OFFICIAL NOTICE AND AGENDA - REVISED

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the:	**FINANCE COMMITTEE - BUDGET SESSION #1**
Date/Time:	**Tuesday, October 11, 2022, at 5:30 PM**
Location:	**City Hall (407 Grant Street) - Council Chambers**
Members:	Lisa Rasmussen, Doug Diny, Carol Lukens, Michael Martens, Sarah Watson

AGENDA ITEMS

1. Minutes of the previous meeting (9/27/22)
2. Discussions and Actions regarding 2021 Single Audit
3. Discussions and Actions regarding Recommending a Grant Policy
4. Discussion and possible action approving FLSA Exempt Employees in the Finance and Human Resources Departments the ability to earn additional compensation during the Workday Implementation
5. Discussion and possible action approving budget modification for hot mix purchase
6. Budget Discussions and Actions regarding Recommending a 2023 Budget including setting the 2023 Fee Schedule

Future Finance Committee 2023 Budget Meetings - Wednesday, October 19th at 5:15 PM
Future Finance Committee 2023 Budget Meetings - Thursday, October 20th at 5:30 PM

Common Council 2023 Budget Hearing, Wednesday, November 9th
Common Council 2023 Budget Adoption, Tuesday, November 22nd

Adjourn

Lisa Rasmussen, Chair

NOTICE: It is possible and likely that members of, and possibly a quorum of members of the Committee of the Whole or other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting. No action will be taken by any such groups.

Members of the public who do not wish to appear in person may view the meeting live over the internet, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at https://tinyurl.com/WausauCityCouncil. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with “Finance Committee public comment” in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 10/07//22 at 9:00 AM

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

Other Distribution: Media, (Alderpersons: Kilian, Gisselman, McElhaney, Herbst, Larson, Henke), *Rosenberg, *Jacobson, *Groat, Department Heads

JOINT FINANCE & HUMAN RESOURCES COMMITTEES
Date and Time: Tuesday, September 13, 2022 @ 5:30 pm., Council Chambers
Finance Members Present: Lisa Rasmussen, Sarah Watson, Carol Lukens, Doug Diny
HR Members Present: Tom, Kilian, Gary Gisselman, Dawn Herbst
Members Excused: Becky McElhaney (HR), Michael Martens (Finance & HR)
Others Present: Maryanne Groat, Ben Bliven, Bob Barteck, Eric Lindman, Matt Barnes, Anne Jacobson, Jeremy Kopp, Katie Rosenberg, Chad Henke, Mary Goede

The Finance Committee was called to order by Chair Lisa Rasmussen.

Both the Chair and Vice Chair of the HR Committee were absent. Nominations were taken for a temporary chair by the clerk. Tom Kilian nominated Dawn Herbst, seconded by Gary Gisselman and a unanimous ballot designated Herbst as temporary Chair for HR. The HR Committee was called to order by Dawn Herbst.

Discussion and Possible Action Approving 2023 Health, Dental, Vision and Supplemental Insurance Plan
Anne Keenan, Interim HR Director, explained there are currently two plans: 1) Premier Plan which encompasses Aspirus, Marshfield Clinic, Ascension, UW Health, and Mayor Clinic; and 2) Simply One which is Marshfield Clinic only. She indicated everything has stayed the same including deductibles and out-of-pockets. The difference is the employer and employee rate increase of 9.5%, which was negotiated as maximum last year when signing the two-year contract. She noted if we had gone to market and had not had the protection of the 9.5%, we would be looking at a 12 to 15% increase. The difference for employees this year versus last year for the Premier Plan, a single is an additional $8.02 a month and family cost will be $24.72 per month. For the Simply One, a single will be an additional $6.40 a month and family cost will be $19.70 per month. There are no additional increases for Dental, Vision, and Supplement.

HR Vote:
Motion by Kilian, second by Gisselman to approve the 2023 Health, Dental, Vision and Supplemental Insurance benefit plans as presented. Motion carried 3-0.

Finance Vote:
Motion by Diny, second by Lukens to approve the 2023 Health, Dental, Vision and Supplemental Insurance benefit plans as presented. Motion carried 4-0.

Adjourn HR
Motion by Gisselman, second by Kilian to adjourn the HR Committee. Motion carried unanimously. HR adjourned at 5:35 pm.

Finance continued.

Minutes of the previous meeting(s): (9/13/22)
Motion by Lukens, second by Watson to approve the minutes of the previous meeting. Motion carried 4-0.

2021 Audit Presentation - Clifton Larson Allen
Stewart Randal, and Jon Trautman with Clifton Larson Allen (CLA), reviewed the financial statements and results of the audit. CLA came in with an unmodified opinion, which is the best you can have and means that the financial statements reflect the financial position of the city as of December 31, 2021. There were no significant changes to the accounting policies of the city and no difficulties encountered in performing the audit.

The full report and/or recommendations can be viewed at: https://www.youtube.com/watch?v=-_aMqAeukiU

Discussion and possible action 2023 Business Improvement District operating plan
Lisa Rasmussen stated every year the BID Board drafts a plan whereby they agree to charge themselves for certain things. The plan is in the packet with a map that delineates the district and those participating members set a budget for themselves.

Motion by Diny, second by Watson to approve the 2023 BID Operating Plan. Motion carried 4-0.

Discussion and possible action regarding Resolution hiring Booth Management Consulting for ARPA contract and related budget modification

Rasmussen explained this is to engage the services of a professional firm to manage the subrecipients of ARPA grants to ensure both the subrecipients and the city are in compliance with the requirements. She indicated this will be funded from reserves rather than ARPA funds.

Maryanne Groat commented with the magnitude of the ARPA funds and required reporting it is an investment well worth it and will also help us manage our other grants better.

Motion by Watson, second by Lukens to approve the resolution and related budget modification. Motion carried 4-0.

Discussion & possible action approving a budget modification for completing Supplemental Site Investigation Work and a Remedial Action Options Report (RAOR) for 1300 Cleveland Ave

Lisa Rasmussen indicated the memo in the packet states the DNR has requested some additional research to classify some ground water issues. She pointed out an important error was found in that information where it stated, "industrial standard" which has now been corrected to "non-industrial standard." She noted the Council agreed and promised the neighborhood the city would endeavor to clean it up to residential standard, not industrial. This budget modification will enable us to further the process with the cleanup and the funds to cover the costs would come from the Environmental Fund.

Carol Lukens asked for clarification of the terminology as to whether "non-industrial" was the same as "residential." Eric Lindman responded there are only two classifications: industrial or non-industrial, which is everything else.

Tom Kilian stated this item has two components, one is the supplemental testing for the PFAS in the ground water, which he totally supports. The other is for the ROAR funding which he requested not be approved at this time. He felt it would be premature and not in the city's best financial interests. He explained with a ROAR it is better to have a clear idea of exactly how that land will be used in terms of specific development and design. There was an enormous amount of public feedback that those in the neighborhood and most of the city do not want this back to industrial use. What we do not know with any degree of detail is what the public wants that is positive re-use and we need that public input. He did not think they should pull the trigger on the ROAR now because in a couple months there may be a better idea of what to do with that non-industrial land use. He requested the public input session to be held next month also provide language translation/interpretation services where needed.

Kilian indicated he called the EPA this morning to check on Brownfield Grants which are supposed to be used in areas just like this. He sent preliminary information from the DNR data base to them and the individual he spoke to is going to look at it to see if this site might be eligible, which could be up to $1 million for remediation. He suggested they consider DNR re-use loans and grants, as well. He reiterated now is not the time for the ROAR, we need public input first. He stated Mr. Thompson form the DNR indicated they could request an extension from the department siting the cause for the delay and expected date of submittal.

Rasmussen stated it is $26,000 which is a fairly small amount of money to keep that water testing moving forward, although if there is not an issue with the timeline, they certainly could delay action until we know more. Sarah Watson suggested separating them out. Lindman stated his understanding from Council was to move this forward, but there wasn't a use for it yet. He explained there are two things that will dictate the costs for remediation, one is the zoning and the other is the actual use. They could take the path right now without a use to clean it up to non-industrial standards, which would include removal of soils, capping part of it, and a cap management plan. Then if anything ever comes in to be developed there would have to be an amendment to the cap management plan.

Motion by Diny, second by Watson to approve moving forward with Tasks 1 -4 addressing PFAS groundwater testing and delay Tasks 5 -8 (ROAR); and direct staff to pursue the grant opportunity. Motion carried 4-0.

Discussion and possible action regarding sole source purchase with Flock Safety for police automated license plate readers and related technology for a one year contract with future renewals expected

Lisa Rasmussen stated the committee originally ranked this item for ARPA and it was ranked by the CIP Committee. The Police Department was subsequently awarded a grant from the State which is allowing them to purchase these items without earmarking CIP funding or spending ARPA.

Motion by Diny, second by Lukens to approve the sole source purchase with Flock Safety. Motion carried 4-0.

Discussion and possible action regarding accepting the FEMA Staffing for Adequate Fire and Emergency Response SAFER Grant for the hiring of nine firefighters for a 3 year period - $3,164,763

Lisa Rasmussen commented this is the best news the committee has received; the Fire Chief has been awarded the grant to staff up to full force for three years.

Motion by Watson, second by Diny to accept the grant. Motion carried 4-0.

Discussion and possible action regarding General Fund Financial Reports March - April 2022

Deferred to a future meeting.

Set Budget Meetings October 11, 19 and 20

Rasmussen the general budget presentation would happen at the October 11th meeting, followed by two more special budget sessions of October 19th & 20th. She noted if we are waiting for any other numbers after that it can be taken care of at the regular October 25th Finance meeting. The Budget Hearing will take place at the November 9th Council meeting.

Adjourn Finance

Motion by Lukens, second by Watson to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 8:43 pm.

CITY OF WAUSAU, WISCONSIN

FEDERAL AND STATE AWARDS REPORT

YEAR ENDED DECEMBER 31, 2021

City of Wausau, Wisconsin

DECEMBER 31, 2021

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED AND REPORT ON SCHEDULE OF FEDERAL AND STATE EXPENDITURES BY THE UNIFORM GUIDANCE AND THE *STATE SINGLE AUDIT GUIDELINES*

To the City Council
City of Wausau
Wausau, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of Wausau, Wisconsin's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and *State Single Audit* Guidelines that could have a direct and material effect on each of the City of Wausau, Wisconsin's major federal and state programs for the year ended December 31, 2021. The City of Wausau, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Wausau, Wisconsin complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative* Requirements, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* as issued by the Wisconsin Department of Administration. Our responsibilities under those standards, Uniform Guidance, and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Wausau, Wisconsin and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the City of Wausau, Wisconsin's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Wausau, Wisconsin's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Wausau, Wisconsin's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and the *State Single Audit Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Wausau, Wisconsin's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and the *State Single Audit Guidelines* we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Wausau, Wisconsin's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the City of Wausau, Wisconsin's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the City of Wausau, Wisconsin's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Wausau, Wisconsin's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City of Wausau, Wisconsin's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2021-002 and 2021-003 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the City of Wausau, Wisconsin's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City of Wausau, Wisconsin's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

City Council
City of Wausau, Wisconsin

Report on Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Awards Required by the Uniform Guidance and State Single Audit Guidelines

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 City of Wausau, Wisconsin as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Wausau, Wisconsin's basic financial statements. We issued our report thereon, dated August 1, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the *State Single Audit Guidelines* 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wausau, Wisconsin
September 28, 2022

City of Wausau, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Grantor Agency/Federal Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	14.218	Direct Program	N/A	$ 748,714	$ 554,088
COVID 19 - Community Development Block Grants/Entitlement Grants	14.218	Direct Program	N/A	21,824	19,985
Total CDBG - Entitlement Grants Cluster				770,538	574,073
U.S. DEPARTMENT OF INTERIOR					
Historic Preservation Fund Grants-In-Aid	15.904	Wisconsin Historical Society	55-WI-19-10018	8,500	-
U.S. DEPARTMENT OF JUSTICE					
Crime Victim Assistance	16.575	WI Department of Justice	Unknown	233,379	-
Bulletproof Vest Partnership Program	16.607	Direct Program	N/A	5,968	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Marathon County, Wisconsin	Unknown	11,680	-
Total U.S. Department of Justice				251,027	-
U.S. DEPARTMENT OF TRANSPORTATION					
Federal Transit Cluster					
Federal Transit - Formula Grants	20.507	Direct Program	N/A	1,143,462	-
COVID 19 - Federal Transit - Formula Grants	20.507	Direct Program	N/A	875,000	-
Total Federal Transit Cluster				2,018,462	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Children's Health Insurance Program	93.767	WI Department of Health Services	435100-G20LEADSAFEPRO-00	161,178	-
U.S. DEPARTMENT OF HOMELAND SECURITY					
Assistance to Firefighters Grants	97.044	Direct Program	N/A	44,278	-
Assistance to Firefighters Grants	97.044	Direct Program	N/A	30,603	-
COVID 19 - Assistance to Firefighters Grants	97.044	Direct Program	N/A	15,975	-
Total Assistance to Firefighters Grants				90,856	-
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 3,300,561	$ 574,073

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

City of Wausau, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

Grantor Agency/State Program Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	Total State Expenditures	Passed Through to Subrecipients
DEPARTMENT OF NATURAL RESOURCES					
Urban Forestry Catastrophic Storm Grant	370.587	Direct Program	N/A	$ 13,060	$ -
Recycling Grants to Responsible Units	370.670	Direct Program	N/A	137,734	-
Total Department of Natural Resources				150,794	-
DEPARTMENT OF TRANSPORTATION					
Transit Operating Aids	395.104	Direct Program	N/A	799,070	-
DEPARTMENT OF JUSTICE					
Beat Patrol	455.275	Direct Program	N/A	121,434	-
DEPARTMENT OF MILITARY AFFAIRS					
Regional Emergency Response Teams	465.306	Direct Program	N/A	81,000	-
TOTAL STATE PROGRAMS				$ 1,152,298	$ -

The notes to the schedule of state financial assistance are an integral part of this schedule.

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for the City are presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the City. Because the schedules present only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2021 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards.

The City has elected to charge a de minimis rate of 10% of modified total costs.

NOTE 3: OVERSIGHT AGENCIES

The federal and state oversight agencies for the City are as follows:

Federal – U.S. Department of Transportation
State – Wisconsin Department of Transportation

City of Wausau, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Section I – Summary of Auditors' Results

FINANCIAL STATEMENTS

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
   - Material weakness(es) identified? ____ yes __x__ no
   - Significant deficiency(ies) identified? ____ yes __x__ none reported
3. Noncompliance material to financial statements noted? ____ yes __x__ no

FEDERAL AWARDS

1. Internal control over major federal programs:
   - Material weakness(es) identified? __x__ yes ____ no
   - Significant deficiency(ies) identified? __x__ yes ____ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? __x__ yes ____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grants/Entitlement Grants Cluster
20.507	Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? __x__ yes ____ no

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance

1. Internal control over state projects:

   - Material weakness(es) identified? ______ yes __x__ no

   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ______ yes __x__ none reported

2. Type of auditors' report issued on compliance for state projects: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with state requirements? ______ yes __x__ no

Identification of Major State Projects

State ID Number(s)	Name of State Project
395.104	Transit Operating Aids

Dollar threshold used to distinguish between Type A and Type B state projects: $ 250,000

Section II – Financial Statement Findings

There are no findings related to the basic financial statements required to be reported under government auditing standards generally accepted in the United States of America for the year ended December 31, 2021.

Section III – Federal and State Award Findings and Questioned Costs

2021 – 001: Federal Funding Accountability and Transparency Act- CDBG

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Community Development Block Grants/Entitlement Grants

Assistance Listing Number: 14.218

Federal Award Identification Number and Year: B-19-MC-55-0017, 2019; B-20-MC-55-0017, 2020; B-20-MW-55-0017, 2020; B-21-MC-55-0017, 2021

Award Period: 7/12/2019 – 9/1/2028

Type of Finding:

- Material Weakness in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: Under the requirements of the Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282), as amended by Section 6202 of Public Law 110-252, that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of $30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System. In addition, 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires the City to implement and maintain a system of internal controls over federal grants.

Condition: The City did not report any first tier subawards related to the CDBG grant program to the required federal reporting system. In addition, the CDBG grant requires periodic reports to be completed and filed with the federal government. The City did not have any documentation of approval of the report by someone other than the preparer prior to submission.

Questioned costs: None

Context: The City did not report the four subawards that required disclosure under the Federal Funding Accountability and Transparency Act. We noted that the City's Community Development Department did not have procedures or documentation to ensure that someone other than the preparer reviewed and approved the required grant reports.

Section III – Federal and State Award Findings and Questioned Costs (Continued)

2021 – 001: Federal Funding Accountability and Transparency Act- CDBG (Continued)

Cause: The City personnel responsible for the grant administration were not aware of the reporting requirements of the Act. The City had not performed an evaluation of the internal controls surrounding the grant to identify the lack of a secondary reviewer for any periodic reporting.

Repeat Finding: No

Recommendation: We recommend the City review the various grant requirements and laws surrounding the CDBG grant program and ensure that any written internal control or procedure manuals include all of the required compliance requirements. We also recommend that the City ensure multiple individuals are trained on the administration of the grant.

Views of responsible officials: There is no disagreement with the audit finding.

2021 – 002: Environmental Reviews - CDBG

Federal Agency: U.S. Department of Housing and Urban Development

Federal Program Name: Community Development Block Grants/Entitlement Grants

Assistance Listing Number: 14.218

Federal Award Identification Number and Year: B-19-MC-55-0017, 2019; B-20-MC-55-0017, 2020; B-20-MW-55-0017, 2020; B-21-MC-55-0017, 2021

Award Period: 7/12/2019 – 9/1/2028

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires the City to implement and maintain a system of internal controls over federal grants.

Condition: The City has not designated an individual to review and approve the reports or the environmental reviews to ensure they are completed in accordance with the grant requirements.

Questioned costs: None

Section III – Federal and State Award Findings and Questioned Costs (Continued)

2021 – 002: Environmental Reviews - CDBG

Context: The City did not have procedures requiring a review and approval of the environmental review determination form required by the grant.

Cause: The City had not performed periodic evaluation of the internal controls surrounding the grant program to identify the lack of a secondary reviewer regarding and environmental review processes and requirements.

Effect: The City did not have an adequate system of internal control that would have prevented and detected any errors.

Repeat Finding: No

Recommendation: We recommend the City review the various requirements of the CDBG grant program and identify individuals who can act as a reviewer and approver of the environmental review requirements. We also recommend the City document these procedures and internal controls as required by Uniform Guidance.

Views of responsible officials: There is no disagreement with the audit finding.

2021 – 003: Cash Management - Transit

Federal Agency: U.S. Department of Transportation

Federal Program Name: Federal Transit – Formula Grants

Assistance Listing Number: 20.507

Federal Award Identification Number and Year: WI-2022-007-00, 2021

Award Period: 1/1/2021 – 12/31/2021

Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria or Specific Requirement: Grant claims filed by the City to the granting agencies must be accurate, reconcile to the City's general ledger system, and for cost-reimbursement grants, represent costs incurred. Internal controls should be designed and implemented to prevent and detect errors in the data reported on the grant claims. Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all phases of a transaction.

Section III – Federal and State Award Findings and Questioned Costs (Continued)

2021 – 003: Cash Management – Transit (continued)

Condition: There was no review of the reports and claims for reimbursement by someone other than the preparer. Accordingly, this does not allow for a proper segregation of duties for internal control purposes over cash management compliance requirements

Questioned Costs: None

Context: While performing audit procedures, it was noted that management does not have internal controls in place to provide and document proper segregation of duties over grant reporting for the transit grant.

Cause: The department and the positions responsible for preparing, reviewing, and approving the report are combined for one person resulting in the missed cash management control requirements.

Effect: Information could be mis-keyed or potentially altered if there is no segregation of duties or review of reporting before being sent to the granting agency.

Repeat Finding: No

Recommendation: We recommend that the City review its internal controls and designate an individual other than the preparer to review and approve any grant claims.

Views of Responsible Officials: There is no disagreement with the audit finding.

