



FY 2026-30 Five-Year Financial Plan

May 15, 2025



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Director of Finance

Recap from last meeting



Baseline

Approximates no-new-revenue rate (NNR) and cash funds the drainage CIP.

Scenario 1

Incorporates Certificates of Obligation to fund all drainage projects, maintains a 50% operating reserve, and adjusts the tax rate utilizing unallocated fund balance to minimize tax rate increases.

Scenario 2

Incorporates Certificates of Obligation to fund all drainage projects, maintains a 30% operating reserve, and adjusts the tax rate utilizing unallocated fund balance to minimize tax rate increases.

Recap from last meeting



Scenario	Tax Rate	Avg. Tax Bill	Unallocated Fund Balance	Operating Reserve
Baseline	NNR Rate	Decreases \$122	Depleted in 2027	5%
Scenario 1	> NNR Rate	Increases \$215	Depleted in 2029	50%
Scenario 2	> NNR Rate	Increases \$19	Depleted in 2029	30%

Updated Scenarios



Scenario 3

Property tax revenues set to cover operating expenditures. Unallocated fund balance for drainage CIP and one-time capital purchases. Operating reserve at 50%.

Scenario 4

Property tax revenues set to cover operating expenditures. Unallocated fund balance for drainage CIP and one-time capital purchases. Operating reserve at 30%.

Scenario 5

Property tax revenues set to cover operating expenditures with unallocated fund balance supplement. Certificates of Obligation to fund all drainage CIP, and operating reserve at 50%.

Drainage Capital Improvements Plan



	2025	2026	2027	2028	2029
8472 Rolling Acres Trail	\$67,600	\$162,240			
8040 Rolling Acres Trail	\$67,600	\$162,240			
Vestal Park Culvert	\$113,844				
8426 Triple Crown			\$253,094		
8312 Triple Crown			\$269,967		
32030 Scarteen				\$72,331	\$193,853
31988 Scarteen				\$100,000	
7644 Pimlico Lane				\$100,000	
8045 Flagstone Hill					\$100,000
8402 Battle Intense					\$200,000
Total	\$249,044	\$324,480	\$523,062	\$272,331	\$493,853

\$1,613,726

Scenario 3 Assumptions



Policy

- Keeping the operating reserve at 50% of operating expenditures

Revenues

- Property tax rate to cover operating expenditures
- 3.0% increase in sales tax revenue per year
- 45.0% decrease in interest revenue over 5 years
- 1.5% increase in other revenue sources

