

TOWN OF BROOKFIELD
178th ANNUAL MEETING MINUTES
APRIL 14, 2022

The Annual Meeting was held in the Erich Gnant Room of the Town Hall, 645 N Janacek Road, Brookfield, WI.

1) CALL TO ORDER.

The Town Board meeting was called to order by Chairman Henderson at 7:00 p.m.

2) MEETING NOTICES.

Clerk LaGuardia confirmed that the meeting agenda was noticed as required by law.

3) PLEDGE OF ALLEGIANCE

Chairman Henderson led the Town in the Pledge of Allegiance.

4) APPROVAL OF AGENDA.

Motion by Supervisor Kohlmann to approve the agenda.

Seconded by Supervisor Schmitt.

Motion Passed Unanimously.

5) APPROVAL OF MINUTES.

Motion by Anthony D'Amico to approve the minutes of April 20, 2021 Annual Meeting.

Seconded by JoAnn Eiring.

Motion Passed Unanimously.

6) INTRODUCTIONS AND SWEARING IN OF ELECTED OFFICIALS.

Chairman Henderson introduced the following representatives of the Town: Parks and Recreation Director Chad Brown, Sanitary District No. 4 Superintendent Tony Skof, Department of Public Works Superintendent Jeff Golner, CDA member Richard Diercksmeier, Plan Commission member Len Smeltzer, Municipal Judge JoAnn Eiring, Fire Chief Andy Smerz, Assistant Fire Chief Anthony D'Amico, Police Chief Chris Perket, Building Inspector Jason Chromy, Plan Commission member William Neville, Supervisors John Schatzman, Ryan Stanelle, Steve Kohlmann, and Michael Schmitt; Attorney Michael Van Klunen, Administrator Tom Hagie; and Clerk Veronica LaGuardia.

Clerk LaGuardia swore in re-elected Town Board Supervisor Steve Kohlmann, Town Board Supervisor John Schatzman.

Chairman Henderson noted the available openings on the various Town boards and committees.

7) SUMMARY OF 2021 AUDIT PRESENTED BY BAKER TILLY REPRESENTATIVE.

Cameron Sawyer, of Baker Tilly Virchow Krause, presented a summary of the Town's annual audit for the year ending on December 31, 2021. Mr. Sawyer noted that they will be issuing an unmodified opinion, which is the best rating that can be achieved, and that the Town and Sanitary District are both in very healthy financial shape.

8) STATE OF THE TOWN REPORT.

Chairman Henderson noted that town is in great financial shape. He also summarized the current redevelopment at both the northeast and southeast corners of the Blumemound Road-Barker Road intersection. Administrator Hagie provided a summary of the Town's financial position and changes in fund balance resulting from changes in room tax policy and the effects of the events of 2020. He also recognized that the Town staff is the reason the Town is in the great position it is in by diligently maintaining their individual budgets and providing the highest level of service to our residents and town businesses. Chairman Henderson went on to note that Discover Brookfield is working with Discover Wisconsin to produce a tv episode highlighting the offers of the Town of Brookfield. Supervisor Kohlmann pointed out the information on display in the Town Hall depicting the upcoming development noted by the Chairman.

9) ADMINISTRATOR'S UPDATE REGARDING TIF DISTRICT:

Administrator Hagie presented an update of the TIF district, and went over the financial summary provided by the Town's financial advisor Ehlers Municipal Advisors.

10) DISCUSSION AND NECESSARY ACTION ON ANY OF THE OTHER POWERS OF A TOWN MEETING AS DEFINED IN SECTION 60.10 WISCONSIN STATUTES.

Len Smeltzer suggested the town pursue a park at the open land adjacent to the Town Hall at the north end of Elizabeth Court.

11) DISCUSSION AND NECESSARY ACTION AUTHORIZING THE TOWN BOARD TO NEGOTIATE, APPROVE, AND EXECUTE THE CONVEYANCE OF APPROXIMATELY 1,137 SQUARE FEET OF LAND LOCATED NORTH OF BLUEMOUND ROAD AND EAST OF BARKER ROAD, PARCEL BKFT 1123-977-005.

Motion by Anthony D'Amico to approve as presented.

Seconded by Len Smeltzer.

Motion Passed Unanimously.

12) ADJOURN

Motion by Anthony D'Amico to adjourn at 8:38 p.m.

Seconded by Sue Kohlmann.

Motion Passed Unanimously.

