



Five-Year Financial Management Plan

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TABLE OF CONTENTS

<u>Section 1 – Background</u>	1
<u>Section 2 – Process</u>	1
<u>Section 3 – Current Financial Position of the Village</u>	1
3.1 General Obligation (G.O.) Debt Schedule	2
3.2 Sewer Utility Debt Schedule	2
3.3 Financial Indicators	6
<u>Section 4 – Financial Plan Data Tables and Key Assumptions</u>	10
4.1 Equalized Value	10
4.2 Dock Special Revenue Fund Projections	12
4.3 Operating Budget Projections	12
4.4 Capital Finance Plan	15
<u>Section 5 – Conclusions</u>	24
5.1 Significant Additional Assumptions	24
5.2 Tax Rate Projection	25
5.3 Options Comparison	29

TABLES

Table 1	Schedule of Existing General Obligation Debt and Leases	4
Table 2	Schedule of Existing Sewer Utility Debt	5
Table 3	Financial Indicators	9
Table 4	Equalized Value Historical Growth	10
Table 5	Equalized Value Growth Projections	11
Table 6	Dock Special Revenue Fund History and Projections	13
Table 7	General Fund History and Projections	14
Table 8a	Bond Sizing Worksheet – <i>DNR Permitted Option with Contingency</i>	18
Table 9a	Bond Structure – <i>DNR Permitted Option with Contingency</i>	19
Table 10a	G.O. Debt Capacity Utilization – <i>DNR Permitted Option with Contingency</i>	20
Table 8b	Bond Sizing Worksheet – <i>DNR Permitted Option without Contingency</i>	21
Table 9b	Bond Structure – <i>DNR Permitted Option without Contingency</i>	22

Table 10b	G.O. Debt Capacity Utilization – <i>DNR Permitted Option without Contingency</i>	23
Table 11a	Summary of Proposed Debt – <i>DNR Permitted Option with Contingency</i>	24
Table 11b	Summary of Proposed Debt – <i>DNR Permitted Option without Contingency</i>	24
Table 12a	All Funds Tax Rate Projection – <i>DNR Permitted Option with Contingency</i>	26
Table 12b	All Funds Tax Rate Projection – <i>DNR Permitted Option without Contingency</i>	27
Table 13	Projection of Village Property Taxes – Sample Property	28
Table 14	Alternate Options Comparison – Debt Service Rate & Profile	30
Table 15	Alternate Options Comparison – Total Tax Rate	31

Section 1 – Background

In January of 2008, Ehlers & Associates was retained by the Village to prepare a comprehensive Five-Year Financial Management Plan to guide future financing decisions. While concerns relative to the existing condition of the municipally owned harbor and marina were the catalyst for the planning process, other Village capital needs, as well as operating budget considerations were incorporated into the planning model that was developed. This document summarizes the results of the planning effort, and is intended to be used as an analytical framework for making decisions with respect to levels and timing of supportable debt financing. Because conditions can change rapidly, and assumptions may or may not be borne out over time, it is recommended that this plan be updated annually, or at other key times prior to making long-term financing commitments. **We would recommend that the Village update the financial model with the best information possible once bids for the harbor and marina project work are opened, and prior to a commitment to finance the project.**

Section 2 – Process

Development and refinement of the financial plan was completed during a series of planning workshops with the Village Board. These workshops were held on February 29, March 27 and April 14, 2008 with final plan presentation on September 15, 2008. During these workshops, Village officials were briefed on the current status of the Village's financial position, historical and projected valuation trends, capital financing alternatives, and tax rate projections for operating, capital and debt service expenditures under alternative scenarios. Based on the information provided, the Village has identified the scenario associated with the *DNR Permitted Option, With and Without Contingency*, for the harbor and marina project as the primary working plan. That scenario is presented in detail in this narrative and the accompanying exhibits, although a comparison to three other scenarios (*Preliminary Consensus Plan, Rebuild in Place* and *Final Consensus Plan*) is also included in the conclusions section of this report. More detailed information regarding the three alternate scenarios can be found in the Workshop No. 3 presentation materials (dated April 14, 2008) on file with the Village.

Section 3 – Current Financial Position of the Village

As part of the planning process, the current financial position of the Village was reviewed. This review included an analysis of current general obligation and revenue debt structure, and a comparison of credit and financial indicators of the Village as compared to selected communities in Wisconsin with similar demographics in terms of location, size and/or a tourism based economy.

3.1 General Obligation (G.O.) Debt Schedule

A schedule of the Village's existing G.O. debt is reflected on **Table 1**. General obligation debt is secured by the "full faith and credit" of the issuer, meaning the Village has an irrevocable duty to levy annually a property tax in an amount sufficient to ensure the timely repayment of the debt obligation (the Village can, however, abate some or all of this levy if funds from other sources are available to be applied towards the debt payment). Two small issues, a 2006 G.O. Promissory Note for equipment purchase, and a 2006 capital equipment lease for a fire truck purchase, will be fully amortized by 2010. In 2007, the Village issued a Note Anticipation Note in the amount of \$4,315,000 to finance preliminary engineering for the marina and harbor project, purchase of the Troup property, and general Village capital improvements. The Note Anticipation Note is a short-term financing instrument (similar to a construction loan) that will need to be refinanced prior to March 1, 2012 at which time a \$4,160,000 balloon payment comes due. The earliest date that the Note Anticipation Note can be pre-paid is March 1, 2010. Refinancing of this obligation with long-term debt was included as one component of the financial management plan. For the current 2008 budget year, existing debt service not paid from any other source is equivalent to a tax rate of 24¢ per \$1,000 of equalized property value. In 2009, this rate will increase to 51¢ per \$1,000.

Wisconsin State Statues limit the amount of G.O. debt principal that a community may have outstanding to 5% of its equalized value. The Village's equalized value as of January 1, 2008 was \$368,350,400, with a corresponding debt principal limit of \$18,417,520. The Village's projected outstanding debt principal as of December 31, 2008 is \$10,407 which is 0.06% of the limit. Note that this does not include the outstanding debt principal of the \$4,315,000 Note Anticipation Notes. Since the notes are anticipatory in nature, they are not counted against the Village's debt limit until they are converted to permanent financing. If the Note Anticipation Note's principal is included in the calculation, current debt capacity utilization would be at 23.30%.

3.2 Sewer Utility Debt Schedule

Outstanding debt of the Village's sewer utility is shown on **Table 2**. In addition to a 1998 Clean Water Fund Loan, a total of \$615,000 of the proceeds of the 2007 Note Anticipation Note will be allocated to sewer to pay for the costs of utility extensions. While funds to make payments on the Clean Water Fund Loan come from user rates, the Village has levied special assessments to pay the sewer share of debt service on the Note Anticipation Notes, and the eventual long-term refinancing of these notes.

Unlike G.O. debt, there is no statutory limit to how much revenue debt a community can issue. Rather, since the debt is backed by system revenues, it is the financial performance of the utility that determines the amount of debt that can be supported. Standard revenue bond covenants require that net revenues of the utility system (operating revenues and interest income less operating expenditures except for depreciation and taxes) be in an amount

sufficient to maintain a “coverage ratio” of net revenues to annual debt service payments. This ratio is typically 1.25x the debt payment, however, in the case of the Village’s Clean Water Fund Loan, the ratio is 1.10x the debt payment. Based on the 2007 audit results of the Sewer Utility, the system is generating net revenues available for debt service in an amount of \$330,873. The ratio of the 2007 net revenues to future payments on the Clean Water Fund Loan ranges from 10.11x to 10.15x, indicating that current sewer rates are sufficient to meet all current revenue debt obligations of the utility.

3.3 Financial Indicators

Investors in municipal bonds and other forms of public debt often rely on ratings assigned by credit rating services to determine the risk of a particular investment. This assessment of risk affects the price and rate of municipal securities. “Bond ratings,” as they are often referred to, are provided, for a fee, by firms such as Moody’s Investors Service, Standard & Poor’s, and Fitch Ratings. In assigning a rating to a bond (e.g. “AAA”, “Aaa2”, “A3”, etc.), credit rating services examine various measures designed to assess the debt issuer’s financial condition. Local governments can calculate these same measures for themselves and use them as the basis for self-evaluation, and in the development of formal or informal financial management policies. Typical financial indicators include:

- **Equalized Value of Community** – One of the most significant factors considered by credit rating services is the total value of all taxable property in the community. The raw size of a community’s tax base is a reflection of its ability to pay, and accordingly, its creditworthiness. An additional qualitative indicator is the composition of the local tax base. A diverse property tax base of residential, commercial and industrial land uses that is not concentrated in a particular segment of industry or several large employers is considered more resilient to economic fluctuations.
- **Average Annual Growth** – An indicator of economic health and ability to repay existing and future debt, this calculation represents the average percentage growth in equalized value over the most recent five-year period for which data is available.
- **Per Capita Equalized Value** – Total equalized value, divided by population, this measure reflects the concentration of value relative to population. High value per capita may be an indicator of a large non-residential commercial or industrial base, or a community with comparatively large and high valued homes. In general, a greater value per capita is an indicator of ability to repay debt.
- **Direct Debt Burden** – The total principal amount of debt outstanding, expressed as a percentage of the issuer’s total equalized value, and as a total per capita. As opposed to Overall Debt Burden (see below), Direct Debt Burden calculations consider only that debt which is issued as an obligation of the municipality.
- **Overall Debt Burden** – Similar to Direct Debt Burden, but includes the total principal amount of debt outstanding for all entities that have taxing authority within the community’s boundaries, including the local government, the school district, the county, the technical college, and any special taxing jurisdictions. Both direct and overall debt burden are a reflection of the tax effort required of individual taxpayers, and the community as a whole, to repay incurred debt obligations.

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- **Payout Over Ten Years** – Expressed as a percentage, this indicator reflects the amount of debt principal of the issuer that will be retired within ten years. While various considerations must be taken into account when determining the appropriate term over which to repay a debt obligation, a rapid amortization of debt is considered to be a favorable credit indicator.
 - **Undesignated General Fund Balance** – Expressed as a percentage of annual operating revenues, this indicator is a reflection of the local government’s financial flexibility and capability to deal with contingencies such as unexpected losses in revenue or emergency expenditures. Depending on the purpose for which it has been reserved, some portion of the undesignated reserved fund balance may also be included in this calculation.
 - **Percentage of Expenditures for Debt Service** – The total of a local government’s gross general obligation debt service payment expressed as a percentage of the sum of all operating and debt service fund expenditures. This measure assesses what proportions of a community’s resources are being utilized for debt repayment, and the relative reliance on debt financing. In some cases, non-tax levy resources such as tax increments (TIF), special assessments and impact fees may be paying for a significant portion of the annual debt service payment. In these instances, it is also useful to calculate the percentage based on the next levy amount for debt service to reflect the application of these other resources.
 - **Adjusted Gross Income Per Tax Return** – The total reported gross income within a political subdivision divided by the number of returns filed. This indicator provides a measure that can be used to assess relative wealth as compared to communities with similar characteristics.
 - **Adjusted Gross Income as a Percentage of State Average** – Similar to Adjusted Gross Income Per Tax Return, this indicator reflects the relative wealth of the community as compared to the State wide average.