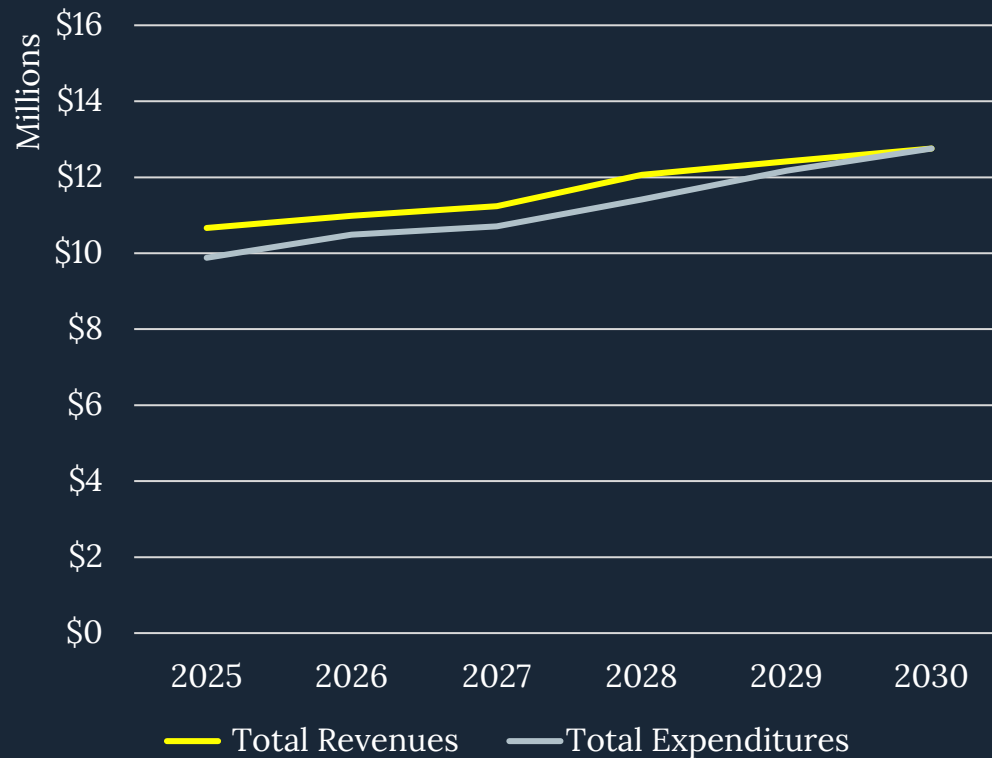
Expenditures

- Cash funding for approved drainage CIP
- 4.5% increase in personnel costs per year, no new FTEs
- 5.0% increase in health insurance, and facility, engineering, and software contracts
- Incremental increases to ensure fire and EMS services under a contract model
- 2% increase all other expenditures
- Assumes \$20,000/year of new equipment for Public Safety and \$50,000/year for Public Works

