

**CITY OF LA CROSSE,
WISCONSIN**

**REPORT ON TAX INCREMENTAL
FINANCING (TIF) DISTRICTS**

DECEMBER 31, 2022

CITY OF LA CROSSE, WISCONSIN

TABLE OF CONTENTS

DECEMBER 31, 2022

Page

2	Independent Accountants' Compilation Report
3-8	Tax Incremental Financing (TIF) Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20 Historical Summary of Sources, Uses, and Status of Funds
9-10	Tax Incremental Financing (TIF) Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20 Notes to Report



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

City of La Crosse, Wisconsin
Tax Incremental Financing (TIF) Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20
La Crosse, Wisconsin

Management is responsible for the Historical Summary of Sources, Uses, and Status of Funds for the year ended December 31, 2022, and from the date of creation through December 31, 2022, for the City of La Crosse Tax Incremental Financing Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are intended to comply with the annual reporting requirements for tax incremental districts as required by Wisconsin State Statute 66.1105, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the City of La Crosse and is not intended to be and should not be used by anyone other than the specified party.

Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 2, 2023

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2022

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 10		DISTRICT NO. 11	
	PARK PLAZA (OLD HOLIDAY INN)		DOWNTOWN (GATEWAY/LHI)	
	YEAR ENDED	FROM DATE OF CREATION	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 301,342	\$ 1,059,130	\$ 4,718,465	\$ 39,349,008
Payment from other government	-	688,807	-	-
Exempt computer aids	4,956	100,278	495,845	5,562,350
Grants	-	-	-	5,432,773
Economic development proceeds	-	-	-	640
Sale of land, other sources	-	26,806	-	828,002
Judgement/liquidated damages	-	-	-	2,000,000
Loan repayments	-	-	-	699,910
Proceeds from long-term debt	-	240,750	-	37,061,983
Interest income	1,742	2,588	96,957	156,946
Transfer from other funds	-	-	-	400,608
TOTAL SOURCES	<u>308,040</u>	<u>2,118,359</u>	<u>5,311,267</u>	<u>91,492,220</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	144,008	1,989,165	2,244,293	58,651,436
Developer guarantees	-	-	614,071	2,370,124
Principal and interest on long-term debt	2,901	186,530	1,912,062	27,329,330
Interest on advances	3,207	31,548	31,700	925,209
TOTAL USES	<u>150,116</u>	<u>2,207,243</u>	<u>4,802,126</u>	<u>89,276,099</u>
NET SOURCES (USES)	157,924	(88,884)	509,141	2,216,121
BEGINNING (DEFICIT) FUND BALANCE	<u>(246,808)</u>	<u>-</u>	<u>1,706,980</u>	<u>-</u>
ENDING (DEFICIT) FUND BALANCE	<u>\$ (88,884)</u>	<u>\$ (88,884)</u>	<u>\$ 2,216,121</u>	<u>\$ 2,216,121</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ -		\$ 16,576,111
Advances outstanding		202,364		2,000,000
Interest on advances		19,245		253,600
Estimated payable				
Developer's agreement		-		3,860,000
Intergovernmental agreement		708,011		-
Less receivables/plus payables		-		803,258
Less cash (on hand)		<u>(113,480)</u>		<u>(5,019,379)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ 816,140</u>		<u>\$ 18,473,590</u>

(Continued on page 4)

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2022

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 12		DISTRICT NO. 13	
	THREE RIVERS PLAZA (FESTIVAL STRIP MALL/MOBILE OIL SITE)		KWIK TRIP	
	YEAR ENDED	FROM DATE OF CREATION	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 602,955	\$ 8,626,554	\$ 3,716,862	\$ 17,185,397
Exempt computer aids	9,488	132,623	208,099	1,957,656
Grants	-	42,640	-	375,000
Economic development proceeds	-	-	-	128
DNR loan	-	-	-	216,657
Sale of land, other sources	-	42,200	18,891	354,206
Judgment/liquidated damages	-	-	-	200,000
Loan repayments	-	-	-	51,250
Proceeds from long-term debt	-	7,355,928	-	8,586,767
Interest income	3,243	8,514	98,950	151,211
Transfer from other funds	-	748,500	-	2,036
TOTAL SOURCES	<u>615,686</u>	<u>16,956,959</u>	<u>4,042,802</u>	<u>29,080,308</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	53,090	9,529,410	1,190,651	12,029,047
Developer guarantees	-	-	38,685	188,685
Principal and interest on long-term debt	556,012	7,568,685	100,398	5,595,868
Interest on advances	3,394	36,137	-	46,157
Transfer to other TIF's	-	-	1,146,875	1,661,024
TOTAL USES	<u>612,496</u>	<u>17,134,232</u>	<u>2,476,609</u>	<u>19,520,781</u>
NET SOURCES (USES)	3,190	(177,273)	1,566,193	9,559,527
BEGINNING (DEFICIT) FUND BALANCE	<u>(180,463)</u>	<u>-</u>	<u>7,993,334</u>	<u>-</u>
ENDING (DEFICIT) FUND BALANCE	<u>\$ (177,273)</u>	<u>\$ (177,273)</u>	<u>\$ 9,559,527</u>	<u>\$ 9,559,527</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ 3,958,659		\$ 4,550,767
Advances outstanding		214,115		-
Interest on advances		27,150		-
Less receivables/plus payables		-		37,120
Less cash (on hand)		<u>(36,842)</u>		<u>(9,596,647)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ 4,163,082</u>		<u>\$ (5,008,760)</u>

