VILLAGE OF MCFARLAND *NOTICE OF PUBLIC MEETING*

Joint Review Board

Thursday, June 21, 2018 **4:00 PM** **McFarland Municipal Center**
Conference Room A

AGENDA

1. CALL TO ORDER.
2. ATTENDANCE/ROLL CALL.
3. PUBLIC APPEARANCES.
4. BUSINESS.
   a. Discussion and action regarding minutes of the meeting held December 18, 2017.
   b. Discussion and action to accept the 2017 Annual Report for Tax Increment District #3.
   c. Discussion and action to accept the 2017 Annual Report for Tax Increment District #4.
5. ADJOURNMENT.

This meeting notice constitutes an official meeting of the above referenced group and was posted in accordance with all applicable laws related to Open Meetings Law. It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice. Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals. For additional information or to request this service, contact the McFarland Municipal Center at (608) 838-3153 or cassandra.suettinger@mcfarland.wi.us

Village of McFarland

Joint Review Board

Meeting Minutes

December 18, 2017

1. Call to Order, Roll Call

The meeting of the Joint Review Board was called to order at 4:01 pm in the Community Room of the McFarland Municipal Center.

Members Present: Brad Czebotar (Village President), Adam Gallagher (Dane County), Laurie Grigg (MATC), Jeff Mahoney (School District), and Erik Thoresen (Public Member).

Staff Present: Village Administrator Matt Schuenke.

Others Present: Andrew Bremer of MSA Professional Services.

2. Approval of Minutes

a. Review and approval of draft Minutes from the November 13, 2017 Joint Review Board meeting – A motion was made by Mahoney, seconded by Gallagher, and unanimously carried by the Joint Review Board to approve the minutes from the November 13, 2017 meeting.

3. Business

a. Discussion and action on a resolution to approve creation of Tax Increment District #5 – Following discussion, a motion was made by Czebotar, seconded by Grigg, and unanimously carried by the Joint Review Board to approve a resolution approving the creation of Tax Incremental Finance District No. 5 in the Village of McFarland.

4. Adjournment

A motion was made by Mahoney, seconded by Gallagher, and unanimously carried by the Joint Review Board to adjourn the meeting at 4:10 pm.

Pursuant to law, written notice of this meeting was given to the public and posted on the public bulletin boards in accordance with Open Meetings Law.

Respectfully submitted,

Matthew G. Schuenke, Village Administrator

Memorandum

To: Joint Review Board

From: Matthew G. Schuenke, Village Administrator *mgs*

Cc: Dane County
Madison Area Technical College
School District of McFarland

Date: June 15, 2018

Re: 2017 Annual Report – *Tax Increment District #3*

Executive Summary

ACT 257 was created by the State of Wisconsin as a means to require municipalities to hold annual Joint Review Board meetings with the express purpose to review an annual report with the other overlying taxing jurisdictions. Several financial metrics are required to be provided in order to demonstrate the TID's performance over time. The Village is fortunate that it has been preparing this type of annual report voluntarily through its annual auditing process since at least 2006. This cover memorandum is provided as a summary of the year in review and an introduction to the financial statements prepared for the year.

Annual Review

TID #3 was created as a post 1995 Industrial TID on August 9, 2004. It is scheduled to expire on August 9, 2027 and not presently forecasted for closure prior to this date. TID #3 has done very well with a positive fund balance of $1,455,485 at the end of 2017. It has also served as a donor to TID #4 as authorized by the JRB on July 14, 2015. No advances were provided from TID #3 to TID #4 in 2017. There remains an outstanding $500,000 obligation from TID #4 to #3 for the repayment of the economic development incentive for Farwell Place Apartments. The project reached full valuation as of January 1, 2017, and in 2018 TID #4 is making its first payment for this purpose. There was some activity in the district in 2017 as well with a financial agreement approved for the second phase of Waubesa Village albeit at a lesser amount than was provided for the first phase. Kwik Trip has also completed its blending facility and there is a new development under review behind ProClip USA that will begin in 2018 and completed in 2019. The district still has about $9.5 million in unexpended funds authorized in its project plan that could be pursued in future years including public improvements, economic development, and marketing initiatives. Also included is draft form PE 300 which is submitted to the DOR to convey the data from the financial statements.

Exhibits

Exhibit A – Compiled Financial Statements of TID #3 prepared by Baker Tilly

Exhibit B – Draft Form PE 300

Exhibit A

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

McFarland, Wisconsin

COMPILED
FINANCIAL STATEMENTS

Including Accountants' Compilation Report

As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

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As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

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ACCOUNTANTS' COMPILATION REPORT

To the Village Board
Village of McFarland
McFarland, Wisconsin

Management is responsible for the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments and Historical Summary of Sources, Uses, and Status of Funds of the Village of McFarland's 's Tax Incremental District No. 3 ("district") as of and for the year ended December 31, 2017 and from the date of creation through December 31, 2017, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the *Accounting and Review Services Committee* of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 1, the financial statements present only the transactions of the district and do not purport to, and do not, present fairly the financial position of the Village of McFarland as of December 31, 2017, the changes in its financial position, or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economical, or historical context.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
May 7, 2018

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

COMPILED
BALANCE SHEET
As of December 31, 2017

	Capital Projects Fund
ASSETS	
Cash and investments	$ 915,753
Taxes receivable	821,442
Accounts receivable	41,432
Advances to village funds (TIF District No. 4)	500,000
TOTAL ASSETS	$ 2,278,627
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
Liabilities	
Accounts payable	$ 1,700
Total Liabilities	1,700
Deferred Inflows of Resources	
Unearned revenue	821,442
Total Deferred Inflows of Resources	821,442
Fund Balance	
Restricted	1,455,485
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 2,278,627

