

**FY 2014
ANNUAL TAX INCREMENT FINANCE
REPORT**



**STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA**

Name of Municipality: United City of Yorkville Reporting Fiscal Year: **2014**
 County: Kendall Fiscal Year End: **04 / 30 / 2014**
 Unit Code: 047/035/30

TIF Administrator Contact Information			
First Name:	<u>Rob</u>	Last Name:	<u>Fredrickson</u>
Address:	<u>800 Game Farm Road</u>	Title:	<u>Finance Director</u>
Telephone:	<u>630-553-8534</u>	City:	<u>Yorkville</u> Zip: <u>60560</u>
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Mobile Provider	<u>Verizon</u>	Best way to contact	<input checked="" type="checkbox"/> Email <input type="checkbox"/> Phone <input type="checkbox"/> Mobile <input type="checkbox"/> Mail

I attest to the best of my knowledge, this report of the redevelopment project areas in: United City of Yorkville
 is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

10/22/2014
 Written signature of TIF Administrator Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT		
Name of Redevelopment Project Area	Date Designated	Date Terminated
United City of Yorkville		
Tax Increment Financing Redevelopment		
Project Area - Downtown Yorkville	6/13/2006	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2014

Name of Redevelopment Project Area:	Downtown Yorkville
Primary Use of Redevelopment Project Area*:	Commercial
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	x	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		x
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		x
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D		x
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E		x
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	x	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	x	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		x
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	x	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	x	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		x
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		x
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	x	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2014

TIF NAME: Downtown Yorkville

Fund Balance at Beginning of Reporting Period \$ 216,937

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	\$ 52,811	\$ 430,859	99%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 50	\$ 4,155	1%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
2013 TAP Grant	\$ 184	\$ 184	0%

*must be completed where 'Reporting Year' is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 53,045

Cumulative Total Revenues/Cash Receipts \$ 435,198 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 46,953

Distribution of Surplus

Total Expenditures/Disbursements \$ 46,953

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ 6,092

FUND BALANCE, END OF REPORTING PERIOD* \$ 223,029

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3) \$ (476,971)

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

FY 2014

TIF NAME: Downtown Yorkville

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Legal Services	4,812	
Auditing Services - TIF Compliance Report	250	
JRB Packet Postage	8	
Engineering Services	7,591	
Title Services	151	
		\$ 12,812
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
Yorkville River Night	1,200	
AMOY Kayak Event	332	
Summer Solstice	294	
		\$ 1,826
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		\$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
IL Route 47 Expansion	20,000	
		\$ 20,000
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
Developer Incentive	12,315	
		\$ 12,315
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 46,953

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FY 2014

TIF NAME: Downtown Yorkville

FUND BALANCE, END OF REPORTING PERIOD \$ 223,029

Amount of Original Issuance	Amount Designated
-----------------------------	-------------------

1. Description of Debt Obligations

Total Amount Designated for Obligations \$ - \$ -

2. Description of Project Costs to be Paid

IL Rte 47 Expansion Project		\$ 200,000
Imperial Investments Redevelopment Agreement Phase 1 (est.)		\$ 500,000

Total Amount Designated for Project Costs \$ 700,000

TOTAL AMOUNT DESIGNATED \$ 700,000

SURPLUS*/(DEFICIT) \$ (476,971)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2014

TIF NAME: Downtown Yorkville

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

 X **No property was acquired by the Municipality Within the Redevelopment Project Area**

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)

PAGE 1

FY 2014

TIF NAME: Downtown Yorkville

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area: _____			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*. _____ <u>1</u> _____			
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 8,000,000	\$ -	\$ 8,000,000
Public Investment Undertaken	\$ 36,378	\$ 12,315	\$ 524,063
Ratio of Private/Public Investment	219 21/23		15 13/49

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

Landscaping			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 24,063	\$ -	\$ 24,063
Ratio of Private/Public Investment	0		0

Project 2:

Imperial Investments - Phase 1 est.			
Private Investment Undertaken (See Instructions)	\$ 8,000,000	\$ -	\$ 8,000,000
Public Investment Undertaken	\$ 12,315	\$ 12,315	\$ 500,000
Ratio of Private/Public Investment	649 43/70		16

Project 3:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 8:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 9:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 10:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 11:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 12:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 13:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 14:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 15:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 17:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 18:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 19:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 21:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 22:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 23:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 25:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

LAW OFFICE
KATHLEEN FIELD ORR & ASSOCIATES

53 West Jackson Blvd.
Suite 964
Chicago, Illinois 60604
(312)382-2113
(312)382-2127 facsimile

KATHLEEN FIELD ORR
kfo@kfoassoc.com

October 21, 2014

Judy Baar Topinka, State Comptroller
Office of the State Comptroller
Local Government Division
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601-3252

Re: *Downtown Tax Increment Finance Redevelopment Project Area for the Fiscal Year Ending April 30, 2014*

Dear Sir:

I, Kathleen Field Orr, am the City Attorney for the United City of Yorkville, Kendall County, Illinois, and acted as special "TIF" Counsel throughout the fiscal year covered by the referenced Report.

