directional Boring
 - \$95,920: Credit for Pond Excavation for Realigned Argenta Trail
 - \$22,000: Credit for Inspection Fees

\$44,802: Net Amount to be paid by Developer of Blackstone Highlands
For Shortage Amount

Adopted by the City Council of Inver Grove Heights on this 23rd day of May, 2016.

Ayes:

Nays:

ATTEST:

George Tourville, Mayor

Michelle Tesser, City Clerk

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

2016 SPECIAL SESSION FOR COUNCIL

Meeting Date: May 23, 2016
Item Type: Consent
Contact and Prepared by: Carrie Isaacson, Admin Services
Coordinator

Reviewed by: Joe Lynch, City Administrator

Fiscal/FTE Impact:	
<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED: Establish a Special Session for Council between the City of Inver Grove Heights and School District 199.

SUMMARY: Kelly Harder, Director of the Community Services Division in Dakota County will be presenting his service model on valued care and self-sufficiency called "Pathways from Poverty to Thriving in Dakota County". Superintendent Dave Bernhardson and Board members from School District 199 will be in attendance at the special meeting on Tuesday, July 12th to listen along with Council on the insight and detail into the collaborative effort of supporting this program between the City of IGH and ISD 199. In addition to this presentation, the City and School District will provide updates to each of the other respective groups.

The attached flyer provides the details of the presentation.

Please establish Tuesday, July 12th at 6:00 PM as the special session of the City Council for the purpose of attending the joint meeting between the City and the School District.

Please join us...

PATHWAYS FROM POVERTY TO THRIVING IN DAKOTA COUNTY

Growing Capacity and Reducing Dependency

Presented by
Kelly Harder

Kelly is the Director of Community Services Division in Dakota County. He has oversight of social services, public health, community corrections, income maintenance, child support, veteran services, and 4-H/extension programs. He has been working over the past five years toward moving their organization and community of human serving providers into a fully integrated service delivery model of care using their Community Service Value Curve & Self-Sufficiency Matrix.

Tuesday, July 12th - 6:00 pm
Inver Grove Heights City Hall – Council Chambers



CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Meeting Date: May 23, 2016
 Item Type: Consent Agenda
 Contact:
 Prepared by: Joe Lynch, City Administrator
 Reviewed by:

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Council is requested to accept and adopt the Joint Powers Agreement between Dakota County and cities in Dakota County on the efforts to bring broadband to all communities within the County interested in providing an alternative resource to the cable provided network as well as provide redundancy for security and public safety purposes.

SUMMARY

In the fall of 2015, Council heard a presentation from Craig Ebeling, former City Manager of Burnsville (retired) and now contracted consultant with Dakota County on the efforts of cities in Dakota County to provide for internet access to government buildings, as well as provide a ring of broadband service that might one day be available to businesses in those communities. As Council may remember from our discussions, in the negotiations with Comcast Cable on their request for renewal they have indicated that the currently provided internet access may not be available to cities or may not be available at no cost in the future. To protect ourselves from loss of service and to avoid being in the situation of only having one provider, Dakota County took it upon itself to consider being an internet provider. With a commitment from the Dakota County CDA, the two entities have provided for 2/3 the cost of the research, review and analysis of being able to do this, with 1/3 of the cost being split between the Dakota County cities based upon population. Our cost share is \$5,083.77, which would be paid out of the technology fund.

All other cities that are to be a part of this agreement have signed onto the Joint Powers Agreement. The purpose and function of the group, led by the CDA, is to design and lay out a broadband system that would be available to the local governments first, including any and all public facilities desired to be connected to the system by the local government. A cost will be determined to build out the system. Costs will then be broken down by each community, with some having less cost than others due to the work they have already done. Our costs can be expected to be higher because we have not done any work on building a redundant system in the event of failure of the current system. Each community would then be free to make an independent decision about whether it wished to go forward with another Joint Powers Agreement to be a part of the system construction and paying for our share of that work. It is in our interest to be a part of this initial JPA to determine what is needed by and in the city, how much that might cost, whether we would explore ways to pay for those improvements and if we wanted to go forward and be a part of the new JPA group.

Staff recommends that Council approve and adopt the Joint Powers Agreement with the other Dakota County cities and the Dakota County CDA.

JOINT POWERS AGREEMENT
Preparation of the Dakota County Broadband Systems Plan

Dated as of _____, 2016

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THIS JOINT POWERS AGREEMENT (as amended from time to time, this “**Agreement**”) is entered into as of _____, 2016, by and between the parties described on Schedule A attached hereto (the “**Participants**”), pursuant to Minnesota Statutes, Section 471.59.

1. Statement of Purpose and Powers to be Exercised. The purpose of this Agreement is to provide for the joint exercise of the statutory powers common to the Participants (defined below), to prepare Systems Plans; including, but not limited to, the power to enter into agreements necessary or convenient to the exercise of such powers and to take such other actions reasonably necessary to complete the System Plans (together with other powers described herein, the “**Joint Powers**”). Notwithstanding any other provision of this Agreement, this Agreement does not authorize the use of Participants’ statutory authority to: (a) establish, operate, maintain and improve the existing Systems or establish fees and charges with respect thereto; (b) acquire, own and convey real or personal property; (c) issue bonds or obligations under any law under which the Participants may independently issue and use the proceeds of the bonds or obligations to carry out the purposes of the law; (d) exercise power of eminent domain; (e) exercise any taxing powers; (f) pledge the full faith or taxing power of any of the Participants for any purpose whatever; or (g) issue general obligation indebtedness of any Participant. Participants agree that any of the powers specifically excluded from this Agreement may be authorized by the Participants pursuant to a subsequent joint power agreement as described in paragraph 7.

2. Manner of Exercising Powers. The Joint Powers of the Participants will be exercised through the Dakota County Community Development Agency (the “CDA”), having the powers and duties described herein. The CDA is authorized to exercise the Joint Powers on behalf of and in cooperation with the Participants as provided herein.

3. Defined Terms. Capitalized terms used, but not otherwise defined, herein shall have the following meanings:

“Backbone” means the central portion of the network consisting of redundant optical fiber ring segments interconnecting diverse communications network elements (switches, routers, etc.), including connections at the co-location facility or facilities. Generally, the backbone capacity is greater than the networks connected to it.

“C-Net” means the use of the System on any basis other than by the Participants for their governmental and institutional purposes.

“CDA” means the Dakota County Community Development Agency, and its successors and assigns.

“I-Net” means the use of the System by the Participants for their governmental and institutional purposes.

“Inventory” means a detailed list and summary of the Participants’ Systems Components and Backbone, which may become a part of a consolidated system, if any, in the future.

“IRU” or “Indefeasible Rights to Use” means agreements between a Participant with respect to the use of System Components in which the Participant has an ownership or other legal interest.

“Participation Fee” means, as to Participants, the non-refundable fees identified on Schedule A hereto next to their respective names.

“Systems” means each Participants’ telecommunication infrastructure including, without limitation, fiber optic cables, hand holes, switches and routers and other network elements that provide broadband, I-Net and C-Net services within the boundaries of each of the Participants.

“Systems Components” means the various necessary or convenient elements of the Systems, including, without limitation, fiber optic cables, hand holes, switches and routers, together with contract rights and agreements necessary or convenient in connection with the operation, maintenance, development and use of such components.

“Systems Plans” means general information sufficient for Participants to evaluate the Systems’ physical aspects and the methods for funding or financing the costs associated with the operation, maintenance, and development of the Systems. The Systems Plans shall identify the ownership, operation, maintenance, improvement use, and methods of funding, and/or financing, the Systems.

4. Participants.

A. *General.* The Participants are: the CDA, Dakota County, Apple Valley, Burnsville, Eagan, Farmington, Hastings, Inver Grove Heights, Lakeville, Mendota Heights, Rosemount, South St. Paul and West St. Paul.

B. *Participation Fee.* The aggregate of the Participation Fees described on Schedule A is intended to be an amount sufficient to pay the costs identified on Schedule B attached hereto. Such fees were allocated to the Participants using the formula that was used for cost sharing for the initial Design Nine study.

5. CDA’s Powers. The CDA shall have the general powers described in paragraph 1 of this Agreement, including, but not limited the powers to do the following:

- A.** To negotiate and enter into contracts for professional services and consultants for the gathering of information necessary to complete the System Plans and determine the cost of operating the Systems;
- B.** To sue and be sued with regard to contracts entered into pursuant to the authority granted hereunder;
- C.** To review and present the Systems Plans to the Participants; and
- D.** To discharge other duties consistent with the purposes of this Agreement and/or as required by statute.

6. Systems Plans.

A. *Content.* The Systems Plans shall include the following components:

- i. The design, construction, operation, marketing, public relations, maintenance, expansion and lifecycle replacement costs of the Systems and Systems Components;
- ii. An Inventory;
- iii. The terms under which Systems Components presently owned by Participants will be available for use as part of the Systems;
- iv. A valuation for all Systems Components presently owned by Participants which will be available for use as part of the Systems;
- v. User fees for the Systems; and
- vi. Methods of funding and financing.

B. *Methodology.* They Systems Plans shall be prepared capitalizing on the recent work completed by the various committees of the City-County Managers group utilizing it to the extent deemed appropriate by the Participants. City-County Managers will review the Systems Plans or portions thereof as they are prepared or become available.

C. *Review of the Systems Plans.* Following the preparation of the Systems Plans, the CDA shall distribute the Systems Plans to the Participants for review.

7. Acquisition of Interests in System Components. Upon completing their review of the Systems Plans, Participants may elect to proceed with a joint powers agreement for the following purposes: (a) creating a board to manage and operate consolidated Systems; (b) potential expansion of the Systems; (c) operation and maintenance cost sharing associated with the Systems; (d) complete, update and/or expand the Backbone network interconnecting the Systems; (e) establishment of usage rates; and (f) identifying funding. Those participants that choose to proceed with a subsequent joint powers agreement will enter into an IRU with the board created thereby and other electing participants pursuant to the terms of the subsequent joint powers agreement and the IRU(s).

8. Default; Remedies. Upon the occurrence of any default hereunder, the CDA and each Participant shall have any and all remedies available to it at law or in equity.

9. Limitation of Liability. As provided in Minnesota Statutes, Section 471.59, Subd. 1a, no Participant shall be liable for the acts or omissions of another Participant, unless it has specifically agreed in writing to be responsible for the same. For purposes of determining total liability for damages, each Participant and the CDA are considered a single governmental unit and the total liability for all of the Participants and the CDA shall not exceed the limits on governmental liability for a single governmental unit as specified under Minnesota Statutes, Sections 466.04, Subd. 1, or as waived or extended by the CDA or all Participants under

Minnesota Statutes Sections 466.06; or 471.981. This provision does not protect a Participant or the CDA from liability for its own independent acts or omissions not directly related to the exercise of the Joint Powers under this Agreement. Neither the CDA nor any Participants shall have the power hereunder to do any act or thing the effect of which is to create a charge or lien against the property or revenues of the CDA or another Participant, except as expressly provided in herein or in any of the documents authorized herein.

10. Amendments. This Agreement may be amended, at any time and from time to time, by the Participants.

IN WITNESS WHEREOF, each of the Participants has caused this Agreement to be executed on its behalf by its respective authorized officers, all as of the date first above written.

**DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY**

Date: _____

By: _____

Its: _____

DAKOTA COUNTY, MINNESOTA

Date: _____

By: _____

Its: _____

Approved as to Form

Assistant County Attorney Date

CITY OF APPLE VALLEY

Date: _____

By: _____
Mary Hamann-Roland, Mayor

Attest:

Date: _____

By: _____
Pamela Gackstetter, Clerk

CITY OF BURNSVILLE

Date: _____

By: _____
Elizabeth Kautz, Mayor

Attest:

Date: _____

By: _____
Macheal Collins, Clerk

CITY OF EAGAN

Date: _____

By: _____
Mike Maguire, Mayor

Attest:

Date: _____

By: _____
Dave Osberg, City Administrator

CITY OF FARMINGTON

Date: _____

By: _____
Todd Larson, Mayor

Attest:

Date: _____

By: _____
David McKnight, City Administrator

CITY OF HASTINGS

Date: _____

By: _____
Paul Hicks, Mayor

Attest:

Date: _____

By: _____
Melanie Mesko Lee, City Administrator

CITY OF INVER GROVE HEIGHTS

Date: _____

By: _____
George Tourville, Mayor

Attest:

Date: _____

By: _____
Joe Lynch, City Administrator

CITY OF LAKEVILLE

Date: _____

By: _____
Matt Little, Mayor

Attest:

Date: _____

By: _____
Justin Miller, City Administrator

CITY OF MENDOTA HEIGHTS

Date: _____

By: _____
Sandra Krebsbach, Mayor

Attest:

Date: _____

By: _____
Lorri Smith, Clerk

CITY OF ROSEMOUNT

Date: _____

By: _____
Bill Droste, Mayor

Attest:

Date: _____

By: _____
Clarissa Hadler, Clerk

CITY OF SOUTH ST. PAUL

Date: _____

By: _____
Beth A. Baumann, Mayor

Attest:

Date: _____

By: _____
Christy Wilcox, Clerk

CITY OF WEST ST. PAUL

Date: _____

By: _____
David Meisinger, Mayor

Attest:

Date: _____

By: _____
Chantal Doriott, Clerk

SCHEDULE A

Dakota County Broadband
Systems Plan Participation Fee

Cost-Share Concept

One-third of costs borne by Dakota County Community Development Agency

One-third of costs borne by Dakota County

One-third of costs borne by cities of over 10,000 pro-rata on population

Estimated Systems Plan Costs		\$ 148,490.00
Contingency	15%	\$ 22,273.50
Total Estimated Cost		\$ 170,763.50

CDA Share		\$ 56,921.17
County Share		\$ 56,921.17
City Share		\$ 56,921.17

City cost distribution based on % of total of 11 cities with population over 10,000

<u>Participants</u>	<u>Population</u>	<u>% of Population</u>	<u>Amount Due</u>
Apple Valley	49,084	12.94%	\$ 7,365.17
Burnsville	60,306	15.90%	\$ 9,049.06
Eagan	64,206	16.93%	\$ 9,634.26
Farmington	21,086	5.56%	\$ 3,164.00
Hastings	22,172	5.84%	\$ 3,326.96
Inver Grove Heights	33,880	8.93%	\$ 5,083.77
Lakeville	55,954	14.75%	\$ 8,396.03
Mendota Heights	11,071	2.92%	\$ 1,661.23
Rosemount	21,874	5.77%	\$ 3,282.25
South St Paul	20,160	5.31%	\$ 3,025.06
West St Paul	19,549	5.15%	\$ 2,933.37
TOTAL	379,342	100.00%	\$ 56,921.17

SCHEDULE B

Dakota County Broadband
Estimated Systems Plan Elements and Costs

Project Component	Est. Costs	Provider
Legal Services	\$8,000	
Preparation of Systems Plan		
Inventory, Design, etc	\$68,990	Elert 4/17/15 proposal, all options
Balance of Systems Plan work	\$15,000	Design Nine - assumed split
Preparation of Systems Funding Plan	\$51,500	Design Nine - assumed split
Additional consulting costs	\$5,000	
Contingency	\$22,274	
Total	\$170,764	

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Receive Proposals and Accept Quote for Fire Hydrant Reconditioning

Meeting Date: May 23, 2016
Item Type: Consent
Contact: Dan Helling, 651-450-2565
Prepared by: Dan Helling, Utility Superintendent
Reviewed by: Scott D. Thureen, Public Works Director

SDT

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other:

PURPOSE/ACTION REQUESTED

Receive proposal and accept quote for fire hydrant reconditioning.

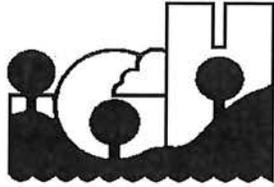
SUMMARY

Each year a number of our fire hydrants are reconditioned to extend their service life. The Utilities Superintendent has received three (3) proposals for sandblasting and repainting 250 hydrants (see attached memo).

I recommend that the Council receive the proposals and accept the proposal from Champion Coatings of \$88.00 per hydrant for a total of \$22,000. Funding will come from the Water Operating Fund (501.50.7100.512.40043).

SDT/kf

Attachment: Memo with three proposals



City of Inver Grove Heights
UTILITY DIVISION

MEMORANDUM

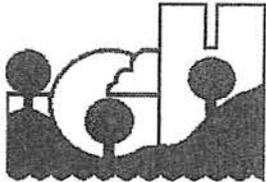
TO : Scott Thureen
FROM : Dan Helling
SUBJECT : **2016 Fire Hydrant Reconditioning**
DATE : May 17, 2016

Attached are three proposals for the reconditioning of approximately 250 fire hydrants. The Utilities Department would like to continue to improve the condition of fire hydrants throughout the city that have deteriorated due to the elements.

The contractor that is chosen will be required to sandblast each hydrant down to bare metal, and then apply two coats of Durethane, an oil based Safety Red topcoat. Durethane has been chosen for its ability to stand up to the elements and to retain its color.

Champion Coatings from Savage Minnesota would be able to do the reconditioning at \$88.00 per fire hydrant, well under our 2016 budget. The cost for this project would be covered in the water fund 501.50.7100.512. 40043. With your approval I would like to get them scheduled to do the work this summer.

Dan



City of Inver Grove Heights
Utility Division

2016 FIRE HYDRANT RECONDITIONING

PROPOSAL FORM

Sandblasting, Priming, and Painting of Fire Hydrants Unit Price

Includes all necessary labor, equipment, materials, and taxes: \$ 88 per hydrant

Any deviation from the specifications must be clearly noted; otherwise, it will be considered that this proposal is in strict compliance with the specifications.

Deviations from specification: _____

In submitting this proposal it is understood the City retains the right to reject any proposal, and to award the fire hydrant reconditioning work in the best interest of the City.

Date 5/11/16

Submitter,

CHAMPION COATINGS
Firm Name

Bob Cox
Signature

BOB COX
Printed Name of Signer

8246 W. 126th ST
SAVAGE, MN 55378
Address

952-707-9000
Telephone

Providing Water and Wastewater Service Since 1965

OLS Restoration, Inc
8820 Monticello Lane N
Maple Grove, MN 55369 US
shawn@olsrestoration.com
http://www.olsrestoration.com



ESTIMATE

ADDRESS

City of Inver Grove Heights
8168 Barbara Ave
Inver Grove Heights,
Minnesota
55077

ESTIMATE # 1146

DATE 03/15/2016

EXPIRATION DATE 09/30/2016

ACTIVITY	QTY	RATE	AMOUNT
Fire Hydrants Painting of fire hydrant per specs.	1	110.00	110.00

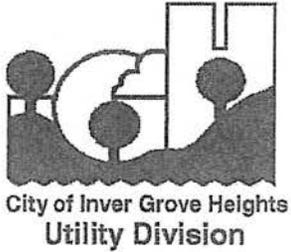
Thank you for considering OLS Restoration, Inc. on your project. We hope to work with you in the future.

TOTAL

\$110.00

Accepted By

Accepted Date



2016 FIRE HYDRANT RECONDITIONING

PROPOSAL FORM

Sandblasting, Priming, and Painting of Fire Hydrants **Unit Price**
Includes all necessary labor, equipment, materials, and taxes: 125.00 per hydrant

Any deviation from the specifications must be clearly noted; otherwise, it will be considered that this proposal is in strict compliance with the specifications.

Deviations from specification: SW EnviroLogic 840

In submitting this proposal it is understood the City retains the right to reject any proposal, and to award the fire hydrant reconditioning work in the best interest of the City.

Date 5-13-2016

Submitter,

Budget Sandblasting & Painting, Inc
Firm Name

Steven P. Barry
Signature

Steven P. Barry
Printed Name of Signer

6202 Concord Blvd.
JCH MN 55026
Address

Telephone

Providing Water and Wastewater Service Since 1965

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Accepting the MS4 Annual Report for 2015

Meeting Date: May 23, 2016
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 641-450-2572
 Prepared by: Thomas J. Kaldunski, City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director



Fiscal/FTE Impact:	
<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other:

PURPOSE/ACTION REQUESTED

Consider resolution accepting the MS4 Annual Report for 2015.

SUMMARY

The implementation requirements of the City's NPDES MS4 (Storm Water) Permit require the City to prepare an Annual Report to the MPCA. Staff was able to accomplish all of the necessary tasks associated with the Storm Water Permit. A copy of the MS4 Annual Report for 2015 is attached.

The City completed a program that took care of all aspects of our Annual Report, including the annual meeting, developing and providing required education materials for the general public, providing required staff training, and providing an inspection and record keeping database for City use.

The Annual Report was presented to the public at the May 10, 2016 annual meeting. One resident attended the meeting and provided comments regarding the MS4 program and annual report. A copy of the presentation is attached for your information. The comments received did not result in any significant changes to the City's MS4 Program and a Record of Decision was prepared (see attached). The City's 2015 MS4 Program included improvement actions, maintenance programs, training, inspections, and the implementation of the 2015 MS4 permit requirements. In 2015, the City continued a five-year annual inspection plan for identifying and correcting the storm water facility maintenance needs. The City also worked on preparing Emergency Response Plans (ERPs) and Standard Operating Procedures (SOPs) for storm water management. The ERPs and SOPs, along with an updated stormwater ordinance, will be presented to the Council at a future worksession.

I recommend approval of the resolution accepting the 2015 MS4 Annual Report and Record of Decision. The City must provide this Annual Report to the MPCA by June 30, 2016.

TJK/kf

- Attachments: Resolution
 2016 Record of Decision
 MS4 Annual Report
 Presentation at the Annual Meeting

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION ACCEPTING THE MS4 ANNUAL REPORT FOR 2015

RESOLUTION NO. _____

WHEREAS, the City Public Works Department completed all required implementation tasks for 2015 for the City's NPDES MS4 (Storm Water) Permit; and

WHEREAS, the City compiled the MS4 activities in a Record of Activities, prepared an Annual Report for 2015 and conducted an Annual Meeting to present the MS4 Report to the public; and

WHEREAS, the City heard comments from its residents and concluded that the MS4 activities for 2015 met the permit requirements and staff prepared the 2016 Record of Decision following the May 10, 2016 Annual Meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA THAT:

1. The 2016 Record of Decision and the MS4 Annual Report for 2015 are hereby accepted and staff is directed to present the Annual Report to the MPCA prior to the June 30, 2016 deadline.

Adopted by the City Council of Inver Grove Heights this 23rd day of May 2016

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Michelle Tesser, City Clerk

2016 RECORD OF DECISION
May 23, 2016

CITY OF INVER GROVE HEIGHTS, MN
NPDES PHASE II: SMALL MUNICIPAL SEPARATE STORM SEWER
SYSTEMS (MS4) {Part V.G.2.b.1-3, c.}

Pursuant to MS4 requirements, the following Record of Decision was created in response to public comments received at the 2015 annual public meeting held at 5:00 p.m. on May 10, 2016 at Inver Grove Heights City Hall, 8150 Barbara Avenue in Inver Grove Heights, MN.

Background & Comments

Tom Kaldunski, P.E., City Engineer, and Steve Dodge, Assistant City Engineer, presented an overview of the City's Storm Water Pollution Prevention Plan (SWPPP), and outlined the six minimum control measures the City implemented in 2015 and goals for 2016. The meeting was to encourage public comment, determine the appropriateness of the current plan and incorporate public feedback into the SWPPP (if applicable).

One resident attended the meeting and comments were received from three residents prior to the start of the meeting. Public comments received at the meeting consisted of concerns with pond dredging and contaminated material disposal. Comments were also received on buffer zones around water bodies, the Orchard Trail rain garden and pond structure, discharges to the Mississippi River, and naturally-occurring diatom blooms.

City staff provided general information on these topics and sources where residents can obtain additional information, if desired. Due to the nature of the comments received, no formal response or SWPPP modifications are required by the City.

Any questions regarding the NPDES Phase II: MS4 requirements for the City of Inver Grove Heights may be directed to Tom Kaldunski, City Engineer, at 651-450-2572.

<End of Record of Decision>



Minnesota Pollution Control Agency

520 Lafayette Road North
St. Paul, MN 55155-4194

MS4 Question Worksheet for 2015 Annual Report

Municipal Separate Storm Sewer Systems (MS4s)

Reporting period January 1, 2015 to December 31, 2015

Due June 30, 2016

Copy of questions – *Not for submittal*

Instructions: This form is for your personal use only. Complete the online Annual Report to provide a summary of your activities under the 2013 MS4 Permit (Permit) between January 1, 2015, and December 31, 2015. The online Annual Report and additional information can be found online at: <https://www.pca.state.mn.us/water/submitting-ms4-annual-reports>.

Questions: Contact Cole Landgraf (651-757-2880, cole.landgraf@state.mn.us) or Rachel Stangl (651-757-2879, rachel.stangl@state.mn.us).

Contact information

MS4 General contact information

Full name: Thomas J Kaldunski Title: City Engineer

Mailing address: 8150 Barbara Ave

City: Inver Grove Heights State: MN Zip code: 55077

Phone: 651-450-2572 Email: tkaldunski@invergroveheights.org

Preparer contact information (if different from the MS4 General contact)

Full name: Nick Hahn Title: Senior Engineering Technician

Mailing address: 8150 Barbara Avenue

City: Inver Grove Heights State: MN Zip code: 55077

Phone: 651-554-3445 Email: nhahn@invergroveheights.org

Minimum Control Measure (MCM) 1: Public education and outreach [V.G.1]

The following questions refer to Part III.D.1. of the Permit.

2. Did you select a stormwater-related issue of high priority to be emphasized during this Permit term? Yes No
[Part III.D.1.a.(1)]
3. If 'Yes' in Q2, what is your stormwater-related issue(s)? *Check all that apply.*
 - Total Maximum Daily Loads (TMDLs)
 - Local businesses
 - Residential best management practices (BMPs)
 - Pet waste
 - Yard waste
 - Deicing materials
 - Household chemicals
 - Construction activities
 - Post-construction activities
 - Other (describe): _____
4. Have you distributed educational materials or equivalent outreach to the public focused on illicit discharge recognition and reporting? [Part III.D.1.a.(2)] Yes No
5. Do you have an implementation plan as required by the Permit? [Part III.D.1.b.] Yes No

6. How did you distribute educational materials or equivalent outreach? [Part III.D.1.a.] *Check all that apply in table below.*
7. For the above checked in Q6, what is the intended audience? *Check all that apply in table below.*
8. For the above checked in Q6, enter the total circulation/audience in table below. (if unknown, use best estimate)

Q 6. How did you distribute educational materials (Check all that apply):	Q 7. Intended audience. (Check all that apply.)						Q 8. Total circulation /audience:
	Residents	Local businesses	Developers	Students	Employees	Other	
<input checked="" type="checkbox"/> Brochure	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	34,344
<input checked="" type="checkbox"/> Newsletter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	34,344
<input type="checkbox"/> Utility bill insert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input checked="" type="checkbox"/> Newspaper ad	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	34,344
<input checked="" type="checkbox"/> Radio ad	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Metro Area
<input type="checkbox"/> Television ad	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Cable access channel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Stormwater-related event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> School presentation or project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input checked="" type="checkbox"/> Website	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	34,344
<input type="checkbox"/> Other: describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Other: describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Other: describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

For Q9 and Q10, provide a brief description of each activity related to public education and outreach (e.g., rain garden workshop, school presentation, public works open house) held and the date each activity was held from January 1, 2015, to December 31, 2015. [Part III.D.1.c.(4)]

9. Date of activity *in table below*
10. Description of activity *in table below*

9. Date of activity	10. Description of activity
2/19/2015	10 Landscaping for Clean Water Workshops between 2/19 and 6/1/15
8/27/2015	MN State Fair Eco Experience for duration of the State Fair
8/27/2015	MN State Fair DNR Building - Storm Drain Goalie Exhibit

11. Between January 1, 2015, and December 31, 2015, did you modify your BMPs, measurable goals, or future plans for your public education and outreach program? [Part IV.B.] Yes No

If 'Yes,' describe these modifications:

MCM 2: Public participation/involvement [V.G.2]

The following questions refer to Part III.D.2.a. of the Permit.

12. You must provide a minimum of one opportunity each year for the public to provide input on the adequacy of your Stormwater Pollution Prevention Program (SWPPP). Did you provide this opportunity between January 1, 2015, and December 31, 2015? [Part III.D.2.a.(1)] Yes No
13. If 'Yes' in Q12, what was the opportunity that you provided? *Check all that apply.* Yes No
 - Public meeting
 - Public event
 - Other

14. If **'Public meeting'** in Q13, did you hold a stand-alone meeting or combine it with another event?
- Stand-alone
 Combined
- Enter the date of the public meeting: 05/12/2015
Enter the number of citizens that attended and were informed about your SWPPP: 1
15. If **'Public event'** in Q13, describe:
- Enter the date of the public meeting: _____
Enter the number of citizens that attended and were informed about your SWPPP: _____
16. If **'Other'** in Q13, describe:
- Enter the date of the public meeting: _____
Enter the number of citizens that attended and were informed about your SWPPP: _____
17. Between January 1, 2015, and December 31, 2015, did you receive any input regarding your SWPPP? Yes No
If **'Yes,'** enter the total number of individuals or organizations that provided comments on your SWPPP. _____
18. If **'Yes'** in Q17, did you modify your SWPPP as a result of written input received? [Part III.D.2.b.(2)] Yes No
If **'Yes,'** describe those modifications. _____
19. Between January 1, 2015, and December 31, 2015, did you modify your BMPs, measurable goals, or future plans for your public participation/involvement program? [Part IV.B.] Yes No
If **'Yes,'** describe those modifications. _____

MCM 3: Illicit discharge detection and elimination [V.G.3]

The following questions refer to Part III.D.3. of the Permit.

20. As of December 31, 2015, have you enacted a regulatory mechanism which prohibits non-stormwater discharges to your MS4? Yes No
21. If **'Yes'** in Q20, Provide either a website address to the above regulatory mechanism or upload a copy. How will you provide this regulatory mechanism?
 Website address
 Upload
22. If **'Website address'** in Q21, provide http://www.sterlingcodifiers.com/codebook/index.php?book_id=542
the link here: _____
23. If **'Upload'** in Q21, upload the appropriate document to the Annual Report form. Only files 10 MB or less will upload.
24. Did you identify any illicit discharges between January 1, 2015, and December 31, 2015? [Part III.D.3.h.(4)] Yes No
25. If **'Yes'** in Q24, enter the number of illicit discharges detected. 2
26. If **'Yes'** in Q24, how did you discover these illicit discharges? Check all that apply and enter the number of illicit discharges discovered by each category.
 Public complaint
 Staff
27. If **'Public complaint'** in Q26, enter the number discovered by the public: 1

28. If **'Staff'** in **Q26**, enter the number discovered by staff: 1
29. If **'Yes'** in **Q24**, did any of the discovered illicit discharges result in an enforcement action (this includes verbal warnings)? Yes No
30. If **'Yes'** in **Q29**, what type of enforcement action(s) was taken and how many of each action were issued between January 1, 2015, and December 31, 2015? *Check all that apply. For each of the below checked, enter the number that were issued.* Yes No
- Verbal warning: _____
 - Notice of violation: 1
 - Fine: _____
 - Criminal action: _____
 - Civil penalty: _____
 - Other: describe.
31. If **'Yes'** in **Q29**, did the enforcement action(s) taken sufficiently address the illicit discharge(s)? Yes No
32. If **'No'** in **Q31**, why was the enforcement not sufficient to address the illicit discharge(s)?
33. Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your illicit discharge regulatory mechanism(s)? [Part III.B.] Yes No
34. If **'Yes'** in **Q33**, provide either a website address to the above ERPs or upload a copy. How will you provide these ERPs?
- Website address
 - Upload
35. If **'Website address'** in **Q34**, provide the link here: _____
36. If **'Upload'** in **Q34**, upload the appropriate document to the Annual Report form. Only files 10 MB or less will upload.
37. Did you train all field staff in illicit discharge recognition (including conditions which could cause illicit discharges) and reporting illicit discharges for further investigations? [Part III.D.3.e.] Yes No
38. If **'Yes'** in **Q37**, how did you train your field staff? Check all that apply.
- Email
 - PowerPoint
 - Presentation
 - Video
 - Field training
 - Other: describe

The following questions refer to Part III.C.1. of the Permit.

39. Did you update your storm sewer system map between January 1, 2015, and December 31, 2015? [Part III.C.1.] Yes No
40. Does your storm sewer map include all pipes 12 inches or greater in diameter and the direction of stormwater flow in those pipes? [Part III.C.1.a.] Yes No
41. Does your storm sewer map include outfalls, including a unique identification (ID) number and an associated geographic coordinate? [Part III.C.1.b.] Yes No
42. Does your storm sewer map include all structural stormwater BMPs that are part of your MS4? [Part III.C.1.c.] Yes No
43. Does your storm sewer map include all receiving waters? [Part III.C.1.d.] Yes No
44. In what format is your storm sewer map available:
- Hardcopy only
 - GIS
 - CAD
 - Other: describe

45. Between January 1, 2015, and December 31, 2015, did you modify your BMPs, measurable goals, or future plans for your illicit discharge detection and elimination (IDDE) program? [Part IV.B.] Yes No
 If 'Yes,' describe those modifications.

MCM 4: Construction site stormwater runoff control [V.G.4]

The following questions refer to Part III.D.4. of the Permit

46. As of December 31, 2015, have you enacted a regulatory mechanism that is at least as stringent as the Agency's general permit to Discharge Stormwater Associated with Construction Activity (CSW Permit) No. Minn. R. 100001 (<http://www.pca.state.mn.us/index.php/view-document.html?gid=18984>) for erosion and sediment controls and waste controls? [Part III.D.4.a.] Yes No
47. Have you developed written procedures for site plan reviews as required by the Permit? [Part III.D.4.b.] Yes No
48. Have you documented each site plan review as required by the Permit? [Part III.D.4.f.] Yes No
49. Enter the number of site plan reviews conducted for sites an acre or greater between January 1, 2015, and December 31, 2015. 16
50. What types of enforcement actions do you have available to compel compliance with your regulatory mechanism? Check all that apply and enter the number of each used from January 1, 2015, to December 31, 2015.
- Verbal warning, Number that were issued: 11
 - Notice of violation, Number that were issued: 78
 - Administrative order, Number that were issued: _____
 - Stop-work order, Number that were issued: 1
 - Fine, Number that were issued: _____
 - Forfeit of security of bond money: 0
 - Withholding of certificate of occupancy 0
 - Criminal action, Number that were issued: 0
 - Civil penalty, Number that were issued: 0
 - Other: describe. _____, Number that were issued: _____
51. Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your construction site stormwater runoff control regulatory mechanism(s)? [Part III.B.] Yes No
52. Enter the number of active construction sites an acre or greater that were in your jurisdiction between January 1, 2015, and December 31, 2015: 13
53. Do you have written procedures for identifying priority sites? [Part III.D.4.d.(1)] Yes No
54. If 'Yes,' in Q53, How are sites prioritized? Check all that apply.
- Site topography
 - Soil characteristics
 - Types of receiving water(s)
 - Stage of construction
 - Compliance history
 - Weather conditions
 - Other: describe
55. Do you have a checklist or other written means to document site inspections when determining compliance? [Part III.D.4.d.(4)] Yes No
56. Enter the number of site inspections conducted for sites an acre or greater between January 1, 2015, and December 31, 2015 98
57. Enter the frequency at which site inspections are conducted (e.g., daily, weekly, monthly). [Part III.D.4.d.(2)] Weekly
58. Enter the number of trained inspectors that were available for construction site inspections between January 1, 2015, and December 31, 2015 4

59. Provide the contact information for the inspector(s) and/or organization that conducts construction stormwater inspections for your MS4. List your primary construction stormwater contact first if you have multiple inspectors.

(1) Inspector name:

Organization: City of Inver Grove Heights
Phone (office): 651-450-2575
Phone (work cell): 651-485-0996
Email: medwards@invergroveheights.org
Preferred contact method: _____

(2) Inspector name:

Organization: City of Inver Grove Heights
Phone (office): 651-450-2574
Phone (work cell): 651-485-0997
Email: mwright@invergroveheights.org
Preferred contact method: _____

(3) Inspector name:

Organization: City of Inver Grove Heights
Phone (office): 651-554-3445
Phone (work cell): 651-470-6767
Email: nhahn@invergroveheights.org
Preferred contact method: _____

60. What training did inspectors receive? *Check all that apply.*

- University of Minnesota Erosion and Stormwater Management Certification Program
- Qualified Compliance Inspector of Stormwater (QCIS)
- Minnesota Laborers Training Center Stormwater Pollution Prevention Plan Installer or Supervisor
- Minnesota Utility Contractors Association Erosion Control Training
- Certified Professional in Erosion and Sediment Control (CPESC)
- Certified Professional in Stormwater Quality (CPSWQ)
- Certified Erosion Sediment and Storm Water Inspector (CESSWI)
- Other: describe

61. Between January 1, 2015, and December 31, 2015, did you modify your BMPs, measurable goals, or future plans for your construction site stormwater runoff control program? [Part IV.B.] Yes No

If 'Yes,' describe those modifications:

MCM 5: Post-construction stormwater management in new development and redevelopment [V.G.5]

The following questions refer to Part III.D.5. of the Permit.

62. As of December 31, 2015, have you enacted a regulatory mechanism to incorporate all requirements as specified in Part III.D.5.a. of the Permit? Yes No

63. What approach are you using to meet the performance standard for Volume, Total Suspended Solids (TSS), and Total Phosphorus (TP) as required by the permit? [Part III.D.5.a.(2)] *Check all that apply.* Refer to the link <http://www.pca.state.mn.us/index.php/view-document.html?gid=17815> for guidance on stormwater management approaches.

- Retain a runoff volume equal to one inch times the area of the proposed increase of impervious surfaces on-site
- Retain the post-construction runoff volume on site for the 95th percentile storm
- Match the pre-development runoff conditions
- Adopt the Minimal Impact Design Standards (MIDS)
- An approach has not been selected
- Other method (Must be technically defensible - e.g., based on modeling, research and acceptable engineering practices)

If 'Other method,' describe:

The city has adopted volume control standards in its Northwest Area that require no increase in runoff volume from the site for the 5-year, 24-hour rainfall event.

64. Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your post-construction stormwater management regulatory mechanism(s)? [Part III.B.] Yes No

65. Between January 1, 2015, and December 31, 2015, did you modify your BMPs, measurable goals, or future plans for your post-construction stormwater management program? [Part IV.B.] Yes No

If 'Yes,' describe those modifications.

MCM 6: Pollution prevention/good housekeeping for municipal operations [V.G.6]

The following questions refer to Part III.D.6. of the Permit.

66. Enter the total number of **structural stormwater BMPs, outfalls** (excluding underground outfalls), and **ponds** within your MS4 (exclude privately owned). Enter the number for each category below:

Structural stormwater BMPs: 111

Outfalls: 1010

Ponds: 185

67. Enter the total number of **structural stormwater BMPs, outfalls** (excluding underground outfalls), and **ponds** that were inspected from January 1, 2015 to December 31, 2015 within your MS4 (exclude privately owned) [Part III.D.6.e.]. Enter the number for each category below:

Structural stormwater BMPs: 57

Outfalls: 316

Ponds: 94

68. Have you developed an alternative inspection frequency for any structural stormwater BMPs, as allowed in Part III.D.6.e.(1) of the Permit? Yes No

69. Based on inspection findings, did you conduct any maintenance on any structural stormwater BMPs? [Part III.D.6.e.(1)] Yes No

70. If 'Yes' in Q69, briefly describe the maintenance that was conducted:

Sediment and debris removal, rip rap maintenance, brush removal, weeding and replanting.

71. Do you own or operate any stockpiles, and/or storage and material handling areas? [Part III.D.6.e.(3)] Yes No

72. If 'Yes' in Q71, did you inspect all stockpiles and storage and material handling areas quarterly? [Part III.D.6.e.(3)] Yes No

73. If 'Yes' in Q72, based on inspection findings, did you conduct maintenance at any of the stockpiles and/or storage and material handling areas? Yes No

74. If 'Yes' in Q73, briefly describe the maintenance that was conducted:

Ensure temporary sweepings stockpiles are clean and orderly before hauling them to a site belonging to

83. Any performance issues and corrective action(s), including date(s) when corrective action(s) were taken, between January 1, 2015, and December 31, 2015:

Partnerships

84. Did you rely on any other regulated MS4s to satisfy one or more permit requirements? Yes No

85. If 'Yes' in Q84, describe the agreements you have with other regulated MS4s and which permit requirements the other regulated MS4s help satisfy: [Part IV.B.6.]

Inver Grove Heights is a member of the Lower Mississippi River WMO and of the Eagan-IGH WMO per Joint Powers Agreements. They assisted with MCM1: Public Education and Outreach.

Additional information

If you would like to provide any additional files to accompany your Annual Report, use the space below to upload those files. For each space, you may attach one file.

86. [question left blank for you to attach a file]
 87. [question left blank for you to attach a file]
 88. [question left blank for you to attach a file]
 89. [question left blank for you to attach a file]

Owner or Operator Certification

The person with overall administrative responsibility for SWPPP implementation and permit compliance must certify this MS4 Annual Report. This person must be duly authorized and should be either a principal executive (i.e., Director of Public Works, City Administrator) or ranking elected official (i.e., Mayor, Township Supervisor).

- Yes - I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete (Minn. R. 7001.0070). I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment (Minn. R. 7001.0540).

By typing my name in the following space, I certify the above statements to be true and correct, to the best of my knowledge, and that information can be used for the purpose of processing my MS4 Annual Report.

Name of certifying official: The certifying official must electronically sign the online Annual Report form.

Title: _____ Date: _____
(mm/dd/yyyy)

Note: In the online form, you will be prompted to provide the email(s) of the individual(s) you would like to receive the MS4 Annual Report for 2015 submittal confirmation email from the MPCA. After you submit the form, please allow up to three business days to receive this confirmation email.

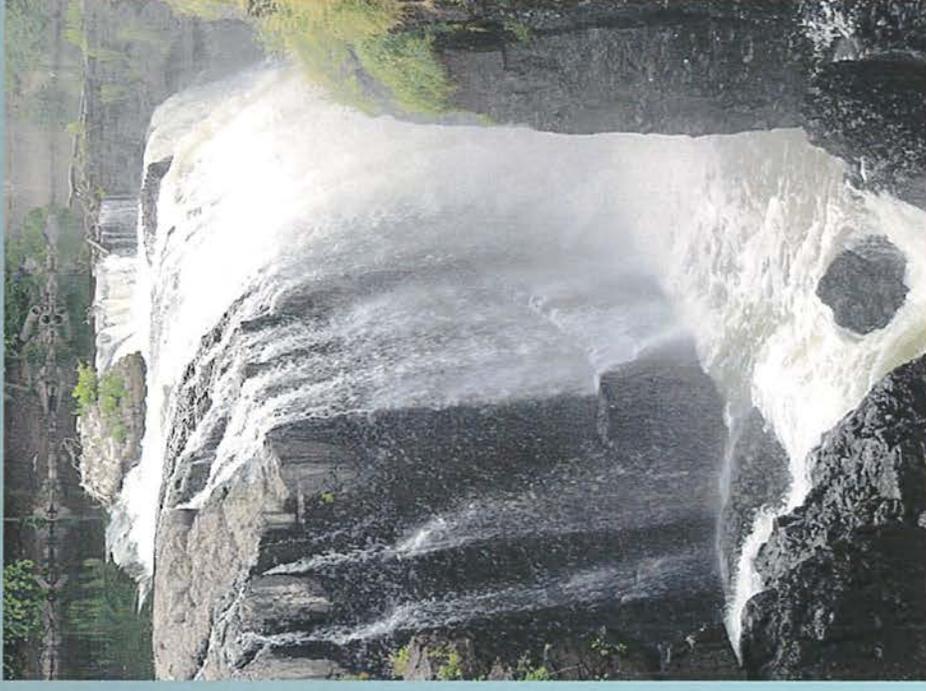
- Email (1) _____
 Email (2) _____
 Email (3) _____

NPDES Phase II MS4 Permit

National
Pollutant
Discharge
Elimination
System

Why This Meeting?

- Educate interested citizens
- Receive comments from the public
 - Storm Water Pollution Prevention Plan (SWPPP)
 - 6 Minimum Control Measures (MCM's)
 - Review progress of Best Management Practices (BMP's)
- Meet the annual requirements of the MS4 permit



Six Minimum Control Measures (MCM)

- 1) Public education and outreach
- 2) Public participation and involvement
- 3) Illicit discharge detection and elimination
- 4) Construction site storm water runoff control
- 5) Post-construction storm water management
- 6) Pollution prevention and good housekeeping for municipal operations



2015 MS4 Achievements

MCM 1 & 2. Public Education, Outreach, Participation, and Involvement

- Insights newsletter (9 MS4 related articles) circulation 14,400
- 8 residents attended Landscaping for Clean Water workshops, 5 residents attended design courses and 1 built a rain garden
- Public Works webpage (<http://www.invergroveheights.org/Index.aspx?NID=185>)
 - MS4 information, SWPPP, annual report
- SWPPP Annual Public Meeting (May 10, 2015)
- Successful In MN Legacy Program
 - 47th Street Reconstruction Hydrodynamic Separator and Biofiltration Basin
- Radio Ads and State Fair Exhibits through the LMRWMO
- Water Environment Federation Award
- ACEC Grand Award

❖ Staff MS4 Training and Certifications

❖ Collaborate with Storm Water Groups:

DCSWCD LMRWMO MCSC

MISSISSIPPI RIVER FORUM

Eagan-IGH WMO



2015 MS4 Achievements

MCM 3. Illicit Discharge Detection & Elimination

Illicit discharges are any discharge into a storm drain system that is not composed entirely of storm water (including illegal dumping, connections).

Exceptions: Fire fighting, Lawn Watering, etc.

- Sources
 - Broken sanitary sewer line
 - Connection of floor drains to storm sewer
 - Direct connections (ex. manufacturing facilities)
 - Inflow/Infiltration
 - Straight pipe sewer discharge
 - Failing septic systems
 - Illegal dumping



- Storm sewer map updated
- Inspections completed concurrently with outfall/pond inspections
- 2 illicit discharge complaints reviewed and investigated in 2015
- 1 illicit discharges Notice of Violation issued in 2015

2015 MS4 Achievements

MCM 4. Construction Site Storm Water Runoff Control

All construction sites requiring a building permit or an NPDES permit

- 78 Erosion and Sediment Control Enforcement Actions
- 11 Verbal Warnings
- 1 Stop Work Order



2015 MS4 Achievements

MCM 5. Post-Construction Storm water Management

- City enforced up to 1” infiltration requirement in Mississippi non-degradation area
- City followed new 3rd Generation Storm Water Management plan
- Followed AUAR for Northwest Area
- Updated City Wide BMP Storm Water Inventory (1,121 BMP’s)
- Continued Private Storm Water Facility Maintenance Oversight Program
 - Notification Letters to Private Facilities Owners
 - Annual Reports to be Given to City

- ❖ 16 Plan reviews completed
- ❖ 13 Major Projects Under Construction



2015 MS4 Achievements

MCM 6. Pollution Prevention and Good Housekeeping for Municipal

Operations

- 316/1010 Outfall & 94/185 Pond Inspections
- 2016 Inspections for Minor and Major maintenance activities scheduled
- Street Sweeping all City Streets and Parking Lots Twice per Year
- 2015 Staff Training (Engineering, Streets, Parks, Planning, Building Inspections, Police and Fire Depts.)
 - Illicit Discharge /MS4 Training
 - Water Resources Conference
- Biofiltration Basin Constructed on 47th Street Reconstruction Project at 47th Street and Boyd Avenue.
- Hydrodynamic Separator Constructed on 47th Street Reconstruction Project Bower Court.
- Constructed 6 boulevard rain gardens throughout 47th Street Reconstruction Project



2016 MS4 Objectives

- Reauthorize Joint Powers Agreement with Dakota County for MS4/ Erosion/ Sediment Control Training (2 Year Agreement)
- Provide IDDE Annual Training
- Pamphlets for City Hall Corridor
- Modify Ordinance Related to Storm Water Management, Wetlands, and Erosion Control
- Implement Construction Projects Using PPL Green Infrastructure Grants for Improvements to Mississippi River Outlets
- Implement Industrial Storm Water Permits
- Development of Enforcement Response Procedures (ERP's) and Standard Operating Procedures (SOP's)
- Apply for MCES Storm Water Grants

2016 MS4 Objectives

- Implement NWA Standards and Maps with New Developments and Storm Water Management for Transportation Improvements
- Attend Various Organization Meetings
 - LMRWMO (Monthly)
 - MCSC (Annual)
 - MPCA Stakeholder
 - Eagan-IGH WMO
- Maintain Northwest Area Storm Water Model
- O&M Notification of Private Storm Water Facility Inspections
- Storm Water CIP

Questions or Comments?

Additional information can be found at:

- <http://www.pca.state.mn.us/water/stormwater/stormwater-ms4.html>
- <http://www.invergroveheights.org/index.aspx?nid=185>
- <http://www.cleanwatermn.org>



CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Accept Proposal for Professional Services for Design and Construction Administration and Observation for Replacement of Water Treatment Plant Filter Room HVAC System

Meeting Date: May 23, 2016
 Item Type: Consent
 Contact: Dan Helling, 651-450-2565
 Prepared by: Dan Helling, Utility Superintendent
 Reviewed by: Scott D. Thureen, Public Works Director



Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input checked="" type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other:

PURPOSE/ACTION REQUESTED

Accept proposal for professional services for design and construction administration and observation for Replacement of Water Treatment Plant Filter Room HVAC System

SUMMARY

The HVAC system that serves the filter room in the Water Treatment Plant is in need of replacement. The heat exchanger and exhaust duct work system are corroded. The original system did not include the ability to dehumidify or cool. This causes significant condensation issues in the filter room during periods of high humidity and temperatures in the summer.

The attached proposal from SEH, Inc. includes professional services for design for an amount not-to-exceed \$11,520.00. It also includes construction administration and observation services for an amount not-to-exceed \$5,250.00.

I recommend that the proposal (in the amount of \$16,770.00) be accepted and that the Mayor and Public Works Director be authorized to sign the proposal on behalf of the City. Funding would come from the approved 2016 Water Fund budget.

SDT/kf

Attachment: Proposal from SEH, Inc.



May 5, 2016

RE: HVAC Improvements
Water Treatment Plant
Inver Grove Heights, MN
SEH No. INVER P-137183

Dan Helling
City of Inver Grove Heights
8186 Barbra Avenue
Inver Grove Heights, MN 55077

Dear Dan,

The City of Inver Grove Heights is proposing to replace the existing ventilation system serving the filter room at the Inver Grove Water Treatment Facility with a packaged rooftop air handling unit equipped with dehumidification capability. Transmitted herewith is our proposal for professional engineering services for the work of assembling bid documents for the installation of the required equipment.

Background

The filter room at the Inver Grove Heights Water Treatment Facility is currently heated and ventilated with a Titan direct fired make-up air unit (MAU) coupled with a Renewaire Energy Recovery Ventilator (ERV). The system is configured for heating only and is not capable of dehumidification or cooling operation. The Renewaire ERV is interlocked with the MAU and provides exhaust for the space. The system was installed in 2006 and is nearing the end of its expected service life. In addition, high indoor humidity levels and the presence of chlorine in the exhaust air stream has corroded the system and caused significant deterioration of the ERV heat exchanger. The corrosion has reduced the system's effectiveness and the facility has experienced significant condensation inside the filter room during high temperature, high humidity days in the summer months.

Project Description

The scope of this proposed improvements project is described in the following text.

1. Remove existing ventilation system serving the filter room including the Titan MAU, Renewaire ERV, and associated controls and accessories.
2. Provide new packaged rooftop air handling unit to serve the filter room. New rooftop unit to include DX cooling package for dehumidification and cooling operation, gas fired heating section, supply and exhaust blowers, air filters, energy wheel, and corrosion coating.
3. Extend/modify existing ductwork and gas piping to accommodate new rooftop unit.
4. Provide digital control panel inside building to control new rooftop unit.
5. Upon installation, commission and balance the system to ensure proper air flow.

Scope of Services

SEH proposes to provide the design and construction phase engineering efforts necessary for the installation of the new filter room HVAC system.

Design Phase 2016: Our proposed scope for the Design Phase (Construction Documentation Preparation) includes preparation of construction plans and specifications for the procurement and installation of the new filter room HVAC system including demolition and new work plans for a complete and operable system. Our proposal also includes preparation of our opinion of probable cost for you to use in preparation of your 2017 budget as well as bidding services.

Construction Phase 2017: Our proposed scope for the 2017 Construction Phase (Construction Administration & Field Observation) includes, a pre-construction meeting, shop drawing review, coordination and observation of the final equipment testing, review of O&M Manuals and Contractor's request for payments.

Project Schedule

Based on the City's budgeting schedule, the following is proposed for the project:

Prepare the bidding documents:	June, 2016
Provide Opinion of Probable Cost	June 3, 2016
Bid Project:	November 2016
Award Contract:	December 2016
Contracts Signed:	December 2016
Shop Drawings:	March 2017
Start Construction:	April 2017
End Construction (HVAC on-line):	End of May 2017

Consultant Staff

I will serve as the project manager for this Project and will be responsible for coordinating the overall work efforts for the project. Nick Brula, our lead mechanical engineer, will be responsible for preparation of the project drawings, specifications, shop drawing review and installation observation.

Compensation

Phase 2 - Design Phase Engineering Fees

We propose to complete the scope of services identified above on an hourly basis that is in accordance with our standard billing rate schedule. We proposed a Not-to-Exceed amount of \$11,520.00, for this phase, which includes reimbursable expenses. We understand this Not-to-Exceed amount cannot increase without further authorization from you.

Phase 3 – Construction Administration & Field Observation Engineering Fees

We propose to complete the scope of services identified above on an hourly basis that is in accordance with our standard billing rate schedule. We proposed a Not-to-Exceed amount of \$5,250.00 for this phase, which includes reimbursable expenses. We understand this Not-to-Exceed amount cannot increase without further authorization from you.

General Services Agreement

The terms and conditions of this proposal wholly include the contents of the February 22, 2011 General Services Agreement between the City of Inver Grove Heights and Short, Elliot, Hendrickson, Inc.

Mr Dan Helling, Inver Grove Heights
WTP HVAC Improvements
May 5, 2016
Page 3

Closure

We want to thank you for the opportunity to provide the City of Inver Grove Heights with this proposal. As always, it is very important to us our services continue to meet and surpass your needs and expectations. After you have had an opportunity to review this proposal, we would like to hear any comments, concerns or questions you may have. If this proposal is acceptable, please sign and return a copy of this proposal letter, authorizing us to proceed with the project.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.



Miles B. Jensen, PE
Principal/Project Manager

Accepted this ____ day of _____, 2016

CITY OF INVER GROVE HEIGHTS, MINNESOTA

By: _____

Title: _____

Date: _____

And,

By: _____

Title: _____

Date: _____

Project Level of Effort Estimate
HVAC Improvements
Inver Grove Heights Water Treatment Plant
City of Inver Grove Heights
Inver Grove Heights, MN



<i>HVAC Improvements</i>	<i>Project Manager - Jensen</i>	<i>Sr. Project Engineer - Brufala</i>	<i>CADD Tech - Forsberg</i>	<i>Sr. Project Engineer - Honer</i>	<i>CADD Tech - Pha Vang</i>	<i>Sr. Project Engineer - Hemstad</i>	<i>Administrative</i>	<i>Total</i>	
Billing Rate per hour	\$234	\$147	\$105	\$217	\$130	\$168	\$95		
Task 1 - Final Design	2	12	23	6	12	7	8	\$9,450	
Task 2 - Bidding	2	4		2			4	\$1,871	
Task 3 - Construction Administration	4	14	5	5			5	\$5,080	
Estimated Project Hours	8	30	28	13	12	7	0	115	
Estimated Project Labor Cost	\$1,868	\$4,410	\$2,940	\$2,825	\$1,560	\$1,178	\$0	\$1,620	\$16,401
Estimated Project Expenses	\$100	\$150	\$50	\$50	\$0	\$25	\$0	\$0	\$375
Estimated Project Totals	\$1,968	\$4,560	\$2,990	\$2,875	\$1,560	\$1,203	\$0	\$1,620	\$16,776

Estimated Project Labor Cost **\$16,401**

Estimated Project Expenses **\$375**

Total Project Cost **\$16,776**

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Resolution Accepting Proposal for Engineering Services from SRF Consulting Group, Inc. (SRF) for Preparation of the Feasibility Report and Other Engineering Services for City Project No. 2010-09F – Upper 55th Street (T.H. 3 to Babcock Trail) Street and Utility Improvements

Meeting Date: May 23, 2016
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Thomas J. Kaldunski, City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director *SST*

	Fiscal/FTE Impact:
<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other: Pavement Management Fund and Special Assessments

PURPOSE/ACTION REQUESTED

Consider resolution accepting proposal for engineering services from SRF Consulting Group, Inc. (SRF) for preparation of the feasibility report and other engineering services for City Project No. 2010-09F – Upper 55th Street (T.H. 3 to Babcock Trail) Street and Utility Improvements.

SUMMARY

SRF is part of the City's engineering consultant pool. SRF is being recommended for this project based on their knowledge of the project and past experience with City projects such as the preliminary layout of Upper 55th Street.

As part of the Pavement Management Program (PMP), Upper 55th Street has been identified for reconstruction. A feasibility report is needed to review options for the area. This study is budgeted for in the 2016 PMP. The proposal will provide a feasibility report and review of the street with our geotechnical consultant.

Due to the amount and complexity of work involved with this project, City staff is unable to complete this work in-house. We requested a proposal from SRF for this work. The proposal is attached. SRF's proposed fee for the work is \$102,536. The project will consider the reconstruction of about 4,000 lineal feet of City streets.

I recommend that the Council adopt the resolution accepting the proposal from SRF and awarding a contract to SRF for preparation of the feasibility report, preliminary topographical surveying, drainage analysis and other engineering services outlined in their proposal for City Project No. 2010-09F – Upper 55th Street (T.H. 3 to Babcock Trail) Street and Utility Improvements. The Council is also requested to authorize preparation of an assessment appraisal benefit analysis for the project, and to authorize the City Attorney to assist the City Engineer with the project.

TJK/kf
 Attachments: Resolution
 Map
 SRF Proposal dated April 29, 2016

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY**

RESOLUTION ACCEPTING PROPOSAL FOR ENGINEERING SERVICES FROM SRF CONSULTING GROUP, INC. (SRF) FOR PREPARATION OF THE FEASIBILITY REPORT AND OTHER ENGINEERING SERVICES FOR CITY PROJECT NO. 2010-09F – UPPER 55TH STREET (T.H. 3 TO BABCOCK TRAIL) STREET AND UTILITY IMPROVEMENTS

RESOLUTION NO. _____

WHEREAS, as part of the City's Pavement Management Program, Upper 55th Street has been identified for reconstruction; and

WHEREAS, in order to complete the design and construction plans in a timely manner for the Pavement Management Program, City Project No. 2010-09F, assistance of a consulting engineering firm is required for preparing a feasibility report; and

WHEREAS, City staff requested, and received, a proposal from SRF; and

WHEREAS, based on the experience of the firm, the scope and associated fee for the proposed services, it was decided that SRF be selected from the City's engineering consultant pool as the consulting firm for City Project No. 2010-09F – Upper 55th Street (T.H. 3 to Babcock Trail) Street and Utility Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE INVER GROVE HEIGHTS, MINNESOTA THAT:

1. The proposal from SRF is accepted and staff is authorized to enter into a contract in the amount of \$102,536 for preparation of a feasibility report and other engineering services outlined in the proposal for the Pavement Management Program, City Project No. 2010-09F – Upper 55th Street (T.H. 3 to Babcock Trail) Street and Utility Improvements.
2. The preparation of a feasibility report, a topographical survey, a drainage analysis and other engineering services are authorized.
3. City staff is authorized to secure an assessment benefit analysis for the project.
4. City staff is authorized to secure geotechnical services for the feasibility report.
5. The City Attorney and City Engineer are authorized to work on this project.
6. Project funding is provided through the Pavement Management Fund and special assessments.

Adopted by the City Council of Inver Grove Heights, Minnesota this 23rd day of May 2016.

