



TOWN REDEVELOPMENT COMMISSION

Tuesday, May 21, 2024 at 7:00 PM

Bristol Town Hall Council Chamber

AGENDA

This meeting is held in the Bristol Municipal Complex is open for in-person participation.

The meeting is live streamed on Town of Bristol YouTube channel.

Livestream link is available on the Town Website

Bristol Indiana - YouTube

1. CALL MEETING TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA

REPORTS

[Bristol](#) TIF districts comprehensive financial plan. Kyle Carson, Baker Tilly presenting

4. OTHER COMMENTS OR QUESTIONS
5. MOTION TO ADJOURN

**BRISTOL, INDIANA
REDEVELOPMENT COMMISSION
DRAFT
TAX INCREMENT REPORT**

MAY 21, 2024

**CONSOLIDATED STATE ROAD 15
ECONOMIC DEVELOPMENT AREA**

**SOUTH STATE ROAD 15
NORTH STATE ROAD 15
SEAHAWK
VALMONT NEWMARK/THOR INDUSTRIES
RAIL PARK**

**BRISTOL EAST
ECONOMIC DEVELOPMENT AREA**



May 21, 2024

Members of the Bristol
Redevelopment Commission
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Bristol, Indiana 46507

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Re: Tax Increment Report
Consolidated State Road 15 Economic Development Area
South State Road 15
North State Road 15
Seahawk
Valmont Newmark/Thor Industries
Rail Park
Bristol East Economic Development Area

Dear Members of the Commission:

We have at your request, prepared this Special Purpose Report ("Report") to provide the Bristol Redevelopment Commission (the "Commission") with information about the above-named economic development areas, including schedules of historical and estimated tax increment, comparisons of estimated tax increment with outstanding debt obligations, and additional information about account balances.

In the preparation of these schedules, certain assumptions were made as noted regarding certain future events. As in the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions, nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports. No assurance is provided on this financial analysis.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

BAKER TILLY MUNICIPAL ADVISORS, LLC

DRAFT

Heidi L. Amspaugh, Principal

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**CONSOLIDATED STATE ROAD 15 ECONOMIC
DEVELOPMENT AREA**

**(SOUTH STATE ROAD 15, SEAHAWK, VALMONT
NEWMARK/THOR INDUSTRIES, & RAIL PARK
ALLOCATION AREAS)**

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA

GENERAL COMMENTS

Background Information Concerning the Consolidated State Road 15 Economic Development Area and Tax Increment

On March 18, 2008, the Town of Bristol Redevelopment Commission (the “Commission”) adopted Resolution No. 3-18-08 (the “South State Road 15 Declaratory Resolution”) to establish the South State Road 15 Economic Development Area (the “South State Road 15 EDA”) and an allocation area (the “South State Road 15 Allocation Area”) for purposes of capturing incremental assessed value of real property in the South State Road 15 Allocation Area. The South State Road 15 Allocation Area will expire on March 18, 2038.

On November 18, 2008, the Commission adopted Resolution No. 11-18-08 (the “North State Road 15 Declaratory Resolution”) to establish the North State Road 15 Economic Development Area (the “North State Road 15 EDA”) and an allocation area (the “North State Road 15 Allocation Area”) for purposes of capturing incremental assessed value of real property in the North State Road 15 Allocation Area. The North State Road 15 Allocation Area will expire on November 18, 2033. For 2024, the North State Road 15 Allocation Area is expected to generate \$2,100 of annual tax increment revenues and has a December 31, 2023 account balance of \$6,808.49.

On August 31, 2021, the Commission adopted an amending declaratory resolution amending the South State Road 15 Declaratory Resolution to (i) expand the boundaries of the South State Road 15 EDA to include certain additional territory, (ii) designate the expansion area as a separate allocation area (the “Seahawk Allocation Area”), (iii) remove certain territory from the South State Road 15 Allocation Area and include such territory in the Seahawk Allocation Area, and (iv) designate MJB Wood Group, LLC and its successors and affiliates as a designated taxpayer (the “Designated Taxpayer”) for the purposes of capturing tax increment resulting from increases in depreciable personal property assessed value in the Seahawk Allocation Area. The Seahawk Allocation Area will expire on October 28, 2046.

On June 16, 2022, the Commission adopted an amending declaratory resolution to (i) further expand the boundaries of the South State Road 15 EDA to include certain additional territory, (ii) designate the expansion area as a separate allocation area (the “Valmont Newmark/Thor Industries Allocation Area”), and (iii) consolidate the South State Road 15 EDA and the North State Road 15 EDA into a single consolidated economic development area (collectively the, “Consolidated State Road 15 EDA”). The Valmont Newmark/Thor Industries Allocation Area will expire 25 years from the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues collected in the Valmont Newmark/Thor Industries Allocation Area.

On October 6, 2022, the Commission adopted an amending declaratory resolution to (i) remove certain parcels within the South State Road 15 Allocation Area, and (ii) designate such parcels as a separate allocation area (the “Rail Park Allocation Area”) for the purpose of capturing all incremental real property tax revenues generated in the Rail Park Allocation Area. The Rail Park Allocation Area will expire 25 years from the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues collected in the Rail Park Allocation Area.

The economic development areas have been consolidated but there are still several separate allocation areas within the Consolidated State Road 15 EDA that have varying sunset dates as noted in this Report.

