



Community Campus Plan for Downtown Middleton

Financing Plan Analysis

Financing Plan Considerations

- The Financing Plan scenarios are conceptual and show the potential impact of estimated debt service and tax impacts of different levels of borrowing.
- These preliminary scenarios reflect one point in time and will be refined and updated in conjunction with the City's financial advisor as specific borrowing plans are developed .
- Scenarios are based on borrowing for a community campus project in 2027 using 20-year tax-exempt general obligations notes.
- Other than interest earnings, the analysis does not include potential offsets to borrowing such as impact fees, capital grants, or fund raising.

Tax Rate Mitigation Strategies

1. Layer in new community campus debt service as existing facility debt is repaid
2. Structure the 2026 capital borrowing to front-load principal payments in 2027 avoiding a one-year dip in the tax rate
3. Utilize the additional tax base from the TID #3 closure and reduction in the operating tax rate to offset an increase in the debt service tax rate

Financing Plan Assumptions

Assumptions Used in All Financing Plan Scenarios

Equalized Value
(TID-Out) Annual Increase

2.91%

Operating Levy Annual
Increase
(New Construction)

2.00%

Median Home
Equalized Value (2025)

\$531,667

Median Home Value
Annual Change

2.00%

General Capital Borrowing

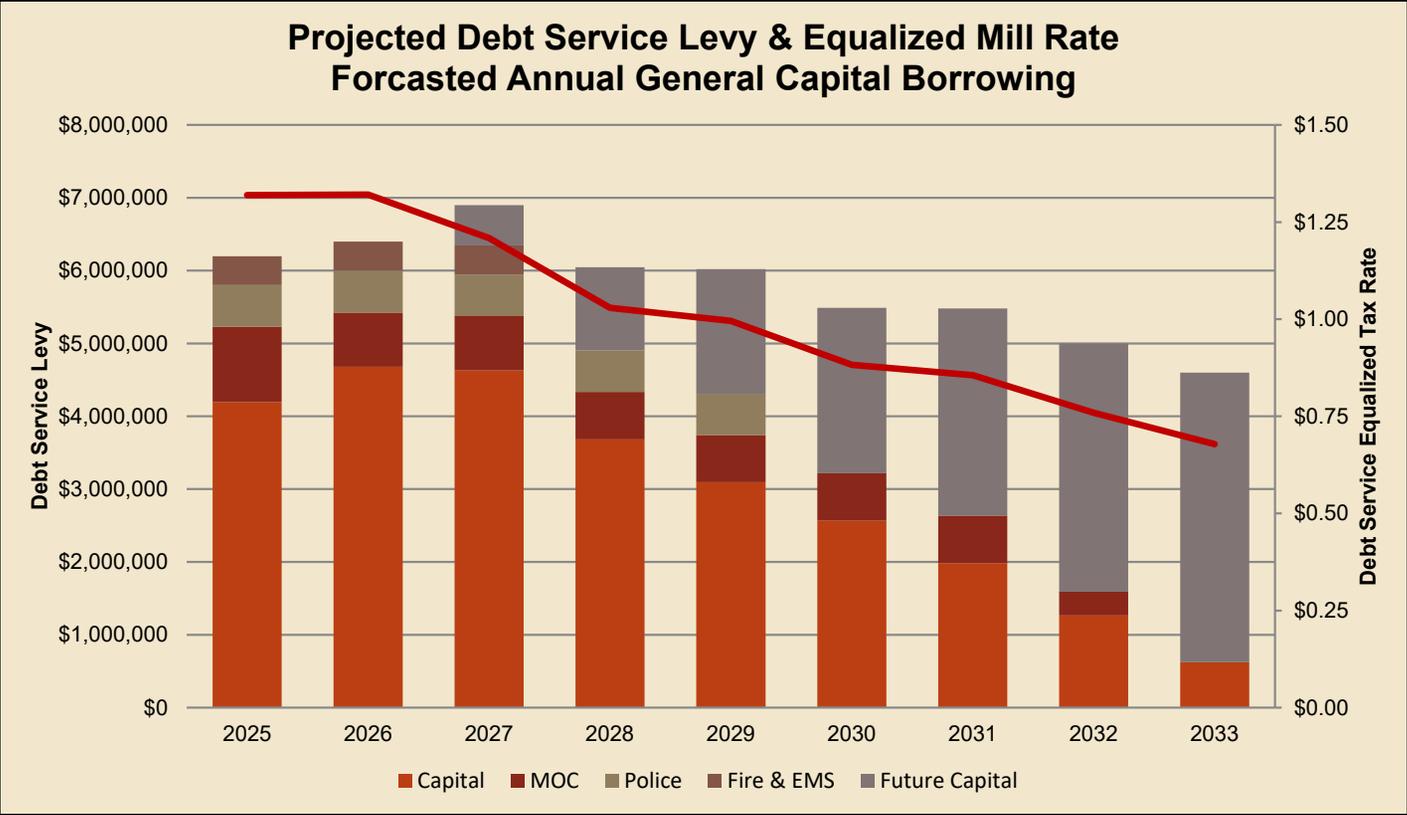
\$4.4 Million in 2026
\$4.6 - \$5.0 Million Future

