

**CITY OF STOUGHTON  
TAX INCREMENTAL  
DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
FINANCIAL STATEMENTS

Including Accountant's Compilation Report

As of and for the Year Ended December 31, 2014 and  
From the Date of Creation Through December 31, 2014

**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
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From the Dates of Creation Through December 31, 2014

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## ACCOUNTANTS' COMPILATION REPORT

To the City Council  
City of Stoughton  
Stoughton, Wisconsin

We have compiled the accompanying Balance Sheets, Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments and Historical Summary of Sources, Uses, and Status of Funds of the City of Stoughton's Tax Incremental Districts No. 3, No. 4, and No. 5 ("the districts") as of and for the year ended December 31, 2014 and from the dates of creation through December 31, 2014. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

As discussed in Note 1, the financial statements present only the transactions of the districts and do not purport to, and do not, present fairly the financial position of the City of Stoughton as of December 31, 2014, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economical, or historical context.

*Baker Tilly Virchow Krause, LLP*  
Madison, Wisconsin  
April 15, 2015

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED  
BALANCE SHEET  
As of December 31, 2014

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	<u>Capital Projects Fund</u>
<b>ASSETS</b>	
Cash and investments	\$ 164,619
Taxes receivable	<u>459,888</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 624,507</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	
Liabilities	
Accounts payable	\$ 782
Total Liabilities	<u>782</u>
Deferred Inflows of Resources	
Unearned revenues	<u>459,888</u>
Total Deferred Inflows of Resources	<u>459,888</u>
Fund Balance	
Restricted	<u>163,837</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b><u>\$ 624,507</u></b>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED  
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 the Date of Creation Through December 31, 2014

	Year Ended	From Date of Creation
<b>PROJECT COSTS</b>		
Capital expenditures	\$ 1,852,530	\$ 4,769,536
Administration	10,453	116,414
Debt issuance cost	20,162	20,162
Interest on long-term debt	27,636	1,221,421
Contributions to other districts	-	1,918,405
Total Project Costs	1,910,781	8,045,938
<b>PROJECT REVENUES</b>		
Tax increments	501,617	3,298,015
Intergovernmental	1,887	9,634
Public charges for services	-	12,942
Contribution from other district	-	742,340
Transfer from other funds	-	181,304
Investment income	170	54,474
Land sales	-	370,024
Miscellaneous revenues	-	1,109,335
Total Project Revenues	503,674	5,778,068
<b>NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>	<b>\$ 1,407,107</b>	<b>\$ 2,267,870</b>
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
General obligation debt		\$ 2,431,707
Fund balance		(163,837)
<b>NET COSTS TO BE RECOVERED THROUGH TAX INCREMENTS - DECEMBER 31, 2014</b>		<b>\$ 2,267,870</b>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
For the Year Ended December 31, 2014  
and From the Date of Creation Through December 31, 2014

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>SOURCES OF FUNDS</b>		
Tax increments	\$ 501,617	\$ 3,298,015
Intergovernmental	1,887	9,634
Public charges for services	-	12,942
Contribution from other district	-	742,340
Transfers from other funds	-	181,304
Investment income	170	54,474
Land sales	-	370,024
Miscellaneous revenues	-	1,109,335
Long-term debt issued	<u>1,225,000</u>	<u>6,257,496</u>
Total Sources of Funds	<u>1,728,674</u>	<u>12,035,564</u>
<b>USES OF FUNDS</b>		
Capital expenditures	1,852,530	4,769,536
Administration	10,453	116,414
Debt issuance cost	20,162	20,162
Contribution to other district	-	1,918,405
Interest on long-term debt	27,636	1,221,421
Principal on long-term debt	<u>193,293</u>	<u>3,825,789</u>
Total Uses of Funds	<u>2,104,074</u>	<u>11,871,727</u>
 BEGINNING FUND BALANCE	 <u>539,237</u>	 <u>-</u>
 <b>ENDING FUND BALANCE</b>	 <u><u>\$ 163,837</u></u>	 <u><u>\$ 163,837</u></u>

See accompanying notes to financial statements and accountants' compilation report.

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

COMPILED  
BALANCE SHEET  
As of December 31, 2014

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	<u>Capital Projects Fund</u>
<b>ASSETS</b>	
Cash and investments	\$ 1,117,116
Taxes receivable	<u>178,650</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,295,766</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	
Liabilities	
Due to city general fund	\$ 360,802
Total Liabilities	<u>360,802</u>
Deferred Inflows of Resources	
Unearned revenues	<u>178,650</u>
Total Deferred Inflows of Resources	<u>178,650</u>
Fund Balance	
Restricted	<u>756,314</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 1,295,766</u>

See accompanying notes to financial statements and accountants' compilation report.

