

Waukegan Road TIF Redevelopment District

- Fiscal Year 2012 -



For the Fiscal Year Ended December 31, 2012

**STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA**

Name of Municipality:	<u>MORTON GROVE</u>	Reporting Fiscal Year:	2012
County:	<u>COOK</u>	Fiscal Year End:	12/31/2012
Unit Code:	016/365/32		

TIF Administrator Contact Information

First Name: <u>RYAN</u>	Last Name: <u>HORNE</u>
Address: <u>6101 CAPULINA AVENUE</u>	Title: <u>VILLAGE ADMINISTRATOR</u>
Telephone: <u>847-965-4100</u>	City: <u>MORTON GROVE</u> Zip: <u>60053</u>
E-Mail: <u>rhorne@mortongroveil.org</u>	

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of MORTON GROVE is complete and accurate at the end of this reporting Fiscal year under 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.]

seq.] Ryan J. Horne 11/11/2013
Written signature of TIF Administrator 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.]

Name of Redevelopment Project Area:
Primary Use of Redevelopment Project Area*:
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 <u>X</u> Industrial Jobs Recovery Law _____

	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.

Reporting Year	Cumulative
----------------	------------

Fund Balance at Beginning of Reporting Period

\$ (1,159,415)

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ 581,843	\$ 6,293,341	25%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 180	\$ 369,971	1%
Land/Building Sale Proceeds		\$ 4,173,600	16%
Bond Proceeds		\$ 9,572,487	38%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)		\$ 4,921,306	19%

Total Amount Deposited in Special Tax Allocation
Fund During Reporting Period

\$ 582,023

Cumulative Total Revenues/Cash Receipts

\$ 25,330,705 100%

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

\$ 812,911

Distribution of Surplus

Total Expenditures/Disbursements

\$ 812,911

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

\$ (230,888)

FUND BALANCE, END OF REPORTING PERIOD

\$ (1,390,303)

- 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))
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)]

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Professional service	-	
		\$ -
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)		
Street Improvement	-	
		\$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
Debt payments on Notes to improve Development Sites A&B	812,483	
Paying agent fees	428	
		\$ 812,911
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		\$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		\$ -
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 812,911

Section 3.2 B

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

_____ There were no vendors, including other municipal funds, paid in excess of \$10,000 during the current reporting period.

[illegible]

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))**Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period
(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))****FUND BALANCE, END OF REPORTING PERIOD****\$ (1,390,303)**

Amount of Original Issuance	Amount Designated
--	--------------------------

1. Description of Debt Obligations

TIF G.O. Notes (Area A - drug store & bank)	\$ 2,986,791	\$ 1,460,978
TIF 2009A G.O. Refunding Bond	\$ 4,920,000	\$ 4,319,194

Total Amount Designated for Obligations**\$ 7,906,791 \$ 5,780,172****2. Description of Project Costs to be Paid**

Total Amount Designated for Project Costs**\$ -****TOTAL AMOUNT DESIGNATED****\$ 5,780,172****SURPLUS*/(DEFICIT)****\$ (7,170,475)**

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts (See instructions and statutes)

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.

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

Please include a brief description of each project.

_____ No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
11/1/99 to Date		

TOTAL:

Private Investment Undertaken (See Instructions)	\$ 15,325,000	\$ -	\$ 15,325,000
Public Investment Undertaken	\$ 6,752,637	\$ -	\$ 6,752,637
Ratio of Private/Public Investment	2.3		2.3

Project 1:

Walgreen / Bank Construction - assembly of three properties including an outdated motel and redevelopment of a neighborhood pharmacy (Walgreens) and the community bank (st. Paul Federal/Charter One) in **Redevelopment Area "A"**.

Private Investment Undertaken (See Instructions)	\$ 3,325,000		\$ 3,325,000
Public Investment Undertaken	\$ 2,645,899		\$ 2,645,899
Ratio of Private/Public Investment	1.3		1.3

Project 2:

Auto dealership - assembly of three properties in the north portion of **Redevelopment Area "B"** including three outdated motels and redevelopment as a regional auto dealership (McGrath Acura of Morton Grove) that provides sale and service to customers throughout the north-suburban region of Chicago.

