ANNUAL REPORT 2013-14

Battle Creek Tax Increment Finance Authority For Fort Custer Industrial Park Development Area Number One

INTRODUCTION

This report on the status of the Battle Creek Tax Increment Finance Authority for Fort Custer Industrial Park is submitted to the Battle Creek City Commission in accordance with section 14 (3) of Act 450 of the Public Acts of 1980. This report covers fiscal year 2013-14.

AMOUNT OF REVENUES, EXPENDITURES AND FUND BALANCE

		General		Debt Service		Pipeline Bonds		Capital Projects
REVENUES		Ochiciai		OCIVICE		Donus		Tojects
Property Taxes - current	\$	5,357,600	\$	-	\$	_	\$	_
Property Taxes - prior period delinquent	*	-,,	•		*		*	
collections and other		(293,689)		_		_		-
Interest		710,406		-		_		_
Intergovernmental		205,499		-		_		262,555
Sale of assets and other		106,582		-		-		36,343
Total revenues		6,086,398		-				298,898
EXPENDITURES								
General government		222,999		-		-		245,608
Capital outlay - infrastructure		-		-		-		469,162
Transfer to the City of Battle Creek for:								
Debt service		-		-		-		-
Capital outlay and other		407,733		-		_		194,991
Brownfield Redevelopment loan		-		_		-		-
Battle Creek Unlimited		3,700,000		-		-		-
Debt service:								
Principal		87,172		350,000		770,000		_
Interest		17,817		241,515		105,500		-
Bond Issuance Costs		- 4 405 704		-				-
Total expenditures		4,435,721		591,515		875,500		909,761
EXCESS (DEFICIENCY) OF		1.050.070		(504 545)		(075 500)		(040,000)
REVENUES OVER EXPENDITURES		1,650,678		(591,515)		(875,500)		(610,863)
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of capital assets		-		-		-		-
Bond Proceeds		-		-		-		-
Bond Discount		-		-		-		-
Operating transfers in		(0.040.404)		591,515		875,500		5,373,106
Operating transfers out		(6,840,121)		E01 E1E		975 500		- - - -
Total other financing sources		(6,840,121)		591,515		875,500		5,373,106
EXCESS (DEFICIENCY) OF REVENUES								
AND OTHER FINANCING SOURCES OVER								
EXPENDITURES AND OTHER USES		(5,189,444)		-				4,762,243
FUND DALANOSO D		0.000.504		40.000				0.004.405
FUND BALANCES - Beginning of Year, restated		6,283,591		10,336	<u> </u>	<u>~</u>		6,684,485
FUND BALANCES - End of Year	\$	1,094,147	\$	10,336	\$	-	\$ 2	1,446,728

Tax increment revenue during 2013-14 enabled Battle Creek Unlimited to continue to market and maintain the Fort Custer Industrial Park pursuant to the activities contained in the development plan. Tax increment revenue also enabled Battle Creek Unlimited to continue economic development as outlined in the plan.

THE AMOUNT OF PRINCIPAL AND INTEREST ON ANY OUTSTANDING BONDED INDEBTEDNESS AND LAND CONTRACTS

The Battle Creek Tax Increment Finance Authority has outstanding bond principal of \$7,360,000 as of June 30, 2014. Economic development loans payable outstanding as of June 30, 2014 equals \$242,056. Total interest to be incurred on the above listed debts, if held to maturity, totals \$2,192,358.

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 Tax Increment Finance Plan was \$16,898,380. The Captured Taxable Value of the property in the district for 2013-14 was \$233,368,797. The Authority captured 75% of taxes derived from operating millages levied by Calhoun County and Calhoun Intermediate School District. 100% of taxes derived from operating millages of the City of Battle Creek, Battle Creek School District and Lakeview School District are captured. Millages not captured include the Willard Library and debt millages of the County. The City's Police and Fire Pension captured millage is capped at 2.691, with 1.397 mills passed through to that Fund in FY 2013-14. Additional millages not captured include the building and site millage of the Battle Creek Schools, special voted millage of the CISD, and 100% of millages levied by Kellogg Community College. Uncaptured amounts revert to taxing units, and are not included in revenue in this report.

TAX INCREMENT REVENUES RECEIVED

From local school districts-operating	\$ 771,068
From intermediate school districts	\$ 307,618
From State Education Tax (SET)	\$ 259,679
From state share of IFT and other specific taxes**	\$ 714,484
From county	\$ 697,655
From municipalities (city, twp, village)	\$ 2,263,939
	\$ 5,014,444

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Ad valorem PRE Real S	CAPTURED VALUES				Overall Tax rates captured by TIF plan	fured by TIF plan
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SET exemption \$ 1,984,524 \$ - \$ 1,984,524	IFT New Facility real property, 50% SET exemption	\$ 2,381,271	₩	\$ 2,381,271	23 7575200	\$56,573,09 \$56,573,09
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35) \$ - \$ - 0.0000000 \$ - \$ - \$ 0.0000000 \$ 5,014,4		·	→ .	7	0.000000	\$0.00
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\$5,014,4	CF Restored Facility (frozen values)	. ↔	· ·	-	0.0000000	\$0.00
				\$ 233,368,797		\$5,014,443.57

Tax Increment Revenues Received	(there may be a timing difference from item A revenue)	nce from item	A revenue)
	From local school districts-operating	↔	771,068
	From local school districts-debt	↔	,
	From intermediate school districts	₩	307,618
	From State Education Tax (SET)	G	259,679
	From state share of IFT and other specific taxes**	↔	714,484
	From county	છ	697,655
	From municipalities (city, twp, village)	S	2,263,939
	From libraries (if levied separately)	₩	
	From community college	မ	1
	From other	₩	1
	Total*	₩	5,014,444

** This is the school operating mills and SET mills used to calculate the IFT and other specific taxes