See accompanying notes to financial statements and accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

COMPILED
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended December 31, 2017
and From the Date of Creation Through December 31, 2017

	Year Ended	From Date of Creation
PROJECT COSTS		
Capital expenditures	$ -	$ 2,119,747
Developer payments	-	2,944,870
Administration (in-house)	35,422	427,122
Professional services	17,114	177,423
Subsidy to TIF No. 4	-	843,658
Interest on advance	-	38,446
Interest and fiscal charges	66,406	2,004,855
Total Project Costs	118,942	8,556,121
PROJECT REVENUES		
Tax increments	796,300	7,812,275
Developer guarantees	41,432	504,201
Intergovernmental	5,466	90,365
Licenses and permits	-	8,152
Investment income	4,818	36,870
Interest on advances	-	10,198
Rent	-	85,849
Miscellaneous	-	4,917
Debt premium	-	43,779
Total Project Revenues	848,016	8,596,606
NET COST RECOVERABLE (RECOVERED) THROUGH TIF INCREMENTS - DECEMBER 31, 2017	$ (729,074)	$ (40,485)
RECONCILIATION OF RECOVERABLE COSTS		
G.O. debt outstanding		$ 1,415,000
Less: Fund balance		(1,455,485)
NET COST RECOVERABLE THROUGH TIF INCREMENTS - DECEMBER 31, 2017		$ (40,485)

See accompanying notes to financial statements and accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

COMPILED
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
For the Year Ended December 31, 2017
and From the Date of Creation Through December 31, 2017

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ 796,300	$ 7,812,275
Developer guarantees	41,432	504,201
Intergovernmental	5,466	90,365
Licenses and permits	-	8,152
Investment income	4,818	36,870
Interest on advances	-	10,198
Rent	-	85,849
Miscellaneous	-	4,917
Debt premium	-	43,779
Long-term debt issued	-	7,355,000
Total Sources of Funds	848,016	15,951,606
USES OF FUNDS		
Capital expenditures	-	2,119,747
Developer payments	-	2,944,870
Administration (in-house)	35,422	427,122
Professional services	17,114	177,423
Subsidy to TIF No. 4	-	843,658
Interest on advance	-	38,446
Interest and fiscal charges	66,406	2,004,855
Principal on long-term debt	-	5,940,000
Total Uses of Funds	118,942	14,496,121
Excess of sources of funds over uses of funds	729,074	1,455,485
FUND BALANCE - Beginning of Period	726,411	-
FUND BALANCE - DECEMBER 31, 2017	$ 1,455,485	$ 1,455,485

See accompanying notes to financial statements and accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

COMPILED
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of McFarland's Tax Incremental District No. 3 (the "district") conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The Village of McFarland has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of Tax Incremental District No. 3. The accompanying financial statements reflect all the significant operations of the Village of McFarland's Tax Incremental District No. 3. The accompanying financial statements do not include the full presentation of the Village of McFarland.

A. DESCRIPTION OF FUND STRUCTURE AND LONG-TERM DEBT

This report contains the financial information of the Village of McFarland's Tax Incremental District No. 3. The summary statements were prepared from data recorded in the following funds and the village's long-term debt:

General Fund
Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the Village of McFarland's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The district was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

The statutes allow the district to collect tax increments until the net project cost has been fully recovered, or until 23 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the Village of McFarland. Project costs may be incurred up to five years before the unextended termination date of the district.

Original Project Plan	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 3	08/09/04	08/09/22	2028

Plan Amendment	Adoption Date	Last Date to Incur Project Costs
TID No. 3	12/10/07	08/09/22

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. DESCRIPTION OF FUND STRUCTURE AND LONG-TERM DEBT (cont.)

Plan Amendment	Adoption Date	Last Date to Incur Project Costs
TID No. 3	06/22/15	08/09/22

B. BASIS OF ACCOUNTING

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the village is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

C. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. MEASUREMENT FOCUS

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

E. PROJECT PLAN BUDGET

The estimated revenues and expenditures of the district are adopted in the project plan. Those estimates are for the entire life of the district, and may not be comparable to interim results presented in this report.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

F. LONG-TERM DEBT

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

G. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

NOTE 2 – CASH AND TEMPORARY INVESTMENTS

The district invests its funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The district, as a fund of the Village of McFarland, maintains common cash and investment accounts at the same financial institutions utilized by the Village of McFarland. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the Village of McFarland as an individual municipality, and, accordingly, the amount of insured funds is not determinable for the district.

NOTE 3 – LONG-TERM DEBT

A. GENERAL OBLIGATION DEBT

All general obligation notes and bonds payable are backed by the full faith and credit of the Village of McFarland. Notes and bonds borrowed to finance the district’s expenditures will be retired by tax increments accumulated by the TIF District No. 3 fund. If those revenues are not sufficient, payments will be made by future tax levies.

NOTE 3 – LONG-TERM DEBT (cont.)

