

June 25, 2018

## Annual Tax Increment District Report – TID No. 4 (Fitchburg Technology Campus, Agora and Fitchburg Technology Campus II / Uptown)

City of Fitchburg, Wisconsin



Prepared by:

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Chair

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# Annual Tax Increment District Report

City of Fitchburg, Wisconsin  
Tax Increment District No. 4

**Purpose:** State law requires municipalities with an active Tax Incremental District (TID) to electronically file an Annual Report for each TID by July 1 of each calendar year. This is a summary of that filing to be used at the annually required meeting of the standing Joint Review Board.

**District Summary:** Tax Increment District No. 4 (“District”) was created on May 27, 2003 as an Industrial District. This district enabled the development of the Fitchburg Technology Campus and Fitchburg Technology Campus II / Uptown.

- On 8/9/2005 and again on 4/26/2011, the District was amended for territory and project plan amendments involving adding lands for the District and providing the incentive and opportunities for development

The TID has an expenditure period that ends on May 27, 2021, and has a mandatory termination date of May 27, 2026.

<b>Financial Data:</b>	Base Value	\$49,144,000
	Incremental Value (1/1/17)	\$179,487,900
	Year End Fund Balance 12/31/17	\$8,661,022
	Projected Closure (based on current cash flow*)	2020

\* The City may make additional projects costs through the end of the District’s expenditure period. The projected closure year identified is based on current cash flow projections only.

**Notes:** These projections reflect only existing values and an assumed 2% rate of appreciation in incremental values. Additional new construction would further improve the cash flows and potential for early closure. Conversely if appreciation is lower or if tax rates decline this could delay closure.

The City was pleased that the Orion Seven/Promega PAYGO paid off in full 1 year early. A new PAYGO is expected to be issued in 2018 or 2019 for CAMECA, a high precision microscope manufacturer and in 2017 another was issued for Promega.



CAMECA broke ground for its 26,075 SF office/manufacturing facility in 2017.

Finally, in summer of 2017 the 33 unit Tralee Apartment project opened in Techlands.

**Joint Review Board  
Action:**

Resolution acknowledging filing of Annual TID Report and compliance with annual meeting requirements.

