

Tax Incremental Finance District #1 Analysis

For

Village of Arena, Wisconsin

August 15, 2011

Prepared by:

Greg Johnson, CIPFA
Financial Advisor

Village of Arena TID #1 Overview

TID #1 Basics

- TID created on 9/28/2006.
- Mixed Use TID allowing for commercial and industrial development. Residential development is limited to 35% of the TID area.
- Maximum life is 20 years (latest termination date is 9/28/2026).
- Expenditure period expires 9/28/2021.

Projects Completed to Date

- Development Incentives
 - \$210,000 incentive provided up front for Arena Properties, LLC Phase 1. Financed with State Trust Fund Loans.
 - Pay-as-you-go incentive for Tower View, LLC. 80% of increment generated annually paid as an incentive up to \$50,000 for a period of 10 years.
- Infrastructure Projects
 - Oak Street Road Improvements (80% of project).
 - Oak Street Water and Storm Water Improvements (100% of projects).
 - Lift Station project (50% of project).

Village of Arena, WI

Tax Increment District No. 1 Tax Increment Projection Worksheet

Type of District	Mixed Use
Actual Creation Date	9/28/2006
Valuation Date	Jan. 1, 2006
Maximum Life (In Years)	20
Expenditure Period (In Years)	15
Revenue Periods/Final Rev Year	20 2027
End of Expenditure Period	9/28/2021
Latest Termination Date	9/28/2026

Actual Base Value	3,766,500
Pre-Amendment Base Value (Actual)	NA
Property Appreciation Factor	0.00%
Tax Rate Adjustment Factor	0.00%

Apply Inflation
X

	Construction Year	Value Added	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
1	2006	2,171,000	2007	0	2,171,000	2008	23.56	51,153
2	2007	511,000	2008	0	2,682,000	2009	24.56	65,859
3	2008	410,200	2009	0	3,092,200	2010	25.61	79,186
4	2009	317,400	2010	0	3,409,600	2011	26.52	90,431
5	2010	60,400	2011	0	3,470,000	2012	26.52	92,033
6	2011	0	2012	0	3,470,000	2013	26.52	92,033
7	2012	0	2013	0	3,470,000	2014	26.52	92,033
8	2013	0	2014	0	3,470,000	2015	26.52	92,033
9	2014	0	2015	0	3,470,000	2016	26.52	92,033
10	2015	0	2016	0	3,470,000	2017	26.52	92,033
11	2016	0	2017	0	3,470,000	2018	26.52	92,033
12	2017	0	2018	0	3,470,000	2019	26.52	92,033
13	2018	0	2019	0	3,470,000	2020	26.52	92,033
14	2019	0	2020	0	3,470,000	2021	26.52	92,033
15	2020	0	2021	0	3,470,000	2022	26.52	92,033
16	2021	0	2022	0	3,470,000	2023	26.52	92,033
17	2022	0	2023	0	3,470,000	2024	26.52	92,033
18	2023	0	2024	0	3,470,000	2025	26.52	92,033
19	2024	0	2025	0	3,470,000	2026	26.52	92,033
20	2025	0	2026	0	3,470,000	2027	26.52	92,033
		3,470,000		0				

Future Value of Increment **1,759,152**



Village of Arena, WI

Tax Increment District No. 1

Cash Flow Pro Forma (No new projects or borrowing)



Year	Revenues			Expenditures												Balances		Project Cost Principal Outstanding	Year					
	Tax Increments	STF Loan Subsidy - Estimate	Total Revenues	STF Loan - \$105,000 Forseth Phase 1 4/16/2008		STF Loan - \$52,500 Forseth Phase 1 5/19/2008		G.O. Notes \$269,750 5/22/2008		STF Loan - \$52,500 Forseth - Phase 1 12/2/2008		STF Loan \$209,519 Lift Station - 50% 1/27/2009		STF Loan \$27,204.59 Lift Station - 50% 1/4/2010		Planning & Admin.	Estimated Halverson PAYG 80%			Advance to Sewer Fund	Total Expenditures	Annual	Cumulative ¹	
2010				Prin (3/15)	Interest 5%	Prin (3/15)	Interest 5%	Prin (5/1)	Interest	Prin (3/15)	Interest 5%	Prin (3/15)	Interest 5.5%	Prin (3/15)	Interest 5.5%						14,013	575,838	2010	
2011	90,431	2,562	92,993	5,344	4,731	2,661	2,355	23,457	9,497	2,852	2,524	5,485	5,514	541	892	5,000	2,854	19,000	92,708	285	14,298	535,498	2011	
2012	92,033	2,379	94,412	5,599	4,476	2,788	2,228	26,389	8,686	2,988	2,388	5,773	5,227	713	720	5,000	2,854	18,500	94,330	82	14,380	491,249	2012	
2013	92,033	2,230	94,263	5,891	4,184	2,933	2,083	29,321	7,738	3,144	2,233	6,105	4,895	754	679	5,000	2,854	16,400	94,213	49	14,429	443,102	2013	
2014	92,033	2,079	94,112	6,186	3,889	3,080	1,936	32,253	6,644	3,301	2,075	6,440	4,560	795	638	5,000	2,854	1,624	81,276	12,836	27,265	391,047	2014	
2015	92,033	1,920	93,952	6,495	3,580	3,234	1,782	35,185	5,404	3,466	1,910	6,795	4,205	839	594	5,000	2,854		81,343	12,609	39,772	335,034	2015	
2016	92,033	1,757	93,789	6,811	3,264	3,391	1,625	38,117	4,020	3,634	1,742	7,158	3,842	884	549	5,000	2,854		82,892	10,898	50,772	275,039	2016	
2017	92,033	1,575	93,608	7,161	2,915	3,565	1,451	41,049	2,505	3,821	1,555	7,562	3,438	934	499	5,000	2,854		84,309	9,298	60,070	210,948	2017	
2018	92,033	1,388	93,421	7,519	2,557	3,743	1,273	43,981	858	4,012	1,364	7,978	3,022	985	448	5,000	2,854		85,593	7,827	67,897	142,730	2018	
2019	92,033	1,191	93,223	7,895	2,181	3,930	1,086			4,212	1,164	8,417	2,583	1,039	394	5,000	2,854		40,755	52,469	120,366	117,236	2019	
2020	92,033	985	93,018	8,285	1,791	4,124	892			4,420	956	8,874	2,126	1,096	337	5,000			37,901	55,118	175,484	90,438	2020	
2021	92,033	763	92,796	8,704	1,372	4,333	683			4,644	732	9,368	1,632	1,157	276	5,000			37,901	54,896	230,379	62,232	2021	
2022	92,033	532	92,565	9,139	937	4,550	466			4,876	500	9,883	1,117	1,220	213				32,901	59,664	290,043	32,564	2022	
2023	92,033	288	92,320	9,596	480	4,777	239			5,120	256	10,426	573	1,287	146				32,900	59,420	349,464	1,358	2023	
2024	92,033	30	92,063											1,358	75				1,433	90,630	440,093	0	2024	
2025	92,033		92,033																0	92,033	532,126			2025
2026	92,033		92,033																0	92,033	624,159			2026
2027	92,033		92,033																0	92,033	716,192			2027
Total	1,562,954	19,678	1,582,632	94,624	36,357	47,108	18,100	269,750	45,352	50,490	19,400	100,263	42,736	13,602	6,459	55,000	25,688	55,524	880,454	702,179				

NOTES:

- 2010 Cumulative Balance ties to cash assets in TID #1 fund per 2010 financial statements.
- \$55,824 owed to the Sewer Fund by TID #1 as of 12/31/2010.

Projected TID Closure