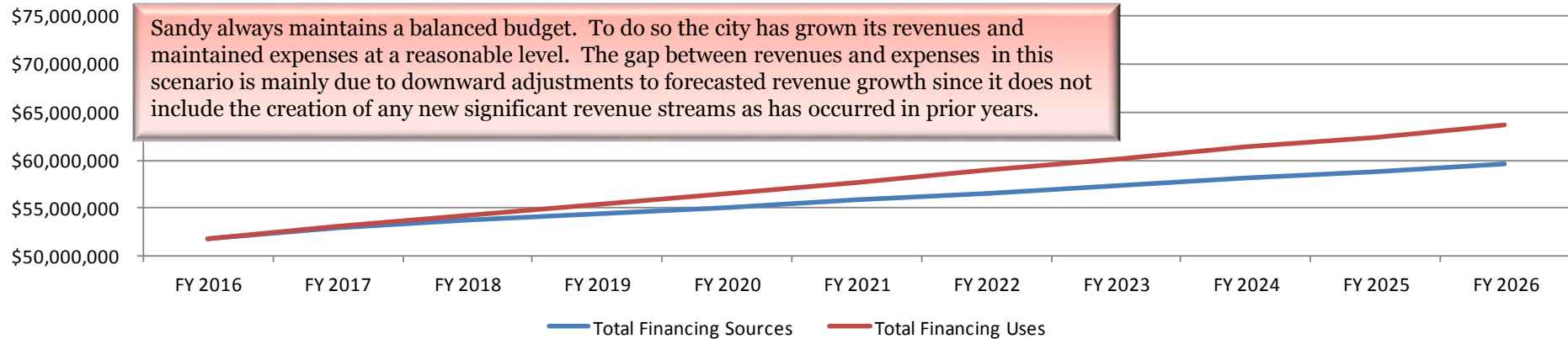




LONG TERM FINANCIAL ANALYSIS REVIEW

Scenario 1 - Adjusted Historical Trend Projection - Nov 2015



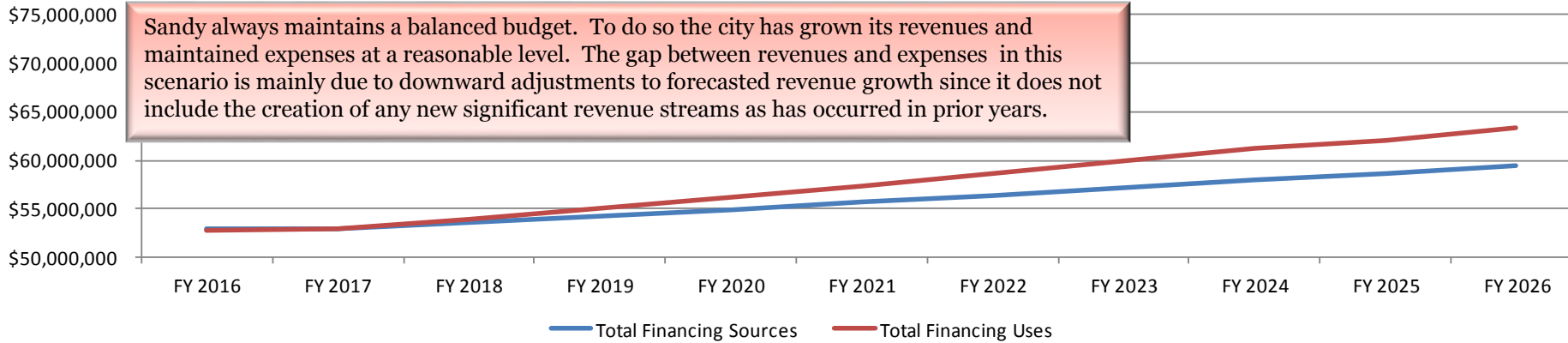
Revenue Assumptions

- 1.5% Average Annual Increase in Total Revenues
 - 1.2% Average Annual Increase in Property Tax
 - 1.6% Average Annual Increase in Sales Tax
 - 1.0% Average Annual Increase in Franchise Tax
 - 3.3% Average Annual Increase in Charges for Services

