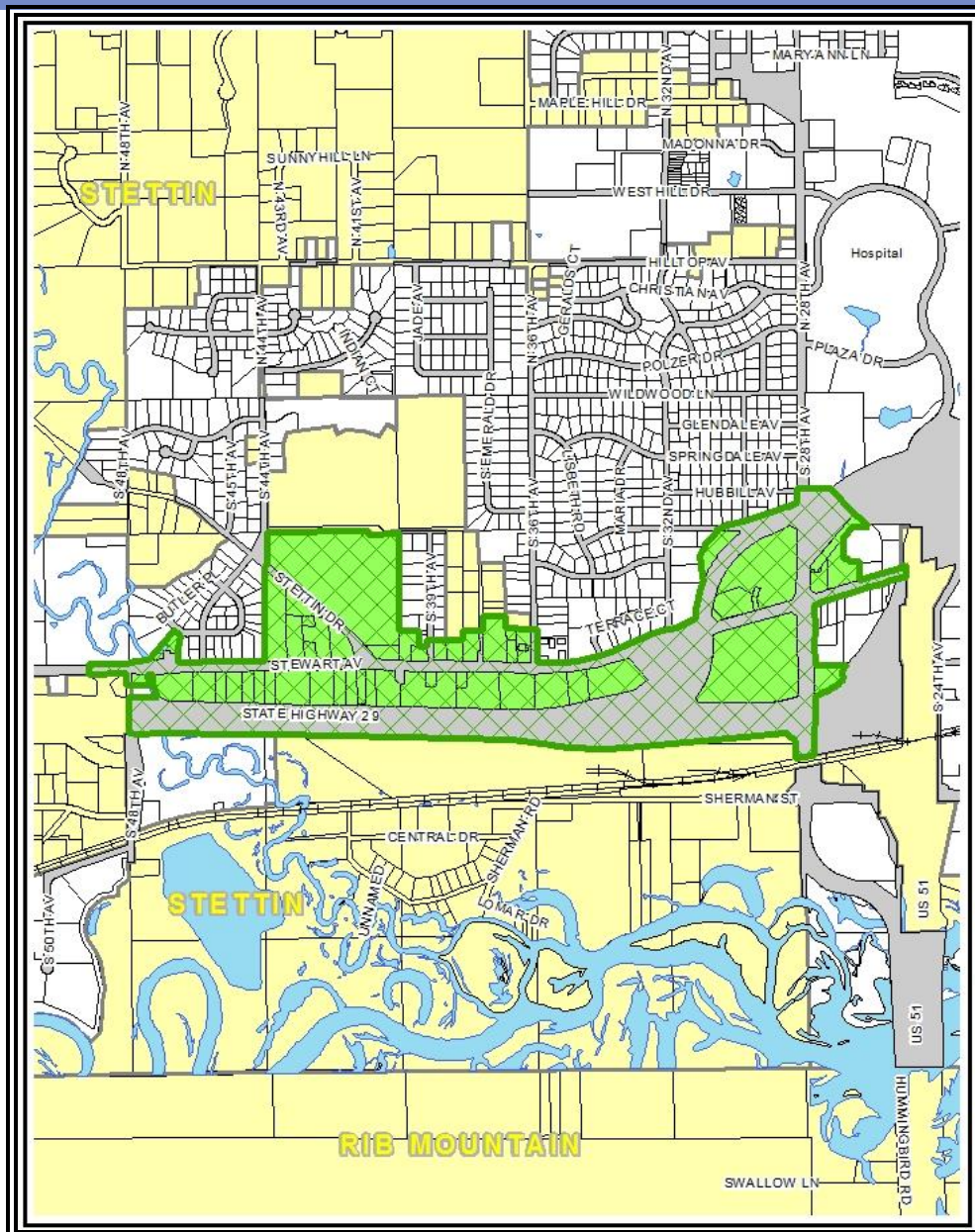


# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN



WAUSAU FINANCE

December 31, 2021

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES AND NET COSTS TO BE RECOVERED THROUGH TAX INCREMENTS

For the Year Ended December 31, 2021  
and From Date of Creation Through December 31, 2021