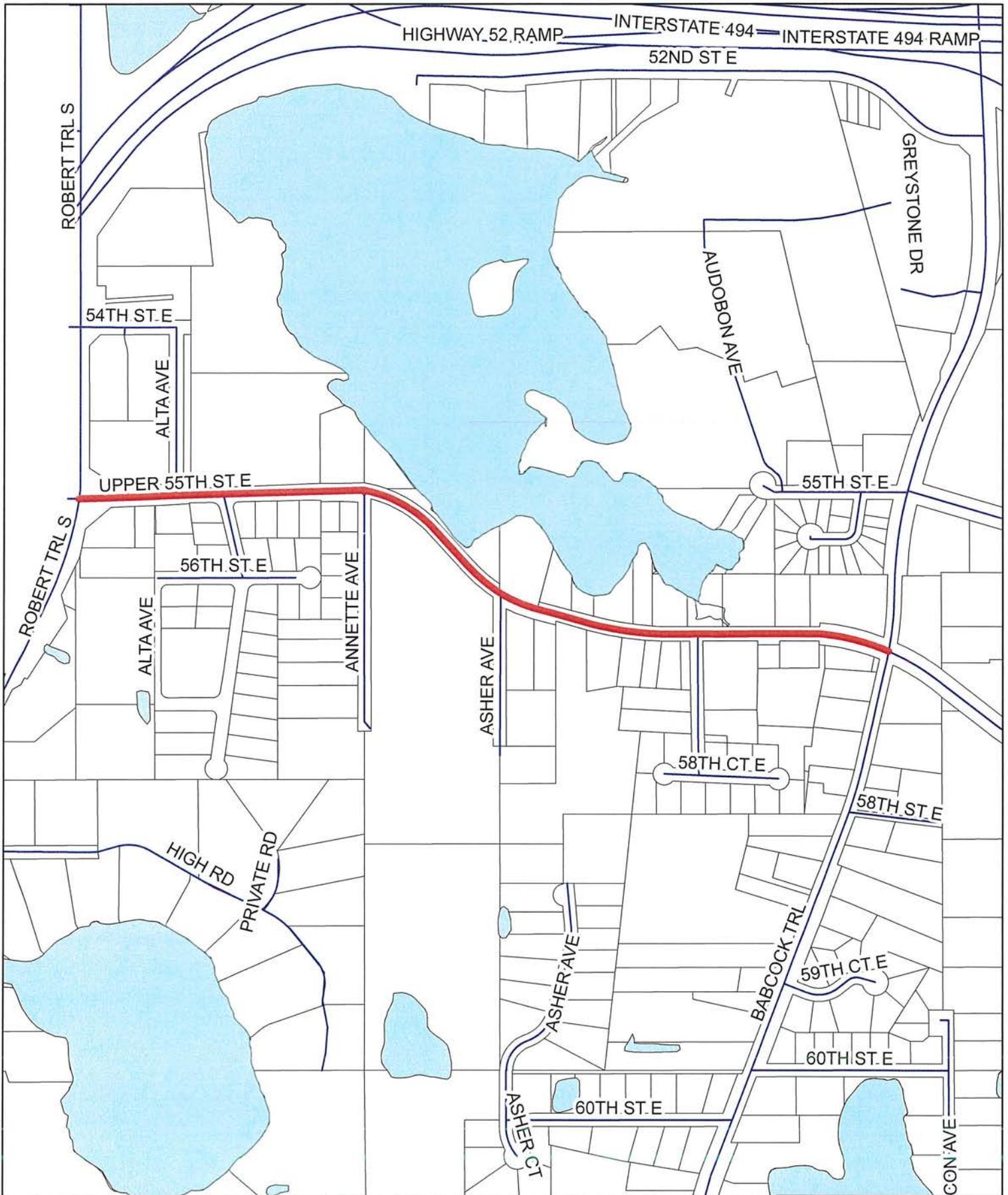
AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Michelle Tesser, Deputy Clerk



5/3/16

City Project No. 2010-09F
Upper 55th Street and Utility Improvements



THIS DRAWING IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS ONE. THIS DRAWING IS A COMPILATION OF RECORDS, INFORMATION AND DATA LOCATED IN VARIOUS CITY, COUNTY AND STATE OFFICES AND OTHER SOURCES AND IS TO BE USED FOR REFERENCE PURPOSES ONLY. THE CITY OF INVER GROVE HEIGHTS IS NOT RESPONSIBLE FOR ANY INACCURACIES HEREIN CONTAINED.

May 3, 2016

Mr. Tom Kaldunski, PE
CITY OF INVER GROVE HEIGHTS
8150 Barbara Avenue
Inver Grove Heights, MN 55077

SUBJECT: PROPOSAL FOR PROFESSIONAL SERVICES FOR
UPPER 55TH STREET BETWEEN BABCOCK TRAIL AND SOUTH ROBERT TRAIL

Dear Mr. Kaldunski:

SRF Consulting Group, Inc. (SRF) is very excited to provide this proposal for the Upper 55th Street project, located between Babcock Trail and South Robert Trail. We understand the importance of this project to the City of Inver Grove Heights as well as the neighborhood and are prepared to assist in the evaluation of improvements for the corridor.

SCOPE OF SERVICES

Our scope of services is based on evaluating two options for the corridor – a three-lane roadway or four-lane roadway and developing a single concept alternative based on that evaluation. Sidewalks and trails are proposed, along with a new storm sewer and treatment of the runoff. It is also understood that the sanitary sewer will be televised under a separate contract to determine the condition, and that information will be used to determine the need for repair/replacement of the system as part of the study. It is our understanding that water main replacement is requested as part of this analysis.

The scope of our services generally consists of the following three main areas:

1. Traffic Analysis
2. Preliminary Design
3. Feasibility Report

Please see the attached documents “Attachment B: Scope of Services” and “Attachment C: Fee Estimate” for detailed information on our Scope and Fees.

SCHEDULE

We are prepared to complete this work following review and concurrence on the attached scope and fees as well as official notice to proceed, and will complete this work within a mutually agreed-upon timeframe. It is our understanding that the work contemplated herein will begin summer 2016 and is to be complete by January 15, 2017 to meet a desired 2019 construction schedule.

BASIS OF PAYMENT/BUDGET

We propose to be reimbursed for our work on an hourly basis for the actual time expended. Other direct project expenses, such as printing, supplies, reproduction, etc. will be billed at cost, and mileage will be billed at the allowable IRS rate for business miles in effect at the time those miles are incurred. Invoices are submitted on a monthly basis for work performed during the previous month. Payment is due within 30 days. Based on our understanding of the project, the cost of our services is not to exceed \$102,536 for the project tasks (which includes both time and expenses) and is summarized below. A detailed breakdown of our work tasks and hours is attached to this letter.

FEE SUMMARY

<u>Task No</u>	<u>Task Description</u>	<u>Amount</u>
1.0	Project Management/Coordination/Meetings	\$ 14,631
2.0	Traffic Analysis	\$ 14,578
3.0	Preliminary Design	\$ 27,584
4.0	Preliminary Water Resource Design	\$ 15,098
5.0	Feasibility Report	\$ 5,325
6.0	Topographic Survey	\$ 17,090
<u>EXP</u>	<u>Expenses: (Includes Soil Borings/Analysis – AET)</u>	<u>\$ 8,230</u>
	Total Project Fee:	\$102,536

CHANGES IN THE SCOPE OF SERVICES

It is understood that if the scope or extent of work changes, our fees will be adjusted accordingly. Before any out of work scope is initiated, we will submit a budget modification request to you for the additional work tasks and will not proceed with them until we receive written authorization from you.

STANDARD TERMS AND CONDITIONS

The attached Standard Terms and Conditions (Attachment A), together with this proposal for professional services (along with Attachment B: Scope of Services and Attachment C: Detailed Fee Estimate), constitute the entire agreement between the Client and SRF Consulting Group, Inc. and supersede all prior written or oral understandings. This agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

ACCEPTANCE/NOTICE TO PROCEED

A signed copy of this proposal, either mailed or emailed to our office, will serve as acceptance of this proposal and our notice to proceed. We do suggest that we discuss the content of this proposal and the detailed scope of work together before that occurs. The email address is djuliff@srfconsulting.com

We sincerely appreciate your consideration of this proposal and look forward to working with you on this project. Please feel free to contact us if you have any questions or need additional information.

Sincerely,

SRF CONSULTING GROUP, INC.



David J. Juliff, PE (IL MN WI), LEED AP
Principal



Steven J. Miller, PE (MN)
Senior Associate

DJJ/SJM/jal

Attachments: Attachment A - Standard Terms and Conditions
Attachment B - Scope of Services
Attachment C - Detailed Fee Estimate

APPROVED:

(Signature)

Name _____

Title _____

Date _____

This cost proposal is valid for a period of 90 days. SRF reserves the right to adjust its cost estimate after 90 days from the date of this proposal.

SRF No. P160236

ATTACHMENT A
STANDARD TERMS AND CONDITIONS

The Standard Terms and Conditions together with the attached Proposal for Professional Services constitute the entire Agreement between the CLIENT and SRF Consulting Group, Inc. ("SRF") and supersede all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

1. STANDARD OF CARE

- a. The standard of care for all professional services performed or furnished by SRF under this Agreement will be the care and skill ordinarily used by members of SRF's profession practicing under similar circumstances at the same time and in the same locality. SRF makes no warranties, expressed or implied, under the Agreement or otherwise, in connection with SRF's service.
- b. The CLIENT shall be responsible for, and SRF may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by CLIENT to SRF pursuant to this Agreement. SRF may use such requirements, reports, data, and information in performing or furnishing services under this Agreement.

2. INDEPENDENT CONTRACTOR

All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of the CLIENT and SRF and not for the benefit of any other party. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CLIENT or SRF. SRF's services under this Agreement are being performed solely for the CLIENT's benefit, and no other entity shall have any claims against SRF because of this Agreement or the performance or nonperformance of services hereunder.

3. PAYMENT TO SRF

Invoices will be prepared in accordance with SRF's standard invoicing practices and will be submitted to the CLIENT by SRF monthly, unless otherwise agreed. Invoices are due and payable within thirty (30) days of receipt. If the CLIENT fails to make any payment due SRF for services and expenses within forty-five (45) days after receipt of SRF's invoice thereafter, the amounts due SRF will be increased at the rate of 1-1/2% per month (or the maximum rate of interest permitted by law, if less). In addition, SRF may, after giving seven days written notice to the CLIENT, suspend services under this Agreement until SRF has been paid in full of amounts due for services, expenses, and other related charges.

4. OPINION OF PROBABLE CONSTRUCTION COST

Any opinions of costs prepared by SRF represent its judgment as a design professional and are furnished for the general guidance of the CLIENT. Since SRF has no control over the cost of labor, materials, market condition, or competitive bidding, SRF does not guarantee the accuracy of such cost opinions as compared to contractor or supplier bids or actual cost to the CLIENT.

5. INSURANCE

SRF will maintain insurance coverage for Workers' Compensation, General Liability, Automobile Liability and Professional Liability and will provide certificates of insurance to the CLIENT upon request.

6. INDEMNIFICATION AND ALLOCATION OF RISK

- a. To the fullest extent permitted by law, SRF agrees to indemnify and hold harmless the CLIENT, their officers, directors and employees against all damages, liabilities or costs (including reasonable attorneys' fees and defense costs) to the extent caused by SRF's negligent acts under this Agreement and that of its subconsultants or anyone for whom SRF is legally liable.
- b. To the fullest extent permitted by law, the CLIENT agrees to indemnify and hold harmless SRF, their officers, directors and employees against all damages, liabilities or costs to the extent caused by the CLIENT's negligent acts under this Agreement and anyone for whom the CLIENT is legally liable.

7. TERMINATION OF AGREEMENT

Either party may at any time, upon seven days prior written notice to the other party, terminate this Agreement. Upon such termination, the CLIENT shall pay to SRF all amounts owing to SRF under this Agreement, for all work performed up to the effective date of termination.

8. OWNERSHIP AND REUSE OF DOCUMENTS

All documents prepared or furnished by SRF pursuant to this Agreement are instruments of service, and SRF shall retain an ownership and property interest therein. Reuse of any such documents by the CLIENT shall be at CLIENT's sole risk; and the CLIENT agrees to indemnify, and hold SRF harmless from all claims, damages, and expenses including attorney's fees arising out of such reuse of documents by the CLIENT or by others acting through the CLIENT.

9. USE OF ELECTRONIC MEDIA

- a. Copies of Documents that may be relied upon by the CLIENT are limited to the printed copies (also known as hard copies) that are signed or sealed by SRF. Files in electronic media format of text, data, graphics, or of other types that are furnished by SRF to the CLIENT are only for convenience of the CLIENT. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk.
- b. When transferring documents in electronic media format, SRF makes no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by SRF at the beginning of this Assignment.
- c. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.
- d. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of this data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within sixty (60) days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the sixty (60) day acceptance period will be corrected by the party delivering the electronic files. SRF shall not be responsible to maintain documents stored in electronic media format after acceptance by the CLIENT.

10. FORCE MAJEURE

SRF shall not be liable for any loss or damage due to failure or delay in rendering any service called for under this Agreement resulting from any cause beyond SRF's reasonable control.

11. ASSIGNMENT

Neither party shall assign its rights, interests or obligations under this Agreement without the express written consent of the other party.

12. BINDING EFFECT

This Agreement shall bind, and the benefits thereof shall inure to the respective parties hereto, their legal representatives, executors, administrators, successors, and assigns.

13. SEVERABILITY AND WAIVER OF PROVISIONS

Any provisions or part of the Agreement held to be void or unenforceable under any laws or regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the CLIENT and SRF, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision. Non-enforcement of any provision by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

14. SURVIVAL

All provisions of this Agreement regarding Ownership of Documents and Reuse of Documents, Electronic Media provisions, Indemnification and Allocation of Risk, and Dispute Resolution shall remain in effect.

15. DISPUTE RESOLUTION

If negotiation in good faith fails to resolve a dispute within the thirty (30) days of notice of the dispute, or time period specified by applicable law, then the parties agree that each dispute, claim or controversy arising from or related to this Agreement or the relationships which result from this Agreement shall be subject to mediation as a condition precedent to initiating legal or equitable actions by either party. Unless the parties agree otherwise, the mediation shall be in accordance with the Commercial Mediation Procedures of the American Arbitration Association then currently in effect. A request for mediation shall be filed in writing with the American Arbitration Association and the other party. No legal or equitable action may be instituted for a period of ninety (90) days from the filing of the request for mediation unless a longer period of time is provided by agreement of the parties. Cost of mediation shall be shared equally between the parties. Mediation shall be held in a location mutually agreed upon by the parties. The parties shall memorialize any agreement resulting from the mediation in a mediated settlement agreement, which agreement shall be enforceable as a settlement in any court having jurisdiction thereof.

16. CONTROLLING LAW

This Agreement is to be governed by the law of the principal place of business of SRF.

17. SITE SAFETY

SRF shall not at any time supervise, direct, control or have authority over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety and security precautions and programs in connection with the work performed by any Contractor for the Project, nor for any failure of any Contractor to comply with laws and regulations applicable to such Contractor's work, since these are solely the Contractor's rights and responsibilities. SRF shall not be responsible for the acts or omissions of any Contractor or Owner, or any of their agents or employees, or of any other persons (except SRF's own employees and consultants), furnishing or performing any work for the Project, except as specifically outlined in SRF's scope of services.

ATTACHMENT B: SCOPE OF SERVICES

Client: City of Inver Grove Heights

Upper 55th Street - Babcock Trail to South Robert Trail

TASK 1 – PROJECT MANAGEMENT/COORDINATION/MEETINGS

- 1.1 General day-to-day project management and administration
- 1.2 Work-planning schedule and coordination of tasks
- 1.3 On-going project coordination with City staff. Assumes monthly meetings to discuss progress and design issues (4 meetings).
- 1.4 Administer project QA QC plan.
- 1.5 Prepare graphics for a public open house meeting. Includes up to 2 Layouts and 3 representative graphics.
- 1.6 Attend 2 Public Open House Meetings (1 staff, 3 hours/each)
- 1.7 Attend up to 2 City Council meetings (1 staff, 3 hours/each)
- 1.8 Meetings with individual property owners (6 meetings assumed, 1 staff, 3 hours each)

TASK 2 – TRAFFIC STUDY

- 2.1 Review historical traffic volume data provided by City staff, as well as MnDOT and Dakota County.
- 2.2 Collect peak period turning movement and pedestrian/bicyclists counts at the Upper 55th Street/Robert Street Trail and Upper 55th Street/Babcock Trail intersections.
- 2.3 Collect 15-minute pulse counts during the a.m. and p.m. peak period at up to six (6) locations. Pulse counts will be adjusted to reflect peak hour volumes based on a combination of the pulse counts and household information available.
- 2.4 Analyze a.m. and p.m. peak hour operations at the study intersections (includes pulse count locations) under existing conditions to establish a baseline for future comparison.
- 2.5 Estimate future ADT traffic forecasts for year 2040 conditions. Includes a review of previously published forecasts, historic traffic count information, and MSP Thrive 2040 household/employment forecasts for consistency with traffic forecasts.
- 2.6 Develop year 2040 a.m. and p.m. peak hour traffic forecasts at the study intersections.
- 2.7 Analyze a.m. and p.m. peak hour intersection operations at the study intersections for both a three-lane and a four-lane roadway configuration
- 2.8 Recommend potential improvements (i.e., traffic control, turn lane locations/storage, access modification, etc.) for both the three-lane and a four-lane roadway configuration scenarios. This will include a review of pedestrian facilities both on- and off-street.
- 2.9 Prepare a draft memorandum documenting the findings and recommendations. Make revisions as appropriate based on City/County review and prepare a final memorandum.
- 2.10 Provide day-to-day project management and administration, as well as project coordination with City staff.

- 2.11 Review crash data for the study intersections and corridor to identify if there are existing issues. This analysis will include a review of crash frequency, type, and severity as well as crash rates to determine the statistical significance of the number of crashes. Results would assist with turn-lane need.
- 2.12 Complete an existing access inventory on Upper 55th Street between Robert Trail and Babcock Trail to identify existing access density and to determine if the overall corridor access is in compliance with current access management guidance. Based on this review as well as the crash and traffic operations analysis results develop an access management plan for the corridor.
- 2.13 Analyze a.m. and p.m. peak hour intersections operations at the study intersections under year of opening conditions for both the three-lane and a four-lane roadway configuration scenarios.

TASK 3 – CONCEPT DESIGN

- 3.1 Prepare color preliminary layout for Upper 55th Street in Plan/Profile format and aerial photography.
- 3.2 Modify alignment and geometry consistent with public input and goals of the City.
- 3.3 Develop profile grades and cross sections and determine limits of construction and property impacts.
- 3.4 Evaluate potential retaining wall locations relative to the impact and cost of slope grading or other constraints.
- 3.5 Identify potential for soil corrections from soil reports.
- 3.6 Design and prepare layout for appropriate pavement markings.
- 3.7 Evaluate construction staging issues and develop conceptual staging plan.
- 3.8 Evaluate maintenance or replacement alternatives for known conditions of existing sanitary sewer, water main and storm sewer. Assumes the City provides a record of these conditions.
- 3.9 Collect and review available as-builds/record drawings for known sanitary sewer, water main, storm water conveyance facilities and other City documents
- 3.10 Collect and determine the location of the private utilities including gas, electric, phone, etc. through Gopher State One Call mapping request (Non-Excavation Locate)
- 3.11 Determine preliminary Permanent Right of Way, Temp Easements, D&U Easements, Pond Easements, other easements as necessary to construct the proposed improvements. CADD work only, no descriptions or exhibits.
- 3.12 Prepare estimate of probable construction costs. (Estimating to include 3 options for water main replacement size.)

TASK 4 – PRELIMINARY WATER RESOURCES DESIGN

- 4.1 Research and identify applicable project design standards based on regulatory and City standards:
- 4.2 Collect and review available drainage data for the corridor (Record drawings, survey data provided by the City or collected under a different task)
- 4.3 Prepare a water resource overview map containing appropriate information for discussion with the City and agencies. Assumes one drainage specific meeting with the agencies.

- 4.4 Assemble a preliminary storm sewer/catch basin layout for the purposes of developing a preliminary estimate of probable construction costs and BMP sizing. Catch basin locations will be approximate. Trunk lines will be sized from the low point to the discharge point. Lateral sizes will be assumed.
- 4.5 Complete preliminary design of water quality treatment facilities including developing a hydraulic model of the project and supplementing it with the City watershed model.
- 4.6 Develop drainage related estimate of probable construction costs.

TASK 5 – PREPARE FEASIBILITY REPORT

- 5.1 Prepare Feasibility based on the preliminary design criteria and geometric layout. The report will include: Existing conditions, proposed improvements, estimate of probable construction cost of the improvements, assessed cost, assessed amounts, assessment roll, appropriate exhibits and summary/recommendation.
- 5.2 Assist the City with the Chapter 429 special assessment process
- 5.3 Water Resources Portion of the Feasibility Report: Compile a report summarizing the methodology and findings pertaining to water quality, water quantity, wetland issues and floodplain issues.

TASK 6 – TOPOGRAPHIC SURVEY

- 6.1 Collect, review and establish survey control points necessary to perform topographic survey along the project length.
- 6.2 Perform topographic survey along the project corridor.
- 6.3 Include topographic information in the project database and develop surveyed base map.

SRF Consulting Group, Inc.

Client: CITY OF INVER GROVE HEIGHTS

Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL

Work Tasks and Person-Hour Estimates



FEASIBILITY STUDY

P160236

Subconsultants: American Engineering Testing, Inc.

TASK NO.	SUMMARY OF TASKS
1.0	PROJECT MANAGEMENT/COORDINATION/MEETINGS
2.0	TRAFFIC ANALYSIS
3.0	PRELIMINARY DESIGN
4.0	PRELIMINARY WATER RESOURCE DESIGN
5.0	FEASIBILITY REPORT
6.0	TOPOGRAPHIC SURVEY

Project Overview:

This project will evaluate the subject roadway for complete reconstruction consideration. The current roadway is a 2 lane rural section of unknown age. There is residential, commercial and public cross street access to this facility. The intent of this project is to select a roadway section that best meets the traffic demand and evaluate the impacts and costs of a modern facility. The results will address traffic needs, roadway configuration, storm water collection, land and environmental impacts and costs.

ATTACHMENT C



P160236

SRF Consulting Group, Inc.
 Client: CITY OF INVER GROVE HEIGHTS
 Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
 FEASIBILITY STUDY

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROF	PROF.	TECHNICAL	CLERICAL	TOTALS	EST.FEE
1.0	PROJECT MANAGEMENT/COORDINATION/MEETINGS									
	Assumptions: - Contract period is to occur within 2016 as mutually agreed.									
	Client Deliverables: - City staff will conduct public hearing - City will send out the official public hearing notices - General day-to-day project management and administration - Work-planning schedule and coordination of tasks - On-going project coordination with City staff. Assumes monthly meetings to discuss progress and design issues (4 meetings).	4	16	0	0	0	0	0	20	\$2,860
1.1										
1.2		4	8	0	0	0	0	0	12	\$1,780
1.3		10	18	0	0	0	0	0	28	\$4,180
1.4	Administer project QA QC plan.	2	0	8	0	0	0	0	10	\$1,350
1.5	Prepare graphics for a public open house meeting. Includes up to 2 Layouts and 3 representative graphics.	0	0	0	0	0	3	0	3	\$411
1.6	Attend 2 Public Open House Meetings (1 staff, 3 hours/each)	0	6	0	0	0	0	0	6	\$810
1.7	Attend up to 2 City Council meetings (1 staff, 3 hours/each)	0	6	0	0	0	0	0	6	\$810
1.8	Meetings with individual property owners (6 meetings assumed, 1 staff, 3 hours each)	0	18	0	0	0	0	0	18	\$2,430
	SRF Deliverables: - Project schedule - Meeting agendas, minutes and materials - Open House Graphics									
	SUBTOTAL - TASK 1	20	72	8	0	0	3	0	103	\$14,631
2.0	TRAFFIC ANALYSIS									
	Assumptions: - City, County, and MnDOT will provide current traffic data and forecasts.									
	Client Deliverables: - Traffic Data as indicated below.									
2.1	Review historical traffic volume data provided by City staff, as well as MnDOT and Dakota County.	0	0	0	1	2	0	0	3	\$264
2.2	Collect peak period turning movement and pedestrian/bicyclist counts at the Upper 55th Street/Robert Street Trail and Upper 55th Street/Babcock Trail intersections.	0	1	0	1	6	4	0	12	\$1,291

SRF Consulting Group, Inc.

Client: CITY OF INVER GROVE HEIGHTS

Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
FEASIBILITY STUDY

ATTACHMENT C



P160236

TASK_NO.	TASK_DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROF	PROF.	TECHNICAL	CLERICAL	TOTALS	EST_FEE
2.3	Collect 15-minute pulse counts during the a.m. and p.m. peak period at up to six (6) locations. Pulse counts will be adjusted to reflect peak hour volumes based on a combination of the pulse counts and household information available.	0	0	0	1	6	0	0	7	\$608
2.4	Analyze a.m. and p.m. peak hour operations at the study intersections (includes pulse count locations) under existing conditions to establish a baseline for future comparison.	0	1	0	4	4	0	0	9	\$847
2.5	Estimate future ADT traffic forecasts for year 2040 conditions. Includes a review of previously published forecasts, historic traffic count information, and MSP Thrive 2040 household/employment forecasts for consistency with traffic forecasts.	0	0	8	1	0	0	0	9	\$1,092
2.6	Develop year 2040 a.m. and p.m. peak hour traffic forecasts at the study intersections.	0	1	0	1	4	0	0	6	\$571
2.7	Analyze a.m. and p.m. peak hour intersection operations at the study intersections for both a three-lane and a four-lane roadway configuration	0	2	0	4	12	0	0	18	\$1,670
2.8	Recommend potential improvements (i.e. traffic control, turn lane locations/storage, access modification, etc.) for both the three-lane and a four-lane roadway configuration scenarios. This will include a review of pedestrian facilities both on- and off-street.	1	2	0	2	4	0	0	9	\$973
2.9	Prepare a draft memorandum documenting the findings and recommendations. Make revisions as appropriate based on City/County review and prepare a final memorandum.	1	3	0	10	6	4	0	24	\$2,564
2.10	Provide day-to-day project management and administration, as well as project coordination with City staff.	2	4	0	1	0	0	0	7	\$982
2.11	Review crash data for the study intersections and corridor to identify if there are existing issues. This analysis will include a review of crash frequency, type, and severity as well as crash rates to determine the statistical significance of the number of crashes. Results would assist with turn-lane need.	0	1	0	2	6	2	0	11	\$1,109
2.12	Complete an existing access inventory on Upper 55th Street between Robert Trail and Babcock Trail to identify existing access density and to determine if the overall corridor access is in compliance with current access management guidance. Based on this review as well as the crash and traffic operations analysis results develop a access management plan for the corridor.	0	1	0	2	4	2	0	9	\$937
2.13	Analyze a.m. and p.m. peak hour intersections operations at the study intersections under year of opening conditions for both the three-lane and a four-lane roadway configuration scenarios.	0	2	0	4	12	0	0	18	\$1,670

ATTACHMENT C



P160236

SRF Consulting Group, Inc.
 Client: CITY OF INVER GROVE HEIGHTS
 Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
 FEASIBILITY STUDY

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROF	PROF.	TECHNICAL	CLERICAL	TOTALS	EST_FEE
	SRF Deliverables: - Technical Traffic Memorandum. - Proposed Roadway Configuration Recommendation.									
	SUBTOTAL - TASK 2	4	18	8	34	66	12	0	142	\$14,578
3.0	PRELIMINARY DESIGN Assumptions: - The hours expressed for roadway design are for one City selected roadway configuration (preferred concept). - Inver Grove Heights has received public comment on the Concept Layout phase of this project dated July 28, 2011. - Soil boring information for the potential ponding areas were previously acquired and will be available and provided by the City. - The City will provide the wetland delineation for the project.									
	Client Deliverables: - 3D LIDAR base mapping - Digital right of way base mapping and parcel PIN's suitable for preliminary design. - Digital topography - Wetland delineation - City owned utility base mapping or record drawings. - Sanitary sewer televising report (summary of findings).									
3.1	Prepare color preliminary layout for Upper 55th Street in Plan/Profile format and aerial photography.	0	2	0	0	20	20	0	42	\$4,730
3.2	Modify alignment and geometry consistent with public input and goals of the City.	0	5	0	0	40	10	0	55	\$5,485
3.3	Develop profile grades and cross sections and determine limits of construction and property impacts.	0	0	0	0	60	10	0	70	\$6,530
3.4	Evaluate potential retaining wall locations relative to the impact and cost of slope grading or other constraints.	0	0	0	5	15	0	0	20	\$1,750
3.5	Identify potential for soil corrections from soil reports.	0	2	0	0	2	0	0	4	\$442
3.6	Design and prepare layout for appropriate pavement markings.	0	0	0	0	4	0	0	4	\$344
3.7	Evaluate construction staging issues and develop conceptual staging plan.	0	2	0	0	20	0	0	22	\$1,990
3.8	Evaluate maintenance or replacement alternatives for known conditions of existing sanitary sewer, water main and storm sewer. Assumes the City provides a record of these conditions.	0	4	0	2	14	0	0	20	\$1,928

ATTACHMENT C



P160236

SRF Consulting Group, Inc.
 Client: CITY OF INVER GROVE HEIGHTS
 Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
 FEASIBILITY STUDY

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SE_ASSOC.	ASSOCIATE	SR_PROE	PROF.	TECHNICAL	CLERICAL	TOTALS	EST.FEE
3.9	Collect and review available as-builts/record drawings for known sanitary sewer, water main, storm water conveyance facilities and other City documents	0	0	0	0	4	0	0	4	\$344
3.10	Collect and determine the location of the private utilities including gas, electric, phone, etc through Gopher State One Call mapping request (Non-Excavation Locate)	0	1	0	0	8	0	0	9	\$823
3.11	Determine preliminary Permanent Right of Way, Temp Easements, D&U Easements, Pond Easements, other easements as necessary to construct the proposed improvements. CADD work only, no descriptions or exhibits.	0	4	0	0	8	0	0	12	\$1,228
3.12	Prepare estimate of probable construction costs. (Estimating to include 3 options for water main replacement size.)	0	2	0	0	20	0	0	22	\$1,990
<p>SRF Deliverables:</p> <ul style="list-style-type: none"> - Geotechnical services and recommendations by AET (see below). <p>Layout consisting of:</p> <ul style="list-style-type: none"> - Typical sections - Horizontal and vertical alignments and geometry (with striping) - Retaining wall locations - Cross sections (with in-place right of way shown) - Construction limits - Construction staging - Estimate of probable construction costs - Right of way impacts tabulation 										
SUBTOTAL - TASK 3		0	22	0	7	215	40	0	284	\$27,584

4.0 PRELIMINARY WATER RESOURCE DESIGN

- Assumptions:**
- WRE coordination anticipated with the following agencies:
 - Inver Grove Heights and Lower Mississippi River WMO
 - The Cities Hydrologic modeling will provide a model that includes all areas contributing flow to the project corridor. No additional hydrology calculations for contributing flows will be required. The City model will be user ready and only the detail of the roadway corridor will need to be added.
 - The project impacts may not require treatment but the City will provide water quality treatment where feasible.
 - Up to three BMPs will be designed.
 - The feasibility review will incorporate the design required to mitigate existing issues caused by drainage from Babcock Trail
 - No field survey of existing system storm sewer is required.
 - Record plans will provide adequate info for feasibility design
 - Storm sewer design will follow State Aid standards

ATTACHMENT C



P160236

SRF Consulting Group, Inc.
 Client: CITY OF INVER GROVE HEIGHTS
 Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BARCOCK TRAIL
 FEASIBILITY STUDY

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROE	PROF.	TECHNICAL	CLERICAL	TOTALS	EST. FEE
	Client Deliverables: - Technical reports and supporting documentation - Record and As-built plans - Municipal comprehensive storm water plans - Watershed Management Organization management plans - Current GIS files and mapping for the area - Existing Hydrologic/Hydraulic Modeling (Barr model) - Participation in WRE coordination activities - Review & comment on drainage overview & issues map, layout, and profiles.									
4.1	Research and identify applicable project design standards based on regulatory and City standards.	0	0	4	0	8	0	0	12	\$1,188
4.2	Collect and review available drainage data for the corridor (Record drawings, survey data provided by the City or collected under a different task)	0	0	4	0	8	4	0	16	\$1,736
4.3	Prepare a water resource overview map containing appropriate information for discussion with the City and agencies. Assumes correspondence with agencies via email or conference call.	0	5	5	0	10	5	0	25	\$2,845
4.4	Assemble a preliminary storm sewer/catch basin layout for the purposes of developing a preliminary estimate of probable construction costs and BMP sizing. Catch basin locations will be approximate. Trunklines will be sized from the lowpoint to the discharge point. Lateral sizes will be assumed.	0	0	8	0	24	2	0	34	\$3,338
4.5	Complete preliminary design of water quality treatment facilities including developing a hydraulic model of the project and supplementing it with the City watershed model.	0	2	20	0	30	0	0	52	\$5,350
4.6	Develop drainage related estimates of probable construction costs.	0	0	1	0	6	0	0	7	\$641
	SRF Deliverables: - Drainage overview & issues map, preliminary layout - BMP sizing computations (based on spread sheet computations) - Incorporate drainage system into preliminary estimate of probable construction costs.									
	SUBTOTAL - TASK 4	0	7	42	0	86	11	0	146	\$15,098

SRF Consulting Group, Inc.

Client: CITY OF INVER GROVE HEIGHTS

Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
FEASIBILITY STUDY

ATTACHMENT C



P160236

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROE	PROE.	TECHNICAL	CLERICAL	TOTALS	EST_FEE
5.0	FEASIBILITY REPORT Assumptions: - City will compute special assessments. - City staff will prepare all Council memos to comply with the 429 requirements - One neighborhood meeting and one public hearing will be held.									
	Client Deliverables: - City will provide property data information for the report - City staff will conduct public hearing - City will send out the official public hearing notices									
5.1	Prepare Feasibility based on the preliminary design criteria and geometric layout. The report will include: Existing conditions, proposed improvements, estimate of probable construction cost of the improvements, assessed cost, assessed amounts, appropriate exhibits and summary/recommendation.	0	2	20	0	0	0	3	25	\$2,980
5.2	Assist the City with the Chapter 429 special assessment process.	0	1	0	0	5	0	0	6	\$565
5.3	Water Resources Portion of the Feasibility Report: Compile a report summarizing the methodology and findings pertaining to water quality, water quantity, wetland issues and floodplain issues.	2	0	4	0	6	2	2	16	\$1,780
	SRE Deliverables: - Feasibility report - up to 20 hard copies and 1 electronic copy									
	SUBTOTAL - TASK 5	2	3	24	0	11	2	5	47	\$5,325
6.0	TOPOGRAPHIC SURVEY Assumptions: - Right of entry will be granted by property owners along the corridor. Client Deliverables: - Survey control points if available.									
6.1	Collect and establish survey control points necessary to perform the topographical survey for the project.	0	20	0	0	0	0	0	20	\$2,700

SRF Consulting Group, Inc.

Client: CITY OF INVER GROVE HEIGHTS

Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
FEASIBILITY STUDY



P160236

ATTACHMENT C

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROF	PROF.	TECHNICAL	CLERICAL	TOTALS	EST.FEE																																											
6.2	Perform complete topographical survey to collect all horizontal and vertical points for all physical features, including roadways, utilities, property corners, landscaping, structures, drainage and all items necessary to develop design plans. Survey data will be collected at every 50 foot stationing and extend from ROW line to ROW line plus an additional shot beyond that for tie down points.	0	80	0	20	0	0	0	100	\$12,640																																											
6.3	Process the survey data to develop base drawings for design purposes	10	0	0	0	0	0	0	10	\$1,750																																											
<p><u>SRF Deliverables:</u> - Topographic survey in electronic format.</p>																																																					
SUBTOTAL - TASK 6		10	100	0	20	0	0	0	130	\$17,090																																											
<p>TOTAL ESTIMATED PERSON-HOURS</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 10%;">36</td> <td style="width: 10%;">222</td> <td style="width: 10%;">82</td> <td style="width: 10%;">61</td> <td style="width: 10%;">378</td> <td style="width: 10%;">68</td> <td style="width: 10%;">5</td> <td style="width: 10%;">852</td> </tr> <tr> <td>AVERAGE HOURLY BILLING RATES</td> <td>\$175</td> <td>\$135</td> <td>\$92</td> <td>\$86</td> <td>\$137</td> <td>\$70</td> <td></td> </tr> <tr> <td>ESTIMATED LABOR AND OVERHEAD</td> <td>\$6,300</td> <td>\$29,970</td> <td>\$10,250</td> <td>\$5,612</td> <td>\$32,508</td> <td>\$350</td> <td></td> </tr> <tr> <td>ESTIMATED DIRECT NON-SALARY EXPENSES</td> <td></td> <td></td> <td></td> <td></td> <td>\$9,316</td> <td></td> <td></td> </tr> <tr> <td>TOTAL ESTIMATED FEE</td> <td colspan="6"></td> <td>\$102,536</td> <td></td> <td></td> <td></td> </tr> </table>											36	222	82	61	378	68	5	852	AVERAGE HOURLY BILLING RATES	\$175	\$135	\$92	\$86	\$137	\$70		ESTIMATED LABOR AND OVERHEAD	\$6,300	\$29,970	\$10,250	\$5,612	\$32,508	\$350		ESTIMATED DIRECT NON-SALARY EXPENSES					\$9,316			TOTAL ESTIMATED FEE							\$102,536			
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SRF Consulting Group, Inc.

Client: CITY OF INVER GROVE HEIGHTS

Project: UPPER 55TH STREET - SOUTH ROBERT TRAIL TO BABCOCK TRAIL
FEASIBILITY STUDY

ATTACHMENT C



P160236

TASK NO.	TASK DESCRIPTION	PRINCIPAL	SR_ASSOC.	ASSOCIATE	SR_PROE	PROE.	TECHNICAL	CLERICAL	TOTALS	EST.FEE
ESTIMATE OF DIRECT NON-SALARY EXPENSES:										
MILEAGE:										
	Personal Vehicles			500	Miles @	\$0.540				\$270
	Copy Duplication		1000		Copies @	\$0.10				\$100
	Color Copies		50		Copies @	\$0.35				\$18
	Bond Prints		0		Prints @	\$6.00				\$0
	Mylar Prints		0		Prints @	\$12.00				\$0
			0		Copies @	\$1.00				\$0
SUPPLIES:										
	Mail, Express, Etc.									\$200
COMMUNICATIONS:										
	AET GEOTECHNICAL SERVICES									\$7,443
SUBCONSULTANTS:										
ESTIMATED DIRECT NON-SALARY EXPENSES										
SUMMARY OF COSTS:										
1.0	PROJECT MANAGEMENT/COORDINATION/MEETINGS	\$ 3,500	\$ 9,720	\$ 1,000	\$ -	\$ -	\$ 411	\$ -	\$ 14,631	
2.0	TRAFFIC ANALYSIS	\$ 700	\$ 2,430	\$ 1,000	\$ 3,128	\$ 5,676	\$ 1,644	\$ -	\$ 14,578	
3.0	PRELIMINARY DESIGN	\$ -	\$ 2,970	\$ -	\$ 644	\$ 18,490	\$ 5,480	\$ -	\$ 27,584	
4.0	PRELIMINARY WATER RESOURCE DESIGN	\$ -	\$ 945	\$ 5,250	\$ -	\$ 7,396	\$ 1,507	\$ -	\$ 15,098	
5.0	FEASIBILITY REPORT	\$ 350	\$ 405	\$ 3,000	\$ -	\$ 946	\$ 274	\$ 350	\$ 5,325	
6.0	TOPOGRAPHIC SURVEY	\$ 1,750	\$ 13,500	\$ -	\$ 1,840	\$ -	\$ -	\$ -	\$ 17,090	
										\$94,306

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider a Resolution Receiving the Petition, Ordering a Feasibility Study, Ordering an Assessment Benefit Analysis, and Ordering a Geotechnical Investigation for City Project No. 2017-09E – 93rd Street/Abigail Court Area Reconstruction

Meeting Date: May 23, 2016
 Item Type: Consent
 Contact: Thomas J. Kaldunski, 651.450.2572
 Prepared by: Thomas J. Kaldunski, City Engineer
 Reviewed by: Scott D. Thureen, Public Works Director

SDT

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- New FTE requested – N/A
- Other: Special Assessments, Pavement Management Fund

PURPOSE/ACTION REQUESTED

Consider a resolution receiving the petition, ordering a feasibility study, conducting an assessment benefit analysis, and ordering a geotechnical investigation for City Project No. 2017-09E – 93rd Street/Abigail Court Area Reconstruction

SUMMARY

The project is proposed in response to a valid petition received from residents along 93rd Street and Abigail Court (see attached petition and area map). Ten (10) property owners are in support of the street improvements. There are a total of 12 properties in the proposed project area.

The City will need to prepare a feasibility study for the project to determine the costs and potential funding for the project. It is necessary to conduct a geotechnical investigation of the area streets to determine the recommended method of improving the bituminous surface. The City will be receiving a proposal for the geotechnical review following this Council action. It is anticipated that AET will be used for these consultant pool services. The City will seek a proposal from its consulting pool of engineering firms for the feasibility study.

A feasibility study will be reviewed at a future Council meeting once the geotechnical investigation is completed. The streets to be studied include: 93rd Street West and Abigail Court. The City will conduct an assessment benefit analysis on the project. The City Attorney will be authorized to provide his services on the project.

I recommend passage of the resolution receiving the petition, ordering the preparation of a feasibility study, ordering an assessment benefit analysis and ordering a geotechnical investigation for City Project No. 2017-09E – 93rd Street/Abigail Court Area Reconstruction.

TJK/kf

Attachments: Resolution
 Petition
 Map

**DAKOTA COUNTY
INVER GROVE HEIGHTS, MINNESOTA**

**RESOLUTION RECEIVING PETITION, ORDERING A FEASIBILITY STUDY, ORDERING AN
ASSESSMENT BENEFIT ANALYSIS AND ORDERING A GEOTECHNICAL INVESTIGATION
FOR CITY PROJECT NO. 2017-09E – 93RD STREET/ABIGAIL COURT AREA
RECONSTRUCTION**

RESOLUTION NO. _____

WHEREAS, it is proposed to make improvements and to assess or tax the benefited properties for all or a portion of the cost of said improvement, pursuant to Minnesota Statutes, Section 429.111 to 429.111 (Laws 1953, Chapter 398, as amended) and Section 103B.201 and 103B.251 as follows:

<u>Project No.</u>	<u>Improvements</u>
2017-09E	93rd Street West and Abigail Court

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, MINNESOTA:

1. The petition is received.
2. The Public Works Director is hereby authorized to seek proposals for professional services to prepare a feasibility report, conduct an assessment benefit analysis, and conduct a geotechnical investigation on the proposed street improvements.
3. The City Attorney is hereby authorized to assist the City Engineer on this project.
4. Project funding is provided through the Pavement Management Fund and special assessments.

Adopted this 23rd day of May 2016 by the City Council of Inver Grove Heights, MN

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Michelle Tesser, City Clerk

Tom Kaldunski

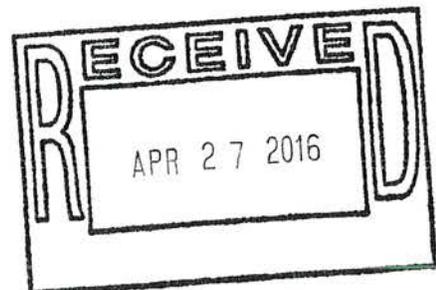
**98th Street/Abigail Court
Neighborhood PETITION**

CONTACTS:

Jerry Osiecki 651-457-8592

gosiecki@comcast.net

Roger Green 651-688-6324



April 26, 2016

Dear City Council

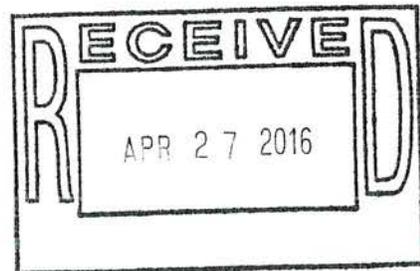
We are a small quaint neighborhood on two streets: 93rd Street East and Abigail Court. There are 12 driveways on our two streets, so 12 homeowners must use these streets to access their driveway.

Both streets are terribly distressed and the repeated patching and repairing has made it worse, with an accumulation of fragments of rocks and asphalt everywhere, including in our driveways, on our lawns and in our garages. The current condition of our two streets is beyond repair; the solution is replacement.

Attached is a petition signed by 10 of the 12 homeowners who have driveways on either 93rd Street East or Abigail Court. We are asking that the Council order a study of our two streets and an estimate of the cost to replace. We support paying our fair share. We understand there are 28 neighborhoods that need work. We are asking for a study, for a cost estimate, and to be #1 on the list of neighborhoods that need road work. Thank you for your consideration.

Respectfully,

The homeowners on Abigail Court and 93rd Street East



Date: 4-24-16

PETITION FOR LOCAL IMPROVEMENT

CITY OF INVER GROVE HEIGHTS DAKOTA COUNTY, MINNESOTA

We, the undersigned, owners of not less than thirty-five (35) percent in frontage of real property abutting an existing or proposed street, hereby petition for that existing or proposed street, pursuant to Minnesota Statutes, Chapter 429, be improved by the improvement(s) checked below, to wit:

- Bituminous Surfacing
- Grading
- Concrete Surfacing
- Installation of Curbs and Gutters
- Construction of Water Mains and Necessary Appurtenances therein
- Construction of Storm Sewer and Necessary Appurtenances therein
- Construction of Sanitary Sewer and Necessary Appurtenances therein
- Construction of Sidewalks Therealong
- Installation of Street Lighting Therealong
- Other (Specify): _____

DESCRIPTION OF STREET OR WORK AREA:

93RD STREET AND ABIGAIL CT NEIGHBORHOOD

Owner Signature	P.I.D. or Property Description	Frontage
1. <u>Paul Douchi</u> Name <u>9410 ABIGAIL CT</u> Address	<u>20-32950-01-070</u> P.I.D. No.	_____ Feet
2. <u>Steve [Signature]</u> Name <u>9445 Abigail Ct</u> Address	<u>20-32950-01-100</u> P.I.D. No.	_____ Feet
3. <u>Don J. Hawley</u> Name <u>1065 93RD ST E</u> Address	<u>20-32950-01-010</u> P.I.D. No.	_____ Feet
4. <u>[Signature]</u> Name <u>1190 93RD ST E</u> Address	<u>20-32950-01-120</u> P.I.D. No.	_____ Feet

Owner Signature

P.I.D. or Property Description

Frontage

5. Roger Green
Name

20-32950-01-090 _____ Feet
P.I.D. No.

9470 Abigail Ct
Address

Property Description
20-32950-01-110 _____ Feet
P.I.D. No.

6. Suzanne Brown
Name

9385 Abigail Ct
Address

Property Description
20-32950-01-20 _____ Feet
P.I.D. No.

7. Regina Blevins
Name

1133 93rd St East
Address

Property Description
20-32950-01-040 _____ Feet
P.I.D. No.

8. Tom Reid Tom Reid
Name

9320 Abigail Ct
Address

Property Description
20-32950-01-060 _____ Feet
P.I.D. No.

9. Bonnie Troska
Name

9380 Abigail Ct
Address

Property Description
20-32950-01-080 _____ Feet
P.I.D. No.

10. Elizabeth Haglund
Name

9440 Abigail Ct
Address

Property Description
20- _____ Feet
P.I.D. No.

11. _____
Name

Address

Property Description
20- _____ Feet
P.I.D. No.

12. _____
Name

Address

Property Description
20- _____ Feet
P.I.D. No.

13. _____
Name

Address

Property Description
20- _____ Feet
P.I.D. No.

14. _____
Name

Address

Property Description
20- _____ Feet
P.I.D. No.

15. _____
Name

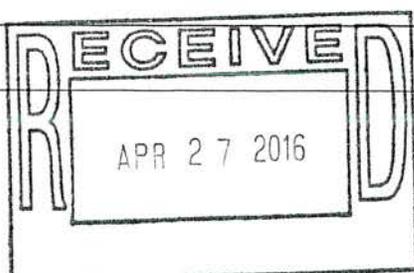
Address

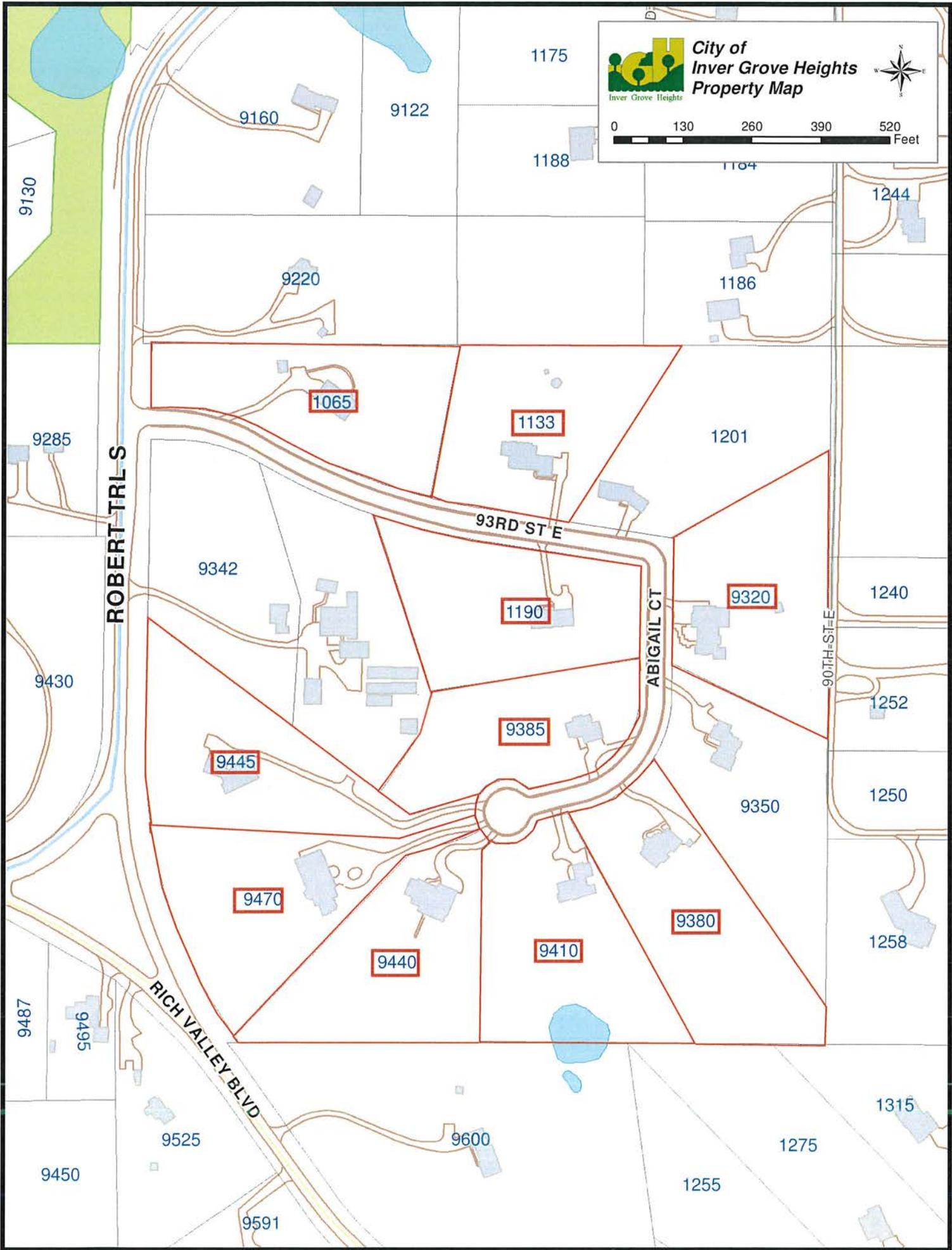
Property Description
20- _____ Feet
P.I.D. No.

16. _____
Name

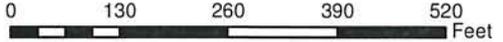
Address

Property Description





City of Inver Grove Heights Property Map



ROBERT TRLS

RICH VALLEY BLVD

93RD ST E

ABIGAIL CT

90TH ST E

1065

1133

1190

9385

9342

1201

9320

1240

1252

1250

9350

9445

9470

9440

9410

9380

1258

9130

9160

9122

1175

1188

1184

1244

9285

9220

1186

9430

1240

1252

1250

9487

9495

9525

9600

1275

9450

9591

1255

1315

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

PERSONNEL ACTIONS

Meeting Date: May 23, 2016
Item Type: Consent
Contact: Joe Lynch, City Administrator
Prepared by: Carrie Isaacson, Admin Svc Cord
Reviewed by: Janet Shefchik, HR Manager

Fiscal/FTE Impact:

- | | |
|-------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> | None |
| <input type="checkbox"/> | Amount included in current budget |
| <input type="checkbox"/> | Budget amendment requested |
| <input type="checkbox"/> | FTE included in current complement |
| <input type="checkbox"/> | New FTE requested – N/A |
| <input type="checkbox"/> | Other |

PURPOSE/ACTION REQUESTED Staff requests that the Council approve the personnel actions listed below:

Please confirm the Part-Time/Temporary/Seasonal Employment of: Brittany Schultz (Lifeguard/Aquatics); Brynn Thompson (Lifeguard/Aquatics); Joseph Skora (Utilities Helper/Utilities); David Jacobs (Laborer/Golf Course); Curtis Felton (Maintenance Helper/Parks); Kaylynn Simonette (Recreation Instructor/Recreation); Annika Iverson (Recreation Instructor/Recreation); Westley Kinkade (Lifeguard/Aquatics); Hannah Hennen (Concessionaire/Golf Course); Treighton French (Maintenance Helper/Parks); Kayla Wirkus (Fitness/VMCC); Roxanne Buchanan (AB Board/Admin); Bonnie Brings (AB Board/Admin); Charlotte Henry (AB Board/Admin); Barbara Kasal (AB Board/Admin); Kathy Mutch (AB Board/Admin); William Bann (Laborer/Golf Course); Karissa Fischer (Concessionaire/Golf Course); Heather Digolo (Fitness/VMCC); Lauren Kirkley (Water Safety Instructor/Aquatics); Mitch Ingvalson (Maintenance Helper/Parks); Ryan Boris (Maintenance Helper/Parks); Anna Scheffley (Recreation Instructor/Recreation)

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Consider Approval of North/South Valley Park Master Plan Process

Meeting Date: May 23, 2016
 Item Type: Regular Agenda
 Contact: Eric Carlson – 651.450.2587
 Prepared by: Eric Carlson
 Reviewed by: Eric Carlson – Parks & Recreation

Fiscal/FTE Impact:
 None
 Amount included in current budget
 Budget amendment requested
 FTE included in current complement
 New FTE requested – N/A
 Other

PURPOSE/ACTION REQUESTED

The Council is asked to approve a Park and Recreation Commission recommendation to hire the St. Paul Riverfront Corporation in an amount not to exceed \$20,000 to assist the City in the development of a North/South Valley Park Master Plan. Funding for the project would come from the Park Capital Replacement Fund (Fund 444) which has a balance of approximately \$1,012,000.

SUMMARY

North and South Valley Parks represent approximately 150 acres of park open space in the center of Inver Grove Heights. The two parks are divided by 70th Street (County Rd. 26) but are connected through a tunnel underneath the roadway. Many of the amenities in the park are coming to the end of their useful life and now would be a great time to plan for what the future of the park will look like. Park assets include:

North Valley Park	Year Installed	Anticipated Useful Life	End Of Useful Life	Estimated Replacement Investment
Parking Lot	1995	20	2015	\$125,000
Tennis Courts	1990	20	2010	\$160,000
South Valley Park				
Parking Lot	1993	20	2013	\$100,000
Picnic Shelter	1980	30	2010	\$125,000
Recreation Building	1980	40	2020	\$275,000
Playground Equipment	1990	15	2015	\$100,000
Total				\$885,000

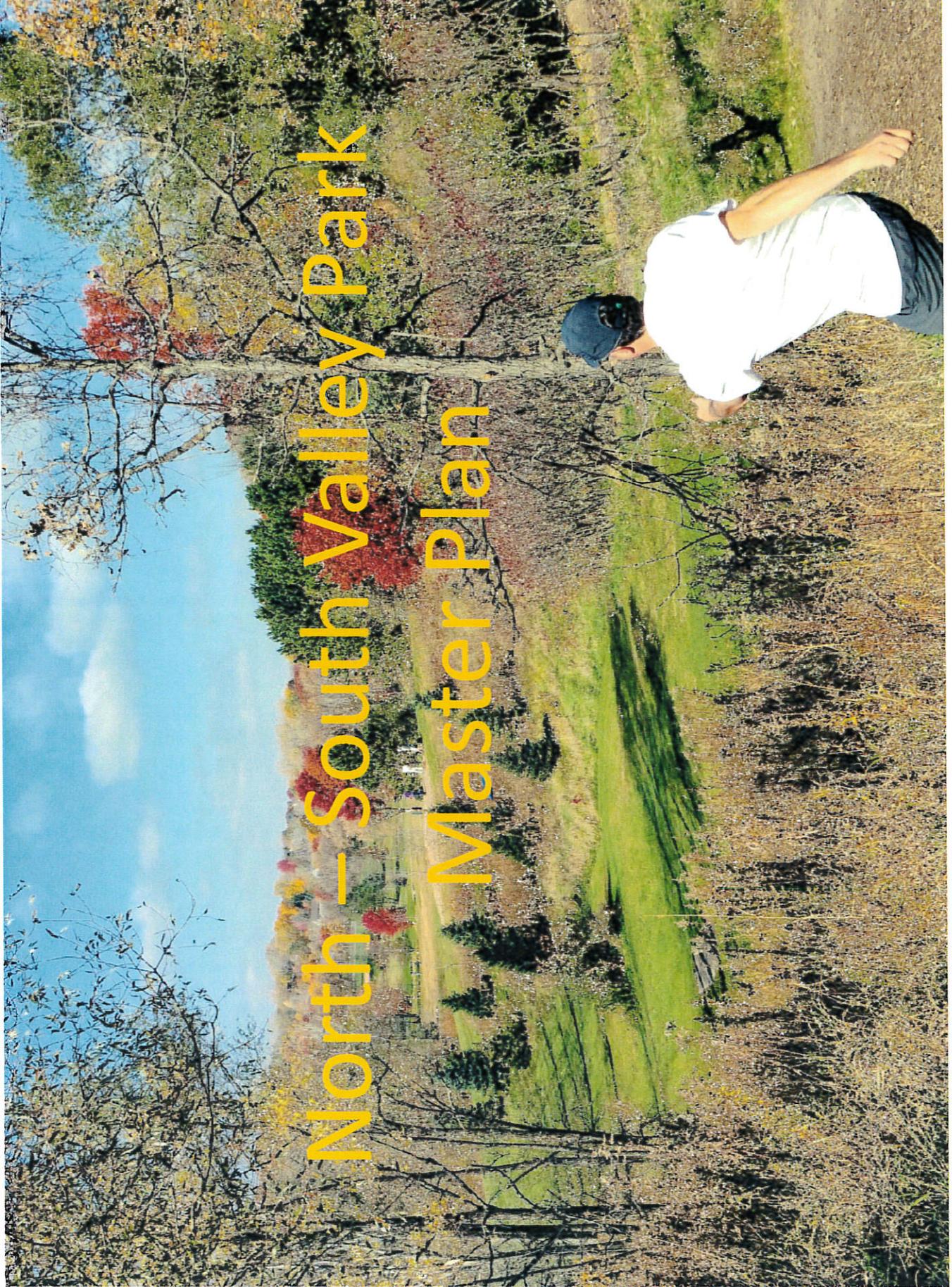
In addition, North/South Valley Parks have approximately 8,000 lineal feet of paved, bituminous trail and an 18-hole Disc Golf Course, ball-fields, sliding hill, picnic tables, benches, etc.

We received a proposal from the St. Paul Riverfront Corporation to assist us in the development of a Master Plan for both North and South Valley Parks. The proposal includes:

- Project Kick-off meeting
- Regular work group meetings involving City staff and Commission Sub-Committee
- Public Open House to review existing inventory
- Public Work Shop with a “talk, a walk, and a do” gathering feedback from the public
- Public Open House to review draft master plan based on feedback gathered at the Work Shop
- Finalize the master plan

St. Paul Riverfront Corporation estimates their effort will involve 214 hours of staff time and they propose to perform the work in an amount not to exceed \$20,000 plus reimbursable expenses. The Park and Recreation Commission is recommending approval.

North – South Valley Park Master Plan



City of Inver Grove Heights

The City Mission:

The mission of the City of Inver Grove Heights is to provide services and facilities that enhance the quality of life in our vibrant community.

