

**CITY OF LA CROSSE,
WISCONSIN**

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

DECEMBER 31, 2023

CITY OF LA CROSSE, WISCONSIN

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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, 20 and 21
La Crosse, Wisconsin

Management is responsible for the Historical Summary of Sources, Uses, and Status of Funds for the year ended December 31, 2023, and from the date of creation through December 31, 2023, for the City of La Crosse Tax Incremental Financing Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21. 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 6, 2024

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2023

<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	\$ 271,620	\$ 1,330,750	\$ 3,074,050	\$42,423,058
Payment from other government	-	688,807	-	-
Exempt computer aids	4,956	105,234	495,845	6,058,195
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	8,483	11,071	204,150	361,096
Transfer from other funds	-	-	-	400,608
TOTAL SOURCES	<u>285,059</u>	<u>2,403,418</u>	<u>3,774,045</u>	<u>95,266,265</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	244,047	2,233,212	2,724,739	61,376,175
Developer guarantees	-	-	510,854	2,880,978
Principal and interest on long-term debt	-	186,530	1,919,101	29,248,431
Interest on advances	10,164	41,712	100,450	1,025,659
TOTAL USES	<u>254,211</u>	<u>2,461,454</u>	<u>5,255,144</u>	<u>94,531,243</u>
NET SOURCES (USES)	30,848	(58,036)	(1,481,099)	735,022
BEGINNING FUND BALANCE (DEFICIT)	<u>(88,884)</u>	<u>-</u>	<u>2,216,121</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ (58,036)</u>	<u>\$ (58,036)</u>	<u>\$ 735,022</u>	<u>\$ 735,022</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ -		\$14,657,010
Advances outstanding		202,364		2,000,000
Interest on advances		16,037		221,900
Estimated payable				
Developer's agreement		-		3,200,000
Intergovernmental agreement		589,032		-
Less receivables/plus payables		8,665		(222)
Less cash (on hand)		<u>(152,993)</u>		<u>(2,734,800)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ 663,105</u>		<u>\$17,343,888</u>

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CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2023

<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	\$ 451,659	\$ 9,078,213	\$ 2,729,672	\$ 19,915,069
Exempt computer aids	9,488	142,111	208,099	2,165,755
Grants	-	42,640	-	375,000
Economic development proceeds	-	-	-	128
DNR loan	-	-	-	216,657
Sale of land, other sources	-	42,200	23,504	377,710
Judgment/liquidated damages	-	-	-	200,000
Loan repayments	-	-	-	51,250
Proceeds from long-term debt	-	7,355,928	-	8,586,767
Interest income	5,897	14,411	295,693	446,904
Transfer from other funds	-	748,500	-	2,036
TOTAL SOURCES	<u>467,044</u>	<u>17,424,003</u>	<u>3,256,968</u>	<u>32,337,276</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	105,636	9,635,046	151,194	12,180,241
Developer guarantees	-	-	-	188,685
Principal and interest on long-term debt	556,013	8,124,698	71,148	5,667,016
Interest on advances	10,754	46,891	-	46,157
Transfer to other TIF's	-	-	3,760,307	5,421,331
TOTAL USES	<u>672,403</u>	<u>17,806,635</u>	<u>3,982,649</u>	<u>23,503,430</u>
NET SOURCES (USES)	(205,359)	(382,632)	(725,681)	8,833,846
BEGINNING FUND BALANCE (DEFICIT)	<u>(177,273)</u>	<u>-</u>	<u>9,559,527</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ (382,632)</u>	<u>\$ (382,632)</u>	<u>\$ 8,833,846</u>	<u>\$ 8,833,846</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ 3,402,646		\$ 4,479,619
Advances outstanding		214,115		-
Interest on advances		23,756		-
Less receivables/plus payables		168,517		51,664
Less cash (on hand)		<u>-</u>		<u>(8,885,510)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ 3,809,034</u>		<u>\$ (4,354,227)</u>

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CITY OF LA CROSSE, WISCONSIN
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HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2023

<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	\$ 1,396,364	\$ 17,471,677	\$ 840,997	\$ 6,572,314
Exempt computer aids	733,821	13,064,474	77,240	627,102
Grants	-	1,238,367	-	-
Proceeds from the entity	223,145	3,896,882	-	272,935
Sale of land, other sources	13,059	440,992	-	30,704
Judgments/settlements	-	-	-	4,670
Loan repayments	-	-	-	53,542
Proceeds from long-term debt	-	1,185,993	-	-
Transfer from other funds	-	5,000	-	-
Interest income	146,359	280,381	49,069	62,010
TOTAL SOURCES	<u>2,512,748</u>	<u>37,583,766</u>	<u>967,306</u>	<u>7,623,277</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	151,853	19,141,352	92,112	4,628,058
Developer guarantees	844,176	12,766,639	253,101	1,768,960
Principal and interest on long-term debt	-	450,823	-	-
Interest on advances	-	8,781	-	24
Transfer to other TIF's	2,660,180	2,660,180	-	-
TOTAL USES	<u>3,656,209</u>	<u>35,027,775</u>	<u>345,213</u>	<u>6,397,042</u>
NET SOURCES (USES)	(1,143,461)	2,555,991	622,093	1,226,235
BEGINNING FUND BALANCE (DEFICIT)	<u>3,699,452</u>	<u>-</u>	<u>604,142</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 2,555,991</u>	<u>\$ 2,555,991</u>	<u>\$ 1,226,235</u>	<u>\$ 1,226,235</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ 25,823		\$ -
Estimated payable				
Developer's agreement		4,460,000		3,850,000
Less receivables/plus payables		(30,000)		12,375
Less cash (on hand)		(2,525,991)		(1,238,610)
BALANCE NEEDED TO CLOSE TIF		<u>\$ 1,929,832</u>		<u>\$ 2,623,765</u>