(Continued on page 5)

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2022

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 14		DISTRICT NO. 15	
	GUNDERSEN		CHART/TRANE COMPANY	
	YEAR ENDED	FROM DATE OF CREATION	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 1,690,808	\$ 16,075,313	\$ 920,533	\$ 5,731,317
Exempt computer aids	733,821	12,330,653	77,240	549,862
Grants	-	1,238,367	-	-
Proceeds from the entity	297,109	3,673,737	-	272,935
Sale of land, other sources	22,244	427,933	30,409	30,704
Judgments/settlements	-	-	-	4,670
Loan repayments	-	-	33,226	53,542
Proceeds from long-term debt	-	1,185,993	-	-
Transfer from other funds	-	5,000	-	-
Interest income	65,557	134,022	10,241	12,941
TOTAL SOURCES	<u>2,809,539</u>	<u>35,071,018</u>	<u>1,071,649</u>	<u>6,655,971</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	1,160,017	18,989,499	116,483	4,535,946
Developer guarantees	2,219,237	11,922,463	248,220	1,515,859
Principal and interest on long-term debt	-	450,823	-	-
Interest on advances	-	8,781	-	24
TOTAL USES	<u>3,379,254</u>	<u>31,371,566</u>	<u>364,703</u>	<u>6,051,829</u>
NET (USES) SOURCES	(569,715)	3,699,452	706,946	604,142
BEGINNING FUND BALANCE (DEFICIT)	<u>4,269,167</u>	<u>-</u>	<u>(102,804)</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 3,699,452</u>	<u>\$ 3,699,452</u>	<u>\$ 604,142</u>	<u>\$ 604,142</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ 25,823		\$ -
Estimated payable				
Developer's agreement		5,575,000		4,125,000
Less receivables/plus payables		(30,000)		11,644
Less cash (on hand)		<u>(3,669,452)</u>		<u>(615,786)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ 1,901,371</u>		<u>\$ 3,520,858</u>

(Continued on page 6)

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2022

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 16		DISTRICT NO. 17	
	TRANE PLANT 6		DOWNTOWN NORTH	
	YEAR ENDED	FROM DATE OF CREATION	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 340,314	\$ 1,148,262	\$ 2,111,561	\$ 7,874,723
Proceeds from other government	-	-	-	1,003,448
Exempt computer aids	2,102	15,091	17,393	103,290
Grants	-	-	-	2,722
Proceeds from the entity	-	803,739	-	-
Economic development proceeds	-	30,000	-	-
Sale of land, other sources	-	-	66,402	138,609
Proceeds from long-term debt	-	1,736,875	-	16,190,000
Interest income	7,834	10,610	33,559	50,876
TOTAL SOURCES	<u>350,250</u>	<u>3,744,577</u>	<u>2,228,915</u>	<u>25,363,668</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	536,052	3,204,710	314,314	17,128,447
Principal and interest on long-term debt	339,596	339,596	1,205,318	6,629,106
Interest on advances	-	25,917	-	428
TOTAL USES	<u>875,648</u>	<u>3,570,223</u>	<u>1,519,632</u>	<u>23,757,981</u>
NET (USES) SOURCES	(525,398)	174,354	709,283	1,605,687
BEGINNING FUND BALANCE	<u>699,752</u>	<u>-</u>	<u>896,404</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 174,354</u>	<u>\$ 174,354</u>	<u>\$ 1,605,687</u>	<u>\$ 1,605,687</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ 470,839		\$ 10,893,009
Estimated payable				
Developer's agreement		-		840,000
Less receivables/plus payables		35,925		(6,034)
Less cash (on hand)		<u>(210,279)</u>		<u>(1,599,653)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ 296,485</u>		<u>\$ 10,127,322</u>

(Continued on page 7)

