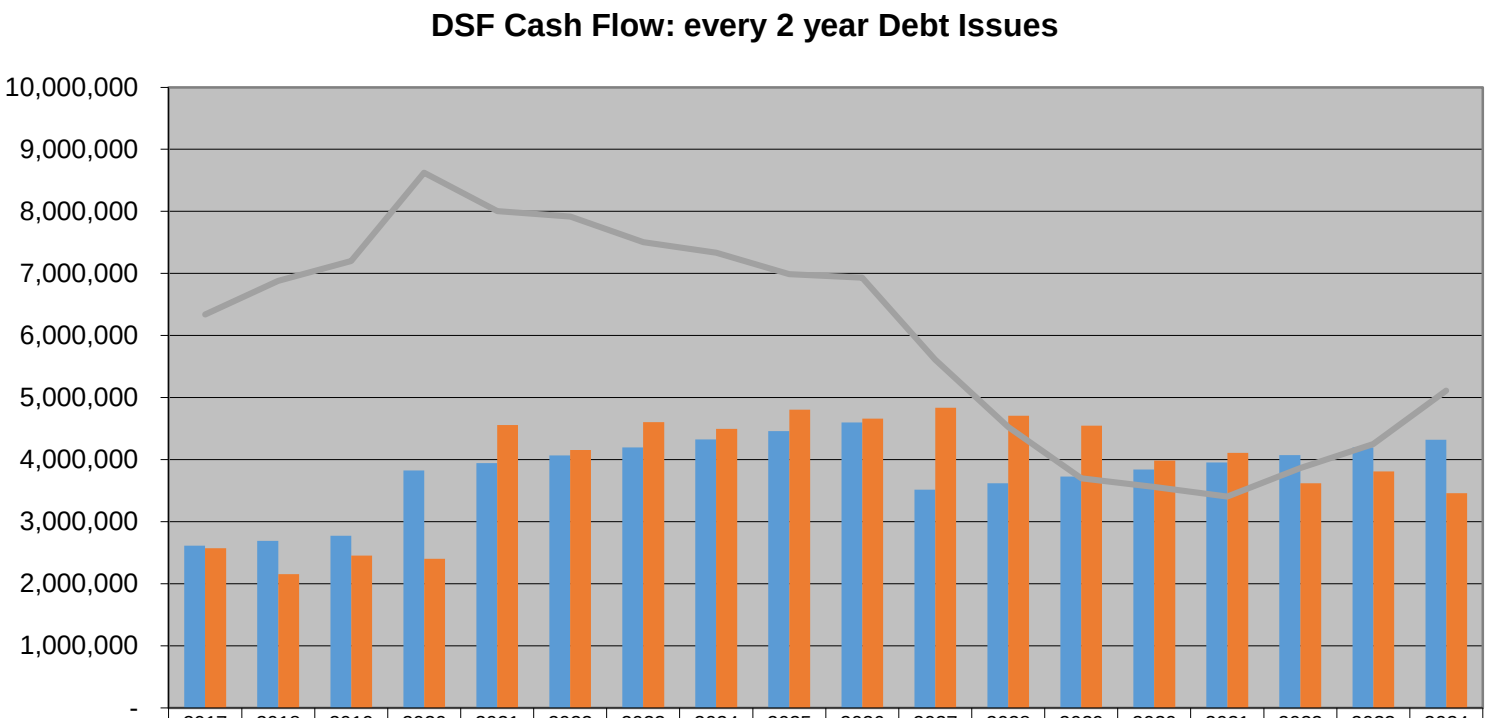
TOV Capital Budget Update
Proposed Changes to 9-19-17 CIP Presentation

January 22, 2018

Debt Model As Presented 9-19-17
Includes Police Renovation, Downtown Library Parking Structure, 4% Meals Tax (7 years) and O&M Campus



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues	2,615	2,694	2,775	3,824	3,944	4,067	4,195	4,326	4,461	4,601	3,515	3,620	3,729	3,841	3,956	4,075	4,197	4,323
Expenses	2,573	2,153	2,455	2,402	4,560	4,157	4,606	4,496	4,807	4,659	4,836	4,709	4,549	3,983	4,107	3,620	3,810	3,462
Balance	6,340	6,881	7,200	8,623	8,007	7,917	7,506	7,335	6,990	6,932	5,611	4,522	3,702	3,559	3,408	3,863	4,250	5,111

Debt Service Model, 9-22-17

- Goal is to maintain a Debt Service Fund Balance of $4M

- Beginning Debt Service Fund Balance $6.3M
- End Debt Service Fund Balance $5.1M

