



# 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, 2015  
and From Date of Creation Through December 31, 2015

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>PROJECT COSTS</b>		
Capital expenditures	\$ 40,000	\$ 5,409,456
Developer Payments	75,000	513,484
Tax sharing Town of Stettin	-	100,289
Administration	9,619	139,837
Professional Services	1,432	132,967
Interest and fiscal charges	60,424	862,185
Payment to refunded debt escrow	-	4,468
Debt issuance costs and discounts		<u>40,360</u>
 Total Project Costs	 <u>\$ 186,475</u>	 <u>\$ 7,203,046</u>
<b>PROJECT REVENUES</b>		
Tax increments	\$ 532,544	\$ 2,871,967
Special assessment taxes	-	320,126
Exempt computer aid	8,039	80,186
Interest on special assessments	-	32,043
Investment income	-	4,862
Other Income	-	25
Premium on debt issuance	-	<u>12,007</u>
 Total Revenues	 <u>\$ 540,583</u>	 <u>\$ 3,321,216</u>
 NET COST RECOVERABLE THROUGH TAX INCREMENTS		 <u><u>\$ 3,881,830</u></u>
<b>RECONCILIATION OF RECOVERABLE COSTS</b>		
General obligation debt		\$ 1,887,465
Less: fund balance (deficit)		<u>(1,994,365)</u>
 NET COSTS RECOVERABLE THROUGH TAX INCREMENTS		 <u><u>\$ 3,881,830</u></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, 2015  
and From Date of Creation Through December 31, 2015

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b>SOURCES OF FUNDS</b>		
Tax increments	\$ 532,544	\$ 2,871,967
Special assessment taxes	-	320,126
Exempt computer aid	8,039	80,186
Interest on special assessments	-	32,043
Investment income	-	4,862
Other Income	-	25
Premium on debt issuance	-	12,007
Proceeds from long-Term debt	-	5,923,067
	<u>                    </u>	<u>                    </u>
Total Sources	\$ 540,583	\$ 9,244,283
<b>USES OF FUNDS</b>		
Capital expenditures	40,000	\$ 5,409,456
Developer Payments	75,000	513,484
Tax sharing Town of Stettin	-	100,289
Administration	9,619	139,837
Professional Services	1,432	132,967
Interest and fiscal charges	60,424	862,185
Debt issuance costs and discounts	-	40,360
Payment to refunded debt escrow	-	4,468
Principal on long-term debt	571,530	4,035,602
	<u>                    </u>	<u>                    </u>
Total Uses	\$ 758,005	\$ 11,238,648
<b>BEGINNING FUND BALANCE (DEFICIT)</b>	<u>\$ (1,776,943)</u>	<u>\$ -</u>
<b>ENDING FUND BALANCE(DEFICIT)</b>	<u>\$ (1,994,365)</u>	<u>\$ (1,994,365)</u>

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### DETAILED SUMMARY OF PROJECT COSTS

From Date of Creation Through December 31, 2015

	<u>Actual</u>	<u>Project Plan Estimate</u>
<b>PROJECT COSTS</b>		
Capital Expenditures		
Street construction/reconstruction/Streetscape	\$ 4,259,628	\$ 3,919,000
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	150,000
Land acquisition, write downs, right of way and relocation	545,049	420,000
Sidewalk	6,369	-
Professional services	4,027	270,400
Taxsharing Town of Stettin	100,289	
Administration, and organizational	139,837	362,940
Developers grants and incentives	513,484	1,979,712
Engineering and design	131,535	320,000
Debt issuance costs and discount	40,359	60,600
Interest and fiscal charges	862,185	2,003,188
Other	4,468	
<b>TOTAL PROJECT COSTS</b>	<u>\$ 7,203,046</u>	<u>\$ 10,750,840</u>

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

ANNUAL SUMMARY OF PROJECT COSTS AND REVENUES  
From Date of Creation Through December 31, 2015