City of Wausau, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? — No

2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Natural Resources	No
Department of Transportation	No
Department of Justice	No
Department of Military Affairs	No
Was a Management Letter or other document conveying audit comments issued as a result of this audit?	No

3. Name and signature of partner — Jon Trautman, CPA

4. Date of report — September 30, 2022

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

City Council
City of Wausau, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 City of Wausau, Wisconsin, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Wausau, Wisconsin's basic financial statements, and have issued our report thereon dated August 1, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Wausau, Wisconsin's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Wausau, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Wausau, Wisconsin's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether City of Wausau, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Wausau, Wisconsin
September 30, 2022

CITY OF WAUSAU, WISCONSIN
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2021

City of Wausau, Wisconsin respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2020.

Audit period: January 1, 2020 – December 31, 2020

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2020 – 001 Coronavirus Relief Funds

Condition: The City did not have an adequate system of reviewing and approving time worked within the police department during the year.

Status: Corrective action was taken.

CITY OF WAUSAU, WISCONSIN
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2021

City of Wausau, Wisconsin respectfully submits the following corrective action plan for the year ended December 31, 2021.

Audit period: January 1, 2021 – December 31, 2021

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

Department of Housing and Urban Development

2021-001 Federal Funding Accountability and Transparency Act- CDBG

Community Development Block Grants/Entitlement Grants – Assistance Listing No. 14.218

Recommendation: We recommend the City review the various grant requirements and laws surrounding the CDBG grant program and ensure that any written internal control or procedure manuals include all of the required compliance requirements. We also recommend that the City ensure multiple individuals are trained on the administration of the grant.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department has established a formal review of reports. Cross training of grant requirements is underway.

Name(s) of the contact person(s) responsible for corrective action: Liz Brodek

Planned completion date for corrective action plan: 9/30/2022

2021-002 Reporting and Environmental Reviews – CDBG

Community Development Block Grants/Entitlement Grants – Assistance Listing No. 14.218

Recommendation: We recommend the City review the various requirements of the CDBG grant program and identify individuals who can act as a reviewer and approver of the various compliance requirements of the grant. We also recommend the City document these procedures and internal controls as required by Uniform Guidance.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department will work on documenting procedures.

Name(s) of the contact person(s) responsible for corrective action: Liz Brodek

Planned completion date for corrective action plan: 9/30/22

2021-003 Cash Management Transit

Federal Transit – Formula Grants – Assistance Listing No. 20.507

Recommendation: We recommend that the City review its internal controls and designate an individual other than the preparer to review and approve any grant claims.

CITY OF WAUSAU, WISCONSIN
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2021

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The City will implement an internal control requiring the review and approval of any report prior to submission.

Name(s) of the contact person(s) responsible for corrective action: Greg Seubert

Planned completion date for corrective action plan: 9/30/2022

If the U.S. Department of Transportation has questions regarding this plan, please call MaryAnne Groat, Finance Director, at 715-261-6645.

CITY OF WAUSAU, WISCONSIN
GRANT ACCEPTANCE & MANAGEMENT POLICY

POLICY OBJECTIVE

The City of Wausau has adopted this grant policy to establish uniform acceptance and administration of grants. In addition, the policies are designed to:

- Provide transparency on grant related activity
- Provide for proper grant award approvals and budgeting
- Ensure grant purpose is consistent with the city and department goals
- Measure the grant's impact on the city's current and future resources
- Reduce exposure to grant-related legal liabilities
- Provide accurate, efficient and effective record management
- Provide reliable and accurate financial reporting
- Develop uniform grant accounting practices
- Maintain compliance with federal and state grant requirements
- Maintain appropriate segregation of duties between recording, authorizing, reporting and approval
- Establish a single repository of grant agreements and financial reports
- Establish a single inventory of grant income and expenses
- Ensure that assets purchased are properly safeguarded

MANAGEMENTS COMPLIANCE RESPONSIBILITIES

City management is responsible for administering the grants in a manner consistent with the grantor's terms and conditions. The city is subject to an annual single audit. This compliance audit is performed in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Management responsibilities include:

- Maintaining a system of internal controls that prevents and detects non-compliance with grant requirements, errors and fraud.
- Maintaining sufficient documentation of grant programs, accomplishments and costs.
- Preparing an accurate and complete schedule of expenditures of federal and state awards.

FINANCIAL RECORD KEEPING

The financial system shall support:

- Approvals and authorizations
- Supporting documentation of expenditures
- Accurate tracking of time spent on grant activities
- Identify sources and uses of grant funds
- Document all transactions allocated to the grant
- Record retention pursuant to grant requirements
- Documentation of subrecipient monitoring

GRANT APPROVAL

Grant awards that exceed $10,000 or any amount if required by law or the grant must be approved by the Finance Committee and Common Council prior to acceptance of funds. The grant award resolution should include:

- grant purpose
- grant source (ie: federal or state agency, or non-governmental entity)
- grant award amount
- grant period
- required grant match and sources of such funds
- costs that will be incurred by the city as a result of implementing the grant that are not covered by the grant such as equipment, uniforms, vehicles, computers

GRANT APPROVAL *cont*.

- future budget implications and a continuation plan at grant termination for grants that create new programs or
  increase FTE's
- include a budget modification if the grant will increase spending
- attach grant award, grant agreement and any other accompanying documentation.
- identify the oversight department and the grant manager responsible for administering the grant

Grant awards shall be signed by the mayor. The oversight department is responsible for submitting required grant award activation documents to the grantor on a timely basis.

Grant award $10,000 or less may be approved by approved by the mayor.

Grants that create new positions or programs must be approved prior to submitting a grant application. The grant application resolution should include the relevant information outlined in the grant award resolution.

GRANT MANAGEMENT ROLES AND RESPONSIBILITIES

Department Head or Program Managers: Are responsible for grant related activity such as grant writing, grant award approval, grant management, preparing necessary budget modifications, developing grant implementation plans, managing grant programs, submitting programmatic reports to grantors, properly closing out grant projects, managing grant compliance, subrecipient monitoring, and meeting grant terms and conditions. In addition, the department director is responsible for adhering to the grant policy and providing the necessary grant documents to the central repository on a timely basis.

Finance Director: The Finance Director is responsible for the oversight of grant-related financial activity. In this role the Finance Director reviews financial reports and provides general oversight of other grant related issues including the proper budgeting and accounting. The Finance Director must approve all financial reports, draws and reimbursement requests prior to submission.

Mayor: The mayor is responsible for executing grant awards pursuant to the policy.

GRANT AGREEMENT & USE OF FUNDS PROCEDURES

1. Department head or manager, upon receipt of a grant award notification, grant agreement, grant budget, contract or memorandum of agreement, shall forward a copy to the Finance Director for accumulation in a central repository.

2. Finance Director is responsible for establishing the proper accounting worktags to maintain the grant activity in a separate grant code.

3. No grant funds shall be disbursed until the proper approval and worktags have been established in the accounting records.

4. Department head or manager is responsible for establishing the proper review and approval process for purchases and staff time allocated to the grant. Review should include procurement compliance, grant eligibility and sufficient supporting documentation. Transactions shall be coded with the proper worktags to ensure proper accounting.

GRANT REPORTING AND REIMBURSEMENT

1. As required by the grantor, recipient departments must prepare timely and accurate progress or programmatic reports. The reports shall be reviewed and approved by the department director or manager prior to submission.

2. The recipient department shall complete and submit all financial status reports, budget adjustments, reimbursement and draw requests to the Finance Director for review and approval prior to submission. The Finance Director will maintain a copy of these reports for the grant central repository.

GRANT REPORTING AND REIMBURSEMENT *cont.*

3. The recipient department will timely alert the Finance Director of the receipt of grant funds and program income so that they may be accurately recorded in the accounting records.

4. The Finance Director will maintain an inventory of grants which will be used to compile the Schedule of Expenditures and State Awards required by the Uniform Guidance and State Single Audit Guidelines.

Human Resource Committee Packet

October 10, 2022

Agenda Item
Discussion and possible action approving FLSA exempt employees in the Finance and Human Resources Departments the ability to earn additional compensation during the Workday implementation.
Background
The City of Wausau Human Resources Department and Finance Department were recently informed by C-CIT that staff will be expected to work weekends and holidays from November 24, 2022 to January 31, 2023 in order to meet the Workday implementation deadline date and successfully go live. Staff is currently working additional hours on the Workday project while still performing their normal duties. The Workday project implementation schedule for staff has resulted in up to 32 hours per week focused on Workday meetings and performing system testing that is designed to find configuration and process issues. Testing one area such as benefits can have over 240 test cases with variations to perform, that can result in retesting if the test outcome fails. The "Go Live" date for Workday is December 25, 2022. Employees will be implementing the new system and will need to maintain and close the 2022 fiscal year with the old system simultaneously.
Fiscal Impact
$180,000 was included within the project capital budget to fund extra staffing hours and positions.
Staff Recommendation
The recommendation is to allow FLSA exempt employees in the Finance Department and Human Resources Department to earn additional compensation on a one-to-one basis for hours worked on weekends and holidays from November 24, 2022 through January 31, 2023. This is in line with the benefits exercised in the Employee Handbook Chapter 4.01 (1).
Staff contact: Anne Keenan (715-261-6632)

TRANSFER OF FUNDS/CHANGE OF PURPOSE REQUEST FORM

Requested: Eric Lindman Dept: Public Works & Utilities Date:

Reviewed by Finance: Date:

Reviewed by Mayor: Date:

Transfer Explanation and Justification:

Transfer funds from seal coat budget to hot mix budget. Seal coating project is complete for the year 2022 and utilizing the remaining budgeted amount for hot mix and paving will allow crews to make more permanent repairs of streets.

Completing in-house pavement repairs has been a priority focus. The city has a backlog of over $100 million of street reconstruction needs and it is growing each year because we cannot keep up with the deteriorating infrastructure. Completing as much work in house as we can is the most efficient and cost-effective way to try and extend the pavement life of streets until there is funding available for reconstruction.

FROM / TO	ACCOUNT NUMBER	ACCOUNT NAME	$ AMOUNT
	TRANSFER OF FUNDS		
From:	110 101592490	Sundry – Crack Sealing & Seal Coating	$50,000
To:	110 101594830	Hot Mix	$50,000

COMMENTS:

Fin. Committee Approval ☐ Denial ☐ Date:____________ Council Approval ☐ Denial ☐ Date:__________________

Submit three copies of form to Finance Department - Upon Council Action: 1 - Council File 2 - Department 3 - Finance Department

TO: FINANCE COMMITTEE
FROM: Maryanne Groat
DATE: October 3, 2022
RE: 2023 Fleet Management Budget

The Motor Pool Fund accumulates costs related to the maintenance, fueling and replacement of the City's fleet including public works, fire, airport, and police.

The city has historically charged departments an hourly/mile charge for fleet usage. The charge is intended to recover maintenance costs and establish a fund for replacements.

In late 2020, the City commissioned a study of the Motor Pool Fund due to the declining financial condition and customer satisfaction. In addition, staffing vacancies and work demands were creating increased challenges. The goal of this study was to review operations, maintenance, and replacement of our fleet.

In 2021 Mercury Associates, provided CISM Committee with a presentation on their findings and recommendations. If the committee is interested in watching this presentation it is the first item considered by the committee and located:
https://www.youtube.com/watch?v=wb3RojAKrMI&list=PLTKmYFdlHPXc2uFXZxhcBcmAiBVAAGhUl&index=19.

The study reported a snapshot of our fleet as:

- 500 assets with approximately 100 being small engine assets.
- 89% are owned
- Average age is 12.4 years of rolling stock

Based upon the size and complexity of the fleet the study recommended:

- Facility upgrade
- Need for a fleet analyst (current FTE 0)
- Justification for 7.1 maintenance technicians (current FTE 6)
- Decrease the age of the fleet to 4-6 years.

An old fleet is more costly:

- Increased fleet size for back-ups due to unreliable fleet performance and unscheduled repairs.
- Higher fuel costs since old fleet use more fuel
- Poor emissions performance
- Higher maintenance costs due to increased breakage
- Customer dissatisfaction
- Overall staffing productivity declines due to unscheduled and increasing maintenance issues.

Further review of the fleet age revealed the following:

- Total upgrade of rolling stock = $27.7 million
- Average replacement cycle goal = 5.5 Years
- Average annual replacement should be $3.5 million rather than $1.8 million in past years.
- Additions to the fleet inventory should be funded outside the replacement funding.

Other study recommendations:

- Modify our chargeback rates from a mileage or per hour rate structure to a service-based rate structure.
- Examine alternatives to owning underutilized, non-critical vehicles (successes achieved)
- Modify the parts specialist, and manager positions to focus on the fleet (completed)
- Fleet software needs upgrading

In 2021 we infused $2,091,208 into the Motor Pool Fund. $1,091,208 transfer from the General Fund and $1,000,000 of debt financing for fire truck replacement.

Covid has increased the financial struggles of the fund due to increased fuel costs, increased part cost, increased vehicle costs and long lead times for replacement.

Historically, the CIP committee has not evaluated motor pool replacements. In 2023, 2 new pieces of equipment were submitted to CIP for ranking since they would add to the size of the fleet. These items were not recommended for purchase.

A five-year motor pool replacement schedule compared to funds available shows an annual shortfall.

	2023	2024	2025	2026	2027
DPW	3,281,833	2,282,330	1,310,813	738,993	793,930
AIRPORT	127,540	113,874	290,716	202,527	9,500
PD	258,892	258,500	460,656	259,082	17,858
FD	524,156	107,365	204,709	588,198	1,524,084
Purchase Totals	4,192,421	2,762,069	2,266,894	1,788,800	2,345,372
Funds available for Fixed Assets	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Shortfall	2,692,421	1,262,069	766,894	288,800	845,372

The shortfall of funding is due to purchase deferrals and stagnant rates since revenues have not matched cost increases. A snapshot of 2021 costs versus billings highlights the billing shortfalls.

	Public Works	**Police**	**Fire**
Repairs	832,148.91	139,643.91	152,024.72
Fuel	152,355.80	94,852.65	45,464.02
Lease	93,216.00	105,228.00	32,971.08
2021 Purchases	1,734,000.00	339,660.00	261,348.00
Total Costs	2,811,720.71	679,384.56	491,807.82
Total Billings	2,290,186.00	501,014.00	346,717.00
Shortfall	(521,534.71)	(178,370.56)	(145,090.82)

The attached recommended replacement list has been prioritized by the departments.

The Finance Committee could consider a short-term borrowing plan to fund the anticipated shortfalls. In the financial exhibit below I have assumed a 5 year amortization. Debt retirement would be funded by increased motor pool charges to the departments. The analysis expects to issue $4.75million of debt for the budget years 2023-2025. Debt payments would be funded by increased motor pool rates. The rates would increase annually for until the motor pool fund was generating sufficient revenue to replace $3.5 million of equipment annually. There are opportunities to extend the debt amortization to step into the new rates at a slower rate. In addition, reducing the overall age of the fleet should reduce the maintenance costs which will result in additional funding for rolling stock replacements.

		2024	2025	2026	2027	2028	2029
2023 Issue	$2.7M	570,000	570,000	570,000	570,000	570,000	
2024 Issue	$1.3M		276,000	276,000	276,000	276,000	276,000
2025 Issue	$.75M			160,000	160,000	160,000	160,000
2026 Issue	$ -						
2027 Issue	$ -						
		570,000	846,000	1,006,000	1,006,000	1,006,000	436,000
Motor Pool Rate Increase Needed		18%	9%	5%			

To implement consultant recommendations the following items need consideration and resolution:

- Increasing FTE's for mechanics and fleet analyst.
- Modernizing software to improve staff effectiveness.
- Investing in rolling stock to reduce the age.
- Determining the financing method to employ for the purchases.
- Consider the motor pool rate increases and the timing of the increases.
- Determine whether the motor pool charge pricing structure should be modified to separate the maintenance and operations costs from the replacement.

DPW CAPITAL BUDGET PROPSED FOR 2023

GL # 170 11650

OLD EQ#	EQ YEAR	OLD DESCRIPTION	Ranking
			Rank 1-10 (10 = Critical 0 = Can wait a couple years)
		1% of equipment costs	Unexpected modification
1020	2003	Electricians pole truck	10
1035	2014	Patch truck	10
1036	2014	Patch truck	10
1053	2013	Tandem swaploader	10
1054	2013	Tandem swaploader	10
1055	2011	Super duty plow	10
1059	2013	Super duty plow	10
1086	1978	Steam boiler	10
1099	1991	Water pump	10
1142	1968	Water pump	10
1146	1968	Water pump	10
1151	1997	Large line painter	10
1158	1995	Trencher trailer	10
1395	2012	Message board	10
1753	2003	Spreader on 53	10
1754	2003	Spreader on 54	10
1757	2009	Sander	10
1835	2007	Asphalt box 35	10
1836	2007	Asphalt box 36	10
1078	2009	Hydro hammer	9
1093	2018	Loader	9
1097	2018	Loader	9
1134	2011	Walk behind concrete saw	9
1233	2014	Tamper	9
1396	2012	Message board	9
1067	2014	Compactor	8
1068	2014	Compactor	8
1072	2010	Air compressor	8
1081	2005	Air compressor	8
1113	1995	Alley grader	8
1130	2014	Mortar mixer	8
1136	1995	Generator	8
1160	1994	Roller trailer	8
1163	1993	Roller trailer	8
1191	2013	Excavator	8
1553	2013	Plow on 53	8
1554	2013	Plow on 54	8
1133	1996	Generator	7
1241	1989	Pressure washer	6
1461	2003	Tandem snowbox	6
1462	2003	Tandem snowbox	6
1091	2019	Cement saw	5
1098	1997	Water pump	5
1135	1996	Generator	5
1161	2007	Skid steer trailer	5
1168	1995	Pole trailer	5
1397	2010	Message board	5
1026	2000	Genie lift	4
1149	1999	Generator	4
1166	2002	Saw trailer	4
1167	2012	Message trailer	4
1491	2006	Shop air compressor	4

$3,281,833 Remaining amount in Budget

15yrs or older	20yrs or older	30yrs or older
40yrs or older	55yrs or older	

POLICE CAPITAL BUDGET PROPSED FOR 2023

GL # 170 11650

OLD EQ#	EQ YEAR	OLD DESCRIPTION	Misc. Notes
			Rank 1-10 (10 = Critical 0 = Can wait a couple years)
	0	1% of equipment costs	Unexpected modification
4500	2017	Lt truck	10 Vehicle orderec
4506	2014	SRO	10 Vehicle orderec
4510	2014	SRO	10 Vehicle orderec
4527	2018	Detective	10 Lease upfit fees
4531	2018	Detective	10 Lease upfit fees
4537	2013	Unmarked CRU	10 Vehicle orderec
4550	2017	Parking	10 Lease upfit fees
4551	1998	Speed trailer	4
4552	1993	Speed trailer	4

$258,892 **BUDGET**

40yrs or older	55yrs or older	
15yrs or older	20yrs or older	30yrs or older

Vehicles already ordered include the price for set up. Set up P.O. has not been submitted or approved yet. Only the purchase of the vehicles have.

FIRE CAPITAL BUDGET PROPSED FOR 2023

GL # 170 11650

OLD EQ#	EQ YEAR	OLD DESCRIPTION	Misc. Notes
			Rank 1-10 (10 = Critical 0 = Can wait a couple years)
		1% of equipment costs	Unexpected modification
4672	2013	Ambulance Med 4	10
4671	2014	Ambulance Med 5	10
4654	2018	Car 1	10 Lease upfit fees
4668	2020	Utility 1	10 Lease upfit fees
4682	2020	Car 5	10 Lease upfit fees
$524,156	**Budget**		

We have received a grant of $100,000.00 per Fire Chief for the assistance to purchase a med unit.

