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MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: JOSHUA TETZLAFF, CITY ADMINISTRATOR
SUBJECT: LONG-TERM FINANCIAL PLAN
DATE: JULY 2, 2025

One of the items on the Visioning Document is to have a Long-Term financial plan put together that can give a picture of the City's financial needs over the next five years. A plan such as this, when used during the yearly budgeting process, can help a City make decisions and get an idea of how their decisions make affect future budgets. It'll give the Council and staff a better picture of how future infrastructure projects and equipment needs can fit into the budget and what needs may be.

Since it is on the Visioning Document, I reached out to a couple firms that perform such services and received quotes; Ehlers Public Finance Advisors and Abdo. Ehlers is currently our financial advisor and Abdo has done the City's auditing for a number of years now.

After reading through the two proposals (attached for your review), I would recommend proceeding with Abdo to perform the City's long-term financial plan. A combination of their proposal and the City's continued familiarity with them as an organization and team make me confident with the process.

The cost for providing these services to the City would be \$25,000. While not budgeted directly to keep the 2025 levy lower, this project should fit into the overall budget through savings on a number of capital items seen thus far as well as higher than budget revenues seen already for interest earnings. The proposal states that should they be selected, Abdo will begin the process during the Fall of 2025.

Recommendation

Staff recommends proceeding with Abdo for a Long-Term Financial Plan.