I have reviewed all of the information provided by the City Administration and I find that the United City of Yorkville, Illinois, has complied with all of the applicable provisions of the Illinois Tax Increment Allocation Redevelopment Act.

Very truly yours,

KATHLEEN FIELD ORR & ASSOCIATES



KATHLEEN FIELD ORR

KFO/kms

Activities Statement
Downtown Yorkville

The Downtown TIF district was created in 2006 to help facilitate mixed use development in the downtown area. Over the last three fiscal years, the City has entered into several agreements with Imperial Investments for the redevelopment of several buildings in the downtown area. This proposed mixed use development has resulted in several new store fronts being added to the downtown, including Rowdy's Bar & Grill, Mongolian 211 and an additional restaurant (Barley Fork) currently under construction.

Construction continued in fiscal year 2014 on the IL Route 47 expansion, which is a joint project between the City and the Illinois Department of Transportation. This project will include various roadway and infrastructure (water, sanitary sewer, storm sewer) improvements on Route 47, from just south of Kennedy Road through its intersection with IL Route 71. The cost of the project that is applicable to the Downtown TIF district is approximately \$200,000. In addition, the City continued its engineering study regarding the remediation of a brownfield site and neared completion of a new parking lot in the downtown area.

FY 2013 Annual Joint Review Board for TIF Districts

Tuesday, November 26, 2013

2:00 p.m.

Yorkville City Hall Conference Room
800 Game Farm Road, Yorkville, IL 60560

Committee Members in Attendance:

Dean Romano, Asst. Supt. for Finance & Operations – Yorkville CUSD #115

City Officials in Attendance:

Bart Olson, City Administrator – United City of Yorkville

Rob Fredrickson, Finance Director - United City of Yorkville

Kathleen Field Orr, City Attorney – Kathleen Field Orr & Associates

Other Attendees:

No other attendees

Elect Public Member

There was no public member present so City Attorney Orr stated they would forego it.

Elect Chair Person

Administrator Olson made a motion to elect Mr. Romano as Chairperson. Mr. Romano seconded; the motion was carried and Mr. Romano is the Chairperson.

Mr. Romano took roll and called the meeting to order. He opened the annual meeting by asking for approval of the minutes from the last meeting (November 27, 2012). Director Fredrickson made one amendment to the minutes to reflect “2012” rather than “2011.” (Correction has been made.) No other changes were necessary; minutes approved with correction.

Annual Report for U.S. Route 34 & Route 47 – Countryside TIF District:

Mr. Romano asked Director Fredrickson to provide some feedback on above subject. Director Fredrickson opened by referring to page 6 of the report which showed fund balance to be \$1,877,872 as of May 1, 2012. During the year, there were total revenues of \$2,132; total expenditures of \$307,669; resulting in an ending fund balance of \$1,572,335. Pages seven, eight and nine of the TIF Report provide further expenditure details.

At this point, City Attorney Orr asked Mr. Romano if he knew the history of the Countryside TIF. Mr. Romano responded that he did not. City Attorney Orr explained that the TIF was established in 2005 because Kohl’s was expected to open a new store in Yorkville. In order to facilitate this project, the City issued a bond for \$3.525 million. Minimal work was completed on the project before the developer pulled out and Kohl’s ended up constructing a new store in the City’s Kendall Marketplace Business District instead.

Since then the City has used the bond proceeds to pay debt service, since there is no revenue coming in from the property. The City has been hoping for a developer ever since and then Mr. Jim Ratos comes in and said, "We need a cinema!" and NGC Theatres opens in November of 2013. The agreement the City made with Mr. Ratos will be in next year's packet since it was not passed until May of 2013. The agreement stipulates that Mr. Ratos gets an incentive payout totaling \$2 million, consisting of remaining bond proceeds of approximately \$1.8 million with the remainder (\$200,000) to be paid from Amusement Tax receipts. City Attorney Orr went on to say that when the TIF was initially established, the base EAV still had the initial building. Therefore, continuing with the TIF as it is right now, she asked if the City is going to ask for an extension on the bond? Administrator Olson responded that it would depend on the refinancing being stretched to be coterminous with the life of the TIF district, which ends in 2029.