30yrs or older	40yrs or older
15yrs or older	20yrs or older
55yrs or older	

AIRPORT CAPITAL BUDGET PROPSED FOR 2023

GL # 170 11650

OLD EQ#	EQ YEAR	OLD DESCRIPTION	Misc. Notes
			Rank 1-10 (10 = Critical 0 = Can wait a couple years)
		1% of equipment costs	Unexpected modification
5755	1985	Tractor/mower	2
5764	2007	Plow	
$127,540	**Budget**		
	55yrs or older	30yrs or older	40yrs or older
	15yrs or older		

CITY OF WAUSAU
CONSOLIDATED EXPENDITURES AND REVENUES INTERNAL SERVICE FUNDS
2023 BUDGET

	MOTOR POOL FUND	INSURANCE LIABILITY FUND	EMPLOYEE BENEFITS FUND	TOTAL
PERSONAL SERVICE	$ 829,394	$ -	$ -	$ 829,394
CONTRACTUAL SERVICES	444,000	100,000	86,012	630,012
SUPPLIES & EXPENSE	1,708,034	-	-	1,708,034
FIXED CHARGES	105,400	820,805	6,616,812	7,543,017
CAPITAL OUTLAY	4,252,277	-	-	4,252,277
OTHER FINANCING USES	-	-	-	-
TOTAL EXPENDITURES	$ 7,339,105	$ 920,805	$ 6,702,824	$ 14,962,734
PUBLIC CHARGES FOR SERVICES	$ -	$ -	$ 22,149	$ 22,149
INTERGOVT CHARGES FOR SERVICES	3,605,000	914,200	6,670,087	11,189,287
MISCELLANEOUS REVENUE	84,000	37,716	-	121,716
TOTAL REVENUE	$ 3,689,000	$ 951,916	$ 6,692,236	$ 11,333,152

MOTOR POOL FUND

MISSION:

The mission of the Motor pool is to provide each department it serves with safe, reliable and cost-effective vehicles and equipment to ensure public safety. The motor pool strives to keep the capital acquisition and maintenance costs as low as possible while keeping the equipment maintained at a high standard.

DEPARTMENTAL RESPONSIBILITIES:

The Motor-pool fund accounts for the operation of the city's central equipment pool. Operations include the furnishing, repair, maintenance, and disposal of nearly all vehicles and motorized equipment used by the city. Motor-pool staff is comprised of six technicians, one parts specialist, one fleet supervisor and one fleet manager. The Motor-pool is overseen by the fleet manager who provides direction and guidance in the following areas:

- Staff the Motor-pool with two shifts. Monday through Friday (weekends depending on weather) and 24/7 on- call availability.
- Repair and maintain equipment following recommended standards.
- Fuel distribution to all city departments.
- Monitoring underground fuel storage tanks and maintaining state standards.
- Use and maintenance of computerized fleet analysis system which tracks all vehicle repairs, usage, and preventive maintenance history.
- Manage equipment part and supplies acquisition, disbursements, and inventories.
- Prepare equipment specifications for vehicle procurement.
- Invoice and collection of all departments utilizing the services of Motor-pool.
- Coordinate with other departments the status of their equipment whether "in" or "out of service".
- Supply backup personnel for weather related emergencies during any season of the year.
- Provide the necessary vehicles and equipment to each department through either purchase, rental, or lease.
- Decommission and dispose of equipment after their useful life cycle is completed.
- Process all invoices related to equipment purchases, repairs, maintenance, and parts from outside vendors.

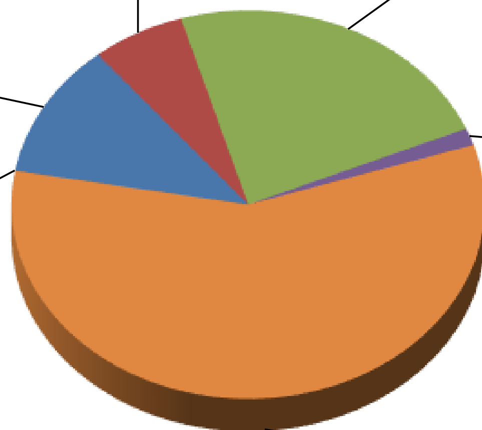
2022 ACCOMPLISHMENTS:

- The Motor-pool shop maintains 467 pieces of equipment. This includes licensed vehicles, heavy equipment, attachments, support equipment and small powered equipment.
- The fueling island provided diesel fuel and unleaded gasoline to Public Works, Police, Fire, Parks, WATS, Airport, Sewer, and Water departments without interruption.
- The Motor-pool shop has begun increasing staffing levels after struggling for two years.
- Motor-pool has started bringing back work into the shop that was being outsourced due to the short staff levels.
- The equipment replacement plan finished the initial updates with equipment replacement life cycles, allowing the city to see a projection on needs to meet standards.
- Coordinated with Finance dept the raising of department equipment rental rates to support cost increases.
- Motor-pool received approval to purchase equipment early in the hope it will alleviate the current struggles of equipment building and delivery delays.
- Motor-pool has put focus and effort in our new staff by continuing education and training programs to keep up with ever changing trends, technology, and practices.
- Continued to provide a safe and efficient fleet of equipment to each department we serve.
- Motor-pool has adjusted staff and continued to work together with other departments supporting their individual needs in an ever-changing environment.
- Departments were provided with new equipment to continue operations. Some of the new equipment includes a dustless sweeper, a new hoist for mechanics, a new 75Ft ladder truck, a new 4,650 Yd^3/Hr. snowblower, a new motor grader, and new wheel loaders to name only a few.

2023 GOALS AND OBJECTIVES:

- Continue to provide a safe, effective, and efficient fleet of equipment to each department.
- Find solutions to the ongoing problem of supplying equipment in a timely manner.
- Continue providing efficient and effective maintenance services.
- Return to full staff levels and add a Motor-pool admin position.
- Return almost all repairs back in house to reduce the amount of outside costs.
- Continue evaluating the strategies provided by the fleet study and adjust procedures as needed.
- Continue to adjust the fleet replacement plan to match standards.
- Review with Finance dept. equipment rental rates and adjust to meet the rising costs of repair and equipment.
- Work with department heads and council on replacement of the existing facility to provide an appropriate working environment to better support the needs of other departments.
- Continue to lease a portion of the fleet to save on maintenance costs and ease the burden on current staff.
- Rent various equipment needed for specific use or low usage to avoid costly purchases.
- Evaluate overhead costs and adjust shop labor rate as needed.
- Continue to provide training on new equipment and technologies.
- Evaluate and continue education opportunities for technicians and encourage certifications.
- Continue to update the antiquated fleet maintenance program allowing better reporting and tracking capabilities.
- Support the idea and possible implementation of a new fleet maintenance software.

BUDGET:



BUDGET SUMMARY

	2020 Actual	2021 Actual	2022 Adopted Budget	2022 Modified Budget	2022 Estimated Actual	2023 Department Request	2023 Executive Recommended	2023 Adopted
Personnel Services	$ 752,656	$ 568,036	$ 870,180	$ 870,180	$ 722,453	$ 829,392	$ 829,392	$ 829,392
Contractual Services	534,981	514,818	464,200	464,200	439,200	469,000	469,000	469,000
Supplies & Expense	1,076,453	1,081,723	1,373,086	1,808,086	1,477,800	1,708,034	1,708,034	1,708,034
Fixed Charges	1,077,303	1,209,058	982,200	982,200	97,400	105,400	105,400	105,400
Grants, Contributions	12,663	-	-	-	-	-	-	-
Capital Outlay	67,260	12,391	3,408,918	3,408,918	3,402,416	4,252,277	4,252,277	4,252,277
Transfer to Other Funds	-	-	-	-	-	-		
Total Expenses	$ 3,521,316	$ 3,386,026	$ 7,098,584	$ 7,533,584	$ 6,139,269	$ 7,364,103	$ 7,364,103	$ 7,364,103
Public Chgs for Services	$ 1,000	$ 40	$ -	$ -	$ -	$ -	$ -	$ -
Intergovt Chgs	3,573,410	3,158,570	3,891,000	3,891,000	3,068,000	3,405,000	3,605,000	3,605,000
Miscellaneous	131,543	265,030	84,000	84,000	253,700	84,000	84,000	84,000
Other Financing Sources	-	-		435,000	435,000			
Total Revenues	$ 3,705,953	$ 3,423,640	$ 3,975,000	$ 4,410,000	$ 3,756,700	$ 3,489,000	$ 3,689,000	$ 3,689,000

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

Income from operations and depreciation expense which is a non-cash transaction have been insufficient resources to finance replacement of vehicles and other rolling stock.

BUDGETARY HISTORY:

YEAR	EXPENSES	INCREASE (DECREASE) FROM THE PREVIOUS YEAR DOLLAR	PERCENT
2023	$7,919,528	$820,944	11.57%
2022	$7,098,584	$907,191	14.65%
2021	$6,191,393	$1,571,112	34.01%
2020	$4,620,281	$356,816	8.37%
2019	$4,263,465	$408,047	10.58%
2018	$3,855,418	($326,814)	-7.81%
2017	$4,182,232	($81,233)	-1.91%
2016	$4,263,465	$1,344,290	46.05%
2015	$2,919,175	($47,201)	-1.59%
2014	$2,966,376	$281,129	10.47%

YEAR	REVENUES	INCREASE (DECREASE) FROM THE PREVIOUS YEAR DOLLAR	PERCENT
2023	$3,689,000	($286,000)	-7.20%
2022	$3,975,000	$286,000	7.75%
2021	$3,689,000	($134,000)	-3.51%
2020	$3,823,000	$123,000	3.32%
2019	$3,700,000	$285,000	8.35%
2018	$3,415,000	$268,500	8.53%
2017	$3,146,500	($553,500)	-14.96%
2016	$3,700,000	$487,000	15.16%
2015	$3,213,000	$246,624	8.31%
2014	$2,966,376	$259,334	9.58%

WORKING CAPITAL HISTORY:

2021	$2,766,678
2020	$1,707,389
2019	$2,328,655
2018	$2,072,293
2017	$2,375,411
2016	$1,047,631
2015	$890,718
2014	$526,017

LIABILITY INSURANCE FUND

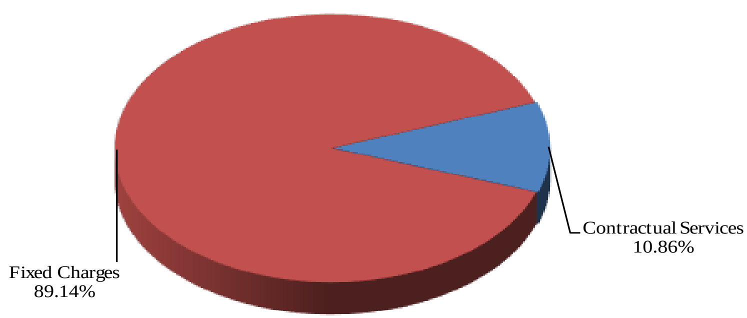
MISSION:

To ensure the City has sufficient insurance coverage and reserves for claims and to successfully manage claims and mitigate risk.

RESPONSIBILITIES:

The Insurance Fund is an internal service fund used to account for the financing of insurance premiums, claims and related costs. This fund is reimbursed based upon insurance allocations to individual departments.

BUDGET:



BUDGET SUMMARY

	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 80,015	$ 99,953	$ 103,000	$ 103,000	$ 110,000	$ 100,000	$ 100,000	$ 100,000
Fixed Charges	946,145	603,438	848,450	848,450	749,574	820,805	820,805	820,805
Total Expenses	$ 1,026,160	$ 703,391	$ 951,450	$ 951,450	$ 859,574	$ 920,805	$ 920,805	$ 920,805
Intergovernmental Charges	$ 880,192	$ 912,200	$ 914,200	$ 914,200	$ 914,200	$ 914,200	$ 914,200	$ 914,200
Miscellaneous Revenues	56,490	43,460	37,000	37,000	40,000	37,716	37,716	37,716
Total Revenues	$ 936,682	$ 955,660	$ 951,200	$ 951,200	$ 954,200	$ 951,916	$ 951,916	$ 951,916

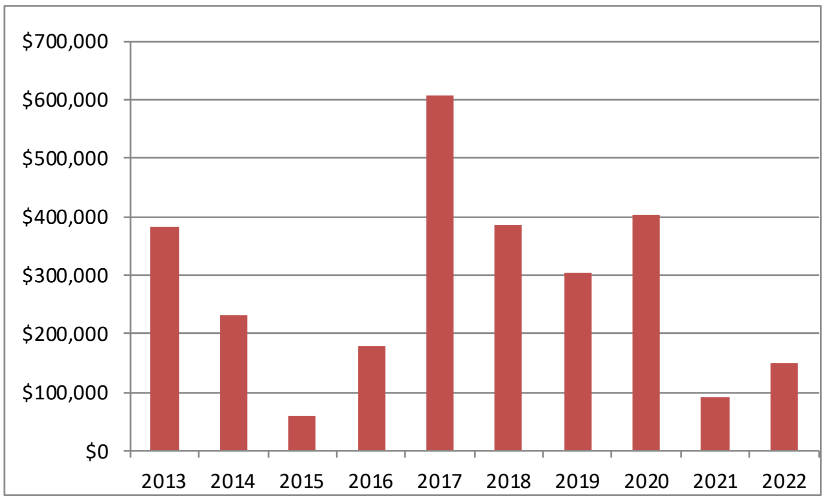
BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

The budget provides for the insurance policies and risk management administrative costs. 2013 was the first year the city maintained self-funded workers compensation program. Maintaining adequate reserves is critical as the Specific Excess Workers' Compensation policy maintains an employers' liability maximum limit per occurrence of $1,000,000. The City added pollution and cybersecurity insurance through CVMIC in recent years.

2023 policy plan costs are estimated as follows:

Employment Practices	$	27,210
Public Liability		222,000
Auto		91,000
Crime Policy		1,300
Storage Tank Liability		13,680
Building and Boiler		187,000
Airport Insurance		4,315
Workers Compensation		63,000

WORKERS COMPENSATION ACCRUED ANNUAL CLAIMS:



BUDGETARY HISTORY:

YEAR	EXPENSES	INCREASE (DECREASE) FROM THE PREVIOUS YEAR DOLLAR	PERCENT
2023	$920,805	(30,645)	-3.22%
2022	$951,450	15,315	1.64%
2021	$936,135	(14,182)	-1.49%
2020	$950,317	39,352	4.32%
2019	$910,965	(1,835)	-0.20%
2018	$912,800	(35,000)	-3.69%
2017	$947,800	33,800	3.70%
2016	$914,000	18,552	2.07%
2015	$895,448	748	0.08%
2014	$894,700	(135,300)	-13.71%
2013	$1,030,000	43,028	4.34%

YEAR	REVENUES	INCREASE (DECREASE) FROM THE PREVIOUS YEAR DOLLAR	PERCENT
2023	$951,916	716	0.08%
2022	$951,200	13,000	1.39%
2021	$938,200	(23,483)	-2.44%
2020	$961,683	36,683	3.97%
2019	$925,000	12,200	1.34%
2018	$912,800	(35,000)	-3.69%
2017	$947,800	27,300	2.97%
2016	$920,500	25,000	2.79%
2015	$895,500	(20,500)	-2.24%
2014	$916,000	(114,000)	-11.21%
2013	$1,030,000	13,000	1.13%

WORKING CAPITAL HISTORY:

2021	$1,408,356
2020	1,111,385
2019	377,734
2018	396,271
2017	434,703
2016	756,624
2015	869,164
2014	465,891
2013	296,857
2012	380,077

EMPLOYEE BENEFIT FUND

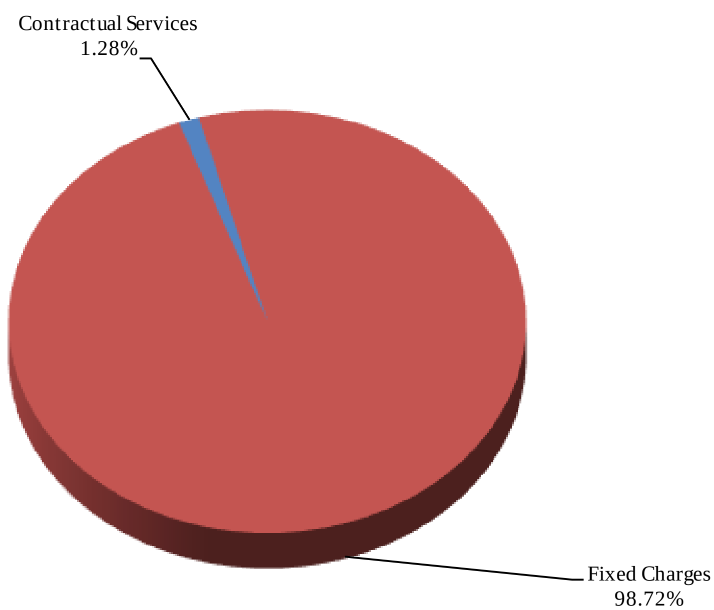
MISSION:

To account for and manage employee benefits including life and dental insurance and flexible spending and employee assistance, wellness activities along with the city's health reimbursement and health self-insurance fund.

RESPONSIBILITIES:

The Insurance Fund tracks benefit costs, manages payroll withdrawals for premium offset, and invoices retirees and the CCITC.

BUDGET:



BUDGET SUMMARY

	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommend	Adopted
Contractual Services	$ 94,666	$ 84,006	$ 84,700	$ 84,700	$ 75,700	$ 86,012	$ 86,012	$ 86,012
Fixed Charges	5,529,713	5,872,190	6,316,327	6,316,327	5,997,737	6,616,812	6,616,812	6,616,812
Total Expenses	$ 5,624,379	$ 5,956,196	$ 6,401,027	$ 6,401,027	$ 6,073,437	$ 6,702,824	$ 6,702,824	$ 6,702,824
Public Charges for Services	$ 55,365	$ 24,102	$ 58,099	$ 58,099	$ 20,494	$ 22,149	$ 22,149	$ 22,149
Intergovernmental Charges	5,597,202	5,911,437	6,380,427	6,380,427	6,042,289	6,670,087	6,670,087	6,670,087
Total Revenues	$ 5,652,567	$ 5,935,539	$ 6,438,526	$ 6,438,526	$ 6,062,783	$ 6,692,236	$ 6,692,236	$ 6,692,236

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

The city returned to an insured health plan in 2019 and has managed a self-insured dental since 2015. Life insurance is provided through the State of Wisconsin. The 2023 health insurance policy increased 9.5% and the dental remained unchanged.