Private Investment Undertaken (See Instructions)	\$ 12,000,000		\$ 12,000,000
Public Investment Undertaken	\$ 4,106,738		\$ 4,106,738
Ratio of Private/Public Investment	2.9		2.9

* The private investment for Project # 2 was clarified in FY 2005 to include costs of development and construction

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

SECTION 6

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
1995	\$ 12,221,759	\$ 18,743,861

List all overlapping tax districts in the redevelopment project area.

If overlapping taxing district received a surplus, list the surplus.

☒ 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
			\$ -
N/A	N/A		\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

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

--

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



Village of Morton Grove

Finance Department
Direct Fax 847/663-3028

Waukegan Road Tax Increment Financing Redevelopment District

Certificate of Compliance

REPORT PERIOD: January 1, 2012 to December 31, 2012

DATE OF REPORT: September 23, 2013

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 Sikich Gardner & Co. LLP on behalf of the Village of Morton Grove as well as public records, proceedings, and documents regarding the Waukegan Road 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 Trustees

R:\TIF Reports\2012 TIF REPORT\2012 Mayors Cert - Waukegan TIF.docx

Richard T. Flickinger Municipal Center
6101 Capulina Avenue • Morton Grove, Illinois 60053-2985
Tel: (847) 965-4100 Fax: (847) 965-4162





Village of Morton Grove

Finance Department
Direct Fax 847/663-3028

September 23, 2013

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, 2012
Waukegan Road 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, 2012, and ending December 31, 2012, and have reviewed information provided to me by the Village's administration and staff pertaining to the Waukegan Road 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

R:\TIF Reports\2012 TIF REPORT\2012 Legal Opinion - Waukegan TIF.docx

Richard T. Flickinger Municipal Center
6101 Capulina Avenue • Morton Grove, Illinois 60053-2985
Tel: (847) 965-4100 Fax: (847) 965-4162



Recycled Paper

Attachment K and L For special tax allocation funds that have experienced cumulated 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.

Relevant portions of the Village's audit and compliance letter are attached as Exhibit A.

EXHIBIT A



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

REPORT OF INDEPENDENT ACCOUNTANT'S ON COMPLIANCE

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

We have examined management's assertion, included in its representation letter dated May 31, 2013 that the Village of Morton Grove, Illinois (the Village) 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 December 31, 2012. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village 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's 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's compliance with statutory requirements.

In our opinion, management's assertion that the Village of Morton Grove, Illinois complied with the aforementioned requirements for the year ended December 31, 2012 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Village President, the Board of Trustees and management of the Village, the Illinois State Comptroller's Office and the joint review boards. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
May 31, 2013

VILLAGE OF MORTON GROVE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2012

	General	Lehigh/Ferris TIF	Waukegan Road TIF	Debt Service	Capital Projects	Nonmajor	Total
ASSETS							
Cash and cash equivalents	\$ 1,586,131	\$ 1,295,807	\$ 62,275	\$ -	\$ 322,177	\$ 1,018,819	\$ 4,285,209
Investments	-	1,245,183	-	168,330	2,736,411	94,475	4,244,399
Receivables							
Property taxes	8,808,007	15,016	16,352	1,118,470	51,456	-	10,009,301
Sales tax	1,333,388	-	-	147,500	6,250	78,000	1,565,138
State income tax	460,312	-	-	-	-	-	460,312
Accrued interest	-	-	-	-	18,484	-	18,484
Accounts and allotments	846,351	-	-	-	-	137,579	983,930
Due from other governments	151,501	-	-	-	-	-	151,501
Due from other funds	983,376	-	-	-	-	-	983,376
Loan to developer	-	1,700,000	-	-	-	-	1,700,000
Advances to other funds	1,546,190	35,714	-	-	-	-	1,581,904
IRMA excess surplus reserve	630,657	-	-	-	-	-	630,657
IPBC terminal reserve	517,636	-	-	-	-	-	517,636
Prepaid expenses	103,495	-	-	-	-	-	103,495
Land held for resale	-	8,169,381	-	-	-	-	8,169,381
Total assets	16,967,044	12,461,101	78,627	1,434,300	3,134,778	1,328,873	35,404,723
DEFERRED OUTFLOWS OF RESOURCES							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 16,967,044	\$ 12,461,101	\$ 78,627	\$ 1,434,300	\$ 3,134,778	\$ 1,328,873	\$ 35,404,723