Mr. Romano asked if there was space and if it covered out buildings. Administrator Olson and City Attorney Orr confirmed that it did. Administrator Olson went on to say that northwest of the theatre site there is actually a larger lot than what the theatre is on now. This could be subdivided further into a lot of smaller lots; however, the thought is that the City would like another larger, anchor tenant in there.

Mr. Olson stated this year's TIF report is particularly bland because there are few expenses and not much has been done. Within the next two years, there will be a new re-development agreement and hopefully some revenue to actually pay off the bonds. City Attorney Orr stated that she wanted to point out one other thing regarding the Countryside TIF. On page 16 of the current year's report, when the TIF was established in 2005 the base EAV was \$1,528,166. She then noted that the current EAV (before construction) is less than the base year. So, if the City had waited to establish the TIF, the school district would have lost the \$1.5 million base that they can at least get now. Mr. Romano said he was familiar with the concept of TIF's moving into a lower EAV situation.

Annual Report for Downtown Yorkville TIF District:

Director Fredrickson referenced page 30 of the TIF report, which identifies a summary of the activity in the Downtown TIF for fiscal year 2013. During the year, there were total revenues of \$45,409; total expenditures of \$86,425; resulting in an ending fund balance of \$216,937.

Administrator Olson stated there was an error in the report showing \$3,506,099 in "Cumulative Bond Proceeds" that matches the amount in Countryside TIF report. City Attorney Orr said that number should not be there. Mr. Olson said the rest of the numbers looked fine and that the cumulative bond proceeds number should be "0" - for the record.

City Attorney Orr stated that fund balance for the Downtown TIF is \$216,000; \$200,000 of which is committed to the Route 47 expansion project. She went on to say that there is a redevelopment agreement with Imperial Investments as a business district overlay. City Attorney Orr stated that one of the issues with the TIF was that in the base year the EAV was already \$5.7 million, so it's only gone up less than \$1 million since it was established in 2006. She went on to say that this is not a realistic evaluation of the TIF's EAV.

Administrator Olson said there were a couple of minor expenses throughout the year, as noted on pages 31 through 33 of the TIF report. There were some marketing costs for conference attendance and engineering services (FS Grainco property east alley). The City has a Brownfield Grant (that they have been doing a study for); clean-up costs for minor repairs on the old Post Office and some other City buildings within the TIF district; and the Route 47 costs that were previously discussed. He projected that next year's TIF report will show some increment going to Imperial Investments for projects that they have done. Mr. Romano asked if there was a commitment to that group. City Attorney Orr stated the City owes them at least \$500,000 at this time, per their investment identified in the TIF report.

Administrator Olson said that on the November 26, 2013 City Council agenda, the City is considering accelerating some decorative street lights, if Council approves a grant. In addition, there are probably a few more minor projects that are TIF eligible associated with Riverfront Park. There is a separate grant to do that. There might be some other things they choose to do down there (aesthetic based) that would also qualify as TIF expenses.

City Attorney Orr said basically the TIF is very small and conservative. The only way it would ever include residential property is if residences are built at Kendallwood Estates (owned by Imperial Investments which bought the platted subdivision), which is currently dormant. The infrastructure is all there (they built roads, detention basins, water and sewer), they just have not seen a market for it. Mr. Romano asked if they do develop it, would they be able to receive the per pupil disbursement. City Attorney Orr assured him that he would.

Administrator Olson asked if there was anything else TIF related and Mr. Romano said he had nothing else; he was up-to-speed. He then moved to adjourn the meeting; Mr. Olson seconded it. All were in favor; no one opposed and the meeting was adjourned at 2:16 p.m.

Minutes respectfully submitted by:

Bonnie Olsem
Administrative Secretary

UNITED CITY OF YORKVILLE, ILLINOIS

COUNTRYSIDE AND DOWNTOWN
TAX INCREMENTAL FINANCING DISTRICTS

FINANCIAL AND COMPLIANCE REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2014

**UNITED CITY OF YORKVILLE, ILLINOIS
COUNTRYSIDE AND DOWNTOWN
TAX INCREMENTAL FINANCING DISTRICTS**

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INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

August 20, 2014

The Honorable City Mayor
Members of the City Council
United City of Yorkville, Illinois

We have audited the accompanying basic financial statements of the governmental activities of the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois as of and for the year ended April 30, 2014, which collectively comprise the Countryside and Downtown Tax Incremental Financing Districts as listed in the table of contents. The basic financial statements are the responsibility of the United City of Yorkville, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the basic financial statements, the basic financial statements present only the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois, and are not intended to present fairly the financial position or results of operations of the United City of Yorkville, Illinois, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois as of April 30, 2014, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We have also issued a report dated August 20, 2014 on our consideration of the Countryside and Downtown Tax Incremental Financing Districts' compliance with laws, regulations, contracts and grants.

Lauterbach + Amen LLP

LAUTERBACH & AMEN, LLP

FINANCIAL STATEMENTS

**UNITED CITY OF YORKVILLE, ILLINOIS
 COUNTRYSIDE AND DOWNTOWN
 TAX INCREMENTAL FINANCING DISTRICTS**

**Balance Sheet
 April 30, 2014**

	Countryside TIF	Downtown TIF
ASSETS		
Cash and Investments	\$ -	250,835
Receivables - Net of Allowances		
Other Taxes	1,951	2,834
Prepays	-	618
Total Assets	<u>1,951</u>	<u>254,287</u>
LIABILITIES		
Liabilities		
Accounts Payable	-	12,315
Deposits Payable	2,043	-
Other Liabilities	-	10,443
Due to Other Funds	533,384	-
Total Liabilities	<u>535,427</u>	<u>22,758</u>
DEFERRED INFLOWS OF RESOURCES		
Property and State Taxes	611	-
Total Liabilities and Deferred Inflows of Resources	<u>536,038</u>	<u>22,758</u>
Fund Balances		
Nonspendable	-	618
Restricted	-	230,911
Unassigned	(534,087)	-
Total Fund Balances	<u>(534,087)</u>	<u>231,529</u>
Total Liabilities and Fund Balances	<u>1,951</u>	<u>254,287</u>

The notes to the financial statements are an integral part of this statement.

**UNITED CITY OF YORKVILLE, ILLINOIS
COUNTRYSIDE AND DOWNTOWN
TAX INCREMENTAL FINANCING DISTRICTS**

**Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended April 30, 2014**

	Countryside TIF	Downtown TIF
Revenues		
Taxes		
Property Taxes	\$ -	52,811
Business District Taxes	2,043	9,458
Interest	107	50
Miscellaneous	-	184
Total Revenues	<u>2,150</u>	<u>62,503</u>
Expenditures		
General Government		
Administration Fees	3,416	5,070
TIF Incentive Payout	1,800,000	12,315
Business District Rebate	2,043	9,458
Capital Outlay	-	29,568
Debt Service		
Principal Retirement	185,000	-
Interest and Fiscal Charges	161,116	-
Total Expenditures	<u>2,151,575</u>	<u>56,411</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,149,425)</u>	<u>6,092</u>
Other Financing Sources (Uses)		
Disposal of Capital Assets	-	8,500
Debt Issuance	1,235,000	-
Discount on Debt Issuance	(9,773)	-
Payment to Escrow Agent	(1,182,224)	-
	<u>43,003</u>	<u>8,500</u>
Net Change in Fund Balances	(2,106,422)	14,592
Fund Balances - Beginning	<u>1,572,335</u>	<u>216,937</u>
Fund Balances - Ending	<u>(534,087)</u>	<u>231,529</u>

The notes to the financial statements are an integral part of this statement.

**UNITED CITY OF YORKVILLE, ILLINOIS
COUNTRYSIDE AND DOWNTOWN
TAX INCREMENTAL FINANCING DISTRICTS**

**Notes to the Financial Statements
April 30, 2014**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The operations of Countryside and Downtown Tax Incremental Financing Districts are accounted for through special revenue funds of the United City of Yorkville, Illinois. It applies the following policies:

Basis of Accounting

The financial statements are prepared on the modified accrual basis of accounting under which revenue is recognized when it becomes both measurable and available, and expenditures generally are recognized when the liability is incurred.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GENERALLY
ACCEPTED AUDITING STANDARDS**

August 20, 2014

The Honorable City Mayor
Members of the City Council
United City of Yorkville, Illinois

We have audited the accompanying basic financial statements of the governmental activities of the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois, as of and for the year ended April 30, 2014, and have issued our report thereon dated August 20, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

Compliance with laws, regulations, contracts, and grants applicable to the Financing Districts are the responsibility of the United City of Yorkville's management. As part of obtaining reasonable assurance about whether basic financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grants applicable to the Financing District, including the City's compliance with subsection (q) of Section 11-74.4-3 of the State of Illinois Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance with the provisions referred to in the preceding paragraph.

This report is intended for the information of the members of the City Council and management, and is not intended to be used and should not be used by anyone other than these specified parties.

Lauterbach + Amen LLP

LAUTERBACH & AMEN, LLP