TAX INCREMENTAL DISTRICTS
NO. 6, NO. 7, NO. 8, NO. 9 AND NO. 10

Sun Prairie, Wisconsin

FINANCIAL STATEMENTS

For the Year Ended December 31, 2011 and
From the Date of Creation Through December 31, 2011

Prepared by:
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CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICTS
NO. 6, NO. 7, NO. 8, NO. 9 AND NO. 10

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CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 6

BALANCE SHEET
December 31, 2011

	Debt Service Fund
ASSETS	
Restricted cash and investments	$ 144,006
Taxes receivable	159,557
Other receivables	13,801
TOTAL ASSETS	$ 317,364
LIABILITIES AND FUND BALANCE	
Liabilities	
Due to other funds	$ 123,558
Deferred revenues	173,358
Total Liabilities	296,916
Fund Balance	
Reserved for debt service	144,006
Undesignated (deficit)	(123,558)
Total Fund Balance	20,448
TOTAL LIABILITIES AND FUND BALANCE	$ 317,364

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 6

HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
PROJECT COSTS		
Project and administration costs	$ 575	$ 1,812,352
Interest and fiscal charges	41,919	1,117,636
Discount and issuance costs on long-term debt	-	72,627
Payment to escrow agent - fees	-	28,668
Total Project Costs	42,494	3,031,283
PROJECT REVENUES		
Tax increments	149,993	1,148,353
Intergovernmental	127	1,362
Investment income	-	68,633
Developer agreement revenues	19,928	390,814
Miscellaneous	-	12,041
Reoffering premium	-	3,236
Transfer from general fund	-	505
Transfer from general debt service fund (Note 6)	-	200,000
Total Project Revenues	170,048	1,824,944
NET COSTS RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ (127,554)	$ 1,206,339

RECONCILIATION OF RECOVERABLE COSTS	
Long-term debt	$ 1,226,787
Less: Fund Balance	(20,448)
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ 1,206,339

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 6

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ 149,993	$ 1,148,353
Intergovernmental	127	1,362
Investment income	-	68,633
Developer agreement revenues	19,928	390,814
Miscellaneous	-	12,041
Reoffering premium	-	3,236
Transfer from general fund	-	505
Transfer from general debt service fund (Note 6)	-	200,000
Proceeds from long-term debt	-	5,394,194
Total Sources of Funds	170,048	7,219,138
USES OF FUNDS		
Project and administration costs	575	1,812,352
Principal on long-term debt	121,875	4,167,407
Interest and fiscal charges	41,919	1,117,636
Discount and issuance costs on long-term debt	-	72,627
Payment to escrow agent - fees	-	28,668
Total Uses of Funds	164,369	7,198,690
Excess of sources of funds over uses of funds	5,679	20,448
BEGINNING FUND BALANCE (DEFICIT)	14,769	-
ENDING FUND BALANCE	$ 20,448	$ 20,448

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 7

BALANCE SHEET
December 31, 2011

	Debt Service Fund
ASSETS	
Cash and investments	$ 632,237
Restricted cash and investments	600,507
Taxes receivable	1,049,443
Note receivable (see Note 9)	45,000
TOTAL ASSETS	$ 2,327,187
LIABILITIES AND FUND BALANCE	
Liabilities	
Deferred revenues	$ 1,094,443
Total Liabilities	1,094,443
Fund Balance	
Reserved for debt service	600,507
Undesignated (deficit)	632,237
Total Fund Balance	1,232,744
TOTAL LIABILITIES AND FUND BALANCE	$ 2,327,187

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 7

HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
PROJECT COSTS		
Project and administration costs	$ 61,165	$ 7,739,074
Interest and fiscal charges	183,730	4,225,108
Discount and issuance costs on long-term debt	-	269,082
Payment to escrow agent - fees	-	120,239
Total Project Costs	244,895	12,353,503
PROJECT REVENUES		
Tax increments	971,287	5,917,652
Intergovernmental	27,469	997,648
Investment income	589	333,280
Miscellaneous	-	895,011
Reoffering premium	-	597,581
Transfer from general fund	-	75
Total Project Revenues	999,345	8,741,247
NET COSTS RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ (754,450)	$ 3,612,256