A. GENERAL OBLIGATION DEBT (cont.)

Title of Issue	Date of Issue	Due Date	Interest Rates	Original Indebted-ness	Repaid	Balance 12-31-17
2004 BANS	12/28/04	12/31/09	4.50%	$ 1,535,000	$ 1,535,000	$ -
2005 BANS	05/15/05	09/01/09	3.50%	1,420,000	1,420,000	-
2008 Taxable G.O. Promissory Notes	12/15/08	12/01/17	4.50-6.15%	2,635,000	2,635,000	-
2008 G.O. Refunding Bonds	12/15/08	12/01/23	4.50-4.75%	1,415,000	-	1,415,000
2008 State Trust Fund Loan	03/25/08	03/15/23	4.75%	140,000	140,000	-
2008 G.O. Promissory Notes	12/15/08	12/01/18	4.00-4.25%	210,000	210,000	-
				$ 7,355,000	$ 5,940,000	$ 1,415,000

Aggregate maturities of all long-term debt relating to the district are as follows:

	Principal	Interest	Total
2018	$ -	$ 66,406	$ 66,406
2019	260,000	66,406	326,406
2020	270,000	54,056	324,056
2021	285,000	40,894	325,894
2022	295,000	27,000	322,000
2023	305,000	13,725	318,725
Totals	$ 1,415,000	$ 268,487	$ 1,683,487

NOTE 4 – ADVANCES TO VILLAGE FUNDS

In 2016, the TIF District No.3 advanced funds to TIF District No. 4. The amount advanced was determined by the deficiency of revenues over expenditures and other financing sources since the District's inception. Repayment for this advance will begin in 2018 with interest. TIF District No. 3 is charging TIF District No. 4 interest on the advance based on the average outstanding advance balance during the year at a floating interest rate. There was no interest charged for 2017.

NOTE 4 – ADVANCES TO VILLAGE FUNDS (cont.)

Below is a table showing the cumulative results of the advance:

	Advance (including interest)	Cumulative
2007*	$ 14,650	$ 14,650
2008*	77,419	92,069
2009	145,224	237,293
2010	54,344	291,637
2011	46,231	337,868
2012	72,340	410,208
2013	69,909	480,117
2014	79,358	559,475
2015	94,684	654,159
2016	(154,159)	500,000
2017	-	500,000
Total	$ 500,000	

*In 2007 and 2008, the advance to TIF District No. 4 was from the General Fund.

The following is the advance repayment schedule.

Years	Principal	Interest
2018	$ 46,960	$ 4,519
2019	49,437	2,043
2020	49,660	1,820
2021	49,883	1,596
2022	50,108	1,371
2023-2027	253,952	3,446
Totals	$ 500,000	$ 14,795

NOTE 5 – GUARANTEED REVENUE

HIGH TRACK, LLC

During 2004, the Village of McFarland entered into a development agreement with High Track, LLC. The agreement guarantees that the developer will pay the difference between the guaranteed tax increment and the tax increment actually levied on an annual basis.

NOTE 5 – GUARANTEED REVENUE (cont.)

HIGH TRACK, LLC (cont.)

The developer agreed to construct the cold storage facility in TIF District No. 3 so that the fair market value on January 1, 2005 would generate a tax increment of $150,000. If the development generated less than $150,000, the developer would owe the village the difference. The payment would be made by the developer to the village. One-half of the payment was due on or before January 31, 2006 with the balance due on or before July 31, 2006. The actual property taxes for 2005 totaled $137,832, thus triggering a supplemental increment requirement of $12,167. Consistent with the terms of the agreement, half of the supplemental payment was due January 31, 2006 and the remaining half due July 31, 2006.

By January 1, 2006, the developer agreed that the fair market value of the facility would generate a tax increment of $225,000. If the development generates less than this amount, the developer is required to annually, thereafter, pay the village a sum which is the difference between the increment generated and $225,000. This payment will be made semi-annually by developer to village on or before January 31 and July 31 of each succeeding year.

In May 2010, the High Track refrigerated warehousing business located at 4704 Terminal Drive was sold by High Track, LLC to Midwest Refrigerated Services, Inc. As a result of the sale and reduced demand for warehousing space due to the weak economy, the assessed valuation of the real estate decreased from $15,785,900 in 2009 to $13,600,000 in 2010. The current loan was assumed by the new owners and the annual property taxes exceeds the guaranteed annual tax increment of $225,000.

During 2007 - 2017, the fair market value of the facility generated enough increment that no supplemental increment payment was required to be made by High Track.

SPARTAN PROPERTIES AND 84 LUMBER

The Village of McFarland also entered into development agreements with Spartan Properties and 84 Lumber under which TIF District No. 3 provided loans to facilitate two separate redevelopment projects. Both of these development agreements guarantee certain minimum assessed valuations for the properties in the year following the completion of construction. If the actual assessed values fall short of the guaranteed assessment amounts, the developers are obligated to make additional payments to the village equivalent to the property taxes that would have been due on the shortfall in valuation.

The 84 Lumber wholesale building products business located at 4414 Terminal Drive was sold in 2016. The existing loan ($29,552) from TIF District No. 3 to 84 Lumber was due upon sale and was paid in early 2017.

Partial construction on the Spartan Properties redevelopment project located at 4915 Voges Road commenced in 2012, but challenging market conditions and tight real estate lending practices make uncertain the timetable for completing full redevelopment of the site. It is anticipated, therefore, that TIF District No. 3 will remain heavily reliant on developer make-up payments in 2016 and 2017. These make-up payments are secured by a bank letter of credit and by a mortgage to the property. The village received $68,653 in make-up payments from Spartan Properties in 2016. As of 1/1/17, Spartan Properties has generated enough increment to no longer require any extra make-up payments.

NOTE 5 – GUARANTEED REVENUE (cont.)

WAUBESA VILLAGE

In 2015, the Village of McFarland entered into a development agreement with Waubesa Village, LLC. The agreement guarantees that Waubesa Village, LLC shall pay the difference between the guaranteed tax increment and the tax increment actually levied. A makeup payment of $41,432 was made in 2017.