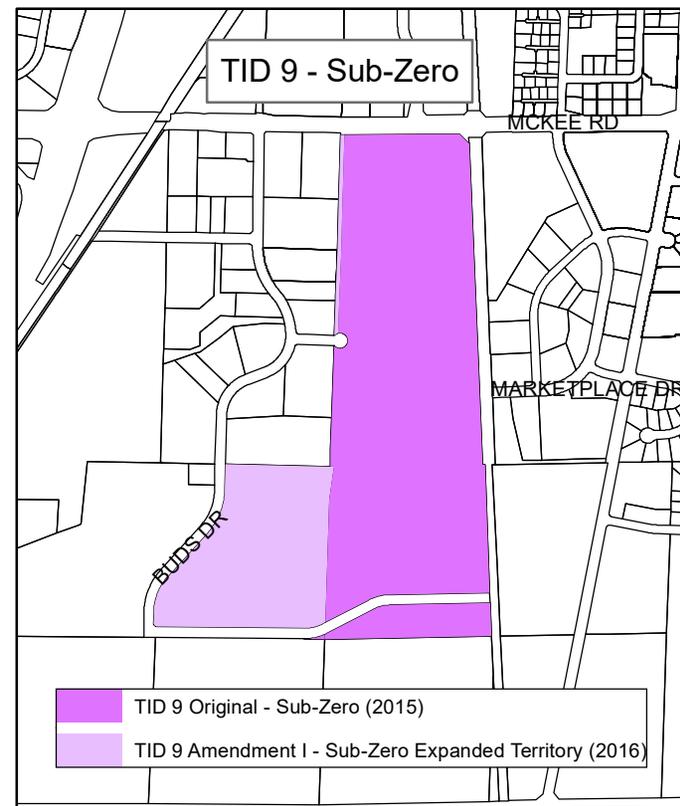
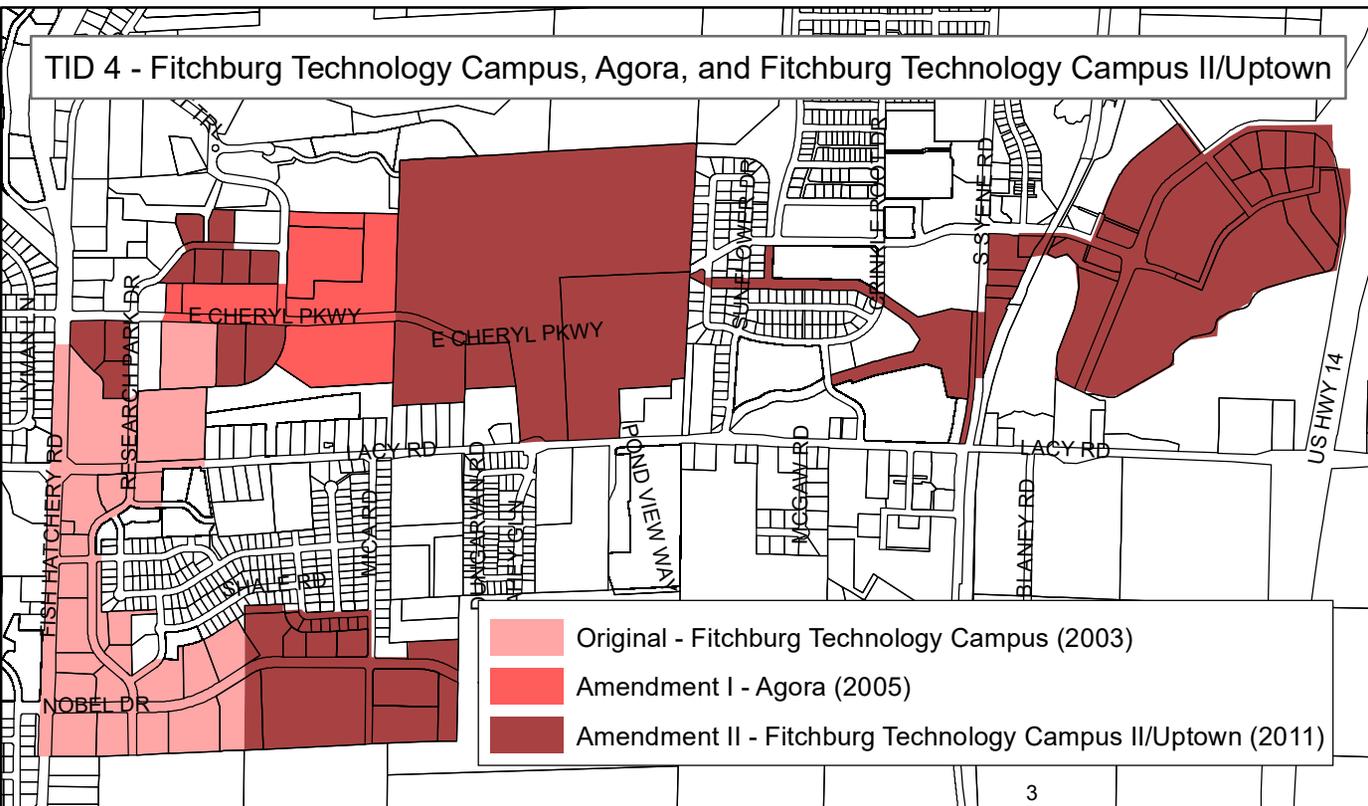
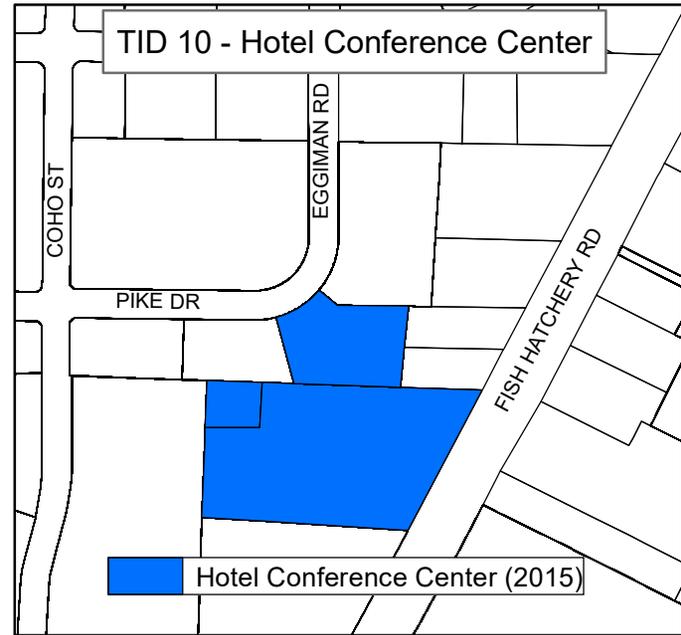
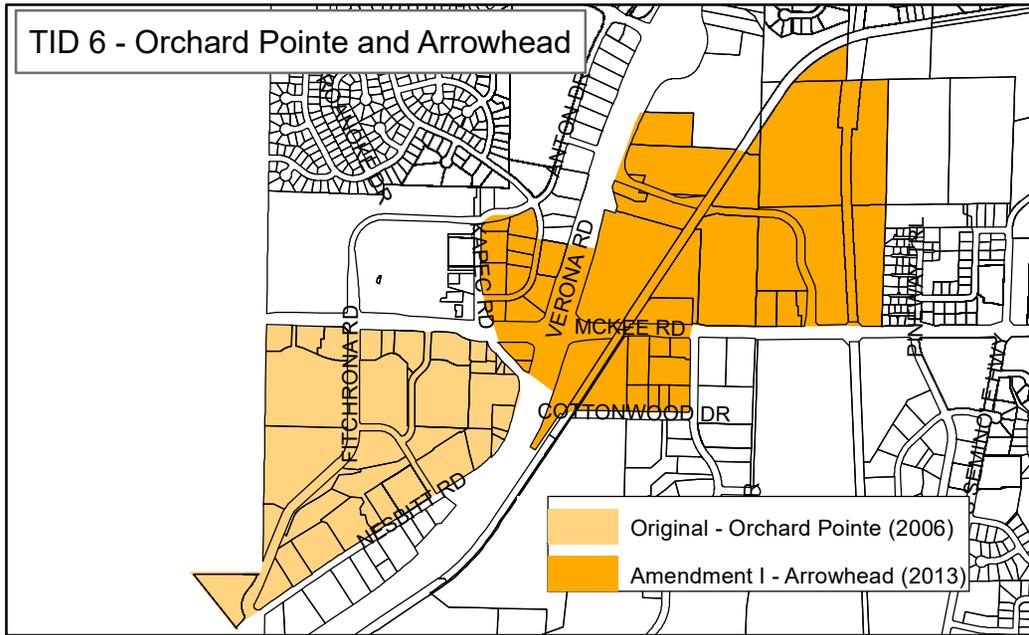
**Attachments:**