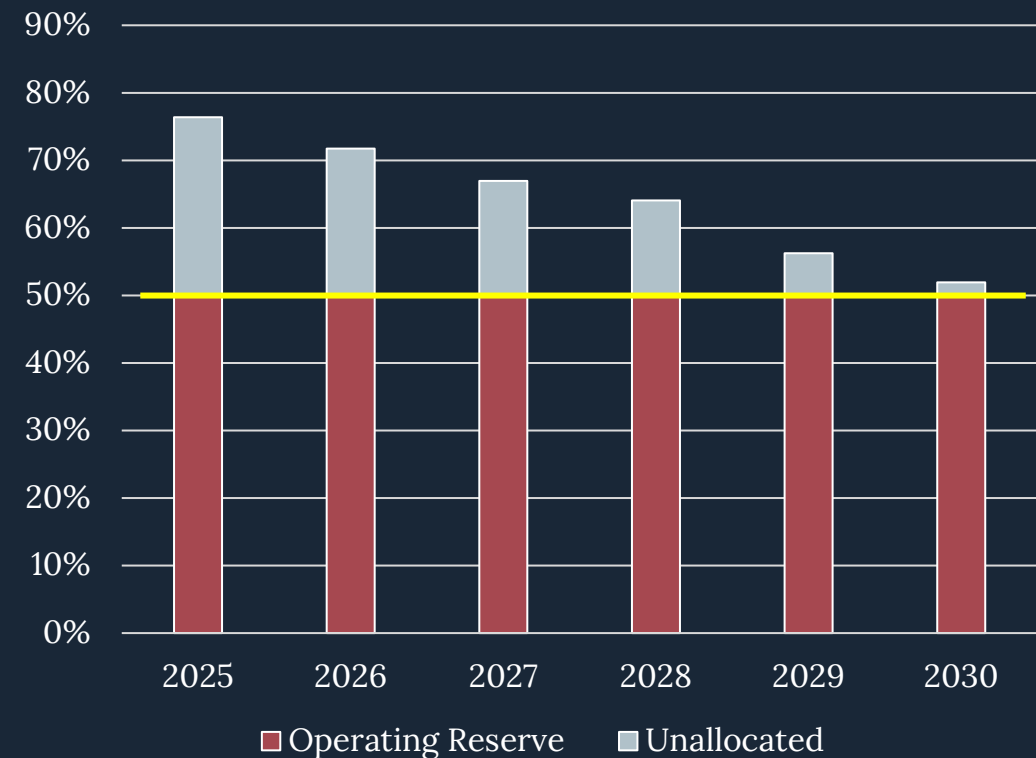
Scenario 3 Dashboard



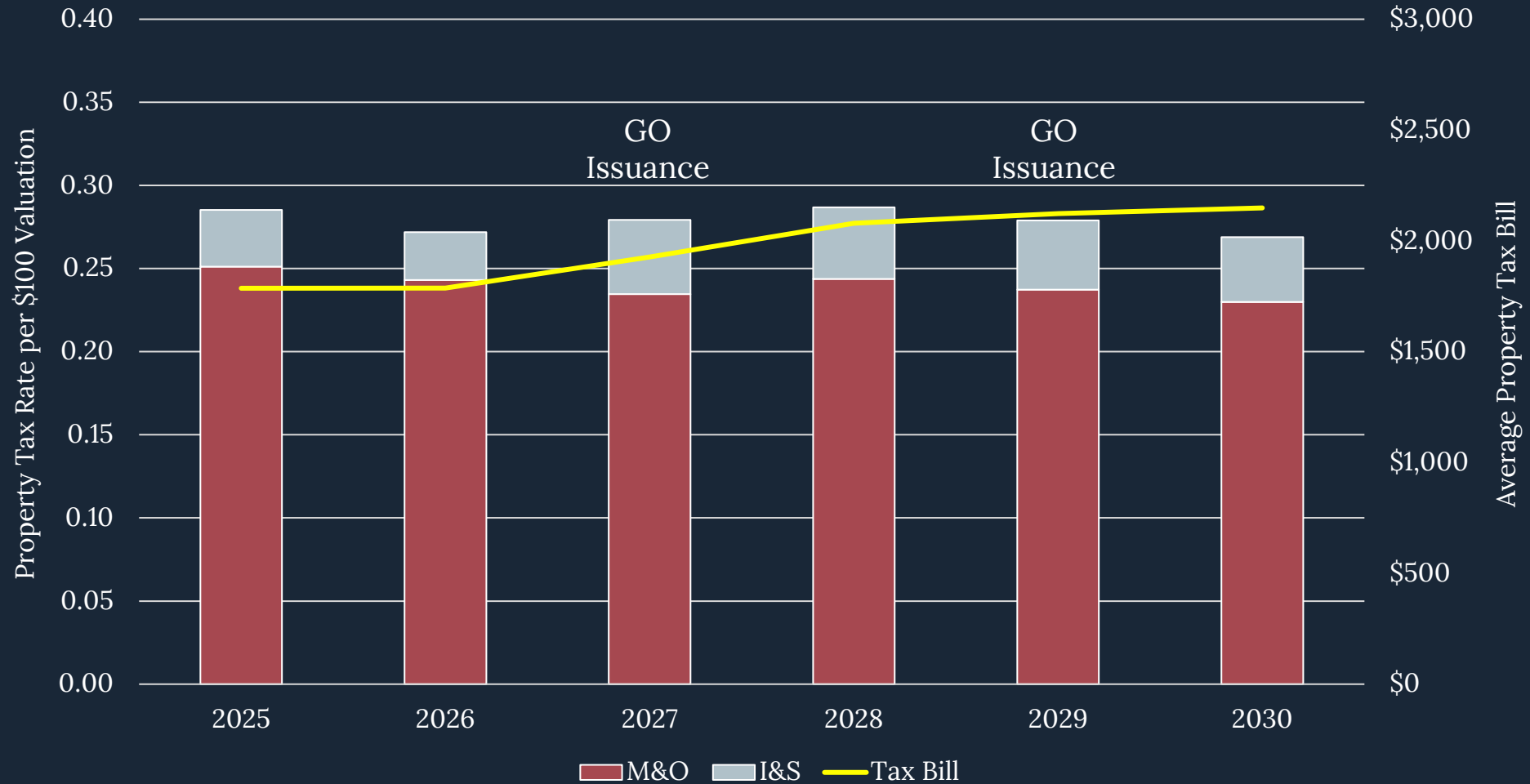
Operating Revenues and Expenditures



Reserves as a Percent of Operating Expenditures



Property Tax Rates – Scenario 3



