

**City of Madison  
Tax Incremental District No. 25**

Financial Statements and  
Supplementary Information

December 31, 2020

# City of Madison Tax Incremental District No. 25

---

Table of Contents  
December 31, 2020

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements</b>	
Tax Incremental District No. 25 – Balance Sheet	3
Tax Incremental District No. 25 – Historical Summary of Project Costs, Project Revenues and Net Cost Recovered Through Tax Increments	4
Tax Incremental District No. 25 – Historical Summary of Sources, Uses and Status of Funds	5
<b>Notes to Financial Statements</b>	6
<b>Supplementary Information</b>	
Tax Incremental District No. 25 – Detailed Schedule of Sources, Uses and Status of Funds	11
Tax Incremental District No. 25 – Detailed Schedule of Capital, Administration and Professional Services Expenditures	13
<b>Independent Auditors' Report on Compliance</b>	14

## **Independent Auditors' Report**

To the Common Council of  
City of Madison

### **Report on the Financial Statements**

We have audited the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of funds of the City of Madison's Tax Incremental District No. 25 (the District) as of December 31, 2020 and from the date of creation through December 31, 2020 and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of City of Madison's Tax Incremental District No. 25 and the net project costs recovered through tax increments as of December 31, 2020 and the sources, uses and status of funds from the date of creation through December 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the transactions of City of Madison's Tax Incremental District No. 25 and do not purport to and do not, present fairly the financial position of the City of Madison, Wisconsin, as of December 31, 2020, and the changes in financial position or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

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 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, economic or historical context. Our opinion on the financial statements is not affected by this missing information.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Madison's Tax Incremental District No. 25's financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

### **Report on Other Legal and Regulatory Requirements**

We have also issued our report dated July 27, 2021 on our tests of its compliance with Wisconsin State Statutes Section 66.1105. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*Baker Tilly US, LLP*

Madison, Wisconsin  
July 27, 2021

# City of Madison Tax Incremental District No. 25

---

Balance Sheet  
December 31, 2020

	<b>Capital Projects Fund</b>
<b>Assets</b>	
Cash and investments	\$ 22,041,547
Taxes receivable	4,461,181
Lease receivable	1,620,000
Prepaid items	<u>330</u>
Total assets	<u>\$ 28,123,058</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>	
<b>Liabilities</b>	
Accrued liabilities	<u>\$ 567</u>
<b>Deferred Inflows of Resources</b>	
Unavailable revenue	1,620,000
Unearned revenue	<u>4,461,181</u>
Total deferred inflows of resources	<u>6,081,181</u>
<b>Fund Balance</b>	
Restricted	<u>22,041,310</u>
Total fund balance	<u>22,041,310</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 28,123,058</u>

## City of Madison Tax Incremental District No. 25

Historical Summary of Project Costs, Project Revenues and Net Cost Recovered Through  
Tax Increments

Date of Creation Through December 31, 2020

### Project Costs

Capital expenditures	\$ 66,071,207
Administration	940,775
Professional services	362,723
Interest on advances	120,257
Lease payment	(2,719,840)
Debt issuance costs	75,013
Interest on capital lease	23,865,946
Interest on long-term debt	<u>97,093</u>

Total project costs 88,813,174

### Project Revenues

Tax increments	61,350,790
Exempt computer aid	614,541
Personal property aid	39,814
Investment income	5,283,728
Contributions from other districts	12,937,087
Payment from developer	28,965,167
Miscellaneous	<u>43,357</u>

Total project revenues 109,234,484

Net cost recovered through  
tax increments, December 31, 2020 \$ (20,421,310)

### Reconciliation of Recovered Costs

Capital leases	\$ 1,620,000
Less fund balance	<u>(22,041,310)</u>

Net cost recovered through  
tax increments, December 31, 2020 \$ (20,421,310)

## City of Madison Tax Incremental District No. 25

Historical Summary of Sources, Uses and Status of Funds

Date of Creation Through December 31, 2020

### Sources of Funds

Tax increments	\$ 61,350,790
Exempt computer aid	614,541
Personal property aid	39,814
Investment income	5,283,728
Contributions from other districts	12,937,087
Long-term debt issued	367,500
Capital leases issued	37,048,679
Payment from developer	28,965,167
Miscellaneous	<u>43,357</u>

Total sources of funds 146,650,663

### Uses of Funds

Capital expenditures	66,071,207
Administration	940,775
Professional services	362,723
Interest on advances	120,257
Lease payment	(2,719,840)
Debt issuance costs	75,013
Principal on capital lease	35,428,679
Interest on capital lease	23,865,946
Principal on long-term debt	367,500
Interest on long-term debt	<u>97,093</u>