Expense Assumptions

- 2.3% Average Annual Increase in Total Expenses
 - 2.8% Average Annual Increase in Personnel Expenses
 - 38% of State Road Funds revenue transferred to Capital Projects Fund 46 for streets
 - \$2,000,000 annual transfer to Capital Projects, mainly for streets
- No new debt issued

Scenario 1 - Adjusted Historical Trend Projection - May 2016



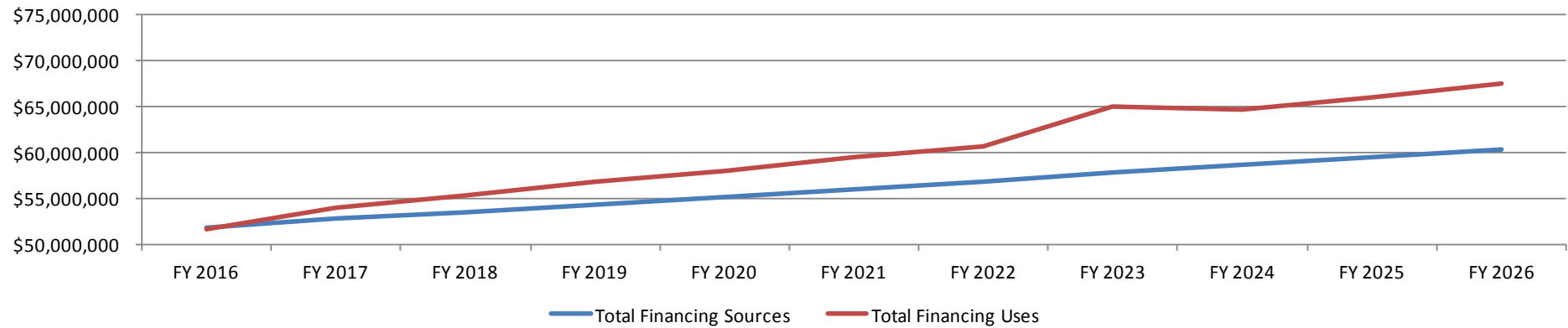
Revenue Assumptions

- 1.2% Average Annual Increase in Total Revenues
 - 1% Average Annual Increase in Property Tax
 - 1.6% Average Annual Increase in Sales Tax
 - 1.0% Average Annual Increase in Franchise Tax
 - 2.5% Average Annual Increase in Charges for Services

Expense Assumptions

- 2.0% Average Annual Increase in Total Expenses
 - 2.8% Average Annual Increase in Personnel Expenses
 - 75% of State Road Funds revenue transferred to Capital Projects Fund 46 for streets
- No new debt issued

Scenario 2 - Anticipated Outcomes with Expansion Requests - Nov 2015



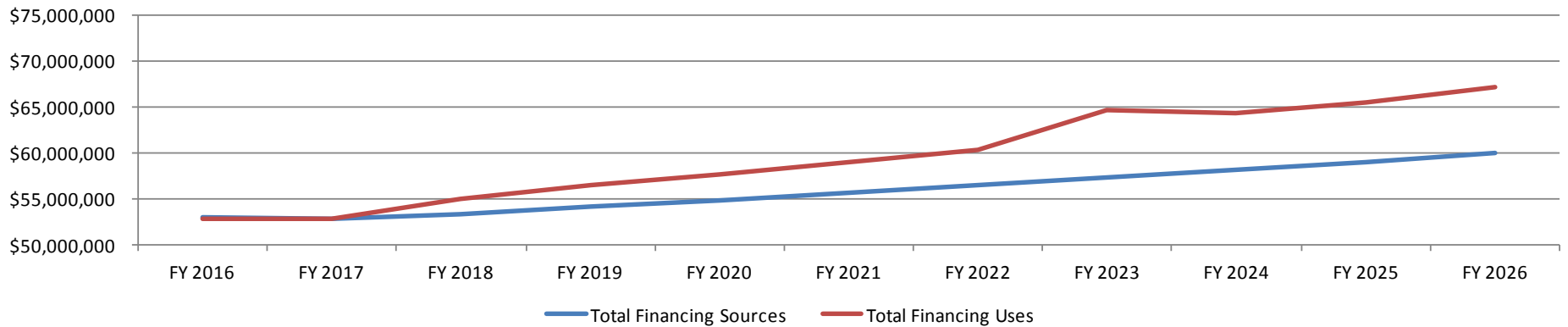
Revenue Assumptions

- 1.7% Average Annual Increase in Total Revenues
 - 1.2% Average Annual Increase in Property Tax
 - 2.3% Average Annual Increase in Sales Tax
 - 2.5% Average Annual Increase in Charges for Services