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA

GENERAL COMMENTS (Cont'd)

Outstanding Bonds: Sources of Repayment and Security

The Town of Bristol, Indiana (the "Town") issued \$2,186,000 of General Revenue Bonds of 2021, dated December 7, 2021 (the "2021 Bonds"), to refinance the Town's outstanding loan for the municipal complex facility and finance the costs of issuance. The 2021 Bonds are payable from annual appropriations by the Town of any legally available revenues, including the General Fund; however, it is anticipated that the debt service payments will be paid from tax increment revenues collected in the South State Road 15 Allocation Area.

The Town and the Commission entered into an interlocal agreement as further amended on May 18, 2021 (the "Interlocal Agreement") in an amount of \$3,000,000 for the purpose of financing a road project in, serving, or benefiting the South State Road 15 Allocation Area. The Interlocal Agreement is payable from tax increment revenues collected in the South State Road 15 Allocation Area in the amount of \$200,000 semi-annually payable within 30 days of each semi-annual TIF distribution.

The Town issued \$7,200,000 of Taxable Economic Development Tax Increment Revenue Bonds, Series 2021 (Seahawk Project), dated October 28, 2021, and re-amortized on March 7, 2023 in the amount of \$7,105,000 (the "2021 Seahawk Bonds"). The 2021 Seahawk Bonds were issued for the purpose of financing all or any portion of (a) the construction, installation and equipping by the developers of certain infrastructure and other improvements, including, without limitation: (i) roads, streets and related infrastructure projects and improvements, (ii) sitework, utility location or relocation, stormwater control, and drainage improvements, and (iii) improvements directly related to the foregoing located in or physically connected to the Seahawk Allocation Area and (b) funding the costs and expenses incurred in connection with the issuance. The 2021 Seahawk Bonds are payable from a pledge of 80% of real property tax increment and 100% of personal property tax increment collected in the Seahawk Allocation Area.

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - South State Road 15 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

	Taxes Payable Year 2024
Net Assessed Value (1)	\$109,073,740
Less: Base Assessed Value (1)	(45,545,044)
Estimated Incremental Assessed Value	63,528,696
Times: Net Tax Rate (2)	\$2.2723
Estimated Tax Increment	1,443,560
Less: Estimated Circuit Breaker Credit (3)	(440)
Estimated Net Tax Increment	\$1,443,120

(1) Per the Elkhart County Auditor's office.

(2) Represents the certified pay 2024 tax rate for the Bristol taxing district of \$2.2968, less the Elkhart Community School Corporation referendum tax rate of \$0.0245.

(3) Based on the 2024 Elkhart County Circuit Breaker Report, per the Department of Local Government Finance. Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential property, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial/industrial property taxes are limited to 3.0% of gross assessed value.

(Subject to the comments in the attached Report dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - South State Road 15 Allocation Area

**AMORTIZATION OF \$650,024.30 OUTSTANDING PRINCIPAL AMOUNT OF
INTERLOCAL AGREEMENT FOR ROAD FUNDING**

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
07/31/24	\$650,024.30	\$191,875.00	2.50%	\$8,125.30	\$200,000.30	
01/31/25	458,149.30	194,274.00	2.50%	5,726.87	200,000.87	\$400,001.17
07/31/25	263,875.30	196,702.00	2.50%	3,298.44	200,000.44	
01/31/26	67,173.30	<u>67,173.30</u>	2.50%	<u>839.67</u>	<u>68,012.97</u>	<u>268,013.41</u>
Totals		<u><u>\$650,024.30</u></u>		<u><u>\$17,990.28</u></u>	<u><u>\$668,014.58</u></u>	<u><u>\$668,014.58</u></u>

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - South State Road 15 Allocation Area

AMORTIZATION OF \$1,752,000 OUTSTANDING PRINCIPAL AMOUNT OF
GENERAL REVENUE BONDS OF 2021
Bonds dated December 7, 2021

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
08/01/24	\$1,752,000	\$112,000	1.31%	\$11,475.60	\$123,475.60	
02/01/25	1,640,000	112,000	1.31%	10,742.00	122,742.00	\$246,217.60
08/01/25	1,528,000	113,000	1.31%	10,008.40	123,008.40	
02/01/26	1,415,000	114,000	1.31%	9,268.25	123,268.25	246,276.65
08/01/26	1,301,000	114,000	1.31%	8,521.55	122,521.55	
02/01/27	1,187,000	115,000	1.31%	7,774.85	122,774.85	245,296.40
08/01/27	1,072,000	116,000	1.31%	7,021.60	123,021.60	
02/01/28	956,000	117,000	1.31%	6,261.80	123,261.80	246,283.40
08/01/28	839,000	118,000	1.31%	5,495.45	123,495.45	
02/01/29	721,000	118,000	1.31%	4,722.55	122,722.55	246,218.00
08/01/29	603,000	119,000	1.31%	3,949.65	122,949.65	
02/01/30	484,000	120,000	1.31%	3,170.20	123,170.20	246,119.85
08/01/30	364,000	121,000	1.31%	2,384.20	123,384.20	
02/01/31	243,000	121,000	1.31%	1,591.65	122,591.65	245,975.85
08/01/31	122,000	122,000	1.31%	799.10	122,799.10	122,799.10
Totals		<u>\$1,752,000</u>		<u>\$93,186.85</u>	<u>\$1,845,186.85</u>	<u>\$1,845,186.85</u>

Note: The Bonds are callable on any date, upon thirty (30) days' notice.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - South State Road 15 Allocation Area

