

Debt Capacity 2022



Property Tax Levy per \$100 Assessed Valuation

- General Operating \$.9119-Hancock restricted
- Parks Operating \$.1383-Hancock restricted
- Debt Service \$.3697-actual debt service

- Total \$1.4199 Total Levy

Voter approval required

- Debt Levy Reallocation ballot issue in April 2021- promise to voters to maintain debt levy at \$.3697 per \$100 assessed valuation in response to voter-approved increase in operating levy of \$.10.

- Operating levies tend to decline as Assessed Valuation grows because of Hancock restriction
- Debt levy stays the same-revenues grow as Assessed Valuation grows

**Total Assessed Value
by Calendar Year**

Increase/Decrease

| | | | |
|------|-----------------|------------------|--------|
| 2011 | \$1,620,849,484 | | |
| 2012 | \$1,638,685,805 | \$17,836,321.00 | 1.10% |
| 2013 | \$1,692,175,370 | \$53,489,565.00 | 3.26% |
| 2014 | \$1,686,144,194 | -\$6,031,176.00 | -0.36% |
| 2015 | \$1,792,337,036 | \$106,192,842.00 | 6.30% |
| 2016 | \$1,850,670,453 | \$58,333,417.00 | 3.25% |
| 2017 | \$1,963,271,079 | \$112,600,626.00 | 6.08% |
| 2018 | \$2,032,705,197 | \$69,434,118.00 | 3.54% |
| 2019 | \$2,301,003,306 | \$268,298,109.00 | 13.20% |
| 2020 | \$2,323,727,412 | \$22,724,106.00 | 0.99% |
| 2021 | \$2,527,670,037 | \$203,942,625.00 | 8.78% |
| 2022 | \$2,693,053,427 | \$165,383,390.00 | 6.54% |

Bonding Capacity is determined by

A. Property tax revenues dedicated to debt service

- At \$.3697 and current assessed valuation of \$2,693,053,427, revenues = approximately \$9.8 million annually
- Assuming continued growth in Assessed Valuation, annual revenues will grow

B. Structure of bonds issued

- We determine the timing and maturity of debt service payments within reason.
- Consider life span of asset; buildings could be 20-year maturity.

- Current debt service schedule filled thru April 2025
- All current GO Bonds pay off April 2029

General Obligation Bonds-Principal Debt Service Schedule

| | 2013B | 2016A | 2017A | 2020 | 2021A | 2022A | 2022B | Total Principal |
|----------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|---------------------|
| 4/1/2023 | \$1,540,000 | \$600,000 | \$1,900,000 | \$1,055,000 | \$3,275,000 | | \$1,000,000 | \$9,370,000 |
| 4/1/2024 | | \$600,000 | \$2,100,000 | | | \$5,925,000 | \$1,000,000 | \$9,625,000 |
| 4/1/2025 | | \$600,000 | \$2,300,000 | | | \$9,165,000 | | \$12,065,000 |
| 4/1/2026 | | \$600,000 | \$1,900,000 | | | | \$3,420,000 | \$2,500,000 |
| 4/1/2027 | | \$600,000 | | | | | | \$600,000 |
| 4/1/2028 | | \$600,000 | | | | | | \$600,000 |
| 4/1/2029 | | \$900,000 | | | | | | \$900,000 |
| 4/1/2030 | | | | | | | | |
| | \$1,540,000 | \$4,500,000 | \$8,200,000 | \$1,055,000 | \$3,275,000 | \$15,090,000 | \$5,420,000 | \$35,660,000 |

Debt Service Fund

| *Estimated Annual Revenues | Debt Service Payments from Column U | Debt Service Payments by Fiscal Year | Balance |
|-------------------------------|---|--|--------------|
| | | | \$9,600,000 |
| \$9,800,000 | \$9,798,111 | \$9,798,111 | \$9,601,889 |
| | \$116,250 | | \$9,601,889 |
| \$10,094,000 | \$9,741,250 | \$9,857,500 | \$9,838,389 |
| | \$78,750 | | \$9,838,389 |
| \$10,396,820 | \$12,143,750 | \$12,222,500 | \$8,012,709 |
| | \$49,750 | | \$8,012,709 |
| \$10,708,725 | \$2,549,750 | \$2,599,500 | \$16,121,934 |
| | \$24,750 | | \$16,121,934 |
| \$11,029,986 | \$624,750 | \$649,500 | \$26,502,420 |
| | \$18,750 | | \$26,502,420 |
| \$11,360,886 | \$618,750 | \$637,500 | \$37,225,806 |
| | \$11,250 | | \$37,225,806 |
| \$11,701,713 | \$911,250 | \$922,500 | \$48,005,018 |
| | \$0 | | \$48,005,018 |
| | | | \$48,005,018 |

Risk Assessment

- Drop in Assessed Values
- Jackson County makes detrimental changes
- Property owners fail to pay timely
- Voter concerns result in ballot failures

Action Calendar for 2023 No Tax Increase Ballot Initiative

| | |
|-------------------------|--|
| December 6, 2022 | Initial presentation to Mayor and Council (Capacity and Project listing) |
| December 13, 2022 | Continued consideration by Mayor and Council |
| December 20, 2022 | Continued consideration by Mayor and Council/draft ballot ordinance |
| January 10, 2023 | 1st Reading by City Council |
| January 17, 2023 | 2nd Reading by City Council |
| January 24, 2023 | Final Certification Date |
| February 2023 | Produce informational flyers |
| Feb-March 2023 | Schedule visits to civic groups to share information |
| April 4, 2023 | General Municipal Election |

Next Step: Refine and select
priorities from Project List