Respectfully submitted,
Tom Hagie
Town Administrator/Interim Clerk



2022 Financial Highlights
Presented to Town Board of the Town of Brookfield
April 18, 2023



- **Audit Objective**

- The objective of our audit was to express our opinion on the financial statements of the Town of Brookfield as December 31, 2022.

- **Our Opinion**

- We have issued an unmodified audit opinion on the financial statements for the fiscal year ending December 31, 2022.
- The financial statements are fairly presented in accordance with generally accepted accounting principles.
- All appropriate disclosures have been properly reflected in the financial statements.
- Accounting principles consistently applied year to year.

- **Community Development Authority**

- Data has been compiled and included in the issued financial statements for Town as a discretely presented component unit.



Fund Financial Statements

2022 Governmental Funds

	General	Capital Project Fund TIF No. 1	Non-major Funds	Total
Revenues and other financing sources	\$ 6,647,639	\$ 3,748,205	\$ 732,703	\$ 11,128,547
Expenditures and other financing uses	<u>6,641,020</u>	<u>3,722,315</u>	<u>741,363</u>	<u>11,104,698</u>
Excess revenues (expenditures)	6,619	25,890	(8,660)	23,849
Fund balance:				
Beginning of year	<u>1,504,083</u>	<u>937,747</u>	<u>603,193</u>	<u>3,045,023</u>
End of year	<u><u>\$ 1,510,702</u></u>	<u><u>\$ 963,637</u></u>	<u><u>\$ 594,533</u></u>	<u><u>\$ 3,068,872</u></u>
Fund Balance:				
Nonspendable	\$ 329,305	\$ -	\$ -	\$ 329,305
Restricted	-	963,637	104,940	1,068,577
Committed	-	-	496,851	496,851
Assigned	197,000	-	-	197,000
Unassigned	<u>984,397</u>	<u>-</u>	<u>(7,258)</u>	<u>977,139</u>
Total fund balance	<u><u>\$ 1,510,702</u></u>	<u><u>\$ 963,637</u></u>	<u><u>\$ 594,533</u></u>	<u><u>\$ 3,068,872</u></u>



Business Type Activities Financial Statements

	<u>Utility District No. 1</u>	<u>Sanitary District No. 4</u>		<u>Totals</u>
	<u>Stormwater and Refuse</u>	<u>Water</u>	<u>Sewer</u>	
Revenues & Capital Contributions	\$ 1,181,424	\$ 865,152	\$ 1,025,310	\$ 3,071,886
Expenses	<u>1,140,363</u>	<u>826,242</u>	<u>1,180,686</u>	<u>3,147,291</u>
Change in net position	41,061	38,910	(155,376)	(75,405)
Net position				
Beginning of year	<u>1,523,801</u>	<u>11,734,881</u>	<u>11,149,515</u>	<u>24,408,197</u>
End of year	<u>\$ 1,564,862</u>	<u>\$ 11,773,791</u>	<u>\$ 10,994,139</u>	<u>\$ 24,332,792</u>

Memo

To: Tom Hagie, Brookfield Town Administrator
From: Greg Johnson, Ehlers Senior Municipal Advisor
David Ferris, Ehlers Municipal Advisor
Date: April 14, 2023
Subject: TID #1A Cash Flow update

Background

Attached is a report for The Town of Brookfield's TID #1A. The purpose of this summary is to provide an update on where the TID stands presently. This analysis includes draft audited results from 2022. Increment value certified by the Department of Revenue as of 1/1/2022 for TID #1A is \$254,861,600.

Priority of Payments for The Corners Development

Tax increment from The Corners development is broken down by various areas within the TID as required in the Developer Agreement. Increment from the TID is pledged to pay expenditures in order of prioritization:

1. Pay Town administrative expenditures associated with the TID.
2. 75% of the increment generated by the Non-Corners improvements are retained to pay other Town costs within the TID.
3. Payments made to Von Maur for value generated in excess of \$17 million by that development.
4. Principal and interest towards CDA Lease Revenue Bonds issued in 2015.
5. Pay-as-you go developer incentive paid from remaining increment to The Corners.

Town Financed Improvements

In December 2020, the Town refunded the interim financing taken out in 2019 with permanent financing that was used to complete street, land acquisition, and bridge improvement projects within TID #1. The Town will receive special assessment revenue that offsets a portion of these project costs. The Town also retains 75% of the increment generated by non-Corners improvements that can also be applied to pay debt service for these improvements.

