

June 20, 2018

## Annual Tax Increment District Report – TID No. 6 (Orchard Pointe & Arrowhead)

City of Fitchburg, Wisconsin



Prepared by:

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# Annual Tax Increment District Report

City of Fitchburg, Wisconsin  
Tax Increment District No. 6

**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. 6 (“District”) was created on August 8, 2006 as a Mixed-Use District.

- On August 27, 2013, the District was amended to further facilitate development and/or redevelopment within areas adjacent to the District, the City desires to amend its boundaries to add territory.

The TID has an expenditure period that ends on August 8, 2021, and has a mandatory termination date of August 8, 2026.

<b>Financial Data:</b>	Base Value	\$86,800,800
	Incremental Value (1/1/2017)	\$94,068,400
	Year End Fund Balance (12/31/17)	\$5,219,029
	Projected Closure (based on current cash flow*)	2020

\* The City expects to 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:** The developer funded PAYGO for Ryan/Wingra/Peterson paid-off, in full, a year early.

The Benjamin Investments project has been delayed but is expected to be fully competed in 2018. (see below)

The primarily State-funded (no TID funding), major Verona Road project under construction through the TID.

Saris Cycling Group completed an 18,375 square foot addition.  
A five story 100 room Staybridge Suites opened 8/22/17.



A 9,000 square foot Pet Supplies Plus opened in Orchard Pointe.

Benjamin Investments' three story building is being constructed (partial as of 1/1/17), an associated PAYGO is to be issued upon completion an updated payment schedule will be prepared at that time—see an updated draft schedule as part of the TID cash flow.

Revaluation decreases are due to market trends and economic depreciation. Property now exempt and formerly assessed is due to change in use. Personal property additions are for new equipment and reductions are the result of depreciation.