COMPARISON OF ESTIMATED SOUTH STATE ROAD 15 TAX INCREMENT AND OBLIGATIONS

Taxes Payable Year	Estimated South State Road 15 Tax Increment	Obligations			Estimated Remaining Tax Increment	Estimated Tax Increment Coverage
		Interlocal Agreement For Road Funding	General Revenue Bonds of 2021	Total		
	(1)	(2)	(3)		(4)	
2024	\$1,443,120	(\$400,001)	(\$246,218)	(\$646,219)	\$796,901	223%
2025	1,443,120	(268,013)	(246,277)	(514,290)	928,830	281%
2026	1,443,120		(245,296)	(245,296)	1,197,824	588%
2027	1,443,120		(246,283)	(246,283)	1,196,837	586%
2028	1,443,120		(246,218)	(246,218)	1,196,902	586%
2029	1,443,120		(246,120)	(246,120)	1,197,000	586%
2030	1,443,120		(245,976)	(245,976)	1,197,144	587%
2031	1,443,120		(122,799)	(122,799)	1,320,321	1175%
Totals	<u>\$11,544,960</u>	<u>(\$668,015)</u>	<u>(\$1,845,187)</u>	<u>(\$2,513,201)</u>	<u>\$9,031,759</u>	

(1) See page 3.

(2) See page 4.

(3) See page 5.

(4) Represents estimated available revenues for annual administrative expenses or other projects in, serving or benefitting the TIF Area.

Note: The South State Road 15 Allocation Area sunsets on March 18, 2038.

(Subject to the comments in the attached Report dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Seahawk Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

	Taxes Payable Year
	2024
Net Assessed Value (1)	\$33,763,600
Less: Base Assessed Value (1)	0
Estimated Incremental Assessed Value	33,763,600
Times: Net Tax Rate (2)	\$2.2723
Estimated Tax Increment	767,210
Less: Estimated Circuit Breaker Credit (3)	0
Estimated Net Tax Increment	\$767,210

(1) Per the Elkhart County Auditor's office.

(2) Represents the certified pay 2024 tax rate for the Bristol taxing district of \$2.2968, less the Elkhart Community School Corporation referendum tax rate of \$0.0245.

(3) Based on the 2024 Elkhart County Circuit Breaker Report, per the Department of Local Government Finance. Commercial/industrial property taxes are limited to 3% of gross assessed value.

Note: Assumes no real property tax abatement is applied. In 2021, the Town approved a 5-year real property tax abatement with the following deduction percentages: 100%, 80%, 60%, 40%, and 20%. However, the Company has not historically filed a CF-1 to receive the deduction.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Seahawk Allocation Area

ESTIMATED ANNUAL PERSONAL PROPERTY TAX INCREMENT

Taxes Payable Year		Estimated Assessed Value	Estimated Abatement	Estimated Net Assessed Value	Tax Rate	Estimated Tax Increment		
						Gross Taxes	Circuit Breaker Tax Credit	Net Taxes
		(1)	(2)		(3)		(4)	
2024	(5)	\$2,107,310	\$0	\$2,107,310	\$2.2723	\$47,880	\$0	\$47,880
2025		4,077,324	0	4,077,324	2.2723	92,650	0	92,650
2026		3,790,602	0	3,790,602	2.2723	86,130	0	86,130
2027		2,869,293	0	2,869,293	2.2723	65,200	0	65,200
2028		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
2029		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
2030		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
2031		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
2032		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
2033		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
2034		2,425,800	0	2,425,800	2.2723	55,120	0	55,120
						<u>\$677,700</u>	<u>\$0</u>	<u>\$677,700</u>

- (1) Based on investment information provided by Developer representatives. For the purposes of this analysis, it has been assumed that the equipment will be purchased as new and be depreciated in Pool # 2 (5- 8 year useful life) for property tax purposes. The Company may report the depreciation in a different pool, which may have a material effect on the resulting property tax liability calculations. No assumption has been made for future equipment retirement/replacement.
- (2) Assumes no personal property tax abatement is applied. In 2021, the Town approved a 5-year personal property tax abatement with the following deduction percentages: 100%, 80%, 60%, 40%, and 20%. However, the Company has not historically filed a CF-1 or claimed abatement deductions on their personal property forms.
- (3) Represents the certified pay 2024 tax rate for the Bristol taxing district of \$2.2968, less the Elkhart Community School Corporation referendum tax rate of \$0.0245.
- (4) Commercial/industrial property taxes are limited to 3.0% of gross assessed value.
- (5) Per the Elkhart County Auditor's office.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Seahawk Allocation Area

ESTIMATED ANNUAL COMBINED AND PLEDGED TAX INCREMENT REVENUES

Taxes Payable Year	Estimated Tax Increment			Estimated Tax Increment Allocation	
	Real Property	Personal Property	Total	Pledged Tax Increment Revenues	Non-Pledged Tax Increment Revenues
	(1)	(2)		(3)	
2024	\$767,210	\$47,880	\$815,090	\$661,650	\$153,440
2025	767,210	92,650	859,860	706,420	153,440
2026	767,210	86,130	853,340	699,900	153,440
2027	767,210	65,200	832,410	678,970	153,440
2028	767,210	55,120	822,330	668,890	153,440
2029	767,210	55,120	822,330	668,890	153,440
2030	767,210	55,120	822,330	668,890	153,440
2031	767,210	55,120	822,330	668,890	153,440
2032	767,210	55,120	822,330	668,890	153,440
2033	767,210	55,120	822,330	668,890	153,440
2034	767,210	55,120	822,330	668,890	153,440
	<u>\$8,439,310</u>	<u>\$677,700</u>	<u>\$9,117,010</u>	<u>\$7,429,170</u>	<u>\$1,687,840</u>

(1) See page 7.

(2) See page 8.