Wimmer Development

Portions of the Poplar Creek Town Center ("Poplar Creek"), proposed by Wimmer Development, LLC are located within the District.

In order to promote redevelopment of existing properties in need of rehabilitation, the Town and CDA provided a developer incentive to Wimmer Development, LLC to facilitate a master

redevelopment of this area in an amount not to exceed \$14.5 million. The incentive will be paid annually based on the amount of tax increment generated from the improvements associated with the Poplar Creek development. If increment generated from the proposed improvements is not sufficient to pay the maximum amount of the incentive, the Town or CDA is not obligated to make additional payments.

Public infrastructure improvements totaling \$780,000 for the Poplar Creek development will also be funded by the District including surveying, earthwork, utilities, paving, and traffic signals.

The Poplar Creek project is estimated to generate \$78 million of additional incremental value. This value, and the expenditures for this development, are included in the cash flow model.

Conclusion

The cash flow model illustrates the District is projected to have a sufficient fund balance to pay off the District's existing financial commitments and the Poplar Creek incentive by 2036. The "unrestricted cumulative" balance in the cash flow projection represents the amount of funds that will accumulate over the life of the District. This also represents the amount of cash the Town has available to fund future project costs if needed. If additional development occurs in the District as expected, and additional project costs are incurred, this can change the projected closure of the District.

New incremental values will be released in August 2023 and that provides the next opportunity to monitor how the incremental value in TID #1 is progressing. Given the fluid nature of development within the TID, Ehlers has maintained a conservative approach to updating the TID cash flow projections to take into account actual data once it becomes available as build out is achieved.

Attachments

- Page 1: Increment projection worksheet
- Page 2-4: Overall cash flow projection

Town of Brookfield, WI

Tax Increment District No. 1 Tax Increment Projection Worksheet - Overall

Type of District	Rehabilitation	Actual Base Value	65,986,900
Actual Creation Date	2/18/2014	Pre-Amendment Base Value (Actual)	NA
Valuation Date	Jan. 1, 2014	Property Appreciation Factor	0.33%
Maximum Life (In Years)	27	Tax Rate Adjustment (3 years)	-1.00%
Expenditure Period (In Years)	22		
Revenue Periods/Final Rev Year	26 2041		
End of Expenditure Period	2/18/2036		
Latest Termination Date	2/18/2041		
Eligible for Extension/No. of Years	Yes 3		
Eligible Recipient District	Yes		

Construction Year	Total Actual Value Added (Lost)	Value Added Projected	Valuation Year	Inflation Increment	Valuation Increment	Revenue Year	Tax Rate	Tax Increment
2	2015	30,656,600			30,656,600	2017	15.18	465,256
3	2016	101,040,700			131,697,300	2018	14.37	1,892,147
4	2017	125,478,900			257,176,200	2019	14.13	3,633,999
5	2018	(33,394,100)			223,782,100	2020	14.21	3,179,505
6	2019	23,766,800			247,548,900	2021	14.11	3,491,816
7	2020	5,450,700			252,999,600	2022	13.43	3,397,631
8	2021	1,862,000			254,861,600	2023	11.34	2,891,157
9	2022	(2,454,100)		0	253,407,500	2024	11.23	2,846,485
10	2023	0	71,136,071		254,543,571	2025	11.12	3,620,651
11	2024	0	7,434,220		261,977,791	2026	11.01	3,693,576
12	2025	0	0	2,660,998	264,638,789	2027	11.01	3,722,866
13	2026	0	0	2,696,497	267,335,286	2028	11.01	3,752,546
14	2027	0	0	2,732,647	270,067,933	2029	11.01	3,782,625
15	2028	0	0	2,769,462	272,837,471	2030	11.01	3,813,109
16	2029	0	0	2,806,955	275,644,526	2031	11.01	3,844,005
17	2030	0	0	2,845,138	278,489,664	2032	11.01	3,875,322
18	2031	0	0	2,884,025	281,373,689	2033	11.01	3,907,066
19	2032	0	0	2,923,631	284,296,520	2034	11.01	3,939,247
20	2033	0	0	2,963,969	287,258,489	2035	11.01	3,971,872
21	2034	0	0	3,005,054	290,260,543	2036	11.01	4,004,949
22	2035	0	0	3,046,901	293,303,684	2037	11.01	4,038,486
23	2036	0	0	3,089,524	296,388,208	2038	11.01	4,072,493
24	2037	0	0	3,132,940	299,514,527	2039	11.01	4,106,978
25	2038	0	0	3,177,163	302,682,950	2040	11.01	4,141,949
26	2039	0	0	3,222,210	305,893,760	2041	11.01	4,177,416
			78,570,291		48,542,352			

Future Value of Increment **88,263,152**

Note: Value added is projected value from Poplar Creek development.

