November 17, 2020

Annual Tax Increment District Report – TID No. 1

Village of Lannon, Wisconsin

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Annual Tax Increment District Report

Village of Lannon, Wisconsin
Tax Increment District No. 1

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. 1 ("District") was created on July 9, 2018 as a Mixed-Use District. The TID has an expenditure period that ends on July 9, 2033, five years prior to statutory closure, and has a mandatory termination date of July 9, 2038.

Background Data:

Base Value	$7,653,200
Incremental Value	$492,200
Year End Fund Balance	($274,471)
Projected Closure (based on current cash flow*)	TBD
Original Projected Closure**	2038

* The Village 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.

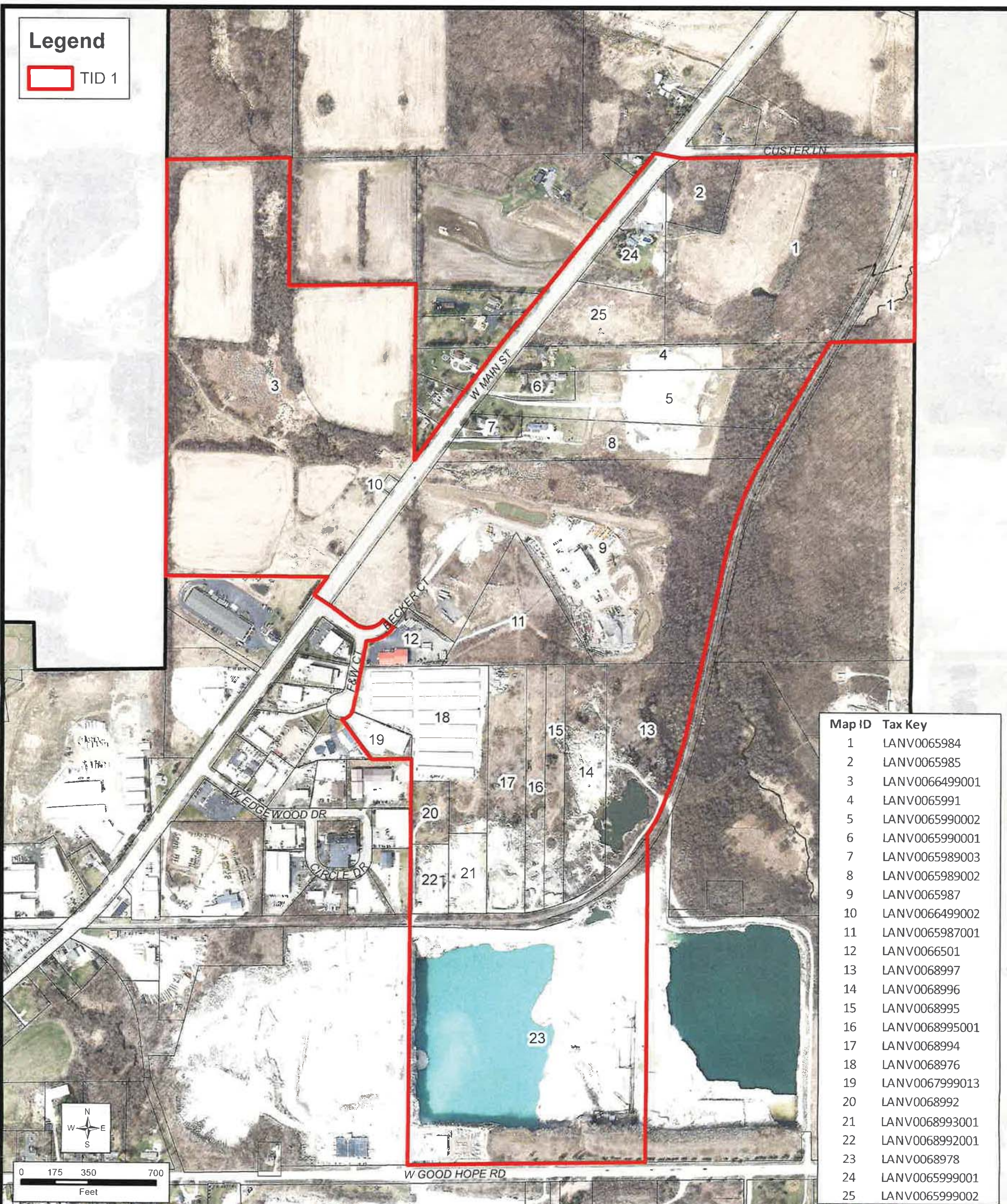
**Reflects the projected closure date at the time of TID creation, or most recent Project Plan amendment.

Notes: Several developments are in process which once built out may generate up to $85M in new increment. This will result in the need for future expenditures to be made by the Village. Those expenditures were identified in the original TID Project Plan.