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>PROJECT COSTS</b>		
Capital expenditures	\$ 79,630	\$ 6,557,489
Developer Payments	264,116	1,474,426
Tax sharing Town of Stettin	-	100,289
Administration	14,425	194,841
Professional Services	150	157,390
Excessive Tax Settlement Payment	-	96,136
Interest and fiscal charges	13,740	972,154
Payment to refunded debt escrow	-	4,468
Debt issuance costs and discounts	-	40,360
	<u>\$ 372,061</u>	<u>\$ 9,597,553</u>
<b>PROJECT REVENUES</b>		
Tax increments	\$ 1,017,217	\$ 7,743,499
Special assessment taxes	-	320,126
Exempt computer aid	9,865	163,681
Personal property aid	22,872	22,872
Interest on special assessments	-	32,043
Investment income	-	4,862
Other Income	-	32,025
Premium on debt issuance	-	12,007
	<u>\$ 1,049,954</u>	<u>\$ 8,331,115</u>
<b>NET COST RECOVERABLE THROUGH TAX INCREMENTS</b>		<u>\$ 1,266,438</u>
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
General obligation debt		\$ 80,000
Less: fund balance (deficit)		<u>(1,186,438)</u>
<b>NET COSTS RECOVERABLE THROUGH TAX INCREMENTS</b>		<u>\$ 1,266,438</u>

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS

For the Year Ended December 31, 2021  
and From Date of Creation Through December 31, 2021

	Year Ended	From Date of Creation
<b>SOURCES OF FUNDS</b>		
Tax increments	\$ 1,017,217	\$ 7,743,499
Special assessment taxes	-	320,126
Exempt computer aid	9,865	163,681
Personal property aid	22,872	22,872
Interest on special assessments	-	32,043
Investment income	-	4,862
Other Income	-	32,025
Premium on debt issuance	-	12,007
Proceeds from long-Term debt	-	5,923,067
	<u>\$ 1,049,954</u>	<u>\$ 14,254,182</u>
<b>USES OF FUNDS</b>		
Capital expenditures	79,630	\$ 6,557,489
Developer Payments	264,116	1,474,426
Tax sharing Town of Stettin	-	100,289
Administration	14,425	194,841
Professional Services	150	157,390
Excessive Tax Settlement Payment	-	96,136
Interest and fiscal charges	13,740	972,154
Debt issuance costs and discounts	-	40,360
Payment to refunded debt escrow	-	4,468
Principal on long-term debt	40,000	5,843,067
	<u>\$ 412,061</u>	<u>\$ 15,440,620</u>
<b>BEGINNING FUND BALANCE (DEFICIT)</b>	<u>\$ (1,824,331)</u>	<u>\$ -</u>
<b>ENDING FUND BALANCE(DEFICIT)</b>	<u>\$ (1,186,438)</u>	<u>\$ (1,186,438)</u>

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### DETAILED SUMMARY OF PROJECT COSTS

For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Project Plan Estimate</u>
<b>PROJECT COSTS</b>		
Capital Expenditures		
Street construction/reconstruction/Streetscape	\$ 5,410,256	\$ 5,219,000
Storm water management systems	57,697	280,000
Utility extensions/relocations	165,209	685,000
Street lighting, signage and signalization	247,625	300,000
Parking lot construction	125,285	250,000
Land acquisition, write downs, right of way and relocation	545,049	420,000
Sidewalk	6,369	-
Professional services	25,857	270,400
Taxsharing Town of Stettin	100,289	-
Administration, and organizational	194,841	362,940
Excessive Tax Settlement Payment	96,136	
Developers grants and incentives	1,474,426	1,979,712
Engineering and design	131,533	320,000
Debt issuance costs and discount	40,360	60,600
Interest and fiscal charges	972,154	2,003,188
Other	4,468	-
	<u>\$ 9,597,554</u>	<u>\$ 12,150,840</u>
<b>TOTAL PROJECT COSTS</b>		