- TID Boundary Maps
- TID Cash Flow Projection (Detail)
- 2017 City Financial Report on TID 4
- State Submittal (PE-300)



# City of Fitchburg TIF Districts

Updated 05/2017



# City of Fitchburg, WI

## Tax Increment District No. 4 Tax Increment Projection Worksheet WITHOUT Future New Construction

Type of District	Industrial
Actual Creation Date	5/27/2003
Valuation Date	Jan. 1, 2003
Maximum Life (In Years)	23
Expenditure Period (In Years)	18
Revenue Periods/Final Rev Year	23   2027
End of Expenditure Period	5/27/2021
Latest Termination Date	5/27/2026
Eligible for Extension/No. of Years	Yes   3
Eligible Recipient District	No

Actual Base Value	49,144,000
Pre-Amendment Base Value (Actual)	34,159,100
Property Appreciation Factor	2.00%
Current Tax Rate (Per \$1,000 EV)	\$24.19
Tax Rate Adjustment Factor (Next 2 Years)	-5.00%
Tax Rate Adjustment Factor (Following 2 Years)	-2.50%
Tax Rate Adjustment Factor (Thereafter)	-0.50%
Discount Rate 1 for NPV Calculation	5.00%
Discount Rate 2 for NPV Calculation	7.00%

Apply Inflation Factor to Base?