Average Interest Rate
(TIC) for Community
Campus Borrowing

4.0%*

* Based on City of Eau Claire (Aa1 Rated) 20-Year Tax-Exempt General Obligation Notes Sale Date 10/28/25 plus 21 basis points

Current and Future CIP Debt Service



The tax levy for debt service on current and future CIP debt is will peak in 2027.

The debt service tax rate is projected to decrease by an average of:

- \$0.43 per \$1,000

Structure of 2026 Capital Borrowing

- Opportunity to structure the debt service of the 2026 capital borrowing to avoid a one-year dip in the total city tax rate.
- By paying additional principal in 2027 the total city equalized tax rate could remain flat
- Community campus debt could then be layered in beginning in 2028

Level Debt Service Structure

Year	Principal	Interest	Total
2026	450,000	193,988	643,988
2027	530,000	113,571	643,571
2028	545,000	98,367	643,367
2029	560,000	82,442	642,442
2030	580,000	65,584	645,584
2031	595,000	47,775	642,775
2032	615,000	29,249	644,249
2033	630,000	9,910	639,910
Total	4,505,000	640,885	5,145,885

Front Loaded Structure

Year	Principal	Interest	Total
2026	2,580,000	135,150	2,715,150
2027	100,000	56,250	156,250
2028	150,000	52,500	202,500
2029	200,000	47,250	247,250
2030	300,000	39,750	339,750
2031	360,000	29,850	389,850
2032	395,000	18,525	413,525
2033	420,000	6,300	426,300
Total	4,505,000	385,575	4,890,575

Tax Increment District (TID) #3 Closure

- City anticipates taking action to close TID #3 by April 15, 2026
- This will impact the 2026 tax levy for the 2027 budget year
- Closure of the TID is estimated to increase the City's TID-Out Equalized Value by **\$720 million** which is an increase of about **15%**
- By spreading costs over a larger tax base the increase in TID-Out Equalized Value will put downward pressure on both operating and debt service tax rates

