

THIEL
LAW OFFICE

P.O. Box 7560, Appleton, WI 54912-7075

March 8, 2019

Via Email Only

Town of Holland Plan Commission
All Town of Holland Residents
c/o James R. Sickel
Hinkfuss, Sickel, Petitjean & Wieting
125 S. Jefferson, Suite 101
Green Bay, WI 54301

Re: BC Organics
Actual Financial impact of potential grant funds and PILOT

Dear Plan Commission Members & All Town of Holland Residents:

At the March 4, 2019 Plan Commission meeting I stated I would provide, in writing, the financial impact of the Focus on Energy grant of up to \$15,000,000.00 that is available to BC Organics against the \$1,000,000.00 PILOT available to the Town of Holland. I request that Mr. Sickel provide this to the Plan Commission members prior to the March 11, 2019 meeting. I also respectfully request this letter be posted in its entirety on the Town's website.

SUMMARY CONCLUSION:

For each \$1.00 applied to a resident of the Town of Holland from the Focus on Energy Funds the benefit returned is \$630.33 per resident. This is a return of 630%.

ANALYSIS:

The maximum amount attributed to the entire Town over 20 years from the Focus on Energy maximum grant is \$1,586.45.

The \$1,586.45 must be compared to the \$1,000,000.00 the Town can obtain from the PILOT over 20 years.

If this were being reviewed as a financial analysis this means that for every \$1.00 the Town considers as a "cost" for the Focus on Energy the Town receives a return of \$630.34 which is a return of 630%.

The \$1,586.45 as a percent of \$15,000,000.00 is .000105 % (less than 1/10,000ths of a Dollar or you would have to divide a penny into 1,000 pieces) and is immaterial as to Generally Accepted Accounting Practices (GAAP) under any qualified financial analysis of the Focus on Energy Fund portion attributable to the Town of Holland.

VERIFIED FACTS:

FOCUS ON ENERGY

\$15,000,000.00 (This is an “up to” reimbursement fund).

$\$15,000,000.00 \div 5,816,231^1$ (Wisconsin Residents) $\times 40\%^2$ (percentage of Focus on Energy Funding from Residential Utility User Fees) = \$1.0315/person (attributed to each resident of the State of Wisconsin).

$\$1.0315/\text{person (resident)} \times 1,583$ Town Residents³ = \$1,632.86 (Total attribution to the Town residents for the Focus on Energy maximum funds) for 20 years.

$\$1,632.86 \div 20$ years = \$81.64/year (Attribution to the entire Town of Holland).

$\$1.0315/\text{person (resident)} \div 20$ years = \$.0516/per Town Resident per year).

PILOT FUNDS

PILOT funds available to the Town as a whole.

$\$50,000.00 \times 20$ years = \$1,000,000.00 to Town of Holland.

$\$1,000,000.00 \div 1,583$ Town Residents = \$631.71 gain per Town resident over 20 years.

$\$631.71$ per Town resident $\div 20$ = \$31.58 gain per Town resident per year from the PILOT.

CONCLUSION:

¹ Source for population of Wisconsin: State of Wisconsin, Department of Administration, Demographic Services Center, Madison, WI. https://doa.wi.gov/DIR/Final_Ests_Summary_2018.pdf w

² Source: Joe Fontaine, Focus on Energy Performance Manager, Public Service Commission of Wisconsin (February 27, 2019).

³ Source for population of Town of Holland: Bill Clancy email, 3/9/2019, Attachment, October 10, 2018 letter to Town from State of Wisconsin, Department of Administration, Demographic Services Center, Madison, Wisconsin.

Plan Commission Members

March 10, 2019

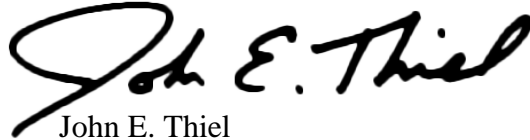
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The Town has a potential Five cent payment from a required utility bill charge in exchange for an actual \$31.58 PILOT contribution per resident for each year for 20 years.

Thank you.

JOHN E. THIEL LAW OFFICE, LLC

Very truly yours,

A handwritten signature in black ink that reads "John E. Thiel". The signature is written in a cursive style with a large initial "J".

John E. Thiel

Cc: BC Organics (via email)