X



Net Present Value Calculation

Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment	Cumulative @ 5.00%	Cumulative @ 7.00%	
<i>The two zero tax increments to the right are included in the sum of the NPV calculations to accurately reflect the time value of the delay</i>										
							0			
							0			
1	2003	9,663,600	2004	9,663,600	2005	21.91	211,714	182,887	172,822	
2	2004	(4,668,900)	2005	4,994,700	2006	20.25	101,128	266,085	249,972	
3	2005	22,733,900	2006	27,728,600	2007	19.49	540,352	689,465	635,235	
4	2006	30,051,100	2007	57,779,700	2008	19.31	1,115,932	1,522,190	1,378,828	
5	2007	6,721,800	2008	64,501,500	2009	19.34	1,247,325	2,408,641	2,155,599	
6	2008	8,117,800	2009	72,619,300	2010	20.21	1,467,819	3,402,119	3,009,883	
7	2009	(3,746,700)	2010	68,872,600	2011	22.28	1,534,783	4,391,453	3,844,703	
8	2010	257,900	2011	69,130,500	2012	23.15	1,600,474	5,374,006	4,658,303	
9	2011	14,701,600	2012	83,832,100	2013	23.91	2,004,109	6,545,767	5,610,441	
10	2012	39,033,400	2013	122,865,500	2014	24.70	3,034,232	8,235,341	6,957,676	
11	2013	17,083,100	2014	139,948,600	2015	23.85	3,337,601	10,005,341	8,342,662	
12	2014	25,295,100	2015	165,243,700	2016	24.19	4,012,097	12,031,723	9,898,622	
13	2015	988,500	2016	166,232,200	2017	24.36	4,049,077	13,979,398	11,366,194	
14	2016	13,255,700	2017	179,487,900	2018	24.20	4,343,242	15,969,088	12,837,401	
15	2017		2018	4,572,638	184,060,538	2019	24.08	4,431,621	17,902,589	14,240,338
16	2018		2019	4,664,091	188,724,629	2020	23.96	4,521,199	19,781,241	15,577,998
17	2019		2020	4,757,373	193,482,001	2021	23.84	4,611,993	21,606,363	16,853,252
18	2020		2021	4,852,520	198,334,521	2022	23.72	4,704,024	23,379,260	18,068,861
19	2021		2022	4,949,570	203,284,092	2023	23.60	4,797,309	25,101,217	19,227,474
20	2022		2023	5,048,562	208,332,654	2024	23.48	4,891,867	26,773,501	20,331,633
21	2023		2024	5,149,533	213,482,187	2025	23.36	4,987,720	28,397,360	21,383,777
22	2024		2025	5,252,524	218,734,710	2026	23.25	5,084,886	29,974,020	22,386,245
23	2025		2026	5,357,574	224,092,285	2027	23.13	5,183,385	31,504,688	23,341,280
							179,487,900			
							44,604,385			
							Future Value of Increment		71,813,888	



