

VILLAGE OF OAK BROOK
TAX INCREMENT FINANCING DISTRICT NO. 1
BUTTERFIELD/MEYERS ROAD
ANNUAL REPORT FOR FISCAL YEAR
BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016

***BUTTERFIELD/MEYERS RD. TIF ANNUAL REPORT FOR VILLAGE OF OAK BROOK FISCAL YEAR
BEGINNING JANUARY 1, 2016 AND ENDING DECEMBER 31, 2016***

Village of Oak Brook

Tax Increment Financing District No. 1 Butterfield/Meyers Rd. TIF Table of Contents

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE</u>
1.0	Name of Redevelopment Project Area and Contact Information	1
2.0	Redevelopment Project Information	3
Attachment A	Amendments to the Redevelopment Plan, the Redevelopment Project and/or Area Boundary	4
Attachment B	Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the TIF Statute (the "Act") during the reporting fiscal year	5
Attachment C	Opinion of legal counsel that the municipality is in compliance with the Act	7
Attachment D	Statement setting forth all activities undertaken in furtherance of the objectives of the Redevelopment Plan	9
Attachment E	Description of Agreements Regarding Property Disposition or Redevelopment	10
Attachment F	Additional Information on Uses of Funds Related to Achieving Objectives of the Redevelopment Plan	11
Attachment G	Information Regarding Contracts with TIF Consultants	12
Attachment H	Reports Submitted by Joint Review Board	13
Attachment I	Summary of any obligations issued by the municipality and official statements	14
Attachment J	Financial Analysis: TIF Obligations	15

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE</u>
Attachments		
K and L	For special tax allocation funds that have experienced cumulative deposits of incremental tax revenues of \$100,000 or more, a certified audit report reviewing compliance with the Act performed by an independent public accountant certified and licensed by the authority of the State of Illinois	16
Attachment M	Intergovernmental Agreements	17
3.1	Analysis of Special Tax Allocation Fund	18
3.2	Itemized List of Expenditures from Special Tax Allocation Fund	20
3.3	Special Tax Allocation Fund Balance (end of reporting period)	25
4.0	Property purchased by the municipality within the Redevelopment Project Area	27
5.0	Review of Public and Private Investment	29
6.0	Optional Sections	31
Exhibit A	Joint Review Board Minutes	
Exhibit B	Audit and Compliance Letter	

Section 1. Name of Redevelopment Project Area and Contact Information

Refer to chart attached.

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

FY 2016

Name of Redevelopment Project Area:	Oak Brook TIF No. 1
Primary Use of Redevelopment Project Area*:	Commercial Retail
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 from any source 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 taxes 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 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, not actual agreements labeled Attachment M	X	

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

Attachment A. Amendments to the Redevelopment Plan, the Redevelopment Project Area Boundary

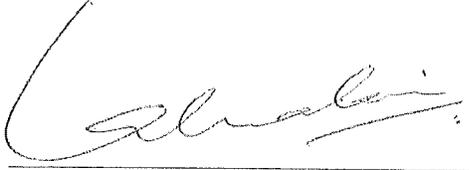
No amendments were made to the redevelopment plan or boundaries in the reporting Fiscal Year.

Attachment B. Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the fiscal year beginning January 1, 2016 and ending December 31, 2016.

Refer to the attached certification.

Butterfield/Meyers Road TIF

I, Gopal G. Lalmalani, the duly elected Village President of the Village of Oak Brook, Counties of Cook and DuPage, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning January 1, 2016 and ending December 31, 2016.



6/1/17

_____ DATE

Attachment C. Opinion of legal counsel that the municipality has complied with the Act.

Refer to the attached opinion.

RE: Attorney Review TIF Compliance – Butterfield/Meyers Rd. TIF

To Whom it May Concern:

This will confirm that I am the Village Attorney for the Village of Oak Brook, Illinois. I have reviewed all information provided to me by the Village, staff and consultants, and I find that the Village of Oak Brook has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder for the fiscal year beginning January 1, 2016 and ending December 31, 2016 to the best of my knowledge and belief.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stewart Diamond', written in a cursive style.