RECONCILIATION OF RECOVERABLE COSTS	
Long-term debt	$ 4,845,000
Less: Fund Balance	(1,232,744)
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ 3,612,256

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 7

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ 971,287	$ 5,917,652
Intergovernmental	27,469	997,648
Investment income	589	333,280
Miscellaneous	-	895,011
Sale of property	-	597,581
Transfer from general fund	-	75
Proceeds from long-term debt	-	18,007,065
Total Sources of Funds	999,345	26,748,312
USES OF FUNDS		
Project and administration costs	61,165	7,739,074
Principal on long-term debt	510,000	13,162,065
Interest and fiscal charges	183,730	4,225,108
Discount and issuance costs on long-term debt	-	269,082
Payment to escrow agent - fees	-	120,239
Total Uses of Funds	754,895	25,515,568
Excess of sources of funds over uses of funds	244,450	1,232,744
BEGINNING FUND BALANCE (DEFICIT)	988,294	-
ENDING FUND BALANCE	$ 1,232,744	$ 1,232,744

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 8

BALANCE SHEET
December 31, 2011

	Debt Service Fund
ASSETS	
Restricted cash and investments	$ 1,707,890
Taxes receivable	1,403,878
Other receivables	37,147
TOTAL ASSETS	$ 3,148,915
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	$ 259,402
Deferred revenues	1,441,026
Advance from other funds	474,725
Total Liabilities	2,175,153
Fund Balance	
Reserved for debt service	1,707,890
Undesignated (deficit)	(734,128)
Total Fund Balance	973,762
TOTAL LIABILITIES AND FUND BALANCE	$ 3,148,915

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 8

HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
PROJECT COSTS		
Project and administration costs	$ 307,714	$ 18,205,264
Interest and fiscal charges	708,533	5,271,240
Discount and issuance costs on long-term debt	-	233,922
Total Project Costs	1,016,247	23,710,426
PROJECT REVENUES		
Tax increments	1,424,667	6,082,553
Intergovernmental	10,662	859,072
Investment income	-	315,132
Developer agreement revenues	-	132,272
Miscellaneous	14,998	208,577
Sale of property	20,000	328,882
Transfer from general fund	-	71,631
Premium on long-term debt	-	1,069
Total Project Revenues	1,470,327	7,999,188
NET COSTS RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ (454,080)	$ 15,711,238
RECONCILIATION OF RECOVERABLE COSTS		
Long-term debt		$ 16,685,000
Less: Fund Balance		(973,762)
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2011		$ 15,711,238

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 8

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ 1,424,667	$ 6,082,553
Intergovernmental	10,662	859,072
Investment income	-	315,132
Developer agreement revenues	-	132,272
Miscellaneous	14,998	208,577
Sale of property	20,000	328,882
Transfer from general fund	-	71,631
Proceeds from long-term debt	-	7,816,725
Premium on long-term debt	-	1,069
Proceeds from capital lease	-	17,330,000
Total Sources of Funds	1,470,327	33,145,913
USES OF FUNDS		
Project and administration costs	307,714	18,205,264
Principal on long-term debt	645,000	8,461,725
Interest and fiscal charges	708,533	5,271,240
Discount and issuance costs on long-term debt	-	233,922
Total Uses of Funds	1,661,247	32,172,151
Excess of sources of funds over uses of funds	(190,920)	973,762
BEGINNING FUND BALANCE (DEFICIT)	1,164,682	-
ENDING FUND BALANCE	$ 973,762	$ 973,762