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

ANNUAL SUMMARY OF PROJECT COSTS AND REVENUES  
From Date of Creation Through December 31, 2021

	1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015	11 2016	12 2017	13 2018	14 2019	14 2020	15 2021	Totals	Project Plan Estimate	
<b>PROJECT COSTS</b>																			
Capital expenditures	\$ 251,449	\$ 587,430	\$ 3,324,128	\$ 960,673	\$ 1,732,755	\$ 51,357	\$ 852	\$ 17,697	\$ 2,595	\$ 40,000	\$ 440				\$ 1,070,556	\$ 79,630	\$ 6,560,082	\$ 7,154,000	
Administrative (In-house)	8,963	43,501	7,223	5,006	16,716	17,500	11,718	12,589	7,002	9,619	5,700	2,807	3,753	4,775	23,544	14,425	194,841	362,940	
Professional services	89,786	41,749								1,432	150	21,104	150	276		150	154,797	590,400	
Excessive Tax Settlement Payment												96,136					96,136		
Development grants/Incentives								438,484		75,000									
Interest and fiscal charges	23,484		62,253	148,268	146,044	130,267	107,864	95,605	87,976	60,424	49,386	32,113	5,835	5,545	3,350	13,740	1,474,426	1,979,712	
Discount on long-term debt	2,209				234														
Debt issuance costs	2,454		10,024	8,144	361		4,468	14,583											
Refunds to overlying taxing jurisdictions			80,231	20,058															
<b>Total Costs</b>	<b>\$ 352,652</b>	<b>\$ 700,724</b>	<b>\$ 3,483,859</b>	<b>\$ 1,142,149</b>	<b>\$ 3,336,630</b>	<b>\$ 199,124</b>	<b>\$ 124,902</b>	<b>\$ 578,958</b>	<b>\$ 97,573</b>	<b>\$ 186,475</b>	<b>\$ 55,676</b>	<b>\$ 152,160</b>	<b>\$ 9,738</b>	<b>\$ 446,538</b>	<b>\$ 1,358,334</b>	<b>\$ 372,061</b>	<b>\$ 9,597,553</b>	<b>\$ 12,150,840</b>	
<b>PROJECT REVENUES</b>																			
Tax increments																			
Exempt computer aid																			
Personal property aid																			
Intergovernmental grants																			
Special assessments & charges																			
Interest on special assessments																			
Investment income																			
Premium on long-term debt																			
Miscellaneous																			
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 248,575</b>	<b>\$ 471,003</b>	<b>\$ 407,318</b>	<b>\$ 453,256</b>	<b>\$ 414,364</b>	<b>\$ 353,744</b>	<b>\$ 427,955</b>	<b>\$ 405,583</b>	<b>\$ 614,743</b>	<b>\$ 535,127</b>	<b>\$ 964,455</b>	<b>\$ 794,670</b>	<b>\$ 1,050,950</b>	<b>\$ 1,049,954</b>	<b>\$ 8,331,115</b>	<b>\$ -</b>	

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### NOTE 1 – Tax Increment District Information:

The **City of Wausau** Tax Incremental District Number Seven (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

Project costs may not be incurred longer than 5 years prior to the mandated termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until 20 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

Project plan and District objectives are:

- Promote commercial development along the I-39 corridor,
- Encourage business attraction, retention and expansion,
- Increase property tax base,
- Increase employment opportunities within the community,
- Increase the per capita income in the community,
- Increase the availability of properly located, adequately serviced commercial and business sites.

	Creation Date	Last Date to Incur Project Costs	Final Dissolution Date
District # 7	1/10/2006	1/10/2021	1/10/2026

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### NOTE 2 - Long-term Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes borrowed to finance District expenditures will be retired by current available resources or by tax increments generated by the TIF fund. If those revenues are not sufficient, payments will be made by future tax levies.