(3) 80% of real property tax increment and 100% of personal property tax increment is pledged to repayment of the Taxable Economic Development Tax Increment Revenue Bonds, Series 2021 (Seahawk Project).

Note: The Seahawk Allocation Area sunsets on October 28, 2046, which is 25 years from the issuance of the 2021 Bonds.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Seahawk Allocation Area

**AMORTIZATION OF \$6,829,000 OUTSTANDING PRINCIPAL AMOUNT OF
TAXABLE ECONOMIC DEVELOPMENT TAX INCREMENT REVENUE BONDS, SERIES 2021 (SEAHAWK PROJECT)
Bonds dated October 28, 2021**

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
08/01/24	\$6,829,000	\$328,000	0.00%	\$0	\$328,000	
02/01/25	6,501,000	328,000	0.00%	0	328,000	\$656,000
08/01/25	6,173,000	350,000	0.00%	0	350,000	
02/01/26	5,823,000	351,000	0.00%	0	351,000	701,000
08/01/26	5,472,000	347,000	0.00%	0	347,000	
02/01/27	5,125,000	347,000	0.00%	0	347,000	694,000
08/01/27	4,778,000	336,000	0.00%	0	336,000	
02/01/28	4,442,000	337,000	0.00%	0	337,000	673,000
08/01/28	4,105,000	331,000	0.00%	0	331,000	
02/01/29	3,774,000	332,000	0.00%	0	332,000	663,000
08/01/29	3,442,000	331,000	0.00%	0	331,000	
02/01/30	3,111,000	332,000	0.00%	0	332,000	663,000
08/01/30	2,779,000	331,000	0.00%	0	331,000	
02/01/31	2,448,000	332,000	0.00%	0	332,000	663,000
08/01/31	2,116,000	331,000	0.00%	0	331,000	
02/01/32	1,785,000	332,000	0.00%	0	332,000	663,000
08/01/32	1,453,000	331,000	0.00%	0	331,000	
02/01/33	1,122,000	332,000	0.00%	0	332,000	663,000
08/01/33	790,000	331,000	0.00%	0	331,000	
02/01/34	459,000	332,000	0.00%	0	332,000	663,000
08/01/34	127,000	127,000	0.00%	0	127,000	127,000
Totals		<u>\$6,829,000</u>		<u>\$0</u>	<u>\$6,829,000</u>	<u>\$6,829,000</u>

Note: The Bonds are callable on any date upon fifteen (15) days' notice. The amortization schedule was updated using TIF estimates as of May 21, 2024.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Seahawk Allocation Area

COMPARISON OF ESTIMATED PLEDGED SEAHAWK TAX INCREMENT AND ESTIMATED DEBT SERVICE

Taxes Payable Year	Estimated Pledged Seahawk Tax Increment	Allowance for Annual TIF Administration Fees	Estimated 2021 Bonds Debt Service	Estimated Pledged TIF Revenues Remaining	Estimated Pledged TIF Revenues Coverage
	(1)		(2)		
2024	\$661,650	(\$5,000)	(\$656,000)	\$650	100%
2025	706,420	(5,000)	(701,000)	420	100%
2026	699,900	(5,000)	(694,000)	900	100%
2027	678,970	(5,000)	(673,000)	970	100%
2028	668,890	(5,000)	(663,000)	890	100%
2029	668,890	(5,000)	(663,000)	890	100%
2030	668,890	(5,000)	(663,000)	890	100%
2031	668,890	(5,000)	(663,000)	890	100%
2032	668,890	(5,000)	(663,000)	890	100%
2033	668,890	(5,000)	(663,000)	890	100%
2034	668,890	(5,000)	(127,000)	536,890	507%
Totals	<u>\$7,429,170</u>	<u>(\$55,000)</u>	<u>(\$6,829,000)</u>	<u>\$545,170</u>	

(1) See page 9. 80% of Real Property Tax Increment and 100% of Personal Property Tax Increment is pledged towards repayment of the Bonds.

(2) See page 10.

Note: The Seahawk Allocation Area sunsets on October 28, 2046, which is 25 years from the issuance of the 2021 Bonds.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Valmont Newmark/Thor Industries Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

	2025 Amount Abated	Length of Abatement	First tax Payable Year of Abatement	Taxes Payable Year								
				2024	2025	2026	2027	2028	2029	2030	2031	2032
Abated Assessed Value (1) Valmont Industries, Inc. (2)	\$5,668,800	7	2025		\$0	\$850,320	\$1,643,950	\$2,437,580	\$3,231,220	\$4,024,850	\$4,875,170	\$5,668,800 (3)
Unabated Assessed Value (3)					13,058,000	13,058,000	13,058,000	13,058,000	13,058,000	13,058,000	13,058,000	13,058,000
Total Net Assessed Value (1)				\$8,986,500	13,058,000	13,908,320	14,701,950	15,495,580	16,289,220	17,082,850	17,933,170	18,726,800
Less: Base Assessed Value (1)				(2,926,797)	(2,926,797)	(2,926,797)	(2,926,797)	(2,926,797)	(2,926,797)	(2,926,797)	(2,926,797)	(2,926,797)
Estimated Incremental Assessed Value				6,059,703	10,131,203	10,981,523	11,775,153	12,568,783	13,362,423	14,156,053	15,006,373	15,800,003
Times: Net Tax Rate (4)				\$2.2723	\$2.2723	\$2.2723	\$2.2723	\$2.2723	\$2.2723	\$2.2723	\$2.2723	\$2.2723
Estimated Tax Increment				137,690	230,210	249,530	267,570	285,600	303,630	321,670	340,990	359,020
Less: Estimated Circuit Breaker Tax Credit (5)				0	0	0	0	0	0	0	0	0
Estimated Net Tax Increment				\$137,690	\$230,210	\$249,530	\$267,570	\$285,600	\$303,630	\$321,670	\$340,990	\$359,020

(1) Based on information provided by the Elkhart County Auditor's office.