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 9

BALANCE SHEET
December 31, 2011

	Debt Service Fund
ASSETS	
Cash and investments	$ -
Taxes receivable	-
TOTAL ASSETS	$ -
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	$ 288
Advance from other funds	363,151
Total Liabilities	363,439
Fund Balance	
Undesignated (deficit)	(363,439)
Total Fund Balance	(363,439)
TOTAL LIABILITIES AND FUND BALANCE	$ -

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 9

HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
PROJECT COSTS		
Project and administration costs	$ 758	$ 8,597,642
Interest and fiscal charges	201,025	1,194,119
Discount and issuance costs on long-term debt	-	99,296
Total Project Costs	201,783	9,891,057
PROJECT REVENUES		
Tax increments	-	4,211
Intergovernmental	1,211	5,242
Investment income	-	58,696
Miscellaneous	-	32,103
Sale of property	-	4,221,054
Premium on long-term debt	-	6,312
Total Project Revenues	1,211	4,327,618
NET COSTS RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ 200,572	$ 5,563,439
RECONCILIATION OF RECOVERABLE COSTS		
Long-term debt		$ 5,200,000
Less: Fund Balance		363,439
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2011		$ 5,563,439

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 9

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ -	$ 4,211
Intergovernmental	1,211	5,242
Investment income	-	58,696
Miscellaneous	-	32,103
Sale of property	-	4,221,054
Proceeds from long-term debt	-	12,900,000
Premium on long-term debt	-	6,312
Total Sources of Funds	1,211	17,227,618
USES OF FUNDS		
Project and administration costs	758	8,597,642
Principal on long-term debt	-	7,700,000
Interest and fiscal charges	201,025	1,194,119
Discount and issuance costs on long-term debt	-	99,296
Total Uses of Funds	201,783	17,591,057
Excess of sources of funds over uses of funds	(200,572)	(363,439)
BEGINNING FUND BALANCE (DEFICIT)	(162,867)	-
ENDING FUND BALANCE	$ (363,439)	$ (363,439)

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 10

BALANCE SHEET
December 31, 2011

	Debt Service Fund
ASSETS	
Cash and investments	$ -
Taxes receivable	-
TOTAL ASSETS	$ -
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	$ -
Deferred revenues	-
Advance from other funds	9,073
Total Liabilities	9,073
Fund Balance	
Undesignated (deficit)	(9,073)
Total Fund Balance	(9,073)
TOTAL LIABILITIES AND FUND BALANCE	$ -

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 10

HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
PROJECT COSTS		
Project and administration costs	$ 470	$ 12,295
Total Project Costs	470	12,295
PROJECT REVENUES		
Tax increments	-	-
Intergovernmental	1,613	3,222
Miscellaneous	-	-
Total Project Revenues	1,613	3,222
NET COSTS RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS - DECEMBER 31, 2011	$ (1,143)	$ 9,073
RECONCILIATION OF RECOVERABLE COSTS		
Long-term debt		$ -
Less: Fund Balance		9,073
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2011		$ 9,073

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICT NO. 10

HISTORICAL SUMMARY OF SOURCES, USES AND STATUS OF FUNDS
For the Year Ended Decmber 31, 2011
and From Date of Creation Through December 31, 2011

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ -	$ -
Intergovernmental	1,613	3,222
Miscellaneous	-	-
Total Sources of Funds	1,613	3,222
USES OF FUNDS		
Project and administration costs	470	12,295
Total Uses of Funds	470	12,295
Excess of sources of funds over uses of funds	1,143	(9,073)
BEGINNING FUND BALANCE (DEFICIT)	(10,216)	-
ENDING FUND BALANCE	$ (9,073)	$ (9,073)

See accompanying notes to financial statements.

CITY OF SUN PRAIRIE
TAX INCREMENTAL DISTRICTS
NO. 6, NO. 7, NO. 8, NO. 9 AND NO. 10

NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Sun Prairie's Tax Incremental Districts (TID) No. 6, No. 7, No. 8, No. 9 and No. 10 conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The City of Sun Prairie uses the criteria set forth by the Governmental Accounting Standards Board to determine the scope of the reporting entity of the Tax Incremental Districts. The accompanying financial statements reflect all the significant operations of the City of Sun Prairie's Tax Incremental Districts.

A. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE

This report contains the financial information of the City of Sun Prairie TID's. The summary statements were prepared from data recorded in the following funds, the city's long-term debt, and the component unit:

Tax Incremental District No. 6 – Debt Service Fund
Tax Incremental District No. 7 – Debt Service Fund
Tax Incremental District No. 8 – Capital Projects Fund
Tax Incremental District No. 9 – Capital Projects Fund
Tax Incremental District No. 10 – Capital Projects Fund

Detailed descriptions of the purpose of these funds can be found in the City of Sun Prairie's basic financial statements.

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

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 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 districts to collect tax increments until the net project cost has been fully recovered, or a statutorily determined date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City of Sun Prairie. Project costs may be incurred up to five years before the unextended termination date of the district.

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

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

	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 6	April 15, 1997	April 15, 2015	2020
TID No. 7	May 19, 1998	May 19, 2017	2022
TID No. 8	December 27, 2001	December 27, 2024	2029
TID No. 9	March 28, 2007	March 28, 2022	2027
TID No. 10	October 8, 2007	October 8, 2031	2036

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 expenditures are 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.

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.

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 deferred revenue or a reservation of 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.

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

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 "Other Financing Sources" 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.

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. There were no significant claims or judgments at year end.

NOTE 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 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 Sun Prairie as an individual municipality, and, accordingly, the amount of insured funds is not determinable for the districts.

NOTE 3 – LONG-TERM DEBT

All general obligation notes and bonds payable are backed by the full faith and credit of the City of Sun Prairie. Notes, bonds and capital leases issued to finance the districts' expenditures will be retired by tax increments accumulated by the debt service and capital project funds. If those revenues are not sufficient, payments will be made by future tax levies.

	Borrowed	Repaid	Balance 12-31-10
TID NO. 6			
1997 general obligation bonds dated April 1, 1997 with interest from 4.0% to 5.5%. Original maturity was February 1, 2017. These bonds were paid off during 2009. The TID No. 6 share of the total original proceeds of $4,225,000 was $345,259. During 2005 a portion of the 1997 refunding bonds were refunded. TID No. 6 share of the $2,185,000 refunding was $162,475.	$ 345,259	$ 345,259	$ -
1998 taxable notes dated June 30, 1998 with interest from 5.83% to 6.16%. Final maturity was June 1, 2008. TID No. 6 share of original proceeds of $2,745,000 was $514,663.	514,663	514,663	-
1999 bond anticipation notes dated November 2, 1999 with interest at 4.58%. Final maturity was November 2, 2000. TID No. 6 share of original proceeds of $2,995,000 was $893,246.	893,246	893,246	-
2000 bond anticipation notes dated November 2, 2000 with interest at 4.89%. Final maturity was May 2, 2001. TID No. 6 share of original proceeds of $3,135,000 was $934,995.	934,995	934,995	-
2000 capital lease dated December 15, 2000. Final maturity was February 1, 2011. During 2009 a portion of the 2000 capital lease was refunded. TID No. 6 share of the $6,300,000 refunding was $1,205,000.	1,330,000	1,330,000	-
2005 refunding bonds dated August 1, 2005 with interest from 3.50% to 4.25%. Final maturity is February 1, 2018. The TID No. 6 share of the total original proceeds of $5,875,000 was $171,031. The interest savings due to the refunding exceeded the additional principal needed for debt issuance costs.	171,031	49,244	121,787
2009 refunding lease revenue bonds dated August 4, 2009 with interest from 1.20% to 4.50%. Final maturity is February 1, 2020. The TID No. 6 share of the total original proceeds of $6,300,000 was $1,205,000.	1,205,000	100,000	1,105,000
Totals	$ 5,394,194	$ 4,167,407	$ 1,226,787

NOTE 3 – LONG-TERM DEBT (cont.)