	Original Amount Borrowed	Repaid	Balance 12/31/2021
2006A General Obligation Note	\$ 350,000	\$ 350,000	\$ -
2007A General Obligation Note	469,962	469,962	-
2008A General Obligation Note	3,655,000	3,655,000	-
2009A General Obligation Note	680,000	680,000	-
2010A General Obligation Note	78,000	78,000	-
2012B General Obligation Note	110,105	110,105	-
2013A General Obligation Note	445,000	365,000	80,000
2014A General Obligation Note	135,000	135,000	-
	<u>\$ 5,923,067</u>	<u>\$ 5,843,067</u>	<u>\$ 80,000</u>

Aggregate maturities of all long-term debt relating to the district is as follows:

	PRINCIPAL	INTEREST	TOTAL
2022	40,000	1,600	41,600
2023	40,000	600	40,600
	<u>80,000</u>	<u>2,200</u>	<u>82,200</u>

On May 13, 2020 the Common Council authorized a long term advance of \$672,000 from the Environmental Fund to Tax Increment District Seven. The District will pay 2.25% interest with repayment of principal in the amount of \$336,000 on or before May 1, 2021 and May 1, 2022.

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

**NOTE 3 - Valuation of District**

Annual valuation and percentage change for the district is as follows:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
Base Value	\$29,525,900	-
2007	33,464,200	13.34%
2008	45,606,100	36.28%
2009	43,049,900	-5.60%
2010	44,101,100	2.44%
2011	43,069,800	-2.34%
2012	41,341,000	-4.01%
2013	44,562,100	7.79%
2014	49,545,600	11.18%
2015	50,526,800	1.98%
2016	48,662,900	-3.69%
2017	64,740,300	33.04%
2018	58,546,000	-9.57%
2019	68,348,900	16.74%
2020	69,814,300	2.14%
2021	86,717,600	24.21%

**NOTE 4 - Tax Increments**

Annual tax increments generated by the district are as follows:

YEAR	TAX INCREMENT
2008	\$ 100,046
2009	389,929
2010	349,929
2011	392,106
2012	367,717
2013	322,877
2014	416,819
2015	532,544
2016	574,301
2017	525,634
2018	954,823
2019	774,874
2020	1,024,683
2021	1,017,217
	\$ 7,743,499

In 2022 the district will recognize increment in the amount of \$1,496,305



# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

**NOTE 5 – Plan Amendments**

Project Plan Amendment Number One was approved on September 26, 2012. This amendment increased costs and added projects to the project plan. In addition the plan authorizes project costs within the ½ mile buffer zone. The amendment increased total project costs by \$2,415,000.

Project Plan Amendment Number Two was approved on April 14, 2020. This amendment modified the boundaries of the district and added costs of \$1,400,000 for projects in the district and the ½ mile boundary.

Project Plan Amendment Number Three was approved on November 24, 2020. This amendment authorized the District to serve as a donor district to allocate increment to Tax Increment District 12.

**NOTE 6 – Developer Grants**

The City of Wausau entered into a development agreement on October 16, 2012 with 2800 Stewart Avenue, LLC for the development of 2800 Stewart Avenue. This parcel, totaling slightly over 11 acres, was a DOT remnant parcel after the State of Wisconsin Interstate Exchange project completion. The State left the parcel with significant development challenges including lack of utilities, overhead power line obstructions, ingress and egress restrictions and excess fill discarded during the construction project. The developer has agreed to develop approximately 85,000 square feet of retail/office facilities. Total project completion with a value of \$10.5 million is due by January 1, 2020 along with the creation of 50 full time and 20 part time positions. In exchange, the City of Wausau is providing a developer grant for water, sewer, stormwater, grading, retaining walls, utility work on a 250’ access road not to exceed \$443,770. Under a separate development agreement, the City of Wausau agreed to pay an additional \$1,035,942 for a developer funded site improvements including access drive, grading and utilities. This grant will be funded out of tax increment and other available funds.