Expense Assumptions

- 3.0% Average Annual Increase in Total Expenses
 - 3.8% Average Annual Increase in Personnel Expenses
 - Includes staffing increases as detailed on page 16 of the analysis
 - Includes fleet replacement and O&M costs for the staffing increases
 - Includes equipment and fleet purchases for the staff increases

Scenario 2 - Anticipated Outcomes with Expansion Requests - May 2016



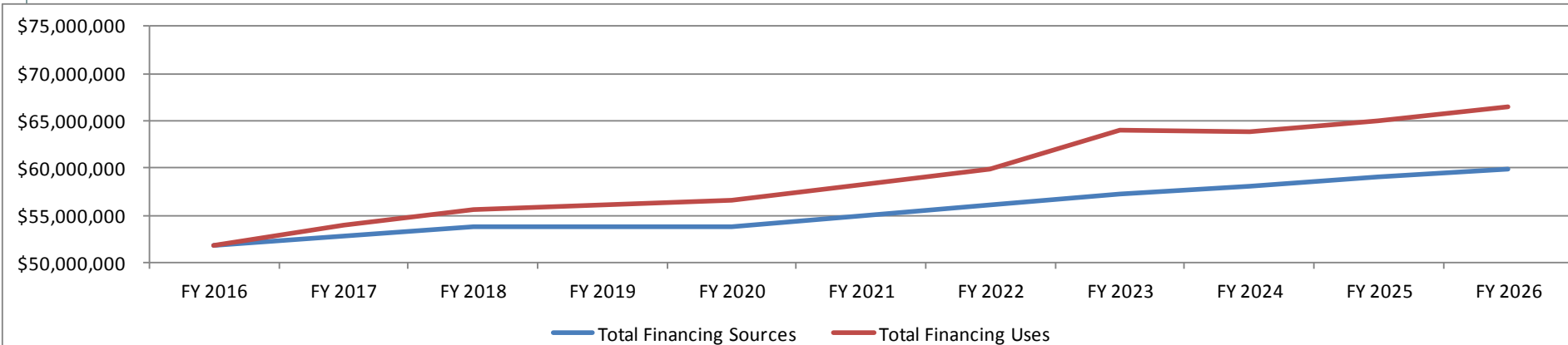
Revenue Assumptions

- 1.3% Average Annual Increase in Total Revenues
- 1% Average Annual Increase in Property Tax
- 2.1% Average Annual Increase in Sales Tax
- 1.7% Average Annual Increase in Charges for Services

Expense Assumptions

- 2.7% Average Annual Increase in Total Expenses
- 3.8% Average Annual Increase in Personnel Expenses
 - Includes staffing increases as detailed on page 16 of the analysis
 - Includes fleet replacement and O&M costs for the staffing increases
 - Includes equipment and fleet purchases for the staff increases

