

November 12, 2024

2024 FINANCIAL MANAGEMENT PLAN
GOVERNMENTAL FUNDS:

City of Ripon, WI



Prepared by:

Ehlers
N19W24400 Riverwood Drive,
Suite 100
Waukesha, WI 53188

Advisors:

Philip Cosson, *Senior Municipal Advisor*
Casey Griffiths, Senior Financial
Specialist

BUILDING COMMUNITIES. IT'S WHAT WE DO.



Table of Contents

Section 1 – Background 2

Section 2 – Process..... 2

Section 3 – Current Financial Position..... 2

 3.1 General Obligation (G.O.) Debt Schedule (Base Case).....2

Section 4 – Financial Plan Data Tables..... 5

 4.1 Equalized Value.....5

 4.2 Operating Budget Projections6

 4.3 Capital Finance Plan.....9

Section 5 – Projected Property Tax Impacts.....13

Section 6 – TIF Districts & Economic Development16

 TID No. 5 (Industrial Dev.)..... 16

 TID No. 6 (Hwy 23W) 16

 TID No. 7 (Hwy 44/49S) 17

 TID No. 9 (Hwy 44/Olden Road)..... 17

 TID No. 10 (Hwy 23/Douglas) 18

 TID No. 11 (Downtown Business) 18

 TID No. 12 (Industrial Dev. Vermont/Hall) 19

 TID No. 14 (Industrial Dev. Hwy 23/Douglas) 19

 TID No. 15 (Downtown Development) 20

 Economic Development Initiatives..... 20

Section 7 – General Conclusions & Observations.....21

Section 8 – Recommendations21

Section 9 – Acknowledgements 22



SECTION 1 – BACKGROUND

In 2024, Ehlers & Associates was engaged by the City to prepare a comprehensive Five-Year Financial Management Plan to guide future financial decisions including capital and debt planning. This document should be used by the City as a road map to determine how the City can accomplish its goals while staying fiscally responsible. This document summarizes the results of that planning effort and is intended to be used as an analytical framework for making future decisions with respect to levels and timing of supportable debt financing. Because conditions can change rapidly, and assumptions may or may not be borne out over time, it is recommended that this plan be updated annually or at other key times prior to making long-term financing commitments.

SECTION 2 – PROCESS

Development and refinement of the five-year financial plan model was completed with staff over several months to be able to bring it to the City Council for a presentation on November 12, 2024. As a part of the presentation, City officials will be briefed on the status of the City’s financial position; historical and projected valuation trends; capital financing alternatives; tax rate projections for operating, capital and debt service expenditures; and cash flow projections for Tax Incremental Districts 5, 6, 7, 9, 10, 11, 12, 14, and 15.

SECTION 3 – CURRENT FINANCIAL POSITION

As part of the planning process, the current financial position of the City was reviewed. This review included an analysis of current general obligation debt structure, and a comparison of credit and financial indicators of the City to statewide medians and to selected communities in Wisconsin with similar demographics in terms of location or size.

3.1 General Obligation (G.O.) Debt Schedule (Base Case)

Table 1 provides a schedule of existing City G.O. debt and associated payments. G.O. debt is secured by the “full faith and credit” of the issuer, meaning the City has an irrevocable duty to levy annually a property tax in an amount sufficient to ensure timely repayment of the debt. While the debt is ultimately secured by the ability to levy a property tax, the City can, and does, abate portions of the levy with other sources of revenue available for debt payments. These other sources of revenue include:

- Tax increments from Tax Incremental Districts No. 6, 7, 11, & 14

Collectively, these non-property tax revenue sources are expected to repay 57% of the scheduled debt service of all City G.O. debt issued as of January 1, 2025. For the current



2024 budget year, existing debt service not paid from tax increments is equivalent to a tax rate of \$1.58 per \$1,000 of equalized property value.

Wisconsin State Statutes limit the amount of G.O. debt principal that a community may have outstanding to 5% of its equalized value (including the value of any tax increments). The City's equalized value as of January 1, 2024, was \$635,425,800 with a corresponding debt principal capacity limit of \$18,306,963. The City's outstanding debt principal as of December 31, 2024, will be \$13,464,327 which is 42% of the statutory limit. The City's outstanding debt, future projected debt and debt capacity is shown later in this report on **Table 8**.



Table 1
Base Debt Profile

Year Ending	Existing Debt						Equalized Value (TID OUT)	Tax Rate Per \$1,000	Annual Taxes \$200,000 Home	Year Ending
	Total G.O. Debt Payments	Less: TID #14	Less: TID #6	Less: TID #7	Less: TID #11	Net Tax Levy				
2023						0	452,151,800	\$0.00	\$0.00	2023
2024	1,863,360	(95,762)	(93,239)	(243,775)	(633,513)	797,072	504,912,500	\$1.58	\$315.73	2024
2025	1,902,103	(95,762)	(82,400)	(238,659)	(669,998)	815,285	554,878,200	\$1.47	\$293.86	2025
2026	1,499,996	(95,762)	0	(258,559)	(655,295)	490,381	599,747,593	\$0.82	\$163.53	2026
2027	1,621,620	(95,762)		0	(680,350)	845,508	618,660,535	\$1.37	\$273.34	2027
2028	1,290,144	(95,762)			(680,550)	513,832	638,169,894	\$0.81	\$161.03	2028
2029	934,020	0			(667,950)	266,070	678,011,977	\$0.39	\$78.49	2029
2030	930,856				(671,325)	259,531	699,392,974	\$0.37	\$74.22	2030
2031	481,925				(263,850)	218,075	727,741,117	\$0.30	\$59.93	2031
2032	476,875				(256,275)	220,600	750,690,314	\$0.29	\$58.77	2032
2033	137,700				0	137,700	774,363,211	\$0.18	\$35.56	2033
Total	11,138,599	(478,808)	(175,639)	(740,993)	(5,179,105)	4,564,054				Total

Notes:

1) Assumes 3.65% annual inflation in TID OUT EV for 2025 and beyond. 2019-2024 averaged 6.68%.

Legend:

Represents +/- 25% Change over previous year

SECTION 4 – FINANCIAL PLAN DATA TABLES

4.1 Equalized Value

Projection of the tax rate impact of operating, capital and debt expenditures over time requires that assumptions be made as to the pattern of future growth in the City. Projections developed for the City’s financial model utilize equalized (fair market) values, which provide for more accurate forecasting by eliminating the need to account for changes in assessment ratios and revaluation. During the valuation period from 2019 through 2024, the City’s equalized value increased by an average of 5.78% per year. This average includes value increases that occurred within the City’s TIDs (see **Table 2**).