Estimated Operating Levy
Increase in 2027 Budget

\$997,095

Estimated Operating Levy
Tax Rate Change in 2027

- \$0.27 per \$1,000

Scenario A: \$65 Million Project

Scenario A \$65 Million Project

Level debt service
tax rate 10 years
then decreasing
1.4% per year

Year Ending	Property Tax Levy					Property Tax Rate			Estimated City Tax		
	Operating Levy	Existing Debt	Future CIP Debt	Community Campus	Total Tax Levy	Equalized Value (TID-Out)	Equalized Tax Rate	Percent Change	Median Home Value	City Tax on Median	Change in City Tax
2026	15,405,592	6,400,000	-	-	21,805,592	4,846,722,400	\$ 4.50		531,667	\$ 2,391.99	
2027	16,627,095	6,345,625	2,715,150	-	25,687,870	5,708,094,181	\$ 4.50	0.0%	542,300	\$ 2,440.49	\$ 48.50
2028	16,959,637	4,906,525	766,838	3,650,000	26,283,000	5,874,425,306	\$ 4.47	-0.6%	553,146	\$ 2,474.85	\$ 34.37
2029	17,298,830	4,309,025	1,558,677	3,723,000	26,889,532	6,045,603,240	\$ 4.45	-0.6%	564,209	\$ 2,509.48	\$ 34.63
2030	17,644,807	3,217,675	3,215,600	3,436,400	27,514,482	6,221,769,216	\$ 4.42	-0.6%	575,493	\$ 2,545.00	\$ 35.52
2031	17,997,703	2,636,250	3,947,395	3,574,400	28,155,748	6,403,068,585	\$ 4.40	-0.6%	587,003	\$ 2,581.19	\$ 36.19
2032	18,357,657	1,592,050	4,650,352	4,210,400	28,810,459	6,589,650,930	\$ 4.37	-0.6%	598,743	\$ 2,617.75	\$ 36.56
2033	18,724,810	625,250	5,350,214	4,784,200	29,484,474	6,781,670,195	\$ 4.35	-0.6%	610,718	\$ 2,655.20	\$ 37.45
2034	19,099,306	-	6,062,000	5,012,200	30,173,506	6,979,284,809	\$ 4.32	-0.6%	622,932	\$ 2,693.12	\$ 37.92
2035	19,481,292	-	6,343,450	5,052,200	30,876,942	7,182,657,818	\$ 4.30	-0.6%	635,391	\$ 2,731.43	\$ 38.31
2036	19,870,918	-	6,439,166	5,286,200	31,596,284	7,391,957,019	\$ 4.27	-0.6%	648,099	\$ 2,770.24	\$ 38.81
2037	20,268,336	-	6,499,602	5,571,200	32,339,138	7,607,355,099	\$ 4.25	-0.5%	661,061	\$ 2,810.19	\$ 39.95
2038	20,673,703	-	6,694,590	5,554,600	32,922,893	7,829,029,775	\$ 4.21	-1.1%	674,282	\$ 2,835.51	\$ 25.32
2039	21,087,177	-	6,895,427	5,532,800	33,515,404	8,057,163,945	\$ 4.16	-1.1%	687,768	\$ 2,860.91	\$ 25.40
2040	21,508,921	-	7,102,290	5,505,800	34,117,011	8,291,945,834	\$ 4.11	-1.1%	701,523	\$ 2,886.40	\$ 25.49
2041	21,939,099	-	7,315,359	5,473,600	34,728,058	8,533,569,156	\$ 4.07	-1.1%	715,553	\$ 2,912.00	\$ 25.60
2042	22,377,881	-	7,534,820	5,441,200	35,353,901	8,782,233,265	\$ 4.03	-1.1%	729,864	\$ 2,938.15	\$ 26.15
2043	22,825,439	-	7,760,864	5,403,400	35,989,703	9,038,143,327	\$ 3.98	-1.1%	744,462	\$ 2,964.43	\$ 26.28
2044	23,281,948	-	7,993,690	5,365,200	36,640,838	9,301,510,485	\$ 3.94	-1.1%	759,351	\$ 2,991.26	\$ 26.83
2045	23,747,587	-	8,233,501	5,326,400	37,307,488	9,572,552,036	\$ 3.90	-1.1%	774,538	\$ 3,018.64	\$ 27.38
2046	24,222,539	-	8,480,506	5,281,800	37,984,845	9,851,491,607	\$ 3.86	-1.1%	790,029	\$ 3,046.15	\$ 27.51
2047	24,706,990	-	8,734,921	5,236,400	38,678,311	10,138,559,344	\$ 3.81	-1.1%	805,829	\$ 3,074.22	\$ 28.07