Scenario 3 - New Growth and Economic Downturn - Nov 2015



Revenue Assumptions

1.6% Average Annual Increase in Total Revenues

1.0% Average Annual Increase in Property Tax

2.1% Average Annual Increase in Sales Tax

0.5% Decrease in building permits growth during FY 2019 and FY 2020

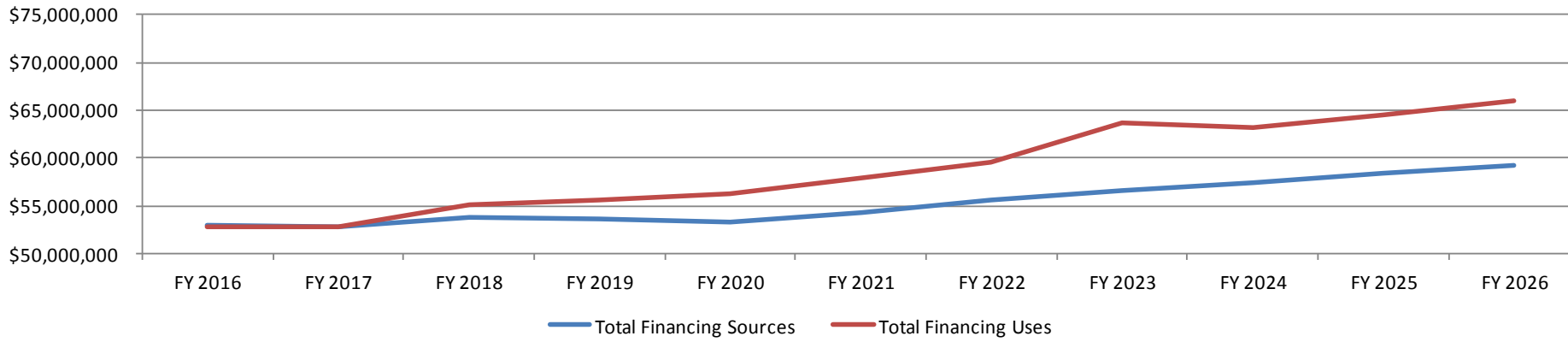
Expense Assumptions

2.9% Average Annual Increase in Total Expenses

3.6% Average Annual Increase in Personnel Expenses

Department requests in FY 2019 and FY 2020 delayed until FY 2021 and FY 2022

Scenario 3 - New Growth and Economic Downturn - May 2016



Revenue Assumptions

1.2% Average Annual Increase in Total Revenues

0.8% Average Annual Increase in Property Tax

1.9% Average Annual Increase in Sales Tax

5% Decrease in building permits during FY 2019 and FY 2020

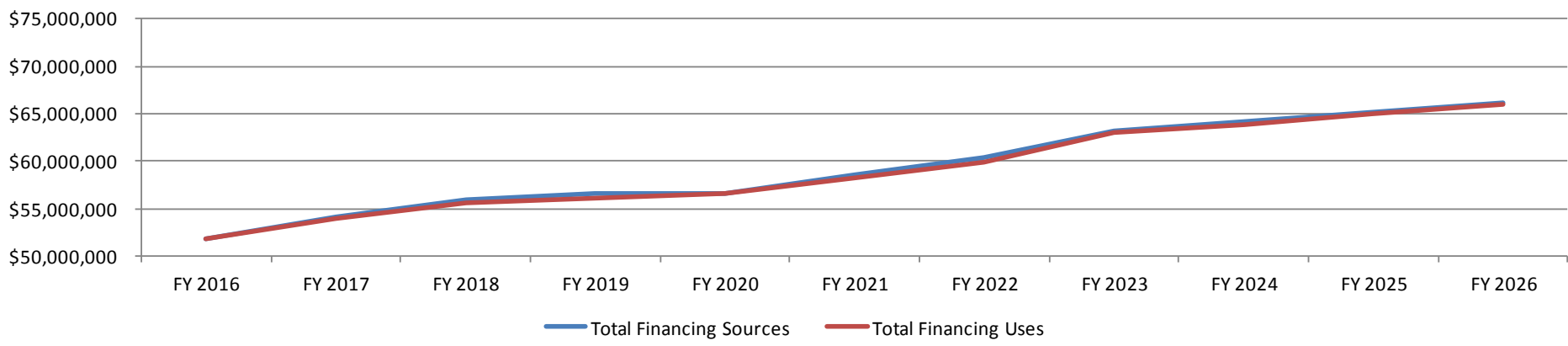
Expense Assumptions

2.5% Average Annual Increase in Total Expenses

3.5% Average Annual Increase in Personnel Expenses

Department requests in FY 2019 and FY 2020 delayed until FY 2021 and FY 2022

Scenario 4 - Balanced Budget with Expansion Requests - Nov 2015



Same assumptions as Scenario 3 with these exceptions:

Property Tax - tax increase in various years as detailed on page 22 of the analysis