Total uses of funds 124,609,353

Fund balance, December 31, 2020 \$ 22,041,310

# City of Madison Tax Incremental District No. 25

Notes to Financial Statements  
December 31, 2020

## 1. Summary of Significant Accounting Policies

The accounting policies of the City of Madison's Tax Incremental District No. 25 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The City of Madison 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. 25. The accompanying financial statements reflect all the significant operations of the City of Madison's Tax Incremental District No. 25. The accompanying financial statements do not include the full presentation of the City of Madison

### Description of Fund Structure and Long-Term Debt

This report contains the financial information of the City of Madison's Tax Incremental District No. 25. The summary statements were prepared from data recorded in the following City of Madison funds and long-term debt:

- General Fund
- Capital Projects Fund
- General Long-Term Obligations Account Group (through 12/31/01)

Detailed descriptions of the purpose of these funds and long-term debt can be found in the City of Madison'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 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.

The statutes allow the municipality 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 Madison. 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>
Tax Incremental District No. 25	January 1, 1995	September 19, 2017	2023



## City of Madison Tax Incremental District No. 25

Notes to Financial Statements

December 31, 2020

### **Plan Amendment**

	<u>Adoption Date</u>	<u>Last Date to Incur Project Costs</u>
Tax Incremental District No. 25	September 20, 2016	September 19, 2017

### **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 District is entitled to the aids.

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

### **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.

### **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.

### **Project Plan Budget**

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

### **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 an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

## City of Madison Tax Incremental District No. 25

Notes to Financial Statements

December 31, 2020

### 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.

### 2. Cash and Temporary Investments

The District invests its 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.

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

### 3. Long-Term Debt

#### General Obligation Debt

All general obligation notes payable are backed by the full faith and credit of the City of Madison. Notes borrowed to finance District expenditures will be retired by tax increments accumulated by the District capital projects 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 Indebtedness</u>	<u>Repaid</u>	<u>Balance 12-31-20</u>
G.O. Promissory Notes	05-01-97	05-01-07	5.00-6.00%	\$ 250,000	\$ 250,000	\$ -
G.O. Promissory Notes	05-01-98	05-01-08	4.05-4.35	100,000	100,000	-
G.O. Promissory Notes	10-01-04	10-01-14	3.00-3.65	12,500	12,500	-
G.O. Promissory Notes	10-19-10	10-01-14	3.00-4.00	5,000	5,000	-
Total				<u>\$ 367,500</u>	<u>\$ 367,500</u>	<u>\$ -</u>

The 2004 general obligation notes were refunded in 2010.

### 4. Advances from City General Fund

The general fund advances funds to the District when the District is in a negative cash position. The general fund charges the District interest on the advance based on the outstanding advance balance at the end of the year at a rate based on the cost of funds to the City of Madison. There was no advance outstanding as of December 31, 2020.

## City of Madison Tax Incremental District No. 25

Notes to Financial Statements

December 31, 2020

### 5. Increment Sharing

As allowable under TIF statutes, the City of Madison may share positive TIF increments. In 1996, the City of Madison and joint review board approved sharing increments from TIF District No. 6 and No. 14 (donor districts) to TIF District No. 25 (donee district). Such transfers are reflected as recoverable costs in the donor districts, and as project revenues in the donee district. Transfers were approved to begin in 1998. TIF increment sharing is valid for a five year period, and can be extended for an additional five years by the joint review board. Transfers between districts are subject to availability of funds in the donor district. As of December 31, 2020, \$12,937,087 was transferred to TIF District No. 25.

### 6. Block 89 Lease

In 1996, the Community Development Authority (CDA) borrowed \$20,640,000 in Taxable Redevelopment Lease Revenue Bonds, series 1996A. The CDA was leasing a parking ramp purchased with these revenue bonds to the City of Madison. The annual lease payments paid were the same as the CDA's annual debt service payments on the bonds. The transaction was being recorded as a capital lease. The City of Madison also leased the parking ramp to a developer. The developer paid off the remaining lease during 2013. The City of Madison also paid off its capital lease with the CDA in 2013.