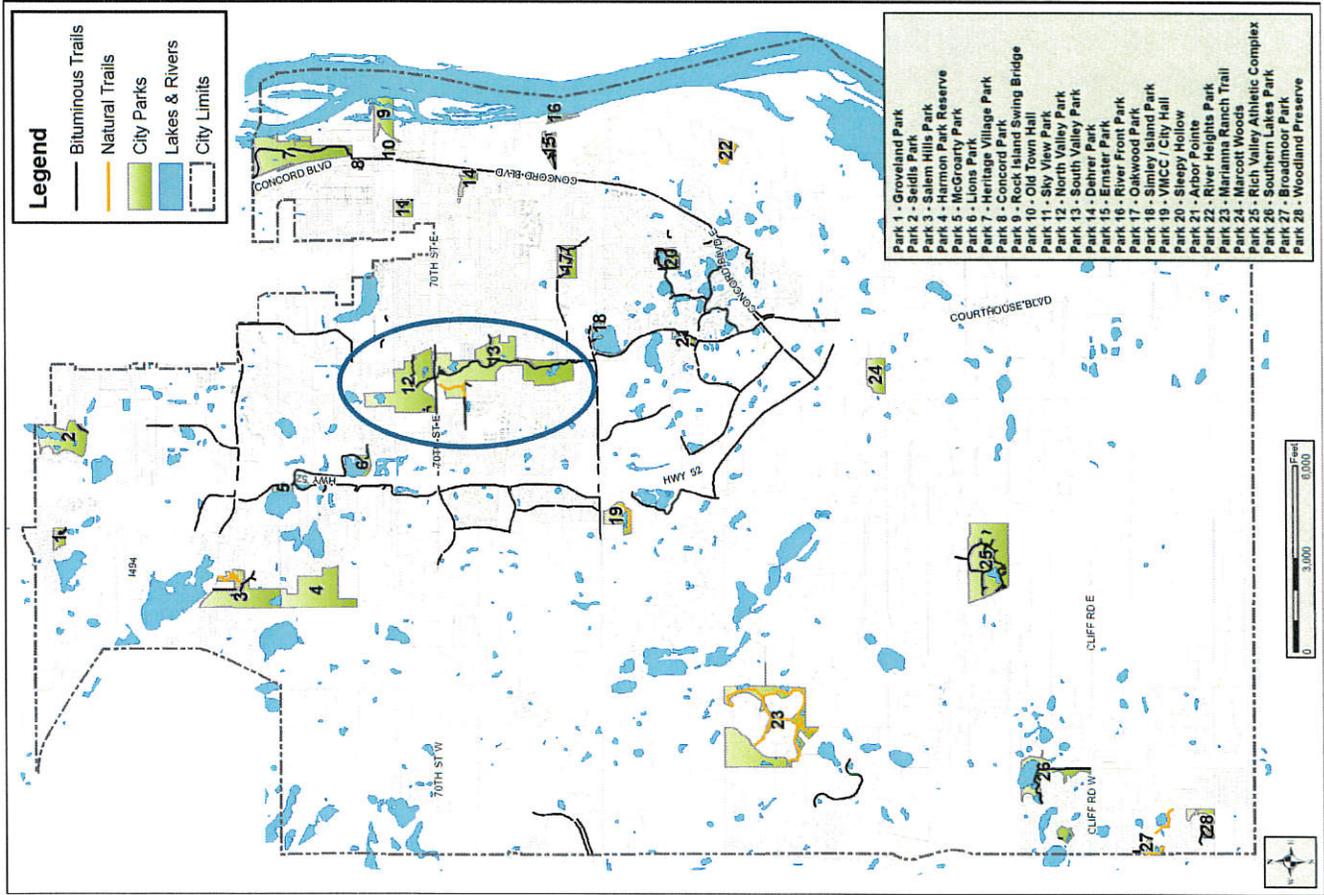
The City Values:

- Ethical decisions by doing the right thing
- Engaged people by delivering collaborative results
- Excellence by setting high standards and exceeding expectations

Framing Decisions:

- Ability to remain fiscally stable
- Improve or stabilize operational efficiencies
- Improve customer service
- Staying attentive to our regulatory environment





"Discover the Opportunities"

North Valley Park

- 58 acres
- Four Tennis Courts
- Two Ballfields
- Disc Golf Course
- Parking (87 stalls)
- Bituminous Trails



"Discover the Opportunities"

South Valley Park

- 93 acres
- Picnic Shelter
- Recreation Building
- One Ballfield
- Playground Equipment
- Winter Sliding Hill
- Parking (37 stalls)
- Bituminous Trails



Park Amenities Life Cycle

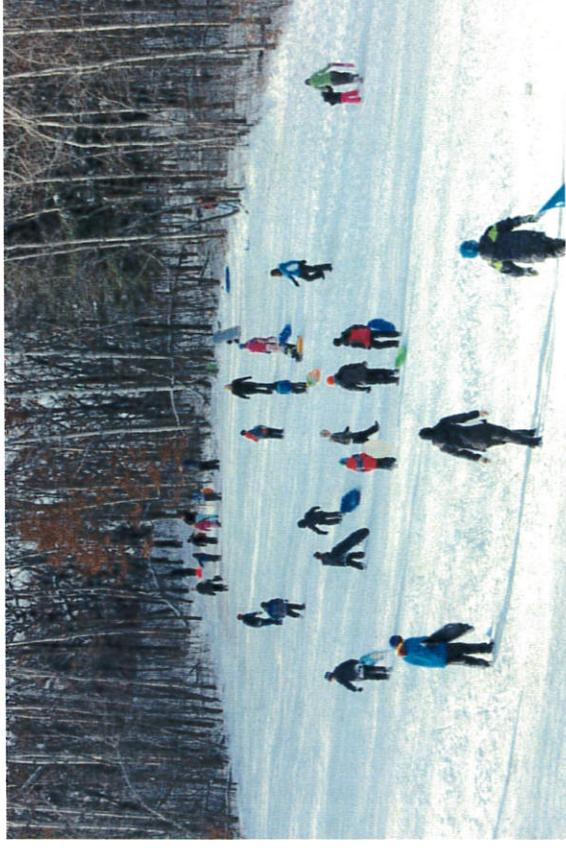
	Year Installed	Anticipated Useful Life	End Of Useful Life	Estimated Replacement Investment
North Valley Park				
Parking Lot	1995	20	2015	\$125,000
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Parking Lot	1993	20	2013	\$100,000
Picnic Shelter	1980	30	2010	\$125,000
Recreation Building	1980	40	2020	\$275,000
Playground Equipment	1990	15	2015	\$100,000
Total				\$885,000



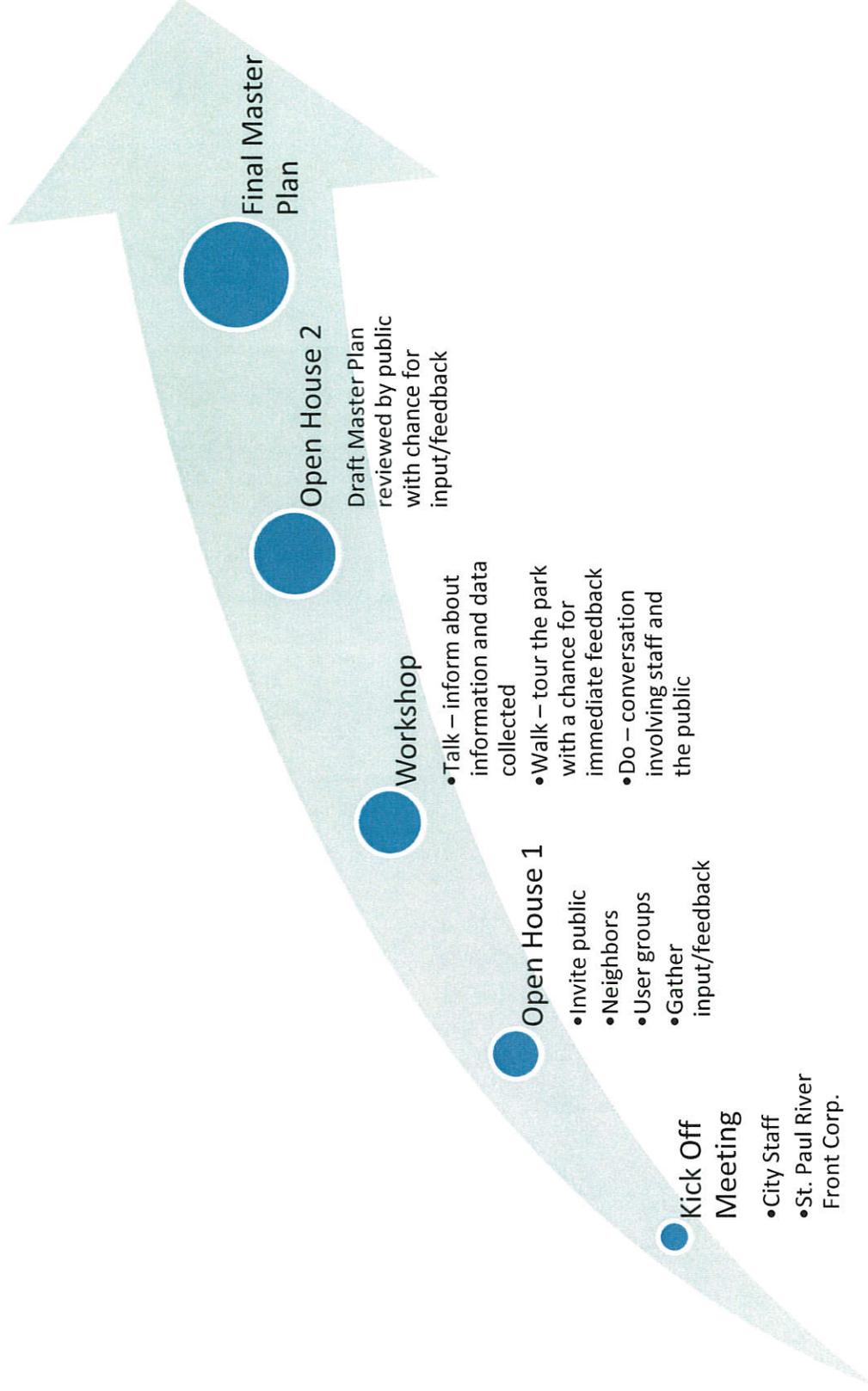
"Discover the Opportunities"

Exploration of Potential Changes

- Larger Picnic Shelter
- Natural play area
- Small outdoor performance stage
- Additional parking for South Valley Park
- Elimination of Recreation Building/ballfield in South Valley
- Other ideas realized from public process



Master Plan Process



"Discover the Opportunities"

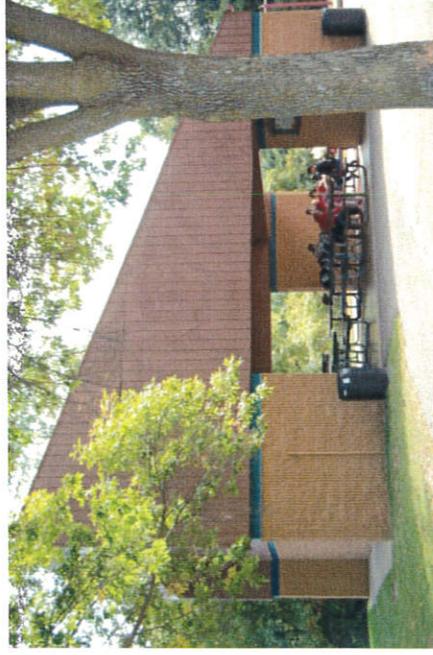
St. Paul River Front Corporation

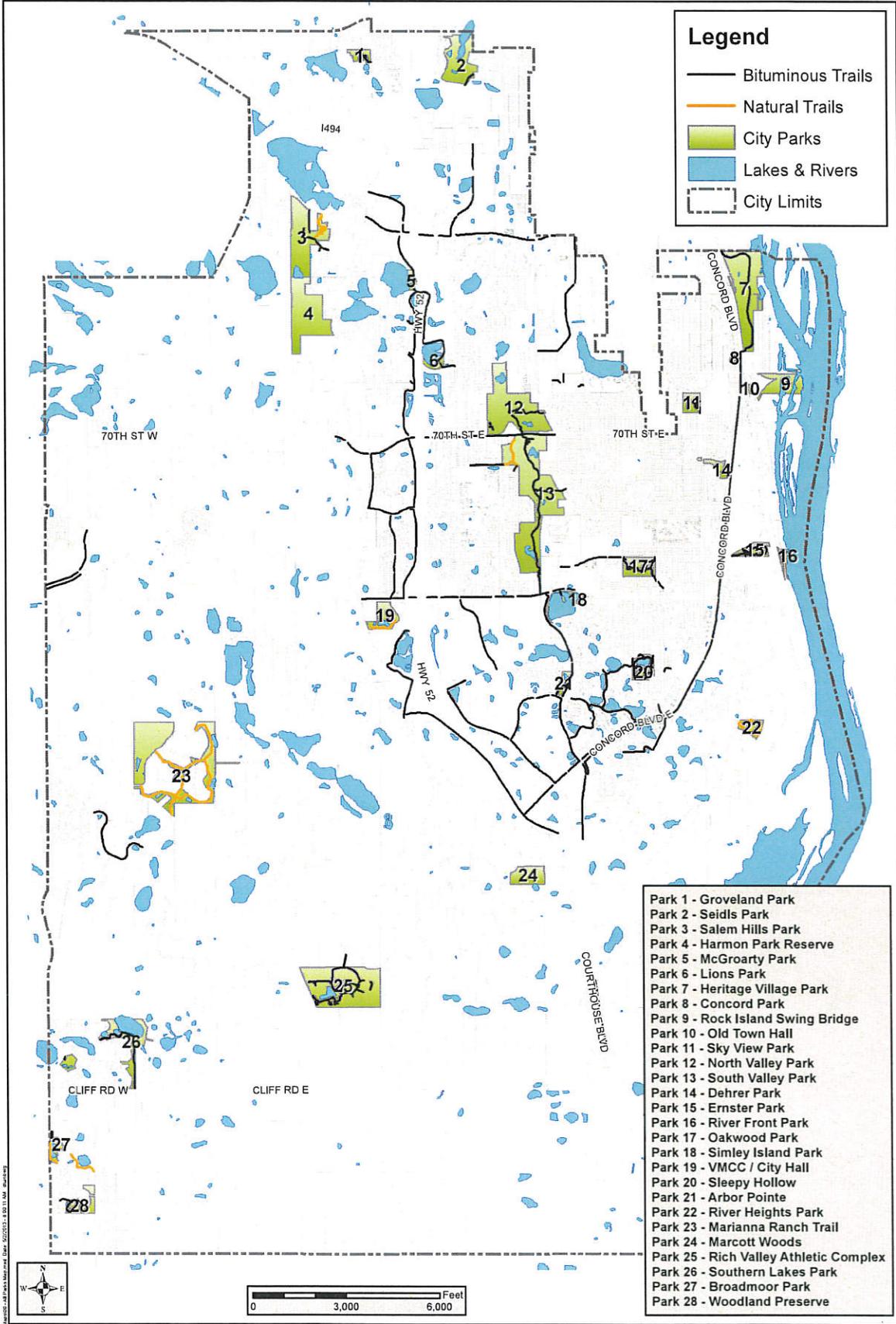
- Assist staff in the Master Plan Process
 - Design Leadership
 - Community Engagement
- Approximately 200 hours of staff time
- Not to exceed \$20,000 + reimbursable
- Funding from Park Capital Replacement Fund (Fund 444)
- Related Projects
 - Snelling Commons Master Plan
 - Wayzata Lake Effect Plan
 - Vermillion Highlands Concept Master Plan





Questions?





City of Inver Grove Heights, MN

City Parks

THIS DRAWING IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS ONE. THIS DRAWING IS A COMPILATION OF RECORDS, INFORMATION AND DATA LOCATED IN VARIOUS CITY, COUNTY AND STATE OFFICES AND OTHER SOURCES AND IS TO BE USED FOR REFERENCE PURPOSES ONLY. THE CITY OF INVER GROVE HEIGHTS IS NOT RESPONSIBLE FOR ANY INACCURACIES HEREIN CONTAINED.

Map produced by the City of Inver Grove Heights
 Copyright © City of Inver Grove Heights 2013



0 125 250 375 500 Feet

PARKS & RECREATION



NORTH VALLEY PARK

November 2007
Map prepared by the City of Inver Grove Heights

Legend

- Frisbee Golf
- BENCHES
- GRILLS
- LIGHTPOLES
- MEMORIALS
- PICNIC TABLES
- RESTROOMS
- STONE PARK SIGN
- WATER FOUNTAINS
- BITUMINOUS TRAILS
- FENCE
- TUNNEL
- BALL FIELDS
- SOCCER
- TENNIS
- PARKING LOT



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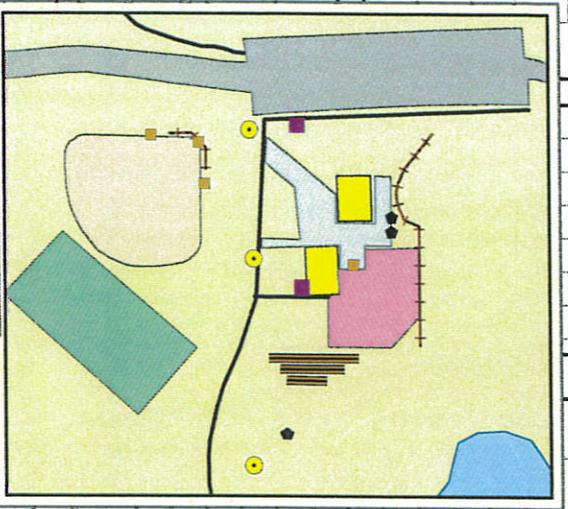
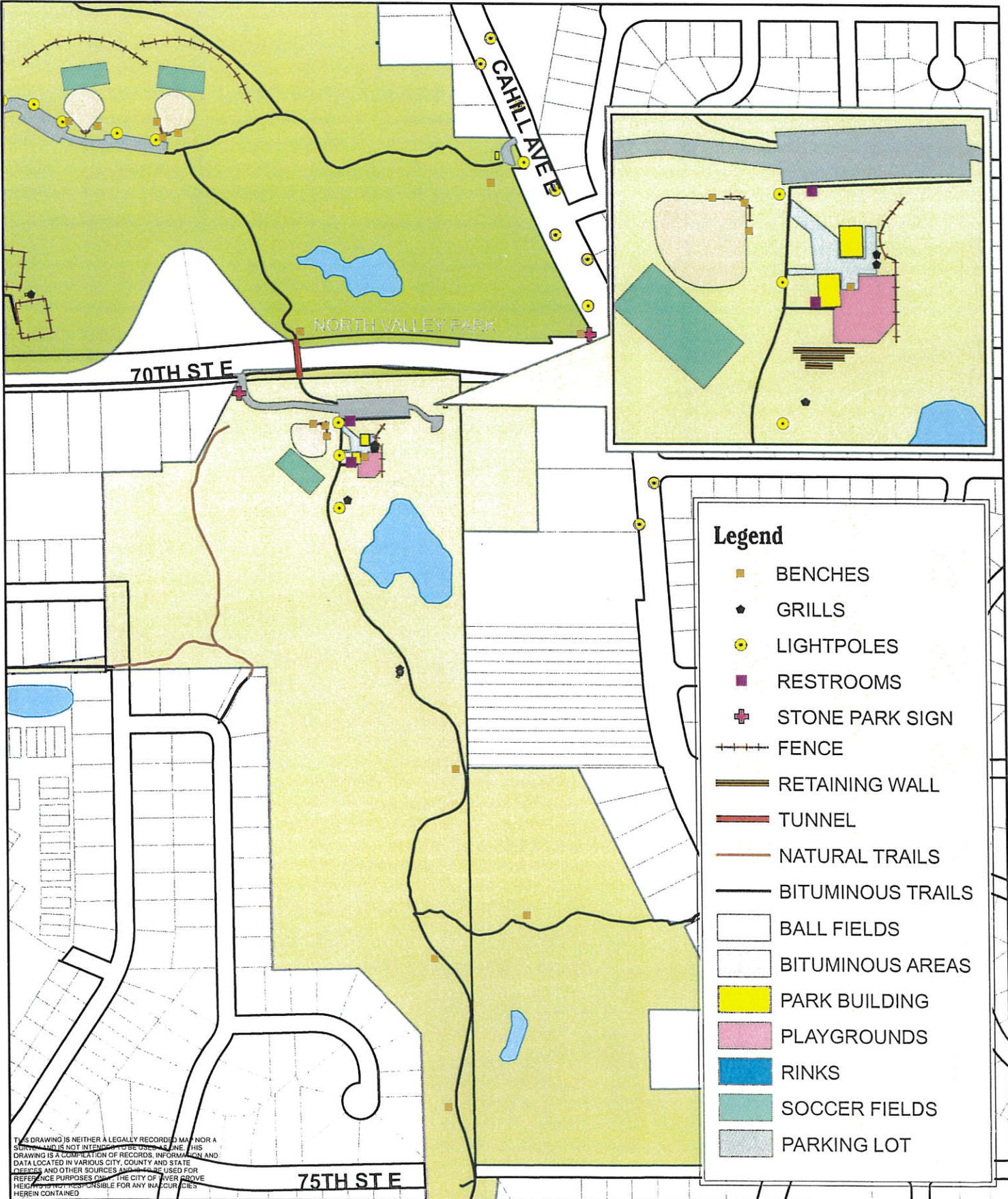
0 150 300 450 600 Feet

PARKS & RECREATION



SOUTH VALLEY PARK

November 2007



Legend

- BENCHES
- GRILLS
- LIGHTPOLES
- RESTROOMS
- STONE PARK SIGN
- FENCE
- RETAINING WALL
- TUNNEL
- NATURAL TRAILS
- BITUMINOUS TRAILS
- BALL FIELDS
- BITUMINOUS AREAS
- PARK BUILDING
- PLAYGROUNDS
- RINKS
- SOCCER FIELDS
- PARKING LOT

THIS DRAWING IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS ONE. THIS DRAWING IS A COMPILED OF RECORDS, INFORMATION AND DATA LOCATED IN VARIOUS CITY, COUNTY AND STATE OFFICES AND OTHER SOURCES AND SHOULD BE USED FOR REFERENCE PURPOSES ONLY. THE CITY OF INVER GROVE HEIGHTS IS NOT RESPONSIBLE FOR ANY INACCURACIES HEREIN CONTAINED.

75TH ST E

SAINT PAUL RIVERFRONT CORPORATION

May 2, 2016

Eric Carlson, Park and Recreation Director
City of Inver Grove Heights
Parks & Recreation
8055 Barbara Ave
Inver Grove Heights, MN 55077

Re: North and South Valley Park Master Plan

Dear Eric:

We are pleased to submit this proposal to assist the City of Inver Grove Heights, Department of Parks and Recreation for technical assistance for the South Valley Park Master Plan. The proposal is organized as follows:

- Project Understanding and Need
- Work Plan and Schedule
- Design Team
- Related Experience
- Budget

Project Understanding and Need

The Saint Paul Riverfront Corporation champions visionary urban design as a dynamic driver of economic vitality and quality of life in the greater MSP metropolitan region. We value innovation, inclusiveness and cultural diversity, and are committed to creating more equitable, healthy and sustainable communities, economies and ecosystems. Our work in Saint Paul and Wayzata and related work in Rosemont and Morris is extensive and includes deep dives into park planning, regional trail systems and innovative stormwater management. We have gained insights into the complex nature of park planning and collaborative community design work through our work on the Snelling Commons, Little Mekong Plaza, Snelling Avenue and Green Line LRT. We have stewarded innovative stormwater management or green infrastructure through a stacked green infrastructure approach on the Central Corridor Framework Plan, Midway Stadium Center and Ford Development.

Based on our conversations, we propose to assist the City of Inver Grove Heights with the North and South Valley Park Master Plan to prioritize environmental

conservation, green infrastructure and nature play in the update of facilities. Key components are:

- Compile existing park facility and demographic documentation.
- Identify stakeholders and scope underserved populations.
- Conduct a site survey to inventory facilities.
- Convene and support a project workgroup of staff and community members.
- Assist in 2 Open Houses (Pre-workshop and post-workshop) and up-to three focus groups.
- Assist in 1 design workshop.
- Document outcomes and package a Master Plan.
- Assist staff at public meetings.

Work Plan and Schedule

The following work plan can take this from concept to completion by November of 2016. It is organized in three steps:

Part 1. Project Start-Up [2 month] May - June

The Saint Paul Riverfront Corporation Design Team (Team) will kick-off the project with a meeting with staff to confirm the process, goals and approach. At this meeting we will also begin to scope stakeholders with attention to underserved populations. With the identified department staff and community liaisons compiled the Team will assist in convening a project workgroup. The intent of the work group is broad representation of the community and government staff for guidance, review and input.

The Team will then compile existing park facility and demographic documentation and conduct a site survey to inventory facilities. The City will need to provide any planning reports and GIS (Geographic Information System) or CAD files available.

Part 2. Engagement [5 months] June - October

Staff and community engagement drives the creation of the master plan. Engagement will happen on three levels: regular working group meetings, two open houses and one workshop.

Working Group: The working group meets monthly to shape and attend the open houses and workshop. The working group will review, provide comment and be asked to accept and provide a recommendation of the final master plan to the Parks Commission.

Open House # 1 (July): The City will organize and present the existing inventory and analysis and host community input stations. The City will provide the Design Team a summary of the input to inform the workshop focus themes.

Community Design Workshop (August) – The Design Team assists in the facilitation of a workshop that includes a talk, a walk and a do. The talk includes a summary from the Open House and engagement to date, presentations from staff and community on the changing dynamics that impact the parks and future potentials like integrative stormwater management. The walk gets people out in the space experiencing it for themselves and is followed by a conversation capturing immediate thoughts. The "do" is a collaborative conversation with staff and community in three small table groups around maps using communication tools focusing on vision themes and may include focus groups if needed. These conversations can then be followed with a group conversation about the table input.

Open House #2 (October): The workshop input is compiled and used to create a draft master plan. The City will organize and present the draft plan in an open house style meeting with community stations for input. The City will provide the Design Team a summary of the input for inclusion in the final master plan.

Part 3. Documentation [1 month] November

The Design Team includes the comments from the Open House and Working Group and finalizes the Master Plan document. The Master Plan is presented to the Working Group for acceptance. The final plan is then presented to the Parks Commission. The Park Commission comments are included if needed and then presented to City Council for approval.

Design Team

SPRC has a team of design experts ready to assist in the North and South Park Master Plan.

Management and Support

- Tim Griffin, Project Director and Urban Designer
- Tracey Kinney, Project Manager, Urban Designer and Landscape Architecture
- Julie Beatty, Project Support, Landscape Architecture

Related Experience

The Saint Paul Riverfront Corporation Staff has extensive experience in park and framework planning in Saint Paul, Wayzata and related experience Rosemont and Isanti County including:

1. Better Bridges, Snelling Commons
2. Little Mekong Plaza Construction and Community Design Workshop
3. BCBS Snelling Pedestrian Demonstration Project Number 2
4. BCBS Dale Street Pedestrian Demonstration Project Number 1
5. Custom House River Balcony Workshop
6. Payne Avenue Community Design Workshop
7. East Metro Strong Green Line Opening Informational Kiosk Design
8. Wayzata Framework Plan
9. UMORE Master Plan, Rosemont
10. Isanti County Park System Update

Our staff also contributed to the development of the Central Corridor Development Strategy in 2007 and the ten subsequent station area plans. In our role as the Director of the Central Corridor Design Center, we are leading the City's design review process, which is now over 15 projects since 2008, starting with Frogtown Square, also published the Saint Paul Transit Oriented Development Guidebook for the Central Corridor in 2011.

Budget

Parts 1 through 3 can be prepared for a not-to-exceed fee of \$20,000, expenses for materials broken are additional. Specifically:

	Hours	Cost
1. Project Start-Up	60	\$5,700
2. Workshop	94	\$8,600
3. Documentation	60	\$5,700
	SUB-TOTAL	214 hours
		\$20,000
	TOTAL	\$20,000

We appreciate the opportunity to assist Inver Grove Heights on this important project. Please do not hesitate to call if you have any questions about this proposal or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy J. Griffin". The signature is written in a cursive, flowing style with some loops and flourishes.

Timothy J. Griffin, AIA
Director of Urban Design

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Accept and Approve the Comprehensive Annual Financial Report for the Year Ended December 31, 2015, Management Letter and Other Required Report

Meeting Date: May 23, 2016
Item Type: Regular Agenda
Contact: Kristi Smith 651-450-2521
Prepared by: Kristi Smith, Finance Director
Reviewed by: N/A

Fiscal/FTE Impact:	
<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

To accept and approve the Comprehensive Annual Financial Report (CAFR), Management Letter and Other Required Report for the year ended December 31, 2015.

SUMMARY

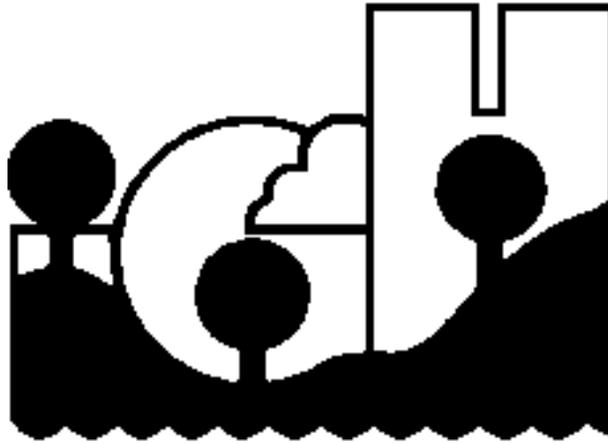
Each year the City contracts with an independent Certified Public Accounting firm to audit the City's Comprehensive Annual Financial Report. Abdo, Eick & Meyers, LLP (AEM) performed the audit for the 2015 CAFR. This is AEM's third year auditing the City. They have issued an unqualified (clean) opinion on the City's financial statements. This is the highest form of assurance a Certified Public Accounting Firm can issue. In addition to the CAFR, Management Letter and Other Required Report are enclosed with this memo. Printed copies will be provided to Council Members and a public copy will be available at City Hall.

In reviewing the CAFR, I suggest reading the Letter of Transmittal which begins on page 5 in the Introductory Section of the report, Management's Discussion and Analysis (MD&A which begins on page 23 in the Financial Section of the report, and the Notes to the Financial Statements which begin on page 57 in the Financial Section in the report.

Matt Vos from Abdo, Eick & Meyers, LLP was present at the May 2, 2016 work session to review the reports and answer questions.

We will be submitting the CAFR to the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting. This will be the 30th year that we have participated in this program. We will also put the CAFR on the City's website.

A special thanks to the Finance Department staff and all departments for their assistance in preparing for the audit and completion of the CAFR.



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2015**

**CITY OF INVER GROVE HEIGHTS,
MINNESOTA**

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CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2015

REPORT PREPARED BY:
FINANCE DEPARTMENT

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
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INTRODUCTORY SECTION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

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May 14, 2016

To the City Council and Citizens of the City of Inver Grove Heights:

Minnesota statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with audit standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Inver Grove Heights for the fiscal year ended December 31, 2015.

This report consists of management's representations concerning the finances of the City of Inver Grove Heights. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Inver Grove Heights has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Inver Grove Heights' financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City of Inver Grove Heights' internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Inver Grove Heights' financial statements have been audited by Abdo, Eick & Meyers, LLP a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Inver Grove Heights for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Inver Grove Heights' financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Inver Grove Heights' MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Inver Grove Heights, incorporated in 1965, is a suburban community located about 12 miles south of the City of St. Paul, Minnesota in the eastern part of the state. This area is considered to be a major population and economic growth area in the state, and among one of the highly ranked economic growth areas in the country. The City of Inver Grove Heights currently occupies a land area of approximately 30 square miles and serves a population of 34,831. The City of Inver Grove Heights is empowered to levy a property tax on both real and personal properties located within its boundaries. While it is empowered by state statute to extend its corporate limits by annexation, Inver Grove Heights is still developing within its corporate limits and is bordered on all sides by other incorporated communities.

The City of Inver Grove Heights became a statutory city in 1974. The City operates under a statutory form of government consisting of a four-member city council and the mayor who is a voting member. Council members serve four-year staggered terms, with two council members elected every four years and the Mayor serves a two year term. Among its primary duties, the city council makes laws, sets policies, adopts budgets and oversees a wide ranging agenda for the community. The city administrator is appointed by the city council. The city administrator heads the administrative branch of city government and directs all city operations, projects and programs.

The City of Inver Grove Heights provides a full range of services, including police and fire protection, the construction and maintenance of highways, streets and other infrastructure; water and sewer services and recreational activities and cultural events.

The annual budget serves as a foundation for the City of Inver Grove Heights' financial planning and control. All departments of the City of Inver Grove Heights submit requests for appropriation for the following year to the city administrator, who uses this information to develop a proposed budget. This is presented to the city council for their review. The city council is required to adopt a proposed budget and tax levy by September 30. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 28.

Factors Affecting Financial Condition

The information in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Inver Grove Heights operates.

Local Economy. The City of Inver Grove Heights has experienced growth in population and development. State Highway 52, which traverses north and south through the City, has had a major impact on development within the City. The freeway allows City residents and businesses a rapid and direct access directly north into downtown St. Paul and to Interstate Highway 94 which connects St. Paul with Minneapolis. This roadway has enhanced transportation throughout the metropolitan area for City residents and increased opportunity for further industrial, commercial and residential development. Interstate Highway 494 traverses east and west through the City and connects with Interstate Highway 694 to form a freeway loop around the entire Twin Cities Metropolitan area.

Inver Grove Heights has several large industries which account for a significant portion of the City's commercial tax capacity. Some of the industries are highly automated and consequently are major taxpayers but not major employers.

Relevant Financial Policies. In 2015 the City implemented GASB #68 *Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27* and GASB #71 *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68*. Implementation decreased beginning unrestricted net position by \$8,491,712.

The primary financial goal of the City's investment policy is to ensure the safety of principal invested by the City. Cash temporarily idle during the year is invested in instruments authorized under *Minnesota Statute No. 118A*. Instruments authorized include certificates of deposit, commercial paper, and obligations of U.S. Treasury and government agencies. In order to achieve diversification the policy provides that, with the exception of U.S. Treasury securities, no more than 50% of the City's total investment portfolio will be invested with a single institution or in a single security type. A report summarizing investment activity and demonstrating compliance with this policy is prepared on a quarterly basis for City Council review. Cash balances from all City funds are pooled into an investment fund and investment income is distributed on a pro-rata basis at the end of each quarter.

Capital financing for major municipal improvements is provided through improvement bonds, general obligation bonds, tax increment bonds, or revenue bonds. Depending upon the project, special assessments may be levied upon properties to share in the cost of the improvement project. The special assessments are collected over a period of time and are used to help satisfy the improvement bond debt. Internal financing of improvement projects is usually minimal and only for short periods of time.

The City has adopted a comprehensive set of internal control procedures. The City's accounting system was developed and is continually evaluated to assure the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance in the areas of: safeguarding assets against loss from unauthorized use or disposition, reliability of financial records, and convenience of access for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the evaluation of cost and benefits requires estimates and judgments by management, and the cost of a control should not exceed the benefits likely to be derived. All internal controls are evaluated against the above criteria. It is our belief that the City's internal accounting controls adequately safeguard the City's assets and also provide reasonable assurance of properly recording financial transactions.

Major Initiatives.

Community Development

Inver Grove Heights had \$45.3M of new construction in 2015, compared to \$81.8 million in 2014, and \$55.5 million in 2013. Total residential construction was 32 dwelling units, including 28 single-family homes. In comparison, 52 single-family homes were built in 2014 and 89 in 2013. Residential additions and remodeling improved as homeowners reinvested in their homes. The City issued almost 800 building permits for residential additions and remodeling with a valuation of \$10.0 million. Inver Grove Heights had \$5.8 million of commercial and industrial construction in 2015, compared to \$29.0 million in 2014 and \$5.6 million in 2013. Institutional construction was high, generating \$17.7 million of construction compared to \$5.2 million in 2014 and \$3.0 million in 2013.

New commercial construction projects included Ideal Credit Union and two office warehouse buildings. Commercial additions included Power Dynamics, Inver Grove Ford, AMC Theatre, and IGH Distribution Center. Restaurant activity consisted of the new El Azteca Mexican Restaurant, the expansion and reopening of A & W Root Beer, and an addition to the Mississippi Pub. Simley High School Performing Arts Center and the interior remodeling of the Inver Hills Community College Activities Building were the major institutional construction projects.

The City processed 47 planning applications in 2015, about the same number as in 2014. Most significantly, final approvals were granted to 116 single-family lots in Blackstone Vista and Blackstone Ponds. Preliminary approval was given to Hannah Meadows with 46 single-family lots, 36 townhomes, and a future apartment building. These plats are expected to substantially increase residential construction in 2016. To serve this development, the City continued major extensions of sanitary sewer and municipal water trunk utilities and, working with Dakota County, approved the future realignment of Argenta Trail. Planning staff also worked on zoning ordinances pertaining to accessory dwelling units, supervised student housing, tobacco licensing, and solar and wind power generation.

In economic development activities, the Inver Grove Heights Economic Development Authority (EDA) had a busy year. The 'Open to Business' program, which provides technical and financial assistance to small businesses, was approved for a third year. In the Concord Neighborhood, the EDA acquired a residential property, continued negotiations for four additional properties, heard a presentation regarding an industrial market assessment, and received a Dakota County Community Development Agency Redevelopment Grant. In the Arbor Pointe Neighborhood, the EDA addressed City sign regulations, state highway informational signs, access, a potential roundabout, and past EDA activities. The EDA also conducted conversations with retail strip owners throughout the City, discussed commercial development and the City's role with such development, and initiated a discussion of commercial property maintenance regulations.

Police Department

The Police Department continues to deploy a community based policing philosophy striving for greater community involvement in all areas of public safety. We have continued to reach out to our community to improve communications with citizens, neighborhoods, and businesses. Officers participate in child safety fairs, children's safety camps, youth police academy, Town Hall meetings, Crime Free Multi-Housing, Neighborhood Watch Groups and many other events culminating in Minnesota Night to Unite in August, Inver Grove Heights Days in September, and a nine-week Citizen's Academy that starts in late September with the graduation in early November.

Programs that we continue to offer include Alcohol Compliance Checks, Domestic Abuse Response Team (DART), Business Check Program, Bicycle Patrol, Intensive Supervision Program (ISP), Critical Incident Stress Management (CISM) team, check diversion program and driving diversion program. We also continue to receive hundreds of volunteer hours each year from our Police Reserves, Police Chaplains and Explorer programs.

The Police Department is also involved in many partnership initiatives within Dakota County. Some of these initiatives are Domestic Preparedness including the Special Operations Team (SOT), Incident Management Team (IMT), Drug Task Force, MAAG (SWAT), as well as Traffic Safety Group projects. Another partnership the police department is involved in is the School Resource Officer (SRO) position with Independent School District No. 199 that will continue through the 2016-2018 school years.

Fire Department

The number of emergency calls stayed about the same in 2015 at 1,193. Of those total calls, 46% were for Emergency Medical Services (EMS). The rest involved a combination of many other classifications such as: fires, vehicle crashes, alarms (fire/carbon monoxide), etc. Inver Grove Heights Firefighters continued to step up to the higher number of calls. Recruitment and retention issues have not yet hit Inver Grove Heights as hard as it has some of our neighboring communities. One neighboring department continued to see losses in its department above 20% in 2015, and hired fewer back than they lost. In comparison, Inver Grove Heights only lost 7% and was able to fill back in with the same number that was lost. The number of applicants in 2015 was back up to over 45. Of those 45, twenty were interviewed and nine were added to a hiring list. Five of those nine were hired, with three of the five already coming in with a significant amount of training. However, the number of good applicants or the number of those coming in with training can vary significantly from year to year. Because of the many variables in number and type of applicants, along with the increasing time commitment required of being a paid-on-call firefighter, plans were developed throughout 2015 to move to a different response model, called a duty crew. All plans for the switch to duty crew were completed for a start date of January 4, 2016.

The Fire Department continues on its quest to build a new fire station. The station location study was completed showing a need for a third fire station to cover the south, a space needs analysis and preliminary design were also completed. Potential sites are being evaluated. Although a third fire station in the city has been discussed for more than a decade, there has been little formal action until now. The new station, if approved to move forward, will help reduce response times to the southern part of the city. By reducing response times to that area, the Fire Department will be able to improve its quality of care and safety and could also provide a benefit for both residences and businesses by helping them achieve significant reductions in insurance rates.

The Fire Explorer program for youth between the ages of 14 and 20 continues to be successful with an annual roster of 15-20 members. This program also serves as an excellent feeder program for the Fire Department, providing one of five recruits in each of the past four years. Advisors for the program include previous Explorers and active Firefighters who have children in the program.

Two new Engines were ordered and one of those engines, known as a Fast Attack Truck, was received in 2015. The other larger engine is scheduled for a March 2016 delivery. The Fire Department hired a full-time Operations Supervisor in September. This position took over the duties of several paid-on-call positions and was also assigned to supervise the new duty crew program in 2016. The Company Fire Inspection Program, which started at the end of 2012 for multi-family housing facilities, completed another year. Two firefighter company inspectors participated.

The Fire Department continues to be very involved in community activities and public education. Inver Grove Heights Beyond the Yellow Ribbon Program, state-wide Veteran's Day celebration, various career fairs, Fire Prevention Week Open House, teaching at safety camps, staffing Inver Grove Heights Days displays and presentations, and attending Night to Unite and safety fairs are some of the bigger events.

Public Works

Public Works continues to oversee the street reconstruction program, a street mill and overlay program and a street crack seal and seal coating program. These programs will ensure a well-maintained roadway infrastructure. The 2015 urban street reconstruction project rebuilt 1.13 miles of street and completed a mill and overlay on 0.12 mile of street. The crack seal and seal coat projects covered 8.77 and 6.90 miles of street, respectively.

In 2015, three trunk utility extension projects were completed; one of which was in cooperation with a developer. The projects included trunk water main trunk sanitary sewer and a sanitary sewer lift station. A small water main and sanitary sewer improvement and rehabilitation project was completed in conjunction with the street reconstruction project. The street reconstruction project also included a number of storm water quality improvement features.

Parks & Recreation

The City of Inver Grove Heights and Dakota County have been cooperatively working with developers in the Northwest Area to secure land to construct portions of the Mendota Lebanon Regional Greenway that when completed will be a public trail linking Mendota Heights to Lebanon Hills Regional Park in Eagan. The greenway is a part of the County's Greenway Master Plan and is owned and operated by Dakota County.

Utilizing \$700,000 from a \$2,000,000 appropriation from the 2014 State Bonding Bill the City and County are cooperatively working on construction of the Pine Bends Bluff Trailhead that will serve the Mississippi River Regional Trail, historic interpretation improvements at Swing Bridge Park, and a trail segment that will connect Swing Bridge Park to Heritage Village Park.

The City has worked with GreenCity GIS to inventory and track all of the amenities in the Park System. The technology will be made available to the public so they can become more aware of all of the facilities available for their recreation and leisure pursuits. The Park and Recreation Department has also upgraded our operations software to MaxGalaxy, a cloud based product that manages our reservations, registration, POS, and membership management of the VMCC/Grove. Finally, the City has begun the implementation of CarteGraph OMS to help us manage our assets, work flow, and work order processes. It is expected to take a few years to realize the potential the software will provide to managers, directors, and the Council.

The City is investing in projects that reduce our dependence on energy at both the VMCC/Grove and Municipal Campus. Solar panels will be installed on the roofs of both buildings and when operational will provide approximately 20% of the electricity needs for the two buildings. In addition investments in a state of the art building management system (BMS) at the VMCC/Grove will help staff manage the HVAC and refrigeration systems more effectively.

The City's popular Rich Valley Park is receiving some much needed attention as a new potable water well is being installed to serve the clean drinking water needs of the thousands of visitors that visit the park each year. Additionally, the Rich Valley Maintenance Building was updated with restrooms, a small office area, and eye wash station making the facility safer and more efficient for our staff.

Administration

2015 saw continued change in the Administration Department. The former Deputy City Clerk position was upgraded to City Clerk and a new person hired in that position. In addition, the former Human Resources Technician position was changed to Administrative Services Coordinator and a new person hired for that position.

New election equipment was purchased from Dakota County and the City was able to see it demonstrated during the District 199 School Board election process earlier in the year. Staff is working with Dakota County elections to familiarize themselves with it as well as the whole process for the Primary and General elections.

For the Future. The City's Comprehensive Plan sets forth goals, policies, and plans for the City's future growth and development over the next 20 years. The City will undertake an update of the Comprehensive Plan, last adopted in 2008, starting later this year. The comprehensive plan update will address land use, transportation, utilities, parks, housing and environmental issues.

A major focus of the Comprehensive Plan is the continued expansion of infrastructure and subsequent development in the northwest part of the City, an area of approximately five square miles. Construction of the first segment of sanitary sewer and municipal water occurred in 2009 with a second major extension now occurring in 2016 and 2017. The City also decided on an alignment of Argenta Trail, a future regional arterial roadway which will extend between two future interchanges at Interstate 494 and State Highway 55. These public improvements will serve the six residential developments that the City approved in the last two years, as well as future residential, commercial and office development.

The City is also concentrating on redevelopment in the Concord Boulevard Neighborhood, an area adjacent to the Mississippi River. The City's goals are to improve the existing residential neighborhood, strengthen and increase commercial activities, increase property values, and provide additional employment opportunities. In the last few years, the City updated its Concord Boulevard Neighborhood Plan and has been acquiring properties and undertaking environmental investigations and remediation. The City has also successfully obtained State and County grants to financially support these redevelopment efforts. In addition to the Concord Neighborhood, the City continues to work on the acquisition and environmental investigation of a property, currently owned by the Minnesota Department of Transportation, for future office development.

The Inver Grove Heights Economic Development Authority continues to work with Progress Plus, a public-private non-profit foundation, and the Metropolitan Consortium of Community Developers, a regional economic development organization to undertake various economic development activities. This work includes marketing, business retention, business recruitment, and technical and financial assistance to small businesses.

The Fire Department continues to move forward with the planning stage for a third fire station. Once a site is agreed upon and purchased, the next phase will be to hire an architect for final design as well as a construction manager.

In 2016, it is anticipated that three trunk utility projects will start construction in the Northwest Area. The proposed Pavement Management Program will involve work on 16.50 miles of streets. The program will include reconstruction, crack seal and seal coat projects. There will be a small water and sewer improvement and rehabilitation project that will be completed in conjunction with the street reconstruction project.

The City has applied for a \$20,000 grant with Blue Cross Blue Shield with the hopes of engaging the community in a Master Planning process for North and South Valley Park(s). The City has also applied for a \$20,000 grant with Dakota County to develop a plan for the installation of a public trail along County Road 73 that would close one of the gaps found in our 2011 Trail Gap Study.

The Park Commission plans to research and develop alternative funding sources for the park system. Potential ideas include the implementation of a Utility Round Up program and the creation of a 501(c) (3) non-profit that would be designed to support the capital needs of the park and recreation system.

The VMCC will be getting a new roof this spring and the Grove will see new splash pool equipment in the fall. The VMCC/Grove continues to be a valuable asset in the community and one that continues to see increases in its utilization. With the lease of the VMCC expired and the Grove lease coming towards its end, the City and ISD 199 are working on the development of a new lease that will provide both the City and District with continued access to the facility along with improved financial support. The City and District will also be talking about how best to provide programs and social opportunities for the Senior Citizens of the community, a growing segment of our overall population.

Inver Wood Golf Course is going to see \$2,287,700 worth of investments to replace the aging irrigation system, attention to the 66-bunkers, and improvements in the driving range designed to increase revenue potential. In all, the project will be paid back over a 25-year period with increases to the revenue per round of \$0.70 annually. The improvements should help stabilize the golf course for the next 40 years.

The Department will also be looking to improve our customer service and efficiency during the 2017 budget process. With the loss of five full-time positions at the VMCC/Grove and increased use of the facility, rehiring a Guest Service Operations Supervisor will be necessary to respond to customer service needs. The City will also consider the hiring of a City Facilities Superintendent that can manage and oversee the physical building assets the City owns which has a value of approximately \$55,000,000.

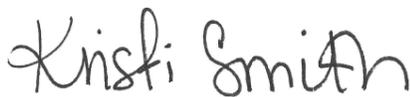
Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Inver Grove Heights for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This was the twenty-eighth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government has published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated services of the Finance Department staff. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Inver Grove Heights' finances.

Respectfully submitted,



Kristi Smith
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Inver Grove Heights
Minnesota**

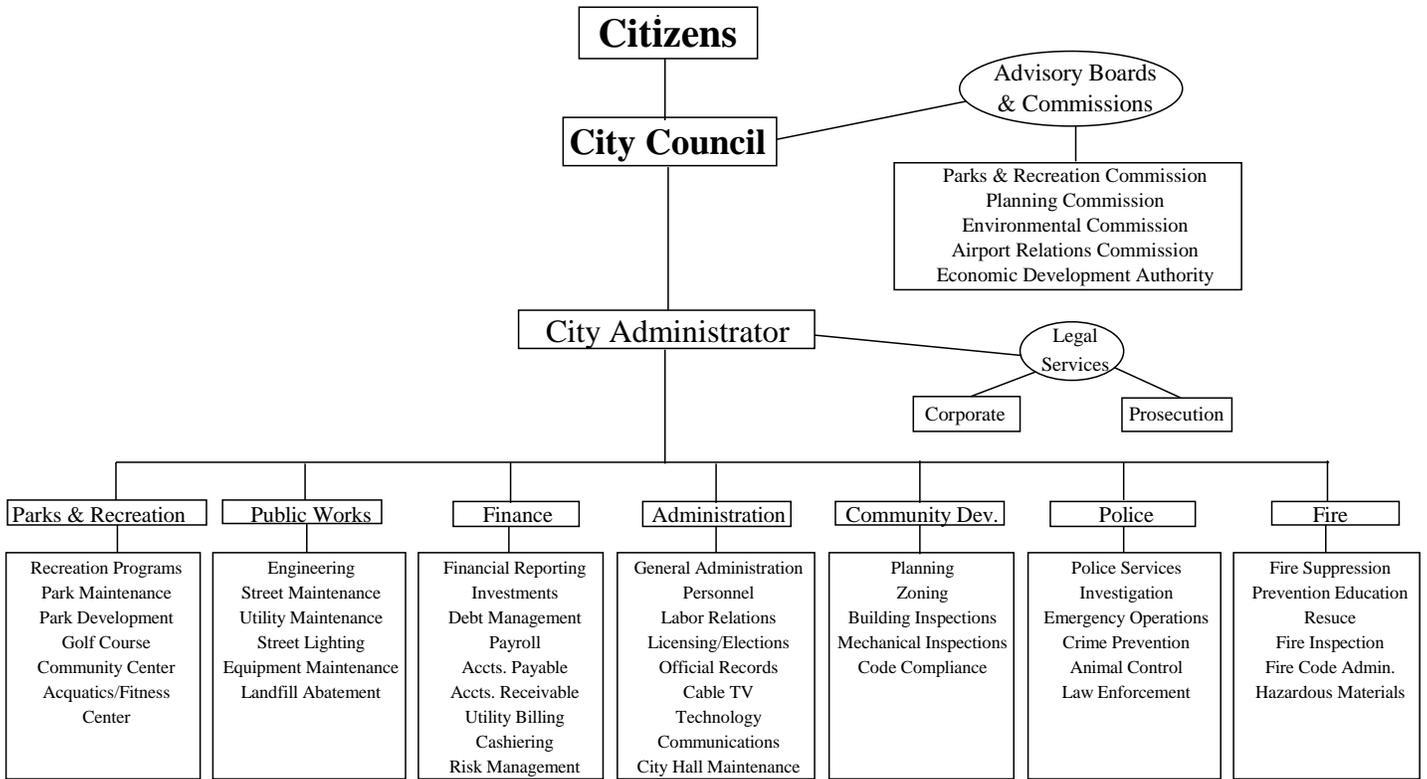
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

CITY OF INVER GROVE HEIGHTS, MINNESOTA

ORGANIZATION CHART



CITY OF INVER GROVE HEIGHTS, MINNESOTA
 ELECTED AND APPOINTED OFFICIALS
 FOR THE YEAR ENDED DECEMBER 31, 2015

ELECTED

Name	Title	Term Expires
George Tourville	Mayor	12/31/16
Tom Bartholomew	Council Member	12/31/16
Rosemary Piekarski Krech	Council Member	12/31/18
Jim Mueller	Council Member	12/31/16
Paul Hark	Council Member	12/31/18

APPOINTED

Name	Title
Joe Lynch	City Administrator
Kristi Smith	Director of Finance
Larry Stanger	Chief of Police
Judy Smith-Thill	Fire Chief
Scott Thureen	Director of Public Works
Thomas Link	Director of Community Development
Eric Carlson	Director of Parks and Recreation

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FINANCIAL SECTION

**CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA**

**FOR THE YEAR ENDED
DECEMBER 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund and Community Center special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Change in Accounting Standards

As described in Note 10 to the financial statements, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, for the year ended December 31, 2015. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements.

Required Supplementary Information

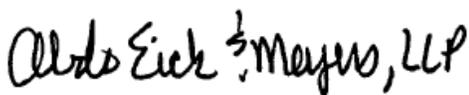
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis Page 23 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios and the Schedule of Funding Progress for the Other Postemployment Benefit Plan starting on page 96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, statistical section, and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
May 14, 2016

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Management's Discussion and Analysis

As management of the City of Inver Grove Heights, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5-12 of this report.

Financial Highlights

- The beginning unrestricted net position was decreased by \$8,491,712 to recognize the effects of GASB Statement No. 68 implementation.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$191,409,285 (net position). Of this amount, \$50,623,797 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position for governmental activities increased \$7,547,454 and business-type activities increased \$898,888, resulting in a total increase of \$8,446,342, mainly as a result of total capital grants and contributions of \$5,324,049 as well as \$2,467,346 revenues exceeding expenditures within the Host Community governmental fund.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$33,134,892, an increase of \$8,239,955 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$9,922,952, or 50.6 percent of next year's budgeted expenses.
- The City's total debt increased \$7,297,092, (17.8 percent) during the current fiscal year. The increase was due to issuing General Obligation bonds and a Revenue bond in the Improvement Bonds fund and Sewer fund, respectively.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, community development, and interest on long-term debt. The business-type activities of the City include water and sewer utilities and the golf course.

The government-wide financial statements start on page 35 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 25 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Improvement Bonds, Closed Bond, Local Improvement Construction, Pavement Management and the Host Community, which are all considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with its budget.

The basic governmental fund financial statements start on page 40 of this report.

Proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for all the water, sewer, and golf course funds, which are considered to be major funds of the City. Conversely, all internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sanitary sewer and golf operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for compensated absences, risk management, central equipment maintenance, office supplies and equipment, city facilities, and technology. Because these services predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements start on page 50 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 56 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 57 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees.

Required supplementary information can be found on page 96 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the required supplementary information.

Combining and individual fund statements and schedules start on page 102 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$191,409,285 at the close of the most recent fiscal year.

By far, the largest portion of the City's net position (69.5 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Inver Grove Heights' Summary of Net Position

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
Assets						
Current and other assets	\$ 59,467,826	\$ 49,845,032	\$ 9,622,794	\$ 22,798,836	\$ 21,686,347	\$ 1,112,489
Capital assets, net of depreciation	113,588,343	109,488,634	4,099,709	58,736,198	55,317,605	3,418,593
Total assets	173,056,169	159,333,666	13,722,503	81,535,034	77,003,952	4,531,082
Deferred outflows						
Deferred charge on refunding	81,157	101,033	(19,876)	250,903	270,080	(19,177)
Deferred pension resources	1,786,382	-	1,786,382	101,481	-	101,481
Total deferred outflows	1,867,539	101,033	1,766,506	352,384	270,080	82,304
Liabilities						
Noncurrent liabilities outstanding	38,024,413	25,261,655	12,762,758	21,533,854	17,503,314	4,030,540
Other liabilities	2,136,512	1,842,951	293,561	1,082,792	646,156	436,636
Total liabilities	40,160,925	27,104,606	13,056,319	22,616,646	18,149,470	4,467,176
Deferred inflows						
Deferred pension resources	2,413,808	-	2,413,808	210,462	-	210,462
Net position						
Net investment in capital assets	92,587,696	88,745,756	3,841,940	40,500,700	38,248,637	2,252,063
Restricted	7,697,092	6,560,238	1,136,854	-	-	-
Unrestricted	32,064,187	37,024,099	(4,959,912)	18,559,610	20,875,925	(2,316,315)
Total net position	\$ 132,348,975	\$ 132,330,093	\$ 18,882	\$ 59,060,310	\$ 59,124,562	\$ (64,252)

An additional portion of the City's net position (4.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$50,623,797) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Significant changes from the prior year are noted below:

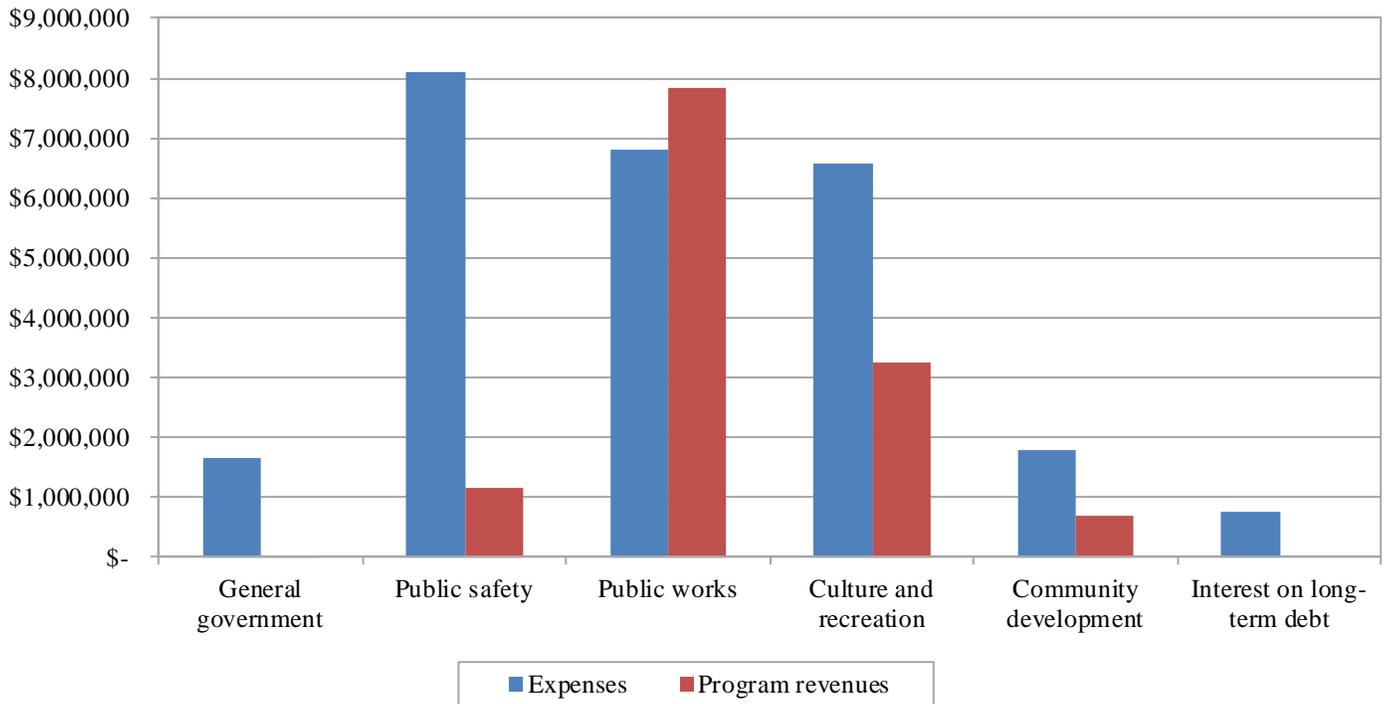
City of Inver Grove Heights' Changes in Net Position

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 8,081,101	\$ 8,007,248	\$ 73,853	\$ 7,622,667	\$ 7,285,643	\$ 337,024
Operating grants and contributions	1,012,882	1,170,083	(157,201)	12,587	1,418	11,169
Capital grants and contributions	3,860,088	6,587,288	(2,727,200)	1,463,961	1,177,104	286,857
General revenues						
Taxes						
Property taxes	16,657,367	15,070,818	1,586,549	-	-	-
Tax increment	2,020,664	1,931,061	89,603	-	-	-
Other taxes	204,582	196,319	8,263	-	-	-
Grants and contributions not restricted to specific programs						
Unrestricted investment earnings	435,751	575,796	(140,045)	232,427	284,415	(51,988)
Gain on sale of capital assets	11,070	12,855	(1,785)	-	-	-
Total revenues	32,427,842	33,646,472	(1,218,630)	9,331,642	8,748,580	583,062
Expenses						
General government	1,655,475	1,764,065	(108,590)	-	-	-
Public safety	8,109,514	8,069,896	39,618	-	-	-
Public works	6,816,075	7,284,147	(468,072)	-	-	-
Culture and recreation	6,576,337	6,382,850	193,487	-	-	-
Community development	1,792,921	2,403,058	(610,137)	-	-	-
Interest on long-term debt	771,350	873,009	(101,659)	-	-	-
Water	-	-	-	2,381,673	2,722,584	(340,911)
Sewer	-	-	-	3,628,484	3,422,724	205,760
Golf course	-	-	-	1,581,313	1,537,243	44,070
Total expenses	25,721,672	26,777,025	(1,055,353)	7,591,470	7,682,551	(91,081)
Change in net position before transfers						
Transfers (net)	6,706,170	6,869,447	(163,277)	1,740,172	1,066,029	674,143
Change in net position	841,284	1,112,503	(271,219)	(841,284)	(1,112,503)	271,219
Change in net position	7,547,454	7,981,950	(434,496)	898,888	(46,474)	945,362
Net position, January 1 as restated*	124,801,521	124,348,143	453,378	58,161,422	59,171,036	(1,009,614)
Net position, December 31	\$ 132,348,975	\$ 132,330,093	\$ 18,882	\$ 59,060,310	\$ 59,124,562	\$ (64,252)

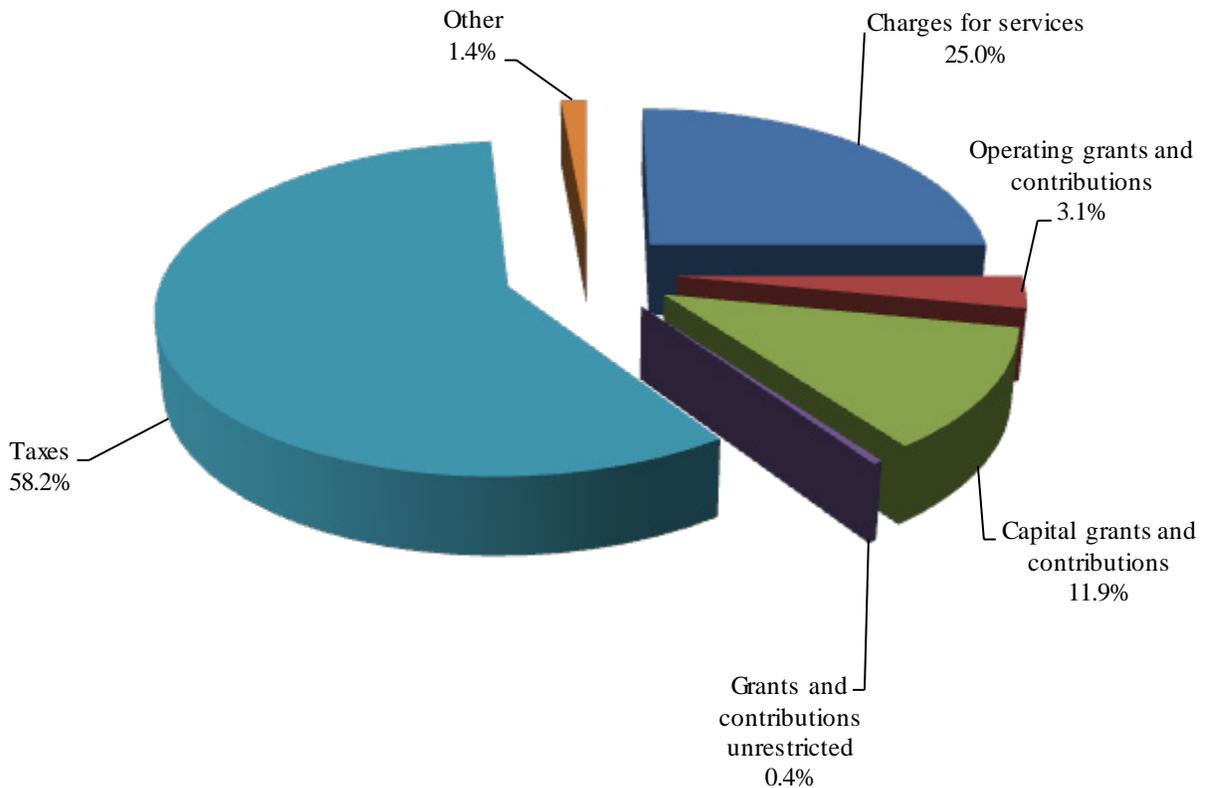
* GASB Statement No. 68 was implemented for the year ended December 31, 2015 and required a \$8,491,712 restatement of beginning net position. Prior year amounts were not restated causing a variance in ending net position at December 31, 2014 and beginning net position on January 1, 2015. See financial statement Note 10, starting on page 92.

