

**TAX INCREMENTAL DISTRICT NO. 4**

Columbus, Wisconsin

COMPILED  
FINANCIAL STATEMENTS

Including Accountants' Compilation Report

As of and for the Year Ended December 31, 2016 and  
From the Date of Creation Through December 31, 2016

**CITY OF COLUMBUS**  
**TAX INCREMENTAL DISTRICT NO. 4**

TABLE OF CONTENTS  
As of and for the Year Ended December 31, 2016 and  
From the Date of Creation Through December 31, 2016

---

Accountants' Compilation Report	1
Tax Incremental District No. 4 – Compiled Balance Sheet	2
Tax Incremental District No. 4 – Compiled Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments	3
Tax Incremental District No. 4 – Compiled Historical Summary of Sources, Uses, and Status of Funds	4
Notes to Financial Statements	5 – 7
Supplementary Information	
Tax Incremental District No. 4 – Compiled Detailed Schedule of Sources, Uses, and Status of Funds	8
Tax Incremental District No. 4 – Compiled Detailed Schedule of Capital Expenditures	9

## ACCOUNTANTS' COMPILATION REPORT

To the City Council  
City of Columbus  
Columbus, Wisconsin

Management is responsible for 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 Columbus' Tax Incremental District No. 4 ("District") as of and for the year ended December 31, 2016 and from the date of creation through December 31, 2016, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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 Columbus as of December 31, 2016, the changes in its 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.

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. This information is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such 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, economical, or historical context.

*Baker Tilly Virchow Krause, LLP*

Madison, Wisconsin  
August 7, 2017

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
BALANCE SHEET  
As of December 31, 2016

---

	<u>Capital Projects Fund</u>
<b>ASSETS</b>	
<b>TOTAL ASSETS</b>	<b><u>\$ -</u></b>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Accounts payable	\$ 1,845
Advances from other funds	<u>11,536</u>
Total Liabilities	<u>13,381</u>
Fund Balance	
Unassigned (Deficit)	<u>(13,381)</u>
Total Fund Balance	<u>(13,381)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ -</u></b>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES  
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
For the Year Ended December 31, 2016  
and From the Date of Creation Through December 31, 2016

---

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>PROJECT COSTS</b>		
Administration	\$ 10,965	\$ 28,883
Total Project Costs	<u>10,965</u>	<u>28,883</u>
<b>PROJECT REVENUES</b>		
Investment income	-	2
Miscellaneous revenues	-	15,500
Total Project Revenues	<u>-</u>	<u>15,502</u>
 <b>NET COST RECOVERABLE THROUGH TAX INCREMENTS - DECEMBER 31, 2016</b>		
	<u>\$ 10,965</u>	<u>\$ 13,381</u>

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
For the Year Ended December 31, 2016  
and From the Date of Creation Through December 31, 2016

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>SOURCES OF FUNDS</b>		
Tax increment	\$ -	\$ 2
Miscellaneous revenues	-	15,500
Total Sources of Funds	<u>-</u>	<u>15,502</u>
<b>USES OF FUNDS</b>		
Administration	<u>10,965</u>	<u>28,883</u>
Total Uses of Funds	<u>10,965</u>	<u>28,883</u>
<b>Excess (deficiency) of sources of funds over uses of funds</b>	(10,965)	(13,381)
BEGINNING FUND BALANCE	<u>(2,416)</u>	<u>-</u>
<b>ENDING FUND BALANCE (DEFICIT)</b>	<u>\$ (13,381)</u>	<u>\$ (13,381)</u>

See accompanying notes to financial statements and accountants' compilation report.

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2016 and  
From the Date of Creation Through December 31, 2016

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Columbus' Tax Incremental District No. 4 (the "District") conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The City of Columbus 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. 4. The accompanying financial statements reflect all the significant operations of the City of Columbus Tax Incremental District No. 4. The accompanying financial statements do not include the full presentation of the City of Columbus.

**A. DESCRIPTION OF FUND STRUCTURE AND LONG-TERM DEBT**

This report contains the financial information of the City of Columbus' Tax Incremental District No. 4. The summary statements were prepared from data recorded in the following fund and the city's long-term debt:

TIF No. 4 Capital Projects

Detailed descriptions of the purpose of this fund and long-term debt can be found in the City of Columbus' 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 city to collect tax increments until the net project cost has been fully recovered, or until 20 years after the tax incremental district is created, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City of Columbus. Project costs may be incurred up to five years before the unextended termination date of the District.

	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 4	January 1, 2015	September 15, 2030	2036

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2016 and  
From the Date of Creation Through December 31, 2016

---

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

---

***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 the related 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 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 unavailable revenue 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.

***E. 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.

***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 "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 COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2016 and  
From the Date of Creation Through December 31, 2016

---

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

---

**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. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

---

**NOTE 2 – ADVANCES FROM CITY GENERAL FUND**

---

The City of Columbus general fund is advancing funds to the District. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources. There is no interest charged on the outstanding advance balance. No repayment schedule has been established.

**SUPPLEMENTARY INFORMATION**

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
DETAILED SCHEDULE OF SOURCES, USES, AND STATUS OF FUNDS  
From the Date of Creation Through December 31, 2016

	<u>2015</u>	<u>2016</u>	<u>Totals</u>	<u>Project Plan Estimate</u>
<b>SOURCES OF FUNDS</b>				
Tax increment	\$ -	\$ -	\$ -	\$ 4,345,000
Investment income	2	-	2	-
Miscellaneous	15,500	-	15,500	14,000
Total Sources of Funds	<u>15,502</u>	<u>-</u>	<u>15,502</u>	<u>4,359,000</u>
<b>USES OF FUNDS</b>				
Capital expenditures	-	-	-	4,000,000
Administration (in-house)	17,918	10,965	28,883	359,000
Total Uses of Funds	<u>17,918</u>	<u>10,965</u>	<u>28,883</u>	<u>4,359,000</u>
FUND BALANCE (DEFICIT) - DECEMBER 31, 2016			<u>\$ (13,381)</u>	

See accountants' compilation report.

**CITY OF COLUMBUS  
TAX INCREMENTAL DISTRICT NO. 4**

COMPILED  
DETAILED SCHEDULE OF CAPITAL EXPENDITURES  
From the Date of Creation Through December 31, 2016

---

	<u>Actual</u>	<u>Project Plan Estimate</u>
Capital Expenditures		
Street construction	\$ -	\$ 438,000
Water	-	553,950
Sanitary sewer	-	421,550
Storm sewer	-	115,000
Street enhancement	-	259,825
Contingency	-	211,675
Developer incentives (in lieu of infrastructure costs)	<u>-</u>	<u>2,000,000</u>
 TOTAL CAPITAL EXPENDITURES	 <u>\$ -</u>	 <u>\$ 4,000,000</u>