VIRTUAL TID #1 & TID #2 JOINT REVIEW BOARD MEETING AGENDA

Monday November 2, 10:00 A.M.

THIS MEETING WILL BE CONDUCTED VIA "ZOOM" VIDEO CONFERENCING SOFTWARE

To connect electronically click the following link: https://zoom.us/j/4439901723?pwd=yAVpi40M1OIqgNufcVUE8XWCUSkKaH.1&omn=92561920316

Meeting ID: 443 990 1723 Password: 304078

To Connect by Telephone: Dial 1-312-626-6799 - Meeting ID 4439901723#

Deviations from agenda order may occur. For additional information visit: www.sisterbaywi.gov, click 'Agendas and Minutes'

AGENDA

1. Call Meeting to Order
2. Roll Call

1	Chairperson – Terry Kelly		2	Vlad Gannik – Public member
3	Ken Pabich, County representative		4	Adam Pfost – NWTC representative
5	Mark Lindem – Gibraltar representative			
				Village Clerk – Julie Thyssen

3. Approval of Agenda
4. Approval of Minutes from the June 23, 2025 meeting
5. Comments, Correspondence, and Concerns from the Public
6. Discussion/Action Items:
   1) Annual Report for TID #1 for the year ending December 31, 2025
   2) Annual Report for TID #2 for the year ending December 31, 2025
   3) Performance and status of TID #1 and TID #2 and financial forecasts
   4) Resolution 2026-015 acknowledging filing of annual report and compliance with annual meeting requirements.
7. Matters to be Placed on a Future Agenda or Referred to a Committee, Official or Employee
8. Adjournment

Public Notice

Questions regarding the nature of the Agenda items or more detail on the items listed can be directed to Julie Schmelzer, Village Administrator, at julie.schmelzer@sisterbaywi.gov. It is possible that members of and possibly a quorum of members of other governmental bodies may attend the meeting to gather information; no action will be taken by any governmental body other than the body specifically referred to above. Upon reasonable notice, a good faith effort will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aid or accommodation at no cost to the individual. Due to the difficulty in finding interpreters, requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the Sister Bay Village Administration Office at 854-4118, (FAX) 854-9637, or by writing to the Village Administration Building, 2383 Maple Drive, PO Box 769, Sister Bay, WI 54234. Copies of reports and other supporting documentation are available for review at the Village Administration Building during operating hours (8 a.m. – 4 p.m. weekdays).

The Village of Sister Bay is an Equal Opportunity Provider.

POSTED DATE/SIGNATURE _____

TID #1 & TID #2 JOINT REVIEW BOARD MEETING MINUTES
Monday, June 23, 2025
(Approval Pending)

1. Call Meeting to Order
Chairperson Denise Bhirdo called the virtual TID #1 and TID #2 Joint Review Board meeting to order at 5:06 PM on Monday, June 23, 2025.

2. Roll Call
Present (via Zoom): Chairperson Denise Bhirdo, Tasha Rass (Public Member), Mark Lindem (Gibraltar Representative) Absent: Pabich (County Representative), Pfost (NWTC Representative)

Staff Members present: Village Administrator Julie Schmelzer, Finance Director/Treasurer Vlad Gannik, and Adam Ruechel (R.W. Baird & Company).

3. Approval of Agenda
A motion was made by Rass, second by Bhirdo that the Agenda for the June 23, 2025 meeting of the TID #1 & TID #2 Joint Review Board be approved as presented. Motion carried – All ayes.

4. Approval of Minutes from the June 24, 2024 and the August 19, 2024 meeting
Motion to approve the minutes of the June 24, 2024 meeting as presented was made by Rass and second by Bhirdo. Motion carried - all ayes.
Motion to approve the minutes of the August 19, 2024 meeting as presented was made by Bhirdo and second by Rass. Motion carried - all ayes.

5. Comments, Correspondence, and Concerns from the Public
None

6. Discussion/Action Items:
1) Annual Report for TID #1 for the year ending December 31, 2024
Gannik reported that he and Ruechel filed the 2024 annual reports for TID #1 and TID #2 on June 16, 2025, and that copies were provided to the Board. No questions or comments were raised.

2) Annual Report for TID #2 for the year ending December 31, 2024
This item was addressed jointly with Item 1 above. No further discussion took place.

3) Performance and status of TID #1 and TID #2 and financial forecasts
TID #1. Ruechel presented the current-status pro forma using a 2% annual inflation assumption and a 2024 combined gross tax rate of $10.31. The district's base value at creation in 2008 was $42,846,400. The 2024 increment over the base was $161,466,842, which Ruechel described as exactly the growth desired in a tax incremental district. The final year to incur project costs was 2023, and the maximum legal life ends in 2028. The pro forma shows a hypothetical three-year extension because debt payments and reimbursements remain scheduled for 2029 through 2031. Ruechel reported that the district is now beginning to support its own debt service. It is also beginning to reimburse the general fund, debt service levy, and capital fund for prior support. If revenues continue as projected, the district may be able to pay all obligations and close in 2028 with a positive cash balance. If revenues or expenditures differ, the Village and the overlying taxing jurisdictions would need to consider an extension.
Ruechel noted that the marina received an $850,000 advance from the TID in 2011. Per the draft audit, $257,211 remains to be repaid, and no payment was made in 2024. Equal payments are

forecast for 2025 through 2028. Ruechel will coordinate with Gannik and the auditor to ensure the transfers are made before any closeout or adjusting entries.

In response to questions from Bhirdo, Ruechel clarified three points:

- Reimbursements to the capital project fund relate to planned TID #1 projects, while "payback of advance" relates to earlier advances that covered negative balances.
- The large increase in projected 2025 tax revenue, despite a modest valuation change, reflects the increment being calculated from the prior year's values, including the revaluation.
- In response to Lindem, projects scheduled after 2023 are not contradictory, because 2023 is the final year to incur costs and projects included in the project plan or agreed to before that date remain eligible for tax increment funding. New projects cannot be undertaken.

TID #2. Ruechel presented a bare-bones current-status pro forma using a 1% annual inflation assumption and the same $10.31 tax rate. No construction increments were projected. The base value is $9.6 million, with about $11 million in increment over the base. Per the 2024 draft audit, the district has a positive cash balance of approximately $36,000. The general fund previously transferred $510,804 to cover negative balances. Absent further projects, the balance is projected to grow to about $1.6 million. The district was created in 2018, with 2033 as the final year to incur project costs, 2038 as the maximum legal life, and 2039 as the final tax collection year.

In response to Bhirdo, Ruechel confirmed that the aquatic center under construction is not yet reflected in the figures. The state construction increment data is expected in early August. Gannik and Schmelzer will provide updated project estimates so that a future pro forma can be prepared. In response to Rass, Ruechel confirmed the TID #2 balance is positive. Gannik stated that he believed the Village should build fund balance in TID #2, and that the Village Board and Finance Committee should be aligned on direction. Bhirdo noted that the Finance Committee had discussed a pipe extension by Eagle Mechanical and a possible extension to Northwoods with a trail.

Ruechel explained that TID #2 covers the eastern portion of the Village along Highway 57. The Village cannot currently amend it to add areas of growth because of the 12% equalized value limit. Ruechel reported that the state legislature is considering raising the limit (possibly to 16%), easing the 35% limit on newly platted residential area in mixed-use districts, repealing Act 12 closeout provisions, and extending the affordable housing extension period. Schmelzer stated that most of the Village's growth is occurring outside the TID boundaries.

Gannik reported on development activity:

- 2024, TID #1: an addition to Northern Children's Center, a small addition to Roots, and two houses on Eva Hope, one of them a fourplex.
- 2024, TID #2: virtually no activity.
- 2025, TID #1: Luna View condominiums, a new Eagle Mechanical location, and two new houses.
- 2025, TID #2: the aquatic center.

Bhirdo reported that the Plan Commission had reviewed a proposed deed-restricted workforce housing development of approximately 50 units, accessed from Highway 57. Lindem asked that the school district be kept informed, and Bhirdo recommended signing up with the Village Clerk to receive Plan Commission agendas and packets. Schmelzer reported that the Village had solicited proposals for a developer to build approximately 20 units and a park on 2 to 2.5 acres at Eva Hope and Northwoods, within TID #2. Proposals were due that day, and one was received.

4) Resolution 2025-019 acknowledging filing of annual report and compliance with annual meeting requirements.

Motion to approve Resolution 2025-019 acknowledging filing of the annual report and compliance with annual meeting requirements was made by Lindem and second by Rass. Motion carried - all ayes.

