



**VILLAGE OF SHOREWOOD  
TAX INCREMENTAL DISTRICT NO. 5**  
Shorewood, Wisconsin

---

FINANCIAL STATEMENTS

For the Year Ended December 31, 2020



SIKICH.COM

**VILLAGE OF SHOREWOOD  
TAX INCREMENTAL DISTRICT NO. 5**

TABLE OF CONTENTS

December 31, 2020

---

	<u>Page(s)</u>
Financial Statements	
Independent Auditor's Report on Supplementary Information	1
Balance Sheet	2
Statement of Revenues, Expenditures, and Changes in Fund Balance	3
Other Information	
Historical Summary of Project Costs, Project Revenues, and Net Cost to be Recovered Through Tax Increments	4
Historical Statement of Sources, Uses, and Status of Funds Including Detail Capital Expenditures	5
Detailed Schedule of Sources, Uses and Status of Funds	6
Independent Auditor's Report	7

13400 Bishops Lane, Suite 300  
Brookfield, WI 53005  
262.754.9400

**SIKICH.COM**

## **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. 5**

BALANCE SHEET  
December 31, 2020

---

	Capital Projects Fund
<b>ASSETS</b>	
Taxes receivable	\$ 1,048,887
Accounts receivable	4,260
Restricted cash and cash equivalents	<u>3,734,094</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 4,787,241</u></u>
<b>LIABILITIES</b>	
Accrued liabilities	\$ 17
Total Liabilities	<u>17</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Taxes levied for subsequent year's budget	1,732,324
Unavailable revenues	<u>3,014</u>
Total Deferred Inflows	<u><u>1,735,338</u></u>
<b>FUND BALANCE</b>	
Restricted for TID project plan	<u>3,051,886</u>
Total Fund Balance	<u><u>3,051,886</u></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<u><u>\$ 4,787,241</u></u>

**VILLAGE OF SHOREWOOD  
TAX INCREMENTAL DISTRICT NO. 5**

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

For the Year Ended December 31, 2020

---

	<u>2020</u>
<b>REVENUES</b>	
Taxes	\$ 1,358,803
Intergovernmental	1,893
Investment income	<u>36,350</u>
Total Revenues	<u>1,397,046</u>
<b>EXPENDITURES</b>	
Current	
Conservation and development	2,302
Debt Service	
Interest and fiscal charges	<u>190,623</u>
Total Expenditures	<u>192,925</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,204,121</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers out	<u>(225,000)</u>
Total Other Financing Sources (Uses)	<u>(225,000)</u>
<b>Net Change in Fund Balance</b>	979,121
BEGINNING FUND BALANCE	<u>2,072,765</u>
<b>ENDING FUND BALANCE</b>	<u><u>\$ 3,051,886</u></u>

**VILLAGE OF SHOREWOOD  
TAX INCREMENTAL DISTRICT NO. 5**

**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
<b>PROJECT COSTS</b>		
Capital expenditures	\$ -	\$ 5,500,000
Administration	2,301	362,979
Interest and fiscal charges	190,623	1,119,923
Debt issuance costs and discounts	-	57,782
Total Project Costs	192,924	7,040,684
<b>PROJECT REVENUES</b>		
Tax increment	1,358,803	4,477,990
Exempt computer aid	1,893	10,231
Investment income	36,350	121,892
Miscellaneous revenue	-	17,457
Total Project Revenues	1,397,046	4,627,570
<b>NET COSTS TO BE RECOVERED THROUGH TAX INCREMENTS – DECEMBER 31, 2020</b>	<b>\$ (1,204,122)</b>	<b>\$ 2,413,114</b>
Reconciliation of Recoverable Costs		
General obligation debt		\$ 5,465,000
Less: fund balance		(3,051,886)
Net Costs Recoverable (Recovered) Through Tax Increments - December 31, 2020		\$ 2,413,114

