



# CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-5035

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## Finance Office Department

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## MEMO

**To:** Mayor Sam Kooiker & City Council

**From:** Pauline Sumption

**Date:** September 20, 2013

**RE:** RPCC Arena Cost Analysis Request for Funding

I have been requested to provide options for funding a cost analysis for the RPCC arena. As I look at the various funds and the cash balances and commitments for those funds, I believe there are three viable options to fund this request. When I met with the delegation from the Civic Center, the dollar amount discussed was \$300,000 - \$400,000 however my understanding is that the Board is now requesting up to \$500,000. This does not change the options or my recommendation for funding. All three options would be a loan from that particular fund and would need to be repaid by the Vision Fund in the next round of funding. Terms of the loan would need to be established, such as maturity and interest rate.

Option 1 – SAB28 Fund, using undesignated cash

Option 2 – CIP Fund, using undesignated cash

Option 3 – General Fund, using undesignated cash

My recommendation is that the loan be funded through the CIP Fund. This fund is specifically established for capital improvements, which is in line with the purpose of the Vision Fund.



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