Table 3 reflects the calculated factors for the Village based on information contained in the 2006 financial statements and other available sources. Since the Village is currently an “unrated” community (having not previously chosen to seek a bond rating), its indicators are compared on the table to the nationwide “Median A3” values, which is the rating category that the Village would most likely be assigned. Since “non-rated” debt typically prices at rates very similar to that of issues carrying the “A3” rating (which is the most common rating for smaller communities), the lack of a bond rating is not something that is disadvantageous to the Village.

In addition to comparing the Village's indicators to the Median A3 values, a comparison is made to the Village of Sister Bay, City of Sturgeon Bay, and Village of Baraboo. Projected values for the Village are also calculated and compared assuming a total debt principal outstanding of \$11,825,000, reflecting additional capital financing associated with future projects. It is noted that the \$11,825,000 figure used in this analysis for the Workshop No.1 presentation was a preliminary estimate as to the amount of potential capital financing that might be needed to pay for the costs of all projects identified in the Village's 2009 – 2012 Capital Improvement Plan, including the harbor and marina, and a new fire station. The final analysis presented in this plan reflects a lowered capital financing requirement ranging from \$9,680,000 to \$10,805,000 reflecting the *DNR Approved Plan*, with and without contingency, respectively.

Current favorable indicators for the Village are its annual growth rate, level of general fund reserves, and resident income levels. While the Village's current direct debt burden calculations are favorable, they would increase significantly if the full program of contemplated capital improvements is implemented. Notwithstanding the increase, the Village's direct and overall debt burden calculations would still compare favorably to the current ratios of the City of Sturgeon Bay and Village of Sister Bay.

In reviewing and evaluating this information, it was indicated that the demographics of the Village (high property value with a low year-round resident population) make some of the traditional indicators less reliable for comparison purposes. In particular, the debt and property value per capita measure cannot usefully be compared to the median values since the low year-round Village population skews these numbers to such a great degree.

As noted previously, this analysis provides one way in which to benchmark the financial health of the community. Using annual financial results, these numbers, like the balance of the financial plan, can be updated to reflect both historical trends and future projections. The Village may want to consider developing formal or informal financial management policies that establish targeted ranges for fund balance levels, debt service expenditures or other measures similar to those discussed in this section. While the Village can develop policies or guidelines designed to control some of the measures discussed in this section, such as how much of its debt capacity that it will utilize, other variables, such as growth rates, personal income levels, and debt plans of other overlapping taxing entities are largely outside of the ability of the Village Board to influence or control.

Financial Indicators Grid



Municipality	Current Rating	Overall Debt Burden	Direct Debt Burden	Payout, 10-Years	Direct Debt Per Capita	Overall Debt Per Capita	Average Annual Growth FV	Undesignated Gen. Fund % of Total Op. Rev.	% of Exp. for Debt Service	Adj Gross Inc Per Return (2006)	Adj Gross Inc as % of State (2006)	Per Capita Eq. Value (2007)	Eq. Value TID - IN (2007)	Population (2007)
Egg Harbor	NR	2.13%	1.28%	To Be Determined	\$16,267	\$26,954	9.01%	35.28%	5.13%	\$54,855	114.03%	\$1,266,032	346,892,900	274
Egg Harbor w/\$11,825M	NR	4.25%	3.41%	26.30%	\$43,157	\$53,844	9.01%	35.28%	51.24%	\$54,855	114.03%	\$1,266,032	346,892,900	274
Median A3	A3	3.60%	2.30%	80.70%	\$1,537	\$1,992	7.60%	16.20%	19.00%	n/a	n/a	\$57,109	344,536,000	8,340
Sister Bay	A3	4.30%	3.60%	91.10%	\$7,156	\$9,886	6.60%	23.80%	29.20%	\$42,507	88.36%	\$434,563	428,044,700	985
Sturgeon Bay	A2	4.40%	4.20%	77.70%	\$3,680	\$3,855	4.10%	26.30%	68.70%	\$38,751	80.55%	\$87,607	855,312,000	9,763
Baraboo	A2	3.59%	2.72%	59.74%	\$1,879	\$2,481	8.48%	30.70%	11.72%	\$35,798	74.41%	\$69,113	809,308,600	11,710

Favorable Indicator
 Neutral Indicator
 Unfavorable Indicator

TABLE 3

Source: Moody's Investor's Service Most Recent Credit Reports & Village or City Audits, State of Wisconsin (DOR)

Section 4 – Financial Plan Data Tables and Key Assumptions

4.1 Equalized Value

Projection of the tax rate impact of operating, capital and debt expenditures over time requires that assumptions be made as to the pattern of future growth in the Village. Projections developed for the Village’s financial model utilize equalized (fair market) values, which provide for more accurate forecasting by eliminating the need to account for changes in assessment ratios and revaluation.

During the period from 2003 through 2007, Village equalized value increased by an average of 9.014% per year. A total of 69% of the average annual value increase was the result of economic (inflationary) change, while new construction accounted for 22% of the increase, and other value adjustments for the balance (see Table 4).

Equalized Value Historical Growth

Year	Total Equalized Value	New Construction ¹		Economic Change ²		Other & Personal Property ³		Total Change		Year
2003	246,255,100									2003
2004	257,335,200	3,000,000	1.218%	6,460,200	2.623%	1,619,900	0.658%	11,080,100	4.499%	2004
2005	296,065,700	5,658,100	2.199%	24,130,700	9.377%	8,941,700	3.475%	38,730,500	15.051%	2005
2006	316,541,500	6,854,800	2.315%	18,974,400	6.409%	-5,353,400	-1.808%	20,475,800	6.916%	2006
2007	346,892,900	6,611,000	2.089%	20,307,400	6.415%	3,433,000	1.085%	30,351,400	9.588%	2007
Average		5,530,975	1.955%	17,468,175	6.206%	2,160,300	0.852%	25,159,450	9.014%	Average

NOTES:

- ¹ Includes changes to improvement values due to construction of new buildings and other improvements to the land, and due to higher land utility.
- ² Includes changes due to market conditions, based on analysis of sales
- ³ Includes changes due to s. 70.57 adjustments (corrections), the Department's field review of property, demolition or destruction of buildings or other improvements, changes in exempt status of property, changes in classification of property, annexation gains or losses, and other miscellaneous changes.

Table 4

Using this information, a model was developed to forecast future valuation growth for purposes of projecting tax rate impact. The model (see **Table 5**) projects values using three techniques: 1) an assumption that values will continue to increase by 9.014% per year; 2) an assumption that values will increase by \$25,159,450 per year (the actual average amount of growth over the preceding four years) and 3) an assumption that values will increase by \$18,869,588 per year (the actual average amount, discounted by 25%). For modeling purposes, the financial projections assume the latter method. This method is the most conservative as it projects that the Village will grow at a slower rate than it has over the past four years. Since the annual valuation increase amount remains constant at \$18,869,588, the annual percentage increase declines over time.

Subsequent to completion of the model, new equalized value data current as of January 1, 2008 became available. It indicated that the Village's actual value increase from 2007 to 2008 was \$21,457,500, about \$2.6 million greater than forecasted. This updated value was utilized for 2008, however, the constant of \$18,869,588 was retained as the basis for projecting values beyond 2008 given the relatively small variation from the projection.



Equalized Value Growth Projections



	Percentage Method			Straight Line Method		Discounted Straight Line Method 25%	
	Valuation Year	Equalized Value	Percent Change	Equalized Value	Dollar Value Change	Equalized Value	Dollar Value Change
Historical	2003	246,255,100		246,255,100			
	2004	257,335,200	4.50%	257,335,200	11,080,100		8,310,075
	2005	296,065,700	15.05%	296,065,700	38,730,500		29,047,875
	2006	316,541,500	6.92%	316,541,500	20,475,800		15,356,850
	2007	346,892,900	9.59%	346,892,900	30,351,400		22,763,550
	4 year trend		9.01%		25,159,450	ACTUAL	18,869,588
Projected	2008	378,160,482	9.01%	372,052,350	7.25%	368,350,400	6.19%
	2009	412,246,403	9.01%	397,211,800	6.76%	387,219,988	5.12%
	2010	449,404,697	9.01%	422,371,250	6.33%	406,089,575	4.87%
	2011	489,912,296	9.01%	447,530,700	5.96%	424,959,163	4.65%
	2012	534,071,093	9.01%	472,690,150	5.62%	443,828,750	4.44%
	2013	582,210,192	9.01%	497,849,600	5.32%	462,698,338	4.25%
	2014	634,688,364	9.01%	523,009,050	5.05%	481,567,925	4.08%
	2015	691,896,714	9.01%	548,168,500	4.81%	500,437,513	3.92%
	2016	754,261,604	9.01%	573,327,950	4.59%	519,307,100	3.77%
	2017	822,247,823	9.01%	598,487,400	4.39%	538,176,688	3.63%
	2018	896,362,057	9.01%	623,646,850	4.20%	557,046,275	3.51%
	2019	977,156,661	9.01%	648,806,300	4.03%	575,915,863	3.39%
	2020	1,065,233,777	9.01%	673,965,750	3.88%	594,785,450	3.28%
	2021	1,161,249,824	9.01%	699,125,200	3.73%	613,655,038	3.17%
	2022	1,265,920,385	9.01%	724,284,650	3.60%	632,524,625	3.07%
	2023	1,380,025,545	9.01%	749,444,100	3.47%	651,394,213	2.98%
	2024	1,504,415,702	9.01%	774,603,550	3.36%	670,263,800	2.90%
	2025	1,640,017,906	9.01%	799,763,000	3.25%	689,133,388	2.82%
	2026	1,787,842,767	9.01%	824,922,450	3.15%	708,002,975	2.74%
	2027	1,948,991,989	9.01%	850,081,900	3.05%	726,872,563	2.67%
2028	2,124,666,578	9.01%	875,241,350	2.96%	745,742,150	2.60%	
2029	2,316,175,793	9.01%	900,400,800	2.87%	764,611,738	2.53%	
2030	2,524,946,907	9.01%	925,560,250	2.79%	783,481,325	2.47%	
2031	2,752,535,841	9.01%	950,719,700	2.72%	802,350,913	2.41%	
2032	3,000,638,760	9.01%	975,879,150	2.65%	821,220,500	2.35%	

Most conservative Growth Projection

Table 5

4.2 Dock Special Revenue Fund Projections

The Village has established a special revenue fund to account for the revenues generated, and expenses associated with, the operation of the municipal dock and marina. **Table 6** contains historical information as well as a 10-year projection of revenues and expenses for the fund. The projections assume implementation of the *DNR Permitted Option* and an increase in the slip rental rate from \$75.00 to \$110.00 per linear foot. This increased rate would be implemented for the 2010 season. It is further assumed that the slip rate will be increased by 2% for the 2013 season, and each year thereafter. The projections also assume that slip occupancy rates will be 100%.