	Borrowed	Repaid	Balance 12-31-10
TID NO. 7			
1998 taxable notes dated June 30, 1998 with interest from 5.83% to 6.16%. Final maturity was June 1, 2008. TID No. 7 share of original proceeds of $2,745,000 was $1,275,306.	$ 1,275,306	$ 1,275,306	$ -
1999 bond anticipation notes dated November 2, 1999 with interest at 4.58%. Final maturity was November 2, 2000. TID No. 7 share of original proceeds of $2,995,000 was $2,101,754.	2,101,754	2,101,754	-
2000 bond anticipation notes dated November 2, 2000 with interest at 4.89%. Final maturity was May 2, 2001. TID No. 7 share of original proceeds of $3,135,000 was $2,200,005.	2,200,005	2,200,005	-
2000 capital lease is dated December 15, 2000. Original maturity was February 1, 2020. During 2010, the remaining portion of the capital lease was refunded. TID No. 7 share of the $6,300,000 refunding was $5,095,000.	4,800,000	4,800,000	-
2000 capital lease is dated December 15, 2000. Final maturity is February 1, 2011.	1,535,000	1,535,000	-
2000 bond anticipation notes dated November 2, 2000 with interest at 7.1%.	1,000,000	1,000,000	-
2009 refunding lease revenue bonds dated August 4, 2009 with interest from 1.20% to 4.50%. Final maturity is February 1, 2022. The TID No. 7 share of the total original proceeds of $6,300,000 was $5,095,000.	5,095,000	250,000	4,845,000
Totals	$ 18,007,065	$ 13,162,065	$ 4,845,000
TID NO. 8			
2001 bond anticipation note dated December 28, 2001. This note was paid off.	$ 263,700	$ 263,700	$ -
2001 promissory note dated December 28, 2001. This note was paid off.	1,418,025	1,418,025	-
2002 bond anticipation notes dated June 24, 2002. Final maturity was August 1, 2005.	4,755,000	4,755,000	-
2003 capital lease dated December 22, 2003. Final maturity is August 1, 2023.	2,500,000	510,000	1,990,000

NOTE 3 – LONG-TERM DEBT (cont.)

	Borrowed	Repaid	Balance 12-31-10
TID NO. 8 (cont.)			
2005 capital lease dated March 23, 2005. Final maturity is August 1, 2024.	$ 10,965,000	$ 1,200,000	$ 9,765,000
2006 capital lease dated Mach 28, 2006. Final maturity is August 1, 2025.	3,865,000	270,000	3,595,000
2008 general obligation bonds dated November 6, 2008 with interest from 4.00% to 4.125%. Final maturity is October 1, 2018. The TID No. 8 share of the total original proceeds of $5,500,000 was $505,000.	505,000	45,000	460,000
2009 general obligation bonds dated July 15, 2009 with interest from 2.0% to 4.25%. Final maturity is April 1, 2024. The TID No. 8 share of the total original proceeds of $8,735,000 was $875,000.	875,000	-	875,000
Totals	$ 25,146,725	$ 8,461,725	$ 16,685,000
TID NO. 9			
2007 general obligation corporate purpose bonds dated October 2, 2007 with interest from 3.75% to 3.90%. Final maturity is April 1, 2022. TID No. 9's share of original proceeds of $4,165,000 was $1,000,000.	$ 1,000,000	$ -	$ 1,000,000
2007 taxable note anticipation note dated March 27, 2007 with interest rate of 5.375%. Final maturity was April 1, 2010.	7,700,000	7,700,000	-
2009 taxable general obligation note dated March 24, 2009 with interest rate of 3.875%. Final maturity is April 1, 2015, when the entire balance is due.	4,200,000	-	4,200,000
Totals	$ 12,900,000	$ 7,700,000	$ 5,200,000

NOTE 3 – LONG-TERM DEBT (cont.)