Low Fund Balance - $3.4M ***Number of years Fund Balance under $3.5M - 1***

TOV Capital Budget Update 01-22-2018
Proposed Impacts To 9-19-2017 Presentation Debt Model
Scenario #1

Ending Debt Service Fund Balance per 9-19-17 Presentation		$5.1M
<u>Changes that Decrease Fund Balance</u>		
• Eliminate 1% Meals Tax Increase	$(7.5M)	
• Add Mill Street Parking with 50% TOV / 50% NVTA funding	(2.3M)	
• Property Purchase & Renovation	(2.0M)	
<u>Changes that Increase Fund Balance</u>		
• Meals Tax growth - increase 2017 base Meals Tax collected and increase annual growth assumption from 3.0% to 3.5%	$4.5M	
• Increase 2020 Bond from 15 to 20 years	3.1M	
• Replace TOV Funding of Library Parking with NVTA (100%)	5.6M	
• Shift Some Projects to Later Years (see next slide for details)	1.3M	
Revised Ending Balance		$7.8M

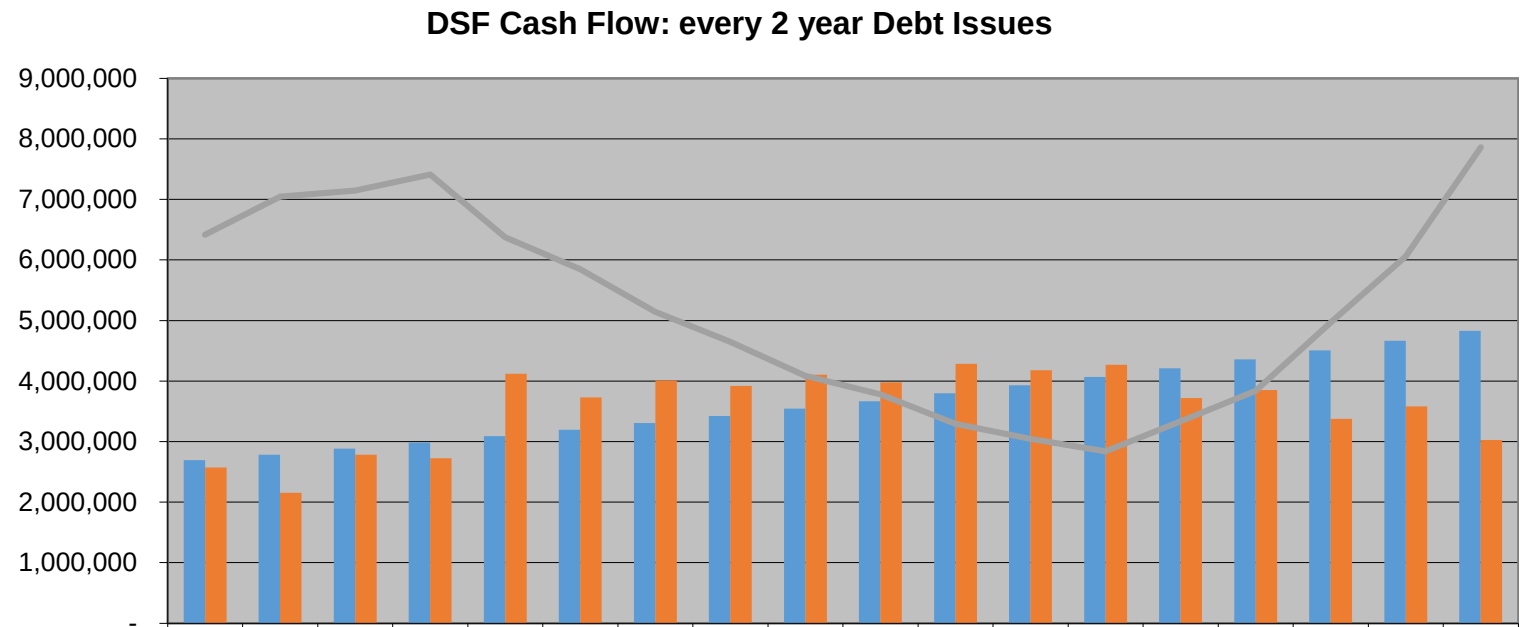
Low Fund Balance - $3.0M ***Number of years Fund Balance under $3.5M - 4***

