

City of Sun Prairie Tax Incremental District No. 8

Financial Statements and
Supplementary Information

December 31, 2024

City of Sun Prairie Tax Incremental District No. 8

Table of Contents
December 31, 2024

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Tax Incremental District No. 8 - Balance Sheet	4
Tax Incremental District No. 8 - Historical Summary of Project Costs, Project Revenues and Net Cost to Be Recovered Through Tax Increments	5
Tax Incremental District No. 8 - Historical Summary of Sources, Uses and Status of Funds	6
Notes to Financial Statements	7
Supplementary Information	
Tax Incremental District No. 8 - Detailed Schedule of Sources, Uses and Status of Funds	13
Independent Auditors' Report on Other Legal and Regulatory Requirements	16

Independent Auditors' Report

To the City Council of
City of Sun Prairie

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Balance Sheet, 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 Sun Prairie's Tax Incremental District No. 8 (District) as of December 31, 2024 and from the date of creation through December 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of District and the net project costs to be recovered through tax increments as of December 31, 2024 and the sources, uses and status of funds from the date of creation through December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the transactions of the District and do not purport to, and do not, present fairly the financial position of the City of Sun Prairie, Wisconsin, as of December 31, 2024, 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.

Responsibilities of Management for the Financial Statements

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 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' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

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 District'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 December 12, 2025 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
December 12, 2025

City of Sun Prairie Tax Incremental District No. 8

Balance Sheet
December 31, 2024

	Capital Projects Fund
Assets	
Cash and investments	\$ 137,932
Taxes receivable	2,263,405
Accounts receivable	525
Due from the City's General Fund	586,335
Total assets	<u><u>\$ 2,988,197</u></u>
Deferred Inflows of Resources and Fund Balance	
Deferred Inflows of Resources	
Unearned revenue	\$ 2,263,405
Unavailable revenue	526
Total deferred inflows of resources	<u>2,263,931</u>
Fund Balance	
Restricted	<u>724,266</u>
Total fund balance	<u>724,266</u>
Total deferred inflows of resources and fund balance	<u><u>\$ 2,988,197</u></u>

See 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

From the Date of Creation Through December 31, 2024

Project Costs

Capital expenditures	\$ 17,490,441
Administration (in-house)	69,973
Professional services - planning, engineering, other	2,738,629
Developer grants	4,350,762
Interest and fiscal charges on long-term debt	9,622,470
Debt issuance costs	527,489
Total project costs	34,799,764

Project Revenues

Tax increments	30,949,688
Exempt computer and personal property aid	381,640
Intergovernmental	1,314,077
Transfer from the City general fund	101,631
Investment income	371,138
Sale of property	328,882
Developer guarantees	132,272
Miscellaneous revenues	538,368
Long-term debt premium	93,972
Total project revenues	34,211,668

Net cost to be recovered through tax increments, December 31, 2024	
	\$ 588,096

Reconciliation of Recoverable Costs

Financed purchase and G.O. debt outstanding	\$ 1,312,362
Less fund balance	(724,266)
Net cost to be recovered through tax increments, December 31, 2024	
	\$ 588,096

City of Sun Prairie Tax Incremental District No. 8

Historical Summary of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2024

Sources of Funds

Tax increments	\$ 30,949,688
Exempt computer and personal property aid	381,640
Intergovernmental	1,314,077
Transfer from the City general fund	101,631
Investment income	371,138
Sale of property	328,882
Developer guarantees	132,272
Miscellaneous revenues	538,368
Long-term debt premium	93,972
Proceeds from financed purchase	28,566,410
Long-term debt issued	<u>11,381,725</u>
Total sources of funds	<u>74,159,803</u>

Uses of Funds

Capital expenditures	17,490,441
Administration (in-house)	69,973
Professional services - planning, engineering, other	2,738,629
Developer grants	4,350,762
Interest and fiscal charges on long-term debt	9,622,470
Debt issuance costs	527,489
Principal on long-term debt	<u>38,635,773</u>
Total uses of funds	<u>73,435,537</u>

Fund Balance, December 31, 2024

\$ 724,266

City of Sun Prairie Tax Incremental District No. 8

Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies

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

The City of Sun Prairie (the City) 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 the District. The accompanying financial statements reflect all the significant operations of the District. The accompanying financial statements do not include the full presentation of the City.

