

ANNUAL REPORT
2014-15
Battle Creek Downtown Development Authority

INTRODUCTION

This report on the status of the Battle Creek Downtown Development Authority is submitted to the Battle Creek City Commission in accordance with section 15 (3) of Act 197 of the Public Acts of 1975. Also in conformance with the Enabling Act, this report shall be published once in a Battle Creek general area newspaper. This report covers fiscal year 2014-15.

AMOUNT OF REVENUES, EXPENDITURES AND FUND BALANCE

	General	Debt Service Pipeline Bonds	Nonmajor Capital Projects
REVENUES			
Tax Increment Revenues	\$ 4,631,108	\$ -	\$ -
Tax Increment Revenues - Prior Period Delinquent Collections and other	495,424		
Interest	58,872	-	-
Other	4,702	-	-
Total revenues	5,190,106	-	-
EXPENDITURES			
Legal, professional and administrative	8,531	-	-
Community development	-	-	-
Bond issuance costs	-	-	-
Debt service:			
Principal	-	2,700,000	-
Interest	-	1,930,550	-
Bond issuance costs	-	-	-
Total expenditures	8,531	4,630,550	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,181,575	(4,630,550)	-
OTHER FINANCING SOURCES (USES)			
Contributions:			
Kellogg Arena	(300,000)	-	-
Debt Service	-	-	-
Other Projects	(1,028,744)	-	-
Operating transfers in	-	4,630,550	-
Operating transfers out:			
Capital projects	-	-	-
Debt Service	(4,847,048)		
Refunding bond proceeds	-	-	-
Premium on refunding bonds	-	-	-
Payment to refunding bond escrow agent	-	-	-
Total other financing sources (uses)	(6,175,792)	4,630,550	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	(994,216)	-	-
FUND BALANCES - Beginning of Year, as restated	997,897	606	40,907
FUND BALANCES-End of Year:			
Reserved for debt service	-	-	-
Unreserved, Undesignated	3,681	-	-
FUND BALANCES - End of Year	<u>\$ 3,681</u>	<u>\$ 606</u>	<u>\$ 40,907</u>

THE AMOUNT OF PRINCIPAL AND INTEREST ON ANY OUTSTANDING BONDED INDEBTEDNESS

The Battle Creek Downtown Development Authority, as of June 30, 2015, had two bond issue outstanding with principal balance of \$38,595,000 and interest due of \$8,643,000 if paid at maturity.

THE INITIAL ASSESSED VALUE AND CAPTURED ASSESSED VALUE OF THE PROJECT AREA

The Initial Assessed Value, i.e. the aggregate State Equalized/Taxable Value of all real and personal property not exempt from taxation, located within the defined development area at the time of the adoption of the development plan was \$134,732,208. The Captured Taxable Value of the property in the district for 2014-15 was \$137,889,638. The Authority has voted to allow 100% of County property taxes collected within the district based on 2002-2003 taxable values to revert to Calhoun County. However, taxes collected based on the increment above the 2002-2003 taxable value will be captured at 100%. For 2004-2005 only, 100% of the property taxes collected for Willard Library were captured. Additionally, 100% of property taxes collected within the district revert to Calhoun Intermediate School District, Kellogg Community College, as well as the Battle Creek Schools' building and site levy. All of the captured taxes generated by operating millages of the City of Battle Creek, Battle Creek School District and Lakeview School District are retained. Amounts that revert to taxing units are not included in revenue amounts shown on these statements.

CAPTURED VALUES	Current Taxable Value	Initial (base year)	
		Assessed Value	Captured Value
Ad valorem PRE Real	\$ 8,698,479	\$ 2,063,137	\$ 6,635,342
Ad valorem non-PRE Real	\$ 107,217,634	\$ 67,554,193	\$ 39,663,441
Ad valorem industrial personal	\$ 106,448,101	\$ 48,071,368	\$ 58,376,733
Ad valorem commercial personal	\$ 21,084,002	\$ 2,570,135	\$ 18,513,867
Ad valorem utility personal	\$ 10,320,194	\$ 1,047,850	\$ 9,272,344
Ad valorem other personal	\$ -	\$ 9,304,075	\$ (9,304,075)
IFT New Facility real property 0% SET exemption	\$ 3,098,833	\$ -	\$ 3,098,833
IFT New Facility personal property on industrial class la	\$ 11,633,103	\$ -	\$ 11,633,103
TOTAL	268,500,346	130,610,758	137,889,588

TAX INCREMENT REVENUES RECEIVED

From local school districts-operating	\$ 822,101
From intermediate school districts	\$ 9,225
From State Education Tax (SET)	\$ 388,679
From state share of IFT and other specific taxes**	\$ 81,113
From municipalities (city, twp, village)	\$ 1,923,362
Payment to Pennfield Twp - PA 425	\$ (21,854)
Form 5176 Small Taxpayer Loss Reimbursement	\$ 48,423
From Form 4650	\$ 1,797,567
	\$ 5,048,616