

FY 2008
ANNUAL TAX INCREMENT FINANCE REPORT

Name of Municipality	Arlington Heights	Reporting Fiscal Year	2008
Unit Code	016/015/32	Fiscal Year End	4/30/2008
County	COOK		

TIF Administrator Contact Information

First Name:	William Enright, Deputy Dir. Of Planning & Development		
Address:	33 S Arlington Heights		
City:	Arlington Heights, Illinois	Zip:	60005
Telephone:	(847) 368-5211	E-Mail:	benright@vah.com

I attest to the best of my knowledge, this report of the redevelopment project areas in:
Arlington Heights Village
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.]

William Enright

Written signature of TIF Administrator

11-26-08

Date

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

FILE OUT ONLY ONCE (PER MUNICIPALITY); ADD ADDITIONAL ROWS AS NECESSARY

Name of Redevelopment Project Area	Date Designated	Date Terminated
TIF # 4	7/1/2002	
TIF #5	2/7/2005	
TIF 1	9/12/1983	
TIF 2	2/17/1986	
TIF 3	1/17/1995	

*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.]

Name of Redevelopment Project Area: TIF #1
Primary Use of Redevelopment Project Area*: Mixed Use
If "Combination/Mixed" List Component Types: Retail, Office, Residential, entertainment
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

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



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Certified Public Accountants &
Illinois CPA Society

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

The Honorable Mayor
Members of the Board of Trustees
Village of Arlington Heights, Illinois

We have examined management's assertion included in its representation letter dated September 12, 2008, that the Village of Arlington Heights, Illinois complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2008. As discussed in that representation letter, management is responsible for the Village of Arlington Heights, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village of Arlington Heights, Illinois' compliance based on our examination.

Our examination was made in accordance with the standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village of Arlington Heights, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village of Arlington Heights, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the Village of Arlington Heights, Illinois complied with the aforementioned requirements for the year ended April 30, 2008 is fairly stated in all material respects.

This report is intended solely for the information and use of the Board of Trustees, management, and the Illinois Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read 'Sikich' followed by a stylized flourish.

Aurora, Illinois
September 12, 2008

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.

Reporting Year	Cumulative
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Fund Balance at Beginning of Reporting Period \$ 1,573,323.00

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ -	\$ 34,787,208	75%
State Sales Tax Increment	\$ -	\$ 1,913,619	4%
Local Sales Tax Increment	\$ -	\$ 1,360,767	3%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 42,083	\$ 56,529	0%
Land/Building Sale Proceeds	\$ -		0%
Bond Proceeds			0%
Transfers from Municipal Sources	\$ -	\$ 6,704,971	14%
Private Sources	\$ -		0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ -	\$ 1,803,933	4%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 42,083

Cumulative Total Revenues/Cash Receipts \$ 46,627,027 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 879,766

Distribution of Surplus \$ -

Total Expenditures/Disbursements \$ 879,766

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ (837,683)

FUND BALANCE, END OF REPORTING PERIOD \$ 735,640

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

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

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Professional Services	5,603	
		\$ 5,603
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		\$ -
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 and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
Vail Garage	26,603	
Cross walks / curb extensions	392,586	
Street lighting	131,265	
Streetscape furniture (benches/trash receptacles)	191,436	
Landscaping	113,929	
Signage	8,364	
		\$ 864,183
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
Operating Transfer out	9,980	
		\$ 9,980
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		\$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		\$ -

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
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		\$ 879,766

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

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

FUND BALANCE, END OF REPORTING PERIOD \$ 735,640

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
Village Green 1998 B	\$ 4,600,000	\$ -
Capital Projects 1997 A	\$ 7,200,000	\$ -
Refunding of Parking 1986 Bonds - 1995	\$ 3,433,500	\$ -

Total Amount Designated for Obligations \$ 15,233,500 \$ -

2. Description of Project Costs to be Paid

Residual Equity Transfer Out		\$ 735,640
		\$ -

Total Amount Designated for Project Costs \$ 735,640

TOTAL AMOUNT DESIGNATED \$ 735,640

SURPLUS*/(DEFICIT) \$ -

* 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)]

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

xx 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)
 Please include a brief description of each project.