Governmental activities. Governmental activities increased the City’s net position by \$7,547,454. The following graph depicts various governmental activities and shows the revenues and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities



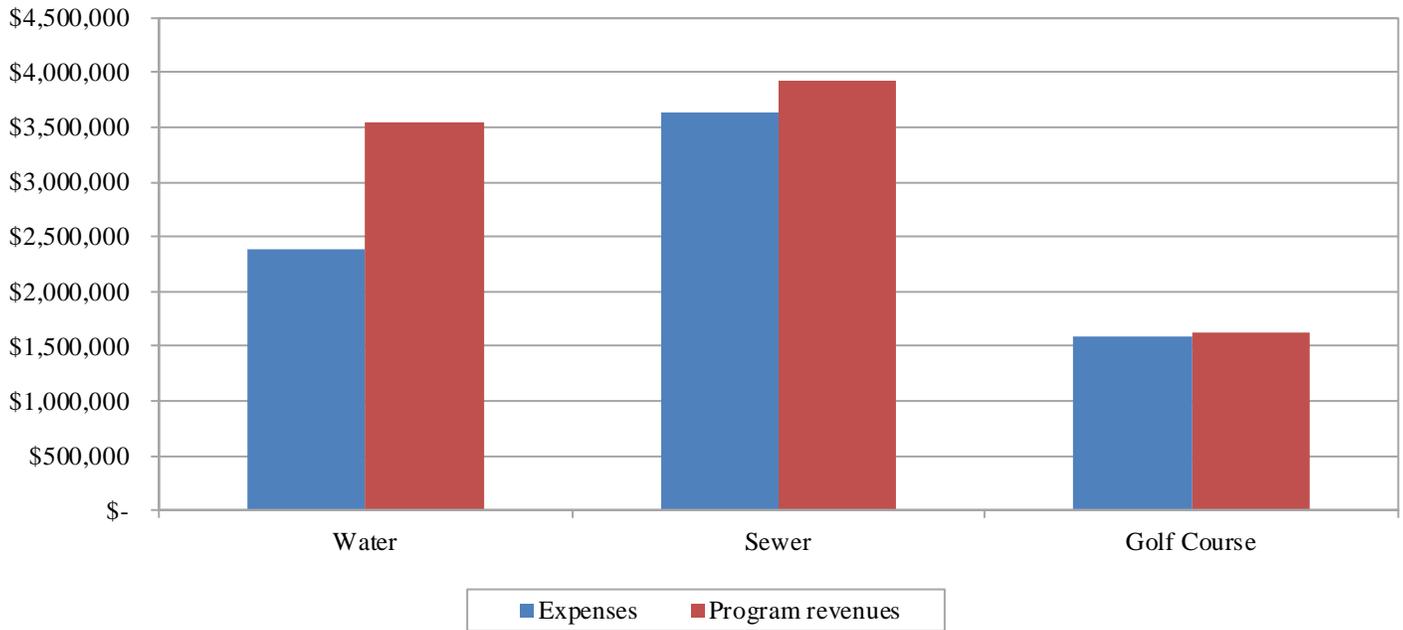
Revenues by Source - Governmental Activities



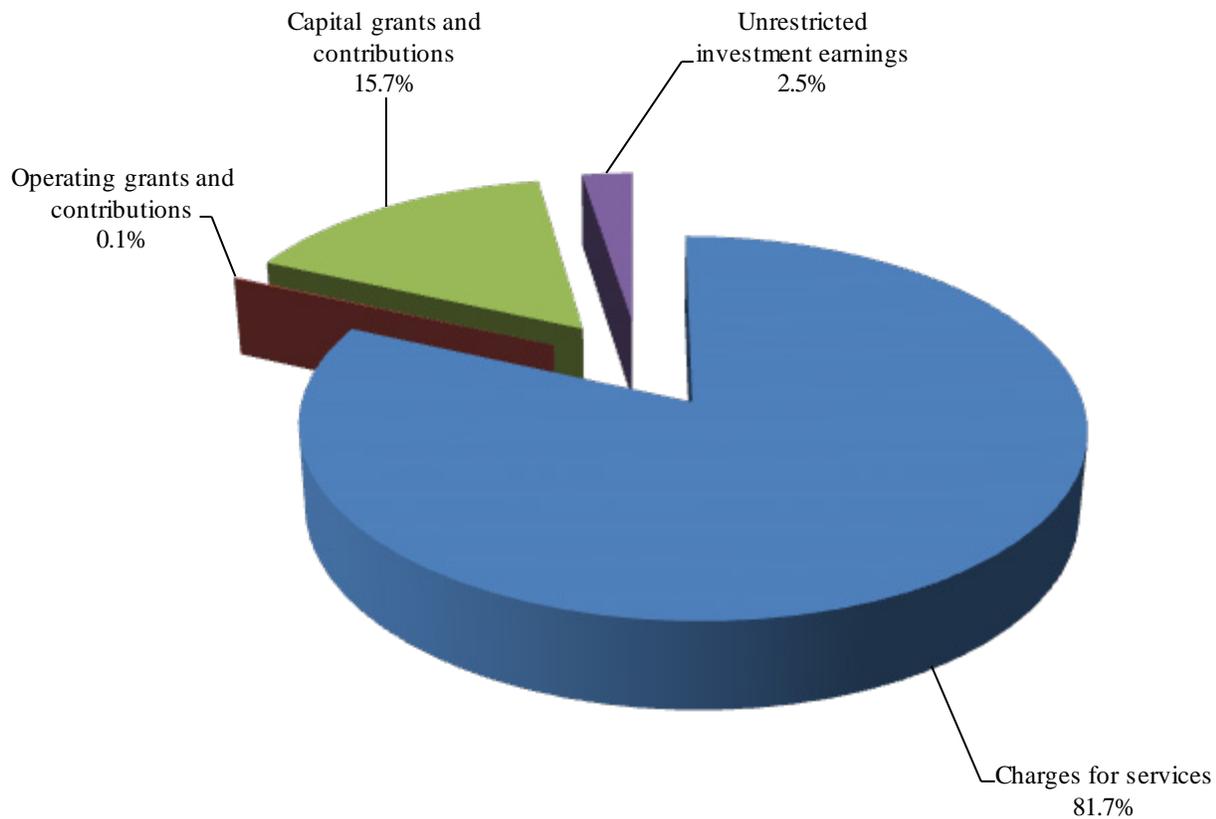
Business-type activities. The net position of business-type activities increased by \$898,888. This increase was primarily the result of capital grants and contributions of \$1,463,961 offset with net transfers from internal activities to governmental activities of \$855,802.

Below are graphs showing the business-type activities revenue and expense comparisons.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds had combined ending fund balances of \$33,134,892, an increase of \$8,239,955 in comparison with the prior year. Approximately 24.1 percent of this total amount, \$7,973,478, constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it is either 1) nonspendable \$10,870, 2) restricted \$10,128,899, 3) committed \$955,348, or 4) assigned \$14,066,297. For further classification refer to Note 3E starting on page 77 of this report.

Activity in the City's major funds is discussed below:

Major Fund	Fund Balances		Increase (Decrease)
	2015	December 31, 2014	
General	\$ 9,926,619	\$ 9,191,116	\$ 735,503
The General fund is the chief operating fund of the City. As a measure of the General fund's liquidity, it may be useful to compare total fund balance to the following year's budget. The fund balance is 50.6 percent of next year's budgeted expenses. The General fund continues to receive an annual transfer from the Host Community fund, which is the main reason for the increase in fund balance.			
Improvement Bonds	\$ 2,792,355	\$ 3,312,408	\$ (520,053)
The Improvement Bonds fund has a total fund balance of \$2,792,357, all of which is restricted for the payment of debt service. The net decrease in fund balance was the result of scheduled debt service payments.			
Closed Bond	\$ 2,322,687	\$ 2,548,905	\$ (226,218)
The Closed Bond fund has a total fund balance of \$2,322,687, of which all is assigned for capital improvements. The net decrease in fund balance of \$226,218 was due to an anticipated transfer out to spend down available reserves.			
Local Improvement Construction	\$ 2,486,282	\$ (2,058,299)	\$ 4,544,581
The Local Improvement Construction fund was established to account for the governmental portion of improvement projects. The increase was primarily the result of transfers in and bond proceeds. Currently \$4,297,324 of the 2015A bonds issued are unspent, which is currently restricted for capital improvements.			
Pavement Management	\$ 2,599,272	\$ 1,523,454	\$ 1,075,818
The Pavement Management fund was established to account for the governmental portion of capital projects. \$2,411,098 of the ending fund balance is assigned for capital improvements. The increase was primarily the result of transfers in.			
Host Community	\$ 4,536,162	\$ 3,717,746	\$ 818,416
Charges for services for 2015 totaled \$2,595,616. These were offset with transfers out of \$1,648,930 to other funds for various needs of the funds including operations and capital projects. The balance of \$4,535,162 is assigned for capital improvements while \$1,000 is nonspendable.			
Community Center	\$ 149,247	\$ 149,247	\$ -
Charges for services for 2015 totaled \$2,237,734. The fund also received transfers in of \$774,389 to assist with operating and capital costs. The entire ending fund balance is reported as committed.			

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the year, unrestricted net position of the enterprise funds amounted to \$18,559,610. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's General fund budget was amended during the year. The original budget called for no change in fund balance and the final budget anticipated use of \$128,800 of fund balance due to carryover requests from the 2014 budget. Revenues were more than budget by \$338,207, primarily due to the receipt of \$229,000 and \$96,141 in unbudgeted tax and intergovernmental receipts, respectively. Expenditures were \$535,845 less than budgeted amounts, primarily due to expenditures for public safety and public works coming in under budget by \$371,531 and \$76,608, respectively.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2015, amounts to \$172,324,541 (net of accumulated depreciation). This investment in capital assets includes land (tangible and intangible), buildings, improvements, machinery and equipment, park facilities, roads and bridges, and other infrastructure.

Major capital asset events during the current fiscal year included the following:

- Purchases of \$1,988,578 were made to acquire machinery and equipment. This includes \$354,974 for Parks Department acquisition of a service body for Ford F350, a utility tractor, a Ford F250 Plow, a Mack Truck, three mowers, a brush chipper, and a floor scrubber for the Community Center. Equipment totaling \$978,372 was purchased on behalf of the City's Public Safety Department, which includes \$822,442 for two fire engines, \$155,929 for three police squads, an unmarked vehicle, and set-up of a four additional squads. The Street Department purchased \$412,987 in five vehicles (plows, tree chipper and utility vehicle), a trailer, programmable highway message board, and an asphalt roller. Purchases in the amount of \$47,509 for a pickup truck each for the Engineering and Inspection Departments. The Water Department purchased \$110,254 in Supervisory Control & Data Acquisition (SCADA) hardware and software for their treatment plant. The Technology Department acquired \$84,484 in network storage equipment.
- Buildings and systems totaling \$19,562,801 were capitalized during the year. Included was \$15,700,645 for the completed City Hall upgrade and Police Department addition as well as \$421,228 in further purchases which include \$261,892 Community Center improvements (office remodel, sound system upgrade, new signage, a drainage project behind the Community Center, and a backup pool heat exchanger), new shingles for Golf Maintenance Building (\$20,800), an upgrade to the Rich Valley maintenance building (\$42,234), and dugout covers for Rich Valley (\$96,300).
- Donated infrastructure and systems included \$3,752,100 for Blackstone Vista and Blackstone Pond of streets, sidewalks, right of ways, permanent easements, storm sewer, sanitary sewer and water main. Projects included \$2,473,681 for the Asher Water Storage Tower, \$438,031 for the Blaine Avenue retaining wall replacement, \$148,885 for Robert Trail roundabout storm water facility, \$68,631 for a SP 27 storm water facility, and \$45,877 for a water pressure valve station at Blackstone Vista.
- The City has construction commitments relating to Street, Water, and Storm Water construction projects. The remaining commitment at year-end for these projects total \$111,463. In addition, constructions in progress at year-end for both governmental and business-type activities total \$11,394,364.

City of Inver Grove Heights' Capital Assets (net of depreciation)

Additional information on the City's capital assets can be found in Note 3B starting on page 70 of this report.

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
Land	\$ 30,052,274	\$ 29,177,074	\$ 875,200	\$ 2,735,155	\$ 2,735,155	\$ -
Construction in progress	7,391,583	19,924,449	(12,532,866)	4,002,781	2,667,955	1,334,826
Infrastructure	47,288,875	47,053,427	235,448	-	-	-
Buildings and systems	20,300,749	5,468,244	14,832,505	50,462,846	48,354,990	2,107,856
Improvements other than buildings	4,464,267	4,694,074	(229,807)	1,226,074	1,368,481	(142,407)
Machinery and equipment	4,090,595	3,171,366	919,229	309,342	191,024	118,318
Total	\$ 113,588,343	\$ 109,488,634	\$ 4,099,709	\$ 58,736,198	\$ 55,317,605	\$ 3,418,593

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$47,411,870. All of the City's bonds are backed by the full faith and credit of the City. During the year, the City issued \$7,745,000 in G.O. Bonds, Series 2015A and \$4,185,000 in G.O. Sewer Revenue Bonds, Series 2015A.

The City maintains an "AA" rating from Standard and Poor's for general obligation debt.

State statutes limit the amount of G.O. debt a Minnesota city may issue to 3 percent of total estimated market value. The current debt limitation for the City is \$90,165,490. Only the \$17,171,870 in G.O. bonds is counted within the statutory limitation. The other debt of the City is either wholly or partially financed by revenues other than a general tax levy.

City of Inver Grove Heights' Outstanding Debt

	Governmental Activities			Business-type Activities		
	2015	2014	Increase (Decrease)	2015	2014	Increase (Decrease)
G.O. bonds	\$ 17,171,870	\$ 9,780,150	\$ 7,391,720	\$ -	\$ -	\$ -
G.O. special assessments bonds	7,470,000	9,675,000	(2,205,000)	-	-	-
G.O. tax increment bonds	2,820,000	3,950,000	(1,130,000)	-	-	-
G.O. revenue bonds	-	-	-	19,950,000	17,045,000	2,905,000
Bond premium	305,432	163,761	141,671	458,629	237,225	221,404
Capital lease payable	-	-	-	29,120	56,823	(27,703)
Compensated absences payable	1,618,077	1,601,799	16,278	201,547	152,865	48,682
Pension liability	8,496,426	-	8,496,426	877,178	-	877,178
Other postemployment benefits payable	142,608	90,945	51,663	17,380	11,401	5,979
Total	\$ 38,024,413	\$ 25,261,655	\$ 12,762,758	\$ 21,533,854	\$ 17,503,314	\$ 4,030,540

Additional information on the City's long-term debt can be found in Note 3D starting on page 72 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's net tax capacity increased by 6.40 percent for taxes payable 2016 which was the same increase for taxes payable 2015. Residential property increased 7.10 percent, commercial property remained stable, and industrial property increased 24.20 percent. Without new construction the increase in tax capacity would have been 4.64 percent. The City's net levy increased \$1,641,184 for taxes payable 2016; however, due to the increase in tax capacity, the tax capacity rate increased 1.86 percent.
- \$500,000 of funding for the Pavement Management Program was reinstated in the 2015 budget after having been removed from the 2014 and 2013 budgets and an additional \$200,000 of funding was reinstated in the 2016 budget after having been removed from the 2015, 2014 and 2013 budgets.
- Water and sewer fees were increased 2.0 percent and 3.5 percent respectively for 2016, based on our long-range financial plan. A \$2.00 per 1,000 gallon sewer surcharge rate was also implemented for properties within the Northwest Area.
- Storm water utility fees were implemented on July 1, 2012 and have not been increased since implementation.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director, 8150 Barbara Avenue, Inver Grove Heights, MN 55077-3412.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and temporary investments	\$ 47,886,027	\$ 21,414,637	\$ 69,300,664
Receivables			
Accrued interest	208,552	87,475	296,027
Taxes	1,403,671	-	1,403,671
Accounts	347,950	1,204,646	1,552,596
Special assessments	5,943,509	168,912	6,112,421
Due from other governments	258,642	775	259,417
Internal balances	85,232	(85,232)	-
Inventories	68,449	4,073	72,522
Prepaid items	135,868	3,550	139,418
Land held for resale	1,138,500	-	1,138,500
Pension asset	1,991,426	-	1,991,426
Capital assets			
Land and construction in progress	37,443,857	6,737,936	44,181,793
Depreciable assets (net of accumulated depreciation)	<u>76,144,486</u>	<u>51,998,262</u>	<u>128,142,748</u>
TOTAL ASSETS	<u>173,056,169</u>	<u>81,535,034</u>	<u>254,591,203</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	81,157	250,903	332,060
Deferred pension resources	<u>1,786,382</u>	<u>101,481</u>	<u>1,887,863</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,867,539</u>	<u>352,384</u>	<u>2,219,923</u>
LIABILITIES			
Accounts and contracts payable	1,055,602	330,437	1,386,039
Accrued salaries payable	400,163	35,641	435,804
Due to other governments	253,030	222,649	475,679
Accrued interest payable	292,073	205,488	497,561
Deposits payable	28,157	44,570	72,727
Unearned revenue	107,487	244,007	351,494
Noncurrent liabilities			
Due within one year	3,619,939	1,457,321	5,077,260
Due in more than one year	<u>34,404,474</u>	<u>20,076,533</u>	<u>54,481,007</u>
TOTAL LIABILITIES	<u>40,160,925</u>	<u>22,616,646</u>	<u>62,777,571</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension resources	<u>2,413,808</u>	<u>210,462</u>	<u>2,624,270</u>
NET POSITION			
Net investment in capital assets	92,587,696	40,500,700	133,088,396
Restricted for			
Debt service	5,119,578	-	5,119,578
Equipment acquisition	551,476	-	551,476
Community development	915,678	-	915,678
Park improvements	1,110,360	-	1,110,360
Unrestricted	<u>32,064,187</u>	<u>18,559,610</u>	<u>50,623,797</u>
TOTAL NET POSITION	<u>\$ 132,348,975</u>	<u>\$ 59,060,310</u>	<u>\$ 191,409,285</u>

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 1,655,475	\$ 11,190	\$ -	\$ -
Public safety	8,109,514	629,828	543,678	-
Public works	6,816,075	3,552,354	442,014	3,827,488
Culture and recreation	6,576,337	3,184,781	27,190	32,600
Community development	1,792,921	702,948	-	-
Interest on long-term debt	771,350	-	-	-
Total governmental activities	<u>25,721,672</u>	<u>8,081,101</u>	<u>1,012,882</u>	<u>3,860,088</u>
Business-type activities				
Water	2,381,673	2,899,782	12,587	623,786
Sewer	3,628,484	3,088,659	-	840,175
Golf course	1,581,313	1,634,226	-	-
Total business-type activities	<u>7,591,470</u>	<u>7,622,667</u>	<u>12,587</u>	<u>1,463,961</u>
Total	<u>\$ 33,313,142</u>	<u>\$ 15,703,768</u>	<u>\$ 1,025,469</u>	<u>\$ 5,324,049</u>

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Tax increments

Lodging taxes

Franchise taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Gain on sale of capital assets

Transfers - capital assets

Transfers - internal activities

Total general revenues and transfers

Change in net position

Net position, January 1 as restated (Note 10)

Net position, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (1,644,285)	\$ -	\$ (1,644,285)
(6,936,008)	-	(6,936,008)
1,005,781	-	1,005,781
(3,331,766)	-	(3,331,766)
(1,089,973)	-	(1,089,973)
(771,350)	-	(771,350)
<u>(12,767,601)</u>	<u>-</u>	<u>(12,767,601)</u>
-	1,154,482	1,154,482
-	300,350	300,350
-	52,913	52,913
<u>-</u>	<u>1,507,745</u>	<u>1,507,745</u>
<u>(12,767,601)</u>	<u>1,507,745</u>	<u>(11,259,856)</u>
15,243,922	-	15,243,922
1,413,445	-	1,413,445
2,020,664	-	2,020,664
106,361	-	106,361
98,221	-	98,221
144,337	-	144,337
435,751	232,427	668,178
11,070	-	11,070
(14,518)	14,518	-
855,802	(855,802)	-
<u>20,315,055</u>	<u>(608,857)</u>	<u>19,706,198</u>
7,547,454	898,888	8,446,342
<u>124,801,521</u>	<u>58,161,422</u>	<u>182,962,943</u>
<u>\$ 132,348,975</u>	<u>\$ 59,060,310</u>	<u>\$ 191,409,285</u>

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FUND FINANCIAL STATEMENTS

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

CITY OF INVER GROVE HEIGHTS, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	General	Improvement Bonds	Closed Bond	Local Improvement Construction
ASSETS				
Cash and temporary investments	\$ 9,310,108	\$ 2,679,218	\$ 2,297,922	\$ 4,474,229
Receivables				
Accrued interest	26,647	7,277	22,896	26,575
Taxes	1,233,506	91,479	3,229	2,299
Accounts	11,129	-	-	-
Special assessments	1,309	2,310,451	953,579	1,208,276
Due from other governments	11,380	-	-	196,642
Due from other funds	-	-	-	-
Prepaid items	3,667	-	-	-
Land held for resale	-	-	-	-
TOTAL ASSETS	<u>\$ 10,597,746</u>	<u>\$ 5,088,425</u>	<u>\$ 3,277,626</u>	<u>\$ 5,908,021</u>
LIABILITIES				
Accounts and contracts payable	\$ 129,376	\$ -	\$ -	\$ 256,675
Accrued salaries payable	317,987	-	-	-
Due to other governments	18,404	-	-	224,156
Due to other funds	-	-	-	1,746,421
Deposits payable	-	-	-	-
Unearned revenue	14,544	-	-	-
TOTAL LIABILITIES	<u>480,311</u>	<u>-</u>	<u>-</u>	<u>2,227,252</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - delinquent taxes	189,507	15,014	1,614	63
Unavailable revenues - special assessments	1,309	2,281,056	953,325	1,194,424
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>190,816</u>	<u>2,296,070</u>	<u>954,939</u>	<u>1,194,487</u>
FUND BALANCES				
Nonspendable	3,667	-	-	-
Restricted	-	2,792,355	-	4,297,324
Committed	-	-	-	-
Assigned	-	-	2,322,687	-
Unassigned	9,922,952	-	-	(1,811,042)
TOTAL FUND BALANCES	<u>9,926,619</u>	<u>2,792,355</u>	<u>2,322,687</u>	<u>2,486,282</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 10,597,746</u>	<u>\$ 5,088,425</u>	<u>\$ 3,277,626</u>	<u>\$ 5,908,021</u>

The notes to the financial statements are an integral part of this statement.

<u>Pavement Management</u>	<u>Host Community</u>	<u>Community Center</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 2,751,162	\$ 1,501,460	\$ 323,001	\$ 8,329,685	\$ 31,666,785
8,403	17,598	-	34,268	143,664
8,051	-	-	65,107	1,403,671
9,635	156,419	37,877	132,890	347,950
1,219,994	-	-	249,900	5,943,509
-	-	50,620	-	258,642
-	2,898,408	-	-	2,898,408
-	1,000	1,000	5,203	10,870
-	-	-	1,138,500	1,138,500
<u>\$ 3,997,245</u>	<u>\$ 4,574,885</u>	<u>\$ 412,498</u>	<u>\$ 9,955,553</u>	<u>\$ 43,811,999</u>
\$ 189,317	\$ 7,972	\$ 149,740	\$ 156,342	\$ 889,422
-	751	50,491	11,131	380,360
-	-	7,977	2,012	252,549
-	-	-	1,147,583	2,894,004
-	-	2,056	26,101	28,157
-	30,000	52,987	9,956	107,487
<u>189,317</u>	<u>38,723</u>	<u>263,251</u>	<u>1,353,125</u>	<u>4,551,979</u>
221	-	-	30,260	236,679
1,208,435	-	-	249,900	5,888,449
<u>1,208,656</u>	<u>-</u>	<u>-</u>	<u>280,160</u>	<u>6,125,128</u>
-	1,000	1,000	5,203	10,870
188,174	-	-	2,851,046	10,128,899
-	-	148,247	807,101	955,348
2,411,098	4,535,162	-	4,797,350	14,066,297
-	-	-	(138,432)	7,973,478
<u>2,599,272</u>	<u>4,536,162</u>	<u>149,247</u>	<u>8,322,268</u>	<u>33,134,892</u>
<u>\$ 3,997,245</u>	<u>\$ 4,574,885</u>	<u>\$ 412,498</u>	<u>\$ 9,955,553</u>	<u>\$ 43,811,999</u>

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

Amounts reported for the governmental activities in the statement of net position are different because

Total fund balances - governmental funds	\$ 33,134,892
Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the funds.	1,991,426
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	162,527,051
Less: accumulated depreciation	(69,041,204)
Internal service funds are used by the City to charge the cost of compensated absences, liability, property, and workers compensation insurance, vehicles and equipment, centralized purchase of consumable office supplies, maintaining facilities, and maintenance of computer systems. These balances are reported with governmental activities on the statement of net position.	34,363,151
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Noncurrent liabilities at year-end consist of	
Bonds payable	(27,461,870)
Plus premium on bonds issued	(305,432)
Deferred charge on refunding	81,157
Other postemployment benefits payable	(142,608)
Pension liability	(8,057,723)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Delinquent taxes	236,679
Special assessments	5,888,449
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflows of pension resources	1,735,629
Deferred inflows of pension resources	(2,308,549)
Governmental funds do not report a liability for accrued interest until due and payable.	(292,073)
Total net position - governmental activities	\$ 132,348,975

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General	Improvement Bonds	Closed Bond	Local Improvement Construction
REVENUES				
Taxes	\$ 15,245,100	\$ 1,186,617	\$ 4,161	\$ 36,611
Licenses and permits	844,006	-	-	-
Intergovernmental	705,941	1,852	-	58
Charges for services	718,523	-	-	-
Fines and forfeitures	120,029	-	-	-
Special assessments	6,873	907,074	32,491	281,008
Investment earnings	88,525	18,801	28,801	6,787
Miscellaneous	6,210	-	1,100	241,206
TOTAL REVENUES	17,735,207	2,114,344	66,553	565,670
EXPENDITURES				
Current				
General government	1,663,640	-	3,800	-
Public safety	8,342,569	-	-	-
Public works	3,789,292	-	9,429	-
Culture and recreation	1,812,977	-	-	-
Community development	1,184,177	-	-	-
Capital outlay				
Public safety	-	-	-	12,300
Public works	-	-	-	882,702
Culture and recreation	-	-	-	159,264
Community development	-	-	-	-
Debt service				
Principal	-	2,365,000	-	-
Interest and other charges	-	581,722	-	-
Bond issuance costs	-	-	-	82,426
TOTAL EXPENDITURES	16,792,655	2,946,722	13,229	1,136,692
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	942,552	(832,378)	53,324	(571,022)
OTHER FINANCING SOURCES (USES)				
Transfers in	793,318	255,000	-	246,773
Transfers out	(1,000,367)	-	(279,542)	(78,596)
Bonds issued	-	57,325	-	4,807,675
Premium on bonds issued	-	-	-	139,751
TOTAL OTHER FINANCING SOURCES (USES)	(207,049)	312,325	(279,542)	5,115,603
NET CHANGE IN FUND BALANCES	735,503	(520,053)	(226,218)	4,544,581
FUND BALANCES, JANUARY 1	9,191,116	3,312,408	2,548,905	(2,058,299)
FUND BALANCES, DECEMBER 31	\$ 9,926,619	\$ 2,792,355	\$ 2,322,687	\$ 2,486,282

The notes to the financial statements are an integral part of this statement.

<u>Pavement Management</u>	<u>Host Community</u>	<u>Community Center</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 128,308	\$ -	\$ -	\$ 2,351,078	\$ 18,951,875
-	-	-	-	844,006
395,452	-	-	8,102	1,111,405
140	2,595,616	2,237,734	1,305,339	6,857,352
-	-	-	-	120,029
412,458	-	-	119,291	1,759,195
9,755	22,478	487	82,190	257,824
45,238	7,399	141,416	13,340	455,909
<u>991,351</u>	<u>2,625,493</u>	<u>2,379,637</u>	<u>3,879,340</u>	<u>30,357,595</u>
-	-	-	-	1,667,440
-	-	-	-	8,342,569
575,230	116,319	-	89,852	4,580,122
-	12,828	2,700,893	757,804	5,284,502
-	-	-	428,559	1,612,736
-	29,000	-	-	41,300
3,077,861	-	-	35,985	3,996,548
-	-	453,133	74,030	686,427
-	-	-	214,985	214,985
-	-	-	1,323,280	3,688,280
-	-	-	93,836	675,558
48,795	-	-	-	131,221
<u>3,701,886</u>	<u>158,147</u>	<u>3,154,026</u>	<u>3,018,331</u>	<u>30,921,688</u>
<u>(2,710,535)</u>	<u>2,467,346</u>	<u>(774,389)</u>	<u>861,009</u>	<u>(564,093)</u>
1,048,532	-	774,389	2,515,051	5,633,063
(190,974)	(1,648,930)	-	(1,564,152)	(4,762,561)
2,880,000	-	-	-	7,745,000
48,795	-	-	-	188,546
<u>3,786,353</u>	<u>(1,648,930)</u>	<u>774,389</u>	<u>950,899</u>	<u>8,804,048</u>
1,075,818	818,416	-	1,811,908	8,239,955
<u>1,523,454</u>	<u>3,717,746</u>	<u>149,247</u>	<u>6,510,360</u>	<u>24,894,937</u>
<u>\$ 2,599,272</u>	<u>\$ 4,536,162</u>	<u>\$ 149,247</u>	<u>\$ 8,322,268</u>	<u>\$ 33,134,892</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Amounts reported for governmental activities in the statement of activities are different because

Total net change in fund balances - governmental funds	\$ 8,239,955
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	4,252,871
Depreciation expense	(3,626,010)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Capital assets transferred to enterprise funds	(14,518)
Capital assets transferred to internal service funds	(15,700,645)
Capital assets contributed from developers	2,691,318
Governmental funds report a gain (loss) on sale of capital assets to the extent of cash exchanged, whereas the disposition of the assets book value is included in the total gain (loss) in the statement of activities.	
Disposals	(14,375)
Depreciation on disposal of capital assets	9,804
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.	
Principal repayments	3,688,280
Bonds issued	(7,745,000)
Current year amortization of deferred charges	(19,876)
Premium on bonds issued	(188,546)
Current year amortization of bond premium	46,875
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	8,430
Internal service funds are used by the City to charge the cost of compensated absences, liability, property, and workers compensation insurance, vehicles and equipment, centralized purchase of consumable office supplies, maintaining facilities, and maintenance of computer systems. These balances are reported with governmental activities in the statement of activities.	
	16,541,827
Certain revenues are recognized as soon as it is earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Special assessments	(888,682)
Property taxes	(69,262)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Other postemployment benefits	(51,663)
Long-term pension activity is not reported in governmental funds.	
Pension expense	356,881
Pension revenue from State contributions	29,790
Change in net position - governmental activities	\$ 7,547,454

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 15,016,100	\$ 15,016,100	\$ 15,245,100	\$ 229,000
Licenses and permits	887,900	887,900	844,006	(43,894)
Intergovernmental	609,800	609,800	705,941	96,141
Charges for services	646,300	646,300	718,523	72,223
Fines and forfeitures	120,000	120,000	120,029	29
Special assessments	6,000	6,000	6,873	873
Interest on investment earnings	92,900	92,900	88,525	(4,375)
Miscellaneous	18,000	18,000	6,210	(11,790)
TOTAL REVENUES	<u>17,397,000</u>	<u>17,397,000</u>	<u>17,735,207</u>	<u>338,207</u>
EXPENDITURES				
Current				
General government	1,709,600	1,709,600	1,663,640	45,960
Public safety	8,637,700	8,714,100	8,342,569	371,531
Public works	3,847,100	3,865,900	3,789,292	76,608
Culture and recreation	1,790,400	1,803,400	1,812,977	(9,577)
Community development	1,214,900	1,235,500	1,184,177	51,323
TOTAL EXPENDITURES	<u>17,199,700</u>	<u>17,328,500</u>	<u>16,792,655</u>	<u>535,845</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>197,300</u>	<u>68,500</u>	<u>942,552</u>	<u>874,052</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	792,600	792,600	793,318	718
Transfers out	(989,900)	(989,900)	(1,000,367)	(10,467)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(197,300)</u>	<u>(197,300)</u>	<u>(207,049)</u>	<u>(9,749)</u>
NET CHANGE IN FUND BALANCES	-	(128,800)	735,503	864,303
FUND BALANCES, JANUARY 1	<u>9,191,116</u>	<u>9,191,116</u>	<u>9,191,116</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 9,191,116</u>	<u>\$ 9,062,316</u>	<u>\$ 9,926,619</u>	<u>\$ 864,303</u>

The notes to the financial statements are an integral part of this statement.

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
COMMUNITY CENTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ 2,194,300	\$ 2,194,300	\$ 2,237,734	\$ 43,434
Investment earnings	-	-	487	487
Miscellaneous	130,000	130,000	141,416	11,416
TOTAL REVENUES	<u>2,324,300</u>	<u>2,324,300</u>	<u>2,379,637</u>	<u>55,337</u>
EXPENDITURES				
Current				
Culture and recreation	2,707,700	2,728,100	2,700,893	27,207
Capital outlay				
Culture and recreation	400,000	671,000	453,133	217,867
TOTAL EXPENDITURES	<u>3,107,700</u>	<u>3,399,100</u>	<u>3,154,026</u>	<u>245,074</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(783,400)	(1,074,800)	(774,389)	300,411
OTHER FINANCING SOURCES				
Transfers in	783,800	1,075,200	774,389	(300,811)
NET CHANGE IN FUND BALANCES	400	400	-	(400)
FUND BALANCES, JANUARY 1	<u>149,247</u>	<u>149,247</u>	<u>149,247</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 149,647</u>	<u>\$ 149,647</u>	<u>\$ 149,247</u>	<u>\$ (400)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF NET POSITION - CONTINUED ON THE FOLLOWING PAGE
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf course	Total	
ASSETS					
CURRENT ASSETS					
Cash and temporary investments	\$ 11,958,305	\$ 9,006,769	\$ 449,563	\$ 21,414,637	\$ 16,219,242
Receivables					
Accrued interest	50,946	34,858	1,671	87,475	64,888
Accounts	668,779	535,365	502	1,204,646	-
Special assessments	72,617	96,295	-	168,912	-
Due from other governments	-	775	-	775	-
Due from other funds	-	-	-	-	80,828
Inventories	-	-	4,073	4,073	68,449
Prepaid items	-	-	3,550	3,550	124,998
TOTAL CURRENT ASSETS	12,750,647	9,674,062	459,359	22,884,068	16,558,405
NONCURRENT ASSETS					
Capital assets					
Land	461,598	411,202	1,862,355	2,735,155	209,122
Construction in progress	1,048,085	2,869,231	85,465	4,002,781	-
Buildings and systems	46,117,065	31,696,821	869,226	78,683,112	17,409,502
Improvements other than buildings	98,108	-	4,547,114	4,645,222	240,717
Machinery and equipment	230,194	26,519	1,038,255	1,294,968	10,157,895
Less accumulated depreciation	(16,896,494)	(11,005,910)	(4,722,636)	(32,625,040)	(7,914,740)
Total capital assets (net of accumulated depreciation)	31,058,556	23,997,863	3,679,779	58,736,198	20,102,496
TOTAL ASSETS	43,809,203	33,671,925	4,139,138	81,620,266	36,660,901
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	-	250,903	-	250,903	-
Deferred pension resources	33,195	21,244	47,042	101,481	50,753
TOTAL DEFERRED OUTFLOWS OF RESOURCES	33,195	272,147	47,042	352,384	50,753

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF NET POSITION - CONTINUED
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf course	Total	
LIABILITIES					
CURRENT LIABILITIES					
Accounts and contracts payable	\$ 229,217	\$ 4,144	\$ 97,076	\$ 330,437	\$ 166,180
Accrued salaries payable	14,355	8,153	13,133	35,641	19,803
Due to other governments	32,938	189,458	253	222,649	481
Due to other funds	-	-	85,232	85,232	-
Accrued interest payable	34,083	171,405	-	205,488	-
Deposits payable	-	-	44,570	44,570	-
Unearned revenue	95,909	148,098	-	244,007	-
Compensated absences payable - current portion	28,920	16,259	33,022	78,201	768,069
Capital lease payable - current portion	-	-	29,120	29,120	-
Bonds payable - current portion	825,000	525,000	-	1,350,000	-
TOTAL CURRENT LIABILITIES	1,260,422	1,062,517	302,406	2,625,345	954,533
NONCURRENT LIABILITIES					
Compensated absences payable	49,149	28,698	45,497	123,344	850,008
Bonds payable	3,337,604	15,721,027	-	19,058,631	-
Pension liability	286,932	183,624	406,622	877,178	438,703
Other postemployment benefits payable	5,637	3,653	8,090	17,380	-
TOTAL NONCURRENT LIABILITIES	3,679,322	15,937,002	460,209	20,076,533	1,288,711
TOTAL LIABILITIES	4,939,744	16,999,519	762,615	22,701,878	2,243,244
DEFERRED INFLOWS OF RESOURCES					
Deferred pension resources	68,844	44,057	97,561	210,462	105,259
NET POSITION					
Net investment in capital assets	26,895,952	9,954,089	3,650,659	40,500,700	20,102,496
Unrestricted	11,937,858	6,946,407	(324,655)	18,559,610	14,260,655
TOTAL NET POSITION	\$ 38,833,810	\$ 16,900,496	\$ 3,326,004	\$ 59,060,310	\$ 34,363,151

The notes to the financial statements are an integral part of this statement.

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf course	Total	
OPERATING REVENUES					
Charges for services					
Water sales	\$ 2,832,394	\$ -	\$ -	\$ 2,832,394	\$ -
Sewer charges	-	3,052,071	-	3,052,071	-
Late fees	59,884	36,588	-	96,472	-
Water meter sales	7,504	-	-	7,504	-
Foot golf	-	-	8,863	8,863	-
Green fees	-	-	906,504	906,504	-
Golf cart rentals	-	-	354,343	354,343	-
Practice center	-	-	128,082	128,082	-
Golf shop	-	-	57,608	57,608	-
Food and beverage	-	-	139,909	139,909	-
Other	-	-	38,539	38,539	4,468,953
TOTAL OPERATING REVENUES	2,899,782	3,088,659	1,633,848	7,622,289	4,468,953
OPERATING EXPENSES					
Personnel services	530,579	340,582	818,006	1,689,167	872,674
Other current expenses	919,224	2,312,957	498,945	3,731,126	2,189,526
Depreciation	863,729	606,331	262,554	1,732,614	857,718
Other	-	-	-	-	236
TOTAL OPERATING EXPENSES	2,313,532	3,259,870	1,579,505	7,152,907	3,920,154
OPERATING INCOME (LOSS)	586,250	(171,211)	54,343	469,382	548,799
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	139,352	91,666	1,409	232,427	177,927
Miscellaneous revenues	12,587	-	378	12,965	118,086
Gain on sale of capital assets	-	-	-	-	11,070
Interest and amortization expense	(68,141)	(298,226)	(1,808)	(368,175)	-
Bond issuance costs	-	(70,388)	-	(70,388)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	83,798	(276,948)	(21)	(193,171)	307,083
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	670,048	(448,159)	54,322	276,211	855,882
CAPITAL CONTRIBUTIONS	623,786	840,175	-	1,463,961	-
CAPITAL CONTRIBUTIONS FROM OTHER FUNDS	-	14,518	-	14,518	15,700,645
TRANSFERS IN	-	-	100,000	100,000	-
TRANSFERS OUT	(719,802)	(236,000)	-	(955,802)	(14,700)
CHANGE IN NET POSITION	574,032	170,534	154,322	898,888	16,541,827
NET POSITION, JANUARY 1 AS RESTATED (NOTE 10)	38,259,778	16,729,962	3,171,682	58,161,422	17,821,324
NET POSITION, DECEMBER 31	\$ 38,833,810	\$ 16,900,496	\$ 3,326,004	\$ 59,060,310	\$ 34,363,151

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF CASH FLOWS - CONTINUED ON THE FOLLOWING PAGE
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Golf course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 2,898,246	\$ 3,116,045	\$ 1,647,555	\$ 7,661,846	\$ 4,469,094
Other operating receipts	12,587	-	378	12,965	118,086
Payments to suppliers	(957,571)	(2,171,470)	(488,210)	(3,617,251)	(2,073,858)
Payments to employees	(488,568)	(313,146)	(801,285)	(1,602,999)	(865,060)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,464,694</u>	<u>631,429</u>	<u>358,438</u>	<u>2,454,561</u>	<u>1,648,262</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Receipts on interfund balances	578,105	-	88,810	666,915	-
Payments on interfund balances	-	-	(55,628)	(55,628)	(37,586)
Transfers from other funds	-	-	100,000	100,000	-
Transfers to other funds	(719,802)	(236,000)	-	(955,802)	(14,700)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(141,697)</u>	<u>(236,000)</u>	<u>133,182</u>	<u>(244,515)</u>	<u>(52,286)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Connection fees received	170,640	218,011	-	388,651	-
Special assessments received	25,186	41,014	-	66,200	-
Acquisition of capital assets	(892,954)	(2,778,956)	(134,576)	(3,806,486)	(1,683,028)
Proceeds from sale of capital assets	-	-	-	-	11,070
Proceeds from bonds issued, net of issuance costs	-	4,368,613	-	4,368,613	-
Capital lease payments	-	-	(27,703)	(27,703)	-
Interest paid on debt	(91,050)	(301,760)	(1,808)	(394,618)	-
Principal paid on bonds	(805,000)	(475,000)	-	(1,280,000)	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,593,178)</u>	<u>1,071,922</u>	<u>(164,087)</u>	<u>(685,343)</u>	<u>(1,671,958)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings	135,647	87,537	399	223,583	172,642
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(134,534)	1,554,888	327,932	1,748,286	96,660
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>12,092,839</u>	<u>7,451,881</u>	<u>121,631</u>	<u>19,666,351</u>	<u>16,122,582</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 11,958,305</u>	<u>\$ 9,006,769</u>	<u>\$ 449,563</u>	<u>\$ 21,414,637</u>	<u>\$ 16,219,242</u>

The note to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal
	Water	Sewer	Golf course	Total	Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS)					
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 586,250	\$ (171,211)	\$ 54,343	\$ 469,382	\$ 548,799
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation	863,729	606,331	262,554	1,732,614	857,718
Loss on disposal of capital assets	-	-	-	-	100,401
Other income related to operations	12,587	-	378	12,965	118,086
(Increase) decrease in assets/deferred outflows					
Accounts receivable	(24,434)	(3,527)	-	(27,961)	141
Due from other governments	4,057	-	7,822	11,879	-
Inventories	-	-	(457)	(457)	(4,385)
Prepaid items	-	-	(1,777)	(1,777)	(13,279)
Deferred pension resource	8,815	5,817	20,868	35,500	20,741
Increase (decrease) in liabilities/deferred inflows					
Accounts and contracts payable	(36,640)	(3,410)	13,040	(27,010)	34,591
Accrued salaries payable	3,719	1,780	2,991	8,490	811
Due to other governments	(1,707)	144,897	(71)	143,119	(1,424)
Deposits payable	-	-	5,885	5,885	-
Unearned revenue	18,841	30,913	-	49,754	-
Compensated absences payable	9,034	8,157	31,489	48,680	16,278
Pension liability	21,311	12,523	(22,757)	11,077	(13,335)
Other postemployment benefits payable	2,058	1,333	2,588	5,979	-
Deferred pension resource	(2,926)	(2,174)	(18,458)	(23,558)	(16,881)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,464,694</u>	<u>\$ 631,429</u>	<u>\$ 358,438</u>	<u>\$ 2,454,561</u>	<u>\$ 1,648,262</u>
SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets acquired on account	\$ 192,744	\$ -	\$ 76,677	\$ 269,421	\$ 75,710
Capital assets contributed from other funds	\$ -	\$ 14,518	\$ -	\$ 14,518	\$ 15,700,645
Capital contributions	\$ 447,588	\$ 613,194	\$ -	\$ 1,060,782	\$ -
Amortization of bond premium	\$ 16,201	\$ 16,396	\$ -	\$ 32,597	\$ -
Amortization of deferred charges on refunding	\$ -	\$ 19,177	\$ -	\$ 19,177	\$ -
Net disposal of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 100,401

The note to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2015

	Agency
ASSETS	
Cash and temporary investments	\$ 775,732
Due from other governments	51,298
TOTAL ASSETS	\$ 827,030
LIABILITIES	
Accounts payable	\$ 24,685
Due to other governments	51,298
Deposits payable	751,047
TOTAL LIABILITIES	\$ 827,030

The notes to the financial statements are an integral part of this statement.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City was incorporated in 1965 and operates under the State of Minnesota Statutory Plan A form of government. The governing body consists of a five member City Council elected by voters of the City. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City.

The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The City includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of their operational or financial relationships with the City. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Included in the City's reporting entity, based upon the application of these criteria, is the following blended component unit.

Blended component unit

The Inver Grove Heights Economic Development Authority (EDA) is a legal entity separate from the City. Although legally separate, the EDA is reported as if it were part of the primary government because the Board of Commissioners is made up of the Mayor and the four City Council members and the City has operational responsibility over the EDA. It is this criterion that results in the EDA being reported as a blended component unit and reported as a special revenue fund. Separate financial statements are not prepared for the EDA.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using *the current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The City reports the following major governmental funds:

The *General fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Improvement Bonds fund* is a debt service fund that accounts for resources accumulated and payments for principal and interest on long term general obligation special assessment debt.

The *Closed Bond, Local Improvement Construction, Pavement Management, and Host Community funds* are capital project funds that account for improvement revenues and expenditures from replacement funds set aside for capital improvements.

The *Community Center fund* accounts for the activities at the Veterans Memorial and the Grove Community Center. Charges for services within the fund are committed to Community Center activity.

The City reports the following major proprietary funds:

The *Water fund* and the *Sewer fund* account for activities related to the operation of a water distribution system and a sanitary sewer distribution system, respectively.

The *Golf Course fund* accounts for resources and payments related to the operation and maintenance of a municipal golf course.

Additionally, the City reports the following fund types:

Internal service funds account for compensated absences, risk management, central equipment, central stores, city facilities and technology services provided to other departments or agencies of the City. Internal service funds operate in a manner similar to enterprise funds; however, they provide services primarily to other departments within the City.

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the City, this fund is not incorporated into the government-wide statements. The City accounts for the following agency activities: escrow activity and grant pass through activity. The escrow agency fund accounts for various deposits, collections and remittances of expenses on behalf of developers and homeowners. The grant pass through agency fund accounts for transportation safety grant collections and remittances.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments in-lieu of taxes or other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position/fund balance

Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statement of Cash Flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The City may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Investments for the City are reported at fair value and are based on quoted market prices at year-end.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property taxes

Property taxes are submitted to the County Auditor by December 28 of each year, to be levied on January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due on October 15.

Unpaid taxes at December 31 become liens on the respective property and are classified in the fund financial statements as delinquent taxes receivable.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the governmental fund financial statements.

Accounts receivable

Accounts receivable include amounts billed for services, such as water, sewer, storm water and nuisance charges, provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2015. The City annually certifies delinquent water, sewer, storm water and nuisance accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

All trade (utility) and property tax receivables are shown at gross amount, since both taxes and trade (utility) receivables are assessable to the property taxes and are collectible upon the sale of the assessed property.

Special assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivables upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements. At December 31, 2015, the total delinquent special assessment receivable balance is \$58,613.

Interfund receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and prepaid items

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

Land held for resale

Land was acquired by the EDA for subsequent resale for redevelopment purposes. Land held for resale is an asset recorded at the lower of cost or realizable value in the fund that acquired it.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Capital assets

A capital asset is defined as a financial resource that is tangible or intangible in nature, complete in and of itself, and is not a component of another. Capital assets, which include property, easements, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date of acquisition. Infrastructure assets acquired prior to the fiscal year ended December 31, 1979 are not reported.

Intangible assets prior to 2010 were capitalized and bundled with the infrastructure/land purchases and have been determined to have an indefinite life and therefore have not been broken out from the assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of assets are not capitalized.

Property, plant and equipment of the City is depreciated using the straight line method over the following estimated useful lives:

Assets	Useful Live in Years
Buildings and structures	20 to 50
Equipment and machinery	3 to 20
Distribution and collection systems	50
Streets and infrastructure	25

Deferred outflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the statement of net position of the government-wide and proprietary fund financial statements. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item, deferred pension resources, is reported only in the statements of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

Compensated absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick leave and personal leave benefits. There is an estimated liability for unpaid accumulated sick leave that will be taken as severance upon retirement. All vacation and estimated retirement severance are accrued when incurred in government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For the most part, the General fund is typically used to liquidate governmental compensated absences payable.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Other postemployment benefits

Under Minnesota statute 471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in a group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees are able to add dependent coverage during open enrollment period or qualifying life event prior to retirement. All premiums are funded on a pay-as-you-go basis. The liability was determined, in accordance with GASB Statement No. 45, at January 1, 2015. The General fund is typically used to liquidate governmental other postemployment benefits payable.

In 2008, the City implemented the requirement of a new accounting pronouncement, GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. An actuarial valuation was calculated to determine the City's annual required contribution (ARC) liability. At that time the City deemed the ARC liability to be immaterial; however, based on the 2012 actuarial valuation, liabilities for other postemployment benefits have since been recorded. The liability is typically liquidated through the General fund, Water fund, Sewer fund, and Golf Course fund.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For the most part, the General fund is typically used to liquidate governmental pension liabilities.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by Inver Grove Height's Fire Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Deferred inflows of resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items, which arise only under a modified accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, one of the items, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations.

Net position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- a. Restricted net position - Consists of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- b. Unrestricted net position - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned - These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Pursuant to the Fund Balance Policy approved by City Council, the City Administrator has been delegated the authority to assign and remove assignments of fund balance amounts for specific purposes.

Unassigned - These are residual amounts in the General fund not reported in any other classification. The General fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City will strive to maintain a minimum General fund unassigned fund balance of 40 to 45 percent of next year's budgeted expenditures.

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles), as applied to governmental units by the Government Accounting Standards Board (GASB). An annual appropriated budget is adopted for the General fund as well as for the Convention and Visitors Bureau, Recreation, Community Center, and Economic Development Authority special revenue funds.

Budgeted amounts are reported as originally adopted, as well as amended by the City Council. Individual amendments were not material in relation to the original appropriations which were adjusted. Budgeted expenditure appropriations lapse at year-end. Any unencumbered appropriations that need to be carried forward to the next year must be reappropriated by the City Council from the fund balance.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General fund. Encumbrances outstanding at year-end expire and outstanding purchase orders are cancelled and not reported in the financial statements.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public meetings are conducted to obtain taxpayer comments.
3. The General fund budget is legally enacted through passage of a resolution on a departmental basis and can be expended by each department based upon detailed budget estimates for that department. The Convention and Visitors Bureau, Recreation, Community Center and Economic Development Authority special revenue fund budgets are legally enacted through passage of resolutions for each fund as a whole.
4. The City Administrator is authorized to transfer appropriations within a fund's budget. Additional fund appropriations and deletions are or may be authorized by the City Council.
5. Formal budgetary integration is employed as a management control device during the year for the General fund.
6. Legal debt obligation indentures determine the appropriation level and debt service tax levies for the Debt Service funds. Supplementary budgets are adopted for the Proprietary funds to determine and calculate user charges. These debt service and budget amounts represent general obligation bond indenture provisions and net income for operation and capital maintenance and are not reflected in the financial statements.
7. A capital improvement program is reviewed annually by the City Council for the Capital Project funds. However, appropriations for major projects are not adopted until the actual bid award of the improvement. The appropriations are not reflected in the financial statements.
8. Expenditures may not legally exceed budgeted appropriations at the total fund level. Monitoring of budgets is maintained at the expenditure category level (i.e., personnel services; other current; capital outlay) within each activity.
9. The City Council may authorize transfers of budgeted amounts between City funds.

B. Excess of expenditures over appropriations

For the year ended December 31, 2015, expenditures exceeded appropriations in the following special revenue funds:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
Nonmajor			
Economic Development Authority	\$ 83,900	\$ 376,548	\$ 292,648
Convention and Visitors Bureau	93,500	100,236	6,736

The excess of expenditures over appropriations for these funds were funded by actual transfers in and revenues, which were in excess of budget.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

C. Deficit fund equity

The following funds had fund equity deficits at December 31, 2015:

Fund	Amount
Nonmajor governmental	
Permanent Improvement Revolving	\$ 138,432

Capital Projects fund deficits are expected to be eliminated with future fund revenues or transfers from other funds.

Note 3: DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

At year end, the City's carrying amount of deposits was negative \$86,604 and the bank balance was \$315,231. Of the bank balance, \$250,000 was covered by federal depository insurance. The remaining bank balance was covered by collateral held by the City's agent in the City's name.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Investments

At year end, the City's investment balances were as follows:

<u>Types of Investments</u>	<u>Credit Quality/ Rating (1)</u>	<u>Segmented Time Distribution (2)</u>	<u>Fair Value and Carrying Amount</u>
Non Pooled investments			
Brokered certificates of deposit	N/A	less than 6 months	\$ 2,541,609
Brokered certificates of deposit	N/A	6 months to 1 year	734,603
Brokered certificates of deposit	N/A	1 to 3 years	2,936,423
Brokered certificates of deposit	N/A	more than 3 years	1,958,289
Municipal bonds	AA+	less than 6 months	1,876,434
Municipal bonds	AA+	6 months to 1 year	751,554
Municipal bonds	AA+	1 to 3 years	12,544,649
Municipal bonds	AA+	more than 3 years	8,248,609
U.S. government agency securities	AA+	1 to 3 years	9,566,638
U.S. government agency securities	AA+	more than 3 years	10,042,511
Pooled investments			
Broker money market	N/A	less than 6 months	227,018
Repurchase agreement	N/A	less than 6 months	<u>18,734,663</u>
Total investments			<u><u>\$ 70,163,000</u></u>

(1) Ratings are provided by Moody's Investors Services where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

The investments of the City are subject to the following risks:

- *Interest Rate Risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the City's investment policy, the City will not directly invest more than five percent (5 percent) of the total portfolio in securities maturing more than five (5) years from the date of purchase, unless matched to a specific cash flow. The City was not exposed to interest rate risks due to the fact that their investments are not exposed to highly sensitive changes in interest rates.
- *Credit Risk*. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list on page 60 of the notes to the financial statements. In accordance with its investment policy, the City will minimize credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business, and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- *Concentration of Credit Risk*. Concentration of credit risk is defined as positions of five percent (5 percent) or more in the securities of a single issuer. The City's investment policy does not allow for an investment in any issuer or security type (except U.S. Treasury Bonds) that is in excess of fifty percent (50 percent) of the City's total investments. As of December 31, 2015, the following issuers exceeded 5 percent of the City's total investments: FHLMC (10.29 percent), FNMA (7.18 percent), and FFCB (7.47 percent).
- *Custodial Credit Risk- Deposits*. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Minnesota statutes and the City's investment policy states that in order to provide a level of security for all funds, the collateralization level will be 110 percent of market value not covered by insurance. As of December 31, 2015, all of the City's bank balance was covered by federal depository insurance or by perfected collateral held by the City's agent in the City's name.
- *Custodial Credit Risk - Investments*. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of December 31, 2015, all securities were held by the City or its agent in the City's name. The City does not have an investment policy for custodial credit risk.

The City's investments held by a broker-dealer were insured by SIPC or other supplemental insurance as of December 31, 2015. However, each investment brokerage firm may have a limit to their supplemental insurance coverage and because of the size of the City's portfolio in relation to the brokerage firm's excess SIPC coverage limits; the portion of the supplemental policy applicable to the City's portfolio is unknown. The City accepts the risk due to the controls in place at the broker-dealer.

