

VILLAGE OF ARLINGTON HEIGHTS

TIF III

ANNUAL REPORT

FY 10-11

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

Name of Redevelopment Project Area: TIF #3
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 a copy 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.

Reporting Year	Cumulative
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Fund Balance at Beginning of Reporting Period

\$ 1,058,529.00

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ 277,915	\$ 3,580,306	48%
State Sales Tax Increment			0%
Local Sales Tax Increment	\$ -	\$ 753,357	10%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 10,122	\$ 320,120	4%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 2,783,526	37%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

\$ 288,037

Cumulative Total Revenues/Cash Receipts

\$ 7,437,309 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 283,801.00

Distribution of Surplus

\$ -

Total Expenditures/Disbursements

\$ 283,801

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS

\$ 4,236

FUND BALANCE, END OF REPORTING PERIOD

\$ 1,062,765

- 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)		
Administrative Service Charge	15,000	
Professional Services	1,363	
		\$ 16,363
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
Marketing	6,538	
		\$ 6,538
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)		
		\$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

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		\$ 283,801

**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 \$ 1,062,765

	Amount of Original Issuance	Amount Designated
I. Description of Debt Obligations		
Capital Projects	\$ 3,000,000	\$ 1,578,894

Total Amount Designated for Obligations \$ 3,000,000 \$ 1,578,894

2. Description of Project Costs to be Paid		
Marketing		\$ 20,000
Administrative Service Charge		\$ 15,000
Consultants		\$ 30,000

Total Amount Designated for Project Costs \$ 65,000

TOTAL AMOUNT DESIGNATED \$ 1,643,894

SURPLUS*/(DEFICIT) \$ (581,129)

* 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.

 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)

Please include a brief description of each project.

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

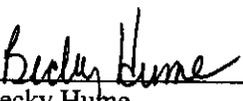
	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Estimated Cost of the Total Project
TOTAL:			
Private Investment Undertaken (See Instructions)	\$ 12,318,720		
Public Investment Undertaken	\$ 3,026,000		
Ratio of Private/Public Investment	4 1/14		0
Project 1:			
Private Investment Undertaken (See Instructions)	\$ 12,318,720		
Public Investment Undertaken	\$ 3,026,000		
Ratio of Private/Public Investment	4 1/14		0
Project 2:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
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

ATTACHMENT A

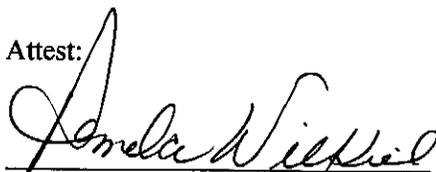
(TIF III)

I, Becky Hume, Village Clerk, do hereby certify that there were no amendments to the redevelopment project area and plan as it relates to the Tax Increment Financing District Number III, in the Village of Arlington Heights, County of Cook, State of Illinois in fiscal year May 1, 2010 to April 30, 2011.

October 25, 2011.


Becky Hume
Village Clerk

Attest:



ATTACHMENT B

(TIF III)

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 III, during the current municipal fiscal year, May 1, 2010 to April 30, 2011.

October 25, 2011.


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

ATTEST:


Becky Hume
Village Clerk

ATTACHMENT C and L

(TIF III)

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, 2010 to April 30, 2011, 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 III, for the fiscal year, May 1, 2010 to April 30, 2011.

October 25, 2011.


JACK M. SIEGEL, P.C.
Village Attorney

ATTEST:


Becky Hume
Village Clerk

ATTACHMENT D

(TIF III)

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 III, between May 1, 2010 and April 30, 2011.

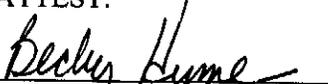
1. Marketing/Promotional.

October 25, 2011



WILLIAM C. DIXON
Village Manager

ATTEST:



Becky Hume
Village Clerk

ATTACHMENT E

(TIF III)

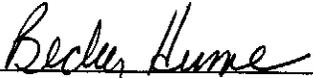
I, WILLIAM C. DIXON, Village Manager of the Village of Arlington Heights, do hereby state that the Village of Arlington Heights did not purchase property within Tax Increment Financing District Number III, in the fiscal year, May 1, 2010 to April 30, 2011.

October 25, 2011



WILLIAM C. DIXON
Village Manager

ATTEST:



Becky Hume
Village Clerk

ATTACHMENT F and K

(TIF III)

SEE ATTACHED



998 Corporate Boulevard • Aurora, IL 60502

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, 2011, 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, 2011. 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, 2011 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 'J. L. L. F.' with a stylized flourish at the end.