Based on the projections, it is expected that the dock and marina operation will generate an operating profit in the range of \$155,000 to \$170,000 per year beginning with the 2010 season. The model assumes that 90% of this operating profit will be applied towards project debt service payments, with the balance retained in the fund as contingency for unforeseen expenses, repairs and maintenance. The projections indicate that the dock and marina operation will support approximately 26% to 31% of the debt service associated with the planned renovation project.

4.3 Operating Budget Projections

Table 7 provides a 10-year projection of the Village's operating budget revenues and expenditures. Specific assumptions as to the rates of increase are contained in the footnotes of the exhibit, but in general, expenditures are projected to increase at a rate of 4% per year, while non-tax levy revenue sources are anticipated to remain relatively stable. As such, the percentage of the Village's operating budget funded by the tax levy increases from 64.6% in 2009 to 74.5% in 2018.

Prior to the 2008 budget year, debt service payments as well as capital projects were reflected as expenditures in the Village's general fund. For this reason, the historical information shown on Exhibit 7 does not correspond to future projections. For purposes of projecting operating budget levy requirements, only true operating expenditures are forecasted. Transfers of tax levy for debt service and capital purposes are accounted for in **Table 12** which provides a complete forecast of levy requirements and associated tax rates for all funds.

**Village of Egg Harbor Municipal Harbor
Dock Special Revenue Fund**

DNR PERMITTED OPTION



Revenues	2005 Actual	2006 Actual	2007 Estimate	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
	Launch Fees ¹	8,470	15,294	15,400	15,000	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231	15,231
Transient Fees ²	24,612	29,182	32,625	30,000	29,105	29,105	29,105	29,105	29,105	29,105	29,105	29,105	29,105	29,105
Shoreside Fees ³			5,350	5,350	5,350	5,350	5,350	5,350	5,350	5,350	5,350	5,350	5,350	5,350
Season Rent ⁴	79,364	89,829	103,400	103,400	103,400	253,000	253,000	253,000	258,060	263,221	268,486	273,855	279,332	284,919
Gas Sales ²	69,921	68,106	65,000	71,500	68,632	68,632	68,632	68,632	68,632	68,632	68,632	68,632	68,632	68,632
Insurance Reimbursement		20,080												
Miscellaneous & Interest Income ²	9,776	8,083	2,160	4,100	6,030	6,030	6,030	6,030	6,030	6,030	6,030	6,030	6,030	6,030
Total Revenues	192,143	230,574	223,935	229,350	227,748	377,348	377,348	377,348	382,408	387,569	392,833	398,203	403,680	409,267

Expenditures	2005 Actual	2006 Actual	2007 Estimate	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
	Administration ⁵				8,700	8,961	9,230	9,507	9,792	10,086	10,388	10,700	11,021	11,352
Gen. & Repairs, Insurance & Misc. ¹	107,478	74,140	33,009	29,600	45,583	45,583	45,583	45,583	45,583	45,583	45,583	45,583	45,583	45,583
Gas ²	62,974	59,626	60,000	66,000	62,150	62,150	62,150	62,150	62,150	62,150	62,150	62,150	62,150	62,150
Labor & Unemployment Comp. ⁵	6,554	67,765	73,925	77,981	80,320	82,730	85,212	87,768	90,401	93,113	95,907	98,784	101,748	104,800
Capital Outlay	13,148	40,658		16,000	10,000	10,000	10,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Transfer to Debt Service Fund				21,060										
Total Expenditures	190,154	242,189	166,934	219,341	207,014	209,693	212,452	220,293	223,220	226,235	229,340	232,538	235,832	239,225
Excess Rev. Over/(Under) Exp.	1,989	(11,615)	57,001	10,009	20,733	167,655	164,896	157,054	159,188	161,334	163,494	165,665	167,848	170,042
Available for Debt Service @ 90%					(18,660)	(150,889)	(148,406)	(141,349)	(143,269)	(145,201)	(147,144)	(149,099)	(151,063)	(153,037)
End Fund Balance	4,619	(6,996)	50,005	60,014	62,087	78,853	95,342	111,048	126,967	143,100	159,449	176,016	192,801	209,805

- NOTES: ¹ Projection equal to the average of 2006 actual through 2008 budget.
² Projection equal to the average of 2005 actual through 2008 budget.
³ Projection assumed to be the same as 2008 budget.
⁴ Season rents assumed to increase 2% annually beginning in 2012.
⁵ Projection assumes 3% annual increase over 2008 budget.
⁶ Slip sizes and quantities taken from spreadsheet provided by JJR on 2-20-2008.

Season Rent Assumptions (Beginning 2010 Season)

SLIP SIZE ⁶	QUANTITY ⁶	RATE/FT.					
		\$75.00	\$100.00	\$105.00	\$110.00	\$115.00	\$120.00
25	7	13,125	17,500	18,375	19,250	20,125	21,000
30	16	36,000	48,000	50,400	52,800	55,200	57,600
35	16	42,000	56,000	58,800	61,600	64,400	67,200
40	20	60,000	80,000	84,000	88,000	92,000	96,000
45	3	10,125	13,500	14,175	14,850	15,525	16,200
50	3	11,250	15,000	15,750	16,500	17,250	18,000
TOTAL REVENUE		172,500	230,000	241,500	253,000	264,500	276,000

TABLE 6

Village of Egg Harbor
Operating Budget Projection

TABLE 7



Revenues

	2006 Actual	2007 Estimate	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
Taxes													
General Property	669,918	709,043	735,986										
Other	2,530	2,412	90	0	0	0	0	0	0	0	0	0	0
Intergovernmental													
State Transportation Aids ¹	25,728	25,733	34,025	34,025	35,046	35,046	36,097	36,097	37,180	37,180	38,295	38,295	39,444
Other ²	27,541	19,345	21,862	22,916	22,916	22,916	22,916	22,916	22,916	22,916	22,916	22,916	22,916
Licenses and Permits ³	16,119	25,732	12,840	12,840	12,840	12,840	12,840	12,840	12,840	12,840	12,840	12,840	12,840
Fines, Forfeitures and Penalties ³	0	15	15	15	15	15	15	15	15	15	15	15	15
Public Charges for Services ²	21,585	21,923	21,350	21,619	21,619	21,619	21,619	21,619	21,619	21,619	21,619	21,619	21,619
Miscellaneous													
Interest on Investments ³	35,163	42,189	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Room Tax Revenue ⁴	0	55,000	60,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Other ³	8,660	5,221	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
Equipment Sales ⁵	10,000	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from Other Funds	0	57,481	0	0	0	0	0	0	0	0	0	0	0
Loan and Lease Proceeds ⁶	255,662	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenues	1,072,906	964,094	926,668	211,915	212,936	212,936	213,987	213,987	215,070	215,070	216,186	216,186	217,335

Expenditures

	2006 Actual	2007 Estimate	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
General Government	279,097	282,152	278,301	289,433	301,010	313,051	325,573	338,596	352,140	366,225	380,874	396,109	411,953
Public Safety	85,305	77,403	94,500	98,280	102,211	106,300	110,552	114,974	119,573	124,356	129,330	134,503	139,883
Public Works	117,077	180,947	172,047	178,929	186,086	193,529	201,271	209,321	217,694	226,402	235,458	244,877	254,672
Health and Human Services	1,587	0	4,065	4,228	4,397	4,573	4,755	4,946	5,144	5,349	5,563	5,786	6,017
Culture and Recreation	2,601	11,426	19,386	20,161	20,968	21,807	22,679	23,586	24,529	25,511	26,531	27,592	28,696
Conservation and Development ⁷	200	7,085	35,700	7,368	7,663	7,970	8,288	8,620	8,965	9,323	9,696	10,084	10,488
Contingency Fund	0	0	22,000	0	0	0	0	0	0	0	0	0	0
Debt Service/Transfer to Debt Service Fund ⁶	54,410	136,938	84,956										
Capital Outlay/Transfer to Capital Projects Fund ⁵	411,360	0	214,331										
Other Transfers	0	275,500	1,662										
Total Expenditures	951,637	971,451	926,948	598,399	622,335	647,229	673,118	700,043	728,044	757,166	787,453	818,951	851,709

Excess Rev. Over/(Under) Exp.

	121,269	(7,357)	(280)	(386,484)	(409,399)	(434,293)	(459,130)	(486,055)	(512,974)	(542,096)	(571,267)	(602,765)	(634,374)
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PROJECTED TAX LEVY REQUIREMENT FOR OPERATIONS

NOTES:

- ¹ Assumes a 3% increase in Transportation Aids every other year (combination of per mile funding increases and/or additional road miles)
- ² Projection equal to average of preceding three years revenue or expenditures (2006 audit, 2007 estimate & 2008 budget)
- ³ Projection equal to 2008 budgeted figure, held constant
- ⁴ Actual 2008 room tax revenues are expected to be greater than the budget figure. 2009 estimates assumes an additional 33% increase.

- ⁵ Revenue or expense to be shown in the capital projects fund in the future
- ⁶ Revenue or expense to be shown in the debt service fund in the future
- ⁷ Applies escalator percentage from 2007 estimate (2008 budget included funds for non-recurring Smart Growth planning)

4.4 Capital Finance Plan

As noted in Section 2, a total of five capital finance plans were modeled during the planning process. While each alternative contains various capital projects, the scenarios were named for the corresponding harbor and marina design plan as the associated costs for that project are the only variations between the scenarios. Furthermore, while other projects are included with the alternatives, the costs associated with the harbor and marina projects represent the most significant proposed expenditure.