A portion of TIF District No. 15 overlaps TIF District No. 25. As a result, a portion of the lease payment not paid by the developer is paid by TIF District No. 15. This payment is shown as a positive lease payment in TIF District No. 15 and a negative lease payment in TIF District No. 25. TIF District No. 15 was closed out in 2006, and on May 19, 2006, a final amount of \$1,235,000 was transferred from TIF District No. 15 to TIF District No. 25 for full satisfaction of the TIF District No. 15 increment credit. Actual payments from TIF No.15 were as follows:

	<u>TIF No. 15</u>	<u>TIF No. 25</u>	<u>Total Lease Payment</u>
1997	\$ 250,548	\$ (250,548)	\$ -
1998	120,556	(120,556)	-
1999	124,692	55,307	179,999
2000	133,693	546,307	680,000
2001	-	550,000	550,000
2002	281,003	248,997	530,000
2003	149,499	660,501	810,000
2004	143,997	786,003	930,000
2005	143,469	896,531	1,040,000
2006	137,383	1,067,617	1,205,000
2006 – supplemental payment	1,235,000	-	1,235,000
Total	<u>\$ 2,719,840</u>	<u>\$ 4,440,159</u>	<u>\$ 7,159,999</u>

In 1999, the Community Development Authority (CDA) borrowed \$10,870,000 in taxable redevelopment lease revenue bonds, series 1999C. The CDA is leasing a parking structure purchased with these revenue bonds to the City of Madison. The annual lease payments to be paid are the same as the CDA's annual debt service payments on the bonds. The transaction was being recorded as a capital lease. The City of Madison has also leased the parking structure to a developer. The lease revenue bonds were refunded in 2018.

In 2000, the Community Development Authority (CDA) borrowed \$6,800,000 in taxable redevelopment lease revenue refunding bonds, series 2000. The CDA is leasing a parking ramp purchased with these revenue bonds to the City of Madison. The annual lease payments to be paid are the same as the CDA's annual debt service payments on the bonds. The transaction was being recorded as a capital lease. The City of Madison also leased the parking ramp to a developer. The developer paid off the remaining lease during 2014. The City of Madison also paid off its capital lease with the CDA in 2014.

## City of Madison Tax Incremental District No. 25

Notes to Financial Statements

December 31, 2020

In 2018, the CDA borrowed \$3,960,000 in taxable redevelopment lease revenue bonds, series 2018A. The CDA is leasing a parking structure purchased with these revenue bonds to the City of Madison. The annual lease payments to be paid are the same as the CDA's annual debt service payments on the bonds. The transaction is being recorded as a capital lease. The City of Madison has also leased the parking structure to a developer.

The capital lease to the developers was recorded as unearned revenue. As payments are received the City of Madison will recognize the revenue.

<u>Capital Leases</u>	<u>Original Indebtedness</u>	<u>Repaid</u>	<u>Balance 12-31-20</u>
1996 parking ramp lease	\$ 16,662,094	\$ 16,662,094	\$ -
1999 parking ramp lease	10,306,585	10,306,585	-
2000 parking ramp lease	6,120,000	6,120,000	-
2018 parking ramp lease	<u>3,960,000</u>	<u>2,340,000</u>	<u>1,620,000</u>
Total	<u>\$ 37,048,679</u>	<u>\$ 35,428,679</u>	<u>\$ 1,620,000</u>

The annual lease payments on the 2018 lease are as follows:

	<u>Governmental Activities</u>	
	<u>2018 Issue</u>	
	<u>Principal</u>	<u>Interest</u>
2021	800,000	42,540
2022	<u>820,000</u>	<u>22,140</u>
Total	<u>\$ 1,620,000</u>	<u>\$ 64,680</u>

### 7. Agreement with School District

In June 2016, the City of Madison common council authorized the City of Madison to enter into an agreement with Madison Metropolitan School District to guarantee its share of the District's revenues, up to a maximum of \$9,274,000. As of December 31, 2020, the school district has drawn \$6,165,000.

### 8. Commitments

During 2017, the City of Madison entered into construction contracts or encumbrances related to TIF District No. 25 projects totaling \$25,343,913. As of December 31, 2020, \$369,918 of construction contracts were outstanding.