A reconciliation of cash and temporary investments as shown on the statement of net position for the City follows:

Carrying amount of deposits	\$ (86,604)
Investments	<u>70,163,000</u>
Total	<u><u>\$ 70,076,396</u></u>
As reported on the financial statements	
Statement of net position	
Cash and temporary investments	\$ 69,300,664
Fiduciary statement of net position	
Cash and temporary investments	<u>775,732</u>
Total	<u><u>\$ 70,076,396</u></u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

B. Capital assets

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 29,177,074	\$ 875,200	\$ -	\$ 30,052,274
Construction in progress	19,924,449	3,977,868	(16,510,734)	7,391,583
Total capital assets not being depreciated	<u>49,101,523</u>	<u>4,853,068</u>	<u>(16,510,734)</u>	<u>37,443,857</u>
Capital assets, being depreciated				
Infrastructure	93,937,287	2,471,664	-	96,408,951
Buildings and systems	22,615,635	15,961,659	(1,621,859)	36,955,435
Improvements other than buildings	8,526,222	139,413	-	8,665,635
Machinery and equipment	10,287,138	1,773,339	(990,068)	11,070,409
Total capital assets being depreciated	<u>135,366,282</u>	<u>20,346,075</u>	<u>(2,611,927)</u>	<u>153,100,430</u>
Less accumulated depreciation for				
Infrastructure	(46,883,860)	(2,236,216)	-	(49,120,076)
Buildings and systems	(17,147,391)	(1,028,753)	1,521,458	(16,654,686)
Improvements other than buildings	(3,832,148)	(369,220)	-	(4,201,368)
Machinery and equipment	(7,115,772)	(849,539)	985,497	(6,979,814)
Total accumulated depreciation	<u>(74,979,171)</u>	<u>(4,483,728)</u>	<u>2,506,955</u>	<u>(76,955,944)</u>
Total capital assets being depreciated, net	<u>60,387,111</u>	<u>15,862,347</u>	<u>(104,972)</u>	<u>76,144,486</u>
Governmental activities capital assets, net	<u>\$ 109,488,634</u>	<u>\$ 20,715,415</u>	<u>\$ (16,615,706)</u>	<u>\$ 113,588,343</u>

Depreciation expense was charged to functions of the governmental activities as follows:

General government	\$ 54,658
Public safety	242,184
Public works	2,726,159
Culture and recreation	<u>1,460,727</u>
Total depreciation expense - governmental activities	<u>\$ 4,483,728</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 2,735,155	\$ -	\$ -	\$ 2,735,155
Construction in progress	2,667,955	3,808,507	(2,473,681)	4,002,781
Total capital assets not being depreciated	<u>5,403,110</u>	<u>3,808,507</u>	<u>(2,473,681)</u>	<u>6,737,936</u>
Capital assets being depreciated				
Buildings and systems	75,081,970	3,601,142	-	78,683,112
Improvements other than buildings	4,645,222	-	-	4,645,222
Machinery and equipment	1,110,628	215,239	(30,899)	1,294,968
Total capital assets being depreciated	<u>80,837,820</u>	<u>3,816,381</u>	<u>(30,899)</u>	<u>84,623,302</u>
Less accumulated depreciation for				
Buildings and systems	(26,726,980)	(1,493,286)	-	(28,220,266)
Improvements other than buildings	(3,276,741)	(142,407)	-	(3,419,148)
Machinery and equipment	(919,604)	(96,921)	30,899	(985,626)
Total accumulated depreciation	<u>(30,923,325)</u>	<u>(1,732,614)</u>	<u>30,899</u>	<u>(32,625,040)</u>
Total capital assets being depreciated, net	<u>49,914,495</u>	<u>2,083,767</u>	<u>-</u>	<u>51,998,262</u>
Business-type activities capital assets, net	<u>\$ 55,317,605</u>	<u>\$ 5,892,274</u>	<u>\$ (2,473,681)</u>	<u>\$ 58,736,198</u>

Depreciation expense was charged to programs of the business-type activities as follows:

Water	\$ 863,729
Sewer	606,331
Golf course	<u>262,554</u>
Total depreciation expense - business-type activities	<u>\$ 1,732,614</u>

C. Construction commitments

The City has the following construction commitments at December 31, 2015 as follows:

Project	Spent to date	Remaining Commitment
47th Street Neighborhood Street Reconstruction	\$ 2,399,222	\$ 34,911
47th Street Area Water Improvement	842,052	3,588
NWA Utility Improvement	1,187,455	52,885
NWA 70th Street Lift Station	904,748	20,079

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

D. Long-term debt

Capital leases

The City is the lessee of golf carts under capital leases expiring in 2016. The assets and liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair market value of the asset. The assets are depreciated over the lower of their related lease terms or the estimated productive lives. Depreciation of assets under capital leases is included in depreciation expense. The assets acquired through capital leases are as follows:

	Business-type Activities
Asset	
Machinery and equipment	\$ 157,875
Less: Accumulated depreciation	(149,981)
Total	\$ 7,894

The future minimum lease obligation and the net present value of these minimum lease payments are as follows:

<u>Year Ending December 31,</u>	Business-type Activities
2016	\$ 29,583
Total minimum lease payments	29,583
Less: amount representing interest	(463)
Present value of minimum lease payments	\$ 29,120

General obligation (G.O.) bonds

The City issues G.O. and revenue bonds to provide funds for the acquisition and construction of major capital facilities and equipment. Debt service is covered by tax increments, special assessments, property tax levies and revenues. In addition, bonds have been issued to refund G.O., G.O. tax increment, G.O. special assessment, and G.O. revenue bonds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Armory Bonds of 1996	\$ 656,500	6.73 %	03/01/96	12/31/16	\$ 56,870
G.O. Capital Bonds, Series 2009A	9,900,000	2.0-4.375	06/03/09	02/01/34	9,175,000
G.O. Utility Revenue Refunding Bonds, Series 2012A	395,000	2.0-2.15	04/24/12	02/01/17	195,000
G.O. Bonds, Series 2015A	7,745,000	2.00-3.00	09/17/15	02/01/31	7,745,000
Total G.O. bonds					\$ 17,171,870

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Annual debt service requirements to maturity for G.O. bonds are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 371,870	\$ 551,512	\$ 923,382
2017	730,000	561,694	1,291,694
2018	730,000	544,619	1,274,619
2019	770,000	526,144	1,296,144
2020	805,000	505,819	1,310,819
2021-2025	4,710,000	2,204,931	6,914,931
2026-2030	5,595,000	1,214,250	6,809,250
2031-2034	3,460,000	264,297	3,724,297
Total	<u>\$ 17,171,870</u>	<u>\$ 6,373,266</u>	<u>\$ 23,545,136</u>

G.O. improvement (special assessment) bonds

The following bonds were issued to finance various improvements and will be repaid primarily from special assessments levied on the properties benefiting from the improvements. Some issues, however, are partially financed by ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments.

<u>Description</u>	<u>Authorized and Issued</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance at Year End</u>
G.O. Improvement Bonds, Series 2008A	\$ 4,855,000	3.50 - 4.50 %	12/30/08	02/01/20	\$ 490,000
G.O. Improvement Bonds, Series 2010B	4,885,000	2.00 -3.125	10/06/10	02/01/27	3,805,000
G.O. Refunding Bonds, Series 2010C	905,000	2.00 - 2.35	10/06/10	02/01/18	205,000
G.O. Improvement Refunding Bonds, Series 2011A	1,075,000	2.00 - 2.25	08/18/11	02/01/18	555,000
G.O. Improvement Refunding Bonds, Series 2014B	2,415,000	2.00	12/30/14	02/01/20	<u>2,415,000</u>
Total G.O. special assessment bonds					<u>\$ 7,470,000</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Annual debt service requirements to maturity for G.O. special assessment bonds are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,325,000	\$ 168,604	\$ 1,493,604
2017	1,295,000	139,205	1,434,205
2018	1,265,000	112,869	1,377,869
2019	1,000,000	88,669	1,088,669
2020	600,000	68,331	668,331
2021-2025	1,465,000	180,953	1,645,953
2026-2027	520,000	16,406	536,406
Total	<u>\$ 7,470,000</u>	<u>\$ 775,037</u>	<u>\$ 8,245,037</u>

G.O. tax increment bonds

The following bonds were issued for redevelopment projects. The additional tax increments resulting from increased tax capacity of the redeveloped properties will be used to retire the related debt.

<u>Description</u>	<u>Authorized and Issued</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance at Year End</u>
G.O. Tax Increment Refunding Bonds, Series 2011A	\$ 3,430,000	2.00 - 2.25 %	08/08/11	02/01/19	\$ 2,200,000
G.O. Tax Increment Refunding Bonds, Series 2014A	1,670,000	2.00	07/01/14	12/15/16	<u>620,000</u>
Total G.O. tax increment bonds					<u>\$ 2,820,000</u>

Annual debt service requirements to maturity for G.O. tax increment bonds are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,155,000	\$ 52,450	\$ 1,207,450
2017	550,000	29,200	579,200
2018	555,000	18,150	573,150
2019	560,000	6,300	566,300
Total	<u>\$ 2,820,000</u>	<u>\$ 106,100</u>	<u>\$ 2,926,100</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

G.O. revenue bonds

The following bonds were issued to finance capital improvements in the enterprise funds. They will be repaid from future revenues pledged from the Water and Sewer enterprise funds and are backed by the taxing power of the City. Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments are as follows:

	Water	Sewer
Net operating revenues	\$ 2,899,782	\$ 3,088,659
Principal and interest	896,050	776,760
Percentage of revenues	30.90 %	25.15 %

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Sewer Revenue Bonds, Series 2007C	\$ 6,220,000	3.70 - 4.05 %	11/20/07	02/01/29	\$ 265,000
G.O. Sewer Revenue Bonds, Series 2010A	6,865,000	2.00 - 4.00	10/06/10	02/01/36	6,425,000
G.O. Utility Revenue Refunding Bonds, Series 2012A	6,315,000	2.00 - 2.15	04/24/12	02/01/22	4,060,000
G.O. Sewer Revenue Refunding Bonds, Series 2014B	5,015,000	2.00 - 3.00	12/30/14	02/01/20	5,015,000
G.O. Sewer Revenue Bonds, Series 2015B	4,185,000	3.00 - 4.00	09/17/15	02/01/31	4,185,000
Total G.O. revenue bonds					<u>\$19,950,000</u>

The annual debt service requirements to maturity for G.O. revenue bonds are as follows:

Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2016	\$ 1,350,000	\$ 537,542	\$ 1,887,542
2017	1,560,000	523,463	2,083,463
2018	1,640,000	487,025	2,127,025
2019	1,185,000	453,038	1,638,038
2020	1,215,000	422,513	1,637,513
2021-2025	5,390,000	1,644,444	7,034,444
2026-2030	4,930,000	885,875	5,815,875
2031-2035	2,255,000	286,325	2,541,325
2036	425,000	8,500	433,500
Total	<u>\$ 19,950,000</u>	<u>\$ 5,248,725</u>	<u>\$ 25,198,725</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable					
G.O. bonds	\$ 9,780,150	\$ 7,745,000	\$ (353,280)	\$ 17,171,870	\$ 371,870
G.O. special assessment bonds	9,675,000	-	(2,205,000)	7,470,000	1,325,000
G.O. tax increment bonds	3,950,000	-	(1,130,000)	2,820,000	1,155,000
Bond premium	163,761	188,546	(46,875)	305,432	-
Total bonds payable	23,568,911	7,933,546	(3,735,155)	27,767,302	2,851,870
Compensated absences payable	1,601,799	732,528	(716,250)	1,618,077	768,069
Pension liability					
GERF	-	4,735,491 *	-	4,735,491	-
PEPF	-	3,760,935 *	-	3,760,935	-
Other postemployment benefits payable	90,945	68,334	(16,671)	142,608	-
Governmental activity long-term liabilities	<u>\$ 25,261,655</u>	<u>\$ 17,230,834</u>	<u>\$ (4,468,076)</u>	<u>\$ 38,024,413</u>	<u>\$ 3,619,939</u>
Business-type activities					
Bonds payable					
G.O. revenue bonds	\$ 17,045,000	\$ 4,185,000	\$ (1,280,000)	\$ 19,950,000	\$ 1,350,000
Bond premium	237,225	254,001	(32,597)	458,629	-
Total bonds payable	17,282,225	4,439,001	(1,312,597)	20,408,629	1,350,000
Capital lease payable	56,823	-	(27,703)	29,120	29,120
Compensated absences payable	152,865	178,702	(130,020)	201,547	78,201
Pension liability					
GERF	-	1,107,987 *	(230,809)	877,178	-
Other postemployment benefits payable	11,401	8,069	(2,090)	17,380	-
Business-type activity long-term liabilities	<u>\$ 17,503,314</u>	<u>\$ 5,733,759</u>	<u>\$ (1,703,219)</u>	<u>\$ 21,533,854</u>	<u>\$ 1,457,321</u>

* Includes 1/1/2015 pension liability balance related to GASB Statement No. 68 implementation. See Note 10 on page 92 for further detail.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

E. Components of fund balance

Fund equity balances are classified below to reflect the limitations and restrictions of the respective funds.

	<u>General</u>	<u>Improvement Bonds</u>	<u>Closed Bond</u>	<u>Local Improvement Construction</u>
Nonspendable				
Prepaid items	\$ 3,667	\$ -	\$ -	\$ -
Restricted for				
Debt service	-	2,792,355	-	-
Equipment acquisition	-	-	-	-
Community development	-	-	-	-
Park improvements	-	-	-	-
Capital improvements	-	-	-	4,297,324
Total Restricted	<u>-</u>	<u>2,792,355</u>	<u>-</u>	<u>4,297,324</u>
Committed to				
Convention and Visitors Bureau	-	-	-	-
Recreation	-	-	-	-
Economic development	-	-	-	-
Community Center	-	-	-	-
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned to				
Capital improvements	-	-	2,322,687	-
Unassigned	<u>9,922,952</u>	<u>-</u>	<u>-</u>	<u>(1,811,042)</u>
Total	<u>\$ 9,926,619</u>	<u>\$ 2,792,355</u>	<u>\$ 2,322,687</u>	<u>\$ 2,486,282</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

CONTINUED

	<u>Pavement Management</u>	<u>Host Community</u>	<u>Community Center</u>	<u>Other Governmental</u>	<u>Total</u>
Nonspendable					
Prepaid items	\$ -	\$ 1,000	\$ 1,000	\$ 5,203	\$ 10,870
Restricted for					
Debt service	-	-	-	302,279	3,094,634
Equipment acquisition	-	-	-	551,476	551,476
Community development	-	-	-	886,931	886,931
Park improvements	-	-	-	1,110,360	1,110,360
Capital improvements	188,174	-	-	-	4,485,498
Total Restricted	<u>188,174</u>	<u>-</u>	<u>-</u>	<u>2,851,046</u>	<u>10,128,899</u>
Committed to					
Convention and Visitors Bureau	-	-	-	119,882	119,882
Recreation	-	-	-	450,751	450,751
Economic development	-	-	-	236,468	236,468
Community Center	-	-	148,247	-	148,247
Total Committed	<u>-</u>	<u>-</u>	<u>148,247</u>	<u>807,101</u>	<u>955,348</u>
Assigned to					
Capital improvements	2,411,098	4,535,162	-	4,797,350	14,066,297
Unassigned	-	-	-	(138,432)	7,973,478
Total	<u>\$ 2,599,272</u>	<u>\$ 4,536,162</u>	<u>\$ 149,247</u>	<u>\$ 8,322,268</u>	<u>\$ 33,134,892</u>

F. Interfund receivables, payables and transfers

The composition of interfund balances at December 31, 2015 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Purpose</u>	<u>Amount</u>
Host Community	Golf Course	To eliminate cash deficit	\$ 4,404
Internal Service	Golf Course	To eliminate cash deficit	80,828
Host Community	Nonmajor governmental	To loan funds for land purchase	1,000,000
Host Community	Nonmajor governmental	To eliminate cash deficit	147,583
Host Community	Local Improvement Construction	To eliminate cash deficit	1,746,421
Total			<u>\$ 2,979,236</u>

The Host Community fund made advances to the nonmajor governmental EDA fund, which will be paid back when the land for resale has sold. The Internal Service Central Equipment fund made advances to the Golf Course which will be paid back in annual installments. All other interfund loans are expected to be repaid within one year.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

The composition of interfund transfers for the year ended December 31, 2015 is as follows:

Fund	Transfer in			
	General	Improvement Bonds	Local Improvement Construction	Pavement Management
Transfer out				
General	\$ -	\$ -	\$ 9,067	\$ 500,000
Closed Bond	-	255,000	13,426	-
Local Improvement Construction	-	-	-	5,302
Pavement Management	-	-	1,972	-
Host Community	316,000	-	92,181	500,000
Nonmajor Governmental	5,318	-	78,400	43,230
Water	236,000	-	51,727	-
Sewer	236,000	-	-	-
Internal Service Funds	-	-	-	-
Total	<u>\$ 793,318</u>	<u>\$ 255,000</u>	<u>\$ 246,773</u>	<u>\$ 1,048,532</u>

Fund	Transfer in - Continued			
	Community Center	Nonmajor Governmental	Golf Course	Total
Transfer out				
General	\$ -	\$ 491,300	\$ -	\$ 1,000,367
Closed Bond	-	11,116	-	279,542
Local Improvement Construction	-	73,294	-	78,596
Pavement Management	-	189,002	-	190,974
Host Community	321,256	319,493	100,000	1,648,930
Nonmajor Governmental	453,133	984,071	-	1,564,152
Water	-	432,075	-	719,802
Sewer	-	-	-	236,000
Internal Service Funds	-	14,700	-	14,700
Total	<u>\$ 774,389</u>	<u>\$ 2,515,051</u>	<u>\$ 100,000</u>	<u>\$ 5,733,063</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

The City annually budgets transfers for specific purposes and includes transfers to cover funds annual operations, transfers for debt service payments, transfers made as part of capital improvement plans and other transfers made for various reasons. The City made the following one-time non-budgeted transfers for the year ended December 31, 2015:

- Transfers from the General fund to the Local Improvement Construction fund and nonmajor governmental funds were adopted as part of the General fund by resolution. Transfers are for construction projects.
- Transfers from the Closed Bond fund to the Local Improvement Construction fund and nonmajor governmental funds were adopted by approval of the project budget for construction projects.
- Transfers from the nonmajor Tax Increment Financing fund to nonmajor Tax Increment Financing Bonds fund were created to help support debt service.
- Transfers from the Local Improvement Construction fund to the Pavement Management fund and the nonmajor governmental funds were adopted by approval of the project budget for construction projects.
- Transfers from the Pavement Management fund to the Local Improvement Construction fund and the nonmajor governmental funds were adopted by approval of the project budget for construction projects.
- Transfers from the Host Community fund to the Local Improvement Construction fund, Pavement Management fund and the nonmajor governmental funds were adopted by approval of the project budget for construction projects.
- Transfers from the nonmajor governmental funds to the other nonmajor governmental funds were adopted by approval of the project budget for construction projects.
- Transfers from the Water and Sewer funds to the Local Improvement Construction fund, Pavement Management funds and the nonmajor governmental funds were adopted by resolution for construction projects and the allocation of resources for debt and interfund loan payments.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE

A. Plan description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

Public Employees Police and Fire Fund (PEPFF)

The PEPFF, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

B. Benefits provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by Minnesota statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90 percent funded for two consecutive years are given 2.5 percent increases. Members in plans that have not exceeded 90 percent funded, or have fallen below 80 percent, are given 1 percent increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

GERF benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

PEPFF benefits

For PEPFF who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefits for the PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

C. Contributions

Minnesota statutes, chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

GERF contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.50 percent, respectively, of their annual covered salary in calendar year 2015. The City was required to contribute 11.78 percent of pay for Basic Plan members and 7.50 percent for Coordinated Plan members in calendar year 2015. The City's contributions to the GERF for the years ending December 31, 2015, 2014 and 2013 were \$488,967, \$459,894 and \$455,647, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

PEPFF contributions

Plan members were required to contribute 10.8 percent of their annual covered salary in calendar year 2015. The City was required to contribute 16.20 percent of pay for PEPFF members in calendar year 2015. The City's contributions to the PEPFF for the years ending December 31, 2015, 2014 and 2013 were \$499,560, \$456,641 and \$417,235, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

D. Pension costs

GERF pension costs

At December 31, 2015, the City reported a liability of \$5,612,669 for its proportionate share of the GERF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportionate share was 0.1083 percent which was a decrease of 0.0139 percent from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$415,460 for its proportionate share of GERF's pension expense.

At December 31, 2015, the City reported its proportionate share of GERF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 58,731	\$ 282,974
Changes in actuarial assumptions	342,857	
Net difference between projected and actual earnings on plan investments	-	499,632
Changes in proportion	-	564,049
Contributions to GERF subsequent to the measurement date	247,745	-
Total	\$ 649,333	\$ 1,346,655

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

Deferred outflows of resources totaling \$247,745 related to pensions resulting from the City's contributions to GERF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

2016	\$ (292,368)
2017	(292,368)
2018	(493,162)
2019	132,831

PEPPF pension costs

At December 31, 2015, the City reported a liability of \$3,760,935 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2014 through June 30, 2015 relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2015, the City's proportionate share was 0.3310 percent which was an increase of 0.0020 percent from its proportion measured as of June 30, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$391,056 for its proportionate share of PEPFF's pension expense. The City also recognized \$29,790 for the year ended December 31, 2015, as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the State of Minnesota to begin contributing \$9 million to the PEPFF each year, starting in fiscal year 2014.

At December 31, 2015, the City reported its proportionate share of PEPFF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,977	\$ 609,901
Changes in actuarial assumptions	714,862	
Net difference between projected and actual earnings on plan investments	-	667,714
Changes in proportion	22,359	-
Contributions to PEPFF subsequent to the measurement date	252,461	-
Total	<u>\$ 993,659</u>	<u>\$ 1,277,615</u>

Deferred outflows of resources totaling \$252,461 related to pensions resulting from the City's contributions to PEPFF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to PEPFF pensions will be recognized in pension expense as follows:

2016	\$ (214,977)
2017	(214,977)
2018	(214,977)
2019	226,022
2020	(117,508)

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

E. Actuarial assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Active member payroll growth	3.50% per year
Investment rate of return	7.90%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2000 tables for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be: 1 percent effective every January 1st until 2034, then 2.5 percent for GERF and PEPFF.

Actuarial assumptions used in the June 30, 2015 valuation were based on the results of actuarial experience studies. The experience study in the GERF was for the period July 1, 2004 through June 30, 2008, with an update of economic assumptions in 2014. The experience study for PEPFF was for the period July 1, 2004, through June 30, 2009. Experience studies have not been prepared for PERA's other plans, but assumptions are reviewed annually.

There were no changes in actuarial assumptions in 2015.

The long-term expected rate of return on pension plan investments is 7.9 percent. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic stocks	45.00 %	5.50 %
International stocks	15.00	6.00
Bonds	18.00	1.45
Alternative assets	20.00	6.40
Cash	<u>2.00</u>	0.50
Total	<u><u>100.00 %</u></u>	

F. Discount rate

The discount rate used to measure the total pension liability was 7.9 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

G. Pension liability sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	City Proportionate Share of Net Pension Liability		
	1 Percent Decrease (6.90%)	Current (7.90%)	1 Percent Increase (8.90%)
	GERF	\$ 8,825,109	\$ 5,612,669
PEPFF	7,330,101	3,760,935	812,181

H. Pension plan fiduciary net position

Detailed information about each defined benefit pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org; by writing to PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088; or by calling (651) 296-7460 or (800) 652-9026.

Note 5: DEFINED CONTRIBUTION PLAN

There are four City Council members that are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota statutes, chapter 353D.03, specify the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment fund. For administering the plan, PERA receives 2 percent of employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually.

The City's contributions to the PEDCP for the years ended December 31, 2015, 2014 and 2013 were \$1,768, \$1,500 and \$1,500, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 1,768	\$ 1,768	5.00%	5.00%	5.00%

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 6: DEFINED BENEFIT PENSION PLANS - FIRE RELIEF ASSOCIATION

A. Plan description

All members of the Inver Grove Heights Fire Department (the Department) are covered by a defined benefit plan administered by the Inver Grove Heights Firefighters Relief Association (the Association). As of December 31, 2014, the plan covered 65 active firefighters and 9 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

B. Benefits provided

A firefighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full service pension upon retirement.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as prescribed by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

C. Contributions

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed \$180,645 in fire state aid to the plan on behalf of the Department for the year ended December 31, 2014, which was recorded as a revenue. Required employer contributions are calculated annually based on statutory provisions. In addition, the City made voluntary contributions of \$25,000 to the plan.

D. Pension costs

At December 31, 2015, the City reported a net pension asset of \$1,991,426 for the plan. The net pension asset was measured as of December 31, 2014. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by Hildi, Inc. applying an actuarial formula to specific census data certified by the Department as of December 31, 2014.

For the year ended December 31, 2015, the City recognized pension expense of \$54,286.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 6: DEFINED BENEFIT PENSION PLANS - FIRE RELIEF ASSOCIATION - CONTINUED

At December 31, 2015, the City reported deferred outflows of resources and its contributions subsequent to the measurement date related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on plan investments	\$ 29,259
Contributions to plan subsequent to the measurement date	<u>215,612</u>
Total	<u>\$ 244,871</u>

Deferred outflows of resources totaling \$215,612 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources related to the plan will be recognized in pension expense as follows:

2016	\$ 7,315
2017	7,315
2018	7,315
2019	7,314

E. Actuarial assumptions

The total pension asset at December 31, 2014 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement eligibility at 100 percent at age 50	
Salary increases	2.50% per year
Cost of living increases	0.00% per year
Investment rate of return	6.00%
20 year municipal bond yield	3.50%

The 6 percent long-term expected rate of return on pension plan investments was based on the plan's target investment allocation along with long-term expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 6: DEFINED BENEFIT PENSION PLANS - FIRE RELIEF ASSOCIATION - CONTINUED

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	13.00 %	2.00 %
Fixed income	22.00	4.00
Equities	63.00	7.50
Other	<u>2.00</u>	6.00
Total	<u><u>100.00 %</u></u>	

F. Discount rate

The discount rate used to measure the total pension liability was 6.0 percent. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the municipal bond rate. The equivalent single rate is the discount rate.

G. Pension asset sensitivity

The following presents the City's net pension asset for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	<u>City Proportionate Share of NPL</u>		
	<u>1 Percent Decrease (5.00%)</u>	<u>Current (6.00%)</u>	<u>1 Percent Increase (7.00%)</u>
Defined benefit plan	\$ 1,886,303	\$ 1,991,426	\$ 2,090,946

H. Pension plan fiduciary net position

The Association issues a publicly available financial report. The report may be obtained by writing to the Inver Grove Heights Firefighters Relief Association, 8150 Barbara Ave, Inver Grove Heights, MN 55077.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 7: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Plan description

The City provides a single-employer defined benefit health care plan to eligible retirees and their spouses. The plan offers medical coverage and is administered by HealthPartners, Inc. It is the City's policy for Council to periodically review its medical coverage, and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. The City does not issue a publicly available report.

B. Funding policy

Retirees receiving benefits contribute 100 percent of their premium costs. Retirees and their spouses contribute to the health care plan at the same rate as City employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the City, based on the contract terms with HealthPartners, Inc. The required contributions are based on projected pay-as-you-go financing requirements. For fiscal year 2015, the City contributed \$18,761 to the plan. As of January 1, 2015, there were four retirees receiving health benefits from the City's health plan.

C. Annual other postemployment benefit (OPEB) cost and net OPEB obligation

The City's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the City, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years using a 4.0 percent discount rate. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the City's net OPEB obligation to the plan.

Annual required contribution	\$ 78,226
Interest on net OPEB obligation	4,094
Adjustment to annual required contribution	<u>(5,917)</u>
 Annual OPEB cost (expense)	 76,403
Contributions made	<u>(18,761)</u>
 Increase in net OPEB obligation	 57,642
Net OPEB obligation - January 1, 2015	<u>102,346</u>
 Net OPEB obligation - December 31, 2015	 <u><u>\$ 159,988</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the preceding three years as follows:

Year Ending	Three Year Trend Information			
	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/15	\$ 76,403	\$ 18,761	24.6 %	\$ 159,988
12/31/14	74,743	45,224	60.5	102,346
12/31/13	75,313	39,924	53.0	72,827

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 7: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - CONTINUED

D. Funded status and funding progress

As of January 1, 2015, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$610,231, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$8,318,280, and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 7.3 percent.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the ARC of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress for the Postemployment Benefit Plan, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial methods and assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

At the January 1, 2015 actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent discount rate, which is based on the investment yield expected to finance benefits depending on whether the plan is funded in a separate trust (about 8.0 percent to 9.0 percent, long-term, similar to a pension plan) or unfunded (3.0 percent, shorter term, based on City's general assets). Both rates included a 2.5 percent inflation assumption. The post retirement benefit increase is the same as the insurance rate increase as the liability is only implicit rate. The City currently does not plan to prefund for this benefit. At the actuarial valuation date, the annual health care cost trend rate was calculated to be 7.25 percent initially, reduced incrementally to an ultimate rate of 5.0 percent after nine years. The UAAL is being amortized on a level percentage of projected payroll on a closed basis. The remaining amortization period was 30 years.

Note 8: OPERATING LEASES

The City leases the Aquatic and Fitness Center to Independent School District 199 under an operating lease. The lease commenced July 1, 2001 and terminates on June 30, 2021. The annual rent is payable in two installments due July 15 and January 15. The 2015 revenue was \$248,500.

The net book value of the assets noted above being leased are as follows:

Asset	
Buildings	\$ 17,689,059
Less: Accumulated depreciation	<u>(13,591,460)</u>
Total	<u>\$ 4,097,599</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 8: OPERATING LEASES - CONTINUED

Future minimum lease payments are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2016	\$ 249,500
2017	307,500
2018	350,000
2019	350,000
2020	350,000
2021	<u>175,000</u>
Total	<u>\$ 1,782,000</u>

Note 9: OTHER INFORMATION

A. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Workers compensation coverage is provided through a pooled self-insurance program through the League of Minnesota Cities Insurance Trust (LMCIT). The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through Workers Compensation Reinsurance Association (WCRA) as required by law. For workers compensation, the City is not subject to a deductible.

Property and casualty insurance is provided through a pooled self-insurance program through the LMCIT. The City pays an annual premium to the LMCIT. The City is subject to supplemental assessments if deemed necessary by the LMCIT. The LMCIT reinsures through commercial companies for claims in excess of various amounts. The City retains risk for the deductible portion of the insurance policies and for any exclusions from the insurance policies. These amounts are considered immaterial to the financial statements.

The City continues to carry commercial insurance for all other risks of loss, including disability and employee health insurance.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The risk management activities of the City are accounted for by the Risk Management fund, an internal service fund, which charges its costs to user departments. The fund is designed to build up a reserve which will provide the City the opportunity to assume a greater share of its insurance risks and thereby reducing the cost to purchase insurance.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2015

Note 9: OTHER INFORMATION - CONTINUED

B. Contingencies

Tax increment financing districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

The City has entered into "pay as you go" Tax Increment Financing notes within its TIF districts. These notes are payable only to the extent of the increment received. As a result they are a commitment within the district but they have not met the criteria to be reported as a liability on the statement of net position.

C. Conduit debt obligations

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payment received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2015, there were two series of Housing Revenue Bonds outstanding as follows:

Series	Amount Issued	Balance Outstanding 12/31/2015
2005 Senior Housing Revenue Refunding Bonds	\$30,290,000	\$24,935,000
2006 Nursing Home Revenue Refunding Bonds	23,265,000	20,160,000
Total	<u>\$53,555,000</u>	<u>\$45,095,000</u>

Note 10: CHANGE IN ACCOUNTING STANDARDS

The City implemented several new accounting pronouncements issued by the Governmental Accounting Standards Board (GASB), including Statement No. 68, Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68, for the year ended December 31, 2015. These standards required a retroactive implementation which resulted in the restatement of beginning balances in the December 31, 2015 financial statements. Changes related to these standards are reflected in the financial statements and schedules and related disclosures are included in Note 4 and Note 6.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015

Note 10: CHANGE IN ACCOUNTING STANDARDS - CONTINUED

As a result of the restatement of beginning balances, the following schedule reconciles the previously reported December 31, 2014 balances to the December 31, 2015 financial statements:

Fund	Net Position December 31, 2014 as Previously Reported	Prior Period Restatement (1)	Net Position January 1, 2015 as Restated
Governmental activities	\$ 132,330,093	\$ (7,528,572)	\$ 124,801,521
Business-type activities	\$ 59,124,562	\$ (963,140)	\$ 58,161,422
Business-type activities			
Water	\$ 38,555,159	\$ (295,381)	\$ 38,259,778
Sewer	16,920,233	(190,271)	16,729,962
Golf course	3,649,170	(477,488)	3,171,682
Total business-type activities	\$ 59,124,562	\$ (963,140)	\$ 58,161,422
Governmental activities - internal service funds			
Water	\$ -	\$ -	\$ -
Sewer	828,185	(12,015)	816,170
Sewer	15,931,862	(225,230)	15,706,632
Sewer	483,394	-	483,394
Sewer	295,936	(48,320)	247,616
Golf course	784,631	(217,119)	567,512
Total governmental activities - internal service funds	\$ 18,324,008	\$ (502,684)	\$ 17,821,324

- (1) To record beginning net pension liability, deferred inflows of resources and deferred outflow of resources at January 1, 2015.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2015

**Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability -
 General Employees Retirement Fund**

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/15	0.1083 %	\$ 5,612,669	\$ -	\$ 5,612,669	\$ 6,363,714	88.2 %	78.2 %

Note: This schedule was implemented in 2015, and therefore only contains one year of information.

Schedule of Employer's Public Employees Retirement Association Contributions - General Employees Retirement Fund

Year Ending	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/15	\$ 488,967	\$ 488,967	\$ -	\$ 6,519,560	7.5 %

Note: This schedule was implemented in 2015, and therefore only contains one year of information.

**Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability -
 Public Employees Police and Fire Fund**

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/15	0.3310 %	\$ 3,760,935	\$ -	\$ 3,760,935	\$ 3,030,963	124.1 %	86.6 %

Note: This schedule was implemented in 2015, and therefore only contains one year of information.

Schedule of Employer's Public Employees Retirement Association Contributions - Public Employees Police and Fire Fund

Year Ending	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/15	\$ 499,560	\$ 499,560	\$ -	\$ 3,083,704	16.2 %

Note: This schedule was implemented in 2015, and therefore only contains one year of information.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios

	2015
Total pension liability	
Service cost	\$ 149,070
Interest	149,666
Benefit payments, including refunds of employee contributions	(55,673)
Net change in total pension liability	243,063
Total pension liability - January 1	2,367,683
Total pension liability - December 31 (a)	\$ 2,610,746
Plan fiduciary net position	
Contributions - employer	25,000
Contributions - state	180,645
Net investment income	221,943
Benefit payments, including refunds of employee contributions	(55,673)
Administrative expense	(6,752)
Net change in plan fiduciary net position	365,163
Plan fiduciary net position - January 1	4,237,009
Plan fiduciary net position - December 31 (b)	\$ 4,602,172
Fire Relief's net pension liability (asset) - December 31 (a-b)	\$ (1,991,426)
Plan fiduciary net position as a percentage of the total pension liability (b/a)	176.28%
Covered-employee payroll	N/A
Fire Relief's net pension liability (asset) as a percentage of covered-employee payroll	N/A

Notes to Schedule:

Benefit changes. There were no changes of benefits.

Changes of assumption. There were no changes of assumptions.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule of Employer's Fire Relief Association Contributions

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/15	\$ 215,612	\$ 215,612	\$ -
12/31/14	205,645	205,645	-

Note: This schedule was implemented in 2015 relating to a measurement date of 12/31/14. Addition information will be added prospectively.

Schedule of Funding Progress for the Other Postemployment Benefit Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL)	Funded Rate	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/15	\$ -	\$ 610,231	\$ 610,231	- %	\$ 8,318,280	7.3 %
01/01/12	-	655,379	655,379	-	8,098,632	8.1

Note: This schedule was implemented in 2012, and therefore only contains two years of actuarial valuation dates.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

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NONMAJOR GOVERNMENTAL FUNDS

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2015

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and temporary investments	\$ 737,773	\$ 286,435	\$ 7,305,477	\$ 8,329,685
Receivables				
Accrued interest	2,809	1,051	30,408	34,268
Taxes	6,930	16,306	41,871	65,107
Accounts	3,116	-	129,774	132,890
Special assessments	-	-	249,900	249,900
Prepaid items	5,203	-	-	5,203
Land held for resale	1,138,500	-	-	1,138,500
TOTAL ASSETS	<u>\$ 1,894,331</u>	<u>\$ 303,792</u>	<u>\$ 7,757,430</u>	<u>\$ 9,955,553</u>
LIABILITIES				
Accounts and contracts payable	\$ 34,724	\$ -	\$ 121,618	\$ 156,342
Accrued salaries payable	11,131	-	-	11,131
Due to other governments	115	-	1,897	2,012
Due to other funds	1,000,000	-	147,583	1,147,583
Deposits payable	26,101	-	-	26,101
Unearned revenue	9,956	-	-	9,956
TOTAL LIABILITIES	<u>1,082,027</u>	<u>-</u>	<u>271,098</u>	<u>1,353,125</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - delinquent taxes	-	1,513	28,747	30,260
Unavailable revenues - special assessments	-	-	249,900	249,900
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>1,513</u>	<u>278,647</u>	<u>280,160</u>
FUND BALANCES				
Nonspendable	5,203	-	-	5,203
Restricted	-	302,279	2,548,767	2,851,046
Committed	807,101	-	-	807,101
Assigned	-	-	4,797,350	4,797,350
Unassigned	-	-	(138,432)	(138,432)
TOTAL FUND BALANCES	<u>812,304</u>	<u>302,279</u>	<u>7,207,685</u>	<u>8,322,268</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,894,331</u>	<u>\$ 303,792</u>	<u>\$ 7,757,430</u>	<u>\$ 9,955,553</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 106,361	\$ 222,667	\$ 2,022,050	\$ 2,351,078
Intergovernmental	8,000	100	2	8,102
Charges for services	252,981	248,500	803,858	1,305,339
Special assessments	-	-	119,291	119,291
Investment earnings	7,726	3,285	71,179	82,190
Miscellaneous	13,340	-	-	13,340
TOTAL REVENUES	388,408	474,552	3,016,380	3,879,340
EXPENDITURES				
Current				
Public works	-	-	89,852	89,852
Culture and recreation	705,046	-	52,758	757,804
Community development	161,563	-	266,996	428,559
Capital outlay				
Public works	-	-	35,985	35,985
Culture and recreation	9,440	-	64,590	74,030
Community development	214,985	-	-	214,985
Debt service				
Principal	-	1,323,280	-	1,323,280
Interest and other charges	-	93,836	-	93,836
TOTAL EXPENDITURES	1,091,034	1,417,116	510,181	3,018,331
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(702,626)	(942,564)	2,506,199	861,009
OTHER FINANCING SOURCES (USES)				
Transfers in	625,764	958,116	931,171	2,515,051
Transfers out	(5,318)	-	(1,558,834)	(1,564,152)
TOTAL OTHER FINANCING SOURCES (USES)	620,446	958,116	(627,663)	950,899
NET CHANGE IN FUND BALANCES	(82,180)	15,552	1,878,536	1,811,908
FUND BALANCES, JANUARY 1	894,484	286,727	5,329,149	6,510,360
FUND BALANCES, DECEMBER 31	\$ 812,304	\$ 302,279	\$ 7,207,685	\$ 8,322,268

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NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Convention and Visitors Bureau was created by a resolution of the City Council to account for the local lodging tax revenues collected per Ordinance No. 1015 which was adopted by the City Council on October 8, 2001, under the authority of Minnesota statutes, section 469.190.

Recreation accounts for recreation activities of the City.

Economic Development Authority accounts for the activities of the Economic Development Authority.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
SUBCOMBINING BALANCE SHEET
DECEMBER 31, 2015

	Convention and Visitors Bureau	Recreation	Economic Development Authority	Total
ASSETS				
Cash and temporary investments	\$ 120,667	\$ 499,436	\$ 117,670	\$ 737,773
Receivables				
Accrued interest	484	2,070	255	2,809
Taxes	6,930	-	-	6,930
Accounts	1,660	1,456	-	3,116
Prepaid items	4,855	-	348	5,203
Land held for resale	-	-	1,138,500	1,138,500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 134,596</u></u>	<u><u>\$ 502,962</u></u>	<u><u>\$ 1,256,773</u></u>	<u><u>\$ 1,894,331</u></u>
LIABILITIES				
Accounts and contracts payable	\$ 9,859	\$ 5,403	\$ 19,462	\$ 34,724
Accrued salaries payable	-	10,636	495	11,131
Due to other governments	-	115	-	115
Due to other funds	-	-	1,000,000	1,000,000
Deposits payable	-	26,101	-	26,101
Unearned revenue	-	9,956	-	9,956
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>9,859</u>	<u>52,211</u>	<u>1,019,957</u>	<u>1,082,027</u>
FUND BALANCES				
Nonspendable	4,855	-	348	5,203
Committed	119,882	450,751	236,468	807,101
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCES	<u>124,737</u>	<u>450,751</u>	<u>236,816</u>	<u>812,304</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 134,596</u></u>	<u><u>\$ 502,962</u></u>	<u><u>\$ 1,256,773</u></u>	<u><u>\$ 1,894,331</u></u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Convention and Visitors Bureau	Recreation	Economic Development Authority	Total
REVENUES				
Lodging taxes	\$ 106,361	\$ -	\$ -	\$ 106,361
Intergovernmental	7,000	1,000	-	8,000
Charges for services	-	252,981	-	252,981
Investment earnings	1,211	6,004	511	7,726
Miscellaneous	1,660	11,680	-	13,340
TOTAL REVENUES	116,232	271,665	511	388,408
EXPENDITURES				
Current				
Culture and recreation	100,236	604,810	-	705,046
Community development	-	-	161,563	161,563
Capital outlay				
Culture and recreation	-	9,440	-	9,440
Community development	-	-	214,985	214,985
TOTAL EXPENDITURES	100,236	614,250	376,548	1,091,034
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	15,996	(342,585)	(376,037)	(702,626)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	331,900	293,864	625,764
Transfers out	(5,318)	-	-	(5,318)
TOTAL OTHER FINANCING SOURCES (USES)	(5,318)	331,900	293,864	620,446
NET CHANGE IN FUND BALANCES	10,678	(10,685)	(82,173)	(82,180)
FUND BALANCES, JANUARY 1	114,059	461,436	318,989	894,484
FUND BALANCES, DECEMBER 31	\$ 124,737	\$ 450,751	\$ 236,816	\$ 812,304

CITY OF INVER GROVE HEIGHTS, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
CONVENTION AND VISITORS BUREAU SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Lodging taxes	\$ 90,000	\$ 90,000	\$ 106,361	\$ 16,361
Intergovernmental	-	8,000	7,000	(1,000)
Investment earnings	-	-	1,211	1,211
Miscellaneous	-	-	1,660	1,660
	<u>90,000</u>	<u>98,000</u>	<u>116,232</u>	<u>18,232</u>
TOTAL REVENUES	90,000	98,000	116,232	18,232
EXPENDITURES				
Current				
Culture and recreation	<u>93,500</u>	<u>93,500</u>	<u>100,236</u>	<u>(6,736)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,500)	4,500	15,996	11,496
OTHER FINANCING USES				
Transfers out	<u>(4,500)</u>	<u>(4,500)</u>	<u>(5,318)</u>	<u>(818)</u>
NET CHANGE IN FUND BALANCES	(8,000)	-	10,678	10,678
FUND BALANCES, JANUARY 1	<u>114,059</u>	<u>114,059</u>	<u>114,059</u>	<u>-</u>
FUND BALANCES, DECEMBER 31	<u>\$ 106,059</u>	<u>\$ 114,059</u>	<u>\$ 124,737</u>	<u>\$ 10,678</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
RECREATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,000	\$ 1,000
Charges for services	242,700	242,700	252,981	10,281
Investment earnings	5,100	5,100	6,004	904
Miscellaneous	6,000	6,000	11,680	5,680
TOTAL REVENUES	253,800	253,800	271,665	17,865
EXPENDITURES				
Current				
Culture and recreation	624,500	624,500	604,810	19,690
Capital outlay				
Culture and recreation	-	-	9,440	(9,440)
TOTAL EXPENDITURES	624,500	624,500	614,250	10,250
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(370,700)	(370,700)	(342,585)	28,115
OTHER FINANCING SOURCES				
Transfers in	331,900	331,900	331,900	-
NET CHANGE IN FUND BALANCES	(38,800)	(38,800)	(10,685)	28,115
FUND BALANCES, JANUARY 1	461,436	461,436	461,436	-
FUND BALANCES, DECEMBER 31	\$ 422,636	\$ 422,636	\$ 450,751	\$ 28,115

CITY OF INVER GROVE HEIGHTS, MINNESOTA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Investment earnings	\$ 2,300	\$ 2,300	\$ 511	\$ (1,789)
EXPENDITURES				
Current				
Community development	83,900	83,900	161,563	(77,663)
Capital outlay				
Community development	-	-	214,985	(214,985)
TOTAL EXPENDITURES	83,900	83,900	376,548	(292,648)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(81,600)	(81,600)	(376,037)	(294,437)
OTHER FINANCING SOURCES				
Transfers in	500	500	293,864	293,364
NET CHANGE IN FUND BALANCES	(81,100)	(81,100)	(82,173)	(1,073)
FUND BALANCES, JANUARY 1	318,989	318,989	318,989	-
FUND BALANCES, DECEMBER 31	\$ 237,889	\$ 237,889	\$ 236,816	\$ (1,073)

NONMAJOR DEBT SERVICE FUNDS

Debt Service funds are used to account for the accumulation of resources for, and payment of, principal and interest and related costs on general long-term debt.

MSABC Bonds accounts for the City's share of these bonds which were used to finance construction of the armory which are repaid primarily from general property taxes.

Storm Water Bonds accounts for storm water projects which are repaid primarily from watershed management district general property taxes and user fees.

Tax Increment Financing Bonds accounts for resources accumulated and payments for principal and interest on long term tax increment financing debt.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR DEBT SERVICE FUNDS
SUBCOMBINING BALANCE SHEET
DECEMBER 31, 2015

	MSABC Bonds	Storm Water Bonds	Tax Increment Financing Bonds	Total
ASSETS				
Cash and temporary investments	\$ 41,463	\$ 244,972	\$ -	\$ 286,435
Receivables				
Accrued interest	267	784	-	1,051
Taxes	4,709	11,597	-	16,306
	<u>46,439</u>	<u>257,353</u>	<u>-</u>	<u>303,792</u>
TOTAL ASSETS				
	<u>\$ 46,439</u>	<u>\$ 257,353</u>	<u>\$ -</u>	<u>\$ 303,792</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - delinquent taxes	\$ 445	\$ 1,068	\$ -	\$ 1,513
FUND BALANCES				
Restricted	<u>45,994</u>	<u>256,285</u>	<u>-</u>	<u>302,279</u>
TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ 46,439</u>	<u>\$ 257,353</u>	<u>\$ -</u>	<u>\$ 303,792</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR DEBT SERVICE FUNDS
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	MSABC Bonds	Storm Water Bonds	Tax Increment Financing Bonds	Total
REVENUES				
Taxes	\$ 64,649	\$ 158,018	\$ -	\$ 222,667
Intergovernmental	100	-	-	100
Charges for services	-	-	248,500	248,500
Investment earnings	629	1,726	930	3,285
TOTAL REVENUES	65,378	159,744	249,430	474,552
EXPENDITURES				
Debt service				
Principal	53,280	140,000	1,130,000	1,323,280
Interest and other charges	7,419	8,868	77,549	93,836
TOTAL EXPENDITURES	60,699	148,868	1,207,549	1,417,116
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,679	10,876	(958,119)	(942,564)
OTHER FINANCING SOURCES				
Transfers in	-	-	958,116	958,116
NET CHANGE IN FUND BALANCES	4,679	10,876	(3)	15,552
FUND BALANCES, JANUARY 1	41,315	245,409	3	286,727
FUND BALANCES, DECEMBER 31	<u>\$ 45,994</u>	<u>\$ 256,285</u>	<u>\$ -</u>	<u>\$ 302,279</u>

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NONMAJOR CAPITAL PROJECTS FUNDS

Capital Project funds account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by Proprietary funds).

Capital Facilities accounts for financial resources assigned for future City capital facilities.

Equipment Acquisition accounts for major equipment purchases.

Parks Acquisition and Development accounts for park dedication fees, related revenues and park and/or trail improvements.

State Aid Construction accounts for the use of municipal state aid allotments to finance projects not assessed such as street lights and sidewalks.

Capital Improvement Revolving accounts for preliminary construction costs incurred for projects not ordered.

Storm Water Management accounts for storm water projects.

Tree Preservation accounts for financial resources assigned for tree preservation.

Parks Capital Replacement accounts for financial resources assigned for maintenance and replacement of parks facilities.

Americans with Disabilities Act accounts for financial resources assigned for building repairs and maintenance.

Community Projects accounts for financial resources assigned for future community projects.

Permanent Improvement Revolving accounts for improvement revenues and expenditures from replacement funds set aside for capital improvements.

Tax Increment Financing accounts for the use of tax increment in the City's tax increment districts.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
SUBCOMBINING BALANCE SHEET
DECEMBER 31, 2015

	Capital Facilities	Equipment Acquisition	Parks Acquisition and Development	State Aid Construction	Capital Improvement Revolving
ASSETS					
Cash and temporary investments	\$ 836,095	\$ 549,303	\$ 1,661,796	\$ 877,153	\$ 399,422
Receivables					
Accrued interest	5,232	2,173	6,764	2,813	1,638
Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Special assessments	-	-	51,210	-	-
TOTAL ASSETS	\$ 841,327	\$ 551,476	\$ 1,719,770	\$ 879,966	\$ 401,060
LIABILITIES					
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - taxes	-	-	-	-	-
Unavailable revenues - special assessments	-	-	51,210	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	51,210	-	-
FUND BALANCES					
Restricted	-	551,476	1,110,360	-	-
Assigned	841,327	-	558,200	879,966	401,060
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	841,327	551,476	1,668,560	879,966	401,060
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 841,327	\$ 551,476	\$ 1,719,770	\$ 879,966	\$ 401,060

Storm Water Management	Tree Preservation	Parks Capital Replacement	Americans with Disabilities Act	Community Projects	Permanent Improvement Revolving	Tax Increment Financing	Total
\$ 591,610	\$ 10,222	\$ 1,008,738	\$ 72,353	\$ 298,438	\$ -	\$ 1,000,347	\$ 7,305,477
3,297	49	3,637	237	1,196	-	3,372	30,408
-	-	-	-	-	85	41,786	41,871
129,774	-	-	-	-	-	-	129,774
3,342	-	-	-	-	195,348	-	249,900
<u>\$ 728,023</u>	<u>\$ 10,271</u>	<u>\$ 1,012,375</u>	<u>\$ 72,590</u>	<u>\$ 299,634</u>	<u>\$ 195,433</u>	<u>\$ 1,045,505</u>	<u>\$ 7,757,430</u>
\$ 857	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,761	\$ 121,618
1,897	-	-	-	-	-	-	1,897
-	-	-	-	-	138,517	9,066	147,583
2,754	-	-	-	-	138,517	129,827	271,098
-	-	-	-	-	-	28,747	28,747
3,342	-	-	-	-	195,348	-	249,900
3,342	-	-	-	-	195,348	28,747	278,647
-	-	-	-	-	-	886,931	2,548,767
721,927	10,271	1,012,375	72,590	299,634	-	-	4,797,350
-	-	-	-	-	(138,432)	-	(138,432)
721,927	10,271	1,012,375	72,590	299,634	(138,432)	886,931	7,207,685
<u>\$ 728,023</u>	<u>\$ 10,271</u>	<u>\$ 1,012,375</u>	<u>\$ 72,590</u>	<u>\$ 299,634</u>	<u>\$ 195,433</u>	<u>\$ 1,045,505</u>	<u>\$ 7,757,430</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
SUBCOMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Capital Facilities	Equipment Acquisition	Parks Acquisition and Development	State Aid Construction	Capital Improvement Revolving
REVENUES					
Tax increments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	317,000	-	-
Special assessments	-	-	-	-	-
Investment earnings	15,598	5,855	15,599	7,879	4,463
TOTAL REVENUES	15,598	5,855	332,599	7,879	4,463
EXPENDITURES					
Current					
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay					
Public works	-	-	-	-	-
Culture and recreation	-	-	64,590	-	-
TOTAL EXPENDITURES	-	-	64,590	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	15,598	5,855	268,009	7,879	4,463
OTHER FINANCING SOURCES (USES)					
Transfers in	-	7,500	-	189,002	-
Transfers out	(479,087)	-	(33,567)	(15,547)	(10,354)
TOTAL OTHER FINANCING SOURCES (USES)	(479,087)	7,500	(33,567)	173,455	(10,354)
NET CHANGE IN FUND BALANCES	(463,489)	13,355	234,442	181,334	(5,891)
FUND BALANCES, JANUARY 1	1,304,816	538,121	1,434,118	698,632	406,951
FUND BALANCES, DECEMBER 31	\$ 841,327	\$ 551,476	\$ 1,668,560	\$ 879,966	\$ 401,060

Storm Water Management	Tree Preservation	Parks Capital Replacement	Americans with Disabilities Act	Community Projects	Permanent Improvement Revolving	Tax Increment Financing	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,386	\$ 2,020,664	\$ 2,022,050
-	-	-	-	-	2	-	2
486,858	-	-	-	-	-	-	803,858
1,426	-	-	-	-	117,865	-	119,291
7,438	58	8,495	474	3,580	-	1,740	71,179
<u>495,722</u>	<u>58</u>	<u>8,495</u>	<u>474</u>	<u>3,580</u>	<u>119,253</u>	<u>2,022,404</u>	<u>3,016,380</u>
87,204	-	-	-	2,648	-	-	89,852
-	7,911	44,847	-	-	-	-	52,758
-	-	-	-	-	-	266,996	266,996
11,650	-	-	24,335	-	-	-	35,985
-	-	-	-	-	-	-	64,590
<u>98,854</u>	<u>7,911</u>	<u>44,847</u>	<u>24,335</u>	<u>2,648</u>	<u>-</u>	<u>266,996</u>	<u>510,181</u>
<u>396,868</u>	<u>(7,853)</u>	<u>(36,352)</u>	<u>(23,861)</u>	<u>932</u>	<u>119,253</u>	<u>1,755,408</u>	<u>2,506,199</u>
-	-	200,000	33,800	-	73,294	427,575	931,171
(11,166)	-	(50,997)	-	-	-	(958,116)	(1,558,834)
<u>(11,166)</u>	<u>-</u>	<u>149,003</u>	<u>33,800</u>	<u>-</u>	<u>73,294</u>	<u>(530,541)</u>	<u>(627,663)</u>
385,702	(7,853)	112,651	9,939	932	192,547	1,224,867	1,878,536
<u>336,225</u>	<u>18,124</u>	<u>899,724</u>	<u>62,651</u>	<u>298,702</u>	<u>(330,979)</u>	<u>(337,936)</u>	<u>5,329,149</u>
<u>\$ 721,927</u>	<u>\$ 10,271</u>	<u>\$ 1,012,375</u>	<u>\$ 72,590</u>	<u>\$ 299,634</u>	<u>\$ (138,432)</u>	<u>\$ 886,931</u>	<u>\$ 7,207,685</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED ON THE FOLLOWING PAGES
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
REVENUES					
Taxes					
Property taxes	\$ 14,918,500	\$ 14,918,500	\$ 15,146,879	\$ 228,379	\$ 13,610,505
Cable franchise fees	97,600	97,600	98,221	621	97,628
Total	<u>15,016,100</u>	<u>15,016,100</u>	<u>15,245,100</u>	<u>229,000</u>	<u>13,708,133</u>
Licenses and permits					
Business	881,900	881,900	835,061	(46,839)	1,239,617
Nonbusiness	6,000	6,000	8,945	2,945	2,037
Total	<u>887,900</u>	<u>887,900</u>	<u>844,006</u>	<u>(43,894)</u>	<u>1,241,654</u>
Intergovernmental					
Federal					
Other	32,800	32,800	15,942	(16,858)	29,025
State					
Property tax credits	-	-	1,809	1,809	1,200
Police and fire aid	419,000	419,000	493,774	74,774	465,613
PERA aid	20,200	20,200	20,190	(10)	20,190
Other	-	-	46,951	46,951	4,137
County	53,000	53,000	42,465	(10,535)	51,598
Local	84,800	84,800	84,810	10	81,527
Total	<u>609,800</u>	<u>609,800</u>	<u>705,941</u>	<u>96,141</u>	<u>653,290</u>
Charges for services					
General government	2,200	2,200	2,023	(177)	5,895
Public safety	95,000	95,000	65,505	(29,495)	83,293
Public works	271,200	271,200	390,917	119,717	388,434
Rentals	245,900	245,900	229,335	(16,565)	217,837
Community development	32,000	32,000	30,743	(1,257)	40,401
Total	<u>646,300</u>	<u>646,300</u>	<u>718,523</u>	<u>72,223</u>	<u>735,860</u>
Fines and forfeitures	<u>120,000</u>	<u>120,000</u>	<u>120,029</u>	<u>29</u>	<u>135,382</u>
Special assessments	<u>6,000</u>	<u>6,000</u>	<u>6,873</u>	<u>873</u>	<u>13,099</u>
Investment earnings	<u>92,900</u>	<u>92,900</u>	<u>88,525</u>	<u>(4,375)</u>	<u>90,341</u>
Miscellaneous					
Donations	11,800	11,800	165	(11,635)	338
Other	6,200	6,200	6,045	(155)	16,898
Total	<u>18,000</u>	<u>18,000</u>	<u>6,210</u>	<u>(11,790)</u>	<u>17,236</u>
TOTAL REVENUES	<u>17,397,000</u>	<u>17,397,000</u>	<u>17,735,207</u>	<u>338,207</u>	<u>16,594,995</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES					
Current					
General government					
Mayor and City Council					
Personnel services	\$ 49,800	\$ 49,800	\$ 49,448	\$ 352	\$ 41,430
Supplies	300	300	121	179	314
Other services and charges	93,700	93,700	105,382	(11,682)	103,464
Total	<u>143,800</u>	<u>143,800</u>	<u>154,951</u>	<u>(11,151)</u>	<u>145,208</u>
City administration					
Personnel services	516,100	516,100	487,554	28,546	459,951
Supplies	45,200	45,200	48,200	(3,000)	45,023
Other services and charges	103,000	103,000	110,785	(7,785)	109,924
Total	<u>664,300</u>	<u>664,300</u>	<u>646,539</u>	<u>17,761</u>	<u>614,898</u>
Elections					
Personnel services	24,500	24,500	230	24,270	40,095
Supplies	1,300	1,300	-	1,300	410
Other services and charges	4,200	4,200	(183)	4,383	5,848
Total	<u>30,000</u>	<u>30,000</u>	<u>47</u>	<u>29,953</u>	<u>46,353</u>
Financial administration					
Personnel services	635,500	635,500	627,354	8,146	619,239
Supplies	108,100	108,100	107,355	745	106,139
Other services and charges	127,900	127,900	127,394	506	106,881
Total	<u>871,500</u>	<u>871,500</u>	<u>862,103</u>	<u>9,397</u>	<u>832,259</u>
Total general government	<u>1,709,600</u>	<u>1,709,600</u>	<u>1,663,640</u>	<u>45,960</u>	<u>1,638,718</u>
Public safety					
Police					
Personnel services	4,593,400	4,593,400	4,383,777	209,623	4,213,357
Supplies	322,700	345,600	322,480	23,120	326,332
Other services and charges	1,546,000	1,556,500	1,466,049	90,451	1,430,599
Total	<u>6,462,100</u>	<u>6,495,500</u>	<u>6,172,306</u>	<u>323,194</u>	<u>5,970,288</u>
Fire					
Personnel services	1,259,400	1,290,400	1,227,862	62,538	1,103,952
Supplies	198,700	210,700	227,050	(16,350)	182,719
Other services and charges	717,500	717,500	715,351	2,149	702,540
Total	<u>2,175,600</u>	<u>2,218,600</u>	<u>2,170,263</u>	<u>48,337</u>	<u>1,989,211</u>
Total public safety	<u>8,637,700</u>	<u>8,714,100</u>	<u>8,342,569</u>	<u>371,531</u>	<u>7,959,499</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current - continued					
Public works					
Streets and highways					
Personnel services	\$ 177,700	\$ 177,700	\$ 187,454	\$ (9,754)	\$ 178,093
Supplies	23,400	23,400	23,030	370	23,616
Other services and charges	31,900	31,900	20,952	10,948	14,638
Total	<u>233,000</u>	<u>233,000</u>	<u>231,436</u>	<u>1,564</u>	<u>216,347</u>
Engineering					
Personnel services	778,300	778,300	768,631	9,669	739,236
Supplies	58,800	58,800	55,962	2,838	47,888
Other services and charges	124,500	143,300	167,552	(24,252)	129,704
Total	<u>961,600</u>	<u>980,400</u>	<u>992,145</u>	<u>(11,745)</u>	<u>916,828</u>
Street maintenance					
Personnel services	820,100	820,100	777,131	42,969	807,019
Supplies	439,000	439,000	443,902	(4,902)	471,600
Other services and charges	1,206,200	1,206,200	1,195,935	10,265	1,100,881
Total	<u>2,465,300</u>	<u>2,465,300</u>	<u>2,416,968</u>	<u>48,332</u>	<u>2,379,500</u>
Street lighting					
Other services and charges	187,200	187,200	148,743	38,457	154,879
Total public works	<u>3,847,100</u>	<u>3,865,900</u>	<u>3,789,292</u>	<u>76,608</u>	<u>3,667,554</u>
Culture and recreation					
Parks and recreation					
Personnel services	917,500	917,500	912,906	4,594	854,243
Supplies	172,900	172,900	184,532	(11,632)	135,287
Other services and charges	700,000	713,000	715,539	(2,539)	688,332
Total culture and recreation	<u>1,790,400</u>	<u>1,803,400</u>	<u>1,812,977</u>	<u>(9,577)</u>	<u>1,677,862</u>
Community development					
Community development					
Personnel services	305,600	305,600	313,023	(7,423)	293,759
Supplies	15,000	15,000	15,111	(111)	14,926
Other services and charges	29,100	29,100	39,456	(10,356)	26,219
Total	<u>349,700</u>	<u>349,700</u>	<u>367,590</u>	<u>(17,890)</u>	<u>334,904</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2015
(With comparative actual amounts for the year ended December 31, 2014)

	2015			Variance with Final Budget	2014
	Budget Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current - continued					
Community development - continued					
Planning					
Personnel services	\$ 237,300	\$ 237,300	\$ 233,336	\$ 3,964	\$ 237,733
Supplies	18,000	18,000	17,870	130	18,137
Other services and charges	87,200	103,200	66,006	37,194	43,484
Total	<u>342,500</u>	<u>358,500</u>	<u>317,212</u>	<u>41,288</u>	<u>299,354</u>
Inspections					
Personnel services	408,100	408,100	399,410	8,690	400,607
Supplies	34,100	34,100	30,645	3,455	26,239
Other services and charges	80,500	85,100	69,320	15,780	69,053
Total	<u>522,700</u>	<u>527,300</u>	<u>499,375</u>	<u>27,925</u>	<u>495,899</u>
Total community development	<u>1,214,900</u>	<u>1,235,500</u>	<u>1,184,177</u>	<u>51,323</u>	<u>1,130,157</u>
TOTAL EXPENDITURES	<u>17,199,700</u>	<u>17,328,500</u>	<u>16,792,655</u>	<u>535,845</u>	<u>16,073,790</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>197,300</u>	<u>68,500</u>	<u>942,552</u>	<u>874,052</u>	<u>521,205</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	792,600	792,600	793,318	718	1,106,467
Transfers out	(989,900)	(989,900)	(1,000,367)	(10,467)	(547,069)
Insurance recovery	-	-	-	-	300
TOTAL OTHER FINANCING SOURCES (USES)	<u>(197,300)</u>	<u>(197,300)</u>	<u>(207,049)</u>	<u>(9,749)</u>	<u>559,698</u>
NET CHANGE IN FUND BALANCES	-	(128,800)	735,503	864,303	1,080,903
FUND BALANCES, JANUARY 1	<u>9,191,116</u>	<u>9,191,116</u>	<u>9,191,116</u>	-	<u>8,110,213</u>
FUND BALANCES, DECEMBER 31	<u>\$ 9,191,116</u>	<u>\$ 9,062,316</u>	<u>\$ 9,926,619</u>	<u>\$ 864,303</u>	<u>\$ 9,191,116</u>

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INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis. Revenues are recognized in the accounting period in which they are earned and become objectively measurable; expenses are recognized in the period incurred, if objectively measurable.