Tax Increment District No. 1A
Cash Flow Projection Page 1 of 3

Year	Bond Proceeds					Other Revenues							Revenues
	Tax Increments	Debt Proceeds less issuance costs	Debt Service Reserve for future Principal Payment	Capitalized Interest	Borrowing Proceeds for Town Administration Costs	Room Tax	Developer Reimbursements	Special Assessments - 2017	Special Assessments - 2020 Note	Misc. Income	Interest on Non-Reserve Funds	Interest on Reserve Funds	
2015	0	28,991,745	2,615,760	1,987,494	433,216		670,694				48	0	34,698,957
2016	0	450,000								249,416	18,312	0	717,728
2017	465,256	1,170,000				37,283		630,732		127,497	3,650	0	2,434,418
2018	1,892,147							210,828		3,887	66,081	4,465	2,177,408
2019	3,633,999	2,256,613					1,117,626	210,828			50,599	48,546	7,318,211
2020	3,179,505	3,757,046					137,735	210,828			38,931	16,885	7,340,930
2021	3,491,816							210,828	115,000		31,451	1,346	3,850,441
2022	3,397,631							210,828	115,000		24,746	33,983	3,782,188
2023	2,891,157								120,656			78,473	3,090,286
2024	2,846,485								120,370			78,473	3,045,328
2025	3,620,651								125,070			78,473	3,824,194
2026	3,693,576								134,950			78,473	3,906,999
2027	3,722,866								134,505			78,473	3,935,844
2028	3,752,546								134,000			78,473	3,965,019
2029	3,782,625								138,105			78,473	3,999,203
2030	3,813,109								136,755			78,473	4,028,336
2031	3,844,005											78,473	3,922,478
2032	3,875,322											78,473	3,953,795
2033	3,907,066											78,473	3,985,539
2034	3,939,247											78,473	4,017,720
2035	3,971,872											78,473	4,050,345
2036	4,004,949												4,004,949
2037	4,038,486												4,038,486
2038	4,072,493												4,072,493
2039	4,106,978												4,106,978
2040	4,141,949												4,141,949
2041	4,177,416												4,177,416
Total	88,263,152	36,625,404	2,615,760	1,987,494	433,216	37,283	1,926,055	1,684,872	1,274,411	380,800	233,818	1,125,371	136,587,637

**Tax Increment District No. 1A
Cash Flow Projection Page 2 of 3**

Year	Expenditures													
	Lease Payment to CDA	MRO Payment to Von Maur	MRO Payment to Corners	General Obligation Promissory Notes \$450,000		General Obligation Promissory Notes \$1,170,000		Note Anticipation Notes \$3,000,000		General Obligation Notes \$2,945,000		Proposed General Obligation Notes (Wimmer) \$780,000		MRO Payment to Wimmer
				10/19/2016		10/16/2017		2/1/2019		12/30/2020		7/1/2023		
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest (4.00%)			
2015														
2016	990,979	0	0											
2017	996,515	0	0	45,000	20,419		7,790							
2018	2,130,571	0	0	405,000	43,903	234,000	45,807							
2019	2,354,090	52,516	1,164,272			234,000	36,329		5,735					
2020	2,328,775	94,955	479,918			234,000	26,928	3,000,000	97,335					
2021	2,305,056	87,818	741,525			234,000	17,372			270,000	42,858			
2022	2,317,480	81,155	620,842			234,000	10,295			275,000	41,400			
2023	2,330,833	66,114	275,298							285,000	35,800			
2024	2,459,136	66,332	72,606							285,000	30,100	73,714	31,200	
2025	2,472,390	66,551	239,127							290,000	24,350	76,662	28,251	546,502
2026	2,491,556	66,771	224,435							295,000	18,500	79,729	25,185	479,694
2027	2,506,318	66,991	221,806							310,000	12,450	82,858	21,996	468,713
2028	2,521,873	67,212	218,442							310,000	7,800	86,232	18,682	480,030
2029	2,537,881	67,434	214,682							310,000	4,700	89,681	15,232	491,464
2030	2,554,021	67,657	210,851							315,000	1,575	93,269	11,645	503,181
2031	2,570,443	67,880	206,799									96,978	7,914	515,134
2032	2,581,896	68,104	207,773									100,878	4,035	527,344
2033	2,598,610	68,329	203,546											539,760
2034	2,615,760	68,554	198,944											646,866
2035	4,896,580	68,780	546,490											659,803
2036		0												965,982
2037		0												985,302
2038		0												1,005,008
2039		0												1,025,108
2040		0												1,045,610
2041		0												1,066,523
Total	48,560,762	1,193,153	6,047,357	450,000	64,322	1,170,000	144,521	3,000,000	103,070	2,945,000	219,533	780,000	164,140	11,952,023