Scenario #1
Shift Some Projects to Later Years

		From	To
• Center Street Drainage Improvements	$1.7M	2022	2026
• Southside Park Equip & Surfacing	.2M	2024	2026
• Branch Rd Equip & Surfacing	.2M	2024	2026
• Glyndon Park Parking Lot Replace	.3M	2024	2026
• Southside Park Ball Field #1 Refurb	.6M	2024	2026
• Eliminate Deep Roadside Ditch: Berry St SE	2.0M	2026	2028

Above listed project delays save $1.3M

TOV Capital Budget Update
Debt Model Scenario #1 dated 01-22-18



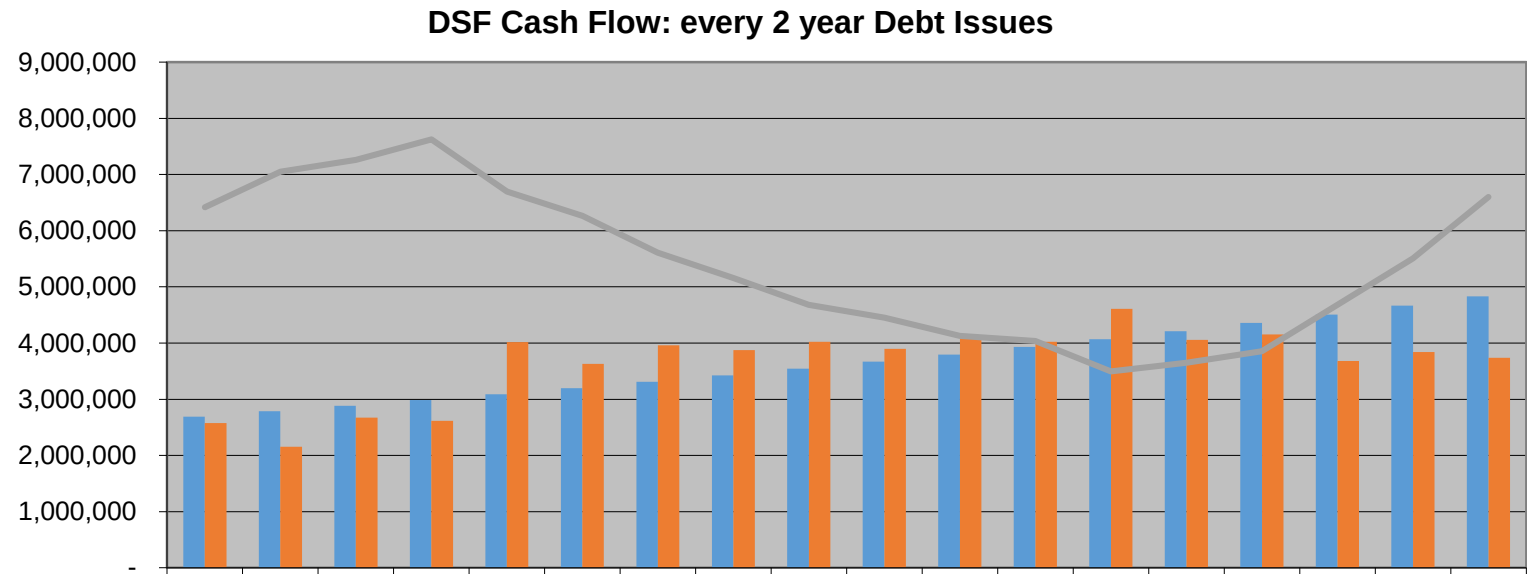
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Revenues	2,691	2,785	2,883	2,983	3,088	3,196	3,308	3,424	3,544	3,668	3,796	3,929	4,066	4,209	4,356	4,508	4,666	4,830
Expenses	2,573	2,153	2,783	2,722	4,119	3,730	4,010	3,919	4,102	3,975	4,286	4,177	4,269	3,716	3,851	3,376	3,578	3,027
Balance	6,416	7,048	7,147	7,408	6,377	5,843	5,141	4,646	4,088	3,781	3,291	3,043	2,840	3,333	3,837	4,970	6,058	7,860

TOV Capital Budget Update
Proposed Impacts To 9-19-17 Presentation Debt Model
Scenario #2

- Remove 100% NVTA funding for Library Parking ($5.6M) from Scenario #1. Assume Library Parking 100% Bond Funded and delayed from 2020 until 2028
- By delaying the Library Parking until 2028 TOV can fund 100% of this project
- Increase all bonds to 20 year bond funding
- No increase in Meals Tax
- Beginning Debt Service Fund Balance $6.4M
- End Debt Service Fund Balance $6.6M