Update 6/25/18



FTC 1, Promega, FTC 2 & Nine Springs (Green Tech Village) & ERA Mkt Projections



Updated 6/25/18: Refelcts actual balances for YE 2016 and 2017

Year	Revenues				City Cash Expenses, Developer PAYGO Obligations, STF Loans & Taxable Refunding thereof								G.O. Debt Obligations 2011 - 2020										Balances			Year				
	Tax Increments	Investment Earnings <sup>1</sup>	Computer Exemption	Bid Premium Deposit to Debt Service	Total Revenues	FTC PAYGO Developer Bonds	FTC GO Bonds for Infrastructue	FTC Trust Fund Loan for Dev. Incentive	Orion PAYGO Developer Bond	Promega PAYGO Developer Bond	Promega PAYGO Developer Bond 2017 A	CAMECA PAYGO Developer Bond 2016 A	TOTAL OBLIGATIONS	G.O. Bond				G.O. Bond			G.O. Notes			Capital Outlay	Administrative expenses		Total Future Expenditures	TOTAL ALL EXPENDITURES	Annual	Cumulative
						\$1.923 M	\$860,000 GO Prom Notes 2009	Refunded with Taxable Bonds 2012	\$2.2 M	\$4.0 M <sup>2</sup>	\$1,500,000	\$545,985		Phase 1 Dated 12/13/11				Phase II Dated 3/21/12			Dated 4/14/15									
		0.25%											Prin (12/1)	Rate	Interest	Total	Prin (3/1)	Rate	Interest	Prin (4/1)	Rate	Interest								
2015																														
2016	4,012,097	27,668	626,877	9,917	4,676,559	625,147	100,838	66,268	949,110	416,000			200,000	2.000%	118,038	318,038	480,000	2.000%	221,750	90,000	1.000%	17,750	442,410	21,320	1,591,268	3,748,630	927,929	5,135,080	25,457,902	2015
2017	4,049,077	71,225	632,690		4,752,992		103,588	65,423		454,000	235,390		250,000	2.000%	114,038	364,038	480,000	2.000%	212,150	90,000	2.000%	16,400	119,851	14,140	1,296,579	2,154,979	2,598,013	8,661,022	20,852,139	2016
2018	4,343,242	21,653	641,990		5,006,885		100,975			487,500	227,391	815,866	300,000	2.000%	109,038	409,038	575,000	2.000%	201,600	90,000	2.000%	14,600	10,000	10,000	1,300,238	2,116,103	2,890,782	11,551,804	19,071,274	2017
2019	4,431,621	28,880	641,990		5,102,491	-	103,125			469,500	219,391	886,268	350,000	2.000%	103,038	453,038	680,000	2.000%	189,050	90,000	2.000%	12,800	10,000	10,000	1,454,888	2,341,155	2,761,335	14,313,139	17,065,006	2018
2020	4,521,199	35,783			4,556,982	-				550,000		852,343	400,000	2.000%	96,038	496,038	700,000	2.000%	175,250	95,000	2.000%	10,950	800,000	10,000	2,287,238	3,139,580	1,417,401	15,730,540	15,017,664	2019
2021	4,611,993	39,326			4,651,320	-				526,000	203,391	817,043	425,000	2.000%	88,038	513,038	725,000	2.000%	161,000	95,000	2.000%	9,050	10,000	10,000	1,513,088	2,330,130	2,321,189	18,051,730	12,955,621	2020
2022	4,704,024	45,129			4,749,153	-				502,000	195,391	781,743	450,000	2.250%	79,538	529,538	1,000,000	2.000%	143,750	100,000	2.000%	7,100	10,000	10,000	1,790,388	2,572,130	2,177,023	20,228,753	10,623,878	2021
2023	4,797,309	50,572			4,847,880	-				478,000	187,391	746,443	500,000	2.250%	69,413	569,413	1,000,000	2.125%	123,125	100,000	2.000%	5,100	10,000	10,000	1,807,638	2,554,080	2,293,800	22,522,553	8,277,436	2022
2024	4,891,867	56,306			4,948,174	-				552,500	179,391	809,643	500,000	2.500%	58,163	558,163	1,000,000	2.250%	101,250	100,000	2.000%	3,100	10,000	10,000	1,772,513	2,582,155	2,366,019	24,888,572	5,867,793	2023
2025	4,987,720	62,221			5,049,941	-				522,500	171,391	768,343	550,000	2.500%	45,663	595,663	1,000,000	3.000%	75,000	105,000	2.000%	1,050	10,000	10,000	1,786,713	2,555,055	2,494,886	27,383,458	3,444,450	2024
2026	5,084,886	68,459			5,153,344	-				0	151,506	71,152	575,000	2.700%	31,913	606,913	1,000,000	3.000%	45,000			0	10,000	10,000	1,661,913	1,884,571	3,268,774	30,652,231	1,646,792	2025
2027	5,183,385	76,631			5,260,016	-				0		71,792	575,000	2.850%	16,388	591,388	1,000,000	3.000%	15,000			0	10,000	10,000	1,616,388	1,688,180	3,571,836	34,224,068	0	2026
<b>Total</b>	<b>55,618,420</b>	<b>583,853</b>	<b>2,543,547</b>	<b>9,917</b>	<b>58,755,736</b>	<b>625,147</b>	<b>408,526</b>	<b>131,690</b>	<b>949,110</b>	<b>4,958,000</b>	<b>1,982,021</b>	<b>733,409</b>	<b>5,075,000</b>		<b>929,300</b>	<b>6,004,300</b>	<b>9,640,000</b>		<b>1,663,925</b>	<b>955,000</b>	<b>96,850</b>	<b>1,382,261</b>		<b>19,878,846</b>	<b>29,666,748</b>	<b>29,088,988</b>				

NOTES:

1 Interest earnings based on actual for 2016 from City, projected at 0.25% on any positive fund balance for 2017 and beyond.

