

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

Name of Redevelopment Project Area:	TIF Three
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.

Fund Balance at Beginning of Reporting Period \$ 1,062,764

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	\$ 264,865	\$ 3,845,171	50%
State Sales Tax Increment	\$ -		0%
Local Sales Tax Increment	\$ -	\$ 753,357	10%
State Utility Tax Increment	\$ -		0%
Local Utility Tax Increment	\$ -		0%
Interest	\$ 5,690	\$ 325,810	4%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 2,783,526	36%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ 450		0%

*must be completed where 'Reporting Year' is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 271,005

Cumulative Total Revenues/Cash Receipts \$ 7,707,864 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 274,200

Distribution of Surplus

Total Expenditures/Disbursements \$ 274,200

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ (3,195)

FUND BALANCE, END OF REPORTING PERIOD* \$ 1,059,569

* 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))

PAGE 1

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)		
Administrative Costs	15,000	
		\$ 15,000
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)		
		\$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

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

FUND BALANCE, END OF REPORTING PERIOD \$ 1,059,569

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
Capital Projects	\$ 3,000,000	\$ 1,319,731

Total Amount Designated for Obligations \$ 3,000,000 \$ 1,319,731

2. Description of Project Costs to be Paid		
Professional Services		\$ 30,000
Administrative Costs		\$ 15,000
Marketing		\$ 15,000

Total Amount Designated for Project Costs \$ 60,000

TOTAL AMOUNT DESIGNATED \$ 1,379,731

SURPLUS*/(DEFICIT) \$ (320,162)

* 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)

If **NO** projects were undertaken by the Municipality Within the Redevelopment Project Area, indicate so in the space provided: _____

If Projects **WERE** undertaken by the Municipality Within the Redevelopment Project Area enter the **TOTAL** number of projects and list them in detail below. 1

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 IF PROJECTS ARE LISTED ON THESE PAGES

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
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:			
Annex Addition			
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

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

ATTACHMENT B

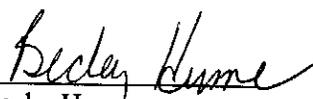
(TIF III)

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, 2011 to April 30, 2012.

October 31, 2012.


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

ATTEST:


Becky Hume
Village Clerk

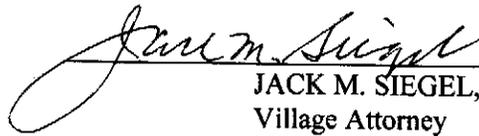
ATTACHMENT C and L

(TIF III)

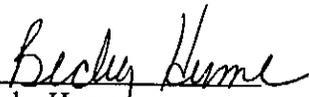
I, JACK M. SIEGEL, Village Attorney of the Village of Arlington Heights, County of Cook, State of Illinois, and have been such throughout the fiscal year covered by this report, May 1, 2011 to April 30, 2012, do hereby state as follows:

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, 2011 to April 30, 2012.

October 31, 2012.


JACK M. SIEGEL, P.C.
Village Attorney

ATTEST:


Becky Hume
Village Clerk



1415 W. Diehl Road, Suite 400 • Naperville, IL 60563

Members of American Institute of
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON
MANAGEMENT'S ASSERTION OF 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, 2012, 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, 2012. Management is responsible for the Village of Arlington Heights, Illinois' assertion and for 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, 2012 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 LLP'.

Aurora, Illinois
September 14, 2011

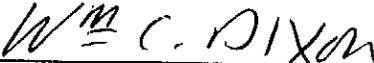
ATTACHMENT D

(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, 2011 and April 30, 2012.

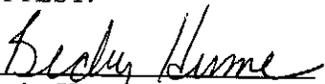
1. Marketing/Promotional.