Scenario 4 Assumptions



Policy

- The operating reserve requirement is lowered to 30%, or 3.6 months

Revenues

- Property tax rate to cover operating expenditures

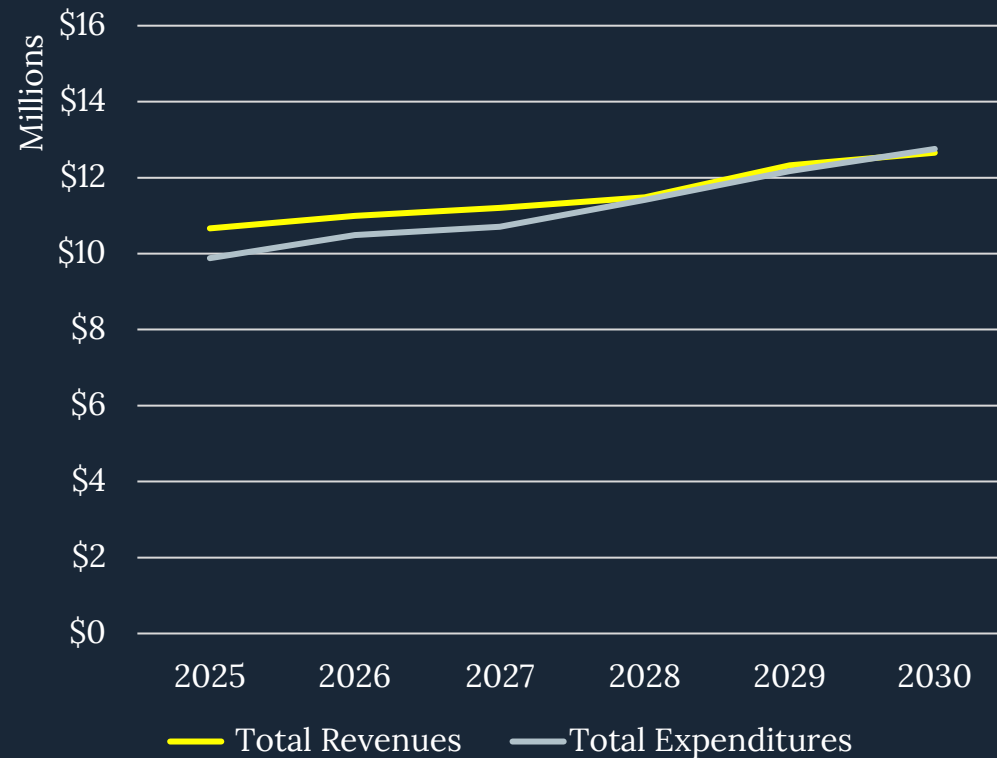
Expenditures