Compensated Absences was established to account for payment of unused vacation, sick, personal leave, and severance and allocation of such costs to respective departments.

Risk Management was established to account for all City insurance programs related to the ongoing operations with the exception of employee benefit coverage.

Central Equipment was established to account for the cost of operating a maintenance facility and providing vehicles and equipment used by City departments and funds. The exception is the Golf Course fund which maintains its own equipment and vehicles.

Central Stores was established to account for the centralized purchase of consumable office supplies used by departments of the City.

City Facilities was established to account for the cost of maintaining City Hall. User departments are charged a rental fee based upon square footage.

Technology was established to account for the maintenance of all computer systems of the City.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2015

	<u>Compensated Absences</u>	<u>Risk Management</u>	<u>Central Equipment</u>	<u>Central Stores</u>
ASSETS				
CURRENT ASSETS				
Cash and temporary investments	\$ 1,505,571	\$ 814,563	\$ 12,443,945	\$ 498,979
Receivables				
Accrued interest	6,057	3,212	49,631	2,008
Due from other funds	-	-	80,828	-
Inventories	-	-	68,449	-
Prepaid items	-	124,998	-	-
	<u>1,511,628</u>	<u>942,773</u>	<u>12,642,853</u>	<u>500,987</u>
TOTAL CURRENT ASSETS				
NONCURRENT ASSETS				
Capital assets				
Land	-	-	209,122	-
Buildings and systems	-	-	1,708,857	-
Improvements other than buildings	-	-	240,717	-
Machinery and equipment	-	-	9,358,983	6,997
Less accumulated depreciation	-	-	(7,293,396)	(6,997)
	<u>-</u>	<u>-</u>	<u>4,224,283</u>	<u>-</u>
Total capital assets (net of accumulated depreciation)	-	-	4,224,283	-
	<u>1,511,628</u>	<u>942,773</u>	<u>16,867,136</u>	<u>500,987</u>
TOTAL ASSETS				
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension resources	-	1,189	21,999	-
	<u>-</u>	<u>1,189</u>	<u>21,999</u>	<u>-</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts and contracts payable	-	3,431	101,282	8,022
Accrued salaries payable	-	387	10,066	-
Due to other governments	-	-	60	-
Compensated absences payable - current	716,250	988	25,936	-
	<u>716,250</u>	<u>4,806</u>	<u>137,344</u>	<u>8,022</u>
TOTAL CURRENT LIABILITIES				
NONCURRENT LIABILITIES				
Compensated absences payable	795,378	839	32,428	-
Pension liability	-	10,278	190,158	-
	<u>795,378</u>	<u>11,117</u>	<u>222,586</u>	<u>-</u>
TOTAL NONCURRENT LIABILITIES				
	<u>1,511,628</u>	<u>15,923</u>	<u>359,930</u>	<u>8,022</u>
TOTAL LIABILITIES				
DEFERRED INFLOWS OF RESOURCES				
Deferred pension resources	-	2,466	45,625	-
	<u>-</u>	<u>2,466</u>	<u>45,625</u>	<u>-</u>
NET POSITION				
Investment in capital assets	-	-	4,224,283	-
Unrestricted	-	925,573	12,259,297	492,965
	<u>-</u>	<u>925,573</u>	<u>16,483,580</u>	<u>492,965</u>
TOTAL NET POSITION				
	<u>\$ -</u>	<u>\$ 925,573</u>	<u>\$ 16,483,580</u>	<u>\$ 492,965</u>

City Facilities	Technology	Total
\$ 156,110	\$ 800,074	\$ 16,219,242
747	3,233	64,888
-	-	80,828
-	-	68,449
-	-	124,998
<u>156,857</u>	<u>803,307</u>	<u>16,558,405</u>
-	-	209,122
15,700,645	-	17,409,502
-	-	240,717
285,900	506,015	10,157,895
<u>(274,956)</u>	<u>(339,391)</u>	<u>(7,914,740)</u>
<u>15,711,589</u>	<u>166,624</u>	<u>20,102,496</u>
<u>15,868,446</u>	<u>969,931</u>	<u>36,660,901</u>
<u>4,768</u>	<u>22,797</u>	<u>50,753</u>
3,102	50,343	166,180
199	9,151	19,803
29	392	481
<u>5,379</u>	<u>19,516</u>	<u>768,069</u>
8,709	79,402	954,533
12,717	8,646	850,008
<u>41,212</u>	<u>197,055</u>	<u>438,703</u>
53,929	205,701	1,288,711
<u>62,638</u>	<u>285,103</u>	<u>2,243,244</u>
<u>9,888</u>	<u>47,280</u>	<u>105,259</u>
15,711,589	166,624	20,102,496
<u>89,099</u>	<u>493,721</u>	<u>14,260,655</u>
<u>\$ 15,800,688</u>	<u>\$ 660,345</u>	<u>\$ 34,363,151</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2015

	Compensated Absences	Risk Management	Central Equipment	Central Stores
OPERATING REVENUES				
Charges for services	\$ 141,851	\$ 734,700	\$ 2,399,700	\$ 88,200
OPERATING EXPENSES				
Personnel services	158,366	16,056	310,929	-
Other current expenses	-	731,611	665,332	84,342
Depreciation	-	-	798,932	-
Other	-	-	-	-
TOTAL OPERATING EXPENSES	158,366	747,667	1,775,193	84,342
OPERATING INCOME (LOSS)	(16,515)	(12,967)	624,507	3,858
NONOPERATING REVENUES				
Investment earnings	16,515	8,122	137,864	5,382
Miscellaneous	-	114,248	3,507	331
Gain on sale of capital assets	-	-	11,070	-
TOTAL NONOPERATING REVENUES	16,515	122,370	152,441	5,713
INCOME (LOSS) BEFORE TRANSFERS	-	109,403	776,948	9,571
CAPITAL CONTRIBUTIONS FROM OTHER FUNDS	-	-	-	-
TRANSFERS OUT	-	-	-	-
CHANGE IN NET POSITION	-	109,403	776,948	9,571
NET POSITION, JANUARY 1 AS RESTATED (NOTE 10)	-	816,170	15,706,632	483,394
NET POSITION, DECEMBER 31	\$ -	\$ 925,573	\$ 16,483,580	\$ 492,965

<u>City Facilities</u>	<u>Technology</u>	<u>Total</u>
<u>\$ 358,402</u>	<u>\$ 746,100</u>	<u>\$ 4,468,953</u>
71,537	315,786	872,674
404,864	303,377	2,189,526
17,153	41,633	857,718
<u>-</u>	<u>236</u>	<u>236</u>
<u>493,554</u>	<u>661,032</u>	<u>3,920,154</u>
<u>(135,152)</u>	<u>85,068</u>	<u>548,799</u>
2,279	7,765	177,927
-	-	118,086
<u>-</u>	<u>-</u>	<u>11,070</u>
<u>2,279</u>	<u>7,765</u>	<u>307,083</u>
(132,873)	92,833	855,882
15,700,645	-	15,700,645
<u>(14,700)</u>	<u>-</u>	<u>(14,700)</u>
15,553,072	92,833	16,541,827
<u>247,616</u>	<u>567,512</u>	<u>17,821,324</u>
<u>\$ 15,800,688</u>	<u>\$ 660,345</u>	<u>\$ 34,363,151</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Compensated Absences	Risk Management	Central Equipment	Central Stores
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 141,851	\$ 734,700	\$ 2,399,700	\$ 88,200
Other operating receipts	-	114,248	3,507	331
Payments to suppliers	-	(747,035)	(680,519)	(80,439)
Payments to employees	(151,377)	(16,231)	(317,593)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(9,526)</u>	<u>85,682</u>	<u>1,405,095</u>	<u>8,092</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments on interfund balances	-	-	(37,586)	-
Transfers to other funds	-	-	-	-
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(37,586)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	(1,598,544)	-
Proceeds from sale of capital assets	-	-	11,070	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(1,587,474)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	15,961	7,597	134,566	5,153
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	6,435	93,279	(85,399)	13,245
CASH AND CASH EQUIVALENTS, JANUARY 1				
	<u>1,499,136</u>	<u>721,284</u>	<u>12,529,344</u>	<u>485,734</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31				
	<u>\$ 1,505,571</u>	<u>\$ 814,563</u>	<u>\$ 12,443,945</u>	<u>\$ 498,979</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (16,515)	\$ (12,967)	\$ 624,507	\$ 3,858
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	-	-	798,932	-
Loss on disposal of capital assets	-	-	-	-
Other income related to operations	-	114,248	3,507	331
(Increase) decrease in assets/deferred outflows				
Accounts receivable	-	-	-	-
Inventories	-	-	(4,385)	-
Prepaid items	-	(15,773)	-	-
Deferred pension resource	-	520	10,034	-
Increase (decrease) in liabilities/deferred inflows				
Accounts and contracts payable	-	349	(10,444)	3,903
Accrued salaries payable	-	(39)	862	-
Due to other governments	-	-	(358)	-
Compensated absences payable	6,989	324	3,920	-
Pension liability	-	(526)	(12,380)	-
Deferred pension resource	-	(454)	(9,100)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (9,526)</u>	<u>\$ 85,682</u>	<u>\$ 1,405,095</u>	<u>\$ 8,092</u>
SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets acquired on account	\$ -	\$ -	\$ 75,710	\$ -
Capital assets contributed from other funds	\$ -	\$ -	\$ -	\$ -
Net disposal of capital assets	\$ -	\$ -	\$ -	\$ -

City Facilities	Technology	Total
\$ 358,402	\$ 746,241	\$ 4,469,094
-	-	118,086
(310,542)	(255,323)	(2,073,858)
<u>(74,427)</u>	<u>(305,432)</u>	<u>(865,060)</u>
<u>(26,567)</u>	<u>185,486</u>	<u>1,648,262</u>
-	-	(37,586)
<u>(14,700)</u>	<u>-</u>	<u>(14,700)</u>
<u>(14,700)</u>	<u>-</u>	<u>(52,286)</u>
-	(84,484)	(1,683,028)
<u>-</u>	<u>-</u>	<u>11,070</u>
<u>-</u>	<u>(84,484)</u>	<u>(1,671,958)</u>
<u>2,307</u>	<u>7,058</u>	<u>172,642</u>
(38,960)	108,060	96,660
<u>195,070</u>	<u>692,014</u>	<u>16,122,582</u>
<u>\$ 156,110</u>	<u>\$ 800,074</u>	<u>\$ 16,219,242</u>
\$ (135,152)	\$ 85,068	\$ 548,799
17,153	41,633	857,718
100,401	-	100,401
-	-	118,086
-	141	141
-	-	(4,385)
-	2,494	(13,279)
2,104	8,083	20,741
(6,044)	46,827	34,591
(1,508)	1,496	811
(35)	(1,031)	(1,424)
606	4,439	16,278
(2,240)	1,811	(13,335)
<u>(1,852)</u>	<u>(5,475)</u>	<u>(16,881)</u>
<u>\$ (26,567)</u>	<u>\$ 185,486</u>	<u>\$ 1,648,262</u>

\$ -	\$ -	\$ 75,710
\$ 15,700,645	\$ -	\$ 15,700,645
\$ 100,401	\$ -	\$ 100,401

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 AGENCY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 DECEMBER 31, 2015

	Escrow	Grant Pass Through	Total
ASSETS			
Cash and temporary investments	\$ 775,732	\$ -	\$ 775,732
Due from other governments	-	51,298	51,298
TOTAL ASSETS	\$ 775,732	\$ 51,298	\$ 827,030
LIABILITIES			
Accounts payable	\$ 24,685	\$ -	\$ 24,685
Due to other governments	-	51,298	51,298
Deposits payable	751,047	-	751,047
TOTAL LIABILITIES	\$ 775,732	\$ 51,298	\$ 827,030

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED DECEMBER 31, 2015

	12/31/2014	Additions	Deletions	12/31/2015
ESCROW				
ASSETS				
Cash and temporary investments	\$ 4,041,640	\$ 1,229,441	\$ (4,495,349)	\$ 775,732
LIABILITIES				
Accounts payable	\$ 7,780	\$ 32,537	\$ (15,632)	\$ 24,685
Due to other governments	109	-	(109)	-
Deposits payable	4,033,751	1,196,904	(4,479,608)	751,047
TOTAL LIABILITIES	\$ 4,041,640	\$ 1,229,441	\$ (4,495,349)	\$ 775,732
GRANT PASS THROUGH				
ASSETS				
Cash and temporary investments	\$ -	\$ 205,080	\$ (205,080)	\$ -
Due from other governments	48,728	51,298	(48,728)	51,298
TOTAL ASSETS	\$ 48,728	\$ 256,378	\$ (253,808)	\$ 51,298
LIABILITIES				
Due to other governments	\$ 48,728	\$ 207,650	\$ (205,080)	\$ 51,298
TOTAL - ALL FUNDS				
ASSETS				
Cash and temporary investments	\$ 4,041,640	\$ 1,434,521	\$ (4,700,429)	\$ 775,732
Due from other governments	48,728	51,298	(48,728)	51,298
TOTAL ASSETS	\$ 4,090,368	\$ 1,485,819	\$ (4,749,157)	\$ 827,030
LIABILITIES				
Accounts payable	\$ 7,780	\$ 32,537	\$ (15,632)	\$ 24,685
Due to other governments	48,837	207,650	(205,189)	51,298
Deposits payable	4,033,751	1,196,904	(4,479,608)	751,047
TOTAL LIABILITIES	\$ 4,090,368	\$ 1,437,091	\$ (4,700,429)	\$ 827,030

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STATISTICAL SECTION (UNAUDITED)

CITY OF INVER GROVE HEIGHTS
INVER GROVE HEIGHTS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2015

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STATISTICAL SECTION (UNAUDITED)

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	<u>Pages</u>
Financial Trends	139-149
<p>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</p>	
Revenue Capacity	151-157
<p>These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.</p>	
Debt Capacity	158-164
<p>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	165-167
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	
Operating Information	168-173
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
SUMMARY FINANCIAL REPORT
GOVERNMENTAL FUNDS
REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Total		Percent Increase (Decrease)
	2015	2014	
REVENUES			
Taxes	\$ 18,951,875	\$ 17,190,552	10.25 %
Licenses and permits	844,006	1,241,654	(32.03)
Intergovernmental	1,111,405	4,124,588	(73.05)
Charges for services	6,857,352	6,389,688	7.32
Fines and forfeits	120,029	135,382	(11.34)
Special assessments	1,759,195	2,295,620	(23.37)
Investment earnings	257,824	359,937	(28.37)
Miscellaneous	455,909	234,831	94.14
	<u>\$ 30,357,595</u>	<u>\$ 31,972,252</u>	(5.05) %
TOTAL REVENUES			
Per Capita	\$ 875	\$ 928	(5.74) %
EXPENDITURES			
Current			
General government	\$ 1,667,440	\$ 1,641,093	1.61 %
Public safety	8,342,569	7,959,499	4.81
Public works	4,580,122	4,466,294	2.55
Culture and recreation	5,284,502	5,174,615	2.12
Community development	1,612,736	1,499,946	7.52
Capital outlay			
Public safety	41,300	127,117	(67.51)
Public works	3,996,548	3,839,083	4.10
Culture and recreation	686,427	612,844	12.01
Community development	214,985	918,702	(76.60)
Debt service			
Principal	3,688,280	6,249,919	(40.99)
Interest and other charges	675,558	888,890	(24.00)
Bond issuance costs	131,221	83,755	56.67
	<u>\$ 30,921,688</u>	<u>\$ 33,461,757</u>	(7.59) %
TOTAL EXPENDITURES			
Per Capita	\$ 891	\$ 971	(8.26) %
Total Long-term Indebtedness	\$ 27,767,302	\$ 23,568,911	17.81 %
Per Capita	800	684	16.96
General Fund Balance - December 31	\$ 9,926,619	\$ 9,191,116	8.00 %
Per Capita	286	267	7.22

The purpose of this report is to provide a summary of financial information concerning the City of Inver Grove Heights to interested citizens. The complete financial statements may be examined at City Hall, 8150 Barbara Avenue, Inver Grove Heights, MN 55077-3412. Questions about this report should be directed to Kristi Smith, Director of Finance at (651) 450-2500.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Governmental activities				
Net investment in capital assets	\$ 32,775,616	\$ 50,998,343	\$ 60,697,315	\$ 57,281,127
Restricted	16,063,647	18,675,449	12,005,964	18,781,144
Unrestricted	<u>34,566,375</u>	<u>28,104,726</u>	<u>27,450,326</u>	<u>24,988,115</u>
Total governmental activities net position	<u>\$ 83,405,638</u>	<u>\$ 97,778,518</u>	<u>\$ 100,153,605</u>	<u>\$ 101,050,386</u>
Business-type activities				
Net investment in capital assets	\$ 32,434,034	\$ 31,672,726	\$ 39,534,301	\$ 43,737,884
Restricted	455,035	449,310	452,585	658,585
Unrestricted	<u>13,658,080</u>	<u>14,467,523</u>	<u>14,769,882</u>	<u>14,451,156</u>
Total business-type activities net position	<u>\$ 46,547,149</u>	<u>\$ 46,589,559</u>	<u>\$ 54,756,768</u>	<u>\$ 58,847,625</u>
Total primary government				
Net investment in capital assets	\$ 65,209,650	\$ 82,671,069	\$ 100,231,616	\$ 101,019,011
Restricted	16,518,682	19,124,759	12,458,549	19,439,729
Unrestricted	<u>48,224,455</u>	<u>42,572,249</u>	<u>42,220,208</u>	<u>39,439,271</u>
Total primary government net position	<u>\$ 129,952,787</u>	<u>\$ 144,368,077</u>	<u>\$ 154,910,373</u>	<u>\$ 159,898,011</u>

Note: The City implemented GASB Statement No. 63 and GASB Statement No. 65 in fiscal 2013. Net position information has been restated for 2012 for this accounting change. Years prior to 2012 have not been restated. The City implemented GASB Statement No. 68 and GASB Statement No. 67 in fiscal 2015. Years prior to 2015 have not been restated.

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2010	2011	Restated 2012 (1)	2013	2014	2015
\$ 74,158,575	\$ 72,950,086	\$ 83,551,495	\$ 85,313,175	\$ 88,745,756	\$ 92,587,696
12,453,322	14,658,567	6,562,002	5,419,184	6,560,238	7,697,092
25,315,734	20,841,229	35,453,954	33,615,784	37,024,099	32,064,187
<u>\$ 111,927,631</u>	<u>\$ 108,449,882</u>	<u>\$ 125,567,451</u>	<u>\$ 124,348,143</u>	<u>\$ 132,330,093</u>	<u>\$ 132,348,975</u>
\$ 45,236,978	\$ 56,914,506	\$ 34,833,936	\$ 38,002,856	\$ 38,248,637	\$ 40,500,700
658,415	452,053	-	-	-	-
12,609,019	9,876,848	18,909,882	21,168,180	20,875,925	18,559,610
<u>\$ 58,504,412</u>	<u>\$ 67,243,407</u>	<u>\$ 53,743,818</u>	<u>\$ 59,171,036</u>	<u>\$ 59,124,562</u>	<u>\$ 59,060,310</u>
\$ 119,395,553	\$ 129,864,592	\$ 118,385,431	\$ 123,316,031	\$ 126,994,393	\$ 133,088,396
13,111,737	15,110,620	6,562,002	5,419,184	6,560,238	7,697,092
37,924,753	30,718,077	54,363,836	54,783,964	57,900,024	50,623,797
<u>\$ 170,432,043</u>	<u>\$ 175,693,289</u>	<u>\$ 179,311,269</u>	<u>\$ 183,519,179</u>	<u>\$ 191,454,655</u>	<u>\$ 191,409,285</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATISTICAL SECTION (UNAUDITED)
CHANGES IN NET POSITION - CONTINUED ON THE FOLLOWING PAGES
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Expenses				
Governmental activities				
General government	\$ 1,792,165	\$ 1,771,417	\$ 1,737,716	\$ 2,026,218
Public safety	5,439,604	6,346,833	6,336,979	7,042,090
Public works	8,493,389	7,156,773	7,572,473	6,319,903
Culture and recreation	5,603,770	5,445,672	6,069,640	6,316,467
Community development	870,424	737,322	1,150,747	1,206,108
Interest on long-term debt	1,521,443	1,602,568	1,559,182	1,820,910
	<u>23,720,795</u>	<u>23,060,585</u>	<u>24,426,737</u>	<u>24,731,696</u>
Total governmental activities expenses				
Business-type activities				
Water	1,983,305	2,155,438	2,292,462	2,312,751
Sewer	2,213,214	2,265,611	2,459,592	2,606,924
Golf course	1,715,543	1,803,911	1,794,455	1,732,070
	<u>5,912,062</u>	<u>6,224,960</u>	<u>6,546,509</u>	<u>6,651,745</u>
Total business-type activities expenses				
Total primary government expenses				
	<u>\$ 29,632,857</u>	<u>\$ 29,285,545</u>	<u>\$ 30,973,246</u>	<u>\$ 31,383,441</u>
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 461,018	\$ 503,160	\$ 521,732	\$ 532,763
Public safety	426,361	417,614	441,372	535,041
Public works	3,888,741	2,567,160	2,836,092	2,616,135
Culture and recreation	2,920,599	2,717,820	3,010,263	3,073,540
Community development	1,089,944	892,214	768,835	551,990
Operating grants and contributions	757,674	700,540	731,289	438,040
Capital grants and contributions	1,830,082	8,760,506	6,873,396	3,541,500
	<u>11,374,419</u>	<u>16,559,014</u>	<u>15,182,979</u>	<u>11,289,009</u>
Total governmental activities program revenues				
Business-type activities				
Charges for services				
Water	2,807,351	2,963,389	2,927,775	3,000,199
Sewer	2,359,705	2,512,190	2,598,373	2,662,849
Golf course	1,564,199	1,580,115	1,507,717	1,420,419
Operating grants and contributions	1,945	-	-	-
Capital grants and contributions	465,000	-	-	-
	<u>7,198,200</u>	<u>7,055,694</u>	<u>7,033,865</u>	<u>7,083,467</u>
Total business-type activities program revenues				
Total primary government program revenues				
	<u>\$ 18,572,619</u>	<u>\$ 23,614,708</u>	<u>\$ 22,216,844</u>	<u>\$ 18,372,476</u>

Fiscal Year					
2010	2011	Restated 2012 (1)	2013	2014	2015
\$ 1,996,947	\$ 1,873,647	\$ 1,835,043	\$ 1,789,711	\$ 1,764,065	\$ 1,655,475
7,335,691	7,399,743	7,840,331	7,806,417	8,069,896	8,109,514
8,655,734	7,135,787	10,021,043	6,225,122	7,284,147	6,816,075
6,296,071	6,990,333	6,320,509	6,417,200	6,382,850	6,576,337
1,216,039	1,202,751	1,786,359	1,784,117	2,403,058	1,792,921
1,945,392	2,230,632	1,612,457	1,026,367	873,009	771,350
<u>27,445,874</u>	<u>26,832,893</u>	<u>29,415,742</u>	<u>25,048,934</u>	<u>26,777,025</u>	<u>25,721,672</u>
2,367,258	2,393,558	2,967,411	2,550,172	2,722,584	2,381,673
2,728,937	3,018,197	3,253,964	3,342,170	3,422,724	3,628,484
1,905,427	2,014,668	1,926,395	1,653,246	1,537,243	1,581,313
<u>7,001,622</u>	<u>7,426,423</u>	<u>8,147,770</u>	<u>7,545,588</u>	<u>7,682,551</u>	<u>7,591,470</u>
<u>\$ 34,447,496</u>	<u>\$ 34,259,316</u>	<u>\$ 37,563,512</u>	<u>\$ 32,594,522</u>	<u>\$ 34,459,576</u>	<u>\$ 33,313,142</u>
\$ 495,545	\$ 557,450	\$ 578,465	\$ 13,492	\$ 13,086	\$ 11,190
413,967	456,068	540,587	612,664	625,566	629,828
3,435,705	2,810,312	3,176,747	3,159,957	3,257,758	3,552,354
2,673,480	2,677,946	2,864,888	2,683,173	2,966,749	3,184,781
436,696	667,667	720,775	1,082,712	1,144,089	702,948
861,740	876,505	938,347	952,499	1,170,083	1,012,882
9,618,339	5,382,914	5,320,013	2,971,574	6,587,288	3,860,088
<u>17,935,472</u>	<u>13,428,862</u>	<u>14,139,822</u>	<u>11,476,071</u>	<u>15,764,619</u>	<u>12,954,071</u>
2,762,005	2,879,883	3,304,846	3,054,386	2,818,851	2,899,782
2,697,623	2,776,965	2,875,891	3,016,134	3,052,651	3,088,659
1,436,476	1,405,244	2,819,818	1,402,594	1,414,141	1,634,226
-	-	-	1,961	1,418	12,587
1,852,464	28,889	92,036	1,188,808	1,177,104	1,463,961
<u>8,748,568</u>	<u>7,090,981</u>	<u>9,092,591</u>	<u>8,663,883</u>	<u>8,464,165</u>	<u>9,099,215</u>
<u>\$ 26,684,040</u>	<u>\$ 20,519,843</u>	<u>\$ 23,232,413</u>	<u>\$ 20,139,954</u>	<u>\$ 24,228,784</u>	<u>\$ 22,053,286</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
STATISTICAL SECTION (UNAUDITED)
CHANGES IN NET POSITION - CONTINUED
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Net revenues (expenses)				
Governmental activities	\$ (12,346,376)	\$ (6,501,571)	\$ (9,243,758)	\$ (13,442,687)
Business-type activities	1,286,138	830,734	487,356	431,722
Total primary government net revenues (expenses)	<u>\$ (11,060,238)</u>	<u>\$ (5,670,837)</u>	<u>\$ (8,756,402)</u>	<u>\$ (13,010,965)</u>
General revenues and other changes in net position				
Governmental activities				
Taxes				
Property taxes	\$ 11,889,473	\$ 13,416,439	\$ 14,512,035	\$ 14,904,906
Tax increments	1,433,288	1,549,967	1,755,275	1,944,714
Lodging taxes	78,841	85,177	79,675	67,680
Franchise taxes	65,012	71,693	78,252	84,045
Grants and contributions not restricted to specific programs	327,880	678,553	394,342	146,602
Other general revenues	43,189	129,155	75,684	73,453
Unrestricted investment earnings	2,325,566	2,780,813	1,817,888	540,070
Gain on sale of capital assets	9,944	15,626	21,950	6,800
Transfers	(1,978,760)	1,357,789	(7,116,256)	(3,428,802)
Total governmental activities	<u>14,194,433</u>	<u>20,085,212</u>	<u>11,618,845</u>	<u>14,339,468</u>
Business-type activities				
Unrestricted investment earnings	471,744	569,465	563,597	230,333
Transfers	1,978,760	(1,357,789)	7,116,256	3,428,802
Total business-type activities	<u>2,450,504</u>	<u>(788,324)</u>	<u>7,679,853</u>	<u>3,659,135</u>
Total primary government	<u>\$ 16,644,937</u>	<u>\$ 19,296,888</u>	<u>\$ 19,298,698</u>	<u>\$ 17,998,603</u>
Change in net position				
Governmental activities	\$ 1,848,057	\$ 13,583,641	\$ 2,375,087	\$ 896,781
Business-type activities	3,736,642	42,410	8,167,209	4,090,857
Total primary government	<u>\$ 5,584,699</u>	<u>\$ 13,626,051</u>	<u>\$ 10,542,296</u>	<u>\$ 4,987,638</u>

Note: The City implemented GASB Statement No. 63 and GASB Statement No. 65 in fiscal 2013. Net position information has been restated for 2012 for this accounting change. Years prior to 2012 have not been restated. The City implemented GASB Statement No. 68 and GASB Statement No. 67 in fiscal 2015. Years prior to 2015 have not been restated.

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2010	2011	Restated 2012 (1)	2013	2014	2015
\$ (9,510,402)	\$ (13,404,031)	\$ (15,275,920)	\$ (13,572,863)	\$ (11,012,406)	\$ (12,767,601)
<u>1,746,946</u>	<u>(335,442)</u>	<u>944,821</u>	<u>1,118,295</u>	<u>781,614</u>	<u>1,507,745</u>
<u>\$ (7,763,456)</u>	<u>\$ (13,739,473)</u>	<u>\$ (14,331,099)</u>	<u>\$ (12,454,568)</u>	<u>\$ (10,230,792)</u>	<u>\$ (11,259,856)</u>
\$ 15,188,210	\$ 15,043,355	\$ 14,943,650	\$ 14,607,605	\$ 15,070,818	\$ 16,657,367
1,931,921	1,969,395	1,922,302	1,861,618	1,931,061	2,020,664
67,329	77,882	79,790	88,151	105,877	106,361
86,148	88,755	90,442	90,442	90,442	98,221
130,042	134,220	300,636	162,694	95,004	144,337
93,539	159,354	-	-	-	-
669,074	1,165,824	375,830	(210,750)	575,796	435,751
-	210,741	1,561	17,780	12,855	11,070
<u>2,221,384</u>	<u>(8,923,244)</u>	<u>(1,388,301)</u>	<u>(4,263,985)</u>	<u>1,112,503</u>	<u>841,284</u>
<u>20,387,647</u>	<u>9,926,282</u>	<u>16,325,910</u>	<u>12,353,555</u>	<u>18,994,356</u>	<u>20,315,055</u>
131,225	151,193	274,251	44,938	284,415	232,427
<u>(2,221,384)</u>	<u>8,923,244</u>	<u>1,388,301</u>	<u>4,263,985</u>	<u>(1,112,503)</u>	<u>(841,284)</u>
<u>(2,090,159)</u>	<u>9,074,437</u>	<u>1,662,552</u>	<u>4,308,923</u>	<u>(828,088)</u>	<u>(608,857)</u>
<u>\$ 18,297,488</u>	<u>\$ 19,000,719</u>	<u>\$ 17,988,462</u>	<u>\$ 16,662,478</u>	<u>\$ 18,166,268</u>	<u>\$ 19,706,198</u>
\$ 10,877,245	\$ (3,477,749)	\$ 1,049,990	\$ (1,219,308)	\$ 7,981,950	\$ 7,547,454
<u>(343,213)</u>	<u>8,738,995</u>	<u>2,607,373</u>	<u>5,427,218</u>	<u>(46,474)</u>	<u>898,888</u>
<u>\$ 10,534,032</u>	<u>\$ 5,261,246</u>	<u>\$ 3,657,363</u>	<u>\$ 4,207,910</u>	<u>\$ 7,935,476</u>	<u>\$ 8,446,342</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
General fund				
Reserved	\$ -	\$ 3,585	\$ 108,185	\$ 98,333
Unreserved	3,854,788	5,189,802	5,274,733	5,598,129
Nonspendable	N/A	N/A	N/A	N/A
Restricted	N/A	N/A	N/A	N/A
Unassigned	N/A	N/A	N/A	N/A
Total General fund	<u>\$ 3,854,788</u>	<u>\$ 5,193,387</u>	<u>\$ 5,382,918</u>	<u>\$ 5,696,462</u>
All other governmental funds				
Reserved	\$ 12,208,969	\$ 13,436,456	\$ 4,452,887	\$ 5,295,327
Unreserved, reported in				
Special revenue funds	865,890	936,324	874,094	870,678
Capital project funds	21,132,746	24,452,102	14,692,627	12,270,926
Debt service funds	-	-	5,856,321	5,146,914
Nonspendable	N/A	N/A	N/A	N/A
Restricted	N/A	N/A	N/A	N/A
Committed	N/A	N/A	N/A	N/A
Assigned	N/A	N/A	N/A	N/A
Unassigned	N/A	N/A	N/A	N/A
Total all other governmental funds	<u>\$ 34,207,605</u>	<u>\$ 38,824,882</u>	<u>\$ 25,875,929</u>	<u>\$ 23,583,845</u>

Note: GASB Statement No. 54 replaced the categories used to classify fund balance. The City implemented GASB Statement No. 54 in 2011, prior year balances were not reclassified.

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental to enterprise (business-type) in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2010	2011	Restated 2012 (1)	2013	2014	2015
\$ 2,745	N/A	N/A	N/A	N/A	N/A
5,773,572	N/A	N/A	N/A	N/A	N/A
N/A	\$ 24,021	\$ 9,159	\$ 4,399	\$ 57,292	\$ 3,667
N/A	-	45,800	76,800	22,000	-
N/A	6,326,550	7,232,157	8,029,014	9,111,824	9,922,952
<u>\$ 5,776,317</u>	<u>\$ 6,350,571</u>	<u>\$ 7,287,116</u>	<u>\$ 8,110,213</u>	<u>\$ 9,191,116</u>	<u>\$ 9,926,619</u>
\$ 5,342,811	N/A	N/A	N/A	N/A	N/A
772,562	N/A	N/A	N/A	N/A	N/A
19,084,320	N/A	N/A	N/A	N/A	N/A
3,794,637	N/A	N/A	N/A	N/A	N/A
N/A	\$ 621	\$ 1,001,348	\$ 19,644	\$ 21,450	\$ 7,203
N/A	6,874,221	4,234,679	3,088,157	4,137,256	10,128,899
N/A	596,070	630,787	1,038,100	1,023,281	955,348
N/A	20,691,467	15,858,720	13,113,187	13,249,048	14,066,297
N/A	(2,144,267)	(3,026,964)	(3,246,835)	(2,727,214)	(1,949,474)
<u>\$ 28,994,330</u>	<u>\$ 26,018,112</u>	<u>\$ 18,698,570</u>	<u>\$ 14,012,253</u>	<u>\$ 15,703,821</u>	<u>\$ 23,208,273</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year			
	2006	2007	2008	2009
Revenues				
Taxes	\$ 13,438,211	\$ 15,047,852	\$ 16,264,650	\$ 17,075,882
Licenses and permits	1,149,773	976,524	818,150	635,156
Intergovernmental	1,593,055	4,370,962	2,164,334	2,289,629
Charges for services	5,831,282	5,353,359	5,933,025	5,578,401
Fines and forfeitures	178,512	196,372	228,450	211,425
Special assessments	816,970	2,119,996	2,586,684	2,274,280
Investment earnings	1,949,004	2,269,014	1,284,695	299,861
Miscellaneous	792,241	600,513	690,453	826,337
Total revenues	25,749,048	30,934,592	29,970,441	29,190,971
Expenditures				
Current				
General government	1,719,222	1,740,388	1,895,023	1,982,238
Public safety	5,454,799	6,506,134	6,825,682	7,043,048
Public works	6,328,727	4,820,017	4,975,347	5,230,215
Culture and recreation	4,778,548	4,769,974	5,043,447	4,976,319
Community development	1,051,464	1,145,706	1,269,484	1,224,278
Capital outlay	9,151,931	11,096,576	19,897,612	16,794,084
Debt service				
Principal	7,510,635	3,701,631	3,828,761	4,121,035
Interest and other charges	1,374,273	1,615,311	1,603,807	1,581,586
Bond issuance costs	-	-	-	-
Total expenditures	37,369,599	35,395,737	45,339,163	42,952,803
Deficiency of revenues under expenditures	(11,620,551)	(4,461,145)	(15,368,722)	(13,761,832)
Other financing sources (uses)				
Transfers in	7,797,287	9,227,808	13,430,166	10,943,426
Transfers out	(8,568,904)	(8,323,973)	(12,293,469)	(9,049,622)
Bond proceeds	9,950,000	9,510,000	5,375,000	9,900,000
Discount on bonds issued	(82,464)	-	-	(10,512)
Premium on bonds issued	-	3,186	42,603	-
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Principal paid on refunded bonds	-	-	(3,945,000)	-
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	9,095,919	10,417,021	2,609,300	11,783,292
Net change in fund balances	\$ (2,524,632)	\$ 5,955,876	\$ (12,759,422)	\$ (1,978,540)
Debt service as a percentage of noncapital expenditures	31.49%	22.27%	15.77%	18.44%

(1) The Water Revenue Bonds and Sewer Revenue Bonds debt service funds and the Water Connection, Sewer Connection, and Water System Improvements capital projects funds were reclassified from governmental to enterprise (business-type) in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year

2010	2011	Restated 2012 (1)	2013	2014	2015
\$ 17,198,981	\$ 17,258,994	\$ 17,091,099	\$ 16,627,528	\$ 17,190,552	\$ 18,951,875
515,398	815,420	750,483	951,948	1,241,654	844,006
3,347,225	3,948,793	4,170,433	2,143,879	4,124,588	1,111,405
6,183,014	5,560,114	6,168,808	6,241,363	6,389,688	6,857,352
141,962	115,075	125,164	148,113	135,382	120,029
2,887,090	2,397,132	1,945,973	1,500,383	2,295,620	1,759,195
527,014	991,558	213,053	(183,005)	359,937	257,824
1,546,668	847,598	1,383,500	261,540	234,831	455,909
<u>32,347,352</u>	<u>31,934,684</u>	<u>31,848,513</u>	<u>27,691,749</u>	<u>31,972,252</u>	<u>30,357,595</u>
1,873,064	1,852,938	1,697,773	1,623,512	1,641,093	1,667,440
7,202,451	7,304,412	7,644,656	7,750,149	7,959,499	8,342,569
4,949,744	6,081,929	5,995,442	4,168,764	4,466,294	4,580,122
5,019,535	5,346,020	4,932,946	4,926,142	5,174,615	5,284,502
1,269,570	1,212,442	1,298,078	1,612,680	1,499,946	1,612,736
16,080,562	6,819,201	8,003,440	3,440,919	5,497,746	4,939,260
3,828,462	4,215,622	3,194,586	4,632,042	6,249,919	3,688,280
1,993,944	2,278,893	1,476,542	1,112,013	888,890	675,558
-	-	-	-	83,755	131,221
<u>42,217,332</u>	<u>35,111,457</u>	<u>34,243,463</u>	<u>29,266,221</u>	<u>33,461,757</u>	<u>30,921,688</u>
<u>(9,869,980)</u>	<u>(3,176,773)</u>	<u>(2,394,950)</u>	<u>(1,574,472)</u>	<u>(1,489,505)</u>	<u>(564,093)</u>
14,723,247	12,099,659	11,122,977	9,003,530	7,171,496	5,633,063
(11,114,442)	(10,853,484)	(11,829,020)	(10,907,954)	(5,917,699)	(4,762,561)
11,770,000	-	-	-	-	7,745,000
(18,485)	-	-	-	-	-
-	58,634	13,500	-	118,912	188,546
-	4,505,000	395,000	-	4,650,000	-
-	-	-	-	(1,761,033)	-
-	(5,240,000)	-	(400,000)	-	-
-	-	-	15,676	300	-
-	205,000	-	-	-	-
<u>15,360,320</u>	<u>774,809</u>	<u>(297,543)</u>	<u>(2,288,748)</u>	<u>4,261,976</u>	<u>8,804,048</u>
<u>\$ 5,490,340</u>	<u>\$ (2,401,964)</u>	<u>\$ (2,692,493)</u>	<u>\$ (3,863,220)</u>	<u>\$ 2,772,471</u>	<u>\$ 8,239,955</u>
<u>22.24%</u>	<u>23.32%</u>	<u>16.27%</u>	<u>21.65%</u>	<u>24.25%</u>	<u>16.36%</u>

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

Fiscal Year	Property Tax	Tax Increments	Lodging Tax	Franchise Tax	Total
2006	\$ 11,861,070	\$ 1,433,288	\$ 78,841	\$ 65,012	\$ 13,438,211
2007	13,341,015	1,549,967	85,177	71,693	15,047,852
2008	14,351,448	1,755,275	79,675	78,252	16,264,650
2009	14,979,443	1,944,714	67,680	84,045	17,075,882
2010	15,113,583	1,931,921	67,329	86,148	17,198,981
2011	15,122,962	1,969,395	77,882	88,755	17,258,994
2012	14,998,565	1,922,302	79,790	90,442	17,091,099
2013	14,587,317	1,861,618	85,530	93,063	16,627,528
2014	15,063,172	1,931,061	98,691	97,628	17,190,552
2015	16,726,629	2,020,664	106,361	98,221	18,951,875

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Fiscal Year Ended December 31, (1)	Tax Capacity				Total Taxable Assessed Value
	Real Property		Personal Property	Less Tax Exempt Real Property	
	Residential Property	Commercial Property			
2006	\$ 28,092,798	\$ 6,785,382	\$ 546,827	\$ 2,706,324	\$ 32,718,683
2007	30,713,810	7,675,026	591,752	3,308,206	35,672,382
2008	31,628,857	8,479,372	590,408	3,709,772	36,988,865
2009	31,596,479	9,301,789	595,548	3,735,276	37,758,540
2010	28,706,695	9,408,125	601,227	3,681,380	35,034,667
2011	26,997,619	9,019,537	642,312	3,833,236	32,826,232
2012	24,584,767	9,012,637	664,866	3,795,448	30,466,822
2013	22,793,327	9,065,568	706,136	3,788,856	28,776,175
2014	23,523,484	9,252,706	711,742	3,824,454	29,573,016
2015	25,635,739	9,263,633	726,252	3,914,916	31,710,708

Source: Dakota County Assessor.

(1) Represents the year the taxes are payable, not the year the taxes are levied.

Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
35.546	\$ 3,123,686,500	1.14 %
36.514	3,424,105,600	1.14
37.403	3,550,439,300	1.15
37.878	3,586,873,800	1.16
41.757	3,311,984,400	1.17
43.162	3,128,770,600	1.17
44.883	2,893,900,109	1.18
46.312	2,720,514,055	1.20
46.128	2,798,175,018	1.20
48.131	3,005,516,326	1.19

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS

Fiscal Year	City of Inver Grove Heights		
	Operating Millage	Debt Service Millage	Total Direct Rate
2007	33.979 %	2.535 %	36.514 %
2008	34.972	2.431	37.403
2009	35.838	2.040	37.878
2010	39.507	2.250	41.757
2011	40.142	3.020	43.162
2012	41.628	3.255	44.883
2013	42.231	4.081	46.312
2014	41.949	4.179	46.128
2015	44.793	3.338	48.131
2016	43.621	5.645	49.266

Source: Dakota County Treasurer - Auditor.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners (e.g. the rates for School District No. 199 apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the school district).

(2) Special districts include: Metropolitan Council, Mosquito Control, and Metropolitan Transit.

Dakota County	Overlapping Rates (1)				Total Direct & Overlapping Rates
	School District No. 199	School District No. 196	School District No. 197	Special Districts (2)	
25.127 %	16.607 %	23.607 %	19.838 %	4.416 %	126.109 %
25.184	19.764	21.136	18.914	4.393	126.794
25.821	19.303	21.109	18.051	4.328	126.490
27.269	21.795	25.391	18.850	4.421	139.483
29.146	24.987	26.954	19.687	4.669	148.605
31.426	28.363	28.440	21.857	5.021	159.990
33.421	27.556	27.956	24.429	5.341	165.015
31.827	33.418	27.606	23.863	4.993	167.835
29.633	34.864	23.271	24.063	4.567	164.529
28.570	30.272	24.317	22.170	4.614	159.209

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT AND NINE YEARS AGO

Taxpayer	2015			2006		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
Xcel Energy (Northern States Power)	\$ 1,972,488	1	5.54 %	\$ 1,492,449	1	4.21 %
Flint Hills	491,464	2	1.38	-		-
ML Casa IV LP (I & G Southview LLC)	480,617	3	1.35	-		-
PHM Inver Grove Inc	347,218	4	0.97	343,950	4	0.97
Lake Cove Village Partnership	345,227	5	0.97	359,304	3	1.01
Vansouth Ltd. Partnership	284,646	6	0.80	223,269	9	0.63
Salem Green Ltd. Partnership	269,833	7	0.76	250,000	7	0.71
Farmers Union Central Exchange (Cenex)	248,314	8	0.70	277,702	5	0.78
Brentwood Hills Ltd. Partnership	238,367	9	0.67	275,000	6	0.78
Pearlwood Estates Ltd	219,768	10	0.62	412,500	2	1.16
Southview Gables				412,500	2	1.16
Pine Bend Landfill, Inc.				248,436	8	0.70
Individual				206,250	10	0.58
Total	\$ 4,897,942		13.76 %	\$ 4,501,360		12.69 %

Source: Dakota County Treasurer - Auditor.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for Fiscal Year	Collection of Current Year's Levy	Percentage of Levy Collected	Collection of Prior Years' Levy	Total Collections	Percentage of Total Collections to Levy
2006	\$ 12,428,187	\$ 11,987,163	96.45 %	\$ 99,319	\$ 12,086,482	97.25 %
2007	13,920,446	13,785,797	99.03	134,307	13,920,104	100.00
2008	14,908,875	14,464,183	97.02	217,045	14,681,228	98.47
2009	15,420,973	14,752,509	95.67	197,189	14,949,698	96.94
2010	15,689,990	14,872,404	94.79	167,249	15,039,653	95.86
2011	15,632,796	14,836,938	94.91	133,075	14,970,013	95.76
2012	14,958,691	14,850,595	99.28	67,699	14,918,294	99.73
2013	14,551,809	14,394,161	98.92	141,552	14,535,713	99.89
2014	15,056,760	14,777,176	98.14	209,651	14,986,827	99.54
2015	16,468,844	16,445,209	99.86	-	16,445,209	99.86

Source: Dakota County Treasurer - Auditor.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation (G.O.) Bonds (1)	G.O. Tax Increment Bonds	G.O. Special Assessments Bonds	G.O. Revenue Bonds (1)	Capital Leases			
2006	\$ 12,791,596	\$ 19,422,494	\$ 9,510,000	\$ 3,005,000	\$ -	\$ 44,729,090	3.48 %	\$ 1,347
2007	18,549,965	18,504,648	10,635,000	2,675,000	-	50,364,613	3.70	1,517
2008	17,861,204	13,495,593	14,085,000	2,340,000	-	47,781,797	3.46	1,422
2009	26,575,170	12,343,913	12,440,000	1,990,000	-	53,349,083	3.29	1,573
2010	32,241,708	11,128,847	16,055,000	1,620,000	-	61,045,555	3.76	1,802
2011	30,800,655	9,924,586	13,655,000	1,235,000	157,875	55,773,116	4.77	1,651
2012	12,288,258	8,540,273	12,252,929	24,356,205	108,445	57,546,110	4.97	1,704
2013	10,171,859	6,105,000	10,456,544	21,040,004	83,245	47,856,652	4.02	1,400
2014	9,790,308	3,982,550	9,796,053	17,282,225	56,823	40,907,959	3.79	1,187
2015	17,363,296	2,836,275	7,567,731	20,408,629	29,120	48,205,051	3.94	1,389

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for personal income and population data.

(1) The G.O. revenue bonds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less Amounts Restricted for Debt Service	Net Bonded Debt	Percentage of Estimated Market Value of Taxable Property (1)	Per Capita (2)
2006	\$ 44,729,090	\$ 1,073,623	\$ 43,655,467	1.40 %	\$ 1,315
2007	50,364,613	880,062	49,484,551	1.45	1,491
2008	47,781,797	850,429	46,931,368	1.32	1,396
2009	53,349,083	1,110,181	52,238,902	1.46	1,540
2010	61,045,555	805,606	60,239,949	1.82	1,778
2011	55,615,241	482,331	55,132,910	1.76	1,632
2012	57,437,665	5,055,559	52,382,106	1.81	1,551
2013	47,773,407	4,662,906	43,110,501	1.58	1,261
2014	40,851,136	6,000,117	34,851,019	1.25	1,011
2015	48,175,931	5,119,578	43,056,353	1.43	1,240

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 DECEMBER 31, 2015

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Dakota County	\$ 38,910,000	7.7565 %	\$ 301,805,415
School District # 199	64,175,000	93.098	5,974,564,150
School District # 196	69,650,000	5.3602	373,337,930
School District # 197	49,465,000	0.8437	41,733,621
Metropolitan Council	206,140,000	1.0265	211,602,710
Total overlapping debt	428,340,000		6,903,043,826
City of Inver Grove Heights direct debt	27,767,302	100.0000	2,776,730,200
Total direct and overlapping debt	\$ 456,107,302		\$9,679,774,026

Source: Dakota County Treasurer/Auditor.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Inver Grove Heights, Minnesota. This process recognizes that, when considering the government's ability of issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable market property values. Applicable percentages were estimated by determining the portion of the county's taxable market value that is within the City's boundaries and dividing it by the County's total taxable market value.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Debt limit	\$ 62,473,730	\$ 68,482,112	\$ 106,625,237	\$ 107,716,655
Total net debt applicable to limit	<u>13,865,219</u>	<u>17,669,903</u>	<u>17,010,755</u>	<u>25,464,989</u>
Legal debt margin	<u>\$ 48,608,511</u>	<u>\$ 50,812,209</u>	<u>\$ 89,614,482</u>	<u>\$ 82,251,666</u>
Total net debt applicable to the limit as a percent of debt limit	22.19%	25.80%	15.95%	23.64%

Note: Under state law, the City's outstanding general obligation debt should not exceed 3 percent of the market value of taxable property. Net debt is payable solely from ad valorem taxes and, therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues, or tax increments. Prior to 2008, state law provided that general obligation debt should not exceed 2 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the extinguishment of those obligations.

(1) The G.O. revenue bonds were reclassified from governmental activities to business-type activities in 2013. Activity prior to 2012 has not been restated for this change.

Fiscal Year					
2010	2011	2012 (1)	2013	2014	2015
\$ 99,474,529	\$ 93,976,981	\$ 86,930,669	\$ 81,615,422	\$ 83,945,251	\$ 90,165,490
<u>31,436,102</u>	<u>31,282,986</u>	<u>8,878,622</u>	<u>7,685,804</u>	<u>6,181,018</u>	<u>14,077,236</u>
<u>\$ 68,038,427</u>	<u>\$ 62,693,995</u>	<u>\$ 78,052,047</u>	<u>\$ 73,929,618</u>	<u>\$ 77,764,233</u>	<u>\$ 76,088,254</u>
31.60%	33.29%	10.21%	9.42%	7.36%	15.61%

Legal Debt Margin Calculation for Fiscal Year 2015

Taxable market value	<u>\$ 3,005,516,326</u>
Debt limit (3 percent of market value)	<u>\$ 90,165,490</u>
Debt applicable to limit	
General obligation bonds	17,171,870
Less: amount available in debt service funds	<u>(3,094,634)</u>
Total net debt applicable to limit	<u>14,077,236</u>
Legal debt margin	<u>\$ 76,088,254</u>

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS

Water G.O. Revenue Bonds							
Fiscal Year	Water Charges and other (2)	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal (5)	Interest	Total	
2013	\$ 3,054,386	\$ 1,461,176	\$ 1,593,210	\$ 685,000	\$ 331,270	\$ 1,016,270	156.77 %
2014	2,818,851	1,771,162	1,047,689	745,000	169,423	914,423	114.57
2015	2,899,782	1,449,803	1,449,979	805,000	91,050	896,050	161.82

Sewer G.O. Revenue Bonds							
Fiscal Year	Sewer Charges and other (3)	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal (6)	Interest	Total	
2013	\$ 3,016,134	\$ 2,287,807	\$ 728,327	\$ 235,000	\$ 445,141	\$ 680,141	107.08 %
2014	3,052,651	2,299,419	753,232	465,000	434,060	899,060	83.78
2015	3,088,659	2,653,539	435,120	475,000	301,760	776,760	56.02

Golf Course G.O. Revenue Bonds							
Fiscal Year	Golf Course Charges and Others (4)	Less Operating Expense (1)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2006	\$ 1,555,519	\$ 1,331,260	\$ 224,259	\$ 320,000	\$ 133,035	\$ 453,035	49.50 %
2007	1,579,503	1,442,783	136,720	330,000	125,035	455,035	30.05
2008	1,475,051	1,446,906	28,145	335,000	114,310	449,310	6.26
2009	1,408,208	1,392,570	15,638	350,000	102,585	452,585	3.46
2010	1,435,930	1,579,430	(143,500)	370,000	88,585	458,585	(31.29)
2011	1,401,052	1,690,209	(289,157)	385,000	73,415	458,415	(63.08)
2012	1,560,687	1,566,754	(6,067)	1,235,000	57,053	1,292,053	(0.47)

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Excludes depreciation expense.

(2) There are no water fund debt service requirements before 2012.

(3) There are no sewer fund debt service requirements before 2013.

(4) There are no golf course debt service requirements after 2012.

(5) Excludes refunded principal paid through cash held with fiscal agent (\$2,380,000 in 2013, \$2,885,000 in 2014).

(6) Excludes refunded principal paid through escrow agent (\$4,780,000 in 2014).

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income	Per Capita Personal Income (1)	Unemployment Rate
2006	33,195	\$1,286,339,445	\$ 38,751 (2)	3.6 %
2007	33,195	1,362,123,630	41,034 (2)	4.2
2008	33,608	1,379,070,672	41,034 (2)	5.0
2009	33,917	1,623,369,371	47,863 (2)	7.4
2010	33,880	1,621,598,440	47,863	7.3
2011	33,774	1,170,302,874	34,651	6.2
2012	33,774	1,159,022,358	34,317	5.3
2013	34,189	1,190,529,358	34,822	4.7
2014	34,458	1,080,533,964	31,358	3.9
2015	34,709	1,222,173,308	35,212	3.5

Data Sources

Metropolitan Council (www.metrocouncil.org)

Minnesota Dept of Employment and Economic Development (www.deed.state.mn.us)

U.S. Census Bureau (www.factfinder2.census.gov)

(1) Per Capita Personal Income uses the latest published numbers.

(2) Per Capita Personal Income is for the State of MN, not solely the City of Inver Grove Heights and uses the latest published data.

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CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

	2015			2006		
	Employees	Rank	Percent of City Employment (1)	Employees	Rank	Percent of City Employment (1)
Cenex / CHS Cooperatives	1,000	1	2.65 %	1,000	1	5.02 %
Independent School District 199	570	2	1.51	525	2	2.64
Inver Hills Community College	484	3	1.28	425	4	2.13
Gertens	470	4	1.25	-		-
Evergreen Industries	450	5	1.19	300	5	1.51
Travel Tags	350	6	0.93	430	3	2.16
Total Construction	250	7	0.66	-		-
Wal-Mart	230	8	0.61	270	6	1.36
Cub Foods	160	9	0.42	-		-
City of Inver Grove Heights	127	10	0.34	135	10	0.68
BFI Waste Services	-	-	-	140	7	0.70
Southview Chevrolet	-	-	-	135	8	0.68
Lofton Label	-	-	-	133	9	0.67
Total	<u>4,091</u>		<u>10.84 %</u>	<u>3,493</u>		<u>17.55 %</u>

Source: Minnesota Department of Trade and Economic Development, MNPro.com

(1) Represents total employment within the company, not just those working within the City.

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011
General government	31	31	30	29	29	27
Public safety						
Police						
Officers	33	34	34	33	33	33
Civilians	8	9	9	8	6	6
Fire						
Firefighters and officers	-	1	1	1	1	1
Civilians	1	1	2	2	2	2
Public works						
Engineering	8	8	7	8	8	8
Maintenance	16	16	15	15	15	15
Culture and recreation	29	26	25	25	25	24
Water and Sewer	9	9	9	9	9	9
 Total	 135	 135	 132	 130	 128	 125

Source: City budgets and personnel records.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
27	29	29	28
33	32	32	35
5	5	5	6
2	2	2	3
2	2	2	2
8	6	6	6
15	15	15	15
23	22	22	25
<u>9</u>	<u>7</u>	<u>7</u>	<u>7</u>
124	120	120	127

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 OPERATING INDICATORS BY FUNCTION
 LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011
Police						
Physical arrests (1)	1,749	1,223	983	762	308	383
Traffic violations	5,090	4,765	4,715	4,535	4,195	2,616
Fire						
Calls answered	706	802	1,055	1,143	1,256	1,170
Public works						
Resurfacing (miles)	7.61	7.12	4.94	4.29	2.45	2.53
Culture and recreation						
Athletic field permits issued	2,442	2,515	2,591	2,746	2,828	2,884
Community center admissions	113,997	132,550	149,547	165,500	181,206	198,940
Rounds of golf purchased	50,975	51,480	45,933	46,075	49,936	50,531
Driving range buckets (2)	28,057	28,050	25,360	25,368	24,505	20,548
Water						
New connections	74	28	31	17	6	10
Water main breaks	3	6	4	3	7	4
Average daily consumption (millions of gallons)	3.10	3.16	3.12	3.05	2.73	2.75

Sources: City department records.

