



**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**
Shorewood, Wisconsin

FINANCIAL STATEMENTS

For the Year Ended December 31, 2020

The background of the lower half of the page features a teal header bar at the top, followed by a large, abstract graphic of overlapping, semi-transparent geometric shapes in shades of gray and white, creating a sense of depth and complexity. In the bottom right corner, there is an orange rectangular box containing the text 'SIKICH.COM'.

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**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Village Board
Village of Shorewood
Shorewood, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Shorewood, Wisconsin (the Village) as of and for the year ended December 31, 2020, and the notes to the financial statements which collectively comprise the basic financial statements of the Village and have issued our report thereon dated April 28, 2021, which expressed an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on such 2020 financial statements as a whole. The supplementary information presented on pages 2 and 3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2020 as a whole.

The Historical Summary of Project Costs, Project Revenues, and Net Cost to be Recovered through Tax Increments, Historical Summary of Sources, Uses, and Status of Funds, Detailed Schedule of Sources, Uses, and Status of Funds, and Detailed Schedule of Capital Expenditures presented on pages 4 through 7 have not been subject to the auditing procedures applied in the audits of the basic financial statements and accordingly, we do not express any opinion or provide any assurance on them.

Sikich LLP

Brookfield, Wisconsin
April 28, 2021

**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

BALANCE SHEET
December 31, 2020

	Capital Projects Fund
ASSETS	
Taxes receivable	\$ 296,060
Accounts receivable	1,488
Loans receivable	2,885,000
Restricted cash and cash equivalents	<u>1,340,719</u>
TOTAL ASSETS	<u>\$ 4,523,267</u>
LIABILITIES	
Accrued liabilities	<u>\$ 17</u>
Total Liabilities	<u>17</u>
DEFERRED INFLOWS OF RESOURCES	
Taxes levied for subsequent year's budget	488,968
Unavailable revenues	<u>1,052</u>
Total Deferred Inflows	<u>490,020</u>
FUND BALANCE	
Restricted for TID project plan	<u>4,033,230</u>
Total Fund Balance	<u>4,033,230</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 4,523,267</u>

**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	<u>2020</u>
REVENUES	
Taxes	\$ 515,588
Intergovernmental	198
Investment income	<u>109,083</u>
Total Revenues	<u>624,869</u>
EXPENDITURES	
Current	
Conservation and development	2,302
Debt Service	
Interest and fiscal charges	<u>196,269</u>
Total Expenditures	<u>198,571</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>426,298</u>
OTHER FINANCING SOURCES (USES)	
Transfers out	<u>(310,000)</u>
Total Other Financing Sources (Uses)	<u>(310,000)</u>
Net Change in Fund Balance	116,298
BEGINNING FUND BALANCE	<u>3,916,932</u>
ENDING FUND BALANCE	<u>\$ 4,033,230</u>

**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

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

For the Year Ended December 31, 2020
and From Date of Creation through December 31, 2020

	2020	Total From Date of Creation
PROJECT COSTS		
Capital expenditures	\$ -	\$ 4,051,492
Administration	2,302	414,488
Interest and fiscal charges	196,269	1,885,803
Debt issuance costs and discounts	-	213,259
Total Project Costs	198,571	6,565,042
PROJECT REVENUES		
Tax increment	515,588	3,169,049
Exempt computer aid	198	453
Investment income	109,083	960,794
Miscellaneous revenue	-	80,000
Premium on long-term debt	-	47,976
Total Project Revenues	624,869	4,258,272
NET COSTS TO BE RECOVERED THROUGH TAX INCREMENTS – DECEMBER 31, 2020		
	\$ (426,298)	\$ 2,306,770
Reconciliation of Recoverable Costs		
General obligation debt		\$ 6,340,000
Less: fund balance		(4,033,230)
Net Costs Recoverable (Recovered) Through		
Tax Increments - December 31, 2020		\$ 2,306,770

**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

HISTORICAL STATEMENT OF SOURCES, USES AND
STATUS OF FUNDS INCLUDING DETAIL CAPITAL EXPENDITURES
For the Year Ended December 31, 2020
and From Date of Creation through December 31, 2020

	<u>2020</u>	<u>Total From Date of Creation</u>	<u>Project Plan Estimate</u>
SOURCES OF FUNDS			
Tax increment	\$ 515,588	\$ 3,169,049	\$ -
Exempt computer aid	198	453	-
Investment income	109,083	960,794	-
Miscellaneous revenue	-	80,000	-
Premium on long-term debt	-	47,976	-
Proceeds from debt	-	8,155,000	-
Total Sources of Funds	<u>624,869</u>	<u>12,413,272</u>	<u>-</u>
USES OF FUNDS			
Capital Expenditures			
Developer grant	\$ -	\$ 4,051,492	\$ 3,925,000
Developer loan	-	-	3,485,000
Infrastructure costs/contingency	-	-	500,000
Total Capital Expenditures	<u>-</u>	<u>4,051,492</u>	<u>7,910,000</u>
Legal, financial and consulting	2,302	414,488	250,000
Debt service expenditures			
Principal on G.O. bonds	310,000	1,815,000	-
Interest and fiscal charges	196,269	1,885,803	390,405
Debt issuance costs	-	213,259	174,595
Total Uses of Funds	<u>508,571</u>	<u>8,380,042</u>	<u>\$ 8,725,000</u>
Net Change in Fund Balance	116,298	4,033,230	
BEGINNING FUND BALANCE	<u>3,916,932</u>	<u>-</u>	
ENDING FUND BALANCE	<u>\$ 4,033,230</u>	<u>\$ 4,033,230</u>	

