

TIFA Debt Retirement Fund

The TIFA Debt Retirement Fund is a Debt Service Fund and is used to account for the accumulation of resources for, and the payments of, TIFA long-term debt principal, interest and related costs. The TIFA Debt Retirement Fund is used to receive transfers from the Tax Increment Finance Authority Fund and to pay the principal and interest payments of the 1993 Tax Increment Bonds.

Revenues: Projected revenues for the TIFA Debt Retirement Fund are \$715,900, of which \$69,100 are interest earnings. The remaining \$646,800 is a transfer from TIFA Fund to pay bond principal, interest, and paying agent fees.

Expenditures: Budgeted expenditures for the TIFA Debt Retirement Fund total \$646,800, which represents \$540,000 for bond principal, \$106,300 for bond interest, and \$500 for paying agent fees for the 1993 bond issue.

Fund Balance: The projected fund balance of the TIFA Debt Retirement Fund at the end of fiscal 2006-07 is \$1,649,644, and at the end of fiscal 2007-08 is \$1,718,744, an increase of \$69,100. Of this fund balance, \$643,300 is reserved to meet the bond reserve requirements in an amount equal to the highest annual bond and interest payment for the 1993 bond issue.

Future Fund Outlook: This fund is only maintained for the payments of the TIFA bonds, of which only the 1993 bond issue remains. All but the \$646,300 reserved fund balance may be used, as needed, according to the TIFA Plan.

TIFA DEBT RETIREMENT FUND
Fiscal Year 2007-08 Budget
City of Iron Mountain

	F.Y. 2005-06 <u>Actual</u>	F.Y. 2006-07 <u>Appr. Bud.</u>	F.Y. 2006-07 <u>Est. Actual</u>	F.Y. 2007-08 <u>Prop. Bud.</u>	F.Y. 2008-09 <u>Proposed Budget</u>
Revenues					
Interest Earnings	26,146	53,000	61,000	69,100	70,000
Other Financing Sources: Contribution-TIFA	<u>1,007,315</u>	<u>642,300</u>	<u>642,300</u>	<u>646,800</u>	<u>639,800</u>
Total Revenues	1,033,461	695,300	703,300	715,900	709,800
Expenditures					
Debt Service:					
Bond Principal	835,000	510,000	510,000	540,000	560,000
Bond Interest	170,850	131,800	131,800	106,300	79,300
Paying Agent Fees	1,465	500	500	500	500
Other	<u>94</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	1,007,409	642,300	642,300	646,800	639,800
Fund Balance at Year End					
Excess (Deficiency) of Revenues Over Expenses	26,052	53,000	61,000	69,100	70,000
Fund Balance-Prior Years	<u>1,562,592</u>	<u>1,588,644</u>	<u>1,588,644</u>	<u>1,649,644</u>	<u>1,718,744</u>
Fund Balance at Year End	1,588,644	1,641,644	1,649,644	1,718,744	1,788,744
Reserved: Bond Reserve	1,021,600	1,021,600	1,021,600	646,300	646,300
Unreserved	<u>567,044</u>	<u>620,044</u>	<u>628,044</u>	<u>1,072,444</u>	<u>1,142,444</u>
TOTAL	<u>1,588,644</u>	<u>1,641,644</u>	<u>1,649,644</u>	<u>1,718,744</u>	<u>1,788,744</u>