(2) Assumes a 7-year real property tax abatement, beginning in taxes payable year 2025, with the following deduction percentages: 100%, 85%, 71%, 57%, 43%, 29%, and 14%.

(3) Based on Pay 2025 Property Record Cards, per the Elkhart County Assessor's office. Includes the application of the Pay 2025 market factor of 1.78.

(4) Represents the certified pay 2024 tax rate for the Bristol taxing district of \$2.2968, less the Elkhart Community School Corporation referendum tax rate of \$0.0245.

(5) Based on the 2024 Elkhart County Circuit Breaker Report, per the Department of Local Government Finance. Commercial/industrial property taxes are limited to 3% of gross assessed value.

Note: The Valmont Newmark/Thor Industries Allocation Area will sunset 25 years after first obligation is incurred.

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA - Rail Park Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

	Taxes Payable Year		
	2024	2025	2026
Net Assessed Value	\$5,276,000 (1)	\$10,720,900 (2)	\$18,468,810 (3)
Less: Base Assessed Value (1)	<u>(120,657)</u>	<u>(120,657)</u>	<u>(120,657)</u>
Estimated Incremental Assessed Value	5,155,343	10,600,243	18,348,153
Times: Net Tax Rate (4)	<u>\$2.2723</u>	<u>\$2.2723</u>	<u>\$2.2723</u>
Estimated Tax Increment	117,140	240,870	416,930
Less: Estimated Circuit Breaker Tax Credit (5)	<u>0</u>	<u>0</u>	<u>0</u>
Estimated Net Tax Increment	<u><u>\$117,140</u></u>	<u><u>\$240,870</u></u>	<u><u>\$416,930</u></u>

(1) Per the Elkhart County Auditor's office.

(2) Per Pay 2025 Property Record Cards for all parcels, per the Elkhart County Assessor's office.

(3) Assumes any partially assessed buildings are 100% constructed and assessed as of January 1, 2025 for taxes payable year 2026 maintaining the Pay 2025 market factor of 1.78.

(4) Represents the certified pay 2024 tax rate for the Bristol taxing district of \$2.2968, less the Elkhart Community School Corporation referendum tax rate of \$0.0245.

(5) Based on the 2024 Elkhart County Circuit Breaker Report, per the Department of Local Government Finance. Commercial/industrial property taxes are limited to 3% of gross assessed value.

Note: The Rail Park Allocation Area will sunset 25 years after first obligation is incurred.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA

ESTIMATED ANNUAL COMBINED TAX INCREMENT

Year Payable	Allocation Area				Total
	South State Road 15	Seahawk	Valmont Newmark/Thor Industries	Rail Park	
	(1)	(2)	(3)	(4)	
2024	\$1,443,120	\$815,090	\$137,690	\$117,140	\$2,513,040
2025	1,443,120	859,860	230,210	240,870	2,774,060
2026	1,443,120	853,340	249,530	416,930	2,962,920
2027	1,443,120	832,410	267,570	416,930	2,960,030
2028	1,443,120	822,330	285,600	416,930	2,967,980
2029	1,443,120	822,330	303,630	416,930	2,986,010
2030	1,443,120	822,330	321,670	416,930	3,004,050
2031	1,443,120	822,330	340,990	416,930	3,023,370
2032	1,443,120	822,330	359,020	416,930	3,041,400
2033	1,443,120	822,330	359,020	416,930	3,041,400
2034	1,443,120	822,330	359,020	416,930	3,041,400
2035	1,443,120	822,330	359,020	416,930	3,041,400
2036	1,443,120	822,330	359,020	416,930	3,041,400
2037	1,443,120	822,330	359,020	416,930	3,041,400
2038	1,443,120	822,330	359,020	416,930	3,041,400
2039	1,443,120 (5)	822,330	359,020	416,930	3,041,400
2040		822,330	359,020	416,930	1,598,280
2041		822,330	359,020	416,930	1,598,280
2042		822,330	359,020	416,930	1,598,280
2043		822,330	359,020	416,930	1,598,280
2044		822,330	359,020	416,930	1,598,280
2045		822,330	359,020	416,930	1,598,280
2046		822,330	359,020	416,930	1,598,280
2047		822,330 (6)	359,020	416,930	1,598,280
Totals	<u>\$23,089,920</u>	<u>\$19,807,300</u>	<u>\$7,881,210</u>	<u>\$9,530,470</u>	<u>\$60,308,900</u>

(1) See page 3.

(2) See page 9. Represents 100% of estimated TIF revenues.

(3) See page 12. The Valmont Newmark/Thor Industries Allocation Area expires 25 years after first obligation is incurred.

(4) See page 13. The Rail Park Allocation Area expires 25 years after first obligation is incurred.

(5) The South State 15 Allocation Area expires March 18, 2038.