 No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Estimated Cost of the Total Project
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TOTAL:			
Private Investment Undertaken (See Instructions)	\$ 116,000,000	\$ -	
Public Investment Undertaken	\$ 39,487,429	\$ -	
Ratio of Private/Public Investment	2 15/16		0

Project 1:			
Arlington Town Square			
Private Investment Undertaken (See Instructions)	\$ 45,000,000		
Public Investment Undertaken	\$ 13,290,000		
Ratio of Private/Public Investment	3 22/57		0

Project 2:			
Village Green			
Private Investment Undertaken (See Instructions)	\$ 50,000,000		
Public Investment Undertaken	\$ 5,750,000		
Ratio of Private/Public Investment	8 16/23		0

Project 3:			
Metropolis			
Private Investment Undertaken (See Instructions)	\$ 21,000,000		
Public Investment Undertaken	\$ 5,326,120		
Ratio of Private/Public Investment	3 33/35		0

Project 4:			
CBD Park Dunton Campbell			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 419,000		
Ratio of Private/Public Investment	0		0

Project 5:			
CBD Park (Harmony Park)			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 2,130,000		
Ratio of Private/Public Investment	0		0

Project 6:			
Vail Garage Addition/Streetscape			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 11,122,309		
Ratio of Private/Public Investment	0		0

Project 7:			
Municipal Complex			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	1,200,000	
Ratio of Private/Public Investment		0	0

Project 8:			
Mid Block Walkway			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	250,000	
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

ATTACHMENT B

(TIF I)

I, Arlene J. Mulder, the duly elected Chief Executive Officer, of the Village of Arlington Heights, County of Cook, State of Illinois, and as such, do hereby certify that the Village of Arlington Heights has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act for Tax Increment Financing District Number I, during the current municipal fiscal year, May 1, 2007 to April 30, 2008.

November 24 ,2008.



Arlene J. Mulder
President Board of Trustees
Village of Arlington Heights

ATTEST:


EDWINA CORSO
Village Clerk

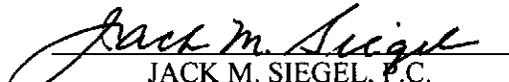
ATTACHMENT C and L

(TIF I)

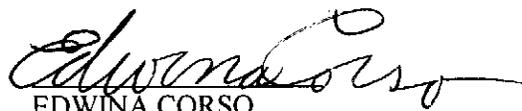
I, JACK M. SIEGEL, Village Attorney of the Village of Arlington Heights, County of Cook, State of Illinois, and have been such throughout the fiscal year covered by this report, May 1, 2007 to April 30, 2008, do hereby state as follows:

It is my opinion that the Village of Arlington Heights has in all respects complied with the requirements of the Tax Allocation Redevelopment Act as it relates to Tax Increment Financing District Number I, for the fiscal year, May 1, 2007 to April 30, 2008.

December 1, 2008


JACK M. SIEGEL, P.C.
Village Attorney

ATTEST:


EDWINA CORSO
Village Clerk

ATTACHMENT D

(TIF I)

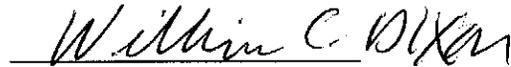
I, WILLIAM C. DIXON, Village Manager, do hereby certify that the following activities were undertaken in furtherance of the objectives of the redevelopment plan for Tax Increment Financing District Number I, between May 1, 2007 and April 30, 2008.

