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AGENDA NOTICE

THE COMMON COUNCIL OF THE CITY OF EAGLE RIVER WILL HOLD A SPECIAL SESSION ON
WEDNESDAY, OCTOBER 16, 2024 at 4:45 P.M.
EAGLE RIVER CITY HALL 525 E MAPLE STREET

This meeting will also be available online at:

<https://us06web.zoom.us/j/81145375663?pwd=bQHgovHJVhgsraba1g3yEoGUXFGtmf.1>

Meeting ID: 811 4537 5663

Passcode: 064873

1. Call to Order
2. Roll Call
3. Discussion and Possible Action on the following agenda items:
 - a) 2023 Financial Statement presented by Clifton Larson Allen LLP
 - b) TID audit findings and adjustments made to City of Eagle River Financial Statements, presented by Clifton Larson Allen LLP
 - c) TID recovery options for City Council consideration, presented by RW Baird
 - d) City of Eagle River 2025 Staff Payroll Plan
 - e) Final Payment Request, Maple/Birch Street Project, Pitlik & Wick \$188,136.52
 - f) Riverside Park – discussion only on City preferences for development of parcel.
 - g) Golf Course Roof – Additional repairs to eave & ridge support, \$11,000 to Hite House Builders
 - h) Eagle River Police Department – Two-year wage agreement at 3% per year.
4. Adjourn to Closed Session according to Wisconsin State Statute:
 - a) 19.85 (1) (e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.
 - i. Offer to purchase Lot 2, Elm Drive.
5. Reconvene in Open Session according to Wisconsin State Statute 19.85(2) with possible action on closed session agenda items.
6. Adjourn

Please note that, upon reasonable notice at least 24 hours in advance, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services or provide a video link for meetings. For additional information, or to request this service, please contact the City Clerk's Office at 715-479-8682 ext. 224, 525 E. Maple Street, P.O. Box 1269, Eagle River WI 54521.

Date of posting 10/15/24 bjb



State of Wisconsin • DEPARTMENT OF REVENUE

DIVISION OF STATE AND LOCAL FINANCE • BUREAU OF EQUALIZATION • MADISON, WI

TID 2

ADDRESS MAIL TO:
2135 Rimrock Road, MS 6-97
P.O. Box 8971
Madison, WI 53708-8971

TELEPHONE: (608) 266-2149
FAX: (608) 264-6897
EMAIL: tlf@revenue.wi.gov

September 10, 2012

63-221

Debra A Brown, City Clerk
City of Eagle River
PO Box 1269
Eagle River, WI 54521-1269

RE : City of Eagle River TID #002, Project Plan

Dear Debra A Brown:

The Department of Revenue received information associated with amending the project plan for the above Tax Incremental District to designate it as a severely distressed TID.

Our review indicates that all procedures were properly taken and notices timely given. As per statute, the project plan does not include additional projects costs nor has it added any additional territory as specified in Wis. Stats., Sec. 66.1105 (4e), therefore it will not be necessary to redetermine the district's base value.

A severely distressed TID cannot do any of the following:

1. Make any expenditures after the original expenditure period ends.
2. Amend its project plan to add any new project costs.
3. Become part of a TID with overlapping boundaries.
4. Expend any funds outside its boundaries.
5. Add territory.
6. Become a donor TID.

Your designation of TID #002 as a severely distressed TID has been approved and the maximum ending date has been changed to September 11, 2047.

Sincerely,

Susan Plakus
Tax Incremental Financing
Bureau of Equalization

Debra,

Please find attached the approval letters for TID #2 and #3.

Mary Lou Clayton

Tax Incremental Financing

State & Local Finance Division

Bureau of Equalization, MS 6-97

P.O. Box 8971, Madison, WI 53708-8971

(608) 266-5708, FAX (608) 264-6897

marylou.clayton@revenue.wi.gov

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9/11/2012

City of Eagle River, Wisconsin
Tax Incremental Financing District (TID) #2
Project Plan Amendment #2: Severely Distressed TID Designation

Project Plan dated 4/11/2012

Prepared for:

Plan Commission of the City of Eagle River
525 E. Maple Street
Eagle River, WI 54521

Anticipated meeting / approval dates:

Joint Review Board (organizational): 4/23/2012 – 4/26/2012

Public Hearing: 5/2/2012

Plan Commission: 5/2/2012

Common Council: 5/8/2012

Joint Review Board (approval): 5/21/2012 – 5/24/2012

Prepared by:



Robert W. Baird & Co.
Public Finance
777 E. Wisconsin Ave.
Milwaukee, WI 53202
800.792.2473

City of Eagle River

TID #2 Project Plan Amendment #2: Severely Distressed TID Designation

Introduction

This project plan amendment is created for the purpose of designating TID #2 as severely distressed. The amendment only addresses the elements or subject areas (required by Statute) that are affected by the severely distressed designation. All other subject areas remain unchanged and can be referenced in the original TID#2 project plan or subsequent amendments. This amendment does not remove any projects contemplated in original TID #2 project plan or subsequent amendments.

The designation of TID #2 as severely distressed will allow the extension of the TID's maximum life by 40 years beyond its original creation date of September 11, 2007.

Requirements for a Severely Distressed TID:

1. The TID must have been created before October 1, 2008.

City of Eagle River TID#2 was created on September 11, 2007.

2. The TID has not been amended after October 1, 2009.

City of Eagle River TID#2 was last amended on September 23, 2008.

3. The projected TID increments are insufficient to pay project costs and debt during the TID's life.

Increments are insufficient to pay project costs per the included "Current Status" profoma produced using City projections.

City of Eagle River

TID #2 Project Plan Amendment #2: Severely Distressed TID Designation

4. The TID's increment in any year has declined at least 25% from the highest value increment (Severely Distressed only) as determined by the DOR.

<u>Increments</u>	<u>TID #2</u>
2007	0
2008	467,200
2009	4,173,500
2010	5,939,800
2011	3,840,600
<u>Increment</u>	
Highest (2010)	5,939,800
Lowest (2011)	<u>3,840,600</u>
Difference	2,099,200
25% highest (2010)	1,484,950

Note: 1st year increment not used in calculation.
Calculation completed by Wisconsin Department of Revenue.

5. Any increment that exceeds the TID's annual expenditures shall retire any debt of the TID or establish a reserve used only to retire debt of the severely distressed TID.

Distressed or Severely Distressed TID May NOT:

1. Make any expenditures after its original expenditure period ends.

City of Eagle River TID#2 expenditure period ends September 11, 2022.

2. Amend its project plan to add any new project costs.
3. Become part of a TID with overlapping boundaries.
4. Expend any funds outside its boundaries.
5. Add territory.
6. Become a donor TID.

City of Eagle River

TID #2 Project Plan Amendment #2: Severely Distressed TID Designation

Effect of Distressed Designation on Life of TID

The designation of TID #2 as severely distressed will allow the extension of the TID's maximum life by 40 years from its original creation date of September 11, 2007. With the severely distressed designation, TID #2's estimated termination date will be September 11, 2043.

Economic Feasibility

Included in the exhibits are proforma analyses for both "Current Status" and "Example Severely Distressed" for TID #2.

Law Offices of
O'BRIEN, ANDERSON, BURG & GARBOWICZ, L.L.P.

EDMUND H. DRAGER (1894-1988)
JOHN L. O'BRIEN
WILLIAM W. ANDERSON
DENNIS M. BURG
STEVEN C. GARBOWICZ

221 S. First Street
P.O. Box 639
Eagle River, WI 54521
715-479-6444
Fax: 715-479-3021

BRANCH OFFICES
Boulder Junction, WI 54512
Telephone: 715-385-2047

Tomahawk, WI 54487
Telephone: 715-453-6921

April 19, 2012

Mr. Joe Laux, City Administrator
City of Eagle River
P.O. Box 1269
Eagle River, WI 54521

RE: City of Eagle River Tax Incremental Financing Districts Nos. 2 and 3

Dear Joe:

As City Attorney for the City of Eagle River, I have reviewed the Project Plan Amendment document for designation of Tax Incremental Financing Districts Nos. 2 and 3 as distressed Tax Incremental Districts within the City of Eagle River. In my opinion, the Project Plan amendment is complete and complies with Section 66.1105 of the Wisconsin Statutes.

Sincerely,

O'BRIEN, ANDERSON, BURG & GARBOWICZ, L.L.P.



Steven C. Garbowicz

SCG:alb

Exhibit A - "Current Status"

City of Eagle River Tax Increment District No. 2 (Mixed Use) Cash Flow Proforma Analysis

Assumptions	
Annual inflation (during life of TIF)	0.00%
2011 Gross Tax Rate (per \$1000 Equalized Value)	\$17.14
Annual Adjustment to tax rate	0.00%
Investment rate	0.50%

Background Data					
(4)	(5)	(6)	(7)	(8)	(9)
Val. Date	TIF District	Initial	Construction	TIF Increment	Tax Rate
2007	2007	2007	2007	2007	2007
2008	2008	2008	2008	2008	2008
2009	2009	2009	2009	2009	2009
2010	2010	2010	2010	2010	2010
2011	2011	2011	2011	2011	2011
2012	2012	2012	2012	2012	2012
2013	2013	2013	2013	2013	2013
2014	2014	2014	2014	2014	2014
2015	2015	2015	2015	2015	2015
2016	2016	2016	2016	2016	2016
2017	2017	2017	2017	2017	2017
2018	2018	2018	2018	2018	2018
2019	2019	2019	2019	2019	2019
2020	2020	2020	2020	2020	2020
2021	2021	2021	2021	2021	2021
2022	2022	2022	2022	2022	2022
2023	2023	2023	2023	2023	2023
2024	2024	2024	2024	2024	2024
2025	2025	2025	2025	2025	2025
2026	2026	2026	2026	2026	2026
2027	2027	2027	2027	2027	2027
2028	2028	2028	2028	2028	2028
2029	2029	2029	2029	2029	2029
2030	2030	2030	2030	2030	2030
2031	2031	2031	2031	2031	2031

Revenues					
(1)	(2)	(3)	(4)	(5)	(6)
Principal	Interest	Existing Debt Service	Principal	Interest	Total
\$75,000	\$42,535	\$117,535	\$6,650	\$4,200	\$96,878
\$75,000	\$39,685	\$114,685	\$4,200	\$4,200	\$96,878
\$80,000	\$33,520	\$113,520	\$4,200	\$4,200	\$96,878
\$80,000	\$30,960	\$110,960	\$4,200	\$4,200	\$96,878
\$80,000	\$27,515	\$107,515	\$4,200	\$4,200	\$96,878
\$80,000	\$23,515	\$103,515	\$4,200	\$4,200	\$96,878
\$80,000	\$19,721	\$99,721	\$4,200	\$4,200	\$96,878
\$100,000	\$15,650	\$115,650	\$4,200	\$4,200	\$96,878
\$105,000	\$11,425	\$116,425	\$4,200	\$4,200	\$96,878
\$110,000	\$7,043	\$117,043	\$4,200	\$4,200	\$96,878
\$110,000	\$2,393	\$112,393	\$4,200	\$4,200	\$96,878
\$1,075,000	\$269,585	\$1,344,585	\$1,344,585	\$1,344,585	\$1,344,585
\$1,307,555	\$0	\$1,307,555	\$1,307,555	\$1,307,555	\$1,307,555

Expenditures					
(1)	(2)	(3)	(4)	(5)	(6)
Principal	Interest	Debt Service	Principal	Interest	Total
\$75,000	\$42,535	\$117,535	\$6,650	\$4,200	\$96,878
\$75,000	\$39,685	\$114,685	\$4,200	\$4,200	\$96,878
\$80,000	\$33,520	\$113,520	\$4,200	\$4,200	\$96,878
\$80,000	\$30,960	\$110,960	\$4,200	\$4,200	\$96,878
\$80,000	\$27,515	\$107,515	\$4,200	\$4,200	\$96,878
\$80,000	\$23,515	\$103,515	\$4,200	\$4,200	\$96,878
\$80,000	\$19,721	\$99,721	\$4,200	\$4,200	\$96,878
\$100,000	\$15,650	\$115,650	\$4,200	\$4,200	\$96,878
\$105,000	\$11,425	\$116,425	\$4,200	\$4,200	\$96,878
\$110,000	\$7,043	\$117,043	\$4,200	\$4,200	\$96,878
\$110,000	\$2,393	\$112,393	\$4,200	\$4,200	\$96,878
\$1,075,000	\$269,585	\$1,344,585	\$1,344,585	\$1,344,585	\$1,344,585
\$1,307,555	\$0	\$1,307,555	\$1,307,555	\$1,307,555	\$1,307,555