	General	Lehigh/Ferris TIF	Waukegan Road TIF	Debt Service	Capital Projects	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable and retainage payable	\$ 371,700	\$ 65,352	\$ -	\$ -	\$ 11,841	\$ 45,834	\$ 494,727
Accrued salaries and wages	460,313	-	-	-	-	-	460,313
Other payables	27,542	-	-	-	-	-	27,542
Unearned revenue	202,985	-	-	-	46,624	-	249,609
Deposits - refundable	263,330	-	-	-	-	-	263,330
Due to other funds	-	-	-	694,699	-	250,940	945,639
Due to fiduciary funds	1,389	-	-	-	-	-	1,389
Advances from other funds	-	-	1,468,930	-	-	112,974	1,581,904
Total liabilities	1,327,259	65,352	1,468,930	694,699	58,465	409,748	4,024,453
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property taxes	8,771,986	-	-	1,113,813	51,243	-	9,937,042
Total deferred inflows of resources	8,771,986	-	-	1,113,813	51,243	-	9,937,042
Total liabilities and deferred inflows of resources	10,099,245	65,352	1,468,930	1,808,512	109,708	409,748	13,961,495
FUND BALANCES							
Nonspendable							
Prepaid expenses	103,495	-	-	-	-	-	103,495
Advance to other funds	1,546,190	35,714	-	-	-	-	1,581,904
Restricted for							
Public safety	116,805	-	-	-	-	482,443	599,248
Capital improvements - unspent bond proceeds	-	-	-	-	2,481,828	-	2,481,828
Community development	-	12,360,035	-	-	-	-	12,360,035
Highways and streets	-	-	-	-	-	448,601	448,601
Specific property tax levies	7,357	-	-	-	-	-	7,357
Unrestricted							
Committed for commuter improvements	-	-	-	-	-	180,440	180,440
Assigned for capital improvements	-	-	-	-	543,242	-	543,242
Unassigned	5,093,952	-	(1,390,303)	(374,212)	-	(192,359)	3,137,078
Total fund balances	6,867,799	12,395,749	(1,390,303)	(374,212)	3,025,070	919,125	21,443,228
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 16,967,044	\$ 12,461,101	\$ 78,627	\$ 1,434,300	\$ 3,134,778	\$ 1,328,873	\$ 35,404,723

See accompanying notes to financial statements.

VILLAGE OF MORTON GROVE, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2012

	General	Lehigh/Ferris TIF	Waukegan Road TIF	Debt Service
REVENUES				
Taxes	\$ 19,669,421	\$ 2,282,139	\$ 581,843	\$ 1,687,273
Licenses and permits	1,472,977	-	-	-
Intergovernmental	353,191	-	-	81,610
Surcharges	-	-	-	-
Charges for services	805,325	-	-	-
Fines	609,450	-	-	-
Investment income	4,847	1,627	180	1,110
Cable TV franchise fees	322,937	-	-	-
Miscellaneous	206,598	29,377	-	-
Total revenues	23,444,746	2,313,143	582,023	1,769,993
EXPENDITURES				
Current				
General government	2,960,966	-	-	-
Public safety	16,559,777	-	-	-
Streets and sidewalks	2,261,284	-	-	-
Vehicle maintenance	816,073	-	-	-
Health and human services	263,187	-	-	-
Community development	105,595	35,846	428	-
Building and inspectional services	698,263	-	-	-
Debt service				
Principal retirement	-	270,000	609,965	1,770,022
Interest and fiscal charges	-	317,428	202,518	339,543
Capital outlay				
Capital projects	-	65,352	-	-
Total expenditures	23,665,145	688,626	812,911	2,109,565
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(220,399)	1,624,517	(230,888)	(339,572)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	(300,000)	-	-	300,000
Proceeds from sale of capital assets	77,800	-	-	-
Total other financing sources (uses)	(222,200)	-	-	300,000
NET CHANGE IN FUND BALANCES	(442,599)	1,624,517	(230,888)	(39,572)
FUND BALANCES (DEFICIT), JANUARY 1	7,310,398	10,771,232	(1,159,415)	(334,640)
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 6,867,799	\$ 12,395,749	\$ (1,390,303)	\$ (374,212)