- Cash funding for approved drainage CIP

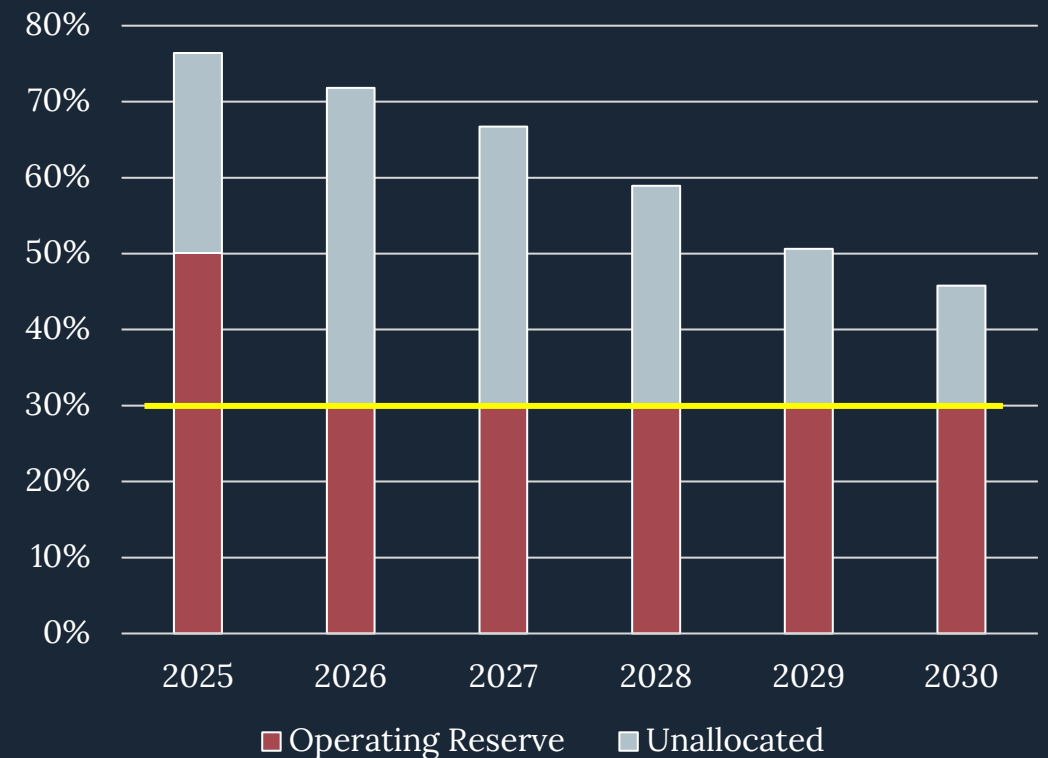
Scenario 4 Dashboard



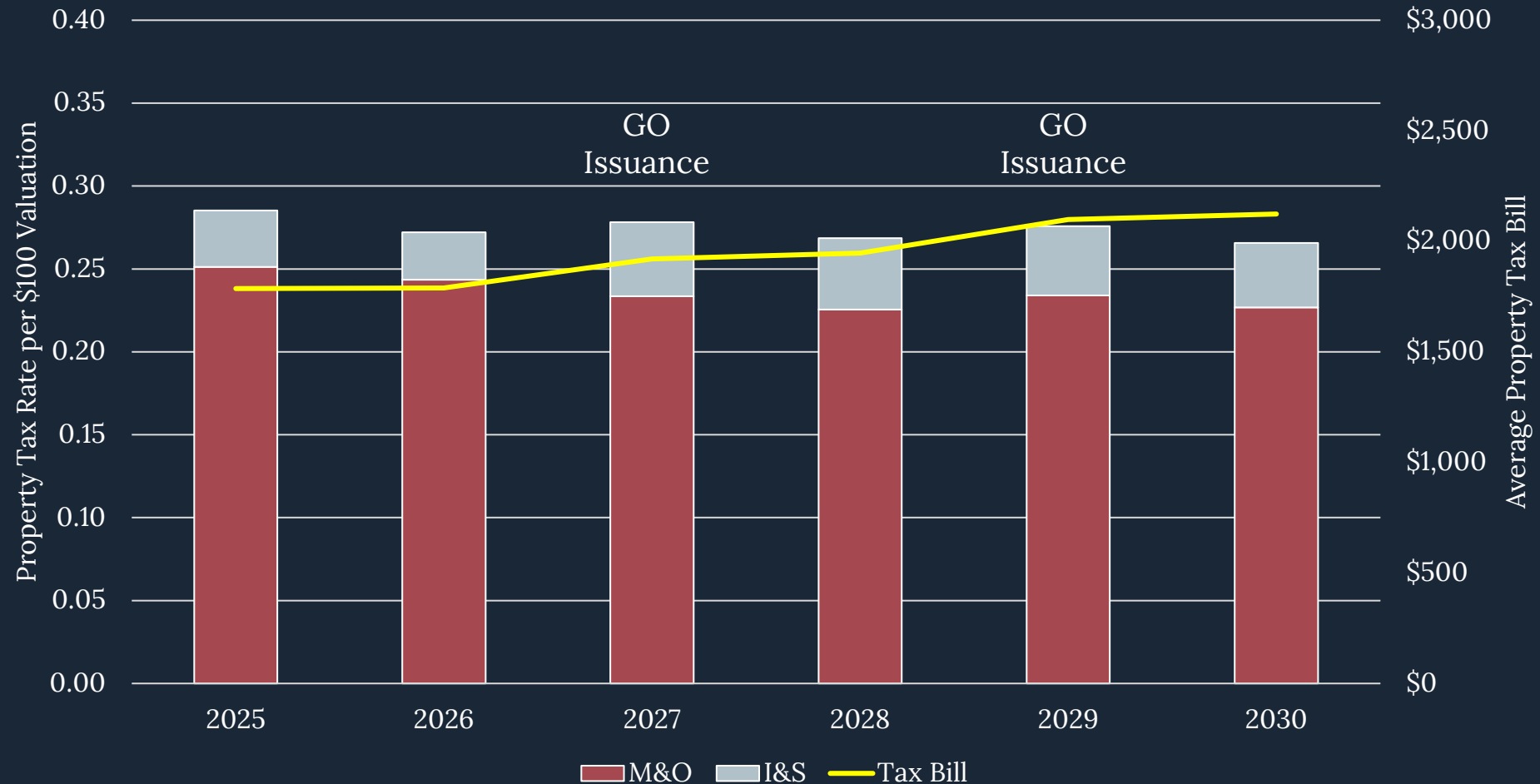
Operating Revenues and Expenditures



Reserves as a Percent of Operating Expenditures



Property Tax Rates – Scenario 4



Scenario 5 Assumptions



Policy

- The operating reserve is maintained at 50%

Revenues

- Property tax rate to cover operating expenditures with supplement from the unallocated fund balance

