

VILLAGE OF ARLINGTON HEIGHTS

TIF V

ANNUAL REPORT

FY 08-09



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 14, 2009, 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, 2009. 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, 2009 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 'Scheid LLP'.

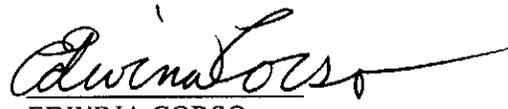
Aurora, Illinois
September 14, 2009

ATTACHMENT A

(TIF V)

I, EDWINA CORSO, 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 V, in the Village of Arlington Heights, County of Cook, State of Illinois in fiscal year May 1, 2008 to April 30, 2009.

November 17, 2009


EDWINA CORSO
Village Clerk

Attest:

ATTACHMENT B

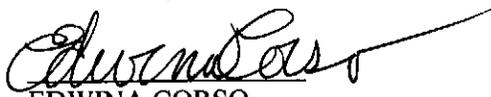
(TIF V)

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, 2008 to April 30, 2009

November 17, 2009.


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

ATTEST:


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, 2008 to April 30, 2009, 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, 2008 to April 30, 2009.

November 17, 2009


JACK M. SIEGEL, P.C.
Village Attorney

ATTEST:


EDWINA CORSO
Village Clerk

ATTACHMENT F and K

(TIF V)

See Attached.

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, 2009
(With Comparative Actual for 2008)

	2009			2008
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Property taxes	\$ 1,230,000	\$ 1,230,000	\$ 1,452,376	\$ 1,264,779
Investment income	20,000	20,000	32,390	35,260
Miscellaneous	-	-	501	-
Total revenues	1,250,000	1,250,000	1,485,267	1,300,039
EXPENDITURES				
Current				
Community development				
Contractual services	30,000	30,000	-	2,125,232
Capital outlay	30,000	34,768	15,552	-
Debt service				
Principal	869,100	919,781	919,781	839,653
Interest	65,400	65,424	65,424	107,406
Total expenditures	994,500	1,049,973	1,000,757	3,072,291
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	255,500	200,027	484,510	(1,772,252)
OTHER FINANCING SOURCES (USES)				
Long-term debt issuance	-	-	-	2,100,000
Transfers (out)	(201,900)	(201,900)	(201,900)	(76,900)
Total other financing sources (uses)	(201,900)	(201,900)	(201,900)	2,023,100
NET CHANGE IN FUND BALANCE	\$ 53,600	\$ (1,873)	282,610	250,848
FUND BALANCE, MAY 1			517,053	266,205
FUND BALANCE, APRIL 30			\$ 799,663	\$ 517,053

(See independent auditor's report.)

Village of Arlington Heights
Analysis of T.I.F. V Fund
For the Fiscal Year Ended April 30, 2009

Beginning Balance May 1, 2008 \$517,053

Deposits:

Property Taxes	1,452,376
State Sales Tax	0
Local Sales Tax	0
Interest	32,390
Bond Proceeds	0
Miscellaneous	501

Total 1,485,267

Balance plus Deposits \$2,002,320

Expenditures:

Redevelopment	15,552
Service charge	0
Debt Service	1,187,105
Bond Issuance Costs	0

Total 1,202,657

Ending Balance April 30, 2009 \$799,663

Ending Balance by Source:

Property Tax 799,663

799,663

|::
 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	799,663	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	799,663	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	799,663	0

Balance required for debt sevice and additional redevelopment projects.