Low Fund Balance - $3.5M ***Number of years Fund Balance under $3.5M - 1***

Debt Model Scenario #2
Take Scenario #1 – replace NVTA funding with TOV funding of Library Parking Garage ($5.6M – 2028), 20 year bonds for all borrowing



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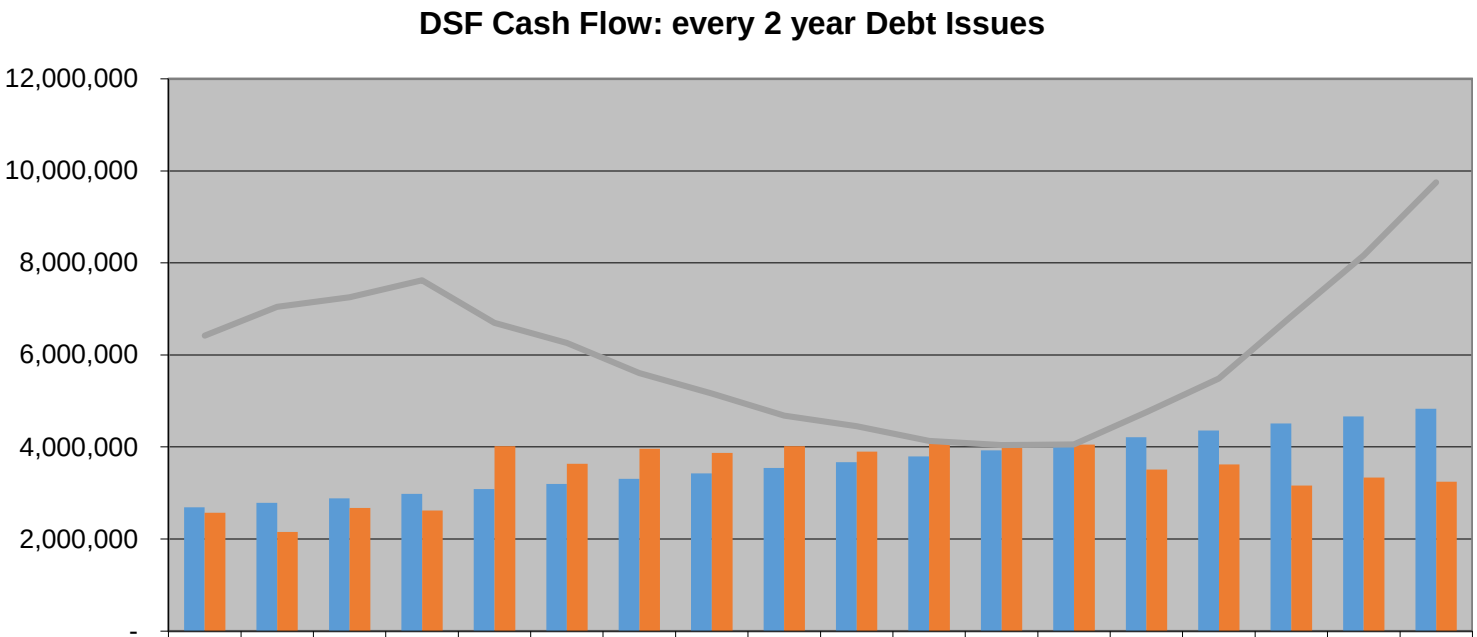
Expenses	2,573	2,153	2,673	2,616	4,017	3,631	3,961	3,873	4,019	3,899	4,118	4,019	4,608	4,054	4,155	3,681	3,842	3,736
Balance	6,416	7,048	7,257	7,625	6,697	6,262	5,608	5,159	4,683	4,452	4,130	4,039	3,497	3,652	3,852	4,680	5,504	6,598

TOV Capital Budget Update
Proposed Impacts To 9-19-17 Presentation Debt Model
Scenario #3

- Increase all bonds to 20 year bond funding
- No increase in Meals Tax
- Beginning Debt Service Fund Balance $6.4M
- End Debt Service Fund Balance $9.7M

Low Fund Balance - $4.0M ***Number of years Fund Balance under $3.5M - 0***

Debt Model Scenario #3
Take Scenario #1 - 20 year bonds for all borrowing



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Expenses	2,573	2,153	2,673	2,616	4,017	3,631	3,961	3,873	4,019	3,899	4,118	4,019	4,048	3,508	3,623	3,163	3,338	3,246
Balance	6,416	7,048	7,257	7,625	6,697	6,262	5,608	5,159	4,683	4,452	4,130	4,039	4,057	4,758	5,490	6,836	8,164	9,748