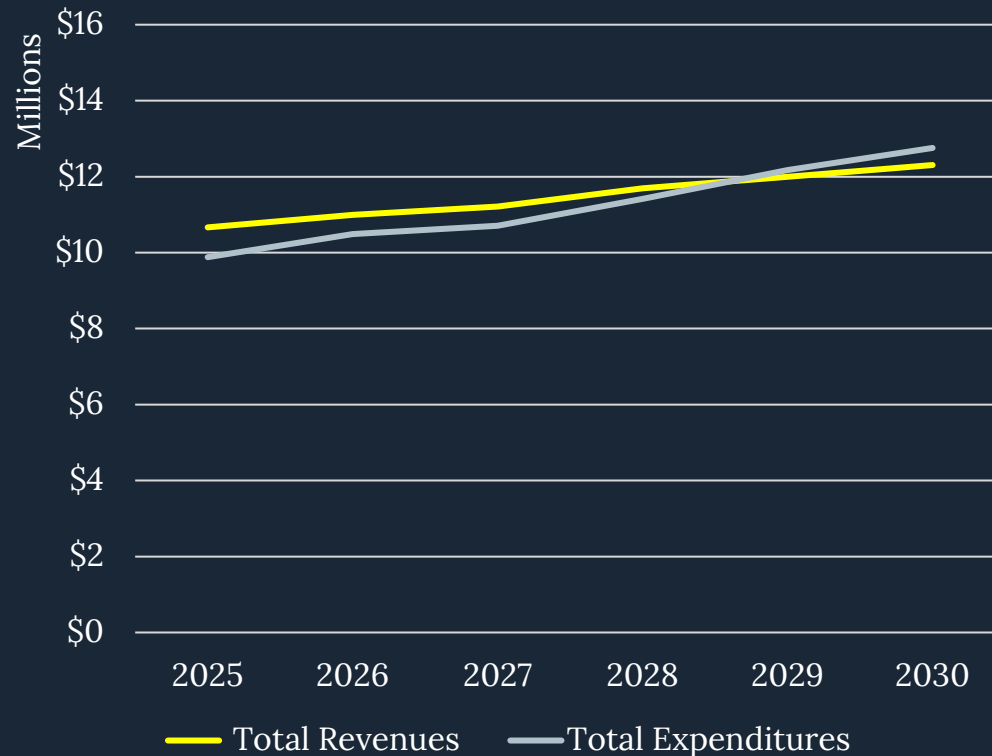
Expenditures

- Debt funding for approved drainage CIP, \$1,615,000 Certificates of Obligation issued in 2025

