

The Seal of the State of Illinois is a circular emblem. It features an eagle with wings spread, perched on a rock. The eagle is facing left. The text "SEAL OF THE STATE OF ILLINOIS" is written around the top inner edge of the seal. The date "AUG 26th 1818" is written around the bottom inner edge. The seal is surrounded by a decorative border.

STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

Name of Municipality:	<u>Morton Grove</u>	Reporting Fiscal Year:	2018
County:	<u>Cook</u>	Fiscal Year End:	12/31/2018
Unit Code:	<u>016/365/32</u>		

TIF Administrator Contact Information

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

I attest to the best of my knowledge, that this FY 2018 report of the redevelopment project area(s)

in the City/Village of:

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.].

Ralph E. Gurnea
Written signature of TIF Administrator

7/30/19
Date

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 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2016

Name of Redevelopment Project Area:	Lehigh Ferris RPA
Primary Use of Redevelopment Project Area*:	Retail, Other 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 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.

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))

Provide an analysis of the special tax allocation fund.

FY 2018

TIF NAME:

Lehigh Ferris RPA

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 12,189,640

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	\$ 2,622,250	\$ 32,905,166	53%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 55,313	\$ 1,197,175	2%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 16,295,000	26%
Transfers from Municipal Sources			0%
Private Sources		\$ 9,329	0%
Other (identify source _____; if multiple other sources, attach schedule)		\$ 12,223,571	20%

All Amount Deposited in Special Tax Allocation Fund \$ 2,677,563

Cumulative Total Revenues/Cash Receipts \$ 62,630,241 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 3,064,692

Transfers to Municipal Sources

Distribution of Surplus

Total Expenditures/Disbursements \$ 3,064,692

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ (387,129)

FUND BALANCE, END OF REPORTING PERIOD* \$ 11,802,511

* 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) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c))

FY 2018

TIF NAME:

Lehigh Ferris RPA

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment project costs)

PAGE 1

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. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Administration Cost (payroll, taxes, benefits)	310,419	
Dues & Meetings	8,956	
Professional Services	172,619	
		\$ 491,994
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Façade Improvement-siding and canopy	322,803	
		\$ 322,803
6. Costs of the construction of public works or improvements.		
Street lighting and streetscape	76,395	
		\$ 76,395

[illegible]

7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
Bond & Interest Payments	777,800	
		\$ 777,800
10. Capital costs.		
Construct environmental barrier	1,395,700	
		\$ 1,395,700
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.		
		\$

Bond & Interest Payments	777,800	

		\$ 777,800
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[illegible]

		\$	1,395,700
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[illegible]

		\$	-
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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		\$ 3,064,692

FY 2018

TIF NAME:

Lehigh Ferris RPA

Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.

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)

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

FY 2018

TIF NAME:

Lehigh Ferris RPA

FUND BALANCE BY SOURCE

\$ 11,802,511

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
TIF Taxable Note - Northern Trust final payment 2009	\$ 800,000	
TIF Taxable Note - LaSalle Bank final payment 2009	\$ 2,625,000	
Taxable 2009B G.O. Note-Park Ridge Bank final payment 2011	\$ 2,685,000	
Tax Exempt 2007 G.O. Bond final payment in 2024-Refunded	\$ 9,200,000	
Tax Exempt 2015 G.O. Bond final payment in 2029	\$ 5,130,000	\$ 4,055,000

Total Amount Designated for Obligations	\$ 20,440,000	\$ 4,055,000
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2. Description of Project Costs to be Paid

Total Amount Designated for Project Costs	\$ -
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TOTAL AMOUNT DESIGNATED	\$ 4,055,000
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SURPLUS/(DEFICIT)	\$ 7,747,511
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SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2018

TIF NAME:

Lehigh Ferris RPA

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

X

**Check here if 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 - 20 ILCS 620/4.7 (7)(F)

PAGE 1

FY 2018

TIF Name:

Lehigh Ferris RPA

Page 1 is to 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 DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The number of projects undertaken by the municipality within the Redevelopment Project Area:	1

LIST the 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)	\$ 98,413,345	\$ -	\$ 98,413,345
Public Investment Undertaken	\$ 5,000,000	\$ -	\$ 5,000,000
Ratio of Private/Public Investment	19 43/63		19 43/63

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: The Woodlands

Private Investment Undertaken (See Instructions)	\$ 98,413,345		\$ 98,413,345
Public Investment Undertaken	\$ 5,000,000		\$ 5,000,000
Ratio of Private/Public Investment	19 43/63		19 43/63

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

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. ***even though optional MUST be included as part of the complete TIF report**

SECTION 6
FY 2018

TIF NAME: Lehigh Ferris RPA

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
1998	\$ 14,743,872	\$ 36,893,222

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

☒ Check if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention:

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

SECTION 8

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	

Lehigh-Ferris Tax Increment Financing Redevelopment District

Certificate of Compliance

REPORT PERIOD: January 1, 2018 to December 31, 2018

DATE OF REPORT: July 29, 2019

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 Lehigh-Ferris Tax Increment Financing District. Based upon this review, I certify the Village of Morton Grove is in full compliance with the Act.

