

EXHIBIT A

Tax Increment Financing Reinvestment Zone Number One

(Downtown TIF)

2014 Annual Report



City of Denton

Economic Development Office

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Denton, Texas 76201

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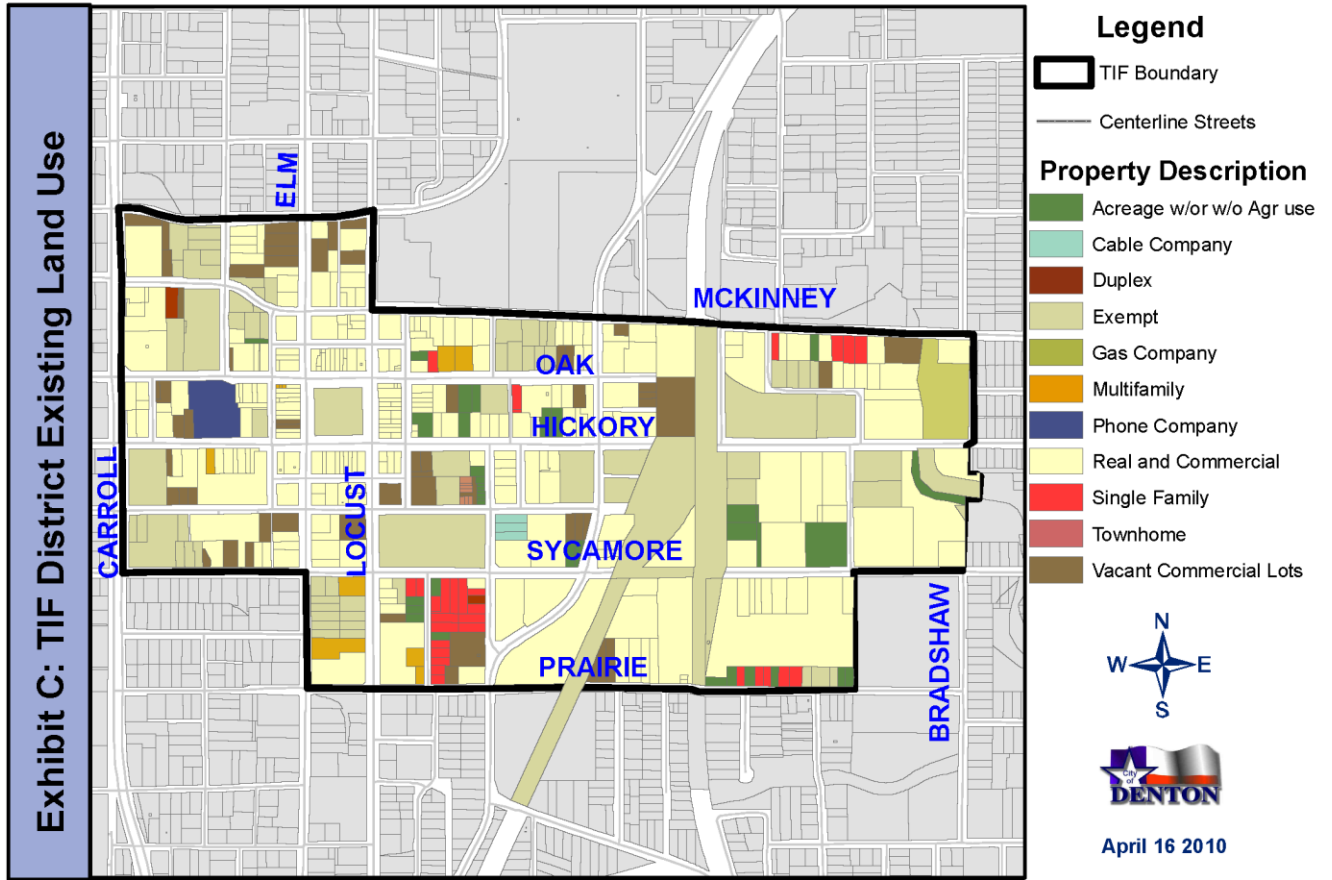
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January 1, 2014 to December 31, 2014

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Reinvestment Zone Number One Downtown Tax Increment Financing District



0 0.05 0.1 0.2 0.3 0.4 Miles

This map is a graphic representation prepared by the City of Denton and is intended for use only as a reference. Data depicted is not guaranteed for accuracy and may be subject to revision at any time without notification. A Registered Surveyor for the State of Texas was not consulted. For Survey level accuracy, supervision and certification of the produced data by a Registered Professional Land Surveyor for the State of Texas would need to be performed.