NOTE 6 – INCREMENT SHARING

As allowable under TIF statutes, the Village of McFarland may share positive TIF increments. In 2015, the Village of McFarland and the joint review board approved sharing increments from TIF District No. 3 (donor district) to TIF District No. 4 (donee district). Transfers are reflected as recoverable costs in the donor district, and as project revenues in the donee district. Transfers were approved to begin in 2015. A transfer of $843,658 was made in 2016. There were no transfers made in 2017. TIF increment sharing is valid for the life of the donor district or the recipient district, whichever date comes first, and the life of the donor district may not be extended. Transfers between districts are subject to various conditions in the statutes.

NOTE 7 – DEVELOPER PAYMENTS

Developer	Description	Year of Payment	Amount
High Track, LLC	Forgivable loan related to the construction of a cold storage facility and offices with a final completion value of approximately $9,000,000	2004	$ 1,500,000
Spartan Properties	Economic development assistance	2008	476,250
84 Lumber	Forgivable loan	2006	265,443
		2007	142,730
		2009	4,768
		2011	10,095
Waubesa Village, LLC	Economic development assistance	2016	545,584

No developer payments were made in 2017.

SUPLEMENTAL INFORMATION

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

COMPILED
DETAILED SCHEDULE OF SOURCES, USES, AND STATUS OF FUNDS
From the Date of Creation Through December 31, 2017

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Totals	Project Plan Estimate
SOURCES																
Tax increments	$ -	$ -	$ 164,170	$ 331,293	$ 462,568	$ 712,470	$ 829,770	$ 802,316	$ 753,774	$ 710,116	$ 704,314	$ 778,000	$ 767,184	$ 796,300	$ 7,812,275	$ 26,865,307
Developer guarantee	-	-	-	-	-	16,346	28,278	33,804	-	80,104	94,120	90,966	119,151	41,432	504,201	-
Intergovernmental	-	-	3,244	8,725	6,345	3,339	7,832	15,273	13,760	10,495	7,114	4,784	3,988	5,466	90,365	-
Licenses and permits	-	-	8,152	-	-	-	-	-	-	-	-	-	-	-	8,152	-
Investment income	-	25,513	-	-	420	1,077	41	32	33	-	-	-	4,936	4,818	36,870	36,185
Interest on advance	-	-	-	-	-	2,457	555	440	598	445	416	802	4,485	-	10,198	-
Rent	-	-	4,500	10,800	10,800	10,800	10,974	11,100	11,100	11,100	4,675	-	-	-	85,849	-
Miscellaneous	-	-	-	-	-	-	-	-	238	4,679	-	-	-	-	4,917	447,337
Debt premium	-	1,545	-	-	42,234	-	-	-	-	-	-	-	-	-	43,779	43,779
Long-term debt issued	1,535,000	1,420,000	-	-	4,400,000	-	-	-	-	-	-	-	-	-	7,355,000	16,925,785
Total Sources	1,535,000	1,447,058	180,066	350,818	4,922,367	746,489	877,450	862,965	779,503	816,939	810,639	874,552	899,744	848,016	15,951,606	44,318,393
USES																
Capital expenditures	464,250	627,599	245,447	19,416	216,851	21,820	134,363	1,000	143,530	239,332	6,139	-	-	-	2,119,747	9,639,818
Developer payments	1,500,000	-	265,443	142,730	476,250	4,768	-	10,095	-	-	-	-	545,584	-	2,944,870	5,000,000
Administration (in-house)	16,865	36,080	23,175	29,072	25,652	28,614	32,072	32,753	31,983	32,790	32,958	33,715	35,971	35,422	427,122	975,201
Professional services	13,301	6,560	17,175	7,744	14,711	4,728	24,836	5,398	10,687	2,819	11,769	10,623	29,958	17,114	177,423	-
Subsidy to TIF No. 4	-	-	-	-	-	-	-	-	-	-	-	-	843,658	-	843,658	4,373,416
Interest on advance	5,749	4,089	7,531	14,149	6,928	-	-	-	-	-	-	-	-	-	38,446	38,466
Interest and fiscal charges	28,100	32,359	173,727	115,091	212,218	270,964	208,986	194,449	178,311	160,376	140,728	122,064	101,076	66,406	2,004,855	3,538,049
Principal on long-term debt	-	-	-	-	-	3,250,000	325,000	345,000	360,000	380,000	345,000	365,000	570,000	-	5,940,000	16,925,785
Total Uses	2,028,265	706,687	732,498	328,202	952,610	3,580,894	725,257	588,695	724,511	815,317	536,594	531,402	2,126,247	118,942	14,496,121	40,490,735
Excess (deficiency) of sources of funds over uses of funds	(493,265)	740,371	(552,432)	22,616	3,969,757	(2,834,405)	152,193	274,270	54,992	1,622	274,045	343,150	(1,226,503)	729,074	1,455,485	
FUND BALANCE - Beginning of Period (Deficit)	-	(493,265)	247,106	(305,326)	(282,710)	3,687,047	852,642	1,004,835	1,279,105	1,334,097	1,335,719	1,609,764	$ 1,952,914	$ 726,411	-	
FUND BALANCE - END OF PERIOD (DEFICIT)	$ (493,265)	$ 247,106	$ (305,326)	$ (282,710)	$ 3,687,047	$ 852,642	$ 1,004,835	$ 1,279,105	$ 1,334,097	$ 1,335,719	$ 1,609,764	$ 1,952,914	$ 726,411	$ 1,455,485	$ 1,455,485	

See accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 3

COMPILED
DETAILED SCHEDULE OF CAPITAL EXPENDITURES
AND DEVELOPER PAYMENTS
From the Date of Creation Through December 31, 2017

	Actual	Project Plan Estimate
CAPITAL EXPENDITURES		
Ivywood Trail improvements	$ 408,153	408,153
Siggelkow Road improvements	-	420,000
Sanitary sewer - Terminal Drive	816,318	1,000,000
Street improvements - Terminal Drive (urban)	127,136	1,846,000
Storm water improvements - Terminal Drive/Triangle St	242,020	513,665
Triangle Street improvements	230,303	1,070,000
Meinders Road improvements	19,690	232,000
USH 51 landscaping	-	250,000
Planning and engineering redevelopment plan	136,077	400,000
Marketing and business recruitment incentives	500,000	1,000,000
Economic development	2,444,870	5,000,000
Land acquisition, relocation, demolition	140,050	2,500,000
TOTAL CAPITAL EXPENDITURES	$ 5,064,617	$ 14,639,818

Exhibit B

Form PE-300	TID Annual Report	2017 WI Dept of Revenue

Municipality/TID

Co-muni code	Municipality		County	Due date	Report type
13154	MCFARLAND		DANE	07-02-2018	ORIGINAL
TID number	**TID type**	**TID name**	**Creation date**	**Mandatory termination date**	**Expected termination date**
003	4	TID 3	08-09-2004	08-09-2027	N/A

Section 1 : Beginning Balance	
TID fund balance at beginning of fiscal year	$726,411

Section 2. Revenue	
Does this TID receive allocated funds from another TID?	No
Allocation from another TID	Allocation amount
N/A	$0
Subtotal allocation from another TID amount	$0
Developer guarantee name	Developer guarantee amount
Waubesa Village	$41,432
Subtotal developer guarantee amount	$41,432
Transfer from other fund source	Transfer from other fund amount
Subtotal transfer from other fund amount	$0
Other grant sources	Other grant source amount
Subtotal other grant source amount	$0
Other revenue sources	Other revenue source amount
Subtotal other revenue source amount	$0
Tax increment	$796,300
Investment income	$4,818
Debt proceeds	$0
Special assessments	$0
Exempt computer aid	$5,466
Miscellaneous revenue	$0
Sale of property	$0
Total Revenue (deposits)	$848,016

Form PE-300	TID Annual Report	2017 WI Dept of Revenue

Section 3. Expenditures	
Developer grant name	**Developer grant amount**
N/A	$0
Subtotal developer grant amount	**$0**
Does this TID allocate funds to another TID?	**No**
Allocation to another TID	**Allocation amount**
N/A	$0
Subtotal allocation to another TID	**$0**
Transfer to other fund source	**Transfer to other fund amount**
Subtotal transfer to other fund amount	**$0**
Other expenditure source	**Other expenditure source amount**
Subtotal other expenditures source amount	**$0**
Capital expenditures	
Administration	**$35,422**
Professional services	**$17,114**
Interest and fiscal charges	**$66,406**
DOR fees	
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs	
Total Expenditures	**$118,942**

Section 4. Ending Balance	
TID fund balance at end of fiscal year	**$1,455,485**
Future costs	**$9,575,201**
Future revenue	**$22,252,000**
Surplus or deficit	**$14,132,284**

Form PE-300	TID Annual Report	2017 WI Dept of Revenue

Preparer/Contact Information

Preparer name **Matt Schuenke**	Preparer title **Village Administrator**
Preparer email **matt.schuenke@mcfarland.wi.us**	Preparer phone **(608) 838-3153**
Contact name **Matt Schuenke**	Contact title **Village Administrator**
Contact email **matt.schuenke@mcfarland.wi.us**	Contact phone **(608) 838-3153**

Memorandum

To: Joint Review Board

From: Matthew G. Schuenke, Village Administrator *mgs*

Cc: Dane County
Madison Area Technical College
School District of McFarland

Date: June 15, 2018

Re: 2017 Annual Report – *Tax Increment District #4*

Executive Summary

ACT 257 was created by the State of Wisconsin as a means to require municipalities to hold annual Joint Review Board meetings with the express purpose to review an annual report with the other overlying taxing jurisdictions. Several financial metrics are required to be provided in order to demonstrate the TID's performance over time. The Village is fortunate that it has been preparing this type of annual report voluntarily through its annual auditing process since this TID was created. This cover memorandum is provided as a summary of the year in review and an introduction to the financial statements prepared for the year.

Annual Review

TID #4 was created as a post 1995 Blight TID on January 14, 2008. It is scheduled to expire on January 14, 2035 and not presently forecasted for closure prior to this date. TID #4 first began collecting increment in 2017 after not having collected any since its inception. This has contributed to its financial health as it has historically had very little revenue to offset operating costs from year to year. The expenses for this TID to date have been supported by advances from TID #3 and debt service (which was paid by the advances). Its current fund balance is at -$488,822 which is a slight gain following a small surplus last year. All of the remaining outstanding deficit is related to its obligation to pay back TID #3 for the advance to fund the Farwell Place incentive.

A portion of these advances were authorized as donations by the Joint Review Board on July 14, 2015. The only exception to this is the $500,000 economic development incentive provided to Farwell Place Apartments in 2016. The increment created through this project is scheduled to begin payback of this amount in 2018. The McFarland House restoration was previously funded using TIF, but the property sold in 2018 with the outstanding balance paid off to complete this agreement. The former Antique Store was funded last year also to improve this location, and the CDA with the Village Board acquired the property at the southwest corner of Bashford and Johnson Streets. 2017 represents the first year of collecting increment which will only grow once the full value of these projects are realized from year to year. The district still has about $6.1 million in unexpended funds authorized in its project plan that could be pursued in future years including streetscaping, land acquisition, public improvements, economic development, and marketing initiatives. Also included is draft form PE 300 which is submitted to the DOR to convey the data from the financial statements.