Description of Fund Structure and Long-Term Debt

This report contains the financial information of the District. The summary statements were prepared from data recorded in the following funds and the City's long-term debt:

Tax Incremental District No. 8 - Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the City'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 District 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. 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. 8	January 1, 2002	December 27, 2023	2029

Plan Amendment

	<u>Adoption Date</u>	<u>Last Date to Incur Project Costs</u>
TID No. 8 - Amendment 1	August 18, 2004	December 27, 2023

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.

City of Sun Prairie Tax Incremental District No. 8

Notes to Financial Statements

December 31, 2024

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.

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.

City of Sun Prairie Tax Incremental District No. 8

Notes to Financial Statements

December 31, 2024

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, maintains 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 as an individual municipality and, accordingly, the amount of insured funds is not determinable for the District.

3. Long-Term Debt

General Obligation and Financed Purchase Debt

All long-term debt payable is backed by the full faith and credit of the City. Long-term debt borrowed to finance the District's 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.

	<u>Borrowed</u>	<u>Repaid</u>	<u>Balance December 31, 2024</u>
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 financed purchase dated December 22, 2003. Final maturity is August 1, 2023.	2,500,000	2,500,000	-
2005 financed purchase dated March 23, 2005. Final maturity was August 1, 2015.	10,965,000	10,965,000	-
2006 financed purchase dated March 28, 2006. Final maturity was August 1, 2016.	3,865,000	3,865,000	-
2008 general obligation bonds dated November 6, 2008 with interest from 4.00% to 4.125%. Final maturity was October 1, 2018. The District share of the total original proceeds of \$5,500,000 was \$505,000.	505,000	505,000	-

City of Sun Prairie Tax Incremental District No. 8

Notes to Financial Statements

December 31, 2024

	Borrowed	Repaid	Balance December 31, 2024
2009 general obligation bonds dated July 15, 2009 with interest from 2.0% to 4.25%. Final maturity is April 1, 2024. The District share of the total original proceeds of \$8,735,000 was \$875,000.	\$ 875,000	\$ 875,000	\$ -
2013 general obligation bonds dated July 2, 2013 with interest from 1.5% to 2.0%. Final maturity was February 1, 2023. The District share of the total original proceeds of \$8,945,000 was \$265,000.	265,000	265,000	-
2014 financed purchase dated June 24, 2014. Final maturity is August 1, 2024.	11,236,410	11,236,410	-
2016 general obligation bonds dated October 26, 2016 with interest from 2.0% to 3.0%. Final maturity is April 1, 2026. The District share of the total original proceeds of \$11,285,000 was \$1,375,000.	1,375,000	1,255,000	120,000
2019 State Trust Fund Loan dated December 20, 2019 with interest of 3.25%. Final maturity is March 15, 2029.	650,000	263,088	386,912
2020 State Trust Fund Loan dated December 22, 2020 with interest of 3.00%. Final maturity is March 15, 2030.	1,150,000	344,550	805,450
2023A general obligation promissory note dated August 10, 2023 with interest from 4.0% to 5.0%. Final maturity is April 1, 2024. The District share of the total original proceeds of \$11,030,000 was \$125,000.	125,000	125,000	-
Total	<u>\$ 39,948,135</u>	<u>\$ 38,635,773</u>	<u>\$ 1,312,362</u>

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

Calendar Year	Principal	Interest	Total
2025	\$ 257,042	\$ 38,838	\$ 295,880
2026	263,135	31,246	294,381
2027	209,416	24,364	233,780
2028	215,843	17,938	233,781
2029	222,567	11,214	233,781
2030	144,359	4,331	148,690
Total	<u>\$ 1,312,362</u>	<u>\$ 127,931</u>	<u>\$ 1,440,293</u>

City of Sun Prairie Tax Incremental District No. 8

Notes to Financial Statements
December 31, 2024

4. Transfers

In 2003, the City's general fund transferred funds to the District to fund the amount of City engineering costs charged to TID projects.