Sincerely,



Daniel P. DiMaria
Village President

Cc: Village Board of Trustees

June 29, 2019

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, 2018
Lehigh-Ferris Tax Increment Financing Redevelopment District**

Dear Mayor DiMaria:

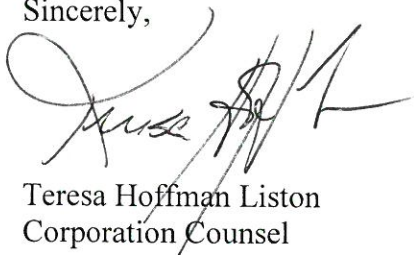
OPINION OF CORPORATION COUNSEL

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, 2018, and ending December 31, 2018, and have reviewed information provided to me by the Village's administration and staff pertaining to the Lehigh-Ferris 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

Balance Sheet - Governmental Funds December 31, 2018

	General	Special Lehigh/ Ferris Tax Increment Financing
ASSETS		
Cash and Investments	\$ 5,730,385	3,783,077
Receivables - Net of Allowances		
Property Taxes	9,930,291	1,024
Other Taxes	1,831,849	-
Accounts	1,048,865	-
Loan to Developer	-	3,370,000
IRMA Excess Surplus	1,015,185	-
IPBC Terminal Reserve	694,964	-
Due from Other Funds	2,880,788	44,364
Advances to Other Funds	1,148,930	-
Prepays	192	-
Land Held for Resale	-	4,614,670
Total Assets	24,281,449	11,813,135
LIABILITIES		
Accounts Payable	704,793	9,359
Accrued Payroll	566,014	1,265
Deposits Payable	438,220	-
Other Liabilities	338,866	-
Due to Other Funds	7,370	-
Advances from Other Funds	-	-
Total Liabilities	2,055,263	10,624
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	9,926,677	-
Total Liabilities and Deferred Inflows of Resources	11,981,940	10,624
FUND BALANCES		
Nonspendable	1,149,122	-
Restricted	66,273	11,802,511
Committed	-	-
Unassigned	11,084,114	-
Total Fund Balances	12,299,509	11,802,511
Total Liabilities, Deferred Inflows of Resources and Fund Balances	24,281,449	11,813,135

The notes to the financial statements are an integral part of this statement.

<u>Revenue</u>				
Waukegan Road Tax Increment Financing	Debt Service	Capital Projects	Nonmajor	Totals
581,635	246,823	1,145,399	2,812,830	14,300,149
3,450	1,122,202	-	-	11,056,967
-	37,500	6,250	218,568	2,094,167
-	7,414	-	-	1,056,279
-	-	-	-	3,370,000
-	-	-	-	1,015,185
-	-	-	-	694,964
-	-	-	7,370	2,932,522
-	-	-	-	1,148,930
-	-	-	-	192
-	-	-	-	4,614,670
585,085	1,413,939	1,151,649	3,038,768	42,284,025
-	-	-	189,045	903,197
-	-	-	107	567,386
-	-	-	306,194	744,414
-	-	-	-	338,866
1,627,671	-	-	1,297,481	2,932,522
1,148,930	-	-	-	1,148,930
2,776,601	-	-	1,792,827	6,635,315
-	1,121,735	-	-	11,048,412
2,776,601	1,121,735	-	1,792,827	17,683,727
-	-	-	-	1,149,122
-	292,204	1,151,649	2,456,282	15,768,919
-	-	-	641	641
(2,191,516)	-	-	(1,210,982)	7,681,616
(2,191,516)	292,204	1,151,649	1,245,941	24,600,298
585,085	1,413,939	1,151,649	3,038,768	42,284,025

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MORTON GROVE, ILLINOIS**Lehigh/Ferris 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, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 2,200,000	2,200,000	2,622,250
Interest Income	3,500	3,500	38,313
Miscellaneous	-	-	17,000
Total Revenues	2,203,500	2,203,500	2,677,563
Expenditures			
Community Development			
Personnel Services	49,200	49,200	40,419
Contractual Services	284,210	284,210	181,575
Capital Outlay	2,571,500	2,571,500	1,794,898
Debt Service			
Principal Retirement	555,000	555,000	555,000
Interest and Fiscal Charges	222,800	222,800	222,800
Total Expenditures	3,682,710	3,682,710	2,794,692
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,479,210)	(1,479,210)	(117,129)
Other Financing Sources (Uses)			
Disposal of Capital Assets	710,000	710,000	-
Transfers Out	(270,000)	(270,000)	(270,000)
	440,000	440,000	(270,000)
Net Change in Fund Balance	(1,039,210)	(1,039,210)	(387,129)
Fund Balance - Beginning			12,189,640
Fund Balance - Ending			11,802,511



REPORT OF INDEPENDENT ACCOUNTANTS

July 25, 2019

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 Lehigh Ferris 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, 2018. 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, 2018 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