Exhibits

Exhibit A – Compiled Financial Statements of TID #3 prepared by Baker Tilly

Exhibit B – Draft Form PE 300

Exhibit A

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

McFarland, Wisconsin

COMPILED
FINANCIAL STATEMENTS

Including Accountants' Compilation Report

As of and For the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

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As of and For the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

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ACCOUNTANTS' COMPILATION REPORT

To the Village Board
Village of McFarland
McFarland, Wisconsin

Management is responsible for the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments and Historical Summary of Sources, Uses, and Status of Funds of the Village of McFarland's Tax Incremental District No. 4 ("district") as of and for the year ended December 31, 2017 and from the date of creation through December 31, 2017, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the *Accounting and Review Services Committee* of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 1, the financial statements present only the transactions of the district and do not purport to, and do not, present fairly the financial position of the Village of McFarland as of December 31, 2017, the changes in its financial position, or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economical, or historical context.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
May 7, 2018

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

COMPILED
BALANCE SHEET
As of December 31, 2017

	Capital Projects Fund
ASSETS	
Cash and investments	$ 9,021
Tax receivable	84,834
Loans receivable	8,750
TOTAL ASSETS	$ 102,605
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
Liabilities	
Advances from village funds (TIF District No. 3)	$ 500,000
Accounts payable	2,218
Total Liabilities	502,218
Deferred Inflows of Resources	
Unearned revenue	84,834
Unavailable revenue	4,375
Total Deferred Inflows of Resources	89,209
Fund Balance	
Unassigned (deficit)	(488,822)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 102,605

See accompanying notes to financial statements and accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

COMPILED
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended December 31, 2017
and From the Date of Creation Through December 31, 2017

	Year Ended	From Date of Creation
PROJECT COSTS		
Capital expenditures	$ 240,187	$ 603,619
Developer payments	25,000	592,500
Administration (in-house)	31,563	296,923
Professional services	14,410	87,285
Interest on advance	-	10,198
Interest and fiscal charges	3,639	87,990
Total Project Costs	314,799	1,678,515
PROJECT REVENUES		
Tax increments	35,522	35,522
Exempt computer aid	1,354	8,404
Subsidy from TIF No. 3	-	843,658
Investment Income	-	323
Loan payments	4,375	17,500
Debt premium	3,752	9,286
Total Project Revenues	45,003	914,693
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS – DECEMBER 31, 2017	$ 269,796	$ 763,822
RECONCILIATION OF RECOVERABLE COSTS		
G.O. debt outstanding		$ 275,000
Add: Deficit fund balance		488,822
NET COSTS RECOVERABLE THROUGH TAX INCREMENTS – DECEMBER 31, 2017		$ 763,822

See accompanying notes to financial statements and accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

COMPILED
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
For the Year Ended December 31, 2017
and From the Date of Creation Through December 31, 2017

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	$ 35,522	$ 35,522
Exempt computer aid	1,354	8,404
Subsidy from TIF No. 3	-	843,658
Investment Income	-	323
Loan payments	4,375	17,500
Debt premium	3,752	9,286
Long-term debt issued	275,000	545,000
Total Sources of Funds	320,003	1,459,693
USES OF FUNDS		
Capital expenditures	240,187	603,619
Developer payments	25,000	592,500
Administration (in-house)	31,563	296,923
Professional services	14,410	87,285
Interest on advance	-	10,198
Interest and fiscal charges	3,639	87,990
Principal on long term debt	-	270,000
Total Uses of Funds	314,799	1,948,515
Excess (deficiency) of sources of funds over uses of funds	5,204	(488,822)
FUND BALANCE (DEFICIT) - Beginning of Period	(494,026)	-
FUND BALANCE (DEFICIT) - DECEMBER 31, 2017	$ (488,822)	$ (488,822)

See accompanying notes to financial statements and accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

NOTES TO FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2017
From the Date of Creation Through December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of McFarland's Tax Incremental District No. 4 (the "district") conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The Village of McFarland has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of Tax Incremental District No. 4. The accompanying financial statements reflect all the significant operations of Village of McFarland's Tax Incremental District No.4. The accompanying financial statements do not include the full presentation of the Village of McFarland.

A. DESCRIPTION OF FUND STRUCTURE AND LONG-TERM DEBT

This report contains the financial information of the Village of McFarland's Tax Incremental District No. 4. The summary statements were prepared from data recorded in the following funds and the village's long-term debt:

General Fund
Capital Projects Fund

Detailed descriptions of the purpose of these funds and long-term debt can be found in the Village of McFarland's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements.

The district was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until 27 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the Village of McFarland. Project costs may be incurred up to five years before the unextended termination date of the district.

Original Project Plan	Creation Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 4	01/14/08	01/14/30	2035

Plan Amendment	Adoption Date	Last Date to Incur Project Costs	Last Year to Collect Increment
TID No. 4	06/22/15	01/14/28	2033

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. Basis of Accounting

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the village is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. Measurement Focus

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

E. Project Plan Budget

The estimated revenues and expenditures of the district are adopted in the project plan. Those estimates are for the entire life of the district, and may not be comparable to interim results presented in this report.