Based on historical value trends, a model was developed to forecast future valuation growth for purposes of projecting tax rate impact. The model (see **Table 2**) projects values that will increase by 3.15% to reflect new construction.

The significance of the growth assumption is that it will drive the following calculations:

- Increase the calculation of debt capacity, and
- A part of this growth will also increase net new construction which is the City’s main metric to allow growth in the annual tax levy as part of the levy limit worksheet.

Table 2
TID In Equalized Value Growth

I. Five-Year Historical TID IN Growth by Category (Data Per Wis. Dept. of Revenue)										
Valuation Year	Budget Year	Historical TID IN Equalized Value		Economic Change		New Construction		Other & Personal Property		
2019	2020	482,358,000								
2020	2021	507,867,000	5.29%	17,372,600	3.60%	3,287,700	0.68%	4,848,700	1.01%	
2021	2022	495,132,100	-2.51%	-15,600,000	-3.07%	2,507,000	0.49%	358,100	0.07%	
2022	2023	522,084,300	5.44%	24,031,300	4.85%	3,579,100	0.72%	-658,200	-0.13%	
2023	2024	585,860,300	12.22%	58,133,800	11.13%	3,078,200	0.59%	2,564,000	0.49%	
2024	2025	635,425,800	8.46%	65,301,400	11.15%	8,099,700	1.38%	(23,835,600)	-4.07%	
AVERAGE CHANGE			5.78%	29,847,820	5.53%	4,110,340	0.77%	-3,344,600	-0.53%	

V. Projection of TID IN Equalized Value										
Valuation Year	Budget Year	Projected TID IN Equalized Value		Economic Change		New Construction		Manual Adjustment		
2024	2025	635,425,800	8.46%	65,301,400	11.15%	8,099,700	1.38%			0.00%
2025	2026	655,463,849	3.15%	17,578,818	2.77%	2,459,231	0.39%			0.00%
2026	2027	676,133,794	3.15%	18,133,163	2.77%	2,536,782	0.39%			0.00%
2027	2028	697,455,562	3.15%	18,704,989	2.77%	2,616,779	0.39%			0.00%
2028	2029	719,449,710	3.15%	19,294,848	2.77%	2,699,299	0.39%			0.00%
2029	2030	742,137,438	3.15%	19,903,308	2.77%	2,784,421	0.39%			0.00%

In addition to the TID In projection, the model also projects the TID Out valuation. This metric is important as it influences the impact of tax changes on the current taxpayer. The more growth that occurs outside of a TID, the more value the current operating tax levy can be spread across, reducing the impact to the current taxpayer.

FINANCIAL MANAGEMENT PLANNING

The model projects a growth in TID Out of between 3.15% and 8.09%. The increased in valuation years 2025 and 2028 assumes TID closures, which will add value to tax roll and impacts the existing taxpayer positively. **Table 3** provides the projection of the TID Out value.

Table 3
TID Out Equalized Value Growth

II. Five-Year Historical TID OUT Growth by Category (Data Per Wis. Dept. of Revenue - Breakdown Assumes Same Ratios as TID IN)										
Valuation Year	Budget Year	Historical TID OUT Equalized Value		Economic Change		New Construction		Other & Personal Property		
2019	2020	403,629,900								
2020	2021	430,391,300	6.63%	18,225,532	4.52%	3,449,114	0.85%	5,086,754	1.26%	
2021	2022	421,623,900	-2.04%	-10,739,891	-2.50%	1,725,956	0.40%	246,536	0.06%	
2022	2023	452,151,800	7.24%	27,219,489	6.46%	4,053,933	0.96%	(745,522)	-0.18%	
2023	2024	504,912,500	11.67%	48,093,013	10.64%	2,546,538	0.56%	2,121,150	0.47%	
2024	2025	554,878,200	9.90%	65,828,654	13.04%	8,165,098	1.62%	(24,028,053)	-4.76%	
AVERAGE CHANGE			6.68%	29,725,359	6.43%	3,988,128	0.88%	-3,463,827	-0.63%	

IV. Projection of TID OUT Equalized Value										
Valuation Year	Budget Year	Projected TID OUT Equalized Value		Economic Change		New Construction		TID Closure or Other Adjustment		
2024	2025	554,878,200	9.90%	65,828,654	13.04%	8,165,098	1.62%			0.00%
2025	2026	599,747,593	8.09%	15,350,499	2.77%	2,147,495	0.39%	27,371,400	1.89%	
2026	2027	618,660,535	3.15%	16,591,794	2.77%	2,321,149	0.39%			0.00%
2027	2028	638,169,894	3.15%	17,115,013	2.77%	2,394,346	0.39%			0.00%
2028	2029	678,011,977	6.24%	17,654,732	2.77%	2,469,851	0.39%	19,717,500	3.09%	
2029	2030	699,392,974	3.15%	18,756,949	2.77%	2,624,048	0.39%			0.00%

4.2 Operating Budget Projections

Projecting out future operating costs is an important part of the financial management plan. Determining where pressures lie in the City’s operations is needed to plan for future budgets. A five-year projection of the City’s General Fund future revenues and expenditures are included (see **Table 5**). Specific assumptions as to rates of increase or decrease in revenues and expenditures can be found in **Table 4**.

Operating Revenues

The general property tax revenues shown are projected based on total expenses, less other non-tax revenues. Non-tax levy revenue sources available for general operations for purposes of this analysis are projected to remain at 2024 budgeted levels for the next five years, except for shared revenues and transportation aid, which are projected based on trend values. With non-levy revenues remaining relatively flat, the assumption would be that the tax levy would balance the budget. However, levy limits do not allow for this to occur, so balancing the budget will rather fall to curtailing expenditures/services, finding additional revenues, or additional growth and development that can absorb future levy shortfalls. **Table 6** shows the City’s allowable levy once adjustments are made based on the City’s levy limit worksheet. The projection assumes a 1% Net New Construction (NNC)

FINANCIAL MANAGEMENT PLANNING

for the projection period, as well as TID Closures in 2025 (2026 budget year), and 2028 (2029 budget year).

The State Legislature did provide a short-term reprieve to local governments by infusing an increase in Shared Revenue (2023 Wisconsin Act 12) which is tied to State sales tax revenues. The increase in many communities provides a one-to-two-year delay before a return of levy limit pressures.