BUDGETARY HISTORY:

YEAR	EXPENSES	INCREASE (DECREASE) FROM THE PREVIOUS YEAR DOLLAR	PERCENT
2023	$6,702,824	$301,797	4.72%
2022	$6,401,027	$386,288	6.42%
2021	$6,014,739	($45,832)	-0.76%
2020	$6,060,571	$333,921	5.83%
2019	$5,726,650	($70,181)	-1.21%
2018	$5,796,831	($29,445)	-0.51%
2017	$5,826,276	($245,992)	-4.05%
2016	$6,072,268	$127,409	2.14%
2015	$5,944,859	$218,209	3.81%
2014	$5,726,650	new fund	

YEAR	REVENUES	INCREASE (DECREASE) FROM THE PREVIOUS YEAR DOLLAR	PERCENT
2023	$6,692,236	$253,710	3.94%
2022	$6,438,526	$422,154	7.02%
2021	$6,016,372	$195,296	3.36%
2020	$5,821,076	$92,540	1.62%
2019	$5,728,536	($147,294)	-2.51%
2018	$5,875,830	$42,570	0.73%
2017	$5,833,260	($239,008)	-3.94%
2016	$6,072,268	$135,048	2.27%
2015	$5,937,220	$371,732	6.68%
2014	$5,565,488	new fund	

WORKING CAPITAL HISTORY:

2021	$ 1,357,069
2020	1,377,669
2019	1,349,488
2018	1,228,638
2017	704,448
2016	236,270
2015	195,028
2014	325,294
2013	717,585

CONSOLIDATED EXPENDITURES AND REVENUES - TAX INCREMENT DISTRICT FUNDS
2023 BUDGET

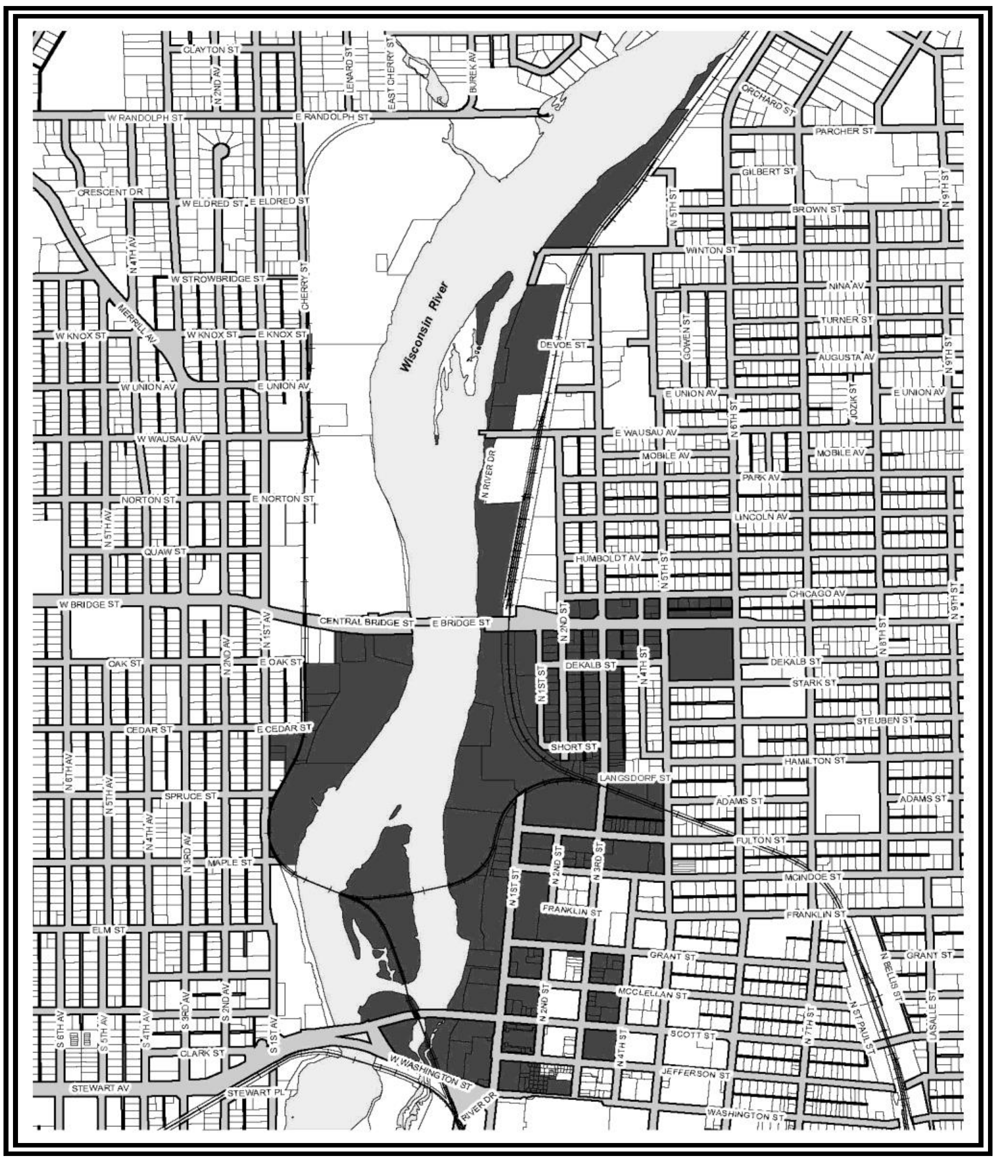
	TID #3 FUND	TID #6 FUND	TID #7 FUND	TID #8 FUND	TID #9 FUND	TID #10 FUND	TID #11 FUND	TID #12 FUND
CONTRACTUAL SERVICES	5,150	4,150	4,000	65,150	2,150	15,150	35,150	70,150
SUPPLIES & EXPENSE	-	-	-	-	-	-	-	-
DEBT SERVICE	-	-	-	-	-	-	-	-
GRANTS,CONTRIBUTIONS & OTHER	-	-	-	304,619	-	-	660,000	2,192,219
CAPITAL OUTLAY	-	-	-	2,150,000	-	300,000	350,000	3,520,000
OTHER FINANCING USES	1,890,248	2,799,375	1,877,684	688,254	60,885	141,029	912,163	774,375
TOTAL	$ 1,895,398	$ 2,803,525	$ 1,881,684	$ 3,208,023	$ 63,035	$ 456,179	$ 1,957,313	$ 6,556,744
GENERAL PROPERTY TAXES	-	-	-	-	-	-	-	-
OTHER TAXES	3,748,093	4,161,525	1,881,684	1,057,880	25,606	518,685	1,807,352	407,970
INTERGOVERNMENTAL GRANTS & AID	230,000	-	-	-	-	-	-	-
PUBLIC CHARGES FOR SERVICES	-	-	-	-	-	-	-	-
MISCELLANEOUS REVENUE	309,701	16,024	-	14,153	26,008	-	200	-
OTHER FINANCING SOURCES	-	-	-	2,150,000	-	-	-	5,437,084
TOTAL	$ 4,287,794	$ 4,177,549	$ 1,881,684	$ 3,222,033	$ 51,614	$ 518,685	$ 1,807,552	$ 5,845,054

TAX INCREMENT DISTRICT NUMBER THREE FUND

MISSION:
To fund enhancements within the District including: the Central Business District, Pick'n Save area and River's Edge.

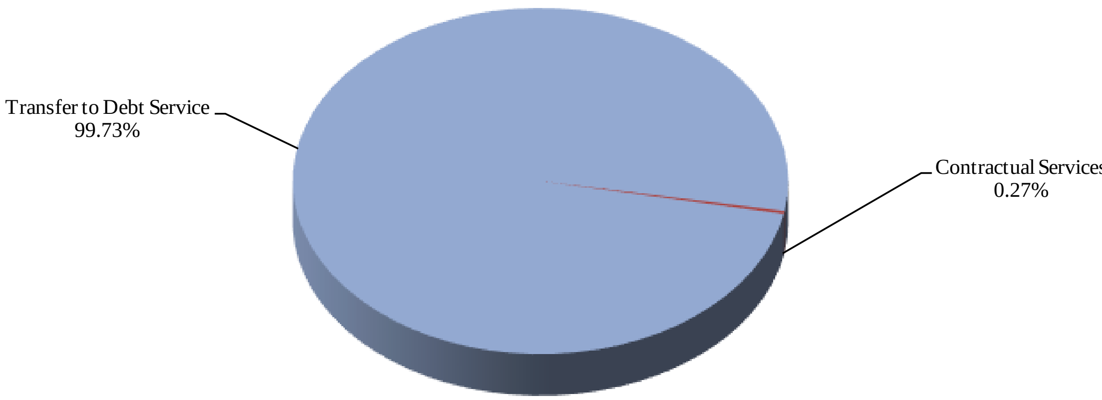
RESPONSIBILITIES:
This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to capital costs and debt service.

DISTRICT FACTS:
Creation Date: September 1, 1994
Last Date Project Costs Incurred: September 1, 2026
Mandated Final Dissolution Date: September 1, 2031



TAX INCREMENT DISTRICT NUMBER THREE FUND

BUDGET:



BUDGET SUMMARY	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 39,475	$ 12,476	$ 5,150	$ 52,070	$ 55,150	$ 5,150	$ 5,150	$ 5,150
Supplies and Expense	103,609	11,583	30,000	30,000	15,000	-	-	-
Debt Service	19,755	-	-	-	-	-	-	-
Grants, Contributions & Donations	-	-	-	-	-	-	-	-
Capital Outlay	3,142,590	-	-	-	-	-	-	-
Transfer to Debt Service	4,502,699	2,680,994	2,977,785	2,977,785	2,979,989	1,890,248	1,890,248	1,890,248
Total Expenses	$ 7,808,128	$ 2,705,053	$ 3,012,935	$ 3,059,855	$ 3,050,139	$ 1,895,398	$ 1,895,398	1,895,398
Tax Increment	$ 2,977,249	$ 3,148,159	$ 3,263,855	$ 3,263,855	$ 3,636,255	$ 3,748,093	$ 3,748,093	$ 3,748,093
Intergovernmental Grants and Aids	559,500	178,728	-	-	246,000	230,000	230,000	230,000
Miscellaneous Revenue	168,967	135,558	103,101	103,101	133,000	309,701	309,701	309,701
Transfer from Other Funds	2,458,281	-	-	-	-	-	-	-
Total Revenues	$ 6,163,997	$ 3,462,445	$ 3,366,956	$ 3,366,956	$ 4,015,255	$ 4,287,794	$ 4,287,794	$ 4,287,794

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

The budget includes administrative costs and debt retirement.

DISTRICT FUTURE OBLIGATIONS:

The District is currently retiring eight debt issues.

	Original Amount Borrowed	Repaid	Balance 12/31/2022
1995 State Trust Fund Loan	$ 750,000	$ 750,000	$ -
1996 General Obligation Bonds	757,555	757,555	-
Mirman Promissory Note	300,000	300,000	-
McDevco Promissory Note	1,146,447	1,146,447	-
1997 General Obligation Note	4,000,000	4,000,000	-
1998 General Obligation Bonds	856,402	856,402	-
2001 General Obligation Note	475,800	475,800	-
2001 State Trust Fund Loan	1,617,503	1,617,503	-
2002 State Trust Fund Loan	2,415,665	2,415,665	-
2003 State Trust Fund Loan	2,617,794	2,617,794	-
2003 State Trust Fund Loan	5,057,592	5,057,592	-
2003 State Trust Fund Loan	3,908,949	3,908,949	-
2003D General Obligation Note	3,285,000	3,285,000	-
2004A General Obligation Note	643,534	643,534	-
2004 General Obligation Refunding Bond	13,445,000	13,445,000	-
2005B General Obligation Note	2,000,000	2,000,000	-
2007 General Obligation Note	1,396,190	1,396,190	-
2008 General Obligation Note	270,000	270,000	-
2009 General Obligation Note	320,000	320,000	-
2010A General Obligation Note	1,580,447	1,580,447	-
2012A General Obligation Note - Taxable	2,725,000	2,725,000	-
2012B General Obligation Note Refunding	6,280,000	6,280,000	-
2014B General Obligation Bonds	1,185,000	505,000	680,000
2015B General Obligation Bonds	1,420,000	500,000	920,000
2015C General Obligation Bonds - Taxable	2,655,000	900,000	1,755,000
2016B General Obligation Bond	3,315,000	885,000	2,430,000
2016C Taxable Note	2,556,832	1,817,360	739,472
2017B General Obligation Bond	6,405,000	1,555,000	4,850,000
2020D Promissory Note	1,175,000	225,000	950,000
Foundation Loan - Housing	600,000	600,000	-
Foundation Loan - Scott Street Property	1,609,779		1,609,779
Foundation Loan	1,530,000	1,530,000	-
Foundation Loan - Savo Supply	358,000	358,000	-
Foundation Loan - Riverfront Property Acquisition	750,000	750,000	-
	$ 79,818,489	$ 65,884,238	$ 13,934,251

Schedule of Maturities

Year	Principal	Interest	Total
2023	1,458,498	431,750	1,890,248
2024	1,500,571	392,295	1,892,866
2025	1,535,403	350,844	1,886,247
2026	2,934,779	309,928	3,244,707
2027	1,365,000	177,180	1,542,180
2028	1,410,000	135,370	1,545,370
2029	1,445,000	91,970	1,536,970
2030	1,375,000	48,601	1,423,601
2031	910,000	13,650	923,650
	13,934,251	1,951,588	15,885,839

DISTRICT VALUATIONS:

YEAR	VALUATION	% INCREASE	INCREMENT
1994	$ 9,719,600		
1995	10,989,700	13.07%	
1996	10,100,700	-8.09%	$ 40,926
1997	10,195,800	0.94%	10,998
1998	10,596,400	3.93%	13,909
1999	11,130,900	5.04%	25,163
2000	11,377,100	2.21%	40,161
2001	17,246,000	51.59%	47,151
2002	21,877,500	26.86%	78,603
2003	25,324,400	15.76%	206,394
2004	37,527,900	48.19%	296,392
2005	46,201,500	23.11%	632,340
2006	54,013,600	16.91%	831,571
2007	61,948,100	14.69%	992,593
2008	122,085,200	97.08%	1,207,183
2009	116,758,800	-4.36%	1,922,136
2010	115,776,400	-0.84%	1,913,174
2011	113,527,400	-1.94%	1,962,727
2012	107,384,900	-5.41%	1,919,739
2013	106,038,900	-1.25%	1,764,433
2014	113,066,800	6.63%	1,752,528
2015	119,919,400	6.06%	1,868,669
2016	123,438,200	2.93%	2,108,433
2017	128,565,800	4.15%	2,214,368
2018	146,621,800	14.04%	2,324,996
2019	143,102,900	-2.40%	2,771,677
2020	145,034,800	1.35%	2,646,873
2021	154,854,600	6.77%	2,580,791
2022	173,650,900	12.14%	2,926,879

OUTSTANDING CITY DEVELOPMENT OBLIGATIONS:

The City of Wausau, on September 13, 2005, entered into a developer agreement with Dudley Investments, LLC. The development entailed the construction of a 100,000 square foot office building with costs estimated between $14,000,000 to $15,000,000. The city has agreed to provide permit parking for 500 workers downtown, construct a skywalk and provide environmental remediation and necessary upgrades to street, sidewalk, street lighting and utilities. The construction of the skywalk represents an outstanding obligation of the district.

The Wausau Common Council approved the acquisition and lease of a downtown city block from the Resurrection Parish. The purchased portion of the block is to be used for parking including but not limited to a parking lot or mixed use parking ramp. The City entered into a 10 year lease with four 10 year renewal options at an annual rent of $1. This portion of the property shall be developed by the City into 20 parking stalls and a public park or similar green space.

CASH FLOW PROJECTIONS:

The district cash flow predicts a conservative static increment for the periods of 2022 to maturity. Cash flow predicts the elimination of the negative fund balance by 2023 and provides for a return on investments through the life of the district.

CASH FLOW PROJECTION

	USES OF FUNDS				SOURCES OF FUNDS							
Year	Total Annual Debt Service Existing Issues	Adminsitrative, Consulting Services and Other Costs	Developer Incentives	Capital Expenditures	Debt Proceeds	Other Income	Advance From Other Funds	Donated Increment	Grant & Donation Income	Tax Increment	Annual Surplus (Deficit)	Accumulated Balance
ACTUAL												
1994				$92,361			$92,361				$0	$0
1995	$172,413			$2,002,575	$2,196,447		$237,495				$258,954	$258,954
1996	$2,038,966	$13,210		$260,893	$757,555	$25,705			$2,000,000	$40,926	$511,117	$770,071
1997	$185,232	$48,599		$1,456,671	$4,000,000	$31,128				$10,998	$2,351,624	$3,121,695
1998	$4,047,263	$585		$127,328	$856,402	$119,437				$13,909	($3,185,428)	($63,733)
1999	$510,334	$1,095				$10,490				$25,163	($475,776)	($539,509)
2000	$249,696			$73,791		$22,339				$40,161	($260,987)	($800,496)
2001	$1,820,137		$750,000	$110,878	$2,093,303	$39,970	$750,000	$392,198		$47,151	$641,607	($158,889)
2002	$250,875	$157	$791,372	$5,278,537	$2,415,665	$38,331	$2,669,163	$690,243	$791,372	$78,603	$362,436	$203,547
2003	$956,762	$21,834	$1,758,625	$14,642,438	$16,399,335	$580,182	$1,012,805	$686,173	$1,258,625	$206,394	$2,763,855	$2,967,402
2004	$15,106,609		$2,652,480	$950,004	$14,088,534	$69,500	$1,034,594	$679,709		$296,392	($2,540,364)	$427,038
2005	$2,533,076		$132,520	$98,129	$2,000,000	$244,642	$957,397	$710,142	$11,000	$632,340	$1,791,796	$2,218,834
2006	$2,975,010			$1,301,728		$249,334	$1,109,287	$696,683		$831,571	($1,389,863)	$828,971
2007	$3,122,630	$49,012		$1,941,789	$1,396,190	$211,985	$1,020,075	$849,518		$992,593	($643,070)	$185,901
2008	$2,439,384			$932,630	$270,000	$224,667		$2,481,850		$1,207,183	$811,686	$997,587
2009	$2,413,435	$27,371		$408,872	$320,000	$258,562		$685,107	$21,023	$1,922,136	$357,150	$1,354,737
2010	$2,461,237	$48,007		$2,016,086	$1,580,447	$173,737		$693,115	$122,763	$1,913,174	($42,094)	$1,312,643
2011	$2,614,684	$54,560	$174,000	$4,694,503		$186,335			$1,247,316	$1,962,727	($4,141,369)	($2,828,726)
2012	$8,485,562	$46,258	$275,000	$771,262	$9,005,000	$235,408			$113,927	$1,919,739	$1,695,992	($1,132,734)
2013	$2,815,752	$54,239	$1,000	$1,291,332	$1,108,000	$150,646			$166,538	$1,764,433	($972,706)	($2,105,440)
2014	$2,627,195	$71,919		$2,267,481	$1,595,000	$92,960			$383,456	$1,752,528	($1,142,651)	($3,248,091)
2015	$2,224,813	$132,683		$4,476,374	$4,075,000	$167,081			$1,428,463	$1,868,669	$705,343	($2,542,748)
2016	$2,123,431	$219,116	$1,420,079	$6,968,324	$8,414,779	$88,236		$1,434,277	$1,152,337	$2,108,433	$2,467,112	($75,636)
2017	$3,052,086	$571,498	82,384	2,915,824	$6,405,000	$806,414		$1,321,470	$1,666,750	$2,214,368	$5,792,210	$5,716,574
2018	$3,435,523	$122,044	$499,999	3,671,051		$241,020		$1,300,537	$1,154,650	$2,324,996	($2,707,414)	$3,009,160
2019	$3,253,789	$92,553	2,190,767	2,303,850		$285,414		$1,119,579	$36,200	$2,771,677	($3,628,089)	($618,929)
2020	$3,589,286	$1,036,777		$3,182,065	$1,235,573	$432,586		$1,222,708	$626,257	$2,646,873	($1,644,131)	($2,263,060)
2021	$2,680,994	$13,287		$10,773		$698,927			$182,728	$2,580,791	$757,392	($1,505,668)
ESTIMATED												
2022	$2,979,989	$55,150		$15,000		$379,000				$2,926,979	$255,840	($1,249,828)
2023	$1,890,248	$5,150				$379,000				$2,900,000	$1,383,602	$133,774
2024	$1,892,866	$35,000				$379,000				$2,900,000	$1,351,134	$1,484,908
2025	$1,886,247	$35,000				$379,000				$2,900,000	$1,357,753	$2,842,661
2026	$3,244,707	$35,000				$379,000				$2,900,000	($707)	$2,841,954
2027	$1,542,180	$35,000				$379,000				$2,900,000	$1,701,820	$4,543,774
2028	$1,545,370	$35,000				$379,000				$2,900,000	$1,698,630	$6,242,404
2029	$1,536,970	$35,000				$379,000				$2,900,000	$1,707,030	$7,949,434
2030	$1,423,601	$35,000				$379,000				$2,900,000	$1,820,399	$9,769,833
2031	$923,650	$35,000				$379,000				$2,900,000	$2,320,350	$12,090,183
	$ 97,052,002	$ 2,965,104	$ 10,728,226	$ 64,262,549	$ 80,212,230	$ 9,475,036	$ 8,883,177	$ 14,963,309	$ 12,363,405	$ 61,200,907		

TAX INCREMENT DISTRICT NUMBER SIX FUND

MISSION:

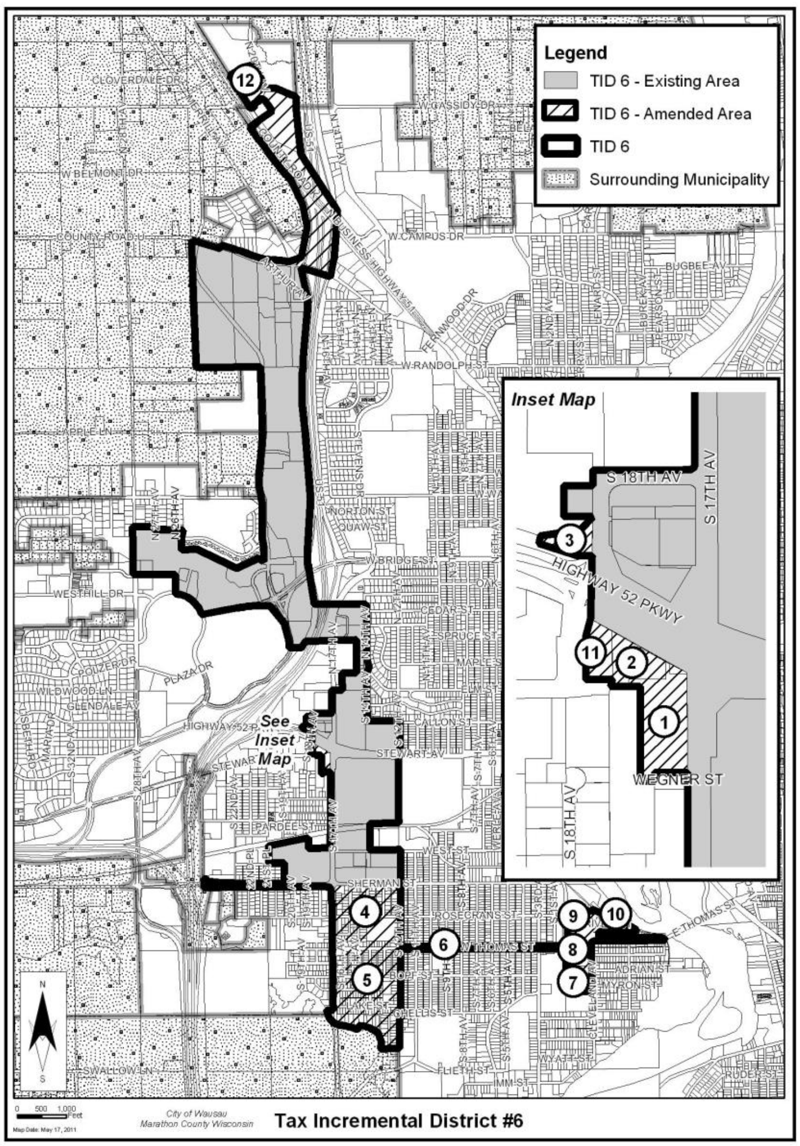
To fund public infrastructure within the district and assist with development and redevelopment of the area which is located along the Interstate I-39 corridor with the northern border as County Road U and Thomas Street as the southern border.