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

COMPILED  
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 the Date of Creation Through December 31, 2014

	Year Ended	From Date of Creation
<b>PROJECT COSTS</b>		
Capital expenditures	\$ -	\$ 2,309,568
Administration	977	73,551
Debt issuance costs	-	26,075
Interest on long-term debt	16,479	750,614
Total Project Costs	17,456	3,159,808
<b>PROJECT REVENUES</b>		
Tax increments	259,437	1,665,608
Intergovernmental	5,652	130,175
Contribution from other districts	-	1,405,024
Miscellaneous revenues	-	48,691
Investment income	328	106,625
Total Project Revenues	265,417	3,356,123
<b>NET COST RECOVERED THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>		
	\$ (247,961)	\$ (196,315)
<b>RECONCILIATION OF RECOVERED COSTS</b>		
General obligation debt		\$ 559,999
Fund balance		(756,314)
<b>NET COSTS RECOVERED THROUGH TAX INCREMENTS – DECEMBER 31, 2014</b>		
		\$ (196,315)

See accompanying notes to financial statements and accountants' compilation report.



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

COMPILED  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
For the Year Ended December 31, 2014  
and From the Date of Creation Through December 31, 2014

	Year Ended	From Date of Creation
<b>SOURCES OF FUNDS</b>		
Tax increments	\$ 259,437	\$ 1,665,608
Intergovernmental	5,652	130,175
Contribution from other districts	-	1,405,024
Miscellaneous revenues	-	48,691
Investment income	328	106,625
Long-term debt issued	-	3,160,750
Total Sources of Funds	265,417	6,516,873
<b>USES OF FUNDS</b>		
Capital expenditures	-	2,309,568
Administration	977	73,551
Debt issuance costs	-	26,075
Interest on long-term debt	16,479	750,614
Principal on long-term debt	94,725	2,600,751
Total Uses of Funds	112,181	5,760,559
BEGINNING FUND BALANCE	603,078	-
<b>ENDING FUND BALANCE</b>	<b>\$ 756,314</b>	<b>\$ 756,314</b>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICT NO. 5**

COMPILED  
BALANCE SHEET  
As of December 31, 2014

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	<u>Capital Projects Fund</u>
<b>ASSETS</b>	
Cash and investments	\$ 46,740
<b>TOTAL ASSETS</b>	<u>\$ 46,740</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Advances from other funds	\$ 598,427
Total Liabilities	<u>598,427</u>
Fund Balance	
Unassigned (deficit)	<u>(551,687)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 46,740</u>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICT NO. 5**

COMPILED  
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 the Date of Creation Through December 31, 2014

	Year Ended	From Date of Creation
<b>PROJECT COSTS</b>		
Administration	\$ 951	\$ 2,675
Capital expenditures	-	956,986
Interest on advances	30,538	96,965
Total Project Costs	31,489	1,056,626
<b>PROJECT REVENUES</b>		
Tax increments	-	30,147
Transfer from other funds	-	100,000
Intergovernmental	1,190	203,768
Investment income	-	16
Land sales	-	116,616
Miscellaneous revenues	17,664	54,392
Total Project Revenues	18,854	504,939
 <b>NET COST RECOVERABLE (RECOVERED) THROUGH TIF INCREMENTS - DECEMBER 31, 2014</b>	 <b>\$ 12,635</b>	 <b>\$ 551,687</b>

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICT NO. 5**

COMPILED  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
For the Year Ended December 31, 2014  
and From the Date of Creation Through December 31, 2014

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>SOURCES OF FUNDS</b>		
Tax increments	\$ -	\$ 30,147
Transfers from other funds	-	100,000
Intergovernmental	1,190	203,768
Investment income	-	16
Land sales	-	116,616
Miscellaneous revenues	<u>17,664</u>	<u>54,392</u>
Total Sources of Funds	<u>18,854</u>	<u>504,939</u>
<b>USES OF FUNDS</b>		
Administration	951	2,675
Capital expenditures	-	956,986
Interest on advance	<u>30,538</u>	<u>96,965</u>
Total Uses of Funds	<u>31,489</u>	<u>1,056,626</u>
 BEGINNING FUND BALANCE (DEFICIT)	 <u>(539,052)</u>	 <u>-</u>
 <b>ENDING FUND BALANCE (DEFICIT)</b>	 <b><u>\$ (551,687)</u></b>	 <b><u>\$ (551,687)</u></b>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF STOUGHTON  
TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
From the Dates of Creation Through December 31, 2014

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Stoughton's Tax Incremental Districts No. 3, No. 4, and No. 5 (the "districts") conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The City of Stoughton has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of Tax Incremental District No. 3, No. 4, and No. 5. The accompanying financial statements reflect all the significant operations of the City of Stoughton's Tax Incremental District No. 3, No. 4, and No. 5. The accompanying financial statements do not include the full presentation of the City of Stoughton.