**City of Madison Tax Incremental District No. 25**

Detailed Schedule of Sources, Uses and Status of Funds  
Date of Creation Through December 31, 2020

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Sources of Funds</b>														
Tax increments	\$ -	\$ -	\$ 30,949	\$ 127,743	\$ 305,117	\$ 689,892	\$ 1,161,676	\$ 2,297,457	\$ 1,979,440	\$ 1,989,951	\$ 2,016,706	\$ 1,998,172	\$ 2,258,208	\$ 2,534,522
Exempt computer aid	-	-	-	-	-	9,854	19,186	20,998	25,518	34,881	32,835	30,703	17,717	16,108
Personal property aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	31,505	107,273	83,916	90,591	89,384	118,670	237,119	448,427	586,128	493,070
Contributions from other districts	-	-	-	2,200,000	2,032,000	1,200,000	2,200,000	1,100,000	1,000,000	900,000	1,400,000	905,087	-	-
Long-term debt issued	-	-	250,000	100,000	-	-	-	-	-	12,500	-	-	-	-
Capital leases issued	-	-	-	-	16,662,094	-	15,566,902	859,683	-	-	-	-	-	-
Payment from developer	-	-	50,000	100,000	1,066,764	1,637,929	1,445,127	1,397,915	667,355	601,527	1,435,772	1,812,193	1,618,401	1,685,481
Miscellaneous	-	7,553	26,518	20,000	(20,000)	-	-	9,250	-	-	-	-	-	-
<b>Total sources of funds</b>	<b>-</b>	<b>7,553</b>	<b>357,467</b>	<b>2,547,743</b>	<b>20,077,480</b>	<b>3,644,948</b>	<b>20,476,807</b>	<b>5,775,894</b>	<b>3,761,697</b>	<b>3,657,529</b>	<b>5,122,432</b>	<b>5,194,582</b>	<b>4,480,454</b>	<b>4,729,181</b>
<b>Uses of Funds</b>														
Capital expenditures	41,832	388,682	213,698	2,246,408	17,692,768	1,525,351	15,960,566	635,819	1,039,585	57,541	23,650	75,322	187,585	208,259
Administration	-	-	76,524	128,546	120,850	45,601	39,348	68,538	10,739	83,299	4,923	9,240	14,125	23,489
Professional services	-	-	21,537	64,360	32,290	14,552	915	3,134	7,020	1,297	9,560	4,128	1,303	11,624
Interest on advances	-	23,077	8,791	-	-	-	18,049	11,704	5,538	10,649	9,877	9,119	8,345	7,576
Lease payment	-	-	(250,548)	(120,556)	(124,692)	(133,693)	-	(281,003)	(149,499)	(143,997)	(143,469)	(1,372,383)	-	-
Debt issuance costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal on capital lease	-	-	-	-	180,000	680,000	2,070,000	585,000	810,000	930,000	1,040,000	2,440,000	1,310,000	1,285,000
Interest on capital lease	-	-	-	-	1,533,221	1,397,193	1,910,462	2,803,244	1,005,215	804,471	1,481,053	1,618,750	1,257,455	1,526,370
Principal on long-term debt	-	-	-	25,000	35,000	35,000	35,000	35,000	35,000	35,000	36,250	36,250	36,250	11,250
Interest on long-term debt	-	-	-	18,538	16,982	13,232	11,577	9,923	8,258	6,583	5,297	3,569	1,714	494
<b>Total uses of funds</b>	<b>41,832</b>	<b>411,759</b>	<b>70,002</b>	<b>2,362,296</b>	<b>19,486,419</b>	<b>3,577,236</b>	<b>20,045,917</b>	<b>3,871,359</b>	<b>2,771,856</b>	<b>1,784,843</b>	<b>2,467,141</b>	<b>2,823,995</b>	<b>2,816,777</b>	<b>3,074,062</b>

**City of Madison Tax Incremental District No. 25**

Detailed Schedule of Sources, Uses and Status of Funds  
Date of Creation Through December 31, 2020