**Tax Increment District No. 1A
Cash Flow Projection Page 3 of 3**

CDA			TIF 1			Balances					Project Cost Principal Outstanding	Year
Capital	Conservation and Development	Admin	Total Expenditures	Annual	Total Cumulative	Restricted Cumulative	Restricted NAN proceeds	Unrestricted Cumulative				
2,662,236	1,053,111	0	3,715,347	30,983,610	30,983,610	2,615,760		28,367,850	27,537,052	2015		
22,282,064	1,080,820	0	24,353,863	(23,636,135)	7,347,475	2,615,760		4,731,715	28,221,052	2016		
3,560,699	780,130	0	5,410,553	(2,976,135)	4,371,340	2,615,760		1,755,580	29,112,052	2017		
	197,870	162,930	3,220,081	(1,042,673)	3,328,667	2,615,760		712,907	27,333,052	2018		
515,347	3,482,348	76,630	7,921,267	(603,055)	2,725,611	2,615,760		109,851	25,249,857	2019		
	79,840	65,706	6,407,457	933,473	3,659,084	2,615,760	743,388	299,936	26,585,857	2020		
	125,182	64,816	3,888,628	(38,186)	3,620,898	2,615,760	743,388	261,750	24,595,263	2021		
	74,899	67,244	3,722,315	59,873	3,680,771	2,615,760	743,388	321,623	23,451,263	2022		
		64,821	3,057,865	32,421	3,713,192	2,615,760	743,388	354,044	34,005,786	2023		
		63,875	3,081,963	(36,636)	3,676,556	2,615,760	743,388	317,408	32,594,850	2024		
		65,791	3,809,625	14,569	3,691,126	2,615,760	743,388	331,978	30,445,173	2025		
		67,765	3,748,635	158,363	3,849,489	2,615,760	743,388	490,341	28,332,756	2026		
		69,798	3,760,929	174,915	4,024,403	2,615,760	743,388	665,255	26,182,476	2027		
		71,892	3,782,162	182,857	4,207,261	2,615,760	743,388	848,113	23,984,753	2028		
		74,049	3,805,124	194,079	4,401,340	2,615,760	743,388	1,042,192	21,737,211	2029		
		76,270	3,833,469	194,867	4,596,207	2,615,760	743,388	1,237,059	19,432,105	2030		
		78,558	3,543,705	378,772	4,974,979	2,615,760	743,388	1,615,831	17,387,076	2031		
		80,915	3,570,946	382,848	5,357,827	2,615,760	743,388	1,998,679	15,284,623	2032		
		83,342	3,493,587	491,952	5,849,780	2,615,760	743,388	2,490,632	13,227,359	2033		
		85,842	3,615,966	401,754	6,251,534	2,615,760	743,388	2,892,386	11,018,454	2034		
		88,417	6,260,070	(2,209,725)	4,041,809		743,388	3,298,421	6,093,534	2035		
		88,505	1,054,488	2,950,461	6,992,270		743,388	6,248,882	5,127,551	2036		
		88,594	1,073,896	2,964,590	9,956,861		743,388	9,213,473	4,142,249	2037		
		88,683	1,093,691	2,978,802	12,935,663		743,388	12,192,275	3,137,241	2038		
		88,771	1,113,879	2,993,098	15,928,761		743,388	15,185,373	2,112,133	2039		
		88,860	1,134,470	3,007,479	18,936,240		743,388	18,192,852	1,066,523	2040		
		88,949	1,155,471	3,021,945	21,958,184		743,388	21,214,796	0	2041		
29,020,346	6,874,200	1,941,023	114,629,452									

Projected TID Closure with no other projects