RESPONSIBILITIES:

This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to debt service and other eligible capital costs.

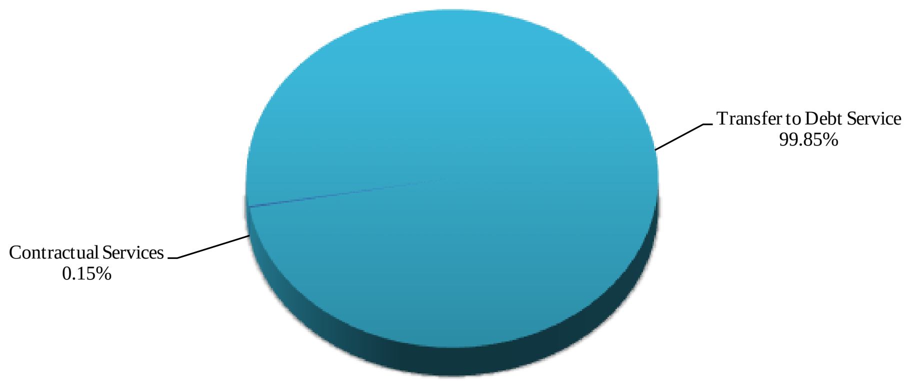
DISTRICT FACTS:

Creation Date: May 11, 2005
Last Date Project Costs Incurred: May 10, 2020
Mandated Final Dissolution Date: May 10, 2025



TAX INCREMENT DISTRICT NUMBER SIX FUND

BUDGET:



BUDGET SUMMARY

	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 85,442	$ 73,182	$ 4,150	$ 4,150	$ 44,150	$ 4,150	$ 4,150	$ 4,150
Debt Service	-	26,299	-	-	-	-	-	-
Grants & Contributions	22,905	-	-	-	-	-	-	-
Capital Outlay	2,411,454	302,180	-	0	-	-	-	-
Transfer to Debt Service	2,690,722	5,633,926	2,881,998	2,881,998	2,881,998	2,799,375	2,799,375	2,799,375
Total Expenses	$ 5,210,523	$ 6,035,587	$ 2,886,148	$ 2,886,148	$ 2,926,148	$ 2,803,525	$ 2,803,525	$ 2,803,525
Taxes	$ 2,914,375	$ 3,127,715	$ 3,861,942	$ 3,861,942	$ 3,853,570	$ 4,161,525	$ 4,161,525	$ 4,161,525
Governmental Grants & Aids	-	-	-	-	-	-	-	-
Public Charges	6,622	-	-	-	-		-	-
Miscellaneous	16,982	25,620	16,905	16,905	18,650	16,024	16,024	16,024
Other Financing Sources	2,986,000	1,882,260	-	-	-	-	-	-
Total Revenues	$ 5,923,979	$ 5,035,595	$ 3,878,847	$ 3,878,847	$ 3,872,220	$ 4,177,549	$ 4,177,549	$ 4,177,549

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

The expenditure period of the district concluded in 2020. The balance of the district's life will be retiring debt and minor administrative efforts. The cash flow predicts the district could close as early as 2024 with excess of $300,000. Since the district will have excess increment in 2023, we are exploring a debt call to retire debt early and save additional interest.

DISTRICT OBLIGATIONS:

The district is currently retiring six general obligation note issues.

	Original Amount Borrowed	Repaid	Balance 12/31/2022
2005A General Obligation Note	$1,539,475	$1,539,475	$0
2010A General Obligation Note	$400,000	$400,000	$0
2011A General Obligation Note	$1,244,970	$1,244,970	$0
2012B General Obligation Note	$700,000	$700,000	$0
2013A General Obligation Note	$2,065,000	$1,865,000	$200,000
2016A General Obligation Note	$4,515,000	$2,950,000	$1,565,000
2017A General Obligation Note	$3,615,000	$2,210,000	$1,405,000
2018A General Obligation Note	$3,440,000	$1,900,000	$1,540,000
2019A General Obligation Note	$3,130,000	$1,545,000	$1,585,000
2021A General Obligation Note	$1,780,000	$420,000	$1,360,000
2020 State Trust Fund Loan	$2,986,000	$2,986,000	$0
	$25,415,445	$17,760,445	$7,655,000

Schedule of Maturities

	Principal	Interest	Total
2023	2,605,000	194,375	2,799,375
2024	2,495,000	108,200	2,603,200
2025	2,555,000	32,925	2,587,925
	$7,655,000	$335,500	$7,990,500

DISTRICT VALUATIONS:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
2005	$17,932,100	-
2006	$39,655,100	121.14%
2007	$42,219,200	6.47%
2008	$51,835,100	22.78%
2009	$54,884,200	5.88%
2010	$58,568,400	6.71%
2011	$67,791,800	15.75%
2012	$114,664,700	69.14%
2013	$122,149,700	6.53%
2014	$136,362,600	11.64%
2015	$138,977,200	1.92%
2016	$138,440,700	-0.39%
2017	$163,350,300	17.99%
2018	$182,937,300	11.99%
2019	$185,917,600	1.63%
2020	$198,944,700	7.01%
2021	$222,689,800	11.94%
2022	$234,477,800	5.29%

OUTSTANDING CITY DEVELOPMENT OBLIGATIONS:

In conjunction with redevelopment and development projects the Common Council authorized the following loan to developers. The balance outstanding at 12/31/2021:

	Term	Interest Rate	Deferral Period	Balance Outstanding
Briq's Soft Serve, LLC	10 Years	2.75%	6 months	$ 16,547
Thunder Lube, Inc.	15 Years	2.00%	7 Years	55,200
World Market	15 Years	3.30%	2 months	84,462
World Market - forgivable	5 Years	3.30%	5 Years	10,000
Union Stations LLC	10 years	0%	10 years	-
				$ 166,209

CASH FLOW PROJECTIONS:

TID #6 CASH FLOW PROJECTIONS

		USES OF FUNDS				SOURCES OF FUNDS						
	Year	Total Annual Debt Service	Administrative, Organization, & Discretionary Costs	Developer Incentives	Capital Expenditures	Other Income	Loan Repayments	Special Assessment Income	Debt Proceeds	Tax Increment	Annual Surplus (Deficit)	Cumulative Balance
	ACTUAL											
1	2005		$82,793		$1,362,222	$14,567			$1,539,475		$109,027	$109,027
2	2006	$185,737	$14,395		$327,530	$3,615					($524,047)	($415,020)
3	2007	$178,803	$18,028		$76,024	$73,470				$449,635	$250,250	($164,770)
4	2008	$188,711	$56,664	$183,962	$203,833	$37,998		$30,896		$520,672	($43,604)	($208,374)
5	2009	$187,783	$12,276	$553,595	$984	$34,058		$7,678		$730,190	$17,288	($191,086)
6	2010	$192,133	$29,845		$360,870	$61,464		$7,134	$400,000	$858,034	$743,784	$552,698
7	2011	$243,819	$31,929	$257,466	$455,652	$62,465		$8,405	$1,244,970	$991,225	$1,318,199	$1,870,897
8	2012	390,527	$30,329	$340,876	$1,948,737	$90,268		$5,483	$700,000	$1,059,794	($854,924)	$1,015,973
9	2013	557,757	$43,797	$455,939	$3,496,673	$135,209		$73,155	$2,065,000	$955,238	($1,325,564)	($309,591)
10	2014	$769,690	$44,120	$571,777	$315,483	$98,478		$104,853		$1,176,485	($321,254)	($630,845)
11	2015	$703,182	$152,588	$294,311	$300,311	$85,647	$22,854	$39,605		$1,507,029	$204,743	($426,102)
12	2016	$497,031	$174,790	$141,032	$3,086,671	$116,335	$11,575	$38,472	$4,515,000	$1,620,763	$2,402,621	$1,976,519
13	2017	$1,211,244	$178,464	$75,000	$4,689,869	$561,863	$10,039	$38,342	$3,615,000	$1,613,164	($316,169)	$1,660,350
14	2018	$1,649,226	$74,718		$2,989,782	$124,365	$11,656	$24,350	$3,572,364	$2,267,884	$1,286,893	$2,947,243
15	2019	$2,198,813	$295,289	$299,000	$7,333,594	$163,288	$310,373	$5,222	$3,257,742	$2,726,109	($3,663,962)	($716,719)
16	2020	$2,690,722	$91,512		$2,428,290	$144,829	$13,162	$6,622	$2,986,000	$2,773,367	$713,456	($3,263)
17	2021	$5,660,225	$20,390		$354,972	$145,784	$25,620		$1,882,260	$2,981,932	($999,991)	($1,003,254)
	ESTIMATED											
18	2022	$2,881,998	$4,150		$40,000	$141,008	$18,650			$3,712,562	$946,072	($57,182)
19	2023	$2,799,375	$4,150			$141,008	$16,024			$4,020,517	$1,374,024	$1,316,842
20	2024	$2,603,200	$4,150			$141,008	$17,000			$4,020,517	$1,571,175	$2,888,017
21	2025	$2,587,925	$4,150			$141,008	$17,000			$4,020,517	$1,586,450	$4,474,467
	TOTAL	28,377,901	1,368,527	3,172,958	29,771,497	2,517,735	473,953	390,217	25,777,811	38,005,634		

TAX INCREMENT DISTRICT NUMBER SEVEN FUND

MISSION:

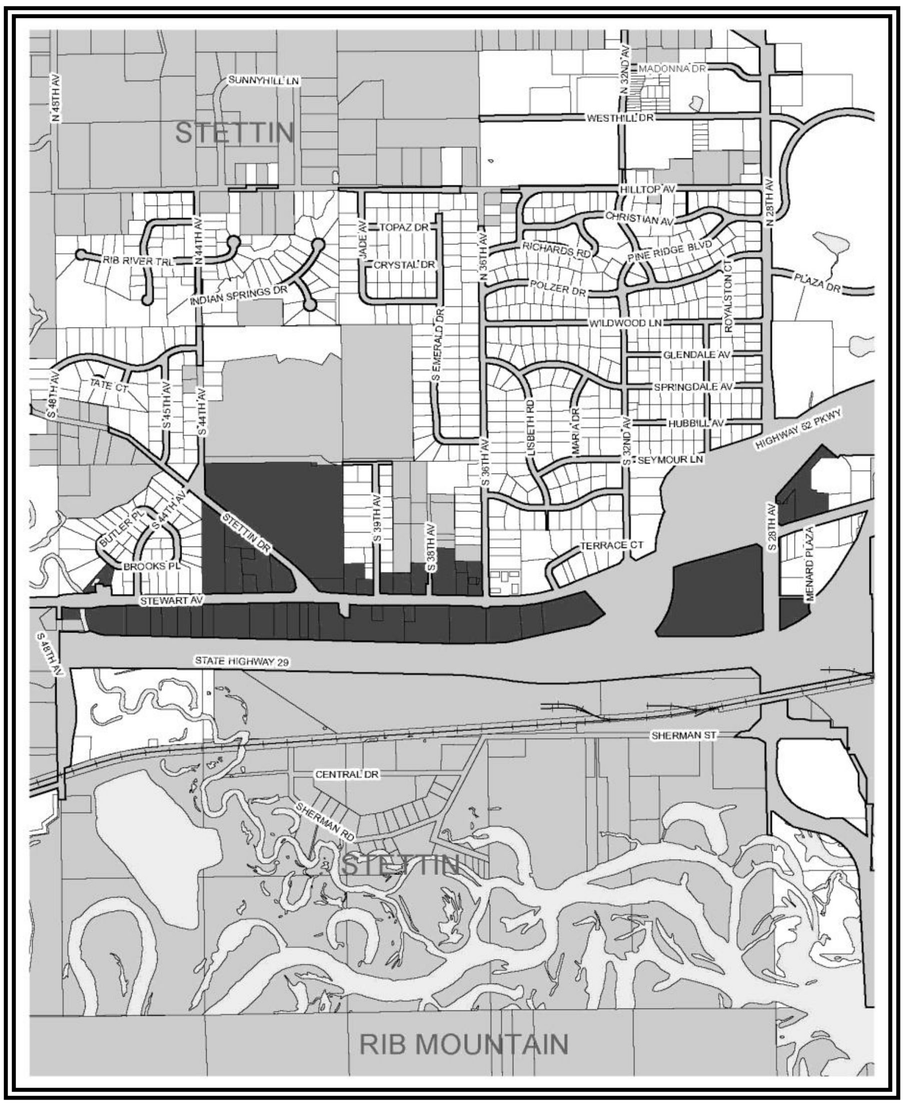
To fund the public infrastructure and related development project costs within the district which is located within the Highway 29 corridor and West Stewart Avenue corridor. The east to west boundaries can generally be described as running from 28th Avenue to the east and 48th Avenue to the West. This district is a mixed-use tax increment district and includes the Menards retail building.

RESPONSIBILITIES:

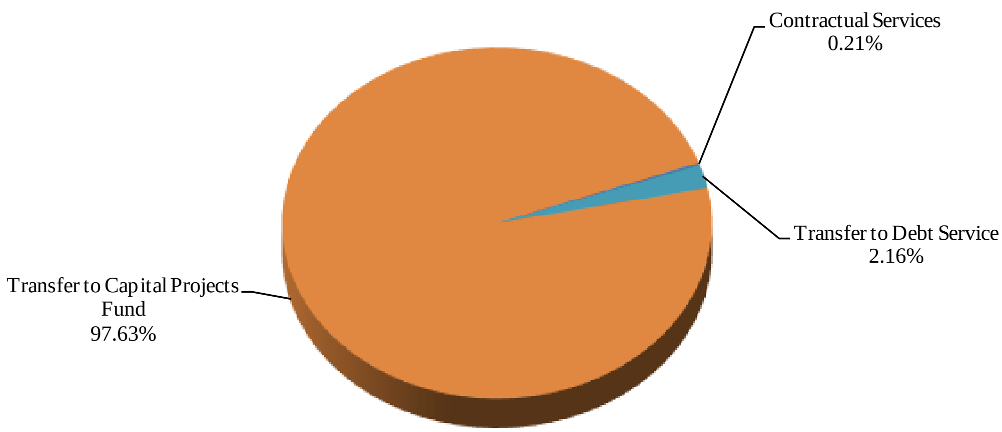
This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to debt service and other eligible capital costs.

DISTRICT FACTS:

Creation Date: January 11, 2006
Last Date Project Costs Incurred: January 10, 2021
Mandated Final Dissolution Date: January 10, 2026



BUDGET:



BUDGET SUMMARY	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 23,544	$ 14,575	$ 4,150	$ 4,150	$ 4,150	$ 4,000	$ 4,000	$ 4,000
Grants & Contributions	-	264,116	-	-	-	-	-	-
Capital Outlay	1,070,557	79,630	-	-	-	-	-	-
Debt Service	-	11,340	15,120	15,120	11,970	-	-	-
Transfer to Debt Service	51,350	42,400	41,600	41,600	41,600	40,600	40,600	40,600
Transfer to Capital Projects Fund	-	-	394,959	394,959	275,263	1,837,084	1,837,084	1,837,084
Total Expenses	$ 1,145,451	$ 412,061	$ 455,829	$ 455,829	$ 332,983	$ 1,881,684	$ 1,881,684	$ 1,881,684
Taxes	$ 790,066	$ 1,049,954	$ 1,525,946	$ 1,525,946	$ 1,522,571	$ 1,881,684	$ 1,881,684	$ 1,881,684
Total Revenues	$ 790,066	$ 1,049,954	$ 1,525,946	$ 1,525,946	$ 1,522,571	$ 1,881,684	$ 1,881,684	$ 1,881,684

BUDGET HIGHLIGHTS:

The 2023 budget shows the debt service payments, minor administrative payments, and an allocation to TID #12.

DISTRICT FUTURE OBLIGATIONS:

The district is currently retiring the final debt issue. These issues are detailed below along with a consolidated schedule of maturities**.**

	Original Amount Borrowed	Repaid	Balance 12/31/2022
2006A General Obligation Note	$ 350,000	$ 350,000	$ -
2007A General Obligation Note	469,962	469,962	-
2008A General Obligation Note	3,655,000	3,655,000	0
2009A General Obligation Note	680,000	680,000	0
2010A General Obligation Note	78,000	78,000	0
2012B General Obligation Note	110,105	110,105	0
2013B General Obligation Note	445,000	405,000	40,000
2014A GO (to refinance 2007 Issue)	135,000	135,000	-
	$ 5,923,067	$ 5,883,067	$ 40,000

	PRINCIPAL	INTEREST	TOTAL
2023	40,000	600	40,600
	40,000	600	40,600

INCREMENT SHARING WITH TID #12

The City of Wausau Common Council adopted a project plan amendment to share excess increment with Tax Increment District 12. The first allocation is expected to occur in 2022. Increment sharing is noted on the cash flow projections.

DISTRICT VALUATIONS:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
Base Value	$29,525,900	-
2007	33,464,200	13.34%
2008	45,606,100	36.28%
2009	43,049,900	-5.60%
2010	44,101,100	2.44%
2011	43,069,800	-2.34%
2012	41,341,000	-4.01%
2013	44,562,100	7.79%
2014	49,545,600	11.18%
2015	50,526,800	1.98%
2016	48,662,900	-3.69%
2017	64,740,300	33.04%
2018	58,546,000	-9.57%
2019	68,348,900	16.74%
2020	69,814,300	2.14%
2021	86,717,600	24.21%
2022	101,000,700	16.47%

TAX INCREMENT DISTRICT NUMBER SEVEN FUND

CASH FLOW PROJECTIONS:

Accumulated deficits were funded in 2022 and the district will make its first contribution to TID #12.