**Joint Review Board**

**Action:**

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

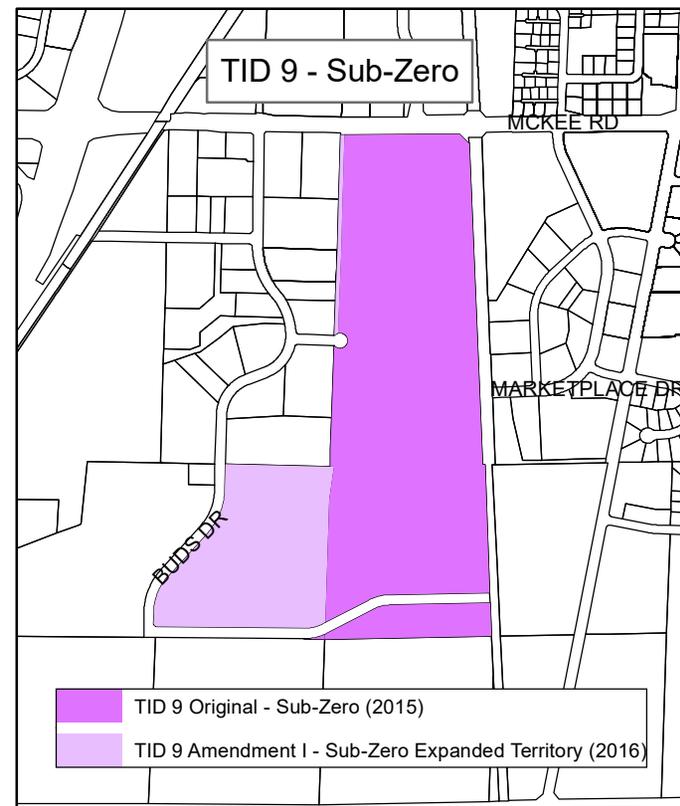
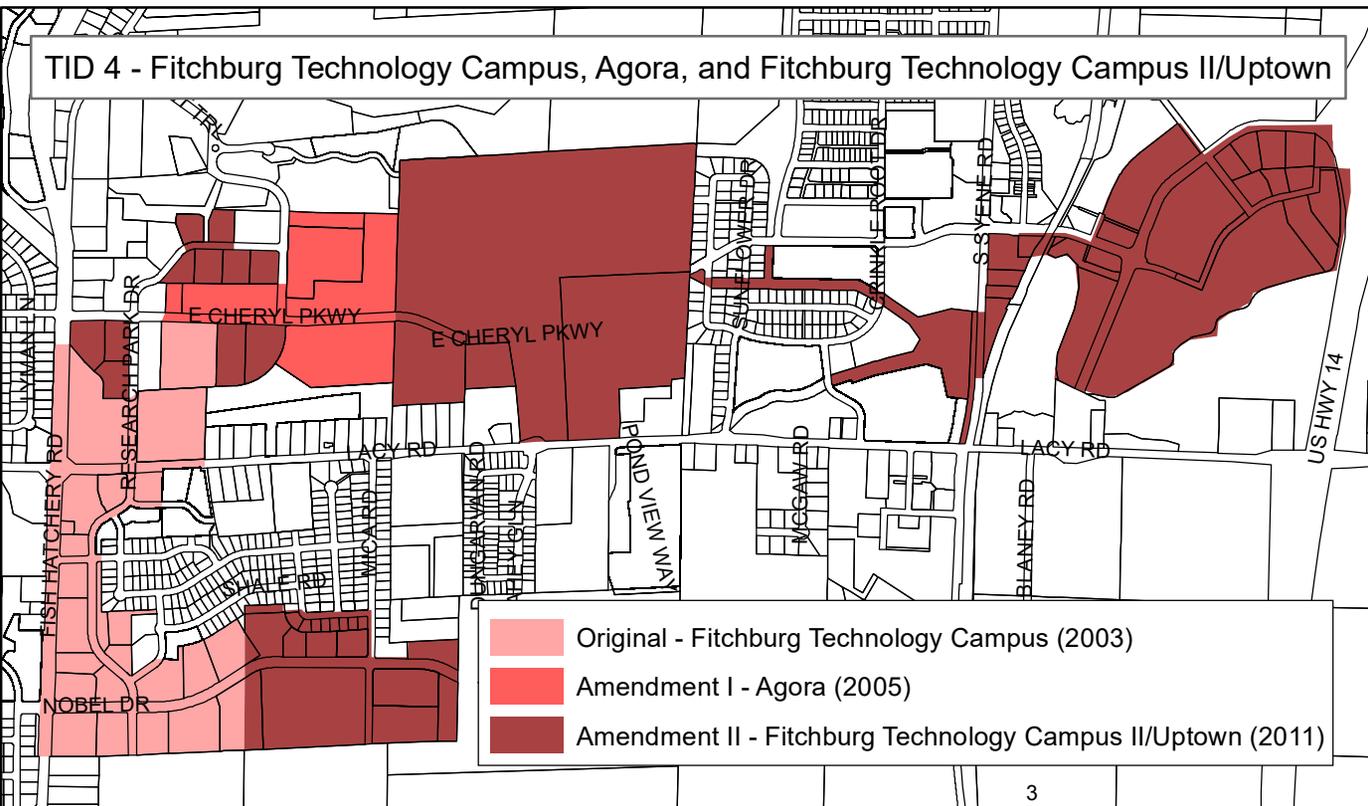
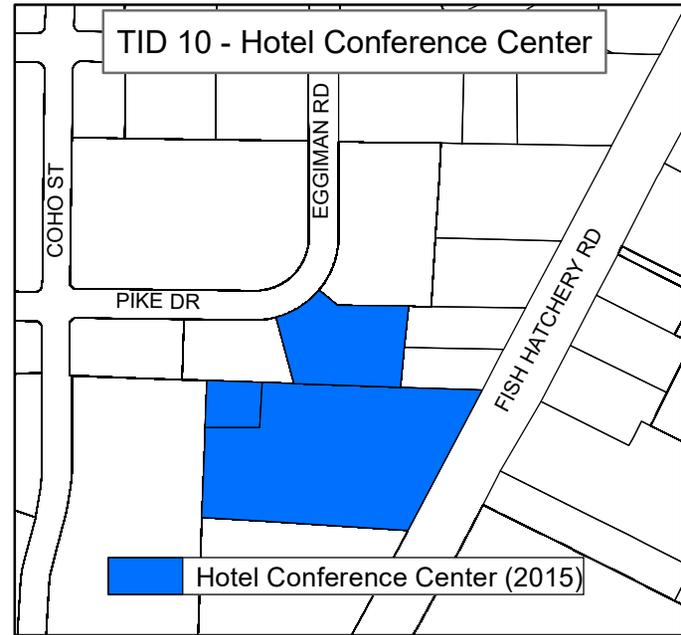
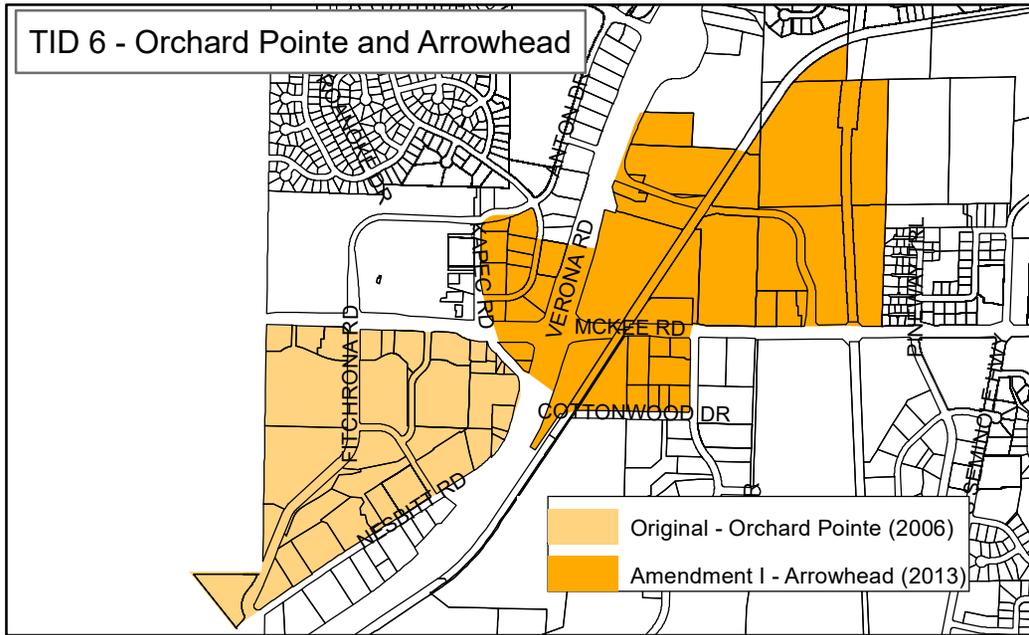
**Attachments:**

