

FY 2021  
ANNUAL TAX INCREMENT FINANCE  
REPORT

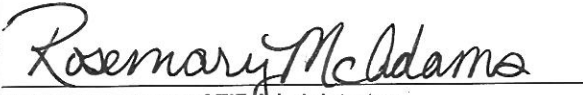


STATE OF ILLINOIS  
COMPTROLLER  
SUSANA A. MENDOZA

Name of Municipality: River Forest Reporting Fiscal Year: 2021  
 County: Cook Fiscal Year End: 4/30/2021  
 Unit Code: 016/480/32

**FY 2021 TIF Administrator Contact Information**

First Name: Rosemary Last Name: McAdams  
 Address: 400 Park Avenue Title: Finance Director  
 Telephone: 708-366-8500 City: River Forest Zip: 60305  
 E-mail-  
 required rmcadams@vrf.us

I attest to the best of my knowledge, that this FY 2021 report of the redevelopment project area(s)  
 in the City/Village of: River Forest  
 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 10-21-2021

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		
Name of Redevelopment Project Area	Date Designated MM/DD/YYYY	Date Terminated MM/DD/YYYY
Madison Street TIF	11/28/2016	

\*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 2021**

Name of Redevelopment Project Area (below):	<b>Madison Street TIF</b>
<b>Primary Use of Redevelopment Project Area*:</b>	
* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.	
Commercial retail residential, institutional <b>If "Combination/Mixed" List Component Types:</b>	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act <span style="float: right;"><u>X</u></span> Industrial Jobs Recovery Law <span style="float: right;"><u>        </u></span>	

**Please utilize the information below to properly label the Attachments.**

	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)] <b>If yes, please enclose the amendment (labeled Attachment A).</b>	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)] <b>Please enclose the CEO Certification (labeled Attachment B).</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)] <b>Please enclose the Legal Counsel Opinion (labeled Attachment C).</b>		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)] <b>If yes, please enclose the Activities Statement (labeled Attachment D).</b>		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)] <b>If yes, please enclose the Agreement(s) (labeled Attachment E).</b>	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)] <b>If yes, please enclose the Additional Information (labeled Attachment F).</b>	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)] <b>If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).</b>	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)] <b>If yes, please enclose the Joint Review Board Report (labeled Attachment H).</b>	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)] <b>If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).</b>	X	
An 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)] <b>If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).</b>	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) <b>If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).</b>		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)] <b>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).</b>		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)] <b>If yes, please enclose the list only, not actual agreements (labeled Attachment M).</b>		X

**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 2021**

**Madison Street TIF**

Special Tax Allocation Fund Balance at Beginning of Reporting Period     \$ (160,425)

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	\$ 370,793	\$ 640,652	96%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 448	\$ 4,763	1%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
		\$ 25,000	4%

**All Amount Deposited in Special Tax Allocation Fund**     \$ 371,241

**Cumulative Total Revenues/Cash Receipts**     \$ 670,415     100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)**     \$ 85,185

**Transfers to Municipal Sources**     \$ -

**Distribution of Surplus**     \$ -

**Total Expenditures/Disbursements**     \$ 85,185

**Net/Income/Cash Receipts Over/(Under) Cash Disbursements**     \$ 286,056

**Previous Year Adjustment (Explain Below)**     \$ -

**FUND BALANCE, END OF REPORTING PERIOD\***     \$ 125,631

\* 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 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.		
		\$ -

<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ 85,185</b>
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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 2021

TIF NAME:

Madison Street TIF

FUND BALANCE BY SOURCE

\$ 125,631

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

1. Description of Debt Obligations

Amount of Original Issuance	Amount Designated

Total Amount Designated for Obligations \$ - \$ -

2. Description of Project Costs to be Paid

Amount of Original Issuance	Amount Designated
General Fund Loans Advances	\$ 2,023,000

Total Amount Designated for Project Costs \$ 2,023,000

TOTAL AMOUNT DESIGNATED \$ 2,023,000

SURPLUS/(DEFICIT) \$ (1,897,369)



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

**FY 2021**

**TIF NAME:**

**Madison Street TIF**

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:	

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:	

Property (8):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

**SECTION 5 - 20 ILCS 620/4.7 (7)(F)**

**FY 2021**

**TIF Name: Madison Street TIF**

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':**

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

LIST <b>ALL</b> projects undertaken by the Municipality Within the Redevelopment Project Area:			
<b>TOTAL:</b>	<b>11/1/99 to Date</b>	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Total Estimated to Complete Project</b>
Private Investment Undertaken (See Instructions)	\$ 58,299	\$ -	\$ -
Public Investment Undertaken	\$ 58,299	\$ -	\$ -
Ratio of Private/Public Investment	1		0

\*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

**Project 1\*: Madison Street Skincare**

Private Investment Undertaken (See Instructions)	\$ 36,250		
Public Investment Undertaken	\$ 36,250	\$ -	\$ -
Ratio of Private/Public Investment	1		0