7. Matters to be Placed on a Future Agenda or Referred to a Committee, Official or Employee

No matters were identified.

8. Adjournment

At 5:41 P.M. a motion was made by Rass, second by Bhirdo to adjourn the June 23, 2025 meeting of the TID #1 & TID #2 Joint Review Board. Motion carried – all ayes.

Respectfully submitted by Sarah Bertges, Administrative Assistant

STAFF REPORT

Date: November 2, 2026

To: TID Joint Review Board

From: **Village of Sister Bay**

Re: TID 1 and TID 2 Overview

Background Information

Baird's July 13, 2026 TID Overview for the Village of Sister Bay and the 2025 annual reports for TID 1 and TID 2 are provided below for review, along with the unreimbursed expenditure schedules for both districts.

TID 1 Reimbursement and Potential Extensions

TID 1 is in its reimbursement stage and continues to make progress toward recovering the Village's investments. However, revenues over its remaining life may be insufficient to fully reimburse all eligible costs. The remaining reimbursement needs and projected recovery timeline are subject to audit review and consultation with the CLA and Baird teams.

As TID 1 approaches its current 2028 termination date, the Village should evaluate whether an extension is needed to recover its remaining eligible investments. Baird's detailed analysis includes a hypothetical three-year extension. An extension would depend on documented need, statutory eligibility and Joint Review Board approval. Staff should work with CLA and Baird to update the reimbursement schedule and confirm the time needed for recovery.

If there is political will and Village Board support, a separate affordable housing extension could also be considered once project costs have been paid. This would allow eligible tax increment revenue to support affordable housing and housing improvements within the Village, subject to applicable statutory requirements and adoption of a housing funding plan.

TID 2 Development Outlook

The Village's website identifies the Deviley residential development as a 55-unit proposal. Based on staff information, the project represents more than $20 million in anticipated investment, with groundbreaking expected in late 2026. The investment amount and timing remain preliminary staff estimates. As construction progresses and taxable value is added, the development could substantially increase TID 2 revenues and support recovery of eligible Village investments.

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 1 – Municipality and TID					
Co-muni code	Municipality		County	Due date	Report type
15181	SISTER BAY		DOOR	07/01/2026	ORIGINAL
TID number	TID type	TID name	Creation date	Mandatory termination date	Anticipated termination date
001	6	TID No 1	08/21/2008	08/21/2028	N/A

Section 2 – Beginning Balance	Amount
TID fund balance at beginning of year	$1,248,568

Section 3 – Revenue	Amount
Tax increment	$1,623,127
Investment income	$24,211
Debt proceeds	
Special assessments	
Shared revenue	$2,528
Sale of property	$7,617
Allocation from another TID	
TID number	
Developer guarantees	
Developer name	
Transfer from other funds	
Source	
Grants	
Source	
Other revenue	
Source Miscellaneous	$10,994
Total Revenue (deposits)	$1,668,477

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 4 – Expenditures	Amount
Capital expenditures	
Administration	
Professional services	$4,187
Interest and fiscal charges	$57,300
DOR fees	$150
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs	
Allocation to another TID	
TID number	
Developer grants	
Developer name N/A	$0
Transfer to other funds	
Fund General Fund	$990,000
Other expenditures	
Name	
Total Expenditures	**$1,051,637**

Section 5 – Ending Balance	Amount
TID fund balance at end of year	**$1,865,408**
Future costs	**$6,943,158**
Future revenue	**$8,126,778**
Surplus or deficit	**$3,049,028**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 6 – TID New Construction

Current Year TID New Construction Values

TID	TID New Construction Increase	TID New Construction Decrease	Prior Year Correction	TID Net New Construction (NNC)
001	$3,246,900	$0	$-4,400	$3,242,500
002	$18,800	$-102,100	$0	$-83,300
Total	**$3,265,700**	**$-102,100**	**$-4,400**	**$3,159,200**

Current Year Allowable Levy Increase Attributable to TID NNC

TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
001	$3,242,500	$890,602,100	0.36	$2,566,354	$9,239
002	$-83,300	$890,602,100	-0.01	$2,566,354	$-257
Total	**$3,159,200**	**$890,602,100**	**0.35**	**$2,566,354**	**$8,982**

Current Year Actual TID NNC Impact to Municipal Levy

Levy Increase Attributable to TID Net New Construction	Increase per $100,000
$8,982	$0.08982

Historical Allowable Levy Increase Attributable to TID NNC

Year	TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
2024	001	$18,127,200	$815,207,000	2.22	$2,525,368	$56,063
2024	002	$-1,896,000	$815,207,000	-0.23	$2,525,368	$-5,808
2024	**Total**	**$16,231,200**	**$815,207,000**	**1.99**	**$2,525,368**	**$50,255**
2023	001	$2,000,000	$616,805,200	0.32	$2,441,266	$7,812
2023	002	$2,000,000	$616,805,200	0.32	$2,441,266	$7,812
2023	**Total**	**$4,000,000**	**$616,805,200**	**0.64**	**$2,441,266**	**$15,624**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 7 – Preparer/Contact Information	
Preparer name **Volodymyr Gannik**	Preparer title **Treasurer**
Preparer email **vlad.gannik@sisterbaywi.gov**	Preparer phone **(920) 854-4118**
Contact name **Volodymyr Gannik**	Contact title **Financial Specialist/Treasurer**
Contact email **vlad.gannik@sisterbaywi.gov**	Contact phone **(920) 854-4118**

Submission Information	
Co-muni code	**15181**
TID number	**001**
Submission date	**06-10-2026 08:38 AM**
Confirmation	**TIDAR20250459O1780581490863**
Submission type	**ORIGINAL**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 1 – Municipality and TID					
Co-muni code	Municipality		County	Due date	Report type
15181	SISTER BAY		DOOR	07/01/2026	ORIGINAL
TID number	TID type	TID name	Creation date	Mandatory termination date	Anticipated termination date
002	6	TID No 2	05/24/2018	05/24/2038	N/A

Section 2 – Beginning Balance	Amount
TID fund balance at beginning of year	$36,620

Section 3 – Revenue	Amount
Tax increment	$125,282
Investment income	
Debt proceeds	
Special assessments	
Shared revenue	$106
Sale of property	
Allocation from another TID	
TID number	
Developer guarantees	
Developer name	
Transfer from other funds	
Source	
Grants	
Source	
Other revenue	
Source	
Total Revenue (deposits)	$125,388

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 4 – Expenditures	Amount
Capital expenditures	
Administration	$7,390
Professional services	
Interest and fiscal charges	
DOR fees	$150
Discount on long-term debt	
Debt issuance costs	
Principal on long-term debt	
Environmental costs	
Real property assembly costs	
Allocation to another TID	
TID number	
Developer grants	
Developer name N/A	$0
Transfer to other funds	
Fund	
Other expenditures	
Name	
Total Expenditures	**$7,540**

Section 5 – Ending Balance	Amount
TID fund balance at end of year	**$154,468**
Future costs	**$374,100**
Future revenue	**$1,396,497**
Surplus or deficit	**$1,176,865**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 6 – TID New Construction

Current Year TID New Construction Values

TID	TID New Construction Increase	TID New Construction Decrease	Prior Year Correction	TID Net New Construction (NNC)
001	$3,246,900	$0	$-4,400	$3,242,500
002	$18,800	$-102,100	$0	$-83,300
Total	**$3,265,700**	**$-102,100**	**$-4,400**	**$3,159,200**

Current Year Allowable Levy Increase Attributable to TID NNC

TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
001	$3,242,500	$890,602,100	0.36	$2,566,354	$9,239
002	$-83,300	$890,602,100	-0.01	$2,566,354	$-257
Total	**$3,159,200**	**$890,602,100**	**0.35**	**$2,566,354**	**$8,982**

Current Year Actual TID NNC Impact to Municipal Levy

Levy Increase Attributable to TID Net New Construction	Increase per $100,000
$8,982	$0.08982

Historical Allowable Levy Increase Attributable to TID NNC

Year	TID	TID Net New Construction	Prior Year Municipal Equalized Value	TID Net New Construction %	Prior Year Adjusted Actual Levy	Allowable Levy Increase Attributable to TID Net New Construction
2024	001	$18,127,200	$815,207,000	2.22	$2,525,368	$56,063
2024	002	$-1,896,000	$815,207,000	-0.23	$2,525,368	$-5,808
2024	**Total**	**$16,231,200**	**$815,207,000**	**1.99**	**$2,525,368**	**$50,255**
2023	001	$2,000,000	$616,805,200	0.32	$2,441,266	$7,812
2023	002	$2,000,000	$616,805,200	0.32	$2,441,266	$7,812
2023	**Total**	**$4,000,000**	**$616,805,200**	**0.64**	**$2,441,266**	**$15,624**

Form PE-300	TID Annual Report	2025 WI Dept of Revenue

Section 7 – Preparer/Contact Information	
Preparer name **Volodymyr Gannik**	Preparer title **Treasurer**
Preparer email **vlad.gannik@sisterbaywi.gov**	Preparer phone **(920) 854-4118**
Contact name **Volodymyr Gannik**	Contact title **Financial Specialist/Treasurer**
Contact email **vlad.gannik@sisterbaywi.gov**	Contact phone **(920) 854-4118**

Submission Information	
Co-muni code	**15181**
TID number	**002**
Submission date	**06-10-2026 08:36 AM**
Confirmation	**TIDAR20250459O1780581974220**
Submission type	**ORIGINAL**

Village of Sister Bay

2026 Tax Incremental District Analysis Report

July 13, 2026

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Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

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Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

Executive Summary

Sister Bay actively uses Tax Incremental Districts ("TIDs") to foster rehabilitation and new development.

Existing TIDs

- TID # 1: Central Business District
- TID # 2: South Highway 57 Business Corridor

TID #1 was created in August of 2008 and TID #2 was created in May 2018. Incremental value growth, that is, the increase in equalized property values, within the existing TIDs is approximately ***$136 million***. TID # 1 saw a 16% decrease in increment value from 2024 to 2025 resulting in an increment dollar decrease of $31,389,200. Despite the decline in value in 2025, TID #1 has $126,071,500 in increment value growth since it was created in 2008, which is approximately $44 million above the 2021 project plan projected increment. TID #2 saw an 11% decrease in increment value growth from 2024 to 2025 resulting in an increment dollar decrease of $2,317,900. Although the decline in value from 2024, TID #2 has a total of $9,835,800 in increment value growth since its creation in 2018.

Challenges

Tax Increment Districts (TIDs) in Wisconsin present notable challenges for communities like the Village of Sister Bay, particularly due to the statutory 12% value limitation, which caps the total equalized value of all TIDs relative to the municipality's total value. Because Sister Bay's current value is 14.19%, which exceeds the 12% statutory threshold, it is effectively restricted from creating new TIDs or expanding existing ones, limiting its ability to finance infrastructure and incentivize development in key areas. This constraint is especially impactful in a small community with limited available land and high development costs, where TIF is often essential to make projects viable. Additionally, ongoing changes to state legislation governing TIDs, such as adjustments to eligible costs, timelines, and reporting requirements, create uncertainty and administrative complexity, making long-term planning more difficult and potentially delaying or deterring needed economic development initiatives.

Brief Explanation of TID

Tax Incremental Financing ("TIF") is an economic development tool available to Wisconsin communities. The community administers the Tax Incremental District ("TID"), however, all taxing entities overlapping the TID benefit from the improvements the TID fosters. Those benefits include the expansion of tax base, expansion/stabilization of employment base and orderly community development/redevelopment.

A TID is comprised of geographically contiguous parcels in need of development or redevelopment. The property value of a TID is frozen at the time of creation – this frozen value is referred to as the "base value". Overlapping taxing entities (Village, School District, County and Technical College District) continue to collect tax revenue on the base value over the life of the TID. Tax revenue on the incremental value (the "tax increment") accrues to the TID rather than the overlapping taxing jurisdictions. TID revenues are comprised primarily of taxes collected on the incremental value but also include land sale revenue, lease revenue, certain state aid payments and investment earnings on accumulated fund balance. These revenues fund projects are intended to foster economic development. Once sufficient TID revenue has been received to pay TID project costs, the TID closes, and the newly created tax increment becomes a component of the total valuation of all overlapping taxing jurisdictions.

A component of the TID creation or amendment process is evaluation of the TID plan by a board comprised of one member of each of the overlapping taxing entities and an "at-large" public member. A required key finding by this Joint Review Board in the creation of a TID is that the new development would not occur *but for* the creation of the TID. Referred to as the "but for test", if this finding cannot be made, the development would presumably occur without TID assistance.

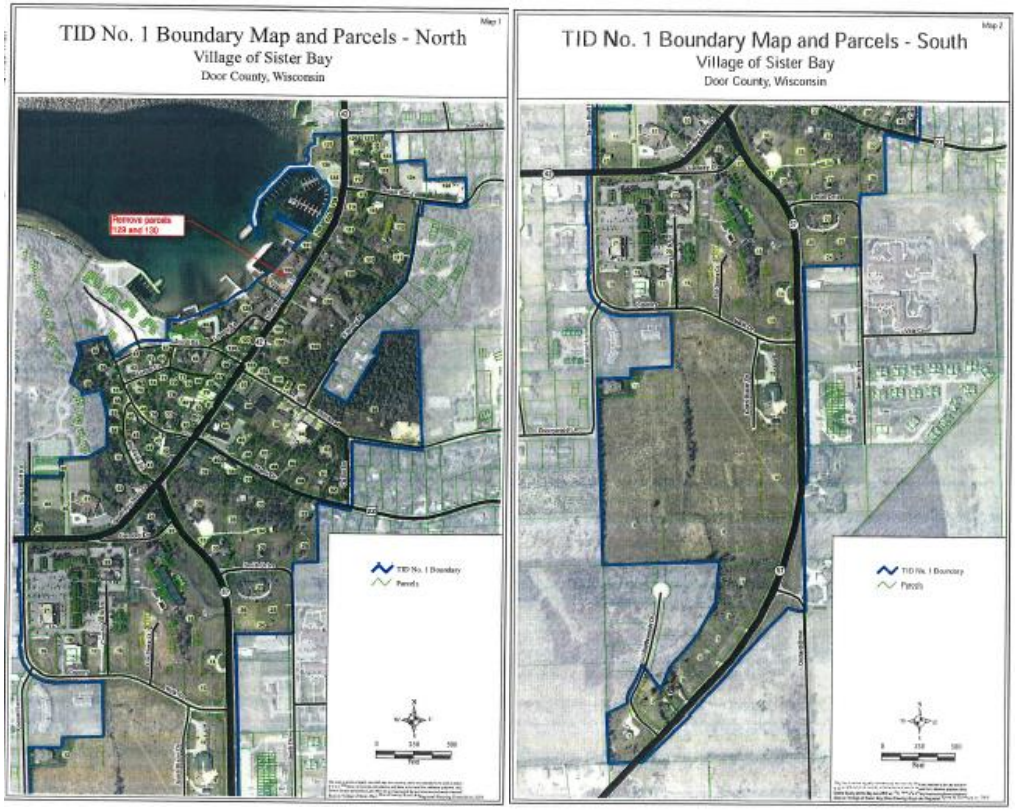
Village of Sister Bay

2026 Tax Incremental District Analysis

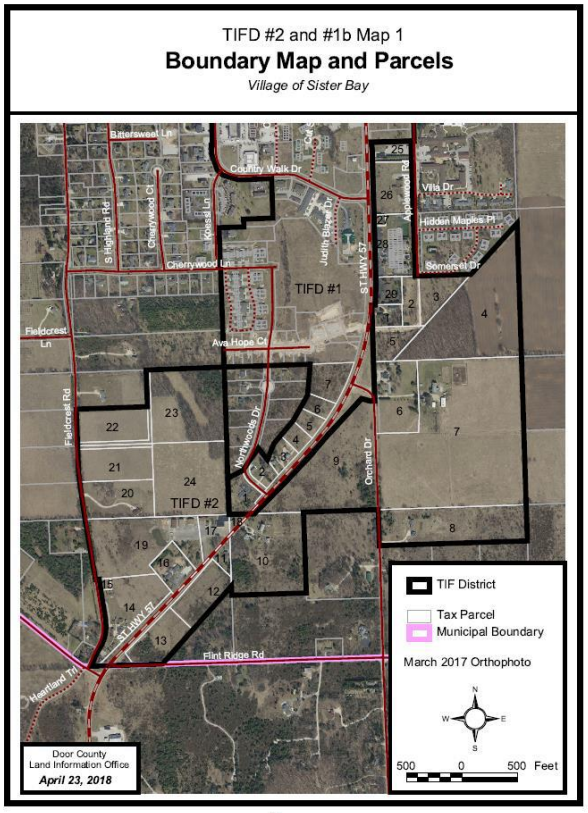
July 13, 2026

Village of Sister Bay – Tax Incremental Districts

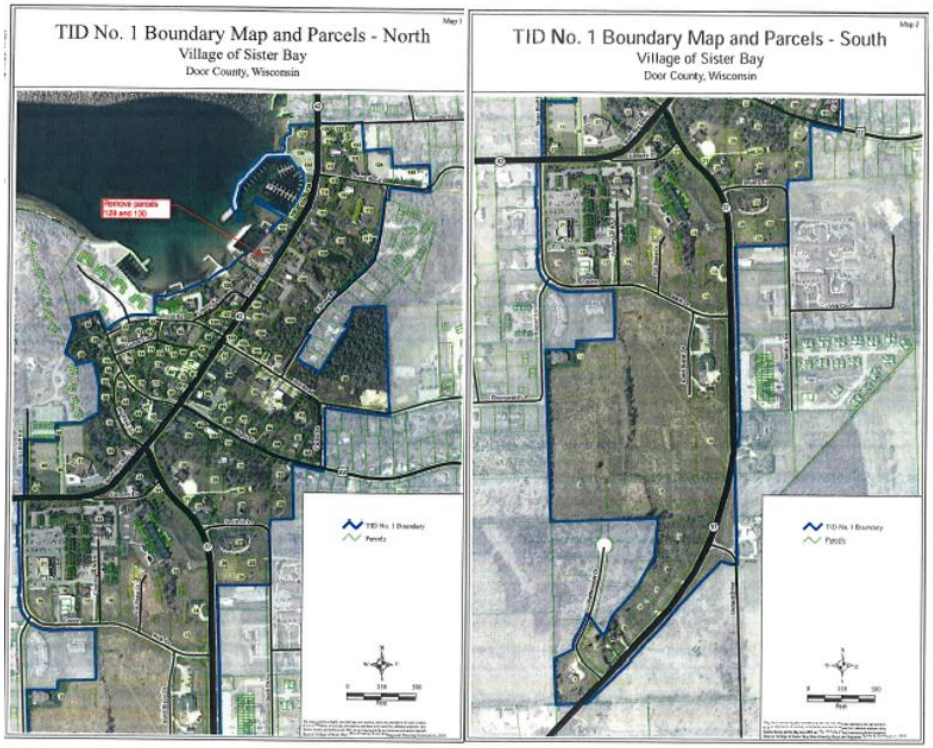
TID # 1



TID # 2



TID #1



Central Business District

Initially created via resolution on 08/21/2008, the original plan included projects for developer incentives, infrastructure improvements and administrative costs. The district was amended via resolution on 10/27/2011 to remove two parcels, include additional water and sewer costs, and the schedule was adjusted for an additional two years of time for implementation. A second amendment, adopted on 06/05/2018, expanded the project plan to include project costs associated with public utilities and street improvements that primarily benefit the District. A third amendment was approved on 10/19/2021, incorporating additional projects aimed at supporting development and redevelopment initiatives to enhance the economic vitality of both the District and the broader community. TID #1 expenditure period ended in 2023 and is projected to close in 2028 with final tax collection occurring in 2029.

TID #1 Summary

Summary	
Location	Central Business District
Type of TID	Mixed Use
TID Projects	TID #1 was created to promote mixed-use development of residential, commercial, recreational, and municipal land usage. The boundaries included roughly 162 acres and 137 parcels. TID #1 was aimed to promote orderly development and necessary redevelopment of parcels within the central business district of the Village along Green Bay of Lake Michigan.
Dates	
Creation Date	8/21/2008
Final Date to Incur TID Expenditures	8/21/2023
Anticipated Closing Date	2028
Project Plan Amendments	
Number	1
Type	Project Plan Amendment
Effective	2011
Summary of TID Projects within amended area	The first amendment modified the District by subtracting territory, including the removal of an area designated for an interim solution sanitary lift station, and also reflected additional project costs related to water and sewer improvements.
Number	2
Type	Project Plan Amendment
Effective	2018
Summary of TID Projects within amended area	The second amendment adds a percentage of the costs of utility and road improvement projects along the south Highway 57 business corridor between Flintridge/ Country Lane, Fieldcrest and Canterbury Lane located in the proposed TID #2, which is adjacent to TID #1.
Number	3
Type	Project Plan Amendment
Effective	2021
Summary of TID Projects within amended area	The third amendment extended Cherrywood Lane and Northwoods Drive to connect with Highway 57, along with adding utilities, stormwater infrastructure, and sidewalks to support a 47-unit affordable housing development. It also includes repairing and upgrading infrastructure and roadways in a key Village area from the waterfront to Highway 42 to improve traffic flow and access to Waterfront Park.
Current Year TID Value	
2008 Base Value	$44,718,300
2017 actual	$53,700,300
2018 actual	$56,335,200
2019 actual	$61,326,100
2020 actual	$62,020,600
2021 actual	$102,181,800
2022 actual	$116,602,700
2023 actual	$122,763,900
2024 actual	$200,307,100
2025 actual	$168,917,900
Projections	
Future Revenues	$7,527,199
Future Project Costs	$6,943,158

TID #1 History of Value Increment

Village of Sister Bay
Tax Increment District No. 1
History of Tax Increment

	ACTUAL Cumulative Increment Value	(Original Project Plan) PROJECTED Cumulative Increment Value	(2021 Amendment) PROJECTED Cumulative Increment Value	ACTUAL V. PROJECTED
2017	$ 8,982,000	$52,600,000		($43,618,000)
2018	$ 11,616,900	$52,600,000		($40,983,100)
2019	$ 16,607,800	$52,600,000		($35,992,200)
2020	$ 17,302,300	$52,600,000		($35,297,700)
2021	$ 57,463,500	$52,600,000	$55,456,000	$2,007,500
2022	$ 71,884,400	$52,600,000	$75,912,700	($4,028,300)
2023	$ 78,045,600	$52,600,000	$80,702,700	($2,657,100)
2024	$ 157,460,700	$52,600,000	$81,992,700	$75,468,000
2025	$ 126,071,500	$52,600,000	$81,992,700	$44,078,800

Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

TID #1 Project Cost Detail

Village of Sister Bay
Tax Increment District No. 1
Project Cost Detail

	PROJECTED COSTS																			
	TOTAL	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026-2028
Original Project Plan																				
Infrastructure Improvements	$15,339,261		$1,999,151	$1,879,250	$3,105,235	$800,500	$7,555,125													
Administrative, Legal, and Financial Costs Related to TID	$0																			
SUBTOTAL	$15,339,261	$0	$1,999,151	$1,879,250	$3,105,235	$800,500	$7,555,125	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2011 Amendment																				
Delay of projects by 2 years	($15,339,261)		($1,999,151)	($1,879,250)	($3,105,235)	($800,500)	($7,555,125)													
Infrastructure Improvements	$16,095,921				$1,493,151	$3,641,910	$3,105,235	$800,500	$7,055,125											
Administrative, Legal, and Financial Costs Related to TID	$0																			
SUBTOTAL	$756,660	$0	($1,999,151)	($1,879,250)	($1,612,084)	$2,841,410	($4,449,890)	$800,500	$7,055,125	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2018 Amendment																				
Infrastructure Improvements	$73,781												$73,781							
SUBTOTAL	$73,781	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$73,781	$0	$0	$0	$0	$0	$0	$0
2021 Amendment																				
Infrastructure Improvements	$3,960,000															$3,960,000				
Financing and Interest Costs	$426,300															$426,300				
Administrative, Legal, and Financial Costs Related to TID	$6,750														$6,750					
SUBTOTAL	$4,393,050	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,750	$4,386,300	$0	$0	$0	$0
TOTAL PROJECTED COSTS (1)	**$20,562,752**	**$0**	**$0**	**$0**	**$1,493,151**	**$3,641,910**	**$3,105,235**	**$800,500**	**$7,055,125**	**$0**	**$0**	**$0**	**$73,781**	**$0**	**$6,750**	**$4,386,300**	**$0**	**$0**	**$0**	**$0**

	ACTUAL COSTS																			
	TOTAL	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026-2028
TID 1 Debt Principal Payments	$6,087,500	$0	$0	$0	$0	$16,250	$16,250	$48,750	$659,148	$158,735	$2,793,465	$196,826	$686,253	$214,330	$247,493	$245,000	$255,000	$270,000	$280,000	$0
TID 1 Debt Interest Payments	$1,690,726	$0	$0	$0	$91,642	$210,422	$146,717	$145,976	$160,919	$165,386	$120,603	$112,929	$106,542	$88,314	$80,075	$73,050	$68,050	$62,801	$57,300	$0
Administration	$796,277	$12,020	$35,249	$27,781	$31,069	$33,506	$67,880	$74,411	$56,737	$85,874	$73,831	$63,437	$52,085	$36,703	$27,199	$49,532	$62,058	$2,568	$4,337	$0
Capital Expenditures	$13,327,131	$55,015	$77,174	$5,247,286	($1,708,708)	$122,322	$606,473	$1,960,847	$3,743,103	$288,497	$647,981	$55,702	$172,381	$0	$0	$1,375,410	$683,648			$0
TOTAL ACTUAL COSTS (As of 12/31/25) (2)	**$21,901,634**	**$67,035**	**$112,423**	**$5,275,067**	**($1,585,997)**	**$382,500**	**$837,320**	**$2,229,984**	**$4,619,907**	**$698,492**	**$3,635,880**	**$428,894**	**$1,017,261**	**$339,347**	**$354,767**	**$1,742,992**	**$1,068,756**	**$335,369**	**$341,637**	**$0**

(1) projected costs taken from TID project plans.
(2) actual costs taken from various Village audits.

Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

TID #1 Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID	1.00%
2025 Gross Tax Rate (per $1000 Equalized Value)	$9.42
Annual Adjustment to tax rate	0.00%
Investment rate	0.00%

Data above dashed line are actual

	Background Data					Revenues						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
Year	TIF District Valuation (January 1)	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Exempt Computer Aid	Personal Property Aid	Transfer from Marina (2)	Other Revenues (3)	Total Revenues	Year
	Base Value (1) $42,846,400											
2025	$168,917,900			$126,071,500	$9.42							2025
2026	$168,917,900	$1,689,179		$127,760,679	$9.42	$1,187,594	$1,088	$1,440	$64,303	$7,847	$1,262,272	2026
2027	$170,607,079	$1,706,071		$129,466,750	$9.42	$1,187,594	$1,088	$1,440	$64,303	$8,084	$1,262,509	2027
2028	$172,313,150	$1,723,131		$131,189,881	$9.42	$1,203,506	$1,088	$1,440	$64,303	$8,329	$1,278,666	2028
2029	$174,036,281	$1,740,363		$132,930,244	$9.42	$1,219,577	$1,088	$1,440		$8,580	$1,230,685	2029
2030	$175,776,644	$1,757,766		$134,688,011	$9.42	$1,235,809	$1,088	$1,440			$1,238,337	2030
2031	$177,534,411	$1,775,344		$136,463,355	$9.42	$1,252,203	$1,088	$1,440			$1,254,731	2031
		$10,391,855	($31,389,200)			$7,286,281	$6,529	$8,640	$192,909	$32,840	$7,527,199	

Type of TID: Mixed-Use

2008 TID Inception (08/21/2008)

2023 Final Year to Incur TIF Related Costs

2028 Maximum Legal Life of TID (20 Years)

2029 Final Tax Collection Year

2031 Hypothetical 3 Year Extension

(1) *Base value was recertified from $44,718,300 to $42,846,400 in 2024.*

(2) *TID advanced $850,000 to Marina in 2011.*
Balance outstanding as of December 31, 2025 is $192,909.

(3) *Per Village Projections/Draft Village Financials*

Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

TID #1 Cash Flow Proforma Analysis Cont.

Year	Expenditures								TID Status			Year
	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	
	TID #1 Supported D/S	Reimbursement to General Fund (3)	Reimbursement of Debt Service Levy (3)	Reimbursement to CP Fund (3)	Reimbursement to Utility Fund (3)	Payback of Advance to CP Fund (3)	Other Expenses (3)	Combined Expenditures	Annual Balance	Year End Cumulative Balance (December 31)	Cost Recovery	
2025										$1,865,408	Per 2025 Audit	2025
2026	$340,875	$145,000	$410,000	$117,412		$325,729	$150	$1,339,166	($76,894)	$1,788,514		2026
2027	$327,975	$145,000	$410,000		$265,000		$150	$1,148,125	$114,384	$1,902,898		2027
2028	$334,200	$16,955	$415,000		$265,000	$982,412	$150	$2,013,717	($735,051)	$1,167,846		2028
2029	$339,975		$420,000		$142,000			$901,975	$328,710	$1,496,556		2029
2030	$355,150		$435,000					$790,150	$448,187	$1,944,743	Expenditures Recovered	2030
2031	$340,025		$410,000					$750,025	$504,706	$2,449,449	Expenditures Recovered	2031
	$2,038,200	$306,955	$2,500,000	$117,412	$672,000	$1,308,141	$450	$6,943,158				

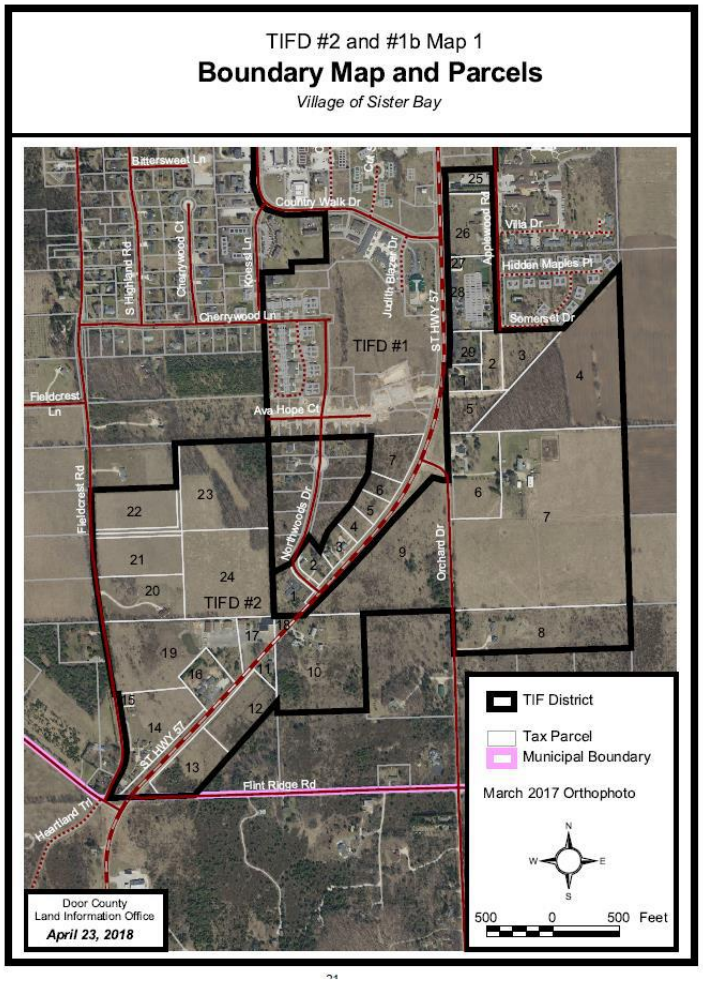
(3) Per Village Projections.

Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

TID #2



South Highway 57 Business Corridor

TID #2 was created via resolution by the Village board on 05/24/2018. The district was created to promote orderly development and necessary redevelopment of parcels within the south Highway 57 business corridor between Flintridge/Country Lane, Fieldcrest and Canterbury Lane adjacent to TID #1. The project plan anticipated approximately $1.782 million in project costs, primarily related to infrastructure improvements, and projected approximately $9.5 million in new development. The district's expenditure period is scheduled to end in 2033, with the district projected to close in 2038 and the final tax increment collection occurring in 2039.

TID #2 Summary

Summary	
Location	South Highway 57 Business Corridor
Type of TID	Mixed Use
TID Projects	TID #2 was created to encourage mixed-use development that supports residential, commercial, recreational, and municipal uses while expanding the tax base, creating jobs, and providing medium-density housing. Covering about 182.4 acres and 29 parcels, TID #2 focuses on promoting orderly development and redevelopment along the south Highway 57 business corridor adjacent to TID #1.
Dates	
Creation Date	5/24/2018
Final Date to Incur TID Expenditures	5/24/2033
Anticipated Closing Date	2038
Current Year TID Value	
2018 Base Value	$9,649,500
2019 actual	$10,004,700
2020 actual	$9,665,000
2021 actual	$14,103,600
2022 actual	$14,768,200
2023 actual	$15,874,600
2024 actual	$21,455,200
2025 actual	$19,137,300
Projections	
Future Revenues	$1,670,396
Future Project Costs	$374,100

TID #2 History of Value Increment

Village of Sister Bay
Tax Increment District No. 2
History of Tax Increment

	ACTUAL Cumulative Increment Value	(Original Project Plan) PROJECTED Cumulative Increment Value	ACTUAL V. PROJECTED
2018	$ -	$5,375,000	($5,375,000)
2019	$ 355,200	$5,975,000	($5,619,800)
2020	$ 15,500	$7,275,000	($7,259,500)
2021	$ 4,454,100	$7,275,000	($2,820,900)
2022	$ 5,118,700	$8,025,000	($2,906,300)
2023	$ 6,225,100	$9,525,000	($3,299,900)
2024	$ 12,153,700	$9,525,000	$2,628,700
2025	$ 9,835,800	$9,525,000	$310,800

TID #2 Project Cost Detail

Village of Sister Bay
Tax Increment District No. 2
Project Cost Detail

	PROJECTED COSTS									
	TOTAL	2018	2019	2020	2021	2022	2023	2024	2025	2026-2038
Original Project Plan										
Infrastructure Improvements	$1,781,991	$1,781,991	$0	$0	$0	$0	$0	$0	$0	$0
SUBTOTAL	$1,781,991	$1,781,991	$0	$0	$0	$0	$0	$0	$0	$0
TOTAL PROJECTED COSTS (1)	**$1,781,991**	**$1,781,991**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
	ACTUAL COSTS									
	TOTAL	2018	2019	2020	2021	2022	2023	2024	2025	2026-2038
TID 1 Debt Principal Payments	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
TID 1 Debt Interest Payments	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Administration	$110,140	$0	$20,713	$26,795	$14,211	$6,838	$9,251	$24,792	$7,540	$0
Capital Expenditures	$57,876	$51,804	$6,072	$0	$0	$0	$0	$0	$0	$0
TOTAL ACTUAL COSTS (As of 12/31/25) (2)	**$168,016**	**$51,804**	**$26,785**	**$26,795**	**$14,211**	**$6,838**	**$9,251**	**$24,792**	**$7,540**	**$0**

(1) projected costs taken from TID project plan.
(2) actual costs taken from various Village audits.

Village of Sister Bay

2026 Tax Incremental District Analysis

July 13, 2026

TID #2 Cash Flow Proforma Analysis

Assumptions	
Annual Inflation During Life of TID	1.00%
2025 Gross Tax Rate (per $1000 Equalized Value)	$9.42
Annual Adjustment to tax rate	0.00%
Investment rate	0.00%

Data above dashed line are actual

	Background Data				Revenues			Expenditures			TID Status			
	(a)	(b)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
Year	TIF District Valuation (January 1)	Inflation Increment	Construction Increment (1)	TIF Increment Over Base	Tax Rate	Tax Revenue	State Aid	Total Revenues	Reimbursement to General Fund (1)	Other Expenses (1)	Combined Expenditures	Annual Balance	Year End Cumulative Balance (December 31)	Cost Recovery	Year
	Base Value (2) $9,301,500														
2025	$19,137,300			$9,835,800	$9.42								$154,468	Per 2025 Audit	2025
2026	$19,137,300	$191,373		$10,027,173	$9.42	$92,653	$106	$92,759		$24,792	$24,792	$67,967	$222,435	Expenditures Recovered	2026
2027	$19,676,673	$196,767		$10,571,940	$9.42	$92,653	$106	$92,759		$24,792	$24,792	$67,967	$290,402	Expenditures Recovered	2027
2028	$20,221,440	$202,214		$11,122,154	$9.42	$94,456	$106	$94,562		$24,792	$24,792	$69,770	$360,172	Expenditures Recovered	2028
2029	$20,771,654	$207,717		$11,677,871	$9.42	$99,588	$106	$99,694		$24,792	$24,792	$74,902	$435,074	Expenditures Recovered	2029
2030	$21,327,371	$213,274		$12,239,144	$9.42	$104,771	$106	$104,877		$24,792	$24,792	$80,085	$515,159	Expenditures Recovered	2030
2031	$21,888,644	$218,886		$12,806,031	$9.42	$110,006	$106	$110,112		$24,792	$24,792	$85,320	$600,478	Expenditures Recovered	2031
2032	$22,455,531	$224,555		$13,378,586	$9.42	$115,293	$106	$115,399		$24,792	$24,792	$90,607	$691,085	Expenditures Recovered	2032
2033	$23,028,086	$230,281		$13,956,867	$9.42	$120,633	$106	$120,739		$24,792	$24,792	$95,947	$787,032	Expenditures Recovered	2033
2034	$23,606,367	$236,064		$14,540,931	$9.42	$126,026	$106	$126,132		$24,792	$24,792	$101,340	$888,372	Expenditures Recovered	2034
2035	$24,190,431	$241,904		$15,130,835	$9.42	$131,474	$106	$131,580		$24,792	$24,792	$106,788	$995,160	Expenditures Recovered	2035
2036	$24,780,335	$247,803		$15,726,638	$9.42	$136,976	$106	$137,082		$24,792	$24,792	$112,290	$1,107,449	Expenditures Recovered	2036
2037	$25,376,138	$253,761		$16,328,400	$9.42	$142,532	$106	$142,638		$24,792	$24,792	$117,846	$1,225,296	Expenditures Recovered	2037
2038	$25,977,900	$259,779		$16,936,179	$9.42	$148,145	$106	$148,251	$51,804	$24,792	$76,596	$71,655	$1,296,951	Expenditures Recovered	2038
2039		$0				$153,814		$153,814				$153,814	$1,450,764	Expenditures Recovered	2039
		$2,924,379	($2,317,900)			$1,669,018	$1,378	$1,670,396	$51,804	$322,296	$374,100				

Type of TID: Mixed - Use

2018 TID Inception (05/24/18)

2033 Final Year to Incur TIF Related Costs

2038 Maximum Legal Life of TID (20 Years)

2039 Final Tax Collection Year

(1) Per Village Projections.

(2) Base value was recertified from $9,649,500 to $9,301,500 in 2024.

Sister Bay's Tax Incremental Districts

Tax Incremental Districts are one of the most powerful economic development tools available to municipalities. Sister Bay has a history of actively using this tool to foster not only tax base growth but also blight elimination, orderly development of newly created commercial and industrial parcels and expanded employment opportunities. Of Sister Bay's two active TIDs, both are mixed-use.

Mixed-use TIDs in Wisconsin present unique challenges, particularly due to their integration of residential, commercial, and sometimes recreational uses within a single district. Unlike TIDs focused solely on new industrial or commercial growth, mixed-use districts often involve the redevelopment or adaptive reuse of underutilized or obsolete properties, which can require substantial upfront investment in demolition, environmental remediation, and site preparation. As a result, the cost-to-revenue ratio for mixed-use TIDs is typically higher, as the need to support both infrastructure and diverse development types can delay value growth and increase reliance on TIF assistance to achieve project feasibility. However, it is important to recognize that the benefits accrued to Sister Bay (and all overlapping taxing entities of the two TIDs) for the redevelopment in TID #1, and TID # 2, include improved infrastructure that supports economic activity, reduced reliance on general property tax increases for capital projects, and enhanced property values and community appeal for Sister Bay. Without the use of TID, it is highly unlikely that this revitalization would occur.

Implemented Project Plans

TID project plans are required to include an economic feasibility analysis. A component of the analysis projects annual TID revenues compared to annual TID expenditures. A challenge facing all TIDs is the "fixed" nature of the expenditures versus the "variable" nature of the revenues. For example, TID expenditures are often funded by the issuance of debt. That debt typically has fixed payments over a long-term period (up to 20 years for General Obligation debt). The revenue stream, comprised predominantly of tax revenue, varies annually based on changes to property value in the TID and the combined equalized tax rate. As with any projection, the further into the future the projection spans, the confidence placed on subsequent years' projections is reduced.

Several factors have impacted TID revenues over the past several years, including (in chronological order):

- Great Recession
  - Significant declines in property value resulting from the Great Recession drove down property values nationwide.
- Department of Revenue revised TID valuation methodology
  - In 2010 the Wisconsin Department of Revenue revised its methodology for assigning values to properties in a TID. The new methodology had a greater impact on older TIDs than newer TIDs, primarily because of the impact of annual compounding.
- 2013 Wisconsin Act 145 (Technical College state aid increase)
  - Beginning in 2014, technical college district's equalized tax rate for payment received in 2015 and thereafter is reduced $0.875 per $1,000 of property value.

In response to the legislative changes, the state has regularly revised TID statutes to provide communities the ability to adjust their TIDs to address events unforeseen at the time of TID creation.

For example:

- Following the state 2/3 school funding initiative, existing TIDs had their lives automatically extended five years.
- The economic downturn led the state to develop legislation authorizing communities to designate certain TIDs "distressed" thereby extending their lives. Other TIDs were authorized to become donor districts to distressed districts.

Since 2014, there have been several TID Law changes that have gone into effect.

- 2013 Wisconsin Act 183 (Re-determine TID base value) – effective April 4, 2014
  - TID's equalized value must be at least 10% below the current base value of the TID for two consecutive years
  - Distressed or severely distressed TIDs qualify
- 2013 Wisconsin Act 193 – effective April 6, 2014
  - Expands authority for certain towns to create TIDs
    - In prior year, EV must be minimum of $500 million and population of at least 3,500
    - Sewer service is or will be provided before use or operation of any improvements
- 2015 Wisconsin Act 254 – effective March 3, 2016
  - Allows Municipality to amend TID's project plan and request three-year extension to TID's life if tax increments are impacted by 2013 Act 145 (referenced earlier) that increased state aid to technical colleges
  - Requires DOR to indicate in a fiscal estimate if a bill will increase or decrease the increment collection for TIDs or if the effect is indeterminate

- 2015 Wisconsin Act 255 (TIDs created or whose project plan was amended on or after October 1, 2015)
    - Removes restriction that vacant property may not comprise more than 25% of TID for creations after effective date
    - Revises TID base value calculation to exclude exempt city owned property
- 2015 Wisconsin Act 256 – effective March 3, 2016
    - JRB review period changed from 30 to 45 days to approve municipality's TID resolution
    - Changes calculation of levy limit exception – municipality's equalized value for preceding year excludes value of any TID increments for year TID terminates
    - TID industrial zoning requirements only apply to industrial TIDs
    - Changes planning commission notice from class 2 to class 1 for TID amendments
    - One-year life and allocation extension for new TIDs when the municipality adopts the project plan between September 30 and May 15
- 2015 Wisconsin Act 257 – effective October 1, 2015, for 60.85 Town TIDs and October 1, 2016, for all TIDs
    - Requires standing Joint Review Board (JRB)
        - Meet annually on July 1 or as soon as annual report is available
        - Remains in existence entire time TID exists with same taxing jurisdictions
        - May disband after the termination of all existing TIDs
        - Applies to all TID types
    - Repeals DOR's review of industry-specific town TIDs
    - Requires municipality to electronically submit annual TID Report

- 2015 Wisconsin Act 257 (continued)
    - Due to DOR starting July 1, 2016, for Town TIDs and July 1, 2017, for all other TIDs
    - Annual report must contain specific items:
        - Name assigned to the TID
        - Developer named in agreement with municipality or receiving financial assistance
        - Anticipated TID termination date
        - Tax increment to deposited into special fund for the TID
        - Contact person
        - Analysis of TID special fund
    - Requires DOR to develop annual report process
        - Reports due no later than 45 days after receipt
            - Extension may be granted with sufficient evidence
            - Summary of extensions to be posted on DOR website
            - If past due, municipality will be notified
            - $100 fine per day the report is past due. Fees deposited to common school fund.

- 2017 Wisconsin Act 15 – effective January 1, 2018 (for 2017 reporting year)
    - Changes the deadline for TID terminations from May 15 to April 15
    - TID Annual Report Changes
        - Sets maximum penalty of $6,000 for reports not filed timely

- 2017 Wisconsin Act 15 (continued)
    - Penalty for late filing remains $100 per TID per day (applied beginning 60 days after report is past due)
    - DOR reduces shared revenue payments for any unpaid penalty
    - Removes the extra 30-day extension when an estimated report is filed
  - Notification to DOR of adopted amendments
    - Removed requirement for municipalities to notify DOR of TID amendments during May 1 to May 21 each year
    - Retains requirement to notify DOR within 60 days after the amendment is adopted
- 2017 Wisconsin Act 58 – effective September 20, 2017
  - Creation of electronics and information technology manufacturing (EITM) zone
  - Special provisions for TIDs within EITM zone
    - Not included in 12 percent limit test
    - 30-year life with expenditures
    - Mixed-use or industrial TID type only
    - Allows TID project costs throughout the county and allows police/fire costs (with some limitation)
  - Form due date dependent on municipal resolution adoption date and effective date/year
- 2017 Wisconsin Act 70 – effective November 29, 2017
  - Environmental Remediation (ER) TID created on or after 11/29/17 must follow Wisconsin Statute Section 66.1105 and any new ER TID must be created under Wisconsin Statute Section 66.1105
    - Maximum life 27 years with possible 3-year extension

- 2017 Wisconsin Act 70 (continued)
    - ER TIDs are now similar to existing municipal TIDs with the following exceptions:
        - Before creation, must obtain certified Wisconsin DNR site investigation report
        - At least 50% has significant environmental pollution
        - Project plan must specify either:
            - All project costs paid within 90% of remaining life or
            - Expenditures in first half of TID life only
        - Base value is $1
            - If amended to add territory, full value will be added to base value of $1.
        - ER TID may only share funds with ER TIDs
        - One ER TID can be excluded from 12% limit test and cannot change

- 2017 Wisconsin Act 59 Section 1210G. 79.095 (4) (b)
    - Changes future exempt computer aid payments
        - In 2018, each taxing jurisdiction shall receive a payment equal to the payment received in 2017 multiplied by 1.0147.
        - In 2019, each taxing jurisdiction shall receive a payment equal to the payment it received in the previous year, multiplied by one plus the inflation factor (As of 9/18/19, that figure is 1.0242).
        - In 2020, and each year thereafter, each taxing jurisdiction shall receive a payment equal to the payment it received in the previous year.

- 2021 Wisconsin Act 61 – effective July 10, 2021, starting with 2022 distributions for:
    - Exempt computer aid payments
        - State will distribute aid to the municipality and other taxing jurisdictions the year after termination and each year thereafter
    - Personal property aid payments
        - State will distribute aid to the municipality and other taxing jurisdictions the year after termination and each year thereafter
        - Reimbursement for TIDs active in the 2017 tax year that terminated since and would have received aid
        - Terminated TID aid payments will not be included in levy/revenue limit calculations
        - Updates expenditure restraint program to exclude expenditures of terminated TID personal property aid payments
- 2021 Wisconsin Act 68 – effective July 10, 2021
    - For certain expenses, extends the expenditure period from 84 to 180 months after TID's creation
    - Applies to expenses for:
        - Constructing or expanding fire stations
        - Purchasing police and fire equipment
        - General operating expenses related to providing police and fire protection

- 2023 Wisconsin Act 12 – effective January 1, 2024
    - Personal Property is exempt from taxation. A municipality may make a request to the Wisconsin Department of Revenue to reduce a TID's base value by the amount of exempt personal property.
    - Before January 1, 2024, taxable personal property assessed in the TID was included in the TID's current value and contributed to a TID's tax increment. Removing exempt personal property from the base value ensures the TID's base value and current value exclude exempt personal property value

- 2023 Wisconsin Act 12 – Levy Limits
    - No change to existing TIDs. For TIDs created ***after*** October 1, 2024:
        - Municipalities may use up to 90% (previously 100%) of new construction within a TID in determining the levy increase
        - Joint Review Board (JRB) resolution must state expected termination year
        - The one-time levy limit adjustment the year after a TID closure is 10% (previously 50%) of the new construction that occurred between creation and closure.
            - The one-time adjustment may be increased to 25% if the TID closes prior to 75% of its anticipated life
- 2025 Wisconsin Act 235 – Residential TIDs – effective October 1, 2026
    - Equalized value of taxable property in residential TID(s) not exceed 3% of the municipality's total equalized valuation
    - The life of these TIDS is 20-years
    - All public works, improvements, and project costs included in the project plan for a residential tax incremental district shall be related to residential developments that satisfy all of the following:

- 2025 Wisconsin Act 235 (continued)
    - consists entirely of single-family or 2-family residences that are owner-occupied.
    - lot size of each single-family residence is less than 7,500 square feet.
    - lot size of each 2-family residence is 12,500 square feet or less.
    - lot width of each lot for a single-family residence is 70 feet or less.
    - lot width of each lot for a 2-family residence is 80 feet or less.
    - No side setback is greater than 10 feet.
    - No single-story residence is larger than 1,500 square feet.
    - No 2-story residence is larger than 2,000 square feet.
- 2025 Wisconsin Act 173 – Affordable Housing & "newly platted residential" – effective October 1, 2028
    - Expanded affordable housing extension from 1 year to 2 years
    - "Newly platted residential" now defined
- 2023 Wisconsin Act 12
    - Joint Review Board (JRB) expected termination year – effective after creation date of 9/30/24 – must state expected termination year in resolution
    - Levy limit adjustment changes – if terminates within 75% of JRB's expected life – receives an additional levy limit adjustment

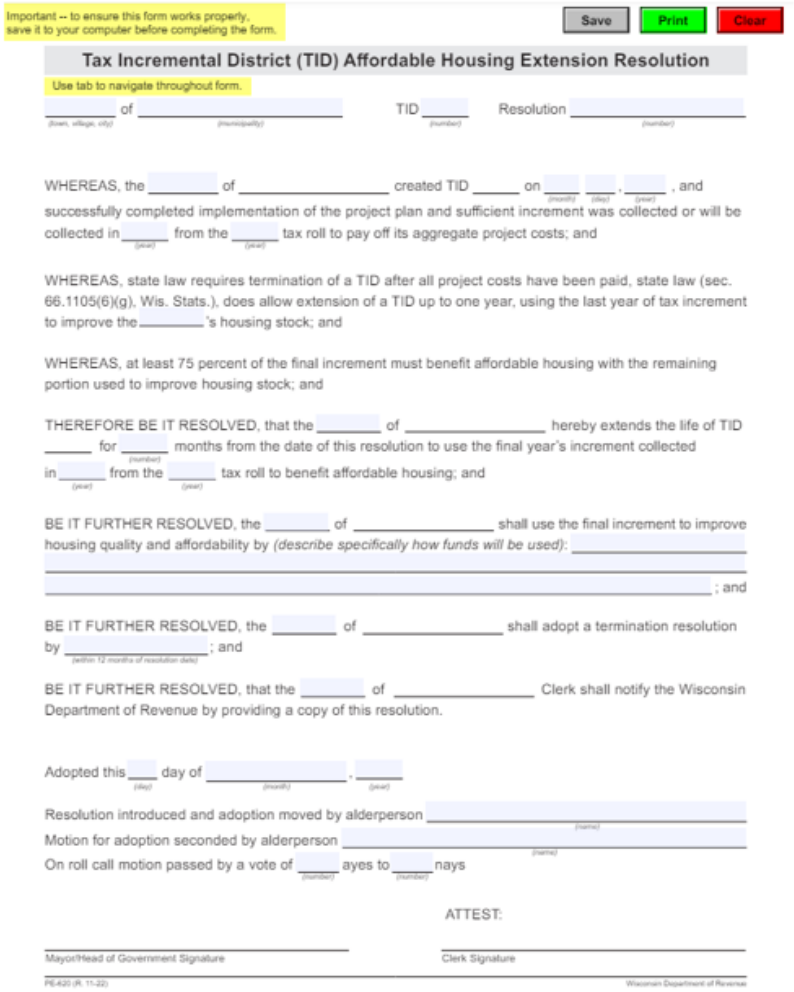
Concluding Observations

- Significant development and redevelopment have been fostered using TID.
    - The benefit of tax incremental districts extends beyond the growth in tax base.
- Sister Bay's monitoring and analysis of the Village's TIDs.
    - Elected officials receive detailed TID reports annually, and those reports provide a high level of transparency and detailed TID monitoring.
    - TID #1 currently has a termination year of 2028, TID #2 has a termination year of 2038, both of which are projected to recover expenditures either before or by the time of their maximum legal life.
    - TID #1 is nearing the end of its statutory life, with the maximum legal life ending in 2028 and final tax collections projected through 2029. As no additional project costs may now be incurred since 2023, the district is now fully in its wind-down phase.
        - The district's involvement in advancing $850,000 to the marina project in 2011 represents a significant investment; however, the remaining outstanding balance of $192,909 as of December 31, 2025, is relatively modest and suggests the TID is on track to fully recover its costs prior to closure.
        - Taxing jurisdictions would potentially receive a refund for the outstanding TID cumulative balance.
        - There is an opportunity to consider an extension for affordable housing.

- TID #2 is a relatively newer district established in 2018 and remains in the early-to-mid stage of its lifecycle, with significant time remaining to incur project costs through 2033 and collect increment through 2039. This timeframe provides flexibility to support development activity and value growth.
    - It is also worth noting that a proposed amendment was not finalized in 2024 due to equalized value limitations relative to the statutory 12% test. While this constrained expansion in the near term, the district retains capacity to continue advancing its original project plan within existing boundaries.

TID Affordable Housing Extension

- After a municipality pays off a TID's project costs, it may extend that TID's life by one year (currently) if the municipality adopts a resolution that:
  1. Extends life for a specific number of months (up to 12).
  2. Specifies how the municipality intents to improve housing stock
- The municipality must use at least 75% of the increment received to benefit affordable housing. The remainder must be used to improve housing.
- Resolution must be sent to DOR for their approval.



Important -- to ensure this form works properly, save it to your computer before completing the form.

Save Print Clear

Tax Incremental District (TID) Affordable Housing Extension Resolution

Use tab to navigate throughout form.

_____ of _____ TID _____ Resolution _____
(town, village, city) (municipality) (number) (number)

WHEREAS, the _____ of _____ created TID _____ on _____ (month) _____ (day) , _____ (year) , and successfully completed implementation of the project plan and sufficient increment was collected or will be collected in _____ (year) from the _____ (year) tax roll to pay off its aggregate project costs; and

WHEREAS, state law requires termination of a TID after all project costs have been paid, state law (sec. 66.1105(6)(g), Wis. Stats.), does allow extension of a TID up to one year, using the last year of tax increment to improve the _____'s housing stock; and

WHEREAS, at least 75 percent of the final increment must benefit affordable housing with the remaining portion used to improve housing stock; and

THEREFORE BE IT RESOLVED, that the _____ of _____ hereby extends the life of TID _____ for _____ (number) months from the date of this resolution to use the final year's increment collected in _____ (year) from the _____ (year) tax roll to benefit affordable housing; and

BE IT FURTHER RESOLVED, the _____ of _____ shall use the final increment to improve housing quality and affordability by *(describe specifically how funds will be used)*: _____ ; and

BE IT FURTHER RESOLVED, the _____ of _____ shall adopt a termination resolution by _____ (within 12 months of resolution date); and

BE IT FURTHER RESOLVED, that the _____ of _____ Clerk shall notify the Wisconsin Department of Revenue by providing a copy of this resolution.

Adopted this ___ (day) day of _____ (month) , _____ (year)

Resolution introduced and adoption moved by alderperson _____ (name)

Motion for adoption seconded by alderperson _____ (name)

On roll call motion passed by a vote of _____ (number) ayes to _____ (number) nays

ATTEST:

Mayor/Head of Government Signature

Clerk Signature

PE-420 (R. 11-22) Wisconsin Department of Revenue

Important Disclosures

Robert W. Baird & Co. Incorporated is providing this information to you for discussion purposes. The materials do 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.

RESOLUTION NO. 2026-015

A RESOLUTION ACKNOWLEDGING FILING OF ANNUAL REPORT

AND COMPLIANCE WITH ANNUAL MEETING REQUIREMENT

JOINT REVIEW BOARD

VILLAGE OF SISTER BAY, WISCONSIN

WHEREAS, Wis. Stat. §66.1105(4m)(f) requires that the Joint Review Board ("JRB") meet annually on July 1, or when an annual report under Wis. Stat. §66.1105(6m)(c)(intro.) becomes available, to review the annual report and to review the performance and status of each district governed by the JRB; and

WHEREAS, the Village of Sister Bay has filed an annual report with the Wisconsin Department of Revenue for Tax Incremental Districts No.1, and No. 2; and

WHEREAS, a copy of the annual report has been provided to each overlying taxing jurisdiction; and

WHEREAS, the JRB met on November 2nd, 2026, to review the annual report and the performance and status of the districts governed by the JRB.

NOW, THEREFORE, BE IT RESOLVED, that the Village of Sister Bay has complied with its reporting requirements under Wis. Stat. §66.1105(6m)(c)(intro.) and requirement to hold an annual JRB meeting under Wis. Stat. §66.1105(4m)(f).

Adopted: _____

Approved: _____ _____

Terry Kelly, Chairperson

ATTEST:

Julie Thyssen Village Clerk