Operating Expenditures

While non-tax levy sources of revenue for most communities have remained stagnant, expenditures have not. Increases in the cost of employee health insurance and increases in the cost of commodities such as fuel and salt have significantly outpaced inflation. **Table 5** reflects the assumptions used in projecting operating expenses. In cases where the forecasting code was not able to account for one-time blips in the forecast, the individual line items were adjusted by a specific percentage or manually adjusted to a certain dollar amount.

On average, City expenditures for operations are expected to increase by an average of 2.38%, or \$778,468 in the General Fund annually for the next five years. Since expenditures are projected to increase at a faster rate than sources of non-tax levy revenue and increases in the City’s tax levy is restricted to net new construction, the General Fund shows the amount that the levy will need to increase to support the City’s operations. **Table 5** shows the projection of the General Fund for revenues and expenditures.

Table 4
Operating Fund Forecast Codes

GENERAL CODES		
CODE	DEFINITION	EXPLANATION
Z	Zero	Sets the value in all five years of the forecast period to zero.
L	Last	Sets the value in all five years of the forecast period to the value in the most recent budget or actual column.
5YRAV	Average	Sets the value in all five years of the forecast period to the average of the prior five year's values.
ACTUAL AV	Average	Sets the value in all five years of the forecast period to the average of the prior three year actual results values.
T	Trend	Sets the value to trend year over year

FINANCIAL MANAGEMENT PLANNING

Table 5

General Fund Operating Projection

	Actual				Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
GENERAL FUND										
REVENUES										
Taxes	2,338,092	2,348,776	2,352,241	2,524,888	2,617,603	2,688,775	2,845,334	3,009,168	3,180,671	3,360,263
Other Taxes	20,878	20,266	21,735	19,987	18,200	18,200	18,200	18,200	18,200	18,200
Special Assessments	-	-	18,749	28,888	25,000	25,000	25,000	25,000	25,000	25,000
Intergovernmental	2,354,388	2,283,956	2,423,304	2,566,969	2,943,034	2,969,120	2,995,467	3,022,077	3,048,954	3,076,100
Licenses & Permits	193,487	175,023	192,476	275,141	211,415	211,415	211,415	211,415	211,415	211,415
Fines & Forfeits	69,210	66,680	85,451	84,410	81,100	81,100	81,100	81,100	81,100	81,100
Public Charges for Services	226,909	260,081	164,740	303,276	158,750	158,750	158,750	158,750	158,750	158,750
Intergovernmental Charges for Services	265,052	58,507	75,543	47,913	60,000	60,000	60,000	60,000	60,000	60,000
Miscellaneous Revenues	130,631	55,679	21,241	343,504	173,300	173,300	173,300	173,300	173,300	173,300
Transfers	153,071	147,071	158,629	105,000	155,000	155,000	155,000	155,000	155,000	155,000
TOTAL REVENUES	5,751,718	5,416,039	5,514,110	6,299,977	6,443,402	6,540,660	6,723,566	6,914,010	7,112,390	7,319,128
EXPENDITURES										
General Government	781,028	850,478	959,590	874,179	1,019,863	1,049,345	1,080,025	1,111,964	1,145,227	1,179,882
Public Safety	2,466,263	2,555,978	2,503,032	2,719,657	2,743,667	2,826,429	2,912,724	3,002,742	3,096,685	3,194,766
Public Works	1,784,382	1,966,014	1,877,463	2,045,613	2,052,762	2,114,384	2,166,451	2,220,580	2,276,882	2,335,473
Health & Human Services	118,393	66,103	61,618	93,015	112,116	114,996	117,980	121,074	124,282	127,610
Culture & Recreation	275,124	252,520	262,319	404,114	424,993	435,506	446,386	457,650	469,314	481,397
TOTAL EXPENDITURES	5,425,191	5,691,092	5,664,021	6,136,577	6,353,402	6,540,660	6,723,566	6,914,010	7,112,390	7,319,128

Table 6

Levy Allocation

Levy Year Calendar/Budget Year	Actual				Budget	Projected				
	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025	2025 2026	2026 2027	2027 2028	2028 2029
Levy Need										
Amount Levied for General Fund	2,338,092	2,348,776	2,307,450	2,524,888	2,527,603	2,688,775	2,845,334	3,009,168	3,180,671	3,360,263
Amount Levied for Library	434,608	448,344	448,344	448,344	452,346	427,346	432,346	437,346	442,346	447,346
Amount Levied for Capital	-	-	-	125,000	90,000	300,000	300,000	300,000	300,000	300,000
Amount Levied for Debt Service	734,554	715,582	791,137	721,176	776,729	1,002,861	1,118,338	1,389,165	1,535,382	1,659,170
Amount Levied for Capital Funds Payback	-	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000
Total Levy Need	3,507,254	3,512,702	3,546,931	3,819,408	3,846,678	4,618,982	4,896,019	5,335,678	5,658,399	5,966,779
Tax Rate & Sample Tax Bill										
Assessed Value (TID In)	471,008,400	474,815,500	488,139,200	495,670,700	497,615,200	513,879,998	518,486,724	523,344,655	528,355,780	533,524,929
Incremental Value (Equalized)	78,728,100	77,475,700	73,508,200	69,932,500	80,947,800	80,547,600	55,716,255	57,473,258	59,285,668	41,437,732
Assessment Ratio	99%	93%	99%	95%	76%	70%	70%	70%	70%	70%
Incremental Value (Assessed)	77,564,140	72,397,854	72,508,615	66,360,824	61,329,588	56,443,788	39,043,206	40,274,427	41,544,475	29,037,520
Assessed Value (TID Out)	393,444,260	402,417,646	415,630,585	429,309,876	436,285,612	457,436,210	479,443,518	483,070,228	486,811,305	504,487,409
Tax Rate	\$8.91	\$8.73	\$8.53	\$8.90	\$8.82	\$10.10	\$10.21	\$11.05	\$11.62	\$11.83
Sample Property Assessed Value	200,000	200,000	206,567	206,567	206,567	206,567	206,567	206,567	206,567	206,567
Sample Property Tax Bill	\$1,782.85	\$1,745.80	\$1,762.81	\$1,837.75	\$1,821.27	\$2,085.82	\$2,109.43	\$2,281.60	\$2,401.01	\$2,443.15
Tax Bill Change from PY (\$)	-	(\$37.05)	\$17.01	\$74.94	(\$16.47)	\$264.54	\$23.62	\$172.17	\$119.41	\$42.14
Tax Bill Change from PY (%)	-	-2.08%	0.97%	4.25%	-0.90%	14.53%	1.13%	8.16%	5.23%	1.76%
Levy Limits										
Line 8 Allow b4 Adj. (Base Levy) ¹	3,230,401	3,259,556	3,265,673	3,147,717	3,116,100	3,141,544	3,528,535	3,613,549	3,784,070	4,019,515
Line E Adj. (Actual or Proj. Min. Debt)	264,275	264,275	470,129	721,176	776,729	1,202,861	1,318,338	1,589,165	1,735,382	1,859,170
Other Adj.	12,578	0	(188,871)	0	0	0	0	0	0	0
Total Allowable	3,507,254	3,523,831	3,546,931	3,868,893	3,892,829	4,344,406	4,846,874	5,202,713	5,519,453	5,878,685
Levy Need	3,507,254	3,512,702	3,546,931	3,819,408	3,846,678	4,618,982	4,896,019	5,335,678	5,658,399	5,966,779
Allow (Deficit)/Excess	0	11,129	-	49,485	46,151	(274,576)	(49,145)	(132,965)	(138,946)	(88,094)
Deficit w/\$250,000 abatement										
Max Allow Line E					1,863,360	7,143,561	2,278,345	2,312,426	2,454,794	2,578,670
Line E Adj. Capacity					1,086,631	5,940,700	960,007	723,262	719,412	719,500