**A. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE**

This report contains the financial information of the City of Stoughton's Tax Incremental Districts No. 3, No. 4, and No. 5. The summary statements were prepared from data recorded in the following funds and the city's long-term debt:

Debt Service Fund  
Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the City of Stoughton's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The districts were created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvements 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.

The statutes allow the districts to collect tax increments until the net project cost has been fully recovered, or until 27 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City of Stoughton. Project costs may be incurred up to five years before the unextended termination date of the district.

**Original Project Plan**

	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Last Year to Collect Increment</u>
TID No. 3	11-24-1992	11-24-2014	2020
TID No. 4	3-23-1999	3-23-2021	2026
TID No. 5	3-12-2010	3-12-2032	2037

**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
From the Dates of Creation Through December 31, 2014

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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**A. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE (cont.)**

**Plan Amendments**

	<u>Adoption Date</u>
TID No. 3 Amendment No. 1	10-23-2007
TID No. 3 Amendment No. 2	10-23-2012
TID No. 4 Amendment No. 1	9-26-2006
TID No. 4 Amendment No. 2	1-12-2010

**B. BASIS OF ACCOUNTING**

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the city is entitled to the aids.

Special assessments are recorded as revenues when collected. Annual installments due in future years are accounted for as receivables and unavailable revenues. There are no special assessments receivables as of the date of this report.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

**C. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
From the Dates of Creation Through December 31, 2014

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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***D. MEASUREMENT FOCUS***

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or as nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

***E. PROJECT PLAN BUDGETS***

The estimated revenues and expenditures of the districts are adopted in the project plans. Those estimates are for the entire life of the districts, and may not be comparable to interim results presented in this report.

***F. LONG-TERM DEBT***

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as expenditure in the year in which the debt matures or is repaid, whichever is earlier.

***G. CLAIMS AND JUDGMENTS***

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

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**NOTE 2 – CASH AND TEMPORARY INVESTMENTS**

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The districts invest their funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
 NOTES TO FINANCIAL STATEMENTS  
 From the Dates of Creation Through December 31, 2014

**NOTE 2 – CASH AND TEMPORARY INVESTMENTS (cont.)**

The districts, as funds of the city, maintain separate and common cash and investment accounts at the same financial institutions utilized by the city. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the City of Stoughton as an individual municipality, and, accordingly, the amount of insured funds is not determinable for the districts.

**NOTE 3 – LONG-TERM DEBT**

**A. GENERAL OBLIGATION DEBT**

All general obligation notes and bonds payable are backed by the full faith and credit of the City of Stoughton. Notes and bonds borrowed to finance the districts' expenditures will be retired by tax increments accumulated by the TIF District funds. If those revenues are not sufficient, payments will be made by future tax levies or utility revenues, as applicable.

		Original Amount Borrowed	Repaid	Balance 12-31-14
<b>TIF District No. 3</b>				
03/18/93	Promissory Note – 6.00%	\$ 189,950	\$ 189,950	\$ -
10/01/93	Promissory Note – 4.40-6.00%	1,980,000	1,980,000	-
05/01/02	Promissory Note – 3.50-4.375%	80,483	80,483	-
09/16/02	Refunding Bonds – 3.00-3.75%	1,382,063	1,382,063	-
06/26/13	State Trust Fund Loan – 2.75%	1,400,000	193,293	1,206,707
06/01/14	Promissory Note – 2.00%	1,225,000	-	1,225,000
Totals		<u>\$ 6,257,496</u>	<u>\$ 3,825,789</u>	<u>\$ 2,431,707</u>

Aggregate maturities of all long-term debt relating to the district are as follows:

Calendar Year	Principal	Interest	Totals
2015	382,744	\$ 49,131	\$ 431,875
2016	392,830	38,788	431,618
2017	403,210	31,989	435,199
2018	408,661	24,591	433,252
2019	419,262	16,445	435,707
2020	425,000	7,609	432,609
Totals	<u>\$ 2,431,707</u>	<u>\$ 168,553</u>	<u>\$ 2,600,260</u>