**Project 2\*: In and Out Fitness**

Private Investment Undertaken (See Instructions)	\$ 22,049		
Public Investment Undertaken	\$ 22,049	\$ -	\$ -
Ratio of Private/Public Investment	1		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 2021

**TIF NAME:** Madison Street TIF

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
2016	\$ 9,605,600	\$ 16,562,480

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

X 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	



# RIVER FOREST

*Proud Heritage • Bright Future*

Village President  
Catherine Adduci

Village Clerk  
Jonathan Keller

Village Trustees  
Kathleen Brennan  
Erika Bachner  
Lisa Gillis  
Kenneth Johnson  
Robert O'Connell  
Respicio F. Vazquez

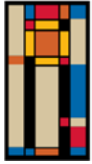
## Attachment B Madison Street TIF District

I, Catherine Adduci, the duly elected Village President of the Village of River Forest, County of Cook, State of Illinois, do hereby certify that to the best of my knowledge, the Village of River Forest complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year Beginning May 1, 2020 and ending April 30, 2021

\_\_\_\_\_  
Village President

10/25/21

\_\_\_\_\_  
DATE



# RIVER FOREST

*Proud Heritage • Bright Future*

**Attachment C**

**October 21, 2021**

**RE: Attorney Review Village of River Forest Madison Street TIF District**

**Village President**  
Catherine Adduci

**Village Clerk**  
Jonathan Keller

**Village Trustees**  
Kathleen Brennan  
Erika Bachner  
Lisa Gillis  
Kenneth Johnson  
Robert O'Connell  
Respicio F. Vazquez

To Whom It May Concern:

This will confirm that I am the Village Attorney for the Village of River Forest, Illinois. I have reviewed all information provided to me by the Village staff and consultants, and to the best of my knowledge, the Village has conformed to all applicable requirements of the Illinois Tax Incremental Redevelopment Allocation Act set forth thereunder for the fiscal year Beginning May 1, 2020 and ending April 30, 2021, to the best of my knowledge and belief.

Sincerely,

Village Attorney

**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 Madison Street TIF District was designated in 2016. The Village has purchased property within the TIF for further development and is evaluating additional strategies and redevelopment activities.

# **Village of River Forest, Illinois**

Madison Street TIF District Fund

Report on Compliance With Public Act 85-1142

April 30, 2021



**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**April 30, 2021**

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**Independent Auditor's Report  
on Compliance**

## **Independent Auditor's Report**

## Independent Auditor's Report

The Honorable Village President  
Members of the Board of Trustees  
Village of River Forest, Illinois

We have audited the accompanying basic financial statements of the Madison Street TIF District Fund, a capital projects fund of the Village of River Forest, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Madison Street TIF District Fund, a capital projects fund of the Village of River

The Honorable Village President  
Members of the Board of Trustees  
Village of River Forest, Illinois  
Page 3

Forest, Illinois, as of April 30, 2021, and the changes in its fund balance for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the Madison Street TIF District Fund and do not purport to, and do not, present fairly the financial position of the Village of River Forest, Illinois, as of April 30, 2021, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information (information) (schedule of fund balance by source for the Madison Street TIF District Fund) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2021, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

**BKD, LLP**

Oakbrook Terrace, Illinois  
October 18, 2021

## **Financial Statements**

**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Balance Sheet**  
**April 30, 2021**

**Assets**

Cash and cash equivalents	\$ 384,088
Land held for resale	<u>1,769,658</u>
Total assets	<u><u>\$ 2,153,746</u></u>

**Liabilities and Fund Balance**

**Liabilities**

Accounts payable	\$ 5,115
Due to other funds	150,000
Advances from other funds	<u>1,873,000</u>
Total liabilities	2,028,115

**Fund Balance**

Restricted for economic development	<u>125,631</u>
Total liabilities and fund balance	<u><u>\$ 2,153,746</u></u>

**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Year Ended April 30, 2021**

<b>Revenues</b>		
Property taxes	\$	370,793
Investment income		448
Total revenues		<u>371,241</u>
<b>Expenditures</b>		
Current		
General government		31,243
Debt service		
Interest and fiscal charges		<u>53,942</u>
Total expenditures		<u>85,185</u>
<b>Net Change in Fund Balance</b>		286,056
<b>Fund Balance</b>		
May 1, 2020		<u>(160,425)</u>
June 30, 2021	\$	<u><u>125,631</u></u>

**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Notes to Financial Statements**  
**April 30, 2021**

**Note 1: Summary of Significant Accounting Policies**

The financial statements of the Madison Street TIF District Fund of the Village of River Forest, Illinois (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The financial statements present only the Madison Street TIF District Fund and does not present fairly the financial position of the Village. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

***Reporting Entity***

The Madison Street TIF District Fund (Fund) was established to account for transactions related to the Redevelopment Plan and Redevelopment Project within the municipal boundaries established by Village ordinance.

***Fund Accounting***

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The Fund is classified as a Governmental Capital Projects Fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The modified accrual basis of accounting is used by governmental funds. The main revenue source included in the fund is incremental revenues from the designated TIF area. Governmental funds are used to account for the Village's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (*i.e.*, when they are measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after year end.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.



**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Notes to Financial Statements**  
**April 30, 2021**

***Land Held for Sale***

Land held for sale is recorded at the lower of cost or fair market value as of the balance sheet date.

***Property Taxes***

Property taxes for 2020 attach as an enforceable lien on January 1, 2020. Taxes are levied by December 2020, by passage of a Tax Levy Ordinance for collection in the subsequent calendar year. Tax bills are payable in two installments on or about March 1 and August 1, 2021. The County collects such taxes and remits them periodically. The Village deferred recognition of the second installment of the 2020 property tax levy due to the second installment being intended to fund the next fiscal year's operations.

***Fund Balance***

There are five classifications of fund balances of governmental funds:

- (1) Nonspendable – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- (2) Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Committed – amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority. The Village Board is the highest level of decision-making authority for the Village that can, by adoption of ordinance prior to the end of the year, commit fund balance. Once adopted, the limitation remains in place until a similar action is taken (adoption of another ordinance) to remove or revise the limitation.
- (4) Assigned – amounts the Village intends to use for specific purposes as determined by the Village Board. It is assumed that creation of a fund automatically assigns fund balance.
- (5) Unassigned – Includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Net position/fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available

**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Notes to Financial Statements**  
**April 30, 2021**

for spending, the Village considers committed funds to be expended first followed by assigned and the unassigned funds.

***Interfund Transactions***

Interfund services provided and used are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund, and as reductions of expenditures in the fund that is reimbursed. Advances to other funds in lender funds and advances from other funds in borrower funds represent long-term borrowings.

**Note 2: Cash and Investments**

The Village's investment policy is to establish cash management and investment guidelines for the Village officials responsible for the stewardship of public funds. The Village has established specific objectives to meet these guidelines. The Village's investment policy is more restrictive than Illinois State Statutes. The Village is authorized to make deposits in any credit union or bank, as defined by the *Illinois Banking Act*, and make investments in obligations guaranteed by the full faith and credit of the United States of America, similar obligations of agencies of the United States of America, certain money market mutual funds, the Illinois Metropolitan Investment Fund and the Illinois Funds.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC and has an affirmed AAAM Standard & Poor's credit quality rating. The fair value of the positions of this pool is the same as the value of the pool shares. The yield on the Illinois Funds Money Market Fund was .040% at April 30, 2021. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

***Deposits With Financial Institutions***

In the case of deposits, this is the risk that, in the event of a bank failure, the Village's deposits may not be returned. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of April 30, 2021, the Village's deposits with financial institutions were not exposed to custodial credit risk because they were insured and collateralized.

**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Notes to Financial Statements**  
**April 30, 2021**

**Note 3: Interfund Transactions**

***Due From/to Other Funds***

The \$150,000 due to/from between the General Fund and the Madison Street TIF Fund is due to the General Fund loaning money to the TIF for startup costs and the purchase of property in the TIF District.

***Advances From/to Other Funds***

The \$1,873,000 advance from/to between the General Fund and the Madison Street TIF Fund represents money the General Fund loaned to the TIF for the purchase of property in the TIF district. Interest accrues at a per annum rate equal to the ten highest year municipal bond benchmark rate during the prior year calendar year. The advance is to be paid back along with interest from time to time from TIF revenues generated by the TIF district.

## **Supplementary Information**

**Village of River Forest, Illinois**  
**Madison Street TIF District Fund**  
**Schedule of Fund Balance by Source**  
**Year Ended April 30, 2021**

<b>Beginning Balance, May 1</b>	<u>\$ (160,425)</u>
Deposits	
Property tax	370,793
Investment income	448
Total deposits	<u>371,241</u>
Balance plus deposits	<u>210,816</u>
Expenditures	
General government	31,243
Debt service	
Principal retirement	
Interest and fiscal charges	53,942
Total expenditures	<u>85,185</u>
<b>Ending Balance, April 30</b>	<u><u>\$ 125,631</u></u>
<b>Ending Balance by Source</b>	
Property tax	\$ 125,631
Less surplus funds	<u>-</u>
<b>Ending Balance, April 30</b>	<u><u>\$ 125,631</u></u>

**Independent Auditor's Report  
on Compliance With Public Act 85-1142**

The Honorable Village President  
Members of the Board of Trustees  
Village of River Forest, Illinois

We have audited the basic financial statements of the Village of River Forest, Illinois, as of and for the year ended April 30, 2021, and have issued our report thereon, dated October 18, 2021.

We have also audited the Village's compliance 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) for its Madison Street TIF District. The management of the Village of River Forest, Illinois, is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

Our responsibility is to express an opinion on compliance with those requirements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Village complied in all material respects with the requirements referred to above. An audit includes examining, on a test basis, evidence about the Village of River Forest, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Village of River Forest, Illinois, complied, in all material respects, 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) for its Madison Street TIF District.

*BKD, LLP*

Oakbrook Terrace, Illinois  
October 18, 2021

