

SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Name of Municipality:	<u>Village of Morton Grove</u>	Reporting Fiscal Year:	2022
County:	<u>Cook</u>	Fiscal Year End:	12/31/2022
Unit Code:	016/365/32		

FY 2022 TIF Administrator Contact Information-Required

First Name:	Ralph	Last Name:	Czerwinski		
Address:	6101 Capulina	Title:	Village Administrator		
Telephone:	847-965-4100	City:	Morton Grove	Zip:	60053
E-mail	rczerwinski@mortongroveil.org				

I attest to the best of my knowledge, that this FY 2022 report of the redevelopment project area(s)

in the **City/Village** of:

Morton Grove

is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].


Written signature of TIF Administrator

Date 09/28/2023

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT

[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

Primary Use of Redevelopment Project Area*:	Combined/Mix
<small>*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.</small>	
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	

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, 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	
For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions 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, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).		
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
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [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 <u>submitted to</u> the municipality <u>by</u> 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 the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; <u>and actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited 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, 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 (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 the list only, not actual agreements (labeled Attachment M).	X	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).	N/A	N/A

SECTION 3.1 [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 1,938,449

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 2,500,861	\$ 3,396,098	14%
State Sales Tax Increment	\$ 298,770	\$ 298,770	1%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 23,180	\$ 198,019	1%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 18,817,804	77%
Transfers from Municipal Sources	\$ 1,700,000	\$ 1,700,000	7%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ 4,522,811.00

Cumulative Total Revenues/Cash Receipts \$ 24,410,691 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 909,362.00

Transfers to Municipal Sources \$ -

Distribution of Surplus

Total Expenditures/Disbursements \$ 909,362

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 3,613,449

Previous Year Adjustment (Explain Below)

FUND BALANCE, END OF REPORTING PERIOD* \$ 5,551,898

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

Previous Year Explanation:

SECTION 3.2 A
PAGE 2

7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
Bond Interest	895,150	
		\$ 895,150
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

SECTION 3.2 A
PAGE 3

13. Relocation costs.		\$ -
14. Payments in lieu of taxes.		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		\$ -
17. Cost of day care services.		\$ -
18. Other.		\$ -
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 909,362

Section 3.2 B [Information in the following section is not required by law, but may be helpful in creating fiscal transparency.]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

[illegible]

SECTION 3.3 [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FUND BALANCE BY SOURCE	\$ 5,551,898	
1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
Senior Lien Tax Revenue Bonds	\$ 18,635,000	\$ 18,635,000
Total Amount Designated for Obligations	\$ 18,635,000	\$ 18,635,000
2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Total Amount Designated for Project Costs	\$ -	-
TOTAL AMOUNT DESIGNATED	\$ 18,635,000	18,635,000
SURPLUS/(DEFICIT)	\$ (13,083,102)	(13,083,102)

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

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X	Indicate an 'X' if no property was 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:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

PAGE 1

Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.

Select ONE of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:	1

LIST **ALL** projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 81,500,000	\$ 70,000,000	\$ 151,500,000
Public Investment Undertaken	\$ 18,635,000	\$ 3,200,000	\$ 21,835,000
Ratio of Private/Public Investment	4 31/83		6 61/65

Project 1 Name: Sawmill Station

Private Investment Undertaken (See Instructions)	\$ 81,500,000	\$ 70,000,000	\$ 151,500,000
Public Investment Undertaken	\$ 18,635,000	\$ 3,200,000	\$ 21,835,000
Ratio of Private/Public Investment	4 31/83		6 61/65

Project 2 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 3 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
			\$ -

SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.

The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement	The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement

SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.

The amount of increment projected to be created at the time of approval of the redevelopment agreement	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement

SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, if any:

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

Name of Redevelopment Project Area:

Sawmill Station

Provide a general description of the redevelopment project area using only major boundaries.

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

FY 2022

Sawmill Station

Year of Designation	Base EAV	Reporting Fiscal Year EAV
2019	\$ 14,676,232	\$ 39,498,661.00

Indicate an 'X' if the overlapping taxing districts did not receive a surplus.

[illegible]

Sawmill Station Tax Increment Financing Redevelopment District

Certificate of Compliance

REPORT PERIOD: January 1, 2022 to December 31, 2022

DATE OF REPORT: September 26, 2023

In accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois (65 ILCS 5/11-74.4), I am submitting this certified statement as to the following:

I have reviewed the audit performed by Lauterbach & Amen LLP on behalf of the Village of Morton Grove as well as public records, proceedings, and documents regarding the Sawmill Station Tax Increment Financing District. Based upon this review I certify the Village of Morton Grove is in full compliance with the Act.

Sincerely,



Daniel DiMaria
Village President

Cc: Village Board of Trustee

Office of the Corporation Counsel



September 26, 2023

The Honorable Daniel DiMaria, Mayor
Village of Morton Grove
6101 Capulina Avenue
Morton Grove, IL 60053

**RE: Audit of the Financial Statements
Fiscal Year ending December 31, 2022
Sawmill Station Tax Increment Financing Redevelopment District**

Dear Mayor DiMaria:

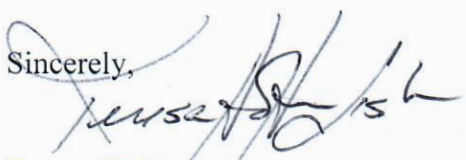
OPINION OF CORPORATION COUNSEL

I, Teresa Hoffman Liston, Corporation Counsel for the Village of Morton Grove, Cook County, Illinois, was the Corporation Counsel for the fiscal year beginning January 1, 2022, and ending December 31, 2022, and have reviewed information provided to me by the Village's administration and staff pertaining to the Sawmill Station Tax Increment Financing Redevelopment Project Area.