	Authorized	Paid To Date
Stewart Avenue LLC	\$ 443,770	\$ 438,484
Stewart Avenue LLC	1,035,942	1,035,942
Total	\$ 1,479,712	\$ 1,474,426



# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### CASH FLOW PROJECTION

Year	USES OF FUNDS					SOURCES OF FUNDS				Annual Surplus (Deficit)	Increment Donation to TID#12	Cumulative Balance	
	Existing Annual Debt Service	Advance Interest	Administrative, Organization, & Discretionary Costs	Developer Incentives	Other Project Costs	Other Income	Special Assessment Income	Debt Proceeds	Tax Increment				
<b>ACTUAL</b>													
1 2006	\$2,454		\$8,963		\$341,235			\$350,000			(\$2,652)		(\$2,652)
2 2007	\$62,953		\$43,501		\$629,179	\$4,418		\$469,962			(\$261,253)		(\$263,905)
3 2008	\$153,820		\$7,223		\$3,404,359	\$6,523	\$142,006	\$3,655,000	\$100,046		\$338,173		\$74,268
4 2009	\$607,955		\$5,006		\$980,731	\$7,849	\$73,225	\$680,000	\$389,929		(\$442,689)		(\$368,421)
5 2010	\$663,182		\$16,716		\$173,275	\$10,541	\$46,848	\$78,000	\$349,929		(\$367,855)		(\$736,276)
6 2011	\$647,328		\$17,500		\$51,357	\$13,500	\$47,650		\$392,106		(\$262,929)		(\$999,205)
7 2012	\$735,028		\$11,718		\$852	\$10,871	\$35,776	\$110,105	\$367,717		(\$223,129)		(\$1,222,334)
8 2013	\$631,824		\$12,589	\$438,484	\$17,697	\$24,203	\$6,664	\$445,000	\$322,877		(\$301,850)		(\$1,524,184)
9 2014	\$671,117		\$7,002		\$2,595	\$11,136			\$416,819		(\$252,759)		(\$1,776,943)
10 2015	\$631,954		\$9,619	\$75,000	\$41,432	\$8,039			\$532,544		(\$217,422)		(\$1,994,365)
11 2016	\$613,851		\$5,850		\$440	\$40,442			\$574,301		(\$5,398)		(\$1,999,763)
12 2017	\$562,113		\$2,807		\$117,240	\$9,493			\$525,634		(\$147,033)		(\$2,146,796)
13 2018	\$505,835		\$3,903			\$9,632			\$954,823		\$454,717		(\$1,692,079)
14 2019	\$130,545		\$5,051	\$435,942		\$19,796			\$774,874 *	\$223,132			(\$1,468,947)
15 2020	\$51,350		\$23,544	\$260,884	\$1,070,556	\$26,267			\$1,024,683	(\$355,384)			(\$1,824,331)
16 2021	\$42,400	\$11,340	\$14,575	\$264,116	\$79,630	\$32,737			\$1,017,217	\$637,893			(\$1,186,438)
<b>ESTIMATED</b>													
17 2022	\$41,600	\$15,120	\$4,150			\$26,266			\$1,496,305	\$1,461,701	\$275,263		\$0
18 2023	\$40,600		\$4,000			\$26,266			\$1,400,000	\$1,381,666	\$1,381,666		\$0
19 2024									\$1,400,000	\$1,400,000	\$1,400,000		\$0
20 2025									\$1,400,000	\$1,400,000	\$1,400,000		\$0
21 2026									\$1,400,000	\$1,400,000	\$1,400,000		\$0
<b>TOTAL</b>	<b>\$6,795,909</b>	<b>\$26,460</b>	<b>\$203,717</b>	<b>\$1,474,426</b>	<b>\$6,910,578</b>	<b>\$287,979</b>	<b>\$352,169</b>	<b>\$5,788,067</b>	<b>\$14,839,804</b>				