CITY OF TWO RIVERS
A RESOLUTION AFFIRMING THE CITY'S COMMITMENT TO FINANCIAL SUSTAINABILITY AND RESPONSIBLE DEBT MANAGEMENT

WHEREAS, the City of Two Rivers recognizes that sound financial management and prudent use of public debt are essential to maintaining the community's long-term fiscal health, infrastructure, and quality of life; and

WHEREAS, the consistent application of carefully developed debt management policies enables City officials to make informed funding decisions, enhance credit quality, and secure favorable interest rates; and

WHEREAS, Article XI, Section 3 of the Wisconsin Constitution and Section 67.03(1) of the Wisconsin Statutes limit municipal general obligation debt to no more than five percent (5%) of equalized value, ensuring that debt remains within reasonable and sustainable levels; and

WHEREAS, the City of Two Rivers voluntarily imposes upon itself a higher standard of fiscal discipline by striving to maintain its total general obligation debt at or below sixty percent (60%) of the statutory limit, equivalent to approximately three percent (3%) of equalized value; and

WHEREAS, the City's Debt Service Policy provides that:

- Long-term borrowing shall be limited to capital projects as defined by Wisconsin Statute § 67.04;
- Bonds and notes shall not exceed the useful life of the asset being financed and shall have a maximum maturity of twenty (20) years;
- At least fifty percent (50%) of all outstanding debt shall mature within ten (10) years;
- The City shall prioritize the use of revenue bonds, special assessment bonds, and other self-supporting financing mechanisms whenever practical; and
- Long-term debt shall not be used to fund ongoing operations; and

WHEREAS, maintaining transparency, accuracy, and full disclosure in all financial reports, bond prospectuses, and communications with credit rating agencies is vital to the City's fiscal integrity; and

WHEREAS, the City Council desires to reaffirm its ongoing commitment to the principles of financial sustainability, responsible borrowing, and long-term stewardship of taxpayer resources.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Two Rivers, Wisconsin, that it hereby reaffirms its commitment to financial sustainability through the continued implementation and enforcement of its adopted Debt Service Policy; and

BE IT FURTHER RESOLVED that the City Council directs staff to ensure that all future borrowing decisions are consistent with this policy, aligned with long-term capital improvement planning, and reflective of the City's ongoing commitment to fiscal responsibility and community investment.

Approved this ____ day of ___________, 2025.

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Council Member

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Kyle Kordell, City Manager