

**CITY OF BARABOO, WISCONSIN
TAX INCREMENT DISTRICT NO. 6**

COMPILED FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2022 AND
FROM DATE OF CREATION THROUGH DECEMBER 31, 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**CITY OF BARABOO, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 6
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FROM DATE OF CREATION THROUGH DECEMBER 31, 2022**

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ACCOUNTANTS' COMPILATION REPORT

Common Council
City of Baraboo, Wisconsin
Tax Incremental District No. 6
Baraboo, Wisconsin

Management is responsible for the accompanying balance sheet, 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 of the City of Baraboo, Wisconsin Tax Incremental District No. 6, as of and for the year ended December 31, 2022 and from the date of creation through December 31, 2022 in the accompanying form prescribed by the Wisconsin Department of Revenue. 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 American Institute of Certified Public Accountants. 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 in accordance with requirements of the Wisconsin Department of Revenue and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
August 29, 2023

**CITY OF BARABOO, WISCONSIN
 TAX INCREMENTAL DISTRICT NO. 6
 BALANCE SHEET
 AS OF DECEMBER 31, 2022
 (SEE ACCOUNTANTS' COMPILATION REPORT)**

ASSETS

Cash and Investments	\$	287,198
Receivables:		
Taxes		526,311
Total Assets	\$	813,509

**LIABILITIES, DEFERRED INFLOWS OF
 RESOURCES, AND FUND BALANCES**

LIABILITIES

Accounts Payable	\$	21,509
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DEFERRED INFLOWS OF RESOURCES

Property Taxes Levied for Next Period		792,000
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FUND BALANCES

Restricted		-
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Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	813,509
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**CITY OF BARABOO, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 6
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES,
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
YEAR ENDED DECEMBER 31, 2022
(AND FROM DATE OF CREATION THROUGH DECEMBER 31, 2022)
(SEE ACCOUNTANTS' COMPILATION REPORT)**

	Year Ended	From Date of Creation
PROJECTS COSTS		
Project Costs	\$ 2,500	\$ 10,925,463
Administration	1	331,149
Professional Services	48,446	61,475
Subsidy to TIF No. 8 and No. 9	1,458,227	4,609,853
Interest and Fiscal Charges	9,551	2,683,808
Debt Issuance Costs	-	86,512
Total Project Costs	1,518,725	18,698,260
PROJECT REVENUES		
Tax Increments	811,933	14,466,357
Intergovernmental	101,648	2,338,867
Public Charges for Services	-	368,131
Intergovernmental Charges for Services	-	179,150
Special Assessments	9,011	247,701
Investment Income	7,991	251,592
Other Revenue	-	298,475
Sale of City Property	-	505,060
Premium on Debt Issued	-	42,927
Total Project Revenues	\$ 930,583	18,698,260
NET COST TO BE RECOVERED (EXCESS RECOVERED) THROUGH TAX INCREMENTS AT DECEMBER 31, 2022		\$ -
RECONCILIATION OF RECOVERABLE COSTS		
G.O. Debt		\$ -
Less: Fund Balance		-
NET COST TO BE RECOVERED (EXCESS RECOVERED) THROUGH TAX INCREMENTS AT DECEMBER 31, 2022		\$ -

See accompanying Notes to the Annual Report.

**CITY OF BARABOO, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 6
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
YEAR ENDED DECEMBER 31, 2022
(AND FROM DATE OF CREATION THROUGH DECEMBER 31, 2022)
(SEE ACCOUNTANTS' COMPILATION REPORT)**

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax Increments	\$ 811,933	\$ 14,466,357
Intergovernmental	101,648	2,338,867
Public Charges for Services	-	368,131
Intergovernmental Charges for Services	-	179,150
Special Assessments	9,011	247,701
Investment Income	7,991	251,592
Other Revenue	-	298,475
Sale of City Property	-	505,060
Proceeds of Long-Term Debt	-	10,994,724
Premium on Debt Issued	-	42,927
Total Sources of Funds	930,583	29,692,984
USES OF FUNDS		
Project Costs	2,500	10,925,463
Administration	1	331,149
Professional Services	48,446	61,475
Subsidy to TIF No. 8 and No. 9	1,458,227	4,609,853
Principal on Long-Term Debt	435,000	10,994,724
Interest and Fiscal Charges	9,551	2,683,808
Debt Issuance Costs	-	86,512
Total Uses of Funds	1,953,725	29,692,984
EXCESS OF SOURCES OVER (UNDER) USES	(1,023,142)	-
Fund Balance - Beginning of Year	1,023,142	-
FUND BALANCE - END OF YEAR	\$ -	\$ -

See accompanying Notes to the Annual Report.

**CITY OF BARABOO, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 6
NOTES TO THE ANNUAL REPORT
DECEMBER 31, 2022
(SEE ACCOUNTANTS' COMPILATION REPORT)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Baraboo, Wisconsin Tax Incremental District No. 6 (the District) conform to accounting principles as applicable to governmental units as defined by Wisconsin Statutes Section 66.1105.