TIF Status					
(1)	(2)	(3)	(4)	(5)	(6)
Annual Balance	Year End Balance	Cost Recovery	Combined Debt Service	Debt Service	Debt
\$27,307	(\$1,201,555)		\$124,185	\$8,275	\$8,275
\$53,057	(\$1,239,362)		\$118,885	\$8,275	\$8,275
\$55,052	(\$1,336,971)		\$120,860	\$8,275	\$8,275
\$55,967	(\$1,440,317)		\$121,795	\$8,275	\$8,275
\$56,851	(\$1,549,393)		\$122,750	\$8,275	\$8,275
\$57,709	(\$1,664,301)		\$123,721	\$8,275	\$8,275
\$58,546	(\$1,785,347)		\$124,705	\$8,275	\$8,275
\$59,367	(\$1,912,725)		\$125,700	\$8,275	\$8,275
\$60,176	(\$2,046,649)		\$126,705	\$8,275	\$8,275
\$60,976	(\$2,187,325)		\$127,721	\$8,275	\$8,275
\$61,769	(\$2,334,971)		\$128,750	\$8,275	\$8,275
\$62,546	(\$2,489,698)		\$129,795	\$8,275	\$8,275
\$63,307	(\$2,652,605)		\$130,855	\$8,275	\$8,275
\$64,052	(\$2,822,893)		\$131,930	\$8,275	\$8,275
\$64,781	(\$2,999,672)		\$133,020	\$8,275	\$8,275
\$65,494	(\$3,182,953)		\$134,125	\$8,275	\$8,275
\$66,191	(\$3,372,746)		\$135,245	\$8,275	\$8,275
\$66,872	(\$3,569,061)		\$136,380	\$8,275	\$8,275
\$67,537	(\$3,771,808)		\$137,530	\$8,275	\$8,275
\$68,186	(\$3,980,087)		\$138,695	\$8,275	\$8,275
\$68,819	(\$4,194,898)		\$139,875	\$8,275	\$8,275
\$69,436	(\$4,416,242)		\$141,070	\$8,275	\$8,275
\$70,037	(\$4,644,129)		\$142,280	\$8,275	\$8,275
\$70,622	(\$4,878,559)		\$143,505	\$8,275	\$8,275
\$71,191	(\$5,119,532)		\$144,745	\$8,275	\$8,275
\$71,744	(\$5,367,057)		\$146,000	\$8,275	\$8,275
\$72,281	(\$5,621,134)		\$147,270	\$8,275	\$8,275
\$72,802	(\$5,881,763)		\$148,555	\$8,275	\$8,275
\$73,307	(\$6,148,844)		\$149,855	\$8,275	\$8,275
\$73,796	(\$6,422,377)		\$151,170	\$8,275	\$8,275
\$74,269	(\$6,702,362)		\$152,500	\$8,275	\$8,275
\$74,726	(\$6,988,799)		\$153,845	\$8,275	\$8,275
\$75,167	(\$7,281,688)		\$155,205	\$8,275	\$8,275
\$75,592	(\$7,581,029)		\$156,580	\$8,275	\$8,275
\$76,001	(\$7,886,822)		\$157,970	\$8,275	\$8,275
\$76,394	(\$8,199,067)		\$159,375	\$8,275	\$8,275
\$76,771	(\$8,517,764)		\$160,795	\$8,275	\$8,275
\$77,132	(\$8,842,913)		\$162,330	\$8,275	\$8,275
\$77,477	(\$9,174,514)		\$163,880	\$8,275	\$8,275
\$77,806	(\$9,512,567)		\$165,445	\$8,275	\$8,275
\$78,119	(\$9,857,072)		\$167,025	\$8,275	\$8,275
\$78,416	(\$10,208,039)		\$168,620	\$8,275	\$8,275
\$78,697	(\$10,565,468)		\$170,230	\$8,275	\$8,275
\$78,962	(\$10,929,359)		\$171,855	\$8,275	\$8,275
\$79,211	(\$11,299,702)		\$173,495	\$8,275	\$8,275
\$79,444	(\$11,676,497)		\$175,150	\$8,275	\$8,275
\$79,661	(\$12,059,744)		\$176,820	\$8,275	\$8,275
\$79,862	(\$12,449,443)		\$178,505	\$8,275	\$8,275
\$80,047	(\$12,845,594)		\$180,205	\$8,275	\$8,275
\$80,216	(\$13,248,197)		\$181,920	\$8,275	\$8,275
\$80,369	(\$13,657,352)		\$183,650	\$8,275	\$8,275
\$80,506	(\$14,073,059)		\$185,395	\$8,275	\$8,275
\$80,627	(\$14,495,318)		\$187,155	\$8,275	\$8,275
\$80,732	(\$14,924,139)		\$188,930	\$8,275	\$8,275
\$80,821	(\$15,359,522)		\$190,720	\$8,275	\$8,275
\$80,894	(\$15,801,467)		\$192,525	\$8,275	\$8,275
\$80,951	(\$16,249,874)		\$194,345	\$8,275	\$8,275
\$80,992	(\$16,704,743)		\$196,180	\$8,275	\$8,275
\$81,017	(\$17,166,074)		\$198,030	\$8,275	\$8,275
\$81,026	(\$17,633,867)		\$199,895	\$8,275	\$8,275
\$81,019	(\$18,108,122)		\$201,775	\$8,275	\$8,275
\$80,996	(\$18,588,839)		\$203,670	\$8,275	\$8,275
\$80,957	(\$19,076,018)		\$205,580	\$8,275	\$8,275
\$80,902	(\$19,569,669)		\$207,505	\$8,275	\$8,275
\$80,831	(\$20,069,792)		\$209,445	\$8,275	\$8,275
\$80,744	(\$20,576,387)		\$211,400	\$8,275	\$8,275
\$80,641	(\$21,089,454)		\$213,370	\$8,275	\$8,275
\$80,522	(\$21,609,003)		\$215,355	\$8,275	\$8,275
\$80,387	(\$22,135,034)		\$217,355	\$8,275	\$8,275
\$80,236	(\$22,667,547)		\$219,370	\$8,275	\$8,275
\$80,069	(\$23,206,542)		\$221,400	\$8,275	\$8,275
\$79,886	(\$23,752,019)		\$223,445	\$8,275	\$8,275
\$79,687	(\$24,303,978)		\$225,505	\$8,275	\$8,275
\$79,472	(\$24,862,429)		\$227,580	\$8,275	\$8,275
\$79,241	(\$25,428,372)		\$229,670	\$8,275	\$8,275
\$78,994	(\$25,999,807)		\$231,775	\$8,275	\$8,275
\$78,731	(\$26,576,734)		\$233,895	\$8,275	\$8,275
\$78,452	(\$27,159,153)		\$236,030	\$8,275	\$8,275
\$78,157	(\$27,747,064)		\$238,180	\$8,275	\$8,275
\$77,846	(\$28,340,467)		\$240,345	\$8,275	\$8,275
\$77,519	(\$28,939,362)		\$242,525	\$8,275	\$8,275
\$77,176	(\$29,543,749)		\$244,720	\$8,275	\$8,275
\$76,817	(\$30,153,628)		\$246,930	\$8,275	\$8,275
\$76,442	(\$30,769,000)		\$249,155	\$8,275	\$8,275
\$76,051	(\$31,390,865)		\$251,395	\$8,275	\$8,275
\$75,644	(\$32,018,224)		\$253,650	\$8,275	\$8,275
\$75,221	(\$32,651,077)		\$255,920	\$8,275	\$8,275
\$74,782	(\$33,289,424)		\$258,205	\$8,275	\$8,275
\$74,327	(\$33,933,265)		\$260,505	\$8,275	\$8,275
\$73,856	(\$34,582,500)		\$262,820	\$8,275	\$8,275
\$73,369	(\$35,237,129)		\$265,150	\$8,275	\$8,275
\$72,866	(\$35,897,152)		\$267,495	\$8,275	\$8,275
\$72,347	(\$36,562,569)		\$269,855	\$8,275	\$8,275
\$71,812	(\$37,233,380)		\$272,230	\$8,275	\$8,275
\$71,261	(\$37,909,585)		\$274,620	\$8,275	\$8,275
\$70,694	(\$38,591,084)		\$277,025	\$8,275	\$8,275
\$70,111	(\$39,277,877)		\$279,445	\$8,275	\$8,275
\$69,512	(\$39,969,864)		\$281,880	\$8,275	\$8,275
\$68,897	(\$40,667,045)		\$284,330	\$8,275	\$8,275
\$68,266	(\$41,369,420)		\$286,795	\$8,275	\$8,275
\$67,619	(\$42,076,989)		\$289,275	\$8,275	\$8,275
\$66,956	(\$42,789,752)		\$291,770	\$8,275	\$8,275
\$66,277	(\$43,507,709)		\$294,280	\$8,275	\$8,275
\$65,582	(\$44,230,860)		\$296,805	\$8,275	\$8,275
\$64,871	(\$44,959,205)		\$299,345	\$8,275	\$8,275
\$64,144	(\$45,692,744)		\$301,900	\$8,275	\$8,275
\$63,401	(\$46,431,477)		\$304,470	\$8,275	\$8,275
\$62,642	(\$47,176,404)		\$307,055	\$8,275	\$8,275
\$61,867	(\$47,927,525)		\$309,655	\$8,275	\$8,275
\$61,076	(\$48,684,740)		\$312,270	\$8,275	\$8,275
\$60,269	(\$49,448,049)		\$314,900	\$8,275	\$8,275
\$59,446	(\$50,217,452)		\$317,545	\$8,275	\$8,275
\$58,607	(\$50,992,959)		\$320,205	\$8,275	\$8,275
\$57,752	(\$51,774,570)		\$322,880	\$8,275	\$8,

City of Eagle River
Tax Increment District No. 2 (Mixed Use)
Cash Flow Proforma Analysis

[illegible]

(1) Increment estimates per City.
(2) Includes TIFs allocation (98.31%) of the 2007 \$1,220,000 G.O. Refunding Bonds.
(3) Negative annual TIF balance to be paid out of City funds and or debt service levy. City to be reimbursed by the TIF.