(6) The Seahawk Allocation Area expires October 28, 2046.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA

ESTIMATED CASH FLOW

	Taxes Payable Year				
	2024	2025	2026	2027	2028
Estimated Tax Increment - South State Road 15 (1)	\$1,443,120	\$1,443,120	\$1,443,120	\$1,443,120	\$1,443,120
Less: Interlocal Agreement payments (2)	(400,001)	(268,013)			
Less: 2021 Bonds debt service payments (3)	(246,218)	(246,277)	(245,296)	(246,283)	(246,218)
Estimated Tax Increment - Seahawk (1)	815,090	859,860	853,340	832,410	822,330
Less: 2021 Seahawk Bonds debt service payments (4)	(656,000)	(701,000)	(694,000)	(673,000)	(663,000)
Estimated Tax Increment - Valmont Newmark/Thor (1)	137,690	230,210	249,530	267,570	285,600
Estimated Tax Increment - Rail Park (1)	117,140	240,870	416,930	416,930	416,930
Estimated Tax Increment Remaining	1,210,821	1,558,770	2,023,624	2,040,747	2,058,762
Allocation Account Balances	2,006,962 (5)	1,717,783	1,241,553	2,193,427	3,123,834
Estimated Revenues available for projects	3,217,783	3,276,553	3,265,177	4,234,174	5,182,596
<u>Estimated Project Expenditures</u>					
Business Route RW purchase	(150,000)				
Main Street property for bridge	(350,000)				
Main Street lighting/other improvements		(1,000,000)			
Fire Protection Contract costs	(700,000)	(735,000)	(771,750)	(810,340)	(850,860)
Professional Fees and Misc. Projects	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Total Estimated Project Expenditures	(1,500,000)	(2,035,000)	(1,071,750)	(1,110,340)	(1,150,860)
Estimated Tax Increment Remaining after projects (\$)	<u>\$1,717,783</u>	<u>\$1,241,553</u>	<u>\$2,193,427</u>	<u>\$3,123,834</u>	<u>\$4,031,736</u>
Estimated Tax Increment Remaining after projects (%) (6)		<u>124%</u>			

(1) See page 14.

(2) See page 4.

(3) See page 5.

(4) See page 10.

(5) Represents the collective Allocation Account balances as of December 31, 2023, including the North State Road 15 allocation account balance of \$6,808.49.

(6) Represents estimated 2024 excess TIF funds on hand plus estimated 2025 TIF revenues compared to debt service payments plus future planned project expenditures.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA

HISTORICAL TAX INCREMENT COLLECTIONS (1)

Year Payable	Actual Collections		
	South State Road 15	Seahawk	Total
2020	\$742,500		\$742,500
2021	927,508		927,508
2022	911,125		911,125
2023	1,231,928	351,602	1,583,530

(1) Per the Elkhart County Auditor's office.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Consolidated State Road 15 EDA

ACCOUNT BALANCES

<u>Account</u>	<u>Balance</u>
TIF #130 South State Road 15 (2570) (1)	\$1,381,422.90
TIF #132 North State Road 15 (2575) (1)	6,808.49
Seahawk TIF Allocation Fund (2585) (1)	72,961.34
Valmont Newmark/Thor Industries TIF Allocation Fund (1)	0.00
Rail Park TIF Allocation Fund (1)	0.00
2021 General Revenue Bond fund (4650) (1)	408.52
2021 Seahawk Bond Fund (2)	2,691.59

(1) Per Clerk-Treasurer's office as of May 15, 2024.

(2) Per Trustee, U.S. Bank, as of May 2, 2024.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

BRISTOL EAST ECONOMIC DEVELOPMENT AREA

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Bristol East Economic Development Area

GENERAL COMMENTS

Background Information Concerning the Bristol East Economic Development Area and Tax Increment

On July 7, 2014, the Commission adopted a declaratory resolution to establish the Bristol East Economic Development Area (the "Bristol East EDA") and a coterminous allocation area (the "Bristol East Allocation Area") for purposes of capturing incremental assessed value of real property in the Bristol East Allocation Area. The Bristol East Allocation Area will expire on July 7, 2039.

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Bristol East Economic Development Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

	2024 Amount Abated	Length Of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year		
				2024	2025	2026
Abated Assessed Value: (1)						
Alliance Sheets LLC (2)	\$9,558,800	10	2016	\$8,602,920	\$9,080,860	\$9,558,800
N & D LLC (3)	3,653,700	3	2023	1,242,260	2,447,980	3,653,700
Unabated Assessed Value:				15,298,300	15,298,300	15,298,300
Total Net Assessed Value (1)				25,143,480	26,827,140	28,510,800
Less: Base Assessed Value (1)				(2,477,949)	(2,477,949)	(2,477,949)
Estimated Incremental Assessed Value				22,665,531	24,349,191	26,032,851
Times: Net Tax Rate (4)				\$2.2723	\$2.2723	\$2.2723
Estimated Tax Increment				515,030	553,290	591,540
Less: Estimated Circuit Breaker Credit (5)				0	0	0
Net Estimated Tax Increment				<u>\$515,030</u>	<u>\$553,290</u>	<u>\$591,540</u>

(1) Per the Elkhart County Auditor's office.

(2) Assumes a 10-year real property tax abatement with the following deduction percentages: 100%, 95%, 80%, 65%, 50%, 40%, 30%, 20%, 10% and 5%. The abatement was signed and approved in 2012 but did not receive the first abatement until 2015 payable 2016 per the Elkhart County Auditor's office.

(3) Assumes a 3-year real property tax abatement with the following deduction percentages: 100%, 66%, and 33%.

(4) Represents the certified pay 2024 tax rate for the Bristol taxing district of \$2.2968, less the Elkhart Community School Corporation referendum tax rate of \$0.0245.