Notes:

- 1) Includes an assumed 1.00% NNC for Levy 2025 and beyond. Levy 2024, 2025, & 2028 increases for TID Closures.
- 2) Includes an additional \$200,000 of G.O. Debt Adjustment for Capital Fund Repayment.

4.3 Capital Finance Plan

The City's Capital Improvement Plan (CIP) identifies total project costs of \$43.47 million. \$20.07 million to be financed with General Obligation (GO) debt for the 2024 through 2030 planning period.

The project funding was provided by City staff and for the plan, GO Notes were used as the funding source after grants, donations, and funds on hand funding was applied. The GO debt projects will be funded by the property tax levy, water & sewer revenue and increment revenue from TIDs 11, 12 and 15.

Table 7 provides a summary of the project costs funded by GO debt proceeds and determines the size of the potential borrowing by year.

As discussed earlier, when looking to fund projects, the GO Debt Limit needs to be considered as well. Although the City has residual capacity under the debt limit for future funding pledged on a GO debt basis, the City should look to leave capacity for emergency funding. **Table 8** depicts the City's current and projected percentage of its debt limit, and the residual capacity. The City does not currently have any self-imposed debt policy.

Another consideration when developing a capital/debt plan is the impact on the tax levy. The City has included some significant facility, street, utility and park projects, as well as equipment purchases within the CIP plan. The plan shows that currently the debt service tax levy will need to increase (**see Table 9**) to fit the projects contemplated in the CIP.

Table 7
Financing Plan and Issue Size Determination

	2024	2025	2026	2027	2028	2029	2030
	G.O. Notes	G.O. Notes	G.O. Notes	G.O. Notes	G.O. Notes	G.O. Notes	G.O. Notes
CIP Projects¹	5,000,000	10,656,963	1,640,605	1,710,000	1,758,333	2,308,333	2,004,667
Estimated Issuance Expenses	0	267,063	94,663	95,938	96,963	106,100	101,288
Municipal Advisor (Ehlers)		53,600	24,700	25,100	25,500	27,700	26,700
Bond Counsel		30,000	20,000	20,000	20,000	20,000	20,000
Disclosure Counsel	0	19,500	13,000	13,000	13,000	13,000	13,000
Rating Fee		27,000	14,500	14,500	14,500	14,500	14,500
Maximum Underwriter's Discount	0	136,063	21,563	22,438	23,063	30,000	26,188
Paying Agent		900	900	900	900	900	900
Subtotal Issuance Expenses	0	267,063	94,663	95,938	96,963	106,100	101,288
TOTAL TO BE FINANCED	5,000,000	10,924,026	1,735,268	1,805,938	1,855,296	2,414,433	2,105,954
Estimated Interest Earnings	0	(42,427)	(12,305)	(12,825)	(13,188)	(17,313)	(15,035)
Assumed spend down (months)							
Rounding	-	3,401	2,037	1,888	2,892	2,879	4,081
NET BOND SIZE	5,000,000	10,885,000	1,725,000	1,795,000	1,845,000	2,400,000	2,095,000

Notes:

1) Not shown is the 2025 Water Revenue Bonds



Table 8
General Obligation Debt Capacity

Existing Debt					Proposed Debt											
Year	Projected Equalized		Existing Principal		Proposed 2024 G.O.	Proposed 2025 G.O.	Proposed 2026 G.O.	Proposed 2027 G.O.	Proposed 2028 G.O.	Proposed 2029 G.O.	Proposed 2030 G.O.	Combined Principal:		Residual	Year	
Ending	Value (TID IN)	Debt Limit	Outstanding	% of Limit	Notes	Notes	Notes	Notes	Notes	Notes	Notes	Existing & Proposed	% of Limit	Capacity	Ending	
2023	585,860,300	29,293,015	10,042,263	34%									\$10,042,263	34%	\$19,250,752	2023
2024	635,425,800	31,771,290	8,464,327	27%	5,000,000								\$13,464,327	42%	\$18,306,963	2024
2025	655,463,849	32,773,192	6,800,969	21%	0	10,885,000							\$17,685,969	54%	\$15,087,224	2025
2026	676,133,794	33,806,690	5,487,051	16%	0	10,665,000	1,725,000						\$17,877,051	53%	\$15,929,639	2026
2027	697,455,562	34,872,778	4,009,485	11%	0	10,575,000	1,725,000	1,795,000					\$18,104,485	52%	\$16,768,293	2027
2028	719,449,710	35,972,485	2,817,640	8%	0	10,110,000	1,700,000	1,795,000	1,845,000				\$18,267,640	51%	\$17,704,846	2028
2029	742,137,438	37,106,872	1,947,669	5%	0	9,535,000	1,520,000	1,720,000	1,770,000	2,400,000			\$18,892,669	51%	\$18,214,203	2029
2030	765,540,621	38,277,031	1,060,000	3%	0	9,035,000	1,360,000	1,620,000	1,670,000	2,355,000	2,095,000		\$19,195,000	50%	\$19,082,031	2030
2031	789,681,819	39,484,091	600,000	2%	0	8,585,000	1,200,000	1,520,000	1,570,000	2,255,000	2,095,000		\$17,825,000	45%	\$21,659,091	2031
2032	814,584,306	40,729,215	135,000	0%	0	8,060,000	1,035,000	1,420,000	1,455,000	2,125,000	2,095,000		\$16,325,000	40%	\$24,404,215	2032
2033	840,272,089	42,013,604	0	0%	0	7,535,000	865,000	1,320,000	1,335,000	2,000,000	1,985,000		\$15,040,000	36%	\$26,973,604	2033
2034	866,769,932	43,338,497	0	0%	0	6,970,000	695,000	1,220,000	1,215,000	1,870,000	1,875,000		\$13,845,000	32%	\$29,493,497	2034
2035	894,103,380	44,705,169	0	0%	0	6,385,000	520,000	1,120,000	1,080,000	1,740,000	1,765,000		\$12,610,000	28%	\$32,095,169	2035
2036	922,298,784	46,114,939	0	0%	0	5,890,000	345,000	1,015,000	965,000	1,605,000	1,655,000		\$11,475,000	25%	\$34,639,939	2036
2037	951,383,325	47,569,166	0	0%	0	5,385,000	230,000	910,000	850,000	1,465,000	1,540,000		\$10,380,000	22%	\$37,189,166	2037
2038	981,385,043	49,069,252	0	0%	0	4,860,000	115,000	810,000	725,000	1,320,000	1,420,000		\$9,250,000	19%	\$39,819,252	2038
2039	1,012,332,859	50,616,643	0	0%	0	4,310,000	0	710,000	625,000	1,175,000	1,295,000		\$8,115,000	16%	\$42,501,643	2039
2040	1,044,256,610	52,212,831	0	0%	0	3,700,000	0	610,000	525,000	1,060,000	1,130,000		\$7,025,000	13%	\$45,187,831	2040
2041	1,077,187,072	53,859,354	0	0%	0	2,980,000	0	510,000	420,000	945,000	1,030,000		\$5,885,000	11%	\$47,974,354	2041
2042	1,111,155,990	55,557,799	0	0%	0	2,250,000	0	410,000	315,000	830,000	920,000		\$4,725,000	9%	\$50,832,799	2042
2043	1,146,196,112	57,309,806	0	0%	0	1,510,000	0	310,000	210,000	715,000	810,000		\$3,555,000	6%	\$53,754,806	2043
2044	1,182,341,219	59,117,061	0	0%	0	760,000	0	210,000	105,000	600,000	700,000		\$2,375,000	4%	\$56,742,061	2044
2045	1,219,626,156	60,981,308	0	0%	0	0	0	105,000	0	480,000	590,000		\$1,175,000	2%	\$59,806,308	2045
2046	1,258,086,867	62,904,343	0	0%	0	0	0	0	0	360,000	480,000		\$840,000	1%	\$62,064,343	2046
2047	1,297,760,431	64,888,022	0	0%	0	0	0	0	0	240,000	360,000		\$600,000	1%	\$64,288,022	2047
2048	1,338,685,094	66,934,255	0	0%	0	0	0	0	0	120,000	240,000		\$360,000	1%	\$66,574,255	2048
2049	1,380,900,309	69,045,015	0	0%	0	0	0	0	0	0	120,000		\$120,000	0%	\$68,925,015	2049

Notes:

1) Assumes 3.15% annual inflation in TID IN EV for 2024 and beyond. 2019-2024 averaged 5.78%.

Previously 64%

 Max of Debt Limit



Table 9
Tax Impact of Financing Plan

Year	Existing Debt					Abatements					Levy and Tax Rate				Year
	Total Debt Payments	Less:		Equalized Value (TID OUT)	Tax Rate Per \$1,000	Less: Water	Less: Sewer	Less: TID# 11/5	Less: TID# 12	Less: Current Refunding of 2024 Note	Total Net Debt	Total Tax Rate for	Levy Change from Prior	Annual Taxes \$200,000	
		Abatements	Net Tax Levy								Service Levy	Debt Service	Year	Home	
2024	1,863,360	(1,066,288)	797,072	504,912,500	\$1.58	0	0	0	0	(5,000,000)	797,072	\$1.58		\$316	2024
2025	1,902,103	(1,086,818)	815,285	554,878,200	\$1.47	(26,941)	(26,941)	0	0		1,002,861	\$1.81	205,789	\$361	2025
2026	1,499,996	(1,009,615)	490,381	599,747,593	\$0.82	(44,160)	(44,160)	(62,071)	0		1,118,338	\$1.86	115,477	\$373	2026
2027	1,621,620	(776,112)	845,508	618,660,535	\$1.37	(44,525)	(44,525)	(58,100)	0		1,389,165	\$2.25	270,826	\$449	2027
2028	1,290,144	(776,312)	513,832	638,169,894	\$0.81	(43,625)	(43,625)	(55,850)	0		1,535,382	\$2.41	146,218	\$481	2028
2029	934,020	(667,950)	266,070	678,011,977	\$0.39	(42,725)	(42,725)	(53,600)	(112,500)		1,659,170	\$2.45	123,788	\$489	2029
2030	930,856	(671,325)	259,531	699,392,974	\$0.37	(41,825)	(41,825)	(56,238)	(95,625)		1,760,231	\$2.52	101,061	\$503	2030
2031	481,925	(263,850)	218,075	727,741,117	\$0.30	(40,925)	(40,925)	0	(91,875)		1,840,338	\$2.53	80,106	\$506	2031
2032	476,875	(256,275)	220,600	750,690,314	\$0.29	(44,913)	(44,913)	0	(88,125)		1,865,731	\$2.49	25,394	\$497	2032
2033	137,700	0	137,700	774,363,211	\$0.18	(43,788)	(43,788)	0	(84,375)		1,852,500	\$2.39	(13,231)	\$478	2033
2034	0	0	0	798,782,628	\$0.00	(42,663)	(42,663)	0	(80,625)		1,710,575	\$2.14	(141,925)	\$428	2034
2035	0	0	0	823,972,107	\$0.00	(41,538)	(41,538)	0	(76,875)		1,699,381	\$2.06	(11,194)	\$412	2035
2036	0	0	0	853,631,733	\$0.00	(45,300)	(45,300)	0	0		1,612,875	\$1.89	(86,506)	\$378	2036
2037	0	0	0	880,550,870	\$0.00	(43,950)	(43,950)	0	0		1,522,950	\$1.73	(89,925)	\$346	2037
2038	0	0	0	928,661,397	\$0.00	(42,600)	(42,600)	0	0		1,508,144	\$1.62	(14,806)	\$325	2038
2039	0	0	0	957,946,583	\$0.00	(41,250)	(41,250)	0	0		1,462,444	\$1.53	(45,700)	\$305	2039
2040	0	0	0	988,155,271	\$0.00	(44,788)	(44,788)	0	0		1,358,038	\$1.37	(104,406)	\$275	2040
2041	0	0	0	1,019,316,586	\$0.00	(43,213)	(43,213)	0	0		1,359,013	\$1.33	975	\$267	2041
2042	0	0	0	1,051,460,568	\$0.00	(46,525)	(46,525)	0	0		1,318,763	\$1.25	(40,250)	\$251	2042
2043	0	0	0	1,084,618,205	\$0.00	(44,725)	(44,725)	0	0		1,277,906	\$1.18	(40,856)	\$236	2043
2044	0	0	0	1,118,821,463	\$0.00	(42,925)	(42,925)	0	0		1,236,469	\$1.11	(41,438)	\$221	2044
2045	0	0	0	1,154,103,315	\$0.00	(46,013)	(46,013)	0	0		1,194,563	\$1.04	(41,906)	\$207	2045
2046	0	0	0	1,219,626,156	\$0.00	0	0	0	0		385,244	\$0.32	(809,319)	\$63	2046
2047	0	0	0	1,258,086,867	\$0.00	0	0	0	0		276,000	\$0.22	(109,244)	\$44	2047
2048	0	0	0	1,297,760,431	\$0.00	0	0	0	0		264,000	\$0.20	(12,000)	\$41	2048
2049	0	0	0	1,338,685,094	\$0.00	0	0	0	0		252,000	\$0.19	(12,000)	\$38	2049
2050	0	0	0	1,380,900,309	\$0.00	0	0	0	0		123,000	\$0.09	(129,000)	\$18	2050
Total	11,138,599		4,564,054			(898,914)	(898,914)	(285,859)	(630,000)	(5,000,000)				\$ 8,308	Total