Scenario B: \$85 Million Project

Scenario B \$85 Million Project

Level total city tax rate for 10 years then decreasing 1.0% per year

Year Ending	Property Tax Levy					Property Tax Rate			Estimated City Tax		
	Operating Levy	Existing Debt	Future CIP Debt	Community Campus	Total Tax Levy	Equalized Value (TID-Out)	Equalized Tax Rate	Percent Change	Median Home Value	City Tax on Median	Change in City Tax
2026	15,405,592	6,400,000	-	-	21,805,592	4,846,722,400	\$ 4.50		531,667	\$ 2,391.99	
2027	16,627,095	6,345,625	2,715,150	-	25,687,870	5,708,094,181	\$ 4.50	0.0%	542,300	\$ 2,440.49	\$ 48.50
2028	16,959,637	4,906,525	766,838	3,813,600	26,446,600	5,874,425,306	\$ 4.50	0.0%	553,146	\$ 2,490.26	\$ 49.77
2029	17,298,830	4,309,025	1,558,677	4,061,600	27,228,132	6,045,603,240	\$ 4.50	0.0%	564,209	\$ 2,541.08	\$ 50.82
2030	17,644,807	3,217,675	3,215,600	3,944,000	28,022,082	6,221,769,216	\$ 4.50	0.0%	575,493	\$ 2,591.95	\$ 50.87
2031	17,997,703	2,636,250	3,947,395	4,245,000	28,826,348	6,403,068,585	\$ 4.50	0.0%	587,003	\$ 2,642.66	\$ 50.71
2032	18,357,657	1,592,050	4,650,352	5,058,000	29,658,059	6,589,650,930	\$ 4.50	0.0%	598,743	\$ 2,694.76	\$ 52.10
2033	18,724,810	625,250	5,350,214	5,812,000	30,512,274	6,781,670,195	\$ 4.50	0.0%	610,718	\$ 2,747.76	\$ 52.99
2034	19,099,306	-	6,062,000	6,233,000	31,394,306	6,979,284,809	\$ 4.50	0.0%	622,932	\$ 2,802.08	\$ 54.32
2035	19,481,292	-	6,343,450	6,483,000	32,307,742	7,182,657,818	\$ 4.50	0.0%	635,391	\$ 2,858.00	\$ 55.92
2036	19,870,918	-	6,439,166	6,943,000	33,253,084	7,391,957,019	\$ 4.50	0.0%	648,099	\$ 2,915.50	\$ 57.50
2037	20,268,336	-	6,499,602	7,454,000	34,221,938	7,607,355,099	\$ 4.50	0.0%	661,061	\$ 2,973.80	\$ 58.30
2038	20,673,703	-	6,694,590	7,488,000	34,856,293	7,829,029,775	\$ 4.45	-1.0%	674,282	\$ 3,002.03	\$ 28.22
2039	21,087,177	-	6,895,427	7,538,000	35,520,604	8,057,163,945	\$ 4.41	-1.0%	687,768	\$ 3,032.07	\$ 30.05
2040	21,508,921	-	7,102,290	7,578,000	36,189,211	8,291,945,834	\$ 4.36	-1.0%	701,523	\$ 3,061.71	\$ 29.64
2041	21,939,099	-	7,315,359	7,633,000	36,887,458	8,533,569,156	\$ 4.32	-1.0%	715,553	\$ 3,093.07	\$ 31.36
2042	22,377,881	-	7,534,820	7,677,000	37,589,701	8,782,233,265	\$ 4.28	-1.0%	729,864	\$ 3,123.96	\$ 30.89
2043	22,825,439	-	7,760,864	7,710,000	38,296,303	9,038,143,327	\$ 4.24	-1.0%	744,462	\$ 3,154.42	\$ 30.46
2044	23,281,948	-	7,993,690	7,757,000	39,032,638	9,301,510,485	\$ 4.20	-1.0%	759,351	\$ 3,186.52	\$ 32.10
2045	23,747,587	-	8,233,501	7,792,000	39,773,088	9,572,552,036	\$ 4.15	-1.0%	774,538	\$ 3,218.14	\$ 31.61
2046	24,222,539	-	8,480,506	7,815,000	40,518,045	9,851,491,607	\$ 4.11	-1.0%	790,029	\$ 3,249.30	\$ 31.16
2047	24,706,990	-	8,734,921	7,826,000	41,267,911	10,138,559,344	\$ 4.07	-1.0%	805,829	\$ 3,280.04	\$ 30.74

Scenario C: \$110 Million Project

Scenario C \$110 Million Project

5% increase in city tax rate then level for 10 years before decreasing by 1% per year