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

Calendar	TID No. 6			TID No. 7		
Year	Principal	Interest	Totals	Principal	Interest	Total
2012	$ 126,445	$ 39,358	$ 165,803	$ 375,000	$ 165,010	$ 540,010
2013	130,525	36,363	166,888	400,000	157,235	557,235
2014	130,531	32,902	163,433	420,000	147,375	567,375
2015	140,522	28,851	169,373	415,000	135,690	550,690
2016	139,843	24,264	164,107	415,000	122,618	537,618
2017	143,921	19,258	163,179	445,000	107,760	552,760
2018	130,000	14,160	144,160	475,000	90,725	565,725
2019	140,000	8,890	148,890	475,000	72,200	547,200
2020	145,000	3,045	148,045	475,000	52,725	527,725
2021	-	-	-	475,000	32,063	507,063
2022	-	-	-	475,000	10,688	485,688
Totals	$ 1,226,787	$ 207,091	$ 1,433,878	$ 4,845,000	$ 1,094,089	$ 5,939,089

Calendar	TID No. 8			TID No. 9		
Year	Principal	Interest	Totals	Principal	Interest	Totals
2012	$ 705,000	$ 686,633	$ 1,391,633	$ -	$ 201,025	$ 201,025
2013	805,000	660,848	1,465,848	-	201,025	201,025
2014	900,000	630,841	1,530,841	-	201,025	201,025
2015	970,000	596,929	1,566,929	4,200,000	119,650	4,319,650
2016	1,055,000	559,561	1,614,561	50,000	37,338	87,338
2017	1,140,000	517,911	1,657,911	50,000	35,463	85,463
2018	1,205,000	471,495	1,676,495	100,000	32,650	132,650
2019	1,355,000	421,179	1,776,179	150,000	27,963	177,963
2020	1,470,000	364,849	1,834,849	175,000	21,781	196,781
2021	1,590,000	302,572	1,892,572	225,000	14,081	239,081
2022	1,705,000	234,697	1,939,697	250,000	4,875	254,875
2023	1,770,000	161,169	1,931,169	-	-	-
2024	1,575,000	83,700	1,658,700	-	-	-
2025	440,000	18,700	458,700	-	-	-
Totals	$16,685,000	$ 5,711,084	$22,396,084	$ 5,200,000	$ 896,876	$ 6,096,876

NOTE 4 – RESTRICTED CASH AND INVESTMENTS

The following account balances are held by TID No. 6, No. 7, and No. 8 from the proceeds of CDA lease revenue bonds.

	TID No. 6	TID No. 7	TID No. 8
Reserve fund account	$ 144,006	$ 600,507	$ 1,707,890
Total	$ 144,006	$ 600,507	$ 1,707,890

NOTE 5 – ADVANCES FROM OTHER FUNDS

The general fund advanced funds to TIF District Nos. 6, 8, 9 and 10. No repayment schedules have been determined for the advances. The advance balances at year end are as follows:

Receivable Fund	Payable Fund	Amount
General	TIF No. 8	$ 474,725
General	TIF No. 9	363,151
General	TIF No. 10	9,073

The city will charge interest on the advances when it adopts a repayment schedule. In addition, the TIF District No. 6 owed the general fund as follows as of December 31, 2011:

Receivable Fund	Payable Fund	Amount
General	TIF No. 6	$ 123,558

It is anticipated that TIF No. 6 will be able to reimburse the General Fund for the full amount due during 2012; therefore, it will not be necessary to establish a repayment schedule.

NOTE 6 – TRANSFERS

In 2001, the city's general debt service fund transferred $200,000 to TID No. 6 for the city's share of a TID No. 6 project.

In 2003, the city's general fund transferred funds to No. 6 and No. 7 to fund the amount of city engineering costs charged to TIF projects.