**VILLAGE OF SHOREWOOD  
TAX INCREMENTAL DISTRICT NO. 5**

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>
<b>SOURCES OF FUNDS</b>			
Tax increment	\$ 1,358,803	\$ 4,477,990	\$ -
Exempt computer aid	1,893	10,231	-
Investment income	36,350	121,892	-
Miscellaneous revenue	-	17,457	-
Proceeds from debt	-	6,190,000	-
Total Sources of Funds	<u>1,397,046</u>	<u>10,817,570</u>	<u>-</u>
<b>USES OF FUNDS</b>			
Capital Expenditures			
Developer grant	\$ -	\$ 5,500,000	\$ 5,500,000
Developer loan	-	-	6,500,000
Total Capital Expenditures	<u>-</u>	<u>5,500,000</u>	<u>12,000,000</u>
Legal, financial and consulting	2,301	362,979	1,750,000
Debt service expenditures		-	
Principal on bonds	225,000	724,999	-
Interest and fiscal charges	190,623	1,119,924	-
Debt issuance costs	-	57,782	-
Total Uses of Funds	<u>417,924</u>	<u>7,765,684</u>	<u>\$ 13,750,000</u>
Net Change in Fund Balance	979,122	3,051,886	
BEGINNING FUND BALANCE	<u>2,072,764</u>	<u>-</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ 3,051,886</u>	<u>\$ 3,051,886</u>	

**VILLAGE OF SHOREWOOD  
TAX INCREMENTAL DISTRICT NO. 5**

DETAILED SCHEDULE OF SOURCES, USES, AND STATUS OF FUNDS

From Date of Creation through December 31, 2020

	2014	2015	2016	2017	2018	2019	2020	Total From Date of Creation	Project Plan Estimate
<b>SOURCES OF FUNDS</b>									
Tax increment	\$ -	\$ -	\$ 11,375	\$ 599,805	\$ 1,210,948	\$ 1,297,059	\$ 1,358,803	\$ 4,477,990	\$ -
Exempt computer aid	-	-	2,343	1,755	1,781	2,459	1,893	10,231	-
Investment income	-	3,218	1,037	6,314	21,368	53,605	36,350	121,892	-
Miscellaneous revenue	-	-	10,457	7,000	-	-	-	17,457	-
Proceeds from debt	-	6,190,000	-	-	-	-	-	6,190,000	-
<b>Total Sources of Funds</b>	<u>-</u>	<u>6,193,218</u>	<u>25,212</u>	<u>614,874</u>	<u>1,234,097</u>	<u>1,353,123</u>	<u>1,397,046</u>	<u>10,817,570</u>	<u>-</u>
<b>USES OF FUNDS</b>									
Capital Expenditures									
Developer grant	-	5,500,000	-	-	-	-	-	5,500,000	5,500,000
Developer loan	-	-	-	-	-	-	-	-	6,500,000
<b>Total Capital Expenditures</b>	<u>-</u>	<u>5,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,500,000</u>	<u>12,000,000</u>
Legal, financial and consulting	228,816	65,933	31,614	29,299	2,796	2,220	2,301	362,979	1,750,000
Debt service expenditures									
Principal on bonds	-	-	-	50,000	225,000	224,999	225,000	724,999	-
Interest and fiscal charges	-	137,709	199,098	199,098	198,498	194,898	190,623	1,119,924	-
Debt issuance costs	-	57,782	-	-	-	-	-	57,782	-
<b>Total Uses of Funds</b>	<u>228,816</u>	<u>5,761,424</u>	<u>230,712</u>	<u>278,397</u>	<u>426,294</u>	<u>422,117</u>	<u>417,924</u>	<u>7,765,684</u>	<u>\$ 13,750,000</u>
<b>Net Change in Fund Balance</b>	(228,816)	431,794	(205,500)	336,477	807,803	931,006	979,122	3,051,886	
<b>BEGINNING FUND BALANCE</b>	<u>-</u>	<u>(228,816)</u>	<u>202,978</u>	<u>(2,522)</u>	<u>333,955</u>	<u>1,141,758</u>	<u>2,072,764</u>	<u>-</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ (228,816)</u>	<u>\$ 202,978</u>	<u>\$ (2,522)</u>	<u>\$ 333,955</u>	<u>\$ 1,141,758</u>	<u>\$ 2,072,764</u>	<u>\$ 3,051,886</u>	<u>\$ 3,051,886</u>	



13400 Bishops Lane, Suite 300  
Brookfield, WI 53005  
262.754.9400

**SIKICH.COM**

## 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. 5 (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