Stewart Diamond

Attachment D. Statement setting forth all activities undertaken in furtherance of the objectives of the Redevelopment Plan, including:

- A. Any project implemented during the reporting fiscal year; and
- B. A description of the redevelopment activities undertaken.

The Village continued the review of the Oak Brook Promenade redevelopment project that was undertaken in previous reporting Fiscal Years. The project includes a number of retail and service tenants and activity in FY 2016 included the occupancy of a portion of the former Grotto restaurant site with a Pizza Barra restaurant. Fusion Academy (a private one on one learning academy) occupied 6,000 square feet on the second floor and approximately 10,000 square feet of space is vacant. The ARCORE real estate group is actively marketing the remaining space for occupancy.

Attachment E. Description of Agreements Regarding Property Disposition or
Redevelopment

No property was sold by the Village, nor were any new redevelopment agreements entered into by the Village in the reporting Fiscal Year.

Attachment F. Additional Information on Uses of Funds Related to Achieving Objectives of the Redevelopment Plan

The Village applied funds to the payment of certain professional costs associated with the administration of the TIF and interest costs applied to the TIF Allocation Limited Obligation Revenue Note.

Attachment G. Information Regarding Contracts with TIF Consultants.

The Village entered into a contract with Kane McKenna and Associates, Inc. in order to prepare the TIF annual report. No contracts for such services included contingent payments associated with TIF revenues nor did the consultant undertake contractual activities with entities that have received TIF payments from the Village.

Attachment H. Reports Submitted by Joint Review Board.

No reports were submitted by the Joint Review board in the reporting Fiscal Year. The Joint Review Board met on August 2, 2016. The minutes of the meeting are attached as Exhibit A.

Attachment I. Summary of any obligations issued by the municipality and official statements

No new obligations were issued by the Village in the reporting Fiscal Year.

Attachment J. Financial Analysis: TIF Obligations

No new analysis was required by the Village, as no new obligations were issued. Existing note obligations have been paid by the Village.

Attachments K and L

For special tax allocation funds that have experienced cumulative deposits of incremental tax revenues of \$100,000 or more, a certified audit report reviewing compliance with the Act performed by an independent public accountant certified and licensed by the authority of the State of Illinois. The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3.

An audit and accountant's certification for the Special Tax Allocation fund are attached as Exhibit B.

Attachment M Intergovernmental Agreements

Not applicable.

Section 3.1 Analysis of Special Tax Allocation Fund

Refer to table attached.

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.

FY 2016

TIF NAME: Oak Brook TIF No. 1

Fund Balance at Beginning of Reporting Period \$ 230,211

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	\$ 354,829	\$ 3,132,881	82%
State Sales Tax Increment			0%
Local Sales Tax Increment	\$ 103,007	\$ 667,552	18%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 389	\$ 2,881	0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

*must be completed where current or prior year(s) have reported funds

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 458,225

Cumulative Total Revenues/Cash Receipts \$ 3,803,314 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 439,158

Distribution of Surplus

Total Expenditures/Disbursements \$ 439,158

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ 19,067

FUND BALANCE, END OF REPORTING PERIOD* \$ 249,278

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3) \$ (3,257,985)

Section 3.2 Itemized List of Expenditures from Special Tax Allocation Fund

Refer to tables attached.

Section 3.3 Special Tax Allocation Fund Balance (end of reporting period).

Refer to table attached.

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

FY 2016

TIF NAME: Oak Brook TIF No. 1

FUND BALANCE, END OF REPORTING PERIOD \$ 249,278

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
Limited Obligation Note - Series 2005		\$ 3,507,263

Total Amount Designated for Obligations \$ - \$ 3,507,263

2. Description of Project Costs to be Paid		

Total Amount Designated for Project Costs \$ -

TOTAL AMOUNT DESIGNATED \$ 3,507,263

SURPLUS*/(DEFICIT) \$ (3,257,985)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

Section 4.0 A description of all property purchased by the municipality within the Redevelopment Project Area including:

- A. Street Address
- B. Approximate size or description of property
- C. Purchase Price
- D. Seller of property

No property was purchased in the Redevelopment Project Area by the Village in the reporting Fiscal Year.