F. Long-Term Debt

Short-term liabilities are recorded as fund liabilities. All other long-term liabilities are shown in the long-term debt footnote disclosure.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

G. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred.

NOTE 2 – CASH AND TEMPORARY INVESTMENTS

The district invests its funds in accordance with the provisions of the Wisconsin Statutes 66.0603(1m) and 67.11(2).

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The district, as a fund of the Village of McFarland, maintains common cash and investment accounts at the same financial institutions utilized by the Village of McFarland. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the Village of McFarland as an individual municipality and, accordingly, the amount of insured funds is not determinable for the district.

NOTE 3 – LONG TERM DEBT

A. GENERAL OBLIGATION DEBT

All general obligation notes and bonds payable are backed by the full faith and credit of the Village of McFarland. Notes and bonds borrowed to finance the district's expenditures will be retired by tax increments accumulated by the Tax Incremental District No. 4 fund. If those revenues are not sufficient, payments will be made by future tax levies.

Title of Issue	Date of Issue	Due Date	Interest Rates	Original Indebted-ness	Repaid	Balance 12-31-17
2008 G.O. Promissory Notes	12/15/08	12/01/18	4.00 - 4.25%	$ 270,000	$ 270,000	$ -
2017 G.O. Promissory Notes	07/20/17	12/01/26	1.2% - 2.2%	275,000	-	275,000
Totals				$ 545,000	$ 270,000	$ 275,000

NOTE 3 – LONG TERM DEBT (cont.)

A. GENERAL OBLIGATION DEBT (cont.)

Aggregate maturities of all long-term debt relating to the district are as follows:

Year	Principal	Interest	Total
2018	$ 30,000	$ 7,576	$ 37,576
2019	30,000	5,195	35,195
2020	30,000	4,595	34,595
2021	30,000	3,920	33,920
2022	30,000	3,245	33,245
2023	30,000	2,570	32,570
2024	30,000	1,970	31,970
2025	30,000	1,370	31,370
2026	35,000	770	35,770
Totals	$ 275,000	$ 31,211	$ 306,211

NOTE 4 – ADVANCES FROM VILLAGE FUNDS

TIF District No. 3 is advancing funds to TIF District No. 4. As of December 31, 2016 the village forgave all advances to TIF No. 4 (see Note 7) with the exception of $500,000. The $500,000 represents the 2016 developer payment made for Farwell Place. In 2017, a repayment schedule has been determined for the advance. Payments will begin in 2018 with interest. TIF District No. 3 is charging the TIF District interest on the advance based on the average outstanding advance balance during the year at a floating interest rate. No interest was charged in 2017.

The following is the advance repayment schedule.

Year	Principal	Interest
2018	$ 46,960	$ 4,519
2019	49,437	2,043
2020	49,660	1,820
2021	49,883	1,596
2022	50,108	1,371
2023-2027	253,952	3,446
Totals	$ 500,000	$ 14,795

NOTE 5 – GUARANTEED REVENUE

In 2015, the Village of McFarland has entered into a development agreement with Farwell Place, LLC. The agreement guarantees that Farwell Place, LLC shall pay the difference between the guaranteed tax increment and the tax increment actually levied starting in 2017. The fair market value of the development generated enough increment that no supplemental increment payment was required to be made by the developer in 2017.

NOTE 6 – LOANS RECEIVABLE

At December 31, 2017, the district had outstanding loans receivable from developers totaling $8,750. The loans are recorded as receivables by the district and repayments are recorded as a reduction of the receivable. All repayments are current. The loans are not considered to be project costs and are not reflected in the recoverable cost schedule.

NOTE 7 – INCREMENT SHARING

As allowable under TIF statutes, the Village of McFarland may share positive TIF increments. In 2015, the Village of McFarland and the joint review board approved sharing increments from TIF District No. 3 (donor district) to TIF District No. 4 (donee district). Transfers are reflected as recoverable costs in the donor district, and as project revenues in the donee district. Transfers were approved to begin in 2015. A transfer of $843,658 was made in 2016 from TIF No. 3 to TIF No. 4 to forgive a portion of the advances from TIF No. 3 to TIF No. 4 (see Note 4). TIF increment sharing is valid for the life of the donor district or the recipient district, whichever date comes first, and the life of the donor district may not be extended. Transfers between districts are subject to various conditions in the statutes.

NOTE 8 – DEVELOPER PAYMENTS

Developer	Description	Year of Payment	Amount
Washa Construction	Economic development loan/forgivable loan	2009	$ 67,500
Farwell	Economic development	2016	500,000
Hillcrest Rentals, LLC	Grant to permit the installation of an automatic fire sprinkler system	2017	25,000

SUPPLEMENTAL INFORMATION

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

COMPILED
DETAILED SCHEDULE OF SOURCES, USES, AND STATUS OF FUNDS
From the Date of Creation Through December 31, 2017

