

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

Name of Redevelopment Project Area: TIF #5
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

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



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Certified Public Accountants &
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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

\$ 266,205.00

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ 1,264,779	\$ -	0%
State Sales Tax Increment	\$ -		0%
Local Sales Tax Increment	\$ -		0%
State Utility Tax Increment	\$ -		0%
Local Utility Tax Increment	\$ -		0%
Interest	\$ 35,260	\$ 84,572	4%
Land/Building Sale Proceeds	\$ -		0%
Bond Proceeds	\$ 2,100,000	\$ 2,240,618	96%
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

\$ 3,400,039

Cumulative Total Revenues/Cash Receipts

\$ 2,325,190	100%
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Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 3,149,191.00

Distribution of Surplus

\$ -

Total Expenditures/Disbursements

\$ 3,149,191

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

\$ 250,848

FUND BALANCE, END OF REPORTING PERIOD

\$ 517,053

- 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	25,232	
		\$ 25,232
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)		
Developer Note - Town and Country Shopping Center	2,100,000	
		\$ 2,100,000
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		
		\$ -

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)		
Debt Service - payment on Developer Note	839,653	
Debt Service- payment on Developer Note	107,406	
Debt service bond	76,900	
		\$ 1,023,959
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)		
		\$ -

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 **\$ 517,053**

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
	\$ 2,235,000	2,235,000
Total Amount Designated for Obligations	\$ 2,235,000	\$ 2,235,000

2. Description of Project Costs to be Paid		
Professional Services		\$ 30,000
Marketing		\$ 30,000
Debt Service		\$ 201,900
Reimbursement of TIF Eligible costs		\$ 934,500
Total Amount Designated for Project Costs		\$ 1,196,400

TOTAL AMOUNT DESIGNATED **\$ 3,431,400**

SURPLUS*/(DEFICIT) **\$ (2,914,347)**

* 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.

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)	\$ 20,000,000		
Public Investment Undertaken	\$ 2,000,000	\$ 500,000	
Ratio of Private/Public Investment	10		0

Project 1:			
Town and Country Shopping Center			
Private Investment Undertaken (See Instructions)	\$ 20,000,000		
Public Investment Undertaken	\$ 2,000,000	\$ 500,000	\$ 4,100,000
Ratio of Private/Public Investment	10		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 B

(TIF V)

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 V, 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: c


EDWINA CORSO
Village Clerk

ATTACHMENT C and L

(TIF V)

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 V, 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 V)

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 V, between May 1, 2007 and April 30, 2008.

1. Marketing/ Promotional.

November 24, 2008


WILLIAM C. DIXON
Village Manager

ATTEST:


EDWINA CORSO
Village Clerk

ATTACHMENT F and K

(TIF V)

See Attached.

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

Beginning Balance May 1, 2007: \$266,205

Deposits:

Property Taxes	1,264,779
State Sales Tax	0
Local Sales Tax	0
Interest	35,260
Bond Proceeds	2,100,000
Miscellaneous	0

Total 3,400,039

Balance plus Deposits \$3,666,244

Expenditures:

Redevelopment	2,125,232
Service charge	0
Debt Service	1,023,959
Bond Issuance Costs	0

Total 3,149,191

Ending Balance April 30, 2008: \$517,053

Ending Balance by Source:

Property Tax 517,053

517,053

||:
Fund Balance by Source and by Year for Determining Surplus Allocations

REPORT YEAR (ENDING YR)

SOURCE YEAR	BALANCE 2006	BALANCE 2007	BALANCE 2008	BALANCE 2009	BALANCE 2010
2005-2006					
PROPERTY	758,038	144,678			
LOCAL SALES	0	0			
STATE SALES	0	0			
INTEREST	0	0			
BOND PROCEED	0	0			
OTHER	0	0			
TOTAL	758,038	144,678			
2006-2007					
PROPERTY	0	94,896			
LOCAL SALES	0	0	0		
STATE SALES	0	0	0		
INTEREST	0	26,631	0		
BOND PROCEED	0	0	0		
OTHER	0	0	0		
TOTAL	0	121,527	0		
2007-2008					
PROPERTY	0	0	517,053		
LOCAL SALES	0	0	0	0	
STATE SALES	0	0	0	0	
INTEREST	0	0	0	0	
BOND PROCEED	0	0	0	0	
OTHER	0	0	0	0	
TOTAL	0	0	517,053	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	0
LOCAL SALES				0	0
STATE SALES				0	0
INTEREST				0	0
BOND PROCEED				0	0
OTHER				0	0
TOTAL				0	0
TOTAL				0	0
ENDING BALANCE	758,038	266,205	517,053	0	0

Balance required for debt service and additional redevelopment projects.

||:

TIF V

<u>2006</u>	<u>Rate</u>	<u>2005</u>	<u>2006</u>	<u>Variance</u>
0.562	Cook Cty	7,349	88,135	80,786
0.284	MSD	3,782	44,538	40,756
1.277	Mun	14,253	200,263	186,010
5.406	Schools	63,220	847,786	784,566
0.461	Park	5,439	72,295	66,856
0.075	Other	853	11,762	10,909
<u>8.065</u>		<u>94,896</u>	<u>1,264,779</u>	<u>1,169,883</u>

45,862,862	- 2006 EAV
<u>(30,180,546)</u>	- Base
<u>15,682,316</u>	- Increase from Base

Village of Arlington Heights
 Additional T.I.F. V Information
 Fiscal 2008 Annual Report

Initial Equalized Assessed Valuation	(\$30,180,546)
Current Equalized Assessed Valuation (2006)	\$45,862,862
Incremental revenues generated from 2006 EAV	\$1,264,779
Incremental revenues generated from previous year EAV	0
Annual change	<u>\$1,264,779</u>

Breakdown of change by taxing district:

Cook County & Forest Preserve	\$80,786
Metropolitan Reclamation District of Greater Chicago	40,756
Municipality	186,010
School District(s)	784,566
Park District(s)	66,856
Other	10,909
Total	<u>\$1,169,883</u>

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF V 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	Actual	
REVENUES				
Property taxes	\$ 394,900	\$ 1,231,300	\$ 1,264,779	\$ 94,896
Investment income	-	-	35,260	26,631
Total revenues	394,900	1,231,300	1,300,039	121,527
EXPENDITURES				
Current				
Community development				
Contractual services	30,000	30,000	2,125,232	960
Capital outlay	-	-	-	500,000
Debt service				
Principal	-	839,675	839,653	-
Interest	125,000	107,425	107,406	-
Total expenditures	155,000	977,100	3,072,291	500,960
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	239,900	254,200	(1,772,252)	(379,433)
OTHER FINANCING SOURCES (USES)				
Long-term debt issuance	-	-	2,100,000	-
Transfers (out)	(76,900)	(76,900)	(76,900)	(112,400)
Total other financing sources (uses)	(76,900)	(76,900)	2,023,100	(112,400)
NET CHANGE IN FUND BALANCE	\$ 163,000	\$ 177,300	250,848	(491,833)
FUND BALANCE, MAY 1			266,205	758,038
FUND BALANCE, APRIL 30			\$ 517,053	\$ 266,205

(See independent auditor's report.)