In 2004, the City's general fund transferred \$44,993 to the District for the City's share of a TID project.

In 2019, the City's general fund transferred \$30,000 to the District for the City's share of a TID project.

5. Developer Agreements

The City entered into a development agreement with Great Neighborhoods East, LLC (subdivider). In the event the subdivider does not construct the agreed upon building improvements within the established time period, the subdivider agrees 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 the District exceeds the minimum costs for the period in question, the excess value of such excess costs (computed at the same \$23.47 per \$1,000 of construction cost) will be tracked and shall be paid to 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, 2024 were \$132,272. As of December 31, 2024, the cumulative payments made to the developer were \$1,393,600.

The City entered into a developer agreement with GenCap, LLC for Phase IV of the District redevelopment. In addition to the potential shortfall payments due, the City agreed to pay the developer an economic incentive payment should the developer construct agreed upon building improvements on a specific lot by December 31, 2011. During 2012, the City paid the developer for the economic incentive related to the improvements; however, the payment was offset by shortfall payments due from 2010 and 2011. As of December 31, 2024, the cumulative net payments made to the developer were \$475,000.

The City entered into a development agreement with Lighthouse Acquisition Group, LLC for Phase III of the District redevelopment. In the event that the developer does not construct the agreed upon building improvements within the established time period, the developer agrees to make, for any year between 2015 through 2025, a payment to the City (shortfall payment) equal to the difference in the actual substantiated construction costs and the required minimum cumulative construction costs times a rate of \$22.50 per \$1,000 of construction cost shortfall. If the assessed value of the property exceeds a minimum value defined in the development agreement for the tax collection years between 2013 through 2024, the City agrees to provide the developer with an economic incentive payment equal to the property taxes paid on the value in excess of the minimum value defined in the agreement. As of December 31, 2024, no shortfall payments have been assessed. As of December 31, 2024, the cumulative payments made to the developer were \$1,980,575.

The City entered into a developer agreement with 132 Market Street, Co. for assistance related to environmental remediation within the District. The developer agreed to guarantee an increased minimum assessed valuation on the property for the tax years 2019 through 2029 or until the closure of the District, if sooner. The City agreed to reimburse the developer for environmental assessment and remediation up to \$159,500. An amendment to the original developer agreement allowed for an additional remediation reimbursement from the City in an amount not to exceed \$65,789. Upon completion of all defined performance deadlines, the City agreed to provide an additional one-time development incentive of \$50,000, which was paid in 2019. As of December 31, 2024, the cumulative payments made to the developer were \$272,059.

City of Sun Prairie Tax Incremental District No. 8

Notes to Financial Statements
December 31, 2024

The City entered into a developer agreement with Macope, LLC for Phase II of the District redevelopment. Upon completion of the buildings outlined in the agreement, the City is to pay incentive payments of up to \$200,000. As of December 31, 2024, the cumulative payments made to the developer were \$120,000.

The City entered into a developer agreement with 3MG Investments, LLC for District redevelopment. Upon certain conditions, the City is to pay incentive payments of 5% of construction costs. As of December 31, 2024, the cumulative payments made to the developer were \$77,528.

The City entered into a developer agreement with Paul S Nooyen for District redevelopment. Upon certain conditions, the City is to pay incentive payments of up to \$64,000. As of December 31, 2024, the cumulative payments made to the developer were \$32,000.

6. Subsequent Events

On February 18, 2025, the City approved resolutions to utilize Wisconsin's one-year affordable housing extension and delayed the closure of the District by 12 months.

On September 2, 2025, the City approved the resolution to terminate the District.