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2022

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 18		DISTRICT NO. 19	
	RIVERPOINT DISTRICT		KMART	
	YEAR ENDED	FROM DATE OF CREATION	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 14,415	\$ 14,415	\$ -	\$ -
Transfer from other TIF's	1,146,875	1,661,024	-	-
Transfer from other funds	-	-	-	10,000
Interest income	1,319	1,876	-	1
TOTAL SOURCES	1,162,609	1,677,315	-	10,001
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	1,572,127	1,692,069	470	10,330
NET SOURCES	(409,518)	(14,754)	(470)	(329)
BEGINNING FUND BALANCE	394,764	-	141	-
ENDING (DEFICIT)	\$ (14,754)	\$ (14,754)	\$ (329)	\$ (329)
 <u>FUTURE TIF REQUIREMENTS</u>				
Less receivables/plus payables		\$ 14,754		\$ 329
Less cash (on hand)		-		-
BALANCE NEEDED TO CLOSE TIF		\$ 14,754		\$ 329

(Continued on page 8)

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2022

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 20	
	BRIDGEVIEW PLAZA	
	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 22,581	\$ 22,581
Transfer from other funds	-	10,000
Interest income	326	327
TOTAL SOURCES	22,907	32,908
<u>USES OF FUNDS</u>		
Capital and administrative expenditures	470	10,330
NET SOURCES	22,437	22,578
BEGINNING FUND BALANCE	141	-
ENDING FUND BALANCE	\$ 22,578	\$ 22,578
<u>FUTURE TIF REQUIREMENTS</u>		
Less receivables/plus payables		\$ -
Less cash (on hand)		(22,578)
BALANCE NEEDED TO CLOSE TIF		\$ (22,578)

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
NOTES TO REPORT
DECEMBER 31, 2022

1. TIF District Information

The Tax Incremental Financing Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20 (the "District") were 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 Districts. The tax on the increased value is called a tax increment.

Districts No. 10, 11, 12, 18, 19, and 20 project costs may be incurred up to 22 years after the creation date of the Districts and collect tax increments for up to 27 years. District No.13, 14, 15, 16, and 17 costs may be incurred for up to 15 years and collect tax increments for up to 20 years. Project costs uncollected at the dissolution date are absorbed by the municipality.

	<u>CREATION DATE</u>	<u>LAST DATE TO INCUR PROJECT COSTS</u>	<u>FINAL DISSOLUTION DATE</u>
District No. 10	06/12/03	06/12/25	06/12/30
District No. 11	10/12/04	10/12/26	10/12/31
District No. 12	07/14/05	07/14/27	07/14/32
District No. 13	05/11/06	05/11/21	05/11/26
District No. 14	08/24/06	08/24/21	08/24/26
District No. 15	08/08/13	08/08/28	08/08/33
District No. 16	06/12/14	06/12/29	06/12/34
District No. 17	09/29/15	09/29/30	09/29/35
District No. 18	07/09/20	07/09/42	07/09/47
District No. 19	07/09/20	07/09/42	07/09/47
District No. 20	07/09/20	07/09/42	07/09/47

2. Principal and Interest Due

All general obligation notes payable are backed by the full faith and credit of the municipality. Notes borrowed to finance District expenditures will be retired by tax increments accumulated by the debt service fund. Future principal and interest payments are shown on the summary of sources, uses, and status of funds.

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, AND 20
NOTES TO REPORT - Continued
DECEMBER 31, 2022

3. Transfer of Tax Increments

The Wisconsin Statutes were amended to permit the transfer of positive tax increments from a successful district to another district. The donor district must be able to demonstrate, based on the positive tax increments that are currently generated, that it has sufficient revenue to pay for all project costs that have been incurred under the project plan and sufficient surplus revenue to pay for some of the eligible costs of the recipient TIF district.

In accordance with Wisconsin State Statute 66.1105, paragraph 6, positive tax increments may be allocated from one TIF district to another if:

- ◆ The donor TIF district and the recipient TIF district have the same overlapping tax jurisdictions;
- ◆ The allocation of tax increments is approved by the joint review board;
- ◆ The donor TIF district has first satisfied all its current year debt service and project cost obligations;
- ◆ The project costs in the recipient TIF district are used to create, provide, or rehabilitate low-cost housing, or to remediate environmental contamination; or
- ◆ The recipient TIF district is a “blighted area” or an “area in need of rehabilitation” TIF district.

During 2022, TIF 13 transferred \$1,146,875 to TIF 18.

4. Joint Agreement

District No. 10 is a joint agreement between the City and another government. Proceeds from the other government will be repaid if positive increments are available, and therefore, such proceeds are also reported as “Future TIF Requirements”.