Projected Cost of Financing Plan to Sample Taxpayer

Notes:

1) Assumes 3.65% annual inflation in TID OUT EV for 2025 and beyond. 2019-2024 averaged 6.68%.

SECTION 5 – PROJECTED PROPERTY TAX IMPACTS

The concluding exercise of the Five-Year Financial Management planning process is a projection of the tax levy, and corresponding tax rates, for all levy supported purposes: City operations, capital outlay and debt service.

Development of the forecasts discussed in the previous sections allows for a projection of the future tax levy and corresponding tax rates needed to support City’s operations, capital, and debt service. Since 2005, the amount by which the City is permitted to increase its tax levy has been limited by State law. The current version of State levy limits allows the City to increase its levy over the preceding year’s actual levy by a percentage equal to its prior year net new construction increase. Additionally, any amounts needed to pay General Obligation debt service authorized after July 1, 2005, is exempted from the limits. Levy limits have had an influence on prior budgets and will again affect the budget of the City for 2025 even though the State Legislature provided an increase in shared revenues for the 2024 budget.

The City’s total levy is comprised of the General Fund. **Table 10** includes a chart of the City’s projected tax levy and tax rate from 2025 - 2029.

Table 10
Projected Tax Levy and Tax Rate

	Projected				
	2025	2026	2027	2028	2029
GENERAL FUND					
TOTAL REVENUES	6,540,660	6,723,566	6,914,010	7,112,390	7,319,128
TOTAL EXPENDITURES	6,540,660	6,723,566	6,914,010	7,112,390	7,319,128
TOTAL PROPERTY TAX LEVY	2,688,775	2,845,334	3,009,168	3,180,671	3,360,263
Change in Levy	3%	6%	6%	6%	6%
ASSESSED VALUE (TID OUT)	388,831,300	420,273,600	433,526,800	447,198,000	475,117,400
TAX RATE	\$6.92	\$6.77	\$6.94	\$7.11	\$7.07
TAX RATE DELTA (\$)	\$0.07	(\$0.14)	\$0.17	\$0.17	(\$0.04)
Taxes on \$200000 home	\$ 1,383.00	\$ 1,354.04	\$ 1,388.23	\$ 1,422.49	\$ 1,414.50
Taxes Delta (\$)	\$14.48	(\$28.96)	\$34.19	\$34.26	(\$7.99)

Table 11 depicts a levy limit compliance check. The levy limit calculation only allows the City to increase taxes by net new construction. Levy limit compliance is driven largely by permitted adjustments for debt service and net new construction. For this study, net new construction is limited to between 0.575% and 1.383%. All the City’s General Obligation debt service is exempted from levy limits. Ehlers generally advises communities to claim the “net levy” amount of debt service, since post July 1, 2005 G.O. debt service adjustments are subtracted out the following year on the levy limit form. A downside to claiming an amount of debt service larger than the amount levied for debt service can lead to a reduction in the levy limit allowable amount or basically a penalty. Based upon the methodology used in the model, the City is projected to remain in compliance with levy limits during the planning period. Pressure on the City’s operations, by calculating the City to be in compliance with levy limits, creates operating deficits starting 2025, see **Table 8**.