2 \$ 4 M updated PAYGO Promega Bond as proposed based upon Final copy of Payment Schedule from City.

Estimated TID Closure

## CITY OF FITCHBURG

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2017

	TID No. 4	TID No. 6
<b>REVENUES</b>		
Taxes	\$ 4,049,077	\$ 1,798,894
Intergovernmental	632,690	72,635
Licenses and permits	-	-
Fines, forfeitures and penalties	-	-
Public charges for services	-	-
Special assessments	-	-
Investment income	71,225	42,270
Intergovernmental charges for services	-	-
Miscellaneous	-	-
Total Revenues	4,752,992	1,913,799
<b>EXPENDITURES</b>		
Current		
General government	-	-
Public safety	-	-
Public works	-	-
Health and human services	-	-
Culture, recreation and education	-	-
Conservation and development	-	-
Capital Outlay	823,381	93,213
Debt Service		
Principal	-	-
Interest and fiscal charges	-	-
Total Expenditures	823,381	93,213
Excess (deficiency) of revenues over expenditures	3,929,611	1,820,586
<b>OTHER FINANCING SOURCES (USES)</b>		
Debt issued	-	-
Premium on debt issued	-	-
Property sales	-	-
Transfers in	-	-
Transfers out	(1,331,599)	(379,650)
Total Other Financing Sources (Uses)	(1,331,599)	(379,650)
<b>Net Change in Fund Balances</b>	2,598,012	1,440,936
FUND BALANCES - Beginning of Year	6,063,010	3,778,093
<b>FUND BALANCES - END OF YEAR</b>	\$ 8,661,022	\$ 5,219,029

**CITY OF FITCHBURG**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2017

	TID No. 4	TID No. 6
<b>ASSETS</b>		
Cash and investments	\$ 8,661,236	\$ 5,229,567
Receivables (net)		
Taxes	4,343,242	2,385,327
Delinquent personal property taxes	-	-
Accounts	-	-
Interest	-	-
Special assessments	-	-
Delinquent special assessments	-	-
Land contract	-	-
Due from other governments	-	-
Due from other funds	-	-
Advances to other funds	-	-
Prepaid items	-	-
Restricted cash and investments	-	-
	<u>                    </u>	<u>                    </u>
<b>TOTAL ASSETS</b>	<b><u>\$ 13,004,478</u></b>	<b><u>\$ 7,614,894</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
Liabilities		
Accounts payable	\$ 214	\$ 10,538
Accrued liabilities	-	-
Due to other governments	-	-
Deposits	-	-
Advances from other funds	-	-
Total Liabilities	<u>214</u>	<u>10,538</u>
Deferred Inflows of Resources		
Property taxes levied for future period	4,343,242	2,385,327
Unavailable revenues	-	-
Total Deferred Inflows of Resources	<u>4,343,242</u>	<u>2,385,327</u>
Fund Balances		
Nonspendable	-	-
Restricted	8,661,022	5,219,029
Committed	-	-
Assigned	-	-
Unassigned (deficit)	-	-
Total Fund Balances	<u>8,661,022</u>	<u>5,219,029</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b><u>\$ 13,004,478</u></b>	<b><u>\$ 7,614,894</u></b>

<b>Form PE-300</b>	<b>TID Annual Report</b>	<b>2017 WI Dept of Revenue</b>
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Municipality/TID					
Co-muni code <b>13225</b>	Municipality <b>FITCHBURG</b>	County <b>DANE</b>	Due date <b>07-02-2018</b>	Report type <b>ORIGINAL</b>	
TID number <b>004</b>	TID type <b>4</b>	TID name <b>FTC Agora FTC II Uptown</b>	Creation date <b>05-27-2003</b>	Mandatory termination date <b>05-27-2026</b>	Expected termination date <b>05-27-2023</b>

<b>Section 1 : Beginning Balance</b>	
<b>TID fund balance at beginning of fiscal year</b>	<b>\$6,063,008</b>

<b>Section 2. Revenue</b>	
<b>Does this TID receive allocated funds from another TID?</b>	<b>No</b>
<b>Allocation from another TID</b>	<b>Allocation amount</b>
N/A	\$0
<b>Subtotal allocation from another TID amount</b>	<b>\$0</b>
<b>Developer guarantee name</b>	<b>Developer guarantee amount</b>
<b>Subtotal developer guarantee amount</b>	<b>\$0</b>
<b>Transfer from other fund source</b>	<b>Transfer from other fund amount</b>
<b>Subtotal transfer from other fund amount</b>	<b>\$0</b>
<b>Other grant sources</b>	<b>Other grant source amount</b>
<b>Subtotal other grant source amount</b>	<b>\$0</b>
<b>Other revenue sources</b>	<b>Other revenue source amount</b>
2013 audit entry correction - AP	\$52,530
<b>Subtotal other revenue source amount</b>	<b>\$52,530</b>
<b>Tax increment</b>	<b>\$4,049,077</b>
<b>Investment income</b>	<b>\$71,225</b>
<b>Debt proceeds</b>	<b>\$0</b>
<b>Special assessments</b>	<b>\$0</b>
<b>Exempt computer aid</b>	<b>\$632,690</b>
<b>Miscellaneous revenue</b>	<b>\$0</b>
<b>Sale of property</b>	<b>\$0</b>
<b>Total Revenue (deposits)</b>	<b>\$4,805,522</b>

<b>Form PE-300</b>	<b>TID Annual Report</b>	<b>2017 WI Dept of Revenue</b>
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<b>Section 3. Expenditures</b>	
<b>Developer grant name</b>	<b>Developer grant amount</b>
Avante Properties	\$172,381
Promega Corporation	\$689,390
Tech Lands LLC	\$0
Green Tech Land Company LLC	\$0
<b>Subtotal developer grant amount</b>	<b>\$861,771</b>
<b>Does this TID allocate funds to another TID?</b>	<b>No</b>
<b>Allocation to another TID</b>	<b>Allocation amount</b>
N/A	\$0
<b>Subtotal allocation to another TID</b>	<b>\$0</b>
<b>Transfer to other fund source</b>	<b>Transfer to other fund amount</b>
<b>Subtotal transfer to other fund amount</b>	<b>\$0</b>
<b>Other expenditure source</b>	<b>Other expenditure source amount</b>
Admin - Notice Publish/Record Documents	\$229
<b>Subtotal other expenditures source amount</b>	<b>\$229</b>
<b>Capital expenditures</b>	
<b>Administration</b>	<b>\$5,376</b>
<b>Professional services</b>	<b>\$8,385</b>
<b>Interest and fiscal charges</b>	<b>\$351,599</b>
<b>DOR fees</b>	<b>\$150</b>
<b>Discount on long-term debt</b>	
<b>Debt issuance costs</b>	
<b>Principal on long-term debt</b>	<b>\$980,000</b>
<b>Environmental costs</b>	
<b>Real property assembly costs</b>	
<b>Total Expenditures</b>	<b>\$2,207,510</b>

<b>Section 4. Ending Balance</b>	
<b>TID fund balance at end of fiscal year</b>	<b>\$8,661,020</b>
<b>Future costs</b>	<b>\$34,056,966</b>
<b>Future revenue</b>	<b>\$49,319,295</b>
<b>Surplus or deficit</b>	<b>\$23,923,349</b>

<b>Form PE-300</b>	<b>TID Annual Report</b>	<b>2017 WI Dept of Revenue</b>
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<b>Preparer/Contact Information</b>	
Preparer name <b>Misty Dodge</b>	Preparer title <b>Finance Director</b>
Preparer email <b>misty.dodge@fitchburgwi.gov</b>	Preparer phone <b>(608) 270-4252</b>
Contact name <b>Misty Dodge</b>	Contact title <b>Finance Director</b>
Contact email <b>misty.dodge@fitchburgwi.gov</b>	Contact phone <b>(608) 270-4252</b>

<b>Submission Information</b>	
You successfully submitted your form. Save and/or print a copy for your records.	
Co-muni code	<b>13225</b>
TID number	<b>004</b>
Recording time	<b>06-21-2018 08:37 AM</b>
Confirmation	<b>TIDAR201713225O1527449254990</b>
Submission type	<b>ORIGINAL</b>