The following is a brief summary of the first three alternatives that were evaluated. Common to all three scenarios was an assumption that no grant funds would be available.

- *Preliminary Consensus Plan.* The initial design plan consisting of a steel sheet pile breakwater with armor stone and a probable design and construction cost of \$8.15 million. Combined with all other capital needs of the Village, this alternative required total debt financing of \$12.55 million, of which \$8.33 million was for the harbor and marina project.
- *Rebuild in Place.* To provide a basis for comparison, an alternative was examined that would spend the minimum amount necessary to correct deficiencies in the existing breakwater. This option carried a probable design and construction cost of \$5.29 million. Combined with all other capital needs of the Village, this alternative required total debt financing of \$9.71 million, of which \$5.49 million was for the harbor and marina project.
- *Final Consensus Plan.* A revised design plan consisting of a rubble mound breakwater with partial walkway and a probable design and construction cost of \$7.83 million. Combined with all other capital needs of the Village, this alternative required total debt financing of \$12.23 million, of which \$8.01 million was for the harbor and marina project.

Subsequent to Workshop No. 3, the Village further refined the plan as part of the permitting process in consultation with the Wisconsin Department of Natural Resources. In July of 2008, the Village also received notification that it would receive a \$1,185,000 grant from the Wisconsin Waterways Commission. To reflect the most current design alternative, and the financial impact of the grant, two final scenarios were modeled, and serve as the base scenario for this Financial Management Plan.

- *DNR Permitted Option With Contingency.* Revised plan with a probable design and construction cost of \$7.58 million. Combined with all other capital needs of the Village, and net of grants, this alternative requires total debt financing of \$10.81 million, of which \$6.59 million would be for the harbor and marina project. This option includes

\$1.14 million in contingency funds for the harbor and marina project, and represents the high end of the probable financial impact of the projects.

- *DNR Permitted Option Without Contingency.* The same revised plan, less the \$1.14 million in contingency funds. Combined with all other capital needs of the Village, and net of grants, this alternative requires total debt financing of \$9.68 million, of which \$5.46 million would be for the harbor and marina project. This option represents the low end of the probable financial impact of the projects.

Detailed financial projections for the *DNR Permitted Option* are included in the tables found on the following pages. **Tables 8a, 9a** and **10a** correspond to the *DNR Permitted Option With Contingency*. **Tables 8b, 9b** and **10b** correspond to the *DNR Permitted Option Without Contingency*.

Within each scenario, **Table 8** sets forth a projected plan of debt financing for all major capital projects that the Village may implement in the 2008 through 2012 time frame. It provides an estimate of the total bond financing required, and a probable timeline for issuance of those bonds. **Table 9** provides a projected debt repayment schedule with estimated interest rates. Lastly, **Table 10** provides a projection of the Village's General Obligation debt capacity usage.

The plan recommends that all needed financing for the specific projects identified be issued as general obligation debt. Utilization of revenue debt to finance a portion of the harbor and marina project costs was examined, however, the higher costs of financing associated with revenue debt, and the availability of general obligation debt capacity rendered this option significantly less cost effective. The following is a summary of the bond issues identified on **Table 10**:

- 1) General Obligation Harbor Improvement Bonds (2008). Based on the current harbor and marina project schedule, construction is anticipated to begin on the breakwater during the winter of 2008-2009. Combined with \$1,400,000 of the 2007 Note Anticipation Notes tentatively allocated for the project, additional general obligation bonds in the approximate range of \$3,850,000 to \$4,975,000 would be issued to provide the balance of long-term financing needed to complete the project. **Given the sensitivity of the project cost estimates to material prices and contractor availability, the bond amount is preliminary for planning purposes, and would be adjusted based on "as bid" prices when known.**
- 2) \$4,385,000 General Obligation Refunding Bonds (2010). The existing \$4,315,000 Note Anticipation Note (NAN) issued in 2007 has a scheduled balloon payment of \$4,160,000 due on March 1, 2012. The NAN was issued with the intention that it would be refinanced with long-term debt proceeds. The NAN is first pre-payable on March 1, 2010, and the plan assumes that the Village would execute the refinancing at that time. This timeline could be delayed by approximately eighteen months if the interest rate environment at

the time is judged to be unfavorable, or if there is an opportunity to combine the refinancing with issuance of other obligations should project timelines change. The new \$4,310,000 Refunding Bonds shown in the plan would refinance the NAN for a twenty-year period.

3) \$1,520,000 General Obligation Building Bonds (2012) – The final debt issue is projected for 2012 to provide funding for construction of a fire station in the Village. Under the present intergovernmental agreement with the Town of Egg Harbor, the Village is responsible for paying the entire cost of facilities located within the Village limits. The proposed \$1,520,000 building bonds would amortize the costs of the new facility over a fifteen year period.

It is important to note that this plan has been developed based on the best information available at the time. Prior to authorizing any future financing, the Village should update and reexamine this plan to ensure that the conclusions reached now are still valid and appropriate at the time of implementation. Changing market conditions, Village growth and development, availability of other revenue or financing sources, and changes in project costs and timing are all variables that may affect the appropriateness of the timing and methods of financing identified in this plan.



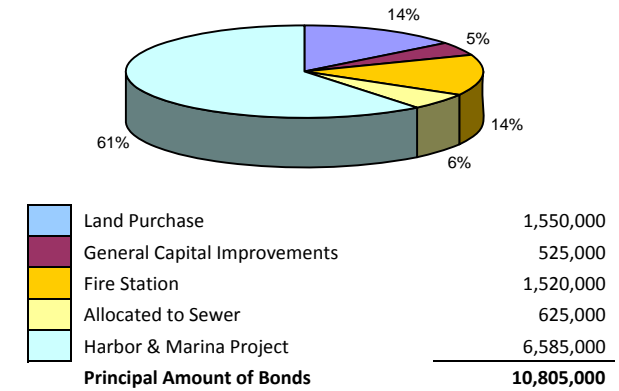
\$1M IN 2007 NAN PROCEEDS USED FOR GENERAL CAPITAL IMPROVEMENTS PROJECTS & \$110/L.F. SLIP FEE

Projects	General Obligation Note Anticipation Note (NAN) ¹	General Obligation Harbor Imp Bonds	General Obligation Refunding Bonds	General Obligation Building Bonds
	Dated 9-1-2007 <i>ACTUAL</i>	Planned Oct 2008 <i>ESTIMATE</i>	Planned Jan 2010 <i>ESTIMATE</i>	Planned Mar 2012 <i>ESTIMATE</i>
Troup Land Purchase	1,600,000			
Marina Project Engineering	400,000	(400,000)		
Village Capital Improvements Projects	2,000,000	(1,000,000)		
Future Fire Station				1,500,000
Marina & Harbor Improvement Project ²		7,579,000		
Design Dev., Permitting, Const. Admin.				
Breakwater Construction				
Existing Facilities Removal/Demolition				
Dock Structures & Anchorage				
Dock Utility Services and Appurtenances				
Upland Development & Improvements				
Contingency @ 15%				
Less Waterways Grant		(1,185,000)		
Subtotal Project Costs	4,000,000	4,994,000	0	1,500,000
Amount Needed for Refunding			4,240,000	
Capitalized Interest	319,012			
ISSUANCE EXPENSES				
Financial Advisor ³	10,000	19,918	23,138	15,689
DTC, CUSIP, OS Fees	2,000	0	0	0
Original Issue Premium	(53,625)	0	0	0
Bond Counsel (Quarles & Brady)	5,300	5,000	6,000	4,000
Underwriter's Discount ⁴	51,780	49,750	43,100	15,200
Subtotal Issuance Expenses	15,455	74,668	72,238	34,889
TOTAL TO BE FINANCED	4,334,467	5,068,668	4,312,238	1,534,889
Estimated Interest Earnings ⁵	(19,467)	(93,923)	0	(13,614)
Rounding	0	256	(2,238)	(1,275)
NET BOND SIZE	4,315,000	4,975,000	4,310,000	1,520,000

NOTES:

- ¹ 2007 Note Anticipation Note underwritten by Griffin, Kubik, Stephens & Thompson, Inc. Ehlert did not serve as Financial Advisor.
- ² Estimated project costs, grant applied, and contingency reduction per e-mails received from Village staff on July 28 and July 29, 2008.
- ³ Financial advisory fee for planned 2008 bonds reflects financial management plan fee discount.
- ⁴ Actual discount of \$12 per \$1,000 for 2007 NAN. Maximum allowable discount of \$10 per \$1,000 for 2008 and 2010 issues (bid item).
- ⁵ Estimated interest earnings for 2008 bonds assume 24 month spenddown in equal draws with investment earnings of 2%.
- ⁶ Assumes property with a fair market value of \$250,000 as of 1-1-2007, increasing annually at a rate equal to one-half the average of the 2004 - 2007 economic increase as reported by the Wis. Department of Revenue.

TOTAL LONG TERM FINANCING REQUIRED (LESS NAN)



TAX IMPACT ON PROPERTY VALUED AT \$250,000 (3.1% ANNUAL INCREASE)

	Harbor Improvements	All Other Projects	Total
2009	\$130.94	\$130.14	\$261.08
2010	\$200.82	\$115.41	\$316.23
2011	\$207.07	\$139.16	\$346.23
2012	\$212.47	\$170.53	\$383.00
2013	\$221.58	\$223.67	\$445.25
2014	\$226.75	\$230.87	\$457.61
2015	\$234.64	\$237.80	\$472.44
2016	\$241.85	\$247.58	\$489.44
2017	\$248.37	\$253.84	\$502.21
2018	\$257.30	\$262.92	\$520.22
2019	\$263.41	\$271.54	\$534.95
2020	\$271.88	\$279.76	\$551.63
2021	\$285.62	\$287.32	\$572.94
2022	\$295.01	\$297.49	\$592.50
2023	\$303.30	\$307.06	\$610.36
2024	\$313.61	\$315.85	\$629.46
2025	\$322.67	\$327.17	\$649.84
2026	\$330.40	\$337.55	\$667.94
2027	\$343.16	\$347.05	\$690.22
2028	\$347.99	\$242.09	\$590.08
2029	\$0.00	\$243.65	\$243.65
Total	\$5,258.85	\$5,268.45	\$10,527.30