The City of Baraboo, Wisconsin uses the criteria set forth by the Governmental Accounting Standards Board to determine the scope of the reporting entity of Tax Incremental District No. 6. The accompanying financial statements reflect all the significant operations of the City of Baraboo, Wisconsin Tax Incremental District No. 6.

A. Description of Fund Structure

The report contains the financial information of the City of Baraboo, Wisconsin Tax Incremental District No. 6. The summary statements were prepared from data recorded in the following funds:

- Capital Projects TID Fund No. 6

Detailed descriptions of the purpose of these funds and long-term debt can be found in the City of Baraboo, Wisconsin basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements of the City of Baraboo, Wisconsin.

The District was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment.

With respect to the District, the statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until the end of the maximum life of the District, as specified and allowed under state statute, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City of Baraboo, Wisconsin.

**CITY OF BARABOO, WISCONSIN
 TAX INCREMENTAL DISTRICT NO. 6
 NOTES TO THE ANNUAL REPORT
 DECEMBER 31, 2022
 (SEE ACCOUNTANTS' COMPILATION REPORT)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Description of Fund Structure (Continued)

Project costs may not be incurred longer than five years prior to the termination date of the District. The statutes allow the municipality to collect tax increments until the net project costs have been fully recovered or maximum life based on the resolution date and type of district, whichever occurs first.

	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Last Year to Collect Increment</u>	<u>Final Dissolution Date</u>
TID No. 6	January 1, 1999	July 27, 2022	2027	April 26, 2022

	<u>Plan Amendments</u>	
	<u>Adoption Date</u>	<u>Last Date to Incur Project Costs</u>
Amendment #1	June 27, 2006	July 27, 2017
Amendment #2	August 24, 2010	July 27, 2017

B. Basis of Accounting

Under the modified basis of accounting, revenues are recognized only to the extent that they are susceptible to accrual, which means when they become both measurable and available to finance expenditures of the fiscal period. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. If accrued revenue is not yet available, the related receivable is matched by a deferred inflow of resources for unavailable revenue and revenue recognition occurs only when the revenue eventually does become available. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

District increments are recorded as revenue in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the City is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

**CITY OF BARABOO, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 6
NOTES TO THE ANNUAL REPORT
DECEMBER 31, 2022
(SEE ACCOUNTANTS' COMPILATION REPORT)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Use of Estimates

The preparation of financial statements in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

D. Measurement Focus

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds, and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current periods are recognized as deferred inflows of resources or a reservation of fund balance. Liabilities for claims, judgements, compensated absences, and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

E. Long-Term Debt

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Sources of Funds" in the operating settlement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier. As of December 31, 2022, all long-term debt has been paid.

F. Claims and Judgements

Claims and judgements are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgements that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not liquidated with expendable available financial resources, a liability is shown in the long-term debt footnote disclosure. The related expenditure is recognized when the liability is liquidated.

**CITY OF BARABOO, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 6
NOTES TO THE ANNUAL REPORT
DECEMBER 31, 2022
(SEE ACCOUNTANTS' COMPILATION REPORT)**

NOTE 2 CASH AND TEMPORARY INVESTMENTS

The District invests their funds in accordance with the provisions of the Wisconsin State Statutes 66.0603(lm) and 67.11(2).

The District, as a fund of the City, maintains separate and common cash and investment accounts at the same financial institutions utilized by the City. Federal depository insurance and the State of Wisconsin Guarantee Fund insurance apply to the City of Baraboo, Wisconsin as an individual municipality and, accordingly, the amount insured funds is not determinable for the District.

NOTE 3 TAX INCREMENT SHARING

As allowable under TID statutes, the City may share positive TID increments. In 2010, the City and joint review board approved sharing increments from TID No. 6 (donor districts) to TID Nos. 8 and 9 (donee districts). Transfers of \$4,609,853 are reflected as recoverable costs in the donor district, and as project revenues in the donee districts. Transfers were approved to begin in 2010. TID increment sharing is valid for the life of the donor district or the recipient district, whichever comes first, and the life of the donor district may not be extended. Transfers between districts are subject to various conditions in the statutes.

NOTE 4 TERMINATION, RECORDING, AND FINAL REPORTING DATES OF THE TIF DISTRICT

On April 26, 2022, the City Council of the City of Baraboo, Wisconsin, adopted the Resolution #2022-21 terminating TIF District No. 6 effective April 26, 2022 and authorizing the City Finance Director to distribute excess increment to overlying taxing districts. The City deemed that sufficient tax increment had been collected to cover all of the District project costs, and was now able to escrow funds to cover the District's remaining outstanding obligations.

On April 29, 2022 (within 60 days of the termination resolution date), the City notified the Wisconsin Department of Revenue that the District had been terminated.

By October 26, 2022 (within 6 months of the termination resolution date), the City provided a final accounting for the District to the Wisconsin Department of Revenue.

The City determined no final distributions will be paid to the taxing jurisdictions which represents the District remaining surplus as of April 26, 2022. As of December 31, 2022, final tax increment and remaining costs have been recognized.



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