City of Sun Prairie Tax Incremental District No. 8

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2024

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Sources of Funds									
Tax increments	\$ -	\$ -	\$ -	\$ 7,790	\$ 91,408	\$ 466,763	\$ 620,742	\$ 952,846	\$ 1,242,639
Exempt computer and personal property aid	-	-	-	4,414	4,792	5,125	19,740	2,832	3,191
Intergovernmental	-	-	380,000	400,000	17,500	-	-	-	10,615
Transfer from the City general fund	-	-	26,638	44,993	-	-	-	-	-
Investment income	-	27,746	18,268	5,867	19,348	107,112	114,764	22,008	-
Sale of property	-	-	-	-	199,390	99,488	4	10,000	-
Developer guarantees	-	-	-	-	65,991	66,281	-	-	-
Miscellaneous revenues	-	53,015	21,549	12,725	34,509	20,000	5,204	14,678	13,076
Long-term debt premium	-	-	-	-	-	-	-	1,069	-
Proceeds from financed purchase	-	-	2,500,000	-	10,965,000	3,865,000	-	-	-
Long-term debt issued	1,681,725	4,755,000	-	-	-	-	-	505,000	875,000
Total sources of funds	1,681,725	4,835,761	2,946,455	475,789	11,397,938	4,629,769	760,454	1,508,433	2,144,521
Uses of Funds									
Capital expenditures	1,748,597	1,563,369	2,283,484	1,389,039	4,686,944	1,672,185	505,686	353,770	365,761
Administration (in-house)	-	-	-	-	-	-	-	-	-
Professional services - planning, engineering, other	6,405	58,050	52,293	190,944	140,348	68,869	222,844	432,427	109,133
Developer grants	-	-	-	750,000	60,000	560,000	105,164	120,906	377,058
Interest and fiscal charges on long-term debt	-	35,780	222,858	306,345	581,801	589,549	693,949	692,899	704,426
Debt issuance costs	-	13,867	84,165	-	-	111,796	-	9,114	14,980
Principal on long-term debt	-	1,681,725	-	-	4,755,000	-	50,000	260,000	480,000
Total uses of funds	1,755,002	3,352,791	2,642,800	2,636,328	10,224,093	3,002,399	1,577,643	1,869,116	2,051,358
Fund Balance, December 31, 2024									

City of Sun Prairie Tax Incremental District No. 8

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2024

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sources of Funds									
Tax increments	\$ 1,275,698	\$ 1,424,667	\$ 1,402,460	\$ 1,415,688	\$ 1,730,725	\$ 1,649,714	\$ 1,655,417	\$ 1,757,962	\$ 1,877,463
Exempt computer and personal property aid	4,615	10,662	15,717	22,354	19,373	23,253	26,956	23,390	23,734
Intergovernmental	-	-	174,452	9,182	-	-	66,144	9,884	-
Transfer from the City general fund	-	-	-	-	-	-	-	-	-
Investment income	19	-	-	-	-	-	-	16	1,431
Sale of property	-	20,000	-	-	-	-	-	-	-
Developer guarantees	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	14,410	14,998	15,651	18,857	17,926	15,628	20,315	31,227	16,855
Long-term debt premium	-	-	-	6,458	-	-	85,041	-	-
Proceeds from financed purchase	-	-	-	-	11,236,410	-	-	-	-
Long-term debt issued	-	-	-	265,000	-	-	1,375,000	-	-
Total sources of funds	1,294,742	1,470,327	1,608,280	1,737,539	13,004,434	1,688,595	3,228,873	1,822,479	1,919,483
Uses of Funds									
Capital expenditures	51,098	6,113	5,655	11,550	35,466	-	600,209	-	-
Administration (in-house)	-	-	-	-	-	2,912	14,095	8,629	9,547
Professional services - planning, engineering, other	23,176	157,231	615,776	19,023	24,817	20,797	25,939	51,797	37,915
Developer grants	-	125,000	-	-	113,082	112,735	111,955	133,739	385,725
Interest and fiscal charges on long-term debt	735,101	708,533	686,633	662,169	1,148,883	295,994	297,689	231,671	208,566
Debt issuance costs	-	-	-	21,720	270,037	-	-	-	-
Principal on long-term debt	590,000	645,000	705,000	1,055,000	13,055,000	1,250,000	2,225,000	1,455,000	1,480,000
Total uses of funds	1,399,375	1,641,877	2,013,064	1,769,462	14,647,285	1,682,438	3,274,887	1,880,836	2,121,753
Fund Balance, December 31, 2024									