**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
From the Dates of Creation Through December 31, 2014

**NOTE 3 – LONG-TERM DEBT (cont.)**

**A. GENERAL OBLIGATION DEBT (cont.)**

		Original Amount Borrowed	Repaid	Balance 12-31-14
<b>TIF District No. 4</b>				
02/23/99	State Trust Fund Loan – 5.25%	\$ 162,000	\$ 162,000	\$ -
08/09/00	State Trust Fund Loan – 5.25%	355,080	355,080	-
06/01/01	Promissory Note – 4.10-4.60%	1,025,000	1,025,000	-
06/01/01	Promissory Note – 4.10-4.60%	154,427	154,427	-
06/15/03	Promissory Note – 3.0 – 3.375%	292,105	292,105	-
06/22/04	State Trust Fund Loan – 4%	213,746	213,746	-
04/14/09	Promissory Note – 1.60 – 3.85%	163,392	163,392	-
04/13/10	G.O. Refunding Bonds 1.0 – 3.25%	795,000	235,001	559,999
Totals		<u>\$ 3,160,750</u>	<u>\$ 2,600,751</u>	<u>\$ 559,999</u>

Aggregate maturities of all long-term debt relating to the district are as follows:

Calendar Year	Principal	Interest	Totals
2015	\$ 74,999	\$ 14,795	\$ 89,794
2016	95,000	12,905	107,905
2017	95,000	10,483	105,483
2018	95,000	7,775	102,775
2019	100,000	4,800	104,800
2020	100,000	1,625	101,625
Totals		<u>\$ 559,999</u>	<u>\$ 612,382</u>

**NOTE 4 – ADVANCES FROM CITY GENERAL FUND**

The general fund is advancing funds to TIF District No. 5. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. The general fund is charging the district interest on the advance based on the average outstanding advance balance during the year at a rate of 4%. Following is a detailed repayment schedule.

**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
From the Dates of Creation Through December 31, 2014

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**NOTE 4 – ADVANCES FROM CITY GENERAL FUND (cont.)**

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<u>Year</u>	<u>Principal</u>
2015	\$ 9,724
2016	10,697
2017	11,724
2018	12,809
2019	13,955
2020-2024	89,297
2025-2029	128,967
2030-2034	180,553
2035-2037	<u>140,701</u>
Totals	<u>\$ 598,427</u>

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**NOTE 5 – INCREMENT SHARING**

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As allowable under TIF statutes, the city may share positive TIF increments. In 1998, and again in 2003, the city and joint review board approved sharing increments from TIF District No. 2 (donor district, subsequently closed) to TIF District No. 3 (donee district). Such transfers are reflected as recoverable costs in the donor district, and as project revenues in the donee district. TIF increment sharing was valid for a five year period, and was extended for an additional five years by the joint review board. Transfers between districts are subject to various conditions in the statutes.

In 2006, the city and joint review board approved sharing increments from TIF District No. 2 (donor district, subsequently closed) to TIF District No. 4 (donee district). Transfers were approved to begin in 2007. State statutes limit the number of years a district may share increments to ten. Since TIF District No. 2 had been sharing increments with TIF District No. 3, the increment sharing with TIF District No. 4 was allowable for years 2007 through 2009. TIF District No. 2 was closed in 2009.

In 2007, the city and joint review board approved sharing increments from TIF District No. 3 (donor district) to TIF District No 4 (donee district). Transfers began in 2007. TIF increment sharing is valid for a five year period, and can be extended by the joint review board.

**CITY OF STOUGHTON**  
**TAX INCREMENTAL DISTRICTS NO. 3, NO. 4, AND NO. 5**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
From the Dates of Creation Through December 31, 2014

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**NOTE 6 – TRANSFERS FROM OTHER FUNDS**

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The city has transferred funds to TIF Districts No. 3 and No. 5 to cover deficits over the years. It is the intent of the city to have TIF Districts No. 3 and No. 5 repay the general fund for these transfers contingent upon future availability of funds. The following is a historical summary of transfers for TIF District No. 3:

1993	\$ 30,000
1997	30,212
1998	104,150
2001	10,451
2002	<u>6,491</u>
Totals	<u>\$ 181,304</u>

The following is a historical summary of transfers for TIF District No.5:

2010	<u>\$ 100,000</u>
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