TABLE 8a



PRELIMINARY DEBT STRUCTURE

DNR PERMITTED OPTION WITH CONTINGENCY



Existing Debt & Leases Only ¹					Proposed Issues																			
YEAR	Equalized Value Projection	Annual P & I Payment	Net Levy for Debt Svc	Net Rate for Debt Svc	G.O. Harbor Improvement Bonds \$4,975,000 Dated 10-1-2008				G.O. Refunding Bonds \$4,310,000 Dated 2-1-2010				G.O. Building Bonds \$1,520,000 Dated 3-1-2012				Less Harbor Revenues ³	Allocated to Sewer	Vehicle Replacement ⁴	New Net Levy for Debt Svc	Harbor Debt Rate	All Other Debt Rate	Net Rate for Total Debt Service	YEAR
					Prin (8/1)	Est. Rate ²	Interest	Total	Prin (8/1)	Est. Rate ²	Interest	Total	Prin (3/1)	Est. Rate ²	Interest	Total								
2008	346,892,900	342,841	84,413	0.24			205,787	205,787									(18,660)			373,103	0.51	0.50	1.01	2008
2009	368,350,400	346,284	185,976	0.50			246,944	401,944									(150,889)		76,154	460,765	0.76	0.43	1.19	2009
2010	387,219,988	132,104	35,608	0.09	155,000	3.060%	246,944	401,944	110,000	3.200%	111,713	111,713					(148,406)	(13,765)	78,439	513,130	0.76	0.51	1.26	2010
2011	406,089,575	32,685	0	0.00	85,000	3.410%	242,201	327,201	130,000	3.560%	219,907	349,907			38,410	38,410	(141,349)	(80,930)	80,792	576,132	0.75	0.60	1.36	2011
2012	424,959,163	32,675	0	0.00	90,000	3.640%	239,303	329,303	135,000	3.910%	215,279	350,279	40,000	3.200%	76,180	116,180	(143,269)	(78,972)	83,216	678,460	0.76	0.77	1.53	2012
2013	443,828,750	32,665	0	0.00	115,000	3.820%	236,027	351,027	160,000	4.140%	210,000	370,000	45,000	3.560%	74,739	119,739	(145,201)	(81,821)	85,712	705,063	0.76	0.77	1.52	2013
2014	462,698,338	32,654	0	0.00	125,000	3.990%	231,634	356,634	175,000	4.320%	203,376	378,376	50,000	3.910%	72,961	122,961	(147,144)	(79,337)	88,283	734,785	0.76	0.77	1.53	2014
2015	481,567,925	32,644	0	0.00	145,000	4.170%	226,646	371,646	190,000	4.490%	195,816	385,816	60,000	4.140%	70,741	130,741	(149,099)	(76,745)	90,932	767,245	0.76	0.78	1.53	2015
2016	500,437,513	32,633	0	0.00	165,000	4.340%	220,600	385,600	210,000	4.670%	187,285	397,285	75,000	4.490%	65,007	140,007	(151,063)	(79,051)	93,660	792,364	0.75	0.77	1.53	2016
2017	519,307,100	32,622	0	0.00	205,000	4.660%	205,095	410,095	235,000	4.840%	177,478	412,478	85,000	4.670%	61,339	146,339	(153,037)	(82,870)	96,470	824,997	0.76	0.77	1.53	2017
2018	538,176,688	32,611	0	0.00	225,000	4.810%	195,542	420,542	255,000	5.010%	166,104	421,104	90,000	4.840%	57,176	147,176	(153,037)	(78,870)	102,345	880,661	0.75	0.78	1.53	2018
2019	557,046,275	0	0	0.00	245,000	4.950%	184,720	429,720	280,000	5.160%	153,329	433,329	105,000	5.010%	52,368	157,368	(153,037)		105,415	916,218	0.77	0.77	1.54	2019
2020	575,915,863	0	0	0.00	285,000	5.040%	172,592	457,592	320,000	5.130%	158,228	478,228	120,000	5.160%	46,642	166,642	(153,037)		108,578	948,139	0.77	0.78	1.55	2020
2021	594,785,450	0	0	0.00	350,000	5.220%	141,812	491,812	240,000	5.540%	115,740	355,740	130,000	5.310%	40,094	170,094	(153,037)		111,835	976,443	0.77	0.78	1.54	2021
2022	613,655,038	0	0	0.00	385,000	5.290%	123,542	508,542	255,000	5.630%	102,444	357,444	145,000	5.450%	32,691	177,691	(153,037)		115,190	1,005,829	0.77	0.77	1.54	2022
2023	632,524,625	0	0	0.00	415,000	5.370%	103,176	518,176	285,000	5.720%	88,087	373,087	155,000	5.540%	24,447	179,447	(153,037)		118,646	1,036,317	0.77	0.78	1.55	2023
2024	651,394,213	0	0	0.00	450,000	5.420%	80,890	530,890	305,000	5.790%	71,785	376,785	170,000	5.630%	15,368	185,368	(153,037)		122,205	1,062,210	0.76	0.78	1.54	2024
2025	670,263,800	0	0	0.00	500,000	5.470%	56,500	556,500	320,000	5.870%	54,126	374,126	185,000	5.720%	5,291	190,291	(153,037)		125,871	1,093,750	0.77	0.78	1.54	2025
2026	689,133,388	0	0	0.00	530,000	5.500%	29,150	559,150	360,000	5.920%	35,342	395,342					(153,037)		129,647	931,101	0.76	0.53	1.28	2026
2027	708,002,975	0	0	0.00					235,000	5.970%	14,030	249,030							133,537	382,566	0.00	0.51	0.51	2027
2028	726,872,563	0	0	0.00															137,543	137,543	0.00	0.18	0.18	2028
2029	745,742,150	0	0	0.00																				2029
2030	764,611,738	0	0	0.00																				2030
TOTALS		1,082,418	305,996		4,975,000		3,513,824	8,488,824	4,310,000		2,811,874	7,121,874	1,520,000		801,547	2,321,547	(2,878,492)	(810,662)	2,183,831	16,648,505				TOTALS

NOTES

- ¹ Includes G.O. debt, revenue debt and capital leases. Excludes 2007 NAN principal and interest payments after the 3-1-2010 call date.
- ² Estimated Rates 2-21-08 MMD "A" Scale +50 BP for 2008 G.O. bonds and and +100 BP for 2010 G.O. refunding bonds and 2012 G.O. Building Bonds.
- ³ Harbor revenues applied for the period 2019+ assumed to remain constant.
- ⁴ Represents assumed annual expense for capital leases or cash outlay for ongoing vehicle replacement needs.

TABLE 9a



Current and Projected Debt Limit Calculations



YEAR	PROJECTED EQ VALUE	DEBT LIMIT	EXIST DEBT PRIN OUTS	% OF LIMIT	PLUS 2008 HARBOR BNDS	PLUS 2010 RFDG BONDS	PLUS 2012 FS BONDS	COMBINED TOTAL	% OF LIMIT	RESIDUAL CAPACITY	YEAR
2007	346,892,900	17,344,645	17,426	0.10%				17,426	0.10%	17,327,219	2007
2008	368,350,400	18,417,520	10,407	0.06%	4,975,000			4,985,407	27.07%	13,432,113	2008
2009	387,219,988	19,360,999	3,116	0.02%	4,975,000			4,978,116	25.71%	14,382,883	2009
2010	406,089,575	20,304,479		0.00%	4,820,000	4,310,000		9,130,000	44.97%	11,174,479	2010
2011	424,959,163	21,247,958		0.00%	4,735,000	4,200,000		8,935,000	42.05%	12,312,958	2011
2012	443,828,750	22,191,438		0.00%	4,645,000	4,070,000	1,520,000	10,235,000	46.12%	11,956,438	2012
2013	462,698,338	23,134,917		0.00%	4,530,000	3,935,000	1,480,000	9,945,000	42.99%	13,189,917	2013
2014	481,567,925	24,078,396		0.00%	4,405,000	3,775,000	1,435,000	9,615,000	39.93%	14,463,396	2014
2015	500,437,513	25,021,876		0.00%	4,260,000	3,600,000	1,385,000	9,245,000	36.95%	15,776,876	2015
2016	519,307,100	25,965,355		0.00%	4,095,000	3,410,000	1,325,000	8,830,000	34.01%	17,135,355	2016
2017	538,176,688	26,908,834		0.00%	3,910,000	3,200,000	1,260,000	8,370,000	31.11%	18,538,834	2017
2018	557,046,275	27,852,314		0.00%	3,705,000	2,965,000	1,185,000	7,855,000	28.20%	19,997,314	2018
2019	575,915,863	28,795,793		0.00%	3,480,000	2,710,000	1,100,000	7,290,000	25.32%	21,505,793	2019
2020	594,785,450	29,739,273		0.00%	3,235,000	2,430,000	1,010,000	6,675,000	22.45%	23,064,273	2020
2021	613,655,038	30,682,752		0.00%	2,950,000	2,220,000	905,000	6,075,000	19.80%	24,607,752	2021
2022	632,524,625	31,626,231		0.00%	2,630,000	2,000,000	785,000	5,415,000	17.12%	26,211,231	2022
2023	651,394,213	32,569,711		0.00%	2,280,000	1,760,000	655,000	4,695,000	14.42%	27,874,711	2023
2024	670,263,800	33,513,190		0.00%	1,895,000	1,505,000	510,000	3,910,000	11.67%	29,603,190	2024
2025	689,133,388	34,456,669		0.00%	1,480,000	1,220,000	355,000	3,055,000	8.87%	31,401,669	2025
2026	708,002,975	35,400,149		0.00%	1,030,000	915,000	185,000	2,130,000	6.02%	33,270,149	2026
2027	726,872,563	36,343,628		0.00%	530,000	595,000		1,125,000	3.10%	35,218,628	2027
2028	745,742,150	37,287,108		0.00%		235,000		235,000	0.63%	37,052,108	2028
2029	764,611,738	38,230,587		0.00%				0	0.00%	38,230,587	2029
2030	783,481,325	39,174,066		0.00%				0	0.00%	39,174,066	2030

NOTE: Excludes 2007 Note Anticipation Note, which is not counted against the Village's debt limit

TABLE 10a

DNR PERMITTED OPTION WITH CONTINGENCY



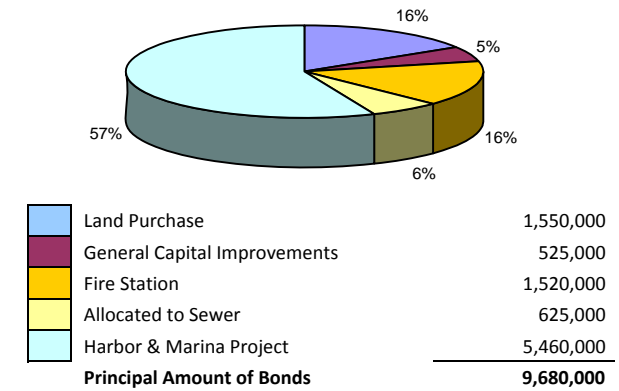
\$1M IN 2007 NAN PROCEEDS USED FOR GENERAL CAPITAL IMPROVEMENTS PROJECTS & \$110/L.F. SLIP FEE