VILLAGE OF MORTON GROVE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LEHIGH/FERRIS TAX INCREMENT FINANCING FUND

For the Year Ended December 31, 2012
(with prior year actual for 2011)

	2012		2011
	Original and Final Budget	Actual	Actual
REVENUES			
Property taxes	\$ 2,600,000	\$ 2,282,139	\$ 2,517,558
Investment income	5,000	1,627	1,900
Miscellaneous	-	29,377	-
Total revenues	2,605,000	2,313,143	2,519,458
EXPENDITURES			
Current			
Community development			
Personal services	47,400	-	-
Commodities	1,425	-	375
Contractual services	75,800	35,846	68,210
Debt service			
Principal retirement	270,000	270,000	3,130,000
Interest and fiscal charges	317,000	317,428	427,860
Capital outlay	3,300,000	65,352	622,362
Total expenditures	4,011,625	688,626	4,248,807
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,406,625)	1,624,517	(1,729,349)
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	2,000,000	-	-
Total other financing sources (uses)	2,000,000	-	-
NET CHANGE IN FUND BALANCE	\$ 593,375	1,624,517	(1,729,349)
FUND BALANCE, JANUARY 1		10,771,232	12,500,581
FUND BALANCE, DECEMBER 31		\$ 12,395,749	\$ 10,771,232

(See independent auditor's report.)

VILLAGE OF MORTON GROVE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WAUKEGAN ROAD TAX INCREMENT FINANCING FUND

For the Year Ended December 31, 2012
(with prior year actual for 2011)

	2012		2011
	Original and Final Budget	Actual	Actual
REVENUES			
Property taxes	\$ 815,000	\$ 581,843	\$ 735,100
Investment income	750	180	185
Total revenues	815,750	582,023	735,285
EXPENDITURES			
Current			
Community development			
Professional services	25,000	428	1,948
Commodities	900,000	-	-
Debt service			
Principal	609,966	609,965	576,754
Interest and fiscal charges	202,519	202,518	222,354
Capital outlay	350,000	-	14,457
Total expenditures	2,087,485	812,911	815,513
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,271,735)	(230,888)	(80,228)
OTHER FINANCING SOURCES (USES)			
Transfer (out)	(40,000)	-	-
Total other financing sources (uses)	(40,000)	-	-
NET CHANGE IN FUND BALANCE	<u>\$ (1,311,735)</u>	(230,888)	(80,228)
FUND BALANCE (DEFICIT), JANUARY 1		(1,159,415)	(1,079,187)
FUND BALANCE (DEFICIT), DECEMBER 31		<u>\$ (1,390,303)</u>	<u>\$ (1,159,415)</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specific purposes. Six individual funds are reported within the Special Revenue Funds as follows:

Motor Fuel Tax Fund - accounts for monies received from the state levied tax on the sale of fuels and the expenditures for capitalized construction, improvements or general maintenance to the Village roadway system.

Commuter Parking Facility Fund - accounts for the cost of major improvements and general maintenance to the commuter parking facility on Lehigh Avenue. Revenues are primarily received from the daily parking fee imposed on the users of the facility.

9-1-1 Emergency Telephone System Fund - accounts for telephone surcharge fees collected for the 9-1-1 emergency telephone system. The funds are to be disbursed for the purchase and subsequent maintenance of that system.

Economic Development Fund - accounts for expenditures related to promoting economic development throughout the Village. The fund also accounts for non-TIF redevelopment costs including those that support an existing TIF but whose redevelopment is not directly within a TIF established district.

Fire Alarm Fund - accounts for expenditures related to fire alarm costs for the Regional Emergency Dispatch Center. The funds are to be disbursed for the purchase and subsequent maintenance of fire alarms.

Seizure Fund - accounts for expenditures related to public safety. Revenues are primarily received from the seizure of assets within the Village limits.