Based solely upon the information with which I have been provided and without making any independent review or investigation of that information, and relying on the accuracy, authenticity, and genuineness of all of the said information provided, it is my opinion that, as to the matters of which I am aware and have been specifically brought to my attention, the Village of Morton Grove, Cook County, Illinois has complied with the requirements of the Illinois Tax Increment Redevelopment Allocation Act (65 ILCS 5/11-74.4-1 et. seq.).

This opinion relates only to the time period of this report and is based upon the information with which I have been provided by the Village's administration and staff.

Sincerely,


Teresa Hoffman Liston
Corporation Counsel

Cc: Village Board of Trustees

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VILLAGE OF MORTON GROVE, ILLINOIS

Sawmill Station Tax Increment Financing - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2022

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues			
Taxes			
Property Taxes	\$ 130,000	130,000	2,500,861
Intergovernmental			
Sales Taxes	15,000	15,000	298,770
Investment Income	—	—	23,180
Total Revenues	145,000	145,000	2,822,811
Expenditures			
Community Development			
Contractual Services	100,000	1,800,000	14,212
Debt Service			
Principal Retirement	3,200,000	3,200,000	—
Interest and Fiscal Charges	—	—	895,150
Total Expenditures	3,300,000	5,000,000	909,362
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(3,155,000)	(4,855,000)	1,913,449
Other Financing Sources			
Debt Issuance	3,200,000	3,200,000	—
Transfers In	—	—	1,700,000
	3,200,000	3,200,000	1,700,000
Net Change in Fund Balance	45,000	(1,655,000)	3,613,449
Fund Balance - Beginning			1,938,449
Fund Balance - Ending			5,551,898

VILLAGE OF MORTON GROVE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended December 31, 2022

	General	Special Lehigh/ Ferris Tax Increment Financing
Revenues		
Taxes	\$ 18,336,598	3,917,371
Intergovernmental	12,550,112	—
Charges for Services	1,624,804	—
Licenses and Permits	1,896,292	—
Fines and Forfeitures	252,068	—
Investment Income	144,188	16,183
Miscellaneous	(100,547)	17,000
Total Revenues	34,703,515	3,950,554
Expenditures		
General Government	4,251,844	—
Public Safety	23,110,495	—
Streets and Sidewalks	3,332,421	—
Vehicle Maintenance	921,143	—
Health and Human Services	26,201	—
Community Development	214,299	215,516
Building and Inspection Services	1,358,608	—
Capital Outlay	—	1,325,251
Debt Service		
Principal Retirement	—	690,000
Interest and Fiscal Charges	—	101,800
Total Expenditures	33,215,011	2,332,567
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,488,504	1,617,987
Other Financing Sources (Uses)		
Disposal of Capital Assets	—	35,377
Transfers In	—	—
Transfers Out	(724,750)	(12,113,404)
	(724,750)	(12,078,027)
Net Change in Fund Balances	763,754	(10,460,040)
Fund Balances - Beginning	13,794,544	16,105,442
Fund Balances - Ending	14,558,298	5,645,402

Revenue					
Sawmill Station Tax Increment Financing	Lincoln Lehigh Tax Increment Financing	Debt Service	Capital Projects	Nonmajor	Totals
2,500,861	—	890,032	—	—	25,644,862
298,770	—	211,664	175,542	2,766,600	16,002,688
—	—	—	—	906,479	2,531,283
—	—	—	—	—	1,896,292
—	—	—	—	—	252,068
23,180	—	13,956	100,372	55,523	353,402
—	—	—	—	—	(83,547)
2,822,811	—	1,115,652	275,914	3,728,602	46,597,048
—	—	—	—	—	4,251,844
—	—	—	—	709,360	23,819,855
—	—	—	—	1,119,647	4,452,068
—	—	—	—	—	921,143
—	—	—	—	—	26,201
14,212	245,630	—	—	839,849	1,529,506
—	—	—	—	—	1,358,608
—	—	—	98,087	—	1,423,338
—	—	1,413,200	—	—	2,103,200
895,150	—	164,238	—	—	1,161,188
909,362	245,630	1,577,438	98,087	2,668,856	41,046,951
1,913,449	(245,630)	(461,786)	177,827	1,059,746	5,550,097
—	—	—	—	—	35,377
1,700,000	10,413,404	724,750	—	—	12,838,154
—	—	—	—	—	(12,838,154)
1,700,000	10,413,404	724,750	—	—	35,377
3,613,449	10,167,774	262,964	177,827	1,059,746	5,585,474
1,938,449	—	(388,243)	1,380,428	3,185,076	6,115,710
5,551,898	10,167,774	(125,279)	1,558,255	4,244,822	11,701,184

**INDEPENDENT AUDITORS' REPORT**

August 21, 2023

The Honorable Village President
Members of the Board of Trustees
Village of Morton Grove, Illinois

We have examined management's assertion included in its representation report that the Village of Morton Grove, Illinois, with respect to the Sawmill Station RPA, complied with the requirements 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 December 31, 2022. As discussed in that representation letter, management is responsible for the Village of Morton Grove, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village of Morton Grove, 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 Morton Grove, Illinois' compliance with specified requirements.

In our opinion, management's assertion that the Village of Morton Grove Illinois complied with the aforementioned requirements during the year ended December 31, 2022 is fairly stated in all material respects.

This report is intended solely for the information and use of the Village President, 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.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP