

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FROM DATE OF CREATION THROUGH DECEMBER 31, 2023**



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**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
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FROM DATE OF CREATION THROUGH DECEMBER 31, 2023**

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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Appleton, Wisconsin  
Appleton, Wisconsin

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the City of Appleton Incremental District #7 (the District), which comprise the balance sheet as of December 31, 2023, and the related historical summary of project costs, project revenues and net cost to be recovered through tax increments and historical summary of sources, uses, and status of funds for the year ended December 31, 2023 and from the date the District was created through December 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District and the net project costs to be recovered through tax increments as of December 31, 2023, and the sources, uses, and status of funds for the year ended December 31, 2023, and from the date the District was created through December 31, 2023 in accordance with the financial reporting provisions of the Wisconsin Department of Revenue as described in Note 1.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the 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 audit opinion.

#### ***Emphasis of Matters***

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared by the District, in accordance with the financial reporting provisions of the Wisconsin Department of Revenue, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Wisconsin Department of Revenue. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the financial statements present only the District and do not purport to, and do not, present fairly the financial position of the City of Appleton, Wisconsin (the City) as of December 31, 2023, or the changes in its financial position from the date of creation through December 31, 2023, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Wisconsin Department of Revenue as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of financial transactions is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Restriction on Use**

This report is intended solely for the information and use of the City of Appleton, Wisconsin, overlapping tax districts, and the Wisconsin Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

**Report on Other Legal and Regulatory Requirements**

In accordance with tax incremental district laws and regulations, we have also issued our report dated June 3, 2024 on our test of compliance with Wisconsin State Statutes 66.1105 and the project plan. The purpose of that report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. That report is an integral part of an audit performed in accordance with tax incremental district laws and regulations in considering the District's compliance.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 3, 2024

## **FINANCIAL STATEMENTS**

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
BALANCE SHEET  
DECEMBER 31, 2023**

**ASSETS**

Cash and Investments	\$ 1,805,700
Receivables:	
Taxes Receivable	<u>434,409</u>
 Total Assets	 <u><u>\$ 2,240,109</u></u>

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

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes Levied for Subsequent Year	\$ 622,627
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**FUND BALANCE**

Restricted	<u>1,617,482</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 2,240,109</u></u>

*See accompanying Notes to Financial Statements.*

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES, AND  
NET COST TO BE RECOVERED THROUGH TAX INCREMENTS  
PERIOD ENDED DECEMBER 31, 2023 AND FROM DATE OF CREATION  
THROUGH DECEMBER 31, 2023**

	2023	From Date of Creation Through December 31, 2023
<b>PROJECT COSTS</b>		
Capital Expenditures	\$ -	\$ 92,252
Developer Incentive Payments	360,610	3,928,919
Administration	4,221	47,892
Principal	-	50,000
Interest	-	13,375
Transfer Out	-	6,619
Total Project Costs	364,831	4,139,057
<b>PROJECT REVENUES</b>		
Tax Increments	505,507	4,534,216
Intergovernmental	66,184	1,032,955
Proceeds from Long-Term Debt	-	50,000
Miscellaneous	-	20,000
Investment Income (Loss)	64,001	119,368
Total Project Revenues	635,692	5,756,539
<b>NET COST RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS, DECEMBER 31, 2023</b>		
	\$ (270,861)	\$ (1,617,482)

See accompanying Notes to Financial Statements.



**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS  
PERIOD ENDED DECEMBER 31, 2023 AND FROM DATE OF CREATION  
THROUGH DECEMBER 31, 2023**

	2023	From Date of Creation Through December 31, 2023
<b>SOURCES OF FUNDS</b>		
Tax Increments	\$ 505,507	\$ 4,534,216
Intergovernmental	66,184	1,032,955
Proceeds from Long-term Debt	-	50,000
Investment Income (Loss)	64,001	119,368
Miscellaneous	-	20,000
Total Sources of Funds	635,692	5,756,539
 <b>USES OF FUNDS</b>		
Capital Expenditures	-	92,252
Developer Incentive Payments	360,610	3,928,919
Administration	4,221	47,892
Principal	-	50,000
Interest	-	13,375
Transfer Out	-	6,619
Total Uses of Funds	364,831	4,139,057
 <b>NET CHANGE IN FUND BALANCE</b>	 270,861	 1,617,482
 Fund Balance - Beginning of Year	 1,346,621	 -
 <b>FUND BALANCE - END OF YEAR</b>	 \$ 1,617,482	 \$ 1,617,482

See accompanying Notes to Financial Statements.

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Appleton Tax Incremental District #7 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Wisconsin Statutes Section 66.1105 establishes reporting requirements for the District. The significant accounting principles and policies utilized by the District in preparing the financial statements are described below.

The District uses the criteria set forth by GASB to determine the scope of the reporting entity.

**A. Reporting Entity**

This report contains the financial statements of the City of Appleton Tax Incremental District #7. The accompanying financial statements do not include the full presentation of the City of Appleton, Wisconsin, and do not purport to represent the financial position or changes in financial position of the City of Appleton, Wisconsin. The financial statements of the District were prepared from data recorded in the District's capital project fund of the City and are presented in a format prescribed by the Wisconsin Department of Revenue.

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

The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until the maximum life of the District, whichever occurs first. The statutes in effect at the time of creation of the District provided for a maximum life of 27 years. Project costs uncollected at the dissolution date are absorbed by the City. Project costs may be incurred up to five years before the unextended termination date of the District. Listed below are the significant dates applicable to the District:

Creation Date	9/5/2007
Latest Date to Incur Capital Expenditures	9/5/2029
Latest Termination Date	9/5/2034

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus and Basis of Accounting**

The District's financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Project plan expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

District increments are recorded as revenues in the year due. Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues are recognized when received in cash or when measurable and available.

**C. Use of Estimates**

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

**D. Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance**

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance (Continued)**

**2. Property Taxes**

When the District was created, the value of all taxable property within the defined boundaries of the District was determined by the Wisconsin Department of Revenue. This value is known as the base value of the District, and remains unchanged through the life of the District unless the City amends District boundaries to add or remove properties. The Wisconsin Department of Revenue annually certifies the current value of all taxable property within the District.

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in four equal installments on or before January 31, March 31, May 31, and July 31. Real estate taxes not paid by July 31 are purchased by the County as part of the August tax settlement.

Property taxes collected on the base value are shared with the overlying taxing jurisdictions while property taxes collected on the growth in value, also known as the increment value, are retained by the City as tax increment revenue. The City uses the tax increment revenue to pay for approved project plan expenditures. A summary of taxable value within the District as of December 31, 2023 follows:

Current Value	Base Value	Increment Value
\$ 55,622,300	\$ 25,657,000	\$ 29,965,300

**3. Fund Balance**

Fund balance is reported in various categories for TID funds based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Unassigned fund balance.** Only deficit amounts are shown in this category.

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Project Plan Budget**

The estimated revenues and expenditures of the District are adopted in the original project plan and any subsequent amendments. Those estimates are for the entire life of the District.

**NOTE 2 CASH AND INVESTMENTS**

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

Investments are stated at fair value, which is the price that would be received to sell an asset in an orderly transaction at the measurement date. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The District, as a fund of the City, maintains common cash and investment accounts. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the City of Appleton as an individual municipality and, accordingly, the amount of insured funds is not determinable for the District.

**NOTE 3 TAX ABATEMENTS**

As part of the project plan for the District, the City entered into an agreement with a developer for a creation of tax base within the District. The agreement requires the City to make annual repayments of property taxes collected within the Districts to the developers, based upon the terms of the agreements. In accordance with a basis of accounting other than GAAP, these developer payments are reported as Developer Incentive Payments as eligible project costs of the District. For the year ended December 31, 2023, the City abated \$360,610 to the developer within the District and since its creation has abated \$3,928,919 to the developer.

## **SUPPLEMENTARY INFORMATION**

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
SCHEDULE OF FINANCIAL TRANSACTIONS  
FOR THE PERIOD NOVEMBER 5, 2007 THROUGH DECEMBER 31, 2023**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>REVENUES</b>					
Tax increments	\$ -	\$ -	\$ 15,355	\$ 44,856	\$ 41,295
Intergovernmental	-	-	47,646	128,026	102,819
Investment return	368	1,124	1,350	2,489	7,376
Miscellaneous	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>20,368</u>	<u>1,124</u>	<u>64,351</u>	<u>175,371</u>	<u>151,490</u>
<b>EXPENDITURES</b>					
Capital expenditures	-	715	1,332	53,411	25,004
Development Incentives	-	-	15,355	78,238	36,422
Administrative	-	20,000	1,340	1,547	1,697
Principal payments	-	-	-	-	-
Interest and fiscal charges on long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,762</u>	<u>1,525</u>
Total expenditures	<u>-</u>	<u>20,715</u>	<u>18,027</u>	<u>134,958</u>	<u>64,648</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>20,368</u>	<u>(19,591)</u>	<u>46,324</u>	<u>40,413</u>	<u>86,842</u>
<b>OTHER FINANCING SOURCES</b>					
Long-term debt issued	-	-	50,000	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,619)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>20,368</u>	<u>(19,591)</u>	<u>96,324</u>	<u>40,413</u>	<u>80,223</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>20,368</u>	<u>777</u>	<u>97,101</u>	<u>137,514</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 20,368</u></u>	<u><u>\$ 777</u></u>	<u><u>\$ 97,101</u></u>	<u><u>\$ 137,514</u></u>	<u><u>\$ 217,737</u></u>

**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
SCHEDULE OF FINANCIAL TRANSACTIONS  
FOR THE PERIOD NOVEMBER 5, 2007 THROUGH DECEMBER 31, 2023**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>REVENUES</b>						
Tax increments	\$ 300,699	\$ 262,231	\$ 259,474	\$ 320,373	\$ 310,168	\$ 298,969
Intergovernmental	81,443	71,457	59,372	43,179	46,569	60,319
Investment return	5,469	(238)	6,376	2,648	1,122	3,240
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>387,611</u>	<u>333,450</u>	<u>325,222</u>	<u>366,200</u>	<u>357,859</u>	<u>362,528</u>
<b>EXPENDITURES</b>						
Capital expenditures	11,790	-	-	-	-	-
Development Incentives	274,671	262,231	259,474	305,412	304,614	232,538
Administrative	1,535	1,659	1,593	1,659	1,784	1,562
Principal payments	-	-	-	-	-	15,000
Interest and fiscal charges on long-term debt	1,525	1,525	1,525	1,525	1,525	1,300
Total expenditures	<u>289,521</u>	<u>265,415</u>	<u>262,592</u>	<u>308,596</u>	<u>307,923</u>	<u>250,400</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>98,090</u>	<u>68,035</u>	<u>62,630</u>	<u>57,604</u>	<u>49,936</u>	<u>112,128</u>
<b>OTHER FINANCING SOURCES</b>						
Long-term debt issued	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>98,090</u>	<u>68,035</u>	<u>62,630</u>	<u>57,604</u>	<u>49,936</u>	<u>112,128</u>
Fund Balance - Beginning of Year	<u>217,737</u>	<u>315,827</u>	<u>383,862</u>	<u>446,492</u>	<u>504,096</u>	<u>554,032</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 315,827</u></u>	<u><u>\$ 383,862</u></u>	<u><u>\$ 446,492</u></u>	<u><u>\$ 504,096</u></u>	<u><u>\$ 554,032</u></u>	<u><u>\$ 666,160</u></u>



**CITY OF APPLETON, WISCONSIN  
TAX INCREMENTAL DISTRICT #7  
SCHEDULE OF FINANCIAL TRANSACTIONS  
FOR THE PERIOD NOVEMBER 5, 2007 THROUGH DECEMBER 31, 2023**

	2018	2019	2020	2021	2022	2023	Total	Project Plan
<b>REVENUES</b>								
Tax increments	\$ 527,179	\$ 490,919	\$ 345,082	\$ 438,806	\$ 373,303	\$ 505,507	\$ 4,534,216	\$ 4,518,000
Intergovernmental	61,206	64,393	66,184	67,974	66,184	66,184	1,032,955	-
Investment return	13,299	28,180	27,321	(7,602)	(37,155)	64,001	119,368	-
Miscellaneous	-	-	-	-	-	-	20,000	-
<b>Total revenues</b>	<b>601,684</b>	<b>583,492</b>	<b>438,587</b>	<b>499,178</b>	<b>402,332</b>	<b>635,692</b>	<b>5,706,539</b>	<b>4,518,000</b>
<b>EXPENDITURES</b>								
Capital expenditures	-	-	-	-	-	-	92,252	2,023,000
Development Incentives	436,210	351,366	345,082	334,179	332,517	360,610	3,928,919	2,480,000
Administrative	1,702	1,469	3,707	1,206	1,211	4,221	47,892	15,000
Principal payments	15,000	20,000	-	-	-	-	50,000	-
Interest and fiscal charges on long-term debt	850	313	-	-	-	-	13,375	-
<b>Total expenditures</b>	<b>453,762</b>	<b>373,148</b>	<b>348,789</b>	<b>335,385</b>	<b>333,728</b>	<b>364,831</b>	<b>4,132,438</b>	<b>4,518,000</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>147,922</b>	<b>210,344</b>	<b>89,798</b>	<b>163,793</b>	<b>68,604</b>	<b>270,861</b>	<b>1,574,101</b>	<b>-</b>
<b>OTHER FINANCING SOURCES</b>								
Long-term debt issued	-	-	-	-	-	-	50,000	-
Transfers out	-	-	-	-	-	-	(6,619)	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>147,922</b>	<b>210,344</b>	<b>89,798</b>	<b>163,793</b>	<b>68,604</b>	<b>270,861</b>	<b>1,617,482</b>	<b>\$ -</b>
Fund Balance - Beginning of Year	666,160	814,082	1,024,426	1,114,224	1,278,017	1,346,621	-	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 814,082</b>	<b>\$ 1,024,426</b>	<b>\$ 1,114,224</b>	<b>\$ 1,278,017</b>	<b>\$ 1,346,621</b>	<b>\$ 1,617,482</b>	<b>\$ 1,617,482</b>	<b>-</b>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT  
FOR FINANCIAL STATEMENTS**



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS OF TAX INCREMENTAL FINANCING DISTRICT  
LAWS AND REGULATIONS**

City Council  
City of Appleton  
Appleton, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the City of Appleton Tax Incremental District #7 (the District), which comprise the balance sheet as of December 31, 2023, and the related historical summary of project costs, project revenues, and net cost to be recovered through tax increments and the historical summary of sources, uses, and status of funds for the year ended December 31, 2023, and from the date the District was created through December 31, 2023, and the related notes to the financial statements, and have issued our report thereon dated June 3, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of Wisconsin State Statutes Section 66.1105 and the project plan, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the City Council, management, Wisconsin Department of Revenue, and overlapping taxing districts and is not intended to be, and should not be, used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 3, 2024



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