- TID Boundary Map
- TID Cash Flow Projection (Detail)
- 2017 City Financial Report on TID 6
- State Submittal (PE-300)



# City of Fitchburg TIF Districts

Updated 05/2017



# City of Fitchburg, Wisconsin

## Tax Increment District #6 (Orchard Pointe & Arrowhead)

### Tax Increment Projection Worksheet

Type of District	Mixed Use	
District Creation Date	August 8, 2006	
Valuation Date	Jan 1,	2006
Max Life (Years)	20	
Expenditure Period/Termination	15	8/8/2021
Revenue Periods/Final Year	20	2027
Extension Eligibility/Years	Yes	3
Recipient District	No	

Base Value	86,800,800
Appreciation Factor	1.00%
Base Tax Rate	\$20.00
Rate Adjustment Factor	-2.50%
Tax Exempt Discount Rate	2.90%
Taxable Discount Rate	4.40%

Apply to Base Value

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
							0		
10	2015	0	2016	<b>79,184,000</b>	2017	<b>\$24.43</b>	<b>1,934,253</b>	1,372,552	1,153,738
11	2016	14,884,400	2017	<b>94,068,400</b>	2018	<b>\$25.36</b>	<b>2,385,327</b>	3,017,484	2,516,567
12	2017	0	2018	940,684	2019	\$24.72	<b>2,348,950</b>	4,591,679	3,802,052
13	2018	0	2019	950,091	2020	\$24.11	<b>2,313,129</b>	6,098,180	5,014,582
14	2019	0	2020	959,592	2021	\$23.50	<b>2,277,854</b>	7,539,896	6,158,297
15	2020	0	2021	969,188	2022	\$22.92	<b>2,243,116</b>	8,919,615	7,237,103
16	2021	0	2022	978,880	2023	\$22.34	<b>2,208,909</b>	10,240,001	8,254,683
17	2022	0	2023	988,668	2024	\$21.78	<b>2,175,223</b>	11,503,607	9,214,513
18	2023	0	2024	998,555	2025	\$21.24	<b>2,142,051</b>	12,712,874	10,119,870
19	2024	0	2025	1,008,541	2026	\$20.71	<b>2,109,385</b>	13,870,139	10,973,845
20	2025	0	2026	1,018,626	2027	\$20.19	<b>2,077,217</b>	14,977,639	11,779,355
<b>Totals</b>		<b>14,884,400</b>		<b>8,812,824</b>		<b>Future Value of Increment</b>	<b>24,215,413</b>		