Projects	General Obligation Note Anticipation Note (NAN) ¹	General Obligation Harbor Imp Bonds	General Obligation Refunding Bonds	General Obligation Building Bonds
	Dated 9-1-2007 <i>ACTUAL</i>	Planned Oct 2008 <i>ESTIMATE</i>	Planned Jan 2010 <i>ESTIMATE</i>	Planned Mar 2012 <i>ESTIMATE</i>
Troup Land Purchase	1,600,000			
Marina Project Engineering	400,000	(400,000)		
Village Capital Improvements Projects	2,000,000	(1,000,000)		
Future Fire Station				1,500,000
Marina & Harbor Improvement Project ²		7,579,000		
Design Dev., Permitting, Const. Admin.				
Breakwater Construction				
Existing Facilities Removal/Demolition				
Dock Structures & Anchorage				
Dock Utility Services and Appurtenances				
Upland Development & Improvements				
Contingency @ 15%		(1,136,850)		
Less Waterways Grant		(1,185,000)		
Subtotal Project Costs	4,000,000	3,857,150	0	1,500,000
Amount Needed for Refunding			4,240,000	
Capitalized Interest	319,012			
ISSUANCE EXPENSES				
Financial Advisor ³	10,000	17,330	23,138	15,689
DTC, CUSIP, OS Fees	2,000	0	0	0
Original Issue Premium	(53,625)	0	0	0
Bond Counsel (Quarles & Brady)	5,300	5,000	6,000	4,000
Underwriter's Discount ⁴	51,780	38,500	43,100	15,200
Subtotal Issuance Expenses	15,455	60,830	72,238	34,889
TOTAL TO BE FINANCED	4,334,467	3,917,980	4,312,238	1,534,889
Estimated Interest Earnings ⁵	(19,467)	(72,626)	0	(13,614)
Rounding	0	4,646	(2,238)	(1,275)
NET BOND SIZE	4,315,000	3,850,000	4,310,000	1,520,000

NOTES:

- ¹ 2007 Note Anticipation Note underwritten by Griffin, Kubik, Stephens & Thompson, Inc. Ehlert did not serve as Financial Advisor.
- ² Estimated project costs, grant applied, and contingency reduction per e-mails received from Village staff on July 28 and July 29, 2008.
- ³ Financial advisory fee for planned 2008 bonds reflects financial management plan fee discount.
- ⁴ Actual discount of \$12 per \$1,000 for 2007 NAN. Maximum allowable discount of \$10 per \$1,000 for 2008 and 2010 issues (bid item).
- ⁵ Estimated interest earnings for 2008 bonds assume 24 month spenddown in equal draws with investment earnings of 2%.
- ⁶ Assumes property with a fair market value of \$250,000 as of 1-1-2007, increasing annually at a rate equal to one-half the average of the 2004 - 2007 economic increase as reported by the Wis. Department of Revenue.

TOTAL LONG TERM FINANCING REQUIRED (LESS NAN)



TAX IMPACT ON PROPERTY VALUED AT \$250,000 (3.1% ANNUAL INCREASE)

	Harbor Improvements	All Other Projects	Total
2009	\$98.25	\$130.14	\$228.39
2010	\$148.62	\$115.41	\$264.03
2011	\$156.16	\$139.16	\$295.32
2012	\$159.44	\$170.53	\$329.97
2013	\$166.54	\$223.67	\$390.22
2014	\$173.06	\$230.87	\$403.93
2015	\$182.23	\$237.80	\$420.03
2016	\$187.46	\$247.58	\$435.05
2017	\$192.12	\$253.84	\$445.96
2018	\$199.32	\$262.92	\$462.24
2019	\$203.84	\$271.54	\$475.38
2020	\$210.84	\$279.76	\$490.60
2021	\$217.01	\$287.32	\$504.33
2022	\$225.53	\$297.49	\$523.02
2023	\$233.08	\$307.06	\$540.14
2024	\$239.66	\$315.85	\$555.51
2025	\$245.29	\$327.17	\$572.46
2026	\$256.17	\$337.55	\$593.72
2027	\$262.63	\$347.05	\$609.68
2028	\$271.10	\$242.09	\$513.19
2029	\$0.00	\$243.65	\$243.65
Total	\$4,028.36	\$5,268.45	\$9,296.81

TABLE 8b



PRELIMINARY DEBT STRUCTURE

DNR PERMITTED OPTION - NO CONTINGENCY



Existing Debt & Leases Only ¹					Proposed Issues												YEAR							
YEAR	Equalized Value Projection	Annual P & I Payment	Net Levy for Debt Svc	Net Rate for Debt Svc	G.O. Harbor Improvement Bonds \$3,850,000 Dated 10-1-2008				G.O. Refunding Bonds \$4,310,000 Dated 2-1-2010				G.O. Building Bonds \$1,520,000 Dated 3-1-2012				Less Harbor Revenues ³	Allocated to Sewer	Vehicle Replacement ⁴	New Net Levy for Debt Svc	Harbor Debt Rate	All Other Debt Rate	Net Rate for Total Debt Service	YEAR
					Prin (8/1)	Est. Rate ²	Interest	Total	Prin (8/1)	Est. Rate ²	Interest	Total	Prin (3/1)	Est. Rate ²	Interest	Total								
2008	346,892,900	342,841	84,413	0.24													(18,660)							2008
2009	368,350,400	346,284	185,976	0.50													(150,889)							2009
2010	387,219,988	132,104	35,608	0.09	135,000	3.060%	159,067	159,067									(148,406)	(13,765)	76,154	326,383	0.38	0.50	0.89	2010
2011	406,089,575	32,685	0	0.00	65,000	3.410%	186,750	251,750	110,000	3.200%	223,427	333,427					(141,349)	(80,930)	80,792	437,679	0.57	0.51	1.08	2011
2012	424,959,163	32,675	0	0.00	65,000	3.640%	184,533	249,533	130,000	3.560%	219,907	349,907			38,410	38,410	(143,269)	(78,972)	83,216	496,363	0.56	0.60	1.17	2012
2013	443,828,750	32,665	0	0.00	85,000	3.820%	182,167	267,167	135,000	3.910%	215,279	350,279	40,000	3.200%	76,180	116,180	(145,201)	(81,821)	85,712	594,601	0.57	0.77	1.34	2013
2014	462,698,338	32,654	0	0.00	95,000	3.990%	178,920	273,920	160,000	4.140%	210,000	370,000	45,000	3.560%	74,739	119,739	(147,144)	(79,337)	90,932	622,349	0.58	0.77	1.35	2014
2015	481,567,925	32,644	0	0.00	115,000	4.170%	175,130	290,130	175,000	4.320%	203,376	378,376	50,000	3.910%	72,961	122,961	(149,099)	(76,745)	93,660	681,979	0.59	0.78	1.36	2015
2016	500,437,513	32,633	0	0.00	130,000	4.340%	170,334	300,334	190,000	4.490%	195,816	385,816	60,000	4.140%	70,741	130,741	(151,063)	(79,051)	96,470	703,618	0.59	0.77	1.35	2016
2017	519,307,100	32,622	0	0.00	145,000	4.510%	164,692	309,692	210,000	4.670%	187,285	397,285	75,000	4.490%	65,007	140,007	(153,037)	(81,016)	99,364	733,054	0.59	0.77	1.36	2017
2018	538,176,688	32,611	0	0.00	160,000	4.660%	158,153	318,153	235,000	4.840%	177,478	412,478	85,000	4.670%	61,339	146,339	(153,037)	(82,870)	102,345	756,838	0.58	0.78	1.36	2018
2019	557,046,275	0	0	0.00	175,000	4.810%	150,697	325,697	255,000	5.010%	166,104	421,104	90,000	4.840%	57,176	147,176	(153,037)	(78,870)	105,415	783,221	0.58	0.78	1.36	2019
2020	575,915,863	0	0	0.00	190,000	4.950%	142,279	332,279	280,000	5.160%	153,329	433,329	105,000	5.010%	52,368	157,368	(153,037)		108,578	806,500	0.58	0.77	1.36	2020
2021	594,785,450	0	0	0.00	215,000	5.040%	132,874	347,874	210,000	5.310%	138,881	348,881	120,000	5.160%	46,642	166,642	(153,037)		111,835	836,949	0.59	0.78	1.36	2021
2022	613,655,038	0	0	0.00	245,000	5.130%	122,038	367,038	220,000	5.450%	127,730	347,730	130,000	5.310%	40,094	170,094	(153,037)		115,190	864,100	0.59	0.78	1.37	2022
2023	632,524,625	0	0	0.00	270,000	5.220%	109,470	379,470	240,000	5.540%	115,740	355,740	145,000	5.450%	32,691	177,691	(153,037)		118,646	887,663	0.59	0.77	1.36	2023
2024	651,394,213	0	0	0.00	295,000	5.290%	95,376	390,376	255,000	5.630%	102,444	357,444	155,000	5.540%	24,447	179,447	(153,037)		122,205	912,912	0.58	0.78	1.36	2024
2025	670,263,800	0	0	0.00	315,000	5.370%	79,770	394,770	285,000	5.720%	88,087	373,087	170,000	5.630%	15,368	185,368	(153,037)		125,871	944,174	0.59	0.78	1.37	2025
2026	689,133,388	0	0	0.00	350,000	5.420%	62,855	412,855	305,000	5.790%	71,785	376,785	185,000	5.720%	5,291	190,291	(153,037)		129,647	966,135	0.59	0.78	1.36	2026
2027	708,002,975	0	0	0.00	385,000	5.470%	43,885	428,885	320,000	5.870%	54,126	374,126					(153,037)		133,537	982,566	0.00	0.51	0.51	2027
2028	726,872,563	0	0	0.00	415,000	5.500%	22,825	437,825	360,000	5.920%	35,342	395,342							137,543	1009,776	0.00	0.18	0.18	2028
2029	745,742,150	0	0	0.00					235,000	5.970%	14,030	249,030												2029
2030	764,611,738	0	0	0.00																				2030
TOTALS		1,082,418	305,996		3,850,000		2,712,692	6,562,692	4,310,000		2,811,874	7,121,874	1,520,000		801,547	2,321,547	(2,878,492)	(810,662)	2,183,831	14,722,373				TOTALS

NOTES
¹ Includes G.O. debt, revenue debt and capital leases. Excludes 2007 NAN principal and interest payments after the 3-1-2010 call date.
² Estimated Rates 2-21-08 MMD "A" Scale +50 BP for 2008 G.O. bonds and and +100 BP for 2010 G.O. refunding bonds and 2012 G.O. Building Bonds.
³ Harbor revenues applied for the period 2019+ assumed to remain constant.
⁴ Represents assumed annual expense for capital leases or cash outlay for ongoing vehicle replacement needs.