October 31, 2012



WILLIAM C. DIXON
Village Manager

ATTEST:



Becky Hume
Village Clerk

ATTACHMENT F and K

(TIF III)

SEE ATTACHED

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF III FUND

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

For the Year Ended April 30, 2012
(With Actual for 2011)

	2012		Actual	2011 Actual
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ 288,800	\$ 288,800	\$ 264,865	\$ 277,915
Miscellaneous income	-	-	450	-
Investment income	13,000	13,000	5,690	10,121
Total revenues	301,800	301,800	271,005	288,036
EXPENDITURES				
Current				
Community development				
Administration	20,000	20,000	-	6,538
Contractual services	30,000	33,513	-	1,363
Other expenditures	15,000	15,000	15,000	15,000
Total expenditures	65,000	68,513	15,000	22,901
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	236,800	233,287	256,005	265,135
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(259,200)	(259,200)	(259,200)	(260,900)
NET CHANGE IN FUND BALANCE	\$ (22,400)	\$ (25,913)	(3,195)	4,235
FUND BALANCE, MAY 1			1,062,764	1,058,529
FUND BALANCE, APRIL 30			\$ 1,059,569	\$ 1,062,764

(See independent auditor's report.)

Village of Arlington Heights
Analysis of T.I.F. III Fund
For the Fiscal Year Ended April 30, 2012

Beginning Balance May 1, 2012: \$1,062,764

Deposits:

Property Taxes	\$ 264,865
Interest	5,690
Miscellaneous Income	450

Total 271,005

Balance plus Deposits \$1,333,769

Expenditures:

Redevelopment	\$ -
Administrative Service charge	15,000
Debt Service	259,200
Bond Issuance Costs	0

Total 274,200

Ending Balance April 30, 2012 \$1,059,569

Ending Balance by Source:

Property Tax	1,059,569
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1,059,569

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	1,058,529				
2010-11					
PROPERTY		1,062,765			
LOCAL SALES		0			
STATE SALES		0			
INTEREST		0			
BOND PROCEED		0			
OTHER		0			
TOTAL		1,062,765			
2011-12					
PROPERTY			1,059,569	0	
LOCAL SALES			0	0	
STATE SALES			0	0	
INTEREST			0	0	
BOND PROCEED			0	0	
OTHER			0	0	
TOTAL			1,059,569	0	
2012-13					
PROPERTY				0	0
LOCAL SALES				0	0
STATE SALES				0	0
INTEREST				0	0
BOND PROCEED				0	0
OTHER				0	0
TOTAL				0	0
2013-14					
PROPERTY				0	0
LOCAL SALES				0	0
STATE SALES				0	0
INTEREST				0	0
BOND PROCEED				0	0
OTHER				0	0
TOTAL				0	0
ENDING BALANCE	1,058,529	1,062,765	1,059,569	0	0

Balance required for debt service and additional redevelopment projects.

TIF III

<u>2010</u>	<u>Rate</u>	<u>2009</u>	<u>2010</u>	<u>Variance</u>
0.474	Cook Cty	20,007	16,807	(3,200)
0.274	MSD	11,254	9,715	(1,539)
1.254	Mun	47,774	44,463	(3,311)
4.947	Schools	189,889	175,407	(14,482)
0.45	Park	16,902	15,956	(946)
0.071	Other	2,932	2,517	(415)
<u>7.470</u>		<u>288,758</u>	<u>264,865</u>	<u>(23,893)</u>

4,469,336	- 2010 EAV
<u>(923,618)</u>	- Base
<u>3,545,718</u>	- Increase from Base

Village of Arlington Heights
 Additional T.I.F. III Information
 Fiscal 2012 Annual Report

Initial Equalized Assessed Valuation	\$923,618
Current Equalized Assessed Valuation (2010)	\$4,469,336
Incremental revenues generated from 2010 EAV	\$264,865
Incremental revenues generated from previous year EAV	288,758
Annual change	<u>(\$23,893)</u>

Breakdown of change by taxing district:

Cook County & Forest Preserve	(\$3,200)
Metropolitan Reclamation District of Greater Chicago	(1,539)
Municipality	(3,311)
School District(s)	(14,482)
Park District(s)	(946)
Other	(415)
Total	<u>(\$23,893)</u>