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

**Draft 6/20/18**

# City of Fitchburg, Wisconsin

## Tax Increment District #6 (Orchard Pointe & Arrowhead)

### Cash Flow Projection

Year	Projected Revenues						Expenditures								Balances			Year			
	Tax Increments	Interest Earnings/ (Cost)	Less Thermo AV Claim Refund	Exempt Computer Aid	Debt Proceeds & Other	Total Revenues	2015 B.G.O. Bonds 3,995,000 Dated Date: 04/14/15			Benjamin Investments PAYGO Bond * 1,035,802			Benjamin Investments Contingent	Capital expenditures	Interest in Advances	Administrative	Total Expenditures		Annual	Cumulative	Principal Outstanding
2017	1,798,894	42,270		72,635		1,913,799	305,000		74,650					93,213			472,863	0	0	3,995,000	0
2018	2,385,327	15,000		73,703		2,474,030	310,000		68,500					68,408			446,908	2,027,122	7,246,151	4,430,802	2018
2019	2,348,950	15,000		73,703		2,437,653	315,000		62,250				145,032	2,000,000		50,000	2,572,282	(134,629)	7,111,522	3,805,802	2019
2020	2,313,129	15,000				2,328,129	320,000		55,900	125,000	5.00%	58,171	145,032	1,890,000		50,000	2,644,103	(315,974)	6,795,548	3,360,802	2020
2021	2,277,854	15,000				2,292,854	330,000		49,400	130,000	5.00%	51,796			50,000		611,196	1,681,658	8,477,206	2,900,802	2021
2022	2,243,116	15,000				2,258,116	335,000		42,750	135,000	5.00%	45,171			50,000		607,921	1,650,195	10,127,401	2,430,802	2022
2023	2,208,909	15,000				2,223,909	340,000		36,000	140,000	5.00%	38,296			50,000		604,296	1,619,613	11,747,014	1,950,802	2023
2024	2,175,223	15,000				2,190,223	350,000		29,100	145,000	5.00%	31,171			50,000		605,271	1,584,952	13,331,966	1,455,802	2024
2025	2,142,051	15,000				2,157,051	355,000		22,050	150,000	5.00%	23,796			50,000		600,846	1,556,205	14,888,171	950,802	2025
2026	2,109,385	15,000				2,124,385	365,000		13,938	155,000	5.00%	16,171			50,000		600,109	1,524,276	16,412,447	430,802	2026
2027	2,077,217	15,000				2,092,217	375,000		4,688	245,900	5.00%	6,148			50,000		681,736	1,410,481	17,822,927	(190,098)	2027
<b>Total</b>	<b>33,789,822</b>	<b>218,818</b>	<b>0</b>	<b>1,407,490</b>		<b>39,411,715</b>	<b>3,995,000</b>		<b>501,489</b>	<b>1,225,900</b>		<b>270,720</b>	<b>290,064</b>	<b>14,558,185</b>	<b>9,665</b>	<b>737,765</b>	<b>21,588,788</b>				<b>Total</b>

Notes: Benjamin Investments Contingent payment is dependent upon rental performance and available increment from Benjamin Project. \* Benjamin PAYGO payments are expected to be delayed per above schedule due to construction delay. Unpaid interest accrues and increases principal from 1,035,802 to 1,235,000.

Projected TID Closure

Draft 6/20/18

## 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>006</b>	TID type <b>6</b>	TID name <b>Orchard Pointe and Arrowhead</b>	Creation date <b>08-08-2006</b>	Mandatory termination date <b>08-08-2026</b>	Expected termination date <b>08-08-2021</b>

<b>Section 1 : Beginning Balance</b>	
<b>TID fund balance at beginning of fiscal year</b>	<b>\$3,778,093</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>
<b>Subtotal other revenue source amount</b>	<b>\$0</b>
<b>Tax increment</b>	<b>\$1,798,894</b>
<b>Investment income</b>	<b>\$42,270</b>
<b>Debt proceeds</b>	
<b>Special assessments</b>	
<b>Exempt computer aid</b>	<b>\$72,635</b>
<b>Miscellaneous revenue</b>	
<b>Sale of property</b>	
<b>Total Revenue (deposits)</b>	<b>\$1,913,799</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>
Ryan Companies and Wingra Stone and Peterson	\$0
<b>Subtotal developer grant amount</b>	<b>\$0</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>
Other Administrative Costs	\$5,101
<b>Subtotal other expenditures source amount</b>	<b>\$5,101</b>
<b>Capital expenditures</b>	<b>\$68,408</b>
<b>Administration</b>	<b>\$16,068</b>
<b>Professional services</b>	<b>\$3,486</b>
<b>Interest and fiscal charges</b>	<b>\$74,650</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>\$305,000</b>
<b>Environmental costs</b>	
<b>Real property assembly costs</b>	
<b>Total Expenditures</b>	<b>\$472,863</b>

<b>Section 4. Ending Balance</b>	
<b>TID fund balance at end of fiscal year</b>	<b>\$5,219,029</b>
<b>Future costs</b>	<b>\$13,884,603</b>
<b>Future revenue</b>	<b>\$22,578,567</b>
<b>Surplus or deficit</b>	<b>\$13,912,993</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>006</b>
Recording time	<b>06-21-2018 09:14 AM</b>
Confirmation	<b>TIDAR201713225O1529590281599</b>
Submission type	<b>ORIGINAL</b>