Aurora, Illinois
September 12, 2011

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

TIF III FUND

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

For the Year Ended April 30, 2011
(With Actual for 2010)

	2011		2010 Actual
	Original Budget	Final Budget	
REVENUES			
Property taxes	\$ 380,000	\$ 380,000	\$ 331,407
Investment income	10,000	10,000	16,720
Total revenues	390,000	390,000	288,037
EXPENDITURES			
Current			
Community development			
Administration	20,000	26,537	6,967
Contractual services	30,000	34,875	4,125
Other expenditures	15,000	15,000	15,000
Total expenditures	65,000	76,412	26,092
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	325,000	313,588	322,035
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(260,900)	(260,900)	(256,600)
Total other financing sources (uses)	(260,900)	(260,900)	(256,600)
NET CHANGE IN FUND BALANCE	\$ 64,100	\$ 52,688	4,236
FUND BALANCE, MAY 1			1,058,529
FUND BALANCE, APRIL 30			\$ 1,062,765
			\$ 1,058,529

RECEIVED

SEP 29 2011

PLANNING & COMMUNITY
DEVELOPMENT DEPARTMENT

(See independent auditor's report.)

Village of Arlington Heights
Analysis of T.I.F. III Fund
For the Fiscal Year Ended April 30, 2011

Beginning Balance May 1, 2011: \$1,058,529

Deposits:

Property Taxes	277,915
State Sales Tax	0
Local Sales Tax	0
Interest	10,122
Loan Repayments	0
Bond Proceeds	0

Total 288,037

Balance plus Deposits \$1,346,566

Expenditures:

Redevelopment	7,901
Administrative Service charge	15,000
Debt Service	260,900
Bond Issuance Costs	0

Total 283,801

Ending Balance April 30, 2011 \$1,062,765

Ending Balance by Source:

Property Tax	1,062,765
Local Sales Tax	0
Interest	0
	<u>1,062,765</u>

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

REPORT YEAR (ENDING YR)

SOURCE YEAR	BALANCE 2010	BALANCE 2011	BALANCE 2012	BALANCE 2013	BALANCE 2014
2009-10					
PROPERTY	1,058,529				
LOCAL SALES	0				
STATE SALES	0				
INTEREST	0				
BOND PROCEED	0				
OTHER	0				
TOTAL	<u>1,058,529</u>				
2010-11					
PROPERTY		1,062,765			
LOCAL SALES		0			
STATE SALES		0			
INTEREST		0			
BOND PROCEED		0			
OTHER		0			
TOTAL		<u>1,062,765</u>			
2011-12					
PROPERTY			0	0	
LOCAL SALES			0	0	
STATE SALES			0	0	
INTEREST			0	0	
BOND PROCEED			0	0	
OTHER			0	0	
TOTAL			<u>0</u>	<u>0</u>	
2012-13					
PROPERTY				0	0
LOCAL SALES				0	0
STATE SALES				0	0
INTEREST				0	0
BOND PROCEED				0	0
OTHER				0	0
TOTAL				<u>0</u>	<u>0</u>
2013-14					
PROPERTY				0	0
LOCAL SALES				0	0
STATE SALES				0	0
INTEREST				0	0
BOND PROCEED				0	0
OTHER				0	0
TOTAL				<u>0</u>	<u>0</u>
ENDING BALANCE	1,058,529	1,062,765	0	0	0

Balance required for debt service and additional redevelopment projects.

TIF III

<u>2009</u>	<u>Rate</u>	<u>2008</u>	<u>2009</u>	<u>Variance</u>
0.464	Cook Cty	22,427	20,007	(2,420)
0.261	MSD	12,128	11,254	(874)
1.108	Mun	51,593	47,774	(3,819)
4.404	Schools	223,793	189,889	(33,904)
0.392	Park	18,240	16,902	(1,338)
0.068	Other	3,225	2,932	(293)
<u>6.697</u>		<u>331,407</u>	<u>288,758</u>	<u>(42,649)</u>
5,235,366	- 2009 EAV			
<u>(923,618)</u>	- Base			
<u>4,311,748</u>	- Increase from Base			

Village of Arlington Heights
 Additional T.I.F. III Information
 Fiscal 2011 Annual Report

Initial Equalized Assessed Valuation	\$923,618
Current Equalized Assessed Valuation (2009)	\$5,235,366
Incremental revenues generated from 2009 EAV	\$288,758
Incremental revenues generated from previous year EAV	331,407
Annual change	<u>(\$42,649)</u>

Breakdown of change by taxing district:

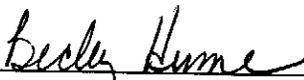
Cook County & Forest Preserve	(\$2,420)
Metropolitan Reclamation District of Greater Chicago	(874)
Municipality	(3,819)
School District(s)	(33,904)
Park District(s)	(1,338)
Other	(293)
Total	<u>(\$42,649)</u>

ATTACHMENT I

(TIF III)

I, Becky Hume, Village Clerk, do hereby certify that the Village of Arlington Heights, County of Cook, State of Illinois, did not authorize any obligations between May 1, 2010 and April 30, 2011, in Tax Increment Financing District Number III.

October 25, 2011



Becky Hume
Village Clerk