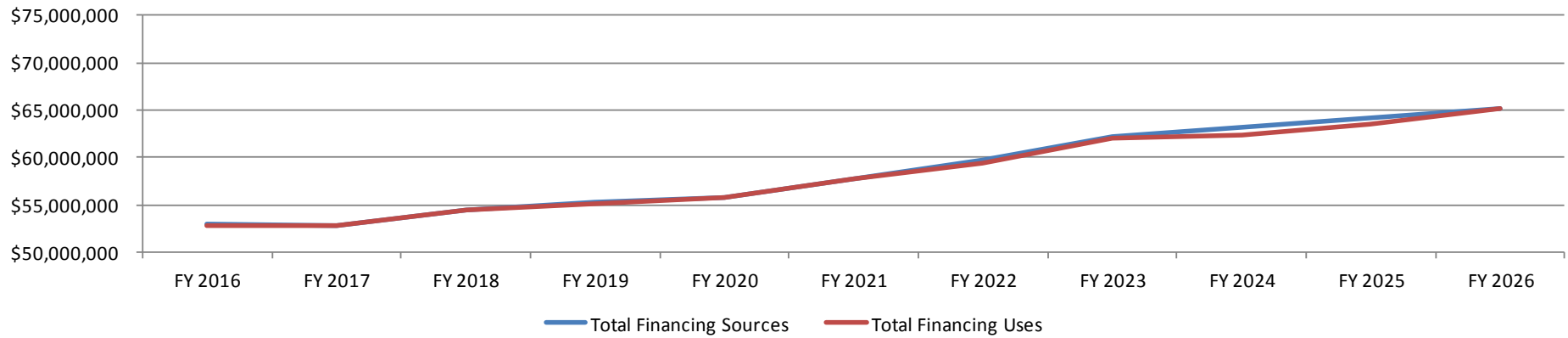
Franchise Tax - applied to sewer districts in FY 2022 \$400,000

Sales Tax - more aggressive estimates used in the base increases and growth scenarios

Transfer to Capital Projects decreased from \$2,000,000 to \$1,000,000 in FY 2023

Transfer to Capital Projects decreased from \$2,000,000 to \$1,500,000 in FY 2026

Scenario 4 - Balanced Budget with Expansion Requests - May 2016



Same assumptions as Scenario 3 with these exceptions:

Property Tax - tax increase in various years as detailed on page 22 of the analysis

Franchise Tax - applied to sewer districts in FY 2022 \$400,000

Sales Tax - more aggressive estimates used in the base increases and growth scenarios

Some FY 2018 personnel requests were postponed to later years

Capital Projects – May 2016

Department	2017 Tentative	2018 Planned	2019 Planned	2020 Planned	2021 Planned
Municipal Building	\$ 450,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Amphitheater	\$ 148,045	\$ 81,589	\$ 86,485	\$ 86,485	\$ 86,485
Fire	\$ 91,320	\$ -	\$ 200,000	\$ -	\$ -
I.T.	\$ 747,500	\$ 86,500	\$ 172,000	\$ 82,000	\$ 183,000
P.W. Capital Projects	\$ 3,514,851	\$ 5,411,000	\$ 10,025,820	\$ 5,885,736	\$ 7,785,751
Parks Capital Projects	\$ 2,168,081	\$ 10,367,000	\$ 997,000	\$ 13,302,727	\$ 675,000
Community Development	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 7,159,797	\$ 16,146,089	\$ 11,681,305	\$ 19,556,948	\$ 8,930,236

Department	2022 Planned	2023 Planned	2024 Planned	2025 Planned	2026 Planned
Municipal Building	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Amphitheater	\$ 86,485	\$ 86,485	\$ 86,485	\$ 86,485	\$ 86,485
Fire	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -
I.T.	\$ 126,000	\$ 105,500	\$ 150,000	\$ 170,000	\$ 253,000
P.W. Capital Projects	\$ 16,815,866	\$ 6,496,083	\$ 17,376,405	\$ 6,406,833	\$ 4,937,370
Parks Capital Projects	\$ 500,000	\$ 175,000	\$ 175,000	\$ 5,175,000	\$ 175,000
Community Development	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 17,728,351	\$ 12,063,068	\$ 17,987,890	\$ 12,038,318	\$ 5,651,855