		USES OF FUNDS					SOURCES OF FUNDS						
	Year	Existing Annual Debt Service	Advance Interest	Administrative, Organization, & Discretionary Costs	Developer Incentives	Other Project Costs	Other Income	Special Assessment Income	Debt Proceeds	Tax Increment	Annual Surplus (Deficit)	Increment Donation to TID#12	Cumulative Balance
ACTUAL													
1	2006	$2,454		$8,963		$341,235			$350,000		($2,652)		($2,652)
2	2007	$62,953		$43,501		$629,179	$4,418		$469,962		($261,253)		($263,905)
3	2008	$153,820		$7,223		$3,404,359	$6,523	$142,006	$3,655,000	$100,046	$338,173		$74,268
4	2009	$607,955		$5,006		$980,731	$7,849	$73,225	$680,000	$389,929	($442,689)		($368,421)
5	2010	$663,182		$16,716		$173,275	$10,541	$46,848	$78,000	$349,929	($367,855)		($736,276)
6	2011	$647,328		$17,500		$51,357	$13,500	$47,650		$392,106	($262,929)		($999,205)
7	2012	$735,028		$11,718		$852	$10,871	$35,776	$110,105	$367,717	($223,129)		($1,222,334)
8	2013	$631,824		$12,589	$438,484	$17,697	$24,203	$6,664	$445,000	$322,877	($301,850)		($1,524,184)
9	2014	$671,117		$7,002		$2,595	$11,136			$416,819	($252,759)		($1,776,943)
10	2015	$631,954		$9,619	$75,000	$41,432	$8,039			$532,544	($217,422)		($1,994,365)
11	2016	$613,851		$5,850		$440	$40,442			$574,301	($5,398)		($1,999,763)
12	2017	$562,113		$2,807		$117,240	$9,493			$525,634	($147,033)		($2,146,796)
13	2018	$505,835		$3,903			$9,632			$954,823	$454,717		($1,692,079)
14	2019	$130,545		$5,051	$435,942		$19,796			$774,874 *	$223,132		($1,468,947)
15	2020	$51,350		$23,544	$260,884	$1,070,556	$26,267			$1,024,683	($355,384)		($1,824,331)
16	2021	$42,400	$11,340	$14,575	$264,116	$79,630	$32,737			$1,017,217	$637,893		($1,186,438)
ESTIMATED													
17	2022	$41,600	$11,970	$4,150			$26,266			$1,496,305	$1,461,701	$275,263	$0
18	2023	$40,600		$4,000			$26,266			$1,855,418	$1,837,084	$1,837,084	$0
19	2024						$26,266			$1,855,418	$1,881,684	$1,881,684	$0
20	2025						$26,266			$1,855,418	$1,881,684	$1,881,684	$0
21	2026						$26,266			$1,855,418	$1,881,684	$1,881,684	$0
TOTAL		$6,795,909	$23,310	$203,717	$1,474,426	$6,910,578	$287,979	$352,169	$5,788,067	$16,661,476		$7,757,399	

TAX INCREMENT DISTRICT NUMBER EIGHT FUND

MISSION:

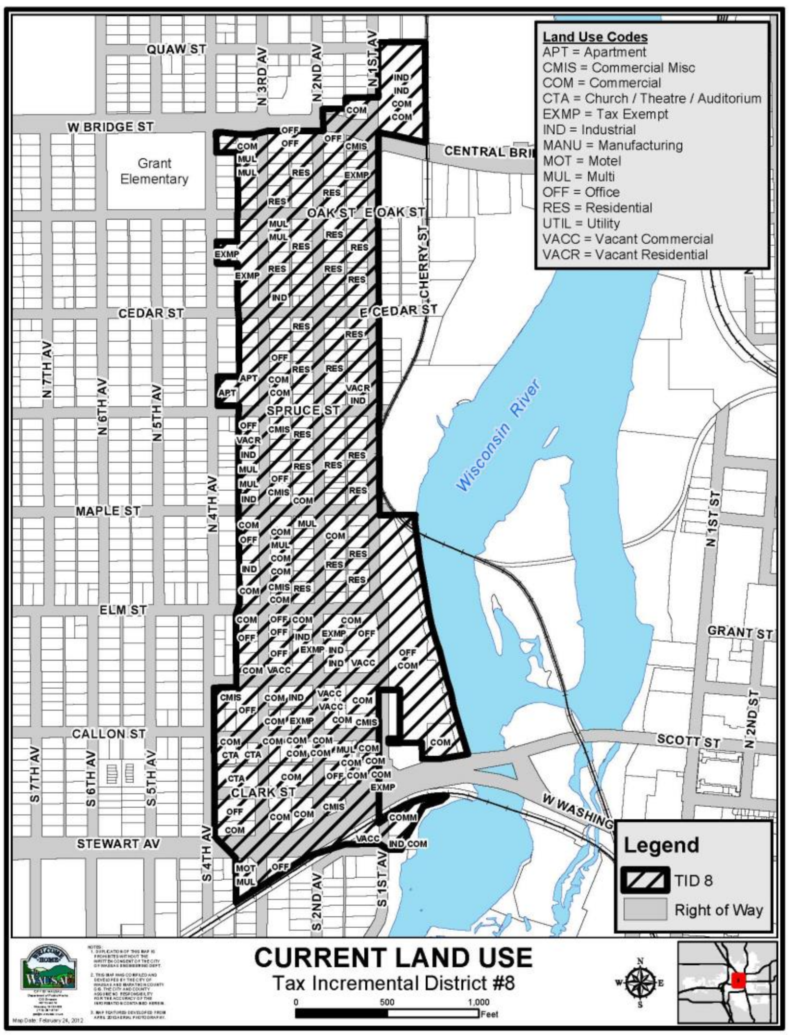
To fund public infrastructure, support economic development and blight elimination within the district. This district will complement the efforts of Tax Increment District Number Three located on the east side of the river.

RESPONSIBILITIES:

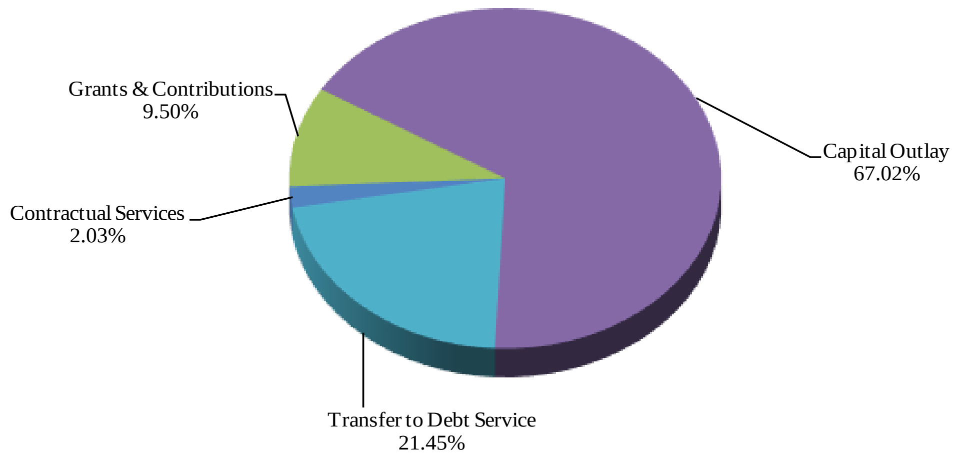
This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to capital costs and debt service.

DISTRICT FACTS:

Creation Date: April 10, 2012
Last Date Project Costs Incurred: April 10, 2034
Mandated Final Dissolution Date: April 10, 2039



BUDGET:



BUDGET SUMMARY								
	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 207,564	$ 35,708	$ 18,000	$ 18,000	$ 74,150	$ 65,150	$ 65,150	$ 65,150
Debt Service	15,468	-	-	-	-	-	-	-
Grants & Contributions	1,517,000	390,178	270,000	270,000	346,901	304,619	304,619	304,619
Capital Outlay	1,158,948	102,790	-	-	8,000	2,150,000	2,150,000	2,150,000
Transfer to Debt Service	1,082,209	750,874	702,170	702,170	702,170	688,254	688,254	688,254
Total Expenses	$ 3,981,189	$ 1,279,550	$ 990,170	$ 990,170	$ 1,131,221	$ 3,208,023	$ 3,208,023	$ 3,208,023
Taxes	$ 420,663	$ 444,286	$ 871,831	$ 871,831	$ 870,373	$ 1,057,880	$ 1,057,880	$ 1,057,880
Public Charges	3,551	-	-	-	-	-	-	-
Miscellaneous	12,481	5,214	14,303	14,303	293,227	14,153	14,153	14,153
Debt Proceeds	1,900,638		-	-	-	2,150,000	2,150,000	2,150,000
Total Revenues	$ 2,337,333	$ 449,500	$ 886,134	$ 886,134	$ 1,163,600	$ 3,222,033	$ 3,222,033	$ 3,222,033

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

The 2023 budget provides for administrative costs, debt retirement and developer obligation payments. In addition, the budget provides for street construction costs for 17th Avenue and $350,000 of concrete repair.

VALUATION HISTORY:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
2012	$35,408,900	
2013	35,157,500	-0.71%
2014	40,684,200	15.72%
2015	42,521,400	4.52%
2016	39,478,200	-7.16%
2017	39,580,000	0.26%
2018	45,036,800	13.79%
2019	44,493,800	-1.21%
2020	43,117,700	-3.09%
2021	66,093,100	53.29%
2022	73,516,800	11.23%

DISTRICT FUTURE OBLIGATIONS:

The district is retiring four debt issues.

	Original Amount Borrowed	Repaid	12/31/2022
2014 Foundation Loan	$ 190,000	190,000	$ -
2016 Foundation Loan	200,000	200,000	-
2015 A Promissory Note	1,020,000	695,000	325,000
2016 C General Obligation Bond	1,488,168	506,000	982,168
2019 A General Obligation Note	2,335,000	725,000	1,610,000
2020 D General Obligation Note	920,000	175,000	745,000
	$ 6,153,168	$ 2,491,000	$ 3,662,168

Schedule of Maturities

	Principal	Interest	Total
2022	613,000	89,170	702,170
2023	613,000	75,253	688,253
2024	642,000	60,799	702,799
2025	642,168	45,660	687,828
2026	375,000	34,818	409,818
2027	380,000	26,922	406,922
2028	385,000	18,908	403,908
2029	390,000	10,663	400,663
2030	145,000	4,687	149,687
2031	50,000	2,113	52,113
2032	40,000	650	40,650
	$ 4,275,168	$ 369,643	$ 4,644,811

PROJECT PLAN AMENDMENT:

The 2023 budget anticipates a project plan amendment to add project costs will be approved in early 2023. Based upon the Finance Committee recommendations the plan will add project costs related to the reconstruction of 17th Avenue and concrete repairs. The costs of the 17th project would be the issuance of debt of $2,150,000.

OUTSTANDING CITY DEVELOPER OBLIGATIONS:

On December 30th, 2019, the city entered into an agreement with Roland Lokre and 1401 Elm Street for the redevelopment of Mountain Lanes and construction of multifamily housing. The agreement requires the developer invest a minimum of $7.5 million in construction costs. In exchange the city will provide a tax increment allocation to the developer totaling $601,520 paid annually at 100% of the project increment in no more than 8 annual installments.

On January 17, 2020, the City of Wausau entered into a developer agreement with Wausau Opportunity Zone, Inc. to facilitate the purchase of the Wausau Center Mall. WOZ purchased the Wausau Center Mall. The city agreed to the following:

- to terminate the existing ground lease and parking agreements
- to provide a $1,000,000 forgivable loan
- to provide an annual $327,000 TID grant plus CPI for a period of no more than 7 years
- to sell Sears to WOZ for $1
- Provide the developer the option to purchase the Sears and Penney's Parking Ramps.

This agreement was modified in January of 2021. The amendment reduced the loan to $660,000 and established an annual repayment schedule of $110,000 beginning on the 1st day of July of the calendar year immediately following the calendar year in which the ROW dedication occurs. In addition, the City's annual $327,000 TID grant obligation terminated after the first payment.

On July 16, 2020, the city entered into a developer agreement with Nidus Holding Company LLC and JayJeet M Govardhan to renovate the Plaza Hotel. The developer will divide the existing parcel into three new parcels. Two will be redeveloped with new construction. The hotel parcel will be redeveloped. The Developer will invest $1.4 million in the project. In exchange the city provided a $190,000 loan with an interest rate of 1.5% paid in equal installments over 72 months beginning October 2021. The agreement also provides for a single Tax Increment Grant in the amount of $50,000.

On April 14, 2020, the Common Council authorized a developer agreement for the construction of multi-family housing on the newly divided Plaza Hotel parcel. The terms of the authorization require the developer invest $17 million of construction costs. In exchange, the city will provide a $450,000 grant to offset demolition and improvements. In addition, the city will provide tax increment allocation for each phase of the project. The city will provide no more than $450,000 over a period not to exceed 5 years computed as 50% of available increment.

The projected outflows of these executed agreements are as follows:

TID 8 DEVELOPER PAYOUT

			Paid	Paid	Projected								
		Authorized	12/31/2020	12/31/2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Lokre Development	G	900,000		350,000			249,600	200,400					800,000
1401 Elm Street LLC (Mountain Lanes)	G	601,520	-	-	296,901	304,619	-		-	-	-	-	601,520
Nidus Holding Co	G	50,000		-	50,000	-	-	-	-	-	-	-	50,000
Nidus Holding Co	L	190,000	190,000	-	-	-	-	-	-	-	-	-	190,000
Wausau Opportunity Zone, Inc.	L	1,000,000	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Wausau Opportunity Zone, Inc.	G	2,289,000	327,000	-	-	-	-	-	-	-	-	-	327,000
TFB MI -LLC	L	275,000	275,000	-	-	-	-	-	-	-	-	-	275,000
TFB MI - LLC	G	287,500	146,282	40,178	-	-	-	-	-	-	-	-	186,460
Total		$ 5,593,020	$ 1,938,282	$ 390,178	$ 346,901	$ 304,619	$ 249,600	$ 200,400	$ -	$ -	$ -	$ -	$ 3,429,980

G = Grant
L = Loan

TAX INCREMENT DISTRICT NUMBER EIGHT FUND

CASH FLOW PROJECTIONS:

The district anticipates the continuation of a manageable deficit which will be funded by the General Fund.

CITY OF WAUSAU
TAX INCREMENTAL DISTRICT NUMBER EIGHT
CASH FLOW PROJECTIONS

		USES OF FUNDS						SOURCES OF FUNDS				
	Year	Annual Projected Debt Service	Administrative, Organization & Discretionary Costs	17th Avenue Debt	Developer Payments	CVS Tax Claim	Capital Expenditures	Net Debt Proceeds	Other Income	Tax Increment	Annual Surplus (Deficit)	Cumulative Balance
ACTUAL												
1	2012		$7,801								($7,801)	($7,801)
2	2013		10,390				7,681				(18,071)	(25,872)
3	2014	372	5,717				235,993	190,000	183,660		131,578	105,706
4	2015	8,957	21,155				76,326	1,020,000	199,366	140,328	1,253,256	1,358,962
5	2016	118,441	96,623		275,000	42,835	1,819,722	755,000	231,968	194,502	(1,171,151)	187,811
6	2017	154,714	19,576		57,500		25,496		198,481	111,771	52,966	240,777
7	2018	159,542	9,813		-		124,821		195,888	113,098	14,810	255,587
8	2019	350,378	32,270		45,866		1,356,174	2,767,210	211,879	257,077	1,451,478	1,707,065
9	2020	712,677	496,865		1,559,916		1,254,646	967,470	1,172,995	239,784	(1,643,855)	63,210
10	2021	750,874	31,074		390,178		107,424		254,862	194,635	(830,053)	(766,843)
ESTIMATED												
11	2022	702,170	74,150		346,901		8,000		517,022	646,578	30,357	(736,486)
12	2023	688,254	65,150		304,619		2,150,000	2,150,000	237,948	834,085	14,010	(722,476)
13	2024	702,799	6,000	250,000	249,600				237,948	995,000	24,549	(697,927)
14	2025	687,828	6,000	250,000	200,400				237,948	995,000	88,720	(609,207)
15	2026	409,818	6,000	250,000	-				237,948	995,000	567,130	(42,077)
16	2027	406,922	6,000	250,000	-				237,948	995,000	570,026	527,949
17	2028	403,908	6,000	250,000	-				237,948	995,000	573,040	1,100,989
18	2029	400,663	6,000	250,000	-				237,948	995,000	576,285	1,677,274
19	2030	149,687	6,000	250,000					237,948	995,000	827,261	2,504,535
20	2031	52,113	6,000	250,000					237,948	995,000	924,835	3,429,370
21	2032	40,650		250,000					237,948	995,000	942,298	4,371,668
22	2033			250,000					237,948	995,000	982,948	5,354,616
	TOTAL	$6,900,767	$918,584	$2,500,000	$3,429,980	$42,835	$7,166,283	$7,849,680	$5,783,549	$12,681,858		

2023 CAPITAL		
17th Avenue Stewart to Elm St		
Sanitary Sewer	$	200,000
Water Mains	$	220,000
Stormwater	$	150,000
Street	$	1,230,000
Concrete Repairs		
Various locations within the 1/2miles	$	350,000

TAX INCREMENT DISTRICT NUMBER NINE FUND

MISSION:

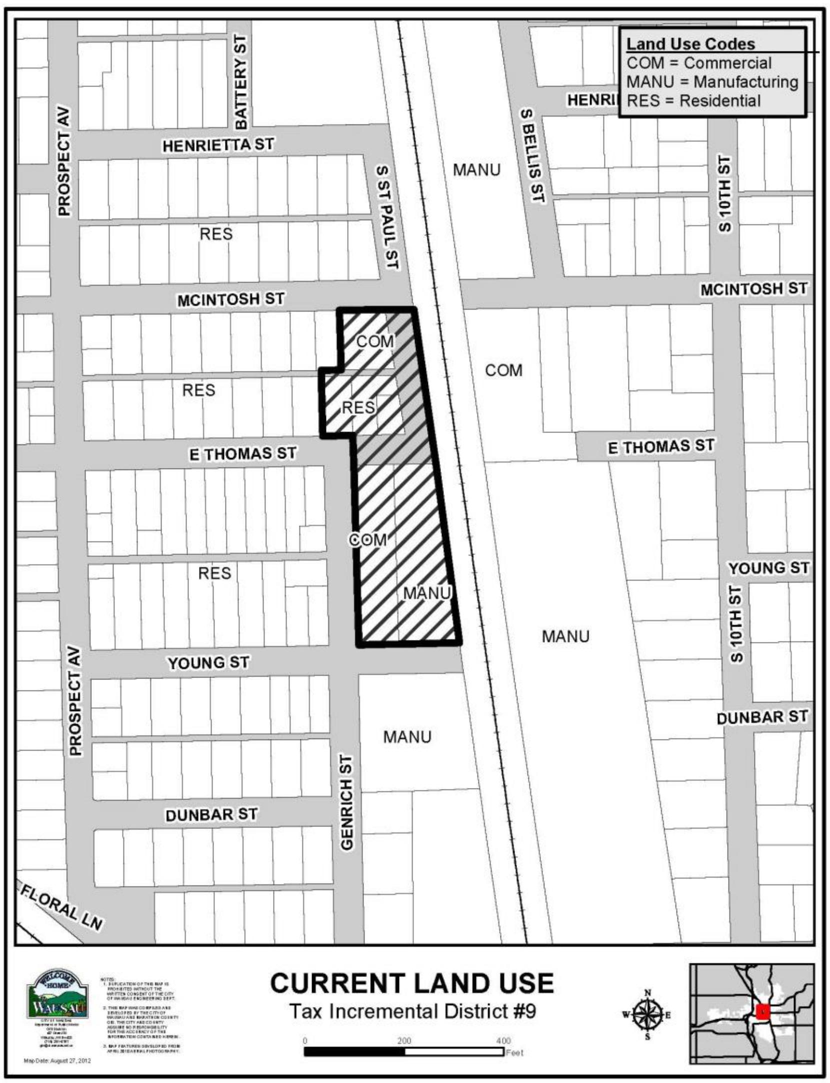
To fund public infrastructure, support economic development and blight elimination within the district. This district was specifically created to facilitate expansion of Big Bull Falls Brewery.

RESPONSIBILITIES:

This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to capital costs and debt service.