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2016

TIF NAME: Oak Brook TIF No. 1

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 5.0 Review of Public and Private Investment.

Refer to table attached.

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)

FY 2016

TIF NAME: Oak Brook TIF No. 1

*Page 1 is to be included with TIF Report. Pages 2-3 are to be included **ONLY** if projects are listed.

Box below must be filled in with either a check or number of projects, not both

Check if **NO** projects were undertaken by the Municipality Within the Redevelopment Project Area: _____

ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below* 1

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 54,690,106	\$ 2,500,000	\$ 57,190,106
Public Investment Undertaken	\$ 150,000	\$ 225,000	\$ 4,250,000
Ratio of Private/Public Investment	364 3/5		13 21/46

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

Promenade Retail Project			
Private Investment Undertaken (See Instructions)	\$ 54,690,106	\$ 2,500,000	\$ 57,190,106
Public Investment Undertaken	\$ 150,000	\$ 225,000	\$ 4,250,000
Ratio of Private/Public Investment	364 3/5		13 21/46

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

EXHIBIT A



MINUTES OF THE AUGUST 2, 2016 INTERGOVERNMENTAL JOINT
REVIEW BOARD MEETING OF THE VILLAGE'S TIF
REDEVELOPMENT PROJECT AREA OF THE VILLAGE OF OAK
BROOK UNOFFICIAL UNTIL APPROVED AS WRITTEN OR
AMENDED ON

DRAFT

CALL TO ORDER

Village Manager Riccardo Ginex called the meeting to order at 10:12 am. Introductions were made.

Those present: Riccardo Ginex, Village Manager, Robert Rychlicki, Kane, McKenna and Associates; Sharon Dangles, Finance Director, Jason Paprocki, Assistant Finance Director, Donna Bettin, Village Executive Secretary, Bob Kallien, Village Community Development Director, Don Adler, Resident Member, Michael Mariani, York Township and Bonnie Gibellina, Oak Brook Park District.

Absent: DuPage County, School District #58, High School District #99, and College of DuPage #502.

Duties and Purpose of Joint Review Board Meeting. Manager Ginex explained that the Duties and Purpose of the Joint Review Board is to review annually what is going on with the T.I.F. The village must file a report with the State Comptroller within 180 days of the annual TIF conception.

Election/Confirmation of Public Member

Michael Mariani motioned to have Don Adler serve as the Public Member. Seconded by Bonnie Gibellina. Voice Vote. Motioned carried.

Election/Confirmation of Chairperson

Michael Mariani motioned to have Village Manager Rick Ginex serve as Chairperson of this meeting. Seconded by Don Adler. Voice vote. Motioned carried.

Approval of the Meeting Minutes from the August 21, 2014 Meeting.

Bonnie Gibellina motioned to approve the minutes from the July 8, 2015 meeting. Seconded by Don Adler. Voice vote. Motioned carried.

Review of Annual TIF Report

Bob Rychlicki explained the purpose of the report, the required certifications, signatures needed and the report audit. He continued to explain the process in which the State of Illinois Comptroller's office puts together and forwards to the municipalities. This is a 12 month (1-year) period in accordance with the municipality's fiscal year. He explained that the Village of Oak Brook is in compliance with the requirements of the TIF. Bob Richlicki then discussed and reviewed the TIF report and the progress of the TIF district.

Other Business. None

Adjournment

Michael Mariani motioned to adjourn the Joint Review Board meeting. Seconded by Bonnie Gibellina. Voice vote. Motion carried. Meeting adjourned at 10:21 pm.