TABLE 9b



Current and Projected Debt Limit Calculations



YEAR	PROJECTED EQ VALUE	DEBT LIMIT	EXIST DEBT PRIN OUTS	% OF LIMIT	PLUS 2008 HARBOR BNDS	PLUS 2010 RFDG BONDS	PLUS 2012 FS BONDS	COMBINED TOTAL	% OF LIMIT	RESIDUAL CAPACITY	YEAR
2007	346,892,900	17,344,645	17,426	0.10%				17,426	0.10%	17,327,219	2007
2008	368,350,400	18,417,520	10,407	0.06%	3,850,000			3,860,407	20.96%	14,557,113	2008
2009	387,219,988	19,360,999	3,116	0.02%	3,850,000			3,853,116	19.90%	15,507,883	2009
2010	406,089,575	20,304,479		0.00%	3,715,000	4,310,000		8,025,000	39.52%	12,279,479	2010
2011	424,959,163	21,247,958		0.00%	3,650,000	4,200,000		7,850,000	36.94%	13,397,958	2011
2012	443,828,750	22,191,438		0.00%	3,585,000	4,070,000	1,520,000	9,175,000	41.34%	13,016,438	2012
2013	462,698,338	23,134,917		0.00%	3,500,000	3,935,000	1,480,000	8,915,000	38.53%	14,219,917	2013
2014	481,567,925	24,078,396		0.00%	3,405,000	3,775,000	1,435,000	8,615,000	35.78%	15,463,396	2014
2015	500,437,513	25,021,876		0.00%	3,290,000	3,600,000	1,385,000	8,275,000	33.07%	16,746,876	2015
2016	519,307,100	25,965,355		0.00%	3,160,000	3,410,000	1,325,000	7,895,000	30.41%	18,070,355	2016
2017	538,176,688	26,908,834		0.00%	3,015,000	3,200,000	1,260,000	7,475,000	27.78%	19,433,834	2017
2018	557,046,275	27,852,314		0.00%	2,855,000	2,965,000	1,185,000	7,005,000	25.15%	20,847,314	2018
2019	575,915,863	28,795,793		0.00%	2,680,000	2,710,000	1,100,000	6,490,000	22.54%	22,305,793	2019
2020	594,785,450	29,739,273		0.00%	2,490,000	2,430,000	1,010,000	5,930,000	19.94%	23,809,273	2020
2021	613,655,038	30,682,752		0.00%	2,275,000	2,220,000	905,000	5,400,000	17.60%	25,282,752	2021
2022	632,524,625	31,626,231		0.00%	2,030,000	2,000,000	785,000	4,815,000	15.22%	26,811,231	2022
2023	651,394,213	32,569,711		0.00%	1,760,000	1,760,000	655,000	4,175,000	12.82%	28,394,711	2023
2024	670,263,800	33,513,190		0.00%	1,465,000	1,505,000	510,000	3,480,000	10.38%	30,033,190	2024
2025	689,133,388	34,456,669		0.00%	1,150,000	1,220,000	355,000	2,725,000	7.91%	31,731,669	2025
2026	708,002,975	35,400,149		0.00%	800,000	915,000	185,000	1,900,000	5.37%	33,500,149	2026
2027	726,872,563	36,343,628		0.00%	415,000	595,000		1,010,000	2.78%	35,333,628	2027
2028	745,742,150	37,287,108		0.00%		235,000		235,000	0.63%	37,052,108	2028
2029	764,611,738	38,230,587		0.00%				0	0.00%	38,230,587	2029
2030	783,481,325	39,174,066		0.00%				0	0.00%	39,174,066	2030

NOTE: Excludes 2007 Note Anticipation Note, which is not counted against the Village's debt limit

TABLE 10b

DNR PERMITTED OPTION - NO CONTINGENCY

Section 5 – Conclusions

This Section summarizes the conclusions with respect to the projected financial impact associated with the *Final Consensus Plan* version of the harbor and marina project. It also includes a comparison to the alternate plan options considered, but not detailed, in this document.

5.1 Significant Additional Assumptions

The projections contained in this plan rely on various assumptions that are detailed in the narrative and accompanying tables throughout this document. There are also two additional assumptions that are worth making special note of.

- No Additional Projects** – The plan developed provides capital financing for the projects identified, and in the amounts shown, on **Table 11a (With Contingency)** and **11b (Without Contingency)** below. Furthermore, it assumes that no other project debt will be incurred, or capital cash outlays made, through the planning period of 2008 – 2012. Of the total shown below, a total of \$525,000 (General Capital Improvements) remains uncommitted to specific projects, and would be the amount available to pay for all other general capital needs through 2012. The exception would be vehicle acquisitions and replacements; the plan provides for an annual capital outlay based on current annual costs (\$73,936) with a 3% annual increase.

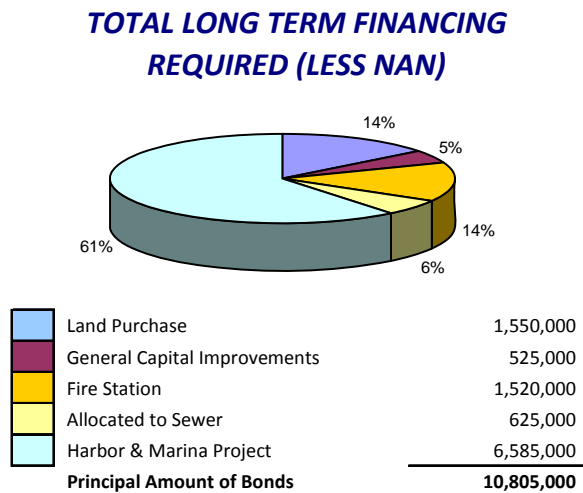


Table 11a
With Contingency

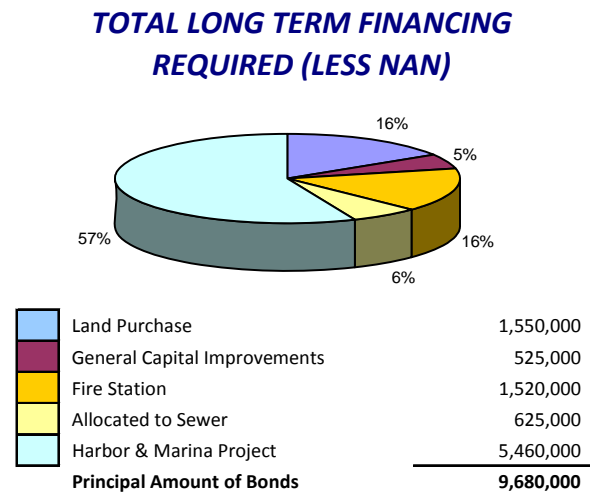


Table 11b
Without Contingency

-
- **Former Capital Levy Applied Towards Debt Service** – The Village’s 2007 and 2008 budgets contained \$275,000 and \$197,000, respectively as a cash levy for capital projects. The projections assume the Village’s 2007 levy for 2008 budget purposes of \$735,986 to be the baseline, which includes the \$197,000 levied for capital purposes. In future years (2009 budget year and beyond), it is assumed that the funds levied that had been allocated to cash capital outlay in the preceding two years would instead be applied towards repayment of new debt service associated with the projects detailed in this plan.

5.2 Tax Rate Projection

Tables 12a and 12b provide consolidated projections of the Village’s tax levy considering both the operating and debt service levies required to implement the *DNR Permitted Option With Contingency* and *Without Contingency*, respectively. The projections indicate that the Village’s total equalized rate would increase from the current \$2.12 per thousand to a range of \$2.54 to \$2.71 per thousand by 2018.

The debt component of the rate, once all projected debt obligations shown in the plan are issued, would average from \$1.36 to \$1.54 per thousand of equalized value depending on whether the contingency is included. Of this, from 58¢ to 76¢ would be attributable to the harbor and marina project (net of marina revenues applied), while the balance finances all other capital projects (primarily the 2007 Troup land purchase, other general capital improvements, and the future fire **station**). **Since a portion of the 2007 Note Anticipation Note was also used to finance sanitary sewer extensions, a portion of the debt service will also be paid by a transfer from the sewer utility, representing special assessments levied by the Village to recover the project costs.**

A more useful way of analyzing the impact of this plan is to calculate projected tax bills for a sample property. **Table 13** projects the annual taxes for Village purposes due on a property with an initial value of \$250,000, further assuming that the property will appreciate in value by a factor of 3.1% per year. This property, using the actual 2008 budget rate of \$2.12 per thousand of equalized value, would have paid \$530 in Village taxes. The table demonstrates the likely tax impact for all of the alternatives reviewed during the planning process, and indicates that the sample property’s tax bill in 2018 would range from \$862 to \$920 under the *DNR Permitted Option*. This amount includes both projected operating and debt service expenses of the Village.