Table 11
Levy Limit Projection

Levy Year	2023	2024	2025	2026	2027	2028
Calendar/Budget Year	2024	2025	2026	2027	2028	2029
Line	Actual	Projected	Projected	Projected	Projected	Projected
Prior Year's Actual Levy	3,819,408	3,846,678	4,618,982	4,896,019	5,335,678	5,658,399
Prior Year's Personal Property Aid	9,154	9,154	9,154	9,154	9,154	9,154
1 Prior Year's Actual Levy plus Personal Property Aid	3,828,562	3,855,832	4,628,136	4,905,172	5,344,832	5,667,553
2 Exclude Prior Year Levy for Unreimbursed Emergency Expenses	0	0	0	0	0	0
3 Exclude Prior Year Levy for G.O. Debt Authorized After July 1, 2005	(721,176)	(776,729)	(1,002,861)	(1,118,338)	(1,389,165)	(1,535,382)
4 Adjusted Actual Levy	3,107,386	3,079,103	3,625,275	3,786,834	3,955,668	4,132,171
TID Closure Calculations		TID #5	TID 6		TID 7 & 10	
I Will Close a TID Before April 15 in This Calendar Year	No	Yes	Yes	No	No	Yes
Enter Projected TID Increment Value in Shaded Cell		10,461,400	27,371,400			19,717,500
Enter Projected Total TID OUT EV in Closure Year in Shaded Cell		554,878,200	599,747,593			678,011,977
Terminated TID % (50% of increment value as a percentage of TID OUT EV)		0.94%	2.28%			1.45%
Applied to Prior Year Adjusted Actual Levy		\$ 29,025.94	\$ 82,725.51			\$ 60,084.54
Net New Construction						
Enter Assumed Net New Construction Percentage	0.575%	1.383%	1.000%	1.000%	1.000%	1.000%
Applied to Prior Year Adjusted Actual Levy	17,867	42,570	36,253	37,868	39,557	41,322
Less: Next Year's Personal Property Aid	(9,154)	(9,154)	(9,154)	(9,154)	(9,154)	(9,154)
Levy Limit Before Adjustments	3,116,100	3,141,544	3,735,099	3,815,549	3,986,070	4,224,423
A Increase for Unused Prior Year Levy (Carry Over)		19,233	0	0	0	0
Accept Carryover Amount?	No	No	No	No	No	No
B Decrease in Pre-July 1, 2005 G.O. Debt Levy (Negative Adjustment)						
C Increase in Pre-July 1, 2005 G.O. Debt Service						
D Increase for Local Share of Refunded or Rescinded Taxes						
E Debt Service for G.O. Debt Authorized After July 1, 2005	776,729	1,002,861	1,118,338	1,389,165	1,535,382	1,659,170
F Increase Approved by Referendum						
G Increase for Unreimbursed Emergency Expenses						
H Increase/Decrease for Costs Associated With Intergovernmental Cooperation						
I Increase for Charges Assessed by a Joint Fire Department						
J Decrease for Transfer of Services to Other Governmental Units						
K Increase for Transfer of Services From Other Governmental Units						
L Decrease for Annexed Lands (Towns only)						
M Increase for Annexed Lands (Villages and Cities only)						
N Increase in Pre-July 1, 2005 Lease Revenue Bond Payments						
O Increase for Shortfall Levy for Utility Revenue Bonds						
P Increase for Shortfall Due to Loss of Revenue From Sale of Water, etc.						
R Increase for unused levy carryforward from prior years						
Q Total Adjustments	776,729	1,002,861	1,118,338	1,389,165	1,535,382	1,659,170
9 Total Adjustments	776,729	1,002,861	1,118,338	1,389,165	1,535,382	1,659,170
11 Higher levy approved by Town Electors on a town under 2,000 population Percentage approved	No	No	No	No	No	No
10 Allowable Levy	3,892,829	4,144,406	4,853,437	5,204,713	5,521,453	5,883,593
Actual or Projected Levy	3,846,678	4,618,982	4,896,019	5,335,678	5,658,399	5,966,779
Amount Allowable Levy Exceeds Actual Levy	46,151	(474,576)	(42,581)	(130,965)	(136,946)	(83,186)
	1,086,631	6,140,700	1,160,007	1,065,629	1,043,288	1,007,899
Post July 1, 2005 G.O. Debt	1,863,360	7,143,561	2,278,345	2,454,794	2,578,670	2,667,069

SECTION 6 – TIF DISTRICTS & ECONOMIC DEVELOPMENT

Updates to the cash flow projections for each Tax Incremental District (“TID”) were prepared to monitor the performance of each TID.

TID No. 5 (Industrial Dev.)

Type: Industrial District
Creation Date: September 25, 2000
Maximum Life Ended: April 15, 2024
Final Revenue Collection year: 2025

The district closed in 2024 with an extension to use 2024 increment revenue for affordable housing. Final increment value was \$10,461,400. The 2024 budget increment shows revenue being shared with TID 11 at \$228,204 but increment level will be less.

TID No. 6 (Hwy 23W)

Type: Mixed Use District
Creation Date: March 8, 2005
Maximum Life Ends: April 15, 2025
Final Revenue Collection Year: 2025

TID 6 had been making payments to the 2012 State Trust Fund Loan and 2015A GO Bonds. The district is also providing increment donation to TID 11 (\$135,485 in 2024 budget), which is planned to end this year given the closure of the district next year. It is recommended that the City pass the Affordable Housing Extension Resolution to use the remaining increment in 2025 (after project costs). The 2024 total increment value of the district is \$27,371,400.

TID No. 7 (Hwy 44/49S)

Type:	Mixed Use District
Creation Date:	June 12, 2007
Expenditure Period Ended:	June 12, 2022
Maximum Life Ends:	June 12, 2027
Extension Allowed:	June 12, 2034

The district currently has an annual deficit and cumulative negative cash balances. The district's outstanding liabilities, includes principal and interest on the 2012 State Trust Fund Loan and 2015A GO Bond as well as developer incentives to Kenwood Senior Living and Sandmar Builders. The City is currently reviewing a 60 plus unit residential development within the district, with development facilitated through the creation of a new overlay district.

The recommendation would be to apply the two allowable extensions (Standard and Technical College) for this district. This would extend the maximum life of TID 7 to 2034. The district would retire its outstanding debt in 2026 and pay the final developer incentive in 2027. This would then allow annual increment revenue to pay down the district's cumulative liabilities from 2028 to 2031. Advances from other funds would in the total amount of \$557,015 would be added to the annual tax increment contributions in 2032, 2033 and 2034. The final balance of the district is projected to be -\$26,591 which the City will be responsible for. Creation of an overlay District would facilitate infrastructure investment in this area and allow for new increment to be collected from the new development, beyond the proposed extended closure year of 2034. The 2024 total increment value of the district is \$8,730,600.

TID No. 9 (Hwy 44/Olden Road)

Type:	Mixed Use District
Creation Date:	July 16, 2009
Expenditure Period Ended:	July 16, 2024
Maximum Life Ends:	July 16, 2030

TID 9 has positive cash balance. It is currently paying 2022 Water Revenue Bonds and 2022 Sewer Revenue Bond. TID 9 provided \$350,000 to the City's Capital Fund for the

Vermont Street and Parkway Terrance projects in 2023. The 2024 total increment value of the district is \$6,292,900.

