

ANNUAL REPORT OF
TAX INCREMENTAL FINANCING (TIF) DISTRICT NO. 4

CITY OF FITCHBURG

December 31, 2015

**CITY OF FITCHBURG
TAX INCREMENTAL DISTRICT NO. 4**

**HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES,
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS**

For The Year Ended December 31, 2015
And From Date Of Creation Through December 31, 2015

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>PROJECT COSTS</u>		
Capital expenditures	\$ 1,774,772	\$ 28,105,136
Interest on advances	-	60,800
Administration expenditures	9,504	417,808
Debt issuance costs	-	283,736
Interest on long-term debt	365,990	1,618,364
	<u>2,150,266</u>	<u>30,485,844</u>
Total Costs		
 <u>PROJECT REVENUES</u>		
Tax increments	3,337,602	16,195,470
Exempt computer aid	521,403	2,930,344
Investment income	10,870	30,359
Premium on debt issued	-	278,571
Miscellaneous	-	6,180
	<u>3,869,875</u>	<u>19,440,924</u>
Total Revenues		
 <u>RECONCILIATION OF RECOVERABLE COSTS</u>		
G.O. debt		16,180,000
Less: Fund balance		<u>(5,135,080)</u>
 NET COSTS RECOVERABLE/(RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2015		\$ 11,044,920

**CITY OF FITCHBURG
TAX INCREMENTAL DISTRICT NO. 4**

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS

For The Year Ended December 31, 2015
And From Date Of Creation Through December 31, 2015

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>SOURCES OF FUNDS</u>		
Tax increments	\$ 3,337,602	\$ 16,195,470
Exempt computer aid	521,403	2,930,344
Investment income	10,870	30,359
Premium on debt issued	-	278,571
Miscellaneous revenues	-	6,180
Proceeds from long-term debt	<u>955,000</u>	<u>19,250,000</u>
 Total Sources	 <u>4,824,875</u>	 <u>38,690,924</u>
 <u>USES OF FUNDS</u>		
Capital expenditures	1,774,772	28,105,136
Interest on advances	-	60,800
Administration expenditures	9,504	417,808
Debt issuance costs	-	283,736
Interest on long-term debt	365,990	1,618,364
Principal on long-term debt	<u>730,000</u>	<u>3,070,000</u>
 Total Uses	 <u>2,880,266</u>	 <u>33,555,844</u>
 BEGINNING FUND BALANCE (DEFICIT)	 <u>3,190,471</u>	 <u>-</u>
 ENDING FUND BALANCE (DEFICIT)	 <u><u>\$ 5,135,080</u></u>	 <u><u>\$ 5,135,080</u></u>

**CITY OF FITCHBURG
TAX INCREMENTAL DISTRICT NO. 4**

DETAILED SUMMARY OF PROJECT COSTS

From The Date Of Creation Through December 31, 2015

	<u>Actual</u>	<u>Project Plan Estimate</u>
Capital Expenditures:		
Fitchburg Technology Campus	\$ 1,784,293	\$ 5,352,875
Fish Hatchery Road upgrade	921,243	1,485,000
Technology assessment plan	-	15,000
Fitchburg Technology Campus Phase II - Nobel Drive & Mica Road	1,881,366	2,000,000
Nine Springs/Green Tech - Interchange project & Lacy Road East to MM	7,196,777	10,000,000
Nine Springs/Green Tech - Lacy Road connection/roundabout	2,160,892	1,000,000
Nine Springs/Green Tech - Underpass	1,318,976	800,000
Nine Springs/Green Tech - E. Cheryl/Lacy Road connector	6,548,899	6,400,000
Development incentives	6,292,690	16,200,000
Interest on advance	60,800	-
Administration expenditures	417,808	1,203,000
Debt issuance costs	283,736	588,093
Interest on long-term debt	1,618,364	27,935,856
Principal on long-term debt	<u>3,070,000</u>	<u>44,070,000</u>
 TOTAL PROJECT COSTS	 <u>\$ 33,555,844</u>	 <u>\$ 117,049,824</u>

**CITY OF FITCHBURG
TAX INCREMENTAL DISTRICT NO. 4**

NOTES TO ANNUAL REPORT

December 31, 2015

NOTE 1 - TIF District Information

The City of Fitchburg Tax Incremental District No. 4 (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

Project costs may not be incurred longer than five years prior to the termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or maximum life based on the resolution date and type of TID, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by

<u>Original Project Plan</u>	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Last Year to Collect Increment</u>
District #4	May 27, 2003	May 27, 2021	2026
<u>Plan Amendment</u>			
Amendment #1	August 9, 2005	May 27, 2021	
Amendment #2	April 26, 2011	May 27, 2021	

NOTE 2 - Long-Term Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes and bonds borrowed to finance District expenditures will be retired by tax increments accumulated by the debt service fund. If those revenues are not sufficient, payments will be made by future tax levies.

<u>Title of Issue</u>	<u>Date of Issue</u>	<u>Due Date</u>	<u>Interest Rates</u>	<u>Original Amount Borrowed</u>	<u>Repaid</u>	<u>Balance 12/31/15</u>
2005 State Trust Fund Loan	6/23/2005	3/15/2015	4.00%	\$ 500,000	\$ 500,000	\$ -
2007 State Trust Fund Loan	11/16/2007	3/15/2017	5.25%	500,000	500,000	-
2009 G.O. Notes	9/16/2009	9/1/2019	2.00 - 3.125%	860,000	480,000	380,000
2011 G.O. Bonds	12/13/2011	12/1/2027	2.00 - 2.850%	5,395,000	320,000	5,075,000
2012B G.O. Bonds	3/21/2012	3/1/2029	2.00 - 3.00%	10,540,000	900,000	9,640,000
2012C G.O. Refunding Bonds	3/21/2012	3/1/2017	0.40 - 1.30%	500,000	370,000	130,000
2015A G.O. Notes	4/14/2015	4/1/2025	1.00 - 2.00%	955,000	-	955,000
Totals				<u>\$ 19,250,000</u>	<u>\$ 3,070,000</u>	<u>\$ 16,180,000</u>

**CITY OF FITCHBURG
TAX INCREMENTAL DISTRICT NO. 4**

NOTES TO ANNUAL REPORT

December 31, 2015

NOTE 2 - Long-Term Debt (continued)

Aggregate maturities of all long-term debt related to the District are as follows:

<u>Calendar Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2016	925,000	369,643	1,294,643
2017	980,000	351,598	1,331,598
2018	1,060,000	331,213	1,391,213
2019	1,220,000	308,013	1,528,013
2020	1,195,000	282,238	1,477,238
2021	1,245,000	258,088	1,503,088
2022	1,550,000	230,388	1,780,388
2023	1,600,000	197,638	1,797,638
2024	1,600,000	162,513	1,762,513
2025	1,655,000	121,713	1,776,713
2026	1,575,000	76,913	1,651,913
2027	1,575,000	31,388	1,606,388
Totals	<u>16,180,000</u>	<u>2,721,341</u>	<u>18,901,341</u>

\$5,135,080 is now available in the District funds to service the debt shown.