

MEMORANDUM

TO: City of Madison Joint Review Board

FROM: Joe Gromacki, TIF Coordinator and Dan Rolfs, Community Development Project Manager

DATE: September 17, 2017

SUBJECT: 2018 Joint Review Board Annual Report

In 2016, the State of Wisconsin passed Act 257, requiring all municipalities to submit an annual report for each existing Tax Increment District (TID) to the overlying taxing jurisdictions. This cover memo provides a brief overview of the annual report. There are multiple attachments to this annual report. They include:

- Preliminary TID Value changes – This report is provided by the State of Wisconsin Department of Revenue (DOR). This report outlines the preliminary value changes for each TID. Note that these reports are provided based upon school district boundaries, so there are separate reports for TIDs that cross school district boundaries.
- TIF 12% test – This report is provided by the DOR. It provides preliminary values for each TID, and notes where the City is in relation to the 12% test (note: a municipality may only have a maximum of 12% of its equalized value within all of its TIDs). In 2018, the City of Madison has approximately 2.86% of its total equalized value within TIDs. This represents a decrease from 2017, when the City had approximately 4.64% of its total equalized value within TIDs. This decrease is due to the closure of TIDs #27, #32, and #43 outlined below.
- Values and Increments – This report is generated by the City of Madison's Finance Department, based upon information from DOR. It identifies the preliminary incremental values for each active TID and the estimated incremental revenue for each TID.
- Audits – By TIF Law, the City of Madison is required to conduct an annual audit of each TID. Staff has attached the audits for each active TID in the City of Madison. These audits provide an in depth look at the financial status of each TID.

TID Closures

In 2018, the City of Madison closed three TIDs, TID #27, TID #32, and TID #43. The closure of these three TIDs added more than \$600M to the tax rolls in 2018. The City does not anticipate closing any additional TIDs in 2018 or in 2019.