TID No. 10 (Hwy 23/Douglas)

Type:	Mixed Use District
Creation Date:	September 8, 2009
Expenditure Period Ended:	September 8, 2024
Maximum Life Ends:	September 8, 2030

TID 10 has paid developer grants to Lake Time Storage, Agnesian Healthcare and Machkovich. The district is also providing increment donation to TID 11 (\$135,485 budgeted in 2024), which is planned to end this year. The TID will see an influx of new housing with a development of 14 condos, which will allow for additional increment capture for the remaining life of the district. The 2024 total increment value of the district is \$10,986,900.

TID No. 11 (Downtown Business)

Type:	Rehabilitation District
Creation Date:	September 8, 2009
Expenditure Period Ends:	September 8, 2031
Maximum Life Ends:	September 8, 2036
Final Revenue Collection Year:	2037

TID 11 is currently making payments for the 2019A Taxable GO Bond and 2021A GO Bond. TID 11 has received revenue from three other TIDs. For the 2024 budget TID 5 shared \$228,204, TID 6 shared \$455,751 and TID 10 shared \$135,485. This was the final budget year for shared revenue. The district is projected to have annual negative cash balances from 2025 through 2032, when the final outstanding debt is retired. The cumulative cash balances will remain positive during this period but will be spent down to assist in meeting the annual deficit between revenues and expenditures. The district's final expenditure year is 2031 and the District is currently projected to be able to close in 2033, based on estimated cash flows. The 2024 total increment value of the district is \$3,748,100.

TID No. 12 (Industrial Dev. Vermont/Hall)

Type:	Industrial District
Creation Date:	February 11, 2014
Expenditure Period Ended:	February 11, 2029
Maximum Life Ends:	February 11, 2034

TID 12 has a positive cumulate balance. The district expended funds for developer grants to Alliance Laundry which will end in 2024. The 2025 budget has a proposed expense for a bridge repair and replacement project. The project will be paid via a \$105,000 2025 GO Promissory Note which the TID will be responsible for payment until 2029. The 2024 total increment value of the district is \$3,675,800.

TID No. 14 (Industrial Dev. Hwy 23/Douglas)

TID Type:	Industrial District
TID Creation Date:	May 23, 2016
Expenditure Period Ended:	May 23, 2031
Maximum Life Ends:	May 23, 2037

TID 14 currently has a positive cumulative cash balance. The district is currently responsible for payment of 2024 GO Promissory Notes, which were issued to fund a water tower painting project. The TID has also been providing developer grants, which are expected to end in 2026, per the developer's agreement with the City. TID 14 has the potential to provide revenue sharing to TID 11, however this is not shown in the projected cash flow. The 2024 total increment value for the district is \$16,594,400.

TID No. 15 (Downtown Development)

TID Type:	Rehabilitation District
TID Creation Date:	August 14, 2017
Expenditure Period Ended:	August 14, 2039
Maximum Life Ends:	August 14, 2044
Final Revenue Collection Year:	2045

The TID has a proposed capital outlay in 2025 for the Selfridge Park Ground project, with a five-year \$255,000 GO Promissory Note being issued in 2025. The district is also responsible for developer payments to Knuth Brewing, which began in 2023 and is projected to end in 2030. The District is currently projected to close in 2035, however, the City may have additional projects that may be undertaken to accomplish all objectives determined at creation of the District. The 2024 total increment value for the district is \$3,147,500.

Economic Development Initiatives

The City has continued to promote development and redevelopment inside its tax increment districts. This development helps, as Net New Construction within the tax increment district provides for growth in the tax base and allows for increases in the City's operating tax levy.

SECTION 7 – GENERAL CONCLUSIONS & OBSERVATIONS

The following is a summary of key conclusions and observations developed from the modeling and workshop process and the development of the City’s Financial Management Plan.

Levy limits, in their present form, are expected to be a constraining factor for the City. Items such as inflation and additional costs to run new and existing City facilities will impact the levy limit calculation starting in 2025. To address this concern, the City will need to use the annual budget process to find ways to stay within the levy limit. If smaller adjustments cannot alleviate the pressure, the City may need to look to available alternative revenues, cutting or reallocating costs or reduction of services. The City could also chose to pursue a referendum to increase the allowable levy. Planning for this possibility is something the City should consider currently in preparation for future levy limit pressure.

Closure of TIDs can have a positive impact on the City’s financial position by increasing the City’s tax base. This additional tax base allows the City to increase its tax levy, reduce its tax rate, or likely some combination of both. The City does have two TID closures anticipated during the period review.

SECTION 8 – RECOMMENDATIONS

To capitalize on its investment in this planning process, the City may consider to undertake in the future the following recommendations:

1. Consider approving new financial policies:
 - a. Debt policies
 - i. Debt service tax levy. This policy would control when the City is fiscally capable of taking on large facility projects.
 - ii. Debt capacity. Such a policy would limit the City to a certain percentage of the City’s statutory debt limit. Sample policy include a self-imposed debt capacity policy of 75% of the statutory debt limit (5% of the City’s equalized value).
 - b. Fund Balance policies
 - i. General Fund Balance. This policy would require maintaining a certain percentage of unassigned fund balance. An example would include a policy where the City’s fund balance is required to be 25% of General Fund budgeted operating expenditures. Such a policy could also provide guidance on the use of excess fund balance.

- c. Revenue policies
 - i. Qualify for Expenditure Restraint (ERP) when possible.
 - ii. Consider alternative revenues if there is pressure on Levy Limits or ERP calculations.
 - iii. Utilize investments or investment services that can maximize the investment income on City deposits. A good investment portfolio can stabilize this income as well and help during economic downturns.

In addition, we recommend that the City continue to update its CIP annually to maintain the planning horizon, and accurately reflect planned projects and associated costs. Maintaining a current CIP also allows this information to be integrated into a current year financing plan, making for an easy transition into the current year's debt issue(s) process.

Review status of financial rating indicators in conjunction with future debt financings. As new debt issues are considered, their impact should be evaluated to see what impact the new issue will have on the bond rating.

Consider additional periodic updates to this Five-Year Financial Management Plan. Changes in economic conditions, local priorities, state legislation and other variables may require that the model be updated periodically to remain a viable planning tool. The chart below reflects a typical fiscal planning cycle.

SECTION 9 – ACKNOWLEDGEMENTS

On behalf of the project team, we would like to acknowledge the commitment and contributions provided by the Mayor, Council President and City staff in completing this project and for their input and guidance throughout the course of this study.