City of Eagle River, WI TID #2

Parcel Map

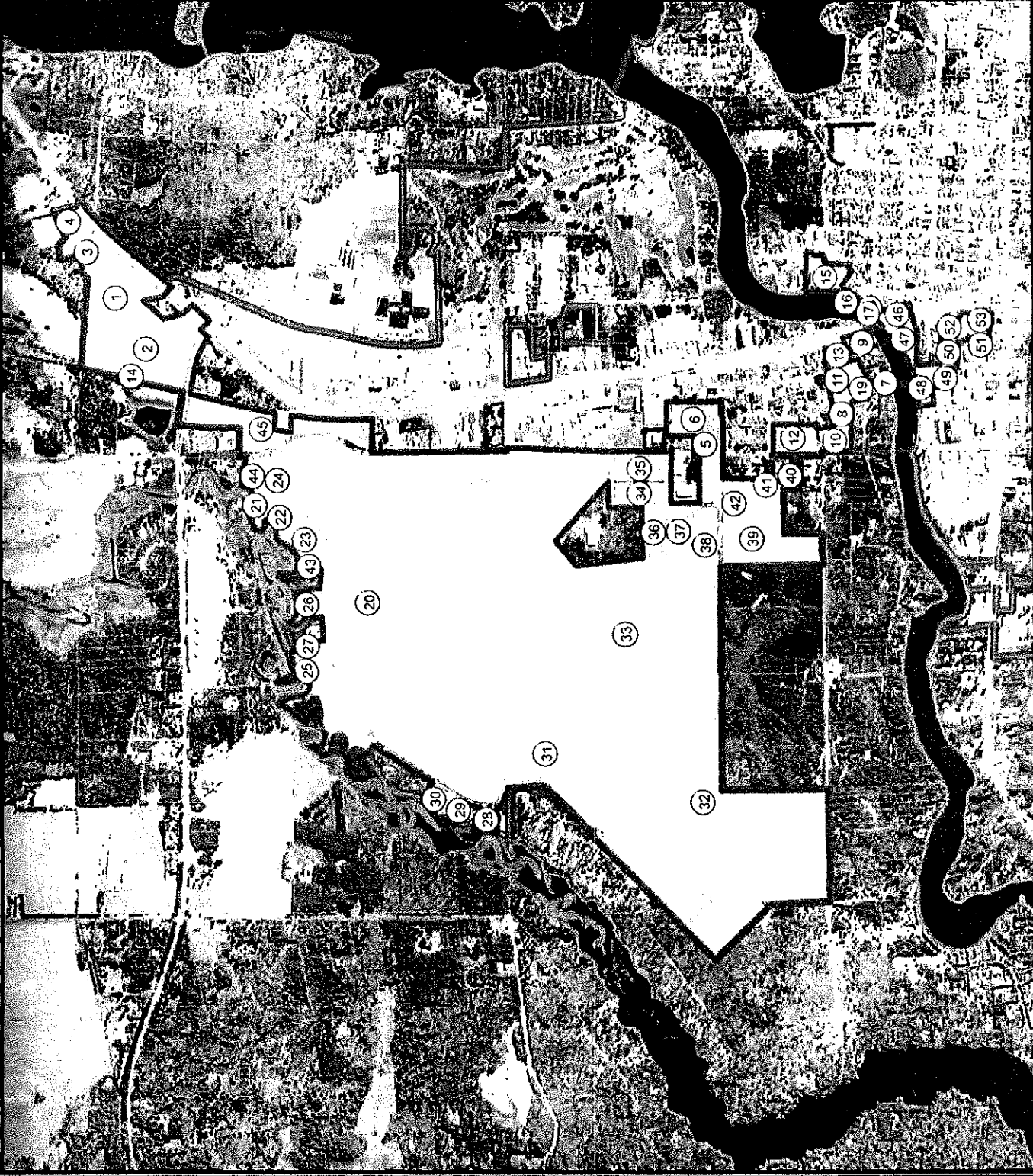
Vilas County, WI

Map Num	Parcel Num	Original TID	Map Num	Parcel Num	TID
1	221-950-042	Original TID 2	31	221-959	New TID 2
2	221-950-043	Original TID 2	32	221-959-02	New TID 2
3	221-950-044	Original TID 2	33	221-959-03	New TID 2
4	221-950-045	Original TID 2	34	221-959-04	New TID 2
5	221-1009	New TID 2	35	221-959-05	New TID 2
6	221-1009-02	New TID 2	36	221-959-052	New TID 2
7	221-102	New TID 2	37	221-959-053	New TID 2
8	221-104-14	New TID 2	38	221-959-054	New TID 2
9	221-238	New TID 2	39	221-960	New TID 2
10	221-77	New TID 2	40	221-960-02	New TID 2
11	221-82	New TID 2	41	221-960-035	New TID 2
12	221-828	New TID 2	42	221-960-036	New TID 2
13	221-85	New TID 2	43	221-960-0362	New TID 2
14	221-850-0369	New TID 2	44	221-960-0364	New TID 2
15	221-892	New TID 2	45	221-960-0368	New TID 2
16	221-893	New TID 2	46	221-132	TID 2 & 3 OV
17	221-894	New TID 2	47	221-138	TID 2 & 3 OV
18	221-895-01	New TID 2	48	221-141	TID 2 & 3 OV
19	221-90	New TID 2	49	221-150	TID 2 & 3 OV
20	221-957-01	New TID 2	50	221-169-02	TID 2 & 3 OV
21	221-958-04	New TID 2	51	221-23	TID 2 & 3 OV
22	221-958-05	New TID 2	52	221-309-01	TID 2 & 3 OV
23	221-958-06	New TID 2	53	221-7	TID 2 & 3 OV
24	221-958-11	New TID 2			
25	221-958-13	New TID 2			
26	221-958-14	New TID 2			
27	221-958-41	New TID 2			
28	221-958-43	New TID 2			
29	221-958-44	New TID 2			
30					



Map 2 - TID #2 Parcels

Project # 0880701
SRK December 19th, 2008
Map File: TID2_Map2_Parcels
G:\projects\maps\WICity\EagleRiver



RESOLUTION NO. 833

Resolution No. 833
COMMON COUNCIL
OF THE
CITY OF EAGLE RIVER, WISCONSIN

MAY 17, 2012

RESOLUTION APPROVING AN AMENDMENT TO THE PROJECT PLAN OF
TAX INCREMENTAL DISTRICT NO. 2,
CITY OF EAGLE RIVER, WISCONSIN

WHEREAS, the City of Eagle River (the "City") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and WHEREAS, Tax Incremental District No. 2 (the "District") is an existing mixed-use district, created by a resolution of the Common Council adopted on September 11, 2007 with a subsequent amendment adopted by the Common Council on September 23, 2008 and

WHEREAS, the City now desires to amend the Project Plan of the District in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"); and WHEREAS, such amendment will designate the District as Severely Distressed and allow for the District to extend its maximum legal life by 40 years beyond the original creation date under the provisions of Section 66.1105(4e) of the Wisconsin Statutes; and

WHEREAS, the Plan Commission has prepared an amended project plan for Tax Incremental District No. 2 only which addresses the following project plan elements that have been affected by the Severely Distressed Designation:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Sections 66.1105(2)(f) of the Wisconsin Statutes, outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of financing all estimated project costs and the time when the related costs or monetary obligations are to incurred
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be

RESOLUTION NO. 833

- displaced;
- j. A statement indicating how the amendment of the district promotes the orderly development of the City;
 - k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

WHEREAS, in accordance with Wis. Stats. s.66.1105 (4m)(e) prior to the joint review board meetings a class 1 notice under ch. 985 was published.

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on May 16, 2012 held a public hearing regarding the proposed amendment to the Project Plan providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, prior to its publication, a copy of the notice of said hearing was sent., by first class mail, to the chief executive officers of: Vilas County, the Northland Pines School District, and the Nicolet Area Technical College District, and the other entities having the power to levy taxes on property located within the District; and

WHEREAS, after said public hearing, the Plan Commission adopted, and then recommend approval to the Common Council an amended Project Plan for the District and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Eagle River that:

1. Tax Incremental District No. 2 is a severely distressed tax incremental district, as that term is defined in Wis. Stats. 66.1105(4e);
2. That this project plan amendment shall become effective as of the date of adoption of this resolution provided that it is further approved by the Joint Review Board.
3. The Common Council finds and declares that:
 - a. Tax Incremental District No. 2 was created before October 1, 2008.
 - b. Tax Incremental District No. 2 has not been amended after October 1, 2009.
 - c. The projected increments from Tax Incremental District No. 2 are insufficient to pay project costs and debt during the District's original legal life.
 - d. Increment value in Tax Incremental District No. 2 has declined at

RESOLUTION NO. 833

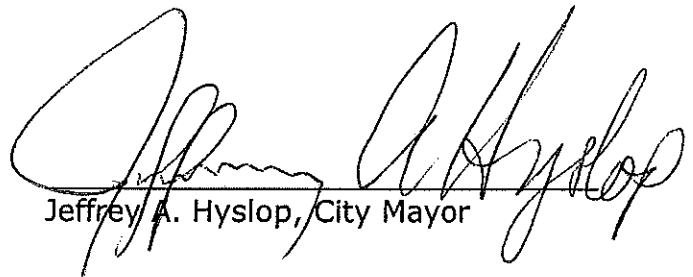
least 25% from the highest value increment as determined by the Department of Revenue.

e. Any increment that exceeds the annual expenditures in Tax Incremental District No. 2 shall retire any debt of the District or establish a reserve used only to retire debt of the District.

4. The amended Project Plan for Tax Incremental District No. 2, City of Eagle River, is approved, and the City further finds that this plan is feasible and in conformity with the master plan of the City.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby authorized and directed to notify the Wisconsin Department of Revenue, within 60 days of adoption of the amendment that this amendment has taken place, pursuant to the provisions of Section 66.1105(5)(cm) of the Wisconsin Statutes.

Adopted this 17th day of May, 2012.


Jeffrey A. Hyslop, City Mayor

ATTEST:


Debra A. Brown, City Clerk/Treasurer

**State of Wisconsin • DEPARTMENT OF REVENUE**

DIVISION OF STATE AND LOCAL FINANCE • BUREAU OF EQUALIZATION • MADISON, WI

ADDRESS MAIL TO:
2135 Rimrock Road, MS 6-97
P.O. Box 8971
Madison, WI 53708-8971TELEPHONE: (608) 266-2149
FAX: (608) 264-6897
EMAIL: tlf@revenue.wi.gov

September 10, 2012

63-221

Debra A Brown, City Clerk
City of Eagle River
PO Box 1269
Eagle River, WI 54521-1269

RE : City of Eagle River TID #003, Project Plan

Dear Debra A Brown:

The Department of Revenue received information associated with amending the project plan for the above Tax Incremental District to designate it as a severely distressed TID.

Our review indicates that all procedures were properly taken and notices timely given. As per statute, the project plan does not include additional projects costs nor has it added any additional territory as specified in Wis. Stats., Sec. 66.1105 (4e), therefore it will not be necessary to redetermine the district's base value.

A severely distressed TID cannot do any of the following:

1. Make any expenditures after the original expenditure period ends.
2. Amend its project plan to add any new project costs.
3. Become part of a TID with overlapping boundaries.
4. Expend any funds outside its boundaries.
5. Add territory.
6. Become a donor TID.

Your designation of TID #003 as a severely distressed TID has been approved and the maximum ending date has been changed to September 11, 2047.

Sincerely,

Susan Plakus
Tax Incremental Financing
Bureau of Equalization

Debra,

Please find attached the approval letters for TID #2 and #3.

Mary Lou Clayton

Tax Incremental Financing

State & Local Finance Division

Bureau of Equalization, MS 6-97

P.O. Box 8971, Madison, WI 53708-8971

(608) 266-5708, FAX (608) 264-6897

marylou.clayton@revenue.wi.gov

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9/11/2012

City of Eagle River, Wisconsin
Tax Incremental Financing District (TID) #3
Project Plan Amendment #2: Severely Distressed TID Designation

Project Plan dated 4/11/2012

Prepared for:

Plan Commission of the City of Eagle River
525 E. Maple Street
Eagle River, WI 54521

Anticipated meeting / approval dates:

Joint Review Board (organizational): 4/23/2012 – 4/26/2012
Public Hearing: 5/2/2012
Plan Commission: 5/2/2012
Common Council: 5/8/2012
Joint Review Board (approval): 5/21/2012 – 5/24/2012

Prepared by:



Robert W. Baird & Co.
Public Finance
777 E. Wisconsin Ave.
Milwaukee, WI 53202
800.792.2473

City of Eagle River
TID #3 Project Plan Amendment #2: Severely Distressed TID Designation

Introduction

This project plan amendment is created for the purpose of designating TID #3 as severely distressed. The amendment only addresses the elements or subject areas (required by Statute) that are affected by the severely distressed designation. All other subject areas remain unchanged and can be referenced in the original TID#3 project plan or subsequent amendments. This amendment does not remove any projects contemplated in original TID #3 project plan or subsequent amendments.

The designation of TID #3 as severely distressed will allow the extension of the TID's maximum life by 40 years beyond its original creation date of September 11, 2007.

Requirements for a Severely Distressed TID:

1. The TID must have been created before October 1, 2008.

City of Eagle River TID#3 was created on September 11, 2007.

2. The TID has not been amended after October 1, 2009.

City of Eagle River TID#3 was last amended on September 23, 2008.

3. The projected TID increments are insufficient to pay project costs and debt during the TID's life.

Increments are insufficient to pay project costs per the included "Current Status" profoma produced using City projections.

City of Eagle River

TID #3 Project Plan Amendment #2: Severely Distressed TID Designation

4. The TID's increment in any year has declined at least 25% from the highest value increment (Severely Distressed only) as determined by the DOR.

<u>Increments</u>	<u>TID #3</u>
2007	0
2008	-251,200
2009	3,130,500
2010	3,713,000
2011	2,496,900
 Increment	
Highest (2010)	3,713,000
Lowest (2011)	<u>2,496,900</u>
Difference	1,216,100
 25% highest (2010)	928,250

Note: 1st year increment not used in calculation.
Calculation completed by Wisconsin Department of Revenue.

5. Any increment that exceeds the TID's annual expenditures shall retire any debt of the TID or establish a reserve used only to retire debt of the severely distressed TID.

Distressed or Severely Distressed TID May NOT:

1. Make any expenditures after its original expenditure period ends.

City of Eagle River TID#3 expenditure period ends September 11, 2022.

2. Amend its project plan to add any new project costs.
3. Become part of a TID with overlapping boundaries.
4. Expend any funds outside its boundaries.
5. Add territory.
6. Become a donor TID.

City of Eagle River

TID #3 Project Plan Amendment #2: Severely Distressed TID Designation

Effect of Distressed Designation on Life of TID

The designation of TID #3 as severely distressed will allow the extension of the TID's maximum life by 40 years from its original creation date of September 11, 2007. With the severely distressed designation, TID #3's estimated termination date will be September 11, 2036.

Economic Feasibility

Included in the exhibits are proforma analyses for both "Current Status" and "Example Severely Distressed" for TID #3.

Law Offices of
O'BRIEN, ANDERSON, BURG & GARBOWICZ, L.L.P.

EDMUND H. DRAGER (1894-1988)
JOHN L. O'BRIEN
WILLIAM W. ANDERSON
DENNIS M. BURG
STEVEN C. GARBOWICZ

221 S. First Street
P.O. Box 639
Eagle River, WI 54521
715-479-6444
Fax: 715-479-3021

BRANCH OFFICES
Boulder Junction, WI 54512
Telephone: 715-385-2047

Tomahawk, WI 54487
Telephone: 715-453-6921

April 19, 2012

Mr. Joe Laux, City Administrator
City of Eagle River
P.O. Box 1269
Eagle River, WI 54521

RE: City of Eagle River Tax Incremental Financing Districts Nos. 2 and 3

Dear Joe:

As City Attorney for the City of Eagle River, I have reviewed the Project Plan Amendment document for designation of Tax Incremental Financing Districts Nos. 2 and 3 as distressed Tax Incremental Districts within the City of Eagle River. In my opinion, the Project Plan amendment is complete and complies with Section 66.1105 of the Wisconsin Statutes.

Sincerely,

O'BRIEN, ANDERSON, BURG & GARBOWICZ, L.L.P.