(5) Based on the 2024 Elkhart County Circuit Breaker Report, per the Department of Local Government Finance.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Bristol East Economic Development Area

ESTIMATED CASH FLOW

	Taxes Payable Year				
	2024	2025	2026	2027	2028
Estimated Tax Increment (1)	\$515,030	\$553,290	\$591,540	\$591,540	\$591,540
Allocation Account Balance	<u>579,039 (2)</u>	<u>794,069</u>	<u>1,047,359</u>	<u>1,338,899</u>	<u>1,630,439</u>
Estimated Revenues available for projects	1,094,069	1,347,359	1,638,899	1,930,439	2,221,979
<u>Estimated Project Expenditures</u>					
Fire Protection Contract costs	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Professional Fees and Misc. Projects	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>
Total Estimated Project Expenditures	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>
Estimated Tax Increment Remaining after projects (\$)	<u>\$794,069</u>	<u>\$1,047,359</u>	<u>\$1,338,899</u>	<u>\$1,630,439</u>	<u>\$1,921,979</u>
Estimated Tax Increment Remaining after projects (%) (3)		<u>449%</u>			

(1) See page 19.

(2) Represents the Allocation Account balance as of December 31, 2023.

(3) Represents estimated 2024 excess TIF funds on hand plus estimated 2025 TIF revenues compared to debt service payments plus future planned project expenditures.

Note: The Bristol East Allocation Area sunsets on July 7, 2039.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Bristol East Economic Development Area

HISTORICAL TAX INCREMENT COLLECTIONS (1)

<u>Year Payable</u>	<u>Actual Collections Bristol East</u>
2020	\$178,060
2021	225,812
2022	254,814
2023	380,532

(1) Per the Elkhart County Auditor's office.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

TOWN OF BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Bristol East Economic Development Area

ACCOUNT BALANCES

Account	Balance
TIF #148 East (2580) (1)	\$565,342.26

(1) Per Clerk-Treasurer's office as of May 15, 2024.

(Subject to the comments in the attached Report
dated May 21, 2024 of Baker Tilly Municipal Advisors, LLC.)

APPENDIX A

TAX INCREMENT, PROPERTY TAXES, LEGISLATION AND EXECUTIVE ACTION

Tax Increment consists of the tax proceeds attributable to all real property and (if designated) certain designated depreciable personal property assessed value within the Allocation Areas, as of the assessment date, in excess of the base assessed value as defined in IC 36-7-14-39(a). The base assessed value means the net assessed value of all the property in the allocation areas as finally determined for the assessment date immediately preceding the effective date of a declaratory resolution adopted pursuant to IC 36-7-14-39 establishing the allocation areas.

Personal property values are assessed January 1 of every year and are self-reported by property owners to county assessors using prescribed forms. The completed personal property return must be filed with the county assessors no later than May 15. Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Pursuant to IC 6-1.1-3-7.2, State law automatically exempts from property taxation the acquisition cost of a taxpayer's total business personal property in a county if the total business personal property is less than forty thousand dollars (\$40,000) for that assessment date prior to January 1, 2022 and less than eighty thousand dollars (\$80,000) for assessment dates after January 1, 2022.

Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2021 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2021 Real Property Assessment Guidelines ("Guidelines"), as published by the DLGF. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4-13, which shall mean the "market value-in-use" of a property for its current use, as reflected by the utility received by the owner or by a similar user from the property. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose one of three standard approaches to determine market value-in-use, which are the cost approach, the sales comparison approach or the income approach. The Guidelines provide each of the approaches to determine "market value-in-use and the reconciliation of these approaches shall be applied in accordance with generally recognized appraisal principals." In accordance with IC 6-1.1-4-4.2(a) for the cyclical reassessment (2022-2026), the county assessor was required to submit the reassessment plan to the DLGF before May 1, 2021, and the DLGF will revise and approve the reassessment plan before January 1, 2022. The reassessment of 25% of the parcels had to be complete by January 1, 2023. Pursuant to IC 6-1.1-4-39, changes to how the assessed valuation may be determined for certain rental properties, including apartments, could result in a reduction of assessed value for those impacted properties. The changes are effective for assessment dates after December 31, 2023, first impacting taxes payable in 2025.

The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under a county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. All real property assessments are revalued annual to reflect market value based upon comparable sales ("Trending"). "Net Assessed Value" or "Taxable Value" represents the "Gross Assessed Value" less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The "Net Assessed Value" or "Taxable Value" is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments, as well as when changes occur in the property value due to new construction or demolition of improvements. When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located by June 15 of the assessment year if the written notification is provided to the taxpayer before May 1 of that year, or June 15 of the year in which the tax bill is mailed by the county treasurer if the notice is provided on or after May 1 of the assessment year, whichever is earlier. While the appeal is pending, the taxpayer may pay taxes based on the current year's tax rate and the previous or current year's assessed value. For all appeals except an appeal on the assessed value of the property, the taxpayer may appeal not later than three years after the taxes were first due.

APPENDIX A

TAX INCREMENT, PROPERTY TAXES, LEGISLATION AND EXECUTIVE ACTION (Cont'd)

The DLGF is required to adjust the base net assessed value after a general reassessment of property and after each annual trending of property values for the purpose of neutralizing the effects on Tax Increment. In making such an adjustment, the DLGF is required to exclude any appealed assessed values until such appeals are resolved. Delays in the reassessment or the trending process, the inability to neutralize the effect of reassessment, trending or appeals, could adversely affect the Tax Increment. No adjustment has been made for future general reassessments or for the annual trending of assessed values to the Tax Increment estimates contained in this report.

The incremental assessed values are determined by subtracting the base net assessed values from the current net assessed values as of the assessment dates. The incremental assessed values are then multiplied by the current property tax rate to determine the Tax Increment. After property taxes are paid to the County Treasurer on or before each May 10 and November 10, such taxes are paid over to the County Auditor who, based on previous year's certification, pays the portion of property tax receipts which represents Tax Increment into the Allocation Fund on or before June 30 or December 31.