Dempster/Waukegan TIF Fund - accounts for expenditures related to promoting economic redevelopment in the Prairie View Shopping Center within the Dempster/Waukegan TIF District.

VILLAGE OF MORTON GROVE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2012

	Special Revenue Funds		
	Motor Fuel Tax	Commuter Parking Facility	9-1-1 Emergency Telephone System
ASSETS			
Cash and cash equivalents	\$ 408,990	\$ 180,665	\$ 112,235
Investments	-	-	-
Sales tax receivable	-	-	-
Accounts, miscellaneous and allotments receivable	48,169	-	56,334
TOTAL ASSETS	\$ 457,159	\$ 180,665	\$ 168,569
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and retainage payable	\$ 8,558	\$ 225	\$ 3,055
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total liabilities	8,558	225	3,055
FUND BALANCES			
Restricted for			
Public safety	-	-	165,514
Highways and streets	448,601	-	-
Unrestricted			
Committed for commuter improvements	-	180,440	-
Unassigned - deficit	-	-	-
Total fund balances	448,601	180,440	165,514
TOTAL LIABILITIES AND FUND BALANCES	\$ 457,159	\$ 180,665	\$ 168,569

Special Revenue Funds				
Economic Development	Fire Alarm	Seizure	Dempster/ Waukegan TIF	Total
\$ -	\$ -	\$ 316,929	\$ -	\$ 1,018,819
94,475	-	-	-	94,475
78,000	-	-	-	78,000
33,076	-	-	-	137,579
<u>\$ 205,551</u>	<u>\$ -</u>	<u>\$ 316,929</u>	<u>\$ -</u>	<u>\$ 1,328,873</u>
\$ 23,505	\$ 10,491	\$ -	\$ -	\$ 45,834
248,725	2,215	-	-	250,940
-	-	-	112,974	112,974
<u>272,230</u>	<u>12,706</u>	<u>-</u>	<u>112,974</u>	<u>409,748</u>
-	-	316,929	-	482,443
-	-	-	-	448,601
-	-	-	-	180,440
(66,679)	(12,706)	-	(112,974)	(192,359)
<u>(66,679)</u>	<u>(12,706)</u>	<u>316,929</u>	<u>(112,974)</u>	<u>919,125</u>
<u>\$ 205,551</u>	<u>\$ -</u>	<u>\$ 316,929</u>	<u>\$ -</u>	<u>\$ 1,328,873</u>

(See independent auditor's report.)

VILLAGE OF MORTON GROVE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2012

	Special Revenue Funds		
	Motor Fuel Tax	Commuter Parking Facility	9-1-1 Emergency Telephone System
REVENUES			
Sales taxes	\$ -	\$ -	\$ -
Intergovernmental	718,514	-	-
Surcharge fees	-	-	273,226
Charges for services	-	135,454	-
Investment income	272	521	241
Total revenues	718,786	135,975	273,467
EXPENDITURES			
Current			
Public safety	-	-	259,563
Streets and sidewalks	568,153	144,649	-
Community development	-	-	-
Capital outlay	-	-	-
Total expenditures	568,153	144,649	259,563
NET CHANGE IN FUND BALANCES	150,633	(8,674)	13,904
FUND BALANCES, JANUARY 1	297,968	189,114	151,610
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 448,601	\$ 180,440	\$ 165,514

Special Revenue Funds				
Economic Development	Fire Alarm	Seizure	Dempster/ Waukegan TIF	Total
\$ 312,000	\$ -	\$ -	\$ -	\$ 312,000
-	-	90,251	-	808,765
-	-	-	-	273,226
-	127,200	-	-	262,654
356	-	406	-	1,796
312,356	127,200	90,657	-	1,658,441
-	21,546	405	-	281,514
-	-	-	-	712,802
512,145	-	-	112,974	625,119
-	199,458	-	-	199,458
512,145	221,004	405	112,974	1,818,893
(199,789)	(93,804)	90,252	(112,974)	(160,452)
133,110	81,098	226,677	-	1,079,577
\$ (66,679)	\$ (12,706)	\$ 316,929	\$ (112,974)	\$ 919,125

(See independent auditor's report.)