



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

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FINANCIAL STATEMENTS

For the Year Ended December 31, 2019

The background of the lower half of the page features a complex, abstract graphic. It consists of a grid of thin, light gray lines that create a sense of depth and perspective, resembling a wireframe or a digital landscape. The lines are arranged in a way that suggests a three-dimensional space, with some lines appearing to recede into the distance. The overall effect is a modern, technical, and somewhat futuristic aesthetic. In the bottom right corner, there is a solid orange rectangular box containing the text 'SIKICH.COM' in white, uppercase, sans-serif font.

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

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December 31, 2019

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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 units, 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, 2019, 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 22, 2020, which expressed an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on such 2019 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 2019 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, 2019 as a whole.

The Historical Summary of Project Costs, Project Revenues, and Net Cost to be Recovered through Tax Increments, and Historical Summary of Sources, Uses, and Status of Funds Including Detail Capital Expenditures, presented on pages 4 through 6 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 22, 2020

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

BALANCE SHEET  
December 31, 2019

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	<u>Capital Projects Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ -
Taxes receivable	658,536
Accounts receivable	2,476
Restricted cash and cash equivalents	<u>2,772,326</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,433,338</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ -
Liabilities payable from restricted cash	-
Accrued liabilities	<u>48</u>
Total Liabilities	<u><u>48</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Taxes levied for subsequent year's budget	1,358,803
Unavailable revenues	<u>1,723</u>
Total Deferred Inflows	<u><u>1,360,526</u></u>
<b>FUND BALANCE</b>	
Non-spendable prepaids	-
Restricted for bond purposes	-
Restricted for TID project plan	<u>2,072,764</u>
Total Fund Balance	<u><u>2,072,764</u></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<u><u>\$ 3,433,338</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, 2019

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	<u>2019</u>
<b>REVENUES</b>	
Taxes	\$ 1,297,059
Intergovernmental	2,459
Investment income	53,605
Other revenues	-
Total Revenues	<u>1,353,123</u>
<b>EXPENDITURES</b>	
Current	
Conservation and development	2,220
Capital Outlay	-
Debt Service	
Interest and fiscal charges	<u>194,898</u>
Total Expenditures	<u>197,118</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,156,005</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
General obligation debt issued	-
Premiums on bonds issued	-
Transfers out	<u>(224,999)</u>
Total Other Financing Sources (Uses)	<u>(224,999)</u>
<b>Net Change in Fund Balance</b>	931,006
BEGINNING FUND BALANCE	<u>1,141,758</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 2,072,764</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, 2019  
and From Date of Creation through December 31, 2019

	2019	Total From Date of Creation
<b>PROJECT COSTS</b>		
Capital expenditures	\$ -	\$ 5,500,000
Administration	2,220	360,678
Interest and fiscal charges	194,898	929,300
Debt issuance costs and discounts	-	57,782
Total Project Costs	197,118	6,847,760
<b>PROJECT REVENUES</b>		
Tax increment	1,297,059	3,119,187
Exempt computer aid	2,459	8,338
Investment income	53,605	85,542
Miscellaneous revenue	-	17,457
Premium on long-term debt	-	-
Total Project Revenues	1,353,123	3,230,524
<b>NET COSTS TO BE RECOVERED THROUGH TAX INCREMENTS – DECEMBER 31, 2019</b>	<b>\$ (1,156,005)</b>	<b>\$ 3,617,236</b>
Reconciliation of Recoverable Costs		
General obligation debt		\$ 5,690,000
Less: fund balance		(2,072,764)
Net Costs Recoverable (Recovered) Through Tax Increments - December 31, 2019		<b>\$ 3,617,236</b>

**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, 2019  
and From Date of Creation through December 31, 2019

	<u>2019</u>	<u>Total From Date of Creation</u>	<u>Project Plan Estimate</u>
<b>SOURCES OF FUNDS</b>			
Tax increment	\$ 1,297,059	\$ 3,119,187	\$ -
Exempt computer aid	2,459	8,338	-
Investment income	53,605	85,542	-
Miscellaneous revenue	-	17,457	-
Premium on long-term debt	-	-	-
Proceeds from debt	-	6,190,000	-
Total Sources of Funds	<u>1,353,123</u>	<u>9,420,524</u>	<u>-</u>
<b>USES OF FUNDS</b>			
Capital Expenditures			
Developer grant	-	5,500,000	5,500,000
Developer loan	-	-	6,500,000
Infrastructure costs/contingency	-	-	-
Total Capital Expenditures	<u>-</u>	<u>5,500,000</u>	<u>12,000,000</u>
Legal, financial and consulting	2,220	360,678	1,750,000
Debt service expenditures		-	
Principal on bonds	224,999	499,999	-
Interest and fiscal charges	194,898	929,301	-
Debt issuance costs	-	57,782	-
Total Uses of Funds	<u>422,117</u>	<u>7,347,760</u>	<u>\$ 13,750,000</u>
Net Change in Fund Balance	931,006	2,072,764	
BEGINNING FUND BALANCE	<u>1,141,758</u>	<u>-</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ 2,072,764</u>	<u>\$ 2,072,764</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, 2019

	<u>2019</u>	<u>Total From Date of Creation</u>	<u>Project Plan Estimate</u>
<b>SOURCES OF FUNDS</b>			
Tax increment	\$ 1,297,059	\$ 3,119,187	\$ -
Exempt computer aid	2,459	8,338	-
Investment income	53,605	85,542	-
Miscellaneous revenue	-	17,457	-
Premium on long-term debt	-	-	-
Proceeds from debt	-	6,190,000	-
Total Sources of Funds	<u>1,353,123</u>	<u>9,420,524</u>	<u>-</u>
<b>USES OF FUNDS</b>			
Capital Expenditures			
Developer grant	-	5,500,000	5,500,000
Developer loan	-	-	6,500,000
Infrastructure costs/contingency	-	-	-
Total Capital Expenditures	<u>-</u>	<u>5,500,000</u>	<u>12,000,000</u>
Legal, financial and consulting	2,220	360,678	1,750,000
Debt service expenditures		-	
Principal on bonds	224,999	499,999	-
Interest and fiscal charges	194,898	929,301	-
Debt issuance costs	-	57,782	-
Total Uses of Funds	<u>422,117</u>	<u>7,347,760</u>	<u>\$ 13,750,000</u>
Net Change in Fund Balance	931,006	2,072,764	
BEGINNING FUND BALANCE	<u>1,141,758</u>	<u>-</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ 2,072,764</u>	<u>\$ 2,072,764</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. 5 (the District), as of and for the year ended December 31, 2019, and we have issued our report thereon dated April 22, 2020.

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 22, 2020