Year Ending	Property Tax Levy					Property Tax Rate			Estimated City Tax		
	Operating Levy	Existing Debt	Future CIP Debt	Community Campus	Total Tax Levy	Equalized Value (TID-Out)	Equalized Tax Rate	Percent Change	Median Home Value	City Tax on Median	Change in City Tax
2026	15,405,592	6,400,000	-	-	21,805,592	4,846,722,400	\$ 4.50		531,667	\$ 2,391.99	
2027	16,627,095	6,345,625	2,715,150	-	25,687,870	5,708,094,181	\$ 4.50	0.0%	542,300	\$ 2,440.49	\$ 48.50
2028	16,959,637	4,906,525	766,838	5,125,000	27,758,000	5,874,425,306	\$ 4.73	5.0%	553,146	\$ 2,613.74	\$ 173.25
2029	17,298,830	4,309,025	1,558,677	5,396,000	28,562,532	6,045,603,240	\$ 4.72	0.0%	564,209	\$ 2,665.61	\$ 51.87
2030	17,644,807	3,217,675	3,215,600	5,330,000	29,408,082	6,221,769,216	\$ 4.73	0.0%	575,493	\$ 2,720.15	\$ 54.54
2031	17,997,703	2,636,250	3,947,395	5,690,000	30,271,348	6,403,068,585	\$ 4.73	0.0%	587,003	\$ 2,775.13	\$ 54.98
2032	18,357,657	1,592,050	4,650,352	6,559,000	31,159,059	6,589,650,930	\$ 4.73	0.0%	598,743	\$ 2,831.15	\$ 56.01
2033	18,724,810	625,250	5,350,214	7,376,000	32,076,274	6,781,670,195	\$ 4.73	0.0%	610,718	\$ 2,888.60	\$ 57.46
2034	19,099,306	-	6,062,000	7,846,600	33,007,906	6,979,284,809	\$ 4.73	0.0%	622,932	\$ 2,946.10	\$ 57.50
2035	19,481,292	-	6,343,450	8,143,200	33,967,942	7,182,657,818	\$ 4.73	0.0%	635,391	\$ 3,004.87	\$ 58.76
2036	19,870,918	-	6,439,166	8,661,800	34,971,884	7,391,957,019	\$ 4.73	0.0%	648,099	\$ 3,066.20	\$ 61.34
2037	20,268,336	-	6,499,602	9,237,800	36,005,738	7,607,355,099	\$ 4.73	0.0%	661,061	\$ 3,128.81	\$ 62.61
2038	20,673,703	-	6,694,590	9,682,800	37,051,093	7,829,029,775	\$ 4.73	0.0%	674,282	\$ 3,191.06	\$ 62.25
2039	21,087,177	-	6,895,427	9,750,800	37,733,404	8,057,163,945	\$ 4.68	-1.0%	687,768	\$ 3,220.96	\$ 29.90
2040	21,508,921	-	7,102,290	9,815,800	38,427,011	8,291,945,834	\$ 4.63	-1.0%	701,523	\$ 3,251.04	\$ 30.08
2041	21,939,099	-	7,315,359	9,882,400	39,136,858	8,533,569,156	\$ 4.59	-1.0%	715,553	\$ 3,281.69	\$ 30.65
2042	22,377,881	-	7,534,820	9,945,000	39,857,701	8,782,233,265	\$ 4.54	-1.0%	729,864	\$ 3,312.45	\$ 30.76
2043	22,825,439	-	7,760,864	10,008,200	40,594,503	9,038,143,327	\$ 4.49	-1.0%	744,462	\$ 3,343.72	\$ 31.27
2044	23,281,948	-	7,993,690	10,066,400	41,342,038	9,301,510,485	\$ 4.44	-1.0%	759,351	\$ 3,375.06	\$ 31.33
2045	23,747,587	-	8,233,501	10,124,200	42,105,288	9,572,552,036	\$ 4.40	-1.0%	774,538	\$ 3,406.84	\$ 31.78
2046	24,222,539	-	8,480,506	10,176,000	42,879,045	9,851,491,607	\$ 4.35	-1.0%	790,029	\$ 3,438.63	\$ 31.80
2047	24,706,990	-	8,734,921	10,226,400	43,668,311	10,138,559,344	\$ 4.31	-1.0%	805,829	\$ 3,470.83	\$ 32.19

Summary / Next Steps

Summary

- By utilizing a combination of strategies it is possible to finance a community campus project while maintaining a flat overall city equalized tax rate
- Higher cost options may require a modest increase in the overall city equalized tax rate

Next Steps

- Refine the project scope and potential range of costs
- Work with a financial advisor firm to update and refine the project financing plans