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)
- State Submittal



Map ID	Tax Key
1	LANV0065984
2	LANV0065985
3	LANV0066499001
4	LANV0065991
5	LANV0065990002
6	LANV0065990001
7	LANV0065989003
8	LANV0065989002
9	LANV0065987
10	LANV0066499002
11	LANV0065987001
12	LANV0066501
13	LANV0068997
14	LANV0068996
15	LANV0068995
16	LANV0068995001
17	LANV0068994
18	LANV0068976
19	LANV0067999013
20	LANV0068992
21	LANV0068993001
22	LANV0068992001
23	LANV0068978
24	LANV0065999001
25	LANV0065999002

TAX INCREMENT FINANCE DISTRICT NO. 1

VILLAGE OF LANNON
WAUKESHA COUNTY, WISCONSIN

STRAND ASSOCIATES

TID 1
3500.004

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Village of Lannon, Wisconsin

Tax Increment District # 1

Development Assumptions

	Construction Year	Berg Development - Phase 1	Berg Development - Phase 2	Sawall Developments*	Annual Total	Construction Year	
1	2018				0	2018	1
2	2019	475,000			475,000	2019	2
3	2020	13,975,000	6,800,000	3,120,000	23,895,000	2020	3
4	2021		8,500,000	14,880,000	23,380,000	2021	4
5	2022		4,250,000	9,960,000	14,210,000	2022	5
6	2023			11,020,000	11,020,000	2023	6
7	2024			500,000	500,000	2024	7
9	2026			2,400,000	2,400,000	2026	9
10	2027			9,100,000	9,100,000	2027	10
	Totals	14,450,000	19,550,000	50,980,000	84,980,000		

Notes: Phase 1 assumes 34 units being built out in two years at $425K per unit.
Notes: Phase 2 assumes 46 units being built out in three years at $425K per unit.
* All phases of apartments have been combined for this cashflow.

Village of Lannon, Wisconsin

Tax Increment District # 1

Tax Increment Projection Worksheet

Type of District	Mixed Use	
District Creation Date	July 9, 2018	
Valuation Date	Jan 1,	2018
Max Life (Years)	20	
Expenditure Period/Termination	15	7/9/2033
Revenue Periods/Final Year	20	2039
Extension Eligibility/Years	Yes	3
Recipient District	No	

Base Value	7,032,625
Appreciation Factor	0.50%
Base Tax Rate	$15.34
Rate Adjustment Factor	0.00%
Tax Exempt Discount Rate	3.50%
Taxable Discount Rate	4.25%

	Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment
1	2018	0	2019	0	0	2020	$15.34	**0**
2	2019	475,000	2020	0	475,000	2021	$15.34	**7,285**
3	2020	23,895,000	2021	2,375	24,372,375	2022	$15.34	**373,811**
4	2021	23,380,000	2022	121,862	47,874,237	2023	$15.34	**734,270**
5	2022	14,210,000	2023	239,371	62,323,608	2024	$15.34	**955,887**
6	2023	11,020,000	2024	311,618	73,655,226	2025	$15.34	**1,129,686**
7	2024	500,000	2025	368,276	74,523,502	2026	$15.34	**1,143,003**
8	2025	2,400,000	2026	372,618	77,296,120	2027	$15.34	**1,185,528**
9	2026	9,100,000	2027	386,481	86,782,600	2028	$15.34	**1,331,027**
10	2027	0	2028	433,913	87,216,513	2029	$15.34	**1,337,682**
11	2028	0	2029	436,083	87,652,596	2030	$15.34	**1,344,371**
12	2029	0	2030	438,263	88,090,859	2031	$15.34	**1,351,092**
13	2030	0	2031	440,454	88,531,313	2032	$15.34	**1,357,848**
14	2031	0	2032	442,657	88,973,970	2033	$15.34	**1,364,637**
15	2032	0	2033	444,870	89,418,840	2034	$15.34	**1,371,460**
16	2033	0	2034	447,094	89,865,934	2035	$15.34	**1,378,318**
17	2034	0	2035	449,330	90,315,263	2036	$15.34	**1,385,209**
18	2035	0	2036	451,576	90,766,840	2037	$15.34	**1,392,135**
19	2036	0	2037	453,834	91,220,674	2038	$15.34	**1,399,096**
20	2037	0	2038	456,103	91,676,777	2039	$15.34	**1,406,091**
	Totals	**84,980,000**		**6,696,777**			**Future Value of Increment**	**21,948,438**

Notes:

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

Village of Lannon, Wisconsin

Tax Increment District # 1

Cash Flow Projection - Berg Development Phase 1 & 2 & All Phases of Sawall

Year	Projected Revenues: Tax Increments	Projected Revenues: Interest Earnings/ (Cost)	Projected Revenues: Cap. Interest	Projected Revenues: GO Note Proceeds	Projected Revenues: Total Revenues	Expenditures: Phase 1 MRO $350,000 9/1/2018 50% of Increment	Expenditures: GO Bonds, 2020A TID 1 Portion Dated Date: Principal	Expenditures: GO Bonds, 2020A TID 1 Portion 06/01/20 Interest	Expenditures: Phase 2 MRO $550,000 9/1/2020 50% of Increment	Expenditures: Taxable TID 1 Portion Dated Date: Principal	Expenditures: Taxable TID 1 Portion 07/01/21 Interest	Expenditures: Projected Debt & Incentives Related to Sawall Dev.	Expenditures: Admin Costs + 2% Annually	Expenditures: Total Expenditures	Balances: Annual	Balances: Cumulative	Balances: Remaining Available Annual Increment	Year
																(274,471)		2019
2020				485,000	485,000										485,000	210,529	210,529	2020
2021	7,285		20,463		27,748	3,643	0	15,458		0	5,005	0	3,000	27,105	643	211,172	643	2021
2022	373,811		63,750		437,561	110,813	30,000	15,398	76,092	40,000	4,905	63,750	35,000	375,958	61,603	272,775	61,603	2022
2023	734,270				734,270	110,813	30,000	15,278	256,322	40,000	4,705	142,278	35,700	635,096	99,175	371,949	99,175	2023
2024	955,887	3,719			959,607	110,813	40,000	15,098	367,130	40,000	4,455	309,621	36,414	923,531	36,076	408,025	36,076	2024
2025	1,129,686	4,080			1,133,766	33,473	55,000	14,813	454,030	40,000	4,155	476,506	37,142	1,115,118	18,648	426,673	18,648	2025
2026	1,143,003	4,267			1,147,270		65,000	14,388	442,698	50,000	3,780	512,278	37,885	1,126,028	21,242	447,915	21,242	2026
2027	1,185,528	4,479			1,190,007		70,000	13,848		60,000	3,240	586,483	38,643	772,213	417,795	865,709	417,795	2027
2028	1,331,027	8,657			1,339,684		75,000	13,174		65,000	2,535	690,181	39,416	885,305	454,379	1,320,088	454,379	2028
2029	1,337,682	13,201			1,350,883		80,000	12,360		70,000	1,673	697,806	40,204	902,042	448,841	1,768,929	448,841	2029
2030	1,344,371	17,689			1,362,060		995,000	5,970		80,000	600	694,893	41,008	1,817,471	(455,411)	1,313,518	0	2030
2031	1,351,092	13,135			1,364,228							696,818	41,828	738,646	625,581	1,939,099	625,581	2031
2032	1,357,848	19,391			1,377,239							708,343	42,665	751,008	626,231	2,565,330	626,231	2032
2033	1,364,637	25,653			1,390,290							714,181	43,518	757,699	632,592	3,197,922	632,592	2033
2034	1,371,460	31,979			1,403,439							714,481	44,388	758,869	644,570	3,842,492	644,570	2034
2035	1,378,318	38,425			1,416,742							719,343	45,276	764,619	652,123	4,494,615	652,123	2035
2036	1,385,209	44,946			1,430,155							728,668	46,182	774,850	655,305	5,149,921	655,305	2036
2037	1,392,135	51,499			1,443,634							694,627	47,105	741,732	701,902	5,851,823	701,902	2037
2038	1,399,096	58,518			1,457,614							593,378	48,047	641,425	816,189	6,668,012	816,189	2038
2039	1,406,091	66,680			1,472,771							534,815	49,008	583,824	888,948	**7,556,960**	888,948	2039
Total	21,948,438	406,320	84,213		22,923,970	369,556	1,440,000	135,781	1,596,272	485,000	35,053	10,278,447	749,431	15,092,540			8,012,371	Total

Notes:

Projected TID Closure

Form PE-300	TID Annual Report	2019 WI Dept of Revenue

Section 1 - Municipality and TID					
Co-muni code **67147**	Municipality **LANNON**		County **WAUKESHA**	Due date **July 1, 2020**	Report type **ORIGINAL**
TID number **001**	TID type **6**	TID name **TID 1**	Creation date **07/09/2018**	Mandatory termination date **07/09/2038**	Expected termination date **N/A**

Section 2 - Beginning Balance	Amount
TID fund balance at beginning of year	**$0**

Section 3 - Revenue	Amount
Tax increment	**$0**
Investment income	
Debt proceeds	
Special assessments	
Exempt computer aid	
Sale of property	
Allocation from another TID	
TID number	
Developer guarantees name	
Developer name	
Transfer from other funds source	
Source	
Other grants sources	
Source	
Other revenue sources	
Source	
Total Revenue (deposits)	**$0**

Form PE-300	TID Annual Report	2019 WI Dept of Revenue

Section 4 - Expenditures	Amount
Capital expenditures	
Administration	$15,000
Professional services	$259,371
Interest and fiscal charges	
DOR fees	$100
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs	
Allocation to another TID	
TID number	
Developer grants name	
Developer name N/A	$0
Transfer to other funds source	
Fund	
Other expenditures source	
Name	
Total Expenditures	$274,471

Section 5 - Ending Balance	Amount
TID fund balance at end of year	$-274,471
Future costs	$0
Future revenue	
Surplus or deficit	$-274,471

Form PE-300	TID Annual Report	2019 WI Dept of Revenue

Section 6 - Contact Information

Contact name	Contact title
Brenda Klemmer	**Clerk/Treasurer**
Contact email	Contact phone
bklemmer@yahoo.com	**(262) 251-7690**