

ANNUAL REPORT OF

TAX INCREMENTAL FINANCING (TIF) DISTRICT NO. 4

CITY OF FITCHBURG

December 31, 2014

**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, 2014
And From Date Of Creation Through December 31, 2014

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>PROJECT COSTS</u>		
Capital expenditures	\$ 3,085,446	\$ 26,330,364
Interest on advances	-	60,800
Administration expenditures	26,219	408,304
Debt issuance costs	-	283,736
Interest on long-term debt	377,690	1,252,374
	<u>3,489,355</u>	<u>1,252,374</u>
 Total Costs	<u>3,489,355</u>	<u>28,335,578</u>
 <u>PROJECT REVENUES</u>		
Tax increments	3,034,232	12,857,868
Exempt computer aid	620,454	2,408,941
Investment income	7,813	19,489
Premium on debt issued	-	278,571
Miscellaneous	900	6,180
	<u>3,663,399</u>	<u>15,571,049</u>
 Total Revenues	<u>3,663,399</u>	<u>15,571,049</u>
 <u>RECONCILIATION OF RECOVERABLE COSTS</u>		
G.O. debt		15,955,000
Less: Fund balance		(3,190,471)
		<u>12,764,529</u>
 NET COSTS RECOVERABLE/(RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2014		\$ 12,764,529

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

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS

For The Year Ended December 31, 2014
And From Date Of Creation Through December 31, 2014

	<u>Year Ended</u>	<u>From Date of Creation</u>
<u>SOURCES OF FUNDS</u>		
Tax increments	\$ 3,034,232	\$ 12,857,868
Exempt computer aid	620,454	2,408,941
Investment income	7,813	19,489
Premium on debt issued	-	278,571
Miscellaneous revenues	900	6,180
Proceeds from long-term debt	-	18,295,000
	<hr/>	<hr/>
Total Sources	3,663,399	33,866,049
	<hr/>	<hr/>
<u>USES OF FUNDS</u>		
Capital expenditures	3,085,446	26,330,364
Interest on advances	-	60,800
Administration expenditures	26,219	408,304
Debt issuance costs	-	283,736
Interest on long-term debt	377,690	1,252,374
Principal on long-term debt	610,000	2,340,000
	<hr/>	<hr/>
Total Uses	4,099,355	30,675,578
	<hr/>	<hr/>
BEGINNING FUND BALANCE (DEFICIT)	<u>3,626,427</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u><u>\$ 3,190,471</u></u>	<u><u>\$ 3,190,471</u></u>

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

DETAILED SUMMARY OF PROJECT COSTS

From The Date Of Creation Through December 31, 2014

	<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	1,638,585	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	6,138,641	6,400,000
Development incentives	5,170,957	16,200,000
Interest on advance	60,800	-
Administration expenditures	408,304	1,203,000
Debt issuance costs	283,736	588,093
Interest on long-term debt	1,252,374	27,935,856
Principal on long-term debt	2,340,000	44,070,000
 TOTAL PROJECT COSTS	\$ 30,675,578	\$ 117,049,824

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

NOTES TO ANNUAL REPORT

December 31, 2014

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>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Last Year to Collect Increment</u>
<u>Original Project Plan</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 12/31/14</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	395,000	465,000
2011 G.O. Bonds	12/13/2011	12/1/2027	2.00 - 2.850%	5,395,000	200,000	5,195,000
2012B G.O. Bonds	3/21/2012	3/1/2029	2.00 - 3.00%	10,540,000	500,000	10,040,000
2012C G.O. Refunding Bonds	3/21/2012	3/1/2017	0.40 - 1.30%	500,000	245,000	255,000
Totals				<u>\$ 18,295,000</u>	<u>\$ 2,340,000</u>	<u>\$ 15,955,000</u>

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

NOTES TO ANNUAL REPORT

December 31, 2014

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>
2015	730,000	365,990	1,095,990
2016	835,000	351,893	1,186,893
2017	890,000	335,198	1,225,198
2018	970,000	316,613	1,286,613
2019	1,130,000	295,213	1,425,213
2020	1,100,000	271,288	1,371,288
2021	1,150,000	249,038	1,399,038
2022	1,450,000	223,288	1,673,288
2023	1,500,000	192,538	1,692,538
2024	1,500,000	159,413	1,659,413
2025	1,550,000	120,663	1,670,663
2026	1,575,000	76,913	1,651,913
2027	1,575,000	31,388	1,606,388
Totals	<u>15,955,000</u>	<u>2,989,436</u>	<u>18,944,436</u>

\$3,190,471 is now available in the District funds to service the debt shown.