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Village of Arlington Heights
 Additional T.I.F. V Information
 Fiscal 2009 Annual Report

Initial Equalized Assessed Valuation	(\$30,180,546)
Current Equalized Assessed Valuation (2007)	\$50,515,353
Incremental revenues generated from 2007 EAV	\$1,453,939
Incremental revenues generated from previous year EAV	0
Annual change	<u>\$1,453,939</u>

Breakdown of change by taxing district:

Cook County & Forest Preserve	\$96,562
Metropolitan Reclamation District of Greater Chicago	49,699
Municipality	216,344
School District(s)	906,954
Park District(s)	76,714
Other	12,771
Total	<u>\$1,359,043</u>

TIF V

<u>2007</u>	<u>Rate</u>	<u>2006</u>	<u>2007</u>	<u>Variance</u>
0.511	Cook Cty	7,349	103,911	96,562
0.263	MSD	3,782	53,481	49,699
1.134	Mun	14,253	230,597	216,344
4.771	Schools	63,220	970,174	906,954
0.404	Park	5,439	82,153	76,714
0.067	Other	853	13,624	12,771
<u>7.150</u>		<u>94,896</u>	<u>1,453,939</u>	<u>1,359,043</u>

50,515,353 - 2007 EAV

(30,180,546) - Base

20,334,807 - Increase from Base

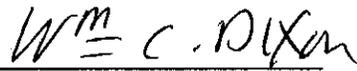
ATTACHMENT D

(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, 2008 and April 30, 2009.

1. Marketing/ Promotional.

November 17, 2009



WILLIAM C. DIXON
Village Manager

ATTEST:



EDWINA CORSO
Village Clerk

ATTACHMENT E

(TIF V)

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 V, in the fiscal year, May 1, 2008 to April 30, 2009.

November 17, 2009



WILLIAM C. DIXON
Village Manager

ATTEST:



EDWINA CORSO
Village Clerk

ATTACHMENT I

(TIF V)

I, EDWINA CORSO, Village Clerk, do hereby certify that the Village of Arlington Heights, County of Cook, State of Illinois, did not authorize obligations between May 1, 2008 and April 30, 2009, in Tax Increment Financing District Number V.

November 17, 2009


EDWINA CORSO
Village Clerk

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
of "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.

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

\$ 517,053.00

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ 1,452,376	\$ 2,812,051	54%
State Sales Tax Increment	\$ -		0%
Local Sales Tax Increment	\$ -		0%
State Utility Tax Increment	\$ -		0%
Local Utility Tax Increment	\$ -		0%
Interest	\$ 32,390	\$ 178,853	3%
Land/Building Sale Proceeds	\$ -		0%
Bond Proceeds		\$ 2,240,618	43%
Transfers from Municipal Sources	\$ -		0%
Private Sources	\$ -		0%
Other ()	\$ 501		0%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

\$ 1,485,267

Cumulative Total Revenues/Cash Receipts

\$ 5,231,522 100%

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

\$ 1,202,657.00

Distribution of Surplus

\$ -

Total Expenditures/Disbursements

\$ 1,202,657

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

\$ 282,610

FUND BALANCE, END OF REPORTING PERIOD

\$ 799,663

- 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))
 CATEGORIZED 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
a. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
		\$ -
b. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
Marketing	15,552	
		\$ 15,552
c. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		\$ -
d. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		\$ -
e. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		\$ -
f. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

9. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		\$ -
10. Financing costs. Subsection (q) (6) and (o)(8)		
Debt Service - payment on Developer Note	919,781	
Debt Service- payment on Developer Note	65,424	
Debt service bond	201,900	
		\$ 1,187,105
11. Approved capital costs. Subsection (q)(7) and (o)(9)		
		\$ -
12. 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		
		\$ -
13. Relocation costs. Subsection (q)(8) and (o)(10)		
	-	
		\$ -
14. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		\$ -
15. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		\$ -

4. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
5. 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		\$ 1,202,657

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 \$ 799,663

	Amount of Original Issuance	Amount Designated
I. Description of Debt Obligations		
	\$ 2,235,000	2,110,000
Total Amount Designated for Obligations	\$ 2,235,000	\$ 2,110,000

2. Description of Project Costs to be Paid		
Professional Services		\$ 30,000
Marketing		\$ 30,000
Reimbursement of TIF Eligible costs		\$ 408,126
Administrative Service Charge		\$ 50,000
Total Amount Designated for Project Costs		\$ 518,126

TOTAL AMOUNT DESIGNATED \$ 2,628,126

SURPLUS*/(DEFICIT) \$ (1,828,463)

* 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
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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