DNR PERMITTED OPTION WITH CONTINGENCY



	2006 Actual	2007 Actual	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
General Fund													
Non-Tax Levy Revenues				211,915	212,936	212,936	213,987	213,987	215,070	215,070	216,186	216,186	217,335
Expenditures				598,399	622,335	647,229	673,118	700,043	728,044	757,166	787,453	818,951	851,709
Transfer to Debt Service				288,806	279,397	268,279	257,493	244,900	232,601	218,390	204,429	188,445	172,660
Levy Required			453,699	675,290	688,796	702,572	716,623	730,956	745,575	760,486	775,696	791,210	807,034
Tax Rate for Operations (Excludes Transfer to Debt Service)			1.31	1.05	1.06	1.07	1.08	1.10	1.11	1.13	1.14	1.16	1.18
Capital Projects Fund													
Non-Tax Levy Revenues				0	0	0	0	0	0	0	0	0	0
Expenditures (Non-Debt Funded)				0	0	0	0	0	0	0	0	0	0
Levy Required			197,331	0	0	0	0	0	0	0	0	0	0
Tax Rate for Operations			0.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Fund													
Non-Tax Levy Revenues (Harbor & Sewer Revenues)				178,968	261,150	258,621	254,953	254,905	259,676	259,125	258,477	262,736	266,664
Transfer from General Fund (Former Capital Levy)				288,806	279,397	268,279	257,493	244,900	232,601	218,390	204,429	188,445	172,660
Expenditures				552,071	721,915	771,751	831,086	933,366	964,739	993,910	1,025,721	1,055,100	1,091,661
Levy Required			84,956	84,297	181,368	244,851	318,640	433,560	472,462	516,394	562,816	603,919	652,337
Tax Rate for Debt Service (Includes Transfer From General Fund)			0.24	1.01	1.19	1.26	1.36	1.53	1.52	1.53	1.53	1.53	1.53
Total Levy Required	669,918	709,043	735,986	759,587	870,164	947,423	1,035,263	1,164,515	1,218,037	1,276,881	1,338,512	1,395,129	1,459,371
Levy Limit Compliance													
Total Tax Rate	2.26	2.24	2.12	2.06	2.25	2.33	2.44	2.62	2.63	2.65	2.67	2.69	2.71
Percent Increase Levy		5.84%	3.80%	3.21%	14.56%	8.88%	9.27%	12.49%	4.60%	4.83%	4.83%	4.23%	4.60%
Percent Increase Rate		-1.01%	-5.28%	-2.81%	8.98%	3.82%	4.42%	7.70%	0.33%	0.72%	0.87%	0.44%	0.94%

NOTE: Sewer revenues represent special assessments levied to pay costs for sewer extensions originally financed with proceeds from the 2007 Note Anticipation Notes, the debt service for which is reflected in the Village's debt service fund.

Levy Limit	Base	2007 Actual	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
Base		2.00%	662,049	675,290	688,796	702,572	716,623	730,956	745,575	760,486	775,696	791,210	807,034
Debt Service			73,937	84,297	181,368	244,851	318,640	433,560	472,462	516,394	562,816	603,919	652,337
Total			735,986	759,587	870,164	947,423	1,035,263	1,164,515	1,218,037	1,276,881	1,338,512	1,395,129	1,459,371

TABLE 12a

Village of Egg Harbor
Projection of All Funds and Tax Levy/Rate

DNR PERMITTED OPTION - NO CONTINGENCY



	2006 Actual	2007 Actual	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
General Fund													
Non-Tax Levy Revenues				211,915	212,936	212,936	213,987	213,987	215,070	215,070	216,186	216,186	217,335
Expenditures				598,399	622,335	647,229	673,118	700,043	728,044	757,166	787,453	818,951	851,709
Transfer to Debt Service				288,806	279,397	268,279	257,493	244,900	232,601	218,390	204,429	188,445	172,660
Levy Required			453,699	675,290	688,796	702,572	716,623	730,956	745,575	760,486	775,696	791,210	807,034
Tax Rate for Operations (Excludes Transfer to Debt Service)			1.31	1.05	1.06	1.07	1.08	1.10	1.11	1.13	1.14	1.16	1.18
Capital Projects Fund													
Non-Tax Levy Revenues				0	0	0	0	0	0	0	0	0	0
Expenditures (Non-Debt Funded)				0	0	0	0	0	0	0	0	0	0
Levy Required			197,331	0	0	0	0	0	0	0	0	0	0
Tax Rate for Operations			0.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Fund													
Non-Tax Levy Revenues (Harbor & Sewer Revenues)				178,968	261,150	258,621	254,953	254,905	259,676	259,125	258,477	262,736	266,664
Transfer from General Fund (Former Capital Levy)				288,806	279,397	268,279	257,493	244,900	232,601	218,390	204,429	188,445	172,660
Expenditures				505,351	645,852	696,300	751,316	849,506	882,025	912,393	940,456	966,354	999,718
Levy Required			84,956	37,577	105,305	169,400	238,870	349,700	389,749	434,878	477,550	515,173	560,395
Tax Rate for Debt Service (Includes Transfer From General Fund)			0.24	0.89	0.99	1.08	1.17	1.34	1.35	1.36	1.36	1.35	1.36
Total Levy Required	669,918	709,043	735,986	712,867	794,101	871,972	955,493	1,080,656	1,135,323	1,195,364	1,253,246	1,306,383	1,367,429
Levy Limit Compliance													
Total Tax Rate	2.26	2.24	2.12	1.94	2.05	2.15	2.25	2.43	2.45	2.48	2.50	2.52	2.54
Percent Increase Levy		5.84%	3.80%	-3.14%	11.40%	9.81%	9.58%	13.10%	5.06%	5.29%	4.84%	4.24%	4.67%
Percent Increase Rate		-1.01%	-5.28%	-8.78%	5.97%	4.70%	4.71%	8.29%	0.77%	1.16%	0.89%	0.45%	1.00%

NOTE: Sewer revenues represent special assessments levied to pay costs for sewer extensions originally financed with proceeds from the 2007 Note Anticipation Notes, the debt service for which is reflected in the Village's debt service fund.

Levy Limit	Base	2007 Actual	2008 Budget	2009 Projected	2010 Projected	2011 Projected	2012 Projected	2013 Projected	2014 Projected	2015 Projected	2016 Projected	2017 Projected	2018 Projected
Base		2.00%	662,049	675,290	688,796	702,572	716,623	730,956	745,575	760,486	775,696	791,210	807,034
Debt Service			73,937	37,577	105,305	169,400	238,870	349,700	389,749	434,878	477,550	515,173	560,395
Total			735,986	712,867	794,101	871,972	955,493	1,080,656	1,135,323	1,195,364	1,253,246	1,306,383	1,367,429

TABLE 12b



Projected Village Taxes for Operations, Capital and Debt Service On Sample Property With An Initial Value of \$250,000



Budget Year	Property Value (3.1% Annual Inc)	Prelim Consensus Plan	Final Consensus Plan	Rebuild In Place	DNR Permitted Option w/Grant & Contingency	DNR Permitted Option w/Grant & NO Contingency
2008 (Actual)	250,000	\$530	\$530	\$530	\$530	\$530
2009	257,758	\$582	\$573	\$545	\$532	\$499
2010	265,756	\$644	\$621	\$582	\$597	\$545
2011	274,003	\$691	\$666	\$650	\$639	\$588
2012	282,505	\$742	\$717	\$703	\$688	\$635
2013	291,272	\$819	\$791	\$778	\$764	\$709
2014	300,310	\$846	\$822	\$807	\$791	\$737
2015	309,629	\$880	\$853	\$840	\$821	\$769
2016	319,237	\$914	\$887	\$872	\$854	\$799
2017	329,144	\$948	\$921	\$906	\$884	\$828
2018	339,357	\$984	\$958	\$941	\$920	\$862

TABLE 13

5.3 Options Comparison

Additional summary tables are provided that provide a comparison of key model components for each of the alternatives examined. **Table 14** provides a comparison of the debt components of each model to illustrate the total amount of debt financing required, the projected interest costs, utilization of debt capacity, and rate/tax impact. **Table 15** provides a similar comparison of the total tax rate for each scenario.



Capital Requirements & Debt Service Impacts Comparison



Prelim Consensus Plan
 Final Consensus Plan
 Rebuild In Place
 DNR Permitted Option w/Grant & Contingency
 DNR Permitted Option w/Grant & NO Contingency

Total Long-Term Financing Required					
Bond Principal	12,550,000	12,230,000	9,705,000	10,805,000	9,680,000
Estimated Interest	8,334,969	8,100,380	6,438,489	7,127,245	6,326,112
Total	20,884,969	20,330,380	16,143,489	17,932,245	16,006,112
Slip Fee Assumed	\$110	\$110	\$100	\$110	\$110
% Harbor Debt Service Paid by Harbor Revenues	26.94%	30.47%	5.70%	25.89%	31.32%
Allocation of Debt Proceeds to Projects					
Harbor & Marina Project	8,330,000	8,010,000	5,485,000	6,585,000	5,460,000
Land Purchase	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Allocated to Sewer	625,000	625,000	625,000	625,000	625,000
Fire Station	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Other Capital Improvements	525,000	525,000	525,000	525,000	525,000
Total	12,550,000	12,230,000	9,705,000	10,805,000	9,680,000
Debt Capacity Utilization (Maximum)					
Debt Capacity Used (Max)	53.53%	52.14%	41.62%	46.12%	41.34%
Average Annual Debt Service Tax Rate Impact (Equalized)					
Rate Per \$1,000 Harbor & Marina	0.95	0.87	0.82	0.76	0.59
Rate Per \$1,000 All Other CIP	0.77	0.77	0.77	0.77	0.77
Total Rate Per \$1,000	1.72	1.64	1.59	1.53	1.36

TABLE 14



Total Projected Equalized Tax Rate Comparison (Operating, Debt & Capital)



Year	Prelim Consensus Plan		Final Consensus Plan		Rebuild In Place		DNR Permitted Option w/Grant & Contingency		DNR Permitted Option w/Grant & NO Contingency	
2008	2.12	% INCREASE	2.12	% INCREASE	2.12	% INCREASE	2.12	% INCREASE	2.12	% INCREASE
2009	2.26	6.45%	2.22	4.69%	2.11	-0.42%	2.06	-2.81%	1.94	-8.78%
2010	2.42	7.22%	2.34	5.29%	2.19	3.61%	2.25	8.98%	2.05	5.97%
2011	2.52	4.12%	2.43	3.93%	2.37	8.42%	2.33	3.82%	2.15	4.70%
2012	2.63	4.11%	2.54	4.45%	2.49	4.91%	2.44	4.42%	2.25	4.71%
2013	2.81	7.07%	2.72	7.00%	2.67	7.33%	2.62	7.70%	2.43	8.29%
2014	2.82	0.22%	2.74	0.77%	2.69	0.58%	2.63	0.33%	2.45	0.77%
2015	2.84	0.94%	2.76	0.69%	2.71	0.95%	2.65	0.72%	2.48	1.16%
2016	2.86	0.67%	2.78	0.82%	2.73	0.72%	2.67	0.87%	2.50	0.89%
2017	2.88	0.59%	2.80	0.73%	2.75	0.68%	2.69	0.44%	2.52	0.45%
2018	2.90	0.68%	2.82	0.81%	2.77	0.82%	2.71	0.94%	2.54	1.00%
AVG. ANNUAL INCREASE		3.21%		2.92%		2.76%		2.54%		1.92%
TOTAL INCREASE 2008 - 2018		36.64%		33.00%		30.73%		27.81%		19.76%

TABLE 15