Mission Statement

The mission of the Tax Increment Financing Reinvestment Zone Number One (Downtown TIF) is to provide a source of funding for public infrastructure improvements to encourage and accelerate necessary development and redevelopment within the Downtown TIF District area.

The Downtown TIF took effect on January 1, 2011 and will terminate on December 31, 2041 or when the budget of \$24.8 million has been collected. The City of Denton is the sole participating jurisdiction. The City's participation is as follows:

Years 1-5	100%
Years 6-10	95%
Years 11-20	90%
Years 21-30	85%

District Accomplishments

During calendar year 2014, \$258,053 was collected after the end of the supplemental period determined by the City of Denton; no funds were distributed.

Value and Increment Summary

According to Denton Central Appraisal District (DCAD) supplemental figures, the 2014 total appraised valuation of taxable real property in TIRZ Number One was \$116.8 million. This represents a \$16.3 million increase from the 2013 supplemental value of \$100.5 million. The annual TIRZ fund contribution of property taxes and interest income for 2014 is \$258,160. Since its inception, the value of the TIRZ has increased an estimated \$37.4 million, which represents a 47.1% increase in valuation.

Summary of TIF Board meetings

The Downtown TIF Board met on January 3, January 24, 2014.

Board Member List and attendance

Pete Kamp – City Council Member (Attended 1 of 2 meeting)

James King – City Council Member (Attended 0 of 2 meetings)

Bob Moses – Property Owner (Attended 2 of 2 meetings)

Virgil Strange – Property Owner (Attended 1 of 2 meetings)

Marty Rivers – Chamber of Commerce Member (Attended 2 of 2 meetings)

Hank Dickenson – Chamber of Commerce member (Attended 2 of 2 meetings)
 Harold Strong – Qualified Voter of the City of Denton (Attended 2 of 2 meetings)

In May 2015, changes were made to the TIF Board to reflect changes on City Council. The new TIF Board met on June 27, 2014.

Board Member List and attendance

Chris Watts – City Council Member (Attended 1 of 1 meeting)
 Kevin Roden – City Council Member (Attended 0 of 1 meeting)
 Bob Moses – Property Owner (Attended 1 of 1 meeting)
 Virgil Strange – Property Owner (Attended 1 of 1 meeting)
 Marty Rivers – Chamber of Commerce Member (Attended 0 of 1 meeting)
 Hank Dickenson – Chamber of Commerce member (Attended 1 of 1 meeting)
 Harold Strong – Qualified Voter of the City of Denton (Attended 1 of 1 meeting)

During 2014, the TIF Board took the following action on items:

Received briefings on: preliminary annual ad valorem value of TIF Number One, East Hickory Capital Improvements, a business prospect for the downtown area, and openings and closings of downtown businesses.

Budget and Spending Status

The Downtown TIF District has established in its Project and Finance Plans a budget for public improvement expenditures necessary to support private investment in the district.

In 2014, \$258,160 of property taxes and interest income was collected; no expenditures were made.

2014 Work Program

No projects were initiated in 2014; no funds were expended.

The TIF Valuation and interest contribution into the TIRZ fund are illustrated in the table that follows. Please note that the 2014 contribution into the TIRZ fund will change slightly once the November and December interest have been accounted for.

Certified and Supplemental TIRZ No. 1 Contribution Summary

Year	TIRZ Certified Value	Supplement TIRZ Value	Annual Captured Supplement Value	Supplement Contribution to TIRZ Fund	Interest	Total TIRZ Fund
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2010	79,356,854	79,356,854	N/A	N/A	N/A	
2011	81,657,808	80,331,050	\$974,196	6,720	17	6,737
2012	89,605,635	93,040,263	\$13,683,409	94,381	297	94,678
2013	96,287,950	100,452,300	\$21,095,446	145,506	1,084	146,590
2014*	114,885,073	116,769,435	\$37,412,581	258,053	107	258,160
Totals			\$35,753,051	504,660	1,505	506,165

**Denotes that interest is YTD through October 2014*