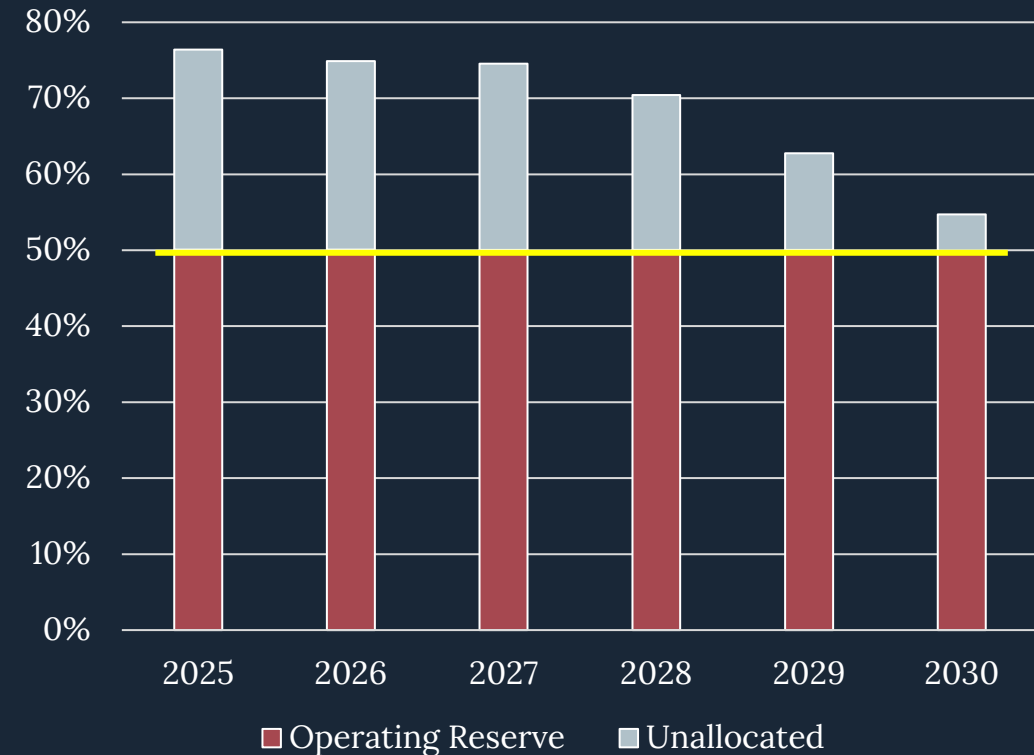
Scenario 5 Dashboard



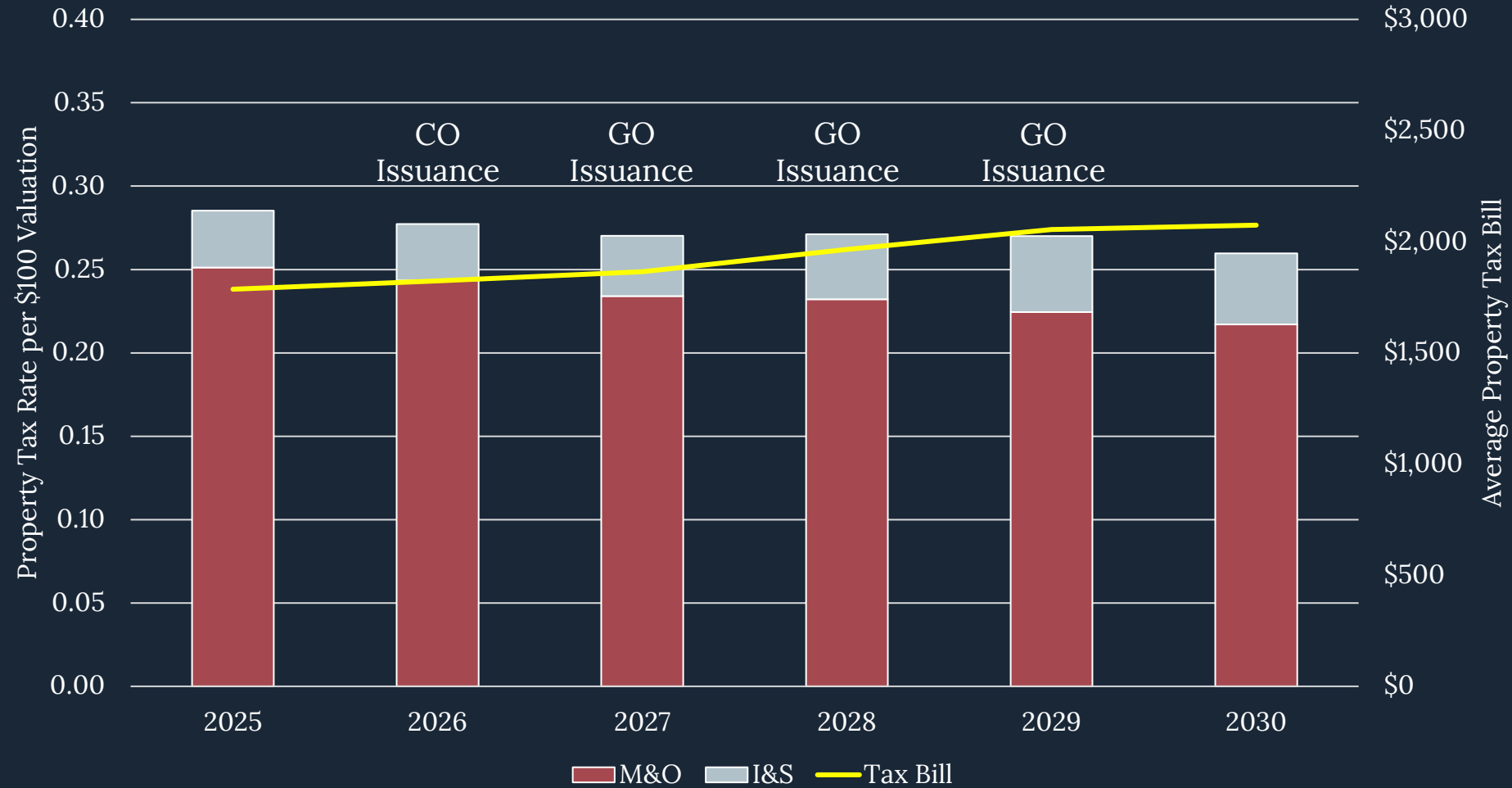
Operating Revenues and Expenditures



Reserves as a Percent of Operating Expenditures



Property Tax Rates – Scenario 5



Scenario Recap



Scenario	Tax Rate	Drainage Funding	Avg. Tax Bill Over 5-years	Unallocated Fund Balance	Operating Reserve
Scenario 3	At VAR	Cash	Increases \$362	2% in 2030	50%
Scenario 4	>NNR	Cash	Increases \$337	16% in 2030	30%
Scenario 5	>NNR	Debt	Increases \$288	5% in 2030	50%

Next Steps



- Council direction for reserve policy
- Council direction for funding drainage CIP
- Bring Resolution to adopt the FY 2026-30 Financial Plan
- Develop the budget



Questions?