



P.O. Box 352 • 150 S. Bridge St. • Markesan, WI 53946 • P: (920) 398-3031 • F: (920) 398-3991

**JOINT REVIEW BOARD
Markesan City Hall**

**June 26, 2017
6:00 pm**

AGENDA

Call To Order

Roll Call

Appoint Joint Review Board Chairman

Review and Acceptance of Annual Report for TID No. 1

Discuss and Action for a Three Year Extension on TID No. 1

Adjournment

Any person requiring special assistance to participate in this meeting should contact the Clerk-Treasurer at 398-3031 at least 24 hours prior to the meeting so appropriate accommodations can be made.

Posted: Markesan State Bank City Hall
Farmers State Bank Post Office
www.markesanwi.gov

Dated June 20, 2017
Elizabeth A Amend, Clerk-Treasurer



Johnson Block
AND COMPANY, INC.

Certified Public Accountants

2500 Business Park Road • Mineral Point, Wisconsin 53565 • TEL 608-987-2206 • FAX 608-987-3391

ACCOUNTANT'S COMPILATION REPORT

To the City Council
City of Markesan
Markesan, Wisconsin

Management is responsible for the accompanying Tax Incremental District No. 1 annual report form PE-300 prepared as of December 31, 2016, and included in the accompanying prescribed form. 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 AICPA. We did not audit or review the financial statements included in the accompanying prescribed form 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.

Other Matter

The financial statements included in the accompanying prescribed form are intended to comply with the requirements of the Wisconsin Department of Revenue, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

JOHNSON BLOCK AND COMPANY, INC.

Johnson Block & Company, Inc.

May 30, 2017
Mineral Point, WI

TID Annual Report (PE-300)

Co-muni code

Municipality

Year

Due date

TID #

Report type

TID type

TID name

Creation date

Mandatory termination date

Beginning Balance

Fund balance at beginning of fiscal year ⓘ



Section 2a. Expenditures

Developer grants

1 * *

Subtotal

Does this TID allocate funds to another TID? Yes
 No

TID number and amount allocated

1 * *

Subtotal

Other expenditures

1



Subtotal

Section 2b. Expenditures

Capital expenditures ?	
Administration ?	601
Professional services ?	
Interest and fiscal charges ?	7,395
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs ?	
Developer grants subtotal	0
Allocation to other TIDs subtotal	0
Other expenditures subtotal	0
Total Expenditures ?	7,996

Section 3a. Revenues

Does this TID receive allocated funds from another TID? Yes
 No

TID number and amount received from each TID  

1	* <input type="text" value="Select ..."/>	* <input style="width: 100%;" type="text" value="0"/>
---	---	---

Subtotal

Development guarantees

1	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
---	--	--

Subtotal

Transfer from other funds

1	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
---	--	--

Subtotal

Other grant sources

1	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
---	--	--

Subtotal





Other revenue sources

1	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
---	--	--

Subtotal.....

0

Section 3b. Revenues

Tax increment 	54,397
Investment income 	82
Special assessments	
Exempt computer aid 	3,639
Miscellaneous revenue	
Sale of property	
Allocation amount from other TIDs subtotal	0
Developer guarantees subtotal	0
Transfer from other funds subtotal	0
Other grant sources subtotal	0
Other revenue sources subtotal	0
Total Revenues 	58,118

Section 4. Ending Balance

Balance at end of fiscal year ⓘ	-514,132
Future project costs ⓘ	24,610
Surplus or deficit (amount not included in future project costs) ⓘ	-538,742


Section 5. Preparer/Contact Information

Preparer Information

Name	Title
* Brent Nelson CPA	* Audit Manager
Email	Phone
* bnelson@johnsonblock.com	* (608) 987-2206

Check here if the preparer is the same as the contact person

Contact Person

Name 	Title
* Elizabeth Amend	* City Clerk-Treasurer
Email	Phone
* bamend@markesanwi.gov	* (920) 398-3031

Confirmation

You successfully submitted your report. Print a copy for your records.

Co-muni code	24251
TID number	001
Recording time	06-09-2017 11:29 AM
Confirmation	TIDAR201624251F1496174913503
Submission type	FINAL

Request for 3-year TID Extension

The expenditure period for the City of Markesan's TID ended on January 16, 2017. The unextended maximum life of the TID is January 16, 2022. Without extending the maximum life, we believe that TID project costs incurred since its creation on January 16, 1995 will not be fully recovered by the revenues generated by the TID.

A projection developed by the City's independent auditor is provided. Without extending the maximum life of the TID, this projection estimates unrecovered costs of approximately \$93,000.

New State of Wisconsin legislation, SB 53 - Act 254, allows for a 3 year extension of a TID's life if the TID cannot repay its project costs within its unextended maximum life and the TID was negatively impacted by 2013 Wisconsin Act 145. Act 145 increased state funding to technical colleges, which in turn lowered the mill rate for Moraine Park Technical College and negatively impacted its TID increment.

Here is a 5 year summary of the mill rate for Moraine Park Technical College:

YEAR	MILL RATE	CHANGE BETWEEN YEARS	PERCENT CHANGE
2016	0.663737	-0.021662	-3%
2015	0.685399	0.01989	3%
2014	0.665509	-0.923406	-58%
2013	1.588915	0.054436	4%
2012	1.534479		

Per Wisconsin State Statute 66.1105(7)(am)4:

a. At any time during the district's existence, but subject to sub. (8) (e), the city that created the district described under subd. 1., 2., or 3. or par. (ak) 1. or 2. may request that the joint review board extend the life of the district for an additional 3 years in addition to an extension authorized under subd. 1., 2., or 3., if during the district's existence, the annual and total amount of tax increments to be generated over the life of the district are adversely impacted by 2013 Wisconsin Act 145.

b. Together with its request for a 3-year extension under this subdivision, the city may provide the joint review board with an independent audit that demonstrates that the district is unable to pay off its project costs within the time specified under subd. 1., 2., or 3., whichever is applicable. The joint review board may deny or approve the request if the request does not include the independent audit, and the board shall approve the request if the request includes the audit. If the joint review board extends the district's life, the district shall terminate at the earlier of the end of the extended period or the period specified in par. (a).

We believe extending the life until 2025 would allow enough time for the TID to fully recover its project costs. Regardless of an extension, the TID would be closed when project costs are fully recovered. If revenues come in higher than expected and project costs become fully recovered prior to 2025, the TID would close (i.e. could close in 2023). Any excess revenues generated by the TID would be refunded to the other taxing districts upon closure.

RESOLUTION 09-2017

**RESOLUTION AUTHORIZING A 3-YEAR EXTENSION OF THE
CITY OF MARKESAN TAX INCREMENT DISTRICT NO. 1
JOINT REVIEW BOARD, CITY OF MARKESAN, WISCONSIN**

WHEREAS, the City of Markesan Tax Increment District is not expected to be able to recoup its project costs within its maximum life;

WHEREAS, the City of Markesan Tax Increment District was negatively impacted by 2013 Wisconsin Act 145;

NOW, THEREFORE, BE IT RESOLVED, that the City of Markesan Joint Review Board hereby approves a 3-year extension of the City of Markesan Tax Increment District's life in accordance with SB 53 – Act 54.

Dated this 26th day of June, 2017

OFFERED BY:

Joint Review Board Member

SECONDED BY:

Joint Review Board Member

APPROVED:

Joint Review Board Chairman

ATTESTED:

City Clerk