PROJECT COSTS	1	2	3	4	5	6	7	8	9	10	Totals	Project Plan Estimate
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
Capital expenditures	\$ 251,449	\$ 587,430	\$ 3,324,128	\$ 960,673	\$ 173,275	\$ 51,357	\$ 852	\$ 17,697	\$ 2,595	\$ 40,000	\$ 5,409,456	\$ 5,754,000
Administrative (In-house)	8,963	43,501	7,223	5,006	16,716	17,500	11,718	12,589	7,002	9,619	139,837	362,940
Professional services	89,786	41,749								1,432	132,967	590,400
Development grants/incentives								438,484		75,000	513,484	1,979,712
Interest and fiscal charges	23,484		62,253	148,268	146,044	130,267	107,864	95,605	87,976	60,424	862,185	2,003,188
Interest on advance												
T transfer out to other funds		2,209			234			14,583			17,026	
Discount on long-term debt												
Debt issuance costs	2,454	2,351	10,024	8,144	361		4,468				27,802	60,600
Refunds to overlying taxing jurisdictions			80,231	20,058							100,289	
Environmental costs												
Real property assembly costs												
<b>Total Costs</b>	<b>\$ 352,652</b>	<b>\$ 700,724</b>	<b>\$ 3,483,859</b>	<b>\$ 1,142,149</b>	<b>\$ 336,630</b>	<b>\$ 199,124</b>	<b>\$ 124,902</b>	<b>\$ 578,958</b>	<b>\$ 97,573</b>	<b>\$ 186,475</b>	<b>\$ 7,203,046</b>	<b>\$ 10,750,840</b>
<b>PROJECT REVENUES</b>												
Tax increments			\$ 100,046	\$ 389,929	\$ 349,929	\$ 392,106	\$ 367,717	\$ 322,877	\$ 416,819	\$ 532,544	\$ 2,871,967	
Exempt computer aid			6,079	7,849	10,541	13,500	10,871	12,196	11,111	8,039	80,186	
Intergovernmental grants												
Other grants												
Special assessments & charges			142,006	62,576	36,267	40,846	32,317	6,114			320,126	
Interest on special assessments				10,649	10,581	6,804	3,459	550			32,043	
Investment income											4,862	
T transfer in from other funds		4,418	444									
Premium on long-term debt								12,007			12,007	
User fees												
Sale of Land												
Miscellaneous									25			
Others: Specify												
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 4,418</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>\$ 540,583</b>	<b>\$ 3,321,216</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	1/11/2006	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		Balance 12/31/2015
	Amount Borrowed	Repaid	
2006A General Obligation Note	\$ 350,000	\$ 350,000	\$ -
2007A General Obligation Note	469,962	469,962	-
2008A General Obligation Note	3,655,000	2,560,000	1,095,000
2009A General Obligation Note	680,000	400,000	280,000
2010A General Obligation Note	78,000	30,000	48,000
2012B General Obligation Note	110,105	75,640	34,465
2013B General Obligation Note	445,000	105,000	340,000
2014A General Obligation Note	135,000	45,000	90,000
	<u>\$ 5,923,067</u>	<u>\$ 4,035,602</u>	<u>\$ 1,887,465</u>

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

	PRINCIPAL	INTEREST	TOTAL
2016	564,465	49,386	613,851
2017	530,000	32,113	562,113
2018	500,000	15,394	515,394
2019	125,000	5,545	130,545
2020	48,000	3,350	51,350
2021	40,000	2,400	42,400
2022	40,000	1,600	41,600
2023	40,000	600	40,600
	<u>1,887,465</u>	<u>110,388</u>	<u>1,997,853</u>

# 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%

**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
	\$ 2,871,967

The amount to be generated in 2015 is \$574,300.

**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.

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

**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	
Stewart Avenue LLC	\$ 443,770	\$ 438,484	
Stewart Avenue LLC	1,035,942	75,000	
Total	\$ 1,479,712	\$ 513,484	

# CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER SEVEN

## ANNUAL REPORT

### TAX INCREMENTAL DISTRICT NUMBER SEVEN CASH FLOW PROJECTION

Year	USES OF FUNDS				SOURCES OF FUNDS				Annual Surplus (Deficit)	Cumulative Balance
	Existing Annual Debt Service	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)
<b>ESTIMATED</b>										
11 2016	\$613,851	\$7,650			\$8,000			\$574,300	(\$39,201)	(\$2,033,566)
12 2017	\$562,113	\$17,000	\$75,000 *		\$10,000			\$582,915	(\$61,198)	(\$2,094,764)
13 2018	\$515,394	\$17,000	\$46,000 *		\$10,000			\$585,830	\$17,436	(\$2,077,328)
14 2019	\$130,545	\$17,000	\$86,000 *		\$10,000			\$588,759	\$365,214	(\$1,712,114)
15 2020	\$51,350	\$17,000	\$86,000 *		\$10,000			\$591,703	\$447,353	(\$1,264,761)
16 2021	\$42,400	\$17,000	\$125,000 *		\$10,000			\$720,579	\$546,179	(\$718,582)
17 2022	\$41,600		\$160,000 *		\$10,000			\$724,182	\$532,582	(\$186,000)
18 2023	\$40,600		\$160,000 *		\$10,000			\$727,803	\$537,203	\$351,203
19 2024			\$160,000 *		\$10,000			\$731,442	\$581,442	\$932,645
20 2025			\$62,942 *		\$10,000			\$735,099	\$682,157	\$1,614,802
21 2026					\$10,000			\$738,774	\$748,774	\$2,363,576
<b>TOTAL</b>	<b>\$6,805,468</b>	<b>\$232,487</b>	<b>\$1,474,426</b>	<b>\$5,642,712</b>	<b>\$205,080</b>	<b>\$352,169</b>	<b>\$5,788,067</b>	<b>\$10,173,353</b>		

\*estimated payout schedule of developer agreement Stewart Avenue LLC

\*\* Increment estimated to increase based upon developer commitments