(1) Only felony arrests were tracked in 2010 and thereafter.

(2) Driving range buckets can be purchased in three sizes ranging from twenty to seventy-five balls per bucket.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
327	346	353	418
2,237	2,244	1,653	1,285
1,243	1,159	1,249	1,193
2.45	0.83	1.75	1.25
2,941	2,794	2,849	2,877
206,968	231,137	230,717	227,791
52,581	47,027	50,667	52,997
25,216	17,608	17,167	19,901
147	105	50	37
6	6	10	3
3.08	2.79	2.65	2.75

CITY OF INVER GROVE HEIGHTS, MINNESOTA
 STATISTICAL SECTION (UNAUDITED)
 CAPITAL ASSET STATISTICS BY FUNCTION
 LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011
Public safety						
Police						
Stations	1	1	1	1	1	1
Patrol units	20	20	20	21	21	21
Fire stations						
Stations	2	2	2	2	2	2
Fire trucks	-	-	11	11	10	10
Other vehicles	-	-	5	5	4	4
Public works						
Highways and streets						
Streets (miles) (3)	144	144	144	147	147	147
Street lights (1)	61	61	61	61	61	33
Traffic signals (2)	2	2	2	2	2	2
Culture and recreation						
Parks acreage	567	885	885	885	885	885
Parks	26	27	27	27	27	27
Swimming pools	4	4	4	4	4	4
Tennis courts	11	11	11	11	11	11
Community centers	1	1	1	1	1	1
Golf courses	1	1	1	1	1	1
Utilities						
Water						
Miles of water main (3)	154	155	155	155	155	155
Wells	6	6	6	6	7	7
Fire hydrants	1,561	1,570	1,580	1,585	1,595	1,598
Maximum daily capacity (millions of gallons)	8	7	11	11	13	13
Sewer						
Miles of sanitary sewer	113	114	114	116	116	124
Miles of storm sewers	76	91	94	99	105	117

Source: City department records.

- (1) The majority of street lights in the City are owned by the utility companies.
- (2) The majority of traffic lights in the City are owned by Dakota County and/or the State of Minnesota.
- (3) Prior to 2012, calculations included privately owned water mains and streets.

2012	2013	2014	2015
1	1	1	1
21	21	21	21
2	2	2	2
10	10	10	10
4	4	4	4
134	135	140	141
33	33	33	33
2	2	2	2
885	844	844	844
27	28	28	28
4	4	4	4
11	11	11	11
1	1	1	1
1	1	1	1
148	152	158	156
7	7	7	7
1,605	1,554	1,683	1,711
13	13	13	13
128	125	125	132
120	98	99	102

Management Letter

City of Inver Grove Heights

Inver Grove Heights, Minnesota

For the Year Ended

December 31, 2015

Management, Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota, (the City) for the year ended December 31, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 8, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control over financial reporting (internal control) of the City. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Audit Findings

In planning and performing our audit of the financial statements, we considered the City's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of Minnesota statutes. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements. We noted no instances of noncompliance with Minnesota statutes.

Summary of Prior Year Findings

2014-001 Material audit adjustments

Condition: During our audit, a material adjustment was needed to correct the year-end account for unbilled 2013 storm water charges which were inadvertently adjusted out of receivables.

Criteria: Such adjustments were needed to correct year end balances. Amounts reported in the City's accounting system need to agree to the underlying supporting documentation

Current year status:

The City has made the necessary adjustments in the current year related to these specific balances.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 10 to the financial statements, the City changed accounting policies related to accounting and financial reporting for pensions by adopting Statement of Governmental Accounting Standards (GASB) Statements No. 68 and 71 in 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is disclosed in Note 10. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements include depreciation on capital assets, allocation of payroll and compensated absences, the liability for other postemployment benefits, value of land held for resale, and the assets and liabilities for the City's pensions.

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.
- Allocations of gross wages and payroll benefits are approved by City Council within the City's budget and are derived from each employee's estimated time to be spent servicing the respective functions of the City. These allocations are also used in allocating accrued compensated absences payable.
- Management's estimate of its OPEB liability is based on several factors including, but not limited to, anticipated retirement age for active employees, life expectancy, turnover, and healthcare cost trend rate.
- Management's estimate of land held for resale is based on estimated net realizable value of acquired assets intended to be resold. Land and property purchased that management believes will be donated for economic development purposes are expensed in the year acquired.
- Management's estimate of its pension liabilities and assets are based on several factors including, but not limited to, anticipated investment return rate, retirement age for active employees, life expectancy, salary increases and form of annuity payment upon retirement.
 - The allocation of the pension liability related to Minnesota Public Employee Retirement Association (PERA) is based on the City's proportionate share of employer contributions to the PERA cost-sharing multiple employer Coordinated and Police and Fire pension plans.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were noted.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 14, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) (Management's Discussion and Analysis, the Schedules of Employer's Share of the Net Pension Liability, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, the Schedules of Employer's Contributions and the Schedule of Funding Progress for Other Post-Employment Benefits Plan), which is information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information (combining and individual fund financial statements), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory or statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on them.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Financial Position and Results of Operations

Our principal observations and recommendations are summarized below. These recommendations resulted from our observations made in connection with our audit of the City’s financial statements for the year ended December 31, 2015.

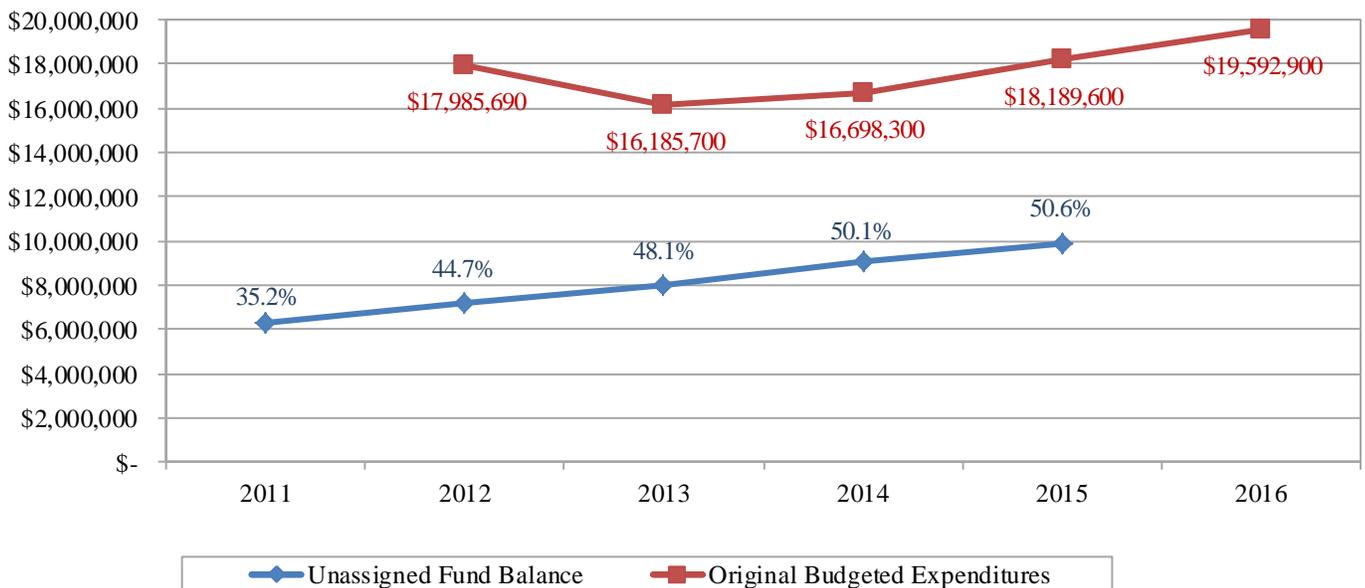
General Fund

The General fund is used to account for resources traditionally associated with government, which are not required legally or by sound principal management to be accounted for in another fund. The General fund balance increased \$735,503 from 2014. We recommend that the fund balance be maintained at a level sufficient to fund operations until the major revenue sources are received in June. The City’s fund balance policy for the General fund identifies a target unassigned fund balance of 40 to 45 percent of next year’s budgeted expenditures. The City’s ending fund balance is above this target level as shown in the chart below.

The purposes and benefits of a strong fund balance are as follows:

- Expenditures are incurred somewhat evenly throughout the year. However, property tax and state aid revenues are not received until the second half of the year. An adequate fund balance will provide the cash flow required to finance the governmental fund expenditures.
- The City is vulnerable to legislative actions at the State and Federal level. The State continually adjusts the local government aid formulas. An adequate fund balance will provide a temporary buffer against aid adjustments and levy limits.
- Expenditures not anticipated at the time the annual budget was adopted may need immediate City Council action. These would include capital outlay, replacement, lawsuits and other items. An adequate fund balance will provide the financing needed for such expenditures.
- A strong fund balance will assist the City in maintaining, improving or obtaining its bond rating. The result may be better interest rates in future bond sales.

Fund Balance as a Percent of Next Year’s Budgeted Expenditures



The 2015 General fund operations are summarized as follows:

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 17,397,000	\$ 17,735,207	\$ 338,207
Expenditures	<u>17,328,500</u>	<u>16,792,655</u>	<u>535,845</u>
Excess of revenues over expenditures	<u>68,500</u>	<u>942,552</u>	<u>874,052</u>
Other financing sources (uses)			
Transfers in	792,600	793,318	718
Transfers out	<u>(989,900)</u>	<u>(1,000,367)</u>	<u>(10,467)</u>
Total other financing sources (uses)	<u>(197,300)</u>	<u>(207,049)</u>	<u>(9,749)</u>
Net change in fund balances	(128,800)	735,503	864,303
Fund balances, January 1	<u>9,191,116</u>	<u>9,191,116</u>	<u>-</u>
Fund balances, December 31	<u><u>\$ 9,062,316</u></u>	<u><u>\$ 9,926,619</u></u>	<u><u>\$ 864,303</u></u>

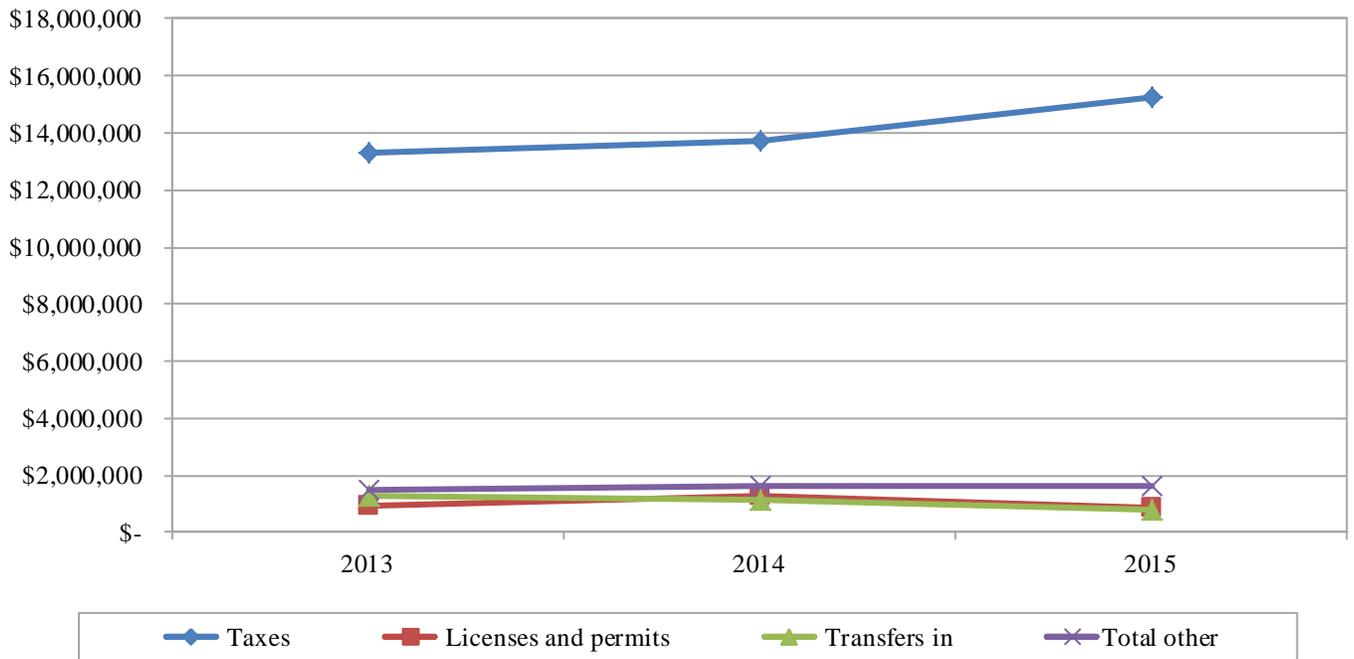
Some of the line items with significant variances are highlighted below:

- The largest revenue variance is within taxes, which is \$229,000 more than budgeted due to collections of delinquent property taxes as well as penalties and interest and excess TIF.
- Revenues from public works charges for services are \$119,717 more than budgeted. The majority of this variance was due to a larger demand for engineering services than anticipated.
- Revenues from intergovernmental are \$96,141 more than budgeted. The majority of this variance was due to more police and fire aid than anticipated. Of the \$96,141, \$15,612 is a related variance for expenditures that flows through the City to the Fire Relief Association.
- In total, expenditures are \$535,845 less than anticipated. The largest expenditure variance is within the public safety which is \$371,531 less than budgeted. The majority of this variance was due to personnel services within the police department, which varied from budget by \$209,623.
- Public works expenditures were also less than budget by \$76,608 primarily due to street maintenance variances.

A comparison between General fund 2013, 2014, and 2015 revenues and other financing sources is presented below:

Source	2013	2014	2015	Percent of Total	Per Capita
Taxes	\$13,305,153	\$13,708,133	\$15,245,100	82.3 %	\$ 439
Licenses and permits	951,948	1,241,654	844,006	4.6	24
Intergovernmental	646,002	653,290	705,941	3.8	20
Charges for services	627,432	735,860	718,523	3.9	21
Fines and forfeitures	148,113	135,382	120,029	0.6	3
Special assessments	4,610	13,099	6,873	-	-
Investment earnings	10,723	90,341	88,525	0.5	3
Miscellaneous	42,103	17,236	6,210	-	-
Transfers in	1,287,928	1,106,467	793,318	4.3	23
Insurance recovery	15,676	300	-	-	-
Total revenues and other financing sources	<u>\$17,039,688</u>	<u>\$17,701,762</u>	<u>\$18,528,525</u>	<u>100.0 %</u>	<u>\$ 533</u>

A graphical presentation of 2013, 2014, and 2015 revenues and other financing sources follows:



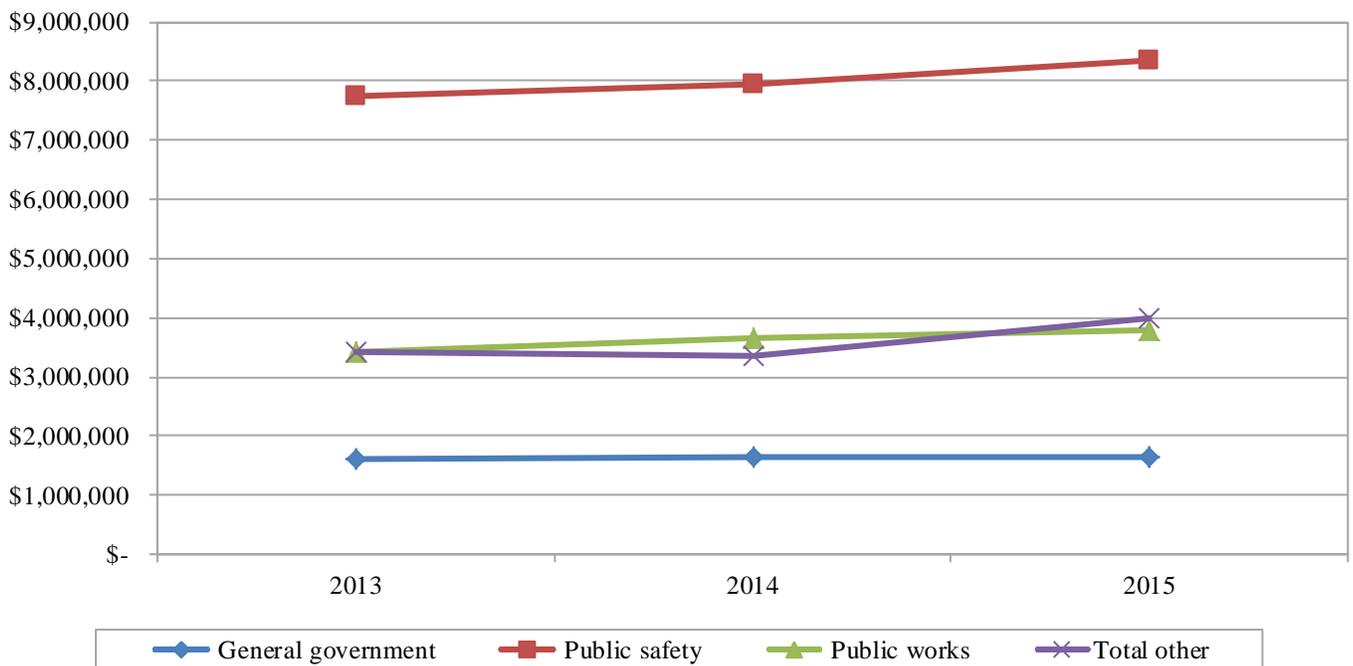
Some of the line items with significant changes are highlighted below:

- Within revenues from taxes, the increase from 2014 to 2015 was mostly a result of an increase in the General fund levy from \$13,599,119 in 2014 to \$14,908,500 in 2015.
- Revenues from licenses and permits decreased due to less demand for building permits in 2015.

A comparison between General fund expenditures and transfers out for 2013, 2014, and 2015 is presented below:

Source	2013	2014	2015	Percent of Total	Per Capita
General government	\$ 1,621,152	\$ 1,638,718	\$ 1,663,640	9.3 %	\$ 47
Public safety	7,746,524	7,959,499	8,342,569	46.9	240
Public works	3,418,863	3,667,554	3,789,292	21.3	109
Culture and recreation	1,567,825	1,677,862	1,812,977	10.2	52
Community development	1,199,255	1,130,157	1,184,177	6.7	34
Capital outlay	10,940	-	-	-	-
Transfers out	652,032	547,069	1,000,367	5.6	29
Total expenditures and transfers out	\$ 16,216,591	\$ 16,620,859	\$ 17,793,022	100.0 %	\$ 511

The expenditures and transfers out summarized above are presented graphically as follows:



Some of the line items with significant changes are highlighted below:

- Public safety expenditures have increased from 2014 by \$383,070 (4.8 percent), largely as a result of personnel services for police and fire, which increased \$170,420 and \$123,910, respectively.
- Public works expenditures have increased from 2014 \$121,738 (3.3 percent), largely as a result of street maintenance expenditures.
- Culture and recreation expenditures have increased from 2014 by \$135,115 (8.1 percent), largely as a result of parks and recreation personnel services and supplies expenditures.

Special Revenue Funds

Special revenue funds receive revenue from specific sources and expenditures are for specific purposes. A summary of the special revenue fund balances is shown below:

Fund	Fund Balances December 31,		Increase (Decrease)
	2014	2015	
Major			
Community Center	\$ 149,247	\$ 149,247	\$ -
Nonmajor			
Convention and Visitors Bureau	114,059	124,737	10,678
Recreation	461,436	450,751	(10,685)
Economic Development Authority (EDA)	318,989	236,816	(82,173)
Total	<u>\$ 1,043,731</u>	<u>\$ 961,551</u>	<u>\$ (82,180)</u>

Capital Projects Funds

The fund balances of all capital projects funds are summarized below:

Capital Projects Fund	Fund Balances December 31,		Increase (Decrease)
	2014	2015	
Major			
Closed Bond	\$ 2,548,905	\$ 2,322,687	\$ (226,218)
Local Improvement Construction	(2,058,299)	2,486,282	4,544,581
Pavement Management	1,523,454	2,599,272	1,075,818
Host Community	3,717,746	4,536,162	818,416
Nonmajor			
Capital Facilities	1,304,816	841,327	(463,489)
Equipment Acquisition	538,121	551,476	13,355
Parks Acquisition and Development	1,434,118	1,668,560	234,442
State Aid Construction	698,632	879,966	181,334
Capital Improvement Revolving	406,951	401,060	(5,891)
Storm Water Management	336,225	721,927	385,702
Tree Preservation	18,124	10,271	(7,853)
Parks Capital Replacement	899,724	1,012,375	112,651
ADA	62,651	72,590	9,939
Community Projects	298,702	299,634	932
Permanent Improvement Revolving	(330,979)	(138,432)	192,547
Tax Increment Financing	(337,936)	886,931	1,224,867
Total	<u>\$ 11,060,955</u>	<u>\$ 19,152,088</u>	<u>\$ 8,091,133</u>

The City should monitor the deficit fund balance, reviewing planned project sources for this fund to consider whether it will be available within a sufficient timeframe to cover current activity.

- Total expenditures within the above capital project funds are roughly \$5.39 million.
- Within total revenues, significant revenue sources include:
 - Intergovernmental revenues (primarily state MSA funding) are approximately \$395,000
 - Charges for services are \$3.40 million (\$317,000 park dedication fees, \$486,858 storm water management fees, and \$2,595,616 for host community fees)
 - Tax increment revenues totaled \$2.02 million.
- A significant consideration to the overall change to fund balance relates to transfers. The amount transferred out (net of transfers in) was roughly \$1.53 million.
- An additional consideration was the issuance of \$7.7 million bonds, of which \$4.5 million are unspent at year-end.

Debt Service Funds

Debt Service funds are a type of governmental fund to account for the accumulation of resources for the payment of interest and principal on debt (other than enterprise fund debt). Debt Service funds may have one or a combination of the following revenue sources pledged to retire debt as follows:

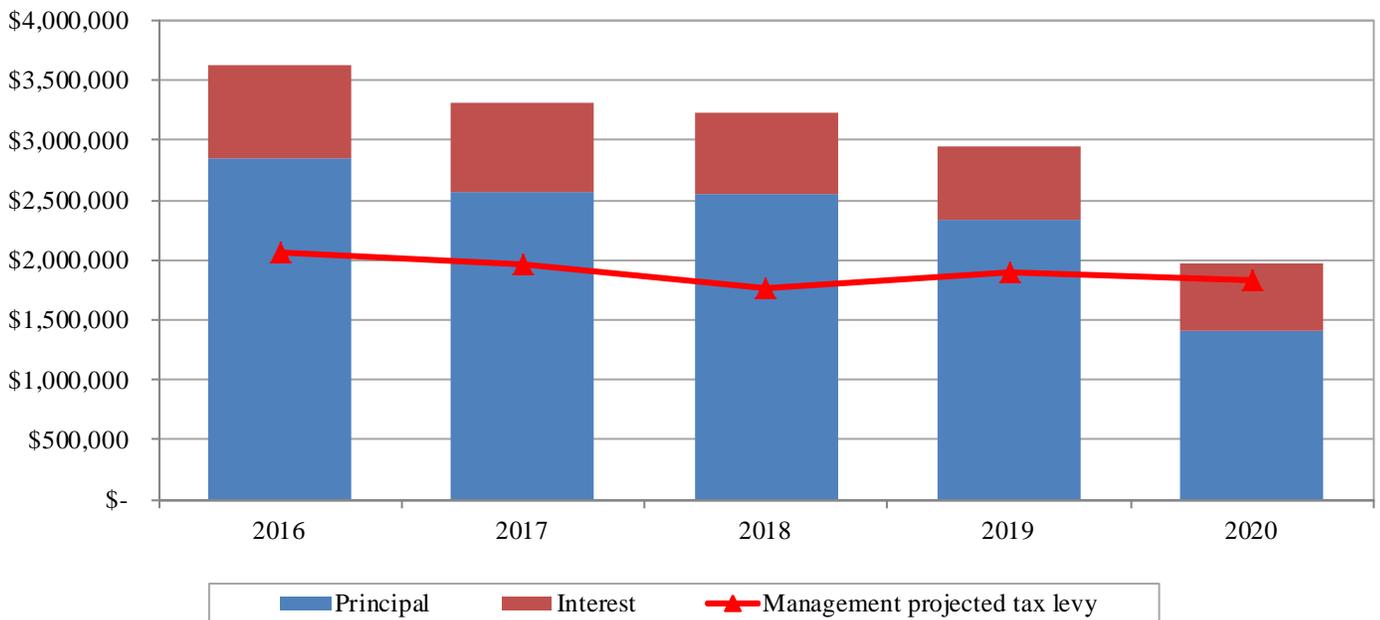
- Property taxes - Primarily for general City benefit projects such as parks and municipal buildings. Property taxes may also be used to fund special assessment bonds which are not fully assessed.
- Tax increments - Pledged exclusively for tax increment/economic development districts.
- Capitalized interest portion of bond proceeds - After the sale of bonds, the project may not produce revenue (tax increments or special assessments) for a period of one to two years. Bonds are issued with this timing difference considered in the form of capitalized interest.
- Special assessments - Charges to benefited properties for various improvements.

In addition to the above pledged assets, other funding sources may be received by Debt Service funds as follows: residual project proceeds from the related capital projects fund, investment earnings, state or federal grants, and transfers from other funds.

The following is a summary of the cash, total assets and bonds outstanding at year end for the governmental Debt Service funds:

Debt Service Fund	Cash Balance	Total Assets	Bonds Outstanding
Major			
Improvement Bonds	\$ 2,679,218	\$ 5,088,425	\$ 24,390,000
Nonmajor			
MSABC Bonds	41,463	46,439	56,870
Storm Water Bonds	244,972	257,353	195,000
TIF Bonds	-	-	2,820,000
Total	\$ 2,965,653	\$ 5,392,217	\$ 27,461,870
Total interest payments			\$ 7,254,403

Debt Service Scheduled Principal and Interest for the Next 5 Years

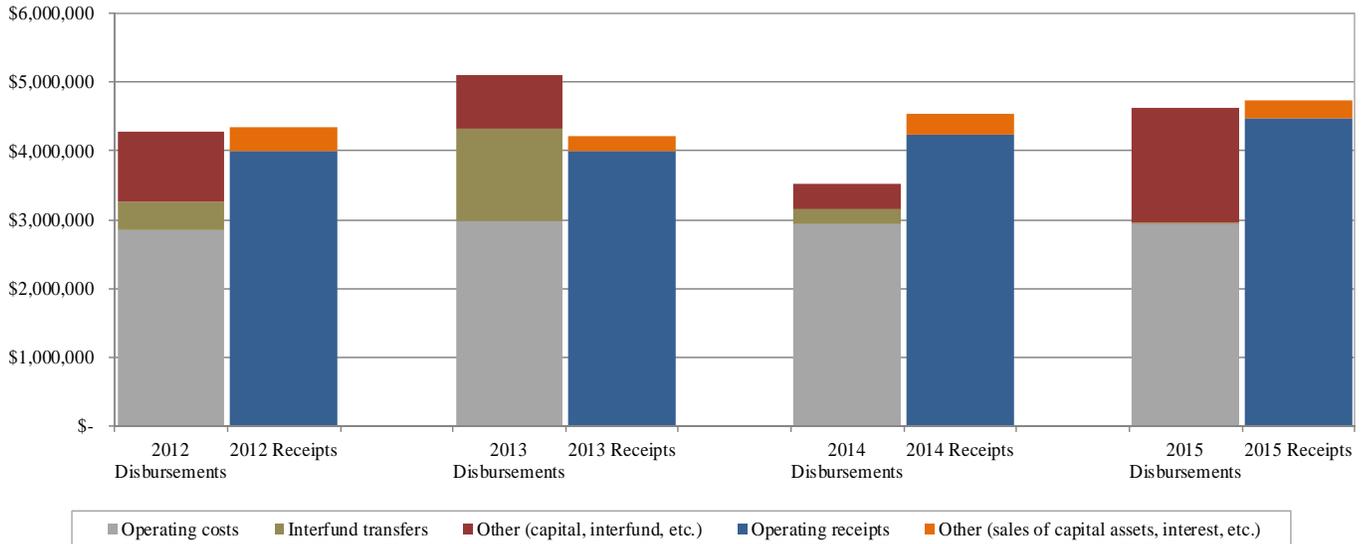


Internal Service Funds

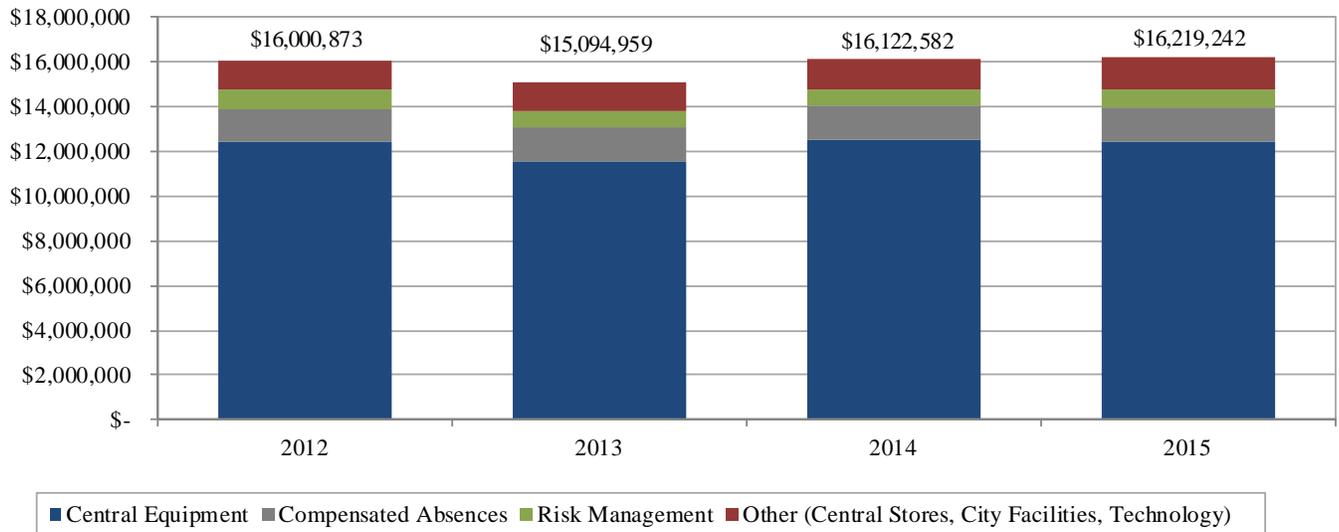
Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for compensated absences, risk management, central equipment maintenance, office supplies and equipment, city facilities, and technology. Because these services predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

The results of the operations in terms of cash flow and the breakdown of the cash balances for the past four years are as follows:

Internal Service Fund Cash Flow



Internal Service Fund Cash Balance



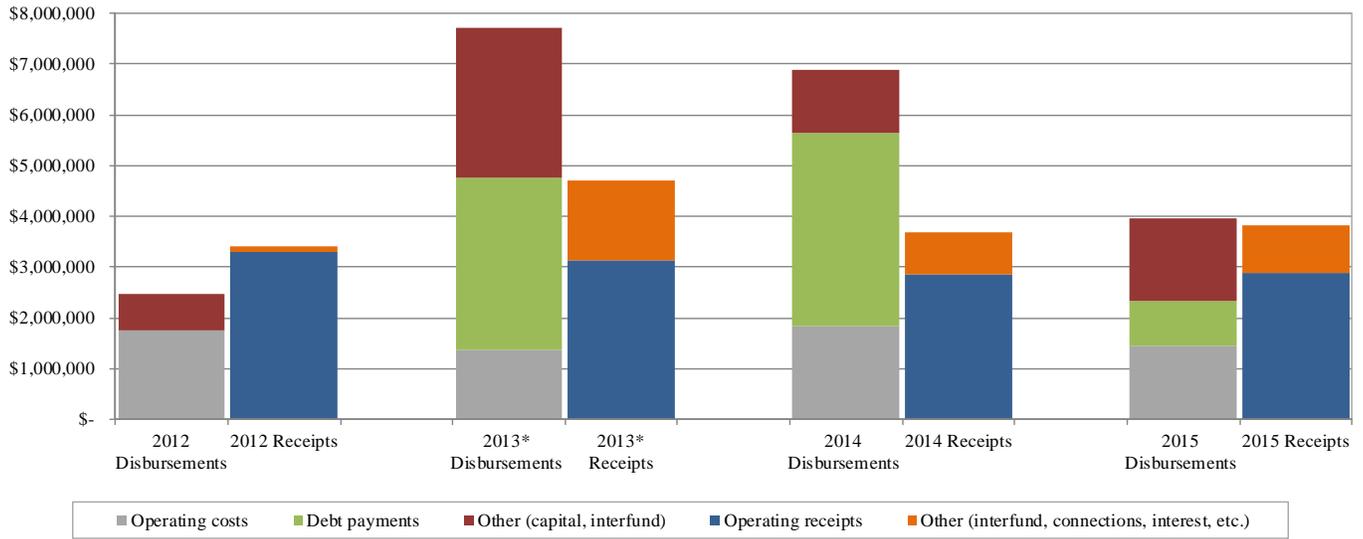
Some of the items with significant changes in the above charts are highlighted below:

- Operating receipts (blue) have been sufficient to cover operating costs (grey) for all years presented.
- For 2015, the total spent on capital acquisition totaled \$1,683,028.

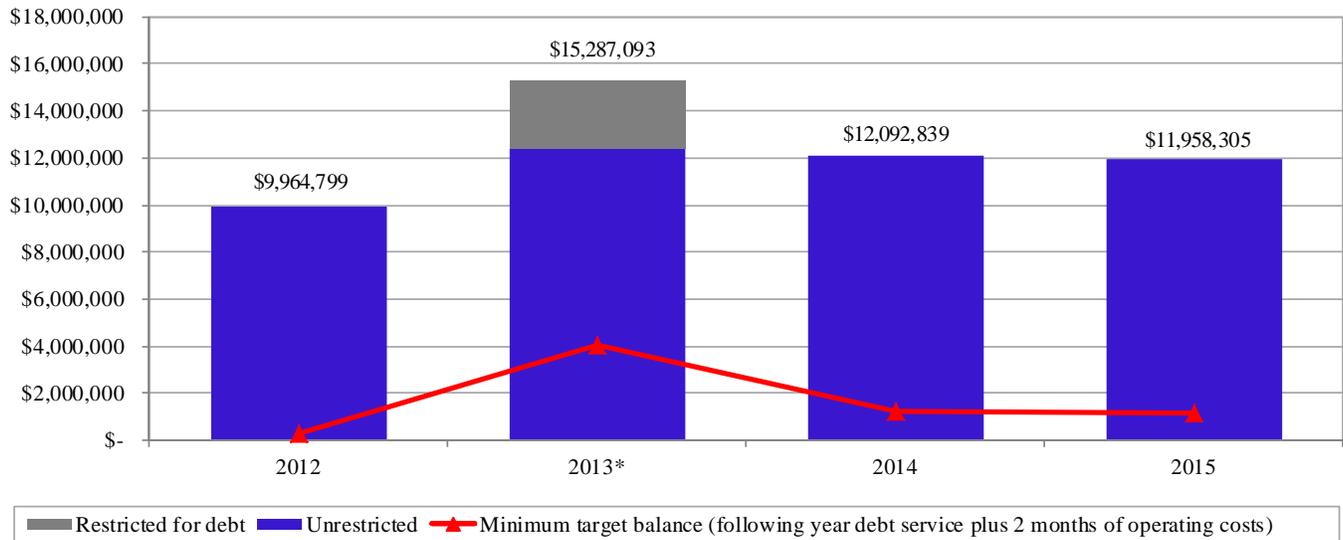
We recommend that the rates be reviewed annually to ensure that they are sufficient to cover operating costs and planned project costs.

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The results of the operations in terms of cash flow and the breakdown of the cash balances for the past four years are as follows:

Water Fund Cash Flow



Water Fund Cash Balance



	2012	2013*	2014	2015
Bonds payable, net of premium	\$ -	\$ 8,630,004	\$ 4,983,804	\$ 4,162,604

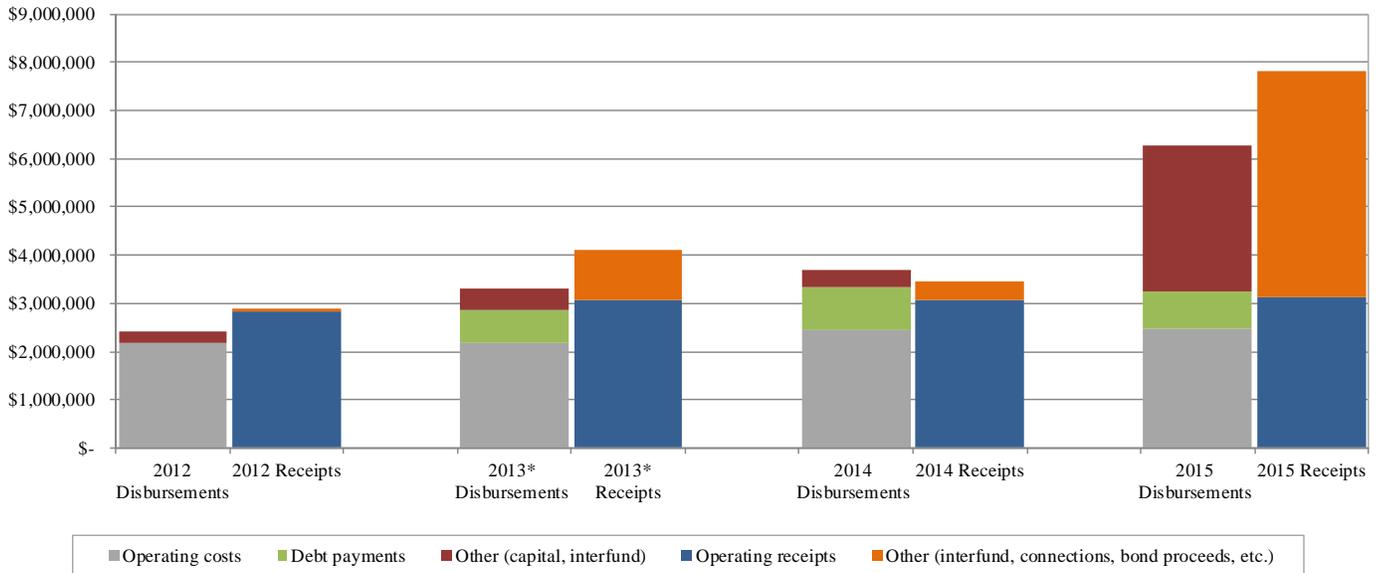
* In 2013, the Water Revenue Bonds debt service fund and the Water Connection and Water System Improvements capital projects funds were reclassified from governmental to enterprise funds. The impact on beginning cash was \$8,319,507.

Some of the items with significant changes in the above charts are highlighted below:

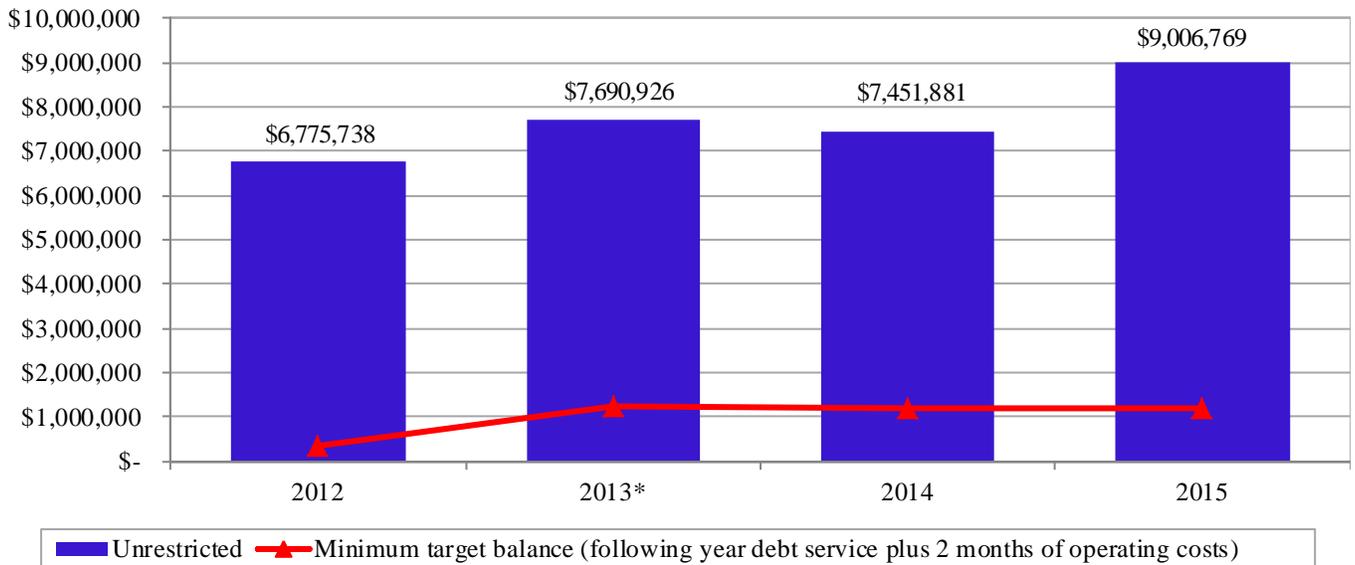
- Excluding the portion of debt payments covered by cash held with fiscal agent, operating receipts (blue) were sufficient to cover operating costs (grey) and debt payments (green) in each of the four years shown above.
- Cash received from connection fees (included in orange) were \$124,763 in 2015.
- Operating income (includes depreciation) was \$586,250 for 2015.

We recommend that the rates be reviewed annually to ensure that they are sufficient to cover operating costs, annual scheduled debt payments, and planned project costs.

Sewer Fund Cash Flow



Sewer Fund Cash Balance



	2012	2013*	2014	2015
Bonds payable, net of premium	\$ -	\$ 12,410,000	\$ 12,298,421	\$ 16,246,027

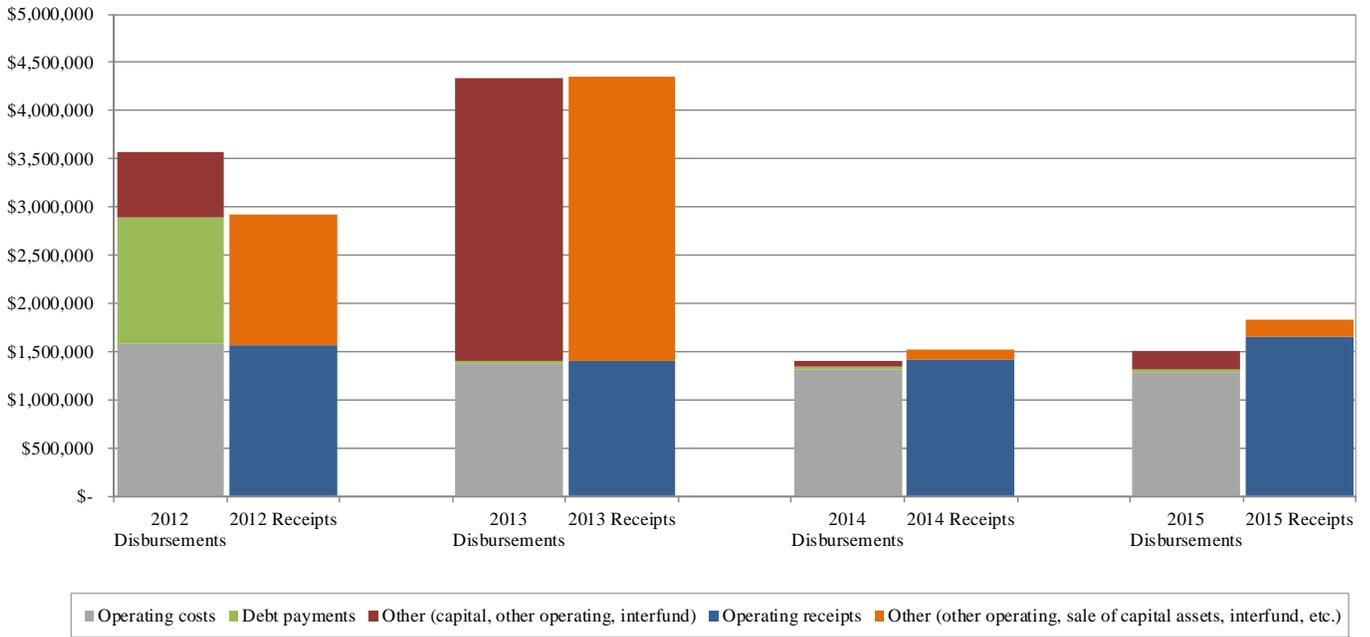
* In 2013, the Sewer Revenue Bonds debt service fund and the Sewer Connection capital projects fund were reclassified from governmental to enterprise funds. The impact on beginning cash was \$110,947.

Some of the items with significant changes in the above charts are highlighted below:

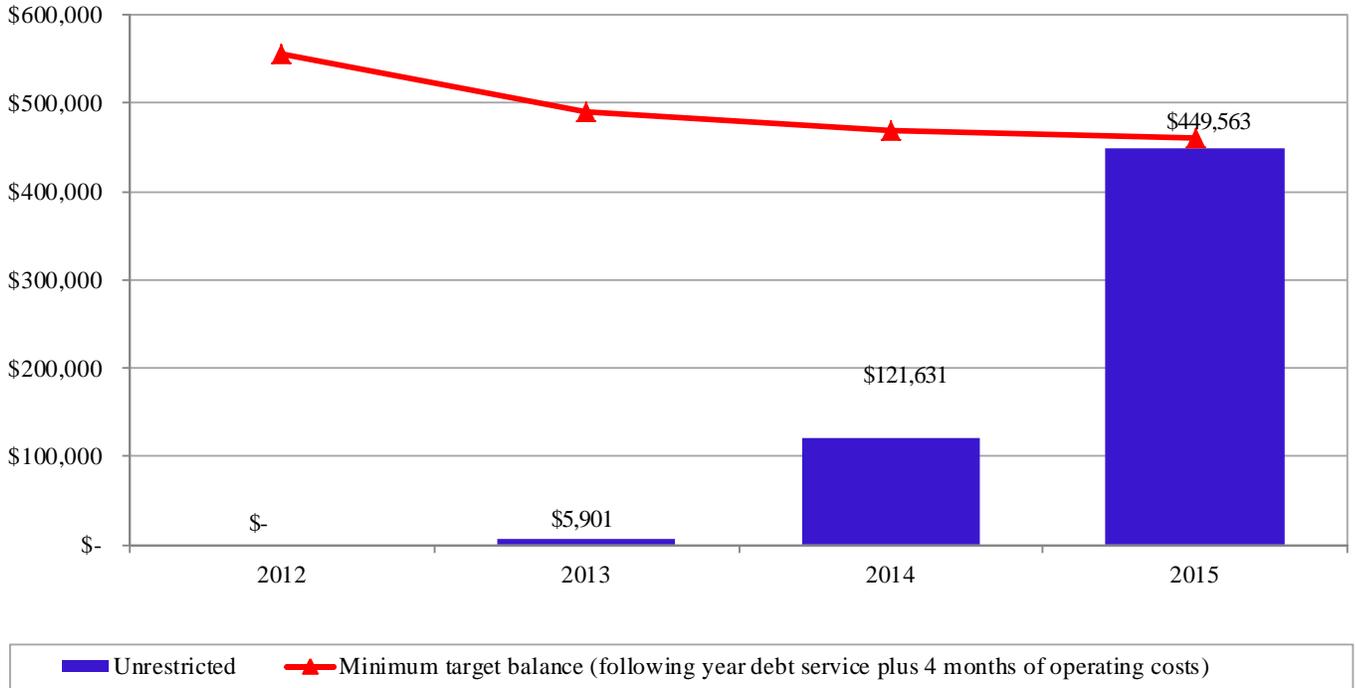
- Except for 2014 and 2015, operating receipts (blue) have been sufficient to cover operating costs (grey) and debt payments (green).
- Cash received from connection fees (included in orange) were \$218,011 in 2015.
- At the end of 2015, \$1,951,350 remains for unspent bond proceeds.
- The operating loss (includes depreciation) was \$171,211 for 2015.

As noted with the Water fund, we recommend that the rates be reviewed annually to ensure that they are sufficient to cover operating costs, annual scheduled debt payments, and planned project costs.

Golf Course Fund Cash Flow



Golf Course Fund Cash Balance



	2012	2013	2014	2015
Capital lease payable	<u>\$ 108,445</u>	<u>\$ 83,245</u>	<u>\$ 56,823</u>	<u>\$ 29,120</u>
Interfund loan	<u>\$ 3,007,682</u>	<u>\$ 78,075</u>	<u>\$ 78,075</u>	<u>\$ 85,232</u>

Some of the items with significant changes in the above charts are highlighted below:

- In 2014 and 2015, operating receipts (blue) have been sufficient to cover operating costs (grey) and debt payments (green). The net cash from operations for 2015 was \$358,438.

Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future the City financial statements: ⁽¹⁾

GASB Statement No. 72 - Fair Value Measurement and Application

Summary

This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Effective Date and Transition

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position.

GASB Statement No. 73 - Accounting and financial reporting for pension and related assets that are not within the scope of GASB Statement No. 68, and amendments to certain provisions of GASB Statements No. 67 and No. 68

Summary

The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes.

The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

This Statement also clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

1. Information that is required to be presented as notes to the 10-year schedules of required supplementary information about investment-related factors that significantly affect trends in the amounts reported.
2. Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions.
3. Timing of employer recognition of revenue for the support of nonemployer contributing entities not in a special funding situation.

Future Accounting Standard Changes - Continued

Effective Date and Transition

The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. The requirements of this Statement for pension plans that are within the scope of Statement 67 or for pensions that are within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and nonemployer contributing entities.

GASB Statement No. 74 - *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*

Summary

The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures.

Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

The scope of this Statement includes OPEB plans-defined benefit and defined contribution-administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the OPEB plan administrator. If the plan is a defined benefit OPEB plan, plan assets also are legally protected from creditors of the plan members.

This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are not administered through trusts that meet the specified criteria.

Effective Date and Transition

This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. Earlier application is encouraged.

Future Accounting Standard Changes - Continued

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts that meet the specified criteria. The new information will enhance the decision-usefulness of the financial reports of those OPEB plans, their value for assessing accountability, and their transparency by providing information about measures of net OPEB liabilities and explanations of how and why those liabilities changed from year to year. The net OPEB liability information, including ratios, will offer an up-to-date indication of the extent to which the total OPEB liability is covered by the fiduciary net position of the OPEB plan. The comparability of the reported information for similar types of OPEB plans will be improved by the changes related to the attribution method used to determine the total OPEB liability. The contribution schedule will provide measures to evaluate decisions related to the assessment of contribution rates in comparison with actuarially determined rates, if such rates are determined. In addition, new information about rates of return on OPEB plan investments will inform financial report users about the effects of market conditions on the OPEB plan's assets over time and provide information for users to assess the relative success of the OPEB plan's investment strategy and the relative contribution that investment earnings provide to the OPEB plan's ability to pay benefits to plan members when they come due.

GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pension*

Summary

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans.

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity.

In this Statement, distinctions are made regarding the particular requirements depending upon whether the OPEB plans through which the benefits are provided are administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, the OPEB plan administrator, and the plan members.

Future Accounting Standard Changes - Continued

Effective Date

This Statement is effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. Decision-usefulness and accountability also will be enhanced through new note disclosures and required supplementary information, as follows:

- More robust disclosures of assumptions will allow for better informed assessments of the reasonableness of OPEB measurements.
- Explanations of how and why the OPEB liability changed from year to year will improve transparency.
- The summary OPEB liability information, including ratios, will offer an indication of the extent to which the total OPEB liability is covered by resources held by the OPEB plan, if any.
- For employers that provide benefits through OPEB plans that are administered through trusts that meet the specified criteria, the contribution schedules will provide measures to evaluate decisions related to contributions.

The consistency, comparability, and transparency of the information reported by employers and governmental nonemployer contributing entities about OPEB transactions will be improved by requiring:

- The use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources, rather than utilizing only the long-term expected rate of return regardless of whether the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and is expected to be invested using a strategy to achieve that return.
- A single method of attributing the actuarial present value of projected benefit payments to periods of employee service, rather than allowing a choice among six methods with additional variations.
- Immediate recognition in OPEB expense, rather than a choice of recognition periods, of the effects of changes of benefit terms.
- Recognition of OPEB expense that incorporates deferred outflows of resources and deferred inflows of resources related to OPEB over a defined, closed period, rather than a choice between an open or closed period.

GASB Statement No. 76 - *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

Summary

The objective of this Statement is to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.

Effective Date

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

Future Accounting Standard Changes - Continued

How the Changes in This Statement Will Improve Financial Reporting

The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments.

GASB Statement No. 77 - *Tax Abatement Disclosures*

Summary

Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time.

Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

Although many governments offer tax abatements and provide information to the public about them, they do not always provide the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
- The gross dollar amount of taxes abated during the period.
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Governments should organize those disclosures by major tax abatement program and may disclose information for individual tax abatement agreements within those programs.

Future Accounting Standard Changes - Continued

Tax abatement agreements of other governments should be organized by the government that entered into the tax abatement agreement and the specific tax being abated. Governments may disclose information for individual tax abatement agreements of other governments within the specific tax being abated. For those tax abatement agreements, a reporting government should disclose:

- The names of the governments that entered into the agreements.
- The specific taxes being abated.
- The gross dollar amount of taxes abated during the period.

Effective Date and Transition

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

GASB Statement No. 78 - *Pension Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*

Summary

The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

Prior to the issuance of this Statement, the requirements of Statement 68 applied to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that Statement.

This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

Effective Date

The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.

Future Accounting Standard Changes - Continued

GASB Statement No. 79 - *Certain External Investment Pools and Pool Participants*

Summary

This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant.

If an external investment pool does not meet the criteria established by this Statement, that pool should apply the provisions in paragraph 16 of Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as amended. If an external investment pool meets the criteria in this Statement and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. If an external investment pool does not meet the criteria in this Statement, the pool's participants should measure their investments in that pool at fair value, as provided in paragraph 11 of Statement 31, as amended.

This Statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals.

Effective Date

The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23-26, and 40, which are effective for reporting periods beginning after December 15, 2015.

How the Changes in This Statement Will Improve Financial Reporting

This Statement will enhance comparability of financial statements among governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

GASB Statement No. 80 - *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14*

Summary

The objective of the Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*.

This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

Future Accounting Standard Changes - Continued

Effective Date

The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement enhance the comparability of financial statements among governments. Greater comparability improves the decision-usefulness of information reported in financial statements and enhances its value for assessing government accountability.

⁽¹⁾ *Note.* From GASB Pronouncements Summaries. Copyright 2015 by the Financial Accounting Foundation, 401 Merritt 7, Norwalk, CT 06856, USA, and is reproduced with permission.

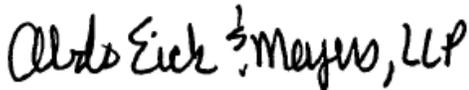
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Restriction on Use

This communication is intended solely for the information and use of the City Council, management, and the Minnesota Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendations in the report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the continued opportunity to be of service and for the courtesy and cooperation extended to us by your staff.



ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
May 14, 2016

Other Required Report

City of Inver Grove Heights

Inver Grove Heights, Minnesota

For the Year Ended

December 31, 2015

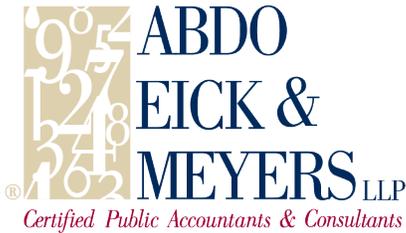
CITY OF INVER GROVE HEIGHTS, MINNESOTA
OTHER REQUIRED REPORT
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OTHER REQUIRED REPORT

Independent Auditor's Report on Minnesota Legal Compliance

2



INDEPENDENT AUDITOR'S REPORT ON LEGAL COMPLIANCE

Honorable Mayor and City Council
City of Inver Grove Heights, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Inver Grove Heights, Minnesota (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated May 14, 2016.

The *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minnesota Statute §6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Cities*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions.

The purpose of this report is solely to describe the scope of our testing of compliance and the result of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
May 14, 2016

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

Resolution Authorizing Transfers to Relating to the Financing of Projects and Payment of Debt Service in the Northwest Area (NWA)

Meeting Date: May 23, 2016
 Item Type: Regular
 Contact: Kristi Smith 651-450-2521
 Prepared by: Kristi Smith, Finance Director
 Reviewed by: Joe Lynch, City Administrator
 Scott Thureen, PW Director

Fiscal/FTE Impact:	
<input type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input checked="" type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Approve resolution authorizing transfers relating to the financing of projects and payment of debt service in the NWA.

SUMMARY

At the May 2, 2016 work session Steve Apfelbacher from Ehlers presented nine recommendations regarding the NWA. Three of these recommendations related to using available cash to:

- 1) pay for projects the City has committed to completing to serve planned development, and
- 2) fund annual debt service payments on outstanding bonds that financed completed sewer projects in the NWA.

Recommendation #3: Transfer approximately \$5 million from the water operating fund for NWA water improvement projects.

Recommendation #4: Transfer \$3,544,400 from the sewer operating fund and \$720,000 from the general fund for NWA sewer improvement projects.

Recommendation #5: Use \$3.27 million from the water system improvement fund to pay annual debt service over the next five years.

At the work session, councilmembers concurred with these recommendations. Transfers require formal Council approval so staff has prepared the attached resolution authorizing the necessary transfers.

There are two sets of transfers that staff recommends, consistent with Ehlers' recommendations listed above. First are three transfers that will pay for planned projects in the NWA:

- \$4,985,543.00 from Water Operating Fund 501 to NWA – Water Fund 511
- \$720,000.00 from General Fund 101 to NWA – Sewer Fund 512
- \$3,544,400.00 from Sewer Operating Fund 502 to NWA – Sewer Fund 512

These transfers along with the bond proceeds received in 2015 will provide funding for the following projects:

- NWA-Water Projects
- #2015-10 NWA Utility Improvements – Argenta District
- Vista Water Pressure Reducing Valve

Vista Oversizing/Extra Depth
Ponds Oversizing/Extra Depth
#2015-11 NWA 70th St Lift Station – Argenta District
#2015-12 NWA Trunk Watermain Improvements – 65th St
#2015-13 NWA Trunk Utility Improvements – Argenta District
Highlands Oversizing/Extra Depth
#2015-16 NWA Trunk Utility Improvements – Argenta District
Highlands Oversizing/Extra Depth
Blackstone Ridge Oversizing/Extra Depth
Eagan Emergency Watermain Interconnection

NWA – Sewer Projects

#2015-10 NWA Utility Improvements – Argenta District
Vista Oversizing/Extra Depth
Ponds Oversizing/Extra Depth
#2015-11 NWA 70th St Lift Station – Argenta District
#2015-13 NWA Trunk Utility Improvements – Argenta District
Highlands Oversizing/Extra Depth
#2015-16 NWA Trunk Utility Improvements – Argenta District
Ridge Oversizing/Extra Depth

Not all projects have been awarded. If costs vary from estimates additional financing may be necessary.

Second, staff recommends authorizing the following transfers to pay a portion of the annual debt service from 2016-2020:

From Water System Improvement Fund 442 to NWA - Sewer Fund 512

\$635,989.00 in 2016

\$551,752.00 in 2017

\$539,264.00 in 2018

\$652,643.00 in 2019

Up to \$910,137.00 in 2020, not to exceed the amount available in Fund 442

Transfer amounts are based on estimated cash flows projected in April 2016, transfer amounts are estimates and may vary based on actual connection fees received. Transfer amounts may need to be adjusted through future council action.