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Totals	Project Plan Estimate
<b>Sources of Funds</b>														
Tax increments	\$ 2,799,477	\$ 2,877,072	\$ 3,357,577	\$ 3,531,463	\$ 3,582,700	\$ 3,767,151	\$ 3,711,158	\$ 3,831,284	\$ 3,949,673	\$ 4,740,984	\$ 3,592,976	\$ 4,219,442	\$ 61,350,790	\$ 85,305,170
Exempt computer aid	32,160	38,605	45,105	42,698	41,215	35,211	29,878	26,698	28,137	28,551	29,241	29,242	614,541	-
Personal property aid	-	-	-	-	-	-	-	-	-	-	27,632	12,182	39,814	-
Investment income	284,880	250,491	196,796	188,500	134,670	151,529	147,902	197,135	284,367	568,693	443,019	149,663	5,283,728	-
Contributions from other districts	-	-	-	-	-	-	-	-	-	-	-	-	12,937,087	-
Long-term debt issued	-	5,000	-	-	-	-	-	-	-	-	-	-	367,500	16,012,000
Capital leases issued	-	-	-	-	-	-	-	-	-	3,960,000	-	-	37,048,679	-
Payment from developer	1,825,120	1,873,661	1,890,436	1,863,523	3,319,889	2,693,526	531,957	517,876	529,349	68,658	332,708	-	28,965,167	-
Miscellaneous	-	-	-	-	-	36	-	-	-	-	-	-	43,357	-
<b>Total sources of funds</b>	<b>4,941,637</b>	<b>5,044,829</b>	<b>5,489,914</b>	<b>5,626,184</b>	<b>7,078,474</b>	<b>6,647,453</b>	<b>4,420,895</b>	<b>4,572,993</b>	<b>4,791,526</b>	<b>9,366,886</b>	<b>4,425,576</b>	<b>4,410,529</b>	<b>146,650,663</b>	<b>101,317,170</b>
<b>Uses of Funds</b>														
Capital expenditures	15,741	51,172	13,012	403,982	2,811	4,863	82,123	194,104	15,061	19,210,259	5,742,113	38,900	66,071,207	66,992,570
Administration	16,412	20,235	26,794	12,763	33,030	63,802	57,327	34,856	9,370	11,034	14,929	15,001	940,775	1,707,600
Professional services	1,967	63,210	-	1,937	2,714	10,525	11,779	91,973	2,143	1,625	1,130	2,000	362,723	-
Interest on advances	7,532	-	-	-	-	-	-	-	-	-	-	-	120,257	-
Lease payment	-	-	-	-	-	-	-	-	-	-	-	-	(2,719,840)	-
Debt issuance costs	-	-	-	-	-	-	-	-	-	75,013	-	-	75,013	-
Principal on capital lease	1,265,000	1,625,000	1,780,000	1,925,000	5,717,094	3,385,000	555,000	625,000	700,000	4,971,585	765,000	785,000	35,428,679	-
Interest on capital lease	1,677,568	1,414,461	1,307,790	1,052,187	1,153,089	445,748	411,693	372,842	329,063	224,863	77,828	61,380	23,865,946	-
Principal on long-term debt	1,250	6,250	1,291	1,264	1,234	1,211	-	-	-	-	-	-	367,500	16,012,000
Interest on long-term debt	240	202	190	148	98	48	-	-	-	-	-	-	97,093	16,605,000
<b>Total uses of funds</b>	<b>2,985,710</b>	<b>3,180,530</b>	<b>3,129,077</b>	<b>3,397,281</b>	<b>6,910,070</b>	<b>3,911,197</b>	<b>1,117,922</b>	<b>1,318,775</b>	<b>1,055,637</b>	<b>24,494,379</b>	<b>6,601,000</b>	<b>902,281</b>	<b>124,609,353</b>	<b>101,317,170</b>
													<b>\$ 22,041,310</b>	

## City of Madison Tax Incremental District No. 25

Detailed Schedule of Capital, Administration and Professional Services Expenditures

Date of Creation Through December 31, 2020

	<u>Actual</u>	<u>Project Plan Estimate</u>
<b>Capital, Administration and Professional Services Expenditures</b>		
Judge Doyle parking ramp	\$ 23,728,278	\$ 24,000,000
Street/sidewalk/sewer repair	2,623,383	1,281,470
Skywalk	1,516,877	1,501,816
Outer capital loop, southeast major streets project	-	1,700,000
Street trees	-	12,000
Lighting, turn lanes, streetscape and parkland improvements	623,199	619,535
Grants/loans	3,555,127	3,555,127
Acquisition	1,123,625	1,123,625
Parking structures	32,500,718	32,228,997
Administration and professional services	1,303,498	1,707,600
Master planning Judge Doyle Square	<u>400,000</u>	<u>970,000</u>
 Total	 <u>\$ 67,374,705</u>	 <u>\$ 68,700,170</u>

## Independent Auditors' Report on Compliance

To the Common Council of  
City of Madison

We have audited the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost Recovered Through Tax Increments and the related Historical Summary of Sources, Uses and Status of Funds of the City of Madison, Wisconsin Tax Incremental District No. 25 (the District) as of December 31, 2020 and from the date the District was created through December 31, 2020 and have issued our report thereon dated July 27, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with Wisconsin State Statutes Section 66.1105, insofar as it relates to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the common council, management and the overlapping taxing districts and is not intended to be, and should not be, used by anyone other than the specified parties.

*Baker Tilly US, LLP*

Madison, Wisconsin  
July 27, 2021