ATTEST:

Riccardo F. Ginex
Village Manager

Date

EXHIBIT B

VILLAGE OF OAK BROOK

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2016

	General	Hotel/Motel Tax	Infrastructure	Promenade TIF
ASSETS				
Cash and investments	\$ 16,510,154	\$ 4,403,430	\$ 5,419,586	\$ 249,278
Receivables				
Property taxes	-	-	-	354,800
Sales taxes	3,715,915	-	1,748,277	-
Utility taxes	1,220,588	-	-	-
Accounts	378,340	-	-	-
Allotments	-	-	-	-
Accrued interest	47,339	7,186	9,644	-
Other	331,680	106,766	72,738	-
Inventories	1,355	-	-	-
Prepaid items	57,089	-	-	-
	<u>\$ 22,262,460</u>	<u>\$ 4,517,382</u>	<u>\$ 7,250,245</u>	<u>\$ 604,078</u>
TOTAL ASSETS				
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 590,501	\$ 223,876	\$ 370,270	\$ -
Accrued payroll	655,016	-	41,235	-
Deposits	703,015	-	-	-
Unearned revenues	81,271	-	-	-
Total Liabilities	<u>2,029,803</u>	<u>223,876</u>	<u>411,505</u>	<u>-</u>
Deferred Inflows of Resources				
Deferred property taxes	-	-	-	354,800
Unavailable other receivables	160,113	-	72,738	-
Total Deferred Inflows of Resources	<u>160,113</u>	<u>-</u>	<u>72,738</u>	<u>354,800</u>
Fund Balances				
Nonspendable for inventory	1,355	-	-	-
Nonspendable for prepaid items	57,089	-	-	-
Restricted for infrastructure	-	-	6,766,002	-
Restricted for highways and streets	-	-	-	-
Restricted for fire department	-	-	-	-
Restricted for culture and recreation	-	4,293,506	-	-
Restricted for economic development	-	-	-	249,278
Unassigned	20,014,100	-	-	-
Total Fund Balances	<u>20,072,544</u>	<u>4,293,506</u>	<u>6,766,002</u>	<u>249,278</u>
	<u>\$ 22,262,460</u>	<u>\$ 4,517,382</u>	<u>\$ 7,250,245</u>	<u>\$ 604,078</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				

See accompanying notes to financial statements.

VILLAGE OF OAK BROOK

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - PROMENADE TIF FUND - MAJOR CAPITAL PROJECT FUND
 For the Year Ended December 31, 2016
 With Comparative Actual Amounts for the Year Ended December 31, 2015

	2016				2015 Actual
	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
REVENUES					
TAXES					
Municipal sales tax	\$ 97,000	\$ 97,000	\$ 103,007	\$ 6,007	\$ 98,822
Property taxes	330,000	330,000	354,829	24,829	325,654
Investment income	15	15	389	374	40
Total Revenues	427,015	427,015	458,225	31,210	424,516
EXPENDITURES					
Current					
General government	3,800	3,940	3,938	2	3,975
Debt service					
Principal	140,000	145,000	145,000	-	119,913
Interest and fiscal charges	290,000	290,220	290,220	-	298,974
Total Expenditures	433,800	439,160	439,158	2	422,862
Net Change in Fund Balance	\$ (6,785)	\$ (12,145)	19,067	\$ 31,212	1,654
FUND BALANCE - Beginning of Year			230,211		228,557
FUND BALANCE - END OF YEAR			\$ 249,278		\$ 230,211



INDEPENDENT AUDITORS' COMPLIANCE REPORT

To the Honorable President and Board of Trustees
Village of Oak Brook
Oak Brook, Illinois

We have audited the basic financial statements of the Village of Oak Brook, Illinois, as of and for the year ended December 31, 2016, and have issued our report thereon dated April 25, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the Village failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing", insofar as it relates to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the Village Board, management, the State of Illinois, and others within the Village and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly Vorchaw Krause, LLP

Oak Brook, Illinois
April 25, 2017