IC 6-1.1-21.2 allows for several methods to replace Tax Increment decreases resulting from actions of the Indiana General Assembly or the DLGF (to the extent legislative or DLGF changes cause Tax Increment to be inadequate to pay debt service and contractual obligations), including a property tax levy imposed on the District (the "TIF Replacement Levy"). It is not currently anticipated that such a shortfall will occur, and, therefore, no TIF Replacement Levy was assumed in the Tax Increment estimates contained in this report.

Article 10, Section 1 of the Constitution of the State of Indiana (the "Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. IC 6-1.1-20.6 (the "Statute") authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the "Circuit Breaker Tax Credit"). For property assessed as a homestead (as defined in IC 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. A political subdivision may not increase its property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Circuit Breaker Tax Credit is estimated to reduce the Tax Increment revenues within the Allocation Areas by the amounts shown in this Report.

APPENDIX A

RISKS OF TAX INCREMENT AND ESTIMATES

General Risks Related to Tax Increment Collection include: (i) destruction of property in the Allocation Area caused by natural disaster; (ii) delinquent taxes or adjustments of or appeals on assessments by property owners in the Allocation Area; (iii) a decrease in the assessed value of properties in the Allocation Area due to increases in depreciation, obsolescence, legislative changes affecting the assessment, or other factors by the assessor; (iv) acquisition of property in the Allocation Area by a tax-exempt entity; (v) removal or demolition of real property improvements by property owners in the Allocation Area; (vi) a decrease in property tax rates; (vii) the General Assembly, the courts, the DLGF or other administrative agencies with jurisdiction in the matter could enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the calculation, collection, definition or distribution of Tax Increment including laws or regulations relating to reassessment, or a revision in the property tax system; or (viii) a change in any of the civil unit's funding mechanisms (i.e., no longer funded by property taxes) could adversely affect the Tax Increment. Any such changes could cause the Tax Increment to fall below the levels set forth in the estimates shown in this Report.

Reduction of Tax Rates or Tax Collection Rates. The Tax Increment estimates assume that the property tax rates will remain at approximately the same level throughout the term of this analysis. Any substantial increase in State funding, federal aid or other sources of local revenues which would reduce local required fiscal support for certain public programs or any substantial increase in assessments outside the Allocation Area could reduce the rates of taxation by the taxing bodies levying taxes upon property with the Allocation Area and have an adverse effect on the amount of Tax Increment received by the Commission. Economic conditions or administrative action could reduce the collection rate achieved by the Commission within its jurisdiction, including the Allocation Area.

Designated Personal Property. Estimates of the Tax Increment derived from designated personal property in the Allocation Area are based upon assessment information provided by the designated taxpayer(s) and/or the county auditor's office. Assessments of depreciable personal property are self-reported on an annual basis by the designated taxpayer. The assessed value of the designated depreciable personal property located in the Allocation Area may change materially due to changes in the reported acquisition cost, in-service date, depreciation pooling schedule utilized by the designated taxpayer, or due to the retirement or removal of all or a portion of the designated depreciable personal property. Additionally, the Indiana General Assembly may pass legislation that changes the assessment and/or reduces or eliminates the taxation of depreciable personal property. There can be no assurances that increased Circuit Breaker Tax Credit losses would not occur due to property tax rate changes that may occur in the future due to reductions in depreciable personal property assessed value that may result from the changes in assessment rules that could reduce the assessed value attributable to depreciable personal property in a taxing district. These changes may adversely affect the Tax Increment estimated in this Report.

Effects of Property Tax Relief Local Income Tax ("LIT"). Eligible uses for LIT taxes include credits against property taxes, and this use provides for a reduction in effective tax rates for property taxpayers resulting in a reduction in the amount of Tax Increment received by the Commission. If there is an adjustment in the property tax relief LIT, then the change could have an impact on the amount of Tax Increment generated in the Allocation Area.

Circuit Breaker Tax Credit. The Circuit Breaker Tax Credit provides different levels of tax caps for various classes of property taxpayers. (See "Circuit Breaker Tax Credit" herein.) The Tax Increment is estimated to be reduced by the Circuit Breaker Tax Credit as shown in this Report. There can be no assurance that the levies and tax rates of the Commission and overlapping taxing units will not increase in some future year to the point of causing the Circuit Breaker Tax Credit to be further applied to property taxpayers' tax bills.

Reassessment and trending. Property values change periodically due to reassessment and trending. The DLGF is required by law to annually neutralize the effect of a reassessment on property within tax increment allocation areas, including the Allocation Area. Delays in the reassessment and trending process, the inability to neutralize the effect of reassessment, or appeals of reassessments could adversely affect Tax Increment.

APPENDIX A

RISKS OF TAX INCREMENT AND ESTIMATES (Cont'd)

Future Development. Estimates of the Tax Increment assume that certain levels of development will occur at certain times. If this development does not occur, is delayed, is changed in size and scope, or if the actual assessed values are less than estimated, the Tax Increment collected may be less than projected.

Delayed Tax Distribution. In the event of delinquent taxes and delayed billing, collection or distribution by the County of ad valorem property taxes levied in the District, sufficient funds may not be available to the Commission in time to pay the Debt Service when due. This risk is inherent in all property tax-supported obligations.

Assessment Risk. The actual assessments are determined by the assessor based on replacement cost using the assessment manual, the income approach provided by developers, and/or trended based on comparable sales data. There is no assurance that assessed values will or will not remain at the taxes payable 2024 level.