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING TRANSFERS TO
FINANCE PROJECTS AND DEBT SERVICE IN THE NORTHWEST AREA**

WHEREAS, the City has committed to undertaking certain capital improvement projects to extend utilities into the Northwest Areas; and

WHEREAS, development fees from planned development projects will be insufficient to pay for the full cost of the projects; and

WHEREAS, the City has previously issued debt service to finance sewer projects in the Northwest Area; and

WHEREAS, the NWA – Water and NWA – Sewer funds do not have sufficient cash to cover the capital projects occurring in 2016; and

WHEREAS, the NWA – Sewer fund will likely not have sufficient funds available to make debt service payments in 2016-2020;

NOW, THEREFORE BE IT RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS that the following transfers related to project financing are authorized in 2016:

From: Water Operating Fund	501.57.9200.590.9110	\$4,985,543.00
To: NWA – Water Fund	511.50.0000.3911000	4,985,543.00
From: General Fund	101.57.9200.590.91100	\$720,000.00
To: NWA – Sewer Fund	512.51.0000.3911000	720,000.00
From: Sewer Operating Fund	502.57.9200.590.91100	\$3,544,400.00
To: NWA – Sewer Fund	512.51.0000.3911000	3,544,400.00

NOW, THEREFORE, BE IT FURTHER RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS that the following transfer related to debt service occur in 2016:

From: Water System Improvement Fund	442.57.9200.590.91100	\$635,989.00
To: NWA – Sewer Fund	512.51.0000.3911000	635,989.00

NOW, THEREFORE, BE IT FURTHER RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS that the following transfer related to debt service occur in 2017:

From: Water System Improvement Fund	442.57.9200.590.91100	\$551,752.00
To: NWA – Sewer Fund	512.51.0000.3911000	551,752.00

NOW, THEREFORE, BE IT FURTHER RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS that the following transfer related to debt service occur in 2018:

From:	Water System Improvement Fund	442.57.9200.590.91100	\$539,264.00
To:	NWA – Sewer Fund	512.51.0000.3911000	539,264.00

NOW, THEREFORE, BE IT FURTHER RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS that the following transfer related to debt service occur in 2019:

From:	Water System Improvement Fund	442.57.9200.590.91100	\$652,643.00
To:	NWA – Sewer Fund	512.51.0000.3911000	652,643.00

NOW, THEREFORE, BE IT FURTHER RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS that the following transfer related to debt service occur in 2020:

From:	Water System Improvement Fund	442.57.9200.590.91100	up to \$910,137.00
To:	NWA – Sewer Fund	512.51.0000.3911000	up to 910,137.00

Adopted by the City of Inver Grove Heights this 23rd day of May 2016.

Ayes:

Nays:

George Tourville, Mayor

ATTEST:

Michelle Tesser, City Clerk

CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

ALFRED WILLENBRING – CASE NO. 16-13IUP

Meeting Date: May 23, 2016
 Item Type: Regular Agenda
 Contact: Allan Hunting 651.450.2554
 Prepared by: Allan Hunting, City Planner
 Reviewed by:

Fiscal/FTE Impact:	
<input checked="" type="checkbox"/>	None
<input type="checkbox"/>	Amount included in current budget
<input type="checkbox"/>	Budget amendment requested
<input type="checkbox"/>	FTE included in current complement
<input type="checkbox"/>	New FTE requested – N/A
<input type="checkbox"/>	Other

PURPOSE/ACTION REQUESTED

Consider the following requests for property located at 1185 80th Street;

- a) An Ordinance Amendment to add “contractor’s yard with outdoor storage” in the A, Agricultural District as on Interim Use.
 - Requires 3/5th's vote.

- c) A Resolution relating to an Interim Use Permit to allow a contractor’s yard with outdoor storage.
 - Requires 4/5th's vote.
 - 60-day deadline: May 29, 2016 (first 60 days)

SUMMARY

The applicant is requesting an interim use permit to allow a portion of his property to be utilized as a contractor’s yard with outdoor storage for a landscaping company. The applicant is requesting the interim use be allowed for a period of five years.

The property is currently zoned A, Agricultural. This district does not allow for contractors yards. Mr. Willenbring indicated his intensions were to allow the business for a period of time until he could sell his land for development. Staff suggested Mr. Willenbring apply for an interim use permit to allow the business for a set period of time. Since the business is only an open storage area where the landscape company parks their vehicles, and no other improvements have been made, it seems this could be an alternative for Mr. Willenbring in the short term.

ANALYSIS

The landscape company operating from the site, stores their trucks and equipment overnight. The crew comes to the site, gets their work for the day and the trucks and equipment are generally gone all day and return at night. No buildings are being used and no other improvements are proposed.

Since this part of the City is in transition and will eventually redevelop with a higher and better use, staff supports the request for the five year time frame proposed with the conditions that no further improvements be made to the site for this operation and no buildings be constructed to house the operation.

RECOMMENDATION

Planning Staff. Recommends approval of the ordinance amendment and interim use permit with the conditions listed in the attached resolution.

Planning Commission. Planning Commission recommended approval of the two requests (8-0), but recommended further that to limit any potential precedence, they recommended that this use be allowed as an interim use in the A, Agricultural District only if the property is guided for commercial in the comprehensive plan land use plan.

Attachments: Ordinance Amendment
Resolution Approving the Interim Use Permit
Planning Commission Recommendation
Planning Report

CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA

ORDINANCE NO. _____

AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 10, (ZONING ORDINANCE) REGARDING ADDING CONTRACTOR'S
YARD WITH OUTDOOR STORAGE IN THE A, AGRICULTURAL ZONING
DISTRICT TO THE LIST OF INTERIM USES

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS
FOLLOWS:

Section One. Amendment. Title 10, Chapter 14-2, **INTERIM USES
ENUMERATED**, of the Inver Grove Heights City Code is hereby amended to add the
following:

- I. Within the A, Agricultural Zoning District, contractor's yard with outdoor storage shall be allowed provided the parcel is guided commercial as identified on the Inver Grove Heights Comprehensive Plan Land Use Map.

Section Two. Effective Date. This Ordinance shall be in full force and effect upon its publication as provided by law.

Passed in regular session of the City Council on the ____ day of _____, 2016.

CITY OF INVER GROVE HEIGHTS

By: _____
George Tourville, Mayor

ATTEST:

Michelle Tesser, City Clerk

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**A RESOLUTION APPROVING AN INTERIM USE PERMIT TO ALLOW A
CONTRACTOR'S YARD WITH OUTDOOR STORAGE FOR PROPERTY LOCATED AT
1185 80TH STREET**

**CASE NO. 16-13IUP
(Alfred Willenbring)**

WHEREAS, an interim use permit application has been submitted to the City for property legally described as;

SEE EXHIBIT A

WHEREAS, a public hearing concerning the interim use permit was held before the Inver Grove Heights Planning Commission in accordance with Minnesota Statutes, Section 462.357, Subdivision 3 on April 19, 2016;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS that, an interim use permit for a Contractor's Yard with Outdoor Storage is hereby approved subject to the following conditions:

1. The use of the property for a contractor's yard shall be limited to the area identified on the aerial site plan within the area highlighted in red dated 3/25/16 on file with the planning department.
2. The Interim Use Permit shall be valid for a period of five (5) years from the City Council approval date.
3. Where violations of the conditions of this permit are noted, the City is authorized to immediately terminate the uses approved in this permit.
4. No other improvements associated with the contractor's yard shall be permitted including buildings, surfacing of the lot or grading.

Resolution No. _____

Page 2

Passed this _____ day of _____, 2016.

AYES:

NAYS:

George Tourville, Mayor

ATTEST:

Michelle Tesser, City Clerk

EXHIBIT A

PT S1/2OF W1/2OF SW1/4BOUND ON N&NE BY FOL DES L BEG NE COR OF S306.50F OF
E248.70F W'LY248.71F TO NW COR DEF R 2D57M49S90.78F TO INT C/L RDWY NW'LY AL
C/L668.3F TO INT WITH FOL DES NW'LY L COM SW COR SEC8N0D28M18S W 702.50F
N89D31M42S E488.90F TO BEG N52D52M26S E257.03F TO INT C/LRD S52D52M26S W TO BEG
S30D04M18S E545.05F TO PT235F N OF SL S89D59M12 S 37.67 F TO PT795F E OF W L
S0D28M18S E235F TO S L EX PAR 201H MN DOT RW PLAT 19-123

**RECOMMENDATION TO
CITY OF INVER GROVE HEIGHTS**

TO: Mayor and City Council of Inver Grove Heights

FROM: Planning Commission

DATE: May 3, 2016

SUBJECT: **ALFRED WILLENBRING – CASE NO. 16-13IUP**

Reading of Notice

Commissioner Simon read the public hearing notice to consider the request for an interim use permit to allow a contractor's yard with outdoor storage on an A, Agricultural zoned property, for the property located at 1185 – 80th Street. 6 notices were mailed.

Presentation of Request

Allan Hunting, City Planner, explained the request as detailed in the report. He advised that the applicant is requesting an interim use permit to allow a portion of his property to be utilized as a contractor's yard with outdoor storage for a landscaping company. The applicant is requesting the interim use be allowed for a period of five years. The property is currently zoned A, Agricultural, which does not allow for contractor yards. The City became aware of the business through a complaint received by code enforcement. During meetings with staff to resolve the issue, the landowner indicated his intentions were to allow the business for a period of time until he could sell his land for development. Staff suggested he apply for an interim use permit. No buildings or improvements are proposed for the site. An interim use is a temporary use of a property until a particular date, event, or where there is going to be a change to the character of the neighborhood. In this case the subject area will likely develop into commercial or high density residential once 80th Street is realigned and sewer is available. Staff received comment from one property owner who had no objections. Staff recommends approval of the request with the conditions listed in the report.

Commissioner Wippermann asked how many people were notified of the public hearing.

Mr. Hunting displayed a map showing the parcels that were notified and their proximity to the subject property. He noted that the lots in this area are large and therefore there were only six within the 350 foot radius.

Commissioner Wippermann asked if there was also a sign posted on the property.

Mr. Hunting replied a sign was not posted since this was only a temporary use and no changes/additions to the property were being proposed.

Commissioner Lissarrague asked if staff knew whether the complaint was from a neighbor.

Mr. Hunting replied he was not sure.

Commissioner Lissarrague stated the complainant may not have been one of the six properties that were noticed.

Commissioner Wippermann asked if the complainant would be notified as part of the process.

Mr. Hunting replied they would not be noticed as part of the application process as that was a separate matter. He noted that the complaint could have come in anonymously.

Commissioner Gooch asked what the property to the west was zoned which consisted of a storage facility.

Mr. Hunting replied B-3.

Commissioner Gooch asked if the applicant could request his property be rezoned to B-3 as well.

Mr. Hunting replied in the affirmative, stating that entire corner was guided Community Commercial.

Commissioner Robertson asked if the interim use permit could be shortened from the five year maximum.

Mr. Hunting replied in the affirmative, stating the maximum was five years but if the landowner sold his property to someone else the interim use would disappear.

Commissioner Robertson asked if the interim use permit would follow the property.

Mr. Hunting replied that the interim use permit would expire when the term expired.

Opening of Public Hearing

Alfred Willenbring, 1185- - 80th Street, advised he was available to answer any questions.

Commissioner Gooch asked the applicant if he read the report.

Mr. Willenbring replied in the affirmative. He advised that his renter was on a month-to-month lease so if the road were to come through the lease could be terminated within 60 days.

Commissioner Simon asked the applicant if he was aware the use could last for up to five years.

Mr. Willenbring replied in the affirmative.

Commissioner Simon advised the applicant he could terminate it at any time.

Mr. Willenbring stated he understood. In regard to the previous question about the complaint, he advised that the complaint did not pertain to this piece of property and has since been resolved.

Commissioner Gooch closed the public hearing.

Planning Commission Recommendation

Motion by Commissioner Klein to approve the request for an ordinance amendment to add

'contractor's yard with outdoor storage' in the A, Agricultural zoning district to the list of interim uses, for the property located at 1185 – 80th Street.

Commissioner Wippermann was concerned about changing the ordinance and setting a precedent for all agriculturally zoned property. He suggested restricting the ordinance amendment to apply only to property zoned A, Agricultural and guided for commercial.

Commissioner Klein supported Commissioner Wippermann's recommendation.

Commissioner Scales asked if any property owner could request an interim use permit.

Commissioner Wippermann reiterated that it was setting a precedent.

Commissioner Gooch questioned whether we were changing the ordinance.

Mr. Hunting replied they would be changing a section of the ordinance pertaining to interim uses.

Commissioner Wippermann asked if it was possible to restrict the ordinance change strictly to agriculturally zoned property guided for commercial.

Commissioner Simon asked if that would be a condition of approval.

Commissioner Wippermann replied it would be part of the ordinance change rather than a condition.

Commissioner Klein stated an ordinance change typically takes requires three readings.

Mr. Hunting replied this was a minor change which Council has always done in one reading. Approval of this would add 'contractors yard with outdoor storage' in the A, Agricultural zoning district to the list of interim uses. An applicant would then have to get an interim use permit and meet the criterion. He stated if the Commissioners were comfortable with Commissioner Wippermann's suggestion they should make a recommendation and he will verify that that can be done.

Commissioner Robertson was somewhat reluctant to add the suggested clause 'guided for commercial' as there may be other individuals of agriculturally zoned property whose land might eventually become developed but has not yet been guided for commercial.

Commissioner Scales stated any landowner could request an interim use permit; Commissioner Wippermann's recommendation would avoid setting a precedent on all agriculturally zoned property.

Commissioner Lissarrague stated he lived in the Agricultural zoning district and agreed with Commissioner Wippermann's suggestion.

Commissioner Wippermann restated his suggested verbiage.

Recommendation to City Council

May 3, 2016

Page 4

Commissioner Klein restated his motion to approve the request for an ordinance amendment to add 'contractor's yard with outdoor storage' for properties in the A, Agricultural zoning district **that are guided commercial** to the list of interim uses.

Second by Robertson.

Motion carried (8/0).

Motion by Commissioner Klein, second by Commissioner Scales, to approve the interim use permit to allow a contractor's yard with outdoor storage on an A, Agricultural zoned property, for the property located at 1185 – 80th Street, with the conditions listed in the report.

Motion carried (8/0). This item goes to the City Council on May 23, 2016.

SURROUNDING USES: The subject site is surrounded by the following zoning:

North	Large lot residential; zoned A, Agricultural; guided Community Commercial
West	Mini Storage; zoned B-3, General Business; guided Community Commercial
South	80 th Street and Hwy 55
East	Large lot residential; zoned A, Agricultural; guided Community Commercial

INTERIM USE ORDINANCE AMENDMENT

An interim use is defined as a temporary use of a property until a particular date, occurrence of a particular event, or until zoning regulations no longer permits. Interim uses are typically uses that are not appropriate based upon strict application of Zoning Code restrictions, existing development and proposed future land-use plans, however, they may have merit as uses for some intermediary period of time.

The Interim Use Ordinance is set up so that each allowed use is listed specifically in the ordinance. Therefore the ordinance must be amended each time a new use is approved. In this case, the ordinance would need to be amended to add “contractor’s yard with outdoor storage” as an interim use in the A, Agricultural District.

INTERIM USE PERMIT

The interim use of a contractor’s yard on this site would not have an impact on public health or existing or planned City facilities. The property is located within the Northwest Area and the area is anticipated to develop with commercial or possibly higher density residential once sewer is available. The extension of 80th Street will run in the vicinity of this parcel, but there is no specific timetable for when this will occur. It will most likely occur once the area develops.

With an interim use, staff recommends that no further improvements be allowed for the contractor’s yard such as adding buildings, paving or grading other areas for storage. The intent of an interim use is to allow a temporary use that will not hinder or impede future development of the parcels or surrounding parcels according to the comprehensive plan. In this case, allowing open storage of landscape trucks and equipment is not affecting the future use of the property and would not hinder or add to the cost of redevelopment.

ALTERNATIVES

The Planning Commission has the following actions available on the following requests:

- A. **Approval.** If the Planning Commission finds the application to be acceptable, the following actions should be recommended for approval:

Alfred Willenbring

1225 80th St E

Inver Grove Heights, MN 55077

March 25th, 2016

Inver Grove Heights – Interim Use Permit Request

I am requesting an interim use permit for a period of 5 years, so that my current tenant may continue to store their vehicles and equipment on a portion of my property, located at 1185 80th St E.

The tenant is located on the South Side of the lot and currently occupies approximately 0.66 acres.

There is no water or electricity servicing this section of the property.

The primary use of the property is for the storage of vehicles and landscaping equipment. It is not open to the public and is marked as private property.

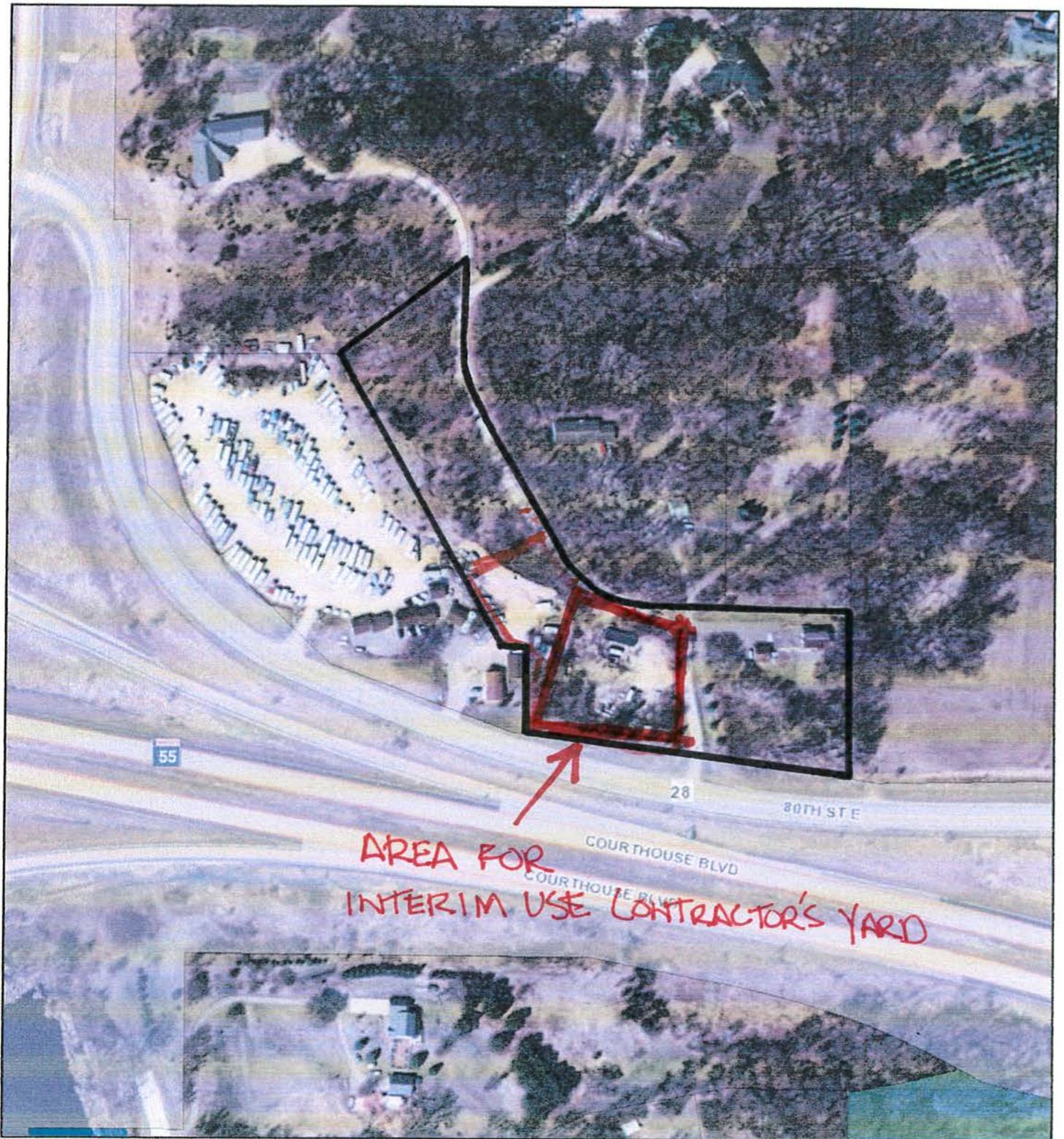
There is currently a shed and a couple shipping containers on site. No permanent structures will be placed on the property.

Property maintains a neat appearance and the current tree line along the perimeter is to remain.

Sincerely,

Alfred Willenbring

My Map



March 25, 2016

- | | | | | | |
|--|-------------|---|------------------------|---|-------------|
|  | 2016 |  | Tax Parcel |  | Pending New |
|  | 2015 |  | Dedicated Right of Way | | |
|  | 2014 |  | Water | | |
|  | 2013 |  | Multi-owner Parcel | | |
|  | 2012 |  | Water in Tax Parcel | | |
|  | Tax Parcels |  | Right of Way Easement | | |

1:2,700



CITY OF INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

RUSS GOHL – Case No. 16-15V

Meeting Date: May 23, 2016
 Item Type: Regular
 Contact: Heather Botten 651.450.2569
 Prepared by:  Heather Botten, Associate Planner
 Reviewed by: 

Fiscal/FTE Impact:

- None
- Amount included in current budget
- Budget amendment requested
- FTE included in current complement
- Other

PURPOSE/ACTION REQUESTED

Consider a resolution relating to a Variance to allow a garage 22 feet from the front property line whereas 30 feet is required for property located at 5935 Babcock Trail

- Requires a 3/5th's vote.
- 60-day deadline: June 14, 2016 (first 60-days)

SUMMARY

The applicant is requesting a variance to allow an attached garage 22 feet from the front property line whereas 30 feet is the required setback. The home was constructed in 1956 prior to the adoption of a city code and was built without an attached garage. The property does not have direct road frontage and is a wooded lot with some topographical changes.

To construct the attached garage the applicant would be removing an existing hoop structure and small shed. Additionally, the property had an 18x20 foot structure that was located 10 feet off the front property line; the applicant moved this structure to construct the attached garage. The proposed garage would be in compliance with all other setback, size, and impervious surface requirements. The request would not be out of character for the neighborhood and it is consistent with the comprehensive plan. The garage does not appear to have any adverse impact on neighboring properties.

Planning Staff: Based on the information provided staff recommends approval of the request with the conditions listed in the attached resolution.

Planning Commission: At the May 17, 2016 public hearing, the Planning Commission recommended approval of the request with the conditions listed in the attached resolution (8-0).

Attachments: Approval resolution
 PC recommendation
 Planning staff report

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. 16-

**RESOLUTION APPROVING A VARIANCE TO ALLOW A GARAGE 22 FEET FROM THE
FRONT PROPERTY LINE WHEREAS 30 FEET IS THE REQUIRED SETBACK**

CASE NO. 16-15V

Gohl

Property located at 5935 Babcock Trail and legally described as follows:

PT OF S 1/2 OF SE 1/4 BEG 356.44 FT N & 940.57 FT W OF SE COR W 565.64 FT
N 6D 15M E 111 FT E 565.64 FT S 9D 40M W 111.8 FT TO BEG
SECTION 32 TWN 28 RANGE 22, DAKOTA COUNTY, MINNESOTA

WHEREAS, an application has been received for a Variance to allow an attached garage to encroach into the front yard setback;

WHEREAS, the afore described property is zoned R-1B, Single-family residential;

WHEREAS, a Variance may be granted by the City Council from the strict application of the provisions of the City Code Title 10, Chapter 3-4 and conditions and safeguards imposed in the variance so granted where practical difficulties or particular hardships result from carrying out the strict letter of the regulations of the Zoning Code, as per City Code 10-3-4 D;

WHEREAS, the City of Inver Grove Heights Planning Commission reviewed the request on May 17, 2016 in accordance with City Code Section City Code 10-3-3: C;

WHEREAS, a practical difficulty or uniqueness was found to exist based on the following findings:

- a. The topography on the property limits the area for the garage to the east side of the home unless extensive grading and tree removal is done.
- b. The location of the garage does not appear to have any adverse impacts on the neighboring properties.
- c. The request is in harmony with the general purpose and intent of the City Ordinance and is consistent with the Comprehensive Plan.
- d. The home was built prior to the adoption of the city code and does not have an attached garage; an attached garage is a reasonable request for a single family property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF INVER GROVE HEIGHTS, that the variance to allow a 22 foot front yard setback for a garage is hereby approved with the following conditions:

- 1. The site shall be developed in substantial conformance with the site plan on file with the Planning Department.
- 2. A grading/erosion control plan will be required at the time of the building permit application.

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized and directed to record a certified copy of this Resolution at the Dakota County Recorder's Office.

Adopted by the City Council of Inver Grove Heights this 23rd day of May, 2016.

George Tourville, Mayor

Ayes:

Nays:

ATTEST:

Michelle Tesser, City Clerk

**RECOMMENDATION TO
CITY OF INVER GROVE HEIGHTS**

TO: Mayor and City Council of Inver Grove Heights
FROM: Planning Commission
DATE: May 17, 2016
SUBJECT: **RUSS GOHL – CASE NO. 16-15V**

Reading of Notice

Commissioner Simon read the public hearing notice to consider the request for a variance to allow a garage 22 feet from the front property line whereas 30 feet is required, for the property located at 5935 Babcock Trail. 6 notices were mailed.

Presentation of Request

Heather Botten, Associate Planner, explained the request as detailed in the report. The existing home was built in 1956, prior to adoption of the zoning code, and does not have an attached garage. Additionally, the property does not have direct road frontage and is a wooded lot with topographical changes. The applicant would like to construct a two-car attached garage on the property 22 feet from the front property line whereas 30 feet is required. The property had a detached structure located 10 feet off the front property line; the applicant has since moved this structure and will also be removing two other existing detached structures. Staff recommends approval of the request with the two conditions listed in the report. Staff heard from the neighboring property owner who would be most affected; they are in support of the request.

Commissioner Simon questioned why the eastern property line would not be considered the side yard given the orientation of the house.

Ms. Botten replied that the front yard determination was based on how the property lines were set up and where the access point would be rather than the house orientation.

Opening of Public Hearing

Russ Gohl, 5935 Babcock Trail, advised he was available to answer any questions.

Chair Maggi asked the applicant if he read and understood the report.

Mr. Gohl replied in the affirmative. He clarified that he was proposing to construct an attached garage rather than a detached garage.

Chair Maggi closed the public hearing.

Planning Commission Recommendation

Motion by Commissioner Klein, second by Commissioner Scales, to approve the request for a variance to allow a garage 22 feet from the front property line whereas 30 feet is required, for the property located at 5935 Babcock Trail, with the two conditions and practical difficulty as listed in the report.

Motion carried (8/0). This item goes to the City Council on May 23, 2016.

PLANNING REPORT CITY OF INVER GROVE HEIGHTS

REPORT DATE: May 11, 2016 **CASE NO.:** 16-15V

HEARING DATE: May 17, 2016

APPLICANT AND PROPERTY OWNER: Russ Gohl

REQUEST: A variance from the front yard setback requirements

LOCATION: 5935 Babcock Trail

COMP PLAN: LDR, Low Density Residential

ZONING: R-1B, Single-family residential

REVIEWING DIVISIONS: Planning **PREPARED BY:** Heather Botten
Associate Planner 

BACKGROUND

The existing home, built in 1956, does not have an attached garage on the property. The property does not have direct road frontage and is a wooded lot with some topographical changes. The applicant would like to construct a two-car, attached garage on his property 22 feet from the front property line whereas 30 feet is the required setback. The proposed garage would be 30' x 24' in size.

The applicant stated he would like to clean-up his property. To construct the attached garage he would be removing an existing hoop structure and small shed. Additionally, the property had an 18x20 foot structure that was located 10 feet off the front property line; the applicant moved this structure to construct the attached garage. The proposed garage would be in compliance with all other setback, size, and impervious surface requirements.

SPECIFIC REQUEST

The following specific application is being requested:

- 1) A variance from the front yard setback requirement to construct an attached garage 22 feet from the property line whereas 30 feet is required.

SURROUNDING USES:

The subject site is surrounded by single-family homes, all zoned R-1B, Single Family Residential and guided LDR, Low Density Residential.

EVALUATION OF REQUEST:

City Code Title 10, Chapter 3. **Variations**, states that the City Council may grant variations when they are in harmony with the general purposes and intent of the zoning ordinance and consistent with the comprehensive plan and establishes that there are practical difficulties in complying with the official control. In order to grant the requested variations, City Code identifies criteria which are to be considered practical difficulties. The applicant's request to encroach into the front setback is reviewed below against those criteria.

1. *The variance request is in harmony with the general purpose and intent of the city code and consistent with the comprehensive plan.*

The surrounding properties are zoned and developed residential. The request is in harmony with the intent of the comprehensive plan as the lot is being utilized as a residential lot.

In respect to the use of the land, impervious surface, other setbacks and code requirements the request is in harmony with the provisions in the zoning ordinance.

2. *The property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance.*

A two-car attached garage is a reasonable use on a residential property. The property owner would be cleaning up his property by removing two non-conforming structures and adding a two-car attached garage. The size of the garage is not out of character for the residential area.

3. *The plight of the landowner is due to circumstances unique to the property not created by the landowner.*

The home was constructed prior to the adoption of a city code and was built without an attached garage. South and west of the existing home the property changes in elevation. Locating the garage in an area to meet setbacks would result in moving earth and trees and building a number of retaining walls.

4. *The variance will not alter the essential character of the locality.*

One of the functions of setback requirements is to maintain consistency of structure placement and aesthetic qualities from street and neighboring views. The property does not have direct road frontage; the garage addition would be located behind trees and a neighboring home. The property owner most directly affected supports the variance request (letter attached). Staff does not believe the addition of a two-car attached garage would alter the essential character of the locality.

5. *Economic considerations alone do not constitute an undue hardship.*

Economic considerations do appear to be a basis for this request as adding the garage in a different location would require grading of the property and retaining walls which would be an additional cost.

ALTERNATIVES

The Planning Commission has the following alternatives available for the requested action:

A. Approval If the Planning Commission finds the setback variance to be acceptable, the Commission should recommend approval of the request with at least the following conditions:

1. The site shall be developed in substantial conformance with the site plan on file with the Planning Department.
2. A grading/erosion control plan will be required at the time of the building permit application.

B. Denial If the Planning Commission does not favor the proposed application, the above request should be recommended for denial. With a recommendation for denial, findings or the basis for the denial should be given.

RECOMMENDATION

The request is not out of character of the neighborhood and it is consistent with the comprehensive plan. An attached garage is a typical improvement for a residential property and the reduced setback does not appear to have any adverse impacts on the neighboring properties. Staff believes a practical difficulty can be found for a front yard setback variance due to the topography of the lot and the location of the existing home built prior to a City having a code.

Based on the information in the preceding report and the conditions listed in Alternative A, staff is recommending approval of a 22 foot setback from the front property line.

Attachments: Exhibit A - Location/Zoning Map
Exhibit B - Applicant Narrative
Exhibit C - Site Plan
Exhibit D - Aerial Picture
Exhibit E - Exterior Elevation
Exhibit E- Letters from neighbors

ALTERNATIVES

The Planning Commission has the following alternatives available for the requested action:

A. Approval If the Planning Commission finds the setback variance to be acceptable, the Commission should recommend approval of the request with at least the following conditions:

1. The site shall be developed in substantial conformance with the site plan on file with the Planning Department.
2. A grading/erosion control plan will be required at the time of the building permit application.

B. Denial If the Planning Commission does not favor the proposed application, the above request should be recommended for denial. With a recommendation for denial, findings or the basis for the denial should be given.

RECOMMENDATION

The request is not out of character of the neighborhood and it is consistent with the comprehensive plan. An attached garage is a typical improvement for a residential property and the reduced setback does not appear to have any adverse impacts on the neighboring properties. Staff believes a practical difficulty can be found for a front yard setback variance due to the topography of the lot and the location of the existing home built prior to a City having a code.

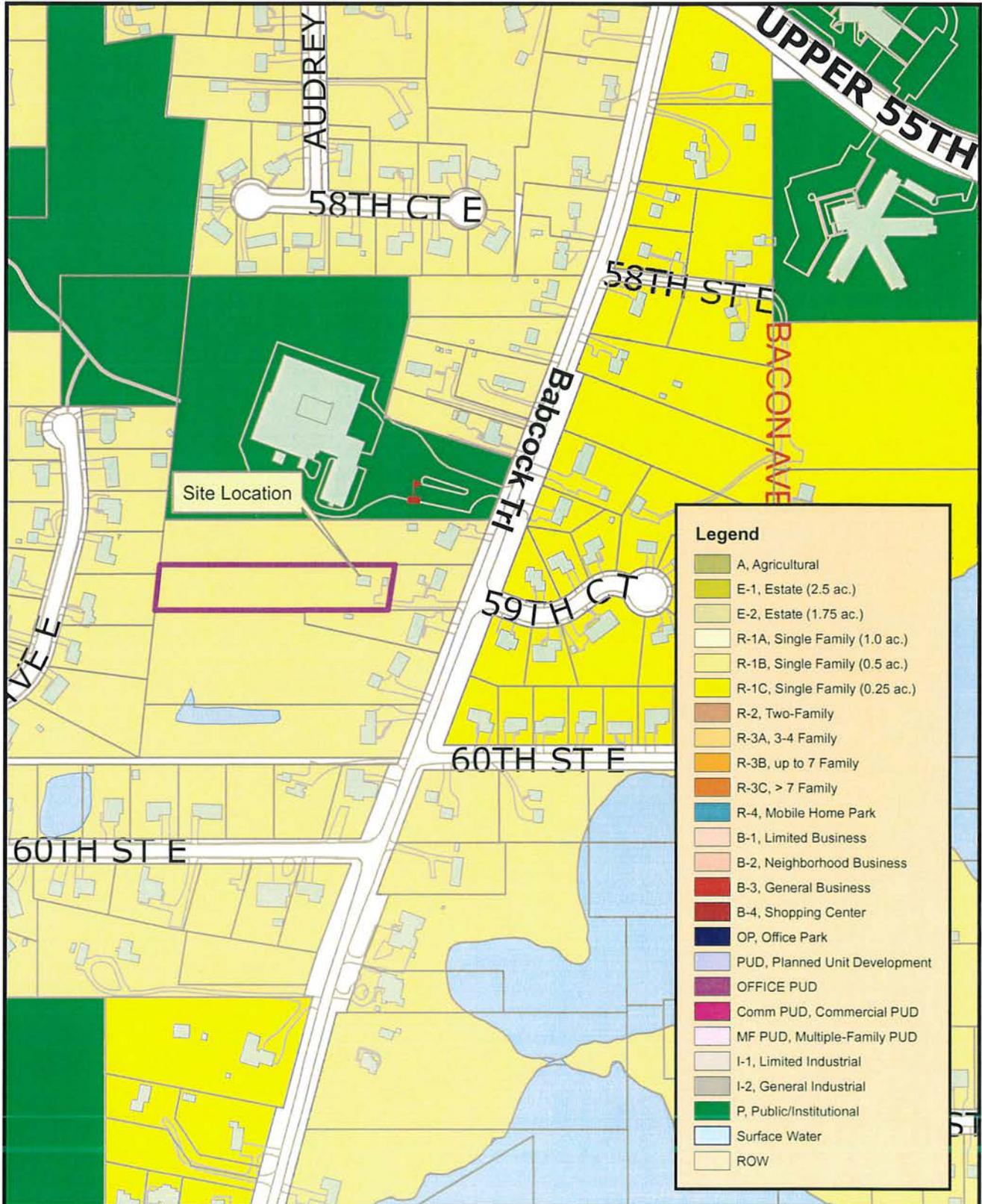
Based on the information in the preceding report and the conditions listed in Alternative A, staff is recommending approval of a 22 foot setback from the front property line.

Attachments: Exhibit A - Location/Zoning Map
Exhibit B - Applicant Narrative
Exhibit C - Site Plan
Exhibit D - Aerial Picture
Exhibit E - Exterior Elevation
Exhibit E- Email from neighbor

Map not to scale



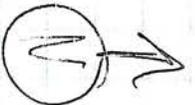
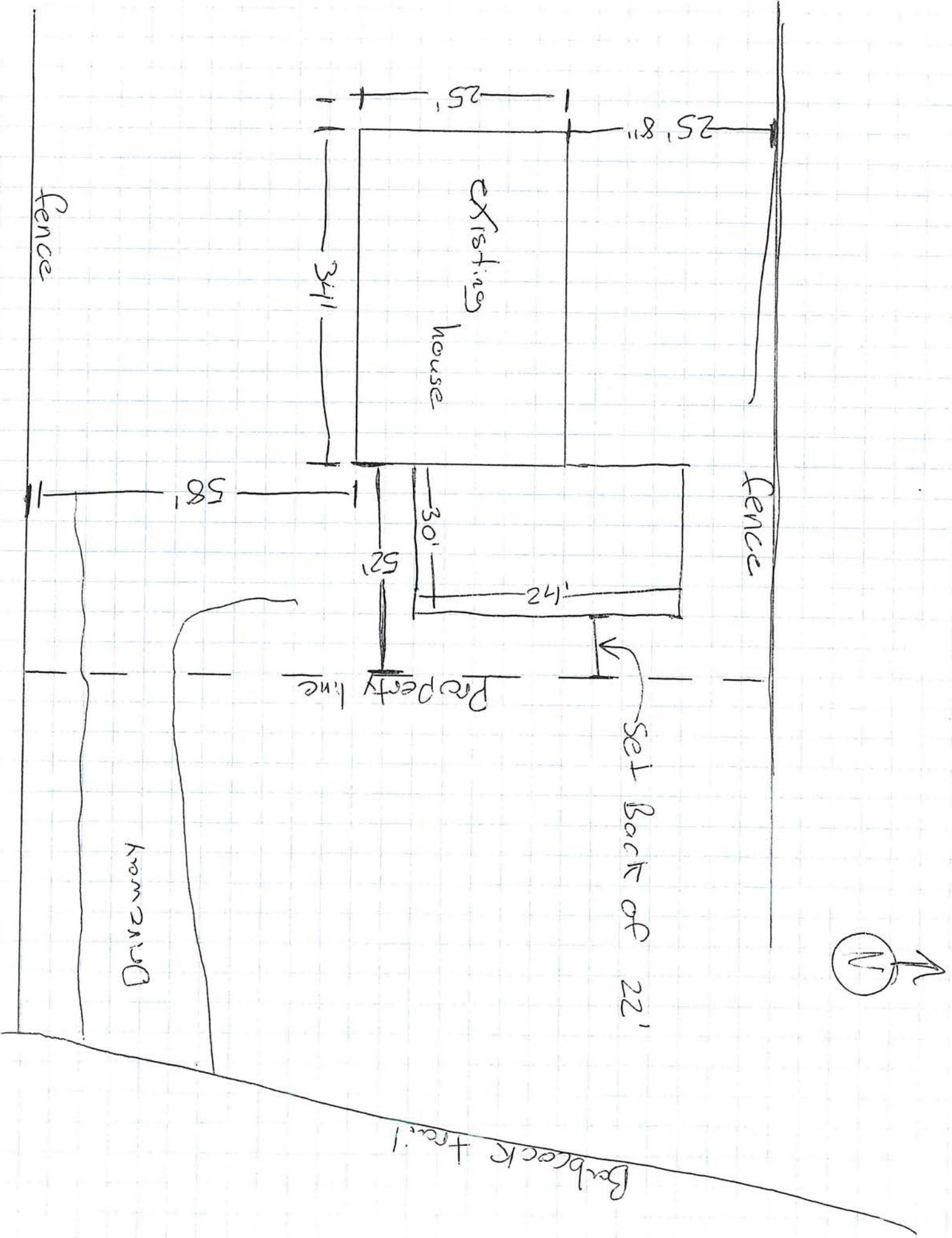
Gohl Case No. 16-15V



This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is to be used for reference purpose only. The City of IGH is not responsible for any inaccuracies herein contained.

Exhibit A
Zoning and Location Map

would like to Build a garage onto
existing house on the East side this
is the only good spot to put it Due
to a big tree and steep hill on
the south side and if I would
Put ~~it~~ on the west side would have to
add onto the Driveway and Build two
or three retaining walls



Barbwire trail

Set Back of 22'

Property line

Driveway

Existing house

Fence

Fence

34'11"

25'8"

58'

30'

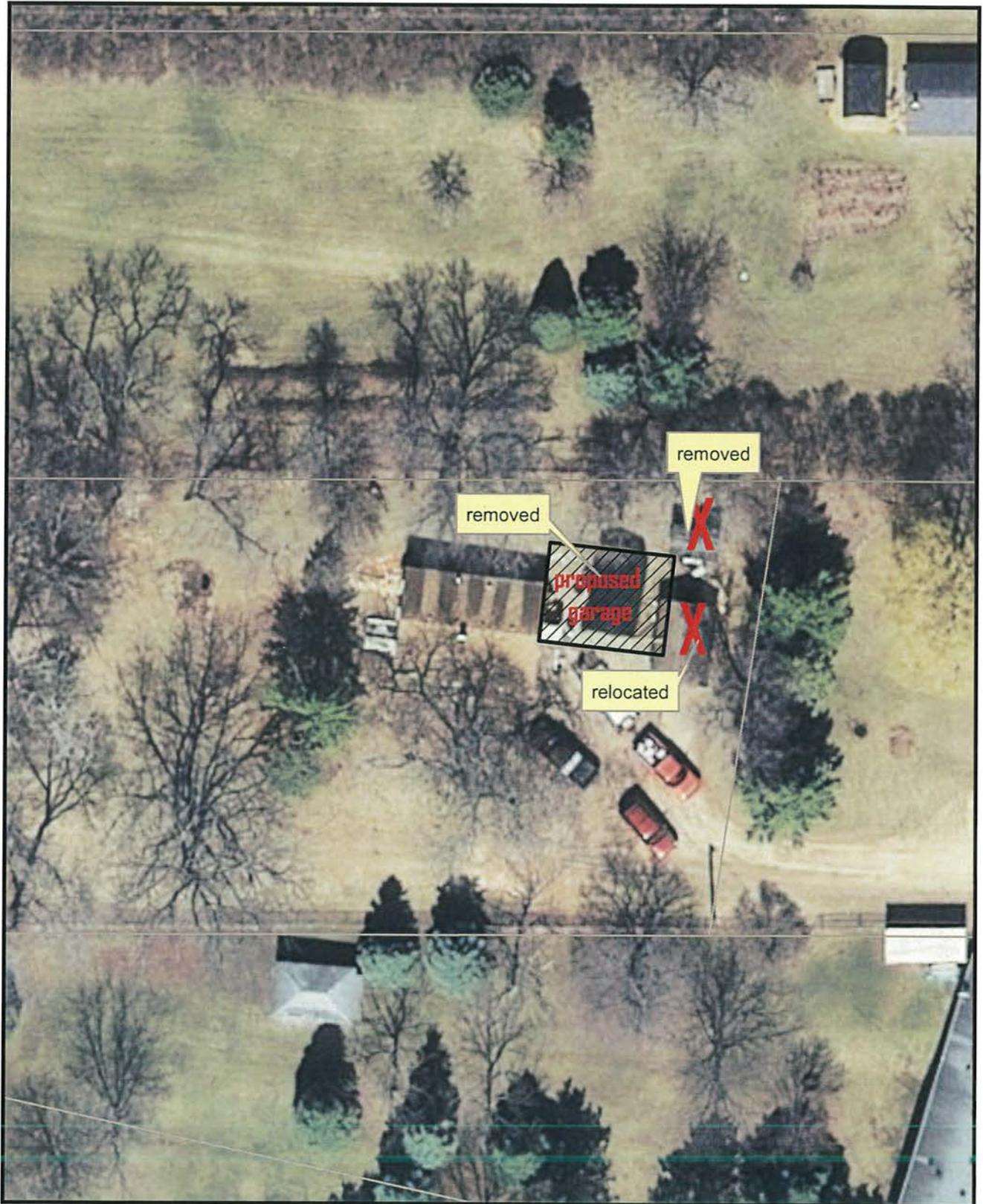
142

52'

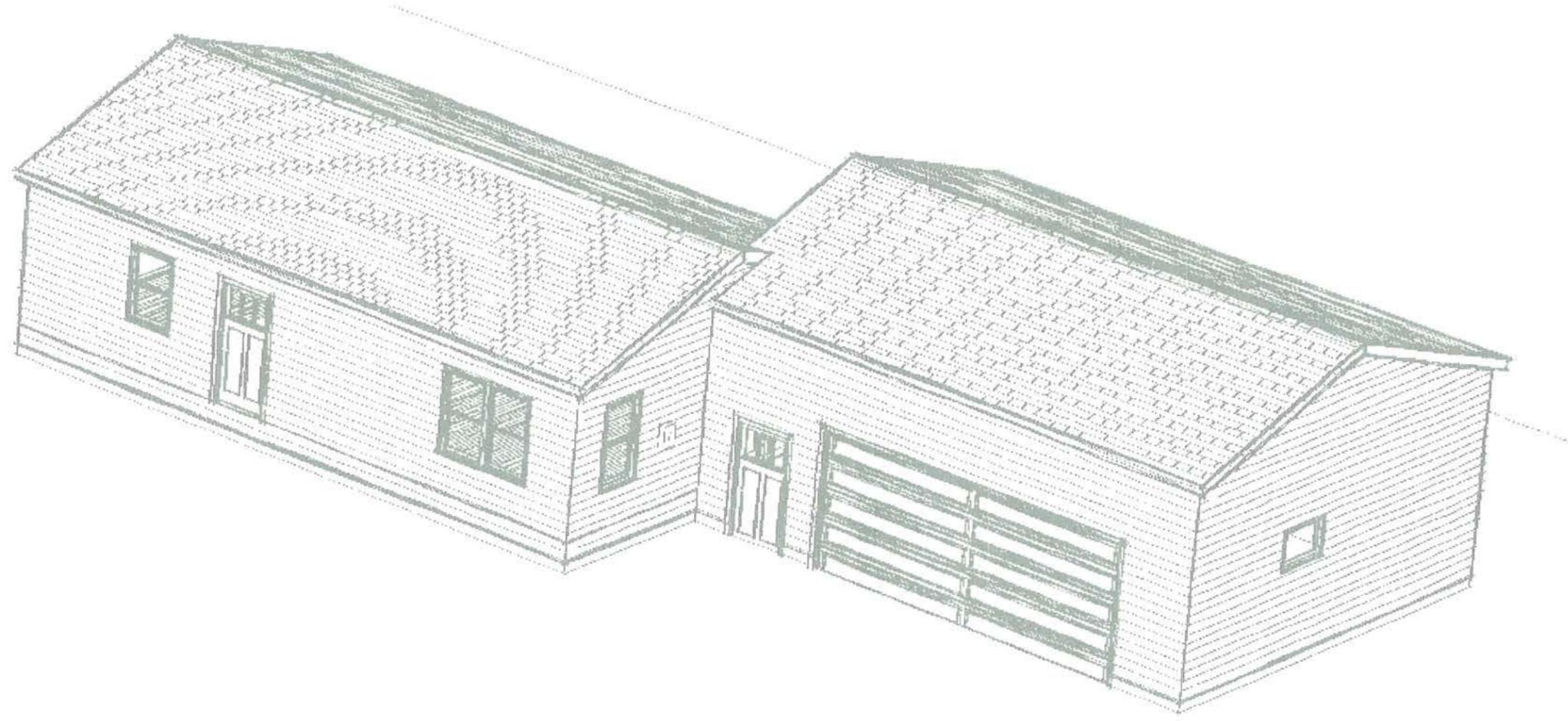
Map not to scale



Gohl Case No. 16-15V



This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is to be used for reference purpose only. The City of IGH is not responsible for any inaccuracies herein contained.



Designed By: Bart Ikens

B² Design Build LLC
14505 South Roberts Trail
Rosemount, MN 55068
(651) 333-9394
Lic. # BC639128

SHEET:
A-2

PROJECT DESCRIPTION:

5935 Babcock Trail
Inver Grove Heights

B² Design Build LLC. assumes no responsibility for structural or dimensional errors or omissions. The contractor and / or home owner must verify and check all notes, dimensions, elevations, sections and floor plans prior to the start of construction and be responsible for the same.

DATE:
3/29/2016

SCALE:
3/16"=1'

Heather Botten

From: Martin Triviski [timmy1337lawl@yahoo.com] -5921 Babcock Trl.
Sent: Monday, May 09, 2016 2:50 PM
To: Heather Botten
Subject: Russ Gohl case no.16-15V

To whom it may concern. My name is Martin Triviski and I am the neighbor of Russ Gohl. Russ can put his garage anywhere on his property he wants I have no concerns with it.

Sent from my iPhone

INVER GROVE HEIGHTS

REQUEST FOR COUNCIL ACTION

**PARKING OF BOATS AND OTHER NON-MOTORIZED VEHICLES IN THE FRONT YARD
THIRD READING**

Meeting Date: May 23, 2016
Item Type: Regular Session
Contact: Allan Hunting 651.450.2554
Prepared by: Allan Hunting, City Planner
Reviewed by:

PURPOSE/ACTION REQUESTED

Consider the Third reading of an ordinance relating to parking of recreational vehicles in the front yard in single family zoning districts.

- Requires 3/5th's vote.

The City Council approved the second reading of the ordinance on May 9, 2016 with no further changes.

ANALYSIS

The ordinance addresses the following:

- Parking of recreational vehicles in the front yard is allowed only on a driveway or parking pad attached to the driveway that is on the opposite side of the house as the front door.
- Driveway and parking pad must be made of concrete, bitumen or paver blocks.
- Applies to single family residential districts only.
- Parking area must meet minimum 5 foot side yard setback.
- Only one recreational vehicle is allowed in the front yard on properties zoned R-1C.
- Recreational vehicles are allowed in the side or rear yards on any surface, but must maintain setbacks.

RECOMMENDATION

Planning Staff: Staff presents third reading version of the ordinance.

Attachment: Ordinance Amendment third Reading (strike through)
Ordinance Amendment (clean)
Lot Illustrations

CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA

ORDINANCE NO. _____

AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 10, (ZONING ORDINANCE) CHAPTER 15 REGARDING PARKING
STANDARDS FOR VEHICLES AND RECREATIONAL VEHICLES IN SINGLE
FAMILY RESIDENTIAL ZONING DISTRICTS (E and R-1)

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS
FOLLOWS:

Section One. Amendment. Title 10, Chapter 15, Section 10-15A-3(B)(1&2)
PERFORMANCE STANDARDS of the Inver Grove Heights City Code is hereby
amended to read as follows:

10-15A-3: OFF STREET PARKING REGULATIONS:

B. Location: Required off street parking in the E and R districts shall be on the same lot as the principal building. Required off street parking in all districts shall meet the following setback requirements:

1. Within all E and R districts, all vehicles and recreational vehicles normally owned or kept by the occupants on the premises must have a garage stall or open parking space on the same lot as the principal use served. Subject to the restrictions and prohibitions contained in this section, open parking spaces accessory to one and two-family structures may be located anywhere on the lot containing the principal structure ~~except that such~~ provided however, parking may not be located in a rear yard ~~to~~ within five feet (5') of an interior side lot line ~~and to~~ or within eight feet (8') of rear lot line.

2. Within all R-1A, R-1B, R-1C and R-2 districts, parking of a vehicle and/or recreational vehicle on grass or unpaved areas in the front yard is prohibited.

a. For the purposes of this section only, front yard means the area located between;

1. the curb or edge of street pavement and

2. a line coincidental with the front line of the principal structure house or garage (which ever is furthest from the street) continued and extended to the side lot lines. along any street frontage.

b. Within all R-1A, R-1B, R-1C and R-2 districts, parking of vehicles ~~and/or recreational vehicles~~ excluding recreational vehicles in the front yard is allowed only on

a driveway, or parking pad that is directly contiguous to the driveway. ~~Said areas~~ A parking pad shall be constructed of bitumen, concrete or paving blocks and shall conform to maximum impervious surface standards. All parking spaces shall maintain a minimum five (5) foot side yard setback.

c. Subject to the restrictions and prohibitions contained in this subsection, within all R-1A, R-1B, R-1C and R-2 districts, parking of recreational vehicles in the front yard is allowed only on a driveway, or parking pad that is directly contiguous to the driveway and that is on the side of the recreational vehicle parking line that is further from the front door of the house than the other side of the recreational vehicle parking line. No more than two (2) recreational vehicles shall be allowed in the front yard in the R-1C district. . A parking pad shall be constructed of bitumen, concrete or paving blocks and shall conform to maximum impervious surface standards. All parking spaces shall maintain a minimum five (5) foot side yard setback.

d. The following exception apply:

- 1) Parking of automobiles may be allowed on grass in the front yard only during the winter parking ban period from November 1 through March 30.

Section Two. Amendment. Title 10, Chapter 2-2, DEFINITIONS, of the Inver Grove Heights City Code is hereby amended to add the following:

RECREATIONAL VEHICLE: Any vehicle which meets the criteria for “recreation” class registration and license plate, DNR registration, or trailer registration used for conveyance of recreation vehicles as established by the Minnesota Department of Public Safety, Minnesota Department of Natural Resources, or this chapter, including, but not limited to: travel trailers, stock car trailers, livestock or horse trailers, campers, motor homes, tent trailers, vehicles converted to motor homes, snowmobiles, snowmobile trailers, boats, boat trailers, personal watercraft, watercraft as defined by MN Statute 86B.005, Subd. 18, as amended from time to time, all-terrain vehicles, and all-terrain vehicle trailers.

RECREATIONAL VEHICLE PARKING LINE: Means a line from the garage to the street that is coincidental with the line at the side wall of the garage closest to the front door of the house being continued and extended to the street.

VEHICLE: Means vehicle as defined by MN Statute 169.011, Subd. 92, as amended from time to time.

Section Three. Effective Date. This Ordinance shall be in full force and effect upon its publication as provided by law and from and after _____, 2016.

Passed in regular session of the City Council on the ____ day of _____, 2016.

CITY OF INVER GROVE HEIGHTS

By: _____
George Tourville, Mayor

ATTEST:

Michelle Tesser City Clerk

CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA

ORDINANCE NO. _____

AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE,
TITLE 10, (ZONING ORDINANCE) CHAPTER 15 REGARDING PARKING
STANDARDS FOR VEHICLES AND RECREATIONAL VEHICLES IN SINGLE
FAMILY RESIDENTIAL ZONING DISTRICTS (E and R-1)

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS
FOLLOWS:

Section One. Amendment. Title 10, Chapter 15, Section 10-15A-3(B)(1&2)
PERFORMANCE STANDARDS of the Inver Grove Heights City Code is hereby
amended to read as follows:

10-15A-3: **OFF STREET PARKING REGULATIONS:**

B. Location: Required off street parking in the E and R districts shall be on the same lot as the principal building. Required off street parking in all districts shall meet the following setback requirements:

1. Within all E and R districts, all vehicles and recreational vehicles normally owned or kept by the occupants on the premises must have a garage stall or open parking space on the same lot as the principal use served. Subject to the restrictions and prohibitions contained in this section, open parking spaces accessory to one and two-family structures may be located anywhere on the lot containing the principal structure provided however, parking may not be located in a rear yard within five feet (5') of an interior side lot line or within eight feet (8') of rear lot line.

2. Within all R-1A, R-1B, R-1C and R-2 districts, parking of a vehicle and/or recreational vehicle on grass or unpaved areas in the front yard is prohibited.

a. For the purposes of this section only, front yard means the area located between;

1. the curb or edge of street pavement and
2. a line coincidental with the front line of the house or garage (which ever is furthest from the street) continued and extended to the side lot lines.

b. Within all R-1A, R-1B, R-1C and R-2 districts, parking of vehicles excluding recreational vehicles in the front yard is allowed only on a driveway, or parking pad that is directly contiguous to the driveway. A parking pad shall be constructed of bitumen,

concrete or paving blocks and shall conform to maximum impervious surface standards. All parking spaces shall maintain a minimum five (5) foot side yard setback.

c. Subject to the restrictions and prohibitions contained in this subsection, within all R-1A, R-1B, R-1C and R-2 districts, parking of recreational vehicles in the front yard is allowed only on a driveway, or parking pad that is directly contiguous to the driveway and that is on the side of the recreational vehicle parking line that is further from the front door of the house than the other side of the recreational vehicle parking line. No more than two (2) recreational vehicles shall be allowed in the front yard in the R-1C district. . A parking pad shall be constructed of bitumen, concrete or paving blocks and shall conform to maximum impervious surface standards. All parking spaces shall maintain a minimum five (5) foot side yard setback.

d. The following exception apply:

- 1) Parking of automobiles may be allowed on grass in the front yard only during the winter parking ban period from November 1 through March 30.

Section Two. Amendment. Title 10, Chapter 2-2, DEFINITIONS, of the Inver Grove Heights City Code is hereby amended to add the following:

RECREATIONAL VEHICLE: Any vehicle which meets the criteria for "recreation" class registration and license plate, DNR registration, or trailer registration used for conveyance of recreation vehicles as established by the Minnesota Department of Public Safety, Minnesota Department of Natural Resources, or this chapter, including, but not limited to: travel trailers, stock car trailers, livestock or horse trailers, campers, motor homes, tent trailers, vehicles converted to motor homes, snowmobiles, snowmobile trailers, boats, boat trailers, personal watercraft, watercraft as defined by MN Statute 86B.005, Subd. 18, as amended from time to time, all-terrain vehicles, and all-terrain vehicle trailers.

RECREATIONAL VEHICLE PARKING LINE: Means a line from the garage to the street that is coincidental with the line at the side wall of the garage closest to the front door of the house being continued and extended to the street.

VEHICLE: Means vehicle as defined by MN Statute 169.011, Subd. 92, as amended from time to time.

Section Three. Effective Date. This Ordinance shall be in full force and effect upon its publication as provided by law and from and after _____, 2016.

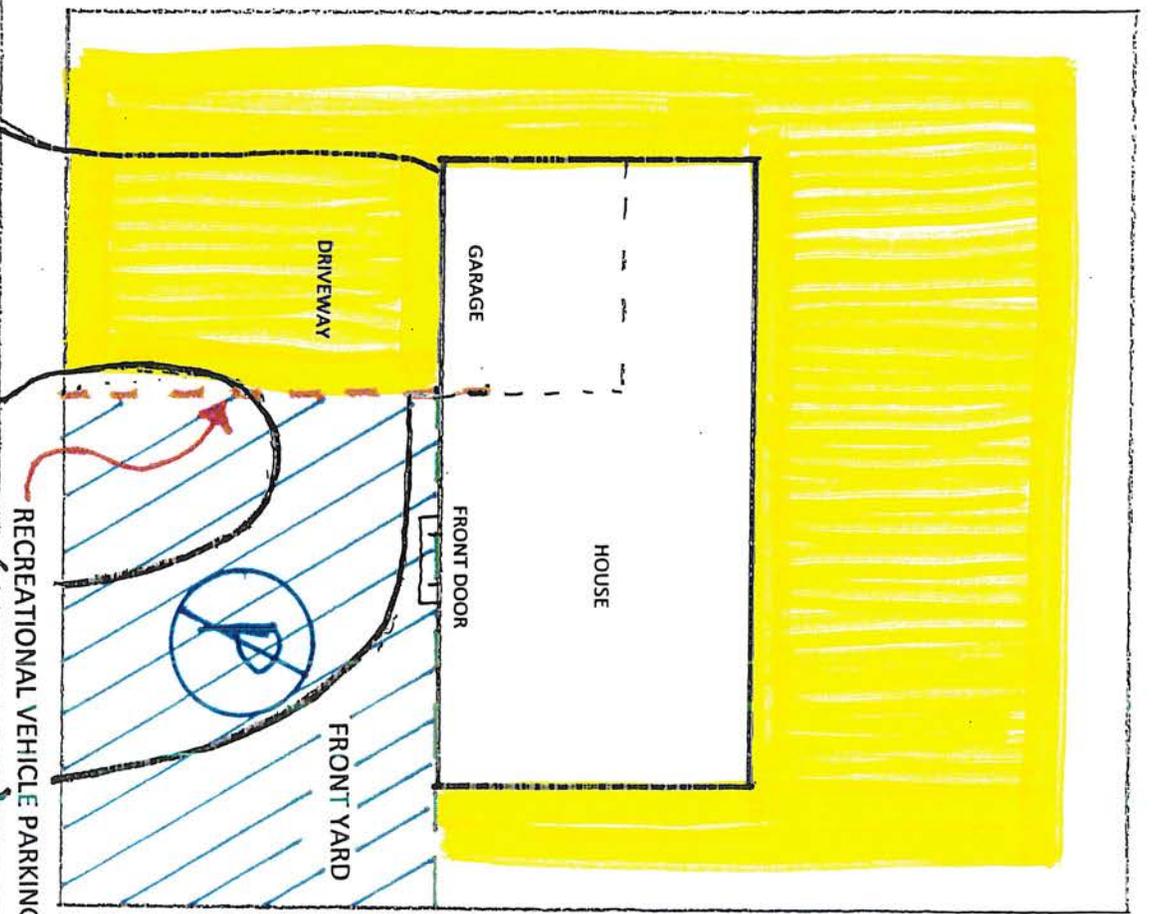
Passed in regular session of the City Council on the ____ day of _____, 2016.

CITY OF INVER GROVE HEIGHTS

By: _____
George Tourville, Mayor

ATTEST:

Michelle Tesser City Clerk



NO PARKING OF RECREATIONAL VEHICLES