NOTE 7 – OPTION AGREEMENTS

In 1998 and 2000, the city entered into agreements with the Sun Prairie Industrial Development Corporation (SPIDC), which provides the SPIDC with the first option to purchase any or all developable land in TID No. 7. The agreements stipulate that the SPIDC must exercise this option as to a sufficient number of acres to insure that the cumulative purchase prices paid to the city at any point in time equal or exceed all payments of principal and interest due from the bonds issued to fund the purchase of the property. In the event proceeds from sales are insufficient, the SPIDC shall provide a letter of credit equal to the shortfall.

In December 2000, the city entered into an agreement with a developer which provides the city with a repurchase option for developable land in TID No. 6. This agreement stipulates that as part of closing, purchasers of land in TID No. 6 grant the developer and the city the right to repurchase the parcel at the original sale price.

NOTE 8 – DEVELOPER AGREEMENTS

TID NO. 6

The City of Sun Prairie entered into a developer agreement with Knaus Development (developer). In the event the developer fails to complete or cause to be completed the agreed upon improvements within the established time period, the developer is required to pay the city liquidated damages. The liquated damages would be equal to the current mill rate percent times the total construction cost of the improvements which were not constructed in a timely manner, as determined in accordance with a reputable and standard construction cost index used by reputable professional commercial real estate appraisers in the Sun Prairie market, plus a cost per foot for each lot or parcel of land within TIF No. 6 on which developer has failed to timely construct or cause to be constructed the improvements. The effect of the calculation of liquidated damages is to reimburse the city for the difference between the TIF No. 6 tax increment amount that was anticipated based on the approved construction timeline and the actual amount that was certified.

The sum calculated will be paid by the developer to the city on an annual basis, until the developer has cured all defaults of the agreement. In the event that the developer fails to make the required payments by the due date, the developer shall be obligated to pay to the city, in addition to the required sums, interest from the due date to the date such sums are paid at the rate of 15% per annum, in addition to the costs of collection including attorney fees, to which the city is entitled under this developer agreement to enforce such obligation.

During 2011, $19,964 was collected from the developer. Total payments imposed and collected as of December 31, 2011 were $390,814.

NOTE 8 – DEVELOPER AGREEMENTS (cont.)

TID NO. 8

The City of Sun Prairie entered into a development agreement with Great Neighborhoods East, LLC (subdivider). In the event the subdivider did not construct the agreed upon building improvements within the established time period, the subdivider agreed to make, for any year between 2005 through 2008, a payment to the city, (a "shortfall payment(s)") equal to the difference in the actual substantiated construction costs and the required minimum cumulative construction cost times a rate of $23.47 per $1,000 of construction cost shortfall. If, for any year between 2005 through 2008, the actual construction costs for improvements within TIF No. 8 exceeded the minimum costs for the period in question, the excess value of such excess costs (computed at the same $23.47 per $1,000.00 of construction cost) were tracked and paid to the subdivider and applied as a retroactive credit against shortfall payments already made by the subdivider or credited against future payments otherwise required by the subdivider. The agreement covered construction guarantees through 2008. They have exceeded their minimum construction values and no additional payments are due. Cumulative shortfall payments imposed and collected as of December 31, 2011 were $132,272.

The City of Sun Prairie has entered into similar developer agreements with Macope, LLC, 3MG Investments, LLC, and Paul Nooyen for Phase II, Lighthouse Acquisition Group LLC for Phase III and GenCap, LLC for Phase IV of TID No. 8 redevelopment. As of December 31, 2011, no shortfall payments have been collected related to these developer agreements.

NOTE 9 – NOTE RECEIVABLE

On August 25, 2011, the Sun Prairie Improvement Council, Ltd. (SPIC) issued the City of Sun Prairie a promissory note in the amount of $45,000 for value received from TID No. 7. The City provided the SPIC with $45,000 to assist with operating costs associated with maintaining two lots in TID No. 7 that are being marketed for sale. The SPIC will pay the promissory note in full upon sale of either of the two lots specified in the mortgage securing the note.