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CITY OF LA CROSSE, WISCONSIN
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AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2023

<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	\$ 276,716	\$ 1,424,978	\$ 1,504,193	\$ 9,378,916
Proceeds from other government	-	-	-	1,003,448
Exempt computer aids	2,102	17,193	17,393	120,683
Grants	-	-	-	2,722
Proceeds from the entity	-	803,739	-	-
Economic development proceeds	-	30,000	-	-
Sale of land, other sources	-	-	498	139,107
Proceeds from long-term debt	-	1,736,875	-	16,190,000
Interest income	163,401	174,011	93,430	144,306
TOTAL SOURCES	<u>442,219</u>	<u>4,186,796</u>	<u>1,615,514</u>	<u>26,979,182</u>
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	59,030	3,263,740	433,752	17,562,199
Principal and interest on long-term debt	366,000	705,596	1,205,118	7,834,224
Interest on advances	-	25,917	-	428
TOTAL USES	<u>425,030</u>	<u>3,995,253</u>	<u>1,638,870</u>	<u>25,396,851</u>
NET SOURCES (USES)	17,189	191,543	(23,356)	1,582,331
BEGINNING FUND BALANCE (DEFICIT)	<u>174,354</u>	<u>-</u>	<u>1,605,687</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 191,543</u>	<u>\$ 191,543</u>	<u>\$ 1,582,331</u>	<u>\$ 1,582,331</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Unpaid debt principal and interest		\$ 104,839		\$ 9,687,891
Estimated payable				
Developer's agreement		3,948,000		1,100,000
Less receivables/plus payables		8,874		-
Less cash (on hand)		(200,417)		(1,582,331)
BALANCE NEEDED TO CLOSE TIF		<u>\$ 3,861,296</u>		<u>\$ 9,205,560</u>

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CITY OF LA CROSSE, WISCONSIN
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FOR THE YEAR ENDED DECEMBER 31, 2023
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2023

<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	\$ -	\$ -
Transfer from other TIF's	6,420,487	8,081,511	-	-
Transfer from other funds	-	-	-	10,000
Interest income	<u>1,358</u>	<u>3,234</u>	-	<u>1</u>
TOTAL SOURCES	6,421,845	8,099,160	-	10,001
 <u>USES OF FUNDS</u>				
Capital and administrative expenditures	<u>6,387,124</u>	<u>8,079,193</u>	<u>486</u>	<u>10,816</u>
NET SOURCES (USES)	34,721	19,967	(486)	(815)
BEGINNING FUND BALANCE (DEFICIT)	<u>(14,754)</u>	<u>-</u>	<u>(329)</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 19,967</u>	<u>\$ 19,967</u>	<u>\$ (815)</u>	<u>\$ (815)</u>
 <u>FUTURE TIF REQUIREMENTS</u>				
Less receivables/plus payables		\$ 226,613		\$ 10,000
Less cash (on hand)		<u>(246,580)</u>		<u>(9,185)</u>
BALANCE NEEDED TO CLOSE TIF		<u>\$ (19,967)</u>		<u>\$ 815</u>

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CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
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HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
AND FROM THE DATE OF CREATION THROUGH DECEMBER 31, 2023

<u>SOURCES OF FUNDS</u>	DISTRICT NO. 20		DISTRICT NO. 21	
	BRIDGEVIEW PLAZA		LINCOLN MIDDLE SCHOOL	
	YEAR ENDED	FROM DATE OF CREATION	YEAR ENDED	FROM DATE OF CREATION
Tax increments	\$ 6,414	\$ 28,995	\$ -	\$ -
Transfer from other funds	-	10,000	-	-
Interest income	1,040	1,367	-	-
TOTAL SOURCES	7,454	40,362	-	-
<u>USES OF FUNDS</u>				
Capital and administrative expenditures	486	10,816	1,000	1,000
NET SOURCES (USES)	6,968	29,546	(1,000)	(1,000)
BEGINNING FUND BALANCE (DEFICIT)	22,578	-	-	-
ENDING FUND BALANCE (DEFICIT)	\$ 29,546	\$ 29,546	\$ (1,000)	\$ (1,000)
<u>FUTURE TIF REQUIREMENTS</u>				
Less receivables/plus payables		\$ -		\$ 10,000
Less cash (on hand)		(29,546)		(9,000)
BALANCE NEEDED TO CLOSE TIF		\$ (29,546)		\$ 1,000

CITY OF LA CROSSE, WISCONSIN
TAX INCREMENTAL FINANCING (TIF) DISTRICTS NO. 10, 11,
12, 13, 14, 15, 16, 17, 18, 19, 20 AND 21
NOTES TO REPORT
DECEMBER 31, 2023

1. TIF District Information

The Tax Incremental Financing Districts No. 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 (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, 20 and 21 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
District No. 21	07/24/23	07/24/45	07/24/50

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,
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NOTES TO REPORT - Continued
DECEMBER 31, 2023

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 2023, TIF 13 and 14 transferred \$6,420,487 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”.