Steven C. Garbowicz

SCG:alb

City of Eagle River
Tax Increment District No. 3 (Mixed Use)
Cash Flow Proforma Analysis

(4)	(5)	(6)
Annual Balance	Year End Cumulative Balance	Cost Recovery
(2)	(December 31)	
\$1,817	(\$291,352)	
\$5,697	(\$298,535)	
\$5,697	(\$293,838)	
\$26,603	(\$278,141)	
\$26,603	(\$304,744)	
\$26,603	(\$331,347)	
\$26,603	(\$357,950)	
\$26,603	(\$384,553)	
\$26,603	(\$411,157)	
\$26,603	(\$437,760)	
\$132,588	(\$370,348)	
\$43,138	(\$673,496)	
\$57,157	(\$670,643)	
\$55,251	(\$725,894)	
\$47,295	(\$773,189)	
\$38,738	(\$811,922)	
\$36,839	(\$848,766)	
\$39,639	(\$868,407)	
\$37,139	(\$925,546)	
\$39,339	(\$964,885)	
\$41,139	(\$1,006,024)	
\$173,061	(\$832,963)	

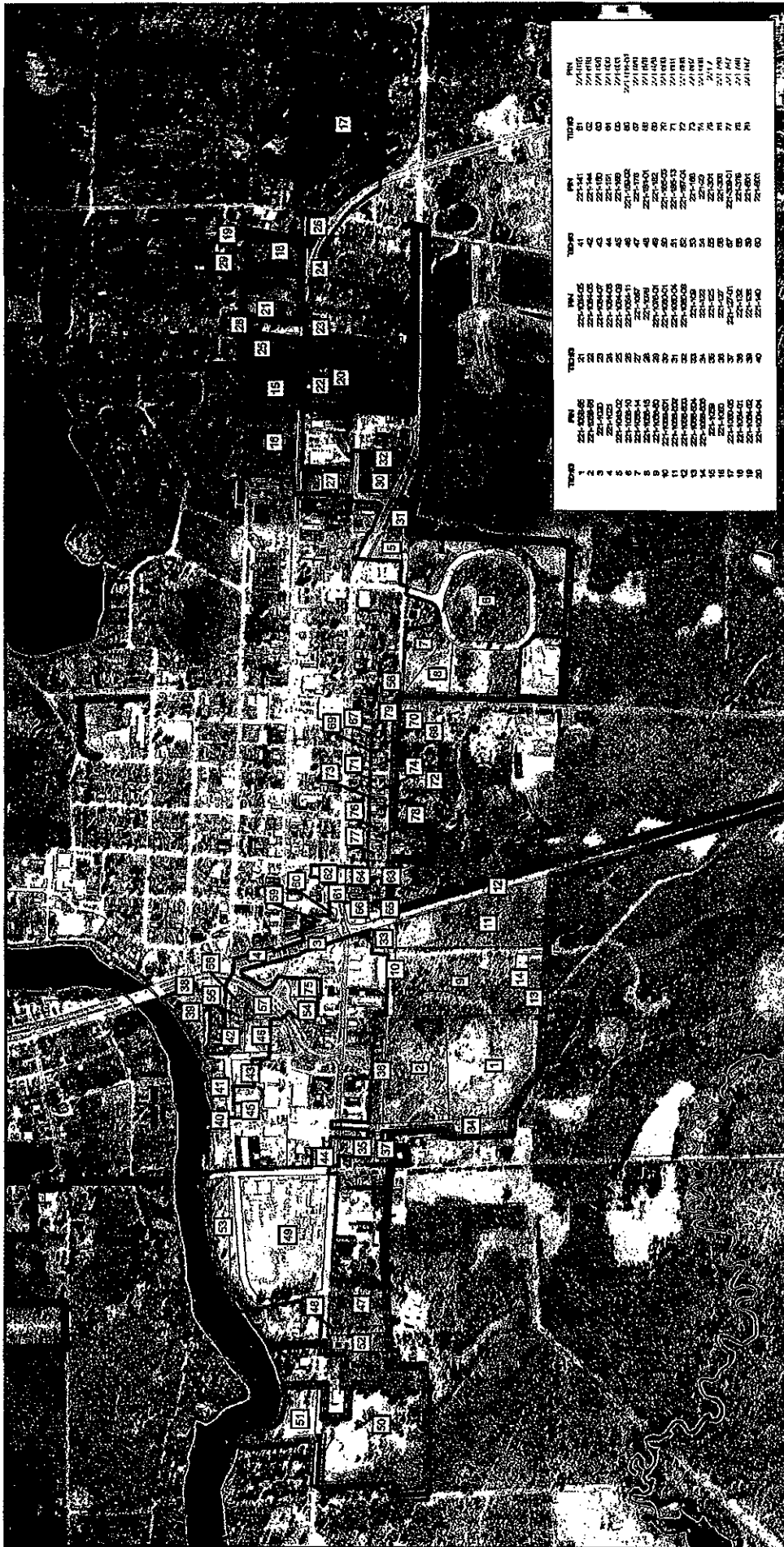
City of Eagle River
Tax Increment District No. 3 (Mixed Use)
Cash Flow Proforma Analysis

Background Data						
(a)	(b)	(c)	(d)	(e)	(f)	
Val.	TIF District	Inflation	Construction	TIF Increment	Tax	
Date	Valuation	Increment	Increment	Over Base	Rate	
	(January 1)		(%)			
	Base Value					
2007	\$8,138,760					
2008	\$7,887,500			\$3,130,500		\$14.05
2009	\$11,269,200			\$7,713,000		\$15.15
2010	\$11,681,700			\$7,496,500		\$16.31
2011	\$10,653,600	\$0		\$2,496,500		\$17.71
2012	\$10,635,600	\$0		\$2,496,500		\$17.14
2013	\$10,635,600	\$0		\$2,496,500		\$17.14
2014	\$10,635,600	\$0		\$2,496,500		\$17.14
2015	\$10,635,600	\$0		\$2,496,500		\$17.14
2016	\$10,635,600	\$0		\$2,496,500		\$17.14
2017	\$10,635,600	\$0		\$2,496,500		\$17.14
2018	\$10,635,600	\$0	\$1,000,000	\$3,496,500		\$17.14
2019	\$11,635,600	\$0	\$0	\$8,496,500		\$17.14
2020	\$16,635,600	\$0	\$0	\$8,896,500		\$17.14
2021	\$17,035,600	\$0	\$400,000	\$9,296,500		\$17.14
2022	\$17,435,600	\$0	\$0	\$9,696,500		\$17.14
2023	\$17,835,600	\$0	\$400,000	\$10,096,500		\$17.14
2024	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2025	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2026	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2027	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2028	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2029	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2030	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2031	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2032	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2033	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2034	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2035	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2036	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2037	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2038	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2039	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2040	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2041	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2042	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2043	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2044	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2045	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2046	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2047	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
2048	\$18,235,600	\$0	\$0	\$10,096,500		\$17.14
			\$0	\$7,600,000		

[illegible][illegible]

Combined Debt Service	TID Status			
	(p)	(q)	(r)	(s)
	Annual Balance (2)	Year End Cumulative Balance (December 31)	Cost Recovery	
\$58,742	\$1,817	\$29,352		
\$37,100	\$5,697	\$298,535		
\$37,100	\$5,697	\$283,838		
\$69,400	\$13,141	\$278,141		
\$69,400	\$26,603	\$304,744		
\$69,400	\$26,603	\$331,317		
\$69,400	\$26,603	\$357,950		
\$69,400	\$26,603	\$384,553		
\$69,400	\$26,603	\$411,157		
\$69,400	\$26,603	\$437,760		
\$182,525	\$132,588	\$470,348		
\$188,775	\$143,138	\$613,486		
\$209,650	\$57,157	\$670,643		
\$214,600	\$95,251	\$725,894		
\$213,500	\$97,239	\$731,189		
\$211,800	\$98,739	\$811,528		
\$209,900	\$36,839	\$848,768		
\$212,700	\$39,639	\$888,407		
\$212,200	\$37,139	\$925,546		
\$212,400	\$39,339	\$964,885		
\$214,200	\$1,139	\$1,006,024		
	\$173,061	\$32,953		Expenditures Recovered
	\$359,902			Expenditures Recovered
	\$486,902			Expenditures Recovered
	\$173,061	\$313,781		Expenditures Recovered
	\$173,061	\$140,720		Expenditures Recovered
	\$173,061	\$32,941		Expenditures Recovered
	\$223,223	\$205,664		Expenditures Recovered
	\$174,089	\$379,652		Expenditures Recovered
	\$174,089	\$654,511		Expenditures Recovered
	\$176,793	\$307,158		Expenditures Recovered
	\$177,597	\$1,084,755		Expenditures Recovered
	\$178,485	\$1,263,240		Expenditures Recovered
	\$178,485	\$1,442,517		Expenditures Recovered
	\$180,274	\$1,622,031		Expenditures Recovered
	\$181,175	\$1,804,096		Expenditures Recovered
	\$182,080	\$1,986,147		Expenditures Recovered
	\$182,992	\$2,168,193		Expenditures Recovered
\$2,339,582				

(1) Increment estimates per City.
(2) Negative annual TIF balance to be paid out of City funds and/or debt service levy. City to be reimbursed by the TIF.



City of Eagle River, WI
TID #3
Parcel Map
Vilas County, WI

- Legend**
- TID #3 Boundary
 - Parcel Lines
 - TID #3 Parcels
 - Shorelines
 - Eagle River Corporate Limits



0 200 400 800 1,200
Feet

Map 1 - TID #3 Parcels

Project # 0802781
SHEK December 14th, 2007
Map File: TID3 Map1 Parcels
Client: Vilas County, WI / Eagle River



TID #3	Parcel	Parcel	TID #3	Parcel	Parcel	TID #3	Parcel	Parcel
1	221-0001-01	221-0001-02	11	221-0011-01	221-0011-02	21	221-0021-01	221-0021-02
2	221-0002-01	221-0002-02	12	221-0012-01	221-0012-02	22	221-0022-01	221-0022-02
3	221-0003-01	221-0003-02	13	221-0013-01	221-0013-02	23	221-0023-01	221-0023-02
4	221-0004-01	221-0004-02	14	221-0014-01	221-0014-02	24	221-0024-01	221-0024-02
5	221-0005-01	221-0005-02	15	221-0015-01	221-0015-02	25	221-0025-01	221-0025-02
6	221-0006-01	221-0006-02	16	221-0016-01	221-0016-02	26	221-0026-01	221-0026-02
7	221-0007-01	221-0007-02	17	221-0017-01	221-0017-02	27	221-0027-01	221-0027-02
8	221-0008-01	221-0008-02	18	221-0018-01	221-0018-02	28	221-0028-01	221-0028-02
9	221-0009-01	221-0009-02	19	221-0019-01	221-0019-02	29	221-0029-01	221-0029-02
10	221-0010-01	221-0010-02	20	221-0020-01	221-0020-02	30	221-0030-01	221-0030-02
11	221-0011-01	221-0011-02	21	221-0021-01	221-0021-02	31	221-0031-01	221-0031-02
12	221-0012-01	221-0012-02	22	221-0022-01	221-0022-02	32	221-0032-01	221-0032-02
13	221-0013-01	221-0013-02	23	221-0023-01	221-0023-02	33	221-0033-01	221-0033-02
14	221-0014-01	221-0014-02	24	221-0024-01	221-0024-02	34	221-0034-01	221-0034-02
15	221-0015-01	221-0015-02	25	221-0025-01	221-0025-02	35	221-0035-01	221-0035-02
16	221-0016-01	221-0016-02	26	221-0026-01	221-0026-02	36	221-0036-01	221-0036-02
17	221-0017-01	221-0017-02	27	221-0027-01	221-0027-02	37	221-0037-01	221-0037-02
18	221-0018-01	221-0018-02	28	221-0028-01	221-0028-02	38	221-0038-01	221-0038-02
19	221-0019-01	221-0019-02	29	221-0029-01	221-0029-02	39	221-0039-01	221-0039-02
20	221-0020-01	221-0020-02	30	221-0030-01	221-0030-02	40	221-0040-01	221-0040-02
21	221-0021-01	221-0021-02	31	221-0031-01	221-0031-02	41	221-0041-01	221-0041-02
22	221-0022-01	221-0022-02	32	221-0032-01	221-0032-02	42	221-0042-01	221-0042-02
23	221-0023-01	221-0023-02	33	221-0033-01	221-0033-02	43	221-0043-01	221-0043-02
24	221-0024-01	221-0024-02	34	221-0034-01	221-0034-02	44	221-0044-01	221-0044-02
25	221-0025-01	221-0025-02	35	221-0035-01	221-0035-02	45	221-0045-01	221-0045-02
26	221-0026-01	221-0026-02	36	221-0036-01	221-0036-02	46	221-0046-01	221-0046-02
27	221-0027-01	221-0027-02	37	221-0037-01	221-0037-02	47	221-0047-01	221-0047-02
28	221-0028-01	221-0028-02	38	221-0038-01	221-0038-02	48	221-0048-01	221-0048-02
29	221-0029-01	221-0029-02	39	221-0039-01	221-0039-02	49	221-0049-01	221-0049-02
30	221-0030-01	221-0030-02	40	221-0040-01	221-0040-02	50	221-0050-01	221-0050-02