1. Village completed brick paver crosswalks and curb bump-outs.
2. Construction completed on the Vail Avenue garage addition/renovation.
3. Private development completed for the Metro Lofts development.
4. Community activities such as parades, art fairs, farmers market were encouraged in the downtown.
5. The Village assisted a number of businesses with professional services for business and marketing plans.

November 24, 2008

ATTEST:


EDWINA CORSO, Village Clerk


WILLIAM C. DIXON
Village Manager

ATTACHMENT F and K

(TIF I)

SEE ATTACHED

Village of Arlington Heights
Analysis of T.I.F. I Fund
For the Fiscal Year Ended April 30, 2008

Beginning Balance May 1, 2007		1,573,323
Deposits:		
Interest	42,083	
	Total	<u>42,082</u>
	Balance plus Deposits	\$1,615,405
Expenditures:		
Redevelopment	869,786	
Operating Transfer for TIF I Expenditures in Fund 401	9,980	
	Total	<u>879,766</u>
Ending Balance April 30, 2008		<u><u>\$735,639</u></u>

Ending Balance by Source:

Interest	<u>735,639</u>
	<u><u>\$735,639</u></u>

Fund Balance by Source and by Year for Determining Surplus Allocations
 Village of Arlington Heights -- T.I.F. I

SOURCE YEAR	REPORT YEAR (ENDING YR)				
	BALANCE 2006	BALANCE 2007	BALANCE 2008	BALANCE 2009	BALANCE 2010
2005-2006					
PROPERTY	5,118,587				
LOCAL SALES	0				
STATE SALES	0				
INTEREST	0				
TRANSFER ASSETS FROM TIFII DISTRICT	912,596				
BOND PROCEED	0				
OTHER	0				
TOTAL	6,031,183				
2006-2007					
PROPERTY		1,573,323	693,556		
LOCAL SALES		0	0		
STATE SALES		0	0		
INTEREST		0	0		
BOND PROCEED		0	0		
OTHER		0	0		
TOTAL		1,573,323	693,556		
2007-2008					
PROPERTY		0	0		
LOCAL SALES		0	0	0	
STATE SALES		0	0	0	
INTEREST		0	42,083	0	
BOND PROCEED		0	0	0	
OTHER		0	0	0	
TOTAL		0	42,083	0	
2008-2009					
PROPERTY			0	0	0
LOCAL SALES			0	0	0
STATE SALES			0	0	0
INTEREST			0	0	0
BOND PROCEED			0	0	0
OTHER			0	0	0
TOTAL			0	0	0
2009-2010					
PROPERTY				0	0
LOCAL SALES				0	0
STATE SALES				0	0
INTEREST				0	0
BOND PROCEED				0	0
OTHER				0	0
TOTAL				0	0
2010-2011					
PROPERTY					0
LOCAL SALES					0
STATE SALES					0
INTEREST					0
BOND PROCEED					0
OTHER					0
TOTAL					0
ENDING BALANCE	6,031,183	1,573,323	735,639	0	0

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF I SOUTH FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2008
(With Comparative Actual for 2007)

	2008		2007 Actual
	Original Budget	Final Budget	
REVENUES			
Property taxes	\$ -	\$ -	\$ 5,552,484
Intergovernmental	-	-	84,750
Investment income	-	-	42,082
			194
Total revenues	-	-	5,637,428
EXPENDITURES			
Current			
Highways and streets			
Contractual services	-	-	156,067
Other charges	-	-	148,651
Capital outlay	-	982,012	869,786
			10,697,309
Total expenditures	-	982,012	11,002,027
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(982,012)	(827,704)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	2,606,739
Transfers (out)	-	(9,980)	(9,980)
			(1,700,000)
Total other financing sources (uses)	-	(9,980)	906,739
NET CHANGE IN FUND BALANCE	\$ -	\$ (991,992)	(837,684)
FUND BALANCE, MAY 1			1,573,323
FUND BALANCE, APRIL 30			\$ 735,639
			\$ 1,573,323

(See independent auditor's report.)