City of Sun Prairie Tax Incremental District No. 8

Detailed Schedule of Sources, Uses and Status of Funds
From the Date of Creation Through December 31, 2024

	2019	2020	2021	2022	2023	2024	Total	Project Plan Estimate
Sources of Funds								
Tax increments	\$ 1,978,116	\$ 2,224,512	\$ 2,077,457	\$ 2,487,847	\$ 2,173,153	\$ 2,436,621	\$ 30,949,688	\$ 38,864,964
Exempt computer and personal property aid	34,299	28,582	22,865	28,582	28,582	28,582	381,640	-
Intergovernmental	40,000	-	-	-	-	206,300	1,314,077	780,000
Transfer from the City general fund	30,000	-	-	-	-	-	101,631	26,638
Investment income	950	3,219	762	963	19,300	29,365	371,138	46,014
Sale of property	-	-	-	-	-	-	328,882	-
Developer guarantees	-	-	-	-	-	-	132,272	-
Miscellaneous revenues	21,765	25,365	25,580	23,431	100,069	1,535	538,368	74,563
Long-term debt premium	-	-	-	-	1,404	-	93,972	-
Proceeds from financed purchase	-	-	-	-	-	-	28,566,410	18,170,402
Long-term debt issued	650,000	1,150,000	-	-	125,000	-	11,381,725	6,486,725
Total sources of funds	2,755,130	3,431,678	2,126,664	2,540,823	2,447,508	2,702,403	74,159,803	64,449,306
Uses of Funds								
Capital expenditures	584,427	1,027,029	43,325	4,349	40,704	511,681	17,490,441	17,078,232
Administration (in-house)	9,257	533	-	-	25,000	-	69,973	-
Professional services - planning, engineering, other	130,027	66,579	64,629	34,212	96,495	88,903	2,738,629	1,092,170
Developer grants	222,078	187,250	253,352	250,684	254,608	227,426	4,350,762	-
Interest and fiscal charges on long-term debt	172,290	174,893	151,938	176,404	92,278	51,821	9,622,470	19,373,266
Debt issuance costs	-	-	-	-	1,810	-	527,489	98,032
Principal on long-term debt	1,560,000	1,570,000	1,658,988	1,812,227	1,826,814	521,019	38,635,773	24,657,127
Total uses of funds	2,678,079	3,026,284	2,172,232	2,277,876	2,337,709	1,400,850	73,435,537	62,298,827
Fund Balance, December 31, 2024							<u>\$ 724,266</u>	

Independent Auditors' Report on Other Legal and Regulatory Requirements

To the City Council of
City of Sun Prairie

We have audited the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to Be Recovered Through Tax Increments and the related Historical Summary of Sources, Uses and Status of Funds of the City of Sun Prairie, Wisconsin's Tax Incremental District No. 8 (District) as of December 31, 2024 and from the date the District was created through December 31, 2024 and have issued our report thereon dated December 12, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, we noted that the District failed to comply with the following requirement of Wisconsin State Statutes Section 66.1105:

- 100% audit for this District was not completed within 12 months of end of expenditure period.
- The District has incurred \$305,381 of project expenditures after the allowable project completion date. This amount is \$511,681 in total capital expenditures net of \$206,300 related grant funding.

Our audit was not directed primarily toward obtaining knowledge as to whether the District failed to comply with Wisconsin State Statutes Section 66.1105, insofar as it relates to accounting matters. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding 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 City 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
December 12, 2025