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Totals	Project Plan Estimate
SOURCES OF FUNDS													
Tax increments	$ -	$ -	$ -	-	-	$ -	$ -	$ -	$ -	$ -	$ 35,522	$ 35,522	$ 7,758,702
Exempt computer aid	-	-	-	730	511	822	789	1,018	1,595	1,585	1,354	8,404	-
Subsidy from TIF No. 3	-	-	-	-	-	-	-	-	-	843,658	-	843,658	4,373,416
Investment income	-	-	-	-	-	-	-	-	323	-	-	323	-
Loan payments	-	-	-	-	-	-	-	4,375	4,375	4,375	4,375	17,500	58,576
Debt premium	-	5,534	-	-	-	-	-	-	-	-	3,752	9,286	5,534
Long-term debt issued	-	270,000	-	-	-	-	-	-	-	-	275,000	545,000	7,159,068
Total Sources of Funds	-	275,534	-	730	511	822	789	5,393	6,293	849,618	320,003	1,459,693	19,355,296
USES OF FUNDS													
Capital expenditures	14,472	318,700	30,260	-	-	-	-	-	-	-	240,187	603,619	1,720,000
Developer payments	-	-	67,500	-	-	-	-	-	-	500,000	25,000	592,500	5,600,000
Administration (in-house)	-	-	29,385	32,026	32,709	31,954	32,415	32,958	37,942	35,971	31,563	296,923	929,883
Professional services	178	22,003	11,309	11,018	2,118	4,135	2,425	2,027	10,208	7,454	14,410	87,285	-
Interest on advance	-	1,668	789	555	440	598	445	416	802	4,485	-	10,198	4,911
Interest and fiscal charges	-	5,534	11,029	11,475	11,475	11,475	10,413	9,350	7,650	5,950	3,639	87,990	1,376,436
Principal on long-term debt	-	-	-	-	-	25,000	25,000	40,000	40,000	140,000	-	270,000	7,159,068
Total Uses of Funds	14,650	347,905	150,272	55,074	46,742	73,162	70,698	84,751	96,602	693,860	314,799	1,948,515	16,790,298
Excess (deficiency) of sources of funds over uses of funds	(14,650)	(72,371)	(150,272)	(54,344)	(46,231)	(72,340)	(69,909)	(79,358)	(90,309)	155,758	5,204	(488,822)	
FUND BALANCE - Beginning of Period (Deficit)	-	(14,650)	(87,021)	(237,293)	(291,637)	(337,868)	(410,208)	(480,117)	(559,475)	(649,784)	(494,026)	-	
FUND BALANCE – END OF PERIOD (DEFICIT)	$ (14,650)	$ (87,021)	$ (237,293)	$ (291,637)	$ (337,868)	$ (410,208)	$ (480,117)	$ (559,475)	$ (649,784)	$ (494,026)	$ (488,822)	$ (488,822)	

See accountants' compilation report.

VILLAGE OF MCFARLAND
TAX INCREMENTAL DISTRICT NO. 4

COMPILED
DETAILED SCHEDULE OF CAPITAL EXPENDITURES AND DEVELOPER PAYMENTS
From the Date of Creation Through December 31, 2017

	Actual	Project Plan Estimate
Anthony Street improvements	$ -	$ 70,000
Bashford/Exchange Street intersection improvements (rail improvements)	140,139	300,000
Traffic signals Bashford and Exchange	-	150,000
Farwell Street water main improvements	210,676	100,000
Stormwater improvements/engineering	-	200,000
District-wide specialty landscaping, lighting, pedestrian amenities	200,000	500,000
Contingency	-	250,000
Redevelopment funding	592,500	5,600,000
Administration, planning and legal	52,804	150,000
TOTAL CAPITAL EXPENDITURES	$ 1,196,119	$ 7,320,000

See accountants' compilation report.

Exhibit B

Form PE-300	TID Annual Report	2017 WI Dept of Revenue

Municipality/TID

Co-muni code	Municipality		County	Due date	Report type
13154	MCFARLAND		DANE	07-02-2018	ORIGINAL
TID number	**TID type**	**TID name**	**Creation date**	**Mandatory termination date**	**Expected termination date**
004	2	TID 4	01-14-2008	01-14-2035	N/A

Section 1 : Beginning Balance	
TID fund balance at beginning of fiscal year	$-494,026

Section 2. Revenue	
Does this TID receive allocated funds from another TID?	No
Allocation from another TID	Allocation amount
N/A	$0
Subtotal allocation from another TID amount	$0
Developer guarantee name	Developer guarantee amount
Subtotal developer guarantee amount	$0
Transfer from other fund source	Transfer from other fund amount
Subtotal transfer from other fund amount	$0
Other grant sources	Other grant source amount
Subtotal other grant source amount	$0
Other revenue sources	Other revenue source amount
Loan Repayment - McFarland House	$4,375
Subtotal other revenue source amount	$4,375
Tax increment	$35,522
Investment income	$0
Debt proceeds	$278,752
Special assessments	$0
Exempt computer aid	$1,354
Miscellaneous revenue	
Sale of property	
Total Revenue (deposits)	$320,003

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Section 3. Expenditures	
Developer grant name	**Developer grant amount**
Hillcrest Rentals, LLC	$25,000
Subtotal developer grant amount	**$25,000**
Does this TID allocate funds to another TID?	**No**
Allocation to another TID	**Allocation amount**
N/A	$0
Subtotal allocation to another TID	**$0**
Transfer to other fund source	**Transfer to other fund amount**
Subtotal transfer to other fund amount	**$0**
Other expenditure source	**Other expenditure source amount**
Subtotal other expenditures source amount	**$0**
Capital expenditures	**$240,187**
Administration	**$31,563**
Professional services	**$14,410**
Interest and fiscal charges	**$3,639**
DOR fees	**$0**
Discount on long-term debt	**$0**
Debt issuance costs	**$0**
Principal on long-term debt	**$0**
Environmental costs	**$0**
Real property assembly costs	**$0**
Total Expenditures	**$314,799**

Section 4. Ending Balance	
TID fund balance at end of fiscal year	**$-488,822**
Future costs	**$6,123,881**
Future revenue	**$10,392,000**
Surplus or deficit	**$3,779,297**

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Preparer/Contact Information	
Preparer name **Matt Schuenke**	Preparer title **Village Administrator**
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