City of Eagle River, WI TID #2

Parcel Map

Vilas County, WI

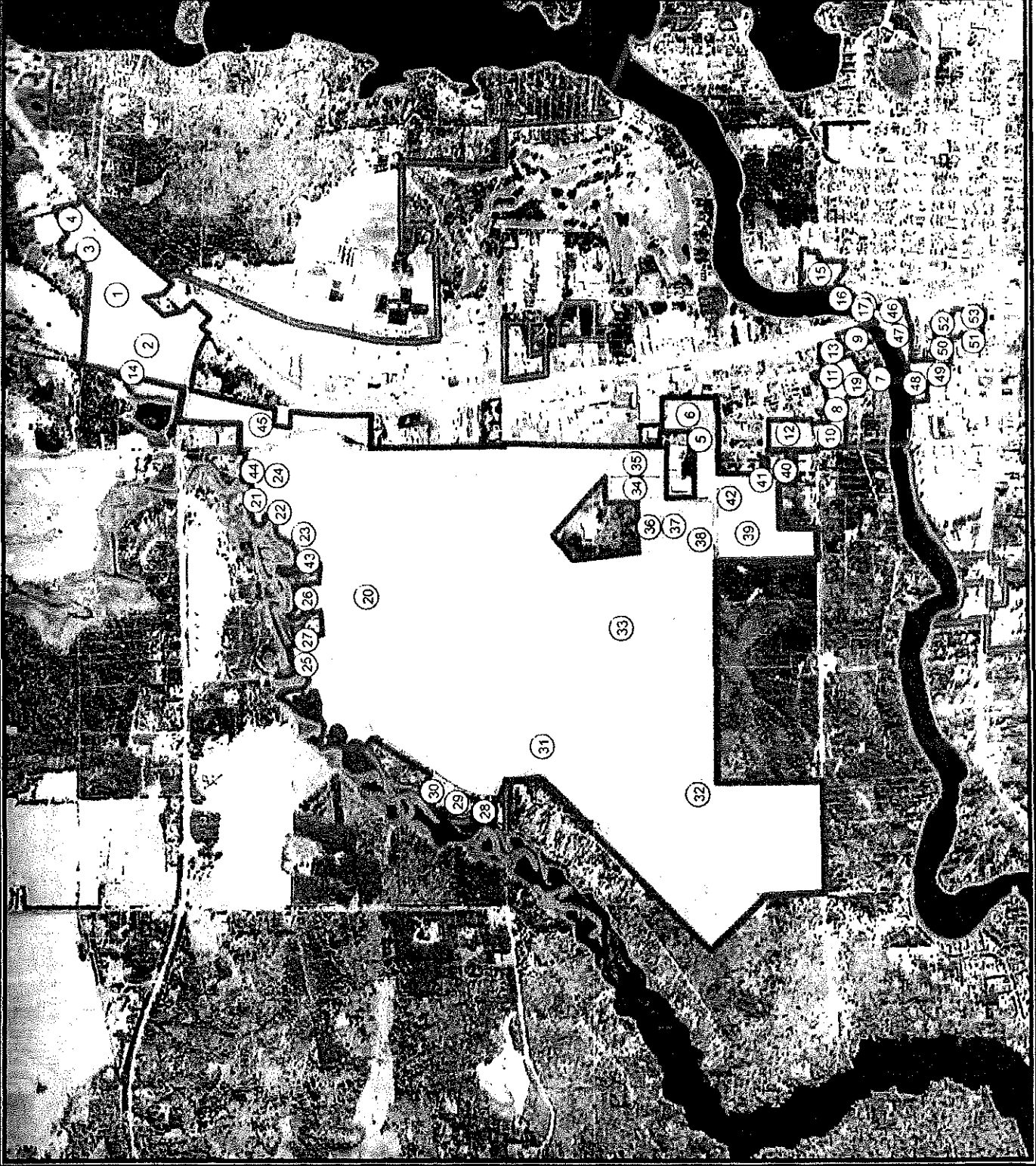
Map Num	Parcel Num	TID	Map Num	Parcel Num	TID
1	221-960-042	Original TID 2	31	221-959	New TID 7
2	221-960-043	Original TID 2	32	221-959-02	New TID 2
3	221-960-044	Original TID 2	33	221-959-03	New TID 2
4	221-960-045	Original TID 2	34	221-959-04	New TID 2
5	221-1009	New TID 2	35	221-959-05	New TID 2
6	221-1009-02	New TID 2	36	221-959-06	New TID 2
7	221-102	New TID 2	37	221-959-092	New TID 2
8	221-104-14	New TID 2	38	221-959-094	New TID 2
9	221-238	New TID 2	39	221-960	New TID 2
10	221-77	New TID 2	40	221-960-02	New TID 2
11	221-82	New TID 2	41	221-960-035	New TID 2
12	221-828	New TID 2	42	221-960-036	New TID 2
13	221-85	New TID 2	43	221-960-0362	New TID 2
14	221-960-0369	New TID 2	44	221-960-0364	New TID 2
15	221-882	New TID 2	45	221-960-038	New TID 2
16	221-883	New TID 2	46	221-132	TID 2 & 3 OV
17	221-884	New TID 2	47	221-136	TID 2 & 3 OV
18	221-895-01	New TID 2	48	221-151	TID 2 & 3 OV
19	221-89	New TID 2	49	221-151	TID 2 & 3 OV
20	221-897-01	New TID 2	50	221-169-02	TID 2 & 3 OV
21	221-898-04	New TID 2	51	221-33	TID 2 & 3 OV
22	221-898-05	New TID 2	52	221-309-01	TID 2 & 3 OV
23	221-898-06	New TID 2	53	221-7	TID 2 & 3 OV
24	221-898-11	New TID 2			
25	221-898-13	New TID 2			
26	221-898-14	New TID 2			
27	221-898-41	New TID 2			
28	221-898-43	New TID 2			
29	221-898-44	New TID 2			
30					



0 450 900 1,800
Feet

Map 2 - TID #2 Parcels

Project # 08S0701
SRK December 19th, 2008
Map File: TID2_Map2_Parcels
G:\projects\maps\WTCity\EagleRiver



RESOLUTION NO. 834

COMMON COUNCIL
OF THE
CITY OF EAGLE RIVER, WISCONSIN

MAY 17, 2012

RESOLUTION APPROVING AN AMENDMENT TO THE PROJECT PLAN OF
TAX INCREMENTAL DISTRICT NO. 3,
CITY OF EAGLE RIVER, WISCONSIN

WHEREAS, the City of Eagle River (the "City") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and WHEREAS, Tax Incremental District No. 3 (the "District") is an existing mixed-use district, created by a resolution of the Common Council adopted on September 11, 2007 with a subsequent amendment adopted by the Common Council on September 23, 2008; and

WHEREAS, the City now desires to amend the Project Plan of the District in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"); and WHEREAS, such amendment will designate the District as Severely Distressed and allow for the District to extend its maximum legal life by 40 years beyond the original creation date under the provisions of Section 66.1105(4e) of the Wisconsin Statutes; and

WHEREAS, the Plan Commission has prepared an amended project plan for Tax Incremental District No. 3 only which addresses the following project plan elements that have been affected by the Severely Distressed Designation:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Sections 66.1105(2)(f) of the Wisconsin Statutes, outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of financing all estimated project costs and the time when the related costs or monetary obligations are to incurred
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the amendment of the district promotes the orderly development of the City;

RESOLUTION NO. 834

- k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Section 66.1105(4)(f) of the Wisconsin Statutes.

WHEREAS, in accordance with Wis. Stats. s.66.1105 (4m)(e) prior to the joint review board meetings a class 1 notice under ch. 985 was published.

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on May 16, 2012 held a public hearing regarding the proposed amendment to the Project Plan providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, prior to its publication, a copy of the notice of said hearing was sent., by first class mail, to the chief executive officers of: Vilas County, the Northland Pines School District, and the Nicolet Area Technical College District, and the other entities having the power to levy taxes on property located within the District; and

WHEREAS, after said public hearing, the Plan Commission adopted, and then recommend approval to the Common Council an amended Project Plan for the District and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Eagle River that:

1. Tax Incremental District No. 3 is a severely distressed tax incremental district, as that term is defined in Wis. Stats. 66.1105(4e);
2. That this project plan amendment shall become effective as of the date of adoption of this resolution provided that it is further approved by the Joint Review Board.
3. The Common Council finds and declares that:
 - a. Tax Incremental District No. 3 was created before October 1, 2008.
 - b. Tax Incremental District No. 3 has not been amended after October 1, 2009.
 - c. The projected increments from Tax Incremental District No. 3 are insufficient to pay project costs and debt during the District's original legal life.
 - d. Increment value in Tax Incremental District No. 3 has declined at least 25% from the highest value increment as determined by the Department of Revenue.

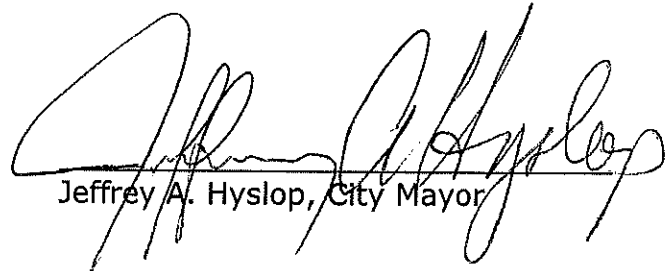
RESOLUTION NO. 834

e. Any increment that exceeds the annual expenditures in Tax Incremental District No. 3 shall retire any debt of the District or establish a reserve used only to retire debt of the District.

4. The amended Project Plan for Tax Incremental District No. 3, City of Eagle River, is approved, and the City further finds that this plan is feasible and in conformity with the master plan of the City.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby authorized and directed to notify the Wisconsin Department of Revenue, within 60 days of adoption of the amendment that this amendment has taken place, pursuant to the provisions of Section 66.1105(5)(cm) of the Wisconsin Statutes.

Adopted this 17th day of May, 2012.



Jeffrey A. Hyslop, City Mayor

ATTEST:



Debra A. Brown, City Clerk/Treasurer



CliftonLarsonAllen LLP
1175 Lombardi Avenue, Suite 200
Green Bay, WI 54304

phone 920-436-7800 fax 920-436-7808
claconnect.com

September 9, 2024

City of Eagle River
City Council, Mayor and Management

Dear Council Members, Mayor Hyslop and Administrator Ginner,

Introduction

This memo provides a summary of the findings and related transfers from two Tax Incremental Districts (TIDs) concerning ineligible expenditures outside the TID boundaries following the Severely Distressed designation approval in September 2012.

Background

After the completion of the 2022 audit, a review of the City's debt and related allocations was recommended. During that process, CLA reviewed historical transactions related to the two TIDs to trace debt issuance costs and principal/interest payments to the various projects within each TID. While searching for supporting documentation, City staff located the Severely Distressed approval documentation, which specifically stated that upon approval of this designation (September 11, 2012), no expenditures were to be incurred outside of TID boundaries. Upon this finding, City staff discussed options with various consultants and advisors, including the Wisconsin Department of Revenue, which resulted in a detailed review assessing the appropriateness of expenditures with subsequent transfers recorded in the financial statements for the year ended December 31, 2023 for ineligible expenditures within these two TIDs.

Findings

The review identified majority of the projects after the designation date were ineligible expenditures that were made outside the boundaries of the designated TIDs. These expenditures contravened the regulations governing TID spending, which mandate that funds be utilized exclusively within the TID boundaries to promote redevelopment and improve infrastructure.

TID 2

- Ineligible Expenditures: approximately \$1.4 million spent on projects outside the TID boundaries.
- Related Transfer: approximately \$476,000 transferred from the General Fund to reimburse the TID fund for these net expenditures (project costs plus portion of financing costs less related revenue sources).

TID 3

- Ineligible Expenditures: \$3.6 million spent on projects outside the TID boundaries.
- Related Transfer: approximately \$1.6 million transferred from the General Fund to reimburse the TID fund for these net expenditures (project costs plus portion of financing costs less related revenue sources).

Implications and Recommendations

The findings highlight non-compliance with TID expenditure regulations, raising concerns as to the management and oversight of TID funds. To address these issues, the following action has been taken and is recommended:

- Reconciliation of ineligible expenditures, including related financing costs and revenue sources.
- Reimbursement of funds to the TID funds with a transfer from the General Fund.
- Implementation of enhanced oversight mechanisms to ensure future compliance with TID regulations; note that as the expenditure period has ended for TID 2 and TID 3, no additional project costs can be incurred.
- Review strategies for financing the additional expenditures assumed by the General Fund to minimize impact to taxpayers.
- As a result of the transfers, both TID 2 and TID 3 are in a better financial position, with the ability to close prior to the required closure date, as defined in the Severely Distressed approval. Evaluation of this possibility and timing is recommended, as early closure will benefit City residents, along with the other taxing jurisdictions.

For further details or questions regarding this memo, please contact the undersigned.

Sincerely,

CliftonLarsonAllen LLP

Scott Sternhagen

Scott Sternhagen, CPA
Principal
920-455-4132
Scott.Sternhagen@claconnect.com

General Fund Options Discussion

City of Eagle River, Wisconsin

October 15, 2024

Adam Ruechel
Vice President
920-433-7373
aruechel@rwbaird.com

Brad Viegut
Managing Director
414-298-7540
BViegut@rwbaird.com

Discover the *Baird Difference*

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Overview/Review of Fund Balance

Future Budget Recommendations

TIF District Interest Payment Consideration

Enterprise Fund Advancement to General Fund

Golf Course Increased Budget/Payments to General Fund

Convert USDA Loans to General Obligation Loans

Overview/Review of Fund Balance

After completion of the 2022 audit, a review of the City's debt and related allocations was recommended. During the review process by auditing firm CLA it was discovered the City of Eagle River had authorized expenditures for projects that were conducted within the half mile boundary of TID 2 and TID 3 after the districts had been placed into a distressed/severely distressed status.