**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

DETAILED SCHEDULE OF SOURCES, USES, AND STATUS OF FUNDS

From Date of Creation through December 31, 2020

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
SOURCES OF FUNDS						
Tax increment	\$ -	\$ -	\$ -	\$ 244,766	\$ 425,043	\$ 482,653
Exempt computer aid	-	-	-	-	-	-
Investment income	-	87,937	104,331	104,429	106,813	106,823
Miscellaneous revenue	-	80,000	-	-	-	-
Premium on long-term debt	-	47,976	-	-	-	-
Proceeds from debt	-	8,155,000	-	-	-	-
Total Sources of Funds	<u>-</u>	<u>8,370,913</u>	<u>104,331</u>	<u>349,195</u>	<u>531,856</u>	<u>589,476</u>
USES OF FUNDS						
Capital Expenditures						
Developer grant	-	-	1,607,839	2,400,225	-	43,428
Developer loan	-	-	-	-	-	-
Infrastructure costs/contingency	-	-	-	-	-	-
Total Capital Expenditures	<u>-</u>	<u>-</u>	<u>1,607,839</u>	<u>2,400,225</u>	<u>-</u>	<u>43,428</u>
Legal, financial and consulting	269,294	76,507	17,890	12,221	8,675	15,536
Debt service expenditures						
Principal on G.O. bonds	-	-	-	75,000	275,000	290,000
Interest and fiscal charges	-	165,999	226,771	226,744	225,244	219,744
Debt issuance costs	-	213,259	-	-	-	-
Total Uses of Funds	<u>269,294</u>	<u>455,765</u>	<u>1,852,500</u>	<u>2,714,190</u>	<u>508,919</u>	<u>568,708</u>
Net Change in Fund Balance	(269,294)	7,915,148	(1,748,169)	(2,364,995)	22,937	20,768
BEGINNING FUND BALANCE	<u>-</u>	<u>(269,294)</u>	<u>7,645,854</u>	<u>5,897,685</u>	<u>3,532,690</u>	<u>3,555,627</u>
ENDING FUND BALANCE	<u>\$ (269,294)</u>	<u>\$ 7,645,854</u>	<u>\$ 5,897,685</u>	<u>\$ 3,532,690</u>	<u>\$ 3,555,627</u>	<u>\$ 3,576,395</u>

**VILLAGE OF SHOREWOOD
TAX INCREMENTAL DISTRICT NO. 4**

DETAILED SCHEDULE OF SOURCES, USES, AND STATUS OF FUNDS

From Date of Creation through December 31, 2020

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Total From Date of Creation</u>	<u>Project Plan Estimate</u>
SOURCES OF FUNDS						
Tax increment	\$ 481,005	\$ 486,405	\$ 533,589	\$ 515,588	\$ 3,169,049	\$ -
Exempt computer aid	-	-	255	198	453	-
Investment income	107,279	111,325	122,774	109,083	960,794	-
Miscellaneous revenue	-	-	-	-	80,000	-
Premium on long-term debt	-	-	-	-	47,976	-
Proceeds from debt	-	-	-	-	8,155,000	-
Total Sources of Funds	<u>588,284</u>	<u>597,730</u>	<u>656,618</u>	<u>624,869</u>	<u>12,413,272</u>	<u>-</u>
USES OF FUNDS						
Capital Expenditures						
Developer grant	-	-	-	-	4,051,492	3,925,000
Developer loan	-	-	-	-	-	3,485,000
Infrastructure costs/contingency	-	-	-	-	-	500,000
Total Capital Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,051,492</u>	<u>7,910,000</u>
Legal, financial and consulting	7,078	2,765	2,220	2,302	414,488	250,000
Debt service expenditures						
Principal on G.O. bonds	275,000	290,000	300,000	310,000	1,815,000	-
Interest and fiscal charges	213,944	208,444	202,644	196,269	1,885,803	390,405
Debt issuance costs	-	-	-	-	213,259	174,595
Total Uses of Funds	<u>496,022</u>	<u>501,209</u>	<u>504,864</u>	<u>508,571</u>	<u>8,380,042</u>	<u>\$ 8,725,000</u>
Net Change in Fund Balance	92,262	96,521	151,754	116,298	4,033,230	
BEGINNING FUND BALANCE	<u>3,576,395</u>	<u>3,668,657</u>	<u>3,765,178</u>	<u>3,916,932</u>	<u>-</u>	
ENDING FUND BALANCE	<u>\$ 3,668,657</u>	<u>\$ 3,765,178</u>	<u>\$ 3,916,932</u>	<u>\$ 4,033,230</u>	<u>\$ 4,033,230</u>	

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INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Shorewood
Shorewood, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Village of Shorewood, Wisconsin Tax Incremental District No. 4 (the District), as of and for the year ended December 31, 2020, and we have issued our report thereon dated April 28, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the laws and regulations of the Wisconsin State Statutes Section 66.1105, and the project plan insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced laws, regulations and project plan insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Village Board, management and the overlapping taxing districts and is not intended to be and should not be used by anyone other than those specified parties.

Sikich LLP

Brookfield, Wisconsin
April 28, 2021