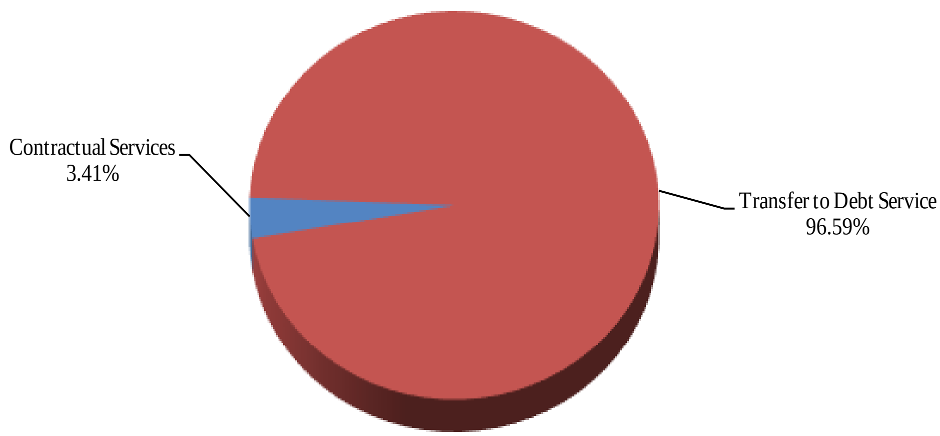
DISTRICT FACTS:

Creation Date: September 25, 2012
Last Date Project Costs Incurred: September 25, 2034
Mandated Final Dissolution Date: September 25, 2039



TAX INCREMENT DISTRICT NUMBER NINE FUND

BUDGET:



BUDGET SUMMARY								
	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 1,751	$ 2,373	$ 2,150	$ 2,150	$ 2,150	$ 2,150	$ 2,150	$ 2,150
Transfer to Debt Service	65,520	664,125	65,280	65,280	65,280	60,885	60,885	60,885
Total Expenses	$ 67,271	$ 666,498	$ 67,430	$ 67,430	$ 67,430	$ 63,035	$ 63,035	$ 63,035
Taxes	26,931	28,839	18,504	18,504	$ 18,467	$ 25,606	$ 25,606	$ 25,606
Miscellaneous	-	20,059	26,007	26,007	26,007	26,008	26,008	26,008
Total Revenues	$ 26,931	$ 48,898	$ 44,511	$ 44,511	$ 44,474	$ 51,614	$ 51,614	$ 51,614

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

The 2023 budget reflects developer loan repayments and tax increment from projects. Expenses represent the debt retirement and administrative costs. The deficit is projected to remain manageable until debt is retired in 2023 when the increment will begin to pay back accumulated deficits.

TAX INCREMENT DISTRICT NUMBER NINE FUND

VALUATION HISTORY:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
2012	$1,232,400	
2013	1,055,300	-14.37%
2014	1,688,400	59.99%
2015	2,118,800	25.49%
2016	2,067,800	-2.41%
2017	2,076,600	0.43%
2018	2,260,700	8.87%
2019	2,174,900	-3.80%
2020	2,233,900	2.71%
2021	1,860,600	-16.71%
2022	2,133,900	14.69%

DISTRICT FUTURE OBLIGATIONS:

	Original Amount Borrowed	Repaid	Balance 12/31/2022
2013B General Obligation Note	630,000	570,000	60,000
	$630,000	$570,000	$60,000

	PRINCIPAL	INTEREST	TOTAL
2023	60,000	885	60,885
	60,000	885	60,885

DISTRICT CASH FLOW PROJECTIONS:

The district expects to maintain a deficit balance until 2028. District revenues consist of Bull Fall loan repayments and tax increment.

CASH FLOW PROJECTIONS

	USES OF FUNDS			SOURCES OF FUNDS					
Year	Existing Annual Debt Service	Administrative, Organization, & Discretionary Costs	Developer Incentives	Loan Repayments	Other Income	Debt Proceeds	Tax Increment	Annual Surplus (Deficit)	Cumulative Balance
ACTUAL									
2012		$6,971	$132,196					($139,167)	($139,167)
2013		$34,201	$467,804			$631,300		$129,295	($9,872)
2014	$78,868	$2,284			$39			($81,113)	($90,985)
2015	$75,405	$554		$57,534	$18,480		$12,130	$12,185	($78,800)
2016	$74,674	$2,267		$47,928	$175		$24,240	($4,598)	($83,398)
2017	$73,861	$3,511		$24,298	$308		$22,946	($29,820)	($113,218)
2018	$72,935	$1,844		$23,840	$312		$22,890	($27,737)	($140,955)
2019	$71,798	$1,792		$19,505	$558		$27,457	($26,070)	($167,025)
2020	$65,520	$1,751		$0	$2,055		$24,876	($40,340)	($207,365)
2021	$64,125	$2,372		$20,059	$3,553		$25,286	($17,599)	($224,964)
ESTIMATED									
2022	$62,580	$2,150		$26,007	$2,056		$16,411	($20,256)	($245,220)
2023	$60,885	$2,150		$26,008	$2,056		$23,550	($11,421)	($256,641)
2024		$2,150		$26,000	$2,056		$23,550	$49,456	($207,185)
2025		$2,150		$26,000	$2,056		$23,550	$49,456	($157,729)
2026		$2,150		$26,000	$2,056		$23,550	$49,456	($108,273)
2027		$2,150		$26,000	$2,056		$23,550	$49,456	($58,817)
2028		$2,150		$26,000	$2,056		$23,550	$49,456	($9,361)
2029				$26,000	$2,056		$23,550	$51,606	$42,245
2030				$26,000	$2,056		$23,550	$51,606	$93,851
TOTAL	$700,651	$72,597	$600,000	$427,179	$43,984	$631,300	$364,636		

TAX INCREMENT DISTRICT NUMBER TEN FUND

MISSION:

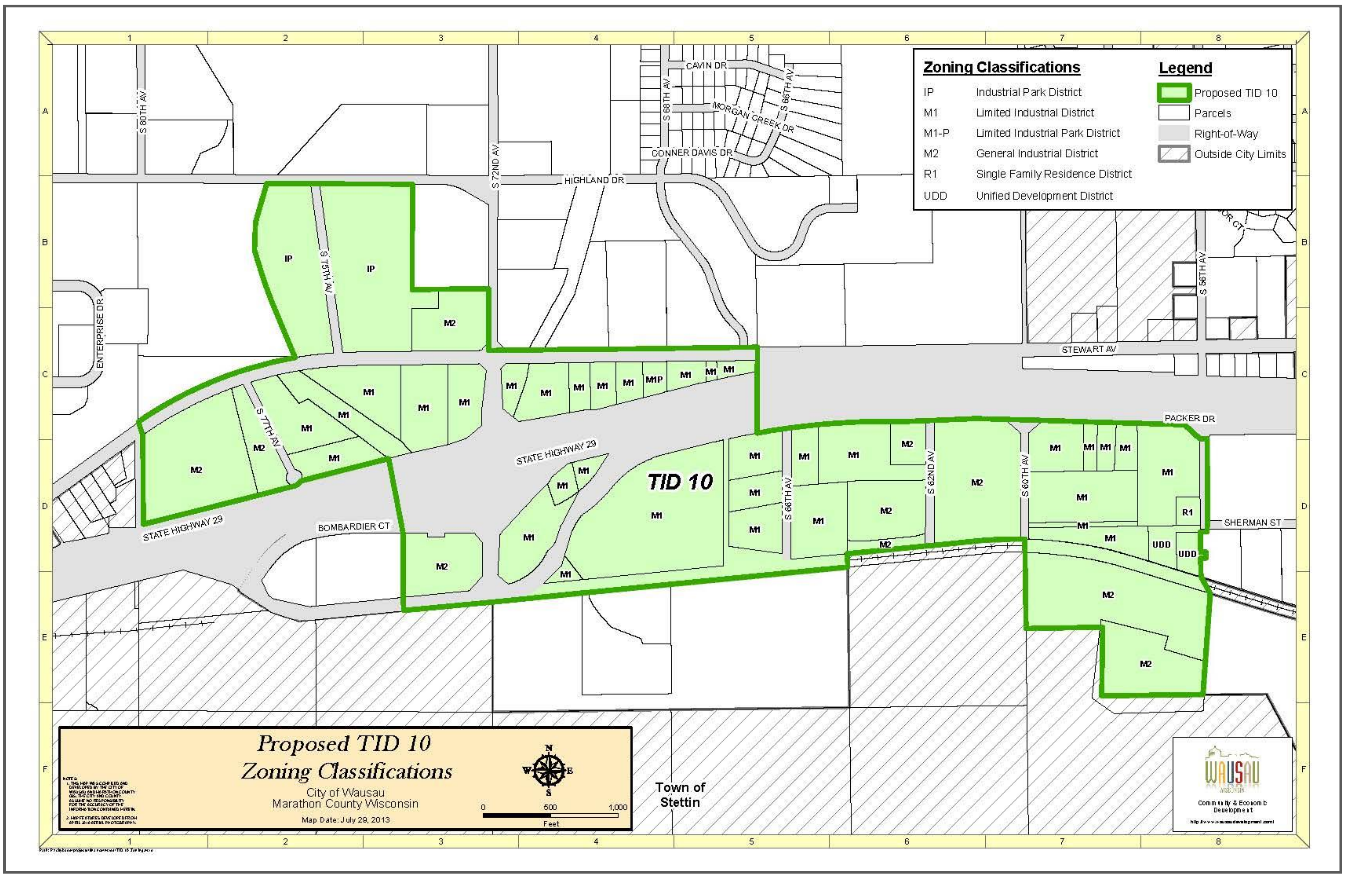
To fund the improvements within the City's business campus.

RESPONSIBILITIES:

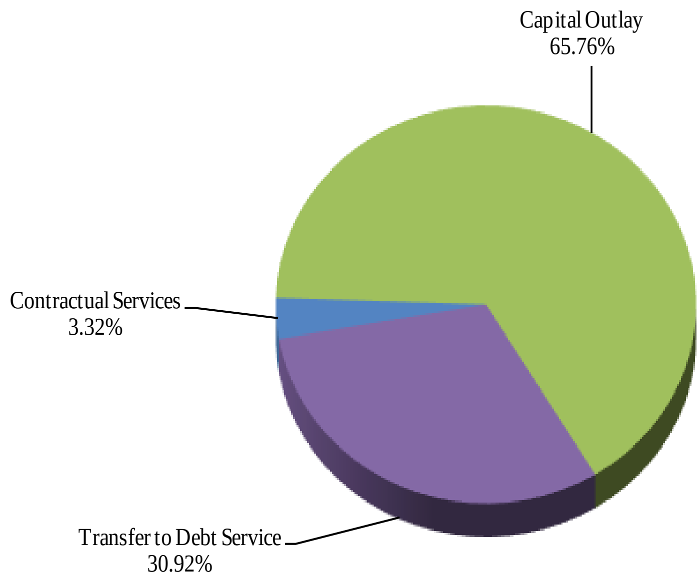
This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to debt service and other eligible capital costs.

DISTRICT FACTS:

Creation Date: September 10, 2013
Last Date Project Costs Incurred: September 10, 2028
Mandated Final Dissolution Date: September 10, 2033



BUDGET:



BUDGET SUMMARY								
	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 4,566	$ 13,972	$ 3,150	$ 3,150	$ 12,650	$ 15,150	15,150	$ 15,150
Grants & Contributions	-	-	-	-	-	-	-	-
Capital Outlay	-	208,114	-	89,186	187,147	300,000	300,000	300,000
Transfer to Debt Service	138,773	141,410	143,723	143,723	143,723	141,029	141,029	141,029
Total Expenses	$ 143,339	$ 363,496	$ 146,873	$ 236,059	$ 343,520	$ 456,179	$ 456,179	$ 456,179
Taxes	$ 324,424	$ 387,731	$ 425,754	$ 425,754	$ 424,893	$ 518,685	$ 518,685	$ 518,685
Miscellaneous								
Total Revenues	$ 324,424	$ 387,731	$ 425,754	$ 425,754	$ 424,893	$ 518,685	$ 518,685	$ 518,685

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

Tax Increment District Number Ten was created in 2013 for the purpose of redeveloping existing industrial properties. No outstanding developer obligations exist. The 2023 budget provides for debt retirement. administration, and engineering and real estate related to the Stewart Avenue 48th to 72nd Avenue. This project will be constructed in 2024 as shown in the cash flow.

DISTRICT FUTURE OBLIGATIONS:

	Original Amount Borrowed	Repaid	Balance 12/31/2022
2014B Community Development Bond	$310,000	$130,000	$180,000
2015B Corporate Purpose Bonds	$1,225,000	$430,000	$795,000
	$1,535,000	$560,000	$975,000

	Principal	Interest	Total
2023	115,000	26,029	141,029
2024	120,000	23,210	143,210
2025	120,000	20,211	140,211
2026	120,000	16,910	136,910
2027	125,000	13,235	138,235
2028	130,000	9,410	139,410
2029	135,000	5,435	140,435
2030	110,000	1,705	111,705
	$ 975,000	$ 116,145	$ 1,091,145

DISTRICT VALUATIONS:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
2013	$46,509,200	
2014	47,065,400	1.20%
2015	48,180,500	2.37%
2016	49,938,800	3.65%
2017	50,501,400	1.13%
2018	54,938,100	8.79%
2019	56,367,200	2.60%
2020	58,352,700	3.52%
2021	60,322,800	3.38%
2022	63,913,000	5.95%

TAX INCREMENT DISTRICT NUMBER TEN FUND

CASH FLOW PROJECTIONS:

The cashflow projects issuing $1.2 million in 3 year debt to fund the Stewart Avenue project in 2024.

		USES OF FUNDS					SOURCES OF FUNDS				
	Year	Debt Service	Stewart Ave Debt	Administrative & Fiscal Charges	Developer Grant	Capital Expenditures	Debt Proceeds	Other Revenue	Existing Increment	Annual Surplus (Deficit)	Cumulative Balance
ACTUAL											
1	2013			$1,000						($1,000)	($1,000)
2	2014			$37,464		$201,909	$310,000			$70,627	$69,627
3	2015	$20,285		$41,581	$1,200,000	$240,276	$1,225,000		$33,001	($244,141)	($174,514)
4	2016	$44,300		$1,953	125,000	4,191			$82,865	($92,579)	($267,093)
5	2017	$59,223		$10,041		102,452			$131,938	($39,778)	($306,871)
6	2018	$106,114		$3,880				16,101	$129,835	$35,942	($270,929)
7	2019	$140,873		$4,608				37,841	$246,322	138,682	($132,247)
8	2020	$138,773		$4,566				43,220	$281,204	$181,085	$48,838
9	2021	$141,410		$13,972		208,114		68,599	$319,132	$24,235	$73,073
ESTIMATED											
10	2022	$143,723		$12,650		187,147		43,220	$381,673	$81,373	$154,446
11	2023	$141,029		$15,150		300,000		43,220	$475,465	$62,506	$216,952
12	2024	$143,210		$4,000		1,737,000	1,200,000	68,599	$475,465	($140,146)	$76,806
13	2025	$140,211	$424,000	$4,000				68,599	$475,465	(24,147)	$52,659
14	2026	$136,910	$424,000	$4,000				68,599	$475,465	(20,846)	$31,813
15	2027	$138,235	$424,000	$4,000				68,599	$475,465	(22,171)	$9,642
16	2028	$139,410		$4,000				68,599	$475,465	400,654	$410,296
17	2029	$140,435		$4,000				68,599	$475,465	399,629	$809,925
18	2030	$111,705		$4,000				68,599	$475,465	428,359	1,238,284
	TOTAL	$1,885,846	$1,272,000	$173,865	$1,325,000	$2,981,089	$2,735,000	$732,394	$5,409,690		

Stewart Avenue - S 72nd Avenue to S 48th Avenue construction

2024	$1,737,000

TAX INCREMENT DISTRICT NUMBER ELEVEN FUND

MISSION:

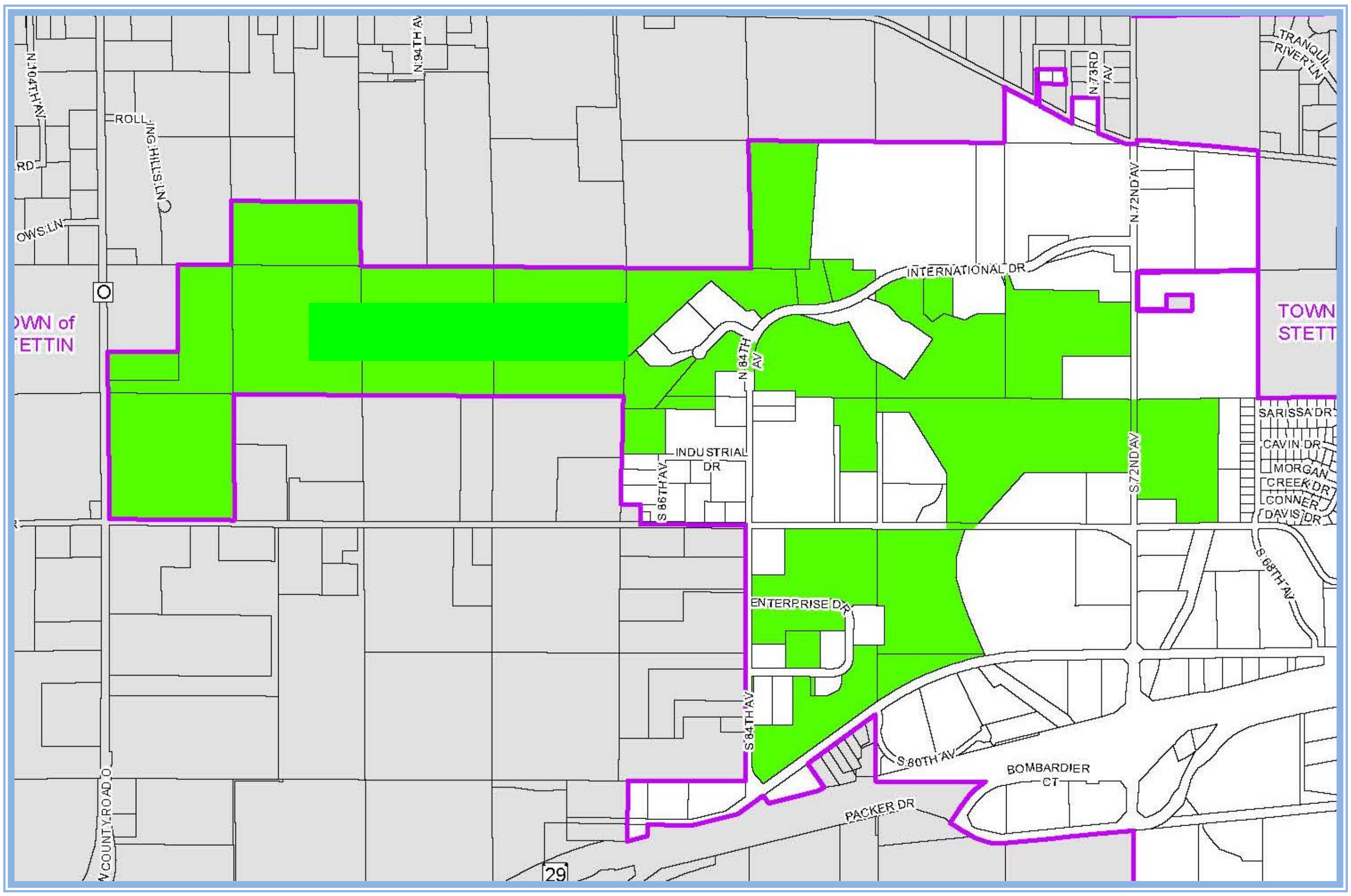
To fund the expansion of the City's business campus.

RESPONSIBILITIES:

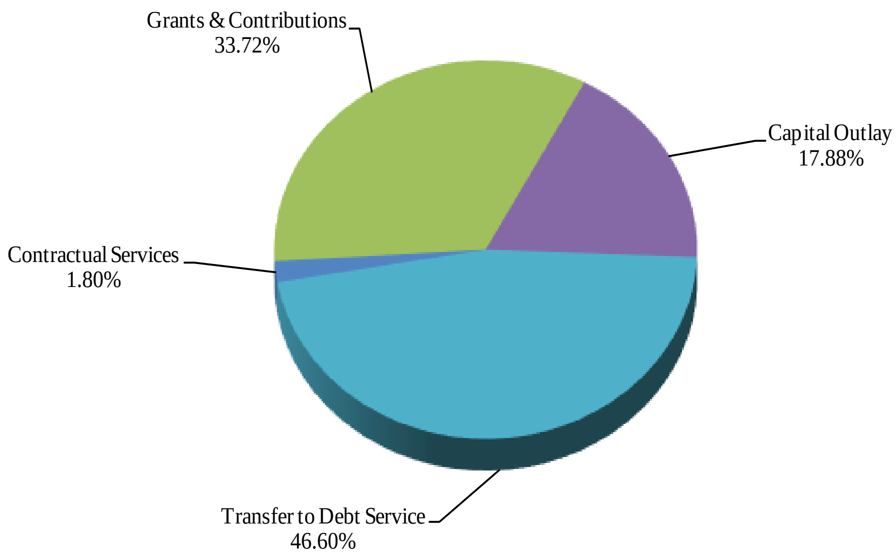
This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to debt service and other eligible capital costs.

DISTRICT FACTS:

Creation Date: July 18, 2017
Last Date Project Costs Incurred: July 18, 2034
Mandated Final Dissolution Date: July 18, 2039



BUDGET:



BUDGET SUMMARY								
	2020	2021	2022			2023		
	Actual	Actual	Adopted Budget	Modified Budget	Estimated Actual	Department Request	Executive Recommended	Adopted
Contractual Services	$ 38,562	$ 27,917	$ 16,650	$ 16,650	$ 35,150	$ 35,150	$ 35,150	$ 35,150
Debt Service	65,807	35,328	-	-	-	-	-	-
Grants & Contributions		644,259	785,000	785,000	635,932	660,000	660,000	660,000
Capital Outlay	88,774	1,333	350,000	375,000	75,000	350,000	350,000	350,000
Transfer to Debt Service	6,936,173	4,607,401	1,018,836	1,018,836	1,018,836	912,163	912,163	912,163
Total Expenses	$ 7,129,316	$ 5,316,238	$ 2,170,486	$ 2,195,486	$ 1,764,918	$ 1,957,313	$ 1,957,313	$ 1,957,313
Taxes	$ 886,113	$ 1,566,624	$ 1,729,617	$ 1,729,617	$ 1,725,725	$ 1,807,352	$ 1,807,352	$ 1,807,352
Miscellaneous	25,988	2	200	200	59,163	200	200	200
Debt Proceeds	6,674,874	4,045,000	-	-	-	-	-	-
Total Revenues	$ 7,586,975	$ 5,611,626	$ 1,729,817	$ 1,729,817	$ 1,784,888	$ 1,807,552	$ 1,807,552	$ 1,807,552

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

Tax Increment District Number Eleven was created July of 2017 for the purpose of expanding the Wausau Business Campus. The 2023 budget anticipates the third developer payment to Great Lakes Cheese in the amount of $660,000. The budget also includes trail design and real estate expenses.

DISTRICT DEVELOPMENT OBLIGATIONS:

The Common Council approved two development agreements within Tax Increment District Eleven:

Great Lakes Cheese facility construction required the City sell for $1 property within the business campus for the facility site. In exchange, by specific performance dates, Great Lakes Cheese constructed a $50,000,000 facility and increase FTE count by 125. In addition, the city provided Great Lakes Cheese with 50% of increment for a ten-year period not to exceed $5,900,000 along with a contingency payment of $500,000. Finally, Great Lakes Cheese will donate their existing 101 Devoe Street property to the City of Wausau.

Wausau Chemical will invest $10,000,000 in facility and site costs. In exchange the City will convey the property for $1 and contribute $7,950,000 to defray construction and relocation costs. Wausau Chemical will donate their existing properties to the City of Wausau. Consistent with the TID project plan 50% of the developer payment is considered an obligation of TID 11.

DISTRICT VALUATIONS:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
2017	$1,386,400	
2018	2,980,000	114.95%
2019	61,254,900	1955.53%
2020	63,434,900	3.56%
2021	66,057,800	4.13%
2022	70,568,700	6.83%

DISTRICT FUTURE OBLIGATIONS:

	Original Amount Borrowed	Repaid	Balance 12/31/2022
2017E Taxable Note Anticipation Notes	$6,600,000	6,600,000	$0
2018C Taxable Note Anticipation Notes	$4,005,000	4,005,000	$0
2020B Taxable General Obligation Bonds	$6,625,000	815,000	$5,810,000
2021B Taxable General Obligation Bonds	$4,045,000	$480,000	$3,565,000
	$21,275,000	$11,900,000	$9,375,000

	TID 11 TOTAL		
	Principal	Interest	Total
2022	890,000	128,836	1,018,836
2023	795,000	117,163	912,163
2024	800,000	111,305	911,305
2025	810,000	102,310	912,310
2026	820,000	92,408	912,408
2027	835,000	82,875	917,875
2028	845,000	73,373	918,373
2029	850,000	62,521	912,521
2030	855,000	50,648	905,648
2031	865,000	37,813	902,813
2032	465,000	27,655	492,655
2033	470,000	20,408	490,408
2034	480,000	12,568	492,568
2035	485,000	4,244	489,244
	10,265,000	924,126	11,189,126

CASH FLOW PROJECTIONS:

TAX INCREMENTAL DISTRICT NUMBER ELEVEN
CASH FLOW PROJECTION

		USES OF FUNDS				SOURCES OF FUNDS				
Year		Debt Service	Developer Grant	Administrative Costs	Capital Expenditures	Debt Proceeds	Tax Increment	Other Income	Annual Surplus (Deficit)	Cumulative Balance
1	2017	$60,237		$116,096	$3,160,509	$6,600,000		$174,243	$3,437,401	$3,437,402
2	2018	229,894		81,217	3,025,940	4,005,000		54,592	722,541	4,159,943
3	2019	311,992	3,975,016	24,262	432,965		42,551	11,226	(4,690,458)	(530,515)
4	2020	7,001,980	694,039	30,933	96,403	6,674,874	1,580,152	25,988	457,659	(72,856)
5	2021	4,642,729	644,259	26,549	2,701	4,045,000	1,566,624	2	295,388	222,532
ESTIMATED										
6	2022	1,018,836	635,932	35,150	75,000		1,725,725	59,163	19,970	242,502
7	2023	912,163	660,000	35,150	350,000		1,807,352	200	(149,761)	92,741
8	2024	911,305	650,000	8,000			1,807,352		238,047	330,788
9	2025	912,310	650,000	8,000			1,807,352		237,042	567,830
10	2026	912,408	650,000	8,000			1,807,352		236,944	804,774
11	2027	917,875	650,000	8,000			1,807,352		231,477	1,036,251
12	2028	918,373	650,000	8,000			1,807,352		230,979	1,267,230
13	2029	912,521	376,702	8,000			1,807,352		510,129	1,777,359
14	2030	905,648		8,000			1,807,352		893,704	2,671,063
15	2031	902,813		8,000			1,807,352		896,539	3,567,602
16	2032	492,655		8,000			1,807,352		1,306,697	4,874,299
17	2033	490,408		8,000			1,807,352		1,308,944	6,183,243
18	2034	492,568		8,000			1,807,352		1,306,784	7,490,027
19	2035	489,244		8,000			1,807,352		1,310,108	8,800,135
20	2036			8,000			1,807,352		1,799,352	10,599,487
20	2037			8,000			1,807,352		1,799,352	12,398,839
20	2038			8,000			1,807,352		1,799,352	14,198,191
	TOTAL	$23,435,959	10,235,948	$469,357	7,143,518	21,324,874	$33,832,684	$325,414		

TAX INCREMENT DISTRICT NUMBER TWELVE FUND

MISSION:

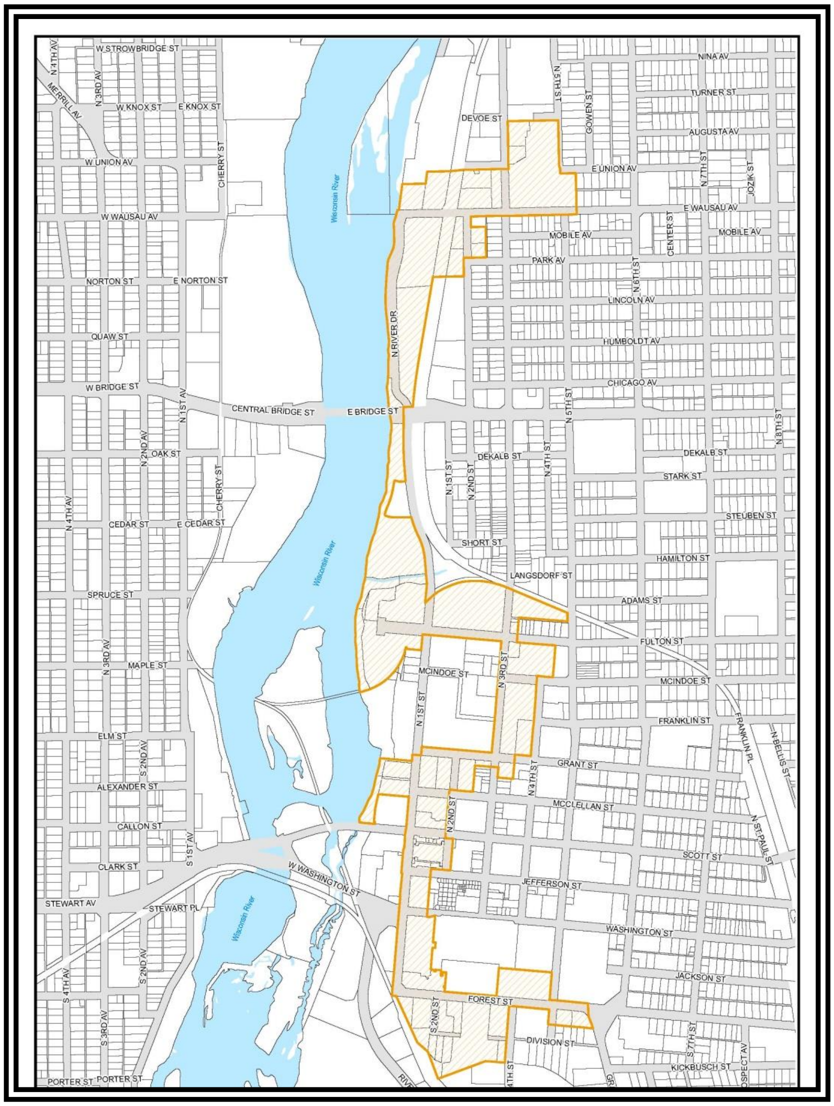
To fund the redevelopment efforts in the downtown and along the Wisconsin River corridor.

RESPONSIBILITIES:

This fund accounts for the receipt of district increment, and other program income generated from the project. These funds are applied to debt service and other eligible capital costs.

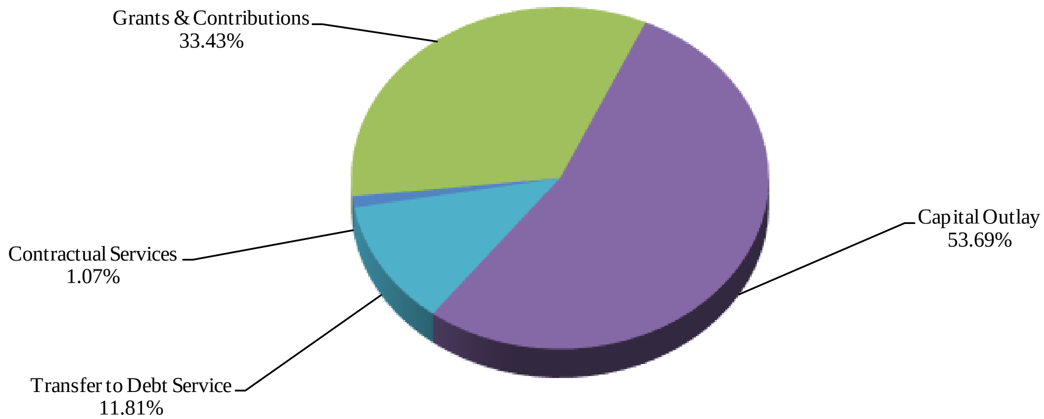
DISTRICT FACTS:

Creation Date: July 18, 2017
Last Date Project Costs Incurred: July 18, 2034
Mandated Final Dissolution Date: July 18, 2043



TAX INCREMENT DISTRICT NUMBER TWELVE FUND

BUDGET:



BUDGET SUMMARY

	2020	2021	2022			2023		
			Adopted	Modified	Estimated	Department	Executive	
	Actual	Actual	Budget	Budget	Actual	Request	Recommended	Adopted
Contractual Services	$ 84,042	$ 136,803	$ 55,150	$ 55,150	$ 90,150	$ 70,150	$ 70,150	$ 70,150
Debt Service	5,380	49,346	-	-	-	-	-	-
Grants & Contributions	12,974	1,279,303	2,330,529	2,330,529	190,921	2,242,219	2,242,219	2,242,219
Capital Outlay	400,954	70,873	2,957,500	3,221,500	474,034	3,520,000	3,520,000	3,520,000
Transfer to Debt Service	138,173	4,155,743	121,265	121,265	121,265	774,375	774,375	774,375
Total Expenses	$ 641,523	$ 5,692,068	$ 5,464,444	$ 5,728,444	$ 876,370	$ 6,606,744	$ 6,606,744	$ 6,606,744
Taxes	$ -	$ -	$ 323,800	$ 323,800	$ 323,071	$ 407,970	$ 407,970	$ 407,970
Public Charges for Services	-	-	-	-	-	-	-	-
Miscellaneous Revenue	41,266	673	-	-	3,300	-	-	-
Transfer from Capital Projects			394,959	394,959	275,263	1,837,084	1,837,084	1,837,084
Debt Proceeds	336,553	5,650,000	3,600,000	3,825,000	-	3,600,000	3,600,000	3,600,000
Total Revenues	$ 377,819	$ 5,650,673	$ 4,318,759	$ 4,543,759	$ 601,634	$ 5,845,054	$ 5,845,054	$ 5,845,054

BUDGET HIGHLIGHTS AND ORGANIZATIONAL CHANGE:

Tax Increment District Number Twelve was created in July of 2017 for the purpose of facilitating redevelopment of the former Sears store and other properties located within the downtown and riverfront. The district includes provisions for engineering services, parking improvements, street, and utility extensions. The budget also includes developer payments of the following:

Macndon	$15,000
WOZ	$2,127,219
Riverlife	$100,000
Total	$2,242,219

DISTRICT DEVELOPMENT OBLIGATIONS:

The Common Council approved the following development agreements within Tax Increment District Twelve:

Macndon Properties: Mark McDonald agreed to purchase properties near Athletic Park and make improvements in exchange for an annual payment equal to 75% of the tax payment for a period of ten years not to exceed $95,000.

The city amended their development agreement with WOZ, Inc on November 24, 2020. The amendment provides up to $3.5 million for demolition, site preparation and façade restoration as outlined in the redevelopment plan. The plan requires the demolition of the Wausau Center Mall, Sears, and JC Penney's anchor stores, re-establish the street grid; creates public space and anticipates future mixed-use development.

The city entered into a development agreement with Riverlife Wausau LLC. Phase 1 for the construction of apartment building on the city riverfront property. The agreement calls for the city to provide for a $100,000 tax increment grant equal to 49% of the increment generated payable over a two-year period. The first payment is due in 2022 for increment generated on the 1/1/2021 assessment.

The city entered into a development agreement with Riverlife Condos LLC for October 30, 2020, for the construction of condos on the city riverfront property. The agreement was amended January 12, 2022. The agreement as amended calls for the city to provide for a $485,000 tax increment grant calculated on 70% of the property tax increment in 5 annual installments. In addition, in the agreement also provides for a $50,000 clean-up grant for removal and disposal of contaminated soils. Project completion is May 31, 2024. The first increment payment is November of the year following the year the project is completed.

DISTRICT VALUATIONS:

YEAR	EQUALIZED VALUATION	PERCENTAGE CHANGE
2017	$32,285,000	
2018	23,866,700	-26.07%
2019	24,348,300	2.02%
2020	24,402,300	0.22%
2021	24,807,900	1.66%
2022	28,057,000	13.10%

DISTRICT FUTURE OBLIGATIONS:

	Original Amount Borrowed	Repaid	Balance 12/31/2022
2018C Taxable Note Anticipation Notes	$4,005,000	4,005,000	$0
2020D Promissory Note	$320,000	60,000	$260,000
2021B Taxable General Obligation Bond	$5,650,000		$5,650,000
	$9,975,000	$4,065,000	$5,910,000

	Principal	Interest	Total
2023	700,000	74,375	774,375
2024	705,000	70,410	775,410
2025	700,000	65,105	765,105
2026	700,000	58,475	758,475
2027	310,000	52,825	362,825
2028	315,000	48,515	363,515
2029	320,000	43,718	363,718
2030	325,000	38,560	363,560
2031	290,000	33,425	323,425
2032	295,000	28,305	323,305
2033	305,000	22,753	327,753
2034	310,000	16,755	326,755
2035	315,000	10,348	325,348
2036	320,000	3,520	323,520
	$ 5,910,000	$ 567,089	$ 6,477,089

PROJECT PLAN AMENDMENT:

The Wausau Common Council authorized the development agreement with T. Wall Enterprises for the Foundry on 3rd mixed use development. The development agreement is contingent on a project plan amendment to add the mall property to the district. The agreement obligates the City to make annual Tax Increment Grant payments at the conclusion of the construction. The developer will invest approximately $48 million. The city will pay 80% of the tax increment not to exceed $6,000,000 over a term of no more than 21 years plus interest. Construction is expected to begin in 2023. The cash flow will be amended upon execution of the agreement.

CASH FLOW PROJECTIONS:

		USES OF FUNDS					SOURCE OF FUNDS					
	Year	Existing Debt	2022 Debt Retirement	Developer Grant	Admin Costs	Capital Expenditures	Debt Proceeds	Other Revenue	Tid 7 Increment	Tax Increment	Annual Surplus (Deficit)	Cumulative Balance
1	2017	$0			$96,490	$125,860					($222,350)	($222,350)
2	2018	38,681			17,793	88,015	4,005,000	11,768			3,872,279	3,649,929
3	2019	113,992		3,974,984	38,106	684,322		366,239			(4,445,165)	(795,236)
4	2020	143,553		12,974	29,945	455,051	320,000	57,819			(263,704)	(1,058,940)
5	2021	4,205,089		1,279,303	92,268	115,409	5,650,000	673			(41,396)	(1,100,336)
ESTIMATED												
6	2022	121,265		190,921	90,150	474,034		3,300	275,263	323,071	(274,736)	(1,375,072)
7	2023	774,375		2,242,219	70,150	3,520,000	3,600,000		1,837,084	407,970	(761,690)	(2,136,762)
8	2024	775,410	462,362	9,500	11,150				1,881,684	450,000	1,073,262	(1,063,500)
9	2025	765,105	462,362	10,000	11,150				1,881,684	450,000	1,083,067	19,567
10	2026	758,475	462,362	10,000	11,150				1,881,684	450,000	1,089,697	1,109,264
11	2027	362,825	462,362	10,000	11,150					450,000	(396,337)	712,927
12	2028	363,515	462,362	10,000	11,150					450,000	(397,027)	315,900
13	2029	363,718	462,362	8,026	11,150					450,000	(395,256)	(79,356)
14	2030	363,560	462,362		11,150					450,000	(387,072)	(466,428)
15	2031	323,425	462,362		11,150					450,000	(346,937)	(813,365)
16	2032	323,305			11,150					450,000	115,545	(697,820)
17	2033	327,753			11,150					450,000	111,097	(586,723)
18	2034	326,755			11,150					450,000	112,095	(474,628)
19	2035	325,348			11,150					450,000	113,502	(361,126)
20	2036	323,520			11,150					450,000	115,330	(245,796)
21	2037				11,150					450,000	438,850	193,054
	TOTAL	$11,099,669	$3,698,896	$7,757,927	$591,002	$5,462,691	$13,575,000	$439,799	$7,757,399	$7,031,041		

The 2022 budget includes provisions for street and utility improvements of $3,220,000 and parking improvements of $300,000. The city would fund these improvements with the issuance of debt. The cash flow expects annual Increment contributions from Tax Increment 7 through 2026.