Per the Wisconsin Department of Revenue Tax Incremental Financing Division when a district is placed into a distressed/severely distressed status it may not:

Municipalities with distressed/severely distressed TIDs may not:

- Make any additional expenditures in the TID after the original expenditure period ends
- Amend the TID's project plan to add any new costs, add any new territory or become a donor TID
- Overlap the TID's boundaries with another TID
- Spend any funds outside the TID boundaries
- Rescind the TID's designation. The TID must remain distressed/severely distressed until the municipality terminates it.

This caused adjustments to be made by CLA in which costs which were originally attributed to being paid by TID 2 and 3 would now have to be shifted and covered by the general financials of the city. These adjustments resulting in the City of Eagle River having their unassigned fund balance in a negative cash position.

During the month of September city staff, Baird, and CLA have been meeting to review options and alternatives that could be undertaken to assist in improving the overall cash position of the unassigned fund balance for the City of Eagle River.

Overview/Review of Fund Balance

CITY OF EAGLE RIVER	As of December 31, 2023		
	General Fund	TID # 2	TID # 3
Fund Balance-Beginning of Year	\$ 1,819,798.00	\$ (1,338,335.00)	\$ (1,095,567.00)
Fund Balance-End of Year	\$ 245,204.00	\$ (563,012.00)	\$ 370,450.00
FUND BALANCE			
Nonspendable	\$ 572,935.00	\$ -	
Restricted	\$ -	\$ -	\$ 370,450.00
Assigned	\$ -	\$ -	
Unassigned	\$ (327,731.00)	\$ (563,012.00)	
Total Fund Balance	\$ 245,204.00	\$ (563,012.00)	\$ 370,450.00

Eagle River Budget Recommendations:

- Budget for all potential revenues.
- Budget for all potential expenditures.
- Consider reductions in expenditures to assist in replenishing fund balance.
- Apply for grants to offset expenditures to assist in replenishing fund balance.

TIF District Interest Rate Charge for Prior City Support

TIF District Interest Rate Charge for Prior City Support:

- Consider Interest Rate Charge of 5-6.5% for support from 2007-2011.
- TIF District could apply yearly interest rate reimbursement to general fund.
- Enterprise fund supplied support could be transferred to general fund.

TIF District Interest Rate Charge for Prior City Support

BAIRD

2023 Tax Rate (presentation)

BAIRD

City of Eagle River Tax Increment District No. 2 Cash Flow Proforma Analysis

Assumptions				
Annual Inflation During Life of TID.....		0.00%		
2023 Tax Rate (per \$1000 Equalized Value).....		\$13.06		
Annual Adjustment to tax rate.....		0.00%		
Investment rate.....		1.00%		
Data above dashed line are actual				
Background Data				
(a)	(b)	(c)	(d)	
Year	TIF District Valuation	Construction Increment	TIF Increment Over Base	Tax Rate
	(January 1)			
	Base Value			
	\$3,976,300			
2023	\$17,940,700		\$11,775,900	\$13.06
2024	\$15,752,200		\$11,775,900	\$13.06
2025	\$15,752,200		\$11,775,900	\$13.06
2026	\$15,752,200		\$11,775,900	\$13.06
2027	\$15,752,200		\$11,775,900	\$13.06
2028	\$15,752,200		\$11,775,900	\$13.06
2029	\$15,752,200		\$11,775,900	\$13.06
2030	\$15,752,200		\$11,775,900	\$13.06
2031	\$15,752,200		\$11,775,900	\$13.06
2032	\$15,752,200		\$11,775,900	\$13.06
2033	\$15,752,200		\$11,775,900	\$13.06
2034	\$15,752,200		\$11,775,900	\$13.06
		\$1,146,200		

Type of TID: Mixed-Use (Severely Distressed)

2007 TID Inception

2022 Final Year to Incur TIF Related Costs

2047 Maximum Legal Life of TID (20 Years + 20 Years as Severely Distressed)

2048 Final Tax Collection Year

(1) Per Debt Service Schedule

(2) Per 2023 Audit Review: interest rate recoverable costs: \$262,612

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TIF District Interest Rate Charge for Prior City Support

Eagle River TID #2 summary	
TID Fund Balance Projection	
TID #2	
2023 <i>(actual)</i>	(\$563,012)
2024	(\$552,522)
2025	(\$532,887)
2026	(\$405,245)
2027	(\$276,168)
2028	(\$146,666)
2029	(\$15,750)
2030	\$115,572
2031	\$249,445
2032	\$381,082
2033	\$514,498
2034	\$663,479
General Fund Repayment Projection	
TID #2	
2023	0
2024	\$150,000
2025	\$112,612
TOTAL	\$262,612
Unassigned General Fund Balance Projection	
2023 <i>(actual)</i>	(\$327,731)
2024	(\$177,731)
2025	(\$65,119)

TIF District Interest Rate Charge for Prior City Support

BAIRD

2023 Tax Rate



City of Eagle River Tax Increment District No. 3 Cash Flow Proforma Analysis

Assumptions																																	
Annual Inflation During Life of TID..... 0.00%																																	
2022 Tax Rate (per \$1000 Equalized Value)..... \$13.06																																	
Annual Adjustment to tax rate..... 0.00%																																	
Investment rate..... 1.00%																																	
Data above dashed line are actual																																	
Background Data				Revenues				Expenditures				TID Status																					
(a)		(b)		(c)		(d)		(e)		(f)		(g)		(h)		(i)		(j)		(k)		(l)		(m)		(n)		(o)		(p)		Year	
Year	TIF District	Construction	TIF Increment	Tax	Tax	Investment	Total	Tax Revenues	Principal	Interest	Existing	Administration/	Combined	Annual	Year End	Cost Recovery																	
	Valuation	Increment	Over Base	Rate	Revenue	Proceeds	Revenues	Available to Developer			Debt Service	Fees	Expenditures	Balance	Cumulative Balance																		
	(January 1)																(December 31)																
	Base Value																																
	\$8,138,700																																
2023	\$31,580,600	-----		\$13.06											\$370,450	Per 2023 Audit		2023															
2024	\$27,451,200			\$13.06	\$306,238	\$3,705	\$309,942	\$306,238	\$146,155	\$39,092	\$185,247	\$0	\$185,247	\$124,696	\$495,146			2024															
2025	\$27,451,200			\$13.06	\$252,293	\$4,951	\$257,244	\$252,293	\$149,450	\$36,066	\$185,516	\$0	\$185,516	\$71,728	\$566,874			2025															
2026	\$27,451,200			\$13.06	\$252,293	\$5,669	\$257,961	\$252,293	\$152,727	\$33,000	\$185,727	\$0	\$185,727	\$72,234	\$639,108			2026															
2027	\$27,451,200			\$13.06	\$252,293	\$6,391	\$258,684	\$252,293	\$155,016	\$29,874	\$184,890	\$0	\$184,890	\$73,794	\$712,902			2027															
2028	\$27,451,200			\$13.06	\$252,293	\$7,129	\$259,422	\$252,293	\$161,290	\$26,686	\$187,976	\$0	\$187,976	\$74,142	\$784,348			2028															
2029	\$27,451,200			\$13.06	\$252,293	\$7,843	\$260,136	\$252,293	\$162,630	\$23,364	\$185,994	\$0	\$185,994	\$74,142	\$858,490			2029															
2030	\$27,451,200			\$13.06	\$252,293	\$8,585	\$260,878	\$252,293	\$167,958	\$19,996	\$187,954	\$0	\$187,954	\$72,924	\$931,414			2030															
2031	\$27,451,200			\$13.06	\$252,293	\$9,314	\$261,607	\$252,293	\$169,300	\$16,557	\$798,366	\$10,000	\$808,366	(\$546,760)	\$384,654	Expenditures Recovered		2031															

Type of TID: Mixed-Use (Severely Distressed)

2007 TID Inception

2022 Final Year to Incur TIF Related Costs

2047 Maximum Legal Life of TID (20 Years + 20 Years as Severely Distressed)

2048 Final Tax Collection Year

(1) per debt service schedule

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Enterprise Fund Advancement to General Fund:

- Consider Advance from Electric or Water Utility to assist in replenishing fund balance.
- Enterprise fund supplied support could be transferred to general fund.

Golf Course Increased Budget/Payments to General Fund

Golf Course Increased Budget/Payments to General Fund:

- Consider moving any expenditures for the Golf Course covered by general fund to Golf Course fund.
- Consider increasing payments due to General Fund for golf course prior years support.

Convert USDA Loans to General Obligation Debt Loan

Convert USDA Loans to General Obligation Debt Loan:

- Discuss pros/cons of converting USDA loans to General Obligation Debt Loans and the impacts this would have on mill rate and potential to replenish general fund unassigned fund balance.

Convert USDA Loans to G.O. Debt (Before)

BAIRD

BEFORE REFINANCING

Calendar Year	Wall Street Projects \$322,000 USDA Loan Revenue Bonds Dated November 19, 2008			Silver Street Projects \$693,000 USDA Loan Revenue Bonds Dated December 17, 2013			Division Street Projects \$778,500 USDA Loan Revenue Bonds Dated November 2, 2016			2018 Projects - Water \$915,000 USDA Loan Revenue Bonds Dated November 25, 2019			2018 Projects - Sewer \$1,287,000 USDA Loan Revenue Bonds Dated November 25, 2019			TOTAL DEBT SERVICE
	PRINCIPAL (3/1 & 9/1)	RATE	INTEREST (3/1 & 9/1)	PRINCIPAL (6/17 & 12/17)	RATE	INTEREST (6/17 & 12/17)	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	
2025	\$6,450	4.250%	\$10,369	\$6,870	2.750%	\$8,195	\$5,267	1.375%/1.875%	\$3,596	\$5,789	1.750%	\$4,800	\$6,048	1.750%	\$4,913	\$57,383
2026	\$6,727	4.250%	\$10,092	\$7,060	2.750%	\$8,005	\$5,367	1.375%/1.875%	\$3,509	\$5,897	1.750%	\$4,697	\$6,172	1.750%	\$4,913	\$62,438
2027	\$7,016	4.250%	\$9,803	\$7,256	2.750%	\$7,810	\$5,433	1.375%/1.875%	\$3,420	\$6,006	1.750%	\$4,593	\$6,271	1.750%	\$4,804	\$62,411
2028	\$7,290	4.250%	\$9,502	\$7,435	2.750%	\$7,609	\$5,533	1.375%/1.875%	\$3,330	\$6,114	1.750%	\$4,499	\$6,395	1.750%	\$4,706	\$62,415
2029	\$7,630	4.250%	\$9,189	\$7,662	2.750%	\$7,403	\$5,633	1.375%/1.875%	\$3,238	\$6,223	1.750%	\$4,379	\$6,494	1.750%	\$4,580	\$62,432
2030	\$7,958	4.250%	\$8,861	\$7,875	2.750%	\$7,191	\$5,733	1.375%/1.875%	\$3,145	\$6,332	1.750%	\$4,269	\$6,618	1.750%	\$4,465	\$62,446
2031	\$8,300	4.250%	\$8,519	\$8,093	2.750%	\$6,973	\$5,800	1.375%/1.875%	\$3,050	\$6,440	1.750%	\$4,157	\$6,717	1.750%	\$4,349	\$62,397
2032	\$8,633	4.250%	\$8,163	\$8,298	2.750%	\$6,749	\$5,900	1.375%/1.875%	\$2,954	\$6,549	1.750%	\$4,055	\$6,841	1.750%	\$4,242	\$62,383
2033	\$9,027	4.250%	\$7,792	\$8,546	2.750%	\$6,519	\$6,000	1.375%/1.875%	\$2,856	\$6,657	1.750%	\$3,928	\$6,965	1.750%	\$4,109	\$62,399
2034	\$9,415	4.250%	\$7,404	\$8,783	2.750%	\$6,282	\$6,133	1.375%/1.875%	\$2,756	\$6,766	1.750%	\$3,811	\$7,089	1.750%	\$3,986	\$62,425
2035	\$9,819	4.250%	\$7,000	\$9,026	2.750%	\$6,039	\$6,233	1.375%/1.875%	\$2,654	\$6,910	1.750%	\$3,691	\$7,213	1.750%	\$3,861	\$62,447
2036	\$10,222	4.250%	\$6,579	\$9,260	2.750%	\$5,789	\$6,333	1.375%/1.875%	\$2,550	\$7,019	1.750%	\$3,579	\$7,337	1.750%	\$3,744	\$62,412
2037	\$10,680	4.250%	\$6,139	\$9,533	2.750%	\$5,533	\$6,433	1.375%/1.875%	\$2,445	\$7,128	1.750%	\$3,445	\$7,461	1.750%	\$3,604	\$62,400
2038	\$11,138	4.250%	\$5,681	\$9,796	2.750%	\$5,269	\$6,533	1.375%/1.875%	\$2,338	\$7,272	1.750%	\$3,319	\$7,609	1.750%	\$3,472	\$62,429
2039	\$11,617	4.250%	\$5,202	\$10,068	2.750%	\$4,997	\$6,633	1.375%/1.875%	\$2,229	\$7,381	1.750%	\$3,191	\$7,733	1.750%	\$3,338	\$62,390
2040	\$12,102	4.250%	\$4,704	\$10,341	2.750%	\$4,719	\$6,767	1.375%/1.875%	\$2,119	\$7,526	1.750%	\$3,069	\$7,882	1.750%	\$3,210	\$62,439
2041	\$12,636	4.250%	\$4,184	\$10,633	2.750%	\$4,432	\$6,867	1.375%/1.875%	\$2,006	\$7,670	1.750%	\$2,928	\$8,006	1.750%	\$3,062	\$62,424
2042	\$13,178	4.250%	\$3,641	\$10,927	2.750%	\$4,138	\$6,967	1.375%/1.875%	\$1,892	\$7,815	1.750%	\$2,792	\$8,155	1.750%	\$2,921	\$62,426
2043	\$13,744	4.250%	\$3,075	\$11,230	2.750%	\$3,835	\$7,067	1.375%/1.875%	\$1,776	\$7,923	1.750%	\$2,655	\$8,303	1.750%	\$2,777	\$62,385
2044	\$14,327	4.250%	\$2,485	\$11,531	2.750%	\$3,524	\$7,200	1.375%/1.875%	\$1,658	\$8,068	1.750%	\$2,522	\$8,452	1.750%	\$2,638	\$62,405
2045	\$14,950	4.250%	\$1,869	\$11,860	2.750%	\$3,205	\$7,333	1.375%/1.875%	\$1,538	\$8,213	1.750%	\$2,372	\$8,601	1.750%	\$2,481	\$62,423
2046	\$15,592	4.250%	\$1,227	\$12,188	2.750%	\$2,877	\$7,433	1.375%/1.875%	\$1,416	\$8,358	1.750%	\$2,227	\$8,750	1.750%	\$2,329	\$62,397
2047	\$16,262	4.250%	\$558	\$12,526	2.750%	\$2,539	\$7,567	1.375%/1.875%	\$1,292	\$8,502	1.750%	\$2,080	\$8,898	1.750%	\$2,175	\$62,398
2048	\$880	4.250%	\$19	\$12,795	2.750%	\$2,193	\$7,700	1.375%/1.875%	\$1,165	\$8,647	1.750%	\$1,935	\$9,047	1.750%	\$2,024	\$46,404
2049				\$13,229	2.750%	\$1,838	\$7,833	1.375%/1.875%	\$1,037	\$8,828	1.750%	\$1,777	\$9,221	1.750%	\$1,858	\$45,620
2050				\$13,595	2.750%	\$1,472	\$7,967	1.375%/1.875%	\$906	\$8,973	1.750%	\$1,621	\$9,369	1.750%	\$1,695	\$45,597
2051				\$13,971	2.750%	\$1,095	\$8,067	1.375%/1.875%	\$773	\$9,117	1.750%	\$1,463	\$9,543	1.750%	\$1,530	\$45,559
2052				\$14,456	2.750%	\$708	\$8,233	1.375%/1.875%	\$638	\$9,298	1.750%	\$1,305	\$9,716	1.750%	\$1,365	\$45,720
2053				\$14,892	2.750%	\$307	\$8,367	1.375%/1.875%	\$500	\$9,443	1.750%	\$1,137	\$9,890	1.750%	\$1,190	\$45,726
2054							\$8,500	1.375%/1.875%	\$360	\$9,624	1.750%	\$971	\$10,063	1.750%	\$1,015	\$30,533
2055							\$8,633	1.375%/1.875%	\$218	\$9,805	1.750%	\$801	\$10,237	1.750%	\$838	\$30,531
2056							\$8,800	1.375%/1.875%	\$73	\$9,950	1.750%	\$630	\$10,410	1.750%	\$659	\$30,521
2057										\$10,130	1.750%	\$452	\$10,609	1.750%	\$473	\$21,664
2058										\$10,311	1.750%	\$273	\$10,782	1.750%	\$286	\$21,652
2059										\$10,492	1.750%	\$91	\$10,980	1.750%	\$95	\$21,659
	\$245,591		\$142,055	\$299,734		\$137,244	\$220,267		\$63,437	\$277,177		\$93,515	\$289,876		\$92,794	\$1,861,690

TIF #3 Supported
Loans: 91-05 & 92-07

City due to ERLW (GF) - (91-09 & 92-10)
Loans: 91-09 & 92-10

City Supported (91-14 & 92-13)
Loans: 91-14 & 92-13

City due to Water
Loans: 91-17 & 91-20

City due to Sewer
Loan: 92-19

SPILT PURPOSE LOAN
CALLABLE MATURITIES

Convert USDA Loans to G.O. Debt (After)

BAIRD

AFTER REFINANCING

Wall Street Projects \$322,000 USDA Loan Revenue Bonds Dated November 19, 2008		Silver Street Projects \$693,000 USDA Loan Revenue Bonds Dated December 17, 2013		Division Street Projects \$778,500 USDA Loan Revenue Bonds Dated November 2, 2016		2018 Projects - Water \$915,000 USDA Loan Revenue Bonds Dated November 25, 2019		2018 Projects - Sewer \$1,287,000 USDA Loan Revenue Bonds Dated November 25, 2019		\$1,365,000 G.O. Refunding Bonds Dated December 30, 2024 ⁽¹⁾		TOTAL NEW DEBT SERVICE	POTENTIAL DEBT SERVICE SAVINGS	Calendar Year
PRINCIPAL (3/1 & 9/1)	INTEREST (3/1 & 9/1)	PRINCIPAL (6/17 & 12/17)	INTEREST (6/17 & 12/17)	PRINCIPAL (5/1)	INTEREST (5/1 & 11/1)	PRINCIPAL (5/1)	INTEREST (5/1 & 11/1)	PRINCIPAL (5/1)	INTEREST (5/1 & 11/1)	PRINCIPAL (3/1)	INTEREST (3/1 & 9/1)			
											TIC= 3.96%			
***		***		***		***		***		\$50,000	\$39,229	\$39,229	\$23,173	2025
***		***		***		***		***		\$50,000	\$57,350	\$107,350	(\$44,912)	2026
***		***		***		***		***		\$50,000	\$54,850	\$104,850	(\$42,439)	2027
***		***		***		***		***		\$50,000	\$52,350	\$102,350	(\$39,935)	2028
***		***		***		***		***		\$55,000	\$49,725	\$104,725	(\$42,293)	2029
***		***		***		***		***		\$65,000	\$46,725	\$111,725	(\$49,279)	2030
***		***		***		***		***		\$65,000	\$43,475	\$108,475	(\$46,078)	2031
***		***		***		***		***		\$65,000	\$40,225	\$105,225	(\$42,842)	2032
***		***		***		***		***		\$70,000	\$37,200	\$107,200	(\$44,801)	2033
***		***		***		***		***		\$70,000	\$34,400	\$104,400	(\$41,975)	2034
***		***		***		***		***		\$70,000	\$31,600	\$101,600	(\$39,153)	2035
***		***		***		***		***		\$75,000	\$28,700	\$103,700	(\$41,288)	2036
***		***		***		***		***		\$90,000	\$25,400	\$115,400	(\$53,000)	2037
***		***		***		***		***		\$90,000	\$21,800	\$111,800	(\$49,371)	2038
***		***		***		***		***		\$90,000	\$18,200	\$108,200	(\$45,810)	2039
***		***		***		***		***		\$95,000	\$14,500	\$109,500	(\$47,061)	2040
***		***		***		***		***		\$100,000	\$10,600	\$110,600	(\$48,176)	2041
***		***		***		***		***		\$105,000	\$6,500	\$111,500	(\$49,074)	2042
***		***		***		***		***		\$110,000	\$2,200	\$112,200	(\$49,815)	2043
***		***		***		***		***					\$62,405	2044
***		***		***		***		***					\$62,423	2045
***		***		***		***		***					\$62,397	2046
***		***		***		***		***					\$62,398	2047
***		***		***		***		***					\$46,404	2048
***		***		***		***		***					\$45,620	2049
***		***		***		***		***					\$45,597	2050
***		***		***		***		***					\$45,559	2051
***		***		***		***		***					\$45,720	2052
***		***		***		***		***					\$45,726	2053
***		***		***		***		***					\$30,533	2054
***		***		***		***		***					\$30,531	2055
***		***		***		***		***					\$30,521	2056
***		***		***		***		***					\$21,664	2057
***		***		***		***		***					\$21,652	2058
***		***		***		***		***					\$21,659	2059
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,365,000	\$615,029	\$1,980,029	(\$113,320)	

*** REFINANCED WITH 2024 ISSUE.

(1) This illustration represents a mathematical calculation of potential interest cost savings (cost), assuming hypothetical rates based on current rates for municipal bonds as of 9/19/24. Actual rates may vary. If actual rates are higher than those assumed, the interest cost savings would be lower. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a refinancing or otherwise to be considered as advice.

(2) Present value calculated using the All Inclusive Cost (AIC) of 4.35% as the discount rate.

ROUNDING AMOUNT..... \$2,645
POTENTIAL GROSS SAVINGS (LOSS)..... (\$110,674)

(2) POTENTIAL PRESENT VALUE SAVINGS (LOSS) \$..... (\$296,137)
POTENTIAL PRESENT VALUE SAVINGS (LOSS) %..... -22.222%

Interest Rate Sensitivity		
Change in Rates	Est. PV % Savings	Est. PV \$ Savings
-0.30%	-19.321%	(\$257,474)
-0.20%	-20.302%	(\$270,556)
-0.10%	-21.269%	(\$283,436)
+0.10%	-23.150%	(\$308,504)
+0.20%	-24.061%	(\$320,647)
+0.30%	-24.964%	(\$332,679)

General Fund Balance Summary-Financial Impacts-Timeline

- **Budget Revenue/Expenditure Option**

- Increase Revenues where able.
- Decrease Expenditures where able.
- Forecast for budgetary surplus to increase fund balance organically over time.
- Most organic recommendation.
- If only option chosen will require authorized gameplan to be utilized when considering future borrowings.
- Timeline for general fund balance to improve will take longer than other options.

- **TIF District # 2 Interest Rate Charge for Prior Years Support Option**

- Verified \$262,612 could be charge to TID 2 for repayment to general fund.
- Repayments would be made in 2024 & 2025.
- Negative fund balance would be reduced to \$65,119 in 2026 if this is only option chosen.

- **USDA Loan to General Obligation Debt Option**

- Conversion of 5 portions of USDA Loan to General Obligation Debt.
- Increases annual debt service by \$40,000-\$50,000 through 2043. Increase would be incorporated into Levy Limit Worksheet.
- If completed by December 2024 would impact 2024 financials and create positive Unassigned General Fund balance.

Common Council Next Steps

Tax Incremental District # 2 Interest Rate Chargeback

Motion to authorize staff to apply a 5% interest rate chargeback from TID 2 to General Fund Reserves for assistance from 2007-2011 not to exceed \$262,612.

Enterprise Fund Advancement

Motion to authorize staff to request advance from Electric/Water Utility to assist with replenishing general fund balance and investigate/propose advance from Golf Course Fund.

USDA/General Obligation Loan Conversion Refunding

Motion to direct Baird to return to Council with a borrowing resolution to implement the conversion of USDA Loans to G.O debt as detailed in the presentation.

Important Disclosures

Robert W. Baird & Co. Incorporated is providing this information to you for discussion purposes only. The information does not contemplate or relate to a future issuance of municipal securities. Baird is not recommending that you take any action, and this information is not intended to be regarded as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 or the rules thereunder. In providing this information, Baird is not acting as an advisor to you and does not owe you a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934. You should discuss the information contained herein with any and all internal or external advisors and experts you deem appropriate before acting on the information.

To (Owner): City of Eagle River	Application Period: 9/5/24 to 10/10/24	Application Date: 10/10/24
Project: 2024 Eagle River street Program	From (Contractor): Pitlik & Wick	Via (Engineer) MSA
Owner's Contract No.:	Contract:	
	Contractor's Project No.:	Engineer's Project No.: 88135

Approved Change Orders		
Number	Additions	Deductions
1	44269	
1		43018.75
2	42660	
TOTALS	\$86,929.00	\$43,018.75
NET CHANGE BY CHANGE ORDERS		
		\$43,910.25

- | | |
|----|------------|
| \$ | 208,388.75 |
| \$ | 43,910.25 |
| \$ | 252,299.00 |
| \$ | 247,649.75 |
| \$ | 0.00 |
| \$ | 0.00 |
| \$ | 247,649.75 |
| \$ | 59,513.23 |
| \$ | 188,136.52 |
| \$ | 0.00 |

Payment of:	\$188,136.52	
	(Line 8 or other - attach explanation of other amount)	
is recommended by:	_____	_____
	(Engineer)	(Date)
Payment of:	\$ _____	
	(Line 8 or other - attach explanation of other amount)	
is approved by:	_____	_____
	(Owner)	(Date)
Approved by:	_____	_____
	Funding Agency (if applicable)	(Date)

Page 1 of 3

Progress Estimate

Contractor's Application #2 Final

For (contract): 2024 Eagle River Street Program							Application Number: 2 Final								
Application Period: 9/5/24 thru 10/10/24							Application Date: 10/10/24								
A							B		C		D	E	F		G
Item		Description		Bid Quantity	Unit	Unit Price	Bid Value	Estimated Quantity Installed	Value	Materials Presently Stored (not in C)	Total Completed and Stored to Date (D + E)	% (E) B	Balance to Finish (B - F)		
Bid Item No.															
Project #1 Maple Street (3rd to Silver Lake Road)															
1			Mobilization, Bonds, & Insurance	1	L.S.	\$5,500.00	\$5,500.00	1	\$5,500.00		\$5,500.00	1	\$0.00		
2			Erosion and Sedimentation Control	1	L.S.	\$1,000.00	\$1,000.00	1	\$1,000.00		\$1,000.00	1	\$0.00		
3			Turf Restoration	1	L.S.	\$3,500.00	\$3,500.00	1	\$3,500.00		\$3,500.00	1	\$0.00		
4			Traffic Control	1	L.S.	\$750.00	\$750.00	1	\$750.00		\$750.00	1	\$0.00		
5			Remove Asphalt Pavement	2,200	S.Y.	\$2.50	\$5,500.00	2444	\$6,110.00		\$6,110.00	1.110909	-\$610.00		
6			Remove and Replace 30" Concrete Curb & Gutter, Type D	585	L.F.	\$48.00	\$28,080.00	603	\$28,944.00		\$28,944.00	1.030769	-\$864.00		
7			Remove & Replace 4-inch Thick Concrete Sidewalk	3,150	S.F.	\$8.50	\$26,775.00	3306	\$28,101.00		\$28,101.00	1.049524	-\$1,326.00		
8			Remove & Replace 6-inch Thick Concrete Sidewalk	175	S.F.	\$18.00	\$3,150.00	228	\$4,104.00		\$4,104.00	1.302857	-\$954.00		
9			Furnish & Install Detectable Warning Fields	32	S.F.	\$65.00	\$2,080.00	32	\$2,080.00		\$2,080.00	1	\$0.00		
10			Adjust Manhole Casting	2	E.A.	\$250.00	\$500.00	3	\$750.00		\$750.00	1.5	-\$250.00		
11			Excavation Below Subgrade including Gravel Fill	50	C.Y.	\$45.00	\$2,250.00	4.5	\$202.50		\$202.50	0.09	\$2,047.50		
12			Shape Existing Base	2,200	S.Y.	\$2.50	\$5,500.00	2444	\$6,110.00		\$6,110.00	1.110909	-\$610.00		
13			Supplemental Aggregate Base	60	C.Y.	\$33.50	\$2,010.00	0	\$0.00		\$0.00	0	\$2,010.00		
14			Furnish & Install 3" Thick Asphaltic Pavement	2,200	S.Y.	\$15.00	\$33,000.00	2444	\$36,660.00		\$36,660.00	1.110909	-\$3,660.00		
15			Sawcut Asphalt Pavement	120	L.F.	\$2.50	\$300.00	124	\$310.00		\$310.00	1.033333	-\$10.00		
16			Sawcut Concrete Pavement	25	L.F.	\$5.00	\$125.00	10	\$50.00		\$50.00	0.4	\$75.00		
TOTAL for Project #1															
Project #2 Birch Street (Spruce St. to Maple St.)															
17			Mobilization, Bonds, & Insurance	1	L.S.	\$3,000.00	\$3,000.00	1	\$3,000.00		\$3,000.00	1	\$0.00		
18			Traffic Control	1	L.S.	\$500.00	\$500.00	1	\$500.00		\$500.00	1	\$0.00		
19			Remove Asphalt Pavement	1,850	S.Y.	\$2.50	\$4,625.00	1801	\$4,502.50		\$4,502.50	0.973514	\$122.50		
20			Adjust Manhole Casting	1	E.A.	\$250.00	\$250.00	3	\$750.00		\$750.00	3	-\$500.00		
21			Excavation Below Subgrade including Gravel Fill	45	C.Y.	\$45.00	\$2,025.00	0	\$0.00		\$0.00	0	\$2,025.00		
22			Shape Existing Base	1,850	S.Y.	\$2.75	\$5,087.50	1801	\$4,952.75		\$4,952.75	0.973514	\$134.75		
23			Supplemental Aggregate Base	50	C.Y.	\$33.50	\$1,675.00	0	\$0.00		\$0.00	0	\$1,675.00		
24			Furnish & Install 3" Thick Asphaltic Pavement	1,850	S.Y.	\$15.00	\$27,750.00	1801	\$27,015.00		\$27,015.00	0.973514	\$735.00		
25			Sawcut Asphaltic Pavement	175	L.F.	\$2.50	\$437.50	182	\$455.00		\$455.00	1.04	-\$17.50		
TOTAL for Project #2															
CHANGE ORDER #1															
					L.S.		\$44,269.00	1	\$44,269.00		\$44,269.00		\$0.00		
CHANGE ORDER #2															
					L.S.		\$42,260.00	0.9	\$38,034.00		\$38,034.00		\$0.00		
Totals															
							\$251,899.00		\$247,649.75		\$247,649.75		\$0.00		

Progress Estimate

Contractor's Application #2 Final

For (contract): 2024 Eagle River Street Program						Application Number: 2 Final						
Application Period: 9/5/24 thru 10/10/24						Application Date: 10/10/24						
A					B	C		D	E	F		G
Item		Bid Quantity	Unit	Unit Price	Bid Value	Estimated Quantity Installed	Value	Materials Presently Stored (not in C)	Total Completed and Stored to Date (D + E)	% (E) B	Balance to Finish (B - F)	
Bid Item No.	Description											
	Project #1 Maple Street (3rd to Silver Lake Road)											
1	Mobilization, Bonds, & Insurance	1	L.S.	\$5,500.00	\$5,500.00	1	\$5,500.00		\$5,500.00	1	\$0.00	
2	Erosion and Sedimentation Control	1	L.S.	\$1,000.00	\$1,000.00	1	\$1,000.00		\$1,000.00	1	\$0.00	
3	Turf Restoration	1	L.S.	\$3,500.00	\$3,500.00	1	\$3,500.00		\$3,500.00	1	\$0.00	
4	Traffic Control	1	L.S.	\$750.00	\$750.00	1	\$750.00		\$750.00	1	\$0.00	
5	Remove Asphalt Pavement	2,200	S.Y.	\$2.50	\$5,500.00	2444	\$6,110.00		\$6,110.00	1.110909	-\$610.00	
6	Remove and Replace 30" Concrete Curb & Gutter, Type D	585	L.F.	\$48.00	\$28,080.00	603	\$28,944.00		\$28,944.00	1.030769	-\$864.00	
7	Remove & Replace 4-inch Thick Concrete Sidewalk	3,150	S.F.	\$8.50	\$26,775.00	3306	\$28,101.00		\$28,101.00	1.049524	-\$1,326.00	
8	Remove & Replace 6-inch Thick Concrete Sidewalk	175	S.F.	\$18.00	\$3,150.00	228	\$4,104.00		\$4,104.00	1.302857	-\$954.00	
9	Furnish & Install Detectable Warning Fields	32	S.F.	\$65.00	\$2,080.00	32	\$2,080.00		\$2,080.00	1	\$0.00	
10	Adjust Manhole Casting	2	EA.	\$250.00	\$500.00	3	\$750.00		\$750.00	1.5	-\$250.00	
11	Excavation Below Subgrade including Gravel Fill	50	C.Y.	\$45.00	\$2,250.00	4.5	\$202.50		\$202.50	0.09	\$2,047.50	
12	Shape Existing Base	2,200	S.Y.	\$2.50	\$5,500.00	2444	\$6,110.00		\$6,110.00	1.110909	-\$610.00	
13	Supplemental Aggregate Base	60	C.Y.	\$33.50	\$2,010.00	0	\$0.00		\$0.00	0	\$2,010.00	
14	Furnish & Install 3" Thick Asphaltic Pavement	2,200	S.Y.	\$15.00	\$33,000.00	2444	\$36,660.00		\$36,660.00	1.110909	-\$3,660.00	
15	Sawcut Asphalt Pavement	120	L.F.	\$2.50	\$300.00	124	\$310.00		\$310.00	1.033333	-\$10.00	
16	Sawcut Concrete Pavement	25	L.F.	\$5.00	\$125.00	10	\$50.00		\$50.00	0.4	\$75.00	
	TOTAL for Project #1				\$120,020.00							
	Project #2 Birch Street (Spruce St. to Maple St.)											
17	Mobilization, Bonds, & Insurance	1	L.S.	\$3,000.00	\$3,000.00	1	\$3,000.00		\$3,000.00	1	\$0.00	
18	Traffic Control	1	L.S.	\$500.00	\$500.00	1	\$500.00		\$500.00	1	\$0.00	
19	Remove Asphalt Pavement	1,850	S.Y.	\$2.50	\$4,625.00	1801	\$4,502.50		\$4,502.50	0.973514	\$122.50	
20	Adjust Manhole Casting	1	EA.	\$250.00	\$250.00	3	\$750.00		\$750.00	3	-\$500.00	
21	Excavation Below Subgrade including Gravel Fill	45	C.Y.	\$45.00	\$2,025.00	0	\$0.00		\$0.00	0	\$2,025.00	
22	Shape Existing Base	1,850	S.Y.	\$2.75	\$5,087.50	1801	\$4,952.75		\$4,952.75	0.973514	\$134.75	
23	Supplemental Aggregate Base	50	C.Y.	\$33.50	\$1,675.00	0	\$0.00		\$0.00	0	\$1,675.00	
24	Furnish & Install 3" Thick Asphaltic Pavement	1,850	S.Y.	\$15.00	\$27,750.00	1801	\$27,015.00		\$27,015.00	0.973514	\$735.00	
25	Sawcut Asphaltic Pavement	175	L.F.	\$2.50	\$437.50	182	\$455.00		\$455.00	1.04	-\$17.50	
	TOTAL for Project #2				\$45,350.00							
	CHANGE ORDER #1				\$44,269.00	1	\$44,269.00		\$44,269.00		\$0.00	
	CHANGE ORDER #2				\$42,260.00	0.9	\$38,034.00		\$38,034.00		\$0.00	
Totals					\$251,899.00		\$247,649.75		\$247,649.75		\$0.00	

Robin Ginner

From: Jeremy Neilitz <jeremy@hitehouse.com>
Sent: Monday, October 14, 2024 5:49 PM
To: Robin Ginner
Subject: Extra items

Hi Robin,

Following up from our conversation. I think the extra materials and labor to support the eaves will be around \$5k +/- . When we spoke, we agreed to address this so we are proceeding.

See pictures below of the spot in the center of the roof where there was a low spot. There are 3 new trusses in that area, added at some point after the building was built (presumably after the fire?). Those 3 trusses are shorter than the rest. We will remove the decking and add 2x4s to the trusses in this area to bring the roofline up to match the rest of the roof. If we did not, this would be very noticeably lower when looking at the roof. (Especially with the old rooftop venting removed) I expect this to be approximately \$2k +/- . When we spoke, we agreed to address this one so we are proceeding.

See pictures below of the ridge of the shorter ridge line of the roof on the north side. The string in the picture is level. You can see where the peak of some of the rafters dips below the string to a max of 2". When the new rafters were installed, they did not match the peak height when connecting the rafters. The solution for this is similar to the above trusses in the middle of the roof, except this section is much larger. We would remove the decking and install 2x4s to match the ridge line. I would estimate this work to be \$4k. When we spoke, we did not agree to this portion so we are not proceeding until I hear yes/no from you.

Please advise. Thank you!

-Jeremy









Sent from my iPhone

APPENDIX "A"

(Modified on October 16, 2024 to include new 2025 and 2026 wage adjustments)

	Effective Jan 1, 24 5% <u>Hourly</u>	Effective Jan 1, 25 2% <u>Hourly</u>	Effective July 1, 25 2% <u>Hourly</u>	Effective Jan 1, 26 2% <u>Hourly</u>	Effective July 1, 26 2% <u>Hourly</u>
Detective Sergeant/Patrol Sergeant	\$35.92	\$36.64	\$37.37	\$38.12	\$38.88
Master Patrol Officer (after 10 years)	\$34.79	\$35.49	\$36.20	\$36.92	\$37.66
Senior Patrol Officer (after 5 years)	\$34.47	\$35.16	\$35.86	\$36.58	\$37.31
Patrol Officer II (after 2 years)	\$34.13	\$34.81	\$35.51	\$36.22	\$36.95
Patrol Officer (after 1 year)	\$31.45	\$32.08	\$32.72	\$33.37	\$34.04
Basic Patrol Officer	\$29.24	\$29.82	\$30.42	\$31.03	\$31.65
Part-Time	\$29.24	\$29.82	\$30.42	\$31.03	\$31.65

** Recruit Police Officer receive the Basic Patrol Officer hourly rate.

CITY OF EAGLE RIVER

EAGLE RIVER PROFESSIONAL POLICE
ASSOCIATION

By: _____
Mayor

By: _____
President

